



FRONTIER SERVICES GROUP

Frontier Services Group Limited
先豐服務集團有限公司

(incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 00500)



Annual Report **2018** 年報

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Non-Executive Director

Mr. Chang Zhenming (*Chairman*)

Executive Directors

Mr. Erik D. Prince (*Deputy Chairman*)
Mr. Ko Chun Shun, Johnson (*Deputy Chairman*)
Mr. Luo Ning (*Deputy Chairman*)
Dr. Hua Dongyi (*Chief Executive Officer*)
Mr. Hu Qinggang

Independent Non-Executive Directors

Mr. Yap Fat Suan, Henry
Professor Lee Hau Leung
Dr. Harold O. Demuren

Audit Committee

Mr. Yap Fat Suan, Henry (*Chairman*)
Professor Lee Hau Leung
Dr. Harold O. Demuren

Nomination Committee

Professor Lee Hau Leung (*Chairman*)
Mr. Erik D. Prince
Mr. Ko Chun Shun, Johnson
Mr. Yap Fat Suan, Henry
Dr. Harold O. Demuren

Remuneration Committee

Professor Lee Hau Leung (*Chairman*)
Mr. Erik D. Prince
Mr. Ko Chun Shun, Johnson
Mr. Yap Fat Suan, Henry
Dr. Harold O. Demuren

Risk Committee

Dr. Hua Dongyi (*Chairman*)
Mr. Erik D. Prince
Mr. Yap Fat Suan, Henry
Professor Lee Hau Leung
Dr. Harold O. Demuren

COMPANY SECRETARY

Mr. Chan Kam Kwan, Jason

INDEPENDENT AUDITOR

PricewaterhouseCoopers
Certified Public Accountants

董事會

非執行董事

常振明先生(*主席*)

執行董事

Erik D. Prince 先生(*副主席*)
高振順先生(*副主席*)
羅寧先生(*副主席*)
華東一博士(*行政總裁*)
胡慶剛先生

獨立非執行董事

葉發旋先生
李效良教授
Harold O. Demuren 博士

審核委員會

葉發旋先生(*主席*)
李效良教授
Harold O. Demuren 博士

提名委員會

李效良教授(*主席*)
Erik D. Prince 先生
高振順先生
葉發旋先生
Harold O. Demuren 博士

薪酬委員會

李效良教授(*主席*)
Erik D. Prince 先生
高振順先生
葉發旋先生
Harold O. Demuren 博士

風險委員會

華東一博士(*主席*)
Erik D. Prince 先生
葉發旋先生
李效良教授
Harold O. Demuren 博士

公司秘書

陳錦坤先生

獨立核數師

羅兵咸永道會計師事務所
執業會計師

CORPORATE INFORMATION

公司資料

LEGAL ADVISERS

Baker & McKenzie
Holman Fenwick Willan LLP

PRINCIPAL BANKERS

Bank of Communications Co., Limited
China Everbright Bank
Hang Seng Bank Limited
Industrial and Commercial Bank of China

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Suite 3902, 39th Floor
Far East Finance Centre
16 Harcourt Road
Admiralty
Hong Kong

SHARE REGISTRARS AND TRANSFER OFFICE

Principal Registrars

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrars and Transfer Office

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

INVESTOR RELATIONS

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Website: www.fsgroup.com
www.irasia.com/listco/hk/frontier
Email: ir@fsgroup.com

法律顧問

貝克•麥堅時律師事務所
夏禮文律師行

主要往來銀行

交通銀行股份有限公司
中國光大銀行
恒生銀行有限公司
中國工商銀行

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

主要營業地點

香港
金鐘
夏慤道16號
遠東金融中心
39樓3902室

股份過戶登記處

主要登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心
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投資者關係

投資者關係部
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CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

As the chairman of CITIC Limited (“**CITIC**”) (stock code: 267), I was recently appointed as the chairman of Frontier Services Group Limited (the “**Company**”) and its subsidiaries (the “**Group**”) in December 2018. CITIC also increased its stake in the Company and remained the single largest shareholder of the Company. This indeed illustrates CITIC's belief towards the Group, as well as the fact that the Group's strategic adjustments and deployment in the past few years have achieved positive results. I am pleased to have witnessed that the Group put the focus of its business in the areas along the path of Belt and Road, especially in areas with relatively high risks. With security as its core focus, the Group has strived to expand its logistics and insurance businesses related to large-scale projects and actively explored more opportunities in providing integrated services. On behalf of the management team, I would like to present the Group's operation in 2018 to the Shareholders as below.

BUSINESS REVIEW

Security Segment — The Group pushed forward the establishment of its security services in more countries and regions in 2018. It has not only obtained legal licenses, but also established cooperation relationship with relevant local authorities. It has been providing a comprehensive range of security services, including security assessments, project formulation, static and dynamic services, as well as security training for international investors such as Chinese enterprises. The training base in Beijing, China is in the capacity of providing a series of advanced security training for both the Group's employees as well as for its customers.

At the same time, the Group also made special efforts in improving its comprehensive strengths. On the foundation of the global tracking and positioning command system based on GPS system, it began to plan, study and upgrade systems to improve the overall on-site monitoring capabilities, positioning and tracking capabilities, global resource allocation capabilities, as well as emergency command capabilities, to ensure it has laid solid foundation in the area of security services.

Logistics Segment — In the Northwest Region, the Group opened up a safe passage for land transportation between Xinjiang and Pakistan in 2018 for China Three Gorges Corporation. In the Southwest Region, the Group began to demonstrate its capacity in logistics engineering in power transmission and transformation projects of TBEA Co. Ltd. in Cambodia and China CEC Engineering Corporation in Bangladesh. In Africa, it opened up and smoothed the eastbound and southbound passages, ensuring the continuous high-speed growth of businesses in Africa and becoming the first choice partner of many Chinese enterprises in major countries.

尊敬的股東：

我作為中國中信股份有限公司(「**中信**」)(股份代號：267)董事長，2018年12月剛剛上任成為先豐服務集團有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)董事長。中信，增加了對本公司的投資，仍是本公司的單一第一大股東。這一事實，說明了中信對本集團的信心，也說明了本集團在過去幾年中所做的戰略調整和布局，獲得了積極的成果。我非常高興地看到本集團把業務發展的重點放在「一帶一路」沿線區域，尤其是風險較高的地區，以安保為核心，努力拓展與大型項目相關的物流及保險業務，並積極探索更多的綜合服務機會。以下，我代表團隊向各位股東彙報本集團於2018年的工作情況。

業務回顧

安保板塊 — 本集團2018年實現了在更多國家和地區安保落地，不僅取得了當地的合法牌照，也建立了與當地相關機構和人員的合作，為包括中資企業在內的國際投資者提供安全評估、方案制訂、靜態動態服務、安保培訓等一系列綜合安保服務。位於中國北京的安保培訓基地，為本集團向自身員工以及客戶提供一系列高水平的安保培訓創造了條件。

同時，本集團還著力綜合實力提升，在運營基於GPS系統的全球跟蹤定位指揮系統的基礎上，開始著手規劃、研究升級系統，以技術手段全面提升現場監測能力、定位跟蹤能力、全球資源調配能力和應急指揮能力，切實打牢保障的根基。

物流板塊 — 2018年，本集團在西北區為三峽集團開闢了從新疆到巴基斯坦的物流陸運安全通道。在西南區，本集團的工程物流初試鋒芒，承攬了柬埔寨特變電工以及孟加拉中輕長沙院的輸變電項目。在非洲，打通和理順了東向與南向通道，保證了非洲業務持續高速增長，在重點國家中成為了多個中資企業合作夥伴的不二首選。

CHAIRMAN'S STATEMENT

主席報告

Insurance Segment — As part of the Group's comprehensive risk management services, FSG Insurance Services Limited (“**FSG Insurance**”), a wholly owned subsidiary of the Group, has been a member of Hong Kong Confederation of Insurance Brokers in 2018, and since then it has been permitted to provide related insurance consultancy services to the 20 focus countries across the four regions. By integrating its security and insurance services, the Group provides its customers with a series of systematic risk management solutions.

Focusing on personal safety risks, the greatest concern of these customers in international investment operations, especially in high-risks countries and regions, FSG Insurance and Taiping Insurance jointly designed and developed a personal accident insurance product called “Taiping Pioneer Insurance”. At the same time, we are consolidating the networks and the competitive advantages of the Shareholders and those of the Group, and planning to establish joint-venture insurance companies in key countries.

In addition, the Group will consolidate and take advantage of the aviation companies under the Group and provide its customers, especially overseas investors in Africa, with improved services and support including medical transportation and emergency rescue services.

OPERATION AND MANAGEMENT

Over the past year, the Group has recruited a number of management talents with strong experience in handling overseas projects located in these 20 countries across the four regions, which is the primary focus of the Group, and accumulated manpower for the development and implementation of key projects. Meanwhile, the internal functions such as finance, accounting, compliance and internal audit were strengthened and various management systems were optimised. Professional platforms were established by using advanced technology and internet, to fully support the business, and strive to achieve the management team's internationalization and localization.

OUTLOOK

In the capital market, the growth potential of the Group has been widely recognised. In 2018, not only has CITIC increased its stake in the Company, Taiping also became a shareholder of the Company. All these have demonstrated the optimistic view of the market on the future development of the Group.

Within the Group itself, a lot of projects are underway, and team members are working around the clock, just to seize the valuable market opportunities so as to generate more revenue.

保險板塊 — 作為本集團整體風險管理服務的一部分，本集團全資附屬公司先豐保險服務有限公司（「先豐保險」）2018年正式成為香港保險顧問聯會會員，可為先豐重點關注的四大區20多個國家的客戶提供相關保險顧問服務。與本集團安保服務相結合，為客戶提供系統性的風險管理解決方案。

針對客戶在國際投資運營中最擔心的人身安全風險，尤其是在高風險國家和地區，先豐保險與太平保險合作設計開發了人身意外保險產品「太平先鋒保」。同時，正在整合股東和本集團的網絡及優勢力量，計劃在重點國家申請合資保險公司。

此外，本集團將整合並發揮本集團旗下航空公司的優勢，為客戶、尤其是為非洲地區的海外投資者提供更好的配套醫療轉運和緊急救援等服務。

經營管理

在過去的一年中，本集團為其關注的四大區20個重點國家招募了多位富有長年海外項目經驗的管理人才，為重點項目的開發和實施儲備了力量。同時，加強了財務、會計、合規及內部審計等內部職能，完善了各項管理制度，依靠高科技、互聯網，建立專業的平台，全方位支持業務，力爭實現團隊的國際化及本土化。

展望

在資本市場上，本集團的發展潛力得到了廣泛的認同。2018年，除了中信增持本公司的股份，太平也進入了本公司的股東行列，這些舉動都展現了市場對本集團未來發展的看好。

在本集團內部，已經有更多的項目正在推進中，團隊人員日以繼夜地工作，只為抓住寶貴的市場機會，創造更多收益。

CHAIRMAN'S STATEMENT

主席報告

A FINAL NOTE:

Before taking this office as the chairman of the Group, I have been closely watching the development of the Group. Today, in this new position, I will work together with the Group management team. By making full use of the advantages of the corporation and the staff, we will develop the overseas market and provide excellent services to international investors in high-risk areas with the Group's unique operating mode, and create more values and influence for the shareholders of the Company.

Thank you everyone for your unfailing attention, confidence and support that you have been giving to the Group.

Chang Zhenming

Chairman

Hong Kong, 22 March 2019

結語：

在就任本集團董事長之前，我就一直在密切關注本集團的發展。如今，在這個新的位置上，我將與本集團的管理團隊一起，共同發揮企業和員工的優勢，努力開拓海外市場，以其獨特的經營模式為高風險地區的國際投資者提供卓越的服務，為本公司的股東創造更多的價值和影響力。

感謝大家一如既往地給予本集團關注、信心與支持。

常振明

主席

二零一九年三月二十二日於香港

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

REVIEW OF RESULTS

Overall Performance

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收入	866,748	724,414
Cost of direct materials and job expenses	直接材料費用及工作開支	(283,938)	(131,705)
Cost of aircraft management services	飛機管理服務成本	(128,814)	(125,448)
Data costs	數據成本	(7,028)	(6,950)
Employee benefit expenses	僱員福利開支	(211,722)	(178,612)
Sub-contracting charges	分包費用	(288,488)	(295,382)
Operating lease rentals	經營租約租金	(33,438)	(22,412)
Repair and maintenance costs	維修及保養成本	(33,580)	(35,694)
Depreciation and amortisation	折舊及攤銷	(37,310)	(35,375)
Other income and other gains/(losses), net	其他收入及其他收益/(虧損), 淨額	8,871	6,309
Other operating expenses	其他營運費用	(98,144)	(88,552)
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益	—	592
Provision for impairment of other intangibles	其他無形資產之減值撥備	(4,087)	(9,000)
Provision for impairment of property, plant and equipment and assets held for sale	物業、機器及設備以及持作出售資產之減值撥備	(8,318)	(23,633)
Operating loss	營運虧損	(259,248)	(221,448)
Interest income	利息收入	12,426	9,463
Finance costs	融資成本	(13,928)	(18,213)
Share of losses of associates	應佔聯營公司虧損	(1,517)	(2,859)
Loss before income tax	除所得稅前虧損	(262,267)	(233,057)
Income tax credit	所得稅抵免	5,644	9,955
Loss for the year	年度虧損	(256,623)	(223,102)

Frontier Services Group Limited (the “Company”) and its subsidiaries (together, the “Group”) reported a consolidated revenue of HK\$866,748,000 for the year ended 31 December 2018. The revenue growth was mainly due to the Group’s expansion in logistics business in Shanghai. For 2018, the Group reported an operating loss of HK\$259,248,000, a 17% increase over 2017’s reported operating loss of HK\$221,448,000. The increase over the same period of 2017 was mainly due to increase in employee benefit expenses and rental expenses due to the expansion of footprints along the Belt and Road regions. Reported results for 2018 also included non-recurring income, expenses, impairment and provisions, such as a gain on the disposal of available-for-sale financial assets and substantial impairment charges against goodwill, other intangibles, property, plant and equipment and assets held for sale, which had a combined net negative effect on the reporting operating loss by HK\$13,382,000 (2017: HK\$43,726,000) on a net basis.

業績回顧

整體表現

先豐服務集團有限公司(「本公司」)連同其附屬公司(統稱為「本集團」)錄得截至二零一八年十二月三十一日止年度之綜合收入866,748,000港元。收入增長主要由於本集團在上海之物流業務擴張。二零一八年，本集團錄得營運虧損259,248,000港元，較二零一七年錄得之營運虧損221,448,000港元出現17%增長。較二零一七年同期之增加乃主要由於一帶一路沿線之業務擴張帶來僱員福利開支及租金開支之增加。二零一八年錄得之業績亦已計入非經常性收入、開支、減值及撥備(如出售可供出售金融資產之收益以及商譽、其他無形資產、物業、機器及設備及持作出售資產之重大減值支出)，按淨額基準這對所錄得之營運虧損造成合併淨負面影響13,382,000港元(二零一七年：43,726,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Key Performance Indicators

財務關鍵績效指標

		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
Basic loss per share	每股基本虧損	(13.61) cents 仙	(15.84) cents 仙

		As at 31 December 於十二月三十一日	
		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Total assets	資產總值	1,505,983	884,177
Shareholders' funds	股東資金	1,064,608	263,674
Net asset value per share (excluding non-controlling interests)	每股資產淨值 (不包括非控股權益)	45 cents	18 cents
Cash and bank balances	現金及銀行結存	838,509	302,057
Current ratio	流動比率	5.39	1.42
Total liabilities-to-total assets ratio	總負債資產比率	0.21	0.56
Price to book ratio	市賬率	2.76	9.11

The basic loss per share was HK\$0.1361 for 2018, relative to basic loss per share of HK\$0.1584 for 2017. As at 31 December 2018, the Group had total assets of HK\$1,505,983,000, marking a 70% increase versus the same figure for 2017 due to issue of new shares and exercise of share options by a director of the Company, offset by impairment made against intangibles, property, plant and equipment and assets held for sale. The current ratio and total liabilities-to-total assets ratio at year end 2018 were 5.39 and 0.21, respectively. The Group's total liabilities-to-total assets ratio and the current ratio were improved principally because of the increase in cash and bank balances and trade receivables and repayment of bank and other loans during 2018. While the pronounced decrease in the Company's share price over 2018, closing at HK\$1.24 at year-end and the increase in Group's net assets were the primary factors for the decrease in the price-to-book ratio.

二零一八年之每股基本虧損為0.1361港元，而二零一七年則為每股基本虧損0.1584港元。於二零一八年十二月三十一日，本集團擁有資產總值1,505,983,000港元，較二零一七年上升70%，此乃由於發行新股份及本公司之一名股東行使購股權所致，惟因就無形資產、物業、機器及設備及持作出售資產作出減值而被抵銷。於二零一八年年底，流動比率及總負債資產比率分別為5.39及0.21。於二零一八年，本集團之總負債資產比率及流動比率有所改善，乃主要由於現金及銀行結存以及貿易應收款項增加及償付銀行及其他貸款增加所致。本公司股價於二零一八年下跌，年底報收1.24港元，本集團資產淨值增加是導致市賬率下降之主要因素。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Revenue from contracts with customers

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Aviation and logistics business	航空及物流業務	849,276	704,587
Financial market information business	金融市場資訊業務	17,472	19,827
		866,748	724,414

Consolidated revenue for 2018 was HK\$866,748,000, marking growth of 20% on an annual basis. The expansion in logistics business managed in Shanghai was the primary driver of the annual growth in total revenue. More specifically, logistics business in Shanghai contributed HK\$189,545,000 (2017: HK\$24,328,000) revenue to the Group for the year ended 31 December 2018. As a result, and in line with past years, aviation and logistics (“AL”) business accounted for 98% (2017: 97%) of the Group’s 2018 revenue. The Group’s remaining legacy unit, financial market information (“FMI”) business, produced HK\$17,472,000 of revenue for the full-year 2018, a decline of 12% versus 2017 as a result of market demand slackened.

Provision for Impairment of Other Intangibles

Other intangibles of HK\$4,087,000 associated with the Group’s operating businesses were impaired in 2018. The decision to take this impairment against an AL subsidiary, namely Phoenix Aviation Limited (“PAL”), was reached after a careful internal review of those business units and discussion among the Group’s senior management. Impairment made due to the scale down of its maintenance business and a decline in the franchise’s core air ambulance business within a generally more competitive marketplace in east and central Africa, which has had a secondary negative effect on pricing. In the future, the Group will continue to monitor the carrying value other intangibles in accordance with its accounting practices.

Provision for Impairment of Property, Plant and Equipment and Assets Held for Sale

The Group recorded HK\$8,318,000 provision for impairment loss against the aircraft fleet for the year ended 31 December 2018. The carrying amount of property, plant and equipment is measured periodically against the resale market value for comparable assets. The market for aviation assets is cyclical, with substantial changes in resale pricing common over time. Consequently, the Group impaired specific aircraft within its fleet to better reflect the likely value achievable in a resale scenario as at 31 December 2018, and will closely monitor if an impairment indicator is identified.

來自客戶合約之收入

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Aviation and logistics business	航空及物流業務	849,276	704,587
Financial market information business	金融市場資訊業務	17,472	19,827
		866,748	724,414

於二零一八年之綜合收入為866,748,000港元，按年增長約20%。上海管理之物流業務之擴張為推動總收入年度增長之主要因素。更具體而言，上海物流業務為本集團截至二零一八年十二月三十一日止年度之收入貢獻189,545,000港元(二零一七年：24,328,000港元)。因此，與過往年度一致，航空及物流(「航空及物流」)業務佔本集團二零一八年收入98%(二零一七年：97%)。本集團餘下的傳統業務單位金融市場資訊(「金融市場資訊」)業務於二零一八年全年產生收入17,472,000港元，較二零一七年下跌12%，乃由於市場需求疲軟所致。

其他無形資產之減值撥備

與本集團經營業務有關之其他無形資產4,087,000港元已於二零一八年減值。就航空及物流業務附屬公司Phoenix Aviation Limited(「鳳凰航空」)作出有關減值決定乃經審慎內部審閱該等業務單位及本集團高級管理層之間討論後作出。由於位於東非及中非競爭通常較為激烈之市場之維修及特許經營核心空中救護業務規模縮減及出現下跌，對定價產生繼發效應及負面影響，因此作出減值。未來，本集團將繼續根據其會計實務監察其他無形資產之賬面值。

物業、機器及設備以及持作出售資產之減值撥備

截至二零一八年十二月三十一日止年度，本集團就機隊減值虧損撥備為8,318,000港元。本集團乃參照可資比較資產之轉售市值定期計量物業、機器及設備之賬面值。航空資產市場具有週期性，轉售價格通常會隨著時間推移而出現重大變動。因此，本集團已經對其機隊內之個別飛機作出減值，以更佳反映於二零一八年十二月三十一日在轉售情況下可達致之可能價值，而倘識別任何減值跡象，則將會緊密監察有關情況。

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REVIEW OF OPERATING SEGMENTS

Aviation and Logistics Business (“AL Business”)

With continuous growth in the Group's AL Business in 2018, HK\$849,276,000 of revenue was reported from operating subsidiaries mainly from Africa, southern Europe and Mainland China. The organic growth in logistics business in Shanghai was fundamental catalyst in AL Business revenue growth comparing 2017. The Group will continue to implement cost containment measures to increase profitability and potential value in the AL Business.

Transit Freight Forwarding (Pty) Ltd (“**TFF**”), a South African based warehouse and logistics company, generated HK\$373,745,000 of revenue in 2018. This 3% revenue growth reflected the increase in freight charges to its customers by TFF in 2018 and was in line with management expectations. With new management team on board, TFF conducted a new thorough cost analysis and will develop a specialty logistics division to further increase its operational efficiency and profitability.

Frontier Logistics (Shanghai) Co., Ltd (“**Shanghai Logistics**”), a PRC based logistics company, generated HK\$189,545,000 of revenue in 2018. With further development of the logistics businesses between PRC and Africa, the revenue of Shanghai Logistics business is expected to continue to grow in 2019.

Maleth Aero Limited (“**Maleth**”), a Malta based aircraft management services company, generated HK\$151,834,000 of revenue for 2018. With expected expansion through managing more profitable and new aircraft and the provision of freight services, we are optimistic about the operations and results of Maleth in 2019.

PAL, a Kenyan aviation company based in Nairobi, reported a 19% decline in revenue compared to 2017. Downward price pressure and keen competition in the charter and air ambulance services in Africa deeply impacted the overall results of PAL. Improved performance is expected from PAL upon the implementation of cost containment measures and new business development in 2019.

With tremendous efforts paid on developing security and insurance business along the Belt and Road regions during the past few years, the Group has a breakthrough in revenue in 2018. We expect the security and insurance business will have obvious growth and contribute positive impact to the Group in 2019.

The Group's AL Business loss increased by 21% to HK\$196,737,000 comparing 2017. The increase was mainly due to expansion of offices, as well as the increase in initial set up expenses, along the Belt and Road roadmap. With the launch of various cost containment measures and rollout of various projects, positive impacts are expected from AL Business in 2019.

經營分部回顧

航空及物流業務

二零一八年，本集團航空及物流業務持續增長，主要位於非洲、歐洲南部及中國內地之營運附屬公司錄得收入849,276,000港元。上海物流業務之內生增長是航空及物流業務收入較二零一七年增長之基本推動因素。本集團將繼續實施成本控制措施，增加盈利能力及航空及物流業務之潛在價值。

Transit Freight Forwarding (Pty) Ltd (「**TFF**」) (位於南非之倉儲及物流公司) 於二零一八年產生收入373,745,000港元。此3%收入增長反映TFF於二零一八年增加客戶之貨物收費及與管理層所預期者一致。憑藉新的管理層團隊，TFF將進行全面成本分析，並將發展專業物流部門，進一步提升公司之營運效率及盈利能力。

先豐物流(上海)有限公司(「**上海物流**」)(位於中國之物流公司)於二零一八年產生收入189,545,000港元。隨著中國及非洲間物流業務的進一步發展，預期上海物流業務之收入將於二零一九年繼續增長。

Maleth Aero Limited (「**Maleth**」)(位於馬耳他之飛機管理服務公司)於二零一八年產生收入151,834,000港元。由於預期透過管理更多具盈利能力之新飛機及提供貨運服務以擴充業務，本集團對Maleth於二零一九年之營運及業績持樂觀態度。

鳳凰航空(總部設於奈洛比之肯尼亞航空公司)錄得之收入比二零一七年減少19%。降價壓力以及非洲包機及空中救護服務激烈競爭，對鳳凰航空之整體業績影響至深。於二零一九年實施成本控制措施及發展新業務後，預期鳳凰航空之表現將有所改善。

於過去幾年，由於本集團付出巨大努力發展一帶一路地區的安保及保險業務，本集團於二零一八年之收入已見突破。我們期望安保及保險業務將於二零一九年取得明顯增長並對本集團有正面影響。

本集團之航空及物流業務之虧損較二零一七年增加21%至196,737,000港元。該增幅乃主要由於我們在一帶一路沿線擴充辦公室及初始成立開支增加所致。憑藉推出多項成本控制措施及項目，預期將對於二零一九年航空及物流之業績有正面影響。

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Financial Market Information Business (“FMI Business”)

For the year ended 31 December 2018, the Group's FMI segment generated reported revenue of HK\$17,472,000. This legacy business unit provides online financial market data and related information. FMI segment revenue for 2018 represents a 12% decline against comparable figure for 2017. The FMI Business, a non-core business segment of the Group's overall operations, produced a small operating loss of HK\$1,071,000 for the year ended 31 December 2018 as demand for its services declined during the year.

Direct Investments

Direct investments is the Group's segment for available-for-sale financial assets and other direct investment holdings. For 2018, there is no profit generated from the direct investments segment. For 2017, the comparable reported loss from the direct investments segment of HK\$5,875,000 resulting from the closedown of one of the associates.

PROSPECTS

2018 was a transitional year for the Group. Not only just focusing on exploring new markets along the Belt and Road regions, the Group has reallocated its available resources on PAL, TFF and Maleth. With the opening up of new presences and markets in Myanmar, Laos, Cambodia, Nigeria, Mozambique, Kenya, Tanzania and other countries in Asia, Middle East and Africa during 2018, the Group has built up a solid foundation for growth in businesses in 2019 and onwards. The Group is still exploring some other new markets and business segments so as to maximise its shareholders' wealth.

After the completion of the share subscription of the Company in May 2018, additional financial resources were brought into the Group. New investors of different industrial background and knowledge were brought in. Some existing investors also increased its influence over the business operations of the Group. During the second half of 2018, the Group had put additional effort in exploring opportunities on infrastructure business. It is expected that the Group will take part in one or two projects of this kind in 2019 in order to diversify itself not just focusing on logistic, security and insurance business segments. Feasibility studies over these infrastructure projects are undergoing and the Board will provide further information to shareholders when a targeted project has been identified. Projects on major infrastructures, resources, oil and gas along the Belt and Road continue to be the Group's primary focus in this respect.

金融市場資訊業務

截至二零一八年十二月三十一日止年度，本集團之金融市場資訊分部錄得收入17,472,000港元。該傳統業務單位提供線上金融市場數據及相關資訊。金融市場資訊分部於二零一八年之收入較二零一七年之可資比較數據下跌12%。金融市場資訊分部(就本集團整體營運而言屬非核心分部)於截至二零一八年十二月三十一日止年度錄得少量經營虧損1,071,000港元，乃由於年內對有關服務之需求下跌所致。

直接投資

直接投資分部為本集團持有可供出售金融資產及其他直接投資之分部。於二零一八年，直接投資分部並無產生溢利。於二零一七年，直接投資分部之可資比較報告虧損5,875,000港元乃因一間聯營公司倒閉而產生。

前景

二零一八年是本集團過渡的一年。本集團不僅專注於探索一帶一路地區之新市場，亦於鳳凰航空、TFF及Maleth重新配置可用資源。憑藉於二零一八年於緬甸、老撾、柬埔寨、尼日利亞、莫桑比克、肯尼亞、坦桑尼亞及亞洲、中東及非洲的其他國家開闢新的據點及市場，本集團已為其二零一九年及以後之發展奠定堅實基礎。本集團仍在探索其他若干新市場及業務分部，以實現其股東財富之最大化。

本公司於二零一八年五月完成股份認購事項後，新增財務資源已注入本集團，其亦帶來不同行業背景及知識之新投資者。若干現有投資者亦提高對本集團業務營運之影響力。於二零一八年下半年，本集團加大力度探索基礎設施業務之機遇。預期本集團將於二零一九年參與一兩個該類項目以實行多元化，而非僅專注於物流、安保及保險業務分部。該等基礎設施項目之可行性研究正在進行中，且董事會將於認定目標項目時向股東提供進一步資料。一帶一路沿線之主要基礎設施、資源、石油及天然氣項目繼續為本集團於此方面之主要重點。

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In 2019, the Group plans to provide infrastructure project solutions encompassing planning and management, financing, construction and logistics, helping our customers to manage the entire project value chain focusing on transportation corridors, energy and logistics networks as well as social housing projects in Africa and South East Asia, echoing China's Belt and Road initiative. The Group also intends to take part in these projects through equity investment. Infrastructure business segment will be established to support the Group's capabilities to take advantage of these large projects and maximize synergies.

Also, the Group has specifically identified certain countries along the Belt and Road for business development namely Laos, Myanmar, Cambodia and the Democratic Republic of Congo other than Kenya, South Africa and Malta. On business segments, security, logistic and insurance are still the key drivers for growth. The Group would like to take advantage of those infrastructure projects in order to stimulate the growth in revenue and profitability of these three business streams. The Group aim at not just delivering a single service to its customers but a chain of services with the best solution to its customers to their satisfaction. Although the global economy remains highly volatile, the Group remains positive towards 2019 because a strong and solid foundation has been formed. It is the best timing for the Group to grasp those available opportunities and serve our targeted customers with our security, logistic and insurance capabilities. At the same time, the Group will continuously implement various cost reduction measures so as to enhance the Group's overall operational efficiency.

Recently, the global market is facing a lot of challenges. The Group has the belief that our focus on the Belt and Road Initiative and our uniqueness in terms of business modeling and shareholding structure would still be our competitive strength to support the Group's long term strategic growth.

EMPLOYEES

The Group has developed its human resources policies and procedures based on performance and merit. The Group ensures that the pay level of its employees is competitive and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus systems. The Group provides on-the-job training to its employees in addition to retirement benefit schemes and medical insurance. Employees are offered discretionary year-end bonus based on individual merit.

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible directors and employees of the Group to recognise their contribution to the success of the Group. The Company has granted 21,397,030 share options under its share option scheme during the year ended 31 December 2018 (2017: 14,497,030).

於二零一九年，本集團計劃提供基建項目解決方案(當中包括策劃及管理、融資、建設及物流)，協助客戶管理整個項目價值鏈，專注非洲及東南亞之運輸通道、能源及物流網絡以及社會住房項目，以配合中國一帶一路倡議。本集團亦有意透過股權投資參與該等項目。本集團將設立基建業務，提升本集團把握大型項目優勢及充分展現協同效應的能力。

此外，本集團已特別認定多個一帶一路沿線國家進行業務發展，除肯尼亞、南非及馬耳他外，包括老撾、緬甸、柬埔寨及剛果民主共和國。就業務分部而言，安保、物流及保險依舊為發展之主要推動力。本集團擬利用該等基礎設施項目以刺激該三個業務分支之收入增長及盈利能力。本集團之目標不僅為為客戶帶來單一服務，而是為客戶提供一系列服務，並給予客戶最佳解決方案，使彼等滿意。儘管全球經濟依舊極不穩定，本集團對二零一九年保持樂觀，因為其已建立強大而穩固之基礎。現在是本集團抓住現有機會，以我們在安保、物流及保險等方面之實力為目標客戶提供服務之最佳時機。同時，本集團將繼續實施若干成本降低措施以提高本集團之整體營運效率。

全球市場最近重重挑戰。本集團相信專注於一帶一路倡議和我們業務模式及股權結構之獨特性仍然是我們的競爭力優勢，以支持本集團長期戰略性增長。

僱員

本集團制訂了基於員工表現及貢獻之人力資源政策及程序。本集團確保在其薪酬及獎金制度之整體範圍內，僱員之薪酬水平具有競爭力及按表現掛鈎基準支付僱員報酬。本集團除提供退休福利計劃及醫療保險外，亦為其僱員提供在職培訓。僱員按個人貢獻於年底獲取酌情發放之花紅。

本公司設有購股權計劃，藉此向本集團之合資格董事及僱員提供獎勵及報酬，以表彰其對本集團之成功所作出之貢獻。於截至二零一八年十二月三十一日止年度，本公司根據其購股權計劃授出21,397,030份購股權(二零一七年：14,497,030份)。

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The Company also operates a share award scheme to recognise the contributions by certain employees and persons to the Group and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. The Company has not granted any share under its share award scheme during the year ended 31 December 2018 (2017: 1,137,000).

The total number of employees of the Group as at 31 December 2018 was 477 (2017: 432).

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 December 2018, the Group recorded total assets of HK\$1,505,983,000 (2017: HK\$884,177,000) which were financed by liabilities of HK\$314,462,000 (2017: HK\$496,236,000), non-controlling interests of HK\$126,913,000 (2017: HK\$124,267,000) and shareholders' equity of HK\$1,064,608,000 (2017: HK\$263,674,000). The Group's net asset value per share (excluding non-controlling interests) as at 31 December 2018 amounted to HK\$0.45 (2017: HK\$0.18).

The Group recorded cash and bank balances of HK\$838,509,000 (2017: HK\$302,057,000) and total borrowings of HK\$62,276,000 (excluding facility arrangement fees of HK\$2,713,000) (2017: HK\$258,347,000 (excluding facility arrangement fees of HK\$4,788,000)) as at 31 December 2018. During the year ended 31 December 2018, bank loans amounting to HK\$215,804,000 (2017: HK\$153,705,000) in aggregate were partially repaid by proceeds received from the subscription below. The Group's borrowings, which comprise of bank loans, finance leases and other loan and are denominated in United States dollars ("US\$"), South African Rand ("ZAR") and Euro ("EUR"), will mature in 1 to 4 years (2017: 1 to 4 years) as at 31 December 2018. Except for the borrowings of HK\$50,773,000 (2017: HK\$59,439,000), which are interest bearing at fixed rates, the remaining balances of HK\$11,503,000 (2017: HK\$198,908,000) are interest bearing at floating rates as at 31 December 2018. With respect to the Group's net borrowings (total borrowings less cash and bank balances), both 2018 and 2017 reported surplus net cash and bank balances.

On 9 January 2018, Mr. Erik D. Prince ("Mr. Prince"), an Executive Director of the Company, has exercised 50,000,000 share options at an exercise price of HK\$1.50 per share to subscribe for 50,000,000 new shares. The total net proceeds received from the exercise of options amounted to HK\$75,000,000 and were utilised as additional working capital of the Group.

本公司亦設有一項股份獎勵計劃，以表彰若干僱員及人士對本集團所作之貢獻，並給予獎勵以挽留該等人士為本集團之持續營運及發展效力，亦為本集團之進一步發展吸引合適人才。於截至二零一八年十二月三十一日止年度，本公司並無根據其股份獎勵計劃授出任何股份(二零一七年：1,137,000股)。

本集團於二零一八年十二月三十一日之僱員總數為477名(二零一七年：432名)。

財務回顧

流動資金及財務資源

於二零一八年十二月三十一日，本集團錄得資產總值為1,505,983,000港元(二零一七年：884,177,000港元)，包括負債314,462,000港元(二零一七年：496,236,000港元)、非控股權益126,913,000港元(二零一七年：124,267,000港元)及股東權益1,064,608,000港元(二零一七年：263,674,000港元)。本集團於二零一八年十二月三十一日扣除非控股權益後之每股資產淨值為0.45港元(二零一七年：0.18港元)。

於二零一八年十二月三十一日，本集團錄得現金及銀行結存838,509,000港元(二零一七年：302,057,000港元)及貸款總額62,276,000港元(不包括融資安排費用2,713,000港元)(二零一七年：258,347,000港元(不包括融資安排費用4,788,000港元))。於截至二零一八年十二月三十一日止年度，合共215,804,000港元(二零一七年：153,705,000港元)之銀行貸款有部份已以下文所述認購事項之所得款項償還。於二零一八年十二月三十一日，本集團之貸款(由銀行貸款、融資租賃及其他貸款組成及以美元(「美元」)、南非蘭特(「南非蘭特」)及歐元(「歐元」)列值)將於一至四年到期(二零一七年：一至四年)。於二零一八年十二月三十一日，除貸款50,773,000港元(二零一七年：59,439,000港元)按固定利率計息外，餘下結存11,503,000港元(二零一七年：198,908,000港元)乃按浮動利率計息。就本集團貸款淨額(貸款總額減現金及銀行結存)而言，二零一八年及二零一七年均錄得現金淨值及銀行結存盈餘。

於二零一八年一月九日，本公司執行董事Erik D. Prince先生(「Prince先生」)已按行使價每股1.50港元行使50,000,000購股權以認購50,000,000股新股份。行使購股權所收取之所得款項淨額合共為75,000,000港元，並已用作本集團之額外營運資金。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 23 May 2018, the Company issued 640,000,000 new shares to three subscribers, namely Easy Flow Investments Limited (“**Easy Flow**”), Taiping Trustees Limited and Trinity Gate Limited at an issue price of HK\$1.30 each. Easy Flow, a company that is ultimately controlled by a state-owned enterprise in the PRC, was a substantial shareholder of the Company. Net proceeds of HK\$830,567,000 was raised, which was used for the development and expansion of the Group's existing business, repayment of existing bank loans and as general working capital of the Group. As at 31 December 2018, approximately HK\$389,163,000 has been used for the intended purpose of which HK\$16,678,000 has been used for setting up businesses in Myanmar, Laos and Cambodia, HK\$49,207,000 was used for aircraft operations, HK\$147,186,000 has been used for office related expenditures such as staff costs, rentals and transportation service fees and HK\$176,092,000 has been used for the repayment of existing banks loans. The remaining net proceeds will be used as intended.

On 2 December 2018, Mr. Prince, an Executive Director of the Company, has exercised 205,115,657 other options at an exercise price of HK\$0.73 per share to subscribe for 205,115,657 new shares of the Company. The total net proceeds received from the exercise of options amounted to HK\$149,734,000 and were intended to use as additional working capital of the Group.

On 13 March 2017, the Company issued 216,000,000 new shares at an issue price of HK\$0.90 each. Net proceeds of HK\$192,456,000 was raised for the working capital for the development and expansion of the Group's existing AL Business. As at 31 December 2018, all the net proceeds were used for the intended purposes, which included HK\$41,761,000 was used for aircraft operation, HK\$9,242,000 for license fees, HK\$130,301,000 for office related expenditures such as staff costs, rentals and transportation service fees, and HK\$11,152,000 for loan interest payment.

As at 31 December 2018, the Company had 64,886,120 outstanding share options (2017: 351,162,575), out of which all share options (2017: 146,046,918) were granted under its share option schemes. If all of the remaining outstanding share options were exercised, a gross proceed of approximately HK\$82 million (2017: HK\$358 million) in aggregate would be raised before deducting any issuance expenses.

於二零一八年五月二十三日，本公司以發行價每股 1.30 港元向三名認購人（即盈動投資有限公司（「盈動」）、太平信託有限公司及 Trinity Gate Limited）發行 640,000,000 股新股份。盈動（一間由中國國有企業最終控制之公司）過往為本公司之主要股東。已籌募 830,567,000 港元所得款項淨額已用作開發及擴充本集團現有業務、償還現有銀行貸款及用作本集團之一般營運資金。於二零一八年十二月三十一日，約 389,163,000 港元已用作擬定用途，其中 16,678,000 港元用於在緬甸、老撾及柬埔寨開辦業務，49,207,000 港元用於飛機營運，147,186,000 港元用於辦公室相關開支，如員工成本、租金及運輸服務費，以及 176,092,000 港元用於償還現有銀行貸款。餘下所得款項淨額將按擬定用途使用。

於二零一八年十二月二日，本公司執行董事 Prince 先生已按每股 0.73 港元之行使價行使 205,115,657 份其他購股權以認購 205,115,657 股本公司新股份。行使購股權所得款項淨額合共為 149,734,000 港元，擬用作本集團之額外營運資金。

於二零一七年三月十三日，本公司已按每股發行價 0.90 港元發行 216,000,000 股新股份。籌集所得款項淨額 192,456,000 港元，作為本集團現有航空及物流業務發展及擴張之營運資金。於二零一八年十二月三十一日，全部所得款項淨額已按擬定用途使用，其中 41,761,000 港元已用於飛機營運、9,242,000 港元用作特許費用、130,301,000 港元用作辦公室相關開支，如員工成本、租金及運輸服務費，而 11,152,000 港元用作支付貸款利息。

於二零一八年十二月三十一日，本公司有 64,886,120 份（二零一七年：351,162,575 份）尚未行使之購股權，所有（二零一七年：146,046,918 份）購股權為根據其購股權計劃授出之購股權。倘所有餘下尚未行使之購股權獲行使，將可籌得合共約 82,000,000 港元（二零一七年：358,000,000 港元）之所得款項總額（未扣除任何發行開支）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Treasury Policies

The Group adopts conservative treasury policies and has tight controls over its cash management. The Group's cash and bank balances are held mainly in Hong Kong dollars ("HK\$"), Renminbi ("RMB"), US\$ and EUR. Other than the bank deposits pledged for the Group's bank borrowings, surplus cash is generally placed on term deposits and investments depending on the Group's funding requirements.

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group currently operates mainly in Africa, Europe and Mainland China including Hong Kong.

For operations in Hong Kong, most of the transactions are denominated in HK\$ and US\$. The exchange rate of US\$ against HK\$ is relatively stable, and the related currency exchange risk is considered minimal.

For operations in Mainland China, most of the transactions are denominated in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of the foreign exchange controls promulgated by the Chinese government. No financial instrument was used for hedging purposes for the period. The Group is closely monitoring the currency exchange risk of RMB and is looking for any opportunities to mitigate the currency exchange risk of RMB.

For operations in Africa, most of the transactions are denominated in US\$, Kenyan Shillings ("KES") and ZAR. The exchange rates of KES and ZAR against HK\$ have decreased by 2% and increased by 17% respectively during the year ended 31 December 2018. No financial instrument was used for hedging purposes for the year due to the prohibitive cost of available hedging opportunities. The Group is closely monitoring the currency exchange risk of KES and ZAR and will consider the use of financial instrument for hedging purposes, if necessary.

For operations in Europe, most of the transactions are denominated in EUR and US\$. The exchange rate of EUR against HK\$ has decreased by 4% during the year ended 31 December 2018. No financial instrument was used for hedging purposes for the year. The Group is closely monitoring the currency exchange risk of EUR and will consider the use of financial instrument for hedging purposes, if necessary.

財務政策

本集團採納穩健財務政策，嚴格控制其現金管理。本集團之現金及銀行結存主要以港元（「港元」）、人民幣（「人民幣」）、美元及歐元持有。除為本集團之銀行貸款抵押之銀行存款外，現金盈餘一般存作定期存款及投資（視乎本集團之資金需求而定）。

匯率波動風險及有關對沖

本集團現時主要於非洲、歐洲及中國內地（包括香港）經營業務。

就香港之經營業務而言，大部份交易乃以港元及美元列值。美元兌港元之匯率相對穩定，故有關貨幣匯兌風險被視為極低。

就中國內地之經營業務而言，大部份交易乃以人民幣列值。人民幣兌換外幣受中國政府頒佈之外匯管制規則及規例規限。本公司於本期間並無使用金融工具以作對沖。本集團密切監察人民幣之匯兌風險，並正尋求任何可減低人民幣匯兌風險之機會。

就非洲之經營業務而言，大部份交易乃以美元、肯尼亞先令（「肯尼亞先令」）及南非蘭特列值。肯尼亞先令及南非蘭特兌港元之匯率於截至二零一八年十二月三十一日止年度分別下跌2%及上升17%。由於可用之對沖機會成本過高，故此年內本公司並無使用金融工具以作對沖。本集團密切監察肯尼亞先令及南非蘭特之匯兌風險，並將考慮於必要時使用金融工具以作對沖。

就歐洲之經營業務而言，大部份交易乃以歐元及美元列值。歐元兌港元之匯率於截至二零一八年十二月三十一日止年度下降4%。本集團於本年度並無使用金融工具以作對沖。本集團密切監察歐元之匯兌風險，並將考慮於必要時使用金融工具以作對沖。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Material Acquisitions and Disposals of Subsidiaries and Associates

The Group did not have any material acquisitions or disposals of subsidiaries and associates during the year ended 31 December 2018.

Charges on Assets

As at 31 December 2018, the Group had bank deposits amounting to HK\$153,635,000 (2017: HK\$231,365,000) and certain trade receivables of HK\$33,921,000 (2017: HK\$11,682,000) pledged to banks as securities for bank borrowings and banking facilities. In addition, an indirect wholly-owned subsidiary of the Company also issued a fixed and floating debenture on all its assets as securities for a banking facility limit of US\$3,000,000.

Future Plans for Material Investments or Capital Assets and Capital Expenditure Commitments

As at 31 December 2018, the Group had capital expenditure commitments for investment in associates and purchase of land-use-rights amounting to HK\$6,749,000 (2017: HK\$7,058,000) and HK\$11,440,000 (2017: HK\$35,889,000), respectively. Apart from the aforesaid, the Group did not have any concrete future plans for material investments or capital assets and material capital expenditure commitments as at 31 December 2018.

However, the Group always seeks for new investment opportunities in order to broaden the revenue base, improve the Group's profitability and enhance shareholders' value in long term.

Contingent Liabilities

Save as disclosed under the heading "Charges on Assets", the Group does not have material contingent liability as at 31 December 2018.

Subsequent Events

There are no material subsequent events undertaken by the Company or by the Group after 31 December 2018 and up to the date of the annual report.

重大收購及出售附屬公司及聯營公司

截至二零一八年十二月三十一日止年度，本集團並無進行任何重大之附屬公司及聯營公司收購或出售事項。

資產抵押

本集團於二零一八年十二月三十一日有銀行存款153,635,000港元(二零一七年：231,365,000港元)及若干貿易應收款項33,921,000港元(二零一七年：11,682,000港元)已抵押予銀行，作為銀行貸款及銀行融資之保證金。此外，本公司之一家間接全資附屬公司亦利用其所有資產發行固定及浮動債權證，作為其銀行融資(上限為3,000,000美元)之保證金。

有關重大投資或資本資產及資本開支承擔之未來計劃

於二零一八年十二月三十一日，本集團擁有投資於聯營公司及購買土地使用權之資本開支承擔分別為6,749,000港元(二零一七年：7,058,000港元)及11,440,000港元(二零一七年：35,889,000港元)。除上述者外，於二零一八年十二月三十一日，本集團並無任何有關重大投資或資本資產及重大資本開支之具體未來計劃。

然而，本集團一直尋求新投資機會，以擴大收入基礎，改善本集團盈利能力及長遠而言提高股東價值。

或然負債

除「資產抵押」項下所披露者外，於二零一八年十二月三十一日，本集團並無任何重大或然負債。

其後事項

於二零一八年十二月三十一日後及直至本年報公佈日期，本公司或本集團並無重大其後事項。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTRODUCTION

Frontier Services Group Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) is firmly committed to the overall standards of corporate governance and has always recognised the importance of accountability, transparency and protection of shareholders’ interest in general. The Company has adopted the code provisions of the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as its own corporate governance policy, subject to amendments from time to time.

COMPLIANCE WITH THE CG CODE

Throughout the year ended 31 December 2018, the Board of Directors (the “**Board**”) of the Company has reviewed the Group’s corporate governance practices and is satisfied that the Company has complied with the code provisions of the CG Code from time to time.

BOARD OF DIRECTORS

At the date of this annual report, the Board of the Company comprises 9 directors, including 1 non-executive director (Mr. Chang Zhenming (Chairman)), 5 executive directors (Mr. Erik D. Prince (Deputy Chairman), Mr. Ko Chun Shun, Johnson (Deputy Chairman), Mr. Luo Ning (Deputy Chairman), Dr. Hua Dongyi (Chief Executive Officer) and Mr. Hu Qinggang), and 3 independent non-executive directors (Mr. Yap Fat Suan, Henry, Professor Lee Hau Leung and Dr. Harold O. Demuren).

The roles of the Chairman and the Chief Executive Officer are separate and are exercised by different individuals. One of the independent non-executive directors is a professional accountant, which is in compliance with the requirement of the Listing Rules. There are also 3 board committees under the Board, which are the Audit Committee, the Nomination Committee and the Remuneration Committee.

The key responsibilities of the Board include, among other things, formulating the Group’s overall strategies, setting management targets, regulating and reviewing internal controls, formulating the Company’s corporate governance policy, supervising management’s performance while the day-to-day operations and management of the Group are delegated by the Board to management, and ensuring adequacy of resources, qualifications, experience and training programs and budget of the financial staff.

簡介

先豐服務集團有限公司(「**本公司**」，連同其附屬公司統稱「**本集團**」)堅決致力履行企業管治之整體標準，並一直認定問責性、透明度及保障股東整體利益之重要性。本公司已採納香港聯合交易所有限公司證券上市規則(「**上市規則**」)附錄十四所載之企業管治守則及企業管治報告(「**企業管治守則**」)之守則條文，作為其自身之企業管治政策，惟不時作出修訂。

遵守企業管治守則

於截至二零一八年十二月三十一日止年度之整個年度內，本公司董事會(「**董事會**」)已檢討本集團之企業管治常規，並認為本公司已不時遵守企業管治守則之守則條文。

董事會

於本年報日期，本公司董事會由九名董事組成，包括一名非執行董事(常振明先生(主席))、五名執行董事(Erik D. Prince先生(副主席)、高振順先生(副主席)、羅寧先生(副主席)、華東一博士(行政總裁)及胡慶剛先生)，以及三名獨立非執行董事(葉發旋先生、李效良教授及Harold O. Demuren博士)。

主席與行政總裁之職責分離，並由不同人士擔任。根據上市規則之規定，其中一位獨立非執行董事為專業會計師。董事會轄下亦設有三個董事會委員會，即審核委員會、提名委員會及薪酬委員會。

董事會之主要職責包括(其中包括)制定本集團之整體策略、設定管理目標、監管及檢討內部控制、制定本公司之企業管治政策、監督管理人員之表現並確保財務人員獲得充足資源、符合資格、擁有足夠經驗及得到足夠培訓及預算，而本集團之日常營運及管理則由董事會轉授予管理人員。

CORPORATE GOVERNANCE REPORT

企業管治報告

In accordance with the Company's Bye-laws, at each annual general meeting of the Company, one-third of the directors for the time being or, if their number is not a multiple of three, the number nearest to but not less than one-third, shall retire from office by rotation, provided that every director shall be subject to retirement by rotation at least once every three years.

Each of the independent non-executive directors and the non-executive director are appointed for a specific term and are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Company's Bye-laws and the Listing Rules. To determine the non-executive directors' independence, assessments are carried out upon appointment, annually and at any other time where the circumstances warrant reconsideration by the Nomination Committee. The Company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board determined that all the independent non-executive directors meet the requirements for independence as set out in Rule 3.13 of the Listing Rules. Messrs. Chang Zhenming and Luo Ning are currently employees of CITIC Group Corporation, a substantial shareholder of the Company. There is no material relationship between each of the Board members.

Every newly appointed director will be given an induction so as to ensure that he/she has appropriate understanding of the Group's business and of his/her duties and responsibilities under the Listing Rules and the relevant statutory and regulatory requirements. The directors may request the Company to provide independent professional advice at the Company's expense to discharge his/her duties to the Company. Directors' training is an ongoing process. During the year, the Company had provided to the directors regular updates and presentations on changes and developments to the Group's business and to the legislative regulatory environments in which the Group operates. All directors are also encouraged to attend relevant training courses at the Company's expense. All directors are required to provide the Company with their record of training they received during the year ended 31 December 2018.

During the year ended 31 December 2018, the Board has reviewed and monitored the training and continuous professional development of directors and senior management. The Board has also reviewed and ensured compliance of the relevant legal and regulatory requirements, the code of conducts, the CG Code and the disclosure in the Corporate Governance Report.

The directors acknowledge their responsibility for preparing the financial statements and ensuring that the financial statements are prepared as to give a true and fair view and on a going concern basis in accordance with the statutory requirements and applicable financial reporting standards.

根據本公司章程細則，在每年之本公司股東週年大會上，當時三分之一（如董事之數目並非三之倍數，則最接近但不少於三分之一）之董事須輪席退任，惟每名董事均應至少每三年輪席退任一次。

各獨立非執行董事及非執行董事按指定任期獲委任，並須根據本公司之章程細則及上市規則在本公司之股東週年大會上輪席退任及重選。為確定非執行董事之獨立性，本公司於委任後、每年及於提名委員會須重新考慮情況下之任何其他時間進行評估。本公司已接獲各獨立非執行董事根據上市規則第3.13條就獨立性作出之年度確認書。董事會釐定全體獨立非執行董事均符合上市規則第3.13條所載之獨立性規定。常振明先生及羅寧先生目前為本公司之主要股東中國中信集團有限公司之僱員。各董事會成員之間概無重大關係。

每名新任董事將獲安排簡介，以確保其能根據上市規則以及相關法定及監管規定適當掌握本集團之業務及其職責及責任。董事可要求本公司提供獨立專業建議以履行其於本公司之職責，費用概由本公司承擔。本公司持續開展董事培訓。年內，本公司已定期向董事提供本集團業務變動與發展及本集團營運所處之法例監管環境之最新情況及介紹。本公司亦鼓勵全體董事參加相關培訓課程，費用概由本公司承擔。全體董事均須向本公司提供彼等於截至二零一八年十二月三十一日止年度所獲培訓之記錄。

截至二零一八年十二月三十一日止年度，董事會已檢討及監督董事及高級管理人員之培訓及持續專業發展。董事會亦已檢討及確保履行相關法例及監管規定、操守守則、企業管治守則及企業管治報告披露。

董事確認彼等負責編製財務報表，並確保財務報表乃根據法定規定及適用財務報告準則按持續營運基準編製，以作出真實而公平的反映。

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Audit Committee

The Audit Committee currently comprises 3 independent non-executive directors, namely Mr. Yap Fat Suan, Henry (Chairman), Professor Lee Hau Leung and Dr. Harold O. Demuren.

Under its terms of reference, the Audit Committee is required, among other things, to oversee the relationship with the independent auditor, to review the Group's interim and annual consolidated financial statements, to monitor compliance with statutory and listing requirements, to ensure adequacy of resources, qualifications, experience and training programs and budget of the financial staff, and to engage independent legal or other advisers if necessary to perform investigations.

During the year ended 31 December 2018, the Audit Committee, among other matters, reviewed reports from and met with the independent auditor regarding the audit on annual consolidated financial statements and discussed the risk management and internal control of the Group. The Audit Committee also reviewed the scope, extent and effectiveness of the Group's risk management and internal control systems. Further information is disclosed in the section titled "RISK MANAGEMENT AND INTERNAL CONTROL" below.

Nomination Committee

The Nomination Committee currently comprises 5 directors, namely Professor Lee Hau Leung (Chairman), Mr. Erik D. Prince, Mr. Ko Chun Shun, Johnson, Mr. Yap Fat Suan, Henry, and Dr. Harold O. Demuren.

The terms of reference of the Nomination Committee have been determined with reference to the CG Code. Under its terms of reference, the Nomination Committee is responsible for identifying potential directors and making recommendations to the Board on the appointment or re-appointment of directors of the Company. Potential new directors are selected on the basis of their qualifications, skills and experience which the Nomination Committee considers will make a positive contribution to the performance of the Board.

The Nomination Committee is also responsible for the review of the Board's diversity policy, considering factors including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service of board members, and review the measurable objectives that the Board has set for implementing the Board's diversity policy, and monitor the progress on achieving the measurable objectives.

審核委員會

審核委員會目前包括三位獨立非執行董事，即葉發旋先生(主席)、李效良教授及Harold O. Demuren博士。

根據審核委員會之職權範圍，審核委員會須(其中包括)監察與獨立核數師之關係、審閱本集團之中期及年度綜合財務報表、監察法定與上市規定之遵守情況、確保財務人員獲得充足資源、符合資格、擁有足夠經驗及得到足夠培訓及預算，以及在有需要時委聘獨立之法律或其他顧問以進行調查。

截至二零一八年十二月三十一日止年度，審核委員會(其中包括)已審閱獨立核數師有關審核年度綜合財務報表之報告，並與獨立核數師會面和討論本集團之風險管理及內部監控。審核委員會亦已檢討本集團風險管理及內部監控系統之範疇、規限與效益。進一步資料於下文「風險管理及內部監控」一節披露。

提名委員會

提名委員會目前由五位董事組成，即李效良教授(主席)、Erik D. Prince先生、高振順先生、葉發旋先生及Harold O. Demuren博士。

提名委員會之職權範圍乃參考企業管治守則釐定。根據其職權範圍，提名委員會負責物色潛在董事及就本公司董事之任命或連任向董事會作出建議。潛在新董事乃基於提名委員會認為將為董事會工作帶來裨益之資歷、技能及經驗篩選。

提名委員會亦負責檢討董事會成員多元化政策，所考慮的因素包括但不限於董事會成員之性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期，以及檢討董事會已就實施董事會成員多元化政策而制定之可計量目標，並監察該等可計量目標之達標程度。

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Remuneration Committee

The Remuneration Committee currently comprises 5 directors, namely Professor Lee Hau Leung (Chairman), Mr. Erik D. Prince, Mr. Ko Chun Shun, Johnson, Mr. Yap Fat Suan, Henry and Dr. Harold O. Demuren.

The terms of reference of the Remuneration Committee have been determined with reference to the CG Code. Under the terms of reference of the Remuneration Committee, the responsibilities of the Remuneration Committee include, inter alia, assisting the Company in the administration of a formal and transparent procedure for developing remuneration policies, making recommendations to the Board on the remuneration packages of individual executive directors and senior management, and ensuring that no director or any of his/her associates is involved in deciding his/her own remuneration.

During the year ended 31 December 2018, the work performed by the Remuneration Committee includes, inter alia, the review of the Group's remuneration policy for its executive directors and senior management and their levels of remuneration.

Risk Committee

The Risk Committee currently comprises 5 directors, namely Dr. Hua Dongyi (Chairman), Mr. Erik D. Prince, Mr. Yap Fat Suan, Henry, Professor Lee Hau Leung and Dr. Harold O. Demuren.

Under the terms of reference, the Risk Committee is required, among other things, to assist and advise the Board in fulfilling its oversight responsibilities with regard to the Group's risk appetite, risk principles and other risk-related issues including corporate actions and sanction risks management, etc., to consider major investigation findings on risk management matters as delegated by the Board or on its own initiative and management response to these findings, to approve the Group's risk policies and risk tolerances, to oversee and advise the Board on the current risk exposures of the Group and advise on the Group's future risk strategy, to consider emerging risks relating to the Group's business and strategies to ensure that appropriate arrangements are in place to control and mitigate the risks effectively, to review risk reports and breaches of risk tolerances and policies, to review and assess the effectiveness of the Group's risk control/mitigation tools including, but not limited to, the enterprise risk management programme, the sanctions risks management systems, and the Group's contingency plans, and to take charge of the internal control measures and to ensure that they are in place in order to minimise the Group's exposure to sanction risks and ensure that the Group has not been involved in any incidents of non-compliance of sanction laws and regulations.

Discussions of risks are further detailed on pages 45 to 48 under section headed "Principal Risks and Uncertainties".

薪酬委員會

薪酬委員會目前包括五名董事，即李效良教授（主席）、Erik D. Prince先生、高振順先生、葉發旋先生及Harold O. Demuren博士。

薪酬委員會之職權範圍乃參考企業管治守則釐定。根據薪酬委員會之職權範圍，薪酬委員會之責任包括（其中包括）協助本公司管理制定薪酬政策之正式及透明程序，就各執行董事及高級管理人員之薪酬待遇向董事會作出建議，並確保並無董事或其任何聯繫人參與釐定其自身薪酬。

截至二零一八年十二月三十一日止年度，薪酬委員會所履行之工作包括（其中包括）檢討本集團對其執行董事及高級管理人員之薪酬政策以及彼等之薪酬水平。

風險委員會

風險委員會目前包括五名董事，即華東一博士（主席）、Erik D. Prince先生、葉發旋先生、李效良教授及Harold O. Demuren博士。

根據風險委員會之職權範圍，風險委員會須（其中包括）協助董事會履行其關於本集團風險偏好、風險原則及其他風險相關問題（包括公司行動及制裁風險管理等）的監督職責及向董事會提供意見，以根據董事會授權或自行審議有關風險管理事宜的重大調查發現，並管理對該等調查發現的應對措施，審批本集團的風險政策及風險容忍度，監督及向董事會建議本集團當前的風險敞口，並就本集團未來的風險戰略提供意見，考慮與本集團業務及戰略有關的新風險，確保作出適當安排以有效地控制及減輕風險，審查風險報告以及對於風險容忍度及風險政策的違反行為，審查及評估本集團風險控制/舒緩工具的有效性，包括但不限於企業風險管理計劃、制裁風險管理系統及本集團的應急計劃，並負責確保內部監控措施貫徹到位，以最大限度地降低本集團的制裁風險，並確保本集團沒有被牽涉入任何違反制裁法律及法規的事件。

有關風險之論述在第45至48頁「主要風險及不確定因素」一節內進一步詳述。

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BOARD NOMINATION POLICY

The Company sets out below the nomination procedures and the process and criteria contained in the Nomination Policy adopted by the Board in March 2019.

Nomination Procedures and Process

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate.

The secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from members of the Board if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by members of the Board.

- For filling a casual vacancy or appointing an additional member to the Board, the Nomination Committee shall make recommendations for the Board's consideration and approval.
- For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.
- A circular will be sent to the shareholders of the Company to provide them with the name, brief biography, proposed remuneration, (where an independent non-executive Director is to be nominated) independency and other information of the proposing candidate in accordance with the requirements of the applicable laws, rules and regulations including those of the Listing Rules.
- A shareholder can serve a written notice to the Company for the attention of the Company Secretary of his or her intention to propose a certain person for election as a Director. This written notice, together with (i) the information of the candidate as required to be disclosed under Rule 13.51(2) of the Listing Rules and such other information as may be considered relevant to his or her proposed election; and (ii) the written consent by that person to the publication of his or her personal data provided pursuant to (i) immediately above, by the Company in its corporation communication documents in compliance with the Listing Rules or as may be required by the Stock Exchange at the principal place of business in Hong Kong of the Company for a period of no earlier than the day after the despatch of the notice of the meeting and ending no later than 7 days prior to the date of the general meeting.
- The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

董事會提名政策

本公司於下文載列提名程序以及董事會於二零一九年三月採納之提名政策所載之及過程及準則。

提名程序及過程

提名委員會評估建議人選是否適合時會參考下列因素。

提名委員會秘書應召開提名委員會會議，並邀請董事會成員於會議前提名人選(如有)供提名委員會考慮。提名委員會亦可提出董事會成員並無提名之人選。

- 如屬填補董事會之臨時空缺，提名委員會將提出建議，供董事會考慮及批准。
- 如屬建議人選在股東大會上接受選舉，提名委員會將作出提名，供董事會考慮及建議。
- 將向本公司股東發出一份通函，以向彼等提供建議人選之姓名、簡歷、建議酬金、(如所提名者為獨立非執行董事)獨立性及適用法例、規則及法規之規定(包括上市規則之規定)所要求之其他資料。
- 股東可向本公司致送書面通知(收件人為公司秘書)，表示彼擬建議指定人士參選董事。此書面通知連同(i)上市規則第13.51(2)條所要求披露該名人選之資料及就彼建議參選而言被認為可屬相干之其他資料；及(ii)該名人選書面准許本公司於其符合上市規則或聯交所或會要求之企業傳訊文件內刊登上文(i)所提供之個人資料，須於不早於寄發大會通告後一天起至不遲於股東大會日期前七天止之期間，送達本公司之香港主要營業地點。
- 董事會對於任何股東大會上建議人選接受選舉之一切事宜有最後決定權。

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Criteria adopted by the Nomination Committee

- **Business experience:** The candidate should have significant experience from a senior role in an area of business, public affairs or academia, relevant to the Company. Awareness of the Group's focusing industry would be an advantage but not a requirement in all cases.
- **Public board experience:** The candidate should have relevant expertise and experience earned as a Board member of a reputable listed company or from a senior position in his or her industry, public affairs or academia.
- **Diversity:** The candidate should contribute to the Board being a diverse body, with diversity reflecting gender, age, cultural and educational background, ethnicity, professional experience, qualifications, skills and length of service. Given the current composition of the Board, a female candidate would be an advantage but not a requirement.
- **Standing:** The candidate should be of the highest ethical character and have a strong reputation and standing, both personally and professionally, in his or her fields.
- **Time commitment:** Each Board member must have sufficient time available for the proper performance of his or her duties. Directors should be sufficiently free of other commitments to be able to devote the time needed to prepare for meetings and participate in induction, training, appraisal and other Board associated activities.
- **Independence:** For the candidate who is proposed as an independent non-executive director, he or she must satisfy all the independence requirements as set out in Rule 3.13 of the Listing Rules. He or she must always be aware of threats to his or her independency and avoid any conflict of interest with the Company. He or she must be able to represent and act in the best interest of the Company and its shareholders as a whole.

These factors are for reference only, and not meant to be exhaustive and decisive. To ensure that the existing policy continues to be implemented smoothly in practice, the Company shall undertake regular reviews and reassess this policy having regard to the regulatory requirements, good corporate governance practice and the expectations of the Shareholders and other stakeholders of the Company. The Company will propose amendments to the Board for approval.

提名委員會所採納之準則

- **商業經驗：**候選人應在與本公司相干之某業務、公共事務或學術範疇內具有高級職位方面之豐富經驗。對集團關注之行業之認識乃屬有利條件，惟並非在任何情況下均屬必須。
- **公眾董事會之經驗：**候選人應有在具聲譽上市公司擔任董事會成員或在其行業、公共事務或學術上擔任高級職位之相關專才及經驗。
- **多元化：**候選人應對董事會(作為多元團體)作出貢獻，並在性別、年齡、文化及教育背景、種族、專業經驗、資質、技能及服務年資等方面反映多元化。按董事會之現時組合，女性人選乃屬有利條件，惟並非必須。
- **地位：**候選人應有最高道德情操，並在其範疇內(在個人及專業上)具有崇高之聲譽及地位。
- **承諾投入之時間：**各董事會成員必須有足夠時間妥善履行其職責。董事必須從其他承諾中騰出足夠時間，使彼可投入所需時間準備會議及參與入職、培訓、評核及其他董事會相關之活動。
- **獨立性：**如擬提名人選為獨立非執行董事，彼必須符合上市規則第3.13條所載之全部獨立性要求。彼必須時刻意識到其獨立性之威脅，避免與本公司之間有任何利益衝突。彼必須能夠彰顯本公司及其股東整體之最佳利益，並以此行事。

該等因素僅供參考，既不旨在盡列所有因素，亦不具決定性作用。為確保現有政策在實務上繼續順利落實，本公司將定期進行檢討，並在考慮規管要求、良好企業管治常規及股東及本公司其他持份者之預期後，重新評估此政策。本公司將向董事會提出修訂以供批准。

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BOARD DIVERSITY POLICY

In 2013, the Board adopted a board diversity policy (the "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, knowledge and length of service. All board appointments are based on merit and contribution, and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board. The Nomination Committee reviews the Policy on a regular basis and discusses any revisions that may be required, and recommends any such revisions to the Board for consideration and approval.

ATTENDANCE RECORDS AT MEETINGS

The attendance records of each director at the various meetings of the Company during the year ended 31 December 2018 are set out as below:

		Attended/Eligible to Attend 已出席/合資格出席					
		Annual general meeting 股東 週年大會	Special general meeting 股東 特別大會	Board meetings 董事會 會議	Audit committee meetings 審核委員會 會議	Nomination committee meetings 提名委員會 會議	Remuneration committee meetings 薪酬委員會 會議
Number of meetings	會議次數	1	1	6	4	2	2
Executive Directors	執行董事						
Mr. Erik D. Prince	Erik D. Prince 先生	1/1	1/1	6/6	N/A 不適用	2/2	2/2
Mr. Ko Chun Shun, Johnson	高振順先生	1/1	1/1	6/6	N/A 不適用	2/2	2/2
Mr. Luo Ning	羅寧先生	1/1	0/1	5/6	N/A 不適用	N/A 不適用	N/A 不適用
Dr. Hua Dongyi	華東一博士	1/1	1/1	6/6	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Hu Qinggang	胡慶剛先生	0/1	0/1	5/6	N/A 不適用	N/A 不適用	N/A 不適用
Non-Executive Director	非執行董事						
Mr. Chang Zhenming (Note)	常振明先生(附註)	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Independent Non-Executive Directors	獨立非執行董事						
Mr. Yap Fat Suan, Henry	葉發旋先生	1/1	1/1	5/6	4/4	2/2	2/2
Professor Lee Hau Leung	李效良教授	0/1	1/1	5/6	4/4	2/2	2/2
Dr. Harold O. Demuren	Harold O. Demuren 博士	0/1	1/1	3/6	3/4	2/2	1/2

Note:

Appointed as non-executive director on 6 December 2018.

董事會多元化政策

於二零一三年，董事會已採納一套董事會多元化政策(「政策」)，該政策載列達致董事會多元化之方針。本公司考慮董事會成員多元化時，會考慮多個範疇，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務任期，以達致董事會成員多元化。所有董事會委任根據功績及貢獻，且按客觀條件考慮候選人，並審慎考慮董事會多元化之裨益。提名委員會定期檢討政策，討論是否需作任何修訂，並向董事會建議任何該等修訂，以供董事會考慮及批准。

會議出席記錄

截至二零一八年十二月三十一日止年度，各董事出席本公司各次會議之記錄載列如下：

附註：

於二零一八年十二月六日獲委任為非執行董事。

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DIRECTORS' SECURITIES TRANSACTIONS

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

CONTINUOUS PROFESSIONAL DEVELOPMENT

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. During the year ended 31 December 2018, all current directors have participated in continuous professional development as shown below:

Executive Directors

Mr. Erik D. Prince

Reading relevant materials in relation to listing rules update and corporate governance

Mr. Ko Chun Shun, Johnson

Reading relevant materials in relation to listing rules update and corporate governance

Mr. Luo Ning

Reading relevant materials in relation to listing rules update and corporate governance

Dr. Hua Dongyi

Reading relevant materials in relation to listing rules update and corporate governance

Mr. Hu Qinggang

Reading relevant materials in relation to listing rules update and corporate governance

Non-Executive Director

Mr. Chang Zhenming

Reading relevant materials in relation to listing rules update and corporate governance

Independent Non-Executive Directors

Mr. Yap Fat Suan, Henry

Reading relevant materials in relation to listing rules update and corporate governance

Professor Lee Hau Leung

Reading relevant materials in relation to listing rules update and corporate governance

Dr. Harold O. Demuren

Reading relevant materials in relation to listing rules update and corporate governance

董事之證券交易

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)，以監管董事之證券交易。經本公司作出特定查詢後，所有董事均確認彼等於截至二零一八年十二月三十一日止年度全年遵守有關董事之證券交易之標準守則所載之規定準則。

持續專業發展

根據企業管治守則之守則條文第A.6.5條，全體董事均須參加持續專業發展，以發展及更新彼等之知識及技能，確保彼等向董事會作出知情及相關的貢獻。截至二零一八年十二月三十一日止年度，全體參加持續專業發展之現任董事如下：

執行董事

Erik D. Prince 先生

閱讀有關上市規則更新及企業管治之相關資料

高振順先生

閱讀有關上市規則更新及企業管治之相關資料

羅寧先生

閱讀有關上市規則更新及企業管治之相關資料

華東一博士

閱讀有關上市規則更新及企業管治之相關資料

胡慶剛先生

閱讀有關上市規則更新及企業管治之相關資料

非執行董事

常振明先生

閱讀有關上市規則更新及企業管治之相關資料

獨立非執行董事

葉發旋先生

閱讀有關上市規則更新及企業管治之相關資料

李效良教授

閱讀有關上市規則更新及企業管治之相關資料

Harold O. Demuren 博士

閱讀有關上市規則更新及企業管治之相關資料

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITOR'S REMUNERATION

The Company engaged PricewaterhouseCoopers Hong Kong as its statutory auditor for the year ended 31 December 2018. The statement by the independent auditor of the Company and the Group regarding their reporting responsibilities on the financial statements of the Company and the Group is set out in the Independent Auditor's Report on pages 57 to 63 of this Annual Report.

The remuneration in respect of services provided by PricewaterhouseCoopers Hong Kong to the Group in 2018 is summarised as follows:

		HK\$'000 千港元
Auditing services	審核服務	3,010
Non-auditing services	非審核服務	
Fee for corporate governance reporting, environmental, social and governance reporting and review services	企業管治報告、環境、社會及 管治報告及審閱費用	501
		<hr/>
		3,511

COMPANY SECRETARY

The Company does not engage an external service provider as its Company Secretary. Mr. Chan Kam Kwan, Jason, being the Company Secretary of the Company, has taken no less than 15 hours of relevant professional training during the year ended 31 December 2018.

RISK MANAGEMENT AND INTERNAL CONTROL

Responsibilities

The Board has the overall responsibility for setting forth proper risk management culture and risk appetite for the Group, evaluating and determining the level of risk that the Group should take and monitor regularly, and demonstrating openness, integrity and accountability to stakeholders in the decision-making process. The Board, through the Audit Committee, has also devoted to maintain sound and effective risk management and internal control systems in order to safeguard the assets, to achieve business objectives and to ensure compliance with relevant legislation and regulations. The Group's management continues to allocate resources for the design, implementation and monitoring of the risk management and internal control systems. The Group established the risk management and internal control systems with aims to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatements or losses caused by judgment in decision making process, human error, fraud or other irregularities.

核數師酬金

截至二零一八年十二月三十一日止年度，本公司委聘香港羅兵咸永道會計師事務所為其法定核數師。本公司及本集團之獨立核數師就彼等對本公司及本集團財務報表之申報責任聲明載於本年報第57頁至63頁之獨立核數師報告。

於二零一八年，有關香港羅兵咸永道會計師事務所向本集團提供服務之酬金概述如下：

公司秘書

本公司並無外聘服務供應商擔任公司秘書。於截至二零一八年十二月三十一日止年度，本公司之公司秘書陳錦坤先生已接受不少於15個小時之相關專業培訓。

風險管理及內部監控

責任

董事會須整體負責為本集團設立適當的風險管理文化及風險偏好，評估及釐定本集團承擔的風險水平並進行定期監控，以及向利益相關者展示公開、誠信及負責的決策過程。董事會亦致力透過審核委員會維持健全有效之風險管理及內部監控系統，以保護資產、實現業務目標及確保遵守有關法例及法規。本集團管理層持續分配資源，以設計、執行及監察風險管理及內部監控系統。本集團已建立風險管理及內部監控系統，旨在管理而非消除未能達成業務目標之風險，並僅可就決策過程中作出之判斷、人為錯誤、欺詐或其他違規行為導致之重大錯誤陳述或損失提供合理而非絕對保證。

CORPORATE GOVERNANCE REPORT

企業管治報告

Control Framework

Risk Management Policy has been established to set forth the risk management framework and to maintain a consistent basis for the identification, analysis, evaluation, treatment, monitoring and reporting of risks at all levels across the Group to support the achievement of the Group's overall strategic objectives.

The Group has adopted the Enterprise Risk Management framework, which is published by the Committee of Sponsoring Organisations of the Treadway Commission (the "COSO") and involves identifying risks and opportunities that are relevant to the Group's objectives and organisational structure, evaluating those using appropriate qualitative and quantitative techniques, and formulating risk management plans that are consistent with the Group's risk appetite. The Group has chosen both top-down and bottom-up approaches in relation to risk management and internal control. It involves collating and appraising bottom-up input from the heads of all corporate departments, and senior management of business units of the Group, with refinements and adjustments through top-down input from the Board in an iterative manner.

With reference to the Internal Audit Manual of the Group, the Group's internal audit function has been established to provide risk-based and objective assurance, advice and insight to the Board through the Audit Committee. It also helps the Group accomplish its strategic objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes of the Group. To ensure that key risks are addressed, expectations are managed and results are properly communicated, the internal audit function maintains ongoing communication with the Board, the Audit Committee, senior management, other assurance providers and employees during audit assignment planning, execution and wrap-up.

監控框架

本集團已制定風險管理政策，以載列風險管理框架及維持識別、分析、評估、處理、監控及匯報本集團所有水平風險之一致基準，以協助本集團實現整體戰略目標。

本集團已採納由Committee of Sponsoring Organisations of the Treadway Commission (「COSO」) 刊發的企業風險管理框架，以此識別與本集團目標及組織架構有關的風險及機遇、評估適當定量及定性技術的使用以及編製與本集團風險偏好一致的風險管理計劃。本集團已選定「自上而下及自下而上」的雙向風險管理及內部監控方法。該方法涉及收集及評價所有公司部門主管及本集團業務單位高級管理層的自下而上輸入數據，經董事會的自上而下輸入數據反復完善及調整。

本集團已根據其內部審計手冊建立內部審計職能，負責透過審核委員會向董事會提供風險及客觀保證、意見及觀點。其亦引入系統化及嚴格的方法，評估及提升本集團風險管理、內部監控及管治程序的有效性，協助本集團達成其戰略目標。為確保應對主要風險、管理預期及妥善了解結果，內部審計職能於規劃、執行及總結審核任務時，與董事會、審核委員會、高級管理層、其他核證機構及僱員維持持續溝通。

CORPORATE GOVERNANCE REPORT

企業管治報告

2018 Review

During the year, the Audit Committee and the Board have conducted an ongoing review and monitoring of the effectiveness of the risk management, reviewed and discussed the internal control review report submitted. A comprehensive risk assessment exercise was conducted to identify and prioritise the key risks perceived and faced by the Group. Certain key risks summarised in the form of a risk register were identified and categorised into strategic business, financial, operational and compliance aspects in a risk heat map in terms of impact and likelihood of occurrence. The Group performed internal control related activities according to the Internal Audit Plan of 2018. The internal audit function assessed the major changes in the organisational structure that occurred during the previous audit cycle and the changes that were planned for the coming audit cycle. Revisiting and updating the internal audit plan was considered for any major organisational changes. In addition, the Company has put in place internal control measures to minimise sanction risks. The Group has established a risk committee comprising the deputy chairman of the Board and all three independent non-executive directors and chaired by the Chief Executive Officer of the Company to take charge of such measures.

Based on the reviews, the Board considered that (i) the Group's risk management and internal control systems were effective and adequate with reference to the COSO; (ii) the Group had complied satisfactorily with the requirements of the CG Code in respect of risk management and internal control systems; and (iii) the Group has internal control measures in place to address any sanction risks that the Group is or is to be facing.

INVESTOR RELATIONS AND SHAREHOLDERS' RIGHTS

The Board recognises the importance of effective communication with the shareholders and investors. The Company communicates with the shareholders and investors through various channels including investors' conferences, TV interviews, press releases, and publication of interim and annual reports, announcements, circulars and other corporate communications and publications available on the websites of The Stock Exchange of Hong Kong Limited and the Company.

The general meetings of the Company provide an opportunity for direct communication between the Board and the shareholders. The Company encourages the participation of the shareholders through annual general meetings and other general meetings where the shareholders meet and exchange views with the Board, and to exercise their right to vote at meetings. The Company shall arrange notices of meetings and circulars containing details on proposed resolutions to be sent to the shareholders. At general meetings, separate resolutions are proposed on each substantial issue, including the election of individual directors.

二零一八年審閱

年內，審核委員會及董事會已持續檢討及監察風險管理之有效性，並審閱及討論所呈交之內部監控檢討報告。本集團已進行全面風險評估，以識別本集團潛在和面臨的主要風險及區分主次。於按風險影響及發生可能性編製的風險坐標圖內，風險登記表所概述的若干主要風險已識別並分類為策略業務、財務、營運及合規方面之風險。本集團已根據二零一八年之內部審計計劃進行有關內部監控之活動。內部審計職能評估上一審計週期內發生的組織架構主要變動及為下一審計週期所計劃的變動，並就任何主要組織變動修訂及更新內部審計計劃。此外，本公司已實施內部控制措施，以減低制裁風險。本集團已成立風險委員會（由董事會副主席及全體三名獨立非執行董事組成，並由本公司行政總裁擔任主席），以負責該等措施。

根據上述審閱，董事會認為(i)本集團參照COSO的風險管理及內部監控系統有效且充分；(ii)本公司已妥為遵守企業管治守則有關風險管理及內部監控系統之規定及(iii)本集團有內部監控措施來防範本集團正面對或可能面對的任何制裁風險。

投資者關係及股東權利

董事會深知與股東及投資者進行有效溝通之重要性。本公司透過多種渠道與股東及投資者進行溝通，包括投資者會議、電視採訪、新聞稿及於香港聯合交易所有限公司及本公司之網站刊發的中期報告及年報、公告、通函以及其他企業通訊及刊物。

本公司之股東大會提供董事會與股東直接溝通之機會。本公司鼓勵股東透過出席股東週年大會及其他股東大會，在會上與董事會會面及交流意見，並於會上行使其投票權，藉此參與公司事務。本公司將安排向股東寄發載有呈決議案詳情之大會通告及通函。於股東大會上將就各項重大事項(包括選舉個別董事)獨立呈決議案。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board always ensures that shareholders' and investors' views are heard and understood, and welcomes their questions and concerns relating to the Group's management and governance. The Company's website provides email address and telephone number to enable the shareholders to make any enquiries and concerns to the Board. Shareholders may also at any time send their enquiries and concerns to the Board by addressing to the Chief Executive Officer by post or by email. The contact details are set out in the Corporate Information section of this Annual Report.

Subject to Section 74 of the Companies Act 1981 of Bermuda (the "Act") and Bye-law 58 of the Bye-laws of the Company, shareholders holding in aggregate not less than 10% of the paid-up capital of the Company have the right, by written requisition to the Board or the Company Secretary of the Company, to request a special general meeting to be called by the Board for the transaction of any business specified in such requisition, and such meeting shall be held within three months after the deposit of such requisition. Any number of shareholders representing not less than 5% of the total voting rights of the Company on the date of the requisition or not less than 100 shareholders of the Company are entitled to put forward a proposal for consideration at a general meeting of the Company. Shareholders should follow the requirements and procedures as set out in Section 79 of the Act for putting forward such proposal at a general meeting.

CONSTITUTION DOCUMENTS

There were no changes in the Company's constitutional documents during the year ended 31 December 2018.

董事會始終保證會聆聽及瞭解股東及投資者之意見，並歡迎彼等就本集團之管理及管治提出問題及關注事項。本公司之網站提供電子郵件地址及聯絡電話，以便股東向董事會提出任何查詢及關注事項。股東亦可透過向行政總裁寄件或發送電子郵件隨時向董事會發送彼等之查詢及關注事項。聯絡詳情載於本年報公司資料一節。

根據百慕達一九八一年公司法(「公司法」)第74條及本公司章程細則之章程細則第58條，合共持有不少於10%本公司已繳足股本之股東有權透過向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何業務交易，而有關會議須於遞交有關要求後之三個月內舉行。於提出要求之日期佔不少於本公司總投票權5%之任何股東人數或不少於100名之本公司股東，有權於本公司股東大會上提出建議以供考慮。股東於股東大會上提出之有關建議須根據公司法第79條所載列之規定及程序作出。

憲章文件

於截至二零一八年十二月三十一日止年度，本公司之章程文件並無任何變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE REPORT

This is the third Environmental, Social and Governance (“ESG”) report of Frontier Services Group Limited (the “Company”) and its subsidiaries (collectively, the “Group”). The report summarises the performance for the year ended 31 December 2018.

This report covers the key operations of the Group in two differentiated services, including distribution and warehousing, and aviation. The report is compiled in accordance with the ESG Reporting Guide under Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Group believes that creating long-term value for stakeholders is important to sustain its business success. As a company with services spanning across several continents, the Group strives to engage and gain trust and support from its various stakeholders. These include customers, employees, suppliers, investors and the wider community as a whole. The Group engages its stakeholders on a regular basis, through various channels, such as conferences, interviews and surveys. Stakeholders' inputs on what ESG issues matter the most are collected and prioritised. The following sections of the report cover environmental protection, employment and labour practices, operating practices and community investment.

ENVIRONMENTAL PROTECTION

The Group is committed to operating in a sustainable manner through mitigating emissions, improving energy efficiency and reducing its impacts on the environment.

The Group recognises that pollution prevention and resource conservation are key to combating climate change, and effectively integrates these concepts into its business decision making.

The Group strictly observes local rules and regulations on environmental protection. For example, the Group's flagship aviation business in Kenya follows the policies approved by National Environment Management Authority (NEMA), a government agency responsible for environmental policy and the management of the environment.

Enhancing fuel efficiency is a key focus of the Group's environmental protection efforts and technology play a key part in driving the Group's sustainable development. For example, at the Group's ground logistics business, drag-reducing devices are installed on trucks to improve fuel efficiency and reduce greenhouse gas (GHG) emissions. These devices are estimated to lower fuel usage by 5%.

關於本報告

本報告是先豐服務集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之第三份環境、社會及管治(「環境、社會及管治」)報告。本報告概述截至二零一八年十二月三十一日止年度的表現。

本報告涵蓋本集團於分配運及倉儲和航空兩項不同服務的主要營運。本報告乃根據香港聯合交易所有限公司證券上市規則附錄二十七「環境、社會及管治報告指引」所編製。

本集團相信為利益相關者締造長期價值對維持其業務成功尤其重要。作為一家服務遍布各個大洲的企業而言，本集團致力與廣大利益相關者溝通並獲得彼等之信任及支持。該等利益相關者包括客戶、僱員、供應商、投資者及整個廣大社會。透過會議、面談及調查等多個渠道，本集團定期與其利益相關者交流，並已收集及優先處理利益相關者對至關重要的環境、社會及管治事宜的意見。本報告以下各節涵蓋環境保護、僱傭及勞工常規、營運常規及社區投資。

環境保護

本集團致力透過減排、提高能源效益及減少環境影響，實現持續經營。

本集團深明防止污染及節省資源是應對氣候變化的關鍵，並將該等概念有效融入其業務決策過程之中。

本集團嚴格遵守當地有關環境保護的規章制度。例如，本集團位於肯尼亞的旗艦航空業務遵循肯尼亞國家環境管理局(NEMA，負責環境政策及環境管理的政府機構)批准的政策。

提高燃油效率是本集團環保措施之主要重點，而技術在推動本集團之可持續發展中發揮關鍵作用。例如，在地面物流業務方面，本集團在貨車安裝減阻裝置，以提升燃油效率及減少溫室氣體(GHG)排放。估計該等裝置可省油5%。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Responsible waste management practices are adopted in the Group's processes. For example, within the Group's aviation business, used oil from aircraft servicing and maintenance is siphoned into drums for storage and recycling by qualified vendors. The Group encourages proper waste segregation and storage in designated receptacles on its premises to facilitate material recovery and biological treatment.

The Group takes proactive measures to minimise the environmental impact arising from its operations. For instance, the Group's flagship aviation business has relocated its full power engine runs to a designated area located on the southern end of Wilson Airport in Kenya, far from the neighbouring community and sensitive natural habitats. This helps to reduce the impact of air and noise pollution arising from aircraft test runs and vehicle movements. When replacing fleet vehicles, the Group also takes fuel efficiency into account in its decision making process. Fleet vehicles are constantly monitored for excessive fuel usage. Where necessary, drivers are trained to drive the vehicles in the most fuel efficient ways by observing practices with regard to tyre pressures, harsh braking and acceleration, as well as driver behaviour.

All employees are responsible and accountable for operating in an environmentally responsible manner.

The Group has worked towards to raise staff awareness of environmental management by implementing sustainable practices at workplace. For example, to avoid energy wastage, employees are reminded to turn off idle electrical appliances. To lower paper consumption, double-sided printing, recycling of used paper and use of electronic documentation are strongly encouraged. Dedicated bins have been set up at the Group's offices to facilitate waste separation and recycling. Waste paper from the offices is delivered to an approved paper recycler.

The Group strives to drive the environmental performance of its logistics solutions to another level by continuous monitoring and improvement. Regular reviews are carried out on a timely basis to evaluate and explore alternative eco-friendly measures and practices. Going forward, part of the Group's strategy is to increase strategic investment in energy-efficient technologies, such as sourcing for greener fuels and aircraft as appropriate.

Total direct and indirect energy consumption intensity by revenue remains stable when compared to 2017.

本集團在業務過程中採取負責任之廢棄物管理常規。例如，在本集團之航空業務方面，來自飛機服務及維護後的廢機油抽入桶內存儲並交由合資格供應商回收處理。本集團鼓勵適當地分類廢棄物及存放於其工作場所的指定容器內，方便材料回收及生物處理。

本集團積極採取各種措施，致力減少其業務對環境造成的影響。例如，本集團的旗艦航空業務已將發動機滿功率測試遷址至肯尼亞Wilson機場南端的指定區域，遠離周邊社區及敏感的天然棲息地。此舉有助於減少飛機試飛及車輛移動產生的空氣及噪音污染的影響。當替換車隊汽車時，本集團在其決策過程中亦慮及燃油效率。本集團定期監察車隊汽車過度使用燃油之情況。在有需要時，司機獲提供培訓，透過遵守有關輪胎氣壓、急速煞車及加速以及司機行為的常規，以最具有燃油效率方式駕駛汽車。

全體僱員均有責任以環保方式營運，並對此負責。

本集團透過於工作地點實行可持續常規，致力提升員工的環保意識。例如，本集團提醒員工關閉閒置電器設備避免能源浪費。為減少紙張消耗，本集團提倡雙面打印、循環再用廢紙及強烈建議使用電子文件。本集團辦公室已設置指定垃圾箱，有助進行廢棄物分類及回收。辦公室之廢紙亦送往認可紙張回收商。

本集團憑藉持續監察及改善，致力提高其物流解決方案之環保表現至另一個水平。本集團適時進行檢討，評估和研究其他環保措施及常規。未來，本集團策略的一部分是增加節能技術的策略性投資，例如採購更環保的燃料及飛機。

與二零一七年相比，按收入劃分的直接及間接能源消耗總強度保持穩定。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

EMPLOYMENT AND LABOUR PRACTICES

Employment

The Group believes that people are the foundation of its business growth. The Group's human resources policies and procedures cover key aspects such as compensation, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits.

It is paramount for the Group to attract qualified talent both internally and externally to support business ambitions.

The Group's remuneration mechanism is performance-based and competitive. Eligible employees are entitled to other benefits in addition to basic salary, such as medical insurance and retirement funds. Share option and share award schemes are in place to reward and differentiate performance. The remuneration packages are reviewed regularly to keep up with the market.

The Group is committed to providing employees with an inclusive workplace that embraces and promotes diversity and equal opportunity. The Group has zero tolerance towards harassment and discrimination of any form. Employees are hired and selected based on their merits regardless of their race, colour, age, religion, sex and national origin. For example, the Group's flagship aviation business adopted a "Fair and Just Culture Policy" to ensure that all personnel are treated fairly. At the Group's ground logistics business where the majority of group employees are employed, grievance procedures are enforced to make sure that the concerns of the employees are heard and addressed in an equitable and fair manner. During the year, the Group's freight forwarding business achieved Level Four of the Broad-Based Black Economic Empowerment (BBBEE) framework issued by the government of South Africa, demonstrating the Group's commitments in achieving racial diversity.

In the event of misconducts that warrant dismissal, the Group strictly observes the disciplinary code to ensure necessary steps and procedures are followed. Employees have the right to appeal the outcome of the disciplinary hearing which are chaired by independent labour consultants.

僱傭及勞工常規

僱傭

本集團認為人才是業務增長的基石。本集團的人力資源政策及程序涵蓋薪酬、招聘及晉升、工時、休息時間、平等機會、多元化、反歧視、福利及其他利益等主要方面。

吸引內外都合資格人才對支持實現本集團業務目標而言至關重要。

本集團的薪酬機制與表現掛鈎，並具有競爭力。除了基本薪金，合資格僱員可享有其他利益，例如醫療保險及退休金在內的其他福利。同時設有購股權及股份獎勵計劃以獎賞及區分表現。本集團定期檢討薪酬組合，以與市場維持一致水平。

本集團致力向僱員提供包容的工作場所，支持和提倡多元化及機會平等。本集團對任何形式的騷擾及歧視均持零容忍態度。僱員招聘及篩選秉承唯才是用原則，而不論其種族、膚色、年齡、宗教、性別及國籍。例如，本集團的旗艦航空業務採取「公平公正文化政策」，確保所有人員獲得平等對待。本集團大部份僱員所在的地面物流業務設有申訴程序，確保我們能傾聽以及平等公平地消除僱員的擔憂。年內，本集團的貨運代理業務達到南非政府發佈的廣域黑人經濟授權(BBBEE)框架的第四級，表明了本集團在實現種族多元化方面的承諾。

如果發生引致解僱的不當行為，本集團將嚴格遵守紀律守則，確保遵循必要的步驟及程序。僱員有權對由獨立勞工顧問主持的紀律聽證會的結果提出上訴。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Health and Safety

Occupational health and safety (OHS) is the Group's first priority when operating businesses. The Group adopts proper procedures at the workplace to identify, mitigate and monitor health and safety risks. Hazard assessments and safety monitoring are also carried out frequently; results are followed up in a timely manner to drive continuous improvement. Proper personal protective equipment and first aid training are provided to employees. The Group protects the safety of its people and assets by undertaking scrupulous fire prevention measures, organising safety awareness workshops and providing firefighting training. Fire and evacuation drills, fire hydrant flow and pressure tests are conducted periodically.

The Group's flagship aviation business is certified by the Department of Occupational Safety and Health Services under the Ministry of Health of the Republic of Kenya, in recognition of its achievements in upholding workplace safety. Within the Group's freight forwarding business, toolbox talks covering topics such as safety, hazards, health and equipment operations are held with frontline workers on a daily basis. A third-party consultant was engaged in carrying out risk grading audit annually to ensure compliance to local operational risk standards.

The Group is committed to protecting the health and safety of all individuals affected by its activities, including its employees, contractors and the public. The Group ensures that every individual employee works in a safe and healthy environment. Pilots and crew working for the Group's flagship aviation business are covered by kidnap and ransom insurance to provide assurance for their safety.

Employees are encouraged and supported to maintain a healthy work-life balance. In addition to subscribing to all standard aviation safety regulations, the Group's flight operations have enhanced regimes around pre-flight rest and duty hours to further minimise OHS-related risks caused by fatigue.

健康與安全

本集團於業務營運過程中格外重視職業健康與安全(OHS)。本集團於工作場所採納適當的程序，以識別、減低及監督健康與安全的風險。本集團亦定期進行危險評估及安全監督工作，並及時跟進有關結果，推動持續改進。本集團向僱員提供適當的個人保護設備及急救培訓，並透過實施嚴謹的防火措施、組織安全意識研討會及提供防火培訓，保障員工及資產的安全。本集團亦定期舉行火警及疏散演習、消防栓流量及壓力試驗。

本集團的旗艦航空業務獲得肯尼亞共和國健康部的職業安全及健康服務認證，認可其於維護工作場所安全方面的成就。在貨運代理服務方面，本集團亦每日為前線員工舉辦安全座談會，涵蓋安全、危機、健康及設備操作等主題。本集團委聘第三方顧問每年開展風險評級審核，以確保符合當地運營風險標準。

本集團致力保障其業務所影響之每一個人之健康及安全，包括其僱員、承辦商及公眾人士。本集團確保每個員工在安全健康的環境中工作。本集團旗艦航空業務的飛行員及機組人員均已投保綁架及贖金險，以確保彼等的安全。

本集團鼓勵及支持僱員維持工作與生活之間的健康平衡。除遵守所有標準航空安全規例外，本集團的航務運營設有關於飛前休息及值班時間的完善制度，以進一步降低疲勞引致的職業健康與安全相關風險。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Development and Training

The Group believes that talent development is integral to sustaining its competitive advantage and organic growth. Training programmes are set up at business level to support daily job functions. For instance, the Group places a high priority on honing the skills of its ground logistics staff with a focus on the operation of warehouse equipment. Furthermore, highly customised training courses are available for pilots and engineers within the Group's aviation business. The Group also provides support and assistance to staff to attend external training courses that are relevant to their areas of expertise, in order to facilitate employees' professional growth and career progression.

During the year, a skills development committee has been formed within the Group's freight forwarding business to plan and organise development and training for employees. In addition, more than fifty management personnel of the Group's logistic arm attended a ten-day training on safety and security in China to prepare them for the challenges of managing safety and security during operations.

Labour Standards

The Group strives to adhere to applicable local and international labour standards and strictly prohibits the use of child or forced labour in its operations. The Group's suppliers and contractors are expected to attain the same standard in their labour practices.

During the year, the Group's freight forwarding business has become a member of Supplier Ethical Data Exchange (SEDEX). SEDEX Members Ethical Trade Audits (SMETA) were conducted to assess the business's performance around labour rights, health and safety, the environment and business ethics.

發展及培訓

本集團認為人才發展是維持其競爭優勢及內生增長的不可或缺的元素。本集團因應不同業務設置培訓計劃，涵蓋所有日常工作。例如，本集團優先培訓地面物流員工以倉庫設備操作為主的技能。此外，本集團航空業務的飛行員和工程師均可參與切合其需要的培訓課程。本集團亦支持和協助員工參與有關彼等專業領域的外部培訓課程，促進僱員專業進步及事業晉升。

年內，本集團的貨運代理業務已成立技能發展委員會，為僱員計劃並組織的發展及培訓。此外，本集團物流部門的50多名管理人員在中國參加了為期10天的安全及安保培訓，令彼等為應對運營期間的安全及安保管理挑戰做好準備。

勞工準則

本集團致力遵循適用的地方及國際勞工準則，嚴禁於業務中使用童工或強迫勞工。本集團期望供應商及承包商之勞工常規中亦符合相同標準。

年內，本集團的貨運代理業務已成為供應商道德資料交換(SEDEX)的成員，並進行了SEDEX成員道德貿易審核(SMETA)，以評估公司在勞工權利、健康安全、環境及商業道德方面的表現。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OPERATING PRACTICES

Supply Chain Management

The Group works closely with its suppliers and service providers to support and optimise its complete logistic solutions. The Group aspires to exert a positive influence over its suppliers to promote the awareness of sustainability and manage risks within its supply chain, including environmental, social and governance best practices. In addition, a scrupulous and rigorous process for supplier monitoring and screening is in place.

Product Responsibility

Since its establishment, the Group has focused on helping its customers operate more securely and efficiently in frontier markets. The Group emphasises service quality and reliability to differentiate itself in the market and help its clients focus on meeting their project milestones on time and within budget. The Group's aviation business, for example, has implemented an ISO 9001 quality management system approved by UKAS and ANAB (US), with a wide scope of provision of aviation logistics services, such as worldwide charter flights and medical air ambulance charter. To maintain the reliability of its aviation services, the Group conducts forecasts on capacity, demand patterns and customer requirements to address potential bottlenecks caused by hangar space, associated logistics and custom procedures.

Furthermore, a complaint handling mechanism is in place to address customers' concerns. Complaints are properly documented upon receipt and subsequently followed up in a timely and efficient manner. Once complaints are verified, compensation is provided to customers in accordance with established procedures and with reference to prior cases.

Collected personal data is only accessible by authorised personnel and is handled in a confidential manner.

Anti-corruption

The Group maintains a high standard of anti-corruption measures and have zero-tolerance for any form of bribery, corruption or fraud. Upon employment, all employees are introduced to the specific requirements relating to the corruption policies in the company and are provided with anti-corruption training in order to combat the relevant risks to the business. For example, the Group's aviation business in Kenya strictly complies with the requirements of the UK Anti-Bribery and Corruption Act and the Kenya Anti-Corruption and Economic Crimes Act, and makes an effort to keep up to any changes in regulations.

In addition, a whistle-blowing procedure is established with the objective to provide a confidential channel to report on suspected irregularities.

營運常規

供應鏈管理

本集團與貨品及服務供應商密切合作，支持及優化全面物流解決方案。本集團期望對供應商帶來正面影響，提升供應商的可持續發展意識及管理供應鏈的風險，包括環境、社會及管治最佳常規。此外，本集團已實施謹慎及嚴格的供應商監督及篩選程序。

產品責任

自其成立以來，本集團一直專注於協助客戶在前沿市場安全及有效率經營。本集團著重服務質素及信譽，此令其在市場中脫穎而出，並有助其客戶按預定時間表及預算達成彼等之項目里程碑。舉例而言，本集團的航空業務已實行UKAS和ANAB(美國)批准的IOS 9001質量管理體系，可提供廣泛的飛機物流服務，例如全球包機航班及醫療空中救護包機。為維持航空服務的可靠程度，本集團會進行自身能力、需求模式及客戶要求預測，以應對機庫空間、相關物流及海關程序可能引致的瓶頸狀況。

此外，本集團制定了投訴處理制度，旨在解決客戶的問題。一經接到投訴，將妥為記錄，隨後會進行及時、有效的跟進。投訴一經核實，將依據既定程序並參照先前案例向客戶作出補償。

僅獲授權人士可查閱所收集的個人資料，並以保密方式處理有關資料。

反貪污

本集團維持高標準的防貪污措施，對任何形式的貪污、貪污或欺詐採取零容忍的態度。所有員工一旦獲聘用後，均獲知會有關反腐敗政策之特定規定，並獲提供反貪污培訓，消除對公司的相關風險。例如，本集團位於肯尼亞的航空業務嚴格遵守《英國反賄賂及貪污法》及《肯尼亞反腐敗及經濟犯罪法》的要求，並努力遵守該等法規的任何變更。

此外，本集團已制定舉報程序，旨在為疑似違規行為提供保密的舉報途徑。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

COMMUNITY INVESTMENT

The Group is committed to support development in the communities where it operates by working closely with a number of charities. In recent years, we have engaged in various community activities, including but not limited to:—

- supporting and participating in educational fieldtrips to promote children's awareness in conserving wildlife under Carolina for Kibera's Child Outreach Programme in Nairobi, Kenya;
- cooperating with Support Teacher Empowerment Trust by providing training to teachers and equipping them with necessary knowledge and skills to support and educate the disadvantaged youths;
- working with Phakamani Trust, a local non-profit organization aiming to empower rural young women, to combat poverty and unemployment in South Africa; and
- transporting donated food to various charitable organizations such as churches and children homes free of charge.

The Group also encourages its employees to actively participate in volunteer works. When selecting charitable organizations to support, the Group would evaluate their visions and backgrounds. Charities with unclear financial position and operations are not considered so as to ensure community investment goes to the needy.

REGULATORY COMPLIANCE

The Group analyses and monitors the regulatory frameworks applicable to the Group and prepares and updates internal policies whenever necessary. Our Board oversees the Group's management and internal controls on an ongoing basis. With these mechanisms, the Group is not aware of any material non-compliance with relevant local laws and regulations relating to areas such as environmental protection, employment and labour practices and operating practices during the reporting period.

社區投資

本集團竭盡所能與眾多慈善機構密切合作，支持其業務所在之社區發展。近年，本集團曾經參與但不限於以下社區活動：—

- 在肯尼亞奈洛比支持及組織由Carolina for Kibera旗下之學生拓展項目(Child Outreach Programme)所舉辦的具教育意義的實地考察旅行，以提高學生保護野生動物的意識；
- 與Support Teacher Empowerment Trust攜手合作，為教師提供培訓，令他們具備必需知識及技術，支援及教育弱勢青年；
- 在南非夥同Phakamani Trust(當地旨在提高農村年輕女性能力的非牟利組織)，協助消除當地貧困及失業情況；及
- 免費為不同慈善機構(如教會及兒童之家)所收集的食品捐贈提供運輸服務。

本集團亦鼓勵僱員積極參與志願工作。選擇支持慈善機構時，本集團會評估其遠景及背景。本集團不予考慮財政狀況及經營模糊的慈善機構，以確保社區投資能真正幫助有需要的人。

監管合規

本集團分析及監察本集團適用的監管框架，並在有必要時制定及更新內部政策。董事會持續監察本集團的管理及內部監控措施。憑藉該等機制，本集團並不知悉於報告期內在環保、僱傭及勞工常規及經營常規等方面有任何不遵守當地相關法律及法規的重大違規情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL KEY PERFORMANCE INDICATORS

環境關鍵績效指標

Environmental KPIs 環境關鍵績效指標	Unit 單位	2018 二零一八年	2017 二零一七年
Nitrogen Oxides emissions (NO _x) 二氧化氮排放量	tonne 噸	17.26	12.64
Sulphur Oxides emissions (SO _x) 二氧化硫排放量	tonne 噸	0.02	0.02
Particulate matter emissions (PM) 微粒性物質排放量	tonne 噸	1.25	0.91
Total greenhouse gas (GHG) emissions 溫室氣體總排放量	tonne CO ₂ e 二氧化碳排放噸數	7,433.65	7,640.19
Scope 1 — Direct emissions and removals 範圍1 — 直接排放及減除	tonne CO ₂ e 二氧化碳排放噸數	6,554.66	6,716.63
Scope 2 — Energy indirect emissions 範圍2 — 能源間接排放	tonne CO ₂ e 二氧化碳排放噸數	878.99	923.56
Total hazardous waste produced 所產生之有害廢棄物總量	tonne 噸	3.90	7.07
Total non-hazardous waste produced 所產生之無害廢棄物總量	tonne 噸	239.42	152.55
Total energy consumption 能源總耗量	kWh 千瓦時	27,388,686.09	28,251,508.79
Total direct energy consumption 直接能源總耗量	kWh 千瓦時	26,380,383.65	27,218,161.91
Diesel oil 柴油	kWh 千瓦時	14,239,956.89	11,765,608.67
Gasoline/Petrol 汽油	kWh 千瓦時	6,688.64	12,573.84
Kerosene 煤油	kWh 千瓦時	12,133,738.12	15,439,979.41
Total direct energy consumption intensity by revenue 以收益計之間接能源總耗量密度	kWh/HKD'000 revenue 千瓦時/收益千港元	30.44	36.44
Total indirect energy consumption 間接能源總耗量	kWh 千瓦時	1,008,302.43	1,033,346.88
Purchased electricity 已購買電力	kWh 千瓦時	1,008,302.43	1,033,346.88
Total indirect energy consumption intensity by revenue 以收益計之間接能源總耗量密度	kWh/HKD'000 revenue 千瓦時/收益千港元	1.16	1.38
Water consumption 耗水量	m ³ 立方米	56,913.72	19,178.60
Water consumption intensity by revenue 以收益計之耗水量密度	m ³ /HKD'000 revenue 立方米/收益千港元	0.07	0.03

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員之履歷詳情

NON-EXECUTIVE DIRECTORS

Mr. Chang Zhenming aged 62, was appointed as a non-executive director and the Chairman of the Company on 6 December 2018. Mr. Chang holds a master of business administration from The College of Insurance in New York and has a broad range of experience in banking, finance and securities business. Mr. Chang is currently the chairman and an executive director of CITIC Limited (stock code: 267), the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). CITIC Limited is an indirect substantial shareholder of the Company holding approximately 25.91% issued share capital of the Company as at the date of this Annual Report. Mr. Chang is also the chairman of CITIC Group Corporation and CITIC Corporation Limited, and the vice chairman of CITIC International Financial Holdings Limited. He was formerly the vice chairman and president of China Construction Bank Corporation (stock code: 939 (H share); 601939 (A share)), the non-executive director and deputy chairman of Cathay Pacific Airways Limited (stock code: 293), the non-executive director and the chairman of the board of China CITIC Bank Corporation Limited (stock code: 998 (H share); 601998 (A share)), the shares of which are listed on the Main Board of the Stock Exchange and/or the Shanghai Stock Exchange. He was also formerly a non-executive director of China CITIC Bank International Limited and the chairman of CITIC Hong Kong (Holdings) Limited.

非執行董事

常振明先生，62歲，於二零一八年十二月六日獲委任為本公司之非執行董事兼主席。常先生持有位於紐約之保險學院(The College of Insurance)工商管理碩士學位，於銀行、金融及證券業務方面擁有廣泛經驗。常先生目前為中國中信股份有限公司(股份代號：267，其股份於香港聯合交易所有限公司(「聯交所」)主板上市)之主席兼執行董事。中國中信股份有限公司為本公司之間接主要股東，於本年度報告日期持有本公司已發行股本約25.91%。常先生亦為中國中信集團有限公司及中國中信有限公司之董事長及中信國際金融控股有限公司之副董事長。他曾擔任中國建設銀行股份有限公司(股份代號：939 (H股)；601939 (A股))之副董事長兼行長、國泰航空有限公司(股份代號：293)之非常務董事兼副主席、中信銀行股份有限公司(股份代號：998 (H股)；601998 (A股))之非執行董事兼董事會主席，其股份於聯交所主板及／或上海證券交易所上市。彼亦曾擔任中信銀行(國際)有限公司之非執行董事及中信(香港集團)有限公司之董事長。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員之履歷詳情

EXECUTIVE DIRECTORS

Mr. Erik D. Prince, aged 49, was appointed as an executive director on 10 January 2014 and has been re-designated from Chairman to a Deputy Chairman of the Company since 6 December 2018. He is also a director of a subsidiary of the Company and a committee member of the Nomination Committee and the Remuneration Committee of the Company. Mr. Prince is a US-born entrepreneur, philanthropist, military veteran and private equity investor with business interests in Africa, Europe, the Middle East and North America in the fields of logistics, aviation services, manufacturing, natural resources development and energy. He is the founder and chairman of Frontier Resource Group, a private equity firm active across the African continent in areas such as exploration, mining and energy development. Mr. Prince is the founder of Blackwater, the leading global private security company, which he sold in 2010. Mr. Prince was educated at Hillsdale College. Upon graduation, he enlisted in the US Navy, where he served as a Navy SEAL officer until 1996.

Mr. Ko Chun Shun, Johnson, aged 67, has been an executive director of the Company since 1998 and a Deputy Chairman of the Company since January 2014. He is also a director of various subsidiaries of the Company and is a committee member of the Nomination Committee and the Remuneration Committee of the Company. Mr. Ko is an executive director of Branding China Group Limited (stock code: 863), which is listed on the Main Board of the Stock Exchange. Mr. Ko has extensive experience in direct investment, merger and acquisition, TMT (Technology, Media and Telecom) and financial service.

執行董事

Erik D. Prince 先生，49歲，於二零一四年一月十日獲委任為執行董事並由二零一八年十二月六日起自本公司之主席調任為副主席。彼亦為本公司一家附屬公司之董事及本公司提名委員會與薪酬委員會委員。Prince先生為美國出生之企業家、慈善家、退伍軍人及私募股本投資者，於非洲、歐洲、中東及北美洲之物流、航空服務、製造、天然資源發展及能源行業擁有業務權益。彼為Frontier Resource Group之創辦人及主席，該公司為一家活躍於非洲大陸之勘探、採礦及能源開發等範疇之私募股本公司。Prince先生為全球領先的私人安保公司黑水之創辦人，並於二零一零年將其出售。Prince先生於Hillsdale College接受教育。畢業後，彼獲徵召加入美國海軍，並擔任海軍海豹部隊軍官直至一九九六年。

高振順先生，67歲，由一九九八年起擔任本公司之執行董事，及由二零一四年一月起擔任本公司副主席。彼亦為本公司多家附屬公司之董事及本公司提名委員會及薪酬委員會之委員。高先生為於聯交所主板上市的品牌中國集團有限公司（股份代號：863）的執行董事。高先生於直接投資、合併及收購、TMT（科技、媒體及電訊）及金融服務方面擁有豐富經驗。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員之履歷詳情

Mr. Luo Ning, aged 60, has been an executive director of the Company since October 2006 and a Deputy Chairman of the Company since January 2014. Mr. Luo is currently an assistant general manager of CITIC Group Corporation, a substantial shareholder of the Company, the chairman of CITIC Networks Co., Ltd, CITIC TMT and CITIC Guoan Information Industry Company Limited (stock code: sz000839), which is a public company listed on the Shenzhen Stock Exchange in the People's Republic of China ("PRC"). He is a director of Baiyin Nonferrous Group Co., Ltd. (stock code: 601212.ss), a company listed on the Shanghai Stock Exchange in PRC. Mr. Luo is a non-executive director and an executive director of Asia Satellite Telecommunications Holdings Limited (stock code: 1135) and CITIC Telecom International Holdings Limited (stock code: 1883), respectively, both of which are listed on the Main Board of the Stock Exchange. He is also a non-executive director of Lajin Entertainment Network Group Limited (stock code: 8172), which is listed on the Growth Enterprise Market of the Stock Exchange. He also holds directorships in several other subsidiaries of CITIC Group Corporation. Mr. Luo has extensive experience in telecommunication business and holds a Bachelor Degree in Communication Speciality from The Wuhan People's Liberation Army Institute of Communication Command in the PRC.

Dr. Hua Dongyi, aged 54, has been appointed as an executive director and the Acting Chief Executive Officer of the Company since 26 July 2016. On 22 March 2017, he has officially become the Chief Executive Officer of the Company. He is also an executive director of VDM Group Limited, which is listed on the Australian Securities Exchange. Dr. Hua graduated from the Chengdu University of Technology (formerly known as Chengdu College of Geology) with a Bachelor Degree in Engineering in 1984, and also received his Master Degree and Doctoral Degree in Engineering from the China University of Geosciences in 1990 and 1996 respectively. Dr. Hua has over 20 years' experience in international engineering project bidding, international contract management of consulting projects, project management, project evaluation, cost and risk management and planning, organising, implementing, operating of major infrastructure projects and constructing and developing of large mining projects.

Mr. Hu Qinggang, aged 44, has been an executive director of the Company since October 2006. He is also a director of various subsidiaries of the Company. He has extensive experience in the finance field and had worked in the Finance Department of CITIC Group Corporation, a substantial shareholder of the Company, as the deputy director of the Finance and Planning Division. Mr. Hu holds a Bachelor Degree in Economics from the Beijing University of Technology and a Master Degree in Economics from the University of International Business and Economics in the PRC.

羅寧先生，60歲，由二零零六年十月起擔任本公司執行董事，並由二零一四年一月起擔任本公司副主席。羅先生目前為中國中信集團有限公司（本公司之主要股東）之助理總經理、中信網絡有限公司、中信TMT及中信國安信息產業股份有限公司（股份代號：sz000839，於中華人民共和國（「中國」）深圳證券交易所上市之公司）之董事長。彼現時擔任白銀有色集團股份有限公司（股份代號：601212.ss，於中國上海證券交易所上市之公司）之董事。彼分別擔任亞洲衛星控股有限公司（股份代號：1135）及中信國際電訊集團有限公司（股份代號：1883）之非執行董事及執行董事，該等公司均於聯交所主板上市。彼亦擔任為拉近網娛集團有限公司（股份代號：8172）之非執行董事，該公司在聯交所創業板上市。彼亦於中國中信集團有限公司其他多家附屬公司擔任董事一職。羅先生擁有豐富之電訊業務經驗，並持有中國武漢解放軍通訊指揮學院通訊專業學士學位。

華東一博士，54歲，已於二零一六年七月二十六日獲委任為本公司執行董事兼署理行政總裁。於二零一七年三月二十二日，彼已正式成為本公司的行政總裁。彼亦為VDM Group Limited（於澳洲證券交易所上市）之執行董事。華博士於一九八四年畢業於成都理工大學（前稱成都地質學院），獲得工程學學士學位，並分別於一九九零年及一九九六年獲得中國地質大學工程學碩士學位及博士學位。華博士於國際工程項目招標、顧問項目、項目管理、項目評估、成本及風險管理之國際合約管理、主要基礎建設項目之計劃、組織、執行及營運，以及大型採礦項目之建設與開發擁有逾20年經驗。

胡慶剛先生，44歲，由二零零六年十月起擔任本公司之執行董事。彼亦為本公司若干附屬公司之董事。彼擁有豐富財務領域經驗，並曾任職中國中信集團有限公司（本公司之主要股東）之財務部，擔任財務及計劃部副處長。胡先生持有北京工業大學之經濟學士學位及中國對外經濟貿易大學之經濟碩士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員之履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yap Fat Suan, Henry, aged 73, has been an independent non-executive director of the Company since 2004. He is also the chairman of the Audit Committee, and a committee member of the Nomination Committee and the Remuneration Committee of the Company. Mr. Yap holds a Master Degree in Business Administration from the University of Strathclyde, Glasgow, in the United Kingdom. He is a fellow member of the Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants. He has extensive experience in finance and accounting. He retired as the managing director of Johnson Matthey Hong Kong Limited in June 2007 and prior to that appointment he was the general manager of Sun Hung Kai Development (China) Limited. He is also an independent non-executive director of Concord New Energy Group Limited (stock code: 182), which is listed on the Main Board of the Stock Exchange, and Brockman Mining Limited (stock code: 159) (stock code: BCK), which is listed on the Main Board of the Stock Exchange and the Australian Securities Exchange.

Professor Lee Hau Leung, aged 66, has served as an independent non-executive director of the Company since 2014. He is also the chairman of the Remuneration Committee and a committee member of the Audit Committee and the Nomination Committee of the Company. Professor Lee is the Thoma Professor of Operations, Information and Technology at the Graduate School of Business at Stanford University and the chairman of the board of the Fung Academy. His areas of specialisation include supply chain management, information technology, global logistics system design, inventory planning, and manufacturing strategy. He is the founding and current co-director of the Stanford Value Chain Innovation Initiative. He was elected a member of the United States National Academy of Engineering in 2010. He obtained his Bachelor of Social Science degree in Economics and Statistics from The University of Hong Kong in 1974, his Master of Science degree in Operational Research from the London School of Economics in 1975, and his Master of Science and PhD degrees in Operations Research from the Wharton School of the University of Pennsylvania in 1983. He was awarded an Honorary Doctorate of Engineering degree by the Hong Kong University of Science and Technology in 2006 and an Honorary Doctorate from the Erasmus University of Rotterdam in 2008. Professor Lee is an independent non-executive director of each of Lion Rock Group Limited (formerly known as 1010 Printing Group Limited), a company listed on the Main Board of the Stock Exchange; Synnex Corporation, a public company listed on The New York Stock Exchange in the United States; and Esquel Enterprises Limited, a private company based in Hong Kong. Also, Professor Lee has been re-designated as a non-executive director of Global Brands Group Holding Limited, a company listed on the Main Board of the Stock Exchange, since 14 June 2017.

獨立非執行董事

葉發旋先生，73歲，由二零零四年起擔任本公司之獨立非執行董事。彼亦為本公司審核委員會主席以及提名委員會及薪酬委員會委員。葉先生持有英國格拉斯哥斯特拉斯克萊德大學工商管理碩士學位。彼為英格蘭及威爾斯特許會計師公會資深會員及香港會計師公會會員，彼擁有豐富財務及會計經驗。彼於二零零七年六月辭任莊信萬豐貴金屬香港有限公司董事總經理一職，在此委任之前，彼為新鴻基發展(中國)有限公司之總經理。彼亦為協合新能源集團有限公司(股份代號：182，於聯交所主板上市)及布萊克萬礦業有限公司(於聯交所主板(股份代號：159)及澳洲證券交易所(股份代號：BCK)上市)之獨立非執行董事。

李效良教授，66歲，由二零一四年起擔任本公司獨立非執行董事。彼亦為本公司薪酬委員會主席以及審核委員會和提名委員會委員。李教授為史丹福大學商學研究院營運、資訊及科技Thoma教授以及Fung Academy之董事會主席。其專研範疇包括供應鏈管理、資訊科技、環球物流系統設計、存貨規劃及製造策略。彼為Stanford Value Chain Innovation Initiative之創辦及現任聯席主任。彼於二零一零年獲選為美國國家工程學院院士。彼於一九七四年取得香港大學經濟及統計學社會科學學士學位，於一九七五年取得倫敦經濟學院統籌學理學碩士學位，並於一九八三年在賓夕凡尼亞大學華頓商學院取得統籌學理學碩士及博士學位。彼分別於二零零六年及二零零八年獲香港科技大學頒授工程學榮譽博士學位及鹿特丹伊拉斯姆斯大學榮譽博士學位。李教授分別為聯交所主板上市之獅子山集團有限公司(前稱匯星印刷集團有限公司)、美國紐約證券交易所上市之Synnex Corporation及Esquel Enterprises Limited(一家總部位於香港之私人公司)之獨立非執行董事。此外，李教授已自二零一七年六月十四日起獲重新委任為於聯交所主板上市之利標品牌有限公司之非執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員之履歷詳情

Dr. Harold O. Demuren, aged 73, has served as an independent non-executive director of the Company since 2014. He is also a committee member of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company. Dr. Demuren is an aeronautical engineer and the chief executive officer of Harold Demuren Consulting. With over 45 years of experience in both the public and private sectors of the aviation industry, Dr. Demuren has been a strong proponent of aviation safety and security, especially advocating and spreading safety regulatory oversight on the African continent. He was the chief executive officer of Afrijet Airlines, a successful cargo airline, which had strategic alliances with foreign partners servicing Africa, Europe and the Americas from 1998 to 2005. He is the founder of Evergreen Apple Nigeria, the first fully integrated fixed based operations and maintenance facility hangar in Nigeria. He was appointed as the Director General of the Nigerian Civil Aviation Authority from 2005 to 2013 and was the first to provide vital information to the public on the failed attempt of the “Christmas Day Bomber” in 2009. He successfully attained US Federal Aviation Administration (FAA) Category One Certification for Nigeria and was the first African to be elected as the President of the International Civil Aviation Organisation (ICAO) General Assembly in Montreal in 2010. For his contribution to aviation safety globally, Dr. Demuren has received numerous awards including the 2010 Laura Taber Barbour Air Safety Award and the 2014 FSF-Boeing Aviation Safety Lifetime Achievement Award from Flight Safety Foundation. Dr. Demuren holds a Master of Science degree in Aeronautical Engineering from the Kiev Institute of Aeronautical Engineers in the former Soviet Union and a Doctor of Science degree in the field of gas turbines, specialising in aircraft jet engines, from the Department of Aeronautics and Astronautics of the Massachusetts Institute of Technology (MIT).

Harold O. Demuren 博士，73歲，由二零一四年起擔任本公司獨立非執行董事。彼亦為本公司審核委員會、提名委員會及薪酬委員會委員。Demuren 博士為航空工程師及 Harold Demuren Consulting 之行政總裁。Demuren 博士在航空業的公共及私營機構擁有逾45年經驗，一直致力提倡航空安全及保安，特別是提倡並在非洲大陸推廣安全監管。彼曾為 Afrijet Airlines 之行政總裁，該成功之貨運航空公司於一九九八年至二零零五年與外國夥伴建立策略性聯盟，服務非洲、歐洲及美洲。彼為尼日利亞首個全面整合固定基地營運及維修設施機庫 Evergreen Apple Nigeria 之創辦人。彼於二零零五年至二零一三年獲委任為尼日利亞民航局局長，並為首位就二零零九年「聖誕節炸彈客」引爆失敗事件向公眾提供重要訊息的人士。彼成功為尼日利亞取得美國聯邦航空總署（「美國聯邦航空總署」）一級認證，並於二零一零年在蒙特利爾成為首位獲選為國際民用航空組織（「國際民航組織」）大會主席的非洲人。Demuren 博士曾獲頒多個獎項，包括獲飛行安全基金會頒授二零一零年 Laura Taber Barbour 航空安全獎（Laura Taber Barbour Air Safety Award）及二零一四年飛行安全基金會－波音航空安全終身成就獎（FSF-Boeing Aviation Safety Lifetime Achievement Award），以表彰彼對全球航空安全的貢獻。Demuren 博士持有前蘇聯 Kiev Institute of Aeronautical Engineers 之航空工程理學碩士學位，及麻省理工學院（「麻省理工學院」）航空航天系燃氣渦輪領域之理學博士學位，專門研究噴氣式飛機引擎。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員之履歷詳情

SENIOR MANAGEMENT

Mr. Leung King Yu, Wilson, aged 46, has been the Chief Financial Officer of the Company since July 2018. Mr. Leung has more than 23 years of auditing, financial, accounting and advisory related experience of which he spent 10 years working in Mainland China. Prior to joining the Group, he worked at the audit and assurance department of Ernst & Young, an international accounting firm, for more than 17 years. He retired from the partnership at Ernst & Young in September 2012. Afterwards, Mr. Leung worked as the Chief Financial Officer for two other main board listed companies. His experience covers a wide variety of industries including automotive, telecommunication, property development, oil transportation, logistic and manufacturing. He had extensive experience in merger and acquisitions, initial public offerings, fund raising exercises and group restructuring. Mr. Leung graduated from the Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

Mr. Uldarico Ard Peregrino Jr., aged 49, is the Chief Security Officer of the Group and a director of various subsidiaries of the Company. He has advised the corporate and national security level programs in the industry since 1994, and has managed complex, global integrated security and logistics programs in various capacities over the past 20 years. Mr. Peregrino began his career as a United States Marine. After completing his seven-plus years of service, Mr. Peregrino entered the International Corporate Security industry, quickly progressing to managing large VIP security operations and developing critical training for close protection teams. He also served as a local law enforcement officer where he was awarded two "Valor Awards". Among other certifications, Mr. Peregrino holds one of the most respected Aviation Security Certification, the AVSEC PMC certified by ICAO. He has published papers on many security topics and has participated in the international arena as a featured speaker for the corporate security industry and law enforcement.

Mr. Liu Zhigang, aged 46, has been the general manager of East Africa Region and the country manager in the Democratic Republic of Congo (the "DRC") for the Company since July 2018. Mr. Liu is responsible for overseeing the Company's business and operations in Kenya, South Sudan, Somalia, Uganda, Tanzania, Mozambique and the DRC. Prior to joining the Company, Mr. Liu served as vice president and director of Weihai International Economic and Technical Cooperation Co., Ltd. and chairman of Zhengwei Company in the DRC. Mr. Liu has extensive working experience in handling overseas projects including project bidding, project management and localised management and he is familiar with the financing and business model for projects along the Belt and Road Initiative. He is familiar with the business environment in Africa and has a good reputation among local political and business strategists. Mr. Liu graduated from Qingdao University with a Bachelor of Science degree and studied at Central University of Finance and Economics. Mr. Liu has also equipped with extensive financial background.

高級管理人員

梁擎宇先生，46歲，自二零一八年七月起擔任本公司之財務總裁。梁先生擁有超過23年的審核、財務、會計及諮詢相關經驗，期間曾在中國內地工作10年。在加入本集團之前，彼曾於國際會計師事務所安永的審計部工作超過17年，於二零一二年九月離職時為安永之合夥人。此後，梁先生曾為其他兩家主板上市公司擔任財務總監。其經驗涵蓋包括汽車、電信、房地產開發、石油運輸、物流及製造等多個行業，在合併及收購、首次公開發售、籌資活動及集團重組方面擁有豐富經驗。梁先生畢業於香港理工大學。彼為英國特許公認會計師公會及香港會計師公會之資深會員。

Uldarico Ard Peregrino Jr.先生，49歲，本集團安保總裁及本公司多家附屬公司之董事。彼自一九九四年以來從事企業及國家安保水平行業諮詢服務，並於過去20年歷任數職，管理複雜的全球綜合安保及物流項目。Peregrino先生最初為美國海軍陸戰隊隊員。結束長達七年多的軍旅生涯後，Peregrino先生投身國際企業安保行業，並很快進升至管理大型重要人物安保業務及開發嚴格的近身保護團隊培訓。彼亦曾擔任地方執法官員，並兩次獲授「英勇獎」。在其他資格認證當中，Peregrino先生持有最備受推崇之航空安全證書(Aviation Security Certification)，由國際民用航空組織認證之航空安全專業管理證書(AVSEC PMC)。彼已發表大量有關安保主題的論文，並於國際舞台上為企業安保行業及執法機構演講。

劉志剛先生，46歲，由二零一八年七月起擔任本公司東非區總經理兼剛果民主共和國(「剛果(金)」)國家經理。彼負責監管本公司在肯尼亞、南蘇丹、索馬裡、烏干達、坦桑尼亞、莫桑比克及剛果(金)的業務及營運。在加入本公司之前，劉先生曾在威海國際經濟技術合作股份有限公司擔任副總裁及董事及於剛果(金)正威公司擔任董事長。彼在處理海外項目如項目投標、項目營運及屬地化管理方面擁有豐富工作經驗，熟悉一帶一路項目的融資及運營模式。彼熟悉非洲的營商環境，在當地政商界擁有良好的聲譽。劉先生持有青島大學的理學士學位並曾於中央財經大學進修。彼擁有豐富的財務工作背景。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員之履歷詳情

Mr. Liu Jun, Jason, aged 46, is the Head of Logistics of the Group overseeing the Group's logistics for sea, air and ground transportation solutions across the entire business regions. Mr. Liu is based in Group's global logistics centre in Shanghai and brings with him over 21 years of experience in the international logistics industry. Previously, he was General Manager of Sinotrans (Australia) Pty Limited and was responsible for all the logistics services in Australia, which was the world's largest iron ore project from 2007 to 2011. Mr. Liu has a bachelor's degree in International Shipping Management from Shanghai Maritime University and a master's degree in Logistics Engineering and Management from the University of Western Australia.

Mr. Su Bin, aged 39, is the Head of Group Insurance division, focusing on the risk management and insurance solutions business of the Group. Mr. Su has more than 16 years working experience in risk management and insurance industry, offering tailor-made insurance programs and integrated risk solutions for clients like overseas projects and multinational enterprises. Before joining the Group, he worked in line of Construction & Energy of JLT Insurance Broker Co., which was a Jardine Matheson associate company. His clients included many types like power generation, infrastructure, oil and gas, renewable energy etc. in high-risk areas such as Southeast Asia, Central Asia, Africa and South America. Mr. Su worked as Assistant General Manager of the Captive Insurance Department of Generali China, and Assistant General Manager of P&C Technical Department of Jiangtai Insurance Broker Co. once before. He holds Master Degree of Insurance (Central University of Finance and Economics), Bachelor Degree of Economics (Beijing Commercial College), ANZIIF (Fellow) CIP, and is a registered broker of China Insurance Regulatory Commission.

Mr. Lv Chaohai, aged 55, is the Head of Northwest Region, who is responsible to oversee the Company's business and operations in Pakistan, Kazakhstan, Uzbekistan and other major countries in Northwest Asia. Prior to working with the Company, Mr. Lv was vice president of Xinjiang Production and Construction Corporations and director of its international company, having extensive overseas working experience in project operation, equipment procurement as well as localization, security, training, education and employment of Chinese and foreign labor. Mr. Lv is a graduate of Xi'an Jiaotong University and a certificate holder of senior engineer and construction engineer.

劉俊先生，46歲，現任本集團物流部主管，監管本集團整個業務地區之海陸空運輸解決方案之物流安排。劉先生駐守本集團設於上海之全球物流中心，期間彼累積超過21年之國際物流行業經驗。過往，彼曾於二零零七年至二零一一年擔任Sinotrans (Australia) Pty Limited之總經理，負責該全球最大型鐵礦項目在澳洲之所有物流服務。劉先生持有上海海事大學之國際航運管理專業學士學位以及西澳大學之物流工程及管理碩士學位。

蘇彬先生，39歲，本集團總部保險分部主管，專注於本集團之風險管理及保險解決方案業務。蘇先生於風險管理及保險行業擁有超過16年工作經驗，為海外項目及跨國企業等客戶提供度身制定之保險計劃及綜合風險解決方案。加入本集團前，彼曾任職怡和洋行聯屬公司怡和保險經紀有限公司之建築及能源部門。其客戶包括東南亞、中亞、非洲及南美等高風險地區之發電、基礎建設、油氣、可再生能源等多個類型。蘇先生曾任職中意人壽專屬保險部之副總經理，此前則擔任江泰保險經紀股份有限公司財產及傷亡技術部門之副總經理。彼持有中央財經大學之保險碩士學位、北京商學院之經濟學士學位以及澳大利亞新西蘭保險與金融學會(資深會員)認證保險師資格，並為中國保險監督管理委員會之登記經紀。

呂超海先生，55歲，為西北區主管，負責監管本公司於巴基斯坦、哈薩克斯坦、烏茲別克斯坦及亞洲西北其他主要國家之業務及營運。加入本公司之前，呂先生曾擔任新疆兵團建工集團副總裁兼國際公司董事，在項目營運、設備採購以及屬地化、安保、培訓、教育及使用中外勞動力就業方面擁有豐富的海外工作經驗。呂先生畢業於西安交通大學，持有高級工程師及建造師證書。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理人員之履歷詳情

Ms. Cui Jiming, aged 53, is the Global Human Resources Director of the Group, overseeing and operating human resources matters across all of the offices and subsidiaries in Asia, Middle East and Africa, creating and implementing human resource strategy of the Group to transform the strategic objectives into the common goals and actions of all employees. Previously, Ms. Cui served as the Deputy General Manager of CITIC construction Technology Center (Planning & Design Institution), responsible for administration management, human resources management, security management, social responsibility management of Angola KK Housing Project, RED Social Housing Project, Agricultural Development and Construction Project, Geological Survey and other projects. Ms. Cui is a graduate of Lanzhou Jiaotong University, holding a bachelor's degree in Industrial and Civil Construction and a master's degree in Economic Management, and a certificate holder of Senior Engineer, Senior Project Manager and Corporate Trainer.

Mr. Chan Kam Kwan, Jason, aged 45, has been the Company Secretary of the Company since 2006. He is also a director of various subsidiaries of the Company. He graduated from the University of British Columbia in Canada with a Bachelor Degree in Commerce and holds a certificate of Certified Public Accountant issued by the Washington State Board of Accountancy in the United States. He has extensive experience in accounting and corporate finance.

崔繼銘女士，53歲，本集團全球人力資源總監，監管及營運本集團在亞洲、中東及非洲地區所有辦事處、附屬公司的人力資源系統，為本集團戰略發展制定和實施人力資源策略，將企業的戰略目標轉化為全體員工共同的目標與行動。彼曾擔任中信建設技術中心(設計院)副總經理，負責安哥拉KK住房項目、RED社會住房項目、農業開發建設項目、地質調查等項目的行政管理、人力資源管理、安保管理、企業文化、社會責任等工作。彼畢業於蘭州交通大學，持有工業與民用建築學士學位和經濟管理碩士學位，並為高級工程師、高級項目管理師和企業培訓師。

陳錦坤先生，45歲，由二零零六年起擔任本公司之公司秘書。彼亦為本公司多家附屬公司之董事。彼畢業於加拿大英屬哥倫比亞大學，持有商業學士學位，並持有美國華盛頓州會計委員會頒發之執業會計師證書。彼於會計及企業財務方面擁有豐富經驗。

REPORT OF THE DIRECTORS

董事會報告

The directors submit their report together with the audited consolidated financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The principal activities of Frontier Services Group Limited (the “**Company**”) are investment holding and management. Details of the principal activities of the principal subsidiaries are set out in Note 15 to the consolidated financial statements.

An analysis of the performance of the Company and its subsidiaries (the “**Group**”) for the year by operating segments is set out in Note 5 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated income statement on page 64.

DIVIDENDS

The Board of Directors (the “**Board**”) of the Company does not recommend the payment of any dividend (2017: Nil) for the year.

BUSINESS REVIEW

A review of the business of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance are set out in the Chairman's Statement and the Management Discussion and Analysis of this Annual Report. The review forms part of the Report of the Directors.

Description of the principal risks and uncertainties facing the Group are provided in the paragraph below.

Detailed discussions on the Group's environmental policies, relationships with its key stakeholders, and compliance with relevant laws and regulations which have a significant impact on the Group are set out in the Environmental, Social and Governance Report of this Annual Report. The discussions form part of the Report of the Directors.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is exposed to various risks, including factors that are unique to the Group and the markets in which it operates, in addition to those risks that are shared by most other businesses. The Group has implemented a risk management and internal control framework to identify current and foreseeable risks at different levels of the Group in order to monitor and mitigate their adverse impacts.

董事謹提呈彼等之報告及截至二零一八年十二月三十一日止年度之經審核綜合財務報表。

主要業務

先豐服務集團有限公司(「**本公司**」)之主要業務為投資控股及管理。主要附屬公司之主要業務詳情載列於綜合財務報表附註15。

本公司及其附屬公司(「**本集團**」)按營運分部劃分之年內表現分析載列於綜合財務報表附註5。

業績及分派

本集團截至二零一八年十二月三十一日止年度之業績載列於第64頁之綜合收益表。

股息

本年度，本公司董事會(「**董事會**」)不建議派付任何股息(二零一七年：無)。

業務回顧

香港《公司條例》附表5所規定之本集團業務回顧載列於本年報主席報告及管理層討論及分析中。該回顧構成董事會報告之一部份。

關於本集團面對的主要風險及不確定因素的敘述載於下文各段。

有關本集團的環保政策、與其利益相關者之關係及遵守對本集團構成重大影響的相關法律及法規的討論詳情載於本年報之環境、社會及管治報告。有關討論構成董事會報告之一部份。

主要風險及不確定因素

本集團面對多種風險，除大部份其他業務都會面對的風險外，當中亦包括本集團及其營運所在市場的特定因素。本集團已實施風險管理及內部監控框架來識別本集團不同層面目前及可預見的風險，以監察及減輕風險帶來的不利影響。

REPORT OF THE DIRECTORS

董事會報告

The following discussion highlights the risks that are believed to be the most germane to the Group at this time. Any or all of the Group's business, financial status, operations, personnel, and outlook may be adversely or, potentially, materially affected by the identified risks. The scope of the risks influencing the Group may exceed those presented herein, so the following is not intended to be comprehensive. Rather, the list of risks may include in the future unknown matters that ultimately have an impact, material or otherwise, on the Group.

Geopolitical Environment — The Group's core business is the provision of logistics, security and insurance services to customers operating across the Belt and Road region from Asia to Africa. The Group's target geographies include many of the world's fastest growing markets. However, the orderly transition of elected leadership, especially within less developed countries, has been challenged at times, creating localised political risk. In addition, regional pockets of terrorism often directed toward governments and related agencies, can compound the geopolitical risk inherent. Therefore, diversification, across end-markets, service capabilities and operating locations, is the cornerstone of the Group's process to mitigate geopolitical risk.

Economic Environment — The Group employs a strategy of diversification to hedge against cyclical downturns in geographic regions and specific end-markets. Nevertheless, the Group's regional markets, writ large, have been and will continue to be affected by commodity prices and balance-of-trade issues.

Compliance — Similar to the intrinsic geopolitical risk arising from operating in Africa, corruption is found in fast-growing markets. The Group rigorously adheres to all applicable anti-bribery statutes of various jurisdictions and offers a thorough anti-corruption training program to all of its staff members to reduce the risk of corruption to the business.

Aviation — The Group has invested considerable resources into the development of its aviation capabilities. The global aviation market carries numerous inherent risks, from the safe operation of aircraft to the evolution of local regulatory policies. The Group follows all policies and procedures to ensure that its aviation operations are fully compliant with the relevant civil aviation authority and that it operates its fleet in the safest and most reliable manner.

Competition — The Group has endeavoured to be the first business to bring a complete logistics, security and insurance service solution to Belt and Road markets. Within its primary aviation and logistics segment – air and ground – the Group faces strong competition from existing competitors specialising in one or more of the Group's lines of service. The Group continually adapts its tactical response to the ever-changing competitive landscape across its target markets. Combining security services with logistics, aviation and insurance offerings is a huge market differentiator.

下文討論所提及的風險相信為現時與本集團關係最為密切的風險。當中所識別的風險均可能對本集團任何或全部業務、財務狀況、營運、僱員及前景造成不利或潛在重大影響。影響本集團的風險範圍可能超出本報告書所呈列的範圍，故此下文並不擬作為詳盡資料。反之，風險列表可能包括日後最終對本集團造成重大或其他方面的影響的未知事宜。

地緣政治環境 — 本集團的核心業務橫跨亞洲至非洲，為向於一帶一路地區經營業務的客戶提供物流、安保及保險服務。本集團的目標地區包括很多全球增長最迅速的市場。然而，尤其是在低度發展國家當選領導層的有序過渡仍然不時面臨挑戰，造成地方政治風險。此外，針對政府及有關當局的地區恐怖主義活動時有發生，令固有的地緣政治風險惡化。因此，在終端市場、服務能力及營運地點三方面作多元化發展，是本集團減低地緣政治風險過程的基礎。

經濟環境 — 本集團採取多元化的策略對沖地區及特定終端市場的週期性經濟衰退。儘管如此，本集團的區域市場一直並將繼續受到商品價格及貿易平衡問題的顯著影響。

合規 — 與在非洲經營業務產生的內在地緣政治風險相類似，貪污亦經常在迅速增長的市場出現。本集團嚴格遵從各個司法權區內所有適用的反行賄法規，並為其所有僱員提供全面的反貪培訓課程，以減低業務的貪污風險。

航空 — 本集團已為發展其航空服務能力投入大量資源。全球航空市場有多項固有風險，包括飛機的安全運作以至地方監管政策的演變。本集團遵守所有政策及程序，以確保其航空業務全面符合相關民航機關的規定，並以最安全及最可靠的方式營運其機隊。

競爭 — 本集團致力成為首家為一帶一路市場提供全面物流、安保及保險服務解決方案的公司。本集團首要的航空及物流分部(包括航空及地面)令其面臨來自現有競爭對手的激烈競爭，而該等供應商都專門從事一項或以上本集團所提供的服務。本集團不斷因應目標市場瞬息萬變的競爭環境採取策略性的應對措施。將安保服務與物流、航空及保險服務相結合，令本集團從市場中脫穎而出。

REPORT OF THE DIRECTORS

董事會報告

Global Operations — The Group, headquartered in Hong Kong, now conducts operations in three continents, Asia, Africa and Europe. As a result, considerable ongoing coordination is required to manage the business in the most effective manner across multiple time zones and numerous geographies.

Financial — The Group operates across multiple jurisdictions and conducts business in multiple foreign currencies. As such, the Group is exposed to foreign exchange risks and even exchange control. The Group monitors its cash position and overall near-and medium-term liquidity on a weekly basis, and makes all necessary adjustments to ensure that the business has a functioning capital structure.

Strategy — The Group is fully committed to its strategic development of an integrated logistics, security and insurance service offering. The execution of this vision requires great coordination among the Group's operating businesses, in addition to the cooperation of other potential partners. Further, the fulfillment of the Group's strategy may require the addition of new geographic or service capabilities, either through greenfield investment or corporate acquisition. While the Group proactively plans for these potential requirements, there are no assurances that the required investment opportunities will exist in the future.

Personnel — The Group's success is ultimately determined by its dedicated staff, and the ability to grow the business is predicated on the Group's ability to recruit, train, and retain highly qualified personnel who share a passion for the corporate vision. The loss of any key staff member or a failure to attract new personnel could have a negative and potentially material effect on the Group and its prospects.

Highly Regulated Business — The Group is subject to a number of national and local regulatory bodies by virtue of its global operations. Failure to comply with any one of the applicable regulatory regimes could have an adverse impact on the Group's operation. Consequently, the Group expends substantial resources ensuring its businesses operate in a fully compliant manner, often with the assistance of third-party service providers who specialise in such matters.

Sanction Risks — The Group is subject to sanction risks imposed by various bodies by virtue of its global business in frontier markets. These sanction risks might impose restrictions to the Group's business and might have an adverse impact on the Group's operation. The Company has put in place various measures, including but not limited to seeking external legal counsel's advice and establishing a risk committee, to ensure these sanction risks would not have a material impact on the Group's operation. During the year, the Group has established a subsidiary in Myanmar, of which the principal activities are the provision of logistics and security services. We had assessed the sanction risks exposure of this subsidiary and no activities conducted by this subsidiary were exposed to sanction risks.

全球業務 — 本集團的總部設於香港，現時於亞洲、非洲及歐洲三大洲經營業務。因此，本集團必須持續進行大量的協調工作，方能以最有效的方式管理其於不同時區及多個地區的業務。

財務 — 本集團在多個司法權區內營運，並以多種外幣經營業務。因此，本集團面對有關外匯風險甚至外匯管制。本集團每星期監察其現金狀況以及短期及中期的整體流動資金狀況，並會作出所有必要調整，以確保業務擁有正常運作的資金架構。

策略 — 本集團致力達致物流、安保及保險綜合服務的策略性發展。除與其他潛在業務夥伴合作外，實現此一願景亦需要本集團所經營的各項業務間的良好協調。此外，達成本集團的策略可能需要增添新的地區或服務能力，而此可透過全新領域的投資或企業收購達致。雖然本集團積極為這些潛在需求進行規劃，但概無保證日後將會出現所需的投資機遇。

僱員 — 本集團的成功全然取決於其努力不懈的員工，而業務增長的能力則取決於本集團招聘、培訓及挽留熱切追求同一企業願景的卓越僱員的能力。流失任何主要員工或未能吸引新僱員均可能對本集團及其前景造成負面及潛在的重大影響。

受高度規管的業務 — 由於本集團經營全球業務，故此其受到多個國家及地方監管機構的規限。未能遵守任何一個適用監管體制均可能對本集團的營運造成不利影響。因此，本集團已投入大量資源，以確保以全面合規的方式經營其業務，當中不時涉及專門處理該等事宜的第三方服務供應商的協助。

制裁風險 — 本集團因其於前沿市場之全球業務而承擔不同機構施加之制裁風險。該等制裁風險可能限制本集團之業務及可能對本集團的營運造成不利影響。本公司已實施不同措施，包括但不限於諮詢外部法律顧問的意見及已成立風險委員會，以確認該等制裁風險不會對本集團的營運造成重大影響。年內，本集團於緬甸成立一間附屬公司，主要從事提供物流及保安服務。我們已評估該附屬公司承受之制裁風險，該附屬公司所進行的活動亦無面臨制裁風險。

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The risk committee of the Company had also adopted a sanction policy and terms of reference. The members of the Risk Committee had also met several times to assess and evaluate sanction risks with consultation with external legal counsels on the countries (i.e. the Democratic Republic of Congo, Myanmar, Iraq and South Sudan), where the Group has or plans to have business operations, which may be subject to sanctions imposed by United Nations, European Union, United States of America and/or Australia.

SHARE CAPITAL, SHARE OPTIONS AND SHARE AWARD

Details of the movements in the share capital, share options and share award of the Company during the year ended 31 December 2018 are set out in Notes 29, 30 and 31 to the consolidated financial statements respectively.

RESERVES

The Company's distributable reserves as at 31 December 2018, which solely comprised contributed surplus, amounted to HK\$558,899,000 (2017: HK\$558,899,000). Details of the movements in the reserves of the Group during the year are set out in Note 32 to the consolidated financial statements.

DONATIONS

During the year ended 31 December 2018, no charitable and other donation was made by the Group (2017: HK\$89,000).

DIVIDEND POLICY

The Company has adopted a dividend policy (the “**Dividend Policy**”), pursuant to which the Company may distribute dividends to the shareholders of the Company by way of cash or shares. Any distribution of dividends shall be in accordance with the Hong Kong Laws, the bye-laws of the Company, the Bermuda Companies Act 1981 (as amended from time to time) and any other applicable laws, rules and regulations.

The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and any declaration of dividend will be subject to the approval of the Shareholders. In proposing any dividend payout, the Board shall also take into account, inter alia:

- the Group's actual and expected financial performance;
- shareholders' interests;
- retained earnings, distributable reserves and contributed surplus of the Company and each of the other members of the Group;

本公司風險委員會已採納本集團的制裁政策及職權範圍。風險委員會成員亦舉行了幾次會議，以於諮詢本集團已經或計劃有業務營運的地方(即剛果民主共和國、緬甸、伊拉克及南蘇丹，或會受到聯合國、歐盟、美國及／或澳洲制裁)的外聘法律顧問後，評估及評價制裁風險。

股本、購股權及股份獎勵

截至二零一八年十二月三十一日止年度，本公司股本、購股權及股份獎勵之變動詳情分別載列於綜合財務報表附註29、30及31。

儲備

本公司於二零一八年十二月三十一日可供分派之儲備(全部均為實繳盈餘)為558,899,000港元(二零一七年：558,899,000港元)。年內，本集團之儲備變動詳情載列於綜合財務報表附註32。

捐款

截至二零一八年十二月三十一日止年度，本集團並無作出慈善及其他捐款(二零一七年：89,000港元)。

股息政策

本公司已採納股息政策(「**股息政策**」)，據此，本公司可透過現金或股份方式向本公司股東派發股息。任何股息分配均應符合香港法例、本公司之公司細則、一九八一年百慕達公司法(經不時修訂)及任何其他適用法例、規則及法規之規定。

支付任何股息之建議視乎董事會之絕對酌情權而定，任何股息宣派須待股東批准後方可作實。在提出任何股息支付時，董事會亦應考慮(其中包括)：

- 本集團之實際及預期財務表現；
- 股東之權益；
- 本公司及本集團其他成員公司之保留盈利、可分派儲備及實繳盈餘；

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- the level of the Group's debts to equity ratio, return on equity and financial covenants to which the Group is subject;
 - possible effects on the Group's creditworthiness;
 - any restrictions on payment of dividends or other covenants on the Group's financial ratios that may be imposed by the Group's financial creditors;
 - the Group's expected working capital requirements and future expansion plans;
 - liquidity position and future commitments at the time of declaration of dividend;
 - taxation considerations;
 - statutory and regulatory restrictions;
 - general business conditions and strategies;
 - general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
 - other factors that the Board deems appropriate.
- 本集團之債務權益比率、股本回報率及本集團須遵守之財務契諾；
 - 可能對本集團信譽產生的影響；
 - 本集團財務債權人可能對本集團支付股息施加之任何限制或對本集團財務指標施加之其他契諾；
 - 本集團的預期營運資金要求及未來擴張計劃；
 - 宣派股息時的流動資金狀況及未來承擔；
 - 稅收考慮；
 - 法定及監管限制；
 - 總體業務狀況及策略；
 - 總體經濟狀況、本集團業務的商業週期以及可能影響本公司業務或財務表現及狀況的其他內部或外部因素；及
 - 董事會認為適當的其他因素。

The Dividend Policy will be reviewed from time to time and there is no assurance that a dividend will be proposed or declared in any specific periods.

股息政策將不時進行審查，並不保證在任何特定時期內會提出或宣派股息。

FIVE YEAR FINANCIAL SUMMARY

A summary of the published results and assets, liabilities, non-controlling interests and shareholders' equity of the Group for the last five financial years, as extracted from the audited consolidated financial statements, is set out on page 204 of the Annual Report. This summary does not form part of the audited consolidated financial statements.

五年財務概要

本集團過去五個財政年度之已公佈業績及資產、負債、非控股權益以及股東權益之概要(摘錄自經審核綜合財務報表)載列於本年報第204頁。本概要並不構成經審核綜合財務報表之一部份。

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or there is no restriction against such rights under the laws of Bermuda.

優先購買權

本公司章程細則內並無有關優先購買權之規定，百慕達法例亦無對該等權利作出限制。

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company has not redeemed any of its listed securities during the year ended 31 December 2018. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the year ended 31 December 2018.

購買、贖回或出售本公司上市證券

截至二零一八年十二月三十一日止年度，本公司並無贖回任何其上市證券。截至二零一八年十二月三十一日止年度，本公司及其任何附屬公司概無購買或出售本公司任何上市證券。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The directors of the Company during the year ended 31 December 2018 and up to the date of this report are:

Non-Executive Director

Mr. Chang Zhenming (“**Mr. Chang**”) (appointed with effect from 6 December 2018)

Executive Directors

Mr. Erik D. Prince (“**Mr. Prince**”)

Mr. Ko Chun Shun, Johnson (“**Mr. Ko**”)

Mr. Luo Ning (“**Mr. Luo**”)

Dr. Hua Dongyi (“**Dr. Hua**”)

Mr. Hu Qinggang (“**Mr. Hu**”)

Independent Non-Executive Directors

Mr. Yap Fat Suan, Henry (“**Mr. Yap**”)

Professor Lee Hau Leung (“**Professor Lee**”)

Dr. Harold O. Demuren (“**Dr. Demuren**”)

In accordance with the Company's Bye-laws, Mr. Chang, Mr. Prince, Dr. Hua and Mr. Hu will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

The Company has received annual confirmations of independence from all independent non-executive directors and considers them to be independent. Under the terms of their appointment, the independent non-executive directors are appointed for a specific term and are subject to retirement by rotation in accordance with the Company's Bye-laws.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Bye-laws and subject to the statutes, every director shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he may sustain or incur in the execution of his office or otherwise in relation thereto. The Company has taken out and maintained insurance against the liability and costs associated with defending any proceedings which may be brought against the directors of the Company. The level of coverage is reviewed annually.

董事

於截至二零一八年十二月三十一日止年度及截至本報告日期，本公司之董事如下：

非執行董事

常振明先生(「常先生」)(於二零一八年十二月六日獲委任)

執行董事

Erik D. Prince 先生(「Prince 先生」)

高振順先生(「高先生」)

羅寧先生(「羅先生」)

華東一博士(「華博士」)

胡慶剛先生(「胡先生」)

獨立非執行董事

葉發旋先生(「葉先生」)

李效良教授(「李教授」)

Harold O. Demuren 博士(「Demuren 博士」)

根據本公司章程細則，常先生、Prince 先生、華博士及胡先生將於應屆股東週年大會上輪席退任，符合資格並願膺選連任。

本公司已收到所有獨立非執行董事之年度獨立性確認函，並認為彼等為獨立人士。根據委任條款，獨立非執行董事按特定任期獲委任，且須根據本公司章程細則輪席退任。

獲准許之彌償保證條文

根據本公司章程細則及在法規之規限下，各董事將會就履行其職責或與此有關的其他事宜而蒙受或招致之所有成本、費用、開支、損失及責任獲得本公司以其資產作出彌償。本公司已就本公司董事可能面對任何法律程序中之抗辯所招致之責任及費用投購及續購保險，並每年檢討投保範圍。

REPORT OF THE DIRECTORS

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EQUITY-LINKED AGREEMENTS

Other than the share option scheme and the share award scheme of the Company as set out in Notes 30 and 31 to the consolidated financial statements respectively and the preference shares issued by DVN (Group) Limited, a wholly-owned subsidiary of the Company, as set out in Note 33 to the consolidated financial statements, there were no other equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares entered into by the Company during the year ended 31 December 2018 or subsisted as at 31 December 2018.

DIRECTORS' SERVICE CONTRACTS

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

There were no transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2018.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 37 to 44 of the Annual Report.

股票掛鈎協議

除分別載於綜合財務報表附註30及31之本公司購股權計劃及股份獎勵計劃以及載於綜合財務報表附註33由本公司全資附屬公司DVN (Group) Limited發行之優先股外，本公司概無於截至二零一八年十二月三十一日止年度訂立或於二零一八年十二月三十一日存續其他將會或可能導致本公司發行股份，或規定本公司訂立任何將會或可能導致本公司發行股份之協議之股票掛鈎協議。

董事服務合約

擬於應屆股東週年大會上膺選連任之董事，概無與本公司訂立不可於一年內免付補償(法定補償除外)而終止之服務合約。

董事於交易、安排或合約中之重大權益

於年結日或截至二零一八年十二月三十一日止年度內任何時間，本公司或其附屬公司概無簽訂任何涉及本集團之業務而本公司之董事直接或間接在其中擁有重大權益且仍然存續之重要交易、安排或合約。

董事及高級管理人員之履歷詳情

本公司之董事及本集團之高級管理人員之履歷詳情載列於年報第37頁至44頁。

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DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

At 31 December 2018, the interests and short positions of the directors in the shares and underlying shares of the Company or its associated corporations, as defined in Part XV of the Securities and Futures Ordinance (the "SFO") and as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), were as follows:

Long Positions in Shares and Underlying Shares of the Company

Name of director 董事姓名	Number of ordinary shares held 所持普通股數目				Number of underlying shares held 所持相關股份數目		% of the issued share capital of the Company 佔本公司已發行股本百分比
	Personal interests 個人權益	Family interests 家族權益	Corporate interests 公司權益	Total 總計	Personal interests 個人權益	Grand total 總計	
Mr. Prince Prince 先生	200,690,657	—	—	200,690,657	—	200,690,657	8.56%
Mr. Ko 高先生	—	2,040,816 (Note (i)) (附註(i))	268,776,719 (Note (ii)) (附註(ii))	270,817,535	—	270,817,535	11.55%
Dr. Hua 華博士	—	—	—	—	48,231,090 (Note (iii)) (附註(iii))	48,231,090	2.06%
Mr. Hu 胡先生	9,814,000	—	—	9,814,000	—	9,814,000	0.42%
Mr. Yap 葉先生	—	—	—	—	1,400,000 (Note (iii)) (附註(iii))	1,400,000	0.06%
Professor Lee 李教授	1,400,000	—	—	1,400,000	—	1,400,000	0.06%
Dr. Demuren Demuren 博士	1,400,000	—	—	1,400,000	—	1,400,000	0.06%

董事於本公司或任何相聯法團股份及相關股份之權益及淡倉

於二零一八年十二月三十一日，董事於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份及相關股份中擁有須記入本公司根據證券及期貨條例第352條存置之登記冊之權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須另行知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

於本公司股份及相關股份之好倉

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Notes:

- (i) These shares were held by the spouse of Mr. Ko.
- (ii) This represents:
 - (a) the deemed interests of Mr. Ko in the 48,276,719 ordinary shares of the Company held by First Gain International Limited under the SFO by virtue of his interests in First Gain International Limited;
 - (b) the deemed interests of Mr. Ko in the 175,500,000 ordinary shares of the Company held by Rich Hill Capital Limited under the SFO by virtue of his interests in Rich Hill Capital Limited; and
 - (c) the deemed interests of Mr. Ko in the 45,000,000 ordinary shares of the Company held by Greater Harmony Limited under the SFO by virtue of his interests in Greater Harmony Limited.
- (iii) These represent the share options of the Company granted to the respective directors under the Company's share option scheme, details of which are disclosed in Note 30 to the consolidated financial statements.

Save as disclosed above, at 31 December 2018, none of the directors had any interests or short positions in the shares or underlying shares of the Company or any of its associated corporations which had been recorded in the register required to be kept under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed in the section titled "DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS" above and in the share options disclosed in Note 30 to the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES

At 31 December 2018, other than the interests and short positions of the directors or chief executive of the Company as disclosed in the section titled "DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS" above, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

附註：

- (i) 該等股份由高先生之配偶持有。
- (ii) 該數字指：
 - (a) 根據證券及期貨條例，由於高先生於First Gain International Limited之權益，故被視作擁有First Gain International Limited持有之48,276,719股本公司普通股之權益；
 - (b) 根據證券及期貨條例，由於高先生於Rich Hill Capital Limited之權益，故被視作擁有Rich Hill Capital Limited持有之175,500,000股本公司普通股之權益；及
 - (c) 根據證券及期貨條例，由於高先生於Greater Harmony Limited之權益，故被視作擁有Greater Harmony Limited持有之45,000,000股本公司普通股之權益。
- (iii) 該等數字指根據本公司購股權計劃授予有關董事之本公司購股權，詳情於綜合財務報表附註30披露。

除上文所披露者外，於二零一八年十二月三十一日，概無董事於本公司或其任何相聯法團之股份或相關股份中擁有須記入根據證券及期貨條例第352條而存置之登記冊之任何權益或淡倉，或根據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

董事收購股份之權利

除上文「董事於本公司或任何相聯法團股份及相關股份之權益及淡倉」一節中所披露及綜合財務報表附註30所披露之購股權外，任何董事或彼等各自之配偶或未成年子女概無於年內任何時間獲授予可藉購入本公司股份而獲益之權利，亦無行使任何該等權利。本公司或其任何附屬公司亦無參與訂立任何安排，致使董事可取得任何其他法團之該等權利。

主要股東及其他人士於股份之權益

於二零一八年十二月三十一日，除上文「董事於本公司或任何相聯法團股份及相關股份之權益及淡倉」一節中所披露之本公司董事或主要行政人員之權益及淡倉外，根據本公司按照證券及期貨條例第336條存置之權益登記冊記錄，擁有本公司已發行股本5%或以上之權益之主要股東及其他人士如下：

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董事會報告

Long Positions in Shares and Underlying Shares of the Company

於本公司股份及相關股份之好倉

Name	Number of ordinary shares held 所持普通股數目			Number of underlying shares held 所持相關股份數目		% of the issued share capital of the Company 佔本公司已發行股本百分比
	Direct beneficially owned	Through controlled corporation	Total	Through controlled corporation	Grand total	
名稱	直接實益擁有	透過受控公司	總計	透過受控公司	總計	
Easy Flow Investments Limited 盈動投資有限公司	607,592,607	—	607,592,607	—	607,592,607	25.91%
CITIC Investment (HK) Limited 中信投資管理(香港)有限公司	—	607,592,607 (Note (i)) (附註(i))	607,592,607	—	607,592,607	25.91%
CITIC Corporation Limited 中國中信有限公司	—	607,592,607 (Note (ii)) (附註(ii))	607,592,607	—	607,592,607	25.91%
CITIC Limited 中國中信股份有限公司	—	607,592,607 (Note (iii)) (附註(iii))	607,592,607	—	607,592,607	25.91%
CITIC Group Corporation 中國中信集團有限公司	—	607,592,607 (Note (iv)) (附註(iv))	607,592,607	—	607,592,607	25.91%
Taiping Trustees Limited 太平信託有限公司	160,000,000	—	160,000,000	—	160,000,000	6.82%
Taiping Financial Holdings Company Limited 太平金融控股有限公司	—	160,000,000 (Note (v)) (附註(v))	160,000,000	—	160,000,000	6.82%
China Taiping Insurance Holdings Company Limited 中國太平保險控股有限公司	—	160,000,000 (Note (vi)) (附註(vi))	160,000,000	—	160,000,000	6.82%
Trinity Gate Limited	175,399,571	—	175,399,571	—	175,399,571	7.48%
Timeness Vision Limited	—	175,399,571 (Note (vii)) (附註(vii))	175,399,571	—	175,399,571	7.48%
Teng Rongsong 滕榮松	—	175,399,571 (Note (viii)) (附註(viii))	175,399,571	—	175,399,571	7.48%
Rich Hill Capital Limited	175,500,000	—	175,500,000	—	175,500,000 (Note (ix)) (附註(ix))	7.48%

REPORT OF THE DIRECTORS

董事會報告

Notes:

- (i) CITIC Investment (HK) Limited is deemed to be interested in the 607,592,607 ordinary shares of the Company held by Easy Flow Investments Limited under the SFO by virtue of its interests in Easy Flow Investments Limited.
- (ii) CITIC Corporation Limited is deemed to be interested in the 607,592,607 ordinary shares of the Company held by Easy Flow Investments Limited under the SFO by virtue of its interests in CITIC Investment (HK) Limited.
- (iii) CITIC Limited is deemed to be interested in the 607,592,607 ordinary shares of the Company held by Easy Flow Investments Limited under the SFO by virtue of its interests in CITIC Corporation Limited.
- (iv) CITIC Group Corporation is deemed to be interested in the 607,592,607 ordinary shares of the Company held by Easy Flow Investments Limited under the SFO by virtue of its interests in CITIC Limited. Mr. Luo Ning, a deputy chairman and an executive director of the Company, is an employee of CITIC Group Corporation.
- (v) Taiping Financial Holdings Company Limited is deemed to be interested in the 160,000,000 ordinary shares of the Company held by Taiping Trustees Limited under the SFO by virtue of its interests in Taiping Trustees Limited.
- (vi) China Taiping Insurance Holdings Company Limited is deemed to be interested in the 160,000,000 ordinary shares held by Taiping Trustees Limited by virtue of its interests in Taiping Financial Holdings Company Limited.
- (vii) Timeness Vision Limited is deemed to be interested in the 175,399,571 ordinary shares of the Company held by Trinity Gate Limited under the SFO by virtue of its interests in Trinity Gate Limited.
- (viii) Mr. Teng Rongsong is deemed to be interested in the 175,399,571 ordinary shares held by Trinity Gate Limited by virtue of its interests in Timeness Vision Limited.
- (ix) Mr. Ko is deemed to be interested in the 175,500,000 shares of the Company held by Rich Hill Capital Limited under the SFO by virtue of his interests in Rich Hill Capital Limited. Such interest forms a part of the corporate interests in the ordinary shares of the Company interested by Mr. Ko as set out in the section titled "DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS" above. Mr. Ko is a director of Rich Hill Capital Limited.

Save as disclosed above, at 31 December 2018, no other person (other than the directors or chief executive of the Company whose interests are set out in the section titled "DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS" above) had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

附註：

- (i) 根據證券及期貨條例，由於中信投資管理(香港)有限公司持有盈動投資有限公司之權益，故被視作擁有盈動投資有限公司持有之本公司607,592,607股普通股之權益。
- (ii) 根據證券及期貨條例，由於中國中信有限公司持有中信投資管理(香港)有限公司之權益，故被視作擁有盈動投資有限公司持有之本公司607,592,607股普通股之權益。
- (iii) 根據證券及期貨條例，由於中國中信股份有限公司持有中國中信有限公司之權益，故被視作擁有盈動投資有限公司持有之本公司607,592,607股普通股之權益。
- (iv) 根據證券及期貨條例，由於中國中信集團有限公司持有中國中信股份有限公司之權益，故被視作擁有盈動投資有限公司持有之本公司607,592,607股普通股之權益。本公司之副主席及執行董事羅寧先生為中國中信集團有限公司之僱員。
- (v) 根據證券及期貨條例，由於太平金融控股有限公司持有太平信托有限公司之權益，故被視作擁有太平信托有限公司持有之本公司160,000,000股普通股中之權益。
- (vi) 根據證券及期貨條例，由於中國太平保險控股有限公司持有太平金融控股有限公司之權益，故被視作擁有太平信托有限公司持有之本公司160,000,000股普通股中之權益。
- (vii) 根據證券及期貨條例，由於Timeness Vision Limited持有Trinity Gate Limited之權益，故被視作擁有Trinity Gate Limited持有之本公司175,399,571股普通股中之權益。
- (viii) 根據證券及期貨條例，由於滕榮松先生持有Timeness Vision Limited之權益，故被視作擁有Trinity Gate Limited持有之本公司175,399,571股普通股中之權益。
- (ix) 根據證券及期貨條例，由於高先生持有Rich Hill Capital Limited之權益，故被視作擁有Rich Hill Capital Limited持有之175,500,000股本公司股份之權益。該等權益構成上文「董事於本公司或任何相聯法團股份及相關股份之權益及淡倉」一節內載列之高先生擁有本公司普通股之公司權益之一部份。高先生為Rich Hill Capital Limited之董事。

除上文所披露者外，於二零一八年十二月三十一日，概無其他人士(本公司董事或主要行政人員除外，彼等之權益已載列於上文「董事於本公司或任何相聯法團股份及相關股份之權益及淡倉」一節中)於本公司股份或相關股份中擁有根據證券及期貨條例第336條須予記錄之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for approximately 43% (2017: 44%) of the total sales for the year ended 31 December 2018 and sales to the largest customer included therein amounted to approximately 27% (2017: 30%). Purchases from the Group's five largest suppliers accounted for approximately 12% (2017: 7%) of the total purchases for the year ended 31 December 2018 and purchases from the largest supplier included therein amounted to approximately 5% (2017: 2%).

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own 5% or more of the Company's issued share capital) had any beneficial interest in any of the Group's five largest customers or suppliers.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its directors, the directors confirmed that the Company has maintained at least 25% public float during the year as required under the Listing Rules.

SUBSEQUENT EVENTS

Subsequent to the financial position date, the Group did not have any material events occurred.

AUDITOR

The consolidated financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

Ko Chun Shun, Johnson
Director

Hong Kong, 22 March 2019

主要客戶及供應商

於回顧年度，本集團售予五大客戶之銷售額約佔截至二零一八年十二月三十一日止年度之銷售總額43%（二零一七年：44%），售予其中最大客戶之銷售額約佔27%（二零一七年：30%）。本集團五大供應商之採購額佔截至二零一八年十二月三十一日止年度採購總額約12%（二零一七年：7%），其中最大供應商之採購額約佔5%（二零一七年：2%）。

本公司董事或彼等任何聯繫人或就董事所知任何擁有本公司已發行股本5%或以上之股東概無於本集團任何五大客戶或供應商擁有任何實益權益。

足夠公眾持股量

根據本公司所得之公開資料及據董事所知，董事確認，本公司之公眾持股量於年內一直符合上市規則之規定，維持不少於25%。

期後事項

本集團於財務狀況日後概無發生任何重大事宜。

核數師

羅兵咸永道會計師事務所已審核綜合財務報表，任滿告退，並符合資格且願於本公司應屆股東週年大會膺選連任。

代表董事會

高振順
董事

香港，二零一九年三月二十二日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



To the Shareholders of Frontier Services Group Limited
(Incorporated in Bermuda with limited liability)

OPINION

What we have audited

The consolidated financial statements of Frontier Services Group Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 64 to 203, which comprise:

- the consolidated statement of financial position as at 31 December 2018;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

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

羅兵咸永道

致先豐服務集團有限公司股東
(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

先豐服務集團有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第64至203頁的綜合財務報表，包括：

- 於二零一八年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合收益表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一八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，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Independence

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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. The key audit matter identified in our audit is related to impairment assessment of goodwill, intangible assets and property, plant and equipment.

Key Audit Matter

Impairment assessment of goodwill, intangible assets and property, plant and equipment

Refer to Note 4 (Critical accounting estimates and judgements), Note 13 (Property, plant and equipment) and Note 14 (Goodwill and other intangibles) to the consolidated financial statements

As at 31 December 2018, the Group had goodwill before impairment of HK\$2,102,000 arising from the acquisition of Maleth Aero Limited in the Aviation and Logistics Business segment ("AL Business Segment"). The goodwill is subject to an annual impairment assessment performed by management.

In addition, the Group also owned, as at 31 December 2018, intangible assets and property, plant and equipment before impairment of HK\$17,839,000 and HK\$267,086,000, respectively. A significant portion of the intangible assets and property, plant and equipment relates to the AL Business Segment. These assets require an impairment assessment if an impairment indicator is identified.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's goodwill, intangible assets and property, plant and equipment impairment assessment included the following:

We evaluated and challenged the composition of management's future cash flow forecasts used in their value-in-use calculations, and the process by which they were prepared. We found that the cash flow forecasts prepared by management were subject to oversight and review by the directors of the Company and was consistent with the approved budgets of the board of directors of the Company.

獨立性

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。我們在審計中識別的關鍵審計事項為商譽、無形資產以及物業、機器及設備之減值評估。

關鍵審計事項

商譽、無形資產以及物業、機器及設備減值評估

請參閱綜合財務報表附註4 (關鍵會計估算及判斷)、附註13(物業、機器及設備)及附註14(商譽及其他無形資產)

於二零一八年十二月三十一日，貴集團從收購航空及物流業務分部(「航空及物流業務分部」)之Maleth Aero Limited產生的商譽(扣除減值前)為2,102,000港元。有關商譽將由管理層進行年度減值評估。

此外，於二零一八年十二月三十一日，貴集團亦分別擁有無形資產以及物業、機器及設備(扣除減值前)17,839,000港元及267,086,000港元。大部份無形資產以及物業、機器及設備與航空及物流業務分部有關。如發現任何減值跡象，則須對該等資產進行減值評估。

我們的審計如何處理關鍵審計事項

我們對管理層就商譽、無形資產以及物業、機器及設備作出之減值評估執行下列審計程序：

我們評估及查詢管理層於計算使用價值時所使用的未來現金流量預測的組成，以及彼等編製預測的程序。我們發現管理層編製的現金流量預測已經貴公司董事監督及審閱，且與貴公司董事會批准的預算一致。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

The AL Business Segment has been loss making since becoming part of the Group in 2013 and recorded an operating loss of HK\$196,737,000 for the year ended 31 December 2018. This represented an impairment indicator for the relevant intangible assets and property, plant and equipment.

Management performed an impairment assessment in respect of the goodwill and intangible assets of each AL Business Segment related Cash Generating Unit ("CGU") using the value-in-use method which involved significant judgement in determining the assumptions used in the calculations. The key assumptions include:

- annual growth rate;
- long-term growth rate; and
- discount rate.

In relation to the impairment assessment of property, plant and equipment in each AL Business Segment related CGU, management determined the recoverable amount as the higher of value-in-use and fair value less costs of disposal, which was calculated by benchmarking against the price quotation of a comparable model in the second-hand market.

How our audit addressed the Key Audit Matter

We compared the current year actual results with the amounts included in the prior year cash flow forecast to consider the quality of management's forecasting, and we checked that management had considered the current year actual results in the preparation of this year's forecasts. We also inquired of management to understand the reasons for the deviation of the actual results for the current year from prior year forecast, comparing the explanations to our market knowledge and expectations, and checked that the relevant factors had been taken into account in this year's forecasts.

The procedures we performed over management's key assumptions used in the cash flow forecasts included:

- comparing annual growth rate to historical actual figures;
- benchmarking the long-term growth rate against industry forecasts; and
- benchmarking the discount rate against our research on the discount rate for comparable companies.

We evaluated sensitivity analysis performed by management around the key assumptions by calculating the degree to which these assumptions would need to change to trigger further material impairment. We determined that the calculation was most sensitive to the growth rates and discount rate assumptions, and we discussed and challenged management's view on the likelihood of such a change in the growth rates and discount rate.

關鍵審計事項

航空及物流業務分部自二零一三年併入貴集團以來一直錄得虧損，且於截至二零一八年十二月三十一日止年度錄得營運虧損196,737,000港元。此乃相關無形資產以及物業、機器及設備的減值跡象。

管理層已採用使用價值法就航空及物流業務分部各現金產生單位（「現金產生單位」）的商譽及無形資產進行減值評估。該方法於釐定計算所用假設時涉及重大判斷。主要假設包括：

- 年度增長率；
- 長期增長率；及
- 折現率。

就航空及物流業務分部各現金產生單位的物業、機器及設備減值評估而言，管理層釐定可收回金額為使用價值與公允價值減出售成本的較高者，乃以可比較模型於二手市場的報價為基準計算。

我們的審計如何處理關鍵審計事項

我們透過比較本年度實際結果與上年度現金流量預測的金額，考量管理層預測之質素，我們也核對管理層於編製本年度的預測時已考慮本年度之實際結果。我們亦向管理層作出查詢，以了解本年度實際結果有別於上年度預測的原因，比較有關解釋與我們的市場知識及預測，並核對相關因素已於本年度預測時納入考慮。

我們對管理層於現金流量預測所使用的主要假設執行下列審計程序：

- 比較年度增長率與過往實際數據；
- 以行業預測為基準比較長期增長率；及
- 以我們對可比較公司折現率的研究為基準比較折現率。

我們透過計算主要假設為觸發進一步重大減值需要作出調整的水平對管理層按主要假設的敏感度分析進行評估。我們釐定有關計算對增長率及折現率假設最為敏感，且我們討論及向管理層查詢有關增長率及折現率變動可能性的看法。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

A provision for impairment of HK\$4,087,000 and HK\$5,958,000 was made for the other intangibles and property, plant and equipment, respectively, for the year ended 31 December 2018. No provision for impairment on the goodwill was considered necessary as at 31 December 2018.

We focused on this area due to the significance of the balances and the significant judgements involved in the assessment of the recoverable amounts of the CGUs including the assumptions used in the calculation of value-in-use as well as the judgement required to identify suitable market comparable data to determine the fair value less costs of disposal of property, plant and equipment.

How our audit addressed the Key Audit Matter

In relation to the fair value less costs of disposal of property, plant and equipment, we checked, on a sample basis, the market price quotations for comparable property, plant and equipment identified by management to the relevant source. We also compared, on a sample basis, the key specifications, including the model, year of manufacture, equipment and modifications of the comparable property, plant and equipment with those owned by the Group to assess the suitability of the comparison. We also performed our own internet search, on a sample basis, on the fair value less costs of disposal of similar property, plant and equipment.

Based on the procedures performed, we found management's impairment assessment of goodwill, intangible assets and property, plant and equipment to be supportable based on the available evidence.

關鍵審計事項

截至二零一八年十二月三十一日止年度分別就其他無形資產以及物業、機器及設備計提減值撥備4,087,000港元及5,958,000港元。管理層認為於二零一八年十二月三十一日毋須就商譽計提減值撥備。

我們專注於此事項是因為有關結餘屬重大，且評估現金產生單位可收回金額涉及重大判斷(包括計算使用價值所使用的假設及確定市場上的適當可比較對象以釐定物業、機器及設備的公允價值減出售成本所需的判斷)。

我們的審計如何處理關鍵審計事項

就物業、機器及設備的公允價值減出售成本而言，我們抽查管理層所確定的可比較物業、機器及設備的市場報價與相關來源。我們亦抽樣比較可比較物業、機器及設備與貴集團所擁有的主要規格(包括模型、生產年份、設備及修改)以評估比較的適當性。我們本身亦透過互聯網抽樣調查類似物業、機器及設備的公允價值減出售成本。

基於所執行的審計程序，我們認為管理層就商譽、無形資產以及物業、機器及設備作出之減值評估乃有據可依。

OTHER INFORMATION

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

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

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

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

其他信息

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKASs 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.

董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會須負責監督貴集團的財務報告過程。

核數師就審計綜合財務報表須承擔的責任

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充分、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Hin Gay Gabriel.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 22 March 2019

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

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

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

出具本獨立核數師報告的審計項目合夥人是陳顯基。

羅兵咸永道會計師事務所
執業會計師

香港，二零一九年三月二十二日

CONSOLIDATED INCOME STATEMENT

綜合收益表

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
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue from contracts with customers	來自客戶合約之收入	6	866,748	724,414
Cost of direct materials and job expenses	直接材料費用及工作開支	10	(283,938)	(131,705)
Cost of aircraft management services	飛機管理服務成本		(128,814)	(125,448)
Data costs	數據成本		(7,028)	(6,950)
Employee benefit expenses	僱員福利開支	7	(211,722)	(178,612)
Sub-contracting charges	分包費用		(288,488)	(295,382)
Operating lease rentals	經營租約租金		(33,438)	(22,412)
Repair and maintenance costs	維修及保養成本		(33,580)	(35,694)
Depreciation and amortisation	折舊及攤銷	13, 14 & 19	(37,310)	(35,375)
Other income and other gains/ (losses), net	其他收入及其他收益/ (虧損)·淨額		8,871	6,309
Other operating expenses	其他營運費用		(98,144)	(88,552)
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益		—	592
Provision for impairment of other intangibles	其他無形資產之減值撥備	14	(4,087)	(9,000)
Provision for impairment of property, plant and equipment and assets held for sale	物業、機器及設備以及持作出售資產之減值撥備	13	(8,318)	(23,633)
Operating loss	營運虧損		(259,248)	(221,448)
Interest income	利息收入		12,426	9,463
Finance costs	融資成本	8	(13,928)	(18,213)
Share of losses of associates	應佔聯營公司虧損	16	(1,517)	(2,859)
Loss before income tax	除所得稅前虧損		(262,267)	(233,057)
Income tax credit	所得稅抵免	9	5,644	9,955
LOSS FOR THE YEAR	年度虧損	10	(256,623)	(223,102)
Attributable to:	以下應佔：			
Equity holders of the Company	本公司權益持有人	32	(258,846)	(223,760)
Non-controlling interests	非控股權益		2,223	658
			(256,623)	(223,102)
LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人應佔每股虧損			
Basic and diluted loss per share	每股基本及攤薄虧損	11	(13.61) cents 仙	(15.84) cents 仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Note 附註			
	LOSS FOR THE YEAR 年度虧損	(256,623)	(223,102)
	Other comprehensive (loss)/income 其他全面(虧損)/收益		
	Items that have been reclassified or may be subsequently reclassified to profit or loss 已重新分類或可於其後重新分類至損益之項目		
	Foreign exchange differences 匯兌差額	(7,005)	14,653
	Change in value of available-for-sale financial assets 可供出售金融資產之價值變更	20	(125)
	Realisation of equity instrument reserve upon disposal of available-for-sale financial assets 出售可供出售金融資產後權益工具儲備撥回	32	(604)
	Other comprehensive (loss)/income for the year, net of tax 年度其他全面(虧損)/收益(除稅後)	(7,005)	13,924
	TOTAL COMPREHENSIVE LOSS FOR THE YEAR 年度全面虧損總額	(263,628)	(209,178)
	Attributable to: 以下應佔:		
	Equity holders of the Company 本公司權益持有人	(265,746)	(209,917)
	Non-controlling interests 非控股權益	2,118	739
		(263,628)	(209,178)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS				
非流動資產				
Property, plant and equipment	物業、機器及設備	13	261,128	272,752
Goodwill and other intangibles	商譽及其他無形資產	14	15,854	28,121
Interests in associates	於聯營公司之權益	16	8,074	9,848
Deferred income tax assets	遞延所得稅資產	17	7,501	7,249
Non-current prepayments	非即期預付款	18	52,543	27,675
Prepaid operating lease rentals	預付經營租約租金	19	1,328	1,351
Available-for-sale financial assets	可供出售金融資產	20	—	42
Financial assets at fair value through other comprehensive income	按公允價值透過其他全面收益列賬之金融資產	20	24	—
Total non-current assets	非流動資產總值		346,452	347,038
CURRENT ASSETS				
流動資產				
Inventories	存貨	21	6,468	11,287
Trade receivables	貿易應收款項	22	188,503	120,434
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	23	124,908	82,900
Tax receivables	應收稅項		1,143	905
Restricted cash	受限制現金	24	7,063	5,085
Pledged bank deposits	已抵押銀行存款	24	153,635	231,365
Short-term bank deposits	短期銀行存款	24	—	379
Cash and cash equivalents	現金及現金等價物	24	677,811	65,228
Assets held for sale	持作出售資產	13(iii)	1,159,531	517,583
			—	19,556
Total current assets	流動資產總值		1,159,531	537,139
Total assets	資產總值		1,505,983	884,177
CURRENT LIABILITIES				
流動負債				
Trade payables	貿易應付款項	25	87,641	116,254
Other payables and accruals	其他應付款項及應計費用	26	102,635	65,969
Contract liabilities	合約負債	6(b)	8,132	—
Borrowings	貸款	27	16,306	194,654
Tax payables	應付稅項		276	133
Total current liabilities	流動負債總額		214,990	377,010
Net current assets	流動資產淨值		944,541	160,129

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
	Note 附註		
Total assets less current liabilities	資產總值減流動負債	1,290,993	507,167
NON-CURRENT LIABILITIES	非流動負債		
Borrowings	貸款 27	45,970	58,905
Deferred income tax liabilities	遞延所得稅負債 17	46,265	52,775
Other long-term liabilities	其他長期負債	7,237	7,546
Total non-current liabilities	非流動負債總額	99,472	119,226
Total liabilities	負債總額	314,462	496,236
Net assets	資產淨值	1,191,521	387,941
EQUITY	權益		
Equity attributable to the Company's equity holders	本公司股權持有人應佔權益		
Share capital	股本 29	234,482	144,970
Reserves	儲備 32	830,126	118,704
Non-controlling interests	非控股權益 33	1,064,608 126,913	263,674 124,267
Total equity	總權益	1,191,521	387,941

Signed on behalf of the Board on 22 March 2019 by

代表董事會於二零一九年三月二十二日簽署

Ko Chun Shun, Johnson
高振順
Director
董事

Hua Dongyi
華東一
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔			Non- controlling interests 非控股權益 HK\$'000 千港元	Total equity 總權益 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元	Reserves 儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元		
	Note 附註					
At 1 January 2017	於二零一七年一月一日	123,370	152,033	275,403	123,528	398,931
Comprehensive (loss)/income	全面(虧損)/收益					
(Loss)/profit for the year	年度(虧損)/溢利	—	(223,760)	(223,760)	658	(223,102)
Other comprehensive income/(loss)	其他全面收益/(虧損)					
Foreign exchange differences	匯兌差額	—	14,572	14,572	81	14,653
Change in value of available-for-sale financial assets	可供出售金融資產之 價值變更	20	(125)	(125)	—	(125)
Realisation of equity instrument reserve upon disposal of available-for-sale financial assets	出售可供出售金融 資產後權益工具 儲備撥回	32	(604)	(604)	—	(604)
Other comprehensive income for the year, net of tax	年度其他全面收益 (除稅後)	—	13,843	13,843	81	13,924
Total comprehensive (loss)/income for the year	年度全面(虧損)/ 收益總額	—	(209,917)	(209,917)	739	(209,178)
Transactions with equity holders	與權益持有人之交易					
Issue of shares	發行股份	21,600	170,856	192,456	—	192,456
Share-based compensation	以股份支付之補償	—	10,880	10,880	—	10,880
Lapse of share options	購股權失效	—	(879)	(879)	—	(879)
Shares acquired for share award scheme	為股份獎勵計劃購買之 股份	—	(4,269)	(4,269)	—	(4,269)
		21,600	176,588	198,188	—	198,188
At 31 December 2017	於二零一七年十二月三十一日	144,970	118,704	263,674	124,267	387,941

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔			Non- controlling interests 非控股權益	Total equity 總權益
		Share capital 股本	Reserves 儲備	Total 總計		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	144,970	118,704	263,674	124,267	387,941
Comprehensive (loss)/income	全面(虧損)/收益					
(Loss)/profit for the year	年度(虧損)/溢利	—	(258,846)	(258,846)	2,223	(256,623)
Other comprehensive loss	其他全面虧損					
Foreign exchange differences	匯兌差額	—	(6,900)	(6,900)	(105)	(7,005)
Other comprehensive loss for the year, net of tax	年度其他全面虧損(除稅後)	—	(6,900)	(6,900)	(105)	(7,005)
Total comprehensive (loss)/income for the year	年度全面(虧損)/收益總額	—	(265,746)	(265,746)	2,118	(263,628)
Transactions with equity holders	與權益持有人之交易					
Issue of shares	發行股份	64,000	766,567	830,567	—	830,567
Exercise of share and other options	行使購股權及其他期權	25,512	199,222	224,734	—	224,734
Share-based compensation	以股份支付之補償	—	11,379	11,379	—	11,379
Capital injection from non-controlling interest of a subsidiary	一家附屬公司非控股權益之注資	—	—	—	528	528
		89,512	977,168	1,066,680	528	1,067,208
At 31 December 2018	於二零一八年十二月三十一日	234,482	830,126	1,064,608	126,913	1,191,521

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
		Note 附註	HK\$'000 千港元	HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	來自經營活動之現金流量			
Cash used in operations	營運所用之現金	34	(280,525)	(118,380)
Income tax paid	已付所得稅		(983)	(654)
Net cash used in operating activities	經營活動所用之現金淨值		(281,508)	(119,034)
CASH FLOWS FROM INVESTING ACTIVITIES	來自投資活動之現金流量			
Purchase of property, plant and equipment	購買物業、機器及設備	13	(14,362)	(10,052)
Purchase of intangibles	購買無形資產	14	—	(7,982)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項	34	6,162	25,729
Proceeds from disposal of assets held for sale	出售持作出售資產之所得款項		—	780
Deposit paid for purchase of land-use-rights	購買土地使用權已付按金		(22,926)	—
Acquisition of an associate	收購一家聯營公司		—	(12,156)
Loan to an associate	向一家聯營公司提供貸款		(4,113)	(6,877)
Decrease/(increase) in short-term bank deposits	短期銀行存款減少/(增加)		379	(379)
Interest received	已收利息		15,041	9,463
Proceeds from redemption of financial assets at fair value through other comprehensive income/available-for-sale financial assets	贖回按公允價值透過其他全面收益列賬之金融資產/可供出售金融資產之所得款項	20	19	19
Net proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項淨額		—	1,144
Net cash used in investing activities	投資活動所用之現金淨值		(19,800)	(311)
CASH FLOWS FROM FINANCING ACTIVITIES	來自融資活動之現金流量			
Interest paid	已付利息		(13,383)	(22,283)
Decrease in pledged bank deposits	已抵押銀行存款減少		70,020	—
(Increase)/decrease in restricted cash	受限制現金(增加)/減少		(1,978)	10,050
Purchase of shares for share award scheme	為股份獎勵計劃購買股份		—	(4,269)
Proceeds from exercise of share and other options	行使購股權及其他期權所得款項		224,734	—
Proceeds from issue of shares	發行股份所得款項	29	830,567	192,456
Capital contribution from non-controlling interest of a subsidiary	一家附屬公司非控股權益之注資	33	528	—
Repayment of bank loans	償還銀行貸款		(215,804)	(153,705)
Repayment of other loan	償還其他貸款		—	(301)
Drawdown of bank loans	提取銀行貸款		31,086	112,875
Drawdown of finance leases	提取融資租賃		2,972	—
Repayment of capital element of finance leases	償還融資租賃之資本部份		(14,120)	(21,666)
Net cash generated from financing activities	融資活動所得之現金淨值		914,622	113,157

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
		HK\$'000 千港元	HK\$'000 千港元
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物之增加/ (減少)淨值	613,314	(6,188)
Cash and cash equivalents at beginning of the year	年初之現金及 現金等價物	65,228	68,144
Exchange differences	匯兌差額	(731)	3,272
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及 現金等價物	677,811	65,228

Note
附註

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 GENERAL INFORMATION

Frontier Services Group Limited (the “**Company**”) is a limited liability company incorporated in Bermuda. The address of its principal place of business is Suite 3902, 39th Floor, Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong. The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the provision of aviation and logistics services and the provision of online financial market information. The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) and all values are rounded to the nearest thousand (HK\$’000), unless otherwise stated.

These consolidated financial statements have been approved for issue by the Board of Directors (the “**Board**”) of the Company on 22 March 2019.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), a collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). These consolidated financial statements comply with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

1 一般資料

先豐服務集團有限公司(「**本公司**」)為一家在百慕達註冊成立之有限責任公司，其主要營業地點位於香港金鐘夏慤道16號遠東金融中心39樓3902室。本公司及其附屬公司(統稱「**本集團**」)主要從事提供航空及物流服務及提供線上金融市場資訊業務。本公司在香港聯合交易所有限公司(「**聯交所**」)主板上市。

除另有說明外，該等綜合財務報表乃以港元(「**港元**」)呈列，而所有款項已捨入至最接近之千位數(千港元)。

該等綜合財務報表已由本公司之董事會(「**董事會**」)於二零一九年三月二十二日批准刊發。

2 主要會計政策概要

編製此等綜合財務報表所應用之主要會計政策載於下文。除另有說明外，此等政策在所呈報之所有年度內貫徹應用。

2.1 編製基準

本集團之綜合財務報表乃根據香港財務報告準則(「**香港財務報告準則**」，整體而言包括香港會計師公會(「**香港會計師公會**」)頒佈之所有適用個別香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋)及香港《公司條例》(第622章)之披露規定編製。該等綜合財務報表符合香港聯合交易所有限公司證券上市規則(「**上市規則**」)之適用披露規定。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of Preparation (continued)

The consolidated financial statements have been prepared on a historical cost basis, except for (i) certain financial assets and liabilities, which are carried at fair value and (ii) the assets held for sale which are measured at fair value less cost to sell. The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

Impact of new, amended and revised HKFRSs

In the current year, the Group has adopted all the following standards, amendments and interpretation for the first time for the accounting period beginning on 1 January 2018:

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
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related amendments
Amendments to HKAS 40	Transfers of Investment Property
HK(IFRIC)-Interpretation 22	Foreign Currency Transactions and Advance Consideration
Annual improvements to HKFRSs 2014-2016 cycle	Amendments to HKFRS 1 and HKAS 28

2 主要會計政策概要(續)

2.1 編製基準(續)

綜合財務報表已按歷史成本基準編製，惟(i)按公允價值列賬的若干金融資產及負債及(ii)按公允價值減出售成本計量的持作出售資產除外。編製符合香港財務報告準則之綜合財務報表需要使用若干關鍵會計估算，亦需要管理層在應用本集團會計政策之過程中作出判斷。涉及須作出更多判斷或更複雜之範疇，或假設及估計對綜合財務報表而言屬重要之範疇於附註4披露。

新訂、修訂及經修訂香港財務報告準則之影響

本集團已於本年度就於二零一八年一月一日開始會計期間首次採納以下所有準則、修訂及詮釋：

香港財務報告準則第2號之修訂	以股份為基礎的支付交易之分類及計量
香港財務報告準則第4號之修訂	與香港財務報告準則第4號保險合同一併應用之香港財務報告準則第9號金融工具
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約之收入及相關之修訂
香港會計準則第40號之修訂	轉讓投資物業
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價
二零一四年至二零一六年週期之年度改進	香港財務報告準則第1號及香港會計準則第28號之修訂

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of Preparation (continued)

Impact of new, amended and revised HKFRSs (continued)

The Group had to change its accounting policies and make certain adjustments following the adoption of HKFRS 9 and HKFRS 15 (Note 2.2). Most of the other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

The following new and amended standards and interpretations have been issued, but are not effective for the Group's accounting period beginning on 1 January 2018 and have not been adopted early:

		Effective for accounting periods beginning on or after 於以下日期或之後 開始之年度期間生效
HKFRS 16 香港財務報告準則第16號	Leases 租賃	1 January 2019 二零一九年一月一日
HKFRS 17 香港財務報告準則第17號	Insurance Contracts 保險合同	1 January 2021 二零二一年一月一日
Amendments to HKFRS 3 香港財務報告準則第3號之修訂	Definitions of Business 業務之定義	1 January 2020 二零二零年一月一日
Amendments to HKFRS 9 香港財務報告準則第9號之修訂	Prepayment Features with Negative Compensation 具有負補償之預付款特性	1 January 2019 二零一九年一月一日
Amendments to HKFRS 10 and HKAS 28 香港會計準則第10號及香港會計準則第28號之修訂	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture 投資者與其聯營公司或合資公司之間的 資產出售或注資	To be determined 待釐定
Amendments to HKAS 19 香港會計準則第19號之修訂	Plan Amendment, Curtailment or Settlement 計劃修訂、縮減或結算	1 January 2019 二零一九年一月一日
Amendments to HKAS 28 香港會計準則第28號之修訂	Long-term Interests in Associates and Joint Ventures 於聯營公司及合資公司之長期權益	1 January 2019 二零一九年一月一日
Annual improvements to HKFRSs 2015-2017 cycle 香港財務報告準則二零一五年至二零一七年週期之年度改進	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23 香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂	1 January 2019 二零一九年一月一日
HK(IFRIC)-Interpretation 23 香港(國際財務報告詮釋委員會)一詮釋第23號	Uncertainty over Income Tax Treatments 所得稅之不確定性之處理	1 January 2019 二零一九年一月一日

2 主要會計政策概要(續)

2.1 編製基準(續)

新訂、修訂及經修訂香港財務報告準則之影響(續)

於採納香港財務報告準則第9號及香港財務報告準則第15號後(附註2.2)，本集團已更改其會計政策並作出若干修訂。上文所列的大多數其他修訂對於過往期間確認的金額並無任何影響，且預期不會對目前及未來期間產生重大影響。

下列新訂及經修訂之準則及詮釋已頒佈，惟尚未於本集團於二零一八年一月一日開始之會計期間生效及並無提早採納：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of Preparation (continued)

HKFRS 16, Leases

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

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated income statement over the period of the lease.

2 主要會計政策概要(續)

2.1 編製基準(續)

香港財務報告準則第16號，租賃

香港財務報告準則第16號於二零一六年一月頒佈。由於經營及融資租賃之區分被剔除，故其將導致絕大部份租賃由承租人於綜合財務狀況表內確認。根據該項新訂準則，資產(使用租賃項目之權利)及支付租金之金融負債均予以確認。唯一例外是短期及低價值之租賃。

預期香港財務報告準則第16號不會對出租人租賃權利與義務的會計處理造成重大影響。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。取而代之，除非使用若干務實權宜方法，否則承租人將按與現有融資租賃會計處理方法類似的方式對所有租賃進行會計處理，即於租約開始日期，承租人將按未來最低租賃付款額的現值確認及計量租賃負債，及將確認相應的「使用權」資產。初始確認該資產及負債後，承租人將確認租賃負債未付餘額所產生的利息費用及使用權資產折舊，而非根據現有政策於租期內按系統基準確認根據經營租賃所產生的租賃費用。作為務實權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租賃費用將繼續於租期內按系統基準確認。

香港財務報告準則第16號將主要影響本集團作為目前歸類為經營租賃的物業、廠房及設備租賃承租人的會計處理。新會計模式的應用預計將導致資產及負債增加，並影響租賃期間綜合收益表中的費用確認時間。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of Preparation (continued)

HKFRS 16, Leases (continued)

As disclosed in Note 35(b), as at 31 December 2018, the Group's future minimum lease payments under non-cancellable operating leases amount to HK\$83,146,000 and HK\$1,344,000 for land and buildings and office equipment, respectively. Of these commitments, HK\$1,297,000 relate to short-term leases and HK\$1,344,000 to low value leases which will both be recognised on a straight-line basis as expense in profit or loss.

For the remaining lease commitments, the Group expects to recognise right-of-use assets of HK\$57,500,000 on 1 January 2019 and lease liabilities of HK\$55,073,000 (after adjustments for prepayments recognised as at 31 December 2018). Overall net assets will be HK\$2,427,000 higher, and net current assets will be HK\$11,233,000 lower due to the presentation of a portion of the liability as a current liability.

The Group will apply the standard from its mandatory adoption date of 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to the first adoption.

There are no other new, amended or revised standards that are not yet effective that are expected to have any impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Changes in Accounting Policies

This note explains the impact of the adoption of HKFRS 9 "Financial Instruments" and HKFRS 15 "Revenue from Contracts with Customers" on the Group's financial statements.

2 主要會計政策概要(續)

2.1 編製基準(續)

香港財務報告準則第16號，租賃(續)

誠如附註35(b)所披露，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的土地及樓宇及辦公設備未來最低租賃付款分別為83,146,000港元及1,344,000港元。於該等承擔中，1,297,000港元與短期租賃有關，而1,344,000港元與低價值租賃有關，兩者按直線法於損益確認為支出。

就其餘租賃承擔而言，本集團預期於二零一九年一月一日確認使用權資產57,500,000港元及租賃負債55,073,000港元(經於二零一八年十二月三十一日已確認的預付款項調整)。資產淨值將增加2,427,000港元。由於將部分負債呈列為流動負債，故流動資產淨值將減少11,233,000港元。

本集團將自法定採納日期二零一九年一月一日起應用該準則。本集團擬應用簡化過渡方法且將不會於初始採納前重列年度比較款項。

預期並無尚未生效之其他新訂、修訂或經修訂之準則會對本集團之目前或未來報告期間及可預見的未來交易造成影響。

2.2 會計政策之變動

本附註詮釋採納香港財務報告準則第9號「金融工具」及香港財務報告準則第15號「來自客戶合約之收入」對本集團財務報表之影響。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(a) Impact on the financial statements

As explained in Note 2.2(b) below, HKFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new impairment rules are therefore not reflected in the restated consolidated statement of financial position as at 31 December 2017, but are recognised in the opening consolidated statement of financial position on 1 January 2018.

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Consolidated Statement of Financial Position (extract)	綜合財務狀況表 (摘錄)	31 December 2017	As originally presented		1 January 2018	
		二零一七年十二月三十一日 按原先呈列	HKFRS 9	HKFRS 15	Restated	
		HK\$'000 千港元	香港財務報告準則第9號 HK\$'000 千港元	香港財務報告準則第15號 HK\$'000 千港元	二零一八年一月一日 經重列 HK\$'000 千港元	
Non-current assets	非流動資產					
Available-for-sale financial assets	可供出售金融資產	42	(42)	—	—	
Financial assets at fair value through other comprehensive income ("FVOCI")	按公允價值透過其他全面收益列賬(「按公允價值透過其他全面收益列賬」)之金融資產	—	42	—	42	
Current liabilities	流動負債					
Other payables and accruals	其他應付款項及應計費用	65,969	—	(11,042)	54,927	
Contract liabilities	合約負債	—	—	11,042	11,042	

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2(a) 對財務報表之影響

如下文附註2.2(b)所詮釋，採納香港財務報告準則第9號時整體上無須重述比較資料。因此，重新分類及新減值規則導致之調整未反映於二零一七年十二月三十一日之經重列綜合財務狀況表中，惟於二零一八年一月一日之期初綜合財務狀況表中確認。

下表呈列就各報表項目確認之調整。不受變動影響之報表項目不包括在內。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(b) HKFRS 9, Financial Instruments

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of HKFRS 9 from 1 January 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements. The new accounting policies are set out in Note 2.12. In accordance with the transitional provisions in HKFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated. There is no impact on the Group's accumulated losses as at 1 January 2018 upon the adoption of HKFRS 9.

(i) Classification and measurement

On 1 January 2018 (the date of initial application of HKFRS 9), the Group's management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate HKFRS 9 categories.

There is no impact on the Group's equity.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2 (b) 香港財務報告準則第9號，金融工具

香港財務報告準則第9號取代香港會計準則第39號有關金融資產及金融負債確認、分類及計量、金融工具取消確認、金融資產減值及對沖會計規則。

自二零一八年一月一日起採納香港財務報告準則第9號導致會計政策的變動及對於綜合財務報表確認的金額之調整。新會計政策載於附註2.12。根據香港財務報告準則第9號第(7.2.15)及(7.2.26)條之過渡要求，比較數字並未重列。採納香港財務報告準則第9號並無對本集團於二零一八年一月一日之累計虧損產生影響。

(i) 分類及計量

於二零一八年一月一日(初始應用香港財務報告準則第9號之日期)，本集團管理層已評估本集團所持有金融資產之業務模式類型，並將金融工具分類至香港財務報告準則第9號之適用類別。

對本集團的股權並無影響。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(b) HKFRS 9, Financial Instruments (continued)

(i) Classification and measurement (continued)

(a) Available-for-sale debt instruments classified as FVOCI

Listed corporate bonds were reclassified from available-for-sale financial assets to FVOCI, as the Group's business model is achieved both by collecting contractual cash flows and selling of these assets. The contractual cash flows of these investments are solely principal and interest. As a result, listed corporate bonds with a fair value of HK\$38,000 were reclassified from available-for-sale financial assets to FVOCI on 1 January 2018.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2(b) 香港財務報告準則第9號，金融工具(續)

(i) 分類及計量(續)

(a) 分類為按公允價值透過其他全面收益列賬之金融資產的可供出售債務工具

上市企業債券已由可供出售金融資產重新分類為按公允價值透過其他全面收益列賬之金融資產，原因為本集團之業務模式乃透過收取合約現金流量及出售有關投資而實現。有關投資之合約現金流量僅為本金及利息。因此，公允價值為38,000港元之上市企業債券已於二零一八年一月一日由可供出售金融資產重新分類為按公允價值透過其他全面收益列賬之金融資產。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(b) HKFRS 9, Financial Instruments (continued)

(i) Classification and measurement (continued)

(b) Equity investments previously classified as available-for-sale financial assets

The Group elected to present in Other Comprehensive Income (“OCI”) changes in the fair value of all its equity investments previously classified as available-for-sale financial assets, because these investments are held as long-term strategic investments that are not expected to be sold in the short to medium term. As a result, assets with a fair value of HK\$4,000 were reclassified from available-for-sale financial assets to FVOCI on 1 January 2018.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2 (b) 香港財務報告準則第9號，金融工具(續)

(i) 分類及計量(續)

(b) 原先分類為可供出售金融資產之股本投資

本集團選擇於其他全面收益(「其他全面收益」)呈列原先分類為可供出售金融資產之股本投資之公允價值變動，原因為有關投資乃持作長期策略性投資，並預期不會於短期至中期內出售。因此，公允價值為4,000港元之資產已於二零一八年一月一日由可供出售金融資產重新分類為按公允價值透過其他全面收益列賬之金融資產。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(b) HKFRS 9, Financial Instruments (continued)

(i) Classification and measurement (continued)

On the date of initial application, 1 January 2018, the financial instruments of the Group were as follows, with any reclassifications noted:

Non-current financial assets 非流動金融資產

Equity investments 股本投資

Listed corporate bonds 上市企業債券

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2(b) 香港財務報告準則第9號，金融工具(續)

(i) 分類及計量(續)

於初始應用日期，即二零一八年一月一日，本集團之金融工具(連同任何已知之重新分類)如下：

		Measurement category 計量類別		Carrying amount 賬面值	
		Original (HKAS 39) 原先 (香港會計 準則第39號)	New (HKFRS 9) 新訂 (香港財務報告 準則第9號)	Original 原先 HK\$'000 千港元	New 新訂 HK\$'000 千港元
Equity investments	股本投資	Available-for-sale 可供出售	FVOCI 按公允價值透過 其他全面收益 列賬	4	4
Listed corporate bonds	上市企業債券	Available-for-sale 可供出售	FVOCI 按公允價值透過 其他全面收益 列賬	38	38

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(b) HKFRS 9, Financial Instruments (continued)

(ii) Impairment of financial assets

The Group has two types of financial assets that are subject to HKFRS 9's new expected credit loss model:

- trade receivables for sales of goods and from the provisions of services; and
- other financial assets at amortised cost

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. There was no impact of the change in impairment methodology on the Group's retained earnings and equity.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group applied different expected loss rates to different classes of trade receivables, according to their respective risk characteristics.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2(b) 香港財務報告準則第9號，金融工具(續)

(ii) 金融資產之減值

本集團有二類財務資產須遵行香港財務報告準則第9號項下之新預期信貸虧損模式之規定：

- 銷售貨品及提供服務之貿易應收款項；及
- 按攤銷成本列賬之其他金融資產

根據香港財務報告準則第9號，本集團須就上述各類別資產修訂其減值方法。減值方法變動對本集團之保留溢利及權益並無影響。

現金及現金等價物亦須遵守香港財務報告準則第9號之減值規定，惟已識別之減值虧損並不重大。

貿易應收款項

本集團採用香港財務報告準則第9號的簡化方法計量預期信貸虧損，即對所有貿易應收款項確認全期預期信貸虧損。

計量預期信貸虧損時，貿易應收款項乃按共同信貸風險特徵及逾期日數分組。本集團按各自之風險特徵，就不同類別之貿易應收款項應用不同預期虧損比率。

貿易應收款項在無收回之合理預期時予以撇銷。無收回之合理預期之跡象包括(其中包括)債務人未能與本集團達成還款計劃。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(b) HKFRS 9, Financial Instruments (continued)

(ii) Impairment of financial assets (continued)

Trade receivables (continued)

The Group has assessed the expected credit loss model applied to the trade receivables as at 1 January 2018 and the change in impairment methodologies has no significant impact of the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

Other financial assets at amortised cost

Other financial assets at amortised cost include deposits and other receivables. The Group has assessed that the expected credit loss model apply to the deposits and other receivables as at 1 January 2018 and the change in impairment methodologies has no material impact of the Group's consolidated financial statements and the opening loss allowance is not restated in this respect.

2.2(c) HKFRS 15, Revenue from Contracts with Customers

The Group has adopted HKFRS 15 from 1 January 2018 which resulted in changes to accounting policies and adjustments to the amounts recognised in the consolidated financial statements. The Group elected to adopt HKFRS 15 without restating comparatives as it has chosen the simplified transition method, to apply HKFRS 15 retrospectively only to contracts that are not completed at the date of initial application (1 January 2018).

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2(b) 香港財務報告準則第9號，金融工具(續)

(ii) 金融資產之減值(續)

貿易應收款項(續)

本集團已評估適用於二零一八年一月一日之貿易應收款項之預期信貸虧損模式，減值方法之變動對本集團綜合財務報表並無重大影響，亦無就此重列期初虧損撥備。

其他按攤銷成本列賬之金融資產

其他按攤銷成本列賬之金融資產包括按金及其他應收款項。本集團已評估適用於二零一八年一月一日之按金及其他應收款項之預期信貸虧損模式，減值方法之變動對本集團綜合財務報表並無重大影響，亦無就此重列期初虧損撥備。

2.2(c) 香港財務報告準則第15號，來自客戶合約之收入

本集團自二零一八年一月一日起採納香港財務報告準則第15號，導致會計政策變動及對於綜合財務報表確認的金額之調整。本集團選擇採納香港財務報告準則第15號，而不重列比較數字，因為其選擇簡化過渡方法，僅對於初始應用日期(二零一八年一月一日)未完成之合約追溯應用香港財務報告準則第15號。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in Accounting Policies (continued)

2.2(c) HKFRS 15, Revenue from Contracts with Customers (continued)

The reclassifications and the adjustments arising from the new revenue recognition rules are therefore not reflected in the consolidated statement of financial position as at 31 December 2017, but are recognised in the opening consolidated statement of financial position on 1 January 2018. In summary, the following adjustments were made to the amounts recognised in the consolidated statement of financial position at the date of initial application (1 January 2018):

Consolidated Statement of Financial Position (extract):

Contract liabilities	合約負債	—
Other payables and accruals	其他應付款項及應計費用	65,969

Presentation of assets and liabilities related to contracts with customers

The Group has also voluntarily changed the presentation of certain amounts in the consolidated statement of financial position to reflect the terminology of HKFRS 15 and HKFRS 9:

- Contract liabilities in relation to the receipts in advance derived from online financial market information contracts and aircraft management contracts were previously included in other payables and accruals.

2 主要會計政策概要(續)

2.2 會計政策之變動(續)

2.2(c) 香港財務報告準則第15號，來自客戶合約之收入(續)

因此，重新分類及新收入確認規則導致之調整並未於二零一七年十二月三十一日之綜合財務狀況表中反映，惟於二零一八年一月一日之期初綜合財務狀況表中確認。總之，就於初始應用日期(二零一八年一月一日)之綜合財務狀況表所確認之金額作出下列調整：

HKAS 18 carrying amount 31 Dec 2017 香港會計準則 第18號 二零一七年 十二月三十一日 賬面值 HK\$'000 千港元	Reclassification	HKFRS 15 carrying amount 1 January 2018 香港財務報告 準則第15號 二零一八年 一月一日 賬面值 HK\$'000 千港元
	重新分類	

有關客戶合約之資產及負債之呈列

本集團已自願更改綜合財務狀況表中若干金額之呈列，以反映香港財務報告準則第15號及香港財務報告準則第9號所用之詞彙：

- 有關來自線上金融市場資訊合約及飛機管理合約之預收款項之合約負債，原先列入其他應付款項及應計費用。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Consolidation

(a) Subsidiaries

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

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets. If the business combination is achieved in stages, the acquisition date carrying amount of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date. Any gains or losses arising from such re-measurement are recognised in profit or loss.

2 主要會計政策概要(續)

2.3 綜合

(a) 附屬公司

附屬公司指本集團擁有控制權之實體。當本集團承受或享有參與實體所得之可變回報，且有能力透過其對實體之權力影響該等回報時，則本集團控制該實體。附屬公司在控制權轉移至本集團之日全面綜合入賬，在控制權終止之日起停止綜合入賬。

本集團以購買法作為業務合併之入賬方法。收購附屬公司之轉讓代價指已轉讓資產、本集團對被收購方之前擁有人產生之負債及已發行股本權益之公允價值。轉讓代價包括或然代價安排所產生之任何資產或負債之公允價值。收購相關成本於產生時支銷。業務合併所收購之可識別資產及所承擔之負債及或然負債初步按其於收購日之公允價值計量。根據逐項收購基準，本集團按公允價值或按非控股權益應佔被收購方可識別資產淨值確認金額之比例確認於被收購方之任何非控股權益。倘業務合併分階段完成，收購方過去於被收購方持有之股本權益之收購日賬面值按收購日之公允價值重新計量。重新計量產生之任何收益或虧損於損益內確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Consolidation (continued)

(a) Subsidiaries (continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 "Financial Instruments: Recognition and Measurement" in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's statement of financial position, investments in subsidiaries are accounted for at cost less impairment losses (Note 2.10). Cost includes direct attributable cost of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is as transactions with the owners in their capacity as owners. The difference between the fair value of any consideration paid/received and the relevant share of the carrying amount of net assets of the subsidiary acquired/disposed of is recorded in equity.

2 主要會計政策概要(續)

2.3 綜合(續)

(a) 附屬公司(續)

本集團將予轉讓之任何或然代價均按於收購日之公允價值予以確認。被視為資產或負債之或然代價之公允價值之隨後變動，根據香港會計準則第39號「金融工具：確認及計量」於損益中確認。分類為權益之或然代價並無重新計量，其隨後結算計入權益。

集團內公司間之交易以及所產生之結餘、收入及開支予以對銷。於資產內確認之公司間交易產生之溢利及虧損亦予以對銷。附屬公司之會計政策已按需要作出改變，以確保與本集團採用之政策符合一致。

在本公司之財務狀況表內，於附屬公司之投資按成本值扣除減值虧損(附註2.10)列賬。成本包括投資直接產生之成本。附屬公司之業績由本公司按已收及應收股息入賬。

不會導致失去控制權之非控股權益之交易入賬列作權益交易—即以彼等為擁有人之身份與擁有人進行交易。任何已付／已收代價之公允價值與所收購／出售相關應佔附屬公司之資產淨值賬面值間之差額入賬列作權益。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Consolidation (continued)

(a) Subsidiaries (continued)

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are recognised in profit or loss.

(b) Associates

An associate is an entity over which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition, net of any accumulated impairment loss (Note 2.10). Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

The carrying amount of the investments in associates is tested for impairment in accordance with the policy described in Note 2.10.

2 主要會計政策概要(續)

2.3 綜合(續)

(a) 附屬公司(續)

當本集團不再擁有控制權時，於該實體之任何保留權益按失去控制權當日之公允價值重新計量，而賬面值之變動則於損益內確認。就其後入賬列作聯營公司、合資公司或金融資產之保留權益而言，公允價值指初始賬面值。此外，先前於其他全面收益內確認與該實體有關之任何金額按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味著先前在其他全面收益內確認之金額於損益內確認。

(b) 聯營公司

聯營公司指本集團或本公司對其管理有重大影響力但無控制權或共同控制權之實體，包括參與財務及營運政策決定。

於聯營公司之投資以權益會計法入賬，初步以成本確認，並增加或減少賬面值以確認投資者於收購日後應佔被投資方之溢利或虧損。本集團於聯營公司之投資包括收購時已識別之商譽(扣除任何累計減值虧損(附註2.10))。於收購聯營公司擁有權後，聯營公司成本與本集團所佔聯營公司可識別資產及負債的淨公允價值之任何差額入賬列為商譽。

於聯營公司之投資之賬面值已根據附註2.10所述之政策作減值測試。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Consolidation (continued)

(b) Associates (continued)

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

The Group's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

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

(c) Goodwill

Goodwill is initially measured as the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

2 主要會計政策概要(續)

2.3 綜合(續)

(b) 聯營公司(續)

如於聯營公司之擁有權被削減但仍保留重大影響力，則僅將之前在其他全面收益中確認之相應部份數額重新分類至損益(如適當)。

本集團應佔收購後聯營公司之溢利或虧損於綜合收益表內確認，而應佔收購後其他全面收益之變動則於其他全面收益賬內確認，並對投資賬面值作出相應調整。如本集團應佔聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款項，本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

本集團與其聯營公司之間交易之未實現收益按本集團於聯營公司之權益對銷。除非交易顯示所轉讓資產有減值跡象，否則未實現虧損亦予以對銷。聯營公司之會計政策已按需要作出改變，以確保與本集團採用之政策符合一致。

(c) 商譽

商譽最初按所轉讓代價、被收購方之任何非控股權益金額及任何先前於被收購方之股本權益於收購日之公允價值高於所收購可識別淨資產公允價值之差額計量。

就減值測試而言，業務合併所獲得之商譽會分配至預期可受益於合併協同效應的各現金產生單位(「現金產生單位」)或現金產生單位組別。商譽所分配的各單位或單位組別為實體內就內部管理目的而監察商譽的最低層次。商譽乃於經營分部層次進行監察。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Consolidation (continued)

(c) Goodwill (continued)

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

2.4 Separate Financial Statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.5 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker of the Group. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of the Company that makes strategic decisions.

2 主要會計政策概要(續)

2.3 綜合(續)

(c) 商譽(續)

商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。商譽賬面值與可收回金額作比較，可收回金額為使用價值與公允價值減銷售成本的較高者。任何減值即時確認為開支，且其後不會撥回。

2.4 獨立財務報表

於附屬公司之投資按成本扣除減值列賬。成本包括直接應佔之投資成本。附屬公司之業績由本公司按已收及應收股息基準列賬。

當收到於附屬公司之投資之股息時，如股息超過附屬公司在宣派股息期間之全面收益總額，或在獨立財務報表之投資賬面值超過被投資方資產淨值(包括商譽)在綜合財務報表之賬面值時，必須對有關投資進行減值測試。

2.5 分部報告

營運分部之報告方式須與本集團之主要營運決策者獲提供之內部報告之方式一致。作出策略性決定之本公司董事會是主要營運決策者，其負責分配資源及評估營運分部之表現。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). The consolidated financial statements are presented in HK\$, which is the Company’s functional currency and the Group’s presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated income statement within “finance costs”. All other foreign exchange gains and losses are presented in the consolidated income statement within “other operating expenses”.

Foreign exchange differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

2 主要會計政策概要(續)

2.6 外幣匯兌

(a) 功能及列賬貨幣

各集團實體之財務報表所列項目均以該實體營運所在主要經濟環境之貨幣(「**功能貨幣**」)計量。綜合財務報表以港元列賬，而港元為本公司之功能貨幣及本集團之呈列貨幣。

(b) 交易及結餘

外幣交易乃採用交易日期或項目重新估值當日之匯率換算為功能貨幣。結算此等交易所產生之匯兌盈虧及將以外幣計值之貨幣資產和負債按年終匯率換算所產生之匯兌盈虧在綜合收益表確認。

與貸款有關之匯兌盈虧於綜合收益表列賬為「融資成本」。所有其他匯兌盈虧於綜合收益表列賬為「其他營運費用」。

非貨幣性金融資產(如分類為可供出售之股票)之匯兌差額計入其他全面收益。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Foreign Currency Translation (continued)

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the financial position date;
- (ii) Income and expenses for each income statement are translated at average exchange rate (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Foreign exchange differences arising are recognised in other comprehensive income.

(d) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the foreign exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the Company are recognised in profit or loss.

2 主要會計政策概要(續)

2.6 外幣匯兌(續)

(c) 集團公司

所有功能貨幣與列賬貨幣不同之集團實體(當中並無嚴重通脹經濟體之貨幣)之業績和財務狀況按如下方法換算為列賬貨幣：

- (i) 所呈報之各財務狀況表內之資產和負債按財務狀況日之收市匯率換算；
- (ii) 各收益表內之收入及開支按平均匯率換算(除非此匯率並非交易日期現行匯率之累計影響之合理約數，在此情況下，收支項目按交易日期之匯率換算)；及
- (iii) 所有由此產生之匯兌差額於其他全面收益內確認。

於收購海外實體時所產生之商譽及公允價值調整乃作為該海外實體之資產及負債處理，並按收市匯率換算。所產生之匯兌差額於其他全面收益內確認。

(d) 出售海外業務及部份出售

於出售海外業務(即出售本集團於海外業務之全部權益，或出售涉及失去於旗下包括海外業務之附屬公司之控制權，或出售涉及失去於旗下包括海外業務之合資公司之共同控制權，或出售涉及失去於旗下包括海外業務之聯營公司之重大影響力)時，所有於權益內累計且屬本公司權益持有人應佔該業務之匯兌差額均於損益內確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Foreign Currency Translation (continued)

(d) Disposal of foreign operation and partial disposal (continued)

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated foreign exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated foreign exchange differences is reclassified to profit or loss.

2.7 Property, Plant and Equipment

All property, plant and equipment are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repair and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

2 主要會計政策概要(續)

2.6 外幣匯兌(續)

(d) 出售海外業務及部份出售(續)

倘部份出售並不會導致本集團失去對附屬公司(包括海外業務)之控制權，按比例所佔之累計匯兌差額乃重新歸於非控股權益，且並非於損益內確認。

就所有其他部份權益出售(即本集團於聯營公司或合資公司之擁有權減少，而並無導致本集團失去重大影響力或共同控制權)而言，累計匯兌差額之相應份額乃重新分類至損益。

2.7 物業、機器及設備

所有物業、機器及設備乃按歷史成本減折舊及減值虧損列賬。歷史成本包括收購項目直接產生之開支。

其後成本只有在與該項目有關之未來經濟利益有可能流入本集團，而該項目之成本能可靠計量時，才計入資產之賬面值或確認為獨立資產(如適用)。被替換部份之賬面值不再予以確認。所有其他維修及保養費用在其發生之財政期間內於綜合收益表支銷。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Property, Plant and Equipment (continued)

Depreciation of property, plant and equipment, which is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, is provided at the following annual rates:

Leasehold properties	Over the remaining life of the lease (45 years commencing 2004)
Leasehold improvements	Over the shorter of the term of the lease (45 years commencing 2004) and the estimated useful life
Hangars	2.5%
Aircraft and aviation equipment	5% to 10%
Plant, machinery and tooling	10% to 38%
Trucks, trailers and containers	8% to 20%
Motor vehicles	18% to 20%
Office equipment	12.5% to 33%
Furniture and fixtures	12.5% to 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised within "other income and other gains/(losses), net" in the consolidated income statement.

2 主要會計政策概要(續)

2.7 物業、機器及設備(續)

按其估計可使用年期以直線法將成本分攤至其剩餘價值來計算之物業、機器及設備之折舊按下列年率計提撥備：

租賃物業	按剩餘租賃年期(自二零零四年起計45年)
租賃物業裝修	按租賃年期(自二零零四年起計45年)及估計可使用年期(以較短者為準)
飛機庫	2.5%
飛機及航空設備	5%至10%
機器、機械及工具	10%至38%
貨車、拖車及集裝箱	8%至20%
汽車	18%至20%
辦公室設備	12.5%至33%
傢俬及裝置	12.5%至25%

在每個財務狀況日對資產之剩餘價值及可使用年期進行檢討，及在適當時調整。若資產之賬面值高於其估計可收回金額，其賬面值會即時撇減至可收回金額(附註2.10)。

出售物業、機器及設備之盈虧乃比較所得款項與賬面值而釐定，並於綜合收益表內確認為「其他收入及其他收益/(虧損)，淨額」。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Other Intangibles

Other intangibles with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Other intangibles with indefinite useful lives are not amortised.

Amortisation of other intangibles, which is calculated using straight-line method to allocate their costs over their estimated useful lives, is provided at the following basis:

Operating certificates and trademark	Over the estimated useful lives of 9 – 15 years
Non-compete agreements	Over the non-compete periods of 4 – 6 years

Management reviews the expected useful live at each financial position date based on the estimated period over which future economic benefits will be received by the Group and takes into account the level of future competition, the risk of technological or functional obsolescence of the assets, and the expected changes in the market.

Other intangibles are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of other intangibles are measured at the difference between the net disposal proceeds and the carrying amount of the assets and are recognised with “other income and other gains/(losses), net” in the consolidated income statement in the period when the assets are derecognised.

2.9 Non-Current Prepayments

Prepayments for engine overhaul and maintenance costs of aircraft are recorded as non-current prepayments as it is not expected to be utilised within twelve months and management has discretion over whether or not these costs have to be incurred. Upon consumption, these prepayments are charged to the consolidated income statement.

2 主要會計政策概要(續)

2.8 其他無形資產

具有固定可使用年期之其他無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有無限可使用年期之其他無形資產不予攤銷。

按其估計可使用年期以直線法將成本分攤之其他無形資產攤銷按下列基準計提撥備：

營運證書及商標	按估計可使用年期 9至15年
不競爭協議	按不競爭期間4至 6年

管理層於各財務狀況日根據本集團可收取未來經濟利益之估計期間，計及未來競爭水平、資產之技術或功能貶值風險以及預期市場變動對預計可使用年期加以檢討。

其他無形資產於出售或預期不會因使用或出售而產生未來經濟利益時取消確認。取消確認其他無形資產所產生之盈利或虧損按出售所得款項淨額與資產賬面值之差額計量，並於資產取消確認之期間於綜合收益表確認為「其他收入及其他收益／(虧損)·淨額」。

2.9 非即期預付款

由於預期不會於十二個月內動用及管理層可酌情決定該等成本是否須產生，故飛機引擎檢修及保養費用預付款列作非即期預付款。該等預付款於消耗後計入綜合收益表。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Impairment of Non-Financial Assets, and Interests in Subsidiaries and Associates

Non-financial assets which have an indefinite useful life – for example, goodwill or intangible asset not ready to use – are not subject to amortisation but are tested for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Non-financial assets which are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each financial position date.

Impairment testing of the interests in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

The Group determines at each financial position date whether there is any objective evidence that the interest in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying amount and recognises the amount in the profit or loss.

2 主要會計政策概要(續)

2.10 非金融資產以及於附屬公司及聯營公司之權益減值

具有無限可使用年期之非金融資產 — 如商譽或不擬使用之無形資產 — 不予攤銷，惟會每年或於有事件或情況變動顯示賬面值可能無法收回時進行減值測試。須攤銷之非金融資產在有事件或情況變化顯示資產賬面值可能無法收回時，應就減值進行檢討。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額以資產之公允價值扣除銷售成本與使用價值兩者之較高者為準。於評估減值時，資產按可獨立識辨現金流量之最低水平(現金產生單位)分組。出現減值之非金融資產(商譽除外)會於各財務狀況日進行檢討，以確定有否可能轉回減值。

當收到於附屬公司之權益之股息時，如股息超過附屬公司在宣派股息期間之全面收益總額，或在獨立財務報表之投資賬面值超過被投資方資產淨值(包括商譽)在綜合財務報表之賬面值時，必須對有關投資進行減值測試。

本集團在每個財務狀況日釐定是否有客觀證據證明聯營公司權益已減值。如權益已減值，本集團計算減值，數額為聯營公司可收回數額與其賬面值的差額，並於損益確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Non-Current Assets Held for Sale

Non-current assets are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The non-current assets are stated at the lower of carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increase in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets classified as held for sale are presented separately from the other assets in the consolidated statement of financial position. Non-current assets are not depreciated or amortised while they are classified as held for sale.

2.12 Financial Assets

(a) Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 主要會計政策概要(續)

2.11 持作出售非流動資產

倘非流動資產之賬面值主要透過一項出售交易收回，且該出售極有可能進行，則有關非流動資產被分類為持作出售類別。非流動資產按賬面值及公允價值減出售成本之較低者列賬。

減值虧損乃就資產之任何初步或其後撇減至公允價值減銷售成本而確認。收益就資產之公允價值減銷售成本之任何其後增幅而確認，惟確認金額不超過先前已確認之任何累計減值虧損。於出售非流動資產日期並無先前確認之收益或虧損於取消確認當日予以確認。

分類為持作出售之非流動資產於綜合財務狀況表與其他資產獨立呈列。非流動資產分類為持作出售時不會折舊或攤銷。

2.12 金融資產

(a) 分類

自二零一八年一月一日起，本集團將其金融資產分類至以下計量類別：

- 隨後按公允價值計量(不論是透過其他全面收益或損益列賬)的金融資產；及
- 按攤銷成本計量的金融資產。

有關分類視乎管理金融資產的實體業務模式及現金流的合約條款。

就按公允價值計量的資產而言，收益及虧損將記錄於損益或其他全面收益。就非持作買賣的股權工具投資而言，將視乎本集團是否已於初始確認時不可撤回地選擇將股權投資按公允價值透過其他全面收益列賬。

本集團僅於管理該等資產的業務模式變動時重新分類債務工具。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial Assets (continued)

(b) Recognition

Regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“**FVPL**”), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group’s business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments at amortised cost and FVOCI.

(i) Amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in “interest income” using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in “other income and other gains/(losses), net” together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

2 主要會計政策概要(續)

2.12 金融資產(續)

(b) 確認

經常規途徑買賣之金融資產，於交易日(即本集團承諾購買或出售資產當日)確認。

(c) 計量

於初步確認時，本集團按公允價值加(如並非按公允價值透過損益列賬(「按公允價值透過損益列賬」)之金融資產)收購該金融資產直接應佔的交易成本對金融資產進行計量。按公允價值透過損益列賬之金融資產的交易成本計入損益。

債務工具

債務工具之後續計量取決於本集團管理資產及其現金流量特徵的業務模式。本集團將其債務工具分類為按攤銷成本計量及按公允價值透過其他全面收益列賬。

(i) 攤銷成本

持作收取合約現金流量(僅表示本金及利息付款)的資產按攤銷成本計量。該等金融資產產生的利息收入使用實際利率法計入「利息收入」。取消確認產生的任何收益或虧損直接於損益確認，並連同匯兌收益及虧損於「其他收入及其他收益/(虧損)·淨額」呈列。減值虧損在綜合收益表中以單獨條目呈列。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial Assets (continued)

(c) Measurement (continued)

Debt instruments (continued)

- (ii) Fair value through other comprehensive income

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other income and other gains/(losses), net". Interest income from these financial assets is included in "interest income" using the effective interest rate method. Foreign exchange gains and losses are presented in "other income and other gains/(losses), net" and impairment expenses are presented as separate line item in the consolidated income statement.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as "other income and other gains/(losses), net" when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

2 主要會計政策概要(續)

2.12 金融資產(續)

(c) 計量(續)

債務工具(續)

- (ii) 按公允價值透過其他全面收益列賬

倘為收回合約現金流量及出售金融資產而持有的資產的現金流量僅為支付本金及利息，則該等資產計入按公允價值透過其他全面收益列賬之金融資產。賬面值變動計入其他全面收益，惟於損益確認之減值轉回收益或虧損、利息收入及匯兌收益及虧損之確認除外。取消確認金融資產時，先前於其他全面收益確認之累計收益或虧損由權益重新分類至損益並確認為「其他收入及其他收益／(虧損)，淨額」。該等金融資產的利息收入按實際利率法計入「利息收入」。匯兌收益及虧損於「其他收入及其他收益／(虧損)，淨額」呈列，減值費用於綜合損益表呈列為單獨的項目。

股權工具

本集團其後按公允價值計量所有股權投資。倘本集團管理層選擇於其他全面收益呈列股權投資公允價值收益及虧損，取消確認投資後不會將公允價值收益及虧損重新分類至損益。當本集團確立收取股息款項的權利時，該等投資的股息繼續於損益確認為「其他收入及其他收益／(虧損)，淨額」。

按公允價值透過損益列賬之股權投資的減值虧損(及減值虧損撥回)並無與其他公允價值變動分開列報。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial Assets (continued)

(d) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired or have been legally transferred and the Group has transferred substantially all the risks and rewards of the financial asset.

(e) Impairment

From 1 January 2018, the Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Notes 3.1(b) and 22 for further details.

(f) Accounting policies applied until 31 December 2017

The Group has applied HKFRS 9 retrospectively, but has elected not to restate comparative information. As a result, the comparative information provided continues to be accounted for in accordance with the Group's previous accounting policy.

Until 31 December 2017, the Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

2 主要會計政策概要(續)

2.12 金融資產(續)

(d) 取消確認

當收取金融資產所得現金流量之權利已經屆滿或已被合法轉讓，且本集團已轉讓該項金融資產之絕大部份風險及回報，該金融資產(或如適用，一項金融資產之一部份或一組同類金融資產之一部份)將取消確認。

(e) 減值

自二零一八年一月一日起，本集團對有關其按攤銷成本及公允價值透過其他全面收益列賬之債務工具的預期信貸虧損進行前瞻性評估。所應用的減值方法取決於信貸風險是否大幅增加。

對於貿易應收款項，本集團採用香港財務報告準則第9號允許的簡化方法，該方法要求自初步確認時起確認應收款項的全期虧損，進一步詳情見附註3.1(b)及22。

(f) 截至二零一七年十二月三十一日應用的會計政策

本集團已追溯應用香港財務報告準則第9號，惟選擇不重列比較資料。因此，所提供之比較資料繼續根據本集團原來之會計政策列賬。

截至二零一七年十二月三十一日，本集團金融資產分類為以下各項：按公允價值計入損益、貸款及應收款項及可供出售金融資產。分類視乎購入該等金融資產之目的而定。管理層於初步確認時釐定其金融資產之分類。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial Assets (continued)

(f) **Accounting policies applied until 31 December 2017 (continued)**

(i) *Recognition and measurement*

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated income statement. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the consolidated income statement within “other income and other gains/(losses), net” in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated income statement as part of “other income and other gains/(losses), net” when the Group’s right to receive payments is established.

(ii) *Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired or have been legally transferred and the Group has transferred substantially all the risks and rewards of the financial asset.

2 主要會計政策概要(續)

2.12 金融資產(續)

(f) **截至二零一七年十二月三十一日應用的會計政策(續)**

(i) *確認及計量*

對於所有並非按公允價值計入損益之金融資產初步以公允價值另加交易成本確認。按公允價值計入損益之金融資產初步按公允價值確認，而交易成本則於綜合收益表支銷。可供出售金融資產及按公允價值計入損益之金融資產其後按公允價值列賬。貸款及應收款項其後使用實際利率法按攤銷成本列賬。

「按公允價值計入損益之金融資產」類別因公允價值變動而產生之盈虧會於產生期間在綜合收益表列賬為「其他收入及其他收益／(虧損)，淨額」。按公允價值計入損益之金融資產所產生之股息收入在本集團確立收取付款之權利時，於綜合收益表確認為「其他收入及其他收益／(虧損)，淨額」。

(ii) *取消確認*

當收取金融資產所得現金流量之權利已經屆滿或已被合法轉讓，且本集團已轉讓該項金融資產之絕大部份風險及回報，該金融資產(或如適用，一項金融資產之一部份或一組同類金融資產之一部份)將取消確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial Assets (continued)

(f) Accounting policies applied until 31 December 2017 (continued)

(iii) Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a loss event) and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or a group of financial assets that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- (a) Significant financial difficulty of the issuer or obligor;
- (b) A breach of contract, such as default or delinquency in interest or principal payments;
- (c) The Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- (d) It becomes probable that the borrower will enter bankruptcy or other financial reorganisation;
- (e) The disappearance of an active market for that financial asset because of financial difficulties; or

2 主要會計政策概要(續)

2.12 金融資產(續)

(f) 截至二零一七年十二月三十一日應用的會計政策(續)

(iii) 減值

本集團於各報告期結束時評估是否存在客觀證據顯示一項或一組金融資產出現減值。只有存在客觀證據顯示於首次確認資產後發生一宗或多宗事件導致出現減值(虧損事件)，而該宗或該等虧損事件對該項或該組金融資產之估計未來現金流量所構成之影響可合理估計，則該項金融資產或該組金融資產乃經已減值及產生減值虧損。

本集團用於釐定是否存在減值虧損客觀證據之標準包括：

- (a) 發行人或責任承擔人遇上嚴重財政困難；
- (b) 違反合約，例如逾期或拖欠償還利息或本金付款；
- (c) 本集團基於與借款人財政困難有關之經濟或法律理由，向借款人提供貸款人不考慮之特惠條件；
- (d) 借款人有可能破產或進行其他財務重組；
- (e) 因財政困難而令該項金融資產之活躍市場不再存在；或

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial Assets (continued)

(f) **Accounting policies applied until 31 December 2017 (continued)**

(iii) *Impairment (continued)*

(f) Observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio, including:

- adverse changes in the payment status of borrowers in the portfolio; and
- national or local economic conditions that correlate with defaults on the assets in the portfolio.

Assets carried at amortised cost

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

2 主要會計政策概要(續)

2.12 金融資產(續)

(f) **截至二零一七年十二月三十一日應用的會計政策(續)**

(iii) *減值(續)*

(f) 可觀察數據顯示某金融資產組合自初步確認後，其估計未來現金流量出現可計量之減幅，惟有關減幅尚未能於組合中個別金融資產內識別，包括：

- 組合中借入人之還款狀況出現不利變動；及
- 與該組合中逾期還款資產相關之全國或地方性經濟狀況。

按攤銷成本列賬之資產

就貸款及應收款項而言，虧損金額乃根據資產賬面值與按金融資產原實際利率貼現之估計未來現金流量(不包括尚未產生之未來信貸虧損)之現值兩者之差額計量。資產賬面值將予遞減，而虧損金額則於綜合收益表確認。倘貸款或持有至到期投資按浮息計息，則計量任何減值虧損之貼現率為根據合約釐定之現行實際利率。在實際應用中，本集團可利用可觀察市場價格按工具之公允價值計量減值。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Financial Assets (continued)

(f) **Accounting policies applied until 31 December 2017 (continued)**

(iii) *Impairment (continued)*

Assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

Impairment testing of trade and other receivables is described in Note 3.1(b).

Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, the Group uses the criteria set out in Note 2.12(f)(iii) above. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss, is removed from equity and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

2 主要會計政策概要(續)

2.12 金融資產(續)

(f) **截至二零一七年十二月三十一日應用的會計政策(續)**

(iii) *減值(續)*

按攤銷成本列賬之資產(續)

倘減值虧損金額於往後期間有所減少，而該減少可客觀地與確認減值後發生之事件(例如債務人之信用評級有所改善)有關連，則先前已確認之減值虧損可在綜合收益表撥回。

貿易及其他應收款項之減值測試載於附註3.1(b)。

分類為可供出售之資產

本集團於各報告期結束時評估是否存在客觀證據顯示一項或一組金融資產已出現減值。就債務證券而言，本集團使用上文附註2.12(f)(iii)所述標準。就分類為可供出售之股本投資而言，證券之公允價值大幅或長期下跌至低於其成本，亦屬資產已出現減值之證據。倘可供出售金融資產出現任何此等跡象，累計虧損(按收購成本與目前公允價值之差額扣除該金融資產過往於損益確認之任何減值虧損計量)將從權益中扣除，並於綜合收益表確認。權益工具於綜合收益表確認之減值虧損不能透過綜合收益表撥回。倘於較後期間，分類為可供出售之債務工具公允價值上升，升幅亦可與於損益確認減值虧損後發生之事件客觀關連，減值虧損則於綜合收益表內撥回。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.13 Financial Liabilities

(a) Classification

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. The Group's financial liabilities include trade payables, other payables and accruals, borrowings and other financial liabilities.

(b) Recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All financial liabilities are recognised initially at fair value, in the case of a financial liability not at fair value through profit or loss, less transaction costs that are directly attributable to the issue of the financial liability.

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in the profit or loss.

2.14 Inventories

Inventories, mainly represent spare parts and consumables for aircraft maintenance, are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 主要會計政策概要(續)

2.13 金融負債

(a) 分類

本集團依據產生負債之相關目的分類金融負債。本集團之金融負債包括貿易應付款項、其他應付款項及應計費用、貸款以及其他金融負債。

(b) 確認及計量

金融負債於本集團成為該工具合約條文之訂約方時確認。倘金融負債並非按其公允價值於損益內列賬，所有金融負債按公允價值初步確認，減去發行金融負債直接應佔交易成本。

(c) 取消確認

金融負債於該負債項下之義務被解除、註銷或屆滿時取消確認。

如一項現有金融負債被來自同一貸款方且大部份條款均有差別之另一項金融負債所取代，或現有負債之條款被大幅修改，此種置換或修改視作取消確認原有負債並確認新負債處理，而兩者之賬面值差額於損益內確認。

2.14 存貨

存貨主要指用於飛機維修之零部件及耗材，以成本值及可變現淨值兩者中較低者入賬。成本值乃採用加權平均成本法釐定。可變現淨值為一般業務過程中之估計售價減適用可變銷售開支。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Trade and Other Receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets, except for those with maturities greater than twelve months after the financial position date are classified as non-current assets.

Trade and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade and other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Notes 22 and 23 for further information about the Group's accounting for trade and other receivables and Notes 2.12 and 3.1(b) for a description of the Group's impairment policies.

2.16 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

2.17 Share Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company's shares are acquired from the market by the Employee Share Trust under the employee share scheme, the total consideration of shares acquired from the market (including any directly attributable incremental costs) is presented as shares held for employee share scheme and deducted from total equity. Upon vesting, the related costs of the vested shares for employee share scheme purchased from the market are credited to shares held for employee share scheme, with a corresponding decrease in employee share-based compensation reserve for employee share scheme.

2 主要會計政策概要(續)

2.15 貿易及其他應收款項

貿易應收款項為在日常業務過程中就銷售商品或提供服務而應收客戶之款項。貿易及其他應收款項為並無於活躍市場報價之具有固定或可釐定付款金額之非衍生金融資產。貿易及其他應收款項分類為流動資產，惟到期日超過財務狀況日後十二個月之有關款項則分類為非流動資產。

貿易及其他應收款項初步按已成為無條件之代價金額確認，除非其含有重大融資成份，在此情況下則按公允價值確認。本集團持有貿易及其他應收款項之目的為收取合約現金流量，因此其後使用實際利息法按攤銷成本對其進行計量。本集團有關貿易及其他應收款項的會計處理詳見附註22及23，而有關本集團減值政策之說明見附註2.12及3.1(b)。

2.16 現金及現金等價物

現金及現金等價物包括手頭現金、銀行通知存款及原到期日為三個月或以下之其他短期高流動性投資。

2.17 股本

普通股被列為權益。

直接歸屬於發行新股之新增成本(除稅後)在權益中列為所得款項之扣減。

當僱員股份計劃項下之僱員股份信託於市場購買公司之股份時，於市場購買之股份總代價(包括任何直接產生之新增成本)呈列為僱員股份計劃持有之股份，並自總權益扣除。歸屬後，為僱員股份計劃於市場購買之已歸屬股份之相關成本計入為僱員股份計劃持有之股份，並於僱員股份計劃之以股份支付之補償儲備中扣除相關金額。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.18 Trade and Other Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer) after the financial position date. If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.19 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any differences between proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the financial position date.

2 主要會計政策概要(續)

2.18 貿易及其他應付款項

貿易應付款項為於日常業務過程中向供應商購入貨品或服務之付款責任。倘貿易及其他應付款項乃於財務狀況日後一年或以內(或如屬較長時間,則以一般營運業務週期為準)到期,則分類為流動負債,否則列賬為非流動負債。

貿易及其他應付款項初步按公允價值確認,其後以實際利率法按攤銷成本計算。

2.19 貸款

貸款初步按公允價值扣除交易成本確認。其後貸款按攤銷成本列賬;所得款項(扣除交易成本)與贖回價值之任何差額乃使用實際利率法按貸款期間於綜合收益表確認。

就設立貸款融資時支付的費用而言,倘部份或全部融資將很有可能提取,該費用確認為貸款的交易成本。在此情況下,費用遞延至貸款提取為止。如沒有證據證明部份或全部融資將很有可能被提取,則該費用資本化作為流動資金服務的預付款,並按有關的融資期間攤銷。

貸款分類為流動負債,惟本集團有無條件權利遞延償還負債之日期至財務狀況日後最少十二個月者除外。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and Deferred Income Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the financial position date in the countries where the Group's subsidiaries, associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 主要會計政策概要(續)

2.20 即期及遞延所得稅

期內稅務開支包括即期及遞延稅項。稅項均於綜合收益表確認，惟如有關稅項與於其他全面收益或直接於權益內確認之項目相關之情況則除外。在此情況下，稅項亦分別於其他全面收益確認或直接於權益中確認。即期所得稅支出根據本集團之附屬公司、聯營公司及合資公司營運所在及產生應課稅收入之國家於財務狀況日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況，並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延所得稅是以負債法計算，就資產和負債之計稅基礎與這些資產和負債在綜合財務報表上之賬面值之暫時差異作確認。然而，若遞延所得稅負債來自在交易(不包括業務合併)中對商譽或資產或負債之初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作確認。遞延所得稅採用於財務狀況日已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延所得稅資產僅就可能未來應課稅溢利而就其可使用的暫時差異而確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.20 Current and Deferred Income Tax (continued)

Deferred income tax liabilities are provided on temporary differences arising on investments in subsidiaries, associates and joint ventures, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally, the Group is unable to control the reversal of the temporary difference for associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.21 Employee Benefits

(a) Pension obligations

The Group participates in several defined contribution plans, under which the Group pays fixed contributions into separate entities. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

2 主要會計政策概要(續)

2.20 即期及遞延所得稅(續)

遞延所得稅負債就附屬公司、聯營公司及合資公司投資所產生之暫時差異作撥備，但假若本集團可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回之遞延所得稅負債則除外。一般而言，本集團無法控制聯營公司暫時差異之撥回。僅於訂有協議賦予本集團能力於可預見將來控制暫時差異之撥回時，方不就聯營公司之未分派溢利所產生之應課稅暫時差異確認遞延稅項負債。

倘有可依法強制執行權利將即期稅項資產與即期稅項負債抵銷，且遞延所得稅資產及負債與同一稅務機關就一個或多個應課稅實體徵收之所得稅有關，而有關實體有意按淨額基準繳納稅項時，遞延所得稅資產與負債將予互相抵銷。

2.21 僱員福利

(a) 退休金責任

本集團參與多個定額供款計劃，本集團就此向多個實體繳付固定供款。本集團作出供款後，即無進一步付款責任。供款在應付時確認為僱員福利開支，且可由全數歸屬供款前離開計劃之僱員所放棄之供款而減少。倘有現金退款或可供扣減未來供款之款項，則此等預付供款會確認作資產。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Employee Benefits (continued)

(b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employees' services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, including any market performance conditions (for example, an entity's share price) and excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each financial position date, the Group revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement with a corresponding adjustment to equity.

When the options are exercised, the option issuer issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The Group recognises the effects of modifications that increase the total fair value of the share-based compensation arrangement or are otherwise beneficial to the employees. The Group shall include the incremental fair value granted in the measurement of the amount recognised for services received as consideration for the equity instruments granted. If the modification occurs during the vesting period, the incremental fair value granted is included in the measurement of the amount recognised for services received over the period from the modification date until the date when the modified equity instruments vest, in addition to the amount based on the grant date fair value of the original equity instruments, which is recognised over the remainder of the original vesting period.

2 主要會計政策概要(續)

2.21 僱員福利(續)

(b) 以股份支付之補償

本集團設有一個以權益結算並以股份支付之補償計劃。在該計劃下，實體獲取僱員提供之服務作為本集團有關權益工具(購股權)之代價。僱員為獲取授予購股權而提供之服務之公允價值確認為費用。在釐定歸屬期間內將予支銷之總金額時，會參考授出購股權之公允價值，包括任何市場表現情況(例如實體之股價)，惟不包括任何非市場歸屬條件(例如盈利能力及銷售增長目標)之影響。在預期歸屬之購股權數目之假設中，則包括非市場歸屬條件。在每個財務狀況日，本集團修訂其對預期歸屬之購股權數目之估計。本集團在綜合收益表確認對原估算修訂(如有)之影響，並按此對權益作出相應調整。

倘行使購股權，購股權發行人發行新股份。所得款項扣除任何直接交易成本後，計入股本(面值)及股份溢價內。

本集團確認增加以股份支付之補償安排公允總值或在其他方面對僱員有利之修訂影響。本集團於計量獲取作為已授出權益工具代價服務之確認金額時包括增加之已授出公允價值。倘修訂於歸屬期內作出，則增加之已授出公允價值於計量修訂日期至經修訂權益工具歸屬日期止期間獲取服務確認金額時計算在內，附加於按原有權益工具於授出日期之公允價值計算之金額，該金額乃於原有歸屬期之餘下期間確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Employee Benefits (continued)

(b) Share-based compensation (continued)

If the Group cancels or settles a grant of equity instruments during the vesting period, the Group should treat this as an acceleration of vesting and recognise immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

The grant by the Company of options over its equity instruments to the employees of the subsidiaries in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to interests in subsidiaries, with a corresponding credit to the Company's equity.

(c) Share award scheme

The fair value of the share awards granted to employees or directors is recognised as an expense with a corresponding increase in credit to share-based compensation reserve. The fair value is measured with reference to the Company's share price at grant date taking into account the terms and conditions upon which the share awards are granted. Where the vesting conditions are met before becoming unconditionally entitled to the share awards, the total estimated fair value of the share awards is spread over the vesting period, taking into account the probability that the share awards will be vested.

During the vesting period, the number of share awards which are expected to be vested is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the consolidated income statement for the year of the review.

Upon vesting, the amount recognised as an expense is credited to shares held for share award scheme and debited to share-based compensation reserve.

When the share award is cancelled, it is treated as if it were vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

2 主要會計政策概要(續)

2.21 僱員福利(續)

(b) 以股份支付之補償(續)

倘本集團於歸屬期內註銷或結付授出之權益工具，則其應視之為加速歸屬，並即時確認原應按歸屬期之餘下期間所獲取服務確認之金額。

本公司向本集團附屬公司之僱員所授出其權益工具之認股權被視為資本出資。所獲得僱員服務之公允價值乃參考授出日期之公允價值計量，於歸屬期內確認為於附屬公司之權益增加，並相應計入本公司權益。

(c) 股份獎勵計劃

授予僱員或董事之股份獎勵之公允價值確認為費用，並於以股份支付之補償儲備內計入相應增加。公允價值於授出當日經參考本公司之股價計量，並已計及授出股份獎勵後之條款及條件。倘歸屬條件於無條件享有股份獎勵前獲達成，在計及股份獎勵將會歸屬之可能性後，股份獎勵之估計公允價值總額於歸屬期間內攤分。

於歸屬期間，會對預期將予歸屬之股份獎勵數目進行檢討。對以往年度確認之累計公允價值之任何調整，於回顧年度之綜合收益表扣除／計入。

歸屬後，確認為費用之金額計入持作股份獎勵計劃之股份，並於以股份支付之補償儲備扣減。

倘股份獎勵被註銷，其會被視為猶如已於註銷當日獲歸屬，並即時確認該獎勵尚未確認之任何費用。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Employee Benefits (continued)

(d) Employee leave entitlement and long service payment

Employee entitlements to annual leave and long service payment are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service payment as a result of services rendered by employees up to the reporting date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(e) Bonus plans

The Group recognises a liability and an expense for bonuses, based on performance and takes into consideration the profit attributable to the Company's shareholders. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(f) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

2 主要會計政策概要(續)

2.21 僱員福利(續)

(d) 僱員可享有之假期及長期服務金

僱員可享有之年假及長期服務金乃於應計予僱員時確認。因僱員於截至報告日期止提供服務而估計未放之年假及長期服務金須作出撥備。

僱員可享有之病假及產假直至放假時方予以確認。

(e) 花紅計劃

本集團按表現及計及本公司股東應佔溢利確認負債及花紅支出。當按照合約為有責任或根據過往慣例構成推定責任時，本集團會確認撥備。

(f) 離職福利

本集團在正常退休日期前解僱僱員或僱員自願接受離職以換取該等福利時支付離職福利。本集團於以下日期(以較早者為準)確認離職福利：(a)本集團無法收回提供該等福利之日；及(b)當本集團確認重組成本屬香港會計準則第37號範圍內並涉及支付離職福利之日。在提出要約以鼓勵自願離職之情況下，離職福利乃根據預期接受要約之僱員人數計量。自報告期末起計逾12個月後到期應付之福利將折現至現值。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.22 Provisions and Contingent Liabilities

(a) Provision

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the pre-tax expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(b) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to consolidated financial statements. When a change in the probability of an outflow occurs so that an outflow is probable, it will then be recognised as a provision.

2 主要會計政策概要(續)

2.22 撥備及或然負債

(a) 撥備

當本集團因過往事件而負擔法律或推定債務、可能須撥出資源以支付該債務及已對數額作出可靠估計時，撥備將予以確認。撥備不可確認為未來經營虧損。

倘若有多項同類債務，須撥出資源予以支付之可能性將在整體考慮債務類別後決定。即使在同一責任類別所包含之任何一個項目相關資源流出之可能性極低，仍需確認撥備。

撥備使用稅前稅率按支付債務可能所需之除稅前費用之現值計算，而該現值反映當時市場對貨幣時間價值之評估及該項債務之特有風險。撥備隨著時間過去而增加之數額確認為利息開支。

(b) 或然負債

或然負債指可能因過往事件而產生之可能責任，而有關責任須透過一項或以上並非盡在本集團控制範圍內之不確定日後事件發生與否方能確定存在。或然負債亦指因過往事件而產生之現有責任，由於可能不需要流出經濟資源或責任金額無法可靠計量而未有確認。

或然負債不予確認，惟會於綜合財務報表附註內披露。倘資源流出之可能性有變，以致可能流出資源，則將確認為撥備。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax and discounts, and after eliminating sales within the Group.

The Group recognises revenue, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin.

Revenue is recognised when or as the control of the good or service is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time.

Control of the good or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service. Specific criteria where revenue is recognised are described below.

2 主要會計政策概要(續)

2.23 收入確認

收入按本集團於日常營業期間銷售貨品及服務而已收或應收代價之公允價值計量。收入顯示為扣除增值稅及折扣並抵銷本集團內之銷售。

當未來經濟利益可能流入有關實體、以及符合下文所述本集團之各業務之特定條件時，本集團將確認收入。本集團以其過往業績作為回報估計之依據，並會考慮客戶類別、交易類別及各項安排之具體情況。

倘合約包括多項履約責任，交易價格將基於單獨售價分配至各履約責任。倘該等售價不可直接觀察，則基於預期成本加利潤率進行估計。

收入在貨品或服務的控制權轉移給客戶時確認。取決於合約的條款及合約適用的法例，貨品或服務的控制權可以是隨時間或在某個時間點轉移。

倘本集團的履約符合下列其中一項標準，則貨品或服務的控制權為隨時間轉移：

- 客戶同時取得並耗用所有利益；
- 產生或提升一項資產，而該項資產於本集團履約時由客戶控制；或
- 並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的付款具有可強制執行的權利。

倘貨品或服務的控制權為隨時間轉移，則參考履約責任的完成進度按合約期確認收入。在其他情況下，則在客戶獲取貨品或服務的控制權的時間點確認收入。確認收入的特定標準載於下文。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue Recognition (continued)

(a) Rendering of services

Service fee income in relation to the provision of aviation and logistics services, freight forwarding, ground logistics and warehousing services is recognised in the accounting period in which the services are rendered.

Aircraft management services and aircraft maintenance services is recognised over the period of the service contract.

Service fee income in relation to the provision of financial market information is recognised on a straight-line basis over the period of the service contract.

Payment for aviation and logistics services, freight forwarding, ground logistics and warehousing services and aircraft maintenance services are not due from the customers until the services are completed.

Payment for aircraft management services would be made by customers before the commencement of services. For financial market information services, the customer pays the fixed amount at the commencement of service contract. A contract liability is recognised for payments which exceed the services rendered.

(b) Sale of goods

Revenue from the sale of goods is recognised when control of the products has transferred to the customer, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Payment of the transaction price is due immediately when goods are delivered.

(c) Reimbursement income

Reimbursement income of disbursement recharge is recognised when the service is performed and purchase invoices are received from respective supplier.

2 主要會計政策概要(續)

2.23 收入確認(續)

(a) 提供服務

有關提供航空及物流服務、貨運代理、地面物流及倉儲服務之服務費用收入於提供服務之會計期間確認。

飛機管理服務及飛機維修服務於服務合約期間確認。

有關提供金融市場資訊的服務費收入於服務合約期間以直線法確認。

航空及物流服務、貨運代理、地面物流及倉儲服務以及飛機維修服務之款項在完成服務時由客戶支付。

飛機管理服務之付款將在開始服務前由客戶支付。對於金融市場資訊服務，客戶在服務合約開始時支付固定金額。倘客戶支付的金額超過已提供服務之價值，則確認合約負債。

(b) 出售貨品

來自出售貨品之收入在產品的控制權轉移給客戶(即產品交付予客戶之時)，且並無可能影響客戶接受產品的未達成責任時確認。交易價格之款項在貨品交付時需立即支付。

(c) 償付收入

收取開支之償付收入乃於相關供應商提供服務及取得該供應商之購買發票時確認。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.23 Revenue Recognition (continued)

The Group does not expect to have significant contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

2.24 Borrowing Costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the consolidated income statement in the period in which they are incurred.

2.25 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

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.

(a) Prepaid land lease payments under operating leases

Leasehold interests in land are up-front payments to acquire the land use rights. The payments are stated at cost less accumulated amortisation and any impairment losses. Amortisation is calculated on the straight-line basis to amortise the up-front payments over the lease terms.

2 主要會計政策概要(續)

2.23 收入確認(續)

本集團預期不會有向客戶轉讓承諾貨品或服務與客戶付款之期間超過一年之重大合約。因此，本集團並無就貨幣之時間價值調整任何交易價格。

2.24 貸款成本

直接源自合資格資產(需經較長時間方能達至其預定使用或出售目的)收購、興建或生產之一般及特定貸款成本，計入該等資產的成本，直至大致達至其預定使用或出售目的為止。

尚未使用於合資格資產的特定貸款作短期投資賺取的投資收入，於合資格資本化的貸款成本中扣除。所有其他貸款成本於其產生期間於綜合收益表內確認。

2.25 租賃

倘本集團釐定一項安排具有在協定期限內通過支付一筆或一系列款項，從而獲得使用某一特定資產或多項特定資產之權利，則該安排(由一宗交易或一系列交易組成)為租賃或包括租賃。該釐定乃根據安排之實質內容評估而作出，而不論安排是否具備租賃之法定形式。

租賃條款將資產之絕大部份風險及回報轉予承租人之租賃分類為融資租賃。所有其他租賃分類為經營租賃。

(a) 經營租賃下之預付土地租賃款項

土地租賃權益為收購土地使用權之前期付款。有關付款按成本減累計攤銷及任何減值虧損列賬。攤銷乃於租賃年期內按直線法分攤前期付款計算。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Leases (continued)

(b) The Group as lessor

Rental income from operating leases (including the Group's leasehold properties) is recognised in the consolidated income statement on a straight-line basis over the lease term. The respective leased assets are included in the consolidated statement of financial position based on their nature.

Revenue from the leasing of aircraft is recognised in accordance with the respective agreements over the period the services are rendered.

(c) The Group as lessee

Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Property, plant and equipment held under finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payments are allocated between the liability and finance cost. The finance cost is charged to the consolidated income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease.

2 主要會計政策概要(續)

2.25 租賃(續)

(b) 本集團作為出租人

經營租賃(包括本集團的租賃物業)的租金收入於綜合收益表按有關租賃年期以直線法確認。相關租賃資產基於其性質於綜合財務狀況表列賬。

來自飛機租賃的收入根據相關協議按服務提供的期間確認。

(c) 本集團作為承租人

本集團擁有絕大部份擁有權風險及回報之物業、機器及設備租賃分類為融資租賃。根據融資租賃持有之物業、機器及設備於租賃訂立之初按租賃物業之公允價值或最低租金現值之較低者撥充資本。相關租賃責任(扣除融資費用)計入其他短期及長期應付款項。各項租賃款項在負債及融資成本之間分攤。融資費用於租期內在綜合收益表支銷，以計算出各期負債結餘的固定週期利率。倘不能合理確定本集團將可在租期結束時獲得擁有權，根據融資租賃收購之物業、機器及設備按資產之可使用年期及租賃年期之較短者折舊。

絕大部份擁有權風險及回報並無轉移至本集團(作為承租人)之租賃分類為經營租賃。根據經營租賃作出的付款(扣除自出租人收取的任何獎金後)於租期內在綜合收益表支銷。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.26 Related Parties

A person or entity is considered to be related to the Group if:

- (a) a person or a close member of that person's family (i) has control or joint control over the Group; (ii) has significant influence over the Group; or (iii) is a member of the key management personnel of the Group;
- (b) the entity and the Group are members of the same group, which means that each parent, subsidiary and fellow subsidiary is related to the others;
- (c) one entity is an associate or joint venture of the other entity or an associate or joint venture of a member of a group of which the other entity is a member;
- (d) both entities are joint ventures of the same third party;
- (e) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (f) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (g) the entity is controlled or jointly controlled by a person identified in (a); or
- (h) a person identified in (a) has significant influence over the entity or is a member of the key management personnel of the entity or of a parent of the entity.

2.27 Interest Income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2 主要會計政策概要(續)

2.26 關聯人士

在下列情況下，以下人士或實體被視為與本集團有關聯：

- (a) 如有以下情況之個人及其近親：(i)能夠控制或共同控制本集團；(ii)能夠對本集團行使重大影響；或(iii)為本集團之主要管理人員；
- (b) 該實體與本集團為同一集團內成員，即各母公司、附屬公司及同系附屬公司互有關聯；
- (c) 一個實體為另一個實體之聯營公司或合資公司，或倘另一個實體為集團成員，則為該集團成員之聯營公司或合資公司；
- (d) 兩個實體均為同一第三方之合資公司；
- (e) 一個實體為第三方實體之合資公司，而另一個實體為該第三方實體之聯營公司；
- (f) 該實體為本集團或與本集團有關聯之實體僱員終止受僱後福利計劃受益人；
- (g) 該實體由(a)節界定之人士控制或共同控制；或
- (h) (a)節界定之人士能夠對該實體施以重大影響，或該人士為該實體或該實體之母公司之主要管理人員。

2.27 利息收入

利息收入透過對金融資產的賬面總值應用實際利率計算，惟其後出現信貸減值的金融資產除外。就出現信貸減值的金融資產而言，利息收入透過對金融資產的賬面淨值(扣除虧損撥備後)應用實際利率計算。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

3.1 Financial Risk Factors

The Group is exposed to a variety of financial risks which result from its operating, investing and financing activities. Management periodically analyses and reviews measures to manage the Group's exposure to market risk (including foreign currency risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. Generally, the Group employs a conservative strategy regarding its risk management and has not used any derivatives or other instruments for hedging purposes.

At 31 December 2018, the Group's financial instruments mainly consisted of trade receivables, deposits and other receivables, cash and bank balances, bank loans, finance lease payables, other loan, trade payables, other payables and accruals, and FVOCI.

(a) Market risk

(i) Foreign currency risk

The Group currently operates mainly in Hong Kong, Africa, Malta and Mainland China.

For operations in Hong Kong, most of the transactions are denominated in HK\$ and United States dollars ("US\$"). The exchange rate of US\$ against HK\$ is relatively stable and the related currency exchange risk is considered minimal.

For operations in Africa, most of the transactions are denominated in US\$, Kenyan Shillings ("KES") and South African Rand ("ZAR"). No financial instrument was used for hedging purposes for the year due to the prohibitive cost of available hedging opportunities. The Group is closely monitoring the currency exchange risk of KES and ZAR and will consider the use of financial instrument for hedging purposes, if necessary.

3 財務風險管理

3.1 財務風險因素

本集團承受著多種來自營運、投資及融資活動產生之財務風險。管理層定期分析及檢討措施，以管理本集團之市場風險(包括外幣風險及現金流量與公允價值利率風險)、信貸風險及流動資金風險。本集團一般為風險管理採用保守之策略，並無使用任何衍生或其他工具作對沖之用。

於二零一八年十二月三十一日，本集團之金融工具主要包括貿易應收款項、按金及其他應收款項、現金及銀行結存、銀行貸款、應付融資租賃款項、其他貸款、貿易應付款項、其他應付款項及應計費用以及按公允價值計入其他全面收益之金融資產。

(a) 市場風險

(i) 外幣風險

本集團主要於香港、非洲、馬耳他及中國內地經營業務。

就香港之經營業務而言，大部份交易乃以港元及美元(「美元」)列值。美元兌港元之匯率相對穩定，故有關貨幣匯兌風險不大。

就非洲之經營業務而言，大部份交易乃以美元、肯尼亞先令(「肯尼亞先令」)及南非蘭特(「南非蘭特」)列值。由於可用之對沖機會成本過高，故此年內本公司並無使用金融工具以作對沖。本集團密切監察肯尼亞先令及南非蘭特之匯兌風險，並將考慮於必要時使用金融工具以作對沖。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial Risk Factors (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

For operations in Malta, most of the transactions are denominated in Euro ("EUR") and US\$. No financial instrument was used for hedging purposes for the year. The Group is closely monitoring the currency exchange risk of EUR and will consider the use of financial instrument for hedging purposes, if necessary.

For operations in Mainland China, most of the transactions are denominated in Renminbi ("RMB"). The conversion of RMB into foreign currencies is subject to the rules and regulations of the foreign exchange controls promulgated by the Chinese government. The Group is closely monitoring the currency exchange risk of RMB and is looking for any opportunities to mitigate the currency exchange risk of RMB.

At 31 December 2018, if KES had weakened/strengthened by 2% (2017: 2%) against HK\$ with other variables held constant, the Group's loss after tax and accumulated losses would have been HK\$591,000 (2017: HK\$754,000) higher/lower.

At 31 December 2018, if ZAR had weakened/strengthened by 10% (2017: 10%) against HK\$ with other variables held constant, the Group's loss after tax and accumulated losses would have been HK\$86,000 lower/higher (2017: HK\$372,000 higher/lower).

At 31 December 2018, if EUR had weakened/strengthened by 3% (2017: 3%) against HK\$ with other variables held constant, the Group's loss after tax and accumulated losses would have been HK\$726,000 (2017: HK\$70,000) higher/lower.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外幣風險(續)

就馬耳他之經營業務而言，大部份交易乃以歐元(「歐元」)及美元列值。本公司於本年度並無使用金融工具以作對沖。本集團密切監察歐元之匯兌風險，並將考慮於必要時使用金融工具以作對沖。

就中國內地之經營業務而言，大部份交易乃以人民幣(「人民幣」)列值。人民幣兌換外幣受中國政府頒佈之外匯管制規則及規例規限。本集團密切監察人民幣之匯兌風險，並正尋求任何可減低人民幣匯兌風險之機會。

於二零一八年十二月三十一日，倘肯尼亞先令兌港元貶值/升值2% (二零一七年：2%)，而所有其他變量維持不變，本集團之除稅後虧損及累計虧損將增加/減少約591,000港元(二零一七年：754,000港元)。

於二零一八年十二月三十一日，倘南非蘭特兌港元貶值/升值10% (二零一七年：10%)，而所有其他變量維持不變，本集團之除稅後虧損及累計虧損將減少/增加約86,000港元(二零一七年：增加/減少372,000港元)。

於二零一八年十二月三十一日，倘歐元兌港元貶值/升值3% (二零一七年：3%)，而所有其他變量維持不變，本集團之除稅後虧損及累計虧損將增加/減少約726,000港元(二零一七年：70,000港元)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial Risk Factors (continued)

(a) Market risk (continued)

(ii) Cash flow and fair value interest rate risk

The Group's cash flow and fair value interest rate risk arises from bank balances and deposits and borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk which is partially offset by bank balances and deposits held at variable rates. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. During the year ended 31 December 2018, the Group's borrowings were denominated in US\$, EUR and ZAR (2017: same). The Group has not used any derivative financial instruments to hedge its cash flow and fair value interest rate risk.

At 31 December 2018, if interest rate had increased/decreased by 100 basis points (2017: 100 basis points) with all other variables held constant, the Group's loss after tax and accumulated losses would have been HK\$8,243,000 lower/higher (2017: HK\$1,963,000 lower/higher).

The sensitivity analysis above had been determined assuming that the change in interest rates had occurred at the financial position date and had been applied to the exposure to interest rate risk for financial instruments in existence at that date, and that all other variables had remained constant. The stated increase/decrease represented management's assessment of reasonably possible changes in interest rates over the period until the next annual financial position date. The analysis was performed on the same basis for 2017.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量與公允價值利率風險

本集團之現金流量及公允價值利率風險來自銀行結存及存款以及貸款。按浮動利率獲取之貸款使本集團面對現金流量利率風險，部份為按浮動利率持有之銀行結存及存款所抵銷。按固定利率獲取之貸款使本集團面對公允價值利率風險。截至二零一八年十二月三十一日止年度，本集團之貸款按美元、歐元及南非蘭特計值(二零一七年：相同)。本集團未使用任何衍生金融工具對沖其現金流量及公允價值利率風險。

於二零一八年十二月三十一日，假設所有其他變量維持不變，倘利率上升/下降100個基點(二零一七年：100個基點)，本集團之除稅後虧損及累計虧損會減少/增加約8,243,000港元(二零一七年：減少/增加1,963,000港元)。

上述敏感度分析乃假設利率之改變於財務狀況日已出現，並已應用於在該日已存在之金融工具利率風險，以及所有其他變量維持不變而釐定。該等列明上升/下降為管理層對該期間直至下一個年度財務狀況日之利率可能合理改變之評估。該分析採用二零一七年之相同基準進行。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial Risk Factors (continued)

(b) Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the respective notes to the consolidated financial statements. The Group's exposure to credit risk is mainly related to its contractual cash flows of trade receivables, deposits and other receivables, and cash and bank balances.

The Group has two types of financial assets that are subject to the expected credit loss model:

- trade receivables for sales of goods and from the provisions of services; and
- other financial assets at amortised cost

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial. Majority of bank balances of the Group is generally placed in short to medium term deposits and investments with reputable banks.

The Group has certain bank balances placed at a bank in Malta which is currently under administration as required by the local financial authority. The bank has commenced the fund release procedures for account holders subsequent to year end. As of the date of these consolidated financial statements, the funds have not yet been released as the funds release procedures are still ongoing. Further details has been disclosed in Note 24 to the consolidated financial statements.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險

由於交易對手未能履行責任引致之本集團最大之信貸風險將令本集團面臨財務虧損，並由綜合財務報表內有關附註所列各自之已確認金融資產賬面值產生。本集團面臨的信貸風險主要與其貿易應收款項之合約現金流量、按金及其他應收款項以及現金及銀行結存有關。

本集團有兩類金融資產適用預期信貸虧損模式：

- 出售貨品及提供服務之貿易應收款項；及
- 按攤銷成本列賬之其他金融資產

儘管現金及現金等價物亦適用香港財務報告準則第9號之減值要求，惟所識別之減值虧損並不重大。本集團之大部份銀行結存一般存放於具良好信譽之銀行作中短期存款及投資。

本集團存放於一家馬耳他銀行之若干銀行結存目前根據當地金融監管機構的要求被凍結。該銀行於年結後已啟動向賬戶持有人放款之程序。截至本綜合財務報表日期，由於放款程序仍在進行中，相關資金尚未解凍。進一步詳情披露於綜合財務報表附註24。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial Risk Factors (continued)

(b) Credit risk (continued)

(i) Trade receivables

For trade receivables, the Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. 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 payment profiles of sales over a period of 12 to 36 months before 31 December 2018 or 1 January 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as impairment losses within other operating expenses. Subsequent recoveries of amounts previously written off are credited against the same line item.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款項

對於貿易應收款項，本集團採用香港財務報告準則第9號的簡化方法計量預期信貸虧損，即對所有貿易應收款項使用全期預期信貸虧損。為計量預期信貸虧損，貿易應收款項乃根據共同信貸風險特徵及逾期天數進行分組。

預期虧損率乃根據二零一八年十二月三十一日或二零一八年一月一日前12至36個月期間的銷售付款情況及此期間內所經歷的相應過往信貸虧損而釐定。過往虧損率乃經調整以反映影響客戶結算應收款項之能力的宏觀經濟因素之現時及前瞻性資料。

貿易應收款項於合理預期不可收回時撇銷。貿易應收款項之減值虧損在其他營運費用內呈列為減值虧損。其後收回此前撇銷之款項計入同一條目。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial Risk Factors (continued)

(b) Credit risk (continued)

(i) Trade receivables (continued)

The following table presents the gross carrying amount and the lifetime expected credit loss in respect of individually assessed trade receivables as at 31 December 2017 and 2018:

		As at 31 December 於十二月三十一日	
		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Gross carrying amount	賬面總值	4,453	1,721
Lifetime expected credit loss	全期預期信貸虧損	(4,453)	(1,721)
Net carrying amount	賬面淨值	—	—

The expected credit loss for trade receivables not yet due is close to zero and an expected credit loss rate of approximately 0.03% to 0.26% for trade receivables past due, the impact of the expected loss is assessed to be immaterial and no further loss allowance is needed under the expected credit loss model. Expected loss rate of trade receivables as at 1 January 2018 are also assessed to be insignificant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款項(續)

個別進行評估之貿易應收款項於二零一七年及二零一八年十二月三十一日之賬面總值及全期預期信貸虧損載於下表：

尚未逾期之貿易應收款項之預期信貸虧損接近零，而已逾期之貿易應收款項之預期虧損率約為0.03%至0.26%，相關預期虧損之影響經評估並不重大，無需根據預期信貸虧損模式進一步計提虧損撥備。於二零一八年一月一日之貿易應收款項預期信貸虧損經評估亦不重大。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial Risk Factors (continued)

(b) Credit risk (continued)

(i) Trade receivables (continued)

In the prior year, the impairment of trade receivables was assessed based on the incurred loss model. Trade receivables are presented net of the provision for impairment. Credit risks and exposures are controlled and monitored on an ongoing basis by performing individual credit evaluations for all customers. These evaluations focus on the customer's past history of making payments when due and the current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. In addition, management reviews the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable amounts.

(ii) Other financial assets at amortised cost

The Group applies a 12-month expected credit loss on other financial assets at amortised cost. Management considered among other factors, analysed historical pattern and concluded that the expected credit loss for other financial assets at amortised cost to be immaterial as the credit risk is assessed as low.

(c) Liquidity risk

The Group implements a prudent liquidity risk management to regularly monitor current and expected liquidity requirements for maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet its liquidity requirements in the short and long term.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 貿易應收款項(續)

在過往年度，貿易應收款項之減值乃基於已發生虧損模式評估。貿易應收款項於扣除減值撥備後呈列。本集團透過為所有客戶進行個別信貸評估，持續控制及監督信貸風險及敞口。該等評估著重於客戶過往支付到期款項的情況及目前的付款能力，並計及客戶特定資料以及客戶經營所在的經濟環境。此外，管理層定期審閱各個別貿易應收款項的可收回金額，以確保就不可收回款項確認足夠減值虧損。

(ii) 按攤銷成本列賬之其他金融資產

本集團就按攤銷成本列賬之其他金融資產採用12個月預期信貸虧損。管理層會(其中包括)分析過往情況，倘評估相關信貸風險較低，則認為按攤銷成本列賬之其他金融資產之預期信貸虧損並不重大。

(c) 流動資金風險

本集團實施審慎之流動資金風險管理，定期監察即期及預期之流動資金要求，維持充足之現金，透過已承諾信貸授信之足夠額度備有資金，以滿足短期及長期之流動資金要求。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial Risk Factors (continued)

(c) Liquidity risk (continued)

Due to the dynamic nature of the underlying businesses, the Group aims to maintain flexibility in funding by keeping committed credit facilities available from various banks if necessary. The liquidity risk of the Group is primarily attributable to trade payables, other payables and accruals, bank loans, obligations under finance leases and other loan.

The amounts of the contractual undiscounted cash flows of the financial liabilities were summarised as follow:

		On demand	Within 1 year	More than 1 year but less than 5 years	Total
		按要求	一年內	超過一年但少於五年	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日				
Trade payables	貿易應付款項	87,641	—	—	87,641
Other payables and accruals	其他應付款項及應計費用	—	96,247	—	96,247
Borrowings	貸款	—	20,920	48,846	69,766
Other long-term liabilities	其他長期負債	—	—	7,237	7,237
		87,641	117,167	56,083	260,891
At 31 December 2017	於二零一七年十二月三十一日				
Trade payables	貿易應付款項	116,254	—	—	116,254
Other payables and accruals	其他應付款項及應計費用	—	47,609	—	47,609
Borrowings	貸款	—	202,558	65,656	268,214
Other long-term liabilities	其他長期負債	—	—	7,546	7,546
		116,254	250,167	73,202	439,623

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

由於主要業務性質經常變動，本集團致力透過各銀行已承諾之可用信貸額度(如必要)維持資金之靈活性。本集團之流動資金風險主要來自貿易應付款項、其他應付款項及應計費用、銀行貸款、融資租賃項下之債務及其他貸款。

金融負債之合約未折現現金流量金額概要如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital Management

The Group regards its total equity as capital. The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders to support the Group's sustainable growth and to maintain an optimal capital structure to reduce the cost of capital.

The Group reviews and manages its capital structure and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue new shares, raise new debt financing or sell assets to reduce debt. No changes were made in the objectives, policies or processes during the years ended 31 December 2018 and 2017. The Group is not subject to any externally imposed capital requirements.

The Group monitors its capital structure on the basis of a total liabilities-to-total assets ratio, which shows the proportion of the Group's assets being financed through debt. During the year ended 31 December 2018, the Group's strategy was to maintain the total liabilities-to-total assets ratio around 50% (2017: 50%). The total liabilities-to-total assets ratio at 31 December 2018 was as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Total liabilities	負債總額	314,462	496,236
Total assets	資產總值	1,505,983	884,177
Total liabilities-to-total assets ratio	總負債資產比率	21%	56%

3 財務風險管理(續)

3.2 資本管理

本集團視其總權益為資本。本集團資本管理之主要目的為保障本集團持續營運之能力，為股東提供回報，為其他利益相關者提供利益，以支持本集團之持續發展及維持最佳資本結構化，減低資本成本。

本集團按經濟狀況之變化檢討及管理其資本結構並對其作出調整。為維持或調整資本結構，本集團可調整支付予股東之股息、返還資本予股東、發行新股、提出新債務融資或出售資產以減少債務。截至二零一八年及二零一七年十二月三十一日止年度，並無對目的、政策或過程作出變動。本集團並不受任何外在施加資本要求影響。

本集團按總負債資產比率監察其資本結構，該比率顯示本集團資產以債務撥付之比例。截至二零一八年十二月三十一日止年度，本集團之策略為維持總負債資產比率約為50% (二零一七年：50%)。於二零一八年十二月三十一日之總負債資產比率如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair Value Estimation

The different levels of financial instruments carried at fair value have been defined as follows:

- (a) Quoted prices (unadjusted) in active market for identical assets or liabilities (level 1);
- (b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- (c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The fair value of debt instruments at FVOCI at 31 December 2018 (2017: available-for-sale financial assets) with respect to the listed investments amounting to HK\$20,000 (2017: HK\$38,000) is based on the quoted market prices of the listed investments. The instruments are included in level 1 at 31 December 2018 (2017: same).

The fair value of equity instruments at FVOCI at 31 December 2018 (2017: available-for-sale financial assets) with respect to the unlisted investments amounting to HK\$4,000 (2017: HK\$4,000) which are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments; and
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

During the year ended 31 December 2018, there were no transfers of financial instruments between levels 1, 2 and 3 (2017: same).

3 財務風險管理(續)

3.3 公允價值估計

按公允價值入賬的金融工具之各層級定義如下：

- (a) 相同資產或負債在活躍市場之報價(未經調整)(第一層級)；
- (b) 除第一層級所包括之報價外，有關資產或負債之可直接(即其價格)或間接(即衍生自價格)之可觀察之輸入值(第二層級)；及
- (c) 有關資產或負債之輸入值並非依據可觀察之市場數據(即不可觀察之輸入值)(第三層級)。

於二零一八年十二月三十一日，有關上市投資之按公允價值透過其他全面收益列賬之債權工具(二零一七年：可供出售金融資產)之公允價值20,000港元(二零一七年：38,000港元)乃根據上市投資之市場報價釐定。於二零一八年十二月三十一日，該等工具計入第一層級(二零一七年：相同)。

於二零一八年十二月三十一日，有關並非於活躍市場買賣非上市投資之按公允價值透過其他全面收益列賬之股權工具(二零一七年：可供出售金融資產)(如場外衍生工具)之公允價值4,000港元(二零一七年：4,000港元)乃使用估計技術釐定。該等估值技術最大限度使用可觀察市場數據，而盡可能減少使用特定實體估計。倘一項或多項重大輸入值並非根據可觀察市場數據，則該工具計入第三層級。

用於金融工具估值之特定估值技術包括：

- 類似工具之市場報價或交易商報價；及
- 其他技術(如折現現金流量分析)被用作釐定餘下金融工具之公允價值。

截至二零一八年十二月三十一日止年度，第一、二及三層級之間並無作出金融工具轉撥(二零一七年：相同)。

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綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4.1 Impairment of Goodwill

The Group conducts reviews annually whether goodwill has suffered any impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amounts of CGUs have been determined based on value-in-use calculations or fair value less costs of disposal. These calculations require the use of judgements and estimates. Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying amount of an asset can be supported by the recoverable amount, being the higher of fair value less costs of disposal and net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial condition and results of operations.

Details of the key assumptions selected by management in assessing impairment of goodwill are stated in Note 14.

4 關鍵會計估算及判斷

估算及判斷會被持續評估，並根據過往經驗和其他因素進行評價，包括在有關情況下相信為合理之對未來事件之預測。

本集團就未來狀況作出估計及假設。所得之會計估量按定義一般不會相等於有關實際結果。將導致於下一財政年度對資產及負債賬面值作重大調整之極大風險之估計及假設於下文討論。

4.1 商譽之減值

倘有事件或情況變化顯示賬面值可能無法收回時，本集團會每年檢討商譽是否已出現任何減值。現金產生單位之可收回金額乃根據使用價值計算方法或按公允價值減出售成本釐定。該等計算需要運用判斷及估計，管理層須就資產減值作出判斷，尤其是評估下列各項時：(i) 是否已發生可能顯示有關資產價值可能無法收回之事件；(ii) 可收回金額（即公允價值減出售成本及基於在業務中持續使用資產所估計之未來現金流量現值淨額兩者中之較高者）是否能夠支持資產的賬面值；及(iii) 編製現金流量預測所應用的主要假設是否恰當，包括該等現金流量預測是否使用適當的利率折現。倘管理層於評估減值時選定之假設（包括折現率或現金流量預測之增長率假設）有所改變，則可能會對減值測試所使用之現值淨額造成重大影響，並因而影響本集團之財務狀況及經營業績。

管理層於評估商譽減值時選定之主要假設詳情於附註 14 內說明。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

4.2 Impairment of Intangible Assets and Property, Plant and Equipment

Intangible assets and property, plant and equipment are reviewed for impairment whenever events or change in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amounts have been determined based on the higher of value-in-use calculations or fair value less costs to sell calculations.

The calculations require the use of judgements and estimates. Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying amount of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell and net present value of future cash flows which are estimated based upon the continued use of the asset in the business; and (iii) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations.

4.3 Impairment of Trade Receivables

The policy for impairment assessment for trade receivables of the Group is based on the evaluation of collectibility and aging analysis of trade receivables, and judgement of management. A considerable amount of judgement is required in assessing the realisation of these receivables, including the current creditworthiness and the past collection history of each customer, existing market conditions as well as forward looking estimates at the end of each reporting period.

4 關鍵會計估算及判斷(續)

4.2 無形資產及物業、機器及設備之減值

無形資產及物業、機器及設備在有事件或情況變化顯示賬面值可能無法收回時就減值進行檢討。可收回金額乃根據使用價值計算方法或以公允價值減出售成本之計算方法兩者所得金額中的較高者釐定。

該等計算需要運用判斷及估計。管理層須就資產減值作出判斷，尤其是評估下列各項時：(i) 是否已發生可能顯示有關資產價值可能無法收回之事件；(ii) 可收回金額(即公允價值減出售成本及基於在業務中持續使用資產所估計之未來現金流量現值淨額兩者中之較高者)是否能夠支持資產的賬面值；及(iii) 編製現金流量預測所應用的主要假設是否恰當，包括該等現金流量預測是否使用適當的利率折現。倘管理層於評估減值時選定之假設(包括折現率或現金流量預測之增長率假設)有所改變，則可能會對減值測試所使用之現值淨額造成影響，並因而影響本集團之財務狀況及經營業績。

4.3 貿易應收款項之減值

本集團根據貿易應收款項之可收回程度評估及賬齡分析以及管理層之判斷，制訂貿易應收款項減值評估政策。評估能否收回該等貿易應收款項時，需要作出大量判斷，包括各客戶現時之信譽及過去之回款記錄、現有市況以及於各報告期末之前瞻性估計。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

4.4 Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations, including the aircraft leasing arrangement between the Group companies that are structured on an arm's length basis, for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues, if any, based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, including the tax position of those intra-group transactions, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred income tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Deferred income tax liabilities are recognised in respect of the unremitted earnings of subsidiaries in Mainland China generated subsequent to 31 December 2007 and Africa, except to the extent that the parent is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Significant management judgement is required to determine the amount of deferred income tax liabilities to be recognised, which is based upon the estimated timing of dividend distribution.

4 關鍵會計估算及判斷(續)

4.4 所得稅

本集團須在多個司法權區繳納所得稅。釐定全球所得稅之撥備時需要作出重大判斷。有若干難以確定最終稅項之交易及計算方法(包括集團公司間按公平基準訂立之飛機租賃安排)。本集團根據會否將出現額外應繳稅項之估計而確認預期稅務審核事宜(如有)所產生之負債。倘該等事宜之最終稅務結果與初始記錄之金額不同(包括該等集團間交易之稅務狀況)，該等差異將影響稅務釐定期內之即期及遞延所得稅資產及負債。

在可能有可用應課稅溢利用以抵銷虧損之限度內，應就所有尚未利用之稅項虧損確認遞延所得稅資產。這需要管理層作出重大判斷，基於未來應課稅溢利之可能時間及水平，結合未來稅務籌劃策略，以釐定可確認之遞延所得稅資產之金額。

對於中國內地附屬公司於二零零七年十二月三十一日後產生及非洲附屬公司之未匯出盈利應確認遞延所得稅負債，惟母公司能控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回則除外。這需要管理層作出重大判斷，基於股息分派之估計時間，以釐定將予確認之遞延所得稅負債之金額。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION

The chief operating decision maker has been identified as the Board of the Company. Management has determined the operating segments based on the internal reports reviewed by the Board of the Company that are used to assess performance and allocate resources. The Group's operating segments are structured and managed separately according to the services provided by different strategic business units, and the services offered are subject to risks and returns that are different from those of the other operating segments. The performance and the financial position under each operating segment are summarised as follows:

- (i) Aviation and Logistics Business (“**AL Business**”) – Provision of aviation and logistics services;
- (ii) Financial Market Information Business (“**FMI Business**”) – Provision of online financial market information; and
- (iii) Direct Investments – Other direct investments, including interests in associates and available-for-sale financial assets.

Others include corporate income and expenses and others.

The Board of the Company assesses segment performance based on reportable operating result.

5 分部資料

主要營運決策者已識別為本公司之董事會。管理層已根據經本公司董事會審閱用作評估表現及分配資源之內部報告釐定營運分部。本集團之營運分部乃根據不同策略業務單位所提供之服務分別進行組織及管理，各營運分部提供之服務所承擔之風險及所得回報與其他營運分部不同。各營運分部之表現及財務狀況概述如下：

- (i) 航空及物流業務(「**航空及物流業務**」) – 提供航空及物流服務；
- (ii) 金融市場資訊業務(「**金融市場資訊業務**」) – 提供線上金融市場資訊；及
- (iii) 直接投資 – 其他直接投資，包括於聯營公司之權益及可供出售金融資產。

其他包括企業收益與開支及其他。

本公司董事會以可報告營運業績來評估分部之表現。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (continued)

An analysis of the Group's revenue, results and certain assets, liabilities and expenditure information for the year ended 31 December 2018 by operating segments is as follows:

5 分部資料(續)

本集團截至二零一八年十二月三十一日止年度之收入、業績及若干資產、負債及開支資料按營運分部分析如下：

		AL Business 航空及物流業務	FMI Business 金融市場 資訊業務	Direct Investments 直接投資	Others 其他	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue from contracts with customers (from external customers)	來自客戶合約之收入(來自對外客戶)	849,276	17,472	—	—	866,748
Depreciation	折舊	28,901	77	—	96	29,074
Amortisation	攤銷	8,236	—	—	—	8,236
Provision for impairment of other intangibles	其他無形資產之減值撥備	4,087	—	—	—	4,087
Provision for impairment of property, plant and equipment and assets held for sale	物業、機器及設備以及持作出售資產之減值撥備	8,318	—	—	—	8,318
Operating loss	營運虧損	(196,737)	(1,071)	—	(61,440)	(259,248)
Interest income	利息收入					12,426
Finance costs	融資成本					(13,928)
Share of losses of associates	應佔聯營公司虧損					(1,517)
Loss before income tax	除所得稅前虧損					(262,267)
Income tax credit	所得稅抵免					5,644
Loss for the year	年度虧損					(256,623)
Total assets	資產總值	934,538	2,720	7,076	561,649	1,505,983
Total assets include: Interests in associates	資產總值包括： 於聯營公司之權益	6,202	—	1,872	—	8,074
Total liabilities	負債總額	284,242	6,571	12,088	11,561	314,462
Capital expenditure	資本開支	43,925	68	—	100	44,093

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (continued)

An analysis of the Group's revenue, results and certain assets, liabilities and expenditure information for the year ended 31 December 2017 by operating segments is as follows:

5 分部資料(續)

本集團截至二零一七年十二月三十一日止年度之收入、業績及若干資產、負債及開支資料按營運分部分析如下：

		AL Business	FMI Business	Direct Investments	Others	Total
		航空及物流業務	金融市場 資訊業務	直接投資	其他	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from contracts with customers (from external customers)	來自客戶合約之收入(來自對外客戶)	704,587	19,827	—	—	724,414
Depreciation	折舊	28,849	69	—	235	29,153
Amortisation	攤銷	6,222	—	—	—	6,222
Provision for impairment of other intangibles	其他無形資產之減值撥備	9,000	—	—	—	9,000
Provision for impairment of property, plant and equipment and assets held for sale	物業、機器及設備以及持作出售資產之減值撥備	23,633	—	—	—	23,633
Operating loss	營運虧損	(161,987)	(219)	(5,875)	(53,367)	(221,448)
Interest income	利息收入					9,463
Finance costs	融資成本					(18,213)
Share of losses of associates	應佔聯營公司虧損					(2,859)
Loss before income tax	除所得稅前虧損					(233,057)
Income tax credit	所得稅抵免					9,955
Loss for the year	年度虧損					(223,102)
Total assets	資產總值	857,007	4,010	8,012	15,148	884,177
Total assets include:	資產總值包括：					
Interests in associates	於聯營公司之權益	7,759	—	2,089	—	9,848
Total liabilities	負債總額	348,575	6,895	12,304	128,462	496,236
Capital expenditure	資本開支	25,464	43	—	35	25,542

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (continued)

The Company is domiciled in Hong Kong. The Group's revenue from external customers by geographical regions is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Africa	非洲	506,957	536,436
Europe	歐洲	151,834	143,757
The People's Republic of China (“PRC”)	中華人民共和國(「中國」)		
Mainland China	中國內地	145,737	24,394
Hong Kong	香港	56,381	13,772
Others	其他	5,839	6,055
		866,748	724,414

Revenue derived from external customers with amounts equal to or above 10% of the Group's revenue is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Customer A 客戶甲	Operating Segment 經營分部 AL Business 航空及物流業務	234,494	217,017

5 分部資料(續)

本公司位於香港。本集團來自對外客戶之收入按地區劃分如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Africa	非洲	506,957	536,436
Europe	歐洲	151,834	143,757
The People's Republic of China (“PRC”)	中華人民共和國(「中國」)		
Mainland China	中國內地	145,737	24,394
Hong Kong	香港	56,381	13,772
Others	其他	5,839	6,055
		866,748	724,414

源自對外客戶之收入相等於或高於本集團收入 10% 之金額如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Customer A 客戶甲	Operating Segment 經營分部 AL Business 航空及物流業務	234,494	217,017

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT INFORMATION (continued)

A reconciliation of the total of the reportable segments' assets to the Group's total assets is as follows:

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Total assets for reportable segments	可呈報分部資產總值	944,334	869,029
Corporate assets	企業資產	561,649	15,148
Total assets of the Group		1,505,983	884,177

The total of non-current assets other than financial instruments and deferred income tax assets by geographical regions is as follows:

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Africa	非洲	228,712	242,151
Europe	歐洲	73,117	81,604
The PRC	中國		
Mainland China	中國內地	9,616	11,393
Hong Kong	香港	1,604	1,732
Others	其他	25,878	2,867
Total		338,927	339,747

5 分部資料(續)

可呈報分部資產總值與本集團資產總值之對賬如下：

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Total assets for reportable segments	可呈報分部資產總值	944,334	869,029
Corporate assets	企業資產	561,649	15,148
Total assets of the Group		1,505,983	884,177

除金融工具及遞延所得稅資產外之非流動資產總值按地區劃分如下：

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Africa	非洲	228,712	242,151
Europe	歐洲	73,117	81,604
The PRC	中國		
Mainland China	中國內地	9,616	11,393
Hong Kong	香港	1,604	1,732
Others	其他	25,878	2,867
Total		338,927	339,747

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) An analysis of revenue is as follows:

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Revenue from provision of aviation and logistics services	來自提供航空及物流服務之收入	849,276	704,587
Revenue from provision of online financial market information services	來自提供線上金融市場資訊服務之收入	17,472	19,827
		866,748	724,414

Disaggregation of revenue from contracts with customers:

		2018 二零一八年
		<i>HK\$'000</i> 千港元
Timing of revenue recognition	確認收益之時間	
At a point in time	於某一時間點	831,184
Over time	隨時間	35,564
Revenue (from external customer)	收入(來自對外客戶)	866,748

(b) Liabilities related to contracts with customers

The Group has recognised the following liabilities related to contracts with customers:

		2018 二零一八年
		<i>HK\$'000</i> 千港元
Provision of aviation and logistics services	提供航空及物流服務	2,929
Provision of online financial market information services	提供線上金融市場資訊服務	5,203
Total current contract liabilities	即期合約負債總額	8,132

6 來自客戶合約之收入

(a) 收入分析如下：

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Revenue from provision of aviation and logistics services	來自提供航空及物流服務之收入	849,276	704,587
Revenue from provision of online financial market information services	來自提供線上金融市場資訊服務之收入	17,472	19,827
		866,748	724,414

來自客戶合約之收入分拆：

		2018 二零一八年
		<i>HK\$'000</i> 千港元
Timing of revenue recognition	確認收益之時間	
At a point in time	於某一時間點	831,184
Over time	隨時間	35,564
Revenue (from external customer)	收入(來自對外客戶)	866,748

(b) 客戶合約相關負債

本集團已確認下列客戶合約相關負債：

		2018 二零一八年
		<i>HK\$'000</i> 千港元
Provision of aviation and logistics services	提供航空及物流服務	2,929
Provision of online financial market information services	提供線上金融市場資訊服務	5,203
Total current contract liabilities	即期合約負債總額	8,132

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 REVENUE FROM CONTRACTS WITH CUSTOMERS (continued)

(b) Liabilities related to contracts with customers (continued)

(i) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities.

Revenue recognised that was included in the contract liabilities balance at the beginning of the year	計入年初合約負債結餘之已確認收入
Provision of aviation and logistics services	提供航空及物流服務
Provision of online financial market information services	提供線上金融市場資訊服務

Note: As permitted under the transitional provisions in HKFRS 15, the unsatisfied performance obligation as of 31 December 2017 was not disclosed.

6 來自客戶合約之收入(續)

(b) 客戶合約相關負債(續)

(i) 就合約負債確認之收入

下表顯示本報告期就結轉合約負債確認的收入金額。

2018 二零一八年
HK\$'000 千港元
4,032
5,523
9,555

附註：根據相關財務報告準則第15號之過渡條文，於二零一七年十二月三十一日之未完成履約責任並未披露。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EMPLOYEE BENEFIT EXPENSES

An analysis of employee benefit expenses, including directors' emoluments, is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Salaries and bonuses	薪金及花紅	172,793	138,826
Share-based compensation	以股份支付之補償	11,379	10,880
Pension costs – defined contribution plans	退休金成本 — 定額供款計劃	5,164	4,435
Termination benefits	離職福利	1,609	6,698
Unutilised annual leave	未動用年假	607	526
Other benefits (Note)	其他福利(附註)	20,170	17,247
		211,722	178,612

Note:

Other benefits include medical insurance, travel insurance and other statutory welfare contributions.

7 僱員福利開支

僱員福利開支(包括董事酬金)分析如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Salaries and bonuses	薪金及花紅	172,793	138,826
Share-based compensation	以股份支付之補償	11,379	10,880
Pension costs – defined contribution plans	退休金成本 — 定額供款計劃	5,164	4,435
Termination benefits	離職福利	1,609	6,698
Unutilised annual leave	未動用年假	607	526
Other benefits (Note)	其他福利(附註)	20,170	17,247
		211,722	178,612

附註：

其他福利包括醫療保險、旅遊保險及其他法定福利供款。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EMPLOYEE BENEFIT EXPENSES (continued)

(a) Directors' Emoluments

Details of directors' emoluments are as follows:

Name of director	
董事姓名	
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度
Mr. Chang Zhenming (Note (i))	常振明先生(附註(i))
Mr. Erik D. Prince	Erik D. Prince先生
Mr. Ko Chun Shun, Johnson	高振剛先生
Mr. Luo Ning	羅寧先生
Dr. Hua Dongyi	華東一博士
Mr. Hu Qinggang	胡慶剛先生
Mr. Yap Fat Suan, Henry	葉發旋先生
Professor Lee Hau Leung	李效良教授
Dr. Harold O. Demuren	Harold O. Demuren博士
Total	總計

Year ended 31 December 2017	截至二零一七年十二月三十一日止年度
Mr. Erik D. Prince	Erik D. Prince先生
Mr. Ko Chun Shun, Johnson	高振剛先生
Mr. Luo Ning	羅寧先生
Dr. Hua Dongyi	華東一博士
Mr. Hu Qinggang	胡慶剛先生
Mr. Yap Fat Suan, Henry	葉發旋先生
Professor Lee Hau Leung	李效良教授
Dr. Harold O. Demuren	Harold O. Demuren博士

Total	總計
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Notes:

- (i) Other benefits include medical insurance, travel insurance and other statutory welfare contributions.
- (ii) Mr. Chang Zhenming was appointed as the chairman of the Board and a non-executive director on 6 December 2018.

7 僱員福利開支(續)

(a) 董事酬金

董事酬金詳情載列如下：

Name of director	Fees	Salaries	Bonuses	Contributions	Share-based compensation	Other benefits	Total
				to pension schemes			
董事姓名	袍金	薪金	花紅	退休金計劃供款	以股份支付之補償	其他福利	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
						Note (i)	
						附註(i)	
Year ended 31 December 2018							
Mr. Chang Zhenming (Note (i))	—	—	—	—	—	—	—
Mr. Erik D. Prince	—	4,237	2,539	—	—	1,176	7,952
Mr. Ko Chun Shun, Johnson	120	—	—	—	—	—	120
Mr. Luo Ning	—	—	—	—	—	—	—
Dr. Hua Dongyi	—	5,606	2,351	42	11,379	99	19,477
Mr. Hu Qinggang	—	1,605	134	133	—	21	1,893
Mr. Yap Fat Suan, Henry	549	—	—	—	—	—	549
Professor Lee Hau Leung	549	—	—	—	—	—	549
Dr. Harold O. Demuren	549	—	—	—	—	—	549
Total	1,767	11,448	5,024	175	11,379	1,296	31,089
Year ended 31 December 2017							
Mr. Erik D. Prince	—	3,072	1,782	—	161	1,178	6,193
Mr. Ko Chun Shun, Johnson	120	—	—	—	—	—	120
Mr. Luo Ning	—	—	—	—	—	—	—
Dr. Hua Dongyi	—	4,346	2,110	35	8,163	90	14,744
Mr. Hu Qinggang	—	1,593	93	114	185	170	2,155
Mr. Yap Fat Suan, Henry	545	—	—	—	—	—	545
Professor Lee Hau Leung	545	—	—	—	—	—	545
Dr. Harold O. Demuren	545	—	—	—	—	—	545
Total	1,755	9,011	3,985	149	8,509	1,438	24,847

附註：

- (i) 其他福利包括醫療保險、旅遊保險及其他法定福利供款。
- (ii) 常振明先生於二零一八年十二月六日獲委任為董事會主席兼非執行董事。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EMPLOYEE BENEFIT EXPENSES (continued)

(b) Directors' Retirement Benefits

No retirement benefits were paid to or receivable by any director during the year ended 31 December 2018 in respect of services as a director of the Company and its subsidiary undertakings or in respect of other services in connection with the management of the affairs of the Company or its subsidiary undertakings (2017: Nil).

(c) Directors' Termination Benefits

There were no other payments made to or receivable by any director during the year ended 31 December 2018 in respect of the loss of office as a director, whether of the Company or its subsidiary undertakings, or the loss of other office in connection with the management of the affairs of the Company or its subsidiary undertakings (2017: Nil).

(d) Consideration Provided to Third Parties for Making Available Directors' Services

No consideration was provided to or receivable by third parties for making available directors' services during the year ended 31 December 2018 (2017: Nil).

(e) Information about Loans, Quasi-Loans and Other Dealings Entered Into by the Company or Its Subsidiary Undertakings, Where Applicable, in Favour of Directors

There were no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected parties during the year ended 31 December 2018 (2017: Nil).

(f) Directors' Material Interests in Transactions, Arrangements or Contracts

There were no significant transactions, arrangements and contracts in relation to the Group's business to which the Company or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2018 (2017: Nil).

7 僱員福利開支(續)

(b) 董事退休福利

於截至二零一八年十二月三十一日止年度，概無任何董事就出任本公司及其附屬公司業務之董事或就與管理本公司或其附屬公司業務的事務有關的其他服務而獲支付或應收取退休福利(二零一七年：無)。

(c) 董事離職福利

於截至二零一八年十二月三十一日止年度，概無任何董事就辭任董事職務(不論本公司或其附屬公司業務)或就辭任與管理本公司或其附屬公司業務的事務而獲支付或應收取其他付款(二零一七年：無)。

(d) 就獲取董事服務而向第三方支付之代價

於截至二零一八年十二月三十一日止年度，概無就為獲取董事服務而令第三方獲得或應收取代價(二零一七年：無)。

(e) 有關本公司或其附屬公司業務(如適用)以董事為受益人所訂立之貸款、準貸款及其他交易之資料

於截至二零一八年十二月三十一日止年度，概無以董事、彼等之受控制法團及關連方為受益人之貸款、準貸款或其他交易(二零一七年：無)。

(f) 董事於交易、安排或合約中之重大權益

於年結日或截至二零一八年十二月三十一日止年度內任何時間，本公司或其附屬公司概無簽訂任何涉及本集團之業務而本公司之董事直接或間接在其中擁有重大權益且仍然存續之重大交易、安排及合約(二零一七年：無)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EMPLOYEE BENEFIT EXPENSES (continued)

(g) Five Highest Paid Individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2017: two) directors, whose emoluments are reflected in Note 7(a). The emoluments payable to the remaining three (2017: three) individuals during the year are as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	基本薪金、其他津貼及實物利益	7,888	9,200
Bonuses	花紅	555	203
Share-based compensation	以股份支付之補償	—	1,583
Contributions to pension schemes	退休金計劃供款	236	60
		8,679	11,046

The emoluments fell within the following bands:

Emolument bands	酬金幅度	Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
HK\$2,500,001 – HK\$3,000,000	2,500,001 港元 – 3,000,000 港元	3	1
HK\$3,500,001 – HK\$4,000,000	3,500,001 港元 – 4,000,000 港元	—	1
HK\$4,500,001 – HK\$5,000,000	4,500,001 港元 – 5,000,000 港元	—	1

7 僱員福利開支(續)

(g) 五位最高薪人士

年內本集團五位最高薪人士包括兩位(二零一七年：兩位)董事，其酬金於附註7(a)內反映。年內應付予其餘三位(二零一七年：三位)人士之酬金如下：

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Basic salaries, other allowances and benefits in kind	7,888	9,200
Bonuses	555	203
Share-based compensation	—	1,583
Contributions to pension schemes	236	60
	8,679	11,046

酬金介乎下列幅度：

Emolument bands	酬金幅度	Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
HK\$2,500,001 – HK\$3,000,000	2,500,001 港元 – 3,000,000 港元	3	1
HK\$3,500,001 – HK\$4,000,000	3,500,001 港元 – 4,000,000 港元	—	1
HK\$4,500,001 – HK\$5,000,000	4,500,001 港元 – 5,000,000 港元	—	1

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7 EMPLOYEE BENEFIT EXPENSES (continued)

(h) Remunerations of Senior Management

Details of the emoluments payable to the members of the senior management, including key management personnel, other than Directors by band for the year are set out below:

Emolument bands	酬金幅度	Number of individuals 人數	
		2018 二零一八年	2017 二零一七年
HK\$1 – HK\$500,000	1 港元 – 500,000 港元	—	1
HK\$500,001 – HK\$1,000,000	500,001 港元 – 1,000,000 港元	2	3
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元 – 1,500,000 港元	5	2
HK\$1,500,001 – HK\$2,000,000	1,500,001 港元 – 2,000,000 港元	—	1
HK\$2,500,001 – HK\$3,000,000	2,500,001 港元 – 3,000,000 港元	1	1
HK\$4,500,001 – HK\$5,000,000	4,500,001 港元 – 5,000,000 港元	—	1

8 FINANCE COSTS

Interests on:	下列各項之利息：
Bank loans	銀行貸款
Finance leases	融資租賃
Other loans	其他貸款
Financing arrangement fee	融資安排費用
Net exchange (gains)/losses on borrowings	貸款之匯兌(收益)/虧損淨額

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
	3,448	8,647
	6,294	7,216
	1,300	61
	3,468	1,831
	(582)	458
	13,928	18,213

7 僱員福利開支(續)

(h) 高級管理人員薪酬

董事除外之高級管理人員(包括重要管理人員)按酬金幅度劃分之本年度酬金詳情如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 INCOME TAX CREDIT

Current income tax	即期所得稅
Outside Hong Kong	香港以外地區
Provision for the year	本年度撥備
Adjustment in respect of prior years	過往年度調整
Deferred income tax	遞延所得稅
Outside Hong Kong	香港以外地區

Taxation on profits has been calculated on the estimated assessable profits for the year at the applicable rates of taxation prevailing in the countries/places in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

No provision for Hong Kong profit tax has been provided because the Group did not generate any assessable profit in Hong Kong during the year.

9 所得稅抵免

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
(675)	(317)
(213)	(40)
(888)	(357)
6,532	10,312
5,644	9,955

年內溢利之稅項已按估計應課稅溢利以本集團業務所在國家／地方之現行適用稅率，基於其現行法例、詮釋及慣例而計算。

並無就香港利得稅作出撥備，因為本集團於本年度內並無於香港產生任何應課稅溢利。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 INCOME TAX CREDIT (continued)

The reconciliation between the income tax credit/(expense) on the Group's loss before income tax and the theoretical amount of income tax credit/(expense) that would arise using the domestic tax rate applicable to each of the group companies for the year is as follows:

9 所得稅抵免(續)

年內本集團除所得稅前虧損之所得稅抵免／(開支)與利用適用於集團內各公司之本土國家之稅率計算產生之所得稅抵免／(開支)之理論金額之對賬如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(262,267)	(233,057)
Tax calculated at the domestic tax rates applicable in the respective countries	以有關國家適用之稅率計算之稅項	35,576	30,057
Tax effects of:	以下各項稅項影響：		
Income not subject to tax	毋須繳稅之收入	1,189	902
Expenses not deductible for tax purposes	不可作扣減稅項之開支	(22,035)	(18,592)
Utilisation of previously unrecognised tax losses	使用之前未確認之稅項虧損	83	278
Tax losses not recognised	未確認之稅項虧損	(11,514)	(2,862)
Withholding tax	預扣稅	2,558	212
Adjustment in respect of prior years	過往年度調整	(213)	(40)
Income tax credit	所得稅抵免	5,644	9,955

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 LOSS FOR THE YEAR

The Group's loss for the year is arrived at after charging/ (crediting):

Cost of direct materials and job expenses (Note)	直接材料費用及工作開支 (附註)	
Depreciation (Note 13)	折舊 (附註 13)	
Amortisation of other intangibles (Note 14)	其他無形資產攤銷 (附註 14)	
Amortisation of prepaid operating lease rentals (Note 19)	預付經營租約租金攤銷 (附註 19)	
Engine overhaul cost (Note 18)	引擎檢修成本 (附註 18)	
Operating lease rentals on land and buildings	土地及樓宇之經營租約租金	
Operating lease rentals on equipment	設備之經營租約租金	
Operating lease rentals on motor vehicle	汽車之經營租約租金	
Other operating expenses including, inter alia:	其他營運開支包括 (其中包括) :	
Professional and consultancy fee	專業及顧問費用	
Travelling expenses	差旅費用	
Net exchange losses/(gains)	匯兌虧損/(收益)淨額	
Net loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損淨額	
Net loss on disposal of assets held for sale	出售持作出售資產之虧損淨額	
Auditor's remuneration	核數師酬金	
Audit services	審核服務	
Non-audit services	非審核服務	
Impairment losses on financial assets (Notes 22 and 23)	金融資產減值虧損 (附註 22 及 23)	
Provision for inventories (Note 21)	存貨撥備 (附註 21)	
Other income and other (gains)/ losses, net including, inter alia:	其他收入及其他 (收益)/ 虧損淨額包括 (其中包括) :	
Warehouse income	倉儲收入	
Provision for impairment of interest in an associate (Note 16)	於一家聯營公司之投資之減值撥備 (附註 16)	
Write-back of other payables	其他應付款項撥備撥回	
Change in fair value of derivative financial liabilities	衍生金融負債之公允價值變動	
Net refund from court case for disposal of subsidiaries	來自出售附屬公司之法院案件之退款淨額	

Note:

The cost of direct materials and job expenses includes, inter alia, parts for aircraft maintenance services, fuel cost, take-off, landing and depot charges, crew cost, toll costs, transportation costs and custom clearing costs.

10 年度虧損

本集團年度虧損已扣除/(計入)下列各項:

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
283,938	131,705
29,074	29,153
8,192	6,180
44	42
5,242	8,214
28,867	17,619
4,215	4,558
356	235
10,067	19,762
17,506	13,140
7,545	(5,846)
977	4,348
—	118
3,010	2,945
501	501
2,732	9,379
4,030	56
(3,959)	(3,260)
—	3,228
(4,507)	—
—	(1,851)
—	(2,517)

附註:

直接材料費用及工作開支包括(其中包括)飛機維修服務之零件、燃料成本、起飛、著陸及飛機庫費用、機務人員成本、通行成本、運輸成本及清關費用等。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 LOSS PER SHARE

The calculation of the basic loss per share for the year is based on the Group's loss attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the year less the weighted average number of ordinary shares held for share award scheme during the year.

The calculation of the diluted loss per share for the year is based on the Group's loss attributable to the equity holders of the Company and the weighted average number of ordinary shares in issue during the year less the weighted average number of ordinary shares held for share award scheme during the year assuming the conversion of the exchangeable preference shares and the exercise of the outstanding share options, the dilutive potential ordinary shares of the Company. A calculation is made to determine the number of ordinary shares that could have been acquired at fair value (determined as the average market share price of the Company's ordinary shares over the year) based on the monetary values of the exchange price of the exchangeable preference shares and the subscription rights attached to the outstanding share options.

The basic and diluted loss per share for the year ended 31 December 2018 were the same because the effect of the assumed conversion of all dilutive potential ordinary shares outstanding during the year was anti-dilutive.

The weighted average number of ordinary shares in issue during the year less the weighted average number of ordinary shares held for share award scheme during the year for the calculation of the basic and diluted loss per share is set out as follows:

		2018 二零一八年	2017 二零一七年
Weighted average number of ordinary shares in issue	已發行普通股之加權平均數	1,902,492,380	1,414,787,935
Less: Weighted average number of ordinary shares held for share award scheme	減：持作股份獎勵計劃之普通股之加權平均數	—	(1,891,150)
		1,902,492,380	1,412,896,785
		HK\$'000 千港元	HK\$'000 千港元
Group's loss attributable to the equity holders of the Company	本公司股權持有人應佔本集團虧損	(258,846)	(223,760)

11 每股虧損

本年度每股基本虧損乃根據本公司股權持有人應佔本集團虧損以及年內已發行普通股之加權平均數減於年內持作股份獎勵計劃之普通股之加權平均數計算。

本年度每股攤薄虧損乃根據本公司股權持有人應佔本集團虧損以及年內已發行普通股之加權平均數減於年內持作股份獎勵計劃之普通股之加權平均數，並假設可兌換優先股獲轉換及尚未行使之購股權獲行使後，本公司可能發行具攤薄作用之普通股計算。本公司根據可兌換優先股之兌換價及尚未行使購股權所附認購權之貨幣價值，釐定原本可按公允價值(按年內本公司普通股之平均市場股價釐定)購買之普通股數目。

由於年內所有發行在外並具攤薄作用之潛在普通股在假設轉換後具有反攤薄效應，故此截至二零一八年十二月三十一日止年度之每股基本及攤薄虧損相同。

用作計算每股基本及攤薄虧損之年內已發行普通股加權平均數減於年內持作股份獎勵計劃之普通股之加權平均數載列如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 DIVIDENDS

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

12 股息

公司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任何股息(二零一七年：無)。

13 PROPERTY, PLANT AND EQUIPMENT AND ASSETS HELD FOR SALE

13 物業、機器及設備和持作出售資產

		Leasehold improvements and hangars 租賃物業裝修 及飛機庫	Aircraft and aviation equipment 飛機及航空設備	Plant, machinery and tooling 機器、機械 及工具	Trucks, trailers and containers 貨車、拖車 及集裝箱	Motor vehicles 汽車	Office equipment 辦公室設備	Furniture and fixtures 傢俬及裝置	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
			Note (i) 附註(i)		Note (i) 附註(i)				
At 1 January 2017	於二零一七年一月一日								
Cost	成本	6,883	383,339	12,412	21,606	5,748	7,645	3,092	440,725
Accumulated depreciation and impairment	累計折舊及減值	(3,882)	(76,548)	(4,917)	(7,761)	(3,710)	(4,957)	(1,222)	(102,997)
Net carrying amount	賬面淨值	3,001	306,791	7,495	13,845	2,038	2,688	1,870	337,728
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度								
Opening net carrying amount	年初賬面淨值	3,001	306,791	7,495	13,845	2,038	2,688	1,870	337,728
Additions	添置	1,790	—	264	2,484	2,882	1,666	966	10,052
Disposals (Note 34(i))	出售(附註34(i))	(51)	(27,253)	—	(2,477)	—	(94)	(202)	(30,077)
Impairment (Note (ii))	減值(附註(ii))	—	(19,531)	—	—	—	—	—	(19,531)
Depreciation (Note 10)	折舊(附註10)	(577)	(20,107)	(2,393)	(3,709)	(1,029)	(924)	(414)	(29,153)
Other transfer	其他轉撥	—	—	—	—	(7)	(18)	25	—
Exchange differences	匯兌差額	43	1,663	699	1,102	75	87	64	3,733
Closing net carrying amount	年終賬面淨值	4,206	241,563	6,065	11,245	3,959	3,405	2,309	272,752
At 31 December 2017	於二零一七年十二月三十一日								
Cost	成本	5,839	288,389	13,809	18,572	8,803	9,323	3,467	348,202
Accumulated depreciation and impairment	累計折舊及減值	(1,633)	(46,826)	(7,744)	(7,327)	(4,844)	(5,918)	(1,158)	(75,450)
Net carrying amount	賬面淨值	4,206	241,563	6,065	11,245	3,959	3,405	2,309	272,752

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 PROPERTY, PLANT AND EQUIPMENT AND ASSETS HELD FOR SALE (continued)

13 物業、機器及設備和持作出售資產 (續)

		Leasehold improvements and hangars 租賃物業裝修及飛機庫	Aircraft and aviation equipment 飛機及航空設備	Plant, machinery and tooling 機器、機械及工具	Trucks, trailers and containers 貨車、拖車及集裝箱	Motor vehicles 汽車	Office equipment 辦公室設備	Furniture and fixtures 傢俬及裝置	Total 總計
		HK\$'000 千港元	HK\$'000 千港元 Note (i) 附註(i)	HK\$'000 千港元	HK\$'000 千港元 Note (i) 附註(i)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度								
Opening net carrying amount	年初賬面淨值	4,206	241,563	6,065	11,245	3,959	3,405	2,309	272,752
Additions	添置	702	2,443	181	3,483	4,878	1,916	759	14,362
Disposals (Note 34(i))	出售/附註34(i)	—	(6,989)	—	(56)	—	(94)	—	(7,139)
Impairment (Note (ii))	減值/附註(ii)	—	(5,958)	—	—	—	—	—	(5,958)
Depreciation (Note 10)	折舊/附註10	(482)	(19,705)	(1,883)	(3,793)	(1,205)	(1,484)	(522)	(29,074)
Other transfer (Note (iii))	其他轉讓/附註(iii)	(825)	17,238	400	—	—	425	—	17,238
Exchange differences	匯兌差額	(1)	1,326	(678)	(1,379)	(157)	(94)	(70)	(1,053)
Closing net carrying amount	年終賬面淨值	3,600	229,918	4,085	9,500	7,475	4,074	2,476	261,128
At 31 December 2018	於二零一八年十二月三十一日								
Cost	成本	5,705	293,518	13,158	19,284	13,094	11,142	4,124	360,025
Accumulated depreciation and impairment	累計折舊及減值	(2,105)	(63,600)	(9,073)	(9,784)	(5,619)	(7,068)	(1,648)	(98,897)
Net carrying amount	賬面淨值	3,600	229,918	4,085	9,500	7,475	4,074	2,476	261,128

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13 PROPERTY, PLANT AND EQUIPMENT AND ASSETS HELD FOR SALE (continued)

Notes:

- (i) The Group leases various aircraft and trailers under non-cancellable finance lease arrangements. The lease terms are between 4 and 10 years and the ownership of the aircraft and trailers lies within the Group. The net carrying amount of the aircraft and trailers under finance leases at 31 December is as follows:

Cost – capitalised finance leases	成本 – 資本化融資租賃
Accumulated depreciation and impairment	累計折舊及減值
Net carrying amount	賬面淨值

- (ii) The provision for impairment of property, plant and equipment of HK\$5,958,000 for the year ended 31 December 2018 (2017: HK\$19,531,000) were charged to the carrying amounts of four (2017: seven) aircraft to reflect their market values.

- (iii) Property, plant and equipment classified as assets held for sale
- During the year ended 31 December 2018, a provision for impairment of HK\$2,360,000 (2017: HK\$4,102,000) was charged to the carrying amount of the helicopter classified as held for sale to reflect its market value. On 31 December 2018, this helicopter was reclassified to property, plant and equipment with its fair value of HK\$17,238,000 due to the change in management's intention to lease out this helicopter following receipt of offers to lease.

No aircraft classified as assets held for sale was disposed of during the year ended 31 December 2018. During the year ended 31 December 2017, the Group disposed of one aircraft classified as assets held for sale at a carrying amount of HK\$898,000 for a net proceed of US\$100,000 (equivalent to approximately HK\$780,000).

13 物業、機器及設備和持作出售資產 (續)

附註：

- (i) 本集團根據不可撤銷融資租賃安排租賃多架飛機及多輛拖車。租期介乎4年至10年，而飛機及拖車的擁有權歸本集團所有。於十二月三十一日，融資租賃下飛機及拖車之賬面淨值如下：

Aircraft and trailers	
飛機及拖車	
2018	2017
二零一八年	二零一七年
HK\$'000	HK\$'000
千港元	千港元
133,343	130,639
(38,781)	(28,274)
94,562	102,365

- (ii) 截至二零一八年十二月三十一日止年度之物業、機器及設備之減值撥備5,958,000港元(二零一七年：19,531,000港元)指就四架飛機(二零一七年：七架)之賬面值作出之撥備，以反映其市值。

- (iii) 分類為持作出售資產之物業、機器及設備
- 截至二零一八年十二月三十一日止年度，減值撥備2,360,000港元(二零一七年：4,102,000港元)指就分類為持作出售之直升機之賬面值作出之撥備，以反映其市值。於二零一八年十二月三十一日，由於管理層改變意圖，擬在收到租賃提議後出租此直升機，此直升機被重新分類至物業、機器及設備，賬面值為17,238,000港元。

截至二零一八年十二月三十一日止年度並無出售被分類為持作出售資產之飛機。於截至二零一七年十二月三十一日止年度，本集團出售一架賬面值為898,000港元且分類為持作出售資產之飛機，所得款項淨額為100,000美元(相等於約780,000港元)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 GOODWILL AND OTHER INTANGIBLES

14 商譽及其他無形資產

		2018 二零一八年			2017 二零一七年		
		Goodwill	Other intangibles	Total	Goodwill	Other intangibles	Total
		商譽	其他無形資產	總計	商譽	其他無形資產	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
		Note (i)	Note (ii)		Note (i)	Note (ii)	
		附註(i)	附註(ii)		附註(i)	附註(ii)	
At 1 January	於一月一日						
Cost	成本	107,047	46,457	153,504	107,047	38,475	145,522
Accumulated amortisation and impairment	累計攤銷及減值	(104,945)	(20,438)	(125,383)	(104,945)	(5,250)	(110,195)
Net carrying amount	賬面淨值	2,102	26,019	28,121	2,102	33,225	35,327
Year ended 31 December	截至十二月三十一日止年度						
Opening net carrying amount	年初賬面淨值	2,102	26,019	28,121	2,102	33,225	35,327
Additions	添置	—	—	—	—	7,982	7,982
Amortisation (Note 10)	攤銷(附註10)	—	(8,192)	(8,192)	—	(6,180)	(6,180)
Impairment (Note (i) and (ii))	減值(附註(i)及(ii))	—	(4,087)	(4,087)	—	(9,000)	(9,000)
Exchange differences	匯兌差額	—	12	12	—	(8)	(8)
Closing net carrying amount	年終賬面淨值	2,102	13,752	15,854	2,102	26,019	28,121
At 31 December	於十二月三十一日						
Cost	成本	107,047	46,473	153,520	107,047	46,457	153,504
Accumulated amortisation and impairment	累計攤銷及減值	(104,945)	(32,721)	(137,666)	(104,945)	(20,438)	(125,383)
Net carrying amount	賬面淨值	2,102	13,752	15,854	2,102	26,019	28,121

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 GOODWILL AND OTHER INTANGIBLES

(continued)

Notes:

- (i) Goodwill is monitored by management at the CGU level within an operating segment level with reference to the business performance based on geography and type of business. A summary of the allocation of goodwill to the identified CGUs of the Group is as follows:

	2018 二零一八年			2017 二零一七年		
	Gross 總額	Accumulated impairment 累計減值	Net carrying amount 賬面淨值	Gross 總額	Accumulated impairment 累計減值	Net carrying amount 賬面淨值
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Frontier Services Limited ("FSL") Frontier Services Limited (「FSL」)	94,975	(94,975)	—	94,975	(94,975)	—
Phoenix Aviation Limited ("PAL") Phoenix Aviation Limited (「鳳凰航空」)	6,730	(6,730)	—	6,730	(6,730)	—
Cheetah Logistics SARL ("Cheetah") Cheetah Logistics SARL (「Cheetah」)	1,772	(1,772)	—	1,772	(1,772)	—
Transit Freight Forwarding Proprietary Limited ("TFF") Transit Freight Forwarding Proprietary Limited (「TFF」)	1,468	(1,468)	—	1,468	(1,468)	—
Maleth Aero Limited ("Maleth") Maleth Aero Limited (「Maleth」)	2,102	—	2,102	2,102	—	2,102
	107,047	(104,945)	2,102	107,047	(104,945)	2,102

During the years ended 31 December 2017 and 2018, management considered the actual results of Maleth for the year was comparable to the forecast. Therefore, management considered that no provision for impairment on the goodwill arising from the acquisition of Maleth was necessary.

- (ii) Other intangibles represent operating certificates, trademark, customers' base and non-compete agreements derived from the acquisition of various subsidiaries.

The provision for impairment of other intangibles of HK\$4,087,000 (2017: HK\$9,000,000) for the year ended 31 December 2018 represented impairment of operating certificates and trademark arising from the acquisitions of PAL in 2014 (2017: same). The decision to take an impairment charge against the other intangibles was following a careful internal operation review in the context of the respective CGUs' historical performances and market expectations by management. In recognition of this, the other intangibles were impaired and recorded in the Group's consolidated financial statements for the year ended 31 December 2018.

14 商譽及其他無形資產(續)

附註：

- (i) 商譽由管理層於經營分部層面按現金產生單位水平進行監控，並參考業務地域及類型所得出之業務表現。本集團將商譽分配至已識別現金產生單位之概要如下：

截至二零一八年及二零一七年十二月三十一日止年度，管理層認為 Maleth 年內實際業績與預測業績可資比較。因此，管理層認為無需就收購 Maleth 產生之商譽作出進一步減值撥備。

- (ii) 其他無形資產主要指收購多間附屬公司產生的經營證書、商標、客戶群及不競爭協議。

截至二零一八年十二月三十一日止年度之其他無形資產減值撥備 4,087,000 港元(二零一七年：9,000,000 港元)指於二零一四年收購鳳凰航空所產生之經營證書及商標減值(二零一七年：相同)。鑑於各現金產生單位之過往表現及管理層之市場預期，本集團在作出審慎的內部營運檢討後，決定就其他無形資產扣除減值支出。有鑑於此，其他無形資產已作出減值，並計入本集團截至二零一八年十二月三十一日止年度之綜合財務報表內。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 GOODWILL AND OTHER INTANGIBLES

(continued)

Notes: (continued)

- (iii) The recoverable amounts of the CGUs with operating losses are determined based on value-in-use calculation. This calculation is made with the use of discounted cash flow model, based on financial budget approved by management covering a 5-year period. Cash flow beyond the 5-year period is extrapolated using the key assumptions stated below:

		2018 二零一八年			2017 二零一七年		
		Annual growth rate	Terminal growth rate	Pre-tax discount rate	Annual growth rate	Terminal growth rate	Pre-tax discount rate
		年增長率	長期增長率	稅前折現率	年增長率	長期增長率	稅前折現率
PAL	鳳凰航空	1%-3%	3.0%	24.3%	10%	3.0%	24.3%
TFF	TFF	3%-4%	2.2%	17.3%	4% - 6%	4.0%	17.3%

No impairment indicator was identified for Maleth as its actual result was comparable to management forecast during the year.

Other assumptions included estimated gross margin, applicable corporate income tax rate and capital expenditure for repair and maintenance. Management determines estimated growth rates and gross margin based on past performance and its expectation of market development. The discount rates are determined with reference to specific risks relating to the relevant segments and countries in which they operate.

14 商譽及其他無形資產(續)

附註：(續)

- (iii) 產生營運虧損之現金產生單位之可收回金額以使用價值計算方法釐定。此計算乃運用以覆蓋五年期並獲得管理層批准之財務預算方案為基準之折現現金流量模式作出。五年期過後的現金流量使用下列之主要假設推算：

由於 Maleth 於本年度之實際業績與管理層預測可資比較，故並無就 Maleth 識別任何減值跡象。

其他主要假設包括估計毛利率、適用的企業所得稅率及維修及保養的資本開支。管理層基於過往表現及其對於市場發展的預期釐定估計增長率及毛利率。折現率乃參考與相關分部及其經營所在國家有關之特定風險後釐定。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 SUBSIDIARIES

The table below lists out the subsidiaries of the Company as at 31 December 2018 which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Name	Place of incorporation or registration/ operation	Nominal value of issued ordinary shares/ preference shares/ paid-up capital/ registered capital	Percentage of attributable equity interest held by the Company		Principal activities
			Directly	Indirectly	
名稱	註冊成立或登記/經營地點	已發行普通股/優先股/已繳足資本/註冊資本面值	本公司所持應佔股權百分比 直接 間接		主要業務
FSL	Bermuda	US\$1,000 common	100%	—	Investment holding and provision of aviation and logistics services
FSL	百慕達	1,000美元之普通股	100%	—	投資控股及提供航空及物流服務
FSG Aviation Limited	Bermuda	US\$1 common	100%	—	Aircraft holding and provision of aviation and logistics services
FSG Aviation Limited	百慕達	1美元之普通股	100%	—	飛機持控及提供航空及物流服務
PAL	Kenya	KES550,488,000 ordinary	—	100%	Provision of aviation and logistics services
鳳凰航空	肯尼亞	550,488,000肯尼亞先令之普通股	—	100%	提供航空及物流服務
Frontier Logistics Consultancy DMCC	United Arab Emirates	Emirati Dirham 50,000 ordinary	100%	—	Provision of aviation and logistics services
Frontier Logistics Consultancy DMCC	阿拉伯聯合酋長國	50,000阿聯酋迪拉姆之普通股	100%	—	提供航空及物流服務
Frontier Services Group East Africa Limited	Kenya	KES4,571,000 ordinary	—	100%	Provision of aviation and logistics services
Frontier Services Group East Africa Limited	肯尼亞	4,571,000肯尼亞先令之普通股	—	100%	提供航空及物流服務
Cheetah	Democratic Republic of the Congo	US\$100,000 ordinary	—	100%	Provision of transport logistics services
Cheetah	剛果民主共和國	100,000美元之普通股	—	100%	提供運輸物流服務

15 附屬公司

董事認為，下表列出者均為於二零一八年十二月三十一日對本年度業績構成主要影響或佔本集團大部份資產淨值之本公司附屬公司。為避免資料過於冗長，董事認為毋須列出其他附屬公司之詳情。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 SUBSIDIARIES (continued)

Name	Place of incorporation or registration/ operation	Nominal value of issued ordinary shares/ preference shares/ paid-up capital/ registered capital	Percentage of attributable equity interest held by the Company		Principal activities
			Directly	Indirectly	
名稱	註冊成立或登記/經營地點	已發行普通股/優先股/已繳足資本/註冊資本面值	本公司所持應佔股權百分比 直接 間接		主要業務
TFF	South Africa	ZAR70,521,780 ordinary	—	100%	Provision of freight forwarding services
TFF	南非	70,521,780 南非蘭特之普通股	—	100%	提供貨運代理服務
Transit Freight Co-ordinators Limited	Zambia	Zambian Kwacha 10,000 ordinary	—	50%	Provision of freight forwarding services
Transit Freight Co-ordinators Limited	贊比亞	10,000 贊比亞克瓦查之普通股	—	50%	提供貨運代理服務
Maleth	Malta	EUR1,030,613 ordinary	—	51%	Investment holding
Maleth	馬耳他	1,030,613 歐元之普通股	—	51%	投資控股
Maleth Aero AOC Limited	Malta	EUR545,200 ordinary	—	47%	Provision of aircraft management services
Maleth Aero AOC Limited	馬耳他	545,200 歐元之普通股	—	47%	提供飛機管理服務
Frontier Xinda Security Consulting (Beijing) Company Limited#	Mainland China*	RMB100,000,000 paid-up capital	—	100%	Investment holding and provision of aviation and logistics related consultancy services
先豐信達安全顧問(北京)有限公司	中國內地*	人民幣100,000,000 元已繳足資本	—	100%	投資控股及提供航空及物流相關諮詢服務

15 附屬公司(續)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15 SUBSIDIARIES (continued)

Name	Place of incorporation or registration/ operation	Nominal value of issued ordinary shares/ preference shares/ paid-up capital/ registered capital	Percentage of attributable equity interest held by the Company		Principal activities
			Directly	Indirectly	
名稱	註冊成立或登記/經營地點	已發行普通股/優先股/已繳足資本/註冊資本面值	本公司所持應佔股權百分比 直接 間接		主要業務
Frontier Logistics (Shanghai) Company Limited [#] 先豐物流(上海)有限公司	Mainland China* 中國內地*	US\$10,000,000 registered capital 10,000,000 美元之註冊資本	—	100%	Provision of logistics related services 提供物流相關服務
DVN (Group) Limited	British Virgin Islands	US\$10 ordinary US\$15,000,000 preference	100%	—	Investment holding and management
DVN(Group)Limited	英屬處女群島	10 美元之普通股及 15,000,000 美元之優先股	100%	—	投資控股及管理
Data Source Technology Limited	Hong Kong	HK\$5,000,000 ordinary	—	100%	Provision of administrative and management services
中天數碼互動科技有限公司	香港	5,000,000 港元之普通股	—	100%	提供行政及管理服務
Dynamic Network Limited	British Virgin Islands	US\$1 ordinary	100%	—	Investment holding and management
Dynamic Network Limited	英屬處女群島	1 美元之普通股	100%	—	投資控股及管理
Telequote Data International Limited	Hong Kong	HK\$10,000 ordinary	—	100%	Provision of online financial market information services
電資訊國際有限公司	香港	10,000 港元之普通股	—	100%	提供線上金融市場資訊服務

* Registered as wholly foreign owned enterprise with limited liability under the PRC law

[#] For identification purposes only

15 附屬公司(續)

* 根據中國法律註冊為外商獨資企業有限責任公司

[#] 僅供識別

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 INTERESTS IN ASSOCIATES

16 於聯營公司之權益

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	9,848	7,185
Acquisition of an associate	收購一家聯營公司	—	12,156
Share of losses of associates	應佔聯營公司虧損	(1,517)	(2,859)
Impairment (Note 10)	減值(附註10)	—	(3,228)
Value for the purchase options in an associate (Note 23)	於一家聯營公司之購股權之價值(附註23)	—	(4,187)
Exchange differences	匯兌差額	(257)	781
At 31 December	於十二月三十一日	8,074	9,848

Details of the associates as at 31 December 2018 are as follows:

於二零一八年十二月三十一日，聯營公司之詳情如下：

Name 名稱	Place of incorporation or registration/operation 註冊成立或登記／經營地點	Interest held 所持權益	Principal activities 主要業務
Shanghai Boyojoy Network Technology Company Limited [#] ("Boyojoy") 上海博游網絡科技有限公司(「博游」)	Mainland China 中國內地	45%	Inactive 暫停營業
Chinese Online Corporation Limited ("COL") 華文在綫有限公司(「華文在綫」)	Hong Kong 香港	20%	Inactive 暫停營業
Ninhao Chinese Corporation Limited [#] 天地華文(北京)科技有限公司	Mainland China* 中國內地*	20%	Inactive 暫停營業
Huacheng Interactive (Beijing) Media Company Limited [#] 華誠互動(北京)影視傳播有限公司	Mainland China 中國內地	10% [^]	Distribution of films and TV programmes 電影及電視節目發行
Beijing Tongfang Technology Company Limited [#] 北京同方科技有限公司	Mainland China 中國內地	5.1% [^]	Development, operation and provision of related services of interactive TV media systems 互動電視媒體系統之開發、運營及提供相關服務
Xinyang Liliang Security Consulting Company Limited [#] ("ISDC") 馨陽力量(北京)安全顧問有限公司(「國際安全防衛學院」)	Mainland China 中國內地	25%	Provision of private security training courses 提供私人安保培訓課程

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* 根據中國法律註冊為外商獨資企業有限責任公司

[#] For identification purposes only

[#] 僅供識別

[^] Although the Group holds less than 20% of voting power of the investees, the Group demonstrates significant influences on the investees through the Board's representation in participating in financial and operating policy decisions.

[^] 儘管本集團持有被投資方投票權少於20%，本集團透過董事會代表參與財務及營運決策而對被投資方擁有重大影響力。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16 INTERESTS IN ASSOCIATES (continued)

During the year ended 31 December 2017, management of Boyojoy has decided to arrange upon a shareholder meeting to cease its business and liquidate Boyojoy. Therefore, a full provision for impairment of HK\$3,228,000 and change in fair value of derivative financial liability relating to the fourth stage of performance criteria of Boyojoy of HK\$1,851,000 were made during the year ended 31 December 2017. In addition, the Group made a provision of HK\$5,267,000 for its share of the liquidation costs for the year ended 31 December 2017.

There were no contingent liabilities relating to the Group's interests in associates at 31 December 2018 (2017: Nil).

Summarised financial information of all associates, which are not individually material to the Group, is set out below:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Loss after income tax	除所得稅後虧損	(6,410)	(7,663)
Group's share of losses for the year	本集團應佔年度虧損	(1,517)	(2,859)
Group's share of other comprehensive (loss)/income	本集團應佔其他全面(虧損)/收益	(257)	781
Group's share of total comprehensive loss	本集團應佔全面虧損總額	(1,774)	(2,078)

16 於聯營公司之權益(續)

於截至二零一七年十二月三十一日止年度，儘管第四階段績效標準尚未達致，博游管理層決定安排舉行股東大會以終止其業務及將博游清盤。因此，於截至二零一七年十二月三十一日止年度已作出全數減值撥備3,228,000港元及博游第四階段之績效準備之衍生金融負債之公允價值變動1,851,000港元。此外，本集團已就其所佔截至二零一七年十二月三十一日止年度之清盤成本作出撥備5,267,000港元。

於二零一八年十二月三十一日，概無有關本集團於聯營公司之權益之或然負債(二零一七年：無)。

個別而言對本集團不屬重大之所有聯營公司之財務資料概要載列如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 DEFERRED TAXATION

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to the same tax authority. The deferred income tax assets and liabilities after offsetting are as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	7,501	7,249
Deferred income tax liabilities	遞延所得稅負債	(46,265)	(52,775)
		(38,764)	(45,526)

The movements in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

Deferred income tax assets

		Tax losses 稅項虧損		Non-current prepayments 非即期預付款		Unrealised exchange differences 未變現匯兌差額		Total 總計	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	7,148	6,439	2,278	111	204	49	9,630	6,599
Credited/(charged)	於綜合收益表計入 to consolidated income statement /(扣除)	6,410	(61)	(722)	1,691	(208)	154	5,480	1,784
Exchange differences	匯兌差額	(1,328)	770	2	476	4	1	(1,322)	1,247
At 31 December	於十二月三十一日	12,230	7,148	1,558	2,278	—	204	13,788	9,630

17 遞延稅項

倘有合法執行權利將即期稅項資產與即期稅項負債對銷及倘遞延所得稅資產及負債乃與同一稅務當局有關，則將遞延所得稅資產及負債對銷。經對銷後之遞延所得稅資產及負債如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Deferred income tax assets	遞延所得稅資產	7,501	7,249
Deferred income tax liabilities	遞延所得稅負債	(46,265)	(52,775)
		(38,764)	(45,526)

年內遞延所得稅資產及負債(未計及於相同稅務司法權區結餘對銷)之變動如下：

遞延所得稅資產

		Tax losses 稅項虧損		Non-current prepayments 非即期預付款		Unrealised exchange differences 未變現匯兌差額		Total 總計	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	7,148	6,439	2,278	111	204	49	9,630	6,599
Credited/(charged)	於綜合收益表計入 to consolidated income statement /(扣除)	6,410	(61)	(722)	1,691	(208)	154	5,480	1,784
Exchange differences	匯兌差額	(1,328)	770	2	476	4	1	(1,322)	1,247
At 31 December	於十二月三十一日	12,230	7,148	1,558	2,278	—	204	13,788	9,630

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 DEFERRED TAXATION (continued)

Deferred income tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. At 31 December 2018, the Group did not recognise deferred income tax assets of HK\$35,333,000 (2017: HK\$28,175,000) in respect of unrecognised tax losses of HK\$151,602,000 (2017: HK\$121,724,000) that can be carried forward to offset against future taxable income. Unrecognised deferred income tax assets of HK\$4,273,000 in respect of unrecognised tax losses was lapsed during the year ended 31 December 2018. The unrecognised tax losses include an amount of HK\$31,310,000 (2017: HK\$4,439,000) arising in Mainland China, HK\$51,339,000 (2017: HK\$40,676,000) arising in Kenya and HK\$1,048,000 (2017: HK\$1,246,000) arising in Zambia, which is due to expire within one to five years for offsetting against future taxable profits of the companies in which the losses arise.

Deferred income tax liabilities

	Accelerated tax depreciation		Withholding tax on unremitted profits		Other intangibles		Deferred income		Other		Total	
	加速稅項折舊		未分派溢利之預扣稅		其他無形資產		遞延收入		其他		總計	
	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January	18,444	22,522	5,942	5,758	8,747	9,720	22,023	23,709	—	—	55,156	61,709
Charged/(credited) to consolidated income statement	16	(4,107)	(2,558)	(212)	(976)	(973)	1,837	(3,236)	629	—	(1,052)	(8,528)
Exchange differences	(303)	29	(172)	396	—	—	(1,027)	1,550	(50)	—	(1,552)	1,975
At 31 December	18,157	18,444	3,212	5,942	7,771	8,747	22,833	22,023	579	—	52,552	55,156

17 遞延稅項(續)

遞延所得稅資產可根據結轉稅項虧損確認，惟該等結轉稅項虧損以可透過未來應課稅溢利變現相關稅項利益為限。於二零一八年十二月三十一日，本集團可用以抵銷未來應課稅收入之未確認稅項虧損額為151,602,000港元(二零一七年：121,724,000港元)，而其相關之未確認遞延所得稅資產為35,333,000港元(二零一七年：28,175,000港元)。有關未確認稅項虧損之未確認遞延所得稅資產4,273,000港元已於截至二零一八年十二月三十一日止年度失效。未確認稅項虧損包括中國內地、肯尼亞及贊比亞產生之金額31,310,000港元(二零一七年：4,439,000港元)、51,339,000港元(二零一七年：40,676,000港元)及1,048,000港元(二零一七年：1,246,000港元)，將於一至五年內屆滿，用以抵銷招致虧損之公司未來應課稅溢利。

遞延所得稅負債

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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17 DEFERRED TAXATION (continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applied to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding tax on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008. At 31 December 2018, the Group has recognised deferred income tax liabilities in respect of temporary differences relating to the withholding tax of HK\$3,212,000 (2017: HK\$5,942,000) on the unremitted profits of subsidiaries in Mainland China amounting to HK\$32,113,000 (2017: HK\$59,416,000) as the Company may intend to have dividends declared by the subsidiaries in Mainland China in the foreseeable future.

Pursuant to the Kenyan Income Tax Act, a 10% withholding tax is levied on dividends declared to non-residents from the enterprises established in Kenya. A lower withholding tax rate may be applied if there is a tax treaty between Kenya and the jurisdiction of the non-residents. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding tax on dividends distributed by those subsidiaries established in Kenya. At 31 December 2018, the Group did not recognise deferred income tax liabilities in respect of temporary differences relating to the withholding tax of HK\$2,188,000 (2017: HK\$3,305,000) on the unremitted profits of subsidiaries in Kenya amounting to HK\$21,876,000 (2017: HK\$33,046,000), that would be payable on the distribution of these retained profits, as the Company controls the dividend policy of these subsidiaries and it is probable that these profits will not be distributed in the foreseeable future. Therefore, the related temporary difference will not be reversed and will not be taxable in the foreseeable future.

17 遞延稅項(續)

根據中國企業所得稅法，於中國內地成立之外資企業向海外投資者宣派股息須按10%徵收預扣稅。此規定由二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。倘中國內地與外國投資者之司法權區有簽訂相關稅務協議，則可運用較低之預扣稅率。就本集團而言，適用稅率為10%。因此，本集團有責任就於中國內地成立之該等附屬公司於二零零八年一月一日起產生之盈利所分派之股息繳付預扣稅。於二零一八年十二月三十一日，由於本公司擬於可見未來收取中國內地附屬公司宣派之股息，本集團已就此等附屬公司之未分派溢利32,113,000港元(二零一七年：59,416,000港元)之預扣稅3,212,000港元(二零一七年：5,942,000港元)相關之暫時差異確認遞延所得稅負債。

根據肯尼亞所得稅法，於肯尼亞成立之企業向非居民宣派股息須按10%徵收預扣稅。倘肯尼亞與非居民之司法權區有簽訂相關稅務協議，則可運用較低之預扣稅率。就本集團而言，適用稅率為10%。因此，本集團有責任就於肯尼亞成立之該等附屬公司所分派之股息繳付預扣稅。於二零一八年十二月三十一日，本集團並無就於肯尼亞附屬公司未分派溢利21,876,000港元(二零一七年：33,046,000港元)之預扣稅2,188,000港元(二零一七年：3,305,000港元)有關之暫時差異確認遞延所得稅負債(該款項將於分派該等保留溢利時支付)，原因是本公司控制該等附屬公司之股息政策，且該等溢利在可預見將來可能不會進行分派。因此，相關暫時性差異將不會於可見將來撥回並不會課稅。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18 NON-CURRENT PREPAYMENTS

18 非即期預付款

		2018 二零一八年			2017 二零一七年		
		Engine overhaul 引擎檢修	Other deposits 其他按金	Total 總計	Engine overhaul 引擎檢修	Other deposits 其他按金	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	25,752	1,923	27,675	26,440	1,908	28,348
Additions	添置	6,805	22,926	29,731	7,508	—	7,508
Charged to consolidated income statement (Note 10)	於綜合收益表扣除 (附註 10)	(5,242)	—	(5,242)	(8,214)	—	(8,214)
Exchange differences	匯兌差額	375	4	379	18	15	33
At 31 December	於十二月三十一日	27,690	24,853	52,543	25,752	1,923	27,675

The non-current prepayments for engine overhaul represent the engine overhaul cost prepaid to aircraft manufacturers but the engines are not yet overhauled and are not expected to be utilised within twelve months from the financial position date.

During the year ended 31 December 2018, HK\$22,926,000 was paid as deposit for purchase of land-use-rights (2017: Nil).

引擎檢修之非即期預付款指預付予飛機製造商之引擎檢修成本，惟有關引擎尚未進行檢修且預期將不會於自財務狀況日起計十二個月內使用。

於截至二零一八年十二月三十一日止年度，本集團支付22,926,000港元作為收購土地使用權之按金(二零一七年：無)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19 PREPAID OPERATING LEASE RENTALS

19 預付經營租約租金

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日		
Cost	成本	1,502	1,502
Accumulated amortisation	累計攤銷	(151)	(109)
Net carrying amount	賬面淨值	1,351	1,393
Year ended 31 December	截至十二月三十一日止年度		
Opening net carrying amount	年初賬面淨值	1,351	1,393
Amortisation (Note 10)	攤銷(附註10)	(44)	(42)
Exchange differences	匯兌差額	21	—
Closing net carrying amount	年終賬面淨值	1,328	1,351
At 31 December	於十二月三十一日		
Cost	成本	1,502	1,502
Accumulated amortisation	累計攤銷	(174)	(151)
Net carrying amount	賬面淨值	1,328	1,351

The prepaid operating lease rentals represent the premium paid by PAL for the land leased from the Kenya Airports Authority for the terms of 45 years from 1 June 2004.

預付經營租約租金指鳳凰航空就向肯尼亞機場管理局租賃土地(自二零零四年六月一日起為期45年)所支付之地價。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/ AVAILABLE-FOR-SALE FINANCIAL ASSETS

FVOCI of the Group comprise equity securities and debt instrument which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

(i) Equity and debt investments at FVOCI in 2018

	於一月一日
At 1 January	於一月一日
Reclassification of available-for-sale financial assets to FVOCI upon adoption of HKFRS 9	於採納香港財務報告準則第9號時重新分類可供出售金融資產至按公允價值透過其他全面收益列賬
At 1 January (Restated)	於一月一日(經重列)
Redemptions	贖回
Exchange differences	匯兌差額
At 31 December	於十二月三十一日

Notes:

- (i) It represents overseas unlisted equity securities.
- (ii) It represents overseas listed corporate bond.

These investments were classified as available-for-sale financial assets in 2017.

20 按公允價值透過其他全面收益列賬之金融資產／可供出售金融資產

本集團按公允價值透過其他全面收益列賬之金融資產包括並非持作買賣而本集團於初步確認時不可撤回地選擇在此類別確認之股權證券及債權工具。該等資產為策略性投資，而本集團認為此分類更為相關。

(i) 於二零一八年按公允價值透過其他全面收益列賬之股權及債權投資權益

Equity investments at FVOCI (Note (i)) 按公允價值透過其他全面收益列賬之股權投資 (附註(i))	Debt investments at FVOCI (Note (ii)) 按公允價值透過其他全面收益列賬之債權投資 (附註(ii))	Total 總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
—	—	—
4	38	42
4	38	42
—	(19)	(19)
—	1	1
4	20	24

附註：

- (i) 其指海外非上市股權證券。
- (ii) 其指海外上市企業債券。

該等投資於二零一七年分類為可供出售金融資產。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/ AVAILABLE-FOR-SALE FINANCIAL ASSETS

(continued)

(ii) Financial assets previously classified as available-for-sale financial assets in 2017

		2017 二零一七年			
		Hong Kong listed equity investment (Note)	Overseas listed security investment	Overseas unlisted equity investments	Total
		香港上市之 股權投資 (附註)	海外上市之 證券投資	海外非上市之 股權投資	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	1,281	57	4	1,342
Change in value (Note 32)	價值變更(附註32)	(125)	—	—	(125)
Redemptions	贖回	—	(19)	—	(19)
Disposals	出售	(1,156)	—	—	(1,156)
At 31 December	於十二月三十一日	—	38	4	42
Less: current portion	減：即期部份	—	—	—	—
Non-current portion	非即期部份	—	38	4	42

Note:

During the year ended 31 December 2017, the Company disposed of 230,000 shares of Yunfeng Financial Group Limited ("YFGL") in the market for an aggregate gross consideration of HK\$1,156,000 and a gain on disposal of available-for-sale financial assets of HK\$592,000 was recorded.

Investments were designated as available-for-sale financial assets if they did not have fixed maturities and fixed or determinable payments, and management intended to hold them for the medium to long-term. Financial assets that were not classified into any of the other categories (at fair value through profit and loss, loans and receivables or held-to-maturity investments) were also included in the available-for-sale category.

The financial assets were presented as non-current assets unless they matured, or management intended to dispose of them within 12 months of the end of the reporting period.

20 按公允價值透過其他全面收益列賬之金融資產／可供出售金融資產(續)

(ii) 於二零一七年此前分類為可供出售金融資產之金融資產

附註：

截至二零一七年十二月三十一日止年度，本公司於市場上出售雲鋒金融集團有限公司（「雲鋒集團」）之230,000股股份，總代價為1,156,000港元及錄得出售可供出售金融資產之收益592,000港元。

並無固定到期日以及固定或可釐定付款，且管理層擬在中長期內持有之投資乃指定為可供出售金融資產。並未分類至任何其他類別（按公允價值透過損益列賬、貸款及應收款項或持有至到期投資）之金融資產亦列入可供出售類別。

除非已到期或管理層擬在報告期末後12個月內出售，否則金融資產均呈列為非流動資產。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21 INVENTORIES

Aircraft spare parts and consumables	飛機零部件及耗材
Packaging materials	包裝物料

	2018 二零一八年	2017 二零一七年
	<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
	5,416	10,753
	1,052	534
	6,468	11,287

During the year ended 31 December 2018, a provision for inventories amounting to HK\$4,030,000 (2017: HK\$56,000) on obsolete aircraft spare parts and consumables was recognised in other operating expenses in the consolidated income statement.

22 TRADE RECEIVABLES

Trade receivables	貿易應收款項
Less: loss allowance	減：虧損撥備

	2018 二零一八年	2017 二零一七年
	<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
	192,956	122,155
	(4,453)	(1,721)
	188,503	120,434

The fair value of trade receivables approximates its carrying amount.

Credit terms of one to three months from invoice date are generally granted to major customers. The Group seeks to maintain strict control over its outstanding receivables. The Group performs ongoing credit evaluation of its customers and makes frequent contact with its customers, if necessary.

21 存貨

	2018 二零一八年	2017 二零一七年
	<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
	5,416	10,753
	1,052	534
	6,468	11,287

截至二零一八年十二月三十一日止年度，陳舊飛機零部件及耗材存貨撥備4,030,000港元(二零一七年：56,000港元)已於綜合收益表之其他營運費用內確認。

22 貿易應收款項

	2018 二零一八年	2017 二零一七年
	<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
	192,956	122,155
	(4,453)	(1,721)
	188,503	120,434

貿易應收款項之公允價值與其賬面值相若。

本集團一般授予主要客戶自發票日起一至三個月之信貸期。本集團將繼續嚴格控制其尚未收取之應收款項。本集團對其客戶持續進行信用審查，並經常與客戶接觸(如需要)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 TRADE RECEIVABLES (continued)

An aging analysis, based on the invoice date, of the trade receivables as at the financial position date is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 month	一個月內	93,295	77,821
1 – 2 months	一至兩個月	25,947	16,616
2 – 3 months	兩至三個月	17,803	16,785
Over 3 months	超過三個月	55,911	10,933
		192,956	122,155
Less: loss allowance	減：虧損撥備	(4,453)	(1,721)
		188,503	120,434

At 31 December 2018, trade receivables of HK\$79,870,000 (2017: HK\$26,106,000) relating to a number of independent customers were past due. After considering their creditworthiness, past collection history and settlement after the financial position date, these overdue trade receivables were not considered impaired. The past due aging analysis of these trade receivables without provision made is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 month	一個月內	12,700	1,069
1 – 2 months	一至兩個月	14,982	11,703
Over 2 months	超過兩個月	52,188	13,334
		79,870	26,106

22 貿易應收款項(續)

於財務狀況日，貿易應收款項之賬齡分析(基於發票日)如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 month	一個月內	93,295	77,821
1 – 2 months	一至兩個月	25,947	16,616
2 – 3 months	兩至三個月	17,803	16,785
Over 3 months	超過三個月	55,911	10,933
		192,956	122,155
Less: loss allowance	減：虧損撥備	(4,453)	(1,721)
		188,503	120,434

於二零一八年十二月三十一日，與若干獨立客戶有關之貿易應收款項79,870,000港元(二零一七年：26,106,000港元)已逾期。經考慮客戶之信譽、過去之回款紀錄及財務狀況日後之結算，該等逾期貿易應收款項不需減值。該等未作撥備之貿易應收款項之逾期賬齡分析如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 month	一個月內	12,700	1,069
1 – 2 months	一至兩個月	14,982	11,703
Over 2 months	超過兩個月	52,188	13,334
		79,870	26,106

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 TRADE RECEIVABLES (continued)

The carrying amounts of the Group's trade receivables are denominated in the following currencies:

US\$	美元
ZAR	南非蘭特
EUR	歐元
KES	肯尼亞先令
Others	其他

The maximum exposure to credit risk at the financial position date is the fair value of trade receivables mentioned above.

Movements in the loss allowance of trade receivables are as follows:

At 1 January	於一月一日
Additions (Note 10)	添置(附註 10)
At 31 December	於十二月三十一日

During the year ended 31 December 2018, a loss allowance of HK\$2,732,000 (2017: HK\$1,020,000) on trade receivables which have been overdue for more than 60 days was made after considering the collectability, overdue aging analysis and past collection history of the trade receivables.

22 貿易應收款項(續)

本集團之貿易應收款項之賬面值以下列貨幣計值：

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
67,859	44,698
59,097	63,166
53,321	4,502
1,758	2,720
6,468	5,348
188,503	120,434

於財務狀況日，信貸風險之最高額度為上述貿易應收款項之公允價值。

貿易應收款項之虧損撥備變動如下：

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
1,721	701
2,732	1,020
4,453	1,721

截至二零一八年十二月三十一日止年度，經考慮貿易應收款項之可回收程度、逾期賬齡分析及過往回款紀錄，已就逾期超過60天之貿易應收款項作出2,732,000港元(二零一七年：1,020,000港元)之虧損撥備。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Deposits and other receivables	按金及其他應收款項	54,659	56,515
Current account with an associate	與一家聯營公司之往來賬目	5,204	5,922
Loan to an associate	向一家聯營公司提供貸款	11,029	6,877
Purchase options in an associate (Note 16)	購買於一家聯營公司之購股權 (附註 16)	4,004	4,187
Prepayments	預付款	62,858	19,490
Interest receivables	應收利息	7,415	10,029
Value-added tax receivables	應收增值稅	2,852	2,993
		148,021	106,013
Less: loss allowance	減：虧損撥備	(23,113)	(23,113)
		124,908	82,900

See Note 2.2 for the impact of the change in accounting policy following the adoption of HKFRS 9 on the classification of financial assets and Note 2.12 for the remaining relevant accounting policies.

The loan to an associate is secured by 22% equity interests of the associate being held by certain equity holders and repayable on demand. The loan to an associate is non-interest-bearing during the years ended 31 December 2018 and 2017.

The fair values of deposits and other receivables approximate their carrying amounts.

Movements in the loss allowance of certain deposits and other receivables, which were financial assets, are as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	23,113	14,754
Additions (Note 10)	添置(附註 10)	—	8,359
At 31 December	於十二月三十一日	23,113	23,113

23 預付款、按金及其他應收款項

採納香港財務報告準則第9號後之會計政策變動對金融資產分類之影響見附註2.2，其餘相關會計政策見附註2.12。

向一家聯營公司提供貸款以該聯營公司之22%股份作為抵押，及須應要求償還。截至二零一八年及二零一七年十二月三十一日止年度，向一間聯營公司提供之貸款並無附帶利息。

按金及其他應收款項之公允價值與其賬面值相若。

若干按金及其他應收款項(屬金融資產)之虧損撥備變動如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 CASH AND BANK BALANCES

24 現金及銀行結存

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Restricted cash (Note (i))	受限制現金(附註(i))		
Current portion	即期部份	7,063	5,085
Pledged bank deposits (Note 27)	已抵押銀行存款(附註27)		
Current portion	即期部份	153,635	231,365
Short-term bank deposits	短期銀行存款		
Bank deposits with original maturities of more than three months	原到期日為三個月以上之銀行存款	—	379
Cash and cash equivalents	現金及現金等價物		
Cash at banks and on hand	銀行及手頭現金	136,270	59,007
Bank deposits with original maturities of three months or less	原到期日為三個月或以下之銀行存款	541,541	6,221
		677,811	65,228
Total cash and bank balances	現金及銀行結存總額	838,509	302,057
Maximum exposure to credit risk	信貸風險之最高額度	835,800	298,423

Notes:

(i) As at 31 December 2018, the restricted cash represented deposits placed at a bank in Malta ("Maltese Bank") by a subsidiary incorporated in Malta. All deposits kept by that Maltese Bank were frozen by the local financial authority after an investigation was carried out by that local financial authority on customers' acceptance procedures. It is expected that the deposits placed by that subsidiary in Malta will be released within 2019.

As at 31 December 2017, the restricted bank deposit represented deposits held by a bank as top-up securities for bank loans borrowed by one wholly-owned subsidiary.

(ii) Cash at banks earns interest at floating rates based on daily bank deposit rates. Pledged bank deposits and short-term bank deposits earn interest at the respective deposit rates.

附註：

(i) 於二零一八年十二月三十一日，受限制現金指於馬耳他註冊成立之附屬公司存放於一家馬耳他銀行(「馬耳他銀行」)之存款。當地金融監管機構於檢查發現客戶驗收程序之缺陷後凍結客戶之全部銀行結存。預期該馬耳他附屬公司存放之存款將於二零一九年內解除凍結。

於二零一七年十二月三十一日，受限制銀行存款指一家銀行持有，作為一家全資附屬公司所借銀行貸款之補充抵押之存款。

(ii) 銀行結存按每日銀行浮動存款利率賺取利息。已抵押銀行存款及短期銀行存款乃按各自之存款利率賺取利息。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 CASH AND BANK BALANCES (continued)

Notes: (continued)

- (iii) The carrying amounts of cash and bank balances are denominated in the following currencies:

RMB	人民幣
US\$	美元
HK\$	港元
EUR	歐元
ZAR	南非蘭特
KES	肯尼亞先令
Others	其他

- (iv) The cash and bank balances of the Group denominated in RMB are not freely convertible into other currencies. However, under PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business in the PRC.
- (v) The fair values of all bank balances approximate their carrying amounts.

24 現金及銀行結存(續)

附註：(續)

- (iii) 現金及銀行結存之賬面值以下列貨幣計值：

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
	201,873	246,180
	83,311	37,796
	526,941	10,370
	15,209	2,782
	3,463	716
	718	1,944
	6,994	2,269
	838,509	302,057

- (iv) 本集團以人民幣計值之現金及銀行結存不可與其他貨幣自由兌換。然而，根據中國外匯管制法規及結匯、售匯及付匯管理規定，本集團獲准在中國透過獲授權可進行外匯業務之銀行將人民幣兌換為其他貨幣。
- (v) 所有銀行結存之公允價值與其賬面值相若。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 TRADE PAYABLES

An aging analysis, based on the invoice date, of the trade payables as at the financial position date is as follows:

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Within 1 month	一個月內	45,067	57,621
1 – 2 months	一至兩個月	12,846	28,106
2 – 3 months	兩至三個月	7,407	9,936
Over 3 months	超過三個月	22,321	20,591
		87,641	116,254

Notes:

- (i) The carrying amounts of trade payables are denominated in the following currencies:

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
EUR	歐元	14,251	15,616
ZAR	南非蘭特	39,521	65,314
US\$	美元	24,929	28,706
KES	肯尼亞先令	499	221
HK\$	港元	190	50
Others	其他	8,251	6,347
		87,641	116,254

- (ii) The fair value of trade payables approximates its carrying amount.

25 貿易應付款項

於財務狀況日，貿易應付款項之賬齡分析（基於發票日）如下：

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
Within 1 month	一個月內	45,067	57,621
1 – 2 months	一至兩個月	12,846	28,106
2 – 3 months	兩至三個月	7,407	9,936
Over 3 months	超過三個月	22,321	20,591
		87,641	116,254

附註：

- (i) 貿易應付款項之賬面值以下列貨幣計值：

		2018 二零一八年	2017 二零一七年
		<i>HK\$'000</i> 千港元	<i>HK\$'000</i> 千港元
EUR	歐元	14,251	15,616
ZAR	南非蘭特	39,521	65,314
US\$	美元	24,929	28,706
KES	肯尼亞先令	499	221
HK\$	港元	190	50
Others	其他	8,251	6,347
		87,641	116,254

- (ii) 貿易應付款項之公允價值與其賬面值相若。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 OTHER PAYABLES AND ACCRUALS

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Accrued expenses	應計費用	73,310	24,555
Investment payables (Note)	投資應付款項(附註)	7,051	7,036
Deposits received	已收按金	6,388	7,318
Receipts in advance	預收款項	—	11,042
Others	其他	15,886	16,018
		102,635	65,969

Note:

At 31 December 2018, the investment payables include the consideration payable to COL of US\$900,000 (equivalent to approximately HK\$7,051,000) (2017: US\$900,000 (equivalent to approximately HK\$7,036,000)).

26 其他應付款項及應計費用

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Accrued expenses	應計費用	73,310	24,555
Investment payables (Note)	投資應付款項(附註)	7,051	7,036
Deposits received	已收按金	6,388	7,318
Receipts in advance	預收款項	—	11,042
Others	其他	15,886	16,018
		102,635	65,969

附註：

於二零一八年十二月三十一日，投資應付款項包括應付華文在綫之代價900,000美元(相等於約7,051,000港元)(二零一七年：900,000美元(相等於約7,036,000港元))。

27 BORROWINGS

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Non-current portion	非即期部份		
Finance leases	融資租賃	45,970	58,905
Current portion	即期部份		
Bank loans	銀行貸款	—	184,816
Finance leases	融資租賃	15,868	14,169
Other loan	其他貸款	438	457
		16,306	199,442
Facility arrangement fees (Note)	融資安排費用(附註)	—	(4,788)
		16,306	194,654
Total borrowings	貸款總額	62,276	253,559

Note:

As at 31 December 2018, the facility arrangement fees of HK\$2,713,000 were included in other receivables and will be amortised into consolidated income statement over the term of the facility.

27 貸款

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Non-current portion	非即期部份		
Finance leases	融資租賃	45,970	58,905
Current portion	即期部份		
Bank loans	銀行貸款	—	184,816
Finance leases	融資租賃	15,868	14,169
Other loan	其他貸款	438	457
		16,306	199,442
Facility arrangement fees (Note)	融資安排費用(附註)	—	(4,788)
		16,306	194,654
Total borrowings	貸款總額	62,276	253,559

附註：

於二零一八年十二月三十一日，融資安排費用2,713,000港元乃列入其他應收款項，並將按融資年期於綜合收益表內攤銷。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 BORROWINGS (continued)

The fair values of the borrowings approximate their carrying amounts. The fair value of the non-current borrowings are based on market quotes or estimates using discounted cash flow calculations based upon the Group's current incremental borrowing rates for similar types of borrowings.

(a) Bank Loans

The bank loans are repayable as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 year	一年內	—	184,816
Facility arrangement fees	融資安排費用	—	(4,788)
Current portion		—	180,028
Bank loans denominated in:	銀行貸款以下列貨幣列值：		
US\$	美元	—	67,507
HK\$	港元	—	112,874
ZAR	南非蘭特	—	4,435
		—	184,816

At 31 December 2018, bank loans have been fully repaid.

27 貸款(續)

貸款之公允價值與其賬面值相若。非即期貸款之公允價值乃根據市場報價或現金流量折現法進行估計，此折現法根據相若類型貸款之本集團現行遞增貸款利率作參考。

(a) 銀行貸款

銀行貸款償還如下：

於二零一八年十二月三十一日，銀行貸款已悉數償還。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 BORROWINGS (continued)

(a) Bank Loans (continued)

At 31 December 2017, the details of bank loans are as follows:

Bank loans denominated in 以下列貨幣列值之銀行貸款	Interests 利息	Secured or pledged assets 抵押或質押資產	Guarantee 擔保
ZAR	10.25% to 10.5% per annum	Certain trade receivables of ZAR18,376,000 (equivalent to approximately HK\$11,682,000)	Guaranteed by an indirect wholly-owned subsidiary of the Company to the maximum extent of ZAR14,000,000 (equivalent to approximately HK\$8,900,000)
南非蘭特	年利率 10.25% 至 10.5%	若干貿易應收款項 18,376,000 南非蘭特(相等於約 11,682,000 港元)	本公司一間間接全資附屬公司最高為 14,000,000 南非蘭特(相等於約 8,900,000 港元)之擔保
HK\$	Hong Kong Interbank Offered Rate plus margins 1.45% per annum	Pledged bank deposits of RMB134,300,000 (equivalent to approximately HK\$160,663,000), with no restricted bank deposits pledged	N/A
港元	香港銀行同業拆息利率加 1.45% 之年息差	已抵押銀行存款人民幣 134,300,000 元(相等於約 160,663,000 港元)，並無質押受限制銀行存款	不適用
US\$	London Interbank Offered Rate plus margins ranging from 2.8% to 3.0% per annum	Pledged bank deposits of RMB59,100,000 (equivalent to approximately HK\$70,702,000) and total restricted bank deposits of US\$650,000 (equivalent to approximately HK\$5,085,000)	N/A
美元	倫敦銀行同業拆息利率加介乎 2.8% 至 3.0% 之年息差	已抵押銀行存款人民幣 59,100,000 元(相等於約 70,702,000 港元)及受限制銀行存款總額 650,000 美元(相等於約 5,085,000 港元)	不適用

27 貸款(續)

(a) 銀行貸款(續)

於二零一七年十二月三十一日，銀行貸款之詳情如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 BORROWINGS (continued)

(b) Finance Leases

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Future payments	預付供款	69,304	85,210
Future finance charges on finance leases	融資租賃之未來融資費用	(7,466)	(12,136)
Present value of finance lease liabilities	融資租賃負債之現值	61,838	73,074
Less: Current portion	減：即期部份	(15,868)	(14,169)
Non-current portion	非即期部份	45,970	58,905

The present value of finance lease liabilities is repayable as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 year	一年內	15,868	14,169
After 1 year but within 2 years	一年後但於兩年內	40,578	15,027
After 2 years but within 5 years	兩年後但於五年內	5,392	43,878
		61,838	73,074

The finance leases of aircraft are denominated in US\$ and interest rates underlying the obligations under finance leases are fixed at their respective rates ranging from 6.00% to 9.77% per annum (2017: 4.03% to 9.77% per annum).

The finance leases of trailers are denominated in ZAR and interest rates underlying the obligations under finance leases are fixed at their respective rates of 11% per annum (2017: Nil).

Certain aircraft and trailers are pledged for the finance leases.

The net carrying amount of the aircraft and trailers under finance leases as at 31 December 2018 amounted to HK\$94,562,000 (2017: HK\$102,365,000).

27 貸款(續)

(b) 融資租賃

融資租賃負債之現值償還如下：

飛機之融資租賃以美元計值，而融資租賃項下相關責任之利率按彼等各自之利率釐定，介乎每年6.00%至9.77%（二零一七年：每年4.03%至9.77%）。

拖車之融資租賃以南非蘭特計值，而融資租賃項下相關責任之利率按彼等各自之利率每年11%（二零一七年：無）釐定。

若干飛機及拖車就融資租賃抵押。

於二零一八年十二月三十一日，融資租賃項下飛機及拖車之賬面淨值為94,562,000港元（二零一七年：102,365,000港元）。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 BORROWINGS (continued)

(c) Other Loan

The other loan is repayable as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within 1 year	一年內	438	457

The other loan is denominated in EUR, unsecured and bears interest at the rate of 10% per annum (2017: 10% per annum).

(d) Effective Interest Rates

The effective annual interest rates incurred on borrowings are as follows:

		2018 二零一八年	2017 二零一七年
Bank loans	銀行貸款	2.41% — 12.00%	2.41% — 10.50%
Finance leases	融資租賃	6.08% — 11.00%	4.09% — 9.91%
Other loan	其他貸款	10.00%	10.00%

27 貸款(續)

(c) 其他貸款

其他貸款償還如下：

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Within 1 year	438	457

其他貸款以歐元計值、無抵押及按年利率10% (二零一七年：年利率10%) 計息。

(d) 實際利率

貸款產生的實際年利率如下：

	2018 二零一八年	2017 二零一七年
Bank loans	2.41% — 12.00%	2.41% — 10.50%
Finance leases	6.08% — 11.00%	4.09% — 9.91%
Other loan	10.00%	10.00%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 BORROWINGS (continued)

(e) Liabilities arising from financing activities

The reconciliation of liabilities arising from financing activities is as follows:

		Bank loans 銀行貸款	Finance leases 融資租賃	Other loan 其他貸款	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	222,015	94,090	679	316,784
Changes from financing cash flows:	融資現金流之變動：				
Drawdown of bank loans	提取銀行貸款	112,875	—	—	112,875
Repayment of bank loans	償還銀行貸款	(153,705)	—	—	(153,705)
Repayment of capital element of finance leases	償還融資租賃之資本部分	—	(21,666)	—	(21,666)
Repayment of other loan	償還其他貸款	—	—	(301)	(301)
Total changes from financing cash flows	融資現金流之總變動	(40,830)	(21,666)	(301)	(62,797)
Other changes	其他變動				
Facility arrangement fees	融資安排費用	(3,408)	—	—	(3,408)
Foreign exchange differences	外匯差額	2,251	650	79	2,980
Total other changes	其他變動總額	(1,157)	650	79	(428)
At 31 December 2017	於二零一七年十二月 三十一日	180,028	73,074	457	253,559
At 1 January 2018	於二零一八年一月一日	180,028	73,074	457	253,559
Changes from financing cash flows:	融資現金流之變動：				
Drawdown of bank loans	提取銀行貸款	31,086	—	—	31,086
Repayment of bank loans	償還銀行貸款	(215,804)	—	—	(215,804)
Drawdown of finance leases	提取融資租賃	—	2,972	—	2,972
Repayment of capital element of finance leases	償還融資租賃之資本部分	—	(14,120)	—	(14,120)
Total changes from financing cash flows	融資現金流之總變動	(184,718)	(11,148)	—	(195,866)
Other changes	其他變動				
Facility arrangement fees	融資安排費用	4,788	—	—	4,788
Foreign exchange differences	外匯差額	(98)	(88)	(19)	(205)
Total other changes	其他變動總額	4,690	(88)	(19)	4,583
At 31 December 2018	於二零一八年十二月 三十一日	—	61,838	438	62,276

27 貸款(續)

(e) 融資活動產生之負債

融資活動產生之負債對賬如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 FINANCIAL INSTRUMENTS BY CATEGORY

28 按類別劃分之金融工具

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Financial assets at amortised cost	按攤銷成本列賬之金融資產		
Trade receivables (Note 22)	貿易應收款項(附註22)	188,503	120,434
Deposits and other receivables	按金及其他應收款項	59,198	60,417
Cash and bank balances (Note 24)	現金及銀行結存(附註24)	838,509	302,057
		1,086,210	482,908
FVOCI (Note 20)	按公允價值透過其他全面收益列賬(附註20)	24	—
Available-for-sale financial assets (Note 20)	可供出售金融資產(附註20)	—	42
		1,086,234	482,950
Other financial liabilities at amortised cost	按攤銷成本列賬之其他金融負債		
Trade payables (Note 25)	貿易應付款項(附註25)	87,641	116,254
Other payables and accruals	其他應付款項及應計費用	96,247	47,609
Borrowings (Note 27)	貸款(附註27)	62,276	253,559
		246,164	417,422
Other long-term liabilities	其他長期負債	7,237	7,546
		253,401	424,968

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 SHARE CAPITAL

29 股本

		Ordinary shares of HK\$0.10 each 每股0.10港元普通股	
		Number of shares 股份數目	HK\$'000 千港元
Authorised	法定		
At 31 December 2017 and 2018	於二零一七年及二零一八年十二月三十一日	3,000,000,000	300,000
Issued and fully paid	已發行及已繳足		
At 31 December 2017	於二零一七年十二月三十一日	1,449,703,003	144,970
Issuance of shares upon exercise of share options on 9 January 2018 (Notes 30(a) and (i))	於二零一八年一月九日因購股權獲行使發行股份(附註30(a)及(i))	50,000,000	5,000
Issuance of shares on 23 May 2018 (Note (ii))	於二零一八年五月二十三日發行股份(附註(ii))	640,000,000	64,000
Issuance of shares upon exercise of other options on 2 December 2018 (Notes 30(b) and (iv))	於二零一八年十二月二日因其他期權獲行使發行股份(附註30(b)及(iv))	205,115,657	20,512
At 31 December 2018	於二零一八年十二月三十一日	2,344,818,660	234,482

Notes:

- (i) On 9 January 2018, Mr. Erik D. Prince, the executive director of the Company, exercised his right to subscribe 50,000,000 share options at an exercise price of HK\$1.50 per share, which were granted to him on 10 January 2014 under the share option scheme adopted by the Company on 28 March 2012. The total net proceeds of HK\$75,000,000 were utilised as additional working capital of the Group.
- (ii) On 23 May 2018, the Company issued 640,000,000 new shares to three subscribers, namely Easy Flow Investments Limited ("Easy Flow"), Taiping Trustees Limited and Trinity Gate Limited at an issue price of HK\$1.30 each. Easy Flow, a company that is ultimately controlled by a stated-owned enterprise in the PRC, was a substantial shareholder of the Company before the subscription of shares. The total net proceeds of HK\$830,567,000 were raised, which was used for the development and expansion of the Group's existing businesses, repayments of existing bank loans, and as general working capital of the Group.
- (iii) Upon the completion of the subscription of shares on 23 May 2018, the exchange price of the preference shares (the "Preference Shares") issued by DVN (Group) Limited (a wholly-owned subsidiary of the Company) are exchangeable into new ordinary shares of the Company shall be adjusted in accordance with their terms from HK\$3.72 per share to HK\$3.40 per share (the "Adjusted Exchange Price"). Following the Adjusted Exchange Price becoming effective, the number of new ordinary shares of the Company into which such outstanding Preference Shares are exchangeable shall be adjusted from 31,250,000 shares to 34,191,176 shares.
- (iv) On 2 December 2018, Mr. Erik D. Prince, the executive director of the Company, has exercised 205,115,657 other options at an exercise price of HK\$0.73 per share to subscribe for 205,115,657 new shares. The total net proceeds received from the exercise of options amounted to HK\$149,734,000 and were intended to use as additional working capital of the Group.

附註：

- (i) 於二零一八年一月九日，本公司執行董事 Erik D. Prince 先生行使其權利，按每股 1.50 港元之行使價認購 50,000,000 份購股權。該等購股權乃根據本公司於二零一二年三月二十八日採納之購股權計劃於二零一四年一月十日向其授出。所得款項淨額總計 75,000,000 港元乃用作本集團之額外營運資金。
- (ii) 於二零一八年五月二十三日，本公司以每股 1.30 港元之發行價向三名認購人（即盈動投資有限公司（「盈動」）、太平信託有限公司及 Trinity Gate Limited）發行 640,000,000 股新股份。盈動（由一家中國國有企業最終控股之公司）於認購股份前為本公司之主要股東。已籌集所得款項淨額總計 830,567,000 港元，乃用於發展及擴張本集團之現有業務、償還現有銀行貸款及用作本集團之一般營運資金。
- (iii) 於二零一八年五月二十三日完成股份認購後，由本公司全資附屬公司 DVN (Group) Limited 發行，可交換為本公司新普通股之優先股（「優先股」）之交換價根據其條款自每股 3.72 港元調整為每股 3.40 港元（「經調整交換價」）。於經調整交換價生效後，該等已發行優先股可交換之本公司新普通股數目自 31,250,000 股調整為 34,191,176 股。
- (iv) 於二零一八年十二月二日，本公司執行董事 Erik D. Prince 先生按每股 0.73 港元之行使價行使 205,115,657 份其他期權，以認購 205,115,657 股新股份。因該等期權獲行使而產生之所得款項淨額總計 149,734,000 港元，乃計劃用作本集團之額外營運資金。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS

(a) Share Option Schemes

The Company adopted a share option scheme (the “**Old Scheme**”) on 26 June 2002. On 28 March 2012, the Old Scheme was terminated and a new share option scheme (the “**New Scheme**”) was adopted by the Company. The New Scheme continues to recognise and acknowledge the contributions of the Eligible Participants (as defined in the New Scheme) to the Group. The New Scheme is also designed to provide incentives and help the Group in retaining its existing employees and recruiting additional employees.

The New Scheme is valid and effective for a period of 10 years commencing from 28 March 2012, the date of the approval of the New Scheme. Subscription price in relation to each option pursuant to the New Scheme shall not be less than the higher of (i) the closing price of the shares as stated in the Stock Exchange’s daily quotation sheet on the date on which the option is offered to an Eligible Participant; (ii) the average closing price of the shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the date of offer; and (iii) the nominal value of the shares. The options are exercisable within the option period as determined by the Board of the Company.

Pursuant to the New Scheme, the Company can grant options to Eligible Participants for a consideration of HK\$1 for each grant payable by the Eligible Participants to the Company. The total number of shares issued and to be issued upon exercise of options granted to each Eligible Participant (including exercised, cancelled and outstanding options) in any twelve-month period shall not exceed 1% of the shares then in issue. During the year ended 31 December 2018, 21,397,030 share options were granted under the New Scheme (2017: 14,497,030). At the financial position date, the total number of options that can be granted was 46,204,680 (2017: 67,601,710).

30 購股權

(a) 購股權計劃

本公司於二零零二年六月二十六日採納一項購股權計劃(「舊計劃」)。於二零一二年三月二十八日，本公司終止舊計劃並採納一項新購股權計劃(「新計劃」)。新計劃繼續肯定及認可合資格參與者(定義見新計劃)對本集團作出之貢獻。新計劃亦旨在提供獎勵及協助本集團挽留其現有僱員及招聘更多僱員。

新計劃自其獲批准之日二零一二年三月二十八日起計有效期為10年。有關根據新計劃授出之各購股權之認購價不得低於下列較高者：(i)向合資格參與者授予購股權之日聯交所每日報價表載列之股份收市價；(ii)緊接授出日期前五個營業日聯交所每日報價表載列之股份平均收市價；及(iii)股份面值。購股權於本公司董事會釐定之購股權期間內可予行使。

根據新計劃，本公司可向合資格參與者授出購股權，每份購股權之代價為1港元，由合資格參與者支付予本公司。於任何十二個月期間，在授予各合資格參與者之購股權(包括已行使、已註銷及尚未行使之購股權)獲行使時已發行及將予發行之股份總數不得超過當時已發行之股份之1%。於截至二零一八年十二月三十一日止年度，本公司根據新計劃授出21,397,030份購股權(二零一七年：14,497,030份)。於財務狀況日，可授出之購股權總數46,204,680份(二零一七年：67,601,710份)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS (continued)

(a) Share Option Schemes (continued)

Pursuant to the Board resolutions passed on 27 August 2018, the following share options were granted under the New Scheme with fair value using the Binomial option pricing model with the following input variables:

Date of grant	Number of options	Exercise price per option	Exercise period of share options	Date of appraisal	Fair value per option	Risk-free interest rate	Expected dividend yield per share	Expected volatility	Closing price of shares before the date of grant	Expected life
授出日期	購股權數目	每份購股權之行使價	購股權行使期間	評值日期	每份購股權之公允價值	無風險利率	每股預期股息率	預期波幅	授出日期前之股份收市價	預期年期
		HK\$ 港元			HK\$ 港元				HK\$ 港元	
27/08/2018	21,397,030	1.310	27/08/2019 to 26/08/2023	27/08/2018	0.65	2.1%	0.0%	73.5%	1.310	27/08/2018 to 26/08/2023
二零一八年八月二十七日	21,397,030	1.310	二零一九年八月二十七日至二零二三年八月二十六日	二零一八年八月二十七日	0.65	2.1%	0.0%	73.5%	1.310	二零一八年八月二十七日至二零二三年八月二十六日

Movements in the number of outstanding share options and their related weighted average exercise prices were as follows:

30 購股權(續)

(a) 購股權計劃(續)

根據於二零一八年八月二十七日通過之董事會決議案，下列購股權乃根據新計劃授出，其公允價值按二項式期權定價模式以下列可變輸入值計量：

尚未行使購股權數目之變動及其相關加權平均行使價如下：

		2018 二零一八年		2017 二零一七年	
		Weighted average exercise price per share 加權平均每股行使價	Number of options 購股權數目	Weighted average exercise price per share 加權平均每股行使價	Number of options 購股權數目
		HK\$ 港元		HK\$ 港元	
Old Scheme	舊計劃				
At 1 January	於一月一日	—	—	1.990	1,000,000
Lapsed	已失效	—	—	1.990	(1,000,000)
At 31 December	於十二月三十一日		—		—
New Scheme	新計劃				
At 1 January	於一月一日	1.427	146,046,918	1.424	132,949,888
Granted	已授出	1.310	21,397,030	1.410	14,497,030
Exercised	已行使	1.500	(50,000,000)	—	—
Lapsed	已失效	1.500	(52,557,828)	0.970	(1,400,000)
At 31 December	於十二月三十一日	1.272	64,886,120	1.427	146,046,918
Total	總計		64,886,120		146,046,918

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS (continued)

(a) Share Option Schemes (continued)

Out of the 64,886,120 outstanding options as at 31 December 2018 (2017: 146,046,918), 43,489,090 options were exercisable (2017: 131,549,888). During the year ended 31 December 2018, 50,000,000 share options were exercised (2017: Nil) and 52,557,828 share options were lapsed (2017: 1,400,000).

Share options outstanding at the financial position date have the following expiry dates and exercise prices:

Expiry date	到期日	Exercise price per share 每股行使價	Number of options 購股權數目	
			2018 二零一八年	2017 二零一七年
New Scheme	新計劃			
9 January 2018	二零一八年一月九日	1.500	—	102,557,828
28 April 2019	二零一九年四月二十八日	1.254	12,295,030	12,295,030
7 April 2020	二零二零年四月七日	0.970	2,800,000	2,800,000
17 September 2020	二零二零年九月十七日	1.530	1,560,000	1,560,000
21 August 2021	二零二一年八月二十一日	1.100	12,337,030	12,337,030
23 August 2022	二零二二年八月二十三日	1.410	14,497,030	14,497,030
26 August 2023	二零二三年八月二十六日	1.310	21,397,030	—
			64,886,120	146,046,918

30 購股權(續)

(a) 購股權計劃(續)

於二零一八年十二月三十一日，64,886,120份(二零一七年：146,046,918份)尚未行使之購股權中，43,489,090份(二零一七年：131,549,888份)購股權可予行使。截至二零一八年十二月三十一日止年度，50,000,000份(二零一七年：無)購股權獲行使及52,557,828份(二零一七年：1,400,000份)購股權已失效。

於財務狀況日尚未行使購股權之到期日及行使價如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS (continued)

(a) Share Option Schemes (continued)

The details of movements of the outstanding share options during the year are as follows:

		Outstanding options at 1 January 2018 於二零一八年 一月一日 尚未行使之購股權	Options granted during the year 年內授出 之購股權	Options exercised during the year 年內行使 之購股權	Options lapsed during the year 年內失效 之購股權	Outstanding options at 31 December 2018 於二零一八年 十二月三十一日 尚未行使之購股權	Weighted average closing price before dates of exercise 於行使日前 之加權平均 收市價 HK\$ 港元
New Scheme	新計劃						
Date of grant	授出日期	10 January 2014 二零一四年一月十日					
Exercise price per option	每份購股權行使價	HK\$1,500 1,500港元					
Exercise period	行使期	10 January 2015 – 9 January 2018 二零一五年一月十日至 二零一八年一月九日					
Held by a director	由一名董事持有						
Mr. Erik D. Prince	Erik D. Prince 先生	34,185,942	—	(34,185,942)	—	—	1.73
Date of grant	授出日期	10 January 2014 二零一四年一月十日					
Exercise price per option	每份購股權行使價	HK\$1,500 1,500港元					
Exercise period	行使期	10 January 2016 – 9 January 2018 二零一六年一月十日至 二零一八年一月九日					
Held by a director	由一名董事持有						
Mr. Erik D. Prince	Erik D. Prince 先生	34,185,943	—	(15,814,058)	(18,371,885)	—	1.73
Date of grant	授出日期	10 January 2014 二零一四年一月十日					
Exercise price per option	每份購股權行使價	HK\$1,500 1,500港元					
Exercise period	行使期	10 January 2017 – 9 January 2018 二零一七年一月十日至 二零一八年一月九日					
Held by a director	由一名董事持有						
Mr. Erik D. Prince	Erik D. Prince 先生	34,185,943	—	—	(34,185,943)	—	—

30 購股權(續)

(a) 購股權計劃(續)

尚未行使之購股權於年內之變動詳情如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS (continued)

(a) Share Option Schemes (continued)

		Outstanding options at 1 January 2018 於二零一八年 一月一日 尚未行使之購股權	Options granted during the year 年內授出 之購股權	Options exercised during the year 年內行使 之購股權	Options lapsed during the year 年內失效 之購股權	Outstanding options at 31 December 2018 於二零一八年 十二月三十一日 尚未行使之購股權	Weighted average closing price before dates of exercise 於行使日前 之加權平均 收市價 HK\$ 港元
Date of grant	授出日期	8 April 2014 二零一四年四月八日					
Exercise price per option	每份購股權行使價	HK\$0.970 0.970港元					
Exercise period	行使期	8 April 2015 – 7 April 2020 二零一五年四月八日至 二零二零年四月七日					
Held by a director	由一名董事持有						
Mr. Yap Fat Suan, Henry	葉發旋先生	1,400,000	—	—	—	1,400,000	
Held by an employee	由一名僱員持有	1,400,000	—	—	—	1,400,000	
In aggregate	總額	2,800,000	—	—	—	2,800,000	—
Date of grant	授出日期	18 September 2014 二零一四年九月十八日					
Exercise price per option	每份購股權行使價	HK\$1.530 1.530港元					
Exercise period	行使期	18 September 2015 – 17 September 2020 二零一五年九月十八日至 二零二零年九月十七日					
Held by a service provider	由一名服務供應商持有	780,000	—	—	—	780,000	—
Date of grant	授出日期	24 September 2014 二零一四年九月二十四日					
Exercise price per option	每份購股權行使價	HK\$1.530 1.530港元					
Exercise period	行使期	18 September 2015 – 17 September 2020 二零一五年九月十八日至 二零二零年九月十七日					
Held by a service provider	由一名服務供應商持有	780,000	—	—	—	780,000	—

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS (continued)

(a) Share Option Schemes (continued)

		Outstanding options at 1 January 2018 於二零一八年 一月一日 尚未行使之購股權	Options granted during the year 年內授出 之購股權	Options exercised during the year 年內行使 之購股權	Options lapsed during the year 年內失效 之購股權	Outstanding options at 31 December 2018 於二零一八年 十二月三十一日 尚未行使之購股權	Weighted average closing price before dates of exercise 於行使日前 之加權平均 收市價 HK\$ 港元
Date of grant	授出日期	29 April 2016 二零一六年四月二十九日					
Exercise price per option	每份購股權行使價	HK\$1.254 1.254港元					
Exercise period	行使期	29 April 2016 – 28 April 2019 二零一六年四月二十九日至 二零一九年四月二十八日					
Held by a service provider	由一名服務供應商持有	12,295,030	—	—	—	12,295,030	—
Date of grant	授出日期	22 August 2016 二零一六年八月二十二日					
Exercise price per option	每份購股權行使價	HK\$1.100 1.100港元					
Exercise period	行使期	22 August 2017 – 21 August 2021 二零一七年八月二十二日至 二零二一年八月二十一日					
Held by a director	由一名董事持有	12,337,030	—	—	—	12,337,030	—
Dr. Hua Dongyi	華東一博士						
Date of grant	授出日期	24 August 2017 二零一七年八月二十四日					
Exercise price per option	每份購股權行使價	HK\$1.410 1.410港元					
Exercise period	行使期	24 August 2018 – 23 August 2022 二零一八年八月二十四日至 二零二二年八月二十三日					
Held by a director	由一名董事持有	14,497,030	—	—	—	14,497,030	—
Dr. Hua Dongyi	華東一博士						

30 購股權(續)

(a) 購股權計劃(續)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS (continued)

(a) Share Option Schemes (continued)

		Outstanding options at 1 January 2018 於二零一八年 一月一日 尚未行使之購股權	Options granted during the year 年內授出 之購股權	Options exercised during the year 年內行使 之購股權	Options lapsed during the year 年內失效 之購股權	Outstanding options at 31 December 2018 於二零一八年 十二月三十一日 尚未行使之購股權	Weighted average closing price before dates of exercise 於行使日前 之加權平均 收市價 HK\$ 港元
Date of grant	授出日期	27 August 2018 二零一八年八月二十七日					
Exercise price per option	每份購股權行使價	HK\$1,310 1,310港元					
Exercise period	行使期	27 August 2019 – 26 August 2023 二零一九年八月二十七日至 二零二三年八月二十六日					
Held by a director	由一名董事持有						
Dr. Hua Dongyi	華東一博士	—	21,397,030	—	—	21,397,030	—

Employee benefit expenses arising from options issued under employee option plan during the year were HK\$11,379,000 (2017: HK\$8,324,000) (Note 7).

年內根據僱員購股權計劃發行購股權產生之僱員福利開支為11,379,000港元(二零一七年：8,324,000港元)(附註7)。

30 購股權(續)

(a) 購股權計劃(續)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30 SHARE OPTIONS (continued)

(b) Other Options

The details of movements of the outstanding options of the Company other than those issued by the Company under its share option schemes during the year ended 31 December 2018 are as follows:

	Outstanding options at 1 January 2018 於二零一八年 一月一日 尚未行使之購股權	Options granted during the year 年內授出之 購股權	Options exercised during the year 年內行使之 購股權	Options lapsed during the year 年內失效之 購股權	Outstanding options at 31 December 2018 於二零一八年 十二月三十一日 尚未行使之購股權	Weighted average closing price before dates of exercise 於行使日前 之加權平均 收市價 HK\$ 港元
Mr. Erik D. Prince (Note (i))	Erik D. Prince 先生(附註(i))	205,115,657	—	(205,115,657)	—	1.24

Note:

- (i) These 205,115,657 options were issued on 3 December 2013 and are exercisable for a five-year period from 3 December 2013 to 2 December 2018 at an exercise price of HK\$0.73 per share. On 2 December 2018, Mr. Erik D. Prince exercised his right to subscribe 205,115,657 other options at an exercise price of HK\$0.73 per share.

30 購股權(續)

(b) 其他購股權

除本公司根據其購股權計劃所發行者外，本公司尚未行使之購股權於截至二零一八年十二月三十一日止年度之變動詳情如下：

	Outstanding options at 31 December 2018 於二零一八年 十二月三十一日 尚未行使之購股權	Weighted average closing price before dates of exercise 於行使日前 之加權平均 收市價 HK\$ 港元
Mr. Erik D. Prince (Note (i))	Erik D. Prince 先生(附註(i))	1.24

附註：

- (i) 該205,115,657份購股權乃於二零一三年十二月三日發行，於二零一三年十二月三日至二零一八年十二月二日期間可予行使，為期五年，行使價為每股0.73港元。於二零一八年十二月二日，Erik D. Prince先生行使其權利，按每股0.73港元之行使價認購205,115,657份其他期權。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31 SHARE AWARD SCHEME

The Company has adopted a share award scheme on 10 December 2015. The share award scheme does not constitute a share option scheme for the purpose of Chapter 17 of the Listing Rules. The purposes and objectives of the share award scheme are to recognise the contributions by Eligible Persons (as defined in the share award scheme) and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract personnel for further development of the Group.

During the year ended 31 December 2018, no share was granted to any Eligible Persons under the share award scheme. During the year ended 31 December 2017, 1,137,000 shares were granted to an Eligible Person under the share award scheme, 642,000 shares were lapsed and 3,000,000 shares were vested at 31 December 2017.

During the year ended 31 December 2018, no share of the Company was acquired by the trustee of the share award scheme. During the year ended 31 December 2017, based on the recommendation of the Board of the Company, the trustee of the share award scheme acquired 3,000,000 shares of the Company in the market at an aggregate amount of HK\$4,269,000 for the share award scheme. As at 31 December 2018, no share (2017: 3,000,000 shares) was vested to any Eligible Person and no share (2017: same) of the Company was held in trust for the share award scheme by the trustee of the share award scheme.

No expenses arising from share award scheme was recognised during the year as part of employee benefit expenses (2017: HK\$2,556,000).

31 股份獎勵計劃

本公司已於二零一五年十二月十日採納一項股份獎勵計劃。就上市規則第17章而言，股份獎勵計劃並不構成購股權計劃。股份獎勵計劃之目的及宗旨乃為表彰合資格人士(定義見股份獎勵計劃)所作之貢獻，並給予獎勵以挽留該等人士為本集團之持續營運及發展效力，亦為本集團之進一步發展吸引人才。

於截至二零一八年十二月三十一日止年度，並無根據股份獎勵計劃向任何合資格人士授出股份。於截至二零一七年十二月三十一日止年度，根據股份獎勵計劃向一名合資格人士授出1,137,000股股份，642,000股股份已失效及3,000,000股股份已於二零一七年十二月三十一日歸屬。

截至二零一八年十二月三十一日止年度，股份獎勵計劃之受託人並無購買本公司之股份。截至二零一七年十二月三十一日止年度，根據本公司董事會之推薦建議，股份獎勵計劃之受託人就股份獎勵計劃於市場以總金額4,269,000港元購得3,000,000股本公司股份。於二零一八年十二月三十一日，並無(二零一七年：3,000,000股)股份歸屬予任何合資格人士，股份獎勵計劃之受託人概無以為股份獎勵計劃設立之信託方式持有本公司股份(二零一七年：相同)。

年內並無股份獎勵計劃產生之開支被確認為僱員福利開支之一部份(二零一七年：2,556,000港元)。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 RESERVES

32 儲備

		Share premium	Shares held for share award scheme 持作股份獎勵	Contributed surplus 實繳盈餘	Exchange reserve 匯兌儲備	General reserve 一般儲備	Equity instrument reserve 權益工具儲備	Share-based compensation reserve 以股份支付之補償儲備	Accumulated losses 累計虧損	Total 總計
		HK\$'000 千港元 (Note (i)) (附註(i))	HK\$'000 千港元 (Note 31) (附註31)	HK\$'000 千港元 (Note (ii)) (附註(ii))	HK\$'000 千港元 (Note (iii)) (附註(iii))	HK\$'000 千港元 (Note (iv)) (附註(iv))	HK\$'000 千港元 (Note (v)) (附註(v))	HK\$'000 千港元 (Note (vi)) (附註(vi))	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	126,580	—	628,235	(25,354)	12,899	146,384	69,061	(805,772)	152,033
Loss for the year	年度虧損	—	—	—	—	—	—	—	(223,760)	(223,760)
Other comprehensive income/(loss)	其他全面收益/(虧損)									
Foreign exchange differences	匯兌差額	—	—	—	14,572	—	—	—	—	14,572
Change in value of available-for-sale financial assets (Note 20)	可供出售金融資產之價值變更(附註20)	—	—	—	—	—	(125)	—	—	(125)
Realisation of equity instrument reserve upon disposal of available-for-sale financial assets	出售可供出售金融資產後權益工具儲備撥回	—	—	—	—	—	(604)	—	—	(604)
Other comprehensive income/(loss) for the year, net of tax	年度其他全面收益/(虧損)(除稅後)	—	—	—	14,572	—	(729)	—	—	13,843
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	—	—	—	14,572	—	(729)	—	(223,760)	(209,917)
Transfer to general reserve	轉撥至一般儲備	—	—	—	—	189	—	—	(189)	—
Issue of shares	發行股份	170,856	—	—	—	—	—	—	—	170,856
Transactions with equity holders	與權益持有人之交易									
Share-based compensation	以股份支付之補償	—	—	—	—	—	—	10,880	—	10,880
Lapse of share options	購股權失效	—	—	—	—	—	(20,518)	(1,505)	21,144	(879)
Shares acquired for share award scheme	為股份獎勵計劃購買之股份	—	(4,269)	—	—	—	—	—	—	(4,269)
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	—	4,269	—	—	—	—	(3,096)	(1,173)	—
Lapse of share award	股份獎勵失效	—	—	—	—	—	—	(425)	425	—
		170,856	—	—	—	189	(20,518)	5,854	20,207	176,588
At 31 December 2017	於二零一七年十二月三十一日	297,436	—	628,235	(10,782)	13,088	125,137	74,915	(1,009,325)	118,704

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 RESERVES (continued)

32 儲備(續)

		Shares held	Contributed surplus	Exchange reserve	General reserve	Equity instrument	Share-based	Accumulated losses	Total	
		Share premium				for share award scheme	reserve			compensation reserve
		股份溢價	實繳盈餘	匯兌儲備	一般儲備	權益工具儲備	以股份支付之補償儲備	累計虧損	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
		(Note (i))	(Note 31)	(Note (ii))	(Note (iii))	(Note (iv))	(Note (v))	(Note (vi))		
		(附註(i))	(附註31)	(附註(ii))	(附註(iii))	(附註(iv))	(附註(v))	(附註(vi))		
At 1 January 2018	於二零一八年一月一日	297,436	—	628,235	(10,782)	13,088	125,137	74,915	(1,009,325)	118,704
Loss for the year	年度虧損	—	—	—	—	—	—	—	(258,846)	(258,846)
Other comprehensive loss	其他全面虧損									
Foreign exchange differences	匯兌差額	—	—	—	(6,900)	—	—	—	—	(6,900)
Other comprehensive loss for the year, net of tax	年度其他全面虧損(除稅後)	—	—	—	(6,900)	—	—	—	—	(6,900)
Total comprehensive loss for the year	年度全面虧損總額	—	—	—	(6,900)	—	—	—	(258,846)	(265,746)
Transactions with equity holders	與權益持有人之交易									
Issue of shares	發行股份	766,567	—	—	—	—	—	—	—	766,567
Share-based compensation	以股份支付之補償	—	—	—	—	—	11,379	—	—	11,379
Exercise of share and other options	行使購股權及其他期權	359,765	—	—	—	(132,100)	(28,443)	—	—	199,222
Lapse of share options	購股權失效	—	—	—	—	—	(29,898)	29,898	—	—
		1,126,332	—	—	—	(132,100)	(46,962)	29,898	—	977,168
At 31 December 2018	於二零一八年十二月三十一日	1,423,768	—	628,235	(17,682)	13,088	(6,963)	27,953	(1,238,273)	830,126

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32 RESERVES (continued)

Notes:

- (i) The application of the share premium account is governed by the Companies Act 1981 of Bermuda.
- (ii) The contributed surplus of the Group arose from a scheme of arrangement on 31 October 1989 and capital reorganisations on 2 November 2001 and 18 December 2007. Pursuant to the Companies Act 1981 of Bermuda, a company incorporated in Bermuda is not permitted to pay dividends or make a distribution out of the contributed surplus if there are reasonable grounds for believing that the company is, or would after the payment be, unable to pay its liabilities as they become due; or the realisable value of the company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.
- (iii) The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in Note 2.6.
- (iv) In accordance with the PRC regulations, each of the Group's PRC subsidiaries is required to transfer not less than 10% of its profit after tax, as determined in accordance with PRC accounting standards and regulations, to the general reserve until such reserve reaches 50% of its registered capital. The quantum of the annual transfer is subject to the approval of the board of directors of the PRC subsidiaries in accordance with their articles of association.
- (v) The equity instrument reserve represents:
 - (a) the fair value of the other option rights granted to Mr. Erik D.Prince for the acquisition of FSL on 3 December 2013 to subscribe 205,115,657 new shares of the Company at an exercise price of HK\$0.73 per share;
 - (b) the fair value of the option rights granted to Reorient Financial Markets Limited ("RFML") on 14 January 2014 to subscribe up to 22,790,628 new shares of the Company at an exercise price of HK\$0.80 per share for the settlement of the financial advisory service provided by RFML; and
 - (c) the fair value of the right derived from the symmetrical put and call option agreement amounted to HK\$6,963,000 (2017: HK\$6,963,000) signed by FSL on 3 February 2016 to purchase the remaining 49% equity interest in Maleth at an option price ranging between EUR1,000,000 (equivalent to approximately HK\$8,957,000) and EUR10,000,000 (equivalent to approximately HK\$89,570,000). The respective liability was recorded in other long-term liabilities on the consolidated statement of financial position.
- (vi) The share-based compensation reserve represents the fair value of the unexercised share options granted under the Company's share option schemes and the fair value of the share award granted under the Company's share award scheme to the eligible participants recognised in accordance with the accounting policy set out in Note 2.21(b).

32 儲備(續)

附註：

- (i) 股份溢價賬之運用受百慕達一九八一年公司法之管限。
- (ii) 本集團之實繳盈餘乃因一項於一九八九年十月三十一日之安排計劃及於二零零一年十一月二日和二零零七年十二月十八日之資本重組而產生。根據百慕達一九八一年公司法，於百慕達註冊成立之公司在下述情況下不得派發股息或自實繳盈餘中作出分派：如有足夠理由相信有關公司於派發股息後將會或可能未能償還到期債務；或有關公司資產之可變現值會因此低於其負債、已發行股本及股份溢價賬之總額。
- (iii) 匯兌儲備包括因海外業務財務報表換算產生之所有匯兌差額。該儲備乃根據附註2.6所列會計政策處理。
- (iv) 根據中國法規，本集團各中國附屬公司須將不少於10%之除稅後溢利(按中國會計準則及法規釐定)撥往一般儲備，直至該儲備之款額達至註冊資本之50%為止。每年轉撥之款額須由有關之中國附屬公司之董事會根據其組織章程細則批准。
- (v) 權益工具儲備代表：
 - (a) 於二零一三年十二月三日就收購FSL向Erik D.Prince先生授出，可按每股0.73港元之行使價認購本公司205,115,657股新股份之其他期權之公允價值；
 - (b) 於二零一四年一月十四日授予瑞東金融市場有限公司(「瑞東金融市場」)可按每股0.80港元之行使價認購最多22,790,628股本公司新股份之期權之公允價值，以支付瑞東金融市場提供之財務顧問服務費；及
 - (c) FSL於二零一六年二月三日訂立對稱認沽及認購期權協議以按介於1,000,000歐元(相等於約8,957,000港元)至10,000,000歐元(相等於約89,570,000港元)之期權價收購Maleth餘下49%股本權益產生之權利之公允價值6,963,000港元(二零一七年：6,963,000港元)。有關負債於綜合財務狀況表列為其他長期負債。
- (vi) 以股份支付之補償儲備指按照附註2.21(b)所列會計政策根據本公司的購股權計劃及本公司股份獎勵計劃授予獲認可之合資格參與者之未獲行使購股權及股份獎勵之公允價值。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33 NON-CONTROLLING INTERESTS

At 1 January	於一月一日
Capital injection from non-controlling interest of a subsidiary	一間附屬公司之非控股權益注資
Share of results	應佔業績
Exchange differences	匯兌差額
At 31 December	於十二月三十一日

Non-controlling interests include, inter alia, an amount of US\$15,000,000 (equivalent to HK\$116,250,000) preference shares issued by DVN (Group) Limited, a wholly-owned subsidiary of the Company, on 31 March 1999. The preference shareholder has the right at any time starting from 1 July 2000 to exchange all (but not part) of the preference shares into 34,191,176 ordinary shares of the Company at an exchange price which has been subsequently adjusted to HK\$3.40 per share, pursuant to the Company's announcement dated 22 June 2018. The Company has the right, at its discretion, to request the preference shareholder to exercise his exchange right to exchange all (but not part) of the preference shares into the Company's ordinary shares at the exchange price at any time from 1 July 2000, provided that the average of the closing prices of the Company's ordinary shares for the 20 consecutive trading days ending on the trading day immediately preceding the date of giving notice of such compulsory exchange is not less than HK\$10 per share.

33 非控股權益

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
124,267	123,528
528	—
2,223	658
(105)	81
126,913	124,267

非控股權益包括(其中包括)15,000,000美元(相等於116,250,000港元)之由本公司全資附屬公司DVN (Group) Limited於一九九九年三月三十一日所發行之優先股。於二零零零年七月一日後任何時間，優先股股東有權將全部(而非部份)優先股按交換價交換本公司34,191,176股普通股(根據本公司於二零一八年六月二十二日刊發之公佈，交換價已於其後調整至每股3.40港元)。於二零零零年七月一日後任何時間，如本公司之普通股之平均收市價於截至緊接發出強制交換通告之日前交易日止之20個連續交易日不低於每股10港元，本公司有權酌情要求優先股股東行使交換權，將全部(而非部份)優先股按交換價交換本公司之普通股。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 CASH USED IN OPERATIONS

The reconciliation of loss for the year to cash used in operations is as follows:

34 營運所用之現金

年度虧損與營運所用之現金之對賬如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Loss for the year	年度虧損	(256,623)	(223,102)
Adjustments for	調整項目		
Income tax credit	所得稅抵免	(5,644)	(9,955)
Finance costs	融資成本	13,928	18,213
Depreciation	折舊	29,074	29,153
Engine overhaul cost	引擎檢修成本	5,242	8,214
Amortisation of prepaid operating lease rentals and other intangibles	預付經營租約租金及無形資產攤銷	8,236	6,222
Share-based compensation	以股份支付之補償	11,379	10,880
Impairment losses on financial assets	金融資產之減值虧損	2,732	9,379
Provision for inventories	存貨撥備	4,030	56
Provision for impairment of other intangibles	其他無形資產之減值撥備	4,087	9,000
Provision for impairment of property, plant and equipment and assets held for sale	物業、機器及設備以及持作出售資產之減值撥備	8,318	23,633
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益	—	(592)
Net loss on disposal of property, plant and equipment (Note (i))	出售物業、機器及設備之淨虧損(附註(i))	977	4,348
Net loss on disposal of assets held for sale	出售持作出售資產之淨虧損	—	118
Provision for impairment of interest in an associate	於一家聯營公司之權益之減值撥備	—	3,228
Change in fair value of derivative financial liabilities	衍生金融負債之公允價值變動	—	(1,851)
Interest income	利息收入	(12,426)	(9,463)
Share of losses of associates	應佔聯營公司虧損	1,517	2,859
Exchange differences	匯兌差額	1,547	(5,165)
Changes in working capital	營運資金變動		
Inventories	存貨	789	(5,160)
Trade receivables, prepayments, deposits and other receivables	貿易應收款項、預付款、按金及其他應收款項	(115,403)	(44,263)
Trade payables, other payables, accruals and contract liabilities	貿易應付款項、其他應付款項、應計費用及合約負債	17,715	55,868
Cash used in operations	營運所用之現金	(280,525)	(118,380)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34 CASH USED IN OPERATIONS (continued)

Notes:

- (i) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

	賬面淨值(附註 13)
Net carrying amount (Note 13)	賬面淨值(附註 13)
Net loss on disposal of property, plant and equipment (Note 10)	出售物業、機器及設備之淨虧損(附註 10)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項

- (ii) There were no major non-cash transaction for the years ended 31 December 2018 and 2017.

34 營運所用之現金(續)

附註：

- (i) 於綜合現金流量表中，出售物業、機器及設備之所得款項為：

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
7,139	30,077
(977)	(4,348)
6,162	25,729

- (ii) 截至二零一八年及二零一七年十二月三十一日止年度並無任何主要非現金交易。

35 COMMITMENTS AND CONTINGENT LIABILITIES

(a) Operating Lease Commitments as a Lessor

The Group leases its leasehold properties under non-cancellable operating lease agreements. The lease terms is 35 years, and the lease agreement is renewable at the end of the lease term at market rate.

At 31 December 2018, the Group had total minimum lease payments receivable on leases under the non-cancellable operating leases as follows:

	少於一年
Not later than 1 year	少於一年
Later than 1 year but not later than 5 years	一年以後但五年以內
Later than 5 years	五年以後

35 承擔及或然負債

(a) 經營租約承擔(作為出租人)

本集團根據不可撤銷經營租約協議租賃其租賃物業。租期為35年，租約協議可於租期屆滿時按市價續訂。

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約擁有之應收承擔總額如下：

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
9	8
42	35
312	323
363	366

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(b) Operating Lease Commitments as a Lessee

The Group leases certain of its offices, staff quarters and office equipment under operating lease arrangements.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Land and buildings	土地及樓宇		
Not later than 1 year	少於一年	19,325	24,649
Later than 1 year but not later than 5 years	一年以後但五年以內	42,423	62,260
Later than 5 years	五年以後	21,398	21,715
		83,146	108,624
Office equipment	辦公設備		
Not later than 1 year	少於一年	663	1,841
Later than 1 year but not later than 5 years	一年以後但五年以內	681	3,492
		1,344	5,333
Total	總計		
Not later than 1 year	少於一年	19,988	26,490
Later than 1 year but not later than 5 years	一年以後但五年以內	43,104	65,752
Later than 5 years	五年以後	21,398	21,715
		84,490	113,957

35 承擔及或然負債(續)

(b) 經營租約承擔(作為承租人)

本集團根據經營租約安排租用其若干辦公室、員工宿舍及辦公設備。

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約須於未來支付之最低租金總額如下：

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

(c) Capital Expenditure Commitments

The Group's capital expenditure contracted for as at 31 December 2018 but not yet incurred were as follows:

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Purchase of land-use-rights 購買土地使用權	11,440	35,889

(d) Financial Commitments

The Group did not have any significant financial commitments as at 31 December 2018 (2017: Nil).

(e) Contingent Liabilities

At 31 December 2018, an indirect wholly-owned subsidiary of the Company issued a fixed and floating debenture on all its assets to a bank as securities for a banking facility of US\$3,000,000 (equivalent to approximately HK\$23,502,000) (2017: US\$3,000,000 (equivalent to approximately HK\$23,454,000)).

35 承擔及或然負債(續)

(c) 資本開支承擔

本集團於二零一八年十二月三十一日已訂約但尚未產生之資本開支如下：

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Purchase of land-use-rights 購買土地使用權	11,440	35,889

(d) 財務承擔

本集團於二零一八年十二月三十一日並無任何重大財務承擔(二零一七年：無)。

(e) 或然負債

於二零一八年十二月三十一日，本公司之一家間接全資附屬公司亦就其所有資產發行固定及浮動債權證，作為一筆3,000,000美元(相等於23,502,000港元)(二零一七年：3,000,000美元(相等於23,454,000港元))之銀行融資之保證金。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 MATERIAL RELATED PARTY TRANSACTIONS

(a) Transactions with Related Parties

Transactions between the Company and its subsidiaries, which are related parties to the Company, have been eliminated on consolidation and are not disclosed in this note. In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group entered into the following material transactions with related parties during the year:

Receipt of consultancy services from a company owned by a director of the Company (Note (i)) a company owned by a director of certain subsidiaries (Note (ii))	自以下公司收到之顧問服務 本公司一名董事擁有之公司(附註(i)) 若干附屬公司之一名董事擁有之公司(附註(ii))
Payment of rental expenses of leasehold property to a company owned by certain directors of a subsidiary (Note (iii))	向以下公司支付之租賃物業之租金費用 一家附屬公司之若干董事擁有之公司(附註(iii))
Receipt of rental income of leasehold property from a company owned by certain directors of a subsidiary (Note (iii))	自以下公司收到之租賃物業之租金收入 一家附屬公司之若干董事擁有之公司(附註(iii))
Provision of logistics services to companies owned by a director of certain subsidiaries (Note (iv))	向以下公司提供物流服務 若干附屬公司之一名董事擁有之公司(附註(iv))

All the transactions were negotiated with related parties on normal commercial terms or in accordance with the agreements governing those transactions.

36 重大關聯人士交易

(a) 關聯人士交易

本公司與其附屬公司(為本公司關聯人士)之間之交易已按綜合基準予以抵銷,且並無於本附註披露。除於該等綜合財務報表其他地方披露之交易及結餘外,年內,本集團曾進行以下重大關聯人士交易:

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
—	1,557
470	70
(258)	(597)
8	9
222	618

與關聯人士之所有交易,均按一般商業條款商討,或按照規管該等交易之協議進行。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(a) Transactions with Related Parties (continued)

Notes:

- (i) On 8 April 2014, FSL entered into a service agreement with Frontier Opportunities Limited ("FOL"), a company wholly owned by Mr. Erik D. Prince, pursuant to which FOL would provide FSL certain business development services, strategic guidance, and project sourcing and management services for a term of 3 years from 8 April 2014 to 7 April 2017. During the year ended 31 December 2017, service fee of US\$200,000 (equivalent to approximately HK\$1,557,000) were incurred to FOL in accordance with the terms of the service agreement, which expired on 8 April 2017.
- (ii) This represents consultancy fee of US\$60,000 (equivalent to approximately HK\$470,000) (2017: US\$9,000 (equivalent to approximately HK\$70,000)) paid by the Group to D Barak Consulting Limited, a company wholly owned by a director of certain subsidiaries, for consultancy services provided to the Group in accordance with the terms of the related consultancy agreement.
- (iii) Prior to the acquisition of PAL, PAL entered into a lease agreement on 2 March 2014 with Quadco Two Hundred and Seventy Seven Limited ("Quadco", a company wholly owned by three directors of PAL), pursuant to which PAL would lease its leasehold property, Phoenix House, to Quadco for a term of 35 years from 2 March 2014 to 31 May 2049 at an annual rent of (i) KES104,300 (equivalent to approximately HK\$8,000) for the period from 2 March 2014 to 1 June 2019; (ii) KES135,590 (equivalent to approximately HK\$10,000) for the period from 2 June 2019 to 1 June 2034; and (iii) KES176,267 (equivalent to approximately HK\$14,000) for the period from 2 June 2034 to 31 May 2049.

On 2 March 2014, Quadco also entered into a sub-lease agreement with PAL to sublease a portion of Phoenix House to PAL for a term of 6 years from 1 May 2014 to 30 April 2020 at an annual rent of (i) US\$72,000 (equivalent to approximately HK\$564,000) for the period from 1 May 2014 to 30 April 2016; (ii) US\$75,600 (equivalent to approximately HK\$587,000) for the period from 1 May 2016 to 30 April 2018; and (iii) US\$79,380 (equivalent to approximately HK\$622,000) for the period from 1 May 2018 to 30 April 2020. The lease agreement had been early terminated in March 2018.

36 重大關聯人士交易(續)

(a) 關聯人士交易(續)

附註：

- (i) 於二零一四年四月八日，FSL 與 Frontier Opportunities Limited ("FOL")，Erik D. Prince 先生全資擁有之公司訂立服務協議。據此，FOL 將向 FSL 提供若干業務發展服務、策略指引以及項目採購及管理服務，自二零一四年四月八日起至二零一七年四月七日止為期三年。截至二零一七年十二月三十一日止年度，根據服務協議之條款與 FOL 產生 200,000 美元(相等於約 1,557,000 港元)之服務費，該服務協議於二零一七年四月八日屆滿。
- (ii) 此代表本集團就根據相關顧問協議之條款提供予本集團之顧問服務而向 D Barak Consulting Limited (一家由若干附屬公司之一名董事全資擁有之公司) 支付之顧問費 60,000 美元(相等於約 470,000 港元)(二零一七年：9,000 美元(相等於約 70,000 港元))。
- (iii) 於收購鳳凰航空前，鳳凰航空於二零一四年三月二日與 Quadco Two Hundred and Seventy Seven Limited ("Quadco"，一家由鳳凰航空之三名董事全資擁有之公司) 訂立租賃協議。據此，鳳凰航空將出租其租賃物業 Phoenix House 予 Quadco，租期自二零一四年三月二日起至二零四九年五月三十一日止為期 35 年，年租為 (i) 二零一四年三月二日至二零一九年六月一日期間 104,300 肯尼亞先令(相等於約 8,000 港元)；(ii) 二零一九年六月二日至二零三四年六月一日期間 135,590 肯尼亞先令(相等於約 10,000 港元)；及 (iii) 二零三四年六月二日至二零四九年五月三十一日期間 176,267 肯尼亞先令(相等於約 14,000 港元)。

於二零一四年三月二日，Quadco 亦與鳳凰航空訂立轉租協議，以向鳳凰航空轉租部份 Phoenix House，自二零一四年五月一日起至二零二零年四月三十日止為期六年，年租為 (i) 二零一四年五月一日至二零一六年四月三十日期間 72,000 美元(相等於約 564,000 港元)；(ii) 二零一六年五月一日至二零一八年四月三十日期間 75,600 美元(相等於約 587,000 港元)；及 (iii) 二零一八年五月一日至二零二零年四月三十日期間 79,380 美元(相等於約 622,000 港元)。此租賃協議已於二零一八年三月提早終止。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(a) Transactions with Related Parties (continued)

Notes: (continued)

(iii) (continued)

During the year ended 31 December 2018, rental income of KES104,000 (equivalent to approximately HK\$8,000) (2017: KES104,000 (equivalent to approximately HK\$9,000)) was earned from Quadco and rental expenses of US\$33,000 (equivalent to approximately HK\$258,000) (2017: US\$76,000 (equivalent to approximately HK\$597,000)) were paid to Quadco in accordance with the terms of the lease agreement and the sub-lease agreement respectively.

(iv) It represents the provision of logistics services by TFF to certain companies owned by a director of TFF during the years ended 31 December 2018 and 2017.

(v) The related party transactions in respect of notes (i), (iii) and (iv) above, also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(b) Details of Key Management Compensation of the Group

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利
Share-based compensation	以股份支付之補償

The directors, the Chief Executive Officer and the Chief Financial Officer of the Company are regarded as the key management personnel of the Group.

36 重大關聯人士交易(續)

(a) 關聯人士交易(續)

附註：(續)

(iii) (續)

截至二零一八年十二月三十一日止年度，根據租賃協議及轉租協議之條款從Quadco所賺取之租金收入及向Quadco支付之租金費用分別為104,000肯尼亞先令(相等於約8,000港元)(二零一七年：104,000肯尼亞先令(相等於約9,000港元))及33,000美元(相等於約258,000港元)(二零一七年：76,000美元(相等於約597,000港元))。

(iv) 此代表TFF於截至二零一八年及二零一七年十二月三十一日止年度向TFF一名董事擁有之若干公司提供物流服務。

(v) 有關上文附註(i)、(iii)及(iv)之關聯人士交易亦構成關連交易或持續關連交易(定義見上市規則第14A章)。

(b) 本集團主要管理人員酬金詳情

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Short-term employee benefits	短期僱員福利	22,467	21,265
Post-employment benefits	離職後福利	246	212
Share-based compensation	以股份支付之補償	11,379	8,875
		34,092	30,352

本公司董事、行政總裁及財務總裁被視為本集團之主要管理人員。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

36 MATERIAL RELATED PARTY TRANSACTIONS

(continued)

(c) Year-End Balances Arising from Sales/Purchases and Services Rendered

Trade receivables	貿易應收款項
Companies owned by a director of certain subsidiaries	若干附屬公司之一名董事擁有之多家公司

36 重大關聯人士交易(續)

(c) 因銷售／採購及提供服務而產生之年終結餘

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
—	890

(d) Other Year-End Balances

Prepayments, deposits and other receivables	預付款、按金及其他應收款項
Associates	聯營公司
Other payables and accruals	其他應付款項及應計費用
Associates	聯營公司

(d) 其他年終結餘

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元
18,566	12,799
7,051	7,036

37 SUBSEQUENT EVENTS

There are no material subsequent events undertaken by the Company or by the Group after 31 December 2018 and up to the date of the annual report.

37 期後事項

本公司或本集團於二零一八年十二月三十一日後及截至本年報日期並無進行任何重大期後事項。

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

38 本公司財務狀況表

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Intangibles	無形資產	1,350	1,350
Interests in subsidiaries	於附屬公司之權益	591,131	433,272
Total non-current assets	非流動資產總值	592,481	434,622
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款、按金及其他應收款項	2,615	1,507
Cash and cash equivalents	現金及現金等價物	555,770	11,947
Total current assets	流動資產總值	558,385	13,454
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	13,048	14,357
Bank loans	銀行貸款	—	112,875
Total current liabilities	流動負債總額	13,048	127,232
Net current assets/(liabilities)	流動資產/(負債)淨值	545,337	(113,778)
Total assets less current liabilities/ Net assets	資產總值減流動負債/資產淨值	1,137,818	320,844
EQUITY	權益		
Equity attributable to the Company's equity holders	本公司股權持有人應佔權益		
Share capital	股本	234,482	144,970
Reserves (Note)	儲備(附註)	903,336	175,874
Total equity	總權益	1,137,818	320,844

Signed on behalf of the Board on 22 March 2019 by

代表董事會於二零一九年三月二十二日簽署

Ko Chun Shun, Johnson
高振順
Director
董事

Hua Dongyi
華東一
Director
董事

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

Reserve Movements of the Company

		Share premium	Shares held for share award scheme	Contributed surplus	Equity instrument reserve	Share-based compensation reserve	Accumulated losses	Total
		股份溢價	持作股份獎勵計劃之股份	實繳盈餘	權益工具儲備	以股份支付之補償儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2017	於二零一七年一月一日	126,580	—	558,899	153,347	69,061	(698,004)	209,883
Loss for the year	年度虧損	—	—	—	—	—	(208,817)	(208,817)
Other comprehensive loss	其他全面虧損							
Change in value of available-for-sale financial assets	可供出售金融資產之價值變更	—	—	—	(125)	—	—	(125)
Realisation of equity instrument reserve upon disposal of available-for-sale financial assets	出售可供出售金融資產後權益工具儲備撥回	—	—	—	(604)	—	—	(604)
Other comprehensive loss for the year, net of tax	年度其他全面虧損(除稅後)	—	—	—	(729)	—	—	(729)
Total comprehensive loss for the year	年度全面虧損總額	—	—	—	(729)	—	(208,817)	(209,546)
Transactions with equity holders	與權益持有人之交易							
Issue of shares	發行股份	170,856	—	—	—	—	—	170,856
Share-based compensation	以股份支付之補償	—	—	—	—	10,343	—	10,343
Lapse of share options	購股權失效	—	—	—	(20,518)	(879)	20,518	(879)
Shares acquired for share award scheme	為股份獎勵計劃購買之股份	—	(4,269)	—	—	—	—	(4,269)
Vesting of shares under share award scheme	根據股份獎勵計劃歸屬股份	—	4,269	—	—	(3,096)	(1,173)	—
Lapse of share award	股份獎勵失效	—	—	—	—	(514)	—	(514)
		170,856	—	—	(20,518)	5,854	19,345	175,537
At 31 December 2017	於二零一七年十二月三十一日	297,436	—	558,899	132,100	74,915	(887,476)	175,874

38 本公司財務狀況表(續)

附註：

本公司儲備變動

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

38 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note: (continued)

Reserve Movements of the Company (continued)

		Share premium	Shares held for share award scheme 持作股份 獎勵計劃之股份	Contributed surplus 實繳盈餘	Equity instrument reserve 權益工具儲備	Share-based compensation reserve 以股份支付之 補償儲備	Accumulated losses 累計虧損	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	297,436	—	558,899	132,100	74,915	(887,476)	175,874
Loss for the year	年度虧損	—	—	—	—	—	(249,706)	(249,706)
Total comprehensive loss for the year	年度全面虧損總額	—	—	—	—	—	(249,706)	(249,706)
Transactions with equity holders	與權益持有人之交易							
Issue of shares	發行股份	766,567	—	—	—	—	—	766,567
Share-based compensation	以股份支付之補償	—	—	—	—	11,379	—	11,379
Lapse of share options	購股權失效	—	—	—	—	(29,898)	29,898	—
Exercise of share and other options	行使購股權及其他期權	359,765	—	—	(132,100)	(28,443)	—	199,222
		1,126,332	—	—	(132,100)	(46,962)	29,898	977,168
At 31 December 2018	於二零一八年十二月三十一日	1,423,768	—	558,899	—	27,953	(1,107,284)	903,336

38 本公司財務狀況表(續)

附註：(續)

本公司儲備變動(續)

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

The consolidated results, and assets and liabilities of the Group for the last five financial years are summarised below.

本集團過去五個財政年度之綜合業績、資產及負債概述如下。

		2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Results	業績					
Loss/(profit) attributable to:	以下人士應佔虧損／ (溢利)：					
Equity holders of the Company	本公司權益持有人	258,846	223,760	209,816	142,920	130,440
Non-controlling interests	非控股權益	(2,223)	(658)	(330)	—	532
		256,623	223,102	209,486	142,920	130,972
Assets and liabilities	資產及負債					
Total assets	資產總值	1,505,983	884,177	912,467	1,349,713	1,400,773
Total liabilities	負債總值	(314,462)	(496,236)	(513,536)	(706,718)	(580,565)
Non-controlling interests	非控股權益	(126,913)	(124,267)	(123,528)	(116,250)	(116,250)
Equity attributable to the Company's equity holders	本公司權益持有人 應佔權益	1,064,608	263,674	275,403	526,745	703,958

