



# 賽伯樂國際控股有限公司 Cybernaut International Holdings Company Limited

(incorporated in the Cayman Islands with limited liability) (於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 1020



Annual Report 2018 年報

# Contents

## 目錄

2	Corporate Information	2	公司資料
4	Chairman's Statement	4	主席報告書
10	Management Discussion and Analysis	10	管理層討論與分析
54	Corporate Governance Report	54	企業管治報告
70	Environmental, Social and Governance Report	70	環境、社會及管治報告
80	Directors and Senior Management	80	董事及高級管理層
92	Report of the Directors	92	董事會報告
116	Independent Auditor's Report	116	獨立核數師報告
127	Consolidated Statement of Profit or Loss and Other Comprehensive Income	127	綜合損益及其他全面收益表
129	Consolidated Statement of Financial Position	129	綜合財務狀況表
131	Consolidated Statement of Changes in Equity	131	綜合權益變動表
133	Consolidated Statement of Cash Flows	133	綜合現金流量表
135	Notes to the Consolidated Financial Statements	135	綜合財務報表附註
252	Summary of Results, Assets and Liabilities	252	業績、資產及負債概要

# Corporate Information

## 公司資料

### EXECUTIVE DIRECTORS

Mr. Zhu Min (*Chairman*)  
Mr. Sin Kwok Wai Ronald  
Mr. Lu Yongchao  
Mr. Xu Yejun

### NON-EXECUTIVE DIRECTORS

Mr. Chow Chi Wa  
Ms. Yip Sum Yu

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tong Yiu On  
Mr. Li Yik Sang  
Mr. Cao Ke

### CHIEF EXECUTIVE OFFICER

Dr. Wang Matthew Yang

### COMPANY SECRETARY

Mr. Sin Kwok Wai Ronald

### AUTHORISED REPRESENTATIVES

Mr. Sin Kwok Wai Ronald  
Ms. Yip Sum Yu

### AUDIT COMMITTEE

Mr. Tong Yiu On (*Chairman*)  
Mr. Li Yik Sang  
Mr. Cao Ke

### REMUNERATION COMMITTEE

Mr. Cao Ke (*Chairman*)  
Mr. Lu Yongchao  
Mr. Tong Yiu On  
Mr. Li Yik Sang

### NOMINATION COMMITTEE

Mr. Lu Yongchao (*Chairman*)  
Mr. Tong Yiu On  
Mr. Li Yik Sang  
Mr. Cao Ke

### REGISTERED OFFICE

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

### 執行董事

朱敏先生 (*主席*)  
冼國威先生  
呂永超先生  
徐葉君先生

### 非執行董事

周志華先生  
葉芯瑜女士

### 獨立非執行董事

唐耀安先生  
李奕生先生  
曹克先生

### 行政總裁

王陽博士

### 公司秘書

冼國威先生

### 授權代表

冼國威先生  
葉芯瑜女士

### 審核委員會

唐耀安先生 (*主席*)  
李奕生先生  
曹克先生

### 薪酬委員會

曹克先生 (*主席*)  
呂永超先生  
唐耀安先生  
李奕生先生

### 提名委員會

呂永超先生 (*主席*)  
唐耀安先生  
李奕生先生  
曹克先生

### 註冊辦事處

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

## Corporate Information 公司資料

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1002, Capital Centre,  
151 Gloucester Road,  
Wanchai, Hong Kong

### PRINCIPAL PLACE OF BUSINESS IN THE PRC

East Qingyuan Ave.  
Yixing EDZ, Jiangsu  
China 214200

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### AUDITOR

Elite Partners CPA Limited

### LEGAL ADVISERS

Tang Tso & Lau  
Michael Li & Co.

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
China Citic Bank International Limited  
Hang Seng Bank

### COMPANY WEBSITE

[www.cybernaut.com.hk](http://www.cybernaut.com.hk)

### STOCK CODE

Stock Exchange of Hong Kong: 1020

### 總辦事處及香港主要營業地點

香港灣仔  
告士打道151號  
資本中心1002室

### 中國主要營業地點

中國江蘇省  
宜興經濟開發區  
慶源大道東  
郵編214200

### 開曼群島股份過戶登記總處

Codan Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman, KY1-1111  
Cayman Islands

### 香港股份過戶登記分處

卓佳證券登記有限公司  
香港  
皇后大道東183號  
合和中心22樓

### 核數師

開元信德會計師事務所有限公司

### 法律顧問

鄧曹劉律師行  
李智聰律師事務所

### 主要往來銀行

香港上海滙豐銀行有限公司  
中信銀行(國際)有限公司  
恒生銀行

### 公司網址

[www.cybernaut.com.hk](http://www.cybernaut.com.hk)

### 股份代號

香港聯交所：1020

# Chairman's Statement

## 主席報告書

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of Cybernaut International Holdings Company Limited ("Cybernaut" or the "Company", together with its subsidiaries, collectively as the "Group"), I am pleased to present the annual report of the Group for the year ended 31 December 2018.

At the World Economic Forum in Davos, Switzerland in early 2019, the International Monetary Fund (IMF) managing director Christine Lagarde commented on the new world economy forecast that Britain's messy divorce from the European Union and Italy's ongoing financial struggles posed threats to the growth in Europe. And the rising trade tensions pose a major risk to the wider world economy under U.S. President Donald Trump's Administration, whilst the U.S. has imposed import taxes on steel, aluminium and hundreds of Chinese products, drawing retaliation from China and other U.S. trading partners. Gita Gopinath, the IMF's chief economist added, "Higher trade uncertainty will further dampen investment and disrupt global supply chains."

In March 2018, the American economist Joseph Stiglitz said at the China Development Forum 2018 in Beijing that even if China changed its trade policies, it would not help resolve Washington's issue of the multilateral trade deficits as it was a consequence of the U.S. macroeconomy. Besides, Premier Li Keqiang outlined in his Government Work Report on March 5, 2018 that it was the right moment for the country's rapid development to increase the focus on high quality growth, and the direction of development was not only forward but also upward. And in fact, the landmark Belt and Road Initiative (BRI) has gained greater impetus, with 67 countries partnered with China to create a so-called new Silk Road.

各位股東：

本人謹代表賽伯樂國際控股有限公司（「賽伯樂」或「本公司」，連同其附屬公司統稱「本集團」）董事會（「董事會」），欣然提呈本集團截至二零一八年十二月三十一日止年度之年報。

於二零一九年初在瑞士達沃斯舉行的世界經濟論壇上，國際貨幣基金組織(IMF)總裁克里斯蒂娜·拉加德對新世界經濟預測發表意見：英國脫歐及意大利持續的財政問題對歐洲發展造成威脅。在美國唐納德·特朗普政府的領導下，日益緊張的貿易局勢對更廣範圍內的世界經濟帶來重大風險，同時美國對鋼、鋁及數以百計的中國產品徵收進口關稅，引起中國及其他美國貿易夥伴的反擊。IMF首席經濟學家Gita Gopinath表示，「較高的貿易不確定性將會進一步抑制投資並破壞全球供應鏈」。

於二零一八年三月，美國經濟學家約瑟夫·斯蒂格利茨於北京舉辦的中國發展高層論壇二零一八年會上表示，即使中國改變其貿易政策，亦無法化解因美國宏觀經濟導致美國政府產生多邊貿易逆差的問題。此外，李克強總理於二零一八年三月五日在其政府工作報告中概述，對國家的快速發展而言，現正是加強專注於高質素增長的正確時機，發展的方向不但向前亦向上。事實上，具里程碑意義之一帶一路倡議現已獲得更多推動力，67個國家與中國合作打造所謂的「新絲路」。



## Chairman's Statement 主席報告書

On March 5, 2019 at the opening of the country's annual parliamentary meeting, the National People's Congress of China, Premier Li said that China must be prepared for a "tough struggle" as the country faces a "grave and more complicated environment." He warned people that in pursuing economic development, there would be greater risks and challenges ahead for China, foreseeable and otherwise, that are greater in number and size. His comment has reflected top officials' maturity in accepting that China needs to stabilize growth in a sustainable manner, instead of a rush of liquidity to the economy as in previous downturns. During his address in the Congress, Premier Li reiterated Beijing's commitment to "safeguarding economic globalization" and pledged to promote China-U.S. trade negotiations while advancing negotiations on the other trade agreements. The trade war between the two countries have already involved various stages of import restrictions and huge trade tariffs on hundreds of billions of dollars from torpedoing the U.S.-China relationship to shaking the global financial markets. China policy makers has stressed the need for "investment to play a key role" in upgrading manufacturing, 5G technology, artificial intelligence and industrial internet capacities. Moreover, they now see the Chinese economy facing bigger downward pressures and an increasingly challenging external environment. Premier Li said the official economic growth target in 2019 will be between 6.0 to 6.5 per cent, in line with many economists' expectations, slower than last year. Whereas most economists see the growth of China, the world's second-largest economy, slowing to 6.2 per cent in 2019 from 6.6 per cent in 2018, as the uncertainty over the trade war couples with a decline in consumer confidence to dim the outlook.

於二零一九年三月五日召開的中國國家年度會議全國人民代表大會開幕式上，李總理表示，由於中國正面臨的「環境更復雜更嚴峻」，我國須做好「打硬仗」的準備。他警示人們，中國在追求經濟發展的過程中將會遇到更多可以預料和難以預料的風險和挑戰，數量及規模上將會更多更大。他的論述反映出高層官員愈發成熟，承認中國需以可持續發展的方式穩定增長，而非如過往低迷時期對經濟急促注入流動性。於代表大會發表講話期間，李總理重申中國「維護經濟全球化」的承諾，並承諾推動其他貿易協定談判的同時促進中美兩國貿易磋商。中美兩國之間的貿易戰已涉及多個階段的進口限制及對數千億美元產品的巨額貿易關稅，嚴重破壞中美關係並撼動全球金融市場。中國政策制定者強調在製造業、5G技術、人工智能及工業互聯網能力升級過程中，需要「投資扮演重要角色」。此外，中國政策制定者目前洞察到中國經濟正面臨較大的下行壓力及日益嚴峻的外部環境。李總理表示，二零一九年中國官方經濟增長目標將介乎6.0%至6.5%，與許多經濟學家的預期相符，較去年有所減緩。然而，大多數經濟學家認為，由於貿易戰的不確定性及消費者信心下降令前景暗淡，世界第二大經濟體中國的增長將由二零一八年的6.6%減緩至二零一九年的6.2%。





## Chairman's Statement 主席報告書

China has made strides in cutting overcapacity in steel industry and the green development is moving forward steadily in recent years. China Iron and Steel Association (CISA) commented that Chinese steel enterprises eliminated outdated capacity and in their efforts to reduce pollution during the year 2018, had not only stepping up their green efforts, but also becoming global leaders in environmental protection technology and equipment. Our PRC subsidiary engaged in the steel flow control product manufacturing, faced with its harsh cut-throat market competition was poorly performed; and the subsidiary business was disposed in late 2018, pending for the completion of settlement in April 2019.

During the year 2018, the Group's total turnover was approximately RMB238 million, and the total revenue from the overseas markets was approximately RMB176 million, with the revenue source mainly generated from the segment business of electronic commerce (eCommerce) and internet education services subsidiary. Considering the whole year 2018, the Hong Kong economy grew by 3 per cent, less than the government's forecast of 3.2 per cent and after a 3.8 per cent expansion recorded in 2017. For 2019, the Hong Kong government expects the economy to grow between 2 to 3 per cent. In February 2019, Mr. Paul Chan the Hong Kong's Financial Chief, said that the Hong Kong economy stalled in 2018 as the ongoing China-U.S. trade dispute and retail woes dragged down local business. Hinted at the ongoing trade negotiations between the world's top two economies, the U.S. and China, he commented, "The external political and economic situation remains unclear. Therefore, we repeatedly stress the need to support enterprises, safeguard employment, stabilize the economy and benefit people's livelihoods."

中國在削減鋼鐵產業中的過剩產能方面已取得較大進展，而綠色發展於近年也穩步前進。中國鋼鐵工業協會表示，於二零一八年，中國鋼鐵企業削減落後產能，並致力於減少污染，不僅加強了環保舉措，更成為環保科技及設備的全球領導者。我們從事製造鋼水控流產品的中國附屬公司面臨急劇激烈的市場競爭，表現欠佳。該附屬公司業務已於二零一八年底出售，待於二零一九年四月完成交割。

於二零一八年，本集團的總營業額約為人民幣238百萬元，而自海外市場產生的總收入約為人民幣176百萬元，收入來源乃主要產生自電子商務及互聯網教育服務附屬公司的分部業務。考慮到二零一八年全年，香港經濟增長3%，低於政府所預測的3.2%並落後於二零一七年錄得的3.8%擴張。就二零一九年而言，香港政府預計經濟將增長2%至3%。於二零一九年二月，香港財政司司長陳茂波先生表示，由於中美貿易紛爭不斷及零售業困境拖累本地業務，香港經濟在二零一八年停滯不前。其暗示世界兩大經濟體－美國與中國之間的持續貿易談判，並表示，「外部政治及經濟形勢仍不明朗。因此，我們反復強調支持企業、保障就業、穩定經濟及造福民生的必要性」。



## Chairman's Statement 主席報告書

Chinese government has taken measures to regulate online financial services like peer-to-peer (P2P) lending in a move of restriction to reduce the financial risks associated with these platforms in recent years. And at the frontiers of fintech, some overseas financial corporations have even fully funded in some Chinese P2P lending platforms, looking beyond the investment on the platforms, and expand the multinational lending business through these platform network to offer borrowers with loan originations, investment products and marketplace lending solutions in the different markets. Although the lending business model of P2P is simple and easy to establish, Hong Kong and mainland China are indeed two very different markets. Hong Kong has a very comprehensive and timely regulatory landscape, updated credit bureau database, well-developed fraud detection system and regulated collection facilities, thus help lending a highly competitive yet profitable business in the Hong Kong market. Our subsidiary of money lending business based in Hong Kong has continuously advised borrowers of their risks of borrowing and with the prudent business strategy it will continue to seize business opportunities on the increasing demand for first-mortgage property loans with interest income as its revenue source from the high net worth clients.

Today, technology is of no doubt that plays a huge role in the growth of online markets. As Harvard Business Review wrote, "Business leaders are scrambling to adjust to a world few imagined possible just a few years ago. The myth of a borderless world has come crashing down. Traditional pillars of the open markets – the U.S. and the U.K. are wobbling, and China is positioning itself as globalization's staunchest defender." For now, the big idea is simple: the shadow of global eCommerce looms too large to ignore. It is easy to observe that the eCommerce traffic from mobile phones is increasing significantly every year. Taking advantage of this trend, startups and retail companies have started ramping up their online presence, gearing up to meet the high demand expected to flow in over the next few years. As long as the internet is used as a medium for buying and selling, eCommerce will continue to grow; and given all the advantages and conveniences the platform offers, there is no doubt that eCommerce will continue being an important part of our daily lives. During 2018, our eCommerce subsidiary maintained steady sales through online sales platforms and overseas strategic partnership networks, despite the haze of trade threats and restrictions from the U.S.

近年來，中國政府已採取措施規管個人對個人(P2P)借貸等線上金融服務，施加限制以降低與該等平台有關的金融風險。而在金融科技的最前線，某些海外金融機構甚至已不只是投資該等平台，更全面資助部分中國P2P借貸平台，並透過該等平台網絡擴張其跨國借貸業務，向不同市場的借款人提供貸款發放、投資產品及市場借貸解決方案。儘管建立P2P借貸業務模式並非難事，但香港及中國大陸實為兩個截然不同的市場。香港擁有十分全面且及時的監管環境、最新的信貸資料庫、完善的詐欺偵測系統及受規管的收債機構，使借貸在香港市場成為一項高度競爭但具有盈利性的業務。我們在香港從事放債業務的附屬公司不斷向借款人提供借款風險建議，且在審慎的經營策略下，其將持續抓住具利息收入之首次按揭物業貸款需求增加的商機，作為來自高淨值客戶的收入來源。

現今，科技無疑在線上市場的增長中扮演要角。誠如哈佛商業評論著述，「僅在幾年前，商業領袖們正在努力適應這個很少有人想象過的世界。無邊界世界的神話已經破滅。開放市場的傳統支柱——美國和英國搖擺不定，而中國將其自身定位為全球化最堅定的捍衛者」。就目前而言，這個偉大的想法很簡單：全球電子商務的陰影籠罩得如此之大以致不容忽視。顯而易見的是，來自手機的電子商務訪問量逐年大幅增加。初創公司及零售公司乘著這波趨勢，開始大舉提高其線上業務量，以準備好滿足未來幾年預期將湧入的高需求。只要互聯網被用作買賣的媒介，電子商務便將持續成長；鑒於該平台提供的益處與便利性，電子商務無疑將持續扮演我們日常生活中重要的一部分。於二零一八年，儘管受到美國的貿易威脅及限制的影響，我們的電子商務附屬公司仍通過線上銷售平台及海外戰略夥伴網絡維持穩定銷售。





## Chairman's Statement 主席報告書

China today has a growing need to establish a healthy and knowledge economy. With the adjustment of Chinese population structure and consumption upgrade in domestic market, education consumption has been playing an increasingly important part in China's household consumption, which allows China's education market to maintain the positive development situation. Influencing factors such as policies, capital, economic development, education philosophy, technological innovation, talents, management and operation will address new opportunities and challenges for future education market in the new era. The China Ministry of Education has continuously promoted the application of Information Technology (IT) to advance education reforms and ensure equitable access to education. From 2017 and onwards, the government has promulgated policies regulating various prospects of education to guide the informatization of the education industry; online and technology-powered education remain the most sought after area for investors. The online education investors in China were rational and the operation in the market was developed more healthily in 2018.

As the mobile internet booms in China, mobile smart phones have become an extension of daily activities, including school practices. Instead of announcing homework in class or handing out notices to students in person, teachers are now dumping assignments into WeChat groups designed to interact with parents. Many teachers are keen to exercise their power through these digital channels, asking parents to help students with problem sets and even grade their homework. In early 2019, the Department of Education in China's eastern province of Zhejiang said in its education proposal that the teachers should be banned from using WeChat, QQ or other mobile apps to assign homework, or ask parents to grade students' assignments. Actually, in October 2018 the China Ministry of Education issued guidelines to direct teachers and schools to take more responsibilities in teaching students rather than shift the load onto the parents. The Ministry said, "Teachers should be accountable for their job, treat teaching seriously, correct homework with prudence and help students with care." In fact, not all schools in China has abused digital platforms to such an extent. Besides, some education enterprises are integrating

目前，在中國建立健康及知識經濟的需求不斷上升。隨著中國人口結構調整及國內市場消費升級，教育消費在中國家庭消費中發揮著越來越重要的作用，這使中國的教育市場保持著良好的發展態勢。政策、資金、經濟發展、教育理念、技術創新、人才、管理及運營等影響因素將為新時代的未來教育市場帶來新的機遇及挑戰。中國教育部已持續促進資訊科技的應用，以推動教育改革及確保取得教育的公平性。自二零一七年開始，政府頒佈了規範各種教育前景的政策，以指導教育產業的信息化；線上及技術驅動的教育仍然是投資者最受追捧的領域。中國的線上教育投資者較為理性，且市場運營亦於二零一八年較為健康地發展。

隨著移動互聯網在中國蓬勃發展，移動智能手機已成為日常活動的延伸，包括學校實踐。現在，教師將作業佈置到旨在與家長互動的微信群中，而非在課堂上佈置作業或親身向學生派發通知。許多教師熱衷於通過這些數字渠道行使權力，要求家長幫助學生解決問題，甚至對其作業進行評分。於二零一九年初，中國東部浙江省教育廳在其教案中表示，應禁止教師使用微信、QQ或其他移動應用程序佈置作業，或要求家長對學生的作業進行評分。實際上，中國教育部於二零一八年十月發佈了指導方針，指導教師及學校承擔更多的教學責任，而非將負擔轉移到家長身上。教育部表示，「教師應對其工作負責、認真對待教學、謹慎糾正作業並用心幫助學生」。事實上，並非中國所有的學校均濫用數字平台。此外，若干教育企業正著手透過互聯網整合科技，為中國的學生提供最佳的學習途徑。於二零一八年度，我們



## Chairman's Statement 主席報告書

technologies through internet to provide better learning paths for the students in China. During the year 2018, our wholly-owned subsidiary in China, 湖州公司 Huzhou Company had the VIE Agreements arrangement fulfilled with 京師沃學 (北京) 教育科技有限公司 Capital Wowxue (Beijing) Education Technology Limited (沃學 “Wowxue”). Wowxue in turn provided high quality online education to its students through platforms and softwares, and made the business performance from the Huzhou subsidiary encouragingly bright with a positive growth for the year 2018.

Facing the business challenges ahead, the Group will review and implement proper strategy with due caution on the business segment performances. We will make use of our strength in different business markets to reward shareholders with better business results and profitable outcome. Besides, the management team will continue to seek for any potential business investments and opportunities from time to time, so as to diversify revenue stream sources and business developments.

Here I would like to thank all our staff for their dedication in today's challenging environment to meet the global market fluctuations, and also our business partners and shareholders for their ongoing support and trust over the years. Most of all, we are always aiming at well-positioned all our businesses to deliver further growth on our shareholder's value.

**Zhu Min**  
Chairman

於中國的全資附屬公司湖州公司已與京師沃學(北京)教育科技有限公司(「沃學」)完成可變利益實體協議安排。沃學繼而透過平台及軟件為其學生提供高品質的線上教學，並使湖州附屬公司達到令人振奮的優異業務表現，且同時在二零一八年達致正增長。

面對未來的業務挑戰，本集團將謹慎審閱業務分部表現並就其實施適當策略。我們將妥善利用在不同業務市場的優勢，以較佳業績及正面盈利回報股東。另外，管理團隊將繼續不時尋求任何潛在業務投資及機會，從而分散我們的收入流及業務發展。

本人謹此對在現今充滿挑戰的環境下忠誠投入以應對全球市場波動的員工表示衷心感謝，同時感激我們的業務夥伴及股東多年以來的不斷支持和信任。最重要的是，我們始終致力於為所有業務提供良好的定位，以實現股東價值的進一步增長。

**朱敏**  
主席



# Management Discussion and Analysis

## 管理層討論與分析

### MARKET REVIEW

In 2018, the aftermath of the political and economic crises and market fluctuation in United States of America and Europe continued to affect the world economy, together with the inherent fear of the unexpected terrorist attacks. Since his presidency, Mr. Donald Trump has continuously used his political and threatening economic measures of United States to affect greatly the global economy; and his Administration on international trade measures had declined most existing trade cooperation with China and started the trade war between both countries during the year 2018. Further, U.S. has continuously boycotted China's imports with heavy tariffs and exacerbated the trade war with unreasonable terms of trade measures, so leading the financial market more volatile worldwide.

Global and domestic headwinds impact China economy in 2018 and the trade war between China and the U.S. is the main downside risk to the economic outlook of China. Premier Li Keqiang has recently said in the press conference that the Chinese economy is indeed encountering new downward pressure and the Chinese government will not allow the economic growth to slide below the reasonable range. It still remains on the path of moderate expansion and the central government has set a target year-on-year gross domestic product (GDP) growth between 6 and 6.5 per cent for the year 2019. And the National Bureau of Statistics of China will centralize the checking and computation of the GDP of provincial-level regions this year, and halt the conventional practice of ranking the regions in terms of GDP size and GDP growth rate. That shows the central authority of China has switched its attention from the speed of economic growth to the quality side in the country.

### 市場回顧

於二零一八年，美國及歐洲的政治及經濟危機及市場波動餘波持續影響著全球經濟，也帶來了對未知恐怖攻擊的恐懼。自任職總統以來，唐納德•特朗普先生已不斷利用彼之美國政治及具威脅性的經濟措施嚴重影響全球經濟；且其國際貿易措施管理當局已拒絕與中國的大多數現有貿易合作，並於二零一八年挑起兩國間的貿易戰。此外，美國已不斷以重關稅抵制中國進口並以不合理的貿易措施條款加劇貿易戰，因而導致金融市場於全球範圍內更為動盪。

全球及國內的阻力因素於二零一八年衝擊中國經濟，中美貿易戰為中國經濟展望的主要不利風險。總理李克強近期在記者招待會上表示，中國經濟確實遇到新下行壓力，但中國政府不會讓經濟增長滑出合理區間。其仍處在適度擴張階段，且中央政府已將二零一九年國內生產總值(GDP)的同比增長目標定為6%至6.5%。中國國家統計局今年將統一核算省級地區的GDP，並停止對地方GDP總量及GDP增速的常規排名。這表明中國中央機關已將其關注的焦點從經濟增長速度轉為地方質素方面。



## Management Discussion and Analysis 管理層討論與分析

According to the World Steel Association (worldsteel), the world crude steel production reached approximately 1,808.6 million tonnes (Mt) for the year 2018, up by 4.6 per cent compared to the production in 2017. The National Bureau of Statistics reported that China's crude steel production in 2018 reached approximately 928.3 Mt, up by 6.6 per cent on the 2017 production. China's share of global crude steel production increased from 50.3 per cent in 2017 to 51.3 per cent in 2018.

Throughout 2018, the Chinese government authorities tackled excess steel production in the country through consolidation and closed the inefficient and polluting factories. The China National Development and Reform Commission said that the steel industry still has a long way to go to achieve high-quality development; and it is crucial for the industry to update, transform and to have better growth in the competing global market. During the year 2018, the government tight restrictions and bans on low-quality steel production in the industry made the competition fierce among the steel manufacturers in China. The steel flow control product subsidiary of our Group was closely related to the steel industry in China, therefore its manufacturing business suffered from the adverse conditions from the trade war between China and U.S. and was affected heavily in its daily production, so making the business operation performed unfavourably under the harsh market challenges in 2018.

根據世界鋼鐵協會的資料，二零一八年的全球粗鋼產量達到約1,808.6百萬噸（百萬噸），與二零一七年的產量相比增加4.6%。國家統計局指出，中國的粗鋼產量於二零一八年達到約928.3百萬噸，與二零一七年產量相比增加6.6%。二零一八年中國分佔世界粗鋼產量自二零一七年的50.3%增加至51.3%。

於二零一八年，中國政府當局透過整合及關閉效率不彰且造成污染的工廠解決國內過剩的鋼產量。中國國家發展和改革委員會指出，要達到高品質發展，鋼鐵業前頭仍舊長路漫漫，再者，在充滿競爭的全球市場中，產業升級轉型並實現更好的增長確實至關重要。於二零一八年，政府對行業中低品質鋼鐵產品的嚴格限制及禁令使得中國鋼廠競爭激烈。本集團的鋼水控流產品附屬公司與中國鋼鐵行業密切相關，因此其製造業務受到來自中國與美國之間貿易戰的不利環境影響，嚴重影響其日常生產，故使得二零一八年業務營運於艱難的市場挑戰下表現不佳。



## Management Discussion and Analysis 管理層討論與分析

Peer-to-peer (P2P) lending in the U.S., by firms such as Prosper Marketplace Inc. and LendingClub Corp., is but a drop in the American investment ocean. In China, the operations of P2P virtual lending platforms also called as social lending, democratizes the money borrowing process, allowing anyone to invest their savings by becoming a lender, and lowering the barrier to entry for borrowers. The Chinese government has been seeking methods to increase control over what has been a largely unregulated business, being one part of a vast collection of financial companies outside the traditional banking sector known as shadow banks. However, the unruly behaviours of the different types of P2P lending platforms including raising funds by some people for their owners' projects have caused lending crash and platform collapses. In fact, the lending business market in China has huge potential together with higher risks, while the lending business in Hong Kong market are quite distinctive to it. In 2018, the Hong Kong property market continued its promising growth in terms of property price and transaction; and the Hong Kong Government had restricted the moneylenders to operate business in compliance with the Money Lenders Ordinance and its additional licence restrictions. Our subsidiary of money lending business has made all prudent measures in its running, and complied with the government advice that it has informed all its borrowers to be aware of the risks of future increase in interest rate, and the implication of the unstable and uncertain economic environment.

Prosper Marketplace Inc.及LendingClub Corp.等公司在美國開展的個人對個人(P2P)借貸，在美國投資浪潮中僅是滄海一粟。在中國，P2P虛擬借貸平台業務(又稱作社群借貸)將借錢過程民主化，使任何人均可透過成為放款人投資其積蓄，亦替借款人降低借貸門檻。中國政府一直在尋找對基本上不受規管的業務(即傳統銀行部門以外俗稱影子銀行的眾多金融公司的一部分)加強管控的方法。然而，不同類型P2P借貸平台上不守規矩的行為(包括若干人士替擁有人項目募集資金)導致借貸崩盤及平台崩塌。事實上，中國借貸業務市場巨大的潛力與較高的風險並存，而香港市場的借貸業務則呈現截然不同的面貌。於二零一八年，香港物業市場物業價格及交易量持續出現可觀成長；且香港政府已對放款人施加限制，其須遵守放債人條例及其額外許可限制經營業務。我們從事放債業務的附屬公司已就其營運採取一切謹慎的措施，且政府表示其已提醒所有借款人注意未來利率增長的風險及經濟環境不穩定及不確定的跡象。





## Management Discussion and Analysis 管理層討論與分析

There are a lot of business opportunities available to electronic commerce (eCommerce) business. The eCommerce today is growing rapidly worldwide with comparatively a greater growth extent in Asia Pacific region and particularly in PRC. The eCommerce industry is so hypercompetitive and needs to have a highly efficient and speedy logistics in support to satisfy the customers with security. EBay, the eCommerce giant has already launched its guaranteed delivery program for shoppers to their ordered items on its platform and this provides shoppers with faster and more precise details on the delivery dates of their purchase. However, for consumers, the most practical innovation being adopted by eCommerce sites is the social payment options through trusted, secure digital wallets like Alipay, Apple Pay, and PayPal etc. These allow customers to easily purchase a product without the hassle of manually typing in credit card information, and reassure customers that the eCommerce site is not fraudulent. By accepting these types of payments, eCommerce becomes a truly trusted, frictionless shopping experience. During 2018, our eCommerce subsidiary had most of its eCommerce business trades through the eBay platform and found that this platform, providing us safety and precise delivery to customers even in remote areas, had improved our expansion strategy and partnership plans in our eCommerce business.

Information technology (IT) has been revolutionizing education development over the past five years in PRC. The China Ministry of Education has continuously promoted the application of IT to advance education reforms and ensure equitable access to education. Online education investors in China were rational and the operation in the market was developed more healthily in 2018. In fact, the traditional brick and mortar education giants have also stepped into the field. The top two Chinese education firms listed on Nasdaq, TAL Education Group and New Oriental Education, have invested in more than 100 companies spanning online tutoring platforms, social apps and education technologies.

電子商務商機眾多。目前，電子商務在全球迅速成長，且在亞太地區（尤其是中國）相對較快速增長。電子商務產業競爭如此激烈，需要高效及快速的物流，以穩妥的方式滿足顧客需求。電子商務龍頭eBay為顧客推出一項保證交付計劃，加快平台訂貨運送，為顧客提供更快速及精準的購物交付日期詳情。然而，於電子商務網站所採納的創新舉措當中，對消費者而言最實用的乃為透過可靠安全的電子錢包（如支付寶、Apple Pay及PayPal等）付款的社群支付選項。這些選項使客戶能輕易購買產品，省去手動輸入信用卡資料的麻煩，同時亦再次為客戶確保該等電子商務網站並非詐騙。透過接納這些類型的支付方式，電子商務成了真正可信賴且順暢無阻的購物體驗。於二零一八年，電子商務附屬公司的大多數電子商務業務貿易透過eBay平台進行，發現該平台能為我們偏遠地區的顧客提供安全且精準的交付服務，改善了我們的電子商務業務擴張策略夥伴計劃。

在中國，資訊科技於過去五年已變革教育發展。中國教育部已持續促進資訊科技的應用，以推動教育改革及確保取得教育的公平性。中國的線上教育投資者較為理性，且市場運營亦於二零一八年較為健康地發展。事實上，傳統及實體教育巨頭亦踏入了這個領域。中國於納斯達克上市的兩大教育公司好未來教育集團及新東方學校，已投資超過100家跨線上教育平台、社交應用軟體及教育科技的公司。



# Management Discussion and Analysis

## 管理層討論與分析

### BUSINESS REVIEW

The Cybernaut Group comprises five segment revenue sources from subsidiary groups engaged in the manufacture and sale of advanced steel flow control products; in the manufacture and sales of paper converting equipments; money lending business; eCommerce business and internet online education services.

During the year 2018, the oversupply condition of the steel market remained unresolved. The government restrictions on low-quality steel production and inferior factory closures had made the competition fierce among the steel manufacturers in China. Our steel flow control product manufacturing plant had strived painstakingly in the drastic cutthroat market competition with others to secure market share while facing with various structural adjustments and transformation needs in the industry. Our subsidiary business was so adversely affected by the market conditions, resulted in weak production with existing capacity and under extremely high pressure to meet the harsh market challenges and the trade war chain effects from the United States.

### 業務回顧

賽伯樂集團由附屬集團的五個分部收入來源組成，該等附屬集團從事製造及銷售高端鋼水控流產品、製造及銷售紙張加工設備、放債業務、電子商務業務及互聯網線上教育服務。

於二零一八年，鋼鐵市場供給過剩的情況仍未解決。政府對低品質鋼鐵生產及劣質工廠關閉的限制使中國鋼鐵製造業者之間的競爭變得更加劇烈。我們的鋼水控流產品製造廠於多方急劇激烈競爭市場中，極其努力鞏固市場份額，同時得面臨產業內各種結構調整及轉型需求。我們的附屬公司生產業務受到市場狀況的負面影響，導致現有產能較弱，為達成艱難的市場挑戰及來自美國貿易戰的連鎖反應，現有產能承受極大壓力。



## Management Discussion and Analysis 管理層討論與分析

Time Credit Limited (TCL), the money lending business subsidiary of the Cybernaut Group operated in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) had sound and effective business growth in 2018. Given that the Hong Kong government authority has periodically advised borrowers to be aware of the risks of increased interest rate and the implication of the unstable and uncertain economic environment, TCL has taken all prudent measures in its operation and market strategies. During the year 2018 under review, the subsidiary generated revenue mainly on first-mortgage property loans to customers for them to meet their long and short term financial needs. The loan portfolio of this subsidiary contributed a steady income for the Cybernaut Group with its high net worth customers in the clientele and it has expanded market share with partnership alliance on sub-mortgage arrangements. On 2 March 2018, TCL as the lender entered into a loan agreement with the borrowers (independent third party and not connected with the Company and its connected persons) pursuant to which the lender had agreed to grant a loan of HK\$66 million to the borrowers for a term of 12 months. Granting such a loan to these borrowers under the loan agreement constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules. The borrowers of this loan consist of two individuals and a limited company whose principal activity is investment holding; and the loan is fully secured by a first legal charge over certain properties in Hong Kong. In compliance with the Money Lenders Ordinance, TCL business also adopts the Code of Practice, published by the Hong Kong S.A.R. Licensed Money Lenders Association Ltd.(LMLA) in September 2018 that includes the additional new and revised licensing conditions of Money Lenders Licence and guidelines on disclosure of the existence of third parties by intending borrower.

賽伯樂集團根據香港法例第163章放債人條例於香港經營的放債業務附屬公司友邦信貸有限公司(TCL)於二零一八年取得理想及有效的業務增長。鑒於香港政府當局定期建議借款人注意利率增加風險以及經濟環境不穩定及不確定的跡象，TCL已就營運及市場策略採取一切謹慎的措施。於二零一八年回顧期間，此附屬公司主要在向客戶提供首次物業按揭貸款以應付彼等的長期及短期財務需要方面產生收益。該附屬公司的貸款組合透過其客戶群中的高淨值客戶為賽伯樂集團帶來穩定收入，且其已通過就二次按揭安排成立夥伴聯盟擴大市場份額。於二零一八年三月二日，TCL（作為放款人）與借款人（一名與本公司及其關連人士並無關連的獨立第三方）訂立一份貸款協議，據此，放款人已同意向借款人授出66,000,000港元的貸款，年期為12個月。根據貸款協議向該等借款人授出該貸款構成上市規則第14章項下本公司之須予披露交易。該貸款的借款人由兩名個人及一間主要業務為投資控股的有限公司組成；且該貸款以若干香港物業之第一法定押記悉數抵押。根據放債人條例，TCL業務亦採納香港持牌放債人公會(LMLA)於二零一八年九月發佈的營運守則，其中包括放債人牌照的額外新／經修訂牌照條件及擬借款人披露涉及第三方的指引。



## Management Discussion and Analysis 管理層討論與分析

The eCommerce industry in Asia Pacific has been hypercompetitive, retailers are moving beyond competing on price to competing on logistics, and are getting packages to access more people with greater speed and security. AliExpress, the B2C marketplace of Chinese giant Alibaba, allows manufacturers to deal directly with end buyers all over the world via a standardized eCommerce and logistics platform. Our eCommerce business subsidiary with the trade name of “VTZero” has kept close attention to the market trends and successfully established different contact points and delivery arrangements through strategic alliances with the local agents in different countries including Europe and South America. In 2018, the eCommerce subsidiary business had met the trends on product sales and the market innovation in overseas markets. It had continuously expanded its product-mix for sales with more business sales on the second-handed and refurbished mobile phones of good brand names.

Online education industry in China grew rapidly in 2018. Our subsidiary business under VIE arrangement engaged in online education business has provided our Group with great opportunity to diversify business with high potential to generate revenue stream. The segment of online education business progressed well and achieved targeted return with increased developments during the year 2018 under review. The Board has monitored the online education industry trend in China closely from time to time and enabled our segment development plan in operation be strengthened with good resources.

### Customer Base and Market Growth

In 2018, the steel flow control product manufacturing business consolidated its customer base in the PRC market and remained in operation with key supplier of the top steel manufacturers in China, including Baosteel Group, Shougang Group, Hebei Group and Wuhan Steel. During the year 2018, the business operation was badly affected by the market conditions; and the business company group was under disposal arrangement for completion at the end of the year.

亞太區電子商務行業競爭異常激烈，零售商的競爭重點已不在價格，而是在物流方面及以更快和更穩妥的方式向客戶提供產品。AliExpress（為中國龍頭阿里巴巴的B2C市場）讓製造商可直接與全球的終端消費者通過標準化電子商務及物流平台進行交易。我們商業名稱為「VTZero」的電子商務業務附屬公司一直密切關注市場趨勢，並已成功通過策略聯盟與歐洲、南美洲等不同國家的當地代理商建立多元聯絡點及交付安排。於二零一八年，電子商務附屬公司業務迎合海外市場產品銷售及市場革新趨勢。其已持續拓展其銷售產品組合，提高知名品牌手機二手銷售及翻新的業務銷售。

於二零一八年，中國線上教育行業增長快速。根據可變利益實體安排從事線上教育業務的附屬公司業務為本集團帶來業務多元化的良好機會及產生收入流的巨大潛力。線上教育業務分部進展良好，並於二零一八年回顧期間達成預期回報，發展亦有所成長。董事會不時密切監視中國線上教育行業趨勢，以良好的資源加強我們運作中的分部發展計劃。

### 客戶基礎及市場增長

於二零一八年，鋼水控流產品製造業務已鞏固了中國市場的客戶基礎，並維持中國一流鋼廠的主要供應商業務，包括寶鋼集團、首鋼集團、河北集團及武漢鋼鐵。於二零一八年，業務營運受市場環境的不利影響，而業務公司集團正進行於年底完成的出售安排。



## Management Discussion and Analysis 管理層討論與分析

In 2018, the major customers in the subsidiary business of paper equipment manufacturing were Sout Aljazeera Factory for Paper and Plastic Products and Great Wall Machinery & Mfg. (Philips.), Inc., originated in Saudi Arabia and Philippines respectively. And one of its client, Sout Aljazeera Factory for Paper and Plastic Products, contributed 7% of its revenue in the paper equipment business. The subsidiary will continue to expand business in the Asian countries such as Philippines, Indian and Korea and seek for other business opportunity to explore revenue from other countries. The paper equipment manufacturing business contributed more than 17% total revenue of the Group in 2018.

During the year 2018, the money lending business had diversified different clients in order to disperse the risk with focus on first mortgage clients in order to minimize the risk of the breach of contract. And its major clients are high net worth clients and some Hong Kong listed companies with good loan history. The money lending business contributed around 8% total revenue of the Group in 2018.

Our eCommerce business was in high pressure and faced with fierce competition in the fluctuated market under the trade war effects between China and U.S. during the year 2018. Through working with good eCommerce trade platforms had reduced operation risks of the business with its majority of trade from retail sale and the remaining from wholesale clients. And its major customers were from USA, France and U.K. In future, the business will adapt flexibly with market changes and branding strategy so that customers will visit its website more regularly and enhance customer loyalty in purchase. It will strive to expand more eCommerce business in France, Germany and Russia in order to capture more business opportunities and market share. The eCommerce business contributed more than 64% total revenue of the Group in 2018.

於二零一八年，紙製設備製造的附屬公司業務之主要客戶為Sout Aljazeera Factory for Paper and Plastic Products及Great Wall Machinery & Mfg. (Philips.), Inc.，其分別位於沙烏地阿拉伯及菲律賓。Sout Aljazeera Factory for Paper and Plastic Products作為其客戶之一貢獻了其紙製設備業務收入的7%。該附屬公司將繼續擴張於菲律賓、印度及韓國等亞洲國家的業務，並尋求自其他國家獲得收入的其他商機。紙製設備製造業務佔本集團二零一八年總收入超過17%。

於二零一八年，放債業務發展多元化的不同客戶以分散風險，並著重首次按揭客戶以減少違反合約之風險。其主要客戶為高淨值客戶及若干貸款歷史良好的香港上市公司。放債業務佔本集團二零一八年總收入約8%。

於二零一八年，我們的電子商務業務在中美貿易戰影響下的動蕩市場中承受較高壓力，並面臨激烈競爭。與優異電子商務平台的合作減少了業務營運風險，大部分貿易為零售銷售，餘下部分來自批發客戶。其主要客戶來自美國、法國及英國。未來，該業務將靈活適應市場變動及品牌策略，從而客戶將更為頻繁地光顧其網站，且客戶的購買忠誠度將得到增強。其將努力擴展在法國、德國及俄羅斯的電子商務業務，以把握更多商機及市場份額。電子商務業務佔本集團二零一八年總收入超過64%。



# Management Discussion and Analysis

## 管理層討論與分析

With great IT support and resources allocated from the Group, the online education business had achieved target growth and expanded well in the industry since its acquisition in November 2017. The online education service business contributed more than 10% total revenue of the Group in 2018.

During the year 2018, the global economy had great fluctuations under the U.S. trade threats, tariffs and restrictions. The management understands the importance of diversifying the business customer base and market, and has devoted efforts to further expand the overseas market with existing eCommerce business. Going forward, the Group will continue to explore business opportunities and seek for better market growth in the remaining four operation segment business, after the completion of the disposal of the steel flow product business.

### FINANCIAL REVIEW

#### Revenue

##### *Paper Converting Equipment and Other Relating Equipment*

The revenue generated from paper converting equipment business is quite stable. This segment contributed approximately RMB41.8 million for the year ended 2018, representing an increase of approximately 2.0% as compared with the same period in 2017. (for the year ended 2017: RMB41.0 million).

##### *Money Lending*

The revenue contributed by this business was approximately RMB18.9 million for the year ended 2018 (for the year ended 2017: RMB15.8 million). The revenue increased of approximately 19.6% when comparing to previous year is mainly due to the increase of lending interest rate.

憑藉強大的資訊科技支援及來自本集團分配的資源，線上教育業務取得目標增長，並自二零一七年十一月收購以來在行業內擴展順利。線上教育服務業務佔本集團二零一八年總收入超過10%。

於二零一八年，全球經濟在美國的貿易威脅、關稅及限制措施下遭遇強烈波動。管理層清楚了解業務顧客基礎及市場多元化的重要性，並致力進一步擴張現有電子商務業務的海外市場。展望未來，於完成出售鋼水控流產品業務後，本集團將繼續發掘商機，並探尋餘下四個經營分部業務的進一步市場增長空間。

### 財務回顧

#### 收入

##### *紙張加工設備及其他相關設備*

截至二零一八年止年度，紙張加工設備業務產生的收入相當穩定，該分部貢獻的收入約為人民幣41,800,000元，較二零一七年同期增長約2.0%（截至二零一七年止年度：人民幣41,000,000元）。

##### *放債*

截至二零一八年止年度，此業務貢獻的收入約為人民幣18,900,000元（截至二零一七年止年度：人民幣15,800,000元）。收入較去年增加約19.6%，主要由於借貸利率上升。



# Management Discussion and Analysis

## 管理層討論與分析

### *ECommerce*

The revenue contributed by this business was approximately RMB152.5 million for the year ended 2018 (for the year ended 2017: RMB210.6 million). The revenue decreased by approximately 27.6% is mainly due to less repeated orders from customers of high margin products under the keen market competition.

### *Internet Education Services*

The revenue contributed by this business which was acquired in November 2017 was approximately RMB24.6 million for the year ended 2018. (for the period from 22 November to 31 December 2017: RMB4.1 million).

### **Cost of Sales/Service Rendered**

The Group's cost of sales mainly comprised costs of raw materials, labour, depreciation and other direct costs of sales and services rendered. During the year, the Group's cost of sales decreased by approximately 24.2% from RMB220.9 million (Re-presented) in 2017 to approximately RMB167.4 million in 2018.

### **Gross Profit**

The Group experienced a gross profit of approximately RMB70.4 million for the year ended 31 December 2018. For the year ended 31 December 2017, the Group recorded a gross profit of approximately RMB50.7 million (Re-presented). The gross profit was mainly resulted from the effective cost control in money lending and internet education services business.

### **電子商務**

截至二零一八年止年度，此業務貢獻的收入約為人民幣152,500,000元（截至二零一七年止年度：人民幣210,600,000元）。收入減少約27.6%主要由於激烈的市場競爭環境下來自客戶的高利潤率產品重複訂單減少。

### **互聯網教育服務**

該業務於二零一七年十一月獲收購，截至二零一八年止年度，其所貢獻的收入約為人民幣24,600,000元（於二零一七年十一月二十二日至十二月三十一日期間：人民幣4,100,000元）。

### **銷售／所提供之服務成本**

本集團的銷售成本主要包括原材料成本、勞工成本、折舊及銷售及所提供之服務的其他直接成本。於本年度，本集團的銷售成本自二零一七年的人民幣220,900,000元（重新呈列）減少約24.2%至二零一八年的約人民幣167,400,000元。

### **毛利**

本集團於截至二零一八年十二月三十一日止年度，錄得毛利約人民幣70,400,000元。截至二零一七年十二月三十一日止年度，本集團錄得毛利約人民幣50,700,000元（重新呈列）。毛利主要由於放債及互聯網教育服務業務的有效成本控制。

# Management Discussion and Analysis

## 管理層討論與分析

### Impairment Loss

As the repayment ability of the paper equipment manufacturing business improved in 2018, a reversal of an impairment loss for trade receivables amounted to approximately RMB2.9 million was recognised for the year ended 31 December 2018 (2017: RMB2.1 million). No impairment loss on inventory of the paper equipment manufacturing business was recognised in 2018 (2017: RMB4.1 million).

### Selling and Distribution Costs

The Group's selling and distribution costs comprised sales commissions, sales staff costs and transportation costs. During the year under review, its selling and distribution costs amounted to approximately RMB3.7 million, representing a same amount when comparing to previous year.

### Administrative Expenses and Other Expenses

The Group's administrative expenses and other expenses increased by approximately 39.4% from approximately RMB73.8 million (Re-presented) for year ended 31 December 2017 to approximately RMB102.9 million for the year ended 31 December 2018. The reason is mainly due to the amortization of intangible asset of internet education services business.

### Finance Costs

The Group's finance costs were approximately RMB4.7 million for the year ended 31 December 2018 (2017: RMB5.0 million). The interest rate for bank loan was at a fixed interest rate of 5.22% per annum (2017: 5.22% per annum).

### 減值虧損

於二零一八年，由於紙製設備製造業務的還款能力提高，於截至二零一八年十二月三十一日止年度確認貿易應收款項的減值虧損撥回約為人民幣2,900,000元（二零一七年：人民幣2,100,000元）。於二零一八年，並無確認紙製設備製造業務的存貨減值虧損（二零一七年：人民幣4,100,000元）。

### 銷售及分銷成本

本集團的銷售及分銷成本包括銷售佣金、銷售員工成本及運輸成本。於回顧年度內，其銷售及分銷成本約為人民幣3,700,000元，與去年相比金額相同。

### 行政開支及其他開支

本集團的行政開支及其他開支自截至二零一七年十二月三十一日止年度的約人民幣73,800,000元（重新呈列）增加約39.4%至截至二零一八年十二月三十一日止年度的約人民幣102,900,000元，原因主要是互聯網教育服務業務的無形資產攤銷。

### 財務成本

截至二零一八年十二月三十一日止年度，本集團的財務成本約為人民幣4,700,000元（二零一七年：人民幣5,000,000元）。銀行貸款利率為固定年利率5.22%（二零一七年：年利率5.22%）。

# Management Discussion and Analysis

## 管理層討論與分析

### Taxation

The PRC subsidiary of the Company engaged in internet online education service provider successfully qualified the China's High and New-Technology Enterprise (HNTE) program and obtained the Chinese High-tech Enterprise Certification (中國高新技術企業認證) in 2017. Consequently, the subsidiary is entitled to the PRC Enterprise Income Tax ("EIT") rate of 15% until 2020 for the year under review.

### Loss for the Year

As a result of the challenging conditions, the Group's loss (included the discontinued operations) for the year was approximately RMB81.0 million, compared to approximately RMB138.3 million for the previous year. The loss decreased was mainly due to the effective cost control from the continuing operations. The Group's loss per share from continuing and discontinued operations decreased from RMB3.49 cents for the year ended 31 December 2017 to RMB2.02 cents in 2018.

### Final Dividends

The Board does not recommend the payment of a final dividend for year ended 31 December 2018 (2017: Nil).

### Capital Structure, Liquidity and Financial Resources

As at 31 December 2018, the Group's bank balances and cash was approximately RMB138.6 million (2017: RMB194.0 million).

Total equity of the Group as at 31 December 2018 was approximately RMB495.4 million (2017: RMB649.0 million). The Group has an outstanding bank and other loan and promissory notes of approximately RMB86.5 million and RMB199.5 million, respectively as at 31 December 2018 (2017: RMB50.6 million and RMB185.6 million).

### 稅項

本公司的中國附屬公司從事互聯網線上教育服務供應商，成功具備中國高新技術企業項目資格，並已於二零一七年取得中國高新技術企業認證。因此，該附屬公司須於回顧年度按15%的稅率繳納中國企業所得稅（「企業所得稅」），直至二零二零年止。

### 年度虧損

基於情況具挑戰性，本集團的年度虧損（包括已終止經營業務）約為人民幣81,000,000元，而上一年度錄得約人民幣138,300,000元。虧損減少主要是由於持續經營業務的有效成本控制。本集團持續經營及已終止經營業務的每股虧損自截至二零一七年十二月三十一日止年度的人民幣3.49分減少至二零一八年度的人民幣2.02分。

### 末期股息

董事會不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（二零一七年：無）。

### 資本架構、流動資金及財務資源

於二零一八年十二月三十一日，本集團的銀行結餘及現金約為人民幣138,600,000元（二零一七年：人民幣194,000,000元）。

本集團於二零一八年十二月三十一日的權益總額約為人民幣495,400,000元（二零一七年：人民幣649,000,000元）。於二零一八年十二月三十一日，本集團的未償還銀行及其他貸款及承兌票據分別約為人民幣86,500,000元及人民幣199,500,000元（二零一七年：人民幣50,600,000元及人民幣185,600,000元）。

# Management Discussion and Analysis

## 管理層討論與分析

### Material Acquisitions and Disposals of Subsidiaries and Associated Companies

Following the Memorandum of Understanding (MOU) announcement in relation to the potential disposal of the Disposal Company by the Company made on 28 May 2018, a major transaction disposal of 100% equity interest in a subsidiary was announced on 1 August 2018. After the trading hours on 1 August 2018, the Company (the “Vendor”) and the Purchaser (being an Independent Third Party) entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to purchase, and the Company has conditionally agreed to sell, the Sale Shares at the Consideration of HK\$82.8 million in cash. The Sale Shares represents 100% of the issued share capital of the Disposal Company (“Sinoref (BVI) Limited”). Furthermore, there are consideration adjustments mentioned in the Agreement-Consideration paragraph in the Agreement, and the consideration is subject to on the Adjusted NAV of the Disposal Group on completion. The Disposal Group is principally engaged in the manufacture and sale of advanced steel flow control products, and upon completion the Disposal Group will cease to be subsidiaries of the Company. As one or more of the applicable percentage ratios in respect of the Disposal reaches or exceeds 25% but less than 75%, therefore the Disposal constitutes a major transaction of the Company and is subject to the notification, announcement and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

Save as disclosed above, the Company had no other material acquisitions or disposals during the year.

### Pledge of Assets

As at 31 December 2018, the Group pledged certain of its buildings and leasehold land with aggregate net carrying value of approximately RMB0.1 million (2017: RMB0.4 million) as collaterals for the bank loan granted to the Group. Gearing ratio is calculated based on total debt at the end of the year divided by total assets at the end of the year multiplied by 100%. As at 31 December 2018, the gearing ratio of the Group was 25% (2017: 19%).

### 重大收購及出售附屬公司及聯營公司

繼二零一八年五月二十八日刊發有關本公司可能出售出售公司之諒解備忘錄公佈後，出售附屬公司之100%股權之主要交易已於二零一八年八月一日公佈。於二零一八年八月一日交易時段後，本公司（「賣方」）與買方（為一名獨立第三方）訂立協議，據此，買方已有條件同意購買，而本公司已有條件同意出售銷售股份，代價為現金82,800,000港元。銷售股份相當於出售公司（「Sinoref (BVI) Limited」）之100%已發行股本。此外，協議中協議一代價一段提及代價調整，而代價須受完成時出售集團之經調整資產淨值所限。出售集團主要從事製造及銷售高端鋼水控流產品，而於完成後，出售集團將不再為本公司附屬公司。由於有關出售事項之一項或多項適用百分比率已達或超過25%但低於75%，因此出售事項構成本公司之主要交易，須遵守上市規則第十四章項下之通告、公告及股東批准規定。

除上文所披露者外，本公司於年內概無其他重大收購或出售。

### 資產抵押

於二零一八年十二月三十一日，本集團已將若干賬面淨值總額約為人民幣100,000元（二零一七年：人民幣400,000元）的樓宇及租賃土地抵押，以作為本集團獲授銀行貸款之抵押品。資產負債比率乃按年末負債總額除以年末資產總值乘以100%計算。於二零一八年十二月三十一日，本集團資產負債比率為25%（二零一七年：19%）。



# Management Discussion and Analysis

## 管理層討論與分析

### CONTINGENT CONSIDERATION AND LIABILITIES

On 26 July 2017, the Company entered into the Share Purchase Agreement (the “SPA”) with Cybernaut Education Limited, a company which is owned as to 90% by Mr. Zhu Ming, an executive director and a substantial shareholder of the Company, (the “Vendor”). Pursuant to the SPA, the consideration will be subject to adjust based on the net profit after tax generating from operating activities (the “Net Profit”) of the Cybernaut Technology International Limited and its subsidiaries as shown in the audited consolidated financial statements for:

- (i) the Net Profit for the six-month period ending 30 June 2018 shall not be less than HK\$7.5 million;
- (ii) the Net Profit for the six-month period ending 31 December 2018 shall not be less than HK\$7.5 million;
- (iii) the Net Profit for the six-month period ending 30 June 2019 shall not be less than HK\$9 million; and
- (iv) the Net Profit for the six-month period ending 31 December 2018 shall not be less than HK\$9 million.

The fair value of the contingent consideration was determined by an independent professional valuer not connected with the Group based on Binomial Option Pricing Model. The fair value as at 31 December 2018 was RMB108.4 million.

As at 31 December 2018, saved as disclosed in above, the Group had not provided any form of guarantee for any company outside the Group. The Group is not involved in any current material legal proceedings, nor is the Group aware of any pending or potential material legal proceedings involving the Group.

### 或然代價及負債

於二零一七年七月二十六日，本公司與 Cybernaut Education Limited（一家由本公司執行董事及主要股東朱敏先生持有90%之公司）（「賣方」）訂立購股協議（「購股協議」）。根據購股協議，代價須基於Cybernaut Technology International Limited及其附屬公司之經審核綜合財務報表所示之來自經營活動之稅後淨溢利（「淨溢利」）予以調整：

- (i) 於截至二零一八年六月三十日止六個月期間之淨溢利不得少於7,500,000港元；
- (ii) 於截至二零一八年十二月三十一日止六個月期間之淨溢利不得少於7,500,000港元；
- (iii) 於截至二零一九年六月三十日止六個月期間之淨溢利不得少於9,000,000港元；及
- (iv) 於截至二零一八年十二月三十一日止六個月期間之淨溢利不得少於9,000,000港元。

或然代價公平值乃由與本集團無關連之獨立專業估值師按二項式期權定價模式所釐定。於二零一八年十二月三十一日之公平值為人民幣108,400,000元。

於二零一八年十二月三十一日，除上文所披露者外，本集團並無向本集團以外的任何公司提供任何形式的擔保。本集團目前並無涉及任何重大法律訴訟，亦不知悉有任何涉及本集團的未決或潛在的重大法律訴訟。

# Management Discussion and Analysis

## 管理層討論與分析

### CONTRACTUAL AGREEMENTS

During the year ended 31 December 2017, certain business activities of the Group which were/are categorised as “restricted” business under the PRC laws and regulations have been carried out by the Group through a series of contractual arrangements (the “VIE Agreements”), and that happened at the acquisition of Cybernaut Technology International Limited (the “Project Company”) on 22 November 2017. The VIE agreements are a series of agreements, including but not limited to the Management Services Agreement, the Equity Pledge Agreement, the Loan Agreement, the Irrevocable Option Agreement, the Power of Attorney, the Undertaking Letters and the Declaration Letters, executed for the purpose of establishing the variable interest entity arrangement between Huzhou Company and Wowxue, through which the financial results of Wowxue are consolidated with the financial results of Huzhou Company as “variable interest entity” (as defined in Hong Kong and International Financial Reporting Standards). The VIE business and VIE Agreements are disclosed in the circular dated 17 October 2017 and as below.

### REASON FOR ENTERING INTO THE VIE AGREEMENTS

Investing in the PRC by foreign investors is primarily regulated by “外商投資產業指導目錄 (2017年修訂) (the Guidance Catalogue of Industries for Foreign Investment (2017 Revision)\*)” (the “Catalogue”), which was promulgated and is amended from time to time jointly by the Ministry of Commerce of the PRC and the National Development and Reform Commission. Pursuant to the Catalogue, the value-added telecommunication services related business of Wowxue is considered as “restricted” under the categories of value-added telecommunication services. Therefore, foreign investors can only operate value-added telecommunication business in the PRC under joint ventures with the foreign portion of the total investment and hence shareholding below 50%. As Hong Kong Cybernaut, the subsidiary of the Target Company, is the foreign investor of Huzhou Company, it is not allowed to indirectly hold more than 50% equity interest in Wowxue through Huzhou Company or directly hold more than 50% equity interest in Wowxue under the PRC laws.

### 合約協議

截至二零一七年十二月三十一日止年度，本集團透過一系列合約安排（「可變利益實體協議」）從事本集團根據中國法律及法規分類為「受限制」業務的若干業務活動，並於二零一七年十一月二十二日收購Cybernaut Technology International Limited（「項目公司」）時進行。可變利益實體協議為湖州公司與沃學就確定可變利益實體安排而簽立的一系列協議（包括但不限於管理服務合同、股權質押協議、貸款協議、不可撤回的購股權協議、授權委託書、承諾函以及聲明函），據此，沃學之財務業績綜合入賬至湖州公司財務業績作為「可變利益實體」（定義見香港及國際財務報告準則）。可變利益實體業務及可變利益實體協議披露於日期為二零一七年十月十七日的通函並載列如下。

### 訂立可變利益實體協議之理由

外國投資者於中國的投資活動主要受《外商投資產業指導目錄（二零一七年修訂）》（「目錄」）所規管，該目錄由中國商務部及國家發展和改革委員會共同頒佈及不時修訂。根據目錄，沃學之增值電信服務相關業務被視為增值電信服務類別下的「受限制」業務。因此，外國投資者僅可透過外商投資總額及股權低於50%的合資企業於中國經營增值電信業務。由於目標公司之附屬公司香港賽伯樂為湖州公司之外國投資者，故根據中國法律其不得透過湖州公司間接持有沃學超過50%股權或直接持有沃學超過50%股權。

## Management Discussion and Analysis 管理層討論與分析

In light of the above, Huzhou Company, Wowxue and the Registered Shareholders have entered into the VIE Agreements on 31 August 2017 (as amended by supplemental agreements dated 25 September 2017) for the Reorganisation in order to enable the financial results, the entire economic benefits and the risks of the businesses of Wowxue to flow into Huzhou Company and to enable the Project Company to have indirect control over Wowxue as contemplated under the Sale and Purchase Agreement.

The Company agrees that it would unwind the VIE Agreements as soon as the relevant laws and regulations allow the value-added telecommunications business in the PRC to be operated by foreign investors without adopting a VIE structure. However, it is uncertain at this stage when the restrictions on foreign ownership in value-added telecommunications businesses will be lifted in the PRC. Under the Irrevocable Option Agreement, the Registered Shareholders must return to Huzhou Company or its nominee any consideration the Registered Shareholders had received from Huzhou Company for the acquisition of the equity interest in Wowxue.

Up to 31 December 2018 of this report and 29 March 2019 for approval of the annual financial results, the Group has not encountered any interference or encumbrance from any governing bodies in operating its business through Wowxue under the VIE Agreements.

The PRC Legal Adviser has confirmed, among others, that (i) the use of the VIE structure and the VIE Agreements do not violate the relevant prevailing laws and regulations in the PRC; (ii) the VIE Agreements would not be deemed as concealing illegal intentions with a lawful form and void under the PRC contract law; and (iii) save for the clause providing that the arbitration tribunal may award injunctive relief or winding up orders and that the courts in Hong Kong, the Cayman Islands and the PRC may grant temporary injunctive relief or other temporary remedies, which may not be enforceable under PRC law, the VIE Agreements are enforceable under the laws of the PRC. Based on the above, the Directors believe that the VIE Agreements conferring significant control and economic benefits from Wowxue to the Target Company are enforceable under the relevant laws and regulations.

鑒於上文所述，湖州公司、沃學及登記股東已於二零一七年八月三十一日就重組訂立可變利益實體協議（經日期為二零一七年九月二十五日之補充協議修訂），以令沃學的財務業績、全部經濟利益及業務風險併入湖州公司，並助力項目公司根據買賣協議間接控制沃學。

本公司同意，當相關法律及法規容許外國投資者不透過採用可變利益實體架構於中國開展增值電信業務，即會盡快解除可變利益實體協議。然而，現階段增值電信業務外商擁有權限制何時於中國解除仍屬未知之數。根據不可撤回的購股權協議，登記股東須退還因湖州公司收購沃學股權而收取之任何代價予湖州公司或其提名人。

截至本報告日期（二零一八年十二月三十一日）及批准全年財務業績（二零一九年三月二十九日），本集團於根據可變利益實體協議透過沃學經營其業務時並無遭遇任何來自政府部門之干涉或妨礙。

中國法律顧問已確認（其中包括）(i)使用可變利益實體架構及可變利益實體協議不抵觸相關中國現行法律及法規；(ii)可變利益實體協議將不被視為中國合同法項下以合法形式掩蓋非法目的而被認為無效；及(iii)除規定仲裁庭可頒佈禁令救濟或清盤令及香港、開曼群島及中國法院可授出臨時禁令救濟或其他臨時補救辦法之條文根據中國法律或會無法強制執行外，可變利益實體協議根據中國法律可強制執行。基於上述，董事認為可變利益實體協議賦予沃學就目標公司之重大控制權及經濟利益根據相關法律及法規可強制執行。

# Management Discussion and Analysis

## 管理層討論與分析

### INFORMATION OF THE VIE AGREEMENTS

#### The VIE Agreements

##### (1) Management Services Agreement

Date : 31 August 2017

Parties : (1) Wowxue;  
(2) Huzhou Company; and  
(3) The Registered Shareholders.

Scope of services : Huzhou Company shall provide investment advice, planning and other business advice on the operation and technical services of Wowxue in accordance with the requirements of Wowxue. Huzhou Company shall participate and assist in the management of the project operation and complete the management consulting service in time and submit the relevant management consulting report within the time limit required by Wowxue, and provide the required technical services. Such services include but not limited to the following:

- (i) to select and facilitate the employment of qualified persons and experts in respect of the businesses of Wowxue in internet education information services and teacher qualifications, and to provide the required or appropriate training to the managers, department heads, administration staff and accounting staff and all other employees of Wowxue;

### 可變利益實體協議之資料

#### 可變利益實體協議

##### (1) 管理服務合同

日期 : 二零一七年八月三十一日

訂約方 : (1) 沃學;  
(2) 湖州公司; 及  
(3) 登記股東。

服務範圍 : 湖州公司須根據沃學的要求，為沃學的經營及技術服務提供投資建議、規劃及其他商業建議。湖州公司須參與及協助項目運作管理，及時提供管理諮詢服務，並在沃學要求的期限內遞交相關管理諮詢報告，以及提供必要的技術服務。該等服務包括但不限於以下服務：

- (i) 選擇及協助僱用熟悉沃學之互聯網教育信息服務業務且具備教師資格的合資格人士及專家，以及為沃學的經理、部門主管、行政人員、會計人員及所有其他僱員提供必要或適當的培訓；



## Management Discussion and Analysis 管理層討論與分析

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| (ii) provide strategic advice, from time to time, on the negotiation and signing of contract(s) which is/are required or in connection with the daily operation and business of Wowxue;  | (ii) 不時就沃學的日常經營及業務所需或與之相關的合同的談判及簽訂提供戰略性意見；  |
| (iii) formulate rules, regulations, internal control policies, risk control management systems, standards administration, accounting, budget, marketing, human resources and operating policies, as well as the practices which are relevant to or affecting the business of Wowxue, and assist Wowxue in the effective implementation of relevant policies and practices; | (iii) 制定規則、規例、內部控制政策、風險控制管理制度、標準管理辦法、會計、預算、營銷、人力資源及經營政策，以及與沃學之業務相關或影響其業務之規範，並協助沃學有效落實相關政策及規範； |
| (iv) to plan, prepare, as well as provide public relations services and promote activities for Wowxue and to assist Wowxue to enter into contract(s) with third parties for businesses such as internet education information services and certification of teachers' qualification;   | (iv) 規劃、籌備及提供公關服務及提升沃學的業務量，以及協助沃學與第三方就相關業務（如互聯網教育信息服務及教師資格認定）訂立合同；                            |
| (v) from time to time or at the request of Wowxue to review and improve the operation of Wowxue;   | (v) 不時或應沃學之要求審查及改善沃學的經營狀況；  |
| (vi) in general, to perform all reasonable and necessary actions in relation to Wowxue's business operations in an effective and appropriate manner;   | (vi) 一般而言，以有效及適當的方式採取與沃學之業務經營有關的所有合理及必要行動；  |



## Management Discussion and Analysis 管理層討論與分析

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| <p>(vii) on behalf of Wowxue, to make investments related to its business scope, establish branches, subsidiaries and make decisions on merger and acquisitions;</p> <p>(viii) to provide Wowxue with the global market information, market research data and analysis on internet education information services and certification of teachers' qualification; and</p> <p>(ix) to provide investment advice, planning and other business advice on the operation and project investment of Wowxue, and to participate and assist in the management of project operations in accordance with the requirements of Wowxue.</p> | <p>(vii) 代表沃學作出與其業務範圍相關的投資、設立分公司及附屬公司以及作出併購決策；</p> <p>(viii) 向沃學提供全球市場信息、市場調查數據及就互聯網教育信息服務及教師資格認定業務作出分析；及</p> <p>(ix) 為沃學的經營及項目投資提供投資建議、規劃及其他商業建議，以及根據沃學的要求參與及協助項目運作管理。</p> |
| <p><b>Fee</b> : Wowxue shall make provisions for and pay management and consultancy fees to Huzhou Company on an annual basis, which shall be equivalent to the total income of Wowxue minus all relevant costs, expenses and taxes payable by Wowxue. If there is a loss in a given year, then no provisions for the said management and consultancy fees would be required for the year until Wowxue records a surplus.</p>  | <p><b>費用</b> : 沃學須每年向湖州公司計提及支付管理及顧問費，費用相等於沃學之總收入減去沃學應付之所有相關成本、開支及稅項。倘沃學於某個年度錄得虧損，則於該年度毋須就上述管理及顧問費計提撥備，直至沃學產生盈餘為止。</p>   |
| <p><b>Guarantee</b> : The Registered Shareholders have pledged their holding of 100% of the equity interest in Wowxue to guarantee Wowxue to fulfill its obligations under the Management Services Agreement.</p>  | <p><b>擔保</b> : 登記股東已抵押彼等於沃學持有之100%股權，旨在為沃學履行其於管理服務合同項下之責任提供擔保。</p>  |

# Management Discussion and Analysis

## 管理層討論與分析

**Term** : A term of ten years from the date of signing of the Management Services Agreement. Upon the expiry of each term, Huzhou Company is entitled at its sole and absolute discretion to renew the Management Services Agreement for a further term of ten years for each renewal. Wowxue and the Registered Shareholders are not entitled to terminate the Management Services Agreement during the term of such agreement. Huzhou Company is entitled to terminate the Management Services Agreement by giving thirty days of prior notice in writing to Wowxue.

**期限** : 自簽訂管理服務合同日期起計為期十年。每次屆滿後，湖州公司有權全權酌情決定將管理服務合同續期十年。沃學及登記股東在相關協議期限內無權終止管理服務合同。湖州公司有權向沃學發出三十天的事先書面通知終止管理服務合同。

### (2) Irrevocable Option Agreement

**Date** : 31 August 2017 (as amended by a supplemental agreement dated 25 September 2017)

**日期** : 二零一七年八月三十一日  
(經日期為二零一七年九月二十五日之補充協議修訂)

**Parties** : (1) Wowxue;  
(2) Huzhou Company; and  
(3) The Registered Shareholders.

**訂約方** : (1) 沃學;  
(2) 湖州公司; 及  
(3) 登記股東。

**Subject Term** : (i) Wowxue and the Registered Shareholders irrevocably grant the right to Huzhou Company to purchase the entire equity interest in Wowxue for no consideration or, if nil consideration for purchasing the entire equity interest in Wowxue by Huzhou Company is unacceptable by relevant local regulations or government departments, at such consideration will be determined by Huzhou Company. The Registered Shareholders must return to Huzhou Company or its nominee any consideration that the Registered Shareholders had received from Huzhou Company for the acquisition of the equity interest in Wowxue;

**主要事項** : (i) 沃學及登記股東不可撤銷地向湖州公司授予一項權利，以按零代價或倘湖州公司按零代價購買沃學全部股權不被有關當地法規或政府部門所准許，則按湖州公司將予釐定之有關代價購買沃學之全部股權。登記股東須退還因湖州公司收購沃學股權而收取之任何代價予湖州公司或其提名人；

## Management Discussion and Analysis

### 管理層討論與分析

- (ii) Huzhou Company shall also have the right at its discretion to direct Wowxue and the Registered Shareholders to transfer the equity interest in Wowxue to a third party designated or arranged by Huzhou Company at no consideration or, if nil consideration for purchasing the entire equity interest in Wowxue by a third party designated or arranged by Huzhou Company is unacceptable by relevant local regulations or government departments, at such consideration will be determined by Huzhou Company. The Registered Shareholders must return to Huzhou Company or its nominee any consideration that the Registered Shareholders had received from Huzhou Company for the acquisition of the equity interest in Wowxue;
- (iii) Huzhou Company may at any time by way of serving a notice of purchase (including by telephone, e-mail, telegraph) to Wowxue and the Registered Shareholders in order to exercise the option to purchase the equity interest in Wowxue;
- (iv) Wowxue and the Registered Shareholders shall notify Huzhou Company by way of written notice in the event of a divorce, major diseases, insolvency (including but not limited to being prosecuted), bankruptcy, dissolution or deregistration, etc., which may potentially affect their holding of equity interest in Wowxue;
- (ii) 湖州公司亦有權酌情指示沃學及登記股東按零代價轉讓沃學股權予湖州公司指定或安排之第三方或倘湖州公司指定或安排之第三方按零代價購買沃學全部股權不被有關當地法規或政府部門所准許，則按湖州公司將予釐定之有關代價向湖州公司指定或安排之第三方轉讓沃學全部股權。登記股東須退還因湖州公司收購沃學股權而收取之任何代價予湖州公司或其提名人；
- (iii) 湖州公司可隨時向沃學及登記股東發出購買通知（包括以電話、電子郵件或電報形式），以行使購買沃學股權之購股權；
- (iv) 倘發生離婚、重大疾病、無償債能力（包括但不限於被起訴）、破產、解散或註銷登記等情況而可能對彼等於沃學所持股權產生潛在影響，沃學及登記股東須以書面通知形式告知湖州公司；

# Management Discussion and Analysis

## 管理層討論與分析

- (v) If any Registered Shareholders by reason of divorce, insolvency, death, bankruptcy, dissolution, deregistration, etc, may lead to their equity interest in Wowxue being inherited or transferred to other third party(ies) (including but not limited to their spouse, heir, creditor, etc.), and in the event that Huzhou Company decided not to exercise the option set out in paragraphs (i) and (ii) above, the other Registered Shareholders shall exercise their right of first refusal to acquire the relevant equity interest in Wowxue such that the party who had exercised the right of first of refusal shall be subject to the obligations under the Management Services Agreement, the Irrevocable Option Agreement, the Loan Agreement and the Equity Pledge Agreement; and
- (vi) Wowxue and the Registered Shareholders have covenanted, among others, that:
- (a) without the prior written consent of Huzhou Company, they shall not sell, transfer, mortgage, dispose of by way of gift or dispose of in any other manner any equity interest in Wowxue or create any security interest in such equity interest;
- (v) 倘任何登記股東因離婚、無償債能力、死亡、破產、解散或註銷登記等原因而可能導致其於沃學之股權被繼承或轉讓予其他第三方(包括但不限於其配偶、繼承人及債權人等), 以及倘湖州公司決定不行使上文第(i)段及第(ii)段載列的購股權, 則其他登記股東須行使其購買沃學相關股權之優先購買權, 而行使優先購買權的一方須受管理服務合同、不可撤回的購股權協議、貸款協議及股權質押協議項下之責任所規限; 及
- (vi) 沃學及登記股東已契諾(其中包括):
- (a) 未經湖州公司事先書面同意, 不會以任何方式出售、轉讓、抵押、以饋贈方式處置或以任何其他方式處置於沃學之任何股權或就該等股權設立任何抵押權益;



## Management Discussion and Analysis 管理層討論與分析

(b) without the prior written consent of Huzhou Company, Wowxue shall not enter into any transaction (except in the ordinary course of business) that may cause any material changes to its assets, liabilities, operations, shareholders' interests or other legal interests; and

(c) they shall not in any manner supplement or amend the articles of association of Wowxue to the extent that it may cause any material changes to the assets, liabilities, operations, shareholders' interests or other legal interests of Wowxue.

(b) 未經湖州公司事先書面同意，沃學不會進行可能導致其資產、負債、經營、股東權益或其他合法利益出現任何重大變動之任何交易（於日常業務過程中進行者除外）；及

(c) 彼等不會以任何方式補充或修訂沃學之組織章程細則，以致可能導致沃學之資產、負債、經營、股東權益或其他合法利益出現任何重大變動。

**Term** : The exercise period of the option shall remain in effect indefinitely as permitted by the law and/or until Huzhou Company having exercised such option.

**期限** : 購股權的行使期在法律允許的期限內無限期有效及／或直至湖州公司行使相關購股權為止。



# Management Discussion and Analysis

## 管理層討論與分析

### (3) Loan Agreement

Date : 31 August 2017 (as amended by a supplemental agreement dated 25 September 2017)

Parties : (1) Huzhou Company; and  
(2) The Registered Shareholders.

Subject : (i) Subject to the operational needs of Wowxue, Huzhou Company may at its discretion, from time to time, provide an interest free loan to the Registered Shareholders by way of entrusted bank loans or by other legal ways. The amount and conditions of the loan, if provided, shall be determined by Huzhou Company at its sole discretion, and such loan shall be used as the paid in capital of Wowxue.

(ii) Formal loan agreement(s), entrusted loan agreement(s) or other relevant agreement(s) shall be entered into between Huzhou Company, the Registered Shareholders, and other relevant parties according to the actual situation.

### (3) 貸款協議

日期 : 二零一七年八月三十一日  
(經日期為二零一七年九月二十五日之補充協議修訂)

訂約方 : (1) 湖州公司；及  
(2) 登記股東。

主要事項 : (i) 根據沃學的業務需要，湖州公司可酌情以委託銀行貸款方式或以其他合法方式不時向登記股東提供免息貸款。貸款額度及條件(如有)由湖州公司全權酌情決定，且相關貸款須用作沃學之實收資本金。

(ii) 正式貸款協議、委託貸款協議或其他相關協議須由湖州公司、登記股東及其他相關訂約方根據實際情況訂立。

# Management Discussion and Analysis

## 管理層討論與分析

Interest	: Non-interest bearing	利息	: 不計息
Term	: In the event of any of the following circumstances, the loan will expire and the Registered Shareholders shall repay the loan at the request of Huzhou Company:	期限	: 倘發生下列任何情況，貸款將到期，登記股東須按照湖州公司之要求償還貸款：
	(i) Wowxue having filed for or having been subject to bankruptcy petition, bankruptcy reorganization, bankruptcy liquidation or winding up petition; and	(i)	沃學已提交或接受破產呈請、破產重組、破產清盤或清盤呈請；及
	(ii) Huzhou Company having fully exercised its right to purchase the entire equity interest in Wowxue in accordance with the Irrevocable Option Agreement.	(ii)	湖州公司根據不可撤回的購股權協議充分行使購買沃學全部股權之權利。

#### (4) Equity Pledge Agreement

Date	: 31 August 2017
Parties	: (1) Wowxue; (2) Huzhou Company; and (3) The Registered Shareholders.
Subject	: The Registered Shareholders unconditionally and irrevocably agreed to pledge all the equity interest in Wowxue that they own (including any interest or dividend paid for such shares) to Huzhou Company as a security for the performance of the obligations by Wowxue and the Registered Shareholders under the Management Services Agreement.
Term	: The pledge shall remain valid until Wowxue and the Registered Shareholders unconditionally and irrevocably fulfilled all the obligations (including, but not limited to, the settlement and/or the payment of the service charge, liquidated damages (if any), etc.) under the Management Services Agreement.

#### (4) 股權質押協議

日期	: 二零一七年八月三十一日
訂約方	: (1) 沃學； (2) 湖州公司；及 (3) 登記股東。
主要事項	: 登記股東無條件及不可撤銷地同意將彼等於沃學擁有之全部股權（包括就該等股份支付的任何利息或股息）質押予湖州公司，作為沃學及登記股東履行於管理服務合同項下之責任之抵押品。
期限	: 質押將一直有效，直至沃學及登記股東無條件及不可撤銷地履行於管理服務合同項下之所有責任（包括但不限於結算及／或支付服務費、違約賠償金（如有）等）為止。

# Management Discussion and Analysis

## 管理層討論與分析

### (5) Power of Attorney

Date : 31 August 2017

Parties : (1) Huzhou Company; and  
(2) The directors of Wowxue, the Registered Shareholders or the legal representative of Wowxue

Subject : Pursuant to the Power of Attorney, the directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue have irrevocably appointed Huzhou Company as its/their attorney-in-fact to (i) exercise all the directors' rights, shareholders' rights and legal representative's rights (as the case may be) including but not limited to passing of board resolutions and shareholders' resolutions as well as the right to appoint or remove the directors, legal representative, general manager and other senior management of Wowxue; (ii) sign on their behalf all the documents necessary to give effect to the VIE Agreements; (iii) exercise all the rights and powers under the Equity Pledge Agreement and the right to deal with the assets of Wowxue; and (iv) submit documents to the competent company registration authorities of Wowxue or other relevant authorities for filing purpose. As confirmed by Huzhou Company, the authorizations under the Power of Attorney will be granted to the relevant officers/management of Huzhou Company who are third parties independent to the Registered Shareholders and their associates.

Term : From the date of the Power of Attorney to the earlier of the revocation or termination of each of the Management Services Agreement, Irrevocable Option Agreement, Loan Agreement and Equity Pledge Agreement

### (5) 授權委託書

日期 : 二零一七年八月三十一日

訂約方 : (1) 湖州公司; 及  
(2) 沃學董事、登記股東或沃學法定代表人

主要事項 : 根據授權委託書, 沃學董事、登記股東及沃學法定代表人已不可撤銷地委任湖州公司為其授權代理人, (i)行使一切董事權利、股東權利及法定代表人權利(視情況而定), 包括但不限於, 通過董事會決議案、股東決議案及委任或免除沃學董事、法定代表人、總經理及其他高級經理之權利; (ii)代其簽署使可變利益實體協議生效之所有必要文件; (iii)行使股權質押協議項下之所有權利及權力以及處理沃學資產之權利; 及(iv)向沃學之主管公司登記機關或其他有關機關提交文件以存檔。誠如湖州公司所確認, 根據授權委託書, 授權將授予湖州公司相關高級職員/管理層, 彼等為獨立於登記股東及其聯繫人之第三方。

期限 : 自授權委託書日期起至管理服務合同、不可撤回的購股權協議、貸款協議及股權質押協議各項協議被撤銷或終止之較早日期

## Management Discussion and Analysis 管理層討論與分析

### (6) Undertaking Letters

Date : 31 August 2017 (as amended by a supplemental letter dated 25 September 2017)

Parties : (1) Huzhou Company; and  
(2) The directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue

Subject : Pursuant to the Undertaking Letters, the directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue, irrevocably undertake that: (i) they will act in accordance with the instructions of Huzhou Company upon the exercise of the powers of the directors of Wowxue, the power of the shareholders of Wowxue and the power of the legal representative of Wowxue respectively; and (ii) each of the directors of Wowxue, each of the Registered Shareholders of Wowxue and the legal representative of Wowxue has also undertaken not to compete with the business operating by Wowxue.

### (6) 承諾函

日期 : 二零一七年八月三十一日  
(經日期為二零一七年九月二十五日之補充函件修訂)

訂約方 : (1) 湖州公司; 及  
(2) 沃學董事、登記股東及沃學法定代表人

主要事項 : 根據承諾函, 沃學董事、登記股東及沃學法定代表人不可撤銷地承諾: (i) 彼等於分別行使沃學董事權力、沃學股東權力及沃學法定代表人權力時將依據湖州公司之指示行事; 及 (ii) 各沃學董事、各沃學登記股東及沃學法定代表人亦已承諾不會與沃學經營之業務競爭。

# Management Discussion and Analysis

## 管理層討論與分析

### (7) Declaration Letters

Date : 31 August 2017

Parties : (1) Zhao Yingming “YM Zhao” and his spouse; and  
(2) Zhao Yingyong “YY Zhao” and his spouse

Subject : pursuant to the Declaration Letters, YM Zhao and his spouse, and YY Zhao and his spouse irrevocably declare that, among other things, (i) acknowledge that all the equity interests held by YM Zhao and YY Zhao in the Wowxue do not form part of their matrimonial property and YM Zhao and YY Zhao are entitled to sign and fulfill the VIE Agreements personally; and (ii) the spouse of YM Zhao and YY Zhao undertake that if they get a divorce, they will not claim the relevant equity in the Wowxue by any way, including but not limited to the equity of distribution of profits, acquiring residual properties upon liquidation of Wowxue, investment and incorporation of branch offices and subsidiaries.

### (7) 聲明函

日期 : 二零一七年八月三十一日

訂約方 : (1) 趙映明「趙映明」及其配偶；及  
(2) 趙英勇「趙英勇」及其配偶

主要事項 : 根據聲明函，趙映明及其配偶以及趙英勇及其配偶不可撤銷地宣佈（其中包括）：(i)承認趙映明及趙英勇所持有之沃學全部股權並不構成彼等婚姻財產之一部分以及趙映明及趙英勇有權親自簽署及履行可變利益實體協議；及(ii)趙映明之配偶及趙英勇承諾，倘彼等離婚，彼等將不會以任何方式索要沃學相關股權，包括但不限於溢利分配之股權、沃學清盤後收購剩餘財產、投資及註冊成立分支機構及附屬公司。



# Management Discussion and Analysis

## 管理層討論與分析

### Protection of the interest and assets of Wowxue

The Management Services Agreement, Irrevocable Option Agreement, Loan Agreement, Equity Pledge Agreement, and the Undertaking Letters include a provision that each agreement is binding on the successors and permitted assignees of the respective parties. In the event of death, bankruptcy or divorce of any party of the Registered Shareholders, Huzhou Company may exercise its option under the Irrevocable Option Agreement to replace the relevant party of the Registered Shareholders, thus protecting the interest of the Group and allowing Huzhou Company to enforce its rights under the VIE Agreements against the successors and permitted assignees of the shareholders of Wowxue.

In order to have effective control over and to safeguard the assets of Wowxue, the VIE Agreements provide that, without the prior written consent of Huzhou Company, Wowxue shall not, in any form, dispose of significant assets (including but not limited to any significant customer resources, fixed assets, trademarks, technical knowhow or other intellectual property rights and/or other equity interests or similar interests held by Wowxue), operating rights and/or dispose of all or part of its business (including sale, replacement, mortgage or disposal in any other ways), with respect to it and/or its subsidiaries (if any).

The VIE Agreements also provide that, without the prior written consent of Huzhou Company, (i) Wowxue shall not increase or decrease the registered capital or accept any investment or capital increase from the Registered Shareholders or any third parties to Wowxue or change the form of the company or make any major adjustments regarding carrying out liquidation or dissolution; or the business scope, mode, profit model, marketing strategy, business policy or customer relationship; (ii) Wowxue and/or its subsidiaries shall not enter into any partnership or joint venture or profit sharing arrangement with any third parties, or any other arrangements for the transfer of benefits or profit sharing in the form of royalties, service fees or consultancy fees; and (iii) Wowxue shall not declare or distribute dividends, dividends or any other interests to its shareholders, including the after-tax profits that Wowxue has not yet allocated before the commencement of the VIE Agreements.

### 保護沃學之利益及資產

管理服務合同、不可撤回的購股權協議、貸款協議、股權質押協議以及承諾函均載有一項條文，規定各協議對各自訂約方之繼承人及獲准受讓人具有約束力。在任何登記股東死亡、破產或離婚之情況下，湖州公司可行使其於不可撤回的購股權協議項下之購股權以取代相關登記股東，從而保護本集團之利益，並允許湖州公司針對沃學股東之繼承人及獲准受讓人執行其於可變利益實體協議項下之權利。

為有效控制及保護沃學之資產，可變利益實體協議規定，未經湖州公司事先書面同意，沃學不得以任何形式處置與沃學及／或其附屬公司（如有）有關之重大資產（包括但不限於沃學持有之任何重要客戶資源、固定資產、商標、技術知識或其他知識產權及／或其他股權或類似權益）、經營權及／或處置全部或部分業務（包括出售、更換、抵押或以任何其他方式處置）。

可變利益實體協議亦規定，未經湖州公司事先書面同意，(i)沃學不得增加或減少註冊資本，或允許登記股東或任何第三方向沃學增加任何投資或資本，或更改公司形式或作出任何重大調整以進行清算或解散；或對業務範圍、模式、盈利模式、營銷策略、業務政策或客戶關係作出任何重大調整；(ii)沃學及／或其附屬公司不得與任何第三方訂立任何合夥或合營或溢利攤分安排，或以特許權使用費、服務費或顧問費形式轉讓利益或攤分溢利的任何其他安排；及(iii)沃學不得向其股東宣派或派發股息、紅利或其他利益，包括沃學在訂立可變利益實體協議前尚未分配之除稅後溢利。



# Management Discussion and Analysis

## 管理層討論與分析

Since the completion to acquire the Project Company on 22 November 2017, there were no changes in the VIE structure up to 31 December 2018. The Board will review the VIE structure regularly and determine if the Group encounters any issues in safeguarding its assets held through the VIE Agreements. If any major issues or difficulties arise in doing so, the Board will engage legal advisers and/or other professionals to assist the Group to tackle such issues or difficulties.

### Financial information of Wowxue

Under the VIE Agreements, Wowxue is accounted for as a consolidated structured entity that as a subsidiary of the Group. For the year ended 31 December 2018, Wowxue recognised total revenue of RMB24,571,000; profit of RMB15,458,000 and Total assets of RMB45,525,000.

### VIE Agreements confer economic benefits on Huzhou Company from Wowxue

The VIE Agreements confer upon the Group the right to enjoy all the economic benefit of Wowxue by the Management Services Agreement under which Wowxue will pay Huzhou Company the management and consultancy fees equivalent to the total income of Wowxue minus all relevant costs, expenses and taxes payable by Wowxue.

自於二零一七年十一月二十二日完成收購項目公司後，截至二零一八年十二月三十一日止，可變利益實體架構並無變動。董事會將定期審查可變利益實體架構，並確定本集團在透過可變利益實體協議保護其資產方面是否遇到任何問題。倘出現任何重大問題或困難，董事會將聘請法律顧問及／或其他專業人士協助本集團處理相關問題或困難。

### 沃學之財務資料

於可變利益實體協議下，沃學以綜合結構性實體作為本集團之附屬公司入賬。截至二零一八年十二月三十一日止年度，沃學確認總收入人民幣24,571,000元；溢利人民幣15,458,000元及資產總值人民幣45,525,000元。

### 可變利益實體協議向湖州公司賦予沃學之經濟利益

可變利益實體協議透過管理服務合同賦予本集團享有沃學所有經濟利益之權利，據此，沃學將向湖州公司支付管理及顧問費，費用相等於沃學之總收入減去沃學應付之所有相關成本、開支及稅項。

# Management Discussion and Analysis

## 管理層討論與分析

### VIE Agreements confer control from Wowxue to Huzhou Company

The VIE Agreements confer upon the Group sufficient control over the board and daily operations of Wowxue. The appointment of directors of Wowxue is subject to Huzhou Company being satisfied of the director 's qualification and requires the explicit consent of Huzhou Company. If Huzhou Company is dissatisfied with the performance of the director(s) of Wowxue and proposes to remove such director(s), Wowxue shall remove such person(s) as director(s) upon Huzhou Company's proposal. Also, Wowxue agreed with Huzhou Company that Wowxue will, and its shareholders will cause Wowxue to, accept proposals put forward by Huzhou Company relating to the daily operations of Wowxue and employment of staff, operate all business of Wowxue in the ordinary course of business and refrain from any action or omission that may adversely affect the business of Wowxue.

Moreover, under the Management Services Agreement, Huzhou Company will formulate rules, regulations, internal control policies, risk control management systems, standards administration, accounting, budget, marketing, human resources and operating policies, as well as the practices which relevant to or affecting the business of Wowxue, and assist Wowxue in the effective implementation of relevant policies and practices.

Furthermore, as a general housekeeping rule, Huzhou Company will have the custody of the constitutional items of Wowxue, including the company chop and seal. At the request of Huzhou Company, Wowxue will provide it with the relevant legal documents and other information on Wowxue's business operation.

### 可變利益實體協議向湖州公司賦予沃學之控制權

可變利益實體協議向本集團授予沃學董事會及日常經營的充分控制權。沃學董事的委任須受湖州公司信納董事資歷規限及湖州公司的明確同意。倘湖州公司不滿意沃學董事的表現並建議罷免有關董事，沃學須於湖州公司提出建議後罷免有關人士的董事職務。同時，沃學向湖州公司表示同意，沃學及其股東將促使沃學接受湖州公司就沃學日常運營及僱用員工提出的建議、於日常業務過程中營運沃學的所有業務以及避免任何可能對沃學業務造成不利影響的行為或遺漏。

此外，根據管理服務合同，湖州公司將制定規則、規例、內部控制政策、風險控制管理制度、標準管理條例、會計、預算、營銷、人力資源及營運政策，以及與沃學業務有關或對其產生影響的慣例，且將協助沃學有效落實相關政策及慣例。

再者，作為一般管理規定，湖州公司將有權保管沃學的章程用品，包括公司印鑑及印章。沃學將應湖州公司要求向其提供沃學業務營運的相關法律文件及其他資料。



# Management Discussion and Analysis

## 管理層討論與分析

### RISKS AND LIMITATIONS RELATING TO THE VIE AGREEMENTS

#### 1. Economic risks of the Company

Huzhou Company, as the primary beneficiary of Wowxue, is not obligated under any of the VIE Agreements to share the losses of Wowxue or provide financial support to Wowxue. Moreover, as a limited liability company, Wowxue is solely liable for its own debts and losses. As advised by the PRC Legal Adviser, the PRC laws and regulations do not expressly require Huzhou Company to share the losses of Wowxue or provide financial support to Wowxue.

#### 2. Limitations in exercising the option to acquire ownership in Wowxue

In the case that Huzhou Company exercises its options to acquire all or part of the equity interest in Wowxue under the Irrevocable Option Agreement, the acquisition of the entire equity interests in Wowxue may only be conducted to the extent as permitted by the applicable PRC laws and may be subject to necessary approvals and relevant procedures under applicable PRC laws.

Further, a substantial amount of other costs (if any), expenses and time may be involved in transferring the ownership of Wowxue, which may have a material adverse impact on Huzhou Company's businesses, prospects and results of operation.

Huzhou Company may need to pay a substantial amount of enterprise income tax for the income from the ownership transfer according to the Irrevocable Option Agreement.

### 有關可變利益實體協議的風險及限制

#### 1. 本公司的經濟風險

根據任何可變利益實體協議，作為沃學的主要受益人，湖州公司無義務分擔沃學的虧損或向沃學提供財務支持。此外，作為一家有限公司，沃學對其自身債務及虧損全權負責。經中國法律顧問告知，中國法律法規並未明確規定湖州公司須分擔沃學的虧損或向沃學提供財務支持。

#### 2. 行使購股權以收購沃學擁有權的限制

倘湖州公司根據不可撤回的購股權協議行使其購股權以收購沃學的全部或部分股權，收購沃學全部股權僅可在適用中國法律准許的情況下進行，且或須根據適用中國法律規定獲得必要的批准及經由相關程序。

此外，轉讓沃學擁有權時或會涉及較大數額的其他費用（如有）、開支及時間，可能對湖州公司的業務、前景及經營業績產生重大不利影響。

根據不可撤回的購股權協議，湖州公司或需就來自擁有權轉讓的收入繳納巨額企業所得稅。

# Management Discussion and Analysis

## 管理層討論與分析

### 3. Arrangements when potential conflicts of interest arise

Huzhou Company shall rely on the VIE Agreements to exercise control over and to draw the economic benefits from Wowxue. Huzhou Company may not be able to provide sufficient incentives to the Registered Shareholders for the purpose of encouraging it/them to act in the best interests of Wowxue, other than stipulating the relevant obligations in the VIE Agreements. The Registered Shareholders may breach the VIE Agreements in the event of conflicts of interest or deterioration of its/their relationship with Huzhou Company, the results of which may have a material adverse impact on Huzhou Company's business, prospects and results of operation.

It is not assured that if conflicts arise, the Registered Shareholders will act in the best interests of Huzhou Company or that the conflicts will be resolved in favour of Huzhou Company. If any of the Registered Shareholders fail to perform its obligations under the respective VIE Agreements, Huzhou Company may have to rely on legal remedies under the PRC laws through legal proceedings, which may be expensive, time-consuming and disruptive to Huzhou Company's operations and will be subject to uncertainties as discussed above.

### 4. Other risks relating to the VIE Agreements

Firstly, despite (i) there is currently no indication that the VIE Agreements will be interfered or objected by any PRC regulatory authorities; and (ii) the PRC Legal Adviser is of the view that the VIE Agreements do not violate any prevailing PRC laws or regulations, uncertainties still exist regarding the interpretation and application of the PRC laws and regulations especially in the area of value-added telecommunications business. For instance, the PRC regulatory authorities may issue further guidelines that impose stricter foreign ownership requirements in that area of business. Given the uncertain legal and business environment in the PRC, it is difficult to foresee whether the PRC regulatory authorities will take the same view regarding the VIE Agreements as the PRC Legal Adviser in the future.

### 3. 出現潛在利益衝突時之安排

湖州公司將倚賴可變利益實體協議行使控制權及自沃學抽取經濟利益。除可變利益實體協議所訂明之有關責任外，湖州公司可能無法就鼓勵登記股東以沃學之最佳利益行事而向登記股東提供足夠激勵。登記股東可能於出現利益衝突事件或其與湖州公司之關係惡化時違反可變利益實體協議，其結果可能對湖州公司之業務、前景及經營業績產生重大不利影響。

概不保證當發生衝突時，登記股東將以湖州公司之最佳利益行事或衝突將以對湖州公司有利之方式解決。倘任何登記股東未能履行其於各可變利益實體協議項下之責任，湖州公司可能須透過法律訴訟依賴中國法律下之法律補救，此可能屬昂貴、耗時及中斷湖州公司之營運，且可能面臨上文所討論之不明朗因素。

### 4. 有關可變利益實體協議的其他風險

首先，儘管(i)現時並無跡象顯示，任何中國監管機關將干預或反對可變利益實體協議；及(ii)中國法律顧問認為，可變利益實體協議並不違反任何現行的中國法律或法規，中國法律法規的詮釋及應用仍存在不確定性，特別是於增值電信業務領域。例如，中國監管機構可能進一步頒佈指引，對此業務範圍實施更為嚴格的外資擁有權規定。鑒於中國的法律及經營環境存在不明朗因素，難以預計中國監管機構未來會否就可變利益實體協議與中國法律顧問持有相同意見。





## Management Discussion and Analysis 管理層討論與分析

On 19 January 2015, the Ministry of Commerce of the PRC published the draft PRC Foreign Investment Law (中華人民共和國外國投資法(草案徵求意見稿)) and the Explanation on the draft PRC Foreign Investment Law (關於《中華人民共和國外國投資法(草案徵求意見稿)》的說明) (collectively the “Draft Law”) pursuant to which foreign companies gaining control over domestic companies via contractual arrangements such as the VIE Agreements will be regarded as foreign investments and will be governed by the Draft Law when it is adopted and becomes law. The PRC Legal Adviser is of the view that the Draft Law is currently in consultation stage and has not yet been effective or legally binding. As there are uncertainties on the final content and interpretations of the Draft Law, there is no assurance that the VIE Agreements will comply with the Draft Law when it is adopted and becomes law.

Secondly, the VIE Agreements may not provide control as effective as direct ownership. Huzhou Company does not have any direct equity ownership in Wowxue and has relied on the VIE Agreements to effect changes in the management of Wowxue and make an impact on its business decision making, as opposed to exercising its rights directly as a shareholder. If Wowxue or its shareholders refuse to cooperate, the Company will face difficulties in effecting control over Wowxue’s operation of business through the VIE structure, which may adversely affect the Company’s business efficiency.

於二零一五年一月十九日，中國商務部頒佈《中華人民共和國外國投資法(草案徵求意見稿)》及關於《中華人民共和國外國投資法(草案徵求意見稿)》的說明(統稱「法律草案」)，據此，透過合約安排(如可變利益實體協議)取得內資公司控制權之外資公司將被視為外國投資，並將於法律草案獲採納及成為法律時受其規管。中國法律顧問認為，法律草案現時僅供諮詢用途，尚未生效或具有法律約束力。由於法律草案之最終內容及詮釋存在不確定因素，故無法保證可變利益實體協議將符合法律草案(倘其獲採納及成為法律)。

第二，可變利益實體協議賦予的控制權未必如直接擁有同樣有效。湖州公司並未直接擁有任何沃學股權，且倚賴可變利益實體協議以對沃學管理層實施變動及對其業務決策作出影響，而非作為股東直接行使其權利。倘沃學或其股東拒絕合作，本公司將難以透過可變利益實體架構對沃學的業務營運實施控制權，從而對本公司的業務效益造成不利影響。



## Management Discussion and Analysis 管理層討論與分析

Thirdly, according to the Regulations on the Administration of Foreign-invested Telecommunication Enterprises (2016 Revision) (外商投資電信企業管理規定(2016修訂)) (the “FITE Regulations”), which were promulgated by the State Council of the PRC on 11 December 2001, and amended on 10 September 2008 and 6 February 2016, it requires a foreign investor who invests in a value-added telecommunications business in the PRC must possess prior experience in operating value-added telecommunications businesses and a proven track record of business operations overseas (the “Qualification Requirement”). Currently, none of the applicable PRC laws, regulations or rules provides clear guidance or interpretation on the Qualification Requirement. Despite the lack of clear guidance or interpretation on the Qualification Requirements, the Company intends to acquire the entire equity interests in the Wowxue when the PRC laws allow foreign investors to invest in value-added telecommunications business in the PRC. The Group plans to take steps to build up its track record of overseas value-added telecommunications business operations in an attempt to comply with the Qualifications Requirements, i.e., to establish overseas office in Hong Kong and to register a certain number of domain names outside of the PRC for conducting operation of websites and other businesses in relation to value-added telecommunication services in Hong Kong in coming one to three years, so as to be qualified to acquire the entire equity interests in the Wowxue when the relevant PRC laws allow foreign investors to invest and to hold a majority interest in value-added telecommunications enterprises in PRC. However, there is a risk that when the restrictions on foreign ownership in value-added telecommunications businesses are lifted in the PRC, Huzhou Company may still be required to unwind the VIE Agreements before Huzhou Company’s foreign investor Hong Kong Cybernaut is in a position to fully comply with the Qualification Requirement. Therefore, there is no guarantee that the steps taken will be sufficient to enable Huzhou Company to ultimately acquire the ownership in Wowxue.

第三，根據中國國務院於二零零一年十二月十一日頒佈且於二零零八年九月十日及二零一六年二月六日修訂的《外商投資電信企業管理規定（二零一六年修訂）》（《外商投資電信企業管理規定》），投資中國增值電信業務的外國投資者必須擁有經營增值電信業務的經驗，且海外營業過往記錄良好（「資質規定」）。目前，概無適用中國法律、法規或規則就資質規定作出明確指引或詮釋。儘管資格規定欠缺清晰指引或詮釋，本公司擬於中國法律允許外國投資者在中國投資增值電信業務時收購沃學之全部股權。本集團計劃採取措施建立海外增值電信業務經營之往績記錄，力圖符合資格規定，即於未來一至三年就香港增值電信服務在香港設立海外辦事處及在中國境外註冊多個域名，以經營網站及開展其他業務，從而於相關中國法律允許外國投資者在中國投資增值電信企業及持有其大部分權益時合資格收購沃學之全部股權。然而，倘中國就增值電信業務的外資擁有權作出限制，湖州公司可能仍須解除可變利益實體協議，除非湖州公司的外國投資者香港賽伯樂完全符合資質規定。因此，概不保證所採取的措施可令湖州公司最終獲得沃學的擁有權。



## Management Discussion and Analysis 管理層討論與分析

Fourthly, the VIE Agreements may be subject to scrutiny by the tax authorities and additional tax may be imposed. Under the Management Services Agreement, Wowxue is required to pay Huzhou Company management and consultancy fees for the services rendered by Huzhou Company. Such service fee payments between related parties may be subject to scrutiny or challenge by the PRC tax authorities within ten years after the taxable year when such transactions are conducted.

Fifthly, the VIE Agreements are governed by the PRC laws. When a dispute arises under any of the VIE Agreements, the parties to the dispute may have to rely on legal remedies under the PRC laws. The VIE Agreements provide that dispute will be submitted to the South China International Economic and Trade Arbitration Commission (華南國際經濟貿易仲裁委員會) for arbitration to be conducted in Shenzhen. The decision of such arbitration is final and binding on the parties to the dispute.

Since the legal environment in the PRC is different from that in Hong Kong and other jurisdictions, the uncertainties in the PRC legal system could limit the ability of Huzhou Company to enforce the VIE Agreements. There is no assurance that such arbitration result will be in favour of Huzhou Company and/or that there will not be any difficulties in enforcing any arbitral awards granted, including specific performance or injunctive relief and claiming damages by Huzhou Company. As Huzhou Company may not be able to obtain sufficient remedies in a timely manner, its ability to exert effective control over Wowxue and the conduct of the value-added telecommunication business could be materially and adversely affected, and may disrupt the business of Huzhou Company and have a material adverse impact on Huzhou Company's business, prospects and results of operation.

第四，可變利益實體協議或會受稅務機構的審查及可能被徵收額外稅項。根據管理服務合同，沃學須就湖州公司提供的服務向其支付管理及諮詢費。關連方之間的相關服務費款項或會於相關交易進行的稅務年度後十年內受到中國稅務機構的審查或質疑。

第五，可變利益實體協議受中國法律規管。倘任何可變利益實體協議出現爭議，爭議各方可能須倚賴中國法律項下的法律補救措施。可變利益實體協議規定，爭議將提呈予華南國際經濟貿易仲裁委員會，以於深圳進行仲裁。就爭議各方而言，相關仲裁決定屬最終且具約束力。

由於中國法律環境與香港及其他司法權區不同，故此，中國法律制度的不明朗性將限制湖州公司強制執行可變利益實體協議的能力。概不保證相關仲裁結果將有利於湖州公司及／或於強制執行授出的任何仲裁裁決時（包括湖州公司的特定表現或禁令救濟及損害賠償申索）將無任何困難。由於湖州公司未必能夠及時獲得充分補救，其有效控制沃學及開展增值電信業務的能力將受到重大不利影響，且可能中斷湖州公司的業務，並對湖州公司的業務、前景及經營業績造成重大不利影響。



## Management Discussion and Analysis 管理層討論與分析

Lastly, the VIE Agreements provide that the arbitration tribunal may award remedies over the equity interests or assets of Wowxue or injunctive relief (e.g. for the conduct of business or to compel the transfer of assets) or order the winding up of Wowxue. The VIE Agreements also include a clause in relation to dispute resolution among the parties where, when awaiting the formation of the arbitration tribunal or otherwise under appropriate conditions, the parties thereto may seek temporary injunctive relief or other temporary remedies from the courts in Hong Kong, Cayman Islands, the PRC and the location where the principal assets of the Company and Wowxue are located.

However, the PRC Legal Adviser is of the view that pursuant to the PRC laws, the arbitration tribunal may have no power to grant the aforementioned remedies or injunctive relief or to order the winding up of Wowxue. In addition, even though the VIE Agreements provide that overseas courts (e.g. courts in Hong Kong and Cayman Islands) shall have the power to grant certain relief or remedies, such relief or remedies may not be recognised or enforced under the PRC laws. As a result, in the event that Wowxue or the Registered Shareholders breaches the terms of the VIE Agreements, the Company may not be able to obtain sufficient remedies in a timely manner, and its ability to exert effective control over Wowxue could be materially and adversely affected. Huzhou Company does not maintain any insurance to cover the risks relating to the VIE Agreements.

The Board will continue to review the VIE Structure regularly and determine if the Group encounters any issues in safeguarding its assets held through the VIE Agreements. If any major issues or difficulties arise in doing so, the Board will continue to engage legal advisers and/or other professionals to assist the Group to tackle such issues or difficulties. Up to 31 December 2018, the Group does not maintain any insurance to cover the risks relating to the VIE Agreements.

Despite the above, as advised by the PRC legal advisers to the Company, the VIE Structure is in compliance with and, to the extent governed by the PRC laws currently in force, are enforceable under, the current PRC laws. The Company will continue to monitor the relevant PRC laws and regulations relevant to the VIE Structure and will take all necessary actions to protect the Company's interest in the Structured Entity.

最後，可變利益實體協議規定，仲裁庭可就沃學之股權或資產頒佈補救措施或禁令濟助（如就經營業務或強制轉讓資產）或頒令沃學清盤。可變利益實體協議亦載有解決訂約方之間爭議之條文，據此，當等候仲裁庭成立或在其他適當情況下，相關訂約方可向香港、開曼群島、中國及本公司及沃學主要資產所在地之法院尋求臨時禁令濟助或其他臨時補救措施。

然而，中國法律顧問認為，根據中國法律，仲裁庭可能無權授出上述補救措施或禁令濟助或頒令沃學清盤。此外，即使可變利益實體協議規定海外法院（如香港及開曼群島法院）須有權授出若干濟助或補救措施，該等濟助或補救措施未必可根據中國法律予以承認或強制執行。因此，倘沃學或登記股東違反可變利益實體協議之條款，本公司未必能夠及時獲授足夠補救措施，而其對沃學施加有效控制之能力可能受到重大不利影響。湖州公司並未就有關可變利益實體協議的風險購買任何保險。

董事會將繼續定期審查可變利益實體架構，並確定本集團在透過可變利益實體協議保護其資產方面是否遇到任何問題。倘出現任何重大問題或困難，董事會將繼續聘請法律顧問及／或其他專業人士協助本集團處理相關問題或困難。截至二零一八年十二月三十一日，本集團並未就有關可變利益實體協議的風險購買任何保險。

儘管上文所述，據本公司中國法律顧問建議，就現行有效的中國法律所規管而言，可變利益實體架構符合現行中國法律並可根據該等法律強制執行。本公司將繼續監測與可變利益實體架構有關的相關中國法律及法規，並將採取所有必要措施保障本公司於結構性實體的權益。



## Management Discussion and Analysis 管理層討論與分析

### UNWINDING OF THE VIE AGREEMENT

Up to 31 December 2018, none of the VIE Agreements has been unwound as none of the restrictions that led to the adoption of VIE Agreements has been removed.

### HUMAN RESOURCES AND STAFF REMUNERATION

As at 31 December 2018, the Group had about 445 staff members employed in mainland China and Hong Kong (2017: 459). Total staff costs for the year were approximately RMB30.7 million (2017: RMB39.4 million (Re-presented)). During the year, the Group continued to reinforce the training to its staff by providing training and study opportunities for management staff and professional technicians. In addition, the Group has provided a timely update to all staff about the latest government policies of the industry to continuously enhance the professional standard and quality of the staff.

Meanwhile, the Group has provided competitive remuneration for staff which encourages them to commit themselves and serve customers wholeheartedly. The Group operates share option scheme for the purpose to provide incentives and rewards to eligible directors and employees of the Group who contribute to the success of the Group's operations. The Group granted 80 million share options to its eligible employees during the financial year as announced on 13 January 2016. The remuneration payable to the senior management of the Company (excluding Directors and Chief Executive Officer) for the year ended 31 December 2018 was determined with reference to their position, responsibilities and experience and prevailing market condition.

### 解除可變利益實體協議

截至二零一八年十二月三十一日，由於使可變利益實體協議獲採納的限制並無取消，故概無解除任何可變利益實體協議。

### 人力資源及員工薪酬

於二零一八年十二月三十一日，本集團於中國大陸及香港合共聘用約445名員工（二零一七年：459名）。本年度的員工成本總額約為人民幣30,700,000元（二零一七年：人民幣39,400,000元（重新呈列））。年內，本集團繼續加強員工培訓工作，向管理人員和專業技術人員提供培訓及學習的機會。此外，本集團亦即時向所有員工傳達政府的最新行業政策方面的資訊，不斷提高員工的專業水平及質素。

同時，本集團還向其員工提供有競爭力之薪酬，鼓勵彼等全心全意為客戶服務。本集團設有一項購股權計劃，目的是向對本集團營運的成功作出貢獻之本集團合資格董事及僱員提供獎勵及報酬。如二零一六年一月十三日公佈，於本財政年度，本集團向其合資格僱員授出80,000,000份購股權。截至二零一八年十二月三十一日止年度，應付本公司高級管理層（不包括董事及行政總裁）薪酬乃參照彼等之職位、職責及經驗以及現行市況所釐定。



# Management Discussion and Analysis

## 管理層討論與分析

### PROSPECTS

At the World Economic Forum in Davos, Switzerland in early 2019, the International Monetary Fund (IMF) managing director, Christine Lagarde presented the new forecast that the world economy is growing more slowly than expected and risks are rising, after the solid expansion in the past two years. The IMF has cut its forecast for the world economic growth in 2019, citing heightened trade tensions and rising interest rates in the United States. The escalating trade war with the United States will drag on the world's second-largest economy – the Chinese economy; and the IMF expects that the Chinese economic growth in 2019 be 6.2 per cent, down from 6.6 per cent in 2018 and the slowest growth since 1990. Besides, the IMF lowers its forecast that growth in emerging-market countries will slow to 4.5 per cent from 4.6 per cent in 2018.

New development targets and government incentives on China economy for 2019 are released in the China government work report for review during the annual sessions of the top legislative and political advisory bodies; the country itself seeks for more economic transformation towards high-quality development and the Belt and Road Initiative from China has also offered Chinese companies in different industries to establish partnership with downstream companies in the related countries and regions.

Since March 2018, Donald Trump's Administration had pledged to renew the U.S. infrastructure coupled with the high impact of import restrictions and tariffs against steel and aluminium from overseas countries and particularly from China inhibited the world steel market and caused more market fluctuation in the global economic activity. In China, Premier Li Keqiang has called on all countries to safeguard free trade by boosting trade liberalization and facilitating investment, in efforts to fight the unreasonable rising protectionism in the U.S. And he has also commented that China will not use large-scale quantitative easing to bolster the economy and instead will boost market vitality through measures such as tax and fee cuts to stabilize economic growth and seek high-quality development in 2019.

### 展望

於二零一九年初在瑞士達沃斯舉行的世界經濟論壇上，國際貨幣基金組織(IMF)總裁克里斯蒂娜·拉加德提出新預測：經過近兩年的穩健擴張，世界經濟增長較預期減緩，風險不斷增加。由於美國貿易緊張局勢加劇及利率上升，IMF已下調二零一九年世界經濟增長預測。與美國的貿易戰升級將會拖累世界第二大經濟體－中國經濟。IMF預測中國經濟增長率將由二零一八年6.6%下降至二零一九年6.2%並為自一九九零年以來最低增速。此外，IMF下調預測，新興市場國家增長率將由二零一八年4.6%減緩至4.5%。

於中國立法及政治諮詢機構年度會議中，政府工作報告回顧已公佈中國經濟二零一九年新發展目標及政府激勵措施。中國經濟轉型尋求高質素發展及中國的一帶一路倡議亦為不同行業的中國公司提供契機，以與相關國家及地區的下游公司建立夥伴關係。

自二零一八年三月以來，唐納德·特朗普政府宣示要重建美國基礎建設及限制向海外國家（尤其是中國）進口鋼和鋁及有關關稅造成的嚴重影響，在全球經濟活動中阻礙全球鋼市場及使市場更加波動。中國方面，為對抗美國興起的不合理保護主義，總理李克強呼籲全球各國透過刺激貿易自由化及促進投資保障自由貿易。他還指出，中國不會大規模地採取量化寬鬆措施來促進經濟發展，但將通過減稅降費等措施增強市場活力，穩定經濟增長，並在二零一九年尋求高質量的發展。



# Management Discussion and Analysis

## 管理層討論與分析

### Steel flow control product business

The worldsteel reported that the world crude steel production was approximately 146.7 Mt in January 2019, representing a 1.0 per cent increase as compared to that of January 2018. The steel production in China is expected to slow as the China government's capacity-cutting efforts has improved the demand-supply relations and expects a further cut of ineffective steel capacity in 2019. Going forward we find the severe market competition and hardship ahead in the steel industry in China, given that the overcapacity reduction and the underlying effects from the trade war with the U.S. Our subsidiary engaged in the steel flow control product manufacturing, though in the transition stage to completion upon disposal, still needs to face the industry-wide government measures for its existing operation in China and impacts in the global market.

### Money lending business

The IMF has commended Hong Kong in its recent report for maintaining its financial regulation and supervision that the economy of Hong Kong grew 3.5 per cent in 2018, and with an expected economic growth slow to 2.9 per cent in 2019. Our money lending subsidiary, TCL will continue its tight credit policy when granting mortgage loans or loan renewals, and will restrict only to customers of good reference check or in referral business with strategic partnership via sub-mortgage arrangements, so as to maintain steady business in an effective manner. TCL will continue to adopt its existing lending policy with prudent and flexible business strategies to meet the environmental changes and property market trends in Hong Kong accordingly. It will focus and continue to seize business opportunities on the increasing demand for first-mortgage property loans with interest income as its revenue source from its clients.

### 鋼水控流產品業務

世界鋼鐵報告稱，二零一九年一月世界粗鋼產量約為146.7百萬噸，較二零一八年一月增加1.0%。由於中國政府減少過剩產能的努力仍已改善供需平衡，預期將在二零一九年進一步減少過剩鋼產能，故預期中國的鋼產能將有所減少。展望未來，在削減過剩產能及中美貿易戰的相關影響下，我們認為中國鋼鐵業未來將出現嚴峻市場競爭及困境。儘管我們從事鋼水控流產品製造的附屬公司處於出售後待完成的過渡階段，但仍需面臨有關其中國現有業務的行內政府措施及全球市場的影響。

### 放債業務

為維護其金融規管及監管，IMF於其近期報告中表揚香港，於二零一八年香港經濟增長3.5%並預期二零一九年經濟增長減緩至2.9%。我們的放債附屬公司TCL將於授出按揭貸款或貸款續期時繼續收緊信貸政策，並將僅向紀錄良好的客戶授出貸款及貸款續期，或透過二次按揭安排，與戰略夥伴進行轉介業務，以有效的方式維持業務穩定。TCL將繼續採用其現有借貸政策以及審慎及具靈活性的業務策略，以因應香港環境轉變及物業市場趨勢作出調整。其將專注及持續抓住具利息收入之首次按揭物業貸款需求增加的商機，作為來自其客戶的收入來源。

# Management Discussion and Analysis

## 管理層討論與分析

### ECommerce business

Global eCommerce today is not a luxury but a necessity. The advancement in the eCommerce technology and the rising competition among online sales transactions have raised different expectations that people have when using the eCommerce platforms. Our subsidiary engaged in eCommerce business, has specialized on B2C retailing through the platforms including Amazon and eBay will increase its product-mix and expand market developments. Besides, in regard to B2B segment sales, it has been selling second-handed mobile phones and accessories to Europe while the sales turnover in B2B is growing month by month. The eCommerce subsidiary management has found the turnover from the B2B sales fruitful and will continue with current strategy to seek greater market penetration overseas with more involvement from different local partners through the existing logistic network. Besides, the subsidiary has also enhanced brand awareness in its self-hosted websites on search engine marketing and after sales services. It has expanded more eCommerce business transactions through sales channels and platforms like Rakuten, Newegg, Walmart and Cdiscount marketplaces etc., with an aim at higher business growth in the non-English speaking markets. The subsidiary management realizes that the easy access to its own website and the eCommerce sales platforms can enable customers to choose their products conveniently worldwide, and adopting its current marketing strategy will continue to generate increasing revenue return for the Group.

### Internet online education business

Online education industry in China has grown rapidly in the past few years, but research analysts believe that more business opportunities will surface as technology advances and capital pours in. China will become one of the world's most vibrant online education markets in future, as there are growing household spending power, an undersupply of education resources, and the introduction of the two-child policy in the country. Through working for the online learning service, the teachers can publish schedules online based on their own time arrangements and teach classes from wherever there is internet accessible. The Group will allocate more resources from its pool of education experts in China to manage the subsidiary business growth and development of the online education in 2019.

### 電子商務業務

目前，全球電子商務並非奢侈品而是必需品。電子業務科技的進步及線上銷售交易的激烈競爭，使人們在使用電子商務平台時產生不同期望。我們的附屬公司從事電子商務業務，並透過亞馬遜及eBay等平台專注於B2C零售，其將增加其產品組合及擴大市場發展。此外，就B2B業務銷售，該公司已銷售二手手機及配件至歐洲且B2B業務每月銷售營業額均取得增長。電子商務附屬公司管理層認為B2B業務的銷售營業額豐碩，其將透過現有物流網絡讓更多不同的當地夥伴參與其中，憑藉當前策略繼續提高海外市場滲透率。此外，附屬公司亦已就搜尋引擎市場及售後服務加強自營網站的品牌知名度。其已透過銷售渠道及平台如樂天、新蛋、沃爾瑪及Cdiscount等市場增加更多電子商務交易，旨在專注於非英語市場業務增長。附屬公司管理層意識到提供輕鬆訪問其網站及電子商務銷售平台的渠道可讓客戶方便從世界各地選擇產品，及採用其目前營銷策略將繼續為本集團帶來不斷增長的收入回報。

### 互聯網線上教育業務

中國線上教育行業過去幾年來增長快速，但研究分析師相信隨著科技進步及資金投入，更多商機將會浮現。因家庭消費力增長及教育資源供應不足，以及中國引入二胎化政策，未來中國會成為全球最活躍的線上教育市場。藉由從事線上學習服務，教師可依其時間安排在線上發佈課程表，並於任何可連接至互聯網的地方授課。於二零一九年，本集團將會從其中國教育專家之人才庫分配更多資源，以管理附屬公司業務增長及線上教育發展。

# Management Discussion and Analysis

## 管理層討論與分析

Looking forward, the global economy is unstable, so the Group will allocate sufficient resources for market expansion in the profit-generating subsidiaries, namely the money lending business, eCommerce business and the online education business. Moreover, the management is still prudently optimistic about the operating environments of these profitable segment business and will devote more corporate efforts to restructure the underperformed or phase out the non-contributing ones.

### COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company had complied with all the code provisions (the “Code Provisions”) as set out in the Corporate Governance Code and Corporate Governance Report, contained in Appendix 14 to the Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) during the year ended 31 December 2018, except for Code Provision A.6.7 in respect of the attendance of non-executive directors and independent non-executive directors in the general meetings.

According to Code Provision A.6.7, non-executive directors and independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to other business engagements, one non-executive director and one independent non-executive director could not attend the 2017 annual general meeting held on 6 June 2018. However, at the 2017 annual general meeting, there were executive and independent non-executive directors present to enable the Board to develop a balanced understanding of the views of the shareholders of the Company.

### COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) of the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. After specific enquiry, all Directors confirmed that they have complied with the required standard regarding securities transactions set out therein throughout the year ended 31 December 2018. No incident of non-compliance was noted by the Company for the year ended 31 December 2018. Relevant employees who are likely to be in possession of inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

展望未來，全球經濟不穩定，因此本集團將為可獲利附屬公司擴展市場（即放債業務、電子商務業務及線上教育業務）分配充足資源。此外，管理層對該等可獲利分部業務的營運環境仍保持審慎樂觀態度，並將投入更多企業努力以重整表現不佳分部或淘汰並無貢獻的分部。

### 遵守企業管治常規守則

本公司於截至二零一八年十二月三十一日止年度一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則附錄十四所載之企業管治守則及企業管治報告之所有守則條文（「守則條文」），惟並無遵守守則條文第A.6.7條有關非執行董事及獨立非執行董事出席股東大會的規定。

根據守則條文第A.6.7條，非執行董事及獨立非執行董事應出席股東大會及對股東的意見有公正的瞭解。由於其他公務事宜，一名非執行董事及一名獨立非執行董事未能出席於二零一八年六月六日舉行之二零一七年股東週年大會。然而，於二零一七年股東週年大會上，執行及獨立非執行董事之出席足以使董事會對本公司股東的意見有公正的瞭解。

### 遵守上市發行人董事進行證券交易的標準守則

本公司已採納上市規則有關上市發行人董事進行證券交易的操守守則（「操守守則」）作為董事買賣本公司證券的行為守則。經作出具體查詢後，全體董事已確認彼等於截至二零一八年十二月三十一日止年度內一直遵守操守守則所載有關證券交易的規定標準。截至二零一八年十二月三十一日止年度內本公司並不知悉任何不合規事件。可能擁有本集團內幕消息的相關員工亦須遵守內容不比操守守則寬鬆的書面指引。



# Management Discussion and Analysis

## 管理層討論與分析

### AUDIT COMMITTEE

The audit committee of the Board (the “Audit Committee”) comprises three independent non-executive Directors, namely Mr. Tong Yiu On (committee chairman), Mr. Li Yik Sang and Mr. Cao Ke.

The Audit Committee has reviewed together with the management and the external auditor the accounting principles and practices adopted by the Group and has also reviewed auditing, risk management and internal control and financial reporting matters, including the review of the annual results for the year ended 31 December 2018.

### REVIEW OF ACCOUNTS

The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and the consolidated financial statements for the year ended 31 December 2018.

### SCOPE OF WORK OF MESSRS. ELITE PARTNERS CPA LIMITED

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2018 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Elite Partners CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Elite Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Elite Partners CPA Limited on the preliminary announcement.

### 審核委員會

董事會審核委員會（「審核委員會」）由三名獨立非執行董事組成，即唐耀安先生（委員會主席）、李奕生先生及曹克先生。

審核委員會已與管理層及外聘核數師共同檢討本集團所採納的會計原則及慣例，並檢討審核、風險管理及內部控制及財務報告事項，包括審閱截至二零一八年十二月三十一日止年度的全年業績。

### 審閱賬目

審核委員會已連同本公司管理層審閱本集團採納之會計原則及慣例，以及截至二零一八年十二月三十一日止年度之綜合財務報表。

### 開元信德會計師事務所有限公司的工作範圍

本集團的核數師開元信德會計師事務所有限公司就本集團初步公佈所載的截至二零一八年十二月三十一日止年度之綜合財務狀況表、綜合損益及其他全面收益表及有關附註公佈的數字與本集團的經審核綜合財務報表進行比較，結果與該年度經審核綜合財務報表相符。由於開元信德會計師事務所有限公司就此進行的工作不構成根據香港會計師公會頒佈的香港審計準則、香港審閱聘用準則或香港核證聘用準則而進行的核證聘用，因此開元信德會計師事務所有限公司不對本初步業績公佈發表任何核證。

# Management Discussion and Analysis

## 管理層討論與分析

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

During the year ended 31 December 2018, the Company repurchased a total of 217,700,000 ordinary shares of the Company at an aggregate purchase price of HK\$57,339,000 (before brokerage and expenses) on The Stock Exchange of Hong Kong Limited. Details of the repurchases of such ordinary shares were as follows:

### 購買、出售或贖回本公司上市證券

截至二零一八年十二月三十一日止年度，本公司以總購買價57,339,000港元（扣除經紀佣金及開支前）於香港聯合交易所有限公司購回合共217,700,000股本公司普通股。購回該等普通股之詳情如下：

Month of repurchase 購回月份		Number of ordinary shares repurchased 購回普通股數目 ( <i>'000</i> ) (千股)	Price per ordinary share 每股普通股價格		Aggregate purchase price 總購買價 ( <i>HK\$'000</i> ) (千港元)
			Highest 最高 ( <i>HK\$</i> ) (港元)	Lowest 最低 ( <i>HK\$</i> ) (港元)	
February 2018	二零一八年二月	101,968	0.295	0.247	27,803
April 2018	二零一八年四月	9,448	0.275	0.270	2,588
May 2018	二零一八年五月	39,364	0.280	0.265	10,762
June 2018	二零一八年六月	17,892	0.270	0.255	4,693
July 2018	二零一八年七月	28,336	0.270	0.250	7,208
September 2018	二零一八年九月	7,648	0.22	0.210	1,637
October 2018	二零一八年十月	13,044	0.213	0.195	2,648
Total	總計	<u>217,700</u>			<u>57,339</u>

Save as disclosed above, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the year ended 31 December 2018.

除上文所披露者外，截至二零一八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。



# Corporate Governance Report

## 企業管治報告

The Board hereby presents this Corporate Governance Report in the Group's annual report for the year ended 31 December 2018.

The Board is committed to maintaining a high standard of corporate governance and endeavours in following the code provisions ("Code Provisions") as set out in the Corporate Governance Code ("CG Code") and Corporate Governance Report, contained in Appendix 14 to the Rules ("Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). The Board considers such commitment is essential for the growth of the Group and for maximising the interest of the shareholders ("Shareholders") of the Company. The Company regularly reviews its corporate governance practices to ensure that the latest development in corporate governance can be followed and observed.

### CORPORATE GOVERNANCE PRACTICES

During the financial year under review, the Company had complied with all the code provisions (the "Code Provisions") as set out in the Corporate Governance Code and Corporate Governance Report, contained in Appendix 14 to the Listing Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the year ended 31 December 2018, except for Code Provision A.6.7 in respect of the attendance of independent non-executive directors and other non-executive directors in the general meetings.

According to Code Provision A.6.7, non-executive directors and independent non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Due to other business engagements, one non-executive director and one independent non-executive director could not attend the 2017 annual general meeting held on 6 June 2018. However, at the 2017 annual general meeting, there were executive and independent non-executive directors present to enable the Board to develop a balanced understanding of the views of the shareholders of the Company.

董事會謹此在本集團截至二零一八年十二月三十一日止年度之年報中呈列本企業管治報告。

董事會致力維持高水準之企業管治，並竭盡所能遵行香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載企業管治守則（「企業管治守則」）及企業管治報告的守則條文（「守則條文」）。董事會認為，此項承諾對本集團之發展及使本公司股東（「股東」）的利益最大化等至關重要。本公司定期檢討其企業管治常規，以確保遵行及遵守企業管治之最新發展。

### 企業管治常規

於回顧財政年度，本公司於截至二零一八年十二月三十一日止年度一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則附錄十四所載之企業管治守則及企業管治報告之所有守則條文（「守則條文」），惟並無遵守守則條文第A.6.7條有關獨立非執行董事及其他非執行董事出席股東大會的規定。

根據守則條文第A.6.7條，非執行董事及獨立非執行董事應出席股東大會及對股東的意見有公正的瞭解。由於其他公務事宜，一名非執行董事及一名獨立非執行董事未能出席於二零一八年六月六日舉行之二零一七年股東週年大會。然而，於二零一七年股東週年大會上，執行及獨立非執行董事之出席足以使董事會對本公司股東的意見有公正的瞭解。



## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopted on 7 June 2010 its securities dealing code (“Code”) regarding the dealings of securities of the Company by the Directors and senior management of the Group, on terms no less exacting than the required standard under the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules.

The Company, having made specific enquiry of all Directors and senior management of the Group, all the Directors and senior management of the Group have confirmed that they have complied with the required standard as set out in the Code and Appendix 10 to the Listing Rules regarding securities transactions by Directors and senior management of the Group throughout the financial year ended 31 December 2018.

## BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group’s overall strategic policies. The management is delegated with the authority and responsibility by the Board for the management of the Group.

The Board is composed of five executive Directors namely Mr. Zhu Min, Mr. Sin Kwok Wai Ronald, Mr. Lu Yongchao, Mr. Xu Yejun and Mr. Gao Xiang (Resigned on 12 April 2018); two non-executive Directors, namely Mr. Chow Chi Wa and Ms. Yip Sum Yu; and three independent non-executive Directors, namely Mr. Tong Yiu On, Mr. Li Yik Sang and Mr. Cao Ke. The Chief Executive Officer of the Company is Dr. Wang Matthew Yang; and the Co-Chief Executive Officer was Mr. Gao Xiang (resigned on 12 April 2018). The biographical details of the Directors and the chief executive officers are set out under “Directors and senior management” on pages 80 to 91 of this annual report of the Company for the year ended 31 December 2018.

## 證券交易之標準守則

本公司於二零一零年六月七日就董事及本集團高級管理層進行本公司之證券交易採納一套證券交易守則（「守則」），其條款不遜於上市規則附錄十所載上市發行人董事進行證券交易的標準守則所載的要求標準。

經本公司向所有董事及本集團高級管理層個別作出查詢後，所有董事及本集團高級管理層已確認，於截至二零一八年十二月三十一日止財政年度已就董事及本集團高級管理層進行證券交易遵守守則及上市規則附錄十所載的要求標準。

## 董事會

董事會負責本公司的領導及控制權，並監察本集團的整體策略性政策。管理層履行董事會委託的權力及責任，藉以管理本集團。

董事會包括五名執行董事，即朱敏先生、冼國威先生、呂永超先生、徐葉君先生及高翔先生（於二零一八年四月十二日辭任）；兩名非執行董事，即周志華先生及葉芯瑜女士；及三名獨立非執行董事，即唐耀安先生、李奕生先生及曹克先生。本公司行政總裁為王陽博士；聯席行政總裁為高翔先生（於二零一八年四月十二日辭任）。董事及行政總裁之履歷詳情載於本公司截至二零一八年十二月三十一日止年度之年報第80至91頁「董事及高級管理層」內。

# Corporate Governance Report

## 企業管治報告

Pursuant to the articles of association of the Company, Mr. Sin Kwok Wai Ronald (appointed as executive Director on 10 October 2014), Mr. Tong Yiu On, Mr. Li Yik Sang (appointed as an independent non-executive Directors on 10 October 2014 respectively) and Mr. Cao Ke (appointed as an independent non-executive Director on 10 June 2015) shall retire at the 2018 general meeting of the Company and, being eligible, offer themselves for re-election.

The non-executive Directors were appointed for a term of one year, renewable automatically every year and eligible for re-election at the annual general meeting of the Company.

The Board meets regularly to review and determine the corporate strategies and overall strategic policies. Each of the members of the Board has full access to relevant information at the meetings. During the financial year ended 31 December 2018, the Board has convened four regular meetings at which, among other things, the following activities were conducted at such regular meetings:

- (1) approved the annual results and annual report for the financial year ended 31 December 2017 and matters to be considered at the annual general meeting of the Company;
- (2) approved the interim results and interim report for the six months ended 30 June 2018;
- (3) reviewed and approved corporate strategies of the Group for the financial year ending 31 December 2019; and
- (4) reviewed the performance and financial position of the Group.

根據本公司組織章程細則，冼國威先生（於二零一四年十月十日獲委任為執行董事）、唐耀安先生及李奕生先生（分別於二零一四年十月十日獲委任為獨立非執行董事）及曹克先生（於二零一五年六月十日獲委任為獨立非執行董事）將於本公司二零一八年股東大會上退任，惟符合資格並願意膺選連任。

非執行董事獲委任的任期為一年，每年自動續期並符合資格於本公司股東週年大會上膺選連任。

董事會定期召開會議，以檢討及制定企業策略及整體策略性政策。董事會每位成員均有權取閱會議之相關資料。於截至二零一八年十二月三十一日止財政年度，董事會已召開四次定期會議，並在該等定期會議上處理（其中包括）以下事務：

- (1) 批准截至二零一七年十二月三十一日止財政年度之年度業績及年報以及於本公司股東週年大會上審議之事宜；
- (2) 批准截至二零一八年六月三十日止六個月之中期業績及中期報告；
- (3) 審閱及批准本集團於截至二零一九年十二月三十一日止財政年度之企業策略；及
- (4) 檢討本集團之表現及財務狀況。

# Corporate Governance Report

## 企業管治報告

The Board is also responsible for determining the Company's corporate governance policies and performing corporate governance duties set out under the CG Code. Its corporate governance duties include, among others, (i) to develop and review the Company's policies and practices on corporate governance; (ii) to review and monitor the training and continuous professional development of Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal or regulatory requirements; (iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and (v) to review the Company's disclosure in its corporate governance report.

Apart from the regular board meetings, the Board met on other occasions when a board-level decision on a particular matter was required.

Details of the Directors' attendance records at the board meetings and general meeting during the financial year ended 31 December 2018 are as follows:

Directors	Board Meetings	General Meeting
<b>Meetings attended/held</b>		
<b>Executive Directors</b>		
Mr. Zhu Min	15/21	-/2
Mr. Sin Kwok Wai Ronald	21/21	2/2
Mr. Lu Yongchao	21/21	2/2
Mr. Xu Yejun	15/21	-/2
Mr. Gao Xiang <sup>1</sup>	-/4	-/-
<b>Non-executive Directors</b>		
Mr. Chow Chi Wa	18/21	1/2
Ms. Yip Sum Yu	18/21	2/2
<b>Independent non-executive Directors</b>		
Mr. Tong Yiu On	16/21	1/2
Mr. Li Yik Sang	16/21	2/2
Mr. Cao Ke	15/21	-/2

<sup>1</sup> Resigned on 12 April 2018

董事會亦負責釐定本公司的企業管治政策及履行載於企業管治守則的企業管治職責。其企業管治職責包括(其中包括)(i)制定及檢討本公司的企業管治政策及常規；(ii)檢討及監察董事及高級管理層的培訓及持續專業發展；(iii)檢討及監察本公司在遵守法律或監管規定方面的政策及常規；(iv)制定、檢討及監察僱員及董事適用的操守準則及合規手冊(如有)；及(v)檢討本公司在其企業管治報告內的披露。

除董事會定期會議外，董事會亦在須對特定事宜作出董事會決策時召開會議。

於截至二零一八年十二月三十一日止財政年度內，董事出席董事會會議及股東大會之記錄詳情如下：

董事	董事會會議	股東大會
<b>出席/舉行會議次數</b>		
<b>執行董事</b>		
朱敏先生	15/21	-/2
冼國威先生	21/21	2/2
呂永超先生	21/21	2/2
徐葉君先生	15/21	-/2
高翔先生 <sup>1</sup>	-/4	-/-
<b>非執行董事</b>		
周志華先生	18/21	1/2
葉芷瑜女士	18/21	2/2
<b>獨立非執行董事</b>		
唐耀安先生	16/21	1/2
李奕生先生	16/21	2/2
曹克先生	15/21	-/2

<sup>1</sup> 於二零一八年四月十二日辭任

# Corporate Governance Report

## 企業管治報告

Whilst the Board as a whole is to determine the corporate strategies and overall strategy policies, the executive Directors and senior management of the Company, as delegated by the Board, are responsible for implementing the determined strategies and policies and the day-to-day management of the Group's business.

Save as disclosed under the section headed "Directors and senior management" of this annual report, there is no other relationship (whether financial, business, family or other material/relevant relationships) among the members of the Board.

The Company has received from each of the independent non-executive Directors a written confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all the independent non-executive Directors to be independent.

### DIRECTORS' TRAINING

Pursuant 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. This is to ensure that their contribution to the board remains informed and relevant. The Company shall be responsible for arranging suitable training for all Directors at the Company's expense.

During the year ended 31 December 2018, the Directors participated in the following trainings:

#### Directors

##### Executive Directors

Mr. Zhu Min  
Mr. Sin Kwok Wai Ronald  
Mr. Lu Yongchao  
Mr. Xu Yejun  
Mr. Gao Xiang<sup>1</sup>

#### Type of training

A, B  
A, B  
A, B  
B  
A, B

董事會全體負責制定企業策略及整體策略性政策，而執行董事及本公司高級管理層則獲董事會委派負責執行既定的策略及政策以及本集團業務的日常管理。

除本年報「董事及高級管理層」一節所披露外，董事會各成員之間並無任何其他關係（不論財務、業務、家族或其他重大／有關利益之關係）。

根據上市規則第3.13條，本公司已收到各獨立非執行董事有關其獨立性的書面確認。本公司認為所有獨立非執行董事均屬獨立身份。

### 董事培訓

根據企業管治守則的守則條文第A.6.5條，所有董事應持續參加專業的培訓計劃，增加和更新其知識和技能，以確保彼等向董事會作出知情及相關貢獻。本公司須向所有董事安排合適的培訓，費用由本公司承擔。

於截至二零一八年十二月三十一日止年度，董事參加了以下培訓：

#### 董事

##### 執行董事

朱敏先生  
冼國威先生  
呂永超先生  
徐葉君先生  
高翔先生<sup>1</sup>

A類、B類  
A類、B類  
A類、B類  
B類  
A類、B類

# Corporate Governance Report

## 企業管治報告

### Non-executive Directors

Mr. Chow Chi Wa

A, B

Ms. Yip Sum Yu

B

### Independent non-executive Directors

Mr. Tong Yiu On

A, B

Mr. Li Yik Sang

A, B

Mr. Cao Ke

B

<sup>1</sup> Resigned on 14 April 2018

A: attending seminars and/or conferences and/or forums

B: reading newspapers, journals, Company newsletters and updates relating to the economy, general business, IT, eCommerce and steel industry or Directors' duties and responsibilities, etc.

### BOARD DIVERSITY POLICY

During the year under review, the Board adopted a board diversity policy setting out the approach to achieve diversity on the Board. The Company considered diversity of Board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

### 非執行董事

周志華先生

A類、B類

葉芯瑜女士

B類

### 獨立非執行董事

唐耀安先生

A類、B類

李奕生先生

A類、B類

曹克先生

B類

<sup>1</sup> 於二零一八年四月十四日辭任

A類：參加研討會及／或會議及／或論壇

B類：閱讀與經濟、一般業務、資訊科技、電子商務及鋼鐵行業或董事之職責有關的報紙、雜誌、公司新聞稿及最新資訊等

### 董事會成員多元化政策

回顧年度內，董事會採用董事會成員多元化政策，該政策載列實現董事會成員多元化的方法。本公司認為董事會成員的多元化可通過考慮（包括但不限於）性別、年齡、文化及教育背景、專業經驗、技能及知識等多個方面來實現。董事會所有委任均將以任人唯賢為原則，並且在考慮候選人時以客觀條件充分估計董事會成員多元化的裨益。

甄選候選人將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終決定將按候選人的長處及可為董事會提供的貢獻而作出。

# Corporate Governance Report

## 企業管治報告

### NOMINATION COMMITTEE

The nomination committee of the Company (“Nomination Committee”) is currently consisted of four members, comprising one executive Director, namely Mr. Lu Yongchao (chairman) and three independent non-executive Directors, namely Mr. Tong Yiu On, Mr. Li Yik Sang and Mr. Cao Ke. It was established by the Board with effect from 27 March 2012 and its duties are clearly defined in its terms of reference which have been prepared and adopted according to the CG Code.

The Nomination Committee held two meetings during the year under review and conducted the following activities:

- (1) reviewed the structure, size and diversity of the Board; and
- (2) reviewed the retirement of Directors by rotation and the re-appointment of the retiring Directors at the 2015 annual general meeting of the Company.

Details of attendance of each member of the Nomination Committee during the financial year ended 31 December 2018 are as follows:

	Attendance
<b>Executive Director</b>	
Mr. Lu Yongchao	2/2
<b>Independent non-executive Directors</b>	
Mr. Tong Yiu On	2/2
Mr. Li Yik Sang	2/2
Mr. Cao Ke	2/2

### 提名委員會

本公司提名委員會（「提名委員會」）目前由四名成員組成，包括一名執行董事，即呂永超先生（主席）及三名獨立非執行董事，即唐耀安先生、李奕生先生及曹克先生。提名委員會由董事會於二零一二年三月二十七日成立，其職責已在按照企業管治守則編製及採納之職權範圍中清楚界定。

提名委員會於回顧年度內舉行了兩次會議並處理以下事項：

- (1) 審查董事會結構、人數及多元化；及
- (2) 審閱於本公司二零一五年股東週年大會上輪流退任董事及重新委任退任董事。

於截至二零一八年十二月三十一日止財政年度，提名委員會每名成員之出席詳情載列如下：

	出席率
<b>執行董事</b>	
呂永超先生	2/2
<b>獨立非執行董事</b>	
唐耀安先生	2/2
李奕生先生	2/2
曹克先生	2/2



### REMUNERATION COMMITTEE

The remuneration committee of the Company (“Remuneration Committee”) currently comprises four members, including three independent non-executive Directors, namely Mr. Cao Ke (chairman), Mr. Tong Yiu On and Mr. Li Yik Sang, and one executive Director, namely Mr. Lu Yongchao. The Remuneration Committee was established by the Board on 7 June 2010 and its duties are clearly defined in its written terms of reference which have been prepared and adopted according to the Code Provisions.

The Remuneration Committee meets annually to review the remuneration policies and packages for Directors and senior management of the Company and to make recommendations to the Board on such remuneration policies and packages. No Director takes part in any discussions and decisions about his own remuneration.

Details of attendance of each member of the Remuneration Committee during the financial year ended 31 December 2018 are as follows:

	Attendance		出席率
<b>Executive Director</b>		<b>執行董事</b>	
Mr. Lu Yongchao	1/1	呂永超先生	1/1
<b>Independent non-executive Directors</b>		<b>獨立非執行董事</b>	
Mr. Cao Ke ( <i>Chairman</i> )	1/1	曹克先生 ( <i>主席</i> )	1/1
Mr. Tong Yiu On	1/1	唐耀安先生	1/1
Mr. Li Yik Sang	1/1	李奕生先生	1/1

### 薪酬委員會

本公司之薪酬委員會（「薪酬委員會」）目前由四名成員組成，包括三名獨立非執行董事，即曹克先生（主席）、唐耀安先生及李奕生先生以及一名執行董事，即呂永超先生。薪酬委員會由董事會於二零一零年六月七日成立，其職責已在按照守則條文編製及採納之書面職權範圍中清楚界定。

薪酬委員會每年舉行會議，以檢討本公司董事及高級管理層之薪酬政策及待遇，並就該等薪酬政策及待遇向董事會提出建議。各董事不會參與有關其本身薪酬之討論及決定。

於截至二零一八年十二月三十一日止財政年度，薪酬委員會每名成員之出席詳情載列如下：

# Corporate Governance Report

## 企業管治報告

During the financial year ended 31 December 2018, the Remuneration Committee had convened two meetings with full attendance by its members and conducted the following activities:

- (1) reviewed and approved the remuneration packages of the Directors and senior management of the Company; and
- (2) reviewed the terms of the service contracts of all the executive Directors by reference to their performance.

### AUDIT COMMITTEE

The audit committee of the Company (“Audit Committee”) currently comprises three independent non-executive Directors, namely Mr. Tong Yiu On (chairman), Mr. Li Yik Sang and Mr. Cao Ke. The Audit Committee was established by the Board on 7 June 2010 and its duties are clearly defined in its written terms of reference which have been prepared and adopted according to the Code Provisions.

The Audit Committee provides an important link between the Board and the Company’s auditor in matters coming within the scope of the Group’s audit. It also reviews the annual and interim reports of the Company prior to their approval by the Board, the effectiveness of the external and internal audit and of internal controls and risk evaluation.

During the financial year under review, the Audit Committee has convened two meetings and conducted the following activities:

- (1) reviewed the annual and interim reports of the Company;
- (2) reviewed the report of internal audit department, internal controls system and financial matters of the Group in pursuance of the written terms of reference;
- (3) reviewed the audit plans and findings of the external auditor of the Company; and
- (4) made recommendation to the Board on the appointment of the external auditor.

於截至二零一八年十二月三十一日止財政年度，薪酬委員會曾召開兩次會議，全體成員均有出席，並處理以下事務：

- (1) 檢討及批准本公司董事及高級管理層之薪酬待遇；及
- (2) 參考執行董事之表現，以檢討全體執行董事之服務合約條款。

### 審核委員會

本公司之審核委員會（「審核委員會」）目前由三名獨立非執行董事組成，即唐耀安先生（主席）、李奕生先生及曹克先生。審核委員會由董事會於二零一零年六月七日成立，其職責已在按照守則條文編製及採納之書面職權範圍中清楚界定。

審核委員會在董事會及本公司核數師之間就本集團有關審核範圍內之事宜擔當重要聯繫。審核委員會亦在董事會批准年報及中期報告前審閱年報及中期報告、檢討外部和內部審核之有效性以及檢討內部控制及風險評估。

於回顧財政年度，審核委員會曾召開兩次會議並處理以下事務：

- (1) 審閱本公司之年報及中期報告；
- (2) 根據書面職權範圍審閱本集團內部審核部門之報告、內部控制系統及財務事宜；
- (3) 審閱本公司外聘核數師之審核計劃及結果；及
- (4) 就外聘核數師之委任事宜向董事會提出建議。

# Corporate Governance Report

## 企業管治報告

Details of attendance of each member of the Audit Committee during the financial year ended 31 December 2018 are as follows:

於截至二零一八年十二月三十一日止財政年度，審核委員會每名成員之出席詳情如下：

	<b>Attendance</b>		<b>出席率</b>
<b>Independent non-executive Directors</b>		<b>獨立非執行董事</b>	
Mr. Tong Yiu On ( <i>Chairman</i> )	2/2	唐耀安先生 ( <i>主席</i> )	2/2
Mr. Li Yik Sang	2/2	李奕生先生	2/2
Mr. Cao Ke	1/2	曹克先生	1/2

There was no disagreement between the Board's and the Audit Committee's view on the selection, appointment of the external auditor.

董事會與審核委員會在外聘核數師之選擇及委任上並無意見分歧。

### AUDITOR'S REMUNERATION

### 核數師酬金

During the financial year ended 31 December 2018, the nature of the audit and non-audit services provided by Elite Partners CPA Limited, the auditor of the Company, and the relevant fees paid/payable by the Company for such services are as follows:

於截至二零一八年十二月三十一日止財政年度，本公司核數師開元信德會計師事務所有限公司提供之審計及非審計服務之性質，以及本公司就該等服務已付／應付之有關費用如下：

<b>Services rendered</b>	<b>Fee paid/payable</b> HK\$	<b>所提供之服務</b>	<b>已付／應付費用</b> 港元
Annual audit	980,000	年度審計	980,000
Interim review	300,000	中期審閱	300,000



# Corporate Governance Report

## 企業管治報告

### RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of the financial statements for each financial period which gives a true and fair view of the state of affairs of the Group. In preparing the financial statements for the financial year ended 31 December 2018, the Directors have selected appropriate accounting policies and applied them consistently, and have prepared the financial statements on a historical cost basis.

The statement of the external auditor about their reporting responsibilities on the financial statements are set out in the Independent Auditor's Report on pages 116 to 126 of this annual report of the Company.

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group established and maintained appropriate and effective risk management and internal control systems.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

### 就財務報表承擔之責任

董事負責編製正確及公平反映每一財政期間本集團事務狀況之財務報表。在編製截至二零一八年十二月三十一日止財政年度之財務報表時，董事已選擇適當之會計政策及貫徹應用，並按歷史成本基準編製財務報表。

外聘核數師有關彼等就財務報表之申報責任之聲明已載於本公司之年報第116至126頁之獨立核數師報告內。

### 風險管理及內部控制

董事會全面負責評估及釐定為實現本集團戰略目標而擬採取的措施的風險性質及程度，並確保本集團建立及維護適當有效的風險管理及內部控制系統。

審核委員會持續檢討對本集團屬重大的風險管理及內部控制。審核委員會考量本集團會計、內部審核及財務匯報職能方面的資源、資歷及經驗是否充足以及對員工與外聘顧問的培訓情況。



## Corporate Governance Report 企業管治報告

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

The Group has established risk management procedures to address and handle the all significant risks associate with the business of the Group. The Board would perform annual review on any significant change of the business environment and establish procedures to response the risks result from significant change of business environment. The risk management and internal control systems are designed to mitigate the potential losses of the business.

The management would identify the risks associate with the business of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritized based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results, type of risk management strategy has been listed as follow:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risks;
- Risk avoidance: change business process or objective so as to avoid the risk;
- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market;

本集團管理層負責風險管理及內部控制系統的設計、維護、實施及監控，確保實行充分的控制，維護本集團資產及股權持有人的利益。

本集團已制訂風險管理程序，解決及處理與本集團業務有關的所有重大風險。董事會每年對業務環境出現的任何重大變化進行檢討，並制定程序以應對業務環境的重大變化帶來的風險。風險管理及內部控制系統旨在減少業務的潛在虧損。

管理層將通過考慮政治、經濟、技術、環境、社會及員工等內外因素及事件以識別與本集團業務有關的風險。各種風險均已根據其相關影響及發生機率進行評估及優先排序。根據評估結果，相關風險管理策略將適用於各類風險，風險管理策略的類型如下：

- 風險抑制及減少：本集團接受風險的影響或採取行動以減少風險的影響；
- 風險規避：改變業務流程或目標以規避風險；
- 風險分擔及多樣化：將風險的影響多元化或分配至不同位置或產品或市場；

# Corporate Governance Report

## 企業管治報告

- Risk transfer: transfer ownership and liability to a third party. The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimise the adverse impact results from the risks. The risk management and internal control system are design to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

For the year ended 31 December 2018, the Group has engaged an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. There is no significant deficiency and weakness on the internal control system has been identified by the external advisory firm for the year ended 31 December 2018.

The Board considered that, for the year ended 31 December 2018, the risk management and internal control system and procedures of the Group, covering all material controls including financial, operational and compliance controls and risk management functions were reasonably effective and adequate.

## SHAREHOLDERS' RIGHTS

### Procedures for shareholders to convene an extraordinary general meeting

The following procedures for the Shareholders to convene an extraordinary general meeting ("EGM") of the Company are prepared in accordance with Article 64 of the articles of association of the Company:

- (a) one or more Shareholders ("Requisitionist(s)") holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings shall have the right, by written notice, to require an EGM to be called by the Directors for the transaction of any business specified in such requisition.

- 風險轉移：將所有權及責任轉移至第三方。設計和實施內部控制系統旨在減少與本集團接受的業務相關的風險，並儘量減少風險的不利影響。設計風險管理及內部控制系統乃為管理而非消除未能實現業務目標的風險，僅能提供合理而非絕對的保證，防止出現重大錯誤陳述或損失。

截至二零一八年十二月三十一日止年度，本集團聘請外部諮詢公司履行內部審核職能，確保本集團風險管理及內部控制系統的有效性及效率。外部諮詢公司釐定，截至二零一八年十二月三十一日止年度，內部控制系統並不存在重大缺陷與不足。

董事會認為，截至二零一八年十二月三十一日止年度，涵蓋財務、經營及合規控制以及風險管理職能所有重要控制的本集團風險管理及內部控制系統及程序屬合理有效及充分。

## 股東權利

### 股東召開股東特別大會之程序

下列股東召開本公司股東特別大會（「股東特別大會」）之程序乃根據本公司組織章程細則第64條所編製：

- (a) 於遞呈要求日期持有不少於本公司繳足股本十分之一的任何一名或多名有權於股東大會上投票的股東（「呈請人」）有權通過書面通知要求董事召開股東特別大會，以處理有關要求中指明的任何事項。





# Corporate Governance Report 企業管治報告

(b) Such requisition shall be made in writing to the Board or the company secretary of the Company at the following:

## Principal place of business of the Company in Hong Kong

Address: Unit 1002, Capital Centre,  
151 Gloucester Road,  
Wanchai, Hong Kong

Email: ir@cybernaut.com.hk

Attention: the Board of Directors/Company Secretary

## Registered office of the Company

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

Attention: the Board of Directors/Company Secretary

(c) The EGM shall be held within two months after the deposit of such requisition.

(d) If the Directors fail to proceed to convene such meeting within twenty-one (21) days of such deposit, the Requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the Requisitionist(s) by the Company.

(b) 有關要求須以書面形式向董事會或本公司之公司秘書提出：

## 本公司之香港主要營業地點

地址：香港灣仔  
告士打道151號  
資本中心1002室

郵件：ir@cybernaut.com.hk

收件人：董事會／公司秘書

## 本公司之註冊辦事處

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

收件人：董事會／公司秘書

(c) 股東特別大會將於遞呈請求後兩個月內舉行。

(d) 倘董事未能在請求遞交後二十一(21)天內召開股東特別大會，則呈請人可以同樣方式自行召開股東特別大會，而因董事未能召開該大會令呈請人產生的所有合理費用由本公司向呈請人進行償付。

# Corporate Governance Report

## 企業管治報告

### Procedures for shareholders to direct enquiries to the Company

For matters in relation to the Board, the Shareholders can contact the Company at the following:

Address: Unit 1002, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong

Email: [ir@cybernaut.com.hk](mailto:ir@cybernaut.com.hk)

Tel: (852) 3549 6353

Fax: (852) 3549 6354

Attention: the Board of Directors/Company Secretary

For share registration related matters, such as share transfer and registration, change of name or address, loss of share certificates or dividend warrants, the registered Shareholders can contact:

### Hong Kong branch share registrar and transfer office

Tricor Investor Services Limited

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

Email: [is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)

Tel: (852) 2980 1333

Fax: (852) 2810 8185

### 股東向本公司直接查詢的程序

凡有關董事會的事宜，股東可按以下方式聯繫本公司：

地址：香港灣仔告士打道151號  
資本中心1002室

郵件：[ir@cybernaut.com.hk](mailto:ir@cybernaut.com.hk)

電話：(852) 3549 6353

傳真：(852) 3549 6354

收件人：董事會／公司秘書

凡有關股份登記相關事宜，如股份過戶登記、更改名稱或地址、丟失股票或股息單，登記股東可按以下方式聯繫本公司：

### 香港股份過戶登記分處

卓佳證券登記有限公司

地址：香港皇后大道東183號合和中心22樓

郵件：[is-enquiries@hk.tricorglobal.com](mailto:is-enquiries@hk.tricorglobal.com)

電話：(852) 2980 1333

傳真：(852) 2810 8185

## Procedures for shareholders to put forward proposals at shareholders' meetings

To put forward proposals at a general meeting of the Company, a Shareholder should lodge a written notice of his/her proposal ("Proposal") with his/her detailed contact information at the Company's principal place of business at Unit 1002, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong.

The request will be verified with the Company's branch share registrars in Hong Kong and upon their confirmation that the request is proper and in order, the board of directors of the Company will be asked to include the Proposal in the agenda for the general meeting.

The notice period to be given to all the Shareholders for consideration of the Proposal raised by the Shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

- (a) Notice in writing of not less than 14 clear days and not less than 10 clear business days if the Proposal requires approval by way of an ordinary resolution of the Company in an extraordinary general meeting.
- (b) Notice in writing of not less than 21 clear days and not less than 10 clear business days if the Proposal requires approval by way of a special resolution of the Company in an extraordinary general meeting of the Company.
- (c) Notice in writing of not less than 21 clear days and not less than 20 clear business days if the Proposal requires approval by way of a special resolution or an ordinary resolution of the Company in an annual general meeting of the Company.

## INVESTOR RELATIONS

There was no significant change in the Company's constitutional documents during the year ended 31 December 2018.

## 股東於股東大會提呈建議的程序

為於本公司股東大會上提呈建議，股東須以書面提交建議（「建議」）通知，連同詳細聯絡資料，送至本公司主要營業地點，地址為香港灣仔告士打道151號資本中心1002室。


本公司會向本公司之香港股份過戶登記分處核實該要求，於獲得股份過戶登記分處確認該要求為恰當及合乎程序後，將要求本公司董事會在股東大會的議程內加入建議。

就上述股東提出於股東大會上考慮之建議而向全體股東發出通告之通知期因建議之性質有所不同，詳情如下：

- (a) 倘建議需要通過本公司於股東特別大會上以一項普通決議案的方式批准，則該書面通知為不少於足14天及不少於足10個營業日。
- (b) 倘建議需要通過本公司於本公司股東特別大會上以一項特別決議案的方式批准，則該書面通知為不少於足21天及不少於足10個營業日。
- (c) 倘建議需要通過本公司於本公司股東週年大會上以一項特別決議案或一項普通決議案的方式批准，則該書面通知為不少於足21天及不少於足20個營業日。

## 投資者關係

截至二零一八年十二月三十一日止年度，本公司組織章程文件並無重大變動。



# Environmental, Social and Governance Report


## 環境、社會及管治報告

### INTRODUCTION AND SCOPE OF ESG REPORT

This report has been prepared by the management of the Company in accordance with the requirement of the Appendix 27 Environmental, Social and Governance Reporting Guide (“ESG Guide”) set out by The Stock Exchange of Hong Kong Limited on Main Board (“Main Board Listing Rule”). The report will disclose the performance and progress for the year ended 31 December 2018. The Group understands the importance of the ESG report and is committed to making continuous improvements in corporate social responsibility into the business in order to better meet the changing needs of an advancing society. The ESG report of the Group it will present mainly policies, initiatives and performance. The ESG report of the Group has been presented into two subject areas, Environmental and Social and each subject area will have various aspects to disclose the relevant policies and the status of compliance with relevant laws and regulations as addressed by the ESG Guide.

### 環境、社會及管治報告介紹及範圍

本報告乃由本公司管理層根據香港聯合交易所有限公司主板證券上市規則（「主板上市規則」）附錄27環境、社會及管治報告指引（「環境、社會及管治指引」）之規定編寫。該報告將披露本集團截至二零一八年十二月三十一日止年度的業績及進展。本集團深知環境、社會及管治報告的重要性，並致力於不斷提升企業社會責任，以更佳滿足日新月異的社會需求。本集團的環境、社會及管治報告主要介紹有關政策、措施和業績表現。本集團的環境、社會及管治報告分為兩個範疇：環境及社會，每個範疇將從多方面披露環境、社會及管治指引所提及有關政策和遵守相關法律法規的情況。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ENVIRONMENTAL

#### Emissions

The Group's main business source comes from manufacturing and selling advanced steel flow control products and paper converting equipment and other relating equipment. For the advanced steel flow control products, including subentry nozzle, stopper, tundish nozzle and ladle shroud. The Group will continue to strive to minimize the environmental impact of casting molten steel. The Group's main emissions comes from manufacturing therefore, it is the Group's policies to maintain the manufacture process in an efficient and effective manner. Ensured waste water is properly connected to municipal sewage system and all land waste is send to municipal solid waste management plant during production. The greenhouse gas emissions are carbon dioxide emissions from energy consumption. There are also air emissions such as metal dusts and water emissions from cooling the metal during production. Water emissions can be minimised through water filtration. The Group will continue take close observation for better alternative in material use and methods to lower emissions to water, air and land.

### 環境

#### 排放物

本集團的主要業務來源為製造及銷售高端鋼水控流產品以及紙張加工設備及其他相關設備。高端鋼水控流產品包括浸入式水口、塞棒、中間包水口及長水口。本集團將繼續努力，減少鑄鋼水對環境的影響。本集團的主要排放物來自製造業，因此本集團的政策為以具效率及效益的方式維持製造過程。本集團亦確保廢水排放與市政污水處理系統正確連接，生產過程中產生的所有廢棄物均運送至市政固體廢棄物管理廠。溫室氣體排放為能源消耗後產生的二氧化碳排放。在生產過程中，亦會排放氣體如金屬粉塵以及冷卻金屬產生的水排放。通過水過濾可以將水排放量減至最低。本集團將繼續密切關注物料使用方面更好的替代方案和降低對水、空氣和土地排放的方法。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

For the year ended 31 December 2018, Management of the Group believes the Group has complied with applicable environmental laws and regulations such as Environmental Protection of the People's Republic of China Prevention 《中華人民共和國環境保護法》, Control of Atmospheric Pollution 《中華人民共和國大氣污染防治法》 and Urban Drainage and Sewage Treatment Ordinance 《城鎮排水與污水處理條例》. The Group will continue to make assessment on the Group's air and greenhouse gas emissions to take specific measures to further reduce emissions of air, water and land waste.

The business segment of manufacturing of advanced steel flow control products, paper converting equipment and other relating equipment are the major source of emissions of CO<sub>2</sub>. The business segment of money lending business, electronic commerce (e-commerce) and information technology (IT) solution business does not bring significant adverse impact to the environment. The performances in emissions, use of energy and resources during the Reporting Period are as follows:

截至二零一八年十二月三十一日止年度，本集團管理層相信本集團已遵守適用的環境法律及法規，如《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》及《城鎮排水與污水處理條例》。本集團將繼續評估其空氣和溫室氣體的排放，以採取具體措施，進一步減少空氣、水和土地廢棄物的排放。

製造高端鋼水控流產品、紙張加工設備及其他相關設備的業務分部為二氧化碳排放的主要來源。放債業務、電子商務及資訊科技解決方案業務的業務分部並未對環境產生重大不利影響。於報告期間在排放物、能源及資源使用的表現如下：

### Air emissions

Nitrogen oxides (NO <sub>x</sub> )(kg)	95.8
Particulate matter (PM)(kg)	7.7

### Greenhouse gases

Scope 1 (tons of CO <sub>2</sub> e)	96
Scope 2 (tons of CO <sub>2</sub> e)	28,760
Scope 3 (tons of CO <sub>2</sub> e)	42
Total emissions	28,898

### Energy and resources consumptions

Electricity (kWh)	3,581,686
Water (m <sup>3</sup> )	41,069

### 氣體排放


氮氧化物(NO <sub>x</sub> ) (公斤)	95.8
顆粒物(PM) (公斤)	7.7

### 溫室氣體

範圍1 (噸二氧化碳當量)	96
範圍2 (噸二氧化碳當量)	28,760
範圍3 (噸二氧化碳當量)	42
總排放量	28,898

### 能源及資源的消耗

電力 (千瓦時)	3,581,686
水 (立方公尺)	41,069



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Use of resources

The Group has production facilities in PRC, as well as couple of offices for administrative work. The Group aims to better manage its use of resources and perform regular assessment. As part of the environmental friendly strategy, the Group implemented policies on the use of resources such as reduce errors in production to prevent waste of materials, optimal production schedule to reduce the waste and reduction of resources used during the production. The Group is also committed to promote saving and recycling culture to encourage staff to consume less resources in carrying out their daily operations. Such as reduce total paper consumption in offices by keeping electronic format copy instead of printing the documents for filing.

### Environmental and natural resources


To mitigate the impacts on the environment and natural resources, the management of the Group would evaluate and implement policies to reduce the impact, such as energy saving initiative to create value and maintain a sustainable environment. The Group will continue to seek alternative environmental friendly resources and materials to reduce the emissions of air, water and land waste.

### 資源使用

本集團於中國擁有生產設備及數間行政辦公室。本集團以良好管理資源利用並進行定期評估為目標。作為環保戰略的一部分，本集團實施了多項資源使用的政策，如減少生產過程中的錯誤以防止材料浪費，優化生產進度以減少生產過程中的浪費和減少資源使用。本集團亦致力推廣節約及循環再利用的文化，鼓勵員工於執行日常業務中減少資源消耗，例如通過保留電子格式副本而非打印文件歸檔，以減少辦公室的紙張消耗總量。

### 環境及天然資源

為了降低對環境和天然資源的影響，本集團管理層會評估和實施多項政策以減輕影響，例如採取節能措施以創造價值及維持可持續的環境。本集團將繼續尋求替代環保資源及材料，以減少對空氣、水和土地的排放。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### EMPLOYMENT AND LABOUR PRACTICE

#### Labour practices

A good workplace practice is a key aspect for the employees to maintain good relationship. In PRC, the Group adopts practices and policies of Labor Law of the People's Republic of China《中華人民共和國勞動法》, Labor Contract Law of People's Republic of China《中華人民共和國勞動合同法》in compensation and dismissal; recruitment and promotion; working hours; rest periods; equal opportunity; diversity; anti-discrimination and welfare and other benefits. The Group had adopted similar approach in other relevant jurisdictions, including Hong Kong. The Group has measures to ensure that recruitment and promotion is free from discrimination and received equal opportunities for all despite of age, gender, race, ethnic groups, sexual orientation, disability or marital status.

The Group's employee handbook was distributed to employees, with highlight important information on policies, dismissal, recruitment, promotion, leave benefits, compensation and other benefits and welfare. The employee's contracts were also signed in accordance under the guidance of the Human Resources Department/Administration Department.

### 僱傭及勞工常規

#### 勞工常規

良好的工作環境常規是員工保持良好關係的關鍵。在中國，本集團在賠償與解聘、招聘與晉升、工作時數、休息時間、平等機會、多元化、反歧視及福利與其他待遇方面採納《中華人民共和國勞動法》及《中華人民共和國勞動合同法》之各項規定及政策。本集團已於其他相關司法權區（包括香港）採納類似措施。本集團設有確保招聘與晉升不受歧視的措施，且無論年齡、性別、種族、族裔群體、性向、殘疾或婚姻狀況，所有員工均獲得平等機會。

本集團分發給員工的員工手冊強調有關政策、解聘、招聘、晉升、休假福利、薪酬及其他福利與待遇的重要信息。僱員合同的簽訂亦會遵照人力資源部門／行政部門的指導。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

As at 31 December 2018, the Group had a total of 445 employees. Breakdown by gender, age group and region are as follows:

於二零一八年十二月三十一日，本集團共有445名僱員。按性別、年齡組別及地區分佈如下：

By Gender 按性別劃分		By Age Group 按年齡組別劃分			By Region 按地區劃分	
Male 男	Female 女	40 or below 40歲或以下	41 to 60 41至60歲	Above 60 60歲以上	Hong Kong 香港	PRC 中國
315	129	201	207	37	37	408

The male/female composition ratio of the Group is approximately 2.45:1. The difference in the composition can be explained by the difference in job nature. In addition, the Group welcome any age range of people to join the Group as long as they are keen to learn and participate. Due to the operation of the Company is in PRC, about 92 % of staff of the Group are situated there.


本集團的男／女組成比約為2.45:1。組成不同是基於工種有別。此外，本集團歡迎熱衷學習和積極參與的任何年齡人士加入。由於本公司在中國營運，本集團約92%的員工都在中國工作。

### Health and Safety

To provide a safe and comfortable working environment, the Group has complied with the various regulations of relevant jurisdictions, including Labour Law of the People's Republic of China 《中華人民共和國勞動法》 of occupational safety and health and other applicable regulations. Workplace, including storage and offices, are equipped with fire and safety equipment to prevent outbreak of fire accident and the validity of the fire facilities have been regularly checked. During the year, the Group has reported zero work related fatalities and work injuries. The staff handbook also included sufficient policies on safety and staffs are asked to follow the safety instruction.

### 健康及安全

為提供一個安全舒適的工作環境，本集團遵守相關司法權區的不同法規，包括《中華人民共和國勞動法》有關職業安全、健康及其他適用的規定。工作環境（包括倉庫及辦公室）配備消防安全設備以防止火災事故，並定期檢查消防設施的有效性。年內，本集團的傷亡及工傷事故為零。員工手冊亦包括充足的安全政策，並要求員工遵守安全指引。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Development and training

Employees are encouraged to continue development and improve their skill set through training. The Group has various training programmes, both internal and external, to fully develop its workforce. New employees are also provided with on-board training to help faster adapt to the operations of the Group.

### Labour Standards

There is no tolerance towards recruitment of minors and forced labour for the Group's operation. The Group ensures compliance with Labour Contract Law of the People's Republic of China 《中華人民共和國勞動合同法》 and any individuals under legal working age and individuals without any identification documents are discharged from employment.

There is a strict recruitment procedure through Human Resource Department and upon discovery of any child labour and use of forced labour, the person will be dismissed immediately and the Board will discuss and review the discovered event to prevent it from happening again.

During the year, the Group was not aware of any non-compliance relating to employment and labour practices that had a significant impact on the Group.

### 發展及培訓

本集團鼓勵員工透過培訓繼續發展和提升工作技能。本集團於內部及外部均會舉辦各種培訓課程，以全面發展其勞動力。新員工亦獲提供入職培訓，以幫助其盡快適應本集團的運作。


### 勞動準則

本集團絕不允許就本集團營運業務招募未成年人和強制勞工。本集團確保遵守《中華人民共和國勞動合同法》的規定，任何未達到合法工作年齡以及沒有身份證明的個人均將解除其職務。

本集團通過人力資源部門實施嚴格的招聘程序，一旦發現任何童工及強制勞工現象，有關人員將立即被解僱，董事會亦將討論及檢討發現的事件，以防再次發生。

年內，本集團並不知悉任何未有遵守有關僱傭及勞工常規且對本集團產生重大影響的情況。





# Environmental, Social and Governance Report

## 環境、社會及管治報告

### OPERATING PRACTICE

#### Supplier management

In respect of the manufacturing segment of the Group, the Group aims to provide comprehensive solutions that meet customers' needs and establish a comprehensive vertical supply chain management system through resource integration and supplier screening and management. The major suppliers are located in China. For e-commerce business and IT solution business, the major suppliers are located in Hong Kong.

The objectives are to deepen the collaborative relationship with the strategic suppliers and to create competitive advantages in the value chain, thereby aim to enhance the impact on the society and environment. The Group strives to ensure that their suppliers uphold similar stance in sustainability. The Group also tended to maintain long term relationship with its suppliers for ensuring stable supply of materials or goods.

#### Product Responsibility

The Group ensures to produce product that is safe and meet service quality through policies such as if discovered the product has quality problem, the product can be exchanged. The Group complies with various regulations to the operation of the business in the jurisdictions that the Group operates in. For the year ended 31 December 2018, the Group did not have any product returned due to safety or health problems or any complaint received from customers. Customers' data will also be kept in confidential in order to protect consumer data and privacy and be destroyed on a timely basis. Also, the Group has complied towards the Product Quality Law of the People's Republic of China《中華人民共和國產品質量法》.

### 營運常規


#### 供應商管理

有關本集團製造分部，本集團致力於透過資源整合和供應商篩選及管理，提供滿足客戶需求的綜合解決方案，並建立全面的垂直供應鏈管理體系。本集團的主要供應商位於中國。而電子商務業務及資訊科技解決方案業務的主要供應商則位於香港。

其目標為加強與戰略供應商的合作關係，並在價值鏈中創造競爭優勢，從而加強對社會及環境的影響。本集團致力確保其供應商於可持續性方面堅持相似立場。本集團亦傾向於與供應商保持長期關係，以確保材料或貨物的穩定供應。

#### 產品責任

本集團通過實施倘若發現產品質量問題，客戶可選擇換貨的政策，確保生產出安全及符合服務質量要求的產品。本集團亦遵守本集團營運的司法權區之各項有關業務運營的規定。截至二零一八年十二月三十一日止年度，本集團概無收到任何由於安全或健康問題而退回的產品或客戶投訴。為保護消費者的資料及隱私，客戶資料均予以保密並及時銷毀。此外，本集團亦遵守《中華人民共和國產品質量法》的有關規定。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Consumer data protection and privacy policies

Being a licenced money lender in Hong Kong, the Group collects financial information and personal details of borrowers, therefore, ensuring the privacy of customer information is one of the issues the Group cares the most.

The Group has formulated a set of privacy principles in collection, retention, use, security, openness and accessibility of information to ensure all lessees' information received is only for its intended purpose and to prevent information leakage, such as:


- Access control to all information of lessees;
- Requiring employees not to retain and disclose any confidential information about the Group's business and other sensitive confidential data to any third party; and
- Requiring employees not to obtain any unnecessary information from the lessees and its associated parties.

### 消費者資料保護及私隱政策

作為香港持牌放債人，本集團收集借款人的財務資料及個人詳情，因此，本集團極為重視保障客戶資料私隱。

為確保所有已接收的承租人資料僅用作擬定用途，以及防止資料洩漏，本集團已制定一系列收集、保留、使用、保護、公開及存取資料的私隱原則，例如：

- 對承租人所有資料設置存取限制；
- 規定僱員不得保留任何有關本集團業務的機密資料及其他敏感機密資料，以及向任何第三方披露前述資料；及
- 規定僱員不得向承租人及其關聯方索取任何不必要的資料。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Anti-Corruption

The Group has zero tolerance towards any corruption, fraud, money laundering, bribery and extortion. The Group has compliance towards relevant laws and regulations such as Criminal Law of the People's Republic of China 《中華人民共和國刑法》 and the Anti-Unfair Competition Law of the People's Republic of China 《中華人民共和國反不正當競爭法》 in respect of the Group's operation in China.

For the year ended 31 December 2018, such incident has never happened in the Group. The Group maintains a code of business integrity. The Group believes that a system with good moral integrity and anti-corruption mechanism is the cornerstone for the sustainable and healthy development for the Group. The Group has policies on anti-money laundering and counter-terrorist financing and any suspicious transactions would be notified and reported to the relevant governing body by the responsible officer.

### COMMUNITY

The Group is committed to provide career opportunities to the locals and promote the development of the community's economy as part of the Group's sustainable development strategy. Also, the Group will try to seek opportunities to work with charity partners in the future to get involved in various community programs to contribute back to society.

### 反貪污

本集團對貪污、欺詐、洗黑錢、賄賂和敲詐等行為持零容忍態度。就本集團於中國的營運，本集團遵守《中華人民共和國刑法》和《中華人民共和國反不正當競爭法》等相關法律法規。

截至二零一八年十二月三十一日止年度，本集團未發生此類事件。本集團維護業務誠信守則。本集團相信道德誠信及反貪機制是本集團持續健康發展的基石。本集團制訂打擊洗黑錢及恐怖分子資金籌集政策，任何可疑交易均會由負責人員向有關部門知會及報告。

### 社區

作為本集團可持續發展戰略的一部分，本集團致力於為本地居民提供就業機會，促進社區經濟的發展。此外，本集團將尋求機會未來與慈善合作夥伴攜手，參與各種社區計劃，為社會做出貢獻。

# Directors and Senior Management

## 董事及高級管理層

### EXECUTIVE DIRECTORS

**Mr. Zhu Min**, aged 70, graduated from Zhejiang University with a master's degree in Industrial Management and received a MS degree in Engineering Economics from Stanford University. He co-founded Future Labs Inc. in 1991 which was later acquired by Quarterdeck Corp.. In 1996, he co-founded WebEx Communications Inc. which was successfully listed on NASDAQ in 2000 and then acquired by Cisco Systems Inc. for US\$3.2 billion in 2007.

In 2003, Mr. Zhu became the sole investment partner in China of New Enterprise Associates (NEA), a renowned U.S. based venture capital fund focusing on early- and middle-stage companies, assisting NEA to successfully invest in a group of independent innovation enterprises in China. In 2005, Mr. Zhu founded Cybernaut Investment Group, one of China's best venture capital houses in 2015 selected by Forbes. It is one of the leading private equity and venture capital fund in China.

In 2007, Mr. Zhu donated US\$10 million to set up Zhejiang University International Innovation Institute (ZII) with Zhejiang University in a drive to promote domestic technological and industrial innovations.

Mr. Zhu has many years of experience in computer, network communications and services. He is a well-known scientist in the field in the United States. In 2002, he was named by Business Week as one of the 25 most influential people in global e-commerce. In 2008 and 2009, Mr. Zhu was selected by Forbes as one of China's best venture capital investors. At the first China Public Entrepreneurship and Innovation Conference held in 2016, he was granted the title of China's Pioneer in Innovation and Entrepreneurship by virtue of his reputation in the international investment community.

Mr. Zhu is the founder and chairman of the board of Cybernaut Investment Group Limited, the Vice president of China Society for the Promotion of Science and Technology Commercialization, the founder and dean of the Zhejiang University International Innovation Institute (ZII).

At the date of this annual report, Mr. Zhu held 990,284,000 shares of the Company.

### 執行董事

**朱敏先生**，70歲，畢業於浙江大學，持有浙江大學工業管理系碩士學位並獲得斯坦福大學工程經濟系統碩士學位。彼於一九九一年共同創辦Future Labs Inc.及後由Quarterdeck Corp.收購。彼於一九九六年共同創辦了WebEx Communications Inc. (美國網訊) 並於二零零零年成功於納斯達克上市，於二零零七年由思科系統公司以32億美金收購。

朱先生於二零零三年成為NEA (一間美國知名早中期創業投資基金公司) 在中國之唯一投資合夥人，幫助NEA在中國成功投資了一批自主創新型企業。於二零零五年，朱先生創立了賽伯樂(中國)投資集團，賽伯樂為二零一五年《福布斯》中國最佳創業投資機構之一，為中國私募股權創投基金的領導者之一。

朱先生於二零零七年捐資1,000萬美金與浙江大學創建浙江大學國際創新研究院，致力推動國內科技與產業創新。

朱先生於電腦、網絡通訊及服務領域擁有多年經驗。彼為美國該領域上著名之科學家，於二零零二年被《商業週刊》列為全球電子商務25位最具影響力的人物之一。朱先生於二零零八年及二零零九年被《福布斯》選為中國最佳創業投資人之一。彼於國際投資界享有盛名，故於二零一六年首屆中國眾創大會上，獲得中國創新創業先鋒稱號。

朱先生為賽伯樂投資集團有限公司創始人兼董事長、中國科技產業化促進會副理事長，以及浙江大學國際創新研究院創始人兼院長。

於本年報日期，朱先生於990,284,000股本公司股份中擁有權益。



## Directors and Senior Management 董事及高級管理層

**Mr. Sin Kwok Wai Ronald**, aged 62, is the Executive Director of the Company since his appointment as an executive director on 10 October 2014. Mr. Sin received his bachelor's degree with extended major in accountancy from Queensland University of Technology, Australia in 1994. Then he pursued his postgraduate studies with research and coursework at Griffith University, Australia in 1994. He obtained his master degree in business administration from the University of Southern Queensland, Australia in 2006. Furthermore, Mr. Sin pursued his doctorate studies at University of Wales Trinity Saint David in 2017. He is currently an associate member of HKICPA and a fellow member of the CPA Australia. Prior to joining the Company, Mr. Sin has served companies in different industries in Hong Kong, including those listed in Hong Kong and overseas. He possesses over 20 years of management experience in areas of accounting, business strategy and corporate restructuring. At the date of this annual report, Mr. Sin held 17,452,000 shares of the Company.

**Mr. Lu Yongchao**, aged 39, obtained a diploma in Business Administration for Real Estate Entrepreneurs in China at Sun Yat-sen University and a diploma in English at Guangdong University of Foreign Studies. Mr. Lu was a team member of Ample Luck International Capital Group Limited, a domestic well known fund management group. Mr. Lu has extensive experience in business development, market development, media management, finance and Information Technology industry and years of investment, financing and fund management history. He has rich experience in the enterprise strategic management, internet strategy, brand management, investment and financing management. He was the founder of Enjoymedia Holdings Company Limited, which was listed on the OTCBB in 2006 and was named one of the hundred most Chinese Concept corporation listed in United States. Prior to that Mr. Lu had been the Chief Executive of the online websites YESITE and ITNOW, as well as the Whirlpool Kit Department Head in China. Mr. Lu had assisted listing and financing of different enterprises while working in an investment company in China, and had served as the director of Taiwan listed corporation China Mobile Digital Group. He also had served as a director of a well-known German outdoor brand VAUDE.

**冼國威先生**，62歲，於二零一四年十月十日獲委任為本公司執行董事。冼先生於一九九四年獲授澳洲昆士蘭科技大學會計專業學士學位。隨後彼於一九九四年於澳洲格里菲斯大學研讀碩士研究課程。彼於二零零六年獲授澳洲南昆士蘭大學工商管理學碩士學位。此外，冼先生於二零一七年於威爾斯三一聖大衛大學攻讀博士學位。彼目前為香港會計師公會會員及澳洲會計師公會之資深會員。加入本公司前，冼先生已於香港不同行業之公司（包括該等於香港及海外上市之公司）任職。彼擁有超過20年會計、業務策略及企業重組方面之管理經驗。於本年報日期，冼先生持有本公司17,452,000股股份。

**呂永超先生**，39歲，持有中山大學中國房地產企業家工商管理課程結業證書，並於廣東外語外貿大學英語專科畢業。呂先生曾是豐祥國際資本集團有限公司（一間國內知名基金管理集團）的團隊成員。呂先生不但在商務開發、市場拓展、媒體管理、財務及資訊科技行業方面有多樣化的表現，亦累積了多年投融資及基金管理經驗。彼於企業戰略管理、互聯網策略、品牌管理、投融資管理等方面擁有十分豐富的經驗。呂先生始創Enjoymedia Holdings Company Limited，而該公司曾在二零零六年於美國場外電子交易板市場上市，曾被評選為美國一百個最有中國概念的上市公司之一。在此之前，呂先生先後在YESITE及ITNOW網站出任網站總裁，並於中國出任惠而浦套件部部門主管。後期，呂先生任職一所中國投資公司，除協助多家企業上市及融資，及出任台灣上市公司中國移動數碼集團董事外，彼亦曾出任德國知名戶外品牌沃德董事。



## Directors and Senior Management 董事及高級管理層

Mr. Lu is also the directors of its subsidiaries, namely Eagle Pioneer Limited, Accurate Trade International Limited, China Safety Holdings Limited, Happy Way Technology Limited, Total Tycoon Limited and Great Select Global Limited. Also, he has been an independent non-executive Director of Pa Shun International Holdings Limited (Stock code: 574) and Glory Mark Hi-Tech (Holdings) Limited (Stock code: 8159) since 14 September 2018 and 28 March 2019 respectively. At the date of this annual report, Mr. Lu held 6,100,000 shares of the Company.

**Mr. Xu Yejun**, aged 54, is currently the Executive Director of the Company and was appointed as our Chairman and Executive Director on 4 February 2010. He was our Group's chief executive officer from its establishment until 2 January 2015 when he resigned from such position. He is responsible for the overall strategic planning and management of our Group. Mr. Xu has extensive experience in the advanced steel flow control products industry, and has been engaging in such business for over 25 years. He is also the director of Sinoref (Hong Kong) Limited.

Mr. Xu studied in 宜興縣大浦中學 (Yixing Dapu Secondary School\*) from 1979 to 1981. Mr. Xu had been trained in 洛陽耐火材料研究院 (Luoyang Institute of Refractories Research\*) from 1984 to 1986. He had worked in 宜興市鎂質耐火材料廠 (Yixing Magnena Refractory Materials Factory\*) from 1981 to 1983 and from 1987 to 1989, in 宜興威爾發非金屬材料有限公司 (Yixing Wellfire Nonmetal Materials Co., Ltd.) from 1990 to 1995 and in 宜興中村窯業有限公司 (Yixing Zhongcun Kiln Products Co., Ltd.\*) from 1996 till the establishment of Sinoref (Yixing) in 2005. As at the date of this annual report, Mr. Xu was a director, the chairman and the legal representative of 華耐國際(宜興)高級陶瓷有限公司 (Sinoref International (Yixing) Co., Ltd.\*), and a director of Sinoref (Hong Kong) Limited and Sinoref (BVI) Limited. Each of 華耐國際(宜興)高級陶瓷有限公司 (Sinoref International (Yixing) Co., Ltd.\*), Sinoref (Hong Kong) Limited and Sinoref (BVI) Limited was a wholly-owned subsidiary of our Company as at the date of this annual report.

呂先生亦為本集團附屬公司Eagle Pioneer Limited、Accurate Trade International Limited、中國安產控股有限公司、創欣科技有限公司、Total Tycoon Limited及境裕環球有限公司之董事。此外，彼自二零一八年九月十四日及二零一九年三月二十八日起分別擔任百信國際控股有限公司(股份代號：574)及輝煌科技(控股)有限公司(股份代號：8159)之獨立非執行董事。於本年報日期，呂先生於本公司6,100,000股股份中擁有權益。

**徐葉君先生**，54歲，現為本公司執行董事，並於二零一零年二月四日獲委任為主席及執行董事。彼由本集團成立以來一直擔任其行政總裁，直至於二零一五年一月二日辭任該職務止。彼負責本集團整體策略規劃及管理。徐先生於先進鋼水控流產品行業擁有豐富經驗，從事有關業務逾25年。彼亦為華耐科技(香港)有限公司之董事。

徐先生自一九七九年至一九八一年於宜興縣大浦中學就讀，自一九八四年至一九八六年於洛陽耐火材料研究院接受訓練，彼於一九八一年至一九八三年及一九八七年至一九八九年在宜興市鎂質耐火材料廠工作，之後於一九九零年至一九九五年在宜興威爾發非金屬材料有限公司工作，自一九九六年起在宜興中村窯業有限公司工作，直至彼於二零零五年創立華耐(宜興)為止。截至本年報日期，徐先生為華耐國際(宜興)高級陶瓷有限公司之董事、主席及法定代表人以及華耐科技(香港)有限公司和Sinoref (BVI) Limited之董事。華耐國際(宜興)高級陶瓷有限公司、華耐科技(香港)有限公司及Sinoref (BVI) Limited於本年報日期均為本公司之全資附屬公司。



## Directors and Senior Management 董事及高級管理層

For his research item 玻璃熔窯蓄熱室系列配套優質耐火材料新產品研製 (The research and manufacture of new high quality refractory accessory materials in glass melting furnace regenerative chamber series\*), Mr. Xu was awarded 中國輕工業科技進步獎 (China Light Industry Technological Advancement Award\*) by 中國輕工總會 (China Light Industry Association\*) in 1991, 上海市科學技術進步獎 (Science and Technology Progress Awards of Shanghai) by 上海市科學技術進步獎評審委員會 (Science and Technology Progress Awards Jury, Shanghai Municipality) in 1995 and 上海市科技成果完成者證書 (Certificate for Accomplisher of Technological Advancement in Shanghai\*) by 上海市科學技術委員會 (Science and Technology Commission of Shanghai Municipality) in 1996. Mr. Xu was also awarded 上海市科學技術進步獎 (Science and Technology Progress Awards of Shanghai) by 上海市科學技術進步獎評審委員會 (Science and Technology Progress Awards Jury, Shanghai Municipality) in 1996 in respect of 優質特異型蓄熱室格子磚系列配套產品研製 (The research and manufacture of high quality specific regenerative chambers checkers series accessory products\*).

**Mr. Gao Xiang**, aged 50, holds a bachelor's degree from the School of Economics and Management of Tsinghua University in Beijing and double master's degrees in Mathematics and Computer from the University of Wisconsin-Madison, USA. He currently serves as a senior partner of Cybernaut Investment Group and is mainly in charge of industrial investment operation and management as well as capital operation.

After graduation Mr. Gao was engaged in advanced research and development work at Microsoft Corp. (headquarters) in the United States and was one of the Office98 software main R & D members. In 1997, he established the China products e-commerce website "Chinamalls.com" in Seattle and in 1999, it was acquired by a company listed on NASDAQ.

徐先生憑著他的研究項目「玻璃熔窯蓄熱室系列配套優質耐火材料新產品研製」於一九九一年獲中國輕工總會頒發中國輕工業科技進步獎，於一九九五年獲上海市科學技術進步獎評審委員會頒發上海市科學技術進步獎，又於一九九六年獲上海市科學技術委員會出具上海市科技成果完成者證書。徐先生亦於一九九六年獲上海市科學技術進步獎評審委員會頒授上海市科學技術進步獎，以表彰他對「優質特異型蓄熱室格子磚系列配套產品研製」進行的工作。

**高翔先生**，50歲，持有北京清華大學經濟管理學院學士學位及持有美國威斯康辛大學麥迪遜分校數學和電腦系雙碩士學位。彼現為賽伯樂投資集團高級合夥人，主要負責產業投資營運管理及資本運作。

高先生於畢業後進入美國微軟總部從事高級研發工作，並成為Office98軟件的主要研發成員之一。彼於一九九七年於西雅圖創辦中國商品電子商務網站Chinamalls.com，該網站於一九九九年由一間在納斯達克上市的公司收購。

## Directors and Senior Management 董事及高級管理層

In 2003, Mr. Gao joined Dangdang.com to serve as its vice president and to lead the website's development. He was also responsible for Dangdang.com's customer service and logistics operations. Later in 2007, he was appointed and served as the chief executive officer of Yaolan.com, and successfully transformed Yaolan.com into China's well known children education online-to-offline platform.

In 2013, Mr. Gao served as the chief executive officer and an executive director of Gome.com.cn. He was mainly responsible for designing the structure of its online-to-offline retail platform system and to remodel and personalize the existing marketing management system based on big data. He has rich experience in business management, education and Internet platform operation. Mr. Gao is currently a director of 武漢童學文化股份有限公司 (Wuhan Tong Xue Wen Hua Co. Ltd.) which is listed on the National Equities Exchange and Quotations of China.

Mr. Gao Xiang resigned as an executive Director and the chief executive officer of the Company with effect from 12 April 2018.

### NON-EXECUTIVE DIRECTORS

**Mr. Chow Chi Wa**, aged 50, was appointed as our non-executive Director on 27 November 2013. He holds a master degree in Corporate Governance from the Open University of Hong Kong, a master degree in Corporate Finance and a master degree in Finance (Investment Management) from the Hong Kong Polytechnic University. He has been a executive Director of Sino Splendid Holdings Limited (Stock code: 8006) since November 2013. Mr. Chow is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He is an associate of the Hong Kong Institute of Company Secretaries and the Institute of Chartered Secretaries and Administrators. He possesses extensive experience in finance and accounting.

於二零零三年，高先生加入當當網出任副總裁，主持當當網之網站開發工作，並全面負責當當網客服物流運營等工作。其後於二零零七年入主搖籃網擔任首席執行官，將搖籃網成功打造為中國知名的兒童教育O2O平台。

高先生於二零一三年擔任國美線上首席執行官兼執行董事，主要負責設計搭建其O2O零售平台系統，並基於大資料對既有之管理行銷體系進行重塑及個性化。彼於企業管理、教育及互聯網平台營運方面經驗豐富。高先生現為武漢童學文化股份有限公司（全國中小企業股份轉讓系統上市公司）董事。

高翔先生自二零一八年四月十二日起已辭任本公司執行董事及行政總裁。

### 非執行董事

**周志華先生**，50歲，於二零一三年十一月二十七日獲委任為本公司非執行董事。彼持有香港公開大學企業管治碩士學位及香港理工大學企業金融碩士學位及金融（投資管理）碩士學位。彼自二零一三年十一月起出任華泰瑞銀控股有限公司（股份代號：8006）之執行董事。彼現為香港會計師公會之註冊會計師及英國特許會計師公會資深會員。彼亦為香港特許秘書公會及特許秘書及行政人員公會會員。周先生於財務及會計方面擁有豐富經驗。



## Directors and Senior Management 董事及高級管理層

**Ms. Yip Sum Yu**, aged 29, was appointed as our non-executive Director on 10 November 2014. She is currently a consultant of an investment company. Ms. Yip has gained valuable experience in investments and investors relations in connection with both listed and private investments. She did not hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Tong Yiu On**, aged 51, was appointed as our independent non-executive Director on 10 October 2014. He is a certified public accountant of the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Mr. Tong is currently the company secretary of China Ocean Industry Group Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 651). He served as the chief financial officer of Infinity Development Holdings Company Limited (formerly known as Infinity Chemical Holdings Company Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 640)) and its executive director and company secretary from December 2011 to May 2018. From September 2000 to November 2008, he served as the chief financial officer and company secretary of Sinotronics Holdings Limited (currently known as Kingwell Group Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 1195)) and he concurrently acted as its executive director from December 2002 to November 2008. Prior to joining such company, he had nine years of financial management, accounting and auditing experience from various companies listed in Hong Kong and overseas and an international accounting firm.

**葉芯瑜女士**，29歲，於二零一四年十一月十日獲委任為本公司非執行董事。彼現時為一家投資公司的顧問。葉女士於有關上市及私人投資的投資及投資者關係方面累積寶貴經驗。彼於過去三年並無於其證券於香港或海外任何證券市場上市之上市公司擔任任何其他董事職位。

### 獨立非執行董事

**唐耀安先生**，51歲，於二零一四年十月十日獲委任為本公司獨立非執行董事。彼為香港會計師公會（「香港會計師公會」）之執業會計師。唐先生現任中海重工集團有限公司（一家於聯交所主板上市之公司（股份代號：651））之公司秘書。彼於二零一一年十二月至二零一八年五月擔任星謙發展控股有限公司（前稱星謙化工控股有限公司，一家於聯交所主板上市之公司（股份代號：640））之財務總監以及執行董事兼公司秘書。彼於二零零零年九月至二零零八年十一月於華翔微電子控股有限公司（現稱京維集團有限公司，一家於聯交所主板上市之公司（股份代號：1195））擔任財務總監兼公司秘書，並於二零零二年十二月至二零零八年十一月期間同時擔任執行董事。加入該公司前，彼於香港及海外多家上市公司及一家國際會計師事務所累積9年財務管理、會計及審計經驗。



## Directors and Senior Management 董事及高級管理層

**Mr. Li Yik Sang**, aged 44, was appointed as our independent non-executive Director on 10 October 2014. He has over 19 years of experience in auditing, finance and accounting. He has served as the chief financial officer, authorised representative and company secretary of Meike International Holdings Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 953)) from August 2009 to January 2016. Mr. Li served as an audit assistant and a semi-senior auditor in Grant Thornton from November 2000 to December 2002. He later worked as a staff accountant, senior accountant and manager in Ernst & Young from January 2003 to January 2007. He acted as the chief financial officer of China Packaging Group Company Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 572)) from January 2007 to July 2009. He also served as an independent non-executive director of China Agrotech Holdings Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 1073)) from December 2011 to June 2014. He received his bachelor's degree in commerce from the University of Queensland, Australia in December 1998. He received his master's degree in commerce (information systems) from the University of Queensland, Australia in August 2000. Mr. Li has been a member of CPA Australia since April 1999 and was granted a certificate of certified practicing accountant of CPA Australia in November 2006 and he has been a member of HKICPA since February 2007.

**Mr. Cao Ke**, aged 44, was appointed as our independent non-executive Director on 10 June 2015. He received his bachelor's degree in economics from Nankai University in China in 1995 and a master's degree in business administration from the University of Hawaii in USA in 2001. He possesses over 10 years of experience in financial management and over 8 years of experience in financial investment and project management. He served as Chief Financial Officer in Guangdong Esquel Textile Enterprise Co., Ltd., Jiemi Int'l Trade (shanghai) Co., Ltd. and Guangdong Qide Education Service Ltd.. Since January 2010, he served as Chief Investment Officer in Youngy Investment Holding Group Co., Limited which is a reputable investment company in the PRC. Since December 2012, he served as Supervisor in AnHua Agricultural Insurance Company Ltd and Shenzhen Huaxunark Technology Co., Limited. Mr. Cao is also the vice Chairman of the board directors for Gefeng Environmental Protection Technology Co., Ltd.

**李奕生先生**，44歲，於二零一四年十月十日獲委任為本公司獨立非執行董事。彼擁有超過19年之審計、財務及會計經驗。彼自二零零九年八月至二零一六年一月擔任美克國際控股有限公司（一家於聯交所主板上市之公司（股份代號：953））之首席財務官、授權代表兼公司秘書。李先生自二零零零年十一月至二零零二年十二月擔任均富會計師行核數助理及副高級核數主任。彼隨後於二零零三年一月至二零零七年一月任安永會計師事務所之會計師、高級會計師及經理。於二零零七年一月至二零零九年七月任中國包裝集團有限公司（一家於聯交所主板上市之公司（股份代號：572））之首席財務官。彼亦於二零一一年十二月至二零一四年六月任浩倫農業科技集團有限公司（一家於聯交所主板上市之公司（股份代號：1073））任職獨立非執行董事。彼於一九九八年十二月獲澳洲昆士蘭大學頒授商學學士學位，二零零零年八月獲澳洲昆士蘭大學頒授商學（信息系統）碩士學位。李先生自一九九九年四月起為澳洲會計師公會會員，於二零零六年十一月獲授澳洲會計師公會註冊會計師證書，以及自二零零七年二月起為香港會計師公會會員。

**曹克先生**，44歲，於二零一五年六月十日獲委任為本公司獨立非執行董事。彼於一九九五年獲得中國南開大學經濟學學士學位並於二零零一年獲得美國夏威夷大學工商管理碩士學位。彼於金融管理方面擁有逾10年經驗並於金融投資及項目管理方面擁有逾8年經驗。彼曾擔任廣東溢達紡織有限公司、傑米國際貿易（上海）有限公司及廣東啓德教育服務有限公司之財務總監。自二零一零年一月起，彼擔任融捷投資控股集團有限公司（一家中國知名投資公司）之投資總監。自二零一二年十二月起，彼擔任安華農業保險股份有限公司及深圳市華訊方舟科技有限公司之監事。曹先生亦為格豐環保科技有限公司之董事會副主席。



# Directors and Senior Management

## 董事及高級管理層

### SENIOR MANAGEMENT

**Dr. Wang Matthew Yang** (“**Dr. Wang**”), aged 51, joined Cybernaut International Holdings Company Limited on 12 May 2017 as Co-Chief Executive Officer of the Company. He currently serves as the President of Cybernaut Investment Group and Chief Scientist of 杭州賽智. He has been serving as senior director of IBM Global Technology Committee (one of 18 people worldwide), member of IBM American Innovation Leadership Committee, vice chairman of Center for China and Globalization (CCG), deputy director of China Big Data Expert Committee, deputy director of China National Committee of Cloud Computing Experts, council member of Council 2005 of Western Returned Scholars Association (WRSA), director of China Entrepreneurs Association, executive director of Zhejiang University Innovation Institute International (ZIII), visiting professor of Zhejiang University, Tsinghua University, China Europe International Business School and Cheung Kong Business School. He has served as IBM global vice president and general manager of China Development Laboratories (CDL). He is a holder of a doctorate degree in computer science from Vanderbilt University (范德堡大學) and a MBA degree from George Washington University (喬治華盛頓大學).

Dr. Wang joined IBM since 1998 and he was first appointed as the chief architect of IBM's global supply chain for personal computers. After that, he was subsequently appointed as the senior project director of IBM's global services department, being in charge of some projects in the aspects of electronics, automobile, petroleum and others, with the funds involved reaching several billion US Dollars. He also helped IBM to establish the outsourcing center in India.

### 高級管理層

**王陽博士** (「**王博士**」), 51歲, 於二零一七年五月十二日加入賽伯樂國際控股有限公司擔任聯席行政總裁, 現任賽伯樂投資集團總裁及杭州賽智首席科學家。彼曾任IBM全球技術委員會資深董事(全球18人之一), IBM美國創新領導委員會委員, 中國與全球化智庫CCG副主席, 中國國家大數據專家委員會副主任委員, 中國國家雲端計算專家委員會副主任, 歐美同學會2005理事會理事, 中國企業家協會理事, 浙江大學國際創新研究院執行院長, 浙江大學、清華大學、中歐商學院和長江商學院客座教授。彼曾任IBM全球副總裁兼中國開發中心總經理。彼擁有美國范德堡大學電腦科學博士學位及喬治華盛頓大學工商管理學碩士學位。

自一九九八年加入IBM後, 王陽博士首先擔任IBM個人電腦全球供應鏈總架構師, 隨後又成為IBM全球服務部高級項目總監。擔任總監期間, 其負責的專案包括電子、汽車、石油等多個領域, 而涉及的資金高達數十億美元。彼亦協助IBM建立了在印度的外包中心。



## Directors and Senior Management 董事及高級管理層

In 2002, Dr. Wang joined the Research and Development Department in his capacity being the executive assistant to the president of IBM's Global Research and Development Center. His main job duties were to develop research in respect of technological development and strategic direction. Innovation Frontier Engineering, led by him, was a part of the national innovation plan of the U.S. and was directly initiated by the U.S. President. Since 2006, Dr. Wang was seconded to station at the headquarters of Asia Pacific region and was appointed as the general manager of IBM's Software Technical Sales. His duties were to lead more than 2000 professionals in respect of technical sales and services distributed in the Greater China, Japan, Korea, Australia, New Zealand, India and some Southeast Asia countries, being dedicated to provide the customers with various software and industrial solutions.

In 2008, Dr. Wang served as IBM global vice president and general manager of the China Development Laboratories (CDL), promoting the implementation of IBM's cooperation with the Chinese government and universities, including participation in the Seattle China-US Internet Forum, leading more than 5,000 people in Beijing, Shanghai, Taipei, Guangzhou and Shenzhen. On 1 March 2016, Dr. Wang announced its accession to Cybernaut Investment Group, which manages more than RMB60 billion M&A funds for investments in overseas assets, especially equity, and connects domestic industries. It uses technology, capital, and international methods to enhance domestic investment, industrial transformation, upgrading and development.

二零零二年，王陽博士又以IBM全球研發中心總經理行政助理的身份加入了研發部，主要負責針對科技發展戰略方向的研究。其領導的創新前沿工程，是美國國家創新計劃的一部分，並由美國總統直接發起。自二零零六年王陽博士被公司派駐亞太總部，擔任IBM軟體技術銷售總經理，領導分佈在大中華、日本、韓國、澳大利亞、紐西蘭、印度及其他東南亞國家等的2,000多名技術銷售及服務人員，致力為客戶提供各種軟件和行業的解決方案。

二零零八年，王陽博士出任IBM全球副總裁兼中國開發實驗室總經理，帶領北京、上海、臺北、廣州和深圳的5,000多人的研發團隊，推動落實IBM與中國政府、高校的合作，並包括參加在西雅圖的中美互聯網論壇。二零一六年三月一日，王陽博士宣佈加入賽伯樂投資集團，管理其人民幣600億元的收購合併基金，投資海外資產，特別是與本地工業連繫的股權投資；以科技、資本及國際化的手段提升國內產業轉型，升級及發展。

## Directors and Senior Management 董事及高級管理層

**Mr. Lee Yim Stephen**, aged 43, is currently the director of Soaring International Limited (Soaring), which holds 100% owns equity interest of VT Zero Limited. As the director of the Soaring enterprise, he oversees the eCommerce division of the group companies, and also acts as the CEO of VT Zero Limited. Mr. Lee was graduated with a BA (Hons) Finance from Hong Kong University in 1998. With his enthusiasm in information technology field, he joined Innaworks Ltd as development specialist from 1999 to 2001. And from 2002 to 2005, he held the position as senior developer in Tai Fook Securities Limited and Emperor Capital Group. With his years of past experience in IT sector and as software developer in the finance industry, Mr. Lee founded the eBusiness startup named VT Zero Limited in 2007. Prior to his startup business, he was a Project Manager in UBS business group. With his strong experience in software development and insight on internet shopping, Mr. Lee managed the business of VT Zero Limited to achieve an yearly turnover of HK\$10 million within the first two years. Soaring International Limited enterprise is now the wholly-owned subsidiary of Cybernaut International Holdings Company Limited, with business majoring on eCommerce of branded electronic products and second hand mobile devices.

**Mr. Ng Hang Fai Calvin**, aged 42, is currently the business development director of Soaring International Limited, that was founded with his partner Mr. Lee Yim Stephen in 2007. Mr. Ng was graduated with a BA (Hons) Information Systems from City University of Hong Kong in 1998. Upon graduation, he joined Hong Kong International Terminals, IT Infrastructure division and Hutchison Ports nPortals.com until he served as development specialist in Innaworks Ltd. from 2000 to 2001. He also participated the development of online securities trading platform in TaiFook Securities during the period of 2002 to 2005. Then with his years of past experience in internet application on research and development in shipping and finance industry, Mr. Ng worked as a system analyst in CCASS division of HKEx until he joined Mr. Lee Yim Stephen to start the eBusiness venture in 2007. Mr. Ng has expertise on internet marketing and always aims at exploring more online sales channels for the Soaring International Limited enterprise, in a view to reach fast growing online shoppers all over the world.

**李儼先生**，43歲，現為Soaring International Limited (Soaring)董事，該公司擁有VT Zero Limited之100%股權。作為Soaring企業之董事，彼負責監督集團公司的電子商務部門，亦擔任VT Zero Limited之首席執行官。李先生於一九九八年畢業於香港大學，獲得金融學（榮譽）文學士學位。於一九九九年至二零零一年，彼懷著對資訊科技領域的熱情，加入無間科技有限公司並擔任發展專家。且自二零零二年至二零零五年，彼於大福證券有限公司及英皇證券集團擔任高級開發人員一職。憑藉著過去幾年於金融業的資訊科技及軟體開發經驗，李先生於二零零七年創立電子商務初創公司（即VT Zero Limited）。於創立初創公司業務前，彼為瑞士銀行業務集團之項目經理。李先生憑藉著其對軟件開發的豐富經驗及對互聯網購物的洞察，彼管理之VT Zero Limited業務於首兩年內的年度營業額即達到10,000,000港元。Soaring International Limited現為賽伯樂國際控股有限公司之全資附屬公司，其業務主要為品牌電子產品及二手移動裝置之電子商務。

**吳恒輝先生**，42歲，現為Soaring International Limited業務拓展總監，該公司為吳先生與李儼先生於二零零七年共同創立。吳先生於一九九八年畢業於香港城市大學，獲得信息系統（榮譽）文學士學位。於畢業後，在彼於二零零零年至二零零一年加入無間科技有限公司並擔任發展專家前，彼曾加入香港國際貨櫃碼頭、資訊科技基礎建設部門及Hutchison Ports nPortals.com。彼亦於二零零二年至二零零五年期間，參與大福證券之網上證券交易平台開發。其後在彼與李儼先生於二零零七年共同創辦電子商務公司前，吳先生憑藉著過去幾年於航運業及金融業之研發的互聯網應用經驗，擔任香港交易所中央結算及交收系統部門之系統分析師。吳先生擁有互聯網行銷專材，為接觸全球快速增長的網上消費者，彼持續致力為Soaring International Limited開發更多網上銷售渠道。

## Directors and Senior Management 董事及高級管理層

**Mr. Cheung Wing Lok Tommy**, aged 37, joined the Company in 2014. He is currently the directors of its subsidiaries, namely 湖州賽樂弘教育科技有限公司 Huzhou Sai Le Hong Education Technology Limited (“湖州公司”, “Huzhou Company”), Time Credit Limited, Total Tycoon Limited, China Safety Holdings Limited and Happy Way Technology Limited of the Group. Mr. Cheung received his bachelor’s degree in accountancy from Curtin University of Technology, Australia in 2006 and associate degree of Business Administration from HKU SPACE in 2004. He is currently a student member of HKICPA and the full member of the CPA Australia. Prior to joining the Company, Mr. Cheung was an auditor and possessed over 7 years of experience in areas of auditing and accounting. Other than serving as subsidiaries’ director, Mr. Cheung also involved in daily executive duties in the subsidiaries of the Group.

**Mr. Wang Zhizhong**, aged 51, is the deputy general manager and the head of our Production Department of 華耐國際(宜興)高級陶瓷有限公司 (Sinoref International (Yixing) Co., Ltd.\*). Mr. Wang joined our Group in 2005. Mr. Wang was qualified as an assistant engineer by 無錫市人事局 (Wuxi Municipal Personnel Bureau\*) in 1995. He obtained 上海市科技成果完成者證書 (Certificate for Accomplisher of Technological Achievement in Shanghai\*) for each of the project named “復合結構電熔澆注空心磚研製” (Development of hollow composite fusion cast blocks\*) and “大型玻璃窯上部結構用新型耐火材料品種的研究” (Research on novel refractories for super structure of glass furnace\*) from 上海市科學技術委員會 (Science and Technology Commission of Shanghai Municipality) in 2000.

Mr. Wang worked in the production technology department in various companies including 宜興威爾發非金屬材料有限公司 (Yixing Wellfire Nonmetal Materials Co., Ltd.) and 宜興中村窯業有限公司 (Yixing Zhongcun Kiln Products Co., Ltd.\*), before joining our Group in 2005. In addition, Mr. Wang, jointly with Mr. Xu and Dr. Zhang, invented the 可控制流入氣體的整體式塞棒 (Mono block Stopper with controlled gas flow) which was registered as a patent (in respect of utility) in the PRC in May 2010.

**張永樂先生**，37歲，於二零一四年加入本公司。為本集團附屬公司湖州賽樂弘教育科技有限公司(「湖州公司」)、友邦信貸有限公司、Total Tycoon Limited、中國安產控股有限公司及創欣科技有限公司之董事。張先生於二零零六年獲授澳洲科廷科技大學會計學專業學士學位及於二零零四年獲授香港大學專業進修學院工商管理學副學士學位。張先生目前為香港會計師公會學生會員及澳洲會計師公會正式會員。加入本集團之前，張先生是一位核數師及於核數及會計範疇擁有超過七年的經驗。除了作為附屬公司董事外，張先生職責亦包括本集團各附屬公司的行政工作。

**王志中先生**，51歲，為副總經理兼華耐國際(宜興)高級陶瓷有限公司生產部主管。王先生於二零零五年加入本集團。王先生於一九九五年從無錫市人事局取得助理工程師資格。彼於二零零零年就「復合結構電熔澆注空心磚研製」及「大型玻璃窯上部結構用新型耐火材料品種的研究」項目從上海市科學技術委員會各自取得上海市科技成果完成者證書。

王先生於二零零五年加入本集團前曾於多間公司的生產技術部門工作，當中包括宜興威爾發非金屬材料有限公司及宜興中村窯業有限公司。另外，王先生、徐先生與張博士共同發明可控制流入氣體的整體式塞棒，該發明於二零一零年五月在中國獲註冊為專利(有關實用新型)。



## Directors and Senior Management 董事及高級管理層

**Mr. Wen Zhuowei**, aged 41, joined us in 2007 as head of our Production Department and worked as head of our Purchasing Department of 華耐國際(宜興)高級陶瓷有限公司 (Sinoref International (Yixing) Co., Ltd.\*) in 2013. Mr. Wen is mainly responsible for our procurement and environmental protection matters. Mr. Wen graduated from 江蘇省廣播電視大學 (Jiangsu Radio and TV University\*). He worked for 江蘇耐克體育用品有限公司 (Nike Jiangsu) Sport Products Co., Limited\* as production supervisor from 2000 to 2005 and worked as shift leader in 微密科技(宜興)有限公司 (Weimi Science and Technology (Yixing) Co., Ltd\*) from 2006 to 2007 prior to joining our Group.

*For the purpose of this section, “\*” denotes unofficial English translation.*

**溫卓偉先生**，41歲，於二零零七年加入本集團擔任華耐國際(宜興)高級陶瓷有限公司生產部主管及二零一三年兼任採購部主管。溫先生主要負責本集團採購及環保事宜。溫先生畢業於江蘇省廣播電視大學，在加入本集團之前，他曾自二零零零年至二零零五年在江蘇耐克體育用品有限公司任生產主管；二零零六年至二零零七年在微密科技(宜興)有限公司擔任生產領班。



# Report of the Directors

## 董事會報告

The Directors are pleased to present their report and audited financial statements of the Group for the year ended 31 December 2018.

### PRINCIPAL ACTIVITIES

The Group is primarily engaged in the manufacturing and selling of paper converting equipment and other relating equipment, eCommerce, eCommerce solutions and related support services and selling of information technology products, money lending, as well as, provision of internet education services.

The Group's turnover is mainly derived from business activities in Mainland China. An analysis of the Group's income for the year is set out in note 9 to the financial statements.

Particulars of the Company's major subsidiaries as at 31 December 2018 are set out in note 41 to the financial statements.

### RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 127 and 128 of this report.

The state of the Group's affairs at 31 December 2018 is set out in the consolidated statement of financial position on pages 129 to 130 of this report.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2018.

The Company is not aware of any arrangement under which a shareholder of the Company has waived or agreed to waive any dividends.

董事謹此呈列本集團截至二零一八年十二月三十一日止年度之報告及經審核財務報表。

### 主要業務

本集團主要從事製造及銷售紙張加工設備及其他相關設備、電子商務、電子商務解決方案及相關支援服務及銷售資訊科技產品、放債以及提供互聯網教育服務。

本集團之營業額主要來自中國大陸之業務活動。本集團年內之收入分析載於財務報表附註9。

本公司於二零一八年十二月三十一日之主要附屬公司詳情載於財務報表附註41。

### 業績及股息

本集團截至二零一八年十二月三十一日止年度之業績載於本報告第127及128頁之綜合損益及其他全面收益表。

本集團於二零一八年十二月三十一日之財務狀況載於本報告第129至130頁之綜合財務狀況表。

董事會不建議派付截至二零一八年十二月三十一日止年度之末期股息。

本公司並不知悉本公司股東已放棄或同意放棄任何股息之任何安排。



## FIVE YEAR FINANCIAL SUMMARY

The result, assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, are summarised on page 252 of this report.

## PROPERTY, PLANT AND EQUIPMENT

Details of property, plant and equipment of the Group as at 31 December 2018 are set out in note 20 to the financial statements.

## SHARE CAPITAL

Details of the movements in share capital of the Company are set out in note 35 to the financial statements.

## PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this annual report, there was a sufficiency of public float the Company's securities as required under the Listing Rules.

## 五年財務概要

摘錄自經審核財務報表之本集團於過去五個財政年度之業績、資產及負債概要載於本報告第252頁。

## 物業、廠房及設備

本集團於二零一八年十二月三十一日之物業、廠房及設備詳情載於財務報表附註20。

## 股本

本公司股本變動詳情載於財務報表附註35。

## 公眾持股量

根據本公司於緊接本年報刊發前的最後實際可行日期獲得的公開資料及據董事所知，本公司證券的公眾持股量一直充足，符合上市規則的規定水平。

# Report of the Directors

## 董事會報告

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

### 購買、出售或贖回本公司上市證券

During the year ended 31 December 2018, the Company repurchased a total of 217,700,000 ordinary shares of the Company at an aggregate purchase price of HK\$57,339,000 (before brokerage and expenses) on The Stock Exchange of Hong Kong Limited. Details of the repurchases of such ordinary shares were as follows:

截至二零一八年十二月三十一日止年度，本公司以總購買價57,339,000港元（扣除經紀佣金及開支前）於香港聯合交易所有限公司購回共217,700,000股本公司普通股。購回該等普通股之詳情如下：

Month of repurchase 購回月份	Number of ordinary shares repurchased 購回普通股數目 (’000) (千股)	Price per ordinary share 每股普通股價格		Aggregate purchase price 總購買價 (HK\$’000) (千港元)
		Highest 最高 (HK\$) (港元)	Lowest 最低 (HK\$) (港元)	
February 2018 二零一八年二月	101,968	0.295	0.247	27,803
April 2018 二零一八年四月	9,448	0.275	0.270	2,588
May 2018 二零一八年五月	39,364	0.280	0.265	10,762
June 2018 二零一八年六月	17,892	0.270	0.255	4,693
July 2018 二零一八年七月	28,336	0.270	0.250	7,208
September 2018 二零一八年九月	7,648	0.22	0.210	1,637
October 2018 二零一八年十月	13,044	0.213	0.195	2,648
Total 總計	217,700			57,339

Save as disclosed above, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the year ended 31 December 2018.

除上文所披露者外，截至二零一八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

# Report of the Directors

## 董事會報告

### RESERVES AND DISTRIBUTABLE RESERVES

Details of the movements in reserves of the Group during the year are set out in the consolidated statement of changes in equity.

The Company's reserves available for distribution to its shareholders as at 31 December 2018 was Nil (31 December 2017: Nil).

### MAJOR CUSTOMERS AND SUPPLIERS

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

	Percentage of the total purchases/ sales accounted for
Purchases	
– the largest supplier	6%
– five largest suppliers combined	20%
Sales	
– the largest customer	4%
– five largest customers combined	9%

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

At no time during the year under review, none of the Directors, their associates or shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) has any interest in the customers or suppliers disclosed above.

### 儲備及可分派儲備

本集團儲備於年內之變動詳情載於綜合權益變動表。

於二零一八年十二月三十一日，本公司可分派予股東之儲備為零（二零一七年十二月三十一日：零）。

### 主要客戶及供應商

本集團主要客戶及供應商所佔本年度之銷售及採購額百分比如下：

	佔採購／ 銷售總額 百分比
採購	
– 最大供應商	6%
– 五大供應商合計	20%
銷售	
– 最大客戶	4%
– 五大客戶合計	9%

概無本公司董事、彼等之聯繫人或任何股東（就董事所知擁有本公司已發行股本5%以上者）在上述本集團五大供應商或客戶中擁有權益。

於回顧年度內任何時間，董事、彼等之聯繫人或任何股東（據董事所知擁有本公司已發行股本逾5%者）概無於上述披露之客戶或供應商中擁有任何權益。



# Report of the Directors

## 董事會報告

### ENVIRONMENTAL POLICIES

The Group has always kept our sustainable development that aligns with the harmonious relationship to the environment and committed to pay close attention to conserving natural resources. The Group strives to minimize our environmental impact by water-recycling initiatives, sewage treatment implementation, energy saving and wastage reduction, and encouraging recycle of office supplies and other materials. On gas emission, advanced equipments have been employed in various production procedures to recover part of the wastage particulates generated during production process and minimize the emission to the fullest extent. The Group dedicates to improving equipment efficiency and quality management in order to reduce power consumption. It also requires our factories to operate in strict compliance with the relevant environmental regulations and rules and possess all necessary permission and approval from the relevant PRC regulators.

The Group always insist on the ideology on issues of environmental protection, being conventional, safe and clean. To enhance environmental awareness and encourage daily participation among staff in the continuous improvement of environmental protection, the Group implements green office practices, such as implementing paperless practice whenever possible and engaging staff regularly on low carbon office measures.

### 環境政策

本集團向來維持與環境和諧共存的可持續發展，並密切注視保護天然資源。本集團透過水資源循環再用措施、落實污水處理、節能及減廢以及鼓勵循環再用辦公室用品及其他物料，致力將對環境的影響減至最低。就氣體排放而言，我們已在數個生產程序使用高端設備，以收回部分於生產工序產生的廢氣微粒及在最大範圍內減低廢氣排放。本集團致力改善設備效率及品質管理以減低能源消耗，亦要求工廠在嚴格遵守相關環保法規及規則的情況下營運，並須具備一切由相關中國監管機構所發出的必要許可及批准。

本集團一向秉持常規化、安全及潔淨等環境保護意識形態。為提升環保意識及鼓勵員工日常持續參與環保改進，本集團落實綠色辦公室措施，如在可行情況下實施無紙化作業，以及促成員工恆常地實行低碳辦公室措施。

### KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Board recognizes that employees, customers and business partners are the keys to the sustainable development of the Group. The Group is committed to building a close and caring relationship with its employees and business partners and improving the quality of services to the customers. Employees are regarded as the most important and valuable assets of the Group. The Group ensures all staff is reasonably remunerated and its workers are provided with regular training courses on operation of different types of machinery, as well as work safety. The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. It is committed to maintain a high standard of corporate social governance essential for creating a framework for motivating staff, and contributes to the community in which we conduct our businesses and creates a sustainable return. It also stays connected with its customers and suppliers and has ongoing communication with the customers and suppliers through various channels such as telephone, electronic mails and physical meetings to obtain their feedback and suggestions.

### COMPLIANCE WITH LAWS AND REGULATIONS

The Group has compliance and risk management policies and procedures, and members of the senior management are delegated with the continuing obligation to monitor adherence and compliance with all significant legal and regulatory requirements. Our Audit Committee is delegated by the Board to monitor the Group's policies and practices on compliance with legal and regulatory requirements and such policies are regularly reviewed. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time. Since the Group has subsidiaries in China and Hong Kong, the establishments and operations shall comply with relevant laws and regulations in the PRC and Hong Kong. During the year ended 31 December 2018 and up to the date of this annual report, the Group's operation has complied with all the relevant laws and regulations in the PRC and Hong Kong in all material respects.

### 與僱員、客戶及供應商的主要關係

董事會深明僱員、客戶及業務夥伴乃本集團達致可持續發展的要素。本集團致力與其僱員及業務夥伴建立緊密及關懷的關係，並提升向客戶提供的服務質素。僱員乃本集團最重要及最寶貴的資產。本集團確保所有員工均得到合理報酬，而工人亦定期接受操作不同類型機器及工作安全的培訓課程。本集團致力透過清晰的晉升階梯及提供提升及改善員工技能的機會激勵僱員，亦致力保持對建構激勵員工的框架至為重要的高水平企業社會管治，並對我們經營業務所在的社區作出貢獻以及創造可持續回報。本集團亦與其客戶及供應商保持聯繫，並透過電話、電子郵件及面對面會議等不同渠道保持持續溝通，以獲得彼等的反饋及建議。

### 遵守法律及法規

本集團設有合規及風險管理政策及程序，而高級管理層成員已獲委派監控遵從及遵守所有重大法律及監管規定的持續責任。審核委員會已獲董事會委派監控本集團遵守法律及監管規定的政策及常規之責任，而有關政策乃獲定期檢討。相關僱員及相關營運單位將不時留意適用法律、規則及法規的任何變動。由於本集團在中國及香港均設有附屬公司，故該等機構及營運均須遵守中國及香港的相關法律及法規。於截至二零一八年十二月三十一日止年度及直至本年報日期，本集團的營運已在所有重大方面遵守中國及香港的一切相關法律及法規。

# Report of the Directors

## 董事會報告

### DIRECTORS AND CHIEF EXECUTIVE

The Directors who held office during the year and up to the date of this report were:

#### Executive Directors

Mr. Zhu Min (*Chairman*)  
Mr. Sin Kwok Wai Ronald  
Mr. Lu Yongchao  
Mr. Xu Yejun  
Mr. Gao Xiang<sup>1</sup>

#### Non-executive Directors

Mr. Chow Chi Wa  
Ms. Yip Sum Yu

#### Independent Non-executive Directors

Mr. Tong Yiu On  
Mr. Li Yik Sang  
Mr. Cao Ke

#### Chief Executive Officer

Mr. Wang Matthew Yang<sup>2</sup>  
Mr. Gao Xiang<sup>1</sup>

<sup>1</sup> Resigned on 12 April 2018

<sup>2</sup> Appointed on 12 April 2018

### DIRECTORS' PROFILES

Directors' profiles are set out on pages 80 to 86 of this report.

### 董事及行政總裁

於年內直至本報告日期之董事如下：

#### 執行董事

朱敏先生 (*主席*)  
冼國威先生  
呂永超先生  
徐葉君先生  
高翔先生<sup>1</sup>

#### 非執行董事

周志華先生  
葉芯瑜女士

#### 獨立非執行董事

唐耀安先生  
李奕生先生  
曹克先生

#### 行政總裁

王陽先生<sup>2</sup>  
高翔先生<sup>1</sup>

<sup>1</sup> 於二零一八年四月十二日辭任

<sup>2</sup> 於二零一八年四月十二日獲委任

### 董事履歷

董事履歷載於本報告第80至86頁。



### DIRECTORS' SERVICE CONTRACTS

Mr. Zhu Min's appointment has no fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company. His remuneration as the executive director and chairman of the Company will be determined by the remuneration committee of the Company and the Board with reference to his duties and responsibilities with the Company and the prevailing market situation.

Mr. Sin Kwok Wai Ronald was appointed for an initial term of three years commencing from 10 October 2014 renewable automatically for a successive term of three year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by either Mr. Sin or the Company giving not less than three months' notice in writing expiring at the end of the initial term or at any time thereafter.

Mr. Lu Yongchao's appointment has no fixed term and is subject to retirement by rotation and re-election at the annual general meeting of the Company. His remuneration as the executive director of the Company will be determined by the remuneration committee of the Company and the Board with reference to his duties and responsibilities with the Company and the prevailing market situation.

### 董事服務合約

朱敏先生之委任並無固定任期，惟須於本公司股東週年大會上輪值退任及重選連任。彼作為本公司執行董事兼主席之薪酬將由本公司薪酬委員會及董事會參考朱先生於本公司之職責及責任及現行市況後釐定。

冼國威先生之任期由二零一四年十月十日起計，初步為三年，於當時委任期屆滿後翌日起將自動更新及延長三年任期，直至由冼先生或本公司在初步任期屆滿前或其後任何時間發出不少於三個月之書面通知終止為止。

呂永超先生之委任並無固定任期，惟須於本公司股東週年大會上輪值退任及重選連任。彼作為本公司執行董事之薪酬將由本公司薪酬委員及董事會參考呂先生於本公司之職責及責任及現行市況而釐定。



## Report of the Directors 董事會報告

Mr. Xu Yejun, entered into a service contract with our Company pursuant to which he agreed to act as executive Directors for an initial term of three years with effect from 7 June 2010. The term of service shall be renewed and extended automatically by one year on the expiry of such initial term and on the expiry of every successive period of one year thereafter, unless either party has given at least three months' written notice of non-renewal before the expiry of the then existing term.

Mr. Gao Xiang's appointment had no fixed term and was subject to retirement by rotation and re-election at the annual general meeting of the Company. His remuneration as the executive Director and Chief Executive Officer of the Company was determined by the remuneration committee of the Company and the Board with reference to his duties and responsibilities with the Company and the prevailing market situation.

Mr. Chow Chi Wa, our non-executive Director was appointed for an initial term of one year commencing from 27 November 2013 renewable automatically for successive term of one year each commencing from the next day after the expiry of then current term of appointment, unless terminated by either party has given at least three months' notice in writing expiring at the end of the initial term or at any time thereafter.

Ms. Yip Sum Yu was appointed for an initial term of one year commencing from 10 November 2014 renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by either Ms. Yip or the Company giving not less than three months' notice in writing expiring at the end of the initial term or at any time thereafter.

徐葉君先生已與本公司訂立服務合約，據此彼同意自二零一零年六月七日起擔任執行董事，初步為期三年。任期將於初步任期屆滿或之後每年任期屆滿時自動續期一年，直至任何一方於現行任期屆滿前向另一方發出不少於三個月之書面通知不予續期為止。

高翔先生之委任並無固定任期，惟須於本公司股東週年大會上輪值退任及重選連任。彼作為本公司執行董事兼行政總裁之薪酬將由本公司薪酬委員會及董事會參照高先生於本公司之職責及責任及現行市況而釐定。

周志華先生獲委任為本公司非執行董事，彼初步委任期自二零一三年十一月二十七日起計為期一年，於當時委任期屆滿後翌日起將自動續期一年，直至由任何一方在初步任期屆滿時或其後任何時間發出至少三個月之書面通知終止為止。

葉芯瑜女士之任期自二零一四年十一月十日起計，初步為一年，於當時委任期屆滿後翌日起將自動更新及延長一年任期，直至由葉女士或本公司在初步任期屆滿前或其後任何時間發出不少於三個月之書面通知終止為止。



## Report of the Directors 董事會報告

Mr. Tong Yiu On was appointed for an initial term of one year commencing from 10 October 2014 renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by either Mr. Tong or the Company giving not less than three months' notice in writing expiring at the end of the initial term or at any time thereafter.

Mr. Li Yik Sang was appointed for an initial term of one year commencing from 10 October 2014 renewable automatically for successive term of one year each commencing from the next day after the expiry of the then current term of appointment, unless terminated by either Mr. Li or the Company giving not less than three months' notice in writing expiring at the end of the initial term or at any time thereafter.

Mr. Cao Ke, our independent non-executive Director was appointed for an initial term of three years, subject to retirement by rotation at the annual general meeting of the Company in accordance with the Company's articles of association. Mr. Cao will be entitled to a director's fee to be determined by the Board based on his anticipated effort and expertise to be exercised on the Company's affairs.

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

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group to protect the Directors and officers of the Group against any potential liability arising from the Group's activities which such Directors and officers may be held liable.

唐耀安先生之任期由二零一四年十月十日起計，初步為一年，於當時委任期屆滿後翌日起將自動更新及延長一年任期，直至由唐先生或本公司在初步任期屆滿前或其後任何時間發出不少於三個月之書面通知終止為止。

李奕生先生之任期由二零一四年十月十日起計，初步為一年，於當時委任期屆滿後翌日起將自動更新及延長一年任期，直至由李先生或本公司在初步任期屆滿前或其後任何時間發出不少於三個月之書面通知終止為止。

本公司獨立非執行董事曹克先生獲委任之初始年期為三年，須根據本公司之組織章程細則於本公司股東週年大會上輪值退任。曹先生將有權享有董事袍金。董事袍金由董事會根據曹先生預期對本公司事務付出之努力及提供之專業服務而釐定。

在應屆股東週年大會上建議重選之董事概無訂有本公司不可於一年內免付賠償（一般法定賠償除外）而終止之未屆滿服務合約。

為保障本集團董事及高級職員免於負上因本集團業務活動而產生的潛在責任，本公司已為本集團董事及高級職員安排適當之董事及高級職員責任保險。



## Report of the Directors 董事會報告

### DIRECTORS' INTERESTS IN CONTRACTS

Apart from the particulars disclosed in note 38 under the heading "Related party transactions" to the financial statements, there were no other transaction, arrangement or contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party nor there were any other transaction, arrangement or contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries subsisting at the end of the year or at any time during the year in which a Director or an entity connected with a Director had, whether directly or indirectly, a material interest.

No contract of significance had been entered into between the Company or any of its subsidiaries and the controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries.

No contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder of the Company or any of its subsidiaries was entered into.

### DIRECTORS' INTEREST IN SHARES

As at 31 December 2018, so far as was known to the Directors of the Company, our chief executive officer of the Company had an interest or short position in the shares and underlying shares of the Company, which were required to be recorded in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

### 董事於合約之權益

除財務報表附註38「關連方交易」所披露之詳情外，於年終時或年內任何時間，本公司或其附屬公司並無訂有與本公司業務有關而董事或董事之關連實體直接或間接擁有重大權益之任何其他重大交易、安排或合約，而本公司與其附屬公司之間亦無訂有與本公司業務有關而董事或董事之關連實體直接或間接擁有重大權益之任何其他重大交易、安排或合約。

本公司或其任何附屬公司與本公司或其任何附屬公司之控股股東（定義見上市規則）之間概無訂立任何重大合約。

概無訂立本公司或其任何附屬公司之控股股東向本公司或其任何附屬公司提供服務之重大合約。

### 董事於股份之權益

於二零一八年十二月三十一日，就本公司董事所知，本公司行政總裁於本公司股份及相關股份中擁有須根據證券及期貨條例第336條登記於本公司存置的登記冊之權益或淡倉如下：

# Report of the Directors

## 董事會報告

### Long and short positions in the Shares and underlying Shares

### 於股份及相關股份之好倉及淡倉

Name of Shareholder	Nature of interest	Number of securities held (Note 1)	Interest in underlying Shares of share option (Note 1)	Approximate percentage of shareholding (%)
股東姓名	權益性質	所持證券數目 (附註1)	購股權之相關股份權益 (附註1)	概約股權百分比 (%)
Mr. Zhu Min	Interest in a controlled corporation	990,284,000 Shares (L)	–	24.91%
朱敏先生	受控制法團權益	990,284,000股股份(L)		
Mr. Sin Kwok Wai Ronald	Interest in a controlled corporation	17,452,000 Shares (L)	–	0.44%
冼國威先生	受控制法團權益	17,452,000 股股份(L)		
Mr. Lu Yongchao	Interest in a controlled corporation	6,100,000 Shares (L)	–	0.15%
呂永超先生	受控制法團權益	6,100,000股股份(L)		

Note:

附註：

1. The letter “L” denotes the person’s long position in our Shares.

1. 「L」代表該人士於本公司股份之好倉。

# Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS' INTERESTS

The Directors and the chief executive officer of the Company are not aware that there is any party who, as at 31 December 2018, had interests or short positions in the shares and underlying shares of the Company, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or substantial shareholders as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

### SHARE OPTION SCHEME

The Company operates a share option scheme (the “**Share Option Scheme**”), which was adopted on 7 June 2010 (the “**Adoption Date**”), for the purpose of providing incentives or rewards to selected eligible participants for their contribution to the Group. Unless otherwise cancelled or amended, the Share Option Scheme will remain in force for ten years from the Adoption Date.

Eligible participants of the Share Option Scheme include the following:

- (i) any employee (whether full time or part time) of the Group or any entity (the “**Invested Entity**”) in which any member of the Group holds any equity interest (including any executive director but excluding any non-executive director of the Group or any Invested Entity);

### 主要股東之權益

就本公司董事及行政總裁所知，於二零一八年十二月三十一日，並無任何人士在本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有可於任何情況下在本公司或按本公司須根據證券及期貨條例第336條存置的登記冊所記錄的主要股東的股東大會上投票之任何類別股本的面值5%或以上之權益。

### 購股權計劃

本公司設有一項購股權計劃（「**購股權計劃**」），該計劃於二零一零年六月七日（「**採納日期**」）採納，目的是向經甄選合資格參與者提供獎勵或報酬，以表揚彼等對本集團作出之貢獻。除非另行取消或修訂，否則購股權計劃將由採納日期起一直有效，為期十年。

購股權計劃之合資格參與者包括以下人士：

- (i) 本集團或本集團任何成員公司持有股權之任何實體（「**被投資實體**」）之任何僱員（不論全職或兼職）（包括本集團或任何被投資實體的任何執行董事但不包括其任何非執行董事）；





## Report of the Directors 董事會報告

- |  |  |
|--|--|
| (ii) any non-executive directors (including independent non-executive directors) of the Group or any Invested Entity;  | (ii) 本集團或任何被投資實體之任何非執行董事（包括獨立非執行董事）；                         |
| (iii) any supplier of goods or services to any member of the Group or any Invested Entity;   | (iii) 向本集團任何成員公司或任何被投資實體提供貨品或服務之任何供應商；                       |
| (iv) any customer of the Group or any Invested Entity;   | (iv) 本集團或任何被投資實體之任何客戶；                                       |
| (v) any person or entity that provides research, development or other technological support to the Group or any Invested Entity;   | (v) 向本集團或任何被投資實體提供研究、開發或其他技術支持之任何人士或實體；                      |
| (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;   | (vi) 本集團任何成員公司或任何被投資實體之任何股東或本集團任何成員公司或任何被投資實體所發行任何證券之持有人；    |
| (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of the Group or any Invested Entity; and   | (vii) 就本集團或任何被投資實體的業務或業務發展之任何範疇提供意見之任何顧問（專業或其他方面）或諮詢人；及      |
| (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliances or other business arrangement to the development and growth of the Group. | (viii) 透過合作經營、業務聯盟或其他業務安排，對本集團的發展及增長作出貢獻或可能作出貢獻之任何組別或類別之參與者。 |

The maximum number of Shares issuable upon exercise of the options which may be granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised and outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

於任何12個月期間內，每名參與者因行使根據購股權計劃及本集團任何其他購股權計劃可授出的購股權（包括已行使及尚未行使的購股權）而可獲發行之股份最高數目，不得超過本公司當時之已發行股本之1%。任何進一步授出超出該上限之購股權，須經股東在股東大會上批准。

## Report of the Directors 董事會報告

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their respective associates (as defined under the Listing Rules), are subject to approval in advance by the independent non-executive Directors (excluding independent non-executive Director who is the grantee of the options). In addition, where any grant of share options to a substantial shareholder or an independent non-executive Director, or to any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in excess of 0.1% of the Shares in issue and with an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK\$5 million, in a 12-month period up to and including the date of grant, such grant of share options are subject to Shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of the offer, upon payment of a nominal consideration of HK\$1 by the grantee. The exercise period for the share options granted is determined by the Board, whose period may commence from the date of acceptance of the offer for the grant of share options but shall end in any event not later than 10 years from the date of the grant of the option subject to the provisions for early termination under the Share Option Scheme.

The subscription price for Shares under the Share Option Scheme shall be a price determined by the Board, but shall not be less than the highest of:

- (i) the closing price of Shares as stated in the daily quotations sheet of the Stock Exchange on the date of the offer of the grant, which must be a trading day;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and
- (iii) the nominal value of a Share.

向本公司董事、行政總裁或主要股東或向任何彼等各自之聯繫人（定義見上市規則）授出購股權，須事先經獨立非執行董事（不包括身為購股權承授人之獨立非執行董事）批准。此外，倘若向主要股東或獨立非執行董事或彼等各自之聯繫人授出任何購股權，將導致於截至授出日期（包括該日）止12個月期間內，有關人士因行使所有已獲授及將獲授之購股權（包括已行使、註銷及尚未行使之購股權）而獲發行及將獲發行之股份，超出已發行股份的0.1%，且總值（根據授出日期之股份收市價計算）超出500萬港元，則上述授出購股權須經股東在股東大會上批准。

授出的購股權可於授出日期起計21日內，由承授人支付象徵式代價1港元而接納。所授出購股權之行使期由董事會釐定，而該期間由所授出購股權獲接納日期開始，而無論如何不得遲於授出購股權日期後第10年屆滿，惟可根據購股權計劃的有關條文而提早終止。

根據購股權計劃認購股份之認購價將由董事會釐定，惟不得低於下列最高者：

- (i) 於授出日期（須為交易日）聯交所每日報價表所示之股份收市價；
- (ii) 於緊接授出日期前五個營業日在聯交所每日報價表所示之股份平均收市價；及
- (iii) 每股面值。

## Report of the Directors 董事會報告

Since the Adoption Date and up to 31 December 2017, 200,000,000 share options has been granted by the Company, representing 4.77% of the issued share capital of the Company as at 31 December 2017.

由採納日期直至二零一七年十二月三十一日，本公司已授出200,000,000份購股權，相等於本公司於二零一七年十二月三十一日之已發行股本4.77%。

### MOVEMENT OF THE SHARE OPTIONS

### 購股權變動

Movements of the share options which were granted under the Share Option Scheme, during the year under review were listed below in accordance with Rule 17.07 of the Listing Rules:

根據上市規則第17.07條，於回顧年間根據購股權計劃授出之購股權變動如下：

Grantee 承授人	Date of grant 授出日期	Exercise price (HK\$) 行使價 (港元)	Outstanding as at 1 January 2018 於二零一八年 一月一日 尚未行使	Number of share option 購股權數目				Outstanding as at 31 December 2018 於二零一八年 十二月三十一日 尚未行使
			Granted 已授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效		
<b>Executive Director</b> <b>執行董事</b>								
Mr. Lu Yongchao 呂永超先生	16 March 2015 二零一五年三月十六日	0.32	15,000,000	-	-	-	(15,000,000)	- (Note 1) (附註1)
<b>Non-Executive Director</b> <b>非執行董事</b>								
Ms. Yip Sum Yu 葉芯瑜女士	16 March 2015 二零一五年三月十六日	0.32	15,000,000	-	-	-	(15,000,000)	- (Note 1) (附註1)

# Report of the Directors

## 董事會報告

Grantee 承授人	Date of grant 授出日期	Exercise price (HK\$) 行使價 (港元)	Outstanding as at 1 January 2018 於二零一八年 一月一日 尚未行使	Number of share option 購股權數目				Outstanding as at 31 December 2018 於二零一八年 十二月三十一日 尚未行使
			Granted 已授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效		
<b>Employees</b>								
<b>僱員</b>								
Employees	16 March 2015	0.32	75,000,000	-	-	-	(75,000,000)	- (Note 1)
僱員	二零一五年三月十六日							(附註1)
	13 January 2016	0.315	80,000,000	-	-	-	-	80,000,000 (Note 2)
			(Note 2)					(附註2)
	二零一六年一月十三日		(附註2)					(附註2)
<b>Total</b>			185,000,000	-	-	-	(105,000,000)	80,000,000
<b>總計</b>								

### Notes:

- These options should be valid for a term of three years commencing from 16 March 2015. The closing price of the Company's shares on 13 March 2015 (the trading day immediately before the date on which these options were granted) was HK\$0.248.
- These options should be valid for a term of three years commencing from 13 January 2016. The closing price of the Company's shares on 12 January 2016 (the trading day immediately before the date on which these options were granted) was HK\$0.30.

No share options were granted during the year ended 31 December 2018.

The fair value of equity-settled share options granted during the year ended 31 December 2016 was estimated as at the date of grant, using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	0.00
Expected volatility (%)	86
Risk-free interest rate (%)	1.134
Expected life of options (year)	1.50
Closing share price at grant date (HK\$)	0.3

### 附註：

- 該等購股權有效期為三年，自二零一五年三月十六日起生效。本公司股份於二零一五年三月十三日（緊接該等購股權授出日期前的交易日的收市價為0.248港元。
- 該等購股權有效期為三年，自二零一六年一月十三日起生效。本公司股份於二零一六年一月十二日（緊接該等購股權授出日期前的交易日的收市價為0.30港元。

於截至二零一八年十二月三十一日止年度，概無授出任何購股權。

於截至二零一六年十二月三十一日止年度，授出之股本結算購股權之公平值乃於授出購股權日期以「柏力克－舒爾斯」期權定價模式作出估計，並經計及所授購股權之條款及條件。下表載列所採用模式之參數：

派息率(%)	0.00
預期波幅(%)	86
無風險利率(%)	1.134
購股權之估計年期(年)	1.50
於授出日期之收市價(港元)	0.3



## Report of the Directors 董事會報告

The expected life of the options is based on management expectation and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

The fair value of equity-settled share options granted and the Group recognised as in note 36, a share option expense of nil during the year ended 31 December 2018 (2017: nil).

### EMPLOYEES' INTEREST IN SHARE OPTION SCHEME

At no time during the year ended 31 December 2018 was the Company or any of its subsidiaries a party to any arrangement to enable the employees or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

### RIGHTS TO ACQUIRE COMPANY'S SECURITIES

Other than as disclosed under the sections "Share Option Scheme" and "Directors' Interest in Shares" above, at no time during the year under review was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

購股權之估計年期乃根據管理層之預期釐定，並不一定標示可能出現之行使規律。預期波幅反映歷史波幅可標示未來趨勢之假設，但未必為實際結果。

授出股本結算購股權之公平值及本集團如附註36確認，於截至二零一八年十二月三十一日止年度一項購股權開支為零（二零一七年：零）。

### 僱員於購股權計劃之權益

於截至二零一八年十二月三十一日止年度內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使僱員或彼等之配偶或18歲以下之子女可藉購入本公司或任何其他法人團體之股份而獲益。

### 購買本公司證券之權利

除上文「購股權計劃」及「董事於股份之權益」兩節所披露者外，於回顧年度內任何時間，本公司或其任何附屬公司或其任何同系附屬公司概無訂立任何安排，致使本公司之董事或行政總裁或彼等各自之聯繫人（定義見上市規則）有任何權利認購本公司或其相聯法團（定義見證券及期貨條例）之證券，或可藉購入本公司或任何其他法人團體之股份或債券而獲益。

# Report of the Directors

## 董事會報告

### PLACING OF SHARES

Reference is made to the supplemental announcement made by the Company on 31 November 2018, relating to the use of the proceeds from the placing under general mandate completed on 2 February 2017 and for the clarification on the annual report 2017. It was announced that as at 31 December 2017, the net proceeds from the Placing was approximately HK\$176.6 million (the "Placing Proceeds"), the net proceeds been applied in accordance with the proposed applications and the unutilized Placing Proceeds was approximately HK\$63.2 million.

The following table sets out the breakdown of the use of proceeds in the Group during year 2018:

### 股份配售

茲提述本公司於二零一八年十一月三十一日刊發之補充公佈，內容有關於二零一七年二月二日完成根據一般授權進行配售的所得款項用途及澄清二零一七年年報。茲公佈，於二零一七年十二月三十一日，配售事項的所得款項淨額約為176,600,000港元（「配售事項所得款項」），所得款項淨額已應用擬定用途，及尚未動用之配售事項所得款項約為63,200,000港元。

下表載列本集團於二零一八年的所得款項用途之明細：

	<b>RMB Equivalent 人民幣等值 (‘000) (千元)</b>	<b>HK\$ 港元 (‘000) (千元)</b>
Administrative expenses 行政開支	1,402	1,661
Consultation and service 諮詢及服務	960	1,138
Professional fees 專業費用	7,294	8,647
Legal fee 法律費用	2,561	3,036
Office expenses 辦公室開支	9,663	11,454
Share register and listing fee 股份註冊及上市費用	505	598
Audit fee 審核費用	1,143	1,355
Others 其他	451	535
<b>Total 總額</b>	<b>23,979</b>	<b>28,424</b>





## Report of the Directors 董事會報告

The total balance of the unutilized Placing Proceeds was approximately HK\$34.8 million, and the Group intends to use the remaining unutilized Placing Proceeds mainly on the administrative, office expenses and professional fees in 2019.

### MATERIAL TRANSACTION

Reference is made to the announcement made by the Company on 1 August 2018, relating to the disposal of the subsidiary (“Disposal”) of the Company, where the Sale Shares represents 100% of the issued share capital of the Disposal Company (“Sinoref (BVI) Limited”). The discontinued operation are re-represented as set out in note 44 to the financial statements. The material transaction of Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules.

### CONNECTED TRANSACTION

The Company received the Auditor’s Certificate confirming that the 1st guaranteed profit for the 1st guaranteed period had been fulfilled in the business and set out in note 34. Accordingly, the Company issued the 1st Promissory Note in the principal amount of HK\$55 million to the Vendor or its nominee(s) on 30 September 2018 as set out in note 33, for the partial settlement of the Consideration pursuant to the Sale and Purchase Agreement dated 26 July 2017 which constitutes a discloseable connected transaction as defined under the Listing Rules.

尚未動用之配售事項所得款項總結餘約為34,800,000港元，及本集團擬將餘下尚未動用之配售事項所得款項主要動用於二零一九年之行政、辦公室開支及專業費用。

### 重大交易

茲提述本公司於二零一八年八月一日刊發之公佈，內容有關出售本公司附屬公司（「出售事項」），其中銷售股份即出售公司（「Sinoref (BVI) Limited」）之100%已發行股本。已終止經營業務按財務報表附註44所載重新呈列。根據上市規則第十四章，出售事項之重大交易構成本公司之主要交易。

### 關連交易

本公司接獲核數師證明書，證明第一個保證期間的第一保證溢利已於業務過程中獲達成，詳情載於附註34。因此，誠如附註33所載，本公司於二零一八年九月三十日根據日期為二零一七年七月二十六日之買賣協議向賣方或其提名人發行本金額55,000,000港元之第一批承兌票據，用於支付部分代價，其構成上市規則項下所定義之須予披露關連交易。

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTION

On 26 July 2017 (after trading hours of the Stock Exchange), the Board announced that the Cybernaut International Holdings Company Limited “Company” (as the purchaser), Cybernaut Education Limited, a company incorporated in the BVI with limited liability, which is owned as to 90%, 5% and 5% by Mr. Zhu Min, Mr. Zhao Yingming and Mr. Zhao Yingyong respectively “the Vendor”, (as the vendor) and Mr. Zhu Min “Mr. Zhu” (as the guarantor) entered into the Sale and Purchase Agreement, pursuant to which the Company has conditionally agreed to acquire from the Vendor and the Vendor has conditionally agreed to sell to the Company the Sale Shares at the consideration of HK\$320 million which shall be settled by cash and the Promissory Notes. In addition, 湖州賽樂弘教育科技有限公司 (Huzhou Sai Le Hong Education Technology Limited) “Huzhou Company”, 京師沃學(北京)教育科技有限公司 (Capital Wowxue (Beijing) Education Technology Limited) “Wowxue” and the Registered Shareholders have entered into the VIE Agreements on 30 August 2017 (as amended by supplemental agreements dated 25 September 2017), for the Reorganisation in order to enable the financial results, the entire economic benefits and the risks of the businesses of Wowxue to flow into Huzhou Company and to enable the Cybernaut Technology International Limited “Target Company” to have indirect control over Wowxue as contemplated under the Sale and Purchase Agreement.

The Company got the approval of the Independent Shareholders for the Sale and Purchase Agreement, the VIE Agreements and the transactions at the EGM held on 16 November 2017. And on 24 October 2017, the Target Company was wholly-owned by the Vendor which was owned as to 90% by Mr. Zhu, a Director and a substantial Shareholder (as defined under the Listing Rules), and Mr. Zhu was one of the beneficial owners of Wowxue. Thus, the Vendor and Wowxue were associate of Mr. Zhu was a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the entering into of the Sale and Purchase Agreement constitutes a connected transaction and, upon Completion, the entering into of the VIE Agreements constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules, and is subject to the strict compliance with the requirements set forth under Rule 14A.52 and Rule 14A.53 of the Listing Rules.

### 持續關連交易

於二零一七年七月二十六日(聯交所交易時段後), 董事會宣佈賽伯樂國際控股有限公司(「本公司」)(作為買方)、Cybernaut Education Limited(一間於英屬處女群島註冊成立的公司, 朱敏先生、趙映明先生及趙英勇先生分別擁有其90%、5%及5%的股權, 「賣方」)(作為賣方)與朱敏先生(「朱先生」)(作為擔保人)訂立買賣協議, 據此, 本公司已有條件同意自賣方收購, 而賣方已有條件同意向本公司出售銷售股份, 代價為320百萬港元, 其將以現金及承兌票據結算。此外, 湖州賽樂弘教育科技有限公司(「湖州公司」)、京師沃學(北京)教育科技有限公司(「沃學」)及登記股東已於二零一七年八月三十日就重組訂立可變利益實體協議(經日期為二零一七年九月二十五日之補充協議修訂), 以令沃學的財務業績、全部經濟利益及業務風險併入湖州公司, 並助力Cybernaut Technology International Limited(「目標公司」)根據買賣協議間接控制沃學。

本公司已於二零一七年十一月十六日舉行的股東特別大會上就買賣協議、可變利益實體協議及其項下擬進行之交易取得獨立股東的批准。而於二零一七年十月二十四日, 目標公司由賣方全資擁有, 而賣方由董事及主要股東(定義見上市規則)朱先生擁有90%, 且朱先生為沃學實益擁有人之一。因此, 賣方及沃學為朱先生之聯繫人, 根據上市規則第14A章, 賣方為本公司之關連人士。故此, 根據上市規則第14A章, 訂立買賣協議亦構成關連交易及於完成後, 訂立可變利益實體協議構成本公司的持續關連交易均須嚴格遵守上市規則第14A.52條及第14A.53條所載明之規定。



## Report of the Directors 董事會報告

Notwithstanding that the transactions under the VIE Agreements technically constitute continuing connected transactions for the purposes of Chapter 14A of the Listing Rules, the Directors consider that it would be unduly burdensome and impracticable, and would add unnecessary administration costs to the Company, for all transactions contemplated under the VIE Agreements to be subject to strict compliance with the requirements set forth under Rule 14A.52 and Rule 14A.53 of the Listing Rules. The Company has applied to the Stock Exchange for the Waiver and the Stock Exchange has then granted the Waiver.

### COMPETING INTERESTS

None of the Directors or the substantial shareholders of the Company and their respective associates (as defined under the Listing Rules) had any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group during the year and up to the date of this report.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### MANAGEMENT CONTRACTS

No contracts of significance concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year, other than those are disclosed in this report.

### DIRECTORS' INTEREST IN COMPETING BUSINESS

Save as disclosed in this report, as of 31 December 2018, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or may compete with the businesses of the Group.

儘管可變利益實體協議項下的諸項交易技術上構成上市規則第14A章項下的持續關連交易，董事仍認為可變利益實體協議項下擬進行的所有交易均須嚴格遵守上市規則第14A.52條及第14A.53條所載的規定，將過於繁重、不切實際，並為本公司增加不必要的行政成本。本公司已就豁免向聯交所申請且聯交所已其後授出豁免。

### 競爭權益

於年內及直至本報告日期，本公司董事或主要股東及彼等各自之聯繫人（定義見上市規則）概無在與本集團業務競爭或可能構成競爭的業務中擁有任何權益，或與本集團有任何其他利益衝突。

### 優先購買權

本公司組織章程細則或開曼群島法例並無有關優先購買權之條文，規定本公司須按比例向現有股東發售新股份。

### 管理合約

除於本報告所披露者外，年內並無訂立或存在有關本公司全部業務或其中任何重要部份的管理及行政之重大合約。

### 董事於競爭業務中擁有的權益

除於本報告所披露者外，截至二零一八年十二月三十一日，董事及彼等各自的聯繫人概無於與本集團從事的業務競爭或可能與之競爭的任何業務中擁有權益。



# Report of the Directors

## 董事會報告

### EMOLUMENT POLICY

The emolument policy of the employees and senior management of the Group is set by the remuneration committee of the Company on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the remuneration committee of the Company, having regard to market competitiveness, individual performance and achievement.

The Company has adopted a share option scheme as an incentive to among other Directors and other eligible employees of the Group. Details of the scheme are set out in note 36 to the financial statements.

### CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" of this annual report.

### CHARITABLE DONATIONS

The Group had no charitable donations during the year ended 31 December 2018.

### BUSINESS REVIEW

Please refer to the section headed "Management discussion and analysis" in this annual report for a business review and the future prospects of the Company. Please refer to the notes to the financial statements in this annual report for the principal financial risks faced by the Company. Please refer to Note 42 to the financial statements in this annual report for the important events of the Company after the financial year ended 31 December 2018.

### 酬金政策

本集團僱員及高級管理層之酬金政策乃由本公司薪酬委員會根據有關人士之專長、資歷及能力而制訂。

董事之酬金乃由本公司薪酬委員會經考慮市場競爭力、個人表現及績效而決定。

本公司已採納購股權計劃，作為（其中包括）本集團董事及其他合資格僱員之獎勵，有關該計劃之詳情載於財務報表附註36。

### 企業管治

本公司企業管治常規詳情載於本年報「企業管治報告」一節。

### 慈善捐款

本集團於截至二零一八年十二月三十一日止年度並無慈善捐款。

### 業務回顧

有關本公司業務回顧及未來前景，請參閱本年報「管理層討論與分析」一節。有關本公司面對的主要財務風險，請參閱本年報內財務報表附註。有關本公司於截至二零一八年十二月三十一日止財政年度後之重要事項，請參閱本年報內財務報表附註42。

## AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the requirements as set out in the Listing Rules for the purposes of reviewing and supervising the financial reporting process and internal controls of the Group.

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Tong Yiu On (Chairman), Mr. Li Yik Sang and Mr. Cao Ke. The Audit Committee has reviewed and discussed with the management and the external auditor for the financial reporting matters including the annual results for the year ended 31 December 2018.

## AUDITOR

With effect from 29 January 2016, as Deloitte Touche Tohmatsu (“Deloitte”) and the Company could not reach a consensus on the audit fee for the financial year ended 31 December 2015, the Board has appointed Elite Partners CPA Limited (“Elite”) as the new auditor of the Group to fill the vacancy occasioned by the resignation of Deloitte.

A resolution to re-appoint the retiring auditor, Elite Partners CPA Limited, will be proposed at the forthcoming annual general meeting.

By order of the Board  
**Cybernaut International Holdings Company Limited**  
**Zhu Min**  
Director  
Hong Kong, 29 March 2019

## 審核委員會

本公司已成立審核委員會，並已遵照上市規則所載規定制訂書面職權範圍，目的是檢討及監察本集團之財務申報程序及內部監控。

審核委員會成員現時包括三名獨立非執行董事，即唐耀安先生（主席）、李奕生先生及曹克先生。審核委員會已與管理層及外聘核數師一同審閱及討論財務申報事宜，包括截至二零一八年十二月三十一日止年度之全年業績。

## 核數師

自二零一六年一月二十九日起，由於德勤•關黃陳方會計師行（「德勤」）與本公司未能就截至二零一五年十二月三十一日止財政年度的審計費達成共識，董事會已委任開元信德會計師事務所有限公司（「開元信德」）為本集團的新任核數師，以填補德勤辭任所產生的空缺。

在應屆股東週年大會上將提呈決議案，續聘退任的開元信德會計師事務所有限公司為本公司核數師。

承董事會命  
**賽伯樂國際控股有限公司**  
董事  
**朱敏**  
香港，二零一九年三月二十九日

# Independent Auditor's Report

## 獨立核數師報告



### TO THE MEMBERS OF CYBERNAUT INTERNATIONAL HOLDINGS COMPANY LIMITED

*(incorporated in the Cayman Islands with limited liabilities)*

#### OPINION

We have audited the consolidated financial statements of Cybernaut International Holdings Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 127 to 251, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. 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 disclosure requirements of the Hong Kong Companies Ordinance.

### 致賽伯樂國際控股有限公司列位股東

*(於開曼群島註冊成立之有限公司)*

#### 意見

本核數師(以下簡稱「我們」)已審計列載於第127至251頁賽伯樂國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一八年十二月三十一日的綜合財務狀況表及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,其中包括主要會計政策概要。我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則真實而公平地反映 貴集團於二零一八年十二月三十一日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的披露規定妥為編製。





# Independent Auditor's Report 獨立核數師報告

## BASIS FOR OPINION

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

## KEY AUDIT MATTERS

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

## 意見基礎

我們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」）進行審計。我們在該等準則下的職責於本報告中「核數師就審核綜合財務報表須承擔的責任」一節中有進一步闡述。根據香港會計師公會頒佈之《國際職業會計師道德守則》（「該守則」），我們獨立於貴集團，並已履行該守則中其他道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

## 關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對我們審計本期綜合財務報表最為重要的事項。這些事項在我們審計整體綜合財務報表及達成我們對其的意見時處理，而我們不會對這些事項提供個別的意見。

# Independent Auditor's Report

## 獨立核數師報告

### Key audit matters

#### 關鍵審計事項

#### Impairment assessment of goodwill and intangible assets

##### 商譽及無形資產減值評估

As at 31 December 2018, the Group had goodwill and intangible assets of approximately RMB444 million and RMB96 million respectively, which were allocated to three cash generating units, namely Money lending, eCommerce and Internet education services "CGUs". For the purpose of assessing impairment, the Group appointed an independent external valuer to assess the recoverable amount of the CGUs, which were determined by management based on the higher of value-in-use and fair value less costs of disposal. The valuation requires significant judgement made by management in determining the CGUs. We had identified impairment of goodwill and intangible assets as a key audit matter because significant management judgement was used to appropriately identify the CGUs and to determine the key assumptions including estimated future income, operating margins and discount rates. After the management assessment, management has concluded that there is no impairment in respect of goodwill and intangible assets.

於二零一八年十二月三十一日，貴集團之商譽及無形資產分別約人民幣444,000,000元及人民幣96,000,000元，其獲分配至三個現金產生單位，即放債、電子商務及互聯網教育服務「現金產生單位」。為評估減值，貴集團委任一名獨立外聘估值師評估現金產生單位之可收回金額，其乃由管理層根據使用價值和公平值減出售成本之較高者釐定。現金產生單位之釐定須由管理層作出重大判斷，方可完成。由於管理層的重大判斷用於適當地識別現金產生單位及釐定關鍵假設（包括估計未來收益、經營利潤及折現率），故我們將商譽及無形資產減值識別為關鍵審計事項。經管理層評估後，管理層總結概無商譽及無形資產之減值。

### How the matter was addressed in our audit

#### 我們的審計如何處理關鍵審計事項

Our audit procedures to address the impairment assessment of goodwill and intangible assets included the following:

我們處理商譽及無形資產減值評估的審計程序包括以下：

- Assessing the management's identification of CGUs based on our understanding of the Group's operation. 根據我們對貴集團經營的瞭解評估管理層對現金產生單位的識別。
- Assessing the reasonableness of the underlying cash flow projections used for the determination of the CGUs prepared by management, including but not limited to calculation methodology, assumptions, growth rate, operating margins and discount rate. 評估管理層用於釐定現金產生單位所編製的相關現金流量預測是否合理，包括但不限於計算方法、假設、成長率、經營利潤及折現率。
- Comparing the current year actual cash flows with the prior year cash flow projections to consider if the projections included assumptions that were overly optimistic. 將本年度的實際現金流量與上年的現金流量預測進行比較，以考慮預測所包含的假設是否過於樂觀。
- Testing on the accuracy and reliance of the input data used for the preparation of the cash flow projection on a sample basis. 按樣本基準測試用於編製現金流量預測的輸入數據是否準確及可靠。
- Assessing the sensitivity analysis on key assumptions being used in the cash flow project (e.g. using a range of higher discount rates and lower revenue growth rate). 評估用於現金流量預測的關鍵假設之敏感度分析（例如使用各項較高的折現率及較低的收入成長率）。

# Independent Auditor's Report

## 獨立核數師報告

### Key audit matters

#### 關鍵審計事項

#### Impairment assessment of trade receivables

##### 貿易應收款項減值評估

As at 31 December 2018, the Group had trade receivables of approximately RMB53 million, net of impairment. We had identified impairment of trade receivables as a key audit matter because significant judgements had to be made for the assessment of the recoverability for each debtor including trading history, credit history and estimated future cash flow. Management has concluded that approximately RMB0.5 million in respect of the impairment of trade receivables was recognised in the Group's consolidated profit or loss.

於二零一八年十二月三十一日，貴集團扣除減值後之貿易應收款項約人民幣53,000,000元。由於評估每位債務人的可收回性須作出重大判斷方可完成，包括貿易歷史、信用歷史及估計未來現金流量，故我們將貿易應收款項減值識別為關鍵審計事項。管理層總結，就貿易應收款項之減值於貴集團的綜合損益內確認約人民幣500,000元。

### How the matter was addressed in our audit

#### 我們的審計如何處理關鍵審計事項

Our audit procedures to address the impairment of trade receivables included the following:

我們處理貿易應收款項減值的審計程序包括以下：

- Testing the accuracy of the ageing of receivables balances on a sample basis.  
按樣本基準測試應收款項餘額賬齡的準確性。

- Assessing the reasonableness of management's loss allowance estimates on trade receivables by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances.

透過檢查管理層達致有關判斷時所用資料，評估管理層對貿易應收款項的虧損撥備估計是否合理，包括測試歷史違約數據之準確性，根據當前狀況及前瞻性資料評估歷史虧損率是否已適當調整及檢查當前財政年度內錄得的實際虧損，並在確認虧損撥備時評估是否存在管理偏差的跡象。

- Testing on large individual aged receivables balances, understanding the rationale for management's provisioning decisions by reference to payment patterns during the year as well as other information available.

測試單項金額較大且賬齡較長的應收款項餘額，透過參考年內的付款模式及其他現有資料瞭解管理層撥備決定之理據。

- Assessing the level of cash collected by the business after the year end of past due receivable balances to consider any additional provisioning requirements.

評估於年末之後業務從逾期應收款項餘額中收回之現金水平，以考慮是否作出任何額外撥備要求。



# Independent Auditor's Report

## 獨立核數師報告

### Key audit matters

#### 關鍵審計事項

#### Impairment assessment of loan receivables

##### 應收貸款減值評估

As at 31 December 2018, the Group had loan receivables of approximately RMB218 million. During the year ended 31 December 2018, no impairment had been provided by the Group on the loan receivables. We had identified impairment assessment of loan receivables as a key audit matter because significant management judgement had to be made for the assessment of the recoverability of the receivables. (e.g. the credit history and estimated future cash flows).

於二零一八年十二月三十一日，貴集團之應收貸款約人民幣218,000,000元。於截至二零一八年十二月三十一日止年度內，貴集團概無作出應收貸款減值撥備。由於評估該等應收款項的可回收性（例如信貸紀錄及未來現金流量之估計）須作出重大管理層判斷方可完成，故我們將應收貸款減值評估識別為關鍵審計事項。

### How the matter was addressed in our audit

#### 我們的審計如何處理關鍵審計事項

Our major audit procedures to address the management's impairment assessment of loan receivables included the following:

我們處理管理層對應收貸款的減值評估的重大審計程序包括以下：

- We discussed with management if there is any indicator of impairment of the loan receivables and accessed the reasonableness of management's assessment, in particular, those balances had been past due.

我們與管理層討論應收貸款是否出現任何減值跡象，並取得管理層評估的合理性，尤其是該等結餘已逾期。

- We tested on a sample basis on the settlement made by the borrowers during the year and their subsequent settlement with reference to the repayment schedule.

我們按樣本基準並參照還款年期對借款人於年內償還之金額及期後償還之金額作出測試。



# Independent Auditor's Report 獨立核數師報告

## Key audit matters 關鍵審計事項

## How the matter was addressed in our audit 我們的審計如何處理關鍵審計事項

- Assessing the reasonableness of management's loss allowance estimates on loans receivable by examining the information used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current conditions and forward-looking information and examining the actual losses recorded during the current financial year and assessing whether there was an indication of management bias when recognising loss allowances.

透過檢查管理層達致有關判斷時所用資料，評估管理層對應收貸款的虧損撥備估計是否合理，包括測試歷史違約數據之準確性，根據當前狀況及前瞻性資料評估歷史虧損率是否已適當調整及檢查當前財政年度內錄得的實際虧損，並在確認虧損撥備時評估是否存在管理偏差的跡象。

- Reviewing and testing the Group's credit control policy over extension of existing loans and monitoring of interest repayments according to the terms as stipulated in the loan agreements.  
根據貸款協議中規定的條款，審查及測試 貴集團的信貸控制政策，包括延長現有貸款及監督利息還款。



# Independent Auditor's Report

## 獨立核數師報告

### Key audit matters

#### 關鍵審計事項

CONTROL OF 京師沃學(北京)教育科技有限公司 (CAPITAL WOWXUE (BEIJING) EDUCATION TECHNOLOGY LIMITED \*) ("WOWXUE")

對京師沃學(北京)教育科技有限公司(「沃學」)之控制權

The directors of the Company, after consulting legal opinion, are of the view that the Group has control over Wowxue (defined in note 40 to the consolidated financial statements) through the Contractual Arrangements (defined in note 40 to the consolidated financial statements) and has accounted for it as a subsidiary of the Group during the year ended 31 December 2018 despite the absence of formal legal equity interest held by the Group in Wowxue. Please see note 40 for details.

貴公司董事經諮詢法律意見後，認為 貴集團透過合約安排（定義見綜合財務報表附註40）擁有對沃學之控制權（定義見綜合財務報表附註40），並於截至二零一八年十二月三十一日止年度將其作為 貴集團的附屬公司入賬，儘管 貴集團並未於沃學擁有正式法定股權。詳情請參見附註40。

### How the matter was addressed in our audit

#### 我們的審計如何處理關鍵審計事項

We have read the relevant agreements and other relevant documents, discussed with lawyer engaged by the Group, considered the relevant legal opinion provided by the Group and the requirements in the relevant accounting standard to determine whether the Contractual Agreements have given the Group control over Wowxue.

為釐定合約安排是否使 貴集團擁有沃學之控制權，我們已閱讀相關協議及其他相關文件、與 貴集團聘請之律師討論，並考慮 貴集團所提供之相關法律意見及相關會計準則之規定。





## Independent Auditor's Report 獨立核數師報告

### OTHER INFORMATION IN THE ANNUAL REPORT

The directors of the Company 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' AND THOSE CHARGED WITH GOVERNANCE RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### 本年報的其他資料

本公司董事須對其他資料負責。其他資料包括 貴公司年報內所載的資料，但不包括綜合財務報表及我們載於其中的核數師報告。我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式的保證結論。就我們對綜合財務報表的審計，我們的責任乃細閱其他資料，並在此過程中考慮其他資料與綜合財務報表或我們在審計過程中所知悉的情況是否存在重大抵觸或看似存在重大錯誤陳述。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們須報告該事實。我們就此並無任何事項須報告。

### 董事及治理層就綜合財務報表須承擔的責任

本公司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的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為就編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

治理層有責任監督 貴集團財務申報程序。

# Independent Auditor's Report

## 獨立核數師報告

### AUDITOR'S RESPONSIBILITY 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 the terms of our engagement, 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 HKSAAs 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 HKSAAs, 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

我們的目標乃合理保證綜合財務報表整體是否不存在任何由於欺詐或錯誤而導致的重大錯誤陳述，並出具包括我們的意見的核數師報告。本報告僅根據我們獲委聘的條款向閣下全體報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

合理保證乃高水平的保證，但不能保證按照香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可能由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者基於綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

作為根據香港審計準則進行審計其中一環，我們運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計在有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

## 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.
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審計憑證，確定是否存在與事件或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們確定存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若該等披露不足，則修訂我們的意見。我們的結論乃基於直至本核數師報告日期所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能持續經營業務。
- 評估綜合財務報表的整體呈報方式、結構及內容（包括披露）以及綜合財務報表是否公平反映相關交易及事件。
- 就貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督及執行。我們為審計意見承擔全部責任。

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

我們與治理層溝通（其中包括）審計的計劃範圍及時間以及重大審計發現等，包括我們在審計中識別出內部控制的任何重大不足之處。

我們亦向治理層提交聲明，表明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響我們獨立性的所有關係及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 those charged with governance, 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.

### **Elite Partners CPA Limited**

*Certified Public Accountants*  
Hong Kong, 29 March 2019

### **Chan Wai Nam, William**

Practising Certificate no. P05957

10th Floor,  
8 Observatory Road,  
Tsim Sha Tsui,  
Kowloon,  
Hong Kong

從與治理層溝通的事項中，我們確定該等對本期綜合財務報表的審計最為重要的事項，因而構成關鍵審計事項。我們在核數師報告中闡釋該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於我們之報告中註明某事項造成的負面後果超過產生的公眾利益，則我們決定不應在報告中註明該事項。

### **開元信德會計師事務所有限公司**

*執業會計師*  
香港，二零一九年三月二十九日

### **陳偉楠**

執業證書編號：P05957

香港  
九龍  
尖沙嘴  
天文臺道8號  
10樓

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

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

		2018 二零一八年		2017 二零一七年	
		RMB'000 人民幣千元	RMB'000 人民幣千元	(Re-presented) (重新呈列)	
		Notes 附註			
<b>Continuing operations</b>		<b>持續經營業務</b>			
Revenue	收入	9	237,798	271,620	
Cost of sales/service rendered	銷售／提供服務成本		(167,375)	(220,899)	
Gross profit	毛利		70,423	50,721	
Other income	其他收入	11	6,023	1,486	
Impairment loss	減值虧損	12	2,184	(6,219)	
Selling and distribution costs	銷售及分銷成本		(3,667)	(3,745)	
Administrative expenses	行政開支		(102,886)	(73,769)	
Finance costs	財務成本	13	(4,696)	(4,985)	
Loss before taxation	除稅前虧損	14	(32,619)	(36,511)	
Taxation	稅項	15	4,552	3,546	
Loss for the year from continuing operations	來自持續經營業務之年度虧損		(28,067)	(32,965)	
<b>Discontinued operation</b>		<b>已終止經營業務</b>			
Loss for the year from discontinued operation	來自已終止經營業務之年度虧損		(52,888)	(105,372)	
Loss for the year	年度虧損		(80,955)	(138,337)	
<b>Loss for the year attributable to:</b>		<b>應佔年度虧損之各項如下：</b>			
Equity owners of the Company	本公司權益擁有人		(81,586)	(139,058)	
Non-controlling interests	非控股權益		631	721	
			(80,955)	(138,337)	
Loss attributable to equity owners to the Company arising from:	因以下各項產生之本公司權益擁有人應佔虧損：				
Continuing operations	持續經營業務		(28,698)	(33,686)	
Discontinued operations	已終止經營業務		(52,888)	(105,372)	
			(81,586)	(139,058)	

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

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

		Notes 附註	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元 (Re-presented) (重新呈列)
<b>Loss per share:</b>	<b>每股虧損：</b>	19		
From continuing and discontinued operation	來自持續及已終止經營業務			
Basic (cents per share)	基本 (每股港仙)		<b>(2.02)</b>	(3.49)
Diluted (cents per share)	攤薄 (每股港仙)		<b>(2.02)</b>	(3.49)
From continuing operations	來自持續經營業務			
Basic (cents per share)	基本 (每股港仙)		<b>(0.71)</b>	(0.84)
Diluted (cents per share)	攤薄 (每股港仙)		<b>(0.71)</b>	(0.84)
<b>LOSS FOR THE YEAR</b>	<b>年度虧損</b>		<b>(80,955)</b>	(138,337)
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE)</b>	<b>其他全面收益/(開支)</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>可能於其後重新分類至損益的項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務時產生的匯兌差額		<b>7,485</b>	(41,132)
<b>OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR</b>	<b>年度其他全面收益/(開支)</b>		<b>7,485</b>	(41,132)
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>	<b>年度全面開支總額</b>		<b>(73,470)</b>	(179,469)
<b>Total comprehensive expense for the year attributable to:</b>	<b>應佔年度全面開支總額之各項如下：</b>			
Equity owners of the Company	本公司權益擁有人		<b>(73,508)</b>	(180,161)
Non-controlling interests	非控股權益		<b>38</b>	692
			<b>(73,470)</b>	(179,469)
Total comprehensive expense attributable to equity owners of the Company arising from:	因以下各項產生之本公司權益擁有人應佔全面開支總額：			
Continuing operations	持續經營業務		<b>(20,620)</b>	(74,789)
Discontinued operations	已終止經營業務		<b>(52,888)</b>	(105,372)



# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2018  
於二零一八年十二月三十一日

		2018		2017
		二零一八年		二零一七年
		RMB'000		RMB'000
		人民幣千元		人民幣千元
	Notes 附註			
<b>Non-current assets</b>				
Property, plant and equipment	20	11,909	13,965	
Goodwill	21	444,306	427,678	
Intangible assets	22	96,397	152,974	
Prepaid lease payments	23	96	149	
		<b>552,708</b>	594,766	
<b>Current assets</b>				
Inventories	24	18,682	38,013	
Trade receivables	25	53,425	127,374	
Bills receivables	26	–	3,826	
Loan receivables	27	217,566	176,368	
Other receivables, deposits and prepayments		37,869	75,838	
Prepaid lease payments	23	156	156	
Restricted bank deposits	28	5,415	5,741	
Bank balances and cash	28	138,631	193,982	
		<b>471,744</b>	621,298	
Assets of disposal group classified as held for sale		<b>109,373</b>	–	
		<b>581,117</b>	621,298	
<b>Current liabilities</b>				
Trade and bills payables	29	69,061	119,746	
Other payables and accruals	30	3,689	22,242	
Contract liabilities		2,490	1,853	
Tax liabilities		5,394	7,991	
Bank and other borrowings	31	86,502	50,643	
Promissory notes	33	–	185,576	
		<b>167,136</b>	388,051	
Liabilities of disposal group classified as held for sale		<b>100,973</b>	–	
		<b>268,109</b>	388,051	

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2018  
於二零一八年十二月三十一日

		2018		2017	
		二零一八年		二零一七年	
		RMB'000		RMB'000	
		人民幣千元		人民幣千元	
	Notes 附註				
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>313,008</b>		233,247
<b>Total assets less current liabilities</b>		<b>資產總值減流動負債</b>	<b>865,716</b>		828,013
<b>Non-current liabilities</b>		<b>非流動負債</b>			
Deferred tax liabilities	32	遞延稅項負債	24,865		35,883
Promissory notes	33	承兌票據	237,056		–
Contingent consideration	34	或然代價	108,402		143,143
			<b>370,323</b>		179,026
Net assets		資產淨值	<b>495,393</b>		648,987
<b>Capital and reserves</b>		<b>資本及儲備</b>			
Share capital	35	股本	337,128		355,046
Reserves		儲備	155,788		291,502
			<b>492,916</b>		646,548
<b>Non-controlling interests</b>		<b>非控股權益</b>	<b>2,477</b>		2,439
<b>Total equity</b>		<b>權益總額</b>	<b>495,393</b>		648,987

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

董事  
DIRECTOR  
朱敏  
Zhu Min

綜合財務報表由董事會於二零一九年三月二十九日批准及授權刊發，並由以下代表簽署：

董事  
DIRECTOR  
冼國威  
Sin Kwok Wai Ronald

# 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

### Total equity attributable to the owners of the Company

#### 本公司擁有人應佔權益總額

		Capital		Special reserve	Statutory reserves	Share		Exchange reserve	Accumulated losses	Subtotal	Non-controlling interest	Total	
		Share capital	Share premium			redemption reserve	options reserve						Warrant reserve
		股本	股份溢價	贖回儲備	特別儲備	法定儲備	購股權儲備	認股權儲備	匯兌儲備	累計虧損	小計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	266,401	432,212	-	46,867	48,818	21,431	9,569	47,478	(310,673)	562,103	1,747	563,850
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(139,058)	(139,058)	721	(138,337)
Other comprehensive income for the year	年度其他全面收益	-	-	-	-	-	-	-	(41,103)	-	(41,103)	(29)	(41,132)
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	-	-	-	(41,103)	(139,058)	(180,161)	692	(179,469)
Issue of share upon exercising of warrants	於行使認股權證時發行股份	34,567	76,523	-	-	-	-	(7,390)	-	-	103,700	-	103,700
Issue of shares upon placing	於配售時發行股份	52,752	103,910	-	-	-	-	-	-	-	156,662	-	156,662
Issue of shares upon exercising of share options	於行使購股權時發行股份	1,326	4,219	-	-	-	(1,301)	-	-	-	4,244	-	4,244
Expiry of warrants	認股權證屆滿	-	-	-	-	-	-	(2,179)	-	2,179	-	-	-
At 31 December 2017	於二零一七年十二月三十一日	355,046	616,864	-	46,867	48,818	20,130	-	6,375	(447,552)	646,548	2,439	648,987
Adjustment on initial application of HKFRS 9	首次應用香港財務報告準則第9號之調整	-	-	-	-	-	-	-	-	(33,026)	(33,026)	-	(33,026)
Adjusted balance at 1 January 2018	於二零一八年一月一日之結餘(經調整)	355,046	616,864	-	46,867	48,818	20,130	-	6,375	(480,578)	613,522	2,439	615,961
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(81,586)	(81,586)	631	(80,955)
Other comprehensive income	年內其他全面收益	-	-	-	-	-	-	-	8,078	-	8,078	(593)	7,485
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	-	-	8,078	(81,586)	(73,508)	38	(73,470)
Repurchases of share	購回股份	(17,918)	(29,180)	17,918	-	-	-	-	-	(17,918)	(47,098)	-	(47,098)
Lapsed of option	已失效購股權	-	-	-	-	-	(11,504)	-	-	11,504	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	337,128	587,684	17,918	46,867	48,818	8,626	-	14,453	(568,578)	492,916	2,477	495,393

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

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

### Notes:

- (a) Special reserve represents the difference between the nominal value of shares of the Company issued as consideration in exchange for the aggregate of the paid-up capital of the subsidiaries of the Company arising upon the corporate reorganisation to rationalise the Group's structure prior to listing of the Company's shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").
- (b) In accordance with the relevant laws and regulations of the People's Republic of China ("PRC"), the PRC subsidiaries are required to provide for PRC statutory reserves, including enterprise expansion fund and general reserve fund, by way of appropriations from its statutory net profit (based on the PRC statutory financial statements of the PRC subsidiaries) but before dividend distributions.

All appropriations to the funds are made at the discretion of the board of directors of PRC subsidiaries. The board of directors of the PRC subsidiaries shall decide on the amounts to be appropriated based on its profitability each year.

The enterprise expansion fund may be used to increase registered capital subject to approval from the relevant PRC authorities. The general reserves fund may be used to offset accumulated losses or increase the registered capital subject to approval from the relevant PRC authorities.

### 附註：

- (a) 特別儲備指於本公司股份在香港聯合交易所有限公司（「聯交所」）上市前為了整頓本集團架構而進行公司重組之時，作為交換代價而發行之本公司股份的面值，與本公司附屬公司繳入資本的總額之間的差額。
- (b) 根據中華人民共和國（「中國」）有關法律及法規，中國附屬公司須從其法定溢利淨額（根據該等中國附屬公司之中國法定財務報表）於分派股息前按比例提撥資金至中國法定儲備，包括企業擴展基金及一般儲備基金。

基金之所有分配乃由該等中國附屬公司之董事會酌情決定。中國附屬公司之董事會將根據其每年盈利能力而決定將予分配之款項。

企業擴展基金可用於增加註冊資本，惟須取得相關中國部門之批准後方可作實。一般儲備基金可用於抵銷累計虧損或增加註冊股本，惟須取得相關中國部門之批准後方可作實。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Operating activities</b>	<b>經營活動</b>		
Loss before taxation from:	自以下各項產生之除稅前虧損：		
Continuing operations	持續經營業務	(32,619)	(36,511)
Discontinued operation	已終止經營業務	(52,888)	(105,372)
Adjustments for:	就以下各項作出調整：		
Interest income on bank deposits	銀行存款之利息收入	(330)	(448)
Fair value change of contingent consideration	或然代價之公平值變動	(4,789)	(166)
Interest expenses	利息開支	4,696	4,999
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,286	1,195
Impairment loss recognised in respect of trade and loan receivables	就貿易應收款項及應收貸款確認的減值虧損	16,348	20,164
Impairment loss recognised in respect of inventory	就存貨確認的減值虧損	-	4,139
Amortisation of prepaid lease payments	預付租賃款項攤銷	53	105
Amortisation of intangible assets	無形資產攤銷	51,667	35,680
Operating cash flows before movements in working capital	營運資本變動前之經營現金流量	(15,576)	(76,215)
(Increase)/Decrease in inventories	存貨(增加)/減少	(4,989)	19,098
Decrease in trade receivables	貿易應收款項減少	2,115	17,242
Decrease in bills receivables	應收票據減少	3,826	8,489
(Increase)/Decrease in loan receivables	應收貸款(增加)/減少	(47,366)	30,602
Increase in other receivables, deposits and prepayments	其他應收款項、按金及預付款項增加	(7,857)	(31,659)
Increase in trade and bills payables	貿易應付款項及應付票據增加	41,409	68,760
Decrease in other payables and accruals	其他應付款項及應計費用減少	(13,818)	(4,765)
<b>Net cash generated from/(used in) operations</b>	<b>經營所得/(所用)現金淨額</b>	<b>(42,256)</b>	31,552
Income tax paid	已付所得稅	(3,368)	(2,185)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Net cash (used in)/generated from operating activities</b>	<b>經營活動(所用)/所得現金淨額</b>	<b>(45,624)</b>	29,367
<b>Investing activities</b>	<b>投資活動</b>		
Interest received	已收利息	330	448
Purchase of property, plant and equipment	購買物業、廠房及設備	(911)	(2,871)
Proceed from disposal of a property, plant and equipment	出售物業、廠房及設備所得款項	55	-
Net cash (outflow) from acquisition of subsidiaries	收購附屬公司之現金(流出)淨額	-	(82,820)
Withdrawal/(Placement) of pledged bank deposits	提取/(存放)已抵押銀行存款	326	(3,687)
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>	<b>(200)</b>	(88,930)
<b>Financing activities</b>	<b>融資活動</b>		
Proceeds from issue of shares upon placing	於配售時發行股份所得款項	-	156,662
Issuance of shares upon exercising of warrants	於行使認股權證時發行股份	-	103,700
Payment on repurchase of ordinary shares	就購回普通股付款	(47,098)	-
Exercise of share options	行使購股權	-	4,244
Interest paid	已付利息	(1,094)	(1,300)
Repayment of bank and other borrowings	償還銀行及其他借貸	(89,642)	(64,101)
Proceed from bank and other borrowings	銀行及其他借貸所得款項	122,410	30,282
<b>Net cash (used in)/from financing activities</b>	<b>融資活動(所用)/所得現金淨額</b>	<b>(15,424)</b>	229,487
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等值物(減少)/增加淨額</b>	<b>(61,248)</b>	169,924
<b>Cash and cash equivalents at beginning of the year</b>	<b>年初現金及現金等值物</b>	<b>193,982</b>	40,070
Effect of exchange rate changes	匯率變動的影響	6,009	(16,012)
		<b>138,743</b>	193,982
<b>Cash and cash equivalents at end of the year,</b>	<b>年終現金及現金等值物，</b>		
representing bank balances and cash as stated in the consolidated statement of financial position	如綜合財務狀況表所列以銀行結餘及現金列示	<b>138,681</b>	193,982
representing bank balances and cash attributable to a discontinued operation	以已終止經營業務應佔銀行結餘及現金列示	<b>62</b>	-
		<b>138,743</b>	193,982



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company acts as an investment holding company. The principal activities of its subsidiaries are investment holding, manufacturing and sale of advanced steel flow control products, manufacture and sale of paper converting equipment and other relating equipment, eCommerce, provision of internet education services and money lending.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

### 2. BASIS OF PREPARATION

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

### 1. 一般資料

本公司在開曼群島註冊成立為獲豁免有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。

本公司為一家投資控股公司。本公司的附屬公司之主要業務為投資控股、製造及銷售高端鋼水控流產品、製造及銷售紙張加工設備及其他相關設備、電子商務、提供互聯網教育服務以及放債。

綜合財務報表以人民幣（「人民幣」）呈列，而人民幣亦為本公司之功能貨幣。

### 2. 編製基準

綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定之適用披露。

除若干金融工具按其於各報告期末的公平值計量外，綜合財務報表乃根據歷史成本基準編製。歷史成本一般是基於就交換貨品所給予代價之公平值而釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

*New and Amendments to HKFRSs that are mandatorily effective for the current year*

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time in the current year:

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

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

### 3. 應用新訂香港財務報告準則及其修訂

於本年度強制生效的新訂香港財務報告準則及其修訂

本集團於本年度首次應用下列由香港會計師公會頒佈的新訂香港財務報告準則及其修訂：

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	客戶合約收入及相關修訂
香港（國際財務報告詮釋委員會）－詮釋第22號	外幣交易及墊付代價
香港財務報告準則第2號之修訂	以股份為基礎的付款交易之分類及計量
香港財務報告準則第4號之修訂	應用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具
香港會計準則第28號之修訂	作為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的一部分
香港會計準則第40號之修訂	轉讓投資物業

除下文所述者外，於本年度應用新訂香港財務報告準則及其修訂對本集團於本年度及過往年度的財務表現及狀況及／或於該等綜合財務報表載列的披露事項並無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSS (continued)

#### 3.1 HKFRS 15 Revenue from Contracts with Customers

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

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

### 3. 應用新訂香港財務報告準則及其修訂(續)

#### 3.1 香港財務報告準則第15號客戶合約收入

本集團已於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號收入、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響於首次應用日期(二零一八年一月一日)確認。首次應用日期的任何差額於期初保留溢利中確認，而並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅對於二零一八年一月一日未完成的合約追溯應用該準則，並已就於首次應用日期前出現的所有合約修訂使用可行之權宜之計，而所有修訂的合計影響已於首次應用日期反映。因此，若干比較資料未必與根據香港會計準則第18號收入及香港會計準則第11號建築合約及相關詮釋編製之比較資料相若。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSS (continued)

#### 3.1 HKFRS 15 Revenue from Contracts with Customers (continued)

The Group recognises revenue from the following major sources which arise from contracts with customers:

- manufacturing and sale of paper converting equipment and other relating equipment;
- money lending;
- eCommerce; and
- internet education services.

*Summary of effects arising from initial application of HKFRS 15*

### 3. 應用新訂香港財務報告準則及其修訂(續)

#### 3.1 香港財務報告準則第15號客戶合約收入(續)

本集團確認客戶合約產生之下列主要來源的收入：

- 製造及銷售紙張加工設備及其他相關設備；
- 放債；
- 電子商務；及
- 互聯網教育服務。

*首次應用香港財務報告準則第15號所產生的影響概要*

	Carrying amounts previously reported at 31 December 2017 先前於二零一七年十二月三十一日呈報之賬面值 RMB'000 人民幣千元	Reclassification 重新分類 RMB'000 人民幣千元	Carrying amounts under HKFRS 15 at 1 January 2018 於二零一八年一月一日香港財務報告準則第15號項下的賬面值 RMB'000 人民幣千元
Current liabilities Other payable and accruals	流動負債 其他應付款項及應計費用		
Other payables	其他應付款項	6,102	6,102
Receipt in advance	預收款項	1,853	(1,853)
Accrued sales commission	應計銷售佣金	5,251	5,251
Accrued staff costs	應計員工成本	6,809	6,809
Other tax payables	其他應付稅項	1,080	1,080
Amount due to a director	應付一名董事款項	3,000	3,000
Contract liabilities	合約負債	-	1,853
	24,095	-	24,095

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSS (continued)

#### 3.2 HKFRS 9 Financial Instruments

In the current year, the Group has applied HKFRS 9 Financial Instruments and the related consequential amendments to other HKFRSSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and other items (for example, contract assets, lease receivables and financial guarantee contracts).

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

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

### 3. 應用新訂香港財務報告準則及其修訂(續)

#### 3.2 香港財務報告準則第9號金融工具

於本年度，本集團已應用香港財務報告準則第9號金融工具及其他香港財務報告準則相關的相應修訂。香港財務報告準則第9號引入1)金融資產及金融負債的分類及計量、2)金融資產及其他項目(如合約資產、租賃應收款項及財務擔保合約)的預期信貸虧損(「預期信貸虧損」)的新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對二零一八年一月一日(首次應用日期)尚未終止確認的工具追溯應用分類及計量規定(包括預期信貸虧損模型下的減值)，而並無對已於二零一八年一月一日終止確認的工具應用有關規定。二零一七年十二月三十一日之賬面值與二零一八年一月一日之賬面值之間的差額於期初累計虧損及其他權益部分中確認，而並無重列比較資料。

因此，若干比較資料未必與根據香港會計準則第39號金融工具：確認及計量編製之比較資料相若。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSS (continued)

#### 3.2 HKFRS 9 Financial Instruments (continued)

*Summary of effects arising from initial application of HKFRS 9*

### 3. 應用新訂香港財務報告準則及其修訂(續)

#### 3.2 香港財務報告準則第9號金融工具(續)

*首次應用香港財務報告準則第9號所產生的影響概要*

		Carrying amounts previously reported at 31 December 2017 先前於二零一七年十二月三十一日呈報之賬面值 RMB'000 人民幣千元	Remeasurement 重新分類 RMB'000 人民幣千元	Carrying amounts under HKFRS 9 at 1 January 2018 於二零一八年一月一日香港財務報告準則第9號項下的賬面值 RMB'000 人民幣千元
Trade receivables	貿易應收款項	127,374	(15,130)	112,244
Loan receivables	應收貸款	176,368	(17,896)	158,472
Accumulated losses	累計虧損	(447,552)	(33,026)	(480,578)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. NEW AND AMENDMENTS TO HKFRSS IN ISSUE BUT NOT YET EFFECTIVE

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

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

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2021.
- <sup>3</sup> Effective for business combinations and assets acquisitions for which the acquisition date is on or after the first period beginning on or after 1 January 2020.
- <sup>4</sup> Effective for annual periods beginning on or after a date to be determined.
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2020.

### 4. 已頒佈但尚未生效的新訂香港財務報告準則及其修訂

本集團並無提早應用下列已頒佈但尚未生效的新訂香港財務報告準則及其修訂：

香港財務報告準則第16號	租賃 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>2</sup>
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理的不確定因素 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間銷售或注入資產 <sup>4</sup>
香港會計準則第19號之修訂	計劃修訂、縮減或結算 <sup>1</sup>
香港會計準則第28號之修訂	於聯營公司及合營企業的長期權益 <sup>1</sup>
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期的年度改進 <sup>1</sup>
香港財務報告準則第3號之修訂	業務的定義 <sup>3</sup>
香港財務報告準則第9號之修訂	具有負補償的提早還款特性 <sup>1</sup>
香港會計準則第1號及香港會計準則第8號之修訂	重大性的定義 <sup>5</sup>

- <sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效。
- <sup>2</sup> 於二零二一年一月一日或之後開始之年度期間生效。
- <sup>3</sup> 對收購日期為於二零二零年一月一日或之後開始之首個期間或之後的業務合併及資產收購生效。
- <sup>4</sup> 於待定期日或之後開始之年度期間生效。
- <sup>5</sup> 於二零二零年一月一日或之後開始之年度期間生效。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. NEW AND AMENDMENTS TO HKFRSS IN ISSUE BUT NOT YET EFFECTIVE (continued)

Except for the new and amendments to HKFRSS mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSS will have no material impact on the consolidated financial statements in the foreseeable future.

#### HKFRS 16 Leases

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

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

HKFRS 16 also includes requirements relating to subleases and lease modifications. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

### 4. 已頒佈但尚未生效的新訂香 港財務報告準則及其修訂 (續)

除下文所述的新訂香港財務報告準則及其修訂外，本公司董事預計，應用所有其他新訂香港財務報告準則及其修訂將不會對可預見將來的綜合財務報表造成重大影響。

#### 香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號於生效起將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定銷售及回租交易將根據香港財務報告準則第15號之規定釐定有關資產轉讓是否應作為銷售入賬。

香港財務報告準則第16號亦包括有關分租及租賃修訂之規定。除短期租賃及低值資產租賃外，經營租賃及融資租賃之差異自租賃會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債之模式替代。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

#### 4. NEW AND AMENDMENTS TO HKFRSS IN ISSUE BUT NOT YET EFFECTIVE (continued)

##### HKFRS 16 Leases (continued)

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

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

#### 4. 已頒佈但尚未生效的新訂香 港財務報告準則及其修訂 (續)

##### 香港財務報告準則第16號租賃(續)

使用權資產初步按成本計量，隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債初步按當日未支付的租賃款項現值計量。隨後，租賃負債就（其中包括）利息及租賃款項以及租賃修訂影響作出調整。就現金流量分類而言，本集團目前將前期預付租賃款項列作與自用租賃土地及分類為投資物業之租賃土地有關的投資現金流量，而其他經營租賃款項則列作經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債之租賃款項將由本集團分配至本金及利息部分，並以融資現金流量呈列。

根據香港會計準則第17號，本集團已就其作為承租人之租賃土地確認及預付租賃款項。應用香港財務報告準則第16號可能導致該等資產之分類出現潛在變動，取決於本集團是否分開呈列使用權資產或於將呈列相應有關資產（倘擁有）之同一分列項目內呈列。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. NEW AND AMENDMENTS TO HKFRSS IN ISSUE BUT NOT YET EFFECTIVE (continued)

#### HKFRS 16 Leases (continued)

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

In addition, the Group currently considers refundable rental deposits paid of RMB602,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right of-use assets.

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

### 4. 已頒佈但尚未生效的新訂香 港財務報告準則及其修訂 (續)

#### 香港財務報告準則第16號租賃(續)

除亦適用於出租人之若干規定外，香港財務報告準則第16號大致上轉承香港會計準則第17號之出租人會計規定，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求作出詳盡披露。

此外，本集團現時視已付可退回租金按金人民幣602,000元為香港會計準則第17號適用之租賃項下的權利及義務。基於香港財務報告準則第16號租賃付款之定義，有關按金並非與使用相關資產權利有關的付款，因此，有關按金的賬面值可調整至攤銷成本。對已付可退回租金按金之調整將被視為額外租賃付款並會計入使用權資產之賬面值內。

如上述所示，應用新的規定或會導致計量、呈列及披露出現變動。本集團擬選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包括租賃識別為租賃之合約應用香港財務報告準則第16號，而並無對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號並未識別為包括租賃之合約應用該準則。因此，本集團將不會對合約是否為或包含於首次應用之日前已存在的租約進行重新評估。此外，本集團(作為承租人)擬選用經修訂追溯法應用香港財務報告準則第16號並將確認初步應用對期初累計虧損之累計影響，惟不會重列比較資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

### 5. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則及香港公司條例所規定之適用披露。

除若干金融工具按其於各報告期末的公平值計量外，綜合財務報表乃根據歷史成本基準編製。

歷史成本一般是基於就交換貨品所給予代價之公平值而釐定。

公平值為於計量日期市場參與者之間按有序交易出售一項資產將收取之價格或轉讓一項負債時將支付之價格，而不論該價格是否可直接觀察或使用另一項估值方法估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於此等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟香港財務報告準則第2號範圍內之以股份為基礎付款交易、香港會計準則第17號範圍內之租賃交易，以及與公平值類似但並非公平值（例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值）之計量除外。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

The principal accounting policies are set out below.

### 5. 主要會計政策（續）

此外，就財務申報而言，公平值計量分為第一、第二或第三級別，該等級別之劃分乃根據公平值計量之輸入數據之可觀察程度及該等數據對公平值計量之整體重要性進行，該等級別載述如下：

- 第一級輸入數據指實體於計量日期就相同資產或負債於活躍市場上獲得之報價（未經調整）；
- 第二級輸入數據指就資產或負債直接或間接地可觀察之輸入數據（不包括第一級之報價）；及
- 第三級輸入數據指資產或負債之不可觀察輸入數據。

主要會計政策載列如下。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Basis of consolidation

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

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

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

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

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

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

### 5. 主要會計政策（續）

#### 綜合基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制實體之財務報表。倘屬以下情況，則本公司取得控制權：

- 對被投資方行使權力；
- 因藉參與被投資方的業務而可獲得或有權獲得可變回報；及
- 有能力行使其權力而影響其回報。

倘事實及情況表明上文所列三項控制因素中有一項或多項改變，則本集團重新評估其是否控制被投資方。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，年內購入或出售之附屬公司之收入及開支自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止計入綜合損益及其他全面收益表內。

附屬公司之財務報表於有需要情況下作出調整，以使其會計政策與本集團會計政策一致。

所有集團內公司間資產及負債、權益、收入、支出及現金流量（與本集團成員公司間之交易有關）均於綜合賬目時全數對銷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Business combinations

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 incurred 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;
- 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.

### 5. 主要會計政策（續）

#### 業務合併

收購業務時採用收購會計處理法入賬。於業務合併中轉讓之代價以公平值計量，而公平值則按本集團為換取被收購方的控制權而轉讓的資產、所招致被收購方前擁有人的負債，以及本集團發行的股本權益於收購日的公平值之和計算。與收購相關之成本一般於發生時於損益中確認。

於收購日期，所收購之可識別資產及所承擔之負債按其公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及與僱員福利安排相關之資產或負債乃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；
- 與所訂立被收購方以股份為基礎的付款安排或本集團以股份為基礎的付款安排替代被收購方以股份為基礎的付款安排之相關負債或權益工具，乃於收購當日根據香港財務報告準則第2號「以股份為基礎的付款」計量（見下文之會計政策）；及
- 按照香港財務報告準則第5號「持作銷售之非流動資產及已終止業務」分類為持作銷售資產（或出售組別）應按該準則予以計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Business combinations (continued)

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 acquiree (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 HKFRSs.

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 and included as part of the consideration transferred in a business combination. Changes in the 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.

### 5. 主要會計政策 (續)

#### 業務合併 (續)

商譽是按所轉撥之代價、非控股權益於被收購方中所佔金額及收購方以往持有被收購方股本權益之公平值(如有)之總和超出所收購之可識別資產及所承擔之負債於收購日期之淨額的部分計量。倘經過重估後,所收購之可識別資產與所承擔負債於收購日期之淨額高於所轉撥之代價、非控股權益於被收購方中所佔金額及收購方以往持有被收購方權益之公平值(如有)之總和,則差額即時於損益內確認為議價購入收益。

屬現時為擁有人權益並賦予其持有人於清盤時按比例分佔實體資產淨值的非控股權益可按公平值或按非控股權益按比例分佔之被收購方可辨識資產淨值的已確認金額初始計量。計量基準乃按逐項交易選擇。其他類型的非控股權益乃按其公平值或(倘適用)其他香港財務報告準則所指定的基準計量。

倘本集團於業務合併中轉撥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,並計入於業務合併轉撥之代價之一部分。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,並就商譽作出相應調整。計量期間調整為於「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所產生之調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Business combinations (continued)

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 in accordance with HKAS 39, or HKAS 37 “Provisions, contingent liabilities and contingent assets”, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

Contingent consideration that will be settled other than by the delivery of a fixed number of the Company's own equity instruments is accounted for as a financial liability.

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

### 5. 主要會計政策（續）

#### 業務合併（續）

不合資格為計量期間調整之或然代價公平值變動之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，其後續結算乃於權益內入賬。分類為資產或負債之或然代價會根據香港會計準則第39號或香港會計準則第37號「撥備、或然負債及或然資產」（按適用者）於後續報告日期重新計量，而相應之盈虧乃於損益內確認。

並非通過交付固定數量之本公司自有權益工具結算之或然代價乃作為金融負債列賬。

#### 商譽

收購一項業務產生之商譽乃按於業務收購日期所確立之成本（見上文會計政策）減累計減值虧損（如有）列賬。

就減值測試而言，商譽乃分配至預期從合併之協同效應中獲利之本集團各現金產生單位（或現金產生單位組別）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Goodwill (continued)

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. 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.

#### Revenue recognition

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

### 5. 主要會計政策 (續)

#### 商譽 (續)

已獲分配商譽之現金產生單位每年或當有跡象顯示單位可能出現減值時更頻繁測試減值。如現金產生單位之可收回金額少於其賬面值，減值虧損首先分配以減少該單位獲分配之任何商譽之賬面值，其後以單位各資產之賬面值為基準按比例分配至該單位之其他資產。商譽之任何減值虧損直接於損益中確認。就商譽確認之減值虧損於後續期間不予撥回。

於出售有關現金產生單位時，商譽之應佔金額乃計入釐定出售損益金額內。

#### 收入確認

當經濟利益有可能流入本集團而收入金額能可靠地計量時，則會確認來自金融資產之利息收入。利息收入乃按時間基準參考未償還之本金及適用實際利率累計，實際利率指於金融資產之預期年期內將估計未來所收現金確實折現至於初始確認時之資產賬面淨值之利率。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition (continued)

##### Accounting from 1 January 2018

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The nature of the goods or services provided by the Group is as follows:

- manufacturing and sales of paper converting equipment and other relating equipment
- eCommerce
- internet education services

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- a good or service (or a bundle of goods or services) that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

### 5. 主要會計政策 (續)

#### 收入確認 (續)

自二零一八年一月一日起之會計政策

香港財務報告準則第15號客戶合約收入

貨品或服務之性質

本集團提供之貨品或服務之性質如下：

- 製造及銷售紙張加工設備及其他相關設備
- 電子商務
- 互聯網教育服務

識別履約責任

於合約開始時，本集團評估與客戶訂立的合約內承諾的貨物或服務並識別每一項向客戶轉讓的承諾為履約義務：

- 一項明確貨品或服務（或一批貨品或服務）；或
- 一系列大致相同及以相同模式向客戶轉讓的明確貨品或服務。

倘符合以下兩項標準，則向客戶承諾之貨品或服務屬明確：

- 客戶可從其本身貨品或服務或連同客戶隨時可得其他來源之貨品或服務（即屬明確之貨品或服務）中獲益；及
- 本集團向客戶轉讓貨品或服務之承諾可與合約中其他承諾分開識別（即轉讓貨品或服務之承諾在合約內容上有所區分）。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition (continued)

##### Accounting from 1 January 2018 (continued)

Revenue from contracts with customers within HKFRS 15 (continued)

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- i. the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- ii. the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- iii. the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

### 5. 主要會計政策 (續)

#### 收入確認 (續)

##### 自二零一八年一月一日起之會計政策 (續)

香港財務報告準則第15號客戶合約收入 (續)

收入確認之時間

於 (或因) 本集團透過向客戶轉讓所承諾之貨品或服務 (即資產) 履行責任時確認收入。於 (或因) 客戶獲得資產控制權時轉讓資產。

倘符合下列任一條件，本集團在某一段時間內轉移對貨品或服務的控制權，並因此在一段時間內履行履約義務及確認收益：

- i. 客戶在本集團履約的同時取得及消耗通過本集團履約提供的利益；
- ii. 本集團的履約行為創造或改良了客戶在資產被創造或改良時控制的資產 (如在建工程)；或
- iii. 本集團的履約行為並未創造一項可被本集團用於替代用途的資產，並且本集團具有就迄今為止已完成的履約部分獲得付款的可執行權利。

倘本集團並非於一段時間內履行義務，則本集團於客戶取得所承諾資產控制權的某一時點履行義務。釐定轉讓控制權發生時，本集團會考慮控制權的概念以及諸如合法所有權、實際擁有權、支付權、資產所有權的重大風險及回報以及客戶接受度等指標。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition (continued)

##### *Accounting from 1 January 2018 (continued)*

Revenue from contracts with customers within HKFRS 15 (continued)

Timing of revenue recognition (continued)

Sale of sales of paper converting equipment and other relating equipment and eCommerce are recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Service income from internet education services are recognised over time when services are rendered.

##### *Accounting policy prior to 1 January 2018*

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably as follows:

##### *Sale of goods*

Revenue from sales of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;

### 5. 主要會計政策 (續)

#### 收入確認 (續)

自二零一八年一月一日起之會計政策 (續)

香港財務報告準則第15號客戶合約收入 (續)

收入確認之時間 (續)

銷售紙張加工設備及其他相關設備以及電子商務的銷售額乃於客戶取得所承諾資產控制權的某一時點 (一般與貨物交付予客戶及所有權轉移的時間相同) 確認。

互聯網教育服務的服務收入於提供服務時隨時間推移確認。

於二零一八年一月一日前之會計政策

收入按已收取或應收取代價公平值計算，前提是經濟利益可能流入本集團，而收入及成本 (如適用) 可根據下列各項可靠地計算：

##### *銷售貨品*

銷售貨品之收入乃在貨品交付及貨品擁有權已轉移，並符合下列所有條件時予以確認：

- 本集團已向買家轉讓貨品擁有權之重大風險及回報；
- 本集團不再繼續涉及某程度上一般與擁有權相關之管理，而對已出售貨品亦無實質控制權；
- 收入金額能可靠地計量；

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition (continued)

##### *Sale of goods (continued)*

- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### *Service income*

Service income is recognised when services are provided.

##### *Interest income*

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

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purpose, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

### 5. 主要會計政策（續）

#### 收入確認（續）

##### 銷售貨品（續）

- 與交易相關之經濟利益有可能會流入本集團；及
- 就交易產生或將產生之成本能夠可靠地計量。

##### 服務收入

服務收入於提供服務時確認。

##### 利息收入

當經濟利益有可能流入本集團而收入金額能可靠地計量時，則會確認來自金融資產之利息收入。利息收入乃按時間基準參考未償還之本金及按適用實際利率累計，實際利率指於金融資產之預期年期內將估計未來所收現金確實折現至於初始確認時之資產賬面淨值之利率。

#### 物業、廠房及設備

物業、廠房及設備（包括持作用於生產或供應貨品或服務或作行政用途之樓宇）乃按成本減其後累計折舊及累計減值虧損（如有）於綜合財務狀況表列賬。

折舊乃按可使用年期採用直線法確認，以撇銷資產成本並扣減其剩餘價值。估計可使用年期、剩餘價值和折舊方法會於每個報告期末作檢討，並採用未來適用法對任何估計變動之影響入賬處理。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment (continued)

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

#### Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

### 5. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生之任何收益或虧損乃根據銷售所得款項與資產賬面值之間的差額釐定，並於損益中確認。

#### 業務合併中收購的無形資產

業務合併中收購並與商譽分開確認的無形資產初步按其於收購日期的公平值確認 (被視作其成本)。

初步確認後，業務合併中收購的具有有限使用年期的無形資產根據與另外已收購無形資產相同的基準，按成本減累計攤銷及任何累計減值虧損申報。具有有限的可使用年期之無形資產攤銷於其估計使用年期內按直線法確認。

無形資產於出售時或預期使用或出售不會帶來未來經濟利益時取消確認。取消確認無形資產產生的收益及虧損以出售所得款項淨額與資產的賬面值之間的差額計量，並在資產取消確認時於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leasing

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

#### *The Group as lessee*

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

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

#### *Leasehold land and building*

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

### 5. 主要會計政策（續）

#### 租賃

每當租賃條款將所有權的絕大部份風險及回報轉讓予承租人，則租賃會被分類為融資租賃。所有其他租賃均被分類為經營租賃。

#### *本集團為承租人*

經營租賃付款按有關租期以直線法確認為開支，除非另有系統化基準更能代表租賃資產所耗用經濟利益之時間模式則除外。

倘若獲取租賃優惠以達成經營租賃，則有關優惠被確認為負債。優惠的合計利益以直線法確認為租賃開支之扣減。

#### *租賃土地及樓宇*

倘租約包括土地及樓宇部份，則本集團根據對各部份的擁有權所附帶之絕大部份風險及回報是否已轉讓予本集團之評估，獨立將各部份分類評估為融資或經營租賃，惟明顯兩個部份均為經營租賃則除外，而在此情況下，整份租約分類為經營租賃。具體而言，最低租賃付款（包括任何一次過預付款項）乃按土地部份及樓宇部份於租約開始時的租賃權益相對公平值比例於土地及樓宇部份之間分配。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leasing (continued)

##### *Leasehold land and building (continued)*

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

#### Foreign currencies

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

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

#### Retirement benefits costs

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

### 5. 主要會計政策 (續)

#### 租賃 (續)

##### *租賃土地及樓宇 (續)*

倘能可靠分配租賃款項，作為經營租賃入賬之租賃土地權益於綜合財務狀況表內列為「預付租賃款項」，並按直線法於租賃期內攤銷。當租賃付款不能可靠地在土地及樓宇部份之間分配時，整份租約一般分類為融資租賃，並作為物業、廠房及設備入賬。

#### 外幣

在編製各獨立集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）所進行的交易按交易當日的匯率確認。於報告期末，以外幣計值的貨幣項目按當日的匯率重新換算。以外幣計值之過往成本計算之非貨幣項目不予重新換算。

貨幣項目所產生之匯兌差額於其產生期間在損益內確認。

#### 退休福利成本

向國家管理的退休福利計劃及強制性公積金計劃所作出的付款於僱員已提供服務而有權獲得供款時確認為開支。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Taxation

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

#### Current tax

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

#### Deferred tax

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

### 5. 主要會計政策（續）

#### 稅項

所得稅開支指應付即期稅項及遞延稅項之總和。

#### 即期稅項

現時應付稅項乃按年內應課稅溢利得出。應課稅溢利有別於綜合損益及其他全面收益表中所報的「除稅前溢利」，乃由於在其他年度應課稅收入或可扣稅開支以及從未課稅或扣稅之項目所致。本集團即期稅項乃按報告期末已頒佈或已實際頒佈之稅率計算。

#### 遞延稅項

遞延稅項乃就綜合財務報表內的資產及負債賬面值與計算應課稅溢利所採用相應稅基之間的暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產一般於可能有應課稅溢利可用於對銷可扣減暫時差額時就所有可扣減暫時差額確認。倘因交易時首次確認資產及負債而引致之暫時差額並不影響應課稅溢利或會計溢利，則不會確認該等遞延稅項資產及負債。此外，倘暫時差額乃於初步確認商譽時產生，則不確認遞延稅項負債。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Taxation (continued)

##### *Deferred tax (continued)*

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

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

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

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

##### *Current and deferred tax for the year*

Current and deferred tax are recognised in profit or loss. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### 5. 主要會計政策 (續)

#### 稅項 (續)

##### *遞延稅項 (續)*

遞延稅項負債乃就附屬公司投資之相關應課稅暫時差額而確認，惟若本集團能夠控制暫時差額轉回及暫時差額有可能未必於可見將來轉回之情況除外。與該等投資相關之可扣減暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額之利益且預期於可見將來可以撥回時確認。

遞延稅項資產之賬面值於報告期末作檢討，並在再無可能會有足夠應課稅溢利用於收回全部或部份資產時作調減。

遞延稅項資產及負債乃按償還負債或變現資產之期間內預期適用之稅率，根據報告期末已實施或實際實施之稅率（及稅法）計算。

遞延稅項負債及資產之計量反映按照本集團預期於報告期末收回或結算其資產及負債之賬面值所依照之方式得出之稅務結果。

##### *本年度即期及遞延稅項*

即期及遞延稅項乃於損益中確認。倘即期稅項或遞延稅項乃於業務合併之初始會計處理時產生，稅務影響則會計入業務合併之會計處理內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using the weighted-average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### 5. 主要會計政策（續）

#### 存貨

存貨乃按成本及可變現淨值兩者中之較低值列值。存貨成本乃按加權平均法計算。可變現淨值指存貨之估計售價減所有完成所需估計成本及進行銷售所需成本。

#### 研發成本

研究活動的開支在產生期間確認為支出。

開發活動（或內部項目開發階段）的內部產生無形資產倘及僅於以下所有各項全部均得到證明時確認：

- 完成該無形資產的技術可行性，從而使其可予使用或銷售；
- 完成及使用或出售該無形資產的意圖；
- 使用或出售該無形資產的能力；
- 該無形資產將產生未來經濟利益的方式；
- 具有充足的技術、財務及其他資源以完成開發及使用或出售該無形資產；及
- 能可靠地計量無形資產於其開發期間應佔的開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Research and development costs (continued)

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

#### Impairment of tangible and intangible assets other than goodwill

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

### 5. 主要會計政策 (續)

#### 研發成本 (續)

內部產生無形資產的初步確認金額乃無形資產首次符合上列確認準則之日起產生的開支總額。如並無內部產生無形資產可予確認，開發開支則在其產生期間內於損益中確認。

初步確認後，內部產生無形資產將按成本減累計攤銷及累計減值虧損呈報，其基準與獨立收購的無形資產相同。

#### 商譽以外之有形及無形資產減值

於報告期末，本集團審閱其有形資產及無形資產之賬面值，以釐定該等資產是否有任何蒙受減值虧損之跡象。倘出現任何該等跡象，將作出資產之可收回金額估計，以釐定減值虧損(如有)程度。當不可能估計個別資產之可收回金額時，本集團會估計該資產所屬現金產生單位之可收回金額。倘可識別合理及穩定的分配基準，則企業資產亦分配至個別現金產生單位，或另行分配至可識別合理及穩定的分配基準之最小組別之現金產生單位。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment of tangible and intangible assets other than goodwill (continued)

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

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 5. 主要會計政策 (續)

#### 商譽以外之有形及無形資產減值 (續)

可收回金額為公平值減出售成本與使用價值兩者之較高者。於評估使用價值時，乃使用可反映現時市場對貨幣時間值的評估及該資產特有之風險（未來現金流量之估計並無就此作調整）之稅前折現率，將估計未來現金流量折現至其現值。

倘一項資產（或現金產生單位）之可收回金額估計少於其賬面值，該資產（或現金產生單位）之賬面值將減少至其可收回金額。減值虧損即時於損益中確認。

倘減值虧損於其後撥回，該資產（或現金產生單位）之賬面值將增加至其經修訂估計可收回金額，但因此增加的賬面值不會超逾資產（或現金產生單位）於過往年度如無確認減值虧損下原應釐定之賬面值。撥回減值虧損即時於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial assets

##### *Classification of financial assets*

Accounting policy prior to 1 January 2018

All financial assets are initially measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets held for trading and those designated at fair value through profit or loss) (FVTPL) are added to the fair value of the financial assets on initial recognition. Transaction costs directly attributable to the acquisition of held for trading and FVTPL investments are recognised in profit or loss immediately.

Financial assets that are classified as “loans and receivables” or “held-to-maturity investments” are subsequently measured at amortised cost using an effective interest rate, less impairment.

Available-for-sale (AFS) equity investments are subsequently measured at fair value with changes in fair value being recognised in other comprehensive income accumulated under “AFS investment revaluation reserve”. Amounts previously recognised in “AFS investment revaluation reserve” are reclassified to profit or loss upon impairment or disposal.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are subsequently measured at cost less impairment.

### 5. 主要會計政策（續）

#### 金融資產

##### 金融資產分類

於二零一八年一月一日前之會計政策

所有金融資產於初步確認時初步按公平值計量。收購金融資產（持作買賣之金融資產及指定為按公平值計入損益（按公平值計入損益）之金融資產除外）直接應佔的交易成本於初步確認時加入金融資產之公平值。收購持作買賣及按公平值計入損益投資直接應佔的交易成本即時於損益確認。

分類為「貸款及應收款項」或「持有至到期投資」之金融資產其後使用實際利率法按攤銷成本減減值計量。

可供出售（可供出售）股權投資其後按公平值計量，於其他全面收益確認之公平值變動根據「可供出售投資重估儲備」累計。先前於「可供出售投資重估儲備」確認之金額於減值或出售時重新分類至損益。

並無在活躍市場報價及公平值不能可靠地計量之可供出售股權投資及與股權投資掛鈎且必須以該等並無報價股權投資作交收之衍生工具其後按成本減減值計量。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial assets (continued)

##### *Classification of financial assets (continued)*

Dividends from AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Available-for-sale debt investments are subsequently measured at fair value with changes in fair value being recognised in other comprehensive income accumulated under "AFS investment revaluation reserve" except for (a) interest income measured using the effective interest method and (b) foreign exchange gains or losses determined based on the amortised cost of debt investments are recognised in profit or loss.

Held-for-trading investments and FVTPL assets are subsequently measured at fair value, with changes in fair value being recognised in profit or loss.

##### *Accounting policy from 1 January 2018*

Investments in equity securities (other than investments in subsidiaries, associates and joint ventures)

An investment in equity securities is measured fair value on initial recognition. An investment in equity securities is subsequently measured at FVTPL unless the investment is designated as at fair value through other comprehensive income (FVTOCI) as at date of initial application of HKFRS 9 based on the specific transitional provisions set out in HKFRS 9. Under HKFRS 9, an investment in equity securities can be designated as at FVTOCI on an instrument-by-instrument basis provided that the investment is neither held-for-trading nor contingent consideration recognised by the Group in a business combination to which HKFRS 3 applies.

### 5. 主要會計政策 (續)

#### 金融資產 (續)

##### *金融資產分類 (續)*

可供出售權益工具之股息於本集團收取股息之權利確立時於損益內確認。

可供出售債權投資其後按公平值計量，於其他全面收益確認之公平值變動根據「可供出售投資重估儲備」累計，惟(a)使用實際利率法計量之利息收入及(b)根據債權投資攤銷成本釐定的外匯收益或虧損於損益確認。

持作買賣投資及按公平值計入損益之資產其後按公平值計量，公平值變動於損益確認。

##### *自二零一八年一月一日起之會計政策*

股權證券投資 (於附屬公司、聯營公司及合營企業之投資除外)

股權證券投資於初步確認時按公平值計量。股權證券投資其後按公平值計入損益計量，除非投資被指定為於根據香港財務報告準則第9號所載的指定過渡條文初步應用香港財務報告準則第9號之日按公平值計入其他全面收益 (按公平值計入其他全面收益) 計量。根據香港財務報告準則第9號，股權證券投資可按個別工具基準指定為按公平值計入其他全面收益，前提是投資並非持作買賣或本集團於香港財務報告準則第3號適用之業務合併中確認之或然代價。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial assets (continued)

##### Accounting policy from 1 January 2018 (continued)

Investments in equity securities (other than investments in subsidiaries, associates and joint ventures) (continued)

For investments in equity securities designated as at FVTOCI (as described above), fair value changes are recognised in other comprehensive income and accumulated in the “FVTOCI (equity investment) reserve”. Such fair value changes will not be reclassified to profit or loss when the investments are derecognised. However, they will be transferred to the Group’s retained earnings when the investments are derecognised.

For investments in equity securities that are held-for-trading or not designated as at FVTOCI (as described above), they are subsequently measured at fair value through profit or loss (FVTPL) such that changes in fair value are recognised in profit or loss.

An investment in equity securities is derecognised when the Group sells the investment.

Investments in debt securities

An investment in debt securities is classified as follows depending on the instruments’ contractual cash flow characteristics and the Group’s business model for managing the investment:

- Amortised cost when (a) the contractual terms of the asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding and (b) the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows.

### 5. 主要會計政策 (續)

#### 金融資產 (續)

自二零一八年一月一日起之會計政策 (續)

股權證券投資 (於附屬公司、聯營公司及合營企業之投資除外) (續)

就指定為按公平值計入其他全面收益 (如上文所述) 之股權證券投資而言，公平值變動於其他全面收益確認及於「按公平值計入其他全面收益 (股權投資) 儲備」累計。該等公平值變動不會於終止確認投資時重新分類至損益。然而，彼等將於終止確認投資時轉撥至本集團保留盈利。

就持作買賣或並非指定為按公平值計入其他全面收益 (如上文所述) 之股權證券投資而言，彼等其後按公平值計入損益 (按公平值計入損益) 計量，因此公平值變動於損益確認。

股權證券投資於本集團出售投資時終止確認。

債務證券投資

債務證券投資視乎工具的合約現金流量特徵及本集團管理投資的業務模式分類如下：

- 當(a)於指定日期由資產的合約條款引起之現金流量僅為支付本金及尚未償還本金之利息及(b)以收取合約現金流量為目標及於業務模式下持有金融資產，則按攤銷成本列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial assets (continued)

#### Accounting policy from 1 January 2018 (continued)

#### Investments in debt securities (continued)

- FVTOCI when (a) the contractual terms of the asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding and (b) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset.
- FVTPL when either (a) the contractual terms of the asset give rise on specified dates to cash flows that are not solely payment of principal and interest on the principal amount outstanding or (b) the financial asset is held within a business whose objective is neither (i) collecting contractual cash flows nor (ii) collecting contractual cash flows and selling the financial asset.

For investments in debt securities subsequently measured at FVTOCI, fair value changes are recognised in other comprehensive income and accumulated in the “FVTOCI (debt investment) reserve” except for impairment loss (see below) and foreign exchange gains or losses. Interest income is calculated using the effective interest method and is recognised in profit or loss. When an investment in debt securities is derecognised, the fair value changes previously recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment.

An investment in debt securities is derecognised when the Group sells the investment or when the contractual rights to the cash flows from the asset expire.

### 5. 主要會計政策 (續)

#### 金融資產 (續)

#### 自二零一八年一月一日起之會計政策 (續)

#### 債務證券投資 (續)

- 當(a)於指定日期由資產的合約條款引起之現金流量僅為支付本金及尚未償還本金之利息及(b)以收取合約現金流量及出售金融資產為目標及於業務模式下持有金融資產，則按公平值計入其他全面收益列賬。
- 當(a)於指定日期由資產的合約條款引起之現金流量僅為支付本金及尚未償還本金之利息或(b)並非以(i)收取合約現金流量或(ii)收取合約現金流量及出售金融資產為目標及於業務模式下持有金融資產，則按公平值計入損益列賬。

就其後按公平值計入其他全面收益之債務證券投資而言，公平值變動於其他全面收益確認及於「按公平值計入其他全面收益(債權投資)儲備」累計，為減值虧損(見下文)及外匯收益或虧損除外。利息收入使用實際利率法計算並於損益確認。債務證券投資終止確認時，先前於其他全面收益確認的公平值變動將自權益重新分類至損益作為重新分類調整。

債務證券投資於本集團出售投資或資產現金流量之合約權屆滿時終止確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial assets (continued)

##### Accounting policy from 1 January 2018 (continued)

#### Transaction costs

Transaction costs directly attributable for the acquisition of financial assets (other than those classified or designated as at FVTPL) are included in the initial measurement of the financial assets. For financial assets subsequently measured at amortised cost, such transaction costs are included in the calculation of amortised cost using the effective interest method (i.e. in effect amortised through profit or loss over the lives of the financial assets). For investments in equity securities at FVTOCI, such transaction costs are recognised in other comprehensive income as part of change in fair value at the next remeasurement. For investments in debt securities classified as FVTOCI, such transaction costs are amortised to profit or loss using the effective interest method (i.e. in effect amortised through profit or loss over the lives of the financial assets).

#### Impairment on financial assets

##### Accounting policy prior to 1 January 2018

Prior to 1 January 2018, the Group had adopted “incurred loss model” in assessing and measuring impairment losses on financial assets. Under the “incurred loss model”, an impairment loss was recognised when there was objective indicators of impairment which included:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and

### 5. 主要會計政策（續）

#### 金融資產（續）

##### 自二零一八年一月一日起之會計政策（續）

#### 交易成本

收購金融資產（分類為或指定為按公平值計入損益之金融資產除外）直接應佔之交易成本乃計入金融資產之初步計量。就其後按攤銷成本計量之金融資產而言，有關交易成本使用實際利率法計入攤銷成本之計算（即於金融資產年期內透過損益實際攤銷）。就按公平值計入其他全面收益之股權證券投資而言，有關交易成本於下一次重新計量時於其他全面收益確認為公平值變動的一部分。就分類為按公平值計入其他全面收益之債務證券投資而言，有關交易成本使用實際利率法攤銷至損益（即於金融資產年期內透過損益實際攤銷）。

#### 金融資產減值

##### 於二零一八年一月一日前之會計政策

於二零一八年一月一日前，本集團採納「已產生虧損模式」評估及計量金融資產減值虧損。根據「已產生虧損模式」，減值虧損於出現客觀減值跡象時確認，減值跡象包括：

- 債務人出現重大財務困難；
- 違約行為，如拖欠或未能償還利息或本金；
- 債務人有可能破產或進行其他財務重組；及

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment on financial assets (continued)

##### *Accounting policy prior to 1 January 2018 (continued)*

- significant changes in the technology, market, economic or legal environment that have an adverse effect on the debtor.

##### *Accounting policy from 1 January 2018*

The Group has applied the expected credit loss model under HKFRS 9 to the following types of financial assets:

- financial assets that are subsequently measured at amortised cost (including cash and cash equivalents and trade receivables);
- contract assets as defined in HKFRS 15; and
- investments in debt securities that are subsequently measured at FVTOCI;

Expected credit loss (ECL) of a financial asset is measured based on an unbiased and probability-weighted amount. It also reflects the time value of money and reasonable and supportable information that is available to the Group without undue cost or effect at the reporting date about past events, current conditions and forecasts of future economic conditions. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

### 5. 主要會計政策 (續)

#### 金融資產減值 (續)

##### 於二零一八年一月一日前之會計政策 (續)

- 對債務人產生不利影響的科技、市場、經濟或法律環境之重大變動。

##### 自二零一八年一月一日起之會計政策

本集團已於以下金融資產類別應用香港財務報告準則第9號項下的預期信貸虧損模式：

- 其後按攤銷成本計量之金融資產 (包括現金及現金等值物及貿易應收款項)；
- 香港財務報告準則第15號定義之合約資產；及
- 其後按公平值計入其他全面收益計量之債務證券投資；

金融資產之預期信貸虧損 (「預期信貸虧損」) 乃基於公正及概率加權金額計量。其亦反映貨幣的時間價值及於報告日期本集團毋須付出不必要的成本或努力而可獲得有關過往事件、目前狀況及未來經濟狀況預測的合理及可靠資料。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment on financial assets (continued)

##### Accounting policy from 1 January 2018 (continued)

ECL is measured on either of the following bases:

- 12-month expected credit loss when, at the reporting date, the credit risk on a financial asset has not increased significantly since initial recognition; and
- Lifetime expected credit loss when (a) at the reporting date, the credit risk on a financial asset has increased significantly since initial recognition; or (b) at the reporting date, the financial asset has become credit-impaired.

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers quantitative and qualitative reasonable and supportable information that is available to the Group without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

Specifically, the following information has been taken into account in assessing whether the credit risk on a financial asset has significantly increased since initial recognition:

- Significant changes in internal price indicators of credit risk as a result of a change in credit risk since inception.
- Significant changes in terms of existing financial assets if the asset was newly originated or issued at the reporting date.

### 5. 主要會計政策 (續)

#### 金融資產減值 (續)

##### 自二零一八年一月一日起之會計政策 (續)

預期信貸虧損乃按以下其中一項基準計量：

- 於報告日期，金融資產信貸風險自初步確認起並無大幅上升時，則按12個月預期信貸虧損計量；及
- (a)於報告日期，金融資產信貸風險自初步確認起大幅上升；或(b)於報告日期，金融資產發生信貸減值時，則按可使用年期內的預期信貸虧損計量。

於評估金融資產信貸風險自初步確認起是否大幅上升，本集團會將金融資產於報告日期發生違約的風險與金融工具於初步確認日期發生違約的風險進行比較，並考慮本集團毋須付出不必要的成本或努力而可獲得的合理及可靠的定性及定量資料，該等資料表明自初步確認起信貸風險大幅上升。

具體而言，評估金融資產信貸風險自初步確認起是否大幅上升時會考慮以下資料：

- 起初信貸風險變化導致的內部價格指標是否顯著變化。
- 倘現有金融資產於報告日期作為新資產產生或發行，金融資產是否顯著變化。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment on financial assets (continued)

##### Accounting policy from 1 January 2018 (continued)

- Significant changes in external market indicators of credit risk for a particular financial instrument or similar financial instruments with the same expected life.
- An actual or expected significant change in the financial instrument's external credit rating.
- An actual or expected internal credit rating downgrade for the borrower or decrease in behavioural scoring used to assess credit risk internally.
- Existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant change in the borrower's ability to meet its debt obligations (e.g. actual or expected increase in interest rates or an actual or expected significant increase in unemployment rates).
- Actual or expected significant change in the operating results of the borrower.
- Significant change in the quality of guarantee provided.
- Contractual cash flows are more than 30 days past due.

In making the abovementioned assessment, the Group considers that a default occurs when (a) it is unlikely that the borrower will be able to settle his/her debts in full and (b) the financial asset is more than 90 days past due.

### 5. 主要會計政策 (續)

#### 金融資產減值 (續)

##### 自二零一八年一月一日起之會計政策 (續)

- 同一金融工具或具有相同預計存續期的類似金融工具的信貨風險的外部市場指標是否發生顯著變化。
- 金融工具外部信貨評級實際或預期是否發生顯著變化。
- 對借款人實際或預期的內部信貨評級是否下調或用於評估內部信貨風險的行為評級是否下降。
- 預期將導致借款人履行其償債義務的能力發生顯著變化的業務、財務或經濟狀況是否出現現有或預測不利變化 (如利率實際或預期上漲或失業率實際或預期上漲)。
- 借款人經營業績實際或預期是否顯著變動。
- 所提供擔保質素是否顯著變化。
- 合約現金流量是否逾期超過30天。

於作出上述評估時，本集團於(a)借款人不大有可能悉數結清其債務及(b)金融資產逾期超過90天時考慮發生違約。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Impairment on financial assets (continued)

##### *Accounting policy from 1 January 2018 (continued)*

ECL is remeasured at the end of each reporting period to reflect changes in financial asset's credit risk since initial recognition. Changes in ECL are recognised in profit or loss with the corresponding adjustment to the carrying amount of the asset through a loss allowance account, except for investments in debt securities that are subsequently measured at FVTOCI for which the corresponding adjustment is recognised in other comprehensive income and accumulated in "FVTOCI (debt investment) reserve".

For trade receivables and contract assets without significant financing component, ECL is always measured at an amount equal to lifetime expected credit losses.

At the end of each of the reporting period, the Group assesses whether its financial assets have become credit impaired.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the time when the Group assesses and concludes that the debtor is unable to settle the debts in full or part of the debts.

#### Trade and other receivables

##### *Prior to 1 January 2018*

A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect the amounts due.

### 5. 主要會計政策 (續)

#### 金融資產減值 (續)

##### *自二零一八年一月一日起之會計政策 (續)*

預期信貸虧損於各報告期末重新計量，以反映自初步確認起金融資產信貸風險的變化。預期信貸虧損變動於損益確認，資產賬面值之相應調整透過虧損撥備賬列賬，惟其後按公平值計入其他全面收益之債務證券投資的相應調整於其他全面收益內確認及於「按公平值計入其他全面收益 (債權投資) 儲備」累計。

就並無重大融資組成的貿易應收款項及合約資產而言，預期信貸虧損一直按相等於可使用年期內的預期信貸虧損之金額計量。

於各報告期末，本集團會評估金融資產是否已出現信貸減值。

當本集團無合理預期收回金融資產的全部或部分時，會直接降低金融資產之賬面總值。本集團一般於此時評估及推斷債務人無法結清全部或部分債務。

#### 貿易及其他應收款項

##### *於二零一八年一月一日前*

本集團在有客觀證據顯示無法收回到期款項時就貿易及其他應收款項計提減值撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Trade and other receivables (continued)

##### *Accounting policy from 1 January 2018*

Trade receivables are recognised when the Group has an unconditional right to receive consideration. The Group has an unconditional right to receive consideration when only the passage of time is required before payment of the consideration is due.

For the Group's trade receivables, ECL is always measured at an amount equal to lifetime expected credit losses. In particular, ECL is estimated using a provision of matrix based on the Group's historical credit loss experience, adjusted for (a) information that is specific to particular debtors and (b) forward-looking information based on the current and forecast general economic conditions available to the Group without undue cost or effort at the reporting date. ECL is recognised in profit or loss with the corresponding adjustment to the carrying amount of the trade receivables through a loss allowance account.

The Group directly reduces the gross carrying amount of a financial asset when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the time when the Group assesses and concludes that the debtor is unable to settle the debts in full or part of the debts.

### 5. 主要會計政策 (續)

#### 貿易及其他應收款項 (續)

##### *自二零一八年一月一日起之會計政策*

貿易應收款項於本集團擁有無條件權利收取代價時確認。於代價僅隨時間推移即會成為到期應付時，本集團收取代價的權利為無條件。

就本集團的貿易應收款項而言，預期信貸虧損一直按相等於可使用年期內的預期信貸虧損之金額計量。具體而言，預期信貸虧損根據本集團的過往信貸虧損經驗使用撥備矩陣估計，並就以下各項作出調整：(a) 特定債務人的信息及(b) 基於本集團於報告日期毋須付出不必要的成本或努力而可獲得的目前及預測整體經濟狀況的前瞻性資料。預期信貸虧損於損益確認，貿易應收款項賬面值之相應調整透過虧損撥備賬列賬。

當本集團無合理預期收回金融資產的全部或部分時，會直接降低金融資產之賬面總值。本集團一般於此時評估及推斷債務人無法結清全部或部分債務。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Contract assets and contract liabilities

##### *Accounting policy from 1 January 2018*

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on something other than the passage of time.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

For a single contract with a customer, either a net contract asset or a net contract liability is presented. Contracts assets and contract liabilities arising from unrelated multiple contracts are not presented on a net basis.

As mentioned in Note 3, the Group has applied HKFRS 15 for the first time for the current year using the cumulative effect transition method. Adjustments were made as at 1 January 2018 to reclassify certain amounts from "trade and other receivables" and "gross amount due from customers" to "contract assets" and certain amounts from "trade and other payables" and "gross amount due to customers" to "contract liabilities".

For the Group's contract assets, ECL is always measured at an amount equal to lifetime expected credit losses. In particular, ECL is estimated using a provision of matrix based on the Group's historical credit loss experience, adjusted for (a) information that is specific to particular customers available and (b) forward-looking information based on the current and forecast general economic conditions at the reporting date. ECL is recognised in profit or loss with the corresponding adjustment to the carrying amount of the contract assets through a loss allowance account.

### 5. 主要會計政策 (續)

#### 合約資產及合約負債

##### *自二零一八年一月一日起的會計政策*

合約資產指本集團就向客戶轉讓的商品或服務收取代價的權利，該權利取決於時間流逝以外之其他因素。

合約負債指本集團已自客戶收取代價而須向客戶轉讓商品或服務之義務。

就與客戶的單一合約而言，須呈列淨合約資產或淨合約負債。合約資產及無關合約的合約負債並非以淨額呈列。

如附註3所述，本集團已於本年度採用累積影響過渡法首次應用香港財務報告準則第15號。於二零一八年一月一日作出之調整乃為將「貿易及其他應收款項」及「應收客戶款項總額」的若干款項重新分類至「合約資產」以及將「貿易及其他應付款項」及「應付客戶款項總額」的若干款項重新分類至「合約負債」。

就本集團的合約資產而言，預期信貸虧損一直按相等於可使用年期內的預期信貸虧損之金額計量。具體而言，預期信貸虧損根據本集團的過往信貸虧損經驗使用撥備矩陣估計，並就以下各項作出調整：(a)現有特定客戶的信息及(b)基於報告日期的目前及預測整體經濟狀況的前瞻性資料。預期信貸虧損於損益確認，合約資產賬面值之相應調整透過虧損撥備賬列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Contract assets and contract liabilities (continued)

##### Accounting policy from 1 January 2018 (continued)

The Group directly reduces the gross carrying amount of a contract asset when the Group has no reasonable expectations of recovering a contract asset in its entirety or a portion thereof. This is generally the time when the Group assesses and concludes that the Group is unable to recover the costs.

#### Financial liabilities

##### Prior to 1 January 2018

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss 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 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.

### 5. 主要會計政策 (續)

#### 合約資產及合約負債 (續)

##### 自二零一八年一月一日起的會計政策 (續)

當本集團無合理預期收回合約資產的全部或部分時，會直接降低合約資產之賬面總值。本集團一般於此時評估及推斷本集團無法收回成本。

#### 金融負債

##### 於二零一八年一月一日前

本集團視乎金融負債產生的目的將其金融負債分類。按公平值計入損益之金融負債乃按公平值初步計量，而按攤銷成本計量之金融負債初步按公平值減所產生之直接應佔成本計量。

##### 按攤銷成本計量之金融負債

按攤銷成本計量之金融負債包括貿易及其他應付款項、借款、若干優先股及本集團發行之可轉換貸款票據之債務部分，其後使用實際利率法按攤銷成本計量。相關利息開支於損益中確認。

收益或虧損於終止確認負債時透過攤銷於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial liabilities (Continued)

##### Prior to 1 January 2018 (Continued)

##### 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. 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, or where appropriate, a shorter period.

##### Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### Derecognition

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.

### 5. 主要會計政策 (續)

#### 金融負債 (續)

##### 於二零一八年一月一日前 (續)

##### 實際利率法

實際利率法為計算金融資產或金融負債攤銷成本及就有關期間分配利息收入或利息開支之方法。實際利率為透過金融資產或負債預測年期或(如適用)較短期間準確折現估計未來現金收款或付款之利率。

##### 權益工具

本公司發行之權益工具按已收所得款項扣除直接發行成本記賬。

##### 終止確認

當有關合同之指定責任獲解除、註銷或到期，則終止確認金融負債。

倘由於重新磋商負債之條款，本集團向債權人發行其自身權益工具以支付全部或部分之金融負債，則已發行之權益工具為已付代價並於抵銷金融負債或其部分日期按彼等之公平值初步確認及計量。倘已發行權益工具之公平值不能可靠計量，則權益工具將計量以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之差額於本年度損益中確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial liabilities (Continued)

##### *Accounting policy from 1 January 2018*

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss 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 fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

### 5. 主要會計政策 (續)

#### 金融負債 (續)

##### *自二零一八年一月一日起之會計政策*

本集團視乎金融負債產生的目的將其金融負債分類。按公平值計入損益之金融負債乃按公平值初步計量，而按攤銷成本計量之金融負債初步按公平值減所產生之直接應佔成本計量。

按公平值計入損益之金融負債

按公平值計入損益之金融負債包括持作買賣金融負債及於初步確認時指定為按公平值計入損益之金融負債。

倘金融負債乃收購作於短期內出售，則會分類為持作買賣。衍生工具（包括獨立嵌入式衍生工具）亦分類為持作買賣，除非該等工具乃指定為有效對沖工具。持作買賣負債之收益或虧損均在損益內確認。

倘合約包含一項或以上嵌入式衍生工具，則整份混合合約可指定為按公平值計入損益之金融負債，惟倘嵌入式衍生工具並無大幅修改現金流量或明確禁止區分嵌入式衍生工具則除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial liabilities (Continued)

##### Accounting policy from 1 January 2018 (Continued)

Financial liabilities at fair value through profit or loss  
(Continued)

Financial liabilities may be designated upon initial recognition as at fair value through profit or loss 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, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise.

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.

### 5. 主要會計政策 (續)

#### 金融負債 (續)

自二零一八年一月一日起之會計政策 (續)

按公平值計入損益之金融負債 (續)

倘符合下列標準，金融負債可於初步確認時指定為按公平值計入損益：(i)該指定消除或大幅減少因按不同基準計量負債或確認收益或虧損而另行產生之不一致處理；(ii)負債為一組根據具存檔風險管理策略按公平值基準管理及評估表現之金融負債之一部分；或(iii)金融負債包含將需要獨立記賬之嵌入式衍生工具。

於初步確認後，按公平值計入損益之金融負債乃按公平值計量，而公平值變動均於產生期間在損益確認。

按攤銷成本計量之金融負債

按攤銷成本計量之金融負債包括貿易及其他應付款項、借款、若干優先股及本集團發行之可轉換貸款票據之債務部分，其後使用實際利率法按攤銷成本計量。相關利息開支於損益中確認。

收益或虧損於終止確認負債時透過攤銷於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 5. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial liabilities (Continued)

##### Accounting policy from 1 January 2018 (Continued)

#### 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. 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, or where appropriate, a shorter period.

#### Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### Derecognition

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.

### 5. 主要會計政策 (續)

#### 金融負債 (續)

##### 自二零一八年一月一日起之會計政策 (續)

#### 實際利率法

實際利率法為計算金融資產或金融負債攤銷成本及就有關期間分配利息收入或利息開支之方法。實際利率為透過金融資產或負債預測年期或(如適用)較短期間準確折現估計未來現金收款或付款之利率。

#### 權益工具

本公司發行之權益工具按已收所得款項扣除直接發行成本記賬。

#### 終止確認

當有關合同之指定責任獲解除、註銷或到期，則終止確認金融負債。

倘由於重新磋商負債之條款，本集團向債權人發行其自身權益工具以支付全部或部分之金融負債，則已發行之權益工具為已付代價並於抵銷金融負債或其部分日期按彼等之公平值初步確認及計量。倘已發行權益工具之公平值不能可靠計量，則權益工具將計量以反映所抵銷金融負債之公平值。所抵銷金融負債或其部分之賬面值與已付代價之差額於本年度損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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

#### Useful lives of property, plant and equipment

In applying the accounting policy on property, plant and equipment with respect to depreciation, management estimates the useful lives of various categories of property, plant and equipment according to the industrial experiences over the usage of property, plant and equipment and also by reference to the relevant industrial norm. If the actual useful lives of property, plant and equipment are less than the original estimated useful lives due to changes in commercial and technological environment, such difference will impact the depreciation charge for the remaining periods.

### 6. 估計涉及不確定性之主要來源

於應用本集團會計政策時，本公司董事須對無法從其他渠道確認的資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及其他視作相關的因素作出。實際結果或會有別於該等估計。

本公司持續檢討該等估計及相關假設。倘就會計估計作出的修訂只影響修訂估計之期間，則有關修訂會在該期間確認；倘有關修訂影響即期及未來期間，則有關修訂會在修訂期間及未來期間確認。

以下為於報告期末所作出有關未來的主要假設及估計不確定因素之其他主要來源，並具有相當風險而可能導致須於下一個財政年度就資產及負債的賬面值作出重大調整。

#### 物業、廠房及設備的可使用年期

於應用有關物業、廠房及設備折舊的會計政策時，管理層乃根據物業、廠房及設備用途之行業經驗並參考有關行業規範來估計各類物業、廠房及設備之可使用年期。倘物業、廠房及設備的實際可使用年期因商業及技術環境改變以致少於原本估計之可使用年期，則有關差額將影響餘下期間之折舊開支。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

#### Loss allowance for ECL

The Group's management estimates the loss allowance for trade receivables and loan receivable based on risk of a default and expected loss rate. The assessment of the credit risk involves high degree of estimation and uncertainty as the Group's management estimates the risk of a default and expected loss rate for applying provision matrix on debtors based on the Group's historical information, existing market conditions as well as forward looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade receivables. For details of the key assumption and inputs used in estimating ECL, please refer to note 8(b) to the consolidated financial statements.

#### Impairment of non-financial assets (other than goodwill)

The Group assesses each cash-generating unit annually to determine whether any indication of impairment exists. When an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs of disposal and value in use. The carrying amount of the property, plant and equipment, intangible assets, prepaid lease payments are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the accounting policy as disclosed in the relevant part of this section. Estimating the value in use requires the Group to estimate future cash flows from the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

### 6. 估計涉及不確定性之主要來源 (續)

#### 預期信貸虧損的虧損撥備

本集團管理層根據違約風險及預期虧損率估計貿易應收款項及應收貸款的虧損撥備。由於本集團管理層於各報告期末根據本集團的歷史資料、現有市況及前瞻性估計估計應用債務人撥備矩陣的違約風險及預期虧損率，故信貸風險評估涉及高度估計及不確定性。倘預期與原先估計不同，有關差異將影響貿易應收款項的賬面值。有關用於估計預期信貸虧損的主要假設及輸入數據的詳情，請參閱綜合財務報表附註8(b)。

#### 非金融資產（商譽除外）之減值

本集團每年評估各現金產生單位，以釐定是否有任何減值存在的跡象。倘存在減值跡象，則會作出可收回金額的正式估計，即被視為公平值減出售成本與使用價值的較高者。物業、廠房及設備、無形資產、預付租賃款項的賬面值會於有事件或情況變動顯示賬面值可能不能根據本節有關部分所披露的會計政策予以收回時檢討減值。估計使用價值要求本集團估計來自現金產生單位的未來現金流量以及選擇適當的折現率以計算該等現金流量的現值。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

#### Estimated allowance of inventories

The Group makes allowance for inventories based on an assessment of the net realisable value of inventories. Allowances are applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the cost of inventories. The identification of obsolete inventories requires the use of judgment and estimates on the conditions and marketability of the inventories. Where the subsequent selling prices decline or increase in costs of completion and those necessary to make the sales, additional allowance may arise.

#### Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value.

#### Control over a subsidiary

The relevant PRC laws and regulations prohibit or restrict foreign investors from owning more than 50% equity interest in PRC enterprises that are engaged in the research and provision of internet education services.

Notwithstanding the lack of formal equity ownership in 京師沃學(北京)教育科技有限公司 (Capital Wowxue (Beijing) Education Technology Limited) ("Wowxue"), the directors of the Company concluded that the Group is able to have control over Wowxue through a series of agreements with all of its registered shareholders (the "Contractual Agreements"). Specifically, the directors of the Company assessed whether or not the Group has control over Wowxue based on whether the Group has the practical ability to direct the relevant activities of Wowxue unilaterally, the rights to variable returns from its involvement with Wowxue and the ability to use its power to affect its returns. The directors of the Company, after consulting legal opinion, concluded that the Group has such ability and rights through the Contractual Agreements and hence has accounted for Wowxue as a subsidiary during the year.

### 6. 估計涉及不確定性之主要來源(續)

#### 估計存貨撥備

本集團根據對存貨可變現淨值的評估就存貨作出撥備。倘有事件或情況變動顯示可變現淨值低於存貨成本，即對存貨作出撥備。識別陳舊存貨須使用對存貨的狀況及可銷售性所作出的判斷及估計。倘其後售價下降或完成成本及作出銷售所需成本有所增加，則可能產生額外撥備。

#### 商譽減值

釐定商譽是否減值須估計獲分配商譽之現金產生單位使用價值。計算使用價值時，管理層須估計預期可自現金產生單位產生之未來現金流量及適當折現率，從而計算現值。

#### 附屬公司控制權

相關中國法律及法規禁止或限制外國投資者於從事互聯網教育服務的研究，並提供互聯網教育服務的中國企業擁有50%以上股權。

儘管本集團並無擁有於京師沃學(北京)教育科技有限公司(「沃學」)的正式權益，本公司董事總結本集團可透過與其所有已登記股東的一系列協議(「合約安排」)擁有對沃學的控制權。確切而言，本公司董事評估本集團是否擁有對沃學的控制權乃基於本集團是否實際擁有單方面指示沃學相關活動的能力、是否因其參與沃學之業務而有權獲得可變回報及其是否有能力行使其權力而影響其回報。本公司董事經諮詢法律意見後，總結本集團透過合約安排擁有有關能力及權利，故於年內將沃學作為附屬公司入賬。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 7. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising share capital, reserves and retained profits.

The directors of the Company review the capital structure on a continuous basis taking into account the cost of capital and the risks associate with the capital. The Group will balance its overall capital structure through payment of dividends, new share issues as well as the issue of new debt, if necessary.

### 8. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

#### Financial assets

Amortised cost  
Loans and receivables (including cash and cash equivalents)

#### Financial liabilities

Amortised cost  
Financial liabilities at fair value through profit or loss

#### 金融資產

攤銷成本  
貸款及應收款項（包括現金及現金等值物）

#### 金融負債

攤銷成本  
按公平值計入損益之金融負債

### 7. 資本風險管理

本集團之資本管理旨在確保本集團內實體均可持續經營，同時透過優化債務及權益之平衡，盡量為股東帶來最大回報。本集團之整體策略與往年一樣保持不變。

本集團的資本結構包括現金及現金等值物與本公司擁有人應佔權益（包括股本、儲備及保留溢利）。

本公司董事持續檢討資本結構，當中涉及考慮資本成本及與資本相關之風險。如有必要，本集團將透過支付股息、發行新股份以及發行新債務，以平衡其整體資本結構。

### 8. 金融工具

#### (a) 金融工具之類別

	2018 二零一八年	2017 二零一七年
	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Financial assets</b>		
Amortised cost		
Loans and receivables (including cash and cash equivalents)	446,932	—
	—	583,129
<b>Financial liabilities</b>		
Amortised cost		
Financial liabilities at fair value through profit or loss	398,798	351,559
	108,402	143,143



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, loan receivables, bills receivables, other receivables, restricted bank deposits, bank balances and cash, trade and bill payables, other payables, promissory notes and bank borrowings. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 8. 金融工具（續）

#### (b) 金融風險管理之目的及政策

本集團的主要金融工具包括貿易應收款項、應收貸款、應收票據、其他應收款項、受限制銀行存款、銀行結餘及現金、貿易應付款項及應付票據、其他應付款項、承兌票據及銀行借貸。此等金融工具之詳情於各自之附註披露。此等金融工具所附帶之風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。有關如何減低此等風險之政策載列如下。管理層確保適時及有效地採取適當措施以管理及監控此等風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies (continued)

##### Market risk

##### Interest rate risk

The Group's exposure to the risks of changes in market interest rates related primarily to the Group's loan receivables with floating interest rates.

The table set out below demonstrates the sensitivity to a reasonably possible change in interest rates in the current year, with all other variable held constant, of the Group's loss before tax (through the impact on floating rate borrowings).

### 8. 金融工具 (續)

#### (b) 金融風險管理之目的及政策 (續)

##### 市場風險

##### 利率風險

本集團面對市場利率變動的風險主要與本集團浮動利率應收貸款有關。

下表列示於本年度所有其他變量保持不變的情況下，本集團除稅前虧損（透過浮動利率借貸之影響）對利率的合理可能變動的敏感度。

		Increase/ (decrease) in basis points 基點增加/ (減少)	Decrease/ (Increase) in loss before tax 除稅前虧損 減少/(增加)
<b>2018</b>	<b>二零一八年</b>		
RMB	人民幣	50	90
RMB	人民幣	(50)	(90)
<b>2017</b>	<b>二零一七年</b>		
RMB	人民幣	50	208
RMB	人民幣	(50)	(208)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies (continued)

##### *Credit risk*

As at 31 December 2018, the credit risk of the Group is primarily attributable to trade and other receivables, loans receivable, bills receivable and bank balances.

- i. The Group has no significant concentrations of credit risk. The carrying amounts of trade and other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets. As at 31 December 2018 and 2017, all bank balances were deposited in reputable financial institutions and were hence without significant credit risk. Management does not expect any losses from non-performance by these counterparties. Credit sales are made to selected customers with good credit history. The Group has policies in place to ensure that outstanding trade receivables are collected on a timely basis. Trade receivables are subject to the expected credit loss model. The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the ability of the customers to settle the receivables.

### 8. 金融工具 (續)

#### (b) 金融風險管理之目的及政策 (續)

##### *信貸風險*

於二零一八年十二月三十一日，本集團的信貸風險主要來自貿易及其他應收款項、應收貸款、應收票據及銀行結餘。

- i. 本集團並無重大集中的信貸風險。貿易及其他應收款項以及現金及現金等價物的賬面值為本集團金融資產的最高信貸風險。於二零一八年及二零一七年十二月三十一日，所有銀行結餘均存入信譽良好的金融機構，故無重大信貸風險。管理層預期不會因該等對手方不履約而招致任何損失。信貸銷售僅提供予信貸記錄良好的選定客戶。本集團已制訂政策確保及時追收未償還的貿易應收款項。貿易應收款項須應用預期信貸虧損模式。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，自初步確認起為所有貿易應收款項使用整個存續期內的預期虧損撥備。為計量預期信貸虧損，貿易應收款項已根據共同信貸風險特徵及逾期天數分類。預期虧損率基於銷售的歷史付款情況及出現的相應過往信貸虧損。本集團對過往虧損率作出調整以反映有關影響客戶結算應收款項能力的因素的當前及前瞻性資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies (continued)

##### *Credit risk (Continued)*

The credit quality of the other receivables excluding deposits and prepayments have been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. The directors are of the opinion that the credit risk of other receivables is low due to the sound collection history of the receivables due from them. Therefore, expected credit loss rate of the other receivables excluding deposits and prepayments is assessed to be close to zero and no provision was made as of 31 December 2018 and 31 December 2017.

### 8. 金融工具(續)

#### (b) 金融風險管理之目的及政策(續)

##### 信貸風險(續)

本集團已參考有關對手方違約率的歷史資料及對手方的財務狀況對其他應收款項(不包括按金及預付款項)的信貸質素進行評估。董事認為，其他應收款項的信貸風險較低，原因是應收款項的收回記錄良好。因此，其他應收款項(不包括按金及預付款項)的預期信貸虧損率被評估為接近於零，且截至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並無計提撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies (continued)

##### *Credit risk (continued)*

- ii. In respect of loans receivable, the Group has adopted procedures in extending credit terms to loan borrowers and in monitoring its credit risk. The credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of loans receivable periodically.

The Group adopts a loan risk classification approach to manage its loans and advances to customers portfolio risk. Loans and advances to customers are categorised into the following stages by the Group:

##### Stage 1

Loans and advances to customers have not experienced a significant increase in credit risk since origination and impairment are recognised on the basis of 12 months expected credit losses (12-month ECLs).

### 8. 金融工具（續）

#### (b) 金融風險管理之目的及政策（續）

##### *信貸風險（續）*

- ii. 就應收貸款而言，本集團採用相關程序延長授予借款人的信貸期及監控其信貸風險。延長授予借款人的信貸期的信貸政策包括評估及評價借款人的信譽度以及財務狀況。管理層亦密切監控所有未償還債務並定期審閱應收貸款的可收回性。

本集團採用貸款風險分類方法管理向客戶提供的貸款及墊款組合風險。本集團將向客戶提供的貸款及墊款分類為以下階段：

##### 第1階段

向客戶提供的貸款及墊款自批授起信貸風險並無顯著增加，且按12個月預期信貸虧損基準確認減值（12個月預期信貸虧損）。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies (continued)

##### *Credit risk (continued)*

##### Stage 2

Loans and advances to customers have experienced a significant increase in credit risk since origination and impairment is recognised on the basis of lifetime expected credit losses (Lifetime ECLs non credit-impaired).

##### Stage 3

Loans and advances to customers that are in default and considered credit impaired (Lifetime ECLs credit-impaired). The Group applies the new ECL model to measure the impairment loss of the loans and advances to customers. The Group assessed that there is no significant loss allowance recognised in accordance with HKFRS 9 as at 31 December 2018.

When a certain number of customers undertake the same business activities, stay in the same geographical locations, or bear similar economic features for their industries, their ability to fulfil contracts will be affected by the same economic changes. Concentration of credit risk reflects the sensitivity of the Group's operating results to a particular industry or geographic location. As the Group mainly conducts microfinance business in Hong Kong, a certain level of geographical concentration risk exists for its loan portfolios in that it might be affected by changes of economic conditions.

### 8. 金融工具 (續)

#### (b) 金融風險管理之目的及政策 (續)

##### 信貸風險 (續)

##### 第2階段

向客戶提供的貸款及墊款自批授起信貸風險顯著增加，且按整個存續期預期信貸虧損基準確認減值（整個存續期預期信貸虧損未發生信貸減值）。

##### 第3階段

已違約及被認為已發生信貸減值的向客戶提供的貸款及墊款（整個存續期預期信貸虧損已發生信貸減值）。本集團應用新預期信貸虧損模型計量向客戶提供的貸款及墊款的減值虧損。本集團評估於二零一八年十二月三十一日並無根據香港財務報告準則第9號確認重大虧損撥備。

當若干數量的客戶從事相同的業務活動、位於相同的地理位置或其行業具有相似的經濟特性，彼等的履約能力將受到同一經濟變化的影響。信貸風險的集中程度反映了本集團的經營業績對某一特定行業或地理位置的敏感程度。由於本集團主要在香港經營小額貸款業務，其貸款組合因此承擔一定程度的地理集中風險，並可能因經濟狀況出現變動而受到影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies (continued)

##### *Credit risk (continued)*

##### Stage 3 (continued)

At the end of the reporting period, 26% (2017: 13%) and 62% (2017: 55%) of the total loans receivable was due from the Group's largest borrower and the five largest borrowers respectively.

The maximum exposure to credit risk of loans and advances to customers for each stage is represented by the net carrying amount of each type of financial assets as at the end of the reporting periods. The details are set out in note 27 to these financial statements.

Further quantitative data in respect of the Group's exposure to credit risk arising from loans business are disclosed in note 6 to these financial statements.

- iii. The credit risk on pledged bank deposits, bank balances and bills receivable is limited because the counterparties are mainly banks with high credit ratings assigned by international credit-rating agencies.

### 8. 金融工具 (續)

#### (b) 金融風險管理之目的及政策 (續)

##### *信貸風險 (續)*

##### 第3階段 (續)

於報告期末，26% (二零一七年：13%) 及62% (二零一七年：55%) 的應收貸款總額分別應收自本集團的最大借款人及五大借款人。

各階段向客戶提供的貸款及墊款的最高信貸風險為於報告期末各類金融資產的賬面淨值。有關詳情載於該等財務報表附註27。

有關本集團貸款業務產生的信貸風險的進一步定量數據於該等財務報表附註6披露。

- iii. 已抵押銀行存款、銀行結餘及應收票據的信貸風險有限，原因是交易對手方主要為國際信用評級機構評定為高信用級別的銀行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (b) Financial risk management objectives and policies (continued)

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

### 8. 金融工具 (續)

#### (b) 金融風險管理之目的及政策 (續)

##### 流動資金風險

就管理流動資金風險而言，本集團監察及維持管理層認為足夠撥付本集團營運之現金及現金等值物水平，以及減低現金流量波動的影響。

下表詳列本集團之非衍生金融負債之餘下合約到期日。下表根據本集團須作出付款之最早日期之金融負債未貼現現金流量編製。

		Weighted average effective interest rate 加權平均 實際利率	On demand or less than 3 months 按要求或 少於3個月	Within 1 year 1年內	More than 1 year but less than 5 years 超過1年 但少於5年	Total undiscounted cash flows 未貼現 現金流量總額	Carrying amounts 賬面值
		%	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>As at 31 December 2018</b>	<b>於二零一八年 十二月三十一日</b>						
Trade payables	貿易應付款項	-	69,061	-	-	69,061	69,061
Other payables	其他應付款項	-	3,689	-	-	3,689	3,689
Bank and other borrowings	銀行及其他借貸	5.4	-	86,502	-	86,502	86,502
Promissory notes	承兌票據	0.2	-	-	237,056	237,056	237,056
			<b>72,750</b>	<b>86,502</b>	<b>237,056</b>	<b>396,308</b>	<b>396,308</b>
<b>As at 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>						
Trade payables	貿易應付款項	-	119,746	-	-	119,746	119,746
Other payables	其他應付款項	-	9,102	-	-	9,102	9,102
Bank and other borrowings	銀行及其他借貸	5.4	-	52,727	-	52,727	50,643
Promissory notes	承兌票據	2	-	188,537	-	188,537	185,576
			<b>128,848</b>	<b>241,264</b>	<b>-</b>	<b>370,112</b>	<b>365,067</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. FINANCIAL INSTRUMENTS (continued)

#### (c) Fair values measurements of financial instruments

The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

### 9. REVENUE

An analysis of revenue is as follows:

Revenue from sales of goods	來自銷售貨品的收入
Revenue from money lending business	來自放債業務的收入
Revenue from provision of internet education services	來自提供互聯網教育服務的收入

### 10. OPERATING SEGMENTS

HKFRS 8 “Operating segments” requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the executive directors) (“CODM”) in order to allocate resources to segments and to assess their performance.

### 8. 金融工具（續）

#### (c) 金融工具之公平值計量

董事認為於綜合財務報表內確認之金融資產及金融負債之賬面值與其公平值相若。

### 9. 收入

收入的分析如下：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
194,316	251,669
18,911	15,811
24,571	4,140
<b>237,798</b>	<b>271,620</b>

### 10. 經營分部

香港財務報告準則第8號「經營分部」要求，確認經營分部必須依從本集團個別實體之內部呈報分類作為基準；該等內部呈報分類乃定期由主要營運決策者（執行董事）（「主要營運決策者」）審視，以對各分部進行資源分配及表現評估。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

The Group's operating activities are attributable to five operating segments focusing on: i) the manufacture and sale of advanced steel flow control products; ii) the manufacture and sale of paper converting equipment and other relating equipment; iii) money lending; iv) eCommerce; and v) internet education services. These operating segments have been identified on the basis of internal management reports prepared in accordance with accounting policies which conform to HKFRSs, that are regularly reviewed by the CODM.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

### 10. 經營分部 (續)

本集團之經營活動屬於五個經營分部，專注於：i)製造及銷售高端鋼水控流產品；ii)製造及銷售紙張加工設備及其他相關設備；iii)放債；iv)電子商務；及v)互聯網教育服務。該等經營分部乃基於符合香港財務報告準則之會計政策所編製之內部管理報告而識別，並由主要營運決策者定期檢討。

按可呈報及經營分部劃分的本集團收入及業績分析如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

Segment revenue and results

For the year ended 31 December 2018

### 10. 經營分部 (續)

分部收入及業績

截至二零一八年十二月三十一日止  
年度

		Continuing operations 持續經營業務				
		Manufacture and sale of paper converting equipment and other relating equipment 製造及銷售紙張加工設備及其他相關設備	Money lending 放債	eCommerce 電子商務	Internet education services 互聯網教育服務	Consolidated 綜合
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	41,773	18,911	152,543	24,571	237,798
Gross profit	毛利	7,532	11,896	27,862	23,133	70,423
Segment profit/(loss)	分部溢利/(虧損)	(435)	6,645	1,773	20,612	28,595
Unallocated corporate income	未分配公司收入					7,118
Unallocated corporate expenses	未分配公司開支					(68,332)
Loss before taxation	除稅前虧損					(32,619)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

### 10. 經營分部 (續)

#### Segment revenue and results (continued)

#### 分部收入及業績 (續)

For the year ended 31 December 2017 (Re-presented)

截至二零一七年十二月三十一日止  
年度 (重新呈列)

		Continuing operations 持續經營業務				
		Manufacture and sale of paper converting equipment and other relating equipment	Money lending	eCommerce	Internet education services	Consolidated
		製造及銷售 紙張加工 設備及其他 相關設備	放債	電子商務	互聯網教育 服務	綜合
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收入	41,026	15,811	210,643	4,140	271,620
Gross profit	毛利	9,702	12,096	25,089	3,834	50,721
Segment (loss)/profit	分部 (虧損)/溢利	(5,971)	8,637	1,977	3,591	8,234
Unallocated corporate income	未分配公司收入					2,704
Unallocated corporate expenses	未分配公司開支					(47,449)
Loss before taxation	除稅前虧損					(36,511)

Segment loss represents the loss incurred by each segment include depreciation, amortisation and impairment, but without allocation of certain administration costs and other income. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

分部虧損指各分部產生的虧損 (包括折舊、攤銷及減值)，但並無分配若干行政成本及其他收入。此乃就資源分配及表現評估而向主要營運決策者報告的方法。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

### 10. 經營分部 (續)

Segment assets and liabilities

分部資產及負債

For the year ended 31 December 2018

截至二零一八年十二月三十一日止  
年度

		Continuing operations 持續經營業務				
		Manufacture and sale of paper converting equipment and other relating equipment 製造及銷售 紙張加工 設備及其他 相關設備	Money lending 放款	eCommerce 電子商務	Internet education services 互聯網 教育服務	Consolidated 綜合
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>ASSETS</b>	<b>資產</b>					
Segment assets	分部資產	<u>41,006</u>	<u>259,742</u>	<u>65,295</u>	<u>45,525</u>	<u>411,568</u>
Unallocated corporate assets	未分配公司資產					612,884
Assets of disposal group classified as held for sale	分類為持作出售之 出售集團之資產					<u>109,373</u>
Consolidated total assets	綜合資產總值					<u><u>1,133,825</u></u>
<b>LIABILITIES</b>	<b>負債</b>					
Segment liabilities	分部負債	<u>49,039</u>	<u>68,473</u>	<u>30,591</u>	<u>16,397</u>	<u>164,500</u>
Unallocated corporate liabilities	未分配公司負債					372,959
Liabilities of disposal group classified as held for sale	分類為持作出售之 出售集團之負債					<u>100,973</u>
Consolidated total liabilities	綜合負債總額					<u><u>638,432</u></u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

Segment assets and liabilities (continued)

For the year ended 31 December 2018 (continued)

### 10. 經營分部 (續)

分部資產及負債 (續)

截至二零一八年十二月三十一日止  
年度 (續)

Other segment information	其他分部資料	Manufacture and sale of paper converting equipment and other relating equipment	Money lending	eCommerce	Internet education services	Unallocated	Consolidated
		製造及銷售紙張加工設備及其他相關設備	放債	電子商務	互聯網教育服務	未分配	綜合
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Amounts included in the measure of segment profit or loss or segment assets:	計量分部利潤或虧損或分部資產時計入的金額：						
Addition to property, plant and equipment	添置物業、廠房及設備	268	45	456	-	198	967
Depreciation of property, plant and equipment	物業、廠房及設備折舊	16	222	312	-	11	561
Interest income	利息收入	(368)	(1)	(121)	(294)	(2,328)	(3,112)
Interest expense	利息開支	982	-	2,638	-	1,076	4,696
Income tax expense	所得稅開支	-	1,247	123	5,155	(11,078)	(4,552)
Amortisation of prepaid lease payments	預付租賃款項攤銷	53	-	-	-	-	53
Amortisation of intangible assets	無形資產攤銷	-	-	-	-	51,667	51,667

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

### 10. 經營分部 (續)

#### Segment assets and liabilities

#### 分部資產及負債

For the year ended 31 December 2017

截至二零一七年十二月三十一日止  
年度

		Continuing operations				Discontinued operation	Consolidated
		持續經營業務				已終止 經營業務	
		Money lending	eCommerce	Internet education services	Manufacture and sale of advanced steel flow control products		
		放債	電子商務	互聯網 教育服務	製造及銷售 高端鋼水 控流產品	綜合	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分部資產	39,166	270,347	317,547	268,263	153,441	1,048,764
Unallocated corporate assets	未分配公司資產						167,300
Consolidated total assets	綜合資產總值						1,216,064
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分部負債	49,382	32,641	20,509	4,922	87,201	194,655
Unallocated corporate liabilities	未分配公司負債						372,422
Consolidated total liabilities	綜合負債總額						567,077

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

### 10. 經營分部 (續)

#### Segment assets and liabilities (continued)

#### 分部資產及負債 (續)

For the year ended 31 December 2017 (continued)

截至二零一七年十二月三十一日止  
年度 (續)

	Continuing operations					Discontinued operation		Consolidated
	持續經營業務					已終止 經營業務		
	Money lending	eCommerce	Internet education services	Unallocated		Manufacture and sale of advanced steel flow control products		
	放債	電子商務	互聯網 教育服務	未分配		製造及銷售 高端鋼水 控流產品	綜合	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Manufacture and sale of paper converting equipment and other relating equipment								
製造及銷售紙張加工設備及其他相關設備								
Addition to property, plant and equipment	12	672	381	-	1,603	205	2,873	
添置物業、廠房及設備								
Depreciation of property, plant and equipment	73	131	212	3	578	200	1,197	
物業、廠房及設備折舊								
Interest income	(35)	-	-	(2)	(411)	-	(448)	
利息收入								
Interest expense	1,087	-	-	-	163	6	1,256	
利息開支								
Income tax expense	-	1,425	395	603	(5,969)	-	(3,546)	
所得稅開支								
Impairment loss recognised in respect of trade receivables	2,079	-	-	-	-	18,084	20,163	
就貿易應收款項確認的減值虧損								
Impairment loss recognised in respect of inventories	4,139	-	-	-	-	-	4,139	
就存貨確認的減值虧損								
Amortisation of prepaid lease payments	105	-	-	-	-	-	105	
預付租賃款項攤銷								
Amortisation of intangible assets	-	-	-	-	35,680	-	35,680	
無形資產攤銷								
Research and development costs	-	-	-	-	-	22,750	22,750	
研發成本								

#### Other segment information

#### 其他分部資料

Amounts included in the measure of segment profit or loss or segment assets:

計量分部利潤或虧損或  
分部資產時計入的金額：

Addition to property, plant and equipment	添置物業、廠房及設備	12	672	381	-	1,603	205	2,873
Depreciation of property, plant and equipment	物業、廠房及設備折舊	73	131	212	3	578	200	1,197
Interest income	利息收入	(35)	-	-	(2)	(411)	-	(448)
Interest expense	利息開支	1,087	-	-	-	163	6	1,256
Income tax expense	所得稅開支	-	1,425	395	603	(5,969)	-	(3,546)
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認的減值虧損	2,079	-	-	-	-	18,084	20,163
Impairment loss recognised in respect of inventories	就存貨確認的減值虧損	4,139	-	-	-	-	-	4,139
Amortisation of prepaid lease payments	預付租賃款項攤銷	105	-	-	-	-	-	105
Amortisation of intangible assets	無形資產攤銷	-	-	-	-	35,680	-	35,680
Research and development costs	研發成本	-	-	-	-	-	22,750	22,750

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

#### Information about geographical areas

The following table provides an analysis of the Group's revenue by geographical market:

### 10. 經營分部 (續)

#### 地區資料

下表提供本集團按地區市場劃分的收入分析：

		For the year ended 31 December 截至十二月三十一日止年度	
		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元 (Re-presented) (重新呈列)
The People's Republic of China (the "PRC") (country of domicile)	中華人民共和國 (「中國」) (原籍國家)	62,005	25,897
Europe	歐洲	105,830	155,988
Asia (other than the PRC and Hong Kong)	亞洲 (不包括中國及香港)	19,490	20,505
North America	北美洲	16,722	45,691
Oceania	大洋洲	-	6,766
Hong Kong	香港	33,951	16,773
		<b>237,998</b>	<b>271,620</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. OPERATING SEGMENTS (continued)

#### Non-current assets

Hong Kong	香港
PRC	中國

The non-current asset information above is based on the location of assets.

#### Information about major customers

No individual customer contributed more than 10% of the Group's revenue for the years ended 31 December 2018 and 2017.

### 10. 經營分部 (續)

#### 非流動資產

As at 31 December

於十二月三十一日

2018	2017
二零一八年	二零一七年
RMB'000	RMB'000
人民幣千元	人民幣千元
327,191	341,638
225,517	253,128
<b>552,708</b>	<b>594,766</b>

以上非流動資產資料乃根據資產位置而定。

#### 主要客戶資料

截至二零一八年及二零一七年十二月三十一日止年度，概無個別客戶為本集團貢獻超過10%之收入。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 11. OTHER INCOME

Interest income on bank deposit	銀行存款的利息收入
Exchange gain	匯兌收益
Sundry income	雜項收入
Fair value gain on contingent consideration	或然代價的公平值收益

### 11. 其他收入

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
330	448
368	600
536	438
4,789	—
<b>6,023</b>	<b>1,486</b>

### 12. IMPAIRMENT LOSS ON VARIOUS ASSETS

Trade and loan receivables	貿易應收款項及應收貸款
Inventories	存貨

### 12. 各項資產的減值虧損

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
(2,184)	2,080
—	4,139
<b>(2,184)</b>	<b>6,219</b>

### 13. FINANCE COSTS

Interest charge on promissory notes	就承兌票據支付的利息
Interest charge on bank borrowing	就銀行借貸支付的利息

### 13. 財務成本

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
3,602	3,699
1,094	1,286
<b>4,696</b>	<b>4,985</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. LOSS BEFORE TAXATION

### 14. 除稅前虧損

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元 (Re-presented) (重新呈列)
<b>Continuing operations</b>	<b>持續經營業務</b>		
Loss before taxation has been arrived at after charging (crediting):	除稅前虧損經扣除(計入)下列項目後達致:		
Auditor's remuneration	核數師酬金	827	824
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認的減值虧損	-	5,584
Impairment loss recognised in respect of inventories	就存貨確認的減值虧損	-	4,139
Amortisation of prepaid lease payments	預付租賃款項攤銷	53	105
Amortisation of intangible assets	無形資產攤銷	51,667	35,680
Cost of inventories recognised as an expense	確認為開支之存貨成本	158,922	170,167
Depreciation of property, plant and equipment	物業、廠房及設備折舊	561	997
Minimum lease payments in respect of office premises	有關辦公室物業之最低租賃款項	5,960	4,061
Net exchange gain	匯兌收益淨額	134	(40)
Research and development costs (included in other expenses)	研發成本(列入其他開支)	-	22,750
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
- Salaries and other benefits	- 薪金及其他福利	29,326	36,816
- Retirement benefit scheme contributions	- 退休福利計劃供款	1,410	2,544
		<b>30,736</b>	39,360
Less: Staff costs included in research and development costs	減: 計入研發成本的員工成本	-	(38)
		<b>30,736</b>	39,322

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. TAXATION

#### Continuing operations

##### Hong Kong Profits Tax:

– Current year

##### PRC Enterprise Income Tax:

– Current year

##### Deferred tax:

– Current year

#### 持續經營業務

##### 香港利得稅：

– 本年度

##### 中國企業所得稅：

– 本年度

##### 遞延稅項：

– 本年度

### 15. 稅項

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元 (Re-presented) (重新呈列)
1,370	1,820
5,155	603
<b>(11,077)</b>	<b>(5,969)</b>
<b>(4,552)</b>	<b>(3,546)</b>

Hong Kong Profits Tax was calculated at 16.5% on the estimated assessable profits arising in Hong Kong for both years.

Provision for the PRC Enterprise Income Tax was made based on the estimated taxable profits calculated in accordance with the relevant income tax laws and regulations applicable to the Company's PRC subsidiaries.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

A PRC subsidiary of the Company namely "Wowxue" obtained a Chinese High-Tech Enterprise Certificate in 2017. According to GuoShuiHan [2009] No.203, entities qualifying for the Hi-tech status could enjoy a PRC Enterprise Income Tax preferential treatment for 3 years commencing from 2015 and 2017 accordingly. As a result, these PRC subsidiaries were subject to a PRC Enterprise Income Tax of 15%.

香港利得稅按兩個年度於香港產生之估計應課稅溢利的16.5%計算。

中國企業所得稅撥備乃根據估計應課稅溢利(按適用於本公司中國附屬公司之有關所得稅法及法規計算)作出。

根據《中國企業所得稅法》(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司的稅率為25%。

本公司一家中國附屬公司，即「沃學」，已於二零一七年獲得中國高新技術企業證書。根據國稅函[2009]第203號，符合高新技術企業資格的實體可享受自二零一五年及二零一七年起三年的中國企業所得稅優惠待遇。因此，該等中國附屬公司享受15%中國企業所得稅的待遇。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. TAXATION (continued)

At the end of the reporting period, the Group has unused tax losses of RMB14,454,000 (2017: RMB465,263,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such unused tax losses due to the unpredictability of future profit streams.

The tax charge for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

### 15. 稅項 (續)

於報告期末，本集團擁有未動用稅項虧損人民幣14,454,000元（二零一七年：人民幣465,263,000元），可被日後溢利所抵銷。由於無法預測日後溢利流，故並無就該等未動用稅項虧損確認遞延稅項資產。

年內稅項支出與綜合損益及其他全面收益表之除稅前虧損對賬如下：

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Loss before taxation	除稅前虧損	<b>(32,619)</b>	(141,883)
Notional tax at the applicable tax rate to losses in the tax jurisdictions concerned	於相關稅項司法權區虧損按適用稅率計的估計稅項	<b>(5,686)</b>	(21,818)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	<b>13,449</b>	8,266
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	<b>(1,343)</b>	(498)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	<b>105</b>	16,473
Deferred tax upon revaluation of assets	資產重新估值後之遞延稅項	<b>(11,077)</b>	(5,969)
Taxation credit charge for the year	年內稅項抵免支出	<b>(4,552)</b>	(3,546)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. DIRECTORS AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the directors and the Chief Executive, were as follows:

### 16. 董事及主要行政人員之酬金

已付或應付予各董事及主要行政人員之酬金如下：

			Retirement benefit scheme contributions 退休福利計劃供款	Share-based payments 以股份為基礎付款	Total 總計
	Fees 袍金	Salaries and allowances 薪金及津貼			
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>For the year ended 31 December 2018:</b>					
<b>截至二零一八年十二月三十一日止年度：</b>					
Executive directors:					
執行董事：					
Zhu Min (note)	304	-	-	-	304
朱敏(附註)					
Gao Xiang (note)	-	-	-	-	-
高翔(附註)					
Xu Yejun	244	-	13	-	257
徐葉君					
Sin Kwok Wai, Ronald	-	808	25	-	833
冼國威					
Lu Yongchao (note)	127	-	-	-	127
呂永超(附註)					
Non-executive director:					
非執行董事：					
Chow Chi Wa	203	-	-	-	203
周志華					
Yip Sum Yu	290	-	-	-	290
葉芯瑜					
Independent non-executive directors:					
獨立非執行董事：					
Li Yik Sang	101	-	-	-	101
李奕生					
Tong Yiu On	101	-	-	-	101
唐耀安					
Cao Ke	101	-	-	-	101
曹克					
	<b>1,471</b>	<b>808</b>	<b>38</b>	<b>-</b>	<b>2,317</b>

Note: Appointed on 16 February 2017.

附註：於二零一七年二月十六日獲委任。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. DIRECTORS AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

### 16. 董事及主要行政人員之酬金 (續)

	Fees	Salaries and allowances	Retirement benefit scheme contributions	Share-based payments	Total
	袍金	薪金及津貼	退休福利計劃供款	以股份為基礎付款	總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>For the year ended 31 December 2017:</b>	<b>截至二零一七年十二月三十一日止年度：</b>				
Executive directors:	執行董事：				
Zhu Min (note)	156	-	-	-	156
Gao Xiang (note)	-	-	-	-	-
Xu Yejun	238	120	9	-	367
Sin Kwok Wai, Ronald	616	-	16	-	632
Lu Yongchao (note)	-	-	-	-	-
Non-executive director:	非執行董事：				
Chow Chi Wa	182	-	-	-	182
Yip Sum Yu	125	-	-	-	125
Independent non-executive directors:	獨立非執行董事：				
Li Yik Sang	104	-	-	-	104
Tong Yiu On	104	-	-	-	104
Cao Ke	104	-	-	-	104
	<u>1,629</u>	<u>120</u>	<u>25</u>	<u>-</u>	<u>1,774</u>

The performance related bonus is determined by the performance of individuals.

與表現相關之花紅乃根據個人表現釐定。

None of the directors waived any emoluments for both years.

於該兩個年度，概無董事放棄收取任何酬金。

There was no compensation paid during the financial year or receivable by directors or any employees for loss of office as a director of any member of the Group. No payment was made by the Group or receivable by directors or any employees for both years as an inducement to join or upon joining the Company.

於本財政年度內概無支付或概無董事或任何僱員因失去本集團任何成員公司的董事職位而應收的任何補償。於該兩個年度，本集團概無支付或概無董事或任何僱員應收加盟本公司或加盟本公司後的獎金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 17. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2017: two) were directors of the Company whose emoluments are included in the disclosures in note 14 above. The emoluments of the remaining two (2017: three) individuals were as follows:

Salaries and allowances	薪金及津貼
Retirement benefit scheme contributions	退休福利計劃供款
Share-based payments	以股份為基礎付款

Their emoluments were within the following bands:

Up to RMB1,000,000	最多至人民幣1,000,000元
RMB1,000,001 to RMB1,500,000	人民幣1,000,001元至 人民幣1,500,000元

### 18. DIVIDENDS

No dividend was paid or proposed by the Company during the years ended 31 December 2018 and 2017, nor has any dividend been proposed since the end of the reporting period.

### 17. 僱員酬金

在本集團五名最高薪人士當中，三名（二零一七年：兩名）為本公司之董事，其酬金已於上文附註14中披露。餘下兩名（二零一七年：三名）人士之酬金如下：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
2,056	2,403
30	31
—	—
<b>2,086</b>	<b>2,434</b>

彼等之酬金介乎以下範圍之內：

2018 二零一八年	2017 二零一七年
Number of employee 僱員人數	Number of employee 僱員人數
—	1
2	2

### 18. 股息

本公司並無派付或建議派付截至二零一八年及二零一七年十二月三十一日止年度之股息，且自報告期末亦無建議派付任何股息。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

#### Loss

Loss for the year attributable to the owners of the Company for the purpose of basic and diluted loss per share

#### 虧損

就每股基本及攤薄虧損而言本公司擁有人應佔之年度虧損

#### Number of shares

Weighted average number of ordinary shares for the purpose of basic and diluted loss per share

#### 股份數目

就計算每股基本及攤薄虧損所使用之普通股加權平均數

### 19. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
<b>(81,586)</b>	(139,058)
Number of shares 股份數目 2018 二零一八年	Number of shares 股份數目 2017 二零一七年
'000 千股	'000 千股
<b>4,044,614</b>	3,986,969

The calculation of diluted loss per share for each of the two years ended 31 December 2018 and 2017 had not taken into consideration the assumed exercised of the Company's outstanding share options and warrant as it would reduce the loss per share.

計算截至二零一八年及二零一七年十二月三十一日止兩個年度各年之每股攤薄虧損並無計入假設行使本公司尚未行使之購股權及認股權證，因其會導致每股虧損減少。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. PROPERTY, PLANT AND EQUIPMENT

### 20. 物業、廠房及設備

		Buildings 樓宇 RMB'000 人民幣千元	Furniture and fixtures and office equipment 傢俱及裝置及 辦公室設備 RMB'000 人民幣千元	Plant, machinery and equipment 廠房、機器及 設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>					
At 1 January 2017	於二零一七年一月一日	74,978	4,827	114,174	9,635	203,614
Acquired through business combination	透過業務合併收購	-	145	-	-	145
Additions	添置	75	2,322	118	356	2,871
Disposals	出售	-	-	-	-	-
Exchange realignment	匯兌調整	(735)	(36)	-	-	(771)
		<u>74,318</u>	<u>7,258</u>	<u>114,292</u>	<u>9,991</u>	<u>205,859</u>
<b>At 31 December 2017 and 1 January 2018</b>	<b>於二零一七年 十二月三十一日及 二零一八年一月一日</b>					
Addition	添置	43	715	153	-	911
Disposal	出售	-	-	(2,342)	(1,776)	(4,118)
Reclassification	重新分類	(37,453)	(3,776)	(111,135)	(7,402)	(159,766)
Exchange realignment	匯兌調整	534	(51)	-	17	500
		<u>37,442</u>	<u>4,146</u>	<u>968</u>	<u>830</u>	<u>43,386</u>
<b>At 31 December 2018</b>	<b>於二零一八年 十二月三十一日</b>					
<b>Depreciation and impairment:</b>	<b>折舊及減值：</b>					
At 1 January 2017	於二零一七年一月一日	64,711	4,260	113,316	8,503	190,790
Provided for the year	年內撥備	410	413	24	348	1,195
Eliminated on disposals	出售之對銷	-	-	-	-	-
Exchange realignment	匯兌調整	(61)	(26)	-	(4)	(91)
		<u>65,060</u>	<u>4,647</u>	<u>113,340</u>	<u>8,847</u>	<u>191,894</u>
<b>At 31 December 2017 and 1 January 2018</b>	<b>於二零一七年 十二月三十一日及 二零一八年一月一日</b>					
Provided for the year	年內撥備	357	651	676	602	2,286
Eliminated on disposal	出售之對銷	-	-	(2,342)	(1,721)	(4,063)
Reclassification	重新分類	(37,375)	(3,741)	(110,743)	(7,067)	(158,926)
Exchange realignment	匯兌調整	86	192	-	8	286
		<u>28,128</u>	<u>1,749</u>	<u>931</u>	<u>669</u>	<u>31,477</u>
<b>At 31 December 2018</b>	<b>於二零一八年 十二月三十一日</b>					
<b>Carrying values:</b>	<b>賬面值：</b>					
<b>At 31 December 2018</b>	<b>於二零一八年 十二月三十一日</b>	<u>9,314</u>	<u>2,397</u>	<u>37</u>	<u>161</u>	<u>11,909</u>
At 31 December 2017	於二零一七年 十二月三十一日	<u>9,258</u>	<u>2,611</u>	<u>952</u>	<u>1,144</u>	<u>13,965</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. PROPERTY, PLANT AND EQUIPMENT (continued)

As at 31 December 2018, certain of the Group's buildings with a net carrying value of RMB37,000 (2017: RMB310,000) were pledged to secure short-term bank borrowings.

The above items of property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives and after taking into account of their estimated residual value, at the following rates per annum:

Buildings	4.5% – 18%
Leasehold improvements	20% or over the lease term, whichever is shorter
Furniture and fixtures and office equipment	18%
Plant, machinery and equipment	9%
Motor vehicles	18%

The buildings are situated on land in the PRC and are held under medium term leases.

No impairment loss has been recognised during the years ended 31 December 2018 and 2017.

### 20. 物業、廠房及設備（續）

於二零一八年十二月三十一日，本集團已質押若干賬面淨值為人民幣37,000元（二零一七年：人民幣310,000元）的樓宇，以取得短期銀行借貸。

上述物業、廠房及設備項目使用直線法及經考慮其估計剩餘價值後以下列年率計算於其估計可使用年期之折舊：

樓宇	4.5% – 18%
租賃物業裝修	20%或按租期， 以較短者為準
傢俱及裝置及 辦公室設備	18%
廠房、機器及 設備	9%
汽車	18%

樓宇位於中國內地，並根據中期租約持有。

於截至二零一八年及二零一七年十二月三十一日止年度，概無確認減值虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 21. GOODWILL

### 21. 商譽

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>		
At 1 January	於一月一日	472,750	374,978
Acquisition of subsidiaries	收購附屬公司	—	123,572
Exchange realignment	匯兌調整	18,734	(25,800)
		<u>491,484</u>	<u>472,750</u>
At 31 December	於十二月三十一日		
<b>Accumulated impairment:</b>	<b>累計減值：</b>		
At 1 January	於一月一日	45,072	47,973
Exchange realignment	匯兌調整	2,106	(2,901)
		<u>47,178</u>	<u>45,072</u>
At 31 December	於十二月三十一日		
<b>Carrying value:</b>	<b>賬面值：</b>		
At 31 December	於十二月三十一日	<u>444,306</u>	<u>427,678</u>

Goodwill is allocated to the Group's cash generated units ("CGU") identified according to business segment as follows:

商譽獲分配至本集團按以下業務分部辨識的現金產生單位（「現金產生單位」）：

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Money lending	放債	74,438	70,580
eCommerce	電子商務	246,296	233,526
Internet education services	互聯網教育服務	123,572	123,572
		<u>444,306</u>	<u>427,678</u>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 21. GOODWILL (continued)

#### (i) Money lending

During the year ended 31 December 2015, the Group acquired 90% issued share capital of Time Credit Limited and goodwill of approximately RMB103,318,000 was recognised upon completion of the acquisition.

The recoverable amount of the CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period, based on financial budgets approved by the management with discount rate of 16% (2017: 16%) per annum. Cash flows beyond the 5-year period are extrapolated with 3% growth rate (2017: 3%). Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales, gross margin and revenue growth of 8% to 13%. Such estimation is based on the unit's past performance and management's expectations of the market development. No impairment loss was recognised for the years ended 31 December 2018 and 2017.

#### (ii) eCommerce

During the year ended 31 December 2015, the Group acquired the entire issued share capital of Soaring International Holdings Limited and its subsidiaries ("Soaring International Group") and goodwill of approximately RMB229,740,000 was recognised upon completion of the acquisition.

### 21. 商譽 (續)

#### (i) 放債

於截至二零一五年十二月三十一日止年度，本集團收購了友邦信貸有限公司之90%已發行股本，並於收購完成後確認商譽約人民幣103,318,000元。

現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於管理層批准的財政預算及折現率每年16%（二零一七年：16%）的五年期間內現金流量預測。五年期間後之現金流量乃根據3%（二零一七年：3%）的增長率推算。使用價值計算的其他重要假設與包括預算銷售、毛利率及收入增長8%至13%在內的現金流入／流出之估計有關。有關估計乃基於單位的過往表現及管理層對市場發展的預期得出。於截至二零一八年及二零一七年十二月三十一日止年度，概無確認減值虧損。

#### (ii) 電子商務

於截至二零一五年十二月三十一日止年度，本集團收購了Soaring International Holdings Limited及其附屬公司（「Soaring International集團」）之全部已發行股本，並於收購完成後確認商譽約人民幣229,740,000元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 21. GOODWILL (continued)

#### (ii) eCommerce (continued)

The recoverable amount of the CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period, based on financial budgets approved by the management with discount rate of 16% (2017: 16%) per annum. Cash flows beyond the 5-year period are extrapolated with 2.5% (2017: 3%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales, gross margin and revenue growth of 25% to 40%. Such estimation is based on the unit's past performance and management's expectations of the market development. No impairment loss has been recognised for this CGU for the years ended 31 December 2018 and 2017.

#### (iii) Internet education services

During the year ended 31 December 2017, the Group acquired 100% issued share capital of Cybernaut Technology International Limited and its subsidiaries and therefore goodwill of approximately RMB123,572,000 was recognised upon completion of the acquisition.

The recoverable amount of the CGU has been determined based on a value in use calculation and based on a valuation by an independent valuer. That calculation adopted cash flow projections covering a 5-year period, based on financial budgets approved by the management with discount rate of 17% (2017: 16%) per annum. Cash flows beyond the 5-year period are extrapolated with 3% (2017: 3%) growth rate. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales, gross margin and revenue growth of 9% to 45%. Such estimation is based on the unit's past performance and management's expectations of the market development. No impairment loss is recognised for the years ended 31 December 2018 and 2017.

### 21. 商譽 (續)

#### (ii) 電子商務 (續)

現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於管理層批准的財政預算及折現率每年16% (二零一七年：16%) 的五年期間內現金流量預測。五年期間後之現金流量乃根據2.5% (二零一七年：3%) 的增長率推算。使用價值計算的其他重要假設與包括預算銷售、毛利率及收入增長25%至40%在內的現金流入／流出之估計有關。有關估計乃基於單位的過往表現及管理層對市場發展的預期得出。截至二零一八年及二零一七年十二月三十一日止年度，概無於此現金產生單位確認減值虧損。

#### (iii) 互聯網教育服務

於截至二零一七年十二月三十一日止年度，本集團收購了Cybernaut Technology International Limited及其附屬公司之100%已發行股本，因此於收購完成後確認商譽約人民幣123,572,000元。

現金產生單位之可收回金額已根據使用價值計算及根據獨立估值師的估值釐定。該計算乃採用基於管理層批准的財政預算及折現率每年17% (二零一七年：16%) 的五年期間內現金流量預測。五年期間後之現金流量乃根據3% (二零一七年：3%) 的增長率推算。使用價值計算的其他重要假設與包括預算銷售、毛利率及收入增長9%至45%在內的現金流入／流出之估計有關。有關估計乃基於單位的過往表現及管理層對市場發展的預期得出。於截至二零一八年及二零一七年十二月三十一日止年度，概無確認減值虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 22. INTANGIBLE ASSETS

### 22. 無形資產

		Technology know-how 專有技術 RMB'000 人民幣千元	Customer relationship 客戶關係 RMB'000 人民幣千元	Platform 平台 RMB'000 人民幣千元	Contract backlog 未完成合約 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	<b>成本：</b>					
At 1 January 2017	於二零一七年一月一日	106,040	10,733	-	-	116,773
Arising from acquisition of subsidiaries	因收購附屬公司而產生	-	-	118,593	9,844	128,437
Exchange realignment	匯兌調整	(7,269)	-	-	-	(7,269)
<b>At 31 December 2017 and at 1 January 2018</b>	<b>於二零一七年十二月三十一日及二零一八年一月一日</b>	<u>98,771</u>	<u>10,733</u>	<u>118,593</u>	<u>9,844</u>	<u>237,941</u>
Exchange realignment	匯兌調整	2,778	-	-	-	2,778
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<u>101,549</u>	<u>10,733</u>	<u>118,593</u>	<u>9,844</u>	<u>240,719</u>
<b>Accumulated amortisation and impairment:</b>	<b>累計攤銷及減值：</b>					
At 1 January 2017	於二零一七年一月一日	42,731	10,733	-	-	53,464
Provided for the year	年度撥備	33,621	-	1,977	82	35,680
Exchange realignment	匯兌調整	(4,177)	-	-	-	(4,177)
<b>At 31 December 2017 and at 1 January 2018</b>	<b>於二零一七年十二月三十一日及二零一八年一月一日</b>	<u>72,175</u>	<u>10,733</u>	<u>1,977</u>	<u>82</u>	<u>84,967</u>
Provided for the year	年度撥備	21,686	-	28,997	984	51,667
Exchange realignment	匯兌調整	7,688	-	-	-	7,688
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<u>101,549</u>	<u>10,733</u>	<u>30,974</u>	<u>1,066</u>	<u>144,322</u>
<b>Carrying amount:</b>	<b>賬面值：</b>					
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<u>-</u>	<u>-</u>	<u>87,619</u>	<u>8,778</u>	<u>96,397</u>
At 31 December 2017	於二零一七年十二月三十一日	<u>26,596</u>	<u>-</u>	<u>116,616</u>	<u>9,762</u>	<u>152,974</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 22. INTANGIBLE ASSETS (continued)

The above intangible assets have finite useful life. Such intangible assets are amortised on a straight-line basis over the following periods:

Technology know-how	3 to 10 years
Customer relationship	10 years
Platform	5 years
Contract backlog	10 years

No impairment loss has been recognised during the years ended 31 December 2018 and 2017.

### 23. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments represent leasehold land in the PRC under medium term lease and are amortised to consolidated statement of profit or loss and other comprehensive income over the lease term of 50 years.

Analysed for reporting purposes as: 就報告而言分析如下：

Non-current asset	非流動資產
Current asset	流動資產

No impairment loss of prepaid lease payments has been recognised during the years ended 31 December 2018 and 2017.

As at 31 December 2018, certain of the Group's leasehold land with a net carrying value of RMB252,000 (2017: RMB305,000) was pledged to secure short-term bank borrowings.

### 22. 無形資產 (續)

上述無形資產具有有限使用年期。該等無形資產乃於以下期間按直線法攤銷：

專有技術	3至10年
客戶關係	10年
平台	5年
未完成合約	10年

於截至二零一八年及二零一七年十二月三十一日止年度，概無確認減值虧損。

### 23. 預付租賃款項

本集團的預付租賃款項指位於中國並根據中期租約持有之租賃土地，並按為期50年的租賃期在綜合損益及其他全面收益表中攤銷。

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
96	149
156	156
<b>252</b>	<b>305</b>

於截至二零一八年及二零一七年十二月三十一日止年度，概無確認預付租賃款項之減值虧損。

於二零一八年十二月三十一日，本集團已抵押若干賬面淨值為人民幣252,000元(二零一七年：人民幣305,000元)的租賃土地，以取得短期銀行借貸。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 24. INVENTORIES

Raw materials	原材料
Work-in-progress	在製品
Finished goods	製成品
Less: Allowance for inventories	減：存貨撥備

### 24. 存貨

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
5,273	10,514
11,979	12,223
5,569	19,415
22,821	42,152
(4,139)	(4,139)
<b>18,682</b>	<b>38,013</b>

### 25. TRADE RECEIVABLES

The credit period granted by the Group to certain customers is within 180 days (2017: within 180 days), while payment from other customers are due immediately when goods are delivered. The following is an aged analysis of trade receivables, net of allowance, presented based on the goods delivery date at the end of the reporting period, which approximated the respective revenue recognition dates:

### 25. 貿易應收款項

本集團向若干客戶授出之信貸期為180日以內(二零一七年：180日以內)，而其他客戶須於交付貨品時即時付款。以下為於報告期末根據貨品交付日期(與各自的收入確認日期相近)呈列之貿易應收款項(扣除撥備)賬齡分析：

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
91 – 120 days	91至120日
121 – 180 days	121至180日
181 days to within 1 year	181日至1年以內

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
23,314	28,140
4,659	7,932
4,674	5,564
3,970	10,094
7,277	34,043
9,531	41,601
<b>53,425</b>	<b>127,374</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 25. TRADE RECEIVABLES (continued)

Aging of trade receivables which are past due but not impaired:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
91 – 120 days	91至120日
121 – 180 days	121至180日
181 days to within 1 year	181日至1年以內

The Group has not provided for certain trade receivables which are past due but not impaired because the directors of the Company consider that those receivables are recoverable based on the good payment record of the customers and long established trading history with these customers. The Group does not hold any collateral over these balances.

### 25. 貿易應收款項 (續)

已逾期惟未減值之貿易應收款項之賬齡如下：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
1,813	14,095
2,786	7,151
–	2,391
8,658	2,336
–	14,611
–	41,601
<b>13,257</b>	<b>82,185</b>

本集團並無就若干已逾期惟未減值之貿易應收款項作出撥備，乃由於本公司董事根據客戶之良好付款記錄及與該等客戶之長期交易往來歷史認為該等應收款項可予收回。本集團並無就此等結餘持有任何抵押品。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 25. TRADE RECEIVABLES (continued)

Allowance on doubtful debts of RMBNil (2017: RMB20,163,000) recognised during the year ended 31 December 2018 was based on estimated irrecoverable amounts by reference to the creditability of individual customers, past default experience, subsequent settlement and payment history of the customers. Full provision has been made for individual trade receivables aged over one year with no subsequent settlement as historical evidence shows that such receivables are generally not recoverable, or individual trade receivables which has been in severe financial difficulties.

Movement in the allowance for doubtful debts:

At beginning of the year (1 January 2018 amount has been restated)	於年初(二零一八年一月一日金額已重列)
(Reversal)/Impairment loss recognised in respect of trade receivables	就貿易應收款項確認的(撥回)/減值虧損
At end of the year	於年末

### 25. 貿易應收款項(續)

於截至二零一八年十二月三十一日止年度確認的呆賬撥備人民幣零元(二零一七年: 人民幣20,163,000元)乃基於經參考個別客戶的信用、客戶的過往違約記錄、其後結算及支付歷史而估計不可收回金額。已就賬齡超過一年及並無其後結算的個別貿易應收款項(因為歷史證據顯示該等應收款項一般不可收回)或已處於嚴重財政困難的個別貿易應收款項作出全面撥備。

呆賬撥備之變動:

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
9,811	48,031
(2,008)	20,163
<b>7,803</b>	<b>68,194</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 26. BILLS RECEIVABLES

The ageing analysis of bills receivables presented based on the goods delivery date at the end of the reporting period are analysed as follows:

0 – 90 days	0至90日
91 – 120 days	91至120日
121 – 180 days	121至180日
Over 180 days	180日以上

At 31 December 2017, the carrying value of bills receivables include bills endorsed to suppliers on a full recourse basis that are not yet due amounting to RMB3,826,000. As the Group has not transferred the significant risks and rewards relating to these bills receivables, it continues to recognise the full carrying amount of the bills receivables as assets in the consolidated financial statements. The associated trade payables secured over the bills endorsed to the suppliers which were not yet due at the end of the reporting period are recognised as current liabilities in the consolidated statement of financial position.

### 26. 應收票據

於報告期末，根據貨品交付日期呈列之應收票據賬齡分析如下：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
-	3,162
-	-
-	664
-	-
-	3,826

於二零一七年十二月三十一日，應收票據的賬面值包括按全面追索基準向供應商背書票據而尚未到期的款項人民幣3,826,000元。由於本集團尚未轉讓有關該等應收票據的重大風險及回報，故本集團繼續於綜合財務報表中確認應收票據的全數賬面值為資產。向供應商背書的票據（於報告期末尚未到期）的已保證相關貿易應付款項於綜合財務狀況表中被確認為流動負債。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 26. BILLS RECEIVABLES (continued)

### 26. 應收票據 (續)

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Bills receivables endorsed to suppliers with full recourse:	按全面追索基準向供應商背書的應收票據：		
Carrying amount of transferred assets	已轉讓資產之賬面值	-	3,826
Carrying amount of associated liabilities	相關負債之賬面值	-	(3,826)
Net position	持倉淨額	-	-

All the bills receivables are denominated in RMB.

所有應收票據均以人民幣計值。

The maturity dates of endorsed bills were less than six months from the end of the reporting period.

背書票據自報告期末起計之到期日均少於六個月。

### 27. LOAN RECEIVABLES

### 27. 應收貸款

The Group's loan receivables arose from the money lending business during the year.

年內，本集團的應收貸款來自放債業務。

Loan receivables bear interest at rates, and with credit periods, mutually agreed between the contracting parties. Loan receivables are secured by properties and personal guarantees by the debtors/certain individuals. Overdue balances are reviewed regularly and handled closely by senior management.

應收貸款之利率及信貸期由訂約雙方共同協定。應收貸款乃以債務人／若干個別人士之財產及個人擔保作抵押。逾期結餘乃由高級管理層定期審核及審慎處理。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. LOAN RECEIVABLES (continued)

The loan receivables, net of allowance, at the end of the reporting period are analysed by the remaining period to contractual maturity date as follows:

Within 3 months	三個月內
3 months to 1 year	三個月至一年
Over 1 year which contain a repayment on demand clause	一年以上(載有按要求的還款條文)

The interest rate was fixed at the contract date. The average effective interest rate was at 5.25% to 24% per year as at 31 December 2018 (2017: 5.25% to 24%).

The loan receivables were neither past due nor impaired relate to certain debtors for whom there was no recent history of default.

Movement in the allowance for doubtful debts:

At beginning of the year (1 January 2018 amount has been restated)	於年初(二零一八年一月一日金額已重列)
(Reversal)/Impairment loss recognised in respect of trade receivables	就貿易應收款項確認的(撥回)/減值虧損
At end of the year	於年末

### 27. 應收貸款(續)

於報告期末的應收貸款(扣除撥備)按直至合約到期日的剩餘期間分析如下:

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
160,664	52,791
37,817	66,745
19,085	56,832
<b>217,566</b>	<b>176,368</b>

利率已於合約日期固定。於二零一八年十二月三十一日，平均實際年利率為5.25%至24%(二零一七年：5.25%至24%)。

應收貸款尚未逾期亦無減值，且與若干近期並無拖欠記錄的債務人有關。

呆賬撥備之變動：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
17,896	—
(176)	—
<b>17,720</b>	<b>—</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. LOAN RECEIVABLES (continued)

Analysis of the gross carry amount of loans receivable is as follows:

		Stage 1 第1階段 RMB'000 人民幣千元	Stage 2 第2階段 RMB'000 人民幣千元	Stage 3 第3階段 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Gross carrying amount as at 1 January 2018	於二零一八年 一月一日之 賬面總值	176,368	–	–	176,368
New loans/financing originated	來自新貸款／融資	174,957	–	–	174,957
Loans/financing derecognised or repaid during the year (other than write-offs)	於年內終止確認或 已償還之貸款／ 融資（除撤銷外）	(133,759)	–	–	(133,759)
<b>Gross carrying amount as at 31 December 2018</b>	<b>於二零一八年 十二月三十一日之 賬面總值</b>	<b>217,566</b>	<b>–</b>	<b>–</b>	<b>217,566</b>

### 27. 應收貸款（續）

應收貸款之賬面總值分析如下：

Definitions of Stage 1, Stage 2 and Stage 3 are detailed in note 8(b).

The maximum exposure to credit risk at the end of the reporting period is the carrying value of the loans receivable. The Group seeks to maintain tight control over its loans receivable in order to minimize credit risk by reviewing the borrowers' or guarantors' financial positions.

At the end of the reporting period, loans receivable carried fixed interest rates and had effective interest rates ranging from 5.25% to 24% per annum (2017: 5.25% to 24% per annum).

Interest income and reversal of allowance for loans receivables of approximately RMB18,911,000 (2018: RMB15,811,000) and RMB175,000 (2017: Nil) respectively have been recognised in the consolidated statement for comprehensive income for the year ended 31 December 2018.

第1階段、第2階段及第3階段之定義於附註8(b)中詳述。

於報告期末之最大信貸風險為應收貸款之賬面值。本集團透過審核借款人或擔保人的財務狀況，力求嚴格控制其應收貸款，從而盡量降低信貸風險。

於報告期末，應收貸款按固定利率計息，實際年利率介乎5.25%至24%（二零一七年：5.25%至24%）。

於截至二零一八年十二月三十一日止年度，應收貸款的利息收入及撥備撥回分別約為人民幣18,911,000元（二零一八年：人民幣15,811,000元）及人民幣175,000元（二零一七年：零），已於綜合全面收益表確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 28. BANK BALANCES AND CASH/RESTRICTED BANK DEPOSITS

Restricted bank deposits represents deposits of RMB5,415,000 (2017: RMB5,741,000) which have been pledged to banks to secure bills payables. The pledged deposits are not available for use in the Group's daily operation.

At 31 December 2018, included in the bank balances and cash was RMB122,594,000 (2017: RMB188,600,000) that was denominated in HKD and RMB916,000 (2017: RMB33,000) that was denominated in USD. All the remaining bank balances and cash are denominated in RMB.

### 29. TRADE AND BILLS PAYABLES

The following is an ageing analysis of trade and bills payables presented based on the goods receipt date at the end of the reporting period.

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	90日以上

The credit period granted by the suppliers to the Group is within 30 days.

At 31 December 2017, included in the trade payables was RMB3,825,916 secured over bills receivables endorsed to suppliers that were not yet due for payment.

The carrying amounts of the trade payables at the end of the reporting period are denominated in RMB.

### 28. 銀行結餘及現金／受限制銀行存款

受限制銀行存款乃指已質押予銀行以取得應付票據的存款人民幣5,415,000元(二零一七年:人民幣5,741,000元)。已質押存款不可供本集團於日常業務中使用。

於二零一八年十二月三十一日,計入銀行結餘及現金的金額人民幣122,594,000元(二零一七年:人民幣188,600,000元)乃以港元計值,而人民幣916,000元(二零一七年:人民幣33,000元)則以美元計值。所有餘下銀行結餘及現金均以人民幣計值。

### 29. 貿易應付款項及應付票據

以下為貿易應付款項及應付票據於報告期末根據收取貨品日期呈列之賬齡分析。

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
50,919	28,745
2,406	8,576
2,644	4,698
13,092	77,727
<b>69,061</b>	<b>119,746</b>

供應商向本集團授出之信貸期為30日內。

於二零一七年十二月三十一日,計入貿易應付款項的金額中包括向供應商背書的應收票據(尚未到還款日)的已保證款項人民幣3,825,916元。

於報告期末,貿易應付款項之賬面值以人民幣計值。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 30. OTHER PAYABLES AND ACCRUALS

### 30. 其他應付款項及應計費用

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Other payables	其他應付款項	2,408	6,102
Receipt in advance	預收款項	-	-
Accrued sales commission	應計銷售佣金	-	5,251
Accrued professional fees	應計專業費用	834	-
Accrued staff costs	應計員工成本	371	6,809
Other tax payables	其他應付稅項	76	1,080
Amount due to a director (note)	應付一名董事款項 (附註)	-	3,000
		<b>3,689</b>	<b>22,242</b>

Note: Amount due to a director is unsecured, interest-free and repayable on demand.

附註：應付一名董事款項未經抵押、免息及須按要求償還。

### 31. BANK AND OTHER BORROWINGS

### 31. 銀行及其他借貸

The bank borrowings of RMB18,000,000 (2017: RMB19,000,000) were secured by the Group's leasehold land and building with a net carrying value of RMB252,000 (2017: RMB305,000) and RMB37,000 (2017: RMB389,000) respectively at the end of the reporting period and repayable within one year.

於報告期末，銀行借貸人民幣18,000,000元（二零一七年：人民幣19,000,000元）乃以本集團賬面淨值分別為人民幣252,000元（二零一七年：人民幣305,000元）及人民幣37,000元（二零一七年：人民幣389,000元）之租賃土地及樓宇作抵押，並須於一年內償還。

The other borrowings of approximately RMB68,502,000 (2017: RMB31,643,000) were due to independent third parties. The amounts were unsecured and repayable within one year.

其他借貸約人民幣68,502,000元（二零一七年：人民幣31,643,000元）應給予獨立第三方，該等金額未經抵押並須於一年內償還。

The interest rate of the other borrowings amount was 6% per annum.

其他借貸金額的年利率為6%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 32. DEFERRED TAX LIABILITIES

### 32. 遞延稅項負債

		Revaluation of assets 資產 重新估值 RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日	10,243
Arising on acquisition of Cybernaut Technology International Group	收購Cybernaut Technology International集團產生	32,109
Credit for the year	年內抵免	(5,969)
Exchange realignment	匯兌調整	(500)
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	35,883
Credit for the year	年內抵免	(11,077)
Exchange realignment	匯兌調整	59
At 31 December 2018	於二零一八年十二月三十一日	<b>24,865</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 33. PROMISSORY NOTES

### 33. 承兌票據

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January	於一月一日	185,576	195,730
Accrued interest charged	應計已收取利息	3,602	3,700
Issue of promissory note upon fulfillment of profit guarantee (note 34)	於達成溢利保證後發行承兌票據(附註34)	37,586	-
Exchange realignment	匯兌調整	10,292	(13,854)
		<b>237,056</b>	<b>185,576</b>
At 31 December	於十二月三十一日		

Note:

On 9 November 2015, the Company issued promissory notes for an aggregate principal amount of HK\$213,600,000 at 2% interest per annum (the "PN") upon completion of the acquisition of Soaring International Holdings Limited to Mr. Lee Yim and Mr. Ng Hang Fai Calvin (the "Vendors"), independent third parties not connected to the Group. The PN are due on the third anniversary of the date of issue. On 2 November 2018, the Vendors and the Company have agreed to extend the maturity of the PN to 9 November 2020.

The fair value of PN was approximately to their principal amount calculated at the effective interest rate of 2% per annum. The PN is classified as non-current liabilities and are carried at amortised cost until settlement on due date.

附註：

於二零一五年十一月九日，本公司於完成收購Soaring International Holdings Limited後向與本集團並無關連的獨立第三方李儼先生及吳恒輝先生（「賣方」）按年利率2%發行本金總額213,600,000港元的承兌票據（「承兌票據」）。承兌票據於發行日期起計第三年到期。於二零一八年十一月二日，賣方與本公司已同意將承兌票據的期限延長至二零二零年十一月九日。

承兌票據的公平值約相等於其本金額，乃按2%的實際年利率計算。承兌票據乃分類為非流動負債及直至於到期日清償前按攤銷成本列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 34. CONTINGENT CONSIDERATION

On 26 July 2017, the Company entered into the Share Purchase Agreement (the “SPA”) with Cybernaut Education Limited, a company which is owned as to 90% by Mr. Zhu Min, an executive director and a substantial shareholder of the Company, (the “Vendor”). Pursuant to the SPA, the consideration will be subject to adjust based on the net profit after tax generating from operating activities (the “Net Profit”) of the Cybernaut Technology International Limited and its subsidiaries as shown in the audited consolidated financial statements for:

- (i) the Net Profit for the six-month period ending 30 June 2018 shall not be less than HK\$7.5 million;
- (ii) the Net Profit for the six-month period ending 31 December 2018 shall not be less than HK\$7.5 million;
- (iii) the Net Profit for the six-month period ending 30 June 2019 shall not be less than HK\$9 million; and
- (iv) the Net Profit for the six-month period ending 31 December 2018 shall not be less than HK\$9 million.

The fair value of the contingent consideration was determined by an independent professional valuer not connected with the Group based on Binomial Option Pricing Model. The fair value as at 31 December 2018 was RMB108,402,000 (2017: RMB143,143,000).

During the year ended 31 December 2018, item (i) have been fulfilled, and promissory note of principal amount HK\$55 million have been issued accordingly.

### 34. 或然代價

於二零一七年七月二十六日，本公司與 Cybernaut Education Limited（一家由本公司執行董事及主要股東朱敏先生持有90%之公司）（「賣方」）訂立購股協議（「購股協議」）。根據購股協議，代價須基於Cybernaut Technology International Limited及其附屬公司之經審核綜合財務報表所示之來自經營活動之稅後淨溢利（「淨溢利」）予以調整：

- (i) 於截至二零一八年六月三十日止六個月期間之淨溢利不得少於7,500,000港元；
- (ii) 於截至二零一八年十二月三十一日止六個月期間之淨溢利不得少於7,500,000港元；
- (iii) 於截至二零一九年六月三十日止六個月期間之淨溢利不得少於9,000,000港元；及
- (iv) 於截至二零一八年十二月三十一日止六個月期間之淨溢利不得少於9,000,000港元。

或然代價公平值乃由與本集團無關連之獨立專業估值師按二項式期權定價模式所釐定。於二零一八年十二月三十一日之公平值為人民幣108,402,000元（二零一七年：人民幣143,143,000元）。

於截至二零一八年十二月三十一日止年度，第(i)項已經獲達成，並因此發行本金為55,000,000港元的承兌票據。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 35. SHARE CAPITAL

### 35. 股本

		Number of shares at HK\$0.10 per share 每股面值0.10 港元之股份數目 '000 千股	Amount 金額 HK\$'000 千港元
<b>Authorised:</b>	<b>法定：</b>		
At 1 January 2017, 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年一月一日、 二零一七年十二月 三十一日、二零一八年 一月一日及二零一八年 十二月三十一日	20,000,000	2,000,000
<b>Issued and fully paid:</b>	<b>已發行及繳足：</b>		
At 1 January 2017	於二零一七年一月一日	3,186,012	318,601
Placing of shares (note a)	股份配售(附註a)	595,600	59,560
Issue of shares upon exercising of warrants (note b)	於行使認股權證時發行股份 (附註b)	396,536	39,654
Issue of shares upon exercising of share option (note c)	於行使購股權時發行股份(附註c)	15,000	1,500
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及 二零一八年一月一日	4,193,148	419,315
Share repurchase and cancelled (note d)	購回及註銷股份(附註d)	(217,700)	(21,770)
At 31 December 2018	於二零一八年十二月三十一日	3,975,448	397,545
<b>Shown in the consolidated financial statements</b>	<b>於綜合財務報表所示</b>		
At 31 December 2017	於二零一七年十二月三十一日	<b>RMB'000 equivalent 人民幣千元等值</b>	<b>355,046</b>
At 31 December 2018	於二零一八年十二月三十一日	<b>RMB'000 equivalent 人民幣千元等值</b>	<b>337,128</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 35. SHARE CAPITAL (continued)

Notes:

- (a) On 13 January 2017, pursuant to the placing and subscription agreement dated 13 January 2017, 595,600,000 ordinary shares of HK\$0.10 each were allotted and issued at HK\$0.30 per share. The net proceed of approximately HK\$176,600,000 was used for general working capital and funds to finance future investment.
- (b) During the year ended 31 December 2017, total 396,536,000 shares were issued upon exercising of warrants. The net proceed of approximately HK\$118,961,000 was used for general working capital.
- (c) On 15 May 2017, share options were exercised to subscribe for 15,000,000 ordinary shares in the Company at a consideration of HK\$4,800,000.
- (d) During the year ended 31 December 2018, the Company repurchased and cancelled its own ordinary shares on The Stock Exchange of Hong Kong Limited as follows:

### 35. 股本 (續)

附註：

- (a) 於二零一七年一月十三日，根據日期為二零一七年一月十三日之配售及認購協議，已按每股0.30港元配發及發行每股面值0.10港元之595,600,000股普通股。所得款項淨額約176,600,000港元已用作一般營運資金及為日後的投資提供資金。
- (b) 於截至二零一七年十二月三十一日止年度，於行使認股權證時發行合共396,536,000股股份。所得款項淨額約118,961,000港元已用作一般營運資金。
- (c) 於二零一七年五月十五日，購股權已獲行使，以認購本公司15,000,000股普通股，代價為4,800,000港元。
- (d) 於截至二零一八年十二月三十一日止年度，本公司於香港聯合交易所有限公司購回及註銷其本身普通股，詳情如下：

Month/year		Number of shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate paid
年 / 月		購回之股份數目	所支付的每股最高價	所支付的每股最低價	所支付的總價
		('000) (千股)	(HK\$) (港元)	(HK\$) (港元)	(HK\$'000) (千港元)
February 2018	二零一八年二月	101,968	0.295	0.247	27,803
April 2018	二零一八年四月	9,448	0.275	0.270	2,588
May 2018	二零一八年五月	39,364	0.280	0.265	10,762
June 2018	二零一八年六月	17,892	0.270	0.255	4,693
July 2018	二零一八年七月	28,336	0.270	0.250	7,208
September 2018	二零一八年九月	7,648	0.220	0.210	1,637
October 2018	二零一八年十月	13,044	0.213	0.195	2,648
		<u>217,700</u>			<u>57,339</u>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. SHARE-BASED PAYMENT TRANSACTIONS

The Company's share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 7 June 2010 for the primary purpose of providing incentives to directors and eligible employees, and will expire on 6 June 2020. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including directors (excluding non-executive directors) of the Company and its subsidiaries, to subscribe for shares in the Company.

At 31 December 2015, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 120,000,000, representing 7.66% of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted must be taken up within 20 days from the date of grant, upon payment of HK\$1 per option. Options may be exercised at any time from 1 year from the date of grant of the share option to the 10th anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

### 36. 以股份為基礎付款交易

本公司根據於二零一零年六月七日通過之決議案採納購股權計劃（「該計劃」），主要目的是向董事及合資格僱員提供獎勵，而該計劃將於二零二零年六月六日屆滿。根據該計劃，本公司董事會可向合資格僱員（包括本公司及其附屬公司的董事，不包括非執行董事）授出購股權，以認購本公司股份。

於二零一五年十二月三十一日，根據該計劃已授出而尚未行使之購股權所涉及之股份數目為120,000,000股，相等於本公司於該日已發行股份之7.66%。在未經本公司股東事先批准的情況下，根據該計劃可能授出的購股權所涉及之股份總數不得超過本公司於任何時間已發行股份之10%。在未經本公司股東事先批准的情況下，任何個別人士於任何一年內獲授及可獲授之購股權所涉及之已發行及將予發行股份數目不得超過本公司於任何時間已發行股份之1%。

獲授購股權人士須於授出日期起計20日內就每份購股權支付1港元，以接納購股權。購股權可於授出購股權日期起計一年直至授出日期之十週年止任何時間行使。行使價由本公司董事釐定，且將不會低於以下最高者：(i)本公司股份於授出日期之收市價；(ii)股份於緊接授出日期前五個營業日之平均收市價；及(iii)本公司股份面值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

### 36. 以股份為基礎付款交易 (續)

2018

二零一八年

Date of grant	Vesting period	Exercisable period	Exercise price	Number of share options				Balance at 31.12.2018
				Granted	Exercised	Lapsed	購股權數目	
授出日期	歸屬期	行使期	行使價	於二零一八年一月一日之結餘	於年內授出	於年內行使	於年內失效	於二零一八年十二月三十一日之結餘
16 March 2015	Nil	16 March 2015 to 15 March 2018	HK\$0.32	105,000,000	-	-	(105,000,000)	-
二零一五年三月十六日	無	二零一五年三月十六日至二零一八年三月十五日	0.32港元					
13 January 2016	Nil	13 January 2016 to 12 January 2019	HK\$0.315	80,000,000	-	-	-	80,000,000
二零一六年一月十三日	無	二零一六年一月十三日至二零一九年一月十二日	0.315港元					
				<u>185,000,000</u>	<u>-</u>	<u>-</u>	<u>(105,000,000)</u>	<u>80,000,000</u>
Exercisable at 31 December 2018 可於二零一八年十二月三十一日行使								<u>80,000,000</u>
Weighted average exercise price 加權平均行使價								<u>HK\$0.315</u> <u>0.315港元</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

### 36. 以股份為基礎付款交易（續）

2017

二零一七年

Date of grant	Vesting period	Exercisable period	Exercise price	Number of share options				Balance at 31.12.2017 於二零一七年十二月三十一日之結餘
				Balance at 1.1.2017 於二零一七年一月一日之結餘	Granted 於年內授出	Exercised 於年內行使	Lapsed 於年內失效	
16 March 2015 二零一五年三月十六日	Nil 無	16 March 2015 to 15 March 2018 二零一五年三月十六日至二零一八年三月十五日	HK\$0.32 0.32港元	120,000,000	-	15,000,000	-	105,000,000
13 January 2016 二零一六年一月十三日	Nil 無	13 January 2016 to 12 January 2019 二零一六年一月十三日至二零一九年一月十二日	HK\$0.315 0.315港元	80,000,000	-	-	-	80,000,000
				<u>200,000,000</u>	<u>-</u>	<u>15,000,000</u>	<u>-</u>	<u>185,000,000</u>
Exercisable at 31 December 2017 可於二零一七年十二月三十一日行使								<u>185,000,000</u>
Weighted average exercise price 加權平均行使價								<u>HK\$0.318</u> <u>0.318港元</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. SHARE-BASED PAYMENT TRANSACTIONS (continued)

At the end of the reporting period, the Company had 200,000,000 share options outstanding under the share option scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 200,000,000 additional ordinary shares in the Company and additional share capital of approximately HK\$20,000,000 and share premium of approximately HK\$42,400,000 (before issue expenses).

### 37. OPERATING LEASES

At 31 December 2018, the Group had commitment for minimum lease payment under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)

### 36. 以股份為基礎付款交易 (續)

於報告期末，本公司於購股權計劃項下擁有200,000,000份未獲行使購股權。於本公司現時資本結構下，一旦未獲行使的購股權獲全面行使，將令本公司須發行額外200,000,000股普通股及額外股本約20,000,000港元及股份溢價約42,400,000港元(未經扣除發行開支)。

### 37. 經營租賃

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃有以下最低租賃付款之承擔，其到期情況如下：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
2,998	4,720
282	3,393
<b>3,280</b>	<b>8,113</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere to the consolidated financial statements, the Group have the following related party transactions.

### 38. 關連方交易

除於綜合財務報表其他部分披露者外，本集團訂有以下關連方交易。

Name of related party 關連方姓名	Relationship 關係	Nature of transaction/balance 交易性質／結餘	2018	2017
			二零一八年	二零一七年
			RMB'000 人民幣千元	RMB'000 人民幣千元
Lu Yongchao 呂永超	Executive Director 執行董事	Loan interest received 已收貸款利息	17	33
		Loan receivable 應收貸款	1,756	2,456
Sin Kwok Wai Ronald 冼國威	Executive Director 執行董事	Loan receivable 應收貸款	1,317	1,665

Note: The interest rate of the loan was 6% per year. In the opinion of the directors, the transactions between the Group and the related party were conducted in the ordinary course of business.

附註：貸款的年利率為6%。董事認為，本集團與關連方之交易乃於日常業務過程中進行。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. RELATED PARTY TRANSACTIONS (continued)

#### Compensation of key management personnel

The remuneration of directors and other members of key management for both years was as follows:

Short-term benefits	短期福利
Retirement benefit scheme contributions	退休福利計劃供款

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 39. ACQUISITION OF SUBSIDIARIES

#### Cybernaut Technology International Limited and its subsidiaries ("Cybernaut Technology Group")

On 26 July 2017, the Company entered into a sale and purchase agreement with Cybernaut Education Limited, a company which is owned as to 90% by Mr. Zhu Min, an executive director and a substantial shareholder of the Company, (the "Vendor"), for the acquisition of 100% equity interest in Cybernaut Technology International Limited, an investment holding company whose subsidiaries are principally engaged in internet education services, at an aggregate consideration of approximately HK\$272,093,000. The acquisition was completed on 22 November 2017.

### 38. 關連方交易 (續)

#### 主要管理人員薪酬

董事及其他主要管理層成員於兩個年度之薪酬如下：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
4,335	4,152
68	56
<b>4,403</b>	<b>4,208</b>

董事及主要行政人員之酬金乃由薪酬委員會參考個人表現及市場趨勢而釐定。

### 39. 收購附屬公司

#### Cybernaut Technology International Limited 及其附屬公司 (「Cybernaut Technology集團」)

於二零一七年七月二十六日，本公司與Cybernaut Education Limited (一家由本公司執行董事及主要股東朱敏先生持有90%之公司) (「賣方」) 訂立買賣協議，以總代價約272,093,000港元收購Cybernaut Technology International Limited (一家投資控股公司，其附屬公司主要從事提供互聯網教育服務) 之100%股權。該收購事項已於二零一七年十一月二十二日完成。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 39. ACQUISITION OF SUBSIDIARIES (continued)

#### Cybernaut Technology International Limited and its subsidiaries (“Cybernaut Technology Group”) (continued)

The fair value of the identifiable assets and liabilities of Cybernaut Technology Group at the date of acquisition was as follows:

### 39. 收購附屬公司 (續)

#### Cybernaut Technology International Limited 及其附屬公司 (「Cybernaut Technology集團」) (續)

Cybernaut Technology集團於收購日期之可識別資產及負債之公平值如下：

		<b>Fair Value</b>
		<b>公平值</b>
		RMB'000
		人民幣千元
Property, plant and equipment	物業、廠房及設備	145
Intangible assets	無形資產	128,437
Trade receivables	貿易應收款項	9,966
Prepayment, deposits and other receivables	預付款、按金及其他應收款項	61
Cash and cash equivalent	現金及現金等值物	1,811
Trade payables	貿易應付款項	(1,069)
Accruals and other payables	應計費用及其他應付款項	(36)
Tax liabilities	稅項負債	(503)
Deferred tax liabilities	遞延稅項負債	(32,109)
		<hr/>
		106,703
Goodwill on acquisition	收購時產生的商譽	123,572
		<hr/>
		230,275
		<hr/>
Consideration satisfied by:	代價以下列各項清償：	
Cash	現金	84,631
Contingent consideration – Promissory notes	或然代價 – 承兌票據	145,644
		<hr/>
		230,275
		<hr/> <hr/>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 39. ACQUISITION OF SUBSIDIARIES (continued)

#### Cybernaut Technology International Limited and its subsidiaries (“Cybernaut Technology Group”) (continued)

During the year ended 31 December 2017, Cybernaut Technology Group contributed approximately RMB4,140,000 to the Group’s revenue and approximately RMB2,987,000 to the Group’s results in aggregate for the period from the date of acquisition to 31 December 2017.

Goodwill arose in the acquisition of Cybernaut Technology Group because the consideration for the acquisition reflects the future economic benefits expected to be generated from combining the acquiree’s operation with the Group’s operations.

If the acquisition of the Cybernaut Technology Group had been completed on 1 January 2017, the Group’s revenue for the year ended 31 December 2017 would have been approximately RMB379,006,000 and loss for the year ended 31 December 2017 would have been RMB128,972,000. The pro forma information is for illustrative purposes only and 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 2017, nor is it intended to be a projection of future results.

### 39. 收購附屬公司 (續)

#### Cybernaut Technology International Limited 及其附屬公司 (「Cybernaut Technology集團」) (續)

於截至二零一七年十二月三十一日止年度，Cybernaut Technology集團於自收購日期起至二零一七年十二月三十一日止期間，合共分別為本集團貢獻收入及業績約人民幣4,140,000元及約人民幣2,987,000元。

因收購代價反映日後經濟利益，預期收購Cybernaut Technology集團產生之商譽將產生自被收購方營運及本集團營運的合併作用。

倘收購Cybernaut Technology集團於二零一七年一月一日完成，本集團於截至二零一七年十二月三十一日止年度之收入應為約人民幣379,006,000元，而於截至二零一七年十二月三十一日止年度之虧損應為人民幣128,972,000元。此備考資料僅供說明用途，不一定為假若收購於二零一七年一月一日完成之情況下本集團實際所得收入及經營業績之指標，亦不擬以此作為日後業績之預測。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 40. 本公司財務狀況表

(a) Financial information of the statement of financial position of the Company

(a) 本公司財務狀況表之財務資料

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Non-current assets</b>			
Property, plant and equipment	物業、廠房及設備	194	–
Investments in subsidiaries	於附屬公司之投資	551,645	551,645
		<b>551,839</b>	551,645
<b>Current assets</b>			
Loan receivables	應收貸款	7,026	3,747
Prepayments and other receivable	預付款項及其他應收款項	1,938	589
Bank balances	銀行結餘	84,777	4,850
		<b>93,741</b>	9,186
<b>Current liability</b>			
Other payables and accruals	其他應付款項及應計費用	2,630	2,202
Amount due to subsidiaries	應付附屬公司款項	126,654	–
Promissory notes	承兌票據	–	185,576
		<b>129,284</b>	187,778

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

### 40. 本公司財務狀況表（續）

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Net current (liabilities)</b>	<b>流動（負債）淨值</b>	<b>(35,543)</b>	(178,592)
<b>Total assets less current liability</b>	<b>資產總值減流動負債</b>	<b>516,296</b>	373,053
<b>Non-current liability</b>	<b>非流動負債</b>		
Promissory notes	承兌票據	237,056	—
Contingent consideration	或然代價	108,402	143,143
		<b>345,458</b>	143,143
Net assets	資產淨值	<b>170,838</b>	229,910
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Share capital	股本	337,128	355,046
Reserves	儲備	(166,290)	(125,136)
<b>Total equity</b>	<b>權益總額</b>	<b>170,838</b>	229,910

Approved and authorised for issue by the board of directors on 29 March 2019 and are signed on its behalf by:

董事會於二零一九年三月二十九日批准及授權刊發，並由以下代表簽署：

DIRECTOR  
董事  
**Zhu Min**  
朱敏

DIRECTOR  
董事  
**Sin Kwok Wai Ronald**  
冼國威

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

### 40. 本公司財務狀況表 (續)

#### (b) Movement of capital and reserves of the Company

#### (b) 本公司資本及儲備變動

		Share capital	Share premium	Capital redemption reserve	Share options reserve	Warrant reserve	Exchange reserve	Retained profits	Total
		股本	股份溢價	資本贖回儲備	購股權儲備	認股權證儲備	匯兌儲備	保留溢利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	266,401	432,212	-	21,431	9,569	9,132	(613,952)	124,793
Loss for the year	年內虧損	-	-	-	-	-	-	(138,842)	(138,842)
Other comprehensive income for the year	年內其他全面收益	-	-	-	-	-	(20,647)	-	(20,647)
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	-	(20,647)	(138,842)	(159,489)
Issue of shares upon exercising of warrants	於行使認股權證時發行股份	34,567	76,523	-	-	(7,390)	-	-	103,700
Issue of shares upon placing	於配售時發行股份	52,752	103,910	-	-	-	-	-	156,662
Recognition of equity settled share-based payments	確認股本結算以股份為基礎付款	1,326	4,219	-	(1,301)	-	-	-	4,244
Fund raised by way of exercise of warrants	行使認股權證籌得資金	-	-	-	-	(2,179)	-	2,179	-
At 31 December 2017	於二零一七年十二月三十一日	355,046	616,864	-	20,130	-	(11,515)	(750,615)	229,910
Loss for the year	年內虧損	-	-	-	-	-	-	(9,491)	(9,491)
Other comprehensive income for the year	年內其他全面收益	-	-	-	-	-	(2,483)	-	(2,483)
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	-	-	(2,483)	(9,491)	(11,974)
Repurchase of share	購回股份	(17,918)	(29,180)	17,918	-	-	-	(17,918)	(47,098)
Lapsed of option	已失效購股權	-	-	-	(11,504)	-	-	11,504	-
At 31 December 2018	於二零一八年十二月三十一日	337,128	587,084	17,918	8,626	-	(13,998)	(766,520)	170,838

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

### 41. 本公司附屬公司詳情

Name of subsidiary 附屬公司名稱	Place and date of incorporation/establishment and operations 註冊成立/ 成立及營運地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest held by the Company 本公司持有的 所有權益比例		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	
Soaring International Holdings Limited	The British Virgin Islands 5 March 2015 英屬處女群島 二零一五年三月五日	US\$2 2美元	100%	100%	Investment holding 投資控股
VT Zero Limited	Hong Kong 24 January 2007 香港 二零零七年一月二十四日	HK\$10,000 10,000港元	100%	100%	eCommerce 電子商務
劃時零距電子(深圳)有限公司	The PRC 25 February 2011 中國 二零一一年二月二十五日	RMB500,000 人民幣500,000元	100%	100%	eCommerce 電子商務
Time Credit Limited 友邦信貸有限公司	Hong Kong 30 December 2011 香港 二零一一年十二月三十日	HK\$2,000,000 2,000,000港元	90%	90%	Money lending 放債
Accura Machinery & Manufacturing (Taicang) Co., Ltd. 雅高機械(太倉)有限公司	The PRC 23 February 2004 中國 二零零四年二月二十三日	RMB26,639,440 人民幣26,639,440元	100%	100%	Manufacture and sale of paper converting equipment and other relating equipment 製造及銷售紙張加工設備及其他相關設備
Accurate Trade International Limited	The British Virgin Islands 18 November 2013 英屬處女群島 二零一三年十一月十八日	US\$1 1美元	100%	100%	Investment holding 投資控股
China Safety Holdings Limited 中國安產控股有限公司	Hong Kong 7 April 2014 香港 二零一四年四月七日	HK\$1 1港元	100%	100%	Investment holding 投資控股
Eagle Pioneer Limited	The British Virgin Islands 12 March 2014 英屬處女群島 二零一四年三月十二日	US\$1 1美元	100%	100%	Investment holding 投資控股



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

### 41. 本公司附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation/establishment and operations 註冊成立/ 成立及營運地點及日期	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion of ownership interest held by the Company 本公司持有的 所有權權益比例		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	
Great Select Global Limited 境裕環球有限公司	Hong Kong 18 November 2013 香港 二零一三年十一月十八日	HK\$1 1港元	100%	100%	Investment holding 投資控股
Sinoref (BVI) Limited	The British Virgin Islands 12 January 2010 英屬處女群島 二零一零年一月十二日	US\$2 2美元	100%	100%	Investment holding 投資控股
Sinoref (Hong Kong) Limited 華耐科技(香港)有限公司	Hong Kong 17 February 2010 香港 二零一零年二月十七日	HK\$1 1港元	100%	100%	Investment holding 投資控股
Sinoref Yixing <sup>#</sup> 華耐宜興 <sup>#</sup>	The PRC 20 July 2005 中國 二零零五年七月二十日	RMB151,716,600 人民幣151,716,600元	100%	100%	Manufacture and sale of advanced steel flow control products 製造及銷售高端鋼水控流產品
Cybernaut Technology International Limited	The British Virgin Islands 17 January 2017 英屬處女群島 二零一七年一月十七日	US\$0.01 0.01美元	note (i) 附註(i)	note (i) 附註(i)	Investment holding 投資控股
Hong Kong Cybernaut Technology Limited 香港賽伯樂科技有限公司	Hong Kong 27 February 2017 香港 二零一七年二月二十七日	HK\$10,000 10,000港元	note (i) 附註(i)	note (i) 附註(i)	Investment holding 投資控股
Huzhou Sai Le Hong Education Technology Limited ("Huzhou") 湖州賽樂弘教育科技有限公司(「湖州」)	The PRC 23 March 2017 中國 二零一七年三月二十三日	HK\$10,000,000 10,000,000港元	note (i) 附註(i)	note (i) 附註(i)	Investment holding 投資控股
Capital Wowxue (Beijing) Education Technology Limited ("Wowxue") 京師沃學(北京)教育科技有限公司(「沃學」)	The PRC 15 March 2012 中國 二零一二年三月十五日	RMB4,000,000 人民幣4,000,000元	note (i) 附註(i)	note (i) 附註(i)	Provision of internet education services 提供互聯網教育服務

<sup>#</sup> Wholly-foreign owned enterprise registered in the PRC.

<sup>#</sup> 於中國註冊之外商獨資企業。

None of the subsidiaries had issued any debt securities at the end of the year.

年末概無附屬公司發行任何債務證券。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### NOTE (i)

#### CONTRACTUAL AGREEMENTS

##### Particulars and main business of Wowxue

京師沃學(北京)教育科技有限公司 (Capital Wowxue (Beijing) Education Technology Limited) (“Wowxue”) is a limited liability company established under the laws of the PRC and is principally engaged in the research and provision of internet education services.

Wowxue is owned as to 40%, 20%, 20% and 20% by 賽伯樂投資集團有限公司 (Cybernaut Investment Group Limited), 賽伯樂智庫(北京)國際生態科學研究院 (Cybernaut Think Tank (Beijing) International Ecological Science Research Institute), Mr. Zhao Yingming and Mr. Zhao Yingyong respectively (the “Registered Shareholders”). On 31 August 2017, 湖州賽樂弘教育科技有限公司 (Huzhou Sai Le Hong Education Technology Limited), being a wholly-owned subsidiary of the Group (the “Huzhou Company”), Wowxue and the Registered Shareholders entered into a series of agreements (the “Contractual Arrangements”). Supplementary agreements were further entered into on 25 September 2017.

### 41. 本公司附屬公司詳情(續)

#### 附註(i)

#### 合約安排

##### 沃學的詳情及主要業務

京師沃學(北京)教育科技有限公司(「沃學」)為一家根據中國法律成立之有限公司,主要從事互聯網教育服務的研究,並提供互聯網教育服務。

沃學分別由賽伯樂投資集團有限公司、賽伯樂智庫(北京)國際生態科學研究院、趙映明先生及趙英勇先生(「登記股東」)擁有40%、20%、20%及20%股權。於二零一七年八月三十一日,本集團全資附屬公司湖州賽樂弘教育科技有限公司(「湖州公司」)、沃學與登記股東訂立一系列協議(「合約安排」),並於二零一七年九月二十五日進一步訂立補充協議。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### Major terms of the structured contracts

##### *Irrecoverable option agreement*

Huzhou Company, Wowxue and the Registered Shareholders entered into an irrevocable exclusive option agreement (the “Option Agreement”) whereby the Registered Shareholders granted an exclusive option to Huzhou Company to acquire the entire equity interest in Wowxue held by the Registered Shareholders, under which Huzhou Company shall have the right to require the Registered Shareholders to transfer their equity interest in Wowxue on demand to Huzhou Company or its designated entity or individual, at nil consideration. The Option Agreement does not have a defined exercisable period and the Option Agreement will expire when the relevant law and regulation in the PRC allows foreign investment in Wowxue or when Huzhou Company or its designated party exercises the option to acquire Wowxue.

Pursuant to the Option Agreement, each of the Registered Shareholders and Wowxue has given undertakings that it shall perform certain acts or refrain from performing certain other acts unless the prior written consent of Huzhou Company has been obtained.

### 41. 本公司附屬公司詳情 (續)

#### 結構性合約的主要條款

##### 不可撤銷的購股權協議

湖州公司、沃學及登記股東訂立一份不可撤銷獨家購股權協議（「購股權協議」），據此登記股東向湖州公司授出獨家購股權，以收購由登記股東持有之沃學全部股權。根據該協議，湖州公司將有權要求登記股東按要求向湖州公司或其指定實體或個人以零代價轉讓彼等於沃學的股權。購股權協議並無界定行使期間，購股權協議將於相關中國法律及法規准許外資投入沃學或於湖州公司或其指定人士行使購股權以收購沃學時到期。

根據購股權協議，各登記股東及沃學分別承諾將作出若干行動或不作出若干其他行動，除非取得湖州公司之事前書面同意。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### Major terms of the structured contracts (continued)

##### *Service Agreement*

Huzhou Company and Wowxue entered into an exclusive Service Agreement (the "Service Agreement") pursuant to which Huzhou Company shall serve as the service provider to Wowxue, to provide investment advice, planning and other business advice on the operation and technical services of Wowxue in accordance with the requirements of Wowxue.

In consideration of the provision of the abovementioned services by Huzhou Company, Wowxue agrees to pay to Huzhou Company fees on an annual basis. Fees payable to Huzhou Company by Wowxue will be equivalent to the total income of Wowxue minus all relevant costs, expenses and taxes payable by Wowxue. If there is a loss in a given year, then no provisions for the said management and consultancy fees would be required for the year until Wowxue records a surplus.

In addition, Huzhou Company shall have the right to obtain and review the business data, financial information and other information relevant to the operations and business of Wowxue.

The Service Agreement has a term of ten years from the date of signing the Service Agreement. Upon the expiry of each term, Huzhou Company is entitled at its sole and absolute discretion to renew the Service Agreement for a further term of ten years for each renewal.

### 41. 本公司附屬公司詳情 (續)

#### 結構性合約的主要條款 (續)

##### *服務協議*

湖州公司與沃學訂立一份獨家服務協議(「服務協議」)，據此湖州公司將擔任沃學的服務供應商，根據沃學的要求，為沃學的營運及技術服務提供投資建議、規劃及其他商業建議。

就湖州公司提供上述服務而言，沃學同意每年向湖州公司支付費用。沃學應付湖州公司之費用相等於沃學之總收入減去沃學應付之所有相關成本、開支及稅項。倘沃學於某個年度錄得虧損，則於該年度毋須就上述管理及顧問費計提撥備，直至沃學產生盈餘為止。

此外，湖州公司將有權取得及審閱業務數據、財務資料及有關沃學營運及業務的其他資料。

服務協議之年限為自簽立服務協議之日起計十年。於各年限到期時，湖州公司有權按其唯一酌情權進一步重續服務協議，每次重續以十年為限。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### Equity pledge agreement

Huzhou Company, Wowxue and the Registered Shareholders entered into an equity pledge agreement (the "Equity Pledge Agreement") pursuant to which the Registered Shareholders unconditionally and irrevocably agreed to pledge all the equity interest in Wowxue that they own (including any interest or dividend paid for such shares) to Huzhou Company as a security for the performance of the obligations by Wowxue and the Registered Shareholders under the Service Agreement.

The Equity Pledge Agreement became effective from the date when the agreement was entered into and shall remain valid until Wowxue and the Registered Shareholders unconditionally and irrevocably fulfilled all the obligations (including, but not limited to, the settlement and/or the payment of the service charge, liquidated damages (if any), etc.) under the Service Agreement.

#### Power of attorney

The Registered Shareholders executed an irrevocable power of attorney which enables Huzhou Company to exercise all the powers of the shareholders of Wowxue.

Pursuant to the Power of Attorney, the directors of Wowxue, the Registered Shareholders and the legal representative of Wowxue have irrevocably appointed Huzhou Company as its/their attorney-in-fact to (i) exercise all the directors' rights, shareholders' rights and legal representative's rights (as the case may be) including but not limited to passing of board resolutions and shareholders' resolutions as well as the right to appoint or remove the directors, legal representative, general manager and other senior management of Wowxue; (ii) sign on their behalf all the documents necessary to give effect to the Contractual Arrangements; (iii) exercise all the rights and powers under the Equity Pledge Agreement and the right to deal with the assets of Wowxue; and (iv) submit documents to the competent company registration authorities of Wowxue or other relevant authorities for filing purpose.

### 41. 本公司附屬公司詳情 (續)

#### 股權質押協議

湖州公司、沃學及登記股東訂立一份股權質押協議(「股權質押協議」)，據此登記股東無條件及不可撤銷地同意將彼等於沃學擁有之全部股權(包括就該等股份支付的任何利息或股息)質押予湖州公司，作為沃學及登記股東履行於服務協議項下之責任之抵押品。

股權質押協議於協議訂立日期起生效，並將維持有效，直至沃學及登記股東無條件及不可撤銷地履行服務協議項下之所有責任(包括但不限於償還及／或支付服務費用、違約賠償金(如有)等)為止。

#### 授權委託書

登記股東已簽立不可撤銷的授權委託書，使湖州公司能夠行使沃學股東的所有權力。

根據授權委託書，沃學董事、登記股東及沃學法定代表人已不可撤銷地委任湖州公司為其授權代理人，(i) 行使一切董事權利、股東權利及法定代表人權利(視情況而定)，包括但不限於通過董事會決議案及股東決議案以及委任或免除沃學董事、法定代表人、總經理及其他高級管理人員之權利；(ii) 代其簽署使合約安排生效之所有必要文件；(iii) 行使股權質押協議項下之所有權利及權力以及處理沃學資產之權利；及(iv) 向沃學之主管公司登記機關或其他有關機關提交文件以備案。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### Equity pledge agreement (continued)

##### Power of attorney (continued)

The terms of the Power of Attorney became effective from the date of the Power of Attorney to the earlier of the revocation or termination of each of the Service Agreement, Irrevocable Option Agreement, Loan Agreement and Equity Pledge Agreement.

The directors of the Company, after consulting legal opinion, are of the view that the terms of the Contractual Arrangements have in substance enabled Huzhou Company to have power over Wowxue, rights to variable returns from its involvement with Wowxue, and has the ability to use its power to affect its returns, despite the absence of formal legal equity interest held by the Group in Wowxue. Accordingly, Wowxue is accounted for as a consolidated structured entity as a subsidiary of the Group.

The revenue, profit, total assets and total liabilities of Wowxue included in the consolidated financial statements are set out below:

Revenue	收入
Profit	溢利
Total assets	資產總值
Total liabilities	負債總額

### 41. 本公司附屬公司詳情 (續)

#### 股權質押協議 (續)

##### 授權委託書 (續)

授權委託書之年期自授權委託書日期起生效至服務協議、不可撤銷的購股權協議、貸款協議及股權質押協議各項協議被撤銷或終止之較早日期為止。

本公司董事經諮詢法律意見後，認為合約安排之條款實質上使湖州公司擁有對沃學之權力、因其參與沃學之業務而有權獲得可變回報及有能力行使其權力而影響其回報，儘管本集團並無擁有沃學的正式權益。因此，本集團將沃學以綜合結構性實體作為其附屬公司入賬。

於綜合財務報表入賬之沃學之收入、溢利、資產總值及負債總額載列如下：

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
24,571	4,140
15,458	2,987
45,525	18,584
16,397	4,922



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (continued)

#### NOTE (ii)

#### MATERIAL NON-CONTROLLING INTERESTS

The following information relating to non-wholly owned subsidiary that have material non-controlling interests (“NCI”).

The summarised financial information represents amounts before intercompany eliminations.

#### Time Credit Limited

At 31 December	於十二月三十一日
Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Net assets	資產淨值
Carrying amount of NCI	非控股權益之賬面值
Year ended 31 December	截至十二月三十一日止年度
Revenue	收入
Cost of sales	銷售成本
Other income	其他收入
Expenses	開支
Profit for the year	年內溢利
Profit attributable to NCI	非控股權益應佔溢利
Net cash flow (used in)/from operating activities	(用於)/來自經營活動之現金流量淨額
Investing activities	投資活動
Financing activities	融資活動

### 41. 本公司附屬公司詳情 (續)

#### 附註(ii)

#### 重大非控股權益

以下資料有關於其中擁有重大非控股權益(「非控股權益」)的非全資附屬公司。

該概述財務資料表示公司間對銷前的金額。

#### 友邦信貸有限公司

2018 二零一八年	2017 二零一七年
RMB'000 人民幣千元	RMB'000 人民幣千元
348	559
259,394	56,354
(227,587)	(32,641)
32,155	24,272
1,691	1,653
18,911	15,811
(7,015)	(3,715)
1	30
(5,587)	(4,914)
6,310	7,212
631	722
(37,204)	14,009
-	(672)
33,768	-

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 42. EVENTS AFTER THE REPORTING PERIOD

On 12 January 2019, 80,000,000 options were lapsed.

### 43. MAJOR NON-CASH TRANSACTION

During the year ended 31 December 2018, promissory note of principal amount of HK\$55 million were issued upon fulfillment of profit guarantee of Cybernaut Technology International Limited and its subsidiaries.

### 44. DISCONTINUED OPERATION

On 1 August 2018, the Company entered into an agreement with an independent third party to disposal of 100% equity interest in a subsidiary, namely Sinoref (BVI) Limited (the “Disposal Company”).

Management concluded that the assets and liabilities of Sinoref (BVI) Limited and its subsidiaries (the “Disposal Group”) should be classified as held-for sale as at 31 December 2018 as it believes that it is highly probable that the disposal will be completed within twelve months from the date when Sinoref (BVI) Limited was classified as disposal group classified as held for sale.

The results of the Disposal Group have been presented as a discontinued operation in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2018. Accordingly, the comparable figures have been re-presented in accordance with HKFRS 5 “Non-Current Asset Held for Sales and Discontinued Operations” issued by the HKICPA.

### 42. 報告期後事項

於二零一九年一月十二日，80,000,000份購股權已告失效。

### 43. 主要非現金交易

截至二零一八年十二月三十一日止年度，本金為55,000,000港元的承兌票據於Cybernaut Technology International Limited及其附屬公司達致溢利保證後發行。

### 44. 已終止經營業務

於二零一八年八月一日，本公司與一名獨立第三方訂立協議以出售於一家附屬公司（即Sinoref (BVI) Limited，「出售公司」）之100%股權。

由於管理層認為出售極可能將於Sinoref (BVI) Limited被分類為分類為持作出售之出售集團之日起十二個月內完成，故其總結，於二零一八年十二月三十一日，Sinoref (BVI) Limited及其附屬公司（「出售集團」）之資產及負債應被分類為持作出售。

出售集團的業績已於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益表內呈列為已終止經營業務。因此，已根據香港會計師公會頒佈的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」重新呈列比較數據。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 44. DISCONTINUED OPERATION (continued)

The combined results of the discontinued operation included in the loss for the year are set out below. The comparative loss from discontinued operation have been re-represented to include those operations classified as discontinued in the current year.

### 44. 已終止經營業務 (續)

計入年度虧損之已終止經營業務的合併業績載列如下。已終止經營業務的虧損比較數據已經重列，以計入於本年度分類為已終止經營之該等業務。

		2018 二零一八年	2017 二零一七年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Revenue	收入	60,598	93,044
Cost of sales	銷售成本	(74,791)	(135,452)
Gross loss	毛損	(14,193)	(42,408)
Other income	其他收入	128	131
Impairment loss	減值虧損	(18,533)	(18,084)
Selling and distribution costs	銷售及分銷成本	(7,967)	(10,747)
Administrative expenses	行政開支	(12,308)	(11,500)
Other expenses	其他開支	-	(22,750)
Finance costs	財務成本	(15)	(14)
Loss before taxation	除稅前虧損	(52,888)	(105,372)
Taxation	稅項	-	-
Loss for the year from discontinued operation	來自已終止經營業務之年度虧損	(52,888)	(105,372)

### 45. COMPARATIVE FIGURES

Certain comparative figures have been adjusted in order to be consistent with the current year's presentation.

### 45. 比較數字

若干比較數字已作出調整，以符合本年度之呈報。

## Summary of Results, Assets and Liabilities

### 業績、資產及負債概要

#### Results of the Group for the year ended 31 December

##### 本集團截至十二月三十一日止年度之業績

		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Turnover	營業額	240,916	288,942	357,840	271,620	237,798
Loss and total comprehensive expense for the year attributable to owners of the Company	本公司擁有人應佔年內虧損及全面開支總額	(173,702)	(271,432)	(138,695)	(139,058)	(81,586)
Loss per share (RMB)	每股虧損 (人民幣)					
- Basic	- 基本	(0.12)	(0.14)	(0.05)	(0.03)	(0.02)
- Diluted	- 攤薄	(0.12)	(0.14)	(0.05)	(0.03)	(0.02)

#### Assets and liabilities of the Group at 31 December

##### 本集團於十二月三十一日之資產及負債

		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	631,485	875,968	942,675	1,216,064	1,133,825
Less: Total liabilities	減：負債總額	(104,937)	(326,421)	(378,825)	(567,077)	(638,432)
Total net assets	總資產淨值	526,548	(549,547)	563,850	648,987	495,393



**賽伯樂國際控股有限公司**  
**Cybernaut International Holdings Company Limited**