



昆侖國際金融集團有限公司

KVB Kunlun Financial Group Limited

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

股份代號 **Stock Code: 8077**

2014 年報
2014 Annual Report



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本報告乃遵照創業板證券上市規則提供有關昆侖國際金融集團有限公司（「本公司」）之資料。本公司各董事（「董事」）願就本報告所載內容共同及個別承擔全部責任。董事經作出一切合理查詢後確認，就彼等所深知及所信，本報告所載資料在各重大方面均屬準確完備，並無誤導或欺詐成份，且無遺漏任何其他事項，致使本報告或其所載任何聲明產生誤導。

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CORPORATE INFORMATION 公司資料

DIRECTORS

Executive Directors

Mr. LIU Stefan (*Chief Executive Officer*)
Mr. NG Chee Hung Frederick

Non-executive Directors

Mr. LI Zhi Da (*Chairman*)
Mr. Stephen Gregory McCOY

Independent Non-executive Directors

Ms. ZHAO Guixin
Mr. Cornelis Jacobus KEYSER
Mr. LIN Wenhui

COMPANY SECRETARY

Mr. WONG Yiu Kit Ernest

COMPLIANCE OFFICER

Mr. NG Chee Hung Frederick

AUDIT COMMITTEE

Mr. LIN Wenhui (*Chairman*)
Ms. ZHAO Guixin
Mr. Cornelis Jacobus KEYSER

REMUNERATION COMMITTEE

Ms. ZHAO Guixin (*Chairman*)
Mr. Cornelis Jacobus KEYSER
Mr. LIN Wenhui

NOMINATION COMMITTEE

Ms. ZHAO Guixin (*Chairman*)
Mr. Cornelis Jacobus KEYSER
Mr. LIN Wenhui

董事

執行董事

劉欣諾先生 (*行政總裁*)
吳棋鴻先生

非執行董事

李志達先生 (*主席*)
Stephen Gregory McCOY先生

獨立非執行董事

趙桂馨女士
Cornelis Jacobus KEYSER先生
林文輝先生

公司秘書

黃耀傑先生

合規主任

吳棋鴻先生

審核委員會

林文輝先生 (*主席*)
趙桂馨女士
Cornelis Jacobus KEYSER先生

薪酬委員會

趙桂馨女士 (*主席*)
Cornelis Jacobus KEYSER先生
林文輝先生

提名委員會

趙桂馨女士 (*主席*)
Cornelis Jacobus KEYSER先生
林文輝先生

CORPORATE INFORMATION 公司資料

CORPORATE GOVERNANCE COMMITTEE

Mr. Cornelis Jacobus KEYSER (*Chairman*)
Mr. LIU Stefan
Ms. ZHAO Guixin
Mr. LIN Wenhui

企業管治委員會

Cornelis Jacobus KEYSER先生 (主席)
劉欣諾先生
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林文輝先生

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香港股份過戶及登記分處

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CORPORATE INFORMATION 公司資料

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STOCK CODE

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股份代號

8077

公司網站

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STATEMENT FROM THE CHIEF EXECUTIVE OFFICER 行政總裁報告

Dear shareholders:

On behalf of Board of directors (the “Directors”) of KVB Kunlun Financial Group Limited (the “Company”, together with its subsidiaries, the “Group”), I am pleased to present to the audited consolidated results of the Group for the year ended 31 December 2014 to our shareholders and investors.

2014 is the second year since the Company was successfully listed on Growth Enterprise Market of the Stock Exchange of Hong Kong Limited. To strengthen listing compliance, thereby further consolidate the listing status, increase results and steadily push forward the set strategic goal has become the key performance indicators (KPI) of the listed groups in 2014.

The Group’s total revenue has increased from approximately HK\$177 million in 2013 to approximately HK\$189 million in 2014, up about 6.7%. The Group recorded an annual profit of approximately HK\$35 million in 2014. It is worth mentioning that the global foreign exchange market experienced market conditions with the historically lowest volatility in the first half of 2014. Such market sentiment reduced trading intentions of the Group’s customers, which adversely affected the Group’s foreign exchange brokerage business due to lower trading volume. The entire market conditions got improved since the third quarter and reached a moderate volatile market condition with the U.S announcement of its exit from QE3 and sharp decline in bulk commodities and non-US currencies in the fourth quarter, the Group firmly grasped the market conditions for a short period in the last quarter, successfully turning losses into a profits, proving the ability of the Group’s core trading department to grasp market conditions and achieve profits again.

Amid the conditions that the profits were turned to losses in the first half of 2014, the management of the Group withstood pressure from costs and made investment in employee share options, forex star system-related information technology, market brand, marketing and other aspects, which added the positive elements to the future business development of the Group.

At the time I wrote 2014 annual report, two major events that inherit the past and usher in the future are worthwhile to be presented to shareholders. Firstly, the Company issued various announcements dated from 11 November 2014 to 26 February 2015, introducing CITIC Securities to become the strategic

各位股東：

本人謹代表昆侖國際金融集團有限公司（「本公司」，連同其附屬公司統稱「本集團」）董事（「董事」）會，欣然向股東及投資者提呈本集團截至二零一四年十二月三十一日止年度之經審核綜合業績。

二零一四年是本公司成功於香港聯合交易所有限公司創業板上市的第二個年頭，加強上市合規進而鞏固上市地位、增加業績收益和穩步推進既定戰略目標，成為上市集團二零一四年度的關鍵績效指標。

本集團的總收入由二零一三年約177,000,000港元增加至二零一四年約189,000,000港元，增幅約為6.7%。本集團於二零一四年錄得年度溢利約35,000,000港元。值得一提的是，二零一四年上半年全球外匯市場遭遇歷史最低波動率市況，該市場氣氛成為影響本集團客戶降低交易意願的因素，交易量下降對本集團的外匯經紀業務造成不利的影響。整個市況自第三季度才得以改善，並在第四季度伴隨美國宣佈退出QE3，大宗商品和非美貨幣大幅下跌才達到中度市場波動市況，本集團牢牢把握了出現在最後一個季度短暫時間內的市場行情，一舉扭虧為盈，再次證明了本集團核心交易部門把握市況並盈利的能力。

在二零一四年上半年盈利轉虧的情況下，集團管理層頂住成本壓力，在員工購股權、外匯之星系統相關的信息技術、市場品牌和營銷等方面加以投入，這對未來本集團業務之發展增加了積極因素。

就在本人撰寫二零一四年度報告之際，繼往開來的兩個大事件值得在此向股東們呈報。首先，本公司在二零一四年十一月十一日至二零一五年二月二十六日發佈一系列公告，宣佈引入中信証券成為戰略控股股東。其次是在二零一五年第一季

STATEMENT FROM THE CHIEF EXECUTIVE OFFICER

行政總裁報告

controlling shareholder. Secondly, on the transition from the old year to the new year for the first quarter in 2015, the Swiss franc exchange rate cliff black swan event caused a huge shock against the global foreign exchange industry while we fully managed to ride on this storm. Such two major events have highlighted the Group's core competitiveness, thereby once again proving the aggressiveness of the Group in strategic deployment and development and efficiency and pragmatism in risk management and control.

Looking to the future, even though the timeframe is difficult to be predicted, we remain confident. I expect that there will be various driving forces driving opportunities for the future development and increased revenues of the Group. From a macro perspective, this includes the new wave of internet finance and China's financial reform with exchange rate marketization taken as the core goal. China's offshore finance development as one of new factors for global economic growth will drive our overseas business needs to a great extent. In these predictable megatrends, the Group is relatively in a favorable position, and will eventually benefit from the prior deployment and experience accumulation in terms of market, business models, information technology and other aspects.

The successful introduction of CITIC Securities as the strategic controlling shareholder is an effective decision to maximize interests of all shareholders of the listed group, as well as the best choice from the perspective of the Company's employees and customers; after the merger and acquisition, we can fully expect that CITIC Securities as one of the most progressive and globalized leading full-fledged securities services company in China will provide rich strategic resources and support for the listed group. Leveraging on the powerful resources platform and network advantages of CITIC Securities, the Group will accelerate market deployment to a more extensive scale, develop different financial products and services, thereby fully grasping the opportunities from the future foreign exchange markets and bringing higher returns for shareholders.

Liu Stefan

Chief executive officer and executive director

Hong Kong, 31 March 2015

度新舊年轉換之際，瑞郎匯率斷崖黑天鵝事件對全球外匯行業產生巨大衝擊波，而我們得以完全成功駕馭本次風暴。兩起重大事件凸現本集團的核心競爭力，再次印證本集團在戰略布局發展的積極進取和對風險管控的高效務實。

展望未來，即便有時間框架預測的困難，我們仍然充滿信心。我預計將有多種動力推動本集團未來發展和增大收入的機會，從宏觀上看，這包括互聯網金融新浪潮和以匯率市場化為核心目標的中國金融改革等。全球經濟增長的新因素之一的中國離岸金融發展，將較大幅度推動我們海外的業務需求。在這些可預見的大趨勢中，本集團處於相對有利的地位，並終將從對市場、商業模式和信息技術等方面的提前布局與經驗積累中受益。

成功引入中信證券成為戰略控股股東，是對本上市集團所有股東利益的最大化的有效決策，也是從公司員工和客戶角度考慮的最佳選擇；併購完成後，可以充分預期作為中國最為進取和國際化領先的全方位證券服務公司之一的中信證券，將會為上市集團提供豐富的戰略性資源和支持。依托中信證券強大的資源平台和網絡優勢，本集團將在更廣的範圍加速市場布局，開發不同金融產品及服務，充份把握未來外匯市場的商機，為股東帶來更高的回報。

行政總裁兼執行董事

劉欣諾

香港，二零一五年三月三十一日

MANAGEMENT DISCUSSION AND ANALYSIS 管理層之討論及分析

The Board is pleased to present the audited consolidated results of the Group for the year ended 31 December 2014, together with the audited comparative figures for the corresponding year in 2013.

BUSINESS REVIEW AND FINANCIAL PERFORMANCE

Business review

During the first eight months of 2014, the market was quiet and volatility hit historically low levels, while in the last four months of the year, due to economic and geopolitical factors, the market volatility rose significantly. The gold price was trading in the range of approximately US\$1,393/ounce to below US\$1,130/ounce. The AUD/USD dropped from 0.95 to 0.77 during the year, the lowest level since 2009. The EUR/USD dropped from 1.4 to 1.2 during the year; the unexpected large market volatility in the last four months has boosted the profit margin of the margin leveraged foreign trading business of the Group.

During the year under review, the Group launched a marketing campaign to expand its local market share in addition to its well-developed referral client base over the past years. Furthermore, the Group put in additional resources in marketing development after listing. As a result, the number of clients increased by 36.1% for the year under review compared with the year ended 31 December 2013.

During the year under review, the Group launched China Stock Index 300 (“CSI300”) and Australia Stock Market Index (“Aussie200”) and one new commodity under leveraged trading, namely Copper contracts for difference (“CFD”). A new currency pair “USDCNH” was also added to our currency trading list. This is in line with the market trend that investors invest in commodities and stock markets and currencies in a way to safeguard the value of their wealth. The net deposit of the margin leveraged trading clients of the Group has been increased 26.8% compared with the year ended 31 December 2013. This has also enhanced the Group’s leveraged margin trading profitability.

董事會欣然提呈本集團截至二零一四年十二月三十一日止年度之經審核綜合業績，連同二零一三年同年的經審核比較數字。

業務回顧及財務業績

業務回顧

於二零一四年前八個月，市場沉寂，波幅創歷史新低。而在當年最後四個月，由於經濟及地緣政治因素，市場波幅出現大幅上升。黃金價格以約1,393美元／盎司至1,130美元／盎司以下範圍交易。澳元／美元於本年度由0.95降至0.77，創自二零零九年以來的新低。歐元／美元於本年度由1.4降至1.2，最後四個月市場意外出現大幅波動，推升本集團保證金槓桿式外匯交易業務的利潤率。

於回顧年內，本集團推出一項市場推廣活動，以期在其過往發展成熟的轉介客戶基礎上，拓廣其當地市場份額。此外，本集團於上市後投入額外資源作市場推廣發展。由於推出該活動，回顧年內客戶數目較截至二零一三年十二月三十一日止年度增加36.1%。

於回顧年內，本集團推出中國股票指數300（「中股指數300」）及澳大利亞股票市場指數（「澳股200」）以及一種槓桿式交易新產品，即銅差價合約（「差價合約」）。我們的貨幣交易清單亦加入一對新貨幣對「美元離岸人民幣」。這一舉措符合投資者投資商品及股票市場以及貨幣以對其財富進行保值的市場趨勢。本集團的保證金槓桿式交易客戶的保證金淨額較截至二零一三年十二月三十一日止年度增加26.8%，亦提高了本集團槓桿式保證金交易的盈利能力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Total income

The total income of the Group increased by approximately 6.7% to approximately HK\$188.6 million for the year ended 31 December 2014 from approximately HK\$176.7 million for the year ended 31 December 2013.

A. Leveraged foreign exchange and other trading income

The leveraged foreign exchange and other trading income of the Group increased by approximately 6.4% to approximately HK\$144.2 million for the year ended 31 December 2014 from approximately HK\$135.5 million for the year ended 31 December 2013. This is mainly due to the higher trading volume during the year ended 31 December 2014 as compared to the year ended 31 December 2013.

B. Cash dealing income

The cash dealing income of the Group increased by approximately 44.6% from approximately HK\$11.5 million for the year ended 31 December 2013 to HK\$16.6 million for the year ended 31 December 2014. The increase was mainly attributable to the higher transaction volume for market maker hedge and natural hedge in the cash dealing service business.

C. Other income

Other income of the Group decreased by approximately 6.3% to approximately HK\$27.8 million for the year ended 31 December 2014 from approximately HK\$29.7 million for the year ended 31 December 2013.

The fees and commission income of the Group decreased from approximately HK\$26.5 million for the year ended 31 December 2013 to approximately HK\$23.7 million for the year ended 31 December 2014. The major component of fees and commission was the commission charged to the referred clients from leveraged forex and dealing counterparties based on the trading volume. The decrease was mainly due to the decrease in charging commission to clients referred by referrer parties during the year under review compared with the year ended 31 December 2013.

收入總額

本集團收入總額由截至二零一三年十二月三十一日止年度約176,700,000港元增長約6.7%至截至二零一四年十二月三十一日止年度約188,600,000港元。

A. 槓桿式外匯及其他交易收入

本集團槓桿式外匯及其他交易收入由截至二零一三年十二月三十一日止年度約135,500,000港元增長約6.4%至截至二零一四年十二月三十一日止年度的約144,200,000港元，乃主要由於截至二零一四年十二月三十一日止年度的交易量相比截至二零一三年十二月三十一日止年度較高所致。

B. 現金交易收入

本集團現金交易收入由截至二零一三年十二月三十一日止年度約11,500,000港元增長約44.6%至截至二零一四年十二月三十一日止年度的16,600,000港元。該增長乃主要歸因於現金交易業務中的市場莊家對沖及自然對沖的交易量較高所致。

C. 其他收入

本集團其他收入由截至二零一三年十二月三十一日止年度約29,700,000港元下降約6.3%至截至二零一四年十二月三十一日止年度約27,800,000港元。

本集團的費用及佣金收入由截至二零一三年十二月三十一日止年度約26,500,000港元減至截至二零一四年十二月三十一日止年度約23,700,000港元。費用及佣金主要部份是根據成交量從槓桿式外匯及交易對手方向轉介客戶收取的佣金。該減少乃主要由於與截至二零一三年十二月三十一日止年度相比，回顧年內向轉介方所轉介客戶收取的佣金減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

During the year ended 31 December 2014, the Group recorded an exchange gain of approximately HK\$0.02 million while there was an exchange loss of approximately HK\$1.4 million during the year ended 31 December 2013. This was mainly due to the period-end translation of monetary assets denominated in foreign currency into local reporting currency by KVB Kunlun New Zealand Limited, a wholly-owned subsidiary of the Company.

The management fee income of the Group decreased to approximately HK\$2.0 million for the year ended 31 December 2014 from approximately HK\$2.5 million for the year ended 31 December 2013. This is mainly due to the Group no longer receiving management fee income from KVB Kunlun Holdings Limited and its subsidiaries which do not belong to the Group (collectively, the "Non-Listed Group") as a result of further business separation from the Non-Listed Group.

Fees and commission expenses

The fees and commission expenses of the Group increased by approximately 5.8% to approximately HK\$61.1 million for the year ended 31 December 2014 from approximately HK\$57.8 million for the year ended 31 December 2013. The increase was mainly due to the increase in trading volume of the clients of the Group referred by referral parties.

Staff costs

The staff cost of the Group increased by approximately 18.6% to approximately HK\$36.5 million for the year ended 31 December 2014 from approximately HK\$30.8 million for the year ended 31 December 2013. The increase was mainly due to staff share option expenses recorded.

Depreciation and amortization

Depreciation and amortization increased by approximately 23.1% to approximately HK\$3.1 million for the year ended 31 December 2014 from approximately HK\$2.6 million for the year ended 31 December 2013. The increase was mainly due to the upgrade of our online trading platform and the newly capitalized office equipment and leasehold improvements for the period under review.

於截至二零一四年十二月三十一日止年度，本集團錄得匯兌收益約20,000港元，而截至二零一三年十二月三十一日止年度則錄得匯兌虧損約1,400,000港元。此乃主要由於本公司全資附屬公司KVB Kunlun New Zealand Limited於期末將以外幣計值的貨幣資產換算為當地呈報貨幣所致。

本集團的管理費收入由截至二零一三年十二月三十一日止年度約2,500,000港元減至截至二零一四年十二月三十一日止年度約2,000,000港元。此乃主要由於非上市集團的業務進一步分隔，致令本集團不再自不屬於本集團的KVB Kunlun Holdings Limited及其附屬公司（統稱「非上市集團」）收取管理費收入所致。

費用及佣金開支

本集團的費用及佣金開支由截至二零一三年十二月三十一日止年度約57,800,000港元增長約5.8%至截至二零一四年十二月三十一日止年度約61,100,000港元。該增長乃主要歸因於轉介方所轉介予本集團的客戶的成交量增加。

員工成本

本集團的員工成本由截至二零一三年十二月三十一日止年度約30,800,000港元增加約18.6%至截至二零一四年十二月三十一日止年度約36,500,000港元。該增加乃主要由於錄得員工購股權開支所致。

折舊及攤銷

折舊及攤銷由截至二零一三年十二月三十一日止年度約2,600,000港元增加約23.1%至截至二零一四年十二月三十一日止年度約3,100,000港元。該增長乃主要由於回顧期間完善本集團的網上交易平台及新進辦公設備資本化及租賃物業裝修所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

Lease payments under land and buildings

Lease payments under land and buildings increased by approximately 10.0% to approximately HK\$6.5 million for the year ended 31 December 2014 from approximately HK\$5.9 million for the year ended 31 December 2013 this was mainly due to rent increase of the Beijing office and rent increase in Sydney & Melbourne office due to lease renewal in July & June 2014 with an increase in rent.

Administrative and other operating expenses

The administrative and other operating expenses of the Group increased by approximately 14.2% to approximately HK\$33.6 million for the year ended 31 December 2014 from approximately HK\$29.5 million for the year ended 31 December 2013. This increase was primarily due to the increase in marketing expenses by approximately HK\$2.2 million during the year ended 31 December 2014 as compared with the year ended 31 December 2013 as the result of new marketing channels development.

Net profit and net profit margin

For the reasons set forth above, the Group achieved net profit of approximately HK\$35.1 million for the year ended 31 December 2014 compared with the net profit of approximately HK\$34.8 million for the year ended 31 December 2013. The net profit margin for the year ended 31 December 2014 was approximately 18.6%.

In summary, the increase in profitability of the Group was primarily contributed by:

- higher trading volume resulting in higher leverage foreign exchange trading income in the last four months;
- higher transaction volume for market maker hedge and natural hedge resulting in higher cash dealing income.

土地及樓宇的租賃付款

土地及樓宇的租賃付款由截至二零一三年十二月三十一日止年度約5,900,000港元增長約10.0%至截至二零一四年十二月三十一日止年度約6,500,000港元，乃由於北京的辦公室租金上漲以及於二零一四年七月及六月重續悉尼及墨爾本辦公室租約租金上漲所致。

行政及其他經營開支

本集團的行政及其他經營開支由截至二零一三年十二月三十一日止年度約29,500,000港元增加約14.2%至截至二零一四年十二月三十一日止年度約33,600,000港元。該增加乃主要由於截至二零一四年十二月三十一日止年度市場開支較截至二零一三年十二月三十一日止年度增加約2,200,000港元所致，原因是開發新市場渠道。

淨溢利及純利率

基於上述理由，本集團於截至二零一四年十二月三十一日止年度實現淨溢利約35,100,000港元，而截至二零一三年十二月三十一日止年度錄得淨溢利約34,800,000港元。截至二零一四年十二月三十一日止年度的純利率約為18.6%。

概括而言，本集團盈利能力上升乃主要由於：

- 最後四個月的交易量較大導致槓桿式外匯交易收入增加；
- 市場莊家對沖及自然對沖的交易量較高產生較高的現金交易收入。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

During the period under review, the operations of the Group have been financed principally by equity capital, cash generated by the Group's business operations and the cash and bank deposits.

GEARING RATIO

The gearing ratio calculated on the basis of net debts (financial lease obligation and amounts due to fellow subsidiaries) over the total shareholders' fund as at 31 December 2014 was approximately 0.15% (2013: 0.13%).

FOREIGN CURRENCY EXPOSURE

During the year under review, the Group recorded an exchange gain of approximately HK\$0.02 million (2013: approximately loss of HK\$1.4 million). This was mainly due to the month-end translation of monetary assets denominated in foreign currency into local reporting currency by the subsidiary of the Group in New Zealand. The main contributor to this result was the appreciation of USD and the exchange rate of USD/NZD changed from approximately 1.2165 as at 31 December 2013 to 1.2758 as at 31 December 2014.

The foreign currency risk is managed proactively by regular review of the currency positions in the basket of currency mix. In order to minimize the exposure of the Group to risk, the Group has hedge strategy based on prevailing market conditions and working capital requirements of sub-companies.

CAPITAL STRUCTURE

During the year under review, the capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

NEW PRODUCTS AND SERVICES

The Group launched a China Stock Index 300 ("CSI300"), Australia Stock Market Index ("Aussie200") and one new commodity under leveraged trading, namely Copper contracts for difference ("CFD"). A new currency pair "USDCNH" was also added to the Group currency trading list during the year under review.

流動資金及財務資源

於回顧期內，本集團的營運主要由股本及本集團業務營運所得現金以及現金及銀行存款提供資金。

負債比率

負債比率乃根據債務淨額（融資租賃承擔及應付同系附屬公司款項）除以股東資金總額計算，於二零一四年十二月三十一日約為0.15%（二零一三年：0.13%）。

外幣風險

於回顧年內，本集團錄得匯兌收益約20,000港元（二零一三年：虧損約1,400,000港元）。此乃主要由於本集團位於紐西蘭的附屬公司於月末將以外幣計值的貨幣資產換算為當地呈報貨幣所致。造成該結果的主要原因為美元貶值及美元兌紐西蘭元匯率由二零一三年十二月三十一日的約1.2165調整至二零一四年十二月三十一日的1.2758。

本集團透過定期檢討一籃子貨幣組合內的貨幣持倉積極管理外匯風險。為降低本集團所面臨的風險，本集團根據現行市況及附屬公司的營運資金需求運用對沖策略。

資本架構

於回顧年內，本集團的資本架構包括現金及現金等價物以及本公司擁有人應佔股權（包括已發行股本及儲備）。

新產品及服務

本集團推出中國股票指數300（「中股指數300」）、澳洲股市指數（「澳股200」）及一種槓桿式交易新產品，即銅差價合約（「差價合約」）。於回顧年內，本集團貨幣買賣清單亦加入一種新貨幣配對「美元離岸人民幣」。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES DURING THE PERIOD UNDER REVIEW

During the year ended 31 December 2014, the Group did not have any material acquisitions and disposals.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2014, the Group engaged a total of 64 employees (2013: a total of 55). Total staff costs including Directors' remuneration for the period under review amounting to approximately HK\$36.5 million (2013: HK\$30.8 million). The Group's remuneration policies are in line with the prevailing market practices and are determined on the basis of performance and experience of individual employees.

The Group provides retirement benefits in accordance with the relevant laws and regulations in the place where the staff is employed.

The Company has adopted a share option scheme pursuant to which the Directors and employees of the Group are entitled to participate.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

As at 31 December 2014, certain bank balances of the Group amounting to approximately HK\$45.5 million were used to secure the banking facilities and the offices lease bonds.

As at 31 December 2014, the Group did not have any material contingent liabilities.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The future investment plans of the Group are detailed in the sub-section headed "Business objectives and future plans" in the prospectus of the Company dated 11 June 2013 (the "Prospectus").

回顧期內附屬公司之重大投資、重大收購及出售事項

於截至二零一四年十二月三十一日止年度，本集團並無任何重大收購及出售事項。

僱員及薪酬政策

於二零一四年十二月三十一日，本集團合共聘用64名僱員（二零一三年：合共55名）。於回顧期內的員工成本總額（包括董事酬金）為約36,500,000港元（二零一三年：30,800,000港元）。本集團的薪酬政策符合現行市場慣例並根據員工個人的表現及經驗而釐定。

本集團根據員工受聘所在地的相關法律法規提供退休福利。

本公司採納了購股權計劃，據此，本集團董事及僱員有權參加。

本集團資產抵押及或然負債

於二零一四年十二月三十一日，本集團若干銀行結餘約45,500,000港元乃用於擔保銀行信貸及辦公室租賃債券。

於二零一四年十二月三十一日，本集團並無任何重大或然負債。

未來重大投資或資本資產計劃

本集團的未來投資計劃乃詳述於本公司日期為二零一三年六月十一日的招股章程（「招股章程」）「業務目標及未來計劃」分節。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

We plan to:

我們計劃：

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. expand operations in the worldwide overseas Chinese and Japanese communities; 2. increase in the range of our financial services and products; 3. further upgrade our online trading platform; and 4. strategically grow through mergers and acquisitions. | <ol style="list-style-type: none"> 1. 擴充全球海外華人及日裔群體業務； 2. 增加金融服務及產品的種類； 3. 進一步完善本集團的網上交易平台；及 4. 透過併購策略性地增長。 |
|--|---|

The source of funding for these investment plans is from the net proceeds of the Placing of approximately HK\$125.3 million. Our Directors presently intend that the net proceeds will be applied as follows:

該等投資計劃的資金來源乃來自配售所得款項淨額約125,300,000港元。董事目前擬將所得款項淨額用作如下用途：

| | | Intended amount | Intended usage up to 31 December 2014 | Actual approximate amount utilized up to 31 December 2014 |
|--|-----------------|--------------------|--|--|
| | | 擬用金額 HK\$ 港元 | 截至二零一四年 十二月三十一日 之擬用金額 HK\$ 港元 | 截至二零一四年 十二月三十一日 之已動用之 實際概約金額 HK\$ 港元 |
| Expansion of operations in the worldwide overseas Chinese and Japanese communities | 擴充全球海外華人及日裔群體業務 | 36,000,000 | 18,500,000 | 12,558,000 |
| Increase in the range of our financial services and products | 增加金融服務及產品的種類 | 35,000,000 | 5,000,000 | - |
| Further upgrade of our online trading platform | 進一步完善本集團的網上交易平台 | 28,000,000 | 18,000,000 | 7,656,076 |
| Strategic growth through mergers and acquisitions | 透過併購的策略性增長 | 21,000,000 | 10,000,000 | - |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層之討論及分析

The new PRC subsidiary located in Zhuhai City Hengqin New District has been set up and the Group is expecting further progress in this new subsidiary in the coming year. The Group will continuously conduct studies on identifying hot spots to develop new branches or subsidiaries; and perform market studies to explore commercial viability for new products.

During the year under review, the Group had developed new financial services and products through internally generated funding.

The Group spent HK\$6.3 million in 2014 to revamp the network in order to keep on improving the efficiency, security, availability and manageability of the online trading platform.

本集團已經在珠海市橫琴新區設立中國新附屬公司，且本集團預期未來一年進一步發展該新附屬公司。本集團將會進行研究以確定發展新分行或附屬公司的熱點，並進行市場研究藉以探究新產品的商業可行性。

於回顧年內，本集團已透過內部資金發展新的金融服務及產品。

在二零一四年，本集團於改造網絡上投放了6,300,000港元，目的為對網上交易平台提高效率、安全、有效及管理作用。

DIRECTORS, SENIOR MANAGEMENT AND COMPANY SECRETARY 董事、高級管理層及公司秘書

The biographical details in respect of the directors (the “Directors”) and the senior management of KVB Kunlun Financial Group Limited (the “Company”, together with its subsidiaries, the “Group”) as at the date of this report are as follows:

EXECUTIVE DIRECTORS

Mr. LIU Stefan (劉欣諾先生), aged 48, is the chief executive officer of the Company. He is also a director of certain subsidiaries of the Company. Mr. Liu is one of the responsible officers of KVB Kunlun International (HK) Limited (“KVB HK”) and is also a director of KVB Kunlun Holdings Limited (“KVB Holdings”) and certain subsidiaries of KVB Holdings which do not belong to the Group.

Mr. Liu was appointed the managing director of the Group in March 2006 and the country manager of New Zealand and Australia in August 2011. He was appointed as a Director of the Company on 9 November 2010 and is responsible for the overall management and strategic development of the Group.

Before joining the Group, Mr. Liu served as the managing director of Aiming International (New Zealand) Co. Limited from August 1997 to August 2001 and was responsible for fostering the development plan, structuring investment direction and strategy, liaising and maintaining relationships with business partners and searching for and maintaining public relationship with potential strategic investors.

With his previous and current positions in the Group and other companies, Mr. Liu has obtained over 12 years of experience in the forex market which is relevant to the management, operation and development of the Group. Mr. Liu obtained his bachelor's degree in arts from the Tianjin Foreign Studies University (天津外國語大學) in July 1989.

Mr. NG Chee Hung Frederick (吳棋鴻先生), aged 59, joined the Group in August 2006 and has been an executive director of KVB HK since June 2009. Mr. Ng is responsible for managing the operations of KVB HK and the treasury and dealing functions of the Group. Mr. Ng is also the executive director and one of the responsible officers of each of KVB HK and certain subsidiaries of KVB Holdings which do not belong to the Group.

於本報告日期，有關昆侖國際金融集團有限公司（「本公司」，連同其附屬公司統稱「本集團」）董事（「董事」）及高級管理層的履歷如下：

執行董事

劉欣諾先生，48歲，為本公司行政總裁。彼亦為本公司若干附屬公司的董事。劉先生為昆侖國際（香港）有限公司（「KVB香港」）的負責人員之一。劉先生亦為KVB Kunlun Holdings Limited（「KVB Holdings」）及若干不屬於本集團的KVB Holdings附屬公司的董事。

劉先生於二零零六年三月獲委任為本集團的董事總經理及於二零一一年八月獲委任為紐西蘭及澳洲的區域經理。彼於二零一零年十一月九日獲委任為本公司董事，負責本集團的整體管理及策略發展。

加入本集團前，劉先生於一九九七年八月至二零零一年八月擔任Aiming International (New Zealand) Co. Limited董事總經理，負責實施發展計劃，編撰投資方向及策略，聯絡與維持與合作伙伴的關係以及物色並維持與潛在策略投資者的公共關係。

憑藉劉先生於本集團及其他公司的過往與現任職務，彼已於與本集團管理、營運及發展有關的外匯市場積逾12年經驗。劉先生於一九八九年七月獲得天津外國語大學文學士學位。

吳棋鴻先生，59歲，於二零零六年八月加入本集團，並自二零零九年六月起擔任KVB香港的執行董事。吳先生負責管理KVB香港的營運及本集團的司庫與交易工作。吳先生亦為KVB香港及若干不屬於本集團的KVB Holdings附屬公司各自的執行董事及負責人員之一。吳先生亦為LXL Capital IV Limited、LXL Capital VIII Limited、

DIRECTORS, SENIOR MANAGEMENT AND COMPANY SECRETARY 董事、高級管理層及公司秘書

Mr. Ng is also a director of each of LXL Capital IV Limited, LXL Capital VIII Limited, LXL Capital IX Limited, LXL Capital V Limited and Yorkastle Capital Limited. Mr. Ng has over 30 years of experience in the financial services industry. Before joining the Group, Mr. Ng had worked at corporations in Hong Kong, Toronto, Tokyo, Singapore and Shanghai. From 2002 to 2006, Mr. Ng was the managing partner of Quantitative Asset Management Group which was engaged in asset management and he was responsible for managing and overseeing daily operations including all trade execution and reconciliation. From June 1992 to January 2002, Mr. Ng was employed with Credit Agricole Group (a banking group based in France) and served in various positions including vice president and regional forex manager – North Asia, senior vice president and head of forex trading hub – Asia, treasurer – China, and head of sales of Greater China and assistant general manager of capital markets. From October 1978 to January 1992, Mr. Ng was employed with the Royal Bank of Canada and last held the position of forex manager. Mr. Ng is a member of the Institute of Public Accountants, Australia and a certified member of the Institute of Certified Management Accountants, Australia. Mr. Ng was appointed as a Director on 15 April 2011.

NON-EXECUTIVE DIRECTORS

Mr. Li Zhi Da (李志達先生), aged 61, is the chairman of the board of Directors. Mr. Li is one of the founders of the Group and one of the controlling shareholders of the Company. Mr. Li was a director of each of KVB Kunlun New Zealand Limited and KVB HK since their respective incorporation until May 2009 and June 2009, respectively. Mr. Li is also a director of each of KVB Holdings, LXL Capital I Limited and LXL Capital II Limited. Mr. Li was the legal representative of a private company engaged in the business of production and sales of cosmetics in the PRC, including the brand “Mininurse”. Since the disposal of the cosmetics business in December 2003, Mr. Li has diversified his investments into other business areas including tourism business in the PRC. Mr. Li obtained his master’s degree in project management from the Zhejiang University (浙江大學) in March 1994. Mr. Li was appointed as a Director on 30 August 2011.

LXL Capital IX Limited、LXL Capital V Limited 及 Yorkastle Capital Limited 各自的董事。吳先生於金融服務行業積逾30年經驗。加入本集團前，吳先生曾於香港、多倫多、東京、新加坡及上海企業工作。於二零零二年至二零零六年，吳先生為 Quantitative Asset Management Group (從事資產管理) 的經營夥伴，負責管理及監察日常營運(包括全部貿易執行及對賬)。於一九九二年六月至二零零二年一月，吳先生在 Credit Agricole Group (總部位於法國的銀行集團) 任職並擔任多項職務，包括北亞副總裁及區域外匯經理、亞洲高級副總裁及外匯交易中心主任、中國司庫及大中華銷售總監以及資本市場助理總經理。於一九七八年十月至一九九二年一月，吳先生在加拿大皇家銀行任職，並於離職前擔任外匯經理職務。吳先生為澳洲會計師公會的會員及澳洲特許管理會計師公會的特許成員。吳先生於二零一一年四月十五日獲委任為董事。

非執行董事

李志達先生，61歲，為董事會主席。李先生為本集團創辦人之一及本公司控股股東之一。李先生分別自KVB紐西蘭及KVB香港各自註冊成立起直至二零零九年五月及二零零九年六月分別擔任KVB Kunlun New Zealand Limited及KVB香港的董事。李先生亦為KVB Holdings、LXL Capital I Limited及LXL Capital II Limited各自的董事。李先生曾任一間在中國從事生產及銷售化妝品業務(包括「小護士」品牌)的私營公司的法定代表。李先生自於二零零三年十二月出售化妝品業務以來，已將其投資分散至其他業務領域，包括中國旅遊業務。李先生於一九九四年三月取得浙江大學項目管理碩士學位。李先生於二零一一年八月三十日獲委任為董事。

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Mr. Stephen Gregory McCOY, aged 62, joined the Group in October 2006 as the senior manager of operations and was later appointed the country manager of Australia in 2008. Mr. McCoy is also a director of KVB Kunlun Pty Ltd and LXL Capital III Limited. Mr. McCoy is also a director of other subsidiaries of KVB Holdings which do not belong to the Group. Before joining the Group, Mr. McCoy worked at Arab Bank Australia Limited as an internal auditor from May 2002 to December 2003 and later as the head of operations from January 2004 to October 2006 and was responsible for managing the operations department of the bank including treasury settlements, retail operations, loan administration, office administration, trade finance and product compliance in line with regulatory authorities and policies and procedures of the bank and before that, Mr. McCoy worked at Westpac Banking Corporation for over 30 years from February 1969 to April 2001 and last held the position of manager of operational risk. With the previous and current positions held by Mr. McCoy in the Group and other companies, Mr. McCoy has obtained over 42 years of combined experience in the financial services industry which is relevant to the operation and development of the Group. Mr. McCoy was appointed as a Director on 15 April 2011.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. ZHAO Guixin (趙桂馨女士), aged 51, joined the Group in April 2011. From June 2005 to July 2007, Ms. Zhao worked at Tianjin Jiandu Investment & Development Co. Ltd. (天津建都投資發展有限公司) which was engaged in property and investment and she was responsible for providing consultation services in project financing, cooperation in public affairs and international investment matters. From May 2003 to August 2007, Ms. Zhao also provided consultation services in finance and investment related matters to Tianjin Wanhe Investment & Development Co. Ltd. (天津萬和投資發展有限公司) which was engaged in property and investment. From July 2001 to October 2003, Ms. Zhao was appointed the general manager of the audit department of China Citic Bank, Tianjin branch and was responsible for managing the overall performance of the audit department, implementing policies and procedures and other management work. Ms. Zhao has over 22 years of experience in accounting and auditing matters including but not limited to financial analysis, financial management, asset management, assessment and auditing of

Stephen Gregory McCOY先生，62歲，於二零零六年十月加入本集團擔任營運部高級經理，其後於二零零八年獲委任為澳洲區域經理。McCoy先生亦為KVB Kunlun Pty Ltd及LXL Capital III Limited的董事。McCoy先生亦為其他不屬於本集團的KVB Holdings附屬公司的董事。加入本集團前，McCoy先生於二零零二年五月至二零零三年十二月在Arab Bank Australia Limited擔任內部核數師，隨後於二零零四年一月至二零零六年十月出任營運部主管，負責管理銀行營運部門，包括財務結算、零售業務、貸款管理、行政管理、貿易融資及產品合規（符合監管機構以及銀行政策及程序的規定），而在此之前，McCoy先生於一九六九年二月至二零零一年四月於Westpac Banking Corporation任職逾30年及隨後出任營運風險經理一職。憑藉McCoy先生先前及現時於本集團及其他公司所擔任的職務，McCoy先生於有關本集團營運及發展的金融服務行業獲得逾42年的綜合經驗。McCoy先生於二零一一年四月十五日獲委任為董事。

獨立非執行董事

趙桂馨女士，51歲，於二零一一年四月加入本集團。趙女士曾於二零零五年六月至二零零七年七月期間在天津建都投資發展有限公司（從物業及投資）任職，負責提供項目融資、公共事務合作及國際投資事項方面的諮詢服務。趙女士亦於二零零三年五月至二零零七年八月期間向天津萬和投資發展有限公司（從物業及投資）提供金融及投資相關事項的諮詢服務。於二零零一年七月至二零零三年十月，趙女士獲委任為中信銀行天津分行審計部總經理，負責管理審計部門的整體表現、實施政策及程序以及其他管理工作。趙女士於（包括但不限於）財務分析、財務管理、資產管理、評估及審核財務狀況以及參與財務及審計決策方面積逾22年會計及審計經驗。趙女士於一九九六年十二月完成中共中央黨校組織的經濟及管理課程。趙女士另於一九九九年九月完成南開大學開設的商務管理課程，並於二零零二年十月獲得The Flinders University of South

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financial positions and involvement in financial and auditing decision making process. Ms. Zhao completed the course in economics and management organised by the Party School of Central Committee of the Communist Party of China (中共中央黨校) in December 1996. Ms. Zhao further completed the course in business administration organised by Nankai University (南開大學) in September 1999 and obtained her master's degree in arts in international relations in economy and trade from The Flinders University of South Australia in October 2002. Ms. Zhao was assessed and awarded the qualification of accountant by the Tianjin branch of the Bank of China in 1992. Ms. Zhao was appointed as a Director on 15 April 2011.

Mr. Cornelis Jacobus KEYSER, aged 57, first joined the Group in December 2003 as a senior consultant. In June 2005, he was appointed as the joint Group managing director (group operations and treasury) and managing director (designate proposed banking division) and held that position until he left the Group in April 2008. Since March 2003, Mr. Keyser has been a director of Keyser Merchant & Capital Finance (New Zealand) Limited which is engaged in the provision of consultation services and he is responsible for managing all aspects of such company and acts as a consultant. From July 1999 to August 2002, Mr. Keyser held the position of group treasurer to Gensec Ltd. and Gensec Bank. From September 1996 to March 1997, Mr. Keyser worked at the Swabou Building Society Group of Companies as the group managing director and was responsible for the operations of the group. From May 1990 to August 1992, Mr. Keyser was appointed the managing director of Keyser Trading (Pty) Limited and from September 1992 to June 1999, he was appointed the managing director of Keyser Merchant and Capital Finance (Pty) Limited. Mr. Keyser is a member of the Institute of Directors in New Zealand Inc. Mr. Keyser has over 22 years of experience in the financial industry. Mr. Keyser obtained his bachelor's degree in industrial psychology, his honours degree in economics and his master's degree in economics from the Rand Afrikaans University in April 1981, April 1982 and April 1983, respectively. Mr. Keyser was appointed as a Director on 15 April 2011.

Australia國際經濟與貿易關係文學碩士學位。於一九九二年，中國銀行天津分行對趙女士進行評估並授予其會計師資格。趙女士於二零一一年四月十五日獲委任為董事。

Cornelis Jacobus KEYSER先生，57歲，於二零零三年十二月首次加入本集團出任高級顧問。於二零零五年六月，彼獲委任為聯席集團董事總經理（集團營運及財政）及董事總經理（指定提議銀行部），直至二零零八年四月於本集團離職為止。Keyser先生自二零零三年三月起一直擔任Keyser Merchant & Capital Finance (New Zealand) Limited（從事提供諮詢服務）董事，負責管理該公司的全面事務並擔任顧問。Keyser先生於一九九九年七月至二零零二年八月擔任Gensec Ltd.及Gensec Bank的集團司庫。Keyser先生亦於一九九六年九月至一九九七年三月擔任Swabou Building Society Group of Companies的集團董事總經理，負責集團的營運。於一九九零年五月至一九九二年八月，Keyser先生獲委任為Keyser Trading (Pty) Limited的董事總經理；於一九九二年九月至一九九九年六月，彼擔任Keyser Merchant and Capital Finance (Pty) Limited的董事總經理。Keyser先生為Institute of Directors in New Zealand Inc成員。Keyser先生於金融行業方面積逾22年經驗。Keyser先生分別於一九八一年四月、一九八二年四月及一九八三年四月獲得Rand Afrikaans University工業心理學學士學位、經濟學榮譽學位及經濟學碩士學位。Keyser先生於二零一一年四月十五日獲委任為董事。

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Mr. LIN Wenhui (林文輝先生), aged 37, joined the Group in July 2011. Mr. Lin has been an audit manager of Deloitte Touche Tohmatsu in Beijing since September 2011. With effect from 1 July 2014, Mr. Lin is temporarily transferred to the Board of Supervisors of SAC in the State Council for the inspection of enterprises directly under the central government. From April 2009 to September 2011, Mr. Lin was a manager of RSM China Certified Public Accountants (中瑞岳華會計師事務所). Mr. Lin served as a project manager in the taxation and accounting services department of Reanda Certified Public Accountants (利安達會計師事務所有限責任公司) from September 2004 to March 2006 and a manager assistant in the audit department of the same firm from April 2006 to December 2008. From August 2002 to September 2004, Mr. Lin worked in the accounting department of the head company of the Beijing Shougang Oxygen Plant (北京首鋼氧氣廠) which was engaged in the production and sales of oxygen and other gases for industrial enterprises. Mr. Lin obtained his bachelor's degree in accounting from the Harbin University of Commerce (哈爾濱商業大學) in July 2002. Mr. Lin obtained his certificate of accounting professional from the Finance Bureau of Beijing (北京市財政局) in June 2003 and passed the PRC's national accounting examinations and was awarded the certificate issued by the Committee of the Registered Accountant Examination of the Ministry of Finance (財政部註冊會計師考試委員會) in April 2005. Mr. Lin has been a member of the Chinese Institute of Certified Public Accountants recognised by the Ministry of Finance of the PRC (中華人民共和國財政部) since April 2008. Mr. Lin was appointed as a Director on 16 July 2011.

林文輝先生，37歲，於二零一一年七月加入本集團。林先生自二零一一年九月起擔任德勤•關黃陳方會計師行北京分行的審核經理。於二零一四年七月一日開始，林先生被臨時借調到國務院國資委對中央直屬企業進行監察。林先生自二零零九年四月至二零一一年九月擔任中瑞岳華會計師事務所經理。於二零零四年九月至二零零六年三月及於二零零六年四月至二零零八年十二月，林先生分別擔任利安達會計師事務所有限責任公司稅務及會計服務部項目經理以及該公司審計部經理助理。林先生於二零零二年八月至二零零四年九月在北京首鋼氧氣廠總公司（從事工業企業的氧氣及其他氣體的生產及銷售）會計部任職。林先生於二零零二年七月獲得哈爾濱商業大學會計學學士學位。林先生於二零零三年六月獲得北京市財政局頒發的會計從業資格證書，且於二零零五年四月通過中國國家會計考試並獲財政部註冊會計師考試委員會頒證。林先生自二零零八年四月起為中華人民共和國財政部認可之中國註冊會計師協會會員。林先生於二零一一年七月十六日獲委任為董事。

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COMPANY SECRETARY

Mr. WONG Yiu Kit, Ernest (黃耀傑先生) is the Chief Financial Officer and the Company Secretary of the Company. Mr. Wong has extensive experience in venture capital, corporate finance, business development, legal, IT, financial and general management. Mr. Wong is now the President and Group Chief Financial Officer of KVB Kunlun Holdings Limited. Previously he was the Executive Director and Chief Financial Officer of China Private Equity Investment Holdings Limited which is listed on London AIM market. He was in charge of the private equity investment, portfolio management, corporate finance activities including fund raising and initial public offering, financial management, legal services, IT and company secretarial work. Before that, Mr. Wong was the Chief Financial Officer for Hong Kong Applied Science and Technology Research Institute Company Limited ("ASTRI") and held management responsibilities for its overall financial, legal, IT, business development and corporate finance functions. Before joining ASTRI, Mr. Wong was the vice president for Vertex Management Pte Ltd (now known as Vertex Venture Holdings Ltd), focusing in venture investment in communications, IT and electronics sectors. Previously, he also held management positions at Guangdong Investment Ltd., Transpac Capital Limited and Accenture.

Mr. Wong earned his Bachelor of Business Administration degree from the University of Hong Kong, received his Master of Science in investment management from the Hong Kong University of Science and Technology and Master of Science in Electronic Engineering from the Chinese University of Hong Kong. Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, United Kingdom; and is an associate member of the Institute of Chartered Accountants in England and Wales. He is also a charter-holder of Chartered Financial Analyst, United States of America and a member of the Hong Kong Security Institute.

公司秘書

黃耀傑先生為本公司首席財務官及公司秘書。黃先生於創業投資、企業財務、業務發展、法律、信息技術及財務管理方面有豐富經驗。黃先生現為KVB Kunlun Holdings Limited總裁及集團首席財務官。在此前，黃先生為福泰中國投資控股有限公司（「福泰」）的執行董事及財務總裁。福泰為一間於倫敦另類投資市場上市的投資公司，黃先生負責福泰的私募投資、投資組合管理、企業財務包括融資及上市、財務管理、法律事務、電腦系統及公司秘書事宜。於此前，黃先生為香港應用科技研究院有限公司（「應科院」）的財務總監，負責其整體財務、法律、信息系統、業務發展及企業融資。加入應科院前，黃先生是祥豐投資私人有限公司（現稱為祥峰投資控股有限公司）的副總裁，專職於通訊、資訊科技及電子業務的創業投資。在此之前，他是於粵海投資有限公司、匯亞資金管理有限公司以及埃森哲擔任管理職務。

黃先生於香港大學獲得工商管理學學士學位，於香港科技大學及香港中文大學分別考獲投資管理學理學碩士及電子工程碩士學位。黃先生為香港會計師公會及英國特許公認會計師公會資深會員，英格蘭和威爾士特許會計師公會會員，美國特許財務分析師，及香港證券專業學會會員。

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SENIOR MANAGEMENT

Ms. ZHANG Rongjun (張溶君女士) is the regional financial controller of New Zealand and Australia of the Group. Ms. Zhang joined the Group in December 2002 as the financial controller. Ms. Zhang has also been a director of KVB NZ since May 2009. From December 1997 to July 2002, Ms. Zhang served as a senior accountant at HWI Limited Chartered Accountants and was responsible for preparing financial statements and tax returns and providing tax advice. Ms. Zhang has over 16 years of experience in accounting matters in New Zealand. Ms. Zhang obtained her bachelor's degree in accounting from the Unitec Institute of Technology in April 2000. Ms. Zhang has been a member of the Institute of Chartered Accountants of New Zealand since January 2002.

Mr. HUANG Songyuan (黃頌源先生) is the director of global margin business. Mr. Huang is also responsible for the management of investment business of the Group, including foreign exchange, commodities and equities business. He is currently one of the responsible officers of KVB HK and KVB AU, and a director and managing principal of KVB NZ. Mr. Huang joined the Group in August 2002 as an executive accountant of KVB NZ and was responsible for general accounting duties, book-keeping and financial reports. Mr. Huang was the manager of treasury strategy of KVB NZ and was responsible for the implementation of its dealing system and the day-to-day running of its global forex dealing operations and all its associated financial management. Mr. Huang obtained his bachelor's degree in accounting from the Sun Yat-Sen University (中山大學) in June 1999, his master's degree in international business from the Auckland Institute of Studies at St. Helens, New Zealand in December 2000 and his graduate diploma in commerce from the University of Auckland in May 2002. Mr. Huang became a chartered financial analyst of the CFA Institute in September 2006.

高級管理層

張溶君女士為本集團紐西蘭及澳洲地區財務總監。張女士於二零零二年十二月加入本集團出任財務總監。張女士自二零零九年五月起亦擔任KVB紐西蘭的董事。張女士於一九九七年十二月起至二零零二年七月曾於HWI Limited Chartered Accountants出任高級會計師，負責編製財務報表及報稅表以及提供稅務意見。張女士於紐西蘭會計事項方面積逾16年經驗。張女士於二零零零年四月獲得紐西蘭國立理工學院會計學學士學位。張女士自二零零二年一月起成為紐西蘭特許會計師協會會員。

黃頌源先生為本集團全球保證金業務總監。黃先生亦管理本集團的投資業務，包括外匯、商品及股票業務。彼目前為KVB香港及KVB澳洲的負責人之一，且為KVB紐西蘭的董事兼主要管理人員。黃先生於二零零二年八月加入本集團出任KVB紐西蘭的行政會計師，負責一般會計職務、記賬及財務報告。黃先生曾為KVB紐西蘭的財務策略經理，負責執行交易系統及全球外匯交易業務的日常運作以及所有相關財務管理。黃先生於一九九九年六月獲得中山大學會計學學士學位、於二零零零年十二月獲得紐西蘭奧克蘭商學院國際商務碩士學位、及於二零零二年五月獲得奧克蘭大學商業深造文憑。黃先生於二零零六年九月成為CFA Institute的特許金融分析師。

DIRECTORS, SENIOR MANAGEMENT AND COMPANY SECRETARY 董事、高級管理層及公司秘書

Mr. SO Chi Hang Stephen (蘇志恒先生) is the head of investment of KVB AU. Mr. So joined the Group in May 2003 as a senior sales executive of margin forex of KVB AU. He has been the Responsible Manager (RM) of the Australian Financial Services License (AFSL) for the company since then. Mr. So is at present a director of KVB AU. Before joining the Group, Mr. So worked at The Hong Kong Chinese Bank, Limited and Lippo Securities Holdings Limited from March 1994 to December 2002 and was responsible for providing investment advice and dealing with private clients and retail clients, first as a senior investment consultant in The Hong Kong Chinese Bank, Limited and thereafter as a senior manager of the global investment division of Lippo Securities Holdings Limited. Mr. So has over 18 years of experience in advising clients on financial products ranging from securities, indices and stock futures and options to other financial products. Mr. So obtained his bachelor of arts degree from the University of Sydney, Australia in April 1992. Mr. So also obtained the diploma in financial services issued by the Australian Financial Markets Association in 2003.

蘇志恒先生為KVB澳洲投資主管。蘇先生於二零零三年五月加入本集團出任KVB澳洲外匯保證金業務高級銷售主任。彼自此擔任該公司的澳大利亞金融服務執照(AFSL)負責經理。蘇先生現為KVB澳洲的董事。加入本集團前，蘇先生於一九九四年三月至二零零二年十二月曾於香港華人銀行有限公司及力寶證券有限公司工作，負責提供投資意見及與私人客戶及零售客戶交易，起初擔任香港華人銀行有限公司的高級投資顧問，隨後擔任力寶證券有限公司的環球投資部高級經理。蘇先生於就金融產品(包括證券、指數、股票期貨、期權及其他金融產品等)向客戶提供意見方面積逾18年經驗。蘇先生於一九九二年四月獲得澳洲悉尼大學文學士學位。蘇先生亦於二零零三年獲澳洲金融市場協會頒發金融服務文憑。

CORPORATE GOVERNANCE REPORT 企業管治報告

KVB Kunlun Financial Group Limited (the “Company”, together with its subsidiaries, the “Group”) is committed to high standards of corporate governance in the interest of its shareholders. It has continued and will continue to identify and adopt the best corporate governance practices appropriate to the Company.

CORPORATE GOVERNANCE CODE

During the year ended 31 December 2014, the Company has complied with the code provisions set out in the Corporate Governance Code (the “Code”) contained in the Appendix 15 to the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions in securities of the Company by the directors of the Company (the “Directors”).

Having made specific enquiry with the Directors, all the Directors confirmed that they had complied with the required standard of dealings during the year ended 31 December 2014.

BOARD OF DIRECTORS

The board of Directors (the “Board”) is responsible for the formulation of strategies and policies, including an oversight of the management. The management of the Company is responsible for the day-to-day operations of the Company under the leadership of the chief executive officer.

As at 31 December 2014, the Board comprised seven Directors, including (i) two executive Directors, namely Mr. Liu Stefan (as chief executive officer) and Mr. Ng Chee Hung Frederick; (ii) two non-executive Directors, namely Mr. Li Zhi Da and Mr. Stephen Gregory McCoy; and (iii) three independent non-executive Directors, namely Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui. One of the independent non-executive Director, namely Mr. Lin Wenhui, has appropriate professional qualifications, or accounting or related financial management expertise.

昆侖國際金融集團有限公司（「本公司」，連同其附屬公司統稱「本集團」）致力於高標準的企業管治以符合股東利益。本公司將繼續開來竭力制定及採取適合本公司的最佳企業管治規則。

企業管治守則

截至二零一四年十二月三十一日止年度，本公司已遵守香港聯合交易所有限公司創業板證券上市規則（「創業板上市規則」）附錄15所載企業管治守則（「守則」）的守則條文。

董事進行的證券交易

本公司已採納載列於創業板上市規則第5.48條至5.67條規定的交易準則作為本公司董事（「董事」）進行本公司證券交易的行為守則。

經向各董事作出具體查詢後，所有董事確認，彼等於截至二零一四年十二月三十一日止年度已遵守所規定之交易準則。

董事會

本公司董事會（「董事會」）負責制訂本公司的策略及政策，包括監管管理層的工作。在行政總裁的帶領下，本公司管理層負責本公司的日常管理。

於二零一四年十二月三十一日，董事會由7名董事組成，包括(i)兩名執行董事劉欣諾先生（行政總裁）及吳棋鴻先生；(ii)兩名非執行董事李志達先生及Stephen Gregory McCoy先生；及(iii)三名獨立非執行董事趙桂馨女士、Cornelis Jacobus Keyser先生及林文輝先生。其中一名獨立非執行董事林文輝先生擁有適當專業資格、或會計或財務管理相關專業知識。

CORPORATE GOVERNANCE REPORT

企業管治報告

Each executive Director has entered into a service agreement with the Company for a specific term, and his term of office is subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the GEM Listing Rules. For all non-executive Directors and independent non-executive Directors, the term of them has been fixed at 3 years and is also subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the GEM Listing Rules.

In determining the independence of independent non-executive Directors, the Board has followed the requirements set out in the GEM Listing Rules. The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. Based on such confirmation, the Company is of the view that all the independent non-executive Directors have met the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and considers that they are independent.

The Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the boardroom. The Board has therefore adopted a board diversity policy which stated that the Board sees diversity as a wide concept and believes that a diversity of perspectives can be achieved through consideration of a number of factors, including but not limited to skills, regional and industry experience, background, race, gender and other qualities. In informing its perspective on diversity, the Company will also take into account factors based on its own business model and specific needs from time to time.

The Company endeavours to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy and in order for the Board to be effective.

Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, with due regard for the benefits of diversity on the Board. The Board believes that such merit-based appointments will best enable the Company to serve its clients, shareholders and other stakeholders going forward.

各執行董事均已與本公司訂立具有特定年期的服務協議，惟其須根據本公司之組織章程細則及創業板上市規則輪值退任及膺選連任。就所有非執行董事及獨立非執行董事而言，彼等的任期固定為三年，而彼等亦須根據本公司之組織章程細則及創業板上市規則輪值退任及膺選連任。

董事會已按照創業板上市規則的有關規定，確定獨立非執行董事的獨立性。本公司已經收到每名獨立非執行董事根據創業板上市規則第5.09條的規定作出有關其獨立性的年度確認。根據有關確認，本公司認為所有獨立非執行董事均遵守創業板上市規則第5.09條所列的獨立指引，因此認為其均為獨立。

本公司不斷致力提高其董事會之效能，並保持最高標準的企業管治及確認並維護董事會多元化的裨益。董事會因此採納董事會多元化政策，表明董事認為多元化為一個廣泛的概念，並相信多元化的觀點可以通過考慮一些因素而得以實踐，包括但不限於專長、區域和行業的經驗、背景、種族、性別和其他素質。在注入多元化的觀點後，本公司亦需要根據本身的商業模式和特別需要事宜作考慮。

本公司致力確保其董事會有適當平衡的專長、經驗和多元化觀點，使其能執行本公司之業務策略及董事會之有效運作。

董事會委任將繼續唯才善用之原則並以客觀的準則加上董事會多元化的優點予以考慮。董事會相信唯才善用之原則是能讓本公司協助其客戶、股東及其他投資者向前邁進的最佳方法。

CORPORATE GOVERNANCE REPORT 企業管治報告

Pursuant to the code provision A.2.1 of the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The chairman of the Board is responsible for the leadership and effective running of the Board, and for ensuring that all key and appropriate issues are discussed by the Board in a timely and constructive manner, while the chief executive officer of the Company, supported by other members of the Board and the senior management, is responsible for the day-to-day management of the Group's business, including the implementation of major strategies and initiatives adopted by the Group. As at 31 December 2014, the roles of the chairman of the Board and the chief executive officer are by Mr. Li Zhi Da, a non-executive Director, and Mr. Liu Stefan, an executive Director, respectively.

Pursuant to the articles of association of the Company, at each annual general meeting, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. A circular which includes the biographical details of the retiring Directors who stand for re-election together with the notice of annual general meeting of the Company will be despatched to the shareholders of the Company in due course.

The Board meets regularly and at least four times a year of approximately quarterly intervals. Between scheduled meetings, senior management of the Company from time to time meets with Directors to discuss the businesses of the Group. In addition, Directors have full access to information on the Group and independent professional advice whenever deemed necessary by the Directors.

根據守則第A.2.1條守則條文，主席與行政總裁的角色應有區分，並不應由一人同時兼任。董事會主席負責領導董事會並使其有效運作，確保董事會適時及以建設性之方式討論所有重要及適當事宜，而本公司行政總裁在其他董事會成員及高級管理人員支援下，負責本集團之日常業務管理，包括實行本集團所採納之主要策略及措施。於二零一四年十二月三十一日，董事會主席及行政總裁的角色分別由非執行董事李志達先生及執行董事劉欣諾先生擔任。

根據本公司之組織章程細則，於各股東週年大會上，當時三分之一之董事（或倘董事人數並非三或三之倍數，則為最接近但不得少於三分之一）須輪值退任，惟每名董事（包括獲委任特定年期之董事）最少每三年須輪值退任一次。退任董事可膺選連任。載有角逐重選的退任董事的履歷詳情，連同本公司股東週年大會通告的通函將於適當時候寄予本公司股東。

董事會定期開會，並每年最少舉行四次會議，約每季度一次。在已編定會期之間，本公司的高級管理人員會不時和董事討論本集團的經營情況。此外，所有董事可於其認為需要時取得本集團資料及獨立的專業意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year ended 31 December 2014, the Board held six board meetings and the Company held one general meeting, and the attendance records of these meetings are set out below:

截至二零一四年十二月三十一日止年度，董事會共舉行了六次董事會會議，本公司舉行了一次股東大會，該等會議出席記錄詳列如下：

| | | Attendance (for Board meetings) 出席 (董事會會議) | Attendance (for general meetings) 出席 (股東大會) |
|--|---------------------------|---|--|
| Executive Directors | | | |
| Mr. Liu Stefan | 執行董事 劉欣諾先生 | 6/6 | 1/1 |
| Mr. Ng Chee Hung Frederick | 吳棋鴻先生 | 6/6 | 1/1 |
| Non-executive Directors | | | |
| Mr. Li Zhi Da | 非執行董事 李志達先生 | 4/6 | 1/1 |
| Mr. Stephen Gregory McCoy | Stephen Gregory McCoy先生 | 6/6 | 1/1 |
| Independent non-executive Directors | | | |
| Ms. Zhao Guixin | 獨立非執行董事 趙桂馨女士 | 5/6 | 1/1 |
| Mr. Cornelis Jacobus Keyser | Cornelis Jacobus Keyser先生 | 6/6 | 1/1 |
| Mr. Lin Wenhui | 林文輝先生 | 5/6 | 1/1 |

There is no relationship (including financial, business, family or material/relevant relationship(s)) among members of the Board.

董事會成員之間概無任何關係（包括財務、業務、親屬或重大／相關關係）。

DIRECTORS' CONTINUOUS TRAINING AND PROFESSIONAL DEVELOPMENT

董事持續培訓及專業發展

Pursuant to the code provision A.6.5 of the Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills so as to ensure their contribution to the Board remains informed and relevant. The Company should be responsible for arranging and funding suitable training, placing an appropriate emphasis on the roles, functions and duties of the Director.

根據企業管治守則條文第A.6.5條，全體董事均須參加持續專業發展，以發展及更新彼等的知識及專長，以確保彼等向董事會作出知情及恰當的貢獻。本公司須負責安排及資助合適培訓，適當強調董事的角色、職能及職責。

During the year ended 31 December 2014, the Company has arranged an in-house seminar for the Directors on the topics of (i) Corporate Governance Code and Corporate Governance Report; and (ii) Environmental, Social and Governance Reporting Guide. All Directors had attended this seminar.

截至二零一四年十二月三十一日止年度，本公司已為董事舉辦一場內部研討會，所討論之話題圍繞(i)企業管治守則及企業管治報告；及(ii)環境、社會及管治報告指引，所有董事均有參加此次研討會。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE

The Company established a remuneration committee (the "Remuneration Committee") on 18 December 2012 in compliance with Rule 5.34 of the GEM Listing Rules. Written terms of reference in compliance with paragraph B.1.2 of the Code has been adopted. The primary duties of the Remuneration Committee are to evaluate the performance and determine the remuneration packages of the Directors and the senior management of the Group, and evaluate the performance and make recommendations on any other employee benefit arrangement. At present, the Remuneration Committee consists of three independent non-executive Directors, namely, Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui. Ms. Zhao Guixin is the chairman of the Remuneration Committee.

During the year ended 31 December 2014, the Remuneration Committee held two meetings. Details of the attendance of the Remuneration Committee meeting during the year ended 31 December 2014 are set out below:

薪酬委員會

本公司於二零一二年十二月十八日根據創業板上市規則第5.34條成立薪酬委員會（「薪酬委員會」）。書面職權範圍符合守則第B1.2段規定並已獲採納。薪酬委員會的主要職責為評估本集團董事及高級管理層的表現及釐定彼等的薪酬待遇，以及就任何其他僱員福利安排評估表現及作出建議。現時，薪酬委員會包括三名獨立非執行董事，即趙桂馨女士、Cornelis Jacobus Keyser 先生及林文輝先生。趙桂馨女士為薪酬委員會主席。

截至二零一四年十二月三十一日止年度，薪酬委員會舉行了兩次會議。截至二零一四年十二月三十一日止年度的薪酬委員會會議出席紀錄詳列如下：

| | | Attendance 出席 |
|-------------------------------------|---------------------------|------------------|
| Ms. Zhao Guixin (<i>Chairman</i>) | 趙桂馨女士 (主席) | 2/2 |
| Mr. Cornelis Jacobus Keyser | Cornelis Jacobus Keyser先生 | 2/2 |
| Mr. Lin Wenhui | 林文輝先生 | 2/2 |

During the year ended 31 December 2014, the Remuneration Committee has considered and recommended to the Board (i) the granting of share options to Directors and other eligible participants under the share option scheme of the Company adopted by the shareholders pursuant to a written resolution dated 3 June 2013; and (ii) the salary increment for the executive directors and the senior management of the Company in 2014.

截至二零一四年十二月三十一日止年度，薪酬委員會已考慮並建議董事會(i)根據股東依據日期為二零一三年六月三日之書面決議案所採納之本公司購股權計劃，授予董事及其他合資格參與者購股權；及(ii)於二零一四年為本公司執行董事及高級管理層加薪。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE

The Company established a nomination committee (the "Nomination Committee") on 18 December 2012. Written terms of reference in compliance with paragraph A.5.2 of the Code has been adopted. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding nomination of suitable candidate to fill vacancies in the Board. At present, the Nomination Committee consists of three independent non-executive Directors, namely, Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui. Ms. Zhao Guixin is the chairman of the Nomination Committee.

During the year ended 31 December 2014, the Nomination Committee held one meeting. Details of the attendance of the Nomination Committee meeting are set out below:

提名委員會

本公司於二零一二年十二月十八日成立提名委員會（「提名委員會」）。書面職權範圍符合守則第A.5.2段規定並已獲採納。提名委員會的主要職責為定期審議董事會的架構、規模及構成，並就提名合適人選以填補董事會空缺向董事會作出建議。現時，提名委員會包括三名獨立非執行董事，即趙桂馨女士、Cornelis Jacobus Keyser先生及林文輝先生。趙桂馨女士為提名委員會主席。

截至二零一四年十二月三十一日止年度，提名委員會舉行了一次會議。提名委員會會議出席紀錄詳列如下：

Attendance 出席

| | | |
|-------------------------------------|---------------------------|-----|
| Ms. Zhao Guixin (<i>Chairman</i>) | 趙桂馨女士 (主席) | 1/1 |
| Mr. Cornelis Jacobus Keyser | Cornelis Jacobus Keyser先生 | 1/1 |
| Mr. Lin Wenhui | 林文輝先生 | 1/1 |

During the year ended 31 December 2014, the Nomination Committee has considered and reviewed the policy for the nomination of Directors, the process and criteria to select and recommend candidates for directorship. The Nomination Committee recommended the Board to approve the proposed sequence for re-election of retiring Directors in 2015 annual general meeting. The Nomination Committee considers that the existing policy for nomination, selection and recommendation for directorship are suitable.

截至二零一四年十二月三十一日止年度，提名委員會已考慮並審閱了提名董事的政策、甄選及建議董事人選的過程及準則。提名委員會建議董事會批准二零一五年股東週年大會重選退任董事的建議序列。提名委員會認為提名、甄選及建議董事人選的現行政策為合適。

CORPORATE GOVERNANCE REPORT 企業管治報告

CORPORATE GOVERNANCE COMMITTEE

The Company established a corporate governance committee (the “CG Committee”) on 18 December 2012. Written terms of reference in compliance with paragraph D.3.1 of the Code has been adopted. The primary duties of the CG Committee are to develop and review the Company’s policies and practices on corporate governance and make recommendation to the Board. At present, the CG Committee consists of four members, namely Mr. Cornelis Jacobus Keyser, Mr. Liu Stefan, Ms. Zhao Guixin and Mr. Lin Wenhui. Mr. Cornelis Jacobus Keyser is the chairman of the CG Committee. All members are independent non-executive Directors, except Mr. Liu Stefan, who is an executive Director and the chief executive officer of the Company.

During the year ended 31 December 2014, the CG Committee held two meetings. Details of the attendance of the CG Committee meeting are set out below:

企業管治委員會

本公司於二零一二年十二月十八日設立企業管治委員會（「企業管治委員會」）。書面職權範圍符合守則第D.3.1段規定並獲採納。企業管治委員會的主要職責為制訂及審閱本公司政策、企業管治常規及向董事會提出建議。現時，企業管治委員會包括四名成員，即Cornelis Jacobus Keyser先生、劉欣諾先生、趙桂馨女士及林文輝先生。Cornelis Jacobus Keyser先生為企業管治委員會主席。所有成員均為獨立非執行董事，惟劉欣諾先生除外，彼為本公司執行董事兼行政總裁。

截至二零一四年十二月三十一日止年度，企業管治委員會舉行了兩次會議。企業管治委員會會議出席紀錄詳列如下：

Attendance 出席

| | | |
|---|--------------------------------|-----|
| Mr. Cornelis Jacobus Keyser (<i>Chairman</i>) | Cornelis Jacobus Keyser先生 (主席) | 2/2 |
| Mr. Liu Stefan | 劉欣諾先生 | 2/2 |
| Ms. Zhao Guixin | 趙桂馨女士 | 1/2 |
| Mr. Lin Wenhui | 林文輝先生 | 2/2 |

During the year ended 31 December 2014, the CG Committee has considered and reviewed the Company’s policies and practices on corporate governance. The CG Committee discussed the corporate governance model for the Company, recommended the framework of corporate governance of the Group and the role of the company secretary. The CG Committee has considered and recommended to the Board the Approval Framework which provides a formal schedule of matters specifically reserved for board approval and delegation of management and administration functions to the management. The CG Committee considers that the existing policies and practices of corporate governance of the Company are suitable.

截至二零一四年十二月三十一日止年度，企業管治委員會已考慮並審閱了本公司政策及企業管治常規。企業管治委員會商討本公司企業管治標準守則及建議本集團的企業管治框架及公司秘書的角色。企業管治委員會已考慮並向董事會建議該批准框架，該批准框架為特別呈交董事會批准的事宜以及有關管理層授權及管理層的行政職能的事宜提供正式安排。企業管治委員會認為本公司現行政策及企業管治常規為合適。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) on 19 December 2012 with written terms of reference in compliance with the requirements as set out in Rule 5.28 of the GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Company, nominate and monitor external auditors and provide advice and comments to the Directors.

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Lin Wenhui, Ms. Zhao Guixin and Mr. Cornelis Jacobus Keyser. Mr. Lin Wenhui is the chairman of the Audit Committee.

The Audit Committee has met the external auditor of the Group to review the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of this report and financial statements of the Group for the year ended 31 December 2014.

During the year ended 31 December 2014, the Audit Committee held four meetings. The attendance records of the Audit Committee meetings during the year ended 31 December 2014 are set out below:

| | | Attendance |
|------------------------------------|---------------------------|-------------------|
| | | 出席 |
| Mr. Lin Wenhui (<i>Chairman</i>) | 林文輝先生 (<i>主席</i>) | 4/4 |
| Ms. Zhao Guixin | 趙桂馨女士 | 3/4 |
| Mr. Cornelis Jacobus Keyser | Cornelis Jacobus Keyser先生 | 4/4 |

During the year ended 31 December 2014, the Audit Committee reviewed with the management and the auditors of the Company their audit findings, the accounting principles and practices adopted by the Company, legal and regulatory compliance, and financial reporting matters.

The audited consolidated results of the Group for the year ended 31 December 2014 have been reviewed by the Audit Committee.

審核委員會

本公司於二零一二年十二月十九日成立審核委員會（「審核委員會」），其書面職權範圍符合創業板上市規則第5.28條所載規定。審核委員會的主要職責為審閱及監察本公司的財務申報程序及內部監控制度、提名及監察外聘核數師以及向董事提供建議及意見。

審核委員會由三名獨立非執行董事組成，包括林文輝先生、趙桂馨女士及Cornelis Jacobus Keyser先生。林文輝先生為審核委員會主席。

審核委員會已與本集團的外聘核數師會晤，以審閱本集團採納的會計準則及實務並討論核數、內部監控及包括審閱本報告及本集團截至二零一四年十二月三十一日止年度的財務報表在內的財務申報事項。

截至二零一四年十二月三十一日止年度，審核委員會舉行了四次會議。截至二零一四年十二月三十一日止年度的審核委員會會議出席紀錄詳列如下：

截至二零一四年十二月三十一日止年度，審核委員會連同本公司管理層及核數師已審閱彼等之審核結果、本公司採納的會計原則及慣例、法律及監管合規情況，以及財務報告事宜。

本集團於截至二零一四年十二月三十一日止年度之經審核綜合業績已由審核委員會審閱。

CORPORATE GOVERNANCE REPORT 企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors ensure the financial statements of the Group are prepared in accordance with the statutory requirement and applicable accounting standards.

The Directors' responsibilities in the preparation of the financial statements and the auditor's responsibilities are set out in the section headed "Independent auditor's report" of this report.

INTERNAL CONTROL

The Board has overall responsibility for the establishment, maintenance and review of the Group's system of internal control.

The Board has conducted a review of the system of internal control of the Group, and made suggestions to improve the system. The Board was satisfied that the internal control system of the Group, after implementing the suggested improvements, would be effective.

AUDITOR'S REMUNERATION

The audit works of the Group for the year ended 31 December 2014 were performed by PricewaterhouseCoopers ("PwC").

The total fee paid/payable in respect of the statutory audit and non-audit services provided by PwC is set out in the following table:

董事的財務報表責任

董事保證本集團的財務報表乃按照法定要求及適用的會計準則編製。

董事編製財務報表的責任及核數師的責任均載於本報告「獨立核數師報告」一節。

內部監控

董事會對本集團的內部監控制度的建立、維護及檢討負上整體責任。

董事會已對本集團的內部監控制度進行檢討，並提出建議以改善制度。董事會信納，本集團的內部監控制度在實現改進建議後將變得有效。

核數師酬金

本集團截至二零一四年十二月三十一日年度的核數工作已由羅兵咸永道會計師事務所（「羅兵咸永道」）負責。

就羅兵咸永道有關法定審核及非審核提供的服務已付／應付的總費用均載於下表：

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|----------------------|---------|----------------------------------|----------------------------------|
| – Audit services | – 審核服務 | 2,648 | 2,150 |
| – Non-audit services | – 非審核服務 | 180 | – |
| Total | 總金額 | 2,828 | 2,150 |

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY

All Directors have access to the advice and services of the Company Secretary. The Company Secretary reports to the Chairman on board governance matters, and is responsible for ensuring that Board procedures are followed and for facilitating communications among Directors as well as with Shareholders and management.

During the year, the Company Secretary undertook over 15 hours of professional training in compliance with Rule 5.15 of the GEM Listing Rules.

SHAREHOLDERS' RIGHTS

Pursuant to article 58 of the articles of association of the Company, any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary, to require an extraordinary 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 two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

In the event that any shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company would like to call for an extraordinary general meeting, please make a written requisition to the principal office of the Company in Hong Kong from time to time, making attention to "The Board of Directors and the Company Secretary".

公司秘書

所有董事均可向公司秘書諮詢有關意見和服務。公司秘書就董事會管治事宜向主席匯報，並負責確保董事會程序獲得遵從，以及促進董事之間及董事與股東及管理層之間的溝通。

年內，公司秘書已接受逾15小時的專業培訓，以遵守創業板上市規則第5.15條。

股東權利

根據本公司組織章程細則第58條，任何一名或多名持有不少於附有權利可於本公司股東大會上投票之本公司繳足股本十分之一（按提交要求召開下列股東特別大會當日計）的本公司股東應有權就該項要求以書面方式呈交董事會或公司秘書，要求董事會就該要求所指任何事項召開股東特別大會；且該大會應於提交有關要求後兩(2)個月內召開。倘董事會未有在提交有關要求後二十一(21)日內召開該大會，呈請人本身可能會以同樣方式提呈要求，而呈請人因董事會未有召開大會而引致的一切合理費用須由本公司向其彌償。

倘任何持有不少於附有權利可於本公司股東大會上投票之本公司繳足股本十分之一（按提交要求召開下列股東特別大會當日計）的本公司股東擬召開股東特別大會，請不時以書面方式向本公司於香港的主要辦事處提呈要求，並於封面註明「致董事會及公司秘書」。

CORPORATE GOVERNANCE REPORT 企業管治報告

There are no provisions allowing shareholders to put forward proposals at the general meetings under the memorandum and articles of association. If shareholders wish to do so, they may request to convene an extraordinary general meeting as stipulated above and specify the proposals in such written requisition.

For any enquiries, shareholders are welcome to contact the Company by post to the principal office of the Company in Hong Kong, by phone at (852) 3120 8888 by fax at (852) 3120 8800.

INVESTOR RELATIONS

All corporate communication materials published on the GEM website (<http://www.hkgem.com>) are posted on the Company's corporate website (<http://www.kvblastco.com>) as soon as practicable after their release. The Company's constitutional documents are also available on both websites. During the year ended 31 December 2014, there have not been any significant changes to the Company's constitutional documents.

公司大綱及組織章程細則並無列明股東可在股東大會上提呈建議。有意提呈建議之股東可按上述程序要求召開股東特別大會，並於該等書面請求中訂明建議。

如有任何查詢，歡迎各股東透過郵寄至本公司於香港的主要辦事處、致電(852) 3120 8888或傳真至(852) 3120 8800與本公司聯絡。

投資者關係

所有刊載於創業板網站 (<http://www.hkgem.com>) 的企業通訊資料均會於發出後在可能情況下盡快於本公司的企業網站 (<http://www.kvblastco.com>) 登載。本公司的組織章程文件亦同時載於該兩個網站以供瀏覽。截至二零一四年十二月三十一日止年度，本公司的組織章程文件並無任何重大變動。

DIRECTORS' REPORT

董事會報告

The board (the "Board") of directors (the "Directors") of KVB Kunlun Financial Group Limited (the "Company", together with its subsidiaries, the "Group") is pleased to present its report together with the audited financial statements of the Group for the year ended 31 December 2014.

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The principal activity of the Company is investment holding and the activities of the subsidiaries are set out in Note 26 to the consolidated financial statements.

An analysis of the Group's performance for the year ended 31 December 2014 by business and geographical segments are set out in Note 5 to the consolidated financial statements.

ANNUAL RESULTS

The annual results of the Group for the year ended 31 December 2014 are set out in the section headed "Consolidated statement of comprehensive income" of this report.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year ended 31 December 2014 are set out in Note 12 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in share capital of the Group during the year ended 31 December 2014 are set out in Note 22 to the consolidated financial statements.

RESERVES

Details of the movements in reserves of the Group during the year under review are set out in the section headed "Consolidated statement of changes in equity" of this report.

昆侖國際金融集團有限公司(「本公司」, 連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)欣然呈報其報告連同本集團截至二零一四年十二月三十一日止年度之經審核財務報表。

主要業務及分部資料

本公司之主要業務為投資控股, 而附屬公司之業務刊載於綜合財務報表附註26。

本集團截至二零一四年十二月三十一日止年度按業務及地區分部劃分之表現分析詳載於綜合財務報表附註5。

年度業績

本集團截至二零一四年十二月三十一日止年度之年度業績載於本報告「綜合全面收益表」一節。

物業、廠房及設備

本集團截至二零一四年十二月三十一日止年度之物業、廠房及設備變動詳情載於綜合財務報表附註12。

股本

本集團截至二零一四年十二月三十一日止年度之股本變動詳情載於綜合財務報表附註22。

儲備

本集團於回顧年度之儲備變動詳情, 載於本報告「綜合權益變動表」一節。

DIRECTORS' REPORT 董事會報告

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float during the year ended 31 December 2014.

DISTRIBUTABLE RESERVES

Under the Companies Law of the Cayman Islands, the funds in the share premium account and retained earnings of the Company are distributable to the shareholders of the Company subject to the provisions of the memorandum and articles of association of the Company and provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

As at 31 December 2014, in the opinion of the Directors, the Company's reserves available for distribution to shareholders was approximately HK\$177 million (2013: HK\$168 million).

MAJOR CUSTOMERS AND SUPPLIERS

For the year, the aggregate percentage of purchases attributable to the Group's five largest suppliers is approximately 24.61% of the total purchases of the Group and the largest supplier included therein amounted to approximately 6.62%.

For the year, the aggregate percentage of sales attributable to the Group's five largest customers accounted for approximately 15.0% of the total sales of the Group and the largest customer included therein amounted to approximately 5.9%.

At no time during the year have the Directors, chief executive, substantial shareholders of the Company or any of its subsidiaries or their associates (which to the knowledge of the Directors own more than 5% of the Company's share capital) had any interest in these major customers and suppliers.

足夠公眾持股量

本公司於截至二零一四年十二月三十一日止年度一直維持足夠公眾持股量。

可供分派儲備

根據開曼群島公司法，本公司於股份溢價賬和保留盈利之資金可用來派發予本公司股東，惟須遵守本公司之公司大綱及組織章程細則之規定，以及於緊隨建議派發股息日期後，本公司須有足夠資金償還正常業務過程中之到期債務。

於二零一四年十二月三十一日，董事認為，本公司可供分派予股東之儲備約177,000,000港元（二零一三年：168,000,000港元）。

主要客戶及供應商

年內，本集團之五大供應商之採購總額佔本集團採購總額約24.61%，而其中最大供應商佔約6.62%。

年內，本集團之五大客戶之銷售總額佔本集團銷售總額約15.0%，而其中最大客戶佔約5.9%。

於年內任何時間，本公司或其任何附屬公司之董事、主要行政人員、主要股東或彼等之聯繫人（就董事所知擁有本公司股本5%以上者）概無於上述主要客戶及供應商擁有任何權益。

DIRECTORS' REPORT

董事會報告

DIVIDEND

On 10 November 2014, the Board has resolved to pay an interim dividend of 2014 of HK0.675 cents per ordinary share and distributed to the shareholders on 26 November 2014. A total of HK\$13,500,000 was paid to the then shareholders.

The Board recommend the payment of a final dividend of HK1.075 cents per ordinary share to the shareholders. The final dividend, if approved by the shareholders at the forthcoming annual general meeting to be held on Wednesday, 6 May 2015, will be paid on Thursday, 21 May 2015 to the shareholders whose name appear on the register of members of the Company on Thursday, 14 May 2015.

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme for the year ended 31 December 2014 are set out in Note 2.16 to the consolidated financial statements.

RELATED PARTY TRANSACTIONS

Significant related party transactions entered into by the Group during the year ended 31 December 2014 is disclosed in Note 27 to the consolidated financial statements. Certain of these transactions also constitute continuing connected transactions under the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "GEM Listing Rules"), as identified below.

股息

於二零一四年十一月十日，董事會已議決派付二零一四年度之中期股息每股普通股0.675港仙，並已於二零一四年十一月二十六日向股東派付。本公司已向當時股東支付總額13,500,000港元。

董事會建議向股東派付末期股息每股普通股1.075港仙。末期股息如獲股東於二零一五年五月六日（星期三）舉行之應屆股東週年大會上批准，將於二零一五年五月二十一日（星期四）派付予於二零一五年五月十四日（星期四）名列本公司股東名冊上之股東。

退休福利計劃

本集團截至二零一四年十二月三十一日止年度之退休福利計劃詳情載於綜合財務報表附註2.16。

關聯方交易

本集團截至二零一四年十二月三十一日止年度之重大關聯方交易披露於綜合財務報表附註27。該等部分交易亦構成於香港聯合交易所有限公司（「聯交所」）創業板證券上市規則（「創業板上市規則」）之持續關連交易，其詳情如下。

DIRECTORS' REPORT 董事會報告

CONTINUING CONNECTED TRANSACTIONS

As disclosed in the prospectus of the Company dated 11 June 2013 (the "Prospectus"), the Company has entered into a shared services agreement on 18 December 2012 and a supplemental agreement on 3 June 2013 (together, the "Shared Services Agreement") with KVB Kunlun Holdings Limited ("KVB Holdings", together with its subsidiaries which do not belong to the Group, the "Non-Listed Group"), pursuant to which the Company has agreed to provide or procure the subsidiaries of the Company to provide group management, information technology, marketing and administration support services to the Non-Listed Group subject to the terms and conditions of the Shared Services Agreement. The proposed cap amounts of the fees to be received by the Group under the Shared Services Agreement for each of the three years ended 31 December 2013 and 31 December 2014, and ending 31 December 2015 are HK\$2,905,000, HK\$3,050,000 and HK\$3,203,000 respectively. Such transactions are subject to reporting, annual review and announcement requirements.

Moreover, as disclosed in the Prospectus, the Company have entered into the following transactions which are subject to the reporting, annual review, announcement and independent shareholders' requirements:

- (i) the Company has entered into an office licence agreement on 18 December 2012 and a supplemental agreement dated 3 June 2013 (together, the "Office Licence Agreement") with KVB Holdings, pursuant to which the Company has agreed to provide or procure the subsidiaries of the Company to provide the sharing of the offices to the Non-Listed Group subject to the terms and conditions of the Office Licence Agreement. The proposed cap amounts of the fees to be received by the Group under the Office Licence Agreement for each of the three years ended 31 December 2013 and 31 December 2014, and ending 31 December 2015 are HK\$11.4 million, HK\$11.9 million and HK\$12.5 million, respectively; and

持續關連交易

誠如本公司日期為二零一三年六月十一日之招股章程（「招股章程」）披露，本公司與KVB Kunlun Holdings Limited（「KVB Holdings」，連同其並非屬於本集團之附屬公司統稱「非上市集團」）於二零一二年十二月十八日訂立共享服務協議及於二零一三年六月三日訂立補充協議（統稱「共享服務協議」），據此，本公司已同意按共享服務協議之條款及條件提供或促使本公司附屬公司提供集團管理、資訊科技、市場推廣及行政支援服務予非上市集團。截至二零一三年十二月三十一日、二零一四年十二月三十一日及二零一五年十二月三十一日止三個年度各年，本集團根據共享服務協議將予收取之費用建議上限金額分別為2,905,000港元、3,050,000港元及3,203,000港元。有關交易須遵守申報、年度審核及公佈批准規定。

此外，誠如招股章程披露，本公司訂立以下須遵守申報、年度審核、公佈及獨立股東批准規定之交易：

- (i) 本公司與KVB Holdings於二零一二年十二月十八日訂立辦公室特許權協議及於二零一三年六月三日訂立補充協議（統稱「辦公室特許權協議」），據此，本公司同意或促使本公司附屬公司根據辦公室特許權協議之條款及條件向非上市集團提供共用辦公室。截至二零一三年十二月三十一日、二零一四年十二月三十一日及二零一五年十二月三十一日止三個年度各年，本集團根據辦公室特許權協議將予收取之費用建議上限金額分別為11,400,000港元、11,900,000港元及12,500,000港元；及

DIRECTORS' REPORT

董事會報告

(ii) the Company has entered into cash dealing agreement on 18 December 2012 and a supplemental agreement dated 3 June 2013 (together, the "Cash Dealing Agreement") with KVB FX Limited ("KVB FX"), KVB FX Pty Limited ("KVB FX Pty") and KVB Kunlun Canada Inc. ("KVB CA"), being members of the Non-Listed Group. Pursuant to the Cash Dealing Agreement, KVB NZ has agreed to provide the cash dealing services to each of KVB FX, KVB FX Pty and KVB CA, subject to the terms and conditions of the Cash Dealing Agreement. The proposed cap amounts of the aggregate trading volume of KVB FX, KVB FX Pty and KVB CA under the Cash Dealing Agreement for each of the three years ended 31 December 2013 and 31 December 2014, and ending 31 December 2015 are US\$2.9 billion, US\$2.9 billion and US\$2.9 billion, respectively.

Further details in relation to the Shared Services Agreement, the Office Licence Agreement and the Cash Dealing Agreement are set out in the Prospectus.

As disclosed in the announcement of the Company dated 29 January 2014, the Company and Banclogix System Co., Limited entered into an information technology services agreement ("Information Technology Services Agreement") in respect of transaction relating to the provision of software development and maintenance services, IT infrastructure project management and maintenance services, and IT risk assessment services to the Group. The proposed annual caps for the transactions contemplated under the Information Technology Services Agreement for each of (i) the period from the date of agreement on 29 January 2014 to 31 December 2014; and (ii) for the year ending 31 December 2015 are HK\$5,000,000 and HK\$5,500,000, respectively.

(ii) 本公司與非上市集團成員公司(即KVB FX Limited (「KVB FX」)、KVB FX Pty Limited (「KVB FX Pty」)及KVB Kunlun Canada Inc. (「KVB加拿大」)於二零一二年十二月十八日訂立現金交易協議及於二零一三年六月三日訂立補充協議(統稱「現金交易協議」)。根據現金交易協議, KVB紐西蘭已同意按現金交易協議之條款及條件提供現金交易服務予KVB FX、KVB FX Pty及KVB加拿大。截至二零一三年十二月三十一日、二零一四年十二月三十一日及二零一五年十二月三十一日止三個年度各年, KVB FX、KVB FX Pty及KVB加拿大於現金交易協議項下之總成交量之建議上限金額分別為29億美元、29億美元及29億美元。

有關共享服務協議、辦公室特許權協議及現金交易協議之進一步詳情載於招股章程。

誠如本公司日期為二零一四年一月二十九日之公佈所披露, 本公司與Banclogix System Co., Limited就向本集團提供軟件開發及維護服務、資訊科技基建項目管理及維護服務及資訊科技風險評估服務訂立資訊科技服務協議(「資訊科技服務協議」)。資訊科技服務協議項下擬進行交易於(i)由協議日期二零一四年一月二十九日至二零一四年十二月三十一日止期間; 及(ii)截至二零一五年十二月三十一日止年度之建議年度上限分別為5,000,000港元及5,500,000港元。

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All independent non-executive Directors have reviewed and confirmed that the above continuing connected transactions have been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as appropriate) independent third parties; and
- (iii) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Directors also confirm that the Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this section headed "Continuing Connected Transactions" above in accordance with Rule 20.38 of the GEM Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

全體獨立非執行董事已審閱及確認以上持續關連交易乃：

- (i) 於本集團一般日常業務過程中訂立；
- (ii) 按一般商業條款訂立（或倘並無足夠可資比較之交易以釐訂是否以一般商業條款訂立，則以不遜於本集團提供予獨立第三方或從獨立第三方取得（倘適用）之條款訂立；及
- (iii) 根據公平合理之條款訂立並符合本公司股東整體利益之相關規範協議達成。

董事亦確認本公司已遵守創業板上市規則第20章之披露規定。

根據香港會計師公會發佈的香港鑒證業務準則3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明740號「香港上市規則規定的持續關連交易的核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。根據創業板上市規則第20.38條，核數師已就本集團於上文「持續關連交易」一節披露的持續關連交易，發出無保留意見的函件，並載有其發現和結論。本公司已將核數師函件副本向聯交所提供。

DIRECTORS' REPORT

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DIRECTORS

During the year ended 31 December 2014 and up to the date of this report, the Board comprises the following Directors:

Executive Directors

Mr. Liu Stefan (*Chief Executive Officer*)
Mr. Ng Chee Hung Frederick

Non-executive Directors

Mr. Li Zhi Da (*Chairman*)
Mr. Stephen Gregory McCoy

Independent non-executive Directors

Ms. Zhao Guixin
Mr. Cornelis Jacobus Keyser
Mr. Lin Wenhui

The biographical details of the Directors as at the date of this report are set out in the section of "Directors and senior management" of this report.

RETIREMENT OF DIRECTORS

In accordance with article 84(1) of the articles of association of the Company, Mr. Liu Stefan, Mr. Ng Chee Hung Frederick and Mr. Stephen Gregory McCoy shall retire from office and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has entered into any service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in Note 25 to the consolidated financial statements.

董事

截至二零一四年十二月三十一日止年度及直至本報告日期，董事會包括以下董事：

執行董事

劉欣諾先生 (*行政總裁*)
吳棋鴻先生

非執行董事

李志達先生 (*主席*)
Stephen Gregory McCoy先生

獨立非執行董事

趙桂馨女士
Cornelis Jacobus Keyser先生
林文輝先生

於本報告日期之董事履歷詳情載於本報告「董事及高級管理層」一節。

董事退任

根據本公司組織章程細則第84(1)條，劉欣諾先生、吳棋鴻先生及Stephen Gregory McCoy先生將輪席退任，並符合資格於本公司應屆股東週年大會上膺選連任。

董事之服務合約

概無董事與本集團任何成員公司訂立本集團不可於一年內免付賠償（法定賠償除外）予以終止之任何服務合約。

董事酬金

董事酬金詳情載於綜合財務報表附註25。

DIRECTORS' REPORT 董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 31 December 2014, save as disclosed below, none of the Directors and chief executive has any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") which are required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have taken under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules:

董事及主要行政人員於證券之權益

於二零一四年十二月三十一日，除下文所披露者外，概無董事及主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有任何(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文彼等被當作或視作擁有之權益及淡倉）；或(ii)須登入本公司根據證券及期貨條例第352條所存置之登記冊中之權益或淡倉；或(iii)根據創業板上市規則第5.46條至第5.67條須知會本公司及聯交所之權益或淡倉：

| Name of Director 董事姓名 | Nature of shares interested 擁有權益之股份性質 | Number of Shares/ Underlying Shares held 所持股份／相關股份數目 | | Number of shares interested 擁有權益之股份數目 | Percentage of shareholding 股權百分比 |
|---|--|--|------------------------------|---|--|
| | | Shares 股份 | Options (Note 1) 購股權（附註1） | | |
| Li Zhi Da ("Mr. Li") (Note 2) 李志達（「李先生」）（附註2） | Interest in controlled corporation 於受控制法團的權益 | 1,500,000,000 | - | 1,500,000,000 | 75.00 |
| Liu Stefan 劉欣諾 | Beneficial owner 實益擁有人 | - | 9,520,000 | 9,520,000 | 0.48 |
| Ng Chee Hung Frederick 吳祺鴻 | Beneficial owner 實益擁有人 | - | 4,000,000 | 4,000,000 | 0.20 |
| Stephen Gregory McCoy | Beneficial owner 實益擁有人 | - | 800,000 | 800,000 | 0.04 |
| Zhao Guixin 趙桂馨 | Beneficial owner 實益擁有人 | - | 200,000 | 200,000 | 0.01 |
| Cornelis Jacobus Keyser | Beneficial owner 實益擁有人 | - | 200,000 | 200,000 | 0.01 |
| Lin Wenhui 林文輝 | Beneficial owner 實益擁有人 | - | 200,000 | 200,000 | 0.01 |

Notes:

- These Options were granted on 10 January 2014 under the Company's share option scheme.
- These 1,500,000,000 shares are held by KVB Holdings. As Mr. Li is entitled to control over one-third of the voting power at general meetings of KVB Holdings, he is deemed under the SFO to be interested in these 1,500,000,000 shares held by KVB Holdings. On 29 January 2015, KVB Holdings and CITIC Securities Company Limited ("CITIC Securities") entered into a conditional share purchase agreement (the "Share Purchase Agreement") in relation to the sale and purchase of 1,200,000,000 shares in the Company. As a result of the entering into of the Share Purchase Agreement, as at 29 January 2015, CITIC Securities is deemed to be interested in 1,200,000,000 shares in the Company under the SFO.

附註：

- 該等購股權已於二零一四年一月十日根據本公司的購股權計劃授出。
- 該等1,500,000,000股股份由KVB Holdings持有。由於李先生有權控制KVB Holdings股東大會上超過三分之一之投票權，根據證券及期貨條例，彼被視為於KVB Holdings持有之1,500,000,000股股份中擁有權益。於二零一五年一月二十九日，KVB Holdings就買賣1,200,000,000股本公司股份與中信證券股份有限公司（「中信證券」）訂立有條件股份購買協議（「股份購買協議」）。由於股份購買協議的簽訂，根據證券及期貨條例，中信證券於二零一五年一月二十九日開始被視為於1,200,000,000股本公司股份中擁有權益。

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SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors as at 31 December 2014, the following persons had an interest or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

主要股東

據董事所知，於二零一四年十二月三十一日，以下人士於本公司之股份或相關股份中擁有須記錄於根據證券及期貨條例第336條所備存之登記冊之權益或淡倉：

| Name 名稱 | Capacity 身份 | Number of shares held 所持股份數目 | | Total 總計 | Approximate percentage of issued share capital 佔已發行股本 概約百分比 |
|---|------------------------------------|------------------------------------|----------------|---------------|--|
| | | Shares 股份 | Options 購股權 | | |
| KVB Holdings (Note 1) | Beneficial owner | 1,500,000,000 | – | 1,500,000,000 | 75.00 |
| KVB Holdings (附註1) | 實益擁有人 | 1,500,000,000 | – | 1,500,000,000 | 75.00 |
| Calypso International Investment Co., Limited (Note 2) | Beneficial owner | 106,525,000 | – | 106,525,000 | 5.33 |
| Calypso International Investment Co., Limited (附註2) | 實益擁有人 | 106,525,000 | – | 106,525,000 | 5.33 |
| HNA Group (International) Company Limited (海航集團(國際)有限公司) (Note 2) | Interest in controlled corporation | 106,525,000 | – | 106,525,000 | 5.33 |
| 海航集團(國際)有限公司(附註2) | 於受控制法團之權益 | 106,525,000 | – | 106,525,000 | 5.33 |
| HNA Group Co., Ltd. (海航集團有限公司) (Note 2) | Interest in controlled corporation | 106,525,000 | – | 106,525,000 | 5.33 |
| 海航集團有限公司(附註2) | 於受控制法團之權益 | 106,525,000 | – | 106,525,000 | 5.33 |
| Yangpu Jianyun Investment Co., Ltd. (洋浦建運投資有限公司) (Note 2) | Interest in controlled corporation | 106,525,000 | – | 106,525,000 | 5.33 |
| 洋浦建運投資有限公司(附註2) | 於受控制法團之權益 | 106,525,000 | – | 106,525,000 | 5.33 |
| Hainan Traffic Administration Holding Co., Ltd. (海南交管控股有限公司) (Note 2) | Interest in controlled corporation | 106,525,000 | – | 106,525,000 | 5.33 |
| 海南交管控股有限公司(附註2) | 於受控制法團之權益 | 106,525,000 | – | 106,525,000 | 5.33 |
| Shengtang Development (Yangpu) Co. Ltd. (盛唐發展(洋浦)有限公司) (Note 2) | Interest in controlled corporation | 106,525,000 | – | 106,525,000 | 5.33 |
| 盛唐發展(洋浦)有限公司(附註2) | 於受控制法團之權益 | 106,525,000 | – | 106,525,000 | 5.33 |
| Labour Union of Hainan Airlines Co., Ltd. (海南航空股份有限公司工會委員會) (Note 2) | Interest in controlled corporation | 106,525,000 | – | 106,525,000 | 5.33 |
| 海南航空股份有限公司工會委員會(附註2) | 於受控制法團之權益 | 106,525,000 | – | 106,525,000 | 5.33 |

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Notes:

1. Mr. Li, a non-executive Director, was entitled to control over one-third of the voting power at general meetings of KVB Holdings. On 29 January 2015, KVB Holdings and CITIC Securities entered into the Share Purchase Agreement in relation to the sale and purchase of 1,200,000,000 shares in the Company. As a result of the entering into of the Share Purchase Agreement, as at 29 January 2015, CITIC Securities is deemed to be interested in 1,200,000,000 shares in the Company under the SFO.
2. As confirmed by Calypso International Investment Co., Limited, as at 31 December 2014, Calypso International Investment Co., Limited was a wholly owned subsidiary of HNA Group (International) Company Limited (海航集團(國際)有限公司) (formerly known as HNA Group International Headquarter (Hong Kong) Co., Limited (海航集團國際總部(香港)有限公司)), which was in turn owned as to 91.09% by HNA Group Co., Ltd. (海航集團有限公司). HNA Group Co., Ltd. was held as to 30% by Yangpu Jiayun Investment Co., Ltd. (洋浦建運投資有限公司) and 70% by Hainan Traffic Administration Holding Co., Ltd. (海南交管控股有限公司). Hainan Traffic Administration Holding Co., Ltd. was in turn held as to 50% by Shengtang Development (Yangpu) Co., Ltd. (盛唐發展(洋浦)有限公司). Shengtang Development (Yangpu) Co., Ltd. was held as to 65% by the Labour Union of Hainan Airlines Co., Ltd. (海南航空股份有限公司工會委員會).

Save as disclosed above, as at 31 December 2014, the Directors are not aware of any other person who has an interest or short position in the shares or underlying shares (including interest in options, if any) of the Company as recorded in the register required to be kept under section 336 of the SFO.

CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing connected transactions" above, no contract of significance in relation to the Group's business to which any member of the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 December 2014.

附註：

1. 非執行董事李先生有權控制KVB Holdings股東大會上超過三分之一之投票權。於二零一五年一月二十九日，KVB Holdings就買賣1,200,000,000股本公司股份與中信証券訂立股份購買協議。由於股份購買協議的簽訂，根據證券及期貨條例，中信証券於二零一五年一月二十九日開始被視為於1,200,000,000股本公司股份中擁有權益。
2. 經Calypso International Investment Co., Limited確認，於二零一四年十二月三十一日，Calypso International Investment Co., Limited為海航集團(國際)有限公司(前稱海航集團國際總部(香港)有限公司)之全資附屬公司，而海航集團(國際)有限公司由海航集團有限公司擁有91.09%權益。海航集團有限公司由洋浦建運投資有限公司及海南交管控股有限公司分別持有30%及70%權益，而海南交管控股有限公司由盛唐發展(洋浦)有限公司持有50%權益。盛唐發展(洋浦)有限公司由海南航空股份有限公司工會委員會持有65%權益。

除上文所披露者外，於二零一四年十二月三十一日，董事並不知悉任何其他人士於本公司股份或相關股份擁有須記錄於根據證券及期貨條例第336條所備存之登記冊之權益或淡倉(包括於購股權之權益(如有))。

重大合約

除上文「持續關連交易」分節所披露者外，本集團任何成員公司並無訂立對本集團業務屬重大且本公司董事於其中直接或間接擁有重大權益而於截至二零一四年十二月三十一日止年度內仍然有效之重大合約。

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Save as disclosed in the section headed "Continuing connected transactions" above, no contract of significance (including provision of services) between the Company, or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries subsisted during the year ended 31 December 2014.

DIRECTORS' COMPETING INTERESTS

During the period under review, none of the Directors or their respective associates (as defined under the GEM Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group.

COMPLIANCE WITH THE DEED OF NON-COMPETITION

For the purpose of the listing of the Company, each of KVB Holdings and Mr. Li, being a non-executive Director, have entered into a deed of non-competition dated 18 December 2012 and the supplemental deed dated 3 June 2013 (collectively, the "Deed of Non-competition") in favour of the Company, further details of which are disclosed in the Prospectus.

The independent non-executive Directors have reviewed the compliance with the Deed of Non-competition by KVB Holdings and Mr. Li during the year under review, and are satisfied that Deed of Non-competition have been complied with by KVB Holdings and Mr. Li during the year under review.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 3 June 2013.

(a) Purpose of the Scheme

The purpose of the Scheme is for the Group to attract, retain and motivate talented Participants (as defined below) to strive for future developments and expansion of the Group.

(b) Participants of the Scheme

Under the Scheme, the Board may, at its discretion, invite the following persons as participants (the "Participants") of the Scheme:

除上文「持續關連交易」分節所披露者外，本公司或其任何附屬公司與控股股東或其任何附屬公司並無訂立於截至二零一四年十二月三十一日止年度內仍然有效之重大合約（包括提供服務）。

董事的競爭權益

於回顧期間，董事或彼等各自的聯繫人（定義見創業板上市規則）概無於任何與本集團業務構成或可能構成競爭的業務中擁有任何業務或權益。

遵守不競爭契據

就本公司上市而言，KVB Holdings與非執行董事李先生各自就本公司利益訂立日期分別為二零一二年十二月十八日的不競爭契據及日期為二零一三年六月三日之補充契據（統稱「不競爭契據」），進一步詳情載於招股章程。

獨立非執行董事已審閱KVB Holdings與李先生於回顧年度遵守不競爭契據情況，並信納KVB Holdings與李先生於回顧年度已遵守不競爭契據。

購股權計劃

本公司已於二零一三年六月三日採納購股權計劃（「計劃」）。

(a) 計劃目的

計劃旨在令本集團能招攬、挽留及激勵優秀之參與者（定義見下文），促進本集團日後發展及擴展。

(b) 計劃之參與者

根據計劃，董事會可全權酌情決定邀請以下人士參與計劃（「參與者」）：

DIRECTORS' REPORT 董事會報告

- | | |
|--|---|
| <p>(i) any executive or non-executive Director including any independent non-executive Director or any employee (whether full-time or part-time) of any member of the Group;</p> | <p>(i) 本集團任何成員公司之任何執行或非執行董事（包括任何獨立非執行董事）或任何全職或兼職僱員；</p> |
| <p>(ii) any trustee of a trust (whether family, discretionary or otherwise) whose beneficiaries or objects include any employee or business associate of the Group;</p> | <p>(ii) 受益人或對象包括本集團任何僱員或業務聯繫人之家族、全權酌情或其他信託之任何受託人；</p> |
| <p>(iii) any consultant (in the areas of legal, technical, financial or corporate management) and other adviser to any member of the Group;</p> | <p>(iii) 本集團任何成員公司之任何有關法律、技術、財務或企業管理之任何顧問及其他諮詢人；</p> |
| <p>(iv) any provider of goods and/or services to the Group; or</p> | <p>(iv) 本集團任何貨品及／或服務供應商；或</p> |
| <p>(v) any other person whom the Board considers, in its sole discretion, has contributed to the Group.</p> | <p>(v) 董事會全權酌情認為對本集團有貢獻之任何其他人士。</p> |

In determining the basis of eligibility of each Participant, the Board would take into account such factors as the Board may at its discretion consider appropriate.

於確定各參與者資格基準時，董事會會考慮其酌情認為合適之因素。

(c) Basis for determining the subscription price and acceptance of offer

The subscription price for the shares under the Share Option Scheme shall be a price determined by the Board at its sole discretion and notified to the Participant and shall be no less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date on which an option is granted; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date on which an option is granted; and (iii) the nominal value of the Share.

Offer of an option shall be deemed to have been accepted by the grantee when the duplicate of the relevant offer letter comprising acceptance of the option duly signed by the grantee together with a remittance in favour of the Company of HK\$1.00 (or such other nominal sum in any currency as the Board may determine) by way of consideration for the grant.

(c) 釐定認購價之基準及接納要約

購股權計劃訂明之股份認購價由董事會全權酌情決定後知會參與者，且不得低於(i)授出購股權當日聯交所每日報價表所列之股份收市價；(ii)緊接授出購股權當日前五個交易日聯交所每日報價表所列之股份平均收市價；及(iii)股份面值（以最高者為準）。

經承授人正式簽署接受購股權之相關函件副本連同作為獲授購股權之代價以本公司為受益人之1.00港元（或董事會釐定之任何其他貨幣面值）匯款之後，購股權即被視為獲承授人接納。

DIRECTORS' REPORT

董事會報告

(d) Maximum numbers available for issue

The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme shall not in aggregate exceed 10% of the issued share capital of the Company as at the adoption date (the "General Scheme Limit") unless further shareholders' approval is obtained in general meeting, provided that options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating the General Scheme Limit.

Notwithstanding the foregoing the total number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme shall not exceed 30% of the shares of the Company in issue from time to time.

(e) Maximum entitlement of each Participant

For each Participant, the total number of shares issued and to be issued upon exercise of all options granted and further to be granted in any 12-month period (including both exercised and outstanding options) and in the 12-month period up to and including the acceptance date (including exercised, cancelled and outstanding options) shall not in isolation or aggregate exceed 1% of the shares, and any grant of option which would result in such limit being exceeded shall be approved by the Company in general meeting with such Participant and any associate thereof abstaining from voting.

(f) Time of exercise of the option

An option may be exercised in whole or in part in accordance with the terms of the Scheme at any time during the period commencing on the first business day from the date of grant of option and expiring at the close of business on a date to be determined and notified by the Directors which shall not be more than 10 years from the date of grant of option.

Unless the Directors otherwise determined and stated at the time of granting the option, there is no minimum period for which an option must be held before it can be exercised.

(d) 可供發行之股份數目上限

本公司因行使根據計劃將予授出之所有購股權而可發行之股份總數，合共不得超過本公司於採納日期已發行股本之10%（「計劃一般上限」），除非於股東大會上獲股東另行批准則作別論，根據計劃條款而失效之購股權將不會用於計算計劃一般上限。

儘管上文所述，本公司因行使根據計劃授出而尚未行使之所有購股權而可發行之股份總數，不得超過本公司不時已發行股份之30%。

(e) 每名參與者可獲授予之最高數目

因行使於任何12個月期間所授出及進一步授出之所有購股權（包括已行使及尚未行使之購股權）及截至接納日期（包括該日）12個月期間內所授出及進一步授出之所有購股權（包括已行使、已註銷及尚未行使之購股權）而向每名參與者已發行及將予發行之股份總數，各自或合共不得超過股份之1%。倘若授出之購股權超過該限額，則須於股東大會上獲得本公司批准，而有關參與者及其任何聯繫人必須放棄投票。

(f) 行使購股權之期限

購股權可根據計劃之條款，自授出購股權日期起計之首個營業日至待董事釐定及通知之營業日結束之期間內（惟不得超過授出購股權日期起計後10年）隨時全部或部分行使。

除非董事於授出購股權時另行釐定及列明，否則對行使購股權前持有購股權之最短期限並無限制。

DIRECTORS' REPORT 董事會報告

(g) Remaining life of the Scheme

The Directors shall be entitled at any time within 10 years commencing on 3 July 2013 to offer the grant of an option to any qualifying participants.

(h) Movements of the options granted under the Scheme

On 10 January 2014, the Company granted share options to 68 individuals to subscribe for an aggregate of 40,000,000 ordinary shares of HK\$0.01 each in the share capital of the Company. Among the 40,000,000 share options granted, 14,920,000 share options were granted to six Directors. Details of the movements of the options granted under the Scheme are set out in Note 24 to the consolidated financial statements.

Save as disclosed above, as at 31 December 2014, none of the Directors, chief executive, substantial shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) had any right to subscribe for the shares of the Company under the Scheme.

(g) 計劃尚餘有效期

董事有權於二零一三年七月三日起計10年內任何時間，向任何合資格參與者提呈授出購股權。

(h) 根據計劃授出購股權之變動

於二零一四年一月十日，本公司向68名人士授出購股權，以認購本公司股本中合共40,000,000股每股0.01港元之普通股。於授出的40,000,000份購股權中，其中14,920,000份購股權授予六名董事。根據計劃授出之購股權變動詳情載於綜合財務報表附註24。

除上文披露者外，於二零一四年十二月三十一日，根據計劃，本公司董事、主要行政人員、主要股東或彼等各自之聯繫人（定義見創業板上市規則）概無任何認購本公司股份之權利。

EVENTS AFTER THE REPORTING PERIOD

On 29 January 2015, the controlling shareholder of the Company (the "Vendor") and CITIC Securities Company Limited ("CITIC Securities") entered into a conditional share purchase agreement (the "Share Purchase Agreement") in relation to the sale and purchase of 1,200,000,000 shares of HK\$0.01 each in the share capital of the Company owned by the Vendor (each a "Sale Share"), pursuant to which CITIC Securities conditionally agreed to acquire and the Vendor conditionally agreed to sell the Sale Shares, for a total consideration of HK\$780,000,000, equivalent to HK\$0.65 per Sale Share. The Sale Shares represent 60% of the then entire issued share capital of the Company. Completion of the Share Purchase Agreement ("Completion") is expected to take place upon fulfilment of the conditions set out in the Share Purchase Agreement.

報告期後事項

於二零一五年一月二十九日，本公司控股股東（「賣方」）與中信証券股份有限公司（「中信証券」）訂立有條件股份購買協議（「股份購買協議」），內容有關買賣方擁有之本公司股本中每股面值0.01港元的1,200,000,000股股份（各稱為「銷售股份」），據此，中信証券有條件同意收購及賣方有條件同意出售銷售股份，總代價780,000,000港元，相當於每股銷售股份0.65港元。銷售股份佔本公司當時全部已發行股本之60%。股份購買協議預期將於股份購買協議所載之條件達成後，方告完成（「完成」）。

DIRECTORS' REPORT

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Immediately after the Completion, CITIC Securities will become the owner of the Sale Shares, representing 60% of the total issued share capital of the Company (assuming no further change to the issued share capital of the Company), and accordingly, CITIC Securities will be required to make an unconditional mandatory general cash offer at the price of HK\$0.65 per share ("Share Offer Price"), which is the same as the purchase price of each Sale Share, for all the issued shares of the Company (other than those already owned or agreed to be acquired by CITIC Securities and parties acting in concert with it) upon Completion (the "Share Offer"), and an offer for the cancellation of all the outstanding options under Rules 26.1 and 13.5 of the Takeovers Code (the "Option Offer", together with the "Share Offer" referred to as the "Offers"). CITIC Securities Corporate Finance (HK) Limited will be making the Offers for and on behalf of CITIC Securities. Pursuant to a non-acceptance undertaking given by the Vendor to CITIC Securities pursuant to the Share Purchase Agreement, the Vendor will not accept the offer for 300,000,000 Shares held by the Vendor under the Share Offer.

Details of significant events occurring after the reporting date are set out in Note 29 to the consolidated financial statements.

緊隨完成後，中信證券將為銷售股份之擁有人，佔本公司已發行股本總額之60%（假設本公司的已發行股本無進一步變動），因此，中信證券將須於完成後就本公司全部已發行股份（不包括中信證券及與其一致行動人士已擁有或將同意收購者），按每股0.65港元之價格（「股份要約價」，與每股銷售股份之購買價相同）提出無條件強制現金要約（「股份要約」），及根據收購守則規則26.1及13.5提出註銷所有尚未行使購股權的要約（「購股權要約」，連同「股份要約」合稱「該等要約」）。中信證券融資（香港）有限公司將為及代表中信證券提出要約。按賣方根據股份購買協議向中信證券作出之不接納承諾，賣方將不會接納就賣方於股份要約下持有的300,000,000股股份的要約。

報告期後發生的重大事項詳情載於綜合財務報表附註29。

DIRECTORS' REPORT 董事會報告

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

For the year ended 31 December 2014, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

FINANCIAL SUMMARY

A summary of results and of the assets and liabilities of the Group for the last four financial years is set out in the section headed "Financial summary" of this report.

COMPLIANCE ADVISER'S INTEREST

In accordance with Rule 6A.19 of the GEM Listing Rules, the Company has appointed Quam Capital Limited to be the compliance adviser. Pursuant to Rule 6A.23 of the GEM Listing Rules, the compliance adviser will advise the Company in the following circumstances:

- (a) before the publication of any regulatory announcement, circular or financial report;
- (b) where a transaction, which might be a notifiable or connected transaction, is contemplated including share issues and share repurchases;
- (c) where the Company proposes to use the proceeds of the placing in a manner different from that detailed in the Prospectus or where the business activities, developments or results of the Company deviate from any information in the Prospectus; and
- (d) where the Stock Exchange makes an inquiry of the Company regarding unusual movements in the price or trading volume of the shares of the Company or any other matters under Rule 17.11 of the GEM Listing Rules.

As at 31 December 2014, as notified by Quam Capital Limited, neither Quam Capital Limited nor any of its directors, employees or associates (as referred to in Note 3 to Rule 6A.31 of the GEM Listing Rules) had any interest in the securities of the Company.

購買、出售及贖回本公司之上市證券

截至二零一四年十二月三十一日止年度，本公司及其附屬公司並無購買、出售或贖回任何本公司之上市證券。

財務概要

本集團在過往四個財政年度之業績及資產與負債概要，載於本報告「財務概要」一節。

合規顧問之權益

根據創業板上市規則第6A.19條，本公司已委聘華富嘉洛企業融資有限公司為合規顧問。根據創業板上市規則第6A.23條，合規顧問將在下列情況下向本公司提供意見：

- (a) 於任何監管公佈、通函或財務報告刊發前；
- (b) 當擬進行之一項交易可能屬於須予公佈交易或關連交易，包括股份發行及股份購回；
- (c) 當本公司建議以有別於本公司招股章程所詳述之方式使用配售所得款項，或本公司業務活動、發展或業績偏離招股章程中任何資料；及
- (d) 當聯交所根據創業板上市規則第17.11條就本公司股價或成交量之不尋常波動或任何其他事宜向本公司作出查詢。

於二零一四年十二月三十一日，本公司獲華富嘉洛企業融資有限公司知會，華富嘉洛企業融資有限公司及其任何董事、僱員或聯繫人士（如創業板上市規則第6A.31條註釋3所述）概無於本公司證券中擁有任何權益。

DIRECTORS' REPORT

董事會報告

Pursuant to the compliance adviser agreement dated 6 June 2013 entered into between the Company and Quam Capital Limited, Quam Capital Limited has received and shall receive monthly service fee for acting as the Company's retained compliance adviser for the period from 3 July 2013, being the date of listing of the shares of the Company on GEM, to the date on which the Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year commencing after the date of its initial listing.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands.

DONATIONS

Charitable and other donations made by the Group during the year amounted to HK\$33,990 (2013: HK\$136,000).

AUDITORS

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 4 May 2015 to Wednesday, 6 May 2015, both days inclusive, during the period no transfers of shares of the Company will be registered. In order to qualify for attending and voting at the 2015 Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong for registration by no later than 4:00 p.m. on Thursday, 30 April 2015.

根據本公司與華富嘉洛企業融資有限公司訂立日期為二零一三年六月六日之合規顧問協議，華富嘉洛企業融資有限公司於二零一三年七月三日（本公司股份於創業板上市日期）至本公司就其最初上市日期後開始之第二個完整財政年度之財務業績符合創業板上市規則第18.03條之日止期間就出任本公司之合規顧問每月收取及將收取服務費。

優先購買權

本公司之組織章程細則或開曼群島法例並無關於任何優先購買權之規定。

捐款

本集團年內之慈善及其他捐款為33,990港元（二零一三年：136,000港元）。

核數師

財務報表經羅兵咸永道會計師事務所審核，該事務所將任滿退任，惟合資格膺聘連任。

暫停辦理股份過戶登記手續

本公司將於二零一五年五月四日（星期一）至二零一五年五月六日（星期三）（包括首尾兩天）暫停辦理股份過戶登記手續，期間將不會進行本公司任何股份過戶登記。為符合資格參加二零一五年股東週年大會及於會上投票，所有本公司之股份過戶文件連同相關股票須不遲於二零一五年四月三十日（星期四）下午四時正遞交至本公司的香港股份過戶登記分處聯合證券登記有限公司，地址為香港灣仔駱克道33號中央廣場匯漢大廈A18樓。

DIRECTORS' REPORT 董事會報告

The register of members of the Company will be closed from Tuesday, 12 May 2015 to Thursday, 14 May 2015, both days inclusive, during the period no transfers of shares of the Company will be registered. In order to qualify for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Union Registrars Limited, at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong for registration by no later than 4:00 p.m. on Monday, 11 May 2015.

On behalf of the Board

Liu Stefan

Chief executive officer and executive Director

Hong Kong, 31 March 2015

本公司將於二零一五年五月十二日(星期二)至二零一五年五月十四日(星期四)(包括首尾兩天)暫停辦理股份過戶登記手續,期間將不會進行任何股份過戶登記。為符合資格取得末期股息,所有本公司之股份過戶文件連同相關股票須不遲於二零一五年五月十一日(星期一)下午四時正遞交至本公司香港股份過戶登記分處聯合證券登記有限公司,地址為香港灣仔駱克道33號中央廣場匯漢大廈A18樓。

承董事會命

行政總裁兼執行董事

劉欣諾

香港,二零一五年三月三十一日

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



**TO THE SHAREHOLDERS OF
KVB KUNLUN FINANCIAL GROUP LIMITED**
昆侖國際金融集團有限公司
(Incorporated in Cayman Islands with limited liability)

We have audited the consolidated financial statements of KVB Kunlun Financial Group Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 54 to 147, which comprise the consolidated and company balance sheets as at 31 December 2014, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

羅兵咸永道

致昆侖國際金融集團有限公司全體股東

(於開曼群島註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審計列載於第54至147頁昆侖國際金融集團有限公司(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一四年十二月三十一日的綜合和公司資產負債表與截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他附註解釋資料。

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

核數師的責任

我們的責任是根據我們的審計對該等綜合財務報表作出意見,並僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2014, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 31 March 2015

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。該等準則要求我們遵守道德規範，並規劃及執行審計，以合理確定綜合財務報表是否不存在重大錯誤陳述。

審計涉及執行情序以獲取有關綜合財務報表所載金額及披露資料的審計憑證。所選定的程序取決於核數師的判斷，包括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。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平的反映相關的內部控制，以設計適當的審計程序，但目的並非對公司內部控制的有效性發表意見。審計亦包括評價董事所採用會計政策的合適性及作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審計憑證能充足和適當地為我們的審計意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一四年十二月三十一日的事務狀況，及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》的披露規定妥為編製。

羅兵咸永道會計師事務所
執業會計師

香港，二零一五年三月三十一日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2014

截至二零一四年十二月三十一日止年度

| | | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|--------------|------------|----------------------------------|----------------------------------|
| | | Note 附註 | | |
| Leveraged foreign exchange and other trading income | 槓桿式外匯及其他交易收入 | 5 | 144,207 | 135,543 |
| Cash dealing income | 現金交易收入 | 5 | 16,636 | 11,505 |
| Other income | 其他收入 | 6 | 27,791 | 29,671 |
| Total income | 收入總額 | | 188,634 | 176,719 |
| Fees and commission expenses | 費用及佣金開支 | | 61,127 | 57,768 |
| Staff costs | 員工成本 | 7 | 36,545 | 30,819 |
| Depreciation and amortisation | 折舊及攤銷 | | 3,138 | 2,550 |
| Lease payments under land and buildings | 土地及樓宇的租賃付款 | | 6,462 | 5,873 |
| Administrative and other operating expenses | 行政及其他經營開支 | 8 | 33,645 | 29,456 |
| Total expenses | 開支總額 | | 140,917 | 126,466 |
| Operating profit | 經營溢利 | | 47,717 | 50,253 |
| Finance cost | 融資成本 | | (20) | (123) |
| Profit before tax | 除稅前溢利 | | 47,697 | 50,130 |
| Income tax expense | 所得稅開支 | 9 | (12,616) | (15,356) |
| Profit for the year | 年度溢利 | | 35,081 | 34,774 |

The notes on pages 62 to 147 form part of these consolidated financial statements.

第62至147頁的附註構成綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2014
截至二零一四年十二月三十一日止年度

| | | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|------------|----|----------------------------------|----------------------------------|
| | Note 附註 | | | |
| Other comprehensive income | | | | |
| | | | | |
| <i>Item that may be reclassified to profit or loss</i> | | | | |
| <i>可能重新分類至損益之項目</i> | | | | |
| Currency translation difference | | | (5,296) | (1,764) |
| Other comprehensive income for the year, net of tax | | | (5,296) | (1,764) |
| Total comprehensive income for the year | | | 29,785 | 33,010 |
| Earnings per share for profit attributable to the equity holders of the Company for the year | | | | |
| 年度本公司股權持有人應佔溢利之每股盈利 | | | | |
| – Basic (HK cents per share) | | 11 | 1.75 | 1.90 |
| – Diluted (HK cents per share) | | 11 | 1.75 | 1.90 |
| Dividends | | 10 | 35,000 | 39,500 |

The notes on pages 62 to 147 form part of these consolidated financial statements.

第62至147頁的附註構成綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET

綜合資產負債表

As at 31 December 2014

於二零一四年十二月三十一日

| | | Note 附註 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|-------------------|------------|----------------------------------|----------------------------------|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 12 | 7,062 | 6,301 |
| Intangible assets | 無形資產 | 13 | 5,083 | 257 |
| Deferred tax assets | 遞延稅項資產 | 19 | 947 | 413 |
| | | | 13,092 | 6,971 |
| Current assets | 流動資產 | | | |
| Tax prepayments | 預繳稅項 | | - | 567 |
| Other assets and prepayments | 其他資產及預付款項 | 14 | 6,590 | 4,973 |
| Amounts due from ultimate holding company | 應收最終控股公司款項 | 27 | - | 23 |
| Amounts due from fellow subsidiaries | 應收同系附屬公司款項 | 27 | - | 75 |
| Derivative financial instruments | 衍生金融工具 | 15 | 55,544 | 56,594 |
| Balances due from agents | 應收代理結餘 | 16 | 12,099 | 16,910 |
| Cash and bank balances and client trust bank balances | 現金及銀行結餘以及客戶信託銀行結餘 | 17 | 539,185 | 483,880 |
| Total current assets | 流動資產總值 | | 613,418 | 563,022 |
| Total assets | 資產總值 | | 626,510 | 569,993 |
| EQUITY AND LIABILITIES | 權益及負債 | | | |
| Share capital | 股本 | 22 | 20,000 | 20,000 |
| Reserves | 儲備 | | 342,746 | 343,703 |
| Retained earnings | 保留盈利 | | 29,977 | 18,396 |
| Total equity | 權益總額 | | 392,723 | 382,099 |

The notes on pages 62 to 147 form part of these consolidated financial statements.

第62至147頁的附註構成綜合財務報表的一部分。

CONSOLIDATED BALANCE SHEET 綜合資產負債表

As at 31 December 2014
於二零一四年十二月三十一日

| | | Note 附註 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|-----------------|------------|----------------------------------|----------------------------------|
| Current liabilities | 流動負債 | | | |
| Finance lease obligations | 融資租賃承擔 | 18 | 41 | 45 |
| Current income tax liabilities | 即期所得稅負債 | | 7,358 | 3,068 |
| Other payables and accrued liabilities | 其他應付款項及應計負債 | 20 | 17,158 | 12,189 |
| Amounts due to fellow subsidiaries | 應付同系附屬公司款項 | 27 | 488 | 312 |
| Derivative financial instruments | 衍生金融工具 | 15 | 4,662 | 2,579 |
| Clients' balances | 客戶結餘 | 21 | 203,874 | 169,426 |
| | | | 233,581 | 187,619 |
| Non-current liabilities | 非流動負債 | | | |
| Finance lease obligations | 融資租賃承擔 | 18 | 73 | 126 |
| Deferred tax liabilities | 遞延稅項負債 | 19 | 133 | 149 |
| | | | 206 | 275 |
| Total liabilities | 負債總額 | | 233,787 | 187,894 |
| Total equity and liabilities | 總權益及負債 | | 626,510 | 569,993 |
| Net current assets | 流動資產淨值 | | 379,837 | 375,403 |
| Total assets less current liabilities | 總資產減流動負債 | | 392,929 | 382,374 |

Approved and authorized for issue by the Board of Directors on 31 March 2015

已於二零一五年三月三十一日獲董事會批准及授權刊發

Director
董事

Director
董事

The notes on pages 62 to 147 form part of these consolidated financial statements.

第62至147頁的附註構成綜合財務報表的一部分。

BALANCE SHEET OF THE COMPANY

公司資產負債表

As at 31 December 2014

於二零一四年十二月三十一日

| | | Note 附註 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|-----------------|------------|----------------------------------|----------------------------------|
| ASSETS | 資產 | | | |
| Non-current assets | 非流動資產 | | | |
| Investment in a subsidiary | 於一間附屬公司之投資 | 26 | 8,109 | 1 |
| | | | 8,109 | 1 |
| Current assets | 流動資產 | | | |
| Cash and bank balances | 現金及銀行結餘 | | 139,663 | 123,745 |
| Amounts due from a subsidiary | 應收一間附屬公司之款項 | 27 | 64,653 | 65,907 |
| Amounts due from ultimate holding company | 應收最終控股公司款項 | 27 | - | 12 |
| Prepayments | 預付款項 | | 611 | 675 |
| Total current assets | 流動資產總值 | | 204,927 | 190,339 |
| Total assets | 資產總值 | | 213,036 | 190,340 |
| EQUITY AND LIABILITIES | 權益及負債 | | | |
| Share capital | 股本 | 22 | 20,000 | 20,000 |
| Reserves | 儲備 | | 171,378 | 166,928 |
| Retained earnings | 保留盈利 | | 6,028 | 1,335 |
| Total equity | 權益總值 | | 197,406 | 188,263 |
| Current liabilities | 流動負債 | | | |
| Amounts due to subsidiaries | 應付附屬公司款項 | 27 | 13,901 | 663 |
| Other payables and accrued liabilities | 其他應付款項及應計負債 | 20 | 1,729 | 1,414 |
| Total liabilities | 負債總額 | | 15,630 | 2,077 |
| Total equity and liabilities | 總權益及負債 | | 213,036 | 190,340 |
| Net current assets | 流動資產淨值 | | 189,297 | 188,262 |
| Total assets less current liabilities | 總資產減流動負債 | | 197,406 | 188,263 |

The notes on pages 62 to 147 form part of these consolidated financial statements.

第62至147頁的附註構成綜合財務報表的一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2014
截至二零一四年十二月三十一日止年度

| | | | Share capital | Share premium | Capital reserve | Share option reserve | Currency translation reserve | Retained earnings/ (accumulated losses) | Total equity |
|--|-----------------------------|------------|-----------------------|-------------------------|-------------------------|----------------------------|------------------------------------|--|-------------------------|
| | | Note 附註 | 股本 HK\$'000 千港元 | 股份溢價 HK\$'000 千港元 | 資本儲備 HK\$'000 千港元 | 購股權儲備 HK\$'000 千港元 | 貨幣匯兌儲備 HK\$'000 千港元 | 保留盈利/ (累計虧損) HK\$'000 千港元 | 權益總額 HK\$'000 千港元 |
| At 1 January 2013 | 於二零一三年一月一日 | | 100 | 56,991 | 171,892 | - | 6,647 | (2,878) | 232,752 |
| Comprehensive income | 全面收益 | | | | | | | | |
| Profit for the year | 年度溢利 | | - | - | - | - | - | 34,774 | 34,774 |
| Other comprehensive income for the year | 年度其他全面收益 | | - | - | - | - | (1,764) | - | (1,764) |
| | | | 100 | 56,991 | 171,892 | - | 4,883 | 31,896 | 265,762 |
| Capitalisation issue | 資本化發行 | 22 | 16,467 | (16,467) | - | - | - | - | - |
| Placing of new shares | 配售新股 | 22 | 3,433 | 151,758 | - | - | - | - | 155,191 |
| Shares issue expenses | 股份發行開支 | | - | (9,354) | - | - | - | - | (9,354) |
| Dividends | 股息 | 10 | - | (16,000) | - | - | - | (13,500) | (29,500) |
| Balance at 31 December 2013 | 於二零一三年十二月 三十一日結餘 | | 20,000 | 166,928 | 171,892 | - | 4,883 | 18,396 | 382,099 |
| At 1 January 2014 | 於二零一四年一月一日 | | 20,000 | 166,928 | 171,892 | - | 4,883 | 18,396 | 382,099 |
| Comprehensive income | 全面收益 | | | | | | | | |
| Profit for the year | 年度溢利 | | - | - | - | - | - | 35,081 | 35,081 |
| Other comprehensive income for the year | 年度其他全面收益 | | - | - | - | - | (5,296) | - | (5,296) |
| | | | 20,000 | 166,928 | 171,892 | - | (413) | 53,477 | 411,884 |
| Share option scheme | 購股權計劃 | 24 | - | - | - | 4,339 | - | - | 4,339 |
| Dividends | 股息 | 10 | - | - | - | - | - | (23,500) | (23,500) |
| Balance at 31 December 2014 | 於二零一四年十二月 三十一日結餘 | | 20,000 | 166,928 | 171,892 | 4,339 | (413) | 29,977 | 392,723 |

The notes on pages 62 to 147 form part of these consolidated financial statements.

第62至147頁的附註構成綜合財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

For the year ended 31 December 2014
截至二零一四年十二月三十一日止年度

| | Note 附註 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Cash flows from operating activities | | | |
| 經營活動所得現金流量 | | | |
| Profit before tax | | 47,697 | 50,130 |
| Adjustments for: | | | |
| Depreciation and amortisation | 12 & 13 | 3,138 | 2,550 |
| Interest income | | (1,811) | (1,525) |
| Gain on disposal of fixed assets | | - | (19) |
| Share option expenses | 7 | 4,339 | - |
| Cash flows from operating activities before working capital changes | | 53,363 | 51,136 |
| 營運資金變動前經營活動所得現金流量 | | | |
| Decrease/(increase) in pledged time deposits | | 2,800 | (28,506) |
| Increase in client trust bank balances | | (25,058) | (53,217) |
| Decrease/(increase) in balances due from agents | | 4,811 | (2,873) |
| Decrease/(increase) in derivative financial instruments | | 3,133 | (24,622) |
| (Increase)/decrease in other assets and prepayments | | (1,755) | 3,836 |
| Decrease/(increase) in amounts due from ultimate holding company | | 23 | (3,706) |
| Decrease in amounts due from fellow subsidiaries | | 75 | 126 |
| Increase/(decrease) in amounts due to fellow subsidiaries | | 176 | (386) |
| Increase in clients balances | | 34,448 | 21,836 |
| Increase/(decrease) in other payables and accrued liabilities | | 4,969 | (3,058) |
| Cash generated from/(used in) operations | | 76,965 | (39,434) |
| Income tax paid | | (7,654) | (11,493) |
| Net cash generated from/(used in) operating activities | | 69,311 | (50,927) |

The notes on pages 62 to 147 form part of these consolidated financial statements. 第62至147頁的附註構成綜合財務報表的一部分。

CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表

For the year ended 31 December 2014
截至二零一四年十二月三十一日止年度

| | | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|------------|--|----------------------------------|----------------------------------|
| | Note 附註 | | | |
| Cash flows from investing activities | | | | |
| Investment activities | | | | |
| Interest received | | | 1,969 | 1,316 |
| Purchase of property, plant and equipment and intangible assets | 12 & 13 | | (8,756) | (2,978) |
| Proceeds from disposal of plant and equipment | | | - | 19 |
| Net cash used in investing activities | | | (6,787) | (1,643) |
| Cash flows from financing activities | | | | |
| Financing activities | | | | |
| Net proceeds from issue of shares | 22 | | - | 155,192 |
| Payment of transaction costs attributable to issue of new shares | | | - | (9,354) |
| Repayment of finance lease obligations | | | (57) | (94) |
| Dividends paid | 10 | | (23,500) | (29,500) |
| Net cash (used in)/generated from financing activities | | | (23,557) | 116,244 |
| Net increase in cash and cash equivalents | | | 38,967 | 63,674 |
| Cash and cash equivalents at beginning of year | | | 310,675 | 248,650 |
| Effect of foreign exchange rate changes, net | | | (5,920) | (1,649) |
| Cash and cash equivalents at end of year | 17 | | 343,722 | 310,675 |

The notes on pages 62 to 147 form part of these consolidated financial statements. 第62至147頁的附註構成綜合財務報表的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1 CORPORATE INFORMATION

1.1 General information

The Company was incorporated in the Cayman Islands on 9 November 2010 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company's shares have been listed on the Growth Enterprise Market (the "GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 3 July 2013.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of leveraged foreign exchange and other trading, cash dealing business, and other service.

The financial statements are presented in Hong Kong dollars ("HK\$"), unless otherwise stated.

1 企業資料

1.1 一般資料

本公司於二零一零年十一月九日根據開曼群島第22章公司法（經綜合及修訂的一九六一年第三號法例）於開曼群島註冊成立為獲豁免有限公司。本公司的註冊辦事處地址為 Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

本公司股份自二零一三年七月三日起在香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。

本公司為一間投資控股公司，其附屬公司主要從事提供槓桿式外匯交易及其他交易、現金交易業務及其他服務。

除另有說明外，本財務報表以港元（「港元」）呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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”) issued by the HKICPA. The consolidated financial statements has been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss, which carried at fair value.

The consolidated financial statements are prepared in accordance with the applicable requirements of predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The preparation of 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 financial information are disclosed in Note 4.

Unless otherwise stated herein, all references to 2014 refer to the Group’s fiscal year ended, or the date, as the context requires, 31 December 2014.

2 重要會計政策概要

編製綜合財務報表所採用的主要會計政策載列如下。除另有註明外，該等政策一直適用於所有呈列年度。

2.1 編製基準

本集團的綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則（「香港財務報告準則」）編製。綜合財務報表乃按歷史成本法編製，並經重估按公允值計入損益的金融資產及負債（包括衍生工具）所修訂，以公允值列賬。

本財政年度及比較期間之綜合財務報表根據舊公司條例（第32章）適用規定編製。

編製符合香港財務報告準則規定的財務報表須採用若干關鍵會計估計。管理層在應用本集團的會計政策時須作出其判斷。涉及高度判斷或複雜性的範圍，或假設及估計對財務資料而言屬重大的範圍，在附註4內披露。

除本報告另有列明外，所有二零一四年的提述均指本集團的財政年結日或指（倘文義另有所指）二零一四年十二月三十一日當日。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.1 Basis of preparation (continued)

(a) **Newly effective standards and amended standards for the financial year from 1 January 2014 that is applicable to the Group**

Amendment to HKAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the group financial statements.

Amendments to HKAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment addresses the disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal. The amendment did not have a significant effect on the group financial statements as the recoverable amounts are determined by value in use.

2.1 編製基準 (續)

(a) 適用於本集團且自二零一四年一月一日起財政年度生效的新生效準則及經修訂準則

香港會計準則第32號(修訂本)「金融工具：呈報」有關金融資產與金融負債對銷。此修訂澄清，對銷的權利不得依賴於未來事件，亦必須在日常業務過程中及當出現違約、無力償債或破產時，所有對手方均可合法強制執行。此修訂亦考慮到結算機制。該修訂並未對本集團財務報表造成重大影響。

香港會計準則第36號(修訂本)「資產減值」中有關非金融資產可收回金額的披露。此修訂本處理已減值資產之可收回金額按公允值減出售成本計算之情況下，該金額之資料披露。因可回收金額根據使用價值釐定故該修訂對本集團財務報表並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.1 Basis of preparation *(continued)*

(a) Newly effective standards and amended standards for the financial year from 1 January 2014 that is applicable to the Group *(continued)*

HK(IFRIC) 21, 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of HKAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to the payment a levy and when a liability should be recognised. The Group is not currently subjected to significant levies so the impact on the Group is not material.

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the Group.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

(a) 適用於本集團且自二零一四年一月一日起財政年度生效的新生效準則及經修訂準則 (續)

香港(國際財務報告詮釋委員會)詮釋第21號「徵費」載列如支付徵費責任屬於香港會計準則第37號「撥備」範圍內時對該責任的會計處理方法。該詮釋闡述產生徵費責任的事件及於何時確認有關責任。本集團目前無重大徵費，故對本集團影響並不重大。

於二零一四年一月一日開始之財政年度生效之其他準則、修訂及詮釋對本集團並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(b) The following new standards and amendments to standards have been issued but are not effective for the financial year ended 31 December 2014 which are relevant to the Group but the Group has not early adopted

HKFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of HKFRS 9 was issued in July 2014. It replaces the guidance in HKAS 39 that relates to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under HKAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. It is expected that the adoption of this revised standard will not have a significant impact on the Group's results of operations and its financial position.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

(b) 以下已獲頒佈但並未於截至二零一四年十二月三十一日止財政年度生效的新訂準則及準則修訂與本集團有關但本集團並未提早採納

香港財務報告準則第9號「金融工具」闡述金融資產及金融負債之分類、計量及確認。於二零一四年七月頒佈的香港財務報告準則第9號的完整版將取代香港會計準則第39號中有關金融工具分類及計量之指引。香港財務報告準則第9號保留但簡化混合計量模式，並確立金融資產的三個主要計量分類：攤銷成本、計入其他綜合收益公允值及按公允值透過損益記賬。分類基準乃根據實體的業務模式及金融資產的合約現金流量特徵而定。權益工具投資須以最初不可撤銷權按公允值透過損益計量以呈列不回收之其他綜合收益公允值變動。新的預期信貸虧損模式將取代香港會計準則第39號所用已發生虧損減值模式。香港財務報告準則第9號並無對金融負債的分類及計量作出更改，惟就指定按公允值計入損益的負債而言須對其他綜合收益的自身信貸風險變動作出確認。香港財務報告準則第9號通過取代明確對沖有效性測試放鬆對沖有效性要求。香港財務報告準則第9號對對沖項目及對沖工具之間的經濟關係有一定要求，「對沖比率」亦須與管理層在風險管理過程中實際使用者一致。香港財務報告準則第9號仍規定須編製同期資料，惟與現時根據香港會計準則第39號所編製者不同。該準則自二零一八年一月一日開始或之後的會計期間生效，可提前採納。採納該修訂準則預期將不會對本集團之經營業績及其財務狀況產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

(b) **The following new standards and amendments to standards have been issued but are not effective for the financial year ended 31 December 2014 which are relevant to the Group but the Group has not early adopted** (continued)

HKFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces HKAS 18 'Revenue' and HKAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The group is assessing the impact of HKFRS 15.

Other HKFRSs that are applicable for the financial year beginning on or after 1 January 2014 have no significant impact on the Group.

2 重要會計政策概要 (續)

2.1 編製基準 (續)

(b) 以下已獲頒佈但並未於截至二零一四年十二月三十一日止財政年度生效的新訂準則及準則修訂與本集團有關但本集團並未提早採納 (續)

香港財務報告準則第15號「客戶合約之收益」處理收益確認及確立向財務報表使用者報告有用資料之原則，內容關於一個實體之客戶合約產生之收益及現金流之性質、金額、時間及不確定性。倘一名客戶取得貨品或服務之控制權及因而有能力指引貨品或服務之用途及由此取得利益，則確認收益。該準則取代香港會計準則第18號「收益」及香港會計準則第11號「建築合約」及相關詮釋。該準則由二零一七年一月一日或之後開始之年度期間生效，以及可提早應用。本集團正評估香港財務報告準則第15號之影響。

自二零一四年一月一日開始或之後的財政年度適用的其他香港財務報告準則並未對本集團產生重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.2 Subsidiaries

2.2 附屬公司

2.2.1 Consolidation

2.2.1 合併

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power 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.

附屬公司是本集團擁有完全控制權的全部實體(包括結構實體)。本集團對實體的控制權體現為自實體投資錄得可變回報的風險或權利，並擁有對實體行使權力以影響回報金額的能力。附屬公司的賬目自其控制權轉移至本集團之日起全面列入綜合賬目，並於本集團失去其控制權時停止綜合入賬。

The Group applies the acquisition method of accounting 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 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.

本集團採用收購法將業務合併入賬。收購一家附屬公司轉讓的代價為所轉讓資產、所產生的負債及本集團發行的股本權益的公允值。所轉讓的代價包括或然代價安排所產生的任何資產或負債的公允值。

Acquisition-related costs are expensed as incurred.

收購相關成本於產生時支銷。

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 acquiree's net assets.

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債，初步以其於收購日期的公允值計量。本集團按逐項收購基準，以公允值或按非控股權益所佔被收購方資產淨值比例確認於被收購方的任何非控股權益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Subsidiaries (continued)

2.2.1 Consolidation (continued)

At the Company's single entity level balance sheet, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

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 Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income. The Group determines at each reporting date whether there is any objective evidence that the investment in the subsidiaries 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 value and recognises the amount in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2 重要會計政策概要 (續)

2.2 附屬公司 (續)

2.2.1 合併 (續)

於本公司單一實體的資產負債表方面，於附屬公司的投資乃按成本減減值入賬。本公司對成本作出調整，以反映或然代價修訂所產生的代價的變化。成本亦包括投資直接應佔成本。

所轉撥代價、於被收購方的任何非控制性權益金額以及於被收購方的任何先前股權於收購日期的公允值超過本集團應佔所收購可識別淨資產公允值的差額列作商譽。就議價購買而言，倘該差額低於所購入附屬公司的淨資產公允值，則直接在全面收益表中確認有關差額。本集團於各報告日期釐定於附屬公司的投資出現減值的客觀證據。倘有減值的客觀證據，本集團計算減值金額為聯營公司可收回金額與其賬面值間的差額，並於全面收益表確認有關金額。

公司間的交易、集團公司間的交易結餘及未變現收益予以對銷。未變現虧損亦予以對銷。附屬公司的會計政策已經變更(倘需要)，以確保與本集團採納的政策相一致。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.2 Subsidiaries (continued)

2.2 附屬公司 (續)

2.2.2 Separate financial statements

2.2.2 獨立財務報表

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.

於附屬公司之投資按成本減減值入賬。成本包括投資之直接應佔成本。附屬公司之業績在本公司賬目內按已收及應收股息入賬。

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.

倘自附屬公司收取之股息超出宣派股息期間該附屬公司之全面收益總額，或倘個別財務報表之投資賬面值超出綜合財務報表所示被投資公司之資產淨值（包括商譽）之賬面值，則須對該等附屬公司之投資進行減值測試。

2.3 Segment reporting

2.3 分類報告

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Board of Directors as its chief operating decision maker.

經營分類的報告方式與提供予主要營運決策人的內部報告方式一致。主要營運決策人為向實體分配資源及評估實體經營分類表現的人士或集團。本集團已釐定董事會作為其主要營運決策人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.4 Foreign currency translation

(a) **Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The consolidated financial statements are presented in HK\$, which is the Company's functional and the Group's presentation currency.

(b) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. 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 statement of comprehensive income.

2 重要會計政策概要 (續)

2.4 外幣兌換

(a) **功能及呈列貨幣**

本集團各實體的財務報表所載項目均以有關實體營運的主要經濟環境所用貨幣(「功能貨幣」)計量。

綜合財務報表以本公司的功能及本集團的呈列貨幣港元呈列。

(b) **交易及結餘**

外幣交易按交易當日或項目重新計量的估值日期的通行匯率換算為功能貨幣。因該等交易結算及按年結時匯率換算以外幣計值的貨幣資產及負債而產生的外匯盈虧均於綜合全面收益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.4 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 balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each consolidated statements of comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

2.4 外幣兌換 (續)

(c) 集團公司

本集團旗下所有功能貨幣與呈列貨幣不同的實體（均非使用超高通脹地區的貨幣）的業績及財務狀況按以下方式換算為呈列貨幣：

- (i) 各資產負債表所呈列的資產及負債按結算日的收市匯率換算；
- (ii) 各綜合全面收益表的收支按平均匯率（除非此平均值並非該等交易日期通行匯率累計影響的合理約數，在此情況下，收支於交易日期換算）換算；及
- (iii) 所有產生的匯兌差額於其他全面收益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment if any. 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 are 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. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

| | |
|-----------------------------------|---|
| Leasehold improvements | 10 years or over the lease term, whichever is shorter |
| Computer equipment | 3 to 5 years |
| Furniture, fixtures and equipment | 3 to 5 years |
| Motor vehicles | 3 to 5 years |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

2 重要會計政策概要 (續)

2.5 物業、廠房及設備

物業、廠房及設備按歷史成本減累計折舊及減值(如有)列賬。歷史成本包括收購項目直接應佔開支。

僅當與該項目有關的未來經濟利益很可能流入本集團，而且該項目的成本能可靠計量時，其後成本方可列入資產的賬面值內或確認為獨立資產(如適用)。所有其他維修及保養均於其產生的財政期間於損益表扣除。

物業、廠房及設備於以下估計使用年期採用直線法將成本分配至剩餘價值計算折舊：

| | |
|----------|----------------|
| 租賃物業裝修 | 十年或租期(以較短期間為準) |
| 電腦設備 | 三至五年 |
| 傢俬、裝置及設備 | 三至五年 |
| 汽車 | 三至五年 |

資產的剩餘價值及使用年期於各結算日檢討，並在適當情況下作出調整。當有事件出現或情況改變而顯示賬面值不可回收時，本集團就是否存在減值對資產(受折舊所規限)進行檢討。倘資產的賬面值高於其估計可收回金額，則其賬面值即時撇減至其可收回金額。可收回金額為資產的公允值減銷售成本與使用價值兩者中較高者。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Property, plant and equipment (continued)

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in 'other income' in the consolidated statements of comprehensive income.

2.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment if any.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life (3 to 5 years) and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each balance sheet date.

2.7 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that 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 (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each balance sheet date.

2 重要會計政策概要 (續)

2.5 物業、廠房及設備 (續)

出售時的盈虧乃透過比較所得款項與賬面值而釐定，並計入綜合全面收益表內的「其他收入」。

2.6 無形資產

無形資產乃按成本減累計攤銷與減值(如有)列賬。

無形資產的使用年期可評估為有限或無限。年期有限的無形資產於可使用經濟年期(三至五年)內攤銷，並評估是否有跡象顯示無形資產可能出現減值。使用年期有限的無形資產的攤銷期及攤銷方法最少於各結算日檢討一次。

2.7 非金融資產的減值

無固定使用年期的資產毋須攤銷，並每年進行減值測試。每當有事件發生或情況出現轉變，顯示須作出攤銷的資產不可按賬面值收回時，則會審閱有關減值情況。減值虧損按資產賬面值超出其可收回金額的金額確認。可收回金額為資產公允價值減銷售成本與使用價值兩者中的較高者。於評估減值時，資產按可獨立識別現金流量(現金產生單位)的最低水平劃分組別。除商譽外，錄得減值的非金融資產於各結算日審閱減值可否撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.8 Financial assets

2.8.1 Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss and loans and receivables. Management determines the classification of its financial assets at initial recognition.

(a) *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if it holds the asset primarily for the purpose of trading; otherwise, they are classified as non-current.

(b) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for the amounts that are settled or expected to be settled more than 12 months after the balance sheet date. These are classified as non-current assets.

2 重要會計政策概要 (續)

2.8 金融資產

2.8.1 分類

本集團將其金融資產分為以下類別：按公允值計入損益的金融資產以及貸款及應收款項。管理層於初始確認時釐定金融資產的分類。

(a) *按公允值計入損益的金融資產*

按公允值計入損益的金融資產為持作買賣的金融資產。倘收購金融資產的主要目的為在短期內售出，則該金融資產歸類為此類別。衍生工具亦歸類為持作買賣，惟指定作對沖者除外。倘持有該類資產的目的為買賣，則此類別資產歸類為流動資產；否則歸類為非流動資產。

(b) *貸款及應收款項*

貸款及應收款項指具有固定或可確定支付金額且不在活躍市場報價的非衍生金融資產，計入流動資產，惟結算金額或預期結算金額超逾結算日後十二個月者，則歸類為非流動資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 重要會計政策概要 (續)

2.8 Financial assets (continued)

2.8.2 Recognition and measurement

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

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 statement of comprehensive income. Gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are included directly in consolidated statement of comprehensive income and are reported as “leveraged foreign exchange and other trading income” in the period in which they arise. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Group has transferred substantially all risks and rewards of ownership.

Loans and receivables are carried at amortised cost using the effective interest method less impairment if any. The Group’s receivables (including amounts due from group companies) and “cash and cash equivalents” fall under this category. Accounts receivables and amounts due from group companies are measured subsequently at amortised cost using the effective interest rate method. Interest on loans is included in the consolidated statements of comprehensive income and is reported as net interest income.

2.8 金融資產 (續)

2.8.2 確認及計量

金融資產的常規買賣於交易當日 (即本集團承諾購買或出售資產當日) 確認。

就所有未按公允值計入損益的金融資產而言，金融資產最初按公允值另加交易成本確認。按公允值計入損益的金融資產最初按公允值確認，而交易成本則於綜合全面收益表支銷。「按公允值計入損益的金融資產」分類的公允值變動所產生的收益及虧損直接計入綜合全面收益表，並於產生期間呈報為「槓桿式外匯及其他交易收入」。在收取來自金融資產現金流量的權利屆滿或本集團已轉讓所有權的絕大部分風險及回報時，終止確認有關金融資產。

貸款及應收款項以實際利率法按攤銷成本減去減值 (如有) 列賬。本集團的應收款項 (包括應收集團公司款項) 及「現金及現金等價物」屬於此類別。應收款項及應收集團公司款項隨後使用實際利率法按攤銷成本計量。貸款利息計入綜合全面收益表並呈報為利息收入淨額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Financial assets (continued)

2.8.3 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

2.9 Impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset classified as loans and receivables is impaired. A financial asset 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 that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2 重要會計政策概要 (續)

2.8 金融資產 (續)

2.8.3 抵銷金融工具

當存在一項可依法強制執行的權利可抵銷已確認金額且亦有意以淨額結算或同時變現資產及償付債務，則金融資產及負債均可予抵銷，且將有關淨額列入資產負債表內。法定可執行權利必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時亦必須可強制執行。

2.9 金融資產減值

本集團於各結算日對分類為貸款及應收款項的金融資產是否存在減值的客觀證據進行評估。僅當有客觀證據表明金融資產因初始確認該資產後發生的一項或多項事件（「虧損事件」）而出現減值，且虧損事件對該項金融資產的估計未來現金流會產生可以可靠估計的影響時，該金融資產出現減值並產生減值虧損。

減值證據或包括顯示一名或一組債務人面對重大財務困難、違約或拖欠利息或本金以及彼等將破產或訂立其他財務重組的跡象，及顯示估計未來現金流量出現可計量減少（例如因拖欠款項或與違約有關經濟狀況的變動）的可觀察數據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.9 Impairment of financial assets (continued)

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 statement of comprehensive income. If a loan 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 observable market data.

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 previously recognised impairment loss is recognised in the consolidated statement of comprehensive income.

2.9 金融資產減值 (續)

虧損金額乃以資產賬面值與按金融資產原實際利率折算的估計未來現金流量(不包括未產生的日後信貸虧損)現值的差額計算。資產的賬面值削減,而虧損金額則於綜合全面收益表確認。倘貸款具浮動利率,用於計量任何減值虧損的折現率則為合約項下釐定的即期實際利率。作為一項實際合宜事項,本集團可採用可供觀察的市場數據以工具的公允值基準計量減值。

倘於日後期間,減值虧損金額減少,同時客觀地與減值獲確認後發生的事項(例如債務人信貸評級改善)相關,則過往確認的減值虧損撥回於綜合全面收益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Derivative financial instruments

The Group classifies derivatives as financial assets or financial liabilities at fair value through profit or loss at inception. These financial assets and financial liabilities are classified as held for trading by the Board of Directors.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purposes of selling or repurchasing in the short term. The Group does not classify any derivatives as hedges in a hedging relationship.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Gains or losses arising from changes in the fair value are recognised in the “leveraged foreign exchange and other trading income” in the period in which they arise.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, bank deposits with original maturities of three months or less, and bank overdrafts.

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash and cash equivalents available for the disposition of the Group and exclude client trust bank balances, and bank deposits held to secure the banking facilities granted to the Group.

2 重要會計政策概要 (續)

2.10 衍生金融工具

本集團於開始時將衍生工具分類為按公允值計入損益的金融資產或金融負債。該等金融資產及金融負債由董事會分類為持作買賣。

持作買賣的金融資產或金融負債指主要目的為於短期內售出或購回而購入或產生的金融資產或金融負債。本集團並無將任何衍生工具分類作對沖關係中對沖用途。

衍生工具於訂立衍生工具合約當日初步按公允值確認，其後按公允值重新計量。公允值變動所產生的收益或虧損於其產生期間於「槓桿式外匯及其他交易收入」中確認。

2.11 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、原到期日為三個月或以下的銀行存款及銀行透支。

就綜合現金流量表而言，現金及現金等價物為可供本集團處置的現金及現金等價物，不包括客戶信託銀行結餘以及為授予本集團的銀行信貸提供擔保而持有的銀行存款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.12 Rental, utility and other deposits

Rental, utility and other deposits held on a long term basis are stated at amortised cost using the effective interest method less impairment if any.

2.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the liabilities are due to be settled or the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

2.14 Financial liabilities

Financial liabilities including other payables are recognised initially at fair value net of transaction costs incurred. Financial liabilities are subsequently stated at amortised cost; any difference between proceeds net of transaction costs and the redemption value is recognised in the profit or loss over the period of the other financial liabilities using the effective interest method. Financial liabilities are derecognised when they are extinguished – that is, when the obligation is discharged, cancelled or expires.

2.12 租金、公用設施及其他按金

長期持有的租金、公用設施及其他按金按實際利率法以攤銷成本扣減減值(如有)列賬。

2.13 借貸

借貸最初以公允值確認，並扣除所產生的交易成本。借貸其後以攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之間的差額按實際利率法於借貸期間於損益確認。

借貸分類為流動負債，除非負債乃到期將予償還或本集團有權無條件將償還日期遞延至結算日後至少十二個月。

2.14 金融負債

金融負債(包括其他應付款項)最初以公允值確認並扣除所產生的交易成本。金融負債其後以攤銷成本列賬；所得款項(扣除交易成本)與贖回價值之間的差額以實際利率法於其他金融負債期間於損益表內確認。金融負債在所指定的責任解除、註銷或屆滿時終止確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)* 2 重要會計政策概要 (續)

2.15 Provision

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation. When the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.15 撥備

當由於過往事件引致目前出現法定或推定責任，而可能導致日後資源流出以履行責任，並能夠可靠估計責任金額時，則會確認撥備。倘金錢的時間價值重大，撥備會以履行責任預期所需開支的現值列賬。

倘可能毋須流出經濟利益，或金額未能可靠估計，除非流出經濟利益的可能性極低，否則須披露該責任為或然負債。潛在責任的存在僅以發生或不發生一項或多項未來事件確定，除非流出經濟利益的可能性極低，否則亦同時披露為或然負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.16 Employee benefits

(a) Retirement benefits scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' basic salaries and are charged to the profit or loss as they become payable in accordance with the rules of the Scheme.

The employees of the Group's subsidiary, which operates in New Zealand, are eligible to participate in KiwiSaver plan on a voluntary basis. This subsidiary is required to contribute certain percentage of its payroll costs to the fund only if employees are making contribution to KiwiSaver plan. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the fund.

The employees of the Group's subsidiary, which operates in Australia, are required to participate in employee superannuation fund. This subsidiary is required to contribute certain percentage of its payroll costs to the fund. The contributions are charged to the profit or loss as they become payable in accordance with the rules of the fund.

The assets of the Scheme and other plans as described above are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the Scheme and other plans.

2.16 僱員福利

(a) 退休福利計劃

本集團根據強制性公積金計劃條例，為所有香港僱員設立界定供款的強制性公積金退休福利計劃（「該計劃」）。根據該計劃的規則，供款按僱員基本薪酬的一定百分比作出，並於支付時在損益中扣除。

本集團紐西蘭附屬公司的僱員均合資格自願參與KiwiSaver計劃。僅當僱員向KiwiSaver計劃作出供款時，該附屬公司須按薪金成本的一定百分比向該基金作出供款。根據該基金的規則，該等供款於應付時在損益中扣除。

本集團澳洲附屬公司的僱員須參與僱員退休基金。該附屬公司須按薪金成本的一定百分比向該基金作出供款。根據該基金的規則，該等供款於應付時在損益中扣除。

該計劃及上文所述其他計劃的資產乃以獨立管理基金方式與本集團的資產分開持有。本集團向該計劃及其他計劃繳納僱主供款時，該等供款即全數歸僱員所有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Employee benefits (continued)

(b) Employee level entitlements

Employee entitlements to annual leave are recognised when they are accrued to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

(c) Bonus

The Group recognises a liability and an expense for bonuses, in which the bonus scheme is at the discretion of the Group's Directors based on the Group performance that takes into consideration the profit attributable to the Group after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

2.17 Share-based payment transactions

(a) Equity-settled share-based payment transactions

The Group operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

2 重要會計政策概要 (續)

2.16 僱員福利 (續)

(b) 僱員假期權益

僱員的年假權利在僱員享有的有關假期產生時確認。本集團為截至結算日止僱員已提供服務產生的年假的估計負債作出撥備。

(c) 花紅

本集團就花紅確認負債及開支，而有關花紅計劃乃本集團董事根據本集團表現酌情制定，並計及於作出若干調整後本集團應佔的溢利。於出現合約責任或過往慣例引致推定責任時，本集團即確認撥備。

2.17 以股份支付交易

(a) 權益結算股份支付交易

本集團設有一項購股權計劃，為對本集團業務成功作出貢獻之合資格參與者提供鼓勵與獎賞。本集團僱員（包括董事）以股份支付交易之方式收取報酬，而僱員則提供服務作為權益工具之代價（「權益結算交易」）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Share-based payment transactions (continued)

(a) Equity-settled share-based payment transactions (continued)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined with reference to the fair value estimated by external valuer under a valuation model commonly used in the market.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (“market conditions”), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the year in which the service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the “vesting date”). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting year has expired and the Group’s best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a year represents the movement in the cumulative expense recognised as at the beginning and end of that year.

When the options are exercised, the company issues new shares. The proceeds received net of any directly transaction costs are credited to share capital.

2 重要會計政策概要 (續)

2.17 以股份支付交易 (續)

(a) 權益結算股份支付交易 (續)

與僱員進行權益結算交易之成本乃參考授出購股權當日之公允值計算。公允值乃參考外部估值師根據市場常用估值模型估計公允值釐定。

在評估權益結算交易時，除與本公司股價相關之條件(「市場條件」)(如適用)外，並不考慮任何表現條件。

權益結算交易之成本，連同權益相應增加部分，在服務條件獲得履行之年度(於有關僱員完全有權獲得授予之日(「歸屬日期」)結束)內確認。在歸屬日期前，每個結算日確認之權益結算交易之累積開支，反映歸屬年度已到期部分及本集團對最終將會歸屬之權益工具數目之最佳估計。在某一期間內在收益表內扣除或進賬，乃反映累積開支於年初與年終確認之變動。

本公司於購股權獲行使時發行新股份。已收所得款項(扣除任何直接交易成本)，乃計入股本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.17 Share-based payment transactions *(continued)*

(a) **Equity-settled share-based payment transactions** *(continued)*

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2 重要會計政策概要 (續)

2.17 以股份支付交易 (續)

(a) **權益結算股份支付交易** (續)

倘股本結算獎勵之條款已修改，則須確認一項最少支出，尤如有關條件並無修改。此外，會就任何修改確認支出，使股份支付的總公允價值增加，或另行對僱員有所裨益，猶如修訂日期所計量者。

倘若權益結算獎勵被註銷，應被視為已於註銷日期歸屬，任何尚未確認之獎勵開支，均應立刻確認。然而，若授予新獎勵代替已註銷之獎勵，並於授出日期指定為替代獎勵，則已註銷之獎勵及新獎勵，均應被視為原獎勵之變更，一如前段所述。

計算每股盈利時，未行使購股權之攤薄效應，反映為額外股份攤薄。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Share-based payment transactions (continued)

(b) Share-based payment transaction among group entities

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings 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 periods an increase to investment in subsidiaries undertakings, with a corresponding credit to equity in the parent entity accounts.

2.18 Share capital

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

Dividend on ordinary shares is recognised as a liability in the consolidated financial statements in the period in which it is approved by the shareholders or directors where appropriate.

2.19 Income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit or loss, 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.

2 重要會計政策概要 (續)

2.17 以股份支付交易 (續)

(b) 集團實體間股份支付交易

本公司向本集團附屬公司的僱員授予其股本工具的購股權，被視為資本投入。所獲得僱員服務的公允值乃參考授出日期的公允值計量，於歸屬期內確認為增加對附屬公司的投資，並相應計入母公司實體賬目內的權益。

2.18 股本

普通股被分類為權益。直接歸屬於發行新股或購股權的新增成本於扣除稅項後在權益中列為所得款項減少。

普通股股息於獲股東或董事（如適用）批准期間於綜合財務報表內確認為負債。

2.19 所得稅

年內稅項支出包括即期及遞延稅項。稅項在損益確認，惟倘與其他全面收益確認或直接在權益確認的項目相關的情況除外。在該情況下，稅項亦分別在其他全面收益或直接在權益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued) 2 重要會計政策概要 (續)

2.19 Income tax (continued)

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred income tax

Deferred income tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

2.19 所得稅 (續)

(a) 即期所得稅

即期所得稅支出根據本集團附屬公司營運及產生應課稅收入的國家於結算日已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務法例詮釋所規限的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款設定撥備。

(b) 遞延所得稅

遞延所得稅採用負債法，就資產及負債的計稅基準與資產及負債於綜合財務報表的賬面值之間產生的暫時性差額予以全數確認。遞延所得稅採用在結算日前已頒佈或實質頒佈，並在有關的遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率（及法例）而釐定。

遞延所得稅資產僅於可能有未來應課稅溢利將可用作抵銷暫時性差額時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.19 Income tax (continued)

(b) Deferred income tax (continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, 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.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes 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.

2.20 Goods and Services Tax ("GST")

The financial statements have been prepared so that expenses/costs are stated inclusive of GST, where appropriate. The Group is not a registered person in term of the Goods and Services Tax Act 1985 in New Zealand.

2.19 所得稅 (續)

(b) 遞延所得稅 (續)

遞延所得稅按於附屬公司的投資所產生的暫時性差額作出撥備，惟倘遞延所得稅負債撥回暫時性差額的時間由本集團控制，而在可見將來不大可能撥回暫時性差額則除外。

當有法定可執行權力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涉及由同一稅務機關向應課稅實體或有意以淨額基準結算結餘的不同應課稅實體徵收所得稅，則可將遞延所得稅資產與負債互相抵銷。

2.20 商品及服務稅 (「商品及服務稅」)

財務報表已編製以使開支／成本列賬時包括商品及服務稅 (如適用)。就紐西蘭一九八五年商品及服務稅法而言，本集團並非註冊人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Revenue recognition

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

- (i) fees and commission income, when the services have been rendered;
- (ii) management fees income, when the services have been rendered; and
- (iii) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

2.22 Cash dealing income

Unleveraged cash dealing services are provided to corporate clients, in particular, those clients engaged in money changing business for the purpose of hedging their cash positions and meeting settlement obligations. The Group is rewarded by the spread between the price quoted to our clients and the price offered by our market makers. Cash dealing income is recognised when cash dealing transactions have been completed by market makers with reference to prevailing exchange rate.

2 重要會計政策概要 (續)

2.21 收入確認

收入於經濟利益有可能流入本集團及收入能可靠計量時確認，基準如下：

- (i) 費用及佣金收入，於提供服務時確認；
- (ii) 管理費收入，於提供服務時確認；及
- (iii) 利息收入，按應計基準以實際利率法確認，方法為於金融工具的預計年期將估計未來現金收入按利率折現至金融資產賬面淨值。

2.22 現金交易收入

非槓桿式現金交易服務乃提供予企業客戶，尤其是為對沖現金頭寸及履行結算責任而參與貨幣兌換業務的客戶。本集團通過給予客戶的報價與市場莊家提供的價格之間的差價獲取獎勵。現金交易收入於市場莊家完成交易時並參考現行匯率確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2 重要會計政策概要 (續)

2.23 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor), are charged to the profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in finance lease obligation. Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in non-current liabilities. The interest element of the finance cost is charged to the profit or loss 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 asset's useful life and the lease term.

2.23 租賃

出租人保留所有權的主要風險及回報的租賃歸類為經營租賃。根據經營租賃支付的款項(扣除出租人給予的任何優惠)，按直線基準於租賃期間內於損益扣除。

本集團出租若干物業、廠房及設備。本集團擁有幾乎全部所有權的風險及回報的物業、廠房及設備的租賃歸類為融資租賃。融資租賃於租賃開始時按租賃物業的公允值與最低租賃付款現值兩者的較低者撥充資本。

相應的租金責任在扣除融資開支後，計入融資租賃承擔。每項租賃付款在負債及融資開支間分攤。相應的租金債務在扣除融資開支後計入非流動負債。融資成本的利息部分按租賃期在損益中扣除，以對各期間餘下負債結餘產生常數定期利息比率。根據融資租賃購入的物業、廠房及設備按資產的使用年期與租期兩者的較短者折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT

Risk is inherent in the financial service business and sound risk management is a cornerstone of prudent and successful financial practice. The Group acknowledges that a balance must be achieved between risks, control and business growth. The principal financial risks inherent in the Group's business are credit risk, market risk (including interest rate risk and foreign currency risk) and liquidity risk. The Group's overall risk management objective is to enhance shareholder value while retaining exposure within acceptable thresholds in response to changes in markets. The Group has a robust risk management system in place to identify, analyse, assess and manage risks.

The Group's risk management is carried out by the Group Risk Department under policies approved by the Group audit, risk and compliance committee. The Group Risk Department provides written principles for overall risk management, as well as written policies covering specific areas, such as mitigating credit risk, market risk, liquidity risk, capital management risk and risk limits setting and monitoring.

The policies for managing each of these risks are summarised below:

3 金融風險管理

金融服務業本身存在風險，因此訂立妥善的風險管理制度，乃企業審慎而成功的做法。本集團知悉風險、控制及業務發展之間須達致平衡。本集團的業務存在的主要金融風險為信貸風險、市場風險（包括利率風險及外匯風險）及流動性風險。本集團的全面風險管理目標為於應對市場變動時，將所面對的風險局限於可接受水平內之餘，同時致力提高股東價值。本集團已建立完善的風險管理系統以識別、分析、評估及管理風險。

本集團風險部根據本集團審核、風險及合規委員會批准的政策管理本集團風險。本集團風險部就全面風險管理制定書面原則，並就涵蓋如降低信貸風險、市場風險、流動性風險、資本管理風險以及設定及監控風險限額等特定範疇制定書面政策。

管理該等風險各自的政策概述如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group is exposed to credit risk from accounts receivable from customers and counterparties, bank balances, and other assets and receivables. After evaluating the client's risk profiles, the Group sets stop-out levels to the clients. Once their equity drops to the stop-out level the Group's trading system will automatically liquidate the client's positions. Without taking into account any collateral held or other credit enhancements, the maximum exposure to credit risk is the carrying amounts of these assets. The existing debtors have no defaults in the past.

The Group's bank deposits are held with banks and balances due from agents are held with major financial institutions and management reviews the banks and financial institutions' creditworthiness on a regular basis. The banks and financial institutions are of high credit quality and substantially with a rating of grade A or with long established relationships. The credit risk associated with these balances is deemed insignificant.

The Group is also subject to credit risk relating to other assets and receivables from ultimate holding company and fellow subsidiaries. The credit risk relating to other assets and receivables from ultimate holding company and fellow subsidiaries is treated as any other receivables in the normal course of business. The utilisation of credit limits has been closely monitored on a daily basis, taking into account the financial position and past experience. The Group did not experience any losses from non-performance by these counterparties. The credit risk associated with these balances is considered as low.

3 金融風險管理 (續)

3.1 信貸風險

信貸風險指對手方在其合約責任的失責以致本集團蒙受財務損失的風險。本集團就應收客戶及對手方款項、銀行結餘以及其他資產及應收款項承受信貸風險。於評估客戶風險狀況後，本集團為客戶設立強制平倉水平。一旦其淨值跌至強制平倉水平，本集團交易系統將自動為客戶平倉。在未計及所持任何抵押品或其他信貸提升情況下，承受的最高信貸風險乃該等資產的賬面值。現有債務人於過往並無拖欠款項。

本集團銀行存款由銀行持有，而應收代理結餘由重要金融機構持有且管理層定期審閱銀行及金融機構的信譽。銀行及金融機構具有高信貸質素，大部分評級均為A級或與本集團已建立長期合作關係。與該等結餘有關的信貸風險被視作微不足道。

本集團亦須承擔與其他資產以及應收最終控股公司及同系附屬公司款項相關的信貸風險。與其他資產以及應收最終控股公司及同系附屬公司款項相關的信貸風險被視為於一般業務過程中的任何其他應收款項。經計及財務狀況及過往經驗，本集團每日密切監控信貸上限的動用情況。本集團並未因該等交易對手違約而承擔任何虧損。與該等結餘相關的信貸風險被認為偏低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Credit risk (continued)

(a) Maximum exposure to credit risk before collateral held or other credit enhancements

The Group's maximum exposure to credit risk in the event the counterparties fail to perform their obligations as at the balance sheet date, in relation to each class of financial assets, is the carrying amount of those assets as indicated in the consolidated balance sheet. These amounts represent the worst case scenario of credit risk exposure to the Group at 31 December 2014 and 2013, without taking into account any collateral held or other credit enhancements attached.

The carrying values of receivables and other assets arising from the course of business of the Group are as follows:

The Group

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|-------------------|--|----------------------------------|
| Other assets | 其他資產 | 5,269 | 3,420 |
| Amounts due from ultimate holding company | 應收最終控股公司款項 | - | 23 |
| Amounts due from fellow subsidiaries | 應收同系附屬公司款項 | - | 75 |
| Derivative financial instruments | 衍生金融工具 | 55,544 | 56,594 |
| Balances due from agents | 應收代理結餘 | 12,099 | 16,910 |
| Cash and bank balances and client trust bank balances | 現金及銀行結餘以及客戶信託銀行結餘 | 539,185 | 483,880 |
| | | 612,097 | 560,902 |

3 金融風險管理 (續)

3.1 信貸風險 (續)

(a) 持有抵押品或其他信貸提升前的最高信貸風險值

倘交易對手未能於結算日履行其責任，則本集團所面臨的與各類金融資產相關的最高信貸風險值為綜合資產負債表內所示該等資產的賬面值。該等金額為本集團於二零一四年及二零一三年十二月三十一日所面臨的信貸風險的最差情形，且未計及任何所持抵押品或所附其他信貸提升情況。

於本集團業務過程中產生的應收款項及其他資產賬面值如下：

本集團

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Credit risk (continued)

- (b) As at 31 December 2014 and 2013, the maximum exposure of credit risk of the Company comprises the carrying amounts of amounts due from ultimate holding company, amounts due from subsidiary and cash and bank balances on the balance sheets of the Company.
- (c) None of the financial assets is either past due or impaired.
- (d) The following table breaks down the Group's major credit exposure at their carrying amounts, as categorised by geographical region as of 31 December 2014 and 2013. The Group has allocated exposures to regions based on the country of domicile of its counterparties. Credit risk exposure by geographical sectors is classified according to the location of counterparties after taking into account the transfer of risk.

The Group
As at 31 December 2014

| | | Hong Kong | Asia Pacific excluding Hong Kong | Europe and other regions | Total |
|---|-------------------|----------------|----------------------------------|--------------------------|----------------|
| | | 香港 | 亞太地區 (不包括香港) | 歐洲及其他地區 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Other assets | 其他資產 | 2,713 | 2,556 | - | 5,269 |
| Derivative financial instruments | 衍生金融工具 | - | 55,544 | - | 55,544 |
| Balances due from agents | 應收代理結餘 | - | 12,099 | - | 12,099 |
| Cash and bank balances and client trust bank balances | 現金及銀行結餘以及客戶信託銀行結餘 | 244,815 | 227,890 | 66,480 | 539,185 |
| Total | 總計 | 247,528 | 298,089 | 66,480 | 612,097 |

3 金融風險管理 (續)

3.1 信貸風險 (續)

- (b) 於二零一四年及二零一三年十二月三十一日，本公司所面臨的最高信貸風險包括應收最終控股公司款項、應收附屬公司款項的賬面值及本公司資產負債表所載的現金及銀行結餘。
- (c) 概無金融資產逾期或減值。
- (d) 下表以賬面值細分本集團的主要信貸風險，並按截至二零一四年及二零一三年十二月三十一日的地理區域分類。本集團根據其交易對手的所在國家分配風險至各地區。按區域劃分的信貸風險經計及轉讓風險後按交易對手所在地予以分類。

本集團
於二零一四年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Credit risk (continued)

(d) (continued)

As at 31 December 2013

| | | Asia Pacific excluding Hong Kong 香港 HK\$'000 千港元 | Europe and other regions 歐洲及 其他地區 香港) HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-------------------|---|---|--------------------------------|
| Other assets | 其他資產 | 2,659 | 761 | 3,420 |
| Amounts due from ultimate holding company | 應收最終控股公司款項 | – | 23 | 23 |
| Amounts due from fellow subsidiaries | 應收同系附屬公司款項 | 75 | – | 75 |
| Derivative financial instruments | 衍生金融工具 | – | 56,594 | 56,594 |
| Balances due from agents | 應收代理結餘 | – | 16,910 | 16,910 |
| Cash and bank balances and client trust bank balances | 現金及銀行結餘以及客戶信託銀行結餘 | 218,999 | 195,226 | 483,880 |
| Total | 總計 | 221,733 | 269,514 | 560,902 |

As at 31 December 2014 and 2013, the Company's major credit exposure is within Hong Kong region, except for the amounts due from a subsidiary which were within Asia Pacific Region.

3 金融風險管理 (續)

3.1 信貸風險 (續)

(d) (續)

於二零一三年十二月三十一日

| | Asia Pacific excluding Hong Kong 香港 HK\$'000 千港元 | Europe and other regions 歐洲及 其他地區 香港) HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|---|---|--------------------------------|
|--|---|---|--------------------------------|

於二零一四年及二零一三年十二月三十一日，除應收亞太地區內的一間附屬公司款項外，本公司的主要信貸風險均來自香港地區。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk

3.2.1 Interest rate risk

Interest rate risk arises from movements in interest rates and the mismatch of fixed and floating rates between funding and investing activities. The Group is exposed to material interest rate risk as the Group invests all surplus funds in call accounts with reputable banks and is susceptible to movements in call interest rates. Interest rate risk arises from unexpected changes in interest rates that may result in an adverse impact on the Group's current and near future performance. The Group has not used any interest rate swaps nor forward interest rate contracts to hedge its exposure to interest rate risk.

The Group
As at 31 December 2014

3 金融風險管理 (續)

3.2 市場風險

3.2.1 利率風險

利率風險乃因利率波動以及集資與投資活動間的固定及浮動利率不匹配所致。由於本集團將所有盈餘資金投資於信譽良好銀行的通知賬戶並受通知存款利率波動的影響，故本集團面對重大利率風險。利率風險源自利率的意外波動，或會導致對本集團的現時及近期表現產生不利影響。本集團並未利用任何利率掉期或遠期利率合約對沖其利率風險。

本集團
於二零一四年十二月三十一日

| | | Floating interest rate | Fixed interest rate | Non- interest bearing | Total |
|--|-----------------------|------------------------------|---------------------------|-----------------------------|----------|
| | | 浮動利率 | 固定利率 | 免息 | 總計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Assets | 資產 | | | | |
| Other assets | 其他資產 | - | - | 5,269 | 5,269 |
| Derivative financial instruments | 衍生金融工具 | - | - | 55,544 | 55,544 |
| Balances due from agents | 應收代理結餘 | 1,754 | - | 10,345 | 12,099 |
| Cash and bank balances and client trust bank balances | 現金及銀行結餘以及 客戶信託銀行結餘 | 438,613 | 92,094 | 8,478 | 539,185 |
| Liabilities | 負債 | | | | |
| Finance lease obligation | 融資租賃承擔 | - | 114 | - | 114 |
| Other payables | 其他應付款項 | - | - | 14,253 | 14,253 |
| Amounts due to fellow subsidiaries | 應付同系附屬公司款項 | - | - | 488 | 488 |
| Derivative financial instruments | 衍生金融工具 | - | - | 4,662 | 4,662 |
| Clients' balances | 客戶結餘 | - | - | 203,874 | 203,874 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk (continued)

3.2.1 Interest rate risk (continued)

The Group

As at 31 December 2013

| | | Floating interest rate 浮動利率 HK\$'000 千港元 | Fixed interest rate 固定利率 HK\$'000 千港元 | Non- interest bearing 免息 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-------------------|---|--|--|--------------------------------|
| Assets | | | | | |
| Other assets | 其他資產 | - | - | 3,420 | 3,420 |
| Amounts due from ultimate holding company | 應收最終控股公司款項 | - | - | 23 | 23 |
| Amounts due from fellow subsidiaries | 應收同系附屬公司款項 | - | - | 75 | 75 |
| Derivative financial instruments | 衍生金融工具 | - | - | 56,594 | 56,594 |
| Balances due from agents | 應收代理結餘 | 1,100 | - | 15,810 | 16,910 |
| Cash and bank balances and client trust bank balances | 現金及銀行結餘以及客戶信託銀行結餘 | 316,700 | 157,046 | 10,134 | 483,880 |
| Liabilities | | | | | |
| Finance lease obligation | 融資租賃承擔 | - | 171 | - | 171 |
| Other payables | 其他應付款項 | - | - | 10,278 | 10,278 |
| Amounts due to fellow subsidiaries | 應付同系附屬公司款項 | - | - | 312 | 312 |
| Derivative financial instruments | 衍生金融工具 | - | - | 2,579 | 2,579 |
| Clients' balances | 客戶結餘 | - | - | 169,426 | 169,426 |

Based on the simulations performed and with other variables held constant, the profit before taxation for the year ended 31 December 2014 would increase/decrease by approximately HK\$4,404,000 (2013: HK\$3,178,000) should the interest rate increase/decrease by 1%.

3 金融風險管理 (續)

3.2 市場風險 (續)

3.2.1 利率風險 (續)

本集團

於二零一三年十二月三十一日

根據模擬表現而其他可變因素保持不變計算，倘利率提高／下跌1%，則截至二零一四年十二月三十一日止年度的除稅前溢利將增加／減少約4,404,000港元（二零一三年：3,178,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk (continued)

3.2.2 Foreign currency risk

Exchange rate fluctuation is the most significant risk in leveraged foreign exchange trading. The Group takes on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to New Zealand dollars and Australian dollars. The Group will suffer a loss if it fails to cover a client deal at a better exchange rate. The Group monitors foreign exchange exposure by reviewing the open position of the Group and client trading performance. The risk is measured by the use of sensitivity analysis and cash flow forecasting. Specific risk limits are set to measure and monitor foreign exchange risk. Any excessive foreign exchange risks are passed on to other financial institutions through execution of trades with those institutions. The management sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions, which are monitored on an intra-day basis.

3 金融風險管理 (續)

3.2 市場風險 (續)

3.2.2 外匯風險

匯率浮動乃槓桿式外匯交易中最重大的風險。本集團的財務狀況及現金流量因應當時匯率變動之影響而承擔波動風險。本集團承受以紐西蘭元及澳元為主之各種外匯風險。倘本集團未能按更佳匯率進行客戶交易，則將蒙受損失。本集團透過審查本集團的未平倉合約及客戶交易表現監控外匯風險。風險乃通過利用敏感性分析及現金流量預測等方法進行計量。特定風險限制乃為計量及監控外匯風險而設。任何重大外匯風險則透過與其他金融機構進行交易轉移至該等機構。管理層對隔夜及即日持倉貨幣及總額所承擔的風險水平設定限額，於當日時間內予以監察。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk (continued)

3.2.2 Foreign currency risk (continued)

The tables below summarise the Group's exposure to foreign currency exchange rate risk as at 31 December 2014 and 2013. Included in the tables are the assets and liabilities at carrying amounts in HK\$ equivalent, categorised by the original currency.

As at 31 December 2014

| | HK\$ | NZD | AUD | USD | JPY | CNY | Others | Total |
|---|----------|----------|----------|----------|----------|----------|----------|----------|
| | 港元 | 紐西蘭元 | 澳元 | 美元 | 日圓 | 人民幣 | 其他 | 總計 |
| | HK\$'000 |
| | 千港元 |
| The Group | | | | | | | | |
| Assets | | | | | | | | |
| Other assets | 2,708 | 35 | 530 | 43 | - | 1,953 | - | 5,269 |
| Derivative financial instruments | - | 17,230 | 11,307 | 26,553 | - | - | 454 | 55,544 |
| Balances due from agents | 31 | 33 | 536 | 10,380 | 570 | - | 549 | 12,099 |
| Cash and bank balances and client trust bank balances | 125,929 | 30,812 | 54,552 | 309,400 | 2,657 | 14,488 | 1,347 | 539,185 |
| Liabilities | | | | | | | | |
| Finance lease obligation | - | - | 114 | - | - | - | - | 114 |
| Other payables | 4,396 | 991 | 1,366 | 7,500 | - | - | - | 14,253 |
| Amounts due to fellow subsidiaries | - | - | - | 488 | - | - | - | 488 |
| Derivative financial instruments | - | 1,460 | 753 | 2,449 | - | - | - | 4,662 |
| Clients' balances | - | 10,686 | 40,224 | 152,831 | 133 | - | - | 203,874 |

3 金融風險管理 (續)

3.2 市場風險 (續)

3.2.2 外匯風險 (續)

下表概述本集團於二零一四年及二零一三年十二月三十一日面臨的外匯風險。下表納入以港元等額賬面值列賬並按原貨幣分類的資產及負債。

於二零一四年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk (continued)

3.2.2 Foreign currency risk (continued)

As at 31 December 2013

| | | HK\$ | NZD | AUD | USD | JPY | CNY | Others | Total |
|---|-------------------|----------|----------|----------|----------|----------|----------|----------|----------|
| | | 港元 | 紐西蘭元 | 澳元 | 美元 | 日圓 | 人民幣 | 其他 | 總計 |
| | | HK\$'000 |
| | | 千港元 |
| The Group | 本集團 | | | | | | | | |
| Assets | 資產 | | | | | | | | |
| Other assets | 其他資產 | 2,636 | 67 | 362 | 23 | - | - | 332 | 3,420 |
| Amounts due from ultimate holding company | 應收最終控股公司款項 | - | - | - | 23 | - | - | - | 23 |
| Amounts due from fellow subsidiaries | 應收同系附屬公司款項 | - | - | - | 75 | - | - | - | 75 |
| Derivative financial instruments | 衍生金融工具 | - | 21,323 | 6,207 | 29,064 | - | - | - | 56,594 |
| Balances due from agents | 應收代理結餘 | 1 | 6 | 353 | 15,809 | 155 | - | 586 | 16,910 |
| Cash and bank balances and client trust bank balances | 現金及銀行結餘以及客戶信託銀行結餘 | 141,986 | 22,511 | 35,806 | 264,076 | 4,439 | 475 | 14,587 | 483,880 |
| Liabilities | 負債 | | | | | | | | |
| Finance lease obligation | 融資租賃承擔 | - | - | 171 | - | - | - | - | 171 |
| Other payables | 其他應付款項 | 3,029 | 1,307 | 489 | 5,447 | - | - | 6 | 10,278 |
| Amounts due to fellow subsidiaries | 應付同系附屬公司款項 | - | - | - | 312 | - | - | - | 312 |
| Derivative financial instruments | 衍生金融工具 | - | 1,801 | 100 | 678 | - | - | - | 2,579 |
| Clients' balances | 客戶結餘 | - | 12,983 | 22,586 | 133,706 | 151 | - | - | 169,426 |

3 金融風險管理 (續)

3.2 市場風險 (續)

3.2.2 外匯風險 (續)

於二零一三年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.2 Market risk (continued)

3.2.2 Foreign currency risk (continued)

The following table indicates the impact on the Group's profit before taxation to movements in foreign exchange rate as at 31 December 2014 and 2013:

| Foreign currency risk | 外匯風險 | Movement in foreign currency 外匯波動 | 2014 | 2013 |
|-----------------------|------|--|--------------------------|--------------------------|
| | | | 二零一四年 HK\$'000 千港元 | 二零一三年 HK\$'000 千港元 |
| AUD | 澳元 | +/-5% | +/-1,223 | +/-954 |
| JPY | 日圓 | +/-5% | +/-155 | +/-222 |
| NZD | 紐西蘭元 | +/-5% | +/-1,749 | +/-1,391 |
| CNY | 人民幣 | +/-5% | +/-822 | +/-24 |

3.3 Liquidity risk

The Group's operations are subject to various statutory liquidity requirements as prescribed by the relevant authorities. The Group has put in place a monitoring system to ensure that it maintains adequate liquid capital to fund its business commitments and to comply with the regulatory requirements. The liquidity risk of the Group is managed by regularly monitoring current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash and current working capital to meet its liquidity requirements in the short and longer term. The Group holds sufficient cash and deposits on demand to repay its liabilities.

3 金融風險管理 (續)

3.2 市場風險 (續)

3.2.2 外匯風險 (續)

下表列示於二零一四年及二零一三年十二月三十一日外匯匯率波動對本集團除稅前溢利的影響：

3.3 流動性風險

本集團的業務受有關機構規定的各種法定流動資金要求所限。本集團已建立監控系統，確保維持充裕的流動資金為本集團的業務承擔提供資金，及遵守法規要求。本集團透過定期監控目前及預期流動資金要求管理其流動性風險，確保本集團維持足夠的現金儲備及目前營運資金以滿足其短期及長期流動資金要求。本集團持有充足的現金及活期存款償還其負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Liquidity risk (continued)

3.3.1 Undiscounted cash flows by contractual maturities

The table below presents the cash flows payable by the Group under financial liabilities by remaining contractual maturities as at 31 December 2014 and 2013. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 December 2014

| | | Up to 1 month 一個月內 HK\$'000 千港元 | 1-3 months 一至三個月 HK\$'000 千港元 | 3-12 months 三至十二個月 HK\$'000 千港元 | 1-5 years 一至五年 HK\$'000 千港元 | Over 5 years 逾五年 HK\$'000 千港元 | Indefinite 無限期 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-----------------------------------|------------|---|---|---|---|---|--------------------------------------|--------------------------------|
| The Group | 本集團 | | | | | | | |
| Liabilities | 負債 | | | | | | | |
| Finance lease obligation | 融資租賃承擔 | 4 | 9 | 34 | 73 | - | - | 120 |
| Other payables | 其他應付款項 | 11,759 | 1,020 | 1,474 | - | - | - | 14,253 |
| Amount due to fellow subsidiaries | 應付同系附屬公司款項 | 488 | - | - | - | - | - | 488 |
| Clients' balances | 客戶結餘 | 203,874 | - | - | - | - | - | 203,874 |
| | | 216,125 | 1,029 | 1,508 | 73 | - | - | 218,735 |
| Derivative financial instruments | 衍生金融工具 | 4,662 | - | - | - | - | - | 4,662 |
| | | 220,787 | 1,029 | 1,508 | 73 | - | - | 223,397 |

3 金融風險管理 (續)

3.3 流動性風險 (續)

3.3.1 按合約到期日劃分的未貼現現金流量

下表呈列本集團於二零一四年及二零一三年十二月三十一日按餘下合約到期日於金融負債項下的應付現金流量。該表所披露的金額為合約未貼現現金流量。

於二零一四年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Liquidity risk (continued)

3.3.1 Undiscounted cash flows by contractual maturities (continued)

As at 31 December 2013

| | | Up to 1 month 一個月內 HK\$'000 千港元 | 1-3 months 一至三個月 HK\$'000 千港元 | 3-12 months 三至十二個月 HK\$'000 千港元 | 1-5 years 一至五年 HK\$'000 千港元 | Over 5 years 逾五年 HK\$'000 千港元 | Indefinite 無限期 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|-----------------------------------|------------|---|---|---|---|---|--------------------------------------|--------------------------------|
| The Group | 本集團 | | | | | | | |
| Liabilities | 負債 | | | | | | | |
| Finance lease obligation | 融資租賃承擔 | 5 | 9 | 42 | 131 | - | - | 187 |
| Other payables | 其他應付款項 | 7,653 | 2,091 | 534 | - | - | - | 10,278 |
| Amount due to fellow subsidiaries | 應付同系附屬公司款項 | 312 | - | - | - | - | - | 312 |
| Clients' balances | 客戶結餘 | 169,426 | - | - | - | - | - | 169,426 |
| | | 177,396 | 2,100 | 576 | 131 | - | - | 180,203 |
| Derivative financial instruments | 衍生金融工具 | 2,579 | - | - | - | - | - | 2,579 |
| | | 179,975 | 2,100 | 576 | 131 | - | - | 192,782 |

3 金融風險管理 (續)

3.3 流動性風險 (續)

3.3.1 按合約到期日劃分的未貼現現金流量 (續)

於二零一三年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value of financial assets and liabilities

3.4.1 Financial instruments measured at fair value

The following table represents the carrying value of financial instruments measured at fair value at the balance sheet date across the three levels of the fair value hierarchy defined in HKFRS 7 Financial Instruments: Disclosures, with the fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets.

Level 2: fair values measured using quoted price in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data.

Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data.

3 金融風險管理 (續)

3.4 金融資產及負債的公允值

3.4.1 按公允值計量的金融工具

下表呈列於結算日，香港財務報告準則第7號「金融工具：披露」所界定的公允值等級制度的三個等級中，以公允值計量的金融工具的賬面值，每種金融工具的公允值根據其等級最低的重要公允值計量因素確定的類別進行歸類。有關等級定義如下：

第1級（最高等級）：利用在活躍市場中的報價（未經調整）計量公允值。

第2級：公允值計量參照活躍市場類似金融工具的報價，或採用估值技術確定，其全部重要的參數乃直接或間接來源於可觀察市場數據。

第3級（最低等級）：公允值使用估值技術計量，任何重要的參數均不來源於可觀察市場數據。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value of financial assets and liabilities (continued)

3.4.1 Financial instruments measured at fair value (continued)

As at 31 December 2014

| | | Level 1 第1級 HK\$'000 千港元 | Level 2 第2級 HK\$'000 千港元 | Level 3 第3級 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|----------------------------------|-----------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| Assets | 資產 | | | | |
| Derivative financial instruments | 衍生金融工具 | - | 55,544 | - | 55,544 |
| Liabilities | 負債 | | | | |
| Derivative financial instruments | 衍生金融工具 | - | 4,662 | - | 4,662 |

As at 31 December 2013

| | | Level 1 第1級 HK\$'000 千港元 | Level 2 第2級 HK\$'000 千港元 | Level 3 第3級 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|----------------------------------|-----------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| Assets | 資產 | | | | |
| Derivative financial instruments | 衍生金融工具 | - | 56,594 | - | 56,594 |
| Liabilities | 負債 | | | | |
| Derivative financial instruments | 衍生金融工具 | - | 2,579 | - | 2,579 |

The fair value of financial instruments that are not traded in an active market 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 all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

並非於活躍市場買賣之金融工具，其公允值採用估值技術釐定。該等估值技術充分使用可獲得的可觀察市場數據，並盡可能不依賴公司特定估計。倘按公允值計量一項工具所需的全部重要參數均可觀察獲得，則該項工具會被列入第2級。

3 金融風險管理 (續)

3.4 金融資產及負債的公允值 (續)

3.4.1 按公允值計量的金融工具 (續)

於二零一四年十二月三十一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value of financial assets and liabilities (continued)

3.4.1 Financial instruments measured at fair value (continued)

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period, with the resulting value discounted back to present value.

There have been no significant transfers between level 1, level 2 and level 3 for the year ended 31 December 2014 and 2013.

3.4.2 Financial assets and liabilities not measured at fair value

As at 31 December 2014 and 2013, the fair value of the Group's financial assets and liabilities not measured at fair value are not materially different from their carrying amounts due to their short maturities.

Balances due from agents and other receivables include the contractual amounts for settlement of trades other obligations due to the Group.

Clients' balances represent the margin deposits received from clients for their trading activities under normal course of business. Their carrying values are a reasonable approximation of fair value.

3 金融風險管理 (續)

3.4 金融資產及負債的公允值 (續)

3.4.1 按公允值計量的金融工具 (續)

遠期外匯合約的公允值按報告期末的遠期匯率釐定，所產生的價值將貼現計回現值。

於截至二零一四年及二零一三年十二月三十一日止年度，第1級、第2級及第3級間概無重大轉讓。

3.4.2 不按公允值計量的金融資產及負債

於二零一四年及二零一三年十二月三十一日，由於本集團並非按公允值計量的金融資產及負債的到期日較短，故其公允值與其賬面值並無重大差異。

應收代理結餘及其他應收款項包括應付本集團的用於結付交易的合約款項及其他責任。

客戶結餘指在一般日常業務過程中就客戶交易活動收取彼等之押金存款。其賬面值為公允值的合理約數。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value of financial assets and liabilities (continued)

3.4.3 Offsetting financial assets and financial liabilities

(a) Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements and similar agreements.

As at 31 December 2014

3 金融風險管理 (續)

3.4 金融資產及負債的公允值 (續)

3.4.3 對銷金融資產及金融負債

(a) 金融資產

以下金融資產受抵銷、可強制執行統一淨額結算安排及類似協議規限。

於二零一四年十二月三十一日

| | | Gross amounts of recognized financial liabilities set off in the balance sheet | | Net amounts of financial assets presented in the balance sheet | | Related amounts not set off in the balance sheet 並未於資產負債表抵銷的相關款項 | | | |
|----------------------------------|--------|--|--|--|--------------------------|---|--------|--|--|
| | | Gross amounts of recognized financial assets | Gross amounts of recognized financial liabilities set off in the balance sheet | Financial Instruments | Cash collateral received | Net Amount | | | |
| | | 已確認 金融資產總額 | 已確認 金融負債總額 | 金融工具 | 已收 現金抵押品 | 淨額 | | | |
| | | 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 | | | |
| Derivative financial instruments | 衍生金融工具 | 63,881 | (8,337) | 55,544 | - | - | 55,544 | | |
| Total | 總計 | 63,881 | (8,337) | 55,544 | - | - | 55,544 | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value of financial assets and liabilities (continued)

3.4.3 Offsetting financial assets and financial liabilities (continued)

(a) Financial assets (continued)

As at 31 December 2013

3 金融風險管理 (續)

3.4 金融資產及負債的公允值 (續)

3.4.3 對銷金融資產及金融負債 (續)

(a) 金融資產 (續)

於二零一三年十二月三十一日

Related amounts not set off in the balance sheet 並未於資產負債表抵銷的相關款項

| | Gross amounts of financial assets recognised | Gross amounts of financial liabilities set off in the balance sheet | Net amounts of financial assets presented in the balance sheet | Financial Instruments | Cash collateral received | Net Amount |
|----------------------------------|--|---|--|-----------------------|--------------------------|------------|
| | 於資產負債表內已確認的金融資產總額 | 於資產負債表內抵銷已確認的金融負債總額 | 資產負債表內所呈列的金融資產淨額 | 金融工具 | 已收現金抵押品 | 淨額 |
| | 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 |
| Derivative financial instruments | 67,549 | (10,955) | 56,594 | - | - | 56,594 |
| Total | 67,549 | (10,955) | 56,594 | - | - | 56,594 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value of financial assets and liabilities (continued)

3.4.3 Offsetting financial assets and financial liabilities (continued)

(b) Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements.

As at 31 December 2014

3 金融風險管理 (續)

3.4 金融資產及負債的公允值 (續)

3.4.3 對銷金融資產及金融負債 (續)

(b) 金融負債

以下金融負債受抵銷、可強制執行統一淨額結算安排及類似協議規限。

於二零一四年十二月三十一日

| | | Gross amounts of recognized financial liabilities | | Net amounts of financial liabilities | Related amounts not set off in the balance sheet 並未於資產負債表抵銷的相關款項 | | Net Amount |
|----------------------------------|--------|---|------------------------------|--------------------------------------|---|-------------------------|------------|
| | | Gross amounts of recognized financial liabilities | set off in the balance sheet | in the balance sheet | Financial Instruments | Cash collateral pledged | |
| | | 已確認金融負債總額 | 內抵銷已確認金融負債總額 | 所呈列的金融負債淨額 | 金融工具 | 已抵押現金抵押品 | 淨額 |
| | | 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 |
| Derivative financial instruments | 衍生金融工具 | (9,576) | 4,914 | (4,662) | - | - | (4,662) |
| Total | 總計 | (9,576) | 4,914 | (4,662) | - | - | (4,662) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.4 Fair value of financial assets and liabilities (continued)

3.4.3 Offsetting financial assets and financial liabilities (continued)

(b) Financial liabilities (continued)

As at 31 December 2013

3 金融風險管理 (續)

3.4 金融資產及負債的公允值 (續)

3.4.3 對銷金融資產及金融負債 (續)

(b) 金融負債 (續)

於二零一三年十二月三十一日

Related amounts not set off in the balance sheet
並未於資產負債表抵銷的相關款項

| | Gross amounts of financial liabilities recognised | Gross amounts of financial liabilities set off in the balance sheet | Net amounts of financial liabilities presented in the balance sheet | Financial Instruments | Cash collateral pledged | Net Amount |
|----------------------------------|---|---|---|-----------------------|-------------------------|-----------------|
| | 於資產負債表已確認 金融負債總額 | 於資產負債表內抵銷已確認 金融負債總額 | 資產負債表內所呈列的 金融負債淨額 | 金融工具 | 已抵押 現金抵押品 | 淨額 |
| | 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 |
| Derivative financial instruments | (11,422) | 8,843 | (2,579) | - | - | (2,579) |
| Total | (11,422) | 8,843 | (2,579) | - | - | (2,579) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.5 Financial instruments by category

All the financial assets and financial liabilities (including cash and bank balances, client trust bank balances, balance due from/to agents, other assets, amounts due from/to ultimate holding company, amounts due from/to fellow subsidiaries, client balances, balances due to banks, other payables and finance lease obligation) in the consolidated balance sheets are carried at amortised cost using the effective interest method as “loans and receivables” and “other financial liabilities at amortised cost” except for the derivative financial instruments and financial assets at fair value through profit or loss which are carried at fair value.

3.6 Capital management

The Group's objectives when managing capital, which is a broader concept than the “equity” on the face of balance sheet, are:

- To comply with the liquid capital requirements under the Securities and Futures Commission in Hong Kong, Australian Securities and Investments Commission in Australia and the Securities Commission in New Zealand for its subsidiaries which are licensed corporations;
- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders;
- To support the Group's stability and growth; and
- To maintain a strong capital base to support the development of its business.

3 金融風險管理 (續)

3.5 按分類計量的金融工具

綜合資產負債表內的全部金融資產及金融負債(包括現金及銀行結餘、客戶信託銀行結餘、應收／應付代理結餘、其他資產、應收／應付最終控股公司款項、應收／應付同系附屬公司款項、客戶結餘、應付銀行結餘、其他應付款項及融資租賃承擔)按攤銷成本以實際利率法入賬列為「貸款及應收款項」及「按攤銷成本計量的其他金融負債」,惟以公允值入賬的衍生金融工具及按公允值計入損益的金融資產除外。

3.6 資本管理

本集團資本(概念較資產負債表的「權益」更為廣闊)管理的目標,即:

- 就屬持牌法團的附屬公司而言,符合香港證券及期貨事務監察委員會、澳洲的澳洲證券與投資管理委員會及紐西蘭證券委員會的流動資金規定;
- 保障本集團的持續經營能力,以繼續為股東及其他利益相關者提供回報及利益;
- 支持本集團的穩定及發展;及
- 維持穩固的資本基礎,以支持其業務發展。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3 FINANCIAL RISK MANAGEMENT (continued)

3.6 Capital management (continued)

The Group's gearing ratio at the balance sheet date is shown below:

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---------------|------|----------------------------------|----------------------------------|
| Total debt | 總債務 | 602 | 483 |
| Total equity | 權益總值 | 392,723 | 382,099 |
| Gearing ratio | 負債比率 | 0.15% | 0.13% |

Total debt includes finance lease obligation, amounts due to fellow subsidiaries and amounts due to ultimate holding company.

All licensed corporations within the Group complied with their required liquid capital during the years ended 2014 and 2013.

3 金融風險管理 (續)

3.6 資本管理 (續)

本集團於結算日的負債比率如下：

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---------------|------|----------------------------------|----------------------------------|
| Total debt | 總債務 | 602 | 483 |
| Total equity | 權益總值 | 392,723 | 382,099 |
| Gearing ratio | 負債比率 | 0.15% | 0.13% |

債務總額包括融資租賃承擔、應付同系附屬公司款項及應付最終控股公司款項。

於截至二零一四年及二零一三年止年度，本集團的所有持牌法團已遵守其流動資金規定。

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.

4.1 Critical accounting estimates and assumptions

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 addressed below.

4 重要會計估計及判斷

估計及判斷經反覆評估，並以過往經驗及其他因素為基礎，包括在現實情況下相信對未來事件的合理預期。

4.1 重要會計估計及假設

本集團會就未來作出估計及假設。由此產生之會計估計顯然很少與相關實際結果相符。存在於下一財政年度對資產及負債之賬面值作出重大調整之重大風險之估計及假設將於下文解決。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

4.1 Critical accounting estimates and assumptions *(continued)*

(a) Fair value of share options

The Group determines the fair value of share options at the date at which they are granted with reference to the fair value estimated under a valuation model which are commonly used in the market. The assumptions used in computing the fair value of the share options are subject to managements' best estimation. Changes in assumptions about these assumptions could affect reported fair value of share options. Managements use their judgment to make assumptions that are mainly reference to the historical data of comparable listed companies.

More details of the assumptions made are included in Note 24 to the consolidated financial statements.

4.2 Critical judgements in applying the Group's accounting policies

Management of the Group has not come across any significant areas where critical accounting judgements are to be made.

4 重要會計估計及判斷 (續)

4.1 重要會計估計及假設 (續)

(a) 購股權之公允值

本集團於授出日期參考根據市場通常使用之估值模式估計之公允值釐定購股權之公允值。計算購股權之公允值所用之假設須由管理層作出最佳估計。就該等假設產生之假設變動可能影響購股權所呈報之公允值。管理層運用其判斷，並要參考可資比較上市公司之歷史數據作出假設。

有關所作出假設之更多詳情載於綜合財務報表附註24。

4.2 應用本集團之會計政策時作出之重要判斷

本集團管理層尚未就任何重大方面作出重要會計判斷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors. The Group's operating businesses are structured and managed separately according to the nature of their operations and the services they provide. Each of the Group's business segments represents a strategic business unit that offers services which are subject to risks and returns that are different from those of the other business segments. The Board of Directors considers the business from a geographical and product perspective.

Summary details of the business segments are as follows:

- (a) the margin dealing segments engage in the provision of leveraged foreign exchange and other trading services in Hong Kong and New Zealand;
- (b) the unleveraged cash dealing segment engages in the provision of non-leveraged foreign exchange trading services in New Zealand. Unleveraged cash dealing services were provided to corporate clients, in particular, those clients engaged in money changing business for the purpose of hedging their cash positions and meeting settlement obligations. The Group is rewarded by the spread between the price quoted to our clients and the price offered by our market makers; and
- (c) the investment sales segments engage in provision of sale and marketing functions to clients in New Zealand and Australia.

Inter-segment transactions, if any, are conducted with reference to the prices charged to third parties and there was no change in the basis during the years ended 31 December 2014 and 2013.

5 分部報告

經營分部的報告方式與向董事會提供的內部報告一致。本集團的經營業務乃按其營運性質及所提供服務分開組織及管理。本集團旗下各業務分部均為提供服務的策略業務單位，其服務所承受風險及回報有別於其他業務分部。董事會從地區及產品角度考慮業務。

有關業務分部的詳情概述如下：

- (a) 保證金交易分部從事於香港及紐西蘭提供槓桿式外匯及其他交易服務；
- (b) 非槓桿式現金交易分部從事於紐西蘭提供非槓桿式外匯交易服務。本集團向公司客戶提供非槓桿式現金交易服務，尤其是該等為對沖彼等現金頭寸及履行結算責任而參與貨幣兌換業務的客戶。本集團從給予客戶的報價與本集團市場莊家提供的價格中賺取差價；及
- (c) 投資銷售分部從事向紐西蘭及澳洲客戶提供銷售及市場推廣業務。

各分部間的交易（如有）乃參照向第三方收取的價格而進行，有關基準於截至二零一四年及二零一三年十二月三十一日止年度並無變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT REPORTING (continued)

The segment information provided to the management for the reportable segments for the years ended 31 December 2014 and 2013 is as follows:

For the year ended 31 December 2014

5 分部報告 (續)

截至二零一四年及二零一三年十二月三十一日止年度，就可報告分部向管理層提供的分部資料如下：

截至二零一四年十二月三十一日止年度

| | | New Zealand | Hong Kong | New Zealand | New Zealand | New Australia | Unallocated | Elimination | Total |
|--|------------------|-------------------|-------------------|-----------------|---------------------|---------------------|-------------|-------------|----------|
| | | Margin dealing | Margin dealing | Cash dealing | Investment sales | Investment sales | | | |
| | | 紐西蘭 保證金交易 | 香港 保證金交易 | 紐西蘭 現金交易 | 紐西蘭 投資銷售 | 澳洲 投資銷售 | 未分配 | 對銷 | 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 |
| Segment revenue and other income: | 分部收益及其他收入： | | | | | | | | |
| Foreign exchange and other trading income earned from external customers | 來自外部客戶的外匯及其他交易收入 | 144,214 | (7) | 16,636 | - | - | - | - | 160,843 |
| Inter-segment sales | 分部間銷售 | - | 45,657 | - | 6,687 | 16,311 | - | (68,655) | - |
| Segment revenue | 分部收益 | 144,214 | 45,650 | 16,636 | 6,687 | 16,311 | - | (68,655) | 160,843 |
| Other income | 其他收入 | 21,237 | - | 46 | 55 | 306 | 6,147 | - | 27,791 |
| Total revenue and other income | 收益及其他收入總額 | 165,451 | 45,650 | 16,682 | 6,742 | 16,617 | 6,147 | (68,655) | 188,634 |
| Segment profit/(loss) | 分部溢利/(虧損) | 30,295 | 38,914 | 15,516 | (1,575) | 11,824 | 6,147 | | 101,121 |
| Other staff costs | 其他員工成本 | | | | | | | | (19,552) |
| Other unallocated administrative and operating expenses | 其他未分配行政及經營開支 | | | | | | | | (33,872) |
| Profit before tax | 除稅前溢利 | | | | | | | | 47,697 |
| Income tax expense | 所得稅開支 | | | | | | | | (12,616) |
| Profit for the year | 年度溢利 | | | | | | | | 35,081 |
| Other segment information: | 其他分部資料： | | | | | | | | |
| Depreciation and amortisation | 折舊及攤銷 | 115 | 264 | 57 | 161 | 133 | 2,408 | | 3,138 |
| Finance cost | 融資成本 | 18 | - | - | - | 2 | - | | 20 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT REPORTING (continued)

For the year ended 31 December 2013

5 分部報告 (續)

截至二零一三年十二月三十一日止年度

| | | New Zealand | Hong Kong | New Zealand | New Zealand | Australia | Unallocated | Elimination | Total |
|--|------------------|-------------|-----------|-------------|-------------|------------|-------------|-------------|----------|
| | | Zealand | Marging | Cash | Investment | Investment | | | |
| | | dealing | dealing | dealing | sales | sales | | | |
| | | 紐西蘭 | 香港 | 紐西蘭 | 紐西蘭 | 澳洲 | | | |
| | | 保證金交易 | 保證金交易 | 現金交易 | 投資銷售 | 投資銷售 | 未分配 | 對銷 | 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 |
| Segment revenue and other income: | 分部收益及其他收入： | | | | | | | | |
| Foreign exchange and other trading income earned from external customers | 來自外部客戶的外匯及其他交易收入 | 135,549 | (6) | 11,505 | - | - | - | - | 147,048 |
| Inter-segment sales | 分部間銷售 | - | 27,069 | - | 4,833 | 7,104 | - | (39,006) | - |
| Segment revenue | 分部收益 | 135,549 | 27,063 | 11,505 | 4,833 | 7,104 | - | (39,006) | 147,048 |
| Other income | 其他收入 | 24,903 | - | 108 | 67 | 14 | 4,579 | - | 29,671 |
| Total revenue and other income | 收益及其他收入總額 | 160,452 | 27,063 | 11,613 | 4,900 | 7,118 | 4,579 | (39,006) | 176,719 |
| Segment profit/(loss) | 分部溢利/(虧損) | 52,080 | 21,309 | 6,169 | (4,058) | (4,565) | 4,579 | | 75,514 |
| Other staff costs | 其他員工成本 | | | | | | | | (17,323) |
| Other unallocated administrative and operating expenses | 其他未分配行政及經營開支 | | | | | | | | (8,061) |
| Profit before tax | 除稅前溢利 | | | | | | | | 50,130 |
| Income tax expense | 所得稅開支 | | | | | | | | (15,356) |
| Profit for the year | 年度溢利 | | | | | | | | 34,774 |
| Other segment information: | 其他分部資料： | | | | | | | | |
| Depreciation and amortisation | 折舊及攤銷 | 83 | 319 | 49 | 83 | 471 | 1,545 | | 2,550 |
| Finance cost | 融資成本 | 100 | - | 7 | - | - | 16 | | 123 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5 SEGMENT REPORTING (continued)

The Company is domiciled in Hong Kong. The entire Group's income from external customers is derived from its operations in New Zealand.

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-------------|-----|----------------------------------|----------------------------------|
| New Zealand | 紐西蘭 | 160,843 | 147,048 |

The locations of its non-current assets (excluding deferred tax assets) are as follows:

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-------------|-----|----------------------------------|----------------------------------|
| Hong Kong | 香港 | 3,651 | 4,365 |
| New Zealand | 紐西蘭 | 6,064 | 1,579 |
| Australia | 澳洲 | 2,430 | 614 |
| | | 12,145 | 6,558 |

None of the external customers contributes more than 10% of the Group's trading income individually in the respective years.

Information on segment assets and liabilities are not disclosed as this information is not presented to the Board of Directors as they do not assess performance of reportable segments using information on assets and liabilities.

5 分部報告 (續)

本公司駐於香港。本集團來自外部客戶的收入全部來自其於紐西蘭的經營業務。

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-------------|-----|----------------------------------|----------------------------------|
| New Zealand | 紐西蘭 | 160,843 | 147,048 |

其非流動資產(不包括遞延稅項資產)分佈如下:

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-------------|-----|----------------------------------|----------------------------------|
| Hong Kong | 香港 | 3,651 | 4,365 |
| New Zealand | 紐西蘭 | 6,064 | 1,579 |
| Australia | 澳洲 | 2,430 | 614 |
| | | 12,145 | 6,558 |

概無外部客戶單獨佔各年度本集團交易收入的10%以上。

由於董事會並無使用有關資產及負債的資料評估可報告分部的表現，故有關資料並無呈報予董事會，因而並無披露有關分部資產及負債的資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6 OTHER INCOME

6 其他收入

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|------------------------|----------------------------------|----------------------------------|
| Provision of management services (Note 27(a)(i)) | 提供管理服務 (附註27(a)(i)) | 2,019 | 2,508 |
| Fees and commission income | 費用及佣金收入 | 23,686 | 26,499 |
| Interest income | 利息收入 | 1,811 | 1,525 |
| Exchange gain/(losses), net | 匯兌收益/(虧損), 淨額 | 22 | (1,371) |
| Gain on disposal of fixed assets | 出售固定資產的收益 | - | 19 |
| Others | 其他 | 253 | 491 |
| | | 27,791 | 29,671 |

7 STAFF COSTS

7 員工成本

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|-------------------------|----------------------------------|----------------------------------|
| Staff costs (including directors' remuneration (Note 25)): | 員工成本(包括董事薪酬 (附註25)): | | |
| Salaries and allowances | 工資及津貼 | 31,300 | 29,978 |
| Pension scheme contributions | 退休金計劃供款 | 906 | 841 |
| Staff option expenses (Note 24) | 員工購股權開支(附註24) | 4,339 | - |
| | | 36,545 | 30,819 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

8 ADMINISTRATIVE AND OTHER OPERATING EXPENSES 8 行政及其他經營開支

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|--------------------------------|----------------------------------|----------------------------------|
| Management fees paid to ultimate holding company (Note 27(a)(ii)) | 支付予最終控股公司的管理費 (附註27(a)(ii)) | 799 | 661 |
| Management fees paid to fellow subsidiaries (Note 27(a)(ii)) | 支付予同系附屬公司的管理費 (附註27(a)(ii)) | 361 | 328 |
| Other office occupation expenses | 其他寫字樓租用開支 | 1,619 | 1,618 |
| Auditor's remuneration | 核數師酬金 | 2,648 | 2,150 |
| Information services expenses | 資訊服務開支 | 3,024 | 3,251 |
| Professional and consultancy fee | 專業及諮詢費 | 8,656 | 8,109 |
| Repair and maintenance (including system maintenance) | 維修及維護 (包括系統維護) | 698 | 598 |
| Marketing, advertising and promotion expenses | 市場推廣、廣告及宣傳開支 | 7,807 | 4,424 |
| Travelling expenses | 差旅費 | 2,892 | 2,412 |
| Entertainment expenses | 交際應酬費 | 1,089 | 1,009 |
| Insurance | 保險 | 653 | 541 |
| Others | 其他 | 3,399 | 4,355 |
| | | 33,645 | 29,456 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit during the year. Taxation on overseas profits has been calculated on the estimated assessable profit during the year at the rates of taxation prevailing in the countries in which the Group operates. The income tax expenses of the Group are charged at a tax rate of 28% in New Zealand and 30% in Australia in accordance with the local tax authorities.

9 所得稅開支

香港利得稅乃按年內的估計應課稅溢利以16.5%的稅率計提撥備。海外溢利的稅項已按本年度估計應課稅溢利以本集團經營所在國家通行的稅率計算。根據當地稅務機關，本集團於紐西蘭及澳洲的所得稅開支分別按28%及30%的稅率計算。

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-------------------------------|-------------|----------------------------------|----------------------------------|
| Current tax: | 即期稅項： | | |
| Charge for the year | 年度扣除 | 12,947 | 15,412 |
| Over-provision in prior year | 去年超額撥備 | (20) | (30) |
| Others | 其他 | 301 | - |
| Deferred tax: | 遞延稅項： | | |
| Charge for the year (Note 19) | 年度扣除 (附註19) | (612) | (26) |
| Income tax expense | 所得稅開支 | 12,616 | 15,356 |

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|--------------|----------------------------------|----------------------------------|
| Profit before income tax | 除所得稅前溢利 | 47,697 | 50,130 |
| Tax at the Hong Kong statutory tax rate | 按香港法定稅率計算的稅項 | 7,870 | 8,271 |
| Effect of different taxation rates in other countries | 其他國家不同稅率的影響 | 3,464 | 5,835 |
| Income not subject to tax | 無須課稅收入 | (16,164) | (17,883) |
| Expenses not deductible for tax | 不可扣稅開支 | 16,243 | 19,131 |
| Temporary differences not recognised | 未確認暫時性差額 | 1,217 | 32 |
| Utilization of previously unrecognised tax losses | 動用先前未確認的稅項虧損 | (295) | - |
| Over-provision in prior year | 去年超額撥備 | (20) | (30) |
| Others | 其他 | 301 | - |
| Income tax expense | 所得稅開支 | 12,616 | 15,356 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10 DIVIDENDS

On 21 May 2013 and 3 June 2013, the Company declared a special dividend of HK\$1 and HK\$0.6 per ordinary share based on the outstanding shares at the respective dates of the shareholders meetings. The total special dividends of HK\$16,000,000 were paid to the then shareholders out of share premium.

The Board of the Company resolved to declare a third quarterly dividend of HK0.675 cents per ordinary share in 2013. A total of HK\$13,500,000 was paid to the then shareholders.

On 5 May 2014, a final dividend in respect of the year ended 31 December 2013 of HK0.5 cents per ordinary share was approved by the Company's shareholders. The dividend of HK\$10,000,000 was paid to the then shareholders of the Company.

On 10 November 2014, the Board approved the payment of an interim dividend of 2014 of HK0.675 cents per ordinary share, amounting to a total dividend of HK\$13,500,000. The payment was made to the then shareholders of the Company on 26 November 2014.

A final dividend in respect of the year ended 31 December 2014 of HK1.075 cents per ordinary share, amounting to a total dividend of HK\$21,500,000 is recommended by the Directors at the meeting of the Board of Directors held on 31 March 2015. These financial statements do not reflect this dividend payable.

The proposed final dividend for the year ended 31 December 2014 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting to be held on Wednesday, 6 May 2015.

10 股息

於二零一三年五月二十一日及二零一三年六月三日，本公司分別宣派每股普通股1港元及0.6港元的特別股息，乃按股東大會各自日期的發行在外股份予以釐定。本公司已向時任股東派付股份溢價中總額16,000,000港元的特別股息。

本公司董事會議決宣派二零一三年第三季度股息每股普通股0.675港仙。已向時任股東派付總額13,500,000港元。

於二零一四年五月五日，截至二零一三年十二月三十一日止年度的末期股息每股普通股0.5港仙獲本公司股東批准。本公司已向本公司股東支付股息10,000,000港元。

於二零一四年十一月十日，董事會批准派付二零一四年的每股普通股0.675港仙的中期股息，股息總額為13,500,000港元。本公司已於二零一四年十一月二十六日向本公司時任股東支付股息。

於二零一五年三月三十一日舉行之董事會會議上建議派付截至二零一四年十二月三十一日止年度的末期股息每股普通股1.075港仙（總股息為數21,500,000港元）。此等財務報表尚未反映是項應付股息。

截至二零一四年十二月三十一日止年度之建議末期股息須於二零一五年五月六日（星期三）舉行之應屆股東週年大會上獲得本公司股東批准。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

11 每股盈利

(a) 每股基本盈利

每股基本盈利按本公司股權持有人應佔溢利除以於本年度已發行普通股的加權平均數計算。

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|--------------|----------------------------------|----------------------------------|
| Profit attributable to equity holders of the Company | 本公司股權持有人應佔溢利 | 35,081 | 34,774 |
| Weighted average number of ordinary shares in issue | 已發行普通股的加權平均數 | 2,000,000,000 | 1,827,857,164 |
| Basic earnings per share (HK cents) | 每股基本盈利 (港仙) | 1.75 | 1.90 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11 EARNINGS PER SHARE (continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit for the year attributable to equity holders of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares under the share option scheme into ordinary shares.

11 每股盈利 (續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據年內本公司股權持有人應佔溢利計算。用作計算普通股加權平均數為年內之已發行普通股數目，加上假設對根據購股權計劃被視為行使或轉換所有具攤薄影響的潛在普通股為普通股而不收代價發行的普通股加權平均數。

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|------------------|----------------------------------|----------------------------------|
| Profit attributable to equity holders of the Company | 本公司股權持有人應佔溢利 | 35,081 | 34,774 |
| Weighted average number of ordinary shares in issue | 已發行普通股的加權平均數 | 2,000,000,000 | 1,827,857,164 |
| Adjustments for share options | 購股權調整 | 4,798,894 | - |
| Weighted average number of shares for the purpose of calculating diluted earnings per share | 計算每股攤薄盈利的股份加權平均數 | 2,004,798,894 | 1,827,857,164 |
| Diluted earnings per share (HK cents) | 每股攤薄盈利 (港仙) | 1.75 | 1.90 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12 PROPERTY, PLANT AND EQUIPMENT

12 物業、廠房及設備

| | | Furniture, fixtures and equipment 傢俱、 裝置及設備 HK\$'000 千港元 | Computer equipment 電腦設備 HK\$'000 千港元 | Leasehold improvements 租賃裝修 HK\$'000 千港元 | Motor vehicles 汽車 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-----------------------|--|--|--|--|--------------------------------|
| As at 1 January 2013 | 於二零一三年一月一日 | | | | | |
| Cost | 成本 | 8,285 | 9,065 | 8,631 | 2,420 | 28,401 |
| Accumulated depreciation | 累計折舊 | (6,975) | (8,298) | (5,731) | (1,503) | (22,507) |
| Net carrying amount | 賬面淨值 | 1,310 | 767 | 2,900 | 917 | 5,894 |
| For the year ended 31 December 2013 | 截至二零一三年 十二月三十一日止年度 | | | | | |
| Opening net carrying amount | 年初賬面淨值 | 1,310 | 767 | 2,900 | 917 | 5,894 |
| Exchange adjustments | 匯兌調整 | (12) | (10) | (19) | (32) | (73) |
| Additions | 添置 | 740 | 994 | 231 | 946 | 2,911 |
| Depreciation | 折舊 | (502) | (422) | (1,192) | (315) | (2,431) |
| Closing net carrying amount | 年末賬面淨值 | 1,536 | 1,329 | 1,920 | 1,516 | 6,301 |
| As at 31 December 2013 | 於二零一三年 十二月三十一日 | | | | | |
| Cost | 成本 | 8,577 | 9,366 | 8,484 | 3,061 | 29,488 |
| Accumulated depreciation | 累計折舊 | (7,041) | (8,037) | (6,564) | (1,545) | (23,187) |
| Net carrying amount | 賬面淨值 | 1,536 | 1,329 | 1,920 | 1,516 | 6,301 |
| For the year ended 31 December 2014 | 截至二零一四年 十二月三十一日止年度 | | | | | |
| Opening net carrying amount | 年初賬面淨值 | 1,536 | 1,329 | 1,920 | 1,516 | 6,301 |
| Exchange adjustments | 匯兌調整 | (29) | 9 | 4 | (37) | (53) |
| Additions | 添置 | 456 | 1,665 | 1,285 | - | 3,406 |
| Depreciation | 折舊 | (537) | (715) | (943) | (397) | (2,592) |
| Closing net carrying amount | 年末賬面淨值 | 1,426 | 2,288 | 2,266 | 1,082 | 7,062 |
| As at 31 December 2014 | 於二零一四年 十二月三十一日 | | | | | |
| Cost | 成本 | 8,632 | 10,620 | 9,330 | 2,937 | 31,519 |
| Accumulated depreciation | 累計折舊 | (7,206) | (8,332) | (7,064) | (1,855) | (24,457) |
| Net carrying amount | 賬面淨值 | 1,426 | 2,288 | 2,266 | 1,082 | 7,062 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

13 INTANGIBLE ASSETS

13 無形資產

**Computer
software**
電腦軟件
HK\$'000
千港元

| | | |
|-------------------------------------|-------------------|----------------|
| As at 1 January 2013 | 於二零一三年一月一日 | |
| Cost | 成本 | 6,636 |
| Accumulated amortisation | 累計攤銷 | (6,307) |
| Net carrying amount | 賬面淨值 | 329 |
| For the year ended 31 December 2013 | 截至二零一三年十二月三十一日止年度 | |
| Opening net carrying amount | 年初賬面淨值 | 329 |
| Exchange adjustments | 匯兌調整 | 1 |
| Additions | 添置 | 46 |
| Amortisation | 攤銷 | (119) |
| Closing net carrying amount | 年末賬面淨值 | 257 |
| As at 31 December 2013 | 於二零一三年十二月三十一日 | |
| Cost | 成本 | 6,522 |
| Accumulated amortisation | 累計攤銷 | (6,265) |
| Net carrying amount | 賬面淨值 | 257 |
| For the year ended 31 December 2014 | 截至二零一四年十二月三十一日止年度 | |
| Opening net carrying amount | 年初賬面淨值 | 257 |
| Exchange adjustments | 匯兌調整 | 22 |
| Additions | 添置 | 5,350 |
| Amortisation | 攤銷 | (546) |
| Closing net carrying amount | 年末賬面淨值 | 5,083 |
| As at 31 December 2014 | 於二零一四年十二月三十一日 | |
| Cost | 成本 | 11,610 |
| Accumulated amortisation | 累計攤銷 | (6,527) |
| Net carrying amount | 賬面淨值 | 5,083 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14 OTHER ASSETS AND PREPAYMENTS

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---------------------------------------|----------------|----------------------------------|----------------------------------|
| Rental, utility and other receivables | 租金、公用設施及其他應收款項 | 2,817 | 3,167 |
| Prepayments | 預付款項 | 1,321 | 1,553 |
| Others | 其他 | 2,452 | 253 |
| Total | 總計 | 6,590 | 4,973 |

The carrying amounts of the Group's other assets approximate to their fair values.

本集團其他資產的賬面值與其公允值相若。

15 DERIVATIVE FINANCIAL INSTRUMENTS

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---------------------------------------|-------------|----------------------------------|----------------------------------|
| Current assets | 流動資產 | | |
| Derivative foreign exchange contracts | 衍生外匯合約 | 55,544 | 56,594 |
| Current liabilities | 流動負債 | | |
| Derivative foreign exchange contracts | 衍生外匯合約 | (4,662) | (2,579) |
| Total | 總計 | 50,882 | 54,015 |

The Group has trades in foreign currencies through its foreign currency margin trading business. In order to protect against exchange rate movements, the Group has entered into a number of foreign exchange and forward transactions with the Group's bankers to manage its net foreign currency exposure.

本集團透過其外幣保證金交易業務進行外幣交易。為保障本集團不受匯率波動影響，本集團與其往來銀行訂立多項外匯及遠期交易以管理其外幣風險淨額。

The notional principal amounts of the outstanding forward foreign exchange contracts at 31 December 2014 and 2013 are HK\$2,458,651,000 and HK\$2,584,207,000 respectively.

於二零一四年及二零一三年十二月三十一日，尚未平倉遠期外匯合約的名義本金額分別為2,458,651,000港元及2,584,207,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

16 BALANCES DUE FROM AGENTS

16 應收代理結餘

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---------------------|--------|----------------------------------|----------------------------------|
| Balances due from: | 應收結餘： | | |
| – securities agents | – 證券代理 | 12,099 | 16,910 |

The carrying amounts of the Group's balances due from agents approximate to their fair values. The balances due from agents are current in nature and ageing within 30 days.

本集團應收代理結餘的賬面值與其公允值相若。應收代理結餘屬流動性質，賬齡為30天以內。

17 CASH AND BANK BALANCES AND CLIENT TRUST BANK BALANCES

17 現金及銀行結餘以及客戶信託銀行結餘

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|----------------------------|----------|----------------------------------|----------------------------------|
| Cash and bank balances | 現金及銀行結餘 | 318,649 | 201,926 |
| Fixed deposits with banks | 銀行定期存款 | 70,570 | 157,046 |
| Client trust bank balances | 客戶信託銀行結餘 | 149,966 | 124,908 |
| | | 539,185 | 483,880 |

The Group maintains trust and segregated accounts with authorised financial institutions to hold clients' deposits arising from normal business transactions. The Group is not allowed to use the clients' monies to settle its own obligations in the ordinary course of business, and therefore they are not included as cash and cash equivalents in the statement of cash flows.

本集團於獲授權金融機構持有信託及獨立賬戶，以保管客戶來自一般業務交易的存款。本集團不可動用客戶的資金清償其自身於日常業務過程中的債務，因此該等款項並無計入現金流量表中列作現金及現金等價物。

As at 31 December 2014 and 2013, fixed deposits of HK\$45,497,000 and HK\$45,101,000 respectively are pledged to banks for banking facilities. No overdraft facility was utilised by the Group as at 31 December 2014 and 2013. No bank deposits are collateral deposits by the Group placed with market makers as at 31 December 2014 (2013: HK\$3,196,000).

於二零一四年及二零一三年十二月三十一日，45,497,000港元及45,101,000港元的定期存款分別就銀行信貸抵押予銀行。於二零一四年及二零一三年十二月三十一日，本集團概無動用任何透支額。於二零一四年十二月三十一日，概無銀行存款為本集團於市場莊家存置的抵押存款（二零一三年：3,196,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17 CASH AND BANK BALANCES AND CLIENT TRUST BANK BALANCES (continued)

For the purposes of the consolidated cash flow statements, cash and cash equivalents comprises of the following:

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|------------------|----------------------------------|----------------------------------|
| Cash and bank balances | 現金及銀行結餘 | 318,649 | 201,926 |
| Fixed deposits with bank with original maturity within three months | 原訂於三個月內到期的銀行定期存款 | 25,073 | 108,749 |
| | | 343,722 | 310,675 |

17 現金及銀行結餘以及客戶信託銀行結餘 (續)

就綜合現金流量表而言，現金及現金等價物包括以下各項：

18 FINANCE LEASE OBLIGATIONS

Lease liabilities are effectively secured as the rights to the lease asset revert to the lessor in the event of default.

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|-------------|----------------------------------|----------------------------------|
| Gross finance lease liabilities | 融資租賃負債總額 | | |
| – minimum lease payments | – 最低租賃付款 | | |
| Not later than 1 year | 一年內 | 47 | 56 |
| Later than 1 year and no later than 5 years | 一年後及五年內 | 73 | 131 |
| | | 120 | 187 |
| Future finance charges on finance leases | 融資租賃的未來融資開支 | (6) | (16) |
| Present value of finance lease liabilities | 融資租賃負債現值 | 114 | 171 |

18 融資租賃承擔

租賃負債實際上為租賃資產權利的抵押，發生違約事件時，該等權利將轉歸出租人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

18 FINANCE LEASE OBLIGATIONS (continued)

The present value of finance lease liabilities is as follows:

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|---------|----------------------------------|----------------------------------|
| Not later than 1 year | 一年內 | 41 | 45 |
| Later than 1 year and no later than 5 years | 一年後及五年內 | 73 | 126 |
| | | 114 | 171 |

The Group leases various vehicles under non-cancellable finance lease agreements. The lease terms are 3 to 5 years and ownership of the assets lie within the Group.

18 融資租賃承擔 (續)

融資租賃負債現值如下：

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|---------|----------------------------------|----------------------------------|
| Not later than 1 year | 一年內 | 41 | 45 |
| Later than 1 year and no later than 5 years | 一年後及五年內 | 73 | 126 |
| | | 114 | 171 |

本集團根據不可註銷的融資租賃協議出租若干車輛。租賃期為三至五年，而資產所有權歸本集團所有。

19 DEFERRED TAXATION

The major components of deferred tax assets/(liabilities) recorded in the consolidated balance sheet and the movements during the year are as follows:

| | | Employee benefits 僱員福利 HK\$'000 千港元 | Depreciation 折舊 HK\$'000 千港元 | Other temporary differences 其他暫時性差額 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|-------------------|--|---------------------------------------|---|--------------------------------|
| At 1 January 2013 | 於二零一三年一月一日 | 109 | (182) | 329 | 256 |
| Exchange adjustments (Charge)/credit for the year | 匯兌調整 年內(扣除)/計入 | (11) 67 | 13 20 | (20) (61) | (18) 26 |
| At 31 December 2013 | 於二零一三年十二月三十一日 | 165 | (149) | 248 | 264 |
| At 1 January 2014 | 於二零一四年一月一日 | 165 | (149) | 248 | 264 |
| Exchange adjustments Credit for the year | 匯兌調整 年內計入 | (25) 229 | 13 3 | (50) 380 | (62) 612 |
| At 31 December 2014 | 於二零一四年十二月三十一日 | 369 | (133) | 578 | 814 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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19 DEFERRED TAXATION (continued)

Deferred tax assets and liabilities are offset on an individual entity basis when there is a legal right to set off current tax assets against current tax liabilities and when the deferred taxation relates to the same authority. The following amounts, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|-----------------------|----------------------------------|----------------------------------|
| Deferred tax assets to be recovered after more than twelve months | 遞延稅項資產 (超過12個月後收回) | 947 | 413 |
| Deferred tax liabilities to be settled after more than twelve months | 遞延稅項負債 (超過12個月後支付) | (133) | (149) |
| | | 814 | 264 |

Deferred tax assets have not been recognised for the following:

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-------------------|---------|----------------------------------|----------------------------------|
| Unused tax losses | 未動用稅項虧損 | - | 975 |
| | | - | 975 |

19 遞延稅項 (續)

當有法定權利可將即期稅項資產與即期稅項負債抵銷，而遞延稅項涉及同一機構時，則可將個別法人的遞延稅項資產與負債抵銷。於相同稅務司法權區內的金額（並無計及抵銷結餘）列載如下：

並無就以下各項確認遞延稅項資產：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

20 OTHER PAYABLES AND ACCRUED LIABILITIES 20 其他應付款項及應計負債

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|------------------------|------------|----------------------------------|----------------------------------|
| The Group | 本集團 | | |
| Accrued rental benefit | 應計租金利益 | 295 | 648 |
| Accruals | 應計費用 | 4,707 | 4,146 |
| Commission payable | 應付佣金 | 7,385 | 5,038 |
| Employee entitlements | 僱員權益 | 1,862 | 1,604 |
| Deferred income | 遞延收入 | 1,043 | 307 |
| Other payables | 其他應付款項 | 1,866 | 446 |
| | | 17,158 | 12,189 |
| | | | |
| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
| The Company | 本公司 | | |
| Accruals | 應計費用 | 1,729 | 1,414 |
| | | 1,729 | 1,414 |

The carrying amounts of the Group's and the Company's other payables approximate to their fair values.

本集團及本公司其他應付款項的賬面值與其公允值相若。

21 CLIENTS' BALANCES

The balances represent margin deposits received from clients for their trading activities under normal course of business. The carrying amounts approximate to their fair values.

21 客戶結餘

該等結餘指於正常業務過程中進行買賣活動收取客戶的保證金存款。賬面值與其公允值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 SHARE CAPITAL

22 股本

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|--------------------------------|--|----------------------------------|
| Authorised: | 法定： | | |
| 4,000,000,000 ordinary shares of HK\$0.01 each | 4,000,000,000股 每股0.01港元的普通股 | 40,000 | 40,000 |
| Issued and fully paid: | 發行及繳足： | | |
| 2,000,000,000 ordinary shares of HK\$0.01 each | 2,000,000,000股 每股0.01港元的普通股 | 20,000 | 20,000 |

The movements in issued share capital were as follows:

已發行股本變動情況如下：

| | | Number of shares in issue 已發行股份數目 | Issued share capital 已發行股本 HK\$'000 千港元 |
|--|--------------------------------|---|---|
| As at 1 January 2013 | 於二零一三年一月一日 | 10,000,000 | 100 |
| Capitalisation issue (<i>Note (a)</i>) | 資本化發行 (<i>附註(a)</i>) | 1,646,655,000 | 16,467 |
| Placing of new shares (<i>Note (b)</i>) | 配售新股 (<i>附註(b)</i>) | 343,345,000 | 3,433 |
| As at 31 December 2013 and 31 December 2014 | 於二零一三年十二月三十一日及 二零一四年十二月三十一日 | 2,000,000,000 | 20,000 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22 SHARE CAPITAL (continued)

- (a) Pursuant to the written resolution passed by the shareholders on 3 June 2013, the directors were authorised to allot and issue a total of 1,646,655,000 shares by way of capitalisation of the sum of HK\$16,466,550 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 1,646,655,000 shares for allotment and issue to the then shareholders in proportion to their respective shareholdings.
- (b) On 3 July 2013, 343,345,000 shares of HK\$0.01 each of the Company were issued at premium at an issue price of HK\$0.452 each by way of the placing.

23 CAPITAL RESERVE

The balance represents the difference between the book value of the net assets of KVB Kunlun New Zealand Limited, KVB Kunlun Pty Limited and KVB Kunlun International (HK) Limited over the par value of the shares issued by LXL Capital II Limited, LXL Capital III Limited and LXL Capital IV Limited in exchange for these subsidiaries as if the current group structure had been in existence since 1 January 2011.

22 股本 (續)

- (a) 根據股東於二零一三年六月三日通過的書面決議案，董事獲授權將本公司股份溢價賬的進賬額16,466,550港元撥充資本以配發及發行合共1,646,655,000股股份，方法為將該筆款項用於按面值繳足合共1,646,655,000股股份，以按當時股東各自的持股比例向彼等配發及發行有關股份。
- (b) 於二零一三年七月三日，本公司以配售方式按溢價每股0.452港元的發行價發行343,345,000股每股面值0.01港元的股份。

23 資本儲備

該結餘指KVB Kunlun New Zealand Limited、KVB Kunlun Pty Limited及昆倫國際(香港)有限公司資產淨值的賬面值與LXL Capital II Limited、LXL Capital III Limited及LXL Capital IV Limited用以交換該等附屬公司而發行的股份的面值之間的差額，猶如現時集團架構自二零一一年一月一日起一直存在。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 SHARE OPTION SCHEME

On 10 January 2014, the Board of Directors of the Company has granted 40,000,000 share options to 68 individuals for their subscription of new ordinary shares of HK\$0.01 per share of the Company.

These share options are exercisable at HK\$0.414 per share, with varying vesting period and validity from the date of grant. 40 out of 68 of the Grantees are granted share options which are exercisable for a period of three years and a vesting period of one year from the date of grant. 28 remaining Grantees are granted share options which are exercisable for a period of two years from the date of grant, with a vesting period of two years from the date of grant. All of the share options have no vesting condition. Among the 40,000,000 share options granted, 14,920,000 share options were granted to six Directors of the Company.

The Group has no legal or constructive obligation to repurchase or settle the options in cash.

24 購股權計劃

於二零一四年一月十日，本公司董事會向68名人士授出40,000,000份購股權，供彼等認購本公司每股面值0.01港元的新普通股。

該等購股權可按每股0.414港元的價格予以行使，自授出日期起計的歸屬期及有效期有別。68名獲授人中的40名獲授人獲授可於三年期間內行使的購股權，歸屬期自授出日期起計為期一年。餘下28名獲授人獲授可自授出日期起計兩年期間內行使的購股權，歸屬期自授出日期起計為期兩年。所有購股權均無歸屬條件。已授出的40,000,000份購股權中，本公司六名董事獲授14,920,000份購股權。

本集團並無法律或推定責任以現金購回或結算購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 SHARE OPTION SCHEME (continued)

Movements in the number of share options outstanding are as follows:

| Grantee 獲授人 | Date of grant 授出日期 | Outstanding at beginning of the period 於期初尚未行使 | Granted during the period 於期間授出 | Forfeited during the period 於期間被沒收 | Outstanding at end of the period 於期末尚未行使 | Exercise price 行使價 HK\$ 港元 | Exercise period 行使期間 |
|--|------------------------------|---|--|---|---|--|---|
| Liu Stefan 劉欣諾 | 10 January 2014 二零一四年一月十日 | - | 9,520,000 | - | 9,520,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Ng Chee Hung Frederick 吳棋鴻 | 10 January 2014 二零一四年一月十日 | - | 4,000,000 | - | 4,000,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Stephen Gregory McCoy Stephen Gregory McCoy | 10 January 2014 二零一四年一月十日 | - | 800,000 | - | 800,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Zhao Guixin 趙桂馨 | 10 January 2014 二零一四年一月十日 | - | 200,000 | - | 200,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Cornelis Jacobus Keyser Cornelis Jacobus Keyser | 10 January 2014 二零一四年一月十日 | - | 200,000 | - | 200,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Lin Wenhui 林文輝 | 10 January 2014 二零一四年一月十日 | - | 200,000 | - | 200,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Employees of group companies 集團公司僱員 | 10 January 2014 二零一四年一月十日 | - | 19,290,000 | (1,150,000) | 18,140,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Employees of group companies 集團公司僱員 | 10 January 2014 二零一四年一月十日 | - | 2,740,000 | (470,000) | 2,270,000 | 0.414 | 10 January 2016 to 9 January 2018 二零一六年一月十日至 二零一八年一月九日 |
| Consultants 顧問 | 10 January 2014 二零一四年一月十日 | - | 1,200,000 | - | 1,200,000 | 0.414 | 10 January 2015 to 9 January 2018 二零一五年一月十日至 二零一八年一月九日 |
| Consultants 顧問 | 10 January 2014 二零一四年一月十日 | - | 1,850,000 | (100,000) | 1,750,000 | 0.414 | 10 January 2016 to 9 January 2018 二零一六年一月十日至 二零一八年一月九日 |
| | | - | 40,000,000 | (1,720,000) | 38,280,000 | | |

24 購股權計劃 (續)

尚未行使的購股權數目變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24 SHARE OPTION SCHEME (continued)

The Binomial Option Pricing Model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions. Details of the share options granted on 10 January 2014 was as follows:

| | |
|--|---|
| Weighted average share option price at the grant date: | HK\$0.1227 |
| Risk free interest rate: | 1.154% |
| Expected volatility: | 42.92% |
| Expected dividend yield: | 1.96% |
| Expected exercise multiple: | Directors: 2.8x exercise price Others: 2.2x exercise price |

The measurement date of the share options was 10 January 2014, being the date of grant of the share options. The expected dividend yield is determined with reference to historical dividend payment history of comparable listed companies up to the measurement date. The expected volatility of share price is determined with reference to annualised historical weekly volatility of comparable listed companies' share prices as of the valuation date, as extracted from Bloomberg.

24 購股權計劃 (續)

二項式期權定價模式獲採納以估計購股權的公允值。計算購股權公允值所用的變數及假設乃基於董事的最佳估計。購股權價值隨某些主觀假設的變數不同而變化。於二零一四年一月十日授出的購股權的詳情如下：

| | |
|-----------------|--------------------------|
| 於授出日期的加權平均購股權價： | 0.1227港元 |
| 無風險利率： | 1.154% |
| 預期波幅： | 42.92% |
| 預期股息率： | 1.96% |
| 預期行使倍數： | 董事：行使價2.8倍 其他：行使價2.2倍 |

購股權的計量日期為二零一四年一月十日，即授出購股權的日期。預期股息率乃參考可資比較上市公司直至計量日期的過往股息付款記錄而釐定。股價的預期波幅參考摘錄自彭博的可資比較上市公司股價截至評估日期的年度化過往每週波幅而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS 25 董事及高級管理層的酬金

(a) Directors' emoluments

Emoluments paid/payable to the directors of the Company by the Group during the years ended 31 December 2014 and 2013.

For the year ended 31 December 2014

(a) 董事酬金

本集團截至二零一四年及二零一三年十二月三十一日止年度向本公司董事支付／應付的酬金。

截至二零一四年十二月三十一日止年度

| Name of director | 董事姓名 | Employer's | | | | | Total |
|---|---------------------------|-----------------|---------------------------|--------------------------------|------------------------|----------------|--------------|
| | | Director fee | Salary and other benefits | contribution to pension scheme | Dis-cretionary bonuses | Other benefits | |
| | | 董事袍金 | 薪金及其他福利 | 僱主退休金計劃供款 | 酌情花紅 | 其他福利 | 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 |
| Executive Directors: | | 執行董事： | | | | | |
| Mr. Liu Stefan | 劉欣諾先生 | 120 | 365 | 17 | 30 | 240 | 772 |
| Mr. Ng Chee Hung Frederick | 吳棋鴻先生 | 120 | 788 | 17 | 66 | - | 991 |
| Non-executive Directors: | | 非執行董事 | | | | | |
| Mr. Li | 李先生 | 60 | - | - | - | - | 60 |
| Mr. Stephen Gregory McCoy | Stephen Gregory McCoy先生 | 60 | - | - | - | - | 60 |
| Independent Non-executive Directors: | | 獨立非執行董事： | | | | | |
| Ms. Zhao Guixin | 趙桂馨女士 | 120 | - | - | - | - | 120 |
| Mr. Cornelis Jacobus Keyser | Cornelis Jacobus Keyser先生 | 120 | - | - | - | - | 120 |
| Mr. Lin Wenhui | 林文輝先生 | 120 | - | - | - | - | 120 |
| | | 720 | 1,153 | 34 | 96 | 240 | 2,243 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued) 25 董事及高級管理層的酬金 (續)

(a) Directors' emoluments (continued)

For the year ended 31 December 2013

(a) 董事酬金 (續)

截至二零一三年十二月三十一日止年度

| Name of director | 董事姓名 | Director fee | Salary and other benefits | Employer's contribution to pension scheme | Discretionary bonuses | Other benefits | Total |
|---|---------------------------|-----------------|---------------------------|---|-----------------------|----------------|----------|
| | | 董事袍金 | 薪金及其他福利 | 僱主退休金計劃供款 | 酌情花紅 | 其他福利 | 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 |
| Executive Directors: | | 執行董事： | | | | | |
| Mr. Liu Stefan | 劉欣諾先生 | 120 | 374 | 15 | 365 | 240 | 1,114 |
| Mr. Ng Chee Hung Frederick | 吳棋鴻先生 | 120 | 787 | 15 | 393 | - | 1,315 |
| Non-executive Directors: | | 非執行董事： | | | | | |
| Mr. Li | 李先生 | 60 | - | - | - | - | 60 |
| Mr. Stephen Gregory McCoy | Stephen Gregory McCoy先生 | 60 | - | - | 69 | - | 129 |
| Independent Non-executive Directors: | | 獨立非執行董事： | | | | | |
| Ms. Zhao Guixin | 趙桂馨女士 | 120 | - | - | - | - | 120 |
| Mr. Cornelis Jacobus Keyser | Cornelis Jacobus Keyser先生 | 120 | - | - | - | - | 120 |
| Mr. Lin Wenhui | 林文輝先生 | 120 | - | - | - | - | 120 |
| | | 720 | 1,161 | 30 | 827 | 240 | 2,978 |

During the years ended 31 December 2014 and 2013, no directors of the Group waived any emoluments and no emolument was paid to any of the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

截至二零一四年及二零一三年十二月三十一日止年度，概無本集團董事放棄任何酬金，且本集團並無支付酬金予任何董事，作為加入本集團或加入時的獎勵或作為離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25 DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (continued)

25 董事及高級管理層的酬金 (續)

(b) Five highest paid individuals

The five highest paid employees during the years ended 31 December 2014 and 2013 included three and one directors respectively, details of whose remuneration are set out in Note 25(a) above. Details of the remuneration of the remaining non-directors, highest paid employees during the years ended 31 December 2014 and 2013 are as follows:

(b) 五名最高薪人士

截至二零一四年及二零一三年十二月三十一日止年度，五名最高薪僱員分別包括三名及一名董事，其酬金詳情載於上文附註25(a)。其餘非董事最高薪僱員於截至二零一四年及二零一三年十二月三十一日止年度的酬金詳情載列如下：

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|-----------|----------------------------------|----------------------------------|
| Salary and commission | 薪金及佣金 | 1,728 | 3,708 |
| Employer's contribution to pension scheme | 僱主退休金計劃供款 | 34 | 144 |
| Discretionary bonuses | 酌情花紅 | 150 | 676 |
| | | 1,912 | 4,528 |

No emoluments have been paid to these individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2014 and 2013.

截至二零一四年及二零一三年十二月三十一日止年度，概無向該等人士支付酬金作為加入本集團或加入時的獎勵或作為離職補償。

The emoluments of the highest-paid individuals of the Group other than the directors fall within the following bands:

本集團最高薪人士(除董事外)的薪酬屬於以下範疇：

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|----------------------------------|---------------------------|----------------------------------|----------------------------------|
| Emolument bands | 薪酬範疇 | | |
| – HK\$0 to HK\$1,000,000 | – 0港元至1,000,000港元 | 1 | – |
| – HK\$1,000,001 to HK\$1,500,000 | – 1,000,001港元至1,500,000港元 | 1 | 4 |
| – HK\$1,500,001 to HK\$2,000,000 | – 1,500,001港元至2,000,000港元 | – | – |
| – HK\$2,000,001 to HK\$2,500,000 | – 2,000,001港元至2,500,000港元 | – | – |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 INVESTMENT IN A SUBSIDIARY

The Company

26 於一間附屬公司之投資

本公司

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|-------------------|----------------------------------|----------------------------------|
| Investment in a subsidiary | 於一間附屬公司之投資 | | |
| Investments, at cost: | 投資，按成本： | | |
| Unlisted shares | 非上市股份 | 5,265 | 1 |
| Capital contribution relating to share-based payment | 有關以股份為基礎的報酬之資本注資 | 2,844 | - |
| | | 8,109 | 1 |

The capital contribution relating to share based payment relates to options on 23,440,000 shares granted by the company to employees and directors of subsidiary undertakings in the Group. Refer to note 24 to the consolidated financial statements for further details on the Group's share option scheme.

有關以股份為基礎的報酬之資本注資與本公司向僱員及本集團附屬公司層面董事授出的23,440,000股股份之購股權有關。有關本集團購股權計劃之進一步詳情請參閱綜合財務報表附註24。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 INVESTMENT IN A SUBSIDIARY (continued)

As at the date of the report, the Company had direct and indirect interests in the following subsidiaries:

26 於一間附屬公司之投資 (續)

於報告日期，本公司於下列附屬公司擁有直接及間接權益：

| Company name | Place of incorporation and kind of legal entity | Principal activities and place of operation | Issued share capital/Particulars of issued share capital 已發行股本／已發行股本詳情 | Equity interest held 持有的股權 |
|--|--|---|---|-------------------------------|
| 公司名稱 | 註冊成立地點及法律實體類別 | 主要業務及經營地點 | | |
| LXL Capital I Limited ^{Note 1} | British Virgin Island, Limited liability company | Investment holding, British Virgin Island | US\$200 | 100% (direct) |
| LXL Capital I Limited ^{附註1} | 英屬處女群島，有限公司 | 投資控股，英屬處女群島 | 200美元 | 100% (直接) |
| KVB Kunlun New Zealand Limited | New Zealand, Limited liability company | Provision of leveraged foreign exchange services, New Zealand | NZ\$10,862,083 | 100% (indirect) |
| KVB Kunlun New Zealand Limited | 紐西蘭，有限公司 | 提供槓桿式外匯服務，紐西蘭 | 10,862,083紐西蘭元 | 100% (間接) |
| KVB Kunlun Pty Limited | Australia, Limited liability company | Provision of sales service, Australia | AU\$1,800,010 | 100% (indirect) |
| KVB Kunlun Pty Limited | 澳洲，有限公司 | 提供銷售服務，澳洲 | 1,800,010澳元 | 100% (間接) |
| KVB Kunlun International (HK) Limited | Hong Kong, Limited liability company | Provision of management services and leveraged foreign exchange trading services, Hong Kong | 100,000,000 ordinary shares | 100% (indirect) |
| KVB Kunlun International (HK) Limited | 香港，有限公司 | 提供管理服務及槓桿式外匯交易服務，香港 | 100,000,000股普通股 | 100% (間接) |
| LXL Capital II Limited ^{Note 1} | British Virgin Island, Limited liability company | Investment holding, British Virgin Island | US\$100 | 100% (indirect) |
| LXL Capital II Limited ^{附註1} | 英屬處女群島，有限公司 | 投資控股，英屬處女群島 | 100美元 | 100% (間接) |
| LXL Capital III Limited ^{Note 1} | British Virgin Island, Limited liability company | Investment holding, British Virgin Island | US\$200 | 100% (indirect) |
| LXL Capital III Limited ^{附註1} | 英屬處女群島，有限公司 | 投資控股，英屬處女群島 | 200美元 | 100% (間接) |
| LXL Capital IV Limited ^{Note 1} | British Virgin Island, Limited liability company | Investment holding, British Virgin Island | US\$100 | 100% (indirect) |
| LXL Capital IV Limited ^{附註1} | 英屬處女群島，有限公司 | 投資控股，英屬處女群島 | 100美元 | 100% (間接) |
| LXL Capital IX Limited ^{Note 1} | British Virgin Island, Limited liability company | Investment holding, British Virgin Island | US\$100 | 100% (indirect) |
| LXL Capital IX Limited ^{附註1} | 英屬處女群島，有限公司 | 投資控股，英屬處女群島 | 100美元 | 100% (間接) |
| LXL Capital VIII Limited ^{Note 1} | British Virgin Island, Limited liability company | Investment holding, British Virgin Island | US\$100 | 100% (indirect) |
| LXL Capital VIII Limited ^{附註1} | 英屬處女群島，有限公司 | 投資控股，英屬處女群島 | 100美元 | 100% (間接) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26 INVESTMENT IN A SUBSIDIARY (continued)

26 於一間附屬公司之投資 (續)

| Company name 公司名稱 | Place of incorporation and kind of legal entity 註冊成立地點及法律實體類別 | Principal activities and place of operation 主要業務及經營地點 | Issued share capital 已發行股本 | Equity Interest held 持有的股權 |
|--|---|--|----------------------------------|----------------------------------|
| LXL Capital V Limited ^{Note 1} | British Virgin Island, Limited liability company | Investment holding, British Virgin Island | US\$100 | 100% (indirect) |
| LXL Capital V Limited ^{附註1} | 英屬處女群島，有限公司 | 投資控股，英屬處女群島 | 100美元 | 100% (間接) |
| Yorkcastle Capital Limited ^{Note 2} | Hong Kong, Limited liability company | Investment holding, Hong Kong | 1,000,000 ordinary shares | 100% (indirect) |
| Yorkcastle Capital Limited ^{附註2} | 香港，有限公司 | 投資控股，香港 | 1,000,000股 普通股 | 100% (間接) |
| Zhuhai Hengqin Kunlun Financial Exchange Limited ^{Note 2} | People's Republic of China, Limited liability company | Provision of financial services, People's Republic of China | RMB10,000,000 | 100% (indirect) |
| 珠海橫琴昆侖新金融 交易中心有限公司 ^{附註2} | 中華人民共和國，有限公司 | 提供金融服務，中華人民共和國 | 人民幣10,000,000元 | 100% (間接) |

Note 1: No audited financial statements have been prepared as these companies are incorporated in a jurisdiction which does not have any statutory audit requirements.

附註1：由於該等公司註冊成立的司法權區並無任何法定審核規定，故並無編製經審核財務報表。

Note 2: The companies are newly incorporated and has no operation during the current year.

附註2：該等公司為於本年度新註冊成立且於本年度並無經營業務。

27 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control.

For the outstanding balance due from or to related parties, net amount is presented when the Group has a legally enforceable right to set off the recognized amounts, and intends to settle on a net basis.

27 關聯方交易

倘一方有能力直接或間接控制另一方或在財務及經營決策上對另一方發揮重大影響力，雙方即屬有關聯。雙方受共同控制者亦屬有關聯。

就應收或應付關聯方的未結算結餘而言，本集團有權合法強制抵銷已確認金額時，並擬按淨額基準結算時呈列金額淨值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 RELATED PARTY TRANSACTIONS (continued)

- (a) The Group and the Company had the following material transactions and balances with related parties during the year.

The Group

27 關聯方交易 (續)

- (a) 本集團及本公司於年內與關聯方進行的重大交易及結餘如下。

本集團

| | | Note 附註 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|---|------------|----------------------------------|----------------------------------|
| Transactions | | | | |
| Management fee income for the provision of group management, IT, marketing and administration support from: | 交易 向以下公司提供集團管理、資訊科技、市場推廣及行政支援的管理費收入： | | | |
| – fellow subsidiaries | – 同系附屬公司 | (i) | 2,019 | 2,508 |
| Management fee expense for the provision of information technology support, financial system and websites maintenance services, marketing promotion, customer services and reconciliation to: | 向以下公司提供資訊科技支援、財務系統及網站維護服務、市場推廣、客戶服務及對賬的管理費開支： | | | |
| – ultimate holding company | – 最終控股公司 | (ii) | 799 | 661 |
| – fellow subsidiaries | – 同系附屬公司 | | 361 | 328 |
| Amounts paid for the provision of software development and maintenance services, IT infrastructure project management and maintenance services and IT risk assessment services to: | 向以下公司支付提供軟件開發及維護服務、資訊科技基建項目管理及維護服務及資訊科技風險評估服務的款項： | | | |
| – a fellow subsidiary | – 一間同系附屬公司 | (iii) | 4,865 | – |
| Outstanding balances | | | | |
| Due from related parties: | 未償還結餘 應收關聯方款項： | | | |
| – ultimate holding company | – 最終控股公司 | (v) | – | 23 |
| – fellow subsidiaries | – 同系附屬公司 | (viii) | – | 75 |
| Other assets and prepayments: | 其他資產及預付款項： | | | |
| – travel advances to key management | – 主要管理人員的差旅墊款 | (vi) | – | 3 |
| Due to related parties: | 應付關聯方款項： | | | |
| – fellow subsidiaries | – 同系附屬公司 | (vii) | 488 | 312 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27 RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

The Company

| | | Note 附註 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-----------------------------|--------------|------------|----------------------------------|----------------------------------|
| Outstanding balances | 未償還結餘 | | | |
| Due from related parties: | 應收關聯方款項： | | | |
| – subsidiary | – 附屬公司 | (iv) | 64,653 | 65,907 |
| – ultimate holding company | – 最終控股公司 | (v) | – | 12 |
| Due to related parties: | 應付關聯方款項： | (vii) | 13,901 | 663 |
| – subsidiaries | – 附屬公司 | | | |

Notes:

- (i) Management fee income is determined with reference to the cost of provision of group management, IT, marketing and administration support services plus mark up.
- (ii) Management fee expenses are charged for the provision of information technology support, marketing, customer services and reconciliation, financial system and web sites maintenance services with reference to the costs incurred.
- (iii) Amounts are paid for the provision of software development and maintenance services, IT infrastructure project management and maintenance services and IT risk assessment services.
- (iv) Amounts due from a subsidiary represents intercompany loans with KVB NZ, which are interest bearing and repayable in accordance with loan agreements agreed with both parties. The amounts due from a subsidiary were unsecured, except for US\$6,500,000 (31 December 2013: US\$2,500,000) which is secured by a charge over the assets of KVB NZ in the form of a general security agreement entered by both parties.

27 關聯方交易 (續)

(a) (續)

本公司

| | Note 附註 | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|-----------------------------|------------|----------------------------------|----------------------------------|
| Outstanding balances | | | |
| Due from related parties: | | | |
| – subsidiary | (iv) | 64,653 | 65,907 |
| – ultimate holding company | (v) | – | 12 |
| Due to related parties: | (vii) | 13,901 | 663 |
| – subsidiaries | | | |

附註：

- (i) 管理費收入乃參考提供集團管理、資訊科技、市場推廣及行政支援服務的成本加差價釐定。
- (ii) 管理費開支乃就提供資訊科技支援、市場推廣、客戶服務及對賬、財務系統及網站維護服務參考產生的費用而扣除。
- (iii) 就提供軟件開發及維護服務、資訊科技基建項目管理及維護服務及資訊科技風險評估服務而支付的款項。
- (iv) 應收附屬公司款項指與KVB NZ公司間的貸款，該款項計息，並根據雙方協定的貸款協議償還。除6,500,000美元(二零一三年十二月三十一日：2,500,000美元)按雙方簽訂的一般擔保協議形式由KVB NZ資產抵押的資產有擔保外，應收附屬公司款項為無抵押。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

27 RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

The Company (continued)

Notes: (continued)

- (v) Amounts due from ultimate holding company are unsecured, non-interest bearing and repayable on demand.
- (vi) Travel advances to key management are unsecured, non-interest bearing and repayable on demand.
- (vii) Amounts due to related parties are unsecured, non-interest bearing and repayable on demand.
- (viii) Amounts due from fellow subsidiaries are unsecured, non-interest bearing and repayable on demand.

- (b) Key management includes directors (executive & non-executive) and the remuneration of the key management personnel of the Group was as follows:

27 關聯方交易 (續)

(a) (續)

本公司 (續)

附註：(續)

- (v) 應收最終控股公司款項為無抵押、免息及須按要求償還。
- (vi) 主要管理人員的差旅墊款為無抵押、免息及須按要求償還。
- (vii) 應付關聯方款項為無抵押、免息及須按要求償還。
- (viii) 應收同系附屬公司款項為無抵押、免息、及按要求償還。

- (b) 本集團主要管理層(包括執行及非執行董事)及主要管理人員的薪酬如下：

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|---|-----------|----------------------------------|----------------------------------|
| Salary and other benefits | 薪金及其他福利 | 1,153 | 1,161 |
| Employer's contribution to pension scheme | 僱主退休金計劃供款 | 34 | 30 |
| Discretionary bonuses | 酌情花紅 | 96 | 827 |
| Other benefits | 其他福利 | 960 | 960 |
| | | 2,243 | 2,978 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28 COMMITMENTS AND CONTINGENCIES

(a) Capital commitments

Contracted but not provided for 已訂約但未撥備

28 承擔及或然事項

(a) 資本承擔

| | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | - | 915 |

(b) Operating lease commitments

The Group leases offices under non-cancellable operating lease commitments existing at the year end. Leases were negotiated for an average term of 3 to 6 years.

The Group is required to give six months notice for termination of these leases.

(b) 經營租賃承擔

本集團根據於今年末已有的不可撤銷經營租賃承擔租賃辦公室。租期按平均三至六年磋商。

本集團須發出六個月通知方可終止該等租賃。

| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 |
|------------------------|--|----------------------------------|----------------------------------|
| Within one year 一年內 | | 13,839 | 12,519 |
| One to five years 一至五年 | | 46,258 | 10,070 |
| | | 60,097 | 22,589 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29 SUBSEQUENT EVENTS

- On 29 January 2015, the controlling shareholder of the Group and CITIC Securities Company Limited ("CITIC Securities"), a company incorporated in the People's Republic of China, entered into the share purchase agreement pursuant to which CITIC Securities has agreed to acquire 1,200,000,000 shares of the Group, which represented 60% of the entire issued share capital of the Group from the controlling shareholder. Completion of the transaction is subject to the satisfaction of conditions as stipulated in the share purchase agreement.

Upon completion, the outstanding share options granted during 2014 will be subject to cancellation under an unconditional mandatory cash offer to be made by CITIC Securities, subject to the conditions and completion of the share purchase agreement. Management is in the process of evaluating the financial impact on the cancellation of the share options to the Group.

- A final dividend in respect of the year ended 31 December 2014 of HK1.075 cents per ordinary share, amounting to a total dividend of HK\$21,500,000 is recommended at the Board of Directors meeting on 31 March 2015. The proposed final dividend for the year ended 31 December 2014 is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

30 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 31 March 2015.

29 期後事項

- 於二零一五年一月二十九日，本集團的控股股東與中信證券股份有限公司（「中信證券」，一間於中華人民共和國註冊成立的公司）訂立股份購買協議，據此，中信證券已同意收購1,200,000,000股本集團股份，佔本集團全部已發行股本（來自控股股東）的60%。該交易須待股份購買協議規定的條件達成後，方告完成。

於完成後，於二零一四年授出而尚未行使的購股權須根據中信證券將作出的無條件強制現金要約予以註銷，惟須受股份購買協議的條件及完成所限。管理層正就註銷購股權對本集團的財務影響進行評估。

- 於二零一五年三月三十一日舉行之董事會會議上建議派付截至二零一四年十二月三十一日止年度的末期股息每股普通股1.075港仙（總股息為數21,500,000港元）。截至二零一四年十二月三十一日止年度之建議末期股息須於應屆股東週年大會上獲得本公司股東批准。

30 批准財務報表

本財務報表由董事會於二零一五年三月三十一日批准及授權刊發。

FINANCIAL SUMMARY

財務概要

A summary of the results and of the financial position of KVB Kunlun Financial Group Limited (the “Company”, together with its subsidiaries, the “Group”) for the last four financial years, as extracted from the published audited financial statements, is set out below.

以下載列昆侖國際金融集團有限公司(「本公司」，連同其附屬公司統稱「本集團」)在過往四個財政年度內刊登之業績與及財務狀況概要，乃摘錄自己刊發經審核之財務報表。

| | | For the year ended 31 December 截至十二月三十一日止年度 | | | |
|---|-----------|--|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
| Total income | 收入總額 | 188,634 | 176,719 | 123,222 | 155,242 |
| Profit before tax | 除稅前溢利 | 47,697 | 50,130 | 2,432 | 50,305 |
| Profit/(loss) for the year | 年內溢利／(虧損) | 35,081 | 34,774 | (1,749) | 35,555 |
| Total comprehensive income for the year | 年內全面收益總額 | 29,785 | 33,010 | 2,837 | 33,301 |

| | | As at 31 December 於十二月三十一日 | | | |
|---------------------------------------|----------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2014 二零一四年 HK\$'000 千港元 | 2013 二零一三年 HK\$'000 千港元 | 2012 二零一二年 HK\$'000 千港元 | 2011 二零一一年 HK\$'000 千港元 |
| Total assets | 資產總值 | 626,510 | 569,993 | 408,006 | 397,035 |
| Total liabilities | 負債總額 | (233,787) | (187,894) | (175,254) | (210,211) |
| | | 392,723 | 382,099 | 232,752 | 186,824 |
| Total equity and liabilities | 總權益及負債 | 626,510 | 569,993 | 408,006 | 397,035 |
| Net current assets | 流動資產淨值 | 379,837 | 375,403 | 226,470 | 180,930 |
| Total assets less current liabilities | 總資產減流動負債 | 392,929 | 382,374 | 233,131 | 187,299 |

Note:

The summary of the financial information of the Group for each of two years ended 31 December 2011 and 2012 have been extracted from the prospectus of the Company dated 11 June 2013. Such summary was prepared as if the current structure of the Group had been in existence throughout these financial years.

附註：

本集團截至二零一一年及二零一二年十二月三十一日止兩個年度之財務資料概要乃摘錄自本公司日期為二零一三年六月十一日之招股章程。有關概要乃猶如本集團現時架構在該等財政年度內一直存在而編製。



昆侖國際金融集團有限公司

KVB Kunlun Financial Group Limited

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

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