



# Evershine Group Holdings Limited 永耀集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock Code 股份代號 : 8022

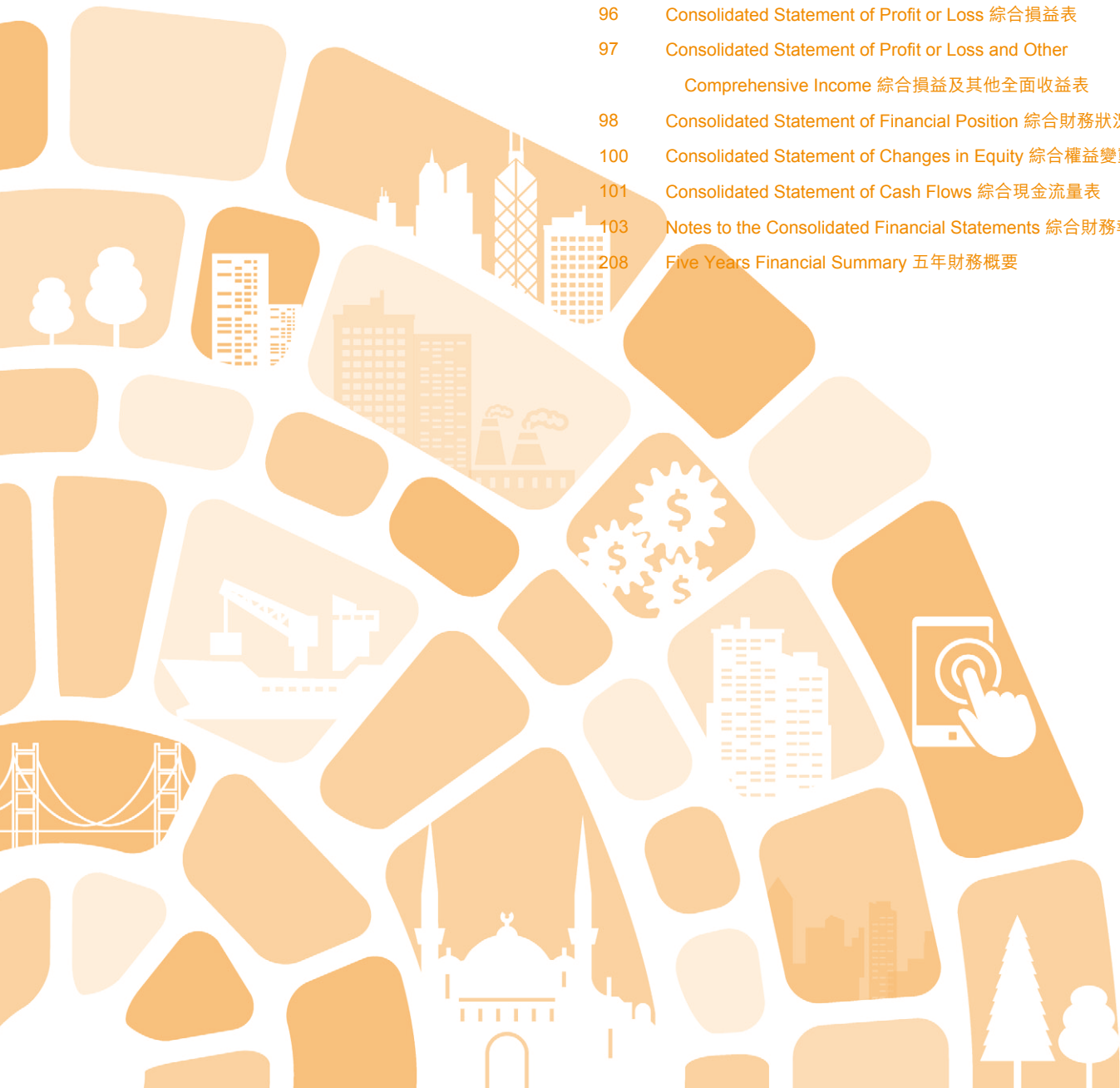
ANNUAL REPORT  
年報 **2018**





# CONTENTS 目錄

2	Corporate Information 公司資料
4	Statement from the Board 董事會報告
12	Management Discussion and Analysis 管理層論述及分析
29	Biographical Details of Directors and Senior Management 董事及高級管理層履歷詳情
33	Report of the Directors 董事報告
44	Corporate Governance Report 企業管治報告
58	Environmental, Social and Governance Report 環境、社會及管治報告
89	Independent Auditor's Report 獨立核數師報告
96	Consolidated Statement of Profit or Loss 綜合損益表
97	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表
98	Consolidated Statement of Financial Position 綜合財務狀況表
100	Consolidated Statement of Changes in Equity 綜合權益變動表
101	Consolidated Statement of Cash Flows 綜合現金流量表
103	Notes to the Consolidated Financial Statements 綜合財務報表附註
208	Five Years Financial Summary 五年財務概要



# CORPORATE INFORMATION

## 公司資料

### DIRECTORS

#### Executive Directors

Mr. Hung Tat Chi Alan  
Mr. Ling Ko Yin Jason

#### Non-executive Director

Mr. Chan Wai Kit

#### Independent non-executive Directors

Ms. Choy So Yuk, *BBS, JP*  
Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

### COMPANY SECRETARY

Ms. Chan Shuk Man Lora

### COMPLIANCE OFFICER

Mr. Hung Tat Chi Alan

### AUTHORISED REPRESENTATIVES

Ms. Chan Shuk Man Lora  
Mr. Hung Tat Chi Alan

### AUDIT COMMITTEE

Mr. Leung Man Chun (*Chairman*)  
Ms. Choy So Yuk, *BBS, JP*  
Ms. Lam Yuk Ying Elsa

### REMUNERATION COMMITTEE

Ms. Choy So Yuk, *BBS, JP* (*Chairperson*)  
Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

### NOMINATION COMMITTEE

Ms. Lam Yuk Ying Elsa (*Chairperson*)  
Ms. Choy So Yuk, *BBS, JP*  
Mr. Leung Man Chun

### AUDITORS

Elite Partners CPA Limited

### 董事

#### 執行董事

洪達智先生  
林高然先生

#### 非執行董事

陳偉傑先生

#### 獨立非執行董事

蔡素玉女士，*銅紫荊星章，太平紳士*  
林玉英女士  
梁文俊先生

### 公司秘書

陳淑雯女士

### 監察主任

洪達智先生

### 法定代表

陳淑雯女士  
洪達智先生

### 審核委員會

梁文俊先生 (*主席*)  
蔡素玉女士，*銅紫荊星章，太平紳士*  
林玉英女士

### 薪酬委員會

蔡素玉女士，*銅紫荊星章，太平紳士* (*主席*)  
林玉英女士  
梁文俊先生

### 提名委員會

林玉英女士 (*主席*)  
蔡素玉女士，*銅紫荊星章，太平紳士*  
梁文俊先生

### 核數師

開元信德會計師事務所有限公司



## CORPORATE INFORMATION 公司資料

### PRINCIPAL BANKER

Bank of Communications Co., Ltd. Hong Kong Branch  
20 Pedder Street  
Central, Hong Kong

### 主要往來銀行

交通銀行股份有限公司香港分行  
香港中環  
畢打街20號

### SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited  
Shops 1712–1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### 股份過戶登記處

香港證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心17樓  
1712–1716號舖

### REGISTERED OFFICE

16th Floor, Henan Building  
Nos. 90 & 92 Jaffe Road  
Wan Chai, Hong Kong

### 註冊辦事處

香港灣仔  
謝斐道90及92號  
豫港大廈16樓

### WEBSITE

<http://www.evershinegroup.com.hk>

### 網站

<http://www.evershinegroup.com.hk>

### STOCK CODE

8022

### 股份代號

8022

# STATEMENT FROM THE BOARD

## 董事會報告

On behalf of the Board, I am pleased to present to you a summary of the results of the operations of the Group for the financial year ended 31 December 2018 (the “Year”). In the past year, the Group reinforced a stable development through acquisitions and improvements of the existing business. We strive to seek for opportunities in both asset and profit growth in the coming years.

### FINANCIAL HIGHLIGHTS OF 2018 FISCAL YEAR

Revenue of the Group from continuing operations for 2018 was approximately HK\$4,427,000 which decreased by 84% as compared to approximately HK\$27,948,000 last year. Compared to the loss for the year of HK\$68,749,000 in 2017, loss for the year of HK\$113,443,000 was recorded. Loss per share in 2018 was approximately 6.02 HK cents, compared to a loss of 4.49 HK cents per share in 2017. The Board does not recommend any dividend payment for 2018.

### OVERVIEW FOR 2018 OPERATIONS AND PROSPECTS

Strategically, 2018 has been a significant year for Evershine, in which the Company has continued developing business opportunities in property development in the Republic of Turkey (“Turkey”). Despite the fact that the subdued economic environment is continuing to negatively impact our financial result, the Group has been continuing to explore further investments opportunities to develop our business. The Group has been continuing to build, grow and unlock the value behind our businesses and investments. We believe our strategy is working on the right track despite the challenging market conditions.



Akasya Apartment, Kadikoy, Istanbul, Turkey  
土耳其伊斯坦布爾卡德柯伊Akasya Apartment

本人謹此代表董事會，欣然提呈本集團截至二零一八年十二月三十一日止財政年度（「年內」）之經營業績概要。本集團於過去一年通過收購及改善現有業務而獲得穩定發展。我們努力於未來數年尋求資產及利潤增長之機會。

### 二零一八財政年度財務摘要

於二零一八年，本集團來自持續經營業務之收益約為4,427,000港元，較去年約27,948,000港元下降84%。二零一七年錄得年內虧損68,749,000港元，而年內虧損為113,443,000港元。二零一八年每股虧損約為6.02港仙，而二零一七年為每股虧損4.49港仙。董事會不建議就二零一八年派付任何股息。

### 二零一八年業務回顧及前景

二零一八年對永耀而言意義重大，本公司於年內繼續在土耳其共和國（「土耳其」）發掘物業開發商機。儘管經濟不景氣持續對我們之財務業績造成負面影響，惟本集團一直不斷發掘更多投資機遇以發展業務。本集團繼續建設、發展及發揮業務及投資蘊含之價值。雖然市況充滿挑戰，惟我們相信我們之策略正朝著正確方向推進。



Evim Apartment, Kadikoy, Istanbul, Turkey  
土耳其伊斯坦布爾卡德柯伊Evim Apartment





## STATEMENT FROM THE BOARD 董事會報告

During the year, the Group has identified greater opportunities under the shelter of “Belt and Road” initiative, and expanded the properties investment scale in Turkey. An acquisition of an additional 30% equity interest of Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi (“Boyracı Construction”) has completed, Boyracı Construction is a company operating in real estate development in Turkey, thus after the acquisition Boyracı Construction became an indirect 60%-owned subsidiary of the Group. Boyracı Construction has completed 5 projects, consist of 14 residential units and 2 commercial units, additional two projects are expected to reach completion in the year of 2019. Majority of the residents are leased with tenants and has been generating stable rental income, and we expect such rental income will remain stable in 2019. Since the Turkish government has lowered the requirements for foreigners to acquire Turkish citizenship during the year 2018, upward trend is presented in the sum of foreign property buyers in Turkey. The Group believes that such trend will continue to rise and provide opportunities for our currently vacant property units and constructing units to generate considerable revenue in 2019.

年內，本集團在「一帶一路」倡議之支持下發掘更多機遇，並擴大於土耳其之物業投資規模。本集團已完成收購Boyracı Construction額外30%股權，Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi(「Boyracı Construction」)是於土耳其經營房地產開發之公司。收購後，Boyracı Construction成為本集團間接擁有60%權益之附屬公司。Boyracı Construction已完成5個項目，包括14個住宅單位及2個商業單位，另外兩個項目預計將於二零一九年竣工。大多數單位向租戶出租，故已產生穩定租金收入。我們預計該等租金收入將於二零一九年保持穩定。由於土耳其政府於二零一八年降低外國人獲得土耳其公民身份的資格，故土耳其之外國物業買家總數呈上升趨勢。本集團相信此趨勢將持續上升，並為我們目前空置之物業單位及在建單位提供良機，可於二零一九年帶來可觀收益。



Sea view from Doğa Apartment, Kadikoy, Istanbul, Turkey  
土耳其伊斯坦布爾卡德柯伊Doğa Apartment對出海景



Doğa Apartment, Kadikoy, Istanbul, Turkey  
土耳其伊斯坦布爾卡德柯伊Doğa Apartment



Koza Apartment, Kadikoy, Istanbul, Turkey  
土耳其伊斯坦布爾卡德柯伊Koza Apartment

## STATEMENT FROM THE BOARD 董事會報告

To further explore the opportunities in Turkey, we have participated the ““Hong Kong’s Role in the Belt and Road Strategic Development Plan of the Motherland” Seminar” and “Turkey Economic and Cultural Exchange Delegation Trip” organised by Chinese-Turkish Economic and Cultural Exchange Association (“CTECEA”) during the year. The association is formed by a body of professionals, with an aim to promote business and cultural links between Turkey, mainland China and Hong Kong, in order to contributing to the long-term interests and sustainable development between the countries.



Delegates from Turkey Delegation meet the Principal of Istanbul Technical University

土耳其代表團之代表與伊斯坦布爾理工大學校長會面

The properties investment business in Hong Kong continued to make steady progress in FY2018. The property prices of the two office units, which are located in the central business district in Wan Chai Hong Kong have risen this year, thus improves the Group’s overall asset value. The office units continue to maintain good progress in the office leasing activities and generate rental income. We are optimistic that the properties investment business will bring long-term success to the Group.

為了進一步發掘土耳其之機遇，於年內，我們參加了由中土經濟及文化交流協會（「中土交流協會」）舉辦之「『香港在祖國一帶一路戰略發展計劃中的角色』研討會（“Hong Kong’s Role in the Belt and Road Strategic Development Plan of the Motherland” Seminar）」及「土耳其經濟及文化交流代表團（Turkey Economic and Cultural Exchange Delegation Trip）」。

該協會由一眾專業人士成立，目的為促進土耳其、中國內地與香港間之商業及文化聯繫，為三地之長遠利益及可持續發展作出貢獻。



Launching Ceremony of “Hong Kong’s Role in the Belt and Road Strategic Development Plan of the Motherland” Seminar

「香港在祖國一帶一路戰略發展計劃中的角色」研討會之開幕儀式

於二零一八年財政年度，香港之物業投資業務繼續穩步發展。位於香港灣仔商業中心區之兩個辦公室單位物業價格於今年均有所上升，從而提升本集團之整體資產價值。該等辦公室單位於辦公室租賃活動中繼續保持良好進展，並帶來租金收入。我們持樂觀態度，相信物業投資業務將為本集團帶來長遠成功。





## STATEMENT FROM THE BOARD 董事會報告



Henan Building, Wan Chai, Hong Kong

香港灣仔豫港大廈



Located in the central business district in Wan Chai, Hong Kong

座落於香港灣仔之商業中心區

During the Year, the Group has set up a new indirect non-wholly owned subsidiary, incorporated in the People's Republic of China ("PRC"), specializing in furniture design including window frames, doors and wardrobes customized design and manufacture. The products have combined the values and technological efficiencies with fine and unrivalled craftsmanship. The business will target high-end customers as well as corporate customers such as hotels and property developers in PRC's first-tier cities, by providing personalized and unique furniture in high quality. We believe that the growing urbanization and commercialization trend in PRC will lead to a high demand for advanced and reliable customized design furniture. Positive construction spending and ongoing renovation are the key trends witnessed which would gradually favor viable growth opportunities for the market. Rise in expenditure on construction activities to enhance the standard of living and artistic beauty in PRC is anticipated to support the growth in the coming years.

於年內，本集團成立了一家於中華人民共和國（「中國」）註冊成立的新間接非全資附屬公司，專門從事傢俬設計，包括設計及製造各種量身訂製的窗框、門及衣櫃。其產品造工精緻，匠心獨運，無論價值及技術效益均卓越不凡。該業務專門提供優質個性化的獨特傢俬，以高端客戶及企業客戶為對象，諸如中國一線城市之酒店及房地產開發商。我們相信，中國加速城市化及商業化的趨勢將促使消費者對先進可靠的訂製傢俬有殷切需求。建築開支有增無減，加上樓宇翻新項目持續展開，為市場提供無限的發展機遇。預期建築活動的開支將繼續攀升，並提高中國的生活水平及美化居住環境水平，此舉有助傢俬行業未來之增長。

# STATEMENT FROM THE BOARD

## 董事會報告



Customized design door  
量身訂製門



Customized design door  
量身訂製門



Customized design door and window frames  
量身訂製門及窗框



Customized design bookshelf  
量身訂製書架

## STATEMENT FROM THE BOARD 董事會報告

On the other hand, our money lending business wholly owned subsidiary company Ottoman Evershine Finance Limited, has renewed the money lenders license granted by the licensing court in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) and continues to operate during the Year.

The Group maintained a steady operation of mobile application business in FY2018. Our subsidiary company First Surplus Investments Limited (the “FS Group”) principally engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. The operation has been facing fierce market competition and regulatory uncertainties during the year. Going forward, the Group will carefully monitor the market environment in the mobile game industry and continue to seek opportunities in overseas market.

The trading business of the Group is now focusing on Onyx Marbles, a type of construction materials, importing from Turkey to PRC. The Marbles have been warehoused in PRC, marketing strategies are planned to proceed in 2019 to better improve our overall trading business.

Due to the complexity of local government regulation, the sales process of the cemetery business in Henan, PRC has been affected during the Year. Taking into account of the growth prospect and the restricted environment in PRC, the Group maintains provision for impairment of receivables and for estimated losses that result from the inability of the cemetery to maintain normal operation. The Group will strive to negotiate with the local government in order to creating a favourable environment for the cemetery business in Henan.



Xianganling Cemetery is situated on the land with an area of approximately 47 Mu which is located at Zhecheng County, Henan Province, the PRC. 襄安陵公墓位於中國河南省柘城縣，土地面積約47畝。

另一方面，我們經營放債業務之全資附屬公司奧斯曼財務有限公司已於年內根據香港法例第163章放債人條例重續香港牌照法庭授予之放債人牌照，並繼續營運。

於二零一八年財政年度，本集團之手機應用程式業務穩步發展。我們之附屬公司First Surplus Investments Limited(「FS集團」)主要從事手機遊戲開發、遊戲發行、應用程式、相關知識產權及平台業務以及提供相關解決方案。該業務於年內面對激烈之市場競爭及監管之不確定因素。展望未來，本集團將密切監察手機遊戲行業之市場環境，並繼續在海外市場尋找機遇。

本集團之貿易業務現正專注於瑪瑙大理石，這是一種由土耳其進口到中國的建築材料。瑪瑙大理石一直存放於中國之倉庫內，市場推廣策略已密鑼緊鼓於二零一九年推出，以加強我們整體之貿易業務。

年內，由於當地政府監管規例相當複雜，故於中國河南省展開之公墓業務銷售工作一直受到影響。考慮到中國之增長前景及環境限制，本集團就公墓無法維持正常營運導致應收款項減值及估計虧損作出撥備。本集團將努力與當地政府磋商，為位於河南之公墓業務締造良好的環境。



Evershine Group offers premium and professional services in cemetery. 永耀集團於公墓提供優質及專業之服務。



## STATEMENT FROM THE BOARD 董事會報告



Our services include the utilization of niches and plots, thus offering our expertise in tomb design and construction services, cemetery and columbarium maintenance services.

我們之服務包括龕位及墓地使用，於墓穴設計及建設服務、公墓及骨灰龕維護服務方面提供專業知識。

During the year, Evershine volunteer team has participated the volunteer activity organized by Sheng Kung Hui Holy Carpenter Church Community Centre. The aim of the activity is to serve the underprivileged families in Kowloon City district by providing a platform for neighborhoods to donate items such as furniture, stationery, toys and books for those who are in need. Evershine will continue to devote to an array of charity activities in the community. In order to live up to the responsibility of a good corporate citizen, we will hold of every possible means to contribute to the community and to care about the less fortunate people around.



Evershine volunteer team together with staff from S.K.H Holy Carpenter Church Community Center

永耀義工團隊及聖公會聖匠堂社區中心之職員



We provide 12,000 units of cemetery.

我們提供12,000個公墓龕位。

年內，永耀義工團隊參加了由聖公會聖匠堂社區中心舉辦之義工活動。該活動目的是為九龍城區之貧困家庭提供服務，透過構建一個平台，讓居民可向有需要人士捐贈傢俬、文具、玩具、書籍等物品。永耀將繼續致力參與一系列社區慈善活動。為了履行良好企業公民之責任，我們將盡一切可能為社區作出貢獻，關懷周遭的弱勢社群。



Evershine volunteer team designed and hosted a game booth for parents and younger participants. More than 100 children and their parents enjoyed the game booth exceedingly.

永耀義工團隊為一眾父母及年幼參加者設計並主持一個遊戲攤位，超過100名兒童及其家長共享歡樂。



## STATEMENT FROM THE BOARD 董事會報告

### PROSPECT

Looking ahead, a steady business growth of the Group is expected in the future. We will adopt a cautious approach in developing the existing projects and exploring new opportunities including cooperation with business partners. We will continue to seek and invest resources in projects with the objectives of expanding our revenue sources, improving our profitability as well as diversifying our types of business so as to further develop the business of the Group and increase the shareholders' return.

### APPRECIATION

I would like to express my sincere appreciation to our staff and employees for their dedication and hard work in forging a resilient future. Finally, I must thank our business partners and shareholders for maintaining the support and confidence in the Group over the years.

On Behalf of the Board

**Hung Tat Chi Alan**  
*Executive Director*  
Hong Kong, 22 March 2019

### 前景

本集團預期未來的業務將穩定增長。我們將審慎發展現有的項目，並探索各種新機遇，包括與業務夥伴合作。我們將繼續尋求能夠擴大收入來源、提高盈利能力及拓展業務類型的項目，並於該等項目中投放資源，以進一步拓展本集團的業務，增加股東回報。

### 致謝

本人謹此對員工為塑造更璀璨美好未來所盡的努力及辛勞致以衷心謝意。最後，本人亦衷心感謝業務夥伴及股東多年來對本集團堅定不移的支持和信任。

代表董事會

**洪達智**  
*執行董事*  
香港，二零一九年三月二十二日



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

The board of Directors (the “Board”) of Evershine Group Holdings Limited (the “Company”) herein presents the audited annual results of the Company and its subsidiaries (collectively as the “Group”) for the financial year ended 31 December 2018 (the “Year”).

### BUSINESS REVIEW

For the Year, the Group engaged in trading business, property development and investment business, money lending business, cemetery business and mobile application business. Details of the principal subsidiaries and the associates of the Group are disclosed in Notes 40 and 18 respectively to the consolidated financial statements.

During the Year, the Group recorded revenue from continuing operations of approximately HK\$4,427,000 (2017: approximately HK\$27,948,000). The decrease in revenue was mainly attributable to a decrease in trading of commodities during the Year. The Group’s loss attributable to shareholders increased to approximately HK\$105,087,000 for the Year (2017: approximately HK\$66,961,000). Such increase in the loss was mainly attributable to the impairment loss on intangible asset of approximately HK\$73,171,000 (2017: nil).

#### Trading Business

During the Year, the Group generated revenue from the trading business of approximately HK\$3,001,000 (2017: approximately HK\$25,399,000). The significant decrease in revenue was primarily owing to the increasing market competition and volatile commodity price during the Year that narrowed the gap between the asking and bidding prices of coal that made the trading margin perilously thin. As a result, the Group inclined to be cautious and prudent in the matching of transactions between suppliers and customers to mitigate the trading risk. Furthermore, despite the effort that the Group put in to obtain banking facilities for further development of the trading business, the Group has yet to reach any facility agreements that could fit the needs of the trading business with acceptable and reasonable terms and costs, mainly due to the narrow profitability of the existing commodities of the Group. In order to improve the profitability of the trading business, we will continue to develop the trading business through diversifying the source for commodities.

The Group has imported a batch of Onyx Marbles, a type of construction materials from Turkey to the People’s Republic of China (the “PRC”). Although no sales has been recorded during the Year, this batch of Onyx Marbles is ready for sales and marketing. We will continue to assess the market appeal of the Onyx Marbles and seek for the opportunity of increasing the volume of purchase in the next batch of shipping, as the economies of scale is key to improve the gross profit of the trading of Onyx Marbles.

永耀集團控股有限公司(「本公司」)董事會(「董事會」)謹此提呈本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止財政年度(「年內」)之經審核年度業績。

### 業務回顧

年內，本集團從事貿易業務、物業開發及投資業務、放債業務、公墓業務及手機應用程式業務。有關本集團主要附屬公司及聯營公司之詳情分別於綜合財務報表附註40及18披露。

年內，本集團錄得來自持續經營業務之收益約4,427,000港元(二零一七年：約27,948,000港元)。收益減少主要由於年內商品貿易減少所致。年內股東應佔本集團虧損增加約105,087,000港元(二零一七年：約66,961,000港元)。有關虧損增加主要來自無形資產減值虧損約73,171,000港元(二零一七年：無)。

#### 貿易業務

年內，貿易業務產生之收益約3,001,000港元(二零一七年：約25,399,000港元)。收益顯著減少主要由於年內市場競爭加劇及商品價格反覆波動使煤炭掛牌底價與掛牌價格之間價格差異縮小，導致貿易利潤十分薄弱所致。因此，本集團在配對供應商與客戶之交易時傾向持審慎態度，以降低貿易風險。此外，儘管本集團盡力尋求銀行融資以支持貿易業務之未來發展，惟本集團尚未獲得任何可滿足貿易業務需求而條款及成本屬合理可接受之融資協議，此乃主要由於本集團現有商品之盈利能力有限。為提升貿易業務之盈利能力，我們將繼續透過拓展商品來源以發展貿易業務。

本集團已進口一批土耳其瑪瑙大理石(為一種建築材料)到中華人民共和國(「中國」)。儘管年內並無錄得銷售，惟該批瑪瑙大理石已預備進行銷售及市場推廣。我們將繼續評估瑪瑙大理石之市場吸引力及尋求增加下一批運輸貨物購買量之機遇，原因是規模經濟是提升瑪瑙大理石貿易毛利之關鍵。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

During the Year, the Group has set up a new indirect non-wholly owned subsidiary, incorporated in the PRC, specializing in furniture design including window frames, doors and wardrobes customized design and manufacture.

#### Property Development and Investment

The Group holds commercial properties located in Hong Kong and Turkey for investment purpose to earn rental income and with a view to capture any possible future capital appreciation. During the Year, approximately HK\$1,334,000 of rental income was received from tenants with HK\$1,114,000 (2017: approximately HK\$1,684,000) from commercial properties in Hong Kong and HK\$280,000 from commercial properties in Turkey (revenue being consolidated in the statement of profit or loss subsequent to the completion of business combination achieved in state on 1 October 2018).

The Group continued to expand its business in building construction, property development, trading of construction materials and the related consultancy services. Having acquired 30% equity interest in Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi (“Boyracı Construction”), a company incorporated in Turkey that principally engaged in the construction, contracting works and rental of residential properties, in 2016, the Group has gathered confidence in the potential of the property development market in Turkey. Thus, the Group entered into an agreement to acquire a further 30% equity interest in Boyracı Construction in 2017 in a bid to further capture its bright potential business development. The transaction was completed on 1 October 2018. Details refer to note 32 to the consolidated financial statements.

Leveraging on the expertise in property development in Turkey, the Group also seeks to act as a property trader and consultant to provide property development related services in the future. The Group has been in negotiations to provide such service to a project that develops public and private housing. The Company will make further announcement(s) as and when necessary.

The management considers that the property development and investment business will become a significant part of the Group’s business as a whole in its future plan.

年內，本集團新成立一間間接非全資附屬公司，於中國註冊成立，專門從事家具設計，包括窗框、門及衣櫃之訂製設計及製造。

#### 物業開發及投資

本集團持有位於香港及土耳其之商業物業作投資用途，以收取租金收入及把握任何未來資本增值機會。年內，已向租戶收取約1,334,000港元之租賃收入，其中1,114,000港元（二零一七年：約1,684,000港元）來自香港商業物業及280,000港元來自土耳其商業物業（收益隨後於二零一八年十月一日業務合併完成後，在損益表綜合入賬）。

本集團繼續拓展樓宇建造、物業開發、建築材料買賣及相關諮詢服務業務。於二零一六年收購於土耳其註冊成立之公司Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi（「Boyracı Construction」）（主要從事建築、承包工程及住宅物業租賃業務）30%股權後，本集團對土耳其物業開發市場之潛力抱持信心。因此，本集團已於二零一七年訂立一份協議，收購Boyracı Construction額外30%股權，以進一步把握其亮麗之業務發展潛力。是項交易已於二零一八年十月一日完成。有關詳情請參閱綜合財務報表附註32。

憑藉於土耳其房地產開發方面之專業知識，本集團亦有意成為物業買賣商及顧問，以於未來提供物業開發相關服務。本集團已進行協商，以為一項開發公共及私人住宅項目提供相關服務。本公司將於必要時另行刊發公佈。

管理層認為，在本集團未來發展藍圖中，物業開發及投資業務是其整體業務之重點部分。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### Cemetery Business

The Group has been engaged in the operation of a cemetery located in Zhecheng County in Henan Province of PRC (the “Cemetery”). The Cemetery has obtained the operating right for a term up to 1 July 2050 and the required operating permit, subject to annual renewal for the permission to operate the cemetery.

During the year ended 31 December 2018, an impairment loss of approximately HK\$73,171,000 on the intangible asset – operating right was recognised in the statement of profit or loss (2017: nil) due to (i) parts of related facilities had been under construction which affected the sales process and (ii) certain unfavourable business condition were identified.

#### *The Operations of the Cemetery Business Segment*

The progress of the Cemetery Business Segment has fallen behind the original schedule as described in the circular of the Company dated 7 November 2015. Although the reallocation and demolition of old graves took excessive time than originally expected, this task has been completed. However, the construction of the cemetery and the related facilities have not yet been completed in 2018. The related facilities including the funeral parlor and the cremation machine do not belong to Zhecheng County Xiangnanling Cemetery (柘城縣襄安陵公墓) (the “Cemetery Operator”), the operator of the Cemetery Business Segment. The operation of funeral parlor and cremation machine are governed and owned by the civil affairs bureau of Zhecheng Government. The Cemetery Operator received a letter in early August of 2018 from the funeral parlor that the funeral parlor operating party has been communicated with the local government about the refurbishment plan. As the funeral parlor and the cremation machine had gone through many repairs in the past two years and were not available for use most of the time in 2018, the Cemetery Operator considers that this is likely the main reason for the intention of the funeral parlor to refurbish the funeral parlor and the cremation machine to improve the facilities. The Cemetery Operator understands that fund for refurbishment of funeral parlor and cremation machine estimated to be RMB14,000,000 is sourced from the local government bureau’s internal budget. In general, once there is plan to refurbish the funeral parlor and cremation machine, local government bureau would invite contractors to submit tenders. In reference to “Zhe Fa Gai Tou Zi (2018) No.8” (柘發改投資(2018)8號), it was announced in the Zhecheng Government’s website dated 29 August 2018 that the funeral parlor shall commence the construction in 2018 and shall complete in 2019. The Cemetery Operator observed that as of early October 2018, the local funeral parlor and cremation machine have been demolished evidencing that the funeral parlor operating entity may have commenced the refurbishment project. The Cemetery Operator is in the progress in obtaining further news from the funeral parlor operating entity and the local civil affairs bureau or department as to the stage of refurbishment plan and the expected completion date. Prior to the completion of the refurbishment plan, the Cemetery Operator does not expect that the business operation of the Cemetery Business Segment will show significant improvement.

### 公墓業務

本集團一直從事經營位於中國河南省柘城縣之公墓(「公墓」)之業務。公墓已取得之經營權直至二零五零年七月一日為止，並已獲取所需營運許可證，每年須予重續以獲准經營公墓。

截至二零一八年十二月三十一日止期間，已於損益表確認無形資產減值虧損一經營權約73,171,000港元(二零一七年：無)，此乃由於(i)部分相關設施仍在建設中，影響銷售所得款項；及(ii)發現若干業務環境不利因素。

#### *公墓業務分部之營運*

誠如本公司日期為二零一五年十一月七日之通函所述，公墓業務分部之進度已落後於原定時間表。儘管將舊墓地搬遷及拆卸需時較原先預期長，但該項任務已告完成。然而，公墓及相關設施之建設於二零一八年尚未完成。殯儀館及火化機等相關設施並不屬於公墓業務分部經營者柘城縣襄安陵公墓(「公墓經營者」)。殯儀館及火化機之經營受柘城政府之民政局規管及擁有。公墓經營者於二零一八年八月初收到殯儀館之函件，稱殯儀館經營方已與當地政府就整修計劃進行了溝通。由於殯儀館及火化機在過去兩年經歷多次維修，於二零一八年大部分時間均無法使用，公墓經營者認為這很有可能是殯儀館擬整修殯儀館及火化機以改善設施的主要原因。公墓經營者了解到，殯儀館及火化機之估計整修資金人民幣14,000,000元來自當地政府部門之內部預算。一般而言，一旦有計劃整修殯儀館及火化機，當地政府部門會邀請承包商提交標書。經參考《柘發改投資(2018)8號》，柘城政府網站已於二零一八年八月二十九日公佈，殯儀館將於二零一八年開始動工，並將於二零一九年竣工。公墓經營者注意到，截至二零一八年十月初，當地殯儀館及火化機已被拆除，證明殯儀館經營單位可能已開始整修項目。公墓經營者正在向殯儀館經營單位及當地民政局或部門獲取關於整修計劃階段及預期完工日期之進一步消息。於整修計劃完成前，公墓經營者預計公墓業務分部之業務營運不會有顯著改善。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

#### *The Cemetery*

The location of the Cemetery is in the remote area outside Zhecheng County and it is not well known locally. Zhecheng County is a small county with a population of about 695,000 in 2017. Rate of cremation in Henan Province is less than 20% of the total deceased population in 2017 and has decreased by 53% when compared to the figure found in 2012.

It is under the Funeral Management Regulations (《殯葬管理條例》) released in 2005 that the deceased should be cremated for burial if there is cremation facility closed by. Although the local government has been educating the local community to have cremation service but law reinforcement may not be as effective. There is still strong cultural influence that burying without cremation is preferred and spending large amount of money to have lavish cemetery units for the deceased may be beyond the reach of most of the locals. At present, the unstable availability of the funeral parlor and cremation machine during the past two years and its recent demolishment, and the lack of one-stop service would make it even more difficult to attract local community to use the Cemetery in the near future. The Company is considering to improve its sale of cemetery units by other measures such as placing advertisement and distribution of leaflets at hospitals or elderly homes to let the local community becoming more aware of the Cemetery.

With the more stringent measures carried out by the government such as the release of Notice of the “Special Remediation Action Plan for Outstanding Problems in the Funeral Area of Henan Province” (《河南省殯葬領域突出問題專項整治行動方案的通知》) dated 7 August 2018. This Notice asked for local government to perform self-review and provide reports for any incompliance to the Civil Affairs Bureau of the Henan Province. If there is any incompliance identified, working group would be formed to examine the conditions, identify issues and facilitate the execution of any solution. In respect of the operation of the cemeteries, land bureau of provinces would provide more resources in dealing with the expropriation of land process. There would be more support from the government to improve local funeral parlor and cremation facilities. With the possible assistance from the local government, the Company shall take more active approach to follow up the transfer of land use right and the demand of cemetery units may reach our expected level in one to two-year time as the Cemetery is the only approved operating entity in Zhecheng County. The Company will allocate more resources to the Cemetery Business Segment should the leasing/sale of cemetery units increase. At the same time, the Company shall strengthen its communication with the funeral parlor operating entity and local civil affairs bureau or department to facilitate the reinstalling of the funeral parlor and cremation machine.

#### 公墓

該公墓位於柘城縣外之偏遠地區，在當地並不為人所知。柘城縣為一座小縣城，二零一七年人口約為695,000人。於河南省二零一七年之總死亡人數中，火葬率不足20%，較二零一二年所錄得數字下降53%。

根據二零零五年頒佈之《殯葬管理條例》，如附近有火化設施的，應對逝者遺體進行火葬。儘管地方政府一直在教育當地社區推行火葬服務，但加強法規未必能見成效。驅使人們不選擇火葬之文化影響力仍十分強大，花費大量金錢為逝者購買奢華之公墓龕位對於絕大部分當地人而言，可能是力有不逮。目前，殯儀館及火化機在過去兩年之供應並不穩定且近期進行了拆除，加上缺乏一站式服務，使短期內吸引到當地社區使用該公墓變得更困難。本公司正考慮採取其他措施以增加公墓龕位之銷售，如在醫院或養老院投放廣告及派發傳單，以加深當地社區對該公墓之認識。

政府採取更為嚴格之措施，如頒佈日期為二零一八年八月七日之《河南省殯葬領域突出問題專項整治行動方案的通知》。該通知要求當地政府進行自行審查及向河南省民政局提供關於任何違規之報告。倘發現到任何違規，將會成立工作小組以查明情況、確認問題及協助落實任何解決方法。有關該等公墓之營運，各省之國土局將於土地徵收之處理過程中提供更多資源。政府將提供更多支持以改善當地殯儀館及火葬設施。於當地政府可能提供之協助下，本公司將更加積極跟進土地使用權轉讓之後續工作，且由於該公墓為柘城縣唯一獲批之經營單位，故於一至兩年內該縣對公墓龕位之需求可能會達致我們預期水平。倘公墓龕位之租賃／銷售有所上升，本公司將分配更多資源至公墓業務分部。與此同時，本公司將加強與殯儀館經營單位及當地民政局或部門之溝通，以加快重建殯儀館及重置火化機。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

In view of the latest unfavourable business condition which may not turn around in very short period of time, the Group is reassessing its position in respect of the Cemetery Business Segment by taking the following measures:

- (a) the Company would maintain the operation without large amount of capital expenditure until the business environment is improved, for example, the completion of the reinstalling of the funeral parlor and cremation machines; and
- (b) the Company has appointed an independent professional valuer to carry out a valuation of the intangible asset as of 31 December 2018 which is the operating permit of the Cemetery with reference to the current operating level as it has been below the Group's original schedule as described in the circular of the Company dated 7 November 2015. It has not generated cash flow as originally expected, although it may be temporary, partly affected by the latest development of the demolition of the funeral parlor and cremation machine.

#### *The land use rights of the land on which the Cemetery is situated*

The Company has consulted an independent PRC legal professional about the detailed procedures and time estimation in obtaining of the land use rights of the land on which the Cemetery is situated (the "Land"). As advised, there are two processes, namely the expropriation of land and the transfer of land use right. The expropriation of land process should take place before the transfer of land use right process.

The Board has been monitoring the Cemetery Business Segment since the acquisition of the Cemetery and weighing the costs, benefits and relevant risk, before it would take further steps to initiate the transfer of land use right. The Company has been in discussion with the Cemetery Operator on its concern on how to ensure that the Cemetery Operator would obtain the bid at the lowest possible risk and maintain its operating right of the Cemetery. Furthermore, as described above, in view of the less favorable business environment following the acquisition, the Company would like to take its pace to gather more information before making decision on the transfer of the land use right of the Land as the Company would have to pay the land transfer fee and the government levies.

鑒於最近業務環境不利因素於極短期內未能好轉，本集團通過採取下列措施，重新評估對公墓業務分部之定位：

- (a) 本公司將維持營運，但不會耗用大量資本開支，直至業務狀況改善（如已完成重建殯儀館及重置火化機）為止；及
- (b) 本公司已委任獨立專業估值師對二零一八年十二月三十一日該公墓之無形資產（即營運許可證）進行估值，當中參考了目前營運水平（該水平低於本公司日期為二零一五年十一月七日之通函所述本集團原定時間表所訂者）。其並無如原先所預期般產生現金流量，此情況有機會屬暫時性，部分原因是殯儀館及火化機近期被拆除所影響。

#### *該公墓位處土地之土地使用權*

本公司已諮詢中國獨立法律專業人士有關獲取該公墓位處土地（「該土地」）之土地使用權詳細手續及估計時間，並獲告知有兩套流程，即土地徵收及土地使用權轉讓。土地徵收流程應在土地使用權轉讓流程之前進行。

董事會於收購該公墓起一直在監察公墓業務分部，且於進一步啟動土地所有權轉讓前一直在權衡成本、裨益及相關風險。本公司已與公墓經營者進行討論，內容有關公墓經營者如何確保其將以最低風險中標並維持該公墓營運權之關注事項。此外，鑒於上述進行收購後之不利業務環境因素，本公司於決定轉讓該土地之土地使用權之前有意加快步伐收集更多資料，原因是本公司將須支付土地轉讓費及政府徵費。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

As provided in the Company's circular of 7 November 2015 regarding the acquisition of the cemetery, the Cemetery Operator and the land use right owner have entered into an agreement for the acquisition of the land use right with the land compensation of RMB250,000 per mu by 31 December 2016. The contract has expired on 31 December 2016 and the land compensation per mu should be re-accessed with reference to the assessment provided by the local land bureau. The Company shall work with the land use right owner to start the land expropriation application as described above.

The first stage of land expropriation application has been started as of the date of this report and record the full scales of sales of cemetery units assuming the hostile business condition would turn around, funeral facilities such as the funeral parlor and cremation machine would be reinstalled and land use right would be completed by 2020. Since the completion of the acquisition of the operating right of the cemetery, the Company has sold fourteen units of cemetery units and has received deposits of another nine cemetery units.

With the completion of construction work and obtaining land use right by 2020, it is anticipated that the cemetery will be having better performance in the future.

#### Money Lending Business

During the Year, Ottoman Evershine Finance Limited, a wholly-owned subsidiary of the Company, has renewed the money lenders license granted by the licensing court in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). During the Year, the interest income contributed from the money lending business was approximately HK\$29,000 (2017: approximately HK\$865,000). The Group will continue to strengthen the money lending business by broadening the customer base but will adopt a prudent strategy when approving new loans so as to balance the profitability and the credit risk involved.

Before approval of any loan applications, the Group would assess the borrower's credit quality via: 1) reviewing the background and credit history of the borrower; 2) understanding the uses of fund and means of repayment by the borrower; and 3) performing asset check of the borrower. Borrowers shall be offered a fixed rate of interest on the loans on an individual basis depending on each result of credit assessment and collaterals offered by the respective borrowers, if any.

誠如本公司二零一五年十一月七日內容有關收購公墓之通函所述，公墓經營者與土地使用權擁有人訂立協議，以於二零一六年十二月三十一日前以每畝土地補償金額人民幣250,000元收購土地使用權。該合約已於二零一六年十二月三十一日屆滿，而每畝土地補償金額應參考當地國土局提供之評估後重新評估。誠如上文所述，本公司須與土地使用權擁有人合作以著手土地徵收之申請。

於本報告日期已展開第一階段之土地徵收申請，假設惡劣之業務狀況好轉、殯儀館及火化機等殯儀設施能重置，且於二零二零年前取得土地使用權，則本公司可錄得全面之公墓龕位銷售。自收購公墓經營權完成以來，本公司共出售十四個公墓龕位，並已收取另外九個公墓龕位之按金。

於二零二零年建設工程竣工及取得土地使用權後，預期公墓於未來將有較佳表現。

#### 放債業務

年內，本公司全資附屬公司奧斯曼財務有限公司已根據香港法例第163章放債人條例重續香港牌照法庭授予之放債人牌照。年內，放債業務貢獻之利息收入約為29,000港元（二零一七年：約865,000港元）。本集團將繼續透過擴展客戶基礎加強放債業務，同時在批出新貸款時採取審慎策略，以平衡盈利能力及所涉及之信貸風險。

批准任何貸款申請前，本集團會透過以下程序評估借款人之信貸質素：1)審視借款人之背景及信貸記錄；2)瞭解資金之用途及借款人之還款方法；及3)對借款人進行資產審查。借款人須個別就貸款支付按固定利率計算之利息，並視乎每項信貸評估之結果及各借款人給予之抵押品(如有)而定。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### Mobile Application Business

In 2017, the Group acquired 40% equity interest in First Surplus Investments Limited (“FS Group”). FS Group and its subsidiaries are principally engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. FS Group contains full team of development, support and market publication. Through the acquisition, it is expected that the Group can further develop mobile application business and capture the opportunities in the mobile online game industry and also the software industry.

During the Year, the Group has recorded a share of loss of approximately HK\$3,563,000 (2017: share of profit of approximately HK\$2,390,000). The share of loss was mainly attributable to the amortisation of intangible assets decreased profit of approximately HK\$679,000 (2017: HK\$15,292,000) and amounting to HK\$4,656,000 (2017: HK\$4,430,000).

At the end of the Year, the Group has performed an impairment assessment on the interest in FS Group and the recoverable amount of it is below than its carrying amount. As a result, the Group has recognised an impairment of approximately HK\$2,884,000.

### Other Corporate Income, Expenses and Finance Costs

During the Year, the corporate expenses of approximately HK\$18,889,000 not allocated to business segments (2017: approximately HK\$31,462,000) was mainly attributable to decreased operating expenses including legal and professional fees, staff costs including Directors’ remuneration, rental expenses and one-off loss on early redemption of promissory note of HK\$4,958,000 in 2017.

Finance costs for the Year amounted to HK\$15,465,000 (2017: HK\$27,033,000), the significant decrease was mainly attributable to the decreased interest expenses on convertible notes that convertible notes in an amount of HK\$86,000,000 with effective interest of 18.27% issued on 23 March 2017 has been fully converted in May 2018.

### DIVIDEND

The Directors do not recommend the payment of any final dividend for the year ended 31 December 2018 (2017: Nil).

### 手機應用程式業務

二零一七年，本集團收購 First Surplus Investments Limited (「FS集團」) 之40%股權。FS集團及其附屬公司主要從事手機遊戲開發、遊戲發行、應用程式、相關知識產權及平台業務以及提供相關解決方案。FS集團擁有完整開發、支援及市場發佈團隊。透過該收購事項，預期本集團可進一步發展手機應用程式業務，並抓緊手機在線遊戲行業以及軟件行業之機遇。

年內，本集團錄得應佔虧損約3,563,000港元(二零一七年：應佔溢利約2,390,000港元)。應佔虧損主要來自無形資產攤銷減少溢利約679,000港元(二零一七年：15,292,000港元)及4,656,000港元(二零一七年：4,430,000港元)。

於年末，本集團就FS集團之權益進行減值評估，其可收回金額低於賬面值。因此，本集團已確認減值約2,884,000港元。

### 其他公司收入、開支及融資成本

年內，公司開支約18,889,000港元尚未分配至業務分部(二零一七年：約31,462,000港元)，乃主要因於營運開支(包括法律及專業費用)減少、員工成本(包括董事酬金)、租賃開支以及二零一七年提早贖回承兌票據錄得一次性損失4,958,000港元所致。

年內，融資成本為15,465,000港元(二零一七年：27,033,000港元)，其大幅減少主要歸因於在二零一七年三月二十三日發行金額為86,000,000港元實際利率18.27%之可換股票據於二零一八年五月悉數兌換以致利息開支減少所致。

### 股息

董事不建議派付截至二零一八年十二月三十一日止年度任何末期股息(二零一七年：無)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### FINANCIAL POSITION

#### Charges on Group's Assets

As at 31 December 2018, charges on Group's assets include two term loans and a finance lease liability:

- 1) the carrying amount of the term loans amounts to approximately HK\$59,000,000 which carries interest at 9% per annum with repayment period of 16 months that were secured by i) first legal charges of the two properties acquired by the Company which was completed on 27 June 2016, with carrying amount of approximately HK\$101,930,000 as at 31 December 2018; and ii) an unlimited personal guarantee given by Mr. Chiu Ngai Hung, a substantial shareholder of the Company. Details of the properties are disclosed in notes 14 and 15 to the consolidated financial statements.; and
- 2) the carrying amount of the finance lease liability amounts to approximately HK\$703,000 which carries interest at 3.5% per annum. The maturity date of the finance lease liability is on 24 March 2020. The loan was secured by a motor vehicle with net book value of approximately HK\$796,000 as at 31 December 2018.

#### Liquidity and Financial Resources

As at 31 December 2018, the total assets of the Group was approximately HK\$384,564,000 (31 December 2017: approximately HK\$419,453,000), including cash and bank balances of approximately HK\$3,573,000 (31 December 2017: approximately HK\$13,947,000).

#### Capital Structure

The number of issued shares of the Company as at 31 December 2018 were 1,802,677,356 (31 December 2017: 1,637,677,356 shares). Subsequent to the Year and before the release of this Report, the number of issued shares of the Company were 1,803,541,356 shares.

On 13 November 2018, the Company and Macquarie Bank Limited (the "Subscriber" or the Noteholder) entered into the conditional subscription agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for the Company has conditionally agreed to issue the convertible notes in the principal amount up to HK\$300,000,000 (the "Macquarie CN").

### 財務狀況

#### 本集團資產抵押

於二零一八年十二月三十一日，本集團資產抵押包括兩項定期貸款及一項融資租賃負債：

- 1) 定期貸款之賬面值約為59,000,000港元，以每年9%之利率計息，而還款期為16個月，以i)本公司於二零一六年六月二十七日完成收購之兩項物業於二零一八年十二月三十一日之賬面值約為101,930,000港元之第一法定押記；及ii)由本公司主要股東趙毅雄先生提供之無上限個人擔保作抵押。有關物業詳情於綜合財務報表附註14及15披露；及
- 2) 融資租賃負債之賬面值約為703,000港元，以每年3.5%之利率計息。融資租賃負債之到期日為二零二零年三月二十四日。該項貸款以於二零一八年十二月三十一日賬面淨值約為796,000港元之汽車作抵押。

#### 流動資金及財務資源

於二零一八年十二月三十一日，本集團之資產總值約為384,564,000港元(二零一七年十二月三十一日：約419,453,000港元)，包括現金及銀行結餘約3,573,000港元(二零一七年十二月三十一日：約13,947,000港元)。

#### 資本結構

於二零一八年十二月三十一日，本公司已發行股份數目為1,802,677,356股(二零一七年十二月三十一日：1,637,677,356股)。於年內之後及本報告刊發前，本公司已發行股份數目為1,803,541,356股。

於二零一八年十一月十三日，本公司與麥格理銀行有限公司(「認購人」或票據持有人)訂立有條件認購協議，據此，認購人已有條件同意認購及本公司已有條件同意發行本金額最高300,000,000港元之可換股票據(「麥格理可換股票據」)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

The Macquarie CN will be issued in two tranches. Each tranche will be in an aggregate principal amount of HK\$150,000,000. The Macquarie CN will bear 1% interest per annum and will mature on the second anniversary of the closing date. Each convertible note entitles the Noteholder to convert the Macquarie CN into shares at any time during the conversion period at the conversion price, provided that no conversion right may be exercised at a conversion price lower than the floor price (which is subject to adjustments). The conversion price will be 92% of the volume weighted average price of the shares as traded on the relevant stock exchange on the trade day immediately preceding the relevant conversion date, provided that no conversion right may be exercised at a conversion price which is lower than the floor price (subject to adjustments).

On 21 February 2019, all conditions precedents set out in the subscription agreement in relation to the Macquarie CN has been fulfilled and completion of the issuance of the first tranche of the Macquarie CN in the principal amount of HK\$150,000,000 has taken place on the same date.

Subsequent to the issue of Macquarie CN and up to the date of this Report, the Company has received conversion notice in respect of the exercise of part of the conversion rights attached to the Macquarie CN. As a result of the conversion, the Company allotted and issued 864,000 shares in aggregate in relation to the Macquarie CN.

### COMMITMENTS

The details of the capital commitments incurred during the year ended 31 December 2018 are set out in note 36 to the consolidated financial statements.

### MATERIAL ACQUISITION AND INVESTMENTS

#### Acquisition of additional 30% of the equity interest of Boyracı Construction

On 6 June 2017, Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi ("Ottoman Evershine Construction"), a company incorporated in Turkey, and an indirect wholly owned subsidiary of the Company, and Mr. Osman Boyracı entered into the sales and purchase agreement in relation to acquisition of additional 30% of the equity interest of Boyracı Construction ("Boyracı Construction Acquisition").

Boyracı Construction is a company incorporated in Turkey and is specialised in elite urban transformation projects and construction of earthquake resistant buildings. The Group acquired 30% of the equity interest of Boyracı Construction on 30 December 2016.

麥格理可換股票據將分兩個批次發行，每批次之本金總額將為150,000,000港元。麥格理可換股票據之年利率為1%，將於完成日期之第二週年日到期。各可換股票據賦予麥格理票據持有人權利，可於兌換期間隨時按兌換價將麥格理可換股票據兌換為股份，惟不得按低於底價（可予調整）之兌換價行使兌換權。兌換價將為股份於緊接有關兌換日期前之交易日在相關證券交易所買賣之成交量加權平均價之92%，惟不得按低於底價（可予調整）之兌換價行使兌換權。

於二零一九年二月二十一日，已達成認購協議所載所有先決條件，並於同日完成發行第一批次本金額為150,000,000港元之麥格里可換股票據。

發行麥格里可換股票據後及截至本報告日期止，本公司就行使部分麥格里可換股票據隨附之兌換權收到兌換通知。由於進行兌換，本公司就麥格里可換股票據配發及發行合共864,000股股份。

### 承擔

於截至二零一八年十二月三十一日止年度所產生資本承擔詳情載於綜合財務報表附註36。

### 重大收購及投資

#### 收購Boyracı Construction額外30%股權

於二零一七年六月六日，Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi（「Ottoman Evershine Construction」，一間於土耳其註冊成立之公司，為本公司之間接全資附屬公司）及Osman Boyracı先生就收購Boyracı Construction額外30%股權（「Boyracı Construction收購事項」）訂立買賣協議。

Boyracı Construction為一間於土耳其註冊成立之公司，其專門承接高級城市改造項目及防震樓宇建造。本集團於二零一六年十二月三十日收購Boyracı Construction之30%股權。



## MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

As at 31 December 2017, Boyracı Construction had 5 completed construction projects, namely Koza Apartmanı (previously known as Arzu Apartmanı), Sibel Apartmanı, Akasya Apartmanı, Evim Apartmanı and Doğa Apartmanı and 1 investment project, namely Acarblu Ticarte Merkezi (“Acarblu Property”) with total gross saleable area of approximately 3,863 m<sup>2</sup>, and there are 2 construction projects, namely Project Iclaliye and Project Hurrem (the “Projects”), to be completed by 2019 with a total construction area of approximately 4,837 m<sup>2</sup>.

As of 26 February 2018, the market value of Acarblu Property, a two-floor condominium with gross saleable area of approximately 1,068 m<sup>2</sup> was approximately 31,400,000 Turkish Lira (“TL”) (or approximately USD9,100,000) based on a valuation report prepared by RM Ritim Gayrimenkul Değerleme A.Ş., a real estate valuation company based in Istanbul, Turkey. Pursuant to the side letter entered into between Ottoman Evershine Construction, Boyracı Construction and Mr. Osman Boyracı on 26 February 2018, the Acarblu Property was transferred from Boyracı Construction to a new company (“Boyracı2 İnşaat Anonim Şirketi”) incorporated under the laws of Turkey on 27 March 2018 held by Mr. Osman Boyracı and Ottoman Evershine Construction with 70% and 30% equity interest respectively (the “Shareholder’s Loan Set-off”). On 26 April 2018, Mr. Osman Boyracı has waived the amount due to the shareholder of TL25,249,000 and recognised as a shareholder contribution to the Boyracı Construction (the “Shareholder’s Loan Waiver”).

Up to 26 April 2018, the Shareholder’s Loan set-off and Shareholder’s Loan Waiver has been completed.

Pursuant to the sales and purchase agreement, supplemented by the supplemental deed entered into between the aforesaid parties on 6 November 2017, the first side letter dated 26 February 2018 and the second side letter dated 20 August 2018, in view of the unfavorable currency movement of Turkish Lira the consideration has been reduced by USD1,500,000 to USD5,050,000, being satisfied by:

- (i) an upfront refundable cash deposit of TL7,544,000 (approximately equivalent to USD2,000,000);
- (ii) the issuance of Promissory Note A in the principal amount of USD1,938,770 (approximately equivalent to TL11,342,000) which carries interest rate of 13% per annum and will mature on the second anniversary date from the date of issue; and
- (iii) the issuance of Promissory Note B as a contingent consideration in the principal amount of up to USD1,111,230 (approximately equivalent to TL6,501,000) (“Contingent Consideration”).

於二零一七年十二月三十一日，Boyracı Construction有五個已竣工建築項目，分別為Koza Apartmanı(前稱Arzu Apartmanı)、Sibel Apartmanı、Akasya Apartmanı、Evim Apartmanı及Doğa Apartmanı及一個投資項目Acarblu Ticarte Merkezi(「Acarblu物業」)，所有項目總實用面積約3,863平方米，另有兩個建築項目將於二零一九年完成，分別為Iclaliye項目及Hurrem項目(「該等項目」)，合計建築面積約4,837平方米。

截至二零一八年二月二十六日，根據位於土耳其伊斯坦布爾之房地產估值公司RM Ritim Gayrimenkul Değerleme A.Ş.所編製之估值報告，Acarblu物業總實用面積約為1,068平方米之兩層公寓之市值約為31,400,000土耳其里拉(「土耳其里拉」)(或約9,100,000美元)。根據Ottoman Evershine Construction、Boyracı Construction及Osman Boyracı先生於二零一八年二月二十六日訂立之附函，Acarblu物業由Boyracı Construction轉讓予根據土耳其法律在二零一八年三月二十七日註冊成立之新公司(「Boyracı2 İnşaat Anonim Şirketi」)，分別由Osman Boyracı先生及Ottoman Evershine Construction持有70%及30%股權(「股東貸款抵銷」)。於二零一八年四月二十六日，Osman Boyracı先生豁免25,249,000土耳其里拉之應付股東款項並確認為Boyracı Construction之股東注資(「股東貸款豁免」)。

截至二零一八年四月二十六日，股東貸款抵銷及股東貸款豁免均已完成。

根據買賣協議(經上述訂約方於二零一七年十一月六日訂立之補充契據、日期為二零一八年二月二十六日之第一份附函以及日期為二零一八年八月二十日之第二份附函所補充)，鑒於土耳其里拉貨幣之不利變動，代價已減少1,500,000美元至5,050,000美元，按以下方式償付：

- (i) 預付可退還現金按金7,544,000土耳其里拉(相當於約2,000,000美元)；
- (ii) 發行本金額為1,938,770美元(相當於約11,342,400土耳其里拉)之承兌票據A(按年利率13%計息及將自發行日期起計第二個週年日到期)；及
- (iii) 發行承兌票據B作為本金額最高1,111,230美元(相當於約6,501,000土耳其里拉)之或然代價(「或然代價」)。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

The Contingent Consideration will be calculated as the lower of (1) the 30% of the fair value less the actual cost (including but not limited to any construction and development costs) incurred in respect of the Projects up to and including the Contingent Consideration Date; or (2) USD1,111,230 (approximately equivalent to HK\$8,668,000).

The consideration of the Boyracı Construction Acquisition was determined after arm's length negotiations with reference to, among others, (i) the fair market value of the existing completed and underconstruction properties and the value-added portion of the new project in 2017 held by Boyracı Construction with reference to the market values of similar properties in similar locations; and (ii) the latest management account of Boyracı Construction.

The Boyracı Construction Acquisition constitutes a major transaction and connected transaction under the GEM Listing Rules which has been subjected to independent shareholders' approval obtained at the extraordinary general meeting of the Company on 19 September 2018.

Following the fulfillment of the certain conditions on the Boyracı Construction Acquisition took place on 1 October 2018, Boyracı Construction has become an indirect 60%-owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated and accounted for as a subsidiary in the financial statements of the Group.

Details were disclosed in the Company's announcements dated 6 June 2017, 6 November 2017, 6 December 2017, 26 February 2018, 3 July 2018, 10 August 2018, 20 August 2018, 24 August 2018, 4 September 2018 and 19 September 2018.

或然代價將按(1)公平值之30%減該等項目直至及於或然代價日期產生之實際成本(包括但不限於任何建築及開發成本)得出之數額;或(2)1,111,230美元(相當於約8,668,000港元)之較低者計算得出。

Boyracı Construction收購事項之代價乃參考(其中包括)(i) Boyracı Construction持有之現有已竣工及在建物業之公平市值以及新項目於二零一七年之增值部分(經參考類似地段類似物業之市值);及(ii) Boyracı Construction之最新管理賬目後經公平磋商釐定。

Boyracı Construction收購事項根據GEM上市規則構成一項主要交易及關連交易,並已於二零一八年九月十九日之本公司股東特別大會上獲獨立股東批准。

Boyracı Construction收購事項之若干條件於二零一八年十月一日達成後,Boyracı Construction將成為本公司擁有60%權益之間接附屬公司,而其財務業績、資產及負債將於本集團財務報表按附屬公司綜合入賬。

有關詳情已於本公司日期為二零一七年六月六日、二零一七年十一月六日、二零一七年十二月六日、二零一八年二月二十六日、二零一八年七月三日、二零一八年八月十日、二零一八年八月二十日、二零一八年八月二十四日、二零一八年九月四日及二零一八年九月十九日之公佈披露。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### INFORMATION ON POSSIBLE ACQUISITIONS AND PROJECTS

#### The proposed projects in Europe and Turkey

The Group is committed to continuously exploring new and different investment opportunities in order to broaden its source of income. This allows the Group to diversify risks from any single segment of business and maintain profitability and be sustainable. The Group intends to tap into the property investment and development market worldwide including Europe and Turkey which has high potential to be one of the Group's main profit streams.

- (i) *Memorandum of understanding with the 6th Engineering Bureau of China City Investment Group\** (中城投集團第六工程局有限公司) (formerly known as “The 6th Engineering Bureau of China City Construction Holding Group Company”)

On 5 February 2016, the Company and the 6th Engineering Bureau of China City Investment Group (“CCIN”) entered into a non-legally binding memorandum of understanding (the “MOU”).

Under the MOU, CCIN has the intention to participate in the engineering and construction works in relation to the proposed land development and large-scale project(s) of the Company in Turkey and will underwrite the engineering works of relevant projects in accordance with the intention and design of the Company while CCIN would also give suggestions on the design and feasibility of the projects.

Upon the implementation of the projects, the parties to the MOU shall obtain all necessary approvals to enter into binding formal cooperation agreement(s). The terms of the cooperation agreement(s) shall be subject to negotiations between the parties.

On 6 May 2016, the Company entered into a Strategic Cooperation Agreement (the “Cooperation Agreement”) with CCIN.

Pursuant to the Cooperation Agreement, the Company has nominated CCIN as its technical engineering consultant for the projects, the Company and CCIN shall negotiate in good faith in respect of every project in Europe and enter into relevant project agreement(s) which would set out the scope of services, fees and the corresponding duties of the parties.

### 可能收購事項及項目之資料

#### 於歐洲及土耳其之建議項目

本集團致力繼續開拓不同新投資機遇，以擴闊其收入來源。此舉使本集團得以分散任何單一業務分部之風險，維持盈利及持續發展。本集團有意於全球(包括極有可能成為本集團其中一個主要溢利來源之歐洲及土耳其)涉足物業投資及發展市場。

- (i) 與中城投集團第六工程局有限公司(前稱「中城建第六工程局集團有限公司」)之諒解備忘錄

於二零一六年二月五日，本公司與中城投集團第六工程局有限公司(「中城投」)訂立不具法律約束力之諒解備忘錄(「諒解備忘錄」)。

根據諒解備忘錄，中城投有意參與有關本公司於土耳其之建議土地發展及大型項目之工程及建造，並將根據本公司之意向及設計承包相關項目工程，而中城投亦可就項目之設計及可行性提出建議。

於該等項目落實後，諒解備忘錄之訂約方須取得所有必需批准以訂立具約束力之正式合作事項協議。合作事項協議之條款須待訂約方互相磋商後，方告作實。

於二零一六年五月六日，本公司與中城投訂立戰略合作夥伴協議(「合作協議」)。

根據合作協議，本公司已就該等項目指定中城投作為技術工程諮詢顧問，本公司與中城投須就歐洲各該等項目進行友好磋商，並訂立有關該等項目之協議，當中將載列服務範疇、費用及訂約各方相應之責任。

\* For identification purpose only



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

CCIN shall provide relevant technical engineering consultancy services to the Company in respect of every project, which may include but not limited to consultancy works, such as feasibility studies, project design, blueprints, engineering quotes and budgets, testing and checking, procurement of materials, engineering and construction works, engineering supervision and inspection.

The Company shall provide all necessary information and data to allow CCIN to conduct relevant works and shall pay relevant fee(s) in accordance with the terms of the project(s) agreement(s). Subject to the payment of all consultancy fees to CCIN if applicable, all copyrights of the technical documents provided by CCIN shall be transferred to the Company and the Company shall be entitled to utilise such documents for the relevant projects.

Pasifik Gayrimenkul Yatırım İnş. A.Ş. (“PASİFİK”) and Çıftay İnşaat Taahhüt Ve Ticaret A.Ş. (“ÇİFTAY”), companies duly constituted and existing under the laws of Turkey, have been awarded in the tender by the local authority for the revenue sharing model project of Ankara Yenimahalle Station (the “Project Ankara”), which is situated at Ankara, Turkey. Pursuant to the Letter of Intent (“LoI”), the Company, CCIN and Astra İnşaat Anonim Şirketi proposed their intention to be partners with the joint venture formed by PASİFİK and ÇİFTAY in Project Ankara subject to the execution and completion of the actual agreements after arm’s length negotiations among the parties. The parties to the LoI have agreed to discuss the terms of partnership, business plan, business concept, direction, profit sharing, project analysis and all further issues that may be necessary for Project Ankara. The negotiation process is still ongoing as of the date of this report.

Details of the proposed projects were disclosed in the Company’s announcements dated 5 February 2016, 6 May 2016, 16 May 2016, 18 May 2016 and 30 August 2016.

中城投須就各該等項目向本公司提供相關技術工程諮詢服務，包括但不限於下列諮詢工作：可行性研究、方案設計、設計圖紙、工程造價及預算、檢測及試驗、材料採購、工程建設、工程監理及竣工驗收等。

本公司須提供一切所需資料及數據，以便中城投可進行相關工作，並須根據該等項目之協議條款支付相關費用。待支付予中城投所有顧問費用後，中城投所提供技術文件之全部著作權將轉讓予本公司，而本公司將有權就該等相應項目運用該等文件。

根據土耳其法律正式組成及存續之公司 Pasifik Gayrimenkul Yatırım İnş. A.Ş. (「PASİFİK」) 及 Çıftay İnşaat Taahhüt Ve Ticaret A.Ş. (「ÇİFTAY」) 已就位於土耳其安卡拉之安卡拉葉尼瑪哈爾車站之收入共享模式項目 (「安卡拉項目」) 獲當地機關批出標書。根據意向書 (「意向書」)，本公司、中城投與 Astra İnşaat Anonim Şirketi 提出有意成為合作夥伴，連同由 PASİFİK 及 ÇİFTAY 組成之合營企業進行安卡拉項目，惟須待各方經公平磋商簽立及完成實際協議後，方可作實。意向書訂約方同意商討合夥條款、業務計劃、業務理念、方向、利潤攤分、項目分析及有關安卡拉項目可能需要之一切進一步事宜。於本報告日期，仍在進行協商。

建議項目之詳情於本公司日期為二零一六年二月五日、二零一六年五月六日、二零一六年五月十六日、二零一六年五月十八日及二零一六年八月三十日之公佈中披露。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

#### (ii) Strategic partnership agreements in respect of projects in Turkey

On 6 November 2017 and 21 November 2017, the Company entered into strategic partnership agreements (“PASİFİK Agreement”) with PASİFİK and Akdeniz İnşaat Ve Eğitim Hizmetleri A.Ş. (“AKDENİZ”) (“AKDENİZ Agreement”), companies duly constituted and existing under the laws of Turkey, respectively, in relation to forming of strategic partnerships between the Company and PASİFİK and AKDENİZ respectively in a bid (i) to explore investment opportunities in real estate development in Turkey; (ii) to establish partnership for engineering and related construction business; and (iii) to invite more industrial partners from mainland China to further broaden the scope of business development scope as well as partnership.

PASİFİK, being one of the top real estate developer in Turkey, owns and/or jointly owns several mega projects in prime districts in Ankara Province and Istanbul Province. The Company has discussed with PASİFİK for the opportunities of real estate development in Turkey.

AKDENİZ has over 30 years of experience in the real estate and construction business in Turkey; furthermore, AKDENİZ is also engaged in the energy and tourism sector. AKDENİZ ranked in the Fortune 500 of Turkey in 2014 and 2015. Ağaoğlu Gayrimenkul Yatırım A.Ş. (“Ağaoğlu”), a wholly-owned subsidiary of AKDENİZ, engaged in the real estate and construction business and has completed over 20 large property projects in Turkey with over 7,000,000 m<sup>2</sup> construction area including residential, office, hotel, retail and local amenities. Ağaoğlu ranked the most prestigious construction company in 2015 and 2016 in the Turkish Reputation Index.

Further announcement(s) in respect of the partnerships and the related projects will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

Details of the strategic partnership agreements in relation to projects in Turkey were disclosed in the Company’s announcements dated 6 November 2017 and 21 November 2017.

#### (ii) 有關土耳其項目之戰略夥伴關係協議

於二零一七年十一月六日及二零一七年十一月二十一日，本公司與根據土耳其法律正式組成及存續之公司PASİFİK及Akdeniz İnşaat Ve Eğitim Hizmetleri A.Ş.（「AKDENİZ」）分別訂立戰略夥伴關係協議（「PASİFİK協議」及「AKDENİZ協議」），內容有關本公司分別與PASİFİK及AKDENİZ組建戰略夥伴關係，以(i)開拓土耳其房地產開發之投資商機；(ii)就工程及相關建築業務建立夥伴關係；及(iii)於中國內地邀請更多行業夥伴，以進一步擴闊業務發展範圍及夥伴關係。

PASİFİK作為土耳其首屈一指之房地產發展商之一，於安卡拉省及伊斯坦布爾省之主要地段擁有及／或合資擁有多項大型項目。本公司已與PASİFİK討論於土耳其發展房地產之機會。

AKDENİZ於土耳其房地產及建築業務績逾30年經驗，此外，AKDENİZ亦從事能源及旅遊業。AKDENİZ於二零一四年及二零一五年名列土耳其財富500強（Fortune 500 of Turkey）。AKDENİZ之全資附屬公司Ağaoğlu Gayrimenkul Yatırım A.Ş.（「Ağaoğlu」）從事房地產及建築業務，並於土耳其完成超過20個大型物業項目，該等項目之建築面積超過7,000,000平方米，包括住宅、辦公室、酒店、零售及當地設施。Ağaoğlu於土耳其聲譽指數（Turkish Reputation Index）高踞二零一五年及二零一六年最具聲望建築公司之列。

本公司將於適當時候根據GEM上市規則就夥伴關係及相關項目另行刊發公佈。

有關土耳其項目之戰略夥伴關係協議詳情於本公司日期為二零一七年十一月六日及二零一七年十一月二十一日之公佈披露。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

#### (iii) Memorandum of understanding with Seba İnşaat Anonim Şirketi

On 9 May 2018, the Group and Seba İnşaat Anonim Şirketi, a company incorporated in Turkey (“Seba”) entered into a non-legally binding memorandum of understanding (the “MOU Seba”).

Under the MOU Seba, the Group has the intention to acquire and Seba has the intention to sell a certain number of villas and apartments located in Bodrum Province, Gündoğan District, Turkey (the “Project Seba”), which consists of 20 villas and 17 apartments holiday units with construction area of 10,000 m<sup>2</sup> and saleable area of 8,000 m<sup>2</sup>. The Project Seba is expected to be completed within the year of 2019.

The consideration and the payment method for the proposed acquisition shall be subject to further negotiations between the parties but the final consideration shall not exceed USD30,000,000 and shall be determined under a formal agreement (“Formal Agreement”).

It is the intention of the parties that Group shall have the rights within a period of 18 months after the date of completion the Formal Agreement and at its full discretion to sell all or part of the selected properties to Seba at the price equivalent to the 130% of the final consideration of relevant selected properties.

Details of the MOU Seba were disclosed in the Company’s announcements dated 9 May 2018.

#### FOREIGN CURRENCY RISK

The Group’s major business operations and investments are in the PRC, Hong Kong and Turkey. All the outstanding balances of borrowings and obligations under finance leases are denominated in Hong Kong dollar. Other than described above, most of the assets, liabilities and transactions of the Group are primarily denominated in Hong Kong dollar, Renminbi, United States dollar and Turkish Lira. The Group has not entered into any instruments to hedge the foreign exchange exposure and considered the potential foreign exchange exposure of the Group is limited. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

#### (iii) 與Seba İnşaat Anonim Şirketi之諒解備忘錄

於二零一八年五月九日，本集團與於土耳其註冊成立之公司Seba İnşaat Anonim Şirketi(「Seba」)訂立不具法律約束力之諒解備忘錄(「諒解備忘錄Seba」)。

根據諒解備忘錄Seba，本集團有意收購而Seba有意出售位於土耳其京多安(Gündoğan)區博德魯姆(Bodrum)省之若干別墅及公寓(「Seba項目」)，其由20棟別墅及17個渡假公寓單位組成，建築面積為10,000平方米，實用面積為8,000平方米。項目Seba預計將於二零一九年竣工。

建議收購事項之代價及支付方式須待訂約方進一步磋商，惟最終代價不得超過30,000,000美元及須根據正式協議(「正式協議」)釐定。

訂約方之意向為，本集團有權於正式協議完成之日期後18個月期間內全權酌情以相當於有關經選定物業之最終代價130%之價格向Seba出售全部或部分經選定物業。

有關諒解備忘錄Seba之詳情於本公司日期為二零一八年五月九日之公佈中披露。

#### 外幣風險

本集團於中國、香港及土耳其進行主要業務營運及投資。所有未償還借貸及融資租約債務之結餘均以港元計值。除上述者外，本集團大部分資產、負債及交易主要以港元、人民幣、美元及土耳其里拉計值。本集團並無就對沖外匯風險訂立任何工具，且認為本集團所面對之潛在外匯風險有限。本集團將密切監察匯率動向及採取適當措施減低匯兌風險。





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### PRINCIPAL RISKS AND UNCERTAINTIES

The Group exposes to various risks and uncertainties in its daily operation and management. Save for the credit risk, liquidity risk, interest rate risk, currency risk and fair value risk as disclosed in note 34 to the consolidated financial statements, the Group also exposes to operation risk and market risk. In addition, as the cemetery business is located in the PRC and the interest in Turkey companies, the Group's business, financial condition, results of operations and prospects are greatly affected by political, economic and legal developments and changes to government policies in the PRC and Turkey.

### CONTINGENT LIABILITIES

As at 31 December 2018, the Group has no material contingent liabilities (31 December 2017: Nil).

### EVENTS AFTER THE REPORTING PERIOD

The details of the non-adjusting event includes the completion of the issue of first tranche of the Macquarie CN with principal of HK\$150,000,000, details refer to note 38(a) to the consolidated financial statements.

On 13 March 2019, the Company and Just Classic Limited has entered into a confirmation letter (the "Confirmation Letter") in relation to the convertible note of principal amount of HK\$30,000,000 matured on 3 December 2018, details see note 38(b) to the consolidated financial statements, which has been classified under current borrowing as at 31 December 2018.

The Company and Just Classic Limited mutually agree that the outstanding balance carries an interest rate of 10% per annum from 4 December 2018 and interest shall be paid in every two months. The principal of HK\$30,000,000 shall be payable before 30 November 2019.

### 主要風險及不確定因素

本集團於日常營運及管理面臨多項風險及不確定因素。除綜合財務報表附註34披露之信貸風險、流動資金風險、利率風險、貨幣風險及公平值風險外，本集團亦面臨營運風險及市場風險。此外，由於公墓業務位於中國及於土耳其公司持有權益，故中國及土耳其之政治、經濟及法律發展以及政府政策之改變均對本集團之業務、財務狀況、經營業績及前景有重大影響。

### 或然負債

於二零一八年十二月三十一日，本集團概無任何重大或然負債(二零一七年十二月三十一日：無)。

### 報告期後事項

非調整事項之詳情包括完成發行第一批次本金額為150,000,000港元之麥格理可換股票據，詳情請參閱綜合財務報表附註38(a)。

於二零一九年三月十三日，本公司與Just Classic Limited就二零一八年十二月三十一日到期本金額為30,000,000港元之可換股票據訂立確認函(「確認函」)，詳情見綜合財務報表附註38(b)，並於二零一八年十二月三十一日之流動借貸項下分類。

本公司與Just Classic Limited雙方同意，未償還結餘自二零一八年十二月四日起可按年利率10%計息，利息須每兩個月支付一次。本金額30,000,000港元須於二零一九年十一月三十日前支付。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2018, the Group had approximately 46 (2017: approximately 51) full-time employees. The Group remunerates its employees based on their performance, experience and the prevailing industry practice.

The Group provides competitive remuneration package to employees with the share option scheme. The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence.

Details of the share option scheme of the Company are set out in the section under the Report of the Directors.

### PUBLICATION OF FINANCIAL STATEMENTS REQUIRED UNDER SECTION 436 OF THE COMPANIES ORDINANCE

The financial information relating to the Company for the years ended 31 December 2018 and 2017 included in the 2018 annual results announcement dated 22 March 2019 is derived from, but does not constitute the Company's statutory annual consolidated financial statements for these two years.

The Company has delivered the financial statements for the year ended 31 December 2017 to the Registrar of Companies of Hong Kong as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") and will deliver the financial statements for the year ended 31 December 2018 to the Registrar of Companies of Hong Kong within the prescribed time limit.

The Company's auditor has reported on the financial statements of the Group for both the years ended 31 December 2018 and 2017. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

### 僱員及薪酬政策

於二零一八年十二月三十一日，本集團僱用約46名(二零一七年：約51名)全職僱員。本集團按各員工之工作表現、經驗及現時行業慣例酬報其僱員。

本集團為僱員提供具競爭力之薪酬待遇，並設有購股權計劃。本集團僱員之薪酬政策乃按彼等之功績、資歷及才能制定。

本公司購股權計劃之詳情載於「董事報告」一節。

### 根據公司條例第436條之規定發佈財務報表

載於日期為二零一九年三月二十二日之二零一八年度業績公佈有關本公司截至二零一八年及二零一七年十二月三十一日止年度之財務資料來自本公司於該兩年度之法定年度綜合財務報表，惟並不構成本公司於該兩年度之法定年度綜合財務報表。

本公司已按香港法例第622章公司條例(「公司條例」)第662(3)條及附表6第3部之規定向香港公司註冊處處長遞交截至二零一七年十二月三十一日止年度之財務報表，並將於規定之時間內向香港公司註冊處處長遞交截至二零一八年十二月三十一日止年度之財務報表。

本公司核數師已就本集團截至二零一八年及二零一七年十二月三十一日止兩個年度之財務報表發表報告。核數師報告並無保留意見；並無載有核數師於出具無保留意見之情況下，提請注意任何引述之強調事項；亦無載有根據公司條例第406(2)、第407(2)或(3)條作出之陳述。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

### EXECUTIVE DIRECTORS

**Mr. Hung Tat-Chi Alan** (“Mr. Hung”), aged 40, was appointed as executive Director of the Company on 22 March 2017. He is currently the authorised representative and compliance officer of the Company. Mr. Hung holds Master Degrees in Civil Engineering and Business Administration and is a member of the International Institute of Management. He is specialized in construction and environmental engineering, research and development, sales and marketing, fundraising, mergers and acquisitions, business administration and event management. Mr. Hung has been taking up key positions as engineering professional and senior executive in public companies, private enterprises and statutory body for more than 12 years, and has established extensive network with government officials, entrepreneurs, organisation leaders, scholars and professionals. He is the Executive Vice Chairman of Shenzhen Hong Kong Youth Exchange Promotion Association, Secretary General of the Chinese Turkish Economic and Cultural Exchange Association and Deputy Secretary General of the Preparatory Committee for the World Summit of Chinese Entrepreneurs. Mr. Hung was appointed as alternate Director to Mr. Bülent Yenil (“Mr. Yenil”) on 11 January 2016, and resigned as alternate Director immediately following the resignation of Mr. Yenil with effect from 14 June 2017. He was an executive Director of Aurum Pacific (China) Group Limited (stock code: 8148) from 2 March 2016 to 20 March 2017.

**Mr. Ling Ko Yin Jason** (“Mr. Ling”), aged 37, was appointed as an executive Director of the Company with effect from 16 December 2016. Mr. Ling obtained a degree of Bachelor of Economics and Finance from The University of Hong Kong. Mr. Ling has extensive experience in mergers and acquisitions, post-deal management and also has solid knowledge in the industries of agriculture, clean technology, real estate, fund investment and education sector. Mr. Ling has worked in the advisory department of an international accounting firm for a number of years. Mr. Ling is a member of the Hong Kong Institute of Certified Public Accountants and Chartered Financial Analyst of CFA Institute.

### 執行董事

洪達智先生(「洪先生」)，40歲，自二零一七年三月二十二日起獲委任為本公司執行董事，彼目前為本公司法定代表及監察主任。洪先生擁有土木工程及工商管理學碩士學位，並為國際專業管理學會會員，彼專精建設及環保工程、科研開發、銷售推廣、募集基金、合併收購、工商管理及活動管理。洪先生在公眾公司、私人企業及法定機構擔任工程專業及高級行政人員之主要職位超過12年，並與政府官員、企業家、組織領袖、學者及專業人士建立起廣泛人脈。洪先生為深圳香港青年交流促進會之常務副主席、中土經濟及文化交流協會之秘書長，及世界華商高峰會籌備委員會之副秘書長。洪先生於二零一六年一月十一日獲委任為Bülent Yenil先生(「Yenil先生」)之代理董事，並繼Yenil先生於二零一七年六月十四日辭任後，同時辭任本公司代理董事之職務。彼於二零一六年三月二日至二零一七年三月二十日為奧栢中國集團有限公司(股份代號：8148)之執行董事。

林高然先生(「林先生」)，37歲，獲委任為本公司執行董事，自二零一六年十二月十六日起生效。林先生獲得由香港大學頒發之經濟金融學學士學位。林先生於合併及收購以及交易後管理擁有廣泛經驗，且彼亦於農業、潔淨科技、房地產、資金投資及教育行業擁有扎實知識。林先生曾任職於一間國際會計師事務所之諮詢部門數年。林先生為香港會計師公會會員及特許金融分析師協會(CFA Institute)之特許金融分析師。

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

### NON-EXECUTIVE DIRECTOR

**Mr. Chan Wai Kit** (“Mr. Chan”), aged 35, was appointed as a non-executive Director of the Company with effect from 29 May 2017. Mr. Chan holds a Bachelor Degree in Information System and a Master Degree of Accounting from Curtin University of Technology, Australia. He was an executive Director, authorised representative and compliance officer of Aurum Pacific (China) Group Limited (stock code: 8148), a company listed on the GEM of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) from 13 October 2014 and a deputy chairman with effect from 16 October 2015 to 1 November 2018. Mr. Chan has been appointed as a committee member of the 9th Committee of Maoming City of The Chinese People’s Political Consultative Conference since January 2017. Mr. Chan was an executive Director of Elegance Optical International Holdings Limited (stock code: 907), a company listed on the Main Board of the Stock Exchange from 31 May 2017 to 17 April 2018. He was an independent non-executive director of Share Economy Group Limited (stock code: 1178) from 13 December 2017 to 18 October 2018 and Ding He Mining Holdings Limited (stock code: 705), a company listed on the Main Board of the Stock Exchange from 23 January 2018 to 11 July 2018.

Mr. Chan has been appointed as executive Director of Asia Television Holdings Limited (stock code: 707) since 27 November 2018.

Mr. Chan was the chairman, executive director, authorised representative and compliance officer of PPS International (Holdings) Limited (stock code: 8201), a company listed on the GEM of the Stock Exchange from June 2015 to July 2016. He was also an executive director of China Taifeng Beddings Holdings Limited (stock code: 873), a company listed on the Main Board of the Stock Exchange from July 2016 to August 2016. He was also an executive director of Green Energy Group Limited (stock code: 979), a company listed on the Main Board of the Stock Exchange from February 2017 to July 2017. Mr. Chan has extensive experience in information technology, accounting, finance, corporate governance, strategic planning, as well as merger and acquisition.

### 非執行董事

陳偉傑先生(「陳先生」)，35歲，獲委任為本公司非執行董事，自二零一七年五月二十九日起生效。陳先生持有澳洲科廷科技大學(Curtin University of Technology)信息系統學士學位及會計碩士學位。彼曾於二零一四年十月十三日起擔任奧栢中國集團有限公司之執行董事、授權代表及監察主任及自二零一五年十月十六日至二零一八年十一月一日期間擔任副主席，該公司為香港聯合交易所有限公司(「聯交所」)GEM(「GEM」)之上市公司(股份代號：8148)。陳先生自二零一七年一月起獲委任為中國人民政治協商會議第九屆茂名市委員會委員。陳先生曾於二零一七年五月三十一日至二零一八年四月十七日期間擔任聯交所主板上市公司高雅光學國際集團有限公司(股份代號：907)之執行董事。彼於二零一七年十二月十三日至二零一八年十月十八日期間擔任共享經濟集團有限公司(股份代號：1178)非執行董事，及於二零一八年一月二十三日至七月十一日期間為聯交所主板上市公司鼎和礦業控股有限公司(股份代號：705)之獨立非執行董事。

陳先生自二零一八年十一月二十七日起獲委任為亞洲電視控股有限公司(股份代號：707)之執行董事。

於二零一五年六月至二零一六年七月期間，陳先生為聯交所GEM上市寶聯控股有限公司(股份代號：8201)之主席、執行董事、授權代表及監察主任。於二零一六年七月至二零一六年八月期間，彼亦為聯交所主板上市公司中國泰豐床品控股有限公司(股份代號：873)之執行董事。於二零一七年二月至二零一七年七月，彼亦為聯交所主板上市公司綠色能源科技集團有限公司(股份代號：979)之執行董事。陳先生於資訊科技、會計、財務、企業管治、策略規劃以及併購方面擁有豐富經驗。





## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. Choy So Yuk, BBS, JP** (“Ms. Choy”), aged 68, was appointed as an independent non-executive Director of the Company on 12 May 2015. Ms. Choy is also the Chairperson of the Remuneration Committee, members of the Audit Committee and Nomination Committee. Ms. Choy obtained her Bachelor of Science and Master of Philosophy degrees from the University of Hong Kong in 1974 and 1980 respectively. Ms. Choy was the founding managing director of SHK International Services Limited (which was subsequently acquired by Ms. Choy and changed its name to Oriental-Western Promotions Limited). Ms. Choy holds a wide variety of political, social and academic positions, such as a deputy of the National People’s Congress and a director of Fujian Middle School. Ms. Choy was a member of the Fujian Provincial Committee of the Chinese People’s Political Consultative Conference and a member of the Legislative Council in Hong Kong from 1998 to 2008. Ms. Choy was appointed as an independent non-executive director of Loudong General Nice Resources (China) Holdings Limited (stock code: 988) since June 2009. Ms. Choy was an independent non-executive director of Ping Shan Tea Group Limited (stock code: 364) from August 2002 to October 2017.

Ms. Choy has been appointed as an independent non-executive director of Best Mart 360 Holdings Limited (stock code: 2360) since 10 January 2019.

**Ms. Lam Yuk Ying Elsa** (“Ms. Lam”), aged 60, was appointed as an independent non-executive Director of the Company on 2 September 2013. She is also the Chairperson of the Nomination Committee, members of the Audit Committee and Remuneration Committee. Ms. Lam holds Type 1 (Dealing in securities), Type 2 (Dealing in futures contracts), Type 6 (Advising on corporate finance) and Type 9 (Asset management) regulated activities license issued by the Securities and Futures Commission. Ms. Lam has over 10 years of experience in the securities industry and more than 15 years of experience in the treasury function in several major banks. Ms. Lam was an executive director of Value Convergence Holdings Limited (Stock Code: 821) from 23 February 2011 to 28 December 2012. From 1 March 2015 to 14 February 2017, Ms. Lam was a director of VC Asset Management Limited, a wholly-owned subsidiary of Value Convergence Holdings Limited. Ms. Lam was also an associate director of Excalibur Hong Kong and held senior positions at Glory Sky Global Markets Limited and Kingston Securities Limited. She was also the head of the treasury department of KBC Bank N.V.

### 獨立非執行董事

蔡素玉女士，銅紫荊星章，太平紳士（「蔡女士」），68歲，於二零一五年五月十二日獲委任為本公司獨立非執行董事。蔡女士亦為薪酬委員會主席兼審核委員會及提名委員會成員。蔡女士分別於一九七四年及一九八零年獲得由香港大學頒授之理學士學位及哲學碩士學位。蔡女士乃SHK International Services Limited（此公司其後由蔡女士收購，並易名為東偉業務促進有限公司）之創辦董事總經理。蔡女士出任多項政治、社會及學術公職，例如全國人民代表大會代表及香港福建中學校董等。蔡女士於一九九八年至二零零八年間曾出任中國人民政治協商會議福建省委員會委員及曾任香港立法會議員。蔡女士自二零零九年六月起一直擔任樓東俊安資源（中國）控股有限公司（股份代號：988）之獨立非執行董事。蔡女士於二零零二年八月至二零一七年十月擔任坪山茶業集團有限公司（股份代號：364）之獨立非執行董事。

蔡女士自二零一九年一月十日起獲委任為優品360控股有限公司（股份代號：2360）之獨立非執行董事。

林玉英女士（「林女士」），60歲，於二零一三年九月二日獲委任為獨立非執行董事。彼亦為審核委員會、薪酬委員會成員以及提名委員會主席。林女士持有證券及期貨事務監察委員會發出之第一類（證券交易）、第二類（期貨合約交易）、第六類（就機構融資提供意見）及第九類（資產管理）受規管活動之牌照。林女士在證券業積逾十年經驗，在多間主要銀行之庫務職能方面亦擁有超過十五年經驗。於二零一一年二月二十三日至二零一二年十二月二十八日期間，林女士為滙盈控股有限公司（股份代號：821）之執行董事。於二零一五年三月一日至二零一七年二月十四日，林女士為滙盈控股有限公司之全資附屬公司滙盈資產管理有限公司之董事。林女士亦為駿溢香港之聯席董事，並曾於灝天環球投資有限公司及金利豐證券有限公司出任要職。彼亦曾出掌KBC Bank N.V.庫務部門主管。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

**Mr. Leung Man Chun** (“Mr. Leung”), aged 31, was appointed as an independent non-executive Director of the Company on 1 March 2016. Mr. Leung is also the Chairman of the Audit Committee, members of the Nomination Committee and the Remuneration Committee. He has been engaging in financial services sector for over 6 years, along with ample experience in an international accounting firm and an international bank. He currently serves as a corporate finance principal for a professional firm. He obtained a Bachelor’s Degree in Social Sciences from Hong Kong Baptist University in 2009. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and has joined the Council of the Hong Kong Institute of Certified Public Accountants in 2018. Mr. Leung is currently an independent non-executive director of Aurum Pacific (China) Group Limited (stock code: 8148) whose shares are listed on the GEM of the Stock Exchange since 23 February 2016.

### COMPANY SECRETARY

**Ms. Chan Shuk Man Lora** (“Ms. Chan”), aged 49, was appointed as the company secretary and an authorised representative of the Company with effect from 22 January 2018. Ms. Chan joined the Company in March 2016. She obtained a bachelor’s degree of Business Administration in Accounting (Hon.) from the Coventry University and a MBA (Banking) from the University of Stirling in the United Kingdom and is a fellow member of the Hong Kong Institute of Certified Public Accountants, Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong and a Certified Tax Adviser (Hong Kong). She has over 25 years of experience in auditing, accounting, banking and financial management.

梁文俊先生(「梁先生」)，31歲，於二零一六年三月一日獲委任為本公司獨立非執行董事。梁先生亦為審核委員會主席兼提名委員會及薪酬委員會成員。彼於國際會計師行及國際銀行等金融服務機構工作逾六年，擁有豐富相關經驗。彼現時於一間專業機構擔任企業融資部總監。彼於二零零九年在香港浸會大學取得社會科學學士學位。梁先生為香港會計師公會成員並於二零一八年當選為香港會計師公會理事會成員。梁先生自二零一六年二月二十三日起獲委任為奧栢中國集團有限公司(其股份於聯交所GEM上市，股份代號：8148)之獨立非執行董事。

### 公司秘書

陳淑雯女士(「陳女士」)，49歲，自二零一八年一月二十二日起獲委任為本公司之公司秘書兼法定代表。陳女士於二零一六年三月加入本公司。彼取得英國考文垂大學(Coventry University)工商管理榮譽學士學位(會計學)及英國斯特靈大學(University of Stirling)工商管理碩士學位(銀行學)。彼為香港會計師公會、英國特許公認會計師公會及香港稅務學會之資深會員，且為一名註冊稅務師(香港)。彼於審計、會計、銀行及財務管理方面有逾25年經驗。



# REPORT OF THE DIRECTORS

## 董事報告

The Directors submit herewith their report together with the audited financial statements of the Company and the Group for the year ended 31 December 2018 (“Year”).

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The activities of its subsidiaries are set out in Note 40 to the consolidated financial statements. Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group’s business, can be found in the Management Discussion and Analysis set out on pages 12 to 28 of this Annual Report. This discussion forms part of this Directors’ Report. Details of the segment information of the Group for the year ended 31 December 2018 are set out in Note 13 to the consolidated financial statements.

### FINANCIAL STATEMENTS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income on pages 96 to 97.

The states of affairs of the Group and of the Company as at 31 December 2018 are set out in the consolidated statement of financial position and the statement of financial position on pages 98 to 99 and in Note 39 on pages 199 to 200 to the consolidated financial statements respectively.

The cash flows of the Group are set out in the consolidated statement of cash flows on pages 101 to 102.

### DIVIDENDS

The Directors do not recommend any payment of dividend nor transfer of any amount to reserves for the Year (2017: Nil).

### SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in Note 30 to the consolidated financial statements and the section headed “Capital Structure” of this Annual Report.

### EQUITY-LINKED AGREEMENTS

Details of placing of new shares under general mandate and issue of convertible bonds are set out in Notes 27 and 30 to the consolidated financial statements, respectively, and in the sections headed “Capital Structure” and of this Annual Report. This discussion forms part of this Directors’ Report.

董事謹此提呈彼等之報告連同本公司及本集團截至二零一八年十二月三十一日止年度(「本年度」)之經審核財務報表。

### 主要業務及業務回顧

本公司之主要業務為投資控股。本公司附屬公司之業務載於綜合財務報表附註40。香港公司法附錄五要求對該等活動作出進一步討論及分析(包括討論本集團面對之主要風險及不確定因素以及反映本集團業務可能未來發展)，可於本年報第12至28頁所載之管理層論述及分析查閱。該討論構成此董事報告之一部分。本集團截至二零一八年十二月三十一日止年度之分部資料詳情載於綜合財務報表附註13。

### 財務報表

本集團截至二零一八年十二月三十一日止年度之業績載於第96至97頁之綜合損益表以及綜合損益及其他全面收益表內。

本集團及本公司於二零一八年十二月三十一日之業務狀況分別載於第98至99頁之綜合財務狀況表、第199頁至200頁之財務狀況表及綜合財務報表附註39內。

本集團之現金流量載於第101至102頁之綜合現金流量表內。

### 股息

董事不建議就本年度派付任何股息，亦不轉撥任何款項至儲備(二零一七年：無)。

### 股本

本年度，有關本公司股本變動之詳情載於本年報綜合財務報表附註30及「資本結構」一節。

### 股票掛鈎協議

根據一般授權配售新股份及發行可換股債券之詳情分別載於綜合財務報表附註27及30，以及載於本年報「資本結構」各節。該討論構成此董事報告之一部分。

# REPORT OF THE DIRECTORS

## 董事報告

### RESERVES

Details of the movements in reserves during the Year are set out in Note 30 to the consolidated financial statements.

### FIVE YEARS FINANCIAL SUMMARY

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years as extracted from the published audited financial statements is set out on page 208 of this Annual Report.

### PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS

Details of the movements in property, plant and equipment investment properties and intangible assets of the Group during the Year are set out in Notes 14, 15 and 16 respectively to the consolidated financial statements.

### DISTRIBUTABLE RESERVES

As at 31 December 2018, the Company has no distributable reserve calculated in accordance with the provisions of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

### CHARITABLE DONATIONS

During the Year, the Group has no charitable donations (2017: Nil).

### DIRECTORS

The Directors who held office during the year ended 31 December 2018 and up to the date of this annual report were:

#### *Executive Directors*

Mr. Hung Tat Chi Alan  
Mr. Ling Ko Yin Jason  
Mr. Chan Ming Kei (Resigned on 15 January 2018)

#### *Non-executive Director*

Mr. Chan Wai Kit

#### *Independent non-executive Directors*

Ms. Choy So Yuk, BBS, JP  
Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

### 儲備

本年度，儲備變動之詳情載於綜合財務報表附註30。

### 五年財務概要

摘自己刊發經審核財務報表之本集團過往五個財政年度之已刊發業績以及資產、負債及非控股權益之概要載於本年報第208頁。

### 物業、廠房及設備、投資物業及無形資產

本年度，本集團物業、廠房及設備、投資物業及無形資產變動之詳情分別載於綜合財務報表附註14、15及16。

### 可供分派儲備

於二零一八年十二月三十一日，本公司並無根據香港法例第622章公司條例之條文計算之可供分派儲備。

### 慈善捐款

本年度，本集團並無慈善捐款(二零一七年：無)。

### 董事

於截至二零一八年十二月三十一日止年度及直至本年報日期止之董事如下：

#### *執行董事*

洪達智先生  
林高然先生  
陳銘基先生(於二零一八年一月十五日辭任)

#### *非執行董事*

陳偉傑先生

#### *獨立非執行董事*

蔡素玉女士，銅紫荊星章，太平紳士  
林玉英女士  
梁文俊先生





## REPORT OF THE DIRECTORS 董事報告

### Directors of Subsidiaries

The names of directors who have served on the boards of the subsidiaries of the Company (other than those listed above) during the year ended 31 December 2018 and up to the date of this report included:

Ms. Chan Shuk Man Lora, Mr. San Tung, Mr. Salih Yekta Kisa, Mr. Hung Yu Pang and Mr. Wu Wenbei.

### DIRECTORS' SERVICE CONTRACTS

In accordance with the Articles of Association, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun are subject to retirement by rotation and re-election at the Company's forthcoming annual general meeting. Each of the Executive Directors may receive a discretionary bonus, the amount of which will be determined by the Board of Directors as its absolute discretion having regard to the operation results of the Company.

The independent non-executive Directors have not entered into any service agreement with the Company and are not appointed for a specific term, but all are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

None of the Directors is proposed for re-election at the forthcoming annual general meeting ("AGM") has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

### 附屬公司董事

截至二零一八年十二月三十一日止年度及直至本報告日期止，本公司附屬公司董事會在任董事(除上述者外)姓名載列如下：

陳淑雯女士、申東先生、Salih Yekta Kisa先生、洪宇鵬先生及吳文杯先生。

### 董事服務合約

根據組織章程細則，林玉英女士和梁文俊先生須於本公司應屆股東週年大會輪值告退並重選連任。各執行董事或可酌情收取花紅，有關金額將由董事會全權酌情按本公司之經營業績而釐定。

獨立非執行董事並無與本公司簽訂任何服務協議，亦無指定任期，惟彼等全體均須根據組織章程細則於本公司之股東週年大會上輪值告退並重選連任。

本公司並無與擬於應屆股東週年大會(「股東週年大會」)上重選連任之董事訂立任何不可由本公司於一年內無償終止(法定補償除外)之服務合約。



# REPORT OF THE DIRECTORS

## 董事報告

### DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, any of its holding companies or subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

### CONNECTED AND RELATED PARTY TRANSACTIONS

Save as disclosed in this report, there were no other transactions which need to be disclosed as connected in accordance with the requirements of the GEM Listing Rules during the year ended 31 December 2018.

The material related party transactions of the Group are disclosed in Note 37 to the consolidated financial statements.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2018, same as disclosed elsewhere in this report, as far as the Directors are aware of, none of the Directors or the management shareholders of the Company or any of its respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group.

### PERMITTED INDEMNITY AND DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Pursuant to the Articles and subject to the provisions of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), every Director or other officer of the Company shall be indemnified out of the assets of the Company against all loss and 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, provided that such Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Company during the Year.

### 董事之合約權益

於本年度完結時或於本年度任何時間，概無任何由本公司、其任何控股公司或附屬公司訂立且董事在其中直接或間接擁有重大權益而對本集團業務有重大影響之合約。

### 關連及有關連人士交易

除本報告所披露外，截至二零一八年十二月三十一日止年度，概無任何其他交易須遵照GEM上市規則之規定披露為關連交易。

本集團重大有關連人士交易於綜合財務報表附註37披露。

### 董事於競爭業務之權益

於二零一八年十二月三十一日，誠如本報告其他章節所披露者一致，就董事所知，概無董事或本公司管理層股東或其各自之聯繫人士(定義見GEM上市規則)於與本集團業務構成或可能構成競爭之業務中擁有任何權益或與本集團有任何其他利益衝突。

### 獲准許之彌償保證及董事與高級職員之責任保險

根據組織章程細則及受香港法例第622章公司條例之條文規限，對於本公司各董事或其他高級職員在任職期間執行職務時承受或發生與本公司有關的所有損失及責任，均可從本公司資產中獲得彌償，惟有關條文僅在未因公司條例而致無效的情況下方為有效。本年度，本公司已安排適當董事與高級職員之責任保險，涵蓋範圍包括董事及本公司高級職員。



# REPORT OF THE DIRECTORS

## 董事報告

### DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from the share option scheme referred as below, at no time during the year ended 31 December 2018 was any of the Company or any associated corporation a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2018, none of the Directors or chief executives of the Company had any interests and 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 Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("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 taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors as referred to in Rule 5.46 of the GEM Listing Rules.

### SHARE OPTION SCHEMES

The share option scheme adopted on 9 May 2011 (the "2011 Share Option Scheme") by the Shareholders was terminated and a new share option scheme was adopted on 1 February 2016 (the "2016 Share Option Scheme") by the Shareholders. The purpose of the 2016 Share Option Scheme is to enable the Company to grant Share Options to the Eligible Participants (as defined below) as incentives or rewards for their contribution to the long term development of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate, attract, retain and/or provide benefits to the Eligible Participants. The 2016 Share Option Scheme was adopted for a period of 10 years commencing from 1 February 2016 and will remain in force until 31 January 2026.

Eligible Participant under the 2016 Share Option Scheme includes any full-time or part-time employees, consultants or potential employees, executives or officers (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the Board, will contribute or has contributed to the Company and/or any of its subsidiaries.

### 董事購入股份之權利

除下文所述購股權計劃外，於截至二零一八年十二月三十一日止年度內任何時間，本公司或任何相聯法團均無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或票據而獲益；亦無董事或彼等之配偶或十八歲以下子女擁有可認購本公司股份或票據之任何權利或曾行使任何該等權利。

### 董事及最高行政人員於股份、相關股份及票據之權益及淡倉

於二零一八年十二月三十一日，概無董事或本公司最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及票據中，擁有任何須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉），或已登記於本公司根據證券及期貨條例第352條須存置之登記冊之任何權益及淡倉或已根據GEM上市規則第5.46條所述董事進行買賣之規定標準另行知會本公司及聯交所之任何權益及淡倉。

### 購股權計劃

股東於二零一一年五月九日採納之購股權計劃（「二零一一年購股權計劃」）已告終止，而股東已於二零一六年二月一日採納新購股權計劃（「二零一六年購股權計劃」）。二零一六年購股權計劃旨在使本公司能向合資格參與者（定義見下文）授出購股權，作為彼等對本集團長期發展作出貢獻之獎勵或回報，並為本集團提供更靈活之方式獎勵、酬報、補償、招攬、留聘合資格參與者及／或向其提供福利。二零一六年購股權計劃自二零一六年二月一日採納之日起為期10年，並將維持有效直至二零二六年一月三十一日為止。

根據二零一六年購股權計劃，合資格參與者包括本公司或其任何附屬公司之任何全職或兼職僱員、諮詢顧問或潛在僱員、行政人員或高級職員（包括執行、非執行及獨立非執行董事），以及董事會全權認為將向或已向本公司及／或其任何附屬公司作出貢獻之任何供應商、客戶、諮詢顧問、代理及顧問。

# REPORT OF THE DIRECTORS

## 董事報告

The subscription price shall be determined by the Board in its absolute discretion but in any event shall be at least the higher of:

- (i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant which must be a business day; and
- (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 14 days from the date of grant. Unless otherwise determined by the Board in the relevant offer letter to a grantee, there is no minimum period for which any option must be held before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised. An option may be exercised in accordance with the terms of the 2016 Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

The maximum number of shares to be issued upon the exercise of options that may be granted under the 2016 Share Option Scheme are 180,267,735 shares, being 10% of the shares in issue at the date of the annual general meeting held by the Company on 22 June 2018 under the scheme mandate limited approved by shareholders of the Company. The total number of shares available for issue under the 2016 Share Option Scheme represent 10% of the total number of Shares in issue as at the date of this report.

Pursuant to the GEM Listing Rules, the total number of shares which may be issued upon the exercise of all options to be granted under the 2016 Share Option Scheme must not, in aggregate, exceed 10% of the shares in issue as at the date of adoption of the 2016 Share Option Scheme. The Board shall not grant any options which would result in the maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted but yet to be exercised under the 2016 Share Option Scheme and any other share option schemes adopted by the Company exceeding, in aggregate, 30% of the shares in issue from time to time.

認購價須由董事會全權酌情釐定，惟在任何情況下須最少為下列各項之較高者：

- (i) 股份於授出日期(該日須為營業日)在聯交所發出之每日報價表所述之收市價；及
- (ii) 股份於緊接授出日期前五個營業日在聯交所發出之每日報價表所述之平均收市價。

承授人接納購股權後，須向本公司支付1.00港元，作為獲授購股權之代價。承授人須於授出日期起14日內，接納授出購股權之要約。除董事會在寄發予承授人之有關要約函中另有釐定外，概無規定購股權可予行使前須持有任何購股權之最短期限，亦無設定承授人於行使購股權前須達致之表現目標。購股權可於董事會可能釐定之期間內根據二零一六年購股權計劃之條款隨時行使，惟有關期間不得超過由授出日期起計十年，並受提前終止條文規限。

根據二零一六年購股權計劃授出之購股權獲行使而將予發行之股份最高數目為180,267,735股，佔於本公司於二零一八年六月二十二日舉行股東週年大會之日根據本公司股東所批准之計劃授權已發行股份之10%。根據二零一六年購股權計劃可供發行之股份總數相當於本報告日期已發行股份總數之10%。

根據GEM上市規則，根據二零一六年購股權計劃將予授出之全部購股權獲行使而可能發行之股份總數合共不得超過二零一六年購股權計劃採納日期已發行股份之10%。董事會不得授出會導致因行使根據二零一六年購股權計劃及本公司所採納之任何其他購股權計劃授出但尚未行使之所有購股權而可能發行之股份最高總數超過不時已發行股份之30%之任何購股權。





## REPORT OF THE DIRECTORS 董事報告

The total number of shares issued and to be issued upon exercise of the options granted under the 2016 Share Option Scheme and any other share option schemes of the Company to each Eligible Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue (the “Individual Limit”). Any further grant of options to an Eligible Participant which would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to approval of the Shareholders in general meeting with such Eligible Participant and his close associates (or his associates if such Eligible Participant is a connected person) abstaining from voting.

Any grant of options to a connected person (as defined in the GEM Listing Rules) must be approved by all Independent Non-executive Directors (excluding any Independent Non-executive Director who is the proposed grantee). Where options are proposed to be granted to a connected person who is also a substantial shareholder (as defined in the GEM Listing Rules) of the Company or an Independent Non-executive Director or any of their respective associates, and the proposed grant of options, when aggregated the options already granted to such connected person in the past 12 months period, would entitle that person to receive more than 0.1% of the total issued shares of the Company for the time being and the value of which is in excess of HK\$5,000,000, then the proposed grant must be subject to the approval of the shareholders at the general meeting. Apart from the connected person involved, all other connected persons of the Company must abstain from voting in such general meeting (except where any connected person intends to vote against the proposed grant).

There is no outstanding share option under the 2016 Share Option Scheme as at 1 January 2018 and 31 December 2018. As at the date of this report, no options have been granted under the 2016 Share Option Scheme since its adoption.

根據二零一六年購股權計劃及本公司任何其他購股權計劃向每名合資格參與者授出之購股權（包括已行使及尚未行使之購股權）獲行使後已發行及將予發行之股份總數於任何12個月期間不得超過已發行股份總數之1%（「個人上限」）。倘向一名合資格參與者進一步授出之任何購股權將會導致向該名合資格參與者授出及將予授出之所有購股權（包括已行使、已註銷及尚未行使之購股權）獲行使後已發行及將予發行股份於直至該進一步授出之日止（包括當日）12個月期間超過個人上限，則該進一步授出須獲股東於股東大會上批准，而該合資格參與者及其緊密聯繫人士（或倘該合資格參與者為關連人士，則其聯繫人士）須放棄投票。

向關連人士（定義見GEM上市規則）授出之任何購股權，須獲全體獨立非執行董事（不包括身為建議承授人之任何獨立非執行董事）批准。當建議向關連人士（其亦身為本公司主要股東（定義見GEM上市規則）或獨立非執行董事或彼等各自之任何聯繫人士）授出購股權，而所建議授出之購股權連同於過去12個月期間已向該名關連人士授出之購股權合計時，將賦予該人士權利收取超過當時本公司已發行股份總數之0.1%且其價值超過5,000,000港元，則該項授出購股權之建議須獲股東在股東大會上批准。除涉及之關連人士外，本公司所有其他關連人士須在該股東大會上放棄投票，惟倘任何關連人士擬投票反對該項建議授出購股權則除外。

於二零一八年一月一日及二零一八年十二月三十一日，二零一六年購股權計劃項下概無尚未行使購股權。於本報告日期，自採納二零一六年購股權計劃以來，概無據此授出任何購股權。

# REPORT OF THE DIRECTORS

## 董事報告

### SUBSTANTIAL SHAREHOLDERS OF INTEREST IN SHARES

As at 31 December 2018, other than the interests and short positions of the Directors or chief executives of the Company disclosed above, person or corporation who had interests in the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who was, directly or Indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### 主要股東於股份之權益

於二零一八年十二月三十一日，除上文所披露董事或本公司最高行政人員之權益及淡倉外，根據證券及期貨條例第XV部第2及3分部之條文擁有本公司權益，或直接或間接擁有附帶權利可在所有情況下於本集團任何其他成員公司股東大會表決之任何類別股本面值5%或以上權益之任何人士或公司，或彼等之權益或淡倉登記於本公司根據證券及期貨條例第336條須予存置之登記冊之任何其他主要股東如下：

Name of substantial shareholders 主要股東姓名	Number of Shares held 所持股份數目		Total 總計	Approximate percentage of total issued ordinary Shares 佔已發行普通股總額概約百分比
	Personal Interest 個人權益	Corporate Interest 公司權益		
Mr. Chiu Ngai Hung 趙毅雄先生	486,750,000	—	486,750,000	27.00%
Mr. Boyraci Osman Boyraci Osman先生	220,076,000	—	220,076,000	12.21%
Mr. Lau Wang Chi Barry 劉宏智先生	—	180,707,000 (Note 1)(附註1)	180,707,000	10.02%
Mr. Lau Yu 柳宇先生	1,266,000	164,653,000 (Note 2)(附註2)	165,919,000	9.20%

#### Notes:

- 180,707,000 shares are owned by Surplus Gain Global Limited which is 100% owned by Mr. Lau Wang Chi Barry. By virtue of the SFO, Mr. Lau Wang Chi Barry is deemed to have interest of the Shares held by Surplus Gain Global Limited.
- 164,653,000 shares are owned by Noble Ace Investments Limited ("Noble Ace") which is 100% owned by Mr. Lau Yu. By virtue of the SFO, Mr. Lau Yu is deemed to have interest of the Shares held by Noble Ace.

#### 附註：

- 180,707,000股股份由劉宏智先生全資擁有之Surplus Gain Global Limited擁有。根據證券及期貨條例，劉宏智先生被視為於Surplus Gain Global Limited持有之股份中擁有權益。
- 164,653,000股股份由柳宇先生全資擁有之Noble Ace Investments Limited(「Noble Ace」)擁有。根據證券及期貨條例，柳宇先生被視為於Noble Ace持有之股份中擁有權益。

Save as disclosed above, at 31 December 2018, the Directors or chief executives of the Company were not aware of any party who had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who is, directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文披露者外，於二零一八年十二月三十一日，董事或本公司最高行政人員概不知悉有任何人士於本公司股份、相關股份或票據中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可在所有情況下於本公司股東大會表決之任何類別股本面值5%或以上，或有任何主要股東於本公司根據證券及期貨條例第336條須予存置之登記冊登記擁有權益或淡倉。

# REPORT OF THE DIRECTORS

## 董事報告

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company had maintained the public float as required under the GEM Listing Rules.

### REMUNERATION POLICY

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in notes 8 and 9 to the financial statements respectively.

The Remuneration Committee was set up on 8 October 2007 for reviewing the remuneration policies and other remuneration related matters of the Directors and senior management of the Company and making recommendations to the Board as deemed necessary.

The Company has adopted the Share Option Schemes as incentive to Directors and eligible employees, details of the Share Option Schemes are set out in the section “Share Option Scheme” in this report.

### MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the group’s sales and purchases attributable to the major customers and suppliers respectively during the Year is as follows:

### 充足公眾持股量

根據本公司於本年報日期所獲公開資料及據董事所知，本公司已維持GEM上市規則所規定之公眾持股量。

### 薪酬政策

董事及本集團五名最高薪人士之酬金詳情分別載於財務報表附註8及9。

薪酬委員會已於二零零七年十月八日成立，以檢討董事及本公司高級管理層之薪酬政策及其他薪酬相關事宜，並於認為有需要時向董事會提出推薦意見。

本公司已採納購股權計劃，作為董事及合資格僱員之獎勵，購股權計劃之詳情載於本報告「購股權計劃」一節。

### 主要客戶及供應商

本年度，有關主要客戶及供應商應佔本集團銷售額及採購額之資料載列如下：

	Percentage of the Group's total 佔本集團之百分比	
	Sales 銷售額	Purchases 採購額
The largest customer 最大客戶	54%	
Five largest customers in aggregate 五大客戶之總和	94%	
The largest supplier 最大供應商		39%
Five largest supplier in aggregate 五大供應商之總和		83%



## REPORT OF THE DIRECTORS 董事報告

At no time during the Year have the Directors, their associates or any shareholder of the company (which to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) had any interest in these major customers and suppliers.

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

During the year ended 31 December 2018, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

### CORPORATE GOVERNANCE

The details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" on pages 44 to 57 of this annual report.

### COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board is aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

### EVENTS AFTER THE REPORTING PERIOD

The details of the non-adjusting post balance sheet events are set out in Note 38 to the consolidated financial statements.

本公司之董事、彼等之聯繫人士或任何股東（據董事所知擁有本公司已發行股份5%以上之股東）概無於本年度任何時間擁有該等主要客戶及供應商之任何權益。

### 購買、贖回或出售本公司上市證券

截至二零一八年十二月三十一日止年度，本公司及其任何附屬公司並無購買、贖回或出售任何本公司上市證券。

### 企業管治

本公司企業管治常規之詳情載於本年報第44頁至第57頁「企業管治報告」一節。

### 遵守相關法律及法規

據董事會所知，本集團在重大方面均已遵守對本集團業務及經營而言有重大影響之相關法律及法規。本年度，本集團並無出現嚴重違反或未有遵守適用法律及法規之情況。

### 報告期後事項

非調整結算日後事項之詳情載於綜合財務報表附註38。





# REPORT OF THE DIRECTORS

## 董事報告

### AUDIT COMMITTEE

As at 31 December 2018, the Audit Committee comprised three independent non-executive Directors, namely, Ms. Choy So Yuk, *BBS, JP.*, Ms. Lam Yuk Ying, *Elsa* and Mr. Leung Man Chun. During the year, Mr. Leung Man Chun was the Chairman of the Audit Committee and applies his professional qualifications in accounting and financial expertise in directing the Audit Committee. The unaudited quarterly and interim results together with the audited annual results of the Company in respect of the year ended 31 December 2018 have been reviewed by the Audit Committee.

### AUDITOR

A resolution for the re-appointment of Elite Partners CPA Limited as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On Behalf of the Board

**Hung Tat Chi Alan**  
*Executive Director*  
Hong Kong, 22 March 2019

### 審核委員會

於二零一八年十二月三十一日，審核委員會由三名獨立非執行董事組成，分別為蔡素玉女士，*銅紫荊星章*，*太平紳士*、林玉英女士及梁文俊先生。本年度，梁文俊先生為審核委員會主席，憑藉彼在會計及財務專業方面之專業資格，領導審核委員會之運作。本公司截至二零一八年十二月三十一日止年度之未經審核季度及中期業績連同經審核年度業績已由審核委員會審閱。

### 核數師

於本公司應屆股東週年大會上將提呈一項決議案以續聘開元信德會計師事務所有限公司為本公司核數師。

代表董事會

**洪達智**  
*執行董事*  
香港，二零一九年三月二十二日

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE

The Group is committed to achieving high standard of corporate governance to safeguard the interests of all shareholders and to enhance corporate value and accountability.

The Company's corporate governance practices are based on the principles and code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules.

Throughout the year ended 31 December 2018, the Company has complied with most of the code provisions of the CG Code, save for deviations from code provisions A.2.1 and A.4.1 which are explained below.

#### Chairman and Chief Executive Officer

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer of the Company should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

During the year ended 31 December 2018, there was no chairman (the "Chairman") and there was no chief executive officer of the Company (the "CEO"). The Board will keep reviewing the current structure of the Board from time to time and should a candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post of the Chairman and the CEO as appropriate and will make further announcement in due course.

#### Appointment, Re-election and Removal of Directors

According to the Articles of Association, one-third of the Directors are required to retire from office at each annual general meeting, provided that every Director shall be subject to retirement by rotation at least once in every three years.

Under the code provision A.4.1 of the CG Code, non-executive Directors should be appointed for a specific term of service. None of the independent non-executive Director has entered into a service contract or an appointment letter with the Company for a specific term of service but their appointments are subject to retirement by rotation and offer themselves for re-election at the annual general meeting at least once for every three years in accordance with the Articles of Association. The Company believes such practice meets the same objective and no less exacting than those prescribed under code provision A.4.1.

### 企業管治

本集團致力達致高水平企業管治，以保障所有股東之利益及加強企業價值及責任承擔。

本公司企業管治常規乃根據GEM上市規則附錄十五所載企業管治守則(「企管守則」)所載之常規及守則條文制訂。

截至二零一八年十二月三十一日止年度，本公司已遵守大部分企管守則之守則條文，惟以下所述守則條文第A.2.1及A.4.1條偏離者除外。

#### 主席及行政總裁

根據企管守則守則條文第A.2.1條，本公司主席及行政總裁之角色應獨立區分，不應由一人兼任。主席及行政總裁之職責區分必須清楚列明，並以書面形式載列。

截至二零一八年十二月三十一日止年度，本公司概無主席(「主席」)及行政總裁(「行政總裁」)。董事會將繼續不時檢討董事會目前架構，倘能物色具備適當知識、技能及經驗之人選，本公司將於適當情況下加以委任，以填補主席及行政總裁之空缺，並於適當時候作進一步公佈。

#### 委任、重選及罷免董事

按照組織章程細則，三分之一董事須於每屆股東週年大會輪值告退，惟每名董事須最少每三年輪值告退一次。

根據企管守則守則條文第A.4.1條，非執行董事須按特定任期委任。概無獨立非執行董事與本公司訂有附帶特定任期之服務合約或委聘書，惟彼等之委任須按照組織章程細則於股東週年大會至少每三年輪值告退及重選連任一次。本公司相信該等常規符合守則條文第A.4.1條之目的，並不比該條文所規定寬鬆。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Composition and Board Practices

As at 31 December 2018, the Board comprised 6 Directors including 2 executive Directors (the “Executive Directors”), Mr. Hung Tat Chi Alan and Mr. Ling Ko Yin Jason; an non-executive Director (the “Non-executive Director”), Mr. Chan Wai Kit; and three independent non-executive Directors (the “Independent Non-executive Directors”), namely, Ms. Choy So Yuk, *BBS, JP*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. There is no financial, business, family or other material/relevant relationship amongst the Directors.

The Board schedules four meetings a year at approximately quarterly intervals and will meet as necessary. During the year ended 31 December 2018, the Board held 4 regular meetings. The Directors can attend meetings in persons or through other means of electronic communication in accordance with the Articles of Association.

In addition, the Company has maintained a procedure for the Directors to seek independent professional advice, in appropriate circumstances, at the Company’s expense in discharging their duties to the Company. Moreover, the company secretary of the Company (the “Company Secretary”) prepares minutes and keeps records of matters discussed and decisions resolved at all Board meetings. The secretary of the meetings of the Company keeps the minutes, which are open for inspection at any reasonable time on reasonable notice by any Director.

### Independent non-executive Directors

The Company has received from each of its independent non-executive Directors the written confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company, based on such confirmation, considers Ms. Choy So Yuk, *BBS, JP*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun are independent.

### 董事會組成及董事會常規

於二零一八年十二月三十一日，董事會由六名董事組成，包括兩名執行董事（「執行董事」）、洪達智先生及林高然先生；一名非執行董事（「非執行董事」）陳偉傑先生；及三名獨立非執行董事（「獨立非執行董事」）蔡素玉女士，*銅紫荊星章*，*太平紳士*、林玉英女士及梁文俊先生。董事之間概無任何財務、業務、家族或其他重大／相關關係。

董事會計劃每年舉行四次會議，約於每季度及於有需要時會面。截至二零一八年十二月三十一日止年度，董事會曾舉行四次常規會議。按照組織章程細則，董事可親身或透過其他電子通訊途徑出席會議。

此外，本公司已制定程序，以便董事在向本公司履行職責時，於適當情況下徵求獨立專業意見，而費用均由本公司承擔。另外，本公司之公司秘書（「公司秘書」）會編製會議記錄，及存置有關於所有董事會會議所討論事項及所議決決策之記錄。本公司會議之秘書亦會存置會議記錄，備供任何董事於任何合理時間發出合理通知後查閱。

### 獨立非執行董事

本公司已接獲獨立非執行董事各自根據GEM上市規則第5.09條就彼之獨立身份發出之確認書。基於該等確認書，本公司認為，蔡素玉女士，*銅紫荊星章*，*太平紳士*、林玉英女士、梁文俊先生均為獨立人士。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Role and Functions of the Board

The Board and the management team committed to maintain high standards of corporate governance. The Board is responsible for approving and monitoring business plans, evaluating the performance of the Group and overseeing the management. The Board also focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group.

The Board delegates its authority and responsibility for implementing day-to-day operations and management of the Group to executive Directors and senior management, and certain specific responsibilities to the committees of the Company (the “Board Committees”). The Board reserves certain key matters for its approval including the Group’s long-term strategy, internal control, annual, interim and quarterly financial results and shareholder communications, etc. Decisions of the Board are communicated to the management through executive Directors who have attended all Board meetings.

When the Board delegates certain aspects of its management functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. The final decision still rests with the Board unless otherwise provided for in the terms of reference of relevant committees.

### 董事會角色及功能

董事會及管理層團隊致力維持高水平之企業管治。董事會負責審批及監控業務計劃、評估本集團之表現以及監察管理層。董事會亦專注於制定整體策略及政策，尤其關注本集團之發展及財務表現。

董事會將執行本集團之日常運作及管理之權力及責任，委派予執行董事及高級管理層，並把若干特定責任委派予本公司委員會（「董事委員會」）。董事會保留對若干重要事項之審批權，包括本集團長遠策略、內部監控、年度、中期及季度財務業績以及與股東溝通等。董事會透過出席所有董事會會議之執行董事，向管理層傳達董事會之決策。

在董事會將若干範疇之管理職能委派予管理層時，已就管理層權力給予清晰方向，尤其是行使權力之情況。除非在相關委員會之職權範圍另有所指，否則董事會仍掌握最終決定權。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board of Directors

The primary role of the Board is to protect and enhance interest of the Company and shareholders as a whole. The Board is responsible for setting overall strategy for the Group and monitoring the performance of the management.

The Board members during the year ended 31 December 2018 and up to the date of this annual report are:

#### Executive Directors

Mr. Hung Tat Chi Alan  
Mr. Ling Ko Yin Jason  
Mr. Chan Ming Kei (Resigned on 15 January 2018)

#### Non-executive Director

Mr. Chan Wai Kit

#### Independent non-executive Directors

Ms. Choy So Yuk, BBS, JP  
Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

26 Board meetings were held during the year 2018 and the attendance of Directors at the Board meetings for the year ended 31 December 2018 is set out as follows:

### 董事會

董事會之主要角色為保障及提高本公司及股東之整體利益。董事會負責制定本集團整體策略，並監督管理層表現。

截至二零一八年十二月三十一日止年度及直至本年報日期之董事會成員如下：

#### 執行董事

洪達智先生  
林高然先生  
陳銘基先生(於二零一八年一月十五日辭任)

#### 非執行董事

陳偉傑先生

#### 獨立非執行董事

蔡素玉女士，銅紫荊星章，太平紳士  
林玉英女士  
梁文俊先生

於二零一八年內共舉行26次董事會會議，而截至二零一八年十二月三十一日止年度，董事會會議出席記錄載列如下：

Name of Directors 董事姓名		Attendance of meeting held 所舉行會議之出席率
<b>Executive Directors</b> 執行董事		
Mr. Hung Tat Chi Alan	洪達智先生	100%
Mr. Ling Ko Yin Jason	林高然先生	100%
Mr. Chan Ming Kei (Resigned on 15 January 2018)	陳銘基先生 (於二零一八年一月十五日辭任)	100%
<b>Non-executive Director</b> 非執行董事		
Mr. Chan Wai Kit	陳偉傑先生	96%
<b>Independent non-executive Directors</b> 獨立非執行董事		
Ms. Choy So Yuk, BBS, JP	蔡素玉女士，銅紫荊星章，太平紳士	92%
Ms. Lam Yuk Ying Elsa	林玉英女士	96%
Mr. Leung Man Chun	梁文俊先生	96%

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### General Meeting

During the Year under review, an annual general meeting of the Company (the “AGM”) was held on 22 June 2018 with details of the Directors’ attendance set out below:

### 股東大會

於回顧年內，本公司股東週年大會（「股東週年大會」）於二零一八年六月二十二日舉行，董事出席詳情載列如下：

Date of the meeting held		Attendance of the AGM on 22 June 2018
舉行會議之日期		於二零一八年六月二十二日股東週年大會出席率
<b>Name of Directors</b>		
<b>董事姓名</b>		
<b>Executive Directors</b>		
<b>執行董事</b>		
Mr. Hung Tat Chi Alan	洪達智先生	100%
Mr. Ling Ko Yin Jason	林高然先生	100%
Mr. Chan Ming Kei (Resigned on 15 January 2018)	陳銘基先生 (於二零一八年一月十五日辭任)	100%
<b>Non-executive Director</b>		
<b>非執行董事</b>		
Mr. Chan Wai Kit	陳偉傑先生	100%
<b>Independent non-executive Directors</b>		
<b>獨立非執行董事</b>		
Ms. Choy So Yuk, BBS, JP	蔡素玉女士，銅紫荊星章，太平紳士	100%
Ms. Lam Yuk Ying Elsa	林玉英女士	100%
Mr. Leung Man Chun	梁文俊先生	100%



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Directors' Induction and Continuous Professional Development

All Directors, including independent non-executive Directors, should keep abreast of their collective responsibilities as Directors and of the business and activities of the Group. Each newly appointed Director would receive a comprehensive induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the GEM Listing Rules and other relevant regulatory requirements. The Group also provides briefings and other trainings to develop and refresh the Directors' knowledge and skills, and updates all Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements to ensure compliance and to enhance their awareness of good corporate governance practices.

All Directors have provided the Company their training records for the year ended 31 December 2018. During the year ended 31 December 2018, the Directors participated in the continuous professional developments in relation to regulatory update, the duties and/or responsibility of the Directors and the business of the Group.

### Audit Committee

The Company has established an audit committee of the Company (the "Audit Committee") with written terms of reference based upon the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the Audit Committee are to review and supervise the Group's financial and accounting policies and practices, financial controls, internal controls and risk management systems. On 9 November 2015, the Board adopted a set of the revised terms of reference of the Audit Committee, which has brought in line with the changes on the CG Code in relating to the internal controls by introducing the concept of the risk management with effective for accounting periods beginning on or after 1 January 2016. The revised terms of reference setting out the Audit Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. During the year ended 31 December 2018, the Audit Committee has performed its duties, reviewed the effectiveness of the internal control system of the Company and reviewed the re-appointment of the external auditors. The unaudited quarterly and interim together with the audited annual results of the Company in respect of the year ended 31 December 2018 have also been reviewed by the Audit Committee.

During the year ended 31 December 2018, the Audit Committee comprised three independent non-executive Directors, namely, Ms. Choy So Yuk, *BBS, JP*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. Mr. Leung Man Chun was the Chairman of the Audit Committee and applied his professional qualifications in accounting and financial expertise in directing the Audit Committee.

### 董事就任須知及持續專業發展

所有董事(包括獨立非執行董事)應清楚瞭解彼等作為董事之共同責任及本集團業務及活動。每名新委任董事將獲全面就任須知,涵蓋本公司業務經營、政策及程序,以及作為董事之一般、法定及規定責任,以確保彼等充分瞭解其於GEM上市規則下之責任及其他相關監管要求。本集團亦提供簡介會及其他培訓,以增進及更新各董事之知識及技能,並向全體董事提供有關GEM上市規則及其他適用監管規定之最新發展,確保董事遵守及提升對良好企業管治常規之認識。

所有董事已向本公司提供截至二零一八年十二月三十一日止年度之培訓記錄。截至二零一八年十二月三十一日止年度,董事參與有關監管更新、董事職務及/或職責以及本集團業務之持續專業發展。

### 審核委員會

本公司已成立本公司審核委員會(「審核委員會」),並根據香港會計師公會建議之指引制定書面職權範圍。審核委員會之主要職責為審閱及監督本集團之財務會計政策及慣例、財務監控、內部監控及風險管理制度。於二零一五年十一月九日,董事會採納一系列審核委員會經修訂職權範圍,其符合於二零一六年一月一日或之後開始之會計期間生效之企管守則變動,該項變動有關引入風險管理概念以進行內部監控。載列審核委員會權力、職責及責任之經修訂職權範圍於GEM網站及本公司網站可供瀏覽。於截至二零一八年十二月三十一日止年度,審核委員會履行其職責,檢討本公司內部監控系統之有效性及檢討外部核數師之重新委任。本公司未經審核季度及中期業績以及截至二零一八年十二月三十一日止年度之經審核年度業績亦已經由審核委員會審閱。

截至二零一八年十二月三十一日止年度,審核委員會由三名獨立非執行董事組成,分別為蔡素玉女士, *銅紫荊星章*, *太平紳士*、林玉英女士及梁文俊先生。梁文俊先生為審核委員會主席,憑藉彼在會計及財務專業方面之專業資格,領導審核委員會之運作。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Mr. Leung Man Chun has been appointed as the Chairman of the Audit Committee with effect from 1 January 2018.

梁文俊先生已獲委任為審核委員會主席，自二零一八年一月一日起生效。

4 meetings were held by the Audit Committee and the attendance of the members of the Audit Committee at Audit Committee meetings for the year ended 31 December 2018 is set out as follows:

截至二零一八年十二月三十一日止年度，審核委員會共舉行四次會議，而審核委員會成員於審核委員會會議之出席記錄載列如下：

Name of Audit Committee Members		Attendance of meeting held
審核委員會成員姓名		所舉行會議之出席率
Mr. Leung Man Chun ( <i>Chairman</i> )	梁文俊先生(主席)	4/4
Ms. Choy So Yuk, <i>BBS, JP</i>	蔡素玉女士，銅紫荊星章，太平紳士	4/4
Ms. Lam Yuk Ying Elsa	林玉英女士	4/4

### Remuneration Committee

The Company has established a remuneration committee of the Company (the "Remuneration Committee") on 8 October 2007 with terms of reference no less exacting terms than the CG Code. The principle of the Remuneration Committee is to formulate and review the remuneration policies and other remuneration related matters of the Directors and senior management of the Company and to make recommendations to the Board as deemed necessary. The terms of reference setting out the Remuneration Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. During the year ended 31 December 2018, the Remuneration Committee has discussed and reviewed the remuneration policies of the Company, reviewed and made recommendations with respect to the remuneration of Board members for approval by the Board and made recommendations with respect to the remuneration of the newly appointed Directors during the year for approval by the Board. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual Executive Directors and senior management.

### 薪酬委員會

本公司已於二零零七年十月八日成立本公司薪酬委員會(「薪酬委員會」)，其職權範圍不較企管守則之條款寬鬆。薪酬委員會成立目的為制定與檢討董事及本公司高級管理層之薪酬政策及其他薪酬相關事宜，並在認為必要時向董事會提出推薦意見。載列薪酬委員會權力、職責及責任之職權範圍於GEM網站及本公司網站可供瀏覽。於截至二零一八年十二月三十一日止年度，薪酬委員會已討論及檢討本公司之薪酬政策，檢討並就董事會成員之薪酬提出建議，以獲董事會批准，並就年內新委任董事之薪酬提出建議，以獲董事會批准。薪酬委員會已採納向董事會履行顧問職責之經營模式，董事會保留批准個別執行董事及高級管理層人員之薪酬政策之最終權力。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

As at 31 December 2018, the Remuneration Committee comprised three independent non-executive Directors, namely Ms. Choy So Yuk, BBS, JP, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. Ms. Choy So Yuk, BBS, JP is the Chairperson of the Remuneration Committee.

2 meetings were held by the Remuneration Committee and the attendance of the members of the Remuneration Committee at the Remuneration Committee meetings for the year ended 31 December 2018 is set out as follows:

Name of Remuneration Committee Members		Attendance of meeting held
薪酬委員會成員姓名		所舉行會議之出席率
Ms. Choy So Yuk, BBS, JP (Chairperson)	蔡素玉女士，銅紫荊星章，太平紳士(主席)	2/2
Ms. Lam Yuk Ying Elsa	林玉英女士	2/2
Mr. Leung Man Chun	梁文俊先生	2/2

### Remuneration Policy for Directors and Senior Management

The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence.

The emoluments of the Directors are recommended by the Remuneration Committee, having regard to the Company's operating results, individual performance, experience, responsibility, workload and time devoted to the Company and comparable market statistics, for Board approval. Each of the Executive Directors is entitled to a basic salary which is reviewed annually. In addition, each of the Executive Directors may receive a discretionary bonus as the Remuneration Committee may recommend. Such amount has to be approved by the Board.

於二零一八年十二月三十一日，薪酬委員會包括三名獨立非執行董事蔡素玉女士，銅紫荊星章，太平紳士、林玉英女士及梁文俊先生。蔡素玉女士，銅紫荊星章，太平紳士為薪酬委員會主席。

截至二零一八年十二月三十一日止年度，薪酬委員會共舉行二次會議，而薪酬委員會成員於薪酬委員會會議之出席記錄載列如下：

### 董事及高級管理層之薪酬政策

本集團僱員之薪酬政策乃按彼等之功績、資歷及才能制定。

薪酬委員會考慮本公司經營業績、個人表現、經驗、責任、工作量及對本公司投放之時間及市場可比較數字後，就董事薪酬提出建議，以供董事會批准。各執行董事有權獲取基本薪金，而基本薪金每年檢討一次。此外，獲薪酬委員會建議後，各執行董事可收取酌情花紅。花紅金額須由董事會批准。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Nomination Committee

The Company has established a nomination committee of the Company (the "Nomination Committee") on 29 March 2012 with terms of reference no less exacting terms than the CG Code. The principle of the Nomination Committee is responsible for reviewing the structure, size and composition of the Board, determining the re-election of the Directors, and identifying individuals suitably qualified to become Board members and assessing the independence of independent non-executive Directors. On 2 September 2013, the Board adopted a set of the revised terms of reference of the Nomination Committee, which has brought in line with the new GEM Listing Rules relating to Board Diversity with effective from 1 September 2013. The revised terms of reference setting out the Nomination Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website.

Where vacancies on the Board exist, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, including the independence status in the case of an independent non-executive Director, the Board Diversity Policy, the Company's needs and other relevant statutory requirements and regulations.

During the year ended 31 December 2018, the Nomination Committee have reviewed the structure, size and composition of the Board, the retirement and re-election of the Directors at the forthcoming annual general meeting and considered the appointments of new Directors. All of the newly appointed Directors were appointed by going through the selection process stated as above.

As at 31 December 2018, the Nomination Committee comprised of three independent non-executive Directors, namely, Ms. Choy So Yuk, *BBS, JP*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. Ms. Lam Yuk Ying, Elsa is the Chairperson of the Nomination Committee.

1 meeting was held by the Nomination Committee and the attendance of the members of the Nomination Committee at the Nomination Committee meetings for the year ended 31 December 2018 is set out as follows:

### 提名委員會

本公司已於二零一二年三月二十九日根據不比企管守則寬鬆之職權範圍成立本公司提名委員會(「提名委員會」)。提名委員會負責檢討董事會之架構、規模及組成、釐定重選董事、物色具有適當資格可出任董事會成員之人選及評估獨立非執行董事之獨立性。於二零一三年九月二日，董事會採納一系列的提名委員會經修訂職權範圍，其符合於二零一三年九月一日起生效有關多元化董事會之新GEM上市規則。載列提名委員會權力、職責及責任之經修訂職權範圍於GEM網站及本公司網站可供瀏覽。

倘董事會出現空缺，提名委員會將根據建議候選人之技能、經驗、專業知識、個人品德、服務時間(倘為獨立非執行董事則須考慮其獨立地位)、董事會多元化政策、本公司需要以及其他相關法定要求及規例進行篩選。

截至二零一八年十二月三十一日止年度，提名委員會已檢討董事會之架構、規模及組成以及於應屆股東週年大會退任及重選董事之事宜，以及考慮委任新任董事。所有新任董事乃透過上述篩選過程委任之董事。

於二零一八年十二月三十一日，提名委員會由三名獨立非執行董事組成，分別為蔡素玉女士，*銅紫荊星章*，*太平紳士*、林玉英女士及梁文俊先生。林玉英女士為提名委員會主席。

截至二零一八年十二月三十一日止年度，提名委員會共舉行一次會議，而提名委員會成員於提名委員會會議之出席記錄載列如下：

Name of Nomination Committee Members		Attendance of meeting held
提名委員會成員姓名		所舉行會議之出席率
Ms. Lam Yuk Ying, Elsa ( <i>Chairperson</i> )	林玉英女士(主席)	1/1
Ms. Choy So Yuk, <i>BBS, JP</i>	蔡素玉女士， <i>銅紫荊星章</i> ， <i>太平紳士</i>	1/1
Mr. Leung Man Chun	梁文俊先生	1/1



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Diversity Policy

The Company has adopted a board diversity policy (the “Policy”) setting out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

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 and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

The Nomination Committee will review the Policy from time to time to ensure its continued effectiveness.

### Corporate Governance Function

All members of the Board are responsible for performing the corporate governance functions. The terms of reference of corporate governance functions was adopted by the Board at the Board meeting held on 29 March 2012 and is in compliance with paragraph D3.1 of the CG Code as set out in Appendix 15 to the GEM Listing Rules. During the year ended 31 December 2018, the Board has reviewed the policy of the corporate governance and the corporate governance report of the Company.

### Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules. The Directors have confirmed, following specific inquiry by the Company, that they have complied with the required standard and code of conduct during the year under review.

### 董事會成員多元化政策

本公司已採納董事會成員多元化政策（「該政策」），制定達致及維持董事會成員多元化之方法，以加強董事會之效能。

根據該政策，本公司透過考慮若干因素（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、知識及服務時間）致力達致董事會多元化。

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之裨益。

候選人將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終將按候選人之長處及可為董事會提供之貢獻而作決定。

提名委員會將不時檢討該政策，以確保其持續有效。

### 企業管治職能

所有董事會成員負責履行企業管治職能。企業管治職能職權範圍獲董事會於二零一二年三月二十九日舉行之董事會會議上採納，並符合GEM上市規則附錄十五所載企管守則第D3.1段。截至二零一八年十二月三十一日止年度，董事會已審閱本公司企業管治政策及企業管治報告。

### 董事進行證券交易之操守守則

本公司已採納董事進行證券交易之操守守則，其條款不較GEM上市規則第5.48至5.67條所載之規定準則寬鬆。經本公司作出具體查詢後，董事確認，彼等於回顧年度內一直遵守規定標準及操守守則。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Auditors' Remuneration

The Audit Committee is responsible for considering the appointment of the external auditors and reviewing any non-audit functions performed by the external auditors, including whether such non-audit functions could lead to any potential material adverse effect on the Company. During the year under review, the remuneration paid or payable to Elite Partners CPA Limited, the auditor of the Company, is set out below:

### 核數師酬金

審核委員會負責考慮外聘核數師之委任，以及審閱由外聘核數師進行之任何非審核工作（不論該等非審核工作會否對本公司構成任何潛在重大不利影響）。於回顧年度內，已付或應付本公司核數師開元信德會計師事務所有限公司之酬金載列如下：

Services rendered	提供之服務	Fee paid/payable 已付／應付費用 HK\$'000 千港元
Audit	審核	695,000
Non-audit services	非審核服務	—
		695,000

### Directors' Responsibility for the Financial Statements

The following statement sets out the responsibilities for the Directors in relation to the quarterly, interim and annual financial statements.

### 董事對財務報表之責任

下列聲明載列董事對季度、中期及年度財務報表之責任。

#### Annual Report and Financial Statements

The Directors acknowledge their responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and in presenting the quarterly, interim and annual financial statements and announcements to shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects.

#### 年報及財務報表

董事瞭解彼等須負責就各財政年度編製能真實公平反映本集團業務狀況之財務報表，而於向股東呈列季度、中期及年度財務報表以及公佈方面，董事的宗旨為就本集團之狀況及前景提供衡平且易於理解之評估。

#### Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and which enable the preparation of financial statements in accordance with the Hong Kong Financial Reporting Standards as promulgated by the Hong Kong Institute of Certified Public Accountants.

#### 會計記錄

董事負責確保本集團存置合理準確披露本集團財務狀況之會計記錄，藉以遵照香港會計師公會頒佈之香港財務報告準則編製財務報表。

#### Risk Management and Internal Control

The Board is responsible for evaluating and determining the nature and extent of the risks, it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems. The internal control system includes safeguard of the interest of shareholders and the Group's assets. It has been an important duty of the Board to conduct a review of internal control to ensure the effectiveness and adequacy of the system of the Group annually or at any time necessary. The review covers all material controls, including financial, operational and compliance controls, as well as risk management functions.

#### 風險管制及內部監控

董事會負責評估及釐定本公司達到策略目標時所願意接納之風險性質及程度，確保本公司建立及維護合適及有效之風險管理及內部監控系統。內部監控系統包括保障股東權益及本集團資產。董事會之重要職責為每年或必要時進行內部監控檢討，以確保本集團系統為有效且足夠。該檢討涵蓋所有重大監控（包括財務、營運及合規監控）以及風險管理職能。





# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Group has engaged Elite Partners CPA Limited as an independent internal control review advisor to conduct the annual review on the effectiveness of the internal control system. Review of the Group's internal controls covering major operational, financial and compliance controls, as well as risk management functions of different systems has been performed on a systematic rotational basis on the risk assessments of the operations and controls. No major issues on the internal control system have been identified during the year ended 31 December 2018.

### *Going Concern*

The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the financial statements.

### **Auditors' Responsibility for the Financial Statements**

The statement of external auditors of the Company, Elite Partners CPA Limited, about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report.

### **Investor Relations and Communication with Shareholders**

The Company uses a number of formal communications channels to account to shareholders and investors for the performance of the Company. These include (i) the publication of quarterly, interim and annual reports; (ii) the annual general meeting or extraordinary general meeting providing a forum for shareholders of the Company to raise comments and exchanging views with the Board; (iii) key information of the Group available on the website of the Company; (iv) the Company's share registrars in Hong Kong serving the shareholders in respect of all share registration matters; and (v) corporate information and the articles of association of the Company are made available on the Company's website.

A shareholder's communication policy was adopted by the Board on 29 March 2012 aiming at providing the Shareholders and potential investors with ready and timely access to balanced and understandable information of the Company.

The Company aims to provide its shareholders and investors with high standards of disclosure and financial transparency. The Board is committed to providing clear, detailed, timely manner and on a regular basis information of the Group to shareholders through the publication of quarterly, interim and annual reports and/or dispatching circular, notices, and other announcements.

本集團已委聘開元信德會計師事務所有限公司作為獨立內部監控檢討顧問，以就內部監控系統之有效性進行年度檢討。本集團之內部監控檢討涵蓋主要營運、財務及合規監控，且已根據營運及監控之風險評估有系統地輪流實行不同系統之風險管理職能。截至二零一八年十二月三十一日止年度，概無發生任何有關內部監控系統之重大事件。

### *持續經營*

董事經作出適當查詢後認為，本集團具備充足資源，以於可見未來繼續營運，且基於此理由，按持續經營基準編製財務報表屬適當做法。

### **核數師就財務報表之責任**

本公司外部核數師開元信德會計師事務所有限公司就本集團財務報表之呈報責任之聲明載於獨立核數師報告。

### **投資者關係及與股東溝通**

本公司採用多個正式通訊渠道，以向股東及投資者說明本公司之表現。此等渠道包括(i)刊發季度、中期及年度報告；(ii)舉行股東週年大會或股東特別大會，為本公司股東提供提出評論及與董事會交流意見之平台；(iii)於本公司網站發佈本集團之主要資料；(iv)本公司於香港之股份過戶登記處，就所有股份登記事宜服務股東；以及(v)公司資料及本公司之組織章程細則載於本公司網站可供瀏覽。

董事會於二零一二年三月二十九日採納股東溝通政策，旨在讓股東及潛在投資者迅速及時取得本公司全面簡明之資料。

本公司旨在向其股東及投資者提供高水平資料披露及財政透明度。董事會承諾，透過刊發季度、中期及年度報告及／或寄發通函、通知及其他公佈，適時及定期向股東提供有關本集團之清晰詳盡資料。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong.

### Shareholders' Rights

#### *Procedures for Shareholders to Convene an Extraordinary General Meeting*

Pursuant to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Articles of Association, an EGM can be convened by a written request signed by Shareholders, stating the objects of the meeting, and deposited at the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong.

#### *Procedures for putting forward Proposals at a General Meeting*

The procedures for shareholders to put forward proposals at an AGM or EGM include a written notice of those proposals being submitted by shareholders, addressed to the Company Secretary at the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong. The detailed procedures vary according to whether the proposal constitutes an ordinary resolution or a special resolution, or whether the proposal relates to the election of a person other than a Director of the Company as a director. The procedures for shareholders to convene and put forward proposals at an AGM or EGM (including election of a person other than a Director of the Company as a director) are available on the Company's website or on request to the Company Secretary.

#### *Procedures for Directing Shareholders' Enquiries to the Board*

Shareholders may at any time send their enquires and concerns to the Board in writing through the Company Secretary at the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong or send email to [info@evershinegroup.com.hk](mailto:info@evershinegroup.com.hk).

Shareholders may also make enquiries with the Board at the AGM or EGM.

本公司不斷推動與投資者關係及加強與現有股東及潛在投資者之溝通。本公司歡迎投資者、持份者及公眾提出建議。有關人士可以郵寄方式送達本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)向董事會或本公司查詢。

### 股東權利

#### *股東召開股東特別大會之程序*

根據香港法例第622章公司條例及組織章程細則，股東可遞交已簽署並訂明會議目的之書面呈請予本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)，以召開股東特別大會。

#### *於股東大會提呈建議之程序*

股東於股東週年大會或股東特別大會提呈建議之程序為股東將就有關建議之書面通知送達本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)，以遞交予公司秘書。詳細程序須視乎該建議是否構成普通決議案或特別決議案，或該建議是否與選任本公司董事以外之人士為董事有關而有所不同。股東召開股東週年大會或股東特別大會並於會上提呈決議案之程序(包括選任本公司董事以外之人士為董事)資料於本公司網站可供瀏覽，或可向公司秘書提出要求以獲取資料。

#### *建議股東向董事會查詢之程序*

股東可於任何時候以書面形式送達本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)以遞交予公司秘書或電郵 [info@evershinegroup.com.hk](mailto:info@evershinegroup.com.hk) 向董事會提出彼等之查詢及關注。

股東亦可於股東週年大會或股東特別大會向董事會查詢。



## CORPORATE GOVERNANCE REPORT

### 企業管治報告

#### Company Secretary

On 15 January 2018, Mr. Chan Ming Kei resigned as the Company Secretary and Ms. Chan Shuk Man Lora (“Ms. Chan”) has been appointed as the Company Secretary of the Company with effect from 22 January 2018.

#### Directors’ and Officers’ Liabilities

The Company has arranged for appropriate insurance covering the liabilities of the Directors that may arise out the corporate activities, which has been complied with the CG Code. The insurance coverage is reviewed on an annual basis.

#### Looking forward

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavors to take the necessary actions to ensure the compliance with the code provisions of the CG Code introduced by the Stock Exchange.

#### 公司秘書

於二零一八年一月十五日，陳銘基先生辭任公司秘書，而陳淑雯女士(「陳女士」)已獲委任為本公司之公司秘書，自二零一八年一月二十二日起生效。

#### 董事及高級職員之負債

本公司已安排適當保險，保障已遵守企管守則之企業活動可能產生之董事責任。保險保障範圍會每年檢討。

#### 展望

本集團將繼續適時檢討其企業管治水平，而董事會將盡力採取必需行動，確保遵守聯交所頒佈之企管守則之守則條文。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### INTRODUCTION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

The Group believes sustainability is a key to achieve continuous success, and we have developed sustainability strategy with aims to create sustainable values to stakeholders, and to continue lower the Group's impact on the environment.

#### The Environmental, Social and Governance (“ESG”) Governance Structure

The Group conducts a top-down management approach in regards to ESG issues. The Board of Directors (the “Board”) oversees and sets out ESG strategies for the Group, while taking an ultimate responsibility for ensuring the effectiveness of the Group's ESG policies. Designated staff were assigned to enforce and supervise the implementation of the relevant ESG policies. The Group's sustainability policies will be adjusted to satisfy the ever-changing needs of stakeholders.

As of year-end, the Group has set up an ESG working taskforce (the “Taskforce”) composed of staff from relevant departments to assist in ESG data collection and compilation of the ESG report. The Taskforce would periodically report to the Board, assist in assessing, identifying, and managing the Group's ESG risk. It also reviews the Group's ESG performance, including environmental, labour practices and other ESG aspects.

### SCOPE OF REPORTING

This Report generally covers the Group's key business and operational activities in Hong Kong, the Mainland China and Turkey, unless specified otherwise. In particular, the General Disclosure and the compliance matters of Subject Area A and Subject Area B cover the Group's subsidiaries in Hong Kong, the Mainland China and Turkey. The ESG key performance indicator (“KPI”) data is gathered and included under the Group's business activities driven by Hong Kong offices, including property development and trading segment. They represent the Group's major source of revenue. The Group will extend the scope of disclosures when and where applicable. The KPIs are shown in the report as well as supplemented by explanatory notes to establish benchmarks.

### 序言，環境、社會及管治政策

本集團相信可持續發展是持續實現成功之關鍵，故我們已制定可持續發展策略，旨在為持份者創造可持續價值，並繼續減低本集團對環境之影響。

#### 環境、社會及管治之管治架構

本集團就環境、社會及管治議題採取由上而下之管理方法。董事會（「董事會」）監督及制定本集團之環境、社會及管治策略，同時對確保本集團環境、社會及管治政策之成效承擔最終責任。我們已委派指定員工加強及監督有關環境、社會及管治政策之執行。本集團之可持續發展政策將進行調整，以滿足持份者不斷轉變之需求。

截至年底，本集團已成立環境、社會及管治工作專責小組（「專責小組」），由來自相關部門之員工組成，協助蒐集環境、社會及管治數據及編製環境、社會及管治報告。專責小組將定期向董事會匯報，協助評估、識別及管理本集團之環境、社會及管治風險，亦會檢討本集團之環境、社會及管治績效，包括環境、勞工常規及其他環境、社會及管治方面。

### 報告範圍

除另有指明者外，本報告一般涵蓋本集團在香港、中國內地及土耳其之主要業務及營運活動。其中，有關主要範疇A及主要範疇B之一般披露及合規事宜涵蓋本集團於香港、中國內地及土耳其之附屬公司。本報告按香港辦事處進行之業務活動（包括物業開發及貿易分部）蒐集並納入環境、社會及管治關鍵績效指標數據。該等活動代表本集團之主要收益來源。本集團將於適當時候擴大披露範圍。關鍵績效指標載於報告並輔以解釋說明，以制定基準。





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### REPORTING FRAMEWORK

The ESG Report was prepared in compliance with all applicable provisions set out in the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) contained in Appendix 20 to the rules governing the Listing Securities on GEM of the Stock Exchange of Hong Kong Limited.

For the Group’s corporate governance practices, please refer to p.44 to p.57 for the section “Corporate Governance Report” contained in the Group’s 2018 Annual Report.

### REPORTING PERIOD

The ESG Report describes the ESG activities, challenges and measures taken by the Group during the year ended 31 December 2018 (the “Reporting Period”).

### STAKEHOLDER ENGAGEMENT

We value our stakeholders and their feedback in regards to our businesses and ESG aspects. With the goal to strengthen the sustainability approach and performance of the Group, we put effort in maintaining a close communication with our key stakeholders, including but not limited to government and regulatory authorities, shareholders, employees, customers, suppliers, and the general public.

We take stakeholders’ expectations into consideration in formulating our businesses and ESG strategies by utilising diversified engagement methods and communication channels, shown as below.

### 報告框架

本環境、社會及管治報告遵照香港聯合交易所有限公司GEM證券上市規則附錄二十之環境、社會及管治報告指引(「環境、社會及管治報告指引」)所載列之所有適用條文而編製。

有關本集團之企業管治常規，請參閱本集團二零一八年年報內「企業管治報告」一節第44頁至第57頁。

### 報告期間

本環境、社會及管治報告闡述本集團於截至二零一八年十二月三十一日止年度(「報告期間」)所進行、面臨及採取之環境、社會及管治活動、挑戰及措施。

### 持份者之參與

我們重視持份者以及其對我們業務及環境、社會及管治方面之意見。為加強本集團之可持續發展方式及績效，我們努力與主要持份者保持密切溝通，包括但不限於政府及監管部門、股東、僱員、客戶、供應商及公眾。

在制定業務及環境、社會及管治策略時，我們利用以下多元化參與方法及溝通渠道考慮持份者之期望。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Stakeholders 持份者	Expectations and concerns 期望及關注	Communication channels 溝通渠道
Government and regulatory authorities 政府及監管部門	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Support economic development</li> <li>遵守法例及法規</li> <li>支持經濟發展</li> </ul>	<ul style="list-style-type: none"> <li>Supervision on complying with local laws and regulations</li> <li>Routing reports and taxes paid</li> <li>監督地方法例及法規之遵行情況</li> <li>傳達報告及支付稅項</li> </ul>
Shareholders 股東	<ul style="list-style-type: none"> <li>Return on investments</li> <li>Corporate governance</li> <li>Business compliance</li> <li>投資回報</li> <li>企業管治</li> <li>業務合規</li> </ul>	<ul style="list-style-type: none"> <li>Regular reports and announcements</li> <li>Regular general meetings</li> <li>Official website</li> <li>定期報告及公告</li> <li>定期股東大會</li> <li>公司網站</li> </ul>
Employees 僱員	<ul style="list-style-type: none"> <li>Employees' compensation and benefits</li> <li>Career development</li> <li>Health and safety working environment</li> <li>僱員賠償及福利</li> <li>事業發展</li> <li>健康及安全之工作環境</li> </ul>	<ul style="list-style-type: none"> <li>Performance reviews</li> <li>Regular meetings and trainings</li> <li>Emails, notice boards, hotline, caring activities with management</li> <li>表現檢討</li> <li>定期會議及培訓</li> <li>電郵、告示板、熱線、與管理層進行關懷活動</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>High quality products and services</li> <li>Protect the rights of customers</li> <li>高質量之產品及服務</li> <li>保護客戶權益</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Face-to-face meetings and on-site visits</li> <li>Customer service hotline and email</li> <li>客戶滿意度調查</li> <li>面對面會議及實地探訪</li> <li>客戶服務熱線及電郵</li> </ul>
Suppliers 供應商	<ul style="list-style-type: none"> <li>Fair and open procurement</li> <li>Win-win cooperation</li> <li>公平開放之採購</li> <li>互惠合作</li> </ul>	<ul style="list-style-type: none"> <li>Open tendering</li> <li>Suppliers' satisfactory assessment</li> <li>Face-to-face meetings and on-site visits</li> <li>Industry seminars</li> <li>公開招標</li> <li>供應商滿意度評估</li> <li>面對面會議及實地探訪</li> <li>行業研討會</li> </ul>
General public 公眾人士	<ul style="list-style-type: none"> <li>Involvement in communities</li> <li>Business compliance</li> <li>Environmental protection awareness</li> <li>社區參與</li> <li>業務合規</li> <li>環境保護意識</li> </ul>	<ul style="list-style-type: none"> <li>Media conferences and responses to enquiries</li> <li>Public welfare activities</li> <li>Face-to-face interview</li> <li>媒體會議及回應提問</li> <li>公益活動</li> <li>面對面訪問</li> </ul>

We aim to collaborate with our stakeholders to improve our ESG performance and create greater value for the wider community on a continuous basis.

我們致力與持份者合作，以持續提升環境、社會及管治績效並為更廣泛社區創造更大價值。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### MATERIALITY ASSESSMENT

We have considered feedback from relevant stakeholders in determining the Group's material ESG aspects to be covered in this Report. These are shown in the table below, together with the aspects of the ESG Guide to which they relate:

The following table is a summary of the Group's material ESG issues included in this report:

### 重要性評估

我們於釐定本報告須涵蓋有關本集團之重要環境、社會及管治方面時，已考慮相關持份者之意見。這些方面以及其相關之環境、社會及管治指引載於下表：

下表是本報告所載有關本集團重要環境、社會及管治議題之摘要：

The ESG Reporting Guide 環境、社會及管治報告指引	Material ESG aspects of the Group 本集團環境、社會及管治重要範疇	
<b>A. Environment</b> 環境		
A1. Emissions 排放物	Greenhouse Gas (GHG) Emissions 溫室氣體排放	P. 64
	Waste Management 廢棄物管理	P. 66
A2. Use of Resources 資源使用	Energy Management 能源管理	P. 68
	Water Management 水資源管理	P. 70
A3. The Environment and Natural Resources 環境及天然資源	Green Operation 綠色營運	P. 71
<b>B. Social</b> 社會		
B1. Employment 僱傭	Recruitment and Promotion 招聘及晉升	P. 72
	Compensation and Dismissal 薪酬及解僱	P. 72
	Benefits and Welfares 待遇及福利	P. 72
	Working Hours and Rest Periods 工時及假期	P. 72
	Diversity, Equal Opportunities and Anti-discrimination 多元化、平等機會及反歧視	P. 73

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The ESG Reporting Guide 環境、社會及管治報告指引	Material ESG aspects of the Group 本集團環境、社會及管治重要範疇	
B2. Health and Safety 健康與安全	Safety Measures 安全措施	P. 74
	Employee Health Management 僱員健康管理	P. 74
B3. Development and Training 發展及培訓	Training and Development 培訓及發展	P. 75
B4. Labour Standards 勞工準則	Prevention of Child Labour and Forced Labour 防止童工及強制勞工	P. 76
B5. Supply Chain Management 供應鏈管理	Supply Chain Management 供應鏈管理	P. 77
B6. Product Responsibility 產品責任	Intellectual Property (“IP”) Rights 知識產權	P. 79
	Customer Privacy Protection 客戶私隱保障	P. 80
	Customer Service 客戶服務	P. 80
	Advertising and Labelling 廣告及標籤	P. 80
B7. Anti-corruption 反貪污	Internal Control 內部監控	P. 81
	Protection of Whistle-blower 保護舉報人	P. 82
B8. Community Investment 社區投資	Community Participation 社區參與	P. 83

As at the year ended 31 December 2018, the Group confirmed that it has established appropriate and effective management policies and internal control systems for ESG issues and confirmed that the disclosed contents are in compliance with the requirements of the ESG Reporting Guide.

### CONTACT US

We welcome stakeholders to provide their opinions and suggestions. You can provide valuable advices in respect of the ESG report or our performances in sustainable development by email [info@evershinegroup.com.hk](mailto:info@evershinegroup.com.hk).

截至二零一八年十二月三十一日止年度，本集團確認已為環境、社會及管治議題制定適當及有效之管理政策及內部監控系統，並確認所披露內容符合環境、社會及管治報告指引規定。

### 聯繫我們

我們歡迎持份者提出意見及建議。閣下可電郵至[info@evershinegroup.com.hk](mailto:info@evershinegroup.com.hk)，就有關環境、社會及管治報告或我們在可持續發展方面之績效提供寶貴意見。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

## A. ENVIRONMENTAL

### A1. Emissions

#### *General Disclosure and Key Performance Indicators (“KPIs”)*

The Group is committed to ensuring the long-term sustainability in the environment and community where the Group operates. We recognise our responsibilities towards the potential environmental impacts associated with our business operations and integrate environmental consideration into our decision-making processes.

To create an environmentally sustainable business, we stringently control our emissions and consumption of resources, adopt waste separation at source as our waste management principle and comply with all relevant environmental laws and regulations, such as “Environmental Protection Law of the People's Republic of China”, “Waste Disposal Ordinance” of Hong Kong and “Environment Law No. 2872” of Turkey in daily operations. We also strive to innovate and implement measures promoting energy consumption, waste reduction and any other green initiatives. We are committed to educate our employees in raising their awareness on environmental protection and complying with the relevant environmental laws and regulations.

In order to enhance our environmental governance practices and mitigate the potential environmental impacts resulted from our operations, we have adopted related environmental policies and delivered the contents to our employees. Within our policy framework, we continually look for different opportunities to pursue environmentally friendly initiatives, enhance our environmental performance by reducing energy and use of other resources.

## A. 環境

### A1. 排放物

#### *一般披露及關鍵績效指標*

本集團致力確保其經營在環境及社區之長期可持續發展。我們深明對業務營運相關潛在環境影響所負之責任，並將環境考慮納入決策過程。

為創造在環保方面之可持續發展業務，我們嚴格控制排放物及資源消耗，在源頭採用廢棄物分類作為廢棄物管理原則，並於日常營運中遵守所有相關環境法例及法規，如《中華人民共和國環境保護法》、香港《廢物處置條例》及土耳其《環境法第2872號 (Environment Law No. 2872)》。我們亦努力創新及實施促進節能減廢之措施及任何其他綠色活動，同時致力教育僱員以提高其環保意識，並遵守相關環境法例及法規。

為加強環境管治常規並減輕營運可能帶來之環境影響，我們採用相關環境政策，並向僱員傳達有關內容。我們在政策框架內不斷尋求各個機會奉行環保措施，並通過節能及使用其他資源以提高環保績效。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

During the Reporting Period, the Group has not identified any material non-compliance of environmental laws and regulations, including but not limited to “Waste Disposal Ordinance” of Hong Kong, “Environmental Protection Law of the People’s Republic of China”, and “Environmental Law No. 2871” of Turkey in relation to exhaust gas and GHG emissions, water and land discharge, and the generation of hazardous and non-hazardous waste that would have a significant impact on the Group.

### Greenhouse Gas (GHG) Emissions

Due to our business nature, the Group realizes the potential environmental impacts generated by the Group were minimal. However, the Group still focuses on nurturing and strengthening the employees’ awareness on environmental protection in their daily work process, and actively implements the Group’s environmental protection measures, with an aim to lower GHG emissions.

We have actively adopted the following measures to mitigate the GHG emissions in our operations:

- Actively adopt measures for environmental protection, energy conservation, and water saving. Relevant measures are described in “Energy Management” and “Water Management” under Section A2;
- Actively adopt paper saving measures in office. The relevant measures are described in the section “Waste Management” in this chapter; and
- Replacing highly polluting vehicles with more environmentally-friendly ones.

Through the implementation of these measures, our staff’s awareness on emission reduction has been raised.

The principal GHG emissions of the Group are generated from combustion of petrol for transportation (Scope 1), purchased electricity (Scope 2), and paper disposal (Scope 3).

於報告期間，本集團並無發現任何未有遵守環境法例及法規而對本集團產生重大影響之嚴重情況，該等法例及法規包括但不限於有關廢氣及溫室氣體排放、水及土地排放以及產生有害及無害廢棄物之香港《廢物處置條例》、《中華人民共和國環境保護法》及土耳其《環境保護法第2871號 (Environmental Law No. 2871)》。

### 溫室氣體排放

基於業務性質，本集團認為其可能產生之環境影響可謂微不足道。然而，本集團仍注重培養及加強員工於日常工作過程中之環保意識，並積極實施環保措施，以減低溫室氣體排放。

我們已積極採取以下措施以減少營運時之溫室氣體排放：

- 積極採取環保、節能及節水措施。有關措施於A2節「能源管理」及「水資源管理」中載述；
- 積極在辦公室採取減少用紙措施。有關措施於本章節「廢棄物管理」一節中載述；及
- 將高污染汽車更換為環保型汽車。

通過實施這些措施，我們提高了僱員之減排意識。

本集團之主要溫室氣體排放來自燃燒運輸汽油(範圍1)、外購電力(範圍2)及紙張棄置(範圍3)。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

The summary of GHG emissions performances:

溫室氣體排放績效概要：

Indicator <sup>1</sup> 指標 <sup>1</sup>	Total emissions (tCO <sub>2</sub> e) 總排放量 (每噸二氧化碳當量)	Intensity <sup>2</sup> (tCO <sub>2</sub> e/employee) 密度 <sup>2</sup> (每噸二氧化碳當量/僱員)
Direct GHG emissions (Scope 1) – Petrol 直接溫室氣體排放(範圍1) – 汽油	7.78	0.17
Indirect GHG emissions (Scope 2) – Electricity 間接溫室氣體排放(範圍2) – 電力	9.40	0.20
Other Indirect GHG emissions (Scope 3) – Paper Waste 其他間接溫室氣體排放(範圍3) – 廢紙	1.19	0.03
Total GHG emissions (Scope 1, Scope 2, and Scope 3) 總溫室氣體排放 (範圍1、範圍2及範圍3)	18.37	0.40

Note:

- GHG emission data is presented in terms of carbon dioxide equivalent and are based on, but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standards" issued by the World Resources Institute and the World Business Council for Sustainable Development, the latest released emission factors of China's regional power grid basis, "How to prepare an ESG Report? – Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX, "Global Warming Potential Values" from the IPCC Fifth Assessment Report, 2014 (AR5).
- As at 31 December 2018, the Group had 46 full-time employees in total. The data is also used for calculating other intensity data.

附註：

- 溫室氣體排放數據以二氧化碳當量表示，並以(但不限於)下列各項為基礎：世界資源研究所及世界企業永續發展委員會(World Business Council for Sustainable Development)發佈之《溫室氣體核算體系：企業核算與報告標準》、最新發佈之中國區域電網排放因子、香港交易所發佈之「如何編備環境、社會及管治報告? – 附錄二：環境關鍵績效指標匯報指引」、來自二零一四年聯合國政府間氣候變化專門委員會第五份評估報告之「全球暖化潛在價值(Global Warming Potential Values)」。
- 於二零一八年十二月三十一日，本集團共有46名全職僱員。該數據亦用於計算其他密度數據。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Wastewater Management

The Group does not consume significant volume of water through daily operation and therefore our business activities did not generate material portion of discharge into water. The majority of the water supply and discharge facilities are provided and managed by property management company.

### Waste Management

Due to the Group's business nature, we did not generate significant amount of hazardous waste during the Reporting Period.

### Hazardous waste handling method

Despite the Group did not generate hazardous wastes during the Reporting Period, the Group has established guidelines of governing the management and disposal of hazardous wastes. In case there are any hazardous wastes produced, the Group must engage a qualified chemical waste collector to handle such wastes, which is complied with the relevant environmental regulations and rules.

### Non-hazardous waste handling method

The non-hazardous waste generated by the Group is mainly solid waste. With the aim of minimizing the environmental impacts from non-hazardous wastes generated from our business operations, the Group has implemented measures in waste management and launched different reduction initiatives.

Specifically, the Group adopted separation method in terms of domestic waste management. Non-hazardous wastes were carefully sorted, so that those recyclable wastes would be reused. The Group also encourages its staff to bring their own lunch box instead of ordering take-away food to avoid the generation of food waste and food packaging waste. In terms of surplus stele, the Group ensures they are all recycled and reused.

### 廢水管理

本集團於日常營運中不會消耗大量用水，因此我們的業務活動並無排放大量污水。大部分供水及排水設施均由物業管理公司提供及管理。

### 廢棄物管理

由於本集團之業務性質，我們於報告期內並無產生大量有害廢棄物。

### 有害廢棄物處理方法

儘管本集團於報告期內並無產生有害廢棄物，惟本集團已制定規管有害廢棄物管理及棄置之指引。如產生任何有害廢棄物，本集團必須遵照相關環境法規及規則聘請合資格化學廢棄物收集商處理此類廢棄物。

### 無害廢棄物處理方法

本集團產生之無害廢棄物主要為固體廢棄物。為盡量減少業務營運產生之無害廢棄物造成之環境影響，本集團已實施廢棄物管理措施，並推出各項減廢措施。

具體而言，本集團就生活廢棄物管理採用分類方法。無害廢棄物會經過小心分類，以重用可再造廢棄物。本集團亦鼓勵員工自備午餐盒，取代訂購外賣，避免產生廚餘及食品包裝廢棄物。此外，本集團亦確保剩餘石柱均獲再造及重用。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Non-hazardous waste reduction initiatives

Paper is one of the major non-hazardous wastes generated by the Group in its office. The Group adopted the following practices to reduce paper waste at source, so to reduce the production of non-hazardous waste:

- Think before print;
- Set duplex printing as the default mode for most network printers;
- Print or copy only the pages needed;
- Re-use envelopes, folders and carton in office;
- Use email to reduce fax paper consumption;
- Use double-sided printing and photocopying;
- Separate the single-sided paper and double-sided paper neatly for better recycling; and
- Use the back of old single-sided documents for printing or as draft paper.

Our staff's awareness on waste management has been raised through the above measures.

The summary of major non-hazardous wastes discharge performance:

### 無害廢棄物減廢措施

紙張是本集團在其辦公室產生的主要無害廢棄物之一。本集團採取下列措施從源頭減少浪費用紙，以減少製造無害廢棄物：

- 列印前三思；
- 將大部分網絡打印機之預設模式設定為雙面列印；
- 僅列印或複印所需頁面；
- 循環使用辦公室信封、文件夾及紙板；
- 使用電子郵件以減少傳真紙張消耗量；
- 使用雙面列印及複印；
- 整齊分放單面印刷紙張及雙面印刷紙張，以妥善進行回收；及
- 使用舊有單面印刷文件之背面進行列印或用作草稿紙。

通過上述措施，員工對廢棄物管理之意識有所提高。

主要無害廢棄物排放績效之概要：

Category of waste 廢棄物分類	Total discharge (tonnes) 總排放量(噸)	Intensity (tonnes/employee) 密度(噸/僱員)
Paper 紙張	0.25	0.005
Solid Waste (without paper) 固體廢棄物(不包括紙張)	0.49	0.011
Total non-hazardous waste 總無害廢棄物	0.74	0.016



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A2. Use of Resources

#### *General Disclosure and KPIs*

The Group strives to optimise resource usage in business operations, and continues with initiatives to introduce resource efficiency and eco-friendly measures to the Group's operations. The Group has established relevant policies and procedures in governing the efficient use of resources, aiming to achieve higher energy efficiency and reduce unnecessary use of materials. All offices have implemented effective energy conservation measures to reduce emissions and resource consumption.

#### Energy Management

The Group aims to minimize environmental impacts in our operations by identifying and adopting appropriate measures. Energy policies, measures, and practices have been developed to show our commitment on energy efficiency. All employees are required to adopt such measures and practices, including the purchase of energy-efficient products and services, and assume responsibility for the Group's overall energy efficiency.

### A2. 資源使用

#### *一般披露及關鍵績效指標*

本集團致力優化業務營運之資源使用，並繼續主動於本集團營運中引入具資源效益及環保措施。本集團已制定監管善用資源情況之相關政策及程序，旨在提高能源效益及減少不必要之物料使用。所有辦公室已實施有效節能措施，以減低排放物及資源消耗。

#### 能源管理

本集團旨在通過識別及採取適當措施，盡量減少營運造成之環境影響。我們已制定能源政策、措施及常規，以顯示我們對能源效益之承諾。全體員工必須採取此類措施及常規，包括購買節能產品及服務，並對本集團之整體能源效益承擔責任。





## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Monthly monitoring of the usage of electricity, water and other materials is implemented. Unexpected high consumption of electricity will be investigated to find out the root cause and preventive measures will be taken. Indeed, the Group has started to replace traditional light bulbs with electricity-saving light bulbs to ensure energy is being saved. The Group has also educated employees about the importance of energy conservation and emission reductions. In the long run, the Group will enhance its energy saving management in minimizing the usage of lighting, air conditioning and electronic appliances and track its energy consumption regularly in the coming years.

During the Reporting Period, the Group has performed the following measures relating to improving energy efficiency:

- Place energy saving reminder labels next to switches;
- Clean office equipment (such as refrigerator, air-conditioner) regularly to maintain high efficiency;
- Turn office lights and other electronic device off whenever and wherever not necessary;
- Replace traditional lamps with power saving ones; like LED lights;
- Adjust and switch off the air-conditioners according to the temperature and situation in the office, and ensure that the temperature should not be set under 25°C;
- Place posters "Saving Electricity, Turn Off the Light When Leaving" in prominent places;
- Turn off all lights, computers, copiers and other electronics in the office at the end of the day;
- Adopt email as the medium of internal and external communication; and
- Use electronic facilities with energy saving label.

As a result, the employees' awareness on energy conservation has been increased through these energy-saving measures.

本集團對水電及其他材料用量進行每月監測，並會調查超乎預期之高耗電量，找出根本原因，並採取預防措施。事實上，本集團已開始將傳統燈泡更換為省電燈泡，以確保節省能源。本集團亦教育僱員有關節能減排之重要性。長遠而言，本集團將加強節能管理，盡量減少使用照明設備、冷氣機及電器，並在未來數年定期追蹤能源消耗情況。

於報告期間，本集團已採取以下有關提高能源效益之措施：

- 於開關掣旁貼上節能提示；
- 定期清洗辦公室設備(如雪櫃及冷氣機)以維持高效能；
- 於無需要情況下關掉辦公室照明及其他電子設備；
- 將傳統燈具更換為省電燈具，如LED燈；
- 根據辦公室溫度及情況調節及關掉冷氣機，並確保溫度設定為不低於攝氏25度；
- 在當眼位置張貼「節約用電，請於離開時關燈」海報；
- 每日工作結束時關掉辦公室所有照明、電腦、影印機及其他電子設備；
- 採用電子郵件作為內部及外部溝通之媒介；及
- 使用貼有節能標籤之電子設施。

因此，通過這些節能措施，僱員之節能意識不斷提高。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

During the Reporting Period, the energy consumption of the Group and its intensity were as follows:

於報告期間，本集團之能源消耗量及密度如下：

Type of energy 能源類別	Energy consumption (kWh) 能源消耗(千瓦時)	Intensity (kwh/employee) 密度(千瓦時/僱員)
Electricity 電力	11,901.00	258.72
Petrol 汽油	27,287.45	593.21

### Water Management

Water consumption of the Group is mainly for office basic cleaning and sanitation. We have educated and encouraged all employees to develop the habit of water conservation. We have been strengthening our water-saving promotion, posting water saving reminders, and guiding employees to use water reasonably. The following are some measures we have implemented to improve the utilization efficiency of water resources:

- Place posters “Saving Water Resource” in prominent places to encourage water conservation;
- Fix dripping taps immediately and avoid any leakage of the water supply system;
- Strengthen the inspection and maintenance on water tap, water pipelines and water storage;
- Carry out regular leakage tests on water tap, washers and other defects in the water supply system;
- Use water saving equipment; and
- Advocate the virtue of preserving water and instilled the concept of “Water Preservation” in employees;

Our employees’ awareness of water management has increased through these water management measures.

Due to the business nature, there was no issue in sourcing water.

### Use of Packaging Material

Due to our business nature, the Group neither produces any final products nor does it have any industrial facilities. Therefore, it does not use significant amount of packaging materials during its daily operations.

### 水資源管理

本集團之用水量主要為辦公室作基本清潔及衛生用途。我們已教育並鼓勵所有僱員養成節約用水之習慣，並一直加強宣傳節約用水、張貼節約用水提示及指導僱員合理用水。我們已採取多項措施以提升水資源使用效益，詳情如下：

- 在當眼位置張貼「節約水資源」海報，以鼓勵節約用水；
- 立即修理漏水水龍頭及避免供水系統出現任何滲漏問題；
- 加強水龍頭、水管及儲水箱之監察及維護力度；
- 對水龍頭、洗滌器及供水系統之其他瑕疵進行定期滲漏檢測；
- 使用節水設備；及
- 提倡保護水資源之美德及向僱員灌輸「節約用水」觀念；

通過這些水資源管理措施，僱員對水資源管理之意識有所提高。

由於業務性質使然，並無供水問題。

### 使用包裝材料

基於業務性質，本集團並無生產任何最終成品，亦無任何工業設施，因此於日常營運中並無使用大量包裝材料。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A3. The Environment and Natural Resources

#### *General Disclosure and KPIs*

Although the core business of the Group has remote impact on the environment and natural resources, we recognize the responsibility in minimizing the negative environmental impacts of our business operations so to achieve sustainable development for generating long-term values to our stakeholders and community as a whole.

#### *Green Operation*

The Group is committed to protecting the environment by taking effective measures to reduce electricity consumption. Specifically, the Group has been using office equipment with Energy Efficiency Label issued by the Electrical and Mechanical Services Department. We also regularly assess the environmental risks of our business, and adopt preventive measures as necessary to reduce the risks and ensure the compliance of relevant laws and regulations.

## B. SOCIAL

### B1. Employment

#### *General Disclosure*

Human resources are the foundation in supporting the development of the Group. The Group treasures employee's talent, and recognises it as the most valuable asset of the Group. Hence, we have formulated the Employees' Handbook to fulfil our vision on people-oriented management and realizing the full potential of employees. The Employees' Handbook is formally documented, covering recruitment, promotion, compensation, benefits and welfares, working hours and rest periods, diversity and equal opportunity, etc. We review and update the relevant company policies regularly in accordance with the latest laws and regulations.

During the Reporting Period, the Group was not aware of any material non-compliance with employment-related laws and regulations, including but not limited to the "Employment Ordinance" of Hong Kong, the "Labour Law of the People's Republic of China", and the "Labour Act of Turkey No. 4857" that would have a significant impact on the Group.

### A3. 環境及天然資源

#### *一般披露及關鍵績效指標*

儘管本集團之核心業務對環境及天然資源帶來輕微影響，但我們知道有責任將業務營運帶來之負面環境影響降至最低，以實現可持續發展，為持份者及整體社區創造長遠價值。

#### *綠色營運*

本集團致力通過採取有效措施降低耗電量以保護環境。具體而言，本集團已使用貼有機電工程署發出之能源效益標籤之辦公室設備。我們亦定期評估業務之環境風險，並採取必要預防措施，以降低風險及確保遵守相關法律及法規。

## B. 社會

### B1. 僱傭

#### *一般披露*

人力資源為支持本集團發展之基石。本集團重視僱員之才能，並視之為本集團最寶貴之資產。因此，我們已制定員工手冊以實現我們對以人為本管理及充分發揮僱員潛力之願景。員工手冊已作正式記錄，涵蓋招聘、晉升、薪酬、待遇及福利、工時及假期、多元化及平等機會等。我們根據最新法例及規例定期審閱及更新相關公司政策。

於報告期間，本集團並不知悉任何不遵守僱傭相關法例及規例而會對本集團產生重大影響之嚴重情況，該等法例及規例包括但不限於香港《僱傭條例》、《中華人民共和國勞動法》及《土耳其勞動法第4857號(Labour Act of Turkey No. 4857)》。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Recruitment and Promotion

To ensure employees and applicants are treated and evaluated in a fair way, we apply robust and transparent recruitment processes based on merit selection against the job criteria, and recruit individuals based on their past performance, personal attributes, job experiences and career aspiration. The Group also offers competitive remuneration and benefits, which are determined by referencing market benchmarks in order to attract high-calibre candidates. Remuneration packages include holidays, granted leave, and medical insurance.

As talent retention is vital to the future business development of the Group, the Group conducts probationary and regular evaluations according to the overall market environment. The Group also offers two types of promotion path for employees, which are in-department promotion and cross-department promotion. Each kinds of promotion also necessitate different requirements. This ensures employees can be recognized by the Group appropriately with respect to their effort and contributions.

### Compensation and Dismissal

The Group constantly reviews its compensation packages. Any termination of employment contract would be based on reasonable, lawful grounds and internal policies, for instance the Employees' Handbook. The Group strictly prohibits any kind of unfair or unreasonable dismissals.

### Benefits and Welfares

As for employee welfare, the Group throws birthday parties and holds a series of activities, such as dinner party, Mid-Autumn BBQ, Christmas party for its employees. A number of social activities are also arranged by volunteers in the Group on a regular basis. The Group believes that these events would help its employees to relieve stress, and served to exemplify the Group's corporate culture of the spirit of solidarity and cohesion among its employees.

### Working Hours and Rest Periods

The Group has formulated policies in determining the working hours and rest periods for employees in accordance with local employment laws. Apart from the basic leaves such as holidays and annual leaves, employees are also entitled to additional leaves, such as maternity leave, paternity leave, unpaid leave, compassionate leave, and granted leave as long as related documents are provided under the employment law of the local government.

### 招聘及晉升

為確保僱員及應徵者獲公平對待及評估，我們應用穩健透明之招聘流程，按職位條件擇優而選，並基於應徵者之過往表現、個人特質、工作經驗及職業抱負進行招聘。本集團亦提供經參考市場基準釐定之具競爭力薪酬及福利，以吸引才幹之士。薪酬待遇包括假期、批准假及醫療保險。

由於留聘人才對本集團未來業務發展至關重要，故本集團根據整體市場環境進行試用及定期評估。本集團亦向僱員提供兩類晉升途徑，即部門內晉升及跨部門晉升。各類晉升亦需要設定不同要求。這確保僱員之努力及貢獻可得到本集團適當之認可。

### 薪酬及解僱

本集團不斷檢討其薪酬待遇。凡終止僱員合約，均須依據合理及合法之理由及內部政策（例如員工手冊）。本集團嚴禁任何形式之不公正或不合理解僱。

### 待遇及福利

作為僱員福利，本集團為員工舉辦生日會以及一系列活動，例如晚會、中秋節燒烤、聖誕派對等等。本集團自願服務之同事亦定期安排多項社交活動。本集團相信，這些活動有助僱員舒緩壓力，並體現本集團僱員團結及凝聚精神之企業文化。

### 工時及假期

本集團已根據地方僱傭法例制定政策，釐定僱員工時及假期。除假期及年假等基本休假外，只要相關文件按地方政府僱傭法例有所規定，僱員亦可享有額外休假，如產假、侍產假、無薪假、恩恤假及批准假。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Diversity, Equal Opportunities and Anti-discrimination

As an equal opportunity employer, we recognise the value of a diverse and skilled workforce and are committed to creating and maintaining an inclusive and collaborative workplace culture in which all can thrive.

We are dedicated to providing equal opportunity in all aspects of employment and maintaining workplace that are free from discrimination, physical or verbal harassment against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status, and sexual orientation.

The Group's Equal Opportunities Policy allows zero tolerance to any workplace discrimination, harassment or victimization in accordance to relevant government legislation, ordinances and regulations. Employees are encouraged to report any incidents involving discrimination to the Human Resource Department of the Group. We strive to ensure that complaints, grievances and concerns, including whistle blowing, are dealt with promptly and confidentially.

## B2. Health and Safety

### General Disclosure

We believe employees are valuable assets of an enterprise and regard human resources as corporate wealth. Therefore, we are committed to providing and maintaining a safe and healthy environment for our employees. The Group has established a Safety Policy Handbook by incorporating a range of occupational health and safety measures to prevent and remediate accidents, detect potential safety hazards, and to ensure workplace safety. We review, and if necessary, revise the Safety Policy Handbook and our health and safety practices at least annually to ensure continuous improvements of our health and safety standards.

The Group follows the occupational health and safety guidelines recommended by Labour Department and Occupational Safety and Health Council. Employees who suffer from injury arising out of and in the course of employment are entitled to compensation in accordance with the local laws and regulations such as Hong Kong's "Employee Compensation Ordinance".

### 多元化、平等機會及反歧視

作為平等機會僱主，我們注重多元化及技術勞工之價值，並致力營造及維持互相包容及合作之工作場所文化，使所有人能各展所長。

我們致力在各僱傭層面提供平等機會，使工作場所不會有任何人因種族、宗教、膚色、性別、身體或精神殘障、年齡、出生地、婚姻狀況及性取向而受到歧視、生理或言語騷擾。

本集團之平等機會政策根據相關政府法例、條例及規例，絕不容許任何工作場所之歧視、騷擾或迫害。本集團鼓勵僱員向人力資源部門報告任何有關歧視之事件。我們盡力確保投訴、申訴及疑慮(包括舉報)將及時保密處理。

## B2. 健康與安全

### 一般披露

我們認為僱員是企業之寶貴資產，並視人力資源為企業財富。因此，我們致力為僱員提供及維持安全及健康之環境。本集團已制定安全政策手冊，納入一系列職業健康及安全措施，以預防及補救意外並查明潛在安全隱患，以及確保工作場所之安全。我們最少每年進行檢討，並在必要時修訂安全政策手冊以及健康及安全常規，以確保不斷改進健康及安全標準。

本集團遵循勞工處及職業安全健康局建議之職業健康及安全指引。僱員如在受僱期間因受僱工作而受傷，有權根據香港《僱員補償條例》等地方例及規例獲得賠償。





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

During the Reporting Period, the Group was not aware of any material non-compliance with health and safety-related laws and regulations, including but not limited to the “Occupational Safety and Health Ordinance” of Hong Kong, the “Production Safety Law of the People’s Republic of China”, and the “Occupational Health and Safety Law No. 6331” of Turkey that would have a significant impact on the Group.

### Safety Measures

Employees are required to follow the safety and health measures set out in the operating manuals, such as the Employees’ Handbook. Those measures aim to minimize risks of accidents and enhance the employees’ health and safety awareness.

Cleaning air-conditioning systems and disinfection treatment of carpets are performed regularly with an aim to maintain a clean, tidy, smoke-free, non-toxic, and non-hazardous working environment. Emergency exits are unobstructed and unlocked from the inside at all times during working hours. First aid boxes are also available in readily accessible locations.

The Group will also organize healthy work bulletin, built up safety warning signs, and set up safety banners and slogans, aiming to achieve an accident-free workplace environment.

### Employee Health Management

The Group offers comprehensive health care coverage for our employees. The Group has also continued to organize work-life balancing activities for employees, implemented green projects at our own premises and carried out other activities to promote healthy living practices. Health and safety communications are provided to employees to present the relevant information and raise awareness of occupational health and safety issues.

於報告期間，本集團並不知悉任何不遵守健康及安全相關法例及規例而會對本集團產生重大影響之嚴重情況，該等法例及規例包括但不限於香港《職業安全及健康條例》，《中華人民共和國安全生產法》及土耳其《職業健康及安全法第6331號(Occupational Health and Safety Law No. 6331)》。

### 安全措施

僱員須遵循操作手冊(如員工手冊)所載之安全與健康措施。該等措施旨在減低意外風險及提升僱員之健康與安全意識。

為維持清潔、整潔、無煙、無毒及無害之工作環境，本集團定期清潔冷氣系統及進行地毯消毒處理。緊急出口在工作時間時刻保持暢通無阻及內門不上鎖。急救箱亦在方便取得之位置。

本集團亦將製備健康工作簡報、設置安全警告標誌以及懸掛安全橫額及標語，旨在達致零意外之工作環境。

### 僱員健康管理

本集團為僱員提供全面醫療保險，亦已持續為僱員安排活動以平衡工作與生活、於旗下地方推行綠化項目及開展其他活動，以宣揚健康生活習慣。本集團向僱員提供健康及安全通訊，以介紹相關資料並提高職業健康及安全問題之認識。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

## B3. Development and Training

### *General Disclosure*

#### Training and Development

The Group regards our staffs as the most important asset and resource. We recognise the valuable contribution our talents made to the continued success of the Group. We are committed to inspiring our human capital towards delivering excellence. This is achieved through the development of training strategy that focuses on creating values and serving the needs of our customers, our talents and the society.

#### Training and Development Policies

To strengthen employees' work-related skills and improve operational efficiency, the Group has developed training policies that offer different trainings and development opportunities to its staff.

The Group provides regular training courses and development programmes. Newly joined employees are provided with comprehensive trainings, which cover topics such as corporate culture, business processes, job requirements and specific job knowledge. For the development of existing employees, profession-oriented trainings are offered according to the corporate needs. Details of in-house training programmes will also be displayed at the bulletin board from time to time for employees' information. The Group ensures that all its employees possess the necessary professional knowledge for work, while fulfilling the continuous training hour requirement for annual professional qualifications.

To support the Group's financial business and meet the annual regulatory requirements of the Securities and Futures Commission, each regulated activity and licensed employees is required to take continuous training courses. The records of all training courses attended by licensed employees should be kept for three years, so the Group can provide relevant records upon request by the regulator or the Hong Kong Monetary Authority.

## B3. 發展及培訓

### *一般披露*

#### 培訓及發展

本集團視員工為最重要之資產及資源。我們認可人才為本集團持續取得成功所作之寶貴貢獻，故盡心盡力激發人力資本追求卓越。為實現上述目的，本集團設立培訓策略，重點放在創造價值及滿足客戶、人才及社會需求。

#### 培訓及發展政策

為增進僱員工作相關技能並提升營運效率，本集團已設立培訓政策，為員工提供不同培訓及發展機會。

本公司定期提供培訓課程及發展計劃。新入職員工獲提供全面培訓，涵蓋企業文化、業務流程、工作要求及具體工作知識等方面。現任僱員發展方面，本集團根據企業需要提供職業導向培訓。內部培訓計劃之詳情亦會不時張貼於告示板以供僱員參考。本集團確保所有僱員擁有工作所需之專業知識及達成有關年度專業資格之持續培訓時數規定。

為協助本集團之金融業務及滿足證券及期貨事務監察委員會之年度監管規定，各受規管活動及持牌僱員須參加持續培訓課程。持牌僱員參加所有培訓課程之記錄須保存三年，以便本集團於監管方或香港金融管理局要求時提供有關記錄。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B4. Labour Standards

#### *General Disclosure*

##### Prevention of Child and Forced Labour

Child and forced labour are strictly prohibited during the recruitment process as defined by the laws and regulations. The Group strictly complies local laws to prohibit any child and forced labour employment. The Group's Human Resource Department is responsible to monitor and ensure compliance of latest and relevant laws and regulations that prohibits child labour and forced labour.

To combat against illegal employment on child labour, underage workers and forced labour, valid identity documents are collected by the Group's human resources staff prior to the confirmation of employment. The Human Resources Department also ensures identity documents are carefully checked.

During the Reporting Period, the Group was not aware of any material non-compliance with any material non-compliance with child and forced labour-related laws and regulations, including but not limited to the "Employment Ordinance" of Hong Kong, the "Labour Law of the People's Republic of China", and the "Labour Act of Turkey No. 4857" which would have a significant impact on the Group.

### B4. 勞工準則

#### *一般披露*

##### 防止童工及強制勞工

按法例及規例所界定，招聘過程中嚴禁僱用童工及強制勞工。本集團嚴格遵循地方法例，禁止僱用任何童工及強制勞工。本集團之人力資源部門負責監控及確保遵守禁止童工及強制勞工之最新相關法例及規例。

為打擊非法僱用童工、未成年勞工及強制勞工，在確認僱用前，本集團之人力資源員工會收集有效身份證明文件。人力資源部門亦會確保身份證明文件經小心查核。

於報告期間，本集團並不知悉任何不遵守童工及強制勞工相關法例及規例而會對本集團產生重大影響之嚴重情況，該等法例及規例包括但不限於香港《僱傭條例》、《中華人民共和國勞動法》及《土耳其勞動法第4857號》。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B5. Supply Chain Management

#### *General Disclosure*

As a socially responsible enterprise, it is critical and vital to maintain and manage a sustainable and reliable supply chain. The supply chain management should be consistent with the Group's sustainability strategies in establishing a mutual trust and understanding with its business partners. All suppliers are evaluated carefully and are subjected to regular monitoring and assessment. The Group expects the suppliers to operate in compliance with local environmental laws, ordinances and regulations, so as to reduce ecological impacts.

#### Supply Chain Management

The Group sets up a supplier selection panel and establishes the scoring system to select the appropriate suppliers. The Group will also conduct on-site investigation to assess potential suppliers if necessary. The potential supplier can be qualified as an approved supplier by obtaining the approval from the panel. The Group maintains a list of approved suppliers and monitors the quality of suppliers on a strict and continuous basis through conducting regular evaluation on a number of factors, such as the number of complaints filed by customers and suppliers' performance in handling complaints. The Group will also arrange regular visit and communicate with suppliers regularly to keep update of the latest business situation of the suppliers. These measures could effectively facilitate better cooperation and communication between the Group and suppliers.

To ensure sufficient supply, the Group's Purchase Department keeps close contact with suppliers. Besides, the Group usually has backup suppliers. The Group will also conduct basic evaluations upon contracts in top management turnover, production capacity, changes in manufacturing techniques and raw materials, as well as violations of the law and discipline of the suppliers.

### B5. 供應鏈管理

#### *一般披露*

作為社會責任企業，維持及管理可持續發展之可靠供應鏈屬關鍵一環及重中之重。供應鏈管理應和本集團致力與業務夥伴建立互信互諒之可持續發展策略一致。本公司謹慎評估所有供應商，並對其進行定期監控及評估。本集團預期供應商遵守地方環境法例、條例及法規經營，以減低生態影響。

#### 供應鏈管理

本集團成立供應商遴選小組及建立評分系統以甄選合適供應商。如有需要，本集團亦會就評估準供應商進行實地視察。準供應商取得小組批准後將合資格成為許可供應商。本集團備存一份許可供應商名單，並透過定期評估若干因素(例如客戶提出投訴之次數及供應商處理投訴之表現)，嚴格地持續監察供應商之質素。本集團亦將定期到訪供應商及與供應商溝通，緊貼供應商之最新業務狀況。該等措施可有效促進本集團與供應商更妥善合作及溝通。

為確保供應充足，本集團採購部門會與供應商保持密切聯繫。此外，本集團通常有備選供應商，並將就高級管理人員更替、生產能力、製造技術及原材料變動以及供應商違法及違規情況，對合約進行基本評估。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Fair and Open Procurement

The Group chooses suppliers according to several standards, which are:

- The suppliers must hold legal business license;
- The product quality of the suppliers must be high-class; and
- The products of suppliers must be environmentally friendly and pollution-free, which should be healthy and safe to the employees and customers.

The Purchase Department will also consider other factors such as raw material quality, service quality, former records, projects, reputation, and social and environmental responsibility in choosing the suitable supplier. Suppliers will be evaluated based on four aspects, which are regulatory compliance, rights of the employees, health and safety, and environmental protection. If there are no serious quality accidents or delivery delay, the supplier will be recognized as qualified supplier, and will be added to the supplier list. The Group chooses its supplier from the supplier list which is renewed every year.

### Environmental and Social Responsibility of Suppliers

In view of the increasing environmental concerns in society, the Group is aware of the importance in managing environmental and social risks of its supply chain. The Group has embedded environmental and social consideration in the procurement process, and chooses suppliers according to the requirements of the specific business and customers as well as the environmental and social risks. The Group will continue to monitor its supply chain regarding the environmental and social standards.

### 公平開放之採購

甄選供應商時，本集團會考慮若干標準，即：

- 供應商必須持有合法營業牌照；
- 供應商必須提供高質量之產品；及
- 供應商必須提供零污染之環保產品，對僱員及客戶而言屬健康安全。

採購部於甄選合適供應商時亦會考慮其他因素，例如原材料質量、服務質素、過往記錄、項目、聲譽以及社會及環境責任。供應商將按以下四方面進行評估：監管合規、僱員權益、健康安全及環境保護。倘供應商並無出現重大質量事故或延遲交付問題，則將會獲認為合資格供應商及列入供應商名單。本集團從每年更新之供應商名單中甄選供應商。

### 供應商之環境及社會責任

鑒於社會日益關注環境問題，本集團意識到管理其供應鏈之環境及社會風險之重要性。本集團已於採購過程中加入環境及社會考慮因素，並根據具體業務及客戶要求以及環境及社會風險甄選供應商。本集團將繼續在環境及社會標準方面監察其供應鏈。





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B6. Product Responsibility

#### *General Disclosure*

The satisfaction of our customers is the cornerstone of the sustainable development of the Group. We are convinced that the success of our clients means the success of the Group, and have been emphasizing the customer-centric business philosophy in our operations at all levels of the Group. Therefore, we strive to optimize and improve the quality of products and services according to the requests of the customers.

During the Reporting Period, the Group was not aware of any material non-compliance with any laws and regulations, including but not limited to the “Personal Data (Privacy) Ordinance” of Hong Kong, “Law of the People’s Republic of China on Protection of Consumer Rights and Interests”, and “Protection of Personal Data No. 6689” of Turkey that have a significant impact on the Group, concerning advertising, labelling and privacy matters relating to products and services provided and methods of redress.

#### Intellectual Property (“IP”) Rights

To protect third party IP rights and comply with relevant licensing terms when software is used, employees are strictly prohibited from duplicating, installing or using illegal software or software in violation of its copyright or license terms as part of the Group’s information security policy. The Group will provide licensed software for use by its employees in performing their duties. Employees are also required to sign confidentiality agreements on intellectual property. Any violations of the policy will be subjected to disciplinary action.

### B6. 產品責任

#### *一般披露*

使客戶稱心滿意是本集團可持續發展之基石。我們深信客戶之成功即是本集團之成功，並一直於本集團所有層面之營運中強調以客戶為本之經營理念。因此，我們根據客戶要求盡力完善及提高產品及服務質量。

於報告期間，有關所提供產品及服務之廣告、標籤及私隱事宜以及補救方法，本集團並不知悉任何不遵守任何法例及規例而會對本集團產生重大影響之嚴重情況，該等法例及規例包括但不限於香港《個人資料(私隱)條例》、《中華人民共和國消費者權益保護法》及土耳其《個人資料保護第6689號(Protection of Personal Data No. 6689)》。

#### 知識產權

為於使用軟件時保護第三方之知識產權及遵守相關許可條款，本集團資料安全政策包括僱員嚴禁複製、安裝或使用非法軟件，或違反其版權或許可條款複製、安裝或使用軟件。本集團將提供經授權軟件以供僱員於履行職責時使用。僱員亦須簽署有關知識產權之保密協議。凡違反政策，將會受到紀律處分。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Customer Privacy Protection

The Group respects the values and rights of the customers' information assets, and is committed to abide by the related laws and regulations in terms of consumer data privacy to ensure customers' information are protected. Information collected would only be used for the purposed authorized by customers in the first place. The Group prohibits the provision of consumer information to a third party without authorization from the customers. All collected personal data is treated confidentially and kept securely, accessible by designated personnel only. The IT Department has also set obstruction between office and commercial net to prevent exportation, copy, and unauthorized data use. Through internal trainings and confidential agreements with employees, the Group emphasizes confidentiality obligations and the legal consequences of any breaches of obligations.

### Customer Service

The Group has long established a set of procedures to handle customers' feedback or complaints in a professional manner. The Group's business manager visits the customers regularly to collect customers' opinions. If the Group receives a complaint on product or service, a patient discussion and thorough analysis with suppliers will be immediately conducted. The Group commits to respond to any inquiries as soon as possible. The Group has set up the Customer Service Department to conduct internal review of complaints, monitor the handling process of complaints, and record the results. Through internal and external communication channels, the Group is able to obtain feedback and advice from customers efficiently, which enhances and strengthens its service quality, while enabling the Group to stay competitive in the market.

### Advertising and Labeling

The Group closely monitors released marketing materials and product labeling to prevent inappropriate or exaggerated advertisement. The Group has established internal guidelines to ensure the Group is providing accurate product labeling and marketing materials that comply with relevant local laws and regulations. If there were any non-compliance with internal guidelines, the Group would consult external legal advisor and carry out corrective action immediately if necessary. In addition, the internal guidelines will be updated regularly in accordance with the latest regulations released by the government.

### 客戶私隱保障

本集團尊重客戶資料資產之價值及權利，並致力遵守有關消費者資料私隱之法例及規例，以確保客戶資料受到保障。所收集之資料僅會用於客戶事先授權之用途上。本集團禁止在未經客戶授權下向第三方提供客戶資料。所有已收集之個人資料均會加密處理及妥善保存，僅可由指定人士取用。資訊科技部門亦已於辦公室及商業網絡之間設置屏障，防止匯出、複製及未經授權使用資料。本集團透過內部培訓及與僱員訂立保密協議，強調保密責任及違反責任之法律後果。

### 客戶服務

本集團早已建立一套程序，以專業方式處理客戶之反饋或投訴。本集團之業務經理定期探訪客戶，收集客戶意見。倘接獲對產品或服務之投訴，本集團將立即與供應商進行耐心討論及徹底分析。本集團承諾儘快回應任何查詢，並已成立客戶服務部門，以就投訴進行內部審查、監察投訴處理流程，並記錄結果。透過內外溝通渠道，本集團可有效獲得客戶反饋及意見，藉此加強及鞏固服務質素，同時有助本集團保持市場競爭力。

### 廣告及標籤

本集團緊密監察已發佈之市場推廣資料及產品標籤，以避免不當或誇大宣傳手法，亦已制定內部指引，以確保本集團現時提供準確產品標籤及市場推廣資料屬符合地方相關法例及規例。倘出現任何未有遵守內部指引之情況，本集團將會諮詢外部法律顧問，並在有需要時立即作出糾正行動。此外，內部指引將按政府發佈之最新法規定期更新。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B7. Anti-corruption

#### *General Disclosure*

To maintain a fair, ethical and efficient business and working environment, the Group strictly adheres to the laws and regulations relating to anti-corruption and bribery as set out by the government of Hong Kong. The Group values and upholds integrity, honesty and fairness in how we conduct businesses, therefore formulating the Anti-corruption Policy, as stipulated in the Employees' Handbook, to manage fraudulent practices.

During the Reporting Period, the Group did not notify any material non-compliance with relevant laws and regulations of bribery, extortion, fraud and money laundering, including but not limited to "Prevention of Bribery Ordinance" of Hong Kong, "Company Law of the People's Republic of China", and "Turkish Criminal Code No. 5237".

#### *Internal Control*

As spell out in the Employees' Handbook, employees should not offer, solicit or accept anything of material value to or from their colleagues, customers, suppliers or other business partners of the Group unless the Group has given its consent. The Group also provides anti-bribery and corruption training courses to its employees regularly. All employees are expected to discharge their duties with integrity, to act fairly and professionally, and to abstain from involving in any bribery activities or activities that might exploit their positions against the Group's interests.

To avoid conflict of interest, each employee is required to read and sign the Group's statement of policy governing conflicts of interest. The policy of the Group with respect to conflicts of interest requires all its employees to avoid any conflict between their personal interest and the interest of the Group in dealing with suppliers, consumers, and all other organizations doing, or seeking to do business with the Group.

### B7. 反貪污

#### *一般披露*

為維持公平、合乎道德及高效之業務及工作環境，本集團嚴格遵守香港政府現行有關反貪污及賄賂之法例及法規。本集團重視及奉行誠信、誠實及公平之營業方式，因此制定僱員手冊所訂明之反貪污政策，以管制舞弊行為。

於報告期間，本集團並未發現任何不遵守賄賂、勒索、欺詐及洗黑錢相關法例及規例之嚴重情況，該等法例及規例包括但不限於香港《防止賄賂條例》、《中華人民共和國公司法》及《土耳其刑法第5237號(Turkish Criminal Code No. 5237)》。

#### *內部監控*

如員工手冊所述，除非本集團同意，否則僱員不得提供、索求或接受其同事、客戶、供應商或本集團其他業務夥伴之任何貴重物品，反之亦然。本集團亦定期為僱員提供反賄賂及貪污之培訓課程，希望所有僱員於履行職責時堅守誠信，按公平及專業原則行事，並拒絕參與任何賄賂活動或濫用職權從事有損本集團利益之活動。

為避免利益衝突，各僱員須細閱及簽署本集團規管利益衝突之政策聲明。本集團有關利益衝突之政策要求，所有僱員在與供應商、客戶及所有其他正在或尋求與本集團進行業務合作之機構進行交易期間，須避免其個人利益與本集團利益出現任何衝突。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

### Protection of Whistle-blower

The Group is committed to ensuring that employees can speak up with confidence when he or she suspects activities of corruption, hence formulating the Confidential Whistleblowing Policy. Whistle-blowers have obligation to report any suspected misconduct and can report verbally or in writing to the senior management of the Group. The Group advocates a confidentiality mechanism to protect the whistle-blowers against unfair dismissal or victimisation, and takes practical steps to protect the whistle-blowers without fear of threatens, harassments or any disadvantage to the whistle-blowers' employment status.

Specifically, the Group developed and formulated Internal Whistleblowing Policy to enable employees to report any suspicious activities including but not limit to criminal offense, unlawful or fraudulent behaviours in relation to internal control, accounting and financial matters, acts which endanger the health and safety of persons, violation of the Group's Code of Conduct or rules, unethical conduct which may jeopardise the Group's reputation, and deliberate concealment of above matters to Human Resources Department, Company Secretary or Audit Committee. The Group would conduct investigations on any suspicious or illegal behaviour, and ensure all relevant information is kept intact and completely recorded. Breaching of rules will be disciplined by the Group, including termination of employment, and being brought to justice should any illicit activities being found.

### 保護舉報人

本集團致力確保僱員敢於提出懷疑貪污行為，故制定保密舉報政策。舉報人有義務通報任何涉嫌不當行為，並可向本集團高級管理層作口頭或書面報告。本集團提倡保密機制，以保護舉報人免受不公平解僱或迫害，並採取切實措施保護舉報人，防止舉報人之就業狀況會受到威脅、騷擾或發生任何不利情況。

具體而言，本集團已設立及制定內部舉報政策，以讓僱員就任何可疑活動向人力資源部門、公司秘書或審核委員會作出舉報，包括但不限於刑事罪行、涉及內部監控、會計及財政事務之違法或欺詐行為、危害人身健康及安全之行為、違反本集團操守守則或規則之舉動、可能損害本集團聲譽之不道德行為以及蓄意隱瞞上述事項。本集團將對任何可疑或違法行為進行調查，確保所有相關資料完整無缺及徹底記錄。如違反規則，本集團將作紀律處分（包括終止僱用），並在發現任何非法活動時將其繩之於法。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B8. Community Investment

#### *General Disclosure*

The Group is committed to embolden and support the public by the means of social participation and contribution as part of its strategic development, and to nurture the corporate culture and practices of corporate citizen in the daily work life. We aim to promote the stability of the society, and support underprivileged on rehabilitation to improve the quality of life. We also focus to inspire our employees towards social welfare concerns. We would embrace the human capital into the social management strategies to sustain our corporate social responsibility as a part of the strategic development of the Group.

#### Community Participation

We participate in community activities, for example donations, volunteering services, and sponsorships to help the needy in the society. To have a better understanding of the needs in the society and strengthen the connections with local communities, we regularly communicate with local charities.

During the Reporting Period, the Group has participated the Caring Company Scheme launched by the Hong Kong Council of Social Service (HKCSS) to promote good corporate citizenship. The Group has participated in a volunteer activity organized by Sheung Kung Hui Holy Carpenter Church Community Center. The activity aims to serve the underprivileged families in Kowloon City District by providing a platform for neighbourhoods to donate items such as furniture, stationery, toys and books for those who are in need. The activity encourages and increases self-help and mutual-help capabilities, strengthens community support networks for self-sustaining operation, and increases individual's capacity to community contribution.

The Company's staff has designed and hosted a game booth for parents and participants in the activity. Besides, the Group has donated HK\$5,000 for community event operating fund. Beneficiaries including but not limited to low-income families in Kowloon City District.

### B8. 社區投資

#### *一般披露*

作為策略發展其中一環，本集團致力以社會參與及貢獻之方式鼓勵及支持公眾，並在日常工作生活中培養企業公民之企業文化及常規。我們旨在促進社會穩定，協助貧困人士自力更生，以提升生活質素。此外，我們注重啟發僱員對社會公益之關注。我們會於社會管理策略中納入人力資本，以持續履行企業社會責任，作為本集團策略發展之其中一環。

#### 社區參與

我們參與捐贈、義工服務及贊助等社區活動，以幫助社會上之有需要人士。為更透徹瞭解社會需要及加深與本地社區之聯繫，我們定期與本地慈善機構進行交流。

於報告期間，本集團已參與香港社會服務聯會(HKCSS)發起之「商界展關懷」計劃以推動良好企業公民責任，亦參與由聖公會聖匠堂社區中心組織之一項義工活動。該活動目的是為九龍城區之貧困家庭提供服務，透過構建一個平台，讓居民可向有需要人士捐贈傢俬、文具、玩具、書籍等物品。該活動鼓勵及提升自助與互助能力，增強社區支援網路以自給自足運作，並提高個人作出社區貢獻之能力。

本公司員工為家長及活動參與者設計及主辦一個遊戲攤位。此外，本集團向社區活動營運基金捐出5,000港元。受益人包括但不限於九龍城區內低收入家庭。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

THE ESG REPORTING GUIDE CONTENT INDEX OF THE STOCK EXCHANGE OF HONG KONG LIMITED

香港聯合交易所有限公司環境、社會及管治報告指引內容索引

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
<b>Aspect A1: Emissions</b> 層面A1：排放物		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to Exhaust Gas and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Emissions 排放物
KPI A1.1 ("comply or explain") 關鍵績效指標A1.1(「不遵守就解釋」)	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions 排放物
KPI A1.2 ("comply or explain") 關鍵績效指標A1.2(「不遵守就解釋」)	GHG emissions in total (in tonnes) and intensity. 溫室氣體總排放量(以噸計算)及密度。	Emissions – GHG Emissions 排放物 – 溫室氣體排放
KPI A1.3 ("comply or explain") 關鍵績效指標A1.3(「不遵守就解釋」)	Total hazardous waste produced (in tonnes) and intensity. 所產生有害廢棄物總量(以噸計算)及密度。	Emissions – Waste Management Not applicable – Explained 排放物 – 廢棄物管理 不適用 – 已解釋
KPI A1.4 ("comply or explain") 關鍵績效指標A1.4(「不遵守就解釋」)	Total non-hazardous waste produced (in tonnes) and intensity. 所產生無害廢棄物總量(以噸計算)及密度。	Emissions – Waste Management 排放物 – 廢棄物管理
KPI A1.5 ("comply or explain") 關鍵績效指標A1.5(「不遵守就解釋」)	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	Emissions – GHG Emissions 排放物 – 溫室氣體排放
KPI A1.6 ("comply or explain") 關鍵績效指標A1.6(「不遵守就解釋」)	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。	Emissions – Waste Management 排放物 – 廢棄物管理

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
<b>Aspect A2: Use of Resources</b> 層面A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策。	Use of Resources 資源使用
KPI A2.1 ("comply or explain") 關鍵績效指標A2.1(「不遵守就解釋」)	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。	Use of Resources – Energy Management 資源使用－能源管理
KPI A2.2 ("comply or explain") 關鍵績效指標A2.2(「不遵守就解釋」)	Water consumption in total and intensity. 總耗水量及密度。	Use of Resources – Water Management 資源使用－水資源管理
KPI A2.3 ("comply or explain") 關鍵績效指標A2.3(「不遵守就解釋」)	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Use of Resources – Energy Management 資源使用－能源管理
KPI A2.4 ("comply or explain") 關鍵績效指標A2.4(「不遵守就解釋」)	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 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。	Use of Resources – Water Management 資源使用－水資源管理
KPI A2.5 ("comply or explain") 關鍵績效指標A2.5(「不遵守就解釋」)	Total packaging material used for finished products (in tonnes) and with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及每生產單位佔量。	Not applicable – Explained 不適用－已解釋

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
<b>Aspect A3: The Environment and Natural Resources</b> 層面A3：環境及天然資源		
General Disclosure 一般披露	Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策。	The Environment and Natural Resources 環境及天然資源
KPI A3.1 ("comply or explain") 關鍵績效指標A3.1(「不遵守就解釋」)	Description of the significant impacts of activities on the environment and natural resources and the 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已採取管理有關影響的行動。	The Environment and Natural Resources – Environmental Activities 環境及天然資源－環境活動
<b>Aspect B1: Employment</b> 層面B1：僱傭		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Employment 僱傭

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節／聲明
<p><b>Aspect B2: Health and Safety</b> 層面B2：健康與安全</p> <p>General Disclosure</p> <p>一般披露</p>	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.</p> <p>有關提供安全工作環境及保障僱員避免職業性危害的：</p> <p>(a) 政策；及</p> <p>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</p>	<p>Health and Safety</p> <p>健康與安全</p>
<p><b>Aspect B3: Development and Training</b> 層面B3：發展及培訓</p> <p>General Disclosure</p> <p>一般披露</p>	<p>Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.</p> <p>有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。</p>	<p>Development and Training</p> <p>發展及培訓</p>
<p><b>Aspect B4: Labour Standards</b> 層面B4：勞工準則</p> <p>General Disclosure</p> <p>一般披露</p>	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.</p> <p>有關防止童工或強制勞工的：</p> <p>(a) 政策；及</p> <p>(b) 遵守對發行人有重大影響的相關法律及規例的資料。</p>	<p>Labour Standards</p> <p>勞工準則</p>

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵績效指標	Description 描述	Section/Declaration 章節/聲明
<b>Aspect B5: Supply Chain Management</b> 層面B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理
<b>Aspect B6: Product Responsibility</b> 層面B6：產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Product Responsibility 產品責任
<b>Aspect B7: Anti-corruption</b> 層面B7：反貪污		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Anti-corruption 反貪污
<b>Aspect B8: Community Investment</b> 層面B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資





# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

TO THE MEMBERS OF EVERSHPINE GROUP HOLDINGS LIMITED  
(Incorporated in Hong Kong with limited liability)

致永耀集團控股有限公司股東  
(於香港註冊成立之有限公司)

### REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

審核綜合財務報表之報告

#### OPINION

#### 意見

We have audited the consolidated financial statements of Evershine Group Holdings Limited and its subsidiaries (“the Group”) set out on pages 96 to 207, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and note to the consolidated financial statements, including a summary of significant accounting policies.

我們已審核永耀集團控股有限公司及其附屬公司(「貴集團」)載列於第96至207頁之綜合財務報表，包括於二零一八年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表以及綜合財務報表附註，包括主要會計政策概述。

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 Hong Kong Companies Ordinance.

我們認為，該等綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實公平地反映 貴集團於二零一八年十二月三十一日之綜合財務狀況及其於截至該日止年度之綜合財務表現及綜合現金流量並已遵照香港公司條例妥為編製。

#### BASIS FOR OPINION

#### 意見之基礎

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

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核工作。我們於該等準則項下之責任於本報告核數師就審核綜合財務報表之責任一節進一步詳述。根據香港會計師公會的職業會計師道德守則(「守則」)連同與我們於香港審計綜合財務報表有關之道德規定，我們獨立於 貴集團，並已履行守則項下其他道德責任。我們認為我們已獲得充足和適當之審核憑證，以作為我們意見之基礎。

#### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

#### 與持續經營相關之重大不確定因素

We draw attention in note 2(c) to the consolidated financial statements which describes that the Group had net current liabilities with the amount of approximately HK\$24,152,000. These conditions, along with other matters as set forth in note 2(c) to the consolidated financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of on this matter. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

請注意綜合財務報表附註2(c)，當中闡述 貴集團有流動負債淨額約24,152,000港元。該等情況，連同綜合財務報表附註2(c)所載其他事宜，反映存在可能對 貴集團繼續持續經營之能力構成重大疑問之重大不確定因素。我們不會修訂就此事項之意見。除與持續經營相關之重大不確定因素所述事項外，我們已釐定下述事項為於我們的報告中予以傳達之關鍵審計事項。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2018. 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

### 關鍵審計事項

關鍵審計事項是根據我們的職業判斷，對於我們對截至二零一八年十二月三十一日止年度之綜合財務報表的審計最為重要的事項。該等事項乃於我們審計整體綜合財務報表及出具相關意見時進行處理，且我們不會對該等事項提供單獨的意見。除與持續經營相關之重大不確定因素所述事項外，我們已釐定下述事項為於我們的報告中予以傳達之關鍵審計事項。

Key audit matter 關鍵審計事項	How the matter was addressed in our audit 在審核中之處理方法
<p><b>Business acquisition</b></p> <p>On 1 October 2018, the Group acquired additional 30% of the issued share capital of Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi ("Boyracı Construction") for consideration of approximately HK\$23,042,000. Boyracı Construction is engaged in construction, contracting works and rental of residential properties in Turkey. Following this additional acquisition, Boyracı Construction has become an indirect 60%-owned subsidiary of the Company.</p> <p>We had identified business acquisition as a key audit matter because significant management judgement for purchase price allocation and special attention on accounting treatment were required.</p> <p><b>業務收購</b></p> <p>於二零一八年十月一日，貴集團以代價約23,042,000港元收購BoyracıYapıİnşaat ve Taahhüt Gayrimenkul Yatırım AnonimŞirketi (「BoyracıConstruction」)額外30%已發行股本。BoyracıConstruction於土耳其從事建築、承包工程及住宅物業租賃業務。此項額外收購後，BoyracıConstruction已成為貴公司擁有60%權益之間接附屬公司。</p> <p>我們已識別業務合併作為關鍵審計事項，乃由於須對購買價分配作出重大管理判斷及須特別注意會計處理。</p>	<p>Our major audit procedures to address the business acquisition included the following:</p> <ul style="list-style-type: none"> <li>We examined the sales and purchase agreement for the acquisition and enquired the management the basis determination of completion date of acquisition and tested the supporting thereof;</li> <li>We tested the purchase price allocation in which we especially focused on the valuation of net assets amount. We particularly focused on the related fair value adjustments;</li> <li>We discussed with management and the independent external valuer engaged by the Company in relation to the methodology and assumptions adopted in arriving at the fair value of net assets, to see whether the methodology and assumptions were reasonable;</li> <li>We checked on a sample basis the accuracy and reliance of the input data used; and</li> <li>We assessed the competency of the independent external valuer taking into account its experiences and qualifications.</li> </ul> <p>我們有關業務收購之主要審計程序包括如下：</p> <ul style="list-style-type: none"> <li>我們審查收購之買賣協議，並諮詢管理層釐定收購完成日期之基準，並測試其支持理據；</li> <li>我們測試購買價分配，尤其集中測試資產淨值之估值。我們尤其集中於相關公平值的調整；</li> <li>我們與管理層及貴公司所委聘之獨立外聘估值師在達致資產淨值公平值所採納之方法及假設進行討論，以了解該等假設及方法是否合理；</li> <li>我們抽樣檢查所用輸入數據之準確性及可靠性；</li> <li>我們經計及獨立外聘估值師之經驗及資格評估其勝任能力。</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

Key audit matter 關鍵審計事項	How the matter was addressed in our audit 在審核中之處理方法
<p><b><i>Fair value of investment properties</i></b></p> <p>As at 31 December 2018, the fair value of the investment properties was approximately HK\$154,727,000. The Group appointed independent professional valuers to determine the fair value of investment properties as at 31 December 2018. The valuation model adopted for the valuation was market comparison approach.</p> <p>We have identified the assessment of fair value of investment properties as a key audit matter because significant judgement was involved in the determination of the fair value of the investment properties.</p> <p><b>投資物業之公平值</b></p> <p>於二零一八年十二月三十一日，投資物業之公平值約為154,727,000港元。貴集團已委聘一名獨立專業估值師釐定投資物業於二零一八年十二月三十一日之公平值。就估值所採用之估值模式為市場比較法。</p> <p>我們已識別評估投資物業之公平值作為關鍵審計事項，乃由於釐定投資物業之公平值涉及重大判斷。</p>	<p>Our major audit procedures relating to the fair value of investment properties included the following:</p> <ul style="list-style-type: none"> <li>• We discussed with management and independent valuers engaged by the Company in relation to the methodology applied and assumptions being used in arriving the fair value of investment properties.</li> <li>• We checked the accuracy and reliance of the source data used in the valuation.</li> <li>• We assessed the competency of the independent external valuer taking into account its experience and qualifications.</li> </ul> <p>我們有關投資物業之公平值之主要審計程序包括如下：</p> <ul style="list-style-type: none"> <li>• 我們與管理層及貴公司所委聘之獨立估值師就釐定投資物業公平值所採用之方法及假設進行討論。</li> <li>• 我們查證估值所使用資料數據之準確性及可靠性。</li> <li>• 我們經已計及獨立外聘估值師之經驗及資格評估其勝任能力。</li> </ul>

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

Key audit matter 關鍵審計事項	How the matter was addressed in our audit 在審核中之處理方法
<p><b><i>Impairment assessment of intangible assets in relation to cemetery segment</i></b></p> <p>As at 31 December 2018, included in tangible assets was an operating rights of cemetery of approximately HK\$38,499,000 which were allocated to the Group's cemetery segment ("Cemetery CGU").</p> <p>For the purpose of assessing impairment, the Group appointed an independent valuer to assess the recoverable amount of the Cemetery CGU, which were determined by management based on the higher value-in-use and fair value less costs of disposal. The valuation requires significant judgement by management in valuing the Cemetery CGU.</p> <p>For the year ended 31 December 2018, impairment loss of approximately HK\$73,171,000 had been recognised on the Group's intangible assets in related to cemetery segment.</p> <p>We have identified the impairment assessment of intangible assets related to cemetery segment as a key audit matter because the estimates of the recoverable amount of the Cemetery CGU are complex, subjective and highly judgmental, in particular, assumptions and judgements made by management in arriving at the cash flow forecasts of the Cemetery CGU.</p> <p><b>有關公墓分部之無形資產減值評估</b></p> <p>於二零一八年十二月三十一日，計入有形資產之公墓經營權約38,499,000港元已分配至 貴集團之公墓分部（「公墓現金產生單位」）。</p> <p>為達到評估減值之目的， 貴集團已委任獨立估值師評估公墓現金產生單位之可收回金額，該金額乃由管理層根據使用價值與公平值減出售成本之較高者釐定。對公墓現金產生單位進行估值時，有關估值須由管理層作出重大判斷。</p> <p>截至二零一八年十二月三十一日止年度， 貴集團有關公墓分部之無形資產確認減值虧損約73,171,000港元。</p> <p>我們已識別有關公墓分部之無形資產減值評估作為關鍵審計事項，乃由於公墓現金產生單位可收回金額之估計複雜且屬主觀及須作出較高判斷，特別是管理層在達致公墓現金產生單位之現金流量預測時作出之假設及判斷。</p>	<p>Our major audit procedures relating to the management's impairment assessment of goodwill and intangible assets relating to the cemetery segment included the following:</p> <ul style="list-style-type: none"> <li>• We obtained and reviewed cash flow forecasts of the related cash-generating units prepared by management and approved by the directors of the Company.</li> <li>• We discussed with management and independent valuer engaged by the Company in relation to the methodology applied, basis and assumptions being used in arriving at the forecasts (e.g. time of completion, operating profit margin and discount rate).</li> <li>• We checked, on a sample basis, the accuracy and reliability of the input data used.</li> <li>• We assessed the competency of the independent external valuer taking into account its experience and qualifications.</li> <li>• We performed sensitivity analysis on key assumptions being used in the forecasts (e.g. using a range of higher discount rates and lower revenue growth rate).</li> </ul> <p>我們對管理層有關公墓分部之商譽及無形資產之減值評估作出之主要審計程序包括下列各項：</p> <ul style="list-style-type: none"> <li>• 我們取得並審閱由管理層所編製及經由 貴公司董事批准相關現金產生單位之現金流量預測。</li> <li>• 我們與管理層及 貴公司所委聘之獨立估值師就達致該等預測所採用之方法以及所使用之基準及假設（例如完工時間、經營溢利率及貼現率）進行討論。</li> <li>• 我們抽樣檢查所使用輸入數據之準確性及可靠性。</li> <li>• 我們經計及獨立外聘估值師經驗及資格評估其勝任能力。</li> <li>• 我們對有關預測所使用主要假設（例如使用一系列較高之貼現率及較低之收益增長率）進行敏感度分析。</li> </ul>



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

### RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors 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 Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee are responsible for overseeing the Group's financial reporting process.

綜合財務報表及當中所載核數師報告以外之其他資料

董事負責編製其他資料。其他資料包括列入年報之資料，惟不包括綜合財務報表及我們就此編製的核數師報告。

我們就綜合財務報表之意見不涵蓋其他資料且我們不就此作出任何形式之鑒證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料並在此過程中考慮其他資料是否與綜合財務報表或我們在審核中所了解者存在重大不一致，或似乎存在重大錯誤陳述。倘基於我們已經進行的工作，我們認為此其他資料存在重大錯誤陳述，我們須報告該事實。而就此我們並無任何報告。

### 董事及審核委員會就綜合財務報表之責任

董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例編製真實公平之綜合財務報表，並對其認為能夠使綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部監控負責。

於編製綜合財務報表時，董事負責評估 貴集團持續經營之能力、披露(如適用)有關持續經營之事宜及使用持續經營之會計基礎，惟董事擬將 貴集團清盤或停止營業或除此之外別無其他可行替代方案則除外。

審核委員會負責監督 貴集團之財務報告程序。





# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### 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. The report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

### 核數師就審核綜合財務報表之責任

我們的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何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。根據我們所協定的委聘條款僅向閣下（作為整體）報告，除此之外別無其他目的。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，如果合理預期它們個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決定，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，我們運用了職業判斷並在整個審計過程中保持了職業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及取得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比較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審計相關的內部監控，以設計於相關環境下屬適當的審計程序，但目的並非對貴集團內部監控的有效性發表意見。
- 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，並根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。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對綜合財務報表中的相關披露資料的關注，倘有關的披露資料不足，則須修訂我們的意見。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。



## 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.
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允呈列相關交易及事項。
- 就貴集團中實體或業務活動的財務資料獲取充分、適當的審計憑證，以對綜合財務報表發表意見。我們負責指導、監督和執行集團審計。我們對我們的審計意見承擔全部責任。

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Wai Nam William with practising certificate number: P05957.

我們與審核委員會就(其中包括)審計的計劃範圍及時間以及重大審計發現(包括我們於審計中識別的內部監控的任何重大缺陷)進行溝通。

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

從與審核委員會溝通的事項中，我們釐定對本期間綜合財務報表的審計最為重要的事項，進而釐定關鍵審計事項。我們會在核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人是陳偉楠(執業證書編號：P05957)。

**Elite Partners CPA Limited**  
Certified Public Accountants

Hong Kong, 22 March 2019

10th Floor,  
8 Observatory Road,  
Tsim Sha Tsui,  
Kowloon, Hong Kong.

開元信德會計師事務所有限公司  
執業會計師

香港，二零一九年三月二十二日

香港九龍  
尖沙咀  
天文臺道8號  
10樓

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 綜合損益表

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

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
<b>Continuing operations</b>	持續經營業務			
Revenue	收益	4&13	4,427	27,948
Cost of sales	銷售成本		(2,506)	(25,314)
Gross profit	毛利		1,921	2,634
Other income, gains/(losses), net	其他收入、收益/(虧損)淨額	5	11,082	(6,348)
Share of (losses)/profits of associates	分佔聯營公司(虧損)/溢利		(5,790)	996
Impairment loss on intangible assets	無形資產之減值虧損	17	(73,171)	—
Operating and administrative expenses	經營及行政開支		(32,023)	(39,578)
<b>Loss from operations</b>	經營虧損		(97,981)	(42,296)
Finance costs	融資成本	6(a)	(15,465)	(27,033)
Loss before taxation	除稅前虧損	6	(113,446)	(69,329)
Taxation	稅項	7(a)	3	—
Loss after taxation from continuing operations	持續經營業務之除稅後虧損		(113,443)	(69,329)
<b>Discontinued operations</b>	已終止業務			
Profit from discontinued operations	已終止業務溢利	11	—	580
<b>Loss for the year</b>	本年度虧損		(113,443)	(68,749)
Attributable to:	歸屬於：			
Shareholders of the Company	本公司股東			
— From continuing operations	— 來自持續經營業務		(105,087)	(67,532)
— From discontinued operation	— 來自已終止業務	11	—	571
			(105,087)	(66,961)
Non-controlling interests	非控股權益			
— From continuing operations	— 來自持續經營業務		(8,356)	(1,797)
— From discontinued operation	— 來自已終止業務	11	—	9
			(8,356)	(1,788)
<b>Loss per share</b>	每股虧損	12		
From continuing and discontinued operation	來自持續經營業務及已終止業務			
Basic and Diluted	基本及攤薄		(6.02) cents港仙	(4.16) cents港仙
From continuing operations	來自持續經營業務	12		
Basic and Diluted	基本及攤薄		(6.02) cents港仙	(4.20) cents港仙
From discontinued operation	來自已終止業務	12		
Basic and Diluted	基本及攤薄		N/A 不適用	0.04 cents港仙

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表其中部分。

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Loss for the year</b>	本年度虧損	<b>(113,443)</b>	(68,749)
<b>Other comprehensive income/(expense) for the year</b>	本年度其他全面收入／(開支)		
Items that may be reclassified subsequently to profit or loss:	可能於其後獲重新分類至 損益之項目：		
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表 之匯兌差額	4,471	3,401
Release of exchange reserve upon derecognition of an associate	終止確認一間聯營公司時撥回 匯兌儲備	5,623	—
Share of exchange differences of associates	分佔聯營公司之 匯兌差額	(7,244)	(101)
Release of exchange reserve upon disposal of subsidiaries	出售附屬公司時 撥回匯兌儲備	—	(426)
<b>Other comprehensive income for the year</b>	本年度其他全面收入	<b>2,850</b>	2,874
<b>Total comprehensive expense for the year</b>	本年度全面開支總額	<b>(110,593)</b>	(65,875)
Attributable to:	歸屬於：		
Equity shareholders of the Company	本公司權益股東	(106,324)	(63,588)
Non-controlling interests	非控股權益	(4,269)	(2,287)
<b>Total comprehensive expense for the year</b>	本年度全面開支總額	<b>(110,593)</b>	(65,875)

The accompanying notes form part of these consolidated financial statements. 隨附附註構成該等綜合財務報表其中部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	53,300	56,194
Investment properties	投資物業	15	154,727	55,100
Investment properties under construction	在建投資物業	16	35,021	—
Intangible assets	無形資產	17	38,499	114,478
Interests in associates	於聯營公司之權益	18	77,388	120,812
Deposit for acquisition of subsidiaries	收購附屬公司按金		—	15,626
Deferred tax assets	遞延稅項資產	29	1,282	—
			<b>360,217</b>	<b>362,210</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	19	420	2,303
Trade and other receivables	貿易及其他應收款項	20	20,354	40,091
Loan and interest receivables	應收貸款及利息	21	—	902
Cash and cash equivalents	現金及現金等價物	22	3,573	13,947
			<b>24,347</b>	<b>57,243</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables and contract liabilities	貿易、其他應付款項及合約負債	23	11,715	10,966
Contingent consideration	或然代價		6,644	—
Borrowings	借貸	24	30,000	52,000
Obligations under finance leases	融資租約債務	25	133	155
Promissory notes	承兌票據	26	—	20,152
Tax payable	應付稅項		7	—
			<b>48,499</b>	<b>83,273</b>
<b>Net current liabilities</b>	<b>流動負債淨額</b>		<b>(24,152)</b>	<b>(26,030)</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>336,065</b>	<b>336,180</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Other payables	其他應付款項	23	8,893	754
Obligations under finance leases	融資租約債務	25	570	676
Borrowings	借貸	24	59,000	—
Promissory notes	承兌票據	26	63,417	51,211
Convertible notes	可換股票據	27	—	96,198
Provision for employment benefits	僱員福利撥備	28	35	—
Deferred tax liabilities	遞延稅項負債	29	21,107	—
			<b>153,022</b>	<b>148,839</b>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>183,043</b>	<b>187,341</b>



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
<b>CAPITAL AND RESERVES</b>	資本及儲備			
Share capital	股本	30	1,088,011	1,015,341
Reserves	儲備	30	(948,802)	(838,354)
<b>Total equity attributable to shareholders of the Company</b>	本公司股東應佔權益總額		<b>139,209</b>	176,987
Non-controlling interests	非控股權益		<b>43,834</b>	10,354
<b>TOTAL EQUITY</b>	權益總額		<b>183,043</b>	187,341

Approved and authorised for issue by the Board of Directors on 22 March 2019.

經由董事會於二零一九年三月二十二日批准及授權刊發。

**Hung Tat Chi Alan**

洪達智  
Director  
董事

**Ling Ko Yin Jason**

林高然  
Director  
董事

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表其中部分。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Attributable to shareholders of the Company 本公司股東應佔									
		Notes 附註	Share capital	Exchange reserve	Statutory reserve	Convertible notes reserve	Other reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
			股本 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	法定儲備 HK\$'000 千港元	可換股票據儲備 HK\$'000 千港元	其他儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	小計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	權益總額 HK\$'000 千港元
At 1 January 2017	二零一七年一月一日		959,333	(4,167)	53	3,433	44	(776,881)	181,815	12,667	194,482
Loss for the year	年內虧損		—	—	—	—	—	(66,961)	(66,961)	(1,788)	(68,749)
Share of exchange difference on associate	分佔聯營公司之匯兌差額		—	(101)	—	—	—	—	(101)	—	(101)
Released of exchange reserve upon disposal of subsidiaries	出售附屬公司時撥回匯兌儲備		—	(426)	—	—	—	—	(426)	—	(426)
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額		—	3,900	—	—	—	—	3,900	(499)	3,401
Profit/(Loss) and total comprehensive income/(expenses) for the year	年內溢利/(虧損)及全面收入/(開支)總額		—	3,373	—	—	—	(66,961)	(63,588)	(2,287)	(65,875)
Issue of convertible notes	發行可換股票據	27	—	—	—	3,336	—	—	3,336	—	3,336
Issue of placed share	發行配售股份		41,160	—	—	—	—	—	41,160	—	41,160
Issue of shares upon conversion of convertible notes	兌換可換股票據後發行股份		14,848	—	—	(584)	—	—	14,264	—	14,264
Disposal of subsidiaries	出售附屬公司	33	—	—	(53)	—	—	53	—	(26)	(26)
At 31 December 2017	於二零一七年十二月三十一日		1,015,341	(794)	—	6,185	44	(843,789)	176,987	10,354	187,341
HKFRS 9 adjustment on accumulated losses	香港財務報告準則第9號就累計虧損作出調整	2(d)	—	—	—	—	—	(1,811)	(1,811)	—	(1,811)
Loss for the year	年內虧損		—	—	—	—	—	(105,087)	(105,087)	(8,356)	(113,443)
Share of exchange difference on associates	分佔聯營公司之匯兌差額		—	(7,244)	—	—	—	—	(7,244)	—	(7,244)
Release of exchange reserve upon derecognition of an associate	終止確認一間聯營公司時撥回匯兌儲備		—	5,623	—	—	—	—	5,623	—	5,623
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額		—	384	—	—	—	—	384	4,087	4,471
Loss and total comprehensive expenses for the year	年內虧損及全面開支總額		—	(1,237)	—	—	—	(105,087)	(106,324)	(4,269)	(110,593)
Acquisition of additional interests in a subsidiary	收購一間附屬公司額外權益		—	—	—	—	—	439	439	(439)	—
Business combination achieved in stages	分階段達成之業務合併	32	—	—	—	—	—	—	—	38,188	38,188
Issue of shares upon conversion of convertible notes	兌換可換股票據後發行股份	27	72,670	—	—	(2,752)	—	—	69,918	—	69,918
Derecognition of convertible notes	終止確認可換股票據	27	—	—	—	(3,433)	—	3,433	—	—	—
At 31 December 2018	於二零一八年十二月三十一日		1,088,011	(2,031)	—	—	44	(946,815)	139,209	43,834	183,043

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Operating activities</b>	<b>經營業務</b>		
Loss before taxation	除稅前虧損		
from continuing operations	來自持續經營業務	(113,446)	(69,329)
from discontinued operation	來自已終止業務	—	580
Adjustments for:	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,879	2,959
Gain on extinguishment of promissory notes	抵銷承兌票據之收益	(8,487)	—
Share of (losses)/profits of associates	分佔聯營公司之(虧損)/溢利	5,790	(996)
Gain on fair value change of investment properties	投資物業之公平值變動收益	(5,700)	(3,200)
Fair value of derivative asset – put option	衍生資產 — 認沽期權之公平值	—	8,860
Amortisation of intangible assets	無形資產攤銷	2,808	3,873
Impairment loss on intangible assets	無形資產之減值虧損	73,171	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備損	384	392
Gain of disposal of subsidiaries	出售附屬公司之收益	—	(890)
Interest income	利息收入	(2)	(10)
Finance costs	融資成本	15,465	27,033
(Gain)/loss on early partial redemption of promissory notes	提早贖回部份承兌票據之(收益)/虧損	(590)	5,087
Loss on fair value change of contingent consideration	或然代價之公平值變動虧損	1,832	—
Loss on fair value change of promissory note designated at FVTPL	指定為按公平值計入損益之承兌票據之公平值變動虧損	2,282	—
Reversal of allowance for credit losses on trade debtors	應收賬款信貸虧損撥備撥回	(1,787)	—
Gain on derecognition of interest in an associate	終止確認於一間聯營公司之權益之收益	(1,050)	—
Impairment loss on interest in an associate	於一間聯營公司之權益之減值虧損	2,884	—
<b>Operating loss before changed in working capital</b>	<b>營運資金變動前之經營虧損</b>	<b>(23,567)</b>	<b>(25,641)</b>
Decrease in inventories	存貨減少	1,883	1,215
Decrease in trade and other receivables	貿易及其他應收款項減少	24,057	64,786
Increase/(decrease) in trade and other payables and contract liabilities	貿易及其他應付款項以及合約負債增加/(減少)	4,588	(7,191)
Decrease/(increase) in loan and interest receivables	應收貸款及利息減少/(增加)	902	(902)
Increase in provision for employment benefits	僱員福利撥備增加	5	—
<b>Cash generated from operating activities</b>	<b>經營業務所得之現金</b>	<b>7,868</b>	<b>32,267</b>
Tax paid	已付稅項	—	—
<b>Net cash generated from operating activities</b>	<b>經營業務所得之現金淨額</b>	<b>7,868</b>	<b>32,267</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Investing activities</b>	<b>投資活動</b>		
Cash effect on disposal of subsidiaries	出售附屬公司之現金影響	—	(88)
Deposit paid for acquisition of subsidiaries	收購附屬公司已付按金	—	(15,626)
Cash effect for acquisition of an associate	收購一間聯營公司之現金影響	(29)	(30,000)
Cash effect for business combination achieved in stages	分階段達成之業務合併之現金影響	18	—
Payment for purchase of property, plant and equipment	就購買物業、廠房及設備付款	(518)	(9,326)
Payment for construction costs of investment properties under construction	就在建投資物業建築成本付款	(2,439)	—
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	—	3,405
Interest received	已收利息	2	10
<b>Net cash used in investing activities</b>	<b>投資活動所用之現金淨額</b>	<b>(2,966)</b>	<b>(51,625)</b>
<b>Financing activities</b>	<b>融資活動</b>		
Proceeds from issue of convertible notes	發行可換股票據所得款項	—	83,420
Interest paid	已付利息	(12,062)	(13,005)
Proceeds from borrowings	借貸所得款項	65,000	—
Repayment of borrowings	償還借貸	(58,000)	—
Repayment of promissory notes	償還承兌票據	(10,000)	(90,724)
Repayment of finance leases	償還融資租約	(128)	(116)
Advance to an associate	向一間聯營公司墊款	(31)	—
Issuance of placed shares	發行配售股份	—	41,160
<b>Net cash (used in)/generated from financing activities</b>	<b>融資活動(所用)/所得之現金淨額</b>	<b>(15,221)</b>	<b>20,735</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物之(減少)/增加淨額</b>	<b>(10,319)</b>	<b>1,377</b>
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	13,947	12,406
Effect of foreign rate changes	匯兌變動之影響	(55)	164
<b>Cash and cash equivalents at 31 December</b>	<b>於十二月三十一日之現金及現金等價物</b>	<b>3,573</b>	<b>13,947</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 1. GENERAL INFORMATION

Evershine Group Holdings Limited (the “Company”) is a public limited company incorporated in Hong Kong with its shares listed on the GEM of The Stock Exchange of Hong Kong Limited.

The address of the registered office and principal place of business of the Company are at 16th Floor, Henan Building, 90 & 92 Jaffe Road, Wan Chai, Hong Kong.

The principal activity of the Company is investment holding. The subsidiaries and associates of the Company are engaged in the provision of trading business, property development and investment business, money lending business, mobile application business and cemetery business.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) Statement of compliance

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

### 1. 一般資料

永耀集團控股有限公司(「本公司」)為一間於香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司GEM上市。

本公司註冊辦事處及主要營業地址為香港灣仔謝斐道90及92號豫港大廈16樓。

本公司之主要業務為投資控股。本公司附屬公司及聯營公司從事提供貿易業務、物業開發及投資業務、放債業務、手機應用程式業務及公墓業務。

綜合財務報表以港元(「港元」)呈列，與本公司之功能貨幣相同。

### 2. 重大會計政策概要

#### (a) 合規聲明

此等綜合財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)(為所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)及香港公認會計原則以及香港公司條例之規定編製。此等綜合財務報表亦遵守香港聯合交易所有限公司GEM證券上市規則(「GEM上市規則」)之適用披露規定。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

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

The measurement basis used in the preparation of the financial statements is the historical cost basis, except for investment properties and financial liabilities at fair value through profit or loss, which are measured at fair value.

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

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

### 2. 重大會計政策概要(續)

#### (b) 財務報表之編製基準

編製財務報表所採納之計量基準為歷史成本基準，惟以公平值計量之投資物業及按公平值計入損益之金融負債除外。

根據香港財務報告準則編製財務報表需要管理層作出判斷、估計及假設，該等判斷、估計及假設影響政策之應用以及資產、負債、收入及開支之呈報金額。估計及相關假設乃根據以往經驗及在相關情況下認為合理之多項其他因素作出，其結果構成管理層未能明顯地從其他來源取得資產及負債之賬面值時所作出判斷之基礎。實際結果有可能會與估計出現差異。

估計及相關假設乃按持續基礎不斷檢討。倘會計估計之修訂只是影響某一期間，其影響便會在該期間內確認；倘修訂對當前及未來期間均有影響，則在作出修訂之期間和未來期間確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (c) Going concern assumption

In preparing these consolidated financial statements, the directors have considered the future liquidity of the Group. As at 31 December 2018, the Group had recorded net current liabilities of approximately HK\$24,152,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the aforesaid conditions, the consolidated financial statements have been prepared on a going concern basis on the assumption that the Group will be able to operate as a going concern for the foreseeable future. In the opinion of the directors, the Group can meet its financial obligations as and when they fall due within the next year from the date of the consolidated financial statements, after taking into consideration of the following measures and arrangements made subsequent to the reporting date:

The Company has been offered a borrowing of HK\$40,000,000 with an interest rate carrying at 24% per annum that would be made available up to 21 March 2021. The borrowing will be secured by second mortgage charge against the Group's Hong Kong investment properties and land and buildings. The lender of this borrowing offer is a licensed money lender in Hong Kong, an independent third party to the Group.

### 2. 重大會計政策概要(續)

#### (c) 持續經營之假設

於編製此等綜合財務報表時，董事已考慮本集團日後流動資金。於二零一八年十二月三十一日，本集團錄得流動負債淨額約24,152,000港元。此等狀況反映存在可能對本集團繼續持續經營之能力構成重大疑問之重大不確定因素，因此本集團可能無法於正常業務過程中變現其資產及償還負債。

儘管存在上述狀況，惟綜合財務報表乃按持續經營基準編製並假設本集團將於可見將來能以持續經營方式營運。董事於考慮以下於報告日期後所作之措施及安排後認為，本集團可履行其自綜合財務報表日期起翌年內到期之財務責任：

本集團已獲取40,000,000港元借貸，利率按年利率24%計息，有效期將至二零二一年三月三十一日。該借貸將由本集團於香港之投資物業以及土地及樓宇作第二按揭抵押。該借貸之貸方為於香港之持牌放債人及本集團獨立第三方。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (c) Going concern assumption (Continued)

In light of the arrangements implemented to date, the directors are of the view that the Group has sufficient cash resources to satisfy its working capital and other financial obligations for the next twelve months from the date of the consolidated financial statements, after having taken into account of the Group's projected cash flows, current financial resources and capital expenditure requirements with respect to the development of its businesses. Accordingly, the directors are of the view that it is appropriate to prepare these consolidated financial statements on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to restate the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

#### (c) 持續經營之假設(續)

鑒於迄今所實施之措施及安排，董事於考慮本集團預期現金流量、當前財務資源及與其業務發展有關之資本開支要求後認為，本集團擁有充足之現金資源，以滿足自綜合財務報表日期起未來十二個月之營運資金及其他財務責任。因此，董事認為以持續經營基準編製此等綜合財務報表實屬恰當。倘本集團不能繼續以持續經營方式營運，將會作出調整以將資產價值重列至其可收回金額，以為可能產生之任何其他負債作出撥備，及分別將非流動資產及非流動負債重新分類為流動資產及流動負債。此等潛在調整之影響並未於此等綜合財務報表中反映。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (d) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs)

##### *Application of new and revised HKFRSs*

In the current year, the Group has applied a number of new standards and interpretation issued by the Hong Kong Institute of Certified Public Accountants for the first time of which the followings are relevant to the Group's consolidated financial statements:

- HKFRS 9 *Financial Instruments* (including the amendments to HKFRS 9 *Prepayment Features with Negative Compensation* which is mandatorily effective for annual periods beginning on or after 1 January 2019);
- HKFRS 15 *Revenue from Contracts with Customers* and amendments to HKFRS 15; and
- HK(IFRIC) 22 *Foreign Currency Transactions and Advance Consideration*.

#### A) *Application of HKFRS 9*

HKFRS 9 and the amendments to HKFRS 9 have replaced HKAS 39 *Financial Instruments: Recognition and Measurement*. HKFRS 9 sets out the requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. In accordance with the specific transitional provisions set out in HKFRS 9, the Group has applied the classification and measurement requirements (including requirements relating to impairment) to items that existed as of the date of initial application (i.e. 1 January 2018) on a retrospective basis based on the facts and circumstances and business models that existed as at 1 January 2018. However, the Group has decided not to restate the comparative figures. Accordingly, the comparative information continues to be presented based on the requirements of HKAS 39 and hence may not be comparable with the current year information. The cumulative effect of initial application of HKFRS 9 has been recognised as adjustments to the opening equity as of 1 January 2018.

### 2. 重大會計政策概要(續)

#### (d) 應用新訂及經修訂香港財務報告準則

應用新訂及經修訂香港財務報告準則於本年度，本集團已應用香港會計師公會頒佈之下列與本集團綜合財務報表有關的一系列新訂準則及詮釋：

- 香港財務報告準則第9號金融工具(包括自二零一九年一月一日開始或之後年度期間強制生效的香港財務報告準則第9號(修訂本)附帶負補償之預付款項)；
- 香港財務報告準則第15號來自客戶合約之收益及香港財務報告準則第15號(修訂本)；及
- 香港(國際財務報告詮釋委員會)詮釋第22號外幣交易及預付代價。

#### A) 應用香港財務報告準則第9號

香港財務報告準則第9號及香港財務報告準則第9號(修訂本)已取代香港會計準則第39號金融工具：確認及計量。香港財務報告準則第9號載列確認及計量金融資產、金融負債及若干買賣非金融項目合約的要求。根據香港財務報告準則第9號載列的具體過渡條文，本集團根據二零一八年一月一日存在的事實及情況以及業務模式按追溯基準就於初次應用日期(即二零一八年一月一日)的項目應用分類及計量規定(包括有關減值規定)。然而，本集團已決定不重列比較數據。因此，比較資料仍根據香港會計準則第39號規定呈列，故與本年度資料不具可比性。首次應用香港財務報告準則第9號的累積影響已確認為就二零一八年一月一日期初權益所作調整。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (d) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs) (Continued)

##### A) Application of HKFRS 9 (Continued)

(i) Classification and measurement of financial assets  
In general, HKFRS 9 categories financial assets into the following three classification categories:

- amortised cost;
- fair value through other comprehensive income (“FVTOCI”); and
- fair value through profit or loss (“FVTPL”).

These classification categories are different from those set out in HKAS 39 which included held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVTPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

Details about the Group’s accounting policies for its financial assets and financial liabilities are disclosed in note 2(p) and notes 2(q) to the consolidated financial statements.

The Group did not designate or de-designate any financial asset at FVTOCI or FVTPL at 1 January 2018.

### 2. 重大會計政策概要(續)

#### (d) 應用新訂及經修訂香港財務報告準則(續)

##### A) 應用香港財務報告準則第9號(續)

##### (i) 金融資產分類及計量

一般而言，香港財務報告準則第9號將金融資產分為以下三個類別：

- 攤銷成本；
- 按公平值計入其他全面收入(「按公平值計入其他全面收入」)；及
- 按公平值計入損益(「按公平值計入損益」)。

該等分類與香港會計準則第39號所載計入持有至到期投資、貸款及應收款項、可供出售金融資產以及按公平值計入損益計量之金融資產不同。香港財務報告準則第9號項下的金融資產分類乃根據管理金融資產的業務模式及其合約現金流量特徵釐定。

本集團就金融資產及金融負債的會計政策詳情於綜合財務報表附註2(p)及附註2(q)披露。

本集團於二零一八年一月一日並無指定或重新指定任何金融資產於按公平值計入其他全面收入或按公平值計入損益計量。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (d) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs) (Continued)

#### (d) 應用新訂及經修訂香港財務報告準則(續)

##### A) Application of HKFRS 9 (Continued)

##### A) 應用香港財務報告準則第9號(續)

##### (i) Classification and measurement of financial assets (Continued)

##### (i) 金融資產分類及計量(續)

The following table shows a reconciliation from how the Group's financial assets existed as of 1 January 2018 were classified and measured under HKAS 39 to how they are classified and measured under HKFRS 9:

下表列示本集團於二零一八年一月一日之現有金融資產根據香港會計準則第39號的分類及計量方式與根據香港財務報告準則第9號的分類及計量方式的對賬：

	Old classification under HKAS 39	New classification under HKFRS 9	Carrying amount under HKAS 39 HK\$'000	Note	Carrying amount under HKFRS 9 HK\$'000
	根據香港會計準則第39號的舊分類方式	根據香港財務報告準則第9號的新分類方式	根據香港會計準則第39號的賬面值 千港元	附註	根據香港財務報告準則第9號的賬面值 千港元
Trade and other receivables	Trade and other receivables	Amortised cost	40,091	(i)	38,288
貿易及其他應收款項	貿易及其他應收款項	攤銷成本			
Loan and interest receivables	Loans receivables	Amortised cost	902	(i)	894
應收貸款及利息	應收貸款	攤銷成本			

Note (i): The amount represented additional impairment loss based on the new expected loss model under HKFRS 9. Please also see details disclosed in (A)(II) below.

附註(i)：有關款項指根據香港財務報告準則第9號按新預期虧損模式計算的額外減值虧損。請另參閱下文(A)(II)披露的詳情。

##### (II) Impairment

HKFRS 9 has introduced the expected credit loss model ("ECL model") to replace the "incurred loss" model under HKAS 39. The expected credit loss ("ECL") requires an ongoing measurement of credit risk associated with a financial asset. The Group has applied the expected loss ("ECL") to financial assets that are subsequently measured at amortised cost (including trade and other receivables and loan and interest receivables)

##### (II) 減值

香港財務報告準則第9號引入預期信貸虧損模式(「預期信貸虧損模式」)取代香港會計準則第39號項下之「已產生虧損」模式。預期信貸虧損(「預期信貸虧損」)要求持續計量金融資產相關之信貸風險。本集團已將「預期虧損模式」應用於其後按攤銷成本計量之金融資產(包括貿易及其他應收款項以及應收貸款及利息)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (d) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs) (Continued)

#### (d) 應用新訂及經修訂香港財務報告準則(續)

##### A) Application of HKFRS 9 (Continued)

##### A) 應用香港財務報告準則第9號(續)

##### (II) Impairment (Continued)

##### (II) 減值(續)

The Group applies the HKFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables. Impairment of other receivable and loan and interest receivables are measured as either 12-month. ECL or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition.

本集團應用香港財務報告準則第9號簡易方法計量預期信貸虧損，就貿易應收款項使用生命周期之預期信貸虧損撥備。其他應收款項以及應收貸款及利息之減值按十二個月預期信貸虧損或生命周期預期信貸虧損計量，取決於信貸風險自初步確認以來是否大幅增加。

The Group established ECL model based on historical settlement records, past experience and available forward-looking information.

本集團按歷史結算記錄、過往經驗及可得前瞻性資料建立預期信貸虧損模式。

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

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

The following table is a reconciliation that shows how the closing loss allowance as at 31 December 2017 determined in accordance with HKAS 39 can be reconciled to the opening loss allowance as at 1 January 2018 determined in accordance with HKFRS 9.

下表載列於二零一七年十二月三十一日根據香港會計準則第39號釐定之年末虧損撥備與於二零一八年一月一日根據香港財務報告準則第9號釐定之年初虧損撥備之對賬。

		HK\$'000 千港元
Loss allowance recognised as at 31 December 2017 under HKAS 39	於二零一七年十二月三十一日根據香港會計準則第39號確認之虧損撥備	—
Additional loss allowance as a result of the application of the ECL model under HKFRS 9	因應用香港財務報告準則第9號預期信貸虧損模式而產生之額外虧損撥備	
Trade and other receivables	貿易及其他應收款項	1,803
Loan and interest receivables	應收貸款及利息	8
Loss allowance recognised as at 1 January 2018 under HKFRS 9	於二零一八年一月一日根據香港財務報告準則第9號確認之虧損撥備	1,811

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (d) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs) (Continued)

#### (d) 應用新訂及經修訂香港財務報告準則(續)

##### A) Application of HKFRS 9 (Continued)

##### A) 應用香港財務報告準則第9號(續)

##### (III) Classification and measurement of financial liabilities

##### (III) 金融工具之分類及計量

Under HKFRS 9, for a financial liability designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is required to be presented in other comprehensive income, with the remaining amount of change in the fair value of the liability being presented in profit or loss (unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch in profit or loss and in which case all gains or loss on that liability are presented in profit or loss). As described in note 2(p), the Group had designated a promissory note (issued on 1 October 2018) as at FVTPL financial liabilities on initial recognition.

根據香港財務報告準則第9號，就指定為按公平值計入損益之金融負債而言，金融負債公平值變動金額倘歸因於該負債之信貸風險改變，則須於其他全面收入呈列，該負債之公平值變動之餘額則於損益呈列(除非處理負債信貸風險之變動影響會產生或擴大損益之會計不匹配，在此情況下，該負債之所有收益或虧損均於損益呈列)。誠如附註2(p)闡述，本集團於初步確認時已將承兌票據(於二零一八年十月一日發行)指定為按公平值計入損益之金融負債。

Other than the abovementioned, the application of HKFRS 9 in respect of financial liabilities' classification and measurement requirements has had no impact on the consolidated financial statements.

除上文所述外，應用香港財務報告準則第9號有關金融負債之分類及計量規定並無對綜合財務報表造成任何影響。

##### (IV) Effect on the Group's accumulated losses as of 1 January 2018

##### (IV) 對本集團於二零一八年一月一日之累計虧損之影響

The following table shows the impact of the application of HKFRS 9 on the Group's accumulate losses as of 1 January 2018:

下表列示應用香港財務報告準則第9號對本集團於二零一八年一月一日之累計虧損之影響：

		Increase in the Group's accumulated losses 本集團累計 虧損之增加 HK\$'000 千港元
Recognition of additional expected credit losses relating to:	確認與以下各項有關之額外預期信貸虧損：	
Trade and other receivables	貿易及其他應收款項	1,803
Loan and interest receivables	應收貸款及利息	8
		1,811

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (d) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs) (Continued)

#### (d) 應用新訂及經修訂香港財務報告準則(續)

##### B) Application of HKFRS 15

##### B) 應用香港財務報告準則第15號

HKFRS 15 has replaced HKAS 11 *Construction Contracts*, HKAS 18 *Revenue* and other revenue-related interpretations. Under HKAS 11, revenue arising from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods was passed to the customers and revenue arising from rental income is recognised on a straight-line basis over the terms of the relevant leases.. Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 has introduced additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

香港財務報告準則第15號已取代香港會計準則第11號*建築合約*、香港會計準則第18號*收入*及其他與收入有關的詮釋。根據香港會計準則第11號，銷售貨品所得收入通常於貨品所有權風險及回報轉移予客戶時確認，租金收入產生的收入按相關租賃條款以直線法確認。根據香港財務報告準則第15號，收入於客戶獲得合約之承諾貨品或服務的控制權時確認。香港財務報告準則第15號引入額外的定性及定量披露規定，旨在讓財務報表使用者了解與客戶合約產生的收入及現金流量的性質、金額、時間及不確定性。

Considering the nature of the Group's principal activities, the adoption of HKFRS 15 has not had any material impact on the consolidated financial position and the consolidated financial results. However, the application of HKFRS 15 has had the following presentation changes:

考慮到本集團主要業務的性質，採用國際財務報告準則第15號對綜合財務狀況及綜合財務業績並無任何重大影響。然而，應用香港財務報告準則第15號有以下呈列方式的變動：

	Carrying amount as at 1 January 2018 於二零一八年一月一日之賬面值 HK\$'000 千港元	Carrying amount as at 31 December 2017 於二零一七年十二月三十一日之賬面值 HK\$'000 千港元
Receipt in advance and deferred revenue presented in the consolidated statement of financial position as of 31 December 2017 are presented as "contract liabilities" in the consolidated statement of financial position under HKFRS 15	359	359

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (d) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs) (Continued)

##### C) Application of HK (IFRIC) 22

HK (IFRIC) 22 provides guidance on determining “the date of the transaction” for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) arising from a transaction in which an entity receives or pays advance consideration in a foreign currency. The interpretation clarifies that “the date of the transaction” is the date on initial recognition of the non-monetary asset or liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance of recognising the related item, the date of the transaction for each payment or receipt should be determined in this way.

The application of HK (IFRIC) 22 has not had any material impact on the consolidated financial position and the consolidated financial result.

### 2. 重大會計政策概要(續)

#### (d) 應用新訂及經修訂香港財務報告準則(續)

##### C) 應用香港(國際財務報告詮釋委員會)詮釋第22號

香港(國際財務報告詮釋委員會)詮釋第22號就釐定「交易日期」提供指引，旨在釐定於初步確認因實體收取或支付之外幣預付代價交易而產生的有關資產、開支或收入(或其中部分)所使用的匯率。該詮釋澄清「交易日期」為初步確認因支付或收取預付代價而產生的非貨幣性資產或負債之日。倘確認有關項目前存在多筆付款或收款，實體應按該方式釐定每筆付款或收款的交易日期。

應用香港(國際財務報告詮釋委員會)詮釋第22號對本集團綜合財務狀況及綜合財務業績並無產生任何重大影響。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (e) Basis of consolidation

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

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

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

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

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

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

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

### 2. 重大會計政策概要(續)

#### (e) 綜合基準

綜合財務報表包含本公司及由本公司及其附屬公司控制之實體之財務報表。倘屬以下情況，則本公司取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象之業務而可獲得或有權獲得可變回報；及
- 有能力藉行使其權力影響該等回報。

倘有事實及情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入損益內。

損益及其他全面收入各部分歸屬於本公司股東及非控股權益。附屬公司之全面收入總額歸屬於本公司股東及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

若有必要，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團所採用者一致。

所有本集團成員公司間有關交易之集團內公司間資產及負債、權益、收入、支出及現金流量於綜合時全數對銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (f) Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

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

### 2. 重大會計政策概要(續)

#### (f) 業務合併

收購業務採用收購法入賬。業務合併之轉讓代價按公平值計量，而計算方法為本集團所轉讓之資產於收購日期之公平值、本集團向被收購方原擁有人產生之負債及本集團為交換被收購方之控制權發行之股權之總額。有關收購之費用於產生時一般於損益中確認。

於收購日期，所收購之可識別資產及所承擔之負債乃按公平值確認，惟下文所述者除外：

- 遞延稅項資產或負債及與僱員福利安排有關之負債或資產，分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認並計量；
- 與被收購方以股份為基礎之付款安排或以本集團以股份為基礎之付款安排取代被收購方以股份為基礎之付款安排相關之負債或股本工具乃於收購日期根據香港財務報告準則第2號「以股份為基礎之付款」計量；及
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產(或出售組別)則根據該準則計量。

商譽是以所轉讓之代價、任何非控股權益於被收購方中所佔金額、及收購方先前持有之被收購方股權之公平值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨額後，所超出之差額計值。倘經過重新評估後，所收購之可識別資產與所承擔負債於收購日期之淨額高於轉讓之代價、任何非控股權益於被收購方中所佔金額與收購方先前持有被收購方之權益之公平值(如有)之總和，則差額即時於損益內確認為議價收購收益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (f) Business combinations (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRSs.

#### (g) Acquisition of assets

For the acquisition of assets effected through a non-operating corporate structure that does not represent a business, it is considered that the transactions does not meet the definition of a business combination. Accordingly the transaction is accounted for as the acquisition of asset and such transaction does not give rise to goodwill.

#### (h) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less any accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit a pro rata on the basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

### 2. 重大會計政策概要(續)

#### (f) 業務合併(續)

屬現時擁有權權益且於清盤時賦予其持有人按比例分佔實體資產淨值之非控股權益可初步按公平值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。

計量基準之選擇乃按每次交易為基礎。其他類型之非控股權益乃按其公平值或(倘適用)按另一項香港財務報告準則規定之基準計量。

#### (g) 收購資產

就透過不代表業務之非經營企業架構進行的資產收購而言，該交易被視為不符合業務合併之定義。因此交易被計量為收購資產且並不產生商譽。

#### (h) 商譽

因收購業務產生之商譽乃按成本(於收購業務當日確定)減任何累計減值虧損(如有)入賬，並於綜合財務狀況表內分開呈列。

就減值測試而言，商譽將分配至預計自合併之協同效應中受惠之各相關現金產生單位(或現金產生單位組別)。

已獲分配商譽之現金產生單位每年或倘有跡象顯示有關單位可能出現減值時更頻密地進行減值測試。就於報告期間因收購而產生之商譽而言，商譽所產生之現金產生單位於該報告期末前進行減值測試。當現金產生單位之可收回金額低於其賬面值時，則首先削減分配予單位之任何商譽之賬面值以分配減值虧損，其後再根據單位內各資產之賬面值按比例分配予單位之其他資產。商譽之任何減值虧損會直接於損益中確認。商譽之已確認減值虧損不可於其後期間內撥回。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (i) Interests in associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 49% of the voting rights. Investments in associate 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 recognised the investor's share of share of profit or loss of the investee after date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Under the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of net fair value of the associates 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 income statement where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of cost-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 equal 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.

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 income statement.

### 2. 重大會計政策概要(續)

#### (i) 於聯營公司之權益

聯營公司是指本集團對其有重大影響，但並無實際控制權，一般為擁有20%至49%的表決權股本。於聯營公司之投資採用權益法入賬。根據權益法，投資初步以成本確認，而收購日期後增加或減少賬面值以確認投資者在受資者損益中應佔之份額。本集團投資聯營公司包含收購時確認之商譽。根據收購聯營公司之擁有權權益，聯營公司之成本與本集團佔聯營公司可識別資產及負債之公平值淨額之間任何差異入賬列作商譽。

倘於聯營公司之擁有權權益被削減但對其仍有重大影響，則只有按比例將之前於其他全面收入中確認之數額重新分類至損益(如適當)。

本集團收購後損益在收益表中確認，而所佔其他全面收入中之收購後變動於其他全面收入中之投資賬面值作出相應調整後確認。當本集團所佔聯營公司中虧損等於或超過於聯營公司之權益，包括任何其他無抵押應收賬款，除非其已承擔法律或推定義務，或代表聯營公司支付，否則本集團不會確認進一步虧損。

本集團於各報告日決定是否有任何客觀證據證明於聯營公司之投資已減值。倘發生這種情況，本集團將以聯營企業之可收回金額與賬面值之間之差異作為減值金額，並於收益表分佔以權益法入賬投資溢利中確認該金額。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (i) Interests in associates (Continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the income statement.

#### (j) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

#### (k) Investment properties under construction

Investment properties under construction are initially measured at cost and transaction costs regardless of the level of completion. The investment properties under construction are transferred to investment properties when and only when the investment properties under construction are fully completed.

#### (l) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment.

### 2. 重大會計政策概要(續)

#### (i) 於聯營公司之權益(續)

本集團及其聯營公司之間之上游和下游交易所產生損益於本集團財務報表中確認，並只限於聯營公司無關聯投資者權益之份額。未變現虧損將被對銷，除非交易可證明已轉讓資產的減值。聯營公司之會計政策已作出必要更改，以確保與本集團所採納之政策一致。

聯營公司攤薄股權之損益於收益表中確認。

#### (j) 投資物業

投資物業指為賺取租金及／或為資本增值而持有之物業(包括就該等目的而興建之在建物業)。投資物業初步按成本(包括交易成本)計量。於初步確認後，投資物業按公平值計量。本集團根據經營租約持作賺取租金或資本增值用途之全部物業權益入賬列為投資物業並使用公平值模式計量。投資物業公平值變動產生之收益及虧損於產生期間計入損益內。

投資物業於出售或於其被永久終止使用或預期不會因出售而獲得未來經濟利益時終止確認。終止確認物業所產生之任何收益或虧損(按出售所得款項淨額與資產賬面值之間之差額計算)於該項目終止確認期間計入損益。

#### (k) 在建投資物業

不論完成程度如何，在建投資物業均初步按成本及交易成本計量。在建投資物業竣工時，方會轉撥至投資物業。

#### (l) 物業、廠房及設備

物業、廠房及設備於綜合財務狀況表中按成本減累計折舊及減值列賬。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (l) Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method, over their useful life as follows:

Land and Building	Shorter of remaining lease term or useful life
Furniture, fixtures and equipment	5 years
Motor vehicles	10 years
Leasehold improvement	5 years

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

#### (m) Non-current assets held for sale and discontinued operations

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. The Group must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of the asset's or disposal group's previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of the Group (i.e. the operations and cash flows of which can be clearly distinguished from the rest of the Group) that either has been disposed of, or is classified as held for sale, and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

### 2. 重大會計政策概要(續)

#### (l) 物業、廠房及設備(續)

物業、廠房及設備項目會以直線法在其估計使用期內對其成本減剩餘價值(如有)後進行折舊如下:

土地及樓宇	餘下租賃期或可使用年期(以較短者為準)
傢俬、裝置及設備	五年
汽車	十年
租賃物業裝修	五年

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生之任何收益或虧損(按該資產出售所得款項與賬面值之差額計算)於損益內確認。

#### (m) 持作銷售之非流動資產及已終止經營業務

非流動資產或出售組別倘其賬面值將可透過銷售交易(而非透過持續使用)而收回,則其將分類為持作銷售。此條件僅會於該項銷售非常有可能落實以及該資產或出售組別可按其現時狀況即時出售時方會被視為已達成。本集團必須承諾進行該項出售,並預期符合資格被確認為於分類日期起計一年內已完成銷售。

分類為可供銷售之非流動資產或出售組別乃按該資產或該出售組別之先前賬面值與公平值之較低者減銷售成本計量。

已終止經營業務為本集團之組成部分(即其營運及現金流量可從本集團其餘部分明顯分辨出來),不論其已予出售或被分類為持作出售,且其代表一項獨立主要業務或一個營運地區或其屬出售一項獨立主要業務或一個營運地區之單一協調計劃之一部分,或屬僅為轉售而收購之附屬公司。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (m) Non-current assets held for sale and discontinued operations (Continued)

Classification as a discontinued operation occurs upon disposal or when the component meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the component is abandoned.

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss, which comprises:

- The post-tax profit or loss of the discontinued operation; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

#### (n) Intangible assets

##### (i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effective of any changes in estimate being accounted for on a prospective basis.

##### (ii) Intangible assets acquired in a business combination

The cost of intangible assets acquired in business combination is the fair value at the date of acquisition. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that 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 are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the assets are derecognised.

### 2. 重大會計政策概要(續)

#### (m) 持作銷售之非流動資產及已終止經營業務(續)

分類作為一項已終止業務於出售時或當某部分根據香港財務報告準則第5號符合被分類為持作銷售之條件時(倘屬較早發生者)發生。其亦於該組成部分遭棄置時發生。

當一項業務分類為已終止經營時，損益表上將呈列一項單一金額，其包括：

- 已終止經營業務之除稅後損益；及
- 於計量組成已終止經營業務之資產或出售該等資產或出售組別之公平值減銷售成本或出售時確認之除稅後盈虧。

#### (n) 無形資產

##### (i) 獨立收購之無形資產

獨立購入及擁有有限可使用年期之無形資產乃按成本減累計攤銷及累計減值虧損列賬。估計可使用年期及攤銷方法於各報告期末進行審閱，而任何估計變動之影響則提前入賬。

##### (ii) 於業務合併中收購之無形資產

於業務合併中收購之無形資產之成本為於收購日期之公平值。年期有限之無形資產其後於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時進行減值評估。可使用年期有限之無形資產之攤銷年期及攤銷方法至少於各財政年度末檢討一次。

無形資產於出售時或當預期使用或出售資產不會產生任何日後經濟利益時終止確認。終止確認無形資產所產生之損益按出售所得款項淨額與資產賬面值之差額計量，並於終止確認資產期間於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (o) Impairment of non-financial assets

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimate the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocate to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

### 2. 重大會計政策概要(續)

#### (o) 非金融資產之減值

於報告期末，本集團審閱其資產之賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。如有任何該等跡象出現，則會估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘不能估計個別資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。倘可以識別一個合理和一致之分配基準，企業資產亦會被分配到個別之現金產生單位，另行分配至可識別一個合理和一致之分配基準之最小現金產生單位組別中。

可收回金額為公平值減出售成本與使用價值之較高者。評估使用價值時，估計未來現金流量乃使用稅前貼現率折現至其現值，該貼現率反映目前市場對金錢時間值之評估以及估計未來現金流量未經調整之資產之獨有風險。

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則該資產(或現金產生單位)之賬面值將減至其可收回金額。減值虧損即時於損益中確認。

倘減值虧損於其後撥回，資產(或現金產生單位)賬面值將增至經修訂之估計可收回金額，惟因此而增加之賬面值不可超過假設以往年度並無就該資產(或現金產生單位)確認減值虧損而原應釐定之賬面值。減值虧損撥回於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (p) Financial assets

##### *Classification*

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

- 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.

##### *Recognition and derecognition*

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. 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.

##### *Measurement*

At initial recognition, the Group measures a financial asset at its fair value.

##### *Financial assets measured at 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.

### 2. 重大會計政策概要(續)

#### (p) 金融資產

##### *分類*

自二零一八年一月一日起，本集團按下列計量類別對金融資產進行分類：

- 將按攤銷成本計量者。

分類取決於實體管理金融資產及現金流量合約條款之業務模式。

##### *確認及計量*

常規方式購買或出售金融資產均按本集團承諾買賣資產之交易日確認。當收取金融資產現金流量之權利到期或已獲轉讓，且本集團已轉移所有權絕大部分風險及回報時，則會終止確認金融資產。

##### *計量*

於初步確認時，本集團按其公平值計量金融資產。

##### *按攤銷成本計量之金融資產*

持作收取合約現金流量(該等現金流量屬純粹支付本金及利息之現金流量)之資產按攤銷成本計量。該等金融資產之利息收入使用實際利率法計入融資收入。終止確認產生之任何收益或虧損直接於損益確認，並連同匯兌收益及虧損於其他收益/(虧損)內呈列。減值虧損於損益表內作為單獨項目呈列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (p) Financial assets (Continued)

##### 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.

The Group applies the HKFRS 9 simplified approach to measuring ECL which uses a lifetime expected loss allowance for trade receivables. Impairment of other receivable and loan and interest receivables are measured as either 12-month ECL or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition.

##### Accounting policies applied until 31 December 2017

The Group's financial assets are mainly classified as loans and receivables.

##### — Effective interest method

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

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

### 2. 重大會計政策概要(續)

#### (p) 金融資產(續)

##### 減值

自二零一八年一月一日起，本集團按前瞻性基準評估與按攤銷成本列賬之債務工具相關之預期信貸虧損。應用之減值方法取決於信貸風險是否大幅增加。

本集團應用香港財務報告準則第9號簡易方法計量預期信貸虧損，就貿易應收款項使用生命周期之預期信貸虧損撥備。其他應收款項以及應收貸款及利息之減值按十二個月預期信貸虧損或生命周期預期信貸虧損計量，取決於信貸風險自初步確認以來是否大幅增加。

##### 於二零一七年十二月三十一日前適用之會計政策

本集團之金融資產主要歸入為貸款及應收款項。

##### — 實際利率法

實際利率法是一種計算相關期間內債務工具攤銷成本以及分配利息收入之方法。實際利率為初步確認時將債務工具於估計年期或(如適用)較短期間內之估計未來現金收入(包括所有構成實際利率部分之已付或已收費用、交易成本及其他溢價或折扣)準確貼現至賬面淨值之利率。

債務工具之利息收入按實際利率法確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (p) Financial assets (Continued)

Accounting policies applied until 31 December 2017  
(Continued)

##### — Loan and receivables

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

##### — Impairment of loans and receivables

Loans and receivables are assessed for indicators of impairment at the end of the reporting period. Loans and receivables are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows have been affected. Objective evidence of impairment could include:

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

For certain categories of loans and receivables, such as trade receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

### 2. 重大會計政策概要(續)

#### (p) 金融資產(續)

於二零一七年十二月三十一日前適用  
之會計政策(續)

##### — 貸款及應收款項

貸款及應收款項乃於活躍市場並無報價之固定或可釐定付款之非衍生金融資產。於初步確認後，貸款及應收款項(包括貿易及其他應收款項、受限制銀行存款以及現金及現金等價物)均按攤銷成本採用實際利率法減任何已識別減值虧損入賬。

##### — 貸款及應收款項之減值

貸款及應收款項乃於報告期間末評估是否出現減值跡象。若有客觀證據證明貸款及應收款項之估計未來現金流量因初步確認後發生之一項或多項事件而受到影響，則視為出現減值。減值之客觀證據包括：

- 發行人或交易方遇到嚴重財務困難；或
- 違約，例如逾期或拖欠利息或本金付款；或
- 借款人有可能破產或進行財務重組。

若干類別之貸款及應收款項(如貿易應收款項)，經評估後不作出個別減值，會另外進行整體的減值評估。應收款項組合出現減值之客觀證據可能包括本集團過往收款經驗以及與拖欠應收款項相關之國家或地區經濟狀況出現明顯變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (p) Financial assets (Continued)

##### Accounting policies applied until 31 December 2017 (Continued)

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

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

#### (q) Financial liabilities

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

##### — Equity instrument

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

### 2. 重大會計政策概要(續)

#### (p) 金融資產(續)

##### 於二零一七年十二月三十一日前適用 之會計政策(續)

所確認之減值虧損為資產賬面值與按金融資產原實際利率貼現之估計未來現金流量之現值之差額。如在往後期間減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益賬撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之攤銷成本。

貸款及應收款項之賬面值會直接就所有金融資產的減值虧損扣減，惟貿易應收款項之賬面值則透過使用撥備賬扣減。撥備賬之賬面值變動會於損益中確認。當應收款項被視為不可收回時，會於撥備賬內撇銷。之前已撇銷之款項如其後收回，則計入損益。

#### (q) 金融負債

集團實體發行之債務及權益工具乃根據合約安排內容與金融負債及權益工具之定義分類為金融負債或權益。

##### — 權益工具

權益工具乃證明實體於扣減所有負債後之資產中擁有剩餘權益之任何合約。本集團發行之權益工具按扣除直接發行成本後之已收所得款項入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (q) Financial liabilities (Continued)

##### — Equity instrument (Continued)

###### Effective interest method

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

Interest expense is recognised on an effective interest basis.

##### — Other financial liabilities

Other financial liabilities including trade and other payables, promissory notes and borrowings are recognised initially at fair value, net of directly attributable transaction costs and subsequently measured at amortised cost, using the effective interest method.

##### — Convertible notes

Convertible notes issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible notes equity reserve).

#### (q) 金融負債(續)

##### — 股權工具(續)

###### 實際利率法

實際利率法是一種計算相關期間內金融負債攤銷成本以及分配利息開支之方法。實際利率為將金融負債於估計年期或(如適用)較短期間內之估計未來現金付款(包括支付或收取之構成實際利率組成部分之所有費用及點數、交易費用以及其他溢價或折價)準確折現至初步確認時賬面淨值之利率。

利息開支按實際利率法確認。

##### — 其他金融負債

其他金融負債(包括貿易及其他應付款項、承兌票據及借貸)最初按公平值扣除直接應佔交易成本確認，其後使用實際利率法按攤銷成本計量。

##### — 可換股票據

本集團所發行包含負債及換股期權部分的可換股票據，乃於初步確認時根據所訂立合約安排內容以及金融負債及權益工具的定義，獨立分類為相關項目。將以固定金額現金或另一項金融資產交換本公司本身固定數目的權益工具方式結清的換股期權乃分類為權益工具。

於初步確認時，負債部分之公平值按類似非可換股債務之現行市場利率釐定。發行可換股票據所得款項總額與負債部分(指換股期權持有人將票據兌換為權益)之公平值之差額計入權益(可換股票據股權儲備)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (q) Financial liabilities (Continued)

##### — Convertible notes (Continued)

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes equity reserve until the embedded option is exercised (in which case the balance stated in convertible notes equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible notes equity reserve will be released to the retained profits. Neither gain nor loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible notes using the effective interest method.

#### (q) 金融負債(續)

##### — 可換股票據(續)

於往後期間，可換股票據之負債部分按實際利率法以攤銷成本計量。權益部分(指期權轉換負債部分為本公司之普通股)將維持於可換股票據股權儲備，直至嵌入式期權獲行使(於此情況下，可換股票據股權儲備所示之結餘將轉換為股份溢價)。倘期權於到期日尚未行使，則於可換股票據股權儲備所示之結餘將釋放至保留溢利。期權獲兌換或到期時將不會於損益內確認任何收益或虧損。

與發行可換股票據有關之交易成本乃按所得款項總額之分配比例分配至負債及權益部分。與權益部分有關之交易成本會直接自權益扣除。與負債部分有關之交易成本則計入負債部分之賬面值，並於可換股票據期間內採用實際利率法攤銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (r) Leasing

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

##### (i) The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

##### (ii) The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowings costs.

Operating lease payments are recognised as an expenses on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expenses over the lease term on a straight line basis.

#### (s) Inventories

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

### 2. 重大會計政策概要(續)

#### (r) 租賃

租賃條款所涉及擁有權之絕大部分風險及回報轉讓予承租人之租賃，均列作融資租賃。所有其他租賃均列作經營租賃。

##### (i) 本集團作為出租人

經營租賃之租金收入乃按相關租賃年期以直線法於損益賬確認。

##### (ii) 本集團作為承租人

根據融資租賃持有之資產初步以其公平值於租賃期初或(如較低)以最低租賃付款之現值確認為本集團資產。結欠出租人之相應負債在綜合財務狀況表內列為融資租賃責任。

租賃付款按比例分配至融資費用及減少租賃承擔，以就負債之餘額達致固定利率。融資費用即時於損益賬確認，除非融資費用直接歸屬於合資格資產，在此情況下，融資費用根據本集團有關借貸成本之一般政策資本化。

經營租賃付款乃按相關租賃年期以直線法確認為開支。所得及應收利益(即進行經營租賃之激勵)於租期內以直線法確認為租賃開支減少。

#### (s) 存貨

存貨按成本值及可變現淨值兩者之較低者列賬。存貨之成本值按加權平均法釐定。可變現淨值指存貨估計售價減所有完成估計成本及出售所需成本。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (t) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable demand and form an integral of the Group's management.

For the purpose of the consolidated statement of financial position, cash and bank balances comprise cash on hand and at banks which are not restricted as to use.

#### (u) Contract liabilities

Contract liabilities represents contractual billings resulting from goods yet to be delivered, services yet to be rendered or in respect of the unexpired terms of relevant contracts, or for which the applicable revenue recognition criteria are not yet satisfied. Revenue is recognised and contract liabilities is released to profit or loss when the relevant services are rendered or on a time proportion basis over the terms of the relevant contracts or when the applicable revenue recognition criteria are satisfied.

#### (v) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and cost, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

- i) Service income — service income is recognised when the related services are provided.
- ii) Interest income — interest income is recognised as it accrues using the effective interest method.
- iii) Rental income — rental income is recognised on a straight-line basis over the terms of the relevant leases.
- iv) Sales of goods — revenue from sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

### 2. 重大會計政策概要(續)

#### (t) 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款、一般於購入後三個月內到期可隨時轉換為已知數額現金且其價值變動風險不大之短期高流通性投資減須應要求償還且構成本集團管理其中部分之銀行透支。

就綜合財務狀況報表而言，現金及銀行結餘包括手頭現金及於銀行不受限制使用之現金。

#### (u) 合約負債

合約負債指因尚未交付貨品、尚未提供服務所產生，或相關合約之未屆滿期限所產生，或暫未達到適用收益確認準則之合約賬單。當提供相關服務時或相關合約之期限內(按時間比例基準)或當達到適用收益確認準則時，確認收益及合約負債撥回至損益。

#### (v) 收入確認

收入乃按已收或應收代價之公平值計量。倘經濟利益將有可能流入本集團，且收入及成本(倘適用)能可靠計算，則收入將按以下方式在損益賬內確認：

- i) 服務收入 — 服務收入於提供相關服務時確認。
- ii) 利息收入 — 利息收入使用實際利率法於累計時確認。
- iii) 租賃收入 — 租賃收入使用直線法於相關租賃年期確認。
- iv) 銷售貨品 — 銷售貨品的收益於擁有權的重大風險及回報已轉嫁至買方時予以確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

### 2. 重大會計政策概要(續)

#### (w) Employee benefit

#### (w) 僱員福利

##### (i) Retirement benefits costs

##### (i) 退休福利成本

The Group contributes to a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Mandatory Provident Fund Scheme Ordinance for all employees in Hong Kong. Contributions are made based on a percentage of the employees’ relevant income 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 Group’s employer contributions vest fully with the employees when contributed in the MPF Scheme.

本集團根據強制性公積金計劃條例為所有香港僱員向定額供款強制性公積金退休福利計劃(「強積金計劃」)作出供款。供款金額按僱員有關收入之百分比計算，並根據強積金計劃規定於應付時自損益扣除。強積金計劃之資產與本集團所持有之資產分開保存，由獨立管理基金持有。本集團之僱主供款於向強積金計劃作出供款時悉數歸屬予僱員。

The employees of the Company’s subsidiaries which operate in the People’s Republic of China (“PRC”) are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

本公司在中華人民共和國(「中國」)營運之附屬公司僱員需參與由地方政府機關運作之中央退休金計劃。該等附屬公司需按其薪金成本之若干百分比向中央退休金計劃作出供款。供款金額根據中央退休金計劃規定於應付時計入損益。

Under the Labor Law Article 25/II in the Republic of Turkey (“Turkey”), the Group’s Turkish subsidiaries are required to pay termination indemnities to each employee who completes one year of service and whose employment is terminated upon causes that qualify the employee to receive termination indemnity, is called up for military service, leaves within one year after marriage (women only), and to those employees who retire or die. The amount payable consists of one month’s salary for each year of service.

根據土耳其共和國(「土耳其」)勞動法(Labor Law)第25/II條，本集團之土耳其附屬公司須向每名服務年期達一年及終止有關僱傭關係原因使僱員合資格收取終止賠償之僱員支付終止賠償，包括應召入伍、結婚後一年內離職(僅限女性)及退休或身故之僱員。應付款項包括每個服務年期之一個月薪金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (w) Employee benefit (Continued)

##### (i) Retirement benefits costs (Continued)

The dates that the employees will gain their pension rights are determined with respect to the prevailing social security laws with consideration to their past employment durations.

##### (ii) Share-based payment transactions

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using a Black-Scholes Option Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expenses is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised or the options expires.

#### (x) Borrowing cost

Borrowing costs which are not directly attributable to expenditures on qualifying assets are recognised as expenses in profit or loss in the period which they are incurred.

### 2. 重大會計政策概要(續)

#### (w) 僱員福利(續)

##### (i) 退休福利成本(續)

僱員取得退休金權利之日期是參考其過往僱傭期後按現行社會保障法釐定。

##### (ii) 以股份為基礎之支付交易

授予僱員之股份期權按公平值確認為僱員成本，而權益中之資本儲備亦會相應增加。公平值是在授予日期以柏力克－舒爾斯期權模式計量，並會計及期權授予條款和條件。如果僱員須符合歸屬條件才能無條件地享有股份期權，在考慮到期權歸屬之可能性後，期權之估計公平值總額便會在整個歸屬期內分攤。

本公司會在歸屬期內審閱預期歸屬之股份期權數目。已於以往年度確認之累計公平值之任何調整會在回顧年度在損益中列支／計入；但如果原來之僱員支出符合確認為資產之資格，便會對資本儲備作出相應調整。已確認為支出之數額會在歸屬日作出調整，以反映所歸屬股份期權之實際數目（同時對資本儲備作出相應調整）；但只會在無法符合與本公司股份市價相關之歸屬條件時才會放棄股份期權。權益數額在資本儲備中確認，直至期權獲行使或期權到期時為止。

#### (x) 借貸成本

並非合資格資產支出直接應佔之借貸成本於其產生期內在損益中確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (y) Income tax

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

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

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

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

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

### 2. 重大會計政策概要(續)

#### (y) 所得稅

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報溢利不同，是因為前者不包括在其他年度應課稅或可扣稅之收入或開支項目，並且不包括從未課稅或扣稅之項目。本集團之本期稅項負債乃按報告期末已實行或大致上已實行之稅率計算。

於綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基間之暫時差額確認為遞延稅項。所有應課稅暫時差額一般確認為遞延稅項負債，而可能出現可用作抵扣可扣稅暫時差額之應課稅溢利時所有可扣稅暫時差額則確認為遞延稅項資產。若於一項交易中，因商譽或因業務合併以外原因初步確認其他資產及負債而引致既不影響應課稅溢利亦不影響會計溢利之暫時差額，則不會確認該等資產及負債。

遞延稅項負債乃就投資於附屬公司、聯營公司及於合營公司之權益所產生之應課稅暫時差額予以確認，惟若本集團可控制暫時差額之撥回，且此暫時差額有可能在可預見之未來不會撥回除外。與該等投資有關之可扣稅暫時差額所產生之遞延稅項資產僅於可能有足夠以暫時差額利益抵銷之應課稅溢利且預計於可預見未來可以撥回時確認。

遞延稅項資產之賬面值會於各報告期末作檢討，並在不再可能有足夠應課稅溢利讓全部或部分資產得以收回時作調減。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (y) Income tax (Continued)

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

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

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### (z) Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period.

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

### 2. 重大會計政策概要(續)

#### (y) 所得稅(續)

遞延稅項資產及負債乃根據預期於負債償還或資產變現期間之適用稅率(按報告期末已生效或實質上已生效之稅率(及稅法))計量。

遞延稅項負債及資產之計量反映本集團於報告期末所預期收回或償還其資產及負債賬面值之方式所產生之稅務結果。

即期及遞延稅項確認為損益，惟倘即期及遞延稅項與於其他全面收入或直接於權益內確認之項目相關，則即期及遞延稅項亦會分別於其他全面收入或直接於權益內確認。

#### (z) 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算記賬。於報告期末，以外幣計值之貨幣項目均按該日之適用匯率重新換算。以外幣歷史成本計量之非貨幣項目則不予重新換算。

於結算及換算貨幣項目時產生之匯兌差額均於其產生期間內確認為損益。以公平值計值之非貨幣項目經重新換算後產生之匯兌差額於有關期間計入損益。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按於各報告期末適用匯率換算為本集團之列賬貨幣(即港元)，而其收入及開支乃按該年度之平均匯率換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯率差額(如有)於其他全面收入內確認，並累計入權益之匯兌儲備項下(歸屬於非控股權益(如適用))。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (aa) 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);
  - (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); and
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

### 2. 重大會計政策概要(續)

#### (aa) 有關連人士

倘屬以下人士，即該人士被視為與本集團有關連：

- (a) 該人士或該人士之近親，且該人士
  - (i) 控制或共同控制本集團；
  - (ii) 對本集團有重大影響；或
  - (iii) 為本集團或本集團母公司之主要管理層成員；或
- (b) 符合下列任何條件的實體：
  - (i) 該實體與本集團屬同一集團之成員公司；
  - (ii) 該實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營公司；
  - (iii) 該實體及集團為同一第三方之合營公司；
  - (iv) 一間實體為第三實體之合營公司及另一實體為第三實體之聯營公司；
  - (v) 實體為本集團或與本集團有關連之實體就僱員利益而設立之離職福利計劃；
  - (vi) 實體受(a)所識別之人士控制或共同控制；
  - (vii) 於(a)(i)所識別之人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員；及
  - (viii) 實體，或該實體所屬集團之任何成員公司向本集團或本集團之母公司提供主要管理人員服務。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

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

#### (ab) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's management makes assumptions, estimates and judgements in the process of applying the Group's accounting policies that affect the assets, liabilities, income and expenses in the consolidated financial statements prepared in accordance with HKFRSs. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

### 2. 重大會計政策概要(續)

#### (ab) 分部報告

經營分部及於綜合財務報表中匯報之各分類項目金額，由定期向本集團最高行政管理層提供以對本集團多個業務線及地區進行資源分配及表現評估之財務資料中識別。

除非分部有類似經濟特徵及就產品及服務性質、生產過程性質、顧客類型或組別、分發產品或提供服務所用之方法以及監管環境之性質而言屬類似，否則個別重大經營分類不會在財務匯報中合併。倘並非個別重大之經營分類存在大多數該等條件，則可被合併。

### 3. 會計估計及判斷

本集團管理層於應用本集團會計政策時作出會影響根據香港財務報告準則所編製之綜合財務報表之資產、負債、收入及開支之假設、估計及判斷。該等假設、估計及判斷乃根據過往經驗及於多個情況下相信為合理之其他因素作出。雖然管理層持續審閱彼等之判斷、估計及假設，惟實際結果很少會與估計相同。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### (a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

##### (I) *Going concern basis*

Management makes an assessment of the Group's ability to continue as a going concern when preparing the consolidated financial statements. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the date of the financial statement. The degree of consideration depends on the facts in each case. Management believes that the Group is able to continue as a going concern after taking into account the measures, financial supports and the future profitable operations. Accordingly, management has prepared the consolidated financial statements on a going concern basis. An adverse change in any of the above conditions would require the consolidated financial statements to be prepared on an alternative authoritative basis and such basis, together with the fact that the consolidated financial statements is not prepared on a going concern basis, would need to be disclosed. If the Group was unable to continue as a going concern, adjustments relating to the recoverability and classification of recorded asset amounts or classification of liabilities may need to be incorporated into the consolidated financial statements.

##### (II) *Useful Lives of Property, Plant and Equipment and Intangible Assets*

Management determines the estimated useful lives of and related depreciation/amortisation charges for its property, plant and equipment and intangible assets. This estimate is based on the actual useful lives of assets of similar nature and functions. It could change significantly as a result of significant technical innovations and competitor actions in response to industry cycles. Management will increase the depreciation/amortisation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

### 3. 會計估計及判斷(續)

#### (a) 應用本集團會計政策時所作出之重要會計判斷

在應用本集團之會計政策時，管理層作出以下會計判斷：

##### (I) *持續經營基準*

管理層於編製綜合財務報表時對本集團持續經營之能力作出評估。評估持續經營假設是否恰當時，管理層會考慮日後最少(但不限於)於財務報表日期起計十二個月內之所有可用資料。考慮程度視乎個別情況之事實。經考慮措施、財務支持及未來可盈利業務，管理層相信本集團有能力持續經營。因此，管理層已根據持續經營基準編製綜合財務報表。上述情況出現任何不利變動均須以其他權威性基準編製綜合財務報表，並須披露此基準及綜合財務報表並非以持續經營基準編製之事實。倘本集團未能持續經營，則可能須於綜合財務報表載入就已記錄資產金額之可收回性及分類或負債之分類作出之調整。

##### (II) *物業、廠房及設備以及無形資產之可使用年期*

管理層釐定其物業、廠房及設備以及無形資產之估計可使用年期以及有關折舊／攤銷費用。該估計乃以相似性質及功能之資產之實際可使用年期為基準。這可能因重大科技創新及競爭對手應對行業周期之行動而大幅改變。倘可使用年期較先前所估計之年限為短，則管理層將增加折舊／攤銷費用，或將撇銷或撇減已棄置或出售之技術過時或非策略性資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### (a) Critical accounting judgements in applying the Group's accounting policies (Continued)

##### (III) Income Taxes and Deferred Taxation

The Group is subject to income taxes in several jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred tax assets relating to certain temporary differences and certain tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax and tax in the periods in which such estimate is changed.

##### (IV) Investment properties measured using the fair value model

At 31 December 2018, investment properties are stated at fair value based on the valuation performed by the independent professional valuers. The valuers have determined the fair value based on a method of valuation which involves certain estimates. In relying on the valuation report prepared by the valuers, management has reviewed the valuation including the assumptions and estimates adopted.

The fair values of investment properties are determined by independent valuers on an open market for existing use basis. In making the judgment, the Group considers information from a variety of sources including:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences; and
- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

### 3. 會計估計及判斷(續)

#### (a) 應用本集團會計政策時所作出之重要會計判斷(續)

##### (III) 所得稅及遞延稅項

本集團須於若干司法權區繳納所得稅。在釐定所得稅撥備時，需要作出重大判斷。在一般業務過程中，有多項交易及計算所涉及之最終稅務釐定均並不確定。本集團根據估計附加稅是否將到期而確認預期稅項事項之負債。倘該等事項之最終稅務結果與最初記錄之金額不同，有關差額將會影響作出此釐定期間之所得稅及遞延稅項撥備。

凡管理層認為日後可能有應課稅溢利可用作抵銷暫時差額或稅項虧損，則與若干暫時差額及若干稅項虧損有關之遞延稅項資產將予確認。倘預期金額與原定估計不同，則該等差額將會影響該估計出現變動期間之遞延稅項及稅項之確認。

##### (IV) 採用公平值模式計量之投資物業

於二零一八年十二月三十一日，投資物業根據獨立專業估值師作出估值之公平值列賬。估值師根據涉及若干估計之估值法釐定公平值。管理層倚賴估值師編製之估值報告對採納假設及估計之估值進行審閱。

投資物業之公平值由獨立估值師按公開市場現有使用基準釐定。作出判斷時，本集團考慮多種來源之資料，包括：

- (i) 不同性質、狀況或地點(或受不同租約或其他合約規限)之物業於活躍市場上之現行價格，該價格曾作出調整，以反映該等差異；及
- (ii) 較不活躍市場所提供類似物業之近期價格，該價格會作出調整，以反映自按該等價格進行交易之日期起經濟狀況之任何轉變。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### (b) Sources of estimation uncertainty

Key sources of estimation uncertainty are as follows:

##### *Impairment of Assets*

The Group reviews the carrying amounts of the assets at the end of each reporting period to determine whether there is objective evidence of impairment. When indication of impairment is identified, management prepares discounted future cashflow to assess the differences between the carrying amount and value in use and provided for impairment loss. In determining the value in use of certain assets and liabilities, the Group makes assumptions of the effects of uncertain future events on those assets and liabilities at the consolidated statement of financial position date. These estimates involve assumptions about such items as risk adjustment to cash flows or discount rate used, future changes in salaries and future changes in prices affecting other costs. The Group's estimates and assumptions are based on the expectations of future events and are reviewed periodically. Any change in the assumptions adopted in the cash flow forecasts would increase or decrease in the provision of the impairment loss and affect the Group's net asset value.

An increase or decrease in the above impairment loss would affect the net profit in future years.

### 3. 會計估計及判斷(續)

#### (b) 估計不確定因素之來源

估計不確定因素之主要來源如下：

##### *資產減值*

本集團於各報告期末審閱資產之賬面值，以釐定是否存在客觀減值證據。倘發現減值跡象，則管理層準備經貼現未來現金流量，以評估賬面值與使用價值之間的差額及作出減值虧損撥備。在釐定若干資產及負債之使用價值時，本集團會假設不明確之未來事件對綜合財務狀況表日期之資產及負債產生之影響。此等估計涉及現金流量或所用貼現率之風險調整、未來薪金變化及影響其他成本之未來價格變動等項目之假設。本集團之估計及假設乃根據對未來事件之預期而作出，並會定期予以檢討。現金流量預測採取之假設之任何變動，將增加或減少減值虧損撥備並影響本集團之資產淨值。

上述減值虧損之增加或減少將影響未來年度之純利。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 4. REVENUE

During the Year, the Group's revenue was generated from trading business, rentals, interest income from money lending business and service income from cemetery. On 21 April 2017, the Group entered into an agreement to dispose of the travel agency service business. The disposal was completed on 8 May 2017. As a result, the revenue from the provision of travel agency services was included in discontinued operations for the year ended 31 December 2017 and its corresponding results was presented in discontinued operations.

The amount of each significant category of revenue recognised in revenue during the year is analysed as follows:

### 4. 收益

於年內，本集團之收益來自貿易業務、租金、放債業務利息收入及公墓服務收入。於二零一七年四月二十一日，本集團訂立協議以出售旅遊代理服務業務。出售事項於二零一七年五月八日完成。因此，提供旅遊代理服務收益已於截至二零一七年十二月三十一日止年度計入已終止業務，且其相應業績已於已終止業務呈列。

於年內，於營業額中確認之各項主要收益類別金額分析如下：

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations	持續經營業務			
— Trading business	— 貿易業務		3,001	25,399
— Rental income	— 租賃收入		1,334	1,684
— Interest income from money lending business	— 放債業務利息收入		29	865
— Service income from cemetery	— 公墓服務收入		63	—
			4,427	27,948
Discontinued operation	已終止業務	11		
— Revenue from travel agency services	— 旅遊代理服務收益		—	7,962
			—	7,962
			4,427	35,910

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 5. OTHER INCOME, GAINS AND LOSSES, NET

### 5. 其他收入、收益及虧損淨額

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註		
Interest income from banks	銀行利息收入	2	10
Sundry income	雜項收入	109	21
Gain on fair value change of investment properties	投資物業之公平值變動收益		
	15	5,700	3,200
Gain on extinguishment of promissory notes	抵銷承兌票據之收益		
	26	8,487	—
Gain on derecognition of an associate	終止確認一間聯營公司之收益		
	18(a)(iii)	1,050	—
Gain on early partial redemption of promissory notes	提早贖回部分承兌票據之收益		
	26	590	—
Loss on fair value change of promissory note designated at FVTPL	指定按公平值計入損益之承兌票據之公平值變動虧損		
	26	(2,282)	—
Loss on fair value change of derivative asset – put option	衍生資產—認沽期權之公平值變動虧損	—	(8,860)
Loss on fair value change of contingent consideration	或然代價之公平值變動虧損	(1,832)	—
Reversal of allowance for credit losses on trade receivables	貿易應收款項信貸虧損撥備撥回	1,787	—
Impairment loss on interest in an associate	於一間聯營公司之權益之減值虧損		
	18(b)	(2,884)	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(384)	(392)
Exchange gain/(loss), net	匯兌收益/(虧損)淨額	739	(327)
Gain/(Loss), net	收益/(虧損)淨額	11,082	(6,348)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 6. LOSS BEFORE TAXATION

### 6. 除稅前虧損

Loss before taxation is arrived at after charging:

除稅前虧損已扣除下列各項：

		Continuing operations		Discontinued operations		Total	
		持續經營業務		已終止業務		總計	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
(a)	<b>Finance costs</b>						
	融資成本						
	Interest on finance leases	27	23	—	—	27	23
	融資租約之利息						
	Interest on promissory notes	3,925	7,975	—	—	3,925	7,975
	承兌票據之利息						
	Interest on convertible notes	5,958	13,965	—	—	5,958	13,965
	可換股票據之利息						
	Interest on borrowings	5,555	5,070	—	—	5,555	5,070
	借貸之利息						
		15,465	27,033	—	—	15,465	27,033
(b)	<b>Staff costs (including Directors' remuneration)</b>						
	員工成本 (包括董事酬金)						
	Contributions to defined contribution retirement plans	264	322	—	7	264	329
	定額供款退休計劃之供款						
	Social security costs	39	82	—	22	39	104
	社會保障成本						
	Salaries, wages and other benefits	10,431	12,465	—	336	10,431	12,801
	薪金、工資及其他福利						
		10,734	12,869	—	365	10,734	13,234
(c)	<b>Other items</b>						
	其他項目						
	Depreciation	2,879	2,939	—	20	2,879	2,959
	折舊						
	Auditors' remuneration — current year	791	699	—	—	791	699
	核數師酬金 — 本年度						
	Operating lease charges in respect of property rental	1,480	2,410	—	—	1,480	2,410
	物業租金之經營租賃開支						
	Amortisation of intangible assets	2,808	3,834	—	39	2,808	3,873
	無形資產攤銷						
	Impairment losses on intangible assets	73,171	—	—	—	73,171	—
	無形資產之減值虧損						
	Costs of inventories	2,227	25,314	—	39	2,227	25,314
	存貨成本						
	Direct outgoings from investment properties that generated rental income	119	201	—	—	119	201
	產生租金收入之投資物業之直接開支						
	Direct outgoings for investment properties that were vacant during the year	85	—	—	—	85	—
	年內空置之投資物業之直接開支						

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 7. TAXATION

### 7. 稅項

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 綜合損益表內之稅項指：

		Continuing operations		Discontinued operation		Total	
		持續經營業務		已終止業務		總計	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Current tax	即期稅項						
— Hong Kong Profits Tax	— 香港利得稅	7	—	—	—	7	—
— PRC Enterprise Income tax	— 中國企業所得稅	—	—	—	—	—	—
— Turkey Corporate Income Tax	— 土耳其企業所得稅	—	—	—	—	—	—
		7	—	—	—	7	—
Deferred tax credit	遞延稅項抵免	(10)	—	—	—	(10)	—
Tax credit	稅項抵免	(3)	—	—	—	(3)	—

Hong Kong Profits Tax has been calculated at 16.5% (2017: 16.5%) of the estimated assessable profits arising in Hong Kong for both years. PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the year (2017: 25%). Turkey subsidiaries are subject to Turkey Corporate Income Tax at 22% for the year (2017: 20%).

香港利得稅按該兩個年度於香港產生估計應課稅溢利之16.5% (二零一七年：16.5%)計算。年內，中國附屬公司須繳中國企業所得稅率為25% (二零一七年：25%)。年內，土耳其附屬公司須繳土耳其企業所得稅為22% (二零一七年：20%)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 7. TAXATION (CONTINUED)

### 7. 稅項(續)

(b) The tax credit for the year can be reconciled to the loss before taxation per consolidated statement of profit or loss as follows:

(b) 年內稅項抵免與綜合損益表所示除稅前虧損之對賬如下：

		Continuing operations		Discontinued operations		Total	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
(Loss)/profit before taxation	除稅前(虧損)/溢利	(113,446)	(69,329)	—	580	(113,446)	(68,749)
Taxation charge at the Hong Kong Profits Tax rate of 16.5%	按香港利得稅稅率16.5%計算稅項開支	(18,718)	(11,439)	—	96	(18,718)	(11,343)
Tax effect on non-deductible expenses	不可扣稅開支之稅務影響	15,910	9,751	—	36	15,910	9,787
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(1,194)	(1,616)	—	(147)	(1,194)	(1,763)
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損之稅務影響	4,495	3,466	—	23	4,495	3,489
Under-provision in respect of prior years	過往年度撥備不足	7	—	—	—	7	—
Effect of different tax rates of subsidiaries operating in other jurisdictions	附屬公司於其他司法權區經營之稅率差異影響	(503)	(162)	—	(8)	(503)	(170)
Actual tax credits	實際稅項抵免	(3)	—	—	—	(3)	—



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 8. DIRECTORS' REMUNERATION

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance, Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation and the GEM Listing Rules are as follows:

### 8. 董事酬金

根據香港公司條例第383(1)條、公司(披露董事利益資料)規例第2部及GEM上市規則所披露之董事酬金如下：

		Notes 附註	Directors' fees 董事袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 HK\$'000 千港元	Retirement scheme contributions 退休 計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>2018:</b>	<b>二零一八年：</b>					
<b>For the year ended 31 December 2018:</b>	<b>截至二零一八年 十二月三十一日止年度：</b>					
<b>Executive Directors</b>	<b>執行董事</b>					
Hung Tat Chi Alan	洪達智	(i)	—	830	18	848
Ling Ko Yin Jason	林高然		—	120	6	126
Chan Ming Kei	陳銘基	(ii)	—	45	2	47
<b>Non-executive Director</b>	<b>非執行董事</b>					
Chan Wai Kit	陳偉傑	(iv)	120	—	—	120
<b>Independent Non-executive Directors</b>	<b>獨立非執行 董事</b>					
Choy So Yuk	蔡素玉		120	—	—	120
Lam Yuk Ying Elsa	林玉英		120	—	—	120
Leung Man Chun	梁文俊		120	—	—	120
			<b>480</b>	<b>995</b>	<b>26</b>	<b>1,501</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 8. DIRECTORS' REMUNERATION (CONTINUED)

### 8. 董事酬金(續)

		Notes	Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total
		附註	董事袍金 HK\$'000 千港元	薪金、津貼及實物利益 HK\$'000 千港元	退休計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
<b>2017:</b>	<b>二零一七年:</b>					
<b>For the year ended 31 December 2017:</b>	<b>截至二零一七年十二月三十一日止年度:</b>					
<b>Executive Directors</b>	<b>執行董事</b>					
Hung Tat Chi Alan	洪達智	(i)	641	—	18	659
Ling Ko Yin Jason	林高然		120	—	6	126
Chan Ming Kei	陳銘基	(ii)	960	—	18	978
Bülent Yenäl	Bülent Yenäl	(iii)	—	—	—	—
<b>Non-executive Director</b>	<b>非執行董事</b>					
Chan Wai Kit	陳偉傑	(iv)	71	—	—	71
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>					
Choy So Yuk	蔡素玉		120	—	—	120
Lam Yuk Ying Elsa	林玉英		120	—	—	120
Leung Man Chun	梁文俊		120	—	—	120
Chan Kwan Chung	陳冠忠	(v)	20	—	—	20
			2,172	—	42	2,214

#### Notes:

- (i) Hung Tat Chi Alan, appointed as alternative director to Bülent Yenäl on 11 January 2016, appointed as executive director on 22 March 2017 and resigned as alternate Director to Bülent Yenäl on 14 June 2017.
- (ii) Chan Ming Kei, resigned as executive director on 15 January 2018.
- (iii) Bülent Yenäl, resigned as executive director on 14 June 2017.
- (iv) Chan Wai Kit, appointed as non-executive director on 29 May 2017.
- (v) Chan Kwan Chung, appointed as independent non-executive director on 1 January 2017 and resigned as independent non-executive director on 1 March 2017.

#### 附註:

- (i) 洪達智於二零一六年一月十一日獲委任為Bülent Yenäl之代理董事、於二零一七年三月二十二日獲委任為執行董事，且於二零一七年六月十四日辭任Bülent Yenäl之代理董事。
- (ii) 陳銘基於二零一八年一月十五日辭任執行董事。
- (iii) Bülent Yenäl於二零一七年六月十四日辭任執行董事。
- (iv) 陳偉傑於二零一七年五月二十九日獲委任為非執行董事。
- (v) 陳冠忠於二零一七年一月一日獲委任為獨立非執行董事，且於二零一七年三月一日辭任獨立非執行董事。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 8. DIRECTORS' REMUNERATION (CONTINUED)

There was no amount paid to any directors as an inducement to join or upon joining the Group or as compensation for loss of office. Save for the above, there was no arrangement under which a director waived or agreed to waive any remuneration for the years ended 31 December 2018 and 2017.

Salaries, allowance and benefits in kind paid to or for the executive directors are generally emoluments paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

### 9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The emoluments of the five individuals with the highest emoluments, one (2017: two) are directors, whose emoluments are disclosed in note 8. The aggregate of the emoluments for the five individuals are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	3,447	3,434
Retirement scheme contributions	退休計劃供款	63	69
		<b>3,510</b>	<b>3,503</b>

The emoluments of five (2017: five) individuals with the highest emoluments are within the following band:

		2018 二零一八年 Numbers of individuals 人數	2017 二零一七年 Numbers of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	4	4
HK\$1,000,000 to HK\$2,000,000	1,000,000港元至2,000,000港元	1	1

### 10. LOSS ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY

The consolidated loss for the year attributable to shareholders of the Company includes a loss of HK\$105,087,000 (2017: loss of HK\$66,961,000) which has been dealt with in the financial statements of the Company.

### 8. 董事酬金(續)

概無向任何董事支付任何款項，作為招攬加盟本集團或於加盟本集團時之獎勵或作為離職補償。除上文所述者外，截至二零一八年及二零一七年十二月三十一日止年度，概無董事放棄或同意放棄任何酬金之安排。

向或為執行董事支付之薪金、津貼及實物利益乃就彼等為本公司及其附屬公司事務管理所提供之其他服務而支付或應收之一般薪金。

### 9. 最高薪酬人士

五名最高薪酬人士之中一名(二零一七年：兩名)為董事，彼等之酬金於附註8披露。五名人士之酬金總額如下：

五名(二零一七年：五名)最高薪酬人士之酬金介乎以下範圍：

### 10. 本公司股東應佔虧損

本公司股東應佔本年度綜合虧損包括虧損105,087,000港元(二零一七年：虧損66,961,000港元)，該虧損已在本公司財務報表內處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 11. DISCONTINUED OPERATIONS

#### Argos Group

On 8 May 2017, the Company disposed of its entire equity interest in Argos (China) Investment Limited and its subsidiaries ("Argos Group"). With effect from completion of the disposal, the Group will cease to carry on the business of travel agency services.

#### Profit from discontinued operations

The analysis of the profit from the Argos Group presented as discontinued operations in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" is as follows:

### 11. 已終止業務

#### 雅高集團

於二零一七年五月八日，本公司出售其於雅高(中國)投資控股有限公司及其附屬公司(「雅高集團」)之全部股權。自出售事項完成生效起，本集團將不再從事旅遊代理服務業務。

#### 已終止業務溢利

根據香港財務報告準則第5號「持作銷售之非流動資產及已終止經營業務」呈列為已終止業務之雅高集團溢利分析如下：

		Note 附註	Argos Group 雅高集團 2017 二零一七年 HK\$'000 千港元
<b>Profit for the year from discontinued operations</b>	年內已終止業務溢利		
Revenue	收益	4	7,962
Cost of sales	銷售成本		(7,453)
Gross profit	毛利		509
Other income	其他收入		15
Operating and administrative expenses	經營及行政開支		(834)
Loss before taxation from discontinued operations	來自已終止業務之除稅前虧損		(310)
Taxation	稅項		—
Loss from discontinued operations recognised in the consolidated statement of profit or loss	於綜合損益表確認來自已終止業務之虧損		(310)
Gain on disposal of subsidiaries	出售附屬公司之收益	33	890
			580
Profit attributable to:	以下人士應佔溢利：		
Shareholders of the Company	本公司股東		571
Non-controlling interests	非控股權益		9
			580
Net cash generated from operating activities	經營活動所得現金淨額		890

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. LOSS PER SHARE

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

#### Continuing and discontinued operations

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>(Loss)/earnings</b>	<b>(虧損)/盈利</b>		
(Loss)/earnings for the purposes of basic and diluted loss per share (Loss)/earnings for the year attributable to the shareholders of the Company)	就每股基本及攤薄虧損而言之(虧損)/盈利(本公司股東應佔本年度(虧損)/盈利)		
– from continuing operations	– 來自持續經營業務	<b>(105,087)</b>	(67,532)
– from discontinued operations	– 來自已終止業務	–	571
Loss for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言之虧損	<b>(105,087)</b>	(66,961)

### 12. 每股虧損

本公司股東應佔每股基本及攤薄虧損乃按以下數據計算：

#### 持續經營業務及已終止業務

		2018 二零一八年 '000 shares 千股	2017 二零一七年 '000 shares 千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of share for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言之股份加權平均數	<b>1,746,992</b>	1,606,733

The diluted loss per share for the years ended 31 December 2018 and 2017 is the same as the basic earnings per share as there were no dilutive potential shares outstanding during both years.

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攤薄虧損與每股基本盈利相同，乃由於兩個年度內概無潛在可攤薄股份。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 12. LOSS PER SHARE (CONTINUED)

#### From continuing operations

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Loss</b>	<b>虧損</b>		
Loss for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言之虧損		
From continuing operations	來自持續經營業務	<b>(105,087)</b>	<b>(67,532)</b>

The denominators used are the same as those detailed above for both basic and diluted loss per share.

#### From discontinued operations

For the year ended 31 December 2018, basic and diluted earnings per share from discontinued operation is not applicable (2017: basic and diluted earnings per share of HK0.04 cent per share, based on the profit for the year ended 31 December 2017 from discounted operation of HK\$571,000.)

### 13. SEGMENT REPORTING

The Group manages its business by divisions. The reportable segments are in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment.

In 2018, the Group had five (2017: five) continuing business segments, namely (i) trading; (ii) property development and investment; (iii) money lending; (iv) mobile application; and (v) cemetery.

Travel agency services business has discontinued for the year ended 31 December 2017.

### 12. 每股虧損(續)

#### 來自持續經營業務

用作計算每股基本及攤薄虧損之分母與上文詳述者相同。

#### 來自已終止業務

截至二零一八年十二月三十一日止年度，來自已終止業務之每股基本及攤薄盈利並不適用(二零一七年：每股基本及攤薄盈利為每股0.04港仙，按截至二零一七年十二月三十一日止年度來自已終止業務之溢利571,000港元計算)。

### 13. 分部報告

本集團以部門管理其業務。可報告分部之呈列方式與就分配資源及評估表現向本集團最高級行政管理人員內部報告資料之方式一致。

於二零一八年，本集團設有五個持續經營業務分部(二零一七年：五個)，即(i)貿易；(ii)物業開發及投資；(iii)放債；(iv)手機應用程式；及(v)公墓。

旅遊代理服務業務已於截至二零一七年十二月三十一日止年度終止。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. SEGMENT REPORTING (CONTINUED)

- (i) **Trading:** This segment is engaged in trading of goods including steaming coal and chrome ore and retail trade of window frames, doors and wardrobes. Currently the Group's activities in this regard are carried out in the PRC and Hong Kong.
- (ii) **Property development and investment:** This segment is engaged in building construction, property development, and leasing of properties. Currently the Group's activities in this regard are carried out in Turkey and Hong Kong.
- (iii) **Money lending:** This segment is engaged in provision of money lending business through a wholly-owned subsidiary of the Company which is a money lender licensed in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).
- (iv) **Mobile application:** This segment relates to the operation of an associate that the Group had acquired 40% equity interest in First Surplus Investments (the "FS Group") on 17 March 2017.

The FS Group is engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. FS group contains full team of development, support and market publication. Through the acquisition, it is expected that the Group can further develop mobile application business and capture the opportunities in the mobile online game industry and also the software industry.

- (v) **Cemetery:** This segment is engaged in the construction and operation of cemetery. Currently the Group's activities in this regard are carried out in the PRC.
- (vi) **Travel agency services:** This segment engaged in the provision of tourist routes and tour related services. Currently the Group's activities in this regard are carried out in the PRC. Travel agency services business had discontinued during the year ended 31 December 2017.

### 13. 分部報告(續)

- (i) **貿易：**此分部從事買賣蒸汽煤及鉻礦等貨品，以及零售窗框、門及衣櫃。目前，本集團有關此方面之活動於中國及香港進行。
- (ii) **物業開發及投資：**此分部從事樓宇建造、物業開發及從事租賃物業。目前，本集團有關此方面之活動於土耳其及香港進行。
- (iii) **放債：**此分部透過本公司為放債人條例(香港法例第163章)項下之香港持牌放債人之全資附屬公司從事提供放債業務。
- (iv) **手機應用程式：**此分部與經營本集團於二零一七年三月十七日收購First Surplus Investments(「FS集團」)40%股權之一間聯營公司有關。

FS集團從事手機遊戲開發、遊戲發行、應用程式、相關知識產權及平台業務以及提供相關解決方案。FS集團擁有完整的開發、支援及市場發佈團隊。透過該收購事項，預期本集團可進一步發展手機應用程式業務，並抓緊手機在線遊戲行業以及軟件行業之機遇。

- (v) **公墓：**此分部從事建造及營運公墓。目前，本集團有關此方面之活動於中國進行。
- (vi) **旅遊代理服務：**此分部從事提供旅遊路線及旅遊相關服務。目前，本集團有關此方面之活動於中國進行。旅遊代理服務業務已於截至二零一七年十二月三十一日止年度終止。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. SEGMENT REPORTING (CONTINUED)

#### Segment revenue and results

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

### 13. 分部報告(續)

#### 分部收益及業績

以下為本集團按可報告經營分部劃分之收益及業績分析：

		2018 二零一八年						Discontinued operation 已終止業務	
		Continuing operations 持續經營業務							
		Property development and Trading	investment and investment	Money lending	Mobile application	Cemetery	Sub-total	Travel agency services	Total
		貿易	投資	放債	手機應用程式	公墓	小計	旅遊代理服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue from external customers	外部客戶之分部收益	3,001	1,334	29	—	63	4,427	—	4,427
Segment loss	分部虧損	(1,866)	(6,090)	—	(3,564)	(78,654)	(90,174)	—	(90,174)
Unallocated corporate income	未分配公司收入						11,082	—	11,082
Unallocated corporate expenses	未分配公司開支						(18,889)	—	(18,889)
Finance costs	融資成本						(15,465)	—	(15,465)
<b>Loss before taxation</b>	<b>除稅前虧損</b>						<b>(113,446)</b>	<b>—</b>	<b>(113,446)</b>

		2017 二零一七年						Discontinued operation 已終止業務	
		Continuing operations 持續經營業務							
		Property development and Trading	investment and investment	Money lending	Mobile application	Cemetery	Sub-total	Travel agency services	Total
		貿易	投資	放債	手機應用程式	公墓	小計	旅遊代理服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue from external customers	外部客戶之分部收益	25,399	1,684	865	—	—	27,948	7,962	35,910
Segment (loss)/ profit	分部(虧損)/溢利	(3,141)	3,381	854	(5,138)	(6,821)	(10,865)	580	(10,285)
Unallocated corporate income	未分配公司收入						31	—	31
Unallocated corporate expenses	未分配公司開支						(31,462)	—	(31,462)
Finance costs	融資成本						(27,033)	—	(27,033)
<b>Loss before taxation</b>	<b>除稅前虧損</b>						<b>(69,329)</b>	<b>580</b>	<b>(68,749)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. SEGMENT REPORTING (CONTINUED)

#### Segment revenue and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 2(ab). Segment (loss)/profit represents the (loss from)/profit earned by each segment without allocation of central corporate income and expense and finance costs. This is the measure reported to the most senior executive management for the purposes of resource allocation and performance assessment.

#### Segment assets and liabilities

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

### 13. 分部報告(續)

#### 分部收益及業績(續)

經營分部之會計政策與附註2(ab)所述之本集團會計政策相同。分部(虧損)/溢利指各分部所產生(虧損)/所得溢利，並無分配中央公司收入以及開支及融資成本。此乃向最高行政管理人員報告以作資源分配及表現評估所用之計量方式。

#### 分部資產及負債

以下為本集團按可報告經營分部劃分之資產及負債分析：

		Segment assets		Segment liability	
		分部資產		分部負債	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Continuing operations	持續經營業務				
Trading	貿易	11,904	28,222	(2,350)	(1,431)
Property development and investment	物業開發及投資	168,056	117,007	(7,109)	(726)
Money lending	放債	1,041	2,290	(999)	(972)
Mobile application	手機應用程式	68,533	72,287	—	—
Cemetery	公墓	49,817	129,005	(5,901)	(5,988)
Sub-total	小計	299,351	348,811	(16,359)	(9,117)
Discontinuing operations	已終止業務				
Travel agency services	旅遊代理服務	—	—	—	—
Total segment assets/liabilities	總分部資產/負債	299,351	348,811	(16,359)	(9,117)
Unallocated corporate assets/liabilities	未分配公司資產/負債	85,213	70,642	(185,162)	(222,995)
Consolidated assets/ liabilities	綜合資產/負債	384,564	419,453	(201,521)	(232,112)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. SEGMENT REPORTING (CONTINUED)

### 13. 分部報告(續)

#### Other segment information

#### 其他分部資料

Other segment information	Continuing operations 持續經營業務							Discontinued operation 已終止業務	Total	
	Property development and investment 物業開發及投資	Mobile application 手機	Trading	Money lending	Cemetery	Unallocated	Sub-total	Travel agency service 旅遊		
其他分部資料										
Year ended 31 December 2018 截至二零一八年十二月三十一日止年度	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	
Amounts included in the measure of segment result or segment assets:	計入分部業績或分部資產計量之金額：									
Addition to plant and equipment	添置廠房及設備	261	—	227	—	152	139	779	—	779
Depreciation	折舊	73	—	22	—	258	2,526	2,879	—	2,879
Amortisation	攤銷	—	—	—	—	2,808	—	2,808	—	2,808
Gain on fair value change of investment properties	投資物業公平值變動收益	5,700	—	—	—	—	—	5,700	—	5,700
Interests in associates	於聯營公司之權益	8,708	65,649	—	—	—	3,031	77,388	—	77,388
Share of loss of associates	分佔聯營公司虧損	2,227	3,563	—	—	—	—	5,790	—	5,790

Other segment information	Continuing operations 持續經營業務							Discontinued operation 已終止業務	Total	
	Property development and investment 物業開發及投資	Mobile application 手機	Trading	Money lending	Cemetery	Unallocated	Sub-total	Travel agency service 旅遊		
其他分部資料										
Year ended 31 December 2017 截至二零一七年十二月三十一日止年度	HK\$'000 千港元	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	
Amounts included in the measure of segment result or segment assets:	計入分部業績或分部資產計量之金額：									
Addition to plant and equipment	添置廠房及設備	187	—	—	—	5,673	4,366	10,226	24	10,250
Depreciation	折舊	1,407	—	—	—	236	1,296	2,939	20	2,959
Amortisation	攤銷	—	351	—	—	3,522	—	3,873	—	3,873
Gain on fair value change of investment properties	投資物業公平值變動收益	3,200	—	—	—	—	—	3,200	—	3,200
Interests in associates	於聯營公司之權益	45,716	72,096	3,000	—	—	—	120,812	—	120,812
Share of profit of associates	分佔聯營公司溢利	(1,394)	2,390	—	—	—	—	996	—	996



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 13. SEGMENT REPORTING (CONTINUED)

#### Geographical Segments

The Group operates in three principal geographical areas — the PRC, Hong Kong and Turkey. The following table provides an analysis of the Group's revenue from external customers and non-current assets by geographical location:

		Revenue from external customers		Non-current assets	
		來自外部客戶之收入		非流動資產	
		2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Continuing operations</b>	<b>持續經營業務</b>				
— PRC	— 中國	684	25,399	46,399	126,441
— Hong Kong	— 香港	3,523	2,549	174,621	178,143
— Turkey	— 土耳其	220	—	139,197	57,626
		<b>4,427</b>	<b>27,948</b>	<b>360,217</b>	<b>362,210</b>

#### Major customers

The information in respect of the Group's sales attributable to the major customers during the financial year is as follows:

	Percentage of the group's total sales	
	佔本集團之百分比	
	總銷售額	
	2018	2017
	二零一八年	二零一七年
The largest customer	54%	48%
最大客戶		
Five largest customers in aggregate	94%	96%
五大客戶之總和		

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the number of issued shares of the Company) had any interest in these major customers.

### 13. 分部報告(續)

#### 地區分部

本集團於中國、香港及土耳其三個主要地區經營。下表為按地區載列之本集團來自外部客戶之收入及非流動資產分析：

#### 主要客戶

於本財政年度內有關主要客戶應佔本集團之銷售額資料載列如下：

本公司之董事、彼等之聯繫人士或任何股東(據董事所知擁有本公司5%已發行股份以上之股東)概無於年內任何時間擁有該等主要客戶之任何權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物業、廠房及設備

		Land and Building	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
	Note	土地及樓宇	租賃物業裝修	傢俬、裝置及設備	汽車	在建工程	總計
	附註	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
<b>Cost:</b>	<b>成本：</b>						
At 1 January 2017	於二零一七年一月一日	44,763	2,061	1,650	5,079	3,290	56,843
Additions	添置	—	519	3,069	1,441	5,221	10,250
Disposals	出售	—	—	(765)	(4,100)	—	(4,865)
Disposal of subsidiaries	出售附屬公司	—	(317)	(428)	(455)	—	(1,200)
Exchange adjustments	匯兌調整	—	3	21	62	(805)	(719)
At 31 December 2017 and at 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	44,763	2,266	3,547	2,027	7,706	60,309
Additions	添置	—	116	251	—	151	518
Addition through business combination achieved in stages	透過分階段達成之業務合併添置	84	—	177	—	—	261
Disposals	出售	—	(457)	(264)	—	—	(721)
Exchange adjustments	匯兌調整	11	—	7	(54)	(403)	(439)
At 31 December 2018	於二零一八年十二月三十一日	44,858	1,925	3,718	1,973	7,454	59,928
<b>Accumulated depreciation and impairment:</b>	<b>累計折舊及減值：</b>						
At 1 January 2017	於二零一七年一月一日	723	266	921	1,121	—	3,031
Charge for the year	年內支出	6(c) 1,408	348	617	586	—	2,959
Written back on disposals	出售時撥回	—	—	(110)	(958)	—	(1,068)
Disposal of subsidiaries	出售附屬公司	—	(107)	(394)	(344)	—	(845)
Exchange adjustments	匯兌調整	—	4	14	20	—	38
At 31 December 2017 and at 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	2,131	511	1,048	425	—	4,115
Charge for the year	年內支出	6(c) 1,512	368	660	339	—	2,879
Written back on disposals	出售時撥回	—	(90)	(247)	—	—	(337)
Exchange adjustments	匯兌調整	1	—	(6)	(24)	—	(29)
At 31 December 2018	於二零一八年十二月三十一日	3,644	789	1,455	740	—	6,628
<b>Carrying amount:</b>	<b>賬面值：</b>						
At 31 December 2018	於二零一八年十二月三十一日	41,214	1,136	2,263	1,233	7,454	53,300
At 31 December 2017	於二零一七年十二月三十一日	42,632	1,755	2,499	1,602	7,706	56,194

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The land and building are situated in Hong Kong and are held under medium term leases. The land and building has been pledged as security for a borrowing granted to the Group amounting HK\$29,500,000 as at 31 December 2018 (31 December 2017: HK\$26,000,000) (note 24).

### 14. 物業、廠房及設備(續)

土地及樓宇位於香港，且以中期租賃持有。於二零一八年十二月三十一日，已抵押土地及樓宇以獲得借貸29,500,000港元(二零一七年十二月三十一日：26,000,000港元)(附註24)。

### 15. INVESTMENT PROPERTIES

### 15. 投資物業

			2018 二零一八年 Investment properties 投資物業 HK\$'000 千港元	2017 二零一七年 Investment properties 投資物業 HK\$'000 千港元
		Notes 附註		
As at 1 January	於一月一日		55,100	51,900
Additions through business combination achieved in stages	透過分階段達成之業務合併添置	32	83,044	—
Gain on fair value change of investment properties	投資物業之公平值變動收益	5	5,700	3,200
Exchange adjustments	匯兌調整		10,883	—
As at 31 December	於十二月三十一日		154,727	55,100

Investment properties represent 1 commercial unit located in Hong Kong and 14 residential units and 2 commercial units located in Turkey.

投資物業指位於香港之1個商業單位及位於土耳其之14個住宅單位及2個商業單位。

The fair value of the investment property located in Hong Kong at 31 December 2018 has been arrived at on the basis of a valuation carried out on that day by International Valuation Limited, an independent qualified professional valuer that is not connected with the Group.

就位於香港之投資物業而言，於二零一八年十二月三十一日，其公平值由與本集團並無關連之獨立合資格專業估值師國際評估有限公司按該日之估值釐定。

The fair value of the investment properties located in Turkey at 31 December 2018 have been arrived at on the basis of a valuation carried out on that day by RM Ritim Gayrimenkul Değerleme A.Ş. ("Ritim"), a real estate valuation company based in Istanbul, Turkey. Ritim is an independent qualified professional valuer that is not connected with the Group.

就位於土耳其之投資物業而言，於二零一八年十二月三十一日，其公平值由土耳其伊斯坦布爾之房地產估值公司RM Ritim Gayrimenkul Değerleme A.Ş. (「Ritim」)按該日之估值釐定。Ritim為與本集團並無關連之獨立合資格專業估值師。

The fair values of investment properties in Hong Kong and Turkey are determined based on the "Direct Comparison Method", where the value is assessed by reference to the comparable properties of similar size, character and location, factoring in all the respective advantages and disadvantages of each property in order to arrive at the comparison of capital value.

香港及土耳其投資物業之公平值乃按「直接比較法」釐定，而其估值乃參照類似面積、特點及地區之可資比較物業評定，並經考量各物業之一切相關利弊因素以達致資本價值之比較。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 15. INVESTMENT PROPERTIES (CONTINUED)

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes were measured using the fair value model and were classified and accounted for as investment properties.

At 31 December 2018, the Group's investment property located in Hong Kong with carrying amount of HK\$60,800,000 has been pledged to secure a borrowing granted to the Group amounts to HK\$29,500,000 (31 December 2017: HK\$26,000,000) (note 24).

The carrying amounts of the Group's investment properties comprise:

### 15. 投資物業(續)

本集團所有以營運租賃形式收取租金或待資本升值之物業乃以公平值模式計量，且獲確認為及入賬列作投資物業。

於二零一八年十二月三十一日，本集團抵押賬面值為60,800,000港元之位於香港之投資物業以獲授借貸29,500,000港元(二零一七年十二月三十一日：26,000,000港元)(附註24)。

本集團之投資物業賬面值包括：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Investment properties:</b>	<b>投資物業：</b>		
Hong Kong	香港		
Commercial unit	商業單位	60,800	55,100
		60,800	55,100
Turkey	土耳其		
Commercial units	商業單位	32,086	—
Residential units	住宅單位	61,841	—
		93,927	—
		154,727	55,100

The fair value measurements for all of the Group's investment properties are categorised as level 2. The following table gives information about how the fair values of the investment properties as at 31 December 2018 are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised level 2 based on the degree to which the inputs to the fair value measurements is observable.

本集團所有投資物業之公平值計量獲分類為第二級。下表提供如何釐定投資物業於二零一八年十二月三十一日之公平值之資料(特別是估計技術及所用之輸入數據)，以及根據公平值計量輸入數據之可觀察程度分類公平值計量所屬公平值等級為第二級。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 15. INVESTMENT PROPERTIES (CONTINUED)

### 15. 投資物業(續)

Properties 物業	Fair value hierarchy 公平值層級	Valuation technique & key input 估值技術及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值之關係
Investment properties – located in Hong Kong	Level 2	Direct comparison method  The key input is price per square foot	Price per square foot, using market direct comparable and taking into account location and other individual factors such as age and location of the property, approximately HK\$26,400 per square foot as at 31 December 2018 (2017: approximately HK\$23,905 per square foot)	A slight increase in the price per square foot will increase significantly the fair value
投資物業－位於香港	第二級	直接比較法  主要輸入數據為每平方呎價格	利用市場直接可資比較物業並計及地點及其他個別因素(例如物業的樓齡及地點)得出之每平方呎價格，即於二零一八年十二月三十一日每平方呎約26,400港元(二零一七年：每平方呎約23,905港元)	每平方呎價格輕微上升將大幅增加公平值



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 15. INVESTMENT PROPERTIES (CONTINUED)

### 15. 投資物業(續)

Properties 物業	Fair value hierarchy 公平值層級	Valuation technique & key input 估值技術及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值之關係
Investment properties – located in Turkey	Level 2	Direct comparison method  The key input is price per square meter	For commercial units, price per square meter, using market direct comparable and taking into account location and other individual factors such as age and location of the property with square meter ranging from TL 28,250 to TL 40,500 per unit as at 31 December 2018.  For residential units, price per square meter, using market direct comparable and taking into account location and other individual factors such as age and location of the property with square meter ranging from TL12,500 to TL26,500 per unit as at 31 December 2018.	A slight increase in the price per square foot will increase significantly the fair value
投資物業－位於土耳其	第二級	直接比較法  主要輸入數據為每平方米價格	就商業單位而言，利用市場直接可資比較物業並計及地點及其他個別因素(例如物業之樓齡及地點)得出之每平方米價格，即於二零一八年十二月三十一日每單位每平方米介乎28,250土耳其里拉至40,500土耳其里拉。  就住宅單位而言，利用市場直接可資比較物業並計及地點及其他個別因素(例如物業之樓齡及地點)得出之每平方米價格，即於二零一八年十二月三十一日每單位每平方米介乎12,500土耳其里拉至26,500土耳其里拉。	每平方呎價格輕微上升將大幅增加公平值

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 15. INVESTMENT PROPERTIES (CONTINUED)

During the years ended 31 December 2018 and 31 December 2017, there has been no change to the valuation techniques and there were no transfers between level 1 and level 2, or transfers into or out of level 3.

### 16. INVESTMENT PROPERTIES UNDER CONSTRUCTION

The investment properties under construction represents residential units under construction located in Turkey and were acquired through business combination achieved in stages, see note 32, on 1 October 2018.

### 15. 投資物業(續)

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，估值技術概無變動，亦概無於第一級及第二級之間轉換，或轉入或轉出第三級。

### 16. 在建投資物業

在建投資物業指位於土耳其之在建住宅單位，為於二零一八年十月一日透過分階段達成之業務合併收購(見附註32)。

		Note 附註	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日		—
Addition through business combination achieved in stages	透過分階段達成之業務合併添置	32	29,667
Construction costs incurred during the year	本年度產生之建築成本		2,439
Exchange adjustments	匯兌調整		2,915
At 31 December 2018	於二零一八年十二月三十一日		35,021

As at 1 October 2018, the fair values of investment properties under construction have been arrived at on the basis of a valuation carried out on that day by Ritim, a real estate valuation company based in Istanbul, Turkey. Ritim is an independent qualified professional valuer that is not connected with the Group.

Subsequent to the initial recognition, additions of construction costs to the investment properties under construction is accounted for by cost method.

於二零一八年十月一日，在建投資物業之公平值由土耳其伊斯坦堡之房地產估值公司Ritim按該日之估值釐定。Ritim為與本集團並無關連之獨立合資格專業估值師。

首次確認後，在建投資物業之新增建築成本乃按成本法入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 17. INTANGIBLE ASSETS

### 17. 無形資產

		Travel agency licenses 旅遊代理執照 HK\$'000 千港元	Operating rights 經營權 HK\$'000 千港元 (Note a) (附註a)	Operating rights of cemetery 公墓之經營權 HK\$'000 千港元 (Note b) (附註b)	Total 總計 HK\$'000 千港元
<b>Cost:</b>	<b>成本：</b>				
At 1 January 2017	於二零一七年一月一日	965	30,000	118,000	148,965
Disposal through disposal of subsidiaries	透過出售附屬公司出售	(965)	—	—	(965)
At 31 December 2017, 1 January 2018 and 31 December 2018	於二零一七年十二月三十一日、二零一八年一月一日及二零一八年十二月三十一日	—	30,000	118,000	148,000
<b>Accumulated amortisation and impairment loss:</b>	<b>累計攤銷及減值虧損：</b>				
At 1 January 2017	於二零一七年一月一日	965	29,649	—	30,614
Impairment loss	減值虧損	6(c)	—	—	—
Charge for the year	年內支出	6(c)	351	3,522	3,873
Release through disposal of subsidiaries	透過出售附屬公司撥回	(965)	—	—	(965)
At 31 December 2017 and at 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	—	30,000	3,522	33,522
Impairment loss	減值虧損	6(c)	—	73,171	73,171
Charge for the year	年內支出	6(c)	—	2,808	2,808
At 31 December 2018	於二零一八年十二月三十一日	—	30,000	79,501	109,501
<b>Carrying amount:</b>	<b>賬面值：</b>				
At 31 December 2018	於二零一八年十二月三十一日	—	—	38,499	38,499
At 31 December 2017	於二零一七年十二月三十一日	—	—	114,478	114,478

#### Notes:

- (a) Operating rights of a mobile game apps, which was acquired through acquisition of a subsidiary, represent the PRC operating rights of a mobile game app of the name "Ninja in Barrel". The useful life of operating rights is 3 years.

#### 附註：

- (a) 透過收購一間附屬公司獲得之手機遊戲應用程式經營權指名為「木桶忍者」之手機遊戲應用程式之中國經營權。該經營權之使用年期為三年。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 17. INTANGIBLE ASSETS (CONTINUED)

Notes: (Continued)

- (b) The operating rights of cemetery were issued by the relevant authorities in Henan for the legal right to operate a cemetery in Zhecheng county ("Cemetery"). The corresponding operating permit is renewable every year at minimal costs that the Group would renew the permit continuously and has the ability to do so. The useful life of the Cemetery will end on 1 July 2050.

During the year ended 31 December 2017, the Group performed impairment review for the operating rights based on cash flow forecasts derived from the most recent financial budgets for the period of the useful life of the Cemetery approved by management using discount rate of 23% which reflects current market assessments of the time value of money and the risks specific to the operating rights.

During the year ended 31 December 2018, for the purpose of the impairment review for the operating rights, the Group has engaged an independent valuer, International Valuation Limited, to assess the fair value of the operating rights.

As at 31 December 2018, the recoverable amount of the operating rights has been determined from the value in use calculations by taking into account the cash flow forecasts that based on the most recent financial budgets for the period of the useful life of the Cemetery approved by management using discount rate of 23% which reflects current market assessments of the time value of money and the risks specific to the operating rights.

As at 31 December 2018, the recoverable amounts of the operating rights approximates to HK\$38,499,000 which is lower than the carrying value by HK\$73,171,000. On this basis, an impairment loss of approximately HK\$73,171,000 on the operating right was recognised in the statement of profit or loss during the year ended 31 December 2018 (2017: nil) due to (i) parts of related facilities had been under construction which affected the sales process and (ii) certain unfavourable business condition were identified. Details of the Cemetery business operation, please refer to page 15 in the Management Discussion and Analysis section.

The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the operating rights. The growth rates are by reference to industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

### 17. 無形資產(續)

附註：(續)

- (b) 公墓經營權由河南相關機構頒發，以擁有法定權利於柘城縣經營公墓(「公墓」)。相應營運許可證每年按最低成本續期，而本集團將會並有能力續期許可證。公墓之使用年期將至二零五零年七月一日為止。

於截至二零一七年十二月三十一日止年度，本集團曾對經營權進行減值檢討，根據來自最近期經管理層批准之公墓使用年期期間財務預算之現金流量預測而定，貼現率為23%，反映現時市場對金錢時間值之評估以及有關經營權之特定風險。

於截至二零一八年十二月三十一日止年度，為對經營權進行減值檢討，本集團已聘請獨立估值師國際評估有限公司，以評估經營權之公平值。

於二零一八年十二月三十一日，經營權之可收回金額按使用價值計算釐定，當中計及根據最近期經管理層批准以23%貼現率計算之公墓使用年期期間財務預算之現金流量預測，該比率反映現時市場對金錢時間值之評估以及有關經營權之特定風險。

於二零一八年十二月三十一日，經營權之可收回金額約為38,499,000港元，較賬面值低73,171,000港元。按此基準，已於截至二零一八年十二月三十一日止年度在損益表確認有關經營權之減值虧損約73,171,000港元(二零一七年：無)，原因為：(i)部分相關設施在建中，影響銷售過程；及(ii)發現若干不利營商狀況。最新有關公墓業務營運請見管理層論述及分析第15頁。

使用價值計算之主要假設為有關期內售價及直接成本之貼現率、增長率及預期變化之假設。管理層利用反映現時市場對金錢時間值之評估以及有關經營權之特定風險之稅前比率，估計貼現率。增長率參考業內增長預測作出。售價及直接成本變化根據過往做法及對市場未來變化之預期作出。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTERESTS IN ASSOCIATES

### 18. 於聯營公司之權益

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted shares, at cost	未上市股份，按成本	(a),(b)	114,501	114,501
Bargain purchase on acquisition of an associate	就收購一間聯營公司進行議價收購		2,416	2,416
Share of post-acquisition gain/(loss) and other comprehensive income/ (expense), net of dividend	分佔收購後收益／(虧損)及扣除股息後其他全面收入／(開支)		(12,139)	895
Acquisition of 30% equity interest in an associate	收購一間聯營公司30%股權	(c)	29	—
Derecognition of interest in an associate resulting from business combination achieved in stages	分階段達成之業務合併導致終止確認於一間聯營公司之權益	(a)(ii)	(27,566)	—
Impairment loss on interest in an associate	於一間聯營公司之權益之減值虧損	(b)	(2,884)	—
			74,357	117,812
Amount due from an associate	應收一間聯營公司款項	(d)	3,031	3,000
			77,388	120,812

#### (a) Boyracı Construction

##### (i) Acquisition of 30% equity interest in 2016

Pursuant to the sales and purchase agreement entered into between Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi ("Ottoman Evershine Construction"), a company incorporated in Turkey and an indirect wholly owned subsidiary of the Company, and Mr. Osman Boyracı on 7 December 2016, Ottoman Evershine Construction acquired 30% of the equity interest of Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi ("Boyracı Construction"), a company incorporated in Turkey and is specialised in elite urban transformation projects and earthquake resistant buildings, at a consideration of USD5,780,000 (equivalent to HK\$ 44,795,000) satisfied by a promissory note of principal amount of USD5,780,000 (equivalent to HK\$ 44,795,000) issued by the Company on 30 December 2016 with interest rate of 5% per annum and maturity date on 30 December 2018. The acquisition was completed on 30 December 2016. Upon acquisition, a bargain purchase of HK\$2,416,000 was recognised.

#### (a) Boyracı Construction

##### (i) 於二零一六年收購30%股權

根據Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi(「Ottoman Evershine Construction」，為於土耳其註冊成立之公司及本公司之間接全資附屬公司)與Osman Boyracı先生於二零一六年十二月七日訂立之買賣協議，Ottoman Evershine Construction收購Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi(「Boyracı Construction」)(一間於土耳其註冊成立之公司，其專門承接高級城市改造項目及防震樓宇建造)30%股權，代價5,780,000美元(相等於44,795,000港元)以本公司於二零一六年十二月三十日發行本金額為5,780,000美元(相等於44,795,000港元)之承兌票據償付。承兌票據按年利率5%計息，且於二零一八年十二月三十日到期。收購於二零一六年十二月三十日完成。收購後，確認議價收購2,416,000港元。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTERESTS IN ASSOCIATES (CONTINUED)

#### (a) Boyracı Construction (Continued)

##### (ii) Acquisition of additional 30% equity interest in 2018

References is made to the announcements of the Company dated 6 June 2017, 6 November 2017, 6 December 2017, 26 February 2018, 3 July 2018, 20 August 2018, 24 August 2018, 19 September 2018 and the circular of the Company dated 10 August 2018 and the Supplemental Circular (the “Supplemental Circular”) of the Company dated 4 September 2018 in relation to the acquisition of an additional 30% equity interest (the “Further Acquisition”) of Boyracı Construction.

On 1 October 2018, all the conditions precedent under the sale and purchase agreement have been fulfilled and completion of the Further Acquisition of Boyracı Construction took place on 1 October 2018 (the “Acquisition Date”). This involves (i) the issue of Promissory Note A (PN3) with a principal amount of USD1,938,770 on the Completion Date; and (ii) the issue of Promissory Note B as deferred consideration (“Contingent Consideration”) with a principal amount up to USD1,111,230. For details, please refer to the Supplemental Circular of the Company.

Following the completion of the Further Acquisition, Boyracı Construction has become an indirect 60%-owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated and accounted for as a subsidiary in the financial statements of the Group.

On the Acquisition Date, the Group has remeasured the previously held 30% equity interest in Boyracı Construction (note(a)(i)) to its fair value. With the net effect of (i) gain on remeasurement of the acquisition date carrying value of the previously held interest in Boyracı Construction to its fair value of approximately HK\$6,673,000, and (ii) release of exchange reserve upon derecognition of an associate of approximately HK\$5,623,000, the Group has recognised a gain upon derecognition of an associate of approximately HK\$1,050,000.

Details of the business combination achieved in stages are set out in note 32.

### 18. 於聯營公司之權益(續)

#### (a) Boyracı Construction(續)

##### (ii) 於二零一八年收購額外30%股權

茲提述本公司日期為二零一七年六月六日、二零一七年十一月六日、二零一七年十二月六日、二零一八年二月二十六日、二零一八年七月三日、二零一八年八月二十日、二零一八年八月二十四日及二零一八年九月十九日之公佈，以及本公司日期為二零一八年八月十日之通函及本公司日期為二零一八年九月四日之補充通函(「補充通函」)，內容有關收購Boyracı Construction額外30%股權(「進一步收購事項」)。

於二零一八年十月一日，買賣協議項下所有先決條件已達成，故Boyracı Construction進一步收購事項已於二零一八年十月一日(「收購日期」)完成。此涉及(i)於交割日期發行本金額為1,938,770美元之承兌票據A(承兌票據3)；及(ii)發行本金額最高為1,111,230美元之承兌票據B，作為遞延代價(「或然代價」)。有關詳情，請參閱本公司之補充通函。

於進一步收購事項完成後，Boyracı Construction成為本公司間接持有60%權益之附屬公司，故其財務業績、資產及負債將綜合計入本集團之財務報表並於當中入賬列作一間附屬公司。

於收購日期，本集團已將先前持有Boyracı Construction之30%股權(附註(a)(i))重新計量至其公平值。因以下各項之淨影響：(i)將先前持有Boyracı Construction之權益於收購日期之賬面值重新計量至完成日期之公平值收益約6,673,000港元；及(ii)終止確認一間聯營公司時撥回匯兌儲備約5,623,000港元，故本集團確認終止確認一間聯營公司之收益約1,050,000港元。

分階段達成之業務合併之詳情載於附註32。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTERESTS IN ASSOCIATES (CONTINUED)

#### (b) The FS Group

On 17 March 2017, the Group, through Ottoman Evershine Holdings Limited, a wholly-owned subsidiary (the “FS Purchaser”), acquired 40% equity interest in First Surplus Investment Limited (“FS Group”) from independent third parties (the “FS Vendors”) at a nominal consideration of HK\$80,000,000 (the “FS Consideration”).

Pursuant to the agreement for sale and purchase dated 20 January 2017 entered into between the FS Purchaser, the FS Vendors and the Company (as the “FS Guarantor”) in relation to the FS Acquisition (the “FS Acquisition Agreement”), the FS Consideration shall be paid by the FS Purchaser to the FS Vendors (or its nominee(s)) as to: (i) HK\$30,000,000 in cash; (ii) HK\$50,000,000 by the issuance of a promissory note at 6% per annum (the “FS Promissory Note”). The principal and accrued interest thereon are wholly repayable on the date immediate following 2 years after the date of issue of the Promissory Note to the FS Vendors (or their nominees) upon the completion of the FS Acquisition (i.e. 17 March 2017).

Pursuant to the FS Acquisition Agreement, the FS Vendors guarantee to the FS Purchaser that the audited consolidated net profit after taxation of FS Group for the year ended 31 December 2017 (“Actual Profit”) which is (i) based on the financial statements prepared in accordance with the HKFRS (the “Audited Financial Statements”); and (ii) to be audited by auditor(s) assigned or agreed by the Purchaser, shall not be less than HK\$14,000,000 (the “Guaranteed Profit”).

Pursuant to the FS Acquisition Agreement, in the event that the Actual Profit is less than the Guaranteed Profit, the Purchaser shall be entitled either to require the FS Vendor to compensate in one of the following manner:

- (i) compensation of amount in respect of the shortfall (the “Compensation Sum”) calculated in accordance with the following formula:

$$\text{Compensation Sum} = (\text{Guaranteed Profit} - \text{Actual Profit}) \times \text{Guaranteed Profit}$$

For the avoidance of doubt, the maximum amount of Compensation Sum payable by the FS Vendor shall be HK\$50,000,000; or

### 18. 於聯營公司之權益(續)

#### (b) FS集團

於二零一七年三月十七日，本集團透過全資附屬公司Ottoman Evershine Holdings Limited(「FS買方」)向獨立第三方(「FS賣方」)收購First Surplus Investment Limited(「FS集團」)40%股權，名義代價為80,000,000港元(「FS代價」)。

根據FS買方、FS賣方及本公司(作為「FS擔保人」)就FS收購事項所訂立日期為二零一七年一月二十日之買賣協議(「FS收購事項協議」)，FS買方須向FS賣方(或其代名人)以：(i)現金30,000,000港元；(ii)發行年利率6%之50,000,000港元承兌票據(「FS承兌票據」)之方式支付FS代價。承兌票據之本金及應計利息須於FS收購事項完成(即二零一七年三月十七日)後於緊隨發行承兌票據當日起計兩年後當日向FS賣方(或其代名人)全數償還。

根據FS收購事項協議，FS賣方向FS買方作出保證，保證FS集團於截至二零一七年十二月三十一日止年度之經審核綜合除稅後純利(「實際溢利」)(i)以根據香港財務報告準則編製之財務報表(「經審核財務報表」)為基礎；及(ii)將經買方指派或同意之核數師審核)不會低於14,000,000港元(「保證溢利」)。

根據FS收購事項協議，倘實際溢利少於保證溢利，則買方有權要求FS賣方以下列其中一項方式賠償：

- (i) 按下列公式計算所得之差額(「賠償總額」)作出賠償：

$$\text{賠償總額} = (\text{保證溢利} - \text{實際溢利}) \times \text{保證溢利}$$

為免生疑問，FS賣方應付賠償總額之最高金額應為50,000,000港元；或

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTERESTS IN ASSOCIATES (CONTINUED)

#### (b) The FS Group (Continued)

- (ii) FS Purchaser shall have the right during the period from the issue of the Audited Financial Statements to 30 June 2018 (both days inclusive) and at its full discretion to sell the Sale Shares to the FS Vendor at the price equivalent to the FS Consideration, whereupon the FS Vendor shall have the obligation to purchase the Sale Shares at such price (the "Put Option").

The fair value of contingent consideration assets for acquisition of associate as at 17 March 2017 was approximated to zero which is determined by the directors of the company.

The fair value of the Put Option as at 17 March 2017 is determined by the directors of the Company with reference to valuation carried out by the Valuer and is calculated by multiplying the value of the Put Option of approximately HK\$8,860,000 and the probability of the Put Option being exercised of 50%.

On 23 March 2018, according to the Audited Financial Statements received on 23 March 2018 of FS Group for the year ended 31 December 2017, the Actual Profit was approximately HK\$15,292,000 and therefore the Guaranteed Profit is fulfilled and the Put Option is lapsed pursuant to the FS Acquisition Agreement. The corresponding changes in fair value charged to income statement accordingly.

As at 31 December 2018, the Group has performed an impairment review on its interest in the FS Group, and the recoverable amount of it is below than the carrying amount. As a result, the Group has recognised an impairment loss on interest in an associate of HK\$2,884,000 (2017: Nil) in the statement of profit or loss.

### 18. 於聯營公司之權益(續)

#### (b) FS集團(續)

- (ii) FS買方將有權全權酌情自刊發經審核財務報表起至二零一八年六月三十日止期間(包括首尾兩日)內按相當於FS代價之價格向FS賣方出售待售股份，而FS賣方將有義務按有關價格購買待售股份(「認沽期權」)。

於二零一七年三月十七日，收購聯營公司之或然代價資產之公平值經本公司董事釐定後約等於零。

於二零一七年三月十七日，認沽期權之公平值由本公司董事經參考估值師進行之估值後釐定並按認沽期權價值約8,860,000港元乘以認沽期權獲行使之可能性為50%計算得出。

於二零一八年三月二十三日，根據二零一八年三月二十三日接獲之FS集團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，實際溢利約為15,292,000港元，故根據FS認購事項協議，保證溢利已獲達成，而認沽期權已失效。公平值變動已相應自收益表中扣除。

於二零一八年十二月三十一日，本集團已對於FS集團之權益進行減值檢討，而其可收回金額低於其賬面值。因此，本集團已於損益表確認就於一間聯營公司之權益之減值虧損2,884,000港元(二零一七年：無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTERESTS IN ASSOCIATES (CONTINUED)

#### (c) Boyracı2

On 26 February 2018, pursuant to the side letter entered into between Ottoman Evershine Construction, Boyracı Construction and Mr. Osman Boyracı, a property was transferred from Boyracı Construction to a new company i.e. Boyracı2 İnşaat Anonim Şirketi ("Boyracı2"). Boyracı2 was incorporated under the laws of Turkey on 27 March 2018 held by Mr. Osman Boyracı and Ottoman Evershine Construction with 70% and 30% equity interest respectively. Boyracı2 is an investment holding company which holds a two-floor condominium with gross saleable area of approximately 1,068m<sup>2</sup>. As at 31 December 2018, the fair value of the investment property approximates to HK\$44,860,000.

(d) The amount due from an associate is unsecured, interest-free and has no fixed terms of repayment.

(e) The movements in impairment loss is summarised as below:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	—	—
Impairment loss recognised	已確認減值虧損	2,884	—
At 31 December	於十二月三十一日	2,884	—

### 18. 於聯營公司之權益(續)

#### (c) Boyracı2

於二零一八年二月二十六日，根據 Ottoman Evershine Construction、Boyracı Construction 與 Osman Boyracı 先生訂立之附函，一項物業由 Boyracı Construction 轉讓予新公司，即 Boyracı2 İnşaat Anonim Şirketi (「Boyracı2」)。Boyracı2 根據土耳其法律在二零一八年三月二十七日註冊成立，分別由 Osman Boyracı 先生及 Ottoman Evershine Construction 持有 70% 及 30% 股權。Boyracı2 為一間投資控股公司，持有一個總實用面積約為 1,068 平方米之兩層公寓。於二零一八年十二月三十一日，投資物業之公平值約為 44,860,000 港元。

(d) 應收一間聯營公司款項為無抵押、免息及無固定還款期。

(e) 減值虧損變動概述如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTERESTS IN ASSOCIATES (CONTINUED)

(f) Details of the associates are as follows:

### 18. 於聯營公司之權益(續)

(f) 聯營公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例 Group's effective holding 本集團實際持有		Principal activity 主要業務
			2018 二零一八年	2017 二零一七年	
First Surplus Investment Limited (FS Group) First Surplus Investment Limited (FS集團)	British Virgin Islands 英屬處女群島	Registered capital of USD10 註冊資本10美元	40% (Indirect) (間接)	40% (Indirect) (間接)	Mobile application business 手機應用程式業務
Boyraci2 İnşaat Anonim Şirketi (Boyraci2)	Turkey 土耳其	Registered capital of TL50,000 註冊資本50,000土耳其里拉	30% (Indirect) (間接)	—	Investment holdings 投資控股
Boyraci Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi (Boyraci Construction)	Turkey 土耳其	Registered capital of TL21,000,000 註冊資本21,000,000土耳其里拉	N/A 不適用	30% (Indirect) (間接)	Building construction properties development and lease of properties 樓宇建造、物業開發及 物業租賃
Leading Global INC Limited 嶺球有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元 之普通股	30% (Direct) (直接)	30% (Direct) (直接)	Investment holdings 投資控股
Yongyao Technology (Jiang Xi) Co. Ltd 永耀科技(江西)股份有限公司	PRC 中國	Registered capital of HK\$7,000,000 註冊資本7,000,000港元	30% (Indirect) (間接)	30% (Indirect) (間接)	Trade of Clothing 服裝貿易



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 18. INTERESTS IN ASSOCIATES (CONTINUED)

(g) The following table illustrates the summarised financial information of the Group's associates:

FS Group FS集團		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets	資產	46,241	50,622
Liabilities	負債	15,492	20,358
Revenue	收益	21,892	35,792
Profit	溢利	679	15,292

### 18. 於聯營公司之權益(續)

(g) 下表闡述本集團聯營公司之概要財務資料：

Boyraci2 Boyraci2		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets	資產	47,064	N/A
Liabilities	負債	18,094	N/A
Revenue	收益	—	N/A
Profit	溢利	34,669	N/A

Boyraci Construction Boyraci Construction		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets	資產	N/A	220,624
Liabilities	負債	N/A	76,508
Revenue	收益	N/A	961
Losses	虧損	N/A	4,647

### 19. INVENTORIES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Merchandise	商品	420	2,303

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 20. TRADE AND OTHER RECEIVABLES

### 20. 貿易及其他應收款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade debtors, net of allowance for credit losses (a)&(b)	應收賬款，扣除信貸虧損撥備 (a)及(b)	2,587	12,310
Other receivables	其他應收款項	8,719	5,450
Rental and other deposits	租金及其他按金	7,081	20,937
Prepayments	預付款項	1,967	1,394
		<b>20,354</b>	<b>40,091</b>

(a) The following shows the trade debtors as at 31 December 2018 and 2017:

(a) 下表顯示於二零一八年及二零一七年十二月三十一日之應收賬款：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade debtors	應收賬款	2,611	12,310
Less: Allowance for credit losses	減：信貸虧損撥備	(24)	—
		<b>2,587</b>	<b>12,310</b>

(b) Ageing analysis

The following is an aged analysis of trade debtors (net of allowance for credit losses) presented based on the invoice dates:

(b) 賬齡分析

下表顯示按發票日期呈列之應收賬款 (扣除信貸虧損撥備) 賬齡分析：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 month	一個月內	2,399	—
More than 1 month but within 3 months	超過一個月但於三個月內	—	—
More than 3 months but within 6 months	超過三個月但於六個月內	—	—
More than 6 months	超過六個月	188	12,310
		<b>2,587</b>	<b>12,310</b>

Trade debtors are generally granted with credit terms ranging from 30 days to 180 days. The Group may, on a case by case basis and after evaluation of the business relationship and creditworthiness, extend the credit period upon customers' requests.

應收賬款一般獲授介乎30日至180日之信貸期。本集團可按個別情況及於評估業務關係及信譽後應客戶要求延長信貸期。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 20. TRADE AND OTHER RECEIVABLES (CONTINUED)

#### (c) Trade debtors that are not impaired

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Neither past due nor impaired	既無逾期亦無減值	2,421	—
Past due but not impaired and past due within 12 months	已逾期但並無減值及逾期少於十二個月	190	12,310
		<b>2,611</b>	<b>12,310</b>

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Management closely monitors the credit quality, based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

### 20. 貿易及其他應收款項(續)

#### (c) 並無減值之應收賬款

並無個別或共同視作已減值之應收賬款賬齡分析如下：

既無逾期亦無減值之應收款項涉及眾多近期並無拖欠紀錄之客戶。

已逾期但無減值之應收款項涉及多名與本集團有良好還款記錄之獨立客戶。管理層密切監察信貸質素，基於過往經驗，由於信貸質素並無出現重大變動及有關結餘仍被視為可全數收回，故管理層認為毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 21. LOAN AND INTEREST RECEIVABLES

The Group's loan receivables arise from the money lending business. As at 31 December 2018, the Group had no loan and interest receivables. As at 31 December 2017, loan receivable bear interest at rates range from 12% to 16%, and with credit periods, mutually agreed between the contracting parties. Each customer has a credit limit. Overdue balances are reviewed regularly and handled closely by senior management.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loan receivables	應收貸款	—	850
Interest receivables	應收利息	—	52
		—	902

As at 31 December 2017, the Group's loan receivables, which arise from money lending business of providing personal loans in Hong Kong, are denominated in Hong Kong dollars with amount of HK\$850,000.

Loan receivable of approximately HK\$850,000 as at 31 December 2017 are unsecured, interest-bearing and are repayable with fixed terms agreed with customers. The maximum exposure to credit risk at each of the reporting dates approximate to the carrying value of the loan and interest receivables.

### 22. CASH AND CASH EQUIVALENTS

Bank balances carry interest at market rates which range from 0.01% to 0.35% per annum (31 December 2017: 0.01% to 0.35%).

### 21. 應收貸款及利息

本集團應收貸款自放債業務產生。於二零一八年十二月三十一日，本集團並無應收貸款及利息。於二零一七年十二月三十一日，應收貸款按利率介乎12%至16%計息，並由訂約各方共同協定信貸期。每名客戶設有信貸上限。逾期結餘將由高級管理層定期檢討及密切處理。

於二零一七年十二月三十一日，本集團應收貸款由在香港提供個人貸款之放債業務產生，以港元計值，為850,000港元。

於二零一七年十二月三十一日，應收貸款（均為無抵押、計息及須按與客戶協定之固定期限內償還）約為850,000港元。於各報告日期，最高信貸風險與應收貸款及利息之賬面值相若。

### 22. 現金及現金等價物

銀行結餘按市場年利率介乎0.01%至0.35%計息（二零一七年十二月三十一日：0.01%至0.35%）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 23. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

### 23. 貿易及其他應付款項以及合約負債

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current:	即期：		
Trade creditors (a)	應付賬款(a)	2,634	1,900
Other payables (b)	其他應付款項(b)	3,480	7,240
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	6,114	9,140
Accrued charges	應付費用	1,717	1,467
Other taxes and government surcharges payables	其他應付稅項及政府附加費	2,946	—
Contract liabilities (c) & (d)	合約負債(c)及(d)	938	—
Receipts in advance (c)	預收款項(c)	—	14
Deferred revenue (d)	遞延收益(d)	—	345
		11,715	10,966
Non-Current:	非即期：		
Other payables (b)	其他應付款項(b)	8,893	754

All of the trade and other payables are expected to be settled within one year or are payable on demand.

所有貿易及其他應付款項預期於一年內清償或按要求償還。

#### (a) Ageing analysis

The ageing analysis of trade creditors (based on invoice date) at the end of the reporting period is as follows:

#### (a) 賬齡分析

應付賬款(根據發票日期)於報告期末之賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 1 month	一個月內	399	—
More than 1 month but within 3 months	超過一個月但於三個月內	10	—
More than 3 months but within 6 months	超過三個月但於六個月內	59	—
More than 6 months but within 1 year	超過六個月但於一年內	110	—
Over 1 year	超過一年	2,056	1,900
		2,634	1,900



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 23. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES (CONTINUED)

- (b) As at 31 December 2018, approximately HK\$3,301,000 (2017: HK\$3,155,000) is due to Lau Yu, a former director of the Company. The amounts are unsecured and non-interest bearing. In which the balance of approximately HK\$ 754,000 is repayable from 2020 to 2027 and such balance is classified under non-current liabilities.
- (c) The amounts represent prepaid service income from customers, for which the related services are expected to be rendered within one year from the end of the reporting period. Receipt in advance presented in the consolidated financial statements as of 31 December 2017 is presented as contract liabilities under HKFRS 15 as of 31 December 2018.
- (d) The amounts represents cash receipt in advance for the cemetery service, and the balance will be recognised as revenue in the statement of profit or loss over the service period. Deferred revenue presented in the consolidated financial statements as of 31 December 2017 is presented as contract liabilities under HKFRS 15 as of 31 December 2018.

### 23. 貿易及其他應付款項以及合約負債 (續)

- (b) 於二零一八年十二月三十一日，約3,301,000港元(二零一七年：3,155,000港元)應付本公司前董事柳宇。該等款項為無抵押及免息。其中約754,000港元結餘須於二零二零年至二零二七年期間償還，該等結餘於非流動負債下分類。
- (c) 該等款項指來自客戶之預付服務收入，預期有關服務將自報告期末起計一年內提供。於截至二零一七年十二月三十一日之綜合財務報表呈列之預收款項於二零一八年十二月三十一日按香港財務報告準則第15號呈列為合約負債。
- (d) 款項指就公墓服務之預收現金款項，而結餘將於服務期內在損益表確認為收益。於截至二零一七年十二月三十一日之綜合財務報表呈列之遞延收益於二零一八年十二月三十一日按香港財務報告準則第15號呈列為合約負債。

### 24. BORROWINGS

### 24. 借貸

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Borrowings:	借貸：		
Secured	有抵押		
– within one year	– 一年內	—	52,000
– after one year but within two years	– 一年後但兩年內	59,000	—
Non-secured	無抵押		
– within one year	– 一年內	30,000	—
		89,000	52,000
Less: Amount due within one year shown under current liabilities	減：計入流動負債之一年內到期款項	(30,000)	(52,000)
Amount due shown under non-current liabilities	計入非流動負債之到期款項	59,000	—
Effective interest rate (%)	實際利率(%)	9% to 10% per annum 年利率為9%至10%	Hong Kong Dollars Best Lending Rate plus 4.75% per annum 年利率為港元最優惠利率加4.75%

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 24. BORROWINGS (CONTINUED)

Notes:

- (a) On 1 September 2016, two secured and guaranteed loan facilities of HK\$26,000,000 each have been granted to the Group (the "Borrowings"). The Borrowings were secured by (i) a corporate guarantees for HK\$26,000,000 each to be given by the Company; (ii) an unlimited personal guarantee to be given by Mr. Hung Tat Chi Alan, an executive Director of the Company; (iii) mortgages by the way of first legal charge for all monies over the properties; and (iv) assignments of rental on the properties as disclosed in notes 14 and 15. The interest rates are 4.75% over Hong Kong Dollars Best Lending Rate per annum.
- (b) On 20 September 2018, the Group has repaid the Borrowings in full with the new secured and guaranteed loan facilities amounting to HK\$59,000,000 (the "New Borrowings"). The New Borrowings carry interest rate at 9% per annum with repayment period of 16 months that were secured by (i) first legal charges of the two properties acquired on 27 June 2016, with carrying amount of approximately HK\$101,930,000 as at 31 December 2018; and (ii) an unlimited personal guarantee given by Mr. Chiu Ngai Hung, a substantial shareholder of the Company.
- (c) Convertible note with a principal amount of HK\$30,000,000 has become due on 3 December 2018. Reference is made to the announcements of the Company dated 16 May 2016, 3 June 2016, 21 June 2018, 28 June 2018, 3 December 2018 and 4 December 2018. The Company had not received any conversion notice from the subscriber during the conversion period. Subsequent to the maturity date of 3 December 2018, the convertible note shall no longer be convertible into shares and the outstanding principal of HK\$30,000,000 is derecognised as convertible note and is classified as current borrowing as at 31 December.

The Company and the holder of the matured convertible note has entered into a confirmation on 13 March 2019. Details refer to note 38(b).

### 24. 借貸(續)

附註：

- (a) 於二零一六年九月一日，本集團已獲授兩項有抵押及有擔保貸款融資，而各項為26,000,000港元(「該等借貸」)。該等借貸以下列方式作抵押：(i)本公司為各項為26,000,000港元作出之公司擔保；(ii)本公司執行董事洪達智先生作出之無上限個人擔保；(iii)以物業之所有款項作為第一法定押記之方式作按揭；及(iv)據附註14及15披露之物業租金轉讓。年利率為4.75%加港元最優惠利率。
- (b) 於二零一八年九月二十日，本集團已以金額為59,000,000港元之新有抵押及有擔保貸款融資(「新借貸」)悉數償還該等借貸。新借貸按年利率9%計息，償還期為16個月，以下列方式作抵押：(i)以二零一六年六月二十七日所收購之兩項物業作第一法定押記，該等物業於二零一八年十二月三十一日之賬面值約為101,930,000港元；及(ii)本公司主要股東趙毅雄先生作出之無上限個人擔保。
- (c) 本金額為30,000,000港元之可換股票據於二零一八年十二月三十一日到期。茲提述本公司日期為二零一六年五月十六日、二零一六年六月三日、二零一八年六月二十一日、二零一八年六月二十八日、二零一八年十二月三日及二零一八年十二月四日之公佈。本公司於兌換期間並無自認購方接獲任何兌換通知。於到期日(二零一八年十二月三日)後，可換股票據不可兌換為股份，而本金額30,000,000港元於十二月三十一日終止確認為可換股票據，並分類為流動借貸。

本公司及已到期可換股票據持有人已於二零一九年三月十三日訂立確認書。有關詳情請參閱附註38(b)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 25. OBLIGATIONS UNDER FINANCE LEASES

The Group's finance leases payable are as follows:

	2018 二零一八年		2017 二零一七年	
	Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 千港元	Total minimum lease payments 最低租賃 付款總額 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 千港元	Total minimum lease payments 最低租賃 付款總額 HK\$'000 千港元
Not later than 1 year 一年內	133	155	155	182
Later than 1 year and not later than 5 years 一年後及五年內	570	575	676	703
	<b>703</b>	<b>730</b>	831	885
Less: total future interest expenses 減：未來利息開支總額		(27)		(54)
Present value of lease obligations 租約債務現值		<b>703</b>		831

The Group entered into a finance lease arrangements to acquire a motor vehicle. The lease terms last from 2017 to 2020 years. At the end of the lease term of these finance lease arrangements, the Group has an option to buy the motor vehicle at a nominal consideration. None of the lease contains contingent rentals. The contractual interest rates of these finance lease arrangements are fixed, 3.5% per annum.

In addition, the Group's obligations under finance leases are secured by the legal titles of the underlying leased assets included in motor vehicle within the Group's property, plant and equipment, with carrying amount of approximately HK\$796,000 as at 31 December 2018 (2017: HK\$893,000).

### 25. 融資租約債務

本集團之應付融資租約如下：

本集團訂立融資租賃安排以收購汽車。租賃期由二零一七年起至二零二零年止。於該等融資租賃安排之租賃期結束時，本集團有權按名義代價購買汽車。租金並無包含或然租金。該等融資租賃安排之固定合約年利率為3.5%。

此外，本集團之融資租約債務已由計入本集團之物業、廠房及設備內汽車之相關租賃資產之合法業權抵押，其於二零一八年十二月三十一日之賬面值約為796,000港元(二零一七年：893,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 26. PROMISSORY NOTES

### 26. 承兌票據

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	(a), (b)	71,363	110,660
Promissory notes issued	已發行承兌票據			
– PN2	– 承兌票據二	(b)	—	48,567
– PN3	– 承兌票據三	(c)	9,162	—
Repayment	償還款項	(b)	(10,000)	(97,863)
Interest paid	已付利息		(4,242)	(3,063)
Interest charge	利息費用		3,925	7,975
(Gain)/loss on early redemption	提早贖回(收益)/ 虧損		(590)	5,087
Gain on extinguishment of promissory notes	抵銷承兌票據之 收益	5	(8,487)	—
Loss on fair value change on promissory note designated at FVTPL	指定按公平值計入損益之 承兌票據之公平值變動 虧損	5	2,282	—
Exchange adjustments	匯兌調整		4	—
At 31 December	於十二月三十一日		63,417	71,363
Presented as:	呈列為：			
– current liabilities	– 流動負債		—	20,152
– non-current liabilities	– 非流動負債		63,417	51,211
			63,417	71,363

#### Notes:

- (a) On 30 November 2015, the Company issued promissory notes in the principal amount of HK\$30,320,000 (the "PN 1") for acquisition of entire issue share capital of Fortune Ford Limited. The PN 1 is unsecured and bears an interest of 2% per annum and falls due on 30 November 2016.

On 1 December 2016, the Company and the PN 1 holder agreed to extend the maturity to 30 November 2017 with other terms remain the same. The fair value as at the date of extension was approximately HK\$27,509,000. Hence, a gain on fair value change in relation to the extension for the maturity of approximately HK\$2,811,000 was recognised.

On 30 November 2017, the Company and the PN 1 holder agreed to settle HK\$10,202,000 of the PN1 and extend the maturity of the remaining balance of HK\$20,118,000 to 30 November 2018 with other terms remain the same. The fair value of PN1 is within 10% from its present value as at 30 November 2017 thus no extinguishment is required.

#### 附註：

- (a) 於二零一五年十一月三十日，本公司發行本金額為30,320,000港元之承兌票據（「承兌票據一」）以收購福永高有限公司全部已發行股本。承兌票據一為無抵押，乃按年利率2%計息，並於二零一六年十一月三十日到期。

於二零一六年十二月一日，本公司及承兌票據一持有人同意延長到期日至二零一七年十一月三十日，而其他條款維持不變。公平值於延期日約為27,509,000港元。因此，就延長到期日確認公平值變動收益約為2,811,000港元。

於二零一七年十一月三十日，本公司及承兌票據一持有人同意償付10,202,000港元承兌票據一並延長餘下款項20,118,000港元之到期日至二零一八年十一月三十日，而其他條款維持不變。承兌票據一之公平值變動低於其於二零一七年十一月三十日之現值之10%，故毋須作出抵銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 26. PROMISSORY NOTES (CONTINUED)

Notes: (Continued)

(a) (Continued)

On 30 November 2018, the Company and the PN 1 holder entered into an extension agreement and agreed to extend the maturity date to 30 November 2020 (with other terms remain the same). As of 30 November 2018, the present value of the PN1 approximates to HK\$20,520,000 and the fair value of the PN1 approximates to HK\$16,610,000. Hence, a gain on fair value change in relation to the extension for the maturity of approximately HK\$3,910,000 was recognised in the statement of profit or loss.

- (b) On 17 March 2017, the Company issued a promissory note in the principal amount of HK\$50,000,000 (the "PN 2") for acquisition of 40% issue share capital of the FS Group. PN 2 is unsecured and it bears interest of 6% per annum and due on 17 March 2019. The fair value of PN 2 was approximately to its carrying value at the date of initial recognition.

During the year ended 31 December 2018, two early partial repayments of HK\$5,000,000 each was made to the PN2 holder on 4 January 2018 and 30 November 2018 respectively.

On 21 December 2018, the Company and the PN 2 holder entered into an extension agreement and agreed to extend the maturity date to 17 March 2021 (with other terms remain the same). As of 21 December 2018, the present value of the PN 2 approximates to HK\$39,645,000 and the fair value of the PN 2 approximates to HK\$35,068,000. Hence, a gain on fair value change in relation to the extension for the maturity of approximately HK\$4,577,000 was recognised in the statement of profit or loss.

- (c) On 1 October 2018, the Company issued a promissory note in the principal amount of USD1,938,770 (the "PN 3") for the Further Acquisition of Boyracı Construction. The PN 3 is unsecured and bears interest of 13% per annum and falls due on 1 October 2020.

On the date of issue, the PN 3 has been designated at fair value change through profit or loss.

On 1 October 2018, the fair value of the PN 3 approximates to HK\$9,162,000, see note 32, and as at 31 December 2018, the fair value of the PN 3 approximates to HK\$11,448,000. The fair value change of HK\$2,282,000 and exchange adjustments of HK\$4,000 have been recognised in the statement of profit or loss.

### 26. 承兌票據(續)

附註：(續)

(a) (續)

於二零一八年十一月三十日，本公司及承兌票據一持有人訂立延長協議，同意延長到期日至二零二零年十一月三十日，而其他條款維持不變。截至二零一八年十一月三十日，承兌票據一之現值約為20,520,000港元，而承兌票據一之公平值約為16,610,000港元。因此，有關延長到期日之公平值變動收益約3,910,000港元已於損益表內確認。

- (b) 於二零一七年三月十七日，本公司以本金額50,000,000港元發行承兌票據(「承兌票據二」)，以收購FS集團已發行股本40%。承兌票據二為無抵押，乃按6%年利率計息，且於二零一九年三月十七日到期。承兌票據二之公平值與其於初步確認日期之賬面值相若。

截至二零一八年十二月三十一日止年度，兩筆各為5,000,000港元之提早償還部分款項已分別於二零一八年一月四日及二零一八年十一月三十日向承兌票據二持有人支付。

於二零一八年十二月二十一日，本公司及承兌票據二持有人訂立延期協議，同意延長到期日至二零二一年三月十七日，而其他條款維持不變。截至二零一八年十二月二十一日，承兌票據二之現值約為39,645,000港元，而承兌票據二之公平值約為35,068,000港元。因此，有關延長到期日之公平值變動收益約4,577,000港元已於損益表內確認。

- (c) 於二零一八年十月一日，本公司就Boyracı Construction之進一步收購事項發行本金額為1,938,770美元之承兌票據(「承兌票據三」)。承兌票據三為無抵押，乃按13%年利率計息，且於二零二零年十月一日到期。

於發行日期，承兌票據三已指定按公平值計入損益。

於二零一八年十月一日，承兌票據三之公平值約為9,162,000港元(見附註32)，而於二零一八年十二月三十一日，承兌票據三之公平值約為11,448,000港元。公平值變動2,282,000港元以及匯兌調整4,000港元已於損益表內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 27. CONVERTIBLE NOTES

### 27. 可換股票據

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註		
At 1 January	於一月一日	96,198	24,348
Issuance of convertible notes	發行可換股票據	—	80,084
Interest charge	利息費用	5,958	13,965
Interest paid	已付利息	(2,238)	(7,935)
Derecognition of convertible note	終止確認可換股票據	(30,000)	—
Conversion of convertible notes	兌換可換股票據	(69,918)	(14,264)
At 31 December	於十二月三十一日	—	96,198

(a) On 16 May 2016, the Company issued an unsecured zero coupon convertible notes (the "CN1") in the principal amount of HK\$30,000,000 at HK\$25,800,000 by cash. The CN1 is denominated in Hong Kong dollars. The CN1 entitles the noteholder to convert them into conversion shares of the Company at any time between the date of issue of the notes and their settlement date on 16 May 2018 at a conversion price of HK\$0.4 per convertible share.

The CN1 contains two components, liability and equity elements. The effective interest rate of the liability element is 15.62% per annum. The equity element is presented in equity heading "Convertible notes reserve" amounting to HK\$3,433,000.

On 28 June 2018, the Company entered into an agreement with the CN1 noteholder to extend the maturity date of the CN1 to 3 December 2018.

Up to the maturity date as of 3 December 2018, the Company had not received any conversion notice from the CN1 holder during the conversion period. Since the CN1 shall no longer be convertible into shares, the outstanding principal of HK\$30,000,000 is derecognised as convertible note and is classified as current borrowing, see note 24(c).

(a) 於二零一六年五月十六日，本公司以現金 25,800,000 港元發行本金額為 30,000,000 港元之無抵押零息可換股票據（「可換股票據一」）。可換股票據一以港元計值。可換股票據一賦予票據持有人權利於票據發行日期至交收日期（二零一八年五月十六日）止期間隨時按每股兌換股份 0.4 港元之兌換價將其兌換為本公司之兌換股份。

可換股票據一含有兩個部分：負債部分及權益部分。負債部分之實際年利率為 15.62%。權益部分於權益內「可換股票據儲備」中呈列，金額為 3,433,000 港元。

於二零一八年六月二十八日，本公司已完成與可換股票據一持有人訂立之協議，以延長可換股票據一之到期日至二零一八年十二月三日。

截至到期日（二零一八年十二月三日），本公司於兌換期間並無自可換股票據一之持有人接獲任何兌換通知。由於可換股票據一不可兌換為股份，尚未償還本金 30,000,000 港元已予以終止確認為可換股票據，並分類為流動借貸，見附註 24(c)。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 27. CONVERTIBLE NOTES (CONTINUED)

- (b) On 23 March 2017, the Company issued an unsecured convertible notes (the “CN2”) in the principal amount of HK\$86,000,000. The net proceeds received by the Company was approximately HK\$83,420,000. The CN 2 is denominated in Hong Kong dollars. The CN 2 entitles the noteholder to convert them into conversion shares of the Company at any time between the date of issue of the CN 2 and their settlement date on 23 March 2019 at a conversion price of HK\$0.43 per convertible share. The CN 2 carries interest rate of 13% per annum on the outstanding principal amount of the CN 2, which will be payable by the Company quarterly in arrears.

The CN 2 contains two components, liability and equity elements. The effective interest rate of the liability element is 16.27% per annum. The equity element of CN 2 is presented in equity heading “Convertible notes reserve” amounting to HK\$3,439,000.

During the year ended 31 December 2017, the Company has received a conversion notice in respect of the exercise of a part of the conversion rights attached to the CN2 in an aggregate principal amount of HK\$15,050,000 at the conversion price of HK\$0.43 per share. As a result of the conversion of the CN2 on 25 September 2017, the Company issued and allotted 35,000,000 shares.

During the year ended 31 December 2018, the Company has received two conversion notices in respect of the exercise of the remaining part of the conversion rights attached to the CN2 in an aggregate principal amount of HK\$70,950,000 at the conversion price of HK\$0.43 per share. As a result of the conversion of CN2, the Company has issued 20,000,000 shares on 24 Jan 2018 and 145,000,000 shares on 18 May 2018.

The entire CN2 had been converted into shares at the conversion price of HK\$0.43 per share on 18 May 2018.

### 27. 可換股票據(續)

- (b) 於二零一七年三月二十三日，本公司發行本金額為86,000,000港元之無抵押可換股票據(「可換股票據二」)。本公司已收取之所得款項淨額約為83,420,000港元。可換股票據二以港元計值。可換股票據二賦予票據持有人權利於可換股票據二之發行日期至交收日期(二零一九年三月二十三日)止期間隨時按每股兌換股份0.43港元之兌換價將其兌換為本公司之兌換股份。可換股票據二之未償還本金額按年利率13%計息，本公司須每季支付上一季之利息。

可換股票據二含有兩個部分：負債部分及權益部分。負債部分之實際年利率為16.27%。可換股票據二之權益部分於權益內「可換股票據儲備」中呈列，金額為3,439,000港元。

於截至二零一七年十二月三十一日止年度，本公司接獲一份有關行使部分可換股票據二所附帶兌換權之兌換通知，本金總額為15,050,000港元，兌換價為每股0.43港元。由於可換股票據二於二零一七年九月二十五日獲兌換，故本公司配發及發行35,000,000股股份。

截至二零一八年十二月三十一日止年度，本公司已接獲兩份有關行使餘下部分可換股票據二所附帶兌換權之兌換通知，本金總額為70,950,000港元，兌換價為每股0.43港元。由於兌換可換股票據二，本公司於二零一八年一月二十四日發行20,000,000股股份及於二零一八年五月十八日發行145,000,000股股份。

於二零一八年五月十八日，全部可換股票據二已按兌換價每股0.43港元兌換為股份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 28. PROVISION FOR EMPLOYMENT BENEFITS

### 28. 僱員福利撥備

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 January	於一月一日	—	—
Business combination achieved in stages	分階段完成之業務合併	27	—
Additional provision	額外撥備	5	—
Exchange adjustments	匯兌調整	3	—
At 31 December 2018	於二零一八年十二月三十一日	35	—

Under the Turkish Labor Law, the Group's Turkish subsidiaries are required to pay termination indemnities to each employee who completes one year of service and whose employment is terminated upon causes that qualify the employee to receive termination indemnity, is called up for military service, leaves within one year after marriage (women only), and to those employees who retire or die. The amount payable consists of one month's salary for each year of service.

根據土耳其勞動法，本集團之土耳其附屬公司須向每名服務年期達一年及終止有關僱傭關係原因使僱員合資格收取終止賠償之僱員支付終止賠償，包括應召入伍、結婚後一年內離職（僅限女性）及退休或身故之僱員。應付款項包括每個服務年期之一個月薪金。

### 29. DEFERRED TAXATION

### 29. 遞延稅項

(a) The following is the analysis of the deferred tax balances for financial reporting purposes:

(a) 就財務報告目的而言，遞延稅項結餘之分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	1,282	—
Deferred tax liabilities	遞延稅項負債	(21,107)	—

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 29. DEFERRED TAXATION (CONTINUED)

(a) (Continued)

Movement of deferred tax assets and liabilities recognised

			Deferred tax assets 遞延稅項資產	Deferred tax liabilities 遞延稅項負債
				Fair value adjustments on investment properties and investment properties under construction 投資物業及在建投資物業之公平值調整
			Tax losses 稅項虧損	
	Note 附註		HK\$'000 千港元	HK\$'000 千港元
At 1 January 2017, 31 December 2017 and 1 January 2018		於二零一七年一月一日、二零一七年十二月三十一日及二零一八年一月一日	-	-
Business combination achieved in stages	32	分階段達成之業務合併	1,124	(18,662)
Credit to profit or loss		於損益抵扣	10	-
Exchange adjustments		匯兌調整	148	(2,445)
At 31 December 2018		於二零一八年十二月三十一日	1,282	(21,107)

As at 31 December 2018, the Group has recognised deferred tax asset of HK\$1,282,000 in relation to unused tax losses generated by a subsidiary in Turkey. Tax losses that are reported under Turkey Corporate Income Tax can be carried forward and deducted from corporate income tax base for a maximum of five consecutive years.

(b) The Group has not recognised deferred tax assets in respect of estimated tax losses of approximately HK\$55,141,000 (2017: HK\$50,646,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

### 29. 遞延稅項(續)

(a) (續)

已確認遞延稅項資產及負債之變動

於二零一八年十二月三十一日，本集團就土耳其一間附屬公司產生之未動用稅項虧損確認遞延稅項資產1,282,000港元。稅項虧損乃根據土耳其企業所得稅呈報，最高可在五個連續年度結轉，並自企業所得稅基扣除。

(b) 由於有關稅項司法權區及實體並無虧損可供動用以抵銷未來應課稅溢利，故本集團仍未確認有關估計稅項虧損之遞延稅項資產約55,141,000港元(二零一七年：50,646,000港元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 30. SHARE CAPITAL AND RESERVE

### 30. 股本及儲備

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
	Notes 附註		
<b>Issued and fully paid</b>			
At 1 January 2017		1,502,677	959,333
Issue of placed shares	(i)	100,000	41,160
Issue of shares upon conversion of convertible notes	(ii)	35,000	14,848
At 31 December 2017 and at 1 January 2018		1,637,677	1,015,341
Issue of shares upon conversion of convertible notes	(iii)	165,000	72,670
At 31 December 2018		1,802,677	1,088,011

#### Notes:

(i) Pursuant to the placing agreement dated 9 January 2017, the Company appointed the placing agent to procure placees to subscribe for up to 100,000,000 shares of the Company at a price of HK\$0.42 per share. On 19 January 2017, the Company issued and allotted 100,000,000 shares at the net placing price of HK\$0.412 to not less than six allottees. The closing market price was HK\$0.51 per share of the Company on the date on which the terms of the issue were fixed. The net proceed was approximately HK\$41,160,000.

(ii) On 23 March 2017, the Company issued unsecured convertible notes in the principal amount of HK\$86,000,000. The net proceeds received by the Company was approximately HK\$83,420,000, denominated in Hong Kong dollars. The convertible notes entitle the holders to convert them into conversion shares of the Company at any time between the date of issue of the convertible notes and their settlement date on 23 March 2019 at a conversion price of HK\$0.43 per convertible share. The convertible notes carry interest rate of 13% per annum on the outstanding principal amount of the convertible notes, which will be payable by the Company quarterly in arrears.

During the year ended 31 December 2017, the Company has received a conversion notice in respect of the exercise of a part of the conversion rights attached to the convertible notes in an aggregate principal amount of HK\$15,050,000 at the conversion price of HK\$0.43 per Share. As a result of the conversion of the convertible notes, on 25 September 2017, the Company allotted and issued 35,000,000 shares.

(iii) During the year ended 31 December 2018, the Company has received two conversion notices in respect of the exercise of the remaining part of the conversion rights attached to the convertible notes in an aggregate principal amount of HK\$70,950,000 at the conversion price of HK\$0.43 per Share. As a result of the conversion of the convertible notes, the Company has issued 20,000,000 shares on 24 Jan 2018 and 145,000,000 shares on 18 May 2018, respectively.

#### 附註：

(i) 根據日期為二零一七年一月九日之配售協議，本公司已委任配售代理促使承配人按每股0.42港元之價格認購最多100,000,000股本公司股份。於二零一七年一月十九日，本公司按淨配售價0.412港元向不少於六名承配人發行及配發100,000,000股股份。本公司股份於釐定發行條款日期之收市價為每股0.51港元。所得款項淨額約為41,160,000港元。

(ii) 於二零一七年三月二十三日，本公司發行本金額為86,000,000港元之無抵押可換股票據。本公司所得款項淨額約為83,420,000港元，以港元計值。可換股票據賦予持有人權利可由可換股票據之發行日起至二零一九年三月二十三日結算日止隨時以兌換價每股0.43港元將其兌換為本公司股份。可換股票據之未償還本金額按年利率13%計息，本公司須每季支付上一季之利息。

截至二零一七年十二月三十一日止年度，本公司接獲一份有關行使部分可換股票據所附帶兌換權之兌換通知，本金總額為15,050,000港元，兌換價為每股0.43港元。由於兌換可換股票據，故本公司於二零一七年九月二十五日配發及發行35,000,000股股份。

(iii) 截至二零一八年十二月三十一日止年度，本公司接獲兩份有關行使餘下部分可換股票據所附帶兌換權之兌換通知，本金總額為70,950,000港元，兌換價為每股0.43港元。本公司分別於二零一八年一月二十四日及二零一八年五月十八日發行20,000,000股股份及145,000,000股股份。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 30. SHARE CAPITAL AND RESERVE (CONTINUED)

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the annual report.

#### (I) EXCHANGE RESERVE

The exchange reserve comprises all foreign exchange differences arising from the translation of the consolidated financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2.

#### (II) STATUTORY RESERVE

Transfers from 10% of net profits to statutory reserve fund were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries established in the PRC and were approved by the respective boards of directors.

Statutory reserve fund can be used to make good previous years' losses, if any, and may be converted into paid-up capital provided that the balance of the statutory reserve fund after such conversion is not less than 25% of their registered capital.

The Company's subsidiaries in the PRC are required to transfer a minimum of 10% of their net profits, as determined in accordance with the PRC accounting rules and regulations, to the statutory reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this fund must be made before distribution of dividends to shareholders.

#### (III) CONVERTIBLE NOTES RESERVE

The convertible notes reserve represents the value of the unexercised equity component of convertible notes issued by the Company recognised in accordance with the accounting policy adopted for convertible notes in note 2.

#### Distributable reserves

As at 31 December 2018, there was no reserves available for distribution to equity shareholders of the Company (2017: Nil).

### 30. 股本及儲備(續)

本集團儲備金額及其於本年度及過往年度之變動呈列於本年報綜合權益變動表。

#### (I) 匯兌儲備

匯兌儲備包括換算海外業務之綜合財務報表所產生之所有匯兌差額。該項儲備乃根據附註2所載之會計政策處理。

#### (II) 法定儲備

轉撥純利之10%至法定儲備金乃根據中國相關規則及規例以及本公司於中國成立之附屬公司之組織章程細則進行，並獲相關董事會批准。

法定儲備金可用作補償過往年度虧損(如有)，亦可轉撥至實繳股本，惟於有關轉撥後之法定儲備金結餘不得少於註冊資本之25%。

本公司之中國附屬公司須根據中國會計規則及規例，將純利之最少10%轉撥至法定儲備金，直至儲備結餘達至註冊資本之50%為止。轉撥該資金須於向股東分派股息前進行。

#### (III) 可換股票據儲備

可換股票據儲備指根據附註2所述就可換股票據採納之會計政策，確認本公司所發行之可換股票據之未行使權益部分之價值。

#### 可供分派儲備

於二零一八年十二月三十一日，概無任何可供分派予本公司股權股東之儲備(二零一七年：無)。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 31. SHARE-BASED PAYMENT TRANSACTION

#### Share Option Schemes

On 1 February 2016, the 2011 Share Option Scheme was terminated and a new share option scheme was adopted (the "2016 Share Option Scheme"). The purpose of the 2016 Share Option Scheme is to enable the Company to grant share options to a certain eligible participants as defined below ("Eligible Participants") as incentives or rewards for their contribution to the long term development of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate, attract, retain and/or provide benefits to the Eligible Participants. The 2016 Share Option Scheme was adopted for a period of 10 years commencing from 1 February 2016 and will remain in force until 31 January 2026.

Eligible Participant under the 2016 Share Option Scheme includes any full-time or part-time employees, consultants or potential employees, executives or officers (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the opinion of the directors, will contribute or has contributed to the Company and/or any of its subsidiaries.

The subscription price shall be determined by the directors in its absolute discretion but in any event shall be at least the higher of:

- (i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange of Hong Kong on the date of grant which must be a business day; and
- (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange of Hong Kong for the five business days immediately preceding the date of grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 14 days from the date of grant. Unless otherwise determined by the directors in the relevant offer letter to a grantee, there is no minimum period for which any option must be held before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised. An option may be exercised in accordance with the terms of the 2016 Share Option Scheme at any time during a period as the directors may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

There is no outstanding option and there is no options have been granted under the option scheme since its adoption.

### 31. 以股份為基礎之付款交易

#### 購股權計劃

於二零一六年二月一日，二零一一年購股權計劃已告終止而新購股權計劃已獲採納（「二零一六年購股權計劃」）。二零一六年購股權計劃旨在使本公司能向若干合資格參與者（定義如下）（「合資格參與者」）授出購股權，作為彼等對本集團長期發展作出貢獻之獎勵或回報，並為本集團提供更靈活之方式獎勵、酬報、補償、招攬、留聘合資格參與者及／或向其提供福利。二零一六年購股權計劃自二零一六年二月一日採納之日起為期十年，並將維持有效直至二零二六年一月三十一日為止。

根據二零一六年購股權計劃，合資格參與者包括本公司或其任何附屬公司之任何全職或兼職僱員、諮詢顧問或潛在僱員、行政人員或高級職員（包括執行、非執行及獨立非執行董事），以及董事認為將向或已向本公司及／或其任何附屬公司作出貢獻之任何供應商、客戶、諮詢顧問、代理及顧問。

認購價為須由董事全權酌情釐定，惟在任何情況下須最少為下列各項之較高者：

- (i) 股份於授出日期（該日須為營業日）在香港聯交所發出之每日報價表所述之收市價；及
- (ii) 股份於緊接授出日期前五個營業日在香港聯交所發出之每日報價表所述之平均收市價。

承授人接納購股權後，須向本公司支付1.00港元，作為獲授購股權之代價。承授人須於授出日期起14天內，接納授出購股權之要約。除董事在寄發予承授人之有關要約函中另有釐定外，概無規定購股權可予行使前須持有任何購股權之最短期限，亦無設定承授人於行使購股權前需達致之表現目標。購股權可於董事可能釐定之期間內根據二零一六年購股權計劃之條款隨時行使，惟有關期間不得超過由授出日期起計十年，並受提前終止條文規限。

自採納購股權計劃以來，概無未行使購股權及據此授出任何購股權。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 32. BUSINESS COMBINATION ACHIEVED IN STAGES

On 1 October 2018, the Group has completed the acquisition of additional 30% of the issued share capital of Boyracı Construction for consideration of approximately HK\$23,042,000. Boyracı Construction is engaged in building construction, properties development and lease of properties in Turkey. It has completed 5 projects, consist of 14 residential units and 2 commercial units, additional two projects are expected to reach completion in the year of 2019. Following the completion of Further Acquisition, Boyracı Construction has become an indirect 60%-owned subsidiary of the Company by way of step acquisition, i.e. business combination achieved in stages.

#### Consideration transferred

		Notes 附註	HK\$'000 千港元
Deposit paid	已付按金	(i)	9,068
Promissory Note A (PN 3)	承兌票據A(承兌票據三)	(ii)	9,162
Promissory Note B (Contingent Consideration)	承兌票據B(或然代價)	(iii)	4,812
			23,042

#### Notes:

- (i) The deposit of approximately TL7,544,000 (equivalent to USD 2,000,000) was paid by the Company on 9 June 2017.
- (ii) In light of the exchange rate fluctuation of Turkish Lira, the Company and the vendor entered into a second side letter, to reduce the principal amount of the Promissory Note A and the Promissory Note B by USD1,500,000. On 1 October 2018, the Company has issued the Promissory Note A (i.e. PN 3 in note 26) in the principal amount of USD1,938,770 as part of the consideration for the Further Acquisition.
- The PN 3 was designated at fair value change through profit or loss at the Acquisition Date with a fair value of approximately HK\$9,162,000 (equivalent to USD1,170,116).
- (iii) Pursuant to the supplemental deed and the second side letter, the Company shall issue a promissory note in the principal amount of up to USD1,111,230 (Promissory Note B) as the Contingent Consideration after the legal titles of the rewarded areas of the construction projects have been obtained by Boyracı Construction not later than 30 September 2019.
- On the Acquisition Date, the fair value of the Contingent Consideration approximates to HK\$4,812,000 (equivalent to USD614,500).

### 32. 分階段達成之業務合併

於二零一八年十月一日，本集團完成收購 Boyracı Construction 額外30%已發行股本，代價約為23,042,000港元。Boyracı Construction 於土耳其從事樓宇建造、物業開發及物業租賃業務。其已完成5個項目，包括14個住宅單位及2個商業單位，另外兩個項目預期於二零一九年竣工。進一步收購事項完成後，Boyracı Construction 已通過逐步收購(即分階段實現業務合併)成為本公司擁有60%權益之間接附屬公司。

#### 已轉讓代價

#### 附註：

- (i) 本公司已於二零一七年六月九日支付按金約7,544,000土耳其里拉(相當於2,000,000美元)。
- (ii) 鑒於土耳其里拉之匯兌波動，本公司與賣方訂立第二份附函，以將承兌票據A及承兌票據B之本金額減少1,500,000美元。於二零一八年十月一日，本公司發行本金額為1,938,770美元之承兌票據A(即附註26內之承兌票據三)作為進一步收購事項代價之一部分。
- 於收購日期，承兌票據三為指定按公平值計入損益，其公平值約為9,162,000港元(相當於1,170,116美元)。
- (iii) 根據補充契據及第二份附函，在 Boyracı Construction 不遲於二零一九年九月三十日取得建築項目報償面積之合法業權後，本公司將發行本金額最多為1,111,230美元之承兌票據(承兌票據B)作為或然代價。
- 於收購日期，或然代價之公平值估計約為4,812,000港元(相當於614,500美元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 32. BUSINESS COMBINATION ACHIEVED IN STAGES (CONTINUED)

Acquisition-related costs amounting to HK\$906,000 have been recognised as an expense in profit or loss in the year of acquisition and have been included in “operating and administrative expenses”.

#### Details of assets and liabilities of Boyracı Construction recognised at the Acquisition Date

### 32. 分階段達成之業務合併(續)

收購事項相關成本906,000港元已於進行收購事項之年度之損益確認為開支，並計入「經營及行政開支」。

#### 有關於收購日期確認Boyracı Construction之資產及負債詳情

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	261
Deferred tax assets	遞延稅項資產	1,124
Investment properties	投資物業	83,044
Investment properties under construction	在建投資物業	29,667
Cash and cash equivalents	現金及現金等價物	18
Trade and other receivables	貿易及其他應收款項	4,344
Trade and other payables	貿易及其他應付款項	(4,300)
Deferred tax liabilities	遞延稅項負債	(18,662)
Provision for employment benefits	僱員福利撥備	(27)
		95,469

#### Reconciliation of acquisition

#### 收購事項之對賬

		HK\$'000 千港元
Consideration transferred	已轉讓代價	23,042
Add: Fair value of previously held equity interest	加：先前持有股權之公平值	34,239
Add: Non-controlling interests consideration	加：非控股權益代價	38,188
Less: Fair value identifiable net assets acquired	減：所收購可識別資產淨值之公平值	(95,469)
		-

Prior to the Further Acquisition, the Group accounted for its previously held 30% equity interest in Boyracı Construction as an associate. On the Acquisition Date, the Group has remeasured the carrying value of the previously held 30% equity interest in Boyracı Construction to its fair value on the Acquisition Date. The remeasurement of the previously held interest in Boyracı Construction was approximately HK\$34,239,000, which is higher than its carrying value of approximately HK\$27,566,000.

在進一步收購事項前，本集團將其先前持有Boyracı Construction之30%股權入賬列作一間聯營公司。於收購日期，本集團將先前持有Boyracı Construction之30%股權之賬面值重新計量至收購日期之公平值。重新計量先前持有Boyracı Construction之權益約為34,239,000港元，較其賬面值約27,566,000港元為高。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 32. BUSINESS COMBINATION ACHIEVED IN STAGES (CONTINUED)

#### Reconciliation of acquisition (Continued)

With the net effect of (i) gain on remeasurement of the acquisition-date carrying value of the previously held interest in Boyracı Construction to its fair value on the completion date of approximately HK\$6,673,000, and (ii) release of exchange reserve upon derecognition of an associate of approximately HK\$5,623,000, the Group has recognised a gain on upon derecognition of an associate of approximately HK\$1,050,000.

The 30% non-controlling interest recognised at the Acquisition Date was measured based on the non-controlling interests' proportionate share of Boyracı Construction's net identifiable assets at the Acquisition Date.

#### Net cash flow effect arising from the business combination achieved in stages

		HK\$'000 千港元
Consideration paid in cash for the year ended 31 December 2018	截至二零一八年十二月三十一日止年度 已付現金代價	—
Add: Cash and cash equivalents acquired	加：所收購現金及現金等價物	18
		18

#### Performance of the acquiree from the date of acquisition up to the end of the reporting period

Included in the Group's loss for the year, there was profit of approximately HK\$11,000 generated by Boyracı Construction since the date of acquisition. The Group's revenue for the year included HK\$220,000 generated by Boyracı Construction since the date of acquisition.

Had the business combination been effected on 1 January 2018, the revenue of the Group from continuing operations would have been HK\$5,511,000, and the loss for the year from continuing operations would have been HK\$157,669,000. These amounts have been determined based on the annual depreciation of property, plant and equipment was determined based on the fair value of the property, plant and equipment at the date of acquisition. Management of the Group considers that these 'pro-forma' numbers are just for reference only which the subsidiary may or may not achieve these results in the future.

### 32. 分階段達成之業務合併(續)

#### 收購事項之對賬(續)

因以下各項之淨影響：(i) 將先前持有 Boyracı Construction 之權益於收購日期之賬面值重新計量至完成日期之公平值收益約 6,673,000 港元；及(ii) 終止確認一間聯營公司時撥回匯兌儲備約 5,623,000 港元，故本集團確認終止確認一間聯營公司之收益約 1,050,000 港元。

於收購日期確認之 30% 非控股權益乃按非控股權益按比例分佔 Boyracı Construction 於收購日期之可識別資產淨值計量。

#### 分階段達成之業務合併所產生之現金流量淨額影響

		HK\$'000 千港元
Consideration paid in cash for the year ended 31 December 2018	截至二零一八年十二月三十一日止年度 已付現金代價	—
Add: Cash and cash equivalents acquired	加：所收購現金及現金等價物	18
		18

#### 被收購方自收購日期直至報告期末之表現

Boyracı Construction 自收購日期起產生溢利約 11,000 港元，乃計入本集團之年內虧損。本集團於本年度之收益包括 Boyracı Construction 自收購日期起產生之 220,000 港元。

倘業務合併自二零一八年一月一日起生效，則本集團來自持續經營業務之收益將為 5,511,000 港元，而持續經營業務產生之本年度虧損將為 157,669,000 港元。該等金額乃基於物業、廠房及設備之年度折舊而釐定，並根據物業、廠房及設備於收購日期之公平值而釐定。本集團管理認為，該等「備考」數字僅供參考，該附屬公司日後可能或可能無法達致該等業績。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 33. DISPOSAL OF SUBSIDIARIES

On 8 May 2017, the Group disposed of Argo (China) Investment Limited and its subsidiaries (the "Disposal Group") that carried out the Group's travel agency services. The result of the Disposal Group up to the date of disposal as well as the gain or loss on disposal of the Disposal Group has been included in "profit or loss from discontinued operations" in the consolidated statements of profit or loss and comprehensive income.

#### Assets and liabilities derecognised at the date when the Group lost control over Argo (China) Investment Limited and its subsidiaries

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	355
Account and other receivables	應收賬款及其他應收款項	14,235
Restricted bank deposits	受限制銀行存款	2,406
Cash and cash equivalents	現金及現金等價物	88
Account and other payables	應付賬款及其他應付款項	(15,522)
Net assets disposed of	出售資產淨值	1,562

#### Net cash flow on disposal of Argo (China) Investment Limited and its subsidiaries

		HK\$'000 千港元
Total cash consideration	現金代價總額	-
Cash and cash equivalents	現金及現金等價物	(88)
		(88)

#### Gain on disposal of Argo (China) Investment Limited and its subsidiaries

		HK\$'000 千港元
Consideration satisfied by set off of other payables	以抵銷其他應付款項支付之代價	2,000
Net assets disposed of	出售資產淨值	(1,562)
Exchange gain reclassified from equity to profit or loss upon disposal	出售後自權益重新分類至損益之匯兌收益	426
Non-controlling interests derecognised	終止確認之非控股權益	26
Gain on disposal	出售收益	890

### 33. 出售附屬公司

於二零一七年五月八日，本集團出售從事本集團旅遊代理服務業務之雅高(中國)投資有限公司及其附屬公司(「出售集團」)。出售集團直至出售日期之業績及有關出售集團之損益已計入綜合損益及全面收益表之「已終止業務溢利或虧損」。

本集團失去對雅高(中國)投資有限公司及其附屬公司之控制權當日終止確認之資產及負債

出售雅高(中國)投資有限公司及其附屬公司之現金流量淨額

出售雅高(中國)投資有限公司及其附屬公司之收益

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL INSTRUMENTS

#### (a) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of each reporting period are as follows:

Financial assets	金融資產	2018	2017
		二零一八年	二零一七年
		Loans and receivables	Loans and receivables
		貸款及應收款項	貸款及應收款項
		HK\$'000	HK\$'000
		千港元	千港元
Trade and other receivables	貿易及其他應收款項	13,562	38,698
Loan and interest receivables	應收貸款及利息	—	902
Cash and cash equivalents	現金及現金等價物	3,573	13,947
		<b>17,135</b>	<b>53,547</b>

### 34. 金融工具

#### (a) 按類別分類之金融工具

於各報告期末各類別之金融工具賬面值如下：

Financial liabilities	金融負債	2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Financial liabilities designated at FVTPL</b>	<b>指定按公平值計入損益之金融負債</b>		
Promissory note	承兌票據	11,448	—
Contingent consideration	或然代價	6,644	—
		<b>18,092</b>	<b>—</b>
<b>Amortised cost</b>	<b>攤銷成本</b>		
Trade and other payables	貿易及其他應付款項	9,060	9,140
Promissory notes	承兌票據	51,969	71,363
Borrowings	借貸	89,000	52,000
Convertible notes	可換股票據	—	96,198
Obligation under finance lease	融資租約債務	703	831
Provision for employment benefits	僱員福利撥備	35	—
		<b>150,767</b>	<b>229,532</b>
		<b>168,859</b>	<b>229,532</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management

Exposure to credit risk, liquidity risk and market risks arises in the normal course of the Group's business. These risks are mitigated by the Group's financial management policies and practices described below.

##### (A) Credit Risk

The Group has no significant concentrations of credit risk. The carrying amounts of trade and other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets. As at 31 December 2018 and 2017, all bank balances were deposited in reputable financial institutions and were hence without significant credit risk. Management does not expect any losses from non-performance by these counterparties. Credit sales are made to selected customers with good credit history. The Group has policies in place to ensure that outstanding trade receivables are collected on a timely basis. Trade receivables are subject to the expected credit loss model. The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables from initial recognition. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on factors affecting the ability of the customers to settle the receivables.

The credit quality of the other receivables excluding deposits and prepayments have been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. The directors are of the opinion that the credit risk of other receivables is low due to the sound collection history of the receivables due from them. Therefore, expected credit loss rate of the other receivables excluding deposits and prepayments is assessed to be close to zero and no provision was made as of 31 December 2018 and 31 December 2017.

### 34. 金融工具(續)

#### (b) 財務風險管理

本集團於一般業務過程中承受信貸風險、流動資金風險及市場風險。該等風險因下文所述之本集團財務管理政策及慣例而有所減低。

##### (A) 信貸風險

本集團並無重大集中的信貸風險。貿易應收款項及現金及現金等價物的賬面金額反映本集團金融資產的最高信貸風險。於二零一八年及二零一七年十二月三十一日，所有銀行結餘均存入信譽良好的金融機構，故無重大信貸風險。管理層預期不會因該等對手方不履約而招致任何損失。信貸銷售僅提供予信貸記錄良好的選定客戶。本集團已制訂政策確保及時追收未償還的貿易應收款項。貿易應收款項須應用預期信貸虧損模式。本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，於初步確認時，為所有貿易應收款項撥備整個存續期內的預期虧損。為計量預期信貸虧損，貿易應收款項已根據應佔信貸風險特點及過期天數分類。預期虧損率基於銷售的歷史付款情況及出現的相應過往信貸虧損。過往虧損率作出調整以反映影響客戶結算應收賬款能力的因素的當前及前瞻性資料。

其他應收款項(不包括按金及預付款項)的信貸質素已參考對手方的違約率的歷史資料及對手方的財務狀況進行評估。董事認為，其他應收款項的信貸風險較低，原因是應收款項的收回記錄良好。因此，其他應收款項(不包括按金及預付款項)的預期信貸損失率評估接近於零，且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並無計提撥備。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management (Continued)

##### (B) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the end of each reporting period of the Group's non-derivative and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the statement of financial position date) and the earliest date the Group can be required to pay:

### 34. 金融工具(續)

#### (b) 財務風險管理(續)

##### (B) 流動資金風險

流動資金風險指本集團未能於到期時履行其財務責任之風險。本集團管理流動資金之方針為盡可能確保一直具備充裕流動資金，以應付到期負債，而不會產生不能承受虧損或損害本集團聲譽之風險。

本集團旗下個別營運實體負責本身之現金管理，包括現金盈餘短期投資，及籌措貸款以應付預期現金需求，惟倘借貸超出若干預定授權水平，則須獲母公司董事會批准。本集團之政策為定期監控其流動資金需要及其有否遵守貸款契據，確保維持充裕現金儲備及可即時變現之有價證券以及自主要財務機構獲取足夠已承諾貸款額，藉以應付短期及較長期之流動資金需要。

下表詳列本集團非衍生及衍生金融負債於各報告期末之剩餘合約到期日，乃按已訂約未貼現現金流量(包括採用合約利率或倘屬浮動利率，按於財務狀況表日期當前利率計算之利息付款)以及本集團可能須付款之最早日期為基準得出：

	2018 二零一八年					2017 二零一七年				
	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years
	賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	於一年內 或按要求 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	賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	於一年內 或按要求 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
Trade and other payables	9,060	9,060	9,060	—	—	9,140	9,140	9,140	—	—
Promissory notes	63,417	90,056	—	21,325	68,731	71,363	74,237	23,487	50,750	—
Borrowings	89,000	97,503	32,750	64,753	—	52,000	52,000	52,000	—	—
Contingent consideration	6,644	10,965	—	—	10,965	—	—	—	—	—
Convertible notes	—	—	—	—	—	96,198	112,448	—	112,448	—
Obligation under finance lease	703	730	155	575	—	831	885	155	730	—
Provision for employment benefits	35	35	35	—	—	—	—	—	—	—
	168,859	208,349	42,000	86,653	79,696	229,532	248,710	84,782	163,928	—

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management (Continued)

##### (C) Market Risk

##### (i) Currency risk

The Group has transactional currency exposures. Such exposures arise from sales, purchases or expenditure by operating units in currencies other than the units' functional currencies. The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rates of the HK dollar ("HK\$"), Renminbi ("RMB") and Turkish Lira ("TL"), with all other variables held constant, of the Group's loss before taxation (due to changes in the fair value of monetary assets and liabilities).

		Increase/ (decrease) in exchange rate	Increase/ (decrease) in loss before taxation and accumulated loss
		匯率 增加/(減少)	除稅前虧損 及累計虧損 增加/(減少) HK\$'000 千港元
2018	二零一八年		
If HK\$ weakens against RMB	如港元兌人民幣貶值	5%	203
If HK\$ strengthens against RMB	如港元兌人民幣升值	(5%)	(203)
If HK\$ weakens against TL	如港元兌土耳其里拉貶值	5%	1,055
If HK\$ strengthens against TL	如港元兌土耳其里拉升值	(5%)	(1,055)
2017	二零一七年		
If HK\$ weakens against RMB	如港元兌人民幣貶值	5%	108
If HK\$ strengthens against RMB	如港元兌人民幣升值	(5%)	(108)

##### (ii) Interest rate risk

The Group is primarily exposed to cash flow interest rate risk in relation to interest bearing receivables and payables, including bank balances and borrowings (2017: variable interest rate). The Group's fair value interest rate risk relates primarily to promissory notes and convertible bonds. The Group currently does not have an interest rate hedging policy in relation to fair value interest rate risk and cash flow interest rate risk. However, management of the Group monitors interest rate exposure on an on-going basis and will consider hedging significant interest rate exposure should the need arise. The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk section of this note.

### 34. 金融工具(續)

#### (b) 財務風險管理(續)

##### (C) 市場風險

##### (i) 貨幣風險

本集團承受交易性貨幣風險。此等風險來自營運單位除該單位功能貨幣以外貨幣進行之買賣及開支。下表載列在所有其他變量維持不變之情況下，本集團於報告期末之除稅前虧損(受貨幣資產及負債公平值變動影響)對港元(「港元」)、人民幣(「人民幣」)及土耳其里拉(「土耳其里拉」)匯率可能合理出現之變動之敏感程度。

##### (ii) 利率風險

本集團主要承擔與計息之應收款項及應付款項(包括銀行結餘及借貸)有關之現金流量利率風險(二零一七年：浮動利率)。本集團之公平值利率風險主要與承兌票據及可換股債券有關。本集團目前並無有關公平值利率風險及現金流量利率風險之利率對沖政策。然而，本集團管理層持續監察利率風險，並將於需要時考慮對沖重大利率風險。本集團面對之金融負債利率風險於本附註流動資金風險一節中詳述。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management (Continued)

##### (C) Market Risk (Continued)

##### (ii) Interest rate risk (Continued)

##### Sensitivity analysis

The management determines that the Group's exposure of interest rate risk was not significant and hence no sensitivity analysis is prepared.

##### (D) Fair Values

Fair value estimates are made at a specific point in time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

None of the Group's financial assets and financial liabilities are calculated in level 1, 2 and 3 during the reporting period.

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

### 34. 金融工具(續)

#### (b) 財務風險管理(續)

##### (C) 市場風險(續)

##### (ii) 利率風險(續)

##### 敏感度分析

管理層認為本集團之利率風險並不重大，故並無編製敏感度分析。

##### (D) 公平值

公平值估計乃於某一特定時間根據有關市場資料及財務工具之資料作出。該等估計性質主觀及涉及不確定因素並須作出重大判斷，因此無法準確釐定。假設之任何變動均會對估計構成重大影響。

就財務報告而言，公平值計量按公平值計量所用輸入數據之可觀察程度及公平值計量之輸入數據對其整體之重要性分為第一、二或三級，詳情如下：

- 第一級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為就資產或負債可直接或間接觀察之輸入數據(不包括第一級報價)；及
- 第三級輸入數據為資產或負債不可觀察之輸入數據。

於報告期間概無本集團之金融資產及金融負債計入第一、二及三級。

於綜合財務狀況表內反映之本集團金融資產及金融負債賬面值與其各自之公平值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 35. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group manages capital by regularly monitoring its current and expected liquidity requirement rather than using debt/equity ratio analysis.

### 36. COMMITMENTS

#### (a) Operating lease commitments and arrangements

##### As lessee

The Group had total future minimum lease payments under non-cancellable operating lease falling as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	745	1,579
In the second to fifth years	第二年至第五年	6,824	7,952
		7,569	9,531

##### As lessor

The Group had total future minimum lease receivable under non-cancellable operating leases with its tenants falling due as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	882	779
In the second to fifth years	第二年至第五年	—	—
		882	779

### 35. 資本風險管理

本集團管理資本之主要目標，是為保障本集團能繼續按持續經營基準經營，從而能透過與風險水平相對應之產品及服務定價以及獲得合理成本之融資，繼續為股東創造回報以及使其他權益持有人受惠。

本集團積極定期檢討及管理其資本結構，以在較高股東回報情況下可能伴隨之較高借貸水平與良好資本狀況帶來之好處及保障之間維持平衡，並因應經濟環境變動對資本結構作出調整。

為維持或調整資本結構，本集團或會調整向股東派付之股息金額、向股東退回資本、發行新股份或出售資產，以減少債務。

本集團透過定期監察其目前及預期流動資金需求管理資本，而非採用債務／權益比例分析。

### 36. 承擔

#### (a) 經營租賃承擔及安排

##### 作為承租人

本集團之到期不可撤銷經營租賃總未來最低租賃款項如下：

##### 作為出租人

本集團與其租戶之到期不可撤銷經營租賃總未來最低租賃應收款項如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 36. COMMITMENTS (CONTINUED)

#### (b) Capital commitment

The Group had the following capital commitment:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted but not provided for	已訂約但未撥備		
— Acquisition of a subsidiary	— 收購一間附屬公司	—	35,549
— Capital injection of a subsidiary	— 一間附屬公司注資	7,753	9,005

### 37. MATERIAL TRANSACTIONS AND BALANCES WITH RELATED PARTIES

#### (a) Key management personnel compensation

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term employees benefits	短期僱員福利	1,475	1,833
Post-employment benefits	退休福利	26	33
Amount due to related persons	應付有關連人士款項	7,198	3,155
		8,699	5,021

#### (b) Transactions with other related parties

Other than those transactions disclosed elsewhere in the consolidated financial statements, the Group has no transactions or balances with other related parties during the year ended 31 December 2018 and 2017.

### 36. 承擔(續)

#### (b) 資本承擔

本集團有以下資本承擔：

### 37. 重大有關連人士交易及結餘

#### (a) 主要管理人員之補償

本集團主要管理人員酬金(包括附註8所披露已付本公司董事之金額及附註9所披露已付若干最高薪僱員之金額)如下：

#### (b) 與其他有關連人士交易

除綜合財務報表其他部分披露之該等交易外，本集團截至二零一八年及二零一七年十二月三十一日止年度概無其他有關連人士交易或結餘。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 38. EVENTS AFTER REPORTING PERIOD

- (a) References is made to the announcements of the Company dated 13 November 2018, 3 December 2018, 31 December 2018, 15 February 2019 and 21 February 2019 in relation to the issue of the convertible note in the principal up to HK\$150,000,000 (the “Macquarie CN”). On 13 November 2018, the Company and Macquarie Bank Limited (the “Subscriber” or the Noteholder) entered into the conditional subscription agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for the Company has conditionally agreed to issue the convertible notes in the principal amount up to HK\$300,000,000.

The Macquarie CN will be issued in two tranches. Each tranche will be in an aggregate principal amount of HK\$150,000,000. The Macquarie CN will bear 1% interest per annum and will mature on the second anniversary of the closing date. Each convertible note entitles the Noteholder to convert the Macquarie CN into shares at any time during the conversion period at the conversion price, provided that no conversion right may be exercised at a conversion price lower than the floor price (which is subject to adjustments). The conversion price will be 92% of the volume weighted average price of the shares as traded on the relevant stock exchange on the trading day immediately preceding the relevant conversion date.

The issue of Macquarie CN has been approved by the independent shareholders at the extraordinary general meeting of the Company on 15 February 2019.

### 38. 報告期後事項

- (a) 茲提述本公司日期為二零一八年十一月十三日、二零一八年十二月三日、二零一八年十二月三十一日、二零一九年二月十五日及二零一九年二月二十一日有關發行本金額最多為150,000,000港元之換股票據(「麥格里可換股票據」)之公佈。於二零一八年十一月十三日,本公司與麥格里銀行有限公司(「認購方」或票據持有人)訂立有條件認購協議,據此,認購方有條件同意認購,而本公司有條件同意發行本金額最多為300,000,000港元之可換股票據。

麥格里可換股票據將分兩個批次發行,每批次之本金總額將為150,000,000港元。麥格里可換股票據之年利率為1%,將於完成日期之第二週年日到期。各可換股票據賦予票據持有人權利,可於兌換期間隨時按兌換價將麥格里可換股票據兌換為兌換股份,惟不得按低於底價(可予調整)之兌換價行使兌換權。兌換價將為股份於緊接有關兌換日期前之交易日在相關證券交易所買賣之成交量加權平均價之92%。

發行麥格里可換股票據已於二零一九年二月十五日舉行之本公司股東特別大會上取得獨立股東批准。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 38. EVENTS AFTER REPORTING PERIOD (CONTINUED)

#### (a) (CONTINUED)

On 21 February 2019, all conditions precedent set out in the subscription agreement has been fulfilled and completion of the issuance of the first tranche of the Macquarie CN in the principal amount of HK\$150,000,000 has taken place on the same date.

Subsequent to the issue of Macquarie CN and up to the date of this report, the Company has received conversion notice in respect of the exercise of part of the conversion rights attached to the Macquarie CN. As a result of the conversion, the Company allotted and issued 864,000 shares in aggregation in relation to the Macquarie CN.

- (b) On 13 March 2019, the Company and Just Classic Limited has entered into a confirmation letter (the "Confirmation Letter") in relation to the convertible note of principal amount of HK\$30,000,000 matured on 3 December 2018.

The Company and Just Classic Limited mutually agree that the outstanding balance carries an interest rate of 10% per annum from 4 December 2018 and interest shall be paid in every two months. The principal of HK\$30,000,000 shall be payable before 30 November 2019, which has been classified under current borrowing as at 31 December 2018 see note 27(a).

### 38. 報告期後事項(續)

#### (a) (續)

於二零一九年二月二十一日，已達成認購協議所載所有先決條件，並於同日完成發行第一批次本金額為150,000,000港元之麥格里可換股票據。

發行麥格里可換股票據後及截至本報告日期止，本公司就行使部分麥格里可換股票據隨附之兌換權收到兌換通知。由於進行兌換，本公司就麥格里可換股票據配發及發行合共864,000股股份。

- (b) 於二零一九年三月十三日，本公司與Just Classic Limited就二零一八年十二月三日期到本金額為30,000,000港元之可換股票據訂立確認函(「確認函」)。

本公司與Just Classic Limited雙方同意，自二零一八年十二月四日起之未償還餘額利率為每年10%，並須每兩個月支付利息。本金30,000,000港元須於二零一九年十一月三十日前支付，已於二零一八年十二月三十一日在流動借貸項下分類(見附註27(a))。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. STATEMENT OF FINANCIAL POSITION

### 39. 財務狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	89	80
Interests in subsidiaries	於附屬公司之權益	220,121	213,222
		<b>220,210</b>	213,302
<b>Current assets</b>	<b>流動資產</b>		
Other receivables and deposit paid	其他應收款項及已付按金	150	150
Amount due from associates	應收聯營公司款項	3,000	3,000
Cash and cash equivalents	現金及現金等價物	2,028	6,767
		<b>5,178</b>	9,917
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	534	1,555
Borrowing	借貸	30,000	—
Contingent consideration	或然代價	6,644	—
Promissory note	承兌票據	—	20,152
		<b>37,178</b>	21,707
<b>Net current liabilities</b>	<b>流動負債淨值</b>	<b>(32,000)</b>	(11,790)
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>188,210</b>	201,512
<b>Non-Current Liabilities</b>	<b>非流動負債</b>		
Promissory notes	承兌票據	28,237	—
Convertible notes	可換股票據	—	96,198
		<b>28,237</b>	96,198
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>159,973</b>	105,314
<b>EQUITY AND RESERVES</b>	<b>權益及儲備</b>		
Share capital	股本	1,088,011	1,015,341
Reserves	儲備	(928,038)	(910,027)
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>159,973</b>	105,314

Approved and authorised for issue by the Board of Directors on 22 March 2019.

經由董事會於二零一九年三月二十二日批准及授權刊發。

**Hung Tat Chi Alan**  
洪達智  
Director  
董事

**Ling Ko Yin Jason**  
林高然  
Director  
董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 39. STATEMENT OF FINANCIAL POSITION (CONTINUED) 39. 財務狀況表(續)

The reserve of the Company is as follow:

本公司儲備如下：

		Convertible notes reserve 可換股 票據儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2016 and at 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日	3,433	(885,580)	(882,147)
Issue of shares upon conversion of convertible notes	因兌換可換股票據 而發行股份	(584)	—	(584)
Issue of new convertible bonds	發行新可換股債券	3,336	—	3,336
Loss for the year	年內虧損	—	(30,632)	(30,632)
At 31 December 2017 and at 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	<b>6,185</b>	<b>(916,212)</b>	<b>(910,027)</b>
Issue of shares upon conversion of convertible notes	因兌換可換股票據 而發行股份	(2,752)	—	(2,752)
Derecognition of convertible notes	終止確認可換股票據	(3,433)	3,433	—
Loss for the year	年內虧損	—	(15,259)	(15,259)
At 31 December 2018	於二零一八年十二月三十一日	<b>—</b>	<b>(928,038)</b>	<b>(928,038)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The details of principal subsidiaries are set as follows:

### 40. 主要附屬公司之權益詳情

主要附屬公司之詳情載列如下：

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Group's effective holding 本集團實際持有		
			2018 二零一八年	2017 二零一七年	
Progress Gain Resources Limited 陞益資源有限公司	Hong Kong 香港	100 shares of HK\$50,000 each 100股每股面值50,000港元之股份	100% (Indirect) (間接)	100% (Indirect) (間接)	Trading 貿易
Mega Field International Limited 偉大國際有限公司	Hong Kong 香港	1 share of HK\$1 each 1股面值1港元之股份	100% (Direct) (直接)	100% (Direct) (直接)	Fashion Garment 時尚服裝
Ottoman Evershine Construction 土耳其	Turkey 土耳其	Paid up capital of USD50,000 實繳股本50,000美元	100% (Indirect) (間接)	100% (Indirect) (間接)	Investment holdings 投資控股
Boyraci Construction 土耳其	Turkey 土耳其	Registered capital of TL21,000,000 註冊資本21,000,000土耳其里拉	60% (Indirect) (間接)	–	Building construction properties development and lease of properties 樓宇建造、物業開發及 物業租賃業務
Ottoman Evershine Finance Limited 奧斯曼財務有限公司	Hong Kong 香港	1 share of HK\$1 each 1股面值1港元之股份	100% (Indirect) (間接)	100% (Indirect) (間接)	Money Lending 放債
Pro-King Corporation Limited 博御有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值 1港元之股份	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股
鑫盛國際貿易(深圳)有限公司	PRC 中國	Registered capital of RMB8,000,000 註冊資本人民幣8,000,000元	100% (Indirect) (間接)	100% (Indirect) (間接)	Trading 貿易
Prosperous Link Investments Limited	British Virgin Island 英屬處女群島	50,000 ordinary shares of USD1 each 50,000股每股面值 1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 40. 主要附屬公司之權益詳情(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Group's effective holding 本集團實際持有		
			2018 二零一八年	2017 二零一七年	
Patalogue Limited 派得樂有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值 1港元之股份	100% (Direct) (直接)	100% (Direct) (直接)	Mobile application business 手機應用程式業務
Vital Fortune International Investment Limited 福生國際投資有限公司	British Virgin Island 英屬處女群島	50,000 ordinary shares of USD1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股
Fortune Ford Limited 福永高有限公司	Hong Kong 香港	10,001 shares of total HK\$10,492,837 10,001股 合共10,492,837港元之股份	100% (Indirect) (間接)	100% (Indirect) (間接)	Investment holdings 投資控股
鄭州鼎望瀚鑫貿易有限公司 (note i) (附註 i)	PRC 中國	Registered capital USD1,000,000 註冊資本1,000,000美元	100% (Indirect) (間接)	100% (Indirect) (間接)	Investment holdings 投資控股
柘城縣襄安陵有限公司 (note ii) (附註 ii)	PRC 中國	Registered capital RMB1,000,000 註冊資本人民幣1,000,000元	90% (Indirect) (間接)	90% (Indirect) (間接)	Construction and development of Cemetery 公墓建設及開發
Ottoman Evershine Holdings Limited 奧斯曼控股有限公司	British Virgin Island 英屬處女群島	50,000 ordinary shares of USD1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股
深圳市平行家居有限公司 (note i) (附註 i)	PRC 中國	Registered capital RMB13,000,000 註冊資本人民幣13,000,000元	51% (Indirect) (間接)	–	Retail trade of window frames doors and wardrobe 零售窗框、門及衣櫃
Maxwise Limited 名慧有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	100% (Indirect) (間接)	55% (Indirect) (間接)	Trading of chrome ore 鎳礦交易
Sharp Pick Ventures Limited	British Virgin Island 英屬處女群島	50,000 ordinary shares of USD1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Rental service 租賃服務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 40. 主要附屬公司之權益詳情(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Group's effective holding 本集團實際持有		
			2018 二零一八年	2017 二零一七年	
Spring Hero Developments Limited	British Virgin Island 英屬處女群島	50,000 ordinary shares of USD1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Rental service 租賃服務

**Notes:**

- (i) Registered under the laws of the PRC as wholly foreign-owned enterprise.
- (ii) Registered under the laws of the PRC as limited liability enterprise.

**附註：**

- (i) 根據中國法律註冊為外商獨資企業。
- (ii) 根據中國法律註冊為有限責任企業。

#### Details of non-wholly owned subsidiaries that have material non-controlling interests

The summarised financial information below represents amounts before intragroup eliminations:

#### 擁有重大非控股權益之非全資附屬公司詳情

下列財務資料概要乃經扣除集團內公司間撇銷前之金額：

#### Boyraci Construction

#### Boyraci Construction

		2018 二零一八年 HK\$'000 千港元
Current assets	流動資產	5,427
Non-current assets	非流動資產	130,488
Current liabilities	流動負債	(2,918)
Non-current liabilities	非流動負債	(25,005)
Equitable attributable to the shareholders of the Company	本公司股東應佔權益	64,795
Non-controlling interests	非控股權益	43,197



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Details of non-wholly owned subsidiaries that have material non-controlling interests (Continued)  
Boyraci Construction (Continued)

### 40. 主要附屬公司之權益詳情(續)

擁有重大非控股權益之非全資附屬公司詳情(續)  
Boyraci Construction(續)

		Period from 1 October to 31 December 2018 二零一八年 十月一日至 十二月三十一日 期間 HK\$'000 千港元
Revenue	收益	220
Expense	開支	(209)
Profit for the period	期內溢利	11
Profit attributable to non-controlling interests	非控股權益應佔溢利	4
Net cash (outflow)/inflow from:	現金(流出)/流入淨額：	
Operating activities	經營活動	(403)
Investing activities	投資活動	(1,381)
Financing activities	融資活動	1,827
Net cash inflow	現金流入淨額	43

柘城縣襄安陵有限公司

柘城縣襄安陵有限公司

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current assets	流動資產	3,403	6,016
Non-current assets	非流動資產	46,238	115,389
Current liabilities	流動負債	(18,111)	(18,719)
Equity attributable to shareholders of the Company	本公司股東應佔權益	28,377	92,417
Non-controlling interests	非控股權益	3,153	10,269

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

柘城縣襄安陵有限公司

### 40. 主要附屬公司之權益詳情(續)

柘城縣襄安陵有限公司

		Year ended 31 December 2018 截至 二零一八年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元
Revenue	收益	63	9
Expenses	開支	(78,795)	(5,642)
Loss for the year	年內虧損	(78,732)	(5,633)
Loss attributable to non-controlling interests	非控股權益應佔虧損	(7,873)	(563)
Net cash (outflow)/inflow from:	現金(流出)/流入淨額：		
Operating activities	經營活動	(1,664)	1,082
Investing activities	投資活動	(17)	(6,594)
Financing activities	融資活動	147	9
Net cash outflow	現金流出淨額	(1,534)	(5,503)

### 41. NEW AND REVISED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Up to the date of issue of these financial statements, the HKICPA has issued a few amendments and new standards which are not yet effective for the year ended 31 December 2018 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

### 41. 已發佈但尚未生效之新修訂及修訂準則及詮釋

截至本財務報表刊發日期，香港會計師公會已頒佈惟並未於截至二零一八年十二月三十一日止年度生效之數項修訂及新準則，而本集團並未在本財務報表中採用此等修訂及新準則。其中可能與本集團相關者如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 41. NEW AND REVISED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

#### New and revised HKFRSs that are not mandatorily effective and not yet early adopted by the Group

HKFRS 16	Leases <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>
HK(IFRIC) Interpretation 23	Uncertainty over Income Tax Treatments <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>2</sup> Effective for annual periods beginning on or after a date to be determined

#### HKFRS 16 Leases

HKFRS 16 will supersede the current lease guidance including HKAS 17 Leases and the related interpretations when it becomes effective.

With regards to lessee accounting, the distinction of operating leases and finance leases, as required by HKAS 17, has been replaced by a model which requires a right-of-use asset and a corresponding liability to be recognised for all leases by lessees except for short-term leases and leases of low value assets.

Specifically, the right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any re-measurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments. Furthermore, the classification of cash flows will also be affected as operating lease payments under HKAS 17 are presented as operating cash flows; whereas, under the HKFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

With regards to lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, HKFRS 16 requires extensive disclosures in the financial statements.

### 41. 已發佈但尚未生效之新修訂及修訂準則及詮釋(續)

#### 並無強制生效及本集團尚未提早採納之新訂及經修訂香港財務報告準則

香港財務報告準則第16號	租賃 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營公司間之資產出售或注資 <sup>2</sup>
香港(國際財務報告詮釋委員會)詮釋第23號	所得稅項處理之不確定因素 <sup>1</sup>

<sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效

<sup>2</sup> 於待定日期或之後開始之年度期間生效

#### 香港財務報告準則第16號租賃

香港財務報告準則第16號將於其生效時取代當前之租賃指引，包括香港會計準則第17號租賃及相關詮釋。

就承租人會計處理而言，根據香港會計準則第17號規定，經營租賃及融資租賃之劃分已由另一模式取代，其規定承租人須就所有租賃確認使用權資產及相應負債，惟短期租賃及低價值資產租賃除外。

具體而言，使用權資產初步按成本計量，其後按成本(有若干例外情況)減累計折舊及減值虧損(就租賃負債之任何重新計量作出調整)計量。租賃負債初步按於該日尚未支付之租賃付款現值計量。其後，租賃負債就利息及租賃付款作出調整。此外，現金流量之分類亦將受到影響，因為香港會計準則第17號下之經營租賃付款呈列為經營現金流量，而根據香港財務報告準則第16號模式，租賃付款將拆分為本金及利息部分，分別呈列為融資及經營現金流量。

就出租人會計處理而言，香港財務報告準則第16號大致保留香港會計準則第17號內出租人之會計要求，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求於財務報表內作出全面披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 41. NEW AND REVISED STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

#### **New and revised HKFRSs that are not mandatorily effective and not yet early adopted by the Group (Continued)**

##### *Amendments to HKFRS 10 and HKAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments to HKFRS 10 and HKAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The Group did not enter into these transactions in the current year. The Directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

##### *HK(IFRIC) Interpretation 23 Uncertainty over Income Tax Treatments*

This Interpretation clarifies how to apply the recognition and measurement requirements in HKAS 12 when there is uncertainty over income tax treatments.

The Directors of the Company do not anticipate that the application of the Interpretation will have a material impact on the Group's consolidated financial statements.

The above new and revised HKFRSs does not have any impact to the Company's financial statements.

### 42. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to confirm with the current year's presentation.

### 43. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 22 March 2019.

### 41. 已發佈但尚未生效之新修訂及修訂準則及詮釋(續)

#### 並無強制生效及本集團尚未提早採納之新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第10號及香港會計準則第28號(修訂本)投資者與其聯營公司或合營公司間之資產出售或注資

香港財務報告準則第10號及香港會計準則第28號(修訂本)處理投資者與其聯營公司或合營公司間之資產出售或注資之情況。具體而言,該等修訂本說明,因在與聯營公司或合營公司(以權益法入賬)之交易中失去對並無包含業務之附屬公司之控制權所得盈虧,會於母公司之損益內確認,惟僅以非相關投資者於該聯營公司或合營公司之權益為限。同樣地,重新計量於任何前附屬公司(成為以權益法入賬之聯營公司或合營公司)保留之投資至公平值所得盈虧,會於前母公司之損益內確認,惟僅以非相關投資者於新聯營公司或合營公司之權益為限。

本集團於本年度並無訂立任何該等交易。本公司董事預期,倘發生有關交易,應用該等修訂本可能會對本集團未來期間之綜合財務報表產生影響。

##### 香港(國際財務報告詮釋委員會)詮釋第23號所得稅項處理之不確定因素

此詮釋澄清存在所得稅處理之不確定因素時應用香港會計準則第12號確認及計量規定之方式。

本公司董事預計應用該詮釋不會對本集團之綜合財務報表造成重大影響。

上述新訂及經修訂香港財務報告準則對本公司財務報表概無任何影響。

### 42. 比較數據

若干比較數據已獲重新分類,以符合本年度之呈列。

### 43. 批准財務報表

綜合財務報表已於二零一九年三月二十二日經董事會批准及授權刊發。

# FIVE YEARS FINANCIAL SUMMARY

## 五年財務概要

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

### FIVE YEARS FINANCIAL SUMMARY

### 五年財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out below:

本集團過往五個財政年度之業績以及資產及負債概要載列如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
		(Re-presented) (經重列)				
Revenue from continuing operations	來自持續經營業務之收益	4,427	27,948	135,462	72,900	45,792
Loss before taxation	除稅前虧損	(113,446)	(69,329)	(68,546)	(29,866)	(19,648)
Profit from discontinued operations	來自已終止業務之溢利	—	580	2,706	16,108	(3,520)
Taxation	稅項	3	—	916	228	20
Loss for the year	本年度虧損	(113,443)	(68,749)	(64,924)	(13,530)	(23,148)
Net loss from ordinary activities attributable to shareholders	下列各項之日常業務虧損淨額 股東應佔	(105,087)	(66,961)	(65,399)	(11,996)	(19,926)
attributable to non-controlling interests	非控股權益應佔	(8,356)	(1,788)	475	(1,534)	(3,222)

		As at 31 December 於十二月三十一日				
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Total assets	總資產	384,564	419,453	421,923	308,576	131,701
Total liabilities	總負債	(201,521)	(232,112)	(227,441)	(91,809)	(94,965)
Non-controlling interests	非控股權益	(43,834)	(10,354)	(12,667)	(8,701)	19,657
		139,209	176,987	181,815	208,066	56,393

Evershine Group Holdings Limited  
永耀集團控股有限公司