



茂宸集團控股有限公司

MASON GROUP HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)
(於香港註冊成立之有限公司)

Stock Code: 273
股份代號: 273



2018

Annual Report
年度報告

2017 INTERIM REPORT

Contents

目錄

Corporate Information	公司資料	2
Corporate Milestone	企業里程碑	4
Awards and Honours	獎項及榮譽	8
Chairman's Statement	主席報告	9
Management Discussion and Analysis	管理層討論及分析	12
Biographies of Directors	董事簡歷	34
Directors' Report	董事會報告	41
Corporate Governance Report	企業管治報告	64
Environmental, Social and Governance Report	環境、社會及管治報告	90
Independent Auditor's Report	獨立核數師報告	121
Consolidated Statement of Comprehensive Income	綜合全面收益表	131
Consolidated Statement of Financial Position	綜合財務狀況表	133
Consolidated Statement of Changes in Equity	綜合權益變動表	135
Consolidated Statement of Cash Flows	綜合現金流轉表	137
Notes to the Financial Statements	財務報表附註	140
Summary of Financial Information	財務資料摘要	343

CORPORATE INFORMATION

公司資料

DIRECTORS

Executive Directors

Mr. Ko Po Ming (*Chairman and Chief Executive Officer*)

Mr. Chang Tat Joel

Ms. Lui Choi Yiu, Angela

Ms. Fu Yau Ching, Shirley

Mr. Cao Lu

Non-executive Director

Ms. Hui Mei Mei, Carol

Independent non-executive Directors

Mr. Tian Ren Can

Ms. Kan Lai Kuen, Alice

Mr. Chen Wai Chung, Edmund

Mr. Wang Cong

AUDIT COMMITTEE

Mr. Chen Wai Chung, Edmund (*chairman*)

Mr. Tian Ren Can

Ms. Kan Lai Kuen, Alice

Mr. Wang Cong

REMUNERATION COMMITTEE

Ms. Kan Lai Kuen, Alice (*chairman*)

Mr. Chang Tat Joel

Ms. Hui Mei Mei, Carol

Mr. Tian Ren Can

Mr. Chen Wai Chung, Edmund

Mr. Wang Cong

NOMINATION COMMITTEE

Mr. Ko Po Ming (*chairman*)

Ms. Hui Mei Mei, Carol

Mr. Tian Ren Can

Ms. Kan Lai Kuen, Alice

Mr. Chen Wai Chung, Edmund

Mr. Wang Cong

COMPANY SECRETARY

Ms. Lui Choi Yiu, Angela

AUTHORISED REPRESENTATIVES

Mr. Chang Tat Joel

Ms. Lui Choi Yiu, Angela

董事

執行董事

高寶明先生 (*主席兼行政總裁*)

鄭達祖先生

雷彩姚女士

符又澄女士

曹路先生

非執行董事

許薇薇女士

獨立非執行董事

田仁燦先生

簡麗娟女士

陳煒聰先生

王聰先生

審核委員會

陳煒聰先生 (*主席*)

田仁燦先生

簡麗娟女士

王聰先生

薪酬委員會

簡麗娟女士 (*主席*)

鄭達祖先生

許薇薇女士

田仁燦先生

陳煒聰先生

王聰先生

提名委員會

高寶明先生 (*主席*)

許薇薇女士

田仁燦先生

簡麗娟女士

陳煒聰先生

王聰先生

公司秘書

雷彩姚女士

授權代表

鄭達祖先生

雷彩姚女士

CORPORATE INFORMATION

公司資料

AUDITOR

BDO Limited
Certified Public Accountants

核數師

香港立信德豪會計師事務所有限公司
執業會計師

REGISTERED AND PRINCIPAL OFFICE

19/F, Lee Garden Three
1 Sunning Road
Causeway Bay
Hong Kong

註冊及主要辦事處

香港
銅鑼灣
新寧道1號
利園三期19樓

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
DBS Bank (Hong Kong) Limited
Standard Chartered PLC
Hang Seng Bank Limited
Chiyu Banking Corporation Limited

主要往來銀行

香港上海滙豐銀行有限公司
星展銀行(香港)有限公司
渣打集團有限公司
恒生銀行有限公司
集友銀行有限公司

SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Transfer Office
Shops 1712-1716
17/F, Hopewell Centre
183 Queen's Road East
Hong Kong

股份註冊及過戶處

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

Investor Centre

17M Floor, Hopewell Centre
183 Queen's Road East
Hong Kong

投資者服務中心

香港
皇后大道東183號
合和中心17M樓

WEBSITE

<http://www.masonhk.com>

網址

<http://www.masonhk.com>

INVESTOR RELATIONS CONTACT

Email: corpcom@masonhk.com

投資者關係聯絡

電郵: corpcom@masonhk.com

WeChat 微信
QR Code:



CORPORATE MILESTONE 企業里程碑

Mr. Ko Po Ming and Mr. Chang Tat Joel were appointed as the CEO and the COO of the Group respectively and a new growth strategy was established.

高寶明先生和鄭達祖先生分別獲委任為本集團行政總裁及營運總監，領導確立全新戰略目標。

2016
September
9月



Introduction of Mr. Hui Wing Mau as the Group's strategic investor.

引入知名企業家許榮茂先生成為戰略投資者。

2016
November
11月

The Group completed the acquisition of Reproductive Healthcare Group Limited, a leading private assisted reproductive service provider in Hong Kong.

本集團完成收購香港領先的私人輔助生殖服務供應商寶德醫務集團有限公司。



CORPORATE MILESTONE 企業里程碑

2016
December
12月



The Group completed the acquisition of Aiyingdao Zhuhai Business Chain Limited, the franchisor of a leading franchise in mother-infant-children products retail business in Southern China.

本集團完成收購中國華南地區領先的母嬰童產品零售業務特許運營商珠海市愛嬰島商貿連鎖有限公司。

2017
March
3月

The Group completed the acquisition of 42.87% interest in Pangen Inc (formerly known as DiagCor Technology Limited), a leading molecular diagnostics company in Hong Kong.

本集團完成收購香港領先的分子診斷公司新亞生物科技有限公司(前稱：達雅高科技有限公司)之42.87%權益。



PANGENIA

A step ahead for healthcare

2017
July
7月



Change of company name from "Mason Financial Holdings Limited" to "Mason Group Holdings Limited". 公司名稱由「民信金控有限公司」更改為「茂宸集團控股有限公司」。

CORPORATE MILESTONE

企業里程碑

2017
September
9月



The Group completed the acquisition of Blend and Pack Pty. Ltd., a major infant formula manufacturer in Australia.

本集團完成收購澳洲主要嬰幼兒配方奶粉製造商 Blend and Pack Pty. Ltd.。

2018
March
3月

The Group completed the acquisition of Raiffeisen Privatbank Liechtenstein AG, a private bank in Liechtenstein.

本集團完成收購總部設於列支敦士登的私人銀行 Raiffeisen Privatbank Liechtenstein AG。



RAIFFEISEN
PRIVATBANK
Liechtenstein

2018
May
5月



The Group completed the acquisition of Harris Fraser Group, which is engaged in the provision of wealth management services.

本集團完成收購提供財富管理服務的晉裕集團。

CORPORATE MILESTONE

企業里程碑

2018
June
6月

The Group completed the merger of Reproductive Healthcare Group Limited and The Women's Clinic Group Limited and established Asia's leading IVF medical group.

本集團完成寶德醫務集團有限公司與The Women's Clinic Group Limited的合併，並成立亞洲領先的輔助生殖醫療集團。



Introduction of We Doctor Holdings Limited as a strategic investor in the Group's IVF medical platform. 引入微醫控股有限公司作為本集團輔助生殖醫療平台的戰略投資者。

2018
October
10月



Introduction of NWS Holdings Limited (659.HK) as a strategic investor of Mason Healthcare Group Limited. 引入新創建集團有限公司(659.HK)作為茂宸醫療集團有限公司的戰略投資者。

2018
December
12月

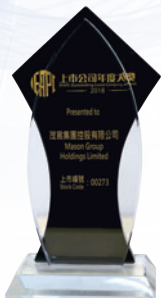
Completed an investment in Genea Limited, one of the world's leading fertility groups.

完成投資全球領先輔助生殖服務集團之一的 Genea Limited。



AWARDS AND HONOURS

獎項及榮譽



IFAPC Outstanding Listed Company Award 2018
 香港股票分析師協會 - 上市公司年度大獎 2018



2018 Listed Companies Distinguished Awards
 2018 卓越上市公司



Metro Awards for Banking & Finance Corporations 2018 - Best MA Financing Award
 銀行及金融服務企業獎 2018 - 最佳併購融資大獎



Hong Kong Corporate Governance Excellence Awards 2018
 香港公司管治卓越獎 2018



Mirror Post – The 7th Outstanding Corporate Social Responsibility Award
 鏡報 - 第七屆傑出企業社會責任獎



Hong Kong Star Brand 2018 – Enterprise Award
 香港星級品牌 2018 - 企業獎

CHAIRMAN'S STATEMENT

主席報告

Your Health and Wealth Solutions Partner

您的健康及 財富管理夥伴



On behalf of the board of directors (the “**Board**”) of Mason Group Holdings Limited (the “**Company**”), I am pleased to present to our shareholders the consolidated results and prospects of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2018 (the “**Year**”).

EXPANSION ON A GLOBAL SCALE

2018 was a banner year for the Group. We have achieved a turnaround in our performance during the Year, made possible by our continuing efforts devoted to the healthcare as well as the financial business segments. The implementation of our two-pronged development strategy of “Health + Wealth” and the enrichment of our business portfolio have reaped gratifying rewards. The expansion of our geographical presence beyond Asia has in turn ushered in a new era in our development. We are en route to cementing our position as the leading global “Health and Wealth Solutions Partner”.

Having laid the groundwork to capitalize on the immense opportunities in the Greater Bay Area, we set our sights on extending our reach in the Asia-Pacific region. Our endeavors to expand on a global scale have seen an extension of our footprint in Europe and Australia in 2018. At the same time, we have strengthened our foothold in Hong Kong and Mainland China, and introduced strategic partners, We Doctor Holdings Limited and NWS Holdings Limited to our healthcare platform.

本人謹代表茂宸集團控股有限公司(「本公司」)董事會(「董事會」)向股東欣然呈報本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止年度(「本年度」)的綜合業績及展望。

全球性擴展

二零一八年對於本集團而言是豐盛的一年。我們在健康醫療及金融業務分部的持續努力令本集團得以在年內轉虧為盈，憑藉「大健康+金融」的發展策略及越趨豐富的業務組合，取得令人欣喜的成果。在地域上，我們已擴展至亞洲以外地區，引領本集團的發展邁向新紀元。我們正朝著全球領先「健康及財富管理夥伴」的定位進發。

繼打穩根基以捕捉大灣區的龐大機遇後，我們放眼於亞太地區。二零一八年我們已將足跡伸延至歐洲及澳洲，足證我們致力全球性擴展的決心。與此同時，我們也加強了香港及中國的據點，並為本集團旗下健康醫療平台引入微醫控股有限公司及新創建集團有限公司為戰略合作夥伴。

CHAIRMAN'S STATEMENT

主席報告

The establishment of our healthcare ecosystem has progressed in leaps and bounds during the Year. With a focus on the growth potential of and booming demand for the reproductive sciences, we consolidated the in vitro fertilization (“**IVF**”) market in Hong Kong in July 2018, through the merger of our subsidiary, Reproductive Healthcare Group Limited, with the newly acquired The HK Women's Clinic Group Limited to form the Reproductive Healthcare Group in July 2018. It brought together two renowned pioneering practitioners in the field to create a platform that wields influence across Asia. In addition, we invested in Genea Limited (“**Genea**”), a global leading fertility group offering a comprehensive range of assisted reproductive services and innovative technologies in assisted reproduction. Valuable synergy is expected to be generated from Reproductive Healthcare Group and Genea to the Group's healthcare division, bringing us closer to realizing our vision of creating an Asian hub for the best and most advanced IVF services to meet the high demand for assisted reproductive services in the region.

Concurrently, our financial services platform has likewise evolved, specifically with the acquisition of Raiffeisen Privatbank Liechtenstein AG (“**RPL**”), a European private bank and Harris Fraser Group Limited, Harris Fraser (Hong Kong) Limited and Halena Co. Ltd. (“**HFG Group**”), an Asia-based wealth management company during the Year. The integration of RPL and HFG Group into the Group has helped to reshape our financial services platform and the shift of business emphasis to wealth management is particularly apt at this juncture when the global economy is cloaked in uncertainty due to rising trade protectionism and geopolitical tensions.

Our healthy performance and visible turnaround during the Year have given proof to our strategic acumen: the Group's revenue surged by 20.91% to approximately HK\$3,507 million and profit climbed to approximately HK\$176 million, and I am delighted to report that most business segments have recorded positive gains.

As indicated in my last report in our Interim Results, the Group is on course to scale up its total asset under management (“**AUM**”) through acquisitions and organic growth to US\$30 billion by 2022, and I would like to state with satisfaction that we have successfully accrued a total AUM of US\$1.1 billion during the Year.

FORGING AHEAD WITH CONVICTION AND CAUTION

While we forge ahead with conviction towards fulfilling the vision of growing into a premier global provider of healthcare and financial solutions, we will exercise caution in view of the uncertainties in the global trade landscape.

於本年度，本集團的健康醫療生態圈建設一日千里。我們聚焦於潛力龐大而且需求殷切的輔助生殖科學，於二零一八年七月透過我們的附屬公司寶德醫務有限公司與新收購的The HK Women's Clinic Group Limited合併，整合香港的輔助生殖（「**輔助生殖**」）市場，從而於二零一八年七月創立寶德醫務集團。其締結兩大行業權威，創立影響力遍及亞洲的平台。此外，本集團投資全球領先輔助生殖服務集團Genea Limited（「**Genea**」），以提供全面的輔助生殖服務及輔助生殖創新技術。預期寶德醫務集團及Genea將為本集團旗下的健康醫療平台帶來寶貴的協同效應，進一步實現我們建立亞洲輔助生殖樞紐的願景，提供最佳及最先進的輔助生殖服務，以滿足區內對輔助生殖的強大需求。

與此同時，本集團旗下的金融服務平台尤其是本年度收購歐洲私人銀行Raiffeisen Privatbank Liechtenstein AG（「**RPL**」）及亞洲財富管理公司晉裕集團有限公司、晉裕理財有限公司及Halena Co. Ltd.（「**晉裕集團**」）後取得長足的發展。整合RPL及晉裕集團至本集團，有助重塑本集團的金融服務平台，把業務重點轉移至財富管理。在環球經濟正被貿易保護主義及緊張的地緣政局等不明朗因素籠罩下，這個轉移來得正合時宜。

本集團本年度業績穩健及顯著轉虧為盈，成績有目共睹，是精明決策的鐵證：本集團的營業額攀升20.91%至約35.07億港元，溢利上升至約1.76億港元，同時本人亦欣然宣佈，本集團大部份業務分部皆錄得正面收益。

誠如本人於中期業績報告所述，本集團將透過併購及自身增長，致力於二零二二年把資產管理（「**資產管理規模**」）總值增加至300億美元，現時正按規劃前行。本人欣然公佈，本集團已於年內達至11億美元的資產管理規模。

堅毅奮進 審慎前行

在我們向成為全球領先健康醫療及金融解決方案服務供應商的願景邁進之時，鑑於環球貿易環境的不明朗局勢，我們將審慎行事。

CHAIRMAN'S STATEMENT

主席報告

As such, for the Group's financial services business, we will reinforce our commitment to serving our customers in the preservation and management of wealth, and, on the other hand, to the management of risks, drawing on our extensive experience in this area to refrain from high risk endeavors. Furthermore and will deploy additional resources to the development of our wealth and asset management business and will continue to explore investment opportunities in the related sector in the Asia Pacific to strengthen our presence in the region and elevate our capabilities. Despite growing anxiety over the global capital markets, we are confident in our progress and business acumen, and believe that the Group will be able to withstand the predicted economic downturn.

For the Group's healthcare business, we will continue our efforts in exploiting the growth potential of the Greater Bay Area, in addition to seizing opportunities from the closer economic ties between countries along the "21st century Silk Road" as a result of China's "Belt and Road initiative". Our work in consolidating the reproductive healthcare supply chain under the Group will serve as a solid foundation on which we can build a strong future in expanding our competencies into different facets of health services. We have taken a step forward by investing in a health check center providing medical examination and physical check-ups in Hong Kong. We stand ready for the expansion of our healthcare platform through organic growth and strategic investments, particularly in Asia.

The encouraging results the Group achieved in 2018 was a testament to the merit of the development direction we have followed. Harnessing the synergistic benefits of our complementary healthcare and financial platforms, we will advance forward along the path charted by our overarching "Health + Wealth" strategy and strive to deliver greater value to our shareholders.

On behalf of the Board, I would like to extend my full gratitude to all our clients, business partners, and shareholders for their loyalty and firm belief in the Group, and to our employees whose devotion and hard work has enriched this journey towards great achievement and fulfillment.

KO Po Ming
Chairman

Hong Kong, 26 March 2019

有見及此，就本集團的金融服務業務而言，本集團將致力為客戶於財富保存及管理方面服務，而另一方面，同時利用我們在風險管理方面的豐富經驗，避開高風險的活動。此外，本集團亦會進一步調配資源，發展財富及資產管理業務。我們將繼續在亞太地區物色投資機會，從而加強本集團在區內之據點並提升實力。儘管滲入環球資本市場的疑慮不斷增長，本集團對自身發展進程及營商謀略充滿信心，並相信本集團將能夠經受得起預期的經濟下行。

在本集團的健康醫療業務方面，我們將繼續努力，把握大灣區的增長潛力，以及在捕捉「一帶一路」倡議下「廿一世紀絲綢之路」沿線國家經濟更為密切帶來的機遇。經整合後的輔助生殖醫療服務供應鏈將為本集團奠定紮實根基，有利於我們拓展健康醫療服務的各個範疇，建立穩健的未來。本集團已於香港投資健康體檢中心，向這個目標邁進一步。我們蓄勢待發，透過自身增長尤其是亞洲的策略性投資，擴展本集團的健康醫療平台。

本集團在二零一八年取得的成績令人鼓舞，可見我們的既定的發展方向正確。本集團將發揮健康醫療及金融平台相輔相成的協同效益，沿著「大健康+金融」的策略邁步前進，為股東創造價值。

本人謹代表董事會，向客戶、業務合作夥伴及股東對本集團的忠誠及堅定的信念致以衷心的謝意，以及感激員工的奉獻和努力，令本集團的成就更上一層樓。

高寶明
主席

香港，二零一九年三月二十六日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

OVERVIEW

The Group is a health and wealth solutions service conglomerate. It principally provides comprehensive financial services in Hong Kong, including dealing in securities, commodities broking, provision of securities margin financing, provision of investment and corporate finance advisory services, investment in securities trading, money lending and investment holding. The Group also pursues an “investment business model” by making direct investments in the healthcare sector.

RESULTS

For the year ended 31 December 2018, the Group’s turnover was approximately HK\$4,074.27 million (2017: HK\$3,721.73 million), representing a slight increase of 9.47% from 2017. The operating income was approximately HK\$3,506.99 million (2017: HK\$2,900.44 million), representing a 20.91% increase from 2017. The Group’s net profit for the Year was approximately HK\$176.01 million (2017: HK\$26.47 million), representing a 564.94% rise over the previous year, the increase over the previous year was mainly due to (i) an increase in profit generated from the operating business, including the provision of margin financing, loan financing services, securities and futures brokerage services and related services and the distribution and franchising of mother-infant-child products; (ii) the two new streams of profit generated from HFG Group and RPL during the Year; and (iii) the gain on deemed disposal of interests in Reproductive Healthcare Group Limited (“RHG”) and its subsidiaries (collectively, “RHG Group”).

Profit attributable to equity holders of the Group amounted to approximately HK\$90.18 million in 2018, compared to a loss attributable to equity holder of the Group of approximately HK\$53.16 million in 2017. As a result, basic and diluted earnings per share reached HK0.20 cent (2017: loss of HK0.13 cent).

概覽

本集團為健康及金融解決方案服務企業集團，主要於香港提供綜合金融服務，包括證券買賣、商品經紀、提供證券孖展融資、提供投資及企業融資顧問服務、證券交易投資、放債及投資控股。本集團亦尋求透過醫療保健業務作出直接投資的「投資業務模式」。

業績

截至二零一八年十二月三十一日止年度，本集團錄得營業額約4,074,270,000港元（二零一七年：約3,721,730,000港元），較二零一七年微增9.47%。經營收入約3,506,990,000港元（二零一七年：約2,900,440,000港元），較二零一七年增長20.91%。本集團年度淨溢利約176,010,000港元（二零一七年：約26,470,000港元），較上一年度增幅為564.94%，主要由於(i)運營業務（包括提供孖展融資、貸款融資服務、證券及期貨經紀服務及相關服務以及分銷及特許專營母嬰童產品）產生的溢利增加；(ii)晉裕集團及RPL於年內產生兩項新溢利流；及(iii)視作出售寶德醫務集團有限公司（「寶德醫務」）及其附屬公司（統稱「寶德醫務集團」）權益的收益。

二零一八年本集團權益持有人應佔溢利約為90,180,000港元，而二零一七年本集團權益持有人應佔虧損約53,160,000港元。故此，本年度每股基本及攤薄盈利為0.20港仙（二零一七年：虧損0.13港仙）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MARKET AND BUSINESS REVIEW

The Group achieved a financial turnaround in 2018, delivering positive performances in most business segments and achieving steady growth in its healthcare and financial services platforms.

Financial Services Business

Global business sentiment was dampened during the Year by the escalated trade friction between the US and China. Given the anxiety on the global economic landscape, the Group has taken a more prudent approach in risk management to mitigate market uncertainty.

The Group's financial services business segment comprises asset management, wealth management, private banking, financing services, trading of securities investments, financial brokerage and related services.

In financial services, the Group's performance was boosted by the acquisition of RPL, a European private bank, and HFG Group, an Asia-based wealth management group company. These two acquisitions have enabled the Group to build a global financial platform and enhance the Group's global presence in the wealth management and private banking. The combination of organic growth, acquisitions and investments during the Year resulted in the substantial expansion of the Group's geographical footprint to Europe and Asia Pacific. All these efforts significantly strengthen the Group's distribution channels and service capabilities, allowing it to provide more comprehensive wealth solutions to its clients and create a foundation on which further development can thrive.

The total turnover and operating income contributed by this business segment amounted to approximately HK\$901.39 million and HK\$334.12 million, respectively, during the Year (2017: HK\$1,033.77 million and HK\$212.48 million, respectively), accounting for approximately 22.12% and 9.53% of the Group's total turnover and operating income, respectively. The total loss contributed by this segment amounted to approximately HK\$48.42 million during the Year (2017: loss of HK\$6.81 million) due to the trading of securities investments recorded a loss of approximately HK\$58.78 million.

市場及業務回顧

本集團於二零一八年成功轉虧為盈，大部分業務分部表現向好，醫療保健及金融服務平台實現穩定增長。

金融服務業務

中美貿易紛爭加劇使年內全球市場氣氛亦受影響。面對環球經濟不明朗，本集團以審慎態度作風險管理，從而應對瞬息萬變的市場環境。

本集團的金融服務業務分部涵蓋資產管理、財富管理、私人銀行、融資服務、買賣證券投資，以及金融經紀及相關服務。

在金融服務方面，本集團通過收購歐洲私人銀行 RPL 及亞洲財富管理公司晉裕集團，表現更進一步。該兩項收購協助本集團打造全球金融平台及增強本集團財富管理及私人銀行的國際影響力。透過年內自身增長、收購及投資，本集團成功拓展業務至歐洲及亞太地區。所有努力充份地增強了本集團分銷網絡及服務實力，從而為客戶提供更全面、相輔相成的財富解決方案，為未來業務發展奠定紮實根基。

該業務分部於本年度的營業額及經營收入分別約為 901,390,000 港元及 334,120,000 港元（二零一七年：分別約 1,033,770,000 港元及約 212,480,000 港元），佔本集團總營業額及經營收入分別約 22.12% 及 9.53%。本年度該分部產生的虧損總額約為 48,420,000 港元（二零一七年：虧損 6,810,000 港元），原因在於買賣證券投資錄得虧損約 58,780,000 港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Wealth and Asset Management

The Group strengthened its wealth and asset management operations with the newly acquired Liechtenstein-based private bank, RPL, in March 2018 and the Hong Kong-headquartered wealth management company, HFG Group, in May 2018. With the integration of RPL and HFG Group, our wealth and asset management business generated a total operating income of approximately HK\$169.74 million and total profit of approximately HK\$19.63 million to the Group during the Year. The management expect our prudent risk management and client targeting strategies will pave the way for good returns in the coming years.

The acquisition of RPL and HFG Group marked significant milestones in the Group's endeavors in establishing a wealth management platform with global asset allocation capability and in reconfiguring the Group's financial services platform with a business focus in wealth and asset management. The integration of RPL has added impetus to the growth of the Group's wealth and asset management operations and is expected to generate synergies by offering European private banking solutions to the Group's clients in Asia and facilitating cross-selling across the globe. The addition of HFG Group to the Group's financial services platform has taken the Group's development beyond Hong Kong and enhanced the Group's service offerings in investment and financial advisory services. New growth plans are in the pipeline for both RPL and HFG Group, including the broadening of HFG Group's network in Asia, as well as widening of both HFG Group and RPL's product and service range to offer better financial solutions to clients.

Following the introduction of the Group's first multi-strategy fund, targeting financial institutions and professional investors in early 2018, an additional Hong Kong equities fund was launched during the Year as part of the implementation of the Group's strategy to increase AUM. There are also plans to introduce more funds that can generate consistent and long term returns for wealth and asset management and institutional clients.

財富及資產管理

本集團透過於二零一八年三月完成收購列支敦士登私人銀行RPL及二零一八年五月完成收購總部設於香港的財富管理公司晉裕集團，加強其資產及財富管理業務。本年度，經整合RPL及晉裕集團，我們的財富及資產管理業務合共為本集團取得總經營收入約169,740,000港元及總溢利約19,630,000港元。管理層預期，審慎的風險管理及客戶挑選策略，將為未來一年取得良好回報而鋪路。

憑藉收購RPL及晉裕集團成功加強本集團全球資產配置能力，並為搭建財富管理平台寫下重要一頁，本集團金融服務平台重新整合，將業務重心放至財富及資產管理。整合RPL對本集團財富及資產管理業務的發展注入動力，本集團期望透過為其亞洲客戶提供歐洲私人銀行解決方案及促進交叉銷售而產生協同效應。晉裕集團則透過加入本集團的金融服務平台，使本集團擴闊發展到香港以外地區，並強化本集團的投資及財務顧問服務。RPL及晉裕集團快將推行新的發展計劃，包括擴展晉裕集團的亞洲網絡，以及拓闊晉裕集團及RPL的產品及服務範圍至向客戶提供更好的金融解決方案。

繼二零一八年初推出首個以金融機構及專業投資者為目標客戶的多重策略基金後，本集團於年內亦推出一項香港股票基金，以實現其增加資產管理規模的策略。亦計劃推出更多可為財富及資產管理及機構客戶帶來持續長期回報的基金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Investment Banking Services — securities and futures brokerage and related services, securities margin financing, leveraged and acquisition financing, corporate finance services and related services

The Hong Kong stock market experienced high volatility in 2018. After reaching a record high in January 2018, the Hang Seng Index (“HSI”) corrected and hit a 17-month low in October 2018. During the Year, the HSI and the Hang Seng China Enterprises Index (“HSCEI”) dropped 13.6% and 13.5% respectively, which was the largest drop in the past 7 years against a backdrop of trade tensions between the US and Mainland China. A slowing China economy coupled with a weakening Renminbi (“RMB”) further raised uncertainties about the outlook for corporate earnings.

In brokerage business, the Group continued to empower its business with technologies by upgrading the trading and supporting system and strengthened internal and external cooperation. In response to market volatility and global economic and policy uncertainties triggered by head wind in the trade environment since the second half of 2018, the Group has put extra efforts in and placed more emphasis on risk management and has refrained from high risk business endeavors and investments to minimize exposure to adverse conditions.

Due to unsatisfactory performance of the secondary market, many initial public offering (“IPO”) applicants have delayed their IPO plans. Despite the poor market and rigorous regulatory environment, the Group’s corporate finance department has successfully obtained an IPO sponsor license and built a professional investment banking team. Our corporate finance department mandated several pre-IPO and financial advisory projects and completed the first equity capital market deal in the end of 2018.

The Group’s securities and futures brokerage business, securities margin financing, corporate finance advisory services, and other related financial services generated an operating income of approximately HK\$83.29 million (2017: HK\$78.96 million), representing a year-on-year increase of approximately 5.48% and loss of approximately HK\$15.34 million (2017: HK\$16.39 million).

投資銀行服務 — 證券及期貨經紀及相關服務、證券孖展融資、槓桿併購融資、企業融資服務及相關服務

二零一八年香港股票市場起伏波動。於二零一八年一月創下歷史新高後，恒生指數（「恒生指數」）回調並於二零一八年十月觸及17個月低位。於本年度內，在美國與中國大陸貿易緊張局勢的背景，恒生指數及恒生國企指數（「恒生國企指數」）分別下跌13.6%及13.5%，為過往7年來的最大跌幅。中國經濟放緩加上人民幣（「人民幣」）進一步貶值導致企業盈利前景不明朗。

於經紀業務中，本集團藉升級交易及輔助系統繼續提升業務科技並加強其內部及外部合作。鑑於二零一八年下半年貿易環境變差引致的市場波動及環球經濟與政策不明朗，本集團加強風險管理，亦避免高風險商業活動及投資，盡量減低受不利情況影響的機會。

由於二級市場表現未如理想，許多首次公開發售（「首次公開發售」）申請人已計劃延遲其首次公開發售。儘管市況欠佳及監管環境嚴格，本集團的企業融資部已成功取得首次公開發售保薦人牌照並建立專業的投資銀行團隊。我們的企業融資部獲得數個首次公開發售前及融資顧問項目並於二零一八年末完成首筆股權資本市場交易。

本集團證券及期貨經紀業務、證券孖展融資、企業融資顧問服務及其他相關融資服務共產生經營收入約83,290,000港元（二零一七年：約78,960,000港元），同比增加約5.48%，及虧損約15,340,000港元（二零一七年：16,390,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financing Services (mortgage and loans business)

During the Year, the Group's financing services business, including leveraged and acquisition finance activities and mortgage loan securitization business in Hong Kong continued to expand, contributing a total operating income of approximately HK\$130.68 million (2017: HK\$119.08 million), which showed an increase of approximately 9.74%, while profit of the business segment was approximately HK\$6.07 million (2017: HK\$5.54 million).

The Group launched an asset-backed fixed income product as a part of the mortgage loan securitization business. The product was successfully distributed to institutional clients in Northeast Asia. The total size of the Group's loan portfolio of mortgage and loan business, including the term loans granted by RPL, amounted to approximately HK\$1,509.60 million in 2018 (2017: HK\$1,490.97 million). The Group maintains sufficient collateral and guarantees and pays close attention to the credit qualifications of the borrowers.

Trading of Securities Investments

The listed securities held by the Group are mainly listed on the Hong Kong and overseas stock market. In view of the turbulence in the capital markets that was reflected by the HSI, suffering a 15% decline over 2018, the Group has divested the some of its stock portfolio to redirect its resources to more robust and risk-averse activities in the financial division and to reduce exposure to market volatility. Affected by the downward pressure on stock prices, the Group's trading of investments recorded a loss of approximately HK\$58.78 million (2017: profit of HK\$4.05 million). This was mainly due to the increase in fair value losses of the Group's trading securities investment portfolio. The Group remains caution about the trading performance to minimise trading risks.

融資服務(按揭及貸款業務)

於本年度內，本集團的融資服務業務(包括於香港的槓桿併購融資活動和按揭貸款證券化業務)持續增長，錄得總經營收入約130,680,000港元(二零一七年：約119,080,000港元)，升幅約9.74%，業務分部溢利則約6,070,000港元，(二零一七年：5,540,000港元)。

本集團在按揭貸款證券化業務推出一項資產抵押固定收益產品，而產品乃成功分銷予東北亞的機構客戶。本集團之按揭及貸款業務的貸款組合規模(包括RPL授出的定期貸款)合共達約1,509,600,000港元(二零一七年：1,490,970,000港元)。本集團維持足夠的抵押品及擔保，並密切關注貸款者之信用資格。

買賣證券投資

本集團持有的上市證券主要於香港及海外股市上市。有見於二零一八年資本市場波動，導致香港恒生指數全年下跌達15%，因此本集團已出售旗下大部份股票投資組合，將資源轉投至金融分部旗下更具潛力及避開風險的業務，以減低受市場波動影響之可能性。受股票價格下調壓力拖累，本集團的投資交易錄得虧損約58,780,000港元(二零一七年：溢利4,050,000港元)，主要是由於本集團的證券交易投資組合的公平值虧損。本集團對交易表現持審慎態度，以將交易風險降至最低。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Healthcare Business Investments

The infertility ratio of couples in China at childbearing age continues to rise and one in every eight married couples in the country has experience fertility problem. The Group has created a solid foundation for the ongoing development of its healthcare business to tap into the promising assisted reproduction market. The market potential is even greater with the rising demand for premium services in this field, particularly from Chinese outbound medical tourists in various medical areas including assisted reproductive services.

Major milestones have been reached with the consolidation of the assisted reproductive services in the region with the establishment of RHG Group through the merger of RHG and The HK Women's Clinic Group Limited, a leading premium IVF practice in Hong Kong, and the participation in a consortium to invest in Genea, one of the world's leading fertility groups based in Australia.

With the participation in the investment in Genea in October 2018, the Group made considerable progress in building its IVF medical platform. Established for more than 30 years, Genea is the only integrated assisted reproductive technology ("ART") platform in the industry worldwide that both provides ART services and develops technology including culture media and embryo transfer catheters used in more than 600 clinics across 60 countries. Genea offers a comprehensive range of ART services, including IVF, egg and embryo freezing, genetic testing, sperm bank, day surgeries, and pathology in Australia, New Zealand, and Thailand. The investment in Genea marked a crucial step for the Group in expanding its assisted reproductive services supply chain and in broadening its healthcare division's reach beyond Asia while at the same time signaled a major landmark for Genea in expanding its presence outside of Australia. It is a big leap for the Group towards its goal of consolidating premium medical services and expanding the geographical outreach of its IVF business.

醫療業務投資

中國有不孕問題的育齡夫婦比例持續上升，每八對夫婦中就有一對有生育問題。因應此機遇，本集團已建立穩固基礎並銳意持續發展醫療保健業務，以捉緊輔助生育市場日益漸增大的市場潛力，特別是來自中國出境醫療旅客需求增加所帶來的龐大商機。

本集團通過寶德醫務與香港領先輔助生殖服務中心The HK Women's Clinic Group Limited合併，成功建立寶德醫務集團，並參與投資位於澳洲的全球領先輔助生殖服務集團之一Genea，成功建立區內輔助生殖業務的里程碑。

透過於二零一八年十月參與投資Genea，本集團於建立輔助生殖醫療平台方面取得重大成果。Genea擁有逾30年歷史，是全球唯一同時提供ART服務及技術的綜合輔助生殖技術(「ART」)平台，其開發的技術包括胚胎培養液及胚胎移植導管，獲60個國家的600多個診所使用。Genea在澳洲、紐西蘭及泰國提供全面的ART服務，包括輔助生殖、卵子及胚胎冷凍、基因檢測、精子庫、日間手術及病理。憑藉是次投資，本集團踏出重要一步，擴展高端輔助生殖服務供應鏈，及拓展其醫療業務至亞洲以外地區，同時亦標誌著Genea正式邁向國際。此重大成就令本集團更接近整合高端醫療服務的目標，務求令其輔助生殖業務覆蓋更多地區。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's healthcare business investment, comprising the provision of IVF services, genetic diagnostic and advisory services, and health screening services, generated an operating income of approximately HK\$65.35 million in 2018 (2017: HK\$143.23 million), contributing approximately 1.86% to the Group's total operating income. The healthcare division recorded a profit of approximately HK\$140.85 million (2017: HK\$42.36 million), representing approximately 232.51% increase. The decrease of operating income was due to RHG Group's cessation as a subsidiary of the Company after the merger of RHG and The HK Women's Clinic Group Limited on 8 June 2018 (the "**Merger**"). The Merger of RHG and The HK Women's Clinic Group Limited has formed a leading premium IVF practice in Hong Kong during the Year. The merger brought together 14 prominent doctors and specialists and 2 pioneers in the field of assisted reproduction. The consolidation of resources allows RHG to provide a more comprehensive range of IVF medical services including intra-uterine insemination, IVF/test tube baby, frozen-thawed embryo transfer and egg freezing services. Subsequent to the Merger, RHG ceased to be a subsidiary but an associate company of the Group, with the introduction of We Doctor Holdings Limited ("**WeDoctor**") as its strategic investor, its operating income no longer contributed to the Group's overall operating income. The reported profits of RHG Group (including the profits of RHG before the Merger and share of profits after becoming an associate) and the gain on deemed disposal of interests in RHG for the Year was approximately HK\$127.41 million (2017: HK\$36.34 million).

In late 2018, the Group seized the opportunity to invest in a health check centre in Hong Kong which provides health screening services. The centre will add to the Group's healthcare provision business and is expected to complement the services offered by RHG and its associate company, Pangen Inc and its subsidiaries ("**Pangen**"), a genetic diagnostic and advisory service provider. The reported share of profits of Pangen for the Year was approximately HK\$13.44 million (2017: HK\$6.02 million).

於二零一八年，本集團的醫療業務投資，包括輔助生殖服務、基因篩查及諮詢服務，以及健康檢查服務，產生經營收入約65,350,000港元(二零一七年：143,230,000港元)，佔本集團總經營收入約1.86%。醫療業務分部錄得溢利約140,850,000港元(二零一七年：42,360,000港元)，增長約232.51%。經營收入減少乃由於寶德醫務集團於寶德醫務與The HK Women's Clinic Group Limited於二零一八年六月八日合併(「**合併**」)後不再為本公司的附屬公司。本年度內寶德醫務與The HK Women's Clinic Group Limited合併於香港形成高端輔助生殖業務。此次合併匯聚了十四位業內頂尖醫生和專家以及兩位輔助生殖醫學的先行者。透過資源整合，寶德醫務將提供更全面的輔助生殖醫療服務，包括宮腔內人工授精、輔助生殖／試管嬰兒、凍融胚胎移植和冷凍卵子服務等。於合併後，寶德醫務不再為本集團的附屬公司而是轉為聯營公司，並引入微醫控股有限公司(「**微醫**」)作為戰略股東，且其經營收入不再納入本集團的總經營收入。寶德醫務集團的呈報溢利(包括寶德醫務於合併前的溢利及成為聯營公司後的分佔溢利)及視為出售寶德醫務權益的收益約為127,410,000港元(二零一七年：36,340,000港元)。

於二零一八年末，本集團把握機會投資於香港一間可提供健康檢查服務的醫療體檢中心。該醫療體檢中心將可加強本集團的醫療保健業務，並將可與本集團聯營公司新亞生物科技有限公司及其附屬公司(「**新亞**」)所提供的服務產生協同效應。新亞為基因篩查和諮詢服務供應商，於本年度呈報的分佔溢利約為13,440,000港元(二零一七年：6,020,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Mother-infant-child Consumer Investments

The Group's investments in mother-infant-child consumer business consists of franchising and retailing of mother-infant-child products, and manufacturing of infant formula and nutritional products. The segment posted an operating income of approximately HK\$3,107.53 million during the Year (2017: HK\$2,544.73 million), demonstrating an increase of 22.12% and accounting for 88.61% of the Group's total operating income. Profit recorded for the division was approximately HK\$116.16 million during the Year (2017: loss of HK\$5.12 million).

Franchising and Retailing of Mother-Infant-Child Products

The foothold of AYD Group Limited ("AYD") and its subsidiaries (collectively, "AYD Group") in China strengthened in 2018, accumulating over 1,200 franchised and direct-sale stores and 6,756 partnership stores in its regional network, with growth particularly evidenced by the number of franchised stores in Southern and Eastern China. During the Year, AYD Group's franchising and retailing of mother-infant-child products contributed an operating income of approximately HK\$3,016.01 million (2017: HK\$2,511.78 million), which marked an increase of approximately 20.07%, and a profit of approximately HK\$136.60 million (2017: loss of HK\$5.35 million).

Manufacture of Infant Formula and Nutritional Products

The Group's dairy products business investment, consisting of Australian infant formula manufacturer, Blend and Pack Pty. Ltd. ("Blend & Pack"), generated approximately HK\$91.52 million (2017: HK\$32.95 million) in operating income and earnings before interest, taxes, depreciation and amortisation ("EBITDA") of approximately HK\$940,000 (2017: HK\$7.02 million) contributed to the Group during the Year. In 2018, Blend & Pack produced 4.9 million cans of milk powder and sold 4.6 million cans.

In the light of changing global economic conditions, rising trade barriers between countries and regulatory uncertainties in the food industry, the Group decided to adopt a more prudent approach by reducing its exposure to cross border trading business. As a result, the Group agreed to sell its 46% stake in Blend & Pack and entered into put and call options for its remaining 29% stake in Blend & Pack. Further details are set out in the announcements issued by the Company on 8 February 2019 and 22 February 2019.

母嬰童消費者投資

本集團對母嬰童消費者業務的投資包括特許專營及零售母嬰童產品，以及製造嬰幼兒配方奶粉及營養產品。分部產生經營收入約3,107,530,000港元(二零一七年：2,544,730,000港元)，增幅為22.12%，佔本集團總經營收入88.61%。年內錄得該分部之溢利約為116,160,000港元(二零一七年：虧損5,120,000港元)。

母嬰童產品特許經營和零售業務

二零一八年，愛嬰島集團有限公司(「愛嬰島」)及其附屬公司(統稱「愛嬰島集團」)強化其於中國市場的地位。愛嬰島在地區網絡中擁有超過1,200家特許經營及直銷店，以及6,756家合夥門店，其中特許經營店於中國東南地區的增長尤其迅速。於本年度，愛嬰島集團特許經營及零售母嬰童產品錄得經營收入約3,016,010,000港元(二零一七年：2,511,780,000港元)，增幅約為20.07%及溢利約為136,600,000港元(二零一七年：虧損5,350,000港元)。

製造嬰幼兒配方奶粉及營養產品

本集團的奶製品業務投資包含澳洲嬰幼兒配方奶粉製造商Blend and Pack Pty. Ltd.(「Blend & Pack」)，其於本年度產生經營收入約91,520,000港元(二零一七年：32,950,000港元)及向本集團貢獻息稅折舊攤銷前利潤(「EBITDA」)約940,000港元(二零一七年：7,020,000港元)。於二零一八年，Blend & Pack分別生產及銷售了4,900,000及4,600,000罐奶粉。

鑒於全球經濟環境瞬息萬變，各國貿易壁壘增加，加上食品行業規管不明朗，本集團決定採取更為審慎措施，減低涉及跨境貿易業務的風險。因此，本集團已同意出售其於Blend & Pack的46%股權，並就其餘下的29%股權訂立認沽和認購期權。進一步詳情載於本公司於二零一九年二月八日及二零一九年二月二十二日刊發之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROSPECTS

Financial Platform

With the completion of acquisition and full integration of RPL and HFG Group into the Group's wealth management platform, the Group now eyes expansion opportunities in the Asia Pacific region. The Group will continue to integrate its existing financial assets to maximize the synergies and cross-selling opportunities. The Group will also focus on expanding and strengthening its distribution network, as well as enriching its product offerings to attract more clients in a bid to increase its AUM. Given the uncertainties in global economic outlook in the forthcoming year, the Group believes the preservation and management of wealth and assets should be the focus for its financial service platform.

Healthcare Platform

The Group will continue to explore investment opportunities that are synergistic to its existing healthcare investments to create more value for its shareholders.

The implementation of the "two child policy" and deteriorating fertility rates have led to an increased demand for assisted reproductive services in China. The lack of domestic assisted reproductive medical resources and services due to strict regulations, however, have driven this demand overseas.

The Group achieved a major milestone in 2018 by creating a comprehensive IVF and biotechnology platform with pioneers in the field to capitalize on the growth potential of the market of assisted reproductive services in Asia, especially China. The Group has also extended the scope of its healthcare services and decided to invest in a healthcare centre in Hong Kong that provides premium health screening and selected medical services to tap into strong demand in medical tourism.

Going forward, the Group plans to seek and to participate in more investment opportunities in the health sector to reinforce its services capabilities and cement its position as the leading premium medical service provider in the region.

前景

金融平台

隨著完成收購及將RPL及晉裕集團完全整合至本集團的財富管理平台，本集團現時瞄準亞太地區的擴展機會。本集團將持續整合其現有金融資產，以使協同效應最大化及充分利用交叉銷售機會。本集團亦將專注於拓闊及鞏固其分銷網絡以及豐富其產品供應，以吸引更多客戶，以爭取增加其管理資產規模。預期未來一年的全球經濟前景不明朗，本集團認為保存及管理財富及資產將成為金融服務平台的重中之重。

醫療平台

本集團將持續物色與其現有醫療投資產生協同效應的投資機會，務求為其股東創造更多價值。

中國實施「二孩政策」及不斷惡化的生育率導致對輔助生殖服務的需求增加。然而，由於監管嚴格，國內缺乏輔助生殖醫療資源及服務，從而誘使海外需求。

本集團於二零一八年創下重要的里程碑，與業界先行者攜手建立全方位輔助生殖及生物科技平台，從而捕捉亞洲尤其中國的輔助生殖市場發展潛力。此外，本集團亦拓展其醫療保健服務範圍並決定於香港投資提供高端健康檢查及醫療服務的醫療中心，以捕捉對醫療旅遊的強大需求。

展望未來，本集團計劃尋求及參與更多醫療保健行業的投資機會，以加強其服務能力及奠定其區內領先高端醫療服務供應商的地位。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Liquidity and Capital Resources

As at 31 December 2018, the net current assets of the Group amounted to approximately HK\$2,594.68 million when compared with approximately HK\$3,219.40 million as at 31 December 2017. The current ratio, expressed as current assets over current liabilities, was approximately 1.62 (2017: approximately 4.12). As at 31 December 2018, the total equity of the Group was approximately HK\$6,801.63 million (including non-controlling interests of approximately HK\$640.21 million), representing an increase of 4.76% when compared with approximately HK\$6,492.84 million as at 31 December 2017.

Bank deposits and cash of the Group as at 31 December 2018 were approximately HK\$2,813.52 million (2017: HK\$1,817.78 million), which included fixed deposits and pledged bank deposit of approximately HK\$1,210.44 million (2017: HK\$58.36 million).

As at 31 December 2018, the carrying amount of our bank loans and other borrowings was approximately HK\$443.55 million, including secured bank loans and unsecured loans amounting to HK\$262.65 million and HK\$180.90 million respectively. As at 31 December 2017, the carrying amount of our bank loans and other borrowings was approximately HK\$320.02 million, including secured bank loans and unsecured loans amounting to HK\$120.83 million and HK\$199.19 million respectively.

財務回顧

流動資金及資本資源

於二零一八年十二月三十一日，本集團的流動資產淨值約2,594,680,000港元，而二零一七年十二月三十一日為約3,219,400,000港元。流動比率(以流動資產除以流動負債列示)約1.62(二零一七年：約4.12)。於二零一八年十二月三十一日，本集團的總權益約6,801,630,000港元(包括非控股權益約640,210,000港元)，較二零一七年十二月三十一日約6,492,840,000港元增加約4.76%。

本集團於二零一八年十二月三十一日的銀行存款及現金約2,813,520,000港元(二零一七年：1,817,780,000港元)，包括定期存款及已抵押銀行存款約1,210,440,000港元(二零一七年：58,360,000港元)。

於二零一八年十二月三十一日，銀行貸款及其他借款(包括金額分別為262,650,000港元及180,900,000港元的有抵押銀行貸款及無抵押貸款)的賬面值約443,550,000港元。於二零一七年十二月三十一日，銀行貸款及其他借款(包括金額分別為120,830,000港元及199,190,000港元的有抵押銀行貸款及無抵押貸款)的賬面值約320,020,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2018, the secured bank loans of approximately HK\$262.65 million (2017: HK\$84.94 million) were secured by pledged deposits of approximately HK\$63.98 million (2017: HK\$42.00 million) together with shares of a subsidiary of the Company and corporate guarantee. The carrying interest of secured bank loans of approximately HK\$111.22 million is from 5.22% to 7% per annum (2017: 5.52% to 6.96% per annum) and the carry interest of secured bank loans of approximately HK\$151.43 million is 3 months ICE LIBOR plus 1.50% to 2.50% per annum depending on the net profit margin of the Company (2017: Nil). Bank loans and other borrowings of approximately HK\$176.12 million, HK\$116.00 million and HK\$151.44 million were denominated in Renminbi, Hong Kong Dollars and United States dollar respectively, in which approximately HK\$235.19 million were at fixed interest rate and the rest balances were either at variable rates with average rate of 4.31% per annum or non-interest-bearing. As at 31 December 2018, the Group had unutilised bank loan facilities of approximately HK\$108.63 million (2017: Nil).

Furthermore, there were two outstanding unsecured bonds with principal amounts of approximately HK\$10 million each, which were issued in 2014 to two third party investors. The bonds interest rates were both 5% per annum payable annually in arrears and will mature in 2021.

During the Year, the Group acquired 100% interest in Liechtensein based RPL, a private bank providing services including bond and asset-backed financing. RPL offers its customers the possibility to create liquidity in exchange for collateral in the form of securities, by means of reserve repurchase agreements (repo transactions). Securities received as collateral are not recognized in the balance sheet. Securities originating from the bank's own resources are recognized in the corresponding balance sheet items. RPL entered into reverse repurchase agreements and repurchase agreements amounted to approximately CHF142.03 million (equivalent to HK\$1,130.37 million) and approximately CHF44.00 million (equivalent to HK\$350.19 million) which account for approximately 9.94% and 7.65% of the total assets and total liabilities of the Group as at 31 December 2018 respectively.

Of the total bank loans and other borrowings as at 31 December 2018, approximately HK\$423.55 million was repayable within one year or on demand and approximately HK\$20 million was repayable after one years but within five years. None was repayable after five years.

於二零一八年十二月三十一日，有抵押銀行貸款約262,650,000港元(二零一七年：84,940,000港元)乃由已抵押存款約63,980,000港元(二零一七年：42,000,000港元)連同本公司附屬公司股份及公司擔保作抵押。有抵押銀行貸款約111,220,000港元按年利率5.22至7厘(二零一七年：每年5.52至6.96厘)計息，及有抵押銀行貸款約151,430,000港元按三個月洲際交易所倫敦銀行同業拆息加視乎本公司的純利率決定的年利率1.50至2.50厘(二零一七年：零)計息。銀行貸款及其他借款約176,120,000港元、116,000,000港元及151,440,000港元分別以人民幣、港元及美元計值，其中約235,190,000港元按固定利率計息，及餘下結餘按平均年利率4.31厘的浮動利率計息或不計息。於二零一八年十二月三十一日，本集團有未動用銀行貸款融資約108,630,000港元(二零一七年：零)。

此外，本公司有兩張於二零一四年向兩名第三方投資者發行的本金額各約為10,000,000港元之未贖回無抵押債券。債券年利率均為5厘，須於每週年年末支付，並將於二零二一年到期。

年內，本集團收購列支敦士登私人銀行RPL的全部權益，該銀行提供債券及資產擔保型融資等服務。RPL通過儲備回購協議(回購交易)方式以債券形式的抵押品作為交換向客戶提供產生流動資金的可能性。收作抵押品的證券不在資產負債表內確認。自銀行自身資源產生的證券於相應的資產負債表項目確認。RPL訂立了反向回購協議及回購協議，金額分別約為142,030,000瑞士法郎(相等於1,130,370,000港元)及44,000,000瑞士法郎(相等於350,190,000港元)，分別佔本集團於二零一八年十二月三十一日的總資產及總負債約9.94%及7.65%。

於二零一八年十二月三十一日銀行貸款及其他借款總額中約423,550,000港元須於一年內或按要要求償還，而約20,000,000港元須於一年後但五年內償還。概無銀行貸款或借款須於五年後償還。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year, a subsidiary of the Group issued 20,000,000 non-voting preferred shares to an investor, Classic Harmony Limited, a wholly-owned subsidiary of NWS Holdings Limited (stock code: 659) (“Investor”) for an aggregate consideration of US\$20 million (equivalent to HK\$156.00 million). The Investor is entitled to receive cash dividend at a rate of US\$0.02 per annum per preferred share. The Investor has the right to exchange the preferred shares for the shares of Mason Reproductive Technology Limited, Pangenia Inc, and/or MW Fertility Pte Limited (or economic interests attributable to such shares) which are owned by the Company. The maximum amount of preferred shares that may be exchanged is 100% of the principal amount of preferred shares as at the date of issue and any outstanding unpaid interest.

All outstanding preferred shares will be redeemed in three years (i.e. 25 October 2021) and will be settled at the election of the Investor, either (i) in cash at an amount equal to the subscription price at US\$1.00 per preferred share (the “**Subscription Price**”) plus interest at a rate of 4% on the Subscription Price compounded annually for the period commencing on 26 October 2018 and ending on 25 October 2021; or (ii) by the issue of such number of new shares of the Company as determined by dividing the aggregate subscription price for all outstanding preferred shares by the issue price. The issue price is determined at the higher of HK\$0.28 or 80% of the average closing price of a share of the Company as quoted on the daily quotation sheet published by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for the 5 consecutive trading days immediately before 25 October 2021.

The Group’s total debt to equity ratio, calculated as total loans and borrowings, repurchase agreements and the issued preferred shares of approximately HK\$951.48 million (2017: HK\$320.02 million) divided by shareholder’s equity of the Group of approximately HK\$6,801.63 million (2017: HK\$6,492.84 million) was approximately 0.14 as at 31 December 2018 (2017: 0.05).

After taking into account the bank deposits and cash, the bank loans and other borrowings, repurchase agreements and the issued preferred shares of the Group as at the reporting date, and the estimated cash flows generated from the Group’s operations, the directors of the Company are satisfied that the Group will have sufficient working capital for its present requirements for the foreseeable future. As such, the management believes that the Group is well positioned with sufficient operating funds to manage its existing operations and future expansion.

年內，本集團一間附屬公司藉發行20,000,000股無投票權優先股向一名投資者Classic Harmony Limited (新創建集團有限公司(股份代號：659之全資附屬公司) (「投資者」) 發行優先股，以換取總代價20,000,000美元(相等於156,000,000港元)。投資者有權按年息率為每股優先股0.02美元收取現金股息。投資者有權將優先股轉換為本公司擁有的茂宸生殖科技有限公司，新亞生物科技有限公司及／或MW Fertility Pte Limited (或該等股份應佔經濟權益)的股份。可予轉換之優先股最高金額為優先股於發行日期之本金額100%及任何未清繳未支付利息。

全部已發行優先股將於三年內(即二零二一年十月二十五日)贖回並將按投資者之選擇(i)以現金(金額相等於認購價每股優先股1.00美元(「認購價」)另加自二零一八年十月二十六日至二零二一年十月二十五日止期間就認購價按複合年利率4%計算之利息);或(ii)以發行數目按全部已發行優先股之總認購價除以發行價釐定之本公司新股份結算。發行價將為0.28港元或按本公司股份於緊接二零二一年十月二十五日前五個連續交易日在香港聯合交易所有限公司(「聯交所」)每日報價表所報平均收市價之80%兩者中之較高者。

本集團總債務對權益比率於二零一八年十二月三十一日為約0.14(二零一七年：約0.05)，乃按總貸款及借款、回購協議及已發行優先股總額約951,480,000港元(二零一七年：320,020,000港元)除以本集團股東權益約6,801,630,000港元(二零一七年：6,492,840,000港元)計算得出。

經計及本集團於本報告日期的銀行存款及現金、銀行貸款及其他借款、回購協議及已發行優先股以及本集團自營運產生的估計現金流，本公司董事信納於可預見未來本集團將有充足營運資金應付其現時需求。因此，管理層相信本集團已作好準備，可憑藉充足的營運資金管理現有營運及日後擴展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Treasury Policies

Having considered the Group's current cash and cash equivalents, bank and other borrowings and banking facilities, the management believes that the Group's financial resources are sufficient for its day-to-day operations. The Group did not use financial instruments for financial hedging purposes during the Year. The Group's business transactions, assets and liabilities are principally denominated in Australia dollars, Swiss Franc, Renminbi and Hong Kong dollars. Fluctuations in foreign currency may have an impact on the Group's results and net asset value as the Group's consolidated financial statements are presented in Hong Kong dollars. The Group's treasury policy is to manage its foreign currency exposure only when its potential financial impact is material to the Group. The Group will continue to monitor its foreign exchange position and, if necessary, utilize hedging tools, if available, to manage its foreign currency exposure.

CAPITAL COMMITMENTS

As at 31 December 2018, the Group had a total capital commitment of approximately HK\$25.14 million (2017: HK\$143.43 million), contracted for but not provided for in the financial statements in respect of the acquisition of intangible assets and subscription of funds.

CONTINGENT LIABILITIES

As at 31 December 2018, the Group has provided guarantees in favour of banks, financial institutions, and third party individuals, in respect of facilities granted to certain subsidiaries, amounting to approximately HK\$428.21 million (2017: HK\$204.57 million). Of these facilities, a total of approximately HK\$319.58 million (2017: HK\$180.64 million) has been utilized.

As at 31 December 2018, the Group provided a guarantee in respect of a loan granted to a third party individual with the principal amount of approximately RMB51.00 million (equivalent to HK\$58.07 million) (2017: HK\$57.27 million) for a loan guarantee fee income of approximately HK\$0.59 million (2017: HK\$1.27 million) recognised in the profit or loss. The maximum liability of the Group under this guarantee was approximately RMB54.68 million (equivalent to HK\$62.26 million) (2017: HK\$58.85 million), representing the outstanding amount of the loan and interest payable to the third party as at 31 December 2018. The management does not consider it probable that a claim will be made against the Group under this guarantee and the loan was repaid in February 2019.

庫務政策

經計及本集團的現有現金及現金等價物、銀行及其他借款以及銀行融資，管理層認為本集團的財務資源足夠用於其日常經營。於本年度內本集團並無使用金融工具作金融對沖之用。本集團的業務交易、資產及負債主要以澳元、瑞士法郎、人民幣及港元計值。由於本集團的綜合財務報表以港元呈列，故外幣波動可能影響本集團的業績及資產淨值。本集團的庫務政策乃當潛在財務影響對本集團而言屬重大時才會管控其外匯風險。本集團將繼續監控其外匯情況，並(如必要)動用對沖工具(如有)管控外匯風險。

資本承擔

於二零一八年十二月三十一日，本集團就收購無形資產及認購基金的已訂約但未於財務報表內撥備的資本承擔總額約25,140,000港元(二零一七年：143,430,000港元)。

或然負債

於二零一八年十二月三十一日，本集團就若干附屬公司獲授的融資為數約428,210,000港元(二零一七年：204,570,000港元)提供以銀行、金融機構及第三方個人為受益人的擔保。其中，合共319,580,000港元的融資(二零一七年：180,640,000港元)已被動用。

於二零一八年十二月三十一日，本集團就授予第三方個人本金額約人民幣51,000,000元(相當於58,070,000港元)(二零一七年：57,270,000港元)的貸款提供擔保，於損益內確認貸款擔保費收入約590,000港元(二零一七年：1,270,000港元)。本集團在該擔保下的最大負債為約人民幣54,680,000元(相當於62,260,000港元)(二零一七年：58,850,000港元)，即於二零一八年十二月三十一日應付第三方的未償還貸款及利息。管理層認為不大可能根據該擔保向本集團提出申索，而貸款已於二零一九年二月償還。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PLEDGE OF ASSETS

As at 31 December 2018, the Group pledged the bank deposits of approximately HK\$94.26 million and the shares of a subsidiary to certain banks to secure loan facilities amounting to approximately HK\$268.80 million and bill payables amounting to approximately HK\$72.35 million (31 December 2017: bank deposits, inventories and trade receivables of HK\$58.36 million, HK\$61.01 million and HK\$61.01 million respectively were pledged to certain banks to secure loan facilities amounting to HK\$96.90 million and bill payables). Loan facilities and bill payables amounting to approximately HK\$208.37 million and bill payables amounting to approximately HK\$52.55 million were utilized as at the end of the Year (2017: HK\$84.94 million).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

On 28 March 2018, the Group completed its acquisition of 100% interest in RPL, a private bank based in Liechtenstein. Founded in 1998, RPL provides comprehensive wealth management services, including asset support and monitoring, asset management, inheritance and succession planning, and portfolio analysis. The consideration for the acquisition was CHF58.60 million (equivalent to approximately HK\$468.80 million). The consideration shall be adjusted subject to the equity portion adjustment and potential top-ups arising from certain provisions and/or reservations made in the completion accounts. The estimated consideration for the acquisition was approximately CHF63.27 million (equivalent to HK\$556.83 million) and subject to the contingent payments. RPL greatly complements the Group's existing financial segments, by facilitating further cross selling and synergies across the Group's different lines of business. Including the offering of a full suite of Asian financial products to European clients and the provision of European private banking services to high net worth clients in the Asia Pacific.

資產抵押

於二零一八年十二月三十一日，本集團銀行存款約94,260,000港元及一家附屬公司股份已抵押予若干銀行，作為約268,800,000港元貸款融資及約72,350,000港元應付票據的擔保（二零一七年十二月三十一日：銀行存款、存貨及貿易應收款項分別為58,360,000港元、61,010,000港元及61,010,000港元已抵押予若干銀行，作為96,900,000港元貸款融資金額及應付票據的擔保）。約208,370,000港元貸款融資及應付票據以及約52,550,000港元應付票據於年末已動用（二零一七年：84,940,000港元）。

重大收購及出售附屬公司

於二零一八年三月二十八日，本集團已完成收購位於列支敦士登的私人銀行RPL之100%權益。RPL於一九九八年成立，提供全面的財富管理服務，包括資產支持及監控、資產管理、繼承及繼任計劃以及投資組合分析。相關收購代價為58,600,000瑞士法郎（相當於約468,800,000港元）。代價將根據權益部分調整及因完成賬面中若干條款及／或儲備而產生的潛在費用進行調整。收購的估計代價為約63,270,000瑞士法郎（相當於556,830,000港元）並須支付或然付款。RPL極大擴充本集團現有金融分部，進一步促進本集團不同業務領域交叉銷售及協同效應，包括向歐洲客戶提供全套亞洲金融產品，並為亞太地區的高淨值客戶提供歐洲私人銀行服務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 21 May 2018, the Group completed its acquisition of 100% interest in HFG Group, a well-established wealth management company with a long history of serving affluent clients across the Asia Pacific region. Established in 1990, HFG Group's services include asset management, corporate and trust services, investment savings plans, tax planning, life and general insurance, and MPF advisory services. With offices in Hong Kong, and distribution business partners in Taipei, Beijing, Singapore, Sydney, and Tokyo, HFG Group has an extensive network of professional financial advisers. The consideration for the acquisition was approximately HK\$116.50 million. The consideration shall be adjusted based on the aggregate net profit of HFG Group for financial year 2019 audited consolidated or combined financial accounts of the HFG Group. The expected consideration for the acquisition is approximately HK\$128.02 million and will be finalised by September 2019. With the addition of HFG Group, the Group has expanded financial services capabilities, including the provision of a wider range of quality financial products and the enhancement of its investment and financial advisory services. HFG Group has added investment advisory services, as well as a network of 70 professional financial advisers, enabling the sales and distribution of a diverse range of products to clients in Asia and Europe, thus strengthening the competitiveness of the Group's financial platform.

On 8 June 2018, our indirect non-wholly owned subsidiary, RHG, a leading premium private IVF practice in Hong Kong completed the merger with The HK Women's Clinic Group Limited and its subsidiaries. Established in 1991, The HK Women's Clinic Group Limited was founded by Dr. Leong Ka Hong, Milton, the medical practitioner who successfully completed the first IVF case in Hong Kong. The clinic promotes a comprehensive concept of education and development, in addition to providing diagnosis and treatment. Its IVF centre is managed by several doctors and embryo specialists. The consideration for The HK Women's Clinic Group Limited was approximately HK\$435.01 million and was settled as to HK\$210 million in cash and as to approximately HK\$225.01 million by the allotment and issue of the shares of RHG. Its amalgamation into our medical platform further consolidates and promotes the development of the IVF industry in this region. Upon the issue of the shares of RHG, RHG ceased to be a subsidiary of the Company.

於二零一八年五月二十一日，本集團已完成其於晉裕集團（一家歷史悠久財富管理公司並為亞太地區富裕客戶提供服務）收購100%權益。晉裕集團於一九九零年成立，服務包括資產管理、企業及信託服務、投資儲蓄計劃、稅收籌劃、人壽及一般保險及強積金諮詢服務。晉裕集團於香港設有辦事處，並於台北、北京、新加坡、悉尼及東京設有分銷業務合作夥伴，擁有廣泛的專業財務顧問網絡。收購代價約為116,500,000港元。代價根據晉裕集團二零一九年財政年度的經審核綜合或合併財務賬目晉裕集團淨溢利總額進行調整。收購的預期代價為約128,020,000港元，並將於二零一九年九月完成。隨著晉裕集團加入，本集團已擴展金融服務能力，包括提供更廣泛的優質金融產品及加強其投資及財務諮詢服務。晉裕集團已增加投資諮詢服務以及由70名專業財務顧問組成的網絡，有助於為亞洲及歐洲客戶出售及分銷各種產品，於是增強本集團金融平台的競爭力。

於二零一八年六月八日，我們間接非全資附屬公司寶德醫務完成The HK Women's Clinic Group Limited及其附屬公司（香港領先的高級私人輔助生殖業務）的合併。The HK Women's Clinic Group Limited於一九九一年成立，由在香港成功完成首宗輔助生殖案的醫生梁家康博士創立。診所除了提供診斷及治療外，還秉持全面發展的方針，倡導教育及發展的綜合概念。其輔助生殖中心現由七名醫生及胚胎專家組成。The HK Women's Clinic Group Limited的代價約為435,010,000港元。代價已以現金結算210,000,000港元以及配發及發行寶德醫務股份約為225,010,000港元。其融入我們的醫療平台有助於進一步整合及促進該地區輔助生殖行業的發展。發行寶德醫務股份後，其不再為本公司附屬公司。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 17 May 2018, our indirect wholly owned subsidiary, Mason Healthcare Group Limited (“**MHG**”), entered into the transfer agreement with each of the strategic shareholders, including WeDoctor, Hong Kong Zhongya Environmental Group Company Limited and Aldworth Equity I SP and Aldworth Opportunities Fund SP for the disposal of 35.2% interest of MHG’s shares in Mason Reproductive Technology Limited (“**MRT**”), which owned 46.71% of RHG after the Merger. The transfer was completed on 3 July 2018. With the scale and reputation of the merged business, along with the successful introduction of WeDoctor as a strategic shareholder, the Group is well positioned to take advantage of the growing cross-border demand for IVF services in Asia.

On 5 July 2018, our indirect wholly owned subsidiary, Pioneer Leap Investments Limited (“**Pioneer Leap**”), transferred 809 AYD shares to Cosmicfield Investments Limited (“**Cosmicfield**”) under the terms of the investment agreement entered on 30 December 2016 with Golden Metro Investments Limited (“**Golden Metro**”), Cosmicfield, AYD and their management team (comprising Mr. Yip Shing Fung, Mr. Ye Fadian, Mr. Ye Fachao, Mr. Lin Han and Ms. Gao Qin) in relation to the acquisition of 55% equity interest in AYD (the “**Investment Agreement**”). The Investment Agreement provides that in the event that the consolidated net profit attributable to the equity holders of AYD for the year ended 31 December 2017 (“**2017 Attributable Profit**”) is more than RMB85 million by 5% or more, Pioneer Leap shall, as bonus, transfer such number of shares in AYD to Cosmicfield to be determined under the formula as set out in the Investment Agreement. As the 2017 Attributable Profit was approximately RMB120.40 million and exceeded RMB85 million by more than 5%, Pioneer Leap transferred 809 AYD shares to Cosmicfield on 5 July 2018. After the transfer, Pioneer Leap holds 46.91% of the issued capital of AYD, and Cosmicfield and Golden Metro Investments Limited holds 27.01% and 26.08% of the issued capital of AYD respectively.

於二零一八年五月十七日，我們間接全資附屬公司茂宸醫療集團有限公司（「**茂宸醫療**」）與各戰略股東（包括微醫、香港中亞環保集團有限公司以及Aldworth Equity I SP及Aldworth Opportunities Fund SP）訂立轉讓協議，以出售茂宸醫療於茂宸生殖科技有限公司（「**茂宸生殖**」）的股份的35.2%權益，而茂宸生殖於併購後擁有寶德醫務46.71%權益。轉讓已於二零一八年七月三日完成。憑藉合併業務的規模及聲譽，以及成功引入微醫作為戰略股東，本集團已充分利用亞洲對輔助生殖服務不斷增長的跨境需求。

於二零一八年七月五日，我們的間接全資附屬公司鋒躍投資有限公司（「**鋒躍**」）根據二零一六年十二月三十日與Golden Metro Investments Limited（「**Golden Metro**」）、Cosmicfield Investments Limited（「**Cosmicfield**」）、愛嬰島及彼等之管理層團隊（包括葉丞峰先生、葉發端先生、葉發朝先生、林漢先生及高勤女士）所訂立的投資協議，有關收購愛嬰島之55%股權（「**投資協議**」），轉讓愛嬰島809股股份予Cosmicfield。投資協議規定，倘愛嬰島的股權持有人截至二零一七年十二月三十一日止年度的綜合純利（「**二零一七年應佔溢利**」）超過5%或以上的人民幣85,000,000元，則鋒躍將愛嬰島中有關股份作為獎金轉讓予Cosmicfield，並根據投資協議所載的公式予以釐定。二零一七年應佔溢利為約人民幣120,400,000元，並多於5%超過人民幣85,000,000元。鋒躍於二零一八年七月五日向Cosmicfield轉讓愛嬰島809股股份。於轉讓後，鋒躍將持有愛嬰島46.91%已發行股本，而Cosmicfield及Golden Metro分別持有愛嬰島已發行股本的27.01%及26.08%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 28 December 2018, our indirect wholly owned subsidiary, Wealth Infinity Global Limited (“WIG”), completed the investment of AU\$30 million (equivalent to approximately HK\$168 million) in TT Holdings Limited for the purpose of investing in Genea. Genea is one of the world’s leading fertility groups with an outstanding track record spanning over 30 years. Genea developed technology including culture media and embryo transfer catheters used in more than 600 clinics across 60 countries. Headquartered in Sydney with over 400 employees and operations globally, Genea is the only integrated ART platform, with both services and technology, in the industry worldwide. Genea offers a comprehensive range of ART services, including IVF, egg and embryo freezing, genetic testing, sperm bank, day surgeries and pathology in Australia, New Zealand and Thailand and is the third largest IVF clinic group in Australia by IVF cycle volume. Leveraging on its extensive experience and technologies, this investment adds synergies to the Group’s healthcare platform and further enhances the Group’s presence in the IVF industry across the Asia Pacific region.

Other than the above, there was no other material acquisition or disposal of subsidiaries and associated companies by the Group during the Year.

SIGNIFICANT INVESTMENTS

The Group remains cautious about the trading performance of its portfolio of securities. With volatile global financial markets during the Year, the Group had disposed of some of its stock investments to minimize the capital loss. As trading of securities remains one of the principal businesses of the Group, the Group may consider investing in global and local stocks conservatively to preserve the value of its portfolio in the future. The Group will also leverage on the Group’s healthcare and consumer eco-system to identify securities investment opportunities with an aim of not just benefiting the Group as a result of stock performance but also creating synergetic value by the investee companies.

於二零一八年十二月二十八日，我們間接全資附屬公司Wealth Infinity Global Limited(「WIG」)於TT Holdings Limited完成投資30,000,000澳元(相當於約168,000,000港元)，以投資於Genea。Genea是世界領先的輔助生育服務集團之一，擁有超過30年的出色往績記錄。Genea開發的技術包括胚胎培養液及胚胎移植導管，60個國家的600多個診所使用。Genea總部位於悉尼，有400多名僱員及業務遍及全球，乃是全球範圍此行業唯一同時提供服務及技術的ART平台。Genea於澳洲、紐西蘭及泰國提供全面的ART服務，包括輔助生殖、卵及胚胎冷凍、基因檢測、精子庫、日間手術及病理及按輔助生殖週期量計算，為澳洲第三大輔助生殖診所集團。憑藉其豐富的經驗及技術，此項投資將為本集團的醫療保健平台增添協同效應，進一步提升本集團在亞太地區輔助生殖行業的影響力。

除上文所述者，本集團於本年度並無重大收購或出售附屬公司及聯營公司。

重大投資

本集團對其證券投資組合之交易表現持審慎態度。隨著本年度內全球金融市場出現波動，本集團已出售其部分股票投資，以盡量減低資本損失。由於證券交易仍為本集團的其中一項主要業務，本集團或考慮以保守的策略投資全球及本地股票以保證其未來投資組合之價值。本集團亦將憑藉本集團的醫療保健及消費者生態系統物色證券投資機會，務求股票表現不僅令本集團受益，而且為被投資公司創造協同效應價值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Loss from the sale and net fair value gain recognized for the Group's financial asset at fair value through profit or loss amounted to approximately HK\$64.21 million and HK\$8.49 million respectively during the Year. The Group held a few listed investments as set out below:

於本年度，就本集團按公平值計入損益的財務資產確認的銷售虧損及淨公平值收益分別約為64,210,000港元及8,490,000港元。本集團持有的若干上市投資載列如下：

List of significant stocks in terms of market value as at 31 December 2018

於二零一八年十二月三十一日就市值比重劃分的主要股票列表

Name of stock listed on Stock Exchange/overseas stock exchange	Stock code	Brief description of the business	Number of shares held as at 31 December 2018	Proportion of shares held as at 31 December 2018	Investment cost as at 31 December 2018	Market value as at 31 December 2018	Percentage to total assets value of the Group as at 31 December 2018
於聯交所/ 境外證券交易所 上市之股份名稱	股份代號	業務簡介	於二零一八年 十二月三十一日 所持股份數目	於二零一八年 十二月三十一日 所持股份比例	於二零一八年 十二月三十一日 之投資成本 HK\$' 000 千港元	於二零一八年 十二月三十一日 之市值 HK\$' 000 千港元	於二零一八年 十二月三十一日 佔本集團 資產總值 之百分比
Sheng Ye Capital Limited 盛業資本有限公司	8469	Provision of factoring services, including the provision of financing services (secured by accounts receivable) to factoring customers and the accounts receivable 提供保理服務，包括向保理客戶提供融資服務（以應收賬款作擔保）及應收賬款管理服務。	28,600,000	3.25%	57,797	191,906	1.69%
Camsing International Holding Limited 承興國際控股有限公司	2662	Development, sales and distribution of intellectual property rights derived products and mobile devices 開發、採購及營銷優質澳洲製造消費者食品及產品	7,330,000	0.68%	39,151	65,457	0.58%
Yadea Group Holdings Limited 雅迪集團控股有限公司	1585	Development, manufacture and sales of electric two-wheeled vehicles and related accessories 開發、製造及銷售電動兩輪車及相關配件	16,600,000	0.55%	41,456	50,132	0.44%
Beijing Sports and Entertainment Industry Group Limited 北京體育文化產業集團有限公司	1803	Provision of air freight service in the wholesale market 於批發市場提供空運服務	15,000,000	1.15%	41,979	42,000	0.37%
Rici Healthcare Holdings Limited 瑞慈醫療服務控股有限公司	1526	General hospital business, medical examination business and clinic business 綜合醫院業務、健康體檢及診所業務	13,619,000	0.86%	25,581	23,833	0.21%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

List of significant stocks in terms of market value as at 31 December 2017

於二零一七年十二月三十一日就市值比重劃分的主要股票列表

Name of stock listed on Stock Exchange/overseas stock exchange	Stock code	Brief description of the business	Number of shares held as at 31 December 2017	Proportion of shares held as at 31 December 2017	Investment cost as at 31 December 2017	Market value as at 31 December 2017	Percentage to total assets value of the Group as at 31 December 2017
於聯交所/ 境外證券交易所 上市之股份名稱	股份代號	業務簡介	於二零一七年 十二月三十一日 所持股份數目	於二零一七年 十二月三十一日 所持股份比例	於二零一七年 十二月三十一日 之投資成本 HK\$'000 千港元	於二零一七年 十二月三十一日 之市值 HK\$'000 千港元	於二零一七年 十二月三十一日 佔本集團 資產總值 之百分比
Kong Sun Holdings Limited 江山控股有限公司	295	Investment in and operation of photovoltaic power plants, properties investment, manufacturing and sale of life-like plants. 光伏電站營運投資、房地產投資、製造及銷售仿真植物。	101,880,213	0.68%	122,684	31,583	0.41%
Hengtou Securities Co., Limited — H Shares 恒投證券股份有限公司 — H股	1476	Provision of financial products & services to corporations, financial institutions, government entities & individuals, through brokerage & wealth management, investment management, proprietary trading & investment banking business. 透過經紀及財富管理、投資管理、房地產交易及投資銀行業務向企業、金融機構、政府實體及個人提供金融產品及服務。	40,376,000	8.96%	161,996	117,898	1.51%
Q Technology (Group) Company Limited 丘鈦科技(集團)有限公司	1478	Engagement in the design, research, development, manufacture and sales of camera modules. 從事設計、研究、開發、製造及銷售攝像頭模組。	382,000	0.03%	4,642	4,202	0.05%
Sheng Ye Capital Limited 盛業資本有限公司	8469	Provision of factoring services, including the provision of financing services (secured by accounts receivable) to factoring customers and the accounts receivable management services. 提供保理服務，包括向保理客戶提供融資服務(以應收賬款作擔保)及應收賬款管理服務。	28,600,000	3.86%	57,797	199,342	2.56%
Wattle Health Australia Limited	WHA (Australian Stock Exchange) WHA (澳洲證券交易所)	Developing, sourcing and marketing high quality Australian made consumer food products 開發、採購及營銷優質澳洲製造消費者食品及產品	236,429	0.16%	827	2,639	0.03%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Significant stocks gains/(losses) for the year ended 31 December 2018

截至二零一八年十二月三十一日止年度
重要股票收益／(虧損)

Name of stock listed on Stock Exchange	Stock code	Realised gains/(losses) for the year ended 31 December 2018	Unrealised gains/(losses) for the year ended 31 December 2018	Dividend received for the year ended 31 December 2018
於聯交所上市之股份名稱	股份代號	截至二零一八年十二月三十一日止年度之已變現收益／(虧損) HK\$'000 千港元	截至二零一八年十二月三十一日止年度之未變現收益／(虧損) HK\$'000 千港元	截至二零一八年十二月三十一日止年度之已收股息 HK\$'000 千港元
Kong Sun Holdings Limited 江山控股有限公司	295	(17,460)	—	—
Hengtou Securities Co., Limited — H Shares 恒投證券股份有限公司 — H股	1476	(37,363)	—	4,217
Sheng Ye Capital Limited 盛業資本有限公司	8469	—	(7,436)	—
Camsing International Holding Limited 承興國際控股有限公司	2662	6	26,376	88
Yadea Group Holdings Limited 雅迪集團控股有限公司	1585	(2)	8,681	663

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Significant stocks gains/(losses) for the year ended 31 December 2017

截至二零一七年十二月三十一日止年度
重要股票收益／(虧損)

Name of stock listed on Stock Exchange	Stock code	Realised gains/(losses) for the year ended 31 December 2017	Unrealised gains/(losses) for the year ended 31 December 2017	Dividend received for the year ended 31 December 2017
於聯交所上市之股份名稱	股份代號	截至二零一七年十二月三十一日止年度之已變現收益／(虧損) HK\$'000 千港元	截至二零一七年十二月三十一日止年度之未變現收益／(虧損) HK\$'000 千港元	截至二零一七年十二月三十一日止年度之已收股息 HK\$'000 千港元
Kong Sun Holdings Limited 江山控股有限公司	295	–	(3,056)	–
Hengtou Securities Co., Limited — H shares 恒投證券股份有限公司 — H股	1476	–	(63,794)	–
China Huarong Asset Management Co., Ltd. 中國華融資產管理股份有限公司	2799	1,256	–	–
Harbin Bank Co., Ltd. 哈爾濱銀行股份有限公司	6138	11,007	–	–
Sheng Ye Capital Limited 盛業資本有限公司	8469	–	141,545	–

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

USE OF PROCEEDS

Reference is made to the announcement, the circular and the prospectus issued by the Company on 22 September 2016, 28 October 2016, 13 December 2016, 13 January 2017, 7 February 2017 and 8 September 2017 respectively, the annual report 2017, the interim report 2017 and annual report 2016, in relation to, among other things, the rights issue on the basis of six (6) rights shares for every five (5) shares (the “**Rights Issue**”). The Company (i) allotted and issued 22,124,799,450 ordinary shares to the qualifying shareholders on the register as at 12 January 2017 at a subscription price of HK\$0.13 per share for a total consideration, before expenses, of approximately HK\$2,876 million and (ii) allotted and issued 4,056,213,232 new shares (the “**Bonus Shares**”) of the Company to qualifying shareholders, on the basis of one Bonus Share for every ten shares held by the qualifying shareholders at the date for determining their entitlements (the “**Bonus Issue**”). Both the Rights Issue and Bonus Issue were completed in February 2017 and the net proceeds from the Rights Issue was approximately HK\$2,840 million. Following completion, the Company changed the original intended use of proceeds. Further details of the change are set out in the announcement of the Company dated 8 September 2017. As at 31 December 2018, the Group had unused proceeds of approximately HK\$13.77 million towards IT upgrade of financial services.

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2018, the Group employed a total of 1,245 employees around the globe (as at 31 December 2017: 1,139) of whom 1,217 are full-time employees and 28 are part-time employees. The remuneration policy and package of the Group’s employees are structured in accordance to market terms and statutory requirements where appropriate. In addition, the Group also provides other staff benefits such as medical insurance and mandatory provident fund.

RISK MANAGEMENT

The Group has established and maintained sufficient risk management procedures to identify and control various types of risk within the organisation and the external environment with active management participation and effective internal control procedures in the best interest of the Group and its shareholders.

所得款項用途

茲提述本公司分別於二零一六年九月二十二日、二零一六年十月二十八日、二零一六年十二月十三日、二零一七年一月十三日、二零一七年二月七日及二零一七年九月八日刊發的公告、通函及供股章程、二零一七年年度報告、二零一七年中期報告以及二零一六年年度報告，內容有關(其中包括)每五(5)股股份獲發六(6)股供股股份的基準進行供股(「**供股**」)。本公司(i)於二零一七年一月十二日按認購價每股0.13港元向名列本公司股東名冊的合資格股東配發及發行22,124,799,450股普通股，總代價(扣除開支前)約為2,876,000,000港元；及(ii)向若干合資格股東配發及發行本公司4,056,213,232股新股份(「**紅股股份**」)，基準為合資格股東於釐定彼等權利當日每持有十股股份獲發行一股紅股股份(「**紅股發行**」)。供股及紅股發行已於二零一七年二月完成，供股所得款項淨額為約2,840,000,000港元。完成後，本公司更改原定所得款項用途。相關變動的進一步詳情載於本公司日期為二零一七年九月八日的公告。於二零一八年十二月三十一日，本集團有未動用所得款項約13,770,000港元，可用於金融服務的IT升級。

僱員及薪酬政策

二零一八年十二月三十一日，本集團在全球範圍內聘用合共1,245名員工(於二零一七年十二月三十一日：1,139名)，其中1,217名為全職僱員及28名為兼職僱員。本集團員工的薪酬政策及待遇乃根據市場條件及法定要求(如適用)釐定。另外，本集團亦提供醫療保險及強制性公積金等其他員工福利。

風險管理

本集團已建立及保持足夠風險管理程序，輔以管理層之積極參與及有效之內部監控程序，以找出及控制公司內部及外圍環境現存之多種風險，符合本集團及其股東之最佳利益。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Mr. Ko Po Ming, aged 60, has over 35 years of extensive experience in finance and investment banking business. Mr. Ko has been appointed as the Joint Chairman of the Board, an executive Director and the Chief Executive Officer of the Company since 8 September 2016. Mr. Ko has been re-designated as the Chairman of the Board and appointed as the chairman of nomination committee on 2 January 2018. He is also a director of certain subsidiaries of the Company, including being appointed as the chairman of board member of Raiffeisen Privatbank Liechtenstein AG and the chairman of AYD Group Limited (formerly known as Shining Time Holdings Limited). Mr. Ko is mainly responsible for the formulation of development strategies of the Group, as well as giving guidance to the Group's project planning, financing and investment. Prior to joining the Company, Mr. Ko was the chief executive officer of CMBC International Limited, a wholly-owned subsidiary of the China Minsheng Banking Corp. Ltd. From October 2012 to March 2015, Mr. Ko was a consultant of China Minsheng Banking Corp., Ltd., Hong Kong Branch and was responsible for the setting up of CMBC International Holdings Limited. Prior to cofounding Goldbond Capital Holdings Limited ("GCHL") in 2003, he was the head of asian corporate finance of BNP Paribas Peregrine Capital Limited where he was in charge of the corporate finance business in Asia. GCHL was acquired by Piper Jaffray Companies (NYSE: PJC) in 2007 and its name was changed to Piper Jaffray Asia Holdings Limited ("PJA"). Since then and until September 2012, Mr. Ko served as the chief executive officer of PJA. Mr. Ko graduated from The Chinese University of Hong Kong in 1982 with a bachelor's degree in Business Administration.

At present, Mr. Ko is an independent non-executive director of Minshang Creative Technology Holdings Limited (stock code: 1632.hk) and a non-executive director of Globe Metals and Mining Limited (ASX: GBE). He had acted as independent non-executive directors of a number of Hong Kong and Mainland China listed companies, including (i) Nanjing Panda Electronics Company Limited (stock code: 553.hk) between 1996 and 1999; (ii) Dazhong Transport (Group) Company Limited (SHA: 600611) between 1997 and 2003; (iii) Chinese Energy Holdings Limited (formerly known as iMerchants Limited (stock code: 8009.hk) between 2000 and 2004; and (iv) Tianjin Capital Environmental Protection Group Company Limited (stock code: 1065.hk), between 2003 and 2009. Mr. Ko had acted as a non-executive director of Petro-king Oilfield Services Limited (stock code: 2178.hk), between February 2013 and March 2018. Mr. Ko was a Listing Committee member of the Main Board and GEM of the Stock Exchange between May 2003 and June 2009. He is also a trustee of St. Johnsbury Academy, an independent day and boarding secondary school. St. Johnsbury Academy is a non-profit corporation under section 501 (c)(3) of the Internal Revenue Code in the United States of America.

高寶明先生，60歲，於財務及投資銀行業務方面擁有逾35年豐富經驗。高先生自二零一六年九月八日以來獲委任為本公司董事會聯席主席、執行董事兼行政總裁。高先生於二零一八年一月二日被調任為董事會主席並獲委任為提名委員會主席。彼亦為本公司若干附屬公司的董事，包括獲委任為Raiffeisen Privatbank Liechtenstein AG的董事會主席及愛嬰島集團有限公司(前稱為亮時控股有限公司)主席。高先生主要負責制定本集團之發展策略及指導本集團之項目規劃、融資及投資。於加入本公司之前，高先生為民生商銀國際控股有限公司(中國民生銀行股份有限公司的全資附屬公司)的行政總裁。自二零一二年十月至二零一五年三月期間，高先生於中國民生銀行股份有限公司香港分行擔任顧問一職，負責籌建民生商銀國際控股有限公司。於二零零三年共同創辦金榜融資股份有限公司(「金榜融資」)前，彼為法國巴黎百富勤融資有限公司的亞洲企業融資主管，負責亞洲的企業融資業務。金榜融資於二零零七年被Piper Jaffray Companies(紐約證券交易所：PJC)收購，其名稱更改為派傑亞洲集團有限公司(「PJA」)。此後直至二零一二年九月，高先生出任PJA的行政總裁。高先生於一九八二年畢業於香港中文大學，獲工商管理學士學位。

目前，高先生為民商創科控股有限公司(股份代號：1632.hk)的獨立非執行董事及Globe Metals and Mining Limited(澳洲證券交易所：GBE)的非執行董事。彼曾先後出任多間香港及中國內地上市公司的獨立非執行董事職務，包括：(i)南京熊貓電子股份有限公司(股份代號：553.hk)(一九九六年至一九九九年)；(ii)大眾交通(集團)股份有限公司(上海證券交易所：600611)(一九九七年至二零零三年)；(iii)華夏能源控股有限公司(前稱菱控有限公司(股份代號：8009.hk))(二零零零年至二零零四年)；及(iv)天津創業環保集團股份有限公司(股份代號：1065.hk)(二零零三年至二零零九年)。高先生於二零一三年二月至二零一八年三月間曾先後出任百勤油田服務有限公司(股份代號：2178.hk)的非執行董事。高先生於二零零三年五月至二零零九年六月間為聯交所主板及GEM上市委員會成員。彼亦任一所獨立的日間及寄宿中學St. Johnsbury Academy的受託人。St. Johnsbury Academy乃美國國內稅收法(Internal Revenue Code)第501(c)(3)條下的非牟利機構。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Mr. Chang Tat Joel, aged 50, has been appointed as an executive Director, a member of the remuneration committee of the Company, the Chief Operating Officer and the Authorised Representative of the Company since 8 September 2016. He is also a director of certain subsidiaries of the Company. Mr. Chang has considerable strategic, financial and advisory experience. Mr. Chang is responsible for leading the overall strategic development and the general operation of the Group. He was a founder of Genius Link Assets Management Limited, a private equity investment company. Prior to that, he was the chief investment officer of Investec Asia Limited, a managing director of China Everbright Capital Limited and an executive director of BNP Prime Peregrine Capital Limited. He is also a member of the Australian Society of Certified Practising Accountants and the Hong Kong Institute of Certified Public Accountants. He obtained a bachelor's degree in Economics from Monash University in 1990.

Mr. Chang is an independent non-executive director of OCI International Holdings Limited (stock code: 329.hk), and an independent non-executive director of Hailiang International Holdings Limited (stock code: 2336.hk). He was formerly an independent non-executive director of AID Life Science Holdings Limited (formerly known as AID Partners Technology Holdings Limited, stock code: 8088.hk), and he was a non-executive director of Kong Sun Holdings Ltd. (stock code: 295.hk). He was an independent director of China Mobile Games and Entertainment Group Limited, a company previously listed on NASDAQ.

鄭達祖先生，50歲，自二零一六年九月八日起獲委任為本公司執行董事、薪酬委員會成員、營運總監及本公司授權代表。彼亦為本公司若干附屬公司的董事。鄭先生於策略、金融及顧問方面擁有豐富經驗。鄭先生負責領導本集團之整體戰略發展及總體運營。彼為Genius Link Assets Management Limited之創辦人之一（該公司為私募股權投資公司）。此前，他曾出任天達銀行亞洲有限公司投資總監及中國光大控股有限公司董事總經理以及法國國家巴黎百富勤融資有限公司執行董事。彼亦為澳洲會計師公會及香港會計師公會會員。彼於一九九零年在澳洲蒙納什大學取得經濟學學士學位。

鄭先生現為東建國際控股有限公司（股份代號：329.hk）獨立非執行董事及海亮國際控股有限公司（股份代號：2336.hk）獨立非執行董事。他曾擔任滙友生命科學控股有限公司（前稱為滙友科技控股有限公司，股份代號：8088.hk）獨立非執行董事，亦曾擔任江山控股有限公司（股份代號：295.hk）非執行董事。彼亦曾任過往於納斯達克證券交易所上市之中國手遊娛樂集團有限公司獨立董事。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Ms. Lui Choi Yiu, Angela, aged 44, has been appointed as an executive Director of the Company since 26 April 2016. Ms. Lui is also the chief financial officer of the Group, the company secretary and authorised representative of the Company. She is also a director of certain subsidiaries of the Company. She is responsible for overall financial strategies, planning and management of the Group. Prior to joining the Group, Ms. Lui had over 4 years of experience in audits in an international certified public accounting firms, over 17 years of experience in accounts, finance, operations, compliance and company secretarial duties in a listed securities firm and over 8 years of experience in company secretarial duties in a listed electroplating equipment designing and manufacturing company in Hong Kong. She has over 21 years of experience in management, finance and operations of securities business as well as company secretary. Ms. Lui graduated with a Bachelor of Science degree in Accounting from Azusa Pacific University in California, USA and a Postgraduate Diploma in Corporate Administration from Hong Kong Polytechnic University. She is currently a member of the American Institute of Certified Public Accountants and a member of The Hong Kong Institute of Certified Public Accountants.

Ms. Fu Yau Ching, Shirley, aged 46, is the chief human resources officer of the Group and has been appointed as an executive Director with effect from 24 May 2017. She is also a director of certain subsidiaries of the Company. She is responsible for the overall human resources strategies, planning and management of the Group. Prior to joining the Group, she has over 21 years of experience in the field of human resources management. Ms. Fu is mainly responsible for the human resources and related functions of the Group. She worked in the human resources management of multinational organizations like JPMorgan Chase Bank, N.A., PricewaterhouseCoopers, ABN AMRO Bank N.V. and UBS AG before joining the Company. She is a seasoned human resource professional responsible for managing the full spectrum of the human resources functions. Ms. Fu graduated with a Bachelor of business degree in human resources management from La Trobe University in Australia. She is currently an associate member of Hong Kong Institution of Human Resource Management.

雷彩姚女士，44歲，自二零一六年四月二十六日起獲委任為本公司執行董事，亦為本集團財務總監、本公司之公司秘書及授權代表。彼亦為本公司若干附屬公司的董事。彼負責本集團之整體財務策略、規劃及管理事宜。於加入本集團之前，雷女士於一間國際執業會計師行負責審計工作逾4年、於一間上市證券及期貨經紀公司負責會計、財務、運營、合規及公司秘書職務逾17年及於一家香港上市電鍍設備設計及製造公司負責公司秘書職務逾8年。彼於管理、財務及證券業務營運以及公司秘書方面擁有逾21年經驗，且於證券業務管理及運營方面擁有豐富經驗。雷女士持有美國加州Azusa Pacific University會計學學士學位及香港理工大學公司行政管理深造文憑。彼目前為美國特許會計師公會及香港會計師公會會員。

符又澄女士，46歲，本集團的人力資源總監，自二零一七年五月二十四日起獲委任為執行董事。彼亦為本公司若干附屬公司的董事。彼負責本集團的整體人力資源策略、規劃及管理。加入本集團之前，彼於人力資源管理領域積逾21年經驗。符女士主要負責本集團的人力資源及相關職能。加入本公司之前，彼曾於摩根大通銀行、羅兵咸永道會計師事務所、ABN AMRO Bank N.V. 及瑞銀集團等跨國企業從事人力資源管理工作。彼為經驗豐富的人力資源專業人員，負責管理人力資源職能所有環節。符女士畢業於澳洲La Trobe University，獲得人力資源管理專業的商科學士學位。彼目前為香港人力資源管理學會會員。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Mr. Cao Lu, aged 37, has been appointed as an executive Director of the Company since 1 December 2018. Mr. Cao joined the Company as the managing director of the internal audit department of the Company in September 2017 and has been re-designated as the senior country officer for China of the Company since 1 November 2018. He is also a director of Raiffeisen Privatbank Liechtenstein AG, a wholly-owned subsidiary of the Company. Mr. Cao is primarily responsible for developing business partner relationships to support the Company's development and for implementing strategic plans to expand the businesses geographically. Mr. Cao also drives diversified marketing plans on brand building, products and services and handles client acquisition and maintenance for the China market. Mr. Cao has over 10 years of experience in investment banking, direct investment, mergers and acquisition in China. He has in-depth understanding of the China market with extensive knowledge about capital markets and investment banking. He obtained his Master's degree in Business Administration from Nankai University.

NON-EXECUTIVE DIRECTOR

Ms. Hui Mei Mei, Carol, aged 43, has been appointed as a non-executive Director, a member of the remuneration committee and nomination committee of the Company since 5 October 2016. Ms. Hui has more than 20 years' experience in property development, and more than 12 years' experience in management and strategic planning of listed companies. Ms. Hui obtained a Bachelor's Degree in Commerce majoring in Accounting from Macquarie University in Australia in 1997. She is also a Certified Practising Accountant in Australia. Ms. Hui is currently a member of Beijing Municipal Committee of the Chinese People's Political Consultative Conference, a council member of Beijing Chinese Overseas Friendship Association and a member of the Youth Committee of All-China Federation of Returned Overseas Chinese. Ms. Hui is currently the vice chairman of Shanghai Shimao Co., Ltd., a company listed on the Shanghai Stock Exchange (SHA: 600823), and the vice chairman and president of Shimao International Holdings Limited. Ms. Hui is also the sole director of Future Achiever Limited ("FAL") and the daughter of Mr. Hui Wing Mau, the beneficial owner of FAL which is a substantial shareholder of the Company.

曹路先生，37歲，自二零一八年十二月一日起獲委任為本公司的執行董事。曹先生於二零一七年九月加入本公司擔任本公司內部審核部門董事總經理，並自二零一八年十一月一日起調任本公司中國地區高級總監。彼亦為本公司全資附屬公司 Raiffeisen Privatbank Liechtenstein AG 的董事。曹先生主要負責為支持本公司的發展建立業務夥伴關係及為拓展業務地理版圖落實策略規劃。曹先生亦為中國市場的品牌建設、產品及服務以及處理客戶的購買及維護推動多元化市場營銷計劃。曹先生於中國投資銀行、直接投資及併購方面積逾10年經驗。彼深知中國市場情況，於資本市場及投資銀行方面知識淵博。彼獲南開大學頒授工商管理碩士學位。

非執行董事

許薇薇女士，43歲，自二零一六年十月五日起獲委任為本公司非執行董事兼薪酬委員會及提名委員會成員。許女士於物業發展方面擁有逾20年經驗，並於上市公司管理及策略規劃方面擁有逾12年經驗。許女士於一九九七年獲取澳洲麥克理大學商科學士(主修會計)學位，亦擁有澳洲會計師公會會員專業資格。許女士現為北京市政協委員、北京市海外聯誼會理事及中華全國歸國華僑聯合會青年委員會委員。許女士現為上海證券交易所上市公司上海世茂股份有限公司(上海證券交易所：600823)之副董事長及世茂國際控股有限公司的副主席兼總裁。許女士亦為Future Achiever Limited ("FAL")的唯一董事及許榮茂先生(本公司主要股東FAL的實益擁有人)的女兒。

BIOGRAPHIES OF DIRECTORS

董事簡歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tian Ren Can, aged 57, has been appointed as an independent non-executive Director of the Company, and is the member of each of the audit committee, remuneration committee and nomination committee of the Company since 26 April 2016. Mr. Tian has more than 21 years of working experience in the field of finance. Mr. Tian is currently the chief executive officer of UBP Investments Management (Shanghai) Limited. He was the chief executive officer of HFT Investments Management Co., Ltd. from April 2003 to March 2015. Before that, Mr. Tian worked for multi-national financial institutes. Mr. Tian obtained a Master Degree of Business Administration awarded jointly by Manchester Business School and University of Wales of the United Kingdom. He obtained a Master Degree in Political Sciences International Relations from Shanghai International Studies University. Mr. Tian graduated from Shanghai Foreign Languages Institute with a Bachelor Degree in French Language and French Literature. Mr. Tian was an executive director of Huarong Investment Stock Corporation Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2277.hk).

獨立非執行董事

田仁燦先生，57歲，自二零一六年四月二十六日起獲委任為本公司獨立非執行董事，兼本公司審核委員會、薪酬委員會及提名委員會成員。田先生積逾21年的財務領域工作經驗。田先生目前為UBP Investments Management (Shanghai) Limited行政總裁。彼於二零零三年四月至二零一五年三月為海富通基金管理有限公司行政總裁。此前，田先生於多間跨國金融機構任職。田先生獲得曼徹斯特商學院及英國威爾士大學聯合頒發的工商管理碩士學位。彼自上海外國語大學取得政治科學國際關係碩士學位。田先生畢業於上海外語學院，並取得法語及法國文學學士學位。田先生曾任華融投資股份有限公司（一間於聯交所主板上市之公司，股份代號：2277.hk）的執行董事。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Ms. Kan Lai Kuen, Alice, aged 64, has been appointed as an independent non-executive Director, and the chairman of the remuneration committee and member of each of the audit committee and the nomination committee of the Company with effect from 24 May 2017. Ms. Kan has over 26 years of experience in corporate finance and is well experienced in both the equity and debt markets. She has held various senior positions in international and local banks and financial institutions and is currently a controlling shareholder and the Managing Director of Asia Investment Management Limited, a licensed corporation under the Securities and Futures Ordinance (the “SFO”). Ms. Kan is a fellow member of the Association of Chartered Certified Accountants, the Hong Kong Institute of Directors and the Australian Society of Certified Practising Accountants, and an associate member of the Hong Kong Institute of Certified Public Accountants. She is also a licensed responsible officer under the SFO. She currently also serves as independent non-executive director for several listed companies on the Stock Exchange, namely, China Energine International (Holdings) Limited (stock code: 1185.hk), Cosmopolitan International Holdings Limited (stock code: 120.hk), Regal Hotels International Holdings Limited (stock code: 78.hk) and Shimao Property Holdings Limited (stock code: 813.hk) and is also an independent director of AVIC International Maritime Holdings Limited, a company listed on the Catalist Board of the Singapore Exchange Securities Trading Limited. She was an independent non-executive director of Shougang Concord International Enterprises Company Limited (stock code: 697.hk) from 2014 to 2018.

簡麗娟女士，64歲，於二零一七年五月二十四日獲委任為本公司獨立非執行董事，兼薪酬委員會主席以及審核委員會及提名委員會成員。簡女士積逾26年企業融資經驗，並在股本及債券市場擁有豐富經驗。彼曾於國際及本地銀行以及金融機構擔任多個高級職位，現為亞洲資產管理有限公司（證券及期貨條例（「證券及期貨條例」）項下之持牌公司）之控股股東及董事總經理。簡女士為英國特許公認會計師公會、香港董事學會及澳洲會計師公會資深會員以及香港會計師公會會員。彼亦為證券及期貨條例項下之持牌負責人員。彼目前亦擔任多間聯交所上市公司，即中國航天萬源國際（集團）有限公司（股份代號：1185.hk）、四海國際集團有限公司（股份代號：120.hk）、富豪酒店國際控股有限公司（股份代號：78.hk）及世茂房地產控股有限公司（股份代號：813.hk）的獨立非執行董事，亦為中航國際船舶控股有限公司（於新加坡證券交易所有限公司凱利板上市的公司）的獨立董事。彼於二零一四年至二零一八年曾擔任、首長國際企業有限公司（股份代號：697.hk）的獨立非執行董事。

BIOGRAPHIES OF DIRECTORS

董事簡歷

Mr. Chen Wai Chung, Edmund, aged 46, has been appointed as an independent non-executive Director of the Company, and is the chairman of the audit committee and member of each of the remuneration committee and nomination committee of the Company since July 2017. Mr. Chen has over 21 years of solid experiences in business management, auditing, accounting and internal control. Mr. Chen was a non-executive director of KOALA Financial Group Limited (formerly known as Sunrise (China) Technology Group Limited, stock code: 8226.hk), a company listed on the GEM of the Stock Exchange, from November 2014 to January 2016. Mr. Chen graduated from City University of Hong Kong with a bachelor's degree in Accountancy in June 1996. Mr. Chen has been a member of the Association of Chartered Certified Accountants since 2001 and a fellow member of The Hong Kong Institute of Certified Public Accountants since 2016.

Mr. Wang Cong, aged 28, has been appointed as an independent non-executive Director of the Company, and is the member of each of the audit committee, the remuneration committee and nomination committee of the Company since 1 December 2018. Mr. Wang graduated from National University of Singapore with a Bachelor's Degree in Engineering Science in 2013. In 2014, he obtained his Master's Degree in Aeronautics from California Institute of Technology. Since 2014, Mr. Wang has joined a research group in Aeronautics at California Institute of Technology and is working towards a Doctor of Philosophy in Aeronautics. He is a co-inventor of three patents under application* filed with the United States Patent and Trademark Office, including medical device and fluid dynamic.

*Note:

- (1) Patent application no. 14/947767 filed on 20 November, 2015 "Micro-Needle Drug Delivery Systems"
- (2) Patent application no. 15/411544 filed on 20 January, 2017 "Vertical Carbon Nanotube and Lithium Ion Battery Chemistries, Articles, Architectures and Manufacture"
- (3) Patent application no. 15/663595 filed on 28 July, 2017 "System, Methods, and Apparatuses for Reducing Hydrodynamic Frictional Drag"

陳煒聰先生，46歲，自二零一七年七月起獲委任為本公司的獨立非執行董事，兼本公司審核委員會主席以及薪酬委員會及提名委員會成員。陳先生於商業管理、核數、會計及內部監控方面擁有逾21年豐富經驗。於二零一四年十一月至二零一六年一月，陳先生亦擔任聯交所GEM上市公司樹熊金融集團有限公司(前稱為中昱科技集團有限公司，股份代號：8226.hk)的非執行董事。陳先生於一九九六年六月畢業於香港城市大學，獲頒會計學士學位。陳先生自二零零一年起成為英國特許公認會計師公會會員及自二零一六年起成為香港會計師公會資深會員。

王聰先生，28歲，自二零一八年十二月一日起獲委任為本公司獨立非執行董事，並為本公司各審核委員會、薪酬委員會及提名委員會成員。彼於二零一三年畢業於新加坡國立大學，持有工程科學學士學位。於二零一四年，彼獲加州理工學院頒授航空學碩士學位。自二零一四年起，王先生加入加州理工學院航空學研究小組，現正修讀航空學哲學博士學位。彼乃三項已向美國專利商標局提交申請*之專利(包括醫療儀器及流體動力學)之共同發明者。

*附註：

- (1) 於二零一五年十一月二十日提交之專利申請(編號：14/947767)「微針藥物輸送系統」
- (2) 於二零一七年一月二十日提交之專利申請(編號：15/411544)「立式碳納米管及鋰離子電池化學品、用品、結構及製造」
- (3) 於二零一七年七月二十八日提交之專利申請(編號：15/663595)「用於減少流體動力學摩擦阻力之系統、方法及裝置」

DIRECTORS' REPORT

董事會報告

The board of Directors (the “**Board**” or the “**Directors**”) presents their annual report together with the audited consolidated financial statements of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) for the year ended 31 December 2018 (the “**Year**”).

PRINCIPAL ACTIVITIES

The Group is a health and wealth solutions service conglomerate. It principally provides comprehensive financial services in Hong Kong, including dealing in securities, commodities broking, provision of securities margin financing, provision of investment and corporate finance advisory services, investment in securities trading, money lending and investment holding. The Group also pursues an “investment business model” by making direct investments in the healthcare sector.

BUSINESS REVIEW

The business review with financial key performance indicators analysis and future development in the Group’s business can be found in the “Chairman Statement” and “Management Discussion and Analysis” sections of this annual report while details of the principal activities and other particulars of the Company’s principal subsidiaries as at 31 December 2018 are set out in note 19 to the consolidated financial statements.

The principal risks and uncertainties faced by the Group and discussion on the environmental policies and performance, were set out in the “Environmental, Social and Governance Report” section of this annual report.

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated statement of comprehensive income on pages 131 to 132. The Board recommends the payment of a final dividend of HK0.067 cent per ordinary share of the Company for the Year (the “**Final Dividend**”) (2017: Nil), subject to the proposed Final Dividend being approved by the Shareholders at the forthcoming annual general meeting of the Company to be held on 24 May 2019 (the “**AGM**”).

董事會(「**董事會**」或「**董事**」)提呈本公司及其附屬公司(以下統稱「**本集團**」)截至二零一八年十二月三十一日止年度(「**本年度**」)之年度報告及經審核綜合財務報表。

主要業務

本集團為健康及金融解決方案服務企業集團，主要於香港提供綜合金融服務，包括證券買賣、商品經紀、提供證券孖展融資、提供投資及企業融資顧問服務、證券交易投資、放債及投資控股。本集團亦尋求透過醫療保健業務作出直接投資的「投資業務模式」。

業務回顧

財務關鍵績效指標分析及本集團業務未來發展的業務回顧載於本年報「主席報告」及「管理層討論及分析」章節，而有關本公司主要業務活動的詳情及本公司主要附屬公司於二零一八年十二月三十一日的其他詳情載於綜合財務報表附註19。

本集團面臨的主要風險及不確定因素以及有關環境政策及表現的討論載於本年報的「環境、社會及管治報告」章節。

業績及股息

本集團之本年度業績載於第131至132頁之綜合全面收益表內。董事會建議派付本年度本公司之末期股息為每股普通股0.067港仙(「**末期股息**」)(二零一七年：無)，建議末期股息須待本公司股東於二零一九年五月二十四日舉行的應屆股東週年大會(「**股東週年大會**」)上批准。

DIRECTORS' REPORT

董事會報告

RESERVES

Movements in the reserves of the Group and the Company during the Year are set out in the notes 40 and 56 to the consolidated statements and in the consolidated statement of changes in equity on pages 135 to 136 of the consolidated financial statements.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to HK\$257,000 (2017: HK\$159,000).

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on pages 343 and 344.

PROPERTY, PLANT AND EQUIPMENT

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

BORROWINGS

Details of the interest-bearing borrowings of the Group are set out in note 32 to the consolidated financial statements.

PLEDGE OF ASSETS

Details of the pledge of assets of the Group are set out in notes 29 and 32 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the Year are set out in note 39 to the consolidated financial statements.

CORPORATE BONDS

Details of corporate bonds of the Group are set out in note 32 to the consolidated financial statements.

REDEEMABLE AND EXCHANGEABLE PREFERRED SHARE

Details of redeemable and exchangeable preferred share of the Group are set out in note 37 to the consolidated financial statements.

儲備

本集團及本公司於本年度之儲備變動載於綜合財務報表附註40及56以及第135至136頁之綜合權益變動。

慈善捐款

本集團於年內的慈善捐款達257,000港元(二零一七年: 159,000港元)。

財務摘要

本集團於過去五個財政年度之業績與資產及負債摘要載於第343及344頁。

物業、廠房及設備

本集團之物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註16。

借款

本集團之計息借款詳情載於綜合財務報表附註32。

資產抵押

本集團資產抵押的詳情載於綜合財務報表附註29及32。

股本

本公司於本年度之股本變動詳情載於綜合財務報表附註39。

公司債券

本集團公司債券的詳情載於綜合財務報表附註32。

可贖回及可轉換優先股

本集團可贖回及可轉換優先股的詳情載於綜合財務報表附註37。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEME

The share option scheme of the Company (the “**Scheme**”) adopted on 22 May 2012 (the “**Adoption Date**”) which will remain in force for a period of 10 years commencing from the Adoption Date to provide the participants with the opportunity to acquire proprietary interests in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and the shareholders as a whole. Under the Scheme, the Directors may at their discretion grant options to participants including all directors and employees of the Group and any other persons including consultants, advisors, agents, customers, suppliers, service provider, contractor, business partner or connected person of the Group or its associates to subscribe for shares in the Company.

The maximum number of shares in respect to which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company at any point in time. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in a general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme of the Company must not in aggregate exceed 30% of the shares in issue from time to time. The maximum number of shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on Stock Exchange (the “**Listing Rules**”). A nominal consideration of HK\$1 is payable on acceptance of the grant of an option.

購股權計劃

本公司於二零一二年五月二十二日（「**採納日期**」）採納的購股權計劃（「**計劃**」）將自其採納日期起計為期十年一直有效，旨在為參與者提供機會購入本公司的所有權權益，並鼓勵參與者為本公司及股東之整體利益努力提升本公司及其股份的價值。根據計劃，董事可酌情向參與者（包括本集團的所有董事及僱員以及包括本集團或其聯繫人的諮詢師、顧問、代理、客戶、供應商、服務供應商、承辦商、業務夥伴或關連人士在內的任何其他人士）授出購股權，以認購本公司股份。

根據該計劃可能授出的購股權所涉及的股份數目最多不超過本公司於任何時間點已發行股本的10%。該上限可隨時更新，惟新限額總數不得超過本公司股東於股東大會批准當日本公司已發行股本之10%。然而，根據計劃及本公司任何其他計劃已授出但尚未行使之全部尚未行使的購股權獲行使時可予發行之股份總數不得超過不時已發行股份之30%。於任何12個月期間內，向任何個別人士授出之購股權所涉及之股份數目最多不得超過該12個月期間最後一日已發行股份之1%，除非按照聯交所證券上市規則（「**上市規則**」）經由本公司股東批准則作別論。接納授出購股權時應付名義代價1港元。

DIRECTORS' REPORT

董事會報告

Options may be exercised at any time from the date of grant of the option to the 10th anniversary of the date of grant as may be determined by the Directors. The exercise price is determined by the Directors, and will not be less than the highest of (i) the closing price per share as stated in the Stock Exchange's daily quotations sheets on the date of the grant of the options; (ii) the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options; or (iii) the nominal value of a share.

During the Year, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Scheme. The total number of shares available for issue under the Scheme as at 31 December 2018 was 4,461,834,555 shares which represented 10% of the ordinary shares of the Company in issue at 31 December 2018.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company.

DIRECTORS

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

Executive Directors

Mr. Ko Po Ming (*Chairman and Chief Executive Officer*)
Mr. Chang Tat Joel
Ms. Lui Choi Yiu, Angela
Ms. Fu Yau Ching, Shirley
Mr. Cao Lu (appointed on 1 December 2018)

Non-executive Directors

Ms. Hui Mei Mei, Carol
Mr. Tong Tang, Joseph (resigned on 2 January 2018)

Independent non-executive Directors

Mr. Tian Ren Can
Ms. Kan Lai Kuen, Alice
Mr. Chen Wai Chung, Edmund
Mr. Wang Cong (appointed on 1 December 2018)

購股權可於授出日期起至授出日期滿第十週年止期間內隨時行使，而期限可由董事釐定。行使價由董事釐定，但不會低於下列之最高者：(i) 在購股權授出當日聯交所每日報價表所示股份之每股收市價；(ii) 緊接授出購股權日期前五個營業日聯交所每日報價表所示股份之每股平均收市價；或 (iii) 股份面值。

年內，概無購股權獲授出、行使、屆滿或失效且計劃項下並無尚未行使的購股權。於二零一八年十二月三十一日，根據計劃可供發行的股份總數為4,461,834,555股股份，相當於本公司於二零一八年十二月三十一日已發行普通股的10%。

購買、贖回或出售本公司上市證券

於本年度內，本公司及其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

董事

於本年度及截至本年報日期止，本公司之董事為：

執行董事

高寶明先生 (*主席兼行政總裁*)
鄭達祖先生
雷彩姚女士
符又澄女士
曹路先生 (於二零一八年十二月一日獲委任)

非執行董事

許薇薇女士
唐登先生 (於二零一八年一月二日辭任)

獨立非執行董事

田仁燦先生
簡麗娟女士
陳煒聰先生
王聰先生 (於二零一八年十二月一日獲委任)

DIRECTORS' REPORT

董事會報告

Pursuant to articles 96 and 115 of the Articles of Association, Ms. Lui Choi Yiu, Angela, Ms. Fu Yau Ching, Shirley, Mr. Cao Lu, Ms. Kan Lai Kuen, Alice and Mr. Wang Cong will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election at that meeting.

Each of the Directors is subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the Articles of Association of the Company. The Directors proposed for re-election at the forthcoming annual general meeting do not have service contracts which are not determinable by the Company within one year without payment of compensation other than statutory compensation.

The Company has received from each of the independent non-executive directors an annual confirmation of the independence pursuant to rule 3.13 of the Listing Rules and considers all the independent non-executive directors to be independent.

DIRECTORS OF SUBSIDIARIES

The names of Directors who have served on the Boards of the Company's subsidiaries during the year ended 31 December 2018 are set out below:

Ko Po Ming
Chang Tat Joel
Lui Choi Yiu, Angela
Fu Yau Ching, Shirley
Cao Lu
Attrux Clare
Cai Quan
Chan Tung Yuen
Chan Wing Kei
Chen Jeff Hungche
Chong Ka Yee
Doo Alexander Kenneth
Tschutscher Niklaus Werner
Widmer Florian Dominik
Fok Kenny Tsz Chun
Gao Qin
Grant Andrew James

根據章程細則第96及115條，雷彩姚女士、符又澄女士、曹路先生、簡麗娟女士及王聰先生將於應屆股東週年大會上輪席告退，惟符合資格於該會上膺選連任。

各董事須根據本公司之章程細則於本公司股東大會上輪席告退及膺選連任。於應屆股東週年大會上獲提名膺選連任之董事，並無訂立本公司不可於一年內不作補償(法定補償除外)而終止之服務合約。

本公司已收到各獨立非執行董事根據上市規則第3.13條規定出具的年度獨立性確認函，並認為所有獨立非執行董事均為獨立。

附屬公司董事

截至二零一八年十二月三十一日止年度，於本公司附屬公司董事會服務的董事名稱載列如下：

高寶明
鄭達祖
雷彩姚
符又澄
曹路
Attrux Clare
蔡全
陳東遠
陳永基
Chen Jeff Hungche
莊嘉誼
杜堅能
Tschutscher Niklaus Werner
Widmer Florian Dominik
霍子俊
高勤
Grant Andrew James

DIRECTORS' REPORT 董事會報告

Ho Chan Yuk Lin Anita
Ho Wing Chiu, Clement
Hung Hugo
Iun Sio Hong
Guo Jian
Karasavvidis Lazarus
Phillip Kevin Andre
Lam Ching Shuen
Lam Po Mui
Lam Sze Wai Derek
Lam Wai Hung
Lau Cheuk Hang
Lau Tuen Mui
Lau Wai Yee Susanna
Lee Tai Hay Dominic
Leong Milton Ka Hong
Leung Chun Keung
Leung Tim Chiu Richard
Liew Mun Kiong
Lin John Sian-zu
Lucas Blair Andrew
Ramroop Natisha Nicole
Ng Yuen Yee
Phey Serene Sai Lin
Poon Chi Keung
Tseung Yuk Hei Kenneth
Wong Chi Kit Nelson
Wong Shun Yun
Wong Tai Tung
Wong Wei Man
Ye Fachao
Ye Faduan
Yip Shing Fung
Ye Faqiu

何陳玉蓮
何永超
Hung Hugo
阮兆洪
Guo Jian
Karasavvidis Lazarus
Phillip Kevin Andre
Lam Ching Shuen
藍寶梅
林思偉
林偉雄
劉卓衡
劉端梅
劉慧儀
李大熙
梁家康
梁振強
梁甜昭
廖敏強
林相如
Lucas Blair Andrew
Ramroop Natisha Nicole
吳婉兒
Phey Serene Sai Lin
潘志強
蔣旭熙
黃自傑
王舜仁
黃大同
王慧敏
葉發朝
葉發端
葉丞峰
葉發秋

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2018, the interests and short positions of the Directors and chief executive of the Company in shares, underlying shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept 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 for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long positions in ordinary shares and underlying shares of the Company as at 31 December 2018:

董事於股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，本公司董事及最高行政人員於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有須記錄於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發行人董事進行證券交易之標準守則(「標準守則」)須另行知會本公司及聯交所之權益及淡倉如下：

於二零一八年十二月三十一日，於本公司普通股及相關股份之好倉如下：

Name of Director	Capacity/Nature of interest	Number of ordinary shares held	Approximate percentage of the issued share capital of the Company
董事姓名	身份／權益性質	所持普通股數目	佔本公司已發行股本之概約百分比
Ko Po Ming 高寶明	Interest of controlled corporation 受控制法團權益	632,104,000 (Note 附註 1)	1.42%
Chang Tat Joel 鄭達祖	Interest of controlled corporation 受控制法團權益	483,370,800 (Note 附註 2)	1.08%

Notes:

- These shares are held by Jovial Epoch Holdings Limited, a company wholly-owned by Mr. Ko Po Ming, an executive Director, the chief executive officer and the chairman of the Company.
- These shares are held by True Elite Limited, a company wholly-owned by Mr. Chang Tat Joel, an executive Director and the chief operating officer of the Company.

附註：

- 該等股份由欣宇控股有限公司持有，欣宇控股有限公司為一間由本公司執行董事、行政總裁兼主席高寶明先生全資擁有的公司。
- 該等股份由True Elite Limited持有，True Elite Limited為一間由本公司執行董事兼營運總監鄭達祖先生全資擁有的公司。

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

本公司、其任何控股公司、附屬公司或同系附屬公司概無於本年度任何時間訂立任何安排，致使本公司董事透過收購本公司或任何其他法人團體之股份或債券而獲取利益。

DIRECTORS' REPORT

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2018, the following interests and short positions of 5% or more of the issued share capital and underlying shares of the Company (other than a Director or chief executive of the Company) were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long position

Name 名稱／姓名	Nature of interest 權益性質	Number of ordinary shares held 所持普通股數目	Approximate percentage of shareholding 股權概約百分比
Hui Wing Mau 許榮茂	Interest of controlled corporation 受控制法團權益	7,656,916,000 (Note 附註 1)	17.16%
Chen Sung-Tse 陳松澤	Interest of controlled corporation 受控制法團權益	3,976,495,616 (Note 附註 2)	8.91%

Notes:

1. These shares are held by Future Achiever Limited, a company wholly-owned by Mr. Hui Wing Mau.
2. These shares are held by Investment Talent Limited, a company wholly-owned by Mr. Chen Sung-Tse.

Save as disclosed above, as at 31 December 2018, no person, other than the Directors of the Company, whose interests are set out in this annual report, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，本公司根據證券及期貨條例第336條所存置之權益登記冊記錄以下人士（並非本公司董事或最高行政人員）持有本公司已發行股本及相關股份5%或以上之權益及淡倉：

好倉

附註：

1. 該等股份Future Achiever Limited持有，而該公司由許榮茂先生全資擁有。
2. 該等股份由Investment Talent Limited持有，而該公司由陳松澤先生全資擁有。

除上文所披露者外，於二零一八年十二月三十一日，概無任何人士（本公司董事除外，其權益已載於本年報）於本公司股份或相關股份中擁有須根據證券及期貨條例第336條記錄之權益或淡倉。

DIRECTORS' REPORT

董事會報告

DIRECTORS' EMOLUMENTS

Details of the emoluments of the Directors and the five highest paid individuals are set out in notes 11 and 12 to the consolidated financial statements.

RETIREMENT SCHEME

The Group provides a defined contribution retirement scheme under the Mandatory Provident Fund Scheme (the "MPF Scheme") in Hong Kong to all staff. Under the MPF Scheme, employer and employees are each required to make contributions to the scheme at 5% of the employees' relevant income. Details of the retirement scheme are set out in note 45 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

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

Purchases

the largest supplier	27.72%
five largest suppliers in aggregate	64.61%

Sales

the largest customer	0.58%
five largest customers in aggregate	6.39%

Save as aforementioned, at no time during the Year did a Director, an associate of a Director or a shareholder of the Company (which to the knowledge of the Directors of the Company owned more than 5% of the Company's issued share capital) have any interest in any of the Group's five largest suppliers or customers.

董事酬金

董事及五名最高薪人士酬金詳情載於綜合財務報表附註11及12。

退休計劃

本集團根據香港強制性公積金計劃(「強積金計劃」)為所有僱員提供一項界定供款退休計劃。根據強積金計劃，僱主及僱員各自須按僱員有關收入之5%向計劃作出供款。退休計劃的詳情載於綜合財務報表附註45。

主要客戶及供應商

本集團主要供應商及客戶應佔年度採購及銷售百分比如下：

採購

最大供應商	27.72%
五大供應商合共	64.61%

銷售

最大客戶	0.58%
五大客戶合共	6.39%

除上文所披露者外，於本年度任何時間，董事、董事之聯繫人士或本公司股東(據本公司董事所知擁有本公司已發行股本超過5%)並無於本集團任何五大供應商或客戶擁有任何權益。

DIRECTORS' REPORT

董事會報告

DIRECTOR'S SERVICE CONTRACT

Each of the executive directors and independent non-executive directors of the Company has respectively entered into a service contract/letter of appointment with the Company for a term of 3 years unless terminated by not less than three month's notice in writing served by either party on the other. Each non-executive Director of the Company has entered into a service contract with the Company with no specific term and such service contract can be terminated by not less than three month's notice in writing served by either party on the other.

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

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Year.

CONTINGENT LIABILITIES

Details of the contingent liabilities are set out in note 53 to the consolidated financial statements.

CAPITAL COMMITMENTS

Details of the capital commitments are set out in note 51 to the consolidated financial statements.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the share option schemes disclosed in note 44 to the consolidated financial statements, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

MARKET CAPITALISATION

As at 31 December 2018, the market capitalization of the listed securities of the Company was approximately HK\$5,755,766,577 based on the total number of 44,618,345,557 issued shares of the Company and the closing price of HK\$0.129 per shares.

董事服務合約

本公司各執行董事及獨立非執行董事已各自與本公司訂立為期三年的服務合約／委任函，除非由一方向另一方發出不少於三個月的書面通知終止。本公司各非執行董事已與本公司訂立無具體期限的服務合約，及有關服務合約可由一方向另一方發出不少於三個月的書面通知終止。

擬於應屆股東週年大會上膺選連任之董事概無訂立本公司不可於一年內不作補償（法定補償除外）而終止之服務合約。

管理合約

於本年度並無訂立或存在任何有關本公司全部或任何重要部分業務之管理及實施的合約。

或然負債

或然負債詳情載於綜合財務報表附註53。

資本承擔

資本承擔詳情載於綜合財務報表附註51。

股份或債券認購安排

除綜合財務報表附註44所披露之購股權計劃外，本年度內本公司或任何其附屬公司從未參與任何安排，致使本公司董事因取得本公司或任何其他法人團體之股份或債券而獲益。

市值

於二零一八年十二月三十一日，本公司上市證券的市值為約5,755,766,577港元，乃基於本公司已發行股份總數44,618,345,557股及收市價每股股份0.129港元計算。

DIRECTORS' REPORT

董事會報告

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the corporate governance report contained in this annual report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float throughout the Year.

PERMITTED INDEMNITY PROVISION

The Articles provide that every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto.

The Group has taken out and maintained directors' liability insurance throughout the Year, which provides appropriate cover for legal actions brought against the Directors and directors of the subsidiaries of the Group. The level of the coverage is reviewed annually.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the Year and up to the date of this annual report, save for Ms. Kan Lai Kuen, Alice's interest in Asia Investment Management Limited, which is licensed corporation under the SFO, no Director of the Company is considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group pursuant to the Listing Rules.

The Directors consider that such competition, if any, is neither significant nor material to the Group as a whole. Furthermore Ms. Kan Lai Kuen, Alice will fulfill her fiduciary duties in order to ensure that she will act in the best interest of the Shareholders and the Company as a whole at all times. Hence, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

企業管治

本公司採納的主要企業管治常規載於本年報的企業管治報告。

足夠公眾持股量

根據本公司公開可得之資料及就董事所知，於整個本年度，本公司維持足夠公眾持股量。

獲准許之彌償條文

細則規定，在香港法例第622章公司條例充分允許的情況下，各董事有權就履行職務或在履行職務方面或其他有關方面而可能承擔或涉及的一切損失或責任從本公司資產中獲得彌償。

本集團於本年度已為董事購買及維持責任保險，為董事及本集團附屬公司董事可能面對的法律訴訟提供適當保障。我們會每年檢討保險的保障範圍。

董事於競爭業務中之權益

於本年度內及直至本年報日期，除簡麗娟女士於證券及期貨條例項下的持牌法團亞洲資產管理有限公司所持權益外，根據上市規則，概無本公司之董事被視為在直接或間接與本集團業務構成競爭或可能構成競爭之業務中擁有權益。

董事認為相關競爭(如有)對本集團整體而言既不重大亦不重要。此外，簡麗娟女士將履行其受信職責以確保彼始終以股東及本公司整體的最佳利益行事。因此，本集團能夠獨立於相關公司的業務進行本身業務。

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACT OF SIGNIFICANCE

No transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

EQUITY-LINKED AGREEMENT

No equity-linked agreement was entered into by the Group or existed during the Year.

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group (which did not constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules) for the Year are set out in note 47 to the consolidated financial statements contained herein.

CONNECTED TRANSACTIONS

During the Year, the Group had the following connected transactions that were subject to the Listing Rules' reporting requirement for disclosure in annual report.

Connected Transaction with WeDoctor

In December 2018, Wealth Infinity Global Limited ("Wealth Infinity"), an indirect wholly-owned subsidiary of the Company, made an investment of AU\$30 million for approximately 33.96% of the issued share capital of TT Holdings Limited ("TT Holdings"). One of the shareholders of TT Holdings is We Doctor (HK) Limited ("WeDoctor HK"), a wholly-owned subsidiary of WeDoctor. WeDoctor is interested in approximately 19.50% of Mason Reproductive Technology Limited, an indirect non-wholly owned subsidiary of the Company, and is a connected person of the Company at the subsidiary level. Accordingly, Wealth Infinity's investment in TT Holdings constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

董事於重大交易、安排或合約中之權益

本公司或其任何附屬公司概無訂立任何於年度末或年內任何時間仍然生效而董事或與董事有關連的實體直接或間接擁有重大權益的重大交易、安排或合約。

股票掛鈎協議

於本年度，本集團概無訂立或存在股票掛鈎協議。

關聯方交易

本集團於本年度的關聯方交易(並不構成上市規則第14A章規定之關連交易或持續關連交易)詳情載於本年報綜合財務報表附註47。

關連交易

年內，本集團已進行以下關連交易並須根據上市規則的申報規定於年報內披露。

與微醫之關連交易

於二零一八年十二月，Wealth Infinity Global Limited ("Wealth Infinity"，本公司之間接全資附屬公司)就TT Holdings Limited ("TT Holdings")約33.96%之已發行股本作出30,000,000澳元的投資。微醫的全資附屬公司微醫香港有限公司("微醫香港")為TT Holdings的股東之一。微醫擁有茂宸生殖科技有限公司(本公司之間接非全資附屬公司)約19.50%權益，並為本公司附屬公司層面的關連人士。因此，根據上市規則第14A章，Wealth Infinity於TT Holdings的投資構成本公司的關連交易。

DIRECTORS' REPORT

董事會報告

TT Holdings (through its wholly-owned subsidiary, Talent Triumph Developments Limited) applied the proceeds from Wealth Infinity's investment together with the investment proceeds from other investors including WeDoctor HK as capital contribution to MW Fertility Pte. Limited ("MW Fertility") for approximately 60.26% of the issued share capital of MW Fertility. MW Fertility acquired 89.50% of the issued capital of Genea Limited, one of the world's leading fertility groups based in Australia, on 28 December 2018.

For further details, please refer to the announcement of the Company dated 16 October 2018.

Connected Transaction with Cosmicfield

On 30 December 2016, Pioneer Leap entered into the Investment Agreement, in which the Investment Agreement provides that in the event that the 2017 Attributable Profit is more than RMB85,000,000 by 5% or more, Pioneer Leap shall, as bonus, transfer such number of shares in AYD to Cosmicfield to be determined under the formula as set out in the Investment Agreement. As the 2017 attributable profit was RMB120,402,000 and exceeded RMB85,000,000 by more than 5%, Pioneer Leap was required to transfer 809 issued shares of AYD to Cosmicfield under the terms of the Investment Agreement. Upon completion of the transfer on 5 July 2018, the Company holds 46.91% of the issued capital of AYD, while Cosmicfield and Golden Metro hold 27.01% and 26.08% of the issued capital of AYD respectively.

TT Holdings(透過其全資附屬公司Talent Triumph Developments Limited) 就MW Fertility Pte. Limited (「MW Fertility」)已發行股本的約60.26%將Wealth Infinity投資所得款項連同其他投資者(包括微醫香港)的投資所得款項用作對MW Fertility的注資。MW Fertility於二零一八年十二月二十八日收購Genea Limited已發行股本的89.50%。Genea Limited為總部位於澳洲的全球領先輔助生殖服務集團之一。

有關進一步詳情，請參閱本公司日期為二零一八年十月十六日的公告。

與 Cosmicfield 之關連交易

於二零一六年十二月三十日，鋒躍訂立投資協議，投資協議規定，倘二零一七年應佔利益超過人民幣85,000,000元5%或以上，鋒躍將作為紅利轉讓愛嬰島的有關數目股份予Cosmicfield，將根據投資協議所載的公式釐定。由於二零一七年應佔溢利為人民幣120,402,000元，超過人民幣85,000,000元逾5%，因此根據投資協議條款，鋒躍須轉讓愛嬰島809股已發行股份予Cosmicfield。於二零一八年七月五日轉讓完成後，本公司持有愛嬰島46.91%已發行股本，而Cosmicfield及Golden Metro分別持有愛嬰島27.01%及26.08%已發行股本。

DIRECTORS' REPORT

董事會報告

Since (i) Cosmicfield is a substantial shareholder of AYD and is a connected person of the Company at the subsidiary level; (ii) the Board (including all the independent non-executive directors) had approved the transaction and (iii) the independent non-executive directors have confirmed that the transaction was fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transfer of shares by Pioneer Leap to Cosmicfield under the terms of the Investment Agreement was subject to the annual reporting and announcement requirements but was exempted from circular, independent financial advice and shareholders' approval requirements pursuant to rule 14A.101 of the Listing Rules.

For further details, please refer to the announcement of the Company dated 30 December 2016 and 30 June 2018.

CONTINUING CONNECTED TRANSACTION

At the same time of entering into the Investment Agreement referred to above in "Connected Transactions", Pioneer Leap granted a loan in the amount of RMB140.8 million (equivalent to approximately HK\$157.70 million) (the "Loan") to Cosmicfield under a loan agreement (the "Loan Agreement"). The Loan was drawdown on 28 February 2017 and is secured by share charges of shares held by Cosmicfield in AYD and shares held by Golden Metro in AYD respectively.

Since (i) each of Cosmicfield and Golden Metro was regarded as a connected person of the Company at the subsidiary level; (ii) the Board (including all the independent non-executive directors) had approved the transaction and (iii) the independent non-executive directors have confirmed that the transaction was fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the transaction contemplated under the Loan Agreement was subject to the annual reporting and announcement requirements but was exempted from circular, independent financial advice and shareholders' approval requirements pursuant to rule 14A.101 of the Listing Rules.

由於 (i) Cosmicfield 為愛嬰島的主要股東，為本公司附屬公司層面的關連人士；(ii) 董事會（包括全體獨立非執行董事）已批准該交易及 (iii) 獨立非執行董事已確認交易屬公平合理、按一般商業條款訂立且符合本公司及股東之整體利益。鋒躍根據投資協議條款向 Cosmicfield 轉讓股份須遵守上市規則第 14A.101 條的年度申報及公告規定，惟豁免遵守通函、獨立財務意見及股東批准規定。

有關進一步詳情，請參閱本公司日期為二零一六年十二月三十日及二零一八年六月三十日的公告。

持續關連交易

在訂立上文「關連交易」所述之投資協議的同時，鋒躍根據貸款協議（「貸款協議」），向 Cosmicfield 授出人民幣 140,800,000 元（相當於約 157,700,000 港元）之貸款（「貸款」）。貸款於二零一七年二月二十八日提取，並分別由 Cosmicfield 持有的愛嬰島股份及 Golden Metro 所持有的愛嬰島股份作出的股份押記作為抵押。

由於 (i) Cosmicfield 及 Golden Metro 各自被視為本公司附屬公司層面的關連人士；(ii) 董事會（包括全體獨立非執行董事）已批准交易及 (iii) 獨立非執行董事已確認交易屬公平合理、按一般商業條款訂立且符合本公司及股東之整體利益，因此貸款協議所涉交易須遵守上市規則第 14A.101 條的年度申報及公告規定，惟豁免遵守通函、獨立財務意見及股東批准規定。

DIRECTORS' REPORT

董事會報告

For further details, please refer to the announcement of the Company dated 30 December 2016.

On 30 June 2018, Golden Metro, Cosmicfield and Pioneer Leap entered into a supplementary agreement (the “**Supplementary Loan Agreement**”) to amend and supplement, the Loan Agreement. The terms of the Loan Agreement were set out in the section headed “The Loan Agreement” of the announcement of the Company dated 30 December 2016. Under the Supplementary Loan Agreement, the terms of the Loan are amended as follows:

(i) The initial public offering of AYD on the Stock Exchange (the “**AYD IPO**”) is anticipated as part of the development of AYD gives its growth and prospect. Depending on the date of obtaining the PN15 Approval, the maturity date of the Loan (the “**Maturity Date**”) is set out below:

- (1) If the Company cannot obtain the approval from the Stock Exchange in respect of the spin-off and separate listing of the business of AYD on the main board of the Stock Exchange (the “**PN15 Approval**”) by 31 December 2019, the Maturity Date will be 2 July 2020.
- (2) If the Company obtains the PN15 Approval by 30 June 2020, the Maturity Date for the an amount of RMB59 million (equivalent to approximately HK\$67.18 million), which will represent all or part of (if the principal outstanding is less than RMB59 million (equivalent to approximately HK\$67.18 million)) the principal of the outstanding Loan and the corresponding interest accrued (the “**Agreed Amount**”), will, at the option of Cosmicfield, be 30 June 2021 and the remaining outstanding amount of the Loan will be 31 December 2020.

有關進一步詳情，請參閱本公司日期為二零一六年十二月三十日的公告。

於二零一八年六月三十日，Golden Metro、Cosmicfield及鋒躍訂立補充協議（「**補充貸款協議**」）以修訂及補充貸款協議。貸款協議的條款載於本公司日期為二零一六年十二月三十日公告「貸款協議」一節。根據補充貸款協議，貸款的條款修訂如下：

(i) 愛嬰島於聯交所的首次公開發售（「**愛嬰島首次公開發售**」）預期為愛嬰島發展的一部分，給其帶來增長及前景。視乎取得PN15批准日期，貸款的到期日（「**到期日**」）載列如下：

- (1) 如本公司於二零一九年十二月三十一日之前未能取得聯交所有關愛嬰島業務於聯交所主板分拆及獨立上市的批准（「**PN15批准**」），則到期日將為二零二零年七月二日。
- (2) 如本公司在二零二零年六月三十日之前獲得PN15批准，則人民幣59,000,000元（相當於約67,180,000港元）的款項（相當於全部或部分（倘未償還本金少於人民幣59,000,000元（相當於約67,180,000港元））未償還貸款本金及相應應計利息（「**協定金額**」）之到期日將可由Cosmicfield選擇為二零二一年六月三十日及貸款餘下未償還金額之到期日將為二零二零年十二月三十一日。

DIRECTORS' REPORT

董事會報告

(3) If the Company cannot obtain the PN15 Approval by 30 June 2020, the Maturity Date for the Agreed Amount will, at the option of Cosmicfield, be extended to 30 June 2021 while the remainder (if any) will remain as 2 July 2020, provided that if Cosmicfield and Golden Metro exercises the call option to acquire from Pioneer Leap its entire shareholding in AYD on 2 July 2020, then the Maturity Date will be further extended to:

- (a) the completion date of the disposal of the shares of AYD, provided that the parties enter into the definitive sale and purchase agreement and all the necessary approvals in relation to the disposal of the AYD shares (including but not limited to the approval from the shareholders' of the Company (if required)) (the "**Relevant Approvals**") are obtained and Cosmicfield has no right to extend the Maturity Date to 30 June 2021 if the completion date is earlier; or
- (b) the later of (1) 180 days after notification by the Company that Relevant Approvals cannot be obtained; or (2) 31 December 2020, if no definitive agreement were entered into or the Relevant Approvals were not obtained.

If the Maturity Date were extended in accordance with paragraph 3(a) or 3(b) above, the Agreed Amount may, at the discretion of Cosmicfield, be further extended to 30 June 2021.

The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The independent non-executive Directors have reviewed the above continuing connected transaction and have confirmed that the continuing connected transaction has been entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms; and (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and are in the interests of the shareholders of the Company as a whole.

(3) 倘本公司於二零二零年六月三十日之前未能取得PN15批准，則協定金額之到期日將可由Cosmicfield選擇延長至二零二一年六月三十日，而餘下金額(如有)之到期日將仍為二零二零年七月二日，惟倘Cosmicfield及Golden Metro於二零二零年七月二日行使認購期權自鋒躍收購愛嬰島全部股權，則到期日將進一步延長至：

- (a) 出售愛嬰島股份的完成日期(倘條件是訂約方訂立最終買賣協議並獲得所有有關出售愛嬰島股份必要批准(包括但不限於本公司股東的批准(如必要)「**相關批准**」)，如完成日期較早，Cosmicfield無權力將到期日延長至二零二一年六月三十日；或
- (b) (1)在本公司通知無法獲得相關批准後180天；或(2)二零二零年十二月三十一日兩者之較遲者(倘未簽訂最終協議或未獲得相關批准)。

倘到期日根據上文第3(a)或3(b)段延長，協定金額可由Cosmicfield選擇進一步延長至二零二一年六月三十日。

本公司已根據上市規則第14A章遵守披露規定。

獨立非執行董事已審閱上述的持續關連交易，並已確認持續關連交易(i)乃於本集團日常及一般業務過程中訂立；(ii)符合一般商業條款；及(iii)根據監管該等交易之有關協議，按公平合理且符合本公司股東的整體利益之條款訂立。

DIRECTORS' REPORT

董事會報告

For the propose of rule 14A.56 of the Listing Rules, the auditors of the Company provided a letter to the Board, confirming that nothing has come to their attention that causes them to believe the continuing connected transaction mentioned above:

- (i) was not approved by the Board of Directors of the Company;
- (ii) was not in accordance with the pricing policies of the Group if the transaction involves provision of financial assistance by the Group;
- (iii) was not entered into in accordance with the relevant agreements governing the transaction; and
- (iv) was not exceeded the annual cap as no annual cap was set by the Company.

KEY RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to the Group's businesses. The followings are the key risks and uncertainties identified by the Group. There may be other risks and uncertainties in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future.

Details of the financial risks management objective and policies of the Group are set out in note 48 to the consolidated financial statements.

Rules and Regulations Risk

The Group's businesses and investments are principally operated in mainland China, Hong Kong, Europe, Cayman Islands and Australia and are subject to different industry standards and government regulations in different jurisdictions. These standards, rules and regulations include, but not limited to, financial services, bank, food hygiene, medical related and safety related laws and regulations, ordinances or acts, environmental protection regulations, employment regulations and relevant tax laws, etc. The Group's internal legal and compliance department will ensure compliance with the laws, rules and regulations applicable to the Group.

Failure to comply with the applicable rules and regulations may result in fines, restrictions on the Group's activities or even suspension or revocation of some or all of the Group's business licences/certifications. The Group faces increasing compliance burden with its rapid expansion into new business and investment areas, new jurisdictions and the ever-changing laws and regulations.

根據上市規則第14A.56條，本公司核數師已向董事會提供一份函件，確認彼等概無發現任何事宜致使彼等認為上述持續關連交易：

- (i) 尚未獲得本公司董事會批准；
- (ii) 並非根據本集團之定價政策進行（倘該交易涉及由本集團提供財務協助）；
- (iii) 並非根據監管該交易之有關協議訂立；及
- (iv) 由於本公司並無設定年度上限，因此並無超過年度上限。

主要風險及不確定因素

本集團財務狀況、經營業績及業務前景受多項與本集團業務直接或間接相關的風險及不確定因素影響。以下為本集團已識別主要風險及不確定因素。除下文所列因素外，本集團不排除存在未知或目前無甚影響但未來會有重大影響的其他風險及不確定因素。

本集團的財務風險管理目標及政策詳情載於綜合財務報表附註48。

規則及規例風險

於年內，本集團的業務及投資主要在中國內地、香港、歐洲、開曼群島及澳洲經營，並須遵守該等不同司法權區內的不同行業準則及政府法規。該等準則、規則及規例包括但不限於金融服務、銀行、食品衛生、醫療相關及安全相關的法律法規、條例或法案、環保法規、僱傭規例及相關稅項法律等。本集團的內部法律及合規部門將確保遵守適用於本集團的法律、規則及規例。

未能遵守適用規則及規例可能導致被處以罰款、限制本集團的活動，甚至暫停或撤銷本集團的部分或全部營業執照／證書。隨著本集團向新業務及投資領域、新司法權區的擴張加上法例及規例不斷變更，本集團面臨日益加重的合規負擔。

DIRECTORS' REPORT

董事會報告

Investment Risk

The Group's rapid expansion plans through mergers and acquisitions carry the risk of its investments not achieving the Group's strategic business objectives or failing to maintain or make profit. Failure to properly manage its new investments will affect the Group's reputation and its shareholders' confidence and in the more severe cases, the long term sustainability of the Group will be impacted and/or the exit strategies for the investments will be delayed or aborted.

Even though the Group has established a strategic development department to carry out detailed analysis, valuation assessments and due diligence review work for each of its investment and acquisition projects and its investment committee carries out in-depth review and approval process for each of its investment decisions, the Group is still subject to the inherent risk of its investments not performing according to expectations. The Group continues to strengthen its investment review and approval processes including setting specific milestones and measurable Key Performance Indicators ("KPIs") for its new investments.

Liquidity Risk

As the Group's financial service businesses are highly capital intensive, any cash shortfalls of the Group may lead to inadequacy of funds to support its daily operations and in severe cases, bankruptcy, business expansion failures, reputational damages and stakeholders' suits. In order to finance the growth of its financial services businesses and its current strategic expansions, the Group requires substantial funding resources and a strong capital base. The Group's finance department is responsible to manage its relationship with banks and other financial institutions and to closely monitor the Group's cash flow adequacy. To build up its capital base, the Company completed a rights issue exercise last year which successfully raised approximately HK\$2,840 million. The Group may consider other fund raising activities, such as share placements, the issuance of convertible bonds, etc. to strengthen the Group's capital base and bank/other borrowings and trade facilities to improve its financial position if necessary.

投資風險

本集團透過併購開展的快速擴張計劃帶來投資無法實現本集團策略業務目標或保持盈利或賺取利潤的風險。未能妥當管理其新投資將影響本集團的聲譽及其股東的信心，甚至更嚴重者，本集團的長期可持續性將受到影響及／或投資退出策略將被延遲或失敗。

即使本集團已設立策略發展部門對其各項投資及收購項目進行詳細分析、估值評估及盡職審查，且其投資委員會對其各項投資決策進行深入審批，但本集團仍將受限於其投資表現不如預期的固有風險。本集團不斷加強其投資審批流程，包括為其新投資設立具體里程碑及可計量關鍵業績指標（「**關鍵績效指標**」）。

流動資金風險

由於本集團的金融服務業務屬資本密集型，故本集團出現任何現金短缺均可能導致資金不足以支持其日常營運，嚴重情況下，導致破產、業務擴張失敗、聲譽受損及股東訴訟。為撥付其金融服務業務及其現有策略擴張所需資金，本集團需要大量資金來源及雄厚的資本基礎。本集團財政部門負責管理其與銀行及其他金融機構的關係，並密切監控本集團的現金流量充足性。為增進其資本基礎，本集團於去年完成供股，成功籌集約2,840,000,000港元。本集團或會考慮股份配售、發行可換股債券等其他集資活動，以增強本集團資本基礎及銀行／其他借貸與貿易融資以改進其財務狀況（如必要）。

DIRECTORS' REPORT

董事會報告

Foreign Exchange Risk

The Group's businesses and investments for the Year were mainly located in the mainland China, Hong Kong, Europe and Australia. All domestic operations are transacted in the local currencies, whereas export sales and imports of raw materials, machineries and equipment are transacted in foreign currencies. Previously, the Group was mainly affected by RMB and, AU\$ fluctuations, however, during the Year, the Group was further exposed to the Euro and CHF exchange rate fluctuations as a result of its acquisition of RPL in Liechtenstein and HFG Group in Hong Kong.

The Group closely monitors its foreign exchange exposure and would consider hedging when necessary. Please refer to note 48 to the financial statements of the annual report for the foreign currency risk exposures as at the end of the reporting period.

Systems vulnerability and Cyber-attacks

The operation of the Group's businesses and in particular, its financial services sector is highly dependent on its trading, data management and information technology platform. The information technology landscape of the Group may be vulnerable to a number of disruptions such as computer viruses and/or cyber-attacks. Such disruptions may cause data corruption and interruptions, delay or cessation in the services provided through the Group's securities trading facilities, exposure of sensitive/confidential information to unauthorized persons, non-compliance with data privacy requirements, stolen intellectual properties, etc. During the Year, the Group has made substantial investment in improving its IT Infrastructure including enhancing its IT security and protection against cyber-attacks. The Group has successfully implemented a world class 2-tier firewall and solutions against Distributed Denial of Service (DDoS) attacks, etc. The Group also carries out regular reviews on its compliance with The Securities and Futures Commission ("SFC") cyber security regulations and provides training on cyber security to its relevant staff. At the same time, the Group's business continuity plan is being revised to meet new needs resulting from its rapid expansion and growth.

外匯風險

本集團於本年度內的業務及投資主要位於中國內地、香港、歐洲及澳洲。國內業務全部以本土貨幣交易，而出口銷售及原材料、機器及設備進口則以外幣交易。本集團先前主要受人民幣及澳元波動影響，然而，於本年度內，本集團因其收購位於列支敦士登的RPL及位於香港的晉裕集團而進一步面臨歐元及瑞士法郎匯率波動風險。

本集團擬密切監控其外匯風險，並將於有必要時考慮對沖。有關於報告期末的外匯風險，請參閱年報財務報表附註48。

系統漏洞及網絡攻擊

本集團的業務營運，尤其是其金融服務分部極為依賴其貿易、數據管理及信息技術平台。本集團的信息技術狀況可能易受電腦病毒及／或網絡攻擊等多種干擾的影響。有關干擾可能導致透過本集團的證券交易設施提供服務時出現數據損壞及中斷、延遲或中止、敏感／機密資料向未經授權人員洩露、不符合數據私隱要求規定、竊取知識產權等。於本年度內，本集團投入大量資金以改進其資訊科技基礎設施，包括加強其資訊科技安全及保護其免受網絡攻擊。本集團已針對分布式拒絕服務(DDoS)攻擊等妥為採用世界頂級二層防火牆及解決方案。本集團亦定期檢討其對證券及期貨事務監察委員會(「證監會」)網絡安全規例的遵守情況，並向其有關員工提供網絡安全方面的培訓。同時，本集團的業務持續計劃正在修訂當中，以達成其快速擴張及增長所產生的新需求。

DIRECTORS' REPORT

董事會報告

Competitive Risk

In the financial services sector, the Group faces intense competition from the new e-services that have emerged as a result of the advancement in technology in recent years. The growing acceptance of retail investors to these new emerging e-brokerage services has also added to the competition faced by traditional brokerage companies. Together, these factors have put immense pressure on traditional securities brokerage companies, including the Group, to lower their commission rates.

The healthcare services industry is highly competitive. Even though the Group's healthcare services are highly specialized and skill-intensive i.e. in the provision of IVF treatments which caters mainly to a niche market segment and the Group strives to be the leading provider in this premium medical services segment, it still faces competition from other healthcare services providers and specialist healthcare solutions providers in Hong Kong.

Financial Services Business Related Risks

Market Risk

The Group's financial services related businesses are exposed to market risk. The Hong Kong financial markets are directly affected by, among others, the global and local political, economic and social environments. Historically, global and local financial markets have fluctuated considerably over time. Any sudden downturn in these financial markets may adversely affect the market sentiment in general.

Settlement Risk

There is a minimum margin deposit for the opening of each futures contract as required by The Hong Kong Futures Exchange Limited (the "Futures Exchange"). Clients of the Group are required to maintain such minimum margin deposit with the Group at all times as determined by the Futures Exchange. Although the Group is entitled to close out the futures contract when a client is unable to meet his/her margin call, in the event that the client's margin deposit with the Group is unable to cover the loss arising from closing out of the futures contract, the Group would be exposed to the risk of not being able to recover such shortfall from the clients, particularly in times of a volatile market.

競爭風險

由於近年來技術發展，本集團於金融服務行業面臨新電子服務的激烈競爭。接納該等新興電子經紀服務小額投資者越來越多亦加劇傳統經紀公司所面臨的競爭。同時，該等因素對傳統證券經紀公司(包括本集團)造成巨大壓力，迫使其降低佣金率。

醫療服務行業競爭相當激烈。即使本集團的醫療服務高度專業且技術超凡，如提供主要迎合小眾市場分部的試管嬰兒治療，及本集團力求成為高端醫療服務分部的的主要供應商，其仍面臨香港其他醫療服務供應商及專業醫療方案供應商的競爭。

金融服務業務相關風險

市場風險

本集團金融服務相關業務面臨市場風險。香港金融市場直接受(其中包括)全球及本地政治、經濟及社會環境因素影響。全球及本地金融市場過往有顯著波動。金融市場急劇下挫可能全面打擊市場情緒。

結算風險

香港期貨交易所有限公司(「期交所」)規定實施每項期貨合約交易均須繳納最低按金。本集團客戶須隨時就本集團交存期交所規定維持所有該等最低按金。儘管本集團可於客戶無法達致按金要求時終止期貨合約，但所持客戶按金若不足以彌補終止期貨合約導致的損失，本集團未必(尤其是在市場動盪時)可向客戶追索不足之數。

DIRECTORS' REPORT

董事會報告

Credit Risk

The Group's financial condition and results of operations may be affected by its ability to maintain and/or improve the quality of its loan portfolio. Deterioration in the quality of its loan portfolio may occur due to the general slowdown of the economy. Moreover, actual or perceived deterioration of the creditworthiness of borrowers, a slowdown of the economic growth, reduced profitability or cash flows of corporate borrowers or the unemployment of individual borrowers, may cause our asset quality to deteriorate and may lead to significant increases in its allowance for impairment losses on loans.

The Group normally obtains liquid securities and/or cash deposits as collateral for providing margin financing to its clients. Margin loans provided to a client is required to be maintained within the margin value of his pledged securities, which means the aggregate market value of his pledged securities after discounts. In the event that a client is unable to meet a margin call, the Group is entitled to dispose of the pledged securities and use the sale proceeds thereof towards repayment of the loan. However, there is a risk that the amount recovered from the disposal of the pledged securities may fall short of the outstanding amount of the loan. The Group would suffer a loss if it fails to recover the shortfall from its clients.

Mother-Infant-Child Investment Related Risks

The Group's mother-infant-child investment carried out under AYD Group, is dependent on a number of factors such as the popularity and strength of the brands it carries, the company's relationship with the brand owners, seasonality of sales and its ability to expand its franchise network.

AYD Group sources products directly from brand owners and the success of its business is highly dependent on its ability to source the right brands and the popularity and strength of these brands which are in turn dependent on customers' perception of them. AYD Group has little or no control over the design, production and marketing of these products which are carried out directly by the brand owners.

AYD Group's sales are, similar to other retail businesses, affected by seasonal factors and consumer consumption patterns, most of which are outside AYD Group's control.

信貸風險

本集團保持及／或提升貸款組合質素的能力會影響其財務狀況及經營業績。本集團的貸款組合質素可能因經濟整體放緩而轉差。此外，借款人的信譽實際或預期轉差、經濟增長放緩、公司借款人的盈利能力削弱或現金流量減少或個人借款人失業，均可能導致其資產質素轉差，引致貸款減值虧損撥備顯著增加。

本集團向客戶提供孖展融資時通常獲得高流通證券及／或現金存款作為抵押品。提供予客戶的孖展貸款須與其抵押證券的保證金價值（即已抵押證券折讓後的市值總額）相當。倘客戶無法達致保證金要求，本集團有權出售已抵押證券並使用銷售所得款項償還貸款。然而，出售已抵押證券所收回的款項可能低於貸款餘額。本集團若無法向客戶追回不足之數，則可能蒙受損失。

母嬰童投資相關風險

本集團在愛嬰島集團下開展的母嬰童投資取決於多個因素，例如其品牌的知名度及實力、公司與品牌所有者的關係、銷售的季節性及其擴展特許經營網絡的能力。

愛嬰島集團直接從品牌所有者採購產品，其業務的成功非常依賴其物色正確品牌的能力及該等品牌的知名度與實力，而這又取決於消費者對該等品牌的認知。該等產品的設計、生產及營銷由品牌所有者直接進行，愛嬰島集團對其的控制較少甚至根本無法控制。

愛嬰島集團的銷售與其他零售業務類似，受季節性因素及消費者消費模式的影響，其中大部分不在愛嬰島集團的控制範圍之內。

DIRECTORS' REPORT

董事會報告

AYD Group's ability to expand its franchise network is dependent on its ability to find suitable franchisees, its ability to negotiate with the franchisees for competitive franchisee fees and its ability to manage the relationship with its franchisees going forward. Furthermore, AYD Group needs to continue to monitor trends in the distribution channels for mother-infant-child products in China and to make necessary changes in order to optimize its distribution network. If it is unable to maintain and further develop its distribution network, its business will be adversely affected.

Healthcare Investments Related Risks

The Group's specialized healthcare investments are highly dependent on its ability to attract and retain highly skilled and professional medical specialists and embryologists in Hong Kong. Competition for such skilled and qualified professionals in Hong Kong is intense as the pool of these specialist doctors and registered medical practitioners is small. The healthcare investment and its future growth expansion are dependent on its ability to attract and retain these specialists and medical practitioners to practice at its medical centers.

The IVF and diagnostics business is also dependent on the technological advancements in the IVF treatment techniques, diagnostics techniques and the investments in these advancements will have an impact the Group's future performance and competitiveness.

The success of the Group's healthcare services is also dependent to a significant extent on the recognition of its brand and reputation as a reliable and results-proven service provider. Any complaint or litigation from its clients in relation to the quality or result of services provided by the Group may adversely affect its reputation or image and may in turn, materially and adversely affect the demand for its services.

愛嬰島集團拓展特許經營網絡的能力取決於其尋找合適的特許經營商的能力、與特許經營商磋商具競爭力之特許經營費的能力及管理日後與特許經營商的關係的能力。此外，愛嬰島集團需持續監察中國母嬰童產品分銷渠道的趨勢，並作出必要的變動以優化其分銷網絡。如果其無法保持並進一步拓展其分銷網絡，其業務將受到不利影響。

醫療投資相關風險

本集團的專業醫療投資高度依賴其吸引及挽留香港高技能及專業醫療專家以及胚胎學家的能力。由於該等專科醫生及註冊醫生人數少，在香港對於相關技能及合資格專業人士的需求競爭激烈。本集團的醫療投資及未來發展擴張取決於其吸引及挽留該等專家及醫生於醫療中心執業的能力。

輔助生殖及診斷業務亦取決於輔助生殖治療技術及診斷技術的先進科技，且該等先進設備的投資將影響本集團未來表現及競爭力。

本集團醫療服務的成功很大程度上亦取決於認可其作為可靠及有保障服務供應商的品牌及聲譽。客戶就本集團所提供的服務質量或成果提出訴訟申索或投訴，均可能會對本集團的聲譽或形象造成不利影響，進而可能對本集團服務的需求造成重大不利影響。

DIRECTORS' REPORT

董事會報告

Infant Milk Powder Investment Related Risks

The Group's infant milk powder investment, Blend & Pack faces a number of key risks and uncertainties such as the market demand for its customers' brands of milk powder products, consumers' perception of and confidence in Australian manufacturers, changes in the Chinese Government's regulations governing the infant milk powder industry and the reliability of its highly automated manufacturing process. As Blend & Pack intends to focus on export sales to the China market, any regulatory changes in China and in particular the Certificate and Accreditation Administration of the PRC (CNCA) or China Food and Drug Administration (CFDA) regulations and any failure by its three selected brands to be commercially viable or to penetrate the Chinese market will affect the company's financial performance.

RISK MANAGEMENT

The Group has established adequate and effective risk management procedures which enable it to identify, measure, monitor and control the various types of risks that it faces. This is supplemented by active management involvement and effective internal controls in the best interests of the Group.

EVENTS AFTER THE REPORTING PERIOD

Details of events after the reporting period are set on in note 54 to the consolidated financial statements.

AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2018 have been audited by BDO Limited, who will retire and a resolution to re-appoint BDO Limited as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board

Mason Group Holdings Limited

Ko Po Ming

Chairman & Chief Executive Officer

26 March 2019

嬰兒奶粉投資相關風險

有關本集團的嬰兒奶粉業務投資、Blend & Pack 面臨多項主要風險及不確定因素，如其客戶奶粉產品品牌的市場需求、消費者對澳洲生產商的認識及信心、中國政府管治嬰兒奶粉行業的法規出現變動以及其高度自動化生產流程的可靠性。由於 Blend & Pack 擬專注於向中國市場的出口銷售，故中國監管的任何變動，尤其是中國國家認證認可監督管理委員會 (CNCA) 或中國國家食品藥品監督管理總局 (CFDA) 法規以及其所選定的三個品牌在商業上不可行或無法進駐中國市場，將影響本公司的財務表現。

風險管理

本集團設立充分有效的風險管理程序，以識別、計量、監測及控制所面對的各類風險，更有管理層積極參與，配合實施符合本集團最佳利益的有效內部控制措施。

呈報期後事項

呈報期後事項詳情載於綜合財務報表附註 54。

核數師

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已由香港立信德豪會計師事務所有限公司審核，而該公司將退任且本公司將於本公司應屆股東週年大會上提呈續聘香港立信德豪會計師事務所有限公司為本公司核數師的決議案。

代表董事會

茂宸集團控股有限公司

高寶明

主席兼行政總裁

二零一九年三月二十六日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board recognizes the importance of maintaining a high standard of corporate governance to protect and enhance the benefits of shareholders. The Board and senior management of the Company recognizes their responsibility to maintain the interest of the shareholders and to enhance their value. The Board also believes a deliberate policy of corporate governance can facilitate a company in rapid growth under a healthy governance structure and strengthen the confidence of shareholders and investors.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to maintaining high standards of corporate governance and integrity, and to ensuring transparent and adequate levels of disclosure. No corporate governance committee was established and the Board is responsible for performing the corporate governance duties set out in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) under Appendix 14 of the Listing Rules. The Board will continue to review and recommend such steps as appropriate in a timely manner in order to comply with the requirements of the CG Code.

Throughout the Year, the Company complied with all of the code provisions set out in the CG Code, save for the deviations from code provision A.2.1 as explained below.

Provision A.2.1 of CG Code, stipulates that the roles of chairman and chief executive officer (“CEO”) should be separated and should not be performed by the same individual. Mr. Ko Po Ming (“Mr. Ko”) is the chairman of the Company and has also carried out the responsibility of chief executive officer which constitutes a deviation from the code provision A.2.1. Mr. Ko possesses essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The daily operation and management of the Company is monitored by the executive Directors. The Board considers the present structure more suitable for the Company as it can promote the efficient formulation and implementation of the Company’s strategies. The current leadership structure facilitates the execution of the business strategies, decision-making and maximizes the effectiveness of the Group’s operations.

董事會確認維持高水準企業管治對保障及提升股東利益之重要性。董事會及本公司高級管理層確認彼等有責任維護股東利益及提升股東價值。董事會亦相信，一套周詳之企業管治政策有助公司在穩健管治架構下快速增長，並能增強股東及投資者之信心。

企業管治常規

董事會致力為本公司維持高水平之企業管治及誠實公正，確保高透明度的充足披露。概無成立企業管治委員會及由董事會負責履行上市規則附錄十四所載企業管治守則及企業管治報告（「企業管治守則」）所載之企業管治職責。董事會將繼續適時檢討及建議合適之步驟，以符合企業管治守則之規定。

本公司已於本年度全年一直遵守企業管治守則所載之所有守則條文，惟下文所闡釋偏離守則條文A.2.1除外。

企業管治守則條文A.2.1規定，主席及行政總裁（「行政總裁」）須分別由不同人士擔任，而不應由同一人兼任。高寶明先生（「高先生」）為本公司的主席，亦履行行政總裁的職責，此偏離守則條文A.2.1。高先生擁有管理董事會必備的領導才能，並十分熟悉本集團業務。同時，本公司的日常營運及管理由執行董事監察。董事會認為現有架構更為適合本公司，理由是此架構能夠令本公司有效制定及實施策略。現有領導架構有助於實施業務戰略、作出決策並將本集團運營效益最大化。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") set out in Appendix 10 of the Listing Rules as the code of conduct regarding directors' securities transactions. Following specific enquiry by the Company, all of the Directors have confirmed that they have complied with the requirements as set out in the Model Code throughout the year ended 31 December 2018.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

Promoting good corporate governance and managing enterprise-wide risk is a priority of the Company. The Company is convinced that corporate governance and Directors and Officers Liability Insurance (the "D&O Insurance") complement each other. The Company has arranged appropriate D&O Insurance coverage on Directors' and officers' liabilities in respect of legal actions against directors and senior management arising out of corporate activities. The D&O Insurance will be reviewed and renewed annually.

BOARD OF DIRECTORS

Board Composition

The board currently comprises ten members, of whom there are five executive Directors, one non-executive Director and four independent non-executive Directors namely:

Executive Directors

Mr. Ko Po Ming (*Chairman and Chief Executive Officer*)
Mr. Chang Tat Joel
Ms. Lui Choi Yiu, Angela
Ms. Fu Yau Ching, Shirley
Mr. Cao Lu (appointed on 1 December 2018)

Non-executive Directors

Ms. Hui Mei Mei, Carol
Mr. Tong Tang, Joseph (resigned on 2 January 2018)

Independent non-executive Directors

Mr. Tian Ren Can
Ms. Kan Lai Kuen, Alice
Mr. Chen Wai Chung, Edmund
Mr. Wang Cong (appointed on 1 December 2018)

董事之證券交易

本公司已採納上市規則附錄十所載《上市發行人董事進行證券交易之標準守則》(「標準守則」)作為董事進行證券交易的行為守則。經本公司作出具體查詢後，全體董事確認，彼等於截至二零一八年十二月三十一日止年度全年一直遵守標準守則所載規定。

董事及主管責任保險

促進本公司良好企業管治及管理企業整體風險乃本公司之首要事務。本公司相信，企業管治以及董事及主管責任保險(「董事及主管責任保險」)可相輔相成。本公司已安排適當之董事及主管責任保險，以涵蓋董事及高級管理層就企業活動而產生對董事及主管之法律訴訟責任。董事及主管責任保險將會每年檢討及續期。

董事會

董事會的組成

董事會現時由十名成員組成，有五名執行董事、一名非執行董事及四名獨立非執行董事，即：

執行董事

高寶明先生(主席兼行政總裁)
鄭達祖先生
雷彩姚女士
符又澄女士
曹路先生(於二零一八年十二月一日獲委任)

非執行董事

許薇薇女士
唐登先生(於二零一八年一月二日辭任)

獨立非執行董事

田仁燦先生
簡麗娟女士
陳煒聰先生
王聰先生(於二零一八年十二月一日獲委任)

CORPORATE GOVERNANCE REPORT

企業管治報告

Roles and Responsibilities

The Board is responsible for overseeing the overall business strategy, management planning and control of the Company. The management is responsible for day-to-day management of the Group. The Directors have accumulated sufficient and valuable experience to carry out their duties in an efficient and effective manner. Details of the backgrounds and qualifications of the Directors are set out in the section headed "Biographies of Directors" on pages 34 to 40 of this annual report. None of the members of the Board has, in any respect, relation to each other in any circumstances.

Every newly appointed Director is provided with an induction on the first occasion of his/her appointment to ensure that he/she has adequate understanding of the businesses and operations of the Group. The Directors are also kept informed on a timely basis of their responsibilities and obligations under the Listing Rules, as well as other relevant statutory or regulatory requirements. The Company also encourages its Directors to participate in other continuous professional development programmes for directors.

All of the Directors of the Company have acted in good faith for the best interests of the Company and the shareholders of the Company. Other than the statutory duties imposed on each of them, all of the Directors have exercised due care in monitoring the corporate matters of the Company and have provided grave concern, sufficient time and attention to all the significant issues and affairs of the Group.

角色及職責

董事會負責監督本公司整體業務策略、管理規劃及控制。管理層負責本集團的日常管理。董事經驗豐富及稱職，足以有效履行本身職責。有關董事背景及資格之詳情載於本年報第34至40頁「董事簡歷」一節。董事會成員之間於任何情況下概無任何關係。

每名新任董事均於首次獲委任時提供就任須知，確保對本集團之業務及營運有足夠認識。董事亦會及時獲悉自身根據上市規則之責任及職責以及其他相關法定或監管規定。本公司亦鼓勵董事參與其他專為董事設立之持續專業發展計劃。

本公司全體董事均真誠行事，為本公司及本公司股東謀求最佳利益。除須承擔之法定義務外，全體董事均嚴謹監督本公司之企業事務，並付出充足的時間及精力，密切關注本集團各項重大事項及事務。

CORPORATE GOVERNANCE REPORT

企業管治報告

Chairman and Chief Executive

The chairman is responsible for the management of the Board and external corporate communication whereas the chief executive is responsible for the day-to-day operation, among other matters, the implementation of overall strategy and direction set by the Board.

Mr. Ko is the chairman of the Company and has also carried out the responsibility of chief executive officer. Mr. Ko possesses essential leadership skills to manage the Board, providing extensive knowledge in the business of the Group. The Board considers the present structure more suitable for the Company because it can promote efficient formulation and implementation of the Company's strategies. The current leadership structure facilitates the execution of the business strategies, decision-making and maximizes the effectiveness of the Group's operations. The Board recognizes that this constitutes a deviation from the code provision A.2.1 of the CG Code.

Non-executive Director

Each of the existing independent non-executive Directors was appointed for a specific term of 3 years and the non-executive Director has been appointed with no specific term of office, subject to retirement and rotation under the Articles of Association of the Company.

Pursuant to rules 3.10(1) and 3.10(2) of the Listing Rules, the Company has appointed four independent non-executive Directors. Two of the independent non-executive Directors have appropriate professional qualifications or accounting or related financial management expertise.

The Company has received confirmations of independence pursuant to rule 3.13 of the Listing Rules from each of the independent non-executive Directors and considers them to be independent.

主席及最高行政人員

主席負責管理董事會及對外企業通訊，而最高行政人員則負責日常營運，其中包括執行由董事會制定之整體策略及指示。

高先生為本公司主席，亦履行行政總裁之職責。高先生掌握管理董事會之必要領導才能，十分熟悉本集團業務。董事會認為現有架構更加適合本公司，因為其可促進本公司策略之有效制訂及實施。目前的領導層架構有助於實施業務戰略、決策制定並將本集團經營效益最大化。董事會承認這一做法偏離企業管治守則條文A.2.1。

非執行董事

各現任獨立非執行董事之特定任期為3年，而非執行董事並無特定任期，惟須受本公司章程細則退任及輪值告退。

根據上市規則第3.10(1)及3.10(2)條，本公司已委任四名獨立非執行董事。其中兩名獨立非執行董事具備適當專業資格或會計或相關財務管理專長。

本公司已收到各獨立非執行董事有關根據上市規則第3.13條對其獨立性之確認，並認為彼等乃獨立身份。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Composition

The Board has established a set of board diversity policy setting out the approach to achieve diversity on the Board aiming at enhancing Board effectiveness and corporate governance as well as achieving our business objectives and sustainable development. Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, required expertise, skills, knowledge and length of service. The current Board consists of a diverse mix of Board members appropriate to the requirement of the business of the Company.

董事會組成

董事會已制定董事會多元化政策，載列令董事會達致多元化之方針，旨在提升董事會效率及企業管治，實現業務目標及可持續發展。董事會成員多元化從多個層面加以考慮，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、所需專才、技能、知識及服務年期。董事會目前由多元化董事會成員組成，切合本公司的業務要求。

Attendance Records

Details of the attendance of the Board members are as follows:

出席記錄

董事會成員之出席詳情如下：

		Meeting Attended/Held During the Year Ended 31 December 2018 截至二零一八年十二月三十一日止年度出席／舉行之會議				
		Board	Audit Committee	Remuneration Committee	Nomination Committee	General Meeting
		董事會	審核委員會	薪酬委員會	提名委員會	股東大會
Executive Directors	執行董事					
Mr. Ko Po Ming	高寶明先生	13/13	N/A 不適用	N/A 不適用	2/2	2/2
Mr. Chang Tat Joel	鄭達祖先生	13/13	N/A 不適用	5/5	N/A 不適用	2/2
Ms. Lui Choi Yiu, Angela	雷彩姚女士	13/13	N/A 不適用	N/A 不適用	N/A 不適用	2/2
Ms. Fu Yau Ching, Shirley	符又澄女士	13/13	N/A 不適用	N/A 不適用	N/A 不適用	2/2
Mr. Cao Lu (appointed on 1 December 2018)	曹路先生(於二零一八年 十二月一日獲委任)	1/1	N/A 不適用	N/A 不適用	N/A 不適用	0/0
Non-executive Directors	非執行董事					
Mr. Tong Tang, Joseph (resigned on 2 January 2018)	唐登先生 (於二零一八年 一月二日辭任)	0/0	N/A 不適用	N/A 不適用	0/0	0/0
Ms. Hui Mei Mei, Carol	許薇薇女士	10/13	N/A 不適用	5/5	2/2	1/2
Independent non-executive Directors	獨立非執行董事					
Mr. Tian Ren Can	田仁燦先生	12/13	8/9	5/5	2/2	0/2
Ms. Kan Lai Kuen, Alice	簡麗娟女士	11/13	9/9	5/5	2/2	2/2
Mr. Chen Wai Chung, Edmund	陳煒聰先生	13/13	9/9	4/5	2/2	0/2
Mr. Wang Cong (appointed on 1 December 2018)	王聰先生(於二零一八年 十二月一日獲委任)	1/1	0/0	0/0	0/0	0/0

CORPORATE GOVERNANCE REPORT

企業管治報告

Save for regular board meetings held in 2018, meetings of the Directors were held to discuss and transact other special businesses. The Board members are provided with appropriate and sufficient information in a timely manner to keep abreast of the Group's latest developments. All businesses transacted at board meetings are properly documented and recorded.

All resolutions put forward at general meetings of the Company were voted by way of poll and the announcement on the poll vote results was made by the Company after the general meetings in the manner prescribed under rule 13.39(5) of the Listing Rules.

Continuous Professional Development of Directors

According to code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant.

The Company has arranged and funded suitable trainings, placing appropriate emphasis on the roles, functions and duties of a listed company director. The company secretarial department of the Company would provide relevant reading materials to the Directors to ensure that they are apprised of the latest changes in the commercial, legal and regulatory requirements in relation to the Company's businesses, and to refresh their knowledge and skills. In addition, all Directors are encouraged to attend external forums, or training courses on relevant topics. During the Year, the Directors of the Company had provided their records of continuous professional development to the Company. The Board has reviewed and monitored the continuous professional development of the Directors.

除於二零一八年舉行之董事會常規會議外，董事會亦舉行會議討論及處理其他特別事項。董事會成員會及時取得適當且充足之資料，以了解本集團之最新發展情況。所有於董事會會議處理的事項均已妥善存檔及記錄。

於本公司股東大會上提出的所有決議案均以投票方式進行表決，並且本公司將於股東大會後按上市規則第13.39(5)條規定的方式作出投票表決結果公告。

董事持續專業發展

根據企業管治守則的守則條文A.6.5，所有董事均須參與持續專業進修，以提高及更新其知識及技能，從而確保繼續在全面知悉及切合所需的情況下向董事會作出貢獻。

本公司已安排及資助合適培訓，適當強調上市公司董事的職務、職能及職責。為確保董事獲悉與本公司業務有關的商業、法律及監管規定的最新變化，並更新其知識及技能，本公司的公司秘書部會為董事提供相關閱讀材料。此外，亦鼓勵所有董事參與有關專題的外部論壇或培訓課程。於本年度，本公司董事已向本公司提供彼等的持續專業發展記錄。董事會已審查及監督董事持續專業發展。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Directors' knowledge and skills are continuously developed and refreshed by, inter alia, the following means:

透過(其中包括)以下方式持續發展及更新董事之知識及技能：

Types of Trainings 培訓類型

Executive Directors		執行董事	
Mr. Ko Po Ming	高寶明先生		A
Mr. Chang Tat Joel	鄭達祖先生		A
Ms. Lui Choi Yiu, Angela	雷彩姚女士		A
Ms. Fu Yau Ching, Shirley	符又澄女士		A
Mr. Cao Lu	曹路先生		B
Non-executive Director		非執行董事	
Mr. Tong Tang, Joseph	唐登先生		不適用
Ms. Hui Mei Mei, Carol	許薇薇女士		A
Independent non-executive Directors		獨立非執行董事	
Mr. Chen Wai Chung, Edmund	陳煒聰先生		A
Ms. Kan Lai Kuen, Alice	簡麗娟女士		A
Mr. Tian Ren Can	田仁燦先生		A
Mr. Wang Cong	王聰先生		B

A: attending seminars/courses/conferences in person or by teleconference in relation to the responsibilities of directors' of a listed company, corporate governance and regulatory updates

A: 親身或透過電子通訊方式參加有關上市公司董事責任、企業管治及監管最新資訊的研討會／課程／會議

B: orientation and training of newly-appointed directors

B: 為新任董事而設的迎新培訓

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES

Audit Committee

The Audit Committee was established on 28 June 2005. The written terms of reference of the Audit Committee were formulated and were adopted by the Company in compliance with the code provision in the CG Code and were revised on 29 March 2012 and 18 December 2015.

The primary duties of the Audit Committee, among others, are:

Relationship with the Company's auditor

- (a) to be primarily responsible for making recommendations to the board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;
- (c) to act as the key representative for overseeing the Company's relations with the external auditor;
- (d) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;

董事會委員會

審核委員會

審核委員會於二零零五年六月二十八日成立。審核委員會書面職權範圍由本公司根據企業管治守則的守則條文制訂及採納並於二零一二年三月二十九日及二零一五年十二月十八日修訂。

審核委員會之主要職務(其中包括)為:

與本公司核數師之關係

- (a) 主要負責向董事會提供有關委任、續聘及罷免外聘核數師之推薦建議，以及批准外聘核數師之酬金及聘用條款，以及處理有關該核數師辭職或罷免之任何問題；
- (b) 根據適用標準檢視及監察外聘核數師之獨立性及客觀性以及審核程序之有效性。在審計工作開始前，審核委員會須與核數師討論審計性質及範疇以及匯報責任；
- (c) 擔任本公司與外聘核數師之間的主要代表，負責監察兩者之間的關係；
- (d) 制定及實施有關聘請外聘核數師提供非審計服務之政策。就此而言，「外聘核數師」包括與審計事務所處於同一控制權、擁有權或管理權之下的任何實體，或合理知情第三方在獲得所有相關資料後可合理斷定為在當地或國際上屬於審計事務所一部分之任何實體。審核委員會應就任何須採取行動或改善之事項向董事會報告，並確定及提出推薦建議；

CORPORATE GOVERNANCE REPORT

企業管治報告

Review of the Company's financial information

(e) to monitor integrity of the Company's financial statements, annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgements contained in them. In reviewing these reports before submission to the Board, the Audit Committee should focus particularly on:

- (i) any changes in accounting policies and practices;
- (ii) major judgmental areas;
- (iii) significant adjustments resulting from audit;
- (iv) the going concern assumptions and any qualifications;
- (v) compliance with accounting standards; and
- (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting;

(f) Regarding (e) above: (i) members of the Audit Committee should liaise with the Board and senior management and the Audit Committee must meet, at least twice a year, with the Company's auditor; and (ii) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the reports and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function and compliance function or the auditor;

Oversight of the Company's financial reporting system, risk management and internal control systems

(g) to review the Company's financial controls, and unless expressly addressed by a separate Board risk committee, or by the Board itself, to review the Company's risk management and internal control systems;

(h) to discuss the risk management and internal control systems with the management to ensure that the management has performed its duty to have effective systems. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;

審閱本公司之財務資料

(e) 監察本公司財務報表、年度報告及賬目、半年度報告及(若擬刊發)季度報告之完整性，並審閱當中所載有關財務報告所作之重大判斷。審核委員會在向董事會提交有關報表及報告前，應特別針對以下事項加以審閱：

- (i) 會計政策及實務之任何更改；
- (ii) 涉及重大判斷之範圍；
- (iii) 因核數而產生之重大調整；
- (iv) 持續經營假設及任何保留意見；
- (v) 會計準則之遵守；及
- (vi) 是否遵守有關財務報告之上市規則及法例規定；

(f) 就上述(e)項而言：(i)審核委員會成員應與董事會及高級管理層聯絡，審核委員會須至少每年與本公司核數師會面兩次；及(ii)審核委員會應考慮將要或可能需要在上述報告及賬目中反映之任何重大或不尋常項目，並適當考慮任何由本公司負責會計及財務匯報職能及規管監察職能之職員或核數師所提出之事宜；

監管本公司財務報告制度、風險管理及內部監控系統

(g) 檢討本公司之財務監控，以及(除非有另設的董事會轄下風險委員會又或董事會本身會明確處理)檢討本公司的風險管理及內部監控系統；

(h) 與管理層討論風險管理及內部監控制度，並確保管理層已履行職責建立有效之系統。討論內容應包括本公司在會計及財務匯報職能方面之資源、員工資歷及經驗、培訓課程及預算是否充足；

CORPORATE GOVERNANCE REPORT

企業管治報告

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| <p>(i) to consider any findings of major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and the management's response to these findings;</p> <p>(j) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;</p> <p>(k) to review the group's financial and accounting policies and practices;</p> <p>(l) to review the external auditor's management letter, any material queries raised by the auditor to the management about accounting records, financial accounts or systems of control and the management's response;</p> <p>(m) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;</p> <p>(n) to review arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters and the Audit Committee is to ensure proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;</p> <p>(o) to report to the Board on the matters in these terms of reference; and</p> <p>(p) to consider other topics, as defined by the Board.</p> | <p>(i) 考慮受董事會委派或其主動研究對風險管理及內部監控事務進行的重大調查之任何結果，以及管理層對該等調查結果之回應；</p> <p>(j) 若公司設有內部審核功能，委員會須確保內部核數師與外聘核數師之間的協調性，並確保內部審核功能擁有足夠資源，且在本公司內擁有適當之地位，並檢視及監察其成效；</p> <p>(k) 審閱集團之財務及會計政策以及實務；</p> <p>(l) 檢討外聘核數師致管理層之函件，以及其可能就會計紀錄、財務賬目或監控系統向管理層提出之任何重大疑問及管理層就此作出之回應；</p> <p>(m) 確保董事會及時回應外聘核數師致管理層之函件中提出之問題；</p> <p>(n) 對本公司僱員可暗中就財務匯報、內部監控或其他事項可能發生不當行為提出關注之安排，作出檢討，審核委員會應確保有適當安排就此等事項作出公平而獨立之調查，及採取適當跟進行動；</p> <p>(o) 向董事會報告該等職權範圍之事宜；及</p> <p>(p) 考慮董事會所界定之其他課題。</p> |
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As at the date of this report, the Audit Committee comprises four independent non-executive Directors, namely:

Mr. Chen Wai Chung, Edmund (*chairman*)
Ms. Kan Lai Kuen, Alice
Mr. Tian Ren Can
Mr. Wang Cong

於本報告日期，審核委員會由四名獨立非執行董事組成，即：

陳煒聰先生(主席)
簡麗娟女士
田仁燦先生
王聰先生

CORPORATE GOVERNANCE REPORT

企業管治報告

During the Year, the Audit Committee met nine times with the external auditor and/or representatives of the management of the Company. The Audit Committee reviewed and discussed consolidated financial statements of the Group for the financial year ended 31 December 2018 with the external auditors and reviewed the Company's unaudited interim results for the six months ended 30 June 2018. The Audit Committee also reviewed and discussed the internal control necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audit Committee submitted its views and recommendations on the Group's financial statements to the Board.

Remuneration Committee

The Remuneration Committee was established on 28 June 2005. The written terms of reference for the Remuneration Committee were formulated and were adopted by the Company in compliance with the code provision in the CG Code and was revised on 18 December 2015.

The primary duties of the Remuneration Committee, among others, are:

- (a) to make recommendations to the Board on the Company's policy and structure for all directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (b) to review and approve the management's remuneration proposals by reference to the Board's corporate goals and objectives;
- (c) to make recommendations to the Board on the remuneration packages of individual executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (d) to make recommendations to the Board on the remuneration of non-executive directors;
- (e) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

於本年度內，審核委員會與外聘核數師及／或本公司管理層代表舉行了九次會面。審核委員會連同外聘核數師已審閱及討論本集團截至二零一八年十二月三十一日止財政年度之綜合財務報表，並審閱本公司截至二零一八年六月三十日止六個月之未經審核中期業績。審核委員會亦審閱及討論必要內部控制，確保綜合財務報表的編製不存在重大錯誤，無論是否由於欺詐或失誤引起。審核委員會向董事會提交其有關本集團財務報表的意見及推薦建議。

薪酬委員會

薪酬委員會於二零零五年六月二十八日成立。薪酬委員會書面職權範圍由本公司制定，於二零一五年十二月十八日修訂，且根據企業管治守則之守則條文獲採納。

薪酬委員會之主要職務(其中包括)為：

- (a) 就有關全體董事及高級管理層薪酬待遇之本公司政策及結構以及訂立正規透明之程序以制定薪酬政策，向董事會提出推薦建議；
- (b) 因應董事會所訂企業方針及目標，檢討及批准管理層之薪酬建議；
- (c) 向董事會建議個別執行董事及高級管理層之薪酬待遇，包括實物福利、退休金權利及賠償金額(包括就喪失或終止職務或委任而應付之任何賠償)；
- (d) 就非執行董事之酬金向董事會提出推薦建議；
- (e) 考慮相類比較之公司所支付之薪酬、須付出之時間及職責以及集團內其他職位之僱用條件；

CORPORATE GOVERNANCE REPORT

企業管治報告

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| <p>(f) to review and approve compensation payable to executive directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;</p> <p>(g) to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;</p> <p>(h) to ensure that no director or any of his associates is involved in deciding his own remuneration;</p> <p>(i) when the occasion arises, to advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under rule 13.68 of the Listing Rules; and</p> <p>(j) to do any such things to enable the Remuneration Committee to discharge its powers and functions conferred on it by the Board.</p> | <p>(f) 檢討及批准向執行董事及高級管理層就其喪失或終止職務或委任而須支付之賠償，以確保該等賠償與合約條款一致，若未能與合約條款一致，賠償亦須公平合理，不致過多；</p> <p>(g) 檢討及批准因董事行為失當而被解僱或罷免所涉及之賠償安排，以確保該等安排與合約條款一致，若未能與合約條款一致，有關賠償亦須合理適當；</p> <p>(h) 確保董事或其任何聯繫人概不得參與釐定其本身之薪酬；</p> <p>(i) 如有任何董事服務合約按上市規則第13.68條規定而須獲股東批准之情況出現，須向股東建議如何投票；及</p> <p>(j) 採取任何行動使薪酬委員會可履行董事會賦予之權力及職能。</p> |
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As at the date of this report, the Remuneration Committee comprises four independent non-executive Directors, one executive Director and one non-executive Director, namely:

Ms. Kan Lai Kuen, Alice (*chairman*)
Mr. Chang Tat Joel
Ms. Hui Mei Mei, Carol
Mr. Chen Wai Chung, Edmund
Mr. Tian Ren Can
Mr. Wang Cong

The Remuneration Committee held five meetings in 2018 to review and assess the performance and remuneration of the Directors, to review the proposed remuneration packages of the new Directors and their terms of service and to make recommendations to the Board.

於本報告日期，薪酬委員會由四名獨立非執行董事、一名執行董事及一名非執行董事組成，即：

簡麗娟女士(主席)
鄭達祖先生
許薇薇女士
陳煒聰先生
田仁燦先生
王聰先生

薪酬委員會於二零一八年舉行了五次會議，審議及評估董事表現及薪酬，以及審閱新任董事的建議薪酬待遇及服務期限，並向董事會作出推薦建議。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' REMUNERATION

The Directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group. In addition, the Directors' remuneration is reviewed by the Remuneration Committee of the Company annually. Details of the Directors' remuneration are set out in note 11 of the consolidated financial statements.

REMUNERATION OF THE SENIOR MANAGEMENT

For the Year, the remuneration of senior management is listed as below by band:

No. of person	人數	
HK\$5,000,000 and below	5,000,000 港元及以下	2
HK\$5,000,001 to HK\$10,000,000	5,000,001 港元至 10,000,000 港元	2
HK\$10,000,001 to HK\$15,000,000	10,000,001 港元至 15,000,000 港元	—
HK\$15,000,001 to HK\$20,000,000	15,000,001 港元至 20,000,000 港元	1

The senior management are also the executive Directors of the Company.

Nomination Committee and Policy

The Nomination Committee was established on 29 March 2012. The written terms of reference for the Nomination Committee was formulated and was adopted by the Company in compliance with the code provision in the CG Code and was revised on 18 December 2015 and 26 March 2019.

The primary duties of the Nomination Committee, among others, are:

- to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

董事薪酬

董事袍金須經股東於股東大會批准。其他酬金由董事會參考董事之職責、責任及表現以及本集團業績而釐定。此外，董事薪酬由本公司薪酬委員會每年審閱。董事薪酬的詳情載於綜合財務報表附註 11。

高級管理層薪酬

於本年度，高級管理層按範圍劃分的薪酬列示如下：

高級管理層亦為本公司的執行董事。

提名委員會及政策

提名委員會於二零一二年三月二十九日成立。提名委員會書面職權範圍由本公司根據企業管治守則之守則條文制訂及採納並於二零一五年十二月十八日及二零一九年三月二十六日修訂。

提名委員會之主要職務(其中包括)為：

- 至少每年檢討董事會之架構、人數及成員多元化(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期方面)，並就任何為配合本公司之企業策略而擬對董事會作出之變動提出推薦建議；

CORPORATE GOVERNANCE REPORT

企業管治報告

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| <p>(b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;</p> <p>(c) to assess the independence of independent non-executive directors;</p> <p>(d) to review the board diversity policy of the Company periodically, as appropriate, and review the measurable objectives that the Board has set for implementing the Board Diversity Policy, and the progress on achieving the objectives;</p> <p>(e) to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive;</p> <p>(f) where the Nomination Committee proposes a resolution to elect an individual as an independent non-executive director at the general meeting, to advise the Board setting out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting:</p> <ul style="list-style-type: none">I. the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;II. if the proposed independent non-executive director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;III. the perspectives, skills and experience that the individual can bring to the Board; andIV. how the individual contributes to diversity of the Board; <p>(g) to consider other topics as defined by the Board.</p> | <p>(b) 物色具備合適資格可擔任董事之人士，並在獲提名出任董事之人士當中作出挑選時向董事會提供推薦建議；</p> <p>(c) 評核獨立非執行董事之獨立性；</p> <p>(d) 在適當情況下定期檢討本公司董事會成員多元化政策；及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和達標進度；</p> <p>(e) 就董事委任或續任以及董事(尤其是主席及最高行政人員)繼任計劃向董事會提出建議；</p> <p>(f) 若提名委員會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，以告知董事會在有關股東大會通告所隨附之致股東通函及／或說明函件中，列明：</p> <ul style="list-style-type: none">I. 用以物色該名人士之流程、董事會認為應選任該名人士之理由，以及彼等認為該名人士屬獨立人士之原因；II. 倘候任獨立非執行董事將出任第七間(或以上)上市公司之董事，董事會認為該名人士仍可投入足夠時間履行董事責任之原因；III. 該名人士可為董事會帶來之觀點與角度、技能及經驗；及IV. 該名人士如何促進董事局成員多元化； <p>(g) 研究其他由董事會界定之課題。</p> |
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CORPORATE GOVERNANCE REPORT

企業管治報告

When considering candidates for the nomination and appointment as Directors, the Nomination Committee aims to:

- ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company; and
- there will be continuity and appropriate leadership at Board level.

The nomination and appointment process is carried out strictly in accordance with the Nomination Committee's terms of reference, the articles of association of the Company and all applicable rules and regulations.

In evaluating and selecting any candidate for directorship, the following factors would be considered:

- Diversity in all aspects with reference to the Diversity Policy of the Board.
- Requirement for the Board to have independent directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence and diversity.
- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, as may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

Notwithstanding that the Board has delegated its responsibilities and authority for selection and appointment of directors of the Company to the Nomination Committee of the Company, the ultimate responsibility for selection and appointment of directors of the Company rests with the entire Board.

於考慮提名候選人及委任為董事時，提名委員會旨在：

- 確保董事會成員具備切合本公司業務所需的技巧、經驗及多元觀點；及
- 確保董事會的持續性及維持其於董事會層面上的領導角色。

提名及委任程序嚴格按照提名委員會的職權範圍、本公司的章程細則及所有適用規則及規例進行。

在評估及挑選任何候選人擔任董事時，應考慮下列準則：

- 參考董事會成員多元化政策下各方面的多元化因素。
- 根據上市規則，董事會需包括獨立非執行董事的規定，以及參考上市規則內列明候選人是否被視為獨立的指引。
- 候選人的專業資格、技巧、經驗、獨立性及多元化方面可為董事會帶來的任何潛在貢獻。
- 適用於本公司業務及其繼任計劃的其他因素，可由董事會及／或提名委員會就提名董事及繼任計劃不時採納及／或修訂(倘適用)。

儘管董事會已就甄選及委任本公司董事的責任及權力授予本公司提名委員會，惟甄選及委任本公司董事的最終責任由整個董事會承擔。

CORPORATE GOVERNANCE REPORT

企業管治報告

As at the date of this report, the Nomination Committee comprises four independent non-executive Directors, one executive Director and one non-executive Director, namely:

Mr. Ko Po Ming (*chairman*)
Ms. Hui Mei Mei, Carol
Mr. Tian Ren Can
Ms. Kan Lai Kuen, Alice
Mr. Chen Wai Chung, Edmund
Mr. Wang Cong

The Nomination Committee held two meetings in 2018 to assess the independence of the independent non-executive Directors, to make recommendations to the Board on the new appointments and the re-elections of Directors and to review the composition of the Board.

ACCOUNTABILITY

Directors' and Auditor's Responsibilities for Financial Statements

The Directors acknowledge their responsibilities for the preparation of the Group's financial statements and believe that these statements give a true and fair view of the state of the Group's affairs and of its results. The Board has adopted appropriate accounting policies and made proper estimates for the preparation of financial statements. The Directors confirm that, to the best of their knowledge, information and belief and having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cause significant doubt upon the Company's ability to continue as a going concern. The Board therefore continues to adopt the going concern approach in preparing the financial statements for the financial year of 2018.

於本報告日期，提名委員會由四名獨立非執行董事、一名執行董事及一名非執行董事組成，即：

高寶明先生(主席)
許薇薇女士
田仁燦先生
簡麗娟女士
陳煒聰先生
王聰先生

提名委員會於二零一八年舉行了兩次會議，評估獨立非執行董事的獨立性，並就董事的新委任及重選向董事會提供推薦建議，同時審閱董事會的組成。

問責

董事及核數師對財務報表之責任

董事確認須負責編製本集團之財務報表，及確信該等報表能真實公平地反映本集團之事務狀況及業績。董事會已採用合適之會計政策並為編製財務報表作出合適之估計。董事確認，據彼等作出一切合理查詢後所知、所悉及所信，並無任何可嚴重影響本公司持續經營能力之若干事件或情況相關的重大不確定因素。因此，董事會仍然採用持續經營基準編製二零一八年財政年度之財務報表。

CORPORATE GOVERNANCE REPORT

企業管治報告

INDEPENDENT AUDITORS

Mazars CPA Limited resigned as auditor of the Company with effect from 4 January 2018 and BDO Limited (“BDO”) was appointed as auditor of the Company on 4 January 2018 to fill the casual vacancy so arising. There has been no other change in auditor of the Company in the past three years. BDO is subject to reappointment as independent auditor of the Group at the forthcoming annual general meeting of the Company. It is the auditor’s responsibility to form an independent opinion, based on their audit, on those financial statements and to report their opinion solely to the Company and for no other purpose. They do not assume responsibility towards or accept liability to any other person for the contents of the independent auditor’s report.

The Audit Committee is responsible for considering the appointment of the external auditor of the Company, BDO and reviewing any non-audit services performed by the BDO. During the Year, the subsidiaries of the Group engaged external auditors to perform audit and provide non-audit services, other than BDO. The remunerations paid to the external auditors for the provision of services are set out as follows:

獨立核數師

瑪澤會計師事務所有限公司已辭任本公司核數師，自二零一八年一月四日起生效及香港立信德豪會計師事務所有限公司(「立信德豪」)於二零一八年一月四日獲委任為本公司核數師，以填補所產生的臨時空缺。本公司核數師於過往三年並無其他變動。立信德豪須於本公司應屆股東週年大會上重新委任為本集團獨立核數師。核數師的責任乃根據其審核工作的結果，對該等財務報表發表獨立意見，並僅向本公司作報告，不可用作其他用途。核數師概不會就獨立核數師報告的內容，對任何其他人士負責或承擔責任。

審核委員會負責審議本公司外聘核數師立信德豪之任命及檢討立信德豪提供之任何非核數服務。於本年度，本集團附屬公司已委聘立信德豪以外的外聘核數師進行審計及提供非審計服務。已向外聘核數師支付的服務酬金載列如下：

		HK\$'000 千港元
Audit services	核數服務	
— BDO Limited	— 香港立信德豪會計師事務所有限公司	2,380
— Other Auditors	— 其他核數師	2,382
Non-audit services	非核數服務	18,424
		23,186

The non-audit services during the Year provided by external auditors were included interim review, IFRS 9, 15 and 16 implementation and conversion services, due diligence and advisory services for mergers and acquisition transactions, internal audit review, risk management policy review and tax advisory services.

於本年度非審計服務屬於中期審閱、國際財務報告準則第9、15及16號執行及轉換服務、併購交易的盡職審查及諮詢服務、內部審核審閱、風險管理政策審閱及稅務諮詢服務範圍。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROLS

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

The Board has defined and endorsed the enterprise risk management policy, to align risk management objectives and strategies of the organization, to ensure necessary resources are allocated to risk management and to assign accountabilities and responsibilities at appropriate level within the organization. The Financial Services Platform Risk Committee (the "**Risk Committee**") was set up under the Executive Committee, which comprises the executive Directors (the "**Executive Committee**") for management of the enterprise top risks and operational risks in the financial services segment and the Executive Committee continues owning the risks in non-financial services segment. Both committees assist the Board and the Audit Committee in the review of the effectiveness of the Group's risk management and internal control systems on an ongoing basis. The Directors through the Audit Committee are kept regularly apprised of significant risks that may impact on the Group's performance.

風險管理及內部監控

董事會確認責任監管本集團風險管理及內部監控系統並透過審核委員會至少每年對其有效性進行一次審核。審核委員會協助董事會履行其監察及企業管治職責，涵蓋本集團的財務、營運、合規、風險管理及內部監控以及財務資源及內部審核職能。

董事會已界定並認同企業風險管理政策，以調整風險管理目標及組織戰略，確保向風險管理分配足夠的資源，並於組織內按適當水平分配職責及責任。由執行董事組成的執行委員會（「**執行委員會**」）下設金融服務平台風險委員會（「**風險委員會**」），以管理企業最高風險及金融服務部門的運營風險，執行委員會繼續承擔非金融服務部門的風險。執行委員會及金融服務平台風險委員會協助董事會及審核委員會按持續基準審核本集團風險管理及內部監控系統的有效性。審核委員會定期向董事告知可能影響本集團表現的重大風險。

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk Committee

The Risk Committee is delegated by the Executive Committee to oversee the Group's enterprise risk management framework and to keep track of the Group's top risks mitigation status. The Risk Committee members include the Group's executive Directors, senior management, head of risk management, function heads and business heads. In 2018, the Group defined its enterprise top risks and respective governance committees as follows:

1. Business Transformation Risk
2. Liquidity Risk
3. Regulatory Compliance
4. Cyber-Attacks
5. Crisis Management

The Group's risk governance structure adopts a "Three Lines of Defence" model with oversight and directions from the Board, which entails accountabilities and responsibilities across the organization. The Group operates a risk governance model to effectively identify and manage risk.

Risk management systems have been embedded into the core operating practices of the Group's business under the 1st Line of Defence owning the risk identification and management responsibility. On an ongoing basis, the respective operating units are responsible for the day-to-day operations and risk management. Each of these respective operating units will review and assess the status of potential risks which may impact their ability to achieve their business objectives. This review process includes assessment as to whether the existing system of internal controls continues to remain relevant, adequately addresses potential risks, and/or should be supplemented. The results of these reviews are recorded in the risk control self-assessment for monitoring purpose and the respective operation units need to provide a confirmation to the 2nd Line of defence on the effectiveness of these systems. Internal Audit function being the 3rd line of defence reports to the Audit Committee. It provides independent assurance to the Group that the risks associated with the Group's business and operations have been identified and an effective system of controls over these risks is in place and is working as intended.

風險委員會

風險委員會由執行委員會授權監督本集團的企業風險管理框架，並跟蹤本集團的最高風險緩解狀況。風險委員會成員包括本集團執行董事、高級管理層、風險管理經理、職能部門經理及業務經理。於二零一八年，本集團確定其企業的最高風險，各自的管治委員會載列如下：

1. 業務轉型風險
2. 流動資金風險
3. 監管合規
4. 網絡攻擊
5. 危機管理

本集團的風險管治架構採用「三道防線模式」，由董事會監督及指示，其將組織內的職責及責任予以限定。本集團運營風險治理模式，以有效識別及管理風險。

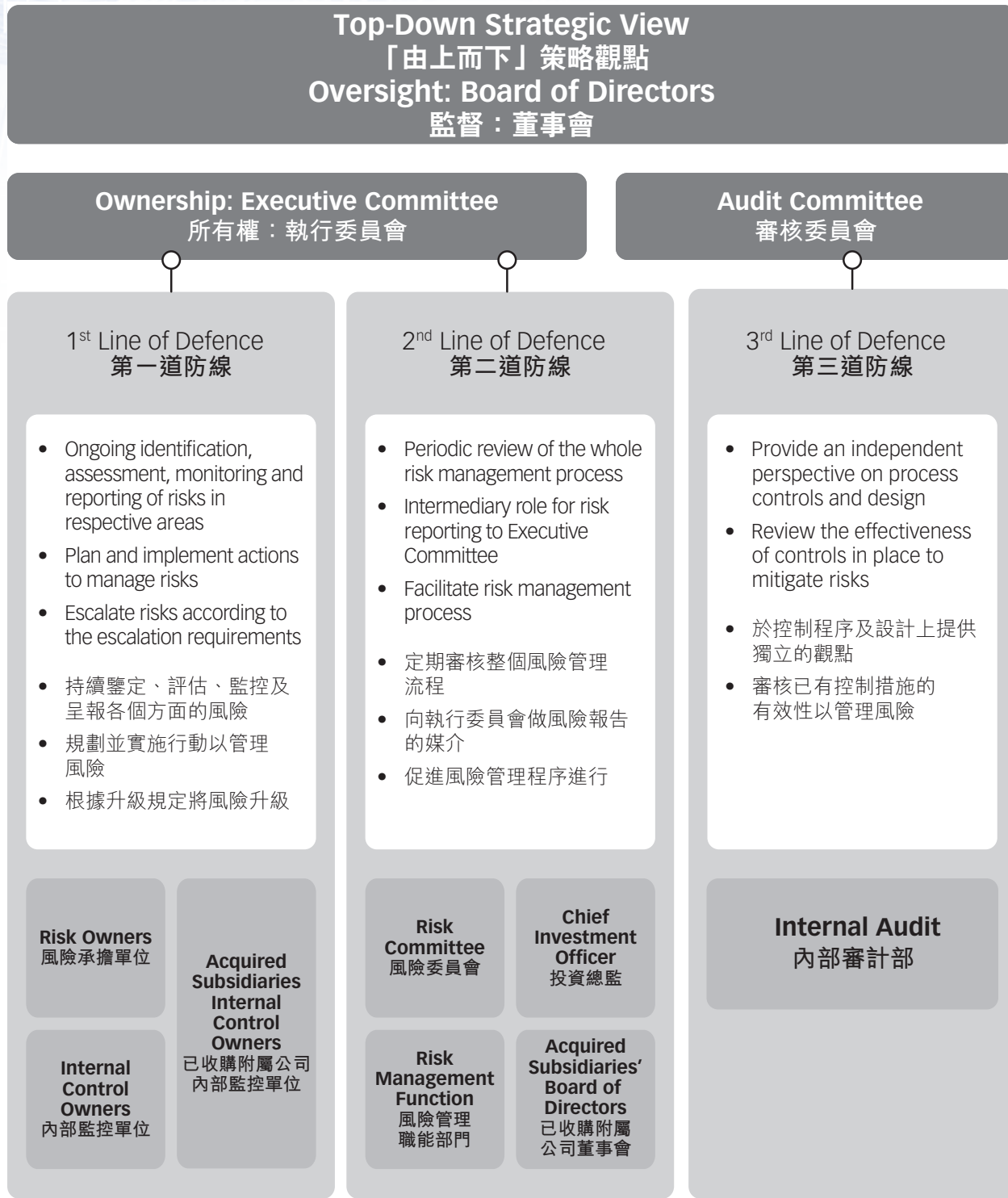
風險管理系統已運用到擁有風險識別及管理職責的第一道防線下的本集團業務核心運營實踐中。各運營單位持續負責日常運營及風險管理。各運營單位將審查及評估可能影響其實現業務目標能力的潛在風險狀況。該審查過程包括評估現有的內部控制系統是否繼續保持相關性、充分應對潛在風險、及／或應予以補充。有關審查的結果記錄於風險控制自我評估中以進行監測之用，各運營單位需向第二道防線確認該等系統的有效性。第三道防線內部審計職能部門向審計委員會報告，為本集團提供獨立保證，確定與本集團業務及營運有關的風險，並已制定有效的控制風險系統，並按計劃運作。

CORPORATE GOVERNANCE REPORT

企業管治報告

Three Lines of Defence

三道防線



CORPORATE GOVERNANCE REPORT

企業管治報告

The Risk Committee is responsible for overseeing the Group's risk management approach, policy and framework. The Risk Committee co-ordinates enterprise risk management activities, reviews significant aspects of risk management for the Group, and reports to the Executive Committee at each regularly scheduled meeting regarding the significant risks of the Group and the appropriate mitigation and/or transfer of identified risks. The risk owners/internal control owners identify, analyze, prioritize and monitor their own risks, and report such risk management activities to Risk Committee on a regular basis. Proper escalation mechanism with well-defined threshold and tolerance level is communicated to the risk owners. This mandates a consistent and effective approach applied across the Group to manage the risks associated with its business and operations. Below table illustrates the key process adopted under the enterprise risk management policy.

風險委員會負責監督本集團的風險管理方法、政策及框架。風險委員會負責協調企業風險管理工作，就本集團的重大風險管理範疇進行檢討，並就此於每個定期安排的會議上向執行委員會匯報有關本集團的重大風險以及如何適當減低及／或轉移已識別的風險。風險承擔單位／內部監控單位識別、分析、區分優先次序及監察其各自的風險，以及定期向風險委員會匯報該等風險管理工作。與風險承擔單位清楚溝通有明確的門檻及承受水平的上報機制。這要求在本集團採用一致及有效的方法管理與其業務及運營相關的風險。下表說明根據企業風險管理政策採用的主要流程。

Stage 步驟	Description 說明	Outcome 結果
1. Establish context 確立背景	<p>The Risk Committee and the chief investment officer of the Group should determine the scope and extent of the risk assessment process (i.e. risk identification, analysis and evaluation) based on the context of the organisation's key operation areas including new services and activities which may impact the Group's strategy and objectives. The scope would then determine the relevant participants required for the subsequent risk assessment process.</p> <p>金融服務平台風險委員會及本集團投資總監應根據組織的主要運營領域(包括可能影響本集團戰略及目標的新增服務及活動)確定風險評估流程的範圍及程度(即風險識別、分析及評估)。範圍將隨後確定後續風險評估過程所需的相關參與者。</p>	<ul style="list-style-type: none"> Quarterly update by business head on new services and activities 業務經理每季度更新新增服務及活動
2. Risk identification 風險識別	<p>The risk owners are responsible to identify the risks relevant to the scope determined. It should be noted that only events that might prevent or delay the achievement of the Group's strategy and objectives would constitute as risks to the organisation. All risks identified will be plotted into the Group's risk universe.</p> <p>風險承擔單位負責確定與已釐定範圍相關的風險。務請垂注僅有可能阻止或延遲實現本集團戰略及目標的事件才會對組織構成風險。已識別的所有風險將被劃分至本集團風險領域。</p>	<ul style="list-style-type: none"> Group risk universe 集團風險領域

CORPORATE GOVERNANCE REPORT

企業管治報告

Stage 步驟	Description 說明	Outcome 結果
3. Risk analysis 風險分析	<p>The Risk Committee is responsible to review and propose group top risks to be included in the group risk register. The risk owners are then responsible to analyse the root causes and consequences for each individual risk identified to be included in the detailed group risk register. These risks are to be consolidated into its relevant category to provide a holistic view across the operations.</p> <p>風險委員會負責審查及提出將列入集團風險登記冊中的集團最高風險。風險承擔單位隨後負責分析確定將列入詳細的集團風險登記冊中的每個風險的根本原因及後果。該等風險將合併至其相關類別中，以提供整個運營的整體視圖。</p>	<ul style="list-style-type: none">• Group risk register with the assessment of inherent risk level• 評估集團風險登記冊的內在風險水平
4. Risk evaluation 風險評估	<p>Based on the root causes and consequences for each risk stated in the detailed group risk register, the risk owners should identify the existing controls that have been put in place to mitigate them. Subsequently, the risk owners should evaluate these risks based on the risk parameters in order to plot the risks into the relevant cell within the enterprise risk heat map.</p> <p>根據詳細的集團風險登記冊中呈列的每種風險的根本原因及後果，風險承擔單位應確定已採取的現有控制措施以降低該等風險。隨後，風險承擔單位應根據風險參數評估該等風險，以便將風險劃分至企業風險熱點圖中的相關單元中。</p>	<ul style="list-style-type: none">• Enterprise risk heat map after assessment of control effectiveness to conclude the residual risk level• 評估控制有效性以確定剩餘風險等級之後的企業風險熱點圖
5. Risk treatment and monitoring 風險處理及監督	<p>Risk owners should determine whether additional controls should be planned and implemented. The risk owners should also consider establishing key risk indicators (if needed) for these risks for monitoring purpose.</p> <p>風險承擔單位須確定是否計劃及實施額外的控制措施。風險承擔單位亦須考慮是否建立該等風險的主要風險指標(倘需要)以作監控用途。</p>	<ul style="list-style-type: none">• Group risk register on quarterly progress updates• 集團風險登記冊的每季度進度更新

CORPORATE GOVERNANCE REPORT

企業管治報告

Appropriate policies and procedures have been designed and established to ensure that key risks are identified, assessed and managed within the defined risk tolerance level. Through such a systematic approach, assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements.

During the Year, besides internal audit activities conducted by the Group's internal audit function, the Board engaged an external consultant to review the effectiveness of the internal control systems in certain business and back office functions of the Group with primary focus on compliance with laws and regulations of fund management and money lending business, corporate governance and IT general control. The assessment results and proposed improvement opportunities were discussed and agreed with management and were reported to the Audit Committee. The Board considers the above-mentioned risk management and internal control systems of the Group during the Year are effective and adequate.

Company Secretary

According to rule 3.29 of the Listing Rules, the company secretary of the Company has taken not less than 15 hours of relevant professional training for the financial year ended 31 December 2018.

本集團已制定並實施適當政策及程序，以確保識別、評估重大風險且在風險承受水平內進行管理。這一系統性的方法可使資產不被濫用或出售，有關規則及條例得到遵守，且可靠的財務及會計記錄將根據有關會計準則及管治報告規定予以保留。

於本年度內，除本集團內部審核職能部門所進行的內部審核活動外，董事會聘請外部顧問檢討內部監控系統在本集團若干業務及後台職能部門的有效性，主要集中於遵守基金管理及放債業務法律法規、企業管治及IT整體控制。評估結果及改善建議時機已經與管理層討論及確認，並向審核委員會匯報。董事會認為上述本集團於本年度內的風險管理及內部監控系統屬有效且充分。

公司秘書

根據上市規則第3.29條，本公司之公司秘書於截至二零一八年十二月三十一日止財政年度已進行不少於15小時的相關專業培訓。

CORPORATE GOVERNANCE REPORT

企業管治報告

Shareholders' Rights Enquiries

Shareholders may put enquiries to the Board or put forward proposals relating to the operations, strategy and/or management of the Group to be discussed at shareholders' meetings. Shareholders' enquiries or proposals can be directed in writing to the Board or the company secretary of the Company at the registered office or by email to info@masonhk.com.

Meetings

Pursuant to article 69 of the Articles of Association of the Company and Section 566 of the Companies Ordinance (Cap. 622), shareholder(s) of the Company holding not less than 5% of the total voting rights of the Company may request the Board of Directors of the Company to convene a general meeting by way of depositing a written request at the registered office of the Company or by email to info@masonhk.com. The objects of the meeting must be stated in the related requisition which must be authenticated by the requisitioner(s).

Under Section 615 of the Companies Ordinance, shareholder(s) of the Company holding not less than 2.5% of the total voting rights or not less than 50 shareholders who have a right to vote on the resolution at the annual general meeting may request the Company to give notice of a resolution that may properly be moved and is intended to be moved at that meeting by way of depositing a written notice authenticated by the requisitioner(s) at the registered office of the Company or by email to info@masonhk.com not less than six weeks before the meeting. The notice shall contain a description of the proposed resolution desired to be put forward at the meeting, the reasons for such proposal and any material interest of the proposing shareholder(s) in such proposal.

Shareholders' Communication Policy

The Board adopted a Shareholders' Communication Policy to ensure that Shareholders can timely and equally access to reasonable and understandable information of the Company and such policy is regularly reviewed to ensure its effectiveness.

股東權利查詢

股東可就將於股東大會上討論之本集團之業務、策略及／或管理向董事會作出查詢或提呈議案。股東之查詢或議案可致函註冊辦事處予本公司董事會或公司秘書或電郵至 info@masonhk.com。

會議

根據本公司章程細則第69條及第622章公司條例第566條，本公司持有不少於本公司投票權總數5%之股東可通過向本公司之註冊辦事處或電郵至 info@masonhk.com 遞交書面要求之方式向本公司董事會要求召開股東大會。會議主旨須於經遞呈要求人士證實之相關要求內註明。

根據公司條例第615條，持有投票權總數不少於2.5%之本公司股東，或不少於50名有權於週年大會就決議案投票的股東可於不少於大會前六個星期通過向本公司之註冊辦事處或電郵至 info@masonhk.com 遞交經遞呈要求人士證實之書面通告之方式要求本公司發出可於該大會上恰當地動議及擬動議之決議案的通告。通告應載有擬於大會上提呈之建議決議案之詳情、有關建議之理由及建議股東於有關建議內之任何重大權益。

股東通訊政策

董事會採納股東通訊政策，以確保股東能及時及平等地獲取本公司合理及可理解的資料，並定期審核該政策以確保其有效性。

CORPORATE GOVERNANCE REPORT

企業管治報告

POLICY ON PAYMENT OF DIVIDEND

The Board has adopted a policy on payment of dividends (the “**Dividend Policy**”). The Board takes into account the following factors when considering the declaration of interim dividends and proposing the payment of final dividends for the approval of the Company’s shareholders:

- (i) financial results of the Group;
- (ii) general business conditions and strategies of the Group;
- (iii) capital requirements of the Group;
- (iv) possible effects on the Company’s creditworthiness;
- (v) the Company’s shareholders’ interests;
- (vi) statutory and regulatory restrictions; and
- (vii) any other factors the Board may deem relevant.

The Board will from time to time review the Dividend Policy and approve any revisions from time to time that may be required to ensure the effectiveness of the Dividend Policy.

INVESTORS’ RELATIONS

The Company’s website (www.masonhk.com) provides comprehensive and accessible news and information of the Company to the shareholders of the Company, other stakeholders and investors. The Company will also update the website information from time to time to inform the shareholders and investors of the latest development of the Company.

During the Year, no change was made to the constitutional documents of the Company.

派付股息的政策

董事會已採納派付股息的政策（「**股息政策**」）。董事會在考慮宣派中期股息及建議派付末期股息供本公司股東審批時，會考慮以下因素：

- (i) 本集團的財務業績；
- (ii) 本集團的一般業務狀況及策略；
- (iii) 本集團的資本要求；
- (iv) 可能對公司的信譽造成的影響；
- (v) 本公司股東權益；
- (vi) 法定及監管限制；及
- (vii) 董事會認為相關的任何其他因素。

董事會將不時審閱股息政策並批准可能需要的任何修訂，以確保股息政策的有效性。

投資者關係

本公司網站(www.masonhk.com)為本公司股東、其他利益相關方及投資者提供有關本公司的綜合新聞及資料。本公司亦不時更新網站資料，以令股東及投資者知悉本公司的最新發展情況。

於本年度，並無對本公司章程文件作出變動。

CORPORATE GOVERNANCE REPORT

企業管治報告

ENVIRONMENTAL POLICY

The Company committed to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. Our Group encourages environmental protection and promote awareness towards environmental protection to the employees. The Group adheres to the principle of recycling and reducing. It implements green office practices such as double-sided printing and copying, setting up recycling bins, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliance. The Group is also using office equipment carrying energy label issued by the Electrical and Mechanical Services Department which save energy in the offices.

The Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operation of our Group's businesses to move towards adhering the 4Rs — Reduce, Reuse, Recycle and Replace and enhance environmental sustainability.

環境政策

本公司在日常業務營運中不斷推廣綠色措施和意識，以達到其保護環境的承諾。本集團鼓勵環保，並提升僱員的環保意識。本集團堅守再造及減廢的原則，實施各項綠色辦公室措施，例如雙面打印及複印、設置回收箱、提倡使用環保紙及透過關掉閒置的電燈及電器以減少能耗。本集團亦使用貼有機電工程署發出能源標籤的辦公室設備，以在辦公室內節省能源。

本集團將不時檢討其環保舉措，並將考慮在本集團的業務營運中實施更多環保措施及做法，以堅守4R原則(即減廢、再用、再造及替代)為目標，加強環境的可持續性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THIS REPORT

The Group is pleased to present this environmental, social and governance (“ESG”) report (“ESG Report”) to provide an overview of the Group’s management on significant issues affecting the operation, and the performance of the Group in terms of environmental and social aspects. This ESG Report is prepared by the Group with the professional assistance of APAC Compliance Consultancy and Internal Control Services Limited.

Preparation Basis and Scope

This ESG Report is prepared in accordance with Appendix 27 to the Listing Rules — “Environmental, Social and Governance Reporting Guide” and has complied with “comply or explain” provision in the Listing Rules.

This ESG Report summarises the performance of the Group in respect of corporate social responsibility, covering its operating activities which are considered as material by the Group — (i) financial services business in Hong Kong; (ii) wealth and asset management business and related services in Hong Kong and Europe; and (iii) franchisor of mother-infant-child products in the People’s Republic of China (“PRC”). With the aim to optimise and improve the disclosure requirements in the ESG Report, the Group has taken initiative to formulate policies, record environmental data, and implement monitoring measures.

Reporting Period

This ESG Report demonstrates our sustainability initiatives during the reporting period from 1 January 2018 to 31 December 2018.

關於本報告

本集團欣然呈列本環境、社會及管治(「環境、社會及管治」)報告(「環境、社會及管治報告」)以提供有關本集團管理在環境及社會方面影響本集團營運及表現的重大事宜的管理概覽。本環境、社會及管治報告乃由本集團在亞太合規顧問及內控服務有限公司的專業協助下編製。

編製基準及範圍

本環境、社會及管治報告乃依照上市規則附錄二十七 — 「環境、社會及管治報告指引」編製，並遵守上市規則「不遵守就解釋」條文。

本環境、社會及管治報告概述本集團於企業社會責任方面的表現，涵蓋本集團認為屬重要的經營活動 — (i)在香港提供金融服務；(ii)在香港及歐洲提供財富及資產管理及相關服務；及(iii)為中華人民共和國(「中國」)母嬰童產品特許運營商。為優化及改善本環境、社會及管治報告的披露規定，本集團已主動制定政策、記錄環境數據及實施監測措施。

報告期間

本環境、社會及管治報告闡述我們於二零一八年一月一日至二零一八年十二月三十一日報告期間內在可持續發展方面的措施。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

The Group is a health and wealth solutions service conglomerate. It principally provides comprehensive financial services in Hong Kong, including dealing in securities, commodities broking, provision of securities margin financing, provision of investment and corporate finance advisory services, investment in securities trading, money lending and investment holding.

To seize opportunities and respond to possible challenges that may arise, the Group will continue to promote its “Health + Wealth” parallel strategy for its development, at the same time it also endeavours to be an environment-friendly organisation and to fulfil its responsibilities to the environment and community, whilst maintaining its position as a global service provider.

STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

The Group understands the success of the Group’s business depends on the support from its key stakeholders, who (a) have invested or will invest in the Group; (b) influence the decision making within the Group; and (c) are interested in or affected by or have the potential to be affected by the impact of the Group’s activities, products, services and relationships. It allows the Group to understand risks and opportunities. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

Stakeholders are prioritised from time to time in view of the Group’s roles and duties, strategic plan and business initiatives. The Group engages with its stakeholders to develop mutually beneficial relationships and to seek their views on its business proposals and initiatives as well as to promote sustainability in the marketplace, workplace, community and environment.

緒言

本集團為健康及財富解決方案服務企業集團。其主要於香港提供綜合金融服務，包括證券買賣、商品經紀、提供證券孖展融資、提供投資及企業財務諮詢服務、證券交易投資、放債及投資控股。

為抓住機遇並應對可能出現的挑戰，本集團將繼續推動其「大健康+金融」並行發展戰略，同時致力於成為一個環境友好型組織，在保持其全球服務提供商的地位的同時踐行對環境及社區承擔的責任。

持份者參與及重要性評估

本集團深知本集團業務的成功依賴下列關鍵持份者的支持(a)已投資或將投資本集團；(b)影響本集團內之決策；及(c)於本集團的活動、產品、服務及關係中擁有權益或受其影響或潛在影響，令本集團了解風險及機遇。本集團將繼續確保與各關鍵持份者的有效溝通及保持良好關係。

本集團不時因應其角色及責任、策略規劃及業務計劃而將持份者進行優先排序。本集團與其持份者合作，藉此發展互惠關係並尋求彼等對業務計劃及方案的意見，以及促進市場、工作場所、社區及環境的可持續發展。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group acknowledges the importance of information gained from the stakeholders' insights, inquiries and continuous interest in the Group's business activities. The Group has identified key stakeholders that are important to our business and established various channels for communication. The following table provides an overview of the Group's key stakeholders, and various platforms and methods of communication are used to reach, listen and respond.

本集團深知藉從持份者的洞察、查詢及對本集團業務活動的持續關注而獲得之信息至關重要。本集團已確定我們業務的關鍵持份者，及已建立多種溝通渠道。下表概述本集團的關鍵持份者及各種接觸、聆聽及回應的平台及溝通方式。

Stakeholders 持份者	Issues of concern 關注事項	Engagement channels 參與渠道
Government and regulatory authorities 政府及監管機構	<ul style="list-style-type: none"> — Comply with the laws and regulations — Proper tax payment — Promote regional economic development and employment 	<ul style="list-style-type: none"> — On-site inspections and checks — Research and discussion through work conferences, work reports preparation and submission for approval — Annual reports and announcements — Company website
	<ul style="list-style-type: none"> — 遵守法律及法規 — 正當納稅 — 促進地區經濟發展及提高就業 	<ul style="list-style-type: none"> — 實地視察及檢查 — 透過工作會議、工作報告編製及提交審批進行研究及討論 — 年度報告及公告 — 公司網站
Shareholders and Investors 股東及投資者	<ul style="list-style-type: none"> — Protection of interests and fair treatment of shareholders 	<ul style="list-style-type: none"> — Annual general meeting and other shareholder meetings — Annual reports and announcements — Newsletter — Meeting with investors and analysts — Company website and Stock Exchange
	<ul style="list-style-type: none"> — 保障股東權益及公平對待股東 	<ul style="list-style-type: none"> — 股東週年大會及其他股東會議 — 年度報告及公告 — 時事通訊 — 與投資者及分析師會面 — 公司網站及聯交所

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholders 持份者	Issues of concern 關注事項	Engagement channels 參與渠道
Employees 僱員	<ul style="list-style-type: none">— Safeguard the rights and interests of employees— Working environment— Career development opportunities— Self-actualisation— Occupational health and safety— Staff remuneration, benefits and well-being— 保障僱員的權利及利益— 工作環境— 職業發展機遇— 自我實現— 職業健康及安全— 員工薪酬、利益及福利	<ul style="list-style-type: none">— Meetings and conferences— Trainings, seminars, briefing sessions— Entertainment— Intranet, emails, circulars and manuals— 會議及座談會— 培訓、研討會、簡介會— 文娛活動— 內聯網、電郵、通函及手冊
Financial Institutions 金融機構		<ul style="list-style-type: none">— Annual reports and announcements— 年度報告及公告
Media 媒體		<ul style="list-style-type: none">— Company website— Press release— 公司網站— 新聞稿
Public and communities 公眾及社區	<ul style="list-style-type: none">— Social responsibilities— 社會責任	<ul style="list-style-type: none">— Volunteering— Charity— 志願活動— 慈善

Through general communication with stakeholders, the Group understands the expectations and concerns from stakeholders. The feedbacks obtained allow the Group to make more informed decisions, and to better assess and manage the resulting impact.

透過與持份者的一般溝通，本集團了解持份者的期望及擔憂。獲得的反饋令本集團能夠作出更為明智的決策，並且更好地評估及管理由此產生的影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The content of this ESG Report is based on the best-practice recommendations of the ESG Reporting Guide (Appendix 27 of the Listing Rules) and the GRI Guidelines.

The Group has evaluated the materiality and importance in ESG aspects through the following steps:

Step 1: Identification — Industry Benchmarking

- Relevant ESG areas were identified through the review of relevant ESG reports of the local and international industry peers.
- The materiality of each ESG areas was determined based on the importance of each ESG area to the Group through internal discussion of the management and the recommendation of ESG Reporting Guide (Appendix 27 of the Listing Rules).

Step 2: Prioritization — Stakeholder Engagement

- The Group discussed with key stakeholders on key ESG area identified above to ensure all the key aspects to be covered.

Step 3: Validation — Determining Material Issues

- Based on the discussion with key stakeholders and internal discussion among the management, the Group's management ensured all the key and material ESG areas, which is important to the business development, were reported and in compliance with ESG Reporting Guide.

As a result of this process carried out in 2018, those important ESG areas to the Group were discussed in this ESG Report.

本環境、社會及管治報告內容乃基於上市規則附錄27環境、社會及管治報告指引及全球報告倡議組織(GRI)指引的最佳實踐慣例建議。

本集團已透過以下步驟評估環境、社會及管治方面的重大性及重要性：

步驟1：識別 — 行業基準

- 透過審查當地及國際同業的相關環境、社會及管治報告，確定相關的環境、社會及管治範疇。
- 根據各個環境、社會及管治範疇對本集團的重要性，透過管理層的內部討論及環境、社會及管治報告指引(上市規則附錄27)的推薦建議，以釐定各個環境、社會及管治範疇的重要性。

步驟2：排序 — 持份者的參與

- 本集團已就上述主要環境、社會及管治範疇與關鍵持份者進行討論，以確保涵蓋所有關鍵方面。

步驟3：確認 — 釐定重要議題

- 根據與關鍵持份者的討論以及管理層之間的內部討論，本集團的管理層確保所有對業務發展至關重要的關鍵及重要環境、社會及管治範疇已予報告並遵守環境、社會及管治報告指引。

由於二零一八年進行該程序，因此本環境、社會及管治報告中已討論該等對本集團具重要性的環境、社會及管治範疇。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL ASPECTS

Emissions

The Group's business bears low impact on air and carbon emissions. Throughout the Year, the Group fully complied with all of the relevant environmental laws and regulations in the countries and regions where we operated, and no concluded cases regarding emissions brought against the Group were noted. The Group promotes environmental stewardship throughout our business ecosystem by introducing a number of measures to enhance the environmental protection awareness among its employees, encouraging them to develop environment-friendly working habits and to take action in protecting the precious environment.

Air Pollutants Emission

Air pollutants emission control is essential for mitigating the impact on the environment and protecting the health of employees. No substantial emissions are produced of any fuels in daily operation. The Group's air pollutants are mainly generated from the mobile sources.

In view of business expansion in wealth and asset management segment and increase in revenue generated from franchisor and retail of mother-infant-child products, an increase in fuel consumption of vehicle was incurred. It in turn led to significant increase in air pollutant emission in 2018. During the reporting period, the detail of air pollutants emission of the Group is as follows:

環境層面

排放物

本集團業務對空氣及碳排放的影響較小。本集團於本年度充分遵守我們營運所在國家及地區與環境相關的所有法律法規，並無發現有關針對本集團提出並已審結的排放案件。本集團通過一系列措施來提高員工的環保意識，藉此促進我們整個商業生態系統的環境保護工作，鼓勵員工養成環保的工作習慣並且採取實際行動保護寶貴的環境。

空氣污染物排放

空氣污染物排放控制對減輕環境影響及保護僱員健康至關重要。由於本集團日常營運中並無產生大量燃料排放。本集團的空氣污染物主要來源於流動源。

鑒於財富及資產管理分部的業務增多及特許專營及零售母嬰童產品產生的收入增加，因此，車輛耗油量大幅增加，繼而導致二零一八年空氣污染物排放量大幅增加。於報告期內，本集團的空氣污染物排放詳情如下：

Air Pollutants	Unit	Financial services business	Wealth and asset management	Franchisor of mother-infant-child products	2018	2017
				母嬰童產品特許運營商	Total	Total
空氣污染物	單位	金融服務業務	財富及資產管理	特許運營商	二零一八年總計	二零一七年總計
Nitrogen oxides (NO _x)	kg	39.23	128.43	277.91	445.57	129.54
氧化氮 (NO _x)	千克					
Particular matter (PM)	kg	3.76	1.32	29.68	34.76	12.65
微粒 (PM)	千克					
Sulfur dioxide (SO ₂)	kg	0.10	0.05	25.08	25.23	6.39
二氧化硫 (SO ₂)	千克					

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Greenhouse Gas (“GHG”) Emission

Climate change is gradually concerned by the community as it affects our daily life. GHG is considered as one of the major contributors to the climate change and global warming. The Group tackles the GHG emission by lowering the energy consumption. Policies and procedures (as mentioned in the section “Use of Resources”) to encourage energy saving have been incorporated throughout the operations in order to reduce the carbon footprint. No GHG emission are generated through stationary sources as the Group is not engaged in any industrial production. During the reporting period, our GHG emission scope 1 and 2 mainly came from mobile combustion and purchased electricity. Same as that mentioned in “Air Pollutant Emission”, the significant increase in GHG emission is mainly attributable to the business expansion in wealth and asset management segment and increase in revenue generated from franchisor and retail of mother-infant-child products. The detail of GHG emission of the Group during the reporting period is as follows:

溫室氣體(「溫室氣體」) 排放

氣候變化影響我們的日常生活，因而逐漸受到社區的關注。溫室氣體被視為是氣候變化及全球變暖的主要原因之一。本集團透過降低能源消耗解決溫室氣體排放問題。於營運過程中制定政策及程序(如「資源利用」一節所述)鼓勵節約能源，以減少碳排放。由於本集團並無從事任何工業生產，因此並無通過固定污染源產生溫室氣體排放。於報告期內，我們的溫室氣體排放範圍1及2主要來源於移動燃燒及外購電力。與「空氣污染物排放」所述者一致，溫室氣體排放量大幅增加乃主要由於財富及資產管理分部的業務擴張以及特許專營及零售母嬰童產品產生的收入增加所致。於報告期內本集團的溫室氣體排放詳情如下：

GHG Emission ¹	Unit	Financial services business 金融服務業務	Wealth and asset management 財富及資產管理	Franchisor of mother-infant-child products 母嬰童產品特許運營商	2018 Total 二零一八年總計	2017 Total 二零一七年總計
Scope 1 ²	tonnes of CO ₂ -e 公噸二氧化碳當量	18.91	2.08	454.35	475.34	140.89
範圍 1 ²	公噸二氧化碳當量					
Scope 2 ³	tonnes of CO ₂ -e 公噸二氧化碳當量	243.65	0.01	1,840.61	2,084.27	2,315.37
範圍 2 ³	公噸二氧化碳當量					
Total GHG emission	tonnes of CO ₂ -e 公噸二氧化碳當量	262.56	2.09	2,294.96	2,559.61	2,456.26
溫室氣體總排放量	公噸二氧化碳當量					

¹ The calculation of the greenhouse gas emission is based on the “Corporate Accounting and Reporting Standard” from greenhouse gas protocol.

² Scope 1: Direct emission from sources that are owned or controlled by the Group.

³ Scope 2: Indirect emissions from purchased electricity consumed by the Group.

¹ 溫室氣體排放乃基於溫室氣體議定書的「企業會計及報告準則」計算。

² 範圍 1：來自本集團擁有或控制的來源的直接排放。

³ 範圍 2：來自本集團所消耗外購電力的間接排放。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

GHG Emission ¹	Unit	Financial services business	Wealth and asset management	Franchisor of mother-infant-child products	2018 Total	2017 Total
溫室氣體排放 ¹	單位	金融服務業務	財富及資產管理	母嬰童產品特許運營商	二零一八年總計	二零一七年總計
GHG intensity	tonnes of CO ₂ -e/m ²	0.0360	0.0002	0.5737		Financial: 0.15 Franchisor: 0.50
溫室氣體強度	每平方米公噸二氧化碳當量					金融: 0.15 特許運營商: 0.50

Hazardous and Non-hazardous Wastes

The Group recognizes the importance of waste reduction. Waste management measures have been introduced to minimize the amount of waste generated and the impact on the environment. The Group does not generate hazardous waste, under its business operation nature, during the reporting period.

For non-hazardous waste, the waste is mainly generated from daily office operation, storeroom and retail stores. The Group takes initiative to reduce waste by implementing different measures. The Group has engaged qualified recycling companies to collect and handle the waste in accordance to the Waste Disposal Ordinance. For office, the Group promotes the idea of "green office" by introducing more paperless solutions in its daily operations to reduce the volume of paper and printed materials used. The Group introduces knowledge on environmental protection to all employees and encourages them to consider environmental-friendly printing such as double-sided printing and copying. The Group also encourages employees to reuse single sided non-confidential print out. On top of that, the Group actively promotes the use of email to replace traditional mails. Email is used among staff whenever possible. The Group has also replaced most fax machines with e-fax. All these measures are geared at reducing waste such as paper waste which can help mitigate the global greenhouse effect as well. Recycling bags are available for paper collection. All paper boxes, paper, newspaper and magazines are collected for recycling purpose. Besides, notices are posted in the pantries to remind staff to use less paper cups. The significant increase in paper recycling rate in 2018 was mainly due to the effective implementation of green office policy which in turns helped to reduce the burden on landfill.

有害及無害廢物

本集團認識到減少廢物的重要性。已採取廢物管理措施減少廢物的排放量及降低對環境的影響。根據本集團的業務營運性質，本集團於報告期間並無產生有害廢物。

對於無害廢物而言，廢物主要來源於日常辦公運營、倉庫及零售店。本集團倡議實施不同措施減少廢物。本集團已聘請合資格回收公司根據廢物處理條例收集及處理廢物。就辦公室而言，本集團倡導「綠色辦公」的理念，在其日常運營中通過引入更多的無紙化解決方案來減少紙張和印刷材料的使用量。本集團向全體員工介紹環保知識，並鼓勵他們環保印刷。例如，實施雙面打印和複印。本集團亦鼓勵員工重複使用非保密資料的單面打印。更為重要的是，本集團積極提倡以電子郵件代替傳統的郵件。要求員工盡可能地使用電子郵件。本集團亦以電子傳真取代大部分傳真機。所有該等措施均旨在減少如廢紙等廢物的產生，同時幫助緩解全球溫室效應。回收袋可用於紙張收集。所有紙箱、紙張、報紙及雜誌均可回收再利用。此外，在餐具室張貼通告，提醒員工少使用紙杯。二零一八年，紙張的循環利用率提高主要歸因於有效實施綠色辦公的政策，從而有助於減少垃圾填埋的負擔。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In addition, the Group also encourages the use of electronic means to communicate with the shareholders of the Company through its website.

此外，本集團亦鼓勵透過其網站使用電子方式與本公司股東溝通。

The Group takes effort to reduce wastes in our business operation and handles wastes in an environmental-friendly way. These wastes are separately stored and handled for record. The increase in non-hazardous waste amount in 2018 was also mainly attributable to the increase in wealth and asset management business and revenue generated from franchisor and retail of franchisor of mother-infant-child products. The wastes generated by the Group during the reporting period are as follows:

本集團努力減少業務營運過程中產生的廢物並以環保方式處理廢物。該等廢物應分開存放及處理以備記錄。二零一八年的無害廢物量增加，亦主要由於財富及資產管理業務及特許專營及零售母嬰童產品產生的收益增加。本集團於報告期間產生的廢物如下：

Wastes disposal 廢物處理	Unit 單位	Financial services business 金融服務業務	Wealth and asset management 財富及資產管理	Franchisor of mother-infant-child products 母嬰童產品特許運營商	2018 Total 二零一八年總計	2017 Total 二零一七年總計
Hazardous wastes 有害廢物	tonnes 公噸	–	–	–	–	0.72 ⁴
Hazardous wastes produced intensity 所產生的有害廢物強度	tonnes/m ² 公噸／平方米	–	–	–	–	0.0073 ⁴
Non-hazardous wastes produced 所產生的無害廢物	tonnes 公噸	17.40	4.62	31.20	53.22	46.20
Non-hazardous wastes produced intensity 所產生的無害廢物強度	tonnes/m ² 公噸／平方米	0.0024	0.0003	0.0078		Financial: N/A ⁵ Franchisor: 0.0073 金融: 不適用 ⁵ 特許運營商: 0.0073

⁴ Hazardous wastes were generated by provision of medical and laboratory services business segment only in 2017.

⁵ "N/A" refers to "not available". The non-hazardous waste amount was not available for both financial services segment and wealth and asset management business segment in 2017.

⁴ 有害廢物僅自二零一七年提供的醫療及實驗室服務業務分部產生。

⁵ 「N/A」指「不適用」。無害廢物量不適用於二零一七年的金融服務分部及財富及資產管理業務分部。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Non-hazardous wastes recycled	Unit	Financial services business	Wealth and asset management	Franchisor of mother-infant-child products 母嬰童產品特許運營商	2018 Total 二零一八年 總計	2017 Total 二零一七年 總計
無害廢物再循環	單位	金融服務業務	財富及資產管理			
Paper 紙張	tonnes 公噸	2.24	1.98	–	4.22	1.04

Use of Resources

The Group considers environmental protection as an essential component of a sustainable and responsible business. The Group attaches great importance to efficient utilisation of resources by introducing various measures. It understands that staff participation is the key to achieve such goals. As a part of such effort, green leafy plants are used as one of the office decorations to provide a green and lively working environment. The Group strives to build up a working environment that emphasises the “Environmental 4Rs”, which consists of Reduce, Reuse, Recycle and Replace.

Energy

The Group promotes the concept of energy saving and emission reduction into the entire process of its development and operation. In the meantime, the Group puts effort to promote energy saving awareness among its staff by posting related reminders or messages through emails, recommending them to switch off all the lights, computers and printers by the end of the work day. The Group encourages all of its employees to set their computers to sleep-mode automatically when left idle for a certain period of time. Printers and copiers are also set to sleep-mode automatically for the computers. Receptionists are responsible for turning off lights and all the electronic appliances after meetings. Notices are posted in the office to remind staff to turn off light before leaving office. Air-conditioners are set within a reasonable range of around 25.5 degrees Celsius. During lunch time, air-conditioners in the office area are switched off. Under these measures, it is believed that less electricity will be consumed.

資源利用

本集團視環境保護為可持續及負責任企業的重要組成部分。本集團高度重視並且通過引入各種措施實現資源的高效利用。本集團認為員工的參與是實現這些目標的關鍵。作為努力的一部分，綠葉植物被作為辦公室的裝飾品之一，用以提供一個綠色活潑的工作環境。本集團致力於建立一個強調「環保4R」的工作環境，即再減廢、再用、再循環和替代。

能源

本集團倡導節能減排理念並將其運用於發展及營運的整個過程。同時本集團在電子郵件中發佈相關提醒或信息藉此努力提升員工的節能意識，提醒員工在下班時注意關閉所有的燈、電腦和打印機。本集團鼓勵所有員工在電腦閒置時設置為自動睡眠模式。打印機及複印機亦設置為電腦的自動睡眠模式。接待人員負責於會後關閉燈光及所有電器。在辦公室張貼告示提醒員工離開辦公室前關燈。空調設置在25.5度左右的合理範圍內。午餐時間，將關閉辦公區內的空調。在這些措施下，相信將會消耗更少的電力。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In order to keep pace with the market trends, the Group regularly upgrades its existing facilities such as replacing outdated computers, phones and other electrical appliances to meet the needs of our customers and enhance operational efficiency. The Group adheres to environmental protection and waste reduction principles for its upgrading processes, and reuses existing facilities and materials wherever possible, so as to reduce waste. Meanwhile, it also actively uses eco-friendly equipment for any replacement. During the reporting period, purchased electricity was our major energy consumption source for daily office operation. The steady drop in electricity consumption in 2018 reflected our success in implementation of energy saving measures. On the other hand, the significant increase in petrol and diesel consumption in 2018 was mainly attributable to the increase in wealth and asset management business and overseas financial services business. Moreover, the revenue generated from franchisor and retail of mother-infant-child products also contributed to the increase in petrol and diesel consumption. The detail of energy consumption of the Group is summarised as follows:

為了跟上市場趨勢，本集團定期升級現有設施，例如更換過時的電腦、手機和其他電器，以滿足客戶的需求並且提高運營效率。在升級過程中本集團堅持環境保護和減少廢物原則，盡可能地重複使用現有的設備和材料，以減少浪費。與此同時，還積極更換及使用環保設備。於報告期間，外購電力是我們日常辦公室運作的主要能源消耗源。二零一八年用電量穩步下降反映我們成功實施節能措施。另一方面，二零一八年汽油及柴油消耗量大幅增加乃主要由於財富及資產管理業務以及海外金融服務業務擴張所致。此外，特許專營及零售母嬰童產品產生的收入增加亦導致汽油及柴油消耗量增加。本集團能源消耗詳情概述如下：

Energy consumption 能耗	Unit 單位	Financial services business 金融服務業務	Wealth and asset management 財富及資產管理服務	Franchisor of mother-infant-child products 母嬰童產品特許運營商	2018 Total 二零一八年總計	2017 Total 二零一七年總計
Purchased electricity 外購電力	MWh 兆瓦時	320.78	–	2,736.80	3,057.58	3,383.96
Petrol 汽油	MWh 兆瓦時	61.87	–	1,680.15	1,742.02	525.91
Diesel 柴油	MWh 兆瓦時	–	86.67	186.81	273.48	37.48
Towngas 民用燃氣	MWh 兆瓦時	–	3.12	–	3.12	–
Total 總計	MWh 兆瓦時	382.65	89.79	4,603.76	5,076.20	3,947.35
Energy intensity	MWh/m ²	0.05	0.01	1.15		Financial: 0.20 Franchisor: 0.83 金融: 0.20 特許運營商: 0.83
能源強度	兆瓦時 /平方米					

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Water

Water is another important natural resources. Regarding water consumption for financial services business, the water supply is solely controlled and centrally managed by the property management company of our Hong Kong office premises. In this case, it is not feasible for the Group to provide water consumption data as there is no sub-meter for individual office unit to record water usage. The Group raises the employees' awareness of water saving through posting notices in pantries, washrooms and other communication channels. In this year, the water usage slightly decreased compared with that in 2017. During the reporting period, the water consumption of our Group is as follows:

水

水為另一種重要的自然資源。就金融服務業務的耗水量而言，供水由我們的香港辦公室的物業管理公司獨家控制及集中管理。於此情況下，由於個人辦公室單位並無分表記錄用水量，因此本集團提供耗水量數據並不切實。本集團透過在餐具室、洗手間張貼告示及透過其他溝通渠道提升員工節水意識。本年度，用水量較二零一七年略微減少。於報告期間，本集團的耗水量如下：

Water	Unit	Financial services business	Wealth and asset management services	Franchisor of mother-infant-child products	2018 Total	2017 Total
水	單位	金融服務業務	財富及資產管理服務	母嬰童產品特許運營商	二零一八年總計	二零一七年總計
Total water consumption	m ³	–	550.00	48,568.75	49,118.75	51,845.11
總耗水量	立方米					
Water intensity	m ³ /m ²	N/A ⁴	0.04	12.14		Financial: N/A ⁴ Franchisor: 12.47
水強度	立方米／平方米	不適用 ⁴				金融： 不適用 ⁴ 特許運營商： 12.47

The Environment and Natural Resources

The Group's financial services, wealth and asset management business, and franchising of mother-infant-child products has no significant impact on the environment. The Group reviews its environmental policy from time to time and will consider implementing further eco-friendly measures and practices in the Group's business operation in order to enhance environmental sustainability.

環境及自然資源

本集團的金融服務、財富及資產管理業務以及特許經營母嬰童產品對環境並無重大影響。本集團不時檢討其環境政策，並考慮將來於本集團的業務營運中進一步實施環保措施及做法，以加強環境可持續性。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL ASPECTS

Employment and Labour Practices

Employment

The Group pays special attention to its employees' rights and strictly complies with the Employment Ordinance, the Minimum Wage Ordinance, and other relevant regulations. Employment contract terms are in accordance with the Employment Ordinance or any other applicable regulations. During the reporting period, there was no non-compliance related to applicable employment laws and regulations. Any changes of employment terms will be notified to staff and agreed in writing to protect the lawful rights and interests of all employees.

The Group recognises that the most valuable asset is its employees, hence, it treats its employees fairly based on a series of standardised internal policies and procedures in a proactive manner. The Group updates and improves these policies and procedures regularly by taking into consideration the health and well-being of its employees. All employees are kept abreast of any updated policies and practices through emails, and details are also available from the Human Resources Department.

In respect of the Group's hiring process, objective basis for judgement during interviews is detailed in the interview assessment form, which contains key qualifications and requirements to allow the hiring manager to comprehensively assess the suitability of the candidates and to avoid risks of discrimination or bias.

Apart from the usual job advertisements, job openings will also be offered to all qualified employees with good performance so as to promote career advancement among employees. The Group promotes fair competition among employees and all employees have equal opportunities for promotion. Consistent criteria will be applied for assessing both internal and external candidates regardless of age, sex, race, national origins or physical disabilities to ensure fair judgment and avoid any risk of favouritism or discrimination.

社會層面

僱傭和勞動實踐

僱傭

本集團特別關注員工的權利，嚴格遵守僱傭條例、最低工資條例及其他有關規定。僱傭合約條款均依照僱傭條例或任何其他適用規定。於報告期間，概無違反有關適用僱傭法律及法規。僱傭條款如果發生任何變化，均會通知員工並取得其書面同意以保護所有員工的合法權益。

本集團認識到員工是最有價值的資產，因此基於一系列標準化的內部政策和程序以積極主動的方式公平地對待每位員工。本集團定期更新和完善這些政策和程序，並將員工的健康和福祉考慮在內。所有員工都可以通過電子郵件瞭解政策和做法方面的任何更新，也可以從人力資源部門瞭解更詳細的情況。

關於本集團的招聘過程，面試評估表中詳細列明面試過程中的關鍵條件和要求所依據的客觀判斷基礎，其中包含能夠讓招聘經理全面評估候選人的適宜度並避免歧視或偏見風險。

除了發佈通常的招聘廣告，也會將空缺職位提供給所有符合條件並且具有良好工作表現的員工，以促進員工的職業發展。本集團促進員工之間的公平競爭且所有員工均有平等的晉升機會。在評估時，將對內部和外部候選人適用一致的標準，無論年齡、性別、種族、國籍或是否身體殘疾，以確保作出公平的判斷並避免發生任何徇私或歧視的風險。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has established a sound performance appraisal and promotion mechanism, under which outstanding employees will be recognised through various means such as remuneration, bonus, incentives and other benefits, as well as promotion, so as to recognise their contribution and encourage them to keep up their good performance. Under such recognition system, annual performance appraisals are used for evaluating employees' capability and potential to take up more responsibilities in a higher position. The evaluation of individual's work performance will be agreed among managers and their subordinates. Employees are encouraged to discuss their progress towards their career goals. Besides, objectives are set for the forthcoming period so as to optimise their potential and development. All employees are able to get a fair promotion and receive career improvement recommendations from their managers. The appraisal is also a channel for considering the needs of training and compensation review.

The Group has set up a well-developed job grading system to differentiate the levels of employees, and has established a fair compensation program for each level of job position. The Group endeavours to offer its employees competitive remuneration which is in line with the market trends. In order to understand the market, pay structure and salary benchmarking evaluation is conducted each year by the human resources department. A number of reliable salary surveys are selected from professional bodies and recruitment agencies to provide up-to-date salary data for the annual review of salary and reward system.

The Group's management attaches great importance to the needs and opinions of its employees. There are different means for the employees to communicate with the management, this can maintain a good relationship between the management and employees. The Group has established an open-door policy which promotes open dialogues with managers and the senior management. Employees are encouraged to consult with their managers for any work-related matters. Under our well-developed escalation procedures, in cases of disputes or disagreements between employees and their managers, the head of human resources department will be involved and the matters will be escalated to the Executive Committee for decision when necessary.

本集團建立了一個完善的績效考核和晉升機制，據此通過各種方式對優秀員工予以認可，如報酬、獎金、獎勵和其他福利以及晉升，以此認可他們的貢獻，鼓勵他們保持良好的表現。在該等認可體系下，將年度績效評估用於評估員工能力以及是否具備就任更高職位承擔更多責任的潛力。對個人工作表現的評估將由經理及其下屬一致確定。鼓勵員工參照其所設定的近期職業目標討論已經取得的進步。此外，設定未來期間的目標以便充分發揮潛能實現發展。所有員工都能得到公平的晉升並接受經理的職業晉升建議。評估亦作為考慮是否需要進行培訓和薪酬審查的一個渠道。

本集團建立了一個良好的工作分級體系用以區分員工的不同級別，並為每一個級別的職位確定了一套公平的薪酬方案。本集團努力為其員工提供符合市場趨勢的具有競爭力的薪酬。為了瞭解市場薪酬結構，由人力資源部門每年進行工資基準評估，從專業團體和人才機構篩選一些可靠有信譽的薪酬調查為薪酬和獎金體系的年度審查提供最新的薪資數據。

本集團的管理層高度重視員工的需求和意見。員工可以通過不同的方式與管理層溝通，此舉可保持管理層和員工之間良好的關係。本集團已經制定了一項溝通開放政策以促進與經理和高級管理人員的開放式對話。鼓勵員工向經理諮詢任何與工作相關的問題。按照我們成熟的升級程序，在經理和員工之間產生爭端或分歧的情況下，人力資源部負責人將會介入，在必要時可以將該事項升級到執行委員會決定。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

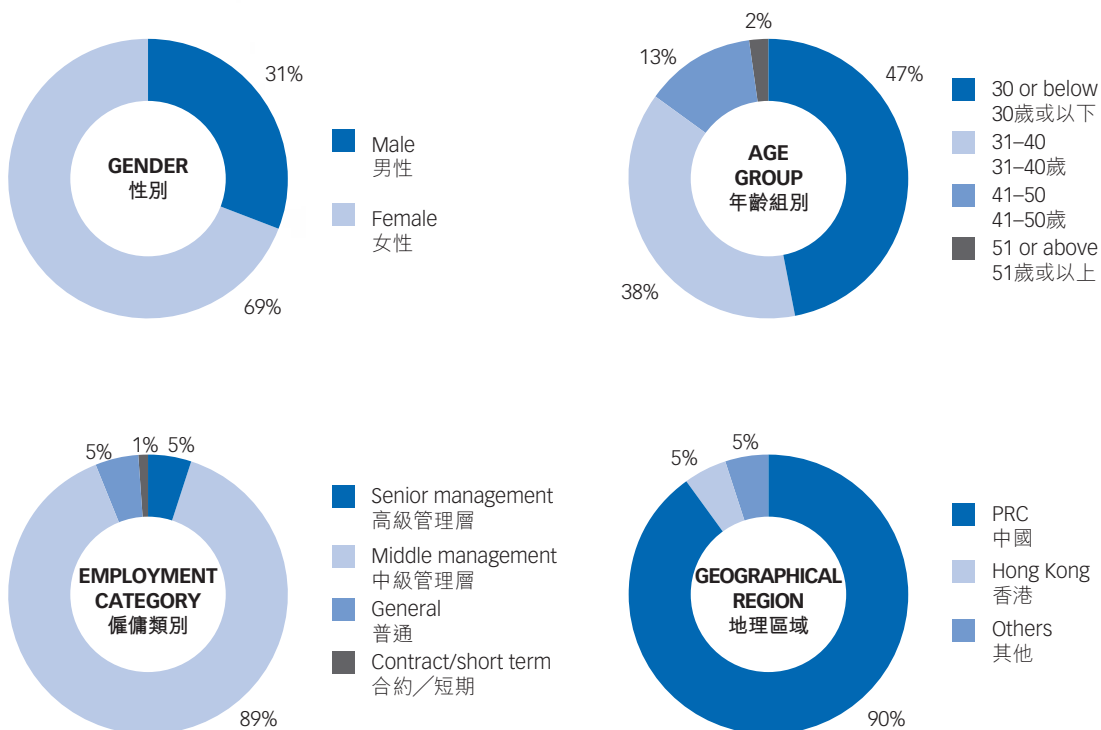
環境、社會及管治報告

With the belief that a harmonious workplace and the sense of belonging among employees are essential for the development of the Group, it actively promotes team building development by encouraging employees to participate in various charity and social activities. During the Year, the Group held various employee activities, such as Christmas party, annual dinner and staff birthday celebrations to enhance team spirit and strengthen the bonding between employees and the Company. The Group attempts to meet its employees' needs in all aspects so as to cultivate loyalty and dedication.

相信和諧的工作環境和員工的歸屬感對本集團的發展是必不可少的，本集團積極促進團隊建設發展，鼓勵員工參加各種慈善和社會活動。於本年度，本集團舉辦了各種員工活動，如聖誕晚會、年度晚宴及員工生日慶祝來增強團隊精神，加強員工與公司之間的合作關係。本集團嘗試滿足員工各方面的需求，以培養忠誠和奉獻精神。

At the end of the reporting period, the Group's employees are located in Hong Kong, the PRC and overseas. Below is the employee breakdown by gender, age group, employment category and geographical region.

於報告期間末，本集團僱員位於香港、中國及海外。下圖為按性別、年齡組別、僱傭類別及地理區域劃分的僱員明細。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Health and Safety

The Group takes into consideration every precaution to establish a healthy and safe working environment for its employees. The Group strictly complies with the rules and guidelines stipulated in the Occupational Safety and Health Ordinance by the Labour Department in Hong Kong and any other applicable laws and regulations such as the Law of the People's Republic of China on the Prevention and Treatment of Occupational Diseases. Besides, we maintain a healthy and safe workplace for our employees. Reviews will be conducted with immediate follow-up actions and improvements whenever necessary. In 2018, no concluded cases regarding health and safety were brought against the issuer or its employees.

The Group ensures that its employees are able to carry out their daily work in a comfortable environment by installing or replacing office equipment if needed, and providing them with all the necessary equipment for protection against work-related injuries. Employees are required to participate in the annual fire evacuation drill and safety talks organised by the property management of the office premises. Through providing these trainings to employees, they become adequately knowledgeable of the office's evacuation procedures. Moreover, the employees are required to participate in the health talks in order to enhance their awareness on the importance of occupational health. Fire installation system and equipment are checked annually by the property management company. The Group obtains a Certificate of Fire Service Installations and Equipment (FS 251) from Fire Services Department (FSD).

During the office renovation, the Company ensured appropriate safety measures were in place for its employees, e.g. use of renovation materials and products that fulfil the safety standard without harmful effects on humans. Access to the office is strictly controlled by access card and staff card to protect the personal belongings of our employees. All outsiders should be accompanied by our staff to access the office area. Access control policy is reviewed regularly to enhance the employees' safety.

健康和安

本集團兼顧各項預防措施為員工構建健康和安全的工作環境。本集團嚴格遵守香港勞工處於職業安全及健康條例內制定的規則和指導方針以及任何其他適用法律及條例，如中華人民共和國職業病防治法。此外，我們為員工創建並維護健康安全的工作場所。本集團將在必要時進行審查並及時地採取跟進行動及作出改進。於二零一八年，概無有關健康及安全而針對發行人或其僱員提起的審結案件。

本集團確保其員工能夠在舒適的環境中進行日常工作，並在必要時安裝或更換辦公設備並為員工配備所有必要的防護設備防止發生工業意外。要求員工參加辦公室所屬的物業管理部門組織的年度消防疏散演習和安全講座。透過向員工提供該等培訓，使員工充分瞭解辦公室的疏散程序。此外，員工須參與健康講座以提高其職業健康重要性的意識。物業管理公司每年檢查消防裝置系統及設備。本集團自消防局(FSD)取得消防裝置及設備證書(FS 251)。

辦公室裝修期間，本公司出於為員工考慮，確保採取適當的安全措施，如使用符合安全標準而不危害人類健康的裝修材料和產品。使用門禁卡及職員證嚴格控制辦公室的進出，以保護員工的私人物品。所有外來人員均在我們員工的陪同下方可進入辦公區。定期檢查訪問控制政策以加強員工的安全。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Development and Training

The Group recognises that the continuous development of its employees is the key to its success. Each new employee will receive a formal induction to prepare him/her for his/her role and job responsibilities. Besides, employees are encouraged to participate in appropriate in-house and external trainings for their skills improvement or enhancement. Eligible employees will also be offered financial assistance for qualified training programs to support their personal growth and career advancement.

The human resources department and compliance department provide assistance in coordinating internal trainings organised by the Group.

The Group adopts systematic performance-based appraisal system and the employees' performance is assessed based on the pre-set objectives and key performance indicators. Managers are responsible for closely monitoring and coaching their subordinates, while the human resources department assists in identifying the proper job-related trainings that can provide career enhancement or improvement to staff. This can ensure that the performance of its employees can meet the job requirements. Furthermore, appropriate and up-to-date trainings will be offered to the employees to enhance their knowledge and skills for performance upgrade.

The trainings provided by the Group cover a wide scope, from general financial knowledge to leadership, management and communication skills. For example, in-house training for continuous professional training fulfilment or rules updates are conducted by the compliance department regularly and are available to all employees. Latest market knowledge and updates will also be addressed to all employees by means of seminars or internal circulation of informational documents. In realising that the Group's business development strategy in the Asian and the Greater China region, the Mandarin language is therefore inevitably important. The human resources department has organised Mandarin training sessions for the Group's senior executives.

發展和培訓

本集團認識到，員工的不斷發展是其成功的關鍵。每位新員工都將接受一個正式的入職簡介以此為他／她即將承擔的角色和工作職責做好準備。鼓勵員工參與適當的內部和外部培訓以便完善或加強個人技能。本集團亦將為合資格的員工提供參加合適培訓項目的資金援助，用以支持他們的個人成長和職業發展。

人力資源部和合規部幫助協調本集團組織的內部培訓。

本集團應用了以績效為基礎的系統性評估體系，及根據預設目標和關鍵業績指標評估員工的績效。經理負責密切監督和指導下屬工作，而人力資源部協助尋求並向員工提供與工作相關的職業晉升或改進之培訓。這可確保員工的業績水平能夠符合工作的要求。此外，將向員工提供適當的最新培訓以加強其知識和技能水平實現業績提升。

本集團提供的培訓範圍很廣，從通用金融知識到領導、管理和溝通技巧。例如，合規管理部門定期向所有員工進行關於持續專業發展之履行或法規更新的內部培訓。另外，還通過召開研討會或發佈內部信息文件的方式向所有員工提供最新的市場知識更新。在認知到本集團於亞洲及大中華地區的業務發展戰略後，普通話因此成為不可或缺的重要語言，因此人力資源部為本集團的高管安排了普通話培訓。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

For our mother-infant-child and healthcare business, wide range of trainings are arranged to enhance employees' knowledge on maternal and child care, and health products. This can improve the professionalism of our employees to offer better customer services.

就我們的母嬰童及醫療業務而言，安排廣泛的培訓以提高員工的知識水平。此舉可提高我們員工的專業水平以提供更好的客戶服務。

In 2018, the detailed breakdown of the average training hours completed by each employee is as follows:

於二零一八年，每名僱員完成的平均培訓小時數的詳細明細如下：

Training	Average training hours (hours/employee)
培訓	平均培訓小時數 (小時/僱員)
By gender	
按性別	
— Male	299
— 男性	
— Female	156
— 女性	
By employment category	
按僱傭類別	
— Senior management	62
— 高級管理層	
— Middle management	67
— 中級管理層	
— General	326
— 普通	

Labour Standards

The Group not only strictly complies with labour legislations, but also implements specific measures to ensure equal opportunities in employment. We respect the rights and interest of every employee, and strictly prohibit the employment of minors under the age of 18. Organisations that are found to be engaging child labour or forced labour will be reported to the management to terminate the corresponding business dealings. There is a comprehensive internal monitoring system to prevent the Group from forcing employees to work by way of violence or illegal restriction of personal freedom.

勞工標準

本集團不僅嚴格遵守勞動法規，還執行了確保平等僱傭機會的具體措施。我們尊重每一位員工的權益，並嚴格禁止僱用18歲以下的未成年人。一旦發現合作伙伴存在使用童工或強制勞動的組織，將匯報給管理層並終止相應的業務交易。本集團採納全面的內部監督體系防止本集團通過暴力或非法限制人身自由的方式迫使員工工作。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Operating Practices

Supply Chain Management

As part of its commitment to environmental and corporate responsibility, the Group attaches great importance to supplier management and monitors by formulating internal procedures and guidelines for managing environmental and social risks of the supply chain. It undertakes regular reviews on its supply chain to ensure that its partners do not have significant impact on the environment and society.

For the mother-infant-child products sector, the Group relies on a wide range of brands to supply its products. The Group emphasises on the quality and safety of the products supplied, brand image and the corporate social responsibilities of the suppliers. When selecting suppliers, all potential suppliers must be reviewed on environmental and corporate management. Only those who fulfil the Group's criteria and comply with all the relevant national standards are qualified to be our suppliers.

Green purchasing is adopted in the office. For example, the Group only purchases electrical equipment with energy-saving labels. During office renovation, the Group used materials and products that fulfil the safety standard without harmful effects on the environment and staff by requesting the suppliers to provide materials details. This not only can reduce the harmful environmental impact, but can also safeguard the health and safety of the employees.

Product Responsibility

The Group is committed to providing quality and customer-centred medical and healthcare services, mother-infant-child products as well as financial services. We continue to cultivate a corporate culture which emphasises the provision of fair and just services for its customers.

Quality Control

For the medical and healthcare sector, Reproductive Healthcare Group Limited, our associate company, is the leading private assisted reproductive service provider in Hong Kong. They have sound management and quality monitoring in different stages of processes with full statutory compliance, so as to ensure that all products and services are strictly safe, without any hazards or risks to human.

經營實踐

供應鏈管理

作為本集團所承擔的環境和企業責任的一部分，本集團高度重視供應商管理和監督，通過制定內部程序和指南來管理供應鏈方面存在的環境和社會風險。本集團對供應鏈進行定期評審，以確保其合作夥伴不會對環境和社會造成重大影響。

就母嬰童產品部門而言，本集團倚賴多個品牌供應其產品。本集團重視所供應產品的質素及安全、品牌形象以及供應商的企業社會責任。在選擇供應商時，我們必須審查所有潛在供應商的環境和企業管理行為。惟有達到本集團標準並符合所有相關國家標準者方合資格成為我們的供應商。

辦公室採用綠色採購。例如，本集團僅採購具有節能標籤的電器設備。於辦公室翻新期間，本集團會要求供應商提供材料詳情，並使用符合安全標準、不會對環境及員工造成有害影響的材料及產品。這不僅可減少有害的環境影響，亦可保障員工的健康及安全。

產品責任

本集團致力於提供以客戶為中心的優質醫療、健康保健、母嬰童產品以及金融服務。我們持續培養為客戶提供公平、公正服務的企業文化。

質量控制

就醫療和健康保健部門而言，我們的聯營公司寶德醫務集團有限公司為香港領先的私人輔助生殖服務提供商。他們在不同階段充分按照法律的規定進行良好的管理和質量監督，以確保所有的產品和服務絕對安全，不存在危害人類健康的任何危險或風險。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

For the financial platform, the Group strives to expand its product mix to meet the needs of customers with high-quality services. The Group has set up internal control procedures to protect the Group, its customers and employees from financial loss arising from theft, fraud, and other dishonest acts, professional misconduct or omissions. All of its services are in strict accordance with all applicable laws, rules and regulations, as well as customer requirements.

For the mother-infant-child products sector, the Group attaches great importance on the quality and safety of the products supplied by the suppliers. The Group carries out on-site checkings of products supplied by certain suppliers to ensure reasonable quality standards are met. For other suppliers, only those products with safety certifications are accepted by us. There is a thorough recall procedure for the unqualified products to prevent the sale of these products in the market. During the Year, no complaints regarding product quality were received by the Group.

Complaint Handling

The Group's complaint handling policy is strictly in accordance with regulatory standards to ensure that customers' opinions are heard and responded in a timely manner. Complaint officers are assigned act as a channel for customers to reach the Group with any issues they may have encountered. All customers' complaints will be considered, with corresponding follow-up procedures being conducted in accordance with internal procedures and guidelines. Relevant investigation and improvement procedures will be conducted and settlement may be made if appropriate. The Group believes that receiving complaints provides valuable opportunity to obtain feedback from the community and customers, so as to identify the need for service and policy improvements.

In financial sector, the Group should comply with the Financial Dispute Resolution Scheme ("FDRS") for managing and resolving disputes administered by the Financial Dispute Resolution Centre in full and be bound by the dispute resolution processes provided for under the FDRS.

Customer Data Protection

The Group implemented two-factor authentication "2FA" to comply with SFC regulations and protect user data accessed by unauthorized person.

對於金融平台，本集團努力擴大其產品組合以滿足客戶對高品質服務的需求。本集團已經建立了內部控制程序，以保障本集團及其客戶和員工不會遭受因盜竊、欺詐等不誠實行為以及職業不當行為或疏漏帶來的經濟損失。本集團嚴格按照所有適用的法律、法規以及客戶的需求提供所有的服務。

對於母嬰童產品平台部門，本集團十分重視供應商所供應產品的質量及安全。本集團對若干供應商供應的產品進行現場檢查，以確保達到合理的質量標準。就其他供應商而言，我們僅接受具有安全認證的產品。對不合格產品完全執行召回程序，以防止該等產品在市面上銷售。於本年度，本集團並無接獲有關產品質量的投訴。

投訴處理

本集團嚴格按照監管標準制定關於投訴處理的政策確保客戶的意見得到及時的傾聽和反饋，並且委派投訴人員作為客戶向本集團反映他們可能遇到任何問題的一個渠道。所有客戶的投訴本集團均會予以考慮，並依照內部程序和指導方針進行相應的跟進。本集團會據此開展相關的調查及採取改進措施並在適當的情況下予以解決。本集團認為投訴是其獲得社區和客戶反饋的一個寶貴機會，以便確定是否需要對服務和政策作出必要的改進。

於金融部門，本集團應遵守金融糾紛調解中心全面實施的管理及解決糾紛的金融糾紛調解計劃（「金融糾紛調解計劃」）並受金融糾紛調解計劃規定的糾紛解決程序約束。

客戶資料保護

本集團實施雙因素認證「2FA」，以遵守證監會規例及保護未經授權人士所訪問的用戶資料。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

For the franchisor of mother-infant-child products, the Group has online stores for customers to purchase conveniently at home. We respect the users' personal privacy in online and we have policy to protect their information. The Group strictly complies with the applicable rules and regulations such as the Laws of the People's Republic of China on the Protection of Consumer Rights and Interests.

For financial services and other businesses in Hong Kong, the Group strictly complies with the applicable rules and regulations such as the Personal Data (Privacy) Ordinance (Cap. 486). During the Year, no severe violation identified which posed significant impact on the Group.

Anti-Corruption

The Group holds itself to the highest level of integrity and ethical standards upon its businesses. The Group strictly complies with the Prevention of Bribery Ordinance in Hong Kong, the Criminal Law of the People's Republic of China in the PRC and any other applicable laws and regulations. Therefore, it formulates a set of policy guidelines and codes of conduct for the employees, under which any kinds of bribery and corruption practices are strictly forbidden. There is also a comprehensive system for declaration of interests, as well as a sound reporting mechanism for any suspicious activity.

The current policy adopted by the Group regarding anti-corruption is incorporated into the internal code of conduct for staff, including general framework of anti-bribery laws, rules and regulations in Hong Kong. The Group and each of its member companies strictly prohibit staff to solicit and accept advantages without prior approval by the Group, and actively encourage staff to avoid situations which may constitute bribery, so as to prevent any kinds of corruption at the very beginning.

The Group also constantly reminds all of its employees of the importance of complying with the Code of Conduct. Each employee is required to sign an annual declaration form of his/her compliance with the Code of Conduct. In addition to the declaration, written records of all personal benefits received by employees and relevant management approval are kept for compliance with the internal policies. During the Year, no concluded cases regarding corrupt practices were brought against the Group or its employees.

對於母嬰童產品特許運營業務，本集團擁有網店方便顧客在家中購買。我們尊重網上用戶的個人隱私且我們訂有政策保護其信息。本集團嚴格遵守適用規則及規例，如中華人民共和國消費者權益保護法。

對於在香港的金融服務及其他業務，本集團嚴格遵守適用規則及規例，如個人資料(私隱)條例(第486章)。於本年度，概無發現對本集團造成重大影響的嚴重違規事項。

反腐敗

本集團在其業務過程中堅持高度的廉潔性及道德標準。本集團嚴格遵守香港的防止賄賂條例、中國的中華人民共和國刑法及任何其他適用法律及規例。因此，其為員工制定了一系列的政策方針和行為準則，嚴格禁止任何類型的賄賂和腐敗行為。本集團還設置了全面的權益申報體系和良好的可疑活動舉報機制。

本集團將當前執行的反腐敗政策納入員工的內部行為準則，包括香港反賄賂法律和規章制度的總體框架中。本集團及其各成員公司嚴格禁止員工未經本集團事先批准索取和接受任何利益，並且積極鼓勵員工避免可能構成賄賂的情況，防止出現任何類型的腐敗端倪。

本集團還不斷提醒所有員工遵守行為準則的重要性。每位員工需要簽署一份關於他/她遵守行為準則情況的年度聲明。除了聲明，還按照內部政策保存關於員工收到的所有個人利益和相關經理審批的書面記錄。於本年度，概無有關貪腐行為而針對本集團或其僱員提起的審結案件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Community

Community Investment

The Group's success comes from the society, and its philosophy is to contribute back to the society through available resources and efforts. Employees are encouraged to volunteer at different charity organisations to express their concerns for social issues and to show support for these organisations. For instance, the Group actively participates in the Dress Casual Day 2018 organised by the Hong Kong Community Chest. Our staff took part in the casual wear event to support the charity event and deliver the positive corporate social responsibility message.

The Group focuses on the outcomes of each of its corporate social responsibility programs. It has set up some metrics so that the effectiveness of these programs can be measured as a reference for future engagement or improvement, e.g. the number of employees attended and the amount of donation funds are the measuring metrics used for the Casual Wear Day organised by the Hong Kong Community Chest.

Every year, the Group delegates relevant employees to attend various corporate social responsibility conferences in Hong Kong, so as to promote knowledge and best practices of its employees. Furthermore, the Company maintains an open channel of communication with its stakeholders and communities to understand their motivations, goals, and needs through continuous conversation and social media polling, so that the Group's contributions in corporate social responsibility activities will truly meet the needs. The Group also hires disabled persons to show our efforts in supporting an inclusive and caring community.

社區

社區投資

本集團的成功來自於社會，其秉承通過可獲得的資源努力回報社會的理念。鼓勵員工作為不同慈善組織的志願者來表達他們對社會問題的關注，並為這些組織提供支持。例如，本集團積極參與香港公益金組織的二零一八便服日。我們的員工參與便服日活動，支持慈善活動並傳遞積極的企業社會責任信息。

本集團注重每項企業社會責任項目的效果。它已經確立了一些效果評價指標，這樣可以評估該等項目的有效性為將來的參與或改進提供參考，例如員工參與人數及捐款數額是香港公益金組織的便服日的一個衡量指標。

本集團每年指派相關員工在香港參加各種企業社會責任相關的會議，以增強員工的知識和最佳實踐。此外，本公司保持與其利益相關者和社區之間開放的溝通渠道，通過持續的對話和社交媒體調查瞭解他們的動機、目標和需求，以便本集團在企業社會責任活動中的貢獻真正滿足這些需求。本集團亦聘用殘障人士，以表明我們支持一個包容及關懷社區所作的努力。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

During the Year, we participated in many charitable events and obtained outstanding social awards which recognised our contribution to the community. The details of charitable events and outstanding social awards are listed as below:

本年度，我們參與諸多慈善活動並取得傑出社會獎，該等獎項肯定我們對社區的貢獻。慈善活動及傑出社會獎的詳情載列如下：

- Initiated HK\$5 for each cup of coffee consumed by our staff to be donated to World Vision.
- Donated to Kwun Tong Methodist Social Service for the elderly visit under the name of the Company.
- Donated to HK Community Chest under the name of the Company.
- “Caring Company (5 years +)” was awarded to Mason Securities Limited a wholly-owned subsidiary of the Company.
- “Caring Company” was awarded to the Company.
- “Partner Employer Award” was awarded to the Company.
- “企業公民嘉許標誌” was awarded to the Company.
- “香港星級品牌2018企業獎” was awarded to the Company.
- “第七屆傑出企業社會責任獎” was awarded to the Company.
- “2017-18年度「積金好僱主」” was awarded to the Company.
- “2017/18年度家庭友善僱主獎勵計劃” was awarded to the Company.
- 我們的員工每消費一杯咖啡即會向世界宣明會捐出5港元。
- 以本公司名義向循道衛理觀塘社會服務處捐款以供長者到訪。
- 以本公司名義向香港公益金捐款。
- 本公司全資附屬公司茂宸證券有限公司獲授「商界展關懷」(5年以上)獎。
- 本公司獲授「商界展關懷」獎。
- 本公司獲授「友商有良嘉許計劃」獎。
- 本公司獲授「企業公民嘉許標誌」獎。
- 本公司獲授「香港星級品牌2018企業獎」。
- 本公司獲授「第七屆傑出企業社會責任獎」。
- 本公司獲授「2017-18年度「積金好僱主」」。
- 本公司獲授「2017/18年度家庭友善僱主獎勵計劃」。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING INDEX

環境、社會及管治報告索引

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Page
主營範圍、層面、一般披露及關鍵績效指標 (KPIs)		章節	頁次
A. Environmental			
環境			
A1: Emissions			
A1: 排放物			
General Disclosure 一般披露		“Environmental Aspects” 「環境層面」	95
KPI A1.1	The types of emissions and respective emissions data 排放物種類及相關排放數據	“Emissions — Air Pollutants Emission” 「排放物 — 大氣污染物排放」	95
KPI A1.2	Greenhouse gas emissions in total and, where appropriate, intensity 溫室氣體總排放量及(如適當)強度	“Emissions — Greenhouse Gas Emission” 「排放物 — 溫室氣體排放」	96
KPI A1.3	Total hazardous waste produced and, where appropriate, intensity 所產生的有害廢物總量及(如適當)強度	“Emissions — Hazardous and Non-hazardous Wastes” 「排放物 — 有害及無害廢物」	97
KPI A1.4	Total non-hazardous waste produced and, where appropriate, intensity 所產生的無害廢物總量及(如適當)強度	“Emissions — Hazardous and Non-hazardous Wastes” 「排放物 — 有害及無害廢物」	97
KPI A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所取得成果	“Emissions — Air Pollutants Emission” 「排放物 — 大氣污染物排放」	95
		“Emissions — Greenhouse Gas Emission” 「排放物 — 溫室氣體排放」	96
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢物的方式、減低產生量的措施及所得成果	“Emissions — Hazardous and Non-hazardous Wastes” 「排放物 — 有害及無害廢物」	97

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Page
主營範圍、層面、一般披露及關鍵績效指標(KPIs)		章節	頁次
A2: Use of Resources			
資源利用			
General Disclosure 一般披露		"Use of Resources" 「資源利用」	99
KPI A2.1	Direct and/or indirect energy consumption by type in total and intensity 按種類劃分的直接及／或間接能源消耗總量及強度	"Use of Resources — Energy" 「資源利用 — 能源」	99
KPI A2.2	Water consumption in total and intensity 總耗水量及強度	"Use of Resources — Water" 「資源利用 — 水」	101
KPI A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益計劃及所得成果	"Use of Resources — Energy" 「資源利用 — 能源」	99
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果	"Use of Resources — Water" 「資源利用 — 水」	101
KPI A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced 製成品所用包裝材料總量及(如適用)參考每生產單位估量	Not applicable to the Group's business 不適用於本集團業務	—
A3: The Environment and Natural Resources			
環境及自然資源			
General Disclosure 一般披露		"The Environment and Natural Resources" 「環境及自然資源」	101
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them 描述活動對環境及自然資源的重大影響及採取的管理措施	"The Environment and Natural Resources" 「環境及自然資源」	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Page
主營範圍、層面、一般披露及關鍵績效指標 (KPIs)		章節	頁次
B. Social			
B. 社會			
Employment and Labour Practices			
僱傭及勞工常規			
B1: Employment			
僱傭			
General Disclosure		“Employment”	102
一般披露		「僱傭」	
KPI B1.1	Total workforce by gender, employment type, age group and geographical region 按性別、僱傭類型、年齡組別及地區劃分的僱員總數	–	–
KPI B1.2	Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流動比率	–	–
B2: Health and safety			
健康與安全			
General Disclosure		“Health and Safety”	105
一般披露		「健康及安全」	
KPI B2.1	Number and rate of work-related fatalities 因工作關係而死亡的人數及比率	–	–
KPI B2.2	Lost days due to work injury 因工傷損失工作日數	–	–
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored 描述所採納的職業健康與安全措施以及相關執行及監察方法	“Health and Safety”	105
		「健康與安全」	
B3: Development and Training			
發展及培訓			

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Page
主營範圍、層面、一般披露及關鍵績效指標 (KPIs)		章節	頁次
General Disclosure 一般披露		"Development and Training" 「發展與培訓」	106
KPI B3.1	The percentage of employee trained and employee category 受培訓僱員的百分比及僱員類別	–	–
KPI B3.2	The average training hours completed per employee by gender and employee category 按性別及僱員類別劃分的每個僱員完成的平均培訓時數	–	–
B4: Labour Standards 勞工準則			
General Disclosure 一般披露		"Labour Standards" 「勞工標準」	107
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour 描述檢討聘用常規的措施以避免童工及強制勞工	–	–
KPI B4.2	Description of steps taken to eliminate such practices when discovered 描述在發現違規情況時消除童工及強制勞工情況所採取的步驟	–	–
Operating Practices 經營慣例			
B5: Supply Chain Management 供應鏈管理			
General Disclosure 一般披露		"Supply Chain Management" 「供應鏈管理」	108
KPI B5.1	Number of suppliers by geographical region 按地區劃分的供應商數目	–	–
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法	–	–

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Page
主營範圍、層面、一般披露及關鍵績效指標 (KPIs)		章節	頁次
B6: Product Responsibility 產品責任			
General Disclosure 一般披露		“Product Responsibility” 「產品責任」	108
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons 已售或已運送產品總數中因安全及健康理由而須召回的百分比	–	–
KPI B6.2	Number of products and service related complaints received and how they are dealt with 接獲關於產品及服務的投訴數目以及應對方法	“Product Responsibility — Complaint Handling” 「產品責任 — 投訴處理」	109
KPI B6.3	Description and practices relating to observing and protecting intellectual property rights 與維護及保護知識產權相關的描述及慣例	–	–
KPI B6.4	Description of quality assurance process and recall procedures 描述質量檢定過程及召回程序	“Product Responsibility — Quality Control” 「產品責任 — 質量控制」	108
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored 描述消費者資料保護及隱私政策以及相關執行及監察方法	“Product Responsibility — Customer Data Protection” 「產品責任 — 消費者資料保護」	109

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Subject areas, aspects, general disclosures and Key Performance Indicators (KPIs)		Section	Page
主營範圍、層面、一般披露及關鍵績效指標(KPIs)		章節	頁次
B7: Anti-corruption 反腐敗			
General Disclosure 一般披露		"Anti-corruption" 「反腐敗」	110
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the case 於報告期間對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	No legal cases were observed during the reporting period 於報告期間並未發現訴訟案	–
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored 描述預防措施及舉報程序，以及相關執行及監察方法	–	–
Community 社區			
B8: Community Investment 社區投資			
General Disclosure 一般披露		"Community Investment" 「社區投資」	111
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport) 專注貢獻範疇(如教育、環境問題、勞工需求、健康、文化及體育)	–	–
KPI B8.2	Resources contributed (e.g. money or time) to the focus area 在專注範疇所動用資源(即金錢或時間)	"Community Investment" 「社區投資」	111

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ASSUMPTIONS AND REFERENCES

Assumption of calculating KPIs

1. We have assumed that the accuracy of information provided to us by the Group and relied to a considerable extent on such information in arriving at our result of calculation and consumption data is adjusted so as to be consistent with the reporting period of the report.
2. For calculation of SO₂ emission from vehicles, the sulfur content of petrol and diesel are assumed to be 50ppm and 350 ppm respectively based on 《道路機動車大氣污染物排放清單編制技術指南(試行)》.
3. For calculation of air pollution from mobile source based on kilometres travelled by vehicles, we assume that the vehicles are under the following conditions: running at average speed of 30 km/hour, 50% relative humidity, temperature of 15 Degree Celsius, the sulfur content of petrol and diesel are 50ppm and 350 ppm and loading percentage is 50%.
4. According to Appendix 2: Reporting Guidance on Environmental KPIs issued by the Stock Exchange, as non-hazardous weight data is not available from the Group, the weight data is estimated by the Group using other available information. We have assumed that the estimated data are not materially different from the actual one.

假設及參考

計算關鍵績效指標的假設

1. 吾等已假設本集團所提供的資料屬準確，並於達致吾等的計算結果時在很大程度上倚賴該等資料，並對假設數據作出調整，使之與報告的報告期間一致。
2. 就計算車輛的二氧化硫的排放而言，根據《道路機動車大氣污染物排放清單編制技術指南(試行)》，假設汽油及柴油的硫含量分別為50ppm及350ppm。
3. 就根據車輛行使里程數計算流動源的空氣污染而言，吾等假設車輛於以下條件行駛：平均速度30公里／小時，相對濕度50%，溫度15攝氏度，汽油及柴油的硫含量是50ppm及350ppm，載重百分比為50%。
4. 根據聯交所刊發的附錄2：環境關鍵績效指標匯報指引，由於本集團無法獲得無害重量數據，本集團使用其他可得資料估計重量數據。吾等已假設估計數據與實際數據並無重大差異。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Key references of calculating KPIs

1. Appendix 27 to the rules governing the Listing Rules — “Environmental, Social and Governance Reporting Guide”
2. Appendix 2: Reporting Guidance on Environmental KPI
3. Sustainability Report 2016, HK Electric Investment
4. Sustainability Report 2016, CLP Group
5. Heat Values of Various Fuels, World Nuclear Association
6. 《道路機動車大氣污染物排放清單編制技術指南(試行)》，中華人民共和國環境保護部
7. 《車用柴油》國家標準，國家能源局
8. 《車用汽油》國家標準，國家能源局
9. 《準確核算每一噸排放：企業外購電力溫室氣體排放因子解析》，世界資源研究所
10. 《溫室氣體核算體系能源消耗引起的溫室氣體排放計算工具指南(2.1版)》，世界資源研究所
11. 《綜合能耗計算通則》(GB/T 2589-2008)，國家標準化委員會

計算關鍵績效指標的主要參考

1. 上市規則附錄27 — 「環境、社會及管治報告指引」
2. 附錄2：環境關鍵績效指標匯報指引
3. 港燈電力投資的可持續發展報告2016
4. 中電集團的可持續發展報告2016
5. 世界核協會各種燃料的熱值
6. 《道路機動車大氣污染物排放清單編制技術指南(試行)》，中華人民共和國環境保護部
7. 《車用柴油》國家標準，國家能源局
8. 《車用汽油》國家標準，國家能源局
9. 《準確核算每一噸排放：企業外購電力溫室氣體排放因子解析》，世界資源研究所
10. 《溫室氣體核算體系能源消耗引起的溫室氣體排放計算工具指南(2.1版)》，世界資源研究所
11. 《綜合能耗計算通則》(GB/T 2589-2008)，國家標準化委員會

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



TO THE MEMBERS OF MASON GROUP HOLDINGS LIMITED

(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Mason Group Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 131 to 342, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

致茂宸集團控股有限公司股東

(於香港註冊成立之有限公司)

意見

吾等已審核載於第131至342頁之茂宸集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，當中包括於二零一八年十二月三十一日之綜合財務狀況報表，以及截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流轉表，及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表乃按照香港會計師公會(「香港會計師公會」)發佈的香港財務報告準則真實公平地反映 貴集團於二零一八年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例妥為編製。

意見基準

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。吾等於該等準則項下責任會在本報告中「核數師就審核綜合財務報表須承擔的責任」中進一步詳述。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已根據守則履行吾等的其他專業道德責任。吾等相信，吾等所獲得的審計憑證能充足及適當地為吾等的審計意見提供基礎。

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.

Significant business combinations

During the year, the Group acquired 100% equity interests in Raiffeisen Privatbank Liechtenstein AG ("RPL") and Harris Fraser Group Limited and its subsidiaries ("HFG") at total consideration of CHF63.27 million (equivalent to HK\$556.83 million) and HK\$128.02 million respectively. The acquisition constituted business combinations for accounting purpose.

The accounting for business combination is an area of focus due to the significance of the transactions and the judgements involved, including the identification and valuation of assets acquired and liabilities assumed. Any error made in the identification and/or valuation of these assets and liabilities may have a significant impact on the consolidated financial statements.

Management appointed valuation specialists to estimate the acquisition-date value of RPL's intangible assets and other assets and liabilities acquired amounting to HK\$66.02 million and HK\$332.39 million respectively and recognised goodwill amounting to HK\$158.42 million at the date of acquisitions.

Management appointed valuation specialists to estimate the acquisition-date value of HFG's intangible assets and other assets and liabilities acquired amounting to HK\$48.95 million and HK\$5.76 million respectively and recognised goodwill amounting to HK\$73.31 million at the date of acquisitions.

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期間綜合財務報表之審計最為重要的事項。這些事項是在吾等審計整體綜合財務報表及出具意見時進行處理的。吾等並無對這些事項提供單獨的意見。

重大業務合併

於年內，貴集團已分別按總現金代價約63,270,000瑞士法郎（相等於556,830,000港元）及128,020,000港元收購Raiffeisen Privatbank Liechtenstein AG（「RPL」）及晉裕集團有限公司及其附屬公司（「晉裕集團」）的100%股權。收購事項就會計計算而言構成業務合併。

由於交易及所涉及的判斷（包括鑒定已收購資產及已承擔負債以及對資產及負債之估值）之重要性，業務合併的會計計算是重點領域。鑒定及／或估值該等資產及負債中出現的任何差錯均可能對綜合財務報表產生重大影響。

管理層已委任估值專家分別對所收購的RPL無形資產及其他資產及負債之收購日期價值進行估計，分別達66,020,000港元及332,390,000港元，並於收購日期確認158,420,000港元之商譽。

管理層已委任估值專家分別對所收購的晉裕集團無形資產及其他資產及負債之收購日期價值進行估計，分別達48,950,000港元及5,760,000港元，並於收購日期確認73,310,000港元之商譽。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Refer to Notes 4(b) and 42 to the consolidated financial statements.

參閱綜合財務報表附註4(b)及42。

Our response:

吾等的回應：

Our audit procedures in relation to the significant business combinations included:

吾等有關重大業務合併的審計程序包括：

- Obtaining and reviewing the terms of the share sale agreement and other document in relation to the acquisition;
 - Evaluating the valuation specialist's competence, capabilities and objectivity;
 - Reviewing the appropriateness of the bases in the identification of assets acquired and liabilities assumed;
 - Assessing the appropriateness of the valuation methodologies used by the valuation specialist and management to estimate the acquisition date value of identifiable assets (including intangible assets) and liabilities;
 - Challenging the reasonableness of key assumptions based on our knowledge and understanding of the businesses and markets; and
 - Reconciling input data to supporting evidence, such as approved budgets and evaluating the reasonableness of the budgets.
- 取得及審閱股份買賣協議及有關收購事項之其他文件之條款；
 - 評估估值專家的才能、能力及客觀性；
 - 審閱已收購資產及已承擔負債的鑒定基準的適合性；
 - 評估估值專家及管理層估計可識別資產(包括無形資產)及負債的收購日之估值使用的估值方法之適合性；
 - 根據吾等對業務及市場的了解對關鍵假設的合理性作出質疑；及
 - 將輸入數據與證明文件對賬，如經批准預算，並評估預算之合理性。

Impairment assessment of goodwill and intangible assets

The Group has recognised goodwill of HK\$776.30 million and intangible assets of HK\$842.05 million arising from the acquisition of RPL and HFG in this year and several acquisitions in previous years.

Management has performed impairment tests with reference to the reports issued by the valuation specialists and concluded that there is no impairment loss on goodwill and intangible assets during the year. This conclusion was based on the estimation of the recoverable amount of the cash generating units ("CGUs") using the value-in-use ("VIU calculation") model that required significant judgements with respect to the inputs to the valuation models.

商譽及無形資產減值估計

貴集團已確認於本年度自收購RPL及晉裕集團及於過往年度的若干收購事項產生的商譽776,300,000港元及無形資產842,050,000港元。

管理層已參考估值專家之報告進行減值測試，認為於本年度商譽及無形資產並無減值虧損。本結論乃以現金產生單位(「現金產生單位」)的可回收數額之估計為根據，並採用使用價值(「使用價值計算」)模式(須就估值模型之輸入作出重大判斷)。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Refer to Notes 4(c), 4(g), 4(o), 17 and 18 to the consolidated financial statements.

Our response:

Our audit procedures in relation to the impairment assessment included:

- Evaluating the valuation specialists' competence, capabilities and objectivity;
- Assessing the appropriateness of the valuation methodologies, including the VIU calculations, used by the valuation specialists and management to estimate the recoverable amount of the CGUs;
- Challenging the reasonableness of key assumptions based on our knowledge and understanding of the businesses and markets;
- Reconciling input data to supporting evidence, such as approved budgets and evaluating the reasonableness of the budgets;
- Evaluating the sensitivity of the impairment tests to changes in key assumptions; and
- Engaging our internal valuation specialist to assist us evaluating and assessing the appropriateness of the key assumption used in the valuation.

Recoverability assessment of loan receivables and trade and accounts receivables

The carrying amount of the Group's loan receivables and trade and accounts receivables amounted to HK\$1,484.47 million and HK\$914.94 million as at 31 December 2018 respectively.

Given that the recoverability assessment of these receivables required significant judgements based on a number of factors including the debtors' current creditworthiness, past collection history, subsequent settlement and ageing analysis and the value of any collateral assets/guarantees obtained, it is an area of focus.

參閱綜合財務報表附註4(c)、4(g)、4(o)、17及18。

吾等的回應：

吾等有關減值評估的審計程序包括：

- 評估估值專家的才能、能力及客觀性；
- 評估估值專家及管理層估計現金產生單位的可回收數額使用的估值方法，包括使用價值計算之適合性；
- 根據吾等對業務及市場的了解對關鍵假設的合理性作出質疑；
- 將輸入數據與證明文件對賬，如經批准預算，並評估預算之合理性；
- 評估關鍵假設變動的減值測試的敏感度；及
- 委聘內部估值專家協助吾等評估及評定估值中所用關鍵假設是否適當。

應收貸款、貿易及其他應收款項之可回收性評估

於二零一八年十二月三十一日，貴集團的應收貸款、貿易及其他應收款項之賬面值分別達1,484,470,000港元及914,940,000港元。

考慮到該等應收款項之可回收性評估須以眾多因素(包括債務人的當前信譽狀況及過往還款記錄、期後還款、賬齡分析以及所取得的任何抵押資產／擔保的價值)為基礎進行重大判斷，其乃重點領域。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Refer to Notes 4(h), 27 and 28 to the consolidated financial statements.

Our response:

Our audit procedures in relation to the recoverability assessment included:

- Evaluating the Group's credit risk policies and testing the associated processes used by management to assess credit exposures, assign internal credit ratings and report to the appropriate level of governance to ensure they worked as designed;
- Evaluating management's recoverability assessment; and
- Challenging the reasonableness of key assumptions made by management in the recoverability assessment.
- Performing a review on the latest financial information of the investee companies;
- Evaluating management's recoverability assessment; and
- Challenging the reasonableness of key assumptions made by management in the recoverability assessment.

Valuation of financial instruments at fair value through profit or loss and through other comprehensive income classified as level 2 and 3 Financial assets

As at 31 December 2018, financial instruments at fair value through profit or loss and other comprehensive income amounted to approximately HK\$881.64 million, which represented 12.96% of the Group's net assets. Furthermore, as at 31 December 2018, financial instruments at fair value through profit or loss and through other comprehensive income classified as Level 2 and 3 fair value amounting to approximately HK\$850.98 million and HK\$30.66 million respectively.

參閱綜合財務報表附註4(h)、27及28。

吾等的回應：

吾等有關可回收性評估的審計程序包括：

- 評估 貴集團的信貸風險政策並對管理層評估信貸風險、進行內部信用評級使用的相關程序進行測試，並向適當的治理層匯報以確保彼等按計劃工作；
- 對管理層的可回收性評估進行評價；及
- 質疑管理層於可回收性評估中所作的關鍵假設的合理性。
- 對投資對象公司的最新財務資料進行審核；
- 對管理層的可回收性評估進行評價；及
- 質疑管理層於可回收性評估中所作的關鍵假設的合理性。

按公平值計入損益及計入其他全面收益之分類為第2級及第3級之金融工具估值

財務資產

於二零一八年十二月三十一日，按公平值計入損益及計入其他全面收益之金融工具約881,640,000港元，即本集團資產淨值之12.96%。此外，於二零一八年十二月三十一日，按公平值計入損益及計入其他全面收益之分類為第2級及第3級之金融工具分別約850,980,000港元及30,660,000港元。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Financial Liabilities

As at 31 December 2018, financial instruments at fair value through profit or loss amounted to approximately HK\$240.11 million, which represented 3.53% of the Group's net assets. Furthermore, as at 31 December 2018, financial instruments at fair value through profit or loss classified as Level 2 and 3 fair value amounting to approximately HK\$44.75 million and HK\$194.89 million respectively.

For valuation, management engaged valuation specialists to apply valuation techniques to determine the fair values of the financial instruments at fair value through profit or loss and through other comprehensive income that are not quoted in active markets. These valuation techniques, in particular those that included significant unobservable inputs, involved subjective judgements and assumptions. The sensitivity of the assumptions used may have material impact on the valuation of these financial instruments.

Refer to Notes 4(h), 24, 25 and 49 to the consolidated financial statements.

Our response:

Our audit procedures in relation to the valuation of financial instruments included:

- Obtaining and examining the terms of the financial instruments and relevant agreements in relation to the financial instruments;
- Evaluating the valuation specialist's competence, capabilities and objectivity;
- Assessing the appropriateness of the valuation methodologies and assumptions adopted by the valuation specialist and management to estimate the fair value of financial instruments;
- Challenging the reasonableness of key parameters used based on our knowledge and understanding of the financial assets; and
- Engaging our internal valuation specialist to assist us evaluating and assessing the appropriateness of the key assumption used in the valuation.

財務負債

於二零一八年十二月三十一日，按公平值計入損益之金融工具約240,110,000港元，即本集團資產淨值之3.53%。此外，於二零一八年十二月三十一日，按公平值計入損益之分類為第2級及第3級之金融工具分別約44,750,000港元及194,890,000港元。

就估值而言，管理層委聘估值專家採用估值技術釐定並無活躍市場報價的按公平值計入損益及計入其他全面收益之金融工具公平值。該等估值技術，尤其是納入重大不可觀察輸入數據的估值技術，涉及主觀判斷及假設。所用假設的敏感度或會對該等金融工具的估值產生重大影響。

參閱綜合財務報表附註4(h)、24、25及49。

吾等的回應：

吾等有關金融工具評估的審核程序包括：

- 取得及核查金融工具及有關金融工具之相關協議之條款；
- 評估估值專家的才能、能力及客觀性；
- 評估估值專家及管理層估計財務資產公平值所採納之估值方法及假設之適合性；
- 根據吾等對財務資產的了解質疑關鍵參數的合理性；及
- 委聘內部估值專家協助吾等評估及評定估值中所用關鍵假設是否適當。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

年報中的其他資料

董事須對其他資料承擔責任，其他資料包括 貴公司年報中所載之資料，但不包括綜合財務報表及吾等就此發出之核數師報告。

吾等對綜合財務報表發表之意見並未涵蓋其他資料，吾等不對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等之責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉之資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已完成的工作認為該其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事就綜合財務報表承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例編製真實公允的綜合財務報表，及負責董事認為編製綜合財務報表所必須的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關之事項（如適用）。除非董事有意將 貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

董事亦須負責監督 貴集團的財務報告過程。審核委員會協助董事進行就此的職責履行。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

核數師就審核綜合財務報表須承擔的責任

吾等的目標是合理確定整體上綜合財務報表是否不存在由於欺詐或錯誤而導致之重大錯誤陳述，並發出載有吾等意見之核數師報告。吾等僅根據香港公司條例第405條向閣下(作為整體)報告，除此之外，本報告別無其他目的。吾等不會就本報告之內容向任何其他人士負上或承擔任何責任。

合理確定屬高層次的核證，但不能保證根據香港審計準則進行的審核在某一重大錯誤陳述存在時總能發現。重大錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，被視為重大錯誤陳述。

吾等根據香港審計準則進行審核的工作之一，是運用專業判斷，在整個審核過程中保持職業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯報風險，因應這些風險設計及執行審核程序，獲得充足及適當的審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯報風險比未能發現由於錯誤而導致的重大錯報風險更高。
- 了解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團的內部控制的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- 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.
- 評估所用會計政策是否恰當，以及董事所作出的會計估算和相關披露是否合理。
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘若吾等總結認為有重大不確定因素，吾等需要在核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論是基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表的整體列報、架構和內容，包括披露資料，以及綜合財務報表是否已公平地反映及列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督和執行貴集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

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.

吾等與審核委員會溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括吾等在審核期間識別出內部控制的任何重大問題。

吾等亦向審核委員會提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與他們溝通所有合理地被認為會影響吾等獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

從與董事溝通的事項中，吾等決定哪些事項對本期間綜合財務報表的審核最為重要，因而構成關鍵審核事項。吾等會在核數師報告中描述這些事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在吾等報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，吾等將不會在此等情況下在報告中溝通該事項。

BDO Limited

Certified Public Accountants

Lee Ka Leung, Daniel

Practising Certificate Number P01220

Hong Kong, 26 March 2019

香港立信德豪會計師事務所有限公司

執業會計師

李家樑

執業證書編號：P01220

香港，二零一九年三月二十六日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Turnover	營業額	6	4,074,269	3,721,726
Operating income	經營收入	7	3,506,994	2,900,438
Other income	其他收入	8	29,509	23,588
Consumables used and merchandise sold	耗材及銷售商品		(2,697,611)	(2,275,275)
Employee benefits expenses	僱員福利支出	10 & 11	(356,300)	(248,034)
Amortisation of intangible assets	無形資產攤銷	17	(54,035)	(29,184)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	16	(29,429)	(16,791)
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)/收益	16	(617)	1
Impairment loss on financial assets for expected credit loss	財務資產就預期信貸虧損之減值虧損		(22,690)	-
Provision for allowance for doubtful debts, net	呆賬撥備淨額	28(c)	-	(4,297)
Gain on deemed disposal of interests in subsidiaries	視作出售附屬公司權益之收益	41	131,352	-
Gain on disposal of interests in a subsidiary	出售附屬公司權益之收益	43	22,288	-
Net fair value gain on financial instruments	金融工具之公平值收益淨額		8,490	75,900
Net fair value gain on derivative financial instruments	衍生金融工具之公平值收益淨額		532	-
Impairment loss on available-for-sale financial assets	可供出售財務資產減值虧損	22(e)	-	(5,538)
Impairment loss on goodwill	商譽減值虧損	18	(10,000)	-
Other operating expenses	其他經營支出		(334,499)	(177,824)
Finance costs	融資成本	10	(23,548)	(31,703)
Share of results of associates	應佔聯營公司業績	20	24,708	6,019
Profit from operation	經營溢利		195,144	217,300
Gain/(loss) on measurement of contingent consideration payable	應付或然代價的計量收益/(虧損)	33	11,866	(129,899)
Profit before taxation	除稅前溢利		207,010	87,401
Income tax expenses	所得稅開支	13	(30,998)	(60,931)
Profit for the year	年內溢利		176,012	26,470

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註	
Other comprehensive income:	其他全面收入：		
<i>Items that will be reclassified subsequently to profit or loss</i>	<i>其後將重新分類至損益之項目</i>		
Changes in fair value of defined benefit scheme at fair value through other comprehensive income	設定福利計劃按公平值計入其他全面收入之公平值變動	(4,618)	-
Exchange differences on translation of foreign subsidiaries	境外附屬公司換算的匯兌差額	(117,611)	3,850
<i>Items that will not be reclassified to profit or loss</i>	<i>其後將不會重新分類至損益之項目</i>		
Changes in fair value of equity instruments at fair value through other comprehensive income	權益工具按公平值計入其他全面收入之公平值變動	(82,567)	-
Other comprehensive income for the year	年內其他全面收入	(204,796)	3,850
Total comprehensive income for the year	年內全面收入總額	(28,784)	30,320
Profit/(loss) attributable to:	應佔溢利／(虧損)：		
Equity holders of the Company	本公司權益持有人	90,184	(53,160)
Non-controlling interests	非控股權益	85,828	79,630
		19	
Profit for the year	年內溢利	176,012	26,470
Total comprehensive income attributable to:	應佔全面收入總額：		
Equity holders of the Company	本公司權益持有人	(109,101)	(51,197)
Non-controlling interests	非控股權益	80,317	81,517
		19	
Total comprehensive income for the year	年內全面收入總額	(28,784)	30,320
Earnings/(loss) per share	每股盈利／(虧損)		
Basic and diluted	基本及攤薄	HK0.20 cent	HK(0.13) cent
		0.20 港仙	(0.13) 港仙
		15	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註			
Non-current assets		非流動資產		
Property, plant and equipment	16	物業、廠房及設備	335,449	60,414
Intangible assets	17	無形資產	842,050	977,591
Goodwill	18	商譽	776,295	816,798
Interests in associates	20	於聯營公司權益	833,489	220,235
Available-for-sale financial assets	22	可供出售財務資產	–	614,189
Loan receivables	27	應收貸款	558,547	642,362
Other non-current deposits paid and prepayments		其他已付非流動按金及 預付款項	7,870	11,031
Deferred tax assets	35	遞延稅項資產	7,979	1,409
Financial assets at fair value through profit or loss	24	按公平值計入損益之 財務資產	364,909	199,342
Financial assets at fair value through other comprehensive income	25	按公平值計入其他全面收入 之財務資產	633,244	–
Financial assets at amortised cost	26	按攤銷成本計量的財務資產	173,785	–
Fixed bank deposits	29	銀行定期存款	44,816	–
			4,578,433	3,543,371
Current assets		流動資產		
Inventories	23	存貨	326,290	292,546
Financial assets at fair value through profit or loss	24	按公平值計入損益之 財務資產	226,166	164,930
Derivative financial instruments	34	衍生金融工具	75,396	–
Available-for-sale financial assets	22	可供出售財務資產	–	74,926
Loan receivables	27	應收貸款	925,927	848,606
Reverse repurchase agreements	38	反向回購協議	1,130,371	–
Trade and other receivables	28	貿易及其他應收款項	1,344,277	1,051,512
Tax recoverable		可回收稅項	988	81
Fixed bank deposits	29	銀行定期存款	1,071,483	–
Pledged bank deposits	29	已抵押銀行存款	94,137	58,364
Bank balances and cash	29	銀行結餘及現金	1,603,086	1,759,412
			6,798,121	4,250,377
Current liabilities		流動負債		
Trade and other payables	30	貿易及其他應付款項	3,279,854	555,962
Contract liabilities	31	合約負債	9,545	–
Interest-bearing borrowings	32	計息借款	423,555	300,016
Repurchase agreements	38	回購協議	350,185	–
Amount due to an associate	21	應付聯營公司款項	25,000	20,000
Derivative financial instruments	34	衍生金融工具	73,605	–
Finance lease liabilities	36	融資租賃負債	332	399
Tax payables		應付稅項	32,601	42,330
Contingent consideration payable	33	應付或然代價	8,761	112,272
			4,203,438	1,030,979
Net current assets		淨流動資產	2,594,683	3,219,398

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Total assets less current liabilities 總資產減流動負債			7,173,116	6,762,769
Non-current liabilities 非流動負債				
Interest-bearing borrowings	計息借款	32	20,000	20,000
Deferred tax liabilities	遞延稅項負債	35	193,012	231,226
Contingent consideration payable	應付或然代價	33	–	17,627
Finance lease liabilities	融資租賃負債	36	304	795
Redeemable and exchangeable preferred share	可贖回及可轉換優先股	37	157,744	–
Long-term liabilities	長期負債		424	278
			371,484	269,926
NET ASSETS 淨資產			6,801,632	6,492,843
Capital and reserves 資本及儲備				
Share capital	股本	39	6,142,962	6,142,962
Reserves	儲備	40	18,457	(72,199)
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		6,161,419	6,070,763
Non-controlling interests	非控股權益	19	640,213	422,080
TOTAL EQUITY 總權益			6,801,632	6,492,843

Approved and authorised for issue by the Board of Directors on 26 March 2019 and signed on its behalf by

由董事會於二零一九年三月二十六日批准及授權刊發，並由下列代表簽署

Ko Po Ming
高寶明
Director
董事

Lui Choi Yiu, Angela
雷彩姚
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔							Total 總計 HK\$'000 千港元
		Notes 附註	Reserves 儲備					Non- controlling interest 非控股權益 HK\$'000 千港元	
			Share capital 股本 HK\$'000 千港元	Foreign currency translation reserve 外幣 匯兌儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total reserves 儲備總額 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元		
At 1 January 2017	於二零一七年一月一日		3,277,443	-	(21,002)	(21,002)	3,256,441	296,637	3,553,078
Profit for the year	年內溢利		-	-	(53,160)	(53,160)	(53,160)	79,630	26,470
Other comprehensive income	其他全面收入								
Items that will be reclassified subsequently to profit or loss	其後將重新分類至 損益之項目								
Exchange differences arising on translation of foreign subsidiaries	境外附屬公司換算的 匯兌差額		-	1,963	-	1,963	1,963	1,887	3,850
Total comprehensive income for the year	年內全面收入總額		-	1,963	(53,160)	(51,197)	(51,197)	81,517	30,320
Transactions with equity holders	與權益持有人之交易								
Issue of shares under rights issue and bonus issue, net of expenses	根據供股發行及紅股發行 發行的股份，扣除開支	39	2,865,519	-	-	-	2,865,519	-	2,865,519
Dividend to non-controlling interests	分派股息予非控股權益		-	-	-	-	-	(2,400)	(2,400)
Non-controlling interests arising from acquisition of subsidiaries	於收購附屬公司產生之 非控股權益	42(b)	-	-	-	-	-	46,326	46,326
Total transactions with equity holders	與權益持有人之 交易總額		2,865,519	-	-	-	2,865,519	43,926	2,909,445
At 31 December 2017	於二零一七年 十二月三十一日		6,142,962	1,963	(74,162)	(72,199)	6,070,763	422,080	6,492,843

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司權益持有人應佔								
		Share capital 股本 HK\$'000 千港元	Foreign currency translation reserve 外幣匯兌儲備 HK\$'000 千港元	FVOCI reserve 按公平值計入其他全面收入儲備 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	(Accumulated losses)/ retained profits (累計虧損)/ 保留溢利 HK\$'000 千港元	Total reserves 儲備總額 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Notes 附註										
At 1 January 2018 as originally presented	於二零一八年一月一日按原呈列	6,142,962	1,963	-	-	(74,162)	(72,199)	6,070,763	422,080	6,492,843
Initial application of HKFRS 9	首次應用香港財務報告準則第9號	2	-	136,211	-	(7,255)	128,956	128,956	(186)	128,770
Restated balance at 1 January 2018	於二零一八年一月一日重列結餘	6,142,962	1,963	136,211	-	(81,417)	56,757	6,199,719	421,894	6,621,613
Profit for the year	年內溢利	-	-	-	-	90,184	90,184	90,184	85,828	176,012
Other comprehensive income for the year	年內其他全面收入									
<i>Items that will be reclassified subsequently to profit or loss</i>	<i>其後將重新分類至損益之項目</i>									
Changes in fair value of defined benefit scheme at fair value through other comprehensive income ("FVOCI")	設定福利計劃按公平值計入其他全面收入(按公平值計入其他全面收入)之公平值變動	-	-	(4,618)	-	-	(4,618)	(4,618)	-	(4,618)
Exchange differences on translation of foreign subsidiaries	境外附屬公司換算的匯兌差額	-	(112,100)	-	-	-	(112,100)	(112,100)	(5,511)	(117,611)
<i>Items that will not be reclassified subsequently to profit or loss</i>	<i>其後將不會重新分類至損益之項目</i>									
Changes in fair value of equity instruments at FVOCI	權益工具按公平值計入其他全面收入之公平值變動	-	-	(82,567)	-	-	(82,567)	(82,567)	-	(82,567)
Total other comprehensive income	其他全面收入總額	-	(112,100)	(87,185)	-	-	(199,285)	(199,285)	(5,511)	(204,796)
Total comprehensive income for the year	年內全面收入總額	-	(112,100)	(87,185)	-	90,184	(109,101)	(109,101)	80,317	(28,784)
Transactions with equity holders	與權益持有人交易									
Share subscription by a non-controlling interest in a subsidiary	非控股權益認購一家附屬公司的股份	-	-	-	1,265	-	1,265	1,265	48,735	50,000
Settlement of contingent consideration payable by transferring shares in a subsidiary	通過轉讓於一間附屬公司的股份結算應付或然代價	-	-	-	66,702	-	66,702	66,702	45,570	112,272
Partial disposal of interests in subsidiaries without loss of control	出售附屬公司部分權益(未失去控制權)	-	-	-	2,834	-	2,834	2,834	208,111	210,945
Deemed disposal of interests in subsidiaries with loss of control	視作出售附屬公司權益(失去控制權)	41	-	-	-	-	-	-	(147,609)	(147,609)
Dividend to non-controlling interests	向非控股權益派付股息	-	-	-	-	-	-	-	(16,805)	(16,805)
Total transactions with equity holders	與權益持有人交易總額	-	-	-	70,801	-	70,801	70,801	138,002	208,803
At 31 December 2018	於二零一八年十二月三十一日	6,142,962	(110,137)	49,026	70,801	8,767	18,457	6,161,419	640,213	6,801,632

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流轉表

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

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Profit before taxation	除稅前溢利	207,010	87,401
Amortisation of intangible assets	無形資產攤銷	54,035	29,184
Depreciation of property, plant and equipment	物業、廠房及設備折舊	29,429	16,791
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備之虧損/(收益)	617	(1)
Loss on write off of property, plant and equipment	撇銷物業、廠房及設備之虧損	1,544	-
Provision for allowance for doubtful debts, net	呆賬撥備淨額	-	4,297
Impairment loss on financial assets for expected credit loss	財務資產就預期信貸虧損的減值虧損	22,690	-
Gain on disposal of interests in a subsidiary	出售附屬公司權益之收益	(22,288)	-
Gain on deemed disposal of interests in subsidiaries	視作出售附屬公司權益之收益	(131,352)	-
Net fair value gain on derivative financial instruments	衍生金融工具之公平值收益淨額	(532)	-
Net fair value gain on financial instruments	金融工具之公平值收益淨額	(8,490)	(75,900)
Impairment loss on available-for-sale financial assets	可供出售財務資產減值虧損	-	5,538
Impairment loss on goodwill	商譽減值虧損	10,000	-
Interest income, other than from loan receivables	利息收入(不包括來自應收貸款)	(19,928)	(15,881)
Finance costs	融資成本	23,548	31,703
Share of results of associates	應佔聯營公司業績	(24,708)	(6,019)
(Gain)/loss on measurement of contingent consideration payable	應付或然代價的計量(收益)/虧損	(11,866)	129,899
Changes in working capital:	營運資金變動:		
Inventories	存貨	(33,744)	(47,831)
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	(227,304)	210,721
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入的財務資產	70,308	-
Financial assets at amortised cost	按攤銷成本計量之財務資產	(21,219)	-
Derivative financial instruments	衍生金融工具	(1,259)	-
Loan receivables	應收貸款	38,608	(580,458)
Trade and other receivables	貿易及其他應收款項	1,453,874	(227,237)
Trade and other payables	貿易及其他應付款項	272,230	(507,913)
Reverse repurchase and repurchase agreements	反向回購及回購協議	(616,380)	-
Fixed bank deposits	銀行定期存款	(1,116,299)	-
Contract liabilities	合約負債	9,545	-
Cash used in operations	經營所用現金	(41,931)	(945,706)
Tax paid	已付稅項	(40,727)	(28,996)
Interest received, other than loan receivables	已收利息(不包括應收貸款)	19,928	15,881
Net cash used in operating activities	經營業務所用現金淨額	(62,730)	(958,821)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流轉表

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
INVESTING ACTIVITIES	投資業務			
Purchase of property, plant and equipment	購買物業、廠房及設備	16	(42,134)	(24,063)
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項		416	805
Purchase of intangible assets	購買無形資產	17	(21,516)	(4,701)
Purchase of available-for-sale financial assets	購買可供出售財務資產		-	(29,192)
Acquisition of an associate	收購聯營公司		-	(214,216)
Decrease in pledged bank deposits	已抵押銀行存款減少		(35,173)	(36,005)
Net cash inflow from disposal of subsidiaries	出售附屬公司現金流入淨額	43	33,719	-
Net cash outflow from acquisition of subsidiaries	收購附屬公司現金流出淨額	42	(232,919)	(478,861)
Net cash outflow from deemed disposal of subsidiaries	視作出售附屬公司產生的淨現金流出	41	(257,839)	-
Proceeds from partial disposal of a subsidiary	出售附屬公司部分權益所得款項		210,945	-
Additional consideration paid	已付額外代價	42	(649)	-
Net cash used in investing activities	投資業務所用現金淨額		(345,150)	(786,233)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流轉表

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

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
FINANCING ACTIVITIES	融資活動	45(b)		
Proceeds from rights issue	供股所得款項	39	–	2,865,519
New bank loans and other loans raised	新銀行貸款及所籌集的其他貸款		158,798	487,530
Repayment of bank loans and other loans	償還銀行貸款及其他貸款		(34,909)	(187,514)
Loan from an associate	來自一家聯營公司貸款		5,000	20,000
Repayment of unsecured fixed coupon notes	償還無抵押定息票據		–	(300,000)
Dividends paid to non-controlling interests	分派股息予非控股權益		(16,805)	(2,400)
Interest paid	已付利息	10	(23,548)	(31,703)
Repayment of obligations under finance leases	償還融資租賃責任		(558)	(147)
Share subscription by a non-controlling interest in a subsidiary	非控股權益認購一家附屬公司的股份		50,000	–
Proceeds from issue of redeemable and exchangeable preferred share	發行可贖回及可轉換優先股的所得款項	37	156,000	–
Net cash generated from financing activities	融資活動所得現金淨額	46b	293,978	2,851,285
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物之(減少)/增加淨額		(113,902)	1,106,231
Cash and cash equivalents at the beginning of the reporting period	呈報期初之現金及現金等價物	46(a)	1,759,412	651,419
Effect of exchange rate changes	匯率變動之影響		(42,424)	1,762
Cash and cash equivalents at the end of the reporting period, represented by bank balances and cash	呈報期結算日之現金及現金等價物，指銀行結餘及現金	46(a)	1,603,086	1,759,412

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

1. GENERAL

Mason Group Holdings Limited (the "Company") is a public company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and the principal place of business of the Company are disclosed in the corporate information of the annual report for year 2018. The principal activities of the Group and its subsidiaries are described in Notes 9 and 19 to the consolidated financial statements.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

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

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

1. 一般資料

茂宸集團控股有限公司(「本公司」)為於香港註冊成立之公眾公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處及主要營業地點的地址於二零一八年度報告之公司資料中披露。本集團及其附屬公司之主要業務載述於綜合財務報表附註9及19。

2. 採納香港財務報告準則(「香港財務報告準則」)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效

香港財務報告準則二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號之修訂本，首次採納香港財務報告準則
香港財務報告準則二零一四年至二零一六年週期的年度改進	香港會計準則第28號修訂本，於聯營公司及合資企業的投資
香港財務報告準則第2號之修訂本	以股份為基礎的付款交易的分類及計量
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益
香港財務報告準則第15號修訂本	客戶合約收益(香港財務報告準則第15號之闡清)
香港會計準則第40號之修訂本	投資物業轉撥
香港(國際財務報告詮釋委員會) — 詮釋第22號	外幣交易及墊款代價

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

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

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

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

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

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

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效（續）

香港財務報告準則二零一四年至二零一六年週期之年度改進 — 香港財務報告準則第1號之修訂本，首次採納香港財務報告準則根據年度改進過程頒佈之此等修訂本對現時並不清晰之多項準則作出細微且並不急切之修訂，其中包括香港財務報告準則第1號之修訂本，首次採納香港財務報告準則，該修訂本刪去了與已結束因而不適用會計期間有關的過渡條文豁免。

因與過渡條文豁免有關的期間已結束，故採納該等修訂本對該等財務報表並無影響。

香港財務報告準則二零一四年至二零一六年週期之年度改進 — 香港會計準則第28號之修訂本，於聯營公司及合營企業之投資

根據年度改進過程頒佈之此等修訂本對現時並不清晰之多項準則作出細微且並不急切之修訂，其中包括對香港會計準則第28號，於聯營公司及合營企業投資之修訂，當中澄清風險資本機構可在選擇按公平值計量其聯營公司或合營企業時，選擇對每間聯營公司或合營企業獨立作出。

由於本集團並非風險投資機構，故採納該等修訂本對該等財務報表並無影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

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

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

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

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

A. HKFRS 9 — Financial Instruments

(i) Classification and measurement of financial instruments

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

香港財務報告準則第2號之修訂本 — 以股份為基礎的付款交易的分類及計量

有關修訂本對歸屬及非歸屬條件對以現金結算以股份為基礎之付款計量影響之會計處理；預扣稅責任具有淨額結算特徵之以股份為基礎之付款交易；及交易類別由現金結算變更為權益結算之以股份為基礎之付款條款及條件之修訂作出規定。

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

A. 香港財務報告準則第9號 — 金融工具

(i) 金融工具的分類及計量

香港財務報告準則第9號於二零一八年一月一日或之後開始之年度期間取代香港會計準則第39號金融工具：確認及計量，合併金融工具會計處理方式之所有三個方面：(1)分類及計量；(2)減值及(3)對沖會計。自二零一八年一月一日起採納香港財務報告準則第9號已導致本集團會計政策及綜合財務報表所確認之金額出現變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

The following tables summarised the impact, net of tax, of transaction by HKFRS 9 on the opening balance of reserves, retained earnings and NCI as of 1 January 2018 as follows (increase/(decrease)):

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(i) 金融工具的分類及計量(續)

下表概述香港財務報告準則第9號對於二零一八年一月一日的期初儲備結餘、保留溢利及非控股權益有如下交易影響(扣除稅項)(增加／(減少)):

		HK\$'000 千港元
Accumulated losses	累計虧損	
As at 31 December 2017	於二零一七年十二月三十一日	(74,162)
Increase in expected credit losses (“ECLs”) in loan receivables (Note 2(a)A(ii) below)	應收貸款中預期信貸虧損(「預期信貸虧損」)增加(下文附註2(a)A(ii))	(6,697)
Increase in ECLs in bank balances and cash and pledged bank deposits (Note 2(a)A(ii) below)	銀行結餘及現金以及已抵押銀行存款預期信貸虧損增加(下文附註2(a)A(ii))	(145)
Increase in ECLs in trade and other receivables (Note 2(a)A(ii) below)	貿易及其他應收款項預期信貸虧損增加(下文附註2(a)A(ii))	(413)
Restated accumulated losses as at 1 January 2018	於二零一八年一月一日經重列累計虧損	(81,417)
Non-controlling interests	非控股權益	
Non-controlling interests as at 31 December 2017	於二零一七年十二月三十一日非控股權益	422,080
Increase in ECLs in loan receivables (Note 2(a)A(ii) below)	應收貸款中預期信貸虧損增加(下文附註2(a)A(ii))	(2)
Increase in ECLs in bank balances and cash and pledged bank deposits (Note 2(a)A(ii) below)	銀行結餘及現金以及已抵押銀行存款預期信貸虧損增加(下文附註2(a)A(ii))	(12)
Increase in ECLs in trade and other receivables (Note 2(a)A(ii) below)	貿易及其他應收款項預期信貸虧損增加(下文附註2(a)A(ii))	(172)
Restated non-controlling interests as at 1 January 2018	於二零一八年一月一日經重列非控股權益	421,894
FVOCI reserve	按公平值計入其他全面收入之儲備	
Reserves balance at 31 December 2017	於二零一七年十二月三十一日儲備結餘	-
Reclassify investments from available-for-sale at cost to FVOCI (Note 2(a)A(i) below)	將投資自按成本值可供出售重新分類至按公平值計入其他全面收入(下文附註2(a)A(i))	136,211
Restated reserves balance as at 1 January 2018	於二零一八年一月一日經重列儲備結餘	136,211

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(i) 金融工具的分類及計量(續)

香港財務報告準則第9號沿用香港會計準則第39號有關財務負債確認、分類及計量規定，惟指定按公平值計入損益(「按公平值計入損益」)的財務負債除外，該負債信貸風險變動應佔的公平值變動金額於其他全面收益確認，除非其會導致或擴大會計錯配則另作別論。此外，香港財務報告準則第9號保留香港會計準則第39號有關終止確認財務資產及財務負債的規定。然而，其取消先前就持有至到期財務資產、貸款及應收款項及可供出售財務資產的財務資產的香港會計準則第39號類別。採納香港財務報告準則第9號對本集團有關財務負債及衍生金融工具的會計政策並無重大影響。香港財務報告準則第9號對本集團財務資產分類及計量的影響載列如下。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(i) 金融工具的分類及計量(續)

根據香港財務報告準則第9號，除若干貿易應收款項(貿易應收款項不包括根據香港財務報告準則第15號的重大融資部分)外，實體於初次確認時須按公平值加交易成本(倘為並非按公平值計入損益的財務資產)計量財務資產。財務資產分類為：(i)按攤銷成本(「攤銷成本」)計量的財務資產；(ii)按公平值計入其他全面收入(「按公平值計入其他全面收入」)的財務資產；或(iii)按公平值計入損益(定義見上文)。根據香港財務報告準則第9號，財務資產的分類一般基於兩個準則：(i)受管理財務資產的業務模式及(ii)其合約現金流量特徵(「僅支付本金及利息」準則，亦稱為「僅支付本金及利息」標準)。根據香港財務報告準則第9號，嵌入式衍生工具毋須與主體財務資產分開列示。取而代之，混合式金融工具須整體評估分類。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

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

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(i) 金融工具的分類及計量(續)

倘財務資產同時符合以下條件，且並無指定按公平值計入損益，則該財務資產按攤銷成本計量。

- 該財務資產由一個旨在通過持有財務資產收取合約現金流量的業務模式所持有；及
- 該財務資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅支付本金及利息標準。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

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

- It is held within a business model whose objective is to achieve by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

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

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效（續）

A. 香港財務報告準則第9號 — 金融工具（續）

(i) *金融工具的分類及計量（續）*

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

- 該債務投資由一個旨在通過收取合約現金流量及銷售財務資產的業務模式所持有；及
- 該財務資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅支付本金及利息標準。

於初次確認並非持作買賣用途的股本投資時，本集團不可撤回其選擇於其他全面收益中呈列投資公平值的後續變動。該選擇乃按每項投資而逐項作出。所有其他上述並非分類為按攤銷成本計量或按公平值計入其他全面收入的財務資產，均分類為按公平值計入損益。此包括所有衍生財務資產。於初次確認時，本集團可不可撤回地指定財務資產（於其他方面符合按攤銷成本計量或按公平值計入其他全面收入的規定）為按公平值計入損益，前提是有關指定可消除或大幅減少會計錯配發生。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

The following accounting policies would be applied to the Group’s financial assets as follows:

FVTPL	FVTPL is subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.
按公平值計入損益	按公平值計入損益其後按公平值計量。公平值、股息及利息收入的變動均於損益確認。
Amortised costs	Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.
攤銷成本	按攤銷成本計量的財務資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。
FVOCI (debt investments)	Debt investments at fair value through other comprehensive income are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.
按公平值計入其他全面收入(債務投資)	按公平值計入其他全面收入的債務投資其後按公平值計量。採用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益確認。其他收益及虧損淨額於其他全面收益確認。於其他全面收入累計的收益及虧損在終止確認時重新分類至損益。
FVOCI (equity investments)	Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss.
按公平值計入其他全面收入(股本投資)	按公平值計入其他全面收入的股本投資按公平值計量。股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收入確認且不會重新分類至損益。

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(i) 金融工具的分類及計量(續)

以下會計政策將適用於本集團的財務資產如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

(a) As of 1 January 2018, private fund investments were reclassified from available-for-sale financial assets at cost to financial assets at FVTPL. The Group intends to hold these private fund investments for trading as there is evidence of a recent actual pattern of short-term profit-taking. The Group has designated such private fund investments at the date of initial application (the “DIA”) as measured at FVTPL. As at 1 January 2018, there is no difference between the previous carrying amount and fair value.

(b) As of 1 January 2018, debt investments were reclassified from available-for-sale financial assets at cost to financial assets at FVOCI, as the Group’s business model is to hold these financial assets in order to collect contractual cash flow and through the sale of the financial assets. These debt investments also meet the SPPI criterion. As such, the Group has designated these debt instruments at the DIA of HKFRS 9 as financial assets at FVOCI.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(i) 金融工具的分類及計量(續)

(a) 於二零一八年一月一日，私募基金投資由按成本值可供出售財務資產重新分類至按公平值計入損益之財務資產。本集團擬持有該等私募基金投資作買賣，乃因有證據顯示近期以賺取短線利潤為實際模式。本集團於首次應用日期(「首次應用日期」)已指定有關私募基金投資按公平值計入損益計量。於二零一八年一月一日，此前賬面值與公平值之間並無差異。

(b) 於二零一八年一月一日，債務投資由按成本值可供出售財務資產重新分類至按公平值計入其他全面收入的財務資產，乃因本集團業務模式乃持有該等財務資產以收回合約現金流及透過銷售財務資產。該等債務投資亦符合僅支付本金及利息準則。因此，本集團於香港財務報告準則第9號的首次應用日期已指定有關債務工具為按公平值計入其他全面收入的財務資產。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

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

- (c) As of 1 January 2018, certain unquoted equity securities investments were reclassified from available-for-sale financial assets at cost to FVOCI. These unquoted equity instrument has no quoted price in an active market. The Group intends to hold these unquoted equity investment for long term strategic purposes. In addition, the Group has designated such unquoted equity instrument at the DIA as measured at FVOCI. As at 1 January 2018, the difference between the previous carrying amount and the fair value of HK\$136,211,000 has been included in the opening FVOCI reserve.

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(i) *金融工具的分類及計量(續)*

- (c) 於二零一八年一月一日，若干非上市股本證券投資由按成本列賬之可供出售財務資產重新分類至按公平值計入其他全面收入。該等非上市股本證券在活躍市場並無報價。本集團擬持有該等非上市股本證券投資作長期策略目的。此外，本集團於首次應用日期已指定該等非上市股本證券按公平值計入其他全面收入計量。於二零一八年一月一日，此前賬面值與公平值之間的差額136,211,000港元已計入期初按公平值計入其他全面收入儲備。

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

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments (Continued)

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

2. 採納香港財務報告準則（「香港財務報告準則」）(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效 (續)

A. 香港財務報告準則第9號 — 金融工具 (續)

- (i) 金融工具的分類及計量 (續)
(c) (續)

Financial assets	Original classification under HKAS 39	New classification under HKFRS 9	Carrying amount as at 1 January 2018 under HKAS 39 根據香港會計準則第39號於二零一八年一月一日的賬面值 HK\$'000 千港元	Carrying amount as at 1 January 2018 under HKFRS 9 根據香港財務報告準則第9號於二零一八年一月一日的賬面值 HK\$'000 千港元
財務資產	根據香港會計準則第39號原有類別	根據香港財務報告準則第9號的新類別		
Listed equity investments 上市股本投資	FVTPL 按公平值計入損益	FVTPL 按公平值計入損益	364,272	364,272
Private fund investments 私募基金投資	Available-for-sale (at cost) (Note 2(a)A(i)(a)) 可供出售(按成本) (附註2(a)A(i)(a))	FVTPL 按公平值計入損益	34,589	34,589
Debt investments 債務投資	Available-for-sale (at cost) (Note 2(a)A(i)(b)) 可供出售(按成本) (附註2(a)A(i)(b))	FVOCI 按公平值計入其他全面收入	74,926	74,926
Unlisted equity security investments 非上市股本證券投資	Available-for-sale (at cost) (Note 2(a)A(i)(c)) 可供出售(按成本) (附註2(a)A(i)(c))	FVOCI 按公平值計入其他全面收入	579,600	715,811
Loan receivables 應收貸款	Loans and receivables (Note 2(a)A(ii)(b)) 貸款及應收款項 (附註2(a)A(ii)(b))	Amortised cost 攤銷成本	1,490,968	1,484,269
Trade and other receivables 貿易及其他應收款項	Loans and receivables (Note 2(a)A(ii)(a) and (d)) 貸款及應收款項 (2(a)A(ii)(a)及(d))	Amortised cost 攤銷成本	1,051,512	1,050,927
Fixed and pledged bank deposits, bank balances and cash 定期及已抵押銀行存款、銀行結餘及現金	Loans and receivables (Note 2(a)A(ii)(c)) 貸款及應收款項 (附註2(a)A(ii)(c))	Amortised cost 攤銷成本	1,817,776	1,817,619

No change in the classification and measurement of the Group's financial liabilities. The financial liabilities continue to be measured at amortised cost.

本集團財務負債的分類及計量並無變動。財務負債繼續按攤銷成本計量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

(ii) Impairment of financial assets

The adoption of HKFRS 9 has changed the Group’s impairment model by replacing the HKAS 39 “incurred loss model” to the “ECLs model”. HKFRS 9 requires the Group to recognise ECLs for trade receivables, financial assets at amortised costs, contract assets and debt investments at FVOCI earlier than HKAS 39. Cash and cash equivalents are subject to ECLs model but the impairment is immaterial for the current period.

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

Measurement of ECLs

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(ii) 財務資產減值

採納香港財務報告準則第9號更改了本集團的減值模式，將由香港會計準則第39號「已產生虧損模式」更改為「預期信貸虧損模式」。香港財務報告準則第9號規定本集團以較香港會計準則第39號為先就貿易應收款項、按攤銷成本計量的財務資產、合約成本及按公平值計入其他全面收入計量的債務投資確認預期信貸虧損。現金及現金等價物須受預期信貸虧損模式所限，惟本期間的減值並不重大。

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

預期信貸虧損的計量

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

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

Loss allowances for ECLs on trade receivables are based on management’s estimate of the lifetime ECLs to be incurred. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. However, such historical internal default data is not available for trade receivables from franchisor and accounts receivable from custodian clients. The Group has used a proxy approach to measure ECLs.

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(ii) 財務資產減值(續)

預期信貸虧損的計量(續)

貿易應收款項的預期信貸虧損減值撥備基於管理層對將產生的年限內預期信貸虧損估計。本集團已設立基於本集團過往信貸虧損經驗，並按與債務人及經濟條件相關的前瞻性因素調整的撥備矩陣。然而，並無應收特許運營商貿易款項及應收託管客戶賬款的過往內部違約數據可用。本集團使用替代法計量預期信貸虧損。

就應收貸款等其他債務財務資產而言，預期信貸虧損以12個月預期信貸虧損釐定。12個月預期信貸虧損為可能在報告日期後12個月內發生的金融工具違約事件所產生的年限內預期信貸虧損的一部分。然而，倘自設立後信貸風險有顯著增加，則撥備將基於年限內預期信貸虧損釐定。於釐定財務資產自初次確認後信貸風險是否有大幅增加時及於估計預期信貸虧損時，本集團會考慮相關及在無需付出過多成本或努力情況下可獲得的合理及可靠資料。此包括根據本集團過往經驗及已知信貸評估並包括前瞻性資料而得出的定量及定性資料及分析。本集團按攤銷成本計量之其他債務投資被認為信貸風險較低，原因是發行人的信貸評級較高。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

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

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt investment at FVOCI, the loss allowance is recognised in other comprehensive income (“OCI”), instead of reducing the carrying amount of the assets.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(ii) 財務資產減值(續)

預期信貸虧損的計量(續)

本集團假設，財務資產倘逾期超過30日，則信貸風險會大幅增加。

本集團認為財務資產於下列情況下出現信貸減值：(1)在本集團並無進行追溯(例如變現抵押(如持有))的情況下借款人不大可能向本集團悉數支付其信貸責任；或(2)該財務資產逾期超過90日。

於估計預期信貸虧損時考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損的呈列

按攤銷成本計量的財務資產的虧損撥備從資產的賬面總值中扣除。就按公平值計入其他全面收入的債務投資而言，虧損撥備於其他全面收入(「其他全面收入」)內確認，而非扣減資產的賬面值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECLs model

(a) Impairment of trade receivables

As mentioned above, the measurement of ECLs adopts a life time ECLs and also a proxy approach for trade receivables. The loss allowance as at 1 January 2018 was determined as follows for trade receivables:

1 January 2018 於二零一八年一月一日	Stage 1 階段 1	Stage 2 階段 2	Stage 3 階段 3	Proxy approach 替代法	Total 總計
ECLs rate (%) 預期信貸虧損率 (%)	0.01%	0.15%	45%	0.21%	
Gross carrying amount 總賬面值 (千港元) (HK\$'000)	635,366	67,133	20	179,751	882,270
Loss allowance 虧損撥備 (千港元) (HK\$'000)	93	100	9	383	585

The increase in loss allowance for trade receivables upon the transition to HKFRS 9 as of 1 January 2018 was HK\$585,000. The loss allowances further increased for HK\$21,643,000 for trade receivables during the year ended 31 December 2018. No change during the year ended 31 December 2018 under HKAS 39.

於二零一八年一月一日過渡至香港財務報告準則第9號後，貿易應收款項虧損撥備增加585,000港元。截至二零一八年十二月三十一日止年度貿易應收款項虧損撥備進一步增加21,643,000港元。截至二零一八年十二月三十一日止年度根據香港會計準則第39號並無變動。

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效（續）

A. 香港財務報告準則第9號 — 金融工具（續）

(ii) 財務資產減值（續）

預期信貸虧損模式的影響

(a) 貿易應收款項減值

如上文所述，計量預期信貸虧損時採納年限內預期信貸虧損，亦就貿易應收款項採用替代法。於二零一八年一月一日就貿易應收款項的虧損撥備釐定如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued) Impact of the ECL model (Continued)

(b) Impairment of debt investments and loan receivables

All of the Group’s debt investments at FVOCI and loan receivables at amortised cost are considered to have low credit risk, and the allowance recognised during the year was therefore limited to 12 months ECLs. The increase in loss allowance for debt investments and loan receivables upon the transition to HKFRS 9 as of 1 January 2018 was HK\$6,699,000. The loss allowances increased for HK\$18,424,000 for loan receivables (including ECLs from pre-acquisition amounting to HK\$16,771,000) during the year ended 31 December 2018. No change during the year ended 31 December 2018 under HKAS 39.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(ii) 財務資產減值(續) 預期信貸虧損模式的影響(續)

(b) 債務投資及應收貸款減值

本集團所有按公平值計入其他全面收入的債務投資及按攤銷成本列賬的應收貸款被視為具有低信貸風險，而年內確認之虧損撥備因而限於十二個月的預期信貸虧損。於二零一八年一月一日過渡至香港財務報告準則第9號後，債務投資及應收貸款虧損撥備增加6,699,000港元。截至二零一八年十二月三十一日止年度期間應收貸款虧損撥備增加18,424,000港元(包括收購前預期信貸虧損16,771,000港元)。截至二零一八年十二月三十一日止年度根據香港會計準則第39號並無變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECLs model (Continued)

(c) Impairment of fixed and pledged bank deposits, bank balances and cash

Fixed and pledged bank deposits, bank balances and cash are considered to have low credit risk. The increase in loss allowance for bank balances and cash and pledged bank deposits upon the transition to HKFRS 9 as of 1 January 2018 was HK\$157,000. The loss allowance recognised was limited to 12 months ECLs and increased for HK\$884,000 during the year ended 31 December 2018. ECLs for both bank balances and cash and pledged bank deposits are considered immaterial to the Group.

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效（續）

A. 香港財務報告準則第9號 — 金融工具（續）

(ii) 財務資產減值（續）

預期信貸虧損模式的影響（續）

(c) 定期及已抵押銀行存款以及銀行結餘及現金減值

定期及已抵押銀行存款以及銀行結餘及現金被視為具有低信貸風險。香港財務報告準則第9號過渡條文後銀行結餘及現金以及已抵押銀行存款的虧損撥備增加157,000港元。已確認之虧損撥備限於十二個月預期信貸虧損並於截至二零一八年十二月三十一日止年度增加為884,000港元。銀行結餘及現金以及已抵押銀行存款的預期信貸虧損對本集團而言並不重大。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECL model (Continued)

(d) Impairment of other receivables

Other receivables is considered to have no credit risk. ECLs for other receivables is considered immaterial the Group.

As a result of the above changes, the impact of the new HKFRS 9 impairment model results in additional impairment allowances as follow:

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(ii) 財務資產減值(續)

預期信貸虧損模式的影響(續)

(d) 其他應收款減值

其他應收款項被認為並無信貸風險。其他應收款項的預期信貸虧損被認為對本集團的影響不大。

由於上述變動，新香港財務報告準則第9號減值模式的影響導致額外減值撥備如下：

		HK\$'000 千港元
Loss allowance as at 1 January 2018 under HKAS 39	於二零一八年一月一日根據香港會計準則第39號減值撥備	104,814
Additional impairment recognised for:	已就下列各項確認的額外減值：	
— Trade and other receivables	— 貿易及其他應收款項	585
— Debt investments and loan receivables	— 債務投資及應收貸款	6,699
— Bank balances and cash and pledged bank deposits	— 銀行結餘及現金以及已抵押銀行存款	157
Loss allowance as at 1 January 2018 under HKFRS 9	於二零一八年一月一日根據香港財務報告準則第9號虧損撥備	112,255

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

(iii) Transition

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(iii) 過渡安排

本集團已應用香港財務報告準則第9號的過渡性條文，以使香港財務報告準則第9號全面獲採納而毋須重列可資比較資料。因此，新預期信貸虧損規則產生的重新分類及調整並無於二零一七年十二月三十一日的綜合財務狀況表中反映，惟於二零一八年一月一日的財務狀況表中確認。其指於二零一八年一月一日採納香港財務報告準則第9號產生的財務資產與財務負債的賬面金額的差異於累計(虧損)／溢利及儲備當中確認。因此，二零一七年呈列的資料並不反映香港財務報告準則第9號的規定，惟反映香港會計準則第39號的規定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

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

A. HKFRS 9 — Financial Instruments

(Continued)

(iii) Transition

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

- The determination of the business model within which a financial asset is held;
- The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL; and
- The designation of certain investments in equity investments not held for trading as at FVOCI.

If an investment in a debt investment had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

A. 香港財務報告準則第9號 — 金融工具(續)

(iii) 過渡安排

以下評估乃根據香港財務報告準則第9號首次應用日期存在的事實及情況而作出：

- 釐定持有的財務資產的業務模式；
- 指定及撤銷先前指定的按公平值計入損益的若干財務資產及財務負債；及
- 指定對按公平值計入其他全面收入且並非持有作買賣的股本投資的若干投資。

倘於債務投資的投資在初次應用日期具有較低的信貸風險，則本集團假設該資產的信貸風險自其初始確認起並無顯著增加。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

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

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

The following tables summarised the impact of adopting HKFRS 15 on the Group’s consolidated statement of financial position as at 31 December 2018 and its consolidated statement of profit and loss and OCI for the year ended 31 December 2018. There was no material impact on the Groups’ consolidated statement of cash flow for the year ended 31 December 2018:

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

B. 香港財務報告準則第15號客戶合約之收益

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

本集團利用並無可行權宜方法之累計影響法採納香港財務報告準則第15號。本集團已確認首次應用香港財務報告準則第15號之累計影響，作為對於首次應用日期(即二零一八年一月一日)之期初結餘調整。因此，就二零一七年呈列之財務資料並未經重列。

下表概述採納香港財務報告準則第15號對本集團於二零一八年十二月三十一日之綜合財務狀況表以及截至二零一八年十二月三十一日止年度之綜合損益及其他全面收入表之影響。其對本集團截至二零一八年十二月三十一日止年度之綜合現金流轉表並無重大影響：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

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

B. HKFRS 15 — Revenue from Contracts with Customers ("HKFRS 15") (Continued)

Impact on the consolidated statement of financial position as of 31 December 2018:

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

B. 香港財務報告準則第15號客戶合約之收益(續)

於二零一八年十二月三十一日對財務狀況表影響：

			HKFRS 15 香港財務 報告準則 第15號 HK\$'000 千港元	Previous HKFRS 以往香港 會計準則 HK\$'000 千港元	Increase/ (decrease) 增加／(減少) HK\$'000 千港元
Liabilities	負債				
Deposits received and receipts in advance	已收按金及預收款項		(9,552)	(9,552)	—
Contract liabilities	合約負債	(i)	9,545	—	9,545
Total liabilities	總負債		(7)	(9,552)	9,545

(i) *Presentation of contract assets and contract liabilities*

The Group has also voluntarily changed the presentation of certain amounts in the statement of financial position to reflect the terminology of HKFRS15.

The contract liabilities of HK\$9,545,000 as at 31 December 2018 are in relation to the Group's obligation to provide services to franchisees for which the Group has received consideration. The amount was previously presented as receipt in advance.

(i) *合約資產及合約負債之呈列*

本集團亦自願改變若干金額於財務狀況表中的呈列方式，以反映香港財務報告準則第15號的專門用語。

於二零一八年十二月三十一日，9,545,000港元之合約負債與本集團就已自特許經營商收取之代價，並需向特許經營商提供服務之責任有關。該金額以往呈列為預收款項。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

(ii) *Mother-infant-child products supplied to the franchisee*

The Group is engaged in the supplies of the mother-infant-child products to the franchisees. Revenue is recognised when the control of the products has been transferred and when the products are delivered to the franchisees, the franchisor has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the franchisees’ acceptance of the products. Delivery occurs when the products have been delivered to the franchise store, the risk of obsolescence and loss have been transferred to the franchisee, and either the franchisee has accepted the products in accordance with sales contract, the acceptance provisions have lapsed, or the group has objective evidence that all criteria for acceptance have been satisfied. The revenue is recognised at that point of time. At this point of time, the recognition point of revenue is satisfied. The adoption of HKFRS 15 did not result in significant impact on the Group’s accounting policies.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

B. 香港財務報告準則第15號客戶合約之收益(續)

(ii) *向特許經營商供應的母嬰童產品*

本集團從事向特許經營商供應母嬰童產品。當產品的控制權轉移時(即產品已交付予特許經營商，特許經營商對產品的銷售渠道及價格有絕對酌情權，且概無可影響批發商接納產品的未履行義務時)，收益獲確認。當產品交付到特許經營店時交付即告完成。當特許經營商按照銷售合約接納產品，或接納條款已失效，或本集團有客觀證據證明所有接納標準均已達成時，產品毀損及遺失之風險轉由特許經營商承擔。收益於該時間點確認。於此時間點，收益的確認點獲達成。採用香港財務報告準則第15號不會對本集團會計政策造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

(iii) *Manufacturing and sale of infant formula and nutritional products*

The Group is engaged in the manufacturing of infant formula and nutritional products. The revenue is recognised when the control of the product has been transferred to the customer at a point in time. The Group has full discretion over the channel and price to sell the products. At this point of time, the recognition point of revenue is satisfied. The adoption of HKFRS 15 did not result in significant impact on the Group’s accounting policies.

(iv) *Medical consultation and laboratory services income*

The Group operates the medical consultation and laboratory service. The service included to provide assisted reproductive service and other associated services depending on the needs and conditions of an individual customer. The revenue is recognised when the service was provided to the customer. At this point of time, the recognition point of revenue is satisfied. The adoption of HKFRS 15 did not result in significant impact on the Group’s accounting policies.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

B. 香港財務報告準則第15號客戶合約之收益(續)

(iii) *製造及銷售嬰幼兒配方奶粉及營養產品*

本集團從事製造嬰幼兒配方奶粉及營養產品。當產品的控制權於此時間點轉移至客戶時，收益獲確認。本集團可全權酌情決定銷售產品的渠道及價格。於此時間點，收益的確認點獲達成。採用香港財務報告準則第15號不會對本集團會計政策造成重大影響。

(iv) *醫療諮詢及實驗室服務收入*

本集團運營醫療諮詢及實驗室服務。該服務包括介乎個別客戶的需求及條件提供私人輔助生殖服務及其他相關服務。當向客戶提供服務時，收益獲確認。於此時間點，收益的確認點獲達成。採用香港財務報告準則第15號不會對本集團會計政策造成重大影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

(v) Other segments

The adoption of HKFRS 15 did not result in significant changes to the Group’s accounting policies regarding the recognition of the other segment revenue or significant impact on the Group’s consolidated financial statements.

The standard requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. Based on the assessment of the Group, the adoption of HKFRS 15 from 1 January 2018 has results in changes in accounting policies of the Group, however, it does not have significant impact on the timing and amounts of revenue recognition of the Group, and no adjustment to the opening balance of equity at 1 January 2018 have been made. However, additional disclosures have been presented for the current accounting period in Note 9 of the consolidated financial statements as a result of adoption of HKFRS 15.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

B. 香港財務報告準則第15號客戶合約之收益(續)

(v) 其他分部

採納香港財務報告準則第15號不會導致本集團有關確認其他分部收益的會計政策的重大變動或對本集團綜合財務報表產生重大影響。

該標準於應用客戶合約模型各步驟時經計及所有相關事實及情況要求實體進行判斷。根據本集團評估，自二零一八年一月一日起採納香港財務報告準則第15號導致本集團會計政策變動，然而，其對本集團收益確認時間及金額並無重大影響，且並無對二零一八年一月一日期初權益結餘作出調整。然而，由於採納香港財務報告準則第15號，綜合財務報表附註9就本會計期間呈列額外披露。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

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

The adoption of these amendments has no impact on these financial statements as the Group had not previously adopted HKFRS 15 and took up the clarifications in its first, year.

Amendments to HKAS 40, Investment Property — Transfers of Investment Property

The amendments clarify that to transfer to or from investment properties there must be a change in use and provides guidance on making this determination. The clarification states that a change of use will occur when a property meets, or ceases to meet, the definition of investment property and there is supporting evidence that a change has occurred. The amendments also re-characterise the list of evidence in the standard as a non-exhaustive list, thereby allowing for other forms of evidence to support a transfer.

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

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效(續)

香港財務報告準則第15號之修訂本 — 客戶合約收益(對香港財務報告準則第15號之澄清)

香港財務報告準則第15號之修訂本包括澄清確定履約義務；應用委託人及代理人；知識產權許可；及過渡規定。

採納該等修訂本對該等財務報表並無影響，因為本集團先前並未採納香港財務報告準則第15號並已於本年度第一年作出澄清。

香港會計準則第40號修訂本投資物業 — 投資物業轉撥

該修訂本澄清投資物業的轉入或轉出均必定涉及用途改變，並就作出有關釐定提供指引。該澄清列明，倘物業符合或不再符合投資物業之定義及有支持證據證明用途改變，即表示發生用途改變。該修訂本亦將該準則中的憑證清單重新定性為非詳盡無遺清單，因此，其他形式的憑證亦可證明轉撥。

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

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

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

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

2. 採納香港財務報告準則（「香港財務報告準則」）（續）

(a) 採納新訂／經修訂香港財務報告準則 — 二零一八年一月一日生效（續）

香港（國際財務報告詮釋委員會）第22號詮釋 — 外幣交易及墊款代價

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

由於本集團並無以外幣支付或收取墊款代價，故採納該等修訂對該等財務報表並無影響。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

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

HKFRS 16

香港財務報告準則第 16 號

HK(IFRIC)-Int 23

香港(國際財務報告詮釋委員會) – 詮釋第 23 號
Amendments to HKFRS 9

香港財務報告準則第 9 號之修訂本

Amendments to HKAS 28

香港會計準則第 28 號之修訂本

Annual Improvements to HKFRSs 2015–2017 Cycle
香港財務報告準則二零一五年至二零一七年週期
之年度改進

Annual Improvements to HKFRSs 2015–2017 Cycle
香港財務報告準則二零一五年至二零一七年週期
之年度改進

Annual Improvements to HKFRSs 2015–2017 Cycle
香港財務報告準則二零一五年至二零一七年週期
之年度改進

Annual Improvements to HKFRSs 2015–2017 Cycle
香港財務報告準則二零一五年至二零一七年週期
之年度改進

Amendments to HKFRS 10 and HKAS 28

香港財務報告準則第 10 號及香港會計準則第 28 號
之修訂本

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

² The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則

以下為可能與本集團財務報表有關的已頒佈但尚未生效之新訂／經修訂香港財務報告準則，惟本集團並無提前採納有關準則。本集團當前擬於該等變動生效當日起應用該等變動。

Leases¹

租賃¹

Uncertainty over Income Tax Treatments¹

所得稅處理之不確定性¹

Prepayment Features with Negative Compensation¹

具負補償之提前還款特性¹

Long-term Interests in Associates and Joint Ventures¹

於聯營公司及合營企業之長期權益¹

Amendments to HKFRS 3, Business Combinations¹

香港財務報告準則第 3 號修訂本，業務合併¹

Amendments to HKFRS 11, Joint Arrangements¹

香港財務報告準則第 11 號修訂本，合營安排¹

Amendments to HKAS 12, Income Taxes¹

香港會計準則第 12 號修訂本，所得稅¹

Amendments to HKAS 23, Borrowing Costs¹

香港會計準則第 23 號修訂本，借貸成本¹

Sale or Contribution of Assets between an

Investor and its Associate or Joint Venture²

投資者與其聯營公司或合營企業之間的資產出售
或注資²

¹ 於二零一九年一月一日或之後開始之年度期間生效

² 該等修訂本原定於二零一七年一月一日或之後開始之期間生效。有關生效日期現已押後／刪除。繼續允許提前應用有關修訂本之修訂。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued) HKFRS 16 — Leases

As disclosed in Note 4(q), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續) 香港財務報告準則第16號 — 租賃

誠如附註4(q)所披露，本集團現時將租賃分類為融資租賃及經營租賃，並且根據租賃之分類對租賃安排進行不同之會計處理。本集團作為出租人訂立若干租賃及其他乃作為承租人。

預期香港財務報告準則第16號將不會大幅影響出租人將其於租賃項下權利及義務入賬之方式。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，按可行的權宜之法，承租人將按與現有融資租賃會計處理方法類似之方法將所有租賃入賬，即承租人於租賃開始日期按最低未來租賃款項現值確認及計量租賃負債，並將確認相應之「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債尚未償還結餘所累計之利息開支及使用權資產折舊，而非根據現有政策於租期內按系統基準確認根據經營租賃所產生之租金開支。作為可行的權宜之法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產之租賃，於此情況下，租金開支將繼續於租期內按系統基準確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued) HKFRS 16 — Leases (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for office equipment and premises which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in profit or loss over the period of the lease. As disclosed in Note 51, at 31 December 2018 the Group's future minimum lease payments under non-cancellable operating leases amount to HK\$188,619,000 for premises, the majority of which is payable between 1 and 5 years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The standard offers different transition options and practical expedients, including the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. If this practical expedient is chosen, the Group will apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the DIA. If the practical expedient is not chosen, the Group will need to reassess all of its decisions about which existing contracts are, or contain, leases, using the new definition. Depending on whether the Group elects to adopt the standard retrospectively or follow a modified retrospective method of recognising a cumulative-effect adjustment to the opening balance of equity at the DIA, the Group may or may not need to restate comparative information for any changes in accounting resulting from the reassessment.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續) 香港財務報告準則第16號 — 租賃(續)

香港財務報告準則第16號將主要影響本集團作為承租人就辦公設備及物業租賃(現時分類為經營租賃)之會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租賃期間於損益內確認開支之時間。誠如附註51所披露，於二零一八年十二月三十一日，本集團於不可撤銷經營租賃項下之物業之未來最低租賃款項為188,619,000港元，其中大部分須於報告日期後一至五年內支付。因此，一旦採納香港財務報告準則第16號，若干該等款項或須確認為租賃負債，並附帶相應使用權資產。經考慮可行權宜方法之適用性及就現時至採納香港財務報告準則第16號期間已訂立或終止之任何租賃及貼現影響作出調整後，本集團將須進行更詳盡之分析以釐定於採納香港財務報告準則第16號時經營租賃承擔所產生之新資產及負債之金額。

香港財務報告準則第16號將於二零一九年一月一日或之後開始之年度期間生效。該準則提供不同之過渡選擇及可行權宜方法，包括融入先前評估之可行權宜方法，當中現有安排為(或包含)租賃。倘選擇此可行權宜方法，本集團僅將香港財務報告準則第16號對租賃之新定義應用於首次應用日期或之後訂立之合約。倘並無選擇可行權宜方法，本集團將須使用新定義重新評估其對哪些現有合約為(或包含)租賃而作之所有決定。視乎本集團是否選擇以追溯方式採納該準則，或遵從經修訂可追溯方式確認對首次應用當日權益期初結餘之累計效應調整，本集團未必需要重列因重新評估而引致任何會計變動之比較資料。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued) HKFRS 16 — Leases (Continued)

The Group has not yet decided whether it will choose to take advantage of this practical expedient, and which transition approach to be taken.

HK(IFRIC)-Int 23 — Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the “most likely amount” or the “expected value” approach, whichever better predicts the resolution of the uncertainty.

Amendments to HKFRS 9 — Prepayment Features with Negative Compensation

The amendment clarifies that HKFRS 9 applies to long-term interests (“LTI”) in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續) 香港財務報告準則第16號 — 租賃(續)

本集團尚未決定是否將選擇利用該切實可行的權宜方法，以及選用何種過渡方法。

香港(國際財務報告詮釋委員會) — 詮釋第23號 — 所得稅處理之不確定性

該詮釋透過就如何反映所得稅會計處理涉及之不確定性因素之影響提供指引，為香港會計準則第12號所得稅的規定提供支持。

根據該詮釋，實體須釐定分開或集中考慮各項不確定稅項處理，以更佳預測不確定性因素的解決方法。實體亦須假設稅務機關將會查驗其有權檢討的金額，並在作出上述查驗時全面知悉所有相關資料。如實體釐定稅務機關可能會接受一項不確定稅項處理，則實體應按與其稅務申報相同的方式計量即期及遞延稅項。倘實體釐定稅務機關不可能會接受一項不確定稅項處理，則採用「最可能金額」或「預期值」兩個方法中能更佳預測不確定性因素解決方法的方法來反映釐定稅項涉及的不確定性因素。

香港財務報告準則第9號之修訂本 — 具負補償之提前還款特性

該修訂本澄清香港財務報告準則第9號應用於構成於聯營公司或合營企業之投資淨額一部分的於聯營公司或合營企業之長期權益(「長期權益」)，並規定香港財務報告準則第9號先於香港會計準則第28號減值虧損指引應用於該等長期權益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued) Amendments to HKAS 28 — Long-term Interests in Associates and Joint Ventures

The amendment clarifies that HKFRS 9 applies to LTI in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKFRS 3, Business Combinations

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKFRS 11, Joint Agreements

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續) 香港會計準則第28號之修訂本 — 於聯營公司及合營公司之長期權益

該修訂澄清，香港財務報告準則第9號應用於構成於聯營公司或合營企業之投資淨額一部分的於聯營公司或合營企業之長期權益，並規定香港財務報告準則第9號先於香港會計準則第28號的減值虧損指引應用於該等長期權益。

香港財務報告準則二零一五年至二零一七年週期之年度改進 — 香港財務報告準則第3號修訂本 業務合併

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第3號修訂本，其闡明當於業務的一名聯合經營者取得聯合經營的控制權時，則該業務合併已初步達成，故此先前持有之股權應重新計量為其收購日期之公平值。

香港財務報告準則二零一五年至二零一七年週期之年度改進 — 香港財務報告準則第11號修訂本 合營安排

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港財務報告準則第11號修訂本，其闡明於參與(但並非擁有共同控制權)為一項業務的聯合經營的一方隨後取得聯合經營之共同控制權時，先前持有之股權不得重新計量至其收購日期之公平值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued) Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

Annual Improvements to HKFRSs 2015–2017 Cycle — Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors’ interests in the joint venture or associate.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group’s accounting policies and financial statements.

2. 採納香港財務報告準則(「香港財務報告準則」)(續)

(b) 已頒佈但尚未生效之新訂／經修訂香港財務報告準則(續) 香港財務報告準則二零一五年至二零一七年週期之年度改進 — 香港會計準則第12號修訂本所得稅

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第12號修訂本，其闡明股息之所有所得稅後果與產生可分派溢利之交易採取一致的方式於損益、其他全面收入或直接於權益內確認。

香港財務報告準則二零一五年至二零一七年週期之年度改進 — 香港會計準則第23號修訂本借貸成本

於年度改進過程中頒佈的該修訂本對現時並不明確的多項準則作出微細及不急切之變動。該等變動包括香港會計準則第23號修訂本，其闡明為取得合資格資產而專門作出之借貸，於相關合資格資產可用於其擬定用途或進行銷售時仍未償還，則該借貸將成為該實體一般所借資金的一部分並因此計入一般資產池內。

香港財務報告準則第10號及香港會計準則第28號之修訂本 — 投資者與其聯營公司或合營企業之間的資產出售或注資

該等修訂本澄清實體向其聯營公司或合營企業出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務之資產，則僅須就不相關投資者於合營企業或聯營公司之權益確認收益或虧損。

本集團尚未能夠列明該等新聲明是否會導致本集團會計政策及財務報表發生重大變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

3. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) and the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (“Listing Rules”) on the Stock Exchange.

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values as explained in the accounting policies set out below.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

These consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of its subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, incomes and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

3. 編製基準

(a) 合規聲明

財務報表按照所有適用香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋（統稱「香港財務報告準則」）以及香港公司條例有關編製財務報表之條文而編製。此外，財務報表包括聯交所證券上市規則（「上市規則」）規定之適用披露事項。

(b) 計量基準

財務報表乃按歷史成本基準編製，誠如下文所載會計政策解釋，惟按公平值計量之若干金融工具除外。

4. 主要會計政策

(a) 綜合入賬基準

該等綜合財務報表包括本公司及其所有附屬公司之財務報表。其附屬公司之財務報表均按與本公司相同之報告年度及一致之會計政策編製。

所有集團內公司間之結餘、交易與集團內公司間交易所產生的收支及損益均全數抵銷。附屬公司業績自本集團取得控制權當日起綜合入賬，直至本集團不再擁有控制權當日為止。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

Non-controlling interests (the "NCI") are presented, separately from equity holders of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The NCIs in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis.

Allocation of total comprehensive income

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the Company and to the NCIs. Total comprehensive income is attributed to the equity holders of the Company and the non-controlling interest even if this results in the non-controlling interest having a deficit balance.

Changes in ownership interest

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

4. 主要會計政策(續)

(a) 綜合基準(續)

非控股權益(「非控股權益」)於綜合全面收益表內及綜合財務狀況表權益內與本公司權益持有人分開呈列。屬現時擁有權益並賦予持有人於被收購公司清盤時按比例分佔被收購公司的非控股權益初步按公平值或按現時擁有權工具應佔被收購公司可識別淨資產確認金額比例計量。計量基準依個別收購事項而選擇。

分配全面收入總額

本公司權益持有人及非控股權益分佔損益及其他全面收入之各部分。即使會導致非控股權益有虧絀結餘，全面收入總額須分配予本公司權益持有人及非控股權益。

所有權權益之變動

本集團所持附屬公司所有權變更(未導致失去控制權)作為股權交易入賬。控股及非控股權益的賬面值根據所持附屬公司相關權益的變更而調整。非控股權益所調整的金額與所付或所收代價公平值的差額直接於權益確認，歸屬本公司權益持有人。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

Changes in ownership interest (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amount previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Group had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amount owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

(b) Business combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

4. 主要會計政策(續)

(a) 綜合基準(續)

所有權權益之變動(續)

當本集團失去附屬公司的控制權時，出售的收益或虧損按(i)失去控制權當日釐定的所收代價總公平值及保留權益公平值與(ii)失去控制權當日附屬公司的資產(包括商譽)及負債及非控股權益的賬面值之間的差額計算。先前於其他全面收入所確認有關所出售附屬公司的金額按猶如本集團直接出售相關資產或負債的方式入賬。於原附屬公司保留的任何投資或原附屬公司所欠或應付原附屬公司的任何金額自失去控制權當日起作為財務資產、聯營公司、合營公司或其他(如適當)入賬。

(b) 業務合併

收購業務採用收購法入賬。業務合併所轉讓的代價按公平值計量，而計算方法為本集團所轉讓的資產、本集團向被收購方原擁有人產生的負債及本集團於交換被收購方的控制權發行的權益於收購日之公平值總額。有關收購的成本一般於產生時在損益賬中確認。

於收購日期，所收購可識別資產及所承擔負債按其公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination (Continued)

- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- Assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquire (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

4. 主要會計政策(續)

(b) 業務合併(續)

- 與被收購方以股份支付安排或本集團訂立以股份支付安排取代被收購方以股份支付安排有關的負債或股本工具，於收購日期根據香港財務報告準則第2號「以股份支付款項」計量(見下文會計政策)；及
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」分類為持作出售的資產(或出售組合)根據該項準則計量。

商譽乃以所轉讓的代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方(倘有)股權公平值的總和超出所收購可識別資產及所承擔負債於收購日期的淨值的部分計量。倘經過重新評估後，所收購可識別資產及所承擔負債於收購日期的淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方權益(倘有)公平值的總和，則超出部分即時於損益賬內確認為議價收購收益。

屬現時所有權權益且於清盤時讓持有人有權按比例分佔實體資產淨值的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別的非控股權益乃按其公平值或(如適用)另一項香港財務報告準則規定的基準計量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination (Continued)

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group’s previously held equity interest in the acquiree is remeasured to its acquisition-date fair value (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

4. 主要會計政策(續)

(b) 業務合併(續)

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價按其於收購日期之公平值計量。符合資格為計量期間調整之或然代價公平值變動將予追溯調整並對商譽作出相應調整。計量期間調整為「計量期間」（不可超過自收購日期起計一年）取得有關於收購日期已存在之事實及情況之額外資料產生之調整。

不合資格為計量期間調整之或然代價公平值變動後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於後續報告日期重新計量，其後續結算亦於權益內入賬。分類為資產或負債之或然代價將於後續報告日期重新計量，相應之盈虧於損益內確認。

倘業務合併分階段達成，本集團以往所持的被收購方股本權益按收購日期（即本集團取得控制權當日）公平值重新計量，所產生的盈虧（如有）在損益賬中確認。倘出售於被收購方權益，則以往在其他全面收益中確認的從該等於被收購方的權益於收購日期前產生的金額重新分類至損益（倘此處理方法合適）。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combination (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(c) Goodwill

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to each of the cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

4. 主要會計政策(續)

(b) 業務合併(續)

倘業務合併的初步會計處理於合併產生的呈報期結算日仍未完成，則本集團會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間(見上文)內作出調整，以及確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於當日確認的金額。

(c) 商譽

收購業務產生的商譽作為獨立資產確認，並按成本減累計減值虧損列賬。

就減值測試而言，商譽會分配至預期可從合併的協同效益中獲益的各個現金產生單位(或現金產生單位組合)。

獲分配商譽的現金產生單位會每年進行減值測試，或於有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於報告期間因收購產生的商譽而言，獲分配商譽的現金產生單位會於該報告期間結束前進行減值測試。倘現金產生單位的可回收金額少於其賬面值，則減值虧損會先用作減低任何分配至該單位的商譽的賬面值，其後則按該單位內各項資產賬面值的比例分配至該單位的其他資產。任何商譽減值虧損直接於損益賬內確認。就商譽確認的減值虧損不會於其後期間撥回。

於出售相關現金產生單位時，商譽應佔金額於釐定出售時的損益金額時計入在內。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented within these notes, investments in subsidiaries are stated at cost less accumulated impairment losses. The carrying amount of the investments is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(e) Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investment in associates are accounted for under the equity method of accounting. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

4. 主要會計政策(續)

(d) 附屬公司

附屬公司是指受本集團控制之實體。當本集團須承擔或享有參與有關實體業務所得可變動回報之風險或權利，並能透過其在該實體之權力影響該等回報，即本集團對該實體具有控制權。本集團於有關事實及情況表明一項或多項控制權因素出現變動時，重新評估其是否對實體具有控制權。

附註呈列之本公司財務狀況報表內，於附屬公司之投資按成本減累計減值虧損列賬。如投資賬面值超過可收回金額，則按個別投資項目撇減至可收回金額，而附屬公司之業績則由本公司按已收及應收股息列賬。

(e) 聯營公司

聯營公司指本集團對其有重大影響之實體。重大影響是有權參與投資對象之財務及經營政策決策，但並非對該等政策之控制或共同控制。

本集團於聯營公司之投資乃根據權益會計法入賬。根據權益法，投資先以成本入賬，其後，就本集團佔該承資公司淨資產在收購後的變動及與該項投資有關的任何減值虧損作出調整。當本集團應佔承資公司之虧損份額等於或超出其於承資公司權益(包括任何實質上為本集團於承資公司淨投資部分的長期權益)之賬面值，本集團會終止確認其應佔進一步虧損，惟本集團已招致法定或推定責任或代表承資公司付款之情況除外。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Associates (Continued)

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates or joint venture, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interest in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

(f) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

4. 主要會計政策(續)

(e) 聯營公司(續)

本集團與聯營公司或合營公司交易產生之未變現溢利及虧損以本集團所持聯營公司或合營公司之權益為限予以抵銷，惟該未變現虧損證明已轉讓資產出現減值除外，在此情況下，則即時於損益內確認相關虧損。

收購聯營公司產生之商譽乃按投資成本超出本集團於所收購聯營公司分佔之可識別資產及負債之公平值淨額計量。該商譽計入於聯營公司之權益。另一方面，本集團於其可識別資產及負債超出投資成本之任何公平值淨額作為收益即刻於損益中確認。

(f) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及累計減值虧損列賬。物業、廠房及設備項目之成本包括購買價及使資產投入運作及運至現址作擬定用途之任何直接應佔費用。其他維修及保養費用在產生期間於損益扣除。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Property, plant and equipment (Continued)

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment over their estimated useful lives as set out below from the date on which they are available for use and after taking into account their estimated residual values, using the straight-line method. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately:

Leasehold improvements	Over the lease terms or 7 years
Furniture and fixtures	4–10 years
Computer and office equipments	2–13 years
Medical equipments	3–7 years
Motor vehicles	2–6 years
Freehold land	Indefinite
Building	50 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised. Freehold land is stated at cost less accumulated impairment losses. No depreciation is provided for freehold land.

4. 主要會計政策(續)

(f) 物業、廠房及設備(續)

物業、廠房及設備之折舊自可供使用當日起於估計使用年限載列如下並計及其估計剩餘價值後，以直線法撇銷其成本減累計減值虧損撥備。倘物業、廠房及設備項目各部分具不同使用年限，則按合理基準分配有關項目的成本，並單獨計提折舊：

租賃物業裝修	租期內或7年
傢俬及裝置	4–10年
電腦及辦公室設備	2–13年
醫療設備	3–7年
汽車	2–6年
永久業權土地	無限年期
樓宇	50年

物業、廠房及設備項目於出售或預期持續使用該等資產將不會產生未來經濟利益時終止確認。終止確認資產所產生的盈虧(按出售所得款項淨額與該項目賬面值之差額計算)於終止確認項目期間計入損益。永久業權土地按成本減累計減值虧損列賬。永久業權土地並無計提減值撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are stated at cost less accumulated amortisation and impairment losses. Intangible assets with indefinite useful lives are carried at costs less any accumulated impairment losses. Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it incurred.

Amortisation of intangible assets is charged to profit or loss on a straight-line basis over the assets' estimated useful lives as follows:

Brand names	10 years–indefinite
Licenses and trading lights	7 years–indefinite
Trademarks	10 years
Customer and franchisee relationships	5–10 years
Computer software and systems	3–10 years

Both the period and method of amortisation are reviewed annually.

Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortisation of intangible assets with finite lives as set out above. Intangible assets with indefinite useful life are tested for impairment at least annually.

4. 主要會計政策(續)

(g) 無形資產

個別收購之無形資產初步按成本確認。於業務合併中收購之無形資產成本為於收購日期之公平值。其後，具有限可使用年期之無形資產按成本減累計攤銷及減值虧損列賬。具無限可使用年期之無形資產按成本減任何累計減值虧損列賬。內部產生之商譽及品牌開支於產生期間確認為開支。

無形資產之攤銷乃於資產的以下估計可使用年期內按直線基準於損益扣除：

品牌名稱	10年–無限期
許可及交易權	7年–無限期
商標	10年
客戶與特許經營商關係	5–10年
電腦軟件及系統	3–10年

攤銷的期間及方法均每年檢討。

本集團每年對使用壽命不確定的無形資產的使用壽命進行覆核，以確定實際情況是否能夠繼續支持該資產使用期限為無限的認定。如果有證據表明無形資產的使用壽命是有限的，則估計其使用壽命，並按上述使用壽命有限的無形資產處理。使用壽命不確定的無形資產至少每年進行一次減值測試。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised and derecognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sale of financial assets that require delivery of assets within the time period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments:

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)

(i) 財務資產

財務資產(除非其為概無重大融資成分之貿易應收款項)初始按公平值加(並非按公平值計入損益之項目)直接應佔其收購或發行之交易成本計量。概無重大融資部分之貿易應收款項初始按交易價計量。

所有以常規方式買賣的財務資產均於交易日(即本集團承諾買賣該資產當日)予以確認。常規方式買賣指規定須於一般市場規例或慣例確立之期間內交付資產的財務資產買賣。

附帶嵌入衍生工具的財務資產於釐定其現金流量是否純粹為支付本金及利息時以整體作出考慮。

債務工具

其後計量債務工具視乎本集團管理資產的業務模式及資產的現金流量特徵。本集團對其債務工具分類有兩種計量類別：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(i) Financial assets (Continued)

Debt instruments (Continued)

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through other comprehensive income ("FVOCI"): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(i) 財務資產(續)

債務工具(續)

攤銷成本：倘該等現金流量僅指本集團及利息付款，則收取合約現金流量而持有之資產按攤銷成本計量。按攤銷成本計量的財務資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

按公平值計入其他全面收入(「按公平值計入其他全面收入」)：倘資產之現金流量僅為本金及利息付款，則為收取合約現金流量及出售財務資產而持有之資產按公平值計入其他全面收入計量。按公平值計入其他全面收入的債務投資其後按公平值計量。採用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益確認。其他收益及虧損淨額於其他全面收益確認。於其他全面收益累計的收益及虧損在終止確認時重新分類至損益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(i) Financial assets (Continued)

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

(ii) Impairment loss on financial assets

The Group recognises loss allowances for ECLs on trade receivables, financial assets measured at amortised cost and debt investments measured at FVOCI. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(i) 財務資產(續)

股本工具

於初步確認並非持作買賣之股本投資時，本集團可作出不可撤銷之選擇，以於其他全面收益中呈列投資公平值之後續變動。選擇乃按投資逐項作出。按公平值計入其他全面收入之股本投資按公平值計量。股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收益確認且不會重新分類至損益。所有其他股本工具分類為按公平值計入損益，其中公平值、股息及利息收入之變動乃於損益中確認。

(ii) 財務資產之減值虧損

本集團就按攤銷成本計量之貿易應收款項、財務資產及按公平值計入其他全面收入計量之債務投資確認預期信貸虧損之虧損撥備。預期信貸虧損按以下任一基準計量：(1)12個月預期信貸虧損：該等是由於報告日期後12個月內導致可能發生之違約事件之預期信貸虧損；及(2)整個存續期預期信貸虧損：該等是由於金融工具預期年期內導致所有可能違約事件之預期信貸虧損。估計預期信貸虧損時所考慮之最長期限是本集團面臨信貸風險之最長合約期。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(ii) Impairment loss on financial assets

(Continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

Loss allowance for ECLs on trade receivables are based on management's estimated of the lifetime ECLs to be incurred. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(ii) 財務資產之減值虧損(續)

預期信貸虧損是信貸虧損的概率加權估計。信貸虧損基於根據合約應付之合約現金流量與本集團預期收取之所有現金流量之間的差額。該差額其後按與資產原實際利率相近之比率貼現。

貿易應收款項的預期信貸虧損損失撥備基於管理層對將產生的整個存續期預期信貸虧損估計。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人之特定前瞻性因素及經濟環境作出調整。

就其他債務財務資產而言，預期信貸虧損乃基於12個月預期信貸虧損。然而倘信貸風險從最初開始大幅增加，則撥備將基於整個存續期預期信貸虧損。

當釐定財務資產之信貸風險自初次確認起是否顯著增加及於估計預期信貸虧損時，本集團會考慮相關及毋須付出過多成本或努力即可獲得的合理及有理據的資料。此包括根據本集團過往經驗及已知信貸評估得出的定量及定性資料及分析，並包括前瞻性資料。

倘某項財務資產逾期超過30天，則本集團假設該財務資產之信貸風險大幅增加。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(ii) Impairment loss on financial assets

(Continued)

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at FVTPL are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(ii) 財務資產之減值虧損(續)

本集團認為財務資產於下列情況下屬信貸減值：(1) 借款人不可能在本集團無追索權採取行動(例如：變現抵押品(如持有))的情況下向本集團悉數履行其信貸義務；或(2) 該財務資產逾期超過90日。

信貸減值財務資產利息收入按財務資產攤銷成本(即總賬面值減虧損撥備)計算。就非信貸減值財務資產而言，利息收入乃按總賬面值計算。

(iii) 財務負債

本集團根據負債產生之目的，對其財務負債進行分類。按公平值計入損益之財務負債初步按公平值計量，而按攤銷成本計量之財務負債初步按公平值扣除所產生直接應佔成本計量。

按公平值計入損益之財務負債

按公平值計入損益之財務負債包括持作交易用途之財務負債及於初始確認時指定為按公平值計入損益之金融負債。

倘購買該財務負債的目的為於近期出售，則該財務負債應分類為持作交易用途。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作交易用途，除非其被指定為有效的對沖工具則另作別論。持作交易用途的負債收益或虧損於損益確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(iii) Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss (Continued)

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at FVTPL, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial liabilities may be designated upon initial recognition as at FVTPL if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the liabilities or recognising gains or losses on them on a different basis; (ii) the liabilities are part of a group of financial liabilities which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

Subsequent to initial recognition, FVTPL are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(iii) 財務負債(續)

按公平值計入損益之財務負債(續)

倘一項合約包括一項或多項嵌入式衍生工具，則整份混合合約可指定為按公平值計入損益之財務負債，除非該嵌入式衍生工具不會對現金流量產生重大改變，或明確禁止將嵌入式衍生工具分開列賬則另作別論。

倘符合下列條件，財務負債或會於初始確認時被指定為按公平值計入損益的負債：(i)該項指定撇銷或大幅減低因按不同基準計量負債或確認有關負債的收益或虧損而另行引起的不一致處理方法；(ii)負債乃一組財務負債的一部分，而該等財務負債乃根據明文訂立的風險管理策略按公平值管理及評定表現；或(iii)該財務負債包括須獨立記錄之嵌入式衍生工具。

於初始確認後，按公平值計入損益的財務負債乃按公平值計量，公平值變動於彼等產生的期間內於損益確認，惟本集團擁有的於其他全面收入內呈報且其後不會重新分類至損益表的信貸風險產生的收益及虧損除外。於損益表內確認的公平值收益或虧損淨額並不包括就該等財務負債收取的任何利息。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(iii) Financial liabilities (Continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables, borrowings, certain preference shares and the debt element of convertible loan note issued by the Group are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period respectively. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability respectively, or where appropriate, a shorter period.

(v) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(iii) 財務負債(續)

按攤銷成本計量的財務負債

按攤銷成本計量的財務負債(包括貿易及其他應付款項、借貸及本集團發行的若干優先股份及可換股貸款票據的債務部分)隨後使用實際利率法按攤銷成本計量。有關利息開支於損益內確認。

終止確認負債及於攤銷過程中產生的收益或虧損於損益內確認。

(iv) 實際利率法

實際利率法是計算金融資產或金融負債的攤銷成本以及於有關期間分配利息收入或利息開支的方法。實際利率為於金融資產或負債的預計年期或適用的較短期間內準確現估計未來現金收入或付款的利率。

(v) 股本工具

本公司發行的股本工具按已收所得款項扣除直接發行成本記賬。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer of the contract to make specified payments to reimburse the holder of the contract for a loss the holder incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not measured at FVTPL, are carried at the higher of (i) the amount of the loss allowance, being the ECLs provision, measured in accordance with principles of the accounting policy set out 4(h)A(ii); and (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the principles of HKFRS 15.

(vii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(vi) 財務擔保合約

財務擔保合約乃規定合約發出人向合約持有人支付指定金額，以補償合約持有人由於指定欠債人未能根據債務工具條款於到期時付款而蒙受的損失。

由本集團發出的出財務擔保初步按公平值計量，及倘並非按公平值計入損益計量，則按以下各項較高者計量：(i)虧損撥備金額，即根據4(h)A(ii)所載會計政策原則計量的預期信貸虧損撥備；及(ii)初步確認金額減(如適當)根據香港財務報告準則第15號的原則確認的累計攤銷。

(vii) 終止確認

凡收取金融資產所帶來的未來現金流量的合約權利屆滿，或金融資產經已轉讓，而轉讓符合香港財務報告準則第9號規定的終止確認準則，則本集團終止確認該金融資產。

當有關合約中訂明的責任獲解除、註銷或屆滿時，則會終止確認財務負債。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) A. Financial instruments (accounting policies applied from 1 January 2018)

(Continued)

(vii) Derecognition (Continued)

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

(viii) Reverse repurchase and repurchase agreements

When debt securities are sold subject to a commitment to repurchase them at a predetermined price ("repos"), they remain on the balance sheet and a liability is recorded in respect of the consideration received. Securities purchased under commitments to resell ("reverse repos") are not recognised on the balance sheet and an asset is recorded in respect of the initial consideration paid. Non-trading repos and reverse repos are measured at amortised cost. The difference between sale and repurchase price or between the purchase and resale price is treated as interest and recognised in net interest income over the life of the agreements.

Contracts that are economically equivalent to reverse repo or repo agreements (such as sales or purchases of debt securities entered into together with total return swaps with the same counterparty) are accounted for similarly to, and presented together with, reverse repo or repo agreements.

4. 主要會計政策(續)

(h) A. 金融工具(自二零一八年一月一日起應用會計政策)(續)

(vii) 終止確認(續)

倘本集團因重新磋商負債條款而向債權人發行本身之股本工具以償付全部或部分財務負債，所發行之股本工具即所付代價，乃初步按有關財務負債(或當中部分)註銷當日之公平值確認及計量。倘已發行股本工具之公平值無法可靠計量，則股本工具按已註銷財務負債之公平值計量。已註銷財務負債(或當中部分)之賬面值與所付代價間之差額乃於年內在損益確認。

(viii) 反向回購及回購協議

出售之債務證券如附有按預訂價格回購之承諾(「回購」)，會保留於資產負債表內，並會將收取的代價列作負債入賬。根據轉售承諾而購入之證券(「反向回購」)不會在資產負債表內確認，而最初支付的代價將會列作資產入賬。非交易用途回購及反向回購按已攤銷成本計量。出售與回購價格兩者之間的差額或購入與轉售價格之間的差額會列作利息處理，並於協議有效期內在淨利息收益確認。

經濟上等同反向回購或回購協議的合約(例如出售或購買債務證券並與同一交易對手訂立總回報掉期)按類似反向回購或回購協議的方式入賬，並連同反向回購或回購協議呈列。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) B. Financial instruments (accounting policies applied until 31 December 2017)

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. Accordingly, the comparative financial information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Recognition and derecognition

Financial assets and financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) the Group transfers substantially all the risks and rewards of ownership of the financial asset, or (b) the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

4. 主要會計政策(續)

(h) B. 金融工具(於二零一七年十二月三十一日前採用的會計政策)

本集團已追溯應用香港財務報告準則第9號，惟已選擇不重列比較資料。因此，所提供的比較財務資料繼續根據本集團的過往會計政策入賬。

確認及終止確認

僅於本集團成為工具合約條款之訂約方時，財務資產及財務負債將按交易日之基準確認。

財務資產僅於(i)本集團自該財務資產獲取未來現金流轉之合約權利屆滿或(ii)本集團轉讓該財務資產且(a)將其所有權之絕大部分風險及回報轉讓，或(b)本集團無轉讓或保留財務資產所有權之絕大部分風險及回報但並無保留對該財務資產之控制權時，方終止確認。

而財務負債則僅於負債消除(即相關合約訂明之責任解除、取消或到期)時，方終止確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) B. Financial instruments (accounting policies applied until 31 December 2017)

(Continued)

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at FVTPL, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

(i) Financial assets or financial liabilities at fair value through profit or loss

Financial assets or financial liabilities at FVTPL include financial assets held for trading, financial assets or financial liabilities designated upon initial recognition as at FVTPL, and financial assets or financial liabilities resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resulting gain and loss recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in revenue in the consolidated statement of comprehensive income.

4. 主要會計政策(續)

(h) B. 金融工具(於二零一七年十二月三十一日前採用的會計政策)(續)

分類及計量

財務資產或財務負債(倘其並非屬於按公平值計入損益的財務資產或財務負債)須於首次確認時按公平值加購買或發行財務資產或財務負債之直接應佔交易成本列賬。

(i) 按公平值計入損益之財務資產或財務負債

按公平值計入損益之財務資產或財務負債包括持作買賣之財務資產、於首次確認時指定為按公平值計入損益之財務資產或財務負債以及適用香港財務報告準則第3號的業務合併之或然代價安排所產生的財務資產或財務負債。該等財務資產或負債按公平值列賬，並於損益中確認所產生之任何收益及虧損。於損益確認之收益或虧損淨額不包括財務資產所賺取之任何股息或利息，且入賬綜合全面收益表之收入。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) B. Financial instruments (accounting policies applied until 31 December 2017)

(Continued)

(i) Financial assets or financial liabilities at fair value through profit or loss (Continued)

Financial assets or financial liabilities are classified as held for trading if they are (i) acquired principally for the purpose of selling in the near future; (ii) part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or (iii) derivatives that are not financial guarantee contracts or not designated and effective hedging instruments.

Financial assets or financial liabilities are designated at initial recognition as at FVTPL only if (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on a different basis; or (ii) they are part of a group of financial assets and/or financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) they contain embedded derivatives that would need to be separately recorded.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at FVTPL, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

4. 主要會計政策(續)

(h) B. 金融工具(於二零一七年十二月三十一日前採用的會計政策)(續)

(i) 按公平值計入損益之財務資產或財務負債(續)

倘財務資產或財務負債(i)被收購之主要目的為於不久將來出售；(ii)為本集團集中管理之可識別金融工具組合之一部分，並已於近期形成短期獲利之實際模式；或(iii)並非財務擔保合約或指定為有效對沖工具之衍生工具，則分類為持作買賣。

僅在符合以下條件時，財務資產或財務負債方可於首次確認時指定按公平值計入損益：(i)該指定抵銷或大幅減少按不同基準計量資產或負債或確認收益或虧損所產生之不一致處理結果；或(ii)有關財務資產或財務負債為一組根據明文訂立之風險管理策略管理，並按公平值基準評估表現之財務資產及／或財務負債組合之一部分；或(iii)該等財務資產或財務負債包含須單獨入賬之嵌入式衍生工具。

倘合約包括一項或多項嵌入式衍生工具，整份組合合約可指定為按公平值計入損益的財務資產，惟該嵌入式衍生工具對現金流轉並無重大影響或明確禁止單獨計量嵌入式衍生工具則除外。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) B. Financial instruments (accounting policies applied until 31 December 2017)

(Continued)

(ii) Loans and receivables

Loans and receivables including trade and other receivables, loans receivables and bank balances and cash are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

(iii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as a separate component of equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income is reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

4. 主要會計政策(續)

(h) B. 金融工具(於二零一七年十二月三十一日前採用的會計政策)(續)

(ii) 貸款及應收款項

貸款及應收款項(包括貿易及其他應收款項、應收貸款以及銀行結餘及現金)為具固定或可釐定付款金額之非衍生財務資產，且於活躍市場並無報價及並非持作買賣用途。其以實際利率法按攤銷成本計量，惟倘應收款項為免息貸款且無任何固定還款期或折現影響並不重大，則應收款項按成本扣除減值虧損列賬。所計算之攤銷成本已計及直至到期日止之期間的任何收購折讓或溢價。於終止確認、減值時或於攤銷過程中產生之盈虧均計入損益。

(iii) 可供出售財務資產

可供出售財務資產為指定為可供出售或並非歸類為其他財務資產類別之任何一類的非衍生財務資產，並按公平值計量，而公平值之變動則確認為權益之獨立部分，直至該資產被出售、收回或另行處置或直至該資產被釐定為已減值為止，屆時先前於其他全面收入呈報之累計盈虧則重新分類至損益，列作重新分類調整。

於活躍市場並無報價且公平值無法可靠計量的可供出售財務資產須按成本扣除減值虧損列賬。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) B. Financial instruments (accounting policies applied until 31 December 2017)

(Continued)

(iv) Impairment of financial assets

At the end of the reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at FVTPL, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial assets' original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the assets' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(v) Financial liabilities

The Group's financial liabilities include trade and other payables, interest-bearing borrowings and amount due to an associate. All financial liabilities, except for financial liabilities at FVTPL, are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

(vi) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period respectively. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability respectively, or where appropriate, a shorter period.

4. 主要會計政策(續)

(h) B. 金融工具(於二零一七年十二月三十一日前採用的會計政策)(續)

(iv) 財務資產減值

於呈報期結算日，本集團會評估是否存在客觀證據顯示財務資產(不包括按公平值計入損益的財務資產)減值。按攤銷成本列賬的財務資產的減值虧損乃按資產賬面值與按財務資產的原實際利率貼現的估計未來現金流量的現值間的差額計量。當資產之可收回金額增加客觀地與確認減值後發生之事件有關，則有關減值虧損於其後期間透過損益撥回，惟資產於撥回減值日期之賬面值不得超過於並無確認減值之情況下所釐定之攤銷成本。

(v) 財務負債

本集團之財務負債包括貿易及其他應付款項、計息借款及應付一家聯營公司款項。所有財務負債(按公平值計入損益之財務負債除外)於首次確認時按公平值列賬，其後以實際利率法按攤銷成本計量，除非折現之影響不甚重大，則按成本列賬。

(vi) 實際利率法

實際利率法是計算財務資產或財務負債攤餘成本以及在相關期間內分別分配利息收入或利息開支的一種方法。實際利率是指分別將財務資產或負債在預計存續期或更短期間內(如適當)的估計未來現金收入或付款額恰好折現所使用的利率。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) B. Financial instruments (accounting policies applied until 31 December 2017)

(Continued)

(vii) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(viii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at FVTPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 Revenue.

4. 主要會計政策(續)

(h) B. 金融工具(於二零一七年十二月三十一日前採用的會計政策)(續)

(vii) 股本工具

本公司發行的股本工具按已收所得款項扣除直接發行成本記賬。

(viii) 財務擔保合約

財務擔保合約乃規定發出人向持有人支付指定金額，以補償持有人由於指定欠債人未能根據債務工具原訂或經修訂條款於到期時付款而蒙受的損失。由本集團發出的並非指定為按公平值計入損益的財務擔保合約初步按公平值減發出財務擔保合約直接產生的交易成本予以確認。初步確認後，本集團按以下各項較高者計量財務擔保合約：(i) 根據香港會計準則第37號撥備、或然負債及或然資產釐定的金額；及(ii) 初步確認金額減(如適當)根據香港會計準則第18號收益確認的累計攤銷。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) B. Financial instruments (accounting policies applied until 31 December 2017)

(Continued)

(ix) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

4. 主要會計政策(續)

(h) B. 金融工具(於二零一七年十二月三十一日前採用的會計政策)(續)

(ix) 終止確認

凡收取金融資產所帶來的未來現金流量的合約權利屆滿，或金融資產經已轉讓，而轉讓符合香港會計準則第39號規定的終止確認準則，則本集團終止確認該金融資產。

當有關合約中訂明的責任獲解除、註銷或屆滿時，則會終止確認金融負債。

倘本集團因重新磋商負債條款而向債權人發行本身之股本工具以償付全部或部分金融負債，所發行之股本工具即所付代價，乃初步按有關金融負債(或當中部分)註銷當日之公平值確認及計量。倘已發行股本工具之公平值無法可靠計量，則股本工具按已註銷金融負債之公平值計量。已註銷金融負債(或當中部分)之賬面值與所付代價間之差額乃於年內在損益確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Derivative financial instruments

Derivative financial instruments are initially measured at fair value at the date derivative contracts are entered into and are subsequently measured at their fair value at the end of reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedge relationship. Fair values are obtained from quoted market prices in active market or are determined using valuation techniques, including discounted cash flow model and options pricing model as appropriate.

Derivative embedded in non-derivative host contracts are treated as separate derivative when their characteristics and risks are not closely related to those of the host contracts and the host contracts are not measured at fair value with changes in fair value recognised in profit or loss.

(j) Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

4. 主要會計政策(續)

(i) 衍生金融工具

衍生金融工具初步按衍生合同訂立之日的公平值計量，隨後以其呈報期結算日的公平值計量。產生的收益或虧損立即於損益中確認，除非衍生工具被指定為有效的對沖工具，於該種情況下，於損益中確認的時間取決於對沖關係的性質。公平值可根據活躍市場報價或使用估值技術(包括現金流量折現模型及期權定價模型(如適用))確定。

倘嵌入非衍生主合同的衍生工具的特徵及風險未與主合同緊密相關，且主合同並非以公平值計量且其變動計入損益時，則嵌入衍生工具將作為單獨衍生工具處理。

(j) 現金等值

在綜合現金流轉表，現金等值指可隨時兌換為已知數額現金，且價值變化風險不大的短期高流動投資。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) A. Revenue recognition (accounting policies applied from 1 January 2018)

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

4. 主要會計政策(續)

(k) A. 收入確認(自二零一八年一月一日起會計政策)

客戶合約收入於貨品或服務的控制權轉讓予客戶時確認，有關金額反映本集團預期就交換該等貨品或服務有權收取的代價，不包括代表第三方收取的有關金額。收入不包括增值稅或其他銷售稅並扣除任何交易折讓。

視乎合約的條款及合約適用的法律，貨品或服務的控制權可在一段時間或某一時間點轉移。倘本集團在履約過程中符合下列條件，貨品或服務之控制權可隨著時間轉移：

- 提供客戶收到且同時消耗之所有利益；
- 本集團履約時創造及提升客戶所控制之資產；或
- 並無創造對本集團而言有其他用途之資產，而本集團有強制執行權利收取至今已完成履約部分的款項。

倘貨品或服務之控制權可在一段時間轉移，則收益乃於整個合約期間經參考完成履行履約責任之進度確認。否則，收益於客戶獲得貨品或服務控制權之某一時點確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) A. Revenue recognition (accounting policies applied from 1 January 2018)

(Continued)

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

Revenue of the group is measured on the following basis:

- Net income from trading of securities and options and commodities contracts are recognised on the transaction date when the relevant sale and purchase contract is entered into.
- Underwriting commission is recognised upon allotment and when the obligation under the underwriting or sub-underwriting agreement has expired. Placing commission is recognised on the contractual completion of trades.

4. 主要會計政策(續)

(k) A. 收入確認(自二零一八年一月一日起會計政策)(續)

於合約載有於一年以上時間向客戶轉移貨品或服務會為客戶帶來重大融資利益的融資成分時，則收益按應收款項的現值計量，使用本集團與客戶在合約訂立時於個別融資交易內反映的貼現率貼現。倘合約載有為本集團帶來重大融資利益的融資成分，收益乃根據有關合約確認，包括實際利率法項下合約責任附有的利息開支。就付款與轉移承諾貨品或服務之間的期間為一年以內的合約而言，交易價格不會就重大融資成分的影響作出調整，使用香港財務報告準則第15號中實用的權宜之策。

本集團的收入按以下基準計量：

- 買賣證券、期權及商品合約所得收益淨額於相關買賣合約簽訂之交易日確認。
- 包銷佣金於配發後且於包銷或分包銷協議項下的責任到期時確認。配售佣金在合約交易完成時確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) A. Revenue recognition (accounting policies applied from 1 January 2018)

(Continued)

- Income from franchisor and retail of mother-infant-child product for sale of goods and manufacture and sales of infant formula and nutritional products are recognised when the control of the products has transferred, i.e. the risk of obsolescence and loss have been transferred, and the group has objective evidence that all criteria for customer acceptance of the products have been satisfied. This is usually taken as the point of time when the goods are delivered and the customers have accepted the goods.
- Advisory fee income is recognised when the relevant services are provided to the customers.
- Margin facility fee income is recognised as when services are rendered.
- Medical consultation and laboratory services income is recognised when services are rendered.
- Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.
- Net income from the sale of investments at FVTPL is recognised on the transaction date when the relevant sale and purchase contract is entered into.
- Commission income is recognised when the goods on which the commission is calculated are delivered.
- Interest income from financial assets is accrued on a time basis on the principal outstanding at the applicable effective interest rate.
- Dividend income from investments is recognised when the Group's right to receive the dividend payment have been established.

4. 主要會計政策(續)

(k) A. 收入確認(自二零一八年一月一日起會計政策)(續)

- 就銷售商品來自特許專營及零售母嬰童產品及製造及銷售嬰幼兒配方奶粉及營養產品收入在產品控制權已轉移(即陳舊及損失風險已轉移及本集團有客觀證據證明客戶驗收產品的所有標準已獲達成)時確認。這通常被視為交付貨物及客戶接受貨物的時間點。
- 諮詢費收入於向顧客提供相關服務時確認。
- 孖展融資費收入於提供服務時確認。
- 醫療諮詢及實驗室服務收入於提供服務時確認。
- 經營租賃下的租金收入於相關租期按直線法確認。
- 出售按公平值計入損益之投資所得收益淨額於訂立有關買賣合約之交易日確認。
- 佣金收入在計算佣金的貨物交付時確認。
- 財務資產之利息收入按未償還本金及按適用實際利率以時間基準累計。
- 投資之股息收入於本集團收取股息付款之權利確立時確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) B. Revenue recognition (accounting policies applied until 31 December 2017)

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

Net income from trading of securities and options and commodities contracts are recognised on the transaction date when the relevant sale and purchase contract is entered into.

Underwriting commission is recognised upon allotment and when the obligation under the underwriting or sub-underwriting agreement has expired. Placing commission is recognised on the contractual completion of trades.

Income from franchisor and retail of mother-infant- child product for sale of goods and manufacture and sales of infant formula and nutritional products are recognised upon transfer of the significant risks and rewards of ownership to the customers. This is usually taken as the time when the goods are delivered and the customers have accepted the goods.

Advisory fee income is recognised when the relevant services are provided to the customers.

Margin facility fee income is recognised when services are rendered.

Medical consultation and laboratory services income is recognised when services are rendered.

Rental income under operating leases is recognised on a straight-line basis over the term of the relevant lease.

Net income from the sale of investments at FVTPL is recognised on the transaction date when the relevant sale and purchase contract is entered into.

4. 主要會計政策(續)

(k) B. 收入確認(直至二零一七年十二月三十一日應用會計政策)

收入乃於經濟利益可能流向本集團，而收入與成本(如適用)能可靠計量時按以下基準確認：

買賣證券、期權及商品合約所得收益淨額於相關買賣合約簽訂之交易日確認。

包銷佣金於配發後且於包銷或分包銷協議項下的責任到期時確認。配售佣金在合約交易完成時確認。

就銷售商品來自特許專營及零售母嬰童產品及製造及銷售嬰幼兒配方奶粉及營養產品收入在向客戶轉移重大所有權風險及回報時予以確認。這通常被視為交付貨物及客戶接受貨物的時間。

諮詢費收入於向顧客提供相關服務時確認。

孖展融資費收入乃於提供服務時確認。

醫療諮詢及實驗室服務收入於提供服務時確認。

經營租賃下的租金收入於相關租期按直線法確認。

出售按公平值計入損益之投資所得收益淨額於訂立有關買賣合約之交易日確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) B. Revenue recognition (accounting policies applied until 31 December 2017)

(Continued)

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Interest income from financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

(l) Contract Liabilities (accounting policies applied from 1 January 2018)

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

(m) Foreign currencies translation

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 the currency of Hong Kong dollars ("HK\$"), which is also the Company's functional currency, and rounded to the nearest thousands unless otherwise stated.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

4. 主要會計政策(續)

(k) B. 收入確認(直至二零一七年十二月三十一日應用會計政策)(續)

投資之股息收入於本集團收取款項之權利確立時確認。

財務資產之利息收入經參考未償還本金及按適用實際利率以時間基準累計。

(l) 合約負債(自二零一八年一月一日起應用的會計政策)

合約責任指本集團有責任將服務轉交予本集團收取其代價(即代價金額到期)的客戶。

(m) 外幣換算

本集團各實體財務報表所包括項目以有關公司經營所在主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以本公司功能貨幣港元(「港元」)呈列。除非另有說明，報表數值約整至最接近千位數。

外幣交易按交易日的匯率換算為功能貨幣。結算該等交易及按期末結算日匯率換算以外幣計值的貨幣資產及負債所產生的匯兌盈虧於損益確認。重新換算按公平值列賬的非貨幣項目所產生的匯兌盈虧計入損益，惟重新換算盈虧直接於權益確認之非貨幣項目產生者，則匯兌盈虧亦直接於權益確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Foreign currencies translation (Continued)

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at the end of the reporting period.
- Income and expenses for each statement of comprehensive income are translated at average exchange rate.
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity.
- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised.

4. 主要會計政策(續)

(m) 外幣換算(續)

所有功能貨幣有別於呈列貨幣的集團實體(「境外業務」)的業績及財務狀況按以下方式換算為呈列貨幣：

- 各財務狀況表呈列的資產及負債以及(倘適用)收購境外業務所產生商譽及資產及負債賬面值之公平值調整(視作該境外業務的資產及負債)按呈報期結算日的收市匯率換算。
- 各全面收益表的收支以平均匯率換算。
- 上述交易所產生所有匯兌差額及屬於本集團於境外業務投資淨額的貨幣項目所產生的匯兌差額確認為權益的獨立部分。
- 於出售海外業務(包括出售本集團於海外業務之全部權益、涉及失去對一間附屬公司(包括海外業務)之控制權之出售或部分出售於合營安排或聯營公司之權益(包括其保留權益不再入賬列為股權之海外業務)時，有關於其他全面收入確認且於權益中獨立部分累計之海外業務之匯兌差額之累計款項，於出售盈虧獲確認時自權益重新分類至損益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Foreign currencies translation (Continued)

- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and is not reclassified to profit or loss.
- On all other partial disposals, which includes partial disposal of associates or joint ventures that do not result in the Group losing significant influence or joint control, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

(n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

4. 主要會計政策(續)

(m) 外幣換算(續)

- 於部分出售本集團於一間包括有海外業務之附屬公司的權益(但本集團並無因此而失去對該附屬公司之控制權)時,於權益的獨立部分中確認的累計匯兌差額的比例份額會由該海外業務的非控股權益重新分佔且不會重新分類至損益。
- 於所有其他部分出售(包括對聯營公司或合營公司的部分出售,而該出售不會導致本集團失去重大影響或共同控制權)時,於權益之獨立部分中確認的累計匯兌差額之比例份額會重新分類至損益。

(n) 存貨

存貨乃按成本值與可變現淨值兩者中的較低者列賬。成本乃按加權平均成本方法計算,包括全部購貨成本以及(倘適用)將存貨運至現時地點及達致現時狀況而產生的其他成本。可變現淨值為日常業務中的估計售價減估計出售所需的成本。

當出售存貨時,該等存貨的賬面值於確認有關收益的期間確認為開支。將存貨撇減至可變現淨值的金額及存貨的所有虧損均於撇減及錄得虧損的期間確認為開支。存貨撇減撥回的金額將於撥回期間確認為支出列賬,即確認為存貨價值之減少。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible assets, and investments in subsidiaries and associate may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whenever there is an indication that those assets may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

A reversal of impairment loss is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

The accounting policy for recognition and reversal of the impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

4. 主要會計政策(續)

(o) 其他資產減值

於各呈報期結算日，本集團檢討內部及外間資訊來源，以評估其物業、廠房及設備、無形資產以及於附屬公司及聯營公司之投資是否存在減值跡象或先前確認之減值虧損已不再存在或可能減少。倘存在任何上述跡象，其可收回金額將以該資產之公平值減銷售成本或使用價值(以較高者為準)估算。此外，本集團透過每年評估其可收回款項及該資產出現減值跡象的任何時間對其具有不確定限期可用年限的無形資產及暫不可供使用的無形資產進行減值測試。倘無法估算個別資產之可收回金額，本集團則估算能獨立產生現金流轉之最小資產組合(即現金產生單位)之可收回金額。

減值虧損撥回之金額不得超逾該資產或現金產生單位倘在過往年度並無確認減值虧損而應有之賬面值。減值虧損撥回即時於損益確認為收入。

確認及撥回商譽之減值虧損的會計政策於本附註前文有關商譽的會計政策中陳述。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

(q) Leases

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

The Group as lessee

The total rentals payable under the operating leases are recognised in profit or loss on a straight-line basis over the lease term. Lease incentives received are recognised as an integrated part of the total rental expense, over the term of the lease.

4. 主要會計政策(續)

(p) 借貸成本

借貸成本於產生時扣除購買、建設或生產合資格資產(即需花費一段較長期間方可供作擬定用途或出售的資產)之直接相關的指定借貸之暫時投資的任何投資收入後,撥作該等資產成本一部分。當該等資產大致可供作擬定用途或出售時,停止將該等借貸成本資本化。所有其他借貸成本於產生期間確認為開支。

(q) 租約

凡租約條款將擁有權絕大部分風險及回報轉予承租人之租約均分類為融資租約。所有其他租約則分類為經營租約。

本集團作為出租人

經營租賃的租金收入於相關租期在損益內按直線法確認。磋商及安排經營租賃時發生的初始直接費用計入租賃資產的賬面值,並於租期內按直線法確認為開支。

本集團作為承租人

經營租賃項下應付租金總額於租期按直線法於損益內確認。所收取的租賃優惠於租期確認為租金開支總額的組成部分。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Employee benefits

Short-term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement scheme and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

Defined contribution scheme

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independent administered fund.

In accordance with the rules and regulations in the People's Republic of China (the "PRC"), the employees of the Group's entities established in the PRC are required to participate in defined contribution retirement plans organised by local governments. Contributions to those plans are expensed as incurred and other than these monthly contributions, the Group has no further obligation for the payment of retirement benefits to its employees.

Long service payments

The Group's net obligation in respect of long service payments under the Hong Kong Employment Ordinance is the amounts of future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including those retirement scheme benefit.

4. 主要會計政策(續)

(r) 僱員福利

短期僱員福利

薪金、年度花紅、帶薪年假、界定供款退休計劃供款及非金錢福利之成本，於僱員提供相關服務之期間累計。

界定供款計劃

向界定供款退休計劃供款之責任於產生時列為開支計入損益。該計劃之資產與本集團之資產分開持有並存放於獨立管理基金。

根據中華人民共和國(「中國」)法律法規之規定，於中國成立之本集團實體之僱員須參加由當地政府組織的界定供款退休計劃。該計劃之供款於其發生時支銷，除該等月供款外，本集團概無向其僱員支付其退休福利之進一步法定義務。

長期服務金

本集團根據香港僱員條例之長期服務金為僱員於本期間及過往期間之服務所得之未來利益回報計算其承擔淨額。該承擔數額按預計單位信託法計算，並於扣除任何相關資產(包括退休計劃福利)之公平值後折現至現值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

The deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on the tax rates and the tax laws that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

4. 主要會計政策(續)

(s) 稅項

現時利得稅開支根據期內業績就毋須課稅或減免項目調整後釐定。稅項按呈報期結算日已生效或實質生效之稅率計算。

遞延稅項根據負債法按呈報期結算日資產及負債之稅基與綜合財務報表所示之賬面值兩者之所有暫時差額計提撥備。然而，初步確認商譽或交易(非業務合併)的其他資產或負債所產生且交易時既不影響會計溢利亦不影響應課稅溢利或虧損的任何遞延稅項，則不予確認。

遞延稅項資產及負債按收回資產或清償負債期間之預期適用稅率，並根據於呈報期結算日已生效或實質生效之稅率及稅法計算。

倘未來可能有應課稅溢利抵銷可動用之可扣除暫時差額、稅項虧損及抵免，則確認遞延稅項資產。

除本集團能控制暫時差額撥回時間及不大可能於可見未來撥回暫時差額外，則就附屬公司、聯營公司及合營公司之投資所產生之暫時差額計提遞延稅項撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the holding company of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third-party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

4. 主要會計政策(續)

(t) 關連人士

- (a) 倘屬以下人士，則該人士或該人士之近親與本集團有關連：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團之主要管理層成員或本集團之控股公司。
- (b) 倘符合下列任何條件，則該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司(即各控股公司、附屬公司及同系附屬公司彼此間有關連)。
 - (ii) 一間實體為另一實體之聯營公司或合營公司(或為另一實體所屬集團旗下成員公司之聯營公司或合營公司)。
 - (iii) 兩間實體均為同一第三方之合營公司。
 - (iv) 一間實體為第三方實體之合營公司，而另一實體為該第三方實體之聯營公司。
 - (v) 實體為本集團或與本集團有關聯的實體就僱員福利設立的離職後僱員福利計劃。倘該計劃為實體獨立實施，則出資僱主亦於本集團有關連。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies: (Continued)
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the holding company of the Group.

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

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

4. 主要會計政策(續)

(t) 關連人士(續)

- (b) 倘符合下列任何條件，則該實體與本集團有關連：(續)
- (vi) 實體受(a)內所識別人士控制或共同控制。
- (vii) (a)(i)內所識別人士對實體有重大影響力或為該實體(或該實體之控股公司)之主要管理層成員。
- (viii) 實體或該實體所屬集團旗下任何成員公司向本集團或本集團控股公司提供主要管理人員服務。

一名人士之近親指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員，包括：

- (a) 該名人士的子女及配偶或同居伴侶；
- (b) 該名人士的配偶或同居伴侶的子女；及
- (c) 該名人士或該名人士的配偶或同居伴侶的受養人。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided to the Group's chief operating decision makers for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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

(v) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(w) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4. 主要會計政策(續)

(u) 分部報告

綜合財務報表所呈報之經營分部及各分部項目金額與提供予本集團首席經營決策者以作出有關本集團各類業務單位及地理位置的資源分配及表現評估的財務資料屬一致。

個別重大經營分部就財務呈報目的而言不予合併，除非分部具有類似經濟特點且服務性質、客戶類型或類別、提供服務所使用的方法及監管環境性質相似。並非個別重大的經營分部如同時滿足大部分上述標準，則可合併成一類。

(v) 撥備及或然負債

當本集團因過往事件須負上法律或推定責任而可能導致流出經濟利益，且該經濟利益能夠合理估計時，則會就未能確定時間或金額的負債確認撥備。

倘流出經濟利益的可能性較低，或無法對該數額作出可靠的估計，則會將該責任披露為或然負債，惟經濟利益外流的可能性極低則作別論。僅以發生或並無發生一項或多項日後事件方可確定是否存在的可能責任，亦會披露為或然負債，惟經濟利益流出的可能性極微則作別論。

(w) 抵銷金融工具

倘現時存在法律上可強制執行的權利抵銷已確認金額並擬按淨額基準清算或同時變現資產及清算負債，則金融資產及金融負債可予抵銷及淨額可於財務狀況表內呈報。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of these consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

Key sources of estimation uncertainty

(a) Useful lives of property, plant and equipment

The management determines the estimated useful lives of the Group's property, plant and equipment based on the historical experience of the actual useful lives of the relevant assets of similar nature and functions. The estimated useful lives could be different as a result of technical innovations which could affect the related depreciation charges included in profit or loss.

(b) Intangible assets and amortisation

The management determines the estimated useful lives and related amortisation for the Group's intangible assets. The useful lives of intangible assets are assessed to be either finite or indefinite, based on the expected usage and technical obsolescence from the changes in the market demands or services output from the assets. Intangible assets are not amortised when their useful lives are assessed to be indefinite. The conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment. The Group may need to amortise intangible assets in future periods or recognise impairment losses on intangible assets if events and circumstances indicate that the useful life is not indefinite. Intangible assets with finite useful lives are amortised over the expected useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired.

5. 主要會計估計及判斷

編製該等綜合財務報表時，管理層作出有關未來之估計及假設以及有關判斷，對本集團會計政策之應用、資產、負債、收支之呈報金額，以及所作出之披露有所影響，並持續予以評估。有關估計、假設及判斷基於經驗及有關因素（包括對有關情況下應屬合理之未來事項之預期）作出。於適當情況下，會計估計之修訂會在修訂期間及未來期間（倘有關修訂亦影響未來期間）予以確認。

估計不明朗因素的主要來源

(a) 物業、廠房及設備的可使用年期

管理層根據有關具有類似性質及功能的有關資產的實際可使用年期的歷史經驗確定本集團物業、廠房及設備的估計可使用年期。估計可使用年期可能因技術革新（可能會對計入損益的相關折舊費用產生影響）而有所不同。

(b) 無形資產及攤銷

管理層就其無形資產釐定估計可使用年期及相關攤銷。無形資產之可使用年期按市場需求變動或資產輸出服務之預期用途及技術陳舊程度為基準而評估為有限或無限。由於無形資產之可使用年期評估為無限期，故其不作攤銷。倘無形資產被評估為具無限可使用年期，則會每年審閱以釐定事件及情況會否繼續支持有關無限可使用年期的評估。倘有關事件及情況顯示可使用年期並非無限，則本集團或須於未來期間攤銷無形資產或確認無形資產之減值虧損。有限可使用年期之無形資產隨預期可使用經濟年期攤銷，並於有跡象顯示無形資產可能已減值時評估減值。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty

(Continued)

(c) Impairment of non-current assets, excluding intangible assets with indefinite useful lives and goodwill

Non-current assets excluding intangible assets with indefinite useful lives and goodwill are carried at cost less accumulated depreciation/amortisation, where appropriate, and impairment losses. These carrying amounts are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which the non-current 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. In estimating the recoverable amounts of the non-current assets, various assumptions, including future cash flows to be associated with the non-current assets and discount rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will need to be revised, and this may have an impact on the Group's results of operations or financial position.

(d) Impairment of intangible assets with indefinite useful lives

Determining whether intangible assets with indefinite useful lives of the Group are impaired requires an estimation of recoverable amount of the cash-generating units to which intangible assets with indefinite useful lives have been allocated, which is the higher of the related fair value less costs of disposal and value in use. The calculations require the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the recoverable amounts.

5. 主要會計估計及判斷(續)

估計不明朗因素的主要來源(續)

(c) 非流動資產(不包括無限可使用年期之無形資產及商譽)減值

非流動資產(不包括無限可使用年期之無形資產及商譽)按成本減累計折舊/攤銷(如適用)及減值虧損列賬。當發生任何事件或環境出現變化，顯示賬面值可能無法收回時，則會檢討該等項目之賬面值是否已減值。若非流動資產賬面值超過其可收回金額，則會就其差額確認減值虧損。可收回金額乃資產公平值減出售成本及使用價值之較高者。在估計非流動資產之可收回金額時作出多項假設，包括與非流動資產有關之未來現金流量及折現率。倘未來事項與該等假設不符，可收回金額將需要作出修訂，此等修訂可能影響本集團之經營業績或財務狀況。

(d) 無限可使用年期之無形資產減值

釐定本集團無限可使用年期之無形資產是否已減值須估計已獲分配無限可使用年期之無形資產的現金產生單位之可收回金額，即相關公平值減出售成本及使用價值之較高者。計算時，管理層須估計預期可自現金產生單位。獲得之未來現金流量及適當折現率，從而計算可收回金額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty

(Continued)

(e) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the CGU to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of the estimates used to calculate the recoverable amount are given in Note 18 to the consolidated financial statements.

(f) Allowance for inventories

The Group's management reviews the condition of inventories at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

(g) Allowance for bad and doubtful debts

The provisioning policy for bad and doubtful debts of the Group is based on the evaluation by management of the collectability of loan receivables, trade and other receivables. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including assessing the current creditworthiness and the past collection history of each debtor. If the financial conditions of these debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance will be required.

5. 主要會計估計及判斷(續)

估計不明朗因素的主要來源(續)

(e) 商譽減值

本集團至少每年釐定商譽是否減值。釐定商譽是否減值須對獲分派商譽之現金產生單位之使用價值作出估計。估計使用價值要求本集團估計預期產生自現金產生單位之日後現金流量及選擇適合之折現率以計算該等現金流的現值。計算可回收金額所使用之估計詳情載於綜合財務報表附註18。

(f) 存貨撥備

本集團之管理層於各呈報期結算日檢討存貨情況，就確認為過時、滯銷或不可能回收或不適合用於生產的存貨作出撥備。本集團就各項產品逐一檢討存貨，並根據市場價格及現行市況作出撥備。

(g) 呆壞賬撥備

本集團之呆壞賬撥備政策乃基於管理層對應收貸款之可收回程度評估。評估該等應收款項之最終變現能力(包括評估各借款人當前信譽狀況及過往還款記錄)時須作出大量判斷。倘若該等借款人之財務狀況惡化，令其還款能力減弱，則須計提額外撥備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty

(Continued)

(h) Impairment of investments and receivables

The Group assesses annually if investments in subsidiaries, associate and joint venture have suffered any impairment in accordance with HKAS 36 and follows the guidance of HKAS 39 in determining whether amounts due from these entities and available-for-sale financial assets measured at cost less impairment are impaired. Details of the approach are stated in the respective accounting policies.

The assessment requires an estimation of future cash flows, including expected dividends from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

(i) Contingent consideration in acquisition of subsidiary

Certain business acquisition of the Group has involved post-acquisition performance-based contingent considerations. HKFRS 3 (Revised) is effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. The Group follows the requirement of HKFRS 3 (Revised) to recognise the fair value of those contingent considerations for acquisition, as of the respective acquisition date as part of the consideration transferred in exchange for the acquired subsidiary. These fair value measurements require, among other things, significant estimation of post-acquisition performance of the acquired subsidiary and significant judgment on time value of money. Contingent considerations shall be remeasured at their fair value resulting from events or factors emerging after the acquisition date, with any resulting gain or loss recognised in the consolidated statements of comprehensive income in accordance with HKFRS 3 (Revised).

5. 主要會計估計及判斷(續)

估計不明朗因素的主要來源(續)

(h) 投資及應收款項減值

本集團按香港會計準則第36號每年評估於附屬公司、聯營公司及合營企業之投資有否減值，並遵循香港會計準則第39號之指引釐定應收該等公司之款項及按成本減減值計量之可供出售財務資產有否減值。方法詳情載於相關會計政策。

該項評估須估計資產之未來現金流轉(包括預期股息)及選用恰當折現率。該等實體未來財務表現及狀況之變動會影響減值虧損估計，以致須調整其賬面值。

(i) 收購附屬公司的或然代價

本集團的若干業務收購涉及以收購後業務表現為基礎的或然代價。香港財務報告準則第3號(經修訂)可能對收購日期為於二零零九年七月一日或之後開始的首個年度報告期開始當日或之後的業務合併有效。本集團遵照香港財務報告準則第3號(經修訂)確認收購或然代價於各自收購日期的公平值，作為交換被收購附屬公司的已轉讓代價一部分。該等公平值計量需要(其中包括)對被收購附屬公司的收購後業務表現作出重要估算，以及對貨幣的時間價值作出重要判斷。或然代價須按其因收購日期後出現的事件或因素所產生的公平值重新計量，而由此產生的任何收益或虧損根據香港財務報告準則第3號(經修訂)在綜合全面收益表內確認。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty

(Continued)

(i) Contingent consideration in acquisition of subsidiary (Continued)

The contingent consideration reflects a specified multiple of the post-acquisition financial profitability of the acquired subsidiary. Consequently, the actual additional consideration payable may vary according to the future performance of the acquired subsidiary, and the liabilities provided reflect estimates of such future performances.

(j) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair values are determined using valuation techniques including the use of comparable recent arm's length transactions and other valuation techniques commonly used by other market participants. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as implied equity value, volatility and risk-free rate. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6. TURNOVER

Turnover from operation represents the aggregative of gross sales proceeds from disposal of trading of securities investments, provision of financing services, provision of wealth and asset management, financial brokerage and related services, provision of medical and laboratory services, franchisor and retail of mother-infant-child products, and manufacture of infant formula and nutritional products.

5. 主要會計估計及判斷(續)

估計不明朗因素的主要來源(續)

(i) 收購附屬公司的或然代價(續)

或然代價為有關被收購附屬公司的收購後財務盈利之若干倍數。因此，實際的額外應付代價或會根據被收購附屬公司之未來表現而變化，而負債撥備乃反映其未來表現的估計。

(j) 金融工具的公平值計量

當於財務狀況表內入賬之財務資產及財務負債之公平值不能由活躍市場取得時，則使用估值技術(包括使用近期可資比較的公平交易及其他市場參與者普遍使用的估值方法)釐定其公平值。該等模式之輸入數據在可能情況下從可觀察市場取得，惟在不可行情況下，則須作一定程度之判斷以釐定公平值。判斷包括考慮如估計股本價值、波動性及無風險率等輸入數據。有關該等因素假設之變動可能對金融工具之已呈報公平值造成影響。

6. 營業額

經營營業額指出售買賣證券投資、提供融資服務、提供財富及資產管理、金融經紀及相關服務、提供醫療及實驗室服務、特許專營及零售母嬰童產品以及製造嬰幼兒配方奶粉及營養產品所得銷售款項總額。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

7. OPERATING INCOME

Operating income recognised from the principal activities of the Group during the year including trading of securities investments, provision of financing services, provision of wealth and asset management, financial brokerage and related services, provision of medical and laboratory services, franchisor and retail of mother-infant-child products, manufacture of infant formula and nutritional products, and investment holding is as follows:

7. 經營收入

年內本集團主要活動(包括買賣證券投資、提供融資服務、提供財富及資產管理、金融經紀及相關服務、提供醫療及實驗室服務、特許專營及零售母嬰童產品、製造嬰幼兒配方奶粉及營養產品以及投資控股)所確認之經營收入如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Brokerage commission income from:	經紀佣金收入來自:		
— securities dealing	— 證券買賣	26,756	21,281
— insurance	— 保險	93,157	—
— underwriting and placing commission income	— 包銷及配售佣金收入	885	3,784
Commission income and supporting service income from concessionaire sales of mother-infant-child products	特許銷售母嬰童產品的 佣金收入及支援服務收入	105,929	90,978
Commission income from providing advisory, account and custody management	提供諮詢、會計及託管管理的 佣金收入	40,115	—
Financial advisory fee income	財務顧問費收入	26,436	4,187
Margin facility and loan facility handling fee income	孖展融資與貸款融資 手續費收入	8,507	1,884
Medical consultation and laboratory services income	醫療諮詢及實驗室服務收入	65,348	143,227
Franchisor and retail sales of mother- infant-child products	特許專營及零售母嬰童產品	2,908,919	2,419,885
Rental income from sub-lease of premises	物業分租的租金收入	1,159	914
(Loss)/gain from the sale of financial assets at FVTPL, net*	出售按公平值計入損益之 財務資產(虧損)/收益淨額*	(64,209)	14,424
Dividend income from financial assets at FVTPL	按公平值計入損益之財務資產 之股息收入	5,735	17
Interest income from:	利息收入來自:		
— margin financing	— 孖展融資	52,926	49,181
— loan receivables from third parties	— 應收第三方貸款	131,195	107,111
— loan receivables from a non- controlling shareholder of a subsidiary (Note 27(c))	— 應收一家附屬公司 非控股股東之貸款 (附註27(c))	12,616	10,611
Manufacture and sale of infant formula and nutritional products	製造及銷售嬰幼兒配方奶粉及 營養產品	91,520	32,954
		3,506,994	2,900,438

* Represented the proceeds from the sale of financial assets at FVTPL of HK\$503,066,000 (2017: HK\$835,712,000) less relevant costs and carrying value of the financial assets sold of HK\$567,275,000 (2017: HK\$821,288,000).

* 指出售按公平值計入損益之財務資產所得款項503,066,000港元(二零一七年: 835,712,000港元)減已出售財務資產之相關成本及賬面值567,275,000港元(二零一七年: 821,288,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

8. OTHER INCOME

8. 其他收入

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest income from financial institutions 來自金融機構的利息收入	19,928	15,881
Management and handling fee income 管理及手續費收入	–	6,734
Government subsidies 政府補貼	3,669	–
Rental income 租金收入	2,709	–
Others 其他	3,203	973
	29,509	23,588

9. SEGMENT INFORMATION

The management has been identified as the chief operating decision makers to evaluate the performance of operating segments and to allocate resources to those segments based on the Group's internal reporting in respect of these segments. The management considers trading of securities investments, provision of financing services, provision of wealth and asset management, financial brokerage and related services, provision of medical and laboratory services, franchisor and retail of mother-infant-child products, manufacture of infant formula and nutritional products and investment holding are the Group's major operating segments. Segment results represent the profit earned or loss incurred by each segment.

9. 分部資料

管理層被視為主要經營決策者，基於本集團各業務分部的內部申報安排，衡量業務分部表現及分配業務分部的資源。管理層認為買賣證券投資、提供融資服務、提供財富及資產管理、金融經紀及相關服務、提供醫療及實驗室服務、特許專營及零售母嬰童產品、製造嬰兒配方奶粉及營養產品及投資控股乃本集團的主要業務分部。分部業績指各業務分部賺取的溢利或承擔的虧損。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

9. SEGMENT INFORMATION (Continued)

Operating segments of the Group comprise the following:

Trading of securities investments	:	Investment of shares, stocks, options and funds
買賣證券投資	:	投資股份、股票、期權及基金
Provision of financing services	:	Provision of loan financing services
提供融資服務	:	提供貸款融資服務
Provision of wealth and asset management, financial brokerage and related services	:	Provision of wealth and asset management dealing in securities, provision of securities, commodities and bullion brokerage services and financial advisory services
提供財富及資產管理、金融經紀及相關服務	:	提供財富及資產管理、證券交易、提供證券、商品及貴金屬經紀服務及財務顧問服務
Provision of medical and laboratory services	:	Provision of medical consultation and laboratory services relating to assisted reproductive technology
提供醫療及實驗室服務	:	提供與輔助生殖技術有關的醫療諮詢及實驗室服務
Franchisor and retail of mother-infant-child products	:	Managing franchise and operating retail stores of mother-infant-child products
特許專營及零售母嬰童產品	:	管理特許專營及經營母嬰童產品的零售商舖
Manufacture of infant formula and nutritional products	:	Development, manufacture and sale of infant milk formula products, and supplement and organic nutrition products
製造嬰幼兒配方奶粉及營養產品	:	開發、製造及銷售嬰幼兒配方奶粉產品及補充劑以及有機營養產品
Investment holding	:	Holding investments for dividend and investment income and capital appreciation
投資控股	:	為賺取股息、投資收入及資本增值而持有投資

9. 分部資料(續)

本集團之業務分部包括下列各項：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(a) Segment turnover

The following is an analysis of the Group's turnover by operating segments:

9. 分部資料(續)

(a) 分部營業額

本集團按經營分部劃分之營業額分析如下：

	Trading of securities investments	Provision of financing services	Provision of wealth and asset management, financial brokerage and related services	Provision of medical and laboratory services	Franchisor and retail of mother-infant-child products	Manufacture of infant nutritional products	Investment holding	Unallocated	Total
	買賣證券投資	提供融資服務	提供財富及資產管理、金融經紀及相關服務	提供醫療及實驗室服務	特許專營及零售母嬰童產品	製造嬰幼兒配方奶粉及營養產品	投資控股	未分配	總計
	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
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度								
Segment turnover	分部營業額								
From contracts with customers within the scope of HKFRS 15	來自香港財務報告準則第15號範圍內客戶合約								
From other source	其他來源								
	-	-	-	65,348	3,016,007	91,520	-	-	3,172,875
	114,726	130,683	655,985	-	-	-	-	-	901,394
	114,726	130,683	655,985	65,348	3,016,007	91,520	-	-	4,074,269

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(a) Segment turnover (Continued)

Trading of securities investments	Provision of financing services	Provision of wealth and asset management, financial brokerage and related services	Provision of medical and laboratory services	Franchisor and retail of mother-infant-child products	Manufacture of infant formula and nutritional products	Investment holding	Unallocated	Total
買賣證券投資	提供融資服務	提供財富及資產管理、金融經紀及相關服務	提供醫療及實驗室服務	特許專營及零售母嬰童產品	製造嬰幼兒配方奶粉及營養產品	投資控股	未分配	總計
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

9. 分部資料(續)

(a) 分部營業額(續)

Year ended 31 December 2017 截至二零一七年
十二月三十一日止年度

Segment turnover	分部營業額								
From contracts with customers within the scope of HKFRS 15	來自香港財務報告準則第15號範圍內客戶合約	-	-	-	-	-	-	-	-
From other source	其他來源	835,729	119,076	78,963	143,227	2,511,777	32,954	-	3,721,726

Note:

The Group has initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18.

附註：

本集團使用累計效應法初步應用香港財務報告準則第15號。於此方法下，比較資料並無重列且根據香港會計準則第18號進行編製。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(b) Segment income and results

The following is an analysis of the Group's income and results by operating segments:

9. 分部資料(續)

(b) 分部收入及業績

本集團按經營分部劃分之收入及業績分析載列如下：

		Trading of securities investments	Provision of financing services	Provision of wealth and asset management, financial brokerage and related services	Provision of medical and laboratory services	Franchisor and retail of mother-infant-child products	Manufacture of infant formula and nutritional products	Investment holding	Unallocated	Total
		買賣證券投資	提供融資服務	提供財富及資產管理、金融經紀及相關服務	提供醫療及實驗室服務	特許專營及零售母嬰童產品	製造嬰幼兒配方奶粉及營養產品	投資控股	未分配	總計
		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
Year ended	截至二零一八年									
31 December 2018	十二月三十一日止年度									
Segment income	分部收入	(49,590)	130,683	253,026	65,348	3,016,007	91,520	-	-	3,506,994
Profit/(loss) for the year before following items:	除以下各項前之年度溢利/(虧損)：	(71,799)	7,507	(6,108)	(11,359)	192,916	(28,628)	(29,026)	(2,542)	50,961
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	-	(47)	-	(472)	(98)	-	-	(617)
Impairment loss on goodwill	商譽減值虧損	-	-	(10,000)	-	-	-	-	-	(10,000)
Finance costs	融資成本	2,016	(1,442)	(8,776)	-	(14,310)	(36)	(1,000)	-	(23,548)
Share of results of associates	應佔聯營公司業績	-	-	-	24,708	-	-	-	-	24,708
Profit/(loss) from operation	經營溢利/(虧損)	(69,783)	6,065	(24,931)	13,349	178,134	(28,762)	(30,026)	(2,542)	41,504
Gain on disposal of interests in a subsidiary	出售附屬公司權益的收益	-	-	22,288	-	-	-	-	-	22,288
Gain on deemed disposal of interests in subsidiaries	被視為出售附屬公司權益的收益	-	-	-	131,352	-	-	-	-	131,352
Profit/(loss) from operation	經營溢利/(虧損)	(69,783)	6,065	(2,643)	144,701	178,134	(28,762)	(30,026)	(2,542)	195,144
Gain on measurement of contingent consideration payables	應付或然代價的計量收益	-	-	-	-	11,866	-	-	-	11,866
Profit/(loss) before taxation	除稅前溢利/(虧損)	(69,783)	6,065	(2,643)	144,701	190,000	(28,762)	(30,026)	(2,542)	207,010
Income tax credit/(expense)	所得稅抵免/(開支)	11,000	-	6,937	(3,854)	(53,401)	8,320	-	-	(30,998)
Segment results	分部業績	(58,783)	6,065	4,294	140,847	136,599	(20,442)	(30,026)	(2,542)	176,012

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(b) Segment income and results (Continued)

9. 分部資料(續)

(b) 分部收入及業績(續)

	Trading of securities investments	Provision of financing services	Provision of brokerage and related services	Provision of medical and laboratory services	Franchisor and retail of mother-infant-child products	Manufacture of infant formula and nutritional products	Investment holding	Unallocated	Total
	買賣證券投資	提供融資服務	金融經紀及相關服務	提供醫療及實驗室服務	特許專營及零售母嬰童產品	製造嬰幼兒配方奶粉及營養產品	投資控股	未分配	總計
	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

Year ended	截至二零一七年									
31 December 2017	十二月三十一日止年度									
Segment income	分部收入	14,441	119,076	78,963	143,227	2,511,777	32,954	-	-	2,900,438
Profit/(loss) for the year before following items:	除以下各項前之年度溢利/(虧損):	15,051	10,473	(16,791)	42,755	185,792	371	7,624	3,246	248,521
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備收益/(虧損)	-	-	64	302	(365)	-	-	-	1
Impairment loss on available-for-sale financial assets	可供出售財務資產之減值虧損	-	-	-	-	-	-	(5,538)	-	(5,538)
Finance costs	融資成本	-	(4,438)	(2,359)	-	(15,579)	(28)	(9,299)	-	(31,703)
Share of results of an associate	應佔一間聯營公司業績	-	-	-	6,019	-	-	-	-	6,019
Profit/(loss) from operation	經營溢利/(虧損)	15,051	6,035	(19,086)	49,076	169,848	343	(7,213)	3,246	217,300
Loss on measurement of contingent consideration payable	應付或然代價的計量虧損	-	-	-	-	(129,899)	-	-	-	(129,899)
Profit/(loss) before taxation	除稅前溢利/(虧損)	15,051	6,035	(19,086)	49,076	39,949	343	(7,213)	3,246	87,401
Income tax expense	所得稅開支	(11,000)	(500)	2,694	(6,712)	(45,303)	(110)	-	-	(60,931)
Segment results	分部業績	4,051	5,535	(16,392)	42,364	(5,354)	233	(7,213)	3,246	26,470

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(b) Segment income and results (Continued)

Segment income reported above represents income generated from external customers. There was no inter-segment income in both years.

Income and expenses are allocated to the reporting segments with reference to income generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation/amortisation of assets attributable to those segments.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 4(u) to the consolidated financial statements. Segment results represent the results achieved by each segment. This is the measurement method reported to the chief operating decision makers for the purpose of resources allocation and assessment of segment performance.

9. 分部資料(續)

(b) 分部收入及業績(續)

上表所呈列分部收入指來自外部客戶的收入。上述兩個年度概無分部間收入。

收入及開支基於該等報告分部產生之收入及開支或該等分部應佔之資產折舊／攤銷所產生的開支後分配至所呈報的業務分部。

業務分部的會計政策與本集團於綜合財務報表附註4(u)所述的會計政策一致。分部業績指各業務分部取得的業績。此乃為分配資源及評估業務分部表現而向主要經營決策者呈報所用計量方法。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

9. SEGMENT INFORMATION (Continued)

(c) Segment assets and liabilities

An analysis of the Group's assets and liabilities by operating segments is set out below.

9. 分部資料(續)

(c) 分部資產及負債

本集團的資產及負債按經營分部分析如下。

		Trading of securities investments	Provision of financing services	Provision of wealth and asset management, financial brokerage and related services	Provision of medical and laboratory services	Franchisor and retail of mother-infant-child products	Manufacture of infant formula and nutritional products	Investment holding	Total
		買賣證券投資	提供融資服務	提供財富及資產管理、金融經紀及相關服務	提供醫療及實驗室服務	特許專營及零售母嬰童產品	製造嬰幼兒配方奶粉及營養產品	投資控股	總計
		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
Year ended	截至二零一八年								
31 December 2018	十二月三十一日止年度								
Assets before following items:	未計以下各項之資產：	519,230	1,124,522	4,697,921	173,041	1,445,701	232,220	1,249,792	9,442,427
Interests in an associates	於一家聯營公司之權益	-	-	-	833,489	-	-	-	833,489
Goodwill	商譽	-	-	206,844	-	271,252	298,199	-	776,295
Segment assets	分部資產	519,230	1,124,522	4,904,765	1,006,530	1,716,953	530,419	1,249,792	11,052,211
Unallocated assets	未分配資產								324,343
									11,376,554
Liabilities	負債								
Segment liabilities	分部負債	(425)	(42,295)	(3,272,589)	(157,744)	(949,864)	(90,020)	(28,694)	(4,541,631)
Unallocated liabilities	未分配負債								(33,291)
Total liabilities	總負債								(4,574,922)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(c) Segment assets and liabilities (Continued)

An analysis of the Group's assets and liabilities by operating segments is set out below.

9. 分部資料(續)

(c) 分部資產及負債(續)

本集團的資產及負債按經營分部分析如下。

Trading of securities investments	Provision of financing services	Provision of brokerage and related services	Provision of medical and laboratory services	Franchisor and retail of mother-infant-child products	Manufacture of infant formula and nutritional products	Investment holding	Total
買賣證券投資	提供融資服務	金融經紀及相關服務	提供醫療及實驗室服務	特許專營及零售母嬰童產品	製造嬰幼兒配方奶粉及營養產品	投資控股	總計
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

Year ended	截至二零一七年								
31 December 2017	十二月三十一日止年度								
Assets before following items:	未計以下各項之資產：								
		791,547	1,383,369	807,418	268,548	1,257,673	224,628	1,132,002	5,865,185
Interest in an associate	於一家聯營公司之權益	-	-	-	220,235	-	-	-	220,235
Goodwill	商譽	-	-	26,587	183,296	267,276	339,639	-	816,798
Segment assets	分部資產	791,547	1,383,369	834,005	672,079	1,524,949	564,267	1,132,002	6,902,218
Unallocated assets	未分配資產								891,530
Total assets	總資產								7,793,748
Liabilities	負債								
Segment liabilities	分部負債	(11,119)	(50,638)	(118,250)	(46,576)	(906,956)	(105,785)	(30,127)	(1,269,451)
Unallocated liabilities	未分配負債								(31,454)
Total liabilities	總負債								(1,300,905)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

9. SEGMENT INFORMATION (Continued)

(c) Segment assets and liabilities (Continued)

For the purpose of monitoring segment performance and allocating resources between segments:

- Segment assets include mainly all property, plant and equipment, intangible assets, goodwill, interest in associates, available-for-sale financial assets, deferred tax assets, financial assets at FVTPL, financial assets at FVOCI, financial assets at amortised cost, inventories, loan receivables, derivative financial instruments, other non-current deposits paid and prepayments, trade and other receivables, fixed bank deposits, pledged bank deposits, bank balances and cash, and reverse repurchase agreements. All assets are allocated to operating segments other than unallocated head office and corporate assets as these assets are managed on a group basis.
- Segment liabilities include trade and other payables, contract liabilities, interest-bearing borrowings, tax payables, deferred tax liabilities, derivative financial instruments, financial liabilities at FVTPL, redeemable and exchangeable preferred share, and repurchase agreements. All liabilities are allocated to operating segments other than unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

9. 分部資料(續)

(c) 分部資產及負債(續)

為監察業務分部表現及安排業務分部間之資源分配：

- 分部資產主要包括所有物業、廠房及設備、無形資產、商譽、於聯營公司之權益、可供出售財務資產、遞延稅項資產、按公平值計入損益之財務資產、按公平值計入其他全面收入之財務資產、按攤銷成本計量之財務資產、存貨、應收貸款、衍生金融工具、其他已付非流動按金及預付款項、貿易及其他應收款項、銀行定期存款、已抵押銀行存款、銀行結餘及現金以及反向回購協議除按集團基準管理而不分配的總部及企業資產外，所有資產均分配至業務分部。
- 分部負債包括貿易及其他應付款項、合約負債、計息借款、應付稅項、遞延稅項負債、衍生金融工具、按公平值計入損益之財務負債、可贖回及可轉換優先股及回購協議。除按集團基準管理而不分配的總部及企業負債外，所有負債均分配至業務分部。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(d) Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segment.

9. 分部資料(續)

(d) 收入之分類

於下表，收入按主要地區市場、主要產品及服務線以及收入確認時間分類。該表亦包括分類收入與本集團可呈報分部之對賬。

		Provision of medical and laboratory services 提供醫療及 實驗室服務 HK\$'000 千港元	Franchisor and retail of mother- infant-child products 特許 專營及零售 母嬰童產品 HK\$'000 千港元	Manufacture of infant formula and nutritional products 製造嬰幼兒 配方奶粉 及營養產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2018	於二零一八年 十二月三十一日				
Primary geographical markets	主要地區市場				
Hong Kong	香港	65,348	-	-	65,348
PRC	中國	-	3,016,007	-	3,016,007
Australia	澳洲	-	-	91,520	91,520
Total	總計	65,348	3,016,007	91,520	3,172,875
Major products/ service lines	主要產品/服務線				
Medical and laboratory services	醫療及實驗室服務	65,348	-	-	65,348
Mother-infant-child products	母嬰童產品	-	3,016,007	-	3,016,007
Infant formula and nutritional products	嬰幼兒配方奶粉及營養產品	-	-	91,520	91,520
		65,348	3,016,007	91,520	3,172,875
Timing of revenue recognition	收入確認時間				
At a point in time	時間點	65,348	3,010,421	91,520	3,167,289
Transferred over time	隨時間推移轉讓	-	5,586	-	5,586
		65,348	3,016,007	91,520	3,172,875

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

9. SEGMENT INFORMATION (Continued)

(d) Disaggregation of revenue (Continued)

9. 分部資料(續)

(d) 收入之分類(續)

		Provision of medical and laboratory services 提供醫療及 實驗室服務 HK\$'000 千港元	Franchisor and retail of mother- infant-child products 特許 專營及零售 母嬰童產品 HK\$'000 千港元	Manufacture of infant formula and nutritional products 製造嬰幼兒 配方奶粉 及營養產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2017	於二零一七年 十二月三十一日				
Primary geographical markets	主要地區市場				
Hong Kong	香港	143,227	–	–	143,227
PRC	中國	–	2,511,777	–	2,511,777
Australia	澳洲	–	–	32,954	32,954
Total	總計	143,227	2,511,777	32,954	2,687,958
Major products/ service lines	主要產品/服務線				
Medical and laboratory services	醫療及實驗室服務	143,227	–	–	143,227
Mother-infant-child products	母嬰童產品	–	2,511,777	–	2,511,777
Infant formula and nutritional products	嬰幼兒配方奶粉及營 養產品	–	–	32,954	32,954
		143,227	2,511,777	32,954	2,687,958
Timing of revenue recognition	收入確認時間				
At a point in time	時間點	143,227	2,511,777	32,954	2,687,958

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued) (e) Other segment information

9. 分部資料(續) (e) 其他分部資料

			Provision of wealth and asset management, financial brokerage and related services 提供財富及資產管理、金融經紀及相關服務	Provision of medical and laboratory services 提供醫療及實驗室服務	Franchisor and retail of mother-infant-child products 特許專營及零售母嬰童產品	Manufacture of infant formula and nutritional products 製造嬰幼兒配方奶粉及營養產品	Investment holding 投資控股	Unallocated 未分配	Total 總計
	Trading of securities investments 買賣證券投資	Provision of financing services 融資服務							
	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	HK\$'000 千港元
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度								
Additions of specified non-current assets*	-	-	641,257	1,246	18,156	3,389	-	24,060	688,108
Amortisation of intangible assets	-	-	(21,455)	-	(6,089)	(26,491)	-	-	(54,035)
Depreciation of property, plant and equipment	-	-	(12,301)	(427)	(9,235)	(2,673)	-	(4,793)	(29,429)
Interest income included in operating income and other income	3	-	12,961	-	353	156	2,126	4,329	19,928
Impairment loss on financial assets for ECLs	32	1,352	(21,670)	-	(2,456)	-	7	45	(22,690)
Net fair value gain on financial instruments	8,490	-	-	-	-	-	-	-	8,490
Net fair value gain/(loss) on derivative financial instruments	-	-	-	(1,744)	2,276	-	-	-	532

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(e) Other segment information (Continued)

9. 分部資料(續)

(e) 其他分部資料(續)

	Trading of securities investments	Provision of financing services	Provision of wealth and asset management, financial brokerage and related services	Provision of medical and laboratory services	Franchisor and retail of mother-infant-child products	Manufacture of infant formula and nutritional products	Investment holding	Unallocated	Total
	買賣證券投資	提供融資服務	提供財富及資產管理、金融經紀及相關服務	提供醫療及實驗室服務	特許專營及零售母嬰產品	製造嬰幼兒配方奶粉及營養產品	投資控股	未分配	總計
	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

Year ended 31 December 2017	截至二零一七年 十二月三十一日止年度									
Additions of specified non-current assets*	增加具體非流動資產*	-	-	17,903	83	10,217	582,903	-	3,165	614,271
Amortisation of intangible assets	無形資產攤銷	-	-	(16,886)	-	(5,436)	(6,862)	-	-	(29,184)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	-	-	(4,662)	(807)	(9,241)	(755)	-	(1,326)	(16,791)
Interest income included in operating income and other income	計入經營收入及其他收入的利息收入	3	-	1,105	1	-	3	4,256	9,994	15,362
Provision for allowance for doubtful debts, net	呆賬撥備計提淨額	-	-	(4,169)	(128)	-	-	-	-	(4,297)
Net fair value gain on financial instruments	金融工具之公平值收益淨額	75,900	-	-	-	-	-	-	-	75,900

* Including additions of property, plant and equipment, intangible assets and goodwill directly or through acquisition of subsidiaries.

* 包括直接或透過收購附屬公司添置物業、廠房及設備、無形資產及商譽。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

9. SEGMENT INFORMATION (Continued)

(f) Geographical information

The following table provides an analysis of the Group's operating income from external customers by locations of operations and non-current assets (excluding financial instruments and deferred tax assets) by locations of assets ("Specified non-current assets"):

		Operating income from external customers		Specified non-current assets	
		來自外部客戶之經營收入		指定非流動資產	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Hong Kong	香港	347,953	355,707	1,901,261	1,219,163
PRC	中國	3,016,007	2,511,777	327,568	326,463
Australia	澳洲	91,520	32,954	485,131	540,443
Europe	歐洲	51,514	–	684,557	–
		3,506,994	2,900,438	3,398,517	2,086,069

(g) Information about major customers

During the year ended 31 December 2018 and 2017, no operating income from a single customer of the Group accounted for over 10% of total revenue of the Group.

9. 分部資料(續)

(f) 地區資料

下表載列本集團按業務位置劃分來自外部客戶之經營收入及按資產位置劃分之非流動資產(不包括金融工具及遞延稅項資產)(「指定非流動資產」)之分析：

(g) 主要客戶之資料

截至二零一八年及二零一七年十二月三十一日止年度，概無本集團單一客戶的收入佔本集團總經營收入的10%以上。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

10. PROFIT BEFORE TAXATION

This is stated after charging:

10. 除稅前溢利

經扣除下列項目：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finance costs	融資成本		
Interest on bank and other borrowings	銀行及其他借款之利息	23,548	31,703
Other items	其他項目		
Staff costs (excluding directors' emoluments)	員工成本(不包括董事薪酬)		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	322,040	198,443
Contributions to defined contribution retirement schemes	定額供款退休計劃供款	3,522	2,254
		325,562	200,697
Auditor's remuneration (including other audit fee, primarily in respect of audits of financial statements of subsidiaries)	核數師酬金(包括其他審計費用, 主要與附屬公司財務報表審計有關)	7,948	4,300
Operating lease payments on equipment	設備之經營租約費用	-	147
Operating lease payments on premises	樓宇之經營租約費用	72,546	63,427

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

11. DIRECTORS' EMOLUMENTS

The emoluments received or receivable by the Company's directors are as follows:

Year ended 31 December 2018

11. 董事酬金

本公司董事已收或應收之酬金如下：

截至二零一八年十二月三十一日止年度

		Directors' Fee	Salaries, allowances and benefits in kind	Contributions to defined contribution retirement schemes	Total
		董事袍金	薪金、津貼及實物利益	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors	執行董事				
Ko Po Ming	高寶明	–	18,720	18	18,738
Chang Tat Joel	鄭達祖	–	5,000	18	5,018
Lui Choi Yiu, Angela	雷彩姚	240	2,459	18	2,717
Fu Yau Ching, Shirley	符又澄	240	2,394	18	2,652
Cao Lu (appointed on 1 December 2018)	曹路(於二零一八年十二月一日獲委任)	–	570	2	572
Non-executive directors	非執行董事				
Hui Mei Mei, Carol	許薇薇	240	–	–	240
Tong Tang Joseph (resigned on 2 January 2018)	唐登(於二零一八年一月二日辭任)	1	–	–	1
Independent non-executive directors	獨立非執行董事				
Tian Ren Can	田仁燦	240	–	–	240
Kan Lai Kuen, Alice	簡麗娟	240	–	–	240
Chen Wai Chung, Edmund	陳煒聰	300	–	–	300
Wang Cong (appointed on 1 December 2018)	王聰(於二零一八年十二月一日獲委任)	20	–	–	20
		1,521	29,143	74	30,738

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

11. DIRECTORS' EMOLUMENTS (Continued) Year ended 31 December 2017

11. 董事酬金(續)

截至二零一七年十二月三十一日止
年度

		Directors' fee	Salaries, allowances and benefits in kind	Contributions to defined contribution retirement schemes	Total
		董事袍金	薪金、津貼 及實物利益	定額供款 退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors		執行董事			
Ko Po Ming	高寶明	–	34,320	18	34,338
Chang Tat Joel	鄭達祖	–	7,286	18	7,304
Lui Choi Yiu, Angela	雷彩姚	240	2,320	18	2,578
Man Wai Chuen (resigned on 24 May 2017)	文惠存(於二零一七年 五月二十四日辭任)	115	–	–	115
Fu Yau Ching, Shirley (appointed on 24 May 2017)	符又澄(於二零一七年 五月二十四日獲委任)	145	1,544	12	1,701
Non-executive directors		非執行董事			
Hui Mei Mei, Carol	許薇薇	260	–	–	260
Tong Tang Joseph	唐登	260	–	–	260
Independent non-executive directors		獨立非執行董事			
Lam Yiu Kin Kenneth (resigned on 24 May 2017)	林耀堅(於二零一七年 五月二十四日辭任)	115	–	–	115
Tian Ren Can	田仁燦	260	–	–	260
Yuen Kwok On (resigned on 3 July 2017)	袁國安(於二零一七年 七月三日辭任)	142	–	–	142
Kan Lai Kuen, Alice (appointed on 24 May 2017)	簡麗娟(於二零一七年 五月二十四日獲委任)	145	–	–	145
Chen Wai Chung, Edmund (appointed on 3 July 2017)	陳煒聰(於二零一七年 七月三日獲委任)	119	–	–	119
		1,801	45,470	66	47,337

For the years ended 31 December 2018 and 2017, there was no arrangement under which a director waived or agreed to waive any remuneration. In addition, no emoluments were paid by the Group to any directors as an inducement to join, or upon joining the Group or as a compensation for loss of office for the years ended 31 December 2018 and 2017.

截至二零一八年及二零一七年十二月三十一日止年度，概無董事放棄或同意放棄任何酬金的安排。此外，截至二零一八年及二零一七年十二月三十一日止年度，本集團概無向任何董事支付酬金以吸引彼等加入本集團或作為加入本集團的獎勵或離職補償。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

12. FIVE HIGHEST PAID INDIVIDUALS

The five highest paid individuals of the Group during the year included two (2017: two) directors, details of whose remunerations are in Note 11 to the consolidated financial statements. Details of the remunerations of the remaining three (2017: three) highest paid individuals, who are not a director of the Company, for the year are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	13,522	10,970
Contributions to defined contribution retirement schemes	定額供款退休計劃供款	54	53
		13,576	11,023

Their emoluments were within the following bands:

彼等之薪酬介乎以下範圍：

		2018 二零一八年 No. of Individuals 人數	2017 二零一七年 No. of Individuals 人數
HK\$3,000,001 to HK\$3,500,000	3,000,001 港元至 3,500,000 港元	–	1
HK\$3,500,001 to HK\$4,000,000	3,500,001 港元至 4,000,000 港元	1	1
HK\$4,000,001 to HK\$4,500,000	4,000,001 港元至 4,500,000 港元	1	1
HK\$4,500,001 to HK\$5,000,000	4,500,001 港元至 5,000,000 港元	–	–
HK\$5,000,001 to HK\$5,500,000	5,000,001 港元至 5,500,000 港元	1	–

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

13. TAXATION

Hong Kong Profits Tax is calculated at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits arising in Hong Kong, except for the first HK\$2,000,000 of qualified entity's assessable profit is calculated at 8.25%, which is in accordance with the new two-tiered profits tax rates regime with effect from the year of assessment 2018/19.

Mainland China Enterprise Income Tax rate of the Company's subsidiaries operating in the PRC during the year was 25% (2017: 25%) on its taxable profits.

Australian Income Tax rate of the Company's subsidiary operating in Australia during the year was 30% (2017: 30%) on its taxable profits.

Liechtenstein Corporate Income Tax rate of the Company's subsidiary operating in Liechtenstein during the year was 12.5% on its taxable profits.

13. 稅項

香港利得稅按來自香港之估計應課稅溢利以16.5%（二零一七年：16.5%）之稅率計算，除根據於二零一八／一九課稅年度生效之新兩級制利得稅率，合資格實體之首2,000,000港元應課稅溢利按8.25%之稅率計算。

於年內，本公司於中國營運的附屬公司的中國內地企業所得稅稅率為其應課稅溢利的25%（二零一七年：25%）。

於年內，本公司於澳洲營運的附屬公司的澳洲所得稅稅率為其應課稅溢利的30%（二零一七年：30%）。

於年內，本公司於列支敦士登營運之附屬公司的列支敦士登企業所得稅稅率為其應課稅溢利的12.5%。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

13. TAXATION (Continued)

The major components of the income tax expense for the year are as follows:

13. 稅項(續)

於本年度所得稅開支的主要部分如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅		
Current year provision	本年度撥備	4,489	7,404
Under provision in prior year	上年度撥備不足	86	–
Mainland China Enterprise Income Tax	中國內地企業所得稅		
Current year provision	本年度撥備	53,998	45,851
Australian Income Tax	澳大利亞所得稅		
Current year provision	本年度撥備	–	1,939
Over provision in prior year	上年度超額撥備	(18)	–
Liechtenstein Corporate Income Tax	列支敦士登企業所得稅		
Current year provision	本年度撥備	735	–
		59,290	55,194
Deferred taxation	遞延稅項		
Current year provision (Note 35)	本年度撥備(附註35)	(28,292)	5,737
Tax expense for the year	年內稅項開支	30,998	60,931

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

13. TAXATION (Continued)

Reconciliation of income tax expense

13. 稅項(續)

所得稅開支對賬

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before taxation	除稅前溢利	207,010	87,401
Income tax at applicable tax rate of 16.5% (2017: 16.5%)	按 16.5% (二零一七年：16.5%) 之適用稅率計算之所得稅	34,157	14,422
Difference of domestic tax rate	國內稅率差異	13,696	17,767
Non-deductible expenses	不可扣除開支	13,150	21,434
Tax exempt revenue	稅項豁免收益	(34,704)	(5,962)
Unrecognised tax losses	未確認稅項虧損	19,718	14,305
Effect of share of results of associates	應佔聯營公司業績之影響	(4,077)	(993)
Income tax at concessionary rate	特許稅率所得稅	(19)	–
Under provision of previous year	過往年度撥備不足	68	–
Over provision of temporary difference in prior year	過往年度暫時差額的超額撥備	(11,000)	–
Others	其他	9	(42)
Tax expense for the year	年內稅項開支	30,998	60,931

14. DIVIDEND

The directors of the Company recommended the payment of a final dividend of HK\$0.067 cent per share for the year ended 31 December 2018 (2017: Nil), subject to the approval of shareholders at forthcoming annual general meeting to be held on 24 May 2019.

14. 股息

本公司董事建議派付截至二零一八年十二月三十一日止年度的末期股息每股0.067港仙(二零一七年：無)，惟須待股東於二零一九年五月二十四日舉行的應屆股東週年大會上批准後方可作實。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

15. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on profit/(loss) attributable to equity holders of the Company and the weighted average number ordinary shares in issue during the year as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Earnings/(loss)		
Profit/(loss) for the purpose of basic earnings/(loss) per share	收益/(虧損) 就每股基本收益/(虧損)而言 之溢利/(虧損)	
	90,184	(53,160)

	2018 二零一八年 No. of shares 股份數目 '000 千股	2017 二零一七年 No. of shares 股份數目 '000 千股
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	股份數目 普通股之加權平均數(就每股基本 收益/(虧損)而言)	
	44,618,346	42,385,091

The Company had no dilutive potential ordinary shares for both periods. Accordingly, the diluted earnings/(loss) per share was the same as the basic earnings/(loss) per share for both periods.

15. 每股收益/(虧損)

每股基本收益/(虧損)乃按年內本公司權益擁有人應佔溢利/(虧損)及已發行普通股之加權平均數計算如下：

本公司於兩個期間並無攤薄潛在普通股。因此，每股攤薄收益/(虧損)與於兩個期間的每股基本收益/(虧損)相同。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold improvements	Furniture and fixtures	Computer and office equipments	Medical equipments	Motor vehicles	Land and building	Total
		租賃物業裝修	傢俬及裝置	電腦及辦公室設備	醫療設備	汽車	土地及建築物	合計
		HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000	HKS'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
Cost	成本							
At 1 January 2017	於二零一七年一月一日	50,919	24,324	30,838	11,566	2,456	-	120,103
Additions	添置	9,562	2,476	10,428	63	1,534	-	24,063
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	-	1,070	12,671	-	2,627	-	16,368
Disposals	出售	(1,475)	(395)	(256)	(571)	(91)	-	(2,788)
Exchange realignment	匯兌調整	2,572	1,361	(77)	-	169	-	4,025
At 31 December 2017	於二零一七年十二月三十一日	61,578	28,836	53,604	11,058	6,695	-	161,771
Additions	添置	16,563	7,688	15,609	1,199	1,042	33	42,134
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	-	310	20,750	-	1,262	315,062	337,384
Deemed disposal of subsidiaries (Note 41)	視作出售附屬公司(附註41)	(96)	(8,526)	(103)	(12,257)	-	-	(20,982)
Disposals	出售	(6,770)	(2,445)	(24,772)	-	(523)	-	(34,510)
Written off	撇銷	(2,832)	(1,414)	-	-	(52)	-	(4,298)
Exchange realignment	匯兌調整	(2,169)	(900)	1,337	-	236	(8,347)	(9,843)
At 31 December 2018	於二零一八年十二月三十一日	66,274	23,549	66,425	-	8,660	306,748	471,656
Accumulated depreciation	累計折舊							
At 1 January 2017	於二零一七年一月一日	32,352	13,947	28,126	9,332	105	-	83,862
Charge for the year	本年計入	7,125	3,868	4,310	598	890	-	16,791
Eliminated on disposals	出售後註銷	(1,257)	(232)	(223)	(241)	(31)	-	(1,984)
Exchange realignment	匯兌調整	1,898	771	(5)	-	24	-	2,688
At 31 December 2017	於二零一七年十二月三十一日	40,118	18,354	32,208	9,689	988	-	101,357
Charge for the year	本年計入	10,437	4,281	8,140	400	1,630	4,541	29,429
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	-	215	18,219	-	223	41,616	60,273
Deemed disposal of subsidiaries (Note 41)	視作出售附屬公司(附註41)	(85)	(8,456)	(85)	(10,089)	-	-	(18,715)
Eliminated on disposals	出售後註銷	(6,754)	(1,888)	(24,696)	-	(139)	-	(33,477)
Written back	撥回	(1,682)	(1,023)	-	-	(49)	-	(2,754)
Exchange realignment	匯兌調整	(1,666)	(437)	2,307	-	473	(583)	94
At 31 December 2018	於二零一八年十二月三十一日	40,368	11,046	36,093	-	3,126	45,574	136,207
Net book value	賬面淨值							
At 31 December 2018	於二零一八年十二月三十一日	25,906	12,503	30,332	-	5,534	261,174	335,449
At 31 December 2017	於二零一七年十二月三十一日	21,460	10,482	21,396	1,369	5,707	-	60,414

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

17. INTANGIBLE ASSETS

17. 無形資產

		Brand names	Licenses and trading rights	Trademarks	Customer and franchisee relationships	Computer software and systems	Total
		品牌名稱	牌照及經營權	商標	客戶與特許經營商關係	電腦軟件及系統	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
Cost	成本						
At 1 January 2017	於二零一七年一月一日	640,811	21,774	145	92,591	32,593	787,914
Additions	添置	-	-	-	-	4,701	4,701
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	92,076	117,088	-	18,575	-	227,739
Exchange realignment	匯兌調整	(458)	(583)	10	(92)	2,325	1,202
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	732,429	138,279	155	111,074	39,619	1,021,556
Additions	添置	-	-	998	-	20,518	21,516
Acquisition of subsidiaries (Note 42)	收購附屬公司(附註42)	23,600	29,032	-	60,869	1,464	114,965
Deemed disposal of subsidiaries (Note 41)	視作出售附屬公司(附註41)	(201,900)	-	-	-	-	(201,900)
Exchange realignment	匯兌調整	(885)	(11,966)	(7)	(3,038)	(2,503)	(18,399)
At 31 December 2018	於二零一八年十二月三十一日	553,244	155,345	1,146	168,905	59,098	937,738
Accumulated amortisation	累計攤銷						
At 1 January 2017	於二零一七年一月一日	-	-	-	13,604	1,004	14,608
Charge for the year	本年計入	2,273	4,130	15	18,977	3,789	29,184
Exchange realignment	匯兌調整	17	31	1	3	121	173
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	2,290	4,161	16	32,584	4,914	43,965
Charge for the year	本年計入	8,781	15,944	33	24,150	5,127	54,035
Exchange realignment	匯兌調整	(757)	(1,349)	(2)	239	(443)	(2,312)
At 31 December 2018	於二零一八年十二月三十一日	10,314	18,756	47	56,973	9,598	95,688
Net book value	賬面淨值						
At 31 December 2018	於二零一八年十二月三十一日	542,930	136,589	1,099	111,932	49,500	842,050
At 31 December 2017	於二零一七年十二月三十一日	730,139	134,118	139	78,490	34,705	977,591

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

18. GOODWILL

The amounts of goodwill capitalised by the Group and recognised in the consolidated statement of financial position arising from the acquisition of subsidiaries are as follows:

18. 商譽

由本集團資本化並於綜合財務狀況表中確認的商譽(自收購附屬公司產生)之數額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost	成本		
At 1 January	於一月一日	884,284	542,884
Acquired through business combinations (Note 42)	透過業務合併收購(附註42)	231,733	341,400
Additional consideration paid (Note 42(b))	已付額外代價(附註42(b))	649	—
Derecognised on deemed disposal of subsidiaries (Note 41)	視作出售附屬公司終止確認 (附註41)	(183,296)	—
Exchange realignment	匯兌調整	(79,589)	—
At 31 December	於十二月三十一日	853,781	884,284
Accumulated impairment losses	累計減值虧損		
At 1 January	於一月一日	(67,486)	(67,486)
Impairment losses recognised in the year	於年內確認的減值虧損	(10,000)	—
At 31 December	於十二月三十一日	(77,486)	(67,486)
Net carrying amount	賬面淨值		
At 31 December	於十二月三十一日	776,295	816,798

Goodwill arose because the consideration paid for the acquisitions effectively included amounts in relation to the benefit of revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

商譽產生，乃由於有關收購已支付之代價包括有關收益增長利益、未來市場發展及組合勞動力的款項。該等利益並未自商譽單獨確認，因為彼等並未符合可識別無形資產之確認標準。已確認商譽預期不能作出所得稅扣減。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

18. GOODWILL (Continued)

The carrying amount of goodwill and intangible assets was allocated to the Group's CGUs identified according to the nature of business as follows for impairment test:

18. 商譽(續)

商譽及無形資產之賬面值根據業務性質分配至本集團已識別的現金產生單位以進行減值測試：

		2018		
		二零一八年		
		Goodwill	Intangible assets with indefinite useful life	Intangible assets with finite useful life
		商譽	無限使用年期的無形資產	有限使用年期的無形資產
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Wealth and asset management, financial brokerage and related services	財富及資產管理、金融經紀及相關服務			
— Securities brokerage	— 證券經紀	16,587	10,550	37,022
— Commodities brokerage	— 商品經紀	—	11,224	—
— Wealth and asset management	— 財富及資產管理	190,257	52,147	64,785
Franchisor and retail of mother-infant-child products	特許專營及零售母嬰童產品	271,252	447,045	46,144
Manufacture of infant formula and nutritional products	製造嬰幼兒配方奶粉及營養產品	298,199	—	173,133
		776,295	520,966	321,084

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

18. GOODWILL (Continued)

18. 商譽(續)

		2017 二零一七年		
		Goodwill	Intangible assets with indefinite useful life	Intangible assets with finite useful life
		商譽	無限使用年期的無形資產	有限使用年期的無形資產
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Wealth and asset management, financial brokerage and related services	財富及資產管理、金融經紀及相關服務			
— Securities brokerage	— 證券經紀	26,587	18,257	52,062
— Commodities brokerage	— 商品經紀	—	3,517	—
Medical and laboratory services	醫療及實驗室服務	183,296	201,900	—
Franchisor and retail of mother-infant-child products	特許專營及零售母嬰童產品	267,276	438,911	43,252
Manufacture of infant formula and nutritional products	製造嬰幼兒配方奶粉及營養產品	339,639	—	219,692
		816,798	662,585	315,006

Goodwill associated with the above businesses arose when the business combinations were completed, details of which are set out in Note 42 to the consolidated financial statements.

The recoverable amount of the CGUs of wealth and asset management, financial brokerage and related services, franchisor and retail of mother-infant-child products, and manufacture of infant formula and nutritional products has been determined by the value-in-use calculation. Cash flow projections are based on financial budgets approved by the management covering a 5-year period. Cash flows beyond the 5-year period have been extrapolated using a 2%–3% (2017: 2%–3%) long-term growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

與上述業務有關的商譽於業務合併完成時產生，其詳情載列於綜合財務報表附註42。

財富及資產管理、金融經紀及相關服務、特許專營及零售母嬰童產品以及製造嬰幼兒配方奶粉及營養產品之現金產生單位之可回收金額已透過使用價值計算釐定。現金流量預測乃基於管理層批准之五年期財務預算。超出五年之現金流量已使用2%–3% (二零一七年：2%–3%) 的長期增長率預測。此增長率乃基於相關行業預測，且並未超過相關行業的平均長期增長率。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

18. GOODWILL (Continued)

For the year ended 31 December 2018, the Group assessed the recoverable amount of the CGUs, and determined that the goodwill associated with the CGUs of securities brokerage impaired by HK\$10,000,000 in light of keen competition in the market of the provision of the securities brokerage and related services in Hong Kong and the continuous reduction in the customer portfolio maintained by the CGUs. The Group assessed the recoverable amount of the CGUs of securities, commodities and bullion brokerage and related services, exceeded their carrying amount as at 31 December 2017, the related goodwill and intangible assets were not impaired for the year.

The recoverable amount of the CGUs of wealth and asset management, financial brokerage and related service, the franchisor and retail of mother-infant-child products, and manufacture of infant formula and nutritional products based on value-in-use calculations exceeded their carrying amount. Accordingly, the related goodwill and intangible assets were not impaired for the year (2017: Nil).

18. 商譽(續)

截至二零一八年十二月三十一日止年度，本集團評估現金產生單位的可收回金額，並釐定證券經紀現金產生單位減值10,000,000港元，乃由於香港提供證券經紀市場競爭激烈以及現金產生單位持有客戶組合持續削減。於二零一七年十二月三十一日，本集團評估證券、商品以及貴金屬經紀及相關服務的現金產生單位可收回金額超過其賬面值，因此，相關商譽及無形資產於年內並無減值。

根據使用價值計算的財富及資產管理、金融經紀及相關服務、特許專營及零售母嬰童產品以及製造嬰幼兒配方奶粉及營養產品之現金產生單位之可收回款項超過彼等賬面值。因此，相關商譽及無形資產於年內並未減值(二零一七年：無)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

18. GOODWILL (Continued)

18. 商譽(續)

		Wealth and asset management, financial brokerage and related services 財富及資產管理、金融經紀及相關服務 HK\$'000 千港元	Medical and laboratory services 醫療及實驗室服務 HK\$'000 千港元	Franchisor and retail of mother-infant-child products 特許專營及零售母嬰童產品 HK\$'000 千港元	Manufacture of infant formula and nutritional products 製造嬰幼兒配方奶粉及營養產品 HK\$'000 千港元
For the year ended	截至二零一八年				
31 December 2018	十二月三十一日止年度				
Gross profit margin	毛利率	17.5%–20.50%	N/A 不適用	15.77%	42.00%
Average growth rate	平均增長率	9.60%–14.60%	N/A 不適用	11.30%	42.70%
Long-term growth rate	長期增長率	2%–3%	N/A 不適用	3%	2.50%
Discount rate	貼現率	14%–17.5%	N/A 不適用	15%	15.50%
For the year ended	截至二零一七年				
31 December 2017	十二月三十一日止年度				
Gross profit margin	毛利率	N/A 不適用	40%–92%	15.94%	54.30%
Average growth rate	平均增長率	23.60%	10.20%	15.50%	44.90%
Long-term growth rate	長期增長率	2.60%	3%	3%	2.50%
Discount rate	貼現率	18.24%	13.50%	15.60%	15.20%

Management determined the budgeted gross profit margin based on past performance and its expectation of market development. The discount rates used are pre-tax and reflect specific risks relating to the relevant CGUs.

管理層根據過往表現及其預期市場發展釐定預算毛利率。所使用之貼現率為稅前貼現率並反映相關現金產生單位之特定風險。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

18. GOODWILL (Continued)

Key assumptions used for value-in-use calculations are as follows:

18. 商譽(續)

使用價值計算所用之主要假設如下：

	Valuation technique 估值技術	Assumption 假設	Range/ Amount 範圍/金額	Sensitivity of fair value to input 輸入數據之公平值敏感性
Wealth and asset management, financial brokerage and related services — Securities — Wealth and asset management	Income approach	Average growth rate	9.60%–14.6%	5% increase/decrease in average growth rate would result in decrease/increase in recoverable amount by HK\$5,061,000 and HK\$22,579,000
財富及資產管理、金融經紀及相關服務 — 證券 — 財富及資產管理	收入法	平均增長率	9.60%–14.6%	平均增長率增加/減少5%將導致可收回金額減少/增加5,061,000港元及22,579,000港元
Franchisor and retail of mother-infant-child products	Income approach	Discount rate	15%	1% increase/decrease in discount rate would result in decrease/increase in recoverable amount by HK\$10,491,000
特許專營及零售母嬰童產品	收入法	折現率	15%	折現率增加/減少1%將導致可收回金額減少/增加10,491,000港元
Manufacturing of infant formula and nutritional products	Income approach	Average growth rate	42.7%	0.5% increase/decrease in average growth rate would result in decrease/increase in recoverable amount by HK\$17,686,000
製造嬰幼兒配方奶粉及營養產品	收入法	平均增長率	42.7%	平均增長率增加/減少0.5%將導致可收回金額減少/增加17,686,000港元

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

19. SUBSIDIARIES

Particulars of principal subsidiaries of the Company

In the opinion of the management, a complete list of the particulars of all subsidiaries will be of excessive length and therefore the table below lists the principal subsidiaries at the end of the reporting period which materially affect the results or assets or liabilities of the Group.

19. 附屬公司

本公司之主要附屬公司詳情

管理層認為，由於完整呈列所有附屬公司之詳情將會過於冗長，故下表僅呈列於呈報期結算日對本集團業績或資產或負債有重大影響之主要附屬公司。

Name of subsidiaries 附屬公司名稱	Place of incorporation and operation/type of legal entity 註冊成立及經營地點/法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足普通股本之詳情	Ownership interests		Principal activities 主要業務
			Held by the Company 由本公司持有 %	Held by a subsidiary 由一間附屬公司持有 %	
Aiyingdao Wuhan Supply Chain Management Limited* 武漢愛嬰島供應鏈管理有限公司	PRC/Limited liability company 中國/有限公司	Paid-up capital of RMB1,000,000 已繳足股本 人民幣1,000,000元	-	100	46.91 Franchisor and retail of mother-infant-child products 特許專營及零售母嬰童產品
AYD Group Limited (formerly known as Shining Time Holdings Limited) ("AYD") 愛嬰島集團有限公司(前稱為「亮時控股有限公司」)(「愛嬰島」)	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	10,000 shares of US\$1 each 10,000股每股1美元的股份	-	46.91 (Note (b))	46.91 Investment holding 投資控股
Blend and Pack Pty. Ltd. ("Blend & Pack")	Australia/Limited liability company 澳洲/有限公司	145,100 ordinary shares of Australian dollar ("AUS\$") 345,661 fully paid and with no par value 145,100股345,661澳元(「澳元」)繳足而無面值普通股	-	75	75 Development, manufacture and sale of infant formula and nutritional products 開發、製造及銷售嬰幼兒配方奶粉及營養產品
Glorious Supreme Investments Management Limited	British Virgin Islands/Limited liability company 英屬處女群島/有限公司	1 share of United States dollar ("US\$") 1 each with no par value 1股每股1美元(「美元」)的無面值股份	-	100	70 Provision of financing services 提供融資服務
Harris Fraser Group Limited 晉裕集團有限公司	British Virgin Islands/Limited liability company 英屬處女群島/有限公司	2,000 shares of US\$1 each 2,000股每股1美元的股份	-	100	100 Provision of wealth management services 提供財富管理服务
Hong Kong Mortgage Solutions Limited ("HKMS") 香港按揭金融服務有限公司 (「香港按揭」)	Hong Kong/Limited liability company 香港/有限公司	500 shares of HK\$75,000,100 with no par value 500股75,000,100港元無面值的股份	-	47 (Note(a))	32.90 Investment holding 投資控股

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

19. SUBSIDIARIES (Continued)

Particulars of principal subsidiaries of the Company (Continued)

19. 附屬公司 (續)

本公司之主要附屬公司詳情 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation and operation/type of legal entity 註冊成立及經營地點/法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足普通股之詳情	Ownership interests			Principal activities 主要業務
			Held by the Company 由本公司持有 %	Held by a subsidiary 由一間附屬公司持有 %	Group's effective interest* 本集團實際利益* %	
Mason Administrative Services Limited 茂宸服務有限公司	Hong Kong/Limited liability company 香港/有限公司	1 share of HK\$1 with no par value 1股1港元無面值的股份	-	100	100	Provision of administrative services 提供行政服務
Mason Bullion Limited ("Mason Bullion") 茂宸金業有限公司(「茂宸金業」)	Hong Kong/Limited liability company 香港/有限公司	1,000,000 shares of HK\$1,000,000 with no par value 1,000,000股1,000,000港元無面值的股份	-	100	100	Provision of bullion trading services 提供貴金屬買賣服務
Mason Capital Investments Limited ("MCIL") 民信資本投資有限公司(「民信資本」)	British Virgin Islands/Limited liability company 英屬處女群島/有限公司	1 share of US\$1 and 37,999,999 shares of HK\$37,999,999 with no par value 1股1美元無面值的股份及37,999,999股37,999,999港元無面值的股份	-	70	70	Investment holding 投資控股
Mason Financial Services Group Limited 茂宸金服集團有限公司	Cayman Islands/Limited liability company 開曼群島/有限公司	130,000 shares of US\$1 each 130,000股每股1美元的股份	100	-	-	Investment holding 投資控股
Mason Futures Limited ("Mason Futures") 茂宸期貨有限公司(「茂宸期貨」)	Hong Kong/Limited liability company 香港/有限公司	100,000 shares of HK\$10,000,000 with no par value 100,000股10,000,000港元無面值的股份	-	100	100	Provision of commodities brokerage services 提供商品經紀服務
Mason Investment Management Limited 茂宸投資管理有限公司	Hong Kong/Limited liability company 香港/有限公司	1,000,000 shares of HK\$1,000,000 with no par value 1,000,000股1,000,000港元無面值的股份	-	100	100	Provision of securities advisory and asset management services 提供證券顧問及資產管理服務
Mason Reproductive Technology Limited (formerly known as Mason Worldwide Capital Limited) ("MRT") 茂宸生殖科技有限公司(前稱民信環球資本有限公司)(「茂宸生殖」)	British Virgin Islands/Limited liability company 英屬處女群島/有限公司	1,000,000 shares of US\$1,000 with no par value 1,000,000股1,000美元無面值的股份	-	64.85 (Note (c))	64.85	Investment holding 投資控股
Mason Resources Finance Limited 茂宸資源財務有限公司	Hong Kong/Limited liability company 香港/有限公司	10,000 shares of HK\$10,000 with no par value 10,000股10,000港元無面值的股份	-	100	100	Provision of financing services 提供融資服務

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

19. SUBSIDIARIES (Continued)

Particulars of principal subsidiaries of the Company (Continued)

19. 附屬公司(續)

本公司之主要附屬公司詳情(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation and operation/type of legal entity 註冊成立及經營地點/法定實體類別	Particulars of issued and paid up ordinary share capital 已發行及繳足普通股本之詳情	Ownership interests		Principal activities 主要業務	
			Held by the Company 由本公司持有 %	Held by a subsidiary 由一間附屬公司持有 %		Group's effective interest [#] 本集團實際利益 [#] %
Mason Securities Limited ("Mason Securities")	Hong Kong/Limited liability company	5,120,000 shares of HK\$512,000,000 with no par value	-	100	100	Dealing in securities, provision of securities margin financing and provision of investment corporate finance advisory services
茂宸證券有限公司(「茂宸證券」)	香港/有限公司	5,120,000股512,000,000港元無面值的股份				買賣證券、提供證券孖展融資以及提供投資企業融資顧問服務
Mason Strategic Investments (Asia) Limited 茂宸策略投資(亞洲)有限公司	British Virgin Islands/ Limited liability company 英屬處女群島/有限公司	1 share of US\$1 with no par value 1股1美元無面值的股份	-	100	100	Trading of securities investments 買賣證券投資
Pioneer Leap Investments Limited ("Pioneer Leap") 鋒躍投資有限公司(「鋒躍」)	Samoa/Limited liability company 薩摩亞/有限公司	1 share of US\$1 1股1美元的股份	-	100	100	Investment holding 投資控股
Raiffeisen PrivatBank Liechtenstein AG ("RPL")	Liechtenstein/Limited liability company	200,000 shares of Swiss Franc ("CHF") 100 each	-	100	100	Provision of private banking and external asset management services
Raiffeisen PrivatBank Liechtenstein AG (「RPL」)	列支敦士登/有限公司	200,000股每股100瑞士法郎(「瑞士法郎」)的股份				提供私人銀行及外部資產管理服務
Thomas Global Financial Services Limited 石匠環球金服有限公司	Hong Kong/Limited liability company	27,500,000 shares of HK\$27,500,000 with no par value 27,500,000股27,500,000港元無面值的股份	-	100	100	Provision of brokerage services 提供經紀服務
Zhuhai Aiyingdao Business Chain Limited* 珠海市愛嬰島商貿連鎖有限公司	PRC/Limited liability company 中國/有限公司	Paid-up capital of Renminbi ("RMB") 6,650,000 已繳足股本人民幣(「人民幣」)6,650,000元	-	100	46.91	Franchisor and retail of mother-infant-child products 特許專營及零售母嬰童產品
* English translation for identification purpose only			*	英文翻譯僅供識別		
# Excluding the interests that are attributable to non-controlling interests			#	不包括歸屬於非控股權益的權益		

None of the subsidiaries had any debt securities outstanding at the end of the reporting period, or at any time during the year.

概無附屬公司於呈報期結算日或年內的任何時間持有任何尚未償還債務證券。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

19. SUBSIDIARIES (Continued)

Particulars of principal subsidiaries of the Company (Continued)

Note:

- (a) Although MCIL's equity interests in HKMS is 47%, in the opinion of the management, the Group has 51% voting power of HKMS at the meetings of shareholders and therefore has obtained control over HKMS.
- (b) As disclosed in Note 33(a), contingent consideration payable in relation to AYD Group Limited and its subsidiaries' ("AYD Group") net profit for the year ended 31 December 2017 was HK\$112,272,000. In order to settle the contingent consideration payable of HK\$112,272,000. The Group's indirect wholly owned subsidiary, Pioneer Leap has transfer 809 shares in AYD to Cosmicfield Investments Limited, a non-controlling interest in AYD. Upon the completion of the transfer on 5 July 2018, Pioneer Leap's equity interest in AYD is 46.91%, in the opinion of the management, the Group has the right to control the board of directors of AYD and therefore obtained control over AYD Group.
- (c) On 17 May 2018, the Company's indirect wholly owned subsidiary, Mason Healthcare Group Limited ("Mason Healthcare"), entered into the transfer agreement with each of the strategic shareholders, including We Doctor Holdings Limited, Hong Kong Zhongya Environmental Group Company Limited and Aldworth Equity I SP and Aldworth Opportunities Fund SP (collectively "Strategic Shareholders") in which Mason Healthcare transfer 35.2% equity interest in its wholly owned subsidiary, MRT to the Strategic Shareholders at a cash consideration of HK\$210,945,000. The transfer was completed on 3 July 2018, MRT owned 55.02% interest in Reproductive Healthcare Group Limited (formerly known as Jubilant Link Group, "RHG") as at 31 December 2017 and had loss of control in RHG on 8 June 2018 with equity interest decreased from 55.02% to 46.71%.

19. 附屬公司(續)

本公司之主要附屬公司詳情(續)

附註：

- (a) 雖然民信資本於香港按揭之股權為47%，管理層認為，本集團於股東大會上擁有香港按揭的51%投票權，故而對香港按揭擁有控制權。
- (b) 如附註33(a)所披露，就愛嬰島集團有限公司及其附屬公司(「愛嬰島集團」)截至二零一七年十二月三十一日止年度的淨溢利應付的或然代價為112,272,000港元。為結算應付或然代價112,272,000港元，本集團的間接全資附屬公司Pioneer Leap向Cosmicfield Investment Limited(愛嬰島的非控股權益)轉讓愛嬰島的809股股份。轉讓於二零一八年七月五日完成後，Pioneer Leap於愛嬰島之股權為46.91%，管理層認為，本集團擁有愛嬰島董事會控制權，故而對愛嬰島集團擁有控制權。
- (c) 於二零一八年五月十七日，本公司間接全資附屬公司茂宸醫療集團有限公司(「茂宸醫療」)與各戰略股東(包括微醫控股有限公司、香港中亞環保集團有限公司以及Aldworth Equity I SP及Aldworth Opportunities Fund SP(統稱「戰略股東」))訂立轉讓協議，當中茂宸醫療將其於全資附屬公司茂宸生殖的35.2%股權轉讓予戰略股東，現金代價為210,945,000港元。轉讓已於二零一八年七月三日完成，茂宸生殖於二零一七年十二月三十一日擁有寶德醫務集團有限公司(前稱欣連集團，「寶德醫務」)的55.02%權益，於二零一八年六月八日失去寶德醫務的控制權，所持股權由55.02%降至46.71%。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

19. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material NCI

The following table shows the information relating to the non-wholly owned subsidiaries, MCIL and its subsidiaries ("MCIL Group"), MRT and its subsidiaries ("MRT Group"), AYD Group and Blend & Pack, that have material non-controlling interests ("NCI") during the year. Set out below is the summarised financial information of each of the subsidiaries with material NCI. The results for the respective subsidiaries are for the period from the later of the beginning of the reporting period and the date of acquisition to the earlier of the date of disposal and the end of the reporting period. The amounts are before inter-company eliminations and excluding the related goodwill.

19. 附屬公司(續)

個別擁有重大非控股權益之附屬公司財務資料

下表列示年內擁有重大非控股權益(「非控股權益」)之非全資附屬公司民信資本及其附屬公司(統稱「民信資本集團」、茂宸生殖及其附屬公司(統稱「茂宸生殖集團」、愛嬰島集團以及Blend & Pack之有關資料。各擁有重大非控股權益之附屬公司財務資料概要載於下文。有關附屬公司的業績乃自呈報期開始與收購日期中較後者起至出售之日與呈報期結算日中較早者止。金額乃為公司內部抵銷前，不包括相關商譽。

		Blend & Pack Blend & Pack HK\$'000 千港元	MCIL Group 民信資本集團 HK\$'000 千港元	MRT Group 茂宸生殖集團 HK\$'000 千港元	AYD Group (formerly known as Shining Time Group) 愛嬰島集團 (前稱亮時集團) HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日				
Proportion of NCI's ownership interests	非控股權益所有權之比例	25%	30%	35.15%	53.09%
Non-current assets	非流動資產	131,502	35,273	548,857	415,586
Current assets	流動資產	43,566	104,676	52,891	877,547
Current liabilities	流動負債	(30,049)	(5,531)	-	(650,534)
Non-current liabilities	非流動負債	(727)	(22,453)	(80)	-
Total equity	總權益	144,292	111,965	601,668	642,599
NCI of subsidiaries within the respective groups	相關集團內附屬公司之非控股權益	-	40,770	-	-
Carrying amount of NCI	非控股權益之賬面值	36,073	51,498	211,486	341,156

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

19. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material NCI (Continued)

19. 附屬公司 (續)

個別擁有重大非控股權益之附屬公司財務資料 (續)

	Blend & Pack	MCIL Group	Link Group)*	RHG Group (formerly known as Jubilant Link Group)* 寶德醫務集團 (前稱欣連 集團)*	AYD Group (formerly known as Shining Time Group) 愛嬰島集團 (前稱亮時 集團)
	Blend & Pack HK\$'000 千港元	民信資本集團 HK\$'000 千港元	集團)* HK\$'000 千港元	寶德醫務集團 (前稱欣連 集團)* HK\$'000 千港元	愛嬰島集團 (前稱亮時 集團) HK\$'000 千港元

At 31 December 2017

於二零一七年
十二月三十一日

Proportion of NCI's ownership interests	非控股權益所有權之比例	25%	30%	44.98%	45%
Non-current assets	非流動資產	234,818	184,119	206,089	520,196
Current assets	流動資產	54,937	96,919	66,074	747,115
Current liabilities	流動負債	(38,450)	(207,614)	(14,962)	(665,145)
Non-current liabilities	非流動負債	(67,337)	–	(22,466)	(111,808)
Total equity	總權益	183,968	73,424	234,735	490,358
NCI of subsidiaries within the respective groups	相關集團內附屬公司之非控股權益	–	39,944	5,863	–
Carrying amount of NCI	非控股權益之賬面值	45,992	49,843	105,584	220,661

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

19. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material NCI (Continued)

19. 附屬公司(續)

個別擁有重大非控股權益之附屬公司財務資料(續)

		Blend & Pack Blend & Pack HK\$'000 千港元	MCIL Group 民信資本 集團 HK\$'000 千港元	MRT Group 茂宸生殖 集團 HK\$'000 千港元	AYD Group (formerly known as Shining Time Group) 愛嬰島集團 (前稱亮時集團) HK\$'000 千港元
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度				
Proportion of NCI's ownership interests	非控股權益所有權之比例	25%	30%	35.15%	53.09%
Operating income	經營收入	91,520	10,772	65,348	3,016,007
Profit/(loss) for the year	年度溢利/(虧損)	(19,616)	4,540	33,054	152,518
Profit/(loss) and total comprehensive income	溢利/(虧損)及全面收入總額	(39,678)	4,540	-	152,247
Profit/(loss) attributable to NCI	非控股權益應佔溢利/(虧損)	(4,904)	1,362	13,770	75,600
Net cash inflow/(outflow) from	下述各項現金流入/(流出)淨額				
Operating activities	經營活動	(23,323)	(72)	(1,070)	67,058
Investing activities	投資活動	-	75	-	(30,844)
Financing activities	融資活動	9,442	22	529	(3,788)
Total cash inflows/(outflows)	現金流入/(流出)總額	(13,881)	25	(541)	32,426
Dividend paid to NCI	派付予非控股權益之股息	-	-	16,805	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

19. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material NCI (Continued)

19. 附屬公司 (續)

個別擁有重大非控股權益之附屬公司財務資料 (續)

		Blend & Pack HK\$'000 千港元	MCIL Group 民信資本集團 HK\$'000 千港元	RHG Group (formerly known as Jubilant Link Group)* 寶德醫務集團 (前稱欣連 集團)* HK\$'000 千港元	AYD Group (formerly known as Shining Time Group) 愛嬰島集團 (前稱亮時集團) 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				
Proportion of NCI's ownership interests	非控股權益所有權之比例	25%	30%	44.98%	45%
Operating income	經營收入	32,954	12,843	143,227	2,511,777
Profit/(loss) for the year	年度溢利/(虧損)	233	(3,976)	36,345	134,989
Profit/(loss) and total comprehensive income	溢利/(虧損)及全面收入總額	(1,324)	(3,976)	36,043	139,824
Profit/(loss) attributable to NCI	非控股權益應佔溢利/(虧損)	(42)	(1,246)	20,173	60,745
Net cash inflow/(outflow) from	下述各項現金流入/(流出)淨額				
Operating activities	經營活動	1,637	898	38,564	(98,530)
Investing activities	投資活動	-	-	-	(13,041)
Financing activities	融資活動	(147)	-	(2,400)	189,016
Total cash inflows	現金流入總額	1,490	898	36,164	77,445
Dividend paid to NCI	派付予非控股權益之股息	-	-	2,400	-

* Upon completion of the transaction on 8 June 2018, the equity interests in RHG held by the Group changed from 55.02% to 46.71% and loss of the board's control. RHG Group became an associate of the Group. Details are set out in Note 41 to the consolidated financial statements.

* 於二零一八年六月八日交易完成後，本集團所持寶德醫務股權由55.02%變更為46.71%，失去董事會控制權。寶德醫務集團已成為本集團的聯營公司。有關詳情載於綜合財務報表附註41。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

20. INTERESTS IN ASSOCIATES

20. 於聯營公司權益

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of investment in associates, unlisted 於聯營公司投資成本，非上市	802,762	214,216
Share of post-acquisition gains and 應佔收購後收益及其他全面收入 other comprehensive income	30,727	6,019
	833,489	220,235

As at 31 December 2018, interests in associates comprise of HK\$233,676,000 (2017: HK\$220,235,000) representing 42.87% equity interest in Pangenica Inc (formerly known as Pangenica Holdings Limited, "Pangenica"), a company incorporated in the British Virgin Islands with limited liability, and HK\$599,813,000 (2017: Nil) representing 46.71% equity interest in Reproductive Healthcare Group Limited (formerly known as Jubilant Link Limited, "RHG"), a company incorporated in the British Virgin Islands with limited liability.

In March 2017, 42.87% equity interest of Pangenica and its subsidiaries (together "Pangenica Group") were acquired by the Group. The Pangenica Group is principally engaged in the trading of laboratory consumables and equipment and laboratory testing related business.

Included in the cost of investments in associates was goodwill of HK\$71,439,000 (2017: HK\$71,439,000) arising from acquisition of the Pangenica Group.

於二零一八年十二月三十一日，於聯營公司權益包括233,676,000港元(二零一七年：220,235,000港元)指新亞生物科技有限公司(前稱新亞控股有限公司，「新亞」，一家於英屬處女群島註冊成立之有限公司)之42.87%股權及599,813,000港元(二零一七年：無)指於寶德醫務集團有限公司(前稱欣連集團，「寶德醫務」，一家於英屬處女群島註冊成立之有限公司)之46.71%股權。

於二零一七年三月，新亞及其附屬公司(統稱「新亞集團」)的42.87%股權已被本集團收購。新亞集團主要從事實驗室消耗品及設備貿易以及實驗室檢測相關業務。

計入於聯營公司投資成本包括因收購新亞集團產生的商譽71,439,000港元(二零一七年：71,439,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

20. INTERESTS IN ASSOCIATES (Continued)

In May 2018, the Company's indirect non-wholly owned subsidiary, RHG entered into a transaction with the vendors in relation to the acquisition of the entire issued share capital of The HK Women's Clinic Group Limited at a consideration of HK\$435,005,000, which was settled as to HK\$210,000,000 in cash and as to HK\$225,005,000 by the allotment and issue of RHG's shares to the vendors. Meanwhile, the Group subscribed 50,000,000 shares in RHG at a consideration of HK\$160,000,000. Upon completion of the transaction on 8 June 2018, the Group's interest in RHG decreased from 55.02% to 46.71%. The Group has loss of control in RHG and its subsidiaries ("RHG Group") and RHG became an associate of the Group. RHG Group is principally engaged in the provision of medical services and reproductive technology services.

20. 聯營公司權益(續)

於二零一八年五月，本公司間接非全資附屬公司寶德醫務與賣方就收購The HK Women's Clinic Group Limited全部已發行股本訂立交易，代價為435,005,000港元，其中210,000,000港元以現金及225,005,000港元以向賣方配發及發行寶德醫務股份的方式結算。同時，本集團已以代價160,000,000港元認購寶德醫務50,000,000股股份。於二零一八年六月八日完成交易後，本集團所持寶德醫務權益由55.02%降至46.71%，本集團已失去寶德醫務及其附屬公司(「寶德醫務集團」)的控制權，寶德醫務成為本集團聯營公司。寶德醫務集團主要業務為提供醫療諮詢服務及生殖技術服務。

Summarised financial information of individually material associates

Pangenia Group

個別重大聯營公司之財務資料概要

新亞集團

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 31 December	於十二月三十一日		
Current assets	流動資產	186,348	160,515
Non-current assets	非流動資產	106,448	110,358
Current liabilities	流動負債	(45,524)	(59,601)
Non-current liabilities	非流動負債	(6,107)	(1,459)
Intangible assets	無形資產	164,400	164,400
Deferred tax liabilities	遞延所得稅負債	(27,126)	(27,126)
Net assets	淨資產	378,439	347,087
Group's ownership interest	本集團之擁有權	42.87%	42.87%
Group's share of the net assets of the associate	本集團應佔聯營公司淨資產	162,237	148,796
Goodwill	商譽	71,439	71,439
		233,676	220,235

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

20. INTERESTS IN ASSOCIATES (Continued) Summarised financial information of individually material associates (Continued) Pangenia Group (Continued)

20. 聯營公司權益(續) 個別重大聯營公司之財務資料概要 (續) 新亞集團(續)

		2018	From 31 March 2017 (date of acquisition) to 31 December 2017
		二零一八年	二零一七年
		十二月三十一日	三月三十一日
		(收購日期)至	二零一七年
		二零一八年	十二月三十一日
		HK\$'000	HK\$'000
		千港元	千港元
Year/period ended 31 December	截至十二月三十一日止 年度/期間		
Revenue	收益	276,713	200,972
Profit for the year/period	年度/期間溢利	31,352	14,040
Other comprehensive income	其他全面收入	-	-
Total comprehensive income	全面收入總額	31,352	14,040
Dividend received from the associate	自聯營公司收取之股息	-	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

20. INTERESTS IN ASSOCIATES (Continued) Summarised financial information of individually material associates (Continued) RHG Group

20. 聯營公司權益(續) 個別重大聯營公司之財務資料概要 (續) 寶德醫務集團

		2018 二零一八年 HK\$'000 千港元
At 31 December	於十二月三十一日	
Current assets	流動資產	100,086
Non-current assets	非流動資產	698,030
Current liabilities	流動負債	(32,576)
Non-current liabilities	非流動負債	(4,245)
Intangible assets	無形資產	361,500
Deferred tax liabilities	遞延所得稅負債	(60,343)
Net assets	淨資產	1,062,452
Fair value adjustment	公平值調整	221,669
		1,284,121
Group's ownership interest	本集團之擁有權	46.71%
Group's share of the net assets of the associate	本集團應佔聯營公司淨資產	599,813
Goodwill	商譽	-
		599,813

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

20. INTERESTS IN ASSOCIATES (Continued) Summarised financial information of individually material associates (Continued) RHG Group (Continued)

20. 聯營公司權益(續) 個別重大聯營公司之財務資料概要 (續) 寶德醫務集團(續)

		From 8 June 2018 (date of deemed disposal) to 31 December 2018 二零一八年 六月八日 (視作出售日期) 至二零一八年 十二月三十一日 HK\$'000 千港元
Period ended 31 December	截至十二月三十一日止期間	
Revenue	收益	169,518
Profit for the period	期間溢利	24,121
Other comprehensive income	其他全面收入	-
Total comprehensive income	全面收入總額	24,121
Dividend received from the associate	自聯營公司收取之股息	-

21. AMOUNT DUE TO AN ASSOCIATE

In August 2017, a subsidiary of the Group entered into a loan agreement with Pangenja, pursuant to which the Pangenja granted an unsecured loan of HK\$20,000,000 to the Group, for a period of 6 months from date of drawdown with interest rate of 3.5% per annum. The loan was drawdown in September 2017. The loan was subsequently settled in March 2018.

In September 2018, a subsidiary of the Group entered into a loan agreement with Pangenja, pursuant to which Pangenja granted an unsecured loan of HK\$25,000,000 to the Group, for a period of 6 months from date of drawdown with interest rate of 3.5% per annum and repayable in March 2019. The loan was drawdown in September 2018.

21. 應付一間聯營公司款項

於二零一七年八月，本集團的一間附屬公司與新亞訂立貸款協議，據此，新亞向本集團提供一筆無抵押貸款20,000,000港元，自提取日期起計為期六個月，年利率為3.5%。貸款於二零一七年九月提取，其後於二零一八年三月償還。

於二零一八年九月，本集團附屬公司與新亞訂立貸款協議，據此，新亞向本集團授出無抵押貸款25,000,000港元，自提取日期起計六個月，年利率為3.5%並須於二零一九年三月償還。貸款於二零一八年九月提取。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

22. 可供出售財務資產

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Unlisted investments, at cost	非上市投資，以成本計			
Equity securities	股本證券	(a)	–	630,525
Debt instrument	債務工具	(b)	–	74,926
Private funds	私募基金	(c)	–	40,127
		(d)	–	745,578
Impairment losses	減值虧損	(e)	–	(56,463)
Less: Balances in current portion	減：流動部分結餘	(b)	–	689,115 (74,926)
Non-current portion	非流動部分		–	614,189

Notes:

- (a) As at 31 December 2017, the unlisted investment of HK\$630,525,000 represented 15% equity interests in 申港證券股份有限公司 (Shengang Securities Company Limited*, "Shengang"), a company incorporated in the PRC with limited liability. Shengang is principally engaged in securities related business with full licences approved by the China Securities Regulatory Commission in the PRC. On 8 March 2018, Shengang issued 815,000,000 shares to existing 9 shareholders. The total issued share capital of Shengang increased from RMB3,500,000,000 to RMB4,315,000,000. After issue of new shares, the equity interest in Shengang held by the Group was diluted from 15% to 12.17%.

Investment in Shengang is an equity instruments. As at 1 January 2018, Mason Group made an irrevocable election (on an instrument-by-instrument basis) to designate this investment at FVOCI as stated in Note 25. This option is only applying to instruments that are i) not held for trading; ii) contractual cash flow that not for SPPI and iii) not derivatives.

* English name for identification purpose only

附註：

- (a) 於二零一七年十二月三十一日，非上市投資 630,525,000 港元指於申港證券股份有限公司（「申港」，一間於中國註冊成立之有限公司）之 15% 股權。申港於獲得中國證券監督管理委員會批准授出的全部牌照後主要從事證券相關業務。於二零一八年三月八日，申港向現有 9 名股東發行 815,000,000 股股份。申港已發行股本總額由人民幣 3,500,000,000 元增至人民幣 4,315,000,000 元。發行新股份後，本集團於申港的股權由 15% 攤薄至 12.17%。

於申港的投資為股本工具。於二零一八年一月一日起，茂宸集團按個別工具基準作出不可撤回選擇，將該投資重新指定為按公平值計入其他全面收入（如附註 25 所述）。該選擇僅適用於 i) 並非持作買賣的工具；ii) 屬於並非僅支付本金及利息的合約現金流量工具及 iii) 非衍生工具。

* 英文名稱僅供識別

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

Notes: (Continued)

(b) In October 2016, the Group acquired a subsidiary, HKMS, which has available-for-sale financial assets with carrying amount of HK\$74,926,000. In April 2016, HKMS entered into a junior facility agreement with a third-party, pursuant to which HKMS agreed to grant a loan with the principal amount of HK\$75,000,000. The borrower applies all money borrowed under the facility towards origination and funding of mortgage loans, purchase of mortgage insurance and payment of related fees and expenses. The borrower intends to securitise (subject to the prior written consent of the Group) or the private sales of the asset-back collateral pool, in each case repay all loans under the agreement. The loan facility was drawdown in October 2016, which is unsecured and repayable 18 months from the first day of the loan being made. The aggregate interest on the loan should be an amount equal to any amounts held by the borrower after paying off the senior loan lenders and any expenses less US\$1,500 (equivalent to HK\$12,000). The drawdown loan were subsequently repaid in January 2018.

(c) Included in the private funds was fund contribution to Agate-JT Healthcare Fund L.P. ("Agate Fund"). In December 2016, Mason Capital Strategic, a wholly-owned subsidiary of the Group, entered into a subscription agreement with Agate Fund to subscribe limited partnership interest at a total contribution commitment of US\$20,000,000 (equivalent to HK\$156,000,000), which represented 32% of total capital of Agate Fund. As at 31 December 2017, Mason Capital Strategic has paid US\$5,136,452 (equivalent to HK\$40,082,000) as the paid-up capital of Agate Fund, which represented 26% and 32% of total contribution commitment and contributed capital respectively. The fund is established for achieving capital appreciation through making equity investments in and dispositions of, mainly Israeli and Israeli-related healthcare technologies companies. During the year ended 31 December 2017, an impairment loss of HK\$5,538,000 was recognised.

On 27 December 2018, 100% of shareholding of Mason Capital Strategic, has been disposed by its immediate holding company, Mason Financial Management Limited to a third-party, for a consideration of HK\$67,535,000 payable by way of cash and secured promissory note. The cash consideration of HK\$33,767,500 has been fully settled on the completion date, i.e. 28 December 2018. The remaining balance of HK\$33,767,500 is payable on 27 May 2019 by way of the secured promissory note. The note receivable carried fixed interest rate at 8% and is secured by the share of Mason Capital Strategic now or in the future beneficially owned by the third party.

22. 可供出售財務資產(續)

附註：(續)

(b) 於二零一六年十月，本集團收購附屬公司香港按揭，該公司擁有賬面值74,926,000港元之可供出售財務資產。於二零一六年四月，香港按揭與第三方訂立初級融資協議，據此，香港按揭同意授出本金額75,000,000港元的貸款。借款人根據發放及提供按揭貸款、購買按揭保險及支付相關費用及開支作出融資，從而動用借來的全部款項。借款人擬抵押(須本集團提前書面同意)或私自出售資產支持的抵押品池，於任何情況下須根據協議償還全部貸款。貸款融資於二零一六年十月提取，無抵押並自作出貸款首日起18個月內償還。貸款總利息應為一筆相當於借款人償清高級貸款貸款人後所持任何款項及任何開支少於1,500美元(相當於12,000港元)之款項。已提取貸款隨後於二零一八年一月償還。

(c) 私募基金包括給予Agate-JT Healthcare Fund L.P. (「Agate Fund」)的基金供款。於二零一六年十二月，本集團全資附屬公司茂宸資本策略與Agate Fund訂立認購協議以認繳出資總額20,000,000美元(相等於156,000,000港元)(佔Agate Fund資本總額的32%)認購有限合夥權益。於二零一七年十二月三十一日，茂宸資本策略已支付5,136,452美元(相當於40,082,000港元)作為Agate Fund之實繳資本，分別佔認繳出資總額及認繳資本的26%及32%。設立該基金乃為透過主要向以色列及以色列相關醫療保健技術公司進行股權投資及處置有關公司實現資本增值。截至二零一七年十二月三十一日止年度，已確認減值虧損5,538,000港元。

於二零一八年十二月二十七日，茂宸資本策略100%股權已由其直接控股公司茂宸財務管理有限公司出售予第三方，代價為67,535,000港元，以現金及有抵押承兌票據方式支付。現金代價33,767,500港元已於完成日期(即二零一八年十二月二十八日)悉數結算。餘下結餘33,767,500港元以有抵押承兌票據方式於二零一九年五月二十七日償還。應收票據的固定利率為8%，並以現時或將來由第三方實益擁有茂宸資本策略之股份作抵押。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

22. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

Notes: (Continued)

(d) The management is of the opinion that as the variability in the range of reasonable fair value estimates for the unlisted investments is significant and the probability of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, these investments are stated at cost less any impairment loss.

(e) Movements in the provision for impairment loss are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the reporting period	於呈報期初	56,463	50,925
Effect of adoption of HKFRS 9 (Note 2)	採納香港財務報告準則第9號之影響(附註2)	(56,463)	-
At the end of the reporting period (restated)	於呈報結算日(經重列)	-	50,925
Impairment loss recognised	已確認減值虧損	-	5,538
At the end of the reporting period	於呈報期結算日	-	56,463

23. INVENTORIES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Merchandise for resale	轉售商品	316,979	285,507
Raw materials	原材料	9,311	6,664
Consumables	消耗品	-	375
		326,290	292,546

22. 可供出售財務資產(續)

附註:(續)

(d) 管理層認為，由於非上市投資之估計合理公平值範圍波動重大，且該範圍內各項估值可能無法合理評估而無法用於評估公平值，故該等投資以成本減任何減值虧損列賬。

(e) 減值虧損撥備變動如下：

23. 存貨

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

24. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Analysis of financial assets at fair value through profit or loss:

24. 按公平值計入損益之財務資產

按公平值計入損益之財務資產之分析如下：

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Investments held for trading	持作買賣之投資			
Equity securities	股本證券			
— listed in Hong Kong	— 於香港上市	(a)	221,677	162,291
Equity securities	股本證券			
— listed overseas	— 於海外上市	(a)	4,489	2,639
Investments not held for trading	並非持作買賣之投資			
Equity securities	股本證券 — 於香港上市			
— listed in Hong Kong		(a)&(c)	191,906	199,342
Unlisted equity securities	非上市股本證券	(b)&(c)	173,003	—
			591,075	364,272
Less: Balances in current portion	減：流動部分結餘		(226,166)	(164,930)
Non-current portion	非流動部分		364,909	199,342

Notes:

- (a) The fair values of listed equity securities are based on quoted market prices in active markets.
- (b) The fair value of unlisted equity securities are determined using market approach at the reporting date.
- (c) The financial assets at 31 December 2018 were classified as financial assets at FVTPL as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

附註：

- (a) 上市股本證券之公平值按於活躍市場所報市價計算。
- (b) 非上市股本證券之公平值於呈報日期使用市場法釐定。
- (c) 於二零一八年十二月三十一日之財務資產分類為按公平值計入損益之財務資產，原因為本集團並未選擇確認為計入其他全面收入之公平值收益或虧損。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

25. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

25. 按公平值計入計入其他全面收入之財務資產

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註		
Unlisted equity securities	非上市股本證券	22(a)	633,244	–

26. FINANCIAL ASSETS AT AMORTISED COST

26. 按攤銷成本列賬之財務資產

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
European bonds	歐洲債券		173,785	–

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

27. LOAN RECEIVABLES

Loans granted to borrowers are repayable according to repayment schedules.

27. 應收貸款

授予借款人之貸款按還款時間表償還。

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Loan receivables from third parties	應收第三方之貸款			
— Term loans	— 定期貸款	(a)	1,306,607	1,119,704
— Instalment loans	— 分期貸款	(b)	22,067	202,956
			1,328,674	1,322,660
Loan to a non-controlling shareholder of a subsidiary	附屬公司非控股股東貸款	(c)	180,923	168,308
		(d)	1,509,597	1,490,968
Expected credit loss	預期信貸虧損	(d)	(25,123)	—
			1,484,474	1,490,968
Less: Balances due within one year included in current assets	減：計入流動資產之一年內到期結餘		(925,927)	(848,606)
Non-current portion	非流動部分		558,547	642,362

Notes:

- (a) As at 31 December 2018, term loan receivables of:
- (i) HK\$478,699,000 (2017: HK\$761,270,000) are secured by corporate/personal guarantee provided by equity holders of the borrowers and collateralised by unlisted securities or listed securities or properties;
- (ii) HK\$80,078,000 (2017: HK\$137,973,000), HK\$183,532,000 (2017: HK\$148,750,000) and HK\$8,288,000 (2017: HK\$8,286,000) are collateralised by listed securities, unlisted securities and the borrower's asset respectively;
- (iii) HK\$79,072,000 (equivalent to CHF9,935,000) (2017: Nil) are collateralised by properties located overseas or pledged deposits;
- (iv) HK\$413,505,000 (equivalent to CHF51,956,000) (2017: Nil) are collateralised by securities and bonds; and
- (v) HK\$63,433,000 (2017: HK\$63,425,000) are unsecured.

The term loan receivables carry fixed interest rates ranging from around 1% to 15% per annum (2017: 5% to 12% per annum) and all (2017: all) are within the respective maturity dates.

附註：

- (a) 於二零一八年十二月三十一日，應收定期貸款：
- (i) 478,699,000 港元(二零一七年：761,270,000 港元)乃由借款方之權益持有人提供的企業／個人擔保抵押及由非上市證券或上市證券或物業作抵押；
- (ii) 80,078,000 港元(二零一七年：137,973,000 港元)、183,532,000 港元(二零一七年：148,750,000 港元)及 8,288,000 港元(二零一七年：8,286,000 港元)分別以非上市證券及借款方資產作抵押；
- (iii) 79,072,000 港元(相當於 9,935,000 瑞士法郎)(二零一七年：無)為由海外物業或抵押存款作抵押；
- (iv) 413,505,000 港元(相當於 51,956,000 瑞士法郎)(二零一七年：無)以證券及債券作抵押；及
- (v) 63,433,000 港元(二零一七年：63,425,000 港元)為無抵押。

應收定期貸款按約 1% 至 15% 的固定年利率(二零一七年：年利率為 5% 至 12%)計息，全部(二零一七年：全部)均於各自到期日內。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

27. LOAN RECEIVABLES (Continued)

Notes: (Continued)

- (b) As at 31 December 2018, instalment loan receivables of HK\$22,067,000 (2017: HK\$202,956,000) are collateralised by properties situated in Hong Kong, which carry interest rate of 3.25% above Hong Kong Dollar prime rate per annum (2017: ranging from 1.25% to 4.13% above Hong Kong Dollar prime rate per annum) with respective maturity dates.
- (c) Loan to a non-controlling shareholder of a subsidiary is a loan and related interest receivable from one of the vendors, Cosmicfield Investments Limited ("Cosmicfield"), in acquisition of AYD group. Pursuant to an investment agreement dated 30 December 2016, the loan of RMB140,800,000 (equivalent to HK\$157,696,000) carries interest at a rate of 8% per annum for a term of 36 months expiring on 27 February 2020; and is secured by (i) 1,892 shares of US\$1 each, representing 18.92% of the issued share capital of AYD held by Cosmicfield; (ii) 1,269 shares of US\$1 each, representing 12.69% of the issued share capital of AYD held by Golden Metro Investments Limited.
- (d) The management assessed the collectability of loan receivables at the end of the reporting period individually with reference to borrowers' past settlement history and current creditworthiness. Loan receivables that were neither past due nor impaired related to several borrowers for whom there was no history of default. Loan receivables that were past due but not impaired as management is of the opinion that there has not been a significant change in credit quality of the borrower or the party who provided guarantees and fair value of the collaterals obtained in respect of these loans.

For loan receivables, the ECLs are based on the 12-months ECLs. The increase in loss allowance for loan receivables upon the transition to HKFRS 9 as of 1 January 2018 was HK\$6,699,000. The loss allowance increased for HK\$18,424,000 for loan receivables (including ECLs from pre-acquisitions of subsidiaries during the year amounting to HK\$16,771,000) during the year ended 31 December 2018.

27. 應收貸款(續)

附註：(續)

- (b) 於二零一八年十二月三十一日，應收分期貸款22,067,000港元(二零一七年：202,956,000港元)以位於香港的物業作抵押，按港元最優惠年利率加3.25%計息(二零一七年：按港元最優惠年利率加1.25%至4.13%計息)設有相關到期日。
- (c) 給予附屬公司非控股股東的貸款為對在收購愛嬰島集團的其中一位賣方Cosmicfield Investments Limited(「Cosmicfield」)的應收貸款及相關應收利息。根據日期為二零一六年十二月三十日的投資協議，人民幣140,800,000元(相當於157,696,000港元)的貸款於二零二零年二月二十七日期到，按36個月期限每年8%的利率計息；及(i)以1,892股每股1美元的股份作抵押，為Cosmicfield所持愛嬰島已發行股本的18.92%；(ii)以1,269股每股1美元的股份作抵押，為Golden Metro Investments Limited所持愛嬰島已發行股本的12.69%。
- (d) 管理層於呈報期結算日參考借款人之過往還款記錄及目前信譽，個別評估應收貸款之可收回狀況。既未逾期亦無減值之應收貸款涉及無拖欠記錄之若干借款人。應收賬款已逾期但未減值，因為管理層認為借款人或擔保提供人的信用狀況以及就該等貸款獲得的抵押品的公平值並無發生重大變化。

就應收貸款而言，預期信貸虧損基於12個月的預期信貸虧損。應收貸款於二零一八年一月一日香港財務報告準則第9號過渡條文後的虧損撥備增加為6,699,000港元。虧損撥備截至二零一八年十二月三十一日止年度的應收貸款增加18,424,000港元(包括年內收購附屬公司前的預期信貸虧損16,771,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

28. TRADE AND OTHER RECEIVABLES

28. 貿易及其他應收款項

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Trade receivables	貿易應收款項	(a)	197,947	160,231
Accounts receivable from third parties arising from provision of securities and commodities brokerage services:	就提供證券及商品經紀服務產生的應收第三方賬款：			
— custodian clients	— 託管客戶	(b)	17,843	19,520
— margin clients	— 孖展客戶	(b)	619,141	520,718
— clearing houses and brokers	— 結算所及經紀	(b)	102,238	181,801
			937,169	882,270
Allowance for doubtful debts	呆賬撥備	(c)	–	(104,814)
Expected credit loss	預期信貸虧損	(c)	(22,228)	–
			914,941	777,456
Deposits and prepayments	存款及預付款		252,935	148,050
Other receivables	其他應收賬款	(d)	118,029	110,086
Due from related companies/parties	應收關聯公司／方款項	(e)	58,372	15,920
			429,336	274,056
			1,344,277	1,051,512

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

28. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

(a) Settlement terms of trade receivables

The Group's sales are on cash basis except for the sales of merchandise to certain customers and the franchisees. The credit terms offered to these customers are generally in credit limit and open credit period, accordingly the trade receivables that are not individually nor collectively impaired are considered not overdue.

(b) Settlement terms of accounts receivable

Accounts receivable arising from the ordinary course of business of brokerage in securities and commodities in respect of cash clients and margin clients are two or three trading days after the transaction dates.

Accounts receivable arising from the ordinary course of business of brokerage in index, commodity and currency futures contracts represent the margin deposits maintained with futures clearing house, options clearing house or brokers to meet the margin requirements of open contracts. Margin calls from clearing house and brokers are settled on a daily basis. The excess amounts over the required margin deposits stipulated are repayable on demand.

The credit facility limits to margin clients are determined by the discounted market value of the collateral securities accepted by the Group.

The majority of the loans to margin clients which are secured by the underlying pledged securities are interest-bearing. The Group maintains a list of approved stocks for margin lending at a specified loan to collateral ratio.

Any excess in the lending ratio will trigger a margin call which the customers have to make up the shortfall.

Loans to margin clients as at the end of the reporting period were secured by the customers' securities to the Group as collateral with discounted market value of approximately HK\$961,295,000 (2017: HK\$1,363,452,000).

The Group determines the allowance for impaired debts based on the evaluation of collectability and ageing analysis of accounts receivable and on management's judgement including the assessment of change in credit quality, collateral and the past collection history of each client. The concentration of credit risk is limited due to the customer base being large and unrelated.

Trading limits are set for customers. The Group seeks to maintain tight control over its outstanding accounts receivable in order to minimise the credit risk. Overdue balances are regularly monitored by management.

28. 貿易及其他應收款項(續)

附註：

(a) 貿易應收款項結算條款

本集團的銷售以現金交易，惟向若干客戶及特許經營商銷售的商品除外。向該等客戶提供的信貸條款通常為信用限額及開放式信貸期，因此，並未個別或共同減值的貿易應收款項被視為並未逾期。

(b) 應收賬款結算條款

就現金客戶及孖展客戶而言，從證券及商品經紀業務之日常業務過程中產生之應收賬款須於交易日後兩個或三個交易日內結算。

就指數、商品及貨幣期貨合約之經紀業務在日常業務過程中產生之應收賬款，乃指存放於期貨結算所、期權結算所或經紀之保證金，已符合平倉合約之保證金要求。結算所及經紀之追求保證金乃每日交收。超過所規定保證金之金額則按要求退還。

孖展客戶信貸融資限額乃按本集團所收取的抵押證券折讓市值釐定。

大部分給予孖展客戶的貸款(由相關已抵押證券作抵押)計息。本集團設有一份經認可股份清單，以按特定貸款抵押品比率給予孖展借款。

超逾借款比率將觸發按金追繳通知，客戶須追補該差額。

於呈報期結算日給予孖展客戶之貸款由客戶給予本集團作抵押品的折讓市值約為961,295,000港元(二零一七年：1,363,452,000港元)的證券擔保。

本集團根據應收賬款可回收性及賬齡之評估，以及管理層之判斷(包括對信貸質素變化之評估、抵押品及各客戶之收款記錄)而決定減值債務之撥備。本集團的信貸集中風險有限，因為客戶基礎龐大並且互無關連。

客戶均設有交易限額。本集團對未償還應收賬款採取嚴謹監控措施，以將信貸風險減至最低。逾期款項由管理層定期檢討。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

28. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(c) Ageing analysis and impairment

At the end of the reporting period, the ageing analysis of trade receivables, by invoice date is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Less than 1 month	少於一個月	84,095	49,575
1 month to 3 months	一至三個月	65,735	102,488
3 months to 6 months	三至六個月	28,657	1,064
6 months to 12 months	六至十二個月	19,460	7,104
		197,947	160,231

Movements in the expected credit loss are as follows:

預期信貸虧損變動如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the reporting period	於呈報期初	–	–
Effect of adoption of HKFRS 9 (Note 2)	採納香港財務報告準則第9號影響 (附註2)	585	–
At the beginning of the reporting period (restated)	於呈報期初(經重列)	585	–
Expected credit loss	預期信貸虧損	21,643	–
At the end of the reporting period	於呈報期結算日	22,228	–

Movements in the provision for allowances are as follows:

計提撥備變動如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At the beginning of the reporting period	於呈報期初	104,814	100,517
Effect of adoption of HKFRS 9 (Note 2)	採納香港財務報告準則第9號的 影響(附註2)	(104,814)	–
At the beginning of the reporting period (restated)	於呈報期初(經重列)	–	100,517
Increase in allowance	撥備增加	–	4,897
Reversal of allowance	撥備撥回	–	(600)
At the end of the reporting period	於呈報期結算日	–	104,814

The Group has initially applied HKFRS 9 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 39.

本集團已採用累計影響法首次應用香港財務報告準則第9號。根據該方法，並無根據香港會計準則第39號重列及編製比較資料。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

28. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(c) Ageing analysis and impairment (Continued)

Impairment under HKFRS 9 for the year ended 31 December 2018

An impairment analysis is performed at each reporting date using a provision matrix to measure ECLs. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e. by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and account receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade and account receivables as at 31 December 2018 using a provision matrix:

28. 貿易及其他應收款項(續)

附註：(續)

(c) 賬齡分析及減值(續)

香港財務報告準則第9號項下截至二零一八年十二月三十一日止年度之減值

於各報告日期均採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於因就擁有類似虧損模式的多個客戶分部進行分組(即地區、產品類別、客戶類別及評級、信用證或其他形式的信貸保險)而逾期的日數計算量。該計算反映或然率加權結果、貨幣時值及於報告日期可得有關過往事項、當前條件及未來經濟條件預測的合理及可靠資料。一般而言，貿易及其他應收款項如逾期超過一年及毋須受限於強制執行活動則予以撇銷。

下表載列使用撥備矩陣計量有關本集團於二零一八年十二月三十一日的應收貿易賬款的信貸風險狀況的資料：

31 December 2018 二零一八年 十二月三十一日		Stage 1 第1階段	Stage 2 第2階段	Stage 3 第3階段	Proxy approach 模擬法	Total 總計
ECLs rate (%)	預期信貸虧損率(%)	0.03%	0.12%	5%	1.39%	
Gross carrying amount (HK\$'000)	總賬面值(千港元)	297,097	57,952	387,628	194,492	937,169
Loss allowance (HK\$'000)	虧損撥備(千港元)	81	71	19,381	2,695	22,228

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

28. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(c) Ageing analysis and impairment (Continued)

Impairment under HKAS 39 for the year ended 31 December 2017

The ageing analysis of the trade and account receivables as at 31 December 2017 by overdue date that are neither individually nor collectively considered to be impaired under HKAS 39 is as follows:

		2017 二零一七年 HK\$'000 千港元
Neither past due nor impaired	既無逾期亦無減值	775,908
Less than 1 month past due	逾期少於一個月	1,274
1 month to 3 months past due	逾期一至三個月	170
3 months to 6 months past due	逾期三至六個月	104
		1,548
		777,456

Trade and account receivables as at 31 December 2017 related to a number of customers and clients that have a good track record with the Group and were not impaired. Based on past experience, the management is of the opinion that no provision for allowance for doubtful debts was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable as at 31 December 2017.

As at 31 December 2017, included in the allowance for doubtful debts are specific accounts receivable from several margin clients with a balance of HK\$104,538,000, which was measured based on incurred credit losses under HKAS 39. The individually impaired accounts receivable relating to margin clients that were default in payments.

(d) Included in other receivables were input value-added tax of HK\$41,145,000 (2017: HK\$15,075,000), and other receivables from a number of franchisees related to the setup cost of respective franchise stores of HK\$57,162,000 (2017: HK\$67,555,000) as at the end of the reporting period.

(e) The amounts due from beneficial owners of respective non-controlling interests of subsidiaries of HK\$58,326,000 (2017: HK\$15,920,000) and a director of a subsidiary acquired during the period of HK\$46,000 (2017: Nil) are unsecured, interest-free and have no fixed repayment term. The carrying value of the amounts due approximate their fair value.

28. 貿易及其他應收款項(續)

附註：(續)

(c) 賬齡分析及減值(續)

截至二零一七年十二月三十一日止年度根據香港會計準則第39號計量的減值

於二零一七年十二月三十一日的貿易應收款項及應收賬款(既未個別亦未共同被視為根據香港會計準則第39號計量而減值)按逾期日期劃分的賬齡分析如下：

於二零一七年十二月三十一日與數位與本集團有良好往期記錄的顧客及客戶有關的貿易應收款項及應收賬款並無減值。根據以往經驗，管理層認為無需就該等結餘計提呆賬撥備，原因為信貸素質並無重大變動且該等結餘於二零一七年十二月三十一日仍被視為可悉數收回。

於二零一七年十二月三十一日，呆賬撥備包括應收數位孖展客戶之賬款之特定撥備，結餘為104,538,000港元，乃根據香港會計準則第39號計量產生的信貸虧損。個別減值應收賬款與拖欠還款之孖展客戶有關。

(d) 於呈報期結算日，其他應收賬款包括增值稅進項稅額41,145,000港元(二零一七年：15,075,000港元)及與特許經營店設立成本有關的應收若干特許經營商款項57,162,000港元(二零一七年：67,555,000港元)。

(e) 應收非控股權益附屬公司之實益擁有人的款項58,326,000港元(二零一七年：15,920,000港元)及期內收購附屬公司董事46,000港元(二零一七年：無)為無擔保、免息且無固定還款期限。到期賬款的賬面值與其公平值相若。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

29. FIXED AND PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

29. 定期及已抵押銀行存款／銀行結餘及現金

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Fixed bank deposits	銀行定期存款	(a)	1,116,299	–
Pledged bank deposits	已抵押銀行存款	(b)	94,137	58,364
Bank balances and cash	銀行結餘及現金		1,603,086	1,759,412
		(c)	2,813,522	1,817,776
Less: Balance in current portion	減：流動部分結餘		(2,768,706)	(1,817,776)
Non-current portion	非流動部分		44,816	–

(a) As at 31 December 2018, fixed bank deposits in current portion are made for varying periods of between one day and twelve months depending on the immediate cash requirements. The fixed bank deposits in non-current portion of CHF5,631,000 (equivalent to HK\$44,816,000) (2017: Nil) were fixed deposits placed with bank with maturity date after January 2020.

(b) As at 31 December 2018, the bank deposits of HK\$42,000,000 and US\$2,807,000 (equivalent to HK\$21,980,000) (2017: HK\$42,000,000) were pledged to banks for bank loans, and RMB26,592,000 (equivalent to HK\$30,279,000) (2017: RMB13,679,000, equivalent to HK\$16,364,000) was pledged to banks for bill payables.

(c) The increase in loss allowance for fixed and pledged bank deposits, bank balances and cash upon the transition to HKFRS 9 as of 1 January 2018 was HK\$157,000. The loss allowance increased for HK\$884,000 for fixed and pledged bank deposits, bank balances and cash during the year ended 31 December 2018.

(a) 於二零一八年十二月三十一日，流動部分銀行定期存款的期限取決於即時現金需求，介乎一日至十二個月。非流動部分的銀行定期存款5,631,000瑞士法郎(相當於44,816,000港元)(二零一七年：無)為二零二零年一月後到期日存入銀行的定期存款。

(b) 於二零一八年十二月三十一日，已就銀行貸款及應付票據向銀行分別抵押42,000,000港元及2,807,000美元(相當於21,980,000港元)(二零一七年：42,000,000港元)以及人民幣26,592,000元(相當於30,279,000港元)(二零一七年：人民幣13,679,000元(相當於16,364,000港元))之銀行存款。

(c) 於二零一八年一月一日過渡至香港財務報告準則第9號後，定期及已抵押銀行存款、銀行結餘及現金的虧損撥備增加157,000港元。於截至二零一八年十二月三十一日止年度，定期及已抵押銀行存款、銀行結餘及現金的虧損撥備增加884,000港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

30. TRADE AND OTHER PAYABLES

30. 貿易及其他應付款項

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Trade and bill payables to third parties	應付第三方貿易賬款及應付票據	(b)	352,503	339,360
Accounts payable to clients arising from provision of wealth and asset management services	自提供財富及資產管理服務而產生的應付客戶賬款	(a)	2,675,216	—
Accounts payable to third parties arising from provision of securities and commodities brokerage services:	就提供證券及商品經紀服務產生之應付第三方賬款：			
— custodian clients	— 託管客戶	(a)	449,843	357,417
— margin clients	— 孖展客戶	(a)	1,053,009	101,947
— clearing house and brokers	— 結算所及經紀人	(a)	1,293	—
			4,531,864	798,724
Less: Cash held on behalf of clients	減：代表客戶持有現金	(c)	(1,512,317)	(443,395)
			3,019,547	355,329
Other payables	其他應付款項	(d)	254,277	126,896
Deposits received and receipts in advance	已收按金及預收款項		7	73,729
Due to related companies	應付關聯公司款項	(e)	6,023	8
			260,307	200,633
			3,279,854	555,962

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

30. TRADE AND OTHER PAYABLES (Continued)

(a) Settlement terms of accounts payable

Accounts payable arising from the ordinary course of business of wealth and asset management services are repayable to clients on demand.

Accounts payable arising from the ordinary course of business of brokerage in securities in respect of cash clients and margin clients are two or three trading days after the transaction dates.

Accounts payable arising from the ordinary course of business brokerage in index, commodity and currency futures contracts represent the margin deposits received from clients for their trading in futures contracts. The excess over the required margin deposits stipulated are repayable to clients on demand.

No ageing analysis has been disclosed in respect of accounts payable arising from the ordinary course of brokerage business and wealth and asset management service business, as in the opinion of the management, it does not give additional value in view of the business's nature.

(b) Ageing analysis of trade and bill payables

At the end of the reporting period, the ageing analysis of trade and bill payables by date of issue of invoice/bill is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Less than 1 month	少於一個月	121,429	3,657
1 month to 3 months	一至三個月	190,900	24,118
3 months to 6 months	三至六個月	26,529	289,565
6 months to 12 months	六至十二個月	11,266	22,020
Over 12 months	超過十二個月	2,379	—
		352,503	339,360

30. 貿易及其他應付款項(續)

(a) 應付賬款結算條款

從財富及資產管理服務之日常業務過程中產生之應付賬款按客戶要求支付。

就現金客戶及孖展客戶而言，從證券經紀業務之日常業務過程中產生之應付賬款須於交易日後兩個或三個交易日內結算。

就指數、商品及貨幣期貨合約之經紀業務在日常業務過程中產生之應付賬款，乃指就客戶的期貨合約交易自彼等收取的孖展按金。超過規定孖展按金的部分則按要求退還給客戶。

概無披露有關自經紀業務以及財富及資產管理服務業務日常業務中產生的應付賬款之賬齡分析，原因為管理層認為，考慮到業務性質，其並不會產生額外價值。

(b) 貿易應付款項及應付票據賬齡分析

於呈報期結算日，貿易應付款項及應付票據按開具發票／票據日的賬齡分析如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

30. TRADE AND OTHER PAYABLES (Continued)

- (c) The Group maintains segregated accounts with banks and authorised institutions to hold cash on behalf of clients arising from its normal course of business in provision for brokerage services.
- (d) As at 31 December 2018 and 2017, included in other payables was current accounts maintained with franchisees, salaries and bonus payables, defined benefit obligation and professional advisory fee payables.
- (e) The amounts due to companies owned by non-controlling interests of a subsidiary are unsecured, interest-free and have no fixed repayment term. The carrying value of the amounts due approximate their fair value.

30. 貿易及其他應付款項(續)

- (c) 本集團於銀行及獲授權機構開立獨立賬戶，以持有代表客戶持有的自其提供經紀服務的一般業務過程中產生的現金。
- (d) 於二零一八年及二零一七年十二月三十一日，其他應付款項包括於特許經營商存有的往來賬戶、應付薪金及花紅、定額福利責任以及應付專業顧問費。
- (e) 應付附屬公司非控股權益擁有之公司的款項為無擔保、免息且無固定還款期限。應付金額的賬面值與其公平值相若。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

31. CONTRACT LIABILITIES

31. 合約負債

	31 December 2018 二零一八年 十二月三十一日 HK\$ 港元	1 January 2018 二零一八年 一月一日 HK\$ 港元	31 December 2017 二零一七年 十二月三十一日 HK\$ 港元
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Contract liabilities arising from:	由以下各項產生之合約負債：			
Franchisor of mother- infant-child products	特許專營母嬰童產品	9,545	11,148	-

Typical payment terms which impact on the amount of contract liabilities are as follows:

影響合約負債金額之典型付款條款如下：

Franchisor of mother-infant-child products

The Group's franchise contracts mainly relate to the advance consideration received from customers.

特許專營母嬰童產品

本集團特許專營合約主要與收取客戶預收代價有關。

Movements in contract liabilities:

合約負債變動：

		2018 二零一八年 HK\$'000 千港元
Balance as at 1 January	於一月一日之結餘	11,148
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	由於在年初確認計入合約負債之年內收入導致合約負債減少	(5,586)
Increase in contract liabilities as a result of billing in advance of franchising activities	特許經營活動前結算之合約負債增加	4,479
Exchange difference	匯兌差額	(496)
Balance at 31 December	於十二月三十一日之結餘	9,545

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

32. INTEREST-BEARING BORROWINGS

32. 計息借款

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Interest-bearing borrowings	計息借款			
— Unsecured bonds	— 無抵押債券	(a)	20,000	20,000
— Bank loans	— 銀行貸款	(b)	262,652	120,827
— Unsecured loans	— 無抵押貸款	(c)	160,903	179,189
			443,555	320,016
Less: Balance repayable within one year or on demand	減：須於一年內或按要求償還結餘		(423,555)	(300,016)
Non-current portion	非流動部分		20,000	20,000

Notes:

- (a) At the end of the reporting period, there are two outstanding unsecured bonds with the principal amount of HK\$10,000,000 each issued in 2014 to two third-party investors separately. The bonds are interest-bearing at 5% per annum payable annually in arrears and repayable in 2021.
- (b) At the end of the reporting period, the bank loans of US\$19,299,000 (equivalent to HK\$151,436,000) (2017: Nil) is borrowed by one of the subsidiaries of the Company in March 2018, which is (i) secured by the pledged deposit at not less than 12% of the outstanding balance; (ii) guaranteed by the Company; (iii) carry interest rate of three months ICE LIBOR plus margin depending on the net profit margin of the Company; and (iv) pledged shares of a subsidiary.

At the end of the reporting period, the Group's bank loans of RMB50,000,000 (equivalent to HK\$56,933,000) (2017: RMB60,000,000 (equivalent to HK\$71,779,000)) are secured by a pledged deposit of HK\$42,000,000 and guaranteed by a director of a subsidiary of the Company and corporate guarantee by the Company. The remaining bank loans of RMB47,673,000 (equivalent to HK\$54,283,000) (2017: RMB41,000,000 (equivalent to HK\$49,048,000)) are guaranteed by a director of a subsidiary of the Company and corporate guarantee by the Company. The bank loans carry interest ranged from 5.22% to 7.00% per annum payable annually and repayable in 2019.

附註：

- (a) 於呈報期結算日，本公司尚有兩項於二零一四年已分別向兩名第三方投資者發行的本金額為10,000,000港元之未償還無抵押債券。該債券按年利率5厘計息，在每週年期末支付，並須於二零二一年償還。
- (b) 於呈報期結算日，銀行貸款19,299,000美元(相當於151,436,000港元)(二零一七年：無)由本公司旗下一間附屬公司於二零一八年三月借入，(i)由不少於未償還餘額12%的質押存款作抵押；(ii)由本公司擔保；(iii)按三個月洲際交易所倫敦銀行同業拆息加視乎本公司的淨利率決定的孖展利率計息；及(iv)由一間附屬公司的股份抵押。

於呈報期結算日，本集團的銀行貸款人民幣50,000,000元(相當於56,933,000港元)(二零一七年：人民幣60,000,000元(相當於71,779,000港元))以一筆42,000,000港元之質押存款作抵押以及由本公司一間附屬公司之董事及本公司之公司擔保作擔保。剩餘銀行貸款人民幣47,673,000元(相當於54,283,000港元)(二零一七年：人民幣41,000,000元相當於49,048,000港元)由本公司一間附屬公司之董事及本公司之公司擔保作擔保。銀行貸款按年利率5.22厘至7.00厘計息，在每年支付，並須於二零一九年償還。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

32. INTEREST-BEARING BORROWINGS (Continued)

Notes: (Continued)

- (c) Included in other loans as at 31 December 2018 was a loan of HK\$81,000,000 (2017: HK\$81,000,000), which is unsecured, interest-bearing at 1% per annum payable annually in arrears and repayable on demand.

A loan of RMB50,000,000 (equivalent to HK\$56,932,000) as at 31 December 2018 (2017: RMB50,000,000 (equivalent to HK\$59,815,000)) was interest-free, unsecured and repayable in September 2019.

In August 2017, the Group entered into a loan agreement with a former subsidiary of Pangenja for obtaining a loan of HK\$30,000,000. The loan is unsecured, interest-bearing at 3.5% per annum and repayable in 6 months from date of drawdown. The loan was partially repaid with amount of HK\$10,000,000 and HK\$5,000,000 in February and August 2018 respectively. The remaining balance of HK\$15,000,000 was extended and is repayable in February 2019.

An aggregate loan of RMB7,000,000 (equivalent to HK\$7,971,000) (2017: RMB7,000,000 (equivalent to HK\$8,374,000)) is unsecured, carries interest rate 10% and 18% per annum and repayable in January 2019.

32. 計息借款(續)

附註：(續)

- (c) 於二零一八年十二月三十一日，其他貸款包括一筆81,000,000港元(二零一七年：81,000,000港元)的貸款，為無抵押、按年利率1厘計息，在每週年期末支付，並須按要求償還。

於二零一八年十二月三十一日，貸款人民幣50,000,000元(相當於56,932,000港元)(二零一七年：人民幣50,000,000元(相當於59,815,000港元))為免息、無抵押及須於二零一九年九月償還。

於二零一七年八月，本集團與新亞控股有限公司之前附屬公司訂立貸款協議以取得30,000,000港元之貸款。該貸款為無抵押，按年利率3.5厘計息，並須於提取日期起計六個月內償還。10,000,000港元及5,000,000港元之部分貸款已分別於二零一八年二月償還，而餘下結餘15,000,000港元已延期並將於二零一九年二月償還。

貸款總額人民幣7,000,000元(相當於7,971,000港元)(二零一七年：人民幣7,000,000元(相當於8,374,000港元))為無抵押、按介乎10厘及18厘的年利率計息，並須於二零一九年一月償還。

33. CONTINGENT CONSIDERATION PAYABLE

33. 應付或然代價

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	129,899	—
Add: Contingent consideration measured during the year (Note a & b)	加：年內計量的或然代價(附註a及b)	3,000	129,899
Less: Settlement during the year (Note 19(b))	減：年內結算(附註19(b))	(112,272)	—
Less: Remeasurement during the year (Note a)	減：年內重新計量(附註a)	(11,866)	—
		8,761	129,899
Current portion	流動部分	8,761	112,272
Non-current portion	非流動部分	—	17,627
At 31 December	於十二月三十一日	8,761	129,899

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

33. CONTINGENT CONSIDERATION PAYABLE (Continued)

Notes:

- (a) In December 2016, the Group entered into an investment agreement with two third parties (the "Vendor") to acquire 55% equity interests of AYD Group at an aggregate consideration of RMB409,200,000 (equivalent to HK\$458,304,000).

According to the investment agreement, if the results attributable to the equity holders of AYD Group for the years ended 31 December 2016, 2017 and 2018 have been less or more than RMB62,000,000 (equivalent to HK\$69,440,000), RMB85,000,000 (equivalent to HK\$95,200,000) and RMB120,000,000 (equivalent to HK\$134,400,000) by 5% ("Target Results") respectively, the number of the Consideration Shares is required to be adjusted. In any event, if the transfer of the Consideration Shares to the Vendor leads to the shareholding percentage of the Group in AYD Group falls below 50%, the Group has the option to pay cash in lieu of the Consideration Shares. For the year ended 31 December 2017, the management has estimated that contingent consideration of HK\$112,272,000 will be payable in 2018 and HK\$17,627,000 will be payable in 2019.

On 30 June 2018, the Group entered into a supplementary investment agreement with the Vendor which agreed to revise the calculation of the year ended 31 December 2018 contingent consideration ("2018 Contingent Consideration"). According to the supplementary investment agreement, the Group shall pay RMB5,000,000 to the Vendor if AYD Group's year ended 31 December 2018 net profit is more than RMB120,000,000, alternatively, if year ended 31 December 2018 net profit is less than RMB120,000,000, the Vendor should pay RMB5,000,000 (equivalent to HK\$5,761,000).

For the year ended 31 December 2018, the management has remeasured 2018 Contingent Consideration as HK\$5,761,000 (2017: HK\$17,627,000), a gain on remeasurement of HK\$11,866,000 is recognised in profit or loss during the year. The management has estimated that contingent consideration of HK\$5,761,000 will be payable in 2019.

33. 應付或然代價(續)

附註：

- (a) 於二零一六年十二月，本集團與兩名第三方（「賣方」）訂立投資協議，以總代價人民幣409,200,000元（相當於458,304,000港元）收購愛嬰島集團55%股權。

根據投資協議，倘愛嬰島集團權益持有人應佔截至二零一六年、二零一七年及二零一八年十二月三十一日止年度的業績已分別低於或超過人民幣62,000,000元（相當於69,440,000港元）、人民幣85,000,000元（相當於95,200,000港元）及人民幣120,000,000元（相當於134,400,000港元）的5%（「目標業績」），則代價股份的數目須予調整。無論如何，倘代價股份轉讓予賣方導致本集團於愛嬰島集團之持股比例低於50%，則本集團可選擇以現金代替代價股份進行支付。截至二零一七年十二月三十一日止年度，管理層估計將於二零一八年及二零一九年支付的或然代價為112,272,000港元及17,627,000港元。

於二零一八年六月三十日，本集團與賣方訂立一份補充投資協議，而賣方同意經修訂截至二零一八年十二月三十一日止年度的或然代價（「二零一八年或然代價」）之計算。根據補充投資協議，倘愛嬰島集團截至二零一八年十二月三十一日止年度淨溢利超過人民幣120,000,000元，則本集團應向賣方支付人民幣5,000,000元，或者倘截至二零一八年十二月三十一日止年度的淨溢利不足人民幣120,000,000元，則賣方應支付人民幣5,000,000元（相當於5,761,000港元）。

截至二零一八年十二月三十一日止年度，管理層將二零一八年或然代價重新計量為5,761,000港元（二零一七年：17,627,000港元），年內於損益確認重新計量收益11,866,000港元。管理層估計將於二零一九年支付的或然代價為5,761,000港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

33. CONTINGENT CONSIDERATION PAYABLE (Continued)

Notes: (Continued)

- (b) In September 2017, Mason Strategic Investment Company Limited ("MSIC") entered into a share purchase agreement with a third party to acquire 100% equity interest of HFG at an estimated aggregate consideration of HK\$128,024,000. The details of the acquisition is set out in Note 42(a).

According to the investment agreement, the vendor shall be entitled to share the net profit for the financial year ended 31 March 2018 from 1 April 2017 up to the Completion Date. Minimum capital requirement of HK\$3,800,000 shall be deducted from the net profit shared. The amount of shared profit included in the consideration is HK\$8,524,000.

In the event that the Aggregate Net Profit for the financial year ending 31 March 2019 ("FY2019") exceeds HK\$9,000,000 but less than HK\$11,250,000, MSIC shall pay to the vendor a cash payment equivalent to 40% of such part of the Aggregate Net Profit in excess of HK\$9,000,000 ("Initial Sum"). In the event that the Aggregate Net Profit for FY2019 exceeds HK\$11,250,000, the MSIC shall pay to the vendor a cash payment equivalent to consummation of the Initial Sum and a sum equivalent to 50% of the amount in excess of HK\$11,250,000. As at completion date, the management estimated the Aggregate Net Profit for FY2019 as HK\$15,301,000. Therefore, the fair value of the profit shared is estimated to be HK\$3,000,000 and included in aggregate consideration for calculating goodwill in the acquisition of HFG.

For the year ended 31 December 2018, the management has estimated that contingent consideration of HK\$3,000,000 will be payable in 2019.

Profit guarantee is a contingent consideration that will be realised if the acquired businesses achieve their respective base year profit target, calculated on certain predetermined basis, during the designated period of time.

The Group recognises the fair value of those contingent consideration for acquisitions, as of their respective acquisition dates as part of the consideration transferred in exchange for the acquired business. The fair value measurement require, among other things, significant estimation of post-acquisition performance of the acquired businesses and significant judgement on time value of money.

33. 應付或然代價(續)

附註：(續)

- (b) 於二零一七年九月，Mason Strategic Investment Company Limited (「MSIC」) 與一名第三方訂立購股協議，以收購晉裕集團的100%權益，總代價為128,024,000港元。收購事項的詳情載於附註42(a)。

根據投資協議，賣方有權分佔截至二零一八年三月三十一日止財政年度的純利(自二零一七年四月一日起直至完成日期)。須自分佔純利中扣減的最低資本需求為3,800,000港元。計入代價的分佔溢利金額為8,524,000港元。

倘截至二零一九年三月三十一日止財政年度(「二零一九財政年度」)的總純利超出9,000,000港元但低於11,250,000港元，MSIC須向賣方支付相等於超出9,000,000港元的總純利部分的40%的現金付款(「首期款項」)。倘二零一九財政年度的總純利超過11,250,000港元，MSIC須向賣方支付相等於首期款項加相等於超過11,250,000港元部分的50%的現金付款。於完成日期，管理層估計二零一九財政年度的總純利為15,301,000港元。因此，分佔溢利的公平值估計為3,000,000港元及計入計算收購晉裕集團商譽的總代價。

截至二零一八年十二月三十一日止年度，管理層估計將於二零一九年支付的或然代價為3,000,000港元。

如果被收購業務在指定時間段內達到按照一定預定基準計算的各自基準年度溢利目標，則溢利保證為將可變現的或然代價。

本集團於有關收購日期確認該等收購事項或然代價的公平值為就交換被收購業務所轉讓代價的一部分。公平值計量需要(其中包括)對被收購業務的收購後表現進行重大估計，並對貨幣時間價值做出重大判斷。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

34. DERIVATIVE FINANCIAL INSTRUMENTS

34. 衍生金融工具

			2018 二零一八年	
			Assets 資產	Liabilities 負債
			HK\$'000 千港元	HK\$'000 千港元
		Notes 附註		
Forward exchange contracts	遠期外匯合約	(a)	44,734	44,750
Options	期權	(b)	30,662	28,386
Index options	指數期權		-	469
			75,396	73,605

Notes:

- (a) The Group has entered into various forward currency contracts for acting exclusively as commission agent of the clients. These forward currency contracts are not designated for hedge purposes and are measured at fair value through profit or loss.

The fair value of foreign currency forwards are determined using forward exchange rate at the reporting date.

- (b) Pursuant to the Supplemental Shareholders Agreement date 30 June 2018,
- the Group was granted with a put option, whereby the Group has the discretion to request the non-controlling shareholders of AYD Group to acquire the equity interest of the Group in AYD Group at consideration of RMB1,455,000,000 (equivalent to HK\$1,657,000,000), which is exercisable if the Company obtains AYD Group spin-off approval from the Stock Exchange before 30 June 2020 and AYD Group fails to list its shares on the Stock Exchange before 28 February 2021 (the "Put Option"); and
 - the non-controlling shareholders of AYD Group was granted with the call option, whereby the non-controlling shareholders of AYD Group has the discretion to acquire all equity interest of the Group in AYD Group at a consideration of RMB1,382,000,000 (equivalent to HK\$1,574,000,000), which is exercisable if the Company fails to obtain AYD Group spin-off approval from the Stock Exchange before 30 June 2020 (the "NCI's Call Option").

附註：

- (a) 本集團已訂立多份遠期貨幣合約專門擔任客戶的佣金代理人。該等遠期貨幣合約並未指定用作對沖用途及按公平值計入損益計量。

遠期外匯合約之公平值採用報告日期的遠期匯率釐定。

- (b) 根據日期為二零一八年六月三十日的補充股東協議，
- 本集團獲授認沽期權，據此，倘本公司於二零二零年六月三十日前向聯交所取得愛嬰島集團的分拆批准而愛嬰島集團的股份於二零二一年二月二十八日前未能於聯交所上市，本集團可酌情要求愛嬰島集團的非控股股東收購本集團於愛嬰島集團的股權，代價為人民幣1,455,000,000元（相當於1,657,000,000港元），該認沽期權可予行使（「認沽期權」）；及
 - 愛嬰島集團的非控股股東獲授認購期權，據此，愛嬰島集團的非控股股東可酌情收購本集團於愛嬰島集團的所有股權，代價為人民幣1,382,000,000元（相當於1,574,000,000港元），倘本公司未能於二零二零年六月三十日前向聯交所取得愛嬰島集團的分拆批准，則該認購期權可予行使（「非控股權益認購期權」）。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

34. DERIVATIVE FINANCIAL INSTRUMENTS

(Continued)

Notes: (Continued)

(b) (Continued)

As at 31 December 2018, the fair value of the Put Option and NCI's Call Option were HK\$30,662,000 (2017: Nil) and HK\$28,386,000 (2017: Nil) respectively, and were determined by independent professional valuer based on the Black-Scholes Options Pricing Model.

35. DEFERRED TAXATION

Movements for the year in the Group's net deferred tax position are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Recognised net deferred tax liabilities/(assets)	已確認遞延稅項負債/(資產)淨額		
At the beginning of the reporting period	於呈報期初	229,817	156,900
Addition — acquisition of subsidiaries (Note 42)	添置 — 收購附屬公司 (附註42)	16,457	67,180
Deemed disposal of subsidiaries (Note 41)	視作出售附屬公司 (附註41)	(32,949)	—
(Credited)/charged to profit or loss (Note 13)	(計入)/扣自損益 (附註13)	(28,292)	5,737
At the end of the reporting period	於呈報期結算日	185,033	229,817

34. 衍生金融工具(續)

附註:(續)

(b) (續)

於二零一八年十二月三十一日，認沽期權及非控股權益認購期權的公平值分別為30,662,000港元(二零一七年:零)及28,386,000港元(二零一七年:零)，及由獨立專業估值師根據柏力克—舒爾斯購股權定價模式釐定。

35. 遞延稅項

本年度本集團遞延稅項淨額水平之變動如下:

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

35. DEFERRED TAXATION (Continued)

Recognised net deferred tax liabilities at the end of the reporting period represent the following:

		Assets 資產		Liabilities 負債	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Depreciation allowances	備抵折舊	13	507	-	-
Pension obligation	退休金責任	1,737	-	-	-
Tax loss	稅項虧損	5,289	-	-	-
Intangible assets	無形資產	-	-	(191,241)	(231,226)
Others	其他	940	902	(1,771)	-
Deferred tax assets/(liabilities)	遞延稅項資產/ (負債)	7,979	1,409	(193,012)	(231,226)

35. 遞延稅項(續)

於呈報期結算日之已確認遞延稅項負債淨額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unrecognised deferred tax assets arising from	未確認的遞延稅項資產來自		
Deductible temporary differences	可扣稅暫時性差額	5,780	5,780
Tax losses	稅項虧損	410,888	291,385
At the end of the reporting period	於呈報期結算日	416,668	297,165

Neither the tax losses nor the deductible temporary differences expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

根據現行稅法，稅項虧損及可扣稅暫時性差額均不會到期。由於本集團不大可能利用未來應課稅溢利抵銷從中可用的利益，因此並無就該等項目確認遞延稅項資產。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

35. DEFERRED TAXATION (Continued)

As at 31 December 2018, the aggregate amount of temporary differences associated with the Group's PRC subsidiaries' and Australia subsidiary's undistributed retained earnings, amounting to approximately RMB254,940,000 and AU\$4,515,000 respectively. No deferred tax liabilities have been recognised in respect of these differences because the Group is in a position to control the dividend policies of these subsidiaries and it is probable that such differences will not be reversed in the foreseeable future.

35. 遞延稅項(續)

於二零一八年十二月三十一日，與本集團中國附屬公司及澳洲附屬公司之未分配保留盈利有關的暫時差額總額分別約為人民幣254,940,000元及4,515,000澳元。由於本集團有能力控制該等附屬公司的股息政策，且該等差額在可預見未來很可能不會被撥回，故並無就該等差額確認遞延稅項負債。

36. FINANCE LEASE LIABILITIES

(a) Total minimum lease payments are as follows:

36. 融資租賃負債

(a) 最低租賃付款總額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Due within one year	一年內到期	335	445
Due in the second to fifth years	第二至第五年到期	308	830
		643	1,275
Future finance charges on finance leases	融資租賃的未來財務費用	(7)	(81)
Present value of finance lease liabilities	融資租賃負債的現值	636	1,194

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

36. FINANCE LEASE LIABILITIES (Continued)

(b) The present value of finance lease liabilities is as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Due within one year, included under current liabilities	332	399
Due in the second to fifth years, included under non-current liabilities	304	795
	636	1,194

36. 融資租賃負債(續)

(b) 融資租賃負債之現值如下：

37. REDEEMABLE AND EXCHANGEABLE PREFERRED SHARE

On 24 October 2018, the Company and one of the Group's subsidiary, Mason Healthcare Group Limited ("Mason Healthcare"), entered into an investment agreement with an investor ("Investor"), Classic Harmony Limited, a wholly-owned subsidiary of NWS Holdings Limited (stock code: 659), in relation to the issue of 20,000,000 non-voting preferred shares by Mason Healthcare to the Investor at an aggregate consideration of US\$20,000,000 (equivalent to HK\$156,000,000) ("Subscription Share"), with cash dividend at the rate of US\$0.02 per annum per share. The preferred shares will be redeemable in three years (i.e. 25 October 2021).

37. 可贖回及可轉換優先股

於二零一八年十月二十四日，本公司及本集團附屬公司之一茂宸醫療集團有限公司（「茂宸醫療」）與投資者（「投資者」），即新創建集團有限公司（股份代號：659）全資附屬公司Classic Harmony Limited就茂宸醫療向投資者發行20,000,000股無投票權優先股（「認購股份」）訂立投資協議，總代價20,000,000美元（相等於156,000,000港元），現金股息每年每股0.02美元。優先股將於三年內（即二零二一年十月二十五日）贖回。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

37. REDEEMABLE AND EXCHANGEABLE PREFERRED SHARE (Continued)

The Investor will have the right to exchange the preferred shares for the shares of Mason Healthcare's group entities upon the occurrence of the consummation of initial public offerings of any of these group entities, and sales or disposal of interest in these group entities. The maximum amount of preferred shares that may be exchanged is 100% of the principal amount of preferred shares as at the date of issue and any outstanding unpaid interest.

The outstanding preferred shares will be settled at the election of the Investor, either (i) in cash at an amount equal to the subscription price at US\$1.00 per preferred share (the "Subscription Price") plus interest at the rate of 4% of Subscription Price compounded annually; or (ii) by the issue of new shares of the Company as determined by dividing the aggregate Subscription Price for all outstanding preferred shares by the issue price ("Issue Price"). The Issue Price is determined as higher of HK\$0.28, or 80% of the average closing price of a share of the Company as quoted on the daily quotation sheet published by the Stock Exchange for the five consecutive trading days immediately before maturity.

The management has designated the redeemable and exchangeable preferred share as financial liabilities at FVTPL as it is managed and its performance is evaluated on a fair value basis. As at 31 December 2018, the fair value of the preferred shares is HK\$157,744,000.

37. 可贖回及可轉換優先股 (續)

於完成任何該等集團實體之首次公開發售以及銷售或出售該等集團實體權益後，投資者將有權以優先股轉換茂辰醫療集團實體股份。可轉換之優先股最高金額為發行日期優先股本金額100%以及任何未付利息。

未償付之優先股將按投資者選擇(i)以現金(金額相等於認購價每股優先股1.00美元(「認購價」)另加就認購價按複合年利率4%計算之利息);或(ii)以按全部已發行優先股之總認購價除以發行價(「發行價」)釐定之本公司發行新股份結算。發行價將為0.28港元或按本公司股份於緊接到期前五個連續交易日在聯交所每日報價表所報平均收市價之80%兩者中之較高者。

由於可贖回及可轉換優先股按公平值基準管理及評估表現，因此管理層已將其指定為按公平值計入損益的財務負債。於二零一八年十二月三十一日，優先股的公平值為157,744,000港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

38. REVERSE REPURCHASE AND REPURCHASE AGREEMENTS

(a) Reverse Repurchase Agreements

As at 31 December 2018, the Group entered into reverse repurchase agreements with financial institutions, which are the counterparties entering into a commitment with the Group to purchase the specified bonds eligible for Swiss National Bank General Collateral Basket at a future date at an agreed price. As part of the reverse repurchase agreements, the Group received securities allowed to be repledged in the absence of default of the agreement by counterparties. If the collateral received declines in value, the Group may, in certain circumstances, require additional collaterals.

As at 31 December 2018, the outstanding amount paid for the reverse repurchase agreements was CHF142,029,000 (equivalent to HK\$1,130,371,000) (2017: Nil) and was recognised as receivables from reverse repurchase agreements. As at 31 December 2018, the fair value of the specified bonds received as collateral for the outstanding receivable in connection with its reverse repurchase agreements was CHF144,716,000 (equivalent to HK\$1,151,758,000) (2017: Nil).

All the above collateral is allowed to be repledged (2017: Nil).

(b) Repurchase Agreements

Repurchase agreements are transactions in which the Group sells a security and simultaneously agrees to repurchase it at the agreed date and price.

As at 31 December 2018, the outstanding amount received from the repurchase agreements was CHF44,000,000 (equivalent to HK\$350,185,000) (2017: Nil) and was recognised as obligations under repurchase agreements. As at 31 December 2018, the fair value of the specified bonds which the Group repledged as collateral in connection with its repurchase agreements was CHF44,174,000 (equivalent to HK\$351,570,000) (2017: Nil).

38. 反向回購及回購協議

(a) 反向回購協議

於二零一八年十二月三十一日，本集團與金融機構訂立反向回購協議，而交易對手亦與本集團訂立承諾，以於未來日期以約定價格購買符合資格獲得瑞士國家銀行一籃子一般抵押品 (Swiss National Bank General Collateral Basket) 的指定債券。作為反向回購協議的一部分，在交易對手並無違反協議的情況下，本集團收取可予重新抵押的證券。倘所收取的抵押品價值下降，則本集團可能於若干情況下要求額外抵押品。

於二零一八年十二月三十一日，就反向回購協議支付的未結算金額為142,029,000瑞士法郎(相等於1,130,371,000港元)(二零一七年：零)及被確認為反向回購協議應收款項。於二零一八年十二月三十一日，已收取的特定債券公平值(作為有關反向回購協議的未結算應收款項的抵押品)為144,716,000瑞士法郎(相等於1,151,758,000港元)(二零一七年：零)。

所有上述抵押品獲允許重新抵押(二零一七年：無)。

(b) 回購協議

回購協議指本集團出售證券並同時同意於約定日期及以約定價格回購該證券的交易。

於二零一八年十二月三十一日，自回購協議收取的未結算金額為44,000,000瑞士法郎(相等於350,185,000港元)(二零一七年：零)及被確認為回購協議項下的負債。於二零一八年十二月三十一日，本集團重新抵押作為其回購協議的抵押品的特定債券的公平值為44,174,000瑞士法郎(相等於351,570,000港元)(二零一七年：零)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

39. SHARE CAPITAL

39. 股本

		Number of ordinary shares in issue 已發行 普通股數目	Share capital 股本 HK\$'000 千港元
Issued and fully paid ordinary shares:	已發行及繳足普通股：		
At 1 January 2017	於二零一七年一月一日	18,437,332,875	3,277,443
Issue of shares under rights issue, net of expenses (Note)	根據供股發行股份，扣除費用(附註)	22,124,799,450	2,865,519
Issue of shares under bonus issue (Note)	根據紅股發行股份(附註)	4,056,213,232	-
At 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年十二月三十一日、二零一八年一月一日及二零一八年十二月三十一日	44,618,345,557	6,142,962

Note:

In October 2016, the Group proposed to (i) issue 22,124,799,450 shares ("Rights Shares") of the Company to the qualifying shareholders, on the basis of six Rights Shares for every five shares held by qualifying shareholders at the date for determining their entitlements to participate, at subscription price of HK\$0.13 per share (the "Rights Issue"); and (ii) issue 4,056,213,232 new shares ("Bonus Shares") of the Company to qualifying shareholders, on the basis of one Bonus Share for every ten shares held by the qualifying shareholders at the date for determining their entitlements (the "Bonus Issue"). Upon completion of the Rights Issue and the Bonus Issue in February 2017, the number of issued shares of the Company increased from 18,437,332,875 shares to 44,618,345,557 shares.

All new shares issued in 2017 rank pari passu in all respects with the existing shares.

附註：

於二零一六年十月，本集團建議(i)向合資格股東發行本公司22,124,799,450股股份(「供股股份」)，基準為合資格股東於釐定彼等參與權利當日每持有五股股份獲發行六股供股股份，認購價為每股0.13港元(「供股發行」)；及(ii)向合資格股東發行本公司4,056,213,232股新股份(「紅股股份」)，基準為合資格股東於釐定彼等權利當日每持有十股股份獲發行一股紅股股份(「紅股發行」)。於供股發行及紅股發行於二零一七年二月完成後，本公司之已發行股份數目由18,437,332,875股增至44,618,345,557股。

二零一七年發行之所有新股份在所有方面與現有股份享有同等地位。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

40. RESERVES

- (a) The capital reserve was arisen from acquisition of interest in subsidiaries in prior years.
- (b) The foreign currency translation reserve comprises exchange differences relating to the translation of the financial statements of the foreign operations of the Group and/or its associates from their functional currency to the Group's presentation currency which are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.
- (c) The FVOCI reserve represents fair value reserve comprises the cumulative net charge in the fair value of equity investment designated at FVOCI under HKFRS9 that are held at the end of the reporting period.
- (d) As at 31 December 2018 and 31 December 2017, no reserves were available for distribution to the equity holders of the Company.

40. 儲備

- (a) 資本儲備乃由過往年度收購附屬公司權益而產生。
- (b) 外幣匯兌儲備包括關於將本集團及／或其聯營公司境外業務公司之財務報表從其功能貨幣換算為本集團呈列貨幣之匯兌差額(直接在其他全面收入中確認以及在外幣匯兌儲備中累計)。
- (c) 按公平值計入其他全面收益儲備指公平值儲備包括於呈報期結算日持有之根據香港財務報告第9號指定按公平值計入其他全面收益的股本投資的公平值累計變動淨額。
- (d) 於二零一八年十二月三十一日及二零一七年十二月三十一日，概無可供分派予本公司權益持有人的儲備。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

41. DEEMED DISPOSAL OF SUBSIDIARIES WITH LOSS OF CONTROL

Deemed disposal of RHG

As disclosed in Note 19(c) and 20, the Group has loss of control in RHG on 8 June 2018, the equity interest in RHG decreased from 55.02% to 46.71%. RHG ceased as subsidiaries of the Group and was accounted as an associate since then. In calculating the deemed consideration upon the deemed disposal on 8 June 2018, the Group has engaged Avista Valuation Advisory Limited ("Avista"), an independent valuer to perform valuation on RHG Group. The fair value as at 8 June 2018 was HK\$1,260,000,000. The following summarised the deemed consideration and the carrying amount of the assets and liabilities to be derecognised from the consolidated statement of financial position of the Group as at the date of deemed disposal:

41. 視作出售附屬公司(失去控制權)

視作出售寶德醫務

如附註19(c)及20所披露，本集團於二零一八年六月八日失去於寶德醫務的控制權，於寶德醫務的股權由55.02%降至46.71%。自此時起，寶德醫務不再為本公司的附屬公司並作為聯營公司入賬。於計算二零一八年六月八日視作出售後的視作代價時，本集團已委聘獨立估值師艾華迪評估諮詢有限公司(「艾華迪」)對寶德醫務集團進行估值。於二零一八年六月八日的公平值為1,260,000,000港元。於視作出售日期的視作代價及自本集團綜合財務狀況表終止確認的資產及負債的賬面值概述如下：

		Total 總計 HK\$'000 千港元
Consideration	代價	
Deemed consideration	視作代價	588,546
Less: consideration paid for shares subscription	減：就股份認購支付的代價	(160,000)
		428,546
Less: Net assets and liabilities derecognised	減：終止確認的資產及負債淨值	
Property, plant and equipment (Note 16)	物業、廠房及設備(附註16)	2,267
Intangible assets (Note 17)	無形資產(附註17)	201,900
Deferred tax assets (Note 35)	遞延稅項資產(附註35)	425
Goodwill (Note 18)	商譽(附註18)	183,296
Trade and other receivables	貿易及其他應收款項	9,648
Bank balances and cash	銀行結餘及現金	97,839
Trade and other payables	貿易及其他應付款項	(12,507)
Tax payables	應付稅項	(4,691)
Deferred tax liabilities (Note 35)	遞延稅項負債(附註35)	(33,374)
Non-controlling interests	非控股權益	(147,609)
		297,194
Net assets derecognised	終止確認的資產淨值	297,194
		131,352
Gain on deemed disposal	視作出售的收益	131,352
Net cash flow on deemed disposal of subsidiaries	視作出售附屬公司的現金流淨額	
Consideration paid	已付代價	(160,000)
Cash and cash equivalents disposed of	已出售現金及現金等價物	(97,839)
		257,839
Net outflow of cash and cash equivalents	現金及現金等價物流出淨額	257,839

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES

(a) Business combinations — For the year ended 31 December 2018

Acquisition of RPL

In October 2017, MSIC, a wholly owned subsidiary of the Group, entered into a share purchase agreement with third parties to acquire 100% equity interest of RPL at an estimated aggregate cash consideration of CHF63,267,000 (equivalent to HK\$556,829,000), which is calculated based on the adjustment basis stated in the agreement.

The principal activities of RPL includes the provision of private banking services while also offering services for external asset managers. The acquisition of RPL was completed in March 2018.

Acquisition related costs amounting to HK\$9,730,000 have been excluded from the consideration transferred and recognised as an expense in profit or loss under operating expenses.

The fair value of trade and other receivables acquired as of the acquisition date amounted to HK\$1,745,548,000. The gross contractual amount of these receivables is HK\$1,745,548,000. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

The Group appointed an independent professional valuer, Avista, to perform valuations at the date of acquisition for the purpose of accounting for the acquisition of RPL according to HKFRS 3 (Revised). The fair value of the identifiable assets acquired and liabilities assumed has been determined based on the valuation approach as determined by Avista. The fair value of customer relationship of CHF5,170,000 (equivalent to HK\$42,406,000) and banking license of CHF2,700,000 (equivalent to HK\$22,146,000) are determined by income-based approach using the discount rate of 17.10% per annum.

42. 收購附屬公司

(a) 業務合併 — 截至二零一八年十二月三十一日止年度

收購RPL

於二零一七年十月，本集團全資附屬公司MSIC與第三方訂立購股協議，以收購RPL的全部股權，估計總現金代價為63,267,000瑞士法郎（相當於556,829,000港元），根據協議內所述調整基準計算。

RPL的主要活動包括提供私人銀行服務，及提供外部資產管理服務。收購RPL於二零一八年三月完成。

收購相關成本9,730,000港元已自所轉撥的代價中扣除，並於損益表中確認為經營開支。

截至收購日期貿易及其他應收款項的公平值為1,745,548,000港元。該等應收款項合約總額為1,745,548,000港元。有關應收款項並無任何減值，預計可收回全部合約金額。

本集團委聘獨立專業估值師艾華迪於收購日進行估值，以根據香港財務報告準則第3號（經修訂）將收購RPL入賬。所收購可識別資產及所承擔負債的公平值乃基於艾華迪所釐定估值方式進行釐定。客戶關係公平值5,170,000瑞士法郎（相當於42,406,000港元）及銀行牌照公平值2,700,000瑞士法郎（相當於22,146,000港元）乃按收益法使用按年折現率17.10%釐定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Business combinations — For the year ended 31 December 2018 (Continued)

Acquisition of RPL (Continued)

Since acquisition, RPL has contributed revenue of HK\$51,514,000 and a net profit of HK\$9,694,000 to the Group. If the acquisition of RPL had occurred on 1 January 2018, the Group's revenue and net profit would have been increased by HK\$14,831,000 and HK\$6,708,000 respectively.

This pro forma information is for illustrative purposes only and it is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future performance.

Acquisition of Harris Fraser Group Limited and its subsidiaries ("HFG")

In September 2017, MSIC also entered into a share purchase agreement with a third party to acquire 100% equity interest of HFG at an estimated aggregate consideration of HK\$128,024,000.

The consideration consisted of the following elements:

(i) *Fixed consideration*

Under the share purchase agreement, the total fixed consideration is HK\$116,550,000. Upon completion, the MSIC is responsible to pay and procure to pay to the vendor HK\$81,550,000 ("Initial Consideration Payment"). The remaining balance of the fixed consideration shall be payable to the vendor in two equal installments which represented HK\$17,475,000 ("First Deferred Payment" and "Second Deferred Payment").

42. 收購附屬公司(續)

(a) 業務合併 — 截至二零一八年十二月三十一日止年度(續)

收購RPL(續)

自收購後，RPL已為本集團貢獻收益51,514,000港元及淨溢利9,694,000港元。倘收購RPL於二零一八年一月一日進行，則本集團的收益及淨溢利將分別增加14,831,000港元及6,708,000港元。

此備考資料僅供說明用途，未必反映本集團於假設收購已於二零一八年一月一日完成的情況下所實際錄得的收益及經營業績，亦不擬作為未來表現的預測。

收購晉裕集團有限公司及其附屬公司(「晉裕集團」)

於二零一七年九月，MSIC亦與第三方訂立購股協議收購晉裕集團全部股權，估計總代價為128,024,000港元。

代價由以下因素組成：

(i) *固定代價*

根據購股協議，總固定代價為116,550,000港元。於完成後，MSIC負責支付及促使向賣方支付81,550,000港元(「首期代價付款」)。固定代價餘額須平均分為兩期(即每期17,475,000港元)支付予賣方(「第一筆遞延付款」及「第二筆遞延付款」)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Business combinations — For the year ended 31 December 2018 (Continued)

Acquisition of Harris Fraser Group Limited and its subsidiaries (“HFG”) (Continued)

(ii) Adjustment to the consideration

In the event that the aggregate net profit of the HFG Group (“**Aggregate Net Profit**”) for the financial year ending 31 March 2019 (“**FY2019**”) based on the audited consolidated or combined financial accounts of the HFG Group in respect of that financial year is less than HK\$7,500,000 (“**Guaranteed Profits**”), the consideration shall be adjusted downward in accordance with the following formula:

$$\begin{aligned} \text{Adjusted Amount} &= (\text{Guaranteed Profits} - \\ \text{for FY2019} &\quad \text{Aggregate Net Profit in} \\ &\quad \text{the relevant Financial} \\ &\quad \text{Year}) \times 15 \end{aligned}$$

As at 31 December 2018, the management estimated the Aggregate Net Profit for FY2019 would exceed the Guaranteed Profits. The probability of the consideration being adjusted downward has been considered remote.

(iii) Profit sharing arrangement

The vendor shall be entitled to share the net profit for the financial year ended 31 March 2018 from 1 April 2017 up to the Completion Date. Minimum capital requirement of HK\$3,800,000 shall be deducted from the net profit shared. The amount of shared profit included in the consideration is HK\$8,524,000.

42. 收購附屬公司(續)

(a) 業務合併 — 截至二零一八年十二月三十一日止年度(續)

收購晉裕集團有限公司及其附屬公司(「晉裕集團」)(續)

(ii) 調整代價

倘根據晉裕集團截至二零一九年三月三十一日止財政年度(「二零一九財政年度」)之經審核綜合或合併財務賬目，晉裕集團於該財政年度之純利總額(「純利總額」)少於7,500,000港元(「保證溢利」)，則代價須按以下公式下調：

$$\begin{aligned} \text{二零一九} &= (\text{保證溢利} - \\ \text{財政年度之} &\quad \text{相關財政} \\ \text{經調整金額} &\quad \text{年度純利} \\ &\quad \text{總額}) \times 15 \end{aligned}$$

於二零一八年十二月三十一日，管理層估計二零一九財政年度之純利總額超過保證溢利。下調代價的可能性被視為甚微。

(iii) 溢利攤分安排

賣方有權攤分自二零一七年四月一日至完成日期獲得截至二零一八年三月三十一日止財政年度的利潤淨額。最低資本規定3,800,000港元須自攤分的溢利淨額中扣除。代價中計入的攤分溢利金額為8,524,000港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Business combinations — For the year ended 31 December 2018 (Continued)

Acquisition of Harris Fraser Group Limited and its subsidiaries (“HFG”) (Continued)

(iii) Profit sharing arrangement (Continued)

In the event that the Aggregate Net Profit for FY2019 exceeds HK\$9,000,000 but less than HK\$11,250,000, MSIC shall pay to the vendor a cash payment equivalent to 40% of such part of the Aggregate Net Profit in excess of HK\$9,000,000 (“Initial Sum”); In the event that the Aggregate Net Profit for FY2019 exceeds HK\$11,250,000, the MSIC shall pay to the vendor a cash payment equivalent to consummation of the Initial Sum and a sum equivalent to 50% of the amount in excess of HK\$11,250,000. As at completion date, the management estimated the Aggregate Net Profit for FY2019 as HK\$15,301,000. Therefore, the fair value of the profit shared is estimated to be HK\$3,000,000 and included in aggregate consideration for calculating goodwill in the acquisition of HFG.

(iv) Share repurchase

If the Aggregate Net Profit for FY2019 (based on the audited consolidated or combined financial accounts of the HFG Group in respect of FY2019) is HK\$2,250,000 or less (being 30% of the Guaranteed Profits), the vendor shall be entitled to repurchase the Sale Shares. Based on the management, the probability of such event has been considered remote.

42. 收購附屬公司(續)

(a) 業務合併 — 截至二零一八年十二月三十一日止年度(續)

收購晉裕集團有限公司及其附屬公司(「晉裕集團」)(續)

(iii) 溢利攤分安排(續)

倘二零一九財政年度之純利總額超過9,000,000港元但少於11,250,000港元，MSIC須以現金向賣方支付相當於純利總額中超出9,000,000港元之有關部分40%之款項(「初步款項」)。倘二零一九財政年度之純利總額超過11,250,000港元，MSIC須以現金向賣方支付相當於以下兩者總和之款項：初步款項及相當於超出11,250,000港元之有關部分50%之款項。於完成日期，管理層估計二零一九財政年度之純利總額為15,301,000港元。因此，溢利分攤的公平值估計為3,000,000港元及於收購晉裕集團時計入計算商譽的總代價內。

(iv) 股份回購

倘二零一九財政年度之純利總額(根據晉裕集團二零一九財政年度之經審核綜合或合併財務賬目)為2,250,000港元或以下(即保證溢利之30%)，賣方有權購回銷售股份。據管理層表示，此種可能性被認為甚微。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Business combinations — For the year ended 31 December 2018 (Continued)

Acquisition of Harris Fraser Group Limited and its subsidiaries (“HFG”) (Continued)

The HFG Group is principally engaged in provision of wealth management services. The acquisition of the HFG Group was completed in May 2018.

Acquisition related costs amounting to HK\$3,655,000 have been excluded from consideration transferred and have been recognised as an expense in profit or loss under operating expenses.

The fair value of trade and other receivables acquired as of the acquisition date amounted to HK\$13,577,000. The gross contractual amount of these receivables is HK\$13,577,000. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

The Group appointed an independent professional valuer, Avista, to perform valuations at the date of acquisition for the purpose of accounting for the acquisition of HFG Group according to HKFRS 3 (Revised). The fair value of the identifiable assets acquired and liabilities assumed has been determined based on the valuation approach as determined by Avista. The fair value of IFA network of HK\$18,300,000 and brand name of HK\$23,488,000 are determined by income-based approach using the discount rate of 17% per annum, while the fair value of licenses of HK\$7,047,000 is determined by market approach.

Since acquisition, the HFG Group has contributed revenue of HK\$102,880,000 and a net profit of HK\$6,486,000 to the Group. If the acquisition of HFG Group had occurred on 1 January 2018, the Group's revenue and net profit would have been increased by HK\$66,851,000 and HK\$5,726,000 respectively. This pro forma information is for illustrative purposes only and it is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future performance.

42. 收購附屬公司(續)

(a) 業務合併 — 截至二零一八年十二月三十一日止年度(續)

收購晉裕集團有限公司及其附屬公司(「晉裕集團」)(續)

晉裕集團主要從事提供財富管理服務。收購晉裕集團於二零一八年五月完成。

收購相關成本3,655,000港元自所轉撥的代價中扣除，並於經營開支下損益中確認為開支。

於收購日期所收購的貿易及其他應收款項公平值為13,577,000港元。該等應收款項合約總額為13,577,000港元。概無有關應收款項已減值，預計可收回全部合約金額。

本集團委聘獨立專業估值師艾華迪於收購日進行估值，以根據香港財務報告準則第3號(經修訂)將收購晉裕集團入賬。所收購可識別資產及所承擔負債的公平值根據艾華迪釐定的估值法釐定。獨立財務顧問網絡及品牌名公平值分別為18,300,000港元及23,488,000港元，乃按收益法使用按年折現率17%釐定，而牌照公平值7,047,000港元按市場法釐定。

自收購後，晉裕集團已為本集團貢獻收益102,880,000港元及利潤淨額6,486,000港元。倘收購晉裕集團於二零一八年一月一日進行，則本集團的收益及利潤淨額將分別增加66,851,000港元及5,726,000港元。此備考資料僅供說明用途，未必反映本集團於假設收購已於二零一八年一月一日完成的情況下所實際錄得的收益及經營業績，亦不擬作為未來表現的預測。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Business combinations — For the year ended 31 December 2018 (Continued)

The following summarises the consideration paid, the assets acquired and liabilities assumed and non-controlling interest recognised at the date of the respective acquisitions:

42. 收購附屬公司(續)

(a) 業務合併 — 截至二零一八年十二月三十一日止年度(續)

以下概述於收購日期已確認的已付代價、已收購資產及所承擔負債以及非控股權益：

		HFG Group 晉裕集團 HK\$'000 千港元	RPL HK\$'000 千港元	Total 總計 HK\$'000 千港元
Consideration	代價			
Cash consideration	現金代價	128,024	556,829	684,853
Recognised amounts of identifiable assets acquired and liabilities assumed	所收購可識別資產及所承擔負債的確認金額			
Property, plant and equipment (Note 16)	物業、廠房及設備(附註16)	432	276,679	277,111
Intangible assets (Note 17)	無形資產(附註17)	48,947	66,018	114,965
Deferred tax assets (Note 35)	遞延稅項資產(附註35)	–	1,116	1,116
Derivative financial instruments	衍生金融工具	–	19	19
Financial assets measured at amortised cost	按攤銷成本計量的財務資產	–	152,566	152,566
Trade and other receivables	貿易及其他應收款項	5,084	–	5,084
Commission receivables	應收佣金	8,493	–	8,493
Tax recoverable	可回收稅項	320	–	320
Reverse repurchase agreements (Note 38)	反向回購協議(附註38)	–	565,716	565,716
Bank balances and cash	銀行結餘及現金	27,228	367,491	394,719
Accrued and deferred assets	應計及遞延資產	–	13,683	13,683
Amount due from director	應收董事款項	46	–	46
Amounts due from clients	應收客戶款項	–	643,399	643,399
Amounts due from banks	應收銀行款項	–	1,102,149	1,102,149
Other assets	其他資產	1,355	566	1,921
Commission payables	應付佣金	(17,288)	–	(17,288)
Trade and other payables	貿易及其他應付款項	(6,670)	–	(6,670)
Dividend payables	應付股息	(5,000)	–	(5,000)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(a) Business combinations — For the year ended 31 December 2018 (Continued)

42. 收購附屬公司(續)

(a) 業務合併 — 截至二零一八年十二月三十一日止年度(續)

		HFG Group 晉裕集團 HK\$'000 千港元	RPL HK\$'000 千港元	Total 總計 HK\$'000 千港元
Repurchase agreements (Note 38)	回購協議(附註38)	—	(401,910)	(401,910)
Tax payables	應付稅項	(180)	(438)	(618)
Deferred tax liabilities (Note 35)	遞延稅項負債(附註35)	(8,058)	(9,515)	(17,573)
Provisions	撥備	—	(17,314)	(17,314)
Accrued and deferred liabilities	應計及遞延負債	—	(4,093)	(4,093)
Amounts due to clients	應付客戶款項	—	(2,346,728)	(2,346,728)
Other liabilities	其他負債	—	(10,993)	(10,993)
Total identifiable net assets	可識別資產淨值總額	54,709	398,411	453,120
Provisional goodwill and goodwill arising on acquisitions (Note 18 and Note (i))	臨時商譽及收購 產生的商譽 (附註18及附註(i))	73,315	158,418	231,733
		128,024	556,829	684,853
Net cash flow on acquisition of subsidiaries	收購附屬公司產生 現金流轉淨額			
Cash acquired from subsidiaries	自附屬公司取得之現金	27,228	367,491	394,719
Cash consideration	現金代價	(128,024)	(556,829)	(684,853)
Add: Consideration payable	加：應付代價	17,475	36,740	54,215
Contingent consideration payable	應付或然代價	3,000	—	3,000
Net outflow of cash and cash equivalents	現金及現金等價物流出 淨額	(80,321)	(152,598)	(232,919)

Note:

- (i) As at 31 December 2018, the Group has not finalised the consideration for the acquisition of HFG as the consideration is subjected to the actual Aggregate Net Profit of HFG in FY2019 as disclosed in Note 42(a)(ii).
- (ii) As at 31 December 2018, the Group has not finalised the consideration for the acquisition of RPL as the consideration is subjected to the contingent payments.

附註：

- (i) 於二零一八年十二月三十一日，本集團尚未落實收購晉裕的代價，因為該代價或會因二零一九財政年度晉裕的實際純利總額而更改，如附註42(a)(ii)所披露。
- (ii) 於二零一八年十二月三十一日，本集團尚未落實收購RPL的代價，因為該代價受限於或然付款。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(b) Business combinations — For the year ended 31 December 2017

Acquisition of Blend & Pack

In July 2017, GL Food Holdings Pte. Ltd (“**Mason Food**”), a wholly-owned subsidiary of the Group, entered into a share sales agreement with third parties, pursuant to which Mason Food agreed to acquire 75% of the issued capital of Blend & Pack at an aggregate cash consideration of AU\$76,778,000 (equivalent to HK\$478,617,000) based on the pricing mechanism in the agreement. The consideration is subject to further adjustment due to disputed items in the completion accounts and has not been confirmed at the date of approving the consolidated financial statements of the Group.

The principal activities of Blend & Pack is set out in Note 19 to the consolidated financial statements. The acquisition of Blend & Pack was completed in September 2017.

Acquisition-related costs amounting to HK\$2,125,000 have been excluded from the consideration transferred and have been recognised as an expense in profit or loss under other operating expenses.

In respect of the acquisition of Blend & Pack, the fair value of trade and other receivables acquired is amounted to AU\$6,930,000 (equivalent to HK\$42,480,000). The gross contractual amount of the receivables is AU\$6,935,000 (equivalent to HK\$42,444,000), of which AU\$5,000 (equivalent to HK\$36,000) is expected to be uncollectible.

42. 收購附屬公司(續)

(b) 業務合併 — 截至二零一七年十二月三十一日止年度

收購 Blend & Pack

於二零一七年七月，本集團之全資附屬公司GL Food Holdings Pte. Ltd (「**Mason Food**」)與第三方訂立售股協議，據此，Mason Food同意以按協議中的定價機制計算的總現金代價76,778,000澳元(相當於478,617,000港元)收購Blend & Pack 75%已發行股本。代價因完成賬目中有爭議項目，有待作出進一步調整，且於批准本集團綜合財務報表日期尚未確定。

Blend & Pack之主要業務載於綜合財務報表附註19。收購Blend & Pack已於二零一七年九月完成。

收購相關成本2,125,000港元並不包括於轉讓代價中，並已於損益中確認為其他經營支出項下的支出。

就收購Blend & Pack而言，所獲得貿易及其他應收款項公平值達6,930,000澳元(相當於42,480,000港元)。應收款項總合約金額為6,935,000澳元(相當於42,444,000港元)，其中5,000澳元(相當於36,000港元)預期不可收回。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(b) Business combinations — For the year ended 31 December 2017 (Continued)

Acquisition of Blend & Pack (Continued)

The Group appointed an independent professional valuer, Avista, to perform valuations at the date of acquisition for the purpose of accounting for the acquisition of Blend & Pack according to HKFRS 3 (Revised). The fair value of the identifiable assets acquired and liabilities assumed has been determined based on the valuation approach as determined by Avista. The fair value of the brand name of AU\$15,020,000 (equivalent to HK\$92,076,000), customer relationship of AU\$3,030,000 (equivalent to HK\$18,575,000) and license of AU\$19,100,000 (equivalent to HK\$117,088,000) are determined by income-based approach using the discount rate of 15.60% per annum.

The Group has selected to measure the non-controlling interests at their proportionate interests in the identifiable assets and liabilities of Blend & Pack.

Since acquisition, Blend & Pack has contributed revenue of HK\$32,954,000 and a net profit of HK\$233,000 to the Group. If the acquisition of Blend & Pack effected during the year had been taken place at the beginning of the year, the revenue and net profit of the Group would have been increased by HK\$29,166,000 and HK\$4,499,000 respectively.

Acquisition of 南京供應鏈 by Shining Time

In January 2017, AYD Holdings Limited (formerly known as Shining Time Holdings Limited), one of the Group's partially-owned subsidiaries, acquired 100% of the equity interest of 南京供應鏈管理有限公司 (“南京供應鏈”) at an aggregate cash consideration of RMB5,000,000 (equivalent to HK\$5,982,000). Such acquisition was part of the restructuring plan of Shining Time according to Appendix 5 Clause 4 “Steps of Restructuring” of the investment agreement entered into between Pioneer Leap and two third parties in December 2016 for the acquisition of 55% of equity interest of Shining Time and its subsidiaries. The shares transfer of 南京供應鏈 was subsequently completed on 1 January 2017.

42. 收購附屬公司(續)

(b) 業務合併 — 截至二零一七年十二月三十一日止年度(續)

收購 Blend & Pack (續)

本集團委聘獨立專業估值師艾華迪於收購日進行估值，以根據香港財務報告準則第3號(經修訂)將收購 Blend & Pack 入賬。所收購可識別資產及所承擔負債的公平值乃基於艾華迪所釐定估值方式進行釐定。品牌名稱公平值 15,020,000 澳元(相當於 92,076,000 港元)、客戶關係公平值 3,030,000 澳元(相當於 18,575,000 港元)及牌照公平值 19,100,000 澳元(相當於 117,088,000 港元)乃按收益法使用按年折現率 15.60% 釐定。

本集團已選擇按非控股權益於 Blend & Pack 可識別資產及負債中的權益比例計量非控股權益。

自收購後，Blend & Pack 已為本集團貢獻收益 32,954,000 港元及淨溢利 233,000 港元。倘於年內進行的 Blend & Pack 收購於年初進行，則本集團的收益及淨溢利將分別增加 29,166,000 港元及 4,499,000 港元。

亮時收購南京供應鏈

於二零一七年一月，本集團一間部分擁有之附屬公司 AYD Holdings Limited (前稱亮時控股有限公司) 以總現金代價人民幣 5,000,000 元(相當於 5,982,000 港元)收購南京供應鏈管理有限公司(「南京供應鏈」) 100% 股權。根據二零一六年十二月鋒躍與兩名第三方就收購亮時及其附屬公司 55% 股權所訂立的投資協議附錄 5 第 4 條「重組步驟」，是項收購為亮時重組計劃的一部分。南京供應鏈之股份轉讓之後已於二零一七年一月一日完成。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(b) Business combinations — For the year ended 31 December 2017 (Continued)

Acquisition of 南京供應鏈 by Shining Time (Continued)

The principal activity of 南京供應鏈 is the operation and management of retails and franchise stores. The acquisition was made with the aims to expand the scale of operation and enlarge market presence of Shining Time. The acquisition of 南京供應鏈 was completed in January 2017.

No acquisition-related cost has been incurred from this acquisition.

The fair value of trade and other receivables amounted to approximately of RMB7,593,000 (equivalent to HK\$9,040,000). In the opinion of the management, no receivables is expected to be uncollectable.

The Group appointed an independent professional valuer, 廣東中拓正泰資產評估土地房地產估價有限公司 (“中拓正泰”), to perform valuations at the date of acquisition for the purpose of accounting for the acquisition of 南京供應鏈 according to HKFRS 3 (Revised). The fair value of the identifiable assets acquired and liabilities assumed has been determined based on the valuation approach as determined by 中拓正泰.

Since acquisition, 南京供應鏈 has contributed revenue of HK\$867,592,000 and net profit of HK\$44,300,000 to the Group.

42. 收購附屬公司 (續)

(b) 業務合併 — 截至二零一七年十二月三十一日止年度 (續) 亮時收購南京供應鏈 (續)

南京供應鏈的主要業務為經營及管理零售及特許經營店。是項收購旨在擴大運營規模並擴大亮時的市場份額。南京供應鏈收購已於二零一七年一月完成。

是項收購並無產生收購相關成本。

貿易及其他應收款項公平值達約人民幣7,593,000元(相當於9,040,000港元)。管理層認為，預期無應收款項不可收回。

本集團委聘獨立專業估值師廣東中拓正泰資產評估土地房地產估價有限公司(「中拓正泰」)於收購日進行估值，以根據香港財務報告準則第3號(經修訂)將收購南京供應鏈入賬。所收購可識別資產及所承擔負債公平值乃基於中拓正泰所釐定估值方式進行釐定。

自收購後，南京供應鏈已為本集團貢獻收益867,592,000港元及純溢利44,300,000港元。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(b) Business combinations — For the year ended 31 December 2017 (Continued)

The following summarises the consideration paid, the assets acquired and liabilities assumed and non-controlling interest recognised at the date of the respective acquisitions:

42. 收購附屬公司(續)

(b) 業務合併 — 截至二零一七年十二月三十一日止年度(續)

以下概述於相關收購日期已確認的已付代價、已收購資產及所承擔負債以及非控股權益：

		南京供應鏈	Blend & Pack	Total
		HK\$'000	HK\$'000	總計
		千港元	千港元	千港元
Consideration	代價			
Cash consideration	現金代價	5,982	478,617	484,599
Additional consideration paid (Note (i))	已支付的額外代價 (附註(i))	—	649	649
		5,982	479,266	485,248
Recognised amounts of identifiable assets acquired and liabilities assumed	所收購可識別資產及所承擔負債的確認金額			
Property, plant and equipment (Note 16)	物業、廠房及設備 (附註16)	843	15,525	16,368
Intangible assets (Note 17)	無形資產(附註17)	—	227,739	227,739
Deferred tax assets (Note 35)	遞延所得稅資產(附註35)	—	1,142	1,142
Inventories	存貨	10,682	13,932	24,614
Trade and other receivables	貿易及其他應收款項	9,040	42,480	51,520
Tax recoverable	可收回稅項	949	—	949
Bank balances and cash	銀行結餘及現金	2,467	3,271	5,738
Trade and other payables	貿易及其他應付款項	(19,760)	(37,754)	(57,514)
Finance leases liabilities	融資租賃負債	—	(1,341)	(1,341)
Tax payables	應付稅項	—	(11,368)	(11,368)
Deferred tax liabilities (Note 35)	遞延所得稅負債(附註35)	—	(68,322)	(68,322)
Total identifiable net assets	可識別淨資產總額	4,221	185,304	189,525

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

42. ACQUISITION OF SUBSIDIARIES (Continued)

(b) Business combinations — For the year ended 31 December 2017 (Continued)

42. 收購附屬公司(續)

(b) 業務合併 — 截至二零一七年十二月三十一日止年度(續)

		南京供應鏈	Blend & Pack	Total
		HK\$'000	HK\$'000	總計
		千港元	千港元	千港元
Non-controlling interests	非控股權益	–	(46,326)	(46,326)
Goodwill arising on acquisitions (Note 18)	收購產生的商譽 (附註 18)	1,761	339,639	341,400
Additional goodwill (Note 18 and Note (i))	額外商譽 (附註 18 及附註 (i))	–	649	649
Net cash flow on acquisition of subsidiaries	收購附屬公司現金 流轉淨額	5,982	479,266	485,248
Cash acquired from subsidiaries	從附屬公司取得之現金	2,467	3,271	5,738
Cash consideration	現金代價	(5,982)	(478,617)	(484,599)
Additional cash consideration paid (Note (i))	已支付的額外現金代價 (附註 (i))	–	(649)	(649)
Net outflow of cash and cash equivalents	現金及現金等價物流出 淨額	(3,515)	(475,995)	(479,510)

Note:

- (i) As at 31 December 2017, the Group has not finalised the consideration for the acquisition of Blend & Pack due to the disputes with the seller on: (i) the amount of estimated net debt and (ii) the treatment of excluding shareholder loan in the calculation of the consideration.

As at the date of this report, the disputes have been settled and the additional cash consideration of HK\$649,000 has been paid during the year, which concluded a total final consideration of AU\$76,896,000 (equivalent to HK\$479,266,000). The relevant consideration and goodwill stated above have been finalised.

Goodwill arising from the above acquisitions is attributable to the expected revenue growth, future market development and assembled workforce that cannot be separately recognised due to their nature. None of goodwill recognised is expected to be deductible for income tax purposes.

附註：

- (i) 於二零一七年十二月三十一日，由於與賣方在(i)估計淨債務金額及(ii)在計算代價時不考慮股東貸款的處理方式方面的爭議，本集團尚未落實收購Blend & Pack的代價。

於本報告日期，有關爭議已解決及額外現金代價649,000港元已於年內支付，已確認的總現金代價為76,896,000澳元(相等於479,266,000港元)。上述相關代價及商譽已落實。

上述收購產生之商譽歸因於預期收益增加、未來市場開發以及因其屬性無法單獨確認之配套勞動力。已確認之商譽預期並未就所得稅作出扣減。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

43. DISPOSAL OF A SUBSIDIARY

On 27 December 2018, the Group entered into a sale and purchase agreement with a third party to dispose of 1 ordinary shares of Mason Financial Management Limited (representing 100% of issued share capital) at consideration of HK\$67,535,000 payable by way of cash and secured promissory note. The disposal was completed on 28 December 2018.

The following summarises consideration received and the carrying amount of the assets and liabilities at the date of disposal:

43. 出售附屬公司

於二零一八年十二月二十七日，本集團與一名第三方訂立買賣協議，以出售茂宸財務管理有限公司的1股普通股（相當於其全部已發行股本），代價67,535,000港元以現金及有抵押承兌票據支付。該出售事項於二零一八年十二月二十八日完成。

以下概述出售日期之已收代價以及資產及負債之賬面值：

		Total 總計 HK\$'000 千港元
Net assets disposed of	被出售之淨資產	
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	45,468
Deposits and prepayments	按金及預付款項	6
Bank balances and cash	銀行結餘及現金	49
		45,523
Derecognition of foreign currency translation reserve upon disposal of a subsidiary	出售附屬公司時終止確認外幣匯兌儲備	(276)
Gain on disposal of a subsidiary	出售附屬公司之收益	22,288
		67,535
Consideration received	已收代價	
Cash consideration	現金代價	33,768
Promissory note	承兌票據	33,767
		67,535
Net cash flow on disposal of a subsidiary	出售附屬公司之現金流轉淨額	
Cash consideration	現金代價	33,768
Cash and cash equivalents disposed of	被出售之現金及現金等價物	(49)
Net inflow of cash and cash equivalents	現金及現金等價物流入淨額	33,719

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

44. SHARE OPTION SCHEME

On 22 May 2012, with approval by the shareholders, the Company adopted a share option scheme (the "Scheme") for a period of ten years to replace the share option scheme approved on 20 November 2002 that would otherwise expire on 20 November 2012. Under the Scheme, the board of directors of the Company may grant options to eligible employees including directors of the Company and its subsidiaries and any other persons including consultants, advisors, agents, customers, suppliers, etc. to subscribe for shares in the Company. The purpose of the Scheme is to provide participants with the opportunity to acquire proprietary interest in the Company and to encourage the participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and the shareholders as a whole.

The maximum number of shares in respect of which options may be granted and yet to be exercised under the Scheme and other share option scheme of the Company is not permitted to exceed 10% of the total number of shares of the Company in issue from time to time, without prior approval from the Company's shareholders, which was 1,843,733,288 shares. The total number of shares which may be issued upon exercise of all options to be granted under the Scheme to any individual in any 12-month period is not permitted to exceed 1% of the total number of shares of the Company in issue, without prior approval from the Company's shareholders. Options granted to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates in excess of 0.1% of the Company's shares in issue and having an aggregate value in excess of HK\$5,000,000 must be subject to prior approval by the Company's shareholders.

Under the Scheme, an amount of HK\$1 is payable on the grant of an option. Options may be exercised no later than ten years from the date of grant of the share option. The exercise price is determined by the directors of the Company, and will not be less than the higher of the closing price of the Company's shares on the date of grant and the average closing price of the shares for the five business days immediately preceding the date of grant.

No share options under the Scheme were granted/exercised for both years nor outstanding as at 31 December 2018 and 2017.

44. 購股權計劃

於二零一二年五月二十二日經股東批准，本公司採納十年期購股權計劃（「該計劃」），以代替於二零零二年十一月二十日批准之購股權計劃（其於二零一二年十一月二十日屆滿）。根據該計劃，本公司董事會可授出購股權予合資格僱員（包括本公司及其附屬公司之董事）及任何其他人士（包括顧問、諮詢人、代理人、客戶、供應商等），以認購本公司股份。該計劃旨在向參與者提供機會以獲取本公司的股本權益，並鼓勵參與者為提高本公司及其股份價值而作出努力，以符合本公司及股東的整體利益。

未經本公司股東事先批准，根據該計劃及本公司任何其他購股權計劃授出但尚未行使之購股權所涉及之股份最多不得超過本公司不時已發行股份總數之10%，即1,843,733,288股股份。未經本公司股東事先批准，於任何十二個月期間內行使該計劃授出之所有購股權而可能發行予任何個人之股份總數不得超過本公司已發行股份總數之1%。倘授予本公司主要股東或獨立非執行董事或彼等各自之任何聯繫人士之購股權所涉及之股份數目超過本公司已發行股份之0.1%，且總價值超過5,000,000港元，則必須經本公司股東預先批准。

根據該計劃，獲授每份購股權須支付1港元。購股權可自購股權授出日期起十年內行使。行使價由本公司董事釐定，須不低於本公司股份於授出日期之收市價及股份於緊接授出日期前五個營業日之平均收市價兩者中之較高者。

於二零一八年及二零一七年十二月三十一日兩個年度並無根據該計劃授出／行使任何購股權，而截至該日亦無該計劃所涉購股權尚未行使。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

45. RETIREMENT SCHEME

The Group has provided for its eligible employees a defined contribution retirement scheme under Mandatory Provident Fund Scheme (the "MPF Scheme"). The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund managed by independent trustees. Under the MPF Scheme, the Group and each of the employees make monthly contributions to the scheme at 5% of the employees' relevant income as defined under the Mandatory Provident Fund legislation, which are subject to a cap of HK\$1,500.

During the year, the amount of employer's contributions made by the Group to the defined contribution retirement scheme was approximately HK\$1,726,000 (2017: HK\$2,190,000).

45. 退休計劃

本集團為其合資格僱員安排參與強制性公積金計劃(「強積金計劃」)的界定供款退休計劃。強積金計劃的資產與本集團資產分開，存放於獨立受託人獨立管理的基金。根據強積金計劃，本集團及各僱員每月按強積金計劃法規界定的僱員相關收入之5%向該計劃供款，惟以1,500港元作上限。

於本年度內，本集團向界定供款退休計劃所作僱主供款數額約為1,726,000港元(二零一七年：2,190,000港元)。

46. NOTES SUPPORTING CASH FLOW STATEMENT

(a) Cash and cash equivalents comprise:

46. 現金流轉表附註

(a) 現金及現金等價物包括：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cash available on demand	按要求可用現金		
Cash and cash equivalents	現金及現金等價物	1,603,086	1,759,412

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

46. NOTES SUPPORTING CASH FLOW STATEMENT

(Continued)

(b) Reconciliation of liabilities arising from financing activities:

46. 現金流轉表附註(續)

(b) 融資活動產生的負債之對賬：

		Interest bearing borrowings (Note 32)	Amount due to an associate (Note 21)	Finance lease liabilities (Note 36)	Redeemable and exchangeable preferred share (Note 37)	Total
		計息借款 (附註32)	應付一家聯營公司款項 (附註21)	融資租賃負債 (附註36)	可贖回及可轉換優先股 (附註37)	總計
		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
At 1 January 2018	於二零一八年一月一日	320,016	20,000	1,194	-	341,210
Changes from cash flows:	現金流量變化：					
New bank and other loans raised	新籌集銀行及其他貸款	158,798	-	-	-	158,798
Repayment of bank and other loans	償還銀行及其他貸款	(34,909)	-	-	-	(34,909)
Loan from an associate	來自聯營公司之貸款	-	5,000	-	-	5,000
Proceeds from issue of redeemable and exchangeable preferred shares	發行可贖回及可轉換優先股所得款項	-	-	-	156,000	156,000
Interest paid	已付利息	(23,548)	-	-	-	(23,548)
Repayment of obligation under finance leases	償還融資租賃負債	-	-	(558)	-	(558)
Total changes from financing cash flows:	融資現金流量變化總額：	100,341	5,000	(558)	156,000	260,783
Other changes:	其他變化：					
Interest expenses	利息費用	23,548	-	-	-	23,548
Change in fair value	公平值變動	-	-	-	1,744	1,744
Exchange realignment	匯兌調整	(350)	-	-	-	(350)
Total other changes	其他變化總計	23,198	-	-	1,744	24,942
At 31 December 2018	於二零一八年十二月三十一日	443,555	25,000	636	157,744	626,935

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

47. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with related parties during the year:

Compensation of key management personnel

The remuneration of the Company's directors during the year is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Directors' fees	董事袍金	1,521	1,801
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	29,143	45,470
Contributions to defined contribution retirement schemes	定額供款退休計劃供款	74	66
		30,738	47,337

The remuneration of the Company's directors is reviewed by the Remuneration Committee having regard to the performance of individuals and market trends.

Further details of the emoluments of the Company's directors are included in Note 11 to the consolidated financial statements.

47. 關聯方交易

除於綜合財務報表其他部分所披露外，本集團於本年度內與關聯方進行之交易如下：

主要管理人員之酬金

本年度內，本公司董事之酬金如下：

本公司董事之酬金由薪酬委員會參考個人表現及市場趨勢作出檢討。

本公司董事酬金的進一步詳情載於綜合財務報表附註11。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's financial instruments include financial assets at FVTPL, derivative financial instruments, financial assets at FVOCI, financial assets at amortised cost, loan receivables, reverse repurchase agreements, trade and other receivables, fixed bank deposits, pledged bank deposits, bank balances and cash, redeemable and exchangeable preferred share, trade and other payables, interest-bearing borrowings, repurchase agreements, amount due to an associate, financial lease liabilities, long-term liabilities and contingent consideration payable. The accounting policies for financial instruments have been applied to the line items below.

48. 財務風險管理目標及政策

本集團之金融工具包括按公平值計入損益之財務資產、衍生金融工具、按公平值計入其他全面收益的財務資產、按攤銷成本計量之財務資產、應收貸款、反向回購協議、貿易及其他應收款項、定期銀行存款、已抵押銀行存款、銀行結餘及現金、可贖回及可轉換優先股、貿易及其他應付款項、計息借款、回購協議、應付一間聯營公司款項、融資租賃負債、長期負債及應付或然代價。金融工具的會計政策已應用於以下項目中。

		Financial assets at fair value through profit or loss 按公平值計入損益之財務資產 HK\$'000 千港元	Financial assets at fair value through other comprehensive income 按公平值計入其他全面收入之財務資產 HK\$'000 千港元	Financial assets at amortised cost 按攤銷成本計量之財務資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日				
Financial assets	財務資產				
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	591,075	-	-	591,075
Derivative financial instruments	衍生金融工具	75,396	-	-	75,396
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收入之財務資產	-	633,244	-	633,244
Financial assets at amortised cost	按攤銷成本計量之財務資產	-	-	173,785	173,785
Loan receivables	應收貸款	-	-	1,484,474	1,484,474
Reverse repurchase agreements	反向回購協議	-	-	1,130,371	1,130,371
Trade and other receivables	貿易及其他應收款項	-	-	1,272,248	1,272,248
Fixed bank deposits	定期銀行存款	-	-	1,116,299	1,116,299
Pledged bank deposits	已抵押銀行存款	-	-	94,137	94,137
Bank balances and cash	銀行結餘及現金	-	-	1,603,086	1,603,086
Total	總計	666,471	633,244	6,874,400	8,174,115

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

48. 財務風險管理目標及政策(續)

		Financial liabilities at fair value through profit or loss 按公平值計入損益之財務負債 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本計量的財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日			
Financial liabilities	財務負債			
Derivative financial instruments	衍生金融工具	73,605	–	73,605
Redeemable and exchangeable preferred share	可贖回及可轉換優先股	157,744	–	157,744
Trade and other payables	貿易及其他應付款項	–	3,279,847	3,279,847
Interest-bearing borrowings	計息借款	–	443,555	443,555
Repurchase agreements	回購協議	–	350,185	350,185
Amount due to an associate	應付一間聯營公司款項	–	25,000	25,000
Finance lease liabilities	融資租賃負債	–	636	636
Long-term liabilities	長期負債	–	424	424
Contingent consideration payable	應付或然代價	8,761	–	8,761
Total	總計	240,110	4,099,647	4,339,757

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

48. 財務風險管理目標及政策(續)

	Loans and receivables	Financial assets at fair value through profit or loss	Available-for-sale financial assets	Total
	貸款及應收款項	按公平值計入損益之財務資產	可供出售財務資產	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元

At 31 December 2017 於二零一七年
十二月三十一日

Financial assets	財務資產				
Available-for-sale financial assets	可供出售財務資產	-	-	689,115	689,115
Financial assets at fair value through profit or loss	按公平值計入損益之財務資產	-	364,272	-	364,272
Loan receivables	應收貸款	1,490,968	-	-	1,490,968
Trade and other receivables	貿易及其他應收款項	1,040,708	-	-	1,040,708
Pledged bank deposits	已抵押銀行存款	58,364	-	-	58,364
Bank balances and cash	銀行結餘及現金	1,759,412	-	-	1,759,412
Total	總計	4,349,452	364,272	689,115	5,402,839

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

48. 財務風險管理目標及政策(續)

	Financial liabilities at fair value through profit or loss 按公平值計入損益之財務負債 HK\$'000 千港元	Financial liabilities at amortised cost 按攤銷成本計量的財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
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At 31 December 2017

於二零一七年
十二月三十一日

Financial liabilities	財務負債			
Trade and other payables	貿易及其他應付款項	–	555,962	555,962
Interest-bearing borrowings	計息借款	–	320,016	320,016
Amount due to an associate	應付一間聯營公司款項	–	20,000	20,000
Finance lease liabilities	融資租賃負債	–	1,194	1,194
Long-term liabilities	長期負債	–	278	278
Contingent consideration payable	應付或然代價	129,899	–	129,899
Total	總計	129,899	897,450	1,027,349

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, equity price risk, credit risk and liquidity risk. The Group does not have any written risk management policies and guidelines except for monitoring the credit risk on loan receivables and trade and other receivables. However, the management generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum. The management reviews and agrees policies for managing each of these risks and they are summarised below.

本集團金融工具所產生之主要風險為利率風險、外幣風險、股本價格風險、信貸風險及流動資金風險。除監察應收貸款以及貿易及其他應收款項相關信貸風險外，本集團並無任何明文之風險管理政策及指引。然而，管理層一般就其風險管理採取保守策略，並將本集團所承擔之風險限制在最低水平。管理層檢討及同意管理上述各種風險之相關政策，各風險概述如下。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Group's loan receivables, interest-bearing borrowings, reverse repurchase agreements and repurchase agreements. The Group does not use derivative financial instruments to hedge its interest rate risk.

At the end of the reporting period, if interest rates had been 100 basis points (2017: 100 basis points) higher or lower while all other variables were held constant, the Group's net profit for the year would increase or decrease by approximately HK\$17,271,000 (2017: net profit for the year would increase or decrease by approximately HK\$9,916,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for all financial instruments in existence at that date. The 100 basis points (2017: 100 basis points) increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the end of the next annual reporting period. The analysis was performed on the same basis for 2017.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

48. 財務風險管理目標及政策(續)

利率風險

本集團因利率變動而承擔之市場風險主要與本集團應收貸款、計息借款、反向回購協議及回購協議有關。本集團並無使用衍生金融工具對沖利率風險。

於呈報期結算日，倘利率上升或下降100個基點(二零一七年：100個基點)而其他所有變量維持不變，本集團之年度淨溢利將增加或減少約17,271,000港元(二零一七年：年度淨溢利將增加或減少約9,916,000港元)。

上述敏感度分析之釐定乃假設利率變動於呈報期結算日發生，並已將該變動套用於該日存在之所有金融工具面對之利率風險。增加或減少100個基點(二零一七年：100個基點)指管理層評估利率於直至下一年度呈報期結算日期間之合理可能的變動。二零一七年之分析乃按相同基準進行。

本集團管理層認為，由於呈報期結算日之風險並不反映本年度之風險，故敏感度分析不代表固有利率風險。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Foreign currency risk

The Group mainly operates in Hong Kong, PRC, Liechtenstein and Australia with majority of business transactions being denominated in HK\$, US\$, RMB, EURO, CHF and AU\$.

Certain financial assets and financial liabilities of the Group are denominated in currencies other than the functional currency of the respective group entities and therefore, exposed to foreign currency risk. The carrying amounts of those financial assets and liabilities are analysed as follows:

Sensitivity analysis

The following table indicates the approximate change in the Group's net profit before taxation (2017: net profit before taxation) and equity in response to reasonably possible changes in the foreign exchange rates to which the Group has significant exposure at the end of the reporting period.

48. 財務風險管理目標及政策(續)

外幣風險

本集團主要於香港、中國、列支敦士登及澳洲經營大部分業務交易，該等交易均以港元、美元、人民幣、歐元、瑞士法郎及澳元計值。

本集團若干財務資產及財務負債乃以各集團實體功能貨幣以外之貨幣計值，因而面臨外幣風險。該等財務資產及負債之賬面值分析如下：

敏感度分析

下表列出於呈報期結算日具重大風險之匯率出現可能合理變動時，本集團除稅前淨溢利(二零一七年：除稅前淨溢利)及權益之概約變動。

		2018 二零一八年		2017 二零一七年	
		Increase/ (decrease) in foreign exchange rates	Effect on profit before taxation and retained profits 對除稅前 溢利及保留 溢利之影響	Increase/ (decrease) in foreign exchange rates	Effect on profit before taxation and accumulated losses 對除稅前 溢利及累計 虧損之影響
		%	HK\$'000 千港元	%	HK\$'000 千港元
RMB	人民幣	5 (5)	40,711 (40,711)	5 (5)	37,622 (37,622)
EURO	歐元	5 (5)	58,482 (58,482)	— —	— —
AU\$	澳元	5 (5)	9,996 (9,996)	5 (5)	268 (268)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Foreign currency risk (Continued)

Sensitivity analysis (Continued)

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to each of the Group entities' exposure to currency risk for financial instruments in existence at the date, and that all other variables, in particular interest rates, remain constant.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of the next reporting period. In this respect, it is assumed that the pegged rate between the Hong Kong dollar and the United States dollar would be materially unaffected by any changes in movement in value of the United States dollar against other currencies. Results of the analysis as presented in the above table represent an aggregation of the effects on each of the group entities' profit after tax and equity measured in the respective functional currencies, translated into Hong Kong dollars at the exchange rate ruling at the end of the reporting period for presentation purposes. The analysis is performed on the same basis for 2017.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent foreign currency risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

Equity price risk

The Group is exposed to equity price risk arising from trading of listed equity securities. The sensitivity analysis has been determined based on the exposure to equity price risk.

At the end of the reporting period, if the quoted market prices of the equity securities had been 10% (2017: 10%) higher or lower while all other variables were held constant, the Group's profit before taxation would increase or decrease by approximately HK\$41,807,000 (2017: HK\$36,427,000) as a result of changes in fair value of investments.

48. 財務風險管理目標及政策(續)

外幣風險(續)

敏感度分析(續)

敏感度分析乃假設匯率變動於呈報期結算日已經發生，並已經應用於本集團各實體就於該日存在的金融工具而面對的貨幣風險，所有其他變量(尤其是利率)保持不變。

上述變動為管理層對匯率於截至下一個年度結算日止期間內的合理可能變動的評估。就此而言，已假設美元價值相對其他貨幣的任何變動不會對港元與美元的掛鈎匯率產生重大影響。上表所載分析結果指為呈列目的而將以對應功能貨幣計量的本集團實體除稅後溢利及權益按呈報期結算日現行匯率兌換為港元的綜合即時影響。於二零一七年之分析乃按相同基準進行。

本集團管理層認為，由於呈報期結算日之風險並不反映本年度之風險，故敏感度分析不代表固有外幣風險。

股本價格風險

本集團之股本價格風險乃來自買賣上市股本證券。敏感度分析乃基於所承擔之股本價格風險釐定。

於呈報期結算日，倘股本證券之市場報價上升或下降10%(二零一七年：10%)而其他所有變量維持不變，本集團之除稅前溢利將因投資之公平值變動而增加或減少約41,807,000港元(二零一七年：36,427,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Equity price risk (Continued)

The sensitivity analysis has been determined assuming that the reasonably possible changes in the stock prices had occurred at the end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the investments of the Group would change in accordance with the market price and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant market price over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2017.

In the opinion of the Group's management, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

Credit risk

The Group's credit risk is primarily attributable to loan receivables, trade and other receivables, bank balances and cash, fixed and pledged bank deposits. The carrying amounts of these balances substantially represent the Group's maximum exposure to credit risk at the end of the reporting period.

Credit quality analysis for provision of financing services

The Group regards a loan receivable as impaired if there is objective evidence that a loss event has occurred since initial recognition and the loss event has an impact on future estimated cash flows from the asset.

A loan receivable that has been renegotiated due to a deterioration in the borrower's credit/financial condition is usually considered to be impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

48. 財務風險管理目標及政策(續)

股本價格風險(續)

敏感度分析之釐定乃假設股價之合理可能變動於呈報期結算日已經發生，並已將該變動套用於該日存在之股本價格風險。同時假設本集團投資項目之公平值會隨市價變化，並假設所有其他變量維持不變。所列表之變動指管理層評估相關市價於直至下一年度呈報期結算日期間之合理可能變動。二零一七年之分析乃按相同基準進行。

本集團管理層認為，由於呈報期結算日之風險並不反映本年度之風險，故敏感度分析不代表固有股本價格風險。

信貸風險

本集團信貸風險主要來自應收貸款、貿易及其他應收款項、銀行結餘及現金、定期及已抵押銀行存款。該等結餘之賬面值主要指本集團於呈報期結算日所承擔之最大信貸風險。

提供融資服務的信貸質素分析

倘有客觀證據顯示自首次確認以來已發生虧損事件，且虧損事件已對未來估計自資產獲得之現金流量產生影響，則本集團視應收貸款為已減值。

因借款人信貸／財務狀況惡化而重新協定之應收貸款通常被視為已減值，除非有證據顯示無法收取合約現金流量之風險已顯著降低且並無其他減值跡象。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Credit risk (Continued)

Credit quality analysis for provision of financing services (Continued)

Management has money lending policies in place and the exposure to the credit risk is monitored on an ongoing basis. The Group provides financing services only with recognised and creditworthy third parties. It is the Group's policy that all these borrowers are subject to credit verification procedures.

Loan receivables that are past due but not impaired are those for which principal payments are past due but the Group believes that impairment is not appropriate on the basis of the level of security or collateral available and/or the stage of collection owed to the Group, if any.

Credit quality for business other than provision of financing services

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures.

The Group performs credit evaluations on accounts receivable from all clients, including cash and margin clients. Accounts receivable from cash client are due within the settlement date commonly adopted by the relevant market convention, which is usually a few days from trade date. Because of the short settlement period involved, credit risk arising from accounts receivable due from cash clients is considered as low. The Group normally obtains liquid securities as collaterals from margin clients of its financial brokerage business.

The Group normally enters into transactions with brokers and clearing houses which are registered with regulatory bodies and with sound reputation in the industry.

The Group has limited credit risk with its money deposited in financial institutions, which are leading and reputable and are assessed as having low credit risk. The Group has not suffered any significant losses arising from the non-performance by these parties in the past and management does not expect this position to change in the future.

48. 財務風險管理目標及政策(續)

信貸風險(續)

提供融資服務的信貸質素分析(續)

管理層已實施借貸政策，並不斷監察信貸風險程度。本集團僅為獲認可且信譽良好之第三方提供融資服務。本集團之政策規定，所有該等借款人均須通過信用核實程序。

已逾期但未減值之應收貸款乃為本金已逾期，但本集團基於現有擔保或抵押品及／或本集團收款階段(若有)認為作出減值並不合適。

提供融資服務以外的業務信貸質素

本集團僅與獲認可且信譽良好之第三方進行交易。按照本集團之政策，所有擬按信貸期進行交易的客戶，必須先通過信貸核實程序。

本集團就應收所有客戶(包括現金及孖展客戶)的賬款進行信貸評估。應收現金客戶之賬款乃於相關市場慣例普遍採用之結算日到期，一般為交易日後數天內。由於所涉及結算期短，故應收現金客戶賬款產生之信貸風險甚微。本集團一般會向其財務經紀業務的孖展客戶取得流動證券作為抵押品。

本集團一般與已向監管機構註冊並於業內享有良好聲譽之經紀及結算所進行交易。

本集團將其款項存放於領先、知名及據評估信貸風險低之金融機構，故所承擔之信貸風險有限。本集團過往並無因該等人士不履行合約而蒙受任何重大損失，而管理層預期未來該狀況不會變動。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Credit risk (Continued)

Exposure to credit risk

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each client, customer and borrower. The default risk of the industry in which clients, customers and borrowers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group had a concentration of credit risk as 55% (2017: 72%) and 54% (2017: 47%) of the total loan receivables and trade and accounts receivable respectively, which were due from the Group's five (2017: five) largest borrowers and five (2017: five) largest customers.

The Group does not provide any other guarantee which would expose the Group to material credit risk.

The carrying amount of financial assets recorded in the consolidated financial statements, which is net of impairment losses, represented the Group's maximum exposure to credit risk without taken into account the value of any collateral obtained.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility principally through bank and other borrowings. The Group closely monitors its exposure to liquidity risk by reviewing the cash position report on a daily basis and analysing the efficiency of fund management.

At the end of the reporting period, the Group had margin facilities of HK\$48,200,000 (2017: HK\$300,000) from certain financial institutions and brokers to maintain funding flexibility and meet liquidity needs and none (2017: Nil) of the facilities were utilised at the end of the reporting period.

48. 財務風險管理目標及政策(續)

信貸風險(續)

所承受之信貸風險

本集團承受信貸風險之程度主要因各客戶、顧客及借款人之特性而異。客戶、顧客及借款人所從事行業出現拖欠風險亦影響信貸風險，但程度較微。於呈報期結算日，本集團應收其五大(二零一七年：五大)借款人及五大(二零一七年：五大)客戶之應收貸款總額以及貿易及應收賬款之信貸風險集中度分別為55%(二零一七年：72%)及54%(二零一七年：47%)。

本集團並無提供可能令本集團承受重大信貸風險之任何其他擔保。

記錄於綜合財務報表的財務資產之賬面值(已扣除減值虧損)，指本集團並未計及所得任何抵押物價值的最大信貸風險。

流動資金風險

本集團之目標為主要透過銀行及其他借款，在資金延續性與靈活性之間保持平衡。本集團透過每日審閱現金狀況報告並分析資金管理效益，密切監控流動資金風險。

於呈報期結算日，本集團已獲若干金融機構及證券經紀提供孖展融資48,200,000港元(二零一七年：300,000港元)以保持資金靈活性及應付流動資金需求，且於呈報期結算日並無動用(二零一七年：無)融資。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

48. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (Continued)

Liquidity risk (Continued)

The maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period, based on contractual undiscounted payments. The Group's financial liabilities as at the end of the reporting period, based on the remaining contractual maturities, are summarised below:

48. 財務風險管理目標及政策(續)

流動資金風險(續)

本集團於呈報期結算日按合約未折現付款計算非衍生財務負債之到期情況。本集團於呈報期結算日按餘下合約到期日計算之財務負債概述如下：

		On demand or less than 3 months 按要求或 少於3個月 HK\$'000 千港元	3 – 12 months 3至12個月 HK\$'000 千港元	1 – 5 years 1至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total contractual undiscounted cash flow 合約未折現 現金流總額 HK\$'000 千港元	Total carrying value 總賬面值 HK\$'000 千港元
At 31 December 2018	於二零一八年 十二月三十一日						
Trade and other payables	貿易及其他應付款項	3,279,473	381	–	–	3,279,854	3,279,854
Interest-bearing borrowings	計息借款	292,676	139,976	22,000	–	454,652	443,555
Repurchase agreements	回購協議	350,185	–	–	–	350,185	350,185
Amount due to an associate	應付一家聯營公司款項	25,156	–	–	–	25,156	25,000
Contingent consideration payable	應付或然代價	–	8,761	–	–	8,761	8,761
		3,947,490	149,118	22,000	–	4,118,608	4,107,355
At 31 December 2017	於二零一七年 十二月三十一日						
Trade and other payables	貿易及其他應付款項	555,178	784	–	–	555,962	555,962
Interest-bearing borrowings	計息借款	31,684	275,186	23,000	–	329,870	320,016
Amount due to an associate	應付一家聯營公司款項	20,125	–	–	–	20,125	20,000
Contingent consideration payable	應付或然代價	–	112,272	17,627	–	129,899	129,899
		606,987	388,242	40,627	–	1,035,856	1,025,877

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT

The following presents the assets and liabilities that are measured at fair value or required to disclose their fair value in these financial statements on a recurring basis at 31 December 2018 across the three levels of the fair value hierarchy defined in HKFRS 13 Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

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

Management believes that the estimated fair values resulting from the valuation techniques are reasonable, and that they were the most appropriate values at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques(s) and inputs used):

49. 公平值計量

以下以公平值計量或需經常性於該等財務報表內披露其公平值之資產及負債於二零一八年十二月三十一日按香港財務報告準則第13號公平值計量所界定之公平值三個等級呈列，而公平值計量是按最低等級輸入數據對其計量有重大影響作整體分類。所界定之輸入等級如下：

- 第1級(最高等級)：本集團於計量日可取得相同資產或負債在活躍市場之報價(未經調整)；
- 第2級：除包括於第1級之報價外，對於資產或負債之輸入數據乃可直接或間接從觀察所得；及
- 第3級(最低等級)：對於資產或負債之輸入數據乃不可觀察的。

管理層認為因估值技術產生的估計公平值乃屬合理，並為報告期末之最適當價值。下表提供有關釐定該等財務資產及財務負債公平值之資料(尤其是所使用之估值方法及輸入數據)：

Financial assets and financial liabilities 財務資產及財務負債	Fair values as at 31 December 2018 於二零一八年十二月三十一日 之公平值	Fair value hierarchy 公平值等級	Valuation technique(s) or significant input(s) 估值技術或 重要輸入數據
Unlisted equity securities classified as financial assets at FVOCI (2017: available-for-sale financial assets) 分類為按公平值計入其他全面收入的財務資產的 非上市股本證券(二零一七年：可供出售財務資產)	HK\$633,244,000 (2017: HK\$630,525,000) (Notes 22 and 25) 633,244,000 港元 (二零一七年：630,525,000 港元) (附註22及25)	Level 2 第2級	Market Approach — Guideline Public Company Method 市場法 — 指引公眾 公司法

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

49. 公平值計量 (續)

Financial assets and financial liabilities 財務資產及財務負債	Fair values as at 31 December 2018 於二零一八年十二月三十一日 之公平值	Fair value hierarchy 公平值等級	Valuation technique(s) or significant input(s) 估值技術或 重要輸入數據
Equity securities listed in and outside Hong Kong held for trading classified as financial assets at FVTPL (2017: held for trading financial assets at FVTPL) 分類為按公平值計入損益的財務資產的持作買賣並於香港境內外上市的股本證券(二零一七年：持作買賣的按公平值計入損益的財務資產)	HK\$226,166,000 (2017: HK\$164,930,000) (Note 22) 226,166,000 港元 (二零一七年：164,930,000 港元) (附註 22)	Level 1 第 1 級	Quoted bid prices 所報之買入價
Equity securities listed in Hong Kong not held for trading classified as financial assets at FVTPL (2017: not held for trading financial assets at FVTPL) 分類為按公平值計入損益的財務資產但並非持作買賣的於香港上市的股本證券(二零一七年：並非持作買賣的按公平值計入損益的財務資產)	HK\$191,906,000 (2017: HK\$199,342,000) (Note 24) 191,906,000 港元 (二零一七年： 199,342,000 港元)(附註 24)	Level 1 第 1 級	Quoted bid prices 所報之買入價
Unlisted equity securities not held for trading classified as financial assets at FVTPL (2017: Nil) 分類為按公平值計入損益的財務資產但並非持作買賣的非上市股本證券(二零一七年：無)	HK\$173,003,000 (2017: Nil) (Note 24) 173,003,000 港元 (二零一七年：零)(附註 24)	Level 2 第 2 級	Market Approach — Guideline Public Company Method 市場法 — 指引公眾 公司法
Forward exchange contracts classified as financial assets (2017: Nil) and financial liabilities (2017: Nil) at FVTPL 分類為按公平值計入損益的財務資產(二零一七年：無)及財務負債(二零一七年：無)的遠期外匯合約	Assets: HK\$44,734,000 (2017: Nil) Liabilities: HK\$45,219,000 (2017: Nil) (Note 34) 資產：44,734,000 港元 (二零一七年：零) 負債：45,219,000 港元 (二零一七年：零)(附註 34)	Level 2 第 2 級	Forward exchange rate 遠期匯率

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

49. 公平值計量(續)

Financial assets and financial liabilities 財務資產及財務負債	Fair values as at 31 December 2018 於二零一八年十二月三十一日 之公平值	Fair value hierarchy 公平值等級	Valuation technique(s) or significant input(s) 估值技術或 重要輸入數據
Option contracts classified as financial assets (2017: Nil) and financial liabilities (2017: Nil) at FVTPL	Assets: HK\$30,662,000 (2017: Nil) (Note 34) Liabilities: HK\$28,386,000 (2017: Nil) (Note 34)	Level 3	Black-Scholes options pricing model
分類為按公平值計入損益的財務資產(二零一七年: 無)及財務負債(二零一七年: 無)的期權合約	資產: 30,662,000 港元 (二零一七年: 零)(附註34) 負債: 28,386,000 港元 (二零一七年: 零)(附註34)	第3級	柏力克-舒爾斯期權定價模式
Index option contracts classified as financial liabilities at FVTPL (2017: Nil)	HK\$469,000 (2017: Nil) (Note 34)	Level 1	Hang Seng Index
分類為按公平值計入損益的財務負債的指數期權合約(二零一七年: 無)	469,000 港元 (二零一七年: 零)(附註34)	第1級	恒生指數
Redeemable and exchangeable preferred share classified as financial liabilities at FVTPL (2017: Nil)	HK\$157,744,000 (2017: Nil) (Note 37)	Level 3	Binomial option pricing model
分類為按公平值計入損益的財務負債的可贖回及可轉換優先股(二零一七年: 無)	157,744,000 港元 (二零一七年: 零)(附註37)	第3級	二項式期權定價模式
Contingent consideration payable classified with financial liabilities at FVTPL (2017: financial liabilities at FVTPL)	HK\$8,761,000 (2017: HK\$129,899,000) (Note 33)	Level 3	Forecasted net profit
分類為按公平值計入損益的財務負債的應付或然代價(二零一七年: 按公平值計入損益的財務負債)	8,761,000 港元 (二零一七年: 129,899,000 港元) (附註33)	第3級	預測純利

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

49. 公平值計量 (續)

公平值等級

下表列示本公司金融工具的公平值計量等級：

		Fair value measurement using 所用公平值計量			
		Quoted bid price in active markets Level 1 在活躍市場 所報之買入價 第1級 HK\$'000 千港元	Significant observable inputs Level 2 重大可觀察 輸入數據 第2級 HK\$'000 千港元	Significant unobservable inputs Level 3 重大不可觀察 輸入數據 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2018	於二零一八年十二月三十一日				
Assets	資產				
Financial assets at FVTPL	按公平值計入損益的財務資產				
Equity securities listed in Hong Kong — held for trading	香港上市股本證券 — 持作買賣	221,677	-	-	221,677
Equity securities listed overseas — held for trading	海外上市股本證券 — 持作買賣	4,489	-	-	4,489
Equity securities listed in Hong Kong — not held for trading	香港上市股本證券 — 並非持作買賣	191,906	-	-	191,906
Unlisted equity securities — not held for trading	非上市股本證券 — 並非持作買賣	-	173,003	-	173,003
Forward exchange contracts	遠期外匯合約	-	44,734	-	44,734
Option contracts	期權合約	-	-	30,662	30,662
Financial assets at FVOCI	按公平值計入其他全面收入的財務資產				
Unlisted equity securities	非上市股本證券	-	633,244	-	633,244
Liabilities	負債				
Financial liabilities at FVTPL	按公平值計入損益的財務負債				
Forward exchange contracts	遠期外匯合約	-	(44,750)	-	(44,750)
Option contracts	期權合約	-	-	(28,386)	(28,386)
Index option contracts	指數期權合約	(469)	-	-	(469)
Redeemable and exchangeable preferred share	可贖回及可轉換優先股	-	-	(157,744)	(157,744)
Contingent consideration payable	應付或然代價	-	-	(8,761)	(8,761)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

Fair value hierarchy (Continued)

49. 公平值計量(續)

公平值等級(續)

		Fair value measurement using 所用公平值計量			Total 總計
		Quoted bid price in active markets Level 1 在活躍市場 所報之買入價 第1級 HK\$' 000 千港元	Significant observable inputs Level 2 重大可觀察 輸入數據 第2級 HK\$' 000 千港元	Significant unobservable inputs Level 3 重大不可觀察 輸入數據 第3級 HK\$' 000 千港元	
As at 31 December 2017	於二零一七年十二月三十一日				
Assets	資產				
Financial assets at FVTPL	按公平值計入損益的 財務資產				
Equity securities listed in Hong Kong — held for trading	香港上市股本證券 — 持作買賣	162,291	—	—	162,291
Equity securities listed overseas — held for trading	海外上市股本證券 — 持作買賣	2,639	—	—	2,639
Equity securities listed in Hong Kong — not held for trading	香港上市股本證券 — 並非持作買賣	199,342	—	—	199,342
Available-for-sale financial assets	持作出售財務資產				
Unlisted equity securities	非上市股本證券	—	630,525	—	630,525
Liabilities	負債				
Financial liabilities at FVTPL	按公平值計入損益的財務 負債				
Contingent consideration payable	應付或然代價	—	—	(129,899)	(129,899)

There were neither transfers between Level 1 and Level 2 fair value measurements nor transfers into and out of Level 3 fair value measurement during both reporting periods.

於兩個報告期內，第1級與第2級公平值計量之間既無轉移，亦無轉入及轉出第3級公平值計量。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement of option contracts

The fair value of option contracts is a Level 3 recurring fair value measurement calculated based on Black-Scholes options pricing model. The valuation requires making estimates on the volatility rate and risk free interest rate. Below is a summary of significant unobservable inputs to the valuation of option contracts together with a quantitative analysis as at 31 December 2018:

49. 公平值計量 (續)

期權合約的公平值計量

期權合約的公平值為按柏力克—舒爾斯購股權定價模式計算的第3級經常性公平值計量。估值須對波動率及無風險利率進行估算。以下為於二零一八年十二月三十一日期權合約估值的重大不可觀察輸入數據概要連同定量分析：

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range/ Amount 範圍/金額	Sensitivity of fair value to the input 輸入數據之公平值敏感性
Option contracts classified as financial assets and financial liabilities at FVTPL	Black-Scholes options pricing model	Volatility rate	33.79% (assets) and 36.83% (liabilities) (2017: Nil)	10% increase/decrease in the volatility rate would result in increase/decrease in fair value by approximately HK\$2,529,000/ HK\$2,540,000 (assets) and HK\$3,047,000/ HK\$3,061,000 (liabilities) (2017: Nil)
分類為按公平值計入損益的財務資產及財務負債的期權合約	柏力克—舒爾斯購股權定價模式	波動率	33.79% (資產) 及 36.83% (負債) (二零一七年：無)	波動率增加/減少10%將導致公平值增加/減少約2,529,000港元/2,540,000港元(資產)及3,047,000港元/3,061,000港元(負債)(二零一七年：零)
		Risk free interest rate	2.78% (assets) and 2.73% (liabilities) (2017: Nil)	10% increase/decrease in the risk free interest rate would result in decrease/increase in fair value by approximately HK\$534,000/ HK\$541,000 (assets) and HK\$279,000/HK\$278,000 (liabilities) (2017: Nil)
		無風險利率	2.78% (資產) 及 2.73% (負債) (二零一七年：無)	無風險利率增加/減少10%將導致公平值減少/增加約534,000港元/541,000港元(資產)及279,000港元/278,000港元(負債)(二零一七年：零)

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement of option contracts

(Continued)

A reconciliation of the opening and closing fair value balances of option contracts is provided as below:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Option contracts — assets	期權合約 — 資產		
Opening balance (Level 3 recurring fair value)	期初結餘 (第3級經常性公平值)	—	—
Addition during the year (Note 34)	年內添置(附註34)	30,662	—
At the end of the reporting period	於報告期末	30,662	—

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Option contracts — liabilities	期權合約 — 負債		
Opening balance (Level 3 recurring fair value)	期初結餘 (第3級經常性公平值)	—	—
Addition during the year (Note 34)	年內添置(附註34)	(28,386)	—
At the end of the reporting period	於報告期末	(28,386)	—

49. 公平值計量(續)

期權合約的公平值計量(續)

期權合約的期初及期末公平值結餘對賬列示如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement of redeemable and exchangeable preferred share

The fair value of redeemable and exchangeable preferred share is a Level 3 recurring fair value measurement. As disclosed in Note 37, the Investor of the preference shares will have the right to exchange these shares for the shares of Mason Healthcare's group entities upon the occurrence of the consummation of initial public offerings of any of these group entities, and sales or disposal of interest in these group entities (the "Conditions"). The valuation of preference share requires making estimation on the fair value of these group entities by Binomial option pricing model, with significant unobservable inputs including probability assumptions for conditions fulfilment.

If the probability assumptions for Conditions fulfilment are 10% higher/lower while all other variables we held constant, the carrying amount of redeemable and exchangeable preferred share would increase/decrease by HK\$1,272,000/HK\$1,319,000.

A reconciliation of the opening and closing fair value balances of redeemable and exchangeable preferred share is provided as below:

49. 公平值計量 (續)

可贖回及可轉換優先股的公平值計量

可贖回及可轉換優先股的公平值為第3級經常性公平值計量。誠如附註37所披露，於完成茂宸醫療任何集團實體之首次公開發售以及銷售或出售於該等集團實體的權益後，優先股的投資者將有權以該等股份交換該等集團實體的股份（「條件」）。優先股估值須透過二項期權定價法及重大不可觀察輸入數據（包括達成條件的概率假設）對該等集團實體的公平值進行估算。

倘達成條件的概述假設於所有其他變量保持不變的情況下增加／減少10%，則可贖回及可轉換優先股的賬面值將增加／減少1,272,000港元／1,319,000港元。

可贖回及可轉換優先股的期初及期末公平值結餘對賬列示如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Redeemable and exchangeable preferred share	可贖回及可轉換優先股		
Opening balance (Level 3 recurring fair value)	期初結餘(第3級經常性公平值)	-	-
Addition during the year (Note 37)	年內添置(附註37)	156,000	-
Net change in unrealised valuation loss recognised in profit or loss	於損益確認的未變現估值虧損變動淨額	1,744	-
At the end of the reporting period	於報告期末	157,744	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement of contingent consideration payable

The fair value of contingent consideration payable is a Level 3 recurring fair value measurement.

For the year ended 31 December 2017, the management of the Company was of the opinion that AYD Group can achieve the profit target by reference to the forecasted net profit attributable to the equity holders of AYD Group for the year ended 31 December 2017 and 2018.

On 30 June 2018, the Group entered into a supplementary investment agreement to revise the calculation of contingent consideration payable for the year ended 31 December 2018. The Group shall pay RMB 5,000,000 to Cosmicfield (equivalent HK\$5,761,000) if AYD Group's 2018 net profit is more than RMB120,000,000 (equivalent HK\$138,264,000), alternatively, if 2018 net profit is less than RMB120,000,000, Cosmicfield should pay RMB 5,000,000 to the Group.

The fair value of contingent consideration payable is determined by management of the Company with reference to the valuation performed by an independent profession valuer, by reference to the forecasted net profit attributable to the equity holders of AYD Group for the year ended 31 December 2017 and 2018.

The forecasted net profit attributable to the equity holders of AYD Group for the year ended 31 December 2017 and 2018 has involved significant unobservable input as following:

Forecasted net profit for the year ended	
31 December 2017	HK\$139,000,000
Forecasted net profit for the year ended	
31 December 2018	HK\$145,500,000

The management of the Group was of the opinion that AYD Group can achieve the profit target by reference to the forecasted net profit attributable to the equity holders of AYD Group for the year ended 31 December 2017 and 2018.

49. 公平值計量(續)

應付或然代價的公平值計量

應付或然代價的公平值為第3級經常性公平值計量。

截至二零一七年十二月三十一日止年度，本公司管理層認為，經參考截至二零一七年及二零一八年十二月三十一日止年度愛嬰島集團權益持有人應佔預測純利，愛嬰島集團可實現盈利目標。

於二零一八年六月三十日，本集團訂立補充投資協議，以修訂截至二零一八年十二月三十一日止年度應付或然代價的計算。倘愛嬰島集團二零一八年純利高於人民幣120,000,000元(相等於138,264,000港元)，則本集團須向Cosmicfield支付人民幣5,000,000元(相等於5,761,000港元)，另外，倘二零一八年純利低於人民幣120,000,000元，則Cosmicfield須向本集團支付人民幣5,000,000元。

應付或然代價的公平值乃由本公司管理層經參考獨立專業估值師所作估值及參考截至二零一七年及二零一八年十二月三十一日止年度愛嬰島集團權益持有人應佔預測純利釐定。

截至二零一七年及二零一八年十二月三十一日止年度愛嬰島集團權益持有人應佔預測純利涉及下列重大不可觀察輸入數據：

截至二零一七年十二月三十一日	
止年度預測純利	139,000,000港元
截至二零一八年十二月三十一日	
止年度預測純利	145,500,000港元

本集團管理層認為，經參考截至二零一七年及二零一八年十二月三十一日止年度愛嬰島集團權益持有人應佔預測純利，愛嬰島集團可實現盈利目標。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

49. FAIR VALUE MEASUREMENT (Continued)

Fair value measurement of contingent consideration payable (Continued)

A reconciliation of the opening and closing fair value balances of contingent consideration payable (Level 3) is provided as below:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contingent consideration payable	應付或然代價		
Opening balance (Level 3 recurring fair value)	期初結餘 (第3級經常性公平值)	129,899	–
Addition during the year (Note 33(b))	年內添置(附註33(b))	3,000	–
Settlement during the year (Note 19(b))	年內結算(附註19(b))	(112,272)	–
Remeasurement during the year (Note 33(a))	年內重新計量(附註33(a))	(11,866)	129,899
At the end of the reporting period	於報告期末	8,761	129,899

Fair values of financial assets and liabilities carried at other than fair value

The carrying amount of the Group's loan receivables, trade and other receivables, fixed and pledged bank deposits, bank balances and cash, trade and other payables and amount due to an associate that are carried at amortised cost are not materially different from their fair value as at the end of reporting period.

49. 公平值計量(續)

應付或然代價的公平值計量(續)

應付或然代價的期初及期末公平值結餘(第3級)對賬列示如下:

非按公平值列賬之財務資產及負債之公平值

本集團按攤銷成本列賬之應收貸款、貿易及其他應收款項、定期及已抵押銀行存款、銀行結餘及現金、貿易及其他應付款項以及應付聯營公司款項之賬面值與其於呈報期結算日之公平值並無重大差異。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

50. CAPITAL MANAGEMENT

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividends to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. The capital structure of the Group consists of net debts, cash and cash equivalents and equity attributable to shareholders (comprising issued share capital and reserves). No changes were made in the objectives, policies or processes during the years ended 31 December 2018 and 2017.

Certain subsidiaries of the Group, which are engaged in the brokerage of securities and commodities and related services, are entities regulated by the Securities and Futures Ordinance and subject to the respective minimum capital requirements.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure to be maintained, taking into consideration the future capital requirements of these subsidiaries. The minimum capital requirements for these subsidiaries were complied with during the year.

50. 資本管理

本集團資本管理之目標為保障本集團之持續經營能力及為股東提供回報。本集團管理及調整其資本架構，包括向股東派息、向股東退還股本或發行新股或出售資產以減少債務。本集團的資本架構包括債務淨額、現金及現金等價物以及股東應佔股權（包括已發行股本及儲備）。截至二零一八年及二零一七年十二月三十一日止年度，有關目標、政策及程序概無變動。

本集團若干附屬公司（從事證券及商品經紀以及相關服務）為受證券及期貨條例監管之實體，並須遵守相關最低資本規定。

經考慮該等附屬公司之未來資本需求後，本集團積極及定期審閱及管理其資本架構，以確保保持最優資本架構。於年內乃符合該等附屬公司之最低資本規定。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

51. COMMITMENTS

Capital expenditure commitments

At the end of the reporting period, the Group had the following capital expenditure commitments:

51. 承擔

資本開支承擔

於呈報期結算日，本集團具有以下資本開支承擔：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted but not provided for, net of deposit paid	已訂約但未撥備，扣除已付按金		
— Acquisition of property, plant and equipment	— 收購物業、廠房及設備	—	395
— Acquisition of intangible assets, computer software and systems	— 收購無形資產、電腦軟件及系統	1,984	3,628
— Subscription of interests in Agate Fund (Note 22(c))	— 認購 Agate Fund 之權益 (附註 22(c))	—	115,918
— Subscription of interest in HMCB Fund LP	— 認購 HMCB Fund LP 之權益	23,158	23,486
		25,142	143,427

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

51. COMMITMENTS (Continued)

Commitments under operating lease

The Group as lessee

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases in respect of office equipment and premises, which are payable as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	74,182	32,685
In the second to fifth year, inclusive	第二年至第五年(包括首尾兩年)	105,779	75,823
Over five years	超過五年	8,658	–
		188,619	108,508

The Group as lessor

At the end of the reporting period, the Group had total future minimum rental receivables under non-cancellable operating leases in respect of sub-lease of premises are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	1,265	1,228
In the second to fifth year, inclusive	第二年至第五年(包括首尾兩年)	5,174	2,227
		6,439	3,455

51. 承擔(續)

經營租賃承擔

本集團作為承租人

於呈報期結算日，本集團就有關辦公室設備及物業之不可撤銷經營租賃之應付未來最低租金總額如下：

本集團作為出租人

於呈報期結算日，本集團於不可撤銷經營租賃項下的有關分租物業的未來最低租賃應收款項總額如下：

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

52. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following tables present details of financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements.

52. 抵銷財務資產及財務負債

下表列出可抵銷、可執行之總淨額結算安排或類似協議的金融工具詳情。

		Financial assets subject to offsetting 可抵銷財務資產					
		Gross amount of recognised financial liabilities offset in the consolidated statement of financial position 於綜合財務 狀況表抵銷 之已確認 財務負債總額	Net amount of financial assets presented in the consolidated statement of financial position 於綜合財務 狀況表呈列之 財務資產淨額	Related amounts not offset in the consolidated statement of financial position 並無於綜合財務狀況表抵銷之有關金額	Securities collateral received 已收證券抵押物	Net amount	
		Gross amount of recognised financial assets 已確認 財務資產總額	Net amount of financial assets presented in the consolidated statement of financial position 於綜合財務 狀況表呈列之 財務資產淨額	Cash collateral received 已收現金抵押物	Securities collateral received 已收證券抵押物	Net amount	
		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 31 December 2018	於二零一八年 十二月三十一日						
Type of financial assets	財務資產類型						
Accounts receivable due from margin clients	應收孖展客戶賬款	723,000	(21,348)	701,652	-	(247,935)	453,717
Accounts receivable due from HKSCC	應收香港結算賬款	112,391	(32,891)	79,500	-	-	79,500
Reverse repurchase agreements	反向回購協議	1,130,371	-	1,130,371	-	1,130,371	-
At 31 December 2017	於二零一七年 十二月三十一日						
Type of financial assets	財務資產類型						
Accounts receivable due from margin clients	應收孖展客戶賬款	548,204	(27,486)	520,718	-	(415,903)	104,815
Accounts receivable due from HKSCC	應收香港結算賬款	166,234	(46,562)	119,672	-	-	119,672

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

52. OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (Continued)

52. 抵銷財務資產及財務負債(續)

		Financial liabilities subject to offsetting 可抵銷財務負債				
		Gross amount of recognised financial assets	Net amount of financial liabilities presented in the consolidated statement of financial position	Related amounts not offset in the consolidated statement of financial position 並無於綜合財務狀況表抵銷之有關金額		
		Gross amount of recognised financial liabilities at consolidated statement of financial position	offset in the consolidated statement of financial position	Cash collateral received	Securities collateral received	Net amount
		已確認 財務負債總額	於綜合財務 狀況表抵銷 之已確認 財務資產總額	已收現金抵押物	已收證券抵押物	淨額
		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
At 31 December 2018	於二零一八年 十二月三十一日					
Type of financial liabilities	財務負債類型					
Accounts payable due to margin clients	應付孖展客戶賬款	28,362	(21,348)	7,014	-	-
Accounts payable due to HKSCC	應付香港結算賬款	32,891	(32,891)	-	-	-
Repurchase agreements	回購協議	350,185	-	350,185	(350,185)	-
At 31 December 2017	於二零一七年 十二月三十一日					
Type of financial liabilities	財務負債類型					
Accounts payable due to margin clients	應付孖展客戶賬款	56,247	(27,486)	28,761	-	-
Accounts payable due to HKSCC	應付香港結算賬款	46,562	(46,562)	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

53. CONTINGENT LIABILITIES

- a) As at 31 December 2018, the Company has provided guarantees in favour of banks, financial institutions and third party individuals, in respect of facilities granted to certain subsidiaries, amounting to HK\$428,213,000 (2017: HK\$204,567,000). Of these facilities, a total of HK\$319,584,000 (2017: HK\$180,641,000) has been utilised.
- b) As at 31 December 2018, the Group has provided a financial guarantee in respect of a loan granted to a third party individual with the principal amount of RMB51,000,000 (equivalent to HK\$58,071,000) (2017: RMB51,000,000 (equivalent to HK\$57,270,000)) for a loan guarantee fee income of HK\$591,000 (2017: HK\$1,266,000) recognised in profit or loss.

The maximum liability of the Group at the end of the reporting period under this guarantee of RMB54,681,000 (equivalent to HK\$62,263,000) (2017: RMB52,653,000 (equivalent to HK\$58,850,000)), representing the outstanding amount of the loan and interest payable to the third party as at the end of the reporting period. At the end of the reporting period, the management does not consider it is probable that a claim will be made against the Group under this guarantee and the loan was repaid in February 2019.

54. EVENTS AFTER REPORTING PERIOD

The Group had the following event after the end of the reporting period:

Disposal of Blend & Pack

On 8 February 2019, the Group entered into a share purchase agreement with a third party (the "Buyer"), pursuant to which the Group agreed to sell 66,746 ordinary shares of Blend & Pack (representing 46% of issued capital of Blend & Pack) to the Buyer, at an aggregate consideration of AU\$47,791,000 (equivalent to HK\$271,455,000).

53. 或然負債

- a) 於二零一八年十二月三十一日，本公司已以銀行、金融機構及第三方個人為受益人就授予若干附屬公司之融資428,213,000港元(二零一七年：204,567,000港元)提供擔保。在該等融資中，已動用合共319,584,000港元(二零一七年：180,641,000港元)。
- b) 於二零一八年十二月三十一日，本集團已就授予第三方個人本金額為人民幣51,000,000元(相當於58,071,000港元)(二零一七年：人民幣51,000,000元(相當於57,270,000港元))之貸款向第三方提供財務擔保，貸款擔保費收入為591,000港元(二零一七年：1,266,000港元)於損益確認。

於呈報期結算日，本集團根據該擔保的最高負債人民幣54,681,000元(相當於62,263,000港元)(二零一七年：人民幣52,653,000元(相當於58,850,000港元))，指於呈報期結算日應付第三方貸款之未償還金額及利息。於呈報期結算日，管理層認為不大可能根據此擔保向本集團提出申索及該貸款已於二零一九年二月償還。

54. 報告期後事項

本集團於報告期末後發生以下事項：

出售 Blend & Pack

於二零一九年二月八日，本集團與第三方(「買方」)訂立一份股份購買協議，據此本集團同意向買方銷售Blend & Pack 66,746股股份(指Blend & Pack已發行股本46%)，總代價為47,791,000澳元(相當於271,455,000港元)。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

54. EVENTS AFTER REPORTING PERIOD (Continued)

Disposal of Blend & Pack (Continued)

Pursuant to the share purchase agreement, completion is conditional upon the fulfilment of the terms and conditions on or before 15 April 2019. As part of the terms and conditions, the Group has also entered into a put and call option deed relating to a further disposal of the remaining 29% of the issued capital ("Option Shares") of Blend & Pack. The Group will cease to have any interest in Blend & Pack upon the completion of the disposal of all Option Shares.

At the date of approval of the consolidated financial statements, the condition have not been fulfilled and the disposal of 46% interest in Blend & Pack has not been completed.

55. INFORMATION ABOUT THE BENEFITS OF DIRECTORS

(a) Loans, quasi-loans and other dealings in favour of directors

There are no loans, quasi-loans or other dealings in favour of the directors of the Company that were entered into or subsisted during the years ended 31 December 2018 and 2017.

(b) Directors' material interests in transactions, arrangements or contracts

After consideration, the management is of the opinion that no transactions, arrangements and contracts of significance in relation to the Group's business to which the Group 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 years ended 31 December 2018 and 2017.

54. 報告期後事項(續)

出售 Blend & Pack (續)

根據股份購買協議，完成事項須待二零一九年四月十五日或之前達成條款及條件後，方可作實。作為條款及條件一部分，本集團亦訂立與進一步出售 Blend & Pack 已發行股本餘下 29% (「期權股份」) 有關的認沽及認購期權契據。本集團將於完成出售所有期權股份後不再擁有任何 Blend & Pack 的權益。

於該等綜合財務報表獲批准日期，該條件尚未達成，且並未完成出售於 Blend & Pack 的 46% 權益。

55. 有關董事利益的資料

(a) 以董事為受益人之貸款、準貸款及其他交易

截至二零一八年及二零一七年十二月三十一日止年度，並無訂立亦無現存以本公司董事為受益人的貸款、準貸款或其他交易。

(b) 董事於交易、安排或合約的重大權益

管理層經考慮認為，本年底或截至二零一八年及二零一七年十二月三十一日止年度任何時間，本公司董事概無持有本集團所訂立有關本集團業務的任何重大交易、安排及合約之直接或間接重大權益。

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

56. 本公司財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司之權益	5,287,123	5,102,344
Available-for-sale financial assets	可供出售財務資產	-	579,600
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益的財務資產	633,244	-
		5,920,367	5,681,944
Current assets	流動資產		
Other receivables	其他應收款項	9,154	12,940
Bank balances and cash	銀行結餘及現金	607,429	256,725
		616,583	269,665
Current liabilities	流動負債		
Other payables	其他應付款項	(4,991)	(8,768)
		(4,991)	(8,768)
Net current assets	淨流動資產	611,592	260,897
Total assets less current liabilities	總資產減流動負債	6,531,959	5,924,841
Non-current liabilities	非流動負債		
Interest-bearing borrowings	計息借款	(20,000)	(20,000)
NET ASSETS	淨資產	6,511,959	5,922,841
Capital and reserves	資本及儲備		
Share capital	股本	6,142,961	6,142,961
Reserves (Note)	儲備(附註)	368,997	(220,120)
TOTAL EQUITY	總權益	6,511,959	5,922,841

Approved and authorised for issue by the Board of Directors on 26 March 2019 and signed on its behalf by

由董事會於二零一九年三月二十六日批准及授權刊發，並由下列代表簽署

Ko Po Ming
高寶明
Director
董事

Lui Choi Yiu, Angela
雷彩姚
Director
董事

NOTES TO THE FINANCIAL STATEMENTS

財務報表附註

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

56. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

56. 本公司財務狀況表(續)

Note:

附註：

Movements of reserves of the Company

本公司儲備變動

		FVOCI reserve 按公平值計入 其他全面收入 之儲備 HK\$'000 千港元	Accumulated (losses)/profit 累計(虧損)/ 溢利 HK\$'000 千港元	Total reserves 儲備總額 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	-	(243,536)	(243,536)
Profit and total comprehensive income for the year	年內溢利及全面收入總額	-	23,416	23,416
At 31 December 2017 and at 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	-	(220,120)	(220,120)
Initial adoption of HKFRS 9	首次採納香港財務報告準則 第9號	136,211	(86)	136,125
Restated balance at 1 January 2018	於二零一八年一月一日的 經重列結餘	136,211	(220,206)	(83,995)
Profit for the year	年內溢利	-	535,559	535,559
Other comprehensive income for the year	年內其他全面收入			
Items that will not be reclassified subsequently to profit or loss	其後將不會重新分類至 損益之項目			
Change in fair value of equity instruments at FVOCI	權益工具按公平值計入其他 全面收入之公平值變動	(82,567)	-	(82,567)
Total other comprehensive income	其他全面收入總額	(82,567)	-	(82,567)
Total comprehensive income for the year	年內全面收入總額	(82,567)	535,559	452,992
At 31 December 2018	於二零一八年十二月三十一日	53,644	315,353	368,997

SUMMARY OF FINANCIAL INFORMATION

財務資料摘要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and reclassified as appropriate, is set out below.

以下為本集團於過去五個財政年度之業績與資產及負債摘要，摘錄自經審核綜合財務報表並經適當重新分類。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	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
Revenue	收益					
Continuing operations	持續經營業務	3,506,994	2,900,438	66,501	166,517	567,458
Discontinued operations	終止經營業務	–	–	–	193	430
		3,506,994	2,900,438	66,501	166,710	567,888
Profit/(loss) before taxation	除稅前溢利／(虧損)	207,010	87,401	(792,836)	241,651	744,146
Income tax (expense)/credit	所得稅(開支)／抵免	(30,998)	(60,931)	2,340	(263)	(16)
Profit/(loss) for the year	年內溢利／(虧損)	176,012	26,470	(790,496)	241,388	744,130
Non-controlling interests	非控股權益	(85,828)	(79,630)	318,474	115,760	–
Profit/(loss) for the year attributable to equity holders of the Company	本公司權益持有人應佔溢利／(虧損)	90,184	(53,160)	(472,022)	357,148	744,130

SUMMARY OF FINANCIAL INFORMATION

財務資料摘要

ASSETS AND LIABILITIES

資產及負債

		At 31 December 於十二月三十一日				
		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	11,376,554	7,793,748	5,042,277	4,408,866	2,599,181
Total liabilities	總負債	(4,574,922)	(1,300,905)	(1,489,199)	(353,642)	(33,579)
Net assets	淨資產	6,801,632	6,492,843	3,553,078	4,055,224	2,565,602
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益	6,161,419	6,070,763	3,256,441	3,026,464	2,565,602
Non-controlling interests	非控股權益	640,213	422,080	296,637	1,028,760	-
Total equity	總權益	6,801,632	6,492,843	3,553,078	4,055,224	2,565,602



茂宸集團控股有限公司

MASON GROUP HOLDINGS LIMITED



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