

STOCK CODE

股份代號

376

Yunfeng Financial Group Limited

雲鋒金融集團有限公司

2020

Interim Report

中期報告



云鋒金融

This interim report, in both English and Chinese versions, is available on the Company's website at www.yff.com (the "**Company Website**").

Shareholders who have chosen or have been deemed consented to receive the corporate communications of the Company (the "**Corporate Communications**") via the Company Website and who for any reason have difficulty in receiving or gaining access to the interim report posted on the Company Website will promptly upon request be sent the interim report in printed form free of charge.

Shareholders may at any time change their choice of the means of receipt (either in printed form or via the Company Website) of Corporate Communications.

Shareholders may send their request to receive the interim report in printed form, and/or to change their choice of the means of receipt of Corporate Communications by notice in writing to the share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong or by sending an email to the share registrar of the Company at yunfeng.ecom@computershare.com.hk.

本中期報告的中、英文本已登載於本公司網站 www.yff.com (「本公司網站」)。

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BOARD OF DIRECTORS

Chairman

Mr. Yu Feng (*Non-Executive Director*)

Executive Directors

Ms. Hai Olivia Ou (*Interim Chief Executive Officer*)
Mr. Huang Xin

Non-Executive Directors

Mr. Adnan Omar Ahmed
Mr. Michael James O' Connor

Independent Non-Executive Directors

Mr. Qi Daqing
Mr. Chu Chung Yue, Howard
Mr. Xiao Feng

AUDIT COMMITTEE

Mr. Chu Chung Yue, Howard (*Chairman*)
Mr. Qi Daqing
Mr. Xiao Feng

REMUNERATION COMMITTEE

Mr. Qi Daqing (*Chairman*)
Mr. Huang Xin
Mr. Chu Chung Yue, Howard
Mr. Xiao Feng

NOMINATION COMMITTEE

Mr. Yu Feng (*Chairman*)
Mr. Qi Daqing
Mr. Chu Chung Yue, Howard

AUTHORISED REPRESENTATIVES

Ms. Hai Olivia Ou
Mr. Chan Man Ko

董事會

主席

虞鋒先生 (*非執行董事*)

執行董事

海歐女士 (*代理行政總裁*)
黃鑫先生

非執行董事

Adnan Omar Ahmed 先生
Michael James O' Connor 先生

獨立非執行董事

齊大慶先生
朱宗宇先生
肖風先生

審核委員會

朱宗宇先生 (*主席*)
齊大慶先生
肖風先生

薪酬委員會

齊大慶先生 (*主席*)
黃鑫先生
朱宗宇先生
肖風先生

提名委員會

虞鋒先生 (*主席*)
齊大慶先生
朱宗宇先生

授權代表

海歐女士
陳文告先生

COMPANY SECRETARY

Mr. Chan Man Ko

AUDITOR

KPMG
Certified Public Accountants
Public Interest Entity Auditor registered in
accordance with the Financial Reporting
Council Ordinance

BANKERS

Bank of Communications
China Construction Bank (Asia)
Bank of China (Hong Kong)
China Minsheng Banking Corporation Limited
The Hongkong and Shanghai Banking
Corporation Limited

REGISTERED AND PRINCIPAL OFFICE

Suites 3201-3204
One Exchange Square
8 Connaught Place
Hong Kong

SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East,
Wanchai, Hong Kong

WEBSITE

www.yff.com

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公司秘書

陳文告先生

核數師

畢馬威會計師事務所
執業會計師
根據《財務匯報局條例》註冊的
公眾利益實體核數師

主要往來銀行

交通銀行
中國建設銀行(亞洲)
中國銀行(香港)
中國民生銀行
滙豐銀行

註冊及主要辦事處

香港
康樂廣場八號
交易廣場一座
3201-3204室

股份過戶登記處

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

網站

www.yff.com

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Management Discussion and Analysis

管理層討論及分析

The board of directors (the “Board”) of Yunfeng Financial Group Limited (the “Company”) submit herewith the unaudited condensed consolidated interim results and financial position of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2020 (the “First Half of 2020” or the “Period”), together with the comparative figures for the corresponding period in 2019 (the “Prior Period”).

OVERVIEW

In the First Half of 2020, Hong Kong’s economy was affected by, amongst others, the global trade conflict and the outbreak of COVID-19 and financial markets continued to face uncertainties and challenges. Despite this difficult period, the Company has remained steadfast in providing its customers with comprehensive insurance and financial services, while maintaining business operation and development. At the same time, China’s economy has first shown significant signs of recovery amid the global pandemic. The Group will take this opportunity to achieve breakthroughs and sustainable development in its business.

The Group’s sources of revenue includes life insurance premium income and other financial businesses including subscription fees and management fees for products launched by the Group, platform fees for distribution of third-parties products, administration fee for employees stock ownership plan management services, brokerage commission income and corporate advisory fee income etc. For the Period, the Group’s revenue amounted to HK\$2,865.7 million, representing an increase of 20% compared to that of HK\$2,392.4 million for the Prior Period. The revenue included HK\$2,852.2 million premiums and fee income, representing an increase of 20% compared to that of HK\$2,381.8 million for the Prior Period, and HK\$13.5 million of income from other financial services, representing an increase of 26% compared to that of HK\$10.7 million for the Prior Period. The adjusted operating profit is approximately HK\$392.6 million, representing an increase of 22% compared to that of HK\$322.7 million for the Prior Period. The Group’s consolidated profit amounted to HK\$262.2 million, representing an increase of 11% compared to that of HK\$236.9 million for the Prior Period. The net profit attributable to equity shareholders of the Company amounted to HK\$109.2 million, representing an increase of 12% compared to that of HK\$97.4 million for the Prior Period. The improvement of the Group’s results is mainly due to the growth of the business of YF Life Insurance International Limited (“YF Life”), increase in investment scale and improvement in claims experience together with the improvement of operation result of other financial business in terms of income growth and cost reduction.

雲鋒金融集團有限公司(「本公司」)董事會提呈本公司及其附屬公司(統稱「本集團」)截至二零二零年六月三十日止六個月(「二零二零年上半年」或「本期間」)之未經審核簡明綜合中期業績和財務狀況連同二零一九年同期(「去年同期」)的比較數字。

概要

二零二零年上半年，香港經濟受到全球貿易磨擦及新冠肺炎疫情等因素影響，整體金融市場環境持續面臨不確定性與挑戰。即使金融市場處於艱困時期，公司依然堅定不移地為客戶提供全面的保險和金融服務，維持業務的運營和發展，而中國經濟在全球疫情背景下率先出現明顯復蘇跡象，集團將借此機會實現業務的突破和持續發展。

本集團的主營業務收入來源包括人壽保險保費收入及其他金融業務(包括發行產品的認購費及管理費、分銷第三方產品的平台費、員工持股計劃服務管理費、經紀佣金收入及企業諮詢服務費等)。於本期間，本集團的收入為28.657億港元較去年同期23.924億港元增長20%，其中包括28.522億港元保費及費用收入較去年同期23.818億港元增長20%及來自其他金融服務收入1,350萬港元較去年同期1,070萬港元上升增長26%。經調整後的經營溢利約為3.926億港元較去年同期3.227億港元上升22%，本集團的合併溢利為2.622億港元較去年同期2.369億港元增長11%。本公司權益股東應佔溢利淨額為1.092億港元較去年同期9,740萬港元增長12%。本集團業績改善主要由於萬通保險業務增長、投資規模擴大和理賠改善所帶動，以及其他金融服務業務在「增收節支」方面取得的成效。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESULT REVIEW

財務表現

Significant financial information

重大財務信息

Consolidated profit and loss analysis for the period ended 30 June, HK\$ million

截至六月三十日止六個月的綜合損益分析，百萬港元

| Income | 收入 | 2020 二零二零年 | 2019 二零一九年 (Restated) (重述) (Note 3) (附註3) | Change % 變化% |
|---|---------------------|---------------|--|-----------------|
| Premiums and fee income | 保費及費用收入 | 2,852.2 | 2,381.8 | 20 |
| Total operating profit | 經營溢利總額 | 392.6 | 322.6 | 22 |
| Net profit attributable to the owners | 擁有人應佔溢利淨額 | 109.2 | 97.4 | 12 |
| Basic earnings per share (HK\$) (Note 1) | 每股基本溢利(港元) (附註1) | 0.03 | 0.03 | — |
| Interim dividend proposed per share | 建議每股中期股息 | — | — | — |

Consolidated financial position analysis, HK\$ million

綜合財務狀況分析，百萬港元

| | | At 30 June 2020 二零二零年 六月 三十日 | At 31 December 2019 二零一九年 十二月 三十一日 | Change % 變化% |
|---|----------------------|---|---|-----------------|
| Total assets | 資產總額 | 79,156 | 75,327 | 5 |
| Total equity | 權益總額 | 15,760 | 15,463 | 2 |
| Owner's equity | 擁有人權益 | 10,231 | 10,103 | 1 |
| Owner's equity per share (HK\$) (Note 2) | 擁有人每股權益(港元) (附註2) | 3.17 | 3.13 | 1 |

Note 1: The denominator is weighted average number of ordinary shares of the Company

附註1：分母為本公司普通股的加權平均數。

Note 2: The denominator is total issued shares

附註2：分母為已發行股份總數。

Note 3: Certain comparative figure is restated based on the finalised purchase price allocation of prior year acquisition of YF Life

附註3：某些比較數據是基於上年度收購萬通保險的最終購買價格分攤情況進行重述。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESULT REVIEW (Continued)

財務表現(續)

Significant financial information (Continued)

重大財務信息(續)

Analysis on profit for six months period ended 30 June, HK\$ million

截至六月三十日止六個月的溢利分析，百萬港元

| | | 2020 二零二零年 | 2019 二零一九年 (Restated) (重述) (Note 4) (附註4) | Change % 變化% |
|---|---|----------------|--|-----------------|
| YF Life segment operating profit | 萬通保險分部經營溢利 | 443.3 | 401.8 | 10 |
| Other financial services and corporate segment operating loss | 其他金融服務和公司分部經營虧損 | (50.7) | (79.2) | (36) |
| Total operating profit | 經營溢利總額 | 392.6 | 322.6 | 22 |
| Adjust for the following profit or loss and expenses impact: | 調整以下損益及費用影響： | | | |
| — Investment income from disposal, fair value changes of risk hedging derivatives and fair value change and impairment of certain investments | — 已出售投資收益、對沖風險衍生工具公允價值變動及若干投資的公允價值變動及減值 | (107.7) | (56.7) | 90 |
| — Staff share award amortisation reversal | — 員工持股獎勵計劃攤銷轉回 | 9.8 | 3.7 | 1.6 times 倍 |
| — Legal and professional fee and other expenses for acquisition of YF Life | — 收購萬通保險的法律和專業顧問費及其他費用 | (2.0) | (16.1) | (88) |
| — Finance cost (Note 1) | — 融資成本(附註1) | (72.0) | (29.6) | 1.4 times 倍 |
| — One-off adjustment (Note 2) | — 一次性調整(附註2) | (0.5) | — | NA 不適用 |
| — Consolidation adjustments (Note 3) | — 合併調整(附註3) | 42.0 | 12.9 | 2.3 times 倍 |
| Profit for the period | 本期間溢利 | 262.2 | 236.8 | 11 |
| Less: non-controlling interests | 減：非控股權益 | (153.0) | (139.4) | 10 |
| Net profit attributable to the owners | 擁有人應佔溢利淨額 | 109.2 | 97.4 | 12 |

Note 1: The amount includes bank interest expenses and other finance expenses incurred for the capital required in the Group's strategic investment.

附註1：該金額包括本集團戰略投資所需資本產生的銀行利息費用和其他財務費用。

Note 2: One-off adjustments represent the impact of professional consultancy fees incurred for non-recurring project expense.

附註2：一次性調整指非經常性項目所產生的專業諮詢費用的影響。

Note 3: The consolidation adjustments represent the financial impact arising from the consolidation of YF Life.

附註3：合併調整指合併萬通保險產生的財務影響。

Note 4: Certain comparative figure is restated based on the finalised purchase price allocation of acquisition of YF Life and market value fluctuation and realized gain or loss related to certain investments.

附註4：某些比較數據是基於收購萬通保險的最終購買價格分攤情況以及與若干投資有關的市場價值波動和已實現收益或虧損進行重述。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL RESULT REVIEW (Continued)

財務表現(續)

Significant financial information (Continued)

重大財務信息(續)

Changes in owner's equity

擁有人權益變動

HK\$ million

百萬港元

2020
二零二零年

| | | |
|--|---------------|--------|
| Balance at 1 January | 一月一日之餘額 | 15,463 |
| Share based payment transaction | 以股份權益為結算基礎的交易 | (10) |
| Profit for the Period | 本期間溢利 | 262 |
| Others comprehensive income and others | 其他全面收益及其他 | 45 |
| Balance at 30 June | 六月三十日之餘額 | 15,760 |
| Attributable to: | 應佔權益： | |
| – Equity shareholders of the Company | – 本公司權益股東 | 10,231 |
| – Non-controlling interests | – 非控股權益 | 5,529 |
| Total equity | 權益總額 | 15,760 |

BUSINESS REVIEW

業務回顧

Insurance business review

保險業務回顧

To facilitate a more thorough and comprehensive review of the insurance business, YF Life, related financial data below is presented on a half year basis and excluded the fair value accounting adjustments made on the acquisition, intragroup consolidation adjustment and transaction elimination. Such basis is considered being able to provide reader with more relevant information on the business performance of the insurance business segment operating results.

為便於進行更徹底和全面的回顧，下述萬通保險的保險業務相關財務資料基於半年進行列示，不含對收購公允價值會計調整、集團內部合併調整和交易抵銷。該基準被認為能為財務報告使用者提供有關保險業務分部經營業績下業務表現的更貼切資料。

Overview

概要

During the First Half of 2020, our insurance business remained as authorized insurer licensed to carry on life and annuity, linked long term, permanent health, and retirement scheme management long term insurance businesses in Hong Kong. It also operates in Macau through a branch office and is licensed to sell life insurance products in Macau.

於二零二零年上半年，在保險業務方面，我們仍然獲授權在香港從事壽險和年金險、連結式長期險、永久健康保險及退休計劃管理長期保險業務。本集團還通過分支機構在澳門運營，並獲授權在澳門銷售人壽保險產品。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Overview (Continued)

Our insurance business division maintained diversified product suite includes four flagship products: (i) the “FLEXI-ULife Prime Saver”, an enhanced universal life insurance plan; (ii) the “MY Lifetime Annuity”, a plan providing guaranteed lifetime annuity income to act as a safety net during the customer’s retirement; (iii) the “Infinity Saver 2”, a flexible insurance savings plan allowing customers to accumulate capital with potentially higher return; and (iv) the “PrimeHealth” series which are critical illness products covering a wide range of illnesses.

As of 30 June 2020, the tied agency force consisted of approximately 3,052 (31 December 2019: 2,973) agents in Hong Kong and Macau. In addition to tied agency force, we also utilize brokers and agency intermediaries as well as banks and other financial institutions to distribute insurance products. The insurance business division has approximately 482 (31 December 2019: 442) employees and more than 496,000 (31 December 2019: 491,000) in-force individual policies.

During the First Half of 2020, our insurance division continues to develop its tied agency, brokerage and agency intermediary and bancassurance distribution channels to increase penetration in the market, to broaden its access to potential customers and to meet the evolving preferences of existing customers. Tied agency is the most significant distribution channel in terms of premium and fee income contribution and we plan to continue to steadily grow its tied agency force. We also seek to expand our brokerage and agency intermediary distribution channel to serve sophisticated customers who we believe are more receptive to independent advice. For bancassurance distribution channel, we will aim to strengthen partnering relationships with existing banks and financial institutions. Furthermore, our insurance division has been exploring to re-formulate overall strategy of online sales channel.

In addition, our insurance division aim to optimize product mix by developing and promoting products with higher margins, such as refundable critical illness products. To further improve the information capability and usage of digital platforms to match the preferences of potential and existing customers, our insurance division is actively developing virtual-face-to-face solicitation tools and continues to enhance online customer servicing tool.

業務回顧(續)

概要(續)

我們的保險業務分部持有多元化的產品系列，包括四類旗艦產品：(i) 首選靈活萬用壽險計劃，這是一個增強型萬用壽險計劃；(ii) 萬通終身年金，這是一個為客戶退休期間提供保障的終身年金收入計劃；(iii) 富饒傳承儲蓄計劃2，這是一個為客戶提供更高潛在回報的靈活保險儲蓄計劃，有助於客戶積攢財富；及(iv) 首選健康保障系列，是一個覆蓋多種疾病的嚴重疾病保障系列。

截至二零二零年六月三十日，我們在香港和澳門約有3,052個(二零一九年十二月三十一日：2,973個)獨家代理。除了獨家代理外，我們還利用經紀人和代理中介以及銀行和其他金融機構來分銷保險產品。保險業務分部約有482名(二零一九年十二月三十一日：442名)員工和超過496,000張(二零一九年十二月三十一日：491,000張)有效個人保單。

於二零二零年上半年，我們的保險分部繼續發展獨家代理、經紀和代理中介以及銀行保險分銷渠道，以增加市場滲透率，擴大潛在客戶群並滿足現有客戶不斷變化的偏好。在保費及費用收入貢獻方面，獨家代理是最重要的分銷渠道，我們計劃繼續穩步發展獨家代理。我們還尋求擴大經紀和代理中介分銷渠道，以服務我們認為更樂於接受獨立建議的高端客戶。就銀行保險分銷渠道，我們的目標是加強與現有銀行和金融機構的合作夥伴關係。此外，我們的保險分部一直在探索以重新制定關於網上銷售渠道的整體戰略。

另外，我們的保險分部旨在通過開發和推廣利潤率更高的產品(如保費回贈危疾保險產品)來優化產品組合。為進一步提高數據平台的信息能力和使用率，以匹配潛在和現有客戶偏好，我們的保險分部正積極開發虛擬會面招攬工具，並繼續強化在線客戶服務工具。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Total premium and fee income

Total premium and fee income (“TPI”) measures its business volumes by referring to the total TPI reported under the Insurance Ordinance (Cap. 41 of the Laws of Hong Kong) (“IO”). TPI consists of full amount of single premium, first year regular premium and renewal regular premium before reinsurance, and includes deposits and contributions for contracts. In preparing the financial statements in accordance with Hong Kong Financial Reporting Standards (“HKFRS”), YF Life chooses to unbundle the deposit component of insurance contracts from TPI and such deposit component is credited directly to the policyholders’ deposit upon receipt. Therefore, the revenue recognized in the financial statements prepared under HKFRS is less than TPI before intra-group transaction eliminations.

業務回顧(續)

保費和費用收入總額

保費及費用收入總額通過參考《保險業條例》(香港法例第41章)(「保險業條例」)報告的保費及費用收入總額來計量其業務量。保費及費用收入總額包括再保之前的整付保費全額、首年期繳保費和續保期繳保費，及包括保單的儲蓄和供款。根據《香港財務報告準則》編制財務報表時，萬通保險選擇從保費及費用收入中分拆保險合同的儲金部分，而該等儲金部分於收到後直接計入保單持有人的存款。因此，根據《香港財務報告準則》編制的財務報表中確認的收益低於集團內部交易抵銷前保費及費用收入總額。

| | | For the six months period ended 30 June | |
|---|------------------------------|---|--------------|
| | | 截至六月三十日止六個月期間 | |
| | | 2020 | 2019 |
| | | 二零二零年 | 二零一九年 |
| | | HK\$ million | HK\$ million |
| | | 百萬港元 | 百萬港元 |
| Total premium and fee income reported under the IO | 根據《保險業條例》報告的保費及費用收入總額 | 3,960 | 3,713 |
| Less: Premium deposits separated out from insurance contracts and recognition of fee income | 減：從保險合同中單獨區分的保費儲金和費用收入確認 | (1,107) | (1,331) |
| Premium and fee income recognized in the income statements of HKFRS | 在基於《香港財務報告準則》的收益表中確認的保費及費用收入 | 2,853 | 2,382 |

Management considers TPI as one of the important measures of the Group’s operating performance and believes that they are frequently used by analysts, investors and other interested parties in the evaluation of insurance companies. The management also uses TPI as additional measurement tools for the purposes of business decision-making. TPI is not measures of operating performance under HKFRS and should not be considered as a substitute for, or superior to, profit before tax in accordance with HKFRS.

管理層認為保費及費用收入總額是本集團經營業績的重要指標之一，而且認為分析師、投資者及其他相關方在評估保險公司時經常使用該指標。管理層還使用保費及費用收入總額作為業務決策目的之附加計量工具。根據《香港財務報告準則》，保費及費用收入總額並非經營業績的指標，亦不應視作代替或優先於基於《香港財務報告準則》的除稅前溢利。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

Business Volume

業務量

The tables below set forth the TPI of the insurance business by (i) geographical region, (ii) distribution channel and (iii) product type based on internal records.

下表基於內部記錄按(i)地理區域，(ii)分銷渠道和(iii)產品類型載列了保險業務的保費及費用收入。

(i) By geographical region

(i) 地理區域

| | | For the six months period ended 30 June 截至六月三十日止六個月期間 | | | |
|-----------|----|--|-----|----------------------|-----|
| | | 2020 二零二零年 | | 2019 二零一九年 | |
| | | HK\$ million 百萬港元 | % | HK\$ million 百萬港元 | % |
| Hong Kong | 香港 | 3,095 | 78 | 3,139 | 85 |
| Macau | 澳門 | 865 | 22 | 574 | 15 |
| | | 3,960 | 100 | 3,713 | 100 |

(ii) By distribution channel

(ii) 按分銷渠道

| | | For the six months period ended 30 June 截至六月三十日止六個月期間 | | | | | |
|--|-----------|--|-------------|-------------|----------------------|-------------|-------------|
| | | 2020 二零二零年 | | | 2019 二零一九年 | | |
| | | HK\$ million 百萬港元 | | | HK\$ million 百萬港元 | | |
| | | Hong Kong 香港 | Macau 澳門 | Total 合計 | Hong Kong 香港 | Macau 澳門 | Total 合計 |
| Tied agency | 獨家代理 | 1,937 | 516 | 2,453 | 1,922 | 514 | 2,436 |
| Brokers and non-tied agency | 經紀人和非獨家代理 | 874 | 7 | 881 | 955 | 11 | 966 |
| Banks and other financial institutions | 銀行和其他金融機構 | 284 | 342 | 626 | 262 | 49 | 311 |
| | | 3,095 | 865 | 3,960 | 3,139 | 574 | 3,713 |

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

Business Volume (Continued)

業務量(續)

(iii) By product type

(iii) 按產品類型

| | | For the six months period ended 30 June 截至六月三十日止六個月期間 | | | | | |
|-----------------|------|--|-------------|--------------|---------------------------------------|-------------|--------------|
| | | 2020 二零二零年 HK\$ million 百萬港元 | | | 2019 二零一九年 HK\$ million 百萬港元 | | |
| | | Hong Kong 香港 | Macau 澳門 | Total 合計 | Hong Kong 香港 | Macau 澳門 | Total 合計 |
| Regular premium | 期繳保費 | | | | | | |
| – First year | – 首年 | 351 | 360 | 711 | 366 | 106 | 472 |
| Regular premium | 期繳保費 | | | | | | |
| – Renewal | – 續期 | 2,617 | 486 | 3,103 | 2,497 | 440 | 2,937 |
| Single premium | 整付保費 | 126 | 18 | 144 | 275 | 27 | 302 |
| Fee income | 費用收入 | 1 | 1 | 2 | 1 | 1 | 2 |
| | | 3,095 | 865 | 3,960 | 3,139 | 574 | 3,713 |

Embedded value and value of new business

內含價值和新業務價值

The Embedded Value method is a commonly adopted alternative method of measuring the value and profitability of a life insurance company. Embedded Value is an actuarially determined estimate of the economic value of a life insurance business based on a particular set of assumptions as to future experience, excluding any economic value attributable to future new business. Value of New Business represents an actuarially determined estimate of the economic value arising from new life insurance business issued in the relevant 12-month period.

內含價值法是計量人壽保險公司價值和盈利能力的常用替代方法。內含價值是基於對未來經驗的一組特定假設以精算方法評估的人壽保險業務的經濟價值，不含未來新業務的任何經濟價值。新業務價值是指以精算方法評估在相關12個月期間內發行的新人壽保險業務產生的經濟價值。

We adopted a traditional deterministic discounted cash flow methodology to determine the components of embedded value. This methodology makes implicit allowance for the time value of options and guarantees and other risks associated with the realisation of the expected future distributable earnings through the use of a risk adjusted discount rate and is consistent with the industry practice in the market.

我們採用傳統的確定性貼現現金流量法確定內含價值的組成部分。該方法通過使用風險調整貼現率，就期權和擔保的時間價值以及實現預計未來可分配收益相關的其他風險計提內含準備，並與市場行業慣例一致。

The embedded value of the insurance business as at 30 June 2020 is HK\$15,538 million (31 December 2019: HK\$16,351 million) with breakdown as below.

截至二零二零年六月三十日，保險業務的內含價值為155.38億港元(二零一九年十二月三十一日：163.51億港元)，詳情如下。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

Business Volume (Continued)

業務量(續)

Embedded value and value of new business (Continued)

內含價值和新業務價值(續)

HK\$ million

百萬港元

| | | As at 30 June 2020 於 二零二零年 六月 三十日 | As at 31 December 2019 於 二零一九年 十二月 三十一日 | Change % 變化 % |
|--|--------------------------|---|---|------------------|
| Adjusted Net Worth ("ANW") (note 1) | 經調整淨值(附註1) | 4,154 | 5,989 | (31) |
| Value of in-force ("VIF") business after CoC (note 2) | 有效業務扣除資本成本之 後的價值(附註2) | 11,384 | 10,362 | 10 |
| Embedded value | 內含價值 | 15,538 | 16,351 | (5) |

Note 1 The ANW represents the net asset value on Hong Kong statutory basis, with marked-to-market adjustment to certain assets. The ANW change is mainly driven by increase in liabilities arising from market interest rate drop.

附註1 經調整淨值指香港法定基準之上的資產淨值，含有對若干資產按市值計價進行的調整。經調整淨值變化是由於市場利率下降導致的負債增加。

Note 2 The VIF is the present value of future estimated after-tax statutory profits from in-force business, discounted at the risk discount rate. The VIF growth is driven by new business acquired and favourable actual experience, partly offset by future economic assumption update.

附註2 有效業務價值是指有效業務的未來估計稅後法定利潤的現值，以風險貼現率予以貼現。有效業務價值增長是由於新收購業務和有利的實際經驗，部分增長被更新的未來經濟假設所抵消。

For further detailed discussion of embedded value of insurance division, please refer to the Embedded Value section.

有關保險分部內含價值的進一步詳細討論及變動分析，請參閱內含價值部分。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

Key financial data of insurance business segment

保險業務分部主要財務數據

The key financial data of insurance segment is presented under HKFRS on a half year basis before any fair value adjustment arising from the acquisition accounting policy and intra-group eliminations:

保險分部的主要財務資料基於收購會計政策和集團內抵銷產生的任何公允價值調整前根據《香港財務報告準則》按半年呈報。

| | | For the six months period ended 30 June | | |
|--|----------------------|---|---------------------------------------|------------------|
| | | 2020 二零二零年 HK\$ million 百萬港元 | 2019 二零一九年 HK\$ million 百萬港元 | Change % 變化 % |
| Income | 收入 | | | |
| Premiums and fee income (note a) | 保費及費用收入(附註 a) | 2,853 | 2,382 | 20 |
| Premiums ceded to reinsurer (note a) | 分出保費(附註 a) | (618) | (323) | 91 |
| Net premium and fee income | 保費及費用收入淨額 | 2,235 | 2,059 | 9 |
| Change in unearned revenue liability | 未到期收入責任變動 | (304) | (360) | (16) |
| Net earned premium and fee income | 滿期保費及費用收入淨額 | 1,931 | 1,699 | 14 |
| Net investment and other income (note b) | 投資和其他收入淨額(附註 b) | 1,274 | 1,759 | (28) |
| Reinsurance commission and profit | 再保險佣金和溢利 | 21 | 16 | 31 |
| Benefits, losses and expenses | 收益、虧損和費用 | | | |
| Net policyholders benefit (note c) | 淨保單持有人給付(附註 c) | 833 | 1,760 | (53) |
| Commission and related expenses | 佣金和相關費用 | 561 | 536 | 5 |
| Deferral and amortisation of deferred acquisition costs (note d) | 遞延保單獲得成本的遞延和攤銷(附註 d) | (246) | (423) | (42) |
| Management and other expenses | 管理及其他開支 | 355 | 348 | 2 |
| Change in future policyholder benefits (note e) | 未來保單持有人給付變動(附註 e) | 1,236 | 893 | 38 |
| Profit before taxation | 除稅前溢利 | 487 | 360 | 35 |
| Taxation | 稅項 | 24 | 24 | — |
| Profit after taxation | 除稅後溢利 | 463 | 336 | 38 |

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Key financial data of insurance business segment (Continued)

Note a: The increase of the balance mainly arises from the newly launched short-term endowment product, other new business and natural growth of inforce portfolio.

Note b: The balance includes net investment and other income, interest income from bank deposits and other operating income. The decrease of the balance mainly arises from less investment gain from investment-linked policies.

Note c: The balance includes net claims, policy benefits and surrenders, interest credited to policyholders' deposits and dividends to policyholders. The decrease of the balance mainly arises from less investment gain passing to the policyholders of investment-linked policies.

Note d: The smaller increase of the balance is mainly due to higher amortisation.

Note e: The balance includes change in future policyholders' benefits to both insurance and investment contracts. The increase of the balance mainly arises from the newly launched short-term endowment product, other new business and natural growth of inforce portfolio.

Operating Profit

For management decision making and internal performance management purpose, the Group refers to the operating profit which excludes the investment income from disposal, fair value changes of risk hedging derivatives and impairment loss of investments. The operating profit for the Period grew by 10.2% to HK\$443 million.

業務回顧(續)

保險業務分部主要財務數據(續)

附註 a: 餘額的增加主要由於新推出的短期儲蓄產品，其他新業務和有效投資組合的自然增長。

附註 b: 該餘額包括投資淨額和其他收入、銀行存款利息收入和其他經營收入。餘額的減少主要是由於投資相連壽險保單的投資收益減少所致。

附註 c: 餘額包括賠款淨額、保單收益和退保金，保單持有人的存款應計利息和保單持有人股息。餘額的減少主要是由於向投資相連壽險保單持有人分配的投資收益減少所致。

附註 d: 餘額增長較少主要由於較高的攤銷額。

附註 e: 餘額包括未來保單持有人於保險和投資合同的收益變化。餘額的增加主要由於新推出的短期儲蓄產品、其他新業務和有效組合的自然增長。

經營溢利

本集團以經營溢利(不包括已出售投資收益、對沖風險衍生工具的公允價值變動及投資的減值)作為管理層決策及內部績效管理之目的。本期間經營溢利增長 10.2% 至 4.43 億港元。

For the six months period ended 30 June

截至六月三十日止六個月期間

| | 2020 二零二零年 HK\$ million 百萬港元 | 2019 二零一九年 HK\$ million 百萬港元 | Change % 變化 % |
|--|---------------------------------------|---------------------------------------|------------------|
|--|---------------------------------------|---------------------------------------|------------------|

| | | | | |
|--|---------------------------------|------------|------------|-----------|
| Operating profit (note 1) | 經營溢利(附註 1) | 443 | 402 | 10 |
| Adjust for the following profit or loss and expenses impact: | 調整以下損益及費用影響: | | | |
| — Investment income from disposal, fair value changes of risk hedging derivatives and impairment loss of investments | — 已出售投資收益、對沖風險衍生工具的公允價值變動及投資的減值 | 20 | (66) | NA |
| Profit for the period | 本期間溢利 | 463 | 336 | 38 |

Note 1: Operating profit represents profit generated from core business activities.

附註 1: 經營溢利指由核心業務活動產生的溢利。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Assets and Liabilities

The following table sets out the key financial information with respect to the assets and liabilities employed by the insurance division before any fair value adjustment arising from the acquisition accounting policy and intra-group eliminations.

業務回顧(續)

資產和負債

下表載列了收購會計政策產生的任何公允價值調整和集團內部抵銷之前，保險分部所使用的資產和負債的主要財務信息。

| | | As at 30 June 2020 | As at 31 December 2019 |
|---------------------------------|-------------|-----------------------------------|---------------------------------------|
| | | 於 二零二零年 六月 三十日 | 於 二零一九年 十二月 三十一日 |
| | | HK\$ million | HK\$ million |
| | | 百萬港元 | 百萬港元 |
| Investments | 投資 | 56,995 | 54,187 |
| Cash and deposits | 現金和存款 | 2,363 | 2,253 |
| Deferred acquisition costs | 遞延保單獲得成本 | 7,708 | 8,208 |
| Other assets | 其他資產 | 4,771 | 4,170 |
| Total assets | 資產總額 | 71,837 | 68,818 |
| Insurance contract provisions | 保險合同準備金 | 49,734 | 47,957 |
| Investment contract liabilities | 投資合同負債 | 4,678 | 4,613 |
| Other payable | 其他應付款項 | 3,969 | 3,382 |
| Total liabilities | 負債總額 | 58,381 | 55,952 |
| Net assets | 資產淨值 | 13,456 | 12,866 |

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Investment assets

The table below sets forth the asset allocation of the investment portfolio of the insurance division based on the classification in conformity with the reports provided to the management of the Company to measure the performance of the investment portfolio which can be reconciled to the total carrying amount of investments in the above table for the six months period ended 30 June 2020 and year ended 31 December 2019.

業務回顧(續)

投資資產

下表根據保險部門提供給公司管理層的投資組合的資產分配報告分類，以衡量投資組合的績效，該報告分類可以與上表中的截至二零二零年六月三十日止六個月期間及截至二零一九年十二月三十一日止年度總投資賬面值進行對賬。

| | | As at 30 June 2020 於 二零二零年 六月 三十日 HK\$ million 百萬港元 | As at 31 December 2019 於 二零一九年 十二月 三十一日 HK\$ million 百萬港元 |
|--|-------------------|---|---|
| Debt securities | 債務證券 | 41,776 | 38,370 |
| Mortgage loans | 抵押貸款 | 6,809 | 7,023 |
| Equity securities | 權益證券 | 1,519 | 1,332 |
| Cash for investment | 可用於投資的現金 | 473 | 1,082 |
| | | 50,577 | 47,807 |
| Unit trusts and investment policyholder plans related securities | 單位信託及投資保單持有人的相關證券 | 6,764 | 7,150 |
| | | 57,341 | 54,957 |

Note: Certain comparatives have been adjusted to conform with current period end presentation.

附註：若干比較數字亦已作出調整，以符合本期末的列報方式。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Investment assets (Continued)

As at 30 June 2020, 92.5% (31 December 2019: 93.0%) of the debt securities invested have Standard and Poor's rating of BBB- or above or equivalent rating from other reputable rating agencies. As at 30 June 2020, 97.1% (31 December 2019: 96.3%) of the mortgage loans have internal rating equivalent to Standard and Poor's ratings of BBB or above or equivalent ratings from other reputable rating agencies.

The table below sets forth the total investment income based on internal records:

業務回顧(續)

投資資產(續)

截至二零二零年六月三十日，投資債務證券的92.5%（二零一九年十二月三十一日：93.0%）具有標準普爾評級BBB-或以上或其他信譽良好的評級機構的同等評級。截至二零二零年六月三十日，97.1%（二零一九年十二月三十一日：96.3%）的抵押貸款的內部評級與標準普爾評級為BBB或以上或其他信譽良好的評級機構的同等評級相等。

下表載列了基於內部記錄的投資收益總額：

| | | For the six months period ended 30 June | |
|----------------------------|---------|---|--------------|
| | | 截至六月三十日止六個月期間 | |
| | | 2020 | 2019 |
| | | 二零二零年 | 二零一九年 |
| | | HK\$ million | HK\$ million |
| | | 百萬港元 | 百萬港元 |
| Interest income and others | 利息收入和其他 | 959 | 812 |
| Dividend income | 股息收入 | 61 | 26 |

The investment income excludes income arising from investment-linked products.

投資收入不含投資相連壽險產生的收入。

Key operational data of the insurance division

保險分部的其他主要經營數據

The table below sets forth certain other key operational data of the insurance division.

下表載列了保險分部的其他主要經營數據。

| | | As at 30 June 2020 | As at 31 December 2019 |
|---------------------------------------|-------------|--------------------|------------------------|
| | | 於二零二零年六月三十日 | 於二零一九年十二月三十一日 |
| Number of employees | 僱員數量 | | |
| — Hong Kong | — 香港 | 460 | 421 |
| — Macau | — 澳門 | 22 | 21 |
| Number of tied agents | 獨家代理數量 | | |
| — Hong Kong | — 香港 | 2,066 | 2,003 |
| — Macau | — 澳門 | 986 | 970 |
| Number of brokers and non-tied agents | 經紀人和非獨家代理數量 | 516 | 502 |
| Number of bancassurance partners | 銀行保險合作夥伴數量 | 5 | 5 |

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW (Continued)

Financial strength and solvency margin

During the period ended 30 June 2020, our insurance business has strictly adhered to the regulatory minimum capital requirement as determined at the relevant time in accordance with the IO and maintain sufficient available capital for operation purpose.

OTHER FINANCIAL SERVICE BUSINESS

Brokerage Business

During the Period, the turnover of brokerage business amounted to HK\$8,926.8 million (Prior Period: HK\$4,228.7 million), representing an increase of 111%. Through striving to expand, transform and promote vitality in various aspects such as financing, customer experience and operation support in private placement bonds and IPO financing business, it has driven overall brokerage business growth. We will continue to enhance customer experience by improving the development of infrastructure including system implementation, business procedures and financing, comply with laws and regulations and maintain the stability of existing business.

Employee Stock Ownership Plan Administration

During the Period, the business volume, revenue from service fees and related commission income of the employee stock ownership plan (the “ESOP”) administration service division have remained stable. The team continued to assist a number of corporate clients to complete the implementation of the employee stock ownership plans and enhance the quality of ESOP administration system and securities trading mobile application to satisfy our customers’ needs. The introduction of new online features provides business potential to attract and expand customers base. The team will also strive to further strengthen its efforts to provide an upgraded integrated plan administration system aiming to attract more corporate clients listed in Hong Kong and the United States. The ESOP administration service will continue to play a key role in the long-term development of the Group’s securities brokerage and wealth management businesses.

業務回顧(續)

財務實力和償付能力

截至二零二零年六月三十日止期間，我們的保險業務嚴格遵守根據《保險業條例》於有關時間情況而定的最低法定資本要求，並保持足夠用於運營的可用資本。

其他金融服務業務

經紀業務

截至二零二零年六月三十日止期間，本集團於本期間內經紀業務的交易總額為89.3億港元（去年同期為42.3億港元），增幅為111%。其中從融資額度、客戶體驗、運營支援等多方面著手，持續拉新、轉化和促活，推動私募債券及首次公開招股新股認購融資業務，帶動整體經紀業務增長。經紀業務線將繼續完善與提升客戶體驗相關的基礎設施建設，包括系統、業務流程、融資等，依法合規，保持現有業務穩定。

員工持股計劃管理

截至二零二零年六月三十日止期間，員工持股計劃管理業務的業務量、服務費收益和相關的佣金收入均保持穩定。員工持股計劃管理團隊繼續協助多家企業客戶完成員工持股計劃的執行，持續加強計劃管理系統和股票交易移動應用程式的品質，以滿足客戶需要。新功能的上線存在吸納和擴充客戶的潛在空間。團隊亦將致力於進一步加強提供一體化的計劃管理系統，希望憑藉升級後的系統吸引更多香港和美國上市的企業客戶。員工持股計劃管理服務將繼續是集團長遠拓展證券經紀和財富管理業務重要的一環。

Management Discussion and Analysis

管理層討論及分析

OTHER FINANCIAL SERVICE BUSINESS

(Continued)

Financial Technology

Regarding the financial technology business, fintech solutions promoted more in-depth co-sharing of all major market data targeted for institutions were launched to the market. The fintech division will continue to strive for breakthroughs and enhance its frontline products including those related to our insurance business segment. Looking forward, the fintech division will progressively establish a series of highly effective and compliant project management systems in its pursuit of reformation and innovation so as to consolidate the Group's technology-led position in the financial sector.

Asset Management

In the First Half of 2020, the Youyu Wealth platform focused on strengthening cooperation with PRC-based fund houses. By the end of the Period, the Youyu Wealth platform launched a variety of online public funds offered by several globally renowned fund houses. The Group will continue to focus on diversifying the fund product offerings across the platform, particularly the fund products offered by outstanding PRC fund managers. At the same time, the Group will continue to optimise the features, enhance competitive advantages and improve customer experience across the platform. Under the premise of effective risk management, the asset management division will introduce new asset management products as and when appropriate to provide better asset management and wealth management services with more choices for high-net-worth customers and institutional clients.

PROSPECT

Faced with the challenges from the market and the economy, the Group will remain cautiously optimistic in the second half of 2020 and continue to assess the impact of COVID-19 on its operational and financial conditions. The Group will continue to provide customers with high-quality products and services through online channels. Through the combination of the existing fintech service and traditional insurance business, the Group endeavours to enhance the competitiveness of YF Life and other business segments during this atypical period with a view to generate growth to the integrated financial business of the Group and become a sustainable financial group.

其他金融服務業務(續)

金融科技

在金融科技業務方面，針對機構的金融科技解決方案相繼推出並投放市場，促進了所有主要市場數據的深度共享。金融科技部門將持續實現突破，在其加強前端產品的基礎上持續研發（包括針對保險分部的科技產品）。展望未來，金融科技部門將逐步建立高效且合規的項目管理系統，不斷追求改革和創新，以鞏固集團在金融領域的技術主導地位。

資產管理

二零二零年上半年，有魚智投平台重點加強和中資基金公司的合作，至二零二零年上半年末，有魚智投平台已上線多家全球知名基金公司各種公募基金產品。本集團將繼續專注豐富其平台基金產品，尤其是優秀的中國基金管理人發行的基金產品；致力優化平台功能，打造平台優勢，提升平台客戶體驗。在有效控制風險的前提下，資產管理部門將適時發行新的資產管理產品，為高淨值客戶和機構客戶提供更多更好的資產管理及財富管理服務。

展望

面對來自市場和經濟的挑戰，本集團在二零二零年下半年將保持審慎樂觀，持續評估新冠肺炎疫情對經營和財務的影響，繼續通過線上方式為客戶提供高品質的產品和服務，進一步將現有的金融科技服務與傳統的保險業務相結合，力圖在這一特殊時期增強萬通保險和其他業務板塊的競爭力，為本集團的綜合金融業務帶來增長，成為可持續發展的金融集團。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2020, the Group had fixed bank deposits with original maturity over 3 months and cash and cash equivalents amounting to HK\$3,218 million (31 December 2019: HK\$2,555 million). As at 30 June 2020, the Group has HK\$2,103 million (31 December 2019: HK\$1,499 million) bank borrowing outstanding and HK\$1,561 million (31 December 2019: HK\$1,561 million) shareholder's loan outstanding. The Group's gearing ratio was 18.86% (31 December 2019: 16.52%), which was measured as total debt excluding those operation related liabilities to total debt excluding those operation related liabilities plus equity.

CAPITAL STRUCTURE

Details of movements in share capital of the Company during the Period are set out in the statement of changes in equity to the condensed consolidated interim financial statements.

FOREIGN EXCHANGE RISK

The Group has assets and liabilities denominated in currencies other than Hong Kong dollar and that are subject to fluctuation in foreign exchange amounts in the different currencies. The Group is exposed to currency risk arising from various currency exposures mainly to the extent of its investments and bank balances in multi currencies. Management of the Group monitors the foreign exchange exposure and will hedge significant foreign currency exposure should the need arise as set out in note 4 to the condensed consolidated interim financial statements.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

The Group did not have any material acquisitions or disposals of subsidiaries and associates during the Period.

CHARGE ON ASSETS

At the end of the Period, the Group did not have any charges on assets, other than a security deposit of HK\$300,000 (31 December 2019: HK\$300,000) for banking facilities, HK\$6,153,586,000 of investments together with HK\$309,648,000 of fixed bank deposit (31 December 2019: HK\$5,609,487,000 of investments together with HK\$269,250,000 of fixed bank deposits) in favour of Autoridade Monetaria de Macau to guarantee the technical reserves in accordance with the Macau Insurance Ordinance.

流動資金及財務資源

於二零二零年六月三十日，本集團之原定期限多於三個月的銀行存款和現金及現金等值項目合共為32.18億港元(二零一九年十二月三十一日：25.55億港元)。於二零二零年六月三十日，本集團的未償還銀行借貸為21.03億港元(二零一九年十二月三十一日：14.99億港元)，未償還的股東貸款為15.61億港元(二零一九年十二月三十一日：15.61億港元)。本集團的資產負債比率為18.86%(二零一九年十二月三十一日：16.52%)，以不含經營相關負債的債務總額與不含與經營相關的負債和權益總和相比計量。

資本架構

本期間本公司股本變動詳情載於簡明綜合中期財務報表之權益變動表。

外匯風險

本集團擁有以港元以外的貨幣計價的資產和負債，並受不同貨幣的外匯金額波動影響。本集團須承受其以多種貨幣為單位的投資及銀行餘額所產生的貨幣風險。本集團管理層監察外匯風險，並於有需要時根據簡明綜合中期財務報表附註4所述對沖重大外幣風險。

附屬公司及聯營公司之重大收購及出售

本集團於本期間並無任何附屬公司及聯營公司之重大收購及出售。

資產抵押

於本期間內，除就銀行融資額度提供之保證金300,000港元(二零一九年十二月三十一日：300,000港元)，以及根據《澳門保險條例》規定，為數6,153,586,000港元的投資以及309,648,000港元的固定銀行存款(二零一九年十二月三十一日：為數5,609,487,000港元的投資以及269,250,000港元的固定銀行存款)已抵押於澳門金融管理局，作為本集團技術準備金的擔保外，本集團無任何資產抵押。

Management Discussion and Analysis

管理層討論及分析

COMMITMENTS

Details of commitments are set out in note 29 to the condensed consolidated interim financial statements.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2020 and 31 December 2019.

STAFFING AND REMUNERATION

As at 30 June 2020, the Group employed 669 (31 December 2019: 654) full-time employees mainly located in Hong Kong, Macau and the People's Republic of China and stringently abided by the relevant labour laws and regulations. To foster a motivated and skilled working team, the Group provides on-the-job training and competitive remuneration packages including salaries and discretionary bonuses for employees.

The remuneration policy and package, including the share options and share awards (if any), of the Group's employees are maintained at market level and are reviewed annually by the management. There have been no significant changes in the employment, training or development policies of the Group since the publication of the annual report for the year ended 31 December 2019.

DIVIDEND

The board did not declare the payment of an interim dividend for the six months ended 30 June 2020 (six months ended 30 June 2019: Nil).

EVENTS AFTER REPORTING PERIOD

Details of events after reporting period are set out in note 34 to the condensed consolidated interim financial statements.

承擔

承擔詳情載於簡明綜合中期財務報表附註29。

或然負債

本集團於二零二零年六月三十日及二零一九年十二月三十一日並無任何重大或然負債。

員工及薪酬

於二零二零年六月三十日，本集團僱用669名（二零一九年十二月三十一日：654名）全職僱員，主要位於香港、澳門及中國內地。本集團嚴格遵循相關勞動法律法規。為培養積極及有能力的工作團隊，本集團提供在職培訓及具競爭力的薪酬待遇，包括薪金及僱員酌情花紅。

本集團僱員之薪酬政策及待遇（包括購股權及股份獎勵，如有）維持於市場水平，並每年由管理層進行檢討。自截至二零一九年十二月三十一日止年度年報公佈以來，本集團的僱傭情況、培訓或發展政策並無重大變動。

股息

董事會不宣派截至二零二零年六月三十日止六個月中期股息（截至二零一九年六月三十日止六個月：無）。

報告期後的事件

報告期後的事件詳情載於簡明綜合中期財務報表附註34。

1. BACKGROUND

The Group mainly consists of two major segments including life insurance business and other financial services in the areas of investment holding, asset management, pensions, other businesses and corporate services. Life insurance business is operated by YF Life, a 69.8% owned subsidiary, which is the most significant part of the Group in terms of total asset and profitability. To provide additional information of the insurance business of the Group, the Group disclosed the Embedded Value (“EV”) of the segment.

2. BASIS OF PREPARATION

We adopted a traditional deterministic discounted cash flow methodology to determine the components of Embedded Value and the New Business Value. This methodology makes implicit allowance for the time value of options and guarantees and other risks associated with the realisation of the expected future distributable earnings through the use of a risk adjusted discount rate and is consistent with the industry practice in the market.

The Group has appointed PricewaterhouseCoopers (“PwC”), an international firm of consulting actuaries, to examine whether the methodology and assumptions used by us in the preparation of the Embedded Value as at 30 June 2020 are consistent with standards generally adopted by insurance companies in Hong Kong and the preparation basis adopted for the Embedded Value as at 31 December 2019.

3. CAUTIONARY STATEMENT

The calculations of Embedded Value and the New Business Value of insurance business segment are based on certain assumptions with respect to future experience. Thus, the actual results could differ significantly from what is envisioned when these calculations were made. In addition, the insurance business segment is held through a 69.8% owned subsidiary of the Group. With the Embedded Value and the New Business Value of the insurance business being presented on a 100% basis below, the related value assessment should be considered accordingly.

1. 背景

本集團主要有兩個分部：人壽保險業務和其他金融服務，涵蓋投資控股、資產管理、退休金、其他業務和企業服務等領域。人壽保險業務由擁有69.8%權益的附屬公司萬通保險經營，該公司在資產總額和盈利能力方面是本集團的最重要組成部分。為提供本集團保險業務的其他資料，本集團披露該分部的內含價值。

2. 編制基準

我們採用傳統的確定性貼現現金流量法確定內含價值和新業務價值的組成部分。該方法通過使用風險調整貼現率，就期權和擔保的時間價值以及實現預計未來可分配收益相關的其他風險計提內含準備，並與市場行業慣例一致。

本集團已委任國際諮詢精算師羅兵咸永道有限公司（「羅兵咸永道」）審查我們編製於二零二零年六月三十日的內含價值時所採用的方法及假設是否與香港保險公司通常採用的標準及用於二零一九年十二月三十一日的內含價值的編制基準一致。

3. 提示聲明

保險業務分部的內含價值和新業務價值根據未來經驗的有關假設進行計算。因此，實際結果可能與進行這些計算時所作的設想有明顯差異。此外，保險業務分部由本集團擁有69.8%權益的附屬公司持有。保險業務的內含價值和新業務價值以100%基準呈報如下，因此應相應考慮相關的價值評估。

Embedded Value 內含價值

4. EMBEDDED VALUE OF YF LIFE

4.1 Embedded value

| | | As at 30 June 2020 於 二零二零年 六月 三十日 HK\$ million 百萬港元 | As at 31 December 2019 於 二零一九年 十二月 三十一日 HK\$ million 百萬港元 |
|--|--------------------|---|---|
| Adjusted Net Worth | 經調整淨值 | 4,154 | 5,989 |
| Value of in-force business before cost of capital | 有效業務扣除資本成本前的 價值 | 13,539 | 12,386 |
| Cost of capital | 資本成本 | (2,155) | (2,024) |
| Embedded value | 內含價值 | 15,538 | 16,351 |
| Attributable to: | 應佔權益： | | |
| Owners of the Company | 本公司權益股東 | 10,845 | 11,413 |
| Non-controlling interests | 非控股權益 | 4,693 | 4,938 |
| Embedded value | 內含價值 | 15,538 | 16,351 |

4.2 New business value

| | | For the past 6 months as of 30 June 2020 截至 二零二零年 六月三十日 止六個月 HK\$ million 百萬港元 | For the past 6 months as of 30 June 2019 截至 二零一九年 六月三十日 止六個月 HK\$ million 百萬港元 |
|---|-------------------|--|--|
| New Business Value after cost of capital | 扣除資本成本後的 新業務價值 | 218 | 226 |

4. 萬通保險內含價值

4.1 內含價值

4.2 新業務價值

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 June 2020, the interests and short positions of each director of Yunfeng Financial Group Limited (the "Company") (the "Director") and chief executives in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Part XV of the SFO or the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") under the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange, or known to the Company, were as follows:

Long positions in the ordinary shares of the Company ("Shares") and the underlying Shares:

| Name of Director 董事姓名 | Capacity/ Nature of interests 身份／權益性質 | Number of Shares held 所持股份數目 | |
|---|--|---------------------------------|--|
| | | Long position 好倉 | Percentage of shareholding 持股百分比 |
| Mr. Yu Feng (<i>note</i>) 虞鋒先生 (<i>附註</i>) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 1,342,976,000 | 41.66% |

Note:

Mr. Yu Feng, Chairman of the Group and non-executive Director, was interested in 1,342,976,000 Shares through Jade Passion Limited ("Jade Passion"), a company which is owned as to 73.21% of its issued share capital by Key Imagination Limited ("Key Imagination"). 91% of the issued share capital of Key Imagination is owned by Yunfeng Financial Holdings Limited ("YFHL"), the issued share capital of which in turn, is owned as to 70.15% by Mr. Yu Feng.

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債券中擁有之權益及／或淡倉

於二零二零年六月三十日，雲鋒金融集團有限公司(「本公司」)各董事(「董事」)及主要行政人員於本公司或其任何相聯法團(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已記錄於本公司須根據證券及期貨條例第352條存置之登記冊內，或已根據證券及期貨條例第XV部或聯交所證券上市規則(「上市規則」)下上市公司董事進行證券交易的標準守則(「標準守則」)知會本公司及香港聯合交易所有限公司(「聯交所」)，或本公司已知悉之權益及淡倉如下：

於本公司普通股(「股份」)及相關股份之好倉：

附註：

本集團主席兼本公司非執行董事虞鋒先生透過 Jade Passion Limited (「Jade Passion」)於1,342,976,000股股份中擁有權益，Key Imagination Limited (「Key Imagination」)擁有Jade Passion已發行股本之73.21%，雲鋒金融控股有限公司(「雲鋒金融控股」)擁有Key Imagination已發行股本之91%，而虞鋒先生擁有雲鋒金融控股已發行股本之70.15%。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS (Continued)

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債券中擁有之權益及／或淡倉(續)

Long positions in the shares and the underlying shares of associated corporations:

於相聯法團股份及相關股份之好倉：

| Name of Associated Corporation 相聯法團名稱 | Name of Director 董事姓名 | Capacity/ Nature of Interests 身份／權益性質 | Number of Shares held in Associated Corporation 於相關法團所持股份數目 | |
|--|--|--|---|--|
| | | | Long position 好倉 | Percentage of shareholding 持股百分比 |
| Yunfeng Financial Holdings Limited 雲鋒金融控股有限公司 | Mr. Yu Feng 虞鋒先生 | Beneficial owner/Beneficial interest 實益擁有人／實益權益 | 94 | 70.15% |
| Key Imagination Limited | Mr. Yu Feng (Note 1) 虞鋒先生(附註1) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 9,100 | 91% |
| | Mr. Huang Xin (Note 2) 黃鑫先生(附註2) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 900 | 9% |
| Jade Passion Limited | Mr. Yu Feng (Note 1) 虞鋒先生(附註1) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 7,321 | 73.21% |

Notes:

附註：

(1) Mr. Yu Feng, Chairman of the Group and non-executive Director, was interested in 9,100 shares, representing 91% of equity interest in Key Imagination through YFHL, the substantial shareholder of the Company. Mr. Yu Feng was also interested in 7,321 shares, representing 73.21% of equity interest in Jade Passion through Key Imagination. Both Key Imagination and Jade Passion are substantial shareholders of the Company.

(1) 本集團主席兼本公司非執行董事虞鋒先生透過本公司之主要股東雲鋒金融控股於Key Imagination擁有9,100股股份，佔Key Imagination之91%股權。虞鋒先生亦透過Key Imagination於Jade Passion擁有7,321股股份，佔Jade Passion之73.21%股權。Key Imagination及Jade Passion均為本公司之主要股東。

(2) Mr. Huang Xin, an executive Director, is the sole shareholder of Perfect Merit Limited which owns 900 shares, representing 9% of the equity interest in Key Imagination.

(2) 本公司之執行董事黃鑫先生為Perfect Merit Limited之唯一股東，Perfect Merit Limited擁有Key Imagination 900股股份，佔Key Imagination之9%股權。

Save as disclosed above, as at 30 June 2020, none of the Directors and chief executive of the Company and/or any of their respective associates had any interest or short position in the shares, underlying shares or debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the Model Code adopted by the Company.

除上文所披露者外，於二零二零年六月三十日，概無本公司董事及主要行政人員及／或任何彼等各自之聯繫人士於本公司及／或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有任何已記錄於本公司須根據證券及期貨條例第352條存置之登記冊內，或已根據證券及期貨條例第XV部或本公司採納之標準守則已知會本公司及聯交所之權益或淡倉。

LONG-TERM INCENTIVE SCHEMES

The Company has adopted the share option scheme and share award schemes to recognise the contributions of certain employees or Directors and help to retain them for the Group's operations and further development.

Share Option Scheme

The share option scheme (the "Share Option Scheme") was adopted by the Company on 21 July 2011 with a useful life of ten years from the date of adoption. Summary of the Share Option Scheme is set out in the 2019 annual report.

During the six months ended 30 June 2020, no share options were granted and as at 30 June 2020, no share options were outstanding.

Share Award Schemes

The Board had approved the adoption of two share award schemes respectively on 30 October 2014 (the "2014 Share Award Scheme") and on 12 December 2016 (the "2016 Share Award Scheme").

The maximum number of shares that can be issued or purchased under the 2016 Share Award Scheme and the 2014 Share Award Scheme is 10% of the Shares in issue from time to time (i.e. 322,332,639 Shares, representing 10% of total issued Shares as at the date of this report).

2014 Share Award Scheme

Since the date of adoption of 2014 Share Award Scheme (i.e. 30 October 2014) (the "2014 Adoption Date") and up to the date of this report, a total of 9,330,239 Shares have been awarded under the 2014 Share Award Scheme, representing about 2.09% of the total number of Shares in issue as at the 2014 Adoption Date and about 0.29% of the total issued Shares as at the date of this report.

During the six months ended 30 June 2020, no Shares had been awarded under the 2014 Share Award Scheme and as at 30 June 2020, 26,667 Shares were held by the trustee under the 2014 Share Award Scheme. There was no movement in the number of shares awarded under the 2014 Share Award Scheme during the Period.

長期激勵計劃

本公司已採納購股權計劃及股份獎勵計劃以認可部分員工的貢獻及為集團的營運及進一步發展保留員工及董事。

購股權計劃

本公司於二零一一年七月二十一日採納購股權計劃(「購股權計劃」)，自採納日期起使用期限為十年。購股權計劃的概要載於二零一九年年報。

於截至二零二零年六月三十日止六個月，概無授出購股權，而於二零二零年六月三十日，概無購股權尚未行使。

股份獎勵計劃

董事會分別於二零一四年十月三十日(「二零一四年股份獎勵計劃」)及二零一六年十二月十二日(「二零一六年股份獎勵計劃」)批准通過兩項股份獎勵計劃。

根據二零一六年股份獎勵計劃及二零一四年股份獎勵計劃可發行或購買之最高股份數目為本公司不時發行股份數目的10%(即322,332,639股股份，相當於本報告日期已發行股份之10%)。

二零一四年股份獎勵計劃

自採納二零一四年股份獎勵計劃日期起(即二零一四年十月三十日)(「二零一四年採納日期」)及截至本報告日期，已根據二零一四年股份獎勵計劃授出合共9,330,239股股份，相當於二零一四年採納日期已發行股份數目總數約2.09%，及於本報告日期已發行股份數目總數約0.29%。

於截至二零二零年六月三十日止六個月，概無根據二零一四年股份獎勵計劃授出股份，且於二零二零年六月三十日，信託人根據二零一四年股份獎勵計劃持有26,667股股份。於本期間內，根據二零一四年股份獎勵計劃已授出獎勵股數目並沒有變動。

LONG-TERM INCENTIVE SCHEMES

(Continued)

2016 Share Award Scheme

Since the date of adoption of 2016 Share Award Scheme (i.e. 12 December 2016) (the “2016 Adoption Date”) and up to the date of this report, 9,330,239 Shares have been awarded pursuant to the 2014 Share Award Scheme while 43,040,000 Shares have been awarded pursuant to the 2016 Share Award Scheme, representing in aggregate about 2.18% of the total number of Shares in issue as at the 2016 Adoption Date and about 1.62% of the total issued shares as at the date of this report.

During the six months ended 30 June 2020, no Shares had been awarded under the 2016 Share Award Scheme. As at 30 June 2020, 15,395,000 Shares were held by the trustee under the 2016 Share Award Scheme. Details of movements in the number of shares awarded under the 2016 Share Award Scheme are disclosed in note 27 to the condensed consolidated interim financial statements.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES

Save as disclosed in this report, at no time during the six months ended 30 June 2020 was the Company, or any of its subsidiaries or associated corporations, a party to any arrangement to enable the Directors (including their respective spouses and children under the age of 18) to acquire benefits by means of the acquisition of the shares or debentures of, the Company or any other body corporate.

長期激勵計劃(續)

二零一六年股份獎勵計劃

自採納二零一六年股份獎勵計劃日期起(即二零一六年十二月十二日)(「二零一六年採納日期」)及截至本報告日期,已根據二零一四年股份獎勵計劃授出9,330,239股股份及根據二零一六年股份獎勵計劃授出43,040,000股股份,相當於約二零一六年採納日期已發行股份數目總數約2.18%,及於本報告日期已發行股份數目總數約1.62%。

截至二零二零年六月三十日止六個月,概無根據二零一六年股份獎勵計劃授出股份。於二零二零年六月三十日,信託人根據二零一六年股份獎勵計劃持有15,395,000股股份。根據二零一六年股份獎勵計劃已授出獎勵股份數目之變動載於簡明綜合中期財務報表附註27。

董事購買股份之權利

除本報告所披露者外,於截至二零二零年六月三十日止六個月內任何時間,本公司或其任何附屬公司或相聯法團概無訂立任何安排,致令董事(包括彼等各自之配偶及18歲以下之子女)可藉購入本公司或其任何法團之股份或債券而獲利。

**SUBSTANTIAL SHAREHOLDERS' AND
OTHER PERSONS' INTERESTS IN SHARES**

主要股東及其他人士於股份之權益

As at 30 June 2020, the Company had been notified of the following substantial shareholders' and other persons' interests, being 5% or more of the Company's issued shares that are recorded in the register under Section 336 of the SFO.

於二零二零年六月三十日，本公司獲知會下列主要股東及其他人士權益，即根據證券及期貨條例第336條存置於登記冊內之本公司已發行股份中5%或以上之權益。

| Name of Substantial Shareholder 主要股東姓名 | Capacity/Nature of interests 身份／權益性質 | Number of Shares held 所持股份數目 | |
|---|--|---------------------------------|-------------------------------------|
| | | Long position 好倉 | Percentage of shareholding 持股百分比 |
| Mr. Yu Feng (Note 1) 虞鋒先生(附註1) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 1,342,976,000 | 41.66% |
| Yunfeng Financial Holdings Limited (Note 1) 雲鋒金融控股有限公司(附註1) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 1,342,976,000 | 41.66% |
| Key Imagination Limited (Note 1) Key Imagination Limited (附註1) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 1,342,976,000 | 41.66% |
| Jade Passion Limited (Note 1) Jade Passion Limited (附註1) | Beneficial owner/Beneficial interest 實益擁有人／實益權益 | 1,342,976,000 | 41.66% |
| Massachusetts Mutual Life Insurance Company (Note 2) Massachusetts Mutual Life Insurance Company (附註2) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 800,000,000 | 24.82% |
| MassMutual International LLC (Note 2) MassMutual International LLC (附註2) | Beneficial owner/Beneficial interest 實益擁有人／實益權益 | 800,000,000 | 24.82% |
| Ms. Lian Yi (Note 3) 連軼女士(附註3) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 167,872,000 | 5.21% |
| Clear Expert Limited (Note 3) Clear Expert Limited (附註3) | Held by controlled corporation/ Corporate interest 由受控制法團持有／法團權益 | 167,872,000 | 5.21% |
| Violet Passion Holdings Limited (Note 3) Violet Passion Holdings Limited (附註3) | Beneficial owner/Beneficial interest 實益擁有人／實益權益 | 167,872,000 | 5.21% |

**SUBSTANTIAL SHAREHOLDERS' AND
OTHER PERSONS' INTERESTS IN SHARES**
(Continued)

Notes:

- (1) Mr. Yu Feng, Chairman of the Group and a non-executive Director, was interested in 1,342,976,000 Shares through Jade Passion, a company which is owned as to 73.21% of its issued share capital by Key Imagination. 91% of the issued share capital of Key Imagination is owned by YFHL, the issued share capital of which in turn, is owned as to 70.15% by Mr. Yu Feng.
- (2) Massachusetts Mutual Life Insurance Company was interested in 800,000,000 Shares through its 100% controlled corporation "MassMutual International LLC".
- (3) Ms. Lian Yi was interested in 167,872,000 Shares through Violet Passion Holdings Limited, a wholly-owned subsidiary of Clear Expert Limited, which in turn is a company wholly-owned by Ms. Lian Yi.

Save as disclosed above, as at 30 June 2020, there were no other persons who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under divisions 2 and 3 of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO.

**PURCHASE, SALE OR REDEMPTION OF THE
LISTED SECURITIES OF THE COMPANY**

During the six months ended 30 June 2020, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

主要股東及其他人士於股份之權益(續)

附註：

- (1) 本集團主席兼本公司非執行董事虞鋒先生透過 Jade Passion 擁有 1,342,976,000 股股份之權益，Key Imagination 擁有 Jade Passion 已發行股本之 73.21%，雲鋒金融控股擁有 Key Imagination 已發行股本之 91%，而虞鋒先生擁有雲鋒金融控股已發行股本之 70.15%。
- (2) Massachusetts Mutual Life Insurance Company 透過其 100% 控股公司 MassMutual International LLC 擁有 800,000,000 股股份。
- (3) 連軼女士透過 Violet Passion Holdings Limited (Clear Expert Limited 之全資附屬公司) 於 167,872,000 股股份中擁有權益，而 Clear Expert Limited 則由連軼女士全資擁有。

除上文所披露者外，於二零二零年六月三十日，概無其他人士於本公司之股份或相關股份中擁有須根據證券及期貨條例第 2 及第 3 部向本公司披露，或根據證券及期貨條例第 336 條記錄於本公司存置之登記冊內之權益或淡倉。

購買、出售或贖回本公司上市證券

於截至二零二零年六月三十日止六個月，本公司或其任何附屬公司並無購買、出售或贖回本公司任何上市證券。

CORPORATE GOVERNANCE

During the six months ended 30 June 2020, the Company has complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”), as set out in Appendix 14 to the Listing Rules, except for a deviation which is summarised below:

Code Provision A.4.1

Code provision A.4.1 provides that non-executive directors should be appointed for a specific term, subject to re-election. The Company deviates from this provision because the non-executive Directors and independent non-executive Directors do not currently have specific terms of appointment. However, the articles of association of the Company states that one-third of the Directors for the time being or, if the number is not a multiple of three, then, the number nearest to but not less than one-third, shall retire from office by rotation, provided that every Directors shall be subject to retirement by rotation at least once every three years at each annual general meeting, and offer themselves for re-election. As such, the Board considers that sufficient measures have been put in place to ensure the Company’s corporate governance practice in this aspect provides sufficient protection for the interests of Shareholders to a standard commensurate with that of the CG Code.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding director’s securities transactions with terms no less exacting than the required standard set out in the Model Code. Following specific enquiry by the Company, all the Directors have confirmed that they have complied with the required standards as stated in the Model Code throughout the six months ended 30 June 2020.

AUDIT COMMITTEE

The audit committee of the Company is chaired by Mr. Chu Chung Yue, Howard, with members of Mr. Qi Daqing and Mr. Xiao Feng. The audit committee of the Company has adopted the terms of reference which are in line with the CG Code.

This unaudited condensed consolidated interim financial results and report of the Group for the six months ended 30 June 2020 have been reviewed by the audit committee of the Company.

企業管治

截至二零二零年六月三十日止六個月，本公司已遵守上市規則附錄十四所載之相關企業管治守則(「企業管治守則」)條文，惟下文所述之偏離除外：

守則條文第A.4.1條

根據守則條文第A.4.1條，非執行董事應以指定任期聘任並須接受重選。由於目前本公司之非執行董事及獨立非執行董事並無指定任期，故本公司偏離此條文。然而，根據本公司之組織章程細則，當時三分之一之在任董事(倘人數並非三之倍數，則最接近但不少於三分之一之人數)須輪值卸任。於每屆股東週年大會上，每位董事需要至少每三年須輪席退任一次，並膺選連任。因此，董事會認為此方面已採取足夠措施確保本公司之企業管治常規可充分保障股東之權益，並符合企業管治守則條文所規定的標準。

進行證券交易之行為守則

本公司已採納一套有關董事進行證券交易之行為守則，其條款不遜於標準守則所載之交易必守標準。經本公司作出具體查詢後，全體本公司董事已確認，彼等於截至二零二零年六月三十日止六個月一直遵守標準守則列明之交易必守標準。

審核委員會

本公司之審核委員會由朱宗宇先生擔任主席，成員包括齊大慶先生及肖風先生。審核委員會已採納與企業管治守則一致之職權範圍。

審核委員會已審閱本集團截至二零二零年六月三十日止六個月之未經審核簡明綜合中期財務報表。

CHANGES OF DIRECTORS' INFORMATION

The Change of directors' information as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules is set out below:

Mr. Michael James O'Connor was appointed as a manager of MassMutual International LLC, a substantial shareholder of the Company with effect from August 4, 2020.

Save as disclosed above, the Company is not aware of other changes in the directors' information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

董事資料之變動

根據上市規則第 13.51B(1) 條須予披露之董事資料變動如下：

Michael James O'Connor 先生於二零二零年八月四日獲委任為 MassMutual International LLC 之理事，MassMutual International LLC 為本公司之主要股東。

除上文所披露者外，本公司並不知悉根據上市規則第 13.51B(1) 條須披露的董事資料的其他變動。

**REVIEW REPORT TO THE BOARD OF
DIRECTORS OF YUNFENG FINANCIAL
GROUP LIMITED**

(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the condensed consolidated interim financial statements set out on pages 34 to 108 which comprise the condensed consolidated statement of financial position of Yunfeng Financial Group Limited (the “Company”) and its subsidiaries (the “Group”) as of 30 June 2020 and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of the condensed consolidated interim financial statements to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the condensed consolidated interim financial statements in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the condensed consolidated interim financial statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the Hong Kong Institute of Certified Public Accountants. A review of the condensed consolidated interim financial statements consist of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

**審閱報告
致雲鋒金融集團有限公司董事會**

(於香港註冊成立的有限公司)

引言

我們已審閱載於第34頁至108頁雲鋒金融集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的簡明綜合中期財務報表，此簡明綜合中期財務報表包括於二零二零年六月三十日的簡明綜合財務狀況表和截至該日止六個月期間的簡明綜合收益表、簡明綜合全面收益表、簡明綜合權益變動表和簡明綜合現金流量表，以及附註解釋。香港聯合交易所有限公司證券上市規則規定，簡明綜合中期財務報表的編製必須符合當中有關條文，以及由香港會計師公會頒佈的《香港會計準則》第34號「*中期財務報告*」。董事須負責根據《香港會計準則》第34號編製及呈報簡明綜合中期財務報表。

我們的責任是根據我們的審閱對簡明綜合中期財務報表發表結論，並按照雙方所協定的委聘條款僅向全體董事會報告。除此之外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

審閱範圍

我們已根據香港會計師公會頒佈的《香港審閱準則》第2410號「*實體獨立核數師執行的中期財務資料審閱*」進行審閱。審閱簡明綜合中期財務報表包括主要向負責財務和會計事務的人員作出查詢，並應用分析性和其他審閱程序。由於審閱範圍遠少於根據《香港審計準則》進行審計的範圍，故不能保證我們會知悉在審計中可能發現的所有重大事項。因此，我們不會發表審計意見。

**REVIEW REPORT TO THE BOARD OF
DIRECTORS OF YUNFENG FINANCIAL
GROUP LIMITED (Continued)**
(Incorporated in Hong Kong with limited liability)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements as at 30 June 2020 are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

Other matter

Our review was conducted for the purpose of forming a conclusion on the condensed consolidated interim financial statements taken as a whole. The reconciliation between Hong Kong Financial Reporting Standards and US generally accepted accounting principles included in note 31 is presented for purposes of additional analysis and is not required as part of the condensed consolidated interim financial statements. Such information has been subjected to the review procedures applied in the review of the condensed consolidated interim financial statements and, based on our review, nothing has come to our attention that causes us to believe that such information is not fairly stated, in all material respects, in relation to the condensed consolidated interim financial statements taken as a whole.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 August 2020

審閱報告
致雲鋒金融集團有限公司董事會(續)

(於香港註冊成立的有限公司)

結論

根據我們的審閱，我們並無發現任何事項令我們相信截至二零二零年六月三十日的簡明綜合中期財務報表在各重大方面未有根據《香港會計準則》第34號「中期財務報告」編製。

其他事項

我們的審閱是為了對整體簡明綜合中期財務報表發表結論。附註31所載《香港財務報告準則》與美國公認會計準則之間的對賬乃為額外分析而呈列，並非簡明綜合中期財務報表的必要組成部分。該等資料經過執行中期財務報表審閱所採用的審閱程序，就簡明綜合中期財務報表整體而言，我們並無發現任何事項令我們相信該等資料在各重大方面未有中肯地呈列。

畢馬威會計師事務所
執業會計師

太子大廈8樓
遮打道10號
香港中環

二零二零年八月二十七日

Condensed Consolidated Income Statement

簡明綜合收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|----------------------------|---|--|
| | | 2020 二零二零年 (Unaudited) (未經審核) | 2019 二零一九年 (Unaudited) (未經審核) (Restated) (重述) (Note) (附註) |
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| | Note 附註 | | |
| Income | 收入 | | |
| Premiums and fee income | 保費及費用收入 | 2,852,246 | 2,381,792 |
| Premiums ceded to reinsurer | 分出保費 | (617,522) | (323,445) |
| Net premium and fee income | 保費及費用收入淨額 | 2,234,724 | 2,058,347 |
| Change in unearned revenue liability | 未到期收入責任變動 | (318,291) | (377,534) |
| Net earned premium and fee income | 滿期保費及費用收入淨額 | 1,916,433 | 1,680,813 |
| Brokerage commission, interest and other service income | 經紀佣金、利息收入和 其他服務收入 | 11,348 | 4,126 |
| Subscription, management and rebate fee income | 認購、管理費及回扣收入 | 2,147 | 5,837 |
| Consultancy and advisory income | 顧問及諮詢費 | — | 687 |
| Net investment income | 投資收入淨額 | 441,512 | 1,755,726 |
| Overlay adjustment | 覆蓋調整 | 239,075 | (101,838) |
| Other income | 其他收入 | 464,652 | 159,554 |
| Reinsurance commission and profit | 再保險佣金和溢利 | 20,599 | 15,592 |
| Total income | 收入總額 | 3,095,766 | 3,520,497 |
| Benefits, losses and expenses | 給付、虧損和費用 | | |
| Net policyholders benefit | 淨保單持有人給付 | (833,106) | (1,760,475) |
| Commission and related expenses | 佣金和相關費用 | (560,216) | (533,641) |
| Deferral and amortisation of deferred acquisition costs and value of business acquired | 遞延保單獲得成本及收購業務 的價值的遞延和攤銷 | 326,070 | 432,370 |
| Management and other expenses | 管理及其他開支 | (431,416) | (468,807) |
| Change in future policyholder benefits | 保單持有人未來給付變動 benefits | (1,243,440) | (905,834) |
| Total benefits, losses and expenses | 給付、虧損和費用總額 | (2,742,108) | (3,236,387) |

Condensed Consolidated Income Statement

簡明綜合收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|---------------|---|--|
| | | 2020 二零二零年 (Unaudited) (未經審核) | 2019 二零一九年 (Unaudited) (Restated) (重述) (Note) (附註) |
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| | Note 附註 | | |
| Finance cost | 融資成本 | (88,553) | (46,988) |
| Share of result in an associate | 聯營公司業績份額 | (1,567) | (1,114) |
| Profit before taxation | 除稅前溢利 | 263,538 | 236,008 |
| Tax (expenses)/credit | 稅項(開支)/抵免 | (1,383) | 809 |
| Profit after taxation | 除稅後溢利 | 262,155 | 236,817 |
| Profit for the period attributable to: | 下列各方應佔溢利： | | |
| — Equity shareholders of the Company | — 本公司權益股東 | 109,181 | 97,365 |
| — Non-controlling interests | — 非控股權益 | 152,974 | 139,452 |
| | | 262,155 | 236,817 |
| Earnings per share attributable to equity shareholders of the Company | 本公司權益股東應佔每股溢利 | | |
| Basic (HK\$) | 基本(港元) | 0.03 | 0.03 |
| Diluted (HK\$) | 攤薄(港元) | 0.03 | 0.03 |

Note: The comparative information in respect of the period ended 30 June 2019 has been restated as a result of finalised purchase price allocation of prior year acquisition as set out in note 2(b)(i).

附註：如附註2(b)(i)所披露，由於往年收購的購買價格分攤已最終完成，本集團已對截至二零一九年六月三十日止期間的比較數據進行重述。

The notes on pages 41 to 108 form part of this condensed consolidated interim financial statements.

第41頁至108頁的附註為本簡明綜合中期財務報表的組成部分。

Condensed Consolidated Statement of Comprehensive Income

簡明綜合全面收益表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|------------|---|---|--|
| | | 2020 二零二零年 (Unaudited) (未經審核) | 2019 二零一九年 (Unaudited) (未經審核) (Restated) (重述) (Note) (附註) |
| | | HK\$'000 千港元 | HK\$'000 千港元 |
| Note 附註 | | | |
| | Profit for the period after taxation | 262,155 | 236,817 |
| | Other comprehensive income for the period | | |
| | Item that will not be reclassified subsequently to profit or loss: | | |
| | Equity investment at fair value through other comprehensive income-net movement in fair value reserve (non-recycling) | (435) | 3,044 |
| | Items that may be reclassified subsequently to profit or loss: | | |
| | Net movement in the fair value reserve during the period recognised in other comprehensive income | 370,563 | 867,722 |
| | Financial asset at fair value through profit or loss under overlay adjustment | (239,075) | 101,838 |
| | Exchange differences arising on translation of results of foreign operations | (5,177) | (2,244) |
| | Unrealised loss related to amortisation of deferred acquisition costs | (206,818) | (778,830) |
| | Unrealised gain related to amortisation of unearned revenue liability – Insurance contract provisions | 111,151 | 353,290 |
| | Unrealised gain related to amortisation of unearned revenue liability – Investment contract liabilities | 14,225 | 47,936 |
| | | 44,434 | 592,756 |
| | Total comprehensive income for the period | 306,589 | 829,573 |
| | Total comprehensive income for the period attributable to: | | |
| | – Equity shareholders of the Company | 138,502 | 453,339 |
| | – Non-controlling interests | 168,087 | 376,234 |
| | | 306,589 | 829,573 |

Note: The comparative information in respect of the period ended 30 June 2019 has been restated as a result of finalised purchase price allocation of prior year acquisition as set out in note 2(b)(i).

附註：如附註2(b)(i)所披露，由於往年收購的購買價格分攤已最終完成，本集團已對截至二零一九年六月三十日止期間的比較數據進行重述。

The notes on pages 41 to 108 form part of this condensed consolidated interim financial statements.

第41頁至108頁的附註為本簡明綜合中期財務報表的組成部分。

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日
(Expressed in Hong Kong dollars) (以港幣列示)

| | | | At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (已審核) HK\$'000 千港元 |
|---|--------------------------|----|--|---|
| Assets | 資產 | | | |
| Property and equipment | 物業及設備 | 12 | 516,998 | 495,328 |
| Statutory deposits | 法定存款 | | 3,775 | 3,243 |
| Deferred tax asset | 遞延稅項資產 | | 142 | 44 |
| Investments in associates | 於聯營公司的投資 | | 25,952 | 27,860 |
| Goodwill and intangible assets | 商譽及無形資產 | 13 | 1,920,036 | 1,923,360 |
| Value of business acquired | 收購業務價值 | 13 | 9,818,024 | 10,057,446 |
| Deferred acquisition costs | 遞延保單獲得成本 | | 1,487,654 | 1,128,980 |
| Investments | 投資 | 14 | 57,240,292 | 54,822,243 |
| Advance reinsurance premiums | 預付再保險保費 | | 1,743,460 | 1,455,458 |
| Reinsurers' share of outstanding claims | 未決賠款之再保險公司 份額 | | 58,957 | 48,349 |
| Insurance and reinsurance receivables | 應收保費及再保險賬款 | 15 | 1,748,234 | 1,579,543 |
| Other accounts receivable and accrued income | 其他應收賬款及應計 收入 | 16 | 179,617 | 124,446 |
| Other receivables, deposits and prepayment | 其他應收款、按金及 預付款項 | 17 | 707,211 | 627,511 |
| Bank balance — trust and segregated accounts | 銀行餘額 — 信託及獨立 賬戶 | 18 | 488,465 | 478,465 |
| Fixed bank deposits with original maturity over 3 months | 原定期限多於三個月的 銀行定期存款 | 18 | 834,958 | 385,417 |
| Cash and cash equivalents | 現金及現金等值項目 | 18 | 2,382,967 | 2,169,751 |
| | | | 79,156,742 | 75,327,444 |
| Liabilities | 負債 | | | |
| Insurance contract provisions | 保險合同準備金 | 19 | 48,707,163 | 46,455,874 |
| Investment contract liabilities | 投資合同負債 | 20 | 4,466,010 | 4,364,600 |
| Outstanding claims | 未決賠款 | | 184,476 | 161,913 |
| Reinsurance premium payables | 應付再保險保費 | | 543,349 | 529,562 |
| Other accounts payable | 其他應付賬款 | 21 | 618,649 | 578,545 |
| Other payables and accrued expense | 其他應付款項和應計開支 | 22 | 3,040,302 | 2,436,967 |
| Tax payable | 應付稅項 | | 23,224 | 52,086 |
| Financial liabilities at fair value through profit or loss | 以公允價值計量且其變動 計入損益之金融負債 | 23 | 612,595 | 630,569 |
| Lease liabilities | 租賃負債 | | 292,340 | 326,584 |
| Deferred tax liabilities | 遞延稅項負債 | | 1,244,546 | 1,267,384 |
| Bank borrowings | 銀行借款 | 24 | 2,102,656 | 1,498,758 |
| Shareholder's loan | 股東貸款 | 25 | 1,561,444 | 1,561,444 |
| | | | 63,396,754 | 59,864,286 |
| NET ASSETS | 資產淨值 | | 15,759,988 | 15,463,158 |

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況表

At 30 June 2020 於二零二零年六月三十日
(Expressed in Hong Kong dollars) (以港幣列示)

| | | | At 30 June 2020 於二零二零年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月三十一日 (Audited) (已審核) HK\$'000 千港元 |
|-----------------------------|-------|----|--|---|
| CAPITAL AND RESERVES | 資本和儲備 | | | |
| Share capital | 股本 | 26 | 9,829,094 | 9,829,094 |
| Reserves | 儲備 | | 402,347 | 273,604 |
| | | | 10,231,441 | 10,102,698 |
| Non-controlling interests | 非控股權益 | | 5,528,547 | 5,360,460 |
| TOTAL EQUITY | 權益總額 | | 15,759,988 | 15,463,158 |

The notes on pages 41 to 108 form part of this condensed consolidated interim financial statements.

第41頁至108頁的附註為本簡明綜合中期財務報表的組成部分。

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

Attributable to equity shareholders of the Company
本公司應佔股東權益

| | Share capital 股本 HK\$'000 千港元 | Shares held by share award scheme 以股份為基礎之獎勵計劃所持有之股份 HK\$'000 千港元 | Share-based payment reserve 以股份為基礎之獎勵計劃 HK\$'000 千港元 | Asset revaluation reserve 資產重估儲備 HK\$'000 千港元 | Fair value reserve (recycling) 公允價值儲備(可轉回) HK\$'000 千港元 | Fair value reserve (non-recycling) 公允價值儲備(不可轉回) HK\$'000 千港元 | Exchange reserve 匯兌儲備 HK\$'000 千港元 | Statutory and capital reserve 法定和資本儲備 HK\$'000 千港元 | Accumulated loss 累計虧損 HK\$'000 千港元 | Sub-total 小計 HK\$'000 千港元 | Non-controlling interests 非控股權益 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--|---|---|--|--|---|---|---|---|------------------------------------|---|--------------------------------|
| Balance at 31 December 2018 (Restated) First adoption of HKFRS 16 | 9,829,094 | — | 28,033 | 2,650 | 33,791 | (4,456) | (6,486) | 65,883 | (629,887) | 9,235,392 | 6,118,634 | 15,354,026 |
| | | | | | | | | | (6,580) | (6,580) | (4,387) | (10,967) |
| Adjusted balance at 1 January 2019 (Restated) | 9,829,094 | — | 28,033 | 2,650 | 33,791 | (4,456) | (6,486) | 65,883 | (636,467) | 9,228,812 | 6,114,247 | 15,343,059 |
| Changes in equity for the six months ended 30 June 2019: | | | | | | | | | | | | |
| Capital contribution to a non-wholly owned subsidiary | — | — | — | — | — | — | — | — | — | — | 326,000 | 326,000 |
| Equity settled share-based transactions | — | — | (3,743) | — | — | — | — | — | — | (3,743) | — | (3,743) |
| Profit for the period (Restated) | — | — | — | — | — | — | — | — | 97,365 | 97,365 | 139,452 | 236,817 |
| Other comprehensive income for the period | — | — | — | — | 355,174 | — | (2,244) | — | — | 355,914 | 236,782 | 592,736 |
| Appropriation to statutory and capital reserve | — | — | — | — | — | — | — | 200 | (200) | — | — | — |
| Balance at 30 June 2019 and 1 July 2019 | 9,829,094 | — | 24,290 | 2,650 | 389,965 | (1,412) | (8,730) | 66,083 | (539,302) | 9,678,408 | 6,619,461 | 16,498,889 |
| Changes in equity for the six months ended 31 December 2019: | | | | | | | | | | | | |
| Acquisition of subsidiaries | — | — | — | — | — | — | — | — | 178,043 | 178,043 | (1,739,467) | (1,561,444) |
| Equity settled share-based transactions | — | — | (2,788) | — | — | — | — | — | — | (2,788) | — | (2,788) |
| Profit/(loss) for the period | — | — | — | — | — | — | — | — | 138,254 | 138,254 | 219,679 | 377,933 |
| Other comprehensive income for the period | — | — | — | — | 92,679 | 1,040 | (2,929) | — | — | 90,791 | 61,767 | 152,578 |
| Retirement of revalued assets | — | — | — | (1,112) | — | — | — | — | 1,112 | — | — | — |
| Appropriation to statutory and capital reserve | — | — | — | — | — | — | — | 382 | (382) | — | — | — |
| Balance at 31 December 2019 and 1 January 2020 | 9,829,094 | — | 21,492 | 1,538 | 481,644 | (372) | (11,659) | 66,465 | (202,275) | 10,102,698 | 5,360,460 | 15,463,158 |
| Changes in equity for the six months ended 30 June 2020: | | | | | | | | | | | | |
| Equity settled share-based transactions | — | — | (9,789) | — | — | — | — | — | — | (9,789) | — | (9,789) |
| Profit for the period | — | — | — | — | — | — | — | — | 108,181 | 109,181 | 152,974 | 262,155 |
| Other comprehensive income for the period | — | — | — | — | 34,933 | (435) | (5,177) | — | — | 29,321 | 15,113 | 44,434 |
| Appropriation to statutory and capital reserve | — | — | — | — | — | — | — | 202 | (202) | — | — | — |
| Balance at 30 June 2020 | 9,829,094 | — | 11,733 | 1,538 | 516,577 | (807) | (16,835) | 66,667 | (93,296) | 10,231,441 | 5,326,547 | 15,759,988 |

Note: the comparative information in respect of 31 December 2018 and 1 January 2019 have been restated as a result of finalised purchase price allocation of prior year acquisition as set out in note 2(b)(i).

The notes on pages 41 to 108 form part of this condensed consolidated interim financial statements.

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six months ended 30 June 2020 截至二零二零年六月三十日止六個月
(Expressed in Hong Kong dollars) (以港幣列示)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|--------------------|---|---|
| | | 2020 二零二零年 (Unaudited) (未經審核) HK\$'000 千港元 | 2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元 |
| Net cash generated from operating activities | 經營活動產生的現金淨額 | 1,575,178 | 786,359 |
| Purchases of investments | 投資購入 | (7,635,994) | (8,351,624) |
| Proceeds from disposal of investments | 出售投資所得收益 | 4,912,584 | 3,457,838 |
| Fixed bank deposits with original maturity over 3 months | 原定期限多於三個月的銀行定期存款 | (449,541) | — |
| Other investing activities | 其他投資活動 | (53,743) | 18,272 |
| Net cash used in investing activities | 投資活動耗用的現金淨額 | (3,226,694) | (4,875,514) |
| Bank loan drawdown | 銀行貸款提取 | 600,000 | 600,000 |
| Capital injection from non-controlling interest to a subsidiary | 非控股權益向一家附屬公司的注資 | — | 328,000 |
| Policyholders' account deposits | 保單持有人之賬戶存款 | 2,189,563 | 2,366,545 |
| Policyholders' account withdrawals | 保單持有人之賬戶提款 | (825,364) | (765,482) |
| Other financing activities | 其他融資活動 | (99,063) | (6,351) |
| Net cash generated from financing activities | 融資活動所產生的現金淨額 | 1,865,136 | 2,522,712 |
| Net increase/(decrease) in cash and cash equivalents | 現金及現金等值項目增加／(減少)淨額 | 213,620 | (1,566,443) |
| Cash and cash equivalents at 1 January | 於一月一日的現金及現金等值項目 | 2,169,751 | 5,184,229 |
| Effect of foreign exchange rate changes | 外幣匯率變動的影響 | (404) | 1,069 |
| Cash and cash equivalents at 30 June | 於六月三十日的現金及現金等值項目 | 2,382,967 | 3,618,855 |

The notes on pages 41 to 108 form part of this condensed consolidated interim financial statements.

第41頁至108頁的附註為本簡明綜合中期財務報表的組成部分。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

1 GENERAL INFORMATION

Yunfeng Financial Group Limited (the “Company”) is a limited liability company incorporated in Hong Kong, the shares of which are listed on The Stock Exchange of Hong Kong Limited. The registered office of the Company is Suites 3201-3204, One Exchange Square, 8 Connaught Place, Central, Hong Kong. The condensed consolidated interim financial statements for the period ended 30 June 2020 comprises the Company and its subsidiaries (collectively the “Group”) and the Group’s interest in associates and a joint venture.

The condensed consolidated interim financial statements are unaudited, but have been reviewed by the Company’s audit committee and the Company’s independent auditor, KPMG, in accordance with the Hong Kong Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). KPMG’s independent review report to the Board of Directors is included on pages 32 and 33. This condensed consolidated interim financial statements have been approved for issuance by the Board on 27 August 2020.

The financial information relating to the financial year ended 31 December 2019 that is included in the condensed consolidated interim financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2019 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

1 一般資料

雲鋒金融集團有限公司(「本公司」)乃於香港註冊成立之有限公司，其股份在香港聯合交易所有限公司上市。本公司之註冊辦事處位於香港中環康樂廣場8號交易廣場1座3201-3204室。截至二零二零年六月三十日止期間之簡明綜合中期財務報表包括本公司及其附屬公司(統稱「本集團」)及本集團於聯營公司及一家合營公司之權益。

本簡明綜合中期財務報表未經審核，惟已由本公司之審核委員會及本公司之獨立核數師畢馬威會計師事務所根據香港會計師公會所頒佈之《香港審閱準則》第2410號「實體獨立核數師執行的中期財務資料審閱」進行審閱。畢馬威會計師事務所致董事會之獨立審閱報告載於第32至33頁。此等簡明綜合中期財務報表已於二零二零年八月二十七日獲董事會批准刊發。

簡明綜合中期財務報表載有截至二零一九年十二月三十一日止之財務資料作為比較資料，該等資料不構成本公司該財政年度之法定年度綜合財務報表，反之乃採自相關財務報表。根據香港《公司條例》(第622章)第436條而須披露之該等法定財務報表之其他資料如下：

本公司已根據香港《公司條例》第662(3)條及其附表6第3部分之要求，向公司註冊處處長呈交截至二零一九年十二月三十一日止年度之財務報表。

本公司的核數師已就該等財務報表出具核數師報告。該核數師報告為無保留意見的核數師報告；其中不包含核數師在不出具保留意見的情況下以強調的方式提請使用者注意的任何事項，亦不包含根據《公司條例》第406(2)、407(2)或(3)條作出的聲明。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

2 BASIS OF PREPARATION

(a) Statement of compliance

The condensed consolidated interim financial statements for the six months ended 30 June 2020 have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the HKICPA. The condensed consolidated interim financial statements should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 December 2019, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

(b) Basis of preparation of the financial statements

(i) *Restatement of prior year’s financial statements as a result of finalised purchase price allocation of prior year acquisition*

During the year ended 31 December 2018, the Company acquired 60% of the issued share capital of YF Life Insurance International Limited and its subsidiaries (“the Acquired Group”) of which the valuations were not completed and the respective fair values of the identifiable net assets acquired and liabilities assumed and goodwill were determined provisionally. During the year ended 31 December 2019, the Group made certain fair value adjustments, with reference to the finalised valuation, to the carrying amounts of the identifiable assets and liabilities of the Acquired Group as a result of completing the initial accounting. The adjustments to the fair values at the acquisition date of the identifiable net assets and liabilities assumed were made as if initial accounting had been completed on the acquisition date. The condensed consolidated income statement, condensed consolidated statement of comprehensive income for the period ended 30 June 2019 are restated.

2 編制基準

(a) 合規聲明

本截至二零二零年六月三十日止六個月之簡明綜合中期財務報表乃根據《香港聯合交易所有限公司證券上市規則》之適用披露條文編製，包括符合香港會計師公會所頒佈之《香港會計準則》第34號「*中期財務報告*」。本簡明綜合中期財務報表應與本集團截至二零一九年十二月三十一日止年度之經審核綜合財務報表(根據《香港財務報告準則》編製)一併閱讀。

(b) 財務報表之編製基準

(i) *因上年度收購的購買價格分攤已最終完成而重述上年度財務報表*

於截至二零一八年十二月三十一日止年度，本公司收購了萬通保險國際有限公司及其附屬公司(統稱「被收購集團」)已發行的60%股本，但未完成對被收購集團的估值工作。因此，本公司暫時釐定各取得的可識別資產及承擔的負債以及商譽之公允價值。於截至二零一九年十二月三十一日止年度，本集團完成初始會計處理後，參考最終估值數據，對被收購集團的可識別資產和負債的賬面金額作出某些公允價值調整。本集團按照假定初始會計處理於收購日已完成來對取得的可識別資產及承擔的負債於收購日之公允價值作出調整。截至二零一九年六月三十日止期間的簡明綜合收益表及簡明綜合全面收益表已重述。

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

2 BASIS OF PREPARATION (Continued)

(b) Basis of preparation of the financial statements (Continued)

(i) Restatement of prior year's financial statements as a result of finalised purchase price allocation of prior year acquisition (Continued)

Restated condensed consolidated income statement and condensed consolidated statement of comprehensive income for the period end 30 June 2019

| | |
|---|-----------|
| Profit after taxation | 除稅後溢利 |
| Total comprehensive income for the year | 本年度全面收益總額 |

Details of the financial line items as restated in the condensed consolidated income statement and condensed consolidated statement of comprehensive income for the period ended 30 June 2019 include the following:

| | |
|--|------------------------|
| Change in unearned revenue liability | 未到期收入責任變動 |
| Deferral and amortization of deferred acquisition costs and value of business acquired | 遞延保單獲得成本及收購業務的價值的遞延和攤銷 |
| Change in future policyholder benefits | 未來保單持有人給付變動 |
| Tax credit | 稅項抵免 |

2 編制基準(續)

(b) 財務報表之編製基準(續)

(i) 因上年度收購的購買價格分攤已最終完成而重述上年度財務報表(續)

經重述的截至二零一九年六月三十日止期間簡明綜合收益表及簡明綜合全面收益表

截至二零一九年六月三十日止期間簡明綜合收益表及簡明綜合全面收益表中重述的財務報表單列項目的詳情如下：

| As originally stated | Adjustments | As restated |
|----------------------|-------------|-------------|
| 原列報金額 | 調整數 | 重述金額 |
| HK\$'000 | HK\$'000 | HK\$'000 |
| 千港元 | 千港元 | 千港元 |

| | | |
|---------|---------|---------|
| 211,211 | 25,606 | 236,817 |
| 360,474 | 469,099 | 829,573 |

| As originally stated | Adjustments | As restated |
|----------------------|-------------|-------------|
| 原列報金額 | 調整數 | 重述金額 |
| HK\$'000 | HK\$'000 | HK\$'000 |
| 千港元 | 千港元 | 千港元 |

| | | |
|-----------|----------|-----------|
| (331,606) | (45,928) | (377,534) |
| 352,697 | 79,673 | 432,370 |
| (897,632) | (8,202) | (905,834) |
| 746 | 63 | 809 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

2 BASIS OF PREPARATION (Continued)

(c) Basis of measurement

The measurement basis used in the preparation of the condensed consolidated interim financial statements is the historical cost basis except that investments in certain debt and equity securities and derivative financial instruments are stated at their fair values.

The condensed consolidated interim financial statements are presented in Hong Kong dollars (“HKD”), and all values are stated to the nearest thousand (HK\$’000s), unless otherwise stated.

(d) Use of estimates and judgements

The preparation of condensed consolidated interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 編制基準(續)

(c) 計量基準

除於若干債務和權益證券以及衍生金融工具的投資按其公允價值列賬外，編製本簡明綜合中期財務報表所採用之計量基準為歷史成本基準。

本簡明綜合中期財務報表乃以港元列賬，除另有說明者外，所有數值均以最接近之千位(千港元)列值。

(d) 運用估計及判斷

編製符合《香港會計準則》第34號之簡明綜合中期財務報表時，管理層須作出判斷、估計及假設，有關判斷、估計及假設會影響會計政策之應用及年初至今的資產、負債、收入及開支之呈報金額。該等估計及相關假設乃建基於過往經驗及其他在有關情況下被認為合理之各種因素，從而作為判斷未能從其他來源確定之資產及負債之賬面值之基準。實際結果可能有別於估計數額。

本集團會持續檢討該等估計及相關假設。會計估計之修訂如只影響該修訂期，則於該修訂期內確認；修訂如影響本期間及未來期間，則於修訂期間及未來期間確認。

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簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

2 BASIS OF PREPARATION (Continued)

(e) Determination of consolidation scope

All facts and circumstances must be taken into consideration in the assessment of whether the Group, as an investor, controls the investee. The principle of control sets out the following three elements of control: (a) power over the investee; (b) exposure, or rights, to variable returns from involvement with the investee; and (c) the ability to use power over the investee to affect the amount of the investor's returns.

An investor's initial assessment of control or its status as a principal or an agent would not change simply because of a change in market conditions (e.g. a change in the investee's returns driven by market conditions), unless the change in market conditions changes one or more of the three elements of control listed above or changes the overall relationship between a principal and an agent.

At the end of each reporting period, the Group assesses the variable returns arising from other equities and uses plenty of judgements, in combination with historical exposure to variable returns, to determine the consolidation scope.

(f) Classification and Fair value of derivative and financial instruments

Under HKFRS 9, classification of financial instruments depends on the contractual cashflow characteristics (the Solely Payment of Principal and Interest ("SPPI") criteria) and driven by the business model of the entity. A financial asset that does not meet the SPPI criterion is always measured at fair value through profit or loss ("FVPL"), unless it is an equity instrument for which an entity applies the election to measure at fair value through other comprehensive income ("FVOCI"). Management judgement is involved throughout the assessment.

2 編制基準(續)

(e) 合併範圍的確定

評估本集團作為投資者是否控制投資對象時，須考慮一切事實及情況。控制原則包括三個控制權要素：(a)對投資對象的權力；(b)因參與投資對象而承擔或享有可變回報的風險或權利；及(c)運用對投資對象的權力影響投資者的回報金額的能力。

投資者控制權之初步評估或其作為主事人或代理人之身份不會僅僅因為市況的改變(例如市況帶動投資對象回報的改變)而出現變動，除非市況變動使上文列示的三項控制權要素中的一項或多項要素發生變化，或使主事人與代理人的整體關係發生變化。

本集團在各報告期末評估其他權益產生的可變回報，並運用大量判斷，同時結合過往可變回報之風險以確定合併範圍。

(f) 衍生工具及金融工具之分類及公允價值

根據《香港財務報告準則》第9號，金融工具的分類取決於合同現金流量特徵(本金及利息的獨立支付(「SPPI」)標準)，並由實體的業務模式所驅動。不符合SPPI標準的金融資產將以公允價值計量且其變動計入當期損益，除非該實體通過其他全面收益將該選擇用於公允價值計量的權益工具。整個評估都涉及管理層的判斷。

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簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

2 BASIS OF PREPARATION (Continued)

(f) Classification and Fair value of derivative and financial instruments (Continued)

The Group selects appropriate valuation techniques for financial instruments which are classified as level 2 and 3 investments in accordance with the Group's significant accounting policies. Note 4 provides detailed information about the key assumptions used in the determination of the fair value of material financial instruments.

(g) Expected credit loss estimation

The Group selects appropriate methodology and assumptions in accordance with the Group's significant accounting policies.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in preparing the condensed consolidated interim financial statements are the same as those applied in preparing the consolidated financial statements for the year ended 31 December 2019, as disclosed in the annual report and financial statements for the year ended 31 December 2019.

4 INSURANCE AND FINANCIAL RISK MANAGEMENT

(a) Risk management objectives and policies for mitigating insurance and financial risk

The Group operates in a business environment which is subject to various risks and uncertainties. Such risks and uncertainties can be classified into two categories, insurance risks and financial risks.

(i) Insurance risks

The Group manages insurance risks through prudent pricing guidelines, reinsurance and underwriting management and monitoring internal and external emerging trends and issues.

2 編制基準(續)

(f) 衍生工具及金融工具之分類及公允價值(續)

本集團對根據本集團的主要會計政策分類為第二層級及第三層級投資的金融工具選用適當的估值技術。附註4載有釐定重大金融工具公允價值之主要假設之詳細資料。

(g) 預期信用損失估計

本集團對根據本集團的主要會計政策選用適當的方法和假設。

3 主要會計政策

編製本簡明綜合中期財務報表所應用之會計政策與編製截至二零一九年十二月三十一日止年度之綜合財務報表所應用之會計政策(誠如截至二零一九年十二月三十一日止年度之年報及財務報表所披露)一致。

4 保險和金融風險管理

(a) 風險管理目標及降低保險和金融風險的政策

本集團在一個受各種風險和不確定因素影響的商業環境中運作。這些風險和不確定性可劃歸為兩類：保險風險和金融風險。

(i) 保險風險

本集團通過審慎的定價指引、再保險和承保管理以及監控內部和外部的新興趨勢和課題來管理保險風險。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(i) Insurance risks (Continued)

The Group's underwriting strategy seeks diversity to ensure a balanced portfolio and is based on a large portfolio of similar risks over a number of years and, as such, it is believed that this reduces the variability of the outcome. This strategy is cascaded down to individual underwriters through detailed underwriting authorities that set out the limits that any one underwriter can write in order to ensure appropriate risk selection within the portfolio. Adherence to the underwriting authorities is monitored through a scheduled underwriting audit. In addition, the Group has an Underwriting Committee to establish policies and procedures to supervise and assess the insurance risks and to periodically review and monitor the overall underwriting management process. The Group also has a Claims Settlement Committee to establish policies and procedures to supervise the claims settlement policy. The committee monitors the adequacy of the Group's reserves for the settlement of claims, reviews significant claims or major events, and investigates any fraudulent claims.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(i) 保險風險(續)

本集團尋求多元化的承保策略，以確保平衡的投資組合，並以多年來類似風險的大量投資組合為基礎，因此相信這會降低結果的可變性。該策略通過詳細的承保職權下達到個別承保人員，該承保職權規定了任何一個承保人員可以承保的限額，以確保在投資組合中進行適當的風險選擇。通過預定的承保審計監督對承保職權的遵守情況。此外，本集團還設有承保委員會，負責制定監管和評估保險風險的政策和程序，並定期審查和監督整個承保管理流程。本集團還設立了理賠委員會，以制定監督理賠政策的政策和程序。該委員會負責監督集團儲備金的充足性，以解決賠款、審查重大賠款或重大事件，並調查任何欺詐性賠款。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(i) Insurance risks (Continued)

The Group reinsures a portion of the risks it underwrites in order to control its exposure to losses to avoid the risk of concentration and to protect capital resources. Such transfers of risks do not relieve the group of its primary liability and, as such, failure of reinsurers to honour their obligations could result in losses. The Group reduces this risk by evaluating the financial condition of reinsurers and monitoring for possible concentrations of credit risk. The Group has a Reinsurance Committee to establish policies and procedures to properly and regularly supervise and review proposed and existing reinsurance activities covering ceded risks to reinsurers. The committee also periodically reviews and monitors the financial stability of reinsurers.

(ii) Financial risks

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities. These risks are limited by the Group's financial management policies and practices described below.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(i) 保險風險(續)

本集團分出再保其承保的部分風險，以控制其虧損風險，以避免集中風險並保護資本資源。這種風險轉移並不能減輕集團的主要責任，因此，再保險公司未能履行其義務可能會導致損失。本集團通過評估再保險公司的財務狀況和監控可能出現的信用風險集中度來降低風險。本集團設有再保險委員會，以制定政策和程序，以適當和定期的監督和檢討建議和現有的再保險活動，包括對再保險公司的分出風險。該委員會還定期檢討和監察再保險公司的財務穩定性。

(ii) 金融風險

本集團須在正常業務過程中承受信用、流動資金、利率和貨幣風險。本集團亦須承受在其他實體的權益投資價格波動所產生的股價風險。該等風險通過下述本集團的金融管理政策和慣例予以限制。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(1) Credit risk

The Group has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the Group is exposed to credit risk are:

- amounts due from issuers of debt securities;
- bank balances;
- insurance and reinsurance receivables;
- commercial and residential mortgage loans;
- other unsecured receivables; and
- derivative financial instruments.

The Group manages its financial assets to limit credit risk by diversifying its portfolio among various security types and industry sectors. The Group has an Investment Committee to supervise and control investments and related financial matters. Investment policies and guidelines have to be approved by the committee. In addition, the committee periodically reviews investment strategies and investment performance.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(1) 信用風險

本集團須承受信用風險，該風險是交易對手未能全數償還到期金額的風險。本集團須承受信用風險的主要方面有：

- 應收債務證券發行人的金額；
- 銀行餘額；
- 應收保費及再保險賬款；
- 商業及住宅抵押貸款；
- 其他無抵押應收款項；以及
- 衍生金融工具。

本集團管理其金融資產，通過在各種證券類型和行業領域實現投資組合多元化來限制信用風險。本集團設有投資委員會，負責監督和控制投資及相關金融事宜。投資政策和指引必須獲得委員會的批准。此外，委員會定期檢討投資策略和投資業績。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(1) Credit risk (Continued)

At 30 June 2020, 0.10% (2019: 0.11%) of the Group's debt securities represented investments in asset-backed and mortgage-backed securities in the United States of America and People's Republic of China ("the PRC") which are exposed to sub-prime credit risks. The Group does not originate any residential mortgages but invests in residential mortgage loan pools which may contain mortgages of subprime credit quality. Residential mortgage loan pools are pools of homogeneous residential mortgage loans substantially backed by Federal Housing Administration and Veterans Administration guarantees.

In respect of bank balances, all of them are due from authorised institutions in Hong Kong, Macau, the PRC, the United Kingdom and the United States of America. Management periodically reviews the credit ratings of these authorised institutions.

With respect to the recoveries due from reinsurers, the Group is exposed to the credit risk that the amounts due under a reinsurance contract may not be paid. In respect of loans to policyholders, direct premium receivables and other loans to agents and staff, management monitors the repayment status on an ongoing basis. Other unsecured receivables mainly comprise accrued interest income on debt securities, where the credit risks are limited by the diversification of its investment portfolio as mentioned above.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(1) 信用風險(續)

於二零二零年六月三十日，本集團債務證券的0.10%（二零一九年：0.11%）指於美國和中國的資產抵押證券和不動產抵押的投資，這些證券須承受次級信用風險。本集團並未發起任何住宅抵押貸款，而是投資於可能包含次貸信用質量抵押的住宅抵押貸款池。住宅抵押貸款池是由聯邦住宅管理局和退伍軍人管理局擔保的同質住宅抵押貸款池。

就銀行餘額而言，所有款項均來自香港、澳門、中國內地、英國及美國的授權機構。管理層定期檢討這些授權機構的信用評級。

就應收再保險公司的款項而言，本集團須承受信用風險，即可能無法收回再保險合同項下的應付金額。就向保單持有人提供的貸款、應收直接保費及向代理及員工提供的其他貸款，管理層持續監控還款狀態。其他無抵押應收款項主要包括債務證券的應計利息收入，其中信用風險受上文所述投資組合多元化的限制。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(1) Credit risk (Continued)

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position after deducting any impairment allowance.

(2) Liquidity risk

The Group has to meet daily calls on its cash resources, notably from claims arising from its life insurance contracts. There is therefore a risk that cash will not be available to settle liabilities when due. The Group manages this risk by setting a minimum level of liquidity cash that will be available to cover claims maturities and surrenders.

(3) Interest rate risk

Interest rate risk is the potential for interest rates to change, which can cause fluctuations in the value of investments and in the amounts due to policyholders. To the extent that fluctuations in interest rates cause the duration of assets and liabilities to differ, the Group controls its exposure to this risk by, among other things, asset and liability matching techniques that account for the cash flow characteristics of the assets and liabilities.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(1) 信用風險(續)

最高信用風險承擔指扣除任何減值撥備後的財務狀況表內各項金融資產的賬面價值。

(2) 流動資金風險

本集團須滿足日常現金資源請求，主要源自壽險合同索賠。因此須承受現金不足以結算到期負債的風險。本集團通過設定可用於支付索賠期滿和退保金的最低流動資金水平來管理此風險。

(3) 利率風險

利率風險是利率變化的可能性，其可能導致投資價值和應付保單持有人金額的波動。如果利率波動導致資產和負債的期間差異，則本集團通過資產和負債匹配技術(其中包括資產和負債的現金流量特徵)控制其風險敞口。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(4) Currency risk

The Group's currency exchange risk is mainly related to certain policies that are not written in the United States dollars. However, most of the policies are denominated in the United States dollars. As the Group's investments are primarily made in the United States dollars, coupled with the fact that the Hong Kong dollars are pegged to the United States dollars, management does not believe that the currency risk is material. For investments made in non-United States dollars, the Group mitigates currency risk through the use of cross-currency swaps and forward contracts. Cross-currency swaps are used to minimize currency risk for certain non-United States dollar assets and liabilities through a prespecified exchange of interest and principal. Forward contracts are used to hedge movements in exchange rates.

(5) Equity price risk

The Group is exposed to equity price changes arising from equity investments classified as financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss held by the Group. Gains and losses arising from changes in the fair value of financial assets and financial liabilities at fair value through profit or loss are dealt with in condensed consolidated income statement.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(4) 貨幣風險

本集團的貨幣風險主要與並非以美元計價的保單有關。但大多數保單仍以美元計價。由於本集團的投資主要以美元計價，加上港元與美元掛鈎，管理層認為貨幣風險並不重大。就並非以美元計價的投資而言，本集團通過使用交叉貨幣掉期及遠期合同降低貨幣風險。交叉貨幣掉期用於通過預定利息和本金交換來最小化某些非美元資產和負債的貨幣風險。遠期合同用於對沖匯率變動。

(5) 股價風險

本集團須承擔本集團持有被劃歸為以公允價值計量且其變動計入損益之金融資產之股本投資及以公允價值計量且其變動計入損益之金融負債所產生之股價變動風險。以公允價值計量且其變動計入損益之金融資產及金融負債公允價值變動產生之盈虧乃於簡明綜合收益表中處理。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

The portfolio of unit trusts backing linked insurance contracts, which the Group carries on its condensed consolidated statement of financial position at fair value, has exposure to price risk. However, such price risk is fully borne by the policyholders as the benefits payable are linked to the price of the securities.

The portfolio of unit trusts backing non-linked insurance contracts, which the Group carries on its condensed consolidated statement of financial position at fair value, also has exposure to price risk. This risk is defined as the potential loss in market value resulting from an adverse change in prices.

For the other investment under fair value hierarchy level 2 and 3 that is either backing linked insurance contract and those that are not related to insurance contracts, their price risk impact on the Group's profit or total equity is further analysed under fair value measurement.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

單位信託支持連結式保險合同的投資組合(本集團按公允價值在其簡明綜合財務狀況表中列報)存在價格風險。由於應付給付與證券價格掛鈎，價格風險完全由保單持有人承擔。

單位信託支持非連結式保險合同的投資組合(本集團按公允價值在其簡明綜合財務狀況表中列報)也存在價格風險。該風險被定義為價格的不利變化導致的市場價值潛在損失。

對於其他第二層級和第三層級公允價值計量的投資，即支持型連結式保險合同或與保險合同無關的投資，其價格風險對本集團利潤或股權總額的影響在公允價值計量下作出進一步分析。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

4 保險和金融風險管理(續)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) Financial risks (Continued)

(ii) 金融風險(續)

(5) Equity price risk (Continued)

(5) 股價風險(續)

Fair value measurement

公允價值計量

- (1) Financial assets and liabilities measured at fair value

- (1) 按公允價值計量的金融資產及負債

Fair value hierarchy

公允價值層級

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

下表呈列本集團於報告期末按經常基準所計量的金融工具公允價值。該等金融工具已歸入《香港財務報告準則》第13號「公允價值計量」所界定的三個公允價值層級。本集團參照以下估值方法所採用的輸入值的可觀察程度和重要性，從而釐定公允價值計量數值所應歸屬的層級：

| | |
|---------------------|---|
| Level 1 valuations: | Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date |
| 第一層級估值： | 公允價值僅使用第一層級輸入數據(即於計量日期之相同資產或負債在活躍市場之未經調整報價)計算 |
| Level 2 valuations: | Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available |
| 第二層級估值： | 使用第二層級輸入值(即未達第一層級的可觀察輸入值，並不使用重大不可觀察輸入值來計量公允價值)。不可觀察輸入值是指欠缺市場數據的輸入值 |
| Level 3 valuations: | Fair value measured using significant Unobservable inputs |
| 第三層級估值： | 公允價值使用重大不可觀察之輸入數據計算 |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The Group has established and maintained policies and guidelines that govern its valuation methodologies and their consistent application. These policies and guidelines address the use of inputs, price source hierarchies and provide controls around the valuation processes.

These controls include appropriate review and analysis of prices against market activity or indicators for reasonableness, approval of price source changes, price overrides, methodology changes and classification of fair value hierarchy levels. The valuation policies and guidelines are reviewed and updated as appropriate.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

公允價值層級(續)

本集團已制定及維持管理其估值方法及其一致應用的政策及指引。該等政策和指引涉及輸入值、價格來源層級的使用，並就估值流程進行控制。

該等控制包括對市場活動價格或合理性指標、價格來源變化的審批、價格撤銷、方法變更和公允價值層級分類進行適當審閱和分析。估值政策和指引進行審閱和更新(如適當)。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

Annually, the Group conducts reviews of the primary pricing vendors to validate that the inputs used in that vendors' pricing process are deemed to be market observable as defined in the standard. While the Group was not provided access to proprietary models of the vendors, the reviews have included on-site walkthroughs of the pricing process, methodologies and control procedures for each asset class and level for which prices are provided. The review also included an examination of the underlying inputs and assumptions for a sample of individual securities across asset classes, credit rating levels and various durations, a process the Group continues to perform for each reporting period.

In addition, the pricing vendors have an established challenge process in place for all security valuations, which facilitates identification and resolution of prices that fall outside expected ranges. The Group believes that the prices received from the pricing vendors are representative of prices that would be received to sell the assets at the measurement date (exit prices) and are classified appropriately in the hierarchy.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

公允價值層級(續)

本集團每年對主要定價供應商進行審閱，以驗證該供應商定價流程中使用的輸入值是否被視為標準中定義的市場可觀察數據。雖然本集團未獲得供應商的私有模型，但審閱工作包括對各資產類別的定價流程、方法和控制流程以及所提供價格的層次進行現場預檢。審閱工作還包括抽檢各資產類別的個別證券、信用評級層次和各持續期間的基本輸入值和假設，本集團於每個報告期間繼續執行此流程。

此外，定價供應商已針對所有抵押估值制定了既定質詢流程，這有助於識別和處理超出預期範圍的價格。本集團認為，從定價供應商獲取的價格能代表於計量日出售資產將收到的價格(脫手價)，並於公允價值層級中進行了適當分類。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

The Group reviews the fair value hierarchy classification at each reporting period. Overall, reclassifications between levels occur when there are changes in the observability of inputs and market activity used in the valuation of a financial asset or liability. Such reclassifications are reported as transfers between levels at the beginning of the reporting period in which the changes occur. Given the types of assets classified as Level 1 (primarily equity securities and mutual fund investments), transfers between Level 1 and Level 2 measurement categories are expected to be infrequent. There were no such transfers during any period presented. Transfers into and out of Level 3 are summarized in the schedule of changes in Level 3 assets and liabilities.

The fair value of short-term debt instruments, maturity less than 30 days, is assumed to be equal to the book value. The Group generally uses unadjusted quotable market prices from independent brokers, when available, to determine the fair value of debt instruments with a maturity greater than 30 days.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

公允價值層級(續)

本集團於各報告期檢討公允價值層級分類。總體而言，當金融資產或負債的估值中使用的輸入值和市場活動的可觀察性發生變化時，會發生各層級之間的重新分類。該重新分類呈報為發生變化的報告期初各層級之間的轉移。鑒於劃歸為第一層級(主要是股本證券和共同基金投資)的資產類型，預計第一層級和第二層級計量類別之間的轉移很少。列示的任何期間均未發生該類轉移。轉入和轉出第三層級已在第三層級資產和負債的變化表中進行概括。

短期債務工具(到期日小於30天)的公允價值假設等於賬面值。本集團一般使用獨立經紀商的未經調整的可引用市場價格(如有)確定到期日超過30天的債務工具的公允價值。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

4 保險和金融風險管理(續)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) Financial risks (Continued)

(ii) 金融風險(續)

(5) Equity price risk (Continued)

(5) 股價風險(續)

Fair value measurement (Continued)

公允價值計量(續)

(1) Financial assets and liabilities measured at fair value (Continued)

(1) 按公允價值計量的金融資產及負債(續)

Fair value hierarchy (Continued)

公允價值層級(續)

| | Fair value measurements as at 30 June 2020 categorised into 於二零二零年六月三十日的公允價值計量分類 | | | Fair value measurements as at 31 December 2019 categorised into 於二零一九年十二月三十一日的公允價值計量分類 | | |
|--|--|------------------------------------|------------------------------------|--|------------------------------------|------------------------------------|
| | Level 1 第1層級 HK\$'000 千港元 | Level 2 第2層級 HK\$'000 千港元 | Level 3 第3層級 HK\$'000 千港元 | Level 1 第1層級 HK\$'000 千港元 | Level 2 第2層級 HK\$'000 千港元 | Level 3 第3層級 HK\$'000 千港元 |
| Recurring fair value measurement 按經常基準所計量的公允價值 | | | | | | |
| (Liabilities)/assets (負債)/資產 | | | | | | |
| Financial assets at fair value through profit or loss: 以公允價值計量且其變動計入損益之金融資產 | | | | | | |
| – Private credit and other trust product type funds 私人信用及其他信託產品類型投資 | – | – | 655,772 | – | – | 680,555 |
| – Credit linked obligation note 信用連結式負債票據 | – | – | – | – | – | 26,813 |
| – Listed equity 上市股權 | – | – | – | – | – | – |
| – Leveraged and structured note investment 槓桿及結構化票據投資 | – | 2,426,385 | 10,450 | – | 2,531,873 | 12,559 |
| – Unit trust 單位信託 | 715,824 | 6,891,631 | 169,796 | 598,394 | 7,462,946 | 167,950 |
| – Interest in a joint venture 於合營企業的權益 | – | – | 92,293 | – | – | 100,273 |
| – Insurance contract related partnership investment 保險合同相關的合夥投資 | – | – | 1,621,947 | – | – | 1,569,168 |
| – Mutual fund 共同基金 | – | 257 | – | 160,936 | 272 | – |
| Financial asset at fair value through other comprehensive income 按公允價值計入其他全面收益之金融資產 | | | | | | |
| – Debt securities 債務證券 | – | 13,559,824 | 4,565,416 | – | 11,590,267 | 4,450,348 |
| – Perpetual capital measured at fair value 以公允價值計量之永續資本 | – | 76,862 | – | – | 77,297 | – |
| Financial liabilities designated at fair value through profit or loss 指定以公允價值計入損益之金融負債 | | | | | | |
| – Preference share liability 優先股負債 | – | – | (387,525) | – | – | (389,570) |
| – Third-party interests in consolidated funds 於合併基金的第三方權益 | – | – | (225,070) | – | – | (240,999) |
| – Investment contract liabilities 投資合同負債 | – | (4,466,010) | – | – | (4,364,600) | – |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Fair value hierarchy (Continued)

There were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 except for those disclosed under the movement during the period in the balance of Level 3 fair value measurements. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements for those insurance contract related assets and liabilities

The Group determines the estimated fair value of its investments using primarily the market approach or the income approach. The use of quoted prices for identical assets and matrix pricing or other similar techniques are examples of market approaches, while the use of discounted cash flow methodologies is an example of the income approach. The Group attempts to maximise the use of observable inputs and minimise the use of unobservable inputs in selecting whether the market or the income approach is used.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

公允價值層級(續)

第一層級與第二層級之間並無轉移，或第三層級亦並無轉入或轉出，除了那些包括在第三層級公允價值計量的餘額變動外。本集團的政策是在公允價值層級之間出現轉移的報告期末確認有關變動。

第二層級和第三層級公允價值計量所用的估值技術和輸入值保險合同相關資產和負債

本集團主要使用市場法或收入法確定其投資的估計公允價值。使用相同資產的報價和矩陣定價或其他類似技術是市場方法的典例，而貼現現金流量法的使用則是收入法的代表。本集團試圖最大限度地使用可觀察輸入值，並儘量減少使用不可觀察輸入值來選擇是否使用市場法或收入法。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements for those insurance contract related assets and liabilities (Continued)

The use of different assumptions or valuation methodologies may have a material impact on the estimated fair value amounts. For the periods presented, there were no significant changes to the Group's valuation techniques.

For level 2 debt securities, valuations are based primarily on quoted prices in markets that are not active, or using matrix pricing or other similar techniques using standard market observable inputs such as the benchmark U.S. Treasury yield curve, the spreads versus the U.S. Treasury curve for the identical security and comparable securities that are actively traded.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第二層級和第三層級公允價值計量所用的估值技術和輸入值保險合同相關資產和負債(續)

使用不同的假設或估值方法可能對估計公允價值金額產生重大影響。就呈報期間而言，本集團的估值技術並無重大變動。

第二層級債務證券估值主要基於非活躍市場的報價，或使用矩陣定價或使用標準市場可觀察輸入值等其他類似技術，這些輸入值如基準美國國債收益率曲線、活躍交易的相同證券和可比證券的美國收益率曲線的利差。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements for those insurance contract related assets and liabilities (Continued)

For level 2 corporate securities, valuations are based primarily on quoted prices in markets that are not active, broker quotes or using matrix pricing or other similar techniques that use standard market observable inputs such as benchmark yields, spreads versus benchmark yields, new issuances, issuer rating, duration, and trades of identical or comparable securities.

For level 2 unit trusts and equity securities, valuations are based on quoted market prices adjusted for certain factors, such as foreign market differential.

For level 2 derivative financial instrument, observable significant inputs to the valuation of derivative financial instruments include Overnight Indexed Swap and London InterBank Offered Rate basis curves, interest rate volatility, swap yield curve, currency spot rates, cross currency basis curves and dividend yield curves.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第二層級和第三層級公允價值計量所用的估值技術和輸入值保險合同相關資產和負債(續)

第二層級公司證券估值主要基於非活躍市場的報價、經紀商報價或使用矩陣定價或使用標準市場可觀察輸入值等其他類似技術，這些輸入值如基準收益率、利差與基準收益率、新發行、發行人評級、持續時間、相同或可比證券的交易。

第二層級單位信託和權益證券估值主要基於就某些因素(國外市場差價)調整的市場報價。

第二層級衍生金融工具估值的重要輸入值包括隔夜指數掉期和倫敦銀行同業拆息率的基準曲線、利率波動、掉期收益率曲線、貨幣即期匯率、交叉貨幣基準曲線和股息收益率曲線。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第三層級公允價值計量的信息：

| | | Valuation techniques | Significant unobservable inputs | Range | | Weighted average |
|---|----------------------------|------------------------|---------------------------------|----------------|-------------------|------------------|
| | | | | Min | Max | |
| | | 估值技術 | 重大不可觀察輸入值 | 最小值 | 最大值 | 加權平均數 |
| | | 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 |
| Financial assets: | 金融資產： | | | | | |
| Financial asset at fair value through profit or loss under overlay adjustment | 在覆蓋調整下以公允價值計量且其變動計入損益之金融資產 | | | | | |
| – Partnership investment | – 合夥投資 | Net asset value | Net asset value | NA | NA | NA |
| | | 資產淨值 | 資產淨值 | 不適用 | 不適用 | 不適用 |
| Financial asset at fair value through other comprehensive income: | 以公允價值計量且其變動計入其他全面收益之金融資產 | | | | | |
| – Corporate securities | – 公司證券 | Matrix pricing and DCF | Credit spread | 98BPS | 958BPS | 222BPS |
| | | 矩陣定價以及貼現現金流量 | 信用利差 | (2019: 66BPS) | (2019: 1,150BPS) | (2019: 146BPS) |
| | | | | 98個基點 | 958個基點 | 222個基點 |
| | | | | (二零一九年: 66個基點) | (二零一九年: 1,150個基點) | (二零一九年: 146個基點) |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements (Continued)

A description of the sensitivity of the estimated fair value to changes in the significant unobservable inputs for the more significant Level 3 insurance contract related asset and liability classes is as follows:

Partnership interest – the fair value estimation is based on the net asset value attributable to the Group determined by the respective fund managers. If such net asset value attributable to the Group is not yet readily available, adjustments to the fair value of the funds are made based on the latest net asset value with adjustments based on subsequent contribution made and distribution received by the Group. As at 30 June 2020, it is estimated that with all other variables held constant, a decrease/increase in net asset value by 10% would have increased/decreased the Group's other comprehensive income by HK\$162,195,000 (31 December 2019: HK\$156,917,000) under the overlay approach.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第三層級公允價值計量的信息：(續)

對於較為重要的第三層級保險合同相關資產和負債等級，估計公允價值對重大不可觀察變動的變化的敏感性描述如下：

合夥基金權益 – 公允價值估計乃基於相應基金經理確定的本集團應佔資產淨值。倘本集團應佔之資產淨值尚未可供使用，本集團根據最新資產淨值並根據之後作出對基金之出資及基金作出分派對基金公允價值作出適當調整。於二零二零年六月三十日，倘所有其他可變因素保持不變，估計資產淨值減少／增加10%，基於覆蓋方法下，本集團的其他全面收益將增加／減少162,195,000港元(二零一九年十二月三十一日：156,917,000港元)。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Information about Level 3 fair value measurements (Continued)

Corporate securities – Internally-priced corporate securities classified in Level 3 include certain below investment grade watch list and distressed fixed maturity securities. For securities where discounted cash flows are used, the primary unobservable input is the internally-developed discount rate. Significant increases in the discount rate would result in a significantly lower fair value, with the opposite being true for decreases in the discount rate. In certain cases, the Group uses an estimated liquidation value of the borrower or underlying assets. The Group also applies market comparables, such as earnings before interest, taxes, depreciation and amortisation (EBITDA) multiples for certain securities. In isolation, an increase in the value of these inputs would result in an increase in fair value, with the opposite being true for decreases in the value of these inputs. As at 30 June 2020, it is estimated that based on the valuation methods mentioned above with all other variables held constant, a decrease/increase in credit spread by 100 BPS would have increased/decreased the Group's other comprehensive income by HK\$291,825,000 (31 December 2019: HK\$281,715,000).

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第三層級公允價值計量的信息：(續)

公司證券 – 分類為第三層級的內部定價公司證券包括某些低於投資級別的監管名單和不良固定到期證券。對於使用貼現現金流的證券，主要的不可觀察輸入值是內部制定的貼現率。貼現率的顯著增加將導致公允價值顯著降低，反之亦然。在某些情況下，本集團使用借款人或相關資產的估計清算價值。本集團亦應用市場可比較數據，如一些證券的息稅折舊攤銷前利潤(EBITDA)倍數。單獨來看，這些輸入值的價值增加將導致公允價值增加，反之亦然。於二零二零年六月三十日，假設所有其他變數維持不變，使用上述估值方法估計信用利差減少/增加100個基點，本集團的其他全面收益應會因此增加/減少291,825,000港元(二零一九年十二月三十一日：281,715,000港元)。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

4 保險和金融風險管理(續)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) Financial risks (Continued)

(ii) 金融風險(續)

(5) Equity price risk (Continued)

(5) 股價風險(續)

Fair value measurement (Continued)

公允價值計量(續)

(1) Financial assets and liabilities measured at fair value (Continued)

(1) 按公允價值計量的金融資產及負債(續)

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements for those non-insurance contract related assets and liabilities

第二層級和第三層級公允價值計量所用的估值技術和輸入值非保險合同相關資產和負債

Level 2 perpetual capital investment is based on brokers quote for valuation purpose.

第二層級永續資本投資基於估值所用的經紀商報價。

Information about Level 3 investment

第三層級投資的信息

| Unlisted FVPL investment 非上市的以公允價值計量且其變動計入損益的投資 | Valuation technique 估值技術 | Significant unobservable inputs 重大不可觀察輸入值 |
|---|-------------------------------|--|
| Credit linked obligation note 信用連結式負債票據 | Price quote 報價 | Price quote 報價 |
| Private credit funds and interest in a joint venture 私人信用基金及於合營企業的權益 | Net asset value 資產淨值 | Net asset value 資產淨值 |
| Preference share liability 優先股負債 | Discounted cashflow 貼現現金流量 | Expected distribution from underlying fund investment per annum and net asset value of underlying fund investment 每年相關基金投資以及相關基金投資資產淨值的預期分派 |
| Third-party interests in consolidated funds 於合併基金的第三方權益 | Net asset value 資產淨值 | Net asset value 資產淨值 |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements for those non-insurance contract related assets and liabilities (Continued)

A description of the sensitivity of the estimated fair value to changes in the significant unobservable inputs for those non-insurance contract related level 3 asset and liability classes is as follows:

Fund investments — the fair value of private debt securities investment fund and interest in a joint venture holding is based on the net asset value attributable to the Group determined by the respective fund managers. If such net asset value attributable to the Group is not yet readily available, adjustments to the fair value of the funds are made based on the latest net asset value with adjustments based on subsequent contribution made and distribution received by the Group.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第二層級和第三層級公允價值計量所用的估值技術和輸入值非保險合同相關資產和負債(續)

對於非保險合同相關第三層級資產和負債類別，估計公允價值對重大不可觀察輸入值變動的敏感度描述如下：

基金投資 — 相應基金管理人根據本集團應佔有資產淨值確定私人債務證券投資基金及於合營企業控股的權益的公允價值。倘本集團應佔之資產淨值尚未可供使用，本集團根據最新資產淨值並根據之後作出對基金之出資及基金作出分派對基金公允價值作出適當調整。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements for those non-insurance contract related assets and liabilities (Continued)

Credit-linked obligation note investment — the fair value is based on price quote provided by the arranger of the note.

Preference share liabilities and third parties interest in consolidated funds — the fair value of the financial liabilities are determined mainly based on the fair value of the fund investments and credit linked obligation as the principal investment of the consolidated funds and the effective interest of the third parties in those consolidated funds.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第二層級和第三層級公允價值計量所用的估值技術和輸入值非保險合同相關資產和負債(續)

關於信用連結式票據投資，公允價值基於承銷商提供的報價。

優先股份負債和於納入合併範圍的基金第三方權益—金融負債的公允價值主要根據基金投資的公允價值和信用連結式債務作為合併資金的主要投資和第三方於該等合併基金的實際權益確定。

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Valuation techniques and inputs used in Level 2 and Level 3 fair value measurements for those non-insurance contract related assets and liabilities (Continued)

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

第二層級和第三層級公允價值計量所用的估值技術和輸入值非保險合同相關資產和負債(續)

| Change in the relevant equity price risk variable: | 相關股價風險變數變動： | 30 June 2020 二零二零年 六月三十日 | | 31 December 2019 二零一九年 十二月三十一日 | |
|--|-----------------|--------------------------------|--|--------------------------------------|--|
| | | % | Effect on profit after tax and retained profit 對稅後溢利和保留溢利的影響 HK\$'000 千港元 | % | Effect on profit after tax and retained profit 對稅後溢利和保留溢利的影響 HK\$'000 千港元 |
| Trust type fund products | 信託類型基金產品 | | | | |
| Increase | 增加 | 5 | 1,139 | 5 | 1,153 |
| Decrease | 減少 | (5) | (1,139) | (5) | (1,153) |
| Joint controlled entity | 共同控制實體 | | | | |
| Increase | 增加 | 10 | 9,229 | 10 | 10,027 |
| Decrease | 減少 | (10) | (9,229) | (10) | (10,027) |
| Private credit funds | 私人信用基金 | | | | |
| Increase | 增加 | 10 | 62,539 | 10 | 64,980 |
| Decrease | 減少 | (10) | (62,539) | (10) | (64,980) |
| Credit linked note | 信用連結式票據 | | | | |
| Increase | 增加 | NA | — | 10 | 2,681 |
| Decrease | 減少 | NA | — | (10) | (2,681) |
| Preference share liability | 優先股負債 | | | | |
| Increase | 增加 | 10 | — | 10 | — |
| Decrease | 減少 | (10) | — | (10) | — |
| Third party interest in consolidated fund | 於合併基金的 第三方權益 | | | | |
| Increase | 增加 | 10 | (21,263) | 10 | (22,916) |
| Decrease | 減少 | (10) | 21,263 | (10) | 22,916 |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

The movement during the period in the balance of Level 3 fair value measurements is as follows:

Financial assets at fair value through profit or loss

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

本期間內第三層級公允價值計量的餘額變動如下：

以公允價值計量且其變動計入損益之金融資產

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---------------------------------|-------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 807,641 | 721,200 |
| Capital injection/purchase | 注資/購買 | 173,973 | 125,021 |
| Net realised (loss) gain | 已變現(虧損)收益淨額 | (16,257) | 4,636 |
| Settlement on disposal | 出售結算 | (40,635) | (83,299) |
| Exchange alignment | 外幣報表折算差額 | (3,596) | (1,473) |
| Fair value change of investment | 投資的公允價值變動 | (173,061) | 12,799 |
| At 30 June | 於六月三十日 | 748,065 | 778,884 |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(1) Financial assets and liabilities measured at fair value (Continued)

Financial assets at fair value through other comprehensive income (debt securities)

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(1) 按公允價值計量的金融資產及負債(續)

以公允價值計量且其變動計入其他全面收益之金融資產(債務證券)

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 4,450,348 | 3,626,407 |
| Purchase | 採購 | 161,340 | 245,476 |
| Settlements | 結算 | (118,250) | (54,425) |
| Net realised loss to profit or loss | 計入損益的已變現淨虧損 | (135) | (278) |
| Net unrealised gain to other comprehensive income | 計入其他全面收益的未變現淨收益 | 72,113 | 253,304 |
| At 30 June | 於六月三十日 | 4,565,416 | 4,070,484 |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

4 保險和金融風險管理(續)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) Financial risks (Continued)

(ii) 金融風險(續)

(5) Equity price risk (Continued)

(5) 股價風險(續)

Fair value measurement (Continued)

公允價值計量(續)

(1) Financial assets and liabilities measured at fair value (Continued)

(1) 按公允價值計量的金融資產及負債(續)

Financial assets at fair value through profit or loss under overlay adjustments

在覆蓋調整下以公允價值計量且其變動計入損益之金融資產

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 1,749,677 | 1,403,208 |
| Cost of investment purchased | 購入的投資成本 | 152,572 | 185,724 |
| Distribution received | 收到的分配 | (82,892) | (118,506) |
| Earnings reinvested | 重新投資的收益 | 42,816 | 31,737 |
| Net realised gain | 已變現淨收益 | 216 | 930 |
| Settlement | 結算 | (4,528) | (3,802) |
| Net unrealised loss to other comprehensive income | 計入其他全面收益的未變現淨虧損 | (55,740) | (1,195) |
| Foreign exchange impact | 外匯影響 | 72 | (81) |
| Transfer into level 3 | 轉入第三層級 | — | 5,119 |
| Transfer out of level 3 | 轉出第三層級 | — | (12,796) |
| At 30 June | 於六月三十日 | 1,802,193 | 1,490,338 |

Financial liabilities at fair value through profit or loss

以公允價值計量且其變動計入損益之金融負債

| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|--------------------------------------|-----------|----------------------------------|----------------------------------|
| At 1 January | 於一月一日 | 630,569 | 503,130 |
| Share issued/contribution received | 股票發行/收到出資 | 37,657 | 131,787 |
| Distribution to third party investor | 分配至第三方投資人 | (1,519) | (10,670) |
| Fair value change | 公允價值計變動 | (54,112) | 9,674 |
| At 30 June | 於六月三十日 | 612,595 | 633,921 |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

- (2) Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2019 and 30 June 2020 except for the following financial instruments, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

- (2) 非按公允價值列賬的金融資產及負債的公允價值

本集團按成本或攤銷成本入賬的金融工具的賬面價值，與其於二零一九年十二月三十一日和二零二零年六月三十日的公允價值分別不大，但當中不包括以下金融工具，其賬面價值、公允價值及公允價值層級披露如下：

| | | Fair value measurements as at 30 June 2020 categorised into 於二零二零年六月三十日的計量分類 | | | | |
|-----------------|------|--|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 2020 二零二零年 | | Carrying amount 賬面價值 HK\$'000 千港元 | Fair value 公允價值 HK\$'000 千港元 | Level 1 第1層級 HK\$'000 千港元 | Level 2 第2層級 HK\$'000 千港元 | Level 3 第3層級 HK\$'000 千港元 |
| Debt securities | 債務證券 | 19,776,137 | 23,448,322 | — | 20,685,556 | 2,762,766 |
| Mortgage loans | 抵押貸款 | 6,677,698 | 7,005,034 | — | — | 7,005,034 |
| | | Fair value measurements as at 31 December 2019 categorised into 於二零一九年十二月三十一日的計量分類 | | | | |
| 2019 二零一九年 | | Carrying amount 賬面價值 HK\$'000 千港元 | Fair value 公允價值 HK\$'000 千港元 | Level 1 第1層級 HK\$'000 千港元 | Level 2 第2層級 HK\$'000 千港元 | Level 3 第3層級 HK\$'000 千港元 |
| Debt securities | 債務證券 | 18,511,569 | 20,811,021 | — | 18,037,374 | 2,773,647 |
| Mortgage loans | 抵押貸款 | 6,881,023 | 7,240,918 | — | — | 7,240,918 |

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4 INSURANCE AND FINANCIAL RISK MANAGEMENT (Continued)

(a) Risk management objectives and policies for mitigating insurance and financial risk (Continued)

(ii) Financial risks (Continued)

(5) Equity price risk (Continued)

Fair value measurement (Continued)

(2) Fair value of financial assets and liabilities carried at other than fair value (Continued)

Mortgage loans — The fair value of mortgage loans is established using a discounted cash flow method based on credit rating, maturity and future income. The fair value for impaired mortgage loans is based on the present value of expected future cash flows discounted at the loan's effective interest rate or the fair value of the collateral if the loan is collateral dependent. A significant increase/(decrease) in the discount rate would result in a significant decrease/(increase) to the fair value.

4 保險和金融風險管理(續)

(a) 風險管理目標及降低保險和金融風險的政策(續)

(ii) 金融風險(續)

(5) 股價風險(續)

公允價值計量(續)

(2) 非按公允價值列賬的金融資產及負債的公允價值(續)

抵押貸款 — 抵押貸款的公允價值使用基於信用評級、到期日和未來收入的貼現現金流量法確定。已減值抵押貸款的公允價值基於以貸款實際利率貼現的預期未來現金流量的現值或抵押品(如果貸款是抵押品)的公允價值。貼現率的大幅上升/(下降)將導致公允價值的大幅減少/(增加)。

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5(a) NET INVESTMENT INCOME

5(a) 投資收入淨額

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|---|---|----------------------------------|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
| Interest income from unlisted debt securities and mortgage loans | 未上市債務證券及抵押貸款之利息收入 | 986,207 | 862,314 |
| Bank and other interest income | 銀行及其他利息收入 | 9,261 | 22,036 |
| Net realised gain on disposal of securities designated at fair value through profit or loss | 出售指定以公允價值計量且其變動計入損益之證券之已變現收益淨額 | 65,221 | 107,699 |
| Net unrealised (loss)/gain on financial asset and financial liabilities designated at fair value through profit or loss | 以公允價值計量且其變動計入損益之金融資產及金融負債之未變現(虧損)/收益淨額 | (451,642) | 687,265 |
| Net realised gain (loss) on fair value through other comprehensive income and amortised cost debt securities | 以公允價值計量且其變動計入其他全面收益及攤銷成本的債務證券之已變現收益(虧損)淨額 | 16,045 | (5,160) |
| Impairment loss (made) reversal of amortised cost debt securities | 攤銷成本的債務證券之(已計提)減值虧損轉回 | (50,748) | 11,778 |
| Impairment loss of fair value through other comprehensive income debt securities | 以公允價值計量且其變動計入其他全面收益之債務證券之減值虧損 | (95,125) | (40,447) |
| Dividend income | 股息收入 | 110,756 | 61,339 |
| Net derivative gain/(loss) | 衍生工具收益/(虧損)淨額 | 90,612 | (52,936) |
| Net unrealised (loss) /gain of fair value through profit or loss financial assets under overlay approach | 覆蓋方法下以公允價值計量且其變動計入損益之金融資產之未變現(虧損)/收益淨額 | (239,075) | 101,838 |
| | | 441,512 | 1,755,726 |

Total interest income on financial assets not at fair value through profit or loss amounted to HK\$986,271,000 for the period ended 30 June 2020 (for the period ended 30 June 2019: HK\$865,456,000).

截至二零二零年六月三十日止期間，不以公允價值計量且其變動計入損益之金融資產之利息收入總額為986,271,000港元(截至二零一九年六月三十日止期間：865,456,000港元)。

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5(b) OTHER INCOME

5(b) 其他收入

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|-----------------------------|---|----------------------------------|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
| Net gain on disposal of subsidiaries and deemed partial disposal of associates/consolidated funds | 出售附屬公司、合併範圍內基金的已確認部分出售的收益淨額 | — | 208 |
| Trustee fee income | 託管費收入 | 13,064 | 12,993 |
| Income from modified coinsurance | 經修改共同保險收入 | 398,651 | 124,995 |
| Other income | 其他收入 | 52,937 | 21,358 |
| | | 464,652 | 159,554 |

6 NET POLICYHOLDERS BENEFIT

6 淨保單持有人給付

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|---------------|---|----------------------------------|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
| Net claims, policy benefits and surrenders | 賠款淨額、保單給付和退保金 | 201,632 | 231,915 |
| Interest credited to policyholders' deposits | 保單持有人的存款應計利息 | 598,736 | 1,525,940 |
| Dividends to policyholders | 保單持有人股息 | 32,738 | 2,620 |
| | | 833,106 | 1,760,475 |

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7 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/
(crediting):

7 除稅前溢利

除稅前溢利已扣除／(計入):

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|-------------|------|---|----------------------------------|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
| Staff costs | 員工成本 | 223,008 | 237,340 |

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|--------------------|---|--|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 (Restated) (重述) |
| Other operating items | 其他經營項目 | | |
| Auditors' remuneration | 核數師酬金 | 4,945 | 5,779 |
| Legal and professional costs | 法律及專業顧問費用 | 7,211 | 4,014 |
| Lease payments — property rentals | 租賃付款額 — 物業租金 | 2,460 | 5,715 |
| Amortisation of value of business acquired | 收購業務價值的攤銷 | 98,617 | 31,501 |
| Amortisation of deferred acquisition cost | 遞延保單獲得成本的攤銷 | 200,334 | 127,095 |
| Depreciation and amortisation on property and equipment and other intangible assets | 物業及設備和其他無形資產的折舊及攤銷 | 75,918 | 67,715 |
| Impairment loss (reversal) on: | 減值虧損(轉回): | | |
| — Other accounts receivable | — 其他應收賬款 | (550) | 24 |
| Information, data and communication expenses | 資訊、數據及通訊開支 | 11,800 | 12,710 |
| Net exchange (gain)/loss | 外匯(收益)／虧損淨額 | (4,206) | 24,096 |

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7 PROFIT BEFORE TAXATION (Continued)

7 除稅前溢利(續)

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|-----------------------------|-------------|---|----------------------------------|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
| Finance costs | 融資成本 | | |
| Bank loan interest | 銀行貸款利息 | 32,333 | 29,621 |
| Lease liabilities | 租賃負債 | 4,727 | 5,283 |
| Preference share liability | 優先股負債 | 11,583 | 11,425 |
| Other interest expense | 其他利息支出 | 202 | 659 |
| Shareholder's loan interest | 股東貸款利息 | 39,708 | — |
| | | 88,553 | 46,988 |

8 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

8 綜合收益表之所得稅

(a) Taxation in the consolidated income statement represents:

(a) 綜合收益表之稅收變動代表：

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|---|-------------|---|--|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 (Restated) (重述) |
| Current tax | 本期稅項 | | |
| Hong Kong | 香港 | | |
| Provision for the year | 本年度準備 | 23,664 | 23,606 |
| Overseas | 海外 | | |
| Provision for the year | 本年度準備金 | 554 | 263 |
| Under-provision in respect of prior years | 以往年度準備不足 | 101 | 213 |
| | | 24,319 | 24,082 |
| Deferred tax | 遞延稅項 | | |
| Origination and reversal of temporary differences | 暫時差異的產生和轉回 | (22,936) | (24,891) |
| | | 1,383 | (809) |

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8 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT (Continued)

(a) Taxation in the consolidated income statement represents: (Continued)

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2019: 16.5%) to the six months ended 30 June 2020, except for one subsidiary of the group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK\$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2019.

Taxation for overseas subsidiaries is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant countries.

9 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company for the period ended 30 June 2020 of HK\$109,181,000 (six months ended 30 June 2019 (restated): HK\$97,365,000), and the weighted average number of shares in issue during the period ended 30 June 2020 of 3,207,904,727 (30 June 2019: 3,207,904,727).

There were no potential dilutive ordinary shares for the six months ended 30 June 2020 therefore basic earnings per share equals to diluted earnings per share six months ended 30 June 2019: basic loss per share equals to diluted loss per share.

10 DIVIDEND

The Board did not declare the payment of an interim dividend in respect of six months ended 30 June 2020 (2019: Nil).

8 綜合收益表之所得稅(續)

(a) 綜合收益表之稅收變動代表：(續)

香港利得稅撥備乃按截至二零二零年六月三十日止六個月的估計年度實際稅率16.5% (二零一九年：16.5%) 計算，惟本集團的一間附屬公司符合兩級制利得稅的條件除外。

就該附屬公司而言，首200萬港元的應課稅溢利按8.25%徵稅，餘下應課稅溢利則按16.5%徵稅。該附屬公司的香港利得稅撥備按二零一九年的相同基準計算。

海外附屬公司的稅項亦使用預期適用於相關國家的估計年度實際稅率計算。

9 每股盈利

每股基本盈利乃按截至二零二零年六月三十日止期間之本公司權益股東應佔溢利109,181,000港元(截至二零一九年六月三十日止六個月(重述)：97,365,000港元)及截至二零二零年六月三十日止期間內已發行股份之加權平均數3,207,904,727股(二零一九年六月三十日：3,207,904,727股)計算。

截至二零二零年六月三十日止六個月，本集團並無潛在攤薄普通股，因此每股基本盈利等於截至二零一九年六月三十日止六個月的每股攤薄盈利：每股基本虧損等於每股攤薄虧損。

10 股息

董事會不宣派付截至二零二零年六月三十日止六個月之中期股息(二零一九年：無)。

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簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

11 SEGMENT REPORTING

The operating segments have been determined based on the reports reviewed by the executive directors of the Company that are used for performance assessment and to make strategic decisions. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns different from those of other operating segments.

As disclosed in the 2019 annual report, the Group is largely dominated by the insurance business after the completion of the YF Life acquisition. As a result, management decided to streamline and regroup the operating segments. Insurance business is considered as an operating segment and other operating segments that existed prior to the acquisition are consolidated as other financial services and corporate to reflect the long term business development focus.

Consequently, the Group currently has two operating segments:

- (i) Insurance business — engage in the writing of long term insurance business
- (ii) Other financial services and corporate includes
 - (a) Securities brokerage — engages in securities brokerage and provision of custodian and other services;
 - (b) Asset management — provision of fund and asset management services as well as financing and investing solution for clients;
 - (c) Consultancy and advisory services — provision of corporate advisory, placing and underwriting advisory services to clients;

11 分部報告

經營分部乃根據本公司執行董事所審閱並用於評估表現及作出策略性決定之報告而釐定。本集團之經營業務乃根據其業務性質及所提供之產品及服務個別進行組織及管理。本集團各經營分部代表一個策略性業務單位，提供之產品及服務所承擔之風險及所得之回報與其他經營分部不同。

恰如二零一九年年報所披露，自收購萬通保險以來，本集團的主導業務是保險。因此，管理層決定簡化和重組經營分部。保險業務被視為經營分部，其他於收購之前存在的經營分部合併為其他金融服務和公司服務，以反應長期業務發展目標。

所以，本集團現有兩個經營分部：

- (i) 保險業務 — 從事長期保險業務的核保
- (ii) 其他金融服務和公司服務
 - (a) 證券經紀 — 從事證券經紀業務，及提供託管服務和其他服務；
 - (b) 資產管理 — 提供資金和資產管理服務，以及為客戶制定融資和投資解決方案；
 - (c) 顧問及諮詢服務 — 為客戶提供，配售和承銷服務。

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簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

11 SEGMENT REPORTING (Continued)

- (ii) Other financial services and corporate includes (Continued)
- (d) Principal investment – utilise capital 1) to provide funding on developing financial products and the funds managed by wealth management team and 2) to improve returns on the Group's capital and cash flow management based on treasury management model that may involve (but shall not be limited to) holding fixed income instruments, high quality equity instruments and other financial investments;
- (e) Financial technology – provision of technology business solution including system setup, upgrade and enhancement to clients; and
- (f) Corporate service includes central administrative and financing functions to support other operating segments.

The accounting policies of the reportable segments are the same as those followed by the Group in the last annual financial statements.

Segment revenue represents the revenue generated by each operating segment from external customers. Inter-segment revenue represents inter-segment services which were transacted with reference to the normal commercial price made to third parties at the then prevailing market prices.

Segment results represent specific operating performance of the reported segments by allocating all specific and related operating and finance costs, excluding other corporate, general administrative, and financial expenses, taxation and non-operating costs. This is the measure reported to the chief operating decision maker, at the relevant times, for the purposes of resource allocation and performance assessment.

11 分部報告(續)

- (ii) 其他金融服務和公司服務(續)
- (d) 主要投資 — 利用資本 1) 就開發金融產品以及理財管理團隊管理的基金提供融資 2) 基於資金管理模式，這可能涉及(但不限於)持有固定資產收入工具，高級別股權工具和其他金融投資提高集團資本和現金流量管理的回報。
- (e) 金融科技活動 — 向客戶提供技術業務解決方案，包括系統設置、升級和提升；以及
- (f) 公司服務包括支持其他經營分部的核心行政和融資職能。

可報告分部之會計政策與本集團於最近年度財務報表所依循者相同。

分部收入指各經營分部外部客戶產生的收入。分部間收入指參照按當時市價向第三方作出之一般商業價格而進行交易之分部間服務。

分部業績指呈報分部透過分配所有特定及相關經營及財務成本(不包括其他公司、一般行政及財政開支、稅項及非經營成本)計算之特定經營表現。此乃於有關時間匯報予主要經營決策者作資源分配及表現評估用途之衡量基準。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

11 SEGMENT REPORTING (Continued)

11 分部報告(續)

(a) Segment revenue and results

(a) 分部收入及業績

For the period ended 30 June 2020

截至二零二零年六月三十日止期間

| | | Insurance business 保險業務 HK\$'000 千港元 | Other financial services and corporate 其他金融服務 和公司服務 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|--|-------------------------|--|---|--------------------------------|
| Premiums and fee income | 保費及費用收入 | 2,852,246 | – | 2,852,246 |
| Premiums ceded to reinsurer | 分出保費 | (617,522) | – | (617,522) |
| Net premium and fee income | 保費及費用收入淨額 | 2,234,724 | – | 2,234,724 |
| Change in unearned revenue liability | 未到期收入責任變動 | (318,291) | – | (318,291) |
| Brokerage commission, interest and other service income | 經紀佣金、利息收入和 其他服務收入 | – | 11,348 | 11,348 |
| Subscription, management and rebate fee income | 認購、管理費及回退費收入 | – | 2,147 | 2,147 |
| Consultancy and advisory income | 顧問及諮詢費收入 | – | – | – |
| Revenue from external party | 來自外部人士之收益 | 1,916,433 | 13,495 | 1,929,928 |
| Inter-segment income | 分部間收入 | 866 | 4,595 | 5,461 |
| Reportable segment revenue | 可報告分部收入 | 1,917,299 | 18,090 | 1,935,389 |
| Allocated net investment income, other operating income and gains | 已分配投資收入淨額、其他經營收 入及收益 | 1,257,897 | (92,059) | 1,165,838 |
| Share of result of associates | 聯營公司業績份額 | – | (1,567) | (1,567) |
| Allocated operating costs | 已分配經營成本 | (2,664,056) | (79,850) | (2,743,906) |
| Allocated finance cost | 已分配融資成本 | (3,776) | (12,674) | (16,450) |
| Reportable segment profit/(loss) | 可報告分部利潤/(虧損) | 507,364 | (168,060) | 339,304 |
| Elimination of inter-segment profit | 可報告分部利潤對銷 | | | (1,200) |
| Reportable segment profit derived from Group's external customers | 本集團來自外部人士之可報告分部 溢利 | | | 338,104 |
| Unallocated legal and professional and other operating expenses | 未分配法律及專業及其他營業開支 | | | (2,462) |
| Unallocated finance cost | 未分配融資成本 | | | (72,104) |
| Taxation | 稅項 | | | (1,383) |
| Profit for the period | 本期間溢利 | | | 262,155 |
| As at 30 June 2020 | 於二零二零年六月三十日 | | | |
| Reportable assets | 可報告資產 | 74,934,064 | 2,483,701 | 77,417,765 |
| Reportable liabilities | 可報告負債 | (58,364,048) | (5,088,011) | (63,452,059) |
| As at 31 December 2019 | 於二零一九年十二月三十一日 | | | |
| Reportable assets | 可報告資產 | 71,464,563 | 2,100,893 | 73,565,456 |
| Reportable liabilities | 可報告負債 | (55,422,342) | (4,446,476) | (59,868,818) |

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簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

11 SEGMENT REPORTING (Continued)

11 分部報告(續)

(a) Segment revenue and results (Continued)

(a) 分部收入及業績(續)

For the period ended 30 June 2019

截至二零一九年六月三十日止期間

| | | Insurance business 保險業務 HK\$'000 千港元 (Restated) (重述) | Other financial services and corporate 其他金融服務 和公司服務 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 (Restated) (重述) |
|--|-------------------------|--|---|--|
| Premiums and fee income | 保費及費用收入 | 2,381,792 | — | 2,381,792 |
| Premiums ceded to reinsurer | 分出保費 | (323,445) | — | (323,445) |
| Net premium and fee income | 保費及費用收入淨額 | 2,058,347 | — | 2,058,347 |
| Change in unearned revenue liability | 未到期收入責任變動 | (377,534) | — | (377,534) |
| Brokerage commission, interest and other service income | 經紀佣金、利息收入和其他服務 收入 | — | 4,126 | 4,126 |
| Subscription, management and rebate fee income | 認購、管理費及回退費收入 | — | 5,837 | 5,837 |
| Consultancy and advisory income | 顧問及諮詢費收入 | — | 687 | 687 |
| Revenue from external party | 來自外部人士之收益 | 1,680,813 | 10,650 | 1,691,463 |
| Inter-segment income | 分部間收入 | 907 | 2,014 | 2,921 |
| Reportable segment revenue | 可報告分部收入 | 1,681,720 | 12,664 | 1,694,384 |
| Allocated net investment income, other operating income and gains | 已分配投資收入淨額、其他經營收 入及收益 | 1,783,262 | 45,772 | 1,829,034 |
| Share of result of associates | 聯營公司業績份額 | — | (1,114) | (1,114) |
| Allocated operating costs | 已分配經營成本 | (3,113,722) | (109,515) | (3,223,237) |
| Allocated finance cost | 已分配融資成本 | (3,916) | (13,446) | (17,362) |
| Reportable segment profit/(loss) | 可報告分部利潤/(虧損) | 347,344 | (65,639) | 281,705 |
| Elimination of inter-segment (loss)/profit | 可報告分部(虧損)/利潤對銷 | | | — |
| Reportable segment profit derived from Group's external customers | 本集團來自外部人士之可報告分部 溢利 | | | 281,705 |
| Unallocated legal and professional and other operating expenses | 未分配法律及專業及其他營業開支 | | | (45,697) |
| Taxation | 稅項 | | | 809 |
| Profit for the period | 本期間溢利 | | | 236,817 |

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簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

11 SEGMENT REPORTING (Continued)

(b) Geographical segment information

The Group's customers, operation and administration are mainly located in Hong Kong and Macau. Research and development for financial technologies divisions are located in PRC.

(c) Information about major customers

No customer account for more than 10% of the total revenue of the Group for the period ended 30 June 2020.

12 PROPERTY AND EQUIPMENT

During the six months ended, 30 June 2020, the Group acquired approximately HK\$9 million of property and equipment and HK\$57.8 million of computer equipment.

13 GOODWILL AND VALUE OF BUSINESS ACQUIRED

During 2019, the Group has completed the valuation of the value of business acquired ("VOBA") of the acquisition for YF Life in accordance with HKFRS 3. The adjustments to the fair values at the acquisition date of the goodwill and value of business acquired were made as if initial accounting had been completed on the acquisition date as set out in note 2(b)(i).

11 分部報告(續)

(b) 地區分部資料

本集團的客戶、經營和行政管理主要位於香港和澳門。金融科技研發分部位於中國內地。

(c) 有關主要客戶之資料

概無客戶佔本集團截至二零二零年六月三十日止期間之收益總額10%以上。

12 物業及設備

截至二零二零年六月三十日止六個月，本集團購入約900萬港元的物業及設備以及5,780萬港元的電腦設備。

13 商譽及收購業務的價值

在二零一九年內，本集團已按照《香港財務報告準則》第13號完成對收購萬通保險相關收購業務的價值(「收購業務的價值」)的價值評估。本集團按照假定初始會計處理於收購日已完成(如附註2(b)(i)所述)來對商譽及收購業務價值於收購日之公允價值作出調整。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

14 INVESTMENTS

14 投資

| | | At fair value through other comprehensive income 以公允價值計量 且其變動計入 其他全面收益 HK\$'000 千港元 | At fair value through profit or loss 以公允價值計量 且其變動計入 損益 HK\$'000 千港元 | Amortised cost 攤銷成本 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|-----------------------------|-------------------|---|--|--|--------------------------------|
| At 30 June 2020 | 二零二零年六月三十日 | | | | |
| Debt securities: | 債務證券： | | | | |
| – Unlisted | – 非上市 | 18,125,240 | 2,436,835 | 19,776,137 | 40,338,212 |
| Mortgage loans | 抵押貸款 | – | – | 6,677,698 | 6,677,698 |
| | | 18,125,240 | 2,436,835 | 26,453,835 | 47,015,910 |
| Equity securities: | 權益證券： | | | | |
| – Unlisted | – 非上市 | 76,862 | – | – | 76,862 |
| Fund Investment and others: | 基金投資及其他： | | | | |
| – Unlisted (note (a)) | – 非上市(附註(a)) | – | 2,370,269 | – | 2,370,269 |
| Unit trusts: | 單位信託 | | | | |
| – Unlisted | – 非上市 | – | 7,777,251 | – | 7,777,251 |
| Total | 總額 | 18,202,102 | 12,584,355 | 26,453,835 | 57,240,292 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

14 INVESTMENTS (Continued)

14 投資(續)

| | | At fair value through other comprehensive income 以公允價值計量 且其變動計入 其他全面收益 HK\$'000 千港元 | At fair value through profit or loss 以公允價值計量 且其變動計入 損益 HK\$'000 千港元 | Amortised cost 攤銷成本 HK\$'000 千港元 | Total 總額 HK\$'000 千港元 |
|-----------------------------|---------------------|---|--|--|--------------------------------|
| At 31 December 2019 | 二零一九年十二月三十一日 | | | | |
| Debt securities: | 債務證券： | | | | |
| – Unlisted | – 非上市 | 16,040,615 | 2,571,245 | 18,511,569 | 37,123,429 |
| Mortgage loans | 抵押貸款 | – | – | 6,881,023 | 6,881,023 |
| | | 16,040,615 | 2,571,245 | 25,392,592 | 44,004,452 |
| Equity securities: | 權益證券： | | | | |
| – Unlisted | – 非上市 | 77,297 | – | – | 77,297 |
| Fund Investment and others: | 基金投資及其他： | | | | |
| – Unlisted (note (a)) | – 非上市(附註(a)) | – | 2,511,204 | – | 2,511,204 |
| Unit trusts: | 單位信託： | | | | |
| – Unlisted | – 非上市 | – | 8,229,290 | – | 8,229,290 |
| Total | 總額 | 16,117,912 | 13,311,739 | 25,392,592 | 54,822,243 |

Notes:

(a) On 28 February 2018, the Group has entered a strategic fund management agreement with another well-established financial institution. By sharing the operating and financing decision making power through the agreement, the Group is no longer considered to be the principal of Majik Access USD Fund 2 LP. After the deconsolidation, the Group elects to measure its 34.04% investment holding in Majik Access USD Fund 2 LP held through a venture capital organisation, an indirect wholly owned subsidiary, at fair value through profit or loss as management measures the performance of this jointly controlled entity on a fair value basis and considered to be exempted from applying the equity method. The valuation process and fair value information for the joint venture measured at fair value through profit or loss set out in note 4. As of 30 June 2020, the carrying value of the jointly controlled entity amounted to HK\$92 million. (31 December 2019: HK\$100 million).

附註：

(a) 於二零一八年二月二十八日，本集團與另一家成熟的金融機構簽署了戰略基金管理協議。通過協議分享經營和財務決策權，本集團不再被視為是有魚錦鯉美元基金2號的主要主事人。拆分後，本集團選擇以公允價值計量且其變動計入損益的方法計量通過風險資本組織(間接全資附屬公司)持有於有魚錦鯉美元基金2號的34.04%投資控股，因為管理層以公允價值基準計量該共同控制實體的業績，其被視為免除採用權益法。合營企業的估值流程及公允價值資料以公允價值計量且其變動計入損益，並於附註4所載。截至二零二零年六月三十日，共同控制實體的賬面值為9,200萬港元。(二零一九年十二月三十一日：1億港元)

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

14 INVESTMENTS (Continued)

Notes: (Continued)

- (b) Investments of HK\$6,153,586,000 (31 December 2019: HK\$5,609,487,000) have been pledged in favour of Autoridade Monetaria de Macau to guarantee the technical reserves in accordance with the Macau Insurance Ordinance.
- (c) The portion of the investments that is expected to be recoverable within one year is HK\$10,381,406,000 (31 December 2019: HK\$8,030,003,000) and the portion that is expected to be recoverable after more than one year is HK\$46,858,886,000 (31 December 2019: HK\$46,792,240,000).
- (d) As at 30 June 2020, the investments were determined to be impaired on the basis of expected credit losses model. Impairment losses on these investments were recognised in the condensed consolidated income statements in accordance with the Group accounting policy.
- (e) The maturity profile of the Group's debt securities and amortised cost investment is as follows:

14 投資(續)

附註：(續)

- (b) 為數6,153,586,000港元(二零一九年十二月三十一日：5,609,487,000港元)的投資已抵押於澳門金管局，以保證按照《澳門保險條例》作出技術儲備。
- (c) 預計一年內可收回的投資部分為10,381,406,000港元(二零一九年十二月三十一日：8,030,003,000港元)，預計超過一年後可收回的部分為46,858,886,000港元(二零一九年十二月三十一日：46,792,240,000港元)。
- (d) 截至二零二零年六月三十日，根據預期信用損失模型已釐定為減值的投資。這些投資的減值虧損根據本集團的會計政策在簡明綜合收益表中確認。
- (e) 本集團的債務證券及攤銷成本投資的到期情況如下：

| | | At 30 June 2020 於二零二零年 六月三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 |
|-------------------------|----------|---|---|
| Fixed maturities due in | 固定到期期限 | | |
| – 1 year or less | – 1年或更短 | 565,816 | 328,884 |
| – 1 to 5 years | – 1至5年 | 5,082,708 | 4,207,276 |
| – 5 to 10 years | – 5至10年 | 10,934,369 | 11,157,433 |
| – More than 10 years | – 10年以上 | 23,755,319 | 21,429,836 |
| | | 40,338,212 | 37,123,429 |
| Mortgage loans due in | 抵押貸款到期期限 | | |
| – 1 year | – 1年 | 385,759 | 243,807 |
| – 2 years | – 2年 | 285,727 | 308,762 |
| – 3 years | – 3年 | 406,220 | 202,481 |
| – 4 years | – 4年 | 520,668 | 800,110 |
| – 5 years | – 5年 | 626,834 | 364,593 |
| – More than 5 years | – 5年以上 | 4,452,490 | 4,961,270 |
| | | 6,677,698 | 6,881,023 |

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簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

14 INVESTMENTS (Continued)

Notes: (Continued)

- (f) Interests in collective investment schemes
- (i) Included in financial assets designated at fair value through profit or loss on the condensed consolidated statement of financial position are certain investments in collective investment schemes which have been designed so that voting or similar rights are not the dominant factor in deciding who controls these schemes. These collective investment schemes include investments in unit trusts and limited liability partnership established by third parties. These schemes provide the Group with a variety of investment opportunities through managed investment strategies.

Owing to the passive nature of these investments, the maximum exposure to loss from these interests is limited to the associated equity price risk (see note 4) and the capital commitments. The maximum exposure to loss, which represents the maximum loss that the Group could be required to report as a result of its involvement with these collective investment schemes regardless of the probability of the loss being incurred, is equivalent to the carrying amount of these investments.

- (ii) In addition, the Group's subsidiary, YF Life Trustees Limited is the sponsor of Mass Mandatory Provident Fund scheme ('MPF scheme') as specified in the respective trust deeds. Management fee and trustee fee income that the Group recognised in profit or loss in return for the administration services provided to MPF Scheme that the Group sponsored amounted to HK\$4,184,986 (for six month period ended 30 June 2019: HK\$14,865,000).

The policyholders invest directly into such MPF scheme, as such, the Group did not transfer any of its own assets into these schemes during the reporting period. Management actively monitor the compliance with the respective regulation requirements in order to minimize losses arising from reputational risk and regulatory compliance risk.

14 投資(續)

附註：(續)

- (f) 於集合投資計劃的權益
- (i) 指定在簡明綜合財務狀況表中以公允價值計量且其變動計入損益之金融資產指在集合投資計劃中的某些投資，這些投資的設計使得投票或類似權利不是決定由誰控制這些計劃的主導因素。這些集體投資計劃包括於第三方建立的單位信託和有限責任合夥企業的投資。這些計劃通過管理投資策略為本集團提供各種投資機會。

由於該等投資的被動性，這些利益的最大損失風險敞口僅限於相關的股權價格風險(參閱附註4)和資本承諾。最大損失風險是指本集團因參與這些集合投資計劃而須呈報的最大損失，不論所產生損失的可能性大小，該損失相當於這些投資的賬面價值。

- (ii) 此外，本集團的附屬公司-萬通信託有限公司為相應信託契約所指明的公眾強制性公積金計劃(「強積金計劃」)的發起人。本集團在損益中確認的管理費及受託人費用，作為向本集團發起的強積金計劃提供行政服務的回報為4,184,986港元(截至二零一九年六月三十日止六個月期間：14,865,000港元)。

保單持有人直接投資於該強積金計劃，因此，本集團於報告期內並無將其任何資產轉移至該等計劃。管理層積極監督與相應監管要求的合規情況，以儘量減少名譽風險和監管合規風險帶來的損失。

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15 INSURANCE AND REINSURANCE RECEIVABLES

15 應收保費及再保險賬款

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|----------------------------|-------------|---|---|
| Loans to policyholders | 向保單持有人作出的貸款 | 2,253 | 2,014 |
| Direct premium receivables | 應收直接保費 | 10,277 | 4,743 |
| Reinsurance recoverable | 可收回再保險賬款 | 1,735,704 | 1,572,786 |
| | | 1,748,234 | 1,579,543 |

At 30 June 2020 and 31 December 2019, none of the insurance and reinsurance receivables were past due or impaired.

於二零二零年六月三十日及二零一九年十二月三十一日，應收保費及再保險賬款均未逾期或減值。

At 30 June 2020, the amount of insurance and reinsurance receivables expected to be settled after more than one year is HK\$1,508,659,000 (31 December 2019: HK\$1,231,388,000).

於二零二零年六月三十日，預期於超過一年後可收回的應收保費及再保險賬款為 1,508,659,000 港元(二零一九年十二月三十一日：1,231,388,000 港元)。

16 OTHER ACCOUNTS RECEIVABLE AND ACCRUED INCOME

16 其他應收賬款及應計收入

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|--|--------------------------|---|---|
| Other accounts receivable arising from securities brokerage: | 證券經紀產生的其他應收賬款： | | |
| — Cash clients | — 現金客戶 | 40,628 | 50,200 |
| — Margin clients | — 保證金客戶 | 7,318 | 11,386 |
| — Clients for subscription of new shares in IPO | — 客戶認購首次公開招股新股 | 29,997 | 949 |
| — Clearing house, brokers, fund managers and dealers | — 清算所、經紀商、基金管理人和交易商 | 98,808 | 52,908 |
| | | 176,751 | 115,443 |
| Other accounts receivable arising from consultancy and advisory and other services fee receivables | 諮詢、顧問服務及其他應收服務費產生的其他應收賬款 | 4,502 | 11,746 |
| | | 181,253 | 127,189 |
| Less: allowance for credit losses | 減：信用損失之撥備 | (1,636) | (2,743) |
| | | 179,617 | 124,446 |

The fair value of other accounts receivable approximates its carrying amount.

其他應收賬款之公允價值與其賬面價值相若。

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簡明綜合中期財務報告附註

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16 OTHER ACCOUNTS RECEIVABLE AND ACCRUED INCOME (Continued)

(a) Ageing analysis of other accounts receivable

The ageing analysis of other accounts receivable net of credit losses as of the end of the reporting period is as follows:

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|-----------------------------|---------|---|---|
| Current | 流動 | 177,869 | 121,976 |
| Less than 1 month past due | 逾期1個月以下 | 1,748 | 1,796 |
| 1 to 3 months past due | 逾期1至3個月 | — | 74 |
| More than 3 months past due | 逾期3個月以上 | — | 600 |
| Amounts past due | 逾期金額 | 1,748 | 2,470 |
| | | 179,617 | 124,446 |

The Group has procedures and policies to assess the client's credit quality and defines credit limits for each client. All client acceptance and credit limit are approved by designated approvers according to the client's credit worthiness. During the period, the movement in allowance for credit losses represents HK\$550,000 (for six month period ended 30 June 2019: HK\$24,000 credit losses made) allowance for credit losses recovered and HK\$557,000 other accounts receivable written off (for six month period ended 30 June 2019: Nil).

(b) Balance with related parties

At 30 June 2020, the balance of other service fee receivables includes fund management fee of approximately HK\$1,281,000 (2019: HK\$1,409,000) due from a joint venture of the Group.

16 其他應收賬款及應計收入(續)

(a) 其他應收賬款之賬齡分析

於報告期末之其他應收賬款(扣除信用損失)賬齡分析如下：

| | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|-----------------------------|---|---|
| Current | 177,869 | 121,976 |
| Less than 1 month past due | 1,748 | 1,796 |
| 1 to 3 months past due | — | 74 |
| More than 3 months past due | — | 600 |
| Amounts past due | 1,748 | 2,470 |
| | 179,617 | 124,446 |

本集團設有程序及政策評估潛在客戶之信貸質量，並界定各客戶之信貸限額。所有接納客戶之事宜及信貸限額須經指定批核人依據有關客戶之信用審批。本期間內，信用損失之撥備的變動包括已收回相關信用損失之撥備550,000港元(截至二零一九年六月三十日止六個月：確認24,000港元信用虧損)及就557,000港元其他應收賬款的注銷(截至二零一九年六月三十日止六個月：無)。

(b) 與關聯方的結餘

於二零二零年六月三十日，其他應收服務費的結餘包括約1,281,000港元(二零一九年：1,409,000港元)的應收本集團一家合營企業的基金管理費。

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17 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

17 其他應收款項、按金及預付款項

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|--|--------------------|---|---|
| Utility and rental deposits | 水電費及租用按金 | 42,302 | 42,662 |
| Loans to agents and staff | 向代理及員工作出的貸款 | 20,984 | 32,379 |
| Accrued investment income | 應計投資收入 | 444,028 | 421,719 |
| Prepayment and other deposit | 預付款及其他按金 | 128,352 | 107,744 |
| Other receivable from non-controlling shareholders of a subsidiary | 其他應收一家附屬公司非控股股東的款項 | 18,634 | 18,634 |
| Derivative financial instruments | 衍生金融工具 | 61,043 | 12,605 |
| | | 715,343 | 635,743 |
| Less: allowance for credit losses | 減：信用損失之撥備 | (8,132) | (8,232) |
| | | 707,211 | 627,511 |

Notes:

- (i) The amount of utility and rental deposits expected to be recovered after more than one year is HK\$37,665,000 (2019: HK\$35,155,000).
- (ii) Except for those mentioned above in (i), all of the other receivables are expected to be recovered within one year.
- (iii) During the period, there was HK\$100,000 foreign exchange adjustment to allowance for credit losses (for six month period ended 30 June 2019: HK\$743,000 other receivables written off).

附註：

- (i) 水電費及租用按金預期將於超過一年後收回的金額為37,665,000港元(二零一九年：35,155,000港元)。
- (ii) 除上文所述者外，所有其他應收款項預計將在一年內收回。
- (iii) 期內，就信用損失之撥備作出的外匯調整為100,000港元(截至二零一九年六月三十日止六個月：743,000港元其他應收款項的注銷)。

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18 CASH AND CASH EQUIVALENTS, FIXED BANK DEPOSITS WITH ORIGINAL MATURITY OVER 3 MONTHS AND BANK BALANCE – TRUST AND SEGREGATED ACCOUNTS

18 現金及現金等值項目、原定期限多於三個月的定期銀行存款和銀行餘額 — 信託及獨立賬戶

| | | Note 附註 | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|---|---------------------|------------|---|---|
| Bank balance — trust and segregated accounts | 銀行餘額 — 信託及獨立賬戶 | | | |
| Deposit with bank | 銀行存款 | (i) | 488,619 | 478,619 |
| Less: impairment allowance | 減：減值撥備 | | (154) | (154) |
| | | | 488,465 | 478,465 |
| Fixed bank deposits with original maturity over 3 months | 原定期限多於三個月的銀行定期存款 | | | |
| Deposit with bank | 銀行存款 | (iii) | 834,958 | 385,417 |
| Less: impairment allowance | 減：減值撥備 | | — | — |
| | | | 834,958 | 385,417 |
| Cash and cash equivalent | 現金及現金等值項目 | | | |
| Deposit with bank | 銀行存款 | (ii) | 300 | 300 |
| Fixed bank deposits with original maturity less than 3 months | 原定期限多於三個月的銀行定期存款 | | 131,541 | 524,567 |
| Cash at bank and in hand | 銀行及手頭現金 | | 2,251,240 | 1,644,998 |
| Less: impairment allowance | 減：減值撥備 | | (114) | (114) |
| Cash and cash equivalent in the statement of financial position | 綜合財務狀況表所示的現金及現金等值項目 | | 2,382,967 | 2,169,751 |

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18 CASH AND CASH EQUIVALENTS, FIXED BANK DEPOSITS WITH ORIGINAL MATURITY OVER 3 MONTHS AND BANK BALANCE – TRUST AND SEGREGATED ACCOUNTS (Continued)

Notes:

- (i) The Group maintains segregated accounts with authorised institutions to hold clients' money arising from its normal course of business of the regulated activities. The cash held on behalf of clients is restricted and governed by the Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance.
- (ii) The Group has made deposit with a bank as security deposit for bank overdraft facilities.
- (iii) As of 30 June 2020, the Group has pledged fixed deposits of HK\$309,648,000 (2019: HK\$269,250,000) to banks in favour of the Autoridade Monetaria de Macau to guarantee the technical reserves in accordance with the Macau Insurance Ordinance.

19 INSURANCE CONTRACT PROVISIONS

18 現金及現金等值項目、原定期限多於三個月的定期銀行存款和銀行餘額 – 信託及獨立賬戶(續)

附註：

- (i) 本集團於認可機構開立獨立賬戶，以持有其正常受規管活動業務過程中產生之客戶款項。代客戶持有之現金受《證券及期貨條例下之證券及期貨(客戶款項)》規則限制及規管。
- (ii) 本集團已向一家銀行進行存款作為銀行透支額度的保證金。
- (iii) 截至二零二零年六月三十日，本集團已將為數309,648,000港元(二零一九年：269,250,000港元)的固定存款質押於澳門金管局，以保證按照《澳門保險條例》作出技術儲備。

19 保險合同準備金

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|--------------------------------|-----------|---|---|
| Policyholders' deposits | 保單持有人的存款 | 38,384,682 | 37,556,895 |
| Future policyholders' benefits | 保單持有人未來給付 | 9,878,476 | 8,639,426 |
| Unearned revenue liability | 未到期收入責任 | 444,005 | 259,553 |
| | | 48,707,163 | 46,455,874 |

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20 INVESTMENT CONTRACT LIABILITIES

20 投資合同負債

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|--------------------------------|-----------|---|---|
| Policyholders' deposits | 保單持有人的存款 | 4,407,003 | 4,318,445 |
| Future policyholders' benefits | 保單持有人未來給付 | 61,046 | 56,656 |
| Unearned revenue liability | 未到期收入責任 | (2,039) | (10,501) |
| | | 4,466,010 | 4,364,600 |

21 OTHER ACCOUNTS PAYABLE

21 其他應付賬款

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|---|------------------------|---|---|
| Accounts payable | 應付賬款 | | |
| — Cash and margin clients | — 現金和保證金客戶 | 588,062 | 554,471 |
| — Clearing house, fund managers, brokers and dealers | — 清算所、基金管理人、 經紀及證券商 | 30,587 | 24,074 |
| | | 618,649 | 578,545 |

Included in accounts payable are amounts payable to clients and other institutions in respect of the trust and segregated bank balances received and held for clients and other institutions in the course of conducting regulated activities, which amount to HK\$473,438,000 (31 December 2019: HK\$496,572,000). All of the accounts payable are aged and due within one month or on demand.

Balance with related parties

At 30 June 2020, accounts payable of approximately HK\$31,000 (31 December 2019: HK\$15,549,000) are payable to certain key management personnel of the Company and their related companies on normal terms of brokerage and wealth management business of the Group.

應付賬款包括就於進行受規管活動過程中為客戶及其他機構收取及持有之信託及獨立銀行餘額而應付客戶及其他機構之款項473,438,000港元(二零一九年十二月三十一日：496,572,000港元)。所有應付賬款之賬齡為於一個月內到期或按要求償還。

與關聯方的結餘

於二零二零年六月三十日，按本集團一般經紀及理財業務的一般條款，應付賬款約31,000港元(二零一九年十二月三十一日：15,549,000港元)為應付若干本公司主要管理人員及其關聯公司之款項。

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22 OTHER PAYABLES AND ACCRUED EXPENSES

22 其他應付款項和應計開支

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|----------------------------------|-------------|---|---|
| Accrued staff costs | 應計員工成本 | 51,537 | 106,125 |
| Commission payables | 應付佣金 | 117,305 | 204,791 |
| Derivative financial instruments | 衍生金融工具 | 83,686 | 20,366 |
| Premium received in advance | 預收保費 | 1,919,093 | 1,583,983 |
| Other payables and accruals | 其他應付款項及應計費用 | 868,681 | 521,702 |
| | | 3,040,302 | 2,436,967 |

All of the commission and other payables and derivative liabilities are expected to be settled within one year.

所有佣金及其他應付款項預期可於一年內結清。

Premium received in advance is expected to be settled within one year or on demand.

預收保費預計將於一年內或按要求結清。

Balance with related parties

與關聯方的結餘

At 30 June 2020, amount of approximately HK\$22,294,000 (31 December 2019: HK\$22,299,000) are payable to MassMutual International LLC who is a substantial shareholder of the Company and its affiliates.

於二零二零年六月三十日，應付賬款之22,294,000港元(二零一九年十二月三十一日：22,299,000港元)為應付本公司一家主要股東 — MassMutual International LLC及其聯營公司之款項。

At 30 June 2020, interest accrual of approximately HK\$42,326,000 (31 December 2019: HK\$2,618,000) is due to Key Imagination Limited who is the controlling shareholder of the Company.

於二零二零年六月三十日，應付本公司控股股東Key Imagination Limited的應計利息約為42,326,000港元(二零一九年十二月三十一日：2,618,000港元)。

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23 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

23 以公允價值計量且其變動計入損益之金融負債

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|--|------------------|---|---|
| Designated at fair value through profit or loss | 指定按公允價值計入損益 | | |
| Preference share liability (note 1) | 優先股負債(附註1) | 387,525 | 389,570 |
| Third-party interests in consolidated funds (note 2) | 於合併基金的第三方權益(附註2) | 225,070 | 240,999 |
| | | 612,595 | 630,569 |

Notes:

- The total number of preference shares that can be issued under the agreement is 500,000 shares for a total proceed of US\$50,000,000. The subsidiary is obliged to redeem all issued preference shares in 5 years starting from the initial issuance date of the preference shares. At liquidation, after all creditors' claim is satisfied, the asset of the subsidiary should be first distributed to preference shareholders by redeeming all issued shares together with any unpaid preferred share dividends. The preference shares are due for settlement after more than a year from 30 June 2020. The proceed obtained from the issue of preference shares by a subsidiary of the Group with the proceed being used to fulfil capital contribution to a consolidated fund managed by the Group.
- The third party interests in consolidated fund consist of third-party unit holders' interest in the consolidated fund which is reflected as a liability as the fund is to be dissolved and return all capital to investor in seventh or eighth anniversary of the respective final closing date of the respective funds. The end of term of the consolidated funds are more than a year from 30 June 2020.

附註：

- 根據協議可以發行的優先股總數為500,000股，總計50,000,000美元。附屬公司有義務在優先股初始發行日起5年內贖回所有已發行優先股。清算時，在所有債權人的索賠要求實現後，附屬公司的資產應首先通過贖回所有已發行股份以及任何未支付的優先股股息分配至優先股股東。自二零二零年六月三十日起超過一年後，優先股才需要結清。於本期間內，自本集團附屬公司發行優先股獲得款項，並繼續使用此款項用以就本集團管理的綜合基金提供注資。
- 合併基金的第三方權益包括第三方單位持有人於合併基金的權益，因基金將被解散，並在相應基金最終結算日的第七周年或第八周年將所有資本返還給投資者，因此列示為負債。合併基金的期限終止為自二零二零年六月三十日起一年以上。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

24 BANK BORROWINGS

The bank loan was unsecured and repayable as follows:

| | | At 30 June 2020 於二零二零年 六月 三十日 HK\$'000 千港元 | At 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元 |
|---------------------------------|------------|---|---|
| Within 1 year | 1 年內 | 2,102,656 | — |
| After 1 year but within 2 years | 1 年後但 2 年內 | — | 1,498,758 |

24 銀行借款

銀行借款為無擔保貸款，償還詳情如下：

25 SHAREHOLDER'S LOAN

The loan is due within one year from 30 June 2020 and the Group has an unconditional extension right to extend the due date for another year at the interest rate to be reset based on prevailing market condition at the time of exercising the right.

25 股東貸款

該貸款自二零二零年六月三十日起一年內到期，而本集團擁有無條件將貸款到期日再延遲一年的權利，延期後的貸款利率根據本集團行權時的普遍市場條件重新協定。

26 SHARE CAPITAL

Movements of the Company's ordinary shares are set out below:

26 股本

本公司普通股之變動載列如下：

| | At 30 June 2020 於二零二零年六月三十日 | | At 31 December 2019 於二零一九年十二月三十一日 | |
|-------------------------------|--------------------------------|---------------------------------|--------------------------------------|---------------------------------|
| | Number of shares 股份數目 | Amount 數額 HK\$'000 千港元 | Number of shares 股份數目 | Amount 數額 HK\$'000 千港元 |
| Issued and fully paid: 已發行及繳足 | 3,223,326,394 | 9,829,094 | 3,223,326,394 | 9,829,094 |

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

27 EMPLOYEE SHARE-BASED ARRANGEMENTS

27 僱員股份安排

(i) Details of the 2016 Share Award Scheme vested, cancelled and modification of service condition to Group A Grantee

(i) 已歸屬、取消及修改服務條件之二零一六年股份獎勵計劃詳情

Grant date on 24 January 2017

授予日：二零一七年一月二十四日

| | | Number of awarded shares awarded | Number of awarded shares vested | Number of awarded shares cancelled and forfeited | Number of awarded share remains outstanding |
|-----------------------------------|----------------|----------------------------------|---------------------------------|--|---|
| | | 已授予股份獎勵數目 | 已歸屬股份獎勵數目 | 已取消及放棄授予股份數目 | 尚未行使已授予股份數目 |
| Vesting date | 歸屬日期 | A | B | C | F=A-B-C |
| As of 31 December 2018 | 截至二零一八年十二月三十一日 | 20,190,000 | 7,882,500 | 5,962,500 | 6,345,000 |
| Movement for the year 2019 | 二零一九年變動 | | | | |
| 4 May 2017 | 二零一七年五月四日 | — | — | — | — |
| 4 May 2018 | 二零一八年五月四日 | — | — | — | — |
| 4 May 2019 | 二零一九年五月四日 | — | — | 1,662,500 | — |
| 4 May 2020 | 二零二零年五月四日 | — | — | 1,637,500 | — |
| 4 May 2017 | 二零一七年五月四日 | 5,047,500 | 4,510,000 | 537,500 | — |
| 4 May 2018 | 二零一八年五月四日 | 5,047,500 | 3,372,500 | 1,675,000 | — |
| 4 May 2019 | 二零一九年五月四日 | 5,047,500 | — | 3,537,500 | 1,510,000 |
| 4 May 2020 | 二零二零年五月四日 | 5,047,500 | — | 3,512,500 | 1,535,000 |
| As of 31 December 2019 | 截至二零一九年十二月三十一日 | 20,190,000 | 7,882,500 | 9,262,500 | 3,045,000 |
| Movement for the period | 本期間變動 | | | | |
| 4 May 2017 | 二零一七年五月四日 | — | — | — | — |
| 4 May 2018 | 二零一八年五月四日 | — | — | — | — |
| 4 May 2019 | 二零一九年五月四日 | — | — | 1,025,000 | — |
| 4 May 2020 | 二零二零年五月四日 | — | — | 1,050,000 | — |
| 4 May 2017 | 二零一七年五月四日 | 5,047,500 | 4,510,000 | 537,500 | — |
| 4 May 2018 | 二零一八年五月四日 | 5,047,500 | 3,372,500 | 1,675,000 | — |
| 4 May 2019 | 二零一九年五月四日 | 5,047,500 | — | 4,562,500 | 485,000 |
| 4 May 2020 | 二零二零年五月四日 | 5,047,500 | — | 4,562,500 | 485,000 |
| As of 30 June 2020 | 截至二零二零年六月三十日 | 20,190,000 | 7,882,500 | 11,337,500 | 970,000 |

The awarded share remains outstanding due to service condition modification.

由於服務條件變化，已授予股份尚未行使。

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(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

27 EMPLOYEE SHARE-BASED ARRANGEMENTS (Continued)

27 僱員股份安排(續)

(i) Details of the 2016 Share Award Scheme vested, cancelled and modification of service condition to Group A Grantee (Continued)

(i) 已歸屬、取消及修改服務條件之二零一六年股份獎勵計劃詳情(續)

Grant date on 25 April 2018

授予日：二零一八年四月二十五日

| | | Number of awarded shares awarded | Number of awarded shares vested | Number of awarded shares cancelled and forfeited | Number of awarded share remains outstanding |
|--------------------------------|----------------|----------------------------------|---------------------------------|--|---|
| | | 已授予股份獎勵數目 | 已歸屬股份獎勵數目 | 已取消及放棄授予股份數目 | 尚未行使已授予股份數目 |
| Vesting date | 歸屬日期 | | | | |
| As of 31 December 2018 | 截至二零一八年十二月三十一日 | 2,850,000 | 712,500 | 37,500 | 2,100,000 |
| Movement for the period | 本期間變動 | | | | |
| 4 May 2018 | 二零一八年五月四日 | — | — | — | — |
| 4 May 2019 | 二零一九年五月四日 | — | — | — | — |
| 4 May 2020 | 二零二零年五月四日 | — | — | — | — |
| 4 May 2021 | 二零二一年五月四日 | — | — | — | — |
| 4 May 2018 | 二零一八年五月四日 | 712,500 | 712,500 | — | — |
| 4 May 2019 | 二零一九年五月四日 | 712,500 | — | 12,500 | 700,000 |
| 4 May 2020 | 二零二零年五月四日 | 712,500 | — | 12,500 | 700,000 |
| 4 May 2021 | 二零二一年五月四日 | 712,500 | — | 12,500 | 700,000 |
| As of 31 December 2019 | 截至二零一九年十二月三十一日 | 2,850,000 | 712,500 | 37,500 | 2,100,000 |
| Movement for the period | 本期間變動 | | | | |
| 4 May 2018 | 二零一八年五月四日 | — | — | — | — |
| 4 May 2019 | 二零一九年五月四日 | — | — | 50,000 | — |
| 4 May 2020 | 二零二零年五月四日 | — | — | 50,000 | — |
| 4 May 2021 | 二零二一年五月四日 | — | — | 50,000 | — |
| 4 May 2018 | 二零一八年五月四日 | 712,500 | 712,500 | — | — |
| 4 May 2019 | 二零一九年五月四日 | 712,500 | — | 62,500 | 650,000 |
| 4 May 2020 | 二零二零年五月四日 | 712,500 | — | 62,500 | 650,000 |
| 4 May 2021 | 二零二一年五月四日 | 712,500 | — | 62,500 | 650,000 |
| As of 30 June 2020 | 截至二零二零年六月三十日 | 2,850,000 | 712,500 | 187,500 | 1,950,000 |

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28 INTERESTS IN STRUCTURED ENTITIES

Interest in consolidated structure entities

The Group had consolidated certain structured entities, mainly funds related to wealth management operation. For those structured entities where the Group is involved as manager or as investor, the Group assesses the extent of controlling power according to relevant group accounting policies.

As at 30 June 2020, the net assets of consolidated fund entities amounted to HK\$658 million (31 December 2019: HK\$706 million) with net carrying interest held by the Group being HK\$433 million (31 December 2019: HK\$464 million).

Interests held by other investors in these consolidated structured entities, mainly fund entities were classified as financial liabilities at fair value through profit or loss on the condensed consolidated statements of financial position with fair value change of financial liability at fair value through profit or loss presented in the condensed consolidated income statements.

At period end, the Group reassessed the control of structured entities and decided whether the Group is still a principal.

Interest in unconsolidated structure entities

Among those structured entities held by the Group where the Group directly or indirectly involves as investment manager or in equivalent capacity, the Group regularly assesses and determines whether:

- the Group is acting as an agent or a principal in these investment funds;
- substantive removal rights held by other parties may remove the Group as an investment fund manager; and
- the investment interests held together with its remuneration from servicing and managing these structured entities create significant exposure to variability of returns in these investment funds.

In the opinion of the directors, the variable returns that the Group exposes to these structured entities are not significant and the Group is primarily acting as an agent. Therefore, the Group did not consolidate these structured entities.

28 結構化實體的權益

合併結構化實體權益

本集團擁有若干合併入賬的結構化實體，主要包括為財富管理運營的基金產品。對於本集團作為管理人或投資者的該等結構化實體，本集團會根據相關的集團會計政策評估控制權。

於二零二零年六月三十日，綜合基金實體淨資產為6.58億港元(二零一九年十二月三十一日：7.06億港元)，本集團持有淨賬面權益為4.33億港元(二零一九年十二月三十一日：4.64億港元)。

其他投資者持有合併結構化單位的權益，主要為基金實體，在綜合財務狀況表中劃歸為以公允價值計量且其變動計入損益之金融負債，以公允價值計量且其變動計入損益之金融負債之公允價值變動在簡明綜合收益表內列示。

於期末，本集團重新評估對結構化實體的控制，並決定本集團是否仍為主事人。

不合併結構化實體權益

就本集團所持有並由本集團(作為投資管理人)直接或間接參與的投資基金，本集團定期評估及確定：

- 本集團是否作為該等投資基金的代理或主事人；
- 其他各方是否持有可免除本集團作為投資基金管理人職務之實質罷免權；及
- 所持投資權益連同服務及管理該等結構化實體的酬金是否使該等投資基金的回報承受重大變化風險。

董事認為，本集團於該等結構化實體的可變回報並不重大，及本集團主要擔當代理。因此，本集團並未合併這些結構化實體。

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29 COMMITMENTS

(a) Capital commitments

As at 30 June 2020, the Group has a total of HK\$20.5 million (31 December 2019: HK\$30.7 million) capital commitment contracted but not provided for.

(b) Investment commitments

- (i) In the normal course of business, the Group enters into commitments to purchase certain investments and capital contribution commitments to third party managed fund investment. As at 30 June 2020, the Group has investment commitments contracted for amounted to HK\$1,929,911,000 (31 December 2019: HK\$1,575,509,000).
- (ii) As at 30 June 2020, the Group has capital commitment to a joint venture for an amount of US\$20 million with US\$12.7 million (31 December 2019: US\$20 million with US\$12.7 million) has been contributed.
- (iii) As disclosed in the announcement of the Company dated 4 February 2016, Yunfeng Financial Market Limited (“YFM”) (formerly known as Reorient Financial Markets Limited), a wholly owned subsidiary of the Company, entered into a joint venture agreement with Giant Investment Co., Ltd., and Jiangsu YuWell Technology Development Co., Ltd. (“Jiangsu Limited”) on that day. As disclosed in the circular of the Company dated 29 April 2016, the joint venture agreement was superseded and replaced by the amended and restated joint venture agreement entered among YFM, Hangzhou Dr. Herbs Electronics Commerce Company Limited and Jiangsu Limited on 13 April 2016. Upon establishment of the joint venture company after obtaining all necessary approval as defined and disclosed in the circular, YFM is committed to contribute RMB1,290,000,000 of the registered capital of the joint venture company.

29 承擔

(a) 資本承擔

截至二零二零年六月三十日，本集團合併承擔2,050萬港元(二零一九年十二月三十一日：3,070萬港元)的已簽約但未計提撥之資本承諾。

(b) 投資承擔

- (i) 在正常業務過程中，本集團作出購買若干投資的承諾，以及向第三方管理基金投資作出投資承諾。截至二零二零年六月三十日，本集團已訂約的合同投資承諾為1,929,911,000港元(二零一九年十二月三十一日：1,575,509,000港元)。
- (ii) 截至二零二零年六月三十日，本集團已向一家合資企業作出資本承擔額2,000萬美元，已供款1,270萬美元(二零一九年十二月三十一日：2,000萬美元，已供款1,270萬美元)。
- (iii) 誠如二零一六年二月四日刊發之本公司公告所披露，於當日，本公司的全資附屬公司雲鋒金融市場有限公司(「雲鋒金融市場」)(前稱瑞東金融市場有限公司)，與巨人投資有限公司及江蘇魚躍科技發展有限公司(「江蘇公司」)簽立有關成立合營公司的發起人協議。誠如二零一六年四月二十九日本公司通函所披露，於二零一六年四月十三日，雲鋒金融市場與杭州禾博士電子商務有限公司(「禾博士」)和江蘇公司簽立有關成立合營公司的經修訂及重列發起人協議取替及取代有關成立合營公司的發起人協議。誠如通函所定義及披露，雲鋒金融市場在合營企業取得所有必須的批准後為合營企業註冊資本承擔的出資金額為人民幣1,290,000,000元。

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30 MATERIAL RELATED PARTY TRANSACTIONS

30 重大關聯方交易

| | | Six months ended 30 June 截至六月三十日止六個月 | |
|--|------------------|---|----------------------------------|
| | | 2020 二零二零年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
| Investment management fee paid (note (i)) | 已付投資管理費(附註(i)) | 40,729 | 33,680 |
| Transitional services fee paid (note (ii)) | 已付過渡服務費(附註(ii)) | 7,880 | 5,813 |
| Policy endorsement fee paid (note (iii)) | 已付保單批單費(附註(iii)) | 2,615 | 2,675 |

(i) The Group paid an investment management fee to an affiliate of a substantial shareholder who appointed a director to the board of the Company, for management service provided to YF Life's investment portfolio.

(ii) The fee is paid to a substantial shareholder, who appointed a director to the board of the Company, for certain treasury and financial reporting services relating to investment or portfolio management and other information technology related services to YF Life.

(iii) The fee is paid to an affiliate of a substantial shareholder, who appointed a director to the board of the Company, for the provision of claims payment endorsement to certain outstanding life insurance policies of YF Life until such policies mature.

Except for those disclosed in this report, there is no other significant related party transactions during the period.

(i) 本集團就向萬通保險的投資組合提供的管理服務向一名主要股東(委任為本公司董事會董事)的一家聯營公司支付了投資管理費。

(ii) 就萬通保險有關的投資或投資組合管理及其他資訊技術相關服務的某些資金和財務報告服務，向一名主要股東(委任為本公司董事會董事)支付該筆費用。

(iii) 該筆費用是支付給一名主要股東(委任為本公司董事會董事)的一家聯營公司。此聯營公司為部份萬通保險的人壽保險未付保單提供索賠支付批單，直至該等保單逾期。

除本報告的上述披露外，本期間無其他重大關聯方交易。

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31 RECONCILIATION BETWEEN HKFRS AND US GAAP

The condensed consolidated financial statements are prepared in accordance with HKFRSs, which differ from certain aspects from US GAAP. The effects of material differences between the financial statements of the Group prepared under HKFRSs and US GAAP are as follows:

31 《香港財務報告準則》與美國公認會計準則的對賬

簡明綜合財務報表乃根據香港財務報告準則編制，與美國公認會計準則的某些方面不同。根據《香港財務報告準則》編制的本集團財務報表與美國公認會計準則之間的重大差異影響如下：

| | | As at 30 June 2020 截至二零二零年六月三十日 | | | |
|---|------------------|---|--|--|-----------------------|
| Condensed consolidated statement of financial position | | HKFRSs adjustments | | | Amounts under US GAAP |
| 簡明綜合財務狀況表 | | 《香港財務報告準則》調整 | | | 美國公認會計準則下的金額 |
| | | Insurance-related differences ^[1] 保險相關餘額 差異 ^[1] | Other difference in accounting ^[2] 其他會計 差異 ^[2] | Difference in impairment basis ^[3] 減值基準 差異 ^[3] | HK\$'000 千港元 |
| Assets | 資產 | | | | |
| Property and equipment | 物業及設備 | | 7,315 | | 524,313 |
| Statutory deposits | 法定存款 | | | | 3,775 |
| Deferred tax assets | 遞延稅項資產 | | | 78 | 220 |
| Investments in associates | 於聯營公司的投資 | | | | 25,952 |
| Goodwill and Intangible assets | 商譽及無形資產 | | | | 1,920,036 |
| Deferred acquisition costs and value of business acquired | 遞延保單獲得成本及收購業務價值 | 267,178 | | | 11,572,856 |
| Investments | 投資 | | 126,677 | 37,066 | 57,404,035 |
| Advance reinsurance premiums | 預付再保險保費 | | | | 1,743,460 |
| Reinsurers' share of outstanding claims | 未決賠款之再保險公司份額 | | | | 58,957 |
| Insurance and reinsurance receivables | 應收保費及再保險賬款 | (53,067) | | | 1,695,167 |
| Other account receivable and accrued income | 其他應收賬款及應計收入 | | | | 179,617 |
| Other receivables, deposit and prepayment | 其他應收款、按金及預付款項 | (1,714) | | 22 | 705,519 |
| Bank balance — trust and segregated accounts | 銀行餘額 — 信託及獨立賬戶 | | | 155 | 488,620 |
| Fixed bank deposits with original maturity over 3 months | 原定期限多於三個月的銀行定期存款 | | | | 834,958 |
| Cash and cash equivalents | 現金及現金等值項目 | | | 115 | 2,383,082 |
| Total assets | 資產總額 | | | | 79,540,567 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

31 RECONCILIATION BETWEEN HKFRS AND US GAAP (Continued)

31 《香港財務報告準則》與美國公認會計準則的對賬(續)

As at 30 June 2020
截至二零二零年六月三十日

| Condensed consolidated statement of financial position 簡明綜合財務狀況表 | HKFRSs adjustments 《香港財務報告準則》調整 | | | Amounts under US GAAP 美國公認會計準則下的金額 |
|--|---|--|--|---------------------------------------|
| | Insurance-related differences ^[1] 保險相關餘額差異 ^[1] | Other difference in accounting ^[2] 其他會計差異 ^[2] | Difference in impairment basis ^[3] 減值基準差異 ^[3] | HK\$'000 千港元 |
| Liabilities | 負債 | | | |
| Insurance contract provisions | 保險合同準備金 | 4,381,185 | | 53,088,348 |
| Investment contract liabilities | 投資合同負債 | (4,466,010) | | — |
| Outstanding claims | 未決賠款 | | | 184,476 |
| Reinsurance premium payables | 應付再保險保費 | | | 543,349 |
| Financial liability at fair value through profit or loss, other accounts payable and lease liabilities | 以公允價值計量且其變動計入損益之金融負債，其他應付賬款和租賃負債 | | | 1,523,584 |
| Other payables and accrued expense | 其他應付款項和應計開支 | 322,799 | | 3,363,101 |
| Tax payable | 應付稅項 | | | 23,224 |
| Deferred tax liabilities | 遞延稅項負債 | | | 1,244,546 |
| Bank borrowings | 銀行借款 | | | 2,102,656 |
| Shareholder's loan | 股東貸款 | | | 1,561,444 |
| Total liabilities | 負債總額 | | | 63,634,728 |
| Net assets | 資產淨值 | | | 15,905,839 |
| Capital and reserves | 資本和儲備 | | | |
| Share capital | 股本 | | | 9,829,094 |
| Reserves | 儲備 | (21,924) | 99,128 | 504,567 |
| Non-controlling interest | 非控股權益 | (3,653) | 34,864 | 5,572,178 |
| Total equity | 權益總額 | | | 15,905,839 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

31 RECONCILIATION BETWEEN HKFRS AND US GAAP (Continued)

31 《香港財務報告準則》與美國公認會計準則的對賬(續)

For the period ended 30 June 2020
截至二零二零年六月三十日止期間

| Condensed consolidated income statement | | HKFRSs adjustments | | | Amounts under US GAAP |
|---|------------------|--|---|---|-----------------------|
| 簡明綜合收益表 | | 《香港財務報告準則》調整 | | | 美國公認會計準則下的金額 |
| | | Insurance-related differences ^[1] | Other difference in accounting ^[2] | Difference in impairment basis ^[3] | HK\$'000 |
| | | 保險相關餘額差異 ^[1] | 其他會計差異 ^[2] | 減值基準差異 ^[3] | 千港元 |
| Income | 收入 | | | | |
| Premiums and fee income | 保費及費用收入 | | | | 2,852,246 |
| Premiums ceded to reinsurer | 分出保費 | 157,817 | | | (459,705) |
| Net premium and fee income | 保費及費用收入淨額 | | | | 2,392,541 |
| Change in unearned revenue liability | 未到期收入責任變動 | 7,135 | | | (311,156) |
| Net earned premium and fee income | 滿期保費及費用收入淨額 | | | | 2,081,385 |
| Brokerage commission, interest and other service income | 經紀佣金、利息收入和其他服務收入 | | | | 11,348 |
| Subscription, management and rebate fee income | 認購、管理費及回扣收入 | | | | 2,147 |
| Consultancy and advisory income | 顧問及諮詢費 | | | | — |
| Net investment and other income | 投資收入淨額和其他收入 | (188,354) | 233,918 | 77,449 | 1,029,177 |
| Overlay adjustment | 覆蓋調整 | | (239,075) | | — |
| Reinsurance commission and profit | 再保險佣金和溢利 | (5,229) | | | 15,370 |
| Total income | 收入總額 | | | | 3,139,427 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

31 RECONCILIATION BETWEEN HKFRS AND US GAAP (Continued)

31 《香港財務報告準則》與美國公認會計準則的對賬(續)

For the period ended 30 June 2020

截至二零二零年六月三十日止期間

| Condensed consolidated income statement 簡明綜合收益表 | HKFRSs adjustments 《香港財務報告準則》調整 | | | Amounts under US GAAP 美國公認會計準則下的金額 |
|---|---|--|--|---------------------------------------|
| | Insurance-related differences ^[1] 保險相關餘額差異 ^[1] | Other difference in accounting ^[2] 其他會計差異 ^[2] | Difference in impairment basis ^[3] 減值基準差異 ^[3] | HK\$'000 千港元 |
| Benefits, losses and expenses | 給付、虧損和費用 | | | |
| Net policyholders benefit | 淨保單持有人給付 | (8,083) | | (841,189) |
| Commission and related expenses | 佣金和相關費用 | — | | (560,216) |
| Management and other expenses | 管理及其他開支 | (8,236) | (1,342) | (440,994) |
| Change in future policyholder benefits and deferral and amortisation of deferred acquisition costs and value of business acquired | 遞延保單獲得成本及收購業務的價值的遞延和攤銷、保單持有人未來給付變動 | (17,217) | | (934,587) |
| Total benefits, losses and expenses | 給付、虧損和費用總額 | | | (2,776,986) |
| Finance cost | 融資成本 | | | (88,553) |
| Share of result of an associate | 聯營公司業績份額 | | | (1,567) |
| Profit before taxation | 除稅前溢利 | | | 272,321 |
| Tax expenses | 稅項開支 | | | (1,383) |
| Profit after taxation | 除稅後溢利 | | | 270,938 |
| Profit attributable to: | 下列各方應佔溢利： | | | |
| Owners of the Company | 本公司權益股東 | (43,392) | (4,621) | 54,059 |
| Non-controlling interests | 非控股權益 | (18,775) | (1,878) | 23,390 |
| | | | | 115,227 |
| | | | | 155,711 |
| | | | | 270,938 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

31 RECONCILIATION BETWEEN HKFRS AND US GAAP (Continued)

31 《香港財務報告準則》與美國公認會計準則的對賬(續)

For the period ended 30 June 2019 (restated)
截至二零一九年六月三十日止期間(重述)

| Condensed consolidated income statement | | HKFRSs adjustments | | | Amounts under US GAAP |
|---|------------------|--|---|---|-----------------------|
| 簡明綜合收益表 | | 《香港財務報告準則》調整 | | | 美國公認會計準則下的金額 |
| | | Insurance-related differences ^[1] | Other difference in accounting ^[2] | Difference in impairment basis ^[3] | HK\$'000 |
| | | 保險相關餘額差異 ^[1] | 其他會計差異 ^[2] | 減值基準差異 ^[3] | 千港元 |
| Income | 收入 | | | | |
| Premiums and fee income | 保費及費用收入 | | | | 2,381,792 |
| Premiums ceded to reinsurer | 分出保費 | 159,458 | | | (163,987) |
| Net premium and fee income | 保費及費用收入淨額 | | | | 2,217,805 |
| Change in unearned revenue liability | 未到期收入責任變動 | 10,936 | | | (366,598) |
| Net earned premium and fee income | 滿期保費及費用收入淨額 | | | | 1,851,207 |
| Brokerage commission, interest and other service income | 經紀佣金、利息收入和其他服務收入 | | | | 4,126 |
| Subscription, management and rebate fee income | 認購、管理費及回扣收入 | | | | 5,837 |
| Consultancy and advisory income | 顧問及諮詢費 | | | | 687 |
| Net investment and other income | 投資收入淨額和其他收入 | (91,297) | (98,794) | 35,762 | 1,760,951 |
| Overlay adjustment | 覆蓋調整 | | 101,838 | | — |
| Reinsurance commission and profit | 再保險佣金和溢利 | (5,276) | | | 10,316 |
| Total income | 收入總額 | | | | 3,633,124 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

31 RECONCILIATION BETWEEN HKFRS AND US GAAP (Continued)

31 《香港財務報告準則》與美國公認會計準則的對賬(續)

For the period ended 30 June 2019 (restated)
截至二零一九年六月三十日止期間(重述)

| Condensed consolidated income statement 簡明綜合收益表 | HKFRSs adjustments 《香港財務報告準則》調整 | | | Amounts under US GAAP 美國公認會計準則下的金額 |
|---|---|--|--|---------------------------------------|
| | Insurance-related differences ^[1] 保險相關餘額差異 ^[1] | Other difference in accounting ^[2] 其他會計差異 ^[2] | Difference in impairment basis ^[3] 減值基準差異 ^[3] | HK\$'000 千港元 |
| Benefits, losses and expenses | 給付、虧損和費用 | | | |
| Net policyholders benefit | 淨保單持有人給付 | (6,634) | | (1,767,109) |
| Commission and related expenses | 佣金和相關費用 | | | (533,641) |
| Management and other expenses | 管理及其他開支 | (8,149) | (1,117) | (478,073) |
| Change in future policyholder benefits and deferral and amortisation of deferred acquisition costs and value of business acquired | 遞延保單獲得成本及收購業務的價值的遞延和攤銷、保單持有人未來給付變動 | (25,575) | | (499,039) |
| Total benefits, losses and expenses | 給付、虧損和費用總額 | | | (3,277,862) |
| Finance cost | 融資成本 | | | (46,988) |
| Share of result of an associate | 聯營公司業績份額 | | | (1,114) |
| Profit before taxation | 除稅前溢利 | | | 307,160 |
| Tax credit | 稅項抵免 | | | 809 |
| Profit after taxation | 除稅後溢利 | | | 307,969 |
| Profit attributable to: | 下列各方應佔溢利： | | | |
| Owners of the Company | 本公司權益股東 | 20,078 | 2,576 | 141,476 |
| Non-controlling interests | 非控股權益 | 13,385 | (649) | 166,493 |
| | | | | 307,969 |

Notes to the Condensed Consolidated Interim Financial Statements

簡明綜合中期財務報告附註

(Expressed in Hong Kong dollars unless otherwise indicated) (除另有說明，以港幣列示)

31 RECONCILIATION BETWEEN HKFRS AND US GAAP (Continued)

Notes:

- [1] Major differences in relation to insurance-related balances are summarised as follows: financial reinsurance adjustments arising from different classification of reinsurance contracts under HKFRS and US GAAP; difference in value of business acquired recognised under HKFRS and US GAAP and corresponding differences on insurance contract provisions; difference in measurement of deferred acquisition costs and unearned revenue liability due to different amortisation under HKFRS and US GAAP; other miscellaneous differences due to different accounting principles under HKFRS and US GAAP.
- [2] Difference arises from classification and measurement of investments and lease accounting.
- [3] Difference arises from different impairment methodology and basis (expected credit loss model vs. incurred loss model) under HKFRS and US GAAP.

32 COMPARATIVE FIGURES

Other than those comparative information in respect of the period ended 30 June 2019 have been restated as a result of finalised purchase price allocation of prior year acquisition as set out in note 2(b)(i), certain comparative disclosure notes have been adjusted to conform with current period presentation.

33 CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2020 and 31 December 2019.

34 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

There is no material non-adjusting event after the reporting period.

31 《香港財務報告準則》與美國公認會計準則的對賬(續)

附註：

- [1] 保險相關餘額的主要差異概述如下：財務再保險調整(再保險合同抵銷收入／費用的重新分類與根據美國公認會計準則(而不是根據擴大後的集團會計政策)的相關保險合同收入／費用的重新分類)；根據美國公認會計準則及《香港財務報告準則》確認收購的業務價值差異及相應的保險合同準備金差異；根據美國公認會計準則和《香港財務報告準則》使用不同的折舊和不同的精算計算方法計算的遞延保單獲得成本和未到期收入責任的計量差異；因《香港財務報告準則》和美國公認會計準則下的不同會計原則導致的其他雜項差異。
- [2] 差異源自租賃及投資會計準則下不同的分類及計量。
- [3] 差異源自基於《香港財務報告準則》及美國公認會計準則下不同的減值方法及基準(預期信用損失模型與已發生損失模型)。

32 比較數字

除由於上年度收購的購買價格分攤已最終完成，本集團對截至二零一九年六月三十日期間的比較數據所作重述(如附註2(b)(i)所披露)外，若干比較數字披露附註亦已作出調整，以符合本期的列報方式。

33 或然負債

本集團於二零二零年六月三十日及二零一九年十二月三十一日並無任何重大或然負債。

34 報告期後非調整事項

在報告期後，並無重大非調整事項。

