



環球戰略集團有限公司

GLOBAL STRATEGIC GROUP LIMITED 環球戰略集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號: 8007)

2017

Annual Report 年報



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

香港聯合交易所有限公司（「聯交所」）GEM特色

GEM的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。GEM的較高風險及其他特色表示GEM較適合專業及其他老練投資者。

由於GEM上市公司普遍為中小型公司，在GEM買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在GEM買賣的證券會有高流通量的市場。

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財務撮要

Financial Highlights

		As at 31 December				As at 30 June	
		2017	2016	2015	2014	2014	2013
		於十二月三十一日				於六月三十日	
		二零一七年	二零一六年	二零一五年	二零一四年	二零一四年	二零一三年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Results	業績						
- Revenue	- 收益	50,385	36,379	217,068	25,865	3,792	3,066
- Loss	- 虧損	(39,998)	(39,189)	(81,455)	(10,571)	(2,055)	(2,662)
- Loss per share	- 每股虧損						
- Basic (in HK cents)	- 基本(港仙)	(0.59)	(0.62)	(2.07)	(0.33)	(0.07)	(0.09)
					(restated)	(restated)	(restated)
					(經重列)	(經重列)	(經重列)
Financial Position	財務狀況						
- Non-current assets	- 非流動資產	516,382	457,038	57,275	3,446	-	-
- Current assets	- 流動資產	17,124	25,695	26,486	34,758	4,717	6,717
- Current liabilities	- 流動負債	51,169	53,765	3,244	1,063	1,105	1,050
- Non-current liabilities	- 非流動負債	261,230	206,611	-	-	-	-
- Equity	- 權益	221,107	222,357	80,517	37,141	3,612	5,667
Financial Ratios	財務比率						
- Current assets/Current liabilities	- 流動資產/流動負債	0.3	0.5	8	33	4	6
- Assets/Equity	- 資產/權益	2.4	2.2	1.0	1.0	1.3	1.2

企業資訊

Corporate Information

於二零一八年三月二十一日 As at 21 March 2018

EXECUTIVE DIRECTORS

Weng Lin Lei (*Chairman*)
Wei Yuetong (*Vice Chairman*)
Cheung Tuen Ting
Long Wenming
Chen Hualiang
Han Leiping

INDEPENDENT NON-EXECUTIVE DIRECTORS

Kwan Sin Yee
Leung Oh Man, Martin
Sun Zhi Jun
Huang Yu Jun

COMPANY SECRETARY

Chan Hank, Daniel

COMPLIANCE OFFICER

Cheung Tuen Ting

AUTHORISED REPRESENTATIVES

Weng Lin Lei
Cheung Tuen Ting

AUDIT COMMITTEE

Leung Oh Man, Martin (*Chairman*)
Kwan Sin Yee
Sun Zhi Jun
Huang Yu Jun

HUMAN RESOURCES AND REMUNERATION COMMITTEE

Sun Zhi Jun (*Chairman*)
Leung Oh Man, Martin
Kwan Sin Yee
Huang Yu Jun

NOMINATION COMMITTEE

Weng Lin Lei (*Chairman*)
Leung Oh Man, Martin
Kwan Sin Yee
Sun Zhi Jun
Huang Yu Jun

執行董事

翁凜磊 (*主席*)
魏月童 (*副主席*)
張端亭
龍文明
陳華良
韓磊平

獨立非執行董事

關倩兒
梁傲文
孫志軍
黃玉君

公司秘書

陳恒

規章主任

張端亭

法定代表

翁凜磊
張端亭

審核委員會

梁傲文 (*主席*)
關倩兒
孫志軍
黃玉君

人力資源及薪酬委員會

孫志軍 (*主席*)
梁傲文
關倩兒
黃玉君

提名委員會

翁凜磊 (*主席*)
梁傲文
關倩兒
孫志軍
黃玉君

企業資訊

Corporate Information

於二零一八年三月二十一日 As at 21 March 2018

REGISTERED OFFICE

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

REGIONAL OFFICE IN MACAU

10°, Andar J
Edif. Tong Nam Ah Central Comercio
Nos. 160-206, Alameda Dr. Carlos D'Assumpcao
Macau

PRINCIPAL OFFICE IN HONG KONG

Room 1216, 12th Floor
North Tower, Concordia Plaza
1 Science Museum Road
Tsim Sha Tsui East, Kowloon
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Ltd.
Agricultural Bank of China
Hubei Zhijiang Rural Commercial Bank

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
35th Floor, One Pacific Place,
88 Queensway
Hong Kong

註冊辦事處

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman KY1-1111
Cayman Islands

澳門區域辦事處

澳門
宋玉生廣場160-206號
東南亞商業中心
10樓J室

香港主要辦事處

香港
九龍尖沙咀東
科學館道1號
康宏廣場北座
12樓1216室

主要往來銀行

中國銀行(香港)有限公司
中國農業銀行
湖北枝江農村商業銀行

核數師

德勤•關黃陳方會計師行
執業會計師
香港
金鐘道88號
太古廣場1座35樓

企業資訊

Corporate Information

於二零一八年三月二十一日 As at 21 March 2018

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

The R&H Trust Co. Ltd.
Windward 1
Regatta Office Park PO Box 897
Grand Cayman KY1-1103
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY HOMEPAGE/WEBSITE

www.globalstrategicgroup.com.hk

STOCK CODE ON GEM

8007

INFORMATION AND ENQUIRIES

Investor Relations
Room 1216, 12th Floor
North Tower Concordia Plaza
1 Science Museum Road
Tsim Sha Tsui East, Kowloon
Hong Kong

e-mail: info@globalstgr.com.hk

主要股份過戶登記處

The R&H Trust Co. Ltd.
Windward 1
Regatta Office Park PO Box 897
Grand Cayman KY1-1103
Cayman Islands

股份過戶登記香港分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心22樓

企業主頁／網址

www.globalstrategicgroup.com.hk

GEM股份代號

8007

查詢或索取資料

投資者關係
香港
九龍尖沙咀東
科學館道1號
康宏廣場北座
12樓1216室

電子郵件：info@globalstgr.com.hk

主席報告

Chairman's Statement

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Global Strategic Group Limited 環球戰略集團有限公司 ("Global Strategic" or the "Company"), we are pleased to present the audited results of the Company and its subsidiaries (collectively referred as, the "Group") for the year ended 31 December 2017.

For the year ended 31 December 2017, the Group's revenue was approximately HK\$50 million, compared with approximately HK\$36 million in previous year. Loss for the year ended 31 December 2017 was approximately HK\$40 million, compared with loss of approximately HK\$39 million in previous year. As at 31 December 2017, the Group had bank balances and cash amounting to approximately HK\$7 million.

Since 2016, I had provided HK\$28.5 million as general working capital to the Group, as well as to prepare for potential projects.

Apart from facing great challenge in the commodities trading business and IT business, we have put a lot of effort in the aspect of energy resource including but not limited to natural gas pipeline operation and solar energy. The Group continues to face opportunities and challenges. The Group had made bank borrowings in subsidiary level in order to ensure development and operation. The Group will keep assessing each subsidiaries' operations, apply expenses management prudently on daily operation look for suitable and diversified investment opportunities as well as expand the source of income and generate assured cash flow. The Group shall adopt prudent but enterprising strategies approach in the future. We emphasise that all sectors are built up by trustworthy and with competent expertise, and supported by governments' policies.

At last, I would like to take this opportunity to thank our directors, senior management and staff for their support, especially our ex-director, Ms. Leung Tsz Man. At the same time, we welcome Mr. Long Wenming, Mr. Chen Hualiang and Mr. Han Leiping who act as executive directors since January 2018, as well as Mr. Wei Yuetong who act as Vice-Chairman and executive director since February 2018. We would also like to present our most sincere appreciation to the shareholders of the Company and business partners for their ongoing trust and support to Global Strategic.

Weng Lin Lei
Chairman

21 March 2018

致各位股東：

本人謹代表環球戰略集團有限公司（「環球戰略」或「本公司」）董事（「董事」）會（「董事會」）欣然呈報本公司及其附屬公司（合稱「本集團」）截至二零一七年十二月三十一日止年度之經審核業績。

於截至二零一七年十二月三十一日止年度，本集團收益約為50,000,000港元，而上年則約為36,000,000港元。截至二零一七年十二月三十一日止年度之虧損約為40,000,000港元，而上年則虧損約39,000,000港元。於二零一七年十二月三十一日，本集團之銀行結餘及現金約為7,000,000港元。

自二零一六年起，本人已向本集團提供28,500,000港元作為一般營運資金，以及籌備潛在項目。

除商品貿易業務及資訊科技業務面臨的巨大挑戰外，我們亦大力投入能源資源方面，包括但不限於天然氣管道業務及太陽能。本集團持續面對機遇及挑戰。本集團為確保發展及營運而於附屬公司層面借入銀行借貸。本集團將繼續評估各附屬公司的運作、審慎管理日常營運開支、尋找合適及多元化投資機會，以及拓闊收入來源，創造穩定的現金流。本集團未來將繼續審慎行事，堅守企業策略方針。我們注重以可靠及充足的專業知識發展各個獲政府政策支持之行業。

最後，本人謹藉此機會感謝全體董事、高級管理層及員工一直以來的支持，特別是前任董事梁子汶女士。同時，我們熱烈歡迎龍文明先生、陳華良先生及韓磊平先生自二零一八年一月起擔任執行董事及魏月童先生自二零一八年二月起擔任副主席兼執行董事。我們亦謹此對本公司股東及業務夥伴對本集團一直以來的信任及支持致以深切謝意。

翁凜磊
主席

二零一八年三月二十一日

管理層討論及分析

Management Discussion and Analysis

FINANCIAL AND BUSINESS REVIEW

The Group's audited revenue was approximately HK\$50,385,000 for the year ended 31 December 2017 as compared to approximately HK\$36,379,000 for the year ended 31 December 2016, the increase in the audited revenue was mainly due to the increase in revenue from trading of commodities and with gradually grow with the sales of natural gas and pipeline installation service.

Trading commodities for the Group has continued to face great challenges in 2017. Its revenue has increased to approximately HK\$41,843,000 in 2017 as compared to approximately HK\$32,293,000 in 2016.

The Group's solutions and technical consultation on e-commerce integration and application customisation business ("IT Solutions Business") has also faced great challenges in 2017. Its revenue has dropped to approximately HK\$636,000 in 2017 as compared to approximately HK\$1,428,000 in 2016.

Upon completion of the acquisition (the "Yichang Acquisition") of 49% equity interest in Yichang Zhongyou Natural Gas Utilization Co., Ltd. ("Yichang Zhongyou") which took place in early 2016, the Group generated sales of natural gas and pipeline installation services of approximately HK\$7,906,000 in 2017 as compared to approximately HK\$2,658,000 for the period from 24 February 2016 to 31 December 2016. There has been a delay on the commencement of natural gas supply for certain intended customers of Yichang Zhongyou and the Company will monitor closely the sales operation of Yichang Zhongyou and will continue to implement the development and construction plan of natural gas pipeline in an efficient manner.

Analysis on the performance of the Group including revenue and results of commodities trading business, IT Solutions Business and supplying of natural gas pipeline business before allocation of the corporate overheads is set out in note 7 "Segment Information" to the consolidated financial statements.

財務及業務回顧

截至二零一七年十二月三十一日止年度，本集團之經審核收益約為50,385,000港元，而截至二零一六年十二月三十一日止年度的收益約為36,379,000港元，經審核收益增加主要由於商品貿易業務收益增加以及天然氣及管道安裝服務銷售額穩步上升所致。

於二零一七年，本集團之商品貿易業務繼續面臨巨大挑戰，其收益於二零一七年增至約41,843,000港元，而二零一六年約為32,293,000港元。

二零一七年，本集團的電子商貿整合及特設應用提供解決方案及技術顧問之業務（「資訊科技解決方案業務」）亦面臨巨大挑戰，其收益跌至約636,000港元，而二零一六年約為1,428,000港元。

於二零一六年初完成收購宜昌中油天然氣利用有限公司（「宜昌中油」）49%股權（「宜昌收購事項」）後，於二零一七年，本集團之天然氣及管道安裝服務銷售額約為7,906,000港元，而於二零一六年二月二十四日至二零一六年十二月三十一日期間約為2,658,000港元。開始向宜昌中油若干意向客戶供應天然氣的時間已經延遲，本公司將密切監察宜昌中油的銷售業務，並將繼續有效貫徹天然氣管道發展及建設規劃。

本集團的表現分析包括商品貿易業務、資訊科技解決方案業務及天然氣管道供應業務的收益及業績（分配作公司開支前），載於綜合財務報表附註7「分類資料」。

管理層討論及分析

Management Discussion and Analysis

The total operating expenses for the year ended 31 December 2017 was approximately HK\$45,623,000 as compared to approximately HK\$41,850,000 in 2016 in which the Group implemented proper control of operation expenses for the year ended 31 December 2017.

Finance costs of the Group were approximately HK\$5,670,000 for the year ended 31 December 2017 (31 December 2016: approximately HK\$39,000), which represented the imputed interest expense on non-current interest free loan from a related party and non-controlling shareholders of the Company.

Loss for the year ended 31 December 2017 was approximately HK\$39,998,000, compared with loss of approximately HK\$39,189,000 for year ended 31 December of 2016.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's operation is being financed by internally generated cashflow, bank borrowings and external financing. The Group follows a policy of prudence in managing its working capital. The management will continue to closely monitor the financial position of the Group to maintain its financial capacity.

Amount due to a shareholder

During 2017, Mr. Weng Lin Lei ("Mr. Weng"), the chairman, an executive Director and a substantial shareholder (as defined in GEM Listing Rules) of the Company advanced HK\$17,500,000, as compared to HK\$11,000,000 in 2016, to the Group, and such amount was unsecured, interest-free and with a maturity period of 2 years. The advance was used for the Group's general working capital purpose during the year. As at 31 December 2017, the amount due to Mr. Weng was approximately HK\$25,355,000 as compared to approximately HK\$9,093,000 in 2016.

截至二零一七年十二月三十一日止年度的總營運開支約為45,623,000港元，二零一六年則約為41,850,000港元，乃由於截至二零一七年十二月三十一日止年度本集團有效實施營運開支控制措施所致。

本集團截至二零一七年十二月三十一日止年度之財務成本約為5,670,000港元（二零一六年十二月三十一日：約39,000港元），其為本公司關連方及非控股股東所提供非即期免息貸款之推定利息開支。

截至二零一七年十二月三十一日止年度之虧損約為39,998,000港元，而截至二零一六年十二月三十一日止年度則虧損約39,189,000港元。

流動資金、財務資源及資本架構

本集團透過內部產生之現金流量、銀行借貸及外部融資以撥付營運所需資金。本集團管理營運資本時採納審慎政策。管理層將持續密切監察本集團之財務狀況，以維持其財務實力。

應付股東款項

於二零一七年，本公司主席、執行董事及主要股東（定義見GEM上市規則）翁凜磊先生（「翁先生」）向本集團墊款17,500,000港元，而於二零一六年則墊款11,000,000港元，該款項為無抵押、免息及於兩年後到期。該墊款已於本年度用作本集團之一般營運資金。於二零一七年十二月三十一日，應付翁先生之款項約為25,355,000港元，於二零一六年約為9,093,000港元。

管理層討論及分析

Management Discussion and Analysis

Amounts due to non-controlling shareholders of a subsidiary and its related parties

As at 31 December 2017, the amounts due to Hubei Biaodian Natural Gas Co., Ltd (“Hubei Biaodian”) and its subsidiary and Mr. Xiong Songgan (“Mr. Xiong”) and his controlled entities were approximately HK\$134,939,000 and HK\$41,765,000 respectively, when comparing approximately HK\$118,490,000 and HK\$24,443,000 in 2016 respectively. Hubei Biaodian owns 41% of Yichang Zhongyou and Mr. Xiong is the controlling shareholder of Hubei Biaodian.

All non-controlling shareholders and its related parties agreed to fix the loan repayment date to 31 December 2019.

The advance made by the above non-controlling shareholders of the Company during the year was used for Yichang Zhongyou’s capital expenditure purpose.

Bank Borrowings

During the year, the Group bank borrowings was RMB5,000,000 (equivalent to HK\$6,000,000).

The assumed bank borrowings upon completion of Yichang Acquisition of RMB15,000,000 (equivalent to HK\$17,000,000), which includes an interest at a variable rate, with an effective interest rate of 8.48% per annum and has been fully repaid in November 2017.

The new bank borrowings assigned RMB19,000,000 (equivalent to HK\$22,800,000) carry an interest at a variable rate, with an effective interest rate of 8.01% per annum. As at 31 December 2017, RMB5,000,000 has been partially used up, RMB2,000,000 and RMB3,000,000 of which will be repaid in January 2018 and November 2018 respectively. The remaining of the unutilised bank loan has been used up at the beginning of the year of 2018. The bank borrowings are guaranteed and pledged with several properties owned by Mr. Xiong, his spouse and certain companies held and controlled by him.

應付一間附屬公司之非控股股東及其關連方款項

於二零一七年十二月三十一日，應付湖北標典天然氣有限公司（「湖北標典」）及其附屬公司以及熊崧淦先生（「熊先生」）及其控制實體之款項分別約為134,939,000港元及41,765,000港元，而於二零一六年分別約為118,490,000港元及24,443,000港元。湖北標典擁有宜昌中油41%股權，而熊先生為湖北標典之控股股東。

所有非控股股東及其關連方已同意將貸款償還日期定為二零一九年十二月三十一日。

年內本公司上述非控股股東作出之墊款已用作宜昌中油之資本支出。

銀行借貸

年內，本集團作出銀行借貸人民幣5,000,000元（相當於6,000,000港元）。

於完成宜昌收購事項後所承擔的銀行借貸人民幣15,000,000元（相當於17,000,000港元）。按浮動利率計息，實際利率為每年8.48厘，已於二零一七年十一月悉數償還。

新銀行借貸人民幣19,000,000元（相當於22,800,000港元）按浮動利率計息，實際利率為每年8.01厘。於二零一七年十二月三十一日，人民幣5,000,000元已部分動用，其中人民幣2,000,000元及人民幣3,000,000元將分別於二零一八年一月及二零一八年十一月償還。於二零一八年初，未動用銀行貸款餘額已經動用。銀行借貸由熊先生、其配偶以及彼所持有及控制的若干公司所擁有的多間物業作擔保及抵押。

管理層討論及分析

Management Discussion and Analysis

As at 31 December 2017,

- (a) the Group's aggregate amount of bank and cash balances was approximately HK\$7,069,000 (as at 31 December 2016: approximately HK\$15,015,000).
- (b) the Group's total borrowings comprised (i) amounts due to non-controlling shareholders of a subsidiary and its related parties; (ii) amount due to a shareholder of the Company; and (iii) bank borrowings, totalling approximately HK\$208,059,000 (as at 31 December 2016: HK\$169,126,000).
- (c) the Group's total gearing ratio was approximately 39% (as at 31 December 2016: 35%). The gearing ratio was calculated as the Group's total borrowings divided by total assets.
- (d) the current ratio of the Group was approximately 0.3 (as at 31 December 2016: approximately 0.5).

The management will continue to closely monitor the financial position of the Group to maintain its financial capacity.

PLEDGE OF ASSETS

As at 31 December 2017, the Group had no pledge of assets (as at 31 December 2016: Nil).

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2017 (as at 31 December 2016: Nil).

PROSPECT

The Group will face challenges in the coming year, including but not limited to the new business of solar energy and natural gas operation business, the commodities trading business and IT Solutions business.

於二零一七年十二月三十一日，

- (a) 本集團之銀行及現金結餘總額約為7,069,000港元(於二零一六年十二月三十一日:約15,015,000港元)。
- (b) 本集團之借貸總額包括(i)應付一間附屬公司之非控股股東及其關連方款項;(ii)應付本公司股東款項;及(iii)銀行借貸,合共約208,059,000港元(於二零一六年十二月三十一日:169,126,000港元)。
- (c) 本集團之總資產負債比率約為39%(於二零一六年十二月三十一日:35%)。資產負債比率按本集團之借貸總額除以總資產計算。
- (d) 本集團之流動比率約為0.3(於二零一六年十二月三十一日:約0.5)。

管理層將持續密切監察本集團之財務狀況,以維持其財務實力。

抵押資產

於二零一七年十二月三十一日,本集團並無任何抵押資產(於二零一六年十二月三十一日:無)。

或然負債

本集團於二零一七年十二月三十一日並無重大或然負債(於二零一六年十二月三十一日:無)。

展望

新的一年,本集團將面臨挑戰,包括但不限於太陽能及天然氣營運業務的新業務以及商品貿易業務及資訊科技解決方案業務。

管理層討論及分析

Management Discussion and Analysis

The Group has put a lot of effort on the natural gas operation in Hubei Province, the PRC upon completion of the Yichang Acquisition. Coal price is still compatible with the natural gas price. The management will continue to monitor closely the sales operation and formulate strategies to raise the conversion demand of the target customers. The Group believes that the demand for natural gas will expand due to state policies mandating environmental protection.

Meanwhile, upon the completion of the Shenzhen Energynt in the beginning of 2018, the Group will try their very best to give impetus to the solar energy sector. Several photovoltaic projects and networks have been under negotiation with signed pre-acquisition agreements and memorandum of understanding. The Group believes that the sector of solar energy will enhance the income stream.

DISPOSAL OF A SUBSIDIARY

On 7 August 2017, the Group disposed of its 100% equity interest in Honest (Macau Commercial Offshore) Limited (“Honest MCO”) to an independent third party for a cash consideration of HK\$2,000,000.

EVENTS AFTER REPORTING PERIOD

Connected Transaction

As disclosed in the Company’s announcement dated 6 October 2017, 帝航能源(深圳)有限公司 (Dihang Energy (Shenzhen) Company Limited*, the “Purchaser”), a wholly-owned subsidiary of the Company, entered into an agreement with 上海奢冠國際貿易有限公司 (Shanghai Sheguan International Trading Company Limited*, the “Anhui Vendor”) and 深圳安捷能特分布式能源有限公司 (Shenzhen Energynt Co. Ltd., “Shenzhen Energynt” or the “Target Company”) (the “Energynt Agreement”), pursuant to which the Purchaser agreed to acquire the entire equity interests in the Target Company at a nominal consideration of RMB1.

於完成宜昌收購事項後，本集團一直大力投入中國湖北省的天然氣業務。煤炭價格與天然氣價格仍可共存。管理層將密切監察銷售業務及制定策略以提高目標客戶的轉換需求。本集團認為，由於國家政策強制環保，天然氣的需求將會增加。

同時，於二零一八年初完成深圳安捷能特後，本集團將盡最大努力對太陽能領域作出投入。若干光伏項目及網絡已訂立預購協議及諒解備忘錄，正在磋商過程中。本集團相信，太陽能領域的發展將提升收入來源。

出售一間附屬公司

於二零一七年八月七日，本集團以現金代價2,000,000港元將其於至誠(澳門離岸商業服務)有限公司(「至誠澳門離岸商業服務」)之全部股權出售予一名獨立第三方。

報告期間後事項

關連交易

誠如本公司日期為二零一七年十月六日之公佈所披露，本公司之全資附屬公司帝航能源(深圳)有限公司(「買方」)與上海奢冠國際貿易有限公司(「安徽賣方」)及深圳安捷能特分布式能源有限公司(「深圳安捷能特」)或(「目標公司」)訂立一項協議(「安捷能特協議」)，據此，買方同意收購目標公司之全部股權，名義代價為人民幣1元。

管理層討論及分析

Management Discussion and Analysis

The Target Company and its subsidiaries are principally engaged in the design, construction and investment in solar power generation projects, the research and development and sales of solar power generation products and provision of consultancy services.

On 31 October 2017, the Purchaser and the Anhui Vendor entered into a letter of extension pursuant to which they agreed to extend the deadline for fulfillment of the conditions as set out in the Energynt Agreement to a date on or before 30 November 2017 or such later date that may be agreed by the Purchaser and the Anhui Vendor.

The Anhui Vendor is owned as to 61% by Mr. Weng Lin Lei, who is an executive Director and the chairman of the Board and is indirectly interested in approximately 31.88% of issued shares of the Company.

As at 3 January 2018, all the conditions precedents under the Agreement have been fulfilled and the completion of the Acquisition took place on 3 January 2018. Shenzhen Energynt and its subsidiaries have become indirect wholly-owned subsidiaries of the Company and the financial results of the Target Company will be consolidated into the Company's consolidated financial statements.

Grant of Share Options

On 18 January 2018, the Board announced to resolve to grant share options (the "Options") to certain individuals (the "Grantees") to subscribe for a total of 62,000,000 ordinary shares of HK\$0.005 each in the share capital of the Company, subject to acceptance of the Grantees, under the share option scheme adopted by the Company on 30 November 2012 and the payment of HK\$1 by each of the Grantees upon acceptance of the Options.

On 13 February 2018, 5,000,000 share option were exercised at the price of HK\$0.1112, resulting in a total of 5,660,000,000 issued shares as at 13 February 2018.

目標公司及其附屬公司主要從事設計、建造及投資太陽能發電項目、研發及銷售太陽能發電產品及提供諮詢服務。

於二零一七年十月三十一日，買方與安徽賣方訂立延遲函件，據此，彼等同意將安捷能特協議所載條件之最後達成日期延遲至二零一七年十一月三十日或之前（或買方與安徽賣方可能協定之較遲日期）。

安徽賣方由董事會執行董事兼主席翁凜磊先生擁有61%權益，且彼間接於本公司約31.88%已發行股份中擁有權益。

於二零一八年一月三日，該協議項下所有先決條件均已獲達成，而收購事項已於二零一八年一月三日完成。深圳安捷能特及其附屬公司已成為本公司之間接全資附屬公司，目標公司之財務業績將於本公司之綜合財務報表內綜合入賬。

授出購股權

於二零一八年一月十八日，董事會宣佈議決根據本公司於二零一二年十一月三十日採納之購股權計劃向若干個別人士（「承授人」）授出購股權（「購股權」），以認購合共62,000,000股本公司股本中每股面值0.005港元之普通股，惟須待承授人接納後，方可作實，而各承授人須於接納購股權時支付1港元。

於二零一八年二月十三日，5,000,000份購股權以0.1112港元的價格獲行使，令致於二零一八年二月十三日已發行股份總數達5,660,000,000。

管理層討論及分析

Management Discussion and Analysis

Memorandum of understanding with Shanghai Xietong and Anhui Zhengsheng

As disclosed in the Company's announcement dated 1 February 2018, an indirect wholly-owned subsidiary of the Company, Shenzhen Energynt entered into the non-legally binding memorandum of understanding (the "MOU") with 上海協同科技股份有限公司 (Shanghai Xietong Technology Inc.) ("Shanghai Xietong") and 安徽征聖智慧科技有限公司 (Anhui Zhengsheng Intelligent Technology Co., Ltd.)* ("Anhui Zhengsheng", together with Shenzhen Energynt and Shanghai Xietong as the "Parties"). Pursuant to the MOU, the Parties have agreed, in using each of their own competitive advantage, to establish strategic cooperation in the aspect of integrated energy management services, so as to promote the provision of integrated energy management services by the Company in various industries.

As at the date of this report, no formal agreement has been entered into among the Parties. Further announcement(s) will be made by the Company in respect of the MOU with Shanghai Xietong and Anhui Zhengsheng as and when appropriate.

Pre-acquisition Agreement of Shanghai Xinshu ("PAA of Shanghai Xinshu")

As disclosed in the Company's announcement dated 6 February 2018, an indirect wholly-owned subsidiary of the Company, Shenzhen Energynt entered into the pre-acquisition agreement in relation to the possible acquisition with 淮北深容新能源科技有限公司 (Huaibei Shenrong New Energy Technology Co. Ltd.)* ("Huaibei Shenrong"), 上海欣東新能源科技有限公司 (Shanghai Xinshu New Energy Technology Co., Ltd.)* ("Shanghai Xinshu") and 淮北欣電新能源有限公司 (Huaibei Xindian New Energy Co., Ltd.)* ("Huaibei Xindian", together with Shenzhen Energynt and Shanghai Xietong as the "Parties of PAA of Shanghai Xinshu").

Pursuant to the PAA of Shanghai Xinshu, it is proposed that Shenzhen Energynt will acquire and Huaibei Shenrong will sell 100% of the equity interests in Shanghai Xinshu.

上海協同與安徽征聖訂立之諒解備忘錄

誠如本公司日期為二零一八年二月一日之公佈所披露，本公司之間接全資附屬公司深圳安捷能特與上海協同科技股份有限公司（「上海協同」）及安徽征聖智慧科技有限公司（「安徽征聖」，連同深圳安捷能特及上海協同為「訂約各方」）訂立不具法律約束力之諒解備忘錄（「諒解備忘錄」）。根據諒解備忘錄，訂約各方已同意利用彼等本身各自之競爭優勢，以於綜合能源管理服務方面建立戰略合作（「戰略合作」），從而推動本公司於各行業提供綜合能源管理服務。

於本報告日期，訂約各方並未訂立正式協議。本公司將於適當時就與上海協同及安徽征聖訂立之諒解備忘錄刊發進一步公佈。

上海欣東預購協議（「上海欣東預購協議」）

誠如本公司日期為二零一八年二月六日之公佈所披露，本公司之間接全資附屬公司深圳安捷能特就可能收購事項與淮北深容新能源科技有限公司（「淮北深容」）、上海欣東新能源科技有限公司（「上海欣東」）及淮北欣電新能源有限公司（「淮北欣電」，連同深圳安捷能特及上海協同為「上海欣東預購協議訂約各方」）訂立預購協議。

根據上海欣東預購協議，建議深圳安捷能特將收購而淮北深容將出售上海欣東之100%股權。

管理層討論及分析

Management Discussion and Analysis

Subject to the completion of the photovoltaic project and network having been examined and accepted, Shenzhen Energynt and Huaibei Shenrong will proceed with further negotiation for the entering into of the formal agreement within 20 business days from the date of the PAA. Upon completion of the construction of the photovoltaic project, the Shanghai Xinshu will hold the photovoltaic project.

As at the date of this report, no formal agreement has been entered into among the Parties of PAA of Shanghai Xinshu. Further announcement(s) will be made by the Company in respect of the PAA of Shanghai Xinshu as and when appropriate.

Pre-acquisition Agreement of Dezhou Xueyuan (“PAA of Dezhou Xueyuan”)

As disclosed in the Company’s announcement dated 13 February 2018, an indirect wholly-owned subsidiary of the Company, Shenzhen Energynt entered into the pre-acquisition agreement in relation to a possible acquisition with, 唐東明 (Tang Dongming*) (“Mr. Tang”), 余輝 (Yu Hui*) (“Mr. Yu”), 德州旭源光伏科技有限公司 (Dezhou Xueyuan Photovoltaic Technology Co., Ltd.*) (“Dezhou Xueyuan”), 寧津旭電光伏科技有限公司 (Ningjin Xuedian Photovoltaic Technology Co., Ltd.*) (“Ningjin Xuedian”), 寧津旭明光伏科技有限公司 (Ningjin Xueming Photovoltaic Technology Co., Ltd.) (“Ningjin Xueming”) and 寧津旭仁光伏科技有限公司 (Ningjin Xueren Photovoltaic Technology Co., Ltd.) (“Ningjin Xueren”, together with Mr. Tang, Mr. Yu, Dezhou Xueyuan, Ningjin Xuedian and Ningjin Xueming as the “Parties of PAA of Dezhou Xueyuan”).

Pursuant to the PAA of Dezhou Xueyuan, it is proposed that Shenzhen Energynt will acquire and Mr. Tang and Mr. Yu will sell 100% of the equity interests in Dezhou Xueyuan.

Subject to the completion of the photovoltaic project and network having been examined and accepted, Shenzhen Energynt, Mr. Tang and Mr. Yu will proceed with further negotiation for the entering into of the formal agreement within 20 business days.

As at the date of this report, no formal agreement has been entered into among the Parties of PAA of Dezhou Xueyuan. Further announcement(s) will be made by the Company in respect of the PAA of Dezhou Xueyuan as and when appropriate.

待光伏項目完成及網絡獲驗收後，深圳安捷能特及淮北深容將自預購協議日期起計20個營業日內就訂立正式協議進行進一步磋商。於光伏項目之建設完成後，上海欣束將持有光伏項目。

於本報告日期，上海欣束預購協議訂約各方並未訂立正式協議。本公司將於適當時就上海欣束預購協議刊發進一步公佈。

德州旭源預購協議（「德州旭源預購協議」）

誠如本公司日期為二零一八年二月十三日之公佈所披露，本公司之間接全資附屬公司深圳安捷能特就可能收購事項與唐東明（「唐先生」）、余輝（「余先生」）、德州旭源光伏科技有限公司（「德州旭源」）、寧津旭電光伏科技有限公司（「寧津旭電」）、寧津旭明光伏科技有限公司（「寧津旭明」）及寧津旭仁光伏科技有限公司（「寧津旭仁」，連同唐先生、余先生、德州旭源、寧津旭電及寧津旭明為「德州旭源預購協議訂約各方」）訂立預購協議。

根據德州旭源預購協議，建議深圳安捷能特將收購而唐先生及余先生將出售德州旭源之100%股權。

待光伏項目完成及網絡獲驗收後，深圳安捷能特、唐先生及余先生將於20個營業日內就訂立正式協議進行進一步磋商。

於本報告日期，德州旭源預購協議訂約各方並未訂立正式協議。本公司將於適當時就德州旭源預購協議刊發進一步公佈。

管理層討論及分析

Management Discussion and Analysis

EXPOSURE TO EXCHANGE RATE FLUCTUATIONS

The Group's foreign currency exposure is limited as most of its transactions, assets and liabilities are denominated in Hong Kong dollars, Renminbi, Macau Pataca and United States dollars.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 December 2017, the Group employed 42 staff members (2016: 46 staff). Remuneration is determined with reference to market terms and the performance, qualifications and experience of the individual employee. Remuneration includes monthly salaries, performance-linked bonuses, retirement benefits schemes and other benefits such as medical scheme and share option scheme. The Group's remuneration policies and packages are reviewed by management on regular basis. The Company has established a Human Resources and Remuneration Committee. The Directors' emoluments are determined with reference to Directors' duties, responsibilities and the operating performance of the Group.

* The English translation of Chinese names of the entities are included for information purpose only, and should not be regarded as the official translation of such Chinese names.

匯率波動風險

由於本集團大部份交易、資產及負債均以港元、人民幣、澳門幣及美元計值，因此本集團的外匯風險有限。

人力資源及薪酬政策

於二零一七年十二月三十一日，本集團僱用42名僱員（二零一六年：46名僱員）。本集團參考市場水平，並按照僱員本身的表現、資歷及經驗釐定其薪酬。薪酬包括月薪、業績花紅、退休福利計劃以及醫療計劃及購股權計劃等其他福利。管理層會定期審閱本集團之薪酬政策及福利組合。本公司已成立人力資源及薪酬委員會。董事薪酬乃參照董事的職務、職責及本集團的營運表現而釐定。

董事及高級管理層簡介

Directors and Senior Management Profile

EXECUTIVE DIRECTORS

Mr. Weng Lin Lei (Chairman)

Mr. Weng Lin Lei (“Mr. Weng”), aged 47, has been the executive Director since 16 October 2014 and as the Chairman since 3 June 2016. Mr. Weng holds a Bachelor Degree of Urban Planning from Tongji University, the PRC. He is a director of Hotex Holding Limited, a company engaged in commodity trading and a substantial shareholder of the Company. Mr. Weng has experience in resources trading industry.

Mr. Wei Yuetong (vice-chairman)

Mr. Wei Yuetong (“Mr. Wei”), aged 57, has been the executive Director and vice chairman since 5 February 2018. Mr. Wei is the chairman of Infinite Tencent Group Holdings Limited. He is also the chairman of the board of directors of Infinite Tencent Media Group Limited and Universal Television Limited. Mr. Wei is the president and chief editor of Global News Times Publisher and the executive council member of Hong Kong Federation of Journalists. Mr. Wei was the Chairman of the Company and an executive Director from October 2014 to June 2016 and was the honorary chairman of the Company from June 2016 to February 2018. He has experience in the industry of multi-media and public relations in the People’s Republic of China as well as business investment and development.

執行董事

翁凜磊先生 (主席)

翁凜磊先生(「翁先生」)，四十七歲，自二零一四年十月十六日起擔任執行董事，並自二零一六年六月三日起擔任主席。翁先生持有中國同濟大學城鎮建設學士學位。彼為鴻昌集團有限公司(從事商品買賣之公司，本公司之主要股東)之董事。翁先生於資源貿易行業擁有經驗。

魏月童先生 (副主席)

魏月童先生(「魏先生」)，五十七歲，自二零一八年二月五日起擔任執行董事兼副主席。魏先生為無界騰訊集團控股有限公司之主席。彼亦為無界騰訊傳媒集團有限公司及環球電視有限公司之董事會主席。魏先生為環球新聞時訊報社之社長兼總編輯及香港新聞工作者聯會常務理事。魏先生由二零一四年十月至二零一六年六月期間為本公司主席及執行董事，並由二零一六年六月至二零一八年二月為本公司之榮譽主席。彼於中華人民共和國之跨媒體及公共關係行業以及業務投資及發展方面擁有經驗。

董事及高級管理層簡介

Directors and Senior Management Profile

Mr. Cheung Tuen Ting

Mr. Cheung Tuen Ting ("Mr. Cheung"), aged 36, has been the executive Director since 26 July 2017. Mr. Cheung obtained a bachelor of commerce degree majoring in accounting and finance from Deakin University Australia in 2007. He is a financial planning manager of Ftlife Insurance Company Limited since September 2012. He also was the director of Panamax Aktiengesellschaft, a company listed on the Frankfurt Stock Exchange, from June 2016 to June 2017. Prior to that, he also was a financial planning manager at Bank of China from July 2010 to March 2012 and was a financial consultant at Convoy Financial Services Limited from July 2007 to October 2009.

Mr. Long Wenming

Mr. Long Wenming ("Mr. Long"), aged 54, has been the executive Director since 8 January 2018. Mr. Long holds a Bachelor Degree in Power and Automation Engineering from Tianjin University and a Masters Degree in Engineering from the Electric Power Research Institute of the Ministry of Power Industry of the People's Republic of China. Mr. Long is currently the executive managing director at Hefei Boshijie Power Technology Co., Ltd.* (合肥博世傑電力技術有限公司). He had previously served as a chief economist of the state grid department at State Electric Power Corporation* (國家電力公司) and a chief economist and the supervisor of the planning department of State Power Grid Development Co., Ltd.* (中國電網建設有限公司). Mr. Long also served as the supervisor of the planning department of State Power Grid Development Main Co., Ltd.* (中國電網建設總公司). Furthermore, Mr. Long was the general manager of Anhui Power Electric Development Company* (安徽力源電力發展公司) and the deputy director, director, senior engineer and office supervisor at Anhui Province Electric Power Industry Bureau* (安徽省電力工業局). Mr. Long has vast experience in the design and operation of power systems, planning of new energy power stations and power planning of microgrid. He is also experienced in systems development, application and coordination of power systems and project development.

張端亭先生

張端亭先生(「張先生」),三十六歲,自二零一七年七月二十六日擔任執行董事。張先生於二零零七年於澳洲迪肯大學(Deakin University)獲得商學士學位,主修會計學及金融學。彼自二零一二年九月起於富通保險有限公司出任財務策劃經理。由二零一六年六月至二零一七年六月,彼亦於Panamax Aktiengesellschaft(在法蘭克福證券交易所上市的公司)出任董事。在此之前,彼亦由二零一零年七月至二零一二年三月於中國銀行擔任財務策劃經理及由二零零七年七月至二零零九年十月於康宏理財服務有限公司擔任財務顧問。

龍文明先生

龍文明先生(「龍先生」),五十四歲,自二零一八年一月八日起擔任執行董事。龍先生持有天津大學電力及自動化工程學士學位及中華人民共和國電力工業部電力科學研究院工學碩士學位。龍先生現時為合肥博世傑電力技術有限公司之執行董事總經理。彼先前曾擔任國家電力公司之首席經濟師及中國電網建設有限公司之首席經濟師及規劃部總監。龍先生亦曾擔任中國電網建設總公司之規劃部總監。此外,龍先生曾為安徽力源電力發展公司之總經理及安徽省電力工業局之副總監、總監、高級工程師及辦公室主任。龍先生於設計及操作電力系統、規劃新能源發電站及微型電網之能源規劃方面擁有豐富經驗。彼亦於電力系統之系統開發、應用及協調以及項目開發方面擁有經驗。

董事及高級管理層簡介

Directors and Senior Management Profile

Mr. Chen Hualiang

Mr. Chen Hualiang ("Mr. Chen"), aged 47, has been the executive Director since 8 January 2018. Mr. Chen holds a Bachelor Degree in Metal Materials Engineering from Jilin University and an Master of Business Administration Degree from The University of North Alabama. Mr. Chen had previously served as an investment vice president at Jiangsu Hengtong Investment Holdings Limited* (江蘇亨通投資控股有限公司). He was the vice president of operations of Youngy Investment Holding Group Co., Ltd.. Mr. Chen also served as the administrative deputy general manager, the foreign trade headquarters operations deputy general manager and the merchandising centre director of Ningbo Ruifu Industry Group Co., Ltd.. Furthermore, he was the general manager of Wenzhou Weldstone Welding Equipment Co., Ltd. and Changzhou ZAP Welding Equipment Co., Ltd. Mr. Chen was the chief operating officer of ECOVACS Electrical Co., Ltd.. He was the general manager of Soundway Plastic Packaging (Shanghai) Company Limited* (聲威塑膠包裝(上海)有限公司). Moreover, Mr. Chen was also employed by Gongli Electronic Industrial (Suzhou) Co., Ltd.* (共立電子工業(蘇州)有限公司) as a manufacturing and project manager. Mr. Chen has extensive experience in strategic management and investment management. He is also familiar with the energy industry and is experienced in the organisation and implementation of the industrial financial business in energy-related projects investment.

陳華良先生

陳華良先生(「陳先生」)，四十七歲，自二零一八年一月八日起擔任執行董事。陳先生持有吉林大學金屬材料工程學士學位及北阿拉巴馬大學工商管理碩士學位。陳先生先前曾於江蘇亨通投資控股有限公司擔任投資副總裁。彼曾為融捷投資控股集團有限公司之營運副總裁。陳先生亦曾擔任寧波瑞孚工業集團有限公司之行政副總經理、外貿總部營運副總經理及採購中心總監。此外，彼曾為溫州威爾斯通焊接技術有限公司及Changzhou ZAP Welding Equipment Co., Ltd.之總經理。陳先生曾為ECOVACS Electrical Co., Ltd.之首席營運官。彼曾為聲威塑膠包裝(上海)有限公司之總經理。此外，陳先生亦曾於共立電子工業(蘇州)有限公司出任製造及項目經理。陳先生於戰略管理及投資管理方面擁有豐富經驗。彼亦熟悉能源行業，並於組織及進行能源相關項目投資之產業金融業務方面擁有經驗。

董事及高級管理層簡介

Directors and Senior Management Profile

Mr. Han Leiping

Mr. Han Leiping (“Mr. Han”), aged 37, has been the executive Director since 8 January 2018. Mr. Han holds a Bachelor’s Degree in Finance from Tianjin Institute of Finance & Economics and a Masters Degree in Science in the Social Sciences in Accounting and Management Science from the University of Southampton. He is currently the executive director of Beijing Zhongdian Ronglian New Energy Technology Company Limited* (北京中電融聯新能源科技有限公司). Mr. Han had previously served as the general manager of Beijing Star Harvest Era Investments Limited* (北京星豐時代投資有限公司). He was the financial manager of Financial Street Holdings Co., Ltd (stock code: 000402), a company listed on the Shenzhen Stock Exchange. Mr. Han was also the financial and forex manager of the Bank of Communications (Qingdao branch). Mr. Han has extensive experience in strategic cooperation and project management. He is also familiar with the application of energy in different settings, and is experienced in project development and platform construction, coordination of new energy power station and resource integration of microgrid.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Kwan Sin Yee

Ms. Kwan Sin Yee (“Ms. Kwan”), aged 55, has been the independent non-executive Director since 16 October 2014. With over 18 years experience in the financial sector, she is a seasoned financial and investment consultant with strong interpersonal communication skills. During her time she had been the executive of various companies. Ms. Kwan is the wealth director of FWD Life Insurance Company (Bermuda) Limited and the director and chief executive officer of Roots Management Co. Ltd., an executive wealth management services company in Hong Kong. Ms. Kwan has experience in the insurance industry in both Hong Kong and the PRC. Ms. Kwan is devoted in charity; she is currently the committee member and vice-president of the examination committee of the Hong Kong CU Movement Charity Fund.

韓磊平先生

韓磊平先生(「韓先生」)，三十七歲，自二零一八年一月八日起擔任執行董事。韓先生持有天津財經學院金融學士學位及南安普敦大學會計及管理科學社會科學理學碩士學位。彼現時為北京中電融聯新能源科技有限公司之執行董事。韓先生先前曾擔任北京星豐時代投資有限公司之總經理。彼曾為金融街控股股份有限公司(股份代號：000402，一間於深圳證券交易所上市之公司)之財務經理。韓先生亦曾為交通銀行(青島分行)之財務及外匯經理。韓先生於戰略合作及項目管理方面擁有豐富經驗。彼亦熟悉在不同環境中之能源應用，並於項目開發及平台建設、新能源發電站之協調及微型電網之資源整合方面擁有經驗。

獨立非執行董事

關倩兒女士

關倩兒女士(「關女士」)，五十五歲，自二零一四年十月十六日起擔任獨立非執行董事。關女士在金融財富界多年，累積了不少理財、企業策劃經驗。期間她為多間公司的高管，並建立了廣泛金融領域人脈。關女士為香港富衛人壽保險(百慕達)有限公司之財富策劃總監及企業策劃管理服務公司滙智策略管理有限公司之董事兼行政總裁。關女士身為個人理財及投融顧問，善於人際溝通，是一名資深專業理財策劃師。關女士於香港及中國保險行業擁有多年經驗。關女士致力於公益活動，現時為香港儲運慈善基金委員會成員及考評委員會副主席。

董事及高級管理層簡介

Directors and Senior Management Profile

Mr. Leung Oh Man, Martin

Mr. Leung Oh Man, Martin (“Mr. Leung”), aged 37, has been the independent non-executive Director since 16 October 2014. Mr. LEUNG holds a Bachelor Degree of Commerce in Accounting and Finance from the University of Toronto in Canada. Mr. Leung is the general manager of TL Property Consultants International Ltd. (“TLP”), a consultancy group principally engaged in asset management of real estate sector. Prior to joining TLP, he had worked at a multinational accounting and auditing firm for about 8 years. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and the Hong Kong Institute of Surveyors.

Mr. Sun Zhi Jun

Mr. Sun Zhi Jun (“Mr. Sun”), aged 50, has been an independent non-executive Director since 24 August 2015. Mr. Sun graduated from Shanghai Medical Instrumentation College in the PRC in 1988. Mr. Sun is currently the business development director of Tonbright Finance Leasing Co. Ltd. (同輝融資租賃(上海)股份有限公司), a transportation financing and leasing company focusing on the provision of automobile financing services in the PRC.

Ms. Huang Yu Jun

Ms. Huang Yu Jun (“Ms. Huang”), aged 59, has been an independent non-executive Director since 24 August 2015. She was a financial manager of a branch office of Shanghai Electric International Economic & Trading Co., Ltd. (上海電氣國際經濟貿易有限公司), a subsidiary of Shanghai Electric Group Company Limited (stock code: 2727, a company listed on the Main Board of the Stock Exchange). Ms. Huang obtained a certificate of accounting profession from Ministry of Finance in the PRC. In 2005, she graduated from Shanghai TV University (now known as Shanghai Open University) in the PRC with a professional certificate in business administration.

梁傲文先生

梁傲文先生(「梁先生」), 三十七歲, 自二零一四年十月十六日起擔任獨立非執行董事。梁先生持有加拿大多倫多大學會計及財務學商學士學位。梁先生為置梁行房地產顧問國際有限公司(「置梁行」)的總經理, 置梁行為一家房地產顧問集團, 主要從事資產管理。加入置梁行前, 彼曾在一家跨國會計及核數公司工作約8年。梁先生為香港會計師公會及香港測量師學會之會員。

孫志軍先生

孫志軍先生(「孫先生」), 五十歲, 自二零一五年八月二十四日起擔任獨立非執行董事。孫先生於一九八八年畢業於中國上海醫療器械高等專科學校。孫先生目前擔任同輝融資租賃(上海)股份有限公司(一間於中國專注於提供汽車融資服務之運輸融資租賃公司)之業務發展董事。

黃玉君女士

黃玉君女士(「黃女士」), 五十九歲, 自二零一五年八月二十四日起擔任獨立非執行董事, 曾為上海電氣集團股份有限公司(一間於聯交所主板上市之公司(股份代號: 2727))之一間附屬公司上海電氣國際經濟貿易有限公司分公司之財務經理。黃女士自中國財政部獲得會計專業證書。於二零零五年, 彼畢業於中國上海電視大學(現稱上海開放大學), 取得企業管理專業證書。

董事及高級管理層簡介

Directors and Senior Management Profile

COMPANY SECRETARY

Mr. Chan Hank, Daniel

Mr. Chan Hank Daniel ("Mr. Chan") has been appointed as the Company Secretary since 7 October 2016. Mr. Chan obtained his Bachelor of Laws and Bachelor of Commerce from Macquarie University, Australia in 2000. He is a practising solicitor and was admitted as a solicitor in Hong Kong in 2003. He also serves as a Company Secretary of GT Steel Construction Group Limited (stock code: 8402, a company listed on GEM of the Stock Exchange).

SENIOR MANAGEMENT

Ms. Leung Tsz Man

Ms. Leung Tsz Man ("Ms. Leung"), aged 41, has been the financial controller of the Company. Ms. Leung holds a Master of Business Administration from University of South Australia. She is a member of each the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants. She is also the financial controller of the Company. She was an executive Director from 24 August 2015 to 26 July 2017, and as a company secretary of the Company from 11 September 2015 to 15 April 2016. Ms. Leung serves as a senior consultant of Hotex Holdings Limited, a substantial shareholder of the Company which is wholly-owned by Mr. Weng, an executive Director.

公司秘書

陳恒先生

陳恒先生(「陳先生」)已獲委任為公司秘書，自二零一六年十月七日起生效。陳先生於二零零零年取得澳洲麥覺理大學法學學士學位及商業學士學位。彼為一名執業律師並於二零零三年於香港取得律師資格。彼亦擔任GT Steel Construction Group Limited (股份代號：8402，一間於聯交所GEM上市之公司)之公司秘書。

高級管理層

梁子汶女士

梁子汶女士(「梁女士」)，四十一歲，擔任本公司財務總監。梁女士獲南澳大學頒授工商管理碩士學位。彼分別為香港會計師公會及英國特許會計師公會之會員。彼亦為本公司之財務總監。彼於二零一五年八月二十四日至二零一七年七月二十六日期間擔任執行董事，並於二零一五年九月十一日至二零一六年四月十五日期間擔任本公司之公司秘書。梁女士為鴻昌集團有限公司(本公司之主要股東，由執行董事翁先生全資擁有)之高級顧問。

董事會報告

Directors' Report

The Directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 37 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on page 53.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements during the year in property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the reporting period are set out in note 26 to the consolidated financial statements.

DISTRIBUTABLE RESERVE OF THE COMPANY

The share premium of the Company is available for paying distributions or dividends to its shareholders subject to the provisions of its Memorandum and Articles of Association and provided that immediately following the distribution or dividend payment the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's Articles of Association, dividends can be distributed out of the profits, special reserve and share premium of the Company. The Company's reserve available for distribution to its shareholders as at 31 December 2017 amounted to approximately HK\$95,383,000 (2016: HK\$101,086,000).

董事謹提呈彼等截至二零一七年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。其附屬公司之主要業務載於綜合財務報表附註37。

業績

本集團截至二零一七年十二月三十一日止年度之業績載於第53頁之綜合損益及其他全面收益表內。

物業、廠房及設備

本集團於年內有關物業、廠房及設備之變動詳情載於綜合財務報表附註15。

股本

報告期內本公司之股本變動詳情載於綜合財務報表附註26。

本公司之可分派儲備

本公司可撥充股份溢價以向其股東派發分派或股息，惟須受本公司組織章程大綱及章程細則之條款限制，及緊隨派發分派或股息後，本公司能償還日常業務過程中到期債項，方可作實。遵照本公司之組織章程細則，本公司可撥充溢利、特別儲備及股份溢價以派發股息。於二零一七年十二月三十一日，本公司可供分派予其股東之儲備約為95,383,000港元（二零一六年：101,086,000港元）。

董事會報告

Directors' Report

DIRECTORS

The Directors during the year and up to the date of this report are:

Executive Directors:

Mr. Weng Lin Lei, *Chairman*
 Mr. Wei Yuetong, *vice chairman*
 (resigned on 3 June 2016, and re-appointed on 5 February 2018)

Mr. Cheung Tuen Ting (appointed on 26 July 2017)

Mr. Long Wenming (appointed on 8 January 2018)
 Mr. Chen Hualiang (appointed on 8 January 2018)
 Mr. Han Leiping (appointed on 8 January 2018)
 Ms. Leung Tsz Man (resigned on 26 July 2017)

Independent non-executive Directors:

Ms. Kwan Sin Yee
 Mr. Leung Oh Man, Martin
 Mr. Sun Zhi Jun
 Ms. Huang Yu Jun

In accordance with the provisions of the Company's Articles of Association, Mr. Wei Yuetong, Mr. Cheung Tuen Ting, Mr. Long Wenming, Mr. Chen Hualiang, Mr. Han Leiping, Mr. Leung Oh Man, Martin and Mr. Sun Zhi Jun will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

No director has a service contract which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Each of the independent non-executive Directors has a service contract with the Company for a term of three years commencing on the date of their respective appointment but is subject to retirement by rotation and re-election at an annual general meeting of the Company in accordance with the Articles of Association of the Company.

董事

年內及截至本報告刊發日期止，董事為：

執行董事：

翁凜磊先生，*主席*
 魏月童先生，*副主席*
 (於二零一六年六月三日辭任，
 並於二零一八年二月五日獲重新委任)
 張端亭先生(於二零一七年
 七月二十六日獲委任)
 龍文明先生(於二零一八年一月八日獲委任)
 陳華良先生(於二零一八年一月八日獲委任)
 韓磊平先生(於二零一八年一月八日獲委任)
 梁子汶女士(於二零一七年
 七月二十六日辭任)

獨立非執行董事：

關倩兒女士
 梁傲文先生
 孫志軍先生
 黃玉君女士

根據本公司組織章程細則之條文，魏月童先生、張端亭先生、龍文明先生、陳華良先生、韓磊平先生、梁傲文先生及孫志軍先生將於應屆股東週年大會退任並符合資格重選連任。

董事概無訂立任何本集團不能於一年內毋須作出補償(法定補償除外)而終止之服務合約。

獨立非執行董事各自與本公司訂立服務合約，年期自各自獲委任之日起為期三年，惟須根據本公司組織章程細則於本公司股東週年大會輪值退任及膺選連任。

董事會報告

Directors' Report

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed under the section titled "Connected Transactions" below, no Director or connected entity of a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party during the year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURE OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 December 2017, the interests and short positions of each Director and chief executive in the shares underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of GEM Listing Rules were as follows:

董事於交易、安排或合約之權益

除下文「關連交易」一節中所披露者外，概無董事或董事之關連實體於本公司之控股公司或本公司任何附屬公司或同系附屬公司於年內所訂立對本集團業務而言屬重大之任何交易、安排或合約中直接或間接擁有重大權益。

董事及最高行政人員於本公司或其相聯法團的股份、相關股份及債券之權益及淡倉

於二零一七年十二月三十一日，董事及最高行政人員各自於本公司或任何其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有的記錄於本公司根據證券及期貨條例第352條須予存置之登記冊，或根據GEM上市規則第5.46條所述董事進行買賣之準則規定須另行知會本公司及聯交所權益及淡倉如下：

董事會報告

Directors' Report

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURE OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS (Continued)

Interests in the Company

The table below sets out the aggregate long positions in the shares, underlying shares and debentures of the Company held by the Directors and chief executives of the Company:

Name of Director	Capacity
董事姓名	身份
Mr. Weng Lin Lei	Interest in controlled corporation
翁凜磊先生	受控制法團權益

L: Long position

Note: As at 31 December 2017, 1,802,580,000 shares of the Company were held by Global Strategic (Holding) Group Limited, a company incorporated in Samoa with limited liability and is wholly-owned by Global Strategic Fund Holdings Limited, which in turn is owned as to 49% of its issued share capital by Hotex Holdings Limited and as to 51% of its issued share capital by Liang Tan Yi Xing International Foundation Company Limited ("Liang Tan Yi Xing Foundation"). Hotex Holdings Limited is wholly owned by Mr. Weng Lin Lei. Liang Tan Yi Xing Foundation is owned as to approximately 38% of its issued share capital by Mr. Fu Zhan Yong.

Save as disclosed above, as at 31 December 2017, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in 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 Exchange pursuant to the required standard of dealings by the Directors as referred to in Rule 5.46 of GEM Listing Rules.

董事及最高行政人員於本公司或其相聯法團的股份、相關股份及債券之權益及淡倉 (續)

於本公司之權益

下表載列本公司董事及最高行政人員所持本公司股份、相關股份及債券之好倉總額：

	Through controlled corporation	Approximate percentage of the issued share capital
	通過受控制法團	佔已發行股本之概約百分比
Mr. Weng Lin Lei	1,802,580,000 (L) (Note) (附註)	31.88%

L: 好倉

附註：於二零一七年十二月三十一日，1,802,580,000股本公司股份由環球戰略(控股)集團有限公司持有，該公司為於薩摩亞註冊成立之有限公司，由環球戰略基金控股有限公司全資擁有，而環球戰略基金控股有限公司由鴻昌集團有限公司及兩彈一星國際基金會有限公司(「兩彈一星基金會」)分別擁有49%及51%已發行股本。鴻昌集團有限公司由翁凜磊先生全資擁有。兩彈一星基金會由付占永先生擁有約38%已發行股本。

除上文所披露者外，於二零一七年十二月三十一日，按本公司根據證券及期貨條例第352條須予存置之登記冊記錄所示，或根據GEM上市規則第5.46條有關董事進行買賣之準則規定向本公司及交易所另行作出之通知，本公司董事或最高行政人員概無在本公司或其相聯法團(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權益或淡倉。

董事會報告

Directors' Report

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

主要股東及其他人士於本公司股份及相關股份之權益及淡倉

As at 31 December 2017, other than the interests and short positions of the Directors disclosed above, the following person (not being a Director or chief executive of the Company) had interests or short positions in the share or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO:

於二零一七年十二月三十一日，根據證券及期貨條例第336條規定本公司須予存置之登記冊所記錄，除上文披露之董事權益及淡倉外，下列人士（並非本公司董事或最高行政人員）於本公司之股份或相關股份中擁有權益或淡倉：

Name of shareholder 股東名稱	Number of Shares held, capacity and nature of interest 所持股份數目、身份及權益性質			Approximate percentage of the issued share capital 佔已發行股本 概約百分比
	Directly beneficially owned 直接實益擁有	Through controlled corporation 透過受控制法團	Total 總額	
Global Strategic (Holding) Group Limited 環球戰略(控股)集團有限公司	1,802,580,000 (L) (Note 1) (附註1)	-	1,802,580,000 (L)	31.88%
Global Strategic Fund Holdings Limited 環球戰略基金控股有限公司	-	1,802,580,000 (L) (Note 1) (附註1)	1,802,580,000 (L)	31.88%
Hotex Holdings Limited 鴻昌集團有限公司	-	1,802,580,000 (L) (Note 1) (附註1)	1,802,580,000 (L)	31.88%
Liang Tan Yi Xing International Foundation Company Limited 兩彈一星國際基金會有限公司	-	1,802,580,000 (L) (Note 1) (附註1)	1,802,580,000 (L)	31.88%

董事會報告

Directors' Report

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

主要股東及其他人士於本公司股份及相關股份之權益及淡倉 (續)

Name of shareholder 股東名稱	Number of Shares held, capacity and nature of interest 所持股份數目、身份及權益性質			Approximate percentage of the issued share capital 佔已發行股本 概約百分比
	Directly beneficially owned 直接實益擁有	Through controlled corporation 透過受控制法團	Total 總額	
Mr. Fu Zhan Yong 付占永先生	-	1,802,580,000 (L) (Note 1) (附註1)	1,802,580,000 (L)	31.88%
Hong Kong Hao Yue International Trading Co., Limited 香港顯越國際貿易有限公司	1,116,000,000 (L) (Note 2) (附註2)	-	1,116,000,000 (L)	19.73%
Mr. Zhang Hai Ping 張海平先生	-	1,116,000,000 (L) (Note 2) (附註2)	1,116,000,000 (L) (Note 2) (附註2)	19.73%
L: Long position		L: 好倉		

董事會報告

Directors' Report

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

Note:

- Global Strategic (Holding) Group Limited, a company incorporated in Samoa with limited liability and is wholly-owned by Global Strategic Fund Holdings Limited, which in turn is owned as to 49% of its issued share capital by Hotex Holdings Limited and as to 51% of its issued share capital by Liang Tan Yi Xing Foundation. Hotex Holdings Limited is wholly-owned by Mr. Weng Lin Lei. Liang Tan Yi Xing Foundation is owned as to approximately 38 % of its issued share capital by Mr. Fu Zhan Yong. Accordingly, each of Global Strategic Fund Holdings Limited, Hotex Holdings Limited and Liang Tan Yi Xing Foundation are deemed to be interested in the 1,802,580,000 shares of the Company under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
- Hong Kong Hao Yue International Trading Co., Limited is wholly-owned by Mr. Zhang Hai Ping.

Save as disclosed above, none of the substantial shareholders or other (other than Directors and chief executive of the Company) person had any interest or short position in the shares or underlying shares of the Company according to the register required to be kept by the Company under Section 336 of the SFO as at 31 December 2017.

CONVERTIBLE SECURITIES, OPTIONS, WARRANTS OR SIMILAR RIGHTS

The Company had no outstanding convertible securities, options, warrants or other similar rights as at 31 December 2017 and there had been no exercise of any convertible securities, options, warrants or similar rights during the year.

主要股東及其他人士於本公司股份及相關股份之權益及淡倉 (續)

附註：

- 環球戰略(控股)集團有限公司(於薩摩亞註冊成立之有限公司)由環球戰略基金控股有限公司全資擁有,而環球戰略基金控股有限公司由鴻昌集團有限公司及兩彈一星基金會分別擁有49%及51%已發行股本。鴻昌集團有限公司由翁凜磊先生全資擁有。兩彈一星基金會付占永先生擁有約38%已發行股本。因此,根據證券及期貨條例(香港法例第571章),環球戰略基金控股有限公司、鴻昌集團有限公司及兩彈一星基金會各自被視為於本公司1,802,580,000股股份中擁有權益。
- 香港顯越國際貿易有限公司由張海平先生全資擁有。

除上文所披露者外,於二零一七年十二月三十一日,按本公司根據證券及期貨條例第336條須予存置之登記冊記錄所示,主要股東或其他人士(本公司董事及最高行政人員除外)並無擁有本公司股份或相關股份之權益或淡倉。

可換股證券、購股權、認股權證或類似權利

於二零一七年十二月三十一日,本公司概無任何尚未行使之可換股證券、購股權、認股權證或其他類似權利,且年內亦無行使任何可換股證券、購股權、認股權證或類似權利。

董事會報告

Directors' Report

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

On 30 November 2012, the Company adopted a share option scheme (the "Scheme"). As at 31 December 2017, 67,000,000 option has been granted by the Company under the Scheme. Particulars of the Scheme are set out in note 27 to the consolidated financial statements.

The purpose of the Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of the Group. Under the Scheme, the Directors may grant options to any eligible persons of the Group, including (i) any director, employee or consultant of the Company, a subsidiary or an affiliate; or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Company, a subsidiary or an affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Company, a subsidiary or an affiliate; or (iv) any person or entity whose service to the Group or business with the Group contribute or is expected to contribute to the business or operation of the Group as may be determined by the Directors from time to time, to subscribe for shares of the Company. Options granted are exercisable for a period (up to ten years from the date of grant of the option) as decided by the Board.

The exercise price (subject to adjustment as provided therein) of the option under the Scheme is equal to the highest of (i) the nominal value of share; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant of the option, which must be a business day and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. The maximum number of shares in respect of which the options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company at the date of Shareholders' approval of the Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any one grantee in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue on the last date of such 12-month period from time to time, without prior approval obtained from the Company's shareholders. No option under the Scheme has been granted by the Company since its adoption.

購股權計劃及董事購買股份或債券之權利

於二零一二年十一月三十日，本公司採納一項購股權計劃（「該計劃」）。於二零一七年十二月三十一日，本公司根據該計劃授出67,000,000份購股權。該計劃的詳情載於綜合財務報表附註27。

該計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等為本集團之業務及營運作出貢獻。根據該計劃，董事可向本集團任何合資格人士授出購股權，包括(i)本公司、附屬公司或聯屬公司之任何董事、僱員或顧問；或(ii)全權託管對象包括本公司、附屬公司或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)本公司、附屬公司或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)董事不時酌情認定之任何人士或實體，其為本集團提供服務或其曾經或將會對本集團之業務或營運有所貢獻，以認購本公司股份。根據董事會決定，購股權可於購股權授出日期起計最多十年期間內行使。

該計劃項下購股權之行使價（可按其中之規定作出調整）相當於(i)股份面值；(ii)於授出購股權日期（須為營業日）在聯交所每日報價表所報之每股股份收市價；及(iii)緊接授出日期前五個營業日聯交所每日報價表所報之每股股份平均收市價，三者以最高者為準。根據該計劃可授出之購股權所涉及股份數目上限不得超過本公司於計劃獲股東批准當日已發行股本10%。然而，因行使全部未行使購股權而可予發行之股份總數上限不得超出本公司不時已發行股本30%。在未經本公司股東事先批准之情況下，於任何十二個月期間內，向任何單一承授人授出購股權所涉及之股份數目，不得超過在該十二個月期間內最後一日本公司之不時已發行股份之1%。自採納至今，本公司並無根據該計劃授出任何購股權。

董事會報告

Directors' Report

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

During the year, the Company has granted 67,000,000 share options to the Company's Directors and employees at the exercise price of HK\$0.1112 per option share. Details of specific categories of options, please refer to note 27 to the Group's consolidated financial statements.

Details of the movements of share options granted, exercised or cancelled/lapsed during the review period and outstanding as at 31 December 2017 are as follows:

購股權計劃及董事購買股份或債券之權利 (續)

年內，本公司向本公司董事及僱員授出 67,000,000 份購股權，行使價為每股購股權股份 0.1112 港元。有關購股權具體類別的詳情，請參閱本公司綜合財務報表附註 27。

於回顧期及於二零一七年十二月三十一日尚未行使的已授出、行使或取消/失效的購股權變動詳情如下：

		Number of share options 購股權數目				Outstanding as at	Exercise period (both dates inclusive) 行使期 (包括首尾兩日)	Exercise price 行使價 HK\$ 港元	Closing price immediately before the date of grant 緊接授出日期前的 收市價 HK\$ 港元
		At 1 January 2017 於二零一七年 一月一日	Granted on 21 December 2017 於二零一七年 十二月三十一日 授出	Exercised during the period 於期內行使	Cancelled/ Lapsed during the period 於期內取消/失效	31 December 2017 於二零一七年 十二月三十一日 尚未行使			
Directors	董事								
Mr. Weng Lin Lei	翁凜磊先生	-	3,000,000	-	-	3,000,000	21 December 2017 to 21 December 2019 二零一七年十二月三十一日至 二零一九年十二月三十一日	0.1112	0.111
Mr. Leung Oh Man, Martin	梁傲文先生	-	3,000,000	-	-	3,000,000	21 December 2017 to 21 December 2019 二零一七年十二月三十一日至 二零一九年十二月三十一日	0.1112	0.111
Ms. Kwan Sin Yee	關倩兒女士	-	3,000,000	-	-	3,000,000	21 December 2017 to 21 December 2019 二零一七年十二月三十一日至 二零一九年十二月三十一日	0.1112	0.111
Mr. Sun Zhi Jun	孫志軍先生	-	3,000,000	-	-	3,000,000	21 December 2017 to 21 December 2019 二零一七年十二月三十一日至 二零一九年十二月三十一日	0.1112	0.111
Ms. Huang Yu Jun	黃玉君女士	-	3,000,000	-	-	3,000,000	21 December 2017 to 21 December 2019 二零一七年十二月三十一日至 二零一九年十二月三十一日	0.1112	0.111
Mr. Cheung Tuen Ting	張端亭先生	-	30,000,000	-	-	30,000,000	21 December 2017 to 21 December 2019 二零一七年十二月三十一日至 二零一九年十二月三十一日	0.1112	0.111
Total Directors	董事總數	-	45,000,000	-	-	45,000,000			
Employees	僱員	-	22,000,000	-	-	22,000,000	21 December 2017 to 21 December 2019 二零一七年十二月三十一日至 二零一九年十二月三十一日	0.1112	0.111
Total Employees	僱員總數	-	22,000,000	-	-	22,000,000			
Total All Categories	所有類別總計	-	67,000,000	-	-	67,000,000			

董事會報告

Directors' Report

SHARE OPTION SCHEME AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES *(Continued)*

On 31 December 2017, the total number of shares of the Company available for issue under the Scheme is 233,000,000 shares of HK\$0.005 each in the share capital of the Company, representing approximately 4.12% of the issued share capital of the Company. Unless otherwise determined by the Directors, there is no minimum period required under the Scheme for the holding of an option before it can be exercised. There is no consideration for the application or acceptance of an option under the Scheme. The remaining life of the Scheme is approximately six years and to be expired on 30 November 2022.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the five largest customers of the Group accounted for about 83.0% of the turnover of the Group and the largest customer of the Group accounted for about 33.4% of the total turnover.

During the year, the five largest suppliers of the Group accounted for about 96.9% of the purchases of the Group and the largest supplier of the Group accounted for about 86.8% of the total purchases.

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

Details of the subsidiary's controlling shareholder's beneficial interest in the Group are further explained in the section titled "Connected Transactions" below.

CONNECTED TRANSACTIONS

During the year ended 31 December 2017, the Group had the following continuing connected transactions, details of which were disclosed in compliance with the requirements of Chapter 20 of GEM Listing Rules.

購股權計劃及董事購買股份或債券之權利 *(續)*

於二零一七年十二月三十一日，根據該計劃可予發行之本公司股份總數為本公司股本中233,000,000股每股面值0.005港元之股份，佔本公司已發行股本約4.12%。除非董事另行訂明外，該計劃並無規定購股權於可行使前須持有之最短期間。根據該計劃申請或接納購股權毋須代價。該計劃之餘下期間約為六年，將於二零二二年十一月三十日屆滿。

主要客戶及供應商

年內，本集團五大客戶佔本集團營業額約83.0%，而本集團最大客戶則佔總營業額約33.4%。

年內本集團五大供應商佔本集團採購額約96.9%，本集團最大供應商佔購買總額約86.8%。

董事、彼等之聯繫人或本公司任何股東（據董事所知，擁有超過5%本公司已發行股本者）概無於本集團五大客戶及供應商中擁有權益。

附屬公司之控股股東於本集團之實益權益詳情於下文「關連交易」一節進一步闡釋。

關連交易

於截至二零一七年十二月三十一日止年度，本集團擁有以下持續關連交易，有關詳情已根據GEM上市規則第20章之規定予以披露。

董事會報告

Directors' Report

CONNECTED TRANSACTIONS *(Continued)*

Continuing Connected Transactions – Upstream Natural Gas Sales Agreement

On 4 January 2017, Yichang Zhongyou and Yichang PetroChina Kunlun Natural Gas Co., Ltd (“Yichang Kunlun”) entered into the upstream natural gas sales agreement (the “Upstream Gas Sales Agreement”) pursuant to which Yichang Kunlun agreed to supply and Yichang Zhongyou agreed to buy natural gas for the period from 1 January 2017 to 31 December 2017.

The transaction amount and annual cap (“Annual Cap”) amount of such transaction for the year ended 31 December 2017 are about RMB3,238,000 and RMB20.6 million respectively.

As Yichang Kunlun is owned as to 49% by Hubei Biaodian and Hubei Biaodian is a substantial shareholder (within the meaning of GEM Listing Rules) of Yichang Zhongyou holding 41% equity interest in Yichang Zhongyou, whereas Mr. Xiong, is the ultimate controlling shareholder of Hubei Biaodian and a director of Yichang Zhongyou, each of Yichang Kunlun and Hubei Biaodian, is connected person of the Company and the transactions (the “Continuing Connected Transactions”) contemplated under the Upstream Gas sales Agreement constitute continuing connected transactions for the Company under GEM Listing Rules.

Given that: (i) Yichang Kunlun is a connected person of the Company only at the subsidiary level; (ii) the Board has approved the Continuing Connected Transactions; and (iii) having considered the terms of the Upstream Gas sales Agreement and the transactions contemplated thereunder (including the Annual Cap), all the independent non-executive Directors have confirmed that the terms of the Continuing Connected Transactions are fair and reasonable, the Continuing Connected Transactions are on normal commercial terms or better and in the interest of the Company and the shareholders of the Company as a whole, the Continuing Connected Transactions (including the Annual Cap) are exempted from the circular, independent financial advice and Shareholders' approval requirements under Rule 20.99 of GEM Listing Rules. The continuing connected transactions are subject to the reporting, announcement and annual review requirements under Chapter 20 of GEM Listing Rules.

關連交易 (續)

持續關連交易 – 上游天然氣銷售協議

於二零一七年一月四日，宜昌中油及宜昌中石油昆侖天然氣有限公司（「宜昌昆侖」）訂立上游天然氣供應協議（「上游天然氣銷售協議」），據此，宜昌昆侖同意供應及宜昌中油同意購買天然氣，期限由二零一七年一月一日起至二零一七年十二月三十一日止。

該項交易於截至二零一七年十二月三十一日止年度之交易額及年度上限（「年度上限」）金額分別為約人民幣3,238,000元及人民幣20,600,000元。

由於宜昌昆侖由湖北標典擁有49%權益及湖北標典為於宜昌中油（為本公司間接擁有49%權益之附屬公司）持有41%股權之宜昌中油主要股東（定義見GEM上市規則），且湖北標典之最終控股股東熊先生為宜昌中油之董事，故宜昌昆侖及湖北標典各自為本公司之關連人士，而根據GEM上市規則，根據上游天然氣銷售協議擬進行之交易（「持續關連交易」）構成本公司之持續關連交易。

由於：(i)宜昌昆侖僅為本公司於附屬公司層面上之關連人士；(ii)董事會已批准持續關連交易；及(iii)經考慮上游天然氣銷售協議及據此擬進行之交易之條款（包括年度上限），所有獨立非執行董事確認持續關連交易之條款誠屬公平合理、持續關連交易乃按一般商業或更佳條款訂立及符合本公司及本公司股東之整體利益，持續關連交易（包括年度上限）獲豁免遵守GEM上市規則第20.99條項下通函、獨立財務顧問及股東批准之規定，惟持續關連交易須遵守GEM上市規則第20章項下之申報、公佈及年度審閱規定。

董事會報告

Directors' Report

CONNECTED TRANSACTIONS *(Continued)*

Continuing Connected Transactions – Upstream Natural Gas Sales Agreement *(Continued)*

The management has monitored and ensured that (a) the continuing connected transactions have been conducted in accordance with the pricing policies or mechanisms (if applicable) under the Upstream Gas Sales Agreement, as appropriate; and (b) the Company's internal control procedures are adequate and effective to ensure that continuing connected transactions are so conducted.

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

Deloitte Touche Tohmatsu, the Company's auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. Deloitte Touche Tohmatsu have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group in accordance with GEM Listing Rule 20.54 of GEM Listing Rules. A copy of the auditors' letter has been provided by the Company to the Hong Kong Stock Exchange.

On 28 December 2017, Yichang Zhongyou and Yichang Kunlun renewed the Upstream Gas Sales Agreement pursuant to which Yichang Kunlun agreed to supply and Yichang Zhongyou agreed to purchase natural gas for a term of one year from 1 January 2018 to 31 December 2018 with expected total quantity supply not more than 10 million cubic metres divided by 365 days and the proposed annual cap is approximately RMB19.5 million.

The Company confirms that it has complied with the disclosures requirements in accordance with Chapter 20 of GEM Listing Rules.

關連交易 (續)

持續關連交易 – 上游天然氣銷售協議 (續)

管理層已監察並確保(a)持續關連交易乃根據上游天然氣銷售協議項下之定價政策或機制(若適用)適當進行;及(b)本公司的內部監控程序對確保持續關連交易如此進行當屬適當及有效。

獨立非執行董事已審閱上游天然氣銷售協議項下之持續關連交易,並已確認有關持續關連交易(i)乃於本集團一般及日常業務過程中;(ii)按正常商業條款及(iii)根據相關規管協議(條款屬公平合理且符合本公司股東之整體利益)訂立。

本公司之核數師德勤•關黃陳方會計師行已獲委任遵照香港會計師公會頒佈的香港核證委聘準則第3000號「審核或審閱過往財務資料以外之核證委聘」,並參照《實務說明》第740號「關於香港上市規則所述持續關連交易之核數師函件」就本集團之持續關聯交易出具報告。德勤•關黃陳方會計師行已出具其無保留意見之函件,當中載有其根據GEM上市規則第20.54條就本集團所進行上述持續關連交易作出之發現及結論。核數師函件副本已由本公司提供予香港聯交所。

於二零一七年十二月二十八日,宜昌中油與宜昌昆侖續訂上游天然氣銷售協議,據此,宜昌昆侖同意供應及宜昌中油同意購買天然氣,期限自二零一八年一月一日起至二零一八年十二月三十一日止為期一年,預期總供應量不超過10,000,000立方米除以365日,擬定年度上限約為人民幣19,500,000元。

本公司確認其已遵守GEM上市規則第20章之披露規定。

董事會報告

Directors' Report

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2017.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issue shares as required under GEM Listing Rules.

PRE-EMPTIVE RIGHTS

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

COMPETING INTERESTS

During the year, none of the Directors, the controlling shareholders of the Company (as defined in GEM Listing Rules) or their respective associates had any business or interest which competed or might compete with the business of the Group nor had any other conflict of interest with the Group.

購買、出售或贖回本公司之上市證券

截至二零一七年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

足夠公眾持股量

根據本公司之公開資料及據董事所知，於本報告日期，股份之公眾持股量足夠符合GEM上市規則不少於本公司已發行股份25%之規定。

優先購股權

本公司之組織章程細則或開曼群島法律概無載有任何有關優先購股權之規定，規定本公司須按比例向現有股東提呈發售新股份。

競爭業務權益

年內，本公司各董事或控股股東（定義見GEM上市規則）或彼等各自之聯繫人士概無擁有任何與本集團業務構成競爭或可能構成競爭之業務或於其中擁有權益，亦概無與本集團發生任何其他利益衝突。

董事會報告

Directors' Report

REMUNERATION POLICY

The remuneration of the employees of the Group is determined with reference to market terms and the performance, qualifications and experience of the individual employee.

The emoluments of the Directors were recommended by the Human Resources and Remuneration Committee of the Company after considering factors such as the Company's Directors' duties, responsibilities and the operating performance of the Group.

The Company has adopted the Scheme as an incentive to Directors and eligible employees. Details of the scheme are set out in note 27 to the consolidated financial statements.

EVENTS AFTER THE REPORTING PERIOD

Details of significant events occurring after the reporting period are set out in note 39 to the consolidated financial statements.

AUDITORS

A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Weng Lin Lei
CHAIRMAN

21 March 2018

薪酬政策

本集團乃參考市場水平，並按照僱員本身之表現、資歷及經驗釐定僱員薪酬。

本公司人力資源及薪酬委員會於建議董事酬金時，考慮之因素包括本公司董事之職責、責任及本集團之經營表現。

本公司已採納該計劃作為對董事及合資格僱員之獎勵。計劃之詳情載於綜合財務報表附註27。

報告期間後事項

報告期間後之重大事項載於綜合財務報表附註39。

核數師

有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案將於本公司應屆股東週年大會上提呈。

代表董事會

翁凜磊
主席

二零一八年三月二十一日

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Corporate Governance Report

於二零一七年十二月三十一日 As At 31 December 2017

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices. It met all the code provisions of the Corporate Governance Code (the “Code”) set out in Appendix 15 of GEM Listing Rules in the year ended 31 December 2017.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealing set out in Rules 5.48 to 5.67 of GEM Listing Rules (the “Required Standard”) as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the Required Standard during the year ended 31 December 2017.

CONFIRMATION OF INDEPENDENCE

The Company confirms it has received from each of its independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 5.09 of GEM Listing Rules, and considers that the independent non-executive Directors to be independent.

BOARD OF DIRECTORS

The Company is governed by a board of directors (the “Board”) which has the responsibility for leadership and control of the Company. The Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group’s affairs. The Board set strategies and directions for the Group’s activities and lead the Group’s management team through the Directors with a view to developing its business and enhancing shareholder value.

企業管治常規

本公司致力維持高水平之企業管治。於截至二零一七年十二月三十一日止年度，本公司遵守GEM上市規則附錄15「企業管治守則」（「守則」）所載之守則條文。

董事的證券交易

本公司已採納GEM上市規則第5.48至5.67條所載的交易必守標準（「必守標準」）作為董事進行證券交易之行為守則。經向全體董事作出特定查詢後，全體董事均已確認於截至二零一七年十二月三十一日止年度已遵守必守標準。

確認獨立性

本公司確認已接獲各獨立非執行董事根據GEM上市規則第5.09條規定就其獨立性發出之年度確認函，並認為該等獨立非執行董事均屬獨立人士。

董事會

本公司受董事會（「董事會」）監管，彼等須負責領導及監察本公司。董事負責指示及監控本集團之事務，共同帶領本集團邁向成功。董事會製訂本集團業務之策略及方向，並透過董事領導本集團的管理層團隊，使業務得以發展及提升股東價值。

企業管治報告

Corporate Governance Report

於二零一七年十二月三十一日 As At 31 December 2017

BOARD OF DIRECTORS (Continued)

During the year ended 31 December 2017, the Board's composition and the individual attendance of each Director at the Board meetings, board committee meetings and shareholder meetings during the year ended 31 December 2017 are set out in the table below:

董事會 (續)

於截至二零一七年十二月三十一日止年度，董事會組成及各位董事於截至二零一七年十二月三十一日止年度出席董事會會議、董事委員會會議及股東大會的情況載於下表：

		Attendance/Number of Meetings held during the tenure of his/her office in the year 出席次數／年內在彼任內舉行會議次數				
		Board Meeting 董事會會議	Human Resources & Remuneration Committee 人力資源及薪酬委員會	Nomination Committee 提名委員會	Audit Committee 審核委員會	Shareholder Meeting 股東大會
Executive Directors	執行董事					
Mr. Weng Lin Lei, <i>Chairman</i>	翁凜磊先生·主席	16/16	N/A 不適用	2/2	N/A 不適用	0/1
Ms. Leung Tsz Man	梁子汶女士	10/10	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Independent Non-Executive Directors	獨立非執行董事					
Ms. Kwan Sin Yee	關倩兒女士	16/16	3/3	2/2	4/4	1/1
Mr. Leung Oh Man, Martin	梁傲文先生	16/16	3/3	2/2	4/4	1/1
Mr. Sun Zhi Jun	孫志軍先生	16/16	3/3	2/2	4/4	0/1
Ms. Huang Yu Jun	黃玉君女士	16/16	3/3	2/2	4/4	0/1

N/A: Not applicable

不適用：不適用

During the year ended 31 December 2017, the Board held sixteen (16) Board meetings to review, among other matters, the Group's financial and operating performance and discuss the business direction and strategy. Agenda and accompanying board papers were sent to all Directors in a timely manner.

截至二零一七年十二月三十一日止年度，董事會舉行十六(16)次董事會會議，以檢討(其中包括)本集團的財務及營運表現，並討論業務方針及策略。會議議程及相關董事會文件已及時發送至全體董事。

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BOARD OF DIRECTORS *(Continued)*

Directors who could not attend in person could participate the Board meetings and Shareholder meetings through other electronic means of communications.

The biographical information of the Directors are set out in the section headed "Directors and Senior Management Profile" on pages 17 to 21 in this annual report.

The Company is committed to arranging and funding suitable training to all Directors for their continuous professional development. During the year ended 31 December 2017 and up to the date of this report, Mr. Weng Lin Lei, Mr. Cheung Tuen Ting, Ms. Kwan Sin Yee, Mr. Leung Oh Man, Martin, Mr. Sun Zhi Jun and Ms. Huang Yu Jun engaged in business activities in their respective fields as continuous professional development to develop and refresh their knowledge and skills so as to ensure that their contributions to the Board remain informed and relevant. Mr. Leung Oh Man, Martin and Ms. Leung Tsz Man have participated in continuous professional development programs required by The Hong Kong Institute of Certified Public Accountants. The Directors also participated in other trainings and professional developments such as attending seminars, studying reading materials relating to the Group or its industries and businesses; rules and regulations; business management; or the roles, functions and duties of a listed company director.

CHAIRMAN

The Chairman is responsible for the leadership of the Board, ensuring its effectiveness in all aspects of its role and for setting its agenda and taking into account any matters proposed by other directors for inclusion in the agenda. Through the Board, he is responsible for ensuring that good corporate governance practices and procedures are followed by the Group.

董事會 (續)

無法親身出席董事會會議及股東大會的董事可以其他電子通訊方式參與。

董事之履歷詳情載於本年報第17至21頁「董事及高層管理層簡介」一節。

本公司致力就所有董事之持續專業發展安排合適的培訓並提供有關經費。截至二零一七年十二月三十一日止年度及截至本報告刊發日期，翁凜磊先生、張端亭先生、關倩兒女士、梁傲文先生、孫志軍先生及黃玉君女士在彼等各自的商務活動範疇內參與持續專業發展，從而發展並更新其知識及技能，確保其能繼續具備所需資訊及適切地對董事會作出貢獻。梁傲文先生及梁子汶女士已按照香港會計師公會的要求參與持續專業發展。董事亦參與其他培訓及專業發展，例如出席研討會，閱覽資料文獻，內容包括有關本集團或其行業及業務；規則及條例；商業管理；或上市公司董事的角色、職能及責任等。

主席

主席須負責領導董事會，確保董事會能有效益地履行其各方面之職務，並須負責釐定議程，以及考慮將其他董事所提出之事宜載入議程內。透過董事會，彼負責確保本集團有遵守良好企業管治常規及程序。

企業管治報告

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於二零一七年十二月三十一日 As At 31 December 2017

NON-EXECUTIVE DIRECTOR

The non-executive Director of the Company was appointed for a term of up to about 3 years ending on the date on which the director shall retire by rotation and re-election at the Company's annual general meeting in accordance with the Code and the Articles of Association of the Company.

HUMAN RESOURCES AND REMUNERATION COMMITTEE

During the year ended 31 December 2017, the Human Resources and Remuneration Committee (the "Remuneration Committee") held three (3) meetings. The Remuneration Committee has reviewed and approved the Group's remuneration policy, including that for the executive Directors, and the levels of remuneration paid to executive directors and senior management of the Group. The terms of reference of the Remuneration Committee follow the guidelines set out in the Code and it is responsible for, among other things, making recommendations to the Board on the remuneration packages of individual executive Directors and senior management.

The remuneration payable to the Directors for the year ended 31 December 2017 is set out in note 12 to the consolidated financial statements.

The remuneration payable to the senior management of the Company for the year ended 31 December 2017 is within the range of HK\$0 to HK\$2,000,000.

BOARD DIVERSITY

The Board has adopted a policy concerning diversity of Board members (the "Board Diversity Policy") which is summarized as follows:

The Company is committed to maintaining a highly effective Board which should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of its business. When deciding on the appointment of directors, it is the policy of the Company to consider a number of factors, including but not limited to, gender, age, cultural and educational background, professional experience, and other qualifications, skills and experience which the Company considers that it will make a positive contribution to the performance of the Board.

非執行董事

本公司非執行董事之任期最長約為3年，於彼等按照守則及本公司之組織章程細則於本公司之股東週年大會上輪值退任及膺選連任時終止。

人力資源及薪酬委員會

截至二零一七年十二月三十一日止年度，人力資源及薪酬委員會（「薪酬委員會」）共舉三（3）次會議。薪酬委員會審閱及批准集團（包括執行董事）之薪酬政策，及本集團執行董事及高層管理人員之薪酬水平。本公司根據守則所載之指引制訂薪酬委員會之職權範圍，其職能之一為向董事會建議個別執行董事及高層管理人員的薪酬待遇。

截至二零一七年十二月三十一日止年度，應付董事之酬金載列於綜合財務報表附註12。

截至二零一七年十二月三十一日止年度，本公司應付之高層管理人員酬金介乎0港元至2,000,000港元。

董事會成員多元化

董事會已採納一項有關董事會成員多元化之政策（「董事會成員多元化政策」），該政策撮要如下：

本公司致力令董事會保持優秀效益，務求平衡董事會所具備之技巧、經驗及多樣的觀點與角度，配合集團業務所需。當決定委任董事時，本公司之政策將考慮多項因素，包括（但不限於）性別、年齡、文化及教育背景、專業經驗、及其他本公司認為可對董事會之表現帶來正面貢獻之資歷、技能及經驗。

企業管治報告

Corporate Governance Report

於二零一七年十二月三十一日 As At 31 December 2017

BOARD DIVERSITY (Continued)

The Nomination Committee of the Company (the “Nomination Committee”) monitors the implementation of the Board Diversity Policy and reviews it from time to time and shall bring to the attention of the Board any significant issues or recommendations as and when necessary and appropriate. Any reviews, updates and amendments to the Board Diversity Policy shall be approved by the Board.

NOMINATION COMMITTEE

The terms of reference of the Nomination Committee have been determined with reference to the Code.

The Nomination Committee is responsible for identifying potential new directors and making recommendations to the Board for decision. A director appointed by the Board is subject to re-election by shareholders at the first annual general meeting after his/her appointment. All Directors are subject to retirement by rotation at least once every 3 years. In accordance with the Company’s Articles of Association, one third of the directors are subject to retirement by rotation and re-election by shareholders at each annual general meeting of the Company.

Potential new Directors are selected with reference to the Board Diversity Policy whenever necessary and appropriate.

The Nomination Committee held two (2) meetings during the year ended 31 December 2017 and work performed included reviewing the structure, size and composition of the Board, the independence of the independent non-executive Directors and the nomination of new Directors.

CORPORATE GOVERNANCE FUNCTIONS

The Board has adopted the terms of reference for corporate governance functions set out in the Code and has delegated the Group’s corporate governance functions to the Audit Committee of the Company (the “Audit Committee”).

董事會成員多元化(續)

本公司之提名委員會(「提名委員會」)監察董事會成員多元化政策之執行，並不時作出檢討，在需要及適當時向董事會提出任何重要事宜或建議。董事會成員多元化政策有任何檢討、更新及修訂須經董事會通過。

提名委員會

本公司已參考守則釐訂提名委員會之職權範圍。

提名委員會負責物色有潛質成為新任董事之人士，並就董事會作出決定提供推薦建議。由董事會委任之董事須於其獲委任後之首個股東週年大會上經股東重選。所有董事須最少每三年輪值退任一次。同時，根據本公司之組織章程細則，本公司每屆股東週年大會上須有三分之一董事輪值退任及經股東重選。

提名委員會於必要及適當時參考董事會成員多元化政策挑選有潛質成為新任董事之人士。

截至二零一七年十二月三十一日止年度，提名委員會共舉行兩(2)次會議；其工作包括審閱董事會之架構、人數及組成、獨立非執行董事之獨立性及新董事之提名。

企業管治職能

董事會已採納守則所載有關企業管治職能之職權範圍，並已將集團之企業管治職能指派予本公司審核委員會(「審核委員會」)。

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AUDIT COMMITTEE

The terms of reference of the Audit Committee, with the inclusion of the corporate governance functions, follow the guidelines set out in the Code. The Audit Committee is responsible for, among other things, having relationship with the Company's auditors reviewing the Group's financial information and its financial reporting, financial reporting system, risk management and internal control systems and corporate governance, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function. The Audit Committee reports to the Board any significant issues relating to its terms of reference.

During the year ended 31 December 2017, the Audit Committee held four (4) meetings and work performed included reviewing the Group's quarterly, half-yearly and annual results, its risk management and internal control systems, and corporate governance matters for inclusion in the Company's Annual Report.

AUDITORS' REMUNERATION

The remuneration paid to Deloitte Touche Tohmatsu for audit and non-audit services for the year ended 31 December 2017 amounted to approximately HK\$950,000 (2016: HK\$900,000) and approximately HK\$1,213,000 (2016: HK\$1,149,000) respectively. The non-audit services provided by Deloitte Touche Tohmatsu to the Group were in relation to the review service on taxation, quarter results, interim result, limited assurance services on continuing connected transaction, other professional services related to the Proposed Acquisition.

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the accounts of the Company. As at 31 December 2017, the Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the consolidated financial statements of the Company on a going-concern basis.

審核委員會

審核委員會之職權範圍(包括其企業管治職能)按照守則所載之指引制訂。審核委員會職能之一為與本公司核數師建立關係、審閱本集團之財務資料及其財務申報、財務申報制度、風險管理及內部監控制度以及企業管治,包括集團在會計及財務匯報職能方面的資源、員工資歷及經驗,以及員工所接受的培訓課程及有關預算是否足夠。審核委員會向董事會匯報任何跟其職權範圍相關之重要事宜。

截至二零一七年十二月三十一日止年度,審核委員會共舉行四(4)次會議,工作包括審閱本集團之季度、半年度及全年業績,其風險管理及內部監控系統,及刊登於本公司年報內之企業管治事宜。

核數師酬金

截至二零一七年十二月三十一日止年度就審核及非審核服務支付予德勤•關黃陳方會計師行的酬金分別約為950,000港元(二零一六年:900,000港元)及約1,213,000港元(二零一六年:1,149,000港元)。德勤•關黃陳方會計師行提供予本集團的非審核服務涉及稅務、季度業績及中期業績的審閱服務、持續關連交易的有限核證服務、有關建議收購事項的其他專業服務。

問責及核數

董事明白彼等有編製本公司賬目的責任。於二零一七年十二月三十一日,董事並不知悉任何可能會嚴重影響本公司持續經營能力的重大不明朗事件或情況。因此,董事已按持續經營基準編製本公司之綜合財務報告。

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ACCOUNTABILITY AND AUDIT *(Continued)*

The responsibilities of the external auditors about their financial reporting are set out in the Independent Auditor's Report attached to the Company's consolidated financial statements for the year ended 31 December 2017.

The Board has, through the Audit Committee, conducted a review of the effectiveness of the Group's risk management and internal control system with an aim to safeguard the shareholders' investment and the Company's assets in compliance with the provisions of the Code. The purpose is to provide reasonable, but not absolute, assurance against material misstatements, errors, losses or fraud, and to manage rather than eliminate risks of failure in achieving the Group's business objectives.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group maintains an effective internal control and risk management systems. It consists, in part, of organisational arrangements with defined lines of responsibility and delegation of authority, and comprehensive systems and control procedures in order to safeguard the investment of the Company's shareholders and the Group's assets at all times.

The Audit Committee performs the duties of risk management and internal control on behalf of the Board to oversee the management in the establishment, maintenance and monitoring of effective risk management and internal control systems.

The Audit Committee reviewed the Group's risk management and internal control systems in respect of the year ended 31 December 2017 and considered the system effective and adequate. The Board assessed the effectiveness of the Group's risk management and internal control by considering the reviews performed by the Audit Committee. The Group's risk management and internal control systems have segmented reviewed by an independent professional party. The Company complies with the code provisions relating to internal control contained in the Code.

問責及核數 *(續)*

外聘核數師對財務申報之責任載列於本公司截至二零一七年十二月三十一日止年度之綜合財務報告內之獨立核數師報告。

董事會已按照守則條文，透過審核委員會對本集團風險管理及內部監控系統之效益進行檢討，以保障股東之投資及本公司之資產。目的在於合理（而非絕對地）保證並無重大失實陳述、錯誤、損失或欺詐，以及管理而非抵銷未能達致本集團業務目標之風險。

風險管理及內部監控

本集團維持有效的內部監控及風險管控系統，包括設有明確責任及授權界線的部分組織安排，以及全面系統及監控程序，以始終保障本公司股東的投資及本集團的資產。

審核委員會代表董事會履行風險管理及內部監控職責，以監督管理層制定、維護及監控有效的風險管理及內部監控系統。

審核委員會審閱截至二零一七年十二月三十一日止年度本集團的風險管理及內部監控系統，並認為有系統屬有效及充分。董事會考慮審核委員會執行的審閱，評估本集團風險管理及內部監控的有效程度。本集團的風險管理及內部監控系統已經獨立專業人士分開審閱。本公司遵守守則所載與內部監控有關的守則條文。

企業管治報告

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COMPANY SECRETARY

The company secretary is Mr. Chan Hank, Daniel since 15 April 2016. He undertook totally not less than 15 hours of relevant professional training during the year ended 31 December 2017.

公司秘書

自二零一六年四月十五日起，公司秘書為陳恒先生。彼於截至二零一七年十二月三十一日止年度已接受合共不少於15小時的相關專業培訓。

COMMUNICATIONS WITH SHAREHOLDERS

The Company maintains an on-going dialogue with its shareholders through various channels including announcements and annual, interim and quarterly reports published on its website at www.globalstrategicgroup.com.hk and the Company's general meetings. All shareholders are encouraged to attend general meetings and they may put to the Board any enquiries about the Group through its website at www.globalstrategicgroup.com.hk or in writing sent to the principal office of the Company at Room 1216, 12th Floor, North Tower, Concordia Plaza, 1 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong. The Directors, company secretary or other appropriate members of senior management respond to enquiries from shareholders promptly. The Chairman, the Chief Executive Officer, chairmen of board committees (or their respective delegates) and external auditors attend the annual general meeting and are available to answer questions raised by shareholders. Shareholders may also access the Company's corporate website for the Group's information.

股東通訊

本公司與其股東一直透過不同渠道保持溝通，包括於公司網頁www.globalstrategicgroup.com.hk刊登公佈及全年、中期及季度報告、以及舉行股東大會。本公司鼓勵所有股東出席股東大會，股東可透過公司網頁www.globalstrategicgroup.com.hk，或以書面形式送交本公司香港主要辦事處香港九龍尖沙咀東科學館道1號康宏廣場北座12樓1216室，向董事會提問有關集團之事宜。本公司董事、公司秘書或其他合適之高級管理層將儘快回應股東之提問。本公司主席、行政總裁、董事會轄下委員會之主席（或其代表）、及外聘核數師均出席股東週年大會，並回答股東之提問。股東亦可登入本公司網頁查閱本集團的資料。

Pursuant to Article 58 of the Company's Articles of Association, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business (including any proposals) specified in such requisition, and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in the same manner.

根據本公司組織章程細則第58條，任何於呈遞要求日期持有不少於本公司實繳股本（附有於本公司股東大會投票權利）十分之一的股東，於任何時候有權透過向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項（包括任何建議）；該大會應於呈遞該要求後兩個月內舉行。倘呈遞後二十一日內董事會未有開始召集該大會，則呈遞要求人士可自行以同樣方式作出此舉。

企業管治報告

Corporate Governance Report

於二零一七年十二月三十一日 As At 31 December 2017

CONSTITUTIONAL DOCUMENTS

The Board is not aware of any significant changes in the Company's constitutional documents during the year ended 31 December 2017. Memorandum and articles of association of the Company is available on both the website of the Stock Exchange and the Company.

DIRECTORS' RESPONSIBILITY IN PREPARING THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the Company's financial statements of the Group (the "Financial Statements") which give a true and fair view and are in accordance with Hong Kong Financial Reporting Standards published by the Hong Kong Institute of Certified Public Accountants. The Directors endeavor to ensure a balanced, clear and understandable assessments of the Group's performance, position and prospects in financial reporting. Accordingly, appropriate accounting policies are selected and applied consistently; judgments and estimates made are prudent and reasonable.

The statement of the Company's auditors about their reporting responsibilities on the Financial Statements is set out in the Independent Auditor's Report on page 46 to page 52.

章程文件

於截至二零一七年十二月三十一日止年度，董事會並不知悉本公司章程文件的任何重大變動。本公司的組織章程大綱及章程細則可於聯交所網站及本公司網站獲取。

董事編製財務報表的責任

董事承認彼等須負責根據香港會計師公會頒佈之香港財務報告準則編製真實而公平之本集團財務報表（「財務報表」）。董事將盡力確保於財務申報中對本集團之表現、財務狀況及前景作出平衡、清晰及合理之評估。因此，選擇及貫徹使用合適之會計政策；所作出之判斷及估計當屬審慎及合理。

本公司核數師關於其對財務報表申報責任的聲明載於第46至第52頁獨立核數師報告。

獨立核數師報告

Independent Auditor's Report




TO THE SHAREHOLDERS OF GLOBAL STRATEGIC GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

致環球戰略集團有限公司列位股東
(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Global Strategic Group Limited (the “Company”) and its subsidiaries (collectively referred to as “the Group”) set out on pages 53 to 163, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

本核數師行已完成審核載於第53頁至第163頁環球戰略集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報表。綜合財務報表包括於二零一七年十二月三十一日之綜合財務狀況表，截至該日止年度之綜合損益及其他全面收益表、綜合股本權益變動表及綜合現金流動表，以及綜合財務報表附註，包括主要會計政策概要。

本核數師行認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

意見的基準

本核數師行已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。本核數師行在該等準則下的責任已於本報告「核數師就審計綜合財務報表須承擔的責任」一節中作進一步闡述。根據香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，本核數師行獨立於 貴集團，並已履行守則中的其他道德責任。本核數師行相信，本核數師行所獲得的審計憑證能充足及適當地為本核數師行的審計意見提供基礎。

獨立核數師報告（續）

Independent Auditor's Report (Continued)

KEY AUDIT MATTERS

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

Key audit matter

關鍵審計事項

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

商譽、無形資產以及物業、廠房及設備的減值

Refer to note 19

參閱附註19

We identified the impairment of goodwill, intangible assets and property, plant and equipment arising from Yichang Zhongyou as a key audit matter due to the fact that Yichang Zhongyou incurred loss of HK\$13,281,000 in the current year.

本核數師行將從宜昌中油產生的商譽、無形資產以及物業、廠房及設備的減值確定為關鍵審計事項，此乃由於宜昌中油於本年度產生虧損13,281,000港元。

關鍵審計事項

關鍵審計事項為根據本核數師行的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項於本核數師行審計整體綜合財務報表及出具意見時處理，而本核數師行不會對該等事項提供獨立的意見。

How our audit addressed the key audit matter

本核數師行的審計如何處理關鍵審計事項

Our procedures in relation to impairment assessment included:

本核數師行有關減值評估的程序包括：

- Assessing the competence, capabilities and objectivity of the management's independent valuer, and verifying the qualifications of the valuer; discussing the scope of its work with the management and reviewing its terms of engagement to determine that there were no matters that affected its objectivity or imposed scope limitations upon it;
- 評估管理層獨立估值師的勝任能力、專業能力及客觀性，並核驗估值師的資格；與管理層討論其工作範圍及審閱其委聘條款，以釐定並無事項影響其客觀性或對其施加範圍限制；

獨立核數師報告（續）

Independent Auditor's Report (Continued)

Key audit matter

關鍵審計事項

Impairment of goodwill, intangible assets and property, plant and equipment (Continued)

商譽、無形資產以及物業、廠房及設備的減值（續）

Refer to note 19 (Continued)

參閱附註19(續)

As stated in note 19, the Group engaged an independent professional valuer to carry out an impairment assessment by estimating the recoverable amount of the cash-generating unit with reference to value-in-use calculation, which required significant judgement on assumptions and inputs adopted in the underlying cash flows.

誠如附註19所述，當中載述 貴集團已委聘一家獨立專業估值師進行減值評估，即按照使用價值計算法估計現金產生單位的可收回金額，這需要對於相關現金流量中採用的假設及輸入值作出重大判斷。

According to the assessment, there was no impairment on the goodwill and intangible assets arising from the Group's prior acquisition of Yichang Zhongyou and no impairment on property, plant and equipment of Yichang Zhongyou as at 31 December 2017.

根據評估，於二零一七年十二月三十一日，並無 貴集團過往收購宜昌中油導致之商譽及無形資產減值，且宜昌中油之物業、廠房及設備亦無減值。

How our audit addressed the key audit matter

本核數師行的審計如何處理關鍵審計事項

- Confirming that the approaches it used are in compliance with the requirement under Hong Kong Accounting Standard 36 "Impairment of Assets";
- 確認其所採用的方法符合香港會計準則第36號「資產減值」的要求；
- Analysing the underlying cash flows used in the models to determine whether they are reasonable and supportable;
- 分析於有關模型中使用的相關現金流量，以釐定彼等是否合理及言之有據；
- Understanding the projected cash flows, including the assumptions relating to revenue growth rates and comparing operating margins against historical performance; and
- 了解預測現金流量（包括有關收益增長率的假設）及比較經營利潤率與過往表現；及
- Involving our internal valuation experts to evaluate the methodology of the valuation, inputs used for the cash flow forecast and factors considered in the discount rates and assess these rates.
- 委託本核數師行的內部估值專家參與評估估值方法、現金流量預測所用輸入值以及於貼現率中考慮的因素，並評估該等比率。

獨立核數師報告（續）

Independent Auditor's Report (Continued)

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他資料

貴公司董事須對其他資料負責。其他資料包括年報內所載的資料，但不包括綜合財務報表及本核數師行載於其中的核數師報告。

本核數師行對綜合財務報表的意見並不涵蓋其他資料，本核數師行亦不對該等其他資料發表任何形式的保證結論。

就本核數師行對綜合財務報表的審計，本核數師行的責任乃細閱其他資料，在此過程中，考慮其他資料與綜合財務報表或本核數師行在審計過程中所知悉的情況是否存在重大抵觸或看似存在重大錯誤陳述。基於本核數師行已執行的工作，倘本核數師行認為其他資料存在重大錯誤陳述，本核數師行需要報告該事實。本核數師行就此並無任何事項須報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對貴公司董事認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

獨立核數師報告（續）

Independent Auditor's Report (Continued)

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審計綜合財務報表須承擔的責任

本核數師行的目標乃對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括本核數師行意見的核數師報告，並按照協定的委聘條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。本核數師行概不就本報告的內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

作為根據香港審計準則進行審計其中一環，本核數師行運用專業判斷，保持專業懷疑態度。本核數師行亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為本核數師行意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計在有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估貴公司董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。

獨立核數師報告 (續)

Independent Auditor's Report (Continued)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘本核數師認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則修訂本核數師行的意見。本核數師行的結論乃基於直至核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營業務。
- 評估綜合財務報表的整體列報方式、結構及內容(包括披露)事項以及綜合財務報表是否公平反映相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以便對綜合財務報表發表意見。本核數師行負責 貴集團審計的方向、監督及執行。本核數師行為審計意見承擔全部責任。

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

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

本核數師行與治理層溝通審計的計劃範圍及時間以及重大審計發現等，其中包括本核數師行在審計中識別出內部控制的任何重大不足之處。

本核數師行亦向治理層提交聲明，表明本核數師行已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響本核數師行獨立性的所有關係及其他事項以及在適用的情況下相關的防範措施。

獨立核數師報告（續）

Independent Auditor's Report (Continued)

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

The engagement partner on the audit resulting in the independent auditor's report is Tse Ming Fai.

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

出具獨立核數師報告的審計項目合夥人為謝明輝。

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
21 March 2018

德勤•關黃陳方會計師行
執業會計師

香港
二零一八年三月二十一日

綜合損益及其他全面收益表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Notes 附註		
Revenue	6	50,385	36,379
Cost of sales		<u>(47,701)</u>	<u>(35,341)</u>
Gross profit		2,684	1,038
Other income		315	38
Other gains and losses	8	707	(374)
Selling and distribution cost		<u>(13,165)</u>	<u>(13,068)</u>
General and administrative expenses		<u>(26,788)</u>	<u>(28,369)</u>
Finance costs	9	<u>(5,670)</u>	<u>(39)</u>
Loss before tax		<u>(41,917)</u>	<u>(40,774)</u>
Income tax credit	10	1,919	1,585
Loss for the year	11	<u>(39,998)</u>	<u>(39,189)</u>
Other comprehensive income (expense)			
<i>Item that will not be reclassified to profit or loss:</i>			
Exchange differences arising on translation of financial statements to presentation currency		<u>9,860</u>	<u>(9,553)</u>
Total comprehensive expense for the year		<u>(30,138)</u>	<u>(48,742)</u>
Loss for the year attributable to:			
Owners of the Company		<u>(33,225)</u>	<u>(33,224)</u>
Non-controlling interests		<u>(6,773)</u>	<u>(5,965)</u>
		<u>(39,998)</u>	<u>(39,189)</u>
Total comprehensive expense for the year attributable to:			
Owners of the Company		<u>(28,653)</u>	<u>(38,083)</u>
Non-controlling interests		<u>(1,485)</u>	<u>(10,659)</u>
		<u>(30,138)</u>	<u>(48,742)</u>
Loss per share – basic and diluted (HK cents)	14	<u>(0.59)</u>	<u>(0.62)</u>

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一七年十二月三十一日 At 31 December 2017

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註	
Non-current Assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	15	224,270
Prepaid lease payments	預付租賃款項	16	1,678
Goodwill	商譽	17	4,328
Intangible assets	無形資產	18	226,762
			<u>457,038</u>
			516,382
Current Assets	流動資產		
Inventories	存貨		123
Trade and other receivables	應收貿易及其他賬款	20	3,727
Prepaid lease payments	預付租賃款項	16	33
Value-added tax ("VAT") recoverable	可收回增值稅 (「增值稅」)		6,797
Bank balances and cash	銀行結餘及現金	21	15,015
			<u>25,695</u>
			17,124
Current Liabilities	流動負債		
Trade and other payables	應付貿易及其他賬款	22	36,665
Bank borrowings	銀行借貸	23	17,100
			<u>53,765</u>
			51,169
Net Current Liabilities	流動負債淨額		<u>(28,070)</u>
			(34,045)
Total Assets less Current Liabilities	總資產減流動負債		
			<u>428,968</u>
			482,337

綜合財務狀況表（續）

Consolidated Statement of Financial Position (Continued)

於二零一七年十二月三十一日 At 31 December 2017

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註	
Capital and Reserves	資本及儲備		
Share capital	股本	26	28,275
Share premium and reserves	股份溢價及儲備		90,097
Equity attributable to owners of the Company	本公司擁有人應佔權益		118,372
Non-controlling interests	非控股權益	28	103,985
Total Equity	權益總額		222,357
Non-current Liabilities	非流動負債		
Amount due to a shareholder of the Company	應付本公司股東款項	24	9,093
Amounts due to non-controlling shareholders of a subsidiary and its related parties	應付一間附屬公司之非控股股東及其關連方款項	24	142,933
Bank borrowings	銀行借貸	23	-
Deferred tax liabilities	遞延稅項負債	25	54,585
			206,611
			428,968

The consolidated financial statements on pages 53 to 163 were approved and authorised for issue by the Board of Directors on 21 March 2018 and are signed on its behalf by:

第53頁至第163頁所載之綜合財務報表已於二零一八年三月二十一日由董事會批核及授權刊發，並由下列董事代表簽署：

WENG LIN LEI

翁凜磊

DIRECTOR

董事

CHEUNG TUEN TING

張端亭

DIRECTOR

董事

綜合股本權益變動表

Consolidated Statement of Changes in Equity

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests		Total
		Share capital	Capital reserve	Share premium	Other reserve	Translation reserve	Share options reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	資本儲備	股份溢價	其他儲備	換算儲備	購股權儲備	累計虧損	小計	非控股權益	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	19,800	7,540	172,652	-	(60)	-	(119,415)	80,517	-	80,517
Exchange differences arising on translation of financial statements to presentation currency	將財務報表換算為呈列貨幣產生之匯兌差額	-	-	-	-	(4,859)	-	-	(4,859)	(4,694)	(9,553)
Loss for the year	本年度虧損	-	-	-	-	-	-	(33,224)	(33,224)	(5,965)	(39,189)
Loss and total comprehensive expense for the year	本年度虧損及全面支出總額	-	-	-	-	(4,859)	-	(33,224)	(38,083)	(10,659)	(48,742)
Issue of ordinary shares	發行普通股	8,475	-	50,850	-	-	-	-	59,325	-	59,325
Acquisition of Yichang Zhongyou (note 30)	收購宜昌中油(附註30)	-	-	-	-	-	-	-	-	99,340	99,340
Deemed capital contribution arising from non-current interest-free loan from a shareholder of the Company and non-controlling shareholders of a subsidiary and its related parties (note 24)	本公司股東及一間附屬公司之非控股股東及其關連方提供非即期免息貸款產生之視作注資(附註24)	-	-	-	16,613	-	-	-	16,613	15,304	31,917
At 31 December 2016	於二零一六年十二月三十一日	28,275	7,540	223,502	16,613	(4,919)	-	(152,639)	118,372	103,985	222,357
Exchange differences arising on translation of financial statements to presentation currency	將財務報表換算為呈列貨幣產生之匯兌差額	-	-	-	-	4,572	-	-	4,572	5,288	9,860
Loss for the year	本年度虧損	-	-	-	-	-	-	(33,225)	(33,225)	(6,773)	(39,998)
Profit (loss) and total comprehensive income (expense) for the year	本年度溢利(虧損)及全面收入(支出)總額	-	-	-	-	4,572	-	(33,225)	(28,653)	(1,485)	(30,138)
Recognition of share-based payments (note 27)	確認以股份為基礎的付款(附註27)	-	-	-	-	-	2,446	-	2,446	-	2,446
Deemed capital contribution arising from non-current interest-free loan from a shareholder of the Company and non-controlling shareholders of a subsidiary and its related parties (note 24)	本公司股東及一間附屬公司之非控股股東及其關連方提供非即期免息貸款產生之視作注資(附註24)	-	-	-	15,489	-	-	-	15,489	10,953	26,442
At 31 December 2017	於二零一七年十二月三十一日	28,275	7,540	223,502	32,102	(347)	2,446	(185,864)	107,654	113,453	221,107

The capital reserve represents the difference between the nominal value of the share capital issued by the Company and the fair value allocated to the separable net assets of the subsidiaries at the date of acquisition arisen from a group reorganisation in March 2000.

資本儲備指二零零零年三月之集團重組所產生本公司所發行股本面值與附屬公司可分割資產淨額於收購日獲指定之公平值之差額。

綜合現金流動表

Consolidated Statement of Cash Flows

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Notes 附註		
OPERATING ACTIVITIES			
Loss before tax	經營業務 除稅前虧損	(41,917)	(40,774)
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備之 折舊	6,365	5,792
Amortisation of intangible assets	無形資產攤銷	9,478	8,290
Amortisation of prepaid lease payments	預付租賃款項攤銷	33	33
Finance costs	財務成本	5,670	39
Interest income	利息收入	(3)	(4)
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	1,293	374
Gain on disposal of a subsidiary	出售一間附屬公司收益	(2,000)	-
Share-based payment expense	以股份為基礎的付款開支	2,446	-
Operating cash flows before movements in working capital	營運資金變動前之 經營現金流量	(18,635)	(26,250)
Decrease in trade and other receivables	應收貿易及其他賬款減少	1,336	138
Increase in inventories	存貨增加	(198)	(17)
Increase in trade and other payables	應付貿易及其他賬款增加	5,624	789
NET CASH USED IN OPERATING ACTIVITIES	經營業務所耗之現金淨額	(11,873)	(25,340)
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	投資活動 收購物業、廠房及設備	(24,970)	(82,689)
Interest received	已收利息	3	4
Proceeds from disposal of property, plant and equipment	出售物業、廠房及 設備所得款項	-	255
Net cash outflow arising from acquisition of Yichang Zhongyou	收購宜昌中油產生之 現金流出淨額	(9,999)	(54,971)
Cash inflow arising from disposal of a subsidiary	出售一間附屬公司產生的 現金流入	2,000	-
Increase in VAT recoverable	可收回增值稅增加	(349)	(711)
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(33,315)	(138,112)

綜合現金流動表（續）

Consolidated Statement of Cash Flows (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註	
FINANCING ACTIVITIES	融資活動		
Proceeds from issue of new ordinary shares	發行新普通股所得款項	-	59,325
Advance from a shareholder of the Company	本公司股東墊款	18,360	11,000
Advances from non-controlling shareholders of a subsidiary and its related parties	一間附屬公司之非控股股東及其關連方墊款	33,986	88,440
New bank borrowings raised	已籌集新增銀行借貸	5,850	-
Repayments of bank borrowings	償還銀行借貸	(17,550)	(3,480)
Repayments of loans from non-controlling shareholders	償還非控股股東貸款	(2,644)	-
Interest paid	已付利息	(1,398)	(1,506)
NET CASH FROM FINANCING ACTIVITIES	融資活動所得現金淨額	<u>36,604</u>	<u>153,779</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等額減少淨額	(8,584)	(9,673)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及現金等額	15,015	24,869
Effect of foreign exchange rate changes	外匯匯率變動之影響	638	(181)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash	於十二月三十一日之現金及現金等額，指銀行結餘及現金	<u>7,069</u>	<u>15,015</u>

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

1. GENERAL

Global Strategic Group Limited (the “Company”) is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (Revised) of the Cayman Islands and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The immediate holding company is Global Strategic (Holding) Group Limited since 2 September 2014, which is a private limited company established in Samoa. The directors of the Company (the “Directors”) consider that the ultimate holding company is Global Strategic Fund Holdings Limited, which is a private company incorporated in Hong Kong. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section of the annual report.

In prior years and up to the acquisition of 宜昌中油天然氣利用有限公司 (Yichang Zhongyou Natural Gas Utilisation Co., Ltd.*) (“Yichang Zhongyou”) in February 2016, the Group’s functional currency was Hong Kong Dollars (“HK\$”). The Directors had evaluated the primary economic environment in which the Group operates, including the underlying investment activities and strategy of the Group after the acquisition of Yichang Zhongyou in February 2016 and had determined that the functional currency of the Company changed from HK\$ to Renminbi (“RMB”). The effects of the change of the functional currency of the Company had been accounted for prospectively since last year. The consolidated financial statements were continued to be presented in HK\$, which was considered to be more relevant as the shares of the Company were listed in the Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 37.

1. 一般資料

環球戰略集團有限公司(「本公司」)在開曼群島根據開曼群島經修訂公司法註冊成立為獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)GEM上市。環球戰略(控股)有限公司自二零一四年九月二日起成為直接控股公司，其為於薩摩亞成立私人有限公司。本公司董事(「董事」)認為，環球戰略基金控股有限公司(一間於香港註冊成立之私營公司)為最終控股公司，其為於香港成立之私人有限公司。本公司註冊辦事處及主要營業地點之地址已於年報內企業資訊一節中披露。

於過往年度及直至於二零一六年二月收購宜昌中油天然氣利用有限公司(「宜昌中油」)止，本集團的功能貨幣為港元(「港元」)。董事已評估本集團經營所處的主要經濟環境，包括本集團於二零一六年二月收購宜昌中油後的相關投資活動及戰略，並已確定將本公司的功能貨幣由港元變更為人民幣(「人民幣」)。變更本公司功能貨幣的影響已自去年起作出前瞻性會計處理。綜合財務報表繼續以港元呈列，港元被認為更具相關性，因為本公司股份於香港聯合交易所有限公司上市。

本公司為一間投資控股公司，其附屬公司之主要業務載於附註37。

* English name is for identification purpose only.

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The Directors have given careful consideration to the going concern of the Group in light of the fact that the Group incurred a net loss of HK\$39,998,000 for the year ended 31 December 2017 and, as of that date, the Group's current liabilities exceeded its current assets by HK\$34,045,000. In addition, as at 31 December 2017, the Group had capital commitments amounting to HK\$5,693,000 as disclosed in note 32.

As at 31 December 2017, Global Strategic (Holding) Group Limited, the immediate holding company of the Company, has agreed to provide sufficient funds to the Group so that the Group will be able to meet all current obligations as they fall due in the coming twelve months after the year ended 31 December 2017.

Taking into account the above factors, the Directors are of the opinion that, together with the internal financial resources of the Group, the Group has sufficient working capital for its present requirements, that is for at least the next twelve months commencing from the date of the consolidated financial statements. Hence, the consolidated financial statements have been prepared on a going concern basis.

2. 綜合財務報表之編製基準

鑑於本集團於截至二零一七年十二月三十一日止年度產生虧損淨額39,998,000港元以及截至當日本集團的流動負債較其流動資產超出34,045,000港元，董事已仔細考慮本集團的持續經營情況。此外，誠如附註32所披露，於二零一七年十二月三十一日，本集團擁有資本承擔5,693,000港元。

於二零一七年十二月三十一日，本公司之直接控股公司環球戰略（控股）集團有限公司已同意向本集團提供充足資金，以便本集團能夠償付截至二零一七年十二月三十一日止年度後未來十二個月的所有到期即期債務。

經計及上述因素，董事認為，連同本集團的內部財務資源，本集團擁有充足營運資金可滿足自綜合財務報表日期起計至少未來十二個月的現時需求。因此，綜合財務報表已按持續經營基準編製。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) for the first time in the current year:

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to HKFRS 12	<i>As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle</i>

Except as disclosed below, the application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效之香港財務報告準則修訂本

本集團於當前年度首次採用下列香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則修訂本：

香港會計準則 第7號修訂本	披露主動性
香港會計準則 第12號修訂本	就未變現虧損確認遞延稅項資產
香港財務報告準則 第12號修訂本	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分

除下文所披露者外，於當前年度應用該等香港財務報告準則修訂本對本集團於當前及過往年度之財務表現及狀況及／或該等綜合財務報表所載披露並無重大影響。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 7 Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 35. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 35, the application of these amendments has had no impact on the Group’s consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港會計準則第7號修訂本「披露主動性」

本集團已於當前年度首次採用該等修訂。該等修訂要求實體提供披露資料，讓財務報表的使用者得以評估融資活動所產生負債之變動（包括現金及非現金變動）。此外，該等修訂亦要求當金融資產的現金流量已經或未來現金流量將會計入融資活動所得現金流量時，實體須披露有關金融資產之變動。

具體而言，該等修訂要求披露下列各項：(i) 融資現金流量的變動；(ii) 取得或喪失附屬公司或其他業務控制權所引起的變動；(iii) 外匯匯率變動的影響；(iv) 公平值的變動；及(v) 其他變動。

該等項目期初及期末結餘之對賬載於附註35。為符合該等修訂的過渡條文，本集團並無披露過往年度的比較資料。除附註35的額外披露外，採用該等修訂對本集團綜合財務報表並無影響。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs and interpretations that have been issued but are not yet effective:

HKFRS 9	<i>Financial Instruments</i> ¹
HKFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i> ¹
HKFRS 16	<i>Leases</i> ²
HKFRS 17	<i>Insurance Contracts</i> ⁴
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i> ¹
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> ²
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ¹
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ¹
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> ²
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> ²
Amendments to HKAS 28	<i>As part of the Annual Improvements to HKFRSs 2014-2016 Cycle</i> ¹
Amendments to HKAS 40	<i>Transfers of Investment Property</i> ¹
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2015-2017 Cycle</i> ²

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團尚無提早採納下列已頒佈但尚未生效之新訂香港財務報告準則及修訂本以及詮釋：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	來自客戶合約之收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價 ¹
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理之不確定因素 ²
香港財務報告準則第2號修訂本	以股份為基礎付款交易之分類及計量 ¹
香港財務報告準則第4號修訂本	與香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第9號修訂本	提早還款特性及負補償 ²
香港財務報告準則第10號及香港會計準則第28號修訂本	投資者與其聯營公司或合營企業之間資產出售或注資 ³
香港會計準則第28號修訂本	於聯營公司及合營企業之長期權益 ²
香港會計準則第28號修訂本	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分 ¹
香港會計準則第40號修訂本	轉撥投資物業 ¹
香港財務報告準則修訂本	香港財務報告準則二零一五年至二零一七年週期之年度改進 ²

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

New and revised HKFRSs in issue but not yet effective (Continued)

- 1 Effective for annual periods beginning on or after 1 January 2018
- 2 Effective for annual periods beginning on or after 1 January 2019
- 3 Effective for annual periods beginning on or after a date to be determined
- 4 Effective for annual periods beginning on or after 1 January 2021

Except for the new and amendments to HKFRSs and Interpretations mentioned below, the Directors anticipate that the application of all new and amendments to HKFRSs and interpretations will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 9 *Financial Instruments*

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂香港財務報告準則（續）

- 1 於二零一八年一月一日或以後開始之年度期間生效
- 2 於二零一九年一月一日或以後開始之年度期間生效
- 3 於將予釐定之日期或以後開始之年度期間生效
- 4 於二零二一年一月一日或以後開始之年度期間生效

除上述新訂及香港財務報告準則及修訂本以及詮釋外，董事預計，應用所有新訂及經修訂香港財務報告準則及詮釋於可見未來不會對綜合財務報表產生重大影響。

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號引入了有關金融資產、金融負債、一般對沖會計法的分類及計量的新規定及對金融資產的減值規定。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 *Financial Instruments* (Continued)

Key requirements of HKFRS 9, which are relevant to the Group, are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other financial assets are measured at their fair value at subsequent accounting periods.
- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號「金融工具」（續）

與本集團有關的香港財務報告準則第9號的主要規定如下：

- 屬香港財務報告準則第9號範圍內的所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，目的為收取合約現金流量的業務模式下持有以及附有純粹作本金及尚未償還本金利息付款的合約現金流量的債務投資，一般於其後會計期間結束時按攤銷成本計量。所有其他金融資產於其後會計期間按公平值計量。
- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，信貸虧損毋須再待發生信貸事件後才確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 *Financial Instruments* (Continued)

Based on the Group’s financial instruments and risk management policies as at 31 December 2017, the Directors anticipate that there will be potential impact on impairment on the Group’s financial assets upon initial application of HKFRS 9. In general, the Directors anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the Directors, if the expected credit loss model was to be applied by the Group, the accumulated amount of impairment loss to be recognised by the Group as at 1 January 2018 would be slightly increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade and other receivables and bank balance and cash. Such further impairment recognised under expected credit loss model would increase the opening accumulated losses at 1 January 2018.

HKFRS 15 *Revenue from contracts with customers*

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號「金融工具」（續）

根據本集團於二零一七年十二月三十一日之金融工具及風險管理政策，董事預計初步應用香港財務報告準則第9號時可能會對本集團金融資產之減值產生影響。總體而言，董事預計採用香港財務報告準則第9號的預期信貸損失模式，將導致就有關集團按經攤銷成本計量的金融資產，以及於本集團採用香港財務報告準則第9號時須作出減值撥備的其他項目之尚未產生信貸損失需提早作出撥備。

根據董事所作評估，倘本集團應用預期信貸虧損模式，則本集團於二零一八年一月一日將予確認的減值虧損累計金額將較根據香港會計準則第39號確認的累計金額略微增加，主要乃由於應收貿易及其他賬款、銀行結餘及現金的預期信貸虧損撥備。根據預期信貸虧損模式確認的有關進一步減值將增加二零一八年一月一日的經營累計虧損。

香港財務報告準則第15號「來自客戶合約之收益」

香港財務報告準則第15號已頒佈並建立了一個單一的綜合模型，以確認來自客戶合約的收入。當香港財務報告準則第15號生效時，將取代現時沿用的收益確認指引，包括香港會計準則第18號「收益」，香港會計準則第11號「建築合約」及相關的詮釋。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 Revenue from contracts with customers (Continued)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號「來自客戶合約之收益」（續）

香港財務報告準則第15號的核心原則乃一個實體應確認收益以體現向客戶轉讓承諾貨品或服務的數額，並反映實體預期交換該等貨品或服務而應得的代價。具體來說，該準則引入了五步法來確認收益：

- 第1步：確定與一個客戶的合約
- 第2步：確定合約內的履約義務
- 第3步：釐定交易價格
- 第4步：將交易價格分攤至合約內的履約義務
- 第5步：當實體符合履約義務時確認收益

根據香港財務報告準則第15號，當一個實體符合履約義務時確認收益，即當貨品或服務按特定的履約義務轉移並由客戶「控制」時。更為規範的指引已加入香港財務報告準則第15號內以處理特別的情況。此外，香港財務報告準則第15號亦要求較廣泛的披露。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 Revenue from contracts with customers (Continued)

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Directors have assessed the impact on application of HKFRS 15 in the future may result in more disclosures, however, the Directors do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue from trading of copper, sales of natural gas, IT solution services and pipeline installation services.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號「來自客戶合約之收益」（續）

於二零一六年，香港會計師公會頒佈香港財務報告準則第15號的澄清，內容有關識別履約責任、主體代理安排以及許可應用指引。

董事已評估採用香港財務報告準則第15號之影響日後可能導致須作出更多披露，然而，董事預計，採用香港財務報告準則第15號將不會對買賣銅、銷售天然氣、資訊科技解決方案服務及管道安裝服務所得收益之時間及金額產生重大影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號於生效時將取代香港會計準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及租賃低值資產外，經營租約與融資租賃的差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use while other operating lease payments are presented as operating cash flows. Upon application of the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows by the Group, respectively.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of HK\$1,173,000 as disclosed in note 31. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

使用權資產初步按成本計量，而其後乃按成本（若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債初步按並非於該日支付之租賃付款現值計量。其後，租賃負債會就利息及租賃付款以及（其中包括）租賃修訂的影響而作出調整。就現金流量分類而言，本集團現時將有關自用租賃土地之前期預付租賃付款呈列為投資現金流量，而其他經營租約付款則呈列為營運現金流量。於應用香港財務報告準則第16號後，有關租賃負債之租賃付款將分配為本金及利息部分（由本集團呈列為融資及經營現金流量）。

根據香港會計準則第17號，本集團已就租賃土地（本集團為承租人）確認資產及有關融資租賃負債，以及確認預付租賃款項。應用香港財務報告準則第16號可能導致該等資產分類的潛在變動，視乎本集團是否分開呈列使用權資產或按將呈列相應有關資產（如擁有）相同項目呈列。

此外，香港財務報告準則第16號要求全面披露。

誠如附註31所披露，本集團於二零一七年十二月三十一日擁有不可撤銷經營租約承擔1,173,000港元。初步評估顯示，該等安排將符合項下租賃之定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應的負債，除非有關租賃符合低價值或短期租賃。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

In addition, the Group currently considers refundable rental deposits paid of HK\$497,000 as rights under leases to which HKAS17 applies. Based on the definition of lease payments under HKFRS16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

HK(IFRIC)-Int 22 Foreign Currency Transactions and Advance Consideration

HK(IFRIC)-Int 22 addresses how to determine the “date of transaction” for the purpose of determining the exchange rate to use on initial recognition of an asset, expense or income, when consideration for that item has been paid or received in advance in a foreign currency which resulted in the recognition of a non-monetary asset or non-monetary liability (for example a non-refundable deposit or deferred revenue).

The interpretation specifies that the date of transaction is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance, the interpretation requires an entity to determine the date of transaction for each payment or receipt of advance consideration.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」（續）

此外，本集團目前認為已付可退回租賃按金497,000港元乃租賃項下的權利及義務，香港會計準則第17號對其適用。根據香港財務報告準則第16號租賃款項的定義，上述按金並非與相關資產使用權有關的款項，因此，上述按金的賬面值可予調整至攤銷成本，而有關調整乃被視為額外租賃款項。已付可退回租賃按金的調整將計入有使用權的資產的賬面值。

此外，應用新規定可能導致上文所述計量、呈列及披露發生變動。

香港（國際財務報告詮釋委員會）－詮釋第22號「外幣交易及預付代價」

香港（國際財務報告詮釋委員會）－詮釋第22號解決了當資產、開支或收入項目之代價已以外幣預先支付或收取並導致確認非貨幣資產或非貨幣負債（如不可退還按金遞延收益）時，如何確定用於釐定初步確認該等項目所用匯率之「交易日期」之方法。

該詮釋列明，交易日期為實體初步確認預付代價付款或收款所產生非貨幣資產或非貨幣負債之日。尚有多項預付或預收款項，詮釋規定實體須就各項預付代價付款或收款確定交易日期。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HK(IFRIC)-Int 22 *Foreign Currency Transactions and Advance Consideration* (Continued)

The Directors do not anticipate that the application of HK(IFRIC)-Int 22 will have a material impact on foreign currency transactions and advance consideration of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (“GEM Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港（國際財務報告詮釋委員會）－詮釋第22號「外幣交易及預付代價」（續）

董事預期，應用香港（國際財務報告詮釋委員會）－詮釋第22號將不會對本集團之外幣交易及預付代價產生重大影響。

4. 重要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表亦載入交易所GEM證券上市規則（「GEM上市規則」）及香港公司條例所規定之適用披露資料。

誠如下文所載會計政策所闡釋，綜合財務報表乃於各報告期完結時根據歷史成本基準編製。

歷史成本一般是基於為換取貨品及服務而支付代價之公平值。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

4. 重要會計政策（續）

公平值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公平值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公平值乃按此基準釐定，惟屬於香港財務報告準則第2號「以股份為基礎的付款」範圍內的以股份為基礎付款交易、屬於香港會計準則第17號「租賃」範圍內的租賃交易，以及與公平值有部分相若地方但並非公平值的計量，譬如香港會計準則第2號「存貨」內的可變現淨值或香港會計準則第36號「資產減值」的使用價值除外。

非金融資產的公平值計量乃經計及一名市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的其他市場參與者而能夠產生經濟利益的能力。

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場的報價（未經調整）；

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

4. 重要會計政策（續）

- 第二級輸入數據是就資產或負債直接或間接地可觀察的輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司及其附屬公司所控制實體之財務報告。倘屬以下情況，則本公司取得控制權：

- 可對投資對象行使權力；
- 藉參與投資對象的業務而可或有權獲得可變回報；及
- 有能力行使其權力而影響其回報。

倘事實及情況顯示以上所列控制權三個要素之一個或多個有所變動，本集團會重估其是否控制投資對象。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

4. 重要會計政策（續）

綜合基準（續）

若本集團投資對象的投票權不足大多數，則當投票權足以有實際能力指導投資對象的相關單邊活動，本集團的權力高於投資對象。本集團考慮在評估本集團對投資對象的投票權是否能賦予其權力時會考慮所有相關事實及情況，包括：

- 本集團相對於其他投票持有者持有規模及分佈情況的投票權所持有的規模；
- 本集團、其他投票持有者或其他方持有的潛在投票權；
- 來自其他合約安排的權利；及
- 任何表明本集團有或無現有能力的於需要作出決定時指導相關活動的額外事實及情況，包括於之前股東大會的投票模式。

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及支出乃自本集團取得控制權之日起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司之日為止。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's amounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combination

Acquisition of business is accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively.

4. 重要會計政策（續）

綜合基準（續）

損益及各個其他全面收益項目歸屬至本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬至本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

於有需要時會調整附屬公司之財務報告，使其會計政策與本集團所採用者一致。

本集團內公司間之資產及負債、權益、收入、開支以及有關本集團成員公司間交易之現金流量已於綜合賬目時全數對銷。

業務合併

業務收購乃採用收購法入賬。於業務合併轉撥的代價按公平值計量，而公平值按本集團所轉撥的資產、本集團對被收購方的前擁有人產生的負債及本集團為換取對被收購方的控制權而發行的股權於收購日期的公平值的總和計算。收購相關成本通常於產生時在損益確認。

於收購日期，所收購的可識別資產及所承擔的負債按彼等的公平值確認，惟遞延稅項資產或負債及與僱員福利安排有關的資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量則除外。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combination (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

4. 重要會計政策（續）

業務合併（續）

商譽按所轉撥的代價、於被收購方的任何非控股權益金額及收購方先前所持有被收購方股權（若有）的公平值的總和超出所收購的可識別資產及所承擔的負債於收購日期的淨額的數額計量。倘（經重新評估後）所收購可識別資產及所承擔負債的淨額高於所轉撥的代價、於被收購方的任何非控股權益金額及收購方先前於被收購方所持權益（如有）的公平值的總和，則超出的數額即時於損益中確認為議價購買收益。

屬現有所有權權益並賦予其持有人權利於清盤時按比例分佔相關附屬公司的淨資產的非控股權益，初步按非控股權益按比例應佔被收購方可識別資產淨值的已確認金額或公平值計量。計量基準按個別交易基準選擇。

商譽

因收購業務所產生的商譽乃按於收購業務當日確定的成本（見上文的會計政策）減累計減值虧損（如有）列賬。

就減值測試而言，商譽將分配至預計自合併的協同效應中受惠的本集團各現金產生單位（或現金產生單位組別），有關現金產生單位指出於內部管理目的而監察商譽的最低層級，並不大於一個營運分部。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill (Continued)

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when goods are delivered and titles have passed.

4. 重要會計政策（續）

商譽（續）

已獲分配商譽的現金產生單位（或現金產生單位組別）每年或倘有跡象顯示有關單位可能出現減值時更頻密地進行減值測試。就於報告期內的收購所產生的商譽而言，已獲分配商譽的現金產生單位（或現金產生單位組別）於報告期結束前進行減值測試。倘可收回金額低於其賬面值，則首先會分配減值虧損以削減任何商譽的賬面值，其後再根據單位（或現金產生單位組別）內各資產的賬面值按比例將減值虧損分配至其他資產。

於出售相關現金產生單位時，會於釐定出售的損益金額時計入商譽的應佔金額（或本集團於其中監控商譽的現金產生單位組別中的任一現金產生單位）。

收益確認

收益按已收或應收代價之公平值計量。收益因估計客戶退貨、回扣及其他類似撥備而減少。

收益乃於收益金額能可靠計量；未來經濟利益可能流向本集團及本集團各項活動均已達成特定標準時（如下文所述）確認。

貨品銷售收益於交付貨品及轉移擁有權時確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract and is recognised when services are provided. Installation fees are recognised by reference to the proportion of the total cost of the provision of the pipeline installation service.

Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

4. 重要會計政策（續）

收益確認（續）

提供服務之合約收益乃根據合約完成階段確認並於提供服務時確認。安裝費根據提供管道安裝服務總成本之比例確認。

利息收入乃根據未償還本金額及適用之實際利率（即於金融資產預計有效年期內將估計未來現金收款貼現至該資產於初始確認時訂定之賬面淨值之比率）並按時間比例計算。

租賃

凡租賃條款將擁有權之所有風險及回報大致轉移至承租人之租賃，均列作融資租賃。所有其他租賃均列作經營租賃。

本集團作為承租人

經營租賃款項（包括收購根據經營租賃持有之土地之成本）於相關租期按直線基準確認為開支。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing (Continued)

Leasehold land and building

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

4. 重要會計政策（續）

租賃（續）

租賃土地及樓宇

當本集團就包括租賃土地及樓宇部份的物業權益付款時，本集團評估各部份的分類，根據評估各部份所有權附帶的絕大部份風險及回報是否已轉讓至本集團而將其分類，除非肯定兩個部份均屬經營租賃，於此情況下，物業整體以經營租賃入賬。特別是，全部代價（包括任何一次性預付款項）於初始確認時按租賃土地部份及樓宇部份中租賃權益相對公平值比例在土地與樓宇部份之間分配。

在相關付款可作可靠分配的情況下，入賬列為經營租賃的租賃土地權益於綜合財務狀況表中呈列為「預付租賃款項」，並於租期內以直線基準攤銷。當租金無法在租賃土地部份與樓宇部份間可靠分配時，整份物業通常按租賃土地屬融資租賃之方式分類。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

4. 重要會計政策（續）

外幣

於編製各個別集團實體之財務報告時，以該實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率確認。於報告期完結時，以外幣列值之貨幣項目均按該日之適用匯率重新換算。按公平值列賬並以外幣計值之非貨幣項目按公平值釐定當日之適用匯率重新換算。按歷史成本以外幣計量的非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目時所產生之匯兌差額會於所產生期間之損益中確認。

就呈列綜合財務報表而言，本集團業務的資產及負債乃使用於各報告期完結時通行的匯率換算為本集團的呈列貨幣（即港元）。收支項目乃按期間的平均匯率換算，除非匯率於期內大幅波動，在此情況下，則使用於交易日期的現行匯率換算。所產生的匯兌差額（如有）乃於其他全面收益內確認，並於換算儲備一項下於權益內累計（歸屬於非控股權益，倘適用）。

收購海外業務所產生的可識別購入資產的商譽及公平值調整乃被視作該海外業務的資產及負債，並按於各報告期完結時通行的匯率換算。所產生的匯兌差額乃於其他全面收入內確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefit costs

Payments to the defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

4. 重要會計政策（續）

借貸成本

收購、建設或生產合資格資產（其必須大量時間方可作其擬定用途或銷售的資產）直接應佔的借貸成本乃加至該等資產的成本，直至該等資產大致上可作其擬定用途或銷售為止。

所有其他借貸成本乃於其產生的期間內於損益內確認。

退休福利成本

定額供款退休福利計劃之供款於僱員提供服務令其合資格享有供款時確認為支出。

短期僱員福利

短期僱員福利乃按僱員提供服務時預期將予支付之未貼現福利金額確認。所有短期僱員福利均確認為開支。

僱員之應計福利（例如工資及薪金、年假及病假）乃於扣減任何已付金額後確認負債。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Share-based payment arrangements

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share capital and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

4. 重要會計政策（續）

以股份為基礎的付款安排

以股權結算以股份為基礎的付款交易

授予僱員的購股權

股權結算以股份為基礎之付款予僱員及提供同類服務的其他人士按股本工具於授出日期的公平值計量。

以授出當日（並無考慮非市場性質的歸屬條件）之公平值來釐定的以股權結算股份支付款項，按本集團估計權益工具將會最終歸屬的期間以直線法支銷，並於權益中（購股權儲備內）作相應增加。於各報告期末，本集團會根據所有相關非市場性質的歸屬條件的評估，修正其預計歸屬股本投資數量之估算。從修改原有估算產生之影響（如有者）於損益內確認，其累計開支反映已修正之估算，而購股權儲備亦作相應調整。就於授出日期即時歸屬的購股權而言，授出購股權的公平值即時於損益支銷。

當購股期權獲行使時，過往於購股權儲備中確認之數額將轉移至股本及股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，過往於購股權儲備中確認之數額將轉移至累計虧損內。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “loss before tax” as reported in the consolidated statement of profit or loss and other comprehensive income because of income and expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

4. 重要會計政策（續）

稅項

所得稅支出指即期應付稅項及遞延稅項之總和。

本期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報「除稅前虧損」不同，此乃由於其他年度應課稅或可扣稅之收入及開支，以及永不用課稅或永不可扣稅之項目所致。本集團之即期稅項負債乃於報告期完結時按已頒佈或實質上已頒佈之稅率計算。

遞延稅項按就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用之相應稅基之臨時差額確認。遞延稅項負債一般就所有應課稅臨時差額確認，遞延稅項資產一般就所有可扣稅臨時差額確認，直至應課稅溢利可用作抵銷該等可扣稅臨時差額。若於一項交易中初始確認（並非於業務合併中）資產及負債致使臨時差異既不影響應課稅溢利亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。此外，倘初始確認商譽產生臨時差異，則不予確認遞延稅項負債。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss.

4. 重要會計政策（續）

稅項（續）

有關於附屬公司投資之應課稅臨時差額確認為遞延稅負債，除非本集團能夠控制臨時差額之撤回而臨時差額很可能在可見未來將不會被撤回則除外。與該等投資及權益有關之可扣稅臨時差額所產生之遞延稅項資產僅會在有充足之應課稅溢利以抵銷動用臨時差額之利益且預期於可見將來可予撥回時予以確認。

遞延稅項資產之賬面值於各報告期完結時作檢討，並扣減直至再無可能有足夠應課稅溢利復原全部或部份資產價值為止。

遞延稅項資產及負債乃根據報告期完結時已頒佈或實質上頒佈之稅率（及稅務法例），按預期於負債償還或資產收回期間適用之稅率計算。

遞延稅項負債及資產之計量反映本集團於報告期完結時，預期對收回或償還其資產及負債賬面值之方式產生之稅務後果。

即期及遞延稅項於損益確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment

Property, plant and equipment including buildings held for use in the supply of goods or services, or for administrative purposes (other than properties under construction as described below) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than properties under construction) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

4. 重要會計政策（續）

物業、廠房及設備

物業、廠房及設備包括持作用於供應貨品或服務或用作行政用途的樓宇（下述在建工程除外），乃按成本值減除其後之累計折舊及其後累計減值虧損（如有）後於綜合財務狀況表列賬。

用作生產、供應或行政目的之在建物業按成本減任何已確認減值虧損列賬。成本包括專業費用及（就合資格資產而言）根據本集團會計政策資本化的借貸成本。該等物業於完工及可供用於擬定用途時分類至物業、廠房及設備的適當類別。該等資產按與其他物業資產相同的基準折舊，並於資產可供用於其擬定用途時開始計算。

確認折舊乃採用直線法按估計可使用年期撇銷資產（在建工程除外）之成本減其剩餘價值。估計使用年期、剩餘價值及折舊方法於各報告期結束時審閱，任何估計變動的影響按前瞻基準入賬。

物業、廠房及設備項目會在出售或當預期繼續使用資產不會帶來未來經濟利益時解除確認。出售物業、廠房及設備項目或停止使用產生之任何收益或虧損被釐定為銷售所得款項與資產賬面值間之差額，於損益確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

4. 重要會計政策（續）

無形資產

單獨收購之無形資產

單獨收購之有限可使用年期之無形資產乃按成本減累計攤銷及任何累計減值虧損入賬。有限可使用年期之無形資產之攤銷乃按直線基準於其估計可使用年期確認。於各報告期間結束時，均會檢討估計可使用年期及攤銷方法，而評估之任何改變的影響按未來使用基準入賬。單獨收購之無限可用年期之無形資產乃按成本減任何其後累計減值虧損入賬。

內部產生的無形資產—研發開支

研究活動之開支於產生期間確認為開支。

業務合併中收購的無形資產

業務合併中收購的無形資產與商譽分開確認，初步按其於收購日期的公平值確認（視作其成本）。

初步確認後，業務合併中收購的具有特定使用年期的無形資產根據另外已收購無形資產的相同基準，按成本減累計攤銷及任何累計減值虧損申報。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets (Continued)

Intangible assets acquired in a business combination

(Continued)

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives is tested for impairment at least annually, and whenever there is an indication that they may be impaired.

When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

4. 重要會計政策（續）

無形資產（續）

業務合併中收購的無形資產（續）

無形資產乃於出售後或當預期使用或出售該資產不會產生未來經濟利益時終止確認。終止確認無形資產產生之收益及虧損（以該資產之出售所得款項淨額與賬面值之差額計算）將於終止確認該資產時在損益中確認。

有形及無形資產（商譽（見上文有關商譽之會計政策）除外）之減值

於報告期完結時，本集團檢討其有限可使用年期有形及無形資產之賬面值以決定是否有任何顯示該等資產受到減值虧損。如出現任何該等顯示，則應估計該資產之相關可回收金額以釐定其減值虧損（如有）程度。無特定使用年期的無形資產乃至少每年及每當有跡象顯示可能減值時進行減值測試。

倘無法估計個別資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可按合理及一致分配基準識別之最小組別現金產生單位。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Impairment on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

4. 重要會計政策（續）

有形及無形資產（商譽（見上文有關商譽之會計政策）除外）之減值（續）

可收回金額為公平值減銷售成本與使用價值兩者中之較高值。於評估使用價值時，乃以反映目前市場對金錢時間價值及資產（或現金產生單位）於估計未來現金流量調整前之獨有風險之稅前貼現率將估計未來現金流量貼現至現值。

倘估計資產（或現金產生單位）之可收回金額少於其賬面值，資產（或現金產生單位）之賬面值下調至其可收回金額。於分配減值虧損時，則減值虧損將首先分配以調低任何商譽（如有）之賬面值，其後根據該單位內各資產之賬面值按比例分配至其他資產。資產的賬面值不會扣減至低於其公平值減出售成本（倘可計量）、其使用價值（倘可釐定）及零中的最高者。將另行分配至資產的減值虧損金額按比例分配至該單位的其他資產。減值虧損即時於損益確認。

倘減值虧損於其後撥回，則該項資產（或現金產生單位）之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超出假設過往年度並無就該項資產（或現金產生單位）確認減值虧損時原應釐定之賬面值。減值虧損撥回即時於損益確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

4. 重要會計政策（續）

存貨

存貨乃按成本與可變現淨值兩者中的較低者入賬。存貨成本乃採用先進先出法釐定。可變現淨值為存貨的估計售價減所有估計完工成本及作出銷售所需成本。

金融工具

當集團實體成為有關工具合約條款之一方時，會確認金融資產及金融負債。

金融資產和金融負債在初始確認時會以公平值進行計量。直接歸屬於購置或發行金融資產及金融負債之交易費用，在初始確認時按適用情況計入或扣自各金融資產或金融負債之公平值。

金融資產

金融資產分類為貸款及應收款項。分類視乎金融資產的性質及目的而定並於首次確認時釐定。金融資產之所有一般買賣於交易日確認及不再確認。一般買賣指規定於市場之規例或慣例確立之時限內交付資產的金融資產買賣。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

4. 重要會計政策（續）

金融工具（續）

金融資產（續）

實際利率法

實際利率法為計算債務工具之攤銷成本及按有關期間攤分利息收入之方法。實際利率指可將債務工具在預計有效年期或較短年期（如適用）內之估計未來現金收入（包括所有構成實際利率整體部分之已付或已收費用及基點、交易成本及其他溢價或折讓）準確貼現至初始確認時之賬面淨值之比率。

債務工具利息收入按實際利率法確認。

貸款及應收賬款

貸款及應收賬款指並非於活躍市場報價而具有固定或可確定付款之非衍生金融資產。於初始確認後，貸款及應收賬款（包括貿易及其他應收賬款、銀行結餘及現金）乃按使用實際利率法之已攤銷成本並扣除任何減值列賬。

利息收入應用實際利率法確認，惟確認利息屬不重大的短期應收賬款除外。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 to 180 days, observable changes in national or local economic conditions that correlate with default on receivables.

4. 重要會計政策（續）

金融工具（續）

金融資產（續）

金融資產之減值

金融資產會於各報告期完結時評估有否出現減值跡象。當有客觀證據顯示金融資產之估計未來現金流因初始確認後發生之一項或多項事件而受到影響時，即會對該金融資產確認減值。

減值的客觀證據可包括：

- 發行人或對手方遇到嚴重財政困難；或
- 違約，如欠付或拖欠利息或本金還款；或
- 借款人有可能破產或進行財務重組。

為應收賬款組合作出減值之客觀證據包括本集團過往之收款經驗、組合內延遲付款超過30至180日平均信貸期之數量有所增加、國家或地方經濟環境出現與應收賬款違約相關聯的可觀察變動。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade and other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 重要會計政策（續）

金融工具（續）

金融資產（續）

金融資產之減值（續）

就按攤銷成本列賬之金融資產而言，所確認之減值虧損金額按資產之賬面值及估計未來現金流按原有實際利率貼現之現值之差額計量。

所有金融資產之賬面值均直接減去其減值虧損，惟應收貿易及其他賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當應收貿易及其他賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回先前撇銷的金額會計入損益。

就按攤銷成本計量之金融資產而言，倘減值虧損金額其後有所減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將於損益中予以撥回，惟該投資於減值被撥回當日之賬面值不得超過若無確認該減值時之已攤銷成本。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

4. 重要會計政策（續）

金融工具（續）

金融負債及權益工具

集團實體發行之債務及權益工具根據合約安排之實質內容以及金融負債及權益工具之定義分類為金融負債及權益。

權益工具

權益工具指能證明擁有實體資產在減除其所有負債後之剩餘權益之任何合約。本集團發行之權益工具按實得款項（扣除直接發行成本）入賬。

實際利率法

實際利率法乃計算金融負債的攤銷成本及按有關期間攤分利息開支的方法。實際利率為將估計未來現金付款（包括構成實際利率整體部分的所有已付或已收費用及代價、交易成本及其他溢價或折價）透過金融負債的預期年期或（倘適用）更短期間準確折現至首次確認時的賬面淨值的利率。

利息開支按實際利率法確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities at amortised cost

Financial liabilities including bank borrowings, trade and other payables, amount due to a shareholder of the Company, amounts due to non-controlling shareholders of a subsidiary and its related parties are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 重要會計政策（續）

金融工具（續）

金融負債及權益工具（續）

按攤銷成本列賬之金融負債

金融負債（包括銀行借貸、應付貿易及其他賬款、應付本公司股東款項及應付一間附屬公司之非控股股東及其關連方款項）其後運用實際利率法以攤銷成本計量。

解除確認

僅當對資產現金流之合約權利屆滿時，或轉讓金融資產及將金融資產所有權所附帶之絕大部份風險及回報轉移予另一實體後，本集團即會解除確認該項金融資產。倘本集團並無轉讓亦無保留擁有權之絕大部分風險及回報，並繼續控制已轉讓資產，本集團確認其於資產內的保留權益，並就其可能須支付的款項確認相關負債。倘本集團保留已轉讓金融資產擁有權之絕大部分風險及回報，則本集團繼續確認金融資產，同時亦就已收取之所得款項確認有抵押借貸。

解除確認一項金融資產時，該資產賬面值與已收及應收代價總額間之差額於損益中確認。

當及僅當本集團之義務解除、取消或已到期時，本集團方解除確認金融負債。解除確認之金融負債之賬面值與已付及應付代價間之差額於損益中確認。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going 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.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

5. 估計不明朗因素的主要來源

在應用附註4所述本集團會計政策時，董事須就不能從其他途徑明確判定的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及被認為相關的其他因素作出。實際結果可能與該等估計存在差異。

估計及相關假設會按持續基準予以檢討。會計估計的修訂會於估計修訂期間（若修訂僅對該期間產生影響），或於修訂期間或未來期間（若修訂對當前及未來期間均產生影響）確認。

估計不明朗因素的主要來源

以下為於報告期完結時就未來和其他估計不明朗因素的主要來源所作出的主要假設，此等假設可致使對下一個財政年度的資產賬面值作出重大調整的重大風險。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Estimated impairment of intangible assets and goodwill

Determining whether intangible assets and goodwill are impaired requires an estimation of the recoverable amount of the intangible assets and the cash-generating unit to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value-in-use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss/further impairment loss may arise. As at 31 December 2017, the carrying amount of intangible assets is HK\$228,902,000 (without recognition of impairment) (2016: HK\$226,762,000, without recognition of impairment), while the carrying amount of goodwill is HK\$4,556,000 (without recognition of impairment) (2016: HK\$4,328,000, without recognition of impairment). Details of the estimation of recoverable amount of the related cash-generating unit determined by value-in-use calculation are disclosed in note 19.

Useful lives of property, plant and equipment

In applying the accounting policy on property, plant and equipment with respect to depreciation, the management estimates the useful lives of various categories of property, plant and equipment according to the experiences over the usage of them and also by reference to the relevant industrial norm. If the actual useful lives of them are less than the original estimated useful lives due to changes in commercial and technological environment, such difference will impact the depreciation charge for the remaining useful life. As at 31 December 2017, the carrying amount of property, plant and equipment was HK\$281,191,000 (2016: HK\$224,270,000).

5. 估計不明朗因素的主要來源（續）

估計不明朗因素的主要來源（續）

估計無形資產及商譽減值

釐定無形資產及商譽是否減值須對無形資產及已獲分配商譽之現金產生單位的可收回金額（為使用價值或公平價值減出售成本中的較高者）作出估計。計算使用價值須本集團估計預期將從該現金產生單位產生的未來現金流量及貼現率，以計算現值。倘實際未來現金流量少於預期，或事實及情況變動導致下調未來現金金額，則可能產生重大減值虧損／進一步減值虧損。於二零一七年十二月三十一日，無形資產的賬面值為228,902,000港元（未確認減值）（二零一六年：226,762,000港元，未確認減值），而商譽的賬面值為4,556,000港元（未確認減值）（二零一六年：4,328,000港元，未確認減值）。按使用價值計算釐定的相關現金產生單位可收回金額的估計詳情披露於附註19。

物業、廠房及設備的可使用年期

於應用物業、廠房及設備折舊的相關會計政策時，管理層會根據有關使用經驗及參考相關行業標準，估計各不同類別物業、廠房及設備的可使用年期。如物業、廠房及設備之實際可使用年期因商業及技術環境轉變而少於原估計可用年期，有關差異將影響剩餘可使用年期之折舊開支。於二零一七年十二月三十一日，物業、廠房及設備的賬面值為281,191,000港元（二零一六年：224,270,000港元）。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

6. REVENUE

Revenue represents the amounts received and receivable for goods sold in respect of its commodity trading business, natural gas sales business and services rendered in establishing and providing secure electronic payment processing platform and pipeline installation.

An analysis of the Group's revenue for the year is as follows:

6. 收益

收益指就商品貿易業務及天然氣銷售業務中已售貨品以及於成立及提供安全電子付款處理平台及管道安裝時所提供服務之已收及應收金額。

本集團於年內之收益分析如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Sales of goods	銷售貨品		
Trading of copper	買賣銅	41,843	32,293
Sales of natural gas	銷售天然氣	5,718	1,421
		47,561	33,714
Rendering of services	提供服務		
IT solution services	資訊科技解決方案服務	636	1,428
Pipeline installation services	管道安裝服務	2,188	1,237
		2,824	2,665
Total revenue	總收益	50,385	36,379

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

7. SEGMENT INFORMATION

The operating segments have been identified on the basis of internal management reports prepared in accordance with accounting policies conforming to HKFRSs, that are regularly reviewed by the executive directors of the Company, who are identified as the chief operating decision makers (“CODM”) for the purpose of allocating resources to segments and assessing their performance. The Group has three (2016: three) operating and reportable segments.

Specifically, the Group’s operating and reportable segments under HKFRS 8 are as follows:

- Trading of copper – including income from trading of copper
- IT solution services – including services rendered in establishing and providing secure electronic payment processing platform and the services rendered in establishing the mobile application platform for customer’s design of garments
- Natural gas operations – including investment in natural gas projects, sales of natural gas, natural gas cooking appliance and accessories and pipeline installation.

7. 分類資料

經營分類乃基於遵循香港財務報告準則之會計政策而編製之內部管理報告予以識別，由本公司執行董事（為主要經營決策者（「主要經營決策者」））定期審閱，以向分類分配資源及評估其表現。本集團有三個（二零一六年：三個）經營及可報告分類。

具體而言，根據香港財務報告準則第8號，本集團的經營及可報告分類如下：

- 買賣銅—包括銅金屬貿易之收入
- 資訊科技解決方案服務—包括就成立及提供安全電子付款處理平台提供之服務以及建立客戶設計成衣所需移動應用平台所提供之服務
- 天然氣業務—包括投資天然氣項目、銷售天然氣、天然氣煮食用具及配件以及管道安裝

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

7. SEGMENT INFORMATION (Continued)

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

For the year ended 31 December 2017

		Trading of copper 買賣銅 HK\$'000 千港元	IT solution services 資訊科技 解決方案服務 HK\$'000 千港元	Natural gas operations 天然氣業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
REVENUE	收益				
External and total revenue	對外銷售及總收益	41,843	636	7,906	50,385
Segment loss	分類虧損	(8)	(1,506)	(15,200)	(16,714)
Other income and other gains and losses	其他收入及其他收益及虧損				154
General and administrative expenses	一般及行政支出				(25,357)
Loss before tax	除稅前虧損				(41,917)

7. 分類資料（續）

分類收益及業績

以下為按可報告及經營分類對本集團來自經營業務的收益及業績作出的分析：

截至二零一七年十二月三十一日止年度

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

7. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

For the year ended 31 December 2016

		Trading of copper 買賣銅 HK\$'000 千港元	IT solution services 資訊科技 解決方案服務 HK\$'000 千港元	Natural gas operations 天然氣業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
REVENUE	收益				
External and total revenue	對外銷售及總收益	32,293	1,428	2,658	36,379
Segment loss	分類虧損	(104)	(2,254)	(13,316)	(15,674)
Other income and other gains and losses	其他收入及其他收益及虧損				(339)
General and administrative expenses	一般及行政支出				(24,761)
Loss before tax	除稅前虧損				(40,774)

7. 分類資料（續）

分類收益及業績（續）

截至二零一六年十二月三十一日止年度

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

7. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies described in note 4. Segment loss represent the loss incurred from each segment without allocation of headquarter income and expenses (including other income, other gains and losses and general and administrative expenses). This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

Segment assets

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trading of copper	買賣銅	5,909	3,184
IT solution services	資訊科技解決方案服務	5,656	8,162
Natural gas operations	天然氣業務	512,266	447,985
Total segment assets	分類資產總額	523,831	459,331
Bank balances and cash	銀行結餘及現金	935	10,611
Other receivables	應收其他賬款	1,337	2,420
Property, plant and equipment	物業、廠房及設備	5,883	8,851
Intangible assets	無形資產	1,520	1,520
Consolidated assets	綜合資產	533,506	482,733

7. 分類資料（續）

分類收益及業績（續）

經營及可報告分類之會計政策與附註4所述本集團會計政策相同。分類虧損指各分類產生之虧損，並未分配總部收入及支出（包括其他收入、其他收益及虧損及一般及行政支出）。此乃就資源分配及表現評估向身為主要經營決策者匯報之方法。

分類資產及負債

以下為按經營及可報告分類對本集團資產及負債作出的分析：

分類資產

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

7. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

Segment liabilities

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trading of copper	買賣銅	8	7
IT solution services	資訊科技解決方案服務	149	225
Natural gas operations	天然氣業務	285,241	239,767
Total segment liabilities	分類負債總額	285,398	239,999
Other payables	應付其他賬款	1,646	11,284
Amount due to a shareholder of the Company	應付本公司股東款項	25,355	9,093
Consolidated liabilities	綜合負債	312,399	260,376

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than bank balances and cash, other receivables, property, plant and equipment, and intangible assets used and held by the headquarter; and
- all liabilities are allocated to operating segments other than other payables and amount due to a shareholder of the Company liable for by the headquarter.

7. 分類資料（續）

分類資產及負債（續）

分類負債

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trading of copper	買賣銅	8	7
IT solution services	資訊科技解決方案服務	149	225
Natural gas operations	天然氣業務	285,241	239,767
Total segment liabilities	分類負債總額	285,398	239,999
Other payables	應付其他賬款	1,646	11,284
Amount due to a shareholder of the Company	應付本公司股東款項	25,355	9,093
Consolidated liabilities	綜合負債	312,399	260,376

為監察分類表現及於分類之間分配資源：

- 所有資產均被分配至經營分類，惟銀行結餘及現金、應收其他賬款、物業、廠房及設備以及總部使用及持有之無形資產除外；及
- 所有負債均被分配至經營分類，惟總部所用應付其他賬款及應付本公司股東款項除外。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

7. SEGMENT INFORMATION (Continued)

7. 分類資料（續）

Other segment information

其他分類資料

		Trading of copper	IT solution services	Natural gas operations	Unallocated	Consolidated
		買賣銅	解決方案服務	天然氣業務	未分配	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
2017	二零一七年					
Amounts included in the measure of segment loss:	納入計量分類虧損之金額：					
Depreciation	折舊	-	84	4,278	2,003	6,365
Amortisation of intangible assets	無形資產攤銷	-	1,800	7,678	-	9,478
Release of prepaid lease payments	預付租賃款項回撥	-	-	33	-	33
2016	二零一六年					
Amounts included in the measure of segment loss:	納入計量分類虧損之金額：					
Depreciation	折舊	-	56	3,556	2,180	5,792
Amortisation of intangible assets	無形資產攤銷	-	1,800	6,490	-	8,290
Release of prepaid lease payments	預付租賃款項回撥	-	-	33	-	33

Geographical information

地區資料

All of the Group's revenue and non-current assets by location of customers or by location of assets are within the People's Republic of China (the "PRC"), including Hong Kong and Macau.

按客戶所在地或按資產所在地劃分之本集團所有收益及非流動資產均位於中華人民共和國（「中國」），包括香港及澳門。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

7. SEGMENT INFORMATION (Continued)

Information about major customers

The following table sets out the revenue from customers contributing over 10% of the total sales of the Group during the year.

Customer A	客戶A
Customer B	客戶B
Customer C	客戶C
Customer D	客戶D

7. 分類資料（續）

有關主要客戶之資料

下表載列年內貢獻本集團總銷售額10%以上之客戶所帶來之收益。

Year ended 31 December 截至十二月三十一日止年度

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Customer A	16,829	–
Customer B	9,226	–
Customer C	6,436	4,678
Customer D	–	27,615
	32,491	32,293

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

8. OTHER GAINS AND LOSSES

8. 其他收益及虧損

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Gain on disposal of a subsidiary (Note)	出售一間附屬公司收益（附註）	2,000	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	(1,293)	(374)
		707	(374)

Note: On 7 August 2017, the Group entered into a share transfer agreement with an independent third party, pursuant to which the Group agreed to dispose of its 100% equity interest in Honest (Macau Commercial Offshore) Limited ("Honest MCO") for a cash consideration of HK\$2,000,000. Honest MCO did not have any assets and liabilities on the date of disposal, and such disposal was completed on 7 August 2017, resulting in a gain on disposal of a subsidiary of HK\$2,000,000 credited to profit or loss.

The related consideration of HK\$2,000,000 has been received by the Group in the current year.

附註：於二零一七年八月七日，本集團與一名獨立第三方訂立股份轉讓協議，據此，本集團同意以現金代價2,000,000港元出售其於至誠（澳門離岸商業服務）有限公司（「至誠澳門離岸商業服務」）之全部股權。於出售日期，至誠澳門離岸商業服務並無任何資產及負債，且該項出售已於二零一七年八月七日完成，致令出售一間附屬公司之收益2,000,000港元計入損益。

本集團已於本年度收取相關代價2,000,000港元。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

9. FINANCE COSTS

9. 財務成本

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bank borrowings	銀行借貸利息	1,398	1,506
Imputed interest on loan from non-controlling shareholders and its related parties	非控股股東及其關連方提供貸款之估算利息	18,215	7,794
		<u>19,613</u>	<u>9,300</u>
Less: amounts capitalised in construction in progress	減：在建工程中資本化之金額	(13,943)	(9,261)
		<u>5,670</u>	<u>39</u>

The weighted average capitalisation rate was 9.83% for the year ended 31 December 2017 (2016 : 9.72%).

截至二零一七年十二月三十一日止年度之加權平均資本化率為9.83%（二零一六年：9.72%）。

10. INCOME TAX CREDIT

10. 所得稅抵免

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current tax:	即期稅項：		
Hong Kong	香港	1	38
PRC Enterprise Income Tax	中國企業所得稅	-	-
		<u>1</u>	<u>38</u>
Deferred tax credit (note 25):	遞延稅項抵免（附註25）：	(1,920)	(1,623)
		<u>(1,919)</u>	<u>(1,585)</u>

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

10. INCOME TAX CREDIT (Continued)

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2016: 25%). The tax rate of Hong Kong Profits tax in respect of the HK subsidiaries is 16.5% (2016: 16.5%).

No provision for the PRC Enterprise Income Tax has been made in the consolidated financial statements, since the PRC subsidiaries had no assessable profits in both years.

The income tax credit for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅抵免（續）

根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實施細則，中國附屬公司的稅率為25%（二零一六年：25%）。有關香港附屬公司的香港利得稅稅率為16.5%（二零一六年：16.5%）。

由於兩個年度中國附屬公司並無應課稅溢利，故並無於綜合財務報表中作出中國企業所得稅撥備。

本年度之所得稅抵免與載於綜合損益及其他全面收益表之除稅前虧損對賬如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before tax	除稅前虧損	(41,917)	(40,774)
Tax credit at PRC Enterprise Income Tax rate of 25% (2016: 25%)	按中國企業所得稅率25% (二零一六年：25%) 計算之稅項抵免	(10,479)	(10,194)
Tax effect of expenses not deductible for tax purposes	不可扣減稅項支出之稅務影響	3,080	450
Tax effect of income not taxable for tax purposes	免稅收入之稅務影響	(501)	(42)
Tax effect of tax losses/deductible temporary difference not recognised	未確認稅項虧損／可扣暫時性差額之稅務影響	6,107	7,618
Utilisation of tax losses previously not recognised	動用過往未確認之稅項虧損	(127)	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營附屬公司之不同稅率之影響	-	(29)
Others	其他	1	612
Income tax credit for the year	本年度之所得稅抵免	(1,919)	(1,585)

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

11. LOSS FOR THE YEAR

11. 年內虧損

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss for the year has been arrived at after charging:	年內虧損已經扣除：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊		
– included in general and administrative expenses	– 計入一般及行政支出	2,678	2,800
– included in selling and distribution cost	– 計入銷售及分銷成本	3,687	2,992
		6,365	5,792
Amortisation of intangible assets (included in selling and distribution cost)	無形資產攤銷 (計入銷售及分銷成本)	9,478	8,290
Release of prepaid lease payments (included in general and administrative expenses)	預付租賃款項回撥 (計入一般及行政支出)	33	33
Total depreciation and amortisation	折舊及攤銷總額	15,876	14,115
Staff cost (including directors)	員工成本（包括董事）		
– Salaries, allowance and other benefits	– 工資、薪金及其他福利	7,815	12,081
– Contribution to retirement benefit schemes	– 退休福利計劃供款	88	86
– Share-based payment expenses	– 以股份為基礎的開支	2,446	–
		10,349	12,167
Auditor's remuneration	核數師酬金	1,043	971
Minimum lease payments in respect of rented premises	就租賃物業之最低租賃付款	2,924	3,867
Cost of inventories recognised as an expense	確認為開支之存貨成本	46,049	33,295
Loss on disposal of property, plant and equipment (included in other gains and losses)	出售物業、廠房及設備之虧損 (計入其他收益及虧損)	1,293	374
and after crediting:	及已計入：		
Interest income	利息收入	3	4

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

During the year, included in staff costs of HK\$10,349,000 (2016: HK\$12,167,000), emoluments paid to Directors were amounted to HK\$4,031,000 (2016: HK\$7,395,000), details of which are set out below:

Directors' emoluments

Year ended 31 December 2017

		Fees	Salaries and other benefits	Performance related incentive payments	Equity-settled share option expense	Retirement benefits scheme contributions	Total directors' emoluments
		袍金	薪金及其他福利	與表現相關獎金	以股權結算的購股權開支	退休福利計劃供款	董事酬金總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Name of executive directors 執行董事姓名 (附註e)				(Note a)			
	(Note e)			(附註a)			
Weng Lin Lei ("Mr. Weng")	翁凜磊 (「翁先生」)	-	892	-	110	-	1,002
Cheung Tuen Ting (Note d)	張端亭 (附註d)	-	62	-	1,103	3	1,168
Leung Tsz Man (Note c)	梁子汶 (附註c)	-	830	-	-	11	841
Name of independent non-executive directors 獨立非執行董事姓名 (附註g)							
	(Note g)						
Leung Oh Man, Martin	梁傲文	145	-	-	110	-	255
Kwan Sin Yee	關倩兒	145	-	-	110	-	255
Sun Zhi Jun	孫志軍	145	-	-	110	-	255
Huang Yu Jun	黃玉君	145	-	-	110	-	255
		580	1,784	-	1,653	14	4,031

12. 董事、行政總裁及僱員酬金

年內，僱員成本10,349,000港元（二零一六年：12,167,000港元）包括已付董事酬金4,031,000港元（二零一六年：7,395,000港元），詳情載於下文：

董事酬金

截至二零一七年十二月三十一日止年度

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors' emoluments (Continued)

Year ended 31 December 2016

Name of executive directors (Note e)	Fees	Salaries and other benefits	Performance related incentive payments	Equity-settled share option expense	Retirement benefits scheme contributions	Total directors' emoluments
		袍金 HK\$'000 千港元	薪金及其他福利 HK\$'000 千港元	與表現相關獎金 HK\$'000 千港元 (Note a) (附註a)	以股權結算的購股權開支 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元
Weng Lin Lei	翁凜磊	-	1,250	-	-	1,250
Leung Tsz Man (Note c)	梁子汶 (附註c)	-	1,450	-	18	1,468
Wei Yue Tong (Note b)	魏月童 (附註b)	-	1,872	-	-	1,872
Fan Wei Guo (Note b)	范衛國 (附註b)	-	697	-	-	697
Zheng Jian Peng (Note b)	鄭健鵬 (附註b)	-	808	-	9	817
Name of non-executive directors (Note f)	非執行董事姓名 (附註f)					
Zheng Zhu Ping (Note b)	鄭祝平 (附註b)	-	692	-	9	701
Name of independent non-executive directors (Note g)	獨立非執行董事姓名 (附註g)					
Chiu Wai Piu (Note b)	焦惠標 (附註b)	70	-	-	-	70
Leung Oh Man, Martin	梁傲文	130	-	-	-	130
Kwan Sin Yee	關倩兒	130	-	-	-	130
Sun Zhi Jun	孫志軍	130	-	-	-	130
Huang Yu Jun	黃玉君	130	-	-	-	130
		590	6,769	-	36	7,395

12. 董事、行政總裁及僱員酬金 (續)

董事酬金 (續)

截至二零一六年十二月三十一日止年度

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors' emoluments (Continued)

Notes:

- (a) There was no payment of the performance related incentive payments for both years.
- (b) Mr. Wei Yue Tong, Mr. Fan Wei Guo, Mr. Zheng Jian Peng and Mr. Zheng Zhu Ping were resigned on 3 June 2016, while Mr. Chiu Wai Piu was resigned on 16 June 2016.
- (c) Ms. Leung Tsz Man was appointed on 24 August 2015 and resigned on 26 July 2017.
- (d) Mr. Cheung Tuen Ting was appointed on 26 July 2017.
- (e) The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.
- (f) The non-executive director's emoluments shown above were for the services as director of the Company and its subsidiaries.
- (g) The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

12. 董事、行政總裁及僱員酬金（續）

董事酬金（續）

附註：

- (a) 兩個年度均未支付與表現相關獎金。
- (b) 魏月童先生、范衛國先生、鄭健鵬先生及鄭祝平先生於二零一六年六月三日辭任，而焦惠標先生於二零一六年六月十六日辭任。
- (c) 梁子汶女士於二零一五年八月二十四日獲委任，並於二零一七年七月二十六日辭任。
- (d) 張端亭先生於二零一七年七月二十六日獲委任。
- (e) 以上所載執行董事之薪金乃主要針對彼等對本公司及本集團管理事務提供之服務。
- (f) 以上所載非執行董事之薪金乃主要針對彼等作為本公司及其附屬公司董事之服務。
- (g) 以上所載獨立非執行董事之薪金乃主要針對彼等作為本公司董事之服務。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included two directors (2016: five directors), details of whose remuneration are set out in note 12 above. Details of the remuneration for the year of the remaining three (2016: nil) highest paid employees who are neither a director nor chief executive of the Company are as follows:

13. 五名最高薪人士

本集團於年內的五名最高薪僱員包括兩名董事（二零一六年：五名董事），彼等之酬金詳情載於上文附註12。年內其於三名（二零一六年：無）非本公司董事或最高行政人員的最高薪酬人士的薪酬如下：

		Year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 HK\$'000 千港元 (Note) (附註)	2016 二零一六年 HK\$'000 千港元
Salaries, allowances and benefits in kind	工資、薪金及實物福利	2,865	—
Performance related bonuses	表現相關花紅	—	—
Equity-settled share option expense	以股權結算的購股權開支	108	—
Retirement benefits	退休福利	30	—
		3,003	—

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

13. FIVE HIGHEST PAID EMPLOYEES (Continued)

The number of the highest paid employees who are not the directors of the Group whose remuneration fell within the following bands is as followings:

		2017 二零一七年 No. of employees 僱員人數	2016 二零一六年 No. of employees 僱員人數
Nil to HK\$1,000,000 (Note)	零至1,000,000港元（附註）	2	—
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	—	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	1	—
		3	—

During the year, certain non-director and non-chief executive highest paid employees were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 27 to the Group's consolidated financial statements.

Note: This includes the remuneration of one staff after resigning as the executive director during the year ended 31 December 2017.

13. 五名最高薪人士（續）

非本公司董事或最高行政人員的最高薪酬人士的薪酬位於以下區間：

	2017 二零一七年 No. of employees 僱員人數	2016 二零一六年 No. of employees 僱員人數
Nil to HK\$1,000,000 (Note)	2	—
HK\$1,000,001 to HK\$1,500,000	—	—
HK\$1,500,001 to HK\$2,000,000	1	—
	3	—

年內，若干非董事及非最高行政人員的最高薪酬僱員根據本公司購股權計劃，就彼等向本集團提供的服務而獲授購股權。購股權計劃詳情載於本集團綜合財務報表附註27。

附註：於截至二零一七年十二月三十一日止年度，該金額包括一名辭任執行董事員工的薪酬。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

14. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

Loss figures are calculated as follows:

Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損之本公司擁有人應佔本年度虧損
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損之普通股加權平均數

The computation of diluted loss per share for the year ended 31 December 2017 does not assume the exercise of the Company's outstanding share options, as this would result in the decrease in the loss per share. Diluted loss per share was the same as basic loss per share as there were no potential ordinary shares in issue for the year ended 31 December 2016.

14. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

虧損數據計算如下：

Year ended 31 December 截至十二月三十一日止年度	
2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(33,225)	(33,224)
5,655,000	5,377,131
'000 千股	'000 千股

計算截至二零一七年十二月三十一日止年度的攤薄虧損時假設本公司流通在外購股權未獲行使，原因乃其會導致每股虧損減少。於截至二零一六年十二月三十一日止年度，每股攤薄虧損與每股基本虧損相同，因為於所有呈列年度並無潛在已發行普通股。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings	Computer system and equipment	Furniture and fixtures	Leasehold improvements	Motor vehicles	Pipeline and equipment	Construction in progress	Total
		樓宇	電腦系統及設備	傢俬及裝置	租賃裝修	汽車	管道及設備	在建工程	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
COST	成本								
At 1 January 2016	於二零一六年一月一日	3,223	653	297	2,675	7,027	-	-	13,875
Acquired on acquisition of Yichang Zhongyou (note 30)	收購宜昌中油時購入(附註30)	6,184	-	880	-	603	58,492	62,482	128,641
Additions	添置	-	166	111	51	-	710	99,412	100,450
Transfers	轉讓	-	-	-	-	-	2,100	(2,100)	-
Disposals	出售	-	(3)	(87)	(518)	(320)	-	-	(928)
Exchange adjustments	匯兌調整	(547)	(5)	(63)	(143)	(68)	(3,073)	(6,797)	(10,696)
At 31 December 2016	於二零一六年十二月三十一日	8,860	811	1,138	2,065	7,242	58,229	152,997	231,342
Additions	添置	416	283	413	-	-	121	51,454	52,687
Transfers	轉讓	-	-	-	1,183	-	153,025	(154,208)	-
Disposals	出售	-	(72)	(239)	(1,999)	-	-	-	(2,310)
Exchange adjustments	匯兌調整	467	33	76	84	28	3,096	8,465	12,249
At 31 December 2017	於二零一七年十二月三十一日	9,743	1,055	1,388	1,333	7,270	214,471	58,708	293,968
DEPRECIATION	折舊								
At 1 January 2016	於二零一六年一月一日	67	119	37	283	1,315	-	-	1,821
Provided for the year	年內撥備	314	152	203	466	1,665	2,992	-	5,792
Eliminated on disposals	出售時撇銷	-	(1)	(26)	(155)	(117)	-	-	(299)
Exchange adjustments	匯兌調整	(19)	(1)	(13)	(24)	(48)	(137)	-	(242)
At 31 December 2016	於二零一六年十二月三十一日	362	269	201	570	2,815	2,855	-	7,072
Provided for the year	年內撥備	346	203	298	340	1,557	3,621	-	6,365
Eliminated on disposals	出售時撇銷	-	(43)	(104)	(870)	-	-	-	(1,017)
Exchange adjustments	匯兌調整	27	17	17	29	19	248	-	357
At 31 December 2017	於二零一七年十二月三十一日	735	446	412	69	4,391	6,724	-	12,777
CARRYING VALUES	賬面值								
At 31 December 2017	於二零一七年十二月三十一日	9,008	609	976	1,264	2,879	207,747	58,708	281,191
At 31 December 2016	於二零一六年十二月三十一日	8,498	542	937	1,495	4,427	55,374	152,997	224,270

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The above items of property, plant and equipment, other than construction in progress, are depreciated on a straight-line basis over the following estimated useful lives after taking into account the residual values as follows:

Buildings	2.3% – 19%
Computer system and equipment	20% – 33 $\frac{1}{3}$ %
Furniture and fixtures	9.5% – 33 $\frac{1}{3}$ %
Leasehold improvements	20%
Motor vehicles	9.5% – 23.8%
Pipeline and equipment	4.8% – 9.5%

16. PREPAID LEASE PAYMENTS

15. 物業、廠房及設備（續）

以上物業、廠房及設備項目，除在建工程外，均在計及殘餘價值後於以下估計可使用年內按直線法折舊：

樓宇	2.3% – 19%
電腦系統及設備	20% – 33 $\frac{1}{3}$ %
傢俬及裝置	9.5% – 33 $\frac{1}{3}$ %
租賃裝修	20%
汽車	9.5% – 23.8%
管道及設備	4.8% – 9.5%

16. 預付租賃款項

As at 31 December

於十二月三十一日

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysed for reporting purposes as:	為報告目的而分析如下：		
Current – assets	流動－資產	35	33
Non-current – assets	非流動－資產	1,733	1,678
		1,768	1,711

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

17. GOODWILL

17. 商譽

		HK\$'000 千港元
COST	成本	
At 1 January 2016	於二零一六年一月一日	–
Arising on acquisition of Yichang Zhongyou (note 30)	收購宜昌中油時產生（附註30）	4,556
Exchange adjustment	匯兌調整	<u>(228)</u>
At 31 December 2016	於二零一六年十二月三十一日	4,328
Exchange adjustment	匯兌調整	<u>228</u>
At 31 December 2017	於二零一七年十二月三十一日	<u>4,556</u>
CARRYING VALUES	賬面值	
At 31 December 2017	於二零一七年十二月三十一日	<u>4,556</u>
At 31 December 2016	於二零一六年十二月三十一日	<u>4,328</u>

Particulars regarding impairment testing on goodwill are disclosed in note 19.

有關商譽減值測試的詳情於附註19中披露。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

18. INTANGIBLE ASSETS

18. 無形資產

		Car license	Cost of mobile application	Natural gas supply exclusive rights	Total
		車牌	流動應用程式成本	天然氣獨家供應權	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
		(Note a)	(Note b)	(Note c)	
		(附註a)	(附註b)	(附註c)	
COST	成本				
At 1 January 2016	於二零一六年一月一日	1,520	9,000	-	10,520
Acquired on acquisition of Yichang Zhongyou (note 30)	收購宜昌中油時購入 (附註30)	-	-	236,400	236,400
Exchange adjustments	匯兌調整	-	-	(11,820)	(11,820)
At 31 December 2016	於二零一六年十二月三十一日	1,520	9,000	224,580	235,100
Exchange adjustments	匯兌調整	-	-	11,820	11,820
At 31 December 2017	於二零一七年十二月三十一日	1,520	9,000	236,400	246,920
AMORTISATION	攤銷				
At 1 January 2016	於二零一六年一月一日	-	300	-	300
Charge for the year	年內扣除	-	1,800	6,490	8,290
Exchange adjustments	匯兌調整	-	-	(252)	(252)
At 31 December 2016	於二零一六年十二月三十一日	-	2,100	6,238	8,338
Charge for the year	年內扣除	-	1,800	7,678	9,478
Exchange adjustments	匯兌調整	-	-	202	202
At 31 December 2017	於二零一七年十二月三十一日	-	3,900	14,118	18,018
CARRYING VALUES	賬面值				
At 31 December 2017	於二零一七年十二月三十一日	1,520	5,100	222,282	228,902
At 31 December 2016	於二零一六年十二月三十一日	1,520	6,900	218,342	226,762

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

18. INTANGIBLE ASSETS (Continued)

Notes:

- (a) Car license represented the China/Hong Kong cross border car license acquired from an independent third party. The Directors are of the opinion that the car license has an indefinite useful life as the car license is transferrable and able to renew on an annual basis with minimal cost and hence no amortisation is provided. At the end of the reporting period, the car license is carried at cost less any subsequent accumulated impairment losses.
- (b) The mobile application represents the web-based and mobile application platform for customer's design of garments. The mobile application has finite useful life and is amortised on a straight-line basis over 5 years.
- (c) The natural gas supply exclusive rights arose from the Group's acquisition of Yichang Zhongyou completed on 24 February 2016 and is amortised over the remaining years of the contractual period of 30 years till the years ranging from 2041 to 2044.

18. 無形資產（續）

附註：

- (a) 車牌指於向獨立第三方收購之中港跨境車牌。董事認為，鑒於車牌可轉讓及能夠以極低成本每年續領，其可使用年期為無限，因此並無計提攤銷。於報告期完結時，車牌乃按成本減任何其後累計減值虧損列賬。
- (b) 流動應用程式指用於客戶設計服裝之網絡及流動應用平台。流動應用程式具有有限可使用年期並以直線法按五年攤銷。
- (c) 天然氣獨家供應權產生於本集團於二零一六年二月二十四日完成收購宜昌中油，並於直至二零四一年至二零四四年止30年之剩餘合約期內攤銷。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

19. IMPAIRMENT TESTING ON GOODWILL

For the purposes of impairment testing, goodwill set out in note 17 has been allocated to one individual cash-generating unit, i.e. the subsidiary Yichang Zhongyou. The carrying amount of goodwill (without impairment losses recognised) as at 31 December 2017 allocated to the unit are as follows:

Yichang Zhongyou – natural gas operations	宜昌中油－天然氣業務 operations
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The recoverable amount of this unit has been determined based on a value-in-use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a 5-year period, and discount rate of 16.67%. Yichang Zhongyou's cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry in which Yichang Zhongyou operates. Other key assumptions for the value-in-use calculation relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on Yichang Zhongyou's past performance and management's expectations for the market development. Management believes that 2% decrease in net profit margin and 1% increase in discount rate would be the reasonably possible change in respect of the sensitivity analysis of the value-in-use calculation of the cash-generating unit. Where net profit margin decreased by 2% or the discount rate increased by 1%, no impairment loss would be recognised on goodwill and intangible assets respectively.

19. 商譽減值測試

就減值測試而言，附註17所載商譽已分配至一個單一現金產生單位，即附屬公司宜昌中油。分配至該單位之商譽（並未確認減值虧損）於二零一七年十二月三十一日的賬面值如下：

As at 31 December
於十二月三十一日

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
4,556	4,328

該單位的可收回金額乃按使用價值計算方法釐定。該計算方法採用基於管理層批准的五年期財政預算作出的現金流量預測及16.67%的折現率。宜昌中油於五年期後的現金流量乃採用3%的穩定增長率推測所得。該增長率乃基於相關行業增長預測，並不超過宜昌中油經營所在相關行業的平均長期增長率。使用價值計算方法所採用的其他關鍵假設涉及現金流入／流出（包括預算銷售額及毛利率）的估計，該估計乃基於宜昌中油的過往表現及管理層對市場發展的預期而作出。管理層相信，就該現金產生單位使用價值計算的敏感度分析而言，純利率下跌2%及折現率上升1%將為合理可能變動。倘現金流量預測中純利率下跌2%，或倘折現率上升1%，則不會就商譽及無形資產確認減值虧損。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

20. TRADE AND OTHER RECEIVABLES

20. 應收貿易及其他賬款

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables	應收貿易賬款	12	78
Other receivables	應收其他賬款		
Deposits	按金	503	509
Prepayments	預付款項	1,094	2,330
Loan to a third party (Note)	提供予一名第三方之 貸款（附註）	720	684
Others	其他	224	126
		2,541	3,649
Total trade and other receivables	應收貿易及其他賬款總額	2,553	3,727

Note: The amount of loan to a third party was unsecured, interest free and expected to be collected within one year.

The Group allows an average credit period of 30 to 180 days (2016: 30 to 180 days) for its IT solution business. For trading of copper, deposits are usually required and the remaining balance is usually receivable approximately within 10 days (2016: 10 days) upon completion of the transaction. The Group recognises revenue for natural gas pipeline installation service by reference to the stage of completion and the Group allows an average credit period of 30 days (2016: 30 days) upon completion.

附註：向一名第三方作出的貸款乃無抵押、免息及預期於一年內收回。

本集團就其資訊科技解決方案業務給予介乎30日至180日（二零一六年：30日至180日）之平均信貸期。就買賣銅而言，通常規定要有按金，餘額通常於交易完成後約十日（二零一六年：十日）內收取。本集團根據完成階段為天然氣管道安裝服務確認收益，且本集團允許於完成後有30日（二零一六年：三十日）平均信貸期。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

20. TRADE AND OTHER RECEIVABLES

(Continued)

The following is an aged analysis of trade receivables presented based on the invoice date which approximate the revenue recognition date, at the end of the reporting period:

0 – 60 days	0 – 60日

Before accepting any new customer, the Group's finance and sales management team would assess the potential customer's credit quality and defines credit limits by customer. Limits attributable to customers are reviewed regularly with reference to past settlement history. The Group's finance and sales management team considers trade receivables that are neither past due nor impaired to be of good credit quality as continuous repayments have been received.

21. BANK BALANCES AND CASH

Bank balances carry interest at market rates which range from 0.01% to 0.35% (2016: 0.01% to 0.05%) per annum.

20. 應收貿易及其他賬款（續）

於報告期完結時根據發票日期（與收益確認日期相若）呈列之應收貿易賬款賬齡分析如下：

As at 31 December

於十二月三十一日

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
12	78

在接納任何新客戶前，本集團財務及銷售管理團隊會評估潛在客戶之信貸質素，並釐定客戶之信貸額。客戶之信貸額會參考過往付款記錄而定期進行審閱。本集團財務及銷售管理團隊認為，由於能持續收取還款，故所有既未逾期亦未減值之應收貿易賬款均具良好信貸記錄。

21. 銀行結餘及現金

銀行結餘按市場利率計息，每年介乎0.01%至0.35%（二零一六年：0.01%至0.05%）。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

22. TRADE AND OTHER PAYABLES

22. 應付貿易及其他賬款

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	應付貿易賬款	52	284
Payable for construction in progress	在建工程應付賬款	35,334	19,177
Consideration payable (note 30)	應付代價（附註30）	-	9,999
Receipt in advance	預收款項	1,403	591
Other payables and accruals (Note)	應付其他賬款及應計費用 （附註）	11,980	6,614
		48,769	36,665

Note: The amount represented mainly by accrued charges and temporary short-term advances of RMB8,200,000 (equivalent to HK\$9,840,000) (2016: RMB2,500,000 (equivalent to HK\$2,850,000)) for Yichang Zhongyou's development from independent third parties which are unsecured, interest-free and repayable on demand.

附註：該款項主要指應計費用及一名獨立第三方所提供用於宜昌中油之發展的臨時短期墊款人民幣8,200,000元（相當於9,840,000港元）（二零一六年：人民幣2,500,000元（相當於2,850,000港元）），其為無抵押、免息及須按要求償還。

The credit period granted by suppliers to the Group ranged from 30 to 60 (2016: 30 to 60) days. The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

供應商授予本集團的信貸期介乎30至60日（二零一六年：30至60日）。下列為於報告期完結時根據發票日期呈列的應付貿易賬款的賬齡分析：

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1 to 30 days	1 – 30日	52	284

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

23. BANK BORROWINGS

23. 銀行借貸

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank borrowings (Note a)	銀行借貸（附註a）	6,000	17,100
The carrying amounts of the above borrowings repayable (Note b):	上述須於一年償還的借貸的賬面值（附註b）：		
Within one year	一年內	2,400	17,100
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年	3,600	-
		6,000	17,100

Note:

- (a) The bank borrowings are pledged with several properties owned by Mr. Xiong and his wife and certain companies held and controlled by him, and jointly guaranteed by Hubei Biaodian (as defined in note 37), Mr. Xiong, his wife and the other independent third party.
- (b) The amounts are based on scheduled repayment dates set out in the respective loan agreements.

The effective interest rate of the Group's interest-bearing borrowing are as follows:

		2017 二零一七年 %	2016 二零一六年 %
Variable-rate borrowing	浮動利率借貸	8.01	8.48

The Group had variable rate borrowings which carried interest based on the benchmark interest rate issued by the People's Bank of China during the both years.

附註：

- (a) 銀行借貸由熊先生及其配偶所擁有的多間物業，以及其所持有及控制的若干公司作擔保並由湖北標典（定義見附註37）、熊先生、其配偶及其他獨立第三方共同擔保。
- (b) 該等金額乃基於各貸款協議所載的計劃還款日期。

本集團計息貸款的實際利率如下：

本集團擁有浮動利率借貸，於兩個年度內，其以中國人民銀行發佈的基準利率計息。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

24. AMOUNTS DUE TO A SHAREHOLDER OF THE COMPANY AND NON-CONTROLLING SHAREHOLDERS OF A SUBSIDIARY AND ITS RELATED PARTIES

Amount due to a shareholder of the Company

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-trade related	非貿易相關	25,355	9,093

Non-trade related balances

Particulars of the amount due to a shareholder of the Company of which are non-trade related are as follows.

		As at 31 December 於十二月三十一日	
Name 姓名	Relationship 關係	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Mr. Weng 翁先生	Note 附註	25,355	9,093

Note: Mr. Weng is the chairman, executive director and a substantial shareholder under the definition of Listing Rules.

24. 應付本公司股東及一間附屬公司之非控股股東及其關連方款項

應付本公司股東款項

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-trade related	非貿易相關	25,355	9,093

非貿易相關結餘

應付本公司股東之非貿易相關款項詳情如下。

		As at 31 December 於十二月三十一日	
Name 姓名	Relationship 關係	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Mr. Weng 翁先生	Note 附註	25,355	9,093

附註：翁先生為本公司主席、執行董事及主要股東（定義見上市規則）。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

24. AMOUNTS DUE TO A SHAREHOLDER OF THE COMPANY AND NON-CONTROLLING SHAREHOLDERS OF A SUBSIDIARY AND ITS RELATED PARTIES (Continued)

Amount due to a shareholder of the Company (Continued)

Non-trade related balances (Continued)

During the year, Mr. Weng advances HK\$17,500,000 (2016: HK\$11,000,000) and RMB716,000 (equivalent to HK\$860,000) (2016: nil) to the Group, and such amount was unsecured, interest-free and with a maturity period of 2 years. The loan of HK\$11,000,000 advanced by Mr. Weng in the prior year was originally to be matured in 2018 and was also agreed to be extended and repayable in 2019 pursuant to the agreement entered between the Company and Mr. Weng during the year. The balance is carried at amortised cost using effective interest method, with an effective interest rate of 10% (2016: 10%). The proceeds raised during the both years were used for the Group's general working purpose.

Amounts due to non-controlling shareholders of a subsidiary and its related parties

24. 應付本公司股東及一間附屬公司之非控股股東及其關連方款項（續）

應付本公司股東款項（續）

非貿易相關結餘（續）

年內，翁先生向本集團墊款17,500,000港元（二零一六年：11,000,000港元）及人民幣716,000元（相當於860,000港元）（二零一六年：無），且有關款項為無抵押、免息及於兩年內到期。魏先生上一年度授出的貸款11,000,000港元原定到期日為二零一八年，根據本公司與魏先生年內訂立的協議，協定延期至二零一九年償還。餘額採用實際利率法按攤銷成本列賬，實際利率為10厘（二零一六年：10厘）。於兩個年度籌集的所得款項用於本集團的一般營運目的。

應付一間附屬公司之非控股股東及其關連方款項

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-trade related	非貿易相關	176,704	142,933

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

24. AMOUNTS DUE TO A SHAREHOLDER OF THE COMPANY AND NON-CONTROLLING SHAREHOLDERS OF A SUBSIDIARY AND ITS RELATED PARTIES (Continued)

Amount due to a shareholder of the Company (Continued)

Non-trade related balances (Continued)

Particulars of the amounts due to non-controlling shareholders of a subsidiary and its related parties of which are non-trade related are as follows.

Name 姓名	Relationship 關係 Notes 附註	As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hubei Biaodian and its subsidiary 湖北標典及其附屬公司	(i)	134,939	118,490
Mr. Xiong and his controlled entities other than those in (i) 熊先生及其控制實體 ((i)中所述者除外)	(ii)	41,765	24,443
		176,704	142,933

Notes:

- (i) Hubei Biaodian is one of the non-controlling interests of Yichang Zhongyou who has 41% entity interest in Yichang Zhongyou.
- (ii) Mr. Xiong is the controlling shareholder of Hubei Biaodian, a non-controlling interest of Yichang Zhongyou.

24. 應付本公司股東及一間附屬公司之非控股股東及其關連方款項（續）

應付本公司股東款項（續）

非貿易相關結餘（續）

應付一間附屬公司之非控股股東及其關連方之非貿易相關款項詳情如下。

附註：

- (i) 湖北標典為宜昌中油之非控股權益之一，其擁有宜昌中油41%股權。
- (ii) 熊先生為湖北標典之控股股東，而湖北標典為宜昌中油之非控股權益。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

24. AMOUNTS DUE TO A SHAREHOLDER OF THE COMPANY AND NON-CONTROLLING SHAREHOLDERS OF A SUBSIDIARY AND ITS RELATED PARTIES (Continued)

Amount due to a shareholder of the Company (Continued)

Non-trade related balances (Continued)

Prior to 31 December 2016, all advances from non-controlling shareholders and its related parties were unsecured, interest-free and repayable on demand, except for RMB65,000,000 (equivalent to HK\$78,000,000) advanced from Hubei Biaodian which carried interest at a fixed rate of 12% per annum.

On 31 December 2016, taking into consideration of the development status of Yichang Zhongyou, Hubei Biaodian agreed to stop charging the Group interest since then, while all non-controlling shareholders and its related parties agreed to fix the loan repayment date to 31 December 2018. These balances were then carried at amortised cost using the effective interest method, with an effective interest rate of 10%.

On 31 December 2017, all non-controlling shareholders and its related parties agreed to further extend the loan repayment date of all related loan balances to 31 December 2019. These balances were then carried at amortised cost using the effective interest method, with an effective interest rate of 10%.

The proceeds raised from non-controlling shareholders of a subsidiary and related parties during the both years were used for Yichang Zhongyou's capital expenditure purpose for the both years.

24. 應付本公司股東及一間附屬公司之非控股股東及其關連方款項（續）

應付本公司股東款項（續）

非貿易相關結餘（續）

於二零一六年十二月三十一日前，非控股股東及其關連方提供之所有墊款均為無抵押、免息及須於要求時償還，湖北標典墊付的人民幣65,000,000元（相當於78,000,000港元）除外，其以固定年利率12%計息。

於二零一六年十二月三十一日，經計及宜昌中油之發展狀況，湖北標典同意自此停止收取本集團利息，而所有非控股股東及彼等的關連方均同意將貸款償還日期確定為二零一八年十二月三十一日。該等結餘此後採用實際利率法按攤銷成本列賬，實際利率為10厘。

於二零一七年十二月三十一日，所有非控股股東及其關連方均同意將所有相關貸款餘額的貸款償還日期延遲至為二零一九年十二月三十一日。該等結餘此後採用實際利率法按攤銷成本列賬，實際利率為10厘。

於兩個年度從一間附屬公司及其關連方非控股股東籌集之所得款項乃用作宜昌中油之資本支出。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

25. DEFERRED TAXATION

25. 遞延稅項

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deferred tax liabilities	遞延稅項負債	55,571	54,585

The following are the deferred tax liabilities recognised and movements thereon during the current year:

以下為於本年度確認的遞延稅項負債及其相關變動：

		Revaluation of assets 資產重估 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	-
Acquisition of Yichang Zhongyou (note 30)	收購宜昌中油（附註30）	59,100
Credit to profit or loss	計入損益	(1,623)
Exchange difference	匯兌差額	(2,892)
At 31 December 2016	於二零一六年十二月三十一日	54,585
Credit to profit or loss	計入損益	(1,920)
Exchange difference	匯兌差額	2,906
At 31 December 2017	於二零一七年十二月三十一日	55,571

At the end of the reporting period, the Group has unused tax losses of approximately HK\$167,160,000 (2016: HK\$137,166,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

於報告期完結時，本集團未動用之稅項虧損約為167,160,000港元（二零一六年：137,166,000港元），可供抵銷未來溢利。由於不能預測未來之溢利情況，故並無確認遞延稅項資產。

These tax losses of HK\$152,522,000 (2016: HK\$128,382,000) in HK may be carried forward indefinitely and tax losses in the PRC of RMB12,632,000 (equivalent to HK\$14,638,000) (2016: RMB8,985,000 (equivalent to HK\$8,784,000)) may be carried forward within 5 years.

此等香港稅項虧損152,522,000港元（二零一六年：128,382,000港元）可無限期結轉，而中國稅項虧損人民幣12,632,000元（相當於14,638,000港元）（二零一六年：人民幣8,985,000元（相當於8,784,000港元））可於五年內結轉。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

25. DEFERRED TAXATION (Continued)

The unrecognised tax losses which are not recognised as deferred tax assets will expire in the following years:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
2018	二零一八年	(574)	(574)
2019	二零一九年	(1,190)	(1,190)
2020	二零二零年	(433)	(433)
2021	二零二一年	(8,188)	(6,587)
2022	二零二二年	(4,253)	-
		(14,638)	(8,784)

25. 遞延稅項（續）

未確認為遞延稅項資產之未確認稅項虧損將於以下年度到期：

26. SHARE CAPITAL

		Number of shares 股份數目		Share capital 股本	
		2017 二零一七年 '000 千股	2016 二零一六年 '000 千股	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Authorised:	法定：				
16,000,000,000 ordinary shares of HK\$0.005 each	16,000,000,000股每股面值0.005港元之普通股	16,000,000	16,000,000	80,000	80,000
Issued and fully paid:	已發行及繳足：				
At beginning of year	於年初	5,655,000	3,960,000	28,275	19,800
Share subdivision (Note a)	股份拆細（附註a）	-	-	-	-
Issue of ordinary shares (Note b)	發行普通股（附註b）	-	1,695,000	-	8,475
At end of year	年末	5,655,000	5,655,000	28,275	28,275

26. 股本

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

26. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to a resolution passed at an extra ordinary general meeting of the Company held on 9 January 2015, the ordinary shares of the Company of HK\$0.1 each were subdivided into 20 ordinary shares of HK\$0.005 each.
- (b) This represented 1,695,000,000 new ordinary shares of the Company at placing price of HK\$0.035 per each placed to independent third parties during the year ended 31 December 2016. All shares in issue rank pari passu in all respects.

26. 股本（續）

附註：

- (a) 根據於本公司在二零一五年一月九日舉行之股東特別大會上通過之決議案，本公司每股0.1港元之普通股拆細為20股每股0.005港元之普通股。
- (b) 指於截至二零一六年十二月三十一日止年度，以每股股份0.035港元的配售價向獨立第三方配售1,695,000,000股新普通股。所有已發行股份在所有方面均享有同等地位。

27. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option scheme:

On 30 November 2012, the Company adopted a share option scheme (the "Scheme"). The purpose of the Scheme is to attract and to retain quality personnel and other persons and to provide them with incentive to contribute to the business and operation of the Group. Under the Scheme, the Directors may grant options to any eligible person of the Group, including (i) any director, employee or consultant of the Company, a subsidiary or an affiliate; or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Company, a subsidiary or an affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Company, a subsidiary or an affiliate; or (iv) any person or entity whose service to the Group or business with the Group contribute or is expected to contribute to the business or operation of the Group as may be determined by the Directors from time to time, to subscribe for shares of the Company. Options granted are exercisable for a period of up to ten years from the date of grant of the option as decided by the board.

27. 以股份為基礎的付款交易

以股權結算的購股權計劃

於二零一二年十一月三十日，本公司採納一項購股權計劃（「計劃」）。計劃之目的在於吸納及留任優秀人員及其他人士，藉以鼓勵彼等為本集團之業務及營運作出貢獻。根據計劃，董事可向本集團之任何合資格人士授出購股權，當中包括(i)本公司、附屬公司或聯屬人士的任何董事、僱員或顧問；或(ii)本公司、附屬公司或聯屬人士的任何董事、僱員或顧問為全權託管對象的任何全權信託；或(iii)本公司、附屬公司或聯屬人士的任何董事、僱員或顧問實益擁有的公司；或(iv)董事不時酌情認為其為本集團提供之服務或其與本集團進行之交易曾經或將會對本集團之業務或營運有所貢獻的任何人士或實體，讓彼等認購本公司之股份。所授出之購股權可於董事會所釐定之期間（由購股權授出日期起計最多十年）內行使。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

27. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option scheme: (Continued)

The exercise price (subject to adjustment as provided therein) of the option under the Scheme is equal to the highest of (i) the nominal value of share; (ii) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the date of grant of the option, which must be a business day and (iii) the average closing price per share as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant. The maximum number of shares in respect of which the options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company at the date of approval of the Scheme. However, the total maximum number of shares which may be issued upon exercise of all outstanding share options must not exceed 30% of the issued share capital of the Company from time to time. The number of shares in respect of which options may be granted to any one grantee in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue on the last date of such 12-month period from time to time, without prior approval from the Company's shareholders.

On 31 December 2017, the total number of shares of the Company available for issue under the Scheme adopted by the Company on 30 November 2012 is 233,000,000 (2016: 300,000,000) shares of HK\$0.005 each in the share capital of the Company, representing approximately 4.12% (2016: 5.31%) of the issued share capital of the Company. Unless otherwise determined by the Directors, there is no minimum period required under the Scheme for the holding of an option before it can be exercised. There is no consideration for the application or acceptance of an option under the Scheme. The remaining life of the Scheme is approximately five years and to be expired on 30 November 2022.

27. 以股份為基礎的付款交易

(續)

以股權結算的購股權計劃（續）

根據計劃內之購股權行使價（可按計劃訂明予以調整）為(i)股份面值；(ii)於購股權授出日期（必須為營業日）在聯交所每日報價表所報之每股收市價及(iii)緊接授出購股權日期前五個營業日在聯交所每日報價表所報之每股股份平均收市價，以三者之最高者為準。根據計劃可授出之購股權所涉及之股份數目上限不得超過本公司於計劃批准日期之已發行股本10%。然而，因行使所有未行使購股權而可予發行之股份總數上限則不得超出本公司不時已發行股本之30%。在未經本公司股東事先批准下，於任何12個月期間內向任何單一承授人授出購股權所涉及之股份數目不得超過本公司於該12個月期間內最後一日不時已發行股份數目之1%。

於二零一七年十二月三十一日，根據本公司於二零一二年十一月三十日採納之計劃可予發行之本公司股份總數為本公司股本中233,000,000股（二零一六年：300,000,000股）每股0.005港元之股份，佔本公司已發行股本約4.12%（二零一六年：5.31%）。除非董事另行訂明外，計劃並無規定購股權於可行使前須持有之最短期間。根據計劃申請或接納購股權毋須代價。計劃之餘下期間約為五年，將於二零二二年十一月三十日屆滿。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

27. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option scheme: (Continued)

Details of specific categories of options are as follows:

	Date of grant 授出日期	Vesting period 歸屬期	Exercise period 行使期	Exercise Price 行使價	Exercise dates 行使日期
2017	21/12/2017	N/A	21/12/2017-21/12/2019	0.1112	N/A
二零一七年	二零一七年 十二月二十一日	不適用	二零一七年十二月二十一日至 二零一九年十二月二十一日		不適用

The following table discloses movements of the Company's share options held by employees during the year:

Option Type	購股權類型	Outstanding at 1/1/2017 於二零一七年 一月一日 尚未行使	Granted during year 年內授出	Exercise during year 年內行使	Forfeited during year 年內沒收	Expired during year 年內屆滿	Outstanding at 31/12/2017 於二零一七年 十二月三十一日 尚未行使
2017	二零一七年	-	67,000,000	-	-	-	67,000,000
Exercisable at the end of the year	於年末行使						67,000,000
Weighted average exercise price	加權平均行使價	-	0.1112	-	-	-	0.1112

During the year ended 31 December 2017, options were granted on 21 December 2017. The estimated fair values of the options granted on that date is HK\$2,446,000.

27. 以股份為基礎的付款交易

(續)

以股權結算的購股權計劃（續）

購股權特定類別詳情如下：

下表披露年內僱員所持本公司購股權的變動：

於截至二零一七年十二月三十一日止年度，購股權於二零一七年十二月二十一日獲授出。於該日授出之購股權的估計公平值為2,446,000港元。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

27. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Equity-settled share option scheme: (Continued)

These fair values were calculated using the Binomial model. The inputs into the model were as follows:

		2017 二零一七年
Weighted average share price	加權平均股價	HK\$0.1112港元
Exercise price	行使價	HK\$0.1112港元
Expected volatility	預期波幅	60.22%
Expected life	預期年期	2 years 年
Risk-free rate	無風險利率	1.39%
Expected dividend yield	預期收益率	0%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 2 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of HK\$2,446,000 for the year ended 31 December 2017 (2016: nil) in relation to share options granted by the Company.

27. 以股份為基礎的付款交易

(續)

以股權結算的購股權計劃（續）

該等公平值乃使用二項式模式計算。模式的輸入數據如下：

預期波幅乃根據本公司過往2年股價的歷史波幅釐定。模式所用之預計年期已根據管理層之最佳估計，就不可轉讓、行使限制及行為因素所造成之影響予以調整。

本集團於截至二零一七年十二月三十一日止年度就本公司授出的購股權確認總開支2,446,000港元（二零一六年：無）。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

28. NON-CONTROLLING INTERESTS

28. 非控股權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of the year	於年初	103,985	-
Non-controlling interests arising on acquisition of a subsidiary	收購附屬公司產生的非控股權益	-	99,340
Share of loss for the year	分佔年內虧損	(6,773)	(5,965)
Exchange difference	匯兌差額	5,288	(4,694)
Deemed capital contribution arising from non-current interest free loan from non-controlling shareholders and its related parties	非控股股東及其關連方提供之非即期免息貸款產生的視作注資	10,953	15,304
At end of the year	於年末	113,453	103,985

The table below shows details of the non-wholly-owned subsidiary of the Group that has material non-controlling interests:

下表列示擁有重大非控股權益之本集團非全資附屬公司詳情：

Name of Subsidiary 附屬公司名稱	Principal place of business 主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有權權益及 投票權之比例		Loss allocated to non- controlling interest 分配予非控股權益之虧損		Accumulated non- controlling interests 累計非控股權益	
		As at 31 December 於十二月三十一日	2016 二零一六年	Year ended 31 December 截至十二月三十一日止年度	As at 31 December 於十二月三十一日	2016 二零一六年	As at 31 December 於十二月三十一日
		2017 二零一七年	2016 二零一六年	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Yichang Zhongyou 宜昌中油	The PRC 中國	51%	51%	(6,773)	(5,965)	113,453	103,985

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

28. NON-CONTROLLING INTERESTS (Continued)

Note:

The Directors concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities of Yichang Zhongyou and therefore the Group has control over Yichang Zhongyou. Details of assessment are set out in note 37.

Summarised financial information in respect of Yichang Zhongyou is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Yichang Zhongyou

Current assets	流動資產
Non-current assets	非流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Equity attributable to owners of the Company	本公司擁有人應佔權益
Non-controlling interests	非控股權益

28. 非控股權益（續）

附註：

董事總結本集團擁有充分主導的投票權可指導宜昌中油的相關活動，因此，本集團可控制宜昌中油。評估詳情載於附註37。

有關宜昌中油財務資料之概要載於下文。以下財務資料概要指集團內部公司間抵銷前之金額。

宜昌中油

As at 31 December

於十二月三十一日

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current assets	8,741	8,480
Non-current assets	498,970	435,177
Current liabilities	49,380	42,008
Non-current liabilities	235,875	197,759
Equity attributable to owners of the Company	109,003	99,905
Non-controlling interests	113,453	103,985

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

28. NON-CONTROLLING INTERESTS (Continued)

Yichang Zhongyou (Continued)

Revenue	收益
Cost of sales	銷售成本
Other income	其他收入
Expenses	開支
Income tax credit	所得稅抵免
Loss for the year	年內虧損
Loss attributable to owners of the Company	本公司擁有人應佔虧損
Loss attributable to the non-controlling interests	非控股權益應佔虧損

28. 非控股權益（續）

宜昌中油（續）

Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	From acquisition date to year ended 31 December 2016 自收購日期起至 截至二零一六年 十二月三十一日 止年度 HK\$'000 千港元
7,906	2,658
(5,342)	(2,168)
204	-
(17,968)	(13,806)
1,919	1,623
(13,281)	(11,693)
(6,508)	(5,728)
(6,773)	(5,965)
(13,281)	(11,693)

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

28. NON-CONTROLLING INTERESTS (Continued)

Yichang Zhongyou (Continued)

28. 非控股權益（續）

宜昌中油（續）

		Year ended 31 December 2017 截至 二零一七年 十二月三十一 止年度 HK\$'000 千港元	From acquisition date to year ended 31 December 2016 自收購日期起至 截至二零一六年 十二月三十一 止年度 HK\$'000 千港元
Other comprehensive income (expense) arising from translation to presentation currency attributable to	以下人士應佔換算為呈列貨幣所產生之其他全面收入（支出）：		
– owners of the Company	– 本公司擁有人	5,081	(4,511)
– non-controlling interests	– 非控股權益	5,288	(4,694)
Other comprehensive income (expense) for the year	年內其他全面收入（支出）	10,369	(9,205)
Deemed capital contribution arising from non-current interest-free loan	非即期免息貸款產生之視作注資	10,953	15,304
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔全面支出總額	(1,427)	(10,239)
Total comprehensive expense attributable to the non-controlling interests	非控股權益應佔全面支出總額	(1,485)	(10,659)
Total comprehensive expense attributable for the year	年內應佔全面支出總額	(2,912)	(20,898)
Dividends paid to non-controlling interests	向非控股權益派付的股息	–	–
Net cash inflow from operating activities	經營業務產生現金流入淨額	22,017	7,758
Net cash outflow from investing activities	投資活動產生現金流出淨額	(33,134)	(90,966)
Net cash inflow from financing activities	融資活動產生現金流入淨額	10,866	83,454
Net cash (outflow) inflow	現金（流出）流入淨額	(251)	246

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

29. RETIREMENT BENEFITS SCHEME

Prior to the disposal of Honest MCO, employees employed by the Group's operations in Macau were members of government-managed retirement benefits schemes operated by the Macau government. The Macau operations were required to pay a monthly fixed contribution to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the Macau government was to make the required contributions under the schemes. The Group did not carry out any Macau operation upon disposal of Honest MCO.

The Group enrolled all eligible employees in Hong Kong into a mandatory provident fund (the "MPF") scheme. The retirement benefit cost for the MPF scheme charged to profit or loss represents contributions to the MPF scheme by the Group at rates specified in the rules of the MPF scheme.

The employees of the subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the PRC government. The Group is required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

During the year ended 31 December 2017, retirement benefits scheme contributions paid amounted to approximately HK\$88,000 (2016: HK\$86,000).

29. 退休福利計劃

於出售至誠澳門離岸商業服務前，本集團於澳門經營之業務所聘請僱員為澳門政府安排之政府管理退休福利計劃之成員。澳門業務須按月向退休福利計劃支付定額供款，藉此為該福利撥資。本集團就澳門政府管理之退休福利計劃之唯一義務為根據計劃作出所需供款。本集團於出售至誠澳門離岸商業服務後並無進行任何澳門業務。

本集團安排於香港之所有合資格僱員參加強制性公積金（「強積金」）計劃。強積金計劃之退休福利成本，即本集團按強積金計劃規則所指定比率之供款，已於損益扣除。

中國附屬公司之僱員為中國政府設立的國家管理退休福利計劃之成員。本集團須將一定百分比的僱員工資向該退休福利計劃供款，以為福利撥付資金。本集團有關該退休福利計劃之唯一責任是根據該計劃作出必要供款。

於截至二零一七年十二月三十一日止年度，已付退休福利計劃供款約88,000港元（二零一六年：86,000港元）。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

30. ACQUISITION OF YICHANG ZHONGYOU

For the year ended 31 December 2016

On 23 April 2015 a wholly owned subsidiary of the Group, had entered into a share transfer agreement for the acquisition of 49% equity interest of the Yichang Zhongyou for a cash consideration of HK\$100,000,000 (the “Acquisition”). With all the conditions precedent having been fulfilled and obtaining control, completion of the Acquisition was taken place on 24 February 2016 and accounted for as business combination using the acquisition method. Yichang Zhongyou became a 49% indirectly owned subsidiary of the Company since then.

The business scope of Yichang Zhongyou included investment in natural gas projects, sales of natural gas, natural gas cooking appliance and accessories and pipeline installation. Yichang Zhongyou had been granted the approval of exclusive right to construct and operate the natural gas project in the industrial parks and commercial area around Wufeng National Industrial Zone and Yichang New and High (Technology) District Baiyang Industrial Zone in Zhijiang City, Hubei Province, the PRC by Hubei Provincial Development and Reform Commission (湖北省發展和改革委員會). The Acquisition was to enhance the development of the Company and the shareholders’ wealth by exploring different business opportunities in other sectors.

30. 收購宜昌中油

截至二零一六年十二月三十一日止年度

於二零一五年四月二十三日，本集團全資附屬公司訂立股份轉讓協議，以按現金代價100,000,000港元收購宜昌中油49%股權（「收購事項」）。隨著所有先決條件均已達成並獲得控制權，收購事項已於二零一六年二月二十四日完成並採用收購法入賬列作業務合併。宜昌中油由此成為本公司擁有49%權益之間接附屬公司。

宜昌中油的業務範疇包括投資天然氣項目、銷售天然氣、天然氣煮食用具及配件以及管道安裝。宜昌中油已獲湖北省發展和改革委員會授出的批文，擁有獨家權利可於中國湖北省枝江市五峰民族工業園及宜昌高新區白洋工業園週邊之工業園及商業區建設及經營天然氣項目。收購事項將通過拓展其他領域的不同商機促進本公司的發展及提高股東財富。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

30. ACQUISITION OF YICHANG ZHONGYOU

(Continued)

For the year ended 31 December 2016 (Continued)

Assets and liabilities at the date of acquisition on 24 February 2016:

30. 收購宜昌中油（續）

截至二零一六年十二月三十一日止年度
（續）於收購日期二零一六年二月二十四日的
資產及負債：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	128,641
Prepaid lease payments	預付租賃款項	1,835
Intangible assets	無形資產	236,400
Inventories	存貨	106
Deposits paid for non-current assets	就非流動資產支付按金	4,038
VAT recoverable	可收回增值稅	6,413
Bank balances and cash	銀行結餘及現金	29
		<u>377,462</u>
Trade and other payables	應付貿易及其他賬款	(15,271)
Amounts due to non-controlling shareholders	應付非控股股東款項	(86,707)
Deferred tax liabilities	遞延稅項負債	(59,100)
Bank borrowings	銀行借貸	(21,600)
		<u>(182,678)</u>
Net assets acquired	已收購資產淨值	<u>194,784</u>

Non-controlling interests

The non-controlling interests recognised at the acquisition date represented the interests held by non-controlling shareholders of Yichang Zhongyou and was measured by reference to the proportionate share of recognised amounts of net assets of Yichang Zhongyou.

非控股權益

於收購日期確認的非控股權益指宜昌中油的非控股股東持有的權益，並按照分佔宜昌中油已確認資產淨值金額的比例計量。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

30. ACQUISITION OF YICHANG ZHONGYOU

(Continued)

Goodwill arising on Acquisition

30. 收購宜昌中油（續）

收購事項產生的商譽

		HK\$'000 千港元
Consideration	代價	
– Cash paid during the year ended 31 December 2016	– 於截至二零一六年十二月三十一日止 年度已付現金	55,000
– Cash paid during the current year	– 本年度已付現金	9,999
– Deposit paid in 2015	– 二零一五年已付按金	35,001
		<u>100,000</u>
Plus: Non-controlling interests	加：非控股權益	99,340
Less: Recognised amount of the fair value of identifiable net assets acquired (100%)	減：所收購(100%)可識別資產淨值的 已確認公平值金額	<u>(194,784)</u>
Goodwill arising on acquisition (Note)	收購產生的商譽（附註）	<u>4,556</u>

Note:

Goodwill arose in the Acquisition because the consideration paid for the combination effectively included the benefit of revenue growth, future market development and the assembled workforce of Yichang Zhongyou. These benefits were not recognised separately from goodwill because they did not meet the recognition criteria for identifiable intangible assets.

Acquisition-related costs amounting to HK\$5,921,000 had been excluded from the cost of acquisition and had been recognised directly as expenses in prior year.

附註：

收購事項產生商譽乃由於就合併支付的代價實際包括收益增長、未來市場發展及宜昌中油的整體人手等利益。該等利益不與商譽分開確認，因其並不符合可識別無形資產之確認標準。

收購事項相關成本5,921,000港元已自收購成本剔除，並已於上年直接確認為開支。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

30. ACQUISITION OF YICHANG ZHONGYOU

(Continued)

Net cash outflow arising on acquisition

		HK\$'000 千港元
Consideration paid in cash during the year ended 31 December 2016	於截至二零一六年十二月三十一日止年度已付現金代價	55,000
Less: Cash and cash equivalents acquired	減：已收購現金及現金等額	<u>(29)</u>
		<u>54,971</u>

Included in the loss for the last year was HK\$11,693,000 attributable to the business of Yichang Zhongyou. Revenue for the last year included HK\$2,658,000 generated from Yichang Zhongyou.

收購產生的現金流出淨額

上年度虧損包括宜昌中油的業務產生的11,693,000港元。上年度收益包括從宜昌中油產生的2,658,000港元。

31. OPERATING LEASES

The Group as lessee

Minimum lease payments paid under operating leases during the year: 年內根據經營租賃已付最低租賃付款：

31. 經營租賃

本集團作為承租人

As at 31 December

於十二月三十一日

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Minimum lease payments paid under operating leases during the year:	年內根據經營租賃已付最低租賃付款：	<u>2,924</u>	<u>3,867</u>

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

31. OPERATING LEASES (Continued)

The Group as lessee (Continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	1年內	1,129	2,985
In the second to fifth year inclusive	第2至第5年內（包括首尾兩年）	44	4,261
		1,173	7,246

Operating lease payments represent rentals payable by the Group for certain of its office properties. The leases are negotiated for an average term of 2-3 (2016: 2-3) years.

32. CAPITAL COMMITMENTS

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment, development of systems and networks	與購置物業、廠房及設備與系統及網絡開發有關之資本開支		
– authorised but not contracted for	– 已授權但未訂約	500	500
– contracted but not accounted for	– 已訂約但未入賬	5,193	39,419
		5,693	39,919

31. 經營租賃（續）

本集團作為承租人（續）

於報告期完結時，根據不可撤銷經營租賃，本集團之未來最低租賃付款承擔到期日如下：

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	1年內	1,129	2,985
In the second to fifth year inclusive	第2至第5年內（包括首尾兩年）	44	4,261
		1,173	7,246

經營租賃付款指本集團就若干辦公物業應付之租金。租約商定平均租期為2至3年（二零一六年：2至3年）。

32. 資本承擔

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment, development of systems and networks	與購置物業、廠房及設備與系統及網絡開發有關之資本開支		
– authorised but not contracted for	– 已授權但未訂約	500	500
– contracted but not accounted for	– 已訂約但未入賬	5,193	39,419
		5,693	39,919

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes amount due to a shareholder, amounts due to non-controlling shareholders of a subsidiary and its related parties, and the bank borrowings disclosed in notes 24 and 23, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained earnings.

The Directors review the capital structure on a bi-annual basis. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the new share issues and share buy-backs as well as the issue of new debt.

34. FINANCIAL INSTRUMENTS

Categories of financial instruments

Financial assets	金融資產
Loans and receivables (including bank balances and cash)	貸款及應收款項 (包括銀行結餘及現金)
Financial liabilities	金融負債
Amortised cost	攤銷成本

33. 資本風險管理

本集團管理其資本，以確保本集團內各實體將能夠以持續經營方式營運，同時亦透過達至負債與股本之最佳平衡而為股東爭取最高回報。本集團之整體策略與上年度一致。

本集團之資本結構由債務淨額組成，當中包括附註24及23所披露之應付股東款項、應付一間附屬公司之非控股股東及其關連方款項及銀行借貸，扣除現金及現金等額以及本公司擁有人應佔權益（包括已發行股本、儲備及保留盈利）。

董事每年兩次審閱資本結構。作為審閱之一部份，董事會考慮資本成本及各股本類別之相關風險。根據董事之建議，本集團將透過發行新股份、回購股份及發行新債，以平衡整體資本結構。

34. 金融工具

金融工具類別

As at 31 December
於十二月三十一日

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
8,024	16,412	
253,500	205,163	

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

34. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, bank balances and cash, trade and other payables, bank borrowings, amount due to a shareholder of the Company and amounts due to non-controlling shareholders of a subsidiary and its related parties. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Foreign currency risk

Foreign currency risk refers to the risk that movement in foreign currency exchange rate which will affect the Group's financial results and its cash flows. Certain trade and other receivables and bank balances and cash of the Group are denominated in foreign currencies. The Group does not engage in any foreign currency hedging activities. However, the management monitors the related foreign currency exposure closely and will consider hedging significant foreign currency exposures should the need arise.

Several subsidiaries of the Company have foreign currency denominated monetary assets which expose the Group to foreign currency risk.

34. 金融工具（續）

財務風險管理目標及政策

本集團之主要金融工具包括應收貿易及其他賬款、銀行結餘及現金、應付貿易及其他賬款、銀行借貸、應付本公司股東款項及應付一間附屬公司之非控股股東及其關連方款項。該等金融工具詳情於相關附註披露。有關該等金融工具附帶之風險包括市場風險（貨幣風險、利率風險）、信貸風險及流動性風險。減低該等風險之政策載於下文。管理層管理及監察該等風險，以確保能適時及有效採取適當措施。

外幣風險

外幣風險指影響本集團財務業績及其現金流之外幣匯率變動風險。本集團若干應收貿易及其他賬款以及銀行結餘及現金以外幣計值。本集團並無涉及任何外幣對沖活動。然而，管理層會密切監察其相關外匯風險，並將於有需要時考慮對沖重大之外幣風險。

本公司多家附屬公司持有以外幣計值之貨幣資產，令本集團面對外幣風險。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

34. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Foreign currency risk (Continued)

The carrying amounts of the group entities' foreign currency denominated monetary assets at the end of the reporting period are as follows:

		Assets		Liabilities	
		As at 31 December		As at 31 December	
		資產		負債	
		於十二月三十一日		於十二月三十一日	
		2017	2016	2017	2016
		二零一七年	二零一六年	二零一七年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
HK\$	港元	1,102	10,418	24,716	10,106
United States dollar ("US\$")	美元（「美元」）	5,885	3,120	-	-
Macau Pataca ("MOP")	澳門幣（「澳門幣」）	-	30	-	-

Since the functional currency of the Company has been changed from HK\$ to RMB upon completion of the acquisition of Yichang Zhongyou in prior year as stated in note 1, the Group entities are mainly exposed to foreign currency risk in HK\$ and US\$ (2016: HK\$, US\$ and MOP). Since the amount of MOP denominated monetary assets and liabilities are insignificant as at 31 December 2016, no sensitivity on its respective foreign currency risk was prepared, accordingly.

34. 金融工具（續）

財務風險管理目標及政策（續）

外幣風險（續）

集團實體以外幣計值之貨幣資產於報告期完結時之賬面值如下：

由於上年完成收購宜昌中油後本公司的功能貨幣已由港元變更為人民幣（如附註1所述），本集團內的實體主要面臨港元及美元外幣風險（二零一六年：港元、美元及澳門幣）。由於二零一六年十二月三十一日以澳門幣計值的貨幣資產及負債的金額並不重大，因此並無編製其各自外幣風險的敏感度。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

34. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Foreign currency risk (Continued)

Below is the Group's sensitivity to a 10% (2016: 5%) increase and decrease in RMB against HK\$ and US\$ (2016: RMB against HK\$ and US\$). 10% (2016: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 10% (2016: 5%) change in foreign currency rates. Where RMB strengthen 10% (2016: 5%) against HK\$ and US\$, the Group's post-tax loss will increase by HK\$2,518,000 (2016: HK\$143,000). For a 10% (2016: 5%) weakening of RMB against HK\$ and US\$, there would be an equal and opposite impact on post-tax loss.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances and variable-rate bank borrowings (see note 23 for details). The Group cash flow interest rate risk is mainly concentrated on interest rates on bank balances and benchmark interest rate for loan quoted by the People's Bank of China arising from the Group's RMB dominated borrowing.

The Directors consider the Group's exposure to interest rate risk is not significant and therefore no sensitivity analysis has been prepared.

34. 金融工具（續）

財務風險管理目標及政策（續）

外幣風險（續）

以下為本集團對人民幣兌港元及美元（二零一六年：人民幣兌港元及美元）上升及下跌10%（二零一六年：5%）之敏感度。10%（二零一六年：5%）乃向主要管理人員內部呈報外幣風險時採用之敏感度比率，並代表管理層對外幣匯率可能合理變動之評估。敏感度分析僅包括以外幣計值之尚未支付貨幣項目，並於報告期末以外幣匯率變動10%（二零一六年：5%）作匯兌調整。倘人民幣兌港元及美元升值10%（二零一六年：5%），則本集團之稅後虧損將增加2,518,000港元（二零一六年：143,000港元）。就人民幣兌港元及美元貶值10%（二零一六年：5%）而言，則會對稅後虧損造成等值而相反之影響。

利率風險

本集團面對與浮息銀行結餘及浮息銀行借貸（詳情見附註23）有關之現金流利率風險。本集團的現金流利率風險主要集中於銀行結餘相關利率以及中國人民銀行公佈的貸款基準利率，而有關貸款來自本集團的人民幣計值借貸。

董事認為本集團承擔之利率風險並不重大，因此並無編製敏感度分析。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

34. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Credit risk

As at 31 December 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk in relation to trade and other receivables, the management will only advance credit to customers or counterparties with good credit history or has strong financial position. In addition, the management reviews the recoverable amount of each individual debt at the end of the reporting period, taking into account of future discounted cash flows, to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Credit risk is concentrated to a small number of debtors. However, the management considers, based on the good credit history and the long term business relationship with the debtor, there is no significant credit risk.

34. 金融工具（續）

財務風險管理目標及政策（續）

信貸風險

於二零一七年十二月三十一日，本集團因對方未能履行責任導致本集團產生財務虧損而須承受之最大信貸風險，乃由綜合財務狀況表所列個別已確認金融資產之賬面值所產生。

為了降低有關應收貿易及其他賬款之信貸風險，管理層將僅向具有良好信貸記錄或穩健財務狀況之客戶或對手方給予信貸期。此外，管理層亦於報告期完結時檢討各個別債項之可收回金額（計及未來之貼現現金流），以確保就不可收回款項作出足夠減值虧損。就此，董事認為，本集團之信貸風險已大幅減少。

由於對手方為具有國際信貸評級機構所評定較高信貸評級的銀行，故流動資金之信貸風險有限。

信貸風險集中於少數債務人。然而，管理層認為基於債務人之良好信貸記錄及與債務人之長期業務關係，本集團並無重大信貸風險。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

34. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants. The Group also manages liquidity risk by maintaining adequate financial support from the immediate holding company.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

		Weighted average interest rate	On demand	1-3 months	4 months-1 year	1-2 years	Total undiscounted cash flows	Carrying amount at 31 December 2017
		加權平均利率	按要求	1至3個月	4個月至1年	1至2年	現金總額	於二零一七年十二月三十一日之賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2017	於二零一七年十二月三十一日							
Trade and other payables	應付貿易及其他賬款	-	-	45,441	-	-	45,441	45,441
Amount due to a shareholder of the Company	應付本公司股東款項	-	-	-	-	29,360	29,360	25,355
Amounts due to non-controlling shareholders of a subsidiary and its related parties	應付一間附屬公司之非控股股東及其關連方款項	-	-	-	-	213,749	213,749	176,704
Bank borrowings	銀行借貸	8.01	-	-	2,544	5,377	7,921	6,000
			-	45,441	2,544	248,486	296,471	253,500

34. 金融工具（續）

財務風險管理目標及政策（續）

流動資金風險

為管理流動資金風險，本集團將現金及現金等額監控及維持於管理層認為足夠之水平，以為本集團之業務提供資金及緩和現金流變動之影響。管理層監控銀行借貸之利用及確保遵守貸款契約。本集團亦透過維持來自直接控股公司的充足財務支援管理流動資金風險。

下表載列本集團之非衍生金融負債餘下之合約到期詳情。該表乃根據本集團須支付款項最早日期之金融負債未貼現現金流編製。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

34. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

(Continued)

Liquidity risk (Continued)

		Weighted average interest rate	On demand	1-3 months	4 months- 1 year	1-2 years	Total undiscounted cash flows	Carrying amount at 31 December 2016
		加權平均利率 %	按要求 HK\$'000 千港元	1至3個月 HK\$'000 千港元	4個月至1年 HK\$'000 千港元	1至2年 HK\$'000 千港元	未貼現 現金流總額 HK\$'000 千港元	於二零一六年 十二月 三十一日 之賬面值 HK\$'000 千港元
At 31 December 2016	於二零一五年十二月三十一日							
Trade and other payables	應付貿易及其他賬款	-	-	36,037	-	-	36,037	36,037
Amount due to a shareholder of the Company	應付本公司股東款項	-	-	-	-	11,000	11,000	9,093
Amounts due to non-controlling shareholders of a subsidiary and its related parties	應付一間附屬公司之非控股股東及其關連方款項	-	-	-	-	172,901	172,901	142,933
Bank borrowings	銀行借貸	8.48	-	-	18,550	-	18,550	17,100
			-	36,037	18,550	183,901	238,488	205,163

* For the Group's interest bearing borrowings, the weighted average interest rate at the end of the reporting period is used for undiscounted cash flows analysis.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

34. 金融工具（續）

財務風險管理目標及政策（續）

流動資金風險（續）

* 就本集團的計息借貸而言，報告期末之加權平均利率乃用於未貼現現金流量分析。

倘浮動利率之變動有別於報告期結束時釐定之估計利率變動，上述非衍生金融負債浮息工具之金額或會出現變動。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

34. FINANCIAL INSTRUMENTS (Continued)

Fair value

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flows.

The Directors consider the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

No analysis of fair value measurements is presented as the Group does not have financial instruments that are measured subsequent to initial recognition at fair value in the consolidated financial statements.

34. 金融工具（續）

公平值

金融資產及金融負債之公平值根據貼現現金流按公認定價模式釐定。

董事認為按攤銷成本於綜合財務報表列賬之金融資產及金融負債賬面值與其公平值相若。

由於本集團並無於初始確認後在綜合財務報表按公平值計量之金融工具，故並未呈列公平值計量之分析。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES 35. 融資活動所產生負債之對賬

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities

下表詳細說明本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生負債指於本集團綜合現金流量表內分類為融資活動所產生之現金流量或未來現金流量之負債。

		Bank borrowings	Advance from a shareholder of the Company	Advance from non-controlling shareholder of a subsidiary and its related parties	Interest payable	Total
		銀行借貸	本公司股東墊款	附屬公司之非控股股東及其關連方墊款	應付利息	總計
		Note 23 (附註23)	Note 24 (附註24)	Note 24 (附註24)	Note 9 (附註9)	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	17,100	9,093	142,933	-	169,126
Financing cash flows	融資現金流量	(11,700)	18,360	31,342	(1,398)	36,604
<i>Non-cash changes:</i>	<i>非現金變動:</i>					
Foreign exchange translation	外匯換算	600	1,078	7,480	-	9,158
Finance costs	財務成本	-	1,930	3,740	-	5,670
Deemed capital contribution arising from non-current interest-free loan from a shareholder of the Company and non-controlling shareholders of a subsidiary and its related parties	本公司股東及一間附屬公司之非控股股東及其關連方提供非即期免息貸款產生之視作注資	-	(5,106)	(21,336)	-	(26,442)
Interest capitalised in construction in progress	在建工程中資本化之利息	-	-	12,545	1,398	13,943
At 31 December 2017	於二零一七年十二月三十一日	6,000	25,355	176,704	-	208,059

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

36. RELATED PARTY DISCLOSURES

- (a) Saved as disclosed elsewhere in the consolidated financial statements, during the period, the Group has the following significant transactions with related parties.

Finance cost incurred in respect of loan from a shareholder 股東貸款產生的財務成本

(b) Compensation of key management personnel

The Directors and the five highest paid individuals are identified as key management members of the Group, their compensation during the year is set out in notes 12 and 13.

36. 關連方披露

- (a) 除綜合財務報表其他部分所披露，期內本集團與關連方訂立以下重大交易：

Year ended 31 December
截至十二月三十一日止年度

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1,927	2

(b) 主要管理人員之薪酬

董事及五名最高薪人士被視為本集團之主要管理層成員，彼等於年內之薪酬載於附註12及13。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

37. 本公司主要附屬公司之詳情

Details of the Company's subsidiaries at 31 December 2017 and 2016 are as follows:

本公司各附屬公司於二零一七年及二零一六年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Attributable equity interest of the Group 本集團應佔股權		Principal activity 主要業務
			2017 二零一七年	2016 二零一六年	
Bright Able Century Limited 名駿世紀有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 投資控股
Calgary Investments Limited	Samoa 薩摩亞	US\$1 1美元	100%	100%	Investment holding 投資控股
DIGITALHONGKONG.COM INC.	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Inactive 並無業務
DIGITAL COMMERCE LIMITED	Hong Kong 香港	HK\$2 2港元	100%	100%	Investment holding 投資控股
Digital Hong Kong Limited 數碼香港國際有限公司	Hong Kong 香港	HK\$2 2港元	100%	100%	Investment holding and provision of an e-commerce platform 投資控股及提供電子商貿 平台
Global Billion Access Investments Limited 環球進億投資有限公司	British Virgin Islands 英屬處女群島	US\$1 1港元	100%	100%	Investment holding 投資控股
Hong Kong Global Billion Access Investments Limited 香港環球進億投資有限公司	Hong Kong 香港	HK\$1 1港元	100%	100%	Investment holding 投資控股
Hong Kong King Sailing Limited 香港帝航有限公司	Hong Kong 香港	HK\$1 1港元	100%	100%	Inactive and not yet commence in business 並無業務及尚未開展業務
King Sailing International Limited 帝航國際有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100%	100%	Investment holding 投資控股

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

37. 本公司主要附屬公司之詳情（續）

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Attributable equity interest of the Group 本集團應佔股權		Principal activity 主要業務
			2017 二零一七年	2016 二零一六年	
Logo Plus Limited	Hong Kong 香港	HK\$1,000 1,000港元	100%	100%	Provision of e-commerce platform for design of garments 為成衣設計提供電子商貿平台
Pickworth Limited	Samoa 薩摩亞	US\$1 1美元	100%	100%	Investment holding 投資控股
Rich Ascent International Limited 豐晉國際有限公司	Hong Kong 香港	HK\$1 1港元	100%	100%	Commodity trading 商品貿易
Shenzhen Global Billion Access Investment Management Company Limited 深圳市環球進億投資管理有限公司	PRC 中國	RMB1,000,000 人民幣 1,000,000元	100%	100%	Inactive and not yet commence in business 並無業務及尚未開展業務
Global Billion Trading (Shenzhen) Limited 環球進億貿易(深圳)有限公司	PRC 中國	HK\$14,000,000 14,000,000港元	100%	100%	Investment holding 投資控股
Smart Target Billion Limited 達億進有限公司	Hong Kong 香港	HK\$1 1港元	100%	100%	Investment holding 投資控股
Man Kong Trading Co.	Hong Kong 香港	HK\$1 1港元	100%	100%	Investment holding 投資控股
Great China Inc limited (note a) 漢御有限公司(附註a)	Hong Kong 香港	HK\$1 1港元	100%	-	Investment holding 投資控股

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

37. 本公司主要附屬公司之詳情（續）

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及繳足股本	Attributable equity interest of the Group 本集團應佔股權		Principal activity 主要業務
			2017 二零一七年	2016 二零一六年	
Dihang Energy (Shenzhen) Company Limited (note a)	PRC	HK\$10,000,000	100%	-	Design and construction of new energy power generation equipment, energy storage systems and power equipment, technology development, technical services and technology transfer
帝航能源(深圳)有限公司(附註a)	中國	10,000,000港元			設計及建造新能源發電設備、能源儲存系統及電力設備、技術開發、技術服務及技術轉移
Charmland Treasure Limited (note a) (附註a)	Seychelles 塞舌爾	US\$1 1美元	100%	-	Investment holding 投資控股
Hong Kong Charmland Treasure Limited (note a) (附註a)	Hong Kong 香港	US\$10,000 10,000美元	100%	-	Investment holding 投資控股
Eternal Goal Limited (note a) (附註a)	Seychelles 塞舌爾	US\$1 1美元	100%	-	Investment holding 投資控股
Hong Kong Eternal Goal Limited (note a) (附註a)	Hong Kong 香港	US\$10,000 10,000美元	100%	-	Investment holding 投資控股
Heroic Sunshine Limited (note a) (附註a)	Seychelles 塞舌爾	US\$1 1美元	100%	-	Investment holding 投資控股
Hong Kong Heroic Sunshine Limited (note a) (附註a)	Hong Kong 香港	US\$10,000 10,000美元	100%	-	Investment holding 投資控股
Yichang Zhongyou (note b) 宜昌中油(附註b)	PRC 中國	RMB30,000,000 人民幣 30,000,000元	49%	49%	Natural gas operations 天然氣業務

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

37. PARTICULARS OF PRINCIPAL
SUBSIDIARIES OF THE COMPANY (Continued)37. 本公司主要附屬公司之詳情
(續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and fully paid share capital 已發行及 繳足股本	Attributable equity interest of the Group 本集團應佔股權		Principal activity 主要業務
			2017 二零一七年	2016 二零一六年	
Honest (Macao Commercial Offshore) Limited (note c)	Macau	MOP100,000	-	100%	Provision of consulting services, data processing and selling activities
至誠(澳門離岸商業服務)有限公司(附註c)	澳門	100,000澳門幣	-	100%	提供諮詢服務、數據處理 及銷售活動

None of the subsidiaries had any debt securities outstanding at the end of the both years or at any time during the both years.

於兩個年度完結時或於兩個年度內任何時間，各附屬公司概無任何未償還之債務證券。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

37. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Notes:

- (a) The subsidiaries were established during the year ended 31 December 2017.
- (b) Notes 28 and 30 describes that Yichang Zhongyou is a subsidiary of the Group even though the Group has only 49% ownership interest in Yichang Zhongyou.

The Group has held 49% equity interest in Yichang Zhongyou since 24 February 2016 and 湖北標典天然氣有限公司 (Hubei Biaodian Natural Gas Co., Ltd.*) (“Hubei Biaodian”) and Mr. Li Wan Qing (collectively the “Non-controlling Shareholders”), both were independent third parties to the Group, owned 41% and 10% equity interest in Yichang Zhongyou, respectively.

The Directors, with the assistance of the legal counsel in the People’s Republic of China (the “PRC”), assessed whether or not the Group has control over Yichang Zhongyou based on whether the Group has the practical ability to direct the relevant activities of Yichang Zhongyou unilaterally. In making their judgement, the Directors considered the Group’s power to affect the Board of Directors (the “BOD”) of Yichang Zhongyou. The BOD of Yichang Zhongyou, responsible for all relevant activities of Yichang Zhongyou, consisted of 6 directors, of which 3 were appointed by the Group while the other 3 directors were appointed by the Non-controlling Shareholders. BOD resolutions of Yichang Zhongyou were reached by simple majority. In accordance with the terms of a further shareholders’ agreement entered into between the Group and the Non-controlling Shareholders, in any events where the Group and the Non-controlling Shareholders have diverged views in the BOD meetings, the Group, as the single largest shareholder of Yichang Zhongyou, has the power to make the final decision.

After assessment, the Directors concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities of Yichang Zhongyou and therefore the Group has control over Yichang Zhongyou.

- (c) The subsidiary was disposed of during the year ended 31 December 2017. Details are set out in note 8.

* English name is for identification purpose only.

37. 本公司主要附屬公司之詳情（續）

附註：

- (a) 該等附屬公司於截至二零一七年十二月三十一日止年度成立。
- (b) 附註28及30描述宜昌中油為本集團的附屬公司，雖然本集團僅擁有宜昌中油49%擁有權權益。

本集團自二零一六年二月二十四日起持有宜昌中油49%股權，而餘下股權為湖北標典天然氣有限公司（「湖北標典」）及李萬清先生（統稱「非控股股東」）（均為本集團之獨立第三方）分別擁有41%及10%。

董事在中華人民共和國（「中國」）的法律顧問的協助下，根據本集團是否擁有實際能力單方面指示宜昌中油的相關活動評估本集團是否控制宜昌中油。在作出判斷時，董事已考慮本集團對宜昌中油董事會（「該董事會」）的影響力。宜昌中油該董事會負責宜昌中油的所有相關活動，成員包括六名董事，當中三名由本集團委任，另外三名董事則由非控股股東委任。宜昌中油該董事會決議案由簡單大多數票決定。根據本集團與非控股股東訂立的進一步股東協議之條款，倘於該董事會會議上，本集團與非控股股東有不同意見，則本集團作為宜昌中油的單一最大股東有權作出最終決策。

評估後，董事總結本集團擁有充分主導的投票權指示宜昌中油的相關活動，因此，本集團可控制宜昌中油。

- (c) 該附屬公司於截至二零一七年十二月三十一日止年度被出售。詳情載於附註8。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

38. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY 38. 本公司財務狀況表及儲備

		As at 31 December 於十二月三十一日	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	286	428
Interests in subsidiaries	於附屬公司之權益	148,051	130,246
		<u>148,337</u>	<u>130,674</u>
Current assets	流動資產		
Other receivables	應收其他賬款	917	2,125
Bank balances and cash	銀行結餘及現金	623	7,143
		<u>1,540</u>	<u>9,268</u>
Current liability	流動負債		
Other payables	應付其他賬款	1,575	1,488
Net current (liability) assets	流動（負債）資產淨值	<u>(35)</u>	<u>7,780</u>
Total Assets less Current Liabilities	總資產減流動負債	<u>148,302</u>	<u>138,454</u>
Capital and reserves	資本及儲備		
Share capital	股本	28,275	28,275
Reserves	儲備	95,383	101,086
Total Equity attributable to owners of the Company	本公司擁有人應佔權益總額	<u>123,658</u>	<u>129,361</u>
Non-current liability	非流動負債		
Amount due to a shareholder of the Company	應付本公司股東款項	24,644	9,093
		<u>148,302</u>	<u>138,454</u>

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

38. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued) 38. 本公司財務狀況表及儲備（續）

Movements of the Company's reserves during the year are as follows:

本公司於本年度之儲備變動如下：

		Capital reserve	Special reserve	Share premium	Other reserve	Translation reserve	Share options reserve	Accumulated losses	Total
		資本儲備	特別儲備	股份溢價	其他儲備	換算儲備	購股權儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	7,640	1,971	172,652	-	-	-	(115,276)	66,987
Loss and total comprehensive expense for the year	本年度虧損及全面支出總額	-	-	-	-	-	-	(18,660)	(18,660)
Issue of ordinary shares	發行普通股	-	-	50,850	-	-	-	-	50,850
Deemed capital contribution arising from non-current interest-free loan from a shareholder of the Company	本公司股東提供非即期免息貸款產生之視作注資	-	-	-	1,909	-	-	-	1,909
At 31 December 2016	於二零一六年十二月三十一日	7,640	1,971	223,502	1,909	-	-	(133,936)	101,086
Loss for the year	本年度虧損	-	-	-	-	-	-	(19,548)	(19,548)
Other comprehensive income for the year	本年度其他全面收入	-	-	-	-	6,574	-	-	6,574
Recognition of share-based payment	確認以股份為基礎的付款	-	-	-	-	-	2,446	-	2,446
Deemed capital contribution arising from non-current interest-free loan from a shareholder of the Company	本公司股東提供非即期免息貸款所產生之視作注資	-	-	-	4,825	-	-	-	4,825
At 31 December 2017	於二零一七年十二月三十一日	7,640	1,971	223,502	6,734	6,574	2,446	(153,484)	95,383

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

39. EVENTS AFTER THE REPORTING PERIOD

The following significant events took place subsequent to 31 December 2017:

- (i) On 6 October 2017, 帝航能源（深圳）有限公司 (Dihang Energy (Shenzhen) Company Limited*) (“Dihang Energy”), an indirect wholly-owned subsidiary of the Company, entered into the equity transfer agreement (the “Agreement”) with 上海奢冠國際貿易有限公司 (Shanghai Sheguan International Trading Company Limited*), a related company which was owned as to 61% by and controlled by Mr. Weng Lin Lei, an executive director and the chairman of the Company, and 深圳安捷能特分布式能源有限公司 (Shenzhen Energynt Co. Ltd.) (“Shenzhen Energynt”), pursuant to which Dihang Energy agreed to acquire the entire equity interests of Shenzhen Energynt at a nominal consideration of RMB1. The acquisition of Shenzhen Energynt and its subsidiaries by the Group would enable the Group to explore further business opportunities in solar energy industry.

The acquisition has been subsequently completed on 3 January 2018. The Group determines that the financial impact of this acquisition would not be significant to the Group.

- (ii) On 18 January 2018, the Board of Directors announced to grant share options to certain individuals to subscribe for a total of 62,000,000 ordinary shares of HK\$0.005 each, subject to acceptance by the individual.
- (iii) 5,000,000 shares, of which the share option was granted on 21 December 2017, was subsequently exercised on 13 February 2018 at the price of HK\$0.1112, resulting in an increase in the total number of ordinary shares issued from 5,655,000,000 to 5,660,000,000 shares as at 13 February 2018.

* English name is for identification purpose only.

39. 報告期後事項

以下重大事件於二零一七年十二月三十一日後發生：

- (i) 於二零一七年十月六日，本公司間接全資附屬公司帝航能源（深圳）有限公司與上海奢冠國際貿易有限公司（一間由本公司執行董事兼主席翁凜磊先生擁有及控制61%權益的關連公司）及深圳安捷能特分布式能源有限公司（「深圳安捷能特」）訂立股權轉讓協議（「該協議」）。據此，帝航能源同意以名義代價人民幣1元收購深圳安捷能特的全部股權。本集團收購深圳安捷能特及其附屬公司將令本集團可探索太陽能領域的其他業務機遇。

收購事項其後於二零一八年一月三日完成。本集團認為，本次收購的財務影響對本集團而言並不重大。

- (ii) 於二零一八年一月十八日，董事會宣佈向若干個人授出購股權，以認購合共62,000,000股每股面值0.005港元的普通股，惟須待個人接納後，方可作實。
- (iii) 二零一七年十二月二十一日授出之購股權項下的5,000,000股股份隨後以0.1112港元的價格於二零一八年二月十三日獲行使，致令於二零一八年二月十三日，已發行普通股總數由5,655,000,000增至5,660,000,000。

綜合財務報表附註（續）

Notes to the Consolidated Financial Statements (Continued)

截至二零一七年十二月三十一日止年度 For the year ended 31 December 2017

39. EVENTS AFTER THE REPORTING PERIOD

(Continued)

- (iv) Shenzhen Energynt entered into two non-legally binding pre-acquisition agreements with several independent third parties on 6 February 2018 and 13 February 2018 respectively, pursuant to which Shenzhen Energynt will acquire 100% of the equity interests in certain target companies from the independent third parties, so as to enable the Group to explore further business opportunities in solar energy industry.

These potential acquisitions up to the date of this report were still incomplete and were still under feasibility assessment by the Group.

For further details of the proposed acquisition, please refer to the announcements published by the Group on the website of the Stock Exchange on 6 February and 13 February 2018.

39. 報告期後事項（續）

- (iv) 深圳安捷能特與數名獨立第三方分別於二零一八年二月六日及二零一八年二月十三日訂立兩份無法律約束力的預購協議，據此，深圳安捷能特將自獨立第三方收購若干目標公司的100%股權，以令本集團可於太陽能領域探索其他業務機遇。

直至本報告日期，該等潛在收購事項仍尚未完成，本集團仍在進行可行性評估。

有關建議收購的進一步詳情，請參閱本集團於二零一八年二月六日及二月十三日刊載於聯交所網站的公告。

