



VIVA CHINA HOLDINGS LIMITED
非凡中國控股有限公司

(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: 8032



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BOARD OF DIRECTORS

Executive Directors

Mr. Li Ning (*Chairman & Chief Executive Officer*)
Mr. Chan Ling (*Chief Operating Officer*)
Mr. Li Chunyang
Mr. Li Qilin

Non-executive Directors

Mr. Chan James
Mr. Ma Wing Man

Independent Non-executive Directors

Mr. Lien Jown Jing, Vincent
Mr. Pak Wai Keung, Martin
Mr. Wang Yan

AUDIT COMMITTEE

Mr. Pak Wai Keung, Martin (*Chairman*)
Mr. Lien Jown Jing, Vincent
Mr. Wang Yan
Mr. Ma Wing Man

REMUNERATION COMMITTEE

Mr. Wang Yan (*Chairman*)
Mr. Chan Ling
Mr. Pak Wai Keung, Martin
Mr. Lien Jown Jing, Vincent

NOMINATION COMMITTEE

Mr. Li Ning (*Chairman*)
Mr. Pak Wai Keung, Martin
Mr. Wang Yan

AUTHORISED REPRESENTATIVES

Mr. Chan Ling
Mr. Cheung Chi

COMPLIANCE OFFICER

Mr. Chan Ling

COMPANY SECRETARY

Mr. Cheung Chi

AUDITOR

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李春陽先生
李麒麟先生

非執行董事

陳進思先生
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獨立非執行董事

連宗正先生
白偉強先生
汪延先生

審核委員會

白偉強先生 (主席)
連宗正先生
汪延先生
馬詠文先生

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汪延先生 (主席)
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張智先生

監察主任

陳寧先生

公司秘書

張智先生

核數師

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China Merchants Bank Co., Ltd
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恒生銀行有限公司
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中信銀行(國際)有限公司
招商銀行股份有限公司
中國建設銀行股份有限公司
廈門國際銀行股份有限公司
瑞士寶盛銀行有限公司
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香港

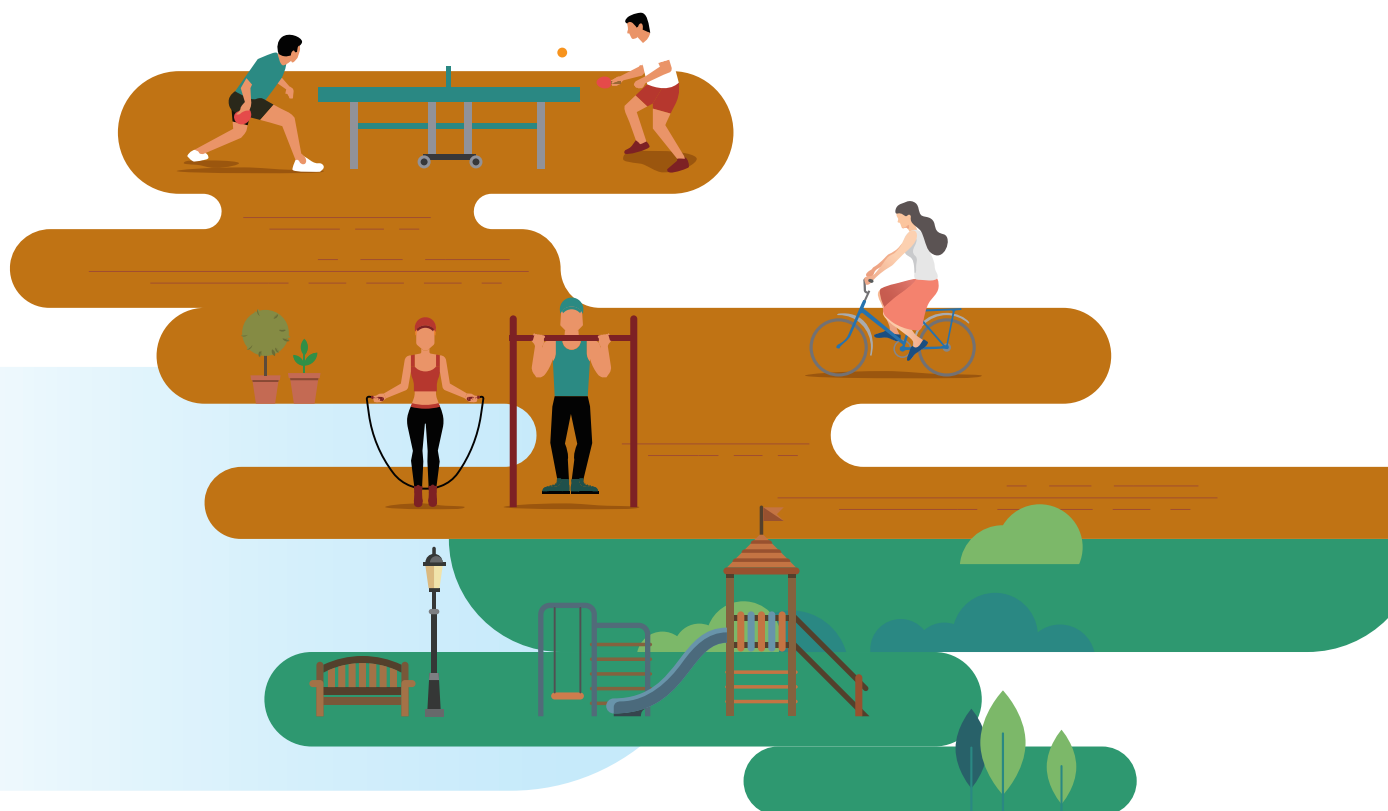
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股份代號

8032





CHAIRMAN'S STATEMENT 主席報告

Dear Shareholders,

Since the State Council released the *Guiding Opinion on Accelerating the Development of Sports Industry and Promoting Sports Consumption*, a key forward-looking document on facilitating the growth of the national sports industry in October 2014, the industry has seen relevant policies and supportive measures rolled out successively in recent years, setting out a series of objectives and plans for the leisure fitness industry, leisure fitness complex construction and sports consumption. National fitness was also underlined, with great efforts in pipeline for developing leisure fitness consumption. Meanwhile, the Chinese government has been strenuously promoting winter sports and public sports culture in recent years, through its preparation for the 2022 Beijing Winter Olympic Games as well as Hangzhou Asian Games. This has created a more favourable atmosphere for the sports industry to grow in China and presented a brighter prospect for the Group's principal businesses.





致各位股東：

自國務院於二零一四年十月發佈有關加快國家體育產業發展的重要前瞻性文件《關於加快發展體育產業促進體育消費的若干意見》後，有關促進體育產業之政策及支持性舉措於近年來相繼發佈，對健身休閒產業、興建健身休閒服務綜合體及體育消費等訂立一系列目標及規劃，並強調推動全民健身，大力發展健身休閒消費等。同時，通過籌辦二零二二年北京冬季奧運會及杭州亞洲運動會，中國政府於近年來大力推廣普及中國冰雪運動和大眾運動文化，為中國體育產業發展提供了更具鼓勵性的氛圍，也為本集團的主營業務帶來了更秀麗的前景。



Focusing on Developing Sports Destinations

The national sports policy underscores extensive construction of sports complexes and facilities in various regions across the country. Under such national policies and the strong support from national and local governments, the Group has been focused on developing sports destinations by leveraging its years of experience in sports venue operation and abundant sports resources. In 2018, we managed to accelerate the expansion of our sports destination network across the country, and carried out strategic cooperation with many local governments, well-established property developers and financial institutions. Various models such as PPP were adopted for us to invest, develop and replicate our sports destinations, including Li Ning Sports Park, Li Ning Sports Centre and sports community, in more cities. Given that Linyi Li Ning Sports Centre and Ningbo Hangzhou Bay Li Ning Sports Park commenced operation in 2018, the Group expects that more sports destination projects will be successively materialised around the nation in 2019.

專注開拓體育目的地

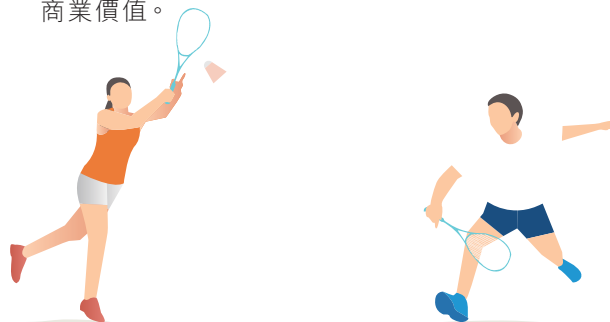
國家體育政策中強調於全國各區廣泛建設體育綜合體及設施，配合國策並背靠中國和地區政府的大力支持，本集團憑著擁有多年的體育場館運營經驗與豐富的體育資源專注發展體育目的地。於二零一八年，我們成功加快於全國各地佈局體育目的地網絡，並與多個地方政府及大型地產開發商和金融機構進行戰略合作，以不同的合作模式如PPP等推進於更多城市投資、發展和複製體育目的地，包括李寧體育園、李寧運動中心及體育社區。臨沂李寧運動中心及寧波杭州灣李寧體育園已於二零一八年正式營運，而本集團預期於二零一九年將有更多體育目的地項目於全國相繼落地。





Our expectation is that in the near future, all the sports destinations and facilities operated by the Group can take root in different areas in China. Infused with elements of various industries, such infrastructure can fully cover different sports scenarios and facilities as well as ancillary offerings at our sports destinations, which will be operated in a light-asset model, where the public will enjoy enriched user experience, greater consumption and better communication. Through such operation, we seek to cultivate a more diversified and developed sports-for-all culture and sportsmanship in cities and communities across the PRC in a more effective fashion, whilst generating new commercial value.

我們期望於不久的將來，本集團營運的體育目的地和設施皆能夠落戶在中國的不同片區。我們將以輕資產模式，運營與其他產業元素結合的體育目的地，全面涵蓋不同的體育項目場景設施和配套服務，以豐富大眾於體育目的地的體驗、消費和交流，有效把更全面和更有高度的全民運動文化和體育精神融入到全國城市和社區當中，同時創造新的商業價值。



Coordinating and Investing in Both Traditional and Emerging Sports Events

In 2018, we continued to grow our existing sports business, including the commercial operation of certain authorisation for CBA (Chinese Basketball Association), the highest-ranking professional basketball league in China, and the operation and marketing of streetball league "3+1 Basketball League" and running event "Fun Run Festival", respectively. Our engagement in these traditional sports competitions and events aimed to spread the influence of Viva China's sports among the masses more quickly.



傳統和新興體育賽事活動組織及投資並行

二零一八年，我們繼續發展現有體育業務，包括商業營運中國最高等級職業籃球聯賽CBA賽事的相關授權，以及營運和推廣街頭籃球賽事「3+1籃球聯賽」及路跑活動「用心趣跑生活節」，冀藉著傳統體育賽事活動組織加快非凡中國體育於群眾的影響力。





In the meantime, the Group was engaged in continuous negotiation with various business partners to invest and participate in different sports-related projects. In December 2018, we entered into an agreement to invest in "Snake Esports" by way of convertible loan. By entering e-sports, an emerging industry with vast development potential, and investing in an e-sports team under League of Legends Pro League (LPL), the Group is intended to capitalise on the resources of emerging sports, extend its reach to dynamic young sports consumers, and create synergy with its traditional sports resources. In addition, we are assessing and negotiating on potential merger and acquisition projects for leisure sports venues, as part of the Group's initiatives to broaden its sports asset portfolio and deliver maximum synergy among its business segments.

同時，本集團持續與不同的業務夥伴進行磋商，以投資和參與不同的體育相關項目，這包括二零一八年十二月我們簽署協議以可換股債權的形式投資「Snake電子競技俱樂部」。透過參與較新興且具有龐大發展潛力的電競產業及投資《英雄聯盟職業聯賽》(LPL)的電競戰隊，佈局新興體育資源，拓展活躍的年輕體育消費市場，並與我們旗下的傳統體育業務資源產生協同。另外，我們也正在研究和協商潛在休閒運動場地之併購項目，此乃本集團加速擴展體育資產組合之若干舉措，令業務間產生最大的協同效益。



Developing the Business of Sports, Health and Leisure Consumables

As China quickened its pace to develop the sports industry and urbanisation in recent years, the Group estimates a rapid increase in public demand for sports, health and leisure consumables, with the market of such products about to embrace tremendous business opportunities. Hence, we have started to explore such projects that pertain to sports, health and leisure consumables, with the view of developing new business for the Group in the long run and providing the public with a full range of such services and products.

Given the rising per capita income of Chinese residents as well as the Chinese government's continuous urbanisation drive and initiatives to promote national fitness, the Group expects that such conditions will continue to benefit sports-related consumption in China, including the utilisation of sports venues and facilities, sports service, and sports, health and leisure consumables. With that in mind, the Group will uphold its corporate mission of promoting a healthy and sportive lifestyle among Chinese people, expedite its development of sports destinations, coordinate major sports competitions and events, invest in the emerging e-sports project, and spare no effort to expand the new business of sports, health and leisure consumables.

開發體育健康休閒消費品業務

近年來，國家加快落實體育產業及城鎮化發展，本集團預期人們對體育健康休閒消費品的需求也將快速增長，體育健康休閒消費品市場將出現龐大商機。因此，我們已開始著手探討和發掘與體育健康休閒有關的消費品項目，冀長遠發展為本集團的新業務，達致為大眾提供全方位體育健康休閒服務和產品的目的。

隨著中國人均收入上升，加上中國政府持續推進城鎮化規劃，落實舉措推動全民健身，本集團預期中國體育相關消費包括體育場地設施使用、體育服務和體育健康休閒消費品將持續受惠。因此，本集團將秉持為國民提供健康運動生活方式的企業使命，加快佈局體育目的地、組織重大體育賽事和活動及投資於新興的電競項目，並全力拓展體育健康休閒消費品的新業務。





Finally, on behalf of the Board, I would like to thank our Shareholders and business partners for their constant trust in and staunch support to the Group. In 2019, we undertake to go with full force in building an even stronger operation team and expanding our principal businesses at a faster pace, so that the Group can become a leading integrated sports enterprise with broader room for industrial growth and greater value in store for our Shareholders.

LI Ning

Chairman, Chief Executive Officer and Executive Director
22 March 2019, Hong Kong

最後，本人謹代表董事會同仁，感謝各位股東及業務夥伴一直對本集團的信賴和忠實支持。我們承諾於二零一九年將全力以赴去構建更強大的業務團隊，加速拓展主營業務，致力令本集團成為一家領先的綜合體育企業，創建更廣闊的行業增長空間，為股東創造更大價值。

主席、行政總裁兼執行董事

李寧

二零一九年三月二十二日，香港

BUSINESS REVIEW 業務回顧



SPORTS DESTINATION DEVELOPMENT 體育目的地發展

Sports Park & Sports Centre

In 2018, the Group has endeavoured to participate in the development, operation and management of sports destinations, which mainly comprise Li Ning Sports Park and Li Ning Sports Centre. By providing a broad spectrum of localised, professional and accessible indoor and outdoor leisure sports venues and facilities, training and services for popular sports and leisure activities, as well as value-added services such as sports training and coaching courses, production and coordination of conferences and team activities, catering, retail, entertainment and health management at these sports destinations, we aimed at driving people's participation in sports and leisure activities, while creating diversified sources of revenue for the Group.

體育園及運動中心

本集團於二零一八年致力參與體育目的地之發展、營運及管理，其中主要包括李寧體育園及李寧運動中心，為熱門運動及休閒活動提供多種本地化、專業及便捷的室內及戶外休閒體育場所及設施，同時於體育目的地提供包括體育培訓鍛鍊課程、製作及協調會議及團隊活動、餐飲、零售、娛樂及健康管理等的增值服務，以推動全民參與體育和休閒活動，同時為本集團創建多元的收入來源。



During the Reporting Period, the Group operated and managed three sports destinations namely Yangzhou Li Ning Sports Park, Linyi Li Ning Sports Centre, and Ningbo Hangzhou Bay Li Ning Sports Park. Linyi Li Ning Sports Centre and Ningbo Hangzhou Bay Li Ning Sports Park officially commenced operation in January 2018 and October 2018, respectively.

報告期內，本集團營運及管理三個體育目的地，分別為揚州李寧體育園、臨沂李寧運動中心，以及寧波杭州灣李寧體育園。臨沂李寧運動中心及寧波杭州灣李寧體育園分別於二零一八年一月和二零一八年十月正式投入營運。





Yangzhou Li Ning Sports Park
揚州李寧體育園



Linyi Li Ning Sports Centre
臨沂李寧運動中心





Ningbo Hangzhou Bay Li Ning Sports Park
寧波杭州灣李寧體育園



Other Business

During the Reporting Period, the Group has managed to establish cooperative business relationship with our business partners and major customers through sales of construction materials and provision of planning and design consultancy services to potential customers or business partners on their respective community development projects, and has already brought about opportunities for sports destinations and community development projects to the Group in various places across the PRC.

其他業務

報告期內，本集團透過向潛在客戶或業務合作夥伴銷售建材，以及為他們在個別社區發展項目提供規劃及設計諮詢服務，成功與業務夥伴及主要客戶拓展業務合作關係，也為本集團帶來了在全中國多個地區參與體育目的地及社區發展項目的機會。

COORDINATION AND
INVESTMENT OF
SPORTS COMPETITIONS
AND EVENTS
體育賽事活動組織及投資



In 2018, the Group has spared no effort to encourage and enhance social participation in sports activities through participating in commercial development of various sports competitions and events in the PRC by providing sponsors and cooperative partners with tailored sponsorship and marketing strategies and services while integrating with event-specific elements, as well as event production and related marketing consultancy services. Moreover, we actively explored and implemented cooperation and investment projects related to sports events and services with development potential. With the above initiatives, we aimed to realise sports assets diversification, achieve synergy among the businesses, and hence elevate the commercial values of the sports assets under our investment and management.

於二零一八年，本集團通過參與中國多個體育賽事和活動的商業營運，為贊助商及合作夥伴提供定制結合賽事元素之贊助及市場推廣策略及服務，以及提供項目製作及相關市場推廣諮詢服務，致力鼓勵和感染大眾參與體育活動。此外，我們亦積極探索和落實具有發展潛力的體育活動和服務相關的合作及投資項目，冀實現旗下體育資產多元化，達致業務間產生協同，並提升我們旗下投資及管理的體育資產之商業價值。



Basketball

The Group provided commercial development and marketing services for Chinese University Basketball Association ("CUBA") and Chinese High School Basketball League – Chinese Junior School Basketball League ("CHBL/CJBL") in their 2017/2018 season during the Reporting Period.

籃球

報告期內，本集團為二零一七／二零一八賽季之中國大學生籃球聯賽（「CUBA」）及中國初高中籃球聯賽（「CHBL/CJBL」）提供商業開發及市場推廣服務。





Over the season, we lined up numerous renowned commercial brands that covered various industries (eg. retail, food and beverage, gaming and entertainment, etc.) as sponsors and cooperative partners to the basketball leagues. We tailor-made and helped carry out extensive marketing campaigns for the brands to increase their appearances on-site and off-site, and on traditional and social media platforms, etc, in reaching more targeted customers.

我們於過去賽季為籃球聯賽引入多家知名和覆蓋不同行業（如零售、食品飲料、遊戲娛樂等）的商業品牌作為贊助商及合作夥伴，為品牌在賽事場內場外、主流媒體和社交媒體平台等度身定制及開展廣泛的市場推廣活動，以增加品牌曝光並觸達更多目標客戶群。



2017/2018

CUBA SEASON 賽季

Attracted 10,242 players (2016/2017 Season: 7,434 players) from 835 teams (2016/2017 Season: 620 teams) in 10 major zones, among the 33 zones that covered municipalities, provinces and autonomous regions in the PRC where the Group owned the commercial development rights.

本集團所擁有的CUBA商業推廣權覆蓋全國33個省、市和自治區的賽區。我們重點推廣其中10個賽區，共吸引835支參賽隊伍（二零一六／二零一七賽季：620支）之10,242名運動員參賽（二零一六／二零一七賽季：7,434名）。

Hit rate of the dominating discussion topic of CUBA official weibo "#CUBA 荷爾蒙#" recorded a viewership of over 500 million times.

CUBA官方微博賽事主話題「#CUBA 荷爾蒙#」閱讀量突破5億次。





In addition, for the first time we engaged in the coordination and marketing of "2018 Li-Ning 3+1 Basketball League" in eight zones in the PRC during the year. We carried out diversified and intensive publicity initiatives for the league, including crossover cooperation with a well-known photographer for video collection, KOL (key opinion leaders in online channels) video release, and webcast of sports events to vigorously promote the streetball culture.

另外，我們亦於年內首度參與「2018年李寧3+1籃球聯賽」在全國八個賽區之協調和推廣工作。通過推行多元密集的宣傳舉措，包括與知名攝影師進行視頻徵集的跨界合作、KOL（網絡紅人）視頻發佈、網絡直播賽事等，大力推動街頭籃球文化。



Moreover, the Group took part in the commercial operation of certain authorisation for CBA, the highest-ranking professional basketball league in the PRC, and provided it with sponsorship and marketing related services during the Reporting Period.

此外，本集團於報告期內參與中國最高等級職業籃球聯賽CBA賽事的相關授權之商業營運，為賽事提供贊助和市場推廣相關服務。





Running

The Li Ning 10K Running League in which the Group has participated in its commercial development and marketing over the years has been turned into a running carnival with enriched content namely "Li Ning Fun Run Festival" in 2018. The running event comprised a 10K running league, a 3K family run, a steeplechase experience zone and creative marketplace, with an aim to increase the coverage of participants of different age groups and interests.

路跑

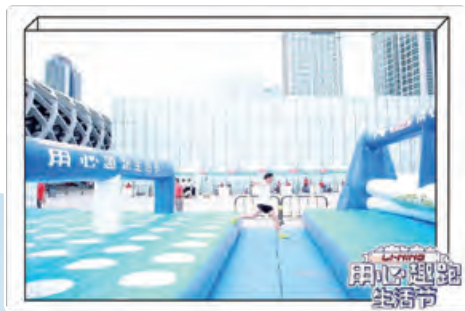
本集團一直參與商業運營和市場推廣的李寧十公里跑路聯賽於二零一八年升級為一個內容更加豐富的「李寧用心趣跑生活節」，活動內容涵括10公里競速跑、3公里家庭跑、障礙挑戰賽和創意生活市集，目的在於覆蓋更多不同年齡層及興趣的參加者。





Under the operation and marketing efforts of the Group, the running event was carried out in six PRC cities including Wuhan, Shanghai, Kunming, Xi'an, Beijing and Shenzhen with over 50,000 participants throughout the year. The Group has enhanced onsite experience in more interactive forms to better attract the public's participation, and succeeded in elevating the commercial value of the running event by introducing more commercial brands of different industries as sponsors and collaborative partners.

在本集團的營運和推廣下，路跑活動於全年覆蓋全國六個地方，包括武漢、上海、昆明、西安、北京和深圳，總參與人數逾50,000人。路跑現場加入了更多互動形式，豐富了活動體驗並有效吸引大眾廣泛參與，同時引入更多覆蓋不同行業的商業品牌作為贊助商及合作夥伴，成功提升活動的商業價值。



Further, the Group was engaged in the planning, coordination and marketing promotion of a running event based on the theme of a science fiction movie in Shanghai in May 2018. Moreover, the Group was involved in certain marketing and advertising related activities in relation to an established local running event in Hangzhou hosted by the local government and related authorities in November 2018.

此外，本集團也獲委聘於二零一八年五月負責一項在上海舉辦、以科幻電影為主題的路跑活動的策劃、協調及市場推廣工作。本集團亦於二零一八年十一月參與由杭州地方政府及有關當局在當地舉辦的一個大型路跑活動之若干市場推廣及廣告相關活動。



E-Sports

In December 2018, the Group entered into an agreement to acquire 80% equity interests in "Snake Esports" by way of convertible loan within a manageable time. Such capital investment is expected to be funded by internal resources of the Group.



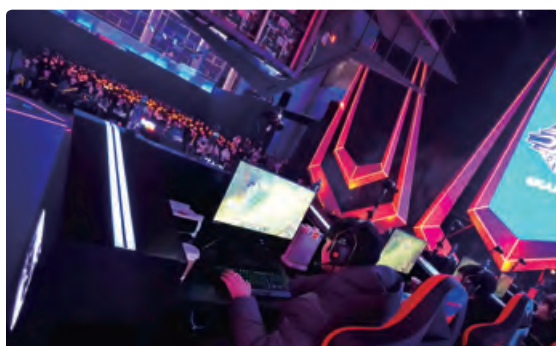
電子競技

於二零一八年十二月，本集團簽署協議以可換股債權的方式使本集團在可控的時間內收購「Snake電子競技俱樂部」的80%股權。此項資本投入預期將以本集團之內部資源撥付。



Founded in September 2013, Snake Esports has its League of Legends (LOL) team serving as a backbone of League of Legends Pro League (LPL), the most established professional event under the leading Chinese e-sports series LOL, winning various competitions including the first place in “2014 LOL Hero of Cities Spring Championship”. The team also captured the second place in “LOL Secondary Pro League (LSPL) Summer Split” in the same year, and the third place during “LPL Summer Split” in 2015.

「Snake電子競技俱樂部」成立於二零一三年九月，其《英雄聯盟》分部屬於中國領先的電子競技項目《英雄聯盟》最高規格職業賽事「英雄聯盟職業聯賽」(LPL)的中堅戰隊，曾多次於比賽中奪標，包括於二零一四年「英雄聯盟城市英雄爭霸賽春季大獎賽」榮獲冠軍，同年於「英雄聯盟甲級職業聯賽夏季賽」榮獲亞軍，翌年於「LPL夏季賽」榮獲季軍等。



The Group is convinced that e-sports is an emerging industry equipped with both the core value of traditional sports and the potential for future output, and that there exists tremendous development potential in the consumer market for e-sports competitions as well as their derivative products and services. Not only does our capital investment in Snake Esports and its team enhance the Group's sports asset portfolio, it also allows the Group to benefit from the swift growth of the e-sports industry. With such investment, we can leverage on the club to reach the younger population who boasts stronger spending power, help us tap into the sports consumer market of younger generation, and explore the commercial value of the “fans economy”. We expect such investment to be mutually beneficial and synergetic with the Group's existing businesses and resources.

本集團深信電子競技是一個擁有傳統體育核心價值和未來產出潛力的新興產業，而電子競技賽事以及衍生產品和服務的消費市場發展潛力龐大。我們對「Snake電子競技俱樂部」及其戰隊的資本投入除了能夠強化本集團旗下的體育資產組合，也能讓本集團受惠於電子競技產業的急速增長，並能透過俱樂部觸達更多消費力較強的年輕群眾，有助我們開發年輕世代的體育消費市場及挖掘「粉絲經濟」商業價值。我們預期此項投資舉措將能夠與本集團現有的業務和資源互惠並產生協同。

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees, customers and suppliers are crucial to the success of the Group. As such, the Company has maintained a smooth communication with all stakeholders to establish mutual trust, in pursuing outstanding environmental, social and governance performance.

The Group adopts a people-oriented approach to formulate its human resource policy, to provide employees with reasonable remuneration and welfare and make adjustments when appropriate. Moreover, in addition to requiring employees to comply with occupational safety rules and procedures, the Group also cares for the well-being of employees by launching various staff caring programs for employees to relax. The Group also offers employees with extensive training programs to enhance their lateral skills, enabling them to have better development opportunities in the long run.

The Group strives to provide goods and services of the best quality to our customers. By listening to customers' feedback, the Group has established effective communication channels, and maintains a cordial relationship with our customers. The Group believes that the success of the Group lies in quality of service. Hence, the Group is committed to building an integrated sports platform featured with spectating and participatory projects, aiming to meet the needs of our customers with quality sports resources and involve the public in sports events.

The Group dedicates itself to establishing a long-term partnership with its suppliers. To maintain a cordial relationship, it is crucial that we ensure the products and services provided by suppliers meet the specified requirements. The Group has established strict procurement standards, performed regular quality inspection to maintain the quality of products and services.

ENVIRONMENTAL POLICIES AND PERFORMANCE

As a responsible corporate citizen, the Group attaches high importance to environmental issues. Though the Group is not a high-pollution generated enterprise, it actively integrates the concepts of environmental protection and green building into different business segments as practicable as possible.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in the PRC while the Company itself is listed on the Stock Exchange. In order to minimise the environmental, social and governance risks, the Group operates its business in a manner that satisfies the relevant laws and regulations in respect of employee benefits, safety and environment. During the Reporting Period, we have complied with the relevant laws and regulations in the jurisdictions where it operates, i.e. the PRC and Hong Kong, in all material respects.

For more information about the measures adopted by the Group for environmental protection and regulatory compliance during this financial year, please refer to the environmental, social and governance report of this annual report.

與僱員、客戶及供應商的重要關係

員工、客戶及供應商對本集團的成功尤關重要。為此，本公司一直著意與各利益相關方保持良好的溝通及交流，建立互信的關係，以追求卓越的環境、社會及管治表現。

本集團採取以人為本的方針制定人力資源政策，為員工提供合理報酬及福利，並適時進行調整。另外，本集團也照顧員工的身心健康，除了要求員工恪守職業安全規則及程序外，也設計了不同的員工關愛活動，讓員工舒展身心。本集團亦為員工提供豐富的培訓活動，提升員工的綜合技能，讓他們長遠而言有更好的發展機會。

本集團務求為客戶提供最優質的商品及服務。本集團用心聆聽客戶聲音，已建立有效的溝通渠道，與客戶保持良好關係。本集團相信集團的成功取決於服務品質。本集團致力打造兼具觀賞性及參與性項目的綜合體育平台，以優質的體育資源滿足客戶所需，讓大眾共同投入體育項目。

本集團致力與供應商建立長期的合作夥伴關係。要維持良好的合作關係，我們必先確保供應商的產品和服務達到指定要求。本集團已建立嚴格的採購標準，並定期進行品質檢驗，以保持產品及服務品質。

環保政策及表現

作為負責任的企業公民，本集團高度關注環境保護議題。縱使本集團不屬於高污染的企業，也積極把環境保護、綠色建築等概念於可行情況下融入於各個業務板塊中。

遵守法律及法規

本集團的業務主要由位於中國的附屬公司開展，而本公司為聯交所上市公司。本集團的營運本着符合各項有關勞工福利、安全和環境等範疇的法律及法規，把環境、社會及管治的風險降至最低。報告期內，本集團已在所有重大方面遵守其營運所在司法權區（即中國及香港）的相關法律及法規。

更多有關本集團在本財政年度中環保及法規合規表現的相關資訊，請參閱此本年報內的環境、社會及管治報告。



PROSPECTS

In its updated report of *World Economic Outlook* released in late January 2019, the International Monetary Fund lowered its forecast of global economic growth to 3.5% for 2019, which was lower than that of 2018, and expected global growth to slow down. Moreover, China has set its GDP growth target at 6%-6.5% for 2019 at its *Government Work Report* delivered in March 2019, which is slightly lower than the GDP growth of 6.6% in 2018. Hence, we can perceive that 2019 is expected to witness a slowdown in both international and domestic economy, with downward risks in the pipeline. In particular, it is anticipated that the China-US trade situation and the uncertainty of global politics will generate further fluctuations in the macroeconomic environment and pose a threat to business investments across the globe. This may bring challenges to the Group in its business development trajectory during 2019.

Nevertheless, the Group remains optimistic about its business prospects in 2019, on the back of favourable national policies and local governments' supports to the implementation of sports industry projects in various cities. In January 2019, the General Administration of Sport and the National Development and Reform Commission co-published the notice on the *Action Plan for Further Boosting Sports Consumption (2019-2020)*, which set out the goal that total national sports consumption will reach RMB1.5 trillion by 2020, with a significantly higher percentage of per capita sports consumption expenditure to total consumption expenses. In particular, the priority tasks comprise vigorously promoting leisure fitness consumption; proactively executing the "Sports +" projects to push forward integrated development between sports and various other industries and create a new mode of operation for sports consumption; greatly developing the sports training market; building a variety of sports complexes and strengthening the construction of accessible sports facilities. The above policies are a natural match with the Group's corporate mission and business strategies. Hence, by staying in line with the orientation of national development, the Group will continue to develop sports destinations, and coordinate sports competitions, events and services in 2019. Meanwhile, in response to the rapid emergence of "experiential consumer group" in the PRC, with people indulging interests on sports, health, leisure and entertainment, the Group will actively identify merger and acquisition projects of various sports, health and leisure consumables in 2019 to satisfy the increasingly diversified needs of the experiential consumer group. While creating experiences for the people, the Group will also bring in enormous consumption opportunities by leveraging such sports, health and leisure consumables.

Although its application to the Stock Exchange for the proposed transfer of listing from the GEM to the Main Board in January 2018 lapsed in January 2019, the Group believes that the lapse of the application has no material adverse effect on its existing business operations and financial position. Instead, this serves as a stronger catalyst for us to focus on our principal business strategies and actively procure more sports destinations as well as other sports, health and leisure related investment projects to materialise in 2019, which will create value for our Shareholders in the long run.

展望

國際貨幣基金組織在二零一九年一月下旬發佈之《世界經濟展望》更新報告中下調二零一九年全球經濟增長率至3.5%，較二零一八年為低，並預期全球增長將減緩。另外，二零一九年三月發佈的《政府工作報告》指出，二零一九年國內生產總值增長目標為6%-6.5%，這將稍低於二零一八年國內生產總值增長的6.6%。我們可見二零一九年的國際和國內經濟預期將放緩並存在下行風險，尤其中美貿易狀況及國際政局的不確定性預料將進一步令宏觀經濟環境更趨波動，對全球商業投資構成威脅，或會為本集團於二零一九年的業務發展進程帶來挑戰。

然而，背靠優惠國策和地方政府對於在不同城市實踐體育產業相關項目的支持，本集團依然對於二零一九年的業務前景感到樂觀。二零一九年一月，國家體育總局及國家發展和改革委員會聯合印發《進一步促進體育消費的行動計劃（2019-2020年）》的通知，目標實現到2020年全國體育消費總規模達到1.5萬億元人民幣，人均體育消費支出佔消費總支出的比重顯著上升。其中重點任務包括大力發展健身休閒消費；積極實施「體育+」工程，推進體育與不同產業融合發展，打造體育消費新業態；大力發展體育培訓市場；打造各類體育綜合體，加強便民體育設施建設等。以上政策方針與本集團的企業宗旨及業務策略不謀而合，因此配合國家的發展方向，本集團將於二零一九年繼續拓展體育目的地，以及組織體育賽事、活動和服務。同時，因應全國集體育、健康、休閒、娛樂於一身的「體驗型消費群」的急速冒起，2019年我們將積極物色各類型體育健康休閒消費品的併購項目以滿足體驗型消費群日趨多元的需求，借著體育健康休閒消費品為群眾創造體驗並帶來龐大的消費契機。

縱然本集團於二零一八年一月向聯交所提交建議轉板上市之申請於二零一九年一月失效，不過本集團相信申請失效對我們現有的業務營運及財務狀況並不構成重大不利影響，反而成為我們一個更強大的推動力專注主營業務策略，鞭策我們於二零一九年積極推動更多體育目的地及其他體育健康休閒相關投資項目落地，長遠為股東創造價值。



RESULTS

For the year ended 31 December 2018, the Group's consolidated revenue was HK\$1,134.6 million (2017: HK\$612.5 million), representing an increase of 85.2%. The increase in revenue was mainly driven by improvements in the contribution from both the sports segment and the community development segment especially due to new commercial contracts signed with customers in year 2018. Gross profit of the Group for the year was HK\$166.7 million (2017: HK\$94.5 million), representing an increase of HK\$72.2 million or 76.4% as compared to the previous year. The significant increase in gross profit was in line with the revenue improvement in both the sports and community development segments.

The Group's other income and other gains-net for the year amounted to HK\$24.5 million (2017: HK\$42.1 million). Other income and other gains-net during the year was mainly attributable to government grants of HK\$21.2 million (2017: HK\$35.9 million) and interest income of HK\$6.5 million (2017: HK\$5.1 million).

Selling and distribution expenses for the year amounted to HK\$41.2 million (2017: HK\$21.6 million), representing an increase of HK\$19.6 million or 90.7% as compared to the year of 2017. The increase was mainly due to additional marketing and promotional expenditures and staff cost incurred as a result of new sponsorship and marketing related services provided in relation to a top-tier professional basketball league in the PRC, and the operation commencement of two new sports parks during the year, which was in line with our business expansion.

Administrative expenses and other operating expenses ("Administrative Expenses") incurred in the year amounted to HK\$154.0 million (2017: HK\$184.8 million), which represents a decrease of HK\$30.8 million or 16.7% as compared to the year of 2017. The decrease in Administrative Expenses was primarily due to the decrease in share option expenses of HK\$39.5 million and decrease in fair value loss of investment properties of HK\$27.8 million. Administrative Expenses included non-cash items which amounted to HK\$38.2 million (2017: HK\$92.1 million), mainly representing impairment loss of trade receivables and other receivables of HK\$17.7 million, share options expenses of HK\$13.1 million, foreign exchange loss and depreciation of property, plant and equipment, etc. Excluding these major non-cash items, Administrative Expenses for the year would be HK\$115.8 million (2017: HK\$92.7 million), which represents an increase of 24.9% due to organic growth.

業績

截至二零一八年十二月三十一日止年度，本集團之綜合收益為1,134,600,000港元（二零一七年：612,500,000港元），增加85.2%。收益增加乃主要受二零一八年與客戶訂立的新商務合約而使體育分部及社區發展分部作出的貢獻增加所帶動。本集團之年內毛利為166,700,000港元（二零一七年：94,500,000港元），較去年增加72,200,000港元或76.4%。毛利之大幅增加與體育分部及社區發展分部收益增加一致。

本集團於年內錄得其他收入及其他收益淨額為24,500,000港元（二零一七年：42,100,000港元）。於年內，其他收入及其他收益淨額主要源於政府補助21,200,000港元（二零一七年：35,900,000港元）及利息收入6,500,000港元（二零一七年：5,100,000港元）。

年內，銷售及分銷開支為41,200,000港元（二零一七年：21,600,000港元），較二零一七年增加19,600,000港元或90.7%。該增長與我們的業務擴張一致，乃主要由於年內為一個中國高等級職業籃球聯賽提供新的贊助和市場推廣相關服務以及兩個新體育園開始營運而產生額外營銷及推廣開支以及員工成本。

年內產生之行政費用及其他經營開支（「行政費用」）為154,000,000港元（二零一七年：184,800,000港元），較二零一七年減少30,800,000港元或16.7%。行政費用減少乃主要由於購股權開支減少39,500,000港元及投資物業公平值虧損減少27,800,000港元。行政費用包含之非現金項目為38,200,000港元（二零一七年：92,100,000港元），主要包括應收賬款及其他應收款項之減值虧損17,700,000港元、購股權開支13,100,000港元、匯兌虧損及物業、廠房及設備之折舊等。撇除該等主要非現金項目後，年內之行政費用應為115,800,000港元（二零一七年：92,700,000港元），增加24.9%乃來自有機增長。

Finance costs for the year amounted to HK\$83.7 million (2017: HK\$87.2 million), which represents a slightly decrease of 4.0%. The decrease in finance costs was primarily attributable to the decrease in average bank and other loans balance during the year as compared to the previous year.

Li Ning Co is accounted for as an associate of the Group. The Group has adopted the provision contained in HKAS 28 whereby it is permitted to include the attributable share of associate's results based on the financial statements drawn up to a non-coterminous period end where the difference must be no greater than three months. During the year, the Group shared the results of Li Ning Co based on its adjusted financial results for the twelve months ended 30 September 2018 adjusted by any significant events or transactions for the period from 1 October 2018 to 31 December 2018. There is no non-coterminous period end for other associates and joint ventures.

During the year, the Group shared the profits less losses of associates and joint ventures amounting to HK\$182.3 million (2017: HK\$48.2 million). The significant increase was the combined result of improvement in the associates' operations and no deemed partial disposal loss in the year.

During the year, the Group has recorded a net profit attributable to equity holders of HK\$77.0 million comparing to a net loss attributable to equity holders of HK\$109.7 million for the year 2017. The turnaround was mainly due to the improvement in our revenue and gross profit, improvement in the share of profits less losses of associates and joint ventures, and reduction in non-cash Administrative Expenses.

SEGMENT

Community Development

Community development segment comprises operation of sports parks and sports centres; development of communities; provision of community development consultancy and subcontracting services; property development for sales and investment; and research and development, manufacturing, marketing and sales of construction materials.

年內之財務成本達83,700,000港元(二零一七年: 87,200,000港元), 輕微減少4.0%。財務成本減少乃主要由於年內平均銀行及其他貸款結餘較去年有所減少。

李寧公司作為本集團之聯營公司入賬。本集團已採納香港會計準則第28號所載條文, 據此, 其獲准根據聯營公司不同結算日期(但差距不得超過三個月)之財務報表計入應佔聯營公司之業績。於年內, 本集團根據李寧公司截至二零一八年九月三十日止十二個月之經調整財務業績(已就二零一八年十月一日至二零一八年十二月三十一日期間之任何重大事件或交易作出調整)分佔其業績。其他聯營公司及合營企業並沒有不同的結算日期。

年內, 本集團分佔聯營公司及合營企業之溢利減虧損為182,300,000港元(二零一七年: 48,200,000港元)。該大幅增加乃年內聯營公司經營改善及並無視作部分出售虧損的綜合結果。

年內, 本集團錄得權益持有人應佔溢利淨額77,000,000港元, 而二零一七年則錄得權益持有人應佔虧損淨額109,700,000港元。扭虧為盈乃主要由於我們的收益及毛利增加、分佔聯營公司及合營企業之溢利減虧損增加以及非現金行政費用減少所致。

分部

社區發展

社區發展分部業務包括經營體育園及運動中心; 開發社區; 提供社區發展諮詢及分包服務; 待售物業開發及投資; 以及建材之研發、製造、市場推廣及銷售。

The Group has been dedicating its effort to promote a sportive and healthy lifestyle in the community. Echoing the PRC government's strategy to promote nationwide physical fitness, the Group actively seeks cooperation with different prospective contracting parties, including local governments, property development companies, construction and landscaping companies, and established financial institutions. The Group has been selecting suitable cooperation opportunities to invest in and operate potential community development projects, including sports community and sports parks, and sports-related commercial opportunities that promote healthier living and sports awareness in the PRC. The Group will continue to invest in development and related opportunities in sports communities with enormous growth prospects in the PRC. It is the Group's long-term strategy to build a comprehensive community development network, including both hardware and software elements, in order to develop high quality, environmentally friendly and profitable communities. We trust that the expected vertical and horizontal expansions and integration of this business segment will generate values for our shareholders in the long run.

In July 2015, the Group had successfully acquired the land use right with a site area of approximately 23,334 square meters for a total consideration of approximately RMB168.4 million (equivalent to approximately HK\$210.2 million). The land is located in Guangling Xincheng, Yangzhou, Jiangsu Province of the PRC and adjacent to the Yangzhou Li Ning Sports Park. Yangzhou Li Ning Sports Park is the first sports park managed and operated by the Group.

In November 2017, the Group had secured the operating and management rights for the Linyi Li Ning Sports Centre which is located at the centre of Linyi city of Shandong Province and invested by the People's Government of Linyi. Linyi Li Ning Sports Centre aims to provide the neighbourhood with various sports-related facilities and services. Officially managed and operated by the Group since January 2018, Linyi Li Ning Sports Centre has started to generate additional revenue to the Group.

In May 2018, the Group had entered into the operating and management agreement for the Ningbo Hangzhou Bay Li Ning Sports Park. Located in Hangzhou Bay New Zone, Ningbo city of Zhejiang province of the PRC, and managed and operated by the Group, Ningbo Hangzhou Bay Li Ning Sports Park has started to generate additional revenue to the Group and broadened the Group's community development network.

本集團一直致力於社區中宣傳體育及健康的生活方式。為響應中國政府的全民健身戰略，本集團積極與地方政府、房地產開發公司、建築及園境建設公司以及具規模的金融機構等不同的潛在訂約方進行磋商，並篩選合適的合作機會以投資經營潛在社區發展項目，包括體育社區及體育園，以及於中國推廣健康生活及體育意識之體育相關的商機。本集團將繼續投資於中國擁有巨大增長前景的體育社區開發及相關機遇。本集團之長期策略為建立全面的社區發展網絡，其中包括硬件及軟件元素，以發展高質量、環境友好及具盈利能力的社區。我們相信此業務分部的預期縱向及橫向擴張和整合將能為股東創造長期價值。

本集團於二零一五年七月以總代價約人民幣168,400,000元（約等值210,200,000港元）成功收購面積約23,334平方米的土地使用權。該地塊座落於中國江蘇省揚州市廣陵新城，並與揚州李寧體育園相鄰。揚州李寧體育園為首個由本集團管理及運營的體育園。

於二零一七年十一月，本集團取得位於山東省臨沂市市中心並由臨沂市人民政府投資的臨沂李寧運動中心的運營管理權。臨沂李寧運動中心旨在為周邊社區提供多樣化的體育相關設施及服務。臨沂李寧運動中心自二零一八年一月開始由本集團正式管理營運，並開始為本集團貢獻額外收益。

於二零一八年五月，本集團就位於中國浙江省寧波市杭州灣新區的寧波杭州灣李寧體育園訂立運營管理協議，現時寧波杭州灣李寧體育園由本集團管理營運，並開始為本集團貢獻額外收益，同時拓展本集團社區發展網絡。

The community development segment generated revenue totalling HK\$771.3 million (2017: HK\$434.6 million) for the year ended 31 December 2018, which represents an increase of HK\$336.7 million or 77.5% as compared to the year of 2017. In particular, the operating revenue of sports parks recorded an encouraging growth of 106.3% during the year, as driven by the increase in sports parks facilities hiring income, sports parks rental income and sales of merchandise through two new sports parks. The segment revenue was mainly derived from the sales of construction materials, sports parks operations and community development consultancy services as the Group expanded its business network in tandem with the development of this segment. The Group's strategy is to expand into the upstream and downstream industry networks as an integral part of further build-out of our community development business. We expanded the construction materials business network and managed to establish good working relationships with various construction materials suppliers and customers, so as to lay a solid foundation for our construction of and investment in sports community projects in different cities. Taking into account the expenses incurred for potential community development projects, this segment reported an operating profit of HK\$10.2 million (2017: operating profit of HK\$36.2 million) during the year which represented a decrease of HK\$26.0 million or 71.8%. The decrease was mainly attributable to the decrease in community development consultancy services income and government grants.

Sports

The sports segment continued its business which encompasses event production and coordination of sports competitions, sports talent management, and sports-related marketing and consultancy services. For the year ended 31 December 2018, our sports segment generated revenue totalling HK\$363.3 million (2017: HK\$177.9 million), representing a significant increase of 104.2%. The increase in sports segment's revenue was mainly due to the new sponsorship and marketing related services provided in relation to a top-tier professional basketball league in the PRC. The sports segment recorded an operating profit of HK\$51.9 million (2017: operating profit of HK\$19.5 million). The increase in operating profit was mainly attributable to the improvement in segment revenue and gross profit, but was partially offset by the increase in advertising and promotional expenditures.

社區發展分部於截至二零一八年十二月三十一日止年度產生收益合共771,300,000港元(二零一七年: 434,600,000港元),較二零一七年增加336,700,000港元或77.5%,其中,由於兩個新體育園之體育園設施租賃收入、體育園租金收入及商品銷售增加,體育園經營收益於年內錄得106.3%之顯著增幅。該分部收益主要源於隨著本集團發展此業務分部而擴展其業務網絡的建材銷售、體育園業務及社區發展諮詢服務所得之收益。開發產業上下游網絡之策略乃本集團進一步開拓社區發展業務不可或缺的一環。我們開展建材業務網絡,並與不同的建築材料供應商及客戶建立了良好的合作關係,為建設和投資於不同地區及城市的社區發展項目打穩基礎。連同潛在社區發展項目產生之開支,此分部於年內錄得經營溢利10,200,000港元(二零一七年:經營溢利36,200,000港元),減少26,000,000港元或71.8%。該減少乃主要由於社區發展諮詢服務收入及政府補貼減少。

體育

體育分部延續其經營業務,包括項目製作及籌辦體育競賽、體育人才管理以及提供體育相關市場推廣及諮詢服務。截至二零一八年十二月三十一日止年度,我們的體育分部產生收益合共363,300,000港元(二零一七年: 177,900,000港元),大幅增加104.2%。體育分部收益增加乃主要由於為一個中國高等級職業籃球聯賽提供新的贊助和市場推廣相關服務。體育分部錄得經營溢利51,900,000港元(二零一七年:經營溢利19,500,000港元)。經營溢利增加乃主要由於分部收益及毛利增加,但部分被廣告及推廣開支增加抵銷。

The Group continued to provide talent management services for commercial engagements for individual athletes and national teams. The Group has succeeded in realising the commercial values of our managed sports talents by arranging them to participate in selected and diversified commercial activities and gaining public exposure. It is the Group's strategy to drive the establishment of an integrated sports platform by leveraging the existing resources of its sports business. The Group will therefore continue its effort to capture and maximise the commercial values of the sports resources under our management, and encourage social participation in sports activities through commercial management of popular sporting events and competitions, sports talent management, as well as providing sports-related marketing and consultancy services, and engaging in community development with a sports theme.

Financial Position

As at 31 December 2018, the net assets value of the Group has decreased to HK\$3,934.5 million from HK\$4,038.5 million as at 31 December 2017. The decrease was mainly due to the exchange translation difference, but was partially offset by the net profit, the proceeds from issue of ordinary shares upon exercise of share options, equity-settled share option arrangements, acquisition of a subsidiary and share of associates' reserve during the year.

The total non-current assets of the Group increased from HK\$3,793.4 million as at 31 December 2017 to HK\$3,867.7 million as at 31 December 2018, which represents an increase of HK\$74.3 million. The increase was mainly brought about by the intangible assets and property, plant and equipment arose from the step acquisition of a subsidiary during the year, and increase in deposits and other receivables, but partially offset by the decrease in the interests in associates and joint ventures.

Current assets of the Group recorded a decrease by HK\$158.7 million from HK\$1,352.0 million as at the beginning of the year to HK\$1,193.3 million as at the end of the year. The key components of the current assets at the reporting date were cash and bank deposits of HK\$380.7 million (2017: HK\$521.0 million), stock of properties, and trade debtors and bills receivable. The decrease in the Group's cash and bank deposits balance was mainly due to the net cash outflow used in operating activities during this year. The increase in trade debtors and bills receivable was in line with the increase in revenue as a result of organic growth in business.

本集團繼續為個別運動員及國家隊的商业工作提供人才管理服務，透過安排旗下體育人才參與合適和多元化的商業活動及爭取曝光，成功實現其商業價值。本集團的策略是利用體育業務的現有資源推動建立一個綜合體育平台。因此，本集團將繼續努力捕捉和擷取本集團管理的體育資源最大的商業價值，透過對熱門體育活動和賽事的商業管理、體育人才管理、提供體育相關市場推廣及諮詢服務，以及參與體育主題社區發展，鼓勵社會大眾參與體育活動。

財務狀況

於二零一八年十二月三十一日，本集團之資產淨值由二零一七年十二月三十一日的4,038,500,000港元減少至3,934,500,000港元。該減少乃主要由於匯兌差額，但部分被年內純利、於購股權行使時發行普通股收取之所得款項、以股權結算之購股權安排、收購一間附屬公司及應佔聯營公司儲備所抵銷。

本集團之非流動資產總值由二零一七年十二月三十一日之3,793,400,000港元增加至二零一八年十二月三十一日之3,867,700,000港元，增加74,300,000港元。該增加乃主要由年內分階段收購一間附屬公司而產生無形資產以及物業、廠房及設備和按金及其他應收款項增加所導致，但部分被於聯營公司及合營企業之權益減少所抵銷。

本集團錄得流動資產由年初1,352,000,000港元減少158,700,000港元至年末的1,193,300,000港元。於報告日期，流動資產之主要部分為現金及銀行存款380,700,000港元（二零一七年：521,000,000港元）、庫存物業以及應收賬款及應收票據。本集團現金及銀行存款結餘減少乃主要由於本年度內經營活動所用現金流出淨額。應收賬款及應收票據增加與本集團因業務有機增長令收益增加一致。

The total current liabilities of the Group as at 31 December 2018 were HK\$291.0 million, representing a decrease of HK\$5.8 million or 2.0% from that as at 31 December 2017. As at 31 December 2018, the key components of non-current liabilities were the carrying amounts of the liability component of the convertible notes issued in December 2016 of HK\$819.6 million (2017: HK\$750.6 million) and non-current deferred income of HK\$10.0 million (2017: HK\$22.0 million).

Liquidity and Financial Resources

The Group recorded a net cash outflows from operations for the current year of HK\$141.2 million, representing an increase of HK\$120.5 million compared to last year (2017: HK\$20.7 million). The increase in operating cash outflows was mainly due to the increase in trade debtors and bills receivable, and other working capital compared to last year, which was in line with our business expansion. A net cash inflows in investing activities of HK\$57.4 million for the current year (2017: net cash outflows of HK\$63.5 million), representing a turnaround of HK\$120.9 million compared to last year. The investing cash inflows in 2018 was mainly due to the proceeds from disposal of investment properties and dividend received from an associate during the year, while the investing cash outflows in 2017 was mainly due to the loan advance to third parties and payments for acquisition of associates and joint ventures. A net cash outflows from financing activities of HK\$20.2 million for the current year (2017: HK\$220.1 million), representing a decrease of HK\$199.9 million compared to last year. The financing cash outflows in 2018 was mainly due to the interest payments and partially offset by the proceeds from issue of ordinary shares upon exercise of share options during the year. As a result, the cash and cash equivalent of the Group as at 31 December 2018 decreased by HK\$140.3 million from the beginning of the year.

The Group had banking facilities of HK\$460.0 million (2017: HK\$468.0 million), of which HK\$40.0 million has been utilised (2017: HK\$40.0 million have been utilised) as at 31 December 2018. The Group's gearing ratio was approximately 0.11 (2017: 0.06) as at 31 December 2018. The Group defines gearing ratio as ratio of net debt over equity plus net debt in which net debt represents total bank and other borrowings less cash and bank balances (including pledged deposit). The current ratio (ratio of current assets to current liabilities) of the Group as at 31 December 2018 was approximately 4.1 (2017: 4.6). The Group's gearing level and liquidity position has been maintained at a healthy level as at the reporting date. It is the Group's strategy to maintain a healthy and effective gearing ratio in a range of 0 to 1.

於二零一八年十二月三十一日，本集團流動負債總額為291,000,000港元，較二零一七年十二月三十一日減少5,800,000港元或2.0%。於二零一八年十二月三十一日，非流動負債之主要部分為於二零一六年十二月發行之可換股票據的負債部分，其賬面值為819,600,000港元（二零一七年：750,600,000港元）及非流動遞延收入10,000,000港元（二零一七年：22,000,000港元）。

流動資金及財務資源

本集團於本年度錄得由經營活動產生之現金流出淨額為141,200,000港元，較去年增加120,500,000港元（二零一七年：20,700,000港元）。經營現金流出增加乃主要由於應收賬款及應收票據以及其他營運資金較去年增加，該增長與我們的業務擴張一致。本年度錄得投資活動現金流入淨額57,400,000港元（二零一七年：現金流出淨額63,500,000港元），與去年相比差額為120,900,000港元。二零一八年投資現金流入乃主要由於年內出售投資物業之所得款項及收取一間聯營公司股息，而於二零一七年，投資現金流出乃主要由於向第三方的貸款及收購聯營公司及合營企業所付款項。本年度錄得融資活動現金流出淨額為20,200,000港元（二零一七年：220,100,000港元），較去年減少199,900,000港元。二零一八年融資現金流出乃主要由於利息付款，並部分被年內於購股權獲行使時發行股份所得款項所抵銷。因此，本集團於二零一八年十二月三十一日之現金及現金等價物較年初減少140,300,000港元。

本集團已獲得銀行融資460,000,000港元（二零一七年：468,000,000港元），其中40,000,000港元已於二零一八年十二月三十一日動用（二零一七年：已動用40,000,000港元）。於二零一八年十二月三十一日，本集團之資產負債比率約為0.11（二零一七年：0.06）。本集團將資產負債比率界定為債務淨額與股權加債務淨額之比率，其中債務淨額指銀行及其他借貸總額減現金及銀行結餘（包括抵押存款）。於二零一八年十二月三十一日，本集團之流動比率（流動資產對流動負債之比率）約為4.1倍（二零一七年：4.6倍）。於報告日期，本集團之資產與負債水平及流動資金狀況維持穩健。本集團之策略為保持穩健及有效之資產負債比率介乎0至1之間。

Financial Management Policy and Foreign Currency Risk

The Group's finance division at its headquarters in Hong Kong manages the financial risks of the Group. One of the key objectives of the Group's treasury policies is to manage its exposure to fluctuations in foreign currency exchange rates. It is the Group's policy not to engage in any speculative activities. As the Group operates primarily in Hong Kong and the PRC, most of the revenue and trading transactions are settled in either HK\$ or RMB. Accordingly, the majority of the Group's net current assets were denominated in either HK\$ or RMB. Deposits placed in various banks are mainly denominated in these two currencies. The Group maintains its proportion of deposits in RMB and HK\$ in line with its future business and investment plans. The policies in place to manage foreign currency risk have been followed by the Group for several years and are considered to be effective with the current foreign currency risk still manageable. The Group has assessed its foreign exchange rate risk exposure and has not entered into any foreign exchange hedging arrangement during the year and as at the reporting date.

Charge on Assets

As at 31 December 2018, interests in an associate with carrying amount of approximately HK\$875.7 million (2017: HK\$867.5 million) had been charged as security for a bank borrowing of a subsidiary and convertible notes issued by the Company.

Commitments for Property Development/Capital Expenditure

As at 31 December 2018, the Group had commitments totalling HK\$616.9 million in relation to capital contribution to the Sports Cultural Industry Fund, associates and joint ventures and for property development in the PRC which were contracted but not provided for (2017: HK\$645.9 million).

Material Transactions

In June 2018, the Group completed the step acquisition of 20% equity interest in 非凡德勝(珠海)體育科技發展有限公司("非凡德勝") for a consideration of approximately HK\$14.6 million. The Group's interest in 非凡德勝 increased from 50% to 70% and 非凡德勝 changed from a joint venture to a subsidiary of the Group. The acquisition was made as part of the Group's strategy to expand the sports and physical rehabilitation business in the PRC.

Employees and Remuneration Policies

Staff remuneration comprised of monthly salaries, mandatory provident fund contributions, medical benefits, housing benefits, education allowances and discretionary share options issued based on their contribution to the Group. Staff costs (including Directors' remuneration) for the year ended 31 December 2018 amounted to HK\$76.2 million (2017: HK\$86.0 million). The Group also engages professional consultants to ensure the competitiveness of the remuneration policy which, in turn, would support the business growth of the Group. As at 31 December 2018, the Group employed 355 full-time employees (2017: 248) and their remuneration was calculated with reference to the market rates.

財務管理政策及外幣風險

本集團香港總辦事處之財務部管理本集團之財務風險。本集團庫務政策主要目標之一為管理其外幣匯率波動之風險，以實現以較低資金成本進行企業現金管理的目標。本集團之政策為不參與任何投機活動。由於本集團主要於香港及中國營運，故大部分收益及買賣交易乃以港元或人民幣結算。因此，本集團大部分之流動資產淨值乃以港元或人民幣計值。存置於各銀行之存款主要以該兩種貨幣計值。本集團根據其未來業務及投資計劃而維持人民幣及港元存款比例。本集團多年來一直遵守外幣風險管理政策，並認為該等政策行之有效及現時之外幣風險仍處於可控制範圍內。本集團已評估其外匯風險，惟年內及於報告日期並無作出任何外匯對沖安排。

資產抵押

於二零一八年十二月三十一日，賬面值約875,700,000港元(二零一七年：867,500,000港元)之一間聯營公司之權益已抵押作為一間附屬公司銀行借貸及本公司所發行之可換股票據之擔保。

房地產開發／資本開支承擔

於二零一八年十二月三十一日，本集團就於中國之體育文化產業基金、聯營公司及合營企業之注資及物業開發擁有合共616,900,000港元之已訂約但未撥備承擔(二零一七年：645,900,000港元)。

重大交易

於二零一八年六月，本集團完成分階段收購非凡德勝(珠海)體育科技發展有限公司("非凡德勝")之20%股權，代價為約14,600,000港元。本集團於非凡德勝之權益由50%增加至70%，非凡德勝由一間合營企業變為本集團之附屬公司。有關收購乃構成本集團於中國擴張運動體能康復業務策略之一部分。

僱員及薪酬政策

員工酬金包括月薪、強制性公積金供款、醫療福利、住房福利、教育津貼及按其對本集團貢獻而發行之酌情購股權。截至二零一八年十二月三十一日止年度，員工成本(包括董事酬金)為76,200,000港元(二零一七年：86,000,000港元)。本集團亦委聘專業顧問，以確保制定具競爭力之薪酬政策以支持本集團之業務增長。於二零一八年十二月三十一日，本集團聘用355名(二零一七年：248名)全職僱員，彼等之薪酬乃參考市場水平釐定。

Directors' and Senior Management's Biographies

董事及高級管理人員之簡歷

MR. LI NING

CHAIRMAN, CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

Mr. Li Ning, aged 56, has been the chairman (the "Chairman"), an executive Director and a member of the executive committee of the Company since June 2010. Mr. Li was also appointed as the chairman of the nomination committee and the chief executive officer (the "Chief Executive Officer") of the Company with effect from 15 March 2012 and 22 May 2013 respectively. He is a director of various subsidiaries of the Company. Mr. Li is the founder of the LI-NING brand. He has been appointed as an executive director of Li Ning Co* since 4 March 2004 and is currently its executive chairman and interim chief executive officer. Mr. Li is the younger brother of Mr. Li Chun, a retired non-executive Director and the uncle of Mr. Li Qilin, who is an executive Director.

Mr. Li is one of the most outstanding athletes in the 20th century. In the 6th World Cup Gymnastics Competition in 1982, Mr. Li unprecedentedly won six gold medals in men's artistic gymnastics events and was named the "Prince of Gymnastics" ("體操王子") in the PRC. In the 23rd Los Angeles Olympic Games in 1984, Mr. Li won three gold, two silver and one bronze medals, making him the athlete winning the most medals of that Olympic Games. In 1987, Mr. Li became the Asian member of Athlete's Commission of the International Olympic Committee. From 1993 to 2000, Mr. Li served as a member of the Men's Artistic Gymnastics Technical Committee of the Federation Internationale De Gymnastique. He is currently an honorary member of the Federation Internationale De Gymnastique. In 1999, Mr. Li was voted one of the "World's Most Excellent Athletes in the 20th Century" by the World Sports Correspondent Association.

After retiring from his athlete career in 1989, Mr. Li initiated the idea of LI-NING brand with the goal of creating the first national sports goods brand in the PRC. He has dedicated the past over 20 years to the development of the business of LN Group, achieving great contribution to the development of the sporting goods industry in the PRC.

Mr. Li holds a bachelor's degree in law from School of Law of Peking University (北京大學), an executive M.B.A. degree from Guanghua School of Management of Peking University (北京大學光華管理學院), an honorary doctorate in technology from Loughborough University in the United Kingdom and an honorary degree of doctor of humanities from The Hong Kong Polytechnic University. In June 2010, Mr. Li was also conferred honorary fellowship from The Hong Kong University of Science and Technology.

李寧先生

主席·行政總裁兼執行董事

李寧先生，五十六歲，自二零一零年六月起出任本公司主席（「主席」）、執行董事兼執行委員會成員。李先生亦分別於二零一二年三月十五日獲委任為本公司提名委員會主席及於二零一三年五月二十二日獲委任為本公司行政總裁（「行政總裁」）。彼為本公司多家附屬公司之董事。李先生為李寧品牌創立人，彼自二零零四年三月四日起獲委任為李寧公司*的執行董事，目前為李寧公司的執行主席兼代理行政總裁。李先生為已退任之非執行董事李進先生之胞弟及執行董事李麒麟先生之叔父。

李先生為二十世紀最傑出運動員之一。在一九八二年舉行之第六屆世界體操錦標賽，李先生在男子體操項目奪得六面金牌，締造世界體壇歷史，並在中國獲得「體操王子」美譽。於一九八四年舉行之第二十三屆洛杉磯奧運會，李先生取得三金兩銀一銅佳績，成為當屆贏得最多獎牌之運動員。於一九八七年，李先生成為國際奧委會運動員委員會之亞洲區委員。一九九三年至二零零零年，李先生為國際體操聯合會男子技術委員會委員，現任國際體操聯合會榮譽委員。於一九九九年，李先生獲世界體育記者協會選為「二十世紀世界最佳運動員」。

於一九八九年退出體壇後，李先生構思推出李寧品牌，並以創立首個中國國家級體育用品品牌為目標。李先生於過往二十多年一直致力發展李寧集團業務，為中國體育用品行業之發展作出卓越貢獻。

李先生持有北京大學法學院法律學士學位、北京大學光華管理學院高級管理人員工商管理碩士學位、英國Loughborough University技術榮譽博士學位以及香港理工大學榮譽人文學博士學位。於二零一零年六月，李先生亦獲得香港科技大學頒授榮譽院士。



Mr. Li has also been actively involved in charities via his "Li Ning Foundation" (李寧基金) and his genuine support to the active and retired Chinese athletes and coaches in establishing "The Chinese Athletes Educational Foundation" (中國運動員教育基金), which aims at providing subsidies for further education and trainings for athletes and to support educational development in impoverished and remote areas in the PRC. In October 2009, Mr. Li was appointed by the United Nations World Food Programme (WFP) as "WFP Goodwill Ambassador Against Hunger".

MR. CHAN LING

CHIEF OPERATING OFFICER AND EXECUTIVE DIRECTOR

Mr. Chan Ling, aged 47, is an executive Director, an authorised representative and the compliance officer of the Company and a member of each of the executive committee and the remuneration committee of the Company. Mr. Chan was also appointed as the chief operating officer of the Company with effect from 22 May 2013. Mr. Chan had been a member and the chairman of the nomination committee of the Company since 2 June 2010 and 23 June 2010 respectively, and ceased to hold any office of this committee on 15 March 2012. Mr. Chan joined the Group in June 2010 and is a director of Viva China Sports Holding Limited, Viva China Community Development Holdings Limited and various subsidiaries of the Company. Mr. Chan was the chief executive officer of "The Chinese Athletes Educational Foundation". He has over 10 years of working experience in the media industry and in the sports agency industry.

MR. LI CHUNYANG

EXECUTIVE DIRECTOR

Mr. Li Chunyang, aged 50, is an executive Director and a member of the executive committee of the Company. Mr. Li joined the Group in June 2010 and is a director of 非凡領越體育發展(北京)有限公司, Viva China Community Development Holdings Limited and various subsidiaries of the Company. Mr. Li graduated from Peking University in 2004 with a bachelor's degree in Economics. He was one of the founders of "The Chinese Athletes Educational Foundation". In 1989 and 1991, he won the World Gymnastics Championships.

MR. LI QILIN

EXECUTIVE DIRECTOR

Mr. Li Qilin, aged 32, was appointed as a non-executive Director in June 2013. Mr. Li has been re-designated from a non-executive Director to an executive Director and appointed as a member of the executive committee of the Company with effect from 13 November 2015. Mr. Li joined the Group in June 2013. Mr. Li is the general manager of a subsidiary of the Company. Mr. Li has been a director of Lead Ahead Limited, a substantial shareholder of the Company, since June 2010.

李先生亦透過「李寧基金」積極參與慈善活動，並幫助現役及退役中國運動員及教練成立「中國運動員教育基金」，為運動員提供學習進修及培訓資助，並支持中國貧困及偏遠地區的教育發展。二零零九年十月，李先生被聯合國世界糧食計劃署(WFP)任命為「WFP反饑餓親善大使」。

陳寧先生

營運總裁兼執行董事

陳寧先生，四十七歲，為本公司執行董事、授權代表兼監察主任以及本公司執行委員會及薪酬委員會之成員。陳先生亦於二零一三年五月二十二日獲委任為本公司營運總裁。陳先生分別自二零一零年六月二日及二零一零年六月二十三日起擔任本公司提名委員會成員及主席，並於二零一二年三月十五日不再擔任該委員會任何職務。陳先生於二零一零年六月加入本集團，並為非凡中國體育控股有限公司、非凡中國社區開發控股有限公司及本公司多家附屬公司之董事。陳先生曾任「中國運動員教育基金」總幹事。彼於媒體行業及體育經紀人行業擁有逾十年經驗。

李春陽先生

執行董事

李春陽先生，五十歲，為本公司執行董事兼執行委員會成員，於二零一零年六月加入本集團，並為非凡領越體育發展(北京)有限公司、非凡中國社區開發控股有限公司及本公司多家附屬公司之董事。李先生於二零零四年畢業於北京大學，獲得經濟學學士學位。彼亦為「中國運動員教育基金」創辦人之一。於一九八九年及一九九一年，彼取得世界體操錦標賽冠軍。

李麒麟先生

執行董事

李麒麟先生，三十二歲，於二零一三年六月獲委任為非執行董事。自二零一五年十一月十三日起李先生由非執行董事調任為執行董事，並獲委任為本公司執行委員會成員。李先生於二零一三年六月加入本集團。李先生於本公司一間附屬公司擔任總經理。自二零一零年六月以來，李先生一直擔任本公司主要股東Lead Ahead Limited的董事。

Mr. Li has been appointed as a non-executive director of Li Ning Co since 13 December 2017 and re-designated as its executive director with effect from 19 June 2018.

Mr. Li has considerable experience in financial services industry and was an analyst of Persistent Asset Management Limited during the period from January 2010 to July 2013. Mr. Li is the son of Mr. Li Chun, a retired non-executive Director and the nephew of Mr. Li Ning, the Chairman and the Chief Executive Officer and an executive Director.

MR. CHAN JAMES

NON-EXECUTIVE DIRECTOR

Mr. Chan James, aged 65, is a non-executive Director. Mr. Chan joined the Group in June 2013. He is an executive director, the project director and a member of the executive committee of Pacific Century Premium Developments Limited* ("PCPD", Stock Code: 0432). PCPD is mainly engaged in developing and managing property and infrastructure projects, as well as property investment and is majority owned by PCCW Limited* ("PCCW", Stock Code: 0008). Mr. Chan is responsible for managing various property projects of PCPD and its subsidiaries. He was responsible for the project execution of the Cyberport project and has overall responsibility for all aspects of the construction works.

Prior to joining PCCW in October 2002, Mr. Chan was a practicing architect (admitted by the Architects Registration Board in September 1981), with comprehensive experience in design, planning and land matters, design development and construction management of major investment properties, including a wide range of industrial and warehousing, commercial, retail and residential developments in Hong Kong and overseas. He possesses a wide spectrum of experience in the property industry.

He has been an independent non-executive director of Beijing Properties (Holdings) Limited* (Stock Code: 0925) since June 2011. He is also a member of the board of governors of The Independent Schools Foundation Academy.

Mr. Chan obtained a bachelor of arts in architectural studies (BAAS) degree from the University of Hong Kong, a bachelor of architecture degree from University of Dundee in Scotland and an executive master of business administration degree from Tsinghua University. He is qualified as the Authorised Person (List I) and Registered Architect in Hong Kong, and is a member of The Hong Kong Institute of Architects, The Royal Institute of British Architects and The Australian Institute of Architects.

李先生自二零一七年十二月十三日起獲委任為李寧公司之非執行董事及於二零一八年六月十九日獲調任為其執行董事。

李先生於金融服務行業擁有豐富經驗，並於二零一零年一月至二零一三年七月期間擔任恆盛資產管理有限公司之分析師。李先生乃已退任非執行董事李進先生之兒子及主席、行政總裁兼執行董事李寧先生之侄子。

陳進思先生

非執行董事

陳進思先生，六十五歲，為非執行董事。陳先生於二零一三年六月加入本集團。彼為盈科大衍地產發展有限公司*（「盈大地產」，股份代號：0432）之執行董事兼項目總監及執行委員會成員。盈大地產之主要業務為發展及管理物業及基建項目，以及物業投資，且由電訊盈科有限公司*（「電訊盈科」，股份代號：0008）持有大部分股權。陳先生負責管理盈大地產及其附屬公司之多個物業發展計劃。彼曾負責執行數碼港計劃，肩負起有關建築工程各方面的整體責任。

陳先生於二零零二年十月加入電訊盈科前任職建築師（於一九八一年九月獲Architects Registration Board認可），熟悉投資物業的設計、規劃及土地事務、設計開發及建築管理，當中包括香港及海外眾多工業及倉庫、商業、零售及住宅物業發展項目。彼在物業界擁有豐富經驗。

彼自二零一一年六月起獲委任為北京建設（控股）有限公司*（股份代號：0925）之獨立非執行董事。彼亦為弘立書院校董。

陳先生獲香港大學建築學文學士學位、蘇格蘭鄧地大學建築學士學位以及清華大學高級管理人員工商管理碩士學位，並擁有建築師名單的認可人士及香港註冊建築師資格，現為香港建築師學會會員、英國皇家建築師學會會員及澳洲建築師學會會員。



MR. MA WING MAN

NON-EXECUTIVE DIRECTOR

Mr. Ma Wing Man, aged 53, is a non-executive Director and a member of the audit committee of the Company. Mr. Ma joined the Group in June 2010. Mr. Ma was a member of the nomination committee of the Company during the period from 2 June 2010 to 15 March 2012. Mr. Ma has over 20 years of experience in finance and administration. Mr. Ma has been employed by "Li Ning Foundation" as the financial controller since 2005. From 1992 to 2005, Mr. Ma had been employed first as accountant and later as financial and accounting manager of Jianlibao Holdings (H.K.) Company Limited, which was a wholesaler and retailer of Jianlibao drinks. From 1989 to 1991, Mr. Ma was employed as assistant accountant by Wong's Circuits (PTH) Limited, which was a manufacturer of printed circuit board and a subsidiary of Wong's International Holdings Limited* (Stock Code: 0099).

Mr. Ma graduated from Hong Kong Shue Yan College (predecessor of Hong Kong Shue Yan University) in 1989 with a diploma in business administration. In 1993, he obtained a diploma in accounting from School of Professional and Continuing Education, University of Hong Kong. In 1998, he obtained a professional diploma for financial controllers & finance directors of foreign investment & foreign enterprise in China, which was jointly awarded by School of Management Zhongshan University, China and The Hong Kong Management Association. In 2003, he obtained a bachelor of business administration degree with honours in accounting from the Open University of Hong Kong.

MR. LIEN JOWN JING, VINCENT

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Lien Jown Jing, Vincent, aged 58, is an independent non-executive Director and a member of both the audit committee and the remuneration committee of the Company. Mr. Lien joined the Group in June 2013. On 16 April 2013, he has been appointed as a non-executive director of Primeline Energy Holdings Inc. (TSX Venture Exchange trading symbol: PEH), the shares of which are listed on the TSX Venture Exchange in Canada. Mr. Lien was an independent non-executive director of Up Energy Development Group Limited* (Stock Code: 0307) from April 2011 to January 2016, ILFS Wind Power Limited, a Singapore company, from September 2013 to September 2016, and CT Environmental Group Limited* (Stock Code: 1363) from April 2014 to October 2017. Mr. Lien was the chairman and an independent non-executive director of Loyz Energy Limited, a company listed in Singapore, during the period from November 2013 to November 2014.

馬詠文先生

非執行董事

馬詠文先生，五十三歲，為本公司非執行董事及審核委員會成員，彼於二零一零年六月加入本集團。馬先生於二零一零年六月二日至二零一二年三月十五日期間曾擔任本公司提名委員會成員。馬先生於財務及行政管理方面具備逾20年經驗。馬先生自二零零五年起獲「李寧基金」聘任為財務總監。於一九九二年至二零零五年，馬先生最初獲健力寶集團（香港）有限公司（一間健力寶飲料的批發及零售商）聘任為會計主任，隨後擔任財務及會計經理。於一九八九年至一九九一年，馬先生獲王氏電路(PTH)有限公司（一間印刷電路板製造商）聘任為助理會計主任，王氏電路(PTH)有限公司當時為王氏國際集團有限公司*（股份代號：0099）的附屬公司。

馬先生於一九八九年畢業於香港樹仁學院（香港樹仁大學前身），獲得工商管理文憑。於一九九三年，彼獲得香港大學專業進修學院的會計學文憑。於一九九八年，彼獲中國中山大學管理學院與香港管理專業協會聯合頒發的中國外商投資企業財務總監及財務主管深造文憑。於二零零三年，彼獲香港公開大學的工商管理榮譽學士（會計）學位。

連宗正先生

獨立非執行董事

連宗正先生，五十八歲，為本公司獨立非執行董事以及審核委員會及薪酬委員會之成員。連先生於二零一三年六月加入本集團。於二零一三年四月十六日，彼獲委任為Primeline Energy Holdings Inc.（多倫多證券交易所創業板代號：PEH）之非執行董事，該公司股份於加拿大多倫多證券交易所創業板上市。連先生於自二零一一年四月至二零一六年一月期間擔任優派能源發展集團有限公司*（股份代號：0307）之獨立非執行董事、自二零一三年九月至二零一六年九月期間擔任新加坡公司ILFS Wind Power Limited之獨立非執行董事及自二零一四年四月至二零一七年十月期間擔任中滔環保集團有限公司*（股份代號：1363）之獨立非執行董事。連先生於二零一三年十一月至二零一四年十一月期間擔任新加坡上市之公司Loyz Energy Limited之主席及獨立非執行董事。

Mr. Lien is currently a director of Wah Hin & Company, a Singapore incorporated private investment holding company and the Maritime and Port Authority of Singapore. He has over 25 years of experience in the banking industry, specialising in corporate finance and capital management in Hong Kong, the PRC, Singapore and South-east Asia. Mr. Lien held various senior positions at several major multinational banking institutions including Swiss Bank Corporation and Bankers Trust & Company. He was the managing director in the financial institutions & public sector division of ABN AMRO Bank.

Mr. Lien obtained a bachelor degree in business administration from the University of New Brunswick in 1986, and an honorary doctoral degree in business administration from Hyupsung University in the Republic of Korea in February 2018.

MR. PAK WAI KEUNG, MARTIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Pak Wai Keung, Martin, aged 55, is an independent non-executive Director, the chairman of the audit committee, a member of each of the nomination committee and the remuneration committee of the Company. Mr. Pak joined the Group in 2019. He has accumulated over 25 years of experience in finance, accounting and corporate governance affairs. Mr. Pak graduated with a Bachelor of Commerce from the Murdoch University, Australia in 1991 and a Master of Corporate Governance from The Hong Kong Polytechnic University in 2009. Mr. Pak is a fellow of the Hong Kong Institute of Certified Public Accountants, an associate member of The Institute of Chartered Secretaries and Administrators in the United Kingdom and The Hong Kong Institute of Chartered Secretaries.

Mr. Pak has been appointed as an independent non-executive director of Nan Nan Resources Enterprise Limited* (stock code: 1229), Convoy Global Holdings Limited* (stock code: 1019) and Dragon Mining Limited* (stock code: 1712) with effect from 19 September 2017, 8 December 2017 and 5 November 2018 respectively. Mr. Pak was an independent non-executive director of Ta Yang Group Holdings Limited* (stock code: 1991) during the period from 27 April 2016 to 28 October 2018. The shares of these companies are listed on the Main Board of the Stock Exchange. From January 2017 to August 2018, Mr. Pak has been an independent non-executive director of Trony Solar Holdings Company Limited, trading of its shares on the Main Board of the Stock Exchange has been suspended since 21 June 2012 and was delisted on 23 August 2018.

連先生目前於新加坡註冊成立之私人投資控股公司Wah Hin & Company及於新加坡海事及港務管理局擔任董事。彼具有超過25年銀行業經驗，專門於香港、中國、新加坡及東南亞進行企業融資及資本管理。連先生曾於數間主要跨國銀行機構包括瑞士銀行公司及Bankers Trust & Company擔任多項高級職位。彼曾擔任荷蘭銀行之金融機構及公共事業分部董事總經理。

連先生於一九八六年獲得University of New Brunswick頒授工商管理學士學位，並於二零一八年二月獲韓國的Hyupsung University頒發工商管理榮譽博士學位。

白偉強先生

獨立非執行董事

白偉強先生，五十五歲，為本公司獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員。白先生於二零一九年加入本集團。彼累計擁有超過二十五年財務、會計及企業管治的經驗。白先生於一九九一年畢業於澳洲莫道克大學(Murdoch University)，獲得商務學士學位，並於二零零九年取得香港理工大學公司管治碩士學位。白先生為香港會計師公會資深會員、英國特許秘書及行政人員公會會員及香港特許秘書公會會員。

白先生分別於二零一七年九月十九日、二零一七年十二月八日及二零一八年十一月五日獲委任為南南資源實業有限公司* (股份代號：1229)、康宏環球控股有限公司* (股份代號：1019)及龍資源有限公司* (股份代號：1712)的獨立非執行董事，白先生於二零一六年四月二十七日至二零一八年十月二十八日期間擔任大洋集團控股有限公司* (股份代號：1991)的獨立非執行董事，該等公司在聯交所主板上市。於二零一七年一月至二零一八年八月，白先生為創益太陽能控股有限公司之獨立非執行董事，其股份自二零一二年六月二十一日起於聯交所主板暫停買賣及其上市地位已於二零一八年八月二十三日取消。



MR. WANG YAN

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wang Yan, aged 46, is an independent non-executive Director, the chairman of the remuneration committee, and a member of both the audit committee and the nomination committee of the Company. Mr. Wang joined the Group in July 2017. He is currently a director of Sina Corporation ("SINA", ticker: SINA), the shares of which are listed on the Nasdaq Stock Market in the U.S. In April 1996, Mr. Wang founded the SRSnet.com division of Beijing Stone Rich Sight Limited (currently known as Beijing SINA Information Technology Co., Ltd.), one of the subsidiaries of SINA and served as the head of SRS Internet Group from April 1996 to April 1999. From April 1999 to August 1999, Mr. Wang served as the executive deputy general manager for production and business development in China of SINA. From September 1999 to May 2001, Mr. Wang served as the general manager of China operations of SINA. From June 2001 to May 2003, Mr. Wang served as the president of SINA. From May 2003 to May 2006, Mr. Wang served as the chief executive officer of SINA. Since May 2003, Mr. Wang has served as a director of the board of SINA. From May 2006 to September 2012, Mr. Wang served as the vice chairman, deputy chairman and chairman of the board of SINA. Mr. Wang obtained a B.A. in Law from the Université Paris II in France in July 1997.

SENIOR MANAGEMENT

Mr. Li Ning, Mr. Chan Ling, Mr. Li Chunyang and Mr. Li Qilin, being the executive Directors, are also the senior management of the Group.

汪延先生

獨立非執行董事

汪延先生，四十六歲，為本公司獨立非執行董事、薪酬委員會主席以及審核委員會及提名委員會之成員。汪先生於二零一七年七月加入本集團。彼現為新浪公司（「新浪」，股票代號：SINA）之董事，其股份於美國納斯達克股票交易所上市。於一九九六年四月，汪先生創建新浪子公司北京四通利方信息技術有限公司（現名為北京新浪信息技術有限公司）國際網路部，並於一九九六年四月至一九九九年四月任該部部長。自一九九九年四月至一九九九年八月，汪先生任新浪主管中國區產品和業務拓展的執行副總經理。自一九九九年九月至二零零一年五月，汪先生任新浪中國區總經理。自二零零一年六月至二零零三年五月，汪先生任新浪公司總裁。自二零零三年五月至二零零六年五月，汪先生任新浪首席執行官。自二零零三年五月起，汪先生擔任新浪董事會董事。自二零零六年五月至二零一二年九月，汪先生歷任新浪公司副董事長、代理董事長及董事長。汪先生於一九九七年七月獲法國的Université Paris II頒發公法學士學位。

高級管理人員

執行董事李寧先生、陳寧先生、李春陽先生及李麒麟先生亦為本集團高級管理人員。

DISCLOSURE ON CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, the changes in details of the Directors' information subsequent to the date of the interim report of the Company for the six months ended 30 June 2018 are set out below:

有關董事資料變動之披露

根據GEM上市規則第17.50A(1)條，於本公司截至二零一八年六月三十日止六個月之中期報告日期後，董事資料變動詳情載列如下：

Name 姓名	Details of Changes 變動詳情
Mr. Pak Wai Keung, Martin 白偉強先生	appointed as an independent non-executive Director, the chairman of the audit committee and a member of each of the nomination committee and the remuneration committee of the Company with effect from 13 February 2019. Details of his appointment were disclosed in the Company's announcement dated 13 February 2019 自二零一九年二月十三日起獲委任為本公司獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員。有關彼獲委任的詳情於本公司日期為二零一九年二月十三日之公告披露
Mr. Chen Johnny 陳志宏先生	resigned as an independent non-executive Director, the chairman of the audit committee and a member of each of the nomination committee and the remuneration committee of the Company with effect from 13 February 2019 自二零一九年二月十三日起辭任本公司獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員
Mr. Li Qilin 李麒麟先生	The emolument package was revised to an annual director's fee of HK\$200,000, a fixed annual salary of HK\$1,560,000 with effect from 13 November 2018 and an annual housing benefit of not exceeding HK\$768,000 with effect from 1 February 2019 薪酬待遇變更為董事袍金每年200,000港元、固定年薪1,560,000港元（自二零一八年十一月十三日起生效）及不超過768,000港元的年度住房福利（自二零一九年二月一日起生效）
Mr. Chan Ling 陳寧先生	The emolument package was revised to an annual director's fee of HK\$200,000 and a fixed annual salary of HK\$1,800,000 together with an annual housing benefit of not exceeding HK\$480,000 with effect from 1 February 2019 薪酬待遇變更為董事袍金每年200,000港元、固定年薪1,800,000港元及不超過480,000港元的年度住房福利（自二零一九年二月一日起生效）
Mr. Li Chunyang 李春陽先生	The emolument package was revised to an annual director's fee of HK\$200,000, a fixed annual salary of HK\$1,300,000 with effect from 1 April 2019 and an annual housing benefit of not exceeding RMB250,000 薪酬待遇變更為董事袍金每年200,000港元、固定年薪1,300,000港元（自二零一九年四月一日起生效）及不超過人民幣250,000元的年度住房福利

* the shares of this company are listed on the Stock Exchange

* 此公司之股份於聯交所上市



The Directors present their report and the audited financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The Company and its subsidiaries are principally engaged in (i) sports competition and event production and management, sports talent management, and provision of sports-related marketing and consultancy service; and (ii) operation of sports park or sports centre, provision of community development consultancy and sub-contracting services, property development for sale and investment and research and development, manufacturing, marketing and sales of construction materials.

The principal activities and other particulars of the principal subsidiaries of the Company as at 31 December 2018 are set out in note 37 to the financial statements.

Further discussion and analysis of the business review required by Schedule 5 to the Hong Kong Companies Ordinance for the year ended 31 December 2018 is set out in the Chairman's Statement, the Business Review and the Financial Review of this annual report. This discussion forms part of this Report of the Directors.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2018 and the state of affairs of the Company and the Group as at that date are set out in the financial statements on pages 104 to 194.

The Directors did not declare an interim dividend and did not recommend the payment of a final dividend for the year ended 31 December 2018.

DIVIDEND POLICY

The Company recognizes the importance of maximizing return to Shareholders and believes that driving growth creates significant value to Shareholders. The Company has adopted a dividend policy with the objective of achieving right balance of the amount of dividend and the amount of profits retained in the business for various purposes. The Board would consider the following factors before declaring or recommending dividend:—

- (a) financial results of the Company;
- (b) Shareholders' interests;
- (c) general business conditions, strategies and future expansion needs;
- (d) the Company's capital requirements;
- (e) the payment of cash dividends to the Company from its subsidiaries;
- (f) possible effects on liquidity and financial position of the Company; and
- (g) other factors the Board may deem relevant.

The payment of dividend is also subject to any restrictions under the applicable laws and the Company's Articles of Association.

董事謹此提呈截至二零一八年十二月三十一日止年度之董事會報告及經審核財務報表。

主要業務及業務回顧

本公司之主要業務為投資控股。本公司及其附屬公司主要從事(i)體育賽事及項目制作及管理、體育人才管理以及提供體育相關市場推廣及諮詢服務；及(ii)經營體育園及運動中心；提供社區發展諮詢及分包服務；待售物業開發及投資；以及建材之研發、製造、市場推廣及銷售。

本公司主要附屬公司於二零一八年十二月三十一日之主要業務及其他詳情，已載於財務報表附註37。

香港公司條例附表5要求對截至二零一八年十二月三十一日止年度之業務回顧的進一步討論及分析載於本年報之主席報告、業務回顧及財務回顧中。此討論構成本董事會報告的一部分。

業績及股息

本集團截至二零一八年十二月三十一日止年度之溢利及本公司與本集團於該日之業務狀況，載於財務報表第104至194頁內。

董事會並無宣派中期股息，及不建議就截至二零一八年十二月三十一日止年度派付末期股息。

股息政策

本公司極重視為股東取得最大回報，並相信推動業務增長能為股東創造顯著的價值。本公司已採納股息政策，旨在載列為達致派息及保留利潤作各種業務用途間取得平衡為目的而採取的方針。董事會於宣派或建議派發股息前將考慮以下因素：—

- (a) 本公司的財務業績；
- (b) 股東權益；
- (c) 整體業務狀況、策略及未來擴展需求；
- (d) 本公司的資金需求；
- (e) 本公司附屬公司向本公司派付的現金股息；
- (f) 對本公司流動資金及財務狀況的潛在影響；及
- (g) 董事會可能認為相關的其他因素。

派付股息亦須受任何適用法律及本公司組織章程細則的規限。



GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 197 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment of the Company and the Group during the year are set out in note 12 to the financial statements.

SHARE CAPITAL

During the year, the Company issued 39,192,000 Shares upon exercise of share options pursuant to the Company's share option scheme. The consideration received in aggregate for issue of Shares upon the aforesaid exercise of share options amounted to HK\$21,373,200.

Details of the share capital, the perpetual convertible bonds and the convertible note during the year are set out in notes 29, 31 and 27 to the financial statements.

EQUITY-LINKED AGREEMENTS

In December 2016, the Company had issued to Lake Tai Investment Holdings Limited ("Lake Tai", an indirect wholly-owned subsidiary of China Huarong Asset Management Co., Ltd. ("China Huarong")) the convertible note in the aggregate principal amount of HK\$778,000,000 (the "Convertible Note") bearing an interest at the rate of 5% per annum and Lake Tai had paid HK\$778,000,000 for subscription of the Convertible Note pursuant to the subscription agreement dated 5 December 2016 entered into between the Company and Lake Tai (the "Subscription Agreement"). The Convertible Note is convertible in full at the initial conversion price of HK\$0.840 per Share into a maximum of 926,190,476 Shares at any time during the conversion period, provided that the conversion rights may not be exercised, if following such exercise, the Company's minimum public float in Shares cannot be maintained, or if such exercise is prohibited by the Hong Kong Code on Takeovers and Mergers. The details of the issuance of the Convertible Note were set out in the Company's announcement dated 5 December 2016. No Shares were issued under the Subscription Agreement and the Convertible Note during the year and up to the date of this report.

For the year ended 31 December 2018, save for the Convertible Note, the Earn-out Convertible Bonds and the Share Option Scheme (as set out in this section and the sections of "Directors' Rights to Acquire Shares and Debentures" and "Share Option Scheme" in this report), the Company has not entered into any equity-linked agreement, nor did any equity-linked agreement subsist at the end of the year.

集團財務概要

本集團於過去五個財政年度之業績及資產與負債概要，載於本年報第197頁。

物業、廠房及設備

本公司及本集團於年內之物業、廠房及設備變動詳情，載於財務報表附註12。

股本

年內，本公司於根據本公司購股權計劃獲行使購股權後發行39,192,000股股份。於上述購股權獲行使後發行股份之已收代價合共為21,373,200港元。

本公司於年內之股本、永久性可換股債券及可換股票據詳情載於財務報表附註29、31及27。

股票掛鈎協議

根據本公司與Lake Tai Investment Holdings Limited (「Lake Tai」，為中國華融資產管理股份有限公司(「中國華融」)之間接全資附屬公司)訂立之日期為二零一六年十二月五日之認購協議(「認購協議」)，本公司於二零一六年十二月向Lake Tai發行本金總額為778,000,000港元、按年利率5%計息之可換股票據(「可換股票據」)，而Lake Tai已就認購可換股票據支付778,000,000港元。可換股票據可於轉換期內任何時間按初步換股價每股股份0.840港元悉數兌換為最多926,190,476股股份，如因任何換股權之行使而導致本公司未能維持股份最低公眾持股量，或該行使為香港收購及合併守則所禁止，則不得行使該等換股權。有關發行可換股票據之詳情載於本公司日期為二零一六年十二月五日之公告。於本年度及直至本報告日期，概無根據認購協議及可換股票據發行股份。

截至二零一八年十二月三十一日止年度，除可換股票據、盈利能力可換股債券及購股權計劃(載於本節及本報告內「董事購買股份或債權證之權利」及「購股權計劃」兩節內)外，本公司並未訂立任何股票掛鈎協議，於年度末亦無任何股票掛鈎協議存續。

RESERVES

As at 31 December 2018, the Company's reserves available for distribution to Shareholders comprising share premium account less accumulated losses, amounted to approximately HK\$1,784,280,000 (2017: HK\$1,920,710,000).

Details of movements in the reserves of the Company and the Group during the year are set out in note 38 to the financial statements and in the consolidated statement of changes in equity on page 107 respectively.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers (including LN Group) accounted for approximately 92% of the total sales for the year and sales to the largest customer included therein accounted for approximately 29% of the total sales.

Purchases from the Group's five largest suppliers accounted for approximately 69% of the total purchases for the year and purchases from the largest supplier included therein accounted for approximately 27% of the total purchases.

As at 31 December 2018, Mr. Li Ning, the Chairman, the Chief Executive Officer and an executive Director, was also deemed under Part XV of the SFO to be interested in 2,561,120 LN Shares held by Alpha Talent Management Limited (a company wholly-owned by Mr. Li Ning), 7,989,742 LN Shares held as personal interest and 9,454,734 unvested restricted LN Shares under the restricted share award scheme of Li Ning Co, which in aggregate amounted to 20,005,596 LN Shares and underlying LN Shares (representing approximately 0.91% shareholding interest in the share capital of Li Ning Co as at 31 December 2018). Mr. Li Ning is also the executive chairman, the interim chief executive officer and an executive director of Li Ning Co. As at 31 December 2018, Mr. Li Qilin, an executive Director, was also deemed under Part XV of the SFO to have personal interest in 1,076,000 unvested restricted LN Shares under the restricted share award scheme of Li Ning Co (representing approximately 0.05% shareholding interest in the share capital of Li Ning Co as at 31 December 2018). He is also an executive director of Li Ning Co.

Save as disclosed above for the purpose of the Chapter 18 of the GEM Listing Rules, none of the Directors, their close associates or any shareholder (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had an interest in the major customers or suppliers of the Group.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist in the jurisdiction of the Cayman Islands in which the Company is incorporated.

儲備

於二零一八年十二月三十一日，本公司可向股東分派之儲備包括股份溢價賬減累計虧損約為1,784,280,000港元（二零一七年：1,920,710,000港元）。

本公司及本集團於年內之儲備變動詳情，分別載於財務報表附註38及第107頁之綜合權益變動表內。

主要客戶及供應商

於回顧年內，本集團對五大客戶（包括李寧集團）作出之銷售額佔年內銷售總額約92%，當中對最大客戶作出之銷售額則約佔銷售總額29%。

本集團向五大供應商作出之採購額佔本年度採購總額約69%，當中對最大供應商作出之採購額則約佔採購總額27%。

於二零一八年十二月三十一日，根據證券及期貨條例第XV部，主席、行政總裁及執行董事李寧先生亦被視為於Alpha Talent Management Limited（由李寧先生全資擁有之公司）持有之2,561,120股李寧股份、持作個人權益之7,989,742股李寧股份及根據李寧公司限制性股份獎勵計劃之9,454,734股未歸屬限制性李寧股份（合共20,005,596股李寧股份及相關李寧股份，於二零一八年十二月三十一日約佔李寧公司股本中之股權0.91%）中擁有權益。李寧先生亦為李寧公司之執行主席、代理行政總裁及執行董事。於二零一八年十二月三十一日，根據證券及期貨條例第XV部，執行董事李麒麟先生亦被視為於根據李寧公司限制性股份獎勵計劃之1,076,000股未歸屬限制性李寧股份（於二零一八年十二月三十一日佔李寧公司股本中之股權約0.05%）中擁有個人權益。彼亦為李寧公司之執行董事。

除上文就GEM上市規則第18章作出之披露者外，概無董事、彼等之緊密聯繫人或就董事所知擁有本公司已發行股本5%以上之任何股東，擁有本集團主要客戶及供應商任何權益。

優先購買權

本公司註冊所在地開曼群島司法權區並無優先購買權之規定。



PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of any listed securities of the Company during the year.

DIRECTORS

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

Executive Directors

Mr. Li Ning (*Chairman & Chief Executive Officer*)

Mr. Chan Ling (*Chief Operating Officer*)

Mr. Li Chunyang

Mr. Li Qilin

Non-executive Directors

Mr. Chan James

Mr. Ma Wing Man

Independent non-executive Directors

Mr. Lien Jown Jing, Vincent

Mr. Pak Wai Keung, Martin

(appointed with effect from 13 February 2019)

Mr. Wang Yan

Mr. Chen Johnny

(resigned with effect from 13 February 2019)

The terms of office of each Director are subject to retirement by rotation in accordance with the Company's articles of association.

At the forthcoming annual general meeting, Mr. Li Ning, Mr. Li Chunyang and Mr. Li Qilin will retire as Directors by rotation and, being eligible, offers themselves for re-election in accordance with articles 108(A) and 108(B) of the articles of association of the Company and pursuant to Appendix 15 of the GEM Listing Rules. Mr. Pak Wai Keung, Martin will retire and, being eligible, offer himself for re-election in accordance with article 112 of the articles of association of the Company. Further particulars of the Directors to be re-elected at the forthcoming annual general meeting are set out in the circular to the shareholders sent together with this annual report. All other existing Directors shall continue in office.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 35 to 41 of this annual report.

購回、贖回或出售本公司上市證券

本公司或其任何附屬公司於年內概無購回、出售或贖回任何本公司上市證券。

董事

在年內及截至本報告日期止之董事如下：

執行董事

李寧先生 (主席兼行政總裁)

陳寧先生 (營運總裁)

李春陽先生

李麒麟先生

非執行董事

陳進思先生

馬詠文先生

獨立非執行董事

連宗正先生

白偉強先生

(自二零一九年二月十三日起獲委任)

汪廷先生

陳志宏先生

(自二零一九年二月十三日起辭任)

各董事的任期須根據本公司之組織章程細則輪值告退。

於應屆股東週年大會，根據本公司組織章程細則第108(A)及108(B)條以及根據GEM上市規則附錄15，李寧先生、李春陽先生及李麒麟先生將輪值告退，彼等均合資格並願意膺選連任董事。白偉強先生將根據本公司組織章程細則第112條退任，並合資格且願意膺選連任。於應屆股東週年大會重選董事之更多詳情，載於隨本年報向股東一併寄發之通函內。其餘所有現任董事均留任。

董事及高級管理人員簡歷

董事及本集團高級管理人員之簡歷詳情，載於本年報第35至41頁。

DIRECTORS' SERVICE CONTRACTS

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

Particulars of the emoluments of the Directors on a named basis for the year are set out in note 8 to the financial statements.

PERMITTED INDEMNITY PROVISION

Pursuant to the articles of association of the Company, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in this report, there were no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company's or any of its subsidiaries was a party, and in which a Director or its connected entities had a material interest (whether directly or indirectly) subsisting at the end of the year or at any time during the year.

SHARE OPTION SCHEME

On 29 June 2010, the Company passed an ordinary resolution to adopt a share option scheme (the "Scheme") for the purpose of providing incentives to participants to contribute to the Group and/or to enable the Group to recruit high-calibre employees and/or attract human resources that are valuable to the Group. Participants of the Scheme include employee, officer, agent, consultant, business associate or representative of the Company or any subsidiary or otherwise contributes to the success of the Group, including any executive, non-executive or independent non-executive director of the Company or any subsidiary who, as the Board or a committee comprising Directors and members of the senior management of the Company (the "Committee") (as the case may be) may determine in its absolute discretion, is regarded as valuable human resources of the Group based on his working experience, knowledge in the industry and other relevant factors, and subject to such conditions as the Board or the Committee (as the case may be) may think fit. The Scheme will remain in force for period of 10 years commencing on 29 June 2010.

董事之服務合約

擬於應屆股東週年大會重選連任之董事概無與本公司訂立本公司不得在一年內毋須作出賠償（法定賠償除外）而終止之服務合約。

本年度董事之酬金詳情以具名形式載於財務報表附註8。

獲准許彌償條文

根據本公司組織章程細則，每名董事就其執行職務或與此有關或在其他有關方面可能蒙受或招致之一切損失或責任，均有權從本公司資產中獲得彌償。

年內，本公司已為董事及本集團行政人員安排適當之董事及行政人員責任險。

董事於交易、安排或合約之重大權益

除本報告所披露者外，於年末及年內任何期間，本公司或其任何附屬公司並無訂立與本集團業務有重大關係且董事或其關連實體直接或間接擁有重大權益之其他交易、安排或合約。

購股權計劃

於二零一零年六月二十九日，本公司通過一項普通決議案以採納一項購股權計劃（「該計劃」），旨在向為本集團作出貢獻之參與者提供獎勵及／或使本集團可招攬優秀僱員及／或吸引對本集團有價值之人力資源。該計劃之參與者包括本公司或任何附屬公司之僱員、高級職員、代理、顧問、業務伙伴或代表或對本集團成就有所貢獻之其他人士，包括本公司或任何附屬公司任何執行、非執行或獨立非執行董事，而董事會或由本公司董事及高級管理人員組成之委員會（「委員會」）（視情況而定）經考慮其工作經驗、行業知識及其他相關因素以及董事會或委員會（視情況而定）可能認為合適之條件後，可全權酌情決定有關人士是否屬本集團寶貴人力資源。該計劃將於二零一零年六月二十九日起計十年內有效。



The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the number of Shares in issue from time to time. In addition, the total number of Shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the nominal amount of all the Shares in issue as at the date of adoption of the Scheme (the "Scheme Mandate Limit"). The Company may, from time to time, refresh the Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting. Once refreshed, the total number of Shares which may be issued upon exercise of all options to be granted under the Scheme and all other share option schemes of the Company under the limit, as refreshed, must not exceed 10% of the number of Shares in issue as at the date of approval of the refreshment by the Shareholders. The Scheme Mandate Limit amounted to 878,060,472 Shares following the approval of refreshment by the Shareholders on 16 June 2017. As at the date of this report, the total number of Shares available for issue under the Scheme is 818,060,472, representing 9.24% of the existing number of issued Shares.

The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue as at the proposed date of grant. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

The offer of a grant of share options under the Scheme may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Board or the Committee, save that such period shall not be more than 10 years from the date of grant. Unless the Board may otherwise determine, there is no minimum period required under the Scheme for the holding of an option before it can be exercised.

The exercise price of share options is determinable by the Board or the Committee, but shall be at least the highest of (i) the Stock Exchange closing price of the Shares on the date of grant of the share options; (ii) the average Stock Exchange closing price of the Shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

因行使根據該計劃及本公司任何其他購股權計劃所授出惟尚未行使之所有尚未行使購股權而可予發行之股份數目整體上限，合共不得超過不時已發行股份數目之30%。此外，因行使根據該計劃及本公司任何其他購股權計劃將予授出之所有購股權而可予發行之股份總數，合共不得超過採納該計劃當日所有已發行股份面值之10%（「計劃授權上限」）。本公司可不時透過於股東大會上獲得股東批准以更新計劃授權上限。計劃授權上限一經更新，因行使根據該計劃及本公司所有其他購股權計劃將予授出之所有購股權而可予發行之股份總數，根據經更新上限不得超過股東批准更新當日已發行股份數目之10%。經股東於二零一七年六月十六日批准更新後，計劃授權上限為878,060,472股股份。於本報告日期，於該計劃項下可予發行之股份總數為818,060,472股，相當於現有已發行股份數目之9.24%。

於任何12個月期間內根據購股權可發行予該計劃項下各合資格參與者之股份數目，最多不得超過本公司於建議授出日期已發行股份之1%。任何進一步授出超出此上限之購股權須於股東大會獲得股東批准。

根據該計劃授出購股權之要約可於要約日期起計28日內獲接納，而承授人須就此支付合共1港元之象徵式代價。已授出購股權之行使期由董事會或委員會釐定，惟有關期間不得超過授出日期起計十年。除非董事會另行議決，該計劃並無規定在行使前須持有購股權之最短期限。

購股權之行使價由董事會或委員會釐定，惟不得低於下列各項之最高者(i)股份於購股權授出日期在聯交所之收市價；(ii)股份於緊接授出日期前五個交易日在聯交所之平均收市價；及(iii)股份面值。

購股權並無賦予持有人收取股息或於股東大會投票之權利。

Movement of the share options under the Scheme outstanding as at the end of the reporting year are as follows:

於報告年度結算日，該計劃項下尚未行使購股權之變動如下：

	Date of Grant 授出日期	Number of Share Options 購股權數目				Balance as at 31.12.2018 於二零一八年 十二月三十一日結餘
		Balance as at 1.1.2018 於二零一八年 一月一日結餘	Granted during the year 於年內授出	Exercised during the year 於年內行使	Cancelled/ lapsed during the year 於年內註銷/ 失效	
Directors						
董事						
LI Ning 李寧	02.07.2013 20.01.2017	3,000,000 6,000,000	- -	- -	(1,500,000) -	1,500,000 ^(2a) 6,000,000 ^(4a)
CHAN Ling 陳寧	02.07.2010 02.07.2013 20.01.2017	2,000,000 ⁽¹⁾ 30,000,000 40,000,000	- - -	- - -	(2,000,000) (15,000,000) -	- 15,000,000 ^(2b) 40,000,000 ^(4b)
LI Chunyang 李春陽	02.07.2010 02.07.2013 20.01.2017	2,000,000 ⁽¹⁾ 26,000,000 20,000,000	- - -	- - -	(2,000,000) (13,000,000) -	- 13,000,000 ^(2c) 20,000,000 ^(4c)
LI Qilin 李麒麟	02.07.2013 20.01.2017	4,000,000 87,000,000	- -	- -	(2,000,000) -	2,000,000 ^(3a) 87,000,000 ^(4d)
CHAN James 陳進思	02.07.2013 20.01.2017	10,000,000 6,000,000	- -	(5,000,000) -	- -	5,000,000 ^(3b) 6,000,000 ^(4a)
MA Wing Man 馬詠文	02.07.2010 02.07.2013 20.01.2017	333,334 ⁽¹⁾ 2,688,000 6,000,000	- - -	- (1,188,000) -	(333,334) - -	- 1,500,000 ^(2d) 6,000,000 ^(4a)
LIEN Jown Jing, Vincent 連宗正	20.01.2017	6,000,000	-	-	-	6,000,000 ^(4a)
CHEN Johnny 陳志宏 (resigned with effect from 13 February 2019) (自二零一九年二月十三日起辭任)	02.07.2010 02.07.2013 20.01.2017	333,334 ⁽¹⁾ 3,000,000 6,000,000	- - -	- (1,500,000) -	(333,334) - -	- 1,500,000 ^(2e) 6,000,000 ^(4a)
		260,354,668	-	(7,688,000) ^(13a)	(36,166,668)	216,500,000
Other employees						
其他僱員						
In aggregate 合計	02.07.2010	1,133,334 ⁽¹⁾	-	-	(1,133,334)	-
In aggregate 合計	06.09.2010	2,800,000	-	-	(400,000)	2,400,000 ⁽⁵⁾
In aggregate 合計	02.07.2013	47,000,000	-	(22,996,000)	(504,000)	23,500,000 ⁽⁶⁾
In aggregate 合計	20.06.2014	14,708,000	-	(3,796,000)	(1,304,000)	9,608,000 ⁽⁷⁾
In aggregate 合計	20.01.2017	53,600,000	-	(1,936,000)	(9,384,000)	42,280,000 ⁽⁸⁾
In aggregate 合計	05.09.2018	-	60,000,000	-	-	60,000,000 ⁽⁹⁾
		119,241,334	60,000,000	(28,728,000) ^(13b)	(12,725,334)	137,788,000
Other grantees						
其他承授人						
In aggregate 合計	06.09.2010	800,000 ⁽¹⁰⁾	-	-	(800,000)	-
In aggregate 合計	02.07.2013	58,880,000	-	(2,584,000)	(26,916,000)	29,380,000 ⁽¹¹⁾
In aggregate 合計	20.01.2017	131,900,000	-	(192,000)	-	131,708,000 ⁽¹²⁾
		191,580,000	-	(2,776,000) ^(13c)	(27,716,000)	161,088,000
		571,176,002	60,000,000	(39,192,000)	(76,608,002)	515,376,000



Notes:

- (1) Exercisable period: from 2 July 2013 to 1 July 2018.
- (2) (a) The share options as at 1 January 2018 comprised the following: (i) 1,500,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 1,500,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 1,500,000 respectively as at 31 December 2018.
- (b) The share options as at 1 January 2018 comprised the following: (i) 15,000,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 15,000,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 15,000,000 respectively as at 31 December 2018.
- (c) The share options as at 1 January 2018 comprised the following: (i) 13,000,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 13,000,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 13,000,000 respectively as at 31 December 2018.
- (d) The share options as at 1 January 2018 comprised the following: (i) 1,188,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 1,500,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 1,500,000 respectively as at 31 December 2018.
- (e) The share options as at 1 January 2018 comprised the following: (i) 1,500,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 1,500,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 1,500,000 respectively as at 31 December 2018.

附註：

- (1) 行使期：二零一三年七月二日至二零一八年七月一日。
- (2) (a) 於二零一八年一月一日，購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之1,500,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之1,500,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及1,500,000份。
- (b) 於二零一八年一月一日，購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之15,000,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之15,000,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及15,000,000份。
- (c) 於二零一八年一月一日，購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之13,000,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之13,000,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及13,000,000份。
- (d) 於二零一八年一月一日之購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之1,188,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之1,500,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及1,500,000份。
- (e) 於二零一八年一月一日之購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之1,500,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之1,500,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及1,500,000份。



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| <p>(3) (a) The share options as at 1 January 2018 comprised the following: (i) 2,000,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 2,000,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 2,000,000 respectively as at 31 December 2018.</p> <p>(b) The share options as at 1 January 2018 comprised the following: (i) 5,000,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 5,000,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 5,000,000 respectively as at 31 December 2018.</p> <p>(4) (a) The share options comprised the following: (i) 3,000,000 share options with exercisable period from 20 January 2017 to 19 January 2019; (ii) 1,500,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (iii) 1,500,000 share options with exercisable period from 20 January 2019 to 19 January 2021.</p> <p>(b) The share options comprised the following: (i) 20,000,000 share options with exercisable period from 20 January 2017 to 19 January 2019; (ii) 10,000,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (iii) 10,000,000 share options with exercisable period from 20 January 2019 to 19 January 2021.</p> <p>(c) The share options comprised the following: (i) 10,000,000 share options with exercisable period from 20 January 2017 to 19 January 2019; (ii) 5,000,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (iii) 5,000,000 share options with exercisable period from 20 January 2019 to 19 January 2021.</p> <p>(d) The share options comprised the following: (i) 43,500,000 share options with exercisable period from 20 January 2017 to 19 January 2019; (ii) 21,750,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (iii) 21,750,000 share options with exercisable period from 20 January 2019 to 19 January 2021.</p> | <p>(3) (a) 於二零一八年一月一日，購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之2,000,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之2,000,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及2,000,000份。</p> <p>(b) 於二零一八年一月一日之購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之5,000,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之5,000,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及5,000,000份。</p> <p>(4) (a) 購股權包括以下各項：(i)行使期為二零一七年一月二十日至二零一九年一月十九日之3,000,000份購股權；(ii)行使期為二零一八年一月二十日至二零二零年一月十九日之1,500,000份購股權；及(iii)行使期為二零一九年一月二十日至二零二一年一月十九日之1,500,000份購股權。</p> <p>(b) 購股權包括以下各項：(i)行使期為二零一七年一月二十日至二零一九年一月十九日之20,000,000份購股權；(ii)行使期為二零一八年一月二十日至二零二零年一月十九日之10,000,000份購股權；及(iii)行使期為二零一九年一月二十日至二零二一年一月十九日之10,000,000份購股權。</p> <p>(c) 購股權包括以下各項：(i)行使期為二零一七年一月二十日至二零一九年一月十九日之10,000,000份購股權；(ii)行使期為二零一八年一月二十日至二零二零年一月十九日之5,000,000份購股權；及(iii)行使期為二零一九年一月二十日至二零二一年一月十九日之5,000,000份購股權。</p> <p>(d) 購股權包括以下各項：(i)行使期為二零一七年一月二十日至二零一九年一月十九日之43,500,000份購股權；(ii)行使期為二零一八年一月二十日至二零二零年一月十九日之21,750,000份購股權；及(iii)行使期為二零一九年一月二十日至二零二一年一月十九日之21,750,000份購股權。</p> |
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- (5) The share options as at 1 January 2018 comprised the following: (i) 400,000 share options with exercisable period from 6 September 2013 to 5 September 2018; (ii) 1,200,000 share options with exercisable period from 6 September 2014 to 5 September 2019; and (iii) 1,200,000 share options with exercisable period from 6 September 2015 to 5 September 2020. The number of share options under (i), (ii) and (iii) of this note was 0, 1,200,000 and 1,200,000 respectively as at 31 December 2018.
- (6) The share options as at 1 January 2018 comprised the following: (i) 23,500,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 23,500,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 23,500,000 respectively as at 31 December 2018.
- (7) The share options as at 1 January 2018 comprised the following: (i) 4,804,000 share options with exercisable period from 20 June 2015 to 19 June 2018; (ii) 4,804,000 share options with exercisable period from 20 June 2016 to 19 June 2019; and (iii) 5,100,000 share options with exercisable period from 20 June 2017 to 19 June 2020. The number of share options under (i), (ii) and (iii) of this note was 0, 4,804,000 and 4,804,000 respectively as at 31 December 2018.
- (8) The share options as at 1 January 2018 comprised the following: (i) 26,800,000 share options with exercisable period from 20 January 2017 to 19 January 2019; (ii) 13,400,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (iii) 13,400,000 share options with exercisable period from 20 January 2019 to 19 January 2021. The number of share options under (i), (ii) and (iii) of this note was 20,880,000, 10,700,000 and 10,700,000 respectively as at 31 December 2018.
- (9) The share options comprised the following: (i) 20,000,000 share options with exercisable period from 5 September 2019 to 4 September 2021; (ii) 20,000,000 share options with exercisable period from 5 September 2020 to 4 September 2022; and (iii) 20,000,000 share options with exercisable period from 5 September 2021 to 4 September 2023.
- (10) Exercisable period: from 6 September 2013 to 5 September 2018.
- (11) The share options as at 1 January 2018 comprised the following: (i) 29,500,000 share options with exercisable period from 2 July 2015 to 1 July 2018 and (ii) 29,380,000 share options with exercisable period from 2 July 2016 to 1 July 2019. The number of share options under (i) and (ii) of this note was 0 and 29,380,000 respectively as at 31 December 2018.
- (5) 於二零一八年一月一日，購股權包括下列各項：
(i)行使期為二零一三年九月六日至二零一八年九月五日之400,000份購股權；(ii)行使期為二零一四年九月六日至二零一九年九月五日之1,200,000份購股權；及(iii)行使期為二零一五年九月六日至二零二零年九月五日之1,200,000份購股權。本附註(i)、(ii)及(iii)項之購股權數目於二零一八年十二月三十一日分別為0份、1,200,000份及1,200,000份。
- (6) 於二零一八年一月一日之購股權包括下列各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之23,500,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之23,500,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及23,500,000份。
- (7) 於二零一八年一月一日之購股權包括下列各項：
(i)行使期為二零一五年六月二十日至二零一八年六月十九日之4,804,000份購股權；(ii)行使期為二零一六年六月二十日至二零一九年六月十九日之4,804,000份購股權；及(iii)行使期為二零一七年六月二十日至二零二零年六月十九日之5,100,000份購股權。本附註(i)、(ii)及(iii)項之購股權數目於二零一八年十二月三十一日分別為0份、4,804,000份及4,804,000份。
- (8) 於二零一八年一月一日之購股權包括以下各項：
(i)行使期為二零一七年一月二十日至二零一九年一月十九日之26,800,000份購股權；(ii)行使期為二零一八年一月二十日至二零二零年一月十九日之13,400,000份購股權；及(iii)行使期為二零一九年一月二十日至二零二一年一月十九日之13,400,000份購股權。本附註(i)、(ii)及(iii)項之購股權數目於二零一八年十二月三十一日分別為20,880,000份、10,700,000份及10,700,000份。
- (9) 購股權包括下列各項：(i)行使期為二零一九年九月五日至二零二一年九月四日之20,000,000份購股權；(ii)行使期為二零二零年九月五日至二零二二年九月四日之20,000,000份購股權；及(iii)行使期為二零二一年九月五日至二零二三年九月四日之20,000,000份購股權。
- (10) 行使期：二零一三年九月六日至二零一八年九月五日。
- (11) 於二零一八年一月一日之購股權包括以下各項：(i)行使期為二零一五年七月二日至二零一八年七月一日之29,500,000份購股權及(ii)行使期為二零一六年七月二日至二零一九年七月一日之29,380,000份購股權。本附註(i)及(ii)項之購股權數目於二零一八年十二月三十一日分別為0份及29,380,000份。



(12) The share options as at 1 January 2018 comprised the following: (i) 65,950,000 share options with exercisable period from 20 January 2017 to 19 January 2019; (ii) 32,975,000 share options with exercisable period from 20 January 2018 to 19 January 2020; and (iii) 32,975,000 share options with exercisable period from 20 January 2019 to 19 January 2021. The number of share options under (i), (ii) and (iii) of this note was 65,758,000, 32,975,000 and 32,975,000 respectively as at 31 December 2018.

(13) (a) The weighted average closing price immediately before the dates on which the share options were exercised was HK\$0.87.

(b) The weighted average closing price immediately before the dates on which the share options were exercised was HK\$0.89.

(c) The weighted average closing price immediately before the dates on which the share options were exercised was HK\$0.88.

(14) The exercise prices of the share options are as follows:

Date of Grant 授出日期	Exercise Price per Share (HK\$) 每股行使價 (港元)
02.07.2010	3.90
06.09.2010	4.15
02.07.2013	0.50
20.06.2014	0.80
20.01.2017	0.80
05.09.2018	0.94

(15) On 5 September 2018, the Company granted share options entitling subscription of a total of 60,000,000 Shares pursuant to the Share Option Scheme and the closing price of the Shares immediately before the date on which the aforesaid share options were granted was HK\$0.90.

(12) 於二零一八年一月一日之購股權包括以下各項：
(i)行使期為二零一七年一月二十日至二零一九年一月十九日之65,950,000份購股權；(ii)行使期為二零一八年一月二十日至二零二零年一月十九日之32,975,000份購股權；及(iii)行使期為二零一九年一月二十日至二零二一年一月十九日之32,975,000份購股權。本附註(i)、(ii)及(iii)項之購股權數目於二零一八年十二月三十一日分別為65,758,000份、32,975,000份及32,975,000份。

(13) (a) 於緊接購股權獲行使日期前之加權平均收市價為0.87港元。

(b) 於緊接購股權獲行使日期前之加權平均收市價為0.89港元。

(c) 於緊接購股權獲行使日期前之加權平均收市價為0.88港元。

(14) 購股權之行使價如下：

(15) 於二零一八年九月五日，本公司根據購股權計劃授出賦予權利可認購合共60,000,000股股份之購股權，股份於緊接上述購股權獲授出之日期前之收市價為0.90港元。

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND THE CHIEF EXECUTIVE IN THE SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2018, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive of the Company were deemed or taken to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

董事及行政總裁於本公司及其相聯法團之股份及相關股份及債權證之權益及淡倉

於二零一八年十二月三十一日，本公司之董事及行政總裁於本公司及其相聯法團（定義見「證券及期貨條例」第XV部）之股份、相關股份及債權證中，擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益及淡倉（包括本公司董事及行政總裁根據證券及期貨條例有關條文被視為或當作擁有之權益及淡倉），或必須及已記錄於本公司根據證券及期貨條例第352條所存置登記冊之權益及淡倉，或根據GEM上市規則第5.46至5.67條所述有關董事買賣之規定標準須知會本公司及聯交所之權益及淡倉如下：

Interests in the Shares, underlying Shares and debenture of the Company

於本公司股份、相關股份及債權證之權益

Directors	Capacity	Number of Shares/ underlying Shares held 所持股份／相關股份數目			Total interests	Approximate percentage of shareholding as at 31 December 2018 於二零一八年 十二月三十一日 所持股權 概約百分比
		Nature of interests 權益性質		Number of share options held ⁽³⁾		
董事	身份	Personal interest 個人權益	Corporate interest 公司權益	所持 購股權數目 ⁽³⁾	權益總額	
Mr. LI Ning 李寧先生	Beneficial owner 實益擁有人	21,508,000	-	7,500,000	8,241,451,151 (L)	93.15%
	Interest of controlled corporation 受控制法團權益	-	8,212,443,151 ⁽¹⁾	-		
	Interest of controlled corporation 受控制法團權益	-	544,241,573 ⁽¹⁾	-	544,241,573 (S)	6.15%
Mr. CHAN Ling 陳寧先生	Beneficial owner 實益擁有人	63,287,669	-	55,000,000	118,287,669 (L)	1.34%
Mr. LI Chunyang 李春陽先生	Beneficial owner 實益擁有人	13,067,669	-	33,000,000	46,067,669 (L)	0.52%
Mr. LI Qilin 李麒麟先生	Beneficiary of trusts 信託受益人	6,080,022,769 ⁽²⁾	-	-	6,169,022,769 (L)	69.72%
	Beneficial owner 實益擁有人	-	-	89,000,000		



Directors	Capacity	Number of Shares/ underlying Shares held 所持股份／相關股份數目			Total interests	Approximate percentage of shareholding as at 31 December 2018 於二零一八年 十二月三十一日 所持股權 概約百分比
		Nature of interests 權益性質		Number of share options held ⁽³⁾		
董事	身份	Personal interest 個人權益	Corporate interest 公司權益	所持 購股權數目 ⁽³⁾	權益總額	
Mr. CHAN James 陳進思先生	Beneficial owner 實益擁有人	5,000,000	–	11,000,000	16,000,000 (L)	0.18%
Mr. MA Wing Man 馬詠文先生	Beneficial owner 實益擁有人	864,000	–	7,500,000	8,364,000 (L)	0.09%
Mr. LIEN Jown Jing, Vincent 連宗正先生	Beneficial owner 實益擁有人	–	–	6,000,000	6,000,000 (L)	0.07%
Mr. CHEN Johnny (resigned with effect from 13 February 2019) 陳志宏先生(於二零一九年 二月十三日辭任)	Beneficial owner 實益擁有人	600,000	–	7,500,000	8,100,000 (L)	0.09%

(L) and (S) represent long position and short position respectively

(L)及(S)分別指好倉及淡倉

Notes:

附註:

1. Mr. Li Ning is deemed to be interested in the long positions of 8,212,443,151 Shares in aggregate through his interests in Lead Ahead Limited ("Lead Ahead"), Victory Mind Assets Limited ("Victory Mind Assets") and Dragon City Management (PTC) Limited ("Dragon City"), respectively and the short position of 544,241,573 Shares through his interests in Lead Ahead, as follows:

1. 李寧先生透過以下於Lead Ahead Limited (「Lead Ahead」)、Victory Mind Assets Limited (「Victory Mind Assets」)及Dragon City Management (PTC) Limited (「Dragon City」)分別持有權益而被視為擁有合共8,212,443,151股股份好倉之權益及透過於Lead Ahead持有權益而被視為擁有544,241,573股股份淡倉之權益:

(a) the long position of 2,132,420,382 Shares and the short position of 544,241,573 Shares are held by Lead Ahead, which is owned as to 60% by Mr. Li Ning and 40% by Mr. Li Chun. Mr. Li Ning is also a director of Lead Ahead;

(a) 2,132,420,382股股份好倉及544,241,573股股份淡倉由Lead Ahead持有，而Lead Ahead由李寧先生及李進先生分別擁有60%及40%股權。李寧先生亦為Lead Ahead之董事:

(b) the long position of 2,728,582,769 Shares in which Victory Mind Assets is interested in comprises (i) 1,680,022,769 Shares held by Victory Mind Assets and (ii) 1,048,560,000 Shares which may be issued on the basis of a full exercise of conversion rights at a conversion price of HK\$0.325 per Share attaching to the convertible bonds issued to Victory Mind Assets by the Company in November 2013. Victory Mind Assets is owned as to 57% by Ace Leader Holdings Limited ("Ace Leader") and 38% by Jumbo Top Group Limited ("Jumbo Top"). All shares of Ace Leader are held by TMF (Cayman) Ltd. ("TMF") in its capacity as trustee of a discretionary trust. Mr. Li Ning is the settlor of the trust and is therefore deemed to be interested in such 2,728,582,769 Shares. Mr. Li Ning is a director of each of Victory Mind Assets and Ace Leader; and

(b) Victory Mind Assets擁有2,728,582,769股股份好倉權益，當中包括(i)Victory Mind Assets所持有之1,680,022,769股股份及(ii)因本公司於二零一三年十一月向Victory Mind Assets發行之可換股債券所附帶之轉換權按轉換價每股股份0.325港元獲悉數行使而可予發行之1,048,560,000股股份。Victory Mind Assets分別由Ace Leader Holdings Limited (「Ace Leader」)及Jumbo Top Group Limited (「Jumbo Top」)擁有57%及38%權益。Ace Leader全部股份由TMF (Cayman) Ltd. (「TMF」)以酌情信託之受託人身份持有。李寧先生為該信託之創立人，因此被視為於上述2,728,582,769股股份中擁有權益。李寧先生為Victory Mind Assets及Ace Leader各自之董事；及



(c) the long position of 3,351,440,000 Shares in which Dragon City is interested in comprises (i) 2,000,000,000 Shares held by Dragon City and (ii) 1,351,440,000 Shares which may be issued on the basis of a full exercise of conversion rights at a conversion price of HK\$0.325 per Share attaching to the convertible bonds issued to Dragon City by the Company in November 2013. Dragon City is interested in such 3,351,440,000 Shares in its capacity as trustee of a unit trust, the units of which are owned as to 60% by TMF and as to 40% by TMF, each as the trustee of separate discretionary trust. Mr. Li Ning is the 60% shareholder of Dragon City and a founder of the unit trust and is therefore deemed to be interested in such 3,351,440,000 Shares. Mr. Li Ning is a director of Dragon City.

2. See note 1(b) and note 1(c) under "Interests and short positions of substantial shareholders and other persons in the share capital of the Company" below.
3. These represented the share options granted by the Company to the respective Directors, the details of which are provided in the section headed "Share Option Scheme" in this report.

Save as disclosed above, none of the Directors nor the chief executive of the Company had, as at 31 December 2018, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were deemed or taken to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

(c) Dragon City擁有3,351,440,000股股份好倉權益，當中包括(i)Dragon City持有之2,000,000,000股股份及(ii)因本公司於二零一三年十一月向Dragon City發行之可換股債券所附之轉換權按轉換價每股股份0.325港元獲悉數行使而可予發行之1,351,440,000股股份。Dragon City以單位信託之受託人身份持有該等3,351,440,000股股份權益，而上述信託之單位由TMF及TMF作為各獨立酌情信託受託人而分別擁有60%及40%。李寧先生為持有Dragon City 60%權益之股東及單位信託之創立人，因此被視為於該等3,351,440,000股股份中擁有權益。李寧先生為Dragon City之董事。

2. 見下文「主要股東及其他人士於本公司股本中的權益及淡倉」項下之附註1(b)及附註1(c)。
3. 此即本公司向董事各自授出之購股權，有關詳情載述於本報告「購股權計劃」一節。

除上文披露者外，於二零一八年十二月三十一日，本公司董事及行政總裁概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例有關條文彼等被視為或當作擁有之權益或淡倉），或必須及已記錄於本公司根據證券及期貨條例第352條所存置登記冊之權益或淡倉，或根據GEM上市規則第5.46條至第5.67條所述有關董事買賣之規定標準須知會本公司及聯交所之權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Pursuant to a sale and purchase agreement dated 12 October 2012 (the "Acquisition Agreement") entered into between the Company and Victory Mind Assets and Dragon City as the vendors (the "Vendors"), the acquisition by the Company of 266,374,000 LN Shares, representing approximately 25.227% of the then issued share capital of Li Ning Co was completed in December 2012, for the aggregate consideration of HK\$1,358,507,400, which was satisfied by the issuance to Victory Mind Assets, one of the Vendors, 1,780,022,769 Shares and to Dragon City, the other Vendor, unlisted initial convertible bonds in the principal amount of HK\$780,000,000 (the "Initial Convertible Bonds") which are convertible at an initial conversion price of HK\$0.325 per Share, subject to adjustment provided under the terms and conditions of the Initial Convertible Bonds. All Initial Convertible Bonds were converted into 2,400,000,000 Shares on 6 June 2014.

Pursuant to the Acquisition Agreement and the deed dated 30 August 2013 entered into between the Company and the Vendors (the "Deed"), the Company issued unlisted earn-out convertible bonds (the "Earn-out Convertible Bonds") in the principal amount of HK\$340,782,000 to Victory Mind Assets and the Earn-out Convertible Bonds in the principal amount of HK\$439,218,000 to Dragon City in November 2013 subject to certain undertaking under which a portion of the Earn-out Convertible Bonds may be returned to the Company in the event that certain performance targets of LN Group are not met. The Earn-out Convertible Bonds are convertible into 2,400,000,000 Shares at an initial conversion price of HK\$0.325 per Share. On 10 April 2017, the condition for releasing the undertaking has been met and the Company has released all the Earn-out Convertible Bonds held by the Vendors in accordance with the terms of the Deed.

Victory Mind Assets is indirectly held by the corporate trustee of two discretionary trusts, the beneficiaries of which include the respective family members of Mr. Li Ning, an executive Director, the Chairman and the Chief Executive Officer, his brother, Mr. Li Chun and Mr. Li Qilin, an executive Director. Dragon City is the trustee of a unit trust, the units of which are owned by two family trusts, the beneficiaries of which include the respective family members of Mr. Li Ning, Mr. Li Chun and Mr. Li Qilin. Mr. Li Qilin is the son of Mr. Li Chun and the nephew of Mr. Li Ning.

Save as disclosed above and in the paragraph headed "Share Option Scheme" of this report, at no time during the year were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Directors, or were any such rights exercised by them; or was the Company or any of its subsidiaries, or any holding company, or any of its fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事購買股份或債權證之權利

根據本公司與Victory Mind Assets及Dragon City (作為賣方) (「賣方」)於二零一二年十月十二日訂立之買賣協議(「收購協議」),本公司按總代價1,358,507,400港元收購266,374,000股李寧股份,約佔李寧公司當時已發行股本約25.227%(已於二零一二年十二月完成)。相關代價已分別透過向Victory Mind Assets(其中一名賣方)發行1,780,022,769股股份及向Dragon City(另一名賣方)發行本金額為780,000,000港元之首批非上市可換股債券(「首批可換股債券」)(初步轉換價為每股股份0.325港元,惟須根據首批可換股債券之條款及條件予以調整)方式進行支付。首批可換股債券已於二零一四年六月六日悉數兌換為2,400,000,000股股份。

根據收購協議及本公司與賣方於二零一三年八月三十日訂立之契據(「契據」),本公司於二零一三年十一月向Victory Mind Assets發行本金額為340,782,000港元之非上市盈利能力可換股債券(「盈利能力可換股債券」)及向Dragon City發行本金額為439,218,000港元之盈利能力可換股債券。在若干承諾(根據該相關承諾倘李寧集團之若干表現目標未獲達成,則部分盈利能力可換股債券可能須退還予本公司)規限下,盈利能力可換股債券可按初步轉換價每股股份0.325港元轉換為2,400,000,000股股份。於二零一七年四月十日,解除承諾的條件已達成,而本公司已根據契約的條款解除賣方持有的所有盈利能力可換股債券。

Victory Mind Assets由兩個酌情信託的公司受託人間接持有,兩個酌情信託之受益人均包括李寧先生(執行董事、主席兼行政總裁)、其兄長李進先生及執行董事李麒麟先生各自之家族成員。Dragon City是一個單位信託之受託人,該信託之單位由兩個家族信託擁有,而兩個家族信託之受益人均包括李寧先生、李進先生及李麒麟先生各自之家族成員。李麒麟先生為李進先生之兒子及李寧先生之侄子。

除上文及本報告「購股權計劃」一段所披露者外,本公司於年內任何時間概無授予任何董事可藉購入本公司股份或債權證而得益之權利,或彼等概無行使任何該等權利;或本公司或其任何附屬公司或其任何控股公司或其任何同系附屬公司亦概無訂立任何安排致使董事可購入任何其他法人團體之該等權利。

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS

Save as disclosed in this report, at no time during the year had the Company or any of its subsidiaries, and the controlling shareholders or any of its subsidiaries entered into any contract of significance or any contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder or any of its subsidiaries.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2018, so far as was known to the Directors, the interests and short positions of the persons (other than the interests and short positions of the Directors or chief executive of the Company as disclosed above) in the shares and/or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company are set out below:

Interests in the Shares and underlying Shares

控股股東於合約之權益

除本報告所披露者外，本公司或其任何附屬公司與控股股東或其任何附屬公司於年內任何時間，概無訂立任何重大合約或由控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務之任何重大合約。

主要股東及其他人士於本公司股本之權益及淡倉

於二零一八年十二月三十一日，據董事所知，除上文所披露之本公司董事或行政總裁擁有之權益及淡倉外，以下人士於本公司股份及／或相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置之登記冊或已另行知會本公司之權益及淡倉：

於股份及相關股份之權益

	Capacity	Number of Shares/underlying Shares held	Approximate percentage of shareholdings as at 31 December 2018
	身份	所持股份／ 相關股份之數目	於二零一八年十二月三十一日 所持股權 概約百分比
Substantial Shareholders			
主要股東			
Mr. LI Chun ⁽¹⁾ 李進先生 ⁽¹⁾	Interest of controlled corporation 受控制法團權益	8,212,443,151(L) 544,241,573(S)	93.82% 6.15%
Lead Ahead ⁽²⁾	Beneficial owner 實益擁有人	2,132,420,382(L) 544,241,573(S)	24.10% 6.15%
Victory Mind Assets ⁽³⁾	Beneficial owner 實益擁有人	2,728,582,769(L)	30.84%
Ace Leader ⁽³⁾	Interest of controlled corporation 受控制法團權益	2,728,582,769(L)	30.84%
Jumbo Top ⁽³⁾	Interest of controlled corporation 受控制法團權益	2,728,582,769(L)	30.84%



	Capacity	Number of Shares/underlying Shares held	Approximate percentage of shareholdings as at 31 December 2018
	身份	所持股份／ 相關股份之數目	於二零一八年 十二月三十一日 所持股權 概約百分比
Dragon City ⁽⁴⁾	Trustee 受託人	3,351,440,000(L)	37.88%
TMF ⁽³⁾⁽⁴⁾	Trustee 受託人	6,080,022,769(L)	68.72%
Other Persons 其他人士			
China Construction Bank Corporation 中國建設銀行 股份有限公司	Interest of controlled corporation 受控制法團權益	544,241,573	
	Person having a security interest in shares 於股份持有保證權益之人士	3,512,443,151	
		4,056,684,724 ⁽⁵⁾ (L)	45.85%
Central Huijin Investment Ltd. 中央匯金投資 有限責任公司	Interest of controlled corporation 受控制法團權益	544,241,573	
	Person having a security interest in shares 於股份持有保證權益之人士	3,512,443,151	
		4,056,684,724 ⁽⁵⁾ (L)	45.85%
Ministry of Finance of the People's Republic of China 中華人民共和國財政部	Interest of controlled corporation 受控制法團權益	926,190,476 ⁽⁶⁾ (L)	10.47%
Mr. MA Chi Seng 馬志成先生	Beneficial owner 實益擁有人	602,000,000 ⁽⁷⁾ (L)	6.80%

(L) and (S) represent long position and short position respectively

(L)及(S)分別指好倉及淡倉

Notes:

1. Mr. Li Chun is deemed to be interested in the long positions of 8,212,443,151 Shares in aggregate through his interests in Lead Ahead, Victory Mind Assets and Dragon City, respectively and the short position of 544,241,573 Shares through his interests in Lead Ahead, as follows:
 - (a) the long position of 2,132,420,382 Shares and the short position of 544,241,573 Shares are held by Lead Ahead, which is owned as to 60% by Mr. Li Ning and 40% by Mr. Li Chun;
 - (b) the long position of 2,728,582,769 Shares in which Victory Mind Assets is interested in comprises (i) 1,680,022,769 Shares held by Victory Mind Assets and (ii) 1,048,560,000 Shares which may be issued on the basis of a full exercise of conversion rights at a conversion price of HK\$0.325 per Share attaching to the convertible bonds issued to Victory Mind Assets by the Company in November 2013. Victory Mind Assets is owned as to 57% by Ace Leader and 38% by Jumbo Top. All shares of Jumbo Top are held by TMF in its capacity as trustee of a discretionary trust. Mr. Li Chun is the settlor of the trust and is therefore deemed to be interested in such 2,728,582,769 Shares. Mr. Li Qilin is a beneficiary of the trust and is also therefore deemed to be interested in such 2,728,582,769 Shares. Mr. Li Chun is also a director of each of Victory Mind Assets and Jumbo Top; and
 - (c) the long position of 3,351,440,000 Shares in which Dragon City is interested in comprises (i) 2,000,000,000 Shares held by Dragon City and (ii) 1,351,440,000 Shares which may be issued on the basis of a full exercise of conversion rights at a conversion price of HK\$0.325 per Share attaching to the convertible bonds issued to Dragon City by the Company in November 2013. Dragon City is interested in such 3,351,440,000 Shares in its capacity as trustee of a unit trust, the units of which are owned as to 60% by TMF and as to 40% by TMF, each as the trustee of a separate discretionary trust. Mr. Li Qilin is a beneficiary of one of the said separate trusts and is also therefore deemed to be interested in such 3,351,440,000 Shares. Mr. Li Chun is taken to be interested in 40% of the shares of Dragon City and is therefore deemed to be interested in such 3,351,440,000 Shares. Mr. Li Chun is a director of Dragon City.
2. Lead Ahead is owned as to 60% by Mr. Li Ning and 40% by his brother, Mr. Li Chun. Mr. Li Ning is also a director of Lead Ahead.

附註：

1. 李進先生透過以下於Lead Ahead、Victory Mind Assets及Dragon City分別持有權益而被視為擁有合共8,212,443,151股股份好倉之權益及透過於Lead Ahead持有權益而被視為擁有544,241,573股股份淡倉之權益：
 - (a) 2,132,420,382股股份好倉及544,241,573股股份淡倉由Lead Ahead持有，而Lead Ahead由李寧先生及李進先生分別擁有60%及40%股權；
 - (b) Victory Mind Assets擁有2,728,582,769股股份好倉權益，當中包括(i)Victory Mind Assets所持有之1,680,022,769股股份及(ii)因本公司於二零一三年十一月向Victory Mind Assets發行之可換股債券所附帶之轉換權按轉換價每股股份0.325港元獲悉數行使而可予發行之1,048,560,000股股份。Victory Mind Assets分別由Ace Leader及Jumbo Top擁有57%及38%權益。Jumbo Top全部股份由TMF以酌情信託之受託人身份持有。李進先生為該信託之創立人，因此被視為於上述2,728,582,769股股份中擁有權益。李麒麟先生為該信託之受益人，因此亦被視為於上述2,728,582,769股股份中擁有權益。李進先生亦為Victory Mind Assets及Jumbo Top各自之董事；及
 - (c) Dragon City擁有3,351,440,000股股份好倉權益，當中包括(i)Dragon City持有之2,000,000,000股股份及(ii)因本公司於二零一三年十一月向Dragon City發行之可換股債券所附之轉換權按轉換價每股股份0.325港元獲悉數行使而可予發行之1,351,440,000股股份。上述3,351,440,000股股份由Dragon City作為單位信託之受託人而擁有權益，而上述信託之單位由TMF作為各獨立酌情信託受託人而分別擁有60%及40%權益。李麒麟先生為上述其中一個獨立信託之受益人，因此亦被視為於上述3,351,440,000股股份中擁有權益。李進先生被視為擁有Dragon City之40%的股份權益，因此被視為於上述3,351,440,000股股份中擁有權益。李進先生為Dragon City之董事。
2. Lead Ahead由李寧先生及其胞兄李進先生分別擁有60%及40%股權。李寧先生亦為Lead Ahead之董事。

- See note 1(b) under "Interests and short positions of directors and the chief executive in the shares and underlying shares and debentures of the Company and its associated corporations" and note 1(b) above. For avoidance of doubt and double counting, it should be noted that Ace Leader, Jumbo Top and TMF are deemed to be interested in the 2,728,582,769 Shares which Victory Mind Assets is interested in.
- See note 1(c) under "Interests and short positions of directors and the chief executive in the shares and underlying shares and debentures of the Company and its associated corporations" and note 1(c) above. TMF is deemed to be interested in the 3,351,440,000 Shares which Dragon City is interested in.
- Such long position includes unlisted and physically settled derivative interests in 544,241,573 underlying Shares and is held by Cheer Hope Holdings Limited ("Cheer Hope"). Cheer Hope is wholly-owned by CCBI Investments Limited which is in turn wholly-owned by CCB International (Holdings) Limited ("CCB International"). CCB International is wholly-owned by CCB Financial Holdings Limited ("CCB Financial") and CCB Financial is wholly-owned by CCB International Group Holdings Limited ("CCB Holdings"). CCB Holdings is wholly-owned by China Construction Bank Corporation ("CCBC") which is in turn owned as to 57.11% by Central Huijin Investment Ltd ("Huijin"). Huijin is deemed to be interested in the 4,056,684,724 Shares which CCBC is interested in.
- According to the corporate substantial shareholder notice filed to the Stock Exchange by Ministry of Finance of the People's Republic of China ("MOF"), MOF is deemed to be interested in such long position of unlisted and physically settled derivative interests in 926,190,476 underlying Shares held by Lake Tai Investment Holdings Limited which is in turn wholly-owned by Huarong (HK) International Holdings Limited. China Huarong International Holdings Limited is owned as to 88.10% and 11.90% by Huarong Real Estate Co., Ltd. ("Huarong Real Estate") and Huarong Zhiyuan Investment & Management Co., Ltd. ("Huarong Zhiyuan") respectively. Both Huarong Real Estate and Huarong Zhiyuan are wholly-owned by China Huarong Asset Management Co., Ltd. which is in turn owned as to 77.49% by MOF.
- Mr. Ma Chi Seng was interested in 500,000,000 Shares and the share options of the Company entitling to subscribe for a total of 102,000,000 Shares.
- 見「董事及行政總裁於本公司及其相聯法團之股份及相關股份及債權證之權益及淡倉」一節附註1(b)及上文附註1(b)。為免生疑問及重複計算，謹請留意Ace Leader、Jumbo Top及TMF被視為於Victory Mind Assets所擁有權益之2,728,582,769股股份中擁有權益。
- 見「董事及行政總裁於本公司及其相聯法團之股份及相關股份及債權證之權益及淡倉」一節附註1(c)及上文附註1(c)。TMF被視為於Dragon City所擁有權益之3,351,440,000股股份中擁有權益。
- 此好倉包括於544,241,573股相關股份之非上市及以實物交收之衍生工具權益並由Cheer Hope Holdings Limited（「Cheer Hope」）持有。Cheer Hope由CCBI Investments Limited全資擁有，而CCBI Investments Limited則由建銀國際（控股）有限公司（「建銀國際」）全資擁有。建銀國際由建行金融控股有限公司（「建行金融」）全資擁有及建行金融由建行國際集團控股有限公司（「建行控股」）全資擁有。建行控股由中國建設銀行股份有限公司（「中國建設銀行」）全資擁有，而中國建設銀行則由中央匯金投資有限責任公司（「匯金」）擁有57.11%權益。匯金被視為於中國建設銀行擁有權益之4,056,684,724股股份中擁有權益。
- 根據中華人民共和國財政部（「財政部」）向聯交所提交之法團大股東通知書，財政部被視作於Lake Tai Investment Holdings Limited持有之該等926,190,476股相關股份之非上市及以實物交收之衍生工具權益中擁有好倉權益，而Lake Tai Investment Holdings Limited則由華融（香港）國際控股有限公司全資擁有。中國華融國際控股有限公司分別由華融置業有限責任公司（「華融置業」）及華融致遠投資管理有限責任公司（「華融致遠」）擁有88.10%及11.90%權益。華融置業及華融致遠均由中國華融資產管理股份有限公司全資擁有，而中國華融資產管理股份有限公司則由財政部擁有77.49%權益。
- 馬志成先生於500,000,000股股份及本公司購股權（賦予權利可認購合共102,000,000股股份）中擁有權益。



As at 31 December 2018, save as disclosed above, so far as was known to the Directors, no other person (other than the Directors or chief executive of the Company) had any interests or short position in the shares and/or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as notified to the Company.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year.

GROUP'S EMOLUMENT POLICY

The emolument policy of the employees of the Group is formulated on the basis of their merit, qualifications and competence and it is the Group's policy to compensate each employee fairly and equitably. The Group has a system for measuring employees' performance against agreed-upon goals with specific performance standards. Performance discussion is carried out on an ongoing basis and a formal evaluation is conducted once a year to review employees' overall performance, achievements, and areas in need of improvement. Salary review would be based on individual's performance and subject to Group's discretion.

The determination of remuneration packages of the Directors takes into consideration of the factors such as time commitment and responsibilities of the Directors and by reference to the level of emoluments normally paid by a listed company in Hong Kong to directors of comparable calibre and job responsibilities so as to ensure a fair and competitive remuneration package as is fit and appropriate. The details of remuneration payable to the Directors and senior management are set out in note 8 to the financial statements.

The existing share option scheme was adopted by the Company in 2010 as an incentive to directors and eligible participants, details of the scheme are set out in the section headed "Share Option Scheme" on pages 46 to 52 of this annual report.

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining a high standard of corporate governance and a detailed corporate governance report is set out on pages 63 to 74 of this annual report.

The compliance officer of the Company is Mr. Chan Ling whose biographical details are set out on page 36 of this annual report. Mr. Cheung Chi is the company secretary and the chief financial officer of the Company. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and has over 25 years of experience in financial management, corporate finance and administrative management.

於二零一八年十二月三十一日，除上文披露者外，就董事所知，概無其他人士（除董事或本公司行政總裁外）於本公司股份及／或相關股份中，擁有任何本公司根據證券及期貨條例第336條規定須存置之登記冊記錄或已另行知會本公司之權益或淡倉。

管理合約

年內概無簽署或存在任何涉及本集團全部或任何重大部分業務之管理及行政之合約。

本集團之薪酬政策

本集團僱員之薪酬政策乃根據彼等成績、資歷及能力而釐定，而本集團的政策為致力讓每位僱員得到公平合理的待遇。本集團設有釐定僱員表現的系統，以特定表現準則釐定僱員是否達到預設目標。本集團持續進行表現檢討，並每年進行一次正式評估，以審核僱員整體表現、成績及改進空間。本集團將根據個人表現酌情進行薪酬檢討。

釐定董事薪酬待遇時考慮到董事投入的時間及職責等因素，並參考香港上市公司一般向具有相若能力及職責之董事支付的薪酬水平，以確保公平而具競爭力的薪酬待遇合適恰當。應付董事及高級管理人員之薪酬詳情載於財務報表附註8。

本公司於二零一零年採納現有購股權計劃，以獎勵董事及合資格參與人士。計劃詳情載於本年報第46頁至52頁「購股權計劃」一節。

企業管治

本公司致力於實現及維持高水準之企業管治，企業管治報告之詳情載於本年報第63至74頁。

本公司監察主任為陳寧先生，其履歷詳情載於本年報第36頁。張智先生為本公司之公司秘書及首席財務官。彼為香港會計師公會及特許公認會計師公會的資深會員，並於財務管理、企業融資及行政管理方面積逾25年經驗。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition to the discussions on the Group's environmental policies and performance in the Business Review of this annual report, an environmental, social and governance report which explains how the Company complies with the environmental, social and governance reporting guide in Appendix 20 to the GEM Listing Rules is set out on pages 75 to 96 of this annual report.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

For the year ended 31 December 2018, the Directors are not aware of any business or interest of the Directors, the controlling shareholders and their respective close associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best of the Directors' knowledge, as at the date of this annual report, there was a sufficient prescribed public float of the issued shares of the Company under the GEM Listing Rules.

AUDITOR

The financial statements of the Company for the year under review have been audited by PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of PricewaterhouseCoopers as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

By Order of the Board

Li Ning

Chairman and Chief Executive Officer

Hong Kong, 22 March 2019

環境、社會及管治報告

除於本年報業務回顧中有關本集團之環境政策及表現之討論外，解釋本公司遵守GEM上市規則附錄20中之環境、社會及管治報告指引的情況的環境、社會及管治報告載於本年報第75至第96頁。

董事於競爭業務之權益

截至二零一八年十二月三十一日止年度，各董事並無察覺到各董事、控股股東及彼等各自之緊密聯繫人（定義見GEM上市規則）擁有與本集團業務競爭或可能與之競爭之任何業務或權益，而該等人士亦無擁有與本集團有利益沖突或可能與之有利益沖突之任何其他權益。

公眾持股量

根據本公司獲得之公開資料及就董事所深知，於本年報刊發日期，本公司已發行股份之公眾持股量符合GEM上市規則指定水平。

核數師

本公司於回顧年度內之財務報表經羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將告退，並合資格及願意應聘連任。本公司將於應屆股東週年大會提呈決議案，建議續聘羅兵咸永道會計師事務所為本公司核數師。

承董事會命

主席及行政總裁

李寧

香港，二零一九年三月二十二日

The Company is committed to achieving and maintaining a high standard of corporate governance. Throughout the financial year ended 31 December 2018, the Company had complied with the code provisions in the Corporate Governance Code ("CG Code") as set out in Appendix 15 of the GEM Listing Rules, save for the disclosure below.

The code provision A.2.1 of the CG Code stipulates that the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. Mr. Li Ning holds both the positions of the Chairman and the Chief Executive Officer. Taking into account of Mr. Li's expertise and insight of the sports field, having these two roles performed by Mr. Li enables more effective and efficient overall business planning and implementation of business decisions and strategies of the Group. The Board believes that the balance of power and authority is ensured by the operations of the Board, which comprises experienced and high calibre individuals and adequate independent element in the composition of the Board, with one-third of them being independent non-executive Directors.

In respect of the code provision A.6.7 of the CG Code, independent non-executive Directors and other non-executive Directors should attend the general meetings of the Company. Two independent non-executive Directors were unable to attend the annual general meeting of the Company held on 15 June 2018 due to overseas engagement.

The application of the relevant principles of the CG Code is stated in the following sections.

BOARD OF DIRECTORS

The Company is governed by 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 sets strategies and directions for the Group's affairs and activities with a view to develop its business and to enhance shareholders' value.

There is a clear division of responsibilities between the Board and the management. Decisions on important matters are specifically reserved to the Board while decisions on the Group's general operations are delegated to the management. Important matters include those affecting the Group's strategic policies, risk management and internal control systems, major investment and funding decisions and major commitments relating to the Group's operations.

本公司致力提倡及維持高水平之企業管治。除下文披露者外，於截至二零一八年十二月三十一日止財政年度全年，本公司一直遵守GEM上市規則附錄15所載企業管治守則（「企業管治守則」）之守則條文。

企業管治守則第A.2.1條守則條文規定，主席及行政總裁之角色分開及不應由同一人擔任。李寧先生擔任主席兼行政總裁之職務。經考慮李先生之豐富知識專長及運動領域之眼光後，此兩個職務由李先生擔任，令整個業務規劃及實施本集團之業務決策及策略更切實有效及更具效率。董事會相信權力及授權之平衡乃由董事會之運作確保，當中成員皆富經驗及有才幹之人士，且董事會組合具備充分之獨立元素，其中三分之一為獨立非執行董事。

根據企業管治守則第A.6.7條守則條文，獨立非執行董事及其他非執行董事應出席本公司股東大會。兩名獨立非執行董事由於海外事務未克出席本公司於二零一八年六月十五日舉行之股東週年大會。

本公司應用企業管治守則有關原則於下節載列。

董事會

本公司由董事會管治，董事會有責任領導及監控本公司。董事藉指引及監察本集團事務共同負責使本集團達致成功。董事會制訂本集團事務及業務之策略及方向，以發展業務及提升股東價值。

董事會與管理層間職能清晰劃分。重大事項之決策留待董事會處理，而本集團日常運作之決策則授權管理層處理。重大事項包括影響本集團之策略措施、風險管理及內部監控系統、重大投資及撥款決策以及有關本集團運作之重大承擔。

The Board currently comprises of four executive Directors (the “Executive Directors”), two non-executive Directors (the “Non-executive Directors”) and three independent non-executive Directors (the “Independent Non-executive Directors”). The Board has a balance of skills and experience and a balanced composition of Executive Directors and Non-executive Directors.

Chairman and Chief Executive Officer

Mr. Li Ning has been the Chairman since 2010 and takes the lead to oversee the Board functions and the direction of the Group. Mr. Li Ning took the role of Chief Executive Officer with effect from 22 May 2013 to further align the management expertise of the Board to complement with the Group’s core strategies to pursue opportunities along the sports value chain.

Non-Executive Directors

All Non-executive Directors and Independent Non-executive Directors are appointed for a term of three years. In addition, all Directors are subject to retirement by rotation at least once every three years in accordance with the Company’s articles of association.

Independent Non-Executive Directors

The current Independent Non-executive Directors are Mr. Lien Jown Jing, Vincent, Mr. Pak Wai Keung, Martin and Mr. Wang Yan. The Independent Non-executive Directors help the management to formulate the Group’s development strategies, ensure the Board prepares its financial and other mandatory reports in strict compliance with required standards, and ensure the Company maintains appropriate system to protect the interests of the Company and the Shareholders. The Company received the annual confirmation from the Independent Non-executive Directors in respect of their independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considered all the Independent Non-executive Directors to be independent.

Board Composition and Board Processes

Directors make their best efforts to contribute to the formulation of strategy, policies and decision-making by attending the Board meetings in person or via telephone conference facilities. During regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Group, monitor financial performance and review the financial results of the Group. Additional Board meetings may be convened for considering and approving other significant matters. Apart from formal meetings, matters requiring Board approval were arranged by means of circulation of written resolutions.

董事會目前包括四名執行董事（「執行董事」）、兩名非執行董事（「非執行董事」）及三名獨立非執行董事（「獨立非執行董事」）。董事會在執行董事與非執行董事之技能及經驗以及組成之間取得平衡。

主席及行政總裁

李寧先生自二零一零年起擔任主席並負責領導董事會發揮功能及監督本集團的發展方向。李寧先生於二零一三年五月二十二日起擔任行政總裁以進一步整合董事會之管理專長，以完善本集團之核心策略，沿著體育價值鏈尋找機遇。

非執行董事

所有非執行董事及獨立非執行董事均委任為期三年。此外，所有董事須根據本公司之組織章程細則輪值告退，至少每三年輪值告退一次。

獨立非執行董事

現任獨立非執行董事為連宗正先生、白偉強先生及汪延先生。獨立非執行董事協助管理層制定本集團發展策略，確保董事會嚴格遵照規定標準編製財務及其他法定報告，並確保本公司秉持恰當制度，保障本公司及股東利益。本公司接獲獨立非執行董事根據GEM上市規則第5.09條就彼等之獨立身份作出的年度確認。本公司認為全體獨立非執行董事均屬獨立人士。

董事會組成及董事會會議程序

董事透過親身出席董事會會議或通過電話會議方式為制定策略、政策及作出決策竭力貢獻。於董事會定期會議期間，董事討論及制定本集團之整體策略，監督本集團之財務表現及檢討財務業績。就考慮及批准其他重大事項，可能會召開額外之董事會會議。除正式會議外，可透過傳閱書面決議案之方式安排要求董事會批准之事宜。

The composition of the Board together with the information in relation to the number of meetings of the Board and each of its committees, namely, the audit committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee"), the nomination committee (the "Nomination Committee") and the executive committee (the "Executive Committee"), and the general meeting of the Company held during the year 2018 and the attendance of each Director are set out in the following table:

董事會組成連同本公司於二零一八年舉行之董事會及其各委員會（即審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）及執行委員會（「執行委員會」）之會議次數以及股東大會之有關資料及各董事出席情況載於下表：

		Meetings held in 2018 於二零一八年舉行之會議					Annual General Meeting 股東 週年大會
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Executive Committee 執行委員會	
Number of meetings	會議次數	4	4	1	1	2	1
Executive Directors	執行董事						
Mr. Li Ning (Chairman & Chief Executive Officer) ²	李寧先生 (主席兼行政總裁) ²	4/4			1/1	1/2	1/1
Mr. Chan Ling (Chief Operating Officer)	陳寧先生(營運總裁)	4/4		1/1		2/2	1/1
Mr. Li Chunyang	李春陽先生	4/4				2/2	1/1
Mr. Li Qilin ²	李麒麟先生 ²	4/4				1/2	1/1
Non-executive Directors	非執行董事						
Mr. Chan James	陳進思先生	3/4					1/1
Mr. Ma Wing Man	馬詠文先生	4/4	4/4				1/1
Independent Non-executive Directors	獨立非執行董事						
Mr. Lien Jown Jing, Vincent	連宗正先生	3/4	4/4	1/1			0/1
Mr. Pak Wai Keung, Martin ³ (appointed on 13 February 2019)	白偉強先生 ³ (自二零一九年二月十三日起獲委任)			1/1			
Mr. Wang Yan	汪延先生	3/4	3/4	1/1	1/1		0/1
Mr. Chen Johnny ⁴ (resigned with effect from 13 February 2019)	陳志宏先生 ⁴ (自二零一九年二月十三日起辭任)	4/4	4/4	1/1	1/1		1/1

Notes:

附註：

- The attendance figure represents actual attendance/the number of meetings a Director is entitled to attend.
- Mr. Li Qilin is the nephew of Mr. Li Ning, the Chairman, the Chief Executive Officer and an Executive Director.
- Mr. Pak Wai Keung was appointed as an independent non-executive Director and the chairman of the audit committee and a member of each of the nomination committee and remuneration committee of the Company with effect from 13 February 2019.
- Mr. Chen Johnny resigned as an independent non-executive Director, the chairman of the audit committee, a member of each of the nomination committee and remuneration committee of the Company with effect from 13 February 2019.

- 出席次數指董事實際出席之次數／有權出席之會議之次數。
- 李麒麟先生為主席、行政總裁兼執行董事李寧先生之侄子。
- 白偉強先生自二零一九年二月十三日起獲委任為本公司獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員。
- 陳志宏先生自二零一九年二月十三日起辭任本公司獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員的職務。

Directors' Continuous Professional Development

The Directors are encouraged to enroll in relevant professional development programme to ensure that they are aware of their responsibilities under the legal and regulatory requirements applicable to the Company. During the year, the Company has provided the materials on directors' duties, corporate governance and updates on laws and regulations for continuous professional development of their knowledge and skills in performance of their functions. During the year, the Company has also arranged a seminar to the Directors and senior management on Enterprise Risk Management.

The Company has maintained records of training received by the Directors. To summarise, the Directors received trainings on the following areas to update and develop their skills and knowledge during the year:

董事之持續專業發展

本公司鼓勵董事參與相關專業發展計劃，以確保彼等知悉適用於本公司之法律及監管規定下之責任。於年內，本公司向董事提供有關董事職責、企業管治及最新法律及法規之材料，旨在促進彼等履行職能之知識及技能的持續專業發展。年內，本公司亦為董事及高級管理人員安排有關企業風險管理的培訓會。

本公司存有董事接受培訓之記錄。總括而言，董事於年內曾接受以下方面的培訓以更新及拓展其技能及知識：

Training on corporate governance, regulatory development and other relevant topics
企業管治、法規發展及其他相關專題培訓

Executive Directors

Mr. Li Ning (Chairman & Chief Executive Officer)
Mr. Chan Ling (Chief Operating Officer)
Mr. Li Chunyang
Mr. Li Qilin

執行董事

李寧先生 (主席兼行政總裁)
陳寧先生 (營運總裁)
李春陽先生
李麒麟先生

✓
✓
✓
✓

Non-executive Directors

Mr. Chan James
Mr. Ma Wing Man

非執行董事

陳進思先生
馬詠文先生

✓
✓

Independent Non-executive Directors

Mr. Lien Jown Jing, Vincent
Mr. Pak Wai Keung (appointed with effect from 13 February 2019)

Mr. Wang Yan
Mr. Chen Johnny (resigned with effect from 13 February 2019)

獨立非執行董事

連宗正先生
白偉強先生 (自二零一九年二月十三日起獲委任)
汪延先生
陳志宏先生 (自二零一九年二月十三日起辭任)

✓
N/A不適用
✓
✓

Directors' Securities Transactions

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard") as the code for dealing in securities of the Company by the Directors.

The Company has made specific enquiry with all Directors, and the Directors have confirmed compliance with the Required Standard during the year ended 31 December 2018.

Specific employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with the same Required Standard. No incident of non-compliance was noted by the Company for the year ended 31 December 2018.

董事進行證券交易

本公司已採納GEM上市規則第5.48條至第5.67條所載規則(「交易必守標準」)，作為董事買賣本公司證券之守則。

本公司已向全體董事作出具體查詢，而董事亦已確認於截至二零一八年十二月三十一日止年度一直遵守交易必守標準。

可能擁有本集團未刊發內幕消息之個別僱員亦須遵守相同之交易必守標準。本公司於截至二零一八年十二月三十一日止年度概無發現有未遵守事件。

BOARD COMMITTEES

The Board has established the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Committee as integral elements of good corporate governance and to oversee relevant aspects of the Company's affairs. The authorities and duties of the committees are set out in their respective terms of reference. More details of these committees are set out in separate sections in this report.

The terms of reference adopted by the Board for the Audit Committee, the Remuneration Committee and the Nomination Committee in accordance with the requirements of the CG Code are published on the websites of the Company and the Stock Exchange.

Nomination Committee

The Nomination Committee was established by the Board with written terms of reference. The current Nomination Committee is chaired by Mr. Li Ning, the Chairman and Executive Director. The other members of the Nomination Committee are Mr. Pak Wai Keung, Martin and Mr. Wang Yan, both are Independent Non-executive Directors.

Under the articles of association of the Company, all Directors are subject to retirement by rotation and re-election by Shareholders every three years. A Director appointed by the Board is subject to election by shareholders at the first annual general meeting after his appointment in case of the appointment of additional Director or at the first general meeting after his appointment in case of filling of casual vacancy.

During the year, the Nomination Committee has reviewed the structure, size and composition of the Board and assessed the independence of the independent non-executive Directors. The Nomination Committee also recommended suitable candidate for executive function.

The Company recognises the importance of board diversity which is beneficial for the enhancement of the Company's performance. The Board has adopted a board diversity policy (the "Board Diversity Policy") with effect from 12 August 2013, which provides that the nomination and appointment of Board members should be based on meritocracy, taking into considerations of the diversity of Board members from different aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and discussed all measurable objectives set for implementing the policy. The Nomination Committee's role includes monitoring the implementation of the policy and review the same as appropriate.

董事委員會

董事會已成立審核委員會、薪酬委員會、提名委員會及執行委員會，作為良好企業管治之整體部分以監督本公司有關方面之事務。該等委員會之授權及職責載於彼等各自之職權範圍內。該等委員會之更多詳情載於本報告之獨立章節內。

董事會根據企業管治守則之規定就審核委員會、薪酬委員會及提名委員會採納之職權範圍刊載於本公司及聯交所之網站。

提名委員會

董事會已成立提名委員會並制定書面職權範圍。現時提名委員會由主席兼執行董事李寧先生擔任主席。提名委員會之其他成員為兩名獨立非執行董事白偉強先生及汪延先生。

根據本公司之組織章程細則，所有董事均須每三年輪值退任一次及接受股東重選。董事會所委任之董事須於其獲委任後之首次股東週年大會上（就委任新增董事而言）或於彼獲委任後之首次股東大會上（就填補臨時空缺而言）接受股東選舉。

年內，提名委員會已檢討董事會之架構、規模及組成，並評估獨立非執行董事之獨立性。提名委員會亦已推薦有關執行職能的恰當候選人。

本公司認同董事會多元化之重要性，其有利於提升本公司之表現。董事會已採納董事會成員多元化政策（「董事會多元化政策」，自二零一三年八月十二日起生效），當中規定董事會成員之提名及委任應以任人唯才為基準，並考慮董事會成員於不同方面的多元化（包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期），並討論為落實該政策所設定之所有可計量目標。提名委員會之職責包括監察該政策之實施並適當檢討該政策。

The Company also adopted a nomination policy (The “Nomination Policy”) with effect from 1 January 2019. The purpose of the Nomination Policy is to set guidelines for the administration by the Nomination Committee of the nomination, evaluation and termination of each member of the Board. The Board shall be composed of members with balance of skills, experience and diversity of perspectives appropriate to accomplish the Group’s business development, strategies, operation, challenges and opportunities. Each member of the Board shall possess, be recognized for and be able to exhibit high and professional standard. The core criteria include gender, age, capability, experience, skill and knowledge, integrity and ethics, independency and leadership. In the nomination process, each new candidates shall be considered upon evaluation against the criteria. According to the nomination procedure, the Nomination Committee is responsible for identifying potential new Directors and recommends to the Board for decision. If appointment is considered by the Board, the appointment shall be subject to the approval by the Board in accordance with the Company’s Memorandum and Articles of Association, the GEM Listing Rules and the Nomination Policy. If the candidate is nominated by the Shareholders, the nomination and appointment shall follow the procedures (if any) set out in the Company’s Memorandum and Articles of Association, the GEM Listing Rules and the Nomination Policy. The Policy shall also be governed by other additional and relevant rules under the Company’s Memorandum and Article of Association and the GEM Listing Rules applicable to the nomination, appointment, election, re-election, retirement, and termination of Directors.

In February 2019, the Company was pleased to welcome Mr. Pak Wai Keung, Martin to the Board. Mr. Pak’s experience in finance, accounting and corporate governance affairs would boost diversity to the Board.

本公司亦已採納提名政策（「提名政策」），自二零一九年一月一日起生效。提名政策由提名委員會管理，旨在為管理董事會各成員之提名、評核及罷免設立指引。董事會須由具有均衡技能、經驗及不同觀點之成員組成，且有關技能、經驗及不同觀點對達成本集團之業務發展、策略、營運、挑戰及機會而言屬合適。董事會各成員須達到高度專業標準並獲得認可，且能夠展示的主要特質包括性別、年齡、能力、經驗、技能及知識、誠信及道德、獨立性及領導能力。於提名過程中，董事會將評估各候選人之有關特質並予以考慮。根據提名程序，提名委員會負責物色潛在新董事及向董事會建議以供決定。倘委任乃經董事會審議而作出，則委任須根據本公司組織章程大綱及細則、GEM上市規則以及提名政策獲董事會批准。倘候選人由股東提名，則提名及委任須遵照本公司組織章程大綱及細則、GEM上市規則以及提名政策所載之程序（如有）。提名政策亦須受本公司組織章程大綱及細則以及GEM上市規則下適用於本公司董事之提名、委任、選舉、重選、退任以及罷免之其他額外及相關規則所規管。

於二零一九年二月，本公司欣然歡迎白偉強先生加入董事會。白先生在財務、會計及企業管治事務方面的經驗將進一步促進董事會的多元化。

Summary and Measurable Objectives of the Board Diversity Policy

The Nomination Committee reviews and assesses the Board composition on behalf of the Board and recommends the appointment of new Directors. In designing and reviewing the Board's composition, the Nomination Committee will consider from a number of aspects. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

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

During the year, the Nomination Committee reviewed the diversity of the Board from perspectives, including gender, age, professional background, business experience, length of service and directorship with other listed companies. The Nomination Committee considered that the Board possessed a balance of skill and expertise and a diverse mix appropriate for the business of the Company and will review the composition and diversity of the Board if and when necessary.

Remuneration Committee

The Company established the Remuneration Committee on 1 August 2005 with written terms of reference. The Remuneration Committee is primarily responsible for making recommendations to the Board regarding the Group's policy and structure for remuneration of all Directors and senior management. The Board has adopted the operation model, where the Remuneration Committee has duties to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management.

The Remuneration Committee currently comprises three Independent Non-executive Directors, Mr. Wang Yan (chairman of the Remuneration Committee), Mr. Lien Jown Jing, Vincent and Mr. Pak Wai Keung, Martin and one Executive Director, Mr. Chan Ling.

The determination of remuneration packages of the Directors takes into consideration of the factors such as time commitment and responsibilities of the Directors and by reference to the level of emoluments normally paid by a listed company in Hong Kong to directors of comparable calibre and job responsibilities so as to ensure a fair and competitive remuneration package as is fit and appropriate. During the year, the Remuneration Committee approved the adjustments of the salary of an executive Director by reference to his duties and responsibilities with the Group.

董事會多元化政策之概要及可計量目標

提名委員會代表董事會檢討及評估董事會組成並就委任新董事提出建議。於設定及檢討董事會之組合時，提名委員會將考慮多個方面。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

候選人之甄選將根據一系列多元化範疇進行，包括（但不限於）性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年期。最終將根據所推選候選人的長處及可為董事會提供的貢獻而作出決定。

年內，提名委員會已從多個方面檢討董事會之多元性，包括性別、年齡、專業背景、業務經驗、服務年期及於其他上市公司擔任之董事職務。提名委員會認為董事會具備有利於本公司業務發展之各種技能、專長及多元化組合，並於尚需要時會檢討董事會之組成及多元性。

薪酬委員會

本公司已於二零零五年八月一日成立薪酬委員會並制定書面職權範圍。薪酬委員會主要負責就本集團有關所有董事及高級管理人員薪酬之政策及架構向董事會提出推薦建議。董事會已採納運作模式，當中薪酬委員會獲轉授責任釐定每名執行董事及高級管理人員之薪酬待遇。

薪酬委員會現時由三名獨立非執行董事汪廷先生（薪酬委員會主席）、連宗正先生及白偉強先生以及一名執行董事陳寧先生組成。

釐定董事之薪酬待遇會考慮各項因素（如董事之時間承擔及責任）並參考香港上市公司一般向具相若才幹及工作責任之董事支付之酬金水平，以確保一個合宜及恰當之公正兼具競爭力之薪酬待遇。年內，薪酬委員會於參考一名執行董事於本集團的職責及責任後已批准調整該董事的薪金。

Executive Committee

The Executive Committee was established by the Board with specific terms of reference. The committee currently comprises four Executive Directors, Mr. Li Ning (chairman of the Executive Committee), Mr. Chan Ling, Mr. Li Chunyang and Mr. Li Qilin. The primary duties of the Executive Committee are to propose and implement business strategies and plans for the Group, monitor the operations of companies of the Group and approve matters relating to their day-to-day operations.

The Executive Committee is responsible for performing the corporate governance duties which include the development and review of the Company's policies and practices on corporate governance, review and monitor the training and continuous professional development of Directors and senior management, review and monitor the Company's policies and practices on compliance with legal and regulatory requirements, develop, review and monitor the code of conduct and compliance manual applicable to employees of the Group and the Directors and review the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company. During the year, the members of the Executive Committee considered and reviewed the compliance of the CG Code and disclosure in the corporate governance report of the Company as required under the GEM Listing Rules.

The Executive Committee also has duty to design, implement and monitor the risk management and internal control systems and to provide confirmation to the Board on the effectiveness of the risk management and internal control systems of the Company.

Audit Committee

The Audit Committee was formed on 17 March 2000 with written terms of reference. The primary duties of the Audit Committee are to review the Company's financial statements, annual reports, half-year reports, quarterly reports and risk management and internal control systems and to provide advice and comments thereon to the Board.

The Audit Committee currently comprises three Independent Non-executive Directors, Mr. Pak Wai Keung, Martin (chairman of the Audit Committee), Mr. Lien Jown Jing, Vincent and Mr. Wang Yan and one Non-executive Director, Mr. Ma Wing Man. This annual report has been reviewed by the Audit Committee.

During the year, the committee members met together to review the quarterly reports, half-year report and annual report before submission to the Board. The chief financial officer of the Company was also invited to attend these meetings in order to give a full account of the financial statements of the Group. The Audit Committee also reviewed (i) the changes in accounting standards and their impact on the Company's financial reporting and (ii) the risk management and internal audit plan and reports.

COMPANY SECRETARY

During the year, Ms. Kong Kwok Ha had been the company secretary of the Company for the period from 1 January 2018 to 11 July 2018. Mr. Cheung Chi was appointed as the company secretary of the Company with effect from 15 November 2018. During the year, Mr. Cheung has duly complied with the relevant professional training requirement under Rule 5.15 of the GEM Listing Rules.

執行委員會

董事會已成立執行委員會並制定特別職權範圍。該委員會現由四名執行董事李寧先生（執行委員會主席）、陳寧先生、李春陽先生及李麒麟先生組成。執行委員會之主要職責是為本集團建議及落實業務策略及計劃、監察本集團各公司之營運及批准與其日常營運有關之事宜。

執行委員會負責履行企業管治職責，其包括制定及檢討本公司之企業管治政策及常規、檢討及監察董事及高級管理人員之培訓及持續專業發展、檢討及監控本公司有關遵守法律及監管規定的政策及常規、制定、檢討及監控適用於本集團僱員及董事的操守守則及合規手冊以及檢討本公司之企業管治守則遵守情況及本公司企業管治報告內之披露。年內，執行委員會成員已按GEM上市規則之規定省覽及檢討本公司企業管治報告內之企業管治守則合規及披露。

執行委員會亦負責設計、實行並監管風險管理及內部監控系統並向董事會確認本公司之風險管理及內部監控系統之效能。

審核委員會

審核委員會已於二零零零年三月十七日成立，並已訂立書面職權範圍。審核委員會之主要職責為審閱本公司之財務報表、年度報告、半年度報告、季度報告及風險管理及內部監控系統，以及就此向董事會提供建議及發表意見。

審核委員會現時包括三名獨立非執行董事白偉強先生（審核委員會主席）、連宗正先生及汪延先生以及一名非執行董事馬詠文先生。審核委員會已審閱本年年報。

委員會成員於年內舉行會議審閱季度報告、半年度報告及年度報告後提交董事會。本公司財務總監亦獲邀出席此等會議以清楚說明本集團財務報表。審核委員會亦已審閱(i)會計準則之變動及其對本公司財務報告之影響及(ii)風險管理及內部審計計劃及報告。

公司秘書

年內，江國霞女士自二零一八年一月一日起至二零一八年七月十一日止期間擔任本公司之公司秘書。張智先生已自二零一八年十一月十五日起獲委任為本公司之公司秘書。年內，張先生已遵守GEM上市規則第5.15條有關專業培訓之規定。

ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility for preparing the accounts of the Company.

In preparing the accounts for the year ended 31 December 2018, the Directors have selected suitable accounting policies and applied them consistently, approved adoption of all Hong Kong Financial Reporting Standards, made judgments and estimates that are appropriate, and prepared the accounts on a going concern basis.

The responsibilities of the external auditor about their financial reporting are set out in the independent auditor's report on pages 97 to 103 of this annual report.

AUDITOR'S REMUNERATION

During the year ended 31 December 2018, the total fee paid and payable to PricewaterhouseCoopers in relation to the audit and other services for the financial year ended 31 December 2018, amounted to HK\$3,986,000 and HK\$1,517,000 respectively. The sum for other services included HK\$570,000 for the agreed upon procedures performed on the Group's interim results for the six months ended 30 June 2018 and the quarterly results for the three months ended 31 March 2018, HK\$797,000 for the agreed upon procedures performed on the Group's working capital forecast and HK\$150,000 for tax services.

RISK MANAGEMENT AND INTERNAL CONTROL

The management has the responsibility to maintain appropriate and effective risk management and internal control systems, and the Board has the responsibility to review and monitor the effectiveness of the Group's risk management and internal control systems at least annually covering financial, operational and compliance controls, to ensure that the systems in place are adequate and effective.

The Group's risk management and internal control systems are, however, designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

During the Reporting Period, the Group has engaged KPMG Advisory (Hong Kong) Limited ("KPMG"), as its risk management and internal control review advisor for the year ended 31 December 2018, to review the Group's risk management system.

問責及核數

各董事確認彼等編製本公司賬目之責任。

董事編製截至二零一八年十二月三十一日止年度賬目時，已選擇合適會計政策，並貫徹應用，另批准採納所有香港財務報告準則，作出合適判斷及估計以及以持續經營基準編製賬目。

外聘核數師之財務申報責任載於本年報第97至103頁之獨立核數師報告。

核數師酬金

於截至二零一八年十二月三十一日止年度，就截至二零一八年十二月三十一日止財政年度核數及其他服務向羅兵咸永道會計師事務所已付及應付之酬金總額分別達3,986,000港元及1,517,000港元。有關其他服務的費用包括有關本集團截至二零一八年六月三十日止六個月之中期業績及截至二零一八年三月三十一日止三個月之季度業績進行之協定程序之570,000港元、本集團營運資金預算進行之協定程序之797,000港元及有關稅務服務之150,000港元。

風險管理及內部監控

管理層負責維持合適及有效之風險管理及內部監控系統，而董事會負責至少每年檢討及監察本集團的風險管理及內部監控系統（涵蓋財務、運營及合規監控等）之有效性，以確保現時系統之足夠性及有效性。

然而，本集團之風險管理及內部監控系統旨在管理而非消除不能達成業務目標的風險，並僅可對重大錯誤陳述或損失提供合理但並非絕對之保證。

於報告期內，本集團委聘畢馬威諮詢（香港）有限公司（「畢馬威」）作為其截至二零一八年十二月三十一日止年度的風險管理及內部監控審閱顧問，負責審閱本集團的風險管理系統。

The procedures used to identify, evaluate and manage major risks by the Group are summarised as follows:

Risk Identification

- Identifies risks that may potentially affect the Group's business and operations.

Risk Assessment

- Assesses the risks identified by using the assessment criteria developed by the management; and
- Considers the impact on the business and the likelihood of their occurrence.

Risk Response

- Prioritises the risks by comparing the results of the risk assessment; and
- Determines the risk management strategies and internal control procedures to prevent, avoid or mitigate the risks.

Risk Monitoring and Reporting

- Performs ongoing and periodic monitoring of the risks and ensures that appropriate internal control procedures are in place;
- Revises the risk management strategies and internal control procedures in case of any significant change of situation; and
- Reports the results of risk monitoring to the management and the Board regularly.

The Board considered that major risks of the Group were managed within the acceptable level and the management will continue to monitor the residual risks and report to the Board on an ongoing basis.

The management and various departments conduct periodic self-assessment of the effectiveness of the internal control policies and procedures. KPMG was engaged and assisted the Group to perform a review of the effectiveness of the Group's internal control systems that covers financial, operational and compliance controls.

The Board, supported by the Audit Committee, is directly responsible for risk management and internal control systems of the Group and for reviewing its effectiveness. Based on the reviews performed by the management, comments from the Audit Committee and recommendations for areas of improvement from external auditor and risk management and internal control review advisor, the Board is of the view that the Group's risk management and internal control systems are effective and adequate for the year ended 31 December 2018.

本集團用於識別、評估及管理主要風險的程序概述如下：

風險識別

- 識別可能對本集團的業務及營運造成潛在影響的風險。

風險評估

- 使用管理層制定的評估標準以評估已識別的風險；及
- 考慮該等風險對業務的影響及發生的可能性。

風險應對

- 通過比較風險評估的結果，排列風險的優先次序；及
- 釐定風險管理策略及內部監控程序以預防、避免或減輕相關風險。

風險監察及報告

- 持續定期監察風險並確保設有適當的內部監控程序；
- 在情況出現重大變動時，修訂風險管理策略及內部監控程序；及
- 定期向管理層及董事會報告風險監察的結果。

董事會認為本集團的主要風險已控制在可接受的水平內，管理層將繼續監控剩餘風險並持續向董事會匯報。

管理層及多個部門定期就內部監控政策及程序之效力進行自我評估。本集團已委聘畢馬威協助本集團審閱本集團內部監控系統（涵蓋財務、運營及合規監控）的有效性。

董事會在審核委員會的協助下直接負責本集團的風險管理及內部監控系統並審閱其有效性。根據管理層進行之審閱、審核委員會之意見與外聘核數師及風險管理及內部監控審閱顧問就需完善之方面作出之推薦建議，董事會認為，本集團截至二零一八年十二月三十一日止年度已採納有效且足夠的風險管理及內部監控制度。

The Company maintains a framework for the handling and dissemination of inside information and the disclosure policy of the framework sets out the procedures and internal controls to ensure inside information remains confidential until such information is appropriately disclosed and the announcement of such information is made in a timely manner in compliance with the SFO and the GEM Listing Rules.

SHAREHOLDERS' RIGHTS AND INVESTORS' RELATIONS

The Group is committed to maintaining a high level of transparency and employs a policy of open and timely disclosure of relevant information to the Shareholders and the investors. The Board strives to encourage and maintain constant dialogue with the Shareholders through various means.

Procedures for requisitioning an extraordinary general meeting and for putting forward proposals at general meetings

Shareholder(s) 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 may, by written requisition to the Board or the company secretary of the Company signed and deposited in accordance with Article 64 of the Company's articles of association, require an extraordinary general meeting to be called by the Directors for the transaction of any business specified in the requisition.

Shareholder(s) may propose a candidate for election as a Director at any general meetings of the Company by a requisition signed by the Shareholder (other than the person to be proposed) of his intention to propose such person for election as a Director together with a notice signed by the person to be proposed of his willingness to be elected in accordance with Article 113 of the Company's articles of association.

The articles of association of the Company set out the procedures for the Shareholders to convene general meetings, to move a resolution at general meetings and to propose a person for election as a Director are available for viewing at the Company's corporate website www.vivachina.hk.

本公司設有處理及發佈內幕消息之架構，此架構之披露政策載有程序及內部監控，以確保內幕消息維持保密直至該等消息獲妥善披露及有關該等消息之公告能根據證券及期貨條例以及GEM上市規則及時作出。

股東權益及投資者關係

本集團致力維持高水平之透明度，並採用向其股東和投資者公開及時地披露相關資料之政策。董事會努力透過不同方式促進與維持與股東進行持續對話。

要求召開股東特別大會及於股東大會上提呈建議之程序

股東於遞呈要求日期持有本公司繳足股本不低於十分之一並有權於本公司股東大會上投票，則可根據本公司組織章程細則第64條向董事會或本公司公司秘書遞呈經簽名之書面要求，要求董事召開股東特別大會，以處理要求當中所載列任何事項。

根據本公司組織章程細則第113條，股東可於本公司任何股東大會提名出任董事職務之人選，方式為透過遞呈經該名股東（不得為該獲提名人士）簽署有關其提名該出選董事職務人選意向之要求書，連同經獲提名人士簽署表明其參選意願之通告。

本公司組織章程細則載列股東召開股東大會、於股東大會動議決議案及提呈出選董事職務人士之程序於本公司之公司網站 www.vivachina.hk可供參閱。

Procedures by which enquiries may be put to the Board

General meetings of the Company provide a direct forum of communication between Shareholders and the Board. Shareholders may at any time send their enquiries to the Board in writing through the company secretary of the Company whose contact is as follow:

Address: Room 3602-06, 36/F, China Merchants Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong
Telephone: 37961111
Fax: 37961100

The company secretary of the Company shall forward the Shareholders' enquiries to the Board, where appropriate to answer the Shareholders' questions.

Communication with Shareholders

An annual general meeting of the Company was held on 15 June 2018 (the "2018 AGM"). A notice convening the 2018 AGM contained in the circular dated 22 March 2018 was despatched to the Shareholders together with the Annual Report 2017. The Chairman of the Board and members of the committees of the Company (as appropriate) attended the 2018 AGM to answer the questions from the Shareholders. PricewaterhouseCoopers, the external auditor of the Company, attended the 2018 AGM to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence. The Chairman explained detailed procedures for conducting a poll.

All the resolutions proposed at the 2018 AGM, including (i) the adoption of the audited financial statements and the reports of the Directors and the auditor of the Company for the year ended 31 December 2017; (ii) the re-election of certain Directors and the authorisation to the Board to fix the Directors' remunerations; (iii) the re-appointment of auditor of the Company and the authorisation to the Board to fix its remuneration; and (iv) the granting to Directors the general mandates to issue and repurchase Shares, were passed by the Shareholders by way of poll. The poll results of the 2018 AGM were published on the websites of the Stock Exchange and the Company.

Changes in the Constitutional Documents

There was no significant change in the constitutional documents of the Company during the year 2018.

A notice for the forthcoming annual general meeting of the Company will be published on the websites of the Stock Exchange and the Company and despatched together with the Annual Report 2018 to the Shareholders as soon as practicable in accordance with the articles of association of the Company and the CG Code.

向董事會進行查詢之程序

本公司之股東大會載有股東與董事會之間溝通之直接平台。股東可隨時透過本公司之公司秘書向董事會提出書面查詢，而公司秘書之聯絡方式如下：

地址：香港干諾道中200號信德中心招商局大廈36樓3602-06室
電話：37961111
傳真：37961100

本公司之公司秘書將會向董事會提交股東之查詢，且於適時答覆股東之疑問。

與股東之溝通

本公司已於二零一八年六月十五日舉行股東週年大會（「二零一八年股東週年大會」）。日期為二零一八年三月二十二日之通函所載之召開二零一八年股東週年大會之通告已連同二零一七年度報告寄發予股東。董事會主席及本公司各委員會之成員（如適用）已出席二零一八年股東週年大會以解答股東之提問。本公司之外聘核數師羅兵咸永道會計師事務所已出席二零一八年股東週年大會以解答有關進行審核、編製核數師報告及其內容、會計政策及核數師獨立性之提問。主席已解釋進行投票表決之詳細程序。

於二零一八年股東週年大會上提呈之所有決議案，包括(i)採納截至二零一七年十二月三十一日止年度之經審核財務報表及本公司董事會報告及核數師報告；(ii)重選若干董事及授權董事會釐定董事酬金；(iii)續聘本公司核數師及授權董事會釐定其酬金；及(iv)授予董事一般授權以發行及購回股份，均已獲股東以投票表決方式通過。二零一八年股東週年大會之投票表決結果已刊登於聯交所及本公司之網站。

組織章程文件變動

於二零一八年內，本公司之組織章程文件並無重大變動。

本公司應屆股東週年大會之通告將刊載於聯交所及本公司網站，且將根據本公司之組織章程細則及企業管治守則於切實可行之情況下盡快連同二零一八年度報告寄發予各股東。

Environmental, Social and Governance Report

環境、社會及管治報告

1. ABOUT THE REPORT

Reporting Standard and Scope

This annual Environmental, Social and Governance (“ESG”) Report (the “Report”) has been prepared in accordance with the requirements of the ESG Reporting Guide, Appendix 20 (“ESG Guide”) of the GEM Listing Rules of The Stock Exchange of Hong Kong Limited (“HKEx”) and the Group has complied with all the “comply or explain” provisions set out in the ESG Guide. It provides an overview of the ESG policies and management approach adopted by Viva China Holdings Limited (“the Group”) and presents the sustainability initiatives and performance of our core business areas including sports, sports park and sports center, and sports community during the Reporting Period. To better navigate relevant ESG topics, a detailed HKEx ESG content index is available at the end of the Report.

Stakeholder Engagement and Materiality Assessment

The Group recognises the importance of engaging stakeholders and identifying material sustainability issues for our continued business success. As an ongoing practice, we maintain effective two-way communication with our stakeholders via various channels. In preparation for the Report, we partnered with an independent consultant to conduct an internal stakeholder engagement exercise to further understand stakeholders’ views on our ESG performance and future sustainability strategies.

The Group maintains good relationships with the users of its sports venues and facilities, members, local governments and event planning agencies by offering support.

The Group maintains strong relationships with its shareholders, investors, customers, sponsors, schools, athletes and coaches by having active communication with them.

The Group maintains positive relationships with the media, the communities and local governments; ensures good compliance and coordination in advance.

1. 關於本報告

報告標準及範圍

本年度環境、社會及管治報告（「本報告」）乃根據香港聯合交易所有限公司（「聯交所」）GEM上市規則附錄二十《環境、社會及管治報告指引》（「環境、社會及管治指引」）的規定編製及本集團已遵守環境、社會及管治指引所載的所有「不遵守就解釋」條文。本報告提供非凡中國控股有限公司（「本集團」）採納的環境、社會及管治政策和管理方針的概覽，並匯報報告期內我們的核心業務領域（包括體育、體育園、運動中心及體育社區）在可持續發展方面的各項措施及表現。為更好地瀏覽相關環境、社會及管治議題，本報告末載有一份詳細的聯交所環境、社會及管治內容索引。

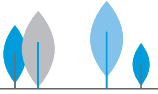
與權益人溝通及重要性評估

本集團深明與權益人溝通及確定重大可持續發展議題是我們業務持續成功的關鍵。我們一直透過多種渠道與權益人保持有效的雙向溝通。於編製本報告時，我們及獨立顧問共同與內部權益人進行溝通，以進一步了解權益人對我們的環境、社會及管治表現及未來的可持續發展策略的看法。

本集團與體育場館及設施的使用者、會員、地方政府及活動舉辦機構等保持良好關係，主動提供支援。

本集團與股東、投資者、客戶、贊助商、學校、運動員及教練等保持良好關係，積極溝通。

本集團與媒體、社區、地方政府保持良好關係，確保遵守法規，預先做好協調。



Taking the reporting principle of materiality into account, this Report focuses on ESG issues which are sufficiently important to our stakeholders. The following three-step materiality assessment was conducted to determine the material sustainability issues for disclosure.

考慮到重要性為匯報原則之一，本報告專注討論對權益人足夠重要的環境、社會及管治議題。我們已進行以下三個重要性評估步驟，以確定須予披露的重大可持續發展議題。

STEP 1 第一步

Identification

The first step was to identify and review the sustainability disclosure of the Group's industry peers. Internal stakeholders were also invited to complete surveys to rank the importance of ESG topics.

識別

第一步是識別並檢視本集團同業可持續發展議題的披露情況。我們亦已邀請內部權益人完成調查，按各個環境、社會及管治議題的重要程度給予評分。

STEP 2 第二步

Prioritisation

Results from the peer benchmarking exercise and the stakeholder survey were consolidated. A prioritised list of material ESG issues was developed for the next step.

釐定優先次序

我們將同業基準評估的結果與權益人調查整合分析。為下一步制訂環境、社會及管治重要議題的優先次序清單。

STEP 3 第三步

Validation

Based on the outcomes of steps 1 and 2, the Group's senior management considered the relevance of each of the HKEx ESG Guide's Aspects and KPIs in relation to the Group's business operations. A set of material Aspects and KPIs were then confirmed for disclosure.

驗證

根據第一步及第二步的結果，本集團的高級管理層考慮聯交所環境、社會及管治指引各層面及關鍵績效指標與本集團業務營運的相關程度，從而確認一系列重要層面及關鍵績效指標作披露之用。

Suggestions and Feedback

We welcome feedback on this Report, our approach to sustainability and performance. Please share your views by email (info@vivachina.hk) or by phone (+852 3796 1111).

意見及反饋

歡迎閣下就本報告，以及我們的可持續發展方針及表現提供寶貴意見。請將閣下的意見電郵至info@vivachina.hk或致電+852 3796 1111。

2. CORPORATE SOCIAL RESPONSIBILITY

2. 企業社會責任

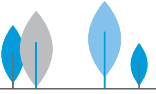
 <p>Mission 使命</p> <p>To promote sportive and healthy lifestyles in China</p> <p>於中國提倡運動、健康的生活方式</p>	 <p>Focus 目標</p> <p>To fully realise the potential and value of the sports industry in order to facilitate the progress of social civilisation</p> <p>充分發揮體育產業的潛力及價值以促進社會的文明進步</p>	 <p>Goal 宗旨</p> <p>To become the leading and most dynamic sports conglomerate in China</p> <p>成為中國首屈一指且最具活力的綜合體育企業</p>
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Striving to become the leading and most dynamic sports conglomerate in China, the Group actively builds people-oriented sports destinations and leverages our extensive sports resources to promote nationwide physical fitness and raise the quality of life for urbanites. We provide the neighbourhood in which we develop and operate with convenient, high-quality and integrated sports venues, facilities and services, and encourage their active participation in sports and leisure activities. To further enhance the liveability of the local community, we work closely with local governments and corporates to support the development of a wide range of sports-related and ancillary commercial offerings. Through creating an inclusive social platform, we are in a better position to promote sportive and healthy lifestyles across China.

Moreover, the Group recognises the potential and value of the sports industry, and thereby continuously seeks opportunities to create synergy in accelerating the development of the industry. We utilise our strong portfolio of sports resources to coordinate, sponsor and support different sports activities, and thereby promote a nationwide sports culture and community prosperity.

本集團積極建設以人為本的體育目的地，同時利用我們豐富的體育資源以推廣全民健身並提升城市人民生活質素，以致力成為中國首屈一指且最具活力的綜合體育企業。我們為所在的社區發展和營運便捷、優質及一體化的體育場館、設施及服務，並鼓勵居民積極參與體育及休閒活動。為進一步增強當地社區的宜居性，我們與地方政府及企業密切合作，以支持發展多樣的體育相關項目及商業配套服務。透過創建共融的社區平台，我們更能有效地於全中國提倡運動、健康的生活方式。

此外，本集團了解體育產業的潛力及價值，因此不斷尋求機會發揮協同效應以助加快行業發展。我們利用旗下強大的體育資源以協調、贊助及支持各種體育活動，藉此促進全國體育文化及社區共榮。



3. GOVERNANCE STRUCTURE FOR SUSTAINABILITY

An effective corporate governance structure is essential to address sustainability issues and manage ESG-related risks. The Board of Directors should oversee the Group's risk management and internal control systems on an ongoing basis. The management facilitates the maintenance of effective and appropriate risk management and internal control systems, and reports the results to the Board regularly. The ESG working group comprising representatives from various departments was also established to properly monitor ESG performance and cope with relevant sustainability risks.

4. OUR ENVIRONMENT

With an aim to become a leading sports conglomerate, the Group sees our corporate mission as going beyond capturing economic values and recognises the importance of sustainable development. Maintaining a balance between efficient operations and environmental protection, we have made continual efforts to enhance our sustainability performance, covering air and greenhouse gas ("GHG") emissions, energy efficiency, water conservation, waste management and mitigation of environmental impacts.

During the Reporting Period, the Group met all applicable legal and regulatory requirements regarding environmental protection in all material respects and there was no non-compliance case relating to air and GHG emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste.

Resource Optimisation

The Group seeks to manage our impacts on the environment and ensure resources are used in an efficient and prudent manner. Given the close link between energy consumption and GHG emissions, we actively initiate programmes to reduce our electricity consumption. For example, LED lights and heat-insulated curtains are installed at the offices, and the indoor temperature is maintained at 24°C to 26°C. We also implemented a delamping project at our Hong Kong headquarters where 30 unnecessary light fixtures were removed to optimise energy use.

3. 可持續發展的管治架構

有效的企業管治架構對解決可持續發展議題及管理環境、社會及管治相關風險而言至關重要。董事會應持續監察本集團的風險管理及內部監控系統。管理層則協助維持有效及適當的風險管理及內部監控系統，並定期向董事會匯報有關結果。此外，我們已成立由不同部門代表組成的環境、社會及管治工作小組，以妥善監督環境、社會及管治表現及處理相關可持續發展風險。

4. 我們的環境

我們的目標是成為領先的綜合體育企業，因此本集團在尋求捕捉經濟價值的同時更恪守企業宗旨，並肯定可持續發展的重要性。為保持經營效益與環保之間的平衡，我們繼續提高可持續發展表現，包括廢氣及溫室氣體排放、節能、節水、廢棄物管理以及減輕環境影響等方面。

報告期內，本集團在所有重要業務方面皆符合所有環保相關的適用法律及法規，概無涉及廢氣及溫室氣體排放、水及土地排污、產生有害及無害廢棄物的違法事宜。

資源優化

本集團致力管理我們對環境的影響，並確保高效謹慎使用資源。鑒於能源消耗與溫室氣體排放緊密相連，我們積極實施舉措以減少我們的用電量。例如，我們在辦公室安裝LED燈及隔熱簾，將室內溫度維持在24°C至26°C。我們亦在香港總部推行減少照明計劃，移除30盞不必要的照明裝置以優化能源使用。



We also devote our efforts in energy conservation. Harnessing the potential of renewable energy, solar panels are installed on the rooftop of the Yangzhou Li Ning Sports Park and Linyi Li Ning Sports Center. At the sports park, the installed panels generated 870 kWh clean energy in 2018. Moving forward, we will continue to explore energy-saving opportunities to further augment our performance on energy conservation.

As the operations of sports park and sports center constitute a significant part of our water consumption, we have taken proactive measures in water management at these operations. At the Yangzhou Li Ning Sports Park, we implemented a rainwater harvesting system where rainwater is collected, treated and reused for green area irrigation. We also plan to install water-saving taps at the offices to further conserve water resources.

Waste Management

The Group has followed the principles on reuse, reduce and recycle when it comes to managing our waste. To minimise our generation of solid waste, the practice of reusing one-sided paper and other office items such as envelopes is adopted. Festive decorations are reduced and, if necessary, reused to avoid unnecessary wastage. Recycling bins for paper, plastic bottles and packaging bags are also placed around the offices to encourage waste separation. Throughout the year, we continued to work closely with external partners to recycle both hazardous and non-hazardous waste. At our Hong Kong headquarters, we partnered with Friends of the Earth to recycle toner cartridges on a regular basis. We have also extended such efforts by collaborating with Christian Action to organise a "Green Collection" campaign on a quarterly basis where discarded clothing, stationery and electronic devices were collected from our staff and donated to persons in need.

Cultivating Environmental Awareness

As a responsible company, we are committed to building internal awareness of environmental stewardship. Making use of posters and signs shown in eye-catching places around the office, we encourage our staff members to switch off lights and computers when they get off work and reduce unnecessary printing. To further drive behavioural change, we educate our staff on how to reduce negative environmental impacts arising from operational processes through an information wall, which serves as a platform to share practical green tips, at our Hong Kong headquarters. Going forward, we aspire to cultivate a sense of responsibility in our staff to integrate environmental considerations into daily decision-making at work.

我們亦致力於節能。為了利用潛在的可再生能源，揚州李寧體育園及臨沂李寧運動中心的屋頂均裝有太陽能板。於二零一八年，體育園所安裝的太陽能板產生了870千瓦時的清潔能源。展望未來，我們將繼續尋求節能機會以進一步提高我們於節能方面的表現。

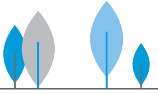
由於我們的用水量大部分乃用於體育園及運動中心之營運，我們已於營運過程中採取積極的措施進行水管理。我們在揚州李寧體育園推行了雨水收集系統，將雨水收集、處理並重新利用於綠化區灌溉。我們亦計劃於辦公室安裝節水水龍頭以進一步節約水資源。

廢棄物管理

本集團於管理廢棄物時遵守了重複使用減少使用及循環再造之原則。為盡量減少固體廢棄物的產生，我們重複使用單面紙及信封等辦公室用品，也減少使用節日裝飾品，如有需要則重複使用以避免不必要的浪費。我們亦在各辦公室增設廢紙、膠樽及包裝袋的回收箱，以鼓勵廢棄物分類。本年度，我們繼續與外部合作伙伴緊密合作，循環再用有害及無害廢棄物。我們於香港總部與地球之友合作，定期回收碳粉匣。此外，我們亦與基督教勵行會合作，每季度組織一次「綠色收集」活動，收集員工的棄用服裝、文具及電子設備並送予有需要人士。

培養環保意識

作為一間負責任的公司，我們矢志樹立內部的環境管理意識。我們透過於辦公室當眼處張貼海報及標語，鼓勵員工在下班時關上電燈和電腦，以及減少不必要的打印。為了進一步推動行為改變，我們於香港總部透過資訊牆分享實用的綠色小提示，教育員工如何在營運過程中減少對環境產生負面的影響。展望未來，我們致力培養員工的責任感，並將環境因素納入日常工作的決策中。



Environmental Protection Awards and Recognition

The Group actively responds to different environmental protection campaigns. During the year, our efforts have been well recognised by the industry and the wider community.

- Awarded with the “Carbon Offset Certificate 2018” by Carbon Care Asia Limited
- Awarded with the “Wastewi\$e Certificate – Excellence Level” under the “Hong Kong Green Organisation Certification” by the Environment Campaign Committee
- Certified as “Hong Kong Green Organisation” in 2018
- Participated in “Hong Kong No Air Con Night 2018” organised by Green Sense
- Participated in “No Plastic Bottles Day 2018” organised by Chinese YMCA of Hong Kong
- Participated in the “Toner & Ink Cartridges Recycling & Reuse Programme” organised by Friends of the Earth
- Participated in “Earth Hour 2018” organised by World Wildlife Fund

環保獎項及認可

本集團積極響應各種環保活動。於本年度，我們的努力備受業界及社會各界肯定。

- 獲得低碳亞洲有限公司頒發的「2018年減碳證書」
- 獲得環境運動委員會頒發「香港綠色機構認證」中「減廢證書－卓越級別」證書
- 獲認可為二零一八年「香港綠色機構」
- 參加環保觸覺組織的「香港無冷氣夜2018」
- 參與香港中華基督教青年會組織的「無膠樽日2018」
- 參與地球之友組織的「碳粉匣及墨盒回收再生計劃」
- 參與世界自然基金會「地球一小時2018」



Environmental Performance Data

環境表現數據

Emissions 排放

Carbon emissions and carbon emission intensity
碳排放及碳排放密度

2018
二零一八年度

2017
二零一七年度

		2018 二零一八年度	2017 二零一七年度
Scope 1 emissions ¹ 範圍1排放量 ¹	Tonne 噸	522.4	575.3
Scope 2 emissions ² 範圍2排放量 ²	Tonne 噸	2,683.6	1,494.40
Total emissions 總排放量	Tonne 噸	3,206.1	2,068.70
Scope 1 emission intensity 範圍1排放密度	Tonne/FTE ³ 噸／FTE ³	2.0	2.6
Scope 2 emission intensity 範圍2排放密度	Tonne/FTE 噸／FTE	10.2	6.8
Total emissions intensity 總排放密度	Tonne/FTE 噸／FTE	12.1	9.4
Other emissions 其他排放			
Wastewater generated 污水產生	Tonne 噸	67,614 ⁴	56,900 (restated) (經重列)
NO _x emissions 氮氧化物排放	kg 千克	6.0	N/A 不適用
SO _x emissions 硫氧化物排放	kg 千克	0.2	N/A 不適用
PM emissions 顆粒物排放	kg 千克	0.4	N/A 不適用

¹ Scope 1: Direct emissions from sources that are owned or controlled by the Group, such as the consumption of natural gas, vehicles and air conditioning units.

² Scope 2: Indirect emissions from the consumption of purchased electricity and steam by the Group as a result of its operations. The sources of emissions are owned or controlled by other companies.

³ "FTE" means full-time employees.

⁴ The 2017 data was confined to the emissions from Yangzhou Li Ning Sports Park. Due to the improved availability of data, the scope of wastewater disclosure has been expanded for 2018 to include two subsidiaries in Beijing, Yangzhou Li Ning Sports Park and Linyi Li Ning Sports Center.

¹ 範圍一：由本集團所擁有或控制的物品所產生之直接排放源，如天然氣、汽車及空調機組的消耗。

² 範圍二：間接排放由本集團營運時所消耗的外購電力和蒸汽產生，而排放源為其他公司所擁有或控制。

³ 「FTE」指全職僱員。

⁴ 二零一七年度數據源自揚州李寧體育園的排放。由於數據收集範圍擴展，二零一八年度廢水披露範圍已擴大至包括北京的兩間附屬公司、揚州李寧體育園及臨沂李寧運動中心。


Resource usage 資源使用
Resource usage and resource usage intensity
資源使用及資源使用密度

		2018 二零一八年度	2017 二零一七年度
Electricity consumption 用電量	kWh 千瓦時	3,794,221⁵	2,113,409
Natural gas consumption ⁶ 天然氣消耗 ⁶	m ³ 立方米	242,467	249,798
Gasoline consumption ⁷ 汽油消耗 ⁷	Litre 升	10,969	15,168
Water consumption ⁸ 用水量 ⁸	Tonne 噸	67,609	57,696
Electricity consumption intensity 耗電密度	kWh/FTE 千瓦時/FTE	14,372	9,606
Natural gas consumption intensity 天然氣消耗密度	m ³ /FTE 立方米/FTE	918	1,135 (restated) (經重列)
Gasoline consumption intensity 汽油消耗密度	Litre/FTE 升/FTE	42	68.9 (restated) (經重列)
Water consumption intensity 用水密度	Tonne/FTE 噸/FTE	256	262.3 (restated) (經重列)

⁵ The increase in electricity consumption is partly due to the expansion of reporting scope to cover Linyi Li Ning Sports Center this year.

⁶ The natural gas was only consumed by the two subsidiaries in Beijing, Linyi Li Ning Sports Center and Yangzhou Li Ning Sports Park.

⁷ The gasoline was mainly consumed by the headquarters in Hong Kong, and the subsidiaries in Beijing and Yangzhou.

⁸ Water was mainly consumed by Yangzhou Li Ning Sports Park and Linyi Li Ning Sports Center.

⁵ 由於報告範圍擴大至包括臨沂李寧運動中心，本年度用電量有所增加。

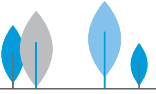
⁶ 天然氣消耗僅源自北京的兩間附屬公司、臨沂李寧運動中心及揚州李寧體育園。

⁷ 汽油消耗主要源自香港總部及北京和揚州的附屬公司。

⁸ 用水量主要源自揚州李寧體育園及臨沂李寧運動中心。

Hazardous and non-hazardous waste 有害及無害廢棄物

Waste category 廢棄物種類		Usage quantity 用量		Recycled quantity 回收量	
		2018 二零一八 年度	2017 二零一七 年度	2018 二零一八 年度	2017 二零一七 年度
Hazardous waste 有害廢棄物					
Waste carbon battery and alkaline battery	kg	0	0 (restated)	4.6	25.5 (restated)
廢舊碳性電芯與鹼性電芯	千克		(經重列)	(經重列)	
Non-hazardous waste and waste intensity 無害廢棄物及無害廢物密度					
Paper	Tonne	1.4	1.4	1.9	1.8
用紙	噸				
Plastic	Tonne	3.9	1.7	0.6	1.7
塑膠	噸				
General waste	Tonne	3.1	4.9	2.6	3.6
一般廢棄物	噸				
		Waste produced by intensity 產生廢棄物密度		Recycled quantity by intensity 回收量密度	
		2018 二零一八 年度	2017 二零一七 年度	2018 二零一八 年度	2017 二零一七 年度
Non-hazardous waste	Tonne/FTE	0.03	0.04	0.02	0.03
以無害廢棄物密度計算	噸/FTE				



5. OUR HUMAN CAPITAL

In alignment with our long-standing people-oriented principles, the Group is committed to providing a fair, harmonious and safe environment where staff can develop to their full potential. In line with our staff handbook, we have formulated a comprehensive set of policies covering employment and labour practices, training and development, occupational health and safety ("OHS") and ethical conduct.

Employment and Working Conditions

As staff is the cornerstone of our business, we strive to create an inclusive and positive work environment for them. Following our employment policies, we ensure that our recruitment, dismissal, performance assessment, and promotion are free from any direct or indirect discrimination regardless of gender, age, religion, nationality or family status.

We recognise the Group's continued success relies on our ability to retain and motivate our staff. As such, we award our staff with competitive remuneration packages and welfare benefits, including discretionary bonuses and commercial insurances such as group medical insurance and business travel insurance. As a sports-related company, we also care about staff's physical and mental well-being. Healthcare services, including regular physical check-ups, are provided. We also provide our Beijing-based staff with free access to Li Ning Center, the sports center where the Beijing office is located, to encourage their active participation in sports activities.

To promote work-life balance, our Hong Kong headquarters organised a number of staff activities during the year. For instance, our staff had the opportunity to socialise and get to know their colleagues better at our annual year-end party, monthly birthday lunches, as well as workshops on recreational interests. We also invited the Hong Kong Society for the Blind to provide our staff with massage services for the sake of work stress relieve.

Throughout the Reporting Period, we strictly complied with all relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare including Employment Ordinance (Chapter 57 of the Law of Hong Kong), Mandatory Provident Fund Scheme Ordinance (Chapter 485 of the Law of Hong Kong) and Labour Law of the People's Republic of China in PRC.

5. 我們的人力資本

為配合我們一貫以人為本的原則，本集團致力提供公平、和諧、安全的環境，讓員工充分發揮潛能。根據我們的員工手冊，我們已制定一系列綜合政策，涵蓋僱傭及勞工準則、培訓與發展、職業健康及安全以及道德操守。

僱傭及工作條件

員工是我們業務的基石，因此我們致力為員工創造包容、積極的工作環境。根據我們的僱傭政策，不論性別、年齡、宗教、國籍或家庭狀況，我們確保招聘、解僱、表現評估及晉升皆不受任何直接或間接歧視。

我們深知本集團的持續成功全賴我們挽留及激勵員工的能力。因此，我們為員工提供具競爭力的薪酬待遇及福利，包括酌情花紅及商業保險（如團體醫療保險及商務旅行保險）。作為一家體育公司，我們亦關心員工的身心健康，提供醫療保健服務，包括定期體檢。此外，我們的北京員工亦可免費進入李寧中心（北京辦事處所在的體育中心），以鼓勵彼等積極參與體育活動。

為促進員工的工作與生活平衡，我們的香港總部於年內舉行多項員工活動，包括週年派對、每月生日會和興趣小組，以讓員工互相交流及了解。我們亦邀請香港盲人輔導會為我們的員工提供按摩服務，以緩解工作壓力。

報告期內，我們嚴格遵守有關賠償及解僱、招聘及晉升、工作時數、休息時段、平等機會、多元化、反歧視及其他利益及福利的所有相關法律法規，其中包括第57章《僱傭條例》及第485章《強制性公積金計劃條例》及《中華人民共和國勞動法》。

Human resource overview 人力資源概況		2018 二零一八年度	2017 二零一七年度	
Total number of staff	員工總人數	266 ⁹	220	
Number of staff – by gender	按性別劃分員工人數			
Male	男	142	120	
Female	女	124	100	
Number of staff – by age group	按年齡組別劃分員工人數			
< 30 years old	<30歲	106	79	
30 – 50 years old	30歲–50歲	125	113	
> 50 years old	>50歲	35	28	
Number of staff – by employee type	按僱員類別劃分員工人數			
Full-time	全職	264	219	
Part-time	兼職	2	1	
Staff turnover 員工流失概況		2018 二零一八年度	2017 二零一七年度	
Overall staff turnover rate	員工總流失率	%	60 ¹⁰	36
Staff turnover rate – by gender	按性別劃分員工流失率			
Male	男	%	33	34
Female	女	%	27	37
Staff turnover rate – by age group	按年齡組別劃分員工流失率			
< 30 years old	<30歲	%	43	64
30 – 50 years old	30歲–50歲	%	16	20
> 50 years old	>50歲	%	2	20
Staff turnover rate – by employee category	按僱員類別劃分員工流失率			
Functional heads ¹¹	部門主管 ¹¹	%	0.4	0
Management	管理層	%	2	9
General/technical staff	一般／技術員工	%	58	37
Contract worker/temporary worker	合同工／臨時工	%	0	48

⁹ For the purpose of this Report, the total number of staff covers only the full time employees of the Company and five other operating subsidiaries in the PRC rather than the total number of full time employees of the Group.

¹⁰ The increase in overall staff turnover rate is partly due to the launch of Linyi Li Ning Sports Center in 2018, which employed a significant amount of full-time security personnel and cleaning staff during the pre-opening phase. Excluding that, the overall staff turnover rate was 40% in 2018.

¹¹ Functional heads refers to major decision-makers of the business or functional departments, including directors, financial controller, company secretary, general counsel, and general managers and deputy general managers of the subsidiaries.

⁹ 此報告列明之員工總人數涵蓋本公司及五間在中國營運之附屬公司的全職員工，並不代表本集團之全職員工總人數。

¹⁰ 由於臨沂李寧運動中心在籌備開業階段僱用大量全職保安及清潔工，導致二零一八年度員工總流失率增加。剔除此項，二零一八年度員工總流失率為40%。

¹¹ 部門主管指業務部門或職能部門的主要決策者，包括本公司的總監、財務總監、公司秘書和法務，以及附屬公司的總經理和副總經理。



Training and Development

We believe on-going training enables our staff to reach their full potential. Therefore, we offer job-specific training and development opportunities to enhance staff's performance and career development. The Group has set out its own training and development policies with transparent application procedures. During the Reporting Period, various internal training programmes were arranged covering topics such as risk management. We also offered staff members at our Hong Kong headquarters and two subsidiaries in Beijing a paid holiday if professional examinations were scheduled on their working days.

培訓與發展

我們相信持續培訓可讓我們的員工充分發揮潛力。因此，我們提供崗位培訓及發展機會，以提高員工的表現及職業發展。本集團已制定自身的培訓及發展政策，採用透明的申請程序。於報告期內，本集團已安排各種內部培訓計劃，涵蓋風險管理等主題。若專業考試安排在員工工作日，我們亦會向香港總部及北京的兩間附屬公司的員工提供帶薪假期。

Average training hours¹²

平均受訓時數¹²

		2018 二零一八年度 Hours 小時	2017 二零一七年度 Hours 小時
Average training hours by gender			
Male	按性別劃分員工受訓平均時數 男	5	13
Female	女	5	11
Average training hours by employee category			
Functional heads	按僱員類別劃分員工受訓 平均時數 部門主管	10	17
Management	管理層	26	13
General/technical staff	一般／技術員工	6	5
Contract worker/temporary worker	合同工／臨時工	35	17

¹² Training attendees and hours exclude training for Board members.

¹² 培訓人次及時數不包含公司董事的培訓。

Occupational Health and Safety

One of our top priorities is to ensure the health and safety of our staff. Guided by our OHS policies, we make every effort to enhance workplace quality and minimise OHS risks. This year, we implemented different health and safety measures at our Hong Kong headquarters and PRC subsidiaries, respectively, including:

Occupational health

- Provided staff members with medical insurance
- Organised free physical check-ups for staff
- Provided staff with ergonomic office chairs and laptop accessories

Occupational safety

- Conducted fire drills periodically
- Regular checks on fire-fighting facilities
- Subsidised staff to attend first-aid courses
- Organised health-related seminars

Throughout the year, we have complied with Occupational Safety and Health Ordinance (Chapter 509 of the Law of Hong Kong) by ensuring the above health and safety measures properly implemented. There was no record of any non-compliance case relating to the provision of a safe working environment and the protection of staff from occupational hazards.

Labour Standards

We operate in compliance with all applicable laws and regulations related to labour practices. The Human Resources Department reviews and verifies the information of the applicants to prohibit the employment of child labour and forced labour. Internal audit and management reviews are also conducted on a regular basis. Disciplinary action will be taken against any case of violation. During the Reporting Period, there were no reported cases relating to child and forced labour.

Anti-Corruption

We adhere to business integrity and professional conduct while carrying out business. We have complied with Prevention of Bribery Ordinance (Chapter 201 of the Law of Hong Kong) and do not tolerate any form of bribery, extortion, fraud or money laundering. It is compulsory for our staff to comply with the staff handbook and relevant internal policies relating to anti-corruption, and fully disclose actual or potential conflicts of interest. Our staff members may raise concerns on any suspected misconduct anonymously where designated personnel will conduct a comprehensive investigation under the whistleblowing policies of the Group. During the Reporting Period, there were no reported legal cases regarding corrupt practices brought against the Group.

職業健康及安全

確保員工的健康及安全是我們的首要任務之一。在我們的職業健康及安全政策指引下，我們致力提高工作場所質量並盡力降低職業健康及安全風險。於本年度，我們分別於香港總部及國內附屬公司實施不同的健康及安全措施，包括：

職業健康

- 為員工提供醫療保險
- 為員工組織免費體檢
- 為員工提供符合人體工學的辦公椅及筆記本電腦配件

職業安全

- 定期進行消防演習
- 定期檢查消防設備
- 資助員工參加急救課程
- 組織與健康相關的研討會

本年度，我們透過正確執行以上的健康及安全措施並已遵守《香港法例》第509章《職業安全及健康條例》，本集團概無任何與提供安全工作環境及保護員工免受職業危害有關的違規事件記錄。

勞工準則

我們的營運遵守所有與勞工常規相關的適用法律法規。人力資源部門會審查及核實申請人的資料，禁止僱用童工及強迫勞工。本集團亦定期進行內部審核及管理評核，如有任何違規案件將會受到紀律處分。報告期內，本集團並無與童工及強迫勞工相關的違規案件。

反貪污

我們在開展業務時堅持誠信經營及專業操守。我們遵守《香港法例》第201章《防止賄賂條例》及絕不容忍任何形式的賄賂、勒索、欺詐或洗黑錢。我們的員工必須遵守員工手冊及與反貪污相關的有關內部政策，並充分披露實際或潛在的利益衝突。我們的員工可匿名呈報任何懷疑不當行為，而我們的專責人員將根據本集團的舉報政策進行全面調查。報告期內，本集團並無針對本集團的貪污訴訟案件。



6. OUR VALUE CHAIN

Supply Chain Management

The Group works with various suppliers and seeks to extend our sustainable practices across the value chain. To effectively manage the environmental and social risks arising from our extensive supply chain, we prudently select suppliers who share our dedication to quality services and sustainability. At our Yangzhou Li Ning Sports Park, we closely follow standard "Purchase Management Methods" procedures and encourage green procurement. Through developing long-term partnerships with appropriate suppliers, we manage to enhance our operational efficiency and minimise ESG-related risks.

Our Quality Services

With our dedication to our started mission, we leverage our rich and diversified sports resources to create an integrated social platform. Throughout our operations, we follow a customer-oriented principle with a focus on safety and quality while engaging citizens in sports and leisure activities. As part of our usual safety practice, we appoint security personnel and ensure relevant insurance is in place during the sports competitions and events carried out by the Group. All personal information collected on our customers and staff is handled by designated personnel in strict confidence in accordance with the Personal Data (Privacy) Ordinance and other relevant local and national legislation governing data privacy.

During the Reporting Period, we complied with the relevant laws and regulations relating to health and safety, advertising, labelling and privacy matters relating to the offerings and services provided by the Group.

6. 我們的價值鏈

供應鏈管理

本集團與多個供應商合作，並努力於價值鏈實踐我們的可持續發展措施。為了有效管理供應鏈廣泛所產生之環境及社會風險，我們謹慎選取恪守優質服務及可持續發展的供應商。我們的揚州李寧體育園嚴格遵守《採購管理辦法》之標準程序，並鼓勵綠色採購。透過與合適供應商建立長期合作關係，我們得以提升營運效率及降低環境、社會及管治有關風險。

優質服務

我們不忘初衷，憑藉豐富且多元之體育資源創建綜合社交平台。我們於營運中秉承「以客為先」之原則，於鼓勵市民參加運動及休閒活動的同時著重安全及質量。作為我們日常安全常規之一部分，我們委聘安全人員，並確保本集團組織體育賽事和活動期間有關保險落實到位。指定人員會嚴格根據《個人資料（隱私）條例》及監管資料隱私的其他有關當地及國內法律處理向客戶及員工收集的全部個人資料。

報告期內，我們已遵守有關本集團所提供之產品和服務的健康與安全、廣告、標籤及私隱事宜的相關法律及規則。

7. OUR COMMUNITY

The Group's commitment is to promote nationwide sports culture and raise the quality of life for citizens. With our all-out efforts in community development, we strive to advocate sports and healthy living, and meet the local community needs for a more inclusive society. Since 2014, we have been awarded the Caring Company Logo in recognition of our continuous contributions in corporate citizenship.

7. 我們的社區

本集團致力推廣全民運動文化並提升市民之生活素質。我們全力推動社區發展，致力推廣體育及健康生活，並配合當地社區建設更具包容性的社會。自二零一四年以來，我們獲頒發「商界展關懷」標誌，以表彰我們作為企業公民的持續貢獻。

	Number of community service events/activities supported and attended by the Group 本集團所支持及 參與社區服務 活動／事宜次數	Total hours of community service contributed 貢獻社區服務總時數	Number of beneficiaries served ¹³ 服務受益人數 ¹³
2018			
二零一八年	88	1,490	55,388
2017			
二零一七年	38	1,335	48,300

¹³ Refer to the number of people served or engaged during the Group's community service programmes.

¹³ 指本集團社區服務計劃期間所服務或參與的人數。

Promoting Sports and Healthy Living

We endeavour to promote the popularity of sports activities and foster sports culture in China. Throughout the year, we make good use of our diversified resources, especially the well-equipped sports park and sports center, to push forward sportive and healthy lifestyles within the local community.

推廣體育及健康生活

我們致力於中國推廣體育活動及培養體育文化。本年度，我們充分利用多元化的資源，特別是設備齊全之體育園及運動中心，於當地社區推廣體育及健康並重的生活方式。



To promote active sports participation among citizens of all ages, a wide spectrum of sports and leisure activities are organised and promoted during the Reporting Period at our Yangzhou Li Ning Sports Park and Linyi Li Ning Sports Center, including sports training classes, cultural carnivals and festivals infused with sports elements, jogging and marathon activities, cycling and table tennis competitions, to name a few.

Aspiring to serve as community hubs, our sports park and sports center also offered a wide variety of public welfare initiatives regularly to the public. These included free body check-up and healthcare sessions, elderly fitness activities, health seminars on water safety and rehabilitation, family fun days, and etc. Free rental of sports facilities is also offered for the citizens at specific times during the year.

為推動不同年齡層的市民積極參與體育活動，我們於報告期內在揚州李寧體育園及臨沂李寧運動中心組織及推廣各類體育及休閒活動，包括體育訓練課程、加入體育元素的文化嘉年華及節日活動、慢跑及馬拉松活動、騎單車及乒乓球競賽等。

我們致力成為社區樞紐，定期向公眾開放體育園及運動中心以提供各種公共福利舉措，包括免費身體檢查及保健活動、長者健康活動、游泳安全及康復主題的健康研討會、家庭歡樂日等。體育設施亦會於年內特定時間對市民免費開放。



Creating an Inclusive Society

In parallel with our efforts to nurture a nationwide sports culture, we actively promote social participation and inclusion. Through collaborating with different non-governmental organizations and charity groups, we encourage our staff to support the disadvantaged groups and the younger generation, and thereby deliver positive messages to the wider community.

We have maintained a close relationship with Fu Hong Society, an organisation dedicated to providing rehabilitation services in Hong Kong. In 2018, we took part in its “Best Buddies Hong Kong” cooking competition where our staff volunteers teamed up with disabled persons to make dishes together. In addition, we continued to purchase cookies on a regular basis from Madam Hong’s Bakery, an organisation where disadvantaged persons make the bakeries, to support the disadvantaged group.

During the Reporting Period, our staff volunteers from our Hong Kong headquarters paid a visit to the Ronald McDonald House, delivering our care and love to children suffering from long-term diseases.



Moreover, by collaborating with Olympic medalists and renowned athletes, the Group initiated donation programmes to Linyi Pu Yuan Primary School and No.39 High School of Linyi during the year. The Group believed that the donation of various kind of sports equipment to the younger generation would help cultivate sports habits among them.



創建包容社會

我們致力於全國培養體育文化，同時積極提倡社會參與及融入。透過與不同非政府組織及慈善機構合作，我們鼓勵員工支持弱勢群體及年輕一代，藉此向社區各界傳遞積極信息。

我們與致力於香港提供康復服務的扶康會一直維持密切關係。於二零一八年，我們參加了「香港最佳老友」烹飪比賽，其中我們的員工志願者與殘疾人士組隊共同完成烹飪。此外，我們繼續定期向康姨餅房（一個可供弱勢群體烘焙的組織）訂購曲奇餅，以支持弱勢群體。

報告期內，香港總部的員工志願者到訪了麥當勞叔叔之家，向長期病患孩子傳遞關愛。



此外，本集團於年內透過與奧運會得獎運動員及知名運動員合作，向臨沂樸園小學及臨沂第三十九中學作出捐贈。本集團相信，向年輕一代捐贈各類體育設備將有助於培養其運動興趣。





Awards and Recognition

Over the Reporting Period, the Group has been recognised for its continual efforts in community investment contribution.

- Presented with the “Caring Company Award 2018” by the Hong Kong Council of Social Service
- Presented with the “Family-Friendly Employers Awards 2017/18” by the Family Council
- Presented with the “Social Capital Builder Awards” in 2018 by the Community Investment and Inclusion Fund of the Labour and Welfare Bureau
- Presented with the “9th Hong Kong Outstanding Corporate Citizenship Awards (Volunteer Team Category and SME Category)” by Hong Kong Productivity Council and the Committee on the Promotion of Civic Education
- Supported and promoted the “Breastfeeding-Friendly Workplace 2018” campaign organised by the Hong Kong Committee for UNICEF
- Supported and promoted the “Hong Kong Work Happiness 2018” programme organised by Promoting Happiness Index Foundation
- Yangzhou Li Ning Sports Park was honoured as “Yangzhou City Courtesy Unit”
- Yangzhou Li Ning Sports Park was honoured as “Advanced Unit”

獎項及認可

報告期內，本集團因其於社區投資貢獻方面的持續努力受到表彰。

- 獲得香港社會服務聯會頒發「商界展關懷2018」證書
- 獲得家庭議會頒發「2017/18年度家庭友善僱主獎勵」
- 獲得勞工及福利局社區投資共享基金於二零一八年頒發「社會資本動力獎」
- 獲得香港生產力促進局及公民教育委員會頒發「第九屆香港傑出企業公民獎（義工隊組別及中小型企業組別）」
- 支持及推廣聯合國兒童基金會香港委員會籌辦的「2018年度母乳喂哺友善工作間」活動
- 支持及推廣香港提升快樂指數基金組織的「2018年度開心工作間」計劃
- 揚州李寧體育園被評為「揚州城市榜樣禮遇愛心單位」
- 揚州李寧體育園被評為「先進單位」





8. HKEX ESG GUIDE CONTENT INDEX

8. 聯交所環境、社會及管治報告
指引內容索引

Aspect 層面	HKEx KPI 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼／備註
A. Environmental 環境			
A1 Emissions 排放物	A1	General Disclosure 一般披露	P.78-P.79
	A1.1	The type of emissions and respective emissions data 排放物種類及相關排放數據	P.81
	A1.2	Greenhouse gas emissions in total and intensity 溫室氣體總排放量及密度	P.81
	A1.3	Total hazardous waste produced and intensity 所產生有害廢棄物總量及密度	P.83
	A1.4	Total non-hazardous waste produced and intensity 所產生無害廢棄物總量及密度	P.83
	A1.5	Description of measures to mitigate emissions and results achieved 描述減低排放量的措施及所得成果	P.79-P.80
	A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	P.79-P.80



Aspect 層面	HKEx KPI 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼／備註
A2 Use of Resources 資源使用	A2	General Disclosure 一般披露	P.78-P.79
	A2.1	Direct and/or indirect energy consumption by type in total and intensity 按類型劃分的直接及／或間接能源總耗量及密度	P.82
	A2.2	Water consumption in total and intensity 總耗水量及密度	P.82
	A2.3	Description of energy use efficiency initiatives and results achieved 描述能源使用效益計劃及所得成果	P.78-P.80
	A2.4	Description of issue in sourcing water, water efficiency initiatives 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果	P.79
	A2.5	Total packaging material used for finished products 製成品所用包裝材料的總量	Due to the business nature of the Group, this KPI is considered not material. 鑒於本集團之業務性質，此項關鍵績效指標未被視為重要。
A3 The Environment and Natural Resources 環境及天然資源	A3	General Disclosure 一般披露	The Business of Group does not have significant impacts on the summoning 本集團業務對周邊環境及天然資源沒有重大影響
	A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them 描述業務活動對環境及天然資源的重大影響及採取管理有關影響的行動	



Environmental, Social and Governance Report 環境、社會及管治報告

Aspect 層面	HKEx KPI 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼／備註
B Social 社會			
B1 Employment 僱傭	B1	General Disclosure 一般披露	P.84
	B1.1	Total workforce by gender, employment type, age group and geographical region 按性別、僱傭類型、年齡組別及地區劃分的僱員總數	P.85
	B1.2	Employee turnover rate by gender, age group and geographical region 按性別、年齡組別及地區劃分的僱員流失比率	P.85
B2 Health and Safety 健康與安全	B2	General Disclosure 一般披露	P.87
	B2.1	Number and rate of work-related fatalities 因工作關係而死亡的人數及比率	NIL 零
	B2.2	Lost days due to work injury 因工傷損失工作日數	NIL 零
	B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored 描述所採納的職業健康與安全措施，以及相關執行及監察方法	P.87
B3 Development and Training 發展及培訓	B3	General Disclosure 一般披露	P.86
	B3.1	Percentage of employees trained by gender and employee category 按性別及僱員類別劃分的受訓僱員百分比	P.86
	B3.2	Average training hours completed per employee by gender and employee category 按性別及僱員類別劃分，每名僱員完成受訓的平均時數	P.86



Aspect 層面	HKEx KPI 聯交所 關鍵績效 指標	Description 描述	Page Number/ Remarks 頁碼／備註
B4 Labour Standards 勞工準則	B4	General Disclosure 一般披露	P.87
	B4.1	Description of measures to review employment practices to avoid child and forced labour 描述檢討招聘慣例的措施以避免童工及強制勞工	P.87
	B4.2	Description of steps taken to eliminate such practices when discovered 描述在發現違規情況時消除有關情況所採取的步驟	P.87
B5 Supply Chain Management 供應鏈管理	B5	General Disclosure 一般披露	P.88
B6 Product Responsibility 產品責任	B6	General Disclosure 一般披露	P.88
B7 Anti-Corruption 反貪污	B7	General Disclosure 一般披露	P.87
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	P.87
	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored 描述防範措施及舉報程序，以及相關執行及監察方法	P.87
B8 Community Investment 社區投資	B8	General Disclosure 一般披露	P.89
	B8.1	Focus areas of contribution 專注貢獻範疇	P.89-P.91
	B8.2	Resources contributed to the focus area 在專注範疇所動用資源	P.89



To the shareholders of Viva China Holdings Limited
(incorporated in Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Viva China Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 104 to 194, which comprise:

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

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

羅兵咸永道

致非凡中國控股有限公司股東
(於開曼群島註冊成立的有限公司)

意見

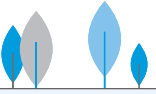
我們已審計的內容

非凡中國控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第104至194頁的綜合財務報表,包括:

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

我們的意見

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於二零一八年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量並已遵照香港《公司條例》的披露規定妥為擬備。



BASIS FOR OPINION

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

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

Independence

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional 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 identified in our audit is summarised as follow:

- Revenue recognition

意見的基礎

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

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項概述如下：

- 收入確認

Key Audit Matter
關鍵審計事項

Revenue recognition
收入確認

Refer to note 3 CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS, note 4 OPERATING SEGMENT INFORMATION and note 5 REVENUE, OTHER INCOME AND OTHER GAINS-NET to the consolidated financial statements

請參閱綜合財務報表附註3重大會計估計、假設及判斷、附註4經營分部資料、附註5收益、其他收入及其他收益淨額

The Group recognized revenue of HK\$1,135 million for the year ended 31 December 2018. The revenue was mainly derived from sports content production and distribution, sports talent management, sale of goods and community development consultancy services.

截止2018年12月31日止年度，貴集團確認收入1,135百萬港元。收入主要來自於體育內容製作及發行、體育人才管理及市場推廣、銷售商品以及社區開發諮詢服務。

Significant management judgement was involved in revenue recognition, such as determining whether the role of the Group in those transactions was acting as principal or as agent and whether to recognise revenue on a gross or net basis. The assessment included considering and weighing key features like which party bears the primary responsibility, inventory risks, and the way to establish prices. 上述收入確認涉及管理層的判斷，例如貴集團在這些交易中的角色是作為交易主體還是代理人以及應當用全額法還是淨額法確認相關收入。該等評估包括考慮和權衡例如貴集團是否承擔主要責任、是否承擔存貨風險，以及是否有定價能力等關鍵特徵。

How our audit addressed the Key Audit Matter
我們的審計如何處理關鍵審計事項

We assessed the reasonableness of management's judgement with reference to the relevant accounting standards and consideration of relevant facts and circumstances. The audit procedures we performed mainly included:

根據相關會計準則並考慮相關事實和情況，我們對管理層判斷的合理性進行了評估。我們實施的審計程序主要包括：

- We reviewed selected samples of contracts, discussed with management, finance and business personnel of the Group to understand the business substance, transaction process and arrangement;
- 我們審閱了抽樣選取的新合同，與貴集團管理層、財務部和業務部相關人員進行訪談，了解商業實質及交易流程和安排；
- For selected samples of transactions, we examined the supporting documents, including sales orders, shipping documents, records of deliverables, invoices and cash receipts, where applicable;
- 針對抽樣選取的交易，我們檢查了相關支持性文件，包括銷售訂單、發貨單、提供的服務成果記錄、發票和付款憑證（如有）等；
- We selected samples of customers to confirm the balances as of 31 December 2018, the main terms of the contracts and the amounts of transactions occurred during the year;
- 我們針對抽樣選取的客戶截至2018年12月31日的應收賬款餘額，合同主要條款和本年發生的交易額實施了函證程序。



Key Audit Matter
關鍵審計事項

Revenue recognition
收入確認

Our audit focused on this area due to the magnitude of revenue, the sales and services contracts that the Group entered into in the current year and the significant judgment involved.

我們的審計關注這一領域是考慮了收入規模以及本年新簽銷售合同、服務合同，以及所涉及的管理層判斷。

How our audit addressed the Key Audit Matter
我們的審計如何處理關鍵審計事項

We also performed the following procedures in relation to the judgement of the revenue recognition on a gross or net basis:
我們還針對收入按照全額法或淨額法確認的判斷實施了下列程序：

- We reviewed the contracts and discussed with the management to assess the main terms, including who is the primary obligor to provide goods or services to the customer, who has the inventory risks;
- 我們對合同進行了審閱，並與管理層溝通以評估其主要條款，包括誰是為客戶供貨或提供服務的主要義務人，誰承擔存貨風險；
- For selected samples of customers and suppliers, we checked their background and interviewed them to understand the key areas of their cooperation, such as how their relationships were established, how the price was negotiated and determined and the acceptance of goods delivered or service rendered;
- 針對抽樣選取的客戶和供應商，我們進行了背景調查，並通過與之訪談了解雙方合作過程中的主要方面，例如雙方如何建立起商業關係，價格的談判與確定以及對提供的貨物或服務的驗收；

Based on the procedures performed, we found the revenue recognised were consistent with the established accounting policy of the Group with no material difference identified.

基於已實施的程序，我們認為收入確認與集團既定的會計準則一致，未見重大差異。

OTHER INFORMATION

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of 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 determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

其他信息

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

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

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

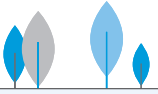
基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

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

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

治理層須負責監督貴集團的財務報告過程。



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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, 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 scepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

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

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

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



Independent Auditor's Report 獨立核數師報告

- 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.

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.

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 this independent auditor's report is Ng Ping Fai.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 22 March 2019

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

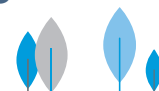
出具本獨立核數師報告的審計項目合夥人是吳炳輝。

羅兵咸永道會計師事務所
執業會計師

香港，二零一九年三月二十二日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

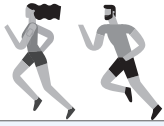


Year ended 31 December 2018 截至二零一八年十二月三十一日止年度

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	5	1,134,584	612,467
Cost of sales	銷售成本		(967,856)	(517,959)
Gross profit	毛利		166,728	94,508
Other income and other gains – net	其他收入及其他收益淨額	5	24,532	42,055
Selling and distribution expenses	銷售及分銷開支		(41,215)	(21,614)
Administrative and other operating expenses	行政及其他經營費用		(136,220)	(184,793)
Net impairment losses on financial assets	財務資產減值淨虧損	39	(17,738)	–
Finance costs	財務成本	6	(83,693)	(87,215)
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之溢利減虧損	15	182,329	48,196
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	7	94,723	(108,863)
Income tax	所得稅	10	(21,733)	5,995
Profit/(loss) for the year	年內溢利／(虧損)		72,990	(102,868)
Other comprehensive (loss)/income:	其他全面(虧損)／收益：			
Items that may be reclassified subsequently to profit or loss, net of income tax of nil	其後可重新分類至損益之項目，扣除所得稅(無)			
– Share of other comprehensive loss of an associate	– 分佔聯營公司之其他全面虧損		(514)	(545)
– Reclassification adjustment upon deemed partial disposal of an associate	– 視作部分出售聯營公司時重新分類調整		–	18,439
– Exchange differences on translation of foreign operations	– 換算海外業務之匯兌差額		(246,515)	298,518
Other comprehensive (loss)/income for the year, net of income tax of nil	年內其他全面(虧損)／收益，扣除所得稅(無)		(247,029)	316,412
Total comprehensive (loss)/income for the year	年內全面(虧損)／收益總額		(174,039)	213,544
Profit/(loss) attributable to:	以下人士應佔溢利／(虧損)：			
– Equity holders of the Company	– 本公司權益持有人		76,982	(109,666)
– Non-controlling interests	– 非控股權益		(3,992)	6,798
			72,990	(102,868)
Total comprehensive (loss)/income attributable to:	以下人士應佔全面(虧損)／收益總額：			
– Equity holders of the Company	– 本公司權益持有人		(168,047)	201,636
– Non-controlling interests	– 非控股權益		(5,992)	11,908
			(174,039)	213,544
Profit/(loss) per share attributable to equity holders of the Company:	本公司權益持有人應佔每股溢利／(虧損)：			
Basic (HK cents)	基本(港仙)	11	0.69	(0.98)
Diluted (HK cents)	攤薄(港仙)	11	0.67	(0.98)

The notes on pages 111 to 194 are an integral part of these consolidated financial statements.

第111頁至第194頁所載之附註為該等綜合財務報表之組成部分。



Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	20,399	14,563
Investment properties	投資物業	13	139,938	137,274
Intangible assets	無形資產	14	29,721	–
Interests in associates and joint ventures	於聯營公司及合營企業之權益	15	3,596,220	3,629,509
Derivative financial instruments	衍生財務工具	16	–	2,255
Deposits and other receivables	按金及其他應收款項	20	68,955	1,760
Deferred tax assets	遞延稅項資產	28	12,443	8,048
Total non-current assets	非流動資產總值		3,867,676	3,793,409
CURRENT ASSETS	流動資產			
Stock of properties	物業存貨	17	293,474	273,048
Inventories	存貨	18	244	336
Trade debtors and bills receivable	應收賬款及應收票據	19	380,315	299,539
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	20	115,861	258,026
Derivative financial instruments	衍生財務工具	16	22,780	–
Cash and bank balances	現金及銀行結餘	21	380,654	521,012
Total current assets	流動資產總值		1,193,328	1,351,961
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付賬款及其他應付款項	22	146,237	166,784
Contract liabilities	合約負債	5	20,474	–
Accruals and receipts in advance	應計費用及預收款項	23	33,859	71,421
Deferred income	遞延收入	24	15,732	19,216
Bank loans	銀行貸款	25	40,023	–
Payable to a non-controlling interest	應付非控股權益	26	–	1,135
Income tax payable	應付所得稅		34,654	38,218
Total current liabilities	流動負債總額		290,979	296,774
NET CURRENT ASSETS	流動資產淨值		902,349	1,055,187
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		4,770,025	4,848,596
NON-CURRENT LIABILITIES	非流動負債			
Deferred income	遞延收入	24	10,011	21,971
Derivative financial instruments	衍生財務工具	16	2,772	–
Bank loan	銀行貸款	25	–	37,535
Deferred tax liabilities	遞延稅項負債	28	3,178	–
Convertible notes	可換股票據	27	819,602	750,605
Total non-current liabilities	非流動負債總額		835,563	810,111
NET ASSETS	資產淨值		3,934,462	4,038,485

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
EQUITY	權益			
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益			
Issued capital	已發行股本	29	442,396	440,437
Perpetual convertible bonds	永久性可換股債券	31	1,139,046	1,139,046
Reserves	儲備	32	2,309,695	2,423,649
			3,891,137	4,003,132
Non-controlling interests	非控股權益		43,325	35,353
TOTAL EQUITY	權益總額		3,934,462	4,038,485

The financial statements were approved by the Board of Directors on 22 March 2019.

本財務報表已於二零一九年三月二十二日獲董事會批准。

Li Ning
李寧

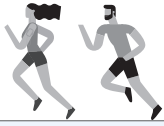
Chairman and Chief Executive Officer
主席兼行政總裁

Chan Ling
陳寧

Executive Director and Chief Operating Officer
執行董事兼營運總裁

The notes on pages 111 to 194 are an integral part of these consolidated financial statements.

第111頁至第194頁所載之附註為該等綜合財務報表之組成部分。



Consolidated Statement of Changes in Equity

綜合權益變動表

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

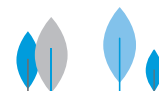
		Attributable to equity holders of the Company 本公司權益持有人應佔										
		Issued capital	Share premium account	Perpetual convertible bonds	Share option reserve	Exchange fluctuation reserve	Reserve funds	Convertible notes equity reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價賬	永久性可換股債券	購股權儲備	匯兌波動儲備	儲備基金	可換股票據權益儲備	累計虧損	總計	非控股權益	權益總額
Notes		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
	1 January 2017	438,218	4,145,239*	1,139,046	125,246*	(370,088)*	1,513*	90,392*	(1,851,249)*	3,718,317	23,445	3,741,762
	Loss for the year	-	-	-	-	-	-	-	(109,666)	(109,666)	6,798	(102,868)
	Other comprehensive income/(loss) for the year:											
	Exchange differences on translation of foreign operations	-	-	-	-	293,408	-	-	-	293,408	5,110	298,518
	Share of other comprehensive loss of an associate	-	-	-	-	(545)	-	-	-	(545)	-	(545)
	Reclassification adjustment upon deemed partial disposal of an associate	-	-	-	-	18,439	-	-	-	18,439	-	18,439
	Total comprehensive income/(loss) for the year	-	-	-	-	311,302	-	-	(109,666)	201,636	11,908	213,544
	Shares issued upon exercise of share options	30	2,219	27,287	(6,944)	-	-	-	-	22,562	-	22,562
	Equity-settled share option arrangements	30	-	-	52,644	-	-	-	-	52,644	-	52,644
	Transfer of share option reserve upon the forfeiture or expiry of share options	-	-	-	(18,814)	-	-	-	18,814	-	-	-
	Share of associates' reserve	-	-	-	7,973	-	2,692	-	(2,692)	7,973	-	7,973
	Transfer to statutory reserve	-	-	-	-	-	2,459	-	(2,459)	-	-	-
	At 31 December 2017 and 1 January 2018	440,437	4,172,526*	1,139,046	160,105*	(58,786)*	6,664*	90,392*	(1,947,252)*	4,003,132	35,353	4,038,485
	Profit for the year	-	-	-	-	-	-	-	76,982	76,982	(3,992)	72,990
	Other comprehensive income/(loss) for the year:											
	Exchange differences on translation of foreign operations	-	-	-	-	(244,515)	-	-	-	(244,515)	(2,000)	(246,515)
	Share of other comprehensive loss of an associate	-	-	-	-	(514)	-	-	-	(514)	-	(514)
	Total comprehensive (loss)/income for the year	-	-	-	-	(245,029)	-	-	76,982	(168,047)	(5,992)	(174,039)
	Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	13,964	13,964
	Shares issued upon exercise of share options	30	1,959	26,526	(7,112)	-	-	-	-	21,373	-	21,373
	Equity-settled share option arrangements	30	-	-	13,599	-	-	-	(451)	13,148	-	13,148
	Transfer of share option reserve upon the forfeiture or expiry of share options	-	-	-	(22,212)	-	-	-	22,212	-	-	-
	Share of associates' reserve	-	-	-	21,531	-	3,123	-	(3,123)	21,531	-	21,531
	Transfer to statutory reserve	-	-	-	-	-	2,012	-	(2,012)	-	-	-
	At 31 December 2018	442,396	4,199,052*	1,139,046	165,911*	(303,815)*	11,799*	90,392*	(1,853,644)*	3,891,137	43,325	3,934,462

* These reserve accounts comprise the consolidated reserves of HK\$2,309,695,000 (2017: HK\$2,423,649,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內之綜合儲備2,309,695,000港元(二零一七年: 2,423,649,000港元)。

Consolidated Statement of Cash Flows

綜合現金流量表



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

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	營運活動之現金流量			
Profit/(loss) before tax	除稅前溢利／(虧損)		94,723	(108,863)
Adjustments for:	調整：			
Finance costs	財務成本	6	83,693	87,215
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之溢利減虧損	14	(182,329)	(48,196)
Interest income	利息收入	5	(6,525)	(5,067)
Fair value loss on investment properties	投資物業之公平值虧損	13	677	28,440
Fair value change in derivative financial instruments	衍生財務工具之公平值變動	5	5,109	(601)
Gain on remeasurement of pre-existing interest in a joint venture	重新計量於合營企業之現有權益之收益		(1,764)	–
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之收益	5	(183)	(443)
Depreciation	折舊	12	4,200	3,122
Amortisation of intangible assets	無形資產攤銷	14	380	–
Impairment losses on financial assets	財務資產之減值虧損		17,738	–
Equity-settled share option expenses	以股權結算之購股權開支	30(a)	13,148	52,644
			28,867	8,251
Decrease in inventories	存貨減少		76	922
Increase in stock of properties	物業存貨增加		(3,552)	(4,586)
Increase in trade debtors and bills receivable	應收賬款及應收票據增加		(80,098)	(24,420)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加		(1,322)	(40,608)
(Decrease)/increase in trade and other payables	應付賬款及其他應付款項(減少)／增加		(12,013)	72,329
Increase in contract liabilities	合約負債增加		20,474	–
(Decrease)/increase in accruals and receipts in advance	應計費用及預收款項(減少)／增加		(50,520)	7,653
Decrease in deferred income	遞延收入減少		(14,042)	(30,565)
Cash used in operations	營運活動所用現金		(112,130)	(11,024)
Income tax paid	已付所得稅		(29,038)	(9,688)
Net cash flows used in operating activities	營運活動所用現金流量淨額		(141,168)	(20,712)



Consolidated Statement of Cash Flows 綜合現金流量表

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

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動之現金流量			
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目之所得款項		577	566
Proceeds from disposal of investment properties	出售投資物業所得款項		64,060	29,550
Cash received from deregistration of a joint venture	來自一間合營企業 撤銷登記的已收現金		-	10,392
Dividend received from an associate	已收一間聯營公司的股息	15	11,343	2,408
Interest received	已收利息		4,510	3,422
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	12	(7,799)	(1,198)
Loan advance to third parties	向第三方的貸款		-	(78,407)
Purchases of investment properties	購買投資物業	13	(11,331)	-
Payment for investing in a joint venture	投資一間合營企業所付款項		(576)	-
Payments for acquisition of associates and joint ventures	收購聯營公司及 合營企業所付款項		-	(30,208)
Net cash used in acquisition of subsidiaries	收購附屬公司所用現金淨額	36	(3,407)	-
Net cash flows generated from/(used in) investing activities	投資活動所得／(所用)之 現金流量淨額		57,377	(63,475)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量			
Interest paid	已付利息		(40,530)	(53,536)
Proceeds from new bank loan	新銀行貸款所得款項		40,000	40,000
Repayment of bank and other loans	償還銀行及其他貸款		(40,000)	(429,058)
Refund of cash advance from a third party	一名第三方退還現金墊款		-	199,907
Proceeds from issue of ordinary shares upon exercise of share options	購股權獲行使時發行 普通股所得款項		21,373	22,562
Repayment to a non-controlling interest	向非控股權益還款		(1,076)	-
Net cash flows used in financing activities	融資活動所用現金流量淨額		(20,233)	(220,125)

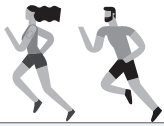
Consolidated Statement of Cash Flows 綜合現金流量表

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

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額		(104,024)	(304,312)
Cash and cash equivalents at beginning of year	年初現金及現金等價物		521,012	804,731
Effect of foreign exchange rate changes, net	外匯匯率變動之影響淨額		(36,334)	20,593
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等價物		380,654	521,012
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等價物結餘分析			
Cash and bank balances	現金及銀行結餘	21	349,457	501,395
Non-pledged time deposits with original maturity of less than three months when acquired	收購時原定少於三個月內到期之非抵押定期存款	21	31,197	19,617
Cash and bank balances as stated in the statement of financial position	於財務狀況表列賬之現金及銀行結餘	21	380,654	521,012

The notes on pages 111 to 194 are an integral part of these consolidated financial statements.

第111頁至第194頁所載之附註為該等綜合財務報表之組成部分。



Notes to Consolidated Financial Statements

綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands and the ordinary shares of which are listed on the GEM of The Stock Exchange of Hong Kong Limited ("Stock Exchange").

Principal activities

During the year, the Company and its subsidiaries ("Group") were involved in the following principal activities:

- production and distribution of sports content, management and marketing of sports talents and provision of sports-related marketing and consultancy services; and
- operation of sports parks and sports centres, development of communities, provision of community development consultancy and subcontracting services; property development for sales and investment, and research and development, manufacturing, marketing and sales of construction materials.

Li Ning Company Limited ("Li Ning Co"), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2331), is an associated company of the Group, whose principal activities include brand development, design, manufacture, sale and distribution of sport-related footwear, apparel, equipment and accessories in the People's Republic of China (the "PRC").

CITIC Land Co., Ltd ("CITIC Land"), a company incorporated in the PRC with limited liability and a directly owned subsidiary of CITIC Group Corporation, is an associated company of the Group, whose principal activities include project investment, real estate development, hotel investment and management, property management, project contracting, and real estate consultancy.

Shanghai Double Happiness Co., Ltd. (the "Double Happiness"), a company incorporated in the PRC with limited liability, is an associated company of the Group, whose principal activities include manufacture, research and development, marketing and sale of principally table tennis and badminton equipment under its own "紅雙喜 (Double Happiness)" brand and other sports accessories.

These financial statements are presented in HK\$, unless otherwise stated.

1. 公司資料

本公司為一間於開曼群島註冊成立之有限公司，其普通股於香港聯合交易所有限公司（「聯交所」）GEM上市。

主要業務

年內，本公司及其附屬公司（「本集團」）從事下列主要業務：

- 體育內容製作及發行、體育人才管理及市場推廣及提供體育相關市場推廣及諮詢服務；及
- 經營體育園及運動中心；開發社區；提供社區發展諮詢及分包服務；待售物業開發及投資；以及建材之研發、製造、市場推廣及銷售。

李寧有限公司（「李寧公司」），一間於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市（股份代號：2331）為本集團之一間聯營公司，其主要業務範圍涵蓋於中華人民共和國（「中國」）從事之體育相關鞋類、服飾、器材及配件之品牌開發、設計、製造、銷售及分銷。

中信置業有限公司（「中信置業」，一間於中國註冊成立之有限公司及為中國中信集團有限公司直接擁有之附屬公司）為本集團之一間聯營公司，其主要業務範圍涵蓋項目投資、房地產開發、酒店投資管理、物業管理、工程承包及房地產諮詢。

上海紅雙喜股份有限公司（「紅雙喜」），為於中國註冊成立之有限公司，並為本集團之聯營公司。其主要業務範圍涵蓋製造、研發、營銷及銷售其自有「紅雙喜 (Double Happiness)」品牌下的主打產品乒乓球及羽毛球器材以及其他體育配件。

除另有指明者外，該等財務報表乃以港元呈列。



31 December 2018 二零一八年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations ("HKFRSs"). The consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM and by the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, as modified by certain financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss and investment properties, which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

2.2 Changes in accounting policies and disclosures

(a) *New and amended standards adopted by the Group*

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2018:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers

2. 主要會計政策概要

編製該等綜合財務報表所應用之主要會計政策乃載於下文。除另有說明者外，該等政策已貫徹應用於所有呈列年度。

2.1 編製基準

該等綜合財務報表乃根據所有適用香港財務報告準則（包括所有香港財務報告準則、香港會計準則及詮釋）（「香港財務報告準則」）編製。綜合財務報表亦包括GEM證券上市規則及香港《公司條例》規定的適用披露。綜合財務報表乃按歷史成本慣例編製，並經透過損益按公平值之若干財務資產及財務負債（包括衍生工具）及投資物業（乃按公平值列賬）修訂。

編製符合香港財務報告準則之財務報表須運用若干重要會計估計，亦需要管理層在採用本集團會計政策之過程中作出判斷。涉及較高程度判斷或比較複雜之範疇，或就綜合財務報表而言屬重大之假設及估計之範疇於附註3中披露。

2.2 會計政策及披露變動

(a) *本集團採納之新訂及經修訂準則*

本集團於二零一八年一月一日開始的年度報告期內首次應用以下準則及修訂：

香港財務報告準則第9號	財務工具
香港財務報告準則第15號	與客戶所訂合約之收益

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The Group had to change its accounting policies and make certain retrospective adjustments following the adoption of HKFRS 9 and HKFRS 15, see note 2.2(c).

(b) New standard issued but not yet effective

The following is standard that has been published and is relevant and mandatory for the Group's accounting periods beginning after 1 January 2019 or later periods, but has not been early adopted by the Group.

2. 主要會計政策概要 (續)

採納香港財務報告準則第9號及香港財務報告準則第15號後，本集團須更改會計政策並作出若干追溯調整，詳見附註2.2(c)。

(b) 已頒佈但尚未生效之新訂準則

以下為與本集團相關的已經公佈且在本集團二零一九年一月一日之後開始的會計期間或較後期間強制生效但尚未被本集團提早採納的準則。

Effective for accounting periods beginning on or after 於下列日期或之後開始之會計期間生效

HKFRS 16, Leases

香港財務報告準則第16號，租賃

1 January 2019
二零一九年一月一日

HKFRS 16 Leases

香港財務報告準則第16號「租賃」

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

由於經營租賃與融資租賃的劃分已被剔除，香港財務報告準則第16號將導致幾乎所有租賃在財務狀況表內確認。根據該新準則，資產（該租賃項目的使用權）與支付租金的財務負債被確認。唯一例外者為短期和低價值租賃。

The Group has set up a project team which has reviewed all of the Group's leasing arrangements over the last year in light of the new lease accounting rules in HKFRS 16. The standard will affect primarily the accounting for the group's operating leases. The Group's current accounting policy for such leases is set out in note 2.3.

鑒於香港財務報告準則16號的新租賃會計規則，本集團已成立項目團隊，審閱本集團上年度的全部租賃安排。此準則將主要影響本集團經營租賃的會計處理。本集團目前有關經營租賃的會計政策載於附註2.3。

As at the reporting date, the Group has non-cancellable operating lease commitments of HK\$111,309,000 (2017:HK\$105,714,000), see note 33(b). Of these commitments, approximately HK\$3,198,000 relate to short-term leases and which will be recognised on a straight-line basis as expense in profit or loss.

於報告日期，本集團有不可撤銷經營租賃承擔111,309,000港元（二零一七年：105,714,000港元），見附註33(b)。該等承擔中，約3,198,000港元與短期租賃有關，該等租賃均按直線法於損益中確認為開支。

For the remaining lease commitments the Group expects to recognise right-of-use assets of approximately HK\$45,665,000 on 1 January 2019, lease liabilities of HK\$45,665,000 (after adjustments for prepayments recognised as at 31 December 2018).

本集團預期將於二零一九一月一日就剩餘租賃承擔確認使用權資產約45,665,000港元及租賃負債45,665,000港元（經就於二零一八年十二月三十一日確認的預付款項作出調整）。



31 December 2018 二零一八年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The accounting for lessor is not significantly changed and hence the Group does not expect any significant impact on the financial statements. However, some additional disclosures will be required from next year.

The new standard is mandatory for financial years commencing on or after 1 January 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption. Right-of-use assets for property leases will be measured on transition as if the new rules had always been applied. All other right-of-use assets will be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

There are no other HKFRS or interpretation that are not yet effective that would be expected to have a material impact on the Group's results and financial position.

(c) Changes in accounting policies

This note explains the impact of the adoption of HKFRS 9 and HKFRS 15 on the Group's financial statements.

(i) Impact on the financial statements

HKFRS 9 was generally adopted without restating comparative information. HKFRS 15 was adopted using the modified retrospective approach that comparatives information was not restated. The reclassifications are not reflected in the restated balance sheet as at 31 December 2017, but are recognised in the opening balance sheet on 1 January 2018.

The following tables show the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included. As a result, the sub-totals and totals disclosed cannot be recalculated from the numbers provided. The adjustments are explained in more detail by standard below.

		31 December 2017 as originally presented 二零一七年十二 月 三十一日 (原始呈列)	HKFRS 15 香港 財務報告 準則第15號	1 January 2018 Restated 二零一八年 一月一日 (經重列)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balance sheet (extract)	資產負債表 (摘錄)			
Current liabilities	流動負債			
Contract liabilities	合約負債	—	48,808	48,808
Accruals and receipts in advance	應計費用及預收款項	71,421	(48,808)	22,613

2. 主要會計政策概要 (續)

出租人之會計處理並無重大變動，因此本集團預計本集團的財務報表將不會受到重大不利影響。然而，下一年度可能須作出若干額外披露。

新準則於二零一九年一月一日或之後開始的財政年度強制生效。本集團擬在首次採納前的一個年度應用簡化過渡方式且不會重列比較數字。物業租賃之使用權資產將按過渡條文計量，猶如已一直應用新準則。所有其他使用權資產將按採納時之租賃負債金額計量，並就任何預付或應計租賃開支作出調整。

概無其他尚未生效而預計將對本集團的業績及財務狀況產生重大影響的香港財務報告準則或詮釋。

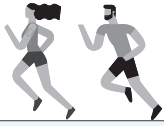
(c) 會計政策變動

本附註解釋採納香港財務報告準則第9號及香港財務報告準則第15號對本集團財務報表的影響。

(i) 對財務報表的影響

採納香港財務報告準則第9號時一般未重列比較資料。香港財務報告準則第15號使用經修訂的追溯方式採納，而未予重列比較資料。重新分類未於二零一七年十二月三十一日的經重列資產負債表中反映，但於二零一八年一月一日在期初資產負債表確認。

下表列載對各獨立項目確認的調整。未受相關變動影響的項目未予列出。因此，所披露的小計及總計數字不能以所提供的數字重新計算。相關調整以下列準則作更詳盡解釋。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The Group has adopted HKFRS 9 Financial Instruments from 1 January 2018. In accordance with the transitional provisions in HKFRS 9 (7.2.15) and (7.2.26), comparative figures have not been restated with the exception of certain aspects of hedge accounting. The new accounting policies are set out in Note 2.3.

Classification and measurement

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

- Debt instruments and trade debtors and bills receivable and other loans and receivables previously measured at amortised cost which meet the conditions for classification at amortised cost under HKFRS 9; and
- Derivative financial instruments was currently classified as at fair value through profit or loss ("FVPL") as a whole under HKFRS 9.

Impairment of financial assets

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

- trade debtors and bills receivable; and
- deposits and other receivables.

The Group was required to revise its impairment methodology under HKFRS 9 for each of these classes of assets. The impact of change in impairment methodology was immaterial and there was no adjustments in retained earnings as at 1 January 2018.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, no impairment loss was identified.

(iii) HKFRS 15 Revenue from Contracts with Customers

The Group has adopted HKFRS 15 Revenue from Contracts with Customers from 1 January 2018. The Group has adopted the modified retrospective approach and the comparatives were not restated. The impact of the adoption of HKFRS 15 was immaterial and there was no adjustments in retained earnings as at 1 January 2018.

2. 主要會計政策概要 (續)

(ii) 香港財務報告準則第9號「財務工具」
香港財務報告準則第9號替代香港會計準則第39號有關財務資產及財務負債確認、分類及計量、財務工具終止確認、財務資產減值以及對沖會計處理的規定。

本集團已自二零一八年一月一日起採納香港財務報告準則第9號「財務工具」。根據香港財務報告準則第9號第7.2.15及7.2.26段的過渡規定，我們並未重列除對沖會計處理若干範疇外的比較數字。新會計政策載於附註2.3。

分類與計量

於二零一八年一月一日（即首次應用香港財務報告準則第9號當日），本集團管理層已評估本集團所持財務資產所適用的業務模式，並已將其財務工具分類至適當的香港財務報告準則第9號分類，本集團的財務資產主要包括：

- 符合香港財務報告準則第9號項下按攤銷成本計量的分類條件的先前按攤銷成本計量的債務工具、應收賬款及應收票據以及其他貸款及應收款項；及
- 衍生財務工具目前根據香港財務報告準則第9號整體分類為透過損益按公平值計量（「透過損益按公平值計量」）。

財務資產減值

本集團有兩類符合香港財務報告準則第9號新預期信貸虧損模型的財務資產：

- 應收賬款及應收票據；及
- 按金及其他應收款項。

本集團須根據香港財務報告準則第9號修訂其上述各類資產的減值方法。減值方法的變動之影響並不重大，且並無對二零一八年一月一日之保留盈利作出調整。

雖然現金及現金等價物亦受香港財務報告準則第9號的減值規定的規限，但並無識別到任何減值虧損。

(iii) 香港財務報告準則第15號「與客戶所訂合約之收益」

本集團已自二零一八年一月一日起採納香港財務報告準則第15號「與客戶所訂合約之收益」。本集團經修訂的追溯方式，而未重列比較資料。採納香港財務報告準則第15號的影響並不重大，於二零一八年一月一日的保留盈利並無調整。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Management assessed accounting for the customers for sports park facilities hiring income that was affected as upon the payment for a membership, the Group granted some free services to its customers, which would be identified as a separate performance obligation under HKFRS 15. HKFRS 15 requires that the total consideration received should be allocated to the distinct goods and services based on relative stand-alone selling prices. This would result in an earlier recognition for the free services. The impact of the adoption of HKFRS 15 was immaterial.

Presentation of assets and liabilities related to contracts with customers
The Group has changed the presentation of certain amounts in the balance sheet to reflect the terminology of HKFRS 15 and HKFRS 9:

- Contract liabilities in relation to advances from customers were previously included accruals and receipts in advance.

2.3 Summary of significant accounting policies

Consolidation

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date of acquisition, being the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset and liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

2. 主要會計政策概要 (續)

管理層已評估受到影響的體育園設施租賃收入的相關客戶的會計處理，原因是在客戶支付會籍費時，本集團向客戶提供若干免費服務，而該等服務將根據香港財務報告準則第15號識別為單獨的履約義務。香港財務報告準則第15號規定已收總代價應根據相對獨立的售價分配至具有明顯區分的貨品及服務。這將導致免費服務的較早確認。採納香港財務報告準則第15號的影響並不重大。

與客戶合約相關的資產及負債的呈列
本集團已變更資產負債表內若干金額的呈列，以反映香港財務報告準則第15號及香港財務報告準則第9號的用語：

- 客戶墊款相關的合約負債先前包括應計費用及預收款項。

2.3 主要會計政策概要

綜合

附屬公司為本集團擁有控制權之實體（包括結構性實體）。當本集團承受或享有參與實體所得之可變回報之風險或權利，且有能力透過其對實體之權力影響該等回報時，則本集團控制該實體。附屬公司自收購日期（即控制權轉予本集團之日期）起綜合入賬，並自不再擁有控制權之日起終止綜合入賬。

(a) 業務合併

本集團採用收購會計法計算業務合併。收購附屬公司之已轉讓代價為所轉讓資產、被收購方原擁有人所承擔負債及本集團發行之股權之公平值。所轉讓代價包括或然代價安排產生之任何資產及負債之公平值。收購相關成本於產生時列支。於業務合併收購之可識別資產以及承擔之負債及或然負債，初步按收購日期之公平值計量。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2. 主要會計政策概要 (續)

本集團按逐項收購確認被收購方的任何非控股權益。為現時擁有權權益，並賦予其持有人在清盤時則按比例分佔實體的資產淨值的被收購方的非控股權益，按公平值或按現時擁有權權益分佔被收購方可識別資產淨值的確認金額比例計量。非控股權益的所有其他組成部分按其收購日期的公平值計量，除非香港財務報告準則規定必須以其他計量基準計量。

倘業務合併分階段實現，則收購方先前持有之被收購方股權之收購日期賬面值乃重新計量至於收購日期之公平值；因有關重新計量產生之任何收益或虧損均於損益內確認。

倘任何部分的現金代價的清償被遞延，則未來應付款項折算至交易日的現值。所用折現率為實體的增量借款利率，即按相似條款及條件能夠向獨立貸款方取得相似貸款的利率。由收購方將予轉讓之任何或然代價於收購日期按公平值確認。分類為權益之或然代價並無重新計量，而其後結算於權益中入賬。

所轉讓代價、於被收購方之任何非控股權益金額及任何先前持有之被收購方股權之收購日期公平值超逾所收購可識別資產淨值之公平值之差額乃入賬為商譽。如所轉讓代價、所確認非控股權益及已計量之先前持有權益之總額少於所收購附屬公司資產淨值之公平值（就議價購買而言），則差額直接於損益內確認。

集團內公司間交易、結餘及集團公司間交易之未變現收益均予以對銷。除非有證據顯示交易所轉讓資產出現減值，否則未變現虧損亦予以對銷。當有必要時，附屬公司所呈報之金額已予以調整以與本集團之會計政策一致。

(b) 於附屬公司所有權權益之變動（並無改變控制權）

與非控股權益並不導致失去控制權之交易乃入賬為股本交易—即作為與附屬公司擁有人（以彼等作為擁有人之身份）之交易。任何已付代價之公平值與所取得之附屬公司資產淨值賬面值之相關份額之差額乃於權益內入賬。向非控股權益出售之收益或虧損亦於權益內入賬。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Disposal of subsidiaries

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

Separate Financial Statements

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

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

Associates

An associate is an entity over which the Group has significant influence but not control. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

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

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

2. 主要會計政策概要 (續)

(c) 出售附屬公司

當本集團不再擁有控制權時，於實體之任何保留權益乃重新計量至其於失去控制權日期之公平值，而賬面值變動於損益內確認。就其後入賬列作聯營公司、合營企業或財務資產之保留權益而言，公平值乃初步賬面值。此外，先前就該實體於其他全面收益確認之任何金額乃按猶如本集團已直接出售相關資產或負債般入賬。此可能意味著於先前於其他全面收益確認之金額均重新分類至損益。

單獨財務報表

於附屬公司之投資乃按成本扣除減值入賬。成本包括投資直接應佔成本。附屬公司業績由本公司按已收及應收股息基準入賬。

倘自該等投資收取的股息超出宣派股息期間該附屬公司的全面收益總額，或倘獨立財務報表內的投資賬面值超出綜合財務報表所示被投資公司資產淨值（包括商譽）的賬面值，則於自該等投資收取股息時須對於該等附屬公司的投資進行減值測試。

聯營公司

聯營公司指本集團對其有重大影響力而無控制權之實體。於聯營公司之投資以權益會計法入賬。根據權益法，投資初始以成本確認，而賬面值則予以增加或減少，以確認投資者在收購日期後佔被投資方損益之比例。本集團於聯營公司之投資包括收購時已識別之商譽。收購於聯營公司之擁有權權益時，聯營公司成本與本集團應佔聯營公司可識別資產及負債公平值淨額之間的差額，入賬為商譽。

倘於聯營公司的所有權權益減少但仍保留重大影響力，先前於其他全面收益確認的金額僅按比例重新分類至損益（如適用）。

本集團收購後應佔的溢利或虧損於損益內確認，而收購後應佔其他全面收益變動於其他全面收益確認，並就投資賬面值作相應調整。倘本集團應佔聯營公司的虧損等於或超過所持聯營公司的權益（包括任何其他無抵押應收款項），除非本集團承擔法定或推定責任或已代聯營公司付款，否則不會確認進一步虧損。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When the most recently available financial statements of an associate is different from the Group's reporting date, the Group may take advantage of the provision contained in HKAS 28 whereby it is permitted to include the attributable share of associate's results based on the financial statements drawn up to a non-coterminous period end where the difference must be no greater than three months. Adjustments shall be made for the effects of significant transactions or events that occur between that date and the date of the Group's consolidated financial statements.

Unrealised gains and losses resulting from transactions between the Group and its associate are eliminated to the extent of the Group's investment in an associate, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associate is not individually tested for impairment.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit of investments accounted for using equity method' in the profit or loss.

Gain or losses on dilution of equity interest in associates are recognised in the profit or loss.

Joint arrangements

Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

2. 主要會計政策概要 (續)

倘聯營公司最近期可得之財務報表與本集團之報告日期存在差異，本集團可利用香港會計準則第28號所載之條文，其准許根據聯營公司不同截算日期（但差距不得超過三個月）之財務報表計入應佔聯營公司之業績。須就當日及本集團綜合財務報表日期之間發生之重大交易或事件之影響作出調整。

本集團與其聯營公司之間進行之交易產生之未變現收益及虧損須以本集團於聯營公司之投資為限予以對銷，惟倘若未變現虧損可證明獲轉讓資產有所減值時除外。收購聯營公司產生之商譽不予獨立進行減值測試。

本集團在每個報告日期釐定於聯營公司的投資是否存在客觀減值證據。一旦存在減值證據，本集團會按聯營公司可收回金額與其賬面值之間的差額計算減值金額，並於損益內「應佔以權益法入賬之投資溢利」確認有關金額。

於聯營公司之股權攤薄收益或虧損於損益內確認。

合營安排

根據香港財務報告準則第11號，於合營安排的投資視乎各投資者的合約權利及責任分類為共同經營或合營企業。本集團已評估其合營安排的性質，並將其釐定為合營企業。合營企業採用權益法入賬。

根據權益會計法，於合營企業的權益初步按成本確認，並隨後作出調整以確認本集團應佔收購後溢利或虧損及其他全面收益之變動。本集團於合營企業之投資包括於收購時已識別之商譽。於收購合營企業之所有權權益時，合營企業之成本與本集團應佔合營企業之可識別資產及負債之公平值淨額之任何差額入賬為商譽。倘若本集團應佔合營企業虧損等於或超過其於該合營企業的權益（包括任何實質上構成本集團於該合營企業投資淨值的長期權益），本集團不會確認進一步虧損，除非本集團已代表該合營企業承擔責任或支付款項。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Segment Reporting

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

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;
- or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2. 主要會計政策概要 (續)

本集團與其合營企業交易之未變現收益按本集團所持合營企業權益為限予以對銷。除非有證據顯示交易中所轉讓資產出現減值，否則未變現虧損亦予以對銷。合營企業之會計政策已作必要修訂，以確保與本集團所採納之政策一致。

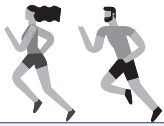
分部報告

經營分部以向主要經營決策者提供內部呈報一致的形式呈報。主要經營決策者被認為作出戰略決策之管理層，負責經營分部之資源分配及表現評估。

關連人士

任何一方如屬以下情況，即被視為本集團之關連人士：

- (a) 該方為一名人士或該名人士的近親，而該名人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團擁有重大影響力；或
 - (iii) 為本集團或本集團母公司之關鍵管理人員之成員；
- 或
- (b) 該方為下列任何條件適用之實體：
 - (i) 該實體與本集團為相同集團之成員公司；
 - (ii) 一個實體為另一實體（或另一實體之母公司、附屬公司或同系附屬公司）之聯營公司或合營企業；
 - (iii) 該實體與本集團為相同第三方之合營企業；
 - (iv) 一個實體為第三方實體之合營企業，而另一個實體為該第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關之實體就僱員福利設立之離職後福利計劃；
 - (vi) 該實體受(a)所指個人控制或共同控制；及
 - (vii) (a)(i)所指個人對該實體擁有重大影響力或為該實體（或該實體母公司）之關鍵管理人員之成員。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Close family members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Property, plant and equipment and depreciation

Property, plant and equipment primarily consist of buildings, leasehold improvements, machinery and office equipment, furniture and fixtures, and motor vehicles. They are stated at cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives. The principal annual rates used for this purpose are as follows:

Buildings	2.5% to 5%
Leasehold improvements	Shorter of remaining lease term or 20%
Machinery and office equipment	7.5% to 33.3%
Furniture and fixtures	9% to 33.3%
Motor vehicles	9% to 25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains – net' in the profit or loss.

2. 主要會計政策概要 (續)

一名人士的近親成員指在該人士與實體進行交易時預期可對其造成影響或受其影響的家族成員。

物業、廠房及設備及折舊

物業、廠房及設備主要包括樓宇、租賃物業裝修、機器及辦公室設備、傢具及裝置以及汽車。其按成本減累計折舊及任何減值虧損列賬。歷史成本包括收購此等項目直接應佔開支。

僅當與項目有關之未來經濟利益可能流入本集團，以及該項目成本能可靠計算時，其後成本才會計入資產之賬面值或確認為獨立資產（倘適用）。已更換部件的賬面值終止確認。所有其他維修及保養費於其產生之財政期間自損益扣除。

折舊乃於其估計可使用年期使用直線法分配其成本至其剩餘價值計算。就此所採用之主要年率如下：

樓宇	2.5%至5%
租賃物業裝修	餘下租賃期或20% (以較短者為準)
機器及辦公室設備	7.5%至33.3%
傢具及裝置	9%至33.3%
汽車	9%至25%

本集團在各報告期末檢討資產的剩餘價值及可使用年期，並按適當情況作出調整。當一項物業、廠房及設備項目之各部分擁有不同之可使用年期時，則該項目之成本將按合理基準在各部分間分配，且各部分將分開計算折舊。

倘若資產賬面值超過其估計可收回金額，則其賬面值將即時撇減至其可收回金額。

出售之收益及虧損透過將所得款項與賬面值作比較釐定，並於損益之「其他收益淨額」內確認。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. Such properties are measured initially at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset.

Property under construction or development for future use as an investment property is classified as investment property under construction. If the fair value cannot be reliably determined, the investment property under construction will be measured at cost until such time as fair value can be determined or construction is completed.

Changes in fair values are recorded in the profit or loss as part of a valuation gain or loss in 'other gains – net'. Any gains or losses on the retirement or disposal of an investment property are recognised in profit or loss in the year of the retirement or disposal.

Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group's interest in net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

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

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

2. 主要會計政策概要 (續)

投資物業

投資物業乃指持作賺取長期租金收入或作為資本增值或兩者兼具之土地及樓宇(並非由本集團佔用)權益(包括符合投資物業定義之物業於經營租賃項下之租賃權益)。該等物業初始按成本(包括相關交易成本及(倘適用)借貸成本)計量。於初始確認後,投資物業按公平值列賬,相當於外聘估值師於各報告日期釐定之公開市值。公平值乃按活躍市價計算,並於必要情況下就特定資產在性質、位置或狀況方面的任何差別作出調整。

用作未來投資物業之在建或開發中物業分類為在建投資物業。倘公平值無法可靠釐定,在建投資物業將按成本計量,直至公平值可予釐定或竣工為止。

公平值變動乃於損益中入賬為「其他收益淨額」之估值收益或虧損之一部分。報廢或出售投資物業之任何收益或虧損乃於報廢或出售之年內在損益內確認。

無形資產

(a) 商譽

商譽產生自收購附屬公司、聯營公司及合營企業,並相當於所轉讓代價超過本集團在被收購方之可識別資產、負債及或然負債之公平值淨額及被收購方之非控股權益公平值所佔權益之差額。

就減值測試而言,在業務合併中取得之商譽會分配至每個現金產生單元(「現金產生單元」)或現金產生單元組,預期可從合併的協同效應中獲利。商譽被分配至每個單元或單元組指在實體內商譽被監控作內部管理用途之最低層次。商譽在經營分部層次進行監控。

對因收購附屬公司產生的商譽之減值檢討每年進行,或如事件或情況轉變顯示可能存在減值,則更頻密地檢討。附帶商譽的現金產生單元之賬面值與可收回數額(使用價值與公平值減出售成本較高者)比較。任何減值須即時確認為開支及不得在之後期間撥回。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Leases

Leases of property, plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. The respective leased assets are included in the statement of financial position based on their nature.

2. 主要會計政策概要 (續)

(b) 無形資產 (商譽除外)

個別收購之無形資產初步確認時按成本計量。在業務合併過程中收購之無形資產成本為該等資產於收購日期之公平值。無形資產之可使用年期被評估為有限或無限。可使用年期有限之無形資產其後會於其可使用經濟年期攤銷，並在無形資產可能出現減值跡象時進行減值評估。可使用年期有限之無形資產之攤銷期及攤銷方法至少於每個財政年度結算日進行檢討。

具有無限可使用年期之無形資產每年按個別或現金產生單元水平進行減值測試。該等無形資產不作攤銷。具有無限可使用年期之無形資產每年對可使用年期作檢討以釐定無限年期評估是否仍有證據支持。倘無相關證據支持，可使用年期評估由無限變為有限按前瞻性基準入賬。

租賃

凡本集團作為承租人持有擁有權之絕大部分風險及回報之物業、廠房及設備之租賃，均分類為融資租賃。融資租賃在租賃開始時按租賃物業之公平值及最低租賃付款現值兩者之較低者入賬。相應租金責任在扣除融資開支後計入其他短期及長期應付款項內。每項租賃付款均分攤為負債及融資費用。財務費用於租期內於損益扣除，使利息與每個期間之負債餘額達致常數定期利率。根據融資租賃取得之物業、廠房及設備按資產可使用年期內折舊，或倘無法合理確定本集團將在租期末取得所有權，則按資產的可使用年期與租期兩者之較短者折舊。

擁有權之絕大部分風險和回報並未轉讓至本集團（作為承租人）之租賃分類為經營租賃。根據經營租賃作出之付款（扣除任何自出租人獲取之優惠）於租賃期內按直線法自損益扣除。

本集團作為出租人的經營租賃的租賃收入於租期內按直線法於收益內確認。各出租資產按其性質計入財務狀況表。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

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

Financial assets

Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories: those to be measured subsequently at fair value through profit or loss, and those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

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

Recognition and measurement

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

2. 主要會計政策概要 (續)

非財務資產減值

具有無限可使用年期之商譽、無形資產或未可使用之無形資產毋須攤銷，但每年須進行減值測試，或在有事件或情況變動顯示可能發生減值時更頻繁地進行減值測試。其他資產在有事件或情況變動顯示賬面值可能無法收回時進行減值測試。減值虧損於資產賬面值超出其可收回金額時就該金額確認。可收回金額以資產之公平值扣除銷售成本及使用價值兩者之間較高者為準。就評估減值而言，資產按可分開識別現金流量（現金產生單元）之最低層次分組。除商譽外，已蒙受減值之非財務資產在每個報告期末均就減值是否可以撥回進行檢討。

財務資產

分類

自二零一八年一月一日起，本集團將其財務資產分類為以下計量類別：其後透過損益按公平值所計量者及按攤銷成本所計量者。該分類視乎實體管理財務資產及現金流量的合約條款的業務模式而定。

當且僅當本集團管理該等資產的業務模式改變時，方會對其債務投資進行重新分類。

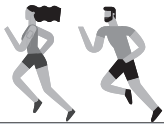
確認及計量

財務資產之所有日常買賣均於交易日（即本集團承諾買賣資產當日）確認。於初始確認時，本集團按其公平值加上（倘財務資產並非透過損益按公平值計量）取得財務資產直接應佔的交易成本計量財務資產。透過損益按公平值列賬的財務資產的交易成本於損益中支銷。

在確定具有嵌入衍生工具的財務資產的現金流量是否僅為支付本金及利息時，需從財務資產的整體進行考慮。

債務工具

債務工具之後續計量取決於本集團管理資產之業務模式及資產之現金流量特徵。本集團將其債務工具分類為三種計量類別：



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

Derecognition of financial assets

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

Impairment

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

For further details on the Group's accounting policies for management of financial assets, see note 39 credit risk.

Accounting policies applied until 31 December 2017

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

Classification

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

2. 主要會計政策概要 (續)

- 攤銷成本：持作收回合約現金流量之資產，倘該等現金流量僅指支付之本金及利息，則按攤銷成本計量。該等財務資產的利息收入採用實際利率法計入財務收入。終止確認產生的任何收益或虧損直接計入損益，並與匯兌損益一併於其他收益／（虧損）內列報。減值虧損於損益表內作為單獨項目列示。
- 透過損益按公平值計量：未達攤銷成本標準或未透過其他全面收益按公平值計量的資產乃透過損益按公平值計量。後續透過損益按公平值計量的債務投資的收益或虧損於損益確認，並於產生期間按淨額在其他收益／（虧損）內呈列。
- 透過其他全面收益按公平值計量：持作收回合約現金流量及出售財務資產之資產，倘資產現金流量僅指支付之本金及利息，則透過其他全面收益按公平值計量。賬面值變動計入其他全面收益，而減值收益或虧損、利息收入以及匯兌收益及虧損則於損益確認。倘終止確認財務資產，先前於其他全面收益確認之累計收益或虧損自權益重新分類至損益，並於其他收益／（虧損）確認。該等財務資產的利息收入採用實際利率法計入財務收入。匯兌收益及虧損於其他收益／（虧損）呈列，而減值開支於損益表內作為單獨項目列示。

終止確認財務資產

當從財務資產收取現金流量之權利已經到期或轉讓，而本集團已將擁有權之絕大部分風險和回報轉讓時，有關財務資產予以終止確認。

減值

自二零一八年一月一日起，本集團按前瞻性基準評估按攤銷成本列賬之債務工具相關之預期信貸虧損。所採用減值方法視乎信貸風險是否大幅增加而定。

有關本集團管理財務資產之會計政策之進一步詳情，請見附註39信貸風險。

直至二零一七年十二月三十一日止所應用的會計政策

本集團已追溯應用香港財務報告準則第9號，但選擇不重列比較資料。因此，所提供的比較資料繼續根據本集團過往的會計政策入賬。

分類

直至二零一七年十二月三十一日，本集團將其財務資產分類為以下類別：透過損益按公平值列值及貸款及應收款項。分類視乎取得財務資產之目的而定。管理層在初始確認時釐定財務資產之分類。



31 December 2018 二零一八年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recognition and measurement

All regular way purchases and sales of financial assets are recognised on the trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the profit or loss. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the profit or loss as 'gains and losses from investment securities'.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment

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

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

2. 主要會計政策概要 (續)

確認及計量

財務資產之所有日常買賣均於交易日(即本集團承諾買賣資產當日)確認。對於並非透過損益按公平值列值之所有財務資產,其投資初始按其公平值加交易成本確認。透過損益按公平值列值之財務資產初步按公平值確認,而交易成本則於損益內支銷。可供出售財務資產及透過損益按公平值列值之財務資產其後按公平值列賬。貸款及應收款項其後利用實際利率法按攤銷成本列賬。

分類為可供出售之貨幣及非貨幣證券之公平值變動於其他全面收益內確認。

當分類為可供出售之證券被售出或減值時,於權益確認之累計公平值調整於損益內列為「投資證券之收益及虧損」。

終止確認財務資產

在下列情況下,財務資產(或一項財務資產之部分或一組同類財務資產之部分(視適用情況而定))將終止確認:

- 收取該項資產所得現金流量之權利已經屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量之權利,或已根據一項「轉付」安排,對第三方承擔全數支付(沒有嚴重延緩)已收取現金流量之責任,並(a)本集團已轉讓該資產絕大部分風險及回報或(b)本集團並無轉讓或保留該資產絕大部分風險及回報,但已轉讓有關資產之控制權。

減值

本集團於各報告期結算日評估是否有客觀證據顯示一項財務資產或一組財務資產出現減值。只有在有客觀證據顯示於初步確認該資產後發生一項或多項事件(「虧損事件」)導致出現減值,而該項虧損事件(或該等事件)對該項或該組財務資產之估計未來現金流量所造成影響能夠可靠地估計之情況下,該項或該組財務資產始會被視作減值及產生減值虧損。

減值證據可包括一名或一組債務人正面臨重大財政困難、違約或拖欠利息或本金之跡象、彼等有可能破產或進行其他財務重組,其中有可觀察數據顯示估計未來現金流量出現顯著減少,例如欠款數目變動或出現與違約相關之經濟狀況。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Offsetting Financial Instruments

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

Derivative financial instruments

Derivative financial instruments of the Group include call and put options in connection with the acquisition of an associate and derivative financial assets in relation to a forward convertible loan. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value of derivatives are taken directly to profit or loss.

Perpetual Convertible Bonds

Perpetual Convertible Bonds issued by the Group gives holders the right to convert these Perpetual Convertible Bonds into a fixed number of the Company's ordinary shares at any time at a fixed exercise price per share, subject to adjustments as provided in the terms and conditions of the bonds. The Perpetual Convertible Bonds have no maturity date and are not redeemable. They are treated as equity instruments and are not remeasured in subsequent years.

Compound financial instruments

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component, which is included in shareholders' equity in convertible notes equity reserve. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition. The convertible notes equity reserve will be transferred to share capital and share premium accounts upon conversion. Balance of convertible notes equity reserve will be transferred to accumulated profits or losses at the expiry of the conversion rights.

The liability component of a convertible instrument is classified as current unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

2. 主要會計政策概要 (續)

財務工具之抵銷

於有可依法強制執行權利抵銷已確認金額，並擬按淨額基準結算，或同時變現資產及償還負債時，則財務資產及負債會互相抵銷，並在財務狀況表內以淨額列示。可依法強制執行權利不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，這也必須可強制執行。

衍生財務工具

本集團之衍生財務工具包括與收購聯營公司有關之認購及認沽權以及與遠期可換股貸款有關之衍生財務資產。有關衍生財務工具初步按訂立衍生工具合約之日之公平值確認，其後按公平值重新計量。當公平值為正數時，衍生工具將被列為資產，當公平值列為負數時，則被列為負債。因衍生工具公平值變動而產生之任何收益或虧損直接計入損益。

永久性可換股債券

本集團發行之永久性可換股債券賦予持有人權利於任何時候按每股固定行使價將該等永久性可換股債券兌換為固定數目之本公司普通股，惟須受該等債券之條款及條件所規定而作出之調整所限。永久性可換股債券並無到期日且為不可贖回。該等永久性可換股債券被視作股本工具且不會於往後年度重新計量。

複合財務工具

複合財務工具的負債部分初步按並無權益轉換權的類似負債的公平值確認。權益部分初步按複合財務工具的整體公平值與負債部分的公平值之間的差額確認，並計入可換股票據權益儲備的股東權益。任何直接歸屬的交易成本按彼等初始賬面值的比例分配至負債及權益部分。

於初步確認後，複合財務工具的負債部分採用實際利率法按攤銷成本計量。複合財務工具的權益部分於初始確認後不再重新計量。可換股票據權益儲備將於轉換時轉撥至股本及股份溢價賬。可換股票據權益儲備之結餘將於轉換權屆滿時轉撥至累計損益。

除非本集團有權無條件延遲償還負債至報告期末後至少十二個月，否則可換股工具的負債部分分類為流動負債。



31 December 2018 二零一八年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Stock of properties

Stock of properties are stated at the lower of cost and net realisable value. Net realisable value takes into account the price ultimately expected to be realised and the anticipated costs to completion.

Costs of properties include acquisition costs, development expenditure, borrowing costs and other direct costs attributable to the properties. The carrying values of properties held by subsidiaries are adjusted in the consolidated financial statements to reflect the Group's actual costs incurred where appropriate.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade debtors and bills receivable and other receivables

Trade debtors and bills receivable are amounts due from customers for goods sold and services rendered in the ordinary course of business. If collection of trade debtors and bills receivable and other receivables is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade debtors and bills receivable and other receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade debtors and bills receivable with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See note 19 for further information about the Group's accounting for trade debtors and bills receivable and note 39 for a description of the Group's impairment policies.

Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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

2. 主要會計政策概要 (續)

物業存貨

物業存貨以按成本與可變現淨值兩者中之較低者入賬。可變現淨值已考慮到最終預期變現之價格及預期竣工成本。

物業成本包括相關物業應佔的購入成本、發展開支、借貸成本及其他直接成本。附屬公司持有物業之賬面值在綜合財務報表內經適當調整，以反映本集團實際產生之成本。

存貨

存貨乃按成本與可變現淨值兩者中之較低者入賬。成本採用加權平均成本法釐定。製成品及在製品之成本包括原材料、直接勞工、其他直接成本及與生產相關之經常性開支（按一般經營能力）。可變現淨值乃按於日常業務過程中之估計售價減適用可變銷售開支計算。

應收賬款及應收票據及其他應收款項

應收賬款及應收票據為於日常業務過程中就已售貨品及已提供服務應收客戶之款項。倘應收賬款及應收票據及其他應收款項預期於一年或之內收回，則被分類為流動資產。否則，則以非流動資產呈列。

應收賬款及應收票據及其他應收款項初步按代價金額（無條件）確認，惟倘含有重大融資成分則按公平值確認。本集團持有應收賬款及應收票據的目的是收取合約現金流量，因此應收賬款及應收票據其後以實際利率法按攤銷成本計量。有關本集團對應收賬款及應收票據的會計處理的進一步資料，請參閱附註19，而有關本集團減值政策的描述，請參閱附註39。

現金及現金等價物

於綜合現金流量表內，現金及現金等價物包括手頭現金、活期存款及原到期日為三個月或以內之其他短期高流通性投資。

應付賬款

應付賬款為於日常業務過程中就向供應商購買的貨品或服務之付款責任。倘應付賬款於一年或一年之內到期，則被分類為流動負債，否則，則以非流動負債呈列。

應付賬款初步按公平值確認，其後以實際利率法按攤銷成本計量。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Borrowings

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

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

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Borrowing costs

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they are incurred.

2. 主要會計政策概要 (續)

撥備

當因過往事件而產生即期責任(法定或推定)並可能須於日後撥出資源解決應付責任時,倘能可靠估計有關責任之數額,則就此確認撥備。

倘出現多項類似責任,責任的清償是否需要資源的流出乃經考慮責任的整體類別後釐定。即使同類別責任中任何一項可能導致資源流出的機會不大,仍會確認撥備。

撥備乃按預計清償責任所需開支,使用反映當時市場對貨幣時間價值及責任的具體風險的評估的除稅前折現率折算的現值而計量。因時間流逝而增加的撥備確認為利息開支。

借貸

借貸初步按公平值扣除所產生交易成本確認。借貸其後按攤銷成本列賬,所得款項(經扣除交易成本)與贖回價值間的任何差額於借貸期間使用實際利率法在損益內確認。

在貸款將很有可能部分或全部提取的情況下,就設立貸款融資時支付的費用確認為貸款的交易成本。在此情況下,該費用將遞延至提取貸款為止。在並無跡象顯示該貸款將很有可能部分或全部提取的情況下,該費用會資本化作為流動資金服務的預付款項,並於有關融資期間內予以攤銷。

除非本集團有權無條件延遲償還負債至報告期末後至少十二個月,否則借貸分類為流動負債。

借貸成本

收購、建設或生產合資格資產(為需要長時間準備以供擬定用途或銷售之資產)直接應佔之一般及特定借貸成本乃計入該等資產之成本內,直至該等資產大致上可作擬定用途或銷售時為止。

備用作合資格資產開支之特定借貸之臨時投資所賺取投資收入乃自合資格資本化之借貸成本中扣除。

所有其他借貸成本於其產生期間支銷。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income tax

Income tax comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

(b) Deferred tax

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

2. 主要會計政策概要 (續)

所得稅

所得稅包括即期及遞延稅項。稅項於損益內確認，除非其與其他全面收益或直接於權益確認之項目相關。在此情況下，稅項亦分別於其他全面收益或直接於權益內確認。

(a) 即期所得稅

本期及過往期間之即期稅項資產及負債，乃根據於報告期末前已頒佈或實質頒佈之稅率（及稅法），經計及本集團經營業務所在國家之現行詮釋及慣例，按預期自稅務機關收回或向其繳付之金額計量。

(b) 遞延稅項

遞延稅項採用負債法，就資產及負債之計稅基準與其作財務申報用途之賬面值之間於報告期末之所有暫時差額作出撥備。

所有應課稅暫時差額均確認為遞延稅項負債，惟：

- 遞延稅項負債因初始確認一項交易（並非業務合併，且於進行交易時對會計溢利及應課稅損益並無影響）所涉及商譽或資產或負債而產生則不在此列；及
- 就與於附屬公司、聯營公司及合營企業之投資有關之應課稅暫時差額而言，倘能控制有關暫時差額之撥回時間及有關暫時差額可能於可見將來不會撥回，則亦不在此列。

所有可抵扣暫時差額、未動用稅項抵免及任何未動用稅項虧損的結轉均確認為遞延稅項資產，而遞延稅項資產於可能取得應課稅溢利供動用可抵扣暫時差額、未動用稅項抵免及未動用稅項虧損結轉時予以確認，惟：

- 與可抵扣暫時差額有關之遞延稅項資產因初始確認一項交易（並非業務合併，且於進行交易時對會計溢利或應課稅損益並無影響）所涉及資產或負債而產生則不在此列；及
- 就與附屬公司、聯營公司及合營企業之投資有關之可抵扣暫時差額而言，則僅在有關暫時差額可能於可見將來撥回，並有應課稅溢利供動用暫時差額之情況下，方會確認遞延稅項資產。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Revenue recognition

Revenues are recognised when, or as, the control of the goods or services is transferred to the customer. Depending on the business model, terms of the contract and the laws applicable, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods and services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods and services.

The progress towards complete satisfaction of performance obligation, depending on the nature of the good and service to be transferred, is measured based on one of the following methods that best depicts the Group's performance in satisfying the performance obligation:

- direct measurements of the value of individual services transferred by the Group to the customer; or
- the Group's efforts or inputs to the satisfaction of the performance obligation.

2. 主要會計政策概要 (續)

遞延稅項資產之賬面值於各報告期末檢討，倘不再可能有足夠應課稅溢利以供動用全部或部分遞延稅項資產，則遞延稅項資產之賬面值將相應減少。未確認遞延稅項資產於各報告期末重新評估，倘可能有足夠應課稅溢利以收回全部或部分遞延稅項資產，則確認有關遞延稅項資產。

遞延稅項資產及負債乃根據於報告期末前已頒佈或實質頒佈之稅率（及稅法），按預期變現有關資產或清償有關負債期間適用之稅率計量。

當有可依法強制執行權利將當期稅項資產與當期稅項負債抵銷，且遞延稅項資產及負債涉及相同稅務機關向同一應課稅實體或擬按淨額基準結算結餘之不同應課稅實體徵收之所得稅，則可將遞延稅項資產與負債互相抵銷。

收益確認

收益在貨品或服務的控制權轉讓予客戶時確認。根據業務模式、合約條款或適用法律，貨品及服務的控制權可以在某一時段或時點轉讓。如果本集團在履約時滿足以下條件，則貨品及服務的控制權在某一時段轉讓：

- 提供客戶同時收取及消耗的所有利益；
- 在本集團履約時創造並強化客戶所控制的資產；或
- 並未創造一項可被本集團用於其他替代用途的資產，並且本集團具有強制執行權利就迄今為止已完成的履約部分收取客戶付款。

如果對產品和服務的控制權隨時間轉移，則在合約期間通過參考履約責任之已完成進度確認收益。否則，在客戶獲得貨品及服務控制權的時點確認收益。

視乎將予轉讓的貨品及服務性質，履約責任之已完成進度根據以下方法之一計量，有關方法為本集團履行履約責任表現的最佳陳述：

- 直接計量本集團向客戶轉讓之單項服務之價值；或
- 本集團為履行履約責任所做的努力或投入。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

If contracts involve the sale of multiple goods, goods followed by related services, or multiple services, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. If the stand-alone selling prices are not directly observable, they are estimated based on expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information.

When either party to a contract has performed, the Group presents the contract in the balance sheet as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer. Contract assets and assets arising from costs to obtain or fulfil a contract that are recognised in accordance with HKFRS 15. The Group uses practical expedients to recognise the incremental costs of obtaining a contract as an expense when incurred as the amortisation period of the asset that the Group otherwise would have recognised is one year or less.

If a customer pays consideration before the Group transfers a good or service to the customer, the Group presents the contract as a contract liability when the payment is made. A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of that consideration is due.

The following is a description of the accounting policy for the principal revenue streams of the Group:

- (a) from providing services including integrated sports content production and distribution, sports talent management, community development consultancy service and sports park facilities hiring, in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously;
- (b) from the sale of goods, when control of the goods has been transferred to the buyer, which is upon the acceptance of the goods.

2. 主要會計政策概要 (續)

如果合約包括銷售多種貨品、貨品及相關服務或多種服務，交易價格將根據其相關單獨售價分配至各項履約責任。如果單獨售價無法直接觀察獲得，則根據可觀察資料的可用性按預計成本加毛利法或經調整的市場評估法進行估計。

倘合約一方已履約時，本集團根據實體履約與客戶付款之關係在資產負債表內將該合約列示為合約資產或合約負債。

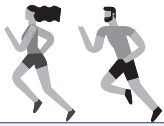
合約資產是指本集團因其向客戶轉讓貨品或服務而獲得代價的權利。合約資產及因獲得或履行合約之成本而產生之資產根據香港財務報告準則第15號確認。本集團採用可行權宜方法於產生獲得合約之增量成本時將其確認為開支，原因為本集團已另行確認之資產之攤銷期為一年或以下。

倘客戶於本集團向其轉讓貨品或服務前支付代價，則本集團於支付時將合約呈列為合約負債。合約負債指本集團就其已收客戶代價而向客戶轉讓貨品或服務之責任。

當本集團具有無條件權力收取代價時，確認應收款項。如果代價到期支付之條件僅為時間推移，本集團具有無條件權力收取該等代價。

以下是對本集團主要收益來源之會計政策說明：

- (a) 提供服務（包括綜合體育內容製作及發行、體育人才管理、社區發展諮詢服務及體育園設施租用）之收益於提供服務之會計期間確認。就固定價格之合約而言，收益按於報告期末已提供實際服務佔將予提供全部服務之比例確認，原因為客戶同時收取並使用利益；
- (b) 銷售貨品之收益於貨品控制權已轉讓予買方（即接收貨品）時予以確認。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When another party is involved in providing goods or services to a customer, the Group is a principal if it obtains control through one of the following way:

- Control the good or services before it transfers to the customers;
- Has the ability to direct another party to provide the service to the customer on the entity's behalf; or
- Providing a significant service of integrating services and obtains control of the inputs to the specified good or service and directs their use to create the combined output that is the specified good or service.

If control is not clear, the Group will analyse the three indicators (1) who is the primary obligator; (2) who has the inventory risk and (3) who has the discretion in establishing the price to assist the analysis of control. Sometimes, control are not always clear and judgement are need in analysis of whether the Group is principle or agent.

If the Group is principle, revenue will be recognise at the 'gross' amount paid by the customer for the specified good or service and record a corresponding expense for the commission or fee that it has to pay to any agent, in addition to the direct costs of satisfying the contract. If as an agent, will record revenue the commission or fee earned for facilitating the transfer of the specified goods or services (the 'net' amount retained).

Rental income is recognised on a straight line basis over the lease terms;

Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the statement of profit or loss as part of other income and other gains-net.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

2. 主要會計政策概要 (續)

倘另一方涉及向客戶提供貨品或服務，而本集團透過下列方式之一獲得控制權，則本集團屬於委託人：

- 於貨品或服務轉讓予客戶前控制該等貨品或服務；
- 有能力指示另一方代表實體向客戶提供服務；或
- 提供大量綜合服務及獲得指定貨品或服務投入之控制權，並指示有關貨品或服務用於創造綜合產出（即指定貨品或服務）。

倘控制權並不明確，本集團將分析下列三個指標：(1)誰是主要負責人；(2)誰是擁有存貨風險之一方；及(3)誰是擁有定價限制之一方，以協助分析控制權。控制權有時候並不明確，需要於分析本集團作為委託人亦或代理人時作出判斷。

倘本集團為委託人，收益將按客戶就指定貨品或服務支付之「總」額確認，且除履行合約之直接成本外，亦錄得須向任何代理人支付之佣金或費用之有關開支。倘為代理人，將就促使轉讓指定貨品或服務賺取之佣金或費用確認收益（保留「淨」額）。

租金收入於租期內按直線法確認；

利息收入

使用實際利率法按攤銷成本計算之財務資產之利息收入於損益表確認為其他收入及其他收益淨額之一部分。

利息收入的計算方法是將實際利率應用於財務資產的賬面總額，惟其後出現信貸減值的財務資產除外。就出現信貸減值的財務資產而言，實際利率應用於財務資產的賬面淨值（扣除虧損撥備）。



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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the profit or loss on a straight-line basis over the expected lives of the related assets.

Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options or shares is recognised as an expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options or shares granted on grant day:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

2. 主要會計政策概要 (續)

政府補貼

政府補貼在合理確定將會收取補貼及本集團將符合一切所附條件時，按其公平值確認。

與成本有關的政府補貼遞延入賬，並按與擬補償的成本配比所需期間於損益內確認。

與物業、廠房及設備有關之政府補貼列入非流動負債作為遞延政府補貼，並按有關資產之預計年期以直線法計入損益。

以股份為基礎之付款

本集團設有多項以股權結算及以股份為基礎之報酬計劃，據此，實體獲得來自僱員之服務作為本集團股本工具（購股權）之代價。為換取購股權或股份而提供之僱員服務之公平值確認為開支，而股本相應增加。將支銷之總額乃參考所授購股權或股份於授出當日之公平值釐定：

- 包括任何市場表現條件（如實體之股價）；
- 不包括任何服務及非市場表現歸屬條件（如盈利能力、銷售增長目標及僱員在某特定時間段於實體留任）之影響；及
- 包括任何非歸屬條件（如規定僱員在特定時間段保留或持有股份）之影響。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Other employee benefits

Pension scheme

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

The employees of the Group's subsidiaries which operate in the PRC are required to participate in central pension schemes operated by the local municipal governments. These subsidiaries are required to contribute certain percentage of their payroll costs to the central pension schemes. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension schemes.

Foreign currency translation

(a) Functional and presentation currency

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

(b) Transactions and balances

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

2. 主要會計政策概要 (續)

總支出於歸屬期(即所有規定的歸屬條件達成的期間)內確認。於各報告期末,實體根據非市場歸屬及服務條件修訂其對預期將歸屬的購股權的數目的估計,並於損益確認修訂對原估計的影響(如有),並對股本作相應調整。

於購股權獲行使時,本公司會發行新股。於購股權獲行使時,扣除任何直接應佔交易成本所收取的所得款項計入股本(面值)及股份溢價。

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例,為其香港之所有僱員提供定額供款之強制性公積金退休福利計劃(「強積金計劃」)。供款乃根據僱員基本薪金之百分比計算,並於有關款項根據強積金計劃之規則須予支付時自損益扣除。強積金計劃之資產乃獨立於本集團之資產,由獨立管理之基金分開持有。

本集團於中國經營之附屬公司之僱員須參加由當地市政府所運作之中央退休金計劃。該等附屬公司須按其薪金成本之若干百分比向該等中央退休金計劃供款。有關供款於根據該等中央退休金計劃之規則須支付時自損益扣除。

外幣換算

(a) 功能及呈報貨幣

本財務報表以港元呈列,港元為本公司之功能及呈報貨幣。本集團旗下各實體自行決定其功能貨幣,而各實體財務報表內之項目均以該實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。

(b) 交易及結餘

年內的外幣交易按交易日之匯率換算。以外幣計值的貨幣資產及負債乃按於報告期末之匯率換算。除來自用作對沖於其他全面收益確認的海外業務投資淨額之外幣借貸外,匯兌收益及虧損於損益確認。



31 December 2018 二零一八年十二月三十一日

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currency are translated using the foreign exchange rates ruling at the translation dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the translations. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

(c) Group companies

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

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

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

2. 主要會計政策概要 (續)

以外幣計值按歷史成本計量之非貨幣資產及負債，採用交易日之匯率換算。以外幣計值按公平值列賬之非貨幣資產及負債，採用計量公平值當日之匯率換算。

海外業務之業績乃按與交易日期之匯率相若之匯率換算為港元。所產生的匯兌差額於其他全面收益確認並於權益內於匯兌差額單獨累計。

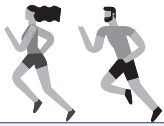
於出售海外業務時，與該海外業務有關之累計匯兌差額會在確認出售之溢利或虧損時從權益重新分類至損益。

(c) 集團公司

所有集團實體（並無來自嚴重通貨膨脹經濟體的貨幣）的業績及財務狀況的功能貨幣如有別於呈報貨幣，均按以下方式換算為呈報貨幣：

- (i) 於各財務狀況表呈列的資產及負債乃按有關財務狀況表結算日的收市匯率換算；
- (ii) 各損益的收入及開支乃按平均匯率換算（除非該平均匯率並不合理地接近有關交易當日匯率的累積影響，在該情況下，收入及開支按有關交易當日的匯率換算）；及
- (iii) 所有因此而產生的匯兌差額於其他全面收益中確認。

收購境外實體產生的商譽及公平值調整視為該境外實體的資產和負債，並以收市匯率換算。由此產生的匯兌差額於其他全面收益確認。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Disposal of foreign operation and partial disposal
On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control) the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

Ordinary shares

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

Where any group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2. 主要會計政策概要 (續)

(d) 出售海外業務及部分出售
於出售海外業務(即出售本集團於一項海外業務之全部權益,或涉及失去包含海外業務的附屬公司控制權之出售,或涉及失去包含海外業務之合營企業共同控制權之出售,或涉及失去對包含海外業務之聯營公司重大影響力之出售)時,本公司擁有人應佔就有關業務於權益累計之所有匯兌差額重新分類至損益。

倘出售部分權益不會導致本集團失去對包含海外業務之附屬公司的控制權,則按比例所分佔之累計匯兌差額重新撥歸至非控股權益,且不會於損益確認。就所有其他部分權益出售(即本集團於聯營公司或合營企業之擁有權權益減少,而並無導致本集團失去重大影響力或共同控制權)而言,按比例所分佔之累計匯兌差額重新分類至損益。

普通股

普通股分類列為權益。發行新股或購股權直接應佔的增量成本,列入權益作為所得款項的扣減(扣除稅項)。

倘任何集團公司購買本公司之權益股本(庫存股),包括任何直接應佔增量成本(扣除所得稅)之已付代價於本公司股權持有人應佔權益內扣除,直至股份獲註銷或重新發行為止。倘該等股份其後重新發行,則任何已收代價(減去任何直接應佔的新增交易成本及相關所得稅影響)計入本公司股權持有人應佔權益中。

3. 重大會計估計、假設及判斷

管理層在編製本集團之財務報表時,須作出判斷、估計及假設,而該等判斷、估計及假設對所呈報收益、開支、資產及負債之金額及隨附披露資料以及或然負債之披露資料均會產生影響。有關假設及估計存在不確定因素,可能導致出現須對日後受影響資產或負債之賬面值作出重大調整之結果。

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

(i) Revenue recognition

The main revenue streams of the Group include revenue from sports content production and distribution, sports talent management, sale of goods and community development consultancy services. Under HKFRS 15 "Revenue from Contracts with Customers", revenue from the sale of goods and rendering of services is recognised when control of goods or services transfer to customers. The Group's accounting policy in relation to revenue recognition is disclosed in note 2.3. In addition, the illustrative example of HKFRS 15 requires the Group to determine whether the Group is acting as a principal or an agent on these type of activities, the Group made assessment based on indicators of (a) who is primarily responsible for providing the goods or services; (b) who has inventory risk; and (c) who has latitude to establish prices. Based on a comprehensive assessment of all the facts and circumstances, judgement is made on an individual contract basis to determine whether revenue can be recognised during the year and whether revenue should be recognised on a gross or net basis.

With respect to the sponsorship and marketing related services the Group provided to its associates in relation to a top-tier professional basketball league in the PRC included in sports content production and distribution income in Note 5 REVENUE, OTHER INCOME AND OTHER GAINS-NET, the Group makes a judgement that it is acting as a principal instead of an agent by considering several factors including: (a) the Group creates the combined output by integrating services and goods provided by other parties together with the services produced by itself; (b) the Group could control the services and goods and direct the use of them; (c) the Group is acting as the primary obligor to fulfill the obligations to provide integrated sponsorship and marketing activities services to its customers; and (d) the Group bears the substantive inventory risk of the specified goods and services obtained from the suppliers.

(ii) Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

3. 重大會計估計、假設及判斷 (續)

判斷

應用本集團會計政策過程中，管理層已作以下對財務報表所確認數額有最重大影響之判斷（除涉及估計者外）：

(i) 收益確認

本集團之主要收益來源包括體育內容製作及發行、體育人才管理、銷售貨品及社區發展諮詢服務。根據香港財務報告準則第15號「與客戶所訂合約之收益」，銷售貨品及提供服務之收益於貨品或服務的控制權轉移至客戶時確認。本集團有關收益確認之會計政策於附註2.3內披露。此外，香港財務報告準則第15號之示例說明要求本集團須判定其是否擔任此類活動之委託人或代理人，而本集團根據下列指標作出評估(a)誰是主要負責提供貨品及服務之一方；(b)誰是擁有存貨風險之一方；及(c)誰是擁有定價限制之一方。根據對所有事實及情況作出之全面評估，按個別合同為基準，以判斷能否於年內確認收益及應否按總額或淨額基準確認收益。

本集團就一個中國高等級職業籃球聯賽向其聯營公司提供之贊助及市場推廣相關服務計入附註5收益、其他收入及其他收益淨額的體育內容製作及發行收入，而本集團就此判斷其乃擔任委託人而非代理人，當中經考慮若干因素，包括：(a)本集團透過整合其他方提供之服務及貨品以及其自身提供之服務，創造綜合產出；(b)本集團控制有關服務及貨品並控制彼等之用途；(c)本集團乃主要負責人，以履行向其客戶提供綜合贊助及市場推廣相關服務之責任；及(d)本集團就供應商提供之指定貨品及服務承擔重大存貨風險。

(ii) 投資物業與業主自用物業之分類

本集團會評定某物業是否合資格列作投資物業，並就作出此判斷制定標準。投資物業指持作賺取租金或為資本增值或作兩種用途之物業。因此，本集團考慮一項物業產生之現金流量是否基本上與本集團持有之其他資產無關。

部分物業包含持作賺取租金或作資本增值用途之部分，以及另一持作用於生產或供應貨品或服務或作行政用途之部分。倘該等部分可分開出售（或根據融資租約分開租出），則本集團會將該等部分分開記賬。倘該等部分不能分開出售，則物業僅於非重大部分持作用於生產或供應貨品或服務或作行政用途時，方屬投資物業。至於配套服務是否重大，致使某物業不合資格列作投資物業，則應就個別物業作出判斷。



3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

Estimation uncertainty

Notes 13, 15, 16, 28, and 30 contain information about the assumptions and their risk factors relating to estimation of fair value of investment properties, interests in associates and joint ventures, derivative financial instruments, deferred tax assets and liabilities and fair value of share options granted, other key sources of estimation uncertainty are as follow:

(i) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in note 39.

(ii) Impairment of Goodwill and intangible assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period in accordance with the accounting policies stated in note 2.3. Indefinite life intangible assets and goodwill are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. Both calculations require the use of estimates. The calculation of the fair value less costs to sell is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. In estimating the value in use of assets, various assumptions, including future cash flows to be associated with the non-current assets (such as future sales forecast, expected capital expenditure and working capital requirements) and discount rates, are made. If future events do not correspond to such assumptions, the recoverable amounts will need to be revised, and this may have an impact on the Group's results of operations or financial position.

The goodwill arising from the acquisition of 非凡德勝 amounted to HK\$18,433,000. The Group has assessed the recoverable amount of the CGU with goodwill and concluded that goodwill has not been impaired. The recoverable amounts of the CGUs with goodwill have been determined based on value in use calculation, which use cash flow projections as at 31 December 2018. These cash flow projections are derived from the approved business plan which has a forecast covering a period of 5 years and have incorporated necessary updates. The key assumptions used in the value in use calculations are set out in note 14.

3. 重大會計估計、假設及判斷 (續)

估計之不明朗因素

附註13、15、16、28及30載有與估計投資物業公平值、於聯營公司及合營企業之權益、衍生財務工具、遞延稅項資產及負債及所授購股權之公平值有關之假設及其風險因素之資料，估計之不明朗因素之其他主要來源如下：

(i) 財務資產減值

財務資產虧損撥備乃基於有關違約風險及預期虧損率之假設作出。於各報告期末，本集團根據其過往歷史、現時市況及前瞻性估計，通過判斷作出該等假設及選擇減值計算之輸入數據。有關主要假設及輸入數據之詳情於附註39之表格披露。

(ii) 商譽及無形資產減值

本集團於各報告期末根據附註2.3所述之會計政策評估所有非財務資產是否存在任何減值跡象。具無限年期之無形資產及商譽每年及於存在減值跡象時進行減值測試。其他非財務資產於其賬面值存在不可收回跡象時進行減值測試。資產或現金產生單位之賬面值超逾其可收回金額（即其公平值減銷售成本與其使用價值中之較高者）時，即出現減值。兩種計算均須使用估計。公平值減銷售成本乃按類似資產以公平交易方式從具法律約束力之銷售交易中可獲得數據、或可觀察市價減出售資產之增量成本計算。在估計資產的使用價值時，須作出多項假設，包括非流動資產有關的未來現金流量（如未來銷售預測、預計資本開支及營運資金需求）及貼現率。倘未來情況不符合該等假設，則可收回金額將須予以修訂，而此舉可能會影響本集團的經營業績或財務狀況。

收購非凡德勝產生之商譽為18,433,000港元。本集團已評估商譽現金產生單位之可收回金額，並認為商譽並無減值。商譽現金產生單位之可收回金額乃基於使用價值釐定，而使用價值計算採用二零一八年十二月三十一日之現金流量預測。該現金流量預測乃摘自經批准業務計劃，該計劃載有涵蓋五年期的預測並已載入必要更新資料。使用價值計算採用之主要假設載於附註14。



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3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (CONTINUED)

(iii) Depreciation

The Group's management exercises its judgement in estimating the useful lives of the depreciable assets. The estimated useful lives reflect the management's estimate of the periods the Group intends to derive future economic benefits from the use of these assets.

The Group depreciates the property, plant and equipment in accordance with the accounting policies stated in note 2.3 to the financial statements. The carrying amount of property, plant and equipment is disclosed in note 12 to the financial statements.

4. OPERATING SEGMENT INFORMATION

The management is the Group's chief operating decision-maker. The management reviews the Group's internal reports periodically in order to assess performance and allocate resources.

The management considers the business from a product/service perspective. The management separately considers the different products and services offered, and for the year ended 31 December 2018, the Group is organised into two reportable operating segments as follows:

- (a) the sports-related business segment engages in the production and distribution of sports content, management and marketing of sports talents and provision of sports-related marketing and consultancy service; and
- (b) the community development segment engages in operation of sports parks, and sports centres, development of communities, provision of community development consultancy and subcontracting services; property development for sales and investment, and research and development, manufacturing, marketing and sales of construction materials.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss before tax. The adjusted profit or loss before tax is measured consistently with the Group's profit or loss before tax except that interest income, finance costs, equity-settled share option expenses, fair value changes on investment properties, share of profits and losses of associates and joint ventures as well as head office and corporate income and expenses are excluded from such measurement.

3. 重大會計估計、假設及判斷 (續)

(iii) 折舊

本集團管理層在估計可折舊資產之可使用年期時行使其判斷。估計可使用年期反映管理層所估計本集團擬自使用該等資產帶來日後經濟利益之期間。

本集團根據財務報表附註2.3所述會計政策對物業、廠房及設備計算折舊。物業、廠房及設備之賬面值於財務報表附註12披露。

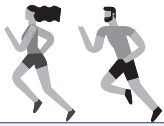
4. 經營分部資料

管理層乃本集團之主要經營決策者。管理層定期審閱本集團之內部報告，以評估表現及進行資源分配。

管理層從產品／服務角度考慮業務。管理層分別考慮所提供之不同產品及服務，而本集團於截至二零一八年十二月三十一日止年度分為以下兩個呈報經營分部：

- (a) 體育相關業務分部，從事體育內容製作及發行、體育人才管理及市場推廣以及提供體育相關市場推廣及諮詢服務；及
- (b) 社區開發分部，從事經營體育園及運動中心；開發社區；提供社區發展諮詢及分包服務；待售物業開發及投資；以及建材之研發、製造、市場推廣及銷售。

管理層分開監察本集團各經營分部之業績，以就資源分配及表現評估作出決定。分部表現乃根據可呈報分部溢利或虧損來進行評估，此乃計量經調整除稅前溢利或虧損之方法。經調整除稅前溢利或虧損之計量方法與本集團之除稅前溢利或虧損一致，惟利息收入、財務成本、以股權結算之購股權開支、投資物業之公平值變動、分佔聯營公司及合營企業之溢利及虧損以及總辦事處及企業收入及開支則不包括於該計量中。



Notes to Consolidated Financial Statements 綜合財務報表附註

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4. OPERATING SEGMENT INFORMATION (CONTINUED)

4. 經營分部資料 (續)

		Sports-related business	Community development	Total
Year ended 31 December 2018	截至二零一八年 十二月三十一日止年度	體育相關業務 HK\$'000 千港元	社區開發 HK\$'000 千港元	總計 HK\$'000 千港元
Segment revenue:	分部收益：			
External	外部	363,310	771,274	1,134,584
Segment results	分部業績	51,928	10,184	62,112
<i>Reconciliation:</i>	<i>調節表：</i>			
Interest income	利息收入			6,525
Gain on remeasurement of pre-existing interest in a joint venture	重新計量於合營企業之 現有權益之收益			1,764
Fair value gain on investment properties	投資物業之公平值收益			(677)
Equity-settled share option expense	以股權結算之購股權開支			(13,148)
Corporate and other unallocated income	企業及其他未分配收入			183
Corporate and other unallocated expenses	企業及其他未分配開支			(60,672)
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之 溢利減虧損			182,329
Finance costs	財務成本			(83,693)
Profit before income tax	除所得稅前溢利			94,723
Other segment information:	其他分部資料：			
Depreciation	折舊	573	3,531	4,104
Add: depreciation related to corporate	加：與企業有關之折舊			96
				4,200
Capital expenditure	資本開支	140	7,577	7,717
Add: capital expenditure related to corporate	加：與企業有關之資本開支			658
				8,375



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4. OPERATING SEGMENT INFORMATION (CONTINUED)

	截至二零一七年 十二月三十一日止年度
Year ended 31 December 2017	
Segment revenue:	分部收益：
External	外部
Segment results	分部業績
<i>Reconciliation:</i>	<i>調節表：</i>
Interest income	利息收入
Fair value loss on investment properties	投資物業之公平值虧損
Equity-settled share option expense	以股權結算之購股權開支
Corporate and other unallocated income	企業及其他未分配收入
Corporate and other unallocated expenses	企業及其他未分配開支
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業之溢利減虧損
Finance costs	財務成本
Loss before income tax	除所得稅前溢利
Other segment information:	其他分部資料：
Depreciation	折舊
Add: depreciation related to corporate	加：與企業有關之折舊
Capital expenditure	資本開支
Add: capital expenditure related to corporate	加：與企業有關之資本開支

4. 經營分部資料(續)

Sports-related business	Community development	Total
體育相關業務	社區開發	總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
177,904	434,563	612,467
19,538	36,199	55,737
		5,067
		(28,440)
		(52,644)
		600
		(50,164)
		48,196
		(87,215)
		(108,863)
556	2,475	3,031
		91
		3,122
197	857	1,054
		54,172
		55,226

Information about major customers

Revenue of approximately HK\$329,959,000 was derived from an individual customer of the sports-related business segment, while HK\$274,695,000, HK\$270,330,000 and HK\$152,068,000 were derived from three individual customers of the community development segment, respectively, for the year ended 31 December 2018.

Revenue of approximately HK\$145,282,000 was derived from an individual customer of the sports-related business segment, while HK\$169,270,000 and HK\$114,810,000 were derived from two individual customers of the community development segment, respectively, for the year ended 31 December 2017.

Geography information

For the years ended 31 December 2018 and 2017, the operating activities of the Group are mainly carried out in the PRC.

主要客戶之資料

於截至二零一八年十二月三十一日止年度，約329,959,000港元之收益來自一名體育相關業務分部之個別客戶，而274,695,000港元、270,330,000港元及152,068,000港元之收益分別來自三名社區開發分部之個別客戶。

於截至二零一七年十二月三十一日止年度，約145,282,000港元之收益來自一名體育相關業務分部之個別客戶，而169,270,000港元及114,810,000港元之收益分別來自兩名社區開發分部之個別客戶。

地區資料

截至二零一八年及二零一七年十二月三十一日止年度，本集團的營運活動主要在中國進行。

**5. REVENUE, OTHER INCOME AND OTHER GAINS-NET**

Revenue, which is also the Group's turnover, represents (i) the net invoiced value of goods sold, net of value-added tax and after allowances for returns and trade discounts; (ii) the value of services rendered, net of value-added tax and government surcharges; (iii) considerations received and receivable for organising events and competitions; (iv) gross hiring income received and receivable from sports park facilities; and (v) gross rental income received and receivable from investment properties during the year.

An analysis of the Group's revenue, other income and other gains-net are as follows:

5. 收益、其他收入及其他收益淨額

收益（亦即本集團之營業額）乃指年內：(i)銷售貨品之發票淨值（經扣除增值稅以及扣除退貨撥備及貿易折扣）；(ii)所提供服務價值（經扣除增值稅及政府徵費）；(iii)已收及應收組織活動及比賽之代價；(iv)體育園設施已收及應收之租賃收入總額；及(v)自投資物業已收及應收之租金收入總額。

本集團收益、其他收入及其他收益淨額之分析如下：

		2018 二零一八年	2017 二零一七年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益		
Sports content production and distribution income	體育內容製作及發行收入	354,573	170,271
Sports talent management income	體育人才管理收入	8,694	7,633
Sale of goods	銷售貨品	715,211	383,483
Community development consultancy service income	社區發展諮詢服務收入	24,482	35,123
Sports park facilities hiring income and other service income	體育園設施之租賃收入及其他服務收入	21,019	11,586
Gross rental income	租金總收入	10,605	4,371
		1,134,584	612,467
Other income	其他收入		
Government grants	政府補貼	21,169	35,944
Interest income	利息收入	6,525	5,067
Gain on re-measurement of pre-existing interest in a joint venture	重新計量於合營企業之現有權益之收益	1,764	-
		29,458	41,011
Other gains-net	其他收益淨額		
Fair value change on derivative financial instruments	衍生財務工具之公平值變動	(5,109)	601
Net gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益淨額	183	443
		(4,926)	1,044
		24,532	42,055

Note:

(a) Total interest income on financial assets that are measured at amortised cost for the year was HK\$6,525,000 (2017: HK\$5,067,000 at amortised cost).

(b) Revenue recognised during the year that was included in the contract liability balance at the beginning of the year was HK\$47,978,000.

附註：

(a) 年內按攤銷成本計量的財務資產的總利息收入為6,525,000港元（二零一七年：按攤銷成本5,067,000港元）

(b) 計入年初合約負債結餘之年內已確認收益為47,978,000港元。



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5. REVENUE, OTHER INCOME AND OTHER GAINS-NET (CONTINUED)

Revenue recognised in relation to contract liabilities

The Group has recognised the following liabilities related to contracts with customers:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Contract liabilities – receipts in advance	合約負債 – 預收款項	20,474	–

Reclassified and remeasured amounts – See note 2.2(c) for explanations

As at 31 December 2018, included in contract liabilities was an amount of HK\$2,563,000 (2017: HK\$44,263,000 included in receipts in advance) received from an associate, which is based on normal commercial terms offered by the Group to major customers.

6. FINANCE COSTS

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Interest on bank loans	銀行貸款利息	25	4,117	14,879
Interest on convertible notes	可換股票據利息	27	107,898	99,065
Less: interest expense capitalised into properties under development for sale	減：資本化至發展中之待售物業之利息開支	(a)	(28,322)	(26,729)
			83,693	87,215

Note:

(a) The finance costs have been capitalised at a weighted average interest rate of 13.81% per annum (2017: 12.25% per annum).

5. 收益、其他收入及其他收益淨額 (續)

就合約負債確認的收益

本集團已確認下列與客戶合約有關的負債：

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Contract liabilities – receipts in advance	20,474	–

經重新分類及重新計量的款項 – 有關說明請參閱附註2.2(c)

於二零一八年十二月三十一日，自一間聯營公司收取之款項2,563,000港元（二零一七年：44,263,000港元計入預收款項）乃計入合約負債，此乃根據本集團向主要客戶提供之正常商業條款釐定。

6. 財務成本

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Interest on bank loans	銀行貸款利息	25	4,117	14,879
Interest on convertible notes	可換股票據利息	27	107,898	99,065
Less: interest expense capitalised into properties under development for sale	減：資本化至發展中之待售物業之利息開支	(a)	(28,322)	(26,729)
			83,693	87,215

附註：

(a) 財務成本已按13.81%之加權平均年利率資本化（二零一七年：年利率12.25%）。



7. PROFIT/(LOSS) BEFORE INCOME TAX

The Group's profit/(loss) before income tax is arrived at after charging/(crediting):

7. 除所得稅前溢利／（虧損）

本集團之除所得稅前溢利／（虧損）乃經扣除／（計入）下列各項達致：

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Cost of inventories sold	已售存貨成本		687,961	378,285
Cost of services provided	所提供服務成本		279,895	139,674
Depreciation	折舊	12	4,200	3,122
Amortisation of intangible assets	無形資產攤銷	14	380	–
Gain on remeasurement of pre-existing interest in a joint venture	重新計量於合營企業之現有權益之收益	5	(1,764)	–
Minimum lease payments under operating leases of land and buildings	土地及樓宇經營租約之最低租賃付款		10,484	9,049
Auditor's remuneration	核數師酬金			
– audit services	– 核數服務		3,986	3,603
– tax services	– 稅務服務		150	150
– other services	– 其他服務		1,367	1,922
Employee benefit expense (including directors' remuneration (Note 8)):	僱員福利開支（包括董事酬金（附註8））：			
– Wages and salaries	– 工資及薪金		61,363	48,798
– Equity-settled share option expenses	– 以股權結算之購股權開支		9,138	33,585
– Contributions to defined contribution retirement plans	– 定額供款退休計劃之供款		5,697	3,646
			76,198	86,029
Fair value loss on investment properties	投資物業之公平值虧損	13	677	28,440
Foreign exchange loss	匯兌虧損		2,635	3,683
Net gain on disposal of property, plant and equipment	出售物業、廠房及設備項目之收益淨額	5	(183)	(443)
Fair value change on derivative financial instruments	衍生財務工具之公平值變動	5	5,109	(601)



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8. DIRECTORS' REMUNERATION

Directors' remuneration for the year disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Fees	袍金	1,950	1,725
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	14,881	14,523
Equity-settled share option expenses	以股權結算之購股權開支	5,380	26,014
Pension scheme contributions	退休金計劃供款	72	72
		20,333	40,609
		22,283	42,334

During the current and prior years, certain directors were granted share options, in respect of their services to the Group, under the share option schemes of the Company, further details of which are set out in note 30 to the financial statements. The fair values of such options, which have been recognised in profit or loss over the relevant vesting period, were determined as at the respective dates of grant and the amount included in the financial statements for the current year are included in the above directors' remuneration disclosures.

8. 董事酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之年度董事酬金如下：

於本年度及過往年度，若干董事就其為本集團提供服務而根據本公司購股權計劃獲授購股權，有關進一步詳情載於財務報表附註30。該等購股權之公平值於相關歸屬期間在損益確認，並於相關授出日期釐定，而計入本年度財務報表之款項已計入上文所披露之董事酬金內。



8. DIRECTORS' REMUNERATION (CONTINUED)

An analysis of the directors' remuneration, is as follows:

8. 董事酬金 (續)

董事酬金分析如下：

		Note	Fees	Salaries, allowances and benefits in kind	Equity-settled share option expenses	Retirement scheme contributions	Total remuneration
		附註	袍金	薪金、津貼及實物福利	以股權結算之購股權開支	退休金計劃供款	酬金總計
			HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2018	二零一八年						
Executive directors:	執行董事：						
Mr. Li Ning	李寧先生		200	10,682	183	18	11,083
Mr. Chan Ling	陳寧先生		200	1,800	1,216	18	3,234
Mr. Li Chunyang	李春陽先生		200	1,047	608	18	1,873
Mr. Li Qilin	李麒麟先生		200	1,352	2,645	18	4,215
			800	14,881	4,652	72	20,405
Non-executive directors:	非執行董事：						
Mr. Ma Wing Man	馬詠文先生		200	-	182	-	382
Mr. Chan James	陳進思先生		200	-	182	-	382
			400	-	364	-	764
Independent non-executive directors:	獨立非執行董事：						
Mr. Chen Johnny	陳志宏先生		250	-	182	-	432
Mr. Lien Jown Jing, Vincent	連宗正先生		250	-	182	-	432
Mr. Wang Yan	汪延先生		250	-	-	-	250
			750	-	364	-	1,114
			1,950	14,881	5,380	72	22,283



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8. DIRECTORS' REMUNERATION (CONTINUED)

8. 董事酬金 (續)

	Note	Fees	Salaries, allowances and benefits in kind	Equity-settled share option expenses	Retirement scheme contributions	Total remuneration
	附註	袍金	薪金、津貼及實物福利	以股權結算之購股權開支	退休金計劃供款	酬金總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
2017						
Executive directors:						
Mr. Li Ning		175	10,356	867	18	11,416
Mr. Chan Ling		175	1,800	5,780	18	7,773
Mr. Li Chunyang		175	1,067	2,890	18	4,150
Mr. Li Qilin		175	1,300	12,571	18	14,064
		700	14,523	22,108	72	37,403
Non-executive directors:						
Mr. Ma Wing Man		175	–	867	–	1,042
Mr. Chan James		175	–	867	–	1,042
		350	–	1,734	–	2,084
Independent non-executive directors:						
Mr. Ng Sau Kei, Wilfred	(a)	100	–	438	–	538
Mr. Chen Johnny		225	–	867	–	1,092
Mr. Lien Jown Jing, Vincent		225	–	867	–	1,092
Mr. Wang Yan	(b)	125	–	–	–	125
		675	–	2,172	–	2,847
		1,725	14,523	26,014	72	42,334

Note:

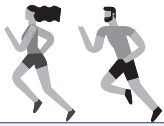
- (a) Mr. Ng Sau Kei, Wilfred, resigned with effect from 1 July 2017.
- (b) Mr. Wang Yan, appointed on 1 July 2017.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2017: Nil).

附註:

- (a) 吳守基先生於二零一七年七月一日辭任。
- (b) 汪延先生於二零一七年七月一日獲委任。

年內概無董事放棄或同意放棄任何酬金之安排 (二零一七年: 無)。

**9. FIVE HIGHEST PAID INDIVIDUALS**

The five highest paid individuals during the year included three directors (2017: four directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining two (2017: one) highest paid individuals who are neither a director nor a chief executive of the Company are as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	4,030	2,372
Equity-settled share option expenses	以股權結算之購股權開支	2,744	3,928
Retirement scheme contributions	退休金計劃供款	87	53
		6,861	6,353

The number of the non-director and non-chief executive highest paid individuals whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2018 二零一八年	2017 二零一七年
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	1	–
HK\$3,500,001 to HK\$4,000,000	3,500,001港元至4,000,000港元	1	–
HK\$6,000,001 to HK\$6,500,000	6,000,001港元至6,500,000港元	–	1
		2	1

In prior years, share options were granted to the non-director and non-chief executive highest paid individuals in respect of their services to the Group, further details of which are set out in note 30 to the financial statements. The fair value of such share options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid individuals remuneration disclosures.

9. 五名最高薪酬人士

年內五名最高薪酬人士包括三名董事(二零一七年:四名董事),其酬金詳情載列於上文附註8。年內其餘兩名(二零一七年:一名)非本公司董事或行政總裁之最高薪酬人士之酬金詳情如下:

薪酬屬以下範圍之非董事及非行政總裁之最高薪酬人士之人數如下:

於過往年度,已就非董事及非行政總裁之最高薪酬人士為本集團服務而向其授出購股權,有關進一步詳情載於財務報表附註30。該等購股權之公平值於歸屬期間在損益確認,並於授出日期釐定,而計入本年度財務報表之款項已計入上文所披露之非董事及非行政總裁之最高薪酬人士之酬金內。



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10. INCOME TAX

10. 所得稅

		2018 二零一八年	2017 二零一七年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Current tax – the PRC	本期稅項 – 中國		
Charge for the year	年內支出	27,114	14,800
Overprovision in prior years	過往年度超額撥備	(559)	(25,722)
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差額的產生及撥回	28	4,927
Income tax expense/(credit)	所得稅開支／(抵免)	21,733	(5,995)

No provision for Hong Kong profits tax has been provided for the year ended 31 December 2018 as the Group did not generate any assessable profits arising in Hong Kong during the year (2017: Nil). The PRC corporate income tax provision in respect of operations in the PRC is calculated based on the statutory tax rate of 25% on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof (2017: 25%).

本集團截至二零一八年十二月三十一日止年度並無於香港產生任何應課稅溢利，故並無就本年度作出香港利得稅撥備（二零一七年：無）。就中國業務作出之中國企業所得稅撥備乃根據相關現行法規、詮釋和慣例按本年度估計應課稅溢利以25%之法定稅率計算（二零一七年：25%）。

A reconciliation of the income tax expense/(credit) applicant to profit/(loss) before income tax for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax charge is as follows:

本公司及其大部份附屬公司所處司法管轄區之適用於除所得稅前溢利／(虧損)之所得稅開支／(抵免)與稅項支出之對賬如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Profit/(loss) before income tax	除所得稅前溢利／(虧損)	94,723	(108,863)
At the statutory/applicable income tax rates of different jurisdictions	按不同司法管轄區之法定／適用所得稅率計算	35,858	(10,610)
Tax effect of profits less losses attributable to associates and joint ventures	聯營公司及合營企業應佔溢利減虧損之稅務影響	(45,582)	(12,031)
Tax effect of income not subject to tax	毋須課稅收入之稅務影響	(1,226)	(966)
Tax effect of expenses not deductible for tax	不可扣稅開支之稅務影響	10,507	40,325
Overprovision in prior years	過往年度超額撥備	(559)	(25,722)
Tax effect of unused tax losses not recognised	未動用未確認稅項虧損之稅務影響	22,735	17,776
Tax effect of tax losses utilised	已動用稅項虧損之稅務影響	-	(14,767)
Income tax expense/(credit)	所得稅開支／(抵免)	21,733	(5,995)

The share of income tax expense attributable to associates and joint ventures for the year amounting to HK\$27,982,000 (2017: HK\$10,291,000) is included in "Share of profits less losses of associates and joint ventures" in the profit or loss.

年內分佔聯營公司及合營企業應佔所得稅開支達27,982,000港元（二零一七年：10,291,000港元）乃計入損益之「分佔聯營公司及合營企業之溢利減虧損」。



11. PROFIT/(LOSS) PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings/(loss) per share amounts for the years ended 31 December 2018 and 2017 is based on the profit/(loss) for the year attributable to equity holders of the Company, and the weighted average number of ordinary shares in issue and participating equity instruments during the years.

No adjustment has been made to the basic loss per share amounts presented for the year ended 31 December 2017 in respect of a dilution as the impact of the potential dilution effect of the associate's dilutive potential ordinary shares and the Company's potential ordinary shares for the year ended 31 December 2017, either had anti-dilutive or no dilutive effect on the basic loss per share amount presented.

The calculation of the diluted earnings per share amounts for the year ended 31 December 2018 is based on the profit for the year attributable to equity holders of the Company after adjustment to the dilutive effect of share of profits in an associate arising from its potential ordinary shares and the weighted average number of ordinary shares after adjustment for the effect of deemed exercise of all dilutive potential ordinary shares at no consideration at the beginning of the period. The effect of the outstanding convertible notes (note 27) was not included in the computation of diluted earning per share for 2018 as it was anti-dilutive.

11. 本公司權益持有人應佔每股溢利／(虧損)

截至二零一八年及二零一七年十二月三十一日止年度之每股基本溢利／(虧損)金額乃根據本公司權益持有人應佔年內溢利／(虧損)及年內已發行普通股及參與股本工具加權平均數計算。

由於截至二零一七年十二月三十一日止年度，聯營公司具攤薄影響之潛在普通股及本公司的潛在普通股之潛在攤薄效應對所呈列之每股基本虧損金額具反攤薄效應或並無攤薄效應，故並無就攤薄對截至二零一七年十二月三十一日止年度所呈列之每股基本虧損金額作出調整。

截至二零一八年十二月三十一日止年度之每股攤薄盈利金額乃根據本公司權益持有人應佔年內溢利(已就其潛在普通股產生之分佔一間聯營公司溢利之攤薄影響作出調整)及普通股加權平均數(已就視作於期初按零代價行使全部攤薄性潛在普通股之影響作出調整)計算。由於尚未行使的可換股票據(附註27)具反攤薄效應，因此於計算二零一八年之每股攤薄盈利時並未計及尚未行使可換股票據之影響。

		2018 二零一八年	2017 二零一七年
Profit/(loss) attributable to equity holders of the Company, used in the basic earning/(loss) per share calculation (HK\$'000)	用於計算每股基本溢利／(虧損)之本公司權益持有人應佔溢利／(虧損)(千港元)	76,982	(109,666)
Adjustment to the share of profits in an associate arising from its dilutive potential ordinary shares	因潛在攤薄普通股而調整分佔一間聯營公司之溢利	(1,244)	-
Profit/(loss) attributable to equity holders of the company, used in the diluted earnings/(loss) per share calculation (HK\$'000)	用於計算每股攤薄盈利／(虧損)之本公司權益持有人應佔溢利／(虧損)(千港元)	75,738	(109,666)
Number of ordinary shares 普通股數目			
Weighted average number of ordinary shares in issue and participating equity instruments used in the basic earnings/(loss) per share calculation ('000)	用於計算每股基本溢利／(虧損)之已發行普通股及參與股本工具之加權平均數(千股)	11,231,069	11,187,179
Dilutive equivalent shares arising from potential ordinary shares ('000)	因潛在普通股所產生之攤薄等同股數(千股)	87,351	-
Weighted average number of ordinary shares and potential ordinary shares used in the diluted earnings per share calculation ('000)	用於計算每股攤薄盈利之普通股及潛在普通股加權平均數(千股)	11,318,420	11,187,179
Basic earnings/(loss) per share (HK cents)	每股基本溢利／(虧損)(港仙)	0.69	(0.98)
Diluted earnings/(loss) per share (HK cents)	每股攤薄盈利／(虧損)(港仙)	0.67	(0.98)

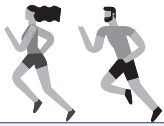


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12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Machinery and office equipment 機器及辦公室設備 HK\$'000 千港元	Furniture and fixtures 傢具及裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2018		二零一八年十二月三十一日				
At 1 January 2018:	於二零一八年一月一日：					
Cost	成本	20,023	13,006	723	5,503	39,255
Accumulated depreciation and impairment	累計折舊及減值	(12,262)	(7,591)	(629)	(4,210)	(24,692)
Net book amount	賬面淨值	7,761	5,415	94	1,293	14,563
Opening net book amount	年初賬面淨值	7,761	5,415	94	1,293	14,563
Acquisition of a subsidiary	收購附屬公司	907	2,696	-	-	3,603
Additions	添置	4,051	3,312	53	383	7,799
Disposal	出售	-	(370)	-	(24)	(394)
Depreciation charge	折舊費	(1,931)	(1,854)	(34)	(381)	(4,200)
Currency translation differences	匯兌差額	(499)	(454)	(4)	(15)	(972)
Closing net book amount	年終賬面淨值	10,289	8,745	109	1,256	20,399
At 31 December 2018:	於二零一八年十二月三十一日：					
Cost	成本	23,992	17,615	769	5,249	47,625
Accumulated depreciation and impairment	累計折舊及減值	(13,703)	(8,870)	(660)	(3,993)	(27,226)
Net book amount	賬面淨值	10,289	8,745	109	1,256	20,399
31 December 2017		二零一七年十二月三十一日				
At 1 January 2017:	於二零一七年一月一日：					
Cost	成本	18,339	11,506	717	7,047	37,609
Accumulated depreciation and impairment	累計折舊及減值	(9,783)	(6,445)	(622)	(5,223)	(22,073)
Net book amount	賬面淨值	8,556	5,061	95	1,824	15,536
Opening net book amount	年初賬面淨值	8,556	5,061	95	1,824	15,536
Additions	添置	446	728	24	-	1,198
Disposal	出售	-	(1)	-	(122)	(123)
Depreciation charge	折舊費	(1,834)	(741)	(30)	(517)	(3,122)
Currency translation differences	匯兌差額	593	368	5	108	1,074
Closing net book amount	年終賬面淨值	7,761	5,415	94	1,293	14,563
At 31 December 2017:	於二零一七年十二月三十一日：					
Cost	成本	20,023	13,006	723	5,503	39,255
Accumulated depreciation and impairment	累計折舊及減值	(12,262)	(7,591)	(629)	(4,210)	(24,692)
Net book amount	賬面淨值	7,761	5,415	94	1,293	14,563



13. INVESTMENT PROPERTIES

13. 投資物業

		Completed	Under construction	Land use rights held for future development of industrial buildings 持作未來開發工業樓宇之土地使用權	Total
		完工 HK\$'000 千港元	在建 HK\$'000 千港元	(Note (b)) (附註(b)) HK\$'000 千港元	總計 HK\$'000 千港元
Carrying amount at 1 January 2017	於二零一七年一月一日				
	之賬面值	76,494	5,171	158,275	239,940
Fair value loss	公平值虧損	(6,909)	(1,862)	(19,669)	(28,440)
Disposal	出售	-	(3,585)	(86,735)	(90,320)
Currency translation differences	匯兌差額	5,601	276	10,217	16,094
Carrying amount at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日				
	之賬面值	75,186	-	62,088	137,274
Addition	添置	11,331	-	-	11,331
Fair value loss	公平值虧損	(392)	-	(285)	(677)
Currency translation differences	匯兌差額	(4,780)	-	(3,210)	(7,990)
Carrying amount at 31 December 2018	於二零一八年十二月三十一日				
	之賬面值	81,345	-	58,593	139,938

Amounts recognised in profit or loss for investment properties	就投資物業之損益確認之金額	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Rental income	租金收入	5,576	4,066

As at 31 December 2018, the Group had no unprovided contractual obligations for future repairs and maintenance (2017: Nil).

於二零一八年十二月三十一日，本集團並無已簽約但未撥備之將來維修及保養責任（二零一七年：無）。

Notes:

附註：

(a) The Group's investment properties are situated in the PRC and are held under medium term leases.

(a) 本集團之投資物業位於中國，並按中期租約持有。

(b) Land use rights held for future development of industrial buildings are used to earn rental income and/or for capital appreciation.

(b) 持作未來開發工業樓宇之土地使用權乃用以賺取租金收入及／或資本增值。



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13. INVESTMENT PROPERTIES (CONTINUED)

(c) The fair values of the Group's investment properties are assessed by management based on the property valuation performed by Savills Valuation and Professional Services Limited, independent professionally qualified valuers. The carrying amount of investment properties at 31 December 2018 was HK\$139,938,000 (2017: HK\$137,274,000).

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2018 are as follows:

	Quoted prices in active markets for identical assets Level 1 相同資產 於活躍市場之 報價第一級 HK\$'000 千港元	Significant other observable inputs Level 2 其他重大可觀察 輸入數據 第二級 HK\$'000 千港元	Significant unobservable inputs Level 3 重大不可觀 察輸入數據 第三級 HK\$'000 千港元	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 之公平值 HK\$'000 千港元
Industrial property units 工業物業單元	-	-	139,938	139,938

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2017 are as follows:

	Quoted prices in active markets for identical assets Level 1 相同資產 於活躍市場之 報價第一級 HK\$'000 千港元	Significant other observable inputs Level 2 其他重大可觀察 輸入數據 第二級 HK\$'000 千港元	Significant unobservable inputs Level 3 重大不可觀 察輸入數據 第三級 HK\$'000 千港元	Fair value as at 31 December 2017 於二零一七年 十二月三十一日 之公平值 HK\$'000 千港元
Industrial property units 工業物業單元	-	-	137,274	137,274

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer. There were no transfers among the levels during the year.

The fair value of investment properties is determined by adopting the income capitalisation approach and made reference to available comparable market transactions. The valuation also takes into account the rental income of contractual tenancies, reversionary market rent after the expiry of tenancy in capitalisation (2018: RMB4.5 – 36.3 per sq.m. per month and 2017: RMB4.5 – 13.0 per sq.m. per month), capitalisation rate (2018 and 2017: 6.0%-7.0%), expected vacancy rate (2018 and 2017: 20%), interest rate (2018: NA and 2017: NA), developer's profit margin (2018: NA and 2017: NA), latest development proposals and estimated construction costs to completion (2018: NA and 2017: NA) etc. The assumptions have been adjusted for the quality and location of the properties. The fair value measurement is positively correlated to the market rent and negatively correlated to the capitalisation rate, expected vacancy rate, interest rate, estimated cost to completion and developer's profit margin.

13. 投資物業 (續)

(c) 管理層根據獨立專業合資格估值師第一太平戴維斯估值及專業顧問有限公司進行之物業估值評估本集團投資物業之公平值。於二零一八年十二月三十一日，投資物業之賬面值為139,938,000港元（二零一七年：137,274,000港元）。

本集團投資物業之詳情及於二零一八年十二月三十一日之公平值等級架構之資料如下：

本集團投資物業之詳情及於二零一七年十二月三十一日之公平值等級架構之資料如下：

本集團的政策為於發生轉移事件當日或狀況改變引致轉移時，確認於公平值等級架構間的轉入及轉出。於年內概無層級之間之轉撥。

投資物業之公平值乃透過採納收入資本化法並參考現有可資比較市場交易而釐定。估值亦考慮合約租期之租金收入、租期屆滿後之可回復市場租金資本化（二零一八年：每個月每平方米人民幣4.5元至人民幣36.3元及二零一七年：每個月每平方米人民幣4.5元至人民幣13.0元）、資本化率（二零一八年及二零一七年：6.0%至7.0%）、預期空置率（二零一八年及二零一七年：20%）、利率（二零一八年：不適用及二零一七年：不適用）、開發商之利潤率（二零一八年：不適用及二零一七年：不適用）、最新發展方案及估計完工成本（二零一八年：不適用及二零一七年：不適用）等。假設已就該等物業之質素及位置而調整。公平值計量與市場租金正相關，而與資本化率、預期空置率、利率、估計完工成本及開發商之利潤率為負相關。

**13. INVESTMENT PROPERTIES (CONTINUED)**

(d) As at 31 December 2018, all the investment properties has been completed, for which the completion and acceptance certificates for construction works and the real estate title certificates have been under application by the Group. Accordingly, additional construction costs and any other associated charges may be incurred and payable to contractors and/or the relevant government authorities for the fulfillment of the completion and acceptance for construction works.

(e) Further particulars of the Group's investment properties are set out on page 195.

14. INTANGIBLE ASSETS

At 1 January 2018:	於二零一八年一月一日：			
Acquisition of a subsidiary	收購附屬公司	18,433	13,539	31,972
Amortisation charge	攤銷費	–	(380)	(380)
Currency translation differences	匯兌差額	(963)	(908)	(1,871)
Closing net book amount	年終賬面淨值	17,470	12,251	29,721
At 31 December 2018:	於二零一八年十二月三十一日：			
Cost	成本	17,470	12,619	30,089
Accumulated amortisation	累計攤銷	–	(368)	(368)
Net book amount	賬面淨值	17,470	12,251	29,721

Goodwill arose from the acquisition of 非凡德勝(珠海)體育科技發展有限公司("非凡德勝") during the year of 2018. Trademarks represent the trademarks of 非凡德勝, also arose from the acquisition of 非凡德勝 with the useful life of 20 years

The goodwill arising from the acquisition of 非凡德勝 amounted to HK\$18,433,000. As each of the single entity within the group of 非凡德勝 cannot generate cash inflows that are largely independent from other entities, the management considers the 非凡德勝 group as a separate CGU, and all the goodwill is allocated to this CGU.

Goodwill impairment review is undertaken by the management annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value in use ("VIU") and fair value less costs of disposal (FVLCD). The recoverable amount of the cash generating unit (CGU) is determined based on VIU. The VIU calculation is based on certain key assumptions, which use cash flow projections based on financial forecast prepared by management covering a five-year period.

13. 投資物業(續)

(d) 於二零一八年十二月三十一日，所有投資物業均已竣工，而本集團已申請建築工程竣工驗收證書以及房地產業權證書。因此可能會就完成建築工程之竣工驗收而產生應付承建商及／或相關政府機構之額外建築成本及任何其他附帶開支。

(e) 本集團投資物業之進一步詳情載於第195頁。

14. 無形資產

Goodwill 商譽	Trademarks 商標	Total 總計
HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
18,433	13,539	31,972
–	(380)	(380)
(963)	(908)	(1,871)
17,470	12,251	29,721
17,470	12,619	30,089
–	(368)	(368)
17,470	12,251	29,721

商譽乃產生自於二零一八年收購非凡德勝(珠海)體育科技發展有限公司("非凡德勝")。商標指非凡德勝商標，亦自收購非凡德勝產生，可使用年期為20年。

收購非凡德勝產生之商譽為18,433,000港元。由於非凡德勝組別內各單一實體並無產生基本獨立於其他實體的現金流入，故管理層認為非凡德勝組別為單獨現金產生單位，而所有商譽均分配至此現金產生單位。

管理層每年進行商譽減值檢討，或如事件或情況轉變顯示可能存在減值，則更頻密地檢討。商譽賬面值與可收回金額(使用價值("使用價值"))與公平值減出售成本較高者)比較。現金產生單位之可收回金額乃基於使用價值釐定。使用價值計算乃以若干主要假設為基準，使用基於管理層所編製涵蓋五年期的財務預測得出的現金流量預測。



31 December 2018 二零一八年十二月三十一日

14. INTANGIBLE ASSETS (CONTINUED)

The Group believes that it is appropriate to cover a five-year period in its cash flow projection, because it captures the development stage of the 非凡德勝's businesses during which it expects to experience a high growth rate. The management leveraged their extensive experiences in the industries and provided forecast based on past performance and their expectation of future business plans and market developments.

The key assumptions, revenue growth rate, earnings before interest, tax, depreciation and amortization ("EBITDA"), and discount rate used in the VIU calculations as at 31 December 2018, are as follows:

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度
Revenue growth rate	收益增長率	24%-60%
EBITDA margin (% of revenue)	EBITDA利潤率(佔收益百分比)	0.8%-35.1%
Discount rate	貼現率	14.5%
Long-term growth rate	長期增長率	3%

The revenue growth rate is for the five-year forecast period. The cash flow projection is derived from the approved business plan which has a forecast covering a period of five years and have incorporated necessary updates.

The percentage of EBITDA of revenue is the average percentages over the five-year forecast period. It is based on the current margin levels, with adjustments made to reflect the expected future market conditions.

The discount rate used is post-tax and reflect specific risks relating to the CGU.

The following changes in assumptions would cause the recoverable amount to fall below the carrying value:

A reduction in the sales growth rate from the assumption of 24%-60% applied to a revised assumption of 23%-48% or less.

A reduction in the EBITDA margin from the assumption of 0.8%-35.1% applied to a revised assumption of -6.6%-27.8% or less.

An increase in the discount rate from the 14.5% assumption applied to a revised assumption of 18.64% or more.

14. 無形資產(續)

本集團認為，採用涵蓋五年期的現金流量預測乃屬合適，原因為其了解非凡德勝業務之發展情況，並預期於期內享有較高增長率。管理層憑藉其於業內之豐富經驗，根據過往表現及其對未來業務計劃及市場發展的預期進行預測。

於二零一八年十二月三十一日使用價值計算採用之主要假設、收益增長率、除息稅折舊及攤銷前盈利(「EBITDA」)及貼現率如下：

收益增長率乃針對五年預測期間。現金流量預測乃摘自經批准業務計劃，該計劃載有涵蓋五年期的預測並已載入必要更新資料。

EBITDA佔收益之百分比為五年預測期間的平均百分比，乃基於目前利潤率水平並作出調整以反映預期未來市場狀況。

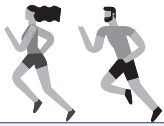
所採用貼現率為稅後比率，並反映有關現金產生單位之特定風險。

下列假設變動將導致可收回金額跌至低於賬面值：

銷售增長率自所採用假設值24%至60%下降至經修訂假設值23%至48%或以下。

EBITDA利潤率自所採用假設值0.8%至35.1%下降至經修訂假設值-6.6%至27.8%或以下。

貼現率自所採用假設值14.5%上升至經修訂假設值18.64%或以上。



Notes to Consolidated Financial Statements 綜合財務報表附註

31 December 2018 二零一八年十二月三十一日

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES

15. 於聯營公司及合營企業之權益

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Associates	聯營公司	3,577,938	3,575,241
Joint ventures	合營企業	18,282	54,268
		3,596,220	3,629,509

Interests in associates

The following is a movement of interests in associates during the year:

於聯營公司之權益

以下為年內於聯營公司之權益變動：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
At 1 January	於一月一日	3,575,241	3,255,017
Share of profits less losses for the period	分佔期內溢利減虧損	183,179	48,342
Share of other comprehensive (loss)/income	分佔其他全面(虧損)/收益	(514)	(545)
Share of reserves	分佔儲備	21,531	7,973
Dividend received	已收股息	(11,343)	(2,408)
Currency translation differences	匯兌差額	(190,156)	266,862
At 31 December	於十二月三十一日	3,577,938	3,575,241

Particulars of the Group's principal associates are as follows:

本集團之主要聯營公司之詳情如下：

Name	Notes	Place of incorporation/ registration 註冊成立/註冊地點	Percentage of ownership interest directly attributable to the Group 本集團直接應佔擁有權權益之百分比	Principal activities
名稱	附註	註冊成立/註冊地點		主要業務
Li Ning Co 李寧公司	(a)	Cayman Islands 開曼群島	22.5%	Brand development, design, manufacture, sale and distribution of sport-related footwear, apparel, equipment and accessories in the PRC 於中國從事體育相關鞋類、服飾、器材及配件之品牌開發、設計、製造、銷售及分銷
CITIC Land 中信置業	(b)	The PRC 中國	29%	Project investment, real estate development, hotel investment and management, property management, project contracting, and real estate consultancy, etc. 項目投資、房地產開發、酒店投資管理、物業管理、工程承包及房地產諮詢等
Double Happiness 紅雙喜	(c)	The PRC 中國	10%	Manufacture, research and development, marketing and sale of principally table tennis and badminton equipment under its own "紅雙喜 (Double Happiness)" brand and other sports accessories 製造、研發、營銷及銷售其自有品牌「紅雙喜」的主要乒乓球及羽毛球用品及其他體育配件

As at 31 December 2018, the market value of Li Ning Co's listed shares was HK\$8.40 (2017: HK\$6.33) per share. The number of Li Ning Co ordinary shares held by the Group as at 31 December 2018 was approximately 299,374,000 Shares (2017: 299,374,000 Shares) and the number of convertible securities held as at 31 December 2018 was approximately 249,827,000 units (2017: 249,827,000 units).

於二零一八年十二月三十一日，李寧公司上市股份之市價為每股8.40港元（二零一七年：每股6.33港元）。於二零一八年十二月三十一日，本集團持有之李寧公司普通股數目約為299,374,000股（二零一七年：299,374,000股），於二零一八年十二月三十一日所持可換股證券之數目約為249,827,000份（二零一七年：249,827,000份）。



31 December 2018 二零一八年十二月三十一日

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The following table illustrates the summarised financial information of the Group's principal associates extracted from its financial information or financial statements after adjusting for the impacts of adjustments made at the time of acquisition and adjustments for differences in accounting policies, if any (the ones extracted from Li Ning Co and Double Happiness are after adjusting for the impacts of adjustments made at the time of acquisition and adjustments for differences in accounting policies, if any, and for non-coterminous periods between the Group and Li Ning Co):

15. 於聯營公司及合營企業之權益 (續)

下表闡述本集團主要聯營公司之概要財務資料，有關資料乃摘錄自其財務資料或財務報表（經就於收購時作出之調整影響作出調整及就會計政策差異（如有）作出調整）（該等摘錄自李寧公司及紅雙喜之資料乃經就於收購時作出之調整影響作出調整及就本集團與李寧公司之間會計政策的差異（如有）及不相連會計期間作出調整）：

		2018			2017		
		二零一八年			二零一七年		
		Li Ning Co	CITIC Land	Double Happiness	Li Ning Co	CITIC Land	Double Happiness
		李寧公司	中信置業	紅雙喜	李寧公司	中信置業	紅雙喜
		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
Gross amounts of the associates	聯營公司之總金額						
Current assets	流動資產	7,148,061	336,090	923,294	5,707,241	407,330	788,586
Non-current assets	非流動資產	4,642,210	1,237,906	1,190,093	4,796,773	1,239,742	1,228,049
Current liabilities	流動負債	3,512,848	184,608	908,907	2,641,642	165,630	751,239
Non-current liabilities	非流動負債	195,788	381,765	183,527	225,001	404,375	200,608
Net assets attributable to the equity holders	權益持有人應佔資產淨值	8,081,635	1,007,623	1,020,953	7,634,309	1,077,067	1,051,899
Revenue for the period	期內收益	11,977,388	36,751	814,895	9,876,807	39,788	821,860
Profit/(loss) for the period	期內溢利/（虧損）	778,601	(13,757)	125,633	463,373	(12,526)	135,233
Other comprehensive income/(loss)	其他全面收益/（虧損）	(2,280)	-	-	(2,427)	-	-
Total comprehensive income/(loss)	全面收益/（虧損）總額	776,321	(13,757)	125,633	460,946	(12,526)	135,233
Reconciliation to the Group's interests in the associates	本集團於聯營公司的權益的對賬						
Gross amounts of net assets attributable to the equity holders of the associates	聯營公司權益持有人應佔資產淨值總額	8,081,635	1,007,623	1,007,958	7,634,309	1,077,067	1,051,899
Group's effective interest	本集團實際權益	22.5%	29.0%	10.0%	22.6%	29.0%	10.0%
Group's share of net assets of the associates	本集團應佔聯營公司的資產淨值	1,829,682	292,212	100,796	1,728,408	312,350	105,189
Goodwill	商譽	1,218,004	76,847	55,484	1,284,305	81,030	58,322
Carrying amount in the consolidated financial statements	於綜合財務報表的賬面值	3,047,686	369,059	156,280	3,012,713	393,380	163,511



15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

The Group's consolidated financial statements for the year ended 31 December 2018 include the Group's share of the results and reserves of Li Ning Co for the twelve months ended 30 September 2018 and adjusted for any significant events or transactions for the period from 1 October 2018 to 31 December 2018. The Group's consolidated financial statements for the year ended 31 December 2017 include the Group's share of the results and reserves of Li Ning Co for the twelve months ended 30 September 2017 and adjusted for any significant events or transactions for the period from 1 October 2017 to 31 December 2017. The Group has adopted the provision contained in HKAS 28 whereby it is permitted to include the attributable share of associates' results based on accounts drawn up to a non-coterminous period end where the difference must be no greater than three months. There is no non-coterminous period end for other associates and joint ventures.

Interests in joint ventures

During the year ended 31 December 2017, the Group entered into a capital contribution agreement to subscribe for 50% equity interest in 非凡德勝 for a consideration of RMB30,000,000. The transaction was completed in December 2017 and a goodwill amounting to approximately HK\$12 million, which arose from the excess of the purchase consideration over the Group's interests in the fair value of identifiable net assets of 非凡德勝 attributable to shareholders of 非凡德勝 at the date of acquisition was recognised and included in "Interests in joint ventures" in the consolidated statement of financial position. The fair value of the identifiable net assets is based on the valuation performed by Savills Valuation and Professional Services Limited. 非凡德勝 is a company incorporated in the PRC with limited liability, whose principal activities include provision of scientific physical rehabilitation training and health management services for the community to enhance the people's physical health and sports performance. The Group shared a post-acquisition loss of HK\$307,000 for the period ended 31 December 2017 and HK\$995,000 for the year of 2018 till 非凡德勝 becomes a subsidiary of the Group in June 2018. The Group completed the step acquisition of 20% equity interest in 非凡德勝, resulting in holding 70% equity interest in total since June 2018.

15. 於聯營公司及合營企業之權益 (續)

本集團截至二零一八年十二月三十一日止年度之綜合財務報表包括本集團分佔李寧公司截至二零一八年九月三十日止十二個月之業績及儲備並就自二零一八年十月一日起至二零一八年十二月三十一日止期間之任何重大事件或交易作出調整。本集團截至二零一七年十二月三十一日止年度之綜合財務報表包括本集團分佔李寧公司截至二零一七年九月三十日止十二個月之業績及儲備並就自二零一七年十月一日起至二零一七年十二月三十一日止期間之任何重大事件或交易作出調整。本集團已採納香港會計準則第28號所載之條文，據此，其獲准計入以聯營公司不相連期間末（但有關差距不得超過三個月）之賬目為基準之應佔聯營公司之業績。其他聯營公司及合營企業無不相連期間末。

於合營企業的權益

於截至二零一七年十二月三十一日止年度，本集團訂立一項注資協議，以代價人民幣30,000,000元認購非凡德勝50%股權。相關交易已於二零一七年十二月完成及於收購日期，因購買代價超出本集團於非凡德勝之股東應佔非凡德勝可識別資產淨值之公平值權益而產生之約12,000,000港元之商譽已確認並計入綜合財務狀況表之「於合營企業的權益」。可識別資產淨值公平值乃根據第一太平戴維斯估值及專業顧問有限公司進行之估值釐定。非凡德勝是一間於中國註冊成立的有限公司，其主要業務包括為社區提供科學體能康復訓練及健康管理服務，以增強人們的身體健康及體育表現。於截至二零一七年十二月三十一日止期間，本集團應佔收購後虧損307,000港元，及非凡德勝於二零一八年六月成為本集團附屬公司之前之二零一八年款項995,000港元。本集團已完成分階段收購非凡德勝之20%股權，即自二零一八年六月以來合共持有70%股權。



31 December 2018 二零一八年十二月三十一日

15. INTERESTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

Interests in joint ventures (CONTINUED)

On 18 September 2017, the Group entered into a limited partnership agreement with a wholly-owned subsidiary of Huarong Real Estate Co., Ltd, which is principally engaged in financial consultancy services, investment consultancy services and investment management, for the establishment of a Sports Cultural Industry Fund with an aggregate capital contribution totalling RMB1.5 billion while the Group is responsible for RMB500 million of the aggregate capital contribution. The Fund's investment objective is to invest in sport community development projects, and sports and cultural-related intellectual property projects, as well as investments in private equity funds and other investment opportunities.

Commitments in respect of associates and joint ventures

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Commitment to provide funding for associates' and a joint venture's capital commitment*	就聯營公司及一間合營企業資本承擔提供資金之承擔* 584,329	616,137

* Included in the total capital commitment disclosed in note 34 to the financial statements.

16. DERIVATIVE FINANCIAL INSTRUMENTS

	2018 二零一八年	2017 二零一七年
	Asset 資產	Liabilities 負債
Options	期權	2,255
Forward convertible loan	遠期可換股貸款	-
	22,780	2,255
Current	流動	-
Non-current	非流動	2,255
	22,780	2,255

(a) The options are accounted for as derivative financial instruments in the consolidated statement of financial position. As at 31 December 2018, the fair values of the put option and the call option were approximately HK\$736,000 (2017: HK\$4,903,000) and approximately HK\$3,508,000 (2017: HK\$2,648,000) respectively.

15. 於聯營公司及合營企業之權益 (續)

於合營企業的權益 (續)

於二零一七年九月十八日，本集團與華融置業有限責任公司之全資附屬公司（主要從事金融諮詢服務、投資諮詢服務及投資管理）訂立有限合夥協議，以成立體育文化產業基金，出資總額為人民幣15億元，本集團承擔出資總額中的人民幣5億元。基金之投資目標為投資體育社區發展項目以及體育和文化相關知識產權項目，以及投資私募基金及其他投資機會。

關於聯營公司及合營企業的承擔

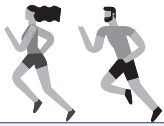
	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Commitment to provide funding for associates' and a joint venture's capital commitment*	就聯營公司及一間合營企業資本承擔提供資金之承擔* 584,329	616,137

* 已載入於財務報表附註34披露之總資本承擔中。

16. 衍生財務工具

	2018 二零一八年	2017 二零一七年
	Asset 資產	Liabilities 負債
Options	期權	2,255
Forward convertible loan	遠期可換股貸款	-
	22,780	2,255
Current	流動	-
Non-current	非流動	2,255
	22,780	2,255

(a) 購股權於綜合財務狀況表內入賬為衍生財務工具。於二零一八年十二月三十一日，認沽權及認購權之公平值分別為約736,000港元（二零一七年：4,903,000港元）及約3,508,000港元（二零一七年：2,648,000港元）。

**16. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)**

The fair values of the options as at 31 December 2017 and 31 December 2018 were estimated, using a binomial model, taking into account the terms and conditions, spot price and exercise price of the options. The following table lists the other key inputs to the model used:

		Valuation date 估值日期	
		31 December 2017 二零一七年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日
Annual risk-free rate (%)	無風險年利率(%)	3.77	2.75
Expected volatility (%)	預期波幅(%)	55.90	45.4
Life of options (years)	購股權年期(年)	2.98	1.98
Probability of fulfilling all conditions for exercise (%)	達成所有行使條件之可能性(%)	8.4	4.4

The fair values of the put option and the call option were measured using significant unobservable inputs (level 3 of fair value hierarchy). During the year, there were no transfers among the levels.

(b) A forward convertible loan with six-month maturity is formed near year ended 31 December 2018 for a potential acquisition of a e-sports group when certain conditions are met. At 31 December 2018, the carrying amount of it reasonably approximated to its fair value.

16. 衍生財務工具(續)

購股權於二零一七年十二月三十一日及二零一八年十二月三十一日之公平值乃使用二項式模式估計，並已考慮購股權之條款及條件、購股權之現貨價及行使價。下表載列該模式使用之其他主要數據：

認沽權及認購權之公平值乃使用重大不可觀察輸入數據(第3級公平值架構)計量。年內，公平值層級間並無進行轉移。

(b) 一份六個月到期的遠期可換股貸款於接近二零一八年十二月三十一日年結前簽訂，擬於達成若干條件時購買一電競產業集團。於二零一八年十二月三十一日，遠期可換股貸款之賬面值與其公平值合理相若。

17. STOCK OF PROPERTIES

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Properties under development for sale	發展中之待售物業	293,474	273,048

The properties under development for sale are held outside Hong Kong with medium to long term lease. The development is expected to be completed after more than one year from the reporting date.

17. 物業存貨

發展中之待售物業乃於香港境外以中長期租賃持有。有關發展預期將於自報告日期起超過一年後完成。



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18. INVENTORIES

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Raw materials	原材料	12	196
Finished goods	製成品	232	140
		244	336

There was no write-down of inventories for the years ended 31 December 2018 and 31 December 2017.

18. 存貨

於截至二零一八年十二月三十一日及二零一七年十二月三十一日止年度，並無存貨撇減。

19. TRADE DEBTORS AND BILLS RECEIVABLE

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Trade debtors and bills receivable	應收賬款及應收票據	384,764	303,577
Less: allowance for doubtful debts	減：呆賬撥備	(4,449)	(4,038)
		380,315	299,539

The Group's trading terms with its customers are mainly on credit, generally one month, extending up to six months for major customers. Each customer has a maximum credit limit. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade debtors and bills receivable balances. Trade debtors and bills receivable are non-interest-bearing.

An aged analysis of the trade debtors and bill receivable based on the payment due date is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Current	即期	349,183	235,152
Less than 3 months past due	逾期少於三個月	17,900	44,523
3 to 6 months past due	逾期三至六個月	800	18,083
More than 6 months past due	逾期超過六個月	12,432	1,781
		380,315	299,539

19. 應收賬款及應收票據

本集團主要按記賬方式與客戶交易，信貸期一般為一個月，主要客戶則最多可延長信貸期至六個月。每名客戶均有最高信貸限額。高級管理層定期檢討逾期結餘。本集團並無就其應收賬款及應收票據結餘持有任何抵押品或其他增強信貸之保障。應收賬款及應收票據為不計利息。

應收賬款及應收票據根據付款到期日之賬齡分析如下：

**19. TRADE DEBTORS AND BILLS RECEIVABLE (CONTINUED)**

Information about the impairment of trade debtors and the Group's exposure to credit risk, foreign currency risk and interest risk can be found in Note 39.

Receivables that were neither past due nor impaired relate to diversified customers with no recent history of default.

No amounts included in the Group's trade debtors and bills receivable as at 31 December 2018 are due from associates, (2017: HK\$15,193,000 which are repayable on similar credit terms to those offered by the Group to the major customers).

20. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Prepayments	預付款項		112,701	98,883
Deposits and other receivables	按金及其他應收款項	(a)	96,129	168,109
Less: loss allowance for deposits and other receivables	減：按金及其他應收款項之虧損撥備	38	(24,014)	(7,206)
			184,816	259,786
Less: current portion	減：流動部分		115,861	258,026
Non-current deposits and other receivables	非流動按金及其他應收款項		68,955	1,760

Notes:

(a) Included in deposits and other receivables as at 31 December 2017 and 31 December 2018 is an interest-bearing loan advance of HK\$70,000,000 and HK\$72,150,000 respectively to a third party which was guaranteed by the controlling shareholder of the third party and repayable within one year and three years respectively, which is because the maturity date has been extended for another three years. For the credit risk and impairment analysis, please see note 39.

Deposits and other receivables are measured at amortised costs. The detail information about the impairment of deposits and other receivables can be found in note 39.

19. 應收賬款及應收票據 (續)

有關應收賬款的減值以及本集團面臨信貸風險、外幣風險及利率風險之資料，請參閱附註39。

並未逾期或減值之應收款項與多名近期並無拖欠記錄之客戶有關。

本集團於二零一八年十二月三十一日之應收賬款及應收票據沒有包括應收聯營公司款項(二零一七年：15,193,000港元，其還款信貸期與本集團提供予主要客戶之信貸期相若)。

20. 預付款項、按金及其他應收款項

附註：

(a) 於二零一七年十二月三十一日及二零一八年十二月三十一日的按金及其他應收款項分別為授予一名第三方的70,000,000港元及72,150,000港元之計息貸款，該貸款由該第三方的控股股東擔保並分別於一年內及三年內償還，原因為到期日已延長三年。有關信貸風險及減值分析，請參閱附註39。

按金及其他應收款項按攤銷成本計量。有關按金及其他應收款項減值之詳情請參閱附註39。



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21. CASH AND BANK BALANCES**(a) Cash and bank balances comprise**

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Cash and bank balances other than time deposits	定期存款以外之現金及銀行結餘	349,457	501,395
Time deposits	定期存款	31,197	19,617
Cash and bank balances	現金及銀行結餘	380,654	521,012

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to approximately HK\$355,390,000 (2017: HK\$380,099,000), approximately HK\$283,685,000 (2017: HK\$379,239,000) of which was domiciled in the PRC. The RMB is not freely convertible into other currencies in the PRC, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks other than time deposits earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods of between one and three months depending on the short-term cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

(b) Net debt

This section sets out an analysis of net debt for the year ended 31 December 2018.

21. 現金及銀行結餘**(a) 現金及銀行結餘包括**

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Cash and bank balances other than time deposits	定期存款以外之現金及銀行結餘	349,457	501,395
Time deposits	定期存款	31,197	19,617
Cash and bank balances	現金及銀行結餘	380,654	521,012

於報告期末，本集團以人民幣計值之現金及銀行結餘約為355,390,000港元（二零一七年：380,099,000港元），其中約283,685,000港元（二零一七年：379,239,000港元）存於中國。人民幣於中國不可自由兌換為其他貨幣。然而，根據《中國外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團獲准透過獲授權進行外匯業務之銀行將人民幣兌換為其他貨幣。

銀行現金（定期存款除外）根據每日銀行存款利率按浮動利率賺取利息。短期定期存款為期一至三個月不等，視乎本集團短期現金需求而定，並按各自短期定期存款利率賺取利息。銀行結餘存放於最近無違約記錄且信譽良好之銀行。

(b) 債務淨額

本節載有截至二零一八年十二月三十一日止年度的債務淨額之分析。

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Net debt	債務淨額		
Cash and cash equivalents	現金及現金等價物	380,654	521,012
Borrowings – repayable within one year	借貸 – 於一年內償還	(40,023)	–
Borrowings – repayable after one year	借貸 – 於一年後償還	(819,602)	(788,140)
Net debt	債務淨額	(478,971)	(267,128)
Cash and cash equivalents	現金及現金等價物	380,654	521,012
Gross debt – fixed interest rates	債務總額 – 固定利率	(819,602)	(750,605)
Gross debt – variable interest rates	債務總額 – 浮動利率	(40,023)	(37,535)
Net debt	債務淨額	(478,971)	(267,128)



21. CASH AND BANK BALANCES (CONTINUED)

(c) Reconciliation of liabilities from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities 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.

21. 現金及銀行結餘 (續)

(c) 融資活動所產生負債的對賬

下表詳列本集團因融資活動產生的負債的變動，包括現金及非現金變動。融資活動產生的負債為現金流量或未來現金流量將於本集團的綜合現金流量表內分類為融資活動之現金流量的負債。

		Bank and other loans 銀行及 其他貸款 HK\$'000 千港元 (Note 25) (附註25)	Convertible notes 可換股票據 HK\$'000 千港元 (Note 27) (附註27)	Total 總計 HK\$'000 千港元
	Notes 附註			
At 1 January 2018		37,535	750,605	788,140
Changes from financing cash flows:				
Proceeds from new bank loan		40,000	-	40,000
Repayment of bank and other loans		(40,000)	-	(40,000)
Interest paid		(1,629)	(38,901)	(40,530)
Total changes from financing cash flows		(1,629)	(38,901)	(40,530)
Non-cash changes				
Interest expenses	6	3,065	80,628	83,693
Capitalised borrowing costs	6	1,052	27,270	28,322
At 31 December 2018		40,023	819,602	859,625



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21. CASH AND BANK BALANCES (CONTINUED)

21. 現金及銀行結餘(續)

		Bank and other loans 銀行及 其他貸款 HK\$'000 千港元 (Note 25) (附註25)	Convertible notes 可換股票據 HK\$'000 千港元 (Note 27) (附註27)	Total 總計 HK\$'000
	Notes 附註			
At 1 January 2017	於二零一七年一月一日	416,640	690,440	1,107,080
Changes from financing cash flows:	融資活動之現金流量變動:			
Proceeds from new bank loan	新銀行貸款所得款項	40,000	–	40,000
Repayment of bank and other loans	償還銀行及其他貸款	(429,058)	–	(429,058)
Interest paid	已付利息	(14,636)	(38,900)	(53,536)
Total changes from financing cash flows	融資活動之現金流量變動總額	(403,694)	(38,900)	(442,594)
Non-cash changes	非現金變動			
Net exchange and translation difference	淨匯兌及匯兌差額	9,710	–	9,710
Interest expenses	利息開支	11,389	75,826	87,215
Capitalised borrowing costs	資本化借貸成本	3,490	23,239	26,729
At 31 December 2017	於二零一七年十二月三十一日	37,535	750,605	788,140



22. TRADE AND OTHER PAYABLES

The trade payables of the Group as at 31 December 2018 and 2017 were all aged within three months, as determined based on the invoice date. They are non-interest-bearing and are normally settled on terms ranging from 30 to 60 days.

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Trade payables	應付賬款	102,789	105,252
Other payables	其他應付款項	43,448	61,532
		146,237	166,784

22. 應付賬款及其他應付款項

根據發票日期計算，本集團於二零一八年及二零一七年十二月三十一日之應付賬款之賬齡均少於三個月。該等款項為免息及一般須於30至60日之期限內償還。

23. ACCRUALS AND RECEIPTS IN ADVANCE

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Accruals	應計費用	33,859	22,613
Receipts in advance	預收款項	-	48,808
		33,859	71,421

23. 應計費用及預收款項

24. DEFERRED INCOME

The movements in deferred income as stated under current and non-current contract liabilities are as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	41,187	71,752
Government grants received during the year	年內已收政府補貼	8,368	-
Credited to profit or loss	計入損益	(21,169)	(34,485)
Currency translation differences	匯兌差額	(2,643)	3,920
Carrying amount at 31 December	於十二月三十一日之賬面值	25,743	41,187
Less: current portion	減：流動部分	15,732	19,216
		10,011	21,971

24. 遞延收入

列入流動及非流動合約負債項下之遞延收入之變動如下：



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24. DEFERRED INCOME (CONTINUED)

Deferred income mainly represents government grants obtained for the purpose of subsidising subsidiaries' operation. Government grants received are initially recognised in the consolidated statement of financial position as deferred income and are amortised through profit or loss on a systematic basis over the periods in which the grants are intended to compensate.

25. BANK LOANS

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Bank loans, secured	銀行貸款，有抵押	40,023	37,535
		40,023	37,535
Less: Current portion	減：流動部分	40,023	-
		-	37,535

Bank loans bear floating rate of HIBOR plus basis.

As at 31 December 2018, loan included collateralised bank loan which is secured by interest in an associate with an estimated carrying amount of approximately HK\$110,986,000 (2017: HK\$111,612,000).

The Group has obtained bank facilities of HK\$460,000,000 during the year, of which HK\$420,000,000 remained unutilised at 31 December 2018.

24. 遞延收入 (續)

遞延收入主要指就補貼一家附屬公司之營運而取得之政府補貼。已收政府補貼初步於綜合財務狀況表內確認為遞延收入，並按系統基準於該補貼計劃予補償之期間於損益中攤銷。

25. 銀行貸款

銀行貸款香港銀行同業拆息加指定息率之浮動利率計息。

於二零一八年十二月三十一日，貸款包括由於一間聯營公司之權益（估計賬面值約為110,986,000港元（二零一七年：111,612,000港元））作抵押之有抵押銀行貸款。

於年內，本集團獲得銀行融資460,000,000港元，其中420,000,000港元於二零一八年十二月三十一日尚未動用。

**26. PAYABLE TO A NON-CONTROLLING INTEREST****26. 應付非控股權益**

		2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元
Payable to a non-controlling interest – current portion	應付非控股權益 – 流動部分		1,135
		–	

Note:

(a) The amount payable to a non-controlling interest was unsecured, interest-free and repayable on demand. It has been repaid during the year ended 31 December 2018.

附註：

(a) 應付非控股權益款項為無抵押、免息及應按的要求償還。其已於截至二零一八年十二月三十一日止年度償還。

27. CONVERTIBLE NOTES

On 13 December 2016, the Group completed the issuance of redeemable convertible notes (the “Notes”) in the aggregate principal amount of HK\$778,000,000 with an initial conversion price of HK\$0.840 per ordinary share of the Company (subject to adjustments). The Notes were issued on 16 December 2016 (the “Issue Date”) which will be due on the fifth anniversary of the Issue Date, i.e. 16 December 2021 (the “Maturity Date”). The Notes bore an initial interest of 5% per annum payable quarterly in arrears after the Issue Date. Unless previously converted, redeemed or cancelled, the Notes will be redeemed on the Maturity Date, at a redemption price equal to the aggregate of:

- (i) the outstanding principal amount of the Notes;
- (ii) the outstanding interest up to the date of redemption;
- (iii) the outstanding default interest (if any); and
- (iv) any additional amount that would make up an internal rate of return on the amount of the Notes in (i) above at 10.5% per annum (having included all interests paid together with that payable in (ii) and (iii) above), calculated during the period from the Issue Date up to (and including) the Maturity Date.

The Notes are secured by interest in an associate with an estimated carrying amount of approximately HK\$764,676,000 as at 31 December 2018 (2017: HK\$755,901,000).

27. 可換股票據

於二零一六年十二月十三日，本集團完成發行本金總額為778,000,000港元之可贖回可轉換票據（「票據」），初步換股價為每股本公司普通股0.840港元（可予調整）。票據於二零一六年十二月十六日（「發行日」）發行並將於發行日之第五週年當日（即二零二一年十二月十六日（「到期日」））到期。票據初步按年利率5%計息，須於票據發行日起計每三個月付息一次。除非提前轉換、贖回或註銷，否則票據將於到期日贖回，贖回價等於以下總和：

- (i) 票據之尚欠本金；
- (ii) 截至贖回日期之尚欠利息；
- (iii) 尚欠罰息（如有）；及
- (iv) 將補足上文(i)所述票據金額於發行日直至到期日（包括該日）按每年10.5%計算之內部收益（包括全部已付利息連同上文(ii)及(iii)應付者）的任何其他金額。

於二零一八年十二月三十一日，票據由估計賬面值為約764,676,000港元之聯營公司之權益作抵押（二零一七年：755,901,000港元）。



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27. CONVERTIBLE NOTES (CONTINUED)

An aggregated net proceeds of approximately HK\$777,013,000 was raised by the convertible notes during the year 2016.

The fair values of the liability component and the equity conversion component were determined upon the issuance of the Notes.

The fair value of the liability component as at the Issue Date was determined by reference to the valuation performed by American Appraisal using cash flows discounted at an effective market yield of 14.64% for a similar liability that does not have an equity conversion option. The residual amount, representing the value of equity conversion component, is included in shareholders' equity.

From 16 December 2017 to 31 December 2018, no noteholders has converted any portion of the Notes into ordinary shares of the Company.

The Notes are presented in the statement of financial position as follows:

		HK\$'000 千港元
Liability component at and 1 January 2017	於二零一七年一月一日之負債部分	690,440
Interest expense	利息開支	99,065
Interest paid	已付利息	(38,900)
Liability component at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及 二零一八年一月一日之負債部分	750,605
Interest expense	利息開支	107,898
Interest paid	已付利息	(38,901)
Liability component at 31 December 2018	於二零一八年十二月三十一日之負債部分	819,602

28. DEFERRED TAX ASSETS AND LIABILITIES

Net deferred tax assets recognised in the consolidated statement of financial position are as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Deferred tax assets	遞延稅項資產	12,443	8,048
Deferred tax liabilities	遞延稅項負債	(3,178)	-
		9,265	8,048

27. 可換股票據 (續)

於二零一六年透過可換股票據已籌集共約 777,013,000 港元之所得款項淨額。

負債部分及權益轉換部分之公平值於票據發行時釐定。

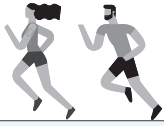
負債部分於發行日之公平值乃參照美國評值以並無權益轉換權的類似負債使用按實際市場收益率 14.64% 折現的現金流量進行之估值釐定。餘下款項 (即權益轉換部分之價值) 計入股東權益。

於二零一七年十二月十六日至二零一八年十二月三十一日，概無票據持有人將任何部分票據轉換為本公司之普通股。

票據於財務狀況表內呈列如下：

28. 遞延稅項資產及負債

已於綜合財務狀況表確認之遞延稅項資產淨值如下：



28. DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

The movement in deferred tax assets and liabilities during the year are as follows:

28. 遞延稅項資產及負債 (續)

年內遞延稅項資產及負債之變動如下：

			Fair value changes arising from valuation on investment properties	Amortization of intangible assets	Impairment and other temporary differences	Total
		Notes	因投資物業估值而造成之公平值變動	無形資產攤銷	減值及其他暫時差額	總計
		附註	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		12,067	-	-	12,067
(Charged)/credited to profit or loss	於損益(扣除)/計入	10	(5,936)	-	1,009	(4,927)
Currency translation differences	匯兌差額		892	-	16	908
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日		7,023	-	1,025	8,048
Acquisition of a subsidiary	收購一間附屬公司	36	-	(3,385)	-	(3,385)
Credited to profit or loss	於損益計入	10	169	95	4,558	4,822
Currency translation differences	匯兌差額		1	226	(447)	(220)
At 31 December 2018	於二零一八年十二月三十一日		7,193	(3,064)	5,136	9,265

Notes:

(a) At 31 December 2018, the Group had tax losses arising in Hong Kong of approximately HK\$586,679,000 (2017: HK\$540,156,000), subject to the confirmation of tax losses from the Hong Kong Inland Revenue Department. These tax losses are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has tax losses arising in the PRC of HK\$40,642,000 (2017: HK\$19,067,000) that will expire within five years to offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in companies that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Deferred tax liability has not been recognised for withholding taxes that would be payable on certain portions of the unremitted earnings that are subject to withholding taxes of certain of the Group's subsidiaries established in the PRC as all of those profits will not be distributed in the foreseeable future.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

附註：

(a) 於二零一八年十二月三十一日，本集團於香港產生稅項虧損約586,679,000港元（二零一七年：540,156,000港元），惟須待香港稅務局確認稅項虧損，而該等稅項虧損可無限期用作抵銷有虧損公司之未來應課稅溢利。本集團亦於中國產生稅項虧損40,642,000港元（二零一七年：19,067,000港元），可用於抵銷未來應課稅溢利，有關稅項虧損將於五年內失效。由於該等公司已持續虧損一段時間，而有應課稅溢利可用於動用稅項虧損之機會不大，故並無就該等虧損確認遞延稅項資產。

本集團並未就若干於中國成立之附屬公司之未匯出盈利之若干部分而應付預扣稅項確認遞延稅項負債，由於該等利潤全部不會於可見將來分配。

本公司向其股東支付股息並無任何附帶所得稅影響。



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29. SHARE CAPITAL

Shares

29. 股本

股份

		2018 二零一八年		2017 二零一七年	
		No. of shares 股份數目	Nominal value 面值 HK\$'000 千港元	No. of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.05 each ("Ordinary Shares")	每股面值0.05港元之普通股 (「普通股」)	20,000,000,000	1,000,000	20,000,000,000	1,000,000
Redeemable convertible preferred shares of HK\$0.01 each ("Preferred Shares")	每股面值0.01港元之可贖回 可轉換優先股(「優先股」)	6,000,000,000	60,000	6,000,000,000	60,000
Total	總計	26,000,000,000	1,060,000	26,000,000,000	1,060,000
Issued and fully paid:	已發行及繳足：				
Ordinary Shares	普通股	8,847,924,726	442,396	8,808,732,726	440,437

A summary of the movements in the Company's issued capital during the years ended 31 December 2018 and 2017 is as follows:

截至二零一八年及二零一七年十二月三十一日止年度本公司已發行股本變動概述如下：

Issued Capital

已發行股本

		Notes 附註	Number of Ordinary Shares in issue 已發行 普通股數目	Issued capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日		8,764,360,726	438,218	4,145,239	4,583,457
Issue of ordinary shares	發行普通股	(b)	44,372,000	2,219	27,287	29,506
At 31 December 2017	於二零一七年十二月三十一日		8,808,732,726	440,437	4,172,526	4,612,963
Issue of ordinary shares	發行普通股	(b)	39,192,000	1,959	26,526	28,485
At 31 December 2018	於二零一八年十二月三十一日		8,847,924,726	442,396	4,199,052	4,641,448

Notes:

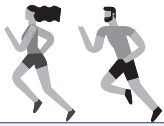
(a) 44,372,000 Ordinary Shares were issued upon exercise of certain share options during the year of 2017 for proceeds totalling HK\$22,562,000. The proceeds of such issues had been applied towards general working capital of the Group.

(b) 39,192,000 Ordinary Shares were issued upon exercise of certain share options during the year of 2018 for proceeds totalling HK\$21,373,000. The proceeds of such issues had been applied towards general working capital of the Group.

附註：

(a) 二零一七年內因若干購股權獲行使而發行44,372,000股普通股，獲得所得款項合共22,562,000港元。該等發行之所得款項已用作本集團之一般營運資金。

(b) 二零一八年內因若干購股權獲行使而發行39,192,000股普通股，獲得所得款項合共21,373,000港元。該等發行之所得款項已用作本集團之一般營運資金。



30. SHARE OPTION SCHEME

On 29 June 2010, the Company passed an ordinary resolution to adopt a share option scheme (the "Scheme") for the purpose of providing incentives to participants to contribute to the Group and/or to enable the Group to recruit high-calibre employees and/or attract human resources that are valuable to the Group. Participants of the Scheme include employee, officer, agent, consultant, business associate or representative of the Company or any subsidiary or otherwise contributes to the success of the Group, including any executive, non-executive or independent non-executive director of the Company or any subsidiary, who, as the board of directors or a committee comprising directors and members of the senior management of the Company (the "Committee") (as the case may be) may determine in its absolute discretion, is regarded as valuable human resources of the Group based on his working experience, knowledge in the industry and other relevant factors, and subject to such conditions as the board of directors or the Committee (as the case may be) may think fit. The Scheme will remain in force for period of ten years commencing on 29 June 2010.

The overall limit on the number of Ordinary Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the number of Ordinary Shares in issue from time to time. In addition, the total number of Ordinary Shares which may be issued upon exercise of all options granted together with all options to be granted under the Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the nominal amount of all the Ordinary Shares in issue as at the date of adoption of the Scheme (the "Scheme Mandate Limit"). The Company may, from time to time, refresh the Scheme Mandate Limit by obtaining the approval of the shareholders in general meeting. Once refreshed, the total number of Ordinary Shares which may be issued upon exercise of all options to be granted under the Scheme and all other share option schemes of the Company under the limit, as refreshed, must not exceed 10% of the number of Ordinary Shares in issue as at the date of approval of the refreshment by the Shareholders.

The Scheme Mandate Limit amounted to 878,060,472 Ordinary Shares following the approval of refreshment by the Shareholders on 16 June 2017.

As at the date of this report, the total number of Ordinary Shares available for issue under the Scheme is 818,060,472 representing 9.24% of the existing issued share capital of the Company. The maximum number of Ordinary Shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the Ordinary Shares of the Company in issue as at the proposed date of grant. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting.

30. 購股權計劃

於二零一零年六月二十九日，本公司通過普通決議案採納一項購股權計劃（「計劃」），旨在向為本集團作出貢獻之參與者提供獎勵及／或使本集團可招攬優秀僱員及／或吸引對本集團有價值之人力資源。計劃之參與者包括本公司或任何附屬公司之僱員、高級職員、代理、顧問、業務夥伴或代表或對本集團成就有所貢獻之其他人士，包括本公司或任何附屬公司任何執行、非執行或獨立非執行董事，而董事會或由本公司董事及高級管理人員組成之委員會（「委員會」）（視情況而定）經考慮其工作經驗、行業知識及其他相關因素以及符合董事會或委員會（視情況而定）可能認為合適之條件後，可全權酌情決定有關人士是否屬本集團寶貴人力資源。計劃將於二零一零年六月二十九日起計十年內有效。

因根據計劃及本公司任何其他購股權計劃所授出惟尚未行使之所有尚未行使購股權獲行使而可予發行之普通股數目之整體限制，合共不得超過不時已發行普通股數目之30%。此外，因根據計劃及本公司任何其他購股權計劃已授出及將予授出之所有購股權獲行使而可予發行之普通股總數，合共不得超過採納計劃當日所有已發行普通股面值之10%（「計劃授權上限」）。本公司可不時透過於股東大會上取得股東批准以更新計劃授權上限。計劃授權上限一經更新，因根據計劃及本公司所有其他購股權計劃將予授出之所有購股權獲行使而可予發行之普通股總數，根據經更新上限不得超過股東批准更新當日已發行普通股數目之10%。

經股東於二零一七年六月十六日批准更新後，計劃授權上限為878,060,472股普通股。

於本報告日期，於計劃項下可予發行之普通股總數為818,060,472股，相當於本公司現有已發行股本之9.24%。於任何12個月期間內根據購股權可發行予計劃項下各合資格參與者之普通股數目，最多不得超過本公司於建議授出日期已發行普通股之1%。任何進一步授出超出此限額之購股權須於股東大會尋求股東批准。



31 December 2018 二零一八年十二月三十一日

30. SHARE OPTION SCHEME (CONTINUED)

The offer of a grant of share options under the Scheme may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the board of directors or the Committee, save that such period shall not be more than 10 years from the date of grant. Unless the Board may otherwise determine, there is no minimum period required under the Scheme for the holding of an option before it can be exercised.

The exercise price of share options is determinable by the Board or the Committee, but shall be at least the highest of (i) the Stock Exchange closing price of the Ordinary Shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Ordinary Shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Ordinary Shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Scheme during the year:

			Weighted average exercise price 加權 平均行使價 (HK\$ per share) (每股港元)	Number of options 購股權數目 '000 千份
	Notes 附註			
At 1 January 2017		於二零一七年一月一日	0.70	332,463
Granted during the year	(a)	於年內授出	0.80	369,300
Forfeited/expired during the year	(b)	於年內沒收/到期	0.87	(86,215)
Exercised during the year	(c)	於年內行使	0.51	(44,372)
At 31 December 2017 and 1 January 2018		於二零一七年十二月三十一日 及二零一八年一月一日	0.76	571,176
Granted during the year	(a)	於年內授出	0.94	60,000
Forfeited/expired during the year	(b)	於年內沒收/到期	0.86	(76,608)
Exercised during the year	(c)	於年內行使	0.55	(39,192)
At 31 December 2018	(d)	於二零一八年十二月三十一日	0.78	515,376

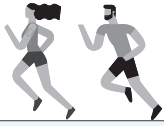
30. 購股權計劃 (續)

根據計劃授出購股權之要約可於要約日期起計28日內獲接納，而承授人須就此支付合共1港元之象徵式代價。已授出購股權之行使期由董事會或委員會釐定，惟有關期間不得超過授出日期起計10年。除非董事會另行議決，計劃並無規定在行使前須持有購股權之最短期限。

購股權之行使價由董事會或委員會釐定，惟不得低於下列各項之最高者：(i)普通股於購股權提呈日期在聯交所之收市價；(ii)普通股於緊接授出日期前五個交易日在聯交所之平均收市價；及(iii)普通股面值。

購股權並無賦予持有人收取股息或於股東大會投票之權利。

年內計劃項下尚未行使購股權如下：



30. SHARE OPTION SCHEME (CONTINUED)

Notes:

(a) The fair values of the share options granted under the Scheme during the year ended 31 December 2018 were HK\$14,976,000 in aggregate, which were estimated as at the respective dates of grant using a binominal model, taking into account the terms and conditions upon which the options were granted, the valuation of which was performed by Asia Pacific Consulting and Appraisal Limited. The following table lists the inputs to the model used:

Dividend yield (%)	股息率 (%)	0
Expected volatility (%)	預期波幅 (%)	37.21 – 40.13
Expected life of options (years)	購股權預期年期 (年)	3 – 5
Risk-free interest rate (%)	無風險利率 (%)	2.05 – 2.13

Equity-settled share option expenses of HK\$13,148,000 (2017: HK\$52,644,000) was recognised in profit or loss during the year ended 31 December 2018 in respect of the share options granted under the Scheme.

(b) 76,608,000 (2017: 86,215,000) share options granted under the Scheme were forfeited/expired during the year ended 31 December 2018 upon the resignation of certain grantees during the year.

(c) 39,192,000 (2017: 44,372,000) share options granted under the Scheme were exercised during the year ended 31 December 2018.

(d) As at 31 December 2018, the Company had 515,376,000 share options outstanding under the Scheme, which represented approximately 5.8% of the Ordinary Shares in issue as at 31 December 2018.

(e) The exercise prices and exercise periods of the share options outstanding under the Scheme as at the end of the reporting period are as follows:

2018

Number of options 購股權數目 (‘000) (千份)	Exercise price* 行使價* (HK\$ per share) (每股港元)	Exercise period 行使期間
1,200	4.15	6 Sep 2014 to 5 Sep 2019
1,200	4.15	6 Sep 2015 to 5 Sep 2020
92,380	0.5	2 Jul 2016 to 1 Jul 2019
4,804	0.8	20 Jun 2016 to 19 Jun 2019
4,804	0.8	20 Jun 2017 to 19 Jun 2020
175,138	0.8	20 Jan 2017 to 19 Jan 2019
87,925	0.8	20 Jan 2018 to 19 Jan 2020
87,925	0.8	20 Jan 2019 to 19 Jan 2021
20,000	0.94	5 Sep 2019 to 4 Sep 2021
20,000	0.94	5 Sep 2020 to 4 Sep 2022
20,000	0.94	5 Sep 2021 to 4 Sep 2023
515,376		

30. 購股權計劃 (續)

附註:

(a) 於截至二零一八年十二月三十一日止年度，根據計劃所授出購股權的公平值合共為14,976,000港元，乃經考慮購股權授出之條款及條件使用二項式模式於各自授出日期進行估計，相關估值由亞太評估諮詢有限公司進行。下表列示所使用模式之輸入數據：

股息率 (%)	0
預期波幅 (%)	37.21 – 40.13
購股權預期年期 (年)	3 – 5
無風險利率 (%)	2.05 – 2.13

於截至二零一八年十二月三十一日止年度，就根據計劃所授出購股權在損益確認以股權結算之購股權開支13,148,000港元（二零一七年：52,644,000港元）。

(b) 於截至二零一八年十二月三十一日止年度，根據計劃授出之76,608,000份（二零一七年：86,215,000份）購股權已於年內若干承授人辭任後沒收／到期。

(c) 根據計劃授出之39,192,000份（二零一七年：44,372,000份）購股權已於截至二零一八年十二月三十一日止年度獲行使。

(d) 於二零一八年十二月三十一日，本公司有515,376,000份計劃項下之尚未行使購股權，相當於二零一八年十二月三十一日已發行普通股之約5.8%。

(e) 於報告期末計劃項下尚未行使購股權之行使價及行使期間如下：

二零一八年

二零一四年九月六日至二零一九年九月五日
二零一五年九月六日至二零二零年九月五日
二零一六年七月二日至二零一九年七月一日
二零一六年六月二十日至二零一九年六月十九日
二零一七年六月二十日至二零二零年六月十九日
二零一七年一月二十日至二零一九年一月十九日
二零一八年一月二十日至二零二零年一月十九日
二零一九年一月二十日至二零二一年一月十九日
二零一九年九月五日至二零二一年九月四日
二零二零年九月五日至二零二二年九月四日
二零二一年九月五日至二零二三年九月四日



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30. SHARE OPTION SCHEME (CONTINUED)

2017

Number of options 購股權數目 (‘000) (千份)	Exercise price* 行使價* (HK\$ per share) (每股港元)	Exercise period 行使期間
5,800	3.9	2 Jul 2013 to 1 Jul 2018
1,200	4.15	6 Sep 2013 to 5 Sep 2018
1,200	4.15	6 Sep 2014 to 5 Sep 2019
1,200	4.15	6 Sep 2015 to 5 Sep 2020
92,188	0.5	2 Jul 2015 to 1 Jul 2018
92,380	0.5	2 Jul 2016 to 1 Jul 2019
4,804	0.8	20 Jun 2015 to 19 Jun 2018
181,250	0.8	20 Jan 2017 to 19 Jan 2019
4,804	0.8	20 Jun 2016 to 19 Jun 2019
90,625	0.8	20 Jan 2018 to 19 Jan 2020
5,100	0.8	20 Jun 2017 to 19 Jun 2020
90,625	0.8	20 Jan 2019 to 19 Jan 2021
571,176		

* The exercise prices of the share options are subject to adjustment in the event of any capitalisation issue, rights issue, consolidation, sub-division or reduction of the share capital of the Company (other than issuance of Ordinary Shares as consideration in respect of a transaction)

At the end of the reporting period, the exercise in full of the outstanding share options under the Scheme would, under the present capital structure of the Company, result in the issue of 515,376,000 additional Ordinary Shares and additional share capital of HK\$25,769,000 and share premium of HK\$375,258,000, before taking into account any transfer of share option reserve to the share premium account.

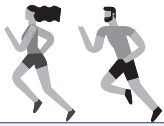
30. 購股權計劃 (續)

二零一七年

二零一三年七月二日至二零一八年七月一日
二零一三年九月六日至二零一八年九月五日
二零一四年九月六日至二零一九年九月五日
二零一五年九月六日至二零二零年九月五日
二零一五年七月二日至二零一八年七月一日
二零一六年七月二日至二零一九年七月一日
二零一五年六月二十日至二零一八年六月十九日
二零一七年一月二十日至二零一九年一月十九日
二零一六年六月二十日至二零一九年六月十九日
二零一八年一月二十日至二零二零年一月十九日
二零一七年六月二十日至二零二零年六月十九日
二零一九年一月二十日至二零二一年一月十九日

* 購股權行使價可於本公司進行任何資本化發行、供股、股本合併、拆細或削減(發行普通股作為交易代價者除外)時作出調整

於報告期末，根據本公司現時之資本架構，計劃項下尚未行使購股權獲全數行使後，將額外發行515,376,000股普通股，錄得額外股本25,769,000港元及股份溢價375,258,000港元(不計及任何購股權儲備轉撥至股份溢價賬)。

**31. PERPETUAL CONVERTIBLE BONDS**

The perpetual convertible bonds issued are as follows:

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
Perpetual convertible bonds	1,139,046	1,139,046

Earn-Out Perpetual Convertible Bonds

On 30 August 2013, the Company entered into the Deed with Victory Mind Assets Limited and Dragon City Management (PTC) Limited to advance the timetable for the possible issuance of earn-out perpetual convertible bonds in relation to the acquisition of approximately 25.2% equity interest of Li Ning Co in December 2012 (note 15). The execution and performance of the Deed were approved in the extraordinary general meeting of shareholders on 4 November 2013. The earn-out perpetual convertible bonds with a fair value of HK\$1,140,000,000 were issued in advance in November 2013 and were classified as equity and the related derivative financial liabilities were derecognised at the same time, the financial impact of which was based on the fair value of earn-out perpetual convertible bonds upon the Deed becoming effective. As a result, the Group has recorded a loss of HK\$156,000,000 in 2013. Upon the completion of the advanced issuance, the holder of the perpetual convertible bonds are subject to certain undertakings based on the operating performance of Li Ning Co for the financial periods between 2013 and 2017, under which a portion of perpetual convertible bonds may have to be returned to the Company in the event that certain performance targets of LN Group are not met. The fair value of the derivative financial liability is based on whether any and how much undertaken perpetual convertible bonds might be cancelled. Details of this transaction were set out in the Company's circular dated 17 October 2013. The related transaction costs amounting to approximately HK\$954,000 have been offset against the carrying amount of earn-out perpetual convertible bonds in 2013.

On 10 April 2017, the condition for releasing the undertakings has been met and in accordance with the terms of the Deed, the Company has released all the undertaken perpetual convertible bonds held by the Vendors with effect from 10 April 2017.

31. 永久性可換股債券

已發行之永久性可換股債券如下：

盈利能力永久性可換股債券

於二零一三年八月三十日，本公司與Victory Mind Assets Limited及Dragon City Management (PTC) Limited訂立契據，以推前就於二零一二年十二月收購李寧公司約25.2%股權而可能發行盈利能力永久性可換股債券的時間表（附註15）。契據之簽立及履行於二零一三年十一月四日舉行的股東特別大會上已獲得批准。公平值為1,140,000,000港元之盈利能力永久性可換股債券已於二零一三年十一月提前發行，並歸類為權益，同時，相關衍生財務負債已終止確認，其財務影響乃根據於契據生效時的盈利能力永久性可換股債券之公平值計算。因此，本集團於二零一三年錄得虧損156,000,000港元。於提前發行完成後，永久性可換股債券持有人須受若干承諾所規限（以李寧公司於二零一三年至二零一七年財政期間之營運表現為依據），據此，倘李寧集團之若干表現目標未獲達成，則部分永久性可換股債券可能須退還予本公司。衍生財務負債之公平值乃根據是否有任何及多少已承諾永久性可換股債券可能須註銷而釐定。是項交易之詳情載於本公司日期為二零一三年十月十七日之通函內。於二零一三年，相關交易成本達約954,000港元已抵銷盈利能力永久性可換股債券之賬面值。

於二零一七年四月十日，解除承諾之條件已達成，及根據契據之條款，本公司已解除所有由賣方持有之已承諾永久性可換股債券，自二零一七年四月十日起生效。



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32. RESERVES

(i) The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statement of changes in equity.

(ii) The share option reserve represents the fair value of share options vested which are yet to be exercised, as further explained in the accounting policy of share-based payments in note 2.3 to the financial statements. The amount will either be transferred to the share premium account when the related share options are exercised, or transferred to retained profits/accumulated losses should the related share options lapse or be forfeited.

(iii) Pursuant to the relevant laws and regulations for wholly-owned enterprise, a portion of the profits of the Group's wholly-owned subsidiary which is established in the PRC has been transferred to reserve funds which are restricted as to use.

33. OPERATING LEASE ARRANGEMENT

(a) As lessor

As at 31 December 2018, the Group leased certain portion of its investment properties (note 13) and leased sports park facilities to independent third parties under operating lease arrangements, with each lease negotiated for a term of 3 to 10 years.

As at 31 December 2018, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within one year	一年內	10,840	10,859
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	38,118	43,105
Over five years	五年以上	19,828	27,018
		68,786	80,982

32. 儲備

(i) 本年度及上一年度本集團儲備金額及其中變動於綜合權益變動表內呈列。

(ii) 購股權儲備指已歸屬但未行使購股權之公平值，進一步詳情載於財務報表附註2.3所述以股份償付之會計政策。有關金額將於有關購股權獲行使時轉撥至股份溢價賬，或於有關購股權失效或被沒收時轉撥至保留溢利／累計虧損。

(iii) 根據全資擁有企業之相關法律及法規，本集團於中國成立之全資附屬公司部分溢利已轉入受限制用途之儲備基金。

33. 經營租約安排

(a) 作為出租人

於二零一八年十二月三十一日，本集團根據經營租約安排向獨立第三方出租其投資物業(附註13)的若干部分及體育園設施，各項租賃經磋商後為期三至十年。

於二零一八年十二月三十一日，本集團根據與租戶訂立之不可撤銷經營租約而於下列期間到期之日後應收最低租金總額如下：

**33. OPERATING LEASE ARRANGEMENT (CONTINUED)****(b) As lessee**

The Group leases certain of its office properties and sports park under operating lease arrangements. Leases for properties are negotiated for initial terms ranging from one and a half year to twenty years.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Within one year	一年內	11,474	10,000
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年)	22,782	15,967
Over five years	五年以上	77,053	79,747
		111,309	105,714

**34. COMMITMENTS FOR PROPERTY DEVELOPMENT/
CAPITAL EXPENDITURE**

As at 31 December 2018, the Group had the following commitments for property development and capital expenditure:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備:		
Property development/construction work	房地產開發/建築工程	32,522	29,800
Capital contribution/acquisition of joint ventures/ associates	注資/收購合營企業/ 聯營公司	584,329	616,137
		616,851	645,937

33. 經營租約安排(續)**(b) 作為承租人**

本集團根據經營租約安排租賃其若干辦公室物業及體育園。初始物業租期經商議後介乎一年半至二十年之間。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租約而於下列期間到期之日後應付最低租賃付款總額如下：

34. 房地產開發/資本開支承擔

於二零一八年十二月三十一日，本集團擁有以下房地產開發及資本開支承擔：



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35. RELATED PARTY DISCLOSURES

(a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties in the ordinary course of business during the year:

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Marketing service income received and receivable from associates	所收及應收聯營公司之市場推廣服務收入	(i)	331,633	145,826
Cost of purchases paid and payable to an associate	向一間聯營公司已付及應付的採購費用	(ii)	3,374	407
Office and car-park rental expense paid and payable to an associate	已付及應付一間聯營公司之辦公室及停車場租金開支	(iii)	2,164	1,453

(i) Marketing service income in relation to some sports event and competition and the endorsement of brand products of LN Group managed by the Group received and receivable from LN Group* and Double Happiness*, which was charged in accordance with the terms negotiated between the related parties.

(ii) Cost of purchases in relation to brand products of LN Group paid and payable to LN Group*, which was charged in accordance with the terms negotiated between the Group and LN Group.

(iii) During the twelve months ended 31 December 2018, the Group leased an office and certain car-parking spaces from LN Group*. The lease rates were determined after arm's length negotiations between the Group and LN Group with reference to current prevailing market rate.

* Mr. Li Ning and Mr. Li Qilin, the nephew of Mr. Li Ning, are common directors of the Company and LN Group while Mr. Li Ning and Mr. Chan Ling are common directors of the Company and Double Happiness.

35. 關連人士披露

(a) 除此等財務報表其他部分所詳述之交易外，本集團年內日常業務過程中曾與關連人士進行以下重大交易：

(i) 市場推廣服務收入指就由本集團管理之若干體育項目及賽事及代言李寧集團之品牌產品而提供之服務收取之代理費用向李寧集團*及紅雙喜*收取及應收之費用，該等費用按經有關訂約方協定之條款收取。

(ii) 已付及應付李寧集團*的李寧集團品牌產品相關採購費用，該款項按本集團與李寧集團協定的條款收取。

(iii) 於截至二零一八年十二月三十一日止十二個月，本集團租用李寧集團*之一間辦公室及若干停車位。此項租金乃由本集團與李寧集團參考現行市場水平經公平磋商後釐定。

* 李寧先生及李麒麟先生（李寧先生的侄子）為本公司及李寧集團之共同董事，而李寧先生及陳寧先生為本公司及紅雙喜之共同董事。



35. RELATED PARTY DISCLOSURES (CONTINUED)

(b) A subsidiary of our Group and LN Group established a joint venture for developing sports coaching activities during the year of 2018.

(c) Outstanding balances with related parties

Details of the Group's balances with related parties as included in revenue, other income and other gains-net, trade debtors and bills receivable, prepayments, deposits and other receivables and payable to a non-controlling interest are disclosed in notes 5, 19, 23 and 26 to the financial statements.

Included in interests in associates was an amount of HK\$5,522,000 (2017: HK\$5,522,000) due from an associate while included in interests in joint ventures was an amount of HK\$1,692,000 due from a joint venture as at 31 December 2017 while no such amount as at 31 December 2018. The amount due from an associate is unsecured, interest-free, has no fixed terms of repayment but are expected to be settled more than one year from the reporting date. Amount due from a joint venture is unsecured, interest-free and expected to be settled within one year from the reporting date.

(d) Compensation of key management personnel of the Group

Details of directors' emoluments and highest paid individuals are included in notes 8 and 9 to the financial statements, respectively.

Apart from payable to a non-controlling interest (note 26), which amounted to a continuing connected transaction but was fully exempted from the requirements under chapter 20 of the GEM Listing Rules, all other related party transactions set out in this note did not fall within the definition of "connected transaction" or "continuing connected transaction" in Chapter 20 of the GEM Listing Rules.

35. 關連人士披露 (續)

(b) 本集團一附屬公司於二零一八年跟李寧集團共同投入成立了一合營企業，專為共同發展體育培訓事業。

(c) 關連人士之未付結餘

本集團計入收益、其他收入及其他收益淨額、應收賬款及應收票據、預付款項、按金及其他應收款項以及應付非控股權益之關連人士結餘之詳情在財務報表附註5、19、23及26披露。

應收一間聯營公司的款項5,522,000港元(二零一七年:5,522,000港元)乃計入於聯營公司的權益，而應收一間合營企業的款項1,692,000港元乃於二零一七年十二月三十一日，二零一八年十二月三十一日並沒有此款項。應收一間聯營公司的款項為無抵押、免息且無固定還款期限，惟預計將於報告日期起一年後清償。應收一間合營企業的款項為無抵押、免息，並預計將於報告日期起一年內清償。

(d) 本集團主要管理人員之薪酬

有關董事酬金及最高薪人士之詳情，分別載於財務報表附註8及9。

除構成持續關連交易之應付非控股權益款項(附註26)但獲全面豁免遵守GEM上市規則第20章項下規定外，本附註所載所有其他關聯方交易並不屬於GEM上市規則第20章項下所定義「關連交易」或「持續關連交易」。



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36. BUSINESS COMBINATION**(a) Summary of acquisition**

During the year ended 31 December 2017, the Group entered into a capital contribution agreement to subscribe for 50% equity interest in 非凡德勝 (珠海) 體育科技發展有限公司 (「非凡德勝」) for a consideration of RMB30,000,000. The Group recognised it as “interests in joint ventures” in the consolidated financial statement of financial position. On 1 June 2018, the Group subscribed additional 20% equity interest in 非凡德勝 for a consideration of HK\$14,575,200, which give the Group the control of 非凡德勝, and 非凡德勝 became a subsidiary of the Group. The goodwill of HK\$18,433,000 arose from a number of factors including expected synergies through capitalizing Dr. Bob Chen’s experience, recognition and acceptability in the aspect of sports rehabilitation. The Group targets to set up “Dr. Chen Sports Training & Rehabilitation Center” in Sports Parks, sports communities and major cities in the PRC.

The following table summarises the purchase consideration for 非凡德勝 and the fair value of the amounts of the assets acquired and liabilities recognised at the acquisition date:

		As at 01/06/2018 於二零一八年 六月一日
		HK\$'000 千港元
Total acquisition consideration	總收購代價	51,013
Less:	減：	
Cash and cash equivalents	現金及現金等價物	11,168
Property, plant and equipment	物業、廠房及設備	3,603
Intangible assets	無形資產	13,539
Inventories	存貨	1
Trade and other receivables	應收賬款及其他應收款項	26,042
Trade payables	應付賬款	(26)
Accruals and other payables	應計費用及其他應付款項	(4,189)
Tax payables	應付稅項	(210)
Deferred tax liabilities	遞延稅項負債	(3,385)
Add:	加：	
Non-controlling interest	非控股權益	13,963
Goodwill	商譽	18,433

The goodwill is attributable to the workforce and the high profitability of the acquired business. It will not be deductible for tax purposes.

There were no business combination in the year ended 31 December 2017.

36. 業務合併**(a) 收購事項概要**

於截至二零一七年十二月三十一日止年度，本集團訂立注資協議，以認購非凡德勝 (珠海) 體育科技發展有限公司 (「非凡德勝」) 之 50% 股權，代價為人民幣 30,000,000 元。本集團將其確認為綜合財務狀況表中「於合營企業之權益」一項。於二零一八年六月一日，本集團以代價 14,575,200 港元認購非凡德勝之額外 20% 股權，令本集團控制非凡德勝，而非凡德勝成為本集團之附屬公司。商譽 18,433,000 港元乃自下列各項產生，包括透過資本化陳方燦博士有關體能康復方面之經驗、知名度及認受性產生之預期協同作用。本集團計劃於體育園、體育社區及中國主要城市設立「陳博士體能康復中心」。

下表概述非凡德勝之購買代價以及所收購資產及所確認負債於收購日期之公平值金額：

商譽乃來自所收購業務之人力及高盈利能力，且不可扣稅。

截至二零一七年十二月三十一日止年度，概無進行任何業務合併。

**36. BUSINESS COMBINATION (CONTINUED)***(a) Acquired receivables*

The fair value of trade and other receivables is HK\$26,042,000 and includes that of trade receivables of HK\$329,000. The gross contractual amount for trade receivables due is HK\$90,000, of which nil is expected to be uncollected.

(b) Revenue and profit contribution

The revenue and net loss included in the consolidated statement of profit or loss and other comprehensive income contributed by 非凡德勝 since June 2018 was HK\$5,612,000 and HK\$3,242,000 respectively. If the Acquisition had occurred on 1 January 2018, consolidated revenue and consolidated profit for the year ended 31 December 2018 would have been HK\$1,138,438,000 and HK\$71,000,000 respectively.

(c) Non-controlling interest

The Group has chosen to recognise the non-controlling interest at the proportion of net assets acquired shared by the non-controlling interests.

(d) Remeasurement on business combination achieved in stages

The fair value of the 50% equity interest in 非凡德勝 held by the Group immediately before the acquisition date is HK\$36,438,000 and the remeasurement gain to the fair value of the abovementioned 50% equity interest in 非凡德勝 was recognised in other income and gains – net amounted to HK\$1,764,000 in the statement of comprehensive income.

(b) Purchase consideration – cash outflow

		2018 二零一八年
		HK\$'000 千港元
Outflow of cash to acquire subsidiary, net of cash acquired	收購附屬公司之現金流出， 扣除所收購現金	
Cash consideration	現金代價	14,575
Less: Balances acquired	減：所收購結餘	(11,168)
Net outflow of cash – investing activities	現金流出淨額—投資活動	3,407

Acquisition-related costs

Acquisition-related costs of HK\$321,300.70 that were not directly attributable to the issue of shares are included in administrative and other operating expenses in the consolidated statement of profit or loss and other comprehensive income and in operating cash flows in the consolidated statement of cash flow.

36. 業務合併 (續)*(a) 所收購應收款項*

應收賬款及其他應收款項之公平值為26,042,000港元，當中包括應收賬款329,000港元。到期應收賬款之賬面總值為90,000港元，當中並無預期不可收回金額。

(b) 收益及溢利貢獻

非凡德勝自二零一八年六月以來所貢獻之收益及虧損淨額（於綜合損益及其他全面收益表中列賬）分別為5,612,000港元及3,242,000港元。倘收購事項於二零一八年一月一日已發生，截至二零一八年十二月三十一日止年度之綜合收益及綜合溢利將分別為1,138,438,000港元及71,000,000港元。

(c) 非控股權益

本集團選擇按非控股權益佔所收購資產淨值之比例確認非控股權益。

(d) 分階段重新計量已完成之業務合併

本集團於緊接收購日期前所持非凡德勝50%股權之公平值為36,438,000港元，而上述非凡德勝50%股權之公平值之重新計量收益於全面收益表中確認為其他收入及收益淨額1,764,000港元。

(b) 購買代價—現金流出*投資相關成本*

並非發行股份直接應佔之投資相關成本321,300.70港元於綜合損益及其他收益表中列為行政及其他經營開支，並於綜合現金流量表中列為經營現金流量。



31 December 2018 二零一八年十二月三十一日

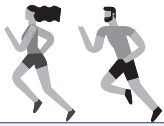
37. PARTICULARS OF SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2018:

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及營業地點	Issued ordinary shares/capital 已發行 普通股/股本	Percentage of equity attributable to the Company 本公司應佔股本百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Viva China Holdings Ltd ("VCHL")	BVI 英屬處女群島	US\$1 1美元	100%	–	Investment holding 投資控股
Winner Rich Investment Limited 永利富投資有限公司	Hong Kong 香港	HK\$1 1港元	100%	–	Investment holding 投資控股
Viva China Sports Holding Limited 非凡中國體育控股有限公司	Hong Kong 香港	HK\$520,000 520,000港元	100%	–	Investment holding and sports talent management 投資控股及體育人才管理
Viva China Community Development Holdings Limited 非凡中國社區開發控股有限公司	BVI 英屬處女群島	US\$1 1美元	100%	–	Investment holding 投資控股
Viva China Community Development (Yangzhou) Holdings Limited 非凡中國社區開發(揚州)控股有限公司	BVI 英屬處女群島	US\$20 20美元	–	70%	Investment holding 投資控股
Viva China Yangzhou Community Development Holdings Limited 非凡中國揚州社區開發控股有限公司	Hong Kong 香港	HK\$10,000 10,000港元	–	70%	Investment holding 投資控股
揚州非凡房地產開發有限公司	PRC 中國	RMB210,000,000 人民幣210,000,000元	–	70%	Property development 房地產開發
深圳市非凡體育文化產業發展有限公司	PRC 中國	RMB500,000 人民幣500,000元	–	70%	Sports event organisation and operation 體育活動組織及營運
揚州非凡體育文化有限公司	PRC 中國	RMB300,000 人民幣300,000元	–	70%	Sports park management and operation 體育園管理及營運
臨沂非凡體育管理有限公司	PRC 中國	RMB1,000,000 人民幣1,000,000元	–	70%	Sports park management and operation 體育園管理及營運
寧波領越體育文化有限公司	PRC 中國	RMB1,000,000 人民幣1,000,000元	–	70%	Sports park management and operation 體育園管理及營運
珠海橫琴信成投資管理有限公司	PRC 中國	RMB100,000,000 人民幣100,000,000元	–	100%	Project investment and property development consultancy services 項目投資及房地產開發 諮詢服務
非凡領越體育發展(北京)有限公司	PRC 中國	RMB102,100,000 (note i) 人民幣102,100,000元 (附註i)	–	100%	Sports talent management, competition and event production and management, and sports-related marketing and consultancy service 體育人才管理、賽事及 活動製作及管理 及體育相關市場推廣及 諮詢服務

37. 附屬公司詳情

二零一八年十二月三十一日主要附屬公司詳情列示如下：



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37. PARTICULARS OF SUBSIDIARIES (CONTINUED)

Company name 公司名稱	Place of incorporation/ registration and operations 註冊成立/ 註冊及營業地點	Issued ordinary shares/capital 已發行 普通股/股本
瀋陽兆寰現代建築產業園有限公司	PRC 中國	RMB100,000,000 人民幣100,000,000元
北京非凡領越房地產諮詢有限公司	PRC 中國	RMB25,000,000 人民幣25,000,000元
珠海橫琴昌運盛世貿易有限公司	PRC 中國	RMB150,000,000 人民幣150,000,000元
珠海橫琴滿譽貿易有限公司	PRC 中國	RMB38,000,000 人民幣38,000,000元
珠海橫琴非凡健源體育文化產業股權 投資管理中心(有限合伙)	PRC 中國	RMB125,000,000 人民幣125,000,000元
珠海非凡盛世投資管理有限公司	PRC 中國	RMB12,000,000 人民幣12,000,000元
珠海橫琴非凡華置投資管理有限公司	PRC 中國	RMB3,500,000 (note ii) 人民幣3,500,000元 (附註ii)
非凡德勝(珠海)體育科技發展有限公司	PRC 中國	RMB2,000,000 人民幣2,000,000元

Notes:

(i) The registered capital of 非凡領越體育發展(北京)有限公司 is RMB150,000,000.

(ii) The registered capital of 珠海橫琴非凡華置投資管理有限公司 is RMB5,000,000.

Apart from 珠海橫琴非凡健源體育文化產業股權投資管理中心(有限合伙) being registered as limited partnership, all the other principal subsidiaries of the Company are registered as limited liability companies.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

37. 附屬公司詳情(續)

Percentage of equity attributable to the Company 本公司應佔股本百分比	Principal activities 主要業務	
	Direct 直接	Indirect 間接
–	100%	Properties holding and leasing of investment properties 持有物業及租賃投資物業
–	100%	Provision of development consultancy services 提供開發諮詢服務
–	100%	Marketing and sales of construction materials 建材之市場推廣及銷售
–	100%	Marketing and sales of construction materials 建材之市場推廣及銷售
–	100%	Investment holding 投資控股
–	100%	Investment holding 投資控股
–	100%	Investment holding 投資控股
–	70%	Provision of scientific physical rehabilitation training and health management services 提供科學體能康復訓練及健康管理服務

附註:

(i) 非凡領越體育發展(北京)有限公司之註冊資本為人民幣150,000,000元。

(ii) 珠海橫琴非凡華置投資管理有限公司之註冊資本為人民幣5,000,000元。

除珠海橫琴非凡健源體育文化產業股權投資管理中心(有限合伙)註冊為有限合夥外,所有本公司之其他主要附屬公司均註冊為有限公司。

上表載列本公司之附屬公司,董事認為,該等附屬公司為主要對年內業績構成影響或組成本集團資產淨值之主要部分。董事認為詳列其他附屬公司之資料會導致篇幅過於冗長。



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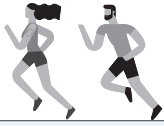
38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

38. 本公司之財務狀況表及儲備變動

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備		147	161
Investments in subsidiaries	於附屬公司之投資		3,852,126	3,895,182
Deposits	按金		1,939	1,759
Total non-current assets	非流動資產總值		3,854,212	3,897,102
CURRENT ASSETS	流動資產			
Due from subsidiaries	應收附屬公司款項		503,701	533,675
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		47,035	46,900
Cash and bank balances	現金及銀行結餘		15,888	27,636
Total current assets	流動資產總值		566,624	608,211
CURRENT LIABILITIES	流動負債			
Due to subsidiaries	應付附屬公司款項		35,679	37,506
Other payables and accruals	其他應付款項及應計費用		6,431	7,882
Total current liabilities	流動負債總額		42,110	45,388
NET CURRENT ASSETS	流動資產淨值		524,514	562,823
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		4,378,726	4,459,925
NON-CURRENT LIABILITY	非流動負債			
Convertible notes	可換股票據	26	819,602	750,605
Total non-current liability	非流動負債總額		819,602	750,605
NET ASSETS	資產淨值		3,559,124	3,709,320
EQUITY	權益			
Issued capital	已發行股本	28	442,396	440,437
Perpetual convertible bonds	永久性可換股債券	30	1,139,046	1,139,046
Reserves	儲備	(a)	1,977,682	2,129,837
TOTAL EQUITY	權益總額		3,559,124	3,709,320

The Statement of financial position of the Company was approved by the board of directors on 22 March 2019.

本公司之財務狀況表已於二零一九年三月二十二日獲董事會批准。



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31 December 2018 二零一八年十二月三十一日

38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

Note:

(a) Reserve movement of the Company

		Share premium account	Share option reserve	Convertible notes equity reserve	Accumulated losses	Total
		股份溢價賬	購股權儲備	可換股票據權益儲備	累計虧損	總計
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	附註	千港元	千港元	千港元	千港元	千港元
At 1 January 2017	於二零一七年一月一日	4,145,239	91,849	90,392	(2,114,712)	2,212,768
Loss for the year and total comprehensive loss for the year	年內虧損及年內全面虧損總額	-	-	-	(155,918)	(155,918)
Shares issued upon exercise of share option	購股權獲行使時發行之股份	27,287	(6,944)	-	-	20,343
Equity-settled share option arrangements	以股權結算之購股權安排	-	52,644	-	-	52,644
Transfer of share option reserve upon the forfeiture or expiry of share options	於購股權被沒收或屆滿時轉撥購股權儲備	-	(18,814)	-	18,814	-
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及於二零一八年一月一日	4,172,526	118,735	90,392	(2,251,816)	2,129,837
Loss for the year and total comprehensive loss for the year	年內虧損及年內全面虧損總額	-	-	-	(184,717)	(184,717)
Shares issued upon exercise of share option	購股權獲行使時發行之股份	26,526	(7,112)	-	-	19,414
Equity-settled share option arrangements	以股權結算之購股權安排	-	13,599	-	(451)	13,148
Transfer of share option reserve upon the forfeiture or expiry of share options	於購股權被沒收或屆滿時轉撥購股權儲備	-	(22,212)	-	22,212	-
At 31 December 2018	於二零一八年十二月三十一日	4,199,052	103,010	90,392	(2,414,772)	1,977,682

38. 本公司之財務狀況表及儲備變動 (續)

附註：

(a) 本公司之儲備變動



31 December 2018 二零一八年十二月三十一日

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The Group does not have written risk management policies and guidelines. However, the board of directors of the Company meets periodically to analyse and formulate measures to manage the Group's exposure to market risk (including foreign currency risk, interest risk and other price risk), liquidity risk and credit risk. Generally, the Group employs a conservative strategy regarding its risk management. As the Group's exposure to market risk (including foreign currency risk, interest risk and other price risk), liquidity risk and credit risk are kept at a minimum level, the Group has not used any derivatives or other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The most significant financial risks to which the Group is exposed are discussed below.

Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group has interest-bearing assets and liabilities in relation to cash at banks and bank loans and convertible notes, details of which are disclosed in notes 21, 25 and 27, respectively, to the financial statements. The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group has not used any financial instrument to hedge potential fluctuations in interest rates. The exposure to interest rates risk for the Group's cash at banks, bank and other loans and convertible notes are considered minimal.

Foreign currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument (excluding investment in associates) will fluctuate because of changes in foreign exchange rates. The Group operates in Hong Kong and the PRC. Most of the sales and trading transactions are settled in RMB. Deposits invested into various bank deposits are denominated in RMB, HK\$ and US\$. As at the end of the reporting period, foreign currencies were translated into HK\$ at the closing rate. As at 31 December 2018, cash and bank balances denominated in RMB and domiciled outside the PRC amounted to HK\$71,705,000 (2017: HK\$860,000), cash and bank balances denominated in US\$ amounted to HK\$17,000 (2017: HK\$31,476,000) and the remaining balance of HK\$308,932,000 (2017: HK\$488,676,000) was mainly denominated in HK\$ and domiciled outside the PRC or denominated in RMB and domiciled in the PRC. The Group does not expect that there will be any significant currency risk associated with the cash and bank balances denominated in US\$ given that HK\$ is pegged to the US\$. The policies to manage foreign currency risk have been followed by the Group since prior years and are considered to be effective.

39. 財務風險管理目標及政策

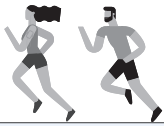
本集團須就其於日常業務及投資活動中使用之財務工具承受財務風險。本集團並無書面風險管理政策及指引。然而，本公司董事會定期舉行會議，分析及制訂措施以管理本集團承受之市場風險（包括外幣風險、利率風險及其他價格風險）、流動資金風險及信貸風險。一般而言，本集團採用審慎風險管理策略。由於本集團承受之市場風險（包括外幣風險、利率風險及其他價格風險）、流動資金風險及信貸風險維持於低水平，故本集團未曾採用任何衍生或其他工具以作對沖用途。本集團並無持有或發行衍生財務工具作交易用途。本集團所承受之最重大財務風險於下文論述。

利率風險

利率風險乃與財務工具之公平值或現金流量會隨市場利率變動而出現波動之風險有關。本集團有計息資產及負債，涉及銀行現金、銀行貸款及可換股票據。有關詳情分別於財務報表附註21、25及27披露。本集團之收入及營運現金流量大致上與市場利率變動無關。本集團並未使用任何財務工具對沖潛在利率波動。本集團銀行現金、銀行及其他貸款及可換股票據之利率風險被視為輕微。

外幣風險

貨幣風險指財務工具（不包括於聯營公司之投資）之公平值或未來現金流量會隨匯率變動而波動之風險。本集團於香港及中國營運。大部分銷售及買賣交易以人民幣結算。投資於多間銀行之存款以人民幣、港元及美元計值。於報告期末，外幣按收市匯率換算為港元。於二零一八年十二月三十一日，以人民幣計值並存放於中國境外之現金及銀行結餘為71,705,000港元（二零一七年：860,000港元），以美元計值的現金及銀行結餘為17,000港元（二零一七年：31,476,000港元），而餘額308,932,000港元（二零一七年：488,676,000港元）則主要以港元計值並存放於中國境外或以人民幣計值並存放於中國境內。由於港元與美元掛鈎，因此本集團預計將不會出現任何與以美元計值的現金及銀行結餘有關的重大貨幣風險。本集團於過去數年一直遵守外幣風險管理政策，並認為該等政策行之有效。



39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to foreign currency risk at year end date.

If RMB appreciates/depreciates against HK\$ by 5%, the results, and equity of the Group would be increased/decreased by approximately HK\$3,585,000 (2017: HK\$43,000).

Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligations under the terms of the financial instrument and cause a financial loss to the Group. The Group's exposure to credit risk mainly arises from granting credit to customers in the ordinary course of its operations. The carrying amounts of trade debtors and bills receivable, deposits and other receivable carried at amortised cost and cash and cash equivalents included in the face of the statements of financial position represent the Group's maximum exposure to credit risk in relation to its financial assets.

The Group generally has established long-term and stable relationships with its customers. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history. The Group generally allows credit period of one month extending up to six months to its major trade customers. The Group has no other significant concentration of credit risk in respect of its debtors and bills receivable. The Group maintains its cash and cash equivalents with reputable banks in Hong Kong and the PRC, therefore the directors consider that the credit risk for such is minimal. The credit and investment policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

Impairment of financial assets

The Group applies the expected credit loss model to financial assets measured at cost, including trade debtors and bill receivable, deposits and other receivables and cash and cash equivalent.

Impairment on trade debtors and bill receivables, and deposit and other receivables is measured as either 12-month expected credit losses or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since initial recognition. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition by considering available, reasonable and supportive forwarding-looking information.

39. 財務風險管理目標及政策 (續)

敏感度分析

下列敏感度分析已根據於年結日承受之外幣風險釐定。

倘人民幣兌港幣升值／貶值5%，則本集團業績及權益將增加／減少約3,585,000港元（二零一七年：43,000港元）。

信貸風險

信貸風險指財務工具之交易對方未能根據財務工具之條款履行其責任，令本集團蒙受財務損失之風險。本集團承受之信貸風險主要來自於日常業務過程中向客戶授予之信貸。應收賬款及應收票據、按攤銷成本計量之按金及其他應收款項以及現金及現金等價物之賬面值計入財務狀況表，代表本集團就其財務資產承受之最高信貸風險。

本集團普遍已與客戶建立長期穩定之關係。本集團已制定政策以確保向有良好信貸記錄之客戶銷售產品。本集團一般向其主要貿易客戶提供之信貸期介乎1個月至6個月不等。本集團並未就其應收賬款及應收票據承受其他重大集中信貸風險。本集團將其現金及現金等價物存於香港及中國信譽良好之銀行，故董事認為有關信貸風險屬輕微。本集團於過去數年一直遵守信貸投資政策，並認為已將本集團面臨之信貸風險有效限制至令人滿意的水平。

財務資產減值

本集團就按成本計量之財務資產（包括應收賬款及應收票據、按金及其他應收款項以及現金及現金等價物）採用預期信貸虧損模式。

應收賬款及應收票據以及按金及其他應收款項之減值按12個月預期信貸虧損或全期預期信貸虧損計量，視乎信貸風險自初始確認以來有否顯著增加。為評估信貸風險是否顯著增加，本集團透過考慮可得合理且可靠之前瞻性資料，將報告日期資產發生違約之風險與初始確認日期發生違約之風險比較。



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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Trade debtors and bill receivables, and deposit and other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, default or delinquency in payments, and the failure of a debtor to engage in a repayment plan with the Group.

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, no impairment loss was identified.

Trade debtors and bill receivables

To measure the expected credit losses, trade debtors and bill receivables has been grouped based on shared credit risk characteristics and the days past due.

		Current	Less than 3 months past due	3 to 6 months past due	More than 6 months	Total
		即期	逾期少於 三個月	逾期 三至六個月	逾期超過六個月	合計
31 December 2018	二零一八年十二月三十一日					
Expected loss rate	預期虧損率	-	3%	15%	25%	
Gross carrying amount	總賬面值	349,183	17,989	936	16,656	384,764
Loss allowance	虧損撥備	-	(89)	(136)	(4,224)	(4,449)
		349,183	17,900	800	12,432	380,315

The movement of loss allowances for trade debtors and bill receivables during the year is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
As at 1 January	於一月一日	4,038	-
Impairment loss recognised	已確認減值虧損	558	4,038
Currency translation difference	匯兌差額	(147)	-
As at 31 December	於十二月三十一日	4,449	4,038

39. 財務風險管理目標及政策 (續)

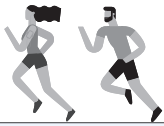
應收賬款及應收票據以及按金及其他應收款項於合理預期無法收回時予以撇銷。合理預期無法收回款項之跡象包括，(其中包括)債務人陷入重大財務困境、債務人可能進入破產或財務重組、違約或拖欠付款及債務人未能與本集團訂立還款計劃。

雖然現金及現金等價物亦受香港財務報告準則第9號的減值規定的規限，但並無識別到任何減值虧損。

應收賬款及應收票據

為計量預期信貸虧損，應收賬款及應收票據已根據共有的信貸風險特徵及逾期天數分組。

年內，應收賬款及應收票據之虧損撥備變動如下：

**39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****Deposits and other receivables**

For deposits and other receivables relating to accounts that are long overdue with significant amounts, known insolvencies or non-response to collection activities, they are assessed individually for impairment allowance. The Group recognised the provision for expected credit losses by assessing the credit risk characteristics of debtor, discount rate and the likelihood of recovery and considering the prevailing economic conditions.

The movement of loss allowances for deposits and other receivables during the year is as follows:

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
As at 1 January	於一月一日	7,206	7,206
Impairment loss recognised	已確認減值虧損	17,180	-
Currency translation difference	匯兌差額	(372)	-
As at 31 December	於十二月三十一日	24,014	7,206

Previous accounting policy for impairment of financial asset

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

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

39. 財務風險管理目標及政策 (續)**按金及其他應收款項**

與巨額且逾期已久或已知無力償債或不回應收款活動的賬戶有關之按金及其他應收款項會個別評估減值撥備。本集團透過評估應收賬款之信貸風險特徵、貼現率及收回款項之可能性，並考慮現時經濟狀況，確認預期信貸虧損撥備。

年內，按金及其他應收款項之虧損撥備變動如下：

財務資產減值之過往會計政策

於過往年度，財務資產減值乃根據已產生虧損模式進行評估。本集團於各報告期結算日評估是否有客觀證據顯示一項財務資產或一組財務資產出現減值。只在有客觀證據顯示於初步確認該資產後發生一項或多項事件（「虧損事件」）導致出現減值，而該項虧損事件（或該等事件）對該項或該組財務資產之估計未來現金流量所造成影響能夠可靠地估計之情況下，該項或該組財務資產始會被視作減值及產生減值虧損。

減值證據可包括一名或一組債務人正面臨重大財政困難、違約或拖欠利息或本金之跡象、彼等有可能破產或進行其他財務重組，其中有可觀察數據顯示估計未來現金流量出現顯著減少，例如欠款數目變動或出現與違約相關之經濟狀況。



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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Assets carried at amortised cost

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

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

Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of trade payables, other payables and accruals, bank and other loans, convertible notes and payable to a non-controlling interest, also in respect of its cash flow management.

The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term. The Group manages its liquidity needs on a consolidated basis by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day to day business. Liquidity needs are monitored in various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 3 months projection. Long-term liquidity needs for a 180-day and 365-day lookout period are identified monthly. Net cash requirements are compared to available funds in order to determine headroom or any shortfalls. This analysis shows if available funds are expected to be sufficient over the lookout period. The Group maintains cash and short-term bank deposits to meet its liquidity requirements for 30 days at a minimum. Funding for longer term liquidity needs is additionally secured by an adequate amount of borrowings and the ability to sell longer term financial assets. The Group's liquidity is mainly dependent upon the cash received from its trade customers.

39. 財務風險管理目標及政策 (續)

按攤銷成本列賬之資產

對於貸款及應收賬款類別，虧損金額乃根據資產賬面值與按財務資產原實際利率貼現之估計未來現金流量（不包括仍未產生之未來信貸虧損）之現值兩者之差異計量。資產賬面值予以削減，而虧損金額則於綜合損益表中確認。如貸款或持有至到期投資有浮動利率，計量任何減值虧損之貼現率為按合同釐定之當前實際利率。在實際運作上，本集團可能採用可觀察之市價按工具之公平值為基準計量減值。

如在後續期間，減值虧損之數額減少，而此減少可客觀地聯繫至在確認減值後發生之事件（例如債務人之信用評級有所改善），則之前已確認之減值虧損撥回可在綜合損益中確認。

流動資金風險

流動資金風險與本集團未能達成其以現金或另一財務資產清償財務負債責任之風險有關。本集團在清償應付賬款、其他應付款項及應計費用、銀行及其他貸款、可換股票據及應付非控股權益款項以及現金流量管理方面承受流動資金風險。

本集團之目標在於維持流動資產及承諾資金於適當水平，以滿足其短期及長期流動資金需求。本集團透過審慎監察長期財務負債之還款期，以及預測日常業務現金流入及流出，以綜合基準管理其流動資金需要。流動資金需求按不同時段監察，包括按日及按星期，以及按3個月滾存預測。每月釐定180日及365日監察期，監察長期流動資金需要。現金淨額需求與可動用資金作比較，以釐定空間或任何差額。此分析顯示預期可動用資金於監察期間是否充足。本集團維持現金及短期銀行存款以應付最少30日之流動資金需求。應付長期流動資金需求之資金則由充足借貸及出售長期財務資產之能力另外提供。本集團流動資金主要取決於從其貿易客戶收取之現金。



39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The directors of the Company are satisfied that the Group will be able to meet in full its financial obligations as and when they fall due in the foreseeable future. The liquidity policies have been followed by the Group since prior years and are considered to have been effective in managing liquidity risks.

Apart from the non-current bank loan and the non-current convertible notes disclosed in notes 25 and 27 respectively for the financial statements, the maturity profile of the Group's major financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is within one year or on demand and the contractual undiscounted payments approximate to their carrying amounts.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular, its cash resources and other liquid assets that readily generate cash. The Group's existing cash resources and other liquid assets significantly exceed the cash outflow requirements.

The following table shows the remaining contractual maturities at the end of the year, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rate) and the earliest date the Group can be required to pay:

39. 財務風險管理目標及政策 (續)

本公司董事信納，本集團可悉數償還於可預見將來到期之財務負債。本集團於過去數年一直遵守流動資金政策，並認為該等政策可有效管理流動資金風險。

除於財務報表附註25及27分別披露之非即期銀行貸款及非即期可換股票據外，於報告期末根據合約未貼現款項劃分之本集團之主要財務負債到期情況為一年內或按要求償還，而合約未貼現款項與其賬面值相若。

本集團於評估及管理流動資金風險時考慮來自財務資產之預期現金流量，特別是現金資源及可即時產生現金之其他流動資產。本集團現有現金資源及其他流動資產大幅超出其現金流出需求。

下表列示年末基於合約未貼現現金流量（包括使用合約利率計算之利息付款）之剩餘合約到期日及本集團可被要求還款之最早日期：

		2018 二零一八年				
		Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount at 31 December
		一年內 HK\$'000 千港元	超過一年但少於兩年 HK\$'000 千港元	超過兩年但少於五年 HK\$'000 千港元	總計 HK\$'000 千港元	於十二月三十一日之賬面值 HK\$'000 千港元
Derivative financial assets	衍生財務資產					
Forward share purchase contract	遠期股權購買合同	22,780	-	-	22,780	22,780
Non-derivative financial liabilities	非衍生財務負債					
Convertible notes (liability component)	可換股票據(負債部分)	38,900	38,900	1,125,682	1,203,482	819,602
Bank and other loans	銀行及其他貸款	40,023	-	-	40,023	40,023
Derivative financial liabilities	衍生財務負債					
Options	期權	-	2,772	-	2,772	2,772

		2017 二零一七年				
		Within 1 year	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total	Carrying amount at 31 December
		一年內 HK\$'000 千港元	超過一年但少於兩年 HK\$'000 千港元	超過兩年但少於五年 HK\$'000 千港元	總計 HK\$'000 千港元	於十二月三十一日之賬面值 HK\$'000 千港元
Derivative financial assets	衍生財務資產					
Options	期權	-	-	2,255	2,255	2,255
Non-derivative financial liabilities	非衍生財務負債					
Convertible notes (liability component)	可換股票據(負債部分)	38,900	38,900	1,164,582	1,242,382	750,605
Bank and other loans	銀行及其他貸款	1,552	41,034	-	42,586	37,535



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39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value risk and disclosures

At 31 December 2018 and 2017, the Group held certain derivative financial instruments which are carried in the financial statements at fair value, as further detailed in notes 13, 16 and 31 to the financial statements. In respect of the derivative financial instruments, their fair values were measured based on a valuation technique for which any inputs which have a significant effect on the recorded fair value are based on significant unobservable data (the "Level 3 fair value hierarchy"). During the year ended 31 December 2018, there were no transfers among the levels (2017: Nil).

In respect of the Group's financial assets and liabilities as at 31 December 2018 and 2017 which are carried in the financial statements at other than fair value, in the opinion of the directors of the Company, the carrying amounts of these financial assets and liabilities are reasonable approximation of their respective fair values as these financial instruments are due to be received or settled within one year. Accordingly, no disclosure of the fair values of these financial instruments is made.

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group actively and regularly reviews and manages its capital structure to ensure optimal structure and shareholder returns, taking into consideration the future capital requirements of the Group, prevailing and projected capital expenditure, projected strategic investment opportunities and economic conditions.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2018 and 2017.

The Group regards total equity attributable to the shareholders of the Company presented on the face of the consolidated statement of financial position as capital, for capital management purposes. The amount of capital (total equity plus total debt) as at 31 December 2018 amounted to approximately HK\$4,794,087,000 (2017: HK\$4,826,625,000), which the management considers as optimal having considered the projected capital expenditures and the forecast strategic investment opportunities.

40. FINANCIAL INSTRUMENTS BY CATEGORY

Other than derivative financial instruments being classified as financial asset/liabilities at fair value through profit or loss as disclosed in notes 16 and 31 to the financial statements, all financial assets and liabilities previously measured at amortised cost which meet the conditions for classification at amortised cost under HKFRS 9, respectively.

39. 財務風險管理目標及政策 (續)

公平值風險及披露

誠如財務報表附註13、16及31進一步詳述，於二零一八年及二零一七年十二月三十一日，本集團持有若干按公平值計入財務報表之衍生財務工具。衍生財務工具之公平值乃根據任何對已入賬公平值具重大影響的輸入數據（根據重大不可觀察數據為基準計算）之估值技術計量（「第3級公平值架構」）。截至二零一八年十二月三十一日止年度，公平值層級間並無進行轉移（二零一七年：無）。

就本集團於二零一八年及二零一七年十二月三十一日並非以公平值計入財務報表之財務資產及負債而言，本公司董事認為，該等財務資產及負債之賬面值合理地與彼等各自之公平值相若，原因為該等財務工具將於一年內收取或償還。因此，概無披露該等財務工具之公平值。

資本管理

本集團之資本管理首要目的乃保障本集團有持續經營之能力及維持穩健資本比率，以支持其業務發展並盡量提升股東價值。

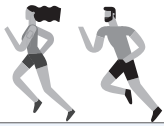
本集團積極及定期審閱與管理其資本架構，以確保最佳資本架構及股東回報，同時考慮本集團之未來資本需要、目前及預計資本開支、預計策略投資機會及經濟狀況。

為維持或調整資本架構，本集團可能調整向股東派付之股息、向股東退回資本或發行新股。本集團並無受限於任何外界資本規定。截至二零一八年及二零一七年十二月三十一日止年度，有關管理資本之目標、政策或程序概無變動。

就資本管理而言，本集團將綜合財務狀況表所呈列之本公司股東應佔總權益視作資本。於二零一八年十二月三十一日之資本（權益總額加債務總額）為數約4,794,087,000港元（二零一七年：4,826,625,000港元），經考慮預計資本開支及預計策略投資機會後，管理層認為已達致最佳水平。

40. 按種類劃分之財務工具

除財務報表附註16及31所披露分類為透過損益按公平值列值之財務資產／負債之衍生財務工具外，所有先前按攤銷成本計量之財務資產及負債符合香港財務報告準則第9號下按攤銷成本分類的條件。



Particulars of Investment Properties

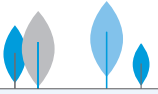
投資物業之詳情

31 December 2018 二零一八年十二月三十一日

Location 位置	Use 用途	Tenure 租期	Attributable Interest of the Group 本集團應佔權益
Land Lot No. 61, No. 22 Kaifa Road, Shenyang Economic and Technology Development Zone, Shenyang, Liaoning Province, the PRC 中國遼寧省瀋陽市 瀋陽經濟技術開發區 開發路22號61號地塊	For generating rental income and/or capital appreciation 用來賺取租金收入 及／或資本增值	Medium term 中期	100%
Building No. A-2, Phase 1 of Zhongjian Zhilifang, No. 728 Lanzhou Road, Hefei, Anhui Province, PRC 中國安徽省合肥市 蘭州路728號 中建智立方一期A-2樓	For generating rental income and/or capital appreciation 用來賺取租金收入 及／或資本增值	Medium term 中期	100%

Particulars of Stock of Properties

物業存貨之詳情



Location 位置	Group's Interest 本集團權益	Tenure 租期	Approximate Site Area (sq.m.) 概約佔地面積 (平方米)
Guangling Xincheng, Yangzhou, Jiangsu Province of the PRC, northwest to the intersection of Binshui Road and Jianmin Road	70%	Medium to long term	23,334
中國江蘇省揚州市廣陵新城濱水路與健民路交叉口西北處	70%	中期至長期	23,334



Five-Year Financial Summary

五年財務概要

A summary of the results and of the assets and liabilities and total equity of the Group for the last five financial years, as extracted from the published audited financial statements of the Group, is set out below:

以下載列本集團過去五個財政年度之業績及資產與負債及權益總額概要，乃摘錄自本集團已刊發經審核財務報表：

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
REVENUE	收益	1,134,584	612,467	552,208	147,355	111,418
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)	94,723	(108,863)	112,163	(182,551)	(463,045)
PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人應佔年內溢利／(虧損)	76,982	(109,666)	103,630	(179,657)	(462,176)

ASSETS AND LIABILITIES

資產與負債

		31 December 十二月三十一日				
		2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年	2014 二零一四年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產	3,867,676	3,793,409	3,525,815	3,536,271	2,990,300
CURRENT ASSETS	流動資產	1,193,328	1,351,961	1,580,745	781,546	1,022,887
CURRENT LIABILITIES	流動負債	290,979	296,774	635,634	320,727	140,158
NET CURRENT ASSETS	流動資產淨值	902,349	1,055,187	945,111	460,819	882,729
TOTAL ASSETS	資產總值	5,061,004	5,145,370	5,106,560	4,317,817	4,013,187
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	4,770,025	4,848,596	4,470,926	3,997,090	3,873,029
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	本公司權益持有人應佔權益	3,891,137	4,003,132	3,718,317	3,741,854	3,873,034



In this annual report, unless the context requires otherwise, the following expressions shall have the following meanings:

在本年報內，除文義另有指明者外，下列詞彙具有下文所載列之涵義：

<p>“Board” 「董事會」</p>	指	<p>the board of Directors 董事會</p>
<p>“BVI” 「英屬處女群島」</p>	指	<p>the British Virgin Islands 英屬處女群島</p>
<p>“China” or “PRC” 「中國」</p>	指	<p>the People’s Republic of China which, for the purpose of this annual report, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan 中華人民共和國，就本年報而言，不包括香港、中華人民共和國澳門特別行政區及台灣</p>
<p>“close associate(s)” 「緊密聯繫人」</p>	指	<p>has the meaning ascribed thereto under the GEM Listing Rules 具有GEM上市規則所賦予的相同涵義</p>
<p>“Company” or “Viva China” 「本公司」或「非凡中國」</p>	指	<p>Viva China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the GEM (stock code: 8032) 非凡中國控股有限公司，於開曼群島註冊成立之有限公司，其已發行股份於GEM上市（股份代號：8032）</p>
<p>“connected transaction(s)” 「關連交易」</p>	指	<p>has the meaning ascribed to it in the GEM Listing Rules 具有GEM上市規則所賦予涵義</p>
<p>“Directors” 「董事」</p>	指	<p>the directors of the Company 本公司董事</p>
<p>“Double Happiness” 「紅雙喜」</p>	指	<p>Shanghai Double Happiness Co., Ltd 上海紅雙喜股份有限公司</p>
<p>“Double Happiness Group” 「紅雙喜集團」</p>	指	<p>Shanghai Double Happiness Co., Ltd and its subsidiaries 上海紅雙喜股份有限公司及其附屬公司</p>
<p>“Dragon City” 「Dragon City」</p>	指	<p>Dragon City Management (PTC) Limited, a company incorporated in BVI Dragon City Management (PTC) Limited，於英屬處女群島註冊成立之公司</p>
<p>“Feyenoord” 「費耶諾德」</p>	指	<p>Feyenoord Rotterdam 費耶諾德•鹿特丹</p>
<p>“GEM” 「GEM」</p>	指	<p>GEM of the Stock Exchange 聯交所GEM</p>
<p>“GEM Listing Rules” 「GEM上市規則」</p>	指	<p>the Rules Governing the Listing of Securities on GEM GEM證券上市規則</p>
<p>“Group” 「本集團」</p>	指	<p>the Company and its subsidiaries 本公司及其附屬公司</p>



“HK\$” 「港元」	指	Hong Kong dollars, the lawful currency of the Hong Kong 港元·香港法定貨幣
“HKICPA” 「香港會計師公會」	指	The Hong Kong Institute of Certified Public Accountants 香港會計師公會
“HKFRSs” 「香港財務報告準則」	指	Hong Kong Financial Reporting Standards which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations 香港財務報告準則（包括所有香港財務報告準則、香港會計準則及詮釋）
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Huarong Real Estate” 「華融置業」	指	Huarong Real Estate Co., Ltd.*, a limited liability company established in the PRC, the real estate business platform of China Huarong Asset Management Co., Ltd 華融置業有限責任公司，一間於中國成立的有限公司，為中國華融資產管理股份有限公司的房地產業務平台
“Jump 360” 「Jump 360」	指	Jump 360 Holdings Ltd 騰博運動控股有限公司
“Lead Ahead” 「Lead Ahead」	指	Lead Ahead Limited, a company incorporated in the BVI Lead Ahead Limited，於英屬處女群島註冊成立之公司
“Li Ning Co” 「李寧公司」	指	Li Ning Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued LN Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2331) 李寧有限公司，於開曼群島註冊成立之有限公司，其已發行李寧股份於聯交所主板上市（股份代號：2331）
“LN Convertible Securities” 「李寧可換股證券」	指	the convertible securities offered by Li Ning Co to the qualifying shareholders of Li Ning Co, in lieu of all or part of LN Shares at the election of each qualifying shareholder of Li Ning Co, in the Li Ning Open Offer and are convertible into LN Shares at the initial conversion price of HK\$2.60 per LN Shares (subject to adjustment) 李寧公司向李寧公司合資格股東發售之可換股證券，以按李寧公司各合資格股東的選擇取代李寧公開發售中的全部或部分李寧股份，該等可換股證券可按初步轉換價每股李寧股份2.60港元（可予調整）轉換為李寧股份
“LN Group” 「李寧集團」	指	Li Ning Co and its subsidiaries 李寧公司及其附屬公司

“LN Share(s)” 「李寧股份」	指	the share(s) of HK\$0.10 each in the share capital of Li Ning Co 李寧公司股本中每股面值0.10港元之股份
“NA” 「不適用」	指	not applicable 不適用
“PPP” 「PPP」	指	Public-Private-Partnership, a business model in which public infrastructure projects are financed, built and operated by way of partnership between the public sector and the private sector 公私合夥，一種業務模式，在這種模式下，公共基礎設施項目乃由公營界別與私營界別合夥的方式提供資金、興建及經營
“Reporting Period” 「報告期」	指	the period of 1 January 2018 to 31 December 2018 二零一八年一月一日至二零一八年十二月三十一日期間
“RMB” 「人民幣」	指	Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 香港法例第571章證券及期貨條例
“Share(s)” 「股份」	指	ordinary shares of nominal value of HK\$0.05 each in the share capital of the Company 本公司股本中每股面值0.05港元之普通股
“Shareholder(s)” 「股東」	指	holder(s) of Share(s) 股份持有人
“Sports Cultural Industry Fund” or “Fund” 「體育文化產業基金」或 「基金」	指	Zhuhai Viva Huazhi Sport and Culture Equity Investment Fund (Limited Partnership*), a limited partnership enterprise to be established in the PRC 珠海非凡華置體育文化產業股權投資基金（有限合夥），一間於中國成立的有限合夥企業
“State Council” 「國務院」	指	State Council of the People's Republic of China 中華人民共和國國務院
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“US\$” 「美元」	指	United States dollars, the lawful currency of the United States of America 美元，美利堅合眾國的法定貨幣
“VCHL” 「VCHL」	指	Viva China Holdings Ltd, a company incorporated in BVI and a wholly-owned subsidiary of the Company Viva China Holdings Ltd，於英屬處女群島註冊成立之公司，並為本公司之全資附屬公司
“Victory Mind Assets” 「Victory Mind Assets」	指	Victory Mind Assets Limited, a company incorporated in BVI Victory Mind Assets Limited，於英屬處女群島註冊成立之公司
“%” 「%」	指	per cent 百分比

* English name for identification purpose only



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