



**Dafeng Port Heshun Technology
Company Limited**
大豐港和順科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)
Stock Code 股份代號 : 8310

2018 年報
ANNUAL REPORT



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香港聯合交易所有限公司GEM之特色

GEM之定位，乃為相比起其他在香港聯合交易所有限公司(「聯交所」)上市之公司帶有較高投資風險之公司提供上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。GEM之較高風險及其他特色表示GEM較適合專業及其他經驗豐富投資者。

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本報告之資料乃遵照聯交所GEM證券上市規則(「GEM上市規則」)之規定而刊載，旨在提供有關大豐港和順科技股份有限公司(「本公司」)之資料，本公司各董事(「董事」)願就本報告共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所深知及確信，本報告所載資料在各重要方面均屬準確及完備，且無誤導或欺詐成分，亦無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

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BOARD OF DIRECTORS**Executive Directors**

Mr. Tao Ying (*Chairman*)
 Mr. Shum Kan Kim
 Mr. Miao Zhibin
 Mr. Chen Wenxiang

Non-executive Directors

Mr. Ji Longtao
 Mr. Yang Yue Xia
 Mr. Sun Lin

Independent Non-executive Directors

Dr. Bian Zhaoxiang
 Mr. Lau Hon Kee
 Mr. Yu Xugang
 Mr. Zhang Fangmao

AUDIT COMMITTEE

Mr. Lau Hon Kee (*Chairman*)
 Dr. Bian Zhaoxiang
 Mr. Zhang Fangmao

NOMINATION COMMITTEE

Mr. Tao Ying (*Chairman*)
 Mr. Lau Hon Kee
 Mr. Zhang Fangmao

REMUNERATION COMMITTEE

Dr. Bian Zhaoxiang (*Chairman*)
 Mr. Lau Hon Kee
 Mr. Chen Wenxiang

COMPANY SECRETARY

Ms. Xu Jing

COMPLIANCE OFFICER

Mr. Shum Kan Kim

董事會**執行董事**

陶瑩先生(*主席*)
 沈勤儉先生
 繆志斌先生
 陳文祥先生

非執行董事

吉龍濤先生
 楊越夏先生
 孫林先生

獨立非執行董事

卞兆祥博士
 劉漢基先生
 于緒剛先生
 張方茂先生

審核委員會

劉漢基先生(*主席*)
 卞兆祥博士
 張方茂先生

提名委員會

陶瑩先生(*主席*)
 劉漢基先生
 張方茂先生

薪酬委員會

卞兆祥博士(*主席*)
 劉漢基先生
 陳文祥先生

公司秘書

徐靜女士

合規主任

沈勤儉先生

AUTHORISED REPRESENTATIVES

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Ms. Xu Jing

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**HONG KONG BRANCH SHARE REGISTRAR
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PRINCIPAL BANKERS

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Bank of Communications Co., Ltd.
Industrial Bank Co., Ltd.
Agricultural Bank of China Limited
China Construction Bank Corporation

STOCK CODE

8310

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主要往來銀行

中國銀行(香港)有限公司
交通銀行股份有限公司
興業銀行股份有限公司
中國農業銀行股份有限公司
中國建設銀行股份有限公司

股份代號

8310

公司網站

www.dfport.com.hk

CHAIRMAN'S STATEMENT

主席報告

Dear shareholders,

On behalf of the board of Directors (the "Board"), I present the annual report of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2018 (the "Year").

Last year has been the most difficult year since the Group's establishment:

- 1) Drastic change in global free trading conditions and intensifying trade conflicts between the United States of America (the "U.S.A.") and China and other major economies has affected the international trading volume. As the port industry is greatly affected by volatility of the global economy, revenue of the Group's integrated logistics handling and the relevant supporting service business dropped significantly;
- 2) Although the Group recorded increase in the revenue derived from the trading business, the Group recorded a gross loss margin as drastic change in global free trading conditions has led the exchange rate of Renminbi and global oil price to show high volatility;
- 3) To expand petrochemical products storage business of the Group, the Group has put more effort in constructing and repairing petrochemical storage tanks, as well as upgrading various supporting facilities like fire services. These actions had suspended the provision of storage service by the Group's existing petrochemical storage tanks for a substantial period. As a result, revenue from petrochemical storage services also dropped significantly.

各位股東：

本人謹代表董事會(「董事會」)呈報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年度(「本年度」)之年報。

過去的一年為本集團從成立至今最為艱難的一年：

- 1) 由於國際自由貿易大環境發生了深刻變化，美利堅合眾國(「美國」)與中國及其他主要經濟體貿易摩擦的升溫，影響到全球貿易量，而港口行業深受世界經濟波動的影響，本集團綜合物流處理及有關配套服務業務收益大幅下滑；
- 2) 儘管本集團貿易業務錄得收益增長，由於國際自由貿易大環境發生了深刻變化導致人民幣匯率與國際油價均呈現出較大波動性，本集團錄得毛損率；
- 3) 為擴大本集團石化產品倉儲業務，本集團加大建造及維修石化倉儲池並進行多項消防等配套設施的更新，致使本集團原有石化倉儲池、較長時間被迫停止提供倉儲服務，故此石化倉儲服務收益大幅下滑。

Looking forward, the Group will focus on carrying out business strategies on the following aspects in 2019:

- 1) Speeding up the construction, maintenance and upgrade of petrochemical storage tanks and supporting facilities in the hope of putting them back into operation as soon as possible;
- 2) Conducting resource consolidation and strategic restructuring in respect of integrated logistics handling and the relevant supporting services business of the Group under a regulatory system with stable, prudent and effective control, with a view to differentiate from other port operators through developing a strategic layout of the petrochemical product terminal in Dafeng Port;
- 3) Strengthening management and improving efficiency of our operation and services continuously to better meet requirement of the market and our customers, so as to lay a solid foundation for the Group to realise long term plans and sustainable development.

Finally, I would like to express my heartfelt appreciation to our shareholders, investors and partners for their continued and dedicated support, in particular at this difficult time of harsh business environment. I would also like to express my gratitude to our Directors and all employees of the Group for their diligent and valuable contributions.

Tao Ying
Chairman

展望未來，本集團在2019年度將重點推進以下幾方面工作：

- 1) 加快石化倉儲池及配套設施的建造及維修更新，爭取儘早投入使用；
- 2) 在穩定、審慎及有效監督的管制架構下對本集團綜合物流處理及有關配套服務業務進行資源整合與戰略重組，擬通過發展成為策略性佈局位於大豐港口的油品化工碼頭從其他港口運營商中脫穎而出；
- 3) 繼續加強管理、提高作業效率和服務效率、更好地滿足市場和客戶的需要，為本集團實現長遠規劃及持續發展奠定堅實的基礎。

最後，承蒙股東、投資者及業務夥伴一直鼎力支持，尤其於目前之艱難經濟環境下，本人謹此致以衷心謝意。董事及本集團全體僱員辛勤付出及作出寶貴貢獻，本人亦謹此衷心致謝。

主席
陶瑩

BUSINESS REVIEW

During the Year, the Group is principally engaged in trading business, the provision of integrated logistics handling and the relevant supporting services business as well as petrochemical products storage business.

Our major business activities can be divided into below categories during the Year:

1. Trading Business

The Group is engaged in the trading and import and export businesses of electronic products, petrochemical products and other products. During the Year, the Group's trading business recorded revenue of approximately HK\$4,160.0 million (2017: approximately HK\$3,147.9 million). The increase in revenue was mainly attributable to the acquisition of 深圳市泛海控股有限公司 (Shenzhen Fanhai Holdings Limited*) ("Shenzhen Fanhai") on 12 December 2017 and the increase in number of customers of the trading business, the new business of electrolytic copper which 鹽城大豐和順國際貿易有限公司 (Yancheng Dafeng Heshun International Trading Company Limited*) ("Heshun Trading") is engaged, and the trading business of 前海明天供應鏈(深圳)有限公司 (Qianhai Mingtian Supply Chain(Shenzhen) Company Limited*) ("Qianhai Mingtian") maintained a growth rate exceeding that of the corresponding period of last year.

2. Integrated Logistics Handling and The Relevant Supporting Services Business

Integrated Logistics Handling Services of the Group provides terminal handling and berthing services, ocean freight services and local land transportation services in the Pearl River Delta, Yangtze River Delta and Hong Kong. To complement the Group's logistics handling services, the Group also offers tractor repair and maintenance services and insurance agency services to customers with a view to enhance customers' satisfaction. The Group also provides fuel cards to logistics companies and ordinary individual customers to improve the Group's reputation and increase its marketing efforts.

During the Year, the Group's aggregated revenue from business of integrated logistics handling and the relevant supporting services business ("Integrated Logistics Handling Business") amounted to approximately HK\$201.1 million, of which revenue of approximately HK\$0.7 million was generated from the continuing operations, and revenue of approximately HK\$200.4 million was generated from the discontinuing operations (2017: approximately HK\$263.5 million, which was generated from the discontinuing operations).

業務回顧

於本年度，本集團主要從事貿易業務、提供綜合物流處理及有關配套服務業務以及石化產品倉儲業務。

於本年度，本集團主要業務活動可分為以下類別：

1. 貿易業務

本集團從事電子產品、石化產品及多種其他產品之貿易及進出口業務。於本年度，本集團貿易業務錄得收益約4,160,000,000港元(二零一七年：約3,147,900,000港元)。收益增加主要由於二零一七年十二月十二日收購深圳市泛海控股有限公司(「深圳泛海」)，以及貿易業務之客戶增加、鹽城大豐和順國際貿易有限公司(「和順貿易」)所從事電解銅新業務、本集團繼續深入拓展各種產品的貿易及進出口業務，以及前海明天供應鏈(深圳)有限公司(「前海明天」)之貿易業務保持超逾去年同期之增長率。

2. 綜合物流處理及有關配套服務業務

本集團綜合物流處理服務提供涵蓋珠三角地區、長三角地區及香港的碼頭處理及靠泊服務，海運服務及當地陸路物流服務。為配合本集團物流處理服務，本集團亦向客戶提供牽引車保養及維修服務以及保險代理服務作為增值服務，以提高客戶滿意度。本集團亦向物流公司及一般個人客戶提供燃料卡，旨在提升本集團聲譽及加大市場推廣力度。

於本年度，本集團綜合物流處理及有關配套服務業務(「綜合物流處理業務」)的總收益約201,100,000港元，其中收益約700,000港元來自於持續經營業務，收益約200,400,000港元來自於已終止經營業務(二零一七年：約263,500,000港元，來自於已終止經營業務)。

In the background of intensified trade war between China and the U.S.A. and world trade protectionism emerged, as significant loss incurred in the past few years due to intensified competition resulting from low entry threshold of industry of stevedoring and freight service for containers and break-bulk cargoes, the Group has streamlined its logistics handling for containers and break-bulk cargoes and expanded to provision of logistics handling of petrochemical products with annual throughput of 6.6 million tonnes.

On 28 December 2018, the Company and Great Panorama International Limited entered into an agreement to dispose 51% of the issued share capital of Gamma Logistics (B.V.I.) Corporation (“Gamma Logistics”) (“Gamma Logistics Disposal Agreement”), pursuant to which the Company conditionally agreed to sell, and Great Panorama International Limited conditionally agreed to purchase 51% of the issued share capital of Gamma Logistics at the consideration of HK\$4,150,000 (the “Gamma Disposal”). The Gamma Disposal was completed on 10 January 2019. Following the completion of the Gamma Disposal, Gamma Logistics ceased to be a subsidiary of the Company.

On 29 May 2018, Heshun Trading, an indirect wholly-owned subsidiary of the Company, as the purchaser and (i) 江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng Harbour Holdings Limited*) (“Jiangsu Dafeng”) and (ii) 江蘇華海投資有限公司 (Jiangsu Huahai investment Company Limited*) (“Jiangsu Huahai”) as the sellers entered into the framework equity purchase agreement and together with any supplemental agreement thereto (the “Framework Equity Purchase Agreement”), pursuant to which Heshun Trading conditionally agreed to purchase and Jiangsu Dafeng and Jiangsu Huahai conditionally agreed to sell 60% and 40% of their respective equity interests in 江蘇海融大豐港油品化工碼頭股份有限公司 (Jiangsu Hairong Dafeng Port Petrochemical Product Terminal Company Limited*) (“Jiangsu Hairong”) at the aggregate consideration of RMB405.9 million (the “Acquisition”). Jiangsu Hairong has been principally engaged in the provision of terminal handling and berthing services in an integrated petrochemical terminal complex, being the only berthing dock for oil vessels in Dafeng Port, a national first-class open port located in Jiangsu Province, the People’s Republic of China (“PRC”). The Acquisition of Jiangsu Hairong was completed on 21 December 2018. Following the Acquisition, Jiangsu Hairong has become an indirect wholly-owned subsidiary of the Company.

鑒於中國與美國之間的貿易戰增加及全球貿易保護主義抬頭，由於集裝箱及散雜貨的港口裝卸與貨運服務行業准入門檻低、競爭日益加劇及於過去數年為本集團帶來重大損失，本集團已精簡集裝箱及散雜貨的物流處理並擴展至提供年吞吐量達6.6百萬噸的石化產品的物流處理。

於二零一八年十二月二十八日，本公司與 Great Panorama International Limited 訂立出售伽瑪物流(B.V.I.)集團(「伽瑪物流」)51%已發行股本的協議(「伽瑪出售協議」)，據此，本公司同意有條件出售而 Great Panorama International Limited 同意有條件購買伽瑪物流51%已發行股本，代價為4,150,000港元(「伽瑪出售事項」)。伽瑪出售事項於二零一九年一月十日完成。伽瑪出售事項完成後，伽瑪物流不再為本公司附屬公司。

於二零一八年五月二十九日，本公司間接全資附屬公司和順貿易作為買方與(i)江蘇大豐海港控股集團有限公司(「江蘇大豐」)及(ii)江蘇華海投資有限公司(「江蘇華海」)作為賣方訂立股份收購框架協議，連同其後簽署的任何補充協議(「股份收購框架協議」)，據此，和順貿易有條件同意購買而江蘇大豐及江蘇華海有條件同意出售其各自於江蘇海融大豐港油品化工碼頭股份有限公司(「江蘇海融」)之60%及40%股權，總代價為人民幣405,900,000元(「收購事項」)。江蘇海融主要在綜合石化碼頭綜合體(即為位於中華人民共和國(「中國」)江蘇省全國流開放港口大豐港唯一的油輪船塢泊位碼頭)從事提供碼頭處理及靠泊服務。江蘇海融收購事項於二零一八年十二月二十一日完成。收購事項完成後，江蘇海融成為本公司之間接全資附屬公司。

3. Petrochemical Products Storage Business

The Group is engaged in petrochemical products storage business through 江蘇中南匯石化倉儲有限公司 (Jiangsu Zhongnanhui Petrochemical Storage Company Limited*) ("Zhongnanhui"). During the Year, the Group's petrochemical products storage business recorded decrease in revenue of 33.3% to approximately HK\$8.8 million (2017: approximately HK\$13.2 million). The decrease in revenue was mainly attributable to prolonged suspension of operation of the majority of storage tanks due to construction of new petrochemical storage tanks and repairing and upgrading of existing fire services in accordance with safety regulations and environment protection authorities.

OUTLOOKS

Considering the current status of Dafeng Port Economic Development Zone, the Group believes that it is beneficial for the Group to further develop our port facilities.

Taking advantage of its unique geographical advantage, the Group will develop to a group of diversified operations with integrated logistics handling services, petrochemical product storage services and trading business through developing a strategic layout in Dafeng Port with petrochemical product terminal.

FINANCIAL REVIEW

The Group's revenue generated from continuing operations increased by approximately 29.3% to approximately HK\$4,169.5 million for the Year (2017: approximately HK\$3,225.4 million). The increase in revenue was mainly attributable to the increase in revenue of the Group's trading business.

The Group's cost of sales generated from continuing operations increased by approximately 32.7% to approximately HK\$4,205.9 million for the Year (2017: approximately HK\$3,170.0 million). The increase in cost was mainly driven by the surge in cost of the trading business and the higher material cost from repairing and upgrading of existing fire services in accordance with the requirements of safety regulations and environment protection authorities.

With the combined effects of revenue and cost of sales, the Group recorded a gross loss margin generated from continuing operations of approximately 0.9% for the Year (2017: the gross profit margin generated from continuing operations of approximately 1.7%), which was mainly attributable to increased purchasing costs of goods due to changes in global market, while the selling prices remained stable.

3. 石化產品倉儲業務

本集團透過江蘇中南匯石化倉儲有限公司(「中南匯」)從事石化產品倉儲業務。於本年度，本集團之石化產品倉儲業務錄得收益減少約33.3%至約8,800,000港元(二零一七年：約13,200,000港元)。收益減少主要由於新增石化倉儲池的建設以及根據安全規定及環保部門的要求對原有消防等設施進行維修更新，導致大部分倉儲池較長時間暫停作業。

展望

考慮到大豐經濟開發區之現況，本集團認為進一步發展港口設施對本集團有利。

本集團將充分利用其獨特的地理優勢，通過發展策略性佈局位於大豐港口的油品化工碼頭，而發展成為綜合物流處理服務、石化產品倉儲服務及貿易業務的多元化經營集團。

財務回顧

於本年度，本集團持續經營業務之收益增加約29.3%至約4,169,500,000港元(二零一七年：約3,225,400,000港元)。收益增加主要由於本集團貿易業務之收益增加。

於本年度，本集團持續經營業務之銷售成本增加約32.7%至約4,205,900,000港元(二零一七年：約3,170,000,000港元)，成本增加主要由於本集團貿易業務成本增加，以及根據安全規定及環保部門的要求對原有消防等設施進行維修更新導致材料費用增加。

在收益及銷售成本之共同影響下，本集團持續經營業務於本年度錄得毛損率約0.9%(二零一七年：持續經營業務錄得毛利率約1.7%)，主要由於國際市場變動，導致貨品採購成本增加，而售價則保持穩定。

The Group's finance costs incurred on continuing operations amounted to approximately HK\$31.4 million for the Year (2017: HK\$16.9 million), the finance costs consist of the interests on bank loans, overdrafts, other borrowings and interest on amounts due to connected companies. The increase in finance cost was mainly attributable to the placing of the unlisted secured bonds of US\$50 million.

The Group recorded loss for the Year of approximately HK\$174.0 million (2017: profit of approximately HK\$1.4 million). The increase in loss for the Year was also driven by the impairment losses of approximately HK\$45.6 million made on the carrying amounts of assets under the petrochemical products storage business segment. The loss attributable to the equity holders of the Company was approximately HK\$155.6 million (2017: profit of approximately HK\$0.2 million) and the basic loss per share was HK cents 12.08 (2017: basic earnings per share of HK cents 0.01).

Liquidity and financial resources

As at 31 December 2018, the Group had net current liabilities of approximately HK\$591.2 million (2017: net current assets of approximately HK\$74.9 million), including bank balances and cash equivalents of approximately HK\$64.6 million (2017: approximately HK\$61.7 million).

The Group's equity capital and bank and other borrowings have been applied to fund its working capital and other operational needs. The Group's current ratio as at 31 December 2018 was approximately 0.72 (2017: 1.08).

As at 31 December 2018, the Group's gearing ratio (defined as the ratio of total interest-bearing borrowings to total equity) was approximately 4,443.3% (2017: 182.3%).

The directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis taking into account of the following measures:

- (i) financial support obtained from a substantial shareholder and a connected company;
- (ii) the unutilised banking facilities readily available to the Group amounted to approximately HK\$50.0 million at 31 December 2018; and
- (iii) the Group is expected to generate adequate cash flows to maintain its operations.

於本年度，本集團持續經營業務之融資成本約為31,400,000港元(二零一七年：16,900,000港元)，融資成本包括銀行貸款、透支、其他借貸之利息及應付關連公司款項之利息。融資成本增加主要由於配售非上市抵押債券50,000,000美元。

本集團於本年度錄得虧損約174,000,000港元(二零一七年：溢利約1,400,000港元)。本年度虧損增加之原因亦包括石化產品倉儲業務分部之資產賬面價值減值虧損約45,600,000港元。本公司權益持有人應佔虧損約為155,600,000港元(二零一七年：溢利約200,000港元)，而每股基本虧損則為12.08港仙(二零一七年：每股基本盈利0.01港仙)。

流動資金及財務資源

於二零一八年十二月三十一日，本集團之流動負債淨值約為591,200,000港元(二零一七年：流動資產淨值約為74,900,000港元)，包括銀行結餘及現金等價物約64,600,000港元(二零一七年：約61,700,000港元)。

本集團之股本以及銀行及其他借貸已用作為其營運資金及其他營運需要提供資金。本集團於二零一八年十二月三十一日之流動比率約為0.72(二零一七年：1.08)。

於二零一八年十二月三十一日，本集團之資產負債比率(定義為計息借貸總額對權益總額之比率)約為4,443.3%(二零一七年：182.3%)。

經考慮下列措施，本公司董事認為按持續經營基準編制綜合財務報表乃屬合適：

- (i) 自主要股東及關連公司取得之財務支援；
- (ii) 於二零一八年十二月三十一日，本集團可即時取得之未動用銀行融資約50,000,000港元；及
- (iii) 本集團預期會產生充足現金流量維持其營運。

Capital structure

As at 31 December 2018, the Group's total equity attributable to equity holders of the Company amounted to approximately HK\$6.4 million (2017: approximately HK\$161.1 million). The capital of the Company mainly comprises ordinary share capital, share premium and capital reserves.

Unlisted secured bonds and account charge by controlling shareholder

On 27 March 2018, the Company, as issuer, Jiangsu Dafeng, as guarantor, and Industrial Bank Co., Ltd. Hong Kong Branch (the "Placing Agent"), entered into a placing agreement pursuant to which the Company agreed to appoint the Placing Agent as a placing agent for the purpose of procuring, and to use its best efforts, the subscription of the bonds of up to an aggregate principal amount of US\$50 million (the "Placing").

Dafeng Port Overseas Investment Holdings Limited ("Dafeng Port Overseas"), a controlling shareholder of the Company, entered into a deed of account charge (the "Account Charge") with the security trustee on 29 March 2018, pursuant to which Dafeng Port Overseas assigned and agreed to assign absolutely to the security trustee, as trustee for the bondholders, all of Dafeng Port Overseas' right, title and interest from time to time in and to each secured account, which is interested in 740,040,000 shares (the "Shares") of the Company, representing approximately 57.46% of the total issued Shares as at 29 March 2018, as security for the payment and discharge of the secured obligations.

The Placing was completed on 29 March 2018. Pursuant to the results of a book building exercise, the bonds in the principal amount of US\$50 million has been placed to bondholders at a coupon rate of 7.5% per annum, and terms of 3 years.

The proceeds has been used in construction and repairing of petrochemical storage tanks and upgrading the supporting facilities, acquisition of Jiangsu Hairong as well as satisfying the Group's normal working capital requirement.

For further details, please refer to the announcements of the Company dated 27 March 2018 and 29 March 2018 in relation to the Placing.

資本架構

於二零一八年十二月三十一日，本集團之本公司權益持有人應佔權益總額約為6,400,000港元(二零一七年：約161,100,000港元)。本公司之資本主要包括普通股本、股份溢價及資本儲備。

非上市抵押債券及控股股東賬戶抵押

於二零一八年三月二十七日，本公司(作為發行人)、江蘇大豐(作為擔保人)及興業銀行股份有限公司香港分行(「配售代理」)訂立一項配售協議，據此，本公司同意委任配售代理為配售代理，藉以盡最大努力促使認購本金總額最多50,000,000美元之債券(「配售事項」)。

本公司之控股股東大豐港海外投資控股有限公司(「大豐港海外」)於二零一八年三月二十九日與抵押受託人訂立賬戶抵押契據(「賬戶抵押」)，據此，大豐港海外將大豐港海外不時於各抵押賬戶之所有權利、所有權及權益(於本公司740,040,000股股份(「股份」)中擁有權益，相當於於二零一八年三月二十九日已發行股份總數約57.46%)轉讓並同意絕對轉讓予抵押受託人(作為債券持有人之受託人)，作為償付及履行抵押責任之擔保。

配售事項於二零一八年三月二十九日完成。根據簿記結果，本金額為50,000,000美元之債券已配售予債券持有人，票面息率為每年7.5%，為期三年。

所得款項已用作建造及維修石化倉儲池與配套設施的更新、收購江蘇海融及應付本集團一般營運資金之需要。

有關進一步詳情，請參閱本公司日期為二零一八年三月二十七日及二零一八年三月二十九日有關配售事項之公告。

Dividend

The Board did not recommend the payment of any dividend in respect of the Year (2017: Nil).

Significant investment, material acquisitions and disposals

On 1 February 2018, Zhongnanhui entered into a construction agreement with 中國核工業第五建設有限公司 (China Nuclear Industry Fifth Construction Company Limited*) (“China Nuclear”) for the construction and repair of one group of petrochemical storage tanks of total 80,000 m³ and various fire services upgrade for a total consideration of approximately RMB64.87 million. During the Year, the Company did not carry out other material investment save for the above.

Save and except for the aforesaid completion of the acquisition of 100% of equity interest of Jiangsu Hairong and the disposal of 51% of the issued share capital of Gamma Logistics, the Group had no material acquisitions and disposals of subsidiaries and associated companies during the Year.

Pledge of assets

The Group used bank facilities and other borrowings to finance the expansion of its business. Secured borrowings are secured by the Group’s property, plant and equipment, having carrying amounts of approximately HK\$66.5 million as at 31 December 2018 (31 December 2017: approximately HK\$66.6 million), sea use right payments of approximately HK\$2.8 million (2017: Nil), prepaid lease payments of approximately HK\$35.1 million (31 December 2017: approximately HK\$45.4 million), security deposit for loan from a third party of approximately HK\$3.4 million (31 December 2017: HK\$3.6 million) and pledged bank deposits of approximately HK\$307.4 million as at 31 December 2018 (31 December 2017: approximately HK\$312.9 million).

Unlisted secured bonds of US\$50 million is secured and guaranteed by Dafeng Port Overseas entering into Account Charge with the security trustee on 29 March 2018, pursuant to which Dafeng Port Overseas assigned and agreed to assign absolutely all of Dafeng Port Overseas’ rights, titles and interests from time to time in and to each secured account, Dafeng Port Overseas is interested in 740,040,000 Shares, representing approximately 57.46% of the total issued Shares as at 31 December 2018 and at the date of this report.

股息

董事會不建議就本年度派付任何股息(二零一七年：無)。

重大投資、重大收購及出售

於二零一八年二月一日，中南匯與中國核工業第五建設有限公司(「中國核工」)訂立以建造及維修一組合共80,000立方米之石化倉儲池並進行多項消防更新之建築協議，代價總額約為人民幣64,870,000元。於本年度內，除此之外本公司並無進行其他重大投資。

除前文所述完成收購江蘇海融100%股權及出售伽瑪物流51%已發行股本外，本集團於本年度並無任何有關附屬公司及聯營公司之重大收購及出售。

資產抵押

本集團透過銀行融資及其他借貸為其業務擴展提供資金。有抵押借貸以本集團於二零一八年十二月三十一日賬面值約66,500,000港元(二零一七年十二月三十一日：約66,600,000港元)之物業、廠房及設備、約2,800,000港元(二零一七年：無)之海域使用權付款、約35,100,000港元(二零一七年十二月三十一日：約45,400,000)之預付租賃付款、約3,400,000港元(二零一七年十二月三十一日：3,600,000)之來自第三方之貸款之保證金約307,400,000港元(二零一七年十二月三十一日：約312,900,000港元)作抵押。

50,000,000美元之非上市抵押債券乃以大豐港海外於二零一八年三月二十九日與抵押受託人訂立賬戶抵押，據此，大豐港海外轉讓並同意絕對轉讓大豐港海外不時於各抵押賬戶之所有權利、所有權及權益作抵押及擔保，於二零一八年十二月三十一日及本報告日期，大豐港海外於740,040,000股股份中擁有權益，相當於已發行股份總數約57.46%。

Foreign currency exposure

The income and expenditure of the Group are mainly carried in Hong Kong Dollars and Renminbi. Besides the US\$50 million of unlisted secured bonds were denominated in US dollars, the assets and liabilities of the Group were mainly denominated in Hong Kong Dollars and Renminbi. The Group does not expect significant exposure to foreign exchange fluctuations, therefore, currently does not have a foreign currency hedging policy. However, the management of the Group will monitor foreign exchange exposure and will consider exchange rate hedging arrangement when necessary.

Employees and emolument policy

As at 31 December 2018, the Group employed a total of 254 employees (2017: 239 employees) based in Hong Kong and the Mainland China attributable to continuing operations. During the Year, the total staff costs, including Directors' emoluments, amounted to approximately HK\$29.1 million (2017: approximately HK\$34.2 million). The decrease in the total staff costs was mainly attributable to the amounts of the employee costs in 大豐海港港口物流有限公司 (Dafeng Harbour Port Logistics Company Limited)* ("Dafeng Logistics") being recognised before its disposal on 13 June 2017, while no such cost was recognized in 2018. The Group reviews the emoluments of its directors and staff based on their respective qualification, experience, performance and the market rates so as to maintain the remunerations of its directors and staff at a competitive level.

Contingent liabilities

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

外幣風險

本集團之收入及開支主要以港元及人民幣計值。除 50,000,000 美元之非上市有抵押債券以美元計值外，本集團之資產及負債主要以港元及人民幣計值。本集團預期不會承受重大外匯波動風險，因此，目前並無外匯對沖政策。然而，本集團管理層將監控外匯風險，並將於有需要時考慮匯率對沖安排。

僱員及酬金政策

於二零一八年十二月三十一日，本集團持續經營業務聘用合共 254 名僱員（二零一七年：239 名僱員）派駐香港及中國內地。於本年度，包括董事酬金在內之總員工成本約為 29,100,000 港元（二零一七年：約 34,200,000 港元）。總員工成本減少主要由於大豐海港港口物流有限公司（「大豐物流」）於二零一七年六月十三日出售前確認員工成本金額，而二零一八年並無確認有關成本。本集團按資歷、經驗、表現及市場水平檢討董事及員工酬金，以維持董事及員工薪酬於具競爭力水平。

或然負債

於二零一八年十二月三十一日，本集團並無重大或然負債（二零一七年：無）。

Environmental, Social and Governance

The Company attaches great importance to environmental, social and governance (“ESG”) risks and has been improving its ESG management. The Board retains overall responsibility for our ESG governance and establishes an ESG working group (“We”) that reports to the Board to implement ESG management. We thoroughly evaluate ESG risks and opportunities of the Company, accordingly establish risk management and internal control policies, and draft management approaches, strategies, and objectives.

Meanwhile, We have been actively communicating with our stakeholders through various channels, for fully understanding their expectations, interests and information needs. The Company’s key stakeholders include shareholders and investors, customers, employees, suppliers, the community, etc. We listen to stakeholders’ feedback via questionnaires, visits, phone calls, to understand their interests on ESG information. During the year, We screened ESG issues that are of importance to the Company according to stakeholders’ opinions and drafted ESG report based on such important issues.

For further information of ESG performance of the Company during the Year, please refer to the upcoming independent ESG report, which can be obtained on the website of the Stock Exchange (www.hkexnews.hk) and the Company (<http://www.dfport.com.hk>).

環境、社會及管治

本公司高度重視環境、社會及管治(「ESG」)風險，持續提升ESG管理水平，明確董事會在ESG管理工作中的責任，通過成立向董事會彙報的ESG工作小組(「我們」)，以負責公司ESG管理工作執行。我們全面評估公司在ESG各個維度的風險和機遇，設置相應的風險管理及內部控制制度，並相應制定管理方針、策略和目標。

同時，我們積極與各利益相關方通過多元渠道進行溝通，充分瞭解利益相關方的期望、權益及信息需求，以識別與公司運營有關的重要ESG議題。本公司主要的利益相關方包括：股東及投資者、客戶、員工、供應商、及社區等，我們通過問卷調研、實地走訪、電話溝通等形式，主動收集各方的意見和反饋，以及對公司ESG信息的關注點。本年度我們根據各利益相關方的反饋，篩選出與公司有關的重要ESG議題，並以此作ESG報告的編制基礎。

更多關於本公司本年度ESG相關信息，請參閱即將發佈的ESG獨立報告。該報告可在聯交所網站(www.hkexnews.hk)或本公司官方網站(<http://www.dfport.com.hk>)獲取。

EXECUTIVE DIRECTORS

Mr. Tao Ying (“Mr. Tao”), aged 56, has been appointed as an executive Director and the chairman of the Board since 18 March 2019. Mr. Tao is the chairman and the legal representative of Jiangsu Hairong, an indirect wholly-owned subsidiary of the Company. Mr. Tao is also an executive director and the chairman of the board of Jiangsu Dafeng, in which he has served since June 2011 and an executive director and the general manager of 大豐海港港口有限責任公司 (Dafeng Harbour Port Limited Liability Company*). Mr. Tao is also currently an executive director and the chairman of the board of Dafeng Port Overseas, which is the Company's direct controlling shareholder. From November 2001 to December 2014, he worked in 大豐市港務管理局 (Dafeng Port Administration Authority*) and his last position was as deputy secretary, deputy director and principal staff member. From April 1993 to November 2001, he worked in 大豐市港務局 (Dafeng Port Authority*) and his last position was as deputy director. From October 1997 to June 2011, he served as deputy general manager of 大豐港開發建設有限公司 (Dafeng Port Development and Construction Co., Ltd.*).

Mr. Shum Kan Kim (“Mr. Shum”), aged 56, has been appointed as an executive Director since 23 February 2015. Mr. Shum is the director and the legal representative of Qianhai Mingtian. He is also a director and the company secretary of Dafeng Port Overseas and a director of certain other subsidiaries of the Company. He was a director of Zhejiang Unifull Industrial Fibre Co., Ltd (a company listed on the Shenzhen Stock Exchange with stock code: 002427) from November 2008 to November 2011.

Mr. Miao Zhibin (“Mr. Miao”), aged 49, has been re-designated as an executive Director and the chief executive officer on 28 December 2018. He was a non-executive Director from 26 June 2018 to 27 December 2018. Mr. Miao is the executive director, the chief executive officer and the legal representative of Heshun Trading. Mr. Miao has been working as the general manager in 上海信志能源有限公司 (Shanghai Xinzhi Energy Co., Limited*) since 2004. Mr. Miao is also the legal representative, the chairman and the general manager of 江蘇大豐港海融海運有限公司 (Jiangsu Dafeng Port Hairong Shipping Co., Limited*), an associate of one of the controlling shareholders of the Company, namely Jiangsu Dafeng. Mr. Miao graduated from Tsinghua University School of Information Management System with a bachelor degree in the PRC in 1992. He later obtained a master degree in business administration from the University of International Business and Economics in the PRC in 1995.

執行董事

陶瑩先生 (「陶先生」)，56歲，於二零一九年三月十八日獲委任為執行董事兼董事會主席。陶先生為本公司間接全資附屬公司江蘇海融之主席兼法定代表。陶先生自二零一一年六月起任職於江蘇大豐，現時亦擔任該公司執行董事兼董事會主席，亦為大豐海港港口有限責任公司之執行董事兼總經理。陶先生現時亦為本公司直接控股股東大豐港海外之執行董事兼董事會主席。於二零零一年十一月至二零一四年十二月，彼任職於大豐市港務管理局，最終職位為副書記、副局長及主任科員。於一九九三年四月至二零零一年十一月，彼任職於大豐市港務局，最終職位為副局長。於一九九七年十月至二零一一年六月，彼擔任大豐港開發建設有限公司之副總經理。

沈勤儉先生 (「沈先生」)，現年56歲，於二零一五年二月二十三日獲委任為執行董事。沈先生為前海明天之董事兼法定代表。彼亦為大豐港海外之董事兼公司秘書以及本公司若干其他附屬公司之董事。彼於二零零八年十一月至二零一一年十一月曾任深圳證券交易所上市公司浙江尤夫高新纖維股份有限公司(股份代號：002427)之董事。

繆志斌先生 (「繆先生」)，49歲，於二零一八年十二月二十八日獲調任為執行董事兼行政總裁，彼曾於二零一八年六月二十六日至二零一八年十二月二十七日擔任非執行董事。繆先生為和順貿易之執行董事、行政總裁兼法定代表。繆先生自二零零四年起於上海信志能源有限公司任職總經理。繆先生亦為江蘇大豐港海融海運有限公司之法定代表、董事長兼總經理，該公司為本公司其中一名控股股東江蘇大豐的聯繫人士。繆先生於一九九二年在中國清華大學執行資訊系統專業畢業，獲頒學士學位。彼其後於一九九五年在中國對外經濟貿易大學企業管理專業取得碩士學位。

Mr. Chen Wenxiang (“Mr. Chen”), aged 45, has been appointed as an executive Director since 18 March 2019. Mr. Chen joined the Group on 15 February 2017 and currently is the chief financial officer of the Company and Heshun Trading, an indirect wholly-owned subsidiary of the Company and he has resigned all the positions in the holding company and the connected companies of the Company. He is also a director or/and the general manager of certain other subsidiaries of the Company. He holds a bachelor’s degree in accountancy and a mid-level accounting qualification. Mr. Chen has more than 20 years of experience in the accounting and finance industry. Mr. Chen worked at 江蘇超力機械有限公司 (Jiangsu Super Machinery Company Limited*) from 1995 to 2010 and his last position was a deputy general manager of the company. He then worked as the chief financial officer at 江蘇興東海港置業發展有限公司 (Jiangsu Hing Tung Harbour Property Development Company Limited*) from 2010 to 2013. Prior to joining the Group, Mr. Chen worked as a deputy general manager at 江蘇黃海港城實業有限公司 (Jiangsu Huanghai City Industrial Company Ltd.*), a wholly-owned subsidiary of Jiangsu Dafeng, a controlling shareholder of the Company, from September 2013 to February 2017.

NON-EXECUTIVE DIRECTORS

Mr. Ji Longtao (“Mr. Ji”), aged 54, has been appointed as a non-executive Director since 23 February 2015. He owns 55% equity interest in each of Success Pacific Investment Group Limited (“Success Pacific”) and Jiangsu Huahai, which in turn own 18% and 10% equity interest in the Dafeng Port Overseas respectively. Mr. Ji owns 50% equity interest of 鹽城市龍橋置業有限公司 (Yancheng Longqiao Property Development Limited*), which is engaged in property development and investment business. He is a director of Dafeng Port Overseas and an executive director of Success Pacific and Jiangsu Huahai, both of which are engaged in investment and asset management businesses.

Mr. Yang Yue Xia (“Mr. Yang”), aged 46, has been appointed as a non-executive Director since 12 March 2015. He was an executive Director from 20 December 2013 to 11 March 2015. He is a director of certain subsidiaries of the Company. He has many years of experience in corporate management. Mr. Yang is currently a director of 深圳市融成投資有限公司 (Shenzhen Rongcheng Investment Company Limited*). He gained working experience across different industries such as trading and property development.

陳文祥先生(「陳先生」)，45歲，於二零一九年三月十八日獲委任為執行董事。陳先生於二零一七年二月十五日加入本集團，現為本公司及本公司間接全資附屬公司和順貿易之財務總監。彼已辭任於本公司控股公司及關聯公司之所有職務。彼亦為本公司若干其他附屬公司之董事或／及總經理。彼持有會計學學士學位及中級會計職稱。陳先生於會計及金融業有逾20年經驗。陳先生於一九九五年至二零一零年於江蘇超力機械有限公司任職及彼最後的職位為該公司之副總經理。彼其後於二零一零年至二零一三年在江蘇興東海港置業發展有限公司擔任財務總監。加入本集團前，陳先生於二零一三年九月至二零一七年二月在本公司控股股東江蘇大豐之全資附屬公司江蘇黃海港城實業有限公司擔任副總經理。

非執行董事

吉龍濤先生(「吉先生」)，現年54歲，於二零一五年二月二十三日獲委任為非執行董事。彼擁有興亞投資集團有限公司(「興亞」)及江蘇華海之55%股權，而該兩間公司則分別擁有大豐港海外之18%及10%股權。吉先生擁有鹽城市龍橋置業有限公司之50%股權，該公司從事物業開發及投資業務。彼為大豐港海外之董事以及興亞及江蘇華海之執行董事，該兩間公司均從事投資及資產管理業務。

楊越夏先生(「楊先生」)，現年46歲，於二零一五年三月十二日獲委任為非執行董事。彼曾於二零一三年十二月二十日至二零一五年三月十一日擔任執行董事。彼現任本公司若干附屬公司之董事。彼具備多年公司管理經驗。楊先生現為深圳市融成投資有限公司之董事。彼擁有貿易及房地產發展等多個行業之工作經驗。

PROFILE OF DIRECTORS

董事簡介

Mr. Sun Lin (“Mr. Sun”), aged 50, has been re-designated as a non-executive Director on 28 December 2018. He was the chief executive officer of the Company from 12 October 2016 to 27 December 2018 and an executive Director from 10 August 2017 to 27 December 2018. Mr. Sun is a supervisor of 珠海恒豐和順石化有限公司 (Zhuhai Hengfeng Heshun Petrochemical Company Limited*). Mr. Sun graduated from the Southwest University of Political Science and Law in June 1998 with a bachelor’s degree in law. From December 2003 to September 2010, Mr. Sun served as the vice general manager in 北海港股份有限公司 (Beihai Port Stock Ltd.*) (a company listed on Shenzhen Stock Exchange with stock code: 000582), which is primarily engaged in trading and stockpiling business. From January 2011 to July 2016, Mr. Sun was the vice deputy general manager in 廣西鐵投冠信貿易有限公司 (Guangxi Railway Investments Guanxin Trading Company Limited*), formerly known as 冠信實業有限公司 (Guanxin Industrial Company Limited*), a subsidiary of 廣西鐵路投資集團有限公司 (Guangxi Railway Investments Co., Ltd*), which is primarily engaged in, among others, real estate, logistic and trading business.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Bian Zhaoxiang (“Dr. Bian”), aged 52, has been appointed as an independent non-executive Director since 15 May 2015. He had been educated in 南京中醫藥大學 (Nanjing University of Traditional Chinese Medicine*), 北京中醫藥大學 (Beijing University of Traditional Chinese Medicine and Pharmacology*) and 廣州中醫藥大學 (Guangzhou University of Traditional Chinese Medicine*) and was conferred the Ph.D. degree in Integrated Chinese and Western Medicine. Currently, Dr. Bian serves as a director of the clinical division of the School of Chinese Medicine, and an associate vice-president of the Hong Kong Baptist University. He has engaged in clinical and basic research in digestive diseases and involved in publication of many experimental and clinical researches. He has been awarded a second prize of National Science and Technology Award of China in 1999.

孫林先生(「孫先生」)，現年50歲，於二零一八年十二月二十八日獲調任為非執行董事，彼曾於二零一六年十月十二日至二零一八年十二月二十七日擔任本公司行政總裁及於二零一七年八月十日至二零一八年十二月二十七日擔任執行董事。孫先生為珠海恒豐和順石化有限公司之監事。孫先生於一九九八年六月畢業於西南政法大學，取得法學學士學位。於二零零三年十二月至二零一零年九月，孫先生擔任主要從事貿易及倉儲業務之深圳證券交易所上市公司北海港股份有限公司(股份代號：000582)之副總經理。於二零一一年一月至二零一六年七月，孫先生為廣西鐵投冠信貿易有限公司(前稱冠信實業有限公司，為廣西鐵路投資集團有限公司之附屬公司)之常務副總經理，該公司主要從事(其中包括)房地產、物流及貿易業務。

獨立非執行董事

卞兆祥博士(「卞博士」)，現年52歲，於二零一五年五月十五日獲委任為獨立非執行董事。彼曾就讀南京中醫藥大學、北京中醫藥大學及廣州中醫藥大學，並獲頒授中西醫結合醫學博士學位。現時，卞博士為香港浸會大學中醫藥學院臨床部主任及協理副校長。彼長期從事消化系疾病臨床及基礎研究，並參與發表多項實驗及臨床研究。彼於一九九九年獲頒國家科技進步二等獎。

Mr. Lau Hon Kee (“Mr. Lau”), BComm, MPA, FCPA, CPA (Aust.), aged 48, has been appointed as an independent non-executive Director since 31 May 2016. He was the financial controller and company secretary of 山東羅欣藥業集團股份有限公司(Shandong Luoxin Pharmaceutical Group Stock Co. Ltd*) (a company listed on the Stock Exchange with stock code: 8058) until 31 December 2017 and a joint company secretary of Zhejiang Tengy Environmental Technology Co., Ltd (a company listed on the Stock Exchange with stock code: 1527) until 31 January 2018. Mr. Lau has been an independent non-executive director of Astrum Financial Holdings Limited (a company listed on the Stock Exchange with stock code: 8333) since 23 June 2016. Mr. Lau was an independent non-executive director of Strong Petrochemical Holdings Limited (a company listed on the Stock Exchange with stock code: 852) from November 2008 to January 2012. Mr. Lau obtained a bachelor’s degree in commerce from the Australian National University in April 1994 and a master’s degree in professional accounting from the Hong Kong Polytechnic University in October 2009. Mr. Lau is a CPA of CPA (Aust.) and a certified public accountant of the Hong Kong Institute of Certified Public Accountants since 1999. He is also a fellow member of the Hong Kong Institute of Certified Public Accountants since 2006.

Mr. Yu Xugang (“Mr. Yu”), aged 50, has been appointed as an independent non-executive Director since 31 May 2016. He has been acted as an independent non-executive director of Central China Securities Co., Ltd. (a company listed on the Stock Exchange with stock code: 1375) since December 2015. Mr. Yu was an independent director of Hebei Baoshuo Company Limited (a company listed on the Shanghai Stock Exchange with stock code: 600155) since December 2016. He was a partner at Beijing Dentons Law Offices, LLP from August 2001 to December 2003 and has been promoted to a senior partner at Beijing Dentons Law Offices, LLP since January 2004. Mr. Yu was an independent director of Da Cheng Fund Management Company Limited from August 2008 to August 2011. Mr. Yu was an independent director of Inner Mongolia Baotou Steel Union Co., Ltd (a company listed on the Shanghai Stock Exchange with stock code: 600010), from August 2009 to August 2015, and an independent director of Hubei Shuangjian Blower Company Limited (a company listed on National Equities Exchange and Quotations with stock code: 833468) from October 2012 to October 2015. Mr. Yu obtained a bachelor’s degree in law from the China University of Political Science and Law in 1990, a master’s degree in international economic law from the Peking University in July 1998 and a doctorate degree in law from the Peking University in July 2001.

劉漢基先生(「劉先生」)，BComm, MPA, FCPA, CPA (Aust.)，現年48歲，於二零一六年五月三十一日獲委任為獨立非執行董事。彼於二零一七年十二月三十一日前為聯交所上市公司山東羅欣藥業集團股份有限公司(股份代號：8058)之財務總監兼公司秘書，並於二零一八年一月三十一日前為聯交所上市公司浙江天潔環境科技股份有限公司(股份代號：1527)之聯席公司秘書。劉先生自二零一六年六月二十三日起擔任聯交所上市公司阿仕特朗金融控股有限公司(股份代號：8333)之獨立非執行董事。劉先生於二零零八年十一月至二零一二年一月曾任聯交所上市公司海峽石油化工控股有限公司(股份代號：852)之獨立非執行董事。劉先生於一九九四年四月獲得澳洲國立大學商業學士學位，並於二零零九年十月獲得香港理工大學專業會計碩士學位。自一九九九年，劉先生為澳洲會計師公會執業會計師及香港會計師公會執業會計師。自二零零六年起，彼亦為香港會計師公會資深會員。

于緒剛先生(「于先生」)，現年50歲，於二零一六年五月三十一日獲委任為獨立非執行董事。彼自二零一五年十二月起擔任聯交所上市公司中原證券股份有限公司(股份代號：1375)之獨立非執行董事。于先生自二零一六年十二月起擔任上海證券交易所上市公司河北寶碩股份有限公司(股份代號：600155)之獨立董事。彼於二零零一年八月至二零零三年十二月曾任北京大成律師事務所合夥人，並自二零零四年一月起獲擢升為北京大成律師事務所高級合夥人。于先生於二零零八年八月至二零一一年八月曾任大成基金管理有限公司之獨立董事。于先生於二零零九年八月至二零一五年八月曾任上海證券交易所上市公司內蒙古包鋼鋼聯股份有限公司(股份代號：600010)之獨立董事，並於二零一二年十月至二零一五年十月曾任全國中小企業股份轉讓系統上市公司湖北雙劍鼓風機股份有限公司(股份代號：833468)之獨立董事。于先生於一九九零年獲得中國政法大學法律學士學位，於一九九八年七月獲得北京大學國際經濟法碩士學位及於二零零一年七月獲得北京大學法律博士學位。

PROFILE OF DIRECTORS

董事簡介

Mr. Zhang Fangmao (“Mr. Zhang”), formerly named 張芳茂, aged 54, has been appointed as an independent non-executive Director since 1 June 2014. He has over 15 years of experience in import and export businesses in the PRC. Mr. Zhang served as a manager of the business department in 中國深圳經濟特區對外貿易（集團）公司 (China Shenzhen Economic Special Zone Foreign Trade (Group) Corporation*), a state-owned enterprise. He is a director of 深圳市澳德投資顧問有限公司 (Shenzhen AUDE Investment Consulting Co., Ltd.*). Mr. Zhang obtained a bachelor’s degree in finance from the Shenzhen University.

張方茂先生（「張先生」），曾用名為張芳茂，現年54歲，於二零一四年六月一日獲委任為獨立非執行董事。彼於中國出入口業務方面具備超過15年經驗。張先生曾於國營企業中國深圳經濟特區對外貿易（集團）公司擔任業務部經理。彼現為深圳市澳德投資顧問有限公司之董事。張先生獲深圳大學頒授金融學士學位。

The Board herein presents the annual report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Group is principally engaged in trading business, the provision of integrated logistics handling and the relevant supporting services business as well as petrochemical products storage business.

FINANCIAL RESULTS

The results of the Group for the Year and the state of affairs of the Company and of the Group as at the date are set out in the consolidated financial statements on pages 58 to 191 of this report.

FINAL DIVIDEND

The Board did not recommend the payment of any final dividend for the Year (2017: Nil).

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the aggregate amount of turnover attributable to the Group's largest and the five largest customers accounted for approximately 21.8% and 54.9% (2017: 11.1% and 39.8%) of the total value of the Group's revenue, respectively.

During the Year, the aggregate amount of cost of sales attributable to the Group's largest and the five largest suppliers accounted for approximately 10.8% and 20.2% (2017: 10.0% and 30.7%) of the total value of the Group's cost of sales, respectively.

Based on the information publicly available to the Company and to the best knowledge of the Directors, none of the Directors, their associates, or any shareholders of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued share capital) had interest in any of the Group's five largest customers or suppliers during the Year.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 14 to the consolidated financial statements.

董事會謹此提呈本年度之年度報告連同本集團之經審核綜合財務報表。

主要業務

本集團主要從事貿易業務、提供綜合物流處理及相關配套服務業務以及石化產品倉儲業務。

財務業績

本集團於本年度之業績以及本公司及本集團於該日之財務狀況載於本報告第58至191頁之綜合財務報表。

末期股息

董事會不建議就本年度派付任何末期股息(二零一七年：無)。

主要客戶及供應商

於本年度，本集團最大及五大客戶應佔總營業額分別佔本集團收益總值約21.8%及54.9%(二零一七年：11.1%及39.8%)。

於本年度，本集團最大及五大供應商應佔銷售成本總額分別佔本集團銷售成本總值約10.8%及20.2%(二零一七年：10.0%及30.7%)。

根據本公司可得公開資料及據董事所深知，於本年度，概無董事、彼等之聯繫人士或本公司任何股東(據董事所知擁有本公司已發行股本超過5%)於本集團五大客戶或供應商中擁有權益。

附屬公司

本公司主要附屬公司之詳情載於綜合財務報表附註14。

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL

There is no change in share of the Company during the year.

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group as at 31 December 2018 are set out in note 27 to the consolidated financial statements.

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

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DISTRIBUTABLE RESERVES

As at 31 December 2018, the Company's reserves available for distribution to the shareholders of the Company comprising share premium account of HK\$201.4 million and accumulated losses amounted to approximately HK\$235.0 million. Details of the Company's distributable reserves as at 31 December 2018 are set out in note 40 to the consolidated financial statements. Movements in reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 62 of this report.

INTEREST CAPITALISED

No interest was capitalised by the Group during the Year.

GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 192 of this report.

物業、廠房及設備

物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註15。

股本

本公司之股本於本年度並無任何變動。

銀行貸款及其他借貸

有關本集團於二零一八年十二月三十一日之銀行貸款及其他借貸詳情載於綜合財務報表附註27。

購買、出售或贖回本公司之上市證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

可供分派儲備

於二零一八年十二月三十一日，本公司可分派予本公司股東之儲備包括股份溢價賬約201,400,000港元及累計虧損約235,000,000港元。本公司於二零一八年十二月三十一日之可供分派儲備詳情載於綜合財務報表附註40。本集團於本年度之儲備變動載於本報告第62頁之綜合權益變動表。

資本化權益

本集團於本年度並無將任何權益資本化。

集團財務概要

本集團上五個財政年度之業績以及資產及負債概要載於本報告第192頁。

DIRECTORS

The Directors who held office during the Year and up to the date of this report were as follows:

Executive Directors

Mr. Tao Ying (*Chairman*) (appointed on 18 March 2019)
Mr. Ni Xiangrong (*Chairman*) (resigned on 18 March 2019)
Mr. Shum Kan Kim
Mr. Pan Jian (resigned on 18 March 2019)
Mr. Miao Zhibin (appointed as non-executive Director on 26 June 2018 and re-designated as executive Director on 28 December 2018)
Mr. Wang Yijun (resigned on 15 March 2018)
Mr. Chen Wenxiang (appointed on 18 March 2019)

Non-executive Directors

Mr. Ji Longtao
Mr. Yang Yue Xia
Mr. Sun Lin (re-designated from executive Director on 28 December 2018)

Independent Non-executive Directors

Dr. Bian Zhaoxiang
Mr. Lau Hon Kee
Mr. Yu Xugang
Mr. Zhang Fangmao

Biographical details of the Directors currently in service are set out on pages 16 to 20 of this report.

In accordance with article 83(3) of the Articles of Association of the Company (the "Articles"), Mr. Tao Ying, Mr. Miao Zhibin and Mr. Chen Wenxiang as executive Directors and Mr. Sun Lin as non-executive Director were appointed by the Board and will hold office until the forthcoming annual general meeting of the Company (the "AGM") and, being eligible, offer themselves for re-election.

In accordance with article 84(1) of the Articles, Dr. Bian Zhaoxiang, Mr. Lau Hon Kee and Mr. Yu Xugang as independent non-executive Directors will retire from office by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

董事

於本年度內及截至本報告日期，在任董事如下：

執行董事

陶瑩先生(主席)(於二零一九年三月十八日獲委任)
倪向榮先生(主席)(於二零一九年三月十八日辭任)
沈勤儉先生
潘健先生(於二零一九年三月十八日辭任)
繆志斌先生(於二零一八年六月二十六日獲委任為非執行董事，並於二零一八年十二月二十八日獲調任執行董事)
王益軍先生(於二零一八年三月十五日辭任)
陳文祥先生(於二零一九年三月十八日獲委任)

非執行董事

吉龍濤先生
楊越夏先生
孫林先生(於二零一八年十二月二十八日自執行董事調任)

獨立非執行董事

卞兆祥博士
劉漢基先生
于緒剛先生
張方茂先生

現任董事之履歷詳情載於本報告第16至20頁。

根據本公司之組織章程細則(「細則」)第83(3)條，執行董事陶瑩先生、繆志斌先生及陳文祥先生以及非執行董事孫林先生獲董事會委任並將留任至本公司應屆股東週年大會(「股東週年大會」)，且符合資格重選連任。

根據細則第84(1)條，獨立非執行董事卞兆祥博士、劉漢基先生及于緒剛先生將於應屆股東週年大會輪席告退，且符合資格重選連任。

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company and is subject to termination by either party giving not less than three months' prior written notice to the other.

None of the Directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Each of the non-executive Directors (including the independent non-executive Directors) has entered into service contract with the Company for a fixed term of three years, subject to retirement by rotation and re-election at the AGM in accordance with the Articles.

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

As at 31 December 2018, none of the Directors or the chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation (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 required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives, recognising and acknowledging the contributions that eligible persons had made or may make to the Group. The Scheme was adopted pursuant to the written resolution passed by the sole shareholder of the Company on 3 August 2013. The expiry date of the Scheme is 2 August 2023. For further details of the Scheme, please refer to note 30 to the consolidated financial statements. Since the Scheme came into effect after the Company was listed on GEM of the Stock Exchange, no share options have been granted, exercised or cancelled by the Company under the Scheme and there were no outstanding share options under the Scheme as at 31 December 2018 and as at the date of this report.

董事服務合約

各董事已與本公司訂立服務合約，可由任何一方方向另一方發出不少於三個月事先書面通知予以終止。

概無董事與本公司訂立任何本公司不可於一年內免付賠償(法定賠償除外)而予以終止之服務合約。

各非執行董事(包括獨立非執行董事)已與本公司訂立服務合約，固定年期為三年，惟須根據細則於股東週年大會上輪席告退及重選連任。

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉

於二零一八年十二月三十一日，概無董事或本公司主要行政人員於本公司或任何相聯法團(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、相關股份及債權證中，擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉)，或根據證券及期貨條例第352條須登記於該條文所述登記冊內之權益或淡倉，或根據GEM上市規則第5.46至5.67條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉。

購股權計劃

本公司設有購股權計劃(「該計劃」)，旨在激勵及肯定合資格人士曾對或將對本集團作出之貢獻。該計劃乃根據本公司唯一股東於二零一三年八月三日通過之書面決議案採納。該計劃將於二零二三年八月二日屆滿。有關該計劃之進一步詳情，請參閱綜合財務報表附註30。自該計劃於本公司在聯交所GEM上市後生效以來，概無任何購股權根據該計劃獲授出、行使或遭本公司註銷，且於二零一八年十二月三十一日及本報告日期，該計劃項下概無尚未行使之購股權。

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

**主要股東及其他人士於本公司股份
及相關股份之權益及淡倉**

As at 31 December 2018, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

於二零一八年十二月三十一日，據董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或記入本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉如下：

Name of shareholders	Capacity/ Nature of interests	Number of Shares held (Note 1)	% of the Company's issued share capital (Approximate)
股東名稱	身分／權益性質	所持股份數目 (附註1)	佔本公司 已發行股本 百分比(概約)
Dafeng Port Overseas (Note 2)	Beneficial owner and have provided an interest in the shares as security to a person other than a qualified lender	740,040,000 (L)/(S)	57.46%
大豐港海外(附註2)	實益擁有人，並已向一名合資格放債人以外之人士提供股份權益作為抵押		
Jiangsu Dafeng (Note 3)	Interest of controlled corporation	740,040,000 (L)/(S)	57.46%
江蘇大豐(附註3)	受控制法團權益		
大豐區人民政府 (the People's Government of Dafeng District*) ("PGDD") (Note 3)	Interest of controlled corporation	740,040,000 (L)/(S)	57.46%
大豐區人民政府(「大豐區人民政府」)(附註3)	受控制法團權益		

Notes:

附註：

- The letter "L" denotes a long position in the interest in the issued share capital of the Company. The letter "S" denotes a short position in the interest in the issued share capital of the Company.
- Dafeng Port Overseas is a company incorporated in Hong Kong with limited liability, and is owned as to 40% by Jiangsu Dafeng, which in turn is wholly owned by PGDD.
- Jiangsu Dafeng and PGDD are deemed to be interested in the Shares of the Company held by Dafeng Port Overseas under the SFO.

- 字母「L」指於本公司已發行股本權益之好倉。字母「S」指本公司已發行股本權益之淡倉。
- 大豐港海外為於香港註冊成立之有限公司，由江蘇大豐擁有40%權益，而江蘇大豐則由大豐區人民政府全資擁有。
- 根據證券及期貨條例，江蘇大豐及大豐區人民政府被視為於大豐港海外所持本公司股份中擁有權益。

Save as disclosed above, as at 31 December 2018, the Directors were not aware of any other persons/entities (other than the Directors and chief executives of the Company) who had interests or short positions in the Shares or underlying Shares 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year was the Company or any of its subsidiaries or its ultimate holding company or any subsidiary of such ultimate holding company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities or debt securities of the Company or had exercised any such right.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save and except for the transactions as set out in the table below, there were no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any of the Company's directors or members of its management had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the Year.

CONNECTED TRANSACTIONS

On 29 May 2018, Heshun Trading, an indirect wholly-owned subsidiary of the Company, as the purchaser and (i) Jiangsu Dafeng and (ii) Jiangsu Huahai as the sellers entered into the Framework Equity Purchase Agreement to purchase the entire equity interests in Jiangsu Hairong. The Acquisition constituted a connected transaction of the Company under Chapter 20 of the GEM Listing Rules.

除上文披露者外，於二零一八年十二月三十一日，董事概不知悉有任何其他人士／實體（董事及本公司主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或記入本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉。

董事收購股份或債權證之安排

於本年度內任何時間，本公司或其任何附屬公司或其最終控股公司或該最終控股公司之任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債權證）而獲取利益，而各董事或彼等之配偶或十八歲以下子女概無擁有可認購本公司證券或債務證券之任何權利，亦無行使任何該等權利。

董事於重大合約之權益

於財政年度末或財政年度內任何時間並無存在由本公司或其任何附屬公司或控股公司就本集團業務訂立且本公司任何董事或管理層成員於當中直接或間接擁有重大權益之重大合約。

管理層合約

於本年度，概無訂立或存續有關本集團全部業務或其主要部分之管理及行政事宜之合約。

關連交易

於二零一八年五月二十九日，本公司間接全資附屬公司和順貿易（作為買方）與(i)江蘇大豐及(ii)江蘇華海（作為賣方）訂立股份收購框架協議以收購江蘇海融全部股權。收購事項構成GEM上市規則第20章項下本公司之關連交易。

For details of the Acquisition, please refer to the announcements of the Company dated 29 May 2018 and 21 December 2018 and the circular of the Company dated 29 June 2018.

Exempted continuing connected transactions

Financial assistance received by the Group

The details of financial assistance received by the Group from connected companies are set out in note 27(c) to the financial statements.

Since the financial assistance received by the Company is provided on normal commercial terms and is not secured by the assets of the Group, according to Rule 20.88 of the GEM Listing Rules, the financial assistance received by the Company was exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles and the laws of the Cayman Islands, which would oblige the Company to offer Shares on a pro rata basis to its existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company has maintained sufficient public float in the issued share capital of the Company under the GEM Listing Rules.

有關收購事項之詳情，請參閱本公司日期為二零一八年五月二十九日及二零一八年十二月二十一日之公告以及本公司日期為二零一八年六月二十九日之通函。

獲豁免持續關連交易

本集團收取之財務資助

本集團收取關連公司財務資助之詳情載於財務報表附註27(c)。

由於本公司收取之財務資助乃按照一般商業條款提供，且並非由本集團資產作抵押，根據GEM上市規則20.88條，本公司收取之財務資助獲豁免遵守GEM上市規則第20章之申報、公告及獨立股東批准之規定。

優先購買權

細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

足夠公眾持股量

根據本公司可得公開資料及據董事所知，於本報告日期，本公司根據GEM上市規則維持足夠本公司已發行股本公眾持股量。

COMPETING INTERESTS

As 鹽城大豐碧港貿易有限公司 (Yancheng Dafeng Bi Port Trading Limited*) (“Dafeng Bi Port”) has ceased its business, Jiangsu Dafeng, a controlling shareholder of the Company, has only two indirect wholly-owned subsidiaries, namely 大豐海融國際貿易有限公司 (Dafeng Hairong International Trade Co., Ltd.) (“Dafeng Hairong”) and 鹽城市港城商業管理有限公司 (Yancheng City Gangcheng Commercial Management Co., Ltd.) (“Yancheng Commercial”), which are engaged in trading of various goods including coals, metal ores, non-metallic ores, non-ferrous metal, chemical products, non-metal construction materials, scrap steel and wood. Whereas the Company has also developed the business of trading of electronic products, petrochemical products and various other products through Heshun Trading, an indirect wholly-owned subsidiary of the Company, and its subsidiaries, and Qianhai Mingtian and its subsidiary. Accordingly, the businesses of Jiangsu Dafeng and its subsidiaries (the “Jiangsu Dafeng Group”) may be construed as businesses which compete with or are likely to compete with one of the core principal activities of the Group. The Board considered that the businesses of the Jiangsu Dafeng Group do not pose material competitive threat to the Group because the Group and Jiangsu Dafeng Group have different focuses on the type of products offered which target at different customers in the market.

Other than Mr. Tao Ying (appointed as an executive Director on 18 March 2019), Mr. Ni Xiangrong (resigned as an executive Director on 18 March 2019) and Mr. Pan Jian (resigned as an executive Director on 18 March 2019) who are the directors of Jiangsu Dafeng, there is no overlap in the directorships among the Company, Jiangsu Dafeng, Dafeng Hairong and Yancheng Commercial. The Directors consider that the Board can operate independently from Jiangsu Dafeng, because (i) pursuant to the Articles, a Director shall not vote on any board resolutions approving any contract or arrangement or any other proposal in which such Director or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting; and (ii) the Directors are fully aware of their fiduciary duties owing to the shareholders of the respective companies and their duty to avoid conflicts with the shareholders of the respective companies and their duty to avoid conflicts of interests in carrying out their respective duties as directors of the relevant companies.

Save as disclosed above, during the Year, none of the Directors, controlling shareholders of the Company or their respective close associates had any interests in a business, which competes or is likely to compete either directly or indirectly with the business of the Group which would be required to be disclosed under Rule 11.04 of the GEM Listing Rules.

競爭權益

由於鹽城大豐碧港貿易有限公司(「大豐碧港」)已終止經營，本公司之控股股東江蘇大豐僅有兩間間接全資附屬公司大豐海融國際貿易有限公司(「大豐海融」)及鹽城市港城商業管理有限公司(「鹽城商業」)，該兩間公司從事多種貨品之貿易業務，包括煤炭、金屬礦、非金屬礦、有色金屬、化工產品、非金屬建築材料、廢舊鋼及木材。至於本公司則透過其間接全資附屬公司和順貿易及其附屬公司以及前海明天及其附屬公司發展電子產品、石化產品及多種其他產品之貿易業務。因此，江蘇大豐及其附屬公司(「江蘇大豐集團」)之業務可能被當作對本集團其中一項核心主要活動構成或可能構成競爭。董事會認為，由於本集團與江蘇大豐集團所提供產品類型重點有所不同，於市場上以不同客戶為目標，故江蘇大豐集團不會對本集團構成重大競爭威脅。

除陶瑩先生(於二零一九年三月十八日獲委任為執行董事)、倪向榮先生(於二零一九年三月十八日辭任執行董事)及潘健先生(於二零一九年三月十八日辭任執行董事)擔任江蘇大豐之董事外，本公司、江蘇大豐、大豐海融及鹽城商業之董事並無重疊。董事認為，董事會可自江蘇大豐獨立營運，原因為(i)根據細則，董事不得就有關其本身或其任何聯繫人士擁有重大權益之任何合約或安排或任何其他計劃之任何董事會決議案投票，亦不得計入有關會議之法定人數；及(ii)董事全面知悉彼等對有關公司股東之受託責任以及彼等避免與有關公司股東構成衝突及於執行相關公司董事職務時避免利益衝突之職責。

除上文披露者外，於本年度，董事、本公司控股股東或彼等各自之緊密聯繫人士概無於任何與本集團業務構成或可能構成直接或間接競爭之業務中擁有須根據GEM上市規則第11.04條予以披露之任何權益。

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries to all the Directors, the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the Year.

CORPORATE GOVERNANCE CODE

A detailed corporate governance report is set out in pages 30 to 48 of this report.

AUDITOR

Mazars CPA Limited acted as the auditor of the Group for the Year.

The consolidated financial statements of the Company for the year ended 31 December 2018 were audited by Mazars CPA Limited.

A resolution will be submitted to the forthcoming AGM to re-appoint Mazars CPA Limited as the auditor of the Company.

By order of the Board
Dafeng Port Heshun Technology Company Limited
Tao Ying
Chairman

Hong Kong, 22 March 2019

董事進行證券交易之行為守則

本公司已採納有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則。經向全體董事作出具體查詢後，本公司並不知悉於本年度有任何違反交易規定準則及有關董事進行證券交易之行為守則之情況。

企業管治守則

詳盡企業管治報告載於本報告第30至48頁。

核數師

中審眾環(香港)會計師事務所有限公司於本年度擔任本集團之核數師。

本公司截至二零一八年十二月三十一日止年度之綜合財務報表由中審眾環(香港)會計師事務所有限公司審核。

本公司將於應屆股東週年大會上提呈有關續聘中審眾環(香港)會計師事務所有限公司為本公司核數師之決議案。

承董事會命
大豐港和順科技股份有限公司
主席
陶瑩

香港，二零一九年三月二十二日

The Company is committed to maintain a high standard of corporate governance. In the opinion of the Directors, the Company has complied with all the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 to the GEM Listing Rules during the Year. The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of shareholders and investors.

DIRECTORS' SECURITIES TRANSACTIONS

Conduct on share dealings

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has made specific enquiries to all the Directors who have confirmed their compliance with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the Year. No incident of non-compliance was noted by the Company during the Year.

CORPORATE MANAGEMENT

Board of directors

Composition

As at the date of this report, the Board is comprised of 11 members, including four executive Directors, namely, Mr. Tao Ying (chairman), Mr. Shum Kan Kim, Mr. Miao Zhibin and Mr. Chen Wenxiang, three non-executive Directors, namely, Mr. Ji Longtao, Mr. Yang Yue Xia and Mr. Sun Lin and four independent non-executive Directors, namely, Dr. Bian Zhaoxiang, Mr. Lau Hon Kee, Mr. Yu Xugang and Mr. Zhang Fangmao.

The Company has received annual written confirmations from each of the independent non-executive Directors in respect of their independence to the Company in accordance with the guidelines set out in Rule 5.09 of the GEM Listing Rules and believes that their independence is in compliance with the GEM Listing Rules as at the date of this report.

本公司致力維持高水平之企業管治。董事認為，本公司於本年度內一直遵守GEM上市規則附錄15所載企業管治守則（「企業管治守則」）所載全部守則條文。本公司將持續檢討其企業管治常規，以提升其企業管治標準、遵守監管規定並達致股東及投資者之預期增長。

董事證券交易

進行股份交易

本公司已採納有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則。經本公司向全體董事作出具體查詢後，全體董事已確認彼等於本年度一直遵守交易規定準則及有關董事進行證券交易之行為守則。據本公司所知，本年度並無任何違規情況。

公司管理

董事會

組成

於本報告日期，董事會由11名成員組成，包括四名執行董事陶瑩先生（主席）、沈勤儉先生、繆志斌先生及陳文祥先生，三名非執行董事吉龍濤先生、楊越夏先生及孫林先生，以及四名獨立非執行董事卞兆祥博士、劉漢基先生、于緒剛先生及張方茂先生。

本公司已接獲各獨立非執行董事之年度書面確認，確認彼等根據GEM上市規則第5.09條所載指引獨立於本公司，並相信彼等於本報告日期符合GEM上市規則之獨立身分規定。

Directors' training

All Directors should keep abreast of the responsibilities as a Director, and of the conduct and business activities of the Company. During the Year, the Company had organised a professional seminar conducted by a professional firm which provided the Directors with updates on the latest development and changes in the GEM Listing Rules and other applicable legal and regulatory requirements. All Directors including newly appointed Directors were provided with written training reading materials.

The Directors were also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each of the Directors to discharge their duties. The secretary of the Company from time to time updated and provided written training materials to the Directors relating to the roles, functions and duties of a director.

All Directors confirmed that they have complied with code provision A.6.5 of the CG Code on directors' training. During the Year, all Directors have participated in continuous professional development by reading materials or attending seminars/briefing sessions to develop and refresh their knowledge and skills and provided a record of training to the Company.

董事培訓

全體董事須緊守作為董事之責任以及配合本公司之管理方式行為及業務活動。於本年度，本公司已安排由專業公司為董事舉辦專業研討會，提供有關GEM上市規則最新發展及變動以及其他適用法律及監管規定之最新資料。全體董事(包括新委任董事)已獲發有關書面培訓讀物。

董事亦定期獲提供有關本公司表現、狀況及前景之最新資料，讓董事會整體及各董事履行其職責。本公司秘書不時向董事更新及提供有關董事角色、職能及職責之書面培訓材料。

全體董事確認，彼等已遵守有關董事培訓之企業管治守則守則條文第A.6.5條。於本年度，全體董事已藉閱覽讀物或出席研討會／簡介會參與持續專業發展，以加強及重溫知識及技術，並已向本公司提供培訓記錄。

Board process

The Board met regularly throughout the Year to discuss the overall strategy as well as the operational and financial performance of the Group. Notice of at least 14 days were given to all Directors of a regular Board meeting. For all other Board meetings, reasonable notice were given to all Directors. The Board delegates necessary powers and authorities to the executive Directors to facilitate the efficient day-to-day management of the Group's business. During the Year, the Board held 9 scheduled full Board meetings. In addition, executive Board meetings were convened when necessary to deal with day-to-day matters that required the Board's prompt decisions, and therefore usually only executive Directors attended such meetings. Individual attendance records of full Board meetings and committees meetings are set out on page 33 of this report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles and the matters to be dealt with by the Board would be dealt with by a physical Board meeting rather than by a written resolution. Independent non-executive Directors who have no material interest in the transaction and their close associates would be entitled to attend the Board meeting. The secretary of the Company maintains minutes of the Board meetings and meetings of Board committees for inspection by the Directors. All Directors have access to the services of the secretary of the Company who regularly updates the Board on corporate governance and regulatory matters. Any Director, audit committee member, remuneration committee member and nomination committee member of the Company may seek independent professional advice at the expense of the Company should they so wish.

董事會程序

董事會於本年度定期舉行會議，討論整體策略以及本集團之經營及財務表現。定期董事會會議均向全體董事發出至少14日通知。而所有其他董事會會議均向全體董事發出合理通知。董事會將必要權力及職權賦予執行董事，以便有效率地管理本集團之日常業務。於本年度，董事會曾舉行9次全體會議。此外，已於必要時召開執行董事會會議，處理需要董事會迅速決策之日常事宜，故有關會議一般僅由執行董事出席。全體董事會會議及委員會會議個別出席記錄載於本報告第33頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟細則所載若干例外情況除外，而董事會將處理之事宜會由實質董事會會議而非書面決議案處理。並無於交易中擁有重大權益之獨立非執行董事及其緊密聯繫人士可出席董事會。本公司秘書保存董事會會議及董事委員會會議記錄以供董事查閱。本公司秘書定期為董事會更新企業管治及法規事宜之資料，並向全體董事提供有關服務。本公司董事、審核委員會成員、薪酬委員會成員及提名委員會成員均可按意願獲取獨立專業意見，費用由本公司承擔。

Board and board committee attendance

The following table indicates the number of Board meetings, committee meetings and general meetings throughout the Year, and the number of attendance by each of the Directors:

董事會及董事委員會出席率

下表顯示於本年度內舉行之董事會會議、委員會會議及股東大會次數，以及各董事之出席次數：

Name	Board	Number of meetings attended/held					General Meeting
		Audit Committee	Remuneration Committee	Nomination Committee	Legal Compliance Committee		
姓名	董事會	審核委員會	薪酬委員會	提名委員會	法律合規委員會	股東大會	
Executive Directors	執行董事						
Mr. Ni Xiangrong (note 1)	倪向榮先生(附註1)	9/9	—	—	3/3	—	2/2
Mr. Wang Yijun (note 2)	王益軍先生(附註2)	1/2	—	—	—	—	—
Mr. Shum Kan Kim	沈勤儉先生	9/9	—	—	—	4/4	2/2
Mr. Pan Jian (note 3)	潘健先生(附註3)	8/9	—	5/5	—	—	2/2
Mr. Miao Zhibin (note 4)	繆志斌先生(附註4)	2/3	—	—	—	—	1/1
Non-executive Directors	非執行董事						
Mr. Ji Longtao	吉龍濤先生	8/9	—	—	—	—	2/2
Mr. Yang Yue Xia	楊越夏先生	3/9	—	—	—	—	2/2
Mr. Sun Lin	孫林先生	9/9	—	—	—	—	2/2
Independent Non-executive Directors	獨立非執行董事						
Dr. Bian Zhaoxiang	卞兆祥博士	8/9	3/4	4/5	—	—	2/2
Mr. Lau Hon Kee	劉漢基先生	8/9	4/4	5/5	3/3	—	2/2
Mr. Yu Xugang	于緒剛先生	9/9	—	—	—	—	2/2
Mr. Zhang Fangmao	張方茂先生	9/9	4/4	—	3/3	—	2/2

Notes:

- resigned on 18 March 2019
- resigned on 15 March 2018
- resigned on 18 March 2019
- appointed on 26 June 2018

附註：

- 於二零一九年三月十八日辭任
- 於二零一八年三月十五日辭任
- 於二零一九年三月十八日辭任
- 於二零一八年六月二十六日獲委任

Pursuant to code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings. During the Year, all of the independent non-executive Directors and other non-executive Directors attended the general meetings of the Company in person or through telecommunication.

根據企業管治守則守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會。於本年度，獨立非執行董事及其他非執行董事均親身或透過電子通訊方法出席本公司股東大會。

Pursuant to code provision A.2.7 of the CG Code, the Chairman should hold meetings with independent non-executive Directors without the presence of other Directors at least annually. The Group will follow the CG Code and procure meetings to be held in accordance with the CG Code.

根據企業管治守則守則條文A.2.7條，主席應最少每年與獨立非執行董事舉行一次其他董事避席之會議。本集團將遵從企業管治守則並根據企業管治守則召開將舉行之會議。

Directors' duties

The Board in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each Director has a duty to act in good faith and in the best interests of the Company.

Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or re-appointment of Directors, and other significant operational and financial matters. The Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations. The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements. Reasonable and prudent judgement and estimates have been made. The Group announces its financial results on a timely basis.

Senior management's duties

The day-to-day management, administration and operation of the Company are delegated to the senior management of the Company which include evaluating business and operational performances, ensuring effective implementation of the Board's decisions, ensuring adequate funding and monitoring performance of the management of the Group. The senior management of the Company is being closely monitored by the Board and is accountable for the performance of the Company as measured against the business targets and management directions set by the Board. The senior management of the Company and the management of the relevant subsidiaries met together on regular basis to review and discuss operational and financial matters in order to enhance and strengthen internal communications and cooperation within the Group. The delegated functions and work tasks were periodically reviewed.

Indemnification of directors and officers

The Directors and officers are indemnified under directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the Directors and officers of the Company.

董事職責

董事會負責領導及監督本集團事務，共同負責帶領本集團邁向成功。各董事有責任以真誠及符合本公司最佳利益之方式行事。

須由董事會決策之事宜一般包括但不限於本集團整體策略、主要收購及出售、全年及中期業績、有關委任或續聘董事之推薦意見，以及其他重大經營及財務事宜。董事透過每月如期發出之管理資料了解最新情況以及可能影響本集團業務之主要變動，包括相關規則及規例。董事會知悉其編製財務報表及每年審核財務報表之責任。本公司已採納香港公認會計準則編製財務報表，並已作出合理審慎判斷及估計。本集團會適時公佈其財務業績。

高級管理人員之職責

本公司日常管理、行政及營運由本公司高級管理人員負責，包括負責評估業務及營運表現、確保有效執行董事會之決策、確保資金充裕及監察本集團管理層之表現。本公司高級管理人員由董事會密切監察，並須對本公司相對董事會所釐定業務目標及管理方針之表現負責。本公司高級管理人員及有關附屬公司之管理人員定期會面以審閱並討論營運及財務事宜，藉此改善及加強本集團之內部溝通與合作。本公司定期檢討賦權職能及工作任務。

董事及高級職員之彌償保證

董事及高級職員按董事及高級職員責任保險獲得彌償保證，以保障彼等擔任本公司董事及高級職員履行職責時所產生任何責任。

Chairman and chief executive officer

Code provision A.2.1 of the CG Code provides that the role of chairman and chief executive officer should be separated 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, Mr. Ni Xiangrong is the chairman of the Board and an executive Director and was responsible for overall strategic planning, development, decision making and management of senior executives of the Group. Mr. Ni Xiangrong, as chairman of the Board, was responsible for reviewing and approving the agenda of each Board meeting prepared by the company secretary of the Company. Mr. Ni Xiangrong was also responsible for taking the primary responsibility for ensuring that good corporate governance practices and procedures are established.

Mr. Miao Zhibin is an executive Director and the chief executive officer of the Company (re-designated from a non-executive Director and appointed as the chief executive officer on 28 December 2018) and is responsible for the corporate strategic planning, execution and day-to-day management and administration of the Group's business and operation.

BOARD COMMITTEES

The Board has received appropriate delegation of its functions and powers and has established appropriate Board committees, with specific written terms of reference in order to manage and monitor specific aspects of the Group's affairs. The terms of reference of the Board committees are posted on the websites of the Company and the Stock Exchange and are available to the shareholders of the Company upon request. The Board and the Board committees are provided with all necessary resources including the advice of external auditor, external legal advisers and other independent professional advisors as needed.

In relation to the Board's corporate governance functions, the Board has determined the policy of the corporate governance of the Company and has performed its duties by firstly, developing and reviewing the Company's policies and practices on corporate governance; secondly, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; thirdly, developing and monitoring the codes of conduct applicable to the Directors and employees of the Company; fourthly, reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report, and lastly, receiving and monitoring the training and continuous professional development of the Directors.

主席及行政總裁

企業管治守則守則條文第A.2.1條規定，主席及行政總裁職務須分開且不能由同一人士擔任。主席及行政總裁職責分工須清楚界定並以書面列載。

於本年度，倪向榮先生一直擔任董事會主席兼執行董事，負責整體策略規劃、發展、決策及管理本集團高級行政人員。倪向榮先生(作為董事會主席)有責任審核及批准本公司公司秘書編製之各董事會會議之議程。倪向榮先生亦有責任承擔確保建立良好企業管治常規及程序之主要責任。

繆志斌先生為本公司執行董事兼行政總裁(於二零一八年十二月二十八日自非執行董事調任並獲委任為行政總裁)，負責企業策略規劃、執行以及本集團業務及營運之日常管理及行政事務。

董事委員會

董事會已適當轉授其職能及權力，並已設立訂有具體書面職權範圍之適當董事委員會，以管理及監督本集團之特定事務。董事委員會之職權範圍於本公司及聯交所網站登載，本公司股東可提出要求查閱。董事會及董事委員會獲提供所有必要資源，包括外聘核數師、外聘法律顧問及其他獨立專業顧問(如需要)之意見。

就董事會之企業管治職能而言，董事會已制定本公司之企業管治政策並履行其職責：第一，制定及檢討本公司企業管治政策及常規；第二，檢討及監察本公司之政策及常規以遵守法律及監管規定；第三，制定及監察本公司董事及僱員適用之行為守則；第四，審查本公司遵守企業管治守則之情況及企業管治報告之披露資料；及第五，為董事提供並監督培訓及持續專業發展。

The Board has established an audit committee (the “**Audit Committee**”), a remuneration committee (the “**Remuneration Committee**”), a nomination committee (the “**Nomination Committee**”) and a legal compliance committee (the “**Legal Compliance Committee**”) with defined terms of reference. The Audit Committee and the Remuneration Committee are chaired by independent non-executive Directors, the Nomination Committee is chaired by the chairman of the Board and the Legal Compliance Committee is chaired by an executive Director.

(a) Audit Committee

The Audit Committee was established on 3 August 2013 with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee is currently comprised of three independent non-executive Directors, namely Mr. Lau Hon Kee (chairman), Dr. Bian Zhaoxiang and Mr. Zhang Fangmao. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of the external auditor, review the financial statements and related materials and provide advice in respect of the financial reporting process and oversee the internal control and risk management system of the Group.

During the Year, the Audit Committee reviewed the quarterly, interim and annual results of the Group. The Audit Committee also reviewed the internal control procedures of the Group, including financial, operational and compliance controls and risk management functions as well as compliance matters and the findings reports from the Legal Compliance Committee of the Company.

(b) Remuneration Committee

The Remuneration Committee was established on 3 August 2013 with written terms of reference in compliance with code provision B.1.2 of the CG Code. The Remuneration Committee is currently comprised of one executive Director, Mr. Chen Wenxiang, and two independent non-executive Directors, Dr. Bian Zhaoxiang (chairman) and Mr. Lau Hon Kee. The primary duties of the Remuneration Committee are to make recommendations to our Board on the overall remuneration policy and structure relating to the Directors and senior management of our Group, review and evaluate their performance in order to make recommendations on the remuneration package of each of the Directors and members of the senior management as well as other employee benefit arrangements.

董事會已成立具有明確職權範圍之審核委員會(「**審核委員會**」)、薪酬委員會(「**薪酬委員會**」)、提名委員會(「**提名委員會**」)及法律合規委員會(「**法律合規委員會**」)。審核委員會及薪酬委員會主席為獨立非執行董事，提名委員會主席為董事會主席，而法律合規委員會主席為一名執行董事。

(a) 審核委員會

審核委員會於二零一三年八月三日成立，其書面職權範圍符合GEM上市規則第5.28至5.29條及企業管治守則守則條文第C.3.3條之規定。審核委員會目前由三名獨立非執行董事劉漢基先生(主席)、卞兆祥博士及張方茂先生組成。審核委員會之主要職責為就委聘及罷免外部核數師向董事會提供推薦意見，審閱財務報表及相關資料以及就財務報告程序提供意見，並監督本集團之內部監控及風險管理系統。

於本年度，審核委員會已審閱本集團之季度、中期及全年業績。審核委員會亦已審閱本集團之內部監控程序(包括財務、經營及合規監控以及風險管理職能)以及本公司法律合規委員會發出之合規事宜及結果報告。

(b) 薪酬委員會

薪酬委員會於二零一三年八月三日成立，其書面職權範圍符合企業管治守則守則條文第B.1.2條之規定。薪酬委員會目前由一名執行董事陳文祥先生以及兩名獨立非執行董事卞兆祥博士(主席)及劉漢基先生組成。薪酬委員會之主要職責為就與董事及本集團高級管理人員有關之整體薪酬政策及架構向董事會提供推薦意見，檢討及評估各董事及高級管理人員表現以就彼等之薪酬組合以及其他員工福利安排提供推薦意見。

During the Year, the Remuneration Committee determined the policy for the remuneration of the Directors, assessed performance of the Directors and approved the terms of the Directors' service contracts. The Remuneration Committee also reviewed, confirmed and recommended to the Board the remuneration package of each of the Directors and senior management of the Company.

(c) Nomination Committee

The Nomination Committee was established on 3 August 2013 with written terms of reference in compliance with code provision A.5.2 of the CG Code. The Nomination Committee is currently comprised of one executive Director, Mr. Tao Ying (chairman) and two independent non-executive Directors, Mr. Lau Hon Kee and Mr. Zhang Fangmao. The primary duties of the Nomination Committee are to nominate potential candidates for directorship, review the nomination of Directors and make recommendations to the Board on the appointment of Directors.

The Company had adopted the board diversity policy in accordance with the requirements as set out in the CG Code. The Board recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skill, knowledge and length of service.

Nomination Policy

When making recommendations regarding the appointment of any proposed candidate(s) to the Board or re-appointment of any existing member(s) of the Board based on the Board diversity policy, the Articles and other appropriate rules and regulations, the Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

- (i) Reputation for integrity;
- (ii) Accomplishment, experience and reputation in the relevant industry and other relevant sectors;

於本年度，薪酬委員會已制定董事之薪酬政策、評估董事之表現及批准董事之服務合約條款。薪酬委員會亦已審閱及確認各董事及本公司高級管理人員之薪酬組合，並就此向董事會提供推薦意見。

(c) 提名委員會

提名委員會於二零一三年八月三日成立，其書面職權範圍符合企業管治守則守則條文第A.5.2條之規定。提名委員會目前由一名執行董事陶瑩先生(主席)以及兩名獨立非執行董事劉漢基先生及張方茂先生組成。提名委員會之主要職責為提名出任董事人選，審閱董事提名並就委任董事向董事會提供推薦意見。

本公司已根據企業管治守則所載規定採納董事會成員多元化政策。董事會認同並深明擁有多元化董事會以提高公司表現質素之益。多元化董事會人選將按一系列多元化範疇為基準，除教育背景、專業經驗、技能、知識及服務任期外，亦包括但不限於性別、年齡、文化背景及種族。

提名政策

提名委員會根據董事會成員多元化政策、細則以及其他適用規則及規例，就委任任何董事會推薦候選人或重新委任任何現有董事會成員提出建議時，會考慮各種因素，包括但不限於以下因素，以評估推薦候選人的適用性：

- (i) 誠信的聲譽；
- (ii) 相關行業及其他相關部門的成就，經驗及聲譽；

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| <p>(iii) Commitment in respect of sufficient time, interest and attention to the Company's business;</p> <p>(iv) Diversity in all aspects, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge;</p> <p>(v) The ability to assist and support management and make significant contributions to the Company's success;</p> <p>(vi) Compliance with the criteria of independence as prescribed under Rule 5.09 of the GEM Listing Rules for the appointment of an independent non-executive Director; and</p> <p>(vii) Any other relevant factors as may be determined by the Committee or the Board from time to time.</p> | <p>(iii) 對本公司業務給予足夠的時間，興趣及關注的承諾；</p> <p>(iv) 所有方面的多樣性，包括但不限於性別，年齡，文化及教育背景，經驗(專業或其他方面)，技能及知識；</p> <p>(v) 協助及支持管理並有為本公司的成功做出重大貢獻的能力；</p> <p>(vi) 遵守GEM上市規則第5.09條對委任獨立非執行董事所規定的獨立性準則；及</p> <p>(vii) 委員會或董事會可能不時決定的任何其他相關因素。</p> |
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Procedures for the appointment of any proposed candidate(s) to the Board or or re-appointment of any existing member(s) of the Board are as follows:

就委任任何董事會推薦候選人或重新委任任何現有董事會成員的提名程式如下：

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| <p>(i) The secretary of the Committee shall invite nominations of candidate(s) from Board members (if any), for consideration by the Committee. The Committee may also nominate candidates for its consideration.</p> <p>(ii) In the context of appointment of any proposed candidate(s) to the Board, the Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval.</p> <p>(iii) In the context of re-appointment of any existing member(s) of the Board, the Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.</p> <p>(iv) The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.</p> | <p>(i) 委員會秘書須邀請董事會成員提名的候選人(如有)供委員會考慮。委員會亦可提名候選人供其考慮。</p> <p>(ii) 在向董事會建議任命任何推薦候選人的背景下，委員會應對該個人進行充分的盡職調查，並提出建議供董事會審議及批准。</p> <p>(iii) 在重新任命董事會任何現有成員的情況下，委員會須提交建議供董事會考慮及作出推薦讓推薦候選人可於股東大會上膺選連任。</p> <p>(iv) 對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。</p> |
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The work performed by the Nomination Committee during the Year included:

- (i) to assess the independence of independent non-executive Directors;
- (ii) to review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (iii) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iv) to review the terms of reference of the Nomination Committee; and
- (v) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors.

During the Year, the Nomination Committee reviewed the Board's structure, number of members and composition taking into account the Board diversity policy and formed the view that the Board has maintained an appropriate mix and balance of skills, knowledge, experience, expertise and diversity of perspectives appropriate to the business requirements of the Company.

(d) Legal Compliance Committee

The Legal Compliance Committee was established on 30 April 2013, which is mainly responsible for the Group's internal control matters and to ensure the proper compliance of the laws and regulations relevant to the Group's operations as well as the adequacy and the effectiveness of the Group's internal control measures.

The members of the Legal Compliance Committee currently comprises two executive Directors, Mr. Shum Kan Kim (chairman) and Mr. Chen Wenxiang, one non-executive Director Mr. Sun Lin and the secretary of the Company, Ms. Xu Jing.

提名委員會於本年度所履行工作包括：

- (i) 評估獨立非執行董事之獨立身分；
- (ii) 檢討董事會之架構、人數及組成(包括技能、知識及經驗)並就任何為配合本公司企業策略而擬對董事會作出之變動提出建議；
- (iii) 物色具備合適資格成為董事會成員之個別人士並甄選獲提名人士擔任董事職務或就此向董事會提供建議；
- (iv) 審閱提名委員會之職權範圍；及
- (v) 就委任或重新委任董事及董事繼任計劃向董事會提供建議。

於本年度，提名委員會在計及董事會成員多元化政策下已檢討董事會的架構、人數及組成，並認為董事會在本公司業務要求適用之技能、知識、經驗、專業知識及多元觀點方面維持適當組合及平衡。

(d) 法律合規委員會

法律合規委員會於二零一三年四月三十日成立，主要負責本集團之內部監控事宜，並確保妥為遵守與本集團營運相關之法律及規例以及確保本集團之內部監控措施充足及有效。

法律合規委員會目前由兩名執行董事沈勤儉先生(主席)及陳文祥先生、一名非執行董事孫林先生及公司秘書徐靜女士組成。

The Legal Compliance Committee also assists the Board in overseeing the Group's corporate governance functions which include but not limited to the followings:

- (i) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Audit Committee on a quarterly basis;
- (ii) to review and monitor the training and continuous professional development of the Directors and senior management of the Group;
- (iii) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the code of conduct and compliance manual applicable to the Directors and employees of the Group;
- (v) to review the Group's compliance with the CG Code and disclosure in the corporate governance report; and
- (vi) to review the nature, extent and monitoring measures of the risks to the Group.

During the Year, the Legal Compliance Committee held four meetings to review the internal control and compliance matters and the findings of which were reported to the Audit Committee.

法律合規委員會亦協助董事會監督本集團企業管治職能，包括但不限於：

- (i) 制訂及審閱本集團有關企業管治之政策及常規並每季向審核委員會提出建議；
- (ii) 檢討及監察董事及本集團高級管理層之培訓及持續專業發展；
- (iii) 檢討及監察本集團有關遵守法律及監管規定之政策及常規；
- (iv) 制訂、檢討及監察適用於董事及本集團僱員之操守守則及合規手冊；
- (v) 審視本集團遵守企業管治守則之情況及企業管治報告內之披露事宜；及
- (vi) 審閱本集團所面對風險之性質、範圍及監控措施。

於本年度，法律合規委員會共舉行四次會議，以檢討內部監控及合規事宜，並向審核委員會匯報有關結果。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the shareholders of the Company and the regulatory authorities.

Timely release of quarterly, interim and annual results announcements reflects the Board's commitment to providing transparent and up-to-date disclosures of the Group's performance.

問責及審核

財務報告

董事會致力於向本公司股東及監管機構作出之所有披露中就本集團財務表現及前景提供持平、清晰及全面評估。

適時發佈季度、中期及全年業績公告，顯示董事會致力就本集團業績提供透明及最新披露。

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's quarterly, interim and annual financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements to comply with accounting standards and regulatory requirements.

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the external auditor acknowledges its responsibilities in respect of financial reporting which are set out in the independent auditor's report on page 49 of this report.

External Auditor

The Audit Committee recommends the re-appointments of Mazars CPA Limited as the auditor of the Group and the Board has adopted such recommendation.

During the Year, the fees paid/payable to the Company's auditor, Mazars CPA Limited, in respect of audit services and non-audit services provided by the auditors of the Company are as follows:

Category of services 服務種類	Amounts 金額 HK\$'000 千港元
Audit services	
Audit fee for the financial statements of the Group for the year ended 31 December 2018	2,200
Non-audit services	
Professional fee in connection with acquisition of a corporation	455

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining sound systems of risk management and internal controls and also reviewing their effectiveness to safeguard interests of the shareholders, customers, employees, and the Group's assets. However, such systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve business objectives of the Group, and can only provide reasonable assurance and not absolute assurance against material misstatement or loss.

董事會在審核委員會協助下，監督本集團財務報告程序及財務報告之質素。審核委員會審閱及監督本集團季度、中期及全年財務報表之完整性，並檢討本集團會計政策及該等政策之變動是否恰當，以及確保該等財務報表符合會計準則及規例要求。

董事確認彼等對編製本公司之賬目承擔責任，而外聘核數師就本報告第49頁所載獨立核數師報告承擔財務報告責任。

外聘核數師

審核委員會建議重新委任中審眾環(香港)會計師事務所有限公司為本集團核數師，而董事會已採納有關建議。

於本年度，就本公司核數師中審眾環(香港)會計師事務所有限公司所提供審核服務及非審核服務已付／應付本公司核數師之費用如下：

風險管理及內部監控

董事會全權負責評估及釐定本集團達成策略目標時所願意接受之風險性質及程度，並維持健全之風險管理及內部監控制度，檢查其成效以保障股東、客戶及僱員之利益以及本集團資產。然而，該等制度乃為於可接受之風險範圍內管理本集團風險而設，而並非消除不能達致本集團業務目標之風險，故僅可提供合理保證而非絕對保證，以免出現重大錯誤陳述或損失。

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the systems of risk management and internal control from time to time in response to the changes to the business environment or regulatory guidelines.

The Board always regards risk management and internal control process as an important task and believes that effective corporate risk management and internal control process is an essential element of good corporate governance. The Legal Compliance Committee and the Audit Committee have been established by the Board, which are responsible for monitoring and reviewing the risk management and internal control systems of the Group.

During the Year, the Company has appointed an international famous advisory services limited company to carry out review on the internal control system and risk management system of the Group. The review involves all material monitoring aspects, including but not limited to finance, operation, compliance and risk management. The advisory services limited company has conducted analysis and independent assessment on the adequacy and the effectiveness of the internal control system and risk management of the Group, and has submitted the findings and recommendations to the Audit Committee and the Board. The Audit Committee and the Board have discussed the review report and will make appropriate amendments in respect of the findings and recommendations to the management system of the Group.

Risk Management

Control environment

The Group believes that risk management is the responsibility of everyone within the Group. It aims to develop risk awareness and control responsibility as our culture and the foundation of our internal controls system. The internal controls system applies to the Group's critical business processes including strategy development, business planning, investment decisions, capital allocation and day-to-day operations.

The Group also believes that corporate governance is often associated with business ethics. In order to ensure the Company's reputation be enhanced by the honest, loyal and ethical behaviours of its staff, the Group has formulated a formal staff code and whistleblowing policy. Furthermore, the Group has from time to time arranged different levels of staff, ranging from top management to front-line staff, to participate in a series of business ethics seminars conducted by the Independent Commission Against Corruption, reputed lecturers or internal audit functions of the Company and the Group in order to enhance the staff's recognition and commitment to the staff code.

董事會已確立程序，以持續識別、評估及管理本集團所面對之重大風險，有關程序包括因應營商環境或監管指引之變動而不時加強風險管理及內部監控制度。

董事會一直重視風險管理及內部監控程序，並相信有效之企業風險管理及內部監控程序為良好企業管治不可或缺一環。董事會已成立法律合規委員會及審核委員會，負責監督及檢討本集團之風險管理及內部監控制度。

於本年度，本公司已委任國際知名諮詢服務有限公司對本集團內控系統及風險管理系統進行覆核。有關覆核涉及所有重大監控方面，包括但不限於財務、營運、合規及風險管理。該諮詢服務有限公司已對本集團的內部監控系統及風險管理的充足性及有效性進行了分析和獨立的評估，並已將覆核結果及推薦建議提交審核委員會及董事會。審核委員會及董事會已討論有關審閱報告，並將會就結果及推薦建議對本集團的管理系統作出適當修改。

風險管理

監控環境

本集團深信風險管理乃本集團旗下每名人員之責任，旨在將風險警覺性及監控責任融入集團文化，並作為內部監控制度之基礎。內部監控制度適用於本集團之重大業務過程，包括策略發展、業務規劃、投資決策、資金分配及日常營運。

本集團亦相信企業管治通常與商業道德有關。為確保員工誠實、忠誠及道德行事藉以提高本公司聲譽，本集團已制訂正式員工守則及舉報政策。此外，本集團不時安排由高級管理層以至前線員工等各級員工參與由廉政公署、知名講者或本公司及本集團內部審核部舉辦之一系列商業道德講座，從而加強員工對員工守則之認同及承擔。

Management has also conducted annual self-check to see whether the rules and guidelines specified in the staff code have been properly adhered to, and the respective written declarations have been documented and reported to the Audit Committee.

Control activities

The Group's control activities have been built on regular top-level reviews, segregation of duties and physical controls. Currently, the key features of the internal controls system include:

- the design of an organisational structure with defined lines of responsibility and delegation of authority;
- the setup and adherence of authorisation and approval limits of the Company and each business unit;
- the establishment of policies and procedures to support deployment of management's directives; and
- the systems and procedures to identify and mitigate risks on an ongoing basis.

Major operational risk factors and measures

The Group seeks to have risk management features embedded in the day-to-day operations. At the beginning of each year, the Group conducted a risk assessment on the existing or potential risks that may impact the achievement of business objectives over the course of business operation. The assessment includes potential likelihood and impact of the identified risks. For the risks identified, the Group determined the action plans and management targets. The management of each business unit of the Group is responsible for managing their respective day-to-day operating risks, and implementing measures to mitigate such risks.

Corporate affairs department monitors the implementation of risk management, and continuously reviews and assesses the efficiency and adequacy of action plans on a regular basis. Such assessment results will be regularly communicated and reported to the Legal Compliance Committee and the Board.

During the Year, the Legal Compliance Committee and the Board were not aware of any unexpected adverse changes that were significant to the risks related to the Group's businesses.

管理層每年亦進行自我審查，以檢視員工守則所載規則及指引是否已獲妥善遵從，而相關書面聲明已存檔並向審核委員會匯報。

監控活動

本集團之監控活動建基於定期進行高規格檢討、權責劃分及實質監控。目前，內部監控制度之主要特點包括：

- 設計具明確職責範圍及授權之組織架構；
- 設立並遵守本公司及各業務單位之授權及批准限制；
- 制訂政策及程序以支持管理層指令之部署；及
- 持續識別及減低風險之制度及程序。

主要經營風險因素及措施

本集團致力將風險管理特點融入日常營運當中。本集團於每年年初均會對於業務營運過程中可能影響達成業務目標之現有或潛在風險進行風險評估。評估包括已識別風險發生之可能性及影響。就已識別風險而言，本集團釐定行動計劃及管理目標。本集團各業務單位之管理層負責管理各自日常營運風險，並推行減低有關風險之措施。

公司事務部監督風險管理之執行情況，並持續定期檢討及評估行動計劃之成效及是否充分。有關評估結果將定期與法律合規委員會及董事會溝通並向其匯報。

於本年度，法律合規委員會及董事會並不知悉對有關本集團業務之風險屬重大之無法預料不利變動。

Internal Control

The Board recognises the overall responsibility for the establishment, maintenance, and review of an internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations. This system of internal control is designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

The Company has an internal audit function to perform the review on the internal control system of the Group (including financial, operational and compliance controls and risk management functions).

The Audit Committee comprising three independent non-executive Directors, which will retain overall responsibility for the internal control matters of the Group and has oversight of the Legal Compliance Committee, will assess the robustness of our regulatory compliance procedures and system reviewed by the Legal Compliance Committee to ensure, among other things, that the Group fully complies with all applicable laws and regulations relevant to our operations. In addition, the Audit Committee will make recommendations to the Board for the improvement of our regulatory compliance procedures and system as is necessary and report to the Board immediately if there is any potential or actual non-compliance identified by the Legal Compliance Committee.

The Board conducted a review of the internal control system of the Group for the Year. Having reviewed the effectiveness of the Group's internal control system through the Audit Committee, the Legal Compliance Committee, the external adviser and the external auditor, which covers all material controls, including financial, operational and compliance control and risk management functions, the Board is satisfied that such system is effective and adequate.

內部監控

董事會確認對內部監控制度之建立、維持及檢討負全責，該制度就財務及經營資料之可靠性及完整性、經營效率及效益、保障資產以及遵守法例及規例提供合理保證。內部監控制度旨在管理而非消除所有失敗風險，其目的在於就達成組織目標提供合理而非絕對保證。

本公司設立內部審核部門審閱本集團之內部監控制度(包括財務、經營及合規監控以及風險管理職能)。

審核委員會由三名獨立非執行董事組成，對本集團內部監控事務負全責，並監督法律合規委員會，將就監管合規程序及經法律合規委員會檢討之制度是否穩健作出評估，以確保(其中包括)本集團完全遵守經營相關適用法例及規例。此外，審核委員會向董事會建議於必要時改進法律合規程序及制度，以及於法律合規委員會確認有任何潛在或實際不合規情況時即時向董事會報告。

董事會已就本年度檢討本集團之內部監控制度。經透過審核委員會、法律合規委員會、外聘顧問及外聘核數師檢討本集團內部監控制度(涵蓋所有重大控制，包括財務、營運以及合規監控及風險管理職能)之成效後，董事會信納該制度有效及充足。

COMPANY SECRETARY

The company secretary plays an important role in supporting the Board by ensuring good information flow within the Board and the Board committees; and disseminating the decisions/policies made by the Board/Board committees to relevant departments/staff for follow up/implementation, and ensuring that the Board policies and procedures are followed by business units, various departments and employees of the Group. The company secretary is also responsible for ensuring that the relevant rules and regulations issued by the regulatory authorities as well as the Articles are complied with. The company secretary assists the chairman and the Board in implementing and strengthening corporate governance practices and processes of the Company. The company secretary also attends and ensures that all Board and Board committees meetings are properly convened, and that accurate and proper record of the proceeding and resolutions passed are taken and maintained. The company secretary assists the chairman of the Board in ensuring efficient flow of information from the Board or the Board committees to management for action. The Board approves the selection, appointment or dismissal of the company secretary. The company secretary reports to the chairman of the Board and/or chief executives of the Company. All Directors have direct access to the advice and services of the company secretary.

As at the end of 31 December 2018, Ms. Xu Jing is the company secretary and employee of the Company. During the Year, Ms. Xu Jing has confirmed that she has taken not less than 15 hours of relevant professional training.

公司秘書

公司秘書在支援董事會方面擔當重要角色，確保董事會及董事委員會內資訊交流良好，向有關部門／員工發放董事會／董事委員會之決定／政策以作跟進／執行，並確保本集團業務單位、各部門及僱員均遵循董事會政策及程序。公司秘書亦負責確保遵守由監管機關頒佈之相關規則及規例以及細則。公司秘書協助主席及董事會執行及加強本公司之企業管治常規及程序。公司秘書亦會出席所有董事會及董事委員會會議，並確保該等會議妥善召開，以及程序及所通過決議案均準確及適當地記錄及保存。公司秘書協助董事會主席確保由董事會或董事委員會發出之資訊能有效傳達至管理層以作執行。董事會批准公司秘書之甄選、委任或解僱。公司秘書向本公司董事會主席及／或主要行政人員匯報。全體董事均可直接取得公司秘書之意見及服務。

於二零一八年十二月三十一日結束時，徐靜女士為本公司之公司秘書兼僱員。於本年度，徐靜女士已確認彼已接受不少於15個小時之相關專業培訓。

SHAREHOLDERS' RIGHTS

Convening extraordinary general meeting and putting forward proposals at shareholders' meetings

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

Dividend Policy

The Company may consider the declaring and paying dividends to the shareholders of the Company provided that the Group records profits and that the declaration and payment of dividends does not affect the normal operations of the Group.

In deciding whether to propose a dividend and in determining the dividend amount, the board of directors of the Company (the "Board") shall take into account, inter alia:

- i. the general financial condition of the Group;
- ii. capital and debt level of the Group;
- iii. future cash requirements and availability for business operations, business strategies and future development needs;
- iv. any restrictions on payment of dividends that may be imposed by the Group's lenders;
- v. the general market conditions; and
- vi. any other factors that the Board deems appropriate.

Detailed procedures for our shareholders to propose a person for election as a Director are available on the Company's website.

股東權利

召開股東特別大會並於股東大會提呈建議

根據細則，股東須根據細則第58條以於股東大會提呈新決議案。根據細則第58條，股東大會須由於提呈要求日期持有不少於本公司繳足股本(附有於本公司股東大會之表決權)十分之一之任何一名或多名股東隨時向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明之任何事項，且該大會應於提呈有關要求後兩(2)個月內舉行。倘提呈要求後二十一(21)日內，董事會未有召開該大會，則提呈要求人士可以相同方式作出有關行動，因董事會未有召開該大會而對提呈要求人士招致之所有合理費用，須由本公司償還予提呈要求人士。

股息政策

在本集團錄得溢利的情況下，本公司會考慮向本公司股東宣派及派付股息，唯宣派及派付股息不會影響本集團的正常營運。

在決定是否建議派息及派息金額時，本公司董事會須考慮，尤其是：

- i. 本集團的一般財務狀況；
- ii. 本集團的資本及債務水準；
- iii. 業務運營、業務策略及未來發展需求之未來現金需求情況與可獲得性；
- iv. 本集團的貸款人施加的對派付股息的任何限制；
- v. 一般市場情況；及
- vi. 董事會認為合適的任何其他因素。

本公司股東建議人士參選董事之具體程序可於本公司網站查閱。

Shareholders' enquiries

Shareholders may send their enquiries and concerns to the Board of the Company by addressing them to the principal place of business of the Company in Hong Kong at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong by post for the attention of the secretary of the Company.

INVESTOR RELATIONS AND COMMUNICATIONS

The Company believes that effective communication with our shareholders is essential for ensuring that they are provided with timely access to important information about the Company, including its financial performance, strategic goals and plans, material developments, governance and risk profile, in order to enable them to exercise their rights in an informed manner.

General meetings of the Company provide the best opportunity for exchange of views between the Board and our shareholders by maintaining an on-going dialogue with our shareholders.

- Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote on their behalf if they are unable to attend.
- The process of general meetings will be monitored and reviewed by the Board on a continuous and regular basis to ensure that shareholders' needs are best served and, if necessary, changes will be made to safeguard shareholders' interests.
- The chairman of the Board as well as the chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee or, in their absence, other members of the respective committees will attend general meetings to answer shareholders' questions. The chairman of the independent board committee or, in his absence, other members of the independent board committee, will also be available to answer shareholders' questions at general meetings convened for the approval of connected transactions or any other transactions that are subject to independent shareholders' approval.
- The Board will ensure appropriate arrangement is in place to encourage shareholders' participation in general meetings.

股東查詢

股東可將彼等對本公司董事會之查詢及關注事宜以郵遞方式寄往本公司主要營業地點(地址為香港九龍九龍灣宏照道33號國際交易中心1009室)，註明收件人為本公司秘書。

投資者關係及溝通

本公司認為，與股東有效溝通實屬必要，可確保彼等獲適時提供有關本公司之重要資料，包括其財務表現、策略目標及計劃、重大發展、管治及風險概況，從而使彼等有依據行使其權利。

本公司股東大會透過不斷維持與本公司股東對話，提供良好機會促進董事會與本公司股東之間意見交流。

- 鼓勵股東參與股東大會，或倘彼等無法出席，則委任代表代彼等出席大會並於會上投票。
- 股東大會過程將受董事會持續定期監督及檢討，以確保以最佳方法處理股東之需求，並於必要時作出變動以保障股東權益。
- 董事會主席以及審核委員會、薪酬委員會及提名委員會主席或(如彼等缺席)各委員會其他成員將出席股東大會以解答股東提問。獨立董事委員會主席或(如彼缺席)獨立董事委員會其他成員亦會出席就批准關連交易或任何其他須經獨立股東批准之交易而召開之股東大會以解答股東提問。
- 董事會將確保作出恰當安排以鼓勵股東參與股東大會。

In an effort to enhance communications with shareholders and investors, the Company maintains a website (www.dfport.com.hk) to disseminate information relating to the Company's information such as announcements, circulars, financial statements and notices of general meetings. The Company regards the AGM as an important event as it provides direct communication between the Board and its shareholders. All shareholders of the Company are given at least a minimum of 20 clear business days notice of the date and venue of the AGM at which time the Directors and committee members are available to answer questions on the business.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENT

During the Year, there had been no change in the Company's constitutional document.

為促進股東與投資者之間溝通，本公司設有網站 (www.dfport.com.hk) 發佈本公司資料，如公告、通函、財務報表及股東大會通告。本公司視股東週年大會為重要事項，原因為大會可為董事會與其股東之間提供直接溝通機會。本公司至少於股東週年大會舉行足20個營業日前通知本公司全體股東有關舉行股東週年大會之日期及地點，屆時董事及委員會成員可解答有關業務之提問。

憲章文件重大變動

於本年度，本公司之憲章文件並無變動。



To the shareholders of
Dafeng Port Heshun Technology Company Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Dafeng Port Heshun Technology Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 58 to 191, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2018 and of its financial performance and 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

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 of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

致大豐港和順科技股份有限公司
(於開曼群島註冊成立之有限公司)
列位股東

意見

吾等已審核載於第58至191頁大豐港和順科技股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其中包括於二零一八年十二月三十一日之綜合財務狀況表以及截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一八年十二月三十一日之財務狀況以及截至該日止年度之財務表現及現金流量，並已遵照香港公司條例之披露規定妥為編製。

意見基礎

吾等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。在該等準則下，吾等之責任在吾等之報告內「核數師就審計綜合財務報表承擔之責任」一節進一步闡述。根據香港會計師公會之「專業會計師道德守則」(「守則」)，吾等獨立於貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得之審核憑證能充足及適當地為吾等之審核意見提供基礎。

關鍵審計事項

根據吾等之專業判斷，關鍵審核事項為吾等審核於本期間之綜合財務報表中最重要之事項。吾等在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter
關鍵審計事項

How our audit addressed the Key Audit Matter
於審計中處理關鍵審計事項之方法

Acquisition of Jiangsu Hairong Dafeng Port Petrochemical Product Terminal Company Limited ("Jiangsu Hairong")
收購江蘇海融大豐港油品化工碼頭有限公司(「江蘇海融」)

Refer to note 34 to the consolidated financial statements
參照綜合財務報表附註34

During the year, the Group acquired 100% equity interests in Jiangsu Hairong and recognised goodwill of HK\$223,782,000.
年內，貴集團收購江蘇海融之100%股權並確認商譽223,782,000港元。

The accounting for the acquisition required estimates of significant amounts, including the measurements of the acquisition-date values of the identifiable assets acquired and the liabilities assumed.

收購事項之會計處理需作出大額估計，包括可識別所收購資產及所承擔負債之收購日期價值計量。

Our key procedures in relation to the accounting for acquisition included:

吾等就收購事項之會計處理進行之主要程序包括：

- Inspecting the sale and purchase agreements to understand the terms of acquisition;
- 查核買賣協議以了解收購事項條款；
- Checking calculations and testing the valuation of and accounting for consideration payable;
- 檢查應付代價之計算以及測試有關估值及會計處理；
- Assessing the identification of the assets acquired and liabilities assumed and challenging the reasonableness of the assumptions made in the acquisition-date valuation of the assets and liabilities;
- 評估所收購資產及所承擔負債之識別以及就資產及負債收購日期估值所作出假設之合理性提出質疑；
- Assessing the competency, objectivity, capabilities and results of the work of independent professional valuer that was appointed by the management and assisted management to value the assets acquired in the acquisition;
- 評估管理層所委任獨立專業估值師之資格、客觀度及能力及工作結果以及協助管理層對於收購事項中收購之資產進行估值；
- Reconciling input data to supporting evidence, such as approved budgets and assessing the reasonableness of the budgets; and
- 將輸入數據與支持憑證進行對賬，如經批准預算，並評估預算是否合理；及
- Reviewing the accounting for acquisitions and respective disclosures made.
- 審閱收購事項之會計處理及所作出之有關披露。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter
關鍵審計事項

How our audit addressed the Key Audit Matter
於審計中處理關鍵審計事項之方法

Impairment assessment on goodwill
商譽減值評估

Refer to note 16 to the consolidated financial statements
參照綜合財務報表附註16

The carrying amounts of the Group's goodwill amounted to HK\$225,151,000 as at 31 December 2018.
貴集團商譽於二零一八年十二月三十一日之賬面值為225,151,000港元。

Management performed annual impairment test on goodwill. The goodwill was allocated to related cash generating units ("CGUs"), and the recoverable amount of CGUs was determined by management based on value-in-use calculation using discounted cash flow projection. The calculations involved significant judgement and estimations, such as cash flows forecasts, discount rates and growth rates, and the identification of related CGUs.

管理層每年對商譽進行減值測試。商譽獲分配至相關現金產生單位（「現金產生單位」），而現金產生單位之可收回金額由管理層運用貼現現金流量預測根據使用價值計算釐定。計算涉及重大判斷及估計，如現金流量預測、貼現率與增長率及相關現金產生單位之識別。

Our key procedures in relation to the recoverability assessment of goodwill included:

吾等就評估商譽可收回能力進行之主要程序包括：

- Assessing the identification of CGUs based on the Group's accounting policies and our understanding of the Group's business;
- 根據 貴集團會計政策及吾等對 貴集團業務之了解評估現金產生單位之識別方法；
- Assessing the competency, objectivity, capabilities and results of the work of independent professional valuer that was appointed by the management and assisted management to determine the recoverable amounts of relevant CGUs;
- 評估管理層所委任專業估值師之資格、客觀度及能力及工作結果以及協助管理層釐定有關現金產生單位之可收回金額；
- Assessing the value-in-use calculation methodology;
- 評估使用價值計算方法；
- Assessing the reasonableness of key assumptions based on our knowledge and understanding of the business and market;
- 根據吾等對業務及市場之知識及了解評估主要假設是否合理；
- Verifying the mathematical accuracy of the cash flow model used; and
- 查核所用現金流量模式之算術準確性；及
- Reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of the budgets.
- 將輸入數據與支持憑證進行對賬，如經批准預算，並考慮預算是否合理。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

於審計中處理關鍵審計事項之方法

Impairment of property, plant and equipment

物業、廠房及設備之減值

Refer to note 15 to the consolidated financial statements

參照綜合財務報表附註15

The storage facilities and construction in progress with the carrying amount at 31 December 2018 in aggregate of HK\$126,891,000 included in property, plant and equipment as disclosed in note 15 to the consolidated financial statements were tested for impairment because impairment indications were identified.

計入綜合財務報表附註15所披露物業、廠房及設備之倉儲設施及在建工程於二零一八年十二月三十一日之賬面值合共為126,891,000港元曾進行減值測試，原因為出現減值跡象。

The impairment test of property, plant and equipment required significant judgement and estimations, in particular discounted future cash flows forecast, future growth rates, the discount rates applied and the determination of the level at which impairment should be tested.

物業、廠房及設備之減值測試涉及重大判斷及估計，尤其是貼現未來現金流量預測、未來增長率、所採用貼現率及釐定應進行減值測試之層級。

Our key procedures in relation to the impairment assessment on property, plant and equipment included: 吾等就物業、廠房及設備之減值評估進行之主要程序包括：

- Assessing the appropriateness of valuation methodology in estimating the recoverable amounts of those assets;
- 評估於估計該等資產之可收回金額時運用之估值方法是否合適；
- Assessing the competency, objectivity, capabilities and results of the work of independent professional valuer that was appointed by the management and assisted management to determine the recoverable amounts of relevant CGUs;
- 評估管理層所委任專業估值師之資格、客觀度及能力及工作結果以及協助管理層釐定有關現金產生單位之可收回金額；
- Verifying the mathematical accuracy of the cash flow model used;
- 查核所用現金流量模式之算術準確性；
- Assessing the reasonableness of key assumptions based on our knowledge of the industry and market; and
- 根據吾等對行業及市場之知識評估主要假設是否合理；及
- Reconciling input data to supporting evidence, such as operational plans and approved budgets and considering the reasonableness and feasibility of such plans and budgets.
- 將輸入數據與支持憑證進行對賬，如營運計劃及經批准預算，並考慮該等計劃及預算是否合理及可行。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項	How our audit addressed the Key Audit Matter 於審計中處理關鍵審計事項之方法
<p>Impairment of trade receivables 貿易應收款項之減值</p> <p>Refer to note 23 to the consolidated financial statements 參照綜合財務報表附註23</p> <p>The carrying amounts of the Group's trade receivables amounted to HK\$418,688,000 as at 31 December 2018. 於二零一八年十二月三十一日，貴集團貿易應收款項之賬面值為418,688,000港元。</p> <p>Loss allowances for trade receivables are based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, ageing of overdue trade receivables, customers' repayment history and customers' financial position and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgement. 貿易應收款項之虧損撥備乃以管理層對將產生之全期預期信貸虧損為基準，全期預期信貸虧損乃經考慮信貸虧損經驗、過期貿易應收款項賬齡、客戶還款紀錄及客戶之財務狀況以及對目前及預測整體經濟狀況之評估後作出估計，上述考慮事宜均涉及管理層重大判斷。</p>	<p>Our key procedures in relation to the recoverability assessment of those receivables included: 吾等就該等應收款項之可收回性進行之主要程序包括：</p> <ul style="list-style-type: none"> — Discussing with the management the Group's credit risk policy and credit terms granted to the customers; 與管理層討論 貴集團之信貸風險政策及向客戶授出之信貸期； — Evaluating the management's recoverability assessment of trade receivables; 評核管理層對貿易應收款項及應收票據可收回能力之評估； — Assessing the critical judgement made by the management regarding the factors considered during the recoverability assessment; and 評估管理層於評估可收回能力時就所考慮因素作出之重大判斷；及 — Inspecting subsequent cash receipts from customers relating to those balances as at 31 December 2018, on a sample basis. 抽樣檢查就二零一八年十二月三十一日之該等結餘其後收取之客戶現金款項。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information in the Company's 2018 annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

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

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

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

其他資料

貴公司董事須為其他資料負責。其他資料包括 貴公司二零一八年年報所載資料，惟不包括綜合財務報表及吾等之核數師報告。

吾等對綜合財務報表表達之意見並不涵蓋其他資料，吾等亦不會就此表達任何形式之保證結論。

就吾等對綜合財務報表進行之審計工作而言，吾等負責閱讀其他資料，並考慮其他資料是否與綜合財務報表或吾等從審計工作所獲得資料之間出現重大不相符情況，又或在其他方面出現重大錯誤陳述。倘吾等基於所進行工作而得出其他資料有重大錯誤陳述之結論，則吾等須匯報有關情況。就此，吾等並無須匯報之事宜。

董事及治理層就綜合財務報表須承擔之責任

貴公司董事須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之披露要求，編製真實而公平反映之綜合財務報表，及落實其認為編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在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，並在適用情況下披露與持續經營有關之事宜，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際替代方案。

治理層負責監督 貴集團之財務報表編製之程序。

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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement 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.

核數師就審計綜合財務報表承擔之責任

吾等之目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具載有吾等意見之核數師報告。吾等僅向全體股東報告，不作其他用途。吾等並不就本報告之內容對任何其他人士負責或承擔責任。

合理確定屬高層次之核證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘它們個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計之過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 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之風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當之審計憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，惟並非旨在對貴集團內部監控之有效性發表意見。
- 評估董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

核數師就審計綜合財務報表承擔之責任(續)

- 對董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。倘有關披露不足，則修訂吾等意見。吾等結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。
- 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否公平地反映相關交易和事項。
- 就貴集團內實體或業務活動之財務資料獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計之方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與治理層就(其中包括)審計之計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括吾等在審計過程中所識別之內部監控之任何重大缺失。

吾等亦向治理層作出聲明，指出吾等已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性之所有關係及其他事宜，以及相關防範措施(如適用)。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law and 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.

Mazars CPA Limited
Certified Public Accountants
Hong Kong, 22 March 2019

The engagement director on the audit resulting in this independent auditor's report is:

Chan Wai Man
Practising Certificate number: P02487

核數師就審計綜合財務報表承擔之責任 *(續)*

從與治理層溝通之事項中，吾等釐定對本期間綜合財務報表之審計至關重要之事項，因而構成關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在吾等報告中溝通某事項造成之負面後果超出產生之公眾利益，則吾等決定不應在報告中傳達該事項。

中審眾環(香港)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

出具本獨立核數師報告之審計項目董事為：

陳偉文
執業證書編號：P02487

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		Note	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列) (Note 25) (附註25)
		附註		
Continuing operations	持續經營業務			
Revenue	收益	6	4,169,489	3,225,426
Cost of sales	銷售成本		(4,205,948)	(3,170,025)
Gross (loss) profit	(毛損) 毛利		(36,459)	55,401
Other income	其他收入	7	28,389	8,428
Administrative expenses	行政開支		(72,708)	(52,399)
Finance costs	融資成本	8	(31,445)	(16,861)
Impairment loss on goodwill	商譽之減值虧損	16	(14,844)	-
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	15	(23,804)	-
Impairment loss on prepaid lease payments	預付租賃付款之減值虧損	17	(6,906)	-
Gain on disposal of a subsidiary	出售一間附屬公司之收益	35	261	12,844
(Loss) Profit before taxation from continuing operations	持續經營業務之除稅前(虧損)溢利	9	(157,516)	7,413
Taxation	稅項	11	(59)	(2,490)
(Loss) Profit for the year from continuing operations	持續經營業務之年內(虧損)溢利		(157,575)	4,923
Discontinued operations	已終止經營業務			
Loss for the year from discontinued operations	已終止經營業務之年內虧損	14	(16,435)	(3,530)
(Loss) Profit for the year	年內(虧損)溢利		(174,010)	1,393
Other comprehensive (loss) income	其他全面(虧損)收益			
Items that are reclassified or may be reclassified to profit or loss in subsequent periods:	現重新分類或可能於往後期間重新分類至損益之項目:			
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額		(15,047)	3,416
Release upon disposal of a subsidiary	於出售一間附屬公司時解除		-	482
			(15,047)	3,898
Total comprehensive (loss) income for the year	年內全面收益(虧損)總額		(189,057)	5,291

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列) (Note 25) (附註25)
		Note 附註	
(Loss) Profit attributable to equity holders of the Company:	本公司權益持有人應佔 (虧損) 溢利		
— from continuing operations	— 來自持續經營業務	(147,097)	3,604
— from discontinued operations	— 來自已終止經營業務	(8,533)	(3,429)
		(155,630)	175
(Loss) Profit attributable to non-controlling interests:	非控股權益應佔 (虧損) 溢利		
— from continuing operations	— 來自持續經營業務	(10,478)	1,319
— from discontinued operations	— 來自已終止經營業務	(7,902)	(101)
		(18,380)	1,218
Total comprehensive (loss) income attributable to:	以下人士應佔全面 (虧損) 收益總額:		
— Equity holders of the Company	— 本公司權益持有人	(168,081)	3,070
— Non-controlling interests	— 非控股權益	(20,976)	2,221
		(189,057)	5,291
(Loss) Earnings per share attributable to equity holders of the Company	本公司權益持有人應佔 每股 (虧損) 盈利		
Basic and diluted	基本及攤薄		
— from continuing operations	— 來自持續經營業務	13 (11.42) HK cents 港仙	0.28 HK cents 港仙
— from discontinued operations	— 來自已終止經營業務	13 (0.66) HK cents 港仙	(0.27) HK cents 港仙

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
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	960,685	123,677
Goodwill	商譽	16	225,151	16,213
Prepaid lease payments	預付租賃付款	17	34,135	44,322
Sea use right payments	海域使用權付款	18	2,848	–
Prepayments in relation to property, plant and equipment	就物業、廠房及設備 之預付款項	19	500	16,796
Security deposit for loan from a third party	來自第三方之貸款 之保證金	27(b)	3,416	3,602
Interests in associates	於聯營公司之權益		–	6,005
			1,226,735	210,615
Current assets	流動資產			
Available-for-sale financial assets	可供出售金融資產	20	–	8,806
Financial asset at fair value through profit or loss	按公平值計入損益之 金融資產	21	7,971	–
Prepaid lease payments	預付租賃付款	17	989	1,043
Sea use right payments	海域使用權付款	18	72	–
Inventories	存貨	22	16,720	6,716
Trade and other receivables	貿易及其他應收款項	23	1,090,644	666,799
Pledged bank deposits	已抵押銀行存款	24(a)	307,449	312,936
Bank balances and cash	銀行結餘及現金	24	64,588	61,703
			1,488,433	1,058,003
Disposal group classified as held for sale	分類為持作出售之出售集團	25	54,566	–
			1,542,999	1,058,003
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	26	1,946,976	394,925
Current portion of bank and other borrowings	銀行及其他借貸之即期部分	27	140,633	585,475
Taxation	稅項		177	2,709
			2,087,786	983,109
Liabilities associated with disposal group classified as held for sale	與分類為持作出售之出售集團 有關之負債	25	46,429	–
			2,134,215	983,109
Net current (liabilities) assets	淨流動(負債)資產		(591,216)	74,894
Total assets less current liabilities	總資產減流動負債		635,519	285,509

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
		Note 附註		
Non-current liabilities	非流動負債			
Non-current portion of bank and other borrowings	銀行及其他借貸之非即期部分	27	611,492	85,429
Deferred tax liabilities	遞延稅項負債	28	7,100	3,619
			618,592	89,048
NET ASSETS	淨資產		16,927	196,461
Capital and reserves	資本及儲備			
Share capital	股本	29	12,880	12,880
Reserves	儲備		(19,233)	148,247
Total equity attributable to equity holders of the Company	本公司權益持有人應佔權益總額		(6,353)	161,127
Non-controlling interests	非控股權益		23,280	35,334
TOTAL EQUITY	權益總額		16,927	196,461

Approved and authorised for issue by the Board of Directors on 22 March 2019 and signed on its behalf by:

於二零一九年三月二十二日經董事會批准及授權刊發，並由以下人士代表簽署：

Tao Ying
陶瑩
Director
董事

Miao Zhibin
繆志斌
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔											
		(Note 29)	(Note 31(a))	(Note 31(b))	(Note 31(c))	(Note 31(d))	(Note 31(e))	(Note 31(g))					
		(附註29)	(附註31(a))	(附註31(b))	(附註31(c))	(附註31(d))	(附註31(e))	(附註31(g))	Share-based	Accumulated	Total	Non-controlling	Total
		Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserve	Other reserve	payment reserve	losses		interests	equity	
		股本	股份溢價	資本儲備	匯兌儲備	法定儲備	其他儲備	以股份為基礎之付款儲備	累計虧損	總計	非控股權益	權益總額	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2017	於二零一七年一月一日	12,880	201,419	(7,337)	(3,134)	303	(6,857)	3,063	(36,923)	163,414	200	163,614	
Profit for the year	年內溢利	-	-	-	-	-	-	-	175	175	1,218	1,393	
Other comprehensive income	其他全面收益												
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	2,413	-	-	-	-	2,413	1,003	3,416	
Release upon disposal of a subsidiary	於出售一間附屬公司時解除	-	-	-	482	-	-	-	-	482	-	482	
		-	-	-	2,895	-	-	-	-	2,895	1,003	3,898	
Total comprehensive income	全面收益總額	-	-	-	2,895	-	-	-	175	3,070	2,221	5,291	
Transactions with owners	與擁有人之交易												
Changes in ownership interests	擁有權益變動												
Disposals of interests in subsidiaries without loss of control	出售附屬公司權益而並無失去控制權	-	-	-	-	-	(2,294)	(3,063)	-	(5,357)	13,857	8,500	
Acquisitions of subsidiaries	收購附屬公司	-	-	-	-	-	-	-	-	-	11,416	11,416	
Contribution from non-controlling interest	非控股權益注資	-	-	-	-	-	-	-	-	-	7,640	7,640	
Contributions and distributions	注資及分派												
Appropriation to statutory reserve	分配至法定儲備	-	-	-	-	523	-	-	(523)	-	-	-	
Total transactions with owners	與擁有人之交易總額	-	-	-	-	523	(2,294)	(3,063)	(523)	(5,357)	32,913	27,556	
At 31 December 2017	於二零一七年十二月三十一日	12,880	201,419	(7,337)	(239)	826	(9,151)	-	(37,271)	161,127	35,334	196,461	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company							Non-controlling interests	Total equity	
		本公司權益持有人應佔									
		(Note 29) (附註 29)	(Note 31(a)) (附註 31(a))	(Note 31(b)) (附註 31(b))	(Note 31(c)) (附註 31(c))	(Note 31(d)) (附註 31(d))	(Note 31(e)) (附註 31(e))	Accumulated losses	Total		
		Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserve	Other reserve			Total	
		股本	股份溢價	資本儲備	匯兌儲備	法定儲備	其他儲備	累計虧損	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	12,880	201,419	(7,337)	(239)	826	(9,151)	(37,271)	161,127	35,334	196,461
Effect on adopting of Hong Kong Financial Reporting Standard 9 (Note 3)	採納香港財務報告準則第9號之影響(附註3)	-	-	-	-	-	-	601	601	-	601
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	12,880	201,419	(7,337)	(239)	826	(9,151)	(36,670)	161,728	35,334	197,062
Loss for the year	年內虧損	-	-	-	-	-	-	(155,630)	(155,630)	(18,380)	(174,010)
Other comprehensive loss	其他全面虧損										
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(12,451)	-	-	-	(12,451)	(2,596)	(15,047)
Total comprehensive loss	全面收益總額	-	-	-	(12,451)	-	-	(155,630)	(168,081)	(20,976)	(189,057)
Transactions with owners	與擁有人之交易										
Changes in ownership interests	擁有權益變動										
Contributions from non-controlling interests (Note a)	非控股權益注資(附註a)	-	-	-	-	-	-	-	-	8,416	8,416
Disposal of a subsidiary (Note 35)	出售一間附屬公司(附註35)	-	-	-	-	-	-	-	-	506	506
Contributions and distributions	注資及分派										
Appropriation to statutory reserve	分配至法定儲備	-	-	-	-	5	-	(5)	-	-	-
Total transactions with owners	與擁有人之交易總額	-	-	-	-	5	-	(5)	-	8,922	8,922
At 31 December 2018	於二零一八年十二月三十一日	12,880	201,419	(7,337)	(12,690)	831	(9,151)	(192,305)	(6,353)	23,280	16,927

Note a: The amounts represented the capital contribution from non-controlling interests of 前海明天供應鏈(深圳)有限公司 (Qianhai Mingtian Supply Chain (Shenzhen) Company Limited*, "Qianhai Mingtian") and 深圳市泛海控股有限公司 (Shenzhen Fanhai Holdings Company Limited*, "Shenzhen Fanhai") of HK\$2,354,000 and HK\$6,062,000 respectively during the year.

附註 a: 有關金額為於本年度前海明天供應鏈(深圳)有限公司(「前海明天」)及深圳市泛海控股有限公司(「深圳泛海」)之非控股權益注資分別2,354,000港元及6,062,000港元。

* The official name is in Chinese and the English name is translated for identification purpose only.

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註		
OPERATING ACTIVITIES		經營活動		
Cash generated from (used in) operations	經營業務所得(所用)現金	32(a)	260,681	(165,606)
Interest paid	已付利息		(31,356)	(13,864)
Tax paid	已付稅項		(2,349)	(5,738)
Net cash from (used in) operating activities	經營活動所得(所用)現金淨額		226,976	(185,208)
INVESTING ACTIVITIES		投資活動		
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項		565	4,090
Net cash (outflow) inflow on acquisitions of subsidiaries	收購附屬公司之現金(流出)流入淨額	34	(138,441)	13,904
Advance to a subsidiary acquired during the year	向年內收購之一間附屬公司墊款		–	(32,200)
Interest received	已收利息		1,536	2,320
Decrease (Increase) in pledged bank deposits	已抵押銀行存款減少(增加)		22,083	(300,082)
Advance to suppliers for purchase of property, plant and equipment	就購買物業、廠房及設備向供應商墊款		–	(7,245)
(Decrease) in security deposit for loan from a third party	來自第三方之貸款之保證金(減少)		–	(3,469)
Advance to a connected company	向關聯公司墊款		–	(2,313)
Purchase of property, plant and equipment	購買物業、廠房及設備		(40,008)	(16,263)
Net cash (outflow) inflow on disposal of a subsidiary	出售一間附屬公司之現金(流出)流入淨額	35	(50)	56,065
Proceed on disposal of financial assets at FVPL (2017: available-for-sale financial assets)	出售按公平值計入損益之金融資產所得款項(二零一七年: 可供出售金融資產)		9,407	–
Purchase of financial asset at FVPL	購買按公平值計入損益之金融資產		(7,971)	–
Settlement of loan receivable from a third party	結算應收第三方之貸款		–	10,941
Dividend received from an associate in disposal group	自出售集團一間聯營公司收取之股息		142	220
Net cash used in investing activities	投資活動所用現金淨額		(152,737)	(274,032)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註	
FINANCING ACTIVITIES	融資活動		
Settlement of consideration payable	結算應付代價	-	(31,541)
Repayment of other loans from a third party	償還來自第三方之其他貸款	-	(37,400)
New loan from a third party	來自第三方之新貸款	-	69,378
Consideration for disposals of interests in subsidiaries without loss of control	出售附屬公司權益而並無失去控制權之代價	-	4,250
Repayment to ex-shareholders of a subsidiary	向一間附屬公司前股東還款	-	(66,515)
New loans from connected companies	來自關聯公司之新貸款	197,594	228,128
New bank borrowings	新銀行借貸	250	335,692
Contributions from non-controlling interests	非控股權益注資	8,416	7,640
Net proceeds from placing of unlisted unsecured bonds	配售非上市無抵押債券之所得款項淨額	385,160	-
Repayment of obligations under finance leases	償還融資租賃承擔	(2,793)	(9,521)
Repayment of bank borrowings	償還銀行借貸	(317,540)	(6,938)
Repayment of loan from a third party	償還來自第三方之貸款	(23,019)	(10,805)
Repayment of loan from connected parties	償還來自關連人士之貸款	(317,689)	-
Net cash (used in) from financing activities	融資活動(所用)所得現金淨額	(69,621)	482,368
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	4,618	23,128
Cash and cash equivalents at beginning of year	年初現金及現金等價物	61,703	36,070
Effect on exchange rate changes	匯率變動之影響	(2,669)	2,505
Cash and cash equivalents at end of year, represented by bank balances and cash, net of bank overdrafts	年末現金及現金等價物(以銀行結餘及現金表示), 扣除銀行透支	63,652	61,703
		24	

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Major non-cash transactions:	主要非現金交易：		
Acquisitions of property, plant and equipment under finance lease arrangement	根據融資租賃安排收購物業、廠房及設備	3,275	7,470
Release of deposits received in respect of asset held for sale upon disposal	於出售時解除就持作出售資產收取之訂金	-	2,600
Consideration for disposal of interests in subsidiaries without loss of control recorded in other receivable	於其他應收款項入賬之出售附屬公司權益而並無失去控制權之代價	-	4,250
Consideration payable in respect of acquisition of a subsidiary	就收購一間附屬公司應付之代價	34 323,539	1,201
Consideration receivable in respect of disposal of a subsidiary	就出售一間附屬公司應收之代價	35 911	-

1. CORPORATION INFORMATION

Dafeng Port Heshun Technology Company Limited (the "Company") was incorporated in the Cayman Islands on 13 September 2011 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business is Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

The Company is an investment holding company and the principal activities of its subsidiaries are detailed in note 14 to the consolidated financial statements. The Company and its subsidiaries are herein collectively referred to as the "Group". In the opinion of the directors, the immediate and ultimate holding company of the Company is Dafeng Port Overseas Investment Holdings Limited ("Dafeng Port Overseas"), which is incorporated in Hong Kong.

2. BASIS OF PRESENTATION

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the applicable disclosure 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 GEM of the Stock Exchange (the "GEM Listing Rules").

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2017 consolidated financial statements except for the adoption of the following new/revised HKFRSs that are relevant to the Group and effective from the current year as detailed in note 3 to the consolidated financial statements. A summary of the principal accounting policies adopted by the Group is set out in note 4 to the consolidated financial statements.

1. 公司資料

大豐港和順科技股份有限公司(「本公司」)乃於二零一一年九月十三日根據開曼群島公司法第22章(一九六一年第3號法例,經綜合及修訂)在開曼群島註冊成立為獲豁免有限責任公司。本公司股份於香港聯合交易所有限公司(「聯交所」)GEM上市。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。主要營業地點位於香港九龍九龍灣宏照道33號國際交易中心1009室。

本公司為投資控股公司,其附屬公司之主要業務於綜合財務報表附註14詳述。本公司及其附屬公司統稱為「本集團」。董事認為,本公司之直接及最終控股公司為於香港註冊成立之大豐港海外投資控股有限公司(「大豐港海外」)。

2. 呈列基準

編製基準

該等綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」,包括香港會計師公會(「香港會計師公會」)所頒佈所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及註釋)、香港公認會計原則及香港公司條例之適用披露規定而編製。該等綜合財務報表亦遵守聯交所GEM證券上市規則(「GEM上市規則」)之適用披露條文。

除另有指明者外,所有金額乃約整至最接近千位數。

該等綜合財務報表之編製基準與二零一七年綜合財務報表所採納會計政策一致,惟採納綜合財務報表附註3所詳述與本集團相關且自本年度起生效之下列新訂/經修訂香港財務報告準則除外。本集團所採納主要會計政策概要載於綜合財務報表附註4。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. BASIS OF PRESENTATION (Continued)

Going concern

As at 31 December 2018, the Group had net current liabilities of approximately HK\$591,216,000. The consolidated financial statements have been prepared by the directors of the Company on a going concern basis taking into account of the following measures:

- (i) financial support obtained from a substantial shareholder and a connected company;
- (ii) the unutilised banking facilities readily available to the Group amounted to approximately HK\$49,994,000 at 31 December 2018; and
- (iii) the Group is expected to generate adequate cash flows to maintain its operations.

Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments relating to the carrying amounts and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

3. ADOPTION OF NEW/REVISED HKFRSs

The Group has applied, for the first time, the following new/ revised HKFRSs that are relevant to the Group:

Amendments to HKFRS 2 HK(IFRIC)-Int 22	Classification and Measurement of Share-based Payment Transactions Foreign Currency Transactions and Advance Consideration
HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers

2. 呈列基準(續)

持續經營

於二零一八年十二月三十一日，本集團之流動負債淨額約為591,216,000港元。經考慮下列措施，本公司董事已按持續經營基準編製綜合財務報表：

- (i) 自主要股東及關連公司取得之財務支援；
- (ii) 於二零一八年十二月三十一日，本集團可即時取得之未動用銀行融資約49,994,000港元；及
- (iii) 本集團預期會產生充足現金流量維持其營運。

因此，本公司董事認為，按持續經營基準編製綜合財務報表乃屬合適。綜合財務報表不包括任何在本集團無法持續經營情況下須對資產及負債賬面值及重新分類作出之有關調整。

3. 採納新訂／經修訂香港財務報告準則

本集團已首次應用下列與本集團有關之新訂／經修訂香港財務報告準則：

香港財務報告準則第2號之修訂	分類及計量以股份為基礎之付款交易
香港(國際財務報告詮釋委員會)一詮釋22號	外幣交易及墊支代價
香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益

3. ADOPTION OF NEW/REVISED HKFRSs

(Continued)

Amendments to HKFRS 2: Classification and Measurement of Share-based Payment Transactions

The amendments provide requirements on the accounting for the effects of vesting and non-vesting conditions on the measurement of cash-settled share-based payments; share-based payment transactions with a net settlement feature for withholding tax obligations; and a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

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

The Interpretation clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognised the non-monetary asset or non-monetary liability arising from the advance consideration.

The adoption of the Interpretation does not have any significant impact on the consolidated financial statements.

HKFRS 9: Financial Instruments

The following terms are used in these consolidated financial statements:

- FVPL: fair value through profit or loss
- FVOCI: fair value through other comprehensive income
- Designated FVOCI: equity instruments measured at FVOCI
- Mandatory FVOCI: debt instruments measured at FVOCI

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第2號之修訂：分類及計量以股份為基礎之付款交易

有關修訂對下列各項的會計處理方式作出規定：歸屬及非歸屬條件對計量以現金結算以股份為基礎之付款之影響；就預扣稅責任具有淨額結算特徵的以股份為基礎之付款交易；以及交易類別由現金結算改為權益結算之以股份為基礎之付款之條款及條件的修訂。

採納該等修訂並無對綜合財務報表構成任何重大影響。

香港(國際財務報告詮釋委員會)－詮釋22號：外幣交易及墊支代價

該詮釋釐清，在釐定終止確認與墊支代價有關的非貨幣資產或非貨幣負債時初步確認有關資產、開支或收入(或其中一部分)所用即期匯率時，交易日期為實體初步確認墊支代價產生的非貨幣資產或非貨幣負債當日。

採納該詮釋並無對綜合財務報表構成任何重大影響。

香港財務報告準則第9號：金融工具

該等綜合財務報表已使用下列詞彙：

- 按公平值計入損益：按公平值計入損益
- 按公平值計入其他全面收益：按公平值計入其他全面收益
- 指定按公平值計入其他全面收益：按公平值計入其他全面收益計量之股本工具
- 強制按公平值計入其他全面收益：按公平值計入其他全面收益計量之債務工具

3. ADOPTION OF NEW/REVISED HKFRSs*(Continued)***HKFRS 9: Financial Instruments** *(Continued)*

HKFRS 9 replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018. It introduces new requirements for the classification and measurement of financial assets and financial liabilities, impairment for financial assets and hedge accounting.

In accordance with the transitional provisions in HKFRS 9, comparative information has not been restated and the Group has applied HKFRS 9 retrospectively to financial instruments that existed at 1 January 2018 (i.e. the date of initial application), except as described below:

- (a) The following assessments are made on the basis of facts and circumstances that existed at the date of initial application:
- (i) the determination of the business model within which a financial asset is held;
 - (ii) the designation of financial assets or financial liabilities at FVPL or, in case of financial assets, at Designated FVOCI; and
 - (iii) the de-designation of financial assets or financial liabilities at FVPL.

The above resulting classification shall be applied retrospectively.

3. 採納新訂／經修訂香港財務報告準則 *(續)***香港財務報告準則第9號：金融工具** *(續)*

於二零一八年一月一日或之後開始之年度期間，香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」。其就有關金融資產及金融負債的確認、分類及計量、金融資產減值及對沖會計處理引入新規定。

根據香港財務報告準則第9號之過渡條文，並無呈列比較資源，而本集團已對於二零一八年一月一日（即首次應用日期）存在之金融工具追溯應用香港財務報告準則第9號，惟下文所述者除外：

- (a) 以下評估乃根據首次應用日期存在之事實及情況而作出：
- (i) 釐定持有金融資產之業務模式；
 - (ii) 將金融資產或金融負債指定為按公平值計入損益或（如為金融資產）指定為按公平值計入其他全面收益；及
 - (iii) 將金融資產或金融負債重新指定為按公平值計入損益。

上文所得出分類將追溯應用。

3. ADOPTION OF NEW/REVISED HKFRSs

(Continued)

HKFRS 9: Financial Instruments (Continued)

- (b) If, at the date of initial application, determining whether there has been a significant increase in credit risk since initial recognition would require undue cost or effort, a loss allowance is recognised at an amount equal to lifetime expected credit losses at each reporting date until the financial instrument is derecognised unless that financial instrument has low credit risk at a reporting date.
- (c) For investments in equity instruments that were measured at cost under HKAS 39, the instruments are measured at fair value at the date of initial application.

Classification and measurement of financial assets and financial liabilities

The adoption of HKFRS 9 has no significant effect on the classification and measurement of the Group's financial assets and financial liabilities, except for the changes arising from the measurement of equity instruments.

The following table reconciles the original measurement categories and carrying amounts under HKAS 39 to the new measurement categories and carrying amounts under HKFRS 9 for each class of the Group's financial assets as at 1 January 2018.

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第9號：金融工具(續)

- (b) 倘於首次應用日期，釐定自初步確認以來信貸風險是否有重大增加將需要過多的成本或努力，則會於各報告日期按相等於全期預期信貸虧損的金額確認虧損撥備，直至終止確認有關金融工具，除非金融工具於報告日期具低信貸風險則除外。
- (c) 就過往根據香港會計準則第39號按成本計量之於股本工具之投資而言，有關工具於首次應用日期按公平值計量。

金融資產及金融負債之分類及計量

採納香港財務報告準則第9號對本集團金融資產及金融負債的分類及計量並無重大影響，惟股本工具計量之變動除外。

下表載列於二零一八年一月一日本集團各類金融資產在香港會計準則第39號項下的原先計量分類及賬面值與香港財務報告準則第9號項下的新計量分類及賬面值之對賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

3. ADOPTION OF NEW/REVISED HKFRSs (Continued)

HKFRS 9: Financial Instruments (Continued)

Classification and measurement of financial assets and financial liabilities (Continued)

As at 1 January 2018

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第9號：金融工具(續)

金融資產及金融負債之分類及計量(續)

於二零一八年一月一日

Measurement category under HKAS 39	Measurement category under HKAS 39	Carrying amount under HKAS 39 香港會計準則第39號 項下的賬面值	Measurement category and carrying amount under HKFRS 9 香港財務報告準則第9號項下的計量 分類及賬面值		
			FVPL	At amortised costs	Total
	香港會計準則第39號 項下計量分類	HK\$'000 千港元	按公平值 計入損益	按攤銷成本	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At amortised cost	按攤銷成本				
Security deposit for loan from a third parties (note 1)	來自第三方之貸款之保證金(附註1)	3,602	-	3,602	3,602
Trade and other receivables (note 1)	貿易及其他應收款項(附註1)	338,183	-	338,183	338,183
Pledged bank deposits (note 1)	已抵押銀行存款(附註1)	312,936	-	312,936	312,936
Bank balances and cash (note 1)	銀行結餘及現金(附註1)	61,703	-	61,703	61,703
		716,424	-	716,424	716,424
Available-for-sale financial assets	可供出售金融資產				
Unlisted equity securities (note 2)	非上市股本證券(附註2)	8,806	9,407	-	9,407
		725,230	9,407	716,424	725,831

Note 1: These items continue to be measured at amortised cost because, at the date of initial application, the Group's business model is to hold these items to collect contractual cash flows and their contractual cash flow are solely payment of principals and interest.

Note 2: The equity securities that were previously classified as available-for-sale financial assets amounted to HK\$8,806,000 are now classified as FVPL since, at the date of initial application, these investments are not designated or not eligible to be designated as Designated FVOCI.

Related fair value gains of HK\$601,000 as at 1 January 2018 were recognised directly in accumulated losses on 1 January 2018.

附註1：該等項目繼續按攤銷成本計量，原因為於首次應用日期，本集團之業務模式為持有該等項目以收集合約現金流量，而有關合約現金流量僅為支付現金及利息。

附註2：過往分類為可供出售金融資產之股本證券88,806,000港元現分類為按公平值計入損益，乃由於在首次應用日期，有關投資並未指定或不符合資格指定為指定按公平值計入其他全面收益。

於二零一八年一月一日之有關公平值收益601,000港元已於二零一八年一月一日直接於累計虧損確認。

3. ADOPTION OF NEW/REVISED HKFRSs

(Continued)

HKFRS 9: Financial Instruments (Continued)

Classification and measurement of financial assets and financial liabilities (Continued)

Impact of the new impairment requirements

The adoption of the new impairment requirements under HKFRS 9 did not have significant impact on the Group's consolidated financial statements.

HKFRS 15: Revenue from Contracts with Customers

HKFRS 15 replaces, among others, HKAS 18 and HKAS 11 which specified the revenue recognition arising from sale of goods and rendering of services and the accounting for construction contracts respectively. The Standard establishes a comprehensive framework for revenue recognition and certain costs from contracts with customers within its scope. It also introduces a cohesive set of disclosure requirements that would result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Group has elected to apply the cumulative effect transition method and recognised the cumulative effect of initial adoption as an adjustment to the opening balance of components of equity at 1 January 2018 (i.e. the date of initial application). Therefore, the comparative information has not been restated for the effect of HKFRS 15.

In addition, the Group has applied HKFRS 15 retrospectively only to contracts that were not completed at 1 January 2018 in accordance with the transitional provisions therein.

The adoption of this standard does not have a significant impact on the measurement and recognition of revenue of the Group but additional disclosures have been made throughout these consolidated financial statements.

3. 採納新訂／經修訂香港財務報告準則(續)

香港財務報告準則第9號：金融工具(續)

金融資產及金融負債之分類及計量(續)

新減值規定之影響

採納香港財務報告準則第9號項下新減值規定對本集團之綜合財務報表並無重大影響。

香港財務報告準則第15號：客戶合約收益

香港財務報告準則第15號取代(其中包括)香港會計準則第18號及香港會計準則第11號分別對銷售貨品及提供服務的收益確認以及對建築合約會計處理方式的規定。該準則就其範圍內的客戶合約之收益確認及若干成本制定一個全面框架。香港財務報告準則第15號亦引入一系列緊密相關的披露要求，實體因而需要為財務報表使用者提供有關其客戶合約所產生之收益及現金流量的性質、數量、時間及不確定因素等全面資料。

本集團已選擇應用累計影響過渡法並於二零一八年一月一日(即首次應用日期)的權益部分年初結餘確認首次採納的累計影響。因此，並無就香港財務報告準則第15號重列比較資料。

此外，根據香港財務報告準則第15號之過渡條款，本集團僅對於二零一八年一月一日尚未完成之合約追溯應用香港財務報告準則第15號。

採納該準則並無對本集團收益的分類及確認構成重大影響，惟本集團已於該等綜合財務報表作出額外披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

4. PRINCIPAL ACCOUNTING POLICIES

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for financial assets at FVPL, which are measured at fair value as explained in the accounting policies set out below.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

Allocation of total comprehensive income

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

4. 主要會計政策

計量基準

該等綜合財務報表採用之計量基準為按歷史成本計量，惟按公平值計入損益之金融資產除外，該等金融資產按下文所載會計政策所闡釋按公平值計量。

綜合基準

綜合財務報表包括本公司及其全部附屬公司之財務報表。附屬公司以與本公司採用一致會計政策之相同報告年度編製財務報表。

所有集團內公司間結餘、交易以及集團內公司間交易所產生收入及支出以及溢利及虧損已全數對銷。附屬公司業績自本集團取得控制權當日起綜合入賬，並一直綜合入賬直至控制權不再存在當日為止。

非控股權益於綜合全面收益表及綜合財務狀況表之權益中與本公司擁有人分開呈列。於收購對象之屬於現時擁有權權益並賦予其持有人於清盤時按比例分佔收購對象資產淨值之非控股權益乃初步以公平值或現時之擁有權工具應佔收購對象可識別資產淨值中已確認款額之比例計量。按逐項收購基準選擇計量基準。除非香港財務報告準則規定採納另一計量基準，否則其他類型非控股權益初步按公平值計量。

分配全面收益總額

溢利或虧損及其他全面收益各組成部分均歸於本公司擁有人以及非控股權益。全面收益總額歸於本公司擁有人以及非控股權益，即使此舉會導致非控股權益之餘額出現虧絀。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position, which is presented in note 40 to the consolidated financial statements, an investment in subsidiaries is stated at cost less impairment loss. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

4. 主要會計政策(續)

計量基準(續)

擁有權權益變動

倘本集團於附屬公司之擁有權權益變動並無導致失去控制權，則列賬為股本交易。控股權益及非控股權益之賬面值已作出調整，以反映其於附屬公司之有關權益變動。非控股權益之經調整金額與已付或已收代價之公平價值間之任何差額直接於權益中確認並歸屬於本公司擁有人。

倘本集團失去對附屬公司之控制權，出售時產生之損益按下列兩者之差額計算：(i) 於失去控制權當日已收代價之公平值與任何保留權益之公平值之總和及(ii) 於失去控制權當日附屬公司及任何非控股權益之資產(包括商譽)及負債之賬面值。先前於其他全面收益確認之有關所出售附屬公司之金額按與假設本公司直接出售相關資產或負債之同一基準確認。於前附屬公司保留之任何投資及前附屬公司結欠或應付前附屬公司之任何金額自失去控制權當日起列賬為金融資產、聯營公司、合營公司或其他(視適用情況而定)。

附屬公司

附屬公司為本集團控制之實體。倘本集團因參與實體之營運而對其浮動回報承擔風險或享有權利及有能力運用其權力以影響回報，則本集團對實體擁有控制權。倘有事實及情況顯示控制因素中一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

於綜合財務報表附註40呈列之本公司財務狀況表中，於附屬公司之投資乃按成本減去減值虧損列賬。倘投資之賬面值高於可收回金額，則按個別基準將投資之賬面值減至其可收回金額。本公司基於已收及應收股息將附屬公司之業績入賬。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associate is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

4. 主要會計政策(續)

聯營公司

聯營公司為本集團對其擁有重大影響力之實體。重大影響力指有權參與投資對象之財務及營運政策決定，但非對該等政策擁有控制權或共同控制權。

本集團於聯營公司之投資採用權益會計法入賬，惟當投資或部分投資分類為持作出售則除外。根據權益法，投資最初以成本入賬，其後經調整以確認本集團攤佔投資對象之淨資產及任何有關投資之減值虧損於收購後之變動。倘本集團攤佔投資對象之虧損與其所佔投資對象權益賬面值相等或超出其所佔投資對象權益賬面值(包括任何實質上構成本集團於投資對象淨投資一部分之任何長期權益)，則本集團會終止確認其攤佔之進一步虧損，惟僅以本集團已產生法定或推定責任或代表投資對象付款為限。

收購聯營公司產生之商譽乃按投資成本超出本集團攤佔所收購聯營公司之可識別資產及負債公平淨值之差額計量。有關商譽計入於聯營公司之權益內。另一方面，本集團攤佔其可識別資產及負債公平淨值超出投資成本之任何差額即時於損益內確認為收入。

本集團與其聯營公司之間進行交易所產生之未變現盈虧會予以對銷，惟以本集團於該等投資對象之權益為限。倘未變現虧損提供證據顯示所轉讓資產出現減值，則有關虧損會即時於損益內確認。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Goodwill

Goodwill arising on an acquisition of a subsidiary is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over 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, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Non-current assets held for sale and discontinued operations

Non-current assets and 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. Management 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 (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

4. 主要會計政策(續)

商譽

收購附屬公司產生之商譽乃按所轉撥之代價、於收購對象之任何非控股權益金額及於收購對象先前所持股本權益之公平值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務之商譽乃確認為一項獨立資產，按成本減累計減值虧損列賬，並每年作減值測試，或於有事件發生或情況有變而顯示賬面值可能減值時進行較頻密之減值測試。就減值測試及釐定出售盈虧而言，商譽被分配至現金產生單位。商譽之減值虧損不予撥回。

另一方面，重新評估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於收購對象之任何非控股權益金額及收購方先前於收購對象所持權益之公平值總額之任何差額(如有)，即時於損益內確認為議價購買收入。

持作出售之非流動資產及已終止經營業務

倘其賬面值主要透過出售交易而非持續使用收回，則非流動資產及出售集團分類為持作出售。僅於出售可能性極高且資產(或出售集團)可即時按其現況出售時方被視為符合此條件。管理層須承諾進行出售，預期有關出售於自分類日期起一年內合資格確認為已完成出售。分類為持作出售之非流動資產(及出售集團)按其先前賬面值與公平值減出售成本之較低者計量。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Non-current assets held for sale and discontinued operations (Continued)

A discontinued operation is a component of the Group that comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Group. It 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. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. It also occurs when the operation is abandoned.

Prepaid lease payments

Prepaid lease payments are up-front payments to acquire fixed term interests in lessee-occupied land that are classified as operating leases. The premiums are stated at cost less accumulated amortisation and impairment losses and are amortised over the period of the lease on a straight-line basis to profit or loss.

Sea use rights payments

Sea use rights payments are up-front payments to acquire fixed term interests in sea use rights that are classified as operating leases. The premiums are stated at cost less accumulated amortisation and impairment losses and are amortised over the period of the lease on a straight-line basis to profit or loss.

4. 主要會計政策(續)

持作出售之非流動資產及已終止經營業務(續)

已終止經營業務為本集團業務其中一部分，就經營及財務報告目的而言，其經營和現金流量可以與本集團其他部分明確區分。其代表一個獨立主要業務或業務地區；或屬出售獨立主要業務或業務地區之單一協調計劃之一部份；或為僅為轉售而收購之附屬公司。已終止經營業務於出售時或(如較早)有關營運符合分類為持作出售之條件時進行分類。廢除營運時亦產生已終止經營業務。

預付租賃付款

預付租賃付款指取得承租人所佔用土地並分類為經營租賃之固定期限權益而支付之預支款。溢價按成本減累計攤銷及減值虧損列賬，並按租賃期間以直線法於損益內攤銷。

海域使用權付款

海域使用權付款指分類為經營租賃之就取得海域使用權固定期限權益而支付之預支款。溢價按成本減累計攤銷及減值虧損列賬，並按租賃期間以直線法於損益內攤銷。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of the asset or as a replacement.

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment, other than construction in progress, over their estimated useful lives from the date on which they are available for use and after taking into account of their estimated residual values, using the straight-line method, at the following rates per annum:

Buildings	3 $\frac{1}{3}$ % – 10%
Storage facilities	3 $\frac{1}{3}$ % – 10%
Leasehold improvements	Over the unexpired term of lease
Furniture, fixtures and equipment	20%
Motor vehicles	20% – 25%
Computer equipment	20%
Feeder vessels and barges	8 $\frac{1}{3}$ %
Containers	20%
Terminal facilities	2.5%–3.5%

Assets held under finance leases are depreciated over the shorter of their expected useful lives or the terms of the leases.

4. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(不包括在建工程)按成本減累計折舊及累計減值虧損列賬。物業、廠房及設備項目之成本包括其購買價格及令資產達到其計劃使用之工作狀況及位置之任何直接應佔成本。

物業、廠房及設備投入運作後所產生之開支，如維修及保養，一般於產生期間在損益扣除。倘清楚顯示該等開支引致使用物業、廠房及設備項目時會帶來未來經濟利益增加，且該項目之成本能可靠計量，則該等開支將被資本化，作為該資產之額外成本或重置成本。

物業、廠房及設備採用直線法按以下年率自可供使用之日起計之估計可使用年期經計入估計剩餘價值後計提折舊，以撇銷成本減累計減值虧損：

樓宇	3 $\frac{1}{3}$ %–10%
倉儲設施	3 $\frac{1}{3}$ %–10%
租賃物業裝修	剩餘租賃年期
傢俬、裝置 及設備	20%
汽車	20%–25%
電腦設備	20%
支線船舶及駁船	8 $\frac{1}{3}$ %
貨櫃	20%
碼頭設施	2.5%–3.5%

根據融資租賃持有之資產乃按預計可使用年期或租賃期(以較短者為準)計提折舊。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Property, plant and equipment** *(Continued)*

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 derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the item is included in profit or loss in the year in which the item is derecognised.

Construction in progress

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is stated at cost less accumulated impairment losses. Cost includes all construction expenditure and other direct costs, including interest costs, attributable to such projects. Costs on completed construction works are transferred to the appropriate asset category. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

Impairment of other assets, other than goodwill

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether the carrying amounts of its property, plant and equipment, prepaid lease payments and sea use rights payment have suffered an impairment loss or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

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 cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

4. 主要會計政策 *(續)***物業、廠房及設備** *(續)*

物業、廠房及設備項目於出售時或預期持續使用該項資產將不會產生未來經濟利益時取消確認。取消確認資產所產生之任何盈虧(按出售所得款項淨額與項目賬面值之間差額計算)於終止確認該項目之年度內計入損益。

在建工程

在建工程包括用作生產或自用之在建物業、廠房及設備。在建工程按成本減累計減值虧損列賬。成本包括所有工程開支及有關項目直接應佔之其他成本，如利息成本。竣工建築工程之成本會轉撥至合適資產類別。當在建工程竣工及可供投入擬定用途時方計提折舊。

其他資產(不包括商譽)減值

於各報告期末，本集團審核內部及外部資料來源，以評估其物業、廠房及設備、預付租賃付款以及海域使用權付款賬面值是否有任何減值虧損或先前已確認之減值虧損不再存在或可能減少。倘存在任何跡象，則根據其公平值減出售成本與使用價值之較高者估計資產之可收回金額。倘無法估計個別資產之可收回金額，則本集團估計獨立產生現金流量之最小組別資產(即現金產生單位)之可收回金額。

倘資產或現金產生單位之可收回金額估計將低於其賬面值，則資產或現金產生單位之賬面值降至其可收回金額。減值虧損即時確認為開支。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Impairment of other assets, other than goodwill

(Continued)

A reversal of impairment losses is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses is recognised as income in profit or loss immediately.

The accounting policy for recognition and reversal of impairment loss for goodwill is stated in the accounting policy for goodwill in the earlier part of this note.

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

4. 主要會計政策(續)

其他資產(不包括商譽)減值(續)

減值虧損之撥回以假定過往年度未確認減值虧損時原應釐定之資產或現金產生單位之賬面值為限。減值虧損之撥回即時於損益確認為收入。

有關確認及撥回商譽減值虧損之會計政策載於本附註較先部分有關商譽之會計政策。

金融工具

金融資產

確認及終止確認

金融資產於及僅於本集團成為工具合約條文之一方時按交易日基準確認。

於及僅於(i)本集團來自金融資產之未來現金流量之合約權利屆滿時或(ii)本集團轉讓金融資產及(a)其轉讓金融資產擁有權之大部分風險及回報時,或(b)其不轉讓亦不保留金融資產擁有權之大部分風險及回報,但亦不保留金融資產控制權時,則終止確認金融資產。

倘本集團仍保留已轉讓金融資產擁有權之絕大部分風險及回報,本集團會繼續確認該金融資產以及確認已收所得款項之有抵押借貸。

倘本集團既不轉移亦不保留已轉讓資產擁有權之絕大部分風險及回報,且繼續控制該已轉讓資產,本集團按其持續參與程度及可能須支付之相關負債金額確認該金融資產。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement

Financial assets — applicable from 1 January 2018

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income (“Mandatory FVOCI”); (iii) equity investment measured at fair value through other comprehensive income (“Designated FVOCI”); or (iv) measured at fair value through profit or loss (“FVPL”).

The classification of financial assets at initial recognition depends on the Group’s business model for managing the financial assets and the financial asset’s contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model (the “reclassification date”).

1) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及計量

金融資產 — 自二零一八年一月一日起適用

金融資產(並無重大融資部分之貿易應收款項除外)初步按其公平值加(倘為並非按公平值計入損益之金融資產)收購有關金融資產之直接應佔交易成本確認。該等貿易應收款項初步按其交易價計量。

於初步確認時，金融資產分類為(i)按攤銷成本計量；(ii)按公平值計入其他全面收益計量之債務投資(「強制按公平值計入其他全面收益」)；(iii)按公平值計入其他全面收益計量之股本投資(「指定按公平值計入其他全面收益」)；或(iv)按公平值計入損益(「按公平值計入損益」)計量。

金融資產於初步確認時之分類視乎本集團管理有關金融資產之業務模式及金融資產之合約現金流量特徵。金融資產不會於初步確認後重新分類，除非本集團改變管理有關金融資產之業務模式，於該情況下，所有受影響之金融資產將於更改業務模式後首個年度報告期間之首日(「重新分類日期」)重新分類。

1) 按攤銷成本計量之金融資產

倘金融資產符合下列兩項條件且並無指定為按公平值計入損益時，則該金融資產按攤銷成本計量：

- (i) 於旨在持有金融資產以收回合約現金流量之業務模式內持有；及
- (ii) 合約條款於指定日期產生僅為支付本金及尚未償還本金利息之現金流量。

按攤銷成本計量之金融資產其後以實際利率法按攤銷成本計量並須作出減值。減值、終止確認或於攤銷過程中產生之收益及虧損於損益中確認。

4. PRINCIPAL ACCOUNTING POLICIES
(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

2) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, and financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which includes any dividend or interest earned on the financial assets.

A financial asset is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Derivatives embedded in a hybrid contract in which a host is an asset within the scope of HKFRS 9 are not separated from the host. Instead, the entire hybrid contract is assessed for classification.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及計量(續)

2) 按公平值計入損益之金融資產

該等投資包括並非按攤銷成本或按公平值計入其他全面收益計量之金融資產，包括持作買賣之金融資產、於初步確認時指定為按公平值計入損益之金融資產以及香港財務報告準則第3號適用之業務合併項下或然代價安排所產生金融資產及須另按公平值計入損益計量之金融資產。有關投資按公平值列賬，任何所得出收益及虧損(包括就金融資產所賺取之任何股息或利息)於損益中確認。

倘符合下列條件，則金融資產分類為持作買賣：

- (i) 收購金融資產之主要目的為於短期內出售；
- (ii) 金融資產為一併管理之已識別金融工具組合之一部分，且於初步確認時有證據顯示近期採用短期獲利之實際方式進行管理；或
- (iii) 金融資產為並非財務擔保或指定有效對沖工具之衍生工具。

主題為香港財務報告準則第9號範圍內資產之混合合約之嵌入衍生工具不會自主體分開呈列，整份混合合約會進行分類評估。

僅於在初步確認時將金融資產指定為按公平值計入損益可消除或大幅減少按其他基準另行計量資產或負債或確認其收益或虧損所產生之計量或確認不一致情況時，方會如此行事。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

Financial assets — applicable before 1 January 2018

Financial assets are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets.

The Group classified its financial assets into one of the following categories before 1 January 2018:

1) Loans and receivables

Loans and receivables including cash and bank balances, pledged bank deposits, security deposits for loan from a third party and trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition over the period to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

2) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as a separate component of equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

分類及計量(續)

金融資產 — 二零一八年一月一日前適用

金融資產初步按彼等公平值加收購金融資產直接應佔之交易成本(倘並非按公平值計入損益之金融資產)確認。

於二零一八年一月一日前，本集團將其金融資產分類至以下其中一個類別：

1) 貸款及應收款項

貸款及應收款項(包括現金及銀行結餘、已抵押銀行存款、來自第三方貸款之保證金以及貿易及其他應收款項)指並無於活躍市場報價及並非持作交易且具有固定或可釐定付款之非衍生金融資產。該等貸款及應收款項以實際利率法按攤銷成本計量，惟倘應收款項為免息貸款及無固定還款期或其折現影響並不重大則除外。於此情況下，應收款項按成本減去減值虧損列賬。攤銷成本乃計入任何收購折讓或溢價按到期期限計算。因終止確認、減值或透過攤銷程序產生之盈虧於損益中確認。

2) 可供出售金融資產

可供出售金融資產為指定為此類別或不予分類為任何其他金融資產類別之非衍生金融資產。其按公平值計量，而價值變動確認為股權獨立部分，直至資產被出售、收集或以其他方式處置為止，或直至資產被釐定為已減值為止，屆時，之前於其他全面收益中呈報之累計盈虧將重新分類至損益，以作重新分類調整。

並無活躍市場報價且公平值不能可靠計量之可供出售金融資產按成本減去減值虧損列賬。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Financial instruments** *(Continued)***Financial liabilities****Recognition and derecognition**

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are direct attributable to the issue of the financial liabilities.

The Group's financial liabilities include trade and other payables and bank loans and other borrowings. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Impairment of financial assets and other items under HKFRS 9**Applicable from 1 January 2018**

The Group recognises loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost, Mandatory FVOCI, lease receivables, contract assets, loan commitments and financial guarantee contracts issued to which the impairment requirements apply in accordance with HKFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

4. 主要會計政策 *(續)***金融工具** *(續)***金融負債****確認及終止確認**

金融資產及金融負債於本集團成為工具合約條文之一方時確認。

當及僅當負債消除時，即當相關合約中列明之義務解除、取消或到期時，方會終止確認該項金融負債。

分類及計量

金融負債初步按其公平值加(倘為並非按公平值計入損益之金融負債)發出有關金融負債之直接應佔成本確認。

本集團之金融負債包括貿易及其他應付款項以及銀行貸款及其他借貸。所有金融負債(按公平值計入損益之金融負債除外)初步按其公平值確認，其後以實際利率法按攤銷成本計量，惟倘貼現之影響不重大時，金融負債則按成本入賬。

香港財務報告準則第9號項下金融資產及其他項目減值**自二零一八年一月一日起適用**

本集團就按攤銷成本計量之金融資產、強制按公平值計入損益、應收租賃、合約資產、貸款承擔及根據香港財務報告準則第9號減值規定所適用之財務擔保合約確認預期信貸虧損(「預期信貸虧損」)虧損撥備。除下文所詳述特定處理情況外，於各報告日期，倘金融資產之信貸虧損自初步確認以來大幅增加，則本集團按相等於全期預期信貸虧損之金額計量金融資產之虧損撥備。倘金融資產之信貸虧損自初步確認以來並無大幅增加，本集團按相等於12個月預期信貸虧損之金額計量該金融資產之虧損撥備。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Measurement of ECL

ECL is a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral
- (iv) industry of debtors
- (v) geographical location of debtors
- (vi) external credit risk ratings

4. 主要會計政策(續)

金融工具(續)

香港財務報告準則第9號項下金融資產及其他項目減值(續)

計量預期信貸虧損

預期信貸虧損為金融工具預期使用期限內信貸虧損之概率加權估計(即所有現金差額之現值)。

就金融資產而言，信貸虧損為根據合約應付予實體之合約現金流量與實體預期收取之現金流量之差額之現值。

全期預期信貸虧損指在金融工具預期使用期限內發生所有可能違約事件而導致之預期信貸虧損，而12個月預期信貸虧損則指預期可能於報告日期後12個月內發生違約事件而導致之部分全期預期信貸虧損。

預期信貸虧損按共同基準計量時，金融工具根據以下一項或多項共同信貸風險特徵分類：

- (i) 逾期資料
- (ii) 工具性質
- (iii) 抵押品性質
- (iv) 債務人之行業
- (v) 債務人之地區
- (vi) 外界信貸風險評級

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria.

- (i) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group); or
- (ii) there is a breach of financial covenants by the counterparty.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Assessment of significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when contractual payments are more than 30 days past due.

4. 主要會計政策 (續)

金融工具 (續)

香港財務報告準則第9號項下金融資產及其他項目減值 (續)

違約定義

本集團認為以下情況就內部信貸風險管理管理目的而言構成違約事件，原因為過往經驗顯示，倘金融工具符下以下任何一項條件，本集團可能無法悉數收取未償還合約金額。

- (i) 內部得出或自外界資料來源取得之資料顯示債務人不可能向其償權人(包括本集團)悉數付款(不計及本集團所持任何抵押品)；或
- (ii) 交易對手違反財務契諾。

不論上述分析的結果如何，本集團認為，當金融資產逾期超過90天，則發生違約事件，除非本集團有合理有據資料能說明更寬鬆的違約標準更為合適，則作別論。

評估信貸風險大幅增加

在評估自初始確認起金融工具之信貸風險是否大幅增加時，本集團會比較於報告日期金融工具發生違約的風險與於初始確認日期金融工具發生違約的風險。於作出評估時，本集團考慮合理及可靠的定量及定性資料，包括過往經驗及毋需付出過多成本或努力即可取得的前瞻性資料。不論上述評估的結果如何，本集團認為，當合約付款逾期超過30天，則自初始確認以來金融工具之信用風險已顯著增加。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Financial instruments** *(Continued)***Impairment of financial assets and other items under HKFRS 9** *(Continued)***Low credit risk**

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Simplified approach of ECL

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Credit-impaired financial asset

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower.
- (b) a breach of contract, such as a default or past due event.

4. 主要會計政策 *(續)***金融工具** *(續)***香港財務報告準則第9號項下金融資產及其他項目減值** *(續)***低信貸風險**

倘符合下列條件，則金融工具被視為具低信貸風險：

- (i) 其違約風險相當低；
- (ii) 借款人有穩健能力於短期內達成其合約現金流量承擔；及
- (iii) 經濟及業務狀況之長遠不利變動或會但不一定減低借款人達成其合約現金流量承擔的能力。

預期信貸虧損之簡化法

本集團就貿易應收款項及合約資產應用簡化法計算預期信貸虧損。本集團於各報告日期根據全期預期信貸虧損確認虧損撥備，並已設立撥備矩陣，以其過往信貸虧損經驗為基準，並就應收賬款及經濟環境之特定前瞻性因素作出調整。

信貸減值金融資產

金融資產在一項或以上事件（對該金融資產估計未來現金流量構成不利影響）發生時出現信貸減值。金融資產出現信貸減值之證據包括有關下列事件之可觀察數據：

- (a) 發行人或借款人的重大財困。
- (b) 違反合約（如違約或逾期事件）。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Credit-impaired financial asset (Continued)

- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider.
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.
- (e) the disappearance of an active market for that financial asset because of financial difficulties.
- (f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount when the financial asset is 1 year past due based on historical experience of recoveries of similar assets. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

4. 主要會計政策(續)

金融工具(續)

香港財務報告準則第9號項下金融資產及其他項目減值(續)

信貸減值金融資產(續)

- (c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠。
- (d) 借款人將可能陷入破產或其他財務重組。
- (e) 因財務困難導致金融資產失去活躍市場。
- (f) 按反映已產生信貸虧損之大幅折扣購買或發起金融資產。

撇銷

倘本集團並無合理期望全數或部分收回金融資產之合約現金流量，本集團會撇銷金融資產。本集團設有政策，根據收回相若資產之過往經驗，於金融資產已逾期一年時撇銷賬面總值。本集團預期撇銷金額不會有重大收回。然而，在考慮會計法律意見(如適用)後，所撇銷金融資產仍可根據本集團收回過期款項之程序實施強制執行。任何其後進行的收回均於損益確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets and other items under HKFRS 9 (Continued)

Write-off (Continued)

Applicable before 1 January 2018

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets, other than those at FVPL, are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flow discounted at the financial asset's original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction 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.

When an available-for-sale financial asset is impaired, a cumulative loss comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and current fair value, less any previously recognised impairment loss in profit or loss, is reclassified from equity to profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss in respect of available-for-sale equity instrument are not reversed through profit or loss. Any subsequent increase in fair value of available-for-sale equity instrument after recognition of impairment loss is recognised in equity. Reversal of impairment loss of available-for-sale debt instruments are reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

4. 主要會計政策(續)

金融工具(續)

香港財務報告準則第9號項下金融資產及其他項目減值(續)

撤銷(續)

二零一八年一月一日前適用

於各報告期末，本集團評估是否有任何客觀證據證明金融資產(按公平值計入損益者除外)出現減值。按攤銷成本列賬之金融資產減值虧損按資產賬面值與按金融資產之原訂實際利率貼現後之估計未來現金流量之現值間之差額計量。當資產可收回金額之增加與確認減值後發生之事件有客觀關連時，有關減值虧損會於往後期間透過損益撥回，惟撥回減值當日之資產賬面值不得超過若無確認減值時應有之攤銷成本值。

可供出售金融資產出現減值時，收購成本(已扣除任何本金還款及攤銷)與現時公平值之差額減任何之前於損益確認之減值虧損所得累計虧損將由權益重新分類至損益，以作重新分類調整。可供出售股本工具於損益確認之減值虧損不會透過損益撥回。可供出售股本工具於確認減值虧損後之任何公平值增加將於權益中確認。倘可供出售債務工具公平值增加與於損益確認減值虧損後發生之事件有客觀關連時，則有關工具減值虧損之撥回透過損益撥回。

倘可供出售金融資產按成本列賬，減值虧損則以金融資產賬面值與按類似金融資產現時市場回報率貼現之估計未來現金流現值之差額計量。有關減值虧損不得撥回。

4. PRINCIPAL ACCOUNTING POLICIES
(Continued)

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, net of bank overdrafts.

Revenue recognition

Applicable from 1 January 2018

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The nature of the goods or services provided by the Group is as follows:

Nature of goods and services
貨品或服務性質

Integrated logistics handling services business
綜合物流處理服務業務
Tractor repair and maintenance and insurance agency business
牽引車維修及保養以及保險代理業務
Trading business (including provision of fuel cards business)
貿易業務(包括提供燃料卡業務)
Petrochemical products storage business
石化產品倉儲業務

4. 主要會計政策(續)

現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為已知現金金額且價值變動風險較低之短期高流動性投資減銀行透支。

收益確認

自二零一八年一月一日起適用

香港財務報告準則第15項下客戶合約收益

貨品或服務性質

本集團所提供貨品或服務之性質如下：

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Identification of performance obligations

At contract inception, the Group assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

4. 主要會計政策(續)

收益確認(續)

識別履約責任

於合約開始時，本集團評估與客戶訂立之合約所承諾貨品或服務並就將下列任何一項轉移予客戶之個別承諾確認一項履約責任：

- (a) 一項明確貨品或服務(或一批貨品或服務)；或
- (b) 一系列大致相同且按相同形式轉移予客戶之明確貨品或服務。

倘符合下列條件，則承諾予客戶之貨品及服務屬明確：

- (a) 客戶可自貨品或服務本身或貨品或服務連同客戶可輕易取得之其他資源受惠(即貨品或服務可作區分)；及
- (b) 本集團向客戶轉移貨品或服務之承諾可自合約其他承諾中獨立識別(即轉移貨品或服務之承諾於合約內容中可作區分)。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

Sale of goods is recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Service income of integrated logistics handling services, tractor repair and maintenance services, insurance agency services and petrochemical products storage services is recognised over time when services are rendered.

4. 主要會計政策 (續)

收益確認 (續)

收益確認時間

本集團於或當透過將承諾貨品或服務(即資產)轉移予客戶時完成履約責任時確認收益。客戶取得資產之控制權時即有關資產為已轉移。

倘符合以下任何一項條件，則本集團隨時間轉移貨品或服務之控制權，故於一段時間完成履約責任及確認收益：

- (a) 客戶於本集團履約時同時收取及利用本集團履約所提供的利益；
- (b) 本集團的履約創造及提升客戶於本集團履約時控制的資產(例如進行中工作)；或
- (c) 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

倘履約責任並非於一段時間完成，本集團於客戶取得承諾資產之控制權之時間點確認履約責任。釐定控制權轉移之時間時，本集團認為控制權之概念及指標為合法所有權、實際擁有、對付款之權利、資產擁有權之重大風險及回報以及客戶接納。

銷售貨品於客戶取得承諾資產之控制權之時間點確認，一般與向客戶交付貨品及轉移所有權之時間相同。

綜合物流處理服務、牽引車維修及保養服務、保險代理服務以及石化產品倉儲服務之服務收入於提供服務時隨時間確認。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

For revenue recognised over time under HKFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the input method (i.e. based on the proportion of the actual inputs deployed to date as compared to the estimated total inputs) to measure the progress towards complete satisfaction of the performance obligation because there is a direct relationship between the Group's inputs and the transfer of control of goods or services to the customers and reliable information is available to the Group to apply the method. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

The principal input applied in the output method is:

- Tractor repair and maintenance services: surveys of performance completed to date
- Storage services for petrochemical products: number of days of the usage of the storage services
- Integrated logistics handling services: based on contracts milestone(s), duration of the vessels being berthed at the port and/or distance already travelled to date.

4. 主要會計政策(續)

收益確認(續)

就根據香港財務報告準則第15號隨時間確認時收益而言，只要履約責任之結果能合理計量，則本集團應用輸入數據法(即基於迄今之實際輸入數據佔估計輸入數據總額之比例)計量完成履約責任之進度，原因為本集團之輸入數據與向客戶轉移貨品或服務控制權之間有直接關係，且本集團可取得用於該方法之可靠資料。否則，本集團僅會就已產生成本範圍確認收益，直至其合理計量履約責任之結果為止。

該輸出法所用主要輸出數據為：

- 牽引車維修及保養服務：調查截至該日所完成工作
- 石化產品倉儲服務：倉儲服務使用日數
- 綜合物流處理服務：根據合約里程碑、船舶於港口靠泊時間及/或屏截至該日已航行距離。

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4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Interest income

Interest income from financial assets is recognised using the effective interest method.

Applicable before 1 January 2018

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

Sale of goods is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and title has been passed.

Petrochemical storage service income is recognised when the storage services are rendered.

The insurance agency income is recognised when the related services are rendered.

Income from tractor repair and maintenance is recognised when the related services are rendered.

Income from provision for fuel cards, net of trade discount, is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Revenues from operational equipment rental are recognised when the equipment are let out and on the straight-line basis over the lease term.

Management fee income and commission income are recognised when services are rendered.

Interest income from financial asset is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

4. 主要會計政策(續)

收益確認(續)

利息收入

金融資產之利息收入以實際利息法確認。

於二零一八年一月一日前適用

收益在經濟利益很有可能流向本集團，且收益及成本(如適用)能可靠計量時按下列基準確認：

貨品銷售乃於所有權之風險及回報轉移時予以確認，通常指將貨品交付客戶及所有權轉移之時。

石化倉儲服務收入在提供倉儲服務時確認。

保險代理收入於提供相關服務時確認。

牽引車維修及保養收入於提供相關服務時確認。

提供燃料卡之收入(扣除貿易折讓)乃於所有權之風險及回報轉移時予以確認，通常指將貨品交付客戶及所有權轉移之時。

營運設備租賃收益於設備租出時於租賃期內按直線基準確認。

管理費收入及佣金收入乃於提供服務時確認。

金融資產之利息收入根據未償還本金及適用實際利率按時間基準累計。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars, which is the Company's functional currency.

Foreign currency transactions are translated into the functional currency of each of the Group's entities using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

4. 主要會計政策(續)

存貨

存貨乃以成本與可變現淨值兩者中之較低者入賬。成本(包括一切購入成本及(如適用)將存貨達致現時地點及狀況所產生之其他成本)乃採用加權平均成本法計算。可變現淨值指日常業務過程中之估計售價減去有關銷售所需之估計成本。

存貨出售時，該等存貨之賬面值會於相關收益確認期間確認為開支。將存貨撇減至可變現淨值之數額以及所有存貨虧損會於撇減或虧損出現期間確認為開支。撥回存貨撇減之數額會於撥回發生期間確認為扣減已確認為開支之存貨數額。

外幣兌換

本集團各個實體之財務報表中所載項目，乃使用實體經營所在之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表按本公司之功能貨幣港元呈列。

外幣交易依交易日之當期匯率轉換成本集團各個實體之功能貨幣入賬。該等交易結算時及按年末匯率轉換以外幣計值之貨幣資產及負債所產生之外匯盈虧在損益確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Foreign currency translation (Continued)

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of reporting period;
- Income and expenses for each statement of comprehensive income are translated at average rates;
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;
- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;
- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss;
- On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

4. 主要會計政策(續)

外幣兌換(續)

功能貨幣有別於呈列貨幣之所有集團實體(「海外業務」)之業績及財政狀況按下列基準兌換成呈列貨幣：

- 各財務狀況表之資產及負債按報告期末之收市匯率兌換；
- 各全面收益表之收入及開支按平均匯率兌換；
- 上述兌換產生之一切匯兌差額及構成本集團於海外業務之淨投資部分之貨幣資產導致之匯兌差額確認為權益項下一個獨立部分；
- 於出售海外業務，而有關出售涉及出售本集團於海外業務之全部權益、涉及失去對包括海外業務在內之附屬公司之控制權之出售，或為部分出售一間包括海外業務在內之聯營公司權益而當中之保留權益不再入賬列作權益時，有關於其他全面收益確認並於權益累計為獨立部分之海外業務匯兌差額之累計金額，乃於確認出售盈虧時由權益重新分類至損益；
- 部分出售本集團於附屬公司之權益(包括海外業務在內)而並無導致本集團失去對該附屬公司之控制權時，於權益確認為獨立部分之累計匯兌差額之應佔比例乃重新計入該海外業務之非控制權益，且不會重新分類至損益；
- 就所有其他部分出售，包括部分出售聯營公司而並無導致本集團失去重大影響力，於權益確認為獨立部分之累計匯兌差額之應佔比例乃重新分類至損益。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Government grants**

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset in the form of reduced depreciation. Government grants in the form of a transfer of non-monetary assets are measured at cost.

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Share capital

Ordinary shares are classified as equity.

4. 主要會計政策(續)**政府補貼**

倘能合理肯定將收到政府補貼及所有附加條件均將獲履行，政府補貼會按公平值確認。如補貼與開支項目有關，則按相關年度確認為收入，以按系統基準將補貼與擬補償之相關成本抵銷。倘補貼與資產有關，則計入遞延收益賬，並於有關資產之預期可使用年期按減少折舊方式撥入損益。以非貨幣資產轉讓為形式之政府補貼按成本計量。

借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)之直接應佔借貸成本，在扣除特定借貸之任何暫時性投資收入後，均撥充為該等資產成本之一部分。當此等資產大致上可作其擬定用途或出售時，該等借貸成本將會停止資本化。所有其他借貸成本均於產生期間列作開支。

撥備

當本集團因過往事件而須承擔現時之法定或推定責任，而履行該責任可能需要流出能實現經濟利益之資源且有關責任之金額能可靠估計時，即會確認撥備。已確認撥備之支出會在產生支出年度與有關撥備互相抵銷。本集團會於各報告期末審閱撥備，並作出調整，以反映當前之最佳估計。倘有關撥備金額之時間值影響重大，則撥備金額應為履行責任預期所需支出之現值。倘本集團預期撥備將會獲得償還，則償還款項會確認為個別資產，惟僅於償還實際上肯定時方予確認。

股本

普通股分類為權益。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Leases

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

As lessee

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged or credited to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

Employee benefits

Short-term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

4. 主要會計政策(續)

租賃

凡絕大部分擁有權之風險及回報均已轉讓予承租人之租約年期，均列為融資租賃。所有其他租約均列作經營租賃。

作為承租人

根據融資租賃持有之資產按租賃資產之公平值與最低租金之現值(以較低者為準)確認為本集團資產。對出租人之相關負債在綜合財務狀況表列作融資租賃承擔。融資支出指租賃承擔總額與所收購資產公平值間之差額，並會按有關租約之期限在損益中扣除，使每個會計期間之承擔餘額有一致定期支出。

根據經營租賃之應付租金按直線法於相關租約期內於損益扣除計算。

租賃獎勵於損益確認為協定用於租賃資產之淨代價之組成部分。或然租金於產生之會計期間確認為開支。

僱員福利

短期僱員福利

薪金、年終花紅、有薪年假、向定額供款退休計劃作出之供款及非貨幣福利之成本於僱員提供相關服務之期間內累計。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Employee benefits** *(Continued)***Defined contribution plans**

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Contributions to the state-managed retirement schemes in jurisdictions other than Hong Kong, which are calculated on certain percentages of the applicable payroll costs, are charged as expenses when employees have rendered services entitling them to the contributions.

Share-based payment transactions**Equity-settled transactions**

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of review, with a corresponding adjustment to the reserve within equity.

4. 主要會計政策 *(續)***僱員福利** *(續)***定額供款計劃**

定額供款退休計劃之供款責任於產生時在損益確認為開支。計劃資產與本集團資產分開由獨立管理基金持有。

向香港以外之司法權區內國家經辦之退休計劃供款，按適用工資總額之若干百分比計算，當僱員提供服務使其有權獲得供款時按開支計算。

以股份為基礎之付款交易**股權結算交易**

本集團之僱員(包括董事)按以股份為基礎之付款交易形式收取報酬，其中僱員以提供服務交換股份或涉及股份之權利。該等與僱員進行之交易成本乃參照授出日期之股本工具之公平值計量。授予僱員之購股權公平值確認為員工成本，而股權內之儲備亦相應增加。公平值乃於計及任何市場條件及非歸屬條件後利用二項式模式釐定。

股權結算交易之成本連同股權之相應升幅會於達致歸屬條件期間確認，直至相關僱員享有該報酬之權利毋須再受須達致任何非市場歸屬條件所限之日(「歸屬日」)為止。於歸屬期內會審閱預期最終歸屬之購股權數目。於過往期間確認對累計公平值之調整會於審閱年度之損益中扣除/計入，並相應調整股權內之儲備。

4. PRINCIPAL ACCOUNTING POLICIES
(Continued)

Share-based payment transactions (Continued)

Equity-settled transactions (Continued)

No expense is recognised for awards that do not ultimately vest, except for awards that are conditional on a market condition or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all non-market vesting conditions are satisfied.

Equity-settled share-based payment transactions with parties other than employees are measured at fair value of the goods or services received, except where the fair value cannot be reliably estimated, in which case they are measured at the fair value of the equity instruments granted. In all cases, the fair value is measured at the date the Group obtains the goods or the counterparty renders the services.

Cash-settled transactions

A liability is recognised for goods or services acquired, measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss, it is not accounted for.

4. 主要會計政策(續)

以股份為基礎之付款交易(續)

股權結算交易(續)

概不就最終未能歸屬之獎勵確認任何開支，惟受限於市場條件或非歸屬條件之獎勵除外，只要所有非市場歸屬條件已達成，即被視為已歸屬而不論市場條件或非歸屬條件是否已達成。

與非僱員人士進行股權結算以股份為基礎之付款交易按所收取商品或服務之公平值計量，惟在公平值無法可靠估計之情況下按所授股權工具之公平值計量。在所有情況下，均會按本集團取得商品或交易對方提供服務當日之公平值計量。

現金結算交易

本集團就所獲取商品或服務確認負債，並按負債之公平值計量。在負債償清前，負債之公平值於各報告期末及償付日期重新計量，期間公平值之任何變動於損益確認。

稅項

現行所得稅開支乃根據期內業績計算，並就毋須課稅或不獲寬減之項目作出調整。所得稅乃採用於報告期末頒佈或實際頒佈之稅率計算。

遞延稅項採用負債法就資產及負債之稅基與其於綜合財務報表之賬面值於報告期末之一切暫時差額作出撥備。然而，倘於業務合併以外之一項交易中初步確認商譽或其他資產或負債產生之遞延稅項於交易時既不影響會計溢利亦不影響應課稅損益，則不予入賬。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if 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 the parent of the Group.

4. 主要會計政策(續)

稅項(續)

遞延稅項負債及資產根據截至報告期末止所頒佈或實際頒佈之稅率及稅務法例，並按預計適用於有關收回資產或償還負債期間之稅率計算。若未來應課稅溢利將可能與有關可扣減暫時差額、稅項虧損及抵免對銷，則確認遞延稅項資產。

遞延稅項乃對於附屬公司及聯營公司之投資而產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間且於可見將來不可能撥回該暫時差額者除外。

關聯方

關聯方為與本集團有關連之個人或實體。

- (a) 倘該名人士符合下列條件，該名人士或其家族之近親與本集團有關連：
- (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團擁有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理人員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities 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. If the Group is itself such a plan, the sponsoring employers are also 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).
 - (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.

4. 主要會計政策(續)

關聯方(續)

- (b) 倘下列任何條件適用，則該實體與本集團有關連：
- (i) 實體與本集團為同一集團成員（即母公司、附屬公司及同系附屬公司各自彼此相互關連）。
 - (ii) 某一實體為另一實體（或為另一實體所屬集團成員之聯營公司或合營公司）之聯營公司或合營公司。
 - (iii) 實體均為同一第三方之合營公司。
 - (iv) 實體為第三方實體之合營公司，而另一實體為第三方實體之聯營公司。
 - (v) 實體為就本集團或與本集團有關之實體之僱員福利設立之離職後福利計劃。倘本集團本身設立該離職後福利計劃，則提供資助之僱主亦與本集團有關連。
 - (vi) 實體受(a)所界定人士控制或共同控制。
 - (vii) (a)(i)所界定人士對實體擁有重大影響力或為該實體或其母公司之主要管理人員。
 - (viii) 實體或所屬集團旗下任何成員公司向本集團或本集團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

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

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

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

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Critical accounting estimates and judgements

In the process of applying the Group's accounting policies, which are described above, management has made various estimates and judgements which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and judgements are continually evaluated. The key source of estimation uncertainty and accounting judgements, other than the judgement on the ownership of a vessel as described in above, that result in significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year or significantly affect the amounts recognised in the consolidated financial statements are discussed below:

Key sources of estimation uncertainty

- (i) *Useful lives and impairment of property, plant and equipment, prepaid lease payments and sea use rights payment*

The management reviews the useful lives and depreciation/amortisation method of property, plant and equipment, prepaid lease payments and sea use rights payment at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

4. 主要會計政策(續)

關聯方(續)

某人士之近親是指與該實體交易時預期可影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或家庭伴侶；
- (b) 該名人士之配偶或家庭伴侶之子女；及
- (c) 該名人士或其配偶或家庭伴侶之受養人。

關聯方之定義中指明，聯營公司包括聯營公司之附屬公司，而合營公司包括合營公司之附屬公司。

重要會計估計及判斷

於採用上文所述本集團之會計政策時，管理層曾根據過往經驗及其他因素(包括於多種情況下相信屬合理之未來事件預測)作出多項估計及判斷。估計及判斷會持續被評估。導致對下個財政年度之資產與負債賬面值作出大幅調整之重大風險或可對於綜合財務報表中確認之金額構成重大影響之估計不明朗因素之主要來源及會計判斷(上文所述對該船舶之所有權作出判斷除外)載列如下：

估計不明朗因素之主要來源

- (i) *物業、廠房及設備、預付租賃付款及海域使用權付款之使用年限及減值*

管理層於各報告期末審慎考慮有關使用資產之預計用量、損耗及潛在技術過時，以檢討物業、廠房及設備以及預付租賃付款之使用年限及折舊／攤銷方法。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty (Continued)

- (i) *Useful lives and impairment of property, plant and equipment, prepaid lease payments and sea use rights payment (Continued)*

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by based on the higher of the value in use and fair value less costs of disposal. Value in use is determined using the discounted cash flow method.

- (ii) *Loss allowance for ECL*

The Group's management estimates the loss allowance for trade receivables based on risk of a default and expected loss rate. The assessment of the credit risk involves high degree of estimation and uncertainty as the Group's management estimates the risk of a default and expected loss rate for applying provision matrix on debtors based on the Group's historical information, existing market conditions as well as forward looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade receivables. For details of the key assumption and inputs used in estimating ECL, please refer to note 37(a)(iii) to the consolidated financial statements.

- (iii) *Income taxes*

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business, where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impair the income tax and deferred tax provision in the period in which such determination is made.

4. 主要會計政策(續)

重要會計估計及判斷(續)

估計不明朗因素之主要來源(續)

- (i) *物業、廠房及設備、預付租賃付款及海域使用權付款之使用年限及減值(續)*

在釐定資產是否出現減值或過往導致減值之事件是否不再存在時，管理層須評估有否出現可能影響資產價值之事件或該影響資產價值之事件是否並不存在。倘有任何該等跡象存在，則會基於使用價值與公平值減出售成本之較高者釐定資產之可收回金額。使用價值乃採用貼現現金流量法釐定。

- (ii) *預期信貸虧損之虧損撥備*

本集團管理層根據違約風險及預期虧損率估計貿易應收款項之虧損撥備。信貸風險評估涉及高度估計及不確定因素，原因為本集團管理層根據本集團之歷史資料、現行市況以及各報告期末之前瞻估計而對應收賬款應用撥備距陣以估計違約風險及預期虧損率。倘估計有別於原先估計，則有關差額將影響貿易應收款項之賬面值。有關估計預期信貸虧損所用主要假設及輸入數據之詳情，請參閱綜合財務報表附註37(a)(iii)。

- (iii) *所得稅*

本集團於若干司法權區須繳納所得稅。釐定所得稅撥備乃一重大估計。於日常業務過程中存在可能無法確定最終稅率之交易及計算，當該等事項之最終稅務結果與初始記錄金額有別時，該差額將削弱於作出判斷期間之所得稅及遞延稅項撥備。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Critical accounting estimates and judgements***(Continued)***Key sources of estimation uncertainty *(Continued)*****(iv) Impairment of investments and receivables**

The Group assesses annually if investment in subsidiaries has suffered any impairment in accordance with HKAS 36 and follows the guidance of HKFRS 9 in determining whether amounts due from these entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

(v) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of the estimates used to calculate the recoverable amount are given in note 16 to the consolidated financial statements.

(vi) Impairment of inventories

The Group's management reviews the net realisable value of inventories, as stated in note 22 to the consolidated financial statements, at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

4. 主要會計政策 (續)**重要會計估計及判斷(續)****估計不明朗因素之主要來源(續)****(iv) 投資及應收款項減值**

本集團每年均根據香港會計準則第36號評估於附屬公司之投資有否任何減值，並依循香港財務報告準則第9號之指引釐定應收該等實體款項有否減值。有關方法之詳情載於各相關會計政策。評估須估計來自有關資產之未來現金流量(包括預期股息)，並選用合適貼現率。該等實體在財務表現及狀況之未來變動會影響減值虧損估計，因而須調整其賬面值。

(v) 商譽減值

本集團至少每年釐定商譽是否出現減值。此舉要求對已獲分配商譽之現金產生單位之使用價值作出估計。估計使用價值要求本集團對來自現金產生單位之預期現金流量作出估計，亦要選擇合適貼現率計算該等現金流量之現值。用於計算可收回金額之估計詳情載於綜合財務報表附註16。

(vi) 存貨減值

本集團管理層於各報告期末審視綜合財務報表附註22所述存貨之可變現淨值，並就確認為過時、滯銷或不可能收回之存貨作出撥備。本集團就各項產品逐一檢討存貨，並根據最新市場價格及現行市況作出撥備。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new / revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Annual Improvements to HKFRSs	2015–2017 Cycle ¹
HKFRS 16	Leases ¹
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKAS 19	Employee benefits ¹
Amendments to HKAS 28	Investments in Associates and Joint Ventures ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKAS 1 and 8	Definition of Material ²
Amendments to HKFRS 3	Definition of Business ³
HKFRS 17	Insurance Contracts ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵

- ¹ Effective for annual periods beginning on or after 1 January 2019
- ² Effective for annual periods beginning on or after 1 January 2020
- ³ Effective for acquisition that occurs on or after the beginning for the first annual period beginning on or after 1 January 2020
- ⁴ Effective for annual periods beginning on or after 1 January 2021
- ⁵ The effective date to be determined

Except as described below, the directors of the Company anticipate that the application of these new standards and amendments will have no material impact on the Group's financial information in the future.

4. 主要會計政策(續)

香港財務報告準則之未來變動

於該等綜合財務報表授權日期，香港會計師公會已頒佈下列於本年度尚未生效且本集團尚未提早採納之新訂／經修訂香港財務報告準則。

香港財務報告準則之年度改進	二零一五年至二零一七年期 ¹
香港財務報告準則第16號	租賃 ¹
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 ¹
香港會計準則第19號之修訂	僱員福利 ¹
香港會計準則第28號之修訂	於聯營公司及合營企業之投資 ¹
香港財務報告準則第9號之修訂	提早還款特性及負補償 ¹
香港會計準則第1號及第8號之修訂	重大之定義 ²
香港財務報告準則第3號之修訂	業務之定義 ³
香港財務報告準則第17號	保險合約 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或出資 ⁵

- ¹ 於二零一九年一月一日或之後開始之年度期間生效
- ² 於二零二零年一月一日或之後開始之年度期間生效
- ³ 就於二零二零年一月一日或之後開始之首個年度期初或之後進行之收購事項生效
- ⁴ 於二零二一年一月一日或之後開始之年度期間生效
- ⁵ 生效日期尚待釐定

除下文所述外，本公司董事預期應用該等新訂準則及修訂對本集團未來財務資料並無重大影響。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Future changes in HKFRSs (Continued)

HKFRS 16 "Leases"

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets. The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively by the Group.

The Group has currently recognised, in accordance with HKAS 17, prepaid lease payments for land use rights where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee 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.

4. 主要會計政策(續)

香港財務報告準則之未來變動(續)

香港財務報告準則第16號「租賃」

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

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。使用權資產初步按成本計量，隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按租賃款項（非當日支付）之現值計量。隨後，租賃負債會就（其中包括）利息及租賃款項以及租賃修訂的影響作出調整。於應用香港財務報告準則第16號後，本集團會將有關租賃負債之租賃款項分配至本金及利息部分，並將以融資及經營現金流量分別呈列。

本集團目前已根據香港會計準則第17號確認預付租賃付款及土地使用權，當中本集團為承租人。應用香港財務報告準則第16號可能導致該等資產之分類發生潛在變動，視乎本集團單獨或於擁有資產時將呈列之相應有關資產之同一項目內呈列使用權資產而定。

與承租人會計處理相反，香港財務報告準則第16號包含大部分香港會計準則第17號之出租人會計處理規定，並且繼續要求出租人將租賃分類為一項經營租賃或一項融資租賃。

4. PRINCIPAL ACCOUNTING POLICIES*(Continued)***Future changes in HKFRSs** *(Continued)***HKFRS 16 "Leases"** *(Continued)*

As set out in Note 36(a), at 31 December 2018, the total future minimum lease payments under non-cancellable operating leases of the Group in respect of office premises, dormitories and a parking lot amounted to approximately HK\$4,260,000. The management of the Company does not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group's financial performance but it is expected that the Group has to separately recognise the interest expenses on the lease liabilities and the depreciation expense on the right-of-use assets, and that certain portion of the future minimum lease payments under the Group's operating leases will be required to be recognised in the Group's consolidated statement of financial position as right-of-use assets and lease liabilities. The Group will also be required to re-measure the lease liabilities upon the occurrence of certain events such as a change in the lease term and recognise the amount of the re-measurement of the lease liabilities as an adjustment to the right-of-use assets. In addition, payments for the principal portion of the lease liabilities will be presented within financing activities in the Group's consolidated statements of cash flows.

5. SEGMENT INFORMATION

The executive directors of the Company are identified collectively as the chief operating decision maker. An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Company's executive directors in order to allocate resources and assess performance of the segment.

4. 主要會計政策 *(續)***香港財務報告準則之未來變動** *(續)***香港財務報告準則第16號「租賃」** *(續)*

誠如附註36(a)所載，於二零一八年十二月三十一日，本集團涉及辦公室物業、宿舍及停車場之不可撤銷經營租賃項下未來最低租賃付款總額約為4,260,000港元。本公司管理層預期，與目前會計政策相較，採納香港財務報告準則第16號不會對本集團之財務表現構成重大影響，然而，預期本集團須獨立確認租賃負債之利息開支及使用權資產之折舊開支，以及本集團經營租賃項下未來最低租賃付款當中若干部分將需要於本集團之綜合財務狀況表中確認為使用權資產及租賃負債。本集團亦須於若干事件（如租賃年期變動）發生後重新計量租賃負債，以及將租賃負債之重新計量金額確認為使用權資產之調整。此外，租賃負債本金部分之付款將於本集團綜合現金流量表之融資活動內呈列。

5. 分部資料

主要經營決策者泛指本公司執行董事。經營分部乃本集團之一部分，從事可賺取收益及產生費用之商業活動，並基於本公司執行董事為分配資源及評估分部表現而獲提供及定期審閱之內部管理呈報資料而確定。

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5. SEGMENT INFORMATION (Continued)

For management purposes, the Group is currently organised into the following operating segments:

5. 分部資料(續)

就管理而言，本集團目前分為以下經營分部：

Operating segments 經營分部	Principal activities 主要業務
— Integrated logistics handling services	— Provision of ocean freight and land transportation and container drayage services
	— Provision of ocean freight forwarding services
	— Provision of air freight forwarding services
	— Provision of feeder container storage facilities and hiring services of barges and vehicles
— 綜合物流處理服務	— Provision of terminal handling services
	— 提供海洋貨運、陸路運輸及貨櫃運輸服務
	— 提供海運代理服務
	— 提供空運代理服務
	— 提供支線貨櫃倉儲設施以及駁船及汽車租賃服務
	— 提供碼頭處理服務
— Provision of fuel cards	— Provision of fuel cards
— 提供燃料卡	— 提供燃料卡
— Tractor repair and maintenance services and insurance agency services	— Tractor repair and maintenance
— 牽引車維修及保養服務以及保險代理服務	— Provision of insurance agency services
	— 牽引車維修及保養
	— 提供保險代理服務
— Trading business	— Trading of textile, wood logs, scrap metal, electronic products, petrochemical products etc.
	— Provision of supply chain management services
— 貿易業務	— Manufacturing and trading of tin wires
	— 買賣紡織品、木材、廢金屬、電子產品、石化產品等
	— 提供供應鏈管理服務
	— 製造及買賣錫線
— Petrochemical products storage business	— Provision of storage services for petrochemical products
— 石化產品倉儲業務	— 提供石化產品倉儲服務

For the purposes of assessing segment performance and allocating resources between segments, the Company's executive directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

就評估分部表現及分部間資源分配而言，本公司執行董事按以下基礎監控各可報告分部應佔業績、資產及負債：

5. SEGMENT INFORMATION (Continued)

Segments assets include all assets except for corporate assets which are managed on a group basis. All liabilities are allocated to reportable segment liabilities other than unallocated head office and corporate liabilities which are managed on a group basis and certain other payables and accrued charges.

Revenues and expenses are allocated to the operating segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment results is profit/loss before taxation without allocation of share of results of associates and other unallocated corporate expenses and income.

For the purpose of assessing the performance of the operating segments and allocation of resources between segments, the Group's results are further adjusted for items not specifically attributed to individual segments and other head office or corporate administration costs.

Inter-segment sales transactions are charged at prevailing market prices.

5. 分部資料 (續)

除於聯營公司之權益及以集團管理為基礎之公司資產外，分部資產包括所有資產。除以集團管理為基礎之未分配總辦事處及公司負債以及若干其他應付款項及應計費用外，所有負債均被分配至可報告分部負債。

收益及開支經參考該等分部產生之銷售及該等分部產生之開支或該等分部應佔資產折舊產生之開支後分配至經營分部。報告分部業績所採用計量標準為在不分配應佔聯營公司業績以及其他未分配公司開支及收入之情況下之除稅前溢利／虧損。

就評估經營分部表現及在分部之間分配資源而言，本集團業績就並非指定屬於個別分部之項目及其他總辦事處或公司行政成本進一步作出調整。

分部間銷售交易按現行市價計入。

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5. SEGMENT INFORMATION (Continued)

Operating segments

Segment information is presented below:

For the year ended 31 December 2018

5. 分部資料(續)

經營分部

分部資料呈列如下：

截至二零一八年十二月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operations* 已終止經營業務*				Total 總計
		Trading business 貿易 業務 HK\$'000 千港元	Petro- chemical products storage business 石化產品 倉儲業務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Provision of fuel cards 提供 燃料卡 HK\$'000 千港元	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險 代理服務 HK\$'000 千港元	Inter- segment elimination 分部間 撇銷 HK\$'000 千港元	
Revenue (from external customers)	收益(來自外部客戶)	4,160,007	8,789	693	160,664	39,595	152	-	4,369,900
— Inter-segment revenue	— 分部間收益	-	555	-	27,104	5,625	1,943	(35,227)	-
Total revenue	收益總額	4,160,007	9,344	693	187,768	45,220	2,095	(35,227)	4,369,900
Results	業績								
Segment results	分部業績	(71,220)	(53,677)	(2,136)	445	(2,890)	(1,834)	-	(131,312)
Share of results of associates by disposal group	出售集團應佔聯營公司業績								(591)
Other unallocated corporate income	其他未分配公司收入								9,778
Other unallocated corporate expenses	其他未分配公司開支								(40,614)
Impairment loss on disposal group classified as held for sale (note 25)	分類為持作出售之出售集團之減值虧損(附註25)								(10,837)
Gain on disposal of a subsidiary (note 35)	出售一間附屬公司之收益(附註35)								261
Loss before taxation	除稅前虧損								(173,315)
Taxation	稅項								(695)
Loss for the year	年內虧損								(174,010)

* The operations of Gamma Logistics (B.V.I.) Corporation ("Gamma Logistics") and its subsidiaries ("Gamma Logistics Group") are classified as discontinued operations as detailed in note 25 to the consolidated financial statements.

* 誠如綜合財務報表附註25所詳述，伽瑪物流(BVI)集團(「伽瑪物流」)及其附屬公司(「伽瑪物流集團」)之業務分類為已終止經營業務。

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

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Operating segments (Continued)

經營分部(續)

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

		Continuing operations 持續經營業務			Discontinued operations* 已終止經營業務*			Inter-segment elimination	Total
		Trading business	Petro- chemical products storage business	Integrated logistics handling services†	Integrated logistics handling services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險 代理服務		
		貿易業務 HK\$'000 千港元	石化產品 倉儲業務 HK\$'000 千港元	綜合物流 處理服務 HK\$'000 千港元	綜合物流 處理服務 HK\$'000 千港元	提供 燃料卡 HK\$'000 千港元	提供 以及保險 代理服務 HK\$'000 千港元	分部間 撤銷 HK\$'000 千港元	總計 HK\$'000 千港元
Revenue (from external customers)	收益(來自外部客戶)	3,147,923	13,179	64,324	165,222	33,691	267	-	3,424,606
— Inter-segment revenue	— 分部間收益	-	-	-	24,148	4,396	1,671	(30,215)	-
Total revenue	收益總額	3,147,923	13,179	64,324	189,370	38,087	1,938	(30,215)	3,424,606
Results	業績								
Segment results	分部業績	12,374	(2,415)	(2,911)	(687)	263	(761)	-	5,863
Share of results of associates	應佔聯營公司業績								(519)
Other unallocated corporate income	其他未分配公司收入								1,135
Other unallocated corporate expenses	其他未分配公司開支								(13,694)
Gain on disposal of a subsidiary	出售一間聯營公司之收益								12,844
Profit before taxation	除稅前溢利								5,629
Taxation	稅項								(4,236)
Profit for the year	年內溢利								1,393

* These figures included the amounts recognised by 大豐海港港口物流有限公司 (Dafeng Harbour Port Logistics Company Limited*, "Dafeng Logistics"), a then subsidiary which has been disposed of in 2017.

* 有關金額包括大豐海港港口物流有限公司確認之金額，該公司為已於二零一七年出售之當時附屬公司。

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5. SEGMENT INFORMATION (Continued)

Operating segments (Continued)

As at 31 December 2018

5. 分部資料(續)

經營分部(續)

於二零一八年十二月三十一日

		Continuing operations 持續經營業務			Discontinued operations* 已終止經營業務*			Total 總計
		Trading business 貿易業務 HK\$'000 千港元	Petro- chemical products storage business 石化產品 倉儲業務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Provision of fuel cards 提供燃料卡 HK\$'000 千港元	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險 代理服務 HK\$'000 千港元	
ASSETS	資產							
Segment assets	分部資產	971,974	162,682	1,546,055	-	-	-	2,680,711
Unallocated corporate assets	未分配公司資產	-	-	-	-	-	-	34,457
Disposal group held for sale	持作出售之出售集團	-	-	-	30,884	16,156	1,766	48,806
Unallocated assets in assets in disposal group classified as held for sale	分類為持作出售之出售集團資產 之未分配資產	-	-	-	-	-	-	5,760
Consolidated total assets	綜合資產總值							2,769,734
LIABILITIES	負債							
Segment liabilities	分部負債	(1,131,275)	(92,213)	(1,085,209)	-	-	-	(2,308,697)
Unallocated corporate liabilities	未分配公司負債	-	-	-	-	-	-	(397,681)
Liabilities associated with disposal group held for sale	與持作出售之出售集團相關之負債	-	-	-	(42,399)	(2,663)	(1,340)	(46,402)
Unallocated liabilities in liabilities associated with disposal group classified as held for sale	與分類為持作出售之出售集團相關 之負債之未分配負債	-	-	-	-	-	-	(27)
Consolidated total liabilities	綜合負債總額							(2,752,807)

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綜合財務報表附註

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

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Operating segments (Continued)

經營分部(續)

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

	Continuing operations 持續經營業務			Discontinued operations* 已終止經營業務*			Total 總計
	Trading business 貿易業務 HK\$'000 千港元	Petro- chemical products storage business 石化產品 倉儲業務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Provision of fuel cards 提供燃料卡 HK\$'000 千港元	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險 代理服務 HK\$'000 千港元	
OTHER INFORMATION	其他資料						
Amortisation	攤銷	-	1,028	7	-	-	1,035
Capital additions	資本增加	1,290	47,517	-	2,877	-	51,694
Capital additions through acquisition of subsidiaries	透過收購附屬公司 而增加資本	-	-	841,136	-	-	841,136
Depreciation	折舊	1,548	5,350	2,192	3,545	-	12,641
Depreciation (unallocated)	折舊(未分配)	-	-	-	-	-	10
Finance costs	融資成本	16,230	127	170	462	-	16,989
Finance costs (unallocated)	融資成本(未分配)	-	-	-	-	-	14,918
Impairment loss on goodwill	商譽減值虧損	-	14,844	-	-	-	14,844
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	-	23,804	-	-	-	23,804
Impairment loss on prepaid lease payments	預付租賃付款減值虧損	-	6,906	-	-	-	6,906
Interest income	利息收入	6,695	45	121	-	-	6,861
Interest income (unallocated)	利息收入(未分配)	-	-	-	-	-	137

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綜合財務報表附註

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

5. SEGMENT INFORMATION (Continued)

Operating segments (Continued)

As at 31 December 2017

5. 分部資料(續)

經營分部(續)

於二零一七年十二月三十一日

		Continuing operations 持續經營業務		Discontinued operations* 已終止經營業務*			Total 總計
		Trading business 貿易業務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Integrated logistics handling services 綜合物流 處理服務 HK\$'000 千港元	Provision of fuel cards 提供燃料卡 HK\$'000 千港元	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險 代理服務 HK\$'000 千港元	
ASSETS	資產						
Segment assets	分部資產	977,504	195,415	50,852	13,127	1,944	1,238,842
Unallocated corporate assets	未分配公司資產						29,776
Consolidated total assets	綜合資產總值						1,268,618
LIABILITIES	負債						
Segment liabilities	分部負債	(873,004)	(143,278)	(42,873)	(3,015)	(1,641)	(1,063,811)
Unallocated corporate liabilities	未分配公司負債						(8,346)
Consolidated total liabilities	綜合負債總額						(1,072,157)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Operating segments (Continued)

經營分部(續)

For the year ended 31 December 2017

截至二零一七年十二月三十一日止年度

	Continuing operations 持續經營業務			Discontinued operations* 已終止經營業務*			Total 總計
	Trading business	Petrochemical products storage business	Integrated logistics handling services†	Integrated logistics handling services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險 代理服務	
	貿易業務	石化產品 倉儲業務	綜合物流 處理服務	綜合物流 處理服務	提供燃料卡	代理服務	總計
	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
OTHER INFORMATION	其他資料						
Amortisation	-	1,004	-	-	-	-	1,004
Capital additions	4,854	10,344	75	8,457	-	3	23,733
Capital additions through acquisition of subsidiaries	9	-	-	-	-	-	9
Depreciation	387	4,698	10,384	4,981	-	13	20,463
Depreciation (unallocated)	-	-	-	-	-	-	9
Finance costs	15,728	-	1,133	376	-	-	17,237
Gain (Loss) on disposal of property, plant and equipment, net	(60)	181	-	5,844	-	-	5,965
Impairment loss of property, plant and equipment	-	-	-	1,416	-	-	1,416
Interest income	2,778	19	-	9	-	-	2,806
Interest income (unallocated)	-	-	-	-	-	-	1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

5. SEGMENT INFORMATION (Continued)

Geographical information

Geographical segment

The Group operates and derives revenue in two principal geographical areas: Hong Kong and the PRC. The following table sets out the revenue derived from geographical areas which are based on the geographical location of the customers:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列) (Note 25) (附註 25)
Revenue from external customers — continuing operations:	來自外部客戶收益 — 持續經營業務：		
Hong Kong	香港	2,353,433	1,416,632
The People's Republic of China (the "PRC")	中華人民共和國(「中國」)	1,718,455	1,756,011
Others (Note)	其他(附註)	97,601	52,783
		4,169,489	3,225,426

*Note: The locations of others include Europe, the United States of America ("U.S.A."), Asia (other than Hong Kong and the PRC), South Africa and others.

5. 分部資料(續)

地區資料

地區分部

本集團於兩個主要地區經營業務並獲取收益：香港及中國。下表載列根據客戶地理位置劃分之地區收益：

*附註：其他地區包括歐洲、美利堅合眾國(「美國」)、亞洲(香港及中國除外)、南非及其他地區。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

5. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

Geographical segment (Continued)

The geographical location of non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, prepayments in relation to property, plant and equipment, prepaid lease payments and sea use right payments, and the location of the operation, in the case of goodwill. The analysis of the Group's non-current assets of continuing operations by geographical location is as follows:

5. 分部資料(續)

地區資料(續)

地區分部(續)

非流動資產之地理位置乃該資產之實際位置(指物業、廠房及設備；就物業、廠房及設備之預付款項；預付租賃付款以及海域使用權付款)及營運位置(指商譽情況)。本集團按地理位置對持續經營業務之非流動資產所作分析如下：

		Continuing operations 持續經營業務	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Property, plant and equipment The PRC	物業、廠房及設備 中國	960,685	112,525
Prepayments in relation to property, plant and equipment The PRC	就物業、廠房及設備 之預付款項 中國	500	16,796
Goodwill The PRC	商譽 中國	225,151	16,213
Prepaid lease payments The PRC	預付租賃付款 中國	34,135	44,322
Sea use right payments The PRC	海域使用權付款 中國	2,848	–
Total non-current assets	非流動資產總值	1,223,319	189,856

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綜合財務報表附註

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

5. SEGMENT INFORMATION (Continued)

Information about major customers

For the year ended 31 December 2018, revenue from Customer A (trading business segment) and Customer B (trading business segment) of approximately HK\$954,171,000 and HK\$786,102,000 respectively accounted for over 10% of the total revenue of the Group.

For the year ended 31 December 2017, revenue from Customer C (trading business segment) of approximately HK\$381,642,000 accounted for over 10% of the total revenue of the Group.

6. REVENUE

5. 分部資料(續)

主要客戶資料

截至二零一八年十二月三十一日止年度，來自客戶A(貿易業務分部)及客戶B(貿易業務分部)之收益分別約為954,171,000港元及786,102,000港元，佔本集團收益總額逾10%。

截至二零一七年十二月三十一日止年度，來自客戶C(貿易業務分部)之收益約為381,642,000港元，佔本集團收益總額逾10%。

6. 收益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列)
Continuing operations	持續經營業務		
Revenue from contracts with customers within HKFRS 15	香港財務報告準則第15號範圍內客戶合約收益		
Income from provision of integrated logistics handling services	提供綜合物流處理服務收入	693	64,324
Income from trading business	貿易業務收入	4,160,007	3,147,923
Petrochemical storage service	石化倉儲服務	8,789	13,179
		4,169,489	3,225,426
Timing of revenue recognition	確認收益時間		
At a point in time	於一個時間點	4,160,700	3,212,247
Over time	於一段時間	8,789	13,179
		4,169,489	3,225,426

The revenue from contracts with customers within HKFRS 15 is based on fixed price.

香港財務報告準則第15號客戶之合約收益以固定價格為基準。

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綜合財務報表附註

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

7. OTHER INCOME

7. 其他收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列)
Continuing operations:	持續經營業務：		
Bank interest income	銀行利息收入	6,998	2,798
Commission income	佣金收入	-	301
Exchange gain, net	匯兌收益淨額	10,996	-
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 之收益	-	181
Sundry income	雜項收入	1,266	56
Subsidy income	補貼收入	112	2,778
Write-back of interest payable	撤回應付利息	-	708
Late payment penalty received from a customer	收取自一名客戶之滯納金	2,331	846
Write-back of accrued directors' salaries	撤回應計董事薪金	-	760
Write-back of long outstanding other payables	撤回長期未償還之其他應付 款項	6,686	-
		28,389	8,428

8. FINANCE COSTS

8. 融資成本

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列)
Continuing operations	持續經營業務		
Interest on borrowings wholly repayable within five years	須於五年內悉數償還之借貸 之利息	6,506	6,027
Finance charge on obligations under finance leases	融資租賃承擔之財務費用	-	1,133
Effective interest on unlisted unsecured bond (note 27(e))	非上市無抵押債券之實際利息 (附註 27(e))	24,183	-
Other interest to a third party	支付予第三方之其他利息	660	-
Interest on amounts due to connected companies	應付關聯公司款項之利息	6,368	14,728
		37,717	21,888
Less: Borrowing costs capitalised into property, plant and equipment at weighted average capitalisation rate of 5.8% (2017: 5.7%)	減：按加權平均資本化比率 5.8% (二零一七年：5.7%) 計算資本化為物業、 廠房及設備之借貸成本	(6,272)	(5,027)
		31,445	16,861

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綜合財務報表附註

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

9. (LOSS) PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS

9. 來自持續經營業務之除稅前(虧損)溢利

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列)
This is stated after charging (crediting):		經扣除(計入)下列項目後列賬：	
Staff costs	員工成本		
Salaries, allowances and other short-term employee benefits including directors' emoluments	薪金、津貼及其他短期僱員福利，包括董事薪酬	26,232	30,382
Contributions to defined contribution plans	定額供款計劃供款	2,833	3,815
		29,065	34,197
Other items	其他項目		
Auditors' remuneration	核數師酬金		
— Audit-related assurance services	— 與核數有關之核證服務	2,200	1,850
— Other services	— 其他服務	455	835
Amortisation of prepaid lease payments	預付租賃付款攤銷	1,028	1,004
Amortisation of sea use right payments	海域使用權付款攤銷	7	—
Cost of inventories	存貨成本	4,189,606	3,092,848
Depreciation	折舊	9,100	15,478
Gain on disposal of a subsidiary (note 35)	出售一間附屬公司之收益(附註35)	(261)	(12,844)
Loss/(Gain) on disposal of property, plant and equipment, net	出售物業、廠房及設備之虧損/(收益)淨額	104	(181)
Exchange (gain)/loss, net	匯兌(收益)/虧損淨額	(10,996)	10,133
Impairment loss on disposal group classified as held for sale (Note 25)	分類為持作出售之出售集團減值虧損(附註25)	10,837	—
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	23,804	—
Impairment loss on goodwill	商譽之減值虧損	14,844	—
Impairment loss on prepaid lease payments	預付租賃付款之減值虧損	6,906	—
Operating lease payments on premises	物業之經營租賃付款	6,332	2,313
Operating lease payments on vehicles	汽車之經營租賃付款	—	4,123

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綜合財務報表附註

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

10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

10. 董事及五名最高薪人士之薪酬

(i) Directors' emoluments

(i) 董事薪酬

The aggregate amounts of emoluments paid and payable to the directors of the Company by the Group during the year are as follows:

本集團於本年度已付及應付本公司董事之薪酬總額如下：

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

	Appointed during the year	Resigned during the year	Fee	Salaries, allowance and benefits in kind	Discretionary bonus	Contributions to defined contribution plans	Total
	年內委任	年內辭任	袍金	薪金、津貼及實物利益	酌情花紅	定額供款計劃供款	總計
			HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Executive directors							
執行董事							
Mr. Ni Xiangrong	-	18 March 2019	-	-	-	-	-
倪向榮先生		二零一九年三月十八日					
Mr. Wang Yijun	-	15 March 2018	-	-	-	-	-
王益軍先生		二零一八年三月十五日					
Mr. Shum Kan Kim	-	-	-	600	478	48	1,126
沈勤儉先生							
Mr. Pan Jian	-	18 March 2019	-	-	-	-	-
潘健先生		二零一九年三月十八日					
Mr. Miao Zhibin (Note b)	26 June 2018	-	61	1	-	-	62
繆志斌先生(附註b)	二零一八年六月二十六日						
Non-executive directors							
非執行董事							
Mr. Ji Longtao	-	-	240	-	-	-	240
吉龍濤先生							
Mr. Yang Yue Xia	-	-	240	-	-	-	240
楊越夏先生							
Mr. Sun Lin (Note a)	-	-	5	571	528	-	1,104
孫林先生(附註a)							
Independent non-executive directors							
獨立非執行董事							
Mr. Zhang Fangmao	-	-	120	-	-	-	120
張方茂先生							
Dr. Bian Zhaoxiang	-	-	120	-	-	-	120
卞兆祥博士							
Mr. Lau Hon Kee	-	-	180	-	-	-	180
劉漢基先生							
Mr. Yu Xugang	-	-	120	-	-	-	120
于緒剛先生							
			1,086	1,172	1,006	48	3,312

Note a: Mr. Sun Lin re-designated from an executive director to a non-executive director on 28 December 2018.

附註a：孫林先生於二零一八年十二月二十八日由執行董事調任為非執行董事。

Note b: Mr. Miao Zhibin was appointed as a non-executive director on 26 June 2018 and re-designated as an executive director on 28 December 2018.

附註b：繆志斌先生於二零一八年六月二十六日獲委任為非執行董事，後於二零一八年十二月二十八日調任為執行董事。

Note c: Subsequent to the year, Mr. Tao Ying and Mr. Chen Wen Xiang were appointed as executive directors on 18 March 2019.

附註c：該年度後，陶瑩先生及陳文祥先生於二零一九年三月十八日獲委任為執行董事。

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

10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(i) Directors' emoluments (Continued)

Year ended 31 December 2017

	Appointed during the year 年內委任	Resigned during the year 年內辭任	Fee 袍金 HK\$'000 千港元	Salaries, allowance and benefits in kind	Discretionary bonus 酌情花紅 HK\$'000 千港元	Contributions to defined contribution plans	Total 總計 HK\$'000 千港元
				薪金、津貼及實物利益 HK\$'000 千港元		定額供款計劃供款 HK\$'000 千港元	
Executive directors 執行董事							
Mr. Ni Xiangrong 倪向榮先生	-	-	-	-	-	-	-
Mr. Wang Yijun 王益軍先生	-	-	-	-	-	-	-
Mr. Shum Kan Kim 沈勤儉先生	-	-	-	600	-	18	618
Mr. Yu Xingmin 俞興敏先生	-	10 November 2017 二零一七年十一月十日	-	-	-	-	-
Mr. Pan Jian 潘健先生	-	-	-	-	-	-	-
Mr. Sun Lin 孫林先生	10 August 2017 二零一七年八月十日	-	-	-	-	-	-
Non-executive directors 非執行董事							
Mr. Ji Longtao 吉龍濤先生	-	-	240	-	-	-	240
Mr. Yang Yue Xia 楊越夏先生	-	-	240	-	-	-	240
Independent non-executive directors 獨立非執行董事							
Mr. Zhang Fangmao 張方茂先生	-	-	60	-	-	-	60
Dr. Bian Zhaoxiang 卞兆祥博士	-	-	120	-	-	-	120
Mr. Lau Hon Kee 劉漢基先生	-	-	120	-	-	-	120
Mr. Yu Xugang 于緒剛先生	-	-	120	-	-	-	120
			900	600	-	18	1,518

For the years ended 31 December 2018 and 2017, no emoluments were paid by the Group to any of the directors as an inducement to join the Group or upon joining the Group or as compensation for loss of office.

10. 董事及五名最高薪人士之薪酬 (續)

(i) 董事薪酬 (續)

截至二零一七年十二月三十一日止年度

截至二零一八年及二零一七年十二月三十一日止年度，本集團並無向任何董事支付薪酬，作為吸引加入本集團或加入本集團後之獎勵或作為離職補償。

10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(i) Directors' emoluments (Continued)

The following directors have waived or agreed to waive their emoluments during the years ended 31 December 2018 and 2017:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Mr. Ni Xiangrong	倪向榮先生	1,200	1,200
Mr. Wang Yijun	王益軍先生	186	900
Mr. Yu Xingmin	俞興敏先生	-	715
Mr. Pan Jian	潘健先生	760	760

Mr. Pan Jian has agreed to waive his future emoluments during the appointment as a director of the Company.

(ii) Five highest paid individuals

The five highest paid individuals included two directors (2017: one director) for the year ended 31 December 2018. The aggregate amounts of the emoluments in respect of the three (2017: four) non-director 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 allowances	薪金及津貼	4,061	4,538
Contributions to defined contribution plans	定額供款計劃供款	46	54
		4,107	4,592

10. 董事及五名最高薪人士之薪酬 (續)

(i) 董事薪酬 (續)

以下董事已放棄或同意放棄彼等截至二零一八年及二零一七年十二月三十一日止年度之薪酬：

潘健先生已同意放棄於任職本公司董事期間之日後薪酬。

(ii) 五名最高薪人士

截至二零一八年十二月三十一日止年度，五名最高薪人士包括兩名董事（二零一七年：一名董事）。三名（二零一七年：四名）非董事人士之薪酬總額如下：

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10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(ii) Five highest paid individuals (Continued)

The number of the non-director individuals whose emoluments for the year were within the following bands:

		2018 二零一八年	2017 二零一七年
Nil to HK\$1,000,000	零至 1,000,000 港元	–	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	2	–
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	2
		3	4

No remuneration was paid or payable by the Group to any of the five highest paid individuals as an inducement to join the Group or upon joining the Group or as compensation for loss of office during the years ended 31 December 2018 and 2017.

10. 董事及五名最高薪人士之薪酬 (續)

(ii) 五名最高薪人士 (續)

年內薪酬介乎以下範圍之非董事人士人數：

截至二零一八年及二零一七年十二月三十一日止年度，本集團並無向五名最高薪人士支付或應付薪酬，作為吸引加入本集團或加入本集團後之獎勵或作為離職補償。

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11. TAXATION

11. 稅項

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列)
Continuing operations	持續經營業務			
Current tax:	即期稅項：			
PRC Enterprise Income Tax	中國企業所得稅			
Current year	本年度		185	2,423
Under-provision in prior year	過往年度撥備不足		74	262
			259	2,685
Deferred tax	遞延稅項	28	(200)	(195)
Total income tax expenses for continuing operations	持續經營業務之所得稅開支總額		59	2,490
Discontinued operations	已終止經營業務			
Current tax	即期稅項		636	1,250
Deferred tax	遞延稅項	28	-	496
			636	1,746
Total income tax expenses recognised in profit or loss	於損益確認之所得稅開支總額		695	4,236

11. TAXATION (Continued)**(i) Hong Kong Profits Tax**

Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the profits tax rate for the first HK\$2 million of estimated assessable profits of the Group will be lowered to 8.25% while the estimated assessable profits above HK\$2 million will continue to be subject to the rate of 16.5% for corporations.

(ii) Income taxes outside Hong Kong

The Company's subsidiaries in the PRC are subject to Enterprise Income Tax ("EIT"). PRC EIT is calculated at the prevailing tax rate at 25% on taxable income determined in accordance with the relevant laws and regulations in the PRC.

One of the Company's subsidiaries in the PRC is qualified as an eligible entity for enjoying a preferential EIT rate of 15% pursuant to the Notice on Guidelines for Preferential Corporate Income Tax in Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, which become effective since 1 January 2014.

Pursuant to the rules and regulations of the British Virgin Islands (the "BVI"), the Cayman Islands and the Marshall Islands, the Group is not subject to any taxation under those jurisdictions.

11. 稅項 (續)**(i) 香港利得稅**

香港利得稅按利得稅兩級制計算。根據利得稅兩級制，本集團首2,000,000港元之估計應課稅溢利之利得稅稅率將降至8.25%，2,000,000港元以上的估計應課稅溢利利潤將繼續按16.5%徵稅。

(ii) 香港境外之所得稅

本公司之中國附屬公司須繳納企業所得稅(「企業所得稅」)。中國企業所得稅乃根據中國相關法例及規例項下所釐定之應課稅收入按25%之現行稅率計算。

根據《深圳前海深港現代服務業合作區企業所得稅優惠政策及優惠目錄的通知》，本公司其中一間中國附屬公司符合資格為享有15%優惠企業所得稅率之合資格實體，自二零一四年一月一日起生效。

根據英屬處女群島(「英屬處女群島」)、開曼群島及馬紹爾群島之規則及規例，本集團毋須繳納有關司法權區之任何稅項。

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11. TAXATION (Continued)

Reconciliation of tax expenses for continuing operations

The tax charge for the year can be reconciled to the (loss) profit before taxation from continuing operations per the consolidated statement of comprehensive income as follows:

11. 稅項 (續)

持續經營業務之稅項開支對賬

年內稅項支出與綜合全面收益表之持續經營業務之除稅前(虧損)溢利對賬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (re-presented) (經重列)
Continuing operations	持續經營業務		
(Loss) Profit before taxation	除稅前(虧損)溢利	(157,516)	7,413
Income tax at applicable tax rate of 16.5% (2017:16.5%)	按適用稅率 16.5% (二零一七年：16.5%) 計算之所得稅	(25,990)	1,223
Effects of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司之不同稅率影響	(4,587)	(319)
Effect of preferential tax rate of a subsidiary	一間附屬公司享有優惠稅率之影響	(31)	(136)
Non-deductible expenses	不可扣稅開支	16,317	2,134
Tax exempt revenue	免稅收益	(705)	(2,389)
Utilisation of previously unrecognised tax losses	動用過往未確認之稅項虧損	-	(1)
Unrecognised temporary differences	未確認暫時差額	(200)	(715)
(Over) Under provision in prior year, net	過往年度(超額撥備)撥備不足，淨額	74	262
Tax effect of tax loss not recognised	未確認稅項虧損之稅務影響	16,147	2,370
Effect of two-tiered tax rates	兩級制稅率之影響	938	-
Others	其他	(1,904)	61
Tax expense for the year	年內稅項開支	59	2,490

Tax exempt revenue mainly included bank interest income and unrealised foreign exchange differences arising from foreign currencies denominated monetary assets and liabilities and gain on disposal of interest in a subsidiary which are non-trading in nature. Non-deductible expenses mainly included those operating expenses incurred by non-revenue generating group companies.

免稅收益主要包括銀行利息收入、以外幣計值之貨幣資產及負債所產生未變現外匯差額以及出售一間附屬公司權益之收益(屬非貿易性質)。不可扣稅開支主要包括並無產生收益之集團公司所產生經營開支。

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12. DIVIDENDS

The board does not recommend the payment of a dividend for the year ended 31 December 2018 (2017: Nil).

12. 股息

董事會不建議就截至二零一八年十二月三十一日止年度派付任何股息(二零一七年：無)。

13. (LOSS) EARNINGS PER SHARE

Basic (loss) earnings per share for the years ended 31 December 2018 and 2017 are calculated by dividing the (loss) earnings attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue.

13. 每股(虧損)盈利

截至二零一八年及二零一七年十二月三十一日止年度之每股基本(虧損)盈利按本公司權益持有人應佔虧損(盈利)除以已發行普通股加權平均數計算。

		2018 二零一八年	2017 二零一七年
(Loss) Profit operations attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔(虧損)溢利(千港元)		
— Continuing operations (HK\$'000)	— 持續經營業務(千港元)	(147,097)	3,604
— Discontinued operations (HK\$'000)	— 已終止經營業務(千港元)	(8,533)	(3,429)
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	1,288,000,000	1,288,000,000
Basic (loss) earnings per share	每股基本(虧損)盈利		
— Continuing operations (HK cents)	— 持續經營業務(港仙)	(11.42)	0.28
— Discontinued operations (HK cents)	— 已終止經營業務(港仙)	(0.66)	(0.27)

Basic and diluted (loss) earnings per share are the same as the Company did not have any dilutive potential ordinary shares during the years ended 31 December 2018 and 2017.

每股基本(虧損)盈利與每股攤薄(虧損)盈利相同，原因為本公司於截至二零一八年及二零一七年十二月三十一日止年度並無任何具潛在攤薄影響之普通股。

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14. INVESTMENT IN SUBSIDIARIES

Particulars of the Company's subsidiaries at 31 December 2018 are as follows:

14. 於附屬公司之投資

本公司附屬公司於二零一八年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of ownership interest 所佔所有權權益		Effective ownership interests held by the Group 本集團所持實際 所有權權益	Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有		
Dafeng Port Heshun International Investments Limited 大豐港和順國際投資有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	100%	Investment holding 投資控股
Dafeng Port Heshun Technology (China) Company Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	100%	Investment holding 投資控股
Dafeng Port Heshun Technology (Indonesia) Company Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	100%	Inactive 無業務
Luck Sign Investment Development Limited 祥佳投資發展有限公司	The BVI 英屬處女群島	US\$1,000 1,000美元	100%	-	100%	Investment holding 投資控股
Gamma Logistics (B.V.I.) Corporation [#] 伽瑪物流(B.V.I.)集團	The BVI 英屬處女群島	US\$1,000 1,000美元	51%	-	51%	Investment holding 投資控股
Golden Fame Shipping Limited [#] 金信船務有限公司	Hong Kong 香港	HK\$2,200,000 2,200,000港元	-	100%	51%	Provision of ocean freight transportation and container drayage services 提供海運及貨櫃運輸服務
Golden Fame Shipping Limited [#] 金信船務有限公司	The BVI 英屬處女群島	US\$1 1美元	-	100%	51%	Investment holding 投資控股
Golden Fame Shipping Limited [#] 金信船務有限公司	The Marshall Islands 馬紹爾群島	US\$1 1美元	-	100%	51%	Investment holding 投資控股

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of ownership interest 所佔所有權權益		Effective ownership interests held by the Group 本集團 所持實際 所有權權益	Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有		
Golden Ocean Warehouse & Transportation Limited [†] 金洋倉庫運輸有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	51%	Provision of feeder container storage facilities and the hiring services of barges and vehicles 提供支線貨櫃倉儲設施以及駁船及汽車租賃服務
Golden Fame Logistics Holding Limited [†] 金信物流集團有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	100%	51%	Investment holding 投資控股
Golden Fame Delta Shipping Limited [†] 金信珠江三角洲航運有限公司	The BVI / (place of operation: the PRC) 英屬處女群島/ (經營地點：中國)	US\$2 2美元	-	100%	51%	Provision of freight and feeder rental services 提供貨運及支線租賃服務
Worldly Development Limited 匯利豐發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	100%	Trading of electronics products 電子產品貿易
大豐港和順科技(深圳)有限公司	The PRC 中國	Registered capital and paid-up capital US\$1,000,000 註冊資本 及繳足股本 1,000,000美元	-	100%	100%	Inactive 無業務
鹽城大豐和順國際貿易有限公司 (Yancheng Dafeng Heshun International Trading Company Limited, ("Heshun Trading"))	The PRC 中國	Registered capital and paid-up capital US\$64,500,000 註冊資本 及繳足股本 64,500,000美元	-	100%	100%	Trading of metal, sugar, coal and petrochemical products 金屬、砂糖、煤及石化產品貿易

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of ownership interest 所佔所有權權益		Effective ownership interests held by the Group 本集團所持實際 所有權權益	Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有		
前海明天供應鏈(深圳)有限公司 Qianhai Mingtian Supply Chain (Shenzhen) Company Limited, "Qianhai Mingtian")	The PRC 中國	Registered capital US\$8,000,000 Paid-up capital US\$5,360,050 註冊資本 8,000,000美元 繳足股本 5,360,050美元	-	51%	51%	Trading of electronics products 電子產品貿易
江蘇中南雁石化倉儲有限公司 (Jiangsu Zhongnanhui Petrochemical Storage Company Limited*, "Zhongnanhui")	The PRC 中國	Registered and paid-up capital RMB32,000,000 註冊及繳足股本 人民幣32,000,000元	-	100%	100%	Provision of petrochemical products storage services 提供石化產品倉儲服務
中山市金洋國際貨運代理有限公司#	The PRC 中國	Registered and paid-up capital RMB7,000,000 註冊及繳足股本 人民幣7,000,000元	-	51%	51%	Provision of Non Vessel Operating Common Carrier ("NVOCC") and international forwarding agency services 提供無船承運商(「無船承運商」) 及國際貨運代理服務
中山市愛酒時貿易有限公司#	The PRC 中國	Registered and paid-up capital RMB500,000 註冊及繳足股本 人民幣500,000元	-	100%	51%	Inactive 無業務
中山市金信貨運有限公司#	The PRC 中國	Registered and paid-up capital RMB3,000,000 註冊及繳足股本 人民幣3,000,000元	-	100%	51%	Provision of transportation services 提供運輸服務

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of ownership interest 所佔所有權權益		Effective ownership interests held by the Group 本集團所持實際 所有權權益	Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有		
天津聯企成石油製品銷售有限公司	The PRC 中國	Registered and paid-up capital RMB20,000,000 註冊及繳足股本 人民幣20,000,000元	-	51%	51%	Trading of petrochemical products 石化產品貿易
珠海恒豐和順石化有限公司	The PRC 中國	Registered capital RMB1,000,000 註冊資本 人民幣1,000,000元	-	100%	51%	Trading of petrochemical products 石化產品貿易
深圳市泛海控股有限公司 (Zhenzhen Fanhai Holdings Company Limited*, "Shenzhen Faihai")	The PRC 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	51%	51%	Trading of petrochemical products 石化產品貿易
U-Drive Company Limited [#] 任我行有限公司	Hong Kong 香港	HK\$1,000 1,000港元	-	93.70%	47.8%	Provision of fuel cards 提供燃料卡
Win & Fame Motor Limited [#] 榮信自動車有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	80%	40.8%	Provision of vehicle and tractor maintenance services 提供汽車及牽引車保養服務
Win Top Shipping Company Limited [#] 穎圖船務有限公司	Hong Kong 香港	HK\$2 2港元	-	100%	51%	Provision of feeder shipping services 提供支線航運服務
Wintop Logistics Development Co. Ltd [#] 穎圖物流發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	51%	Provision of NVOCC services 提供無船承運商服務
Treasure Pipe Limited	The BVI 英屬處女群島	US\$10 10美元	-	100%	51%	Investment holding 投資控股

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of ownership interest 所占所有權權益		Effective ownership interests held by the Group 本集團所持實際 所有權權益	Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有		
Upward Miles Limited	Hong Kong 香港	HK\$500,000 500,000港元	-	100%	51%	Rental of trucks 租賃卡車
Golden Fame Insurance Services Limited 金信保險服務有限公司	Hong Kong 香港	HK\$500,000 500,000港元	-	100%	51%	Provision of insurance agency services 提供保險代理服務
Evertime Management Limited 恒泰管理有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	100%	Inactive 無業務
Marble Opportunities Limited	The BVI 英屬處女群島	US\$1 1美元	-	100%	51%	Investment holding 投資控股
Galva Company Limited	The BVI 英屬處女群島	US\$1 1美元	-	100%	51%	Inactive 無業務
Galva Express Enterprise Limited 金匯快遞企業有限公司	Hong Kong 香港	HK\$100 100港元	-	100%	51%	Provision of freight forwarding services 提供貨運代理服務
Galva Express Enterprise Limited [†] 金匯快遞企業有限公司	The BVI 英屬處女群島	US\$1 1美元	-	100%	51%	Investment holding 投資控股
Galva Express Enterprise Limited [†] 金匯快遞企業有限公司	The Marshall Islands 馬紹爾群島	US\$1 1美元	-	100%	51%	Investment holding 投資控股
Million Sky Business Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	100%	Investment holding 投資控股
Golden Fame Logistics Group Limited [†]	The BVI 英屬處女群島	US\$1 1美元	-	100%	51%	Investment holding 投資控股
Golden Fame Logistics Group Limited [†]	The Marshall Islands 馬紹爾群島	US\$1 1美元	-	100%	51%	Investment holding 投資控股

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Proportion of ownership interest 所佔所有權權益		Effective ownership interests held by the Group 本集團所持實際 所有權權益	Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有		
億斯特實業(深圳)有限公司	The PRC	Registered capital RMB5,000,000	-	100%	100%	Trading of tin wires
億斯特實業(深圳)有限公司	中國	註冊資本 人民幣5,000,000元				買賣錫線
廣西恒健通投資有限公司	The PRC	Registered capital RMB1,000,000	-	51%	51%	Inactive
廣西恒健通投資有限公司	中國	註冊資本 人民幣1,000,000元				無業務
江蘇海融大豐港油品化工碼頭 有限公司("Jiangsu Hairong")	The PRC	Registered capital RMB1,000,000	-	100%	100%	Provision of terminal handling and berthing services
江蘇海融大豐港油品化工碼頭有限公司 (「江蘇海融」) (Jiangsu Hairong Dafeng Port Petrochemical Product Terminal Company Limited "Jiangsu Hairong")	中國	註冊資本 人民幣1,000,000元				提供碼頭處理及靠泊服務

All of the above subsidiaries are limited liability companies.

上述附屬公司均為有限責任公司。

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14. INVESTMENT IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests (“NCI”)

The following table shows the information relating to the non-wholly owned subsidiaries, Gamma Logistics Group, Shenzhen Fanhai, Qianhai Mingtian and its subsidiaries (together the “Qianhai Mingtian Group”) and 天津聯企成石油製品銷售有限公司 (Tianjin Lian Qi Cheng Petroleum Products Trading Company Limited*, “Tianjin Lian Qi Cheng”) that have material NCI during the year. The summarised financial information of each of material NCI for the period from the later of the beginning of the reporting period and the date of acquisition to the earlier of the date of disposal and the end of the reporting period represents amounts before inter-company eliminations and excluding the related goodwill.

* The official name is in Chinese and the English name is translated for identification purpose only.

Subsidiaries that were included in as disposal group classified as held for sale.

14. 於附屬公司之投資(續)

擁有個別重大非控股權益(「非控股權益」)之附屬公司之財務資料

下表列示年內擁有重大非控股權益之非全資附屬公司伽瑪物流集團、前海明天及其附屬公司(「前海明天集團」)以及天津聯企成石油製品銷售有限公司(「天津聯企成」)之有關資料。自報告期開始與收購日期(以較後者為準)至出售日期與報告期完結(以較早者為準)期間各重大非控股權益之財務資料概要列示公司間撤銷前之金額，且不包括有關商譽。

該等附屬公司已計入分類為持作出售之出售集團。

		Shenzhen Fanhai 深圳泛海	Gamma Logistics Group 伽瑪物流集團	Qianhai Mingtian Group (Note) 前海明天集團 (附註)	Tianjin Lian Qi Cheng 天津聯企成
At 31 December 2018	於二零一八年十二月三十一日				
Proportion of NCI's ownership interests	非控股權益擁有權權益比例	49%	49%	49%	49%
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產	35	15,686	1,753	698
Current assets	流動資產	8,127	49,717	744,025	23,314
Current liabilities	流動負債	(5,126)	(44,958)	(700,287)	(5,370)
Non-current liabilities	非流動負債	-	(1,471)	-	-
Net Assets	資產淨值	3,036	18,974	45,491	18,642
Less: Impairment loss for the disposal group classified as held for sale (Note 25)	減：分類為持作出售之出售集團之減值虧損(附註25)	-	(10,837)	-	-
		3,036	8,137	45,491	18,642
Carrying amount of NCI	非控股權益賬面值	1,488	4,113	8,544	9,135

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14. INVESTMENT IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

		Gamma Logistics Group	Qianhai Mingtian Group (Note)	Tianjin Lian Qi Cheng
		伽瑪物流集團	前海明天集團 (附註)	天津聯企成
At 31 December 2017	於二零一七年十二月三十一日			
Proportion of NCI's ownership interests	非控股權益擁有權益比例	49%	49%	49%
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Non-current assets	非流動資產	17,147	3,972	331
Current assets	流動資產	54,783	591,087	115,172
Current liabilities	流動負債	(38,921)	(566,490)	(90,734)
Non-current liabilities	非流動負債	(8,607)	–	–
Net Assets	資產淨值	24,402	28,569	24,769
Carrying amount of NCI	非控股權益賬面值	12,090	10,829	12,136

Note: Qinghai Mingtian Group's total equity disclosed above included the accumulated profits up to disposal of 49% equity in Qianhai Mingtian of HK\$6,470,000 (the "Pre-acquisition Profits"). However, the non-controlling interests are not entitled to the Pre-acquisition Profits in accordance with the agreement entered into between the shareholders.

附註：上文所披露前海明天集團之權益總額包括截至出售前海明天49%股權之累計溢利6,470,000港元（「收購前溢利」）。然而，根據股東之間訂立之協議，非控股權益無權享有收購前溢利。

During the year, the Group and the non-controlling interests have injected HK\$24,006,000 and HK\$2,354,000 respectively. The non-controlling interests are not entitled to the excess contribution made by the Group of approximately HK\$21,556,000 in accordance with agreements entered into between the shareholders.

年內，本集團及非控股權益已分別注資24,006,000港元及2,354,000港元。根據與股東訂立之協議，非控股權益無權享有本集團所作出額外注資約21,556,000港元。

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

		Shenzhen Fanhai 深圳泛海 HK\$'000 千港元	Gamma Logistics Group 伽瑪物流集團 HK\$'000 千港元	Qianhai Mingtian Group 前海明天集團 HK\$'000 千港元	Tianjin Lian Qi Cheng 天津聯企成 HK\$'000 千港元
Year/Period ended 31 December 2018	截至二零一八年 十二月三十一日止 年度/期間				
Revenue	收益	759,639	200,411	2,503,960	112,256
Cost of sales	銷售成本	(764,323)	(164,906)	(2,495,291)	(110,048)
Other income	其他收入	2,551	1,904	13,770	10
Expense	開支	(6,305)	(42,416)	(29,192)	(7,253)
Impairment loss on disposal group	出售集團減值虧損	-	(10,837)	-	-
Share of result of associate	應佔聯營公司業績	-	(591)	-	-
Loss for the year	年內虧損	(8,438)	(16,435)*	(6,753)	(5,035)
Other comprehensive income (loss)	其他全面收益(虧損)	(1,327)	170	(2,793)	(1,091)
Total comprehensive loss for the year	年內全面虧損總額	(9,765)	(16,265)	(9,546)	(6,126)
Profit attributable to NCI of subsidiaries within the respective groups	有關集團內附屬公司 非控股權益應佔溢利	-	151	-	-
Loss attributable to NCI	非控股權益應佔虧損	(4,135)	(7,902)	(3,309)	(2,467)
Total comprehensive loss attributable to NCI	非控股權益應佔全面 虧損總額	(4,785)	(2,660)	(4,678)	(3,001)
Net cash flows from (used in):	來自(用於)以下各項之 現金流量淨額:				
Operating activities	經營活動	(2,412)	1,627	289,889	421
Investing activities	投資活動	(39)	5,104	(5,195)	76,318
Financing activities	融資活動	10,489	(2,803)	(281,872)	(71,931)
Dividends paid to NCI	已付非控股權益之股息	-	-	-	-
Impairment loss for the disposal group classified as held for sale (Note 25) attributable to NCI	非控股權益應佔分類為持 作出售之出售集團之 減值虧損(附註25)	-	5,310	-	-

* The amounts included the income tax expenses of HK\$636,000. The loss before tax from discontinued operations amounted to HK\$15,799,000.

* 有關金額包括所得稅開支636,000港元。已終止經營業務之除稅前虧損為15,799,000港元。

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

		Gamma Logistics Group 伽瑪物流集團 HK\$'000 千港元	Qianhai Mingtian Group 前海明天集團 HK\$'000 千港元	Tianjin Lian Qi Cheng 天津聯企成 HK\$'000 千港元
Year/Period ended 31 December 2017	截至二零一七年 十二月三十一日 止年度/期間			
Revenue	收益	149,385	1,190,016	293,838
Cost of sales	銷售成本	(120,077)	(1,166,695)	(285,844)
Other income	其他收入	3,564	491	26
Expense	開支	(28,823)	(18,180)	(7,133)
Share of result of associate	應佔聯營公司業績	(519)	-	-
Profit (loss) for the year/period	年/期內溢利(虧損)	(3,530)*	5,632	887
Other comprehensive income	其他全面收益	-	1,014	1,025
Total comprehensive (loss) income for the year/period	年/期內全面(虧損) 收益總額	(3,530)	6,646	1,912
Loss attributable to NCI of subsidiaries within the respective groups	有關集團內附屬公司 非控股權益應佔虧損	(69)	-	-
(Loss) Profit attributable to NCI	非控股權益應佔(虧損)溢利	(1,866)	2,760	434
Total comprehensive (loss) income attributable to NCI	非控股權益應佔全面(虧損) 收益總額	(1,967)	3,257	937
Net cash flows from (used in):	來自(用於)以下各項之 現金流量淨額:			
Operating activities	經營活動	(555)	(3,166)	(68,354)
Investing activities	投資活動	3,667	(306,849)	(309)
Financing activities	融資活動	(2,803)	277,691	53,536
Dividends paid to NCI	已付非控股權益之股息	-	-	-

* The amounts included the income tax expenses of HK\$1,746,000. The loss before tax from discontinued operations amounted to HK\$1,784,000.

* 有關金額包括所得稅開支1,746,000港元。已終止經營業務之除稅前虧損為1,784,000港元。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Buildings	Storage facilities	Leasehold improvements	Furniture, fixtures and equipment	Motor Vehicles	Computer equipment	Feeder vessels and barges	Containers	Terminal facilities	Construction in progress	Total
		樓宇	倉儲設施	物業裝修租賃	裝置及設備傢俬	汽車	電腦設備	駁船支線船塢及	貨櫃	碼頭設施	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At cost	按成本											
At 1 January 2017	於二零一七年一月一日	986	85,016	3,521	6,336	94,178	7,550	4,355	9,399	-	4,147	215,488
Additions	添置	98	6	1,661	2,894	7,635	657	-	947	-	9,835	23,733
Additions — acquisition of subsidiaries (note 34(d))	添置—收購附屬公司(附註34(d))	-	-	-	-	9	-	-	-	-	-	9
Disposals/Written off	出售/撇銷	-	-	(132)	(224)	(7,979)	(7)	-	(2,119)	-	-	(10,461)
Disposals of a subsidiary	出售一間附屬公司	-	-	-	(393)	(51,733)	-	-	-	-	-	(52,126)
Exchange realignment	匯兌調整	78	6,427	57	249	2,733	276	-	-	-	693	10,513
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	1,162	91,449	5,107	8,862	44,843	8,476	4,355	8,227	-	14,675	187,156
Additions	添置	11	-	335	433	3,275	504	-	8	-	47,128	51,694
Additions — acquisition of subsidiary (note 34)	添置—收購附屬公司(附註34)	5,522	12,656	-	32,913	85	143	-	-	789,817	-	841,136
Reclassified as disposal group held for sale (note 25)	重新分類為持作出售之出售集團(附註25)	-	-	(3,429)	(3,876)	(45,572)	(4,654)	(4,355)	(7,114)	-	-	(69,000)
Disposals/Written off	出售/撇銷	-	-	-	(149)	(833)	-	-	(1,121)	-	-	(2,103)
Disposals of a subsidiary (note 35)	出售一間附屬公司(附註35)	-	-	(434)	(1,427)	-	-	-	-	-	-	(1,861)
Exchange realignment	匯兌調整	(61)	(4,730)	(99)	(276)	(882)	(227)	-	-	-	(2,531)	(8,806)
At 31 December 2018	於二零一八年十二月三十一日	6,634	99,375	1,480	36,480	916	4,242	-	-	789,817	59,272	998,216
Accumulated depreciation and impairment	累計折舊及減值											
At 1 January 2017	於二零一七年一月一日	15	365	3,401	3,791	46,417	4,153	4,113	8,463	-	-	70,718
Charge for the year	年內扣除	52	3,946	71	550	14,450	667	242	494	-	-	20,472
Impairment	減值	-	-	67	64	1,247	38	-	-	-	-	1,416
Disposals/Written off	出售/撇銷	-	-	(88)	(215)	(7,506)	(7)	-	(2,082)	-	-	(9,898)
Disposals of a subsidiary	出售一間附屬公司	-	-	-	(48)	(21,008)	-	-	-	-	-	(21,056)
Exchange realignment	匯兌調整	4	179	-	31	1,561	52	-	-	-	-	1,827
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	71	4,490	3,451	4,173	35,161	4,903	4,355	6,875	-	-	63,479
Charge for the year	年內扣除	65	4,545	787	1,094	3,200	809	-	347	1,804	-	12,651
Impairment	減值	-	13,151	-	230	7	442	-	-	-	9,974	23,804
Reclassified as disposal group held for sale (note 25)	重新分類為持作出售之出售集團(附註25)	-	-	(3,429)	(3,818)	(36,514)	(4,345)	(4,355)	(6,125)	-	-	(58,586)
Disposals/Written off	出售/撇銷	-	-	-	(25)	(798)	-	-	(1,096)	-	-	(1,919)
Disposals of a subsidiary (note 35)	出售一間附屬公司(附註35)	-	-	(235)	(169)	-	-	-	-	-	-	(404)
Exchange realignment	匯兌調整	(6)	(404)	(31)	(65)	(850)	(70)	-	(1)	(67)	-	(1,494)
At 31 December 2018	於二零一八年十二月三十一日	130	21,782	543	1,420	206	1,739	-	-	1,737	9,974	37,531
Net book value	賬面淨值											
At 31 December 2018	於二零一八年十二月三十一日	6,504	77,593	937	35,060	710	2,503	-	-	788,080	49,298	960,685
At 31 December 2017	於二零一七年十二月三十一日	1,091	86,959	1,656	4,689	9,682	3,573	-	1,352	-	14,675	123,677

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15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The directors of the Company have reviewed the carrying value of property, plant and equipment (storage facilities and construction in progress), goodwill (note 16 to the consolidated financial statements) and prepaid lease payments (note 17 to the consolidated financial statements) of Petrochemical Storage Business as which economic performance is worse than expected and determined that the recoverable amounts from the use or sale of certain of these assets has declined below their carrying amount. The recoverable amounts of cash-generating unit (CGU) (including property, plant and equipment, goodwill, prepaid lease payments) of Petrochemical Storage Business are determined by the management, with assistance from an independent professional valuer, based on value-in-use calculation. Please refer to note 16 to the consolidated financial statements.

Accordingly, the carrying value of the property, plant and equipment has been reduced by HK\$23,804,000 to reflect this impairment loss during the year.

The assets held under finance leases within disposal group classified as held for sale at the end of the reporting period are as follows:

15. 物業、廠房及設備(續)

由於石化倉儲業務之表現較預期差，本公司董事已審閱該業務之物業、廠房及設備(倉儲設施及在建工程)之賬面值、商譽(綜合財務報表附註16)及預付租賃付款(綜合財務報表附註17)，認為使用或出售若干該等資產之可收回金額跌至低於其賬面值。現金產生單位(包括石化倉儲業務之物業、廠房及設備、商譽及預付租賃付款)之可收回金額由管理層在獨立專業估值師協助下按使用價值計算法釐定。請參閱綜合財務報表附註16。

因此，該物業、廠房及設備之賬面值已減少23,804,000港元以反映年內之減值虧損。

於報告期末，於分類為持作出售之出售集團根據融資租賃持有之資產如下：

		Motor vehicles 汽車 HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日	
Cost	成本	16,689
Accumulated depreciation and impairment	累計折舊及減值	(7,204)
Net book value	賬面淨值	9,485
At 31 December 2017	於二零一七年十二月三十一日	
Cost	成本	14,186
Accumulated depreciation and impairment	累計折舊及減值	(5,349)
Net book value	賬面淨值	8,837

16. GOODWILL

16. 商譽

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
<i>Reconciliation of carrying amount</i>	<i>賬面值對賬</i>		
At beginning of reporting period	於報告期初	16,213	14,844
Acquisition of a subsidiary (note 34)	收購一間附屬公司(附註34)	223,782	1,369
Impairment loss	減值虧損	(14,844)	–
At end of reporting period	於報告期末	225,151	16,213
At 31 December	於十二月三十一日		
Cost	成本	239,995	16,213
Accumulated impairment loss	累計減值虧損	(14,844)	–
		225,151	16,213

Goodwill arose because the consideration paid for the acquisitions effectively included amount in relation to the benefits originated from future market development and the assembled workforce of the acquired business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

產生商譽是由於就收購支付之代價實際包含未來市場發展及收購業務所集結勞動力所帶來利益之金額。由於該等利益不符合可識別無形資產之確認標準，故並無與商譽分開確認。預期概無已確認商譽可用於扣除所得稅。

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16. GOODWILL (Continued)

The carrying amount of goodwill was allocated to the Group's cash-generating unit ("CGUs") as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Terminal Handling and Berthing Business	碼頭處理及靠泊業務	223,782	-
Petrochemical Storage Business	石化產品倉儲業務	-	14,844
Petrochemical Products Trading Business	石化產品貿易業務	1,369	1,369
		225,151	16,213

The recoverable amounts of the Terminal Handling and Berthing Business, Petrochemical Storage Business and Petrochemical Products Trading Business have been determined on the basis of value in use. Its recoverable amounts are based on certain key assumptions. The value-in-use calculation uses cash flow projection based on financial budgets approved by management covering a 5-year period by applying certain key assumptions below:

		Terminal Handling and Berthing Business		Petrochemical Products Trading Business		Petrochemical Storage Business	
		碼頭處理及靠泊業務		石化產品貿易業務		石化產品倉儲業務	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
Pre-tax discount rate	稅前貼現率	10%	N/A 不適用	11%	11%	8%	11%
Average Growth rate	平均增長率	27%	N/A 不適用	3%	3%	2%	7%
Perpetual growth rate	永久增長率	1%	N/A 不適用	1%	1%	1%	1%

The discount rates used are pre-tax and reflects the specific risks relating to the relevant business. The perpetual growth rates are based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

16. 商譽(續)

商譽之賬面值分配至本集團現金產生單位(「現金產生單位」)如下：

碼頭處理及靠泊業務、石化產品倉儲業務及石化產品貿易業務之可收回金額乃根據使用價值釐定，並建基於若干主要假設。使用價值乃按管理層所批准五年期財務預算之現金流量預測採用以下若干主要假設計算：

採用稅前貼現率以反映相關業務所涉及之具體風險。永久增長率以相關行業增長預測為基準，且不超過相關行業平均長期增長率。

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16. GOODWILL (Continued)

Other key assumptions for the value-in-use calculation are budgeted growth rate and budgeted gross margin, which are determined based on the past performance and the management's expectation of the market development, future performance of the CGUs and market growth forecast.

The recoverable amounts of the CGUs of Terminal Handling and Berthing Business and Petrochemical Products Trading Business are determined to be higher than their respective carrying amount. Accordingly, the management considers that the goodwill attributable to these two CGUs is not impaired. Management is of the opinion that any reasonably possible change in the key assumptions would not cause the carrying amounts of the CGUs to exceed their recoverable amounts.

The recoverable amount of the CGU of Petrochemical Storage Business is determined to be lower than their respective carrying amount. The recoverable amount of this CGU, comprising goodwill, property, plant and equipment and prepaid lease payments, measured at value-in-use, is RMB133,305,000 (equivalent to HK\$151,794,000). Accordingly, impairment losses of HK\$14,844,000 was provided for goodwill in relation to this CGU during the year.

16. 商譽(續)

使用價值計算法之其他主要假設包括預算增長率及預算毛利率，根據過往表現以及管理層對市場發展、現金產生單位未來表現及市場增長預測之預期而釐定。

碼頭處理及靠泊業務、石化產品倉儲業務及石化產品貿易業務現金產生單位之可收回金額釐定為高於有關賬面值。因此，管理層認為，該兩個現金產生單位之商譽並無減值。管理層認為，主要假設之任何合理可能變動不會導致現金產生單位之賬面值超過其可收回金額。

石化倉儲業務現金產生單位之可收回金額被釐定為低於其有關賬面值。該現金產生單位的可收回金額包括商譽、物業、廠房及設備以及預付租賃付款，防按使用價值計量，為人民幣133,305,000元(相當於151,794,000港元)。因此，本年度已就該現金產生單位計提商譽減值虧損14,844,000港元。

17. PREPAID LEASE PAYMENTS

17. 預付租賃付款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At cost	按成本		
At the beginning of year	於年初	46,495	43,226
Exchange realignment	匯兌調整	(2,405)	3,269
At the end of year	於年末	44,090	46,495
Accumulated amortisation and impairment loss	累計攤銷及減值虧損		
At the beginning of year	於年初	1,130	80
Amortisation during the year	年內攤銷	1,028	1,004
Exchange realignment	匯兌調整	(98)	46
Impairment (note 15)	減值(附註15)	6,906	-
At the end of year	於年末	8,966	1,130
Carrying amount	賬面值	35,124	45,365
Less: Amount to be amortised within 12 months	減：須於12個月內攤銷之金額	(989)	(1,043)
Amounts to be amortised after 12 months	須於12個月後攤銷之金額	34,135	44,322

17. PREPAID LEASE PAYMENTS (Continued)

Zhongnanhui has agreed with 江蘇大豐港經濟開發區委員會 (Management Committee of Jiangsu Dafeng Harbour Economic Development Zone*, "Management Committee of Dafeng") and 江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng Harbour Holdings Limited*, "Jiangsu Dafeng"), a company wholly owned by the Government of Yancheng Dafeng Port, Jiangsu Province, the PRC (the "Government of Yancheng Dafeng") to pay RMB19 million to Management Committee of Dafeng and Jiangsu Dafeng which would apply for the certificate of land use right of a piece of land located in Yancheng Dafeng on behalf of Zhongnanhui from the Bureau of Land and Resources of Yancheng Dafeng.

In the opinion of the directors of Zhongnanhui, as an incentive for investments in the location, it was the intention of Management Committee of Dafeng and Jiangsu Dafeng to bear the additional purchase cost if it exceeded RMB19 million.

In March 2011, Zhongnanhui entered into an agreement with the Bureau of Land and Resources of Yancheng Dafeng pursuant to which Zhongnanhui was granted the land use right of that piece of land at a consideration of RMB36.5 million. Management Committee of Dafeng and Jiangsu Dafeng paid the whole amount on behalf of Zhongnanhui including the excess portion of consideration of RMB17.5 million.

* The official name is in Chinese and the English name is translated for identification purpose only.

In accordance with confirmation from Management Committee of Dafeng and Jiangsu Dafeng, Zhongnanhui had no further obligation in respect of the grant of the land use right apart from RMB19 million payable to Management Committee of Dafeng and Jiangsu Dafeng, which was fully settled during the year.

Upon acquisition of Zhongnanhui by the Group in 2016, the prepaid lease payments were valued at RMB38.7 million. The prepaid lease payments are amortised over the remaining leasehold period of 45 years since acquisition. As at 31 December 2018, the prepaid lease payments were pledged to secure bank borrowings as stated in note 27(a) to the consolidated financial statements.

17. 預付租賃付款 (續)

中南滙與江蘇大豐港經濟開發區委員會(「大豐港委員會」)及江蘇大豐海港控股集團有限公司(「江蘇大豐」, 由中國江蘇省鹽城大豐港政府(「鹽城大豐政府」)全資擁有之公司)協定, 向大豐港委員會及江蘇大豐支付人民幣19,000,000元以代表中南滙就一幅位於鹽城大豐之土地向鹽城大豐國土資源局申請土地使用權證。

中南滙董事認為, 作為投資於該地區之獎勵, 大豐港委員會及江蘇大豐擬承擔超出人民幣19,000,000元之額外購買成本。

於二零一一年三月, 中南滙與鹽城大豐國土資源局訂立協議, 據此, 中南滙以代價人民幣36,500,000元取得該土地之土地使用權。大豐港委員會及江蘇大豐代表中南滙支付全數款項, 包括代價超額部分人民幣17,500,000元。

據大豐港委員會及江蘇大豐確認, 除應付大豐港委員會及江蘇大豐之款項人民幣19,000,000元(已於年內悉數支付)外, 中南滙毋須就取得土地使用權承擔其他責任。

本集團於二零一六年收購中南滙時, 預付租賃付款之價值為人民幣38,700,000元。預付租賃付款於收購起計剩餘租期(即45年)內攤銷。於二零一八年十二月三十一日, 預付租賃付款已抵押以取得銀行借貸(見綜合財務報表附註27(a))。

18. SEA USE RIGHT PAYMENTS

The amount represented cost paid for sea use rights (with remaining lease term of 41 years as at 31 December 2018) in Dafeng Port, Jiangsu Province, the PRC. The cost is amortised over the lease period.

18. 海域使用權付款

有關金額指就中國江蘇省大豐港之海域使用權(截至二零一八年十二月三十一日剩餘租期為41年)已付之成本。有關成本於租期內攤銷。

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At cost	按成本		
At the beginning of the year	於年初	-	-
Additions — acquisition of a subsidiary (note 34)	添置 — 收購一間附屬公司 (附註34)	2,927	-
At the end of year	於年末	2,927	-
Accumulated amortisation	累計攤銷		
At the beginning of the year	於年初	-	-
Amortisation during the year	年內攤銷	7	-
At the end of year	於年末	7	-
Carrying amount	賬面值	2,920	-
Less: Amounts to be amortised within 12 months	減：將於12個月內攤銷的金額	(72)	-
Amounts to be amortised after 12 months	將於12個月後攤銷的金額	2,848	-

As at 31 December 2018, the sea use right payments were pledged to secure bank borrowings as stated in note 27(a) to the consolidated financial statements.

誠如綜合財務報表附註27(a)所述，於二零一八年十二月三十一日，海域使用權付款已抵押作為銀行借貸之擔保。

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19. PREPAYMENTS IN RELATION TO PROPERTY, PLANT AND EQUIPMENT

19. 就物業、廠房及設備之預付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayments regarding Dafeng Harbour Port Limited Liability Company's properties (note 34(a))	有關大豐海港港口有限責任公司物業之預付款項(附註34(a))	-	9,004
Advances to suppliers for purchase of property, plant and equipment	就購買物業、廠房及設備向供應商墊款	500	7,792
		500	16,796

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

20. 可供出售金融資產

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted investment, at cost	非上市投資，按成本	-	8,806

At 31 December 2017, the unlisted investment represented investment in 40% of unlisted shares (the "Option Shares") issued by a private entity (the "Investee"), an investment holding company incorporated in Samoa with limited liabilities. They were measured at cost less impairment at the end of each reporting period because the directors were of the opinion that their fair values could not be measured reliably given that the range of reasonable fair value estimates was significant and the probabilities of the various estimates could not be reasonably assessed. Certain subsidiaries of the Investee engage in regulated activities and are licensed corporations under the Hong Kong Securities and Futures Ordinance. These unlisted investments were reclassified to FVPL as at 1 January 2018 as disclosed in note 3 to the consolidated financial statements.

In 2016, the Company entered into a put option deed with an independent person (the "Investor"), who holds 60% equity interest of the Investee, pursuant to which the Investor irrevocably granted to the Company an option (the "Put Option") to sell and to require the Investor or such other persons nominated in writing by the Investor, to purchase the Option Shares at a consideration of approximately HK\$9,334,000.

於二零一七年十二月三十一日，非上市投資指投資於一間私人實體（「投資對象」，於薩摩亞註冊成立之投資控股有限公司）發行之非上市股份40%（「期權股份」），於各報告期末按成本扣除減值計量，原因為董事認為其公平值因合理公平值估計範圍龐大及各種估計概率無法合理評估而未能可靠計量。投資對象之若干附屬公司從事受規管活動，為香港證券及期貨條例項下持牌法團。誠如綜合財務報表附註3所披露，該等非上市投資於二零一八年一月一日重新分類為按公平值計入損益。

於二零一六年，本公司與一名獨立人士（「投資者」，持有投資對象60%股權）訂立認沽期權契約，據此，投資者不可撤回地向本公司授出期權（「認沽期權」），以銷售並要求投資者或投資者以書面任命之其他人士購買期權股份，代價約為9,334,000港元。

20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

(Continued)

On 14 November 2017, the Company, the Investor and an independent third party nominated by the Investor (the "Nominee") entered into a put option exercise agreement pursuant to which the Company would exercise the Put Option and the Nominee would acquire the Option Shares at a consideration of approximately HK\$9,334,000. During the year, the unlisted investment was disposed of.

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted investment fund outside Hong Kong	香港境外之非上市投資基金	7,971	—

The unlisted investment fund represents the non-principal-guaranteed fund with the rate of return ranged from 3.6% to 4.0%, varies according to the number of days of establishment. The fair value of unlisted investment fund is estimated with reference to the price quoted by the bank which is the fund administrator. In 2019, the investment has been subsequently disposed of at a consideration of approximately HK\$7,977,000.

22. INVENTORIES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw materials and materials used for operation	原材料及經營用料	—	21
Finished goods — electronic products	完成品 — 電子產品	4,946	3,182
Petrochemical products	石化產品	11,774	3,513
		16,720	6,716

20. 可供出售金融資產(續)

於二零一七年十一月十四日，本公司、投資者及投資者任命之獨立第三方(「代名人」)訂立認沽期權行使協議，據此，本公司將行使認沽期權，而代名人將收購期權股份，代價約為9,334,000港元。於本年度，非上市投資已出售。

21. 按公平值計入損益之金融資產

非上市投資基金指回報率介乎3.6%至4.0%(按設立日數變動)之不保本基金。非上市投資基金之公平值乃參考銀行(為基金管理人)之報價釐定。該投資其後於二零一九年按代價約7,977,000港元出售。

22. 存貨

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23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收款項

		Note	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		附註		
Trade receivables	貿易應收款項			
Third parties	第三方		418,688	303,471
Related parties	關聯方		–	12
		37(a)(iii)	418,688	303,483
Other receivables	其他應收款項			
Deposits, prepayments and other debtors	按金、預付款項及其他應收賬款		38,988	28,126
Advanced payments to suppliers	向供應商墊款		49,722	229,042
Value added tax refundable	可退回增值稅		142,435	97,797
Interest receivable	應收利息		5,461	487
Due from associates	應收聯營公司款項		–	1,212
Due from connected companies	應收關聯公司款項	23(a)	435,350	2,402
Consideration receivable for disposal of interests in a subsidiary	應收出售一間附屬公司權益之代價		–	4,250
			671,956	363,316
			1,090,644	666,799

23(a) Due from connected companies

23(a) 應收關聯公司款項

		Note	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		附註		
Jiangsu Dafeng	江蘇大豐	(i)	435,321	–
大豐鑫港置業有限公司	大豐鑫港置業有限公司	(ii)	29	–
江蘇大豐港工程技術發展有限公司	江蘇大豐港工程技術發展有限公司		–	2,402
			435,350	2,402

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

23(a) Due from connected companies (Continued)

- (i) The amount represents advances, of RMB382,296,000 (approximately HK\$435,321,000) from Jiangsu Hairong (before acquisition) to Juangsu Dafeng, which has a 40% equity interest in Dafeng Port Overseas. The amounts are unsecured and have no fixed terms of repayment. Included in the amounts are balances of RMB142,500,000 (approximately HK\$162,265,000) bear annual interest at rate ranged from 5-year RMB benchmark loan interest rate of the People's Bank of China to 110% of 5-year RMB benchmark loan interest rate of the People's Bank of China. The remaining balances of RMB239,796,000 (approximately HK\$273,256,000) are interest-free.
- (ii) The amount represents advance to a company controlled by a substantial shareholder. The amount is unsecured, interest-free and has no fixed terms of repayment.

23. 貿易及其他應收款項(續)

23(a) 應收關聯公司款項(續)

- (i) 有關金額指江蘇海融(收購前)墊付予江蘇大豐(擁有大豐港海外之40%權益)之墊款人民幣382,296,000元(約435,321,000港元)(二零一七年:無)。有關金額為無抵押及並無固定還款期。有關金額包括人民幣142,500,000元(約162,265,000港元)之結餘,按介乎中國人民銀行五年期人民幣基準貸款利率至中國人民銀行五年期人民幣基準貸款利率之110%之年息率計息。餘額人民幣239,796,000元(約273,256,000港元)乃屬免息。
- (ii) 有關金額指向主要股東控制之公司之墊款。有關金額為無抵押、免息及並無固定還款期。

24. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

24. 現金及現金等價物以及已抵押 銀行存款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金		
Cash at bank and in hand	銀行及手頭現金	64,588	61,703
Bank overdrafts (note 27)	銀行透支(附註27)	(5,672)	-
		58,916	61,703
Bank balances and cash attributable to disposal group classified as held for sale (note 25)	分類為持作出售之出售集團應佔銀行結餘及現金(附註25)	4,736	-
As stated in the consolidated statement of cash flows	於綜合現金流量表列賬	63,652	61,703

Cash at bank earns interest at floating rates based on daily bank deposit rates.

銀行現金根據每日銀行存款利率按浮動利率賺取利息。

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24. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS (Continued)

24(a) Pledged bank deposits

At 31 December 2018, pledged bank deposits of the Group are pledged for the bill payables issued by a bank. The interest rates of the pledged bank deposits ranged from 4.39% to 4.63% per annum and will be matured in August 2019.

25. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 28 December 2018, the Company entered into a share transfer agreement with a third party, to dispose of all its remaining 51% equity interests in Gamma Logistics at a consideration of HK\$4,150,000. The transaction was approved by the directors of the Company at a directors' meeting held on 28 December 2018. The disposal transaction was completed on 10 January 2019.

Management considers the Gamma Logistics Group's operations had been discontinued and thereby constituted discontinued operations. Accordingly, certain comparative figures in the consolidated statement of comprehensive income have been re-presented to separately reflect the results of the continuing operations and discontinued operations. The results and net cash flows of the discontinued operated by the Gamma Logistics Group for the years ended 31 December 2018 and 2017 are summarised in note 14 to the consolidated financial statements.

24. 現金及現金等價物以及已抵押銀行存款(續)

24(a) 已抵押銀行存款

於二零一八年十二月三十一日，本集團已抵押銀行存款已作抵押，以取得銀行發出之應付票據。有抵押銀行存款之年利率介乎4.39%至4.63%，將於二零一九年八月到期。

25. 分類為持作出售之出售集團

於二零一八年十二月二十八日，本公司與第三方訂立股份轉讓協議，以出售於伽瑪物流其餘51%股權，代價為4,150,000港元。該交易於二零一八年十二月二十八日舉行之董事會會議上獲本公司董事批准。該出售交易於二零一九年一月十日完成。

管理層認為伽瑪物流集團業務已終止經營，故構成已終止經營業務。因此，綜合全面收益表若干比較數字已重列，以獨立反映持續經營業務及已終止經營業務之業績。伽瑪物流集團所經營已終止經營業務截至二零一八年及二零一七年十二月三十一日止年度之業績及現金流量淨額概要載於綜合財務報表附註14。

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25. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (Continued)

The major classes of assets and liabilities of Gamma Logistics Group (i.e. the disposal group) held for sale measured at the lower of carrying amount and fair value less costs to sell at the end of the reporting period are as follows:

25. 分類為持作出售之出售集團(續)

於報告期末按賬面值與公平值減出售成本之較低者計量之持作出售之伽瑪物流集團(即出售集團)之資產及負債主要類別如下：

		Carrying amount as remeasured immediately before classification as held for sale	Impairment loss	Carrying amount after allocation of impairment loss
		緊接重新分類為持作出售前重新計量之賬面值	減值虧損	分配減值虧損後之賬面值
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Assets	資產			
Property, plant and equipment (note 15)	物業、廠房及設備 (附註15)	10,414	(7,195)	3,219
Interest in associates	於聯營公司之權益	5,272	(3,642)	1,630
Trade and other receivables	貿易及其他應收款項	43,826	–	43,826
Amount due from associates	應收聯營公司款項	1,155	–	1,155
Cash and bank balances	現金及銀行結餘	4,736	–	4,736
Assets classified as held for sale — disposal group	分類為持作出售之資產 — 出售集團	65,403	(10,837)	54,566
Liabilities	負債			
Trade and other payables	貿易及其他應付款項	29,154		29,154
Amount due to associates	應付聯營公司款項	3,946		3,946
Tax payables	應付稅項	1,046		1,046
Deferred tax liabilities (note 28)	遞延稅項負債(附註28)	1,471		1,471
Interest bearing borrowing	計息借貸	10,812		10,812
Liabilities directly associated with disposal group held for sale	與持作出售之出售集團直接有關之負債	46,429		46,429
Net assets attributable to the assets held for sale — disposal group	持作出售資產 — 出售集團應佔資產淨值	18,974		8,137

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26. TRADE AND OTHER PAYABLES

26. 貿易及其他應付款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Note 附註		
Trade and bills payables	貿易應付款項及應付票據		
Trade payables	貿易應付款項	324,794	134,276
Bills payables	應付票據	321,244	-
	26(a)	646,038	134,276
Other payables	其他應付款項		
Accrued charges and other creditors	應計費用及其他應付賬款	37,449	39,725
Advanced receipts from customers	收取客戶墊款	17,800	184,589
Construction costs payable	應付建築成本	11,260	1,990
Salaries and bonus payable	應付薪金及花紅	2,727	3,981
Amounts due to ex-shareholders of Zhongnanhui	應付中南滙前股東款項	-	1,014
Amount due to an ex-director of Zhongnanhui	應付中南滙前董事款項	-	15,589
Amount due to connected companies	應付關連公司款項	1,231,702	-
Due to associates	應付聯營公司款項	-	5,157
Loan interest payable	應付貸款利息	-	2,403
Deposit received for disposal of available for sale financial assets	出售可供出售金融資產所得訂金	-	5,000
Consideration payable in respect of acquisition of a subsidiary	就收購一間附屬公司應付代價	-	1,201
		1,300,938	260,649
		1,946,976	394,925

26(a) Trade and bills payables

26(a) 貿易應付款項及應付票據

The ageing analysis of trade and bills payables, based on invoice date, is as follows:

貿易應付款項及應付票據按發票日期之賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
90 days or below	90天或以下	645,740	133,465
91-180 days	91至180天	298	811
		646,038	134,276

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26. TRADE AND OTHER PAYABLES (Continued)

26. 貿易及其他應付款項(續)

26(b) Due to a connected companies

26(b) 應付關連公司款項

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註		
Dafeng Harbour (as defined in note 34(a))	大豐海港港口 (定義見附註34(a))	26b(i)	908,063	-
Jiangsu Dafeng 江蘇華海投資有限公司	江蘇大豐 江蘇華海投資有限公司	26b(ii)	194,223	-
江蘇華海投資有限公司 ("Jiangsu Huahai")	江蘇華海投資有限公司 (「江蘇華海」)	26b(iii)	129,416	-
			1,231,702	-

(i) The amount due is unsecured, interest-free and has no fixed terms of repayment. Dafeng Harbour is the wholly-owned subsidiary of Jiangsu Dafeng.

(i) 應付款項為無抵押、免息及並無固定還款期。大豐海港港口為江蘇大豐之全資附屬公司。

(ii) Jiangsu Huahai and Jiangsu Dafeng have equity interest in Dafeng Port Overseas as to 10% and 40% respectively. The amounts due represent the consideration payable in relation to acquisition of Jiangsu Hairong. The amounts are unsecured, repayable within one year and bear interest at a rate of 4.35% per annum.

(ii) 江蘇華海及江蘇大豐分別擁有大豐海港港口之10%及40%股權。應付款項指就收購江蘇大豐應付代價。有關款項為無抵押及須於一年內償還，按每年4.35%計息。

26(c) Advanced receipts from customers

26(c) 收取客戶墊款

The movements (excluding those arising from increases and decreases both occurred within the same year) of contract liabilities from contracts with customers within HKFRS 15 during the year are as follows:

年內，屬香港財務報告準則第15號範圍內客戶合約之合約負債變動(不包括於同一年度增減所產生者)如下：

		2018 二零一八年 HK\$'000 千港元
At the beginning of the reporting period	於報告期初	184,589
Recognised as revenue	確認為收益	(184,589)
Receipt of advances of undelivered goods	收取未交付貨品之墊款	17,800
At end of the reporting period		17,800

At 31 December 2018, the advance payments from customers are expected to be recognised as revenue within one year.

於二零一八年十二月三十一日，客戶之預付款項預期將於一年內確認為收益。

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27. BANK AND OTHER BORROWINGS

27. 銀行及其他借貸

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Note 附註		
Interest-free	免息			
Bank loan	銀行貸款		–	312,587
Interest-bearing	計息			
Bank loans	銀行貸款	27(a)	209,521	50,434
Loan from a third party	來自第三方之貸款	27(b)	35,529	60,827
Loans from connected companies	來自關聯公司之貸款	27(c)	108,746	236,908
Bank overdrafts (note 24)	銀行透支(附註24)	27(d)	5,672	–
Unlisted secured bonds	非上市有抵押債券	27(e)	392,657	–
Obligations under finance leases	融資租賃承擔		–	10,148
			752,125	358,317
Total bank and other borrowings	銀行及其他借貸總額		752,125	670,904
Current portion	即期部分			
— Bank loans	— 銀行貸款		111,593	322,194
— Loan from a third party	— 來自第三方之貸款		23,368	23,361
— Loans from connected companies	— 來自關聯公司之貸款		–	236,908
— Bank overdrafts	— 銀行透支		5,672	–
— Obligations under finance leases	— 融資租賃承擔		–	3,012
			140,633	585,475
Non-current portion	非即期部分			
— Bank loans	— 銀行貸款		97,928	40,827
— Loan from a third party	— 來自第三方之貸款		12,161	37,466
— Loans from connected companies	— 來自關聯公司之貸款		108,746	–
— Unlisted secured bonds	— 非上市有抵押債券		392,657	–
— Obligations under finance leases	— 融資租賃承擔		–	7,136
			611,492	85,429
Total bank and other borrowings	銀行及其他借貸總額		752,125	670,904

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27. BANK AND OTHER BORROWINGS (Continued) 27. 銀行及其他借貸(續)

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
		Note 附註	
Analysed as follows:	分析如下：		
Secured	有抵押	41,201	383,562
Secured and guaranteed	有抵押及擔保	602,178	50,434
Unsecured	無抵押	108,746	236,908
		752,125	670,904

At the end of reporting date, the analysis of bank and other borrowings due based on the scheduled repayment dates set out in the loan agreements is as follows:

於報告期末，應付銀行及其他借貸按貸款協議所載計劃還款日期之分析如下：

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
The above borrowings are repayable as follows:	以上借貸須按以下日期償還：		
— repayable on demand or within 1 year	— 按要求或於1年內償還	140,633	585,475
— repayable after 1 year but within 2 years	— 於1年後但2年內償還	218,835	36,851
— repayable after 2 years but within 5 years	— 於2年後但5年內償還	392,657	48,578
Total bank and other borrowings	銀行及其他借貸總額	752,125	670,904

27(a) Bank loans

27(a) 銀行貸款

		2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元
Bank Loan A	銀行貸款A	38,716	50,434
Bank Loan B	銀行貸款B	34,161	—
Bank Loan C	銀行貸款C	136,644	—
Total bank loans	銀行貸款總額	209,521	50,434

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27. BANK AND OTHER BORROWINGS (Continued)

27(a) Bank loans (Continued)

Bank Loan A

Pursuant to the loan agreement dated 28 July 2015 entered into between Zhongnanhui and Jiangsu Dafeng Rural Commercial Bank Co Ltd, a 5-year term loan facility of up to RMB50 million (equivalent to HK\$60 million) was made available to Zhongnanhui.

As at 31 December 2018, the loan balances of RMB34 million (equivalent to HK\$38,716,000) (2017: RMB42 million, equivalent to HK\$50.4 million) carry interest rates ranged between 5.8% and 6.5% per annum and are secured by prepaid lease payments as disclosed in note 17 to the consolidated financial statements. In addition, these loans are guaranteed by Jiangsu Dafeng up to the extent of RMB30 million (equivalent to HK\$36 million).

Bank Loan B

Pursuant to the loan agreement dated 23 December 2010 entered into between Jiangsu Hairong and China Minsheng Banking Corporation Limited, a term loan of RMB130 million (equivalent to HK\$148,031,000) was made to Jiangsu Hairong which is repayable on 3 January 2019. As at 31 December 2018, the loan balances of RMB 30 million (equivalent to HK\$34,161,000) (2017:HK\$ nil) carry interest at rate of 110% of People's Bank of China base interest rate. In addition, these loans are guaranteed by Jiangsu Dafeng and secured by prepaid lease payments of connected parties and sea use right payments as disclosed in note 17 to the consolidated financial statements.

Bank Loan C

Pursuant to the loan agreement entered into between Jiangsu Hairong and Bank of China Limited, a bank loan of RMB 390,000,000 (equivalent to HK\$444,093,000) with interest bearing at the People's Bank of China base interest rate per annum and repayable in 2020 are guaranteed by Jiangsu Dafeng and secured by the sea use right payments as disclosed in note 18 to the consolidated financial statements. As at 31 December 2018, the loan balance amounted to RMB120,000,000 (equivalent to HK\$136,644,000) (2017:HK\$ nil).

27. 銀行及其他借貸(續)

27(a) 銀行貸款(續)

銀行貸款A

根據中南匯與江蘇大豐農村商業銀行所訂立日期為二零一五年七月二十八日之貸款協議，中南匯獲提供一筆最多為人民幣50,000,000元(相當於60,000,000港元)之五年期貸款融資。

於二零一八年十二月三十一日，貸款結餘人民幣34,000,000元(相當於38,716,000港元)(二零一七年：人民幣42,000,000元(相當於50,400,000港元)按優惠利率另加介乎5.8厘至6.5厘之年利率計息，並以綜合財務報表附註17所披露預付租賃付款作抵押。此外，該筆貸款由江蘇大豐擔保，擔保上限為人民幣30,000,000元(相當於36,000,000港元)。

銀行貸款B

根據江蘇海融與中國民生銀行股份有限公司所訂立日期為二零一零年十二月二十三日之貸款協議，江蘇海融獲提供為數人民幣130,000,000元(相當於148,031,000港元)之定期貸款，須於二零一九年一月三日償還。於二零一八年十二月三十一日，貸款結餘人民幣30,000,000元(相當於34,161,000港元)(二零一七年：零港元)按中國人民銀行基準利率之110%計息。此外，該等貸款由江蘇大豐擔保並以綜合財務報表附註17所披露關連人士之預付租賃付款及海域使用權付款作抵押。

銀行貸款C

根據江蘇海融與中國銀行股份有限公司所訂立貸款協議，江蘇海融獲提供為數人民幣390,000,000元(相當於444,093,000港元)之八年期定期貸款，按中國人民銀行基準年利率計息及須於二零二零年償還。該貸款由江蘇大豐擔保及以綜合財務報表附註18所披露海域使用權付款作抵押。於二零一八年十二月三十一日，貸款結餘為人民幣120,000,000元(相當於136,644,000港元)(二零一七年：零港元)。

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27. BANK AND OTHER BORROWINGS (Continued)

27. 銀行及其他借貸(續)

27(b) Loan from a third party

Pursuant to the loan agreement dated 28 March 2017 entered into between Zhongnanhui and a third party, loan facility of up to RMB60 million (equivalent to HK\$68 million) was made available to the Group and is secured by computer equipment, storage facilities and construction in progress with aggregate carrying amount of RMB58,366,000 (equivalent to HK\$66,461,000 (2017: RMB55,493,000 (equivalent to HK\$66,636,000))). The loan bears the interest rate of 5.38% per annum. A security deposit of RMB3,000,000 (equivalent to HK\$3,416,000 as at 31 December 2018) (2017: equivalent to HK\$3,602,000)) has been placed for this loan. The loan is repayable by installments and the last installment is due on 20 April 2020.

27(b) 來自第三方之貸款

根據中南匯與一名第三方所訂立日期為二零一七年三月二十八日之貸款協議，本集團獲提供一筆最多為人民幣60,000,000元(相當於68,000,000港元)之貸款融資，並以賬面總值人民幣58,366,000元(相當於66,461,000港元)(二零一七年：人民幣55,493,000元(相當於66,636,000港元))之電腦設備、倉儲設施及在建工程作抵押。貸款按年利率5.38厘計息，並已就此存入保證金人民幣3,000,000元(於二零一八年十二月三十一日相當於3,416,000港元)(二零一七年：相當於3,602,000港元)。貸款須分期償還，最後一期於二零二零年四月二十日到期。

27(c) Loans from connected companies

27(c) 來自關聯公司之貸款

Details of the loans are summarised as follows:

貸款詳情概述如下：

Name of connected companies 關聯公司名稱	Interest rate 利率		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
海晶商業保理有限公司 海晶商業保理有限公司	9.0% per annum 每年9厘		-	180,498
Jiangsu Dafeng 江蘇大豐	8.5% per annum 每年8.5厘		-	12,008
	9.0% per annum 每年9厘	(i)	108,746	-
Jiangsu Hairong 江蘇海融	7.0% per annum 每年7厘		-	8,406
大豐港融資租賃(北京)有限責任公司 大豐港融資租賃(北京)有限責任公司	7.5% per annum 每年7.5厘		-	35,996
			108,746	236,908

(i) The lender is a substantial shareholder of the Group. The loan is unsecured and repayable in 2020.

(i) 貸方為本集團主要股東。該貸款為無抵押及須於二零二零年償還。

27. BANK AND OTHER BORROWINGS (Continued)**27(d) Bank overdrafts**

At the end of the reporting period, bank overdrafts from China Construction Bank Corporation of RMB4,981,000 equivalent to HK\$5,672,000 (2017: nil) was interest bearing at 0.152% of People's Bank of China base interest rate per annum. The bank overdrafts were secured by properties owned by spouse of a director of Qianhai Hairong.

27(e) Unlisted secured bonds

On 29 March 2018, the Group issued 3-year unlisted secured bonds of US\$50,000,000 (equivalent to HK\$390,395,000) with coupon rate at 7.5% per annum of (the "Bonds") and the interest is payable on every 29th of September and March. The proceeds from issuance of the Bonds to independent third parties after the issuance costs were HK\$383,277,000. The effective interest rate is 8.3% per annum.

Dafeng Port Overseas, a controlling shareholder of the Company, entered into a deed of account charge (the "Account Charge") with the security trustee on 29 March 2018, pursuant to which Dafeng Port Overseas assigned and agreed to assign to the security trustee, as trustee for the bondholders, all of Dafeng Port Overseas' right, title and interest from time to time in and to each secured account, which represented approximately 57.46% of the Company's total issued shares as at 29 March 2018, as security for the payment and discharge of the secured obligations.

Based on the deed of guarantee dated 29 March 2018, the Bonds are guaranteed by Jiangsu Dafeng.

27. 銀行及其他借貸 (續)**27(d) 銀行透支**

於報告期末，來自中國建設銀行股份有限公司之銀行透支為人民幣4,981,000元(相當於5,672,000港元)(二零一七年：零)按中國人民銀行基準年利率0.152%計息。銀行透支以前海明天一名董事配偶所擁有物業作抵押。

27(e) 非上市有抵押債券

於二零一八年三月二十九日，本集團發行50,000,000美元(相當於390,395,000港元)按息票率每年7.5厘計息之三年期非上市有抵押債券(「債券」)，須於逢九月及三月之二十九日支付利息。扣除發行成本後之向獨立第三方發行證券所得款項為383,277,000港元。實際年利率為8.3厘。

本公司之控股股東大豐港海外於二零一八年三月二十九日與抵押受託人訂立賬戶抵押契據(「賬戶抵押」)，據此，大豐港海外將大豐港海外不時於各抵押賬戶之所有權利、所有權及權益(相當於二零一八年三月二十九日本公司已發行股份總數約57.46%)轉讓並同意轉讓予抵押受託人(作為債券持有人的受託人)，作為償付及履行抵押責任之擔保。

根據日期為二零一八年三月二十九日之擔保契據，債券由江蘇大豐擔保。

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28. DEFERRED TAXATION

The movements for the year in the Group's net deferred tax liabilities 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
At beginning of the reporting period	於報告期初	(3,619)	(3,161)
Addition — Acquisition of a subsidiary (note 34)	添置 — 收購一間附屬公司 (附註 34)	(5,254)	—
Credited (Charged) to profit and loss (note 11)	於損益計入(扣除)(附註 11)	200	(301)
Reclassified as liabilities associated with disposal group held for sale (note 25)	重新分類為與持作出售之出售集團有關之負債(附註 25)	1,471	—
Exchange difference	匯兌差額	102	(157)
At end of the reporting period	於報告期末	(7,100)	(3,619)

28. 遞延稅項

本集團遞延稅項負債淨額於本年度之變動如下：

Recognised net deferred tax liabilities at the end of the reporting period represent the following:

於報告期末之已確認遞延稅項負債淨額指以下各項：

		Assets 資產		Liabilities 負債	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Depreciation allowances	折舊撥備	—	—	—	(1,470)
Fair value adjustments	公平值調整	—	—	(6,822)	(7,396)
Tax loss	稅項虧損	4,976	—	—	—
Tax losses upon acquisition of subsidiaries	收購附屬公司時之稅項虧損	—	5,247	(5,254)	—
Deferred tax assets/(liabilities)	遞延稅項資產/(負債)	4,976	5,247	(12,076)	(8,866)
Offsetting	抵銷	(4,976)	(5,247)	4,976	5,247
Net deferred tax liabilities	遞延稅項負債淨額	—	—	(7,100)	(3,619)

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28. DEFERRED TAXATION (Continued)

Unrecognised deferred tax assets (liabilities) of continuing operations arising from

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Temporary differences	暫時差額	(2,882)	(2,083)
Tax losses	稅項虧損	76,336	9,943
		73,454	7,860

No deferred tax asset has been recognised in respect of such these items due to the unpredictability of future profit streams. The expiry dates of unrecognised tax losses of continuing operations 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
Tax losses without expiry date	無到期日稅項虧損	5,688	-
Tax losses expiring on 31 December 2023	於二零二三年十二月三十一日 到期稅項虧損	60,705	-
Tax losses expiring on 31 December 2022	於二零二二年十二月三十一日 到期稅項虧損	9,559	9,559
Tax losses expiring on 31 December 2021	於二零二一年十二月三十一日 到期稅項虧損	384	384
		76,336	9,943

Pursuant to the PRC EIT Law, a 10% withholding tax is levied on dividends distributed to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings accumulated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and jurisdiction of the foreign investors. As at 31 December 2018 and 2017, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings of the Groups' subsidiaries established in the PRC of HK\$2,201,000 (2017:HK\$13,371,000). In the opinion of the directors, these accumulated profits, at the present time, are required for financing the continuing operations of the entities and no distribution would be made in the foreseeable future.

28. 遞延稅項(續)

以下各項所產生持續經營業務未確認遞延稅項資產(負債)

由於無法預知未來溢利來源，故並無就該等項目確認遞延稅項資產。持續經營業務之未確認稅項虧損之到期日如下：

根據中國企業所得稅法，於中國成立之外商投資企業向外商投資者分派之股息，須按10%稅率徵收預扣稅。該規定自二零零八年一月一日起生效並適用於二零零七年十二月三十一日後之累計盈利。倘中國與外商投資者所在司法權區已簽訂稅務協議，則可採用較低之預扣稅率。於二零一八年及二零一七年十二月三十一日，概無就本集團在中國成立之附屬公司之未匯款盈利之應付預扣稅2,201,000港元(二零一七年：13,371,000港元)確認遞延稅項。董事認為，該等累計溢利現時須用作撥付實體持續經營所需資金，故於可見將來不會作出分派。

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29. SHARE CAPITAL

29. 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.01 each	法定： 每股面值0.01港元之普通股	10,000,000,000	100,000	10,000,000,000	100,000
Issued and fully paid (HK\$0.01 each): At beginning of year and at end of the year	已發行及繳足股款 (每股面值0.01港元)： 於年初及年末	1,288,000,000	12,880	1,288,000,000	12,880

30. SHARE OPTION SCHEME

30. 購股權計劃

The Company adopted a share option scheme (the "Scheme") on 3 August 2013. The purpose of the Scheme is to recognise and acknowledge the contributions that participants have made or may make to the Group, to provide participants with an opportunity to have a personal stake in the Company with the view to achieve motivating the participants to optimise their performance and efficiency for the benefit of the Group, to attract and retain or otherwise maintain ongoing business relationship with participants, whose contributions are or will be beneficial to the long term growth of the Group.

Participants include (i) any director and employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate"); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

本公司於二零一三年八月三日採納購股權計劃(「計劃」)。計劃目的旨在嘉許及酬謝曾經或可能會對本集團作出貢獻之參與者，向參與者提供機會於本公司擁有個人股權，以達致鼓勵參與者爭取最佳表現及效率使本集團受益，並吸引及保留或以其他方式維持與參與者之持續業務關係，而彼等之貢獻為有利於或將有利於本集團之長期發展。

參與者包括：(i)本集團或本集團持有權益之公司或該公司之附屬公司(「聯屬公司」)任何董事及僱員、諮詢人、客戶、供應商、代理、合夥人或顧問或承包商；或(ii)以本集團或聯屬公司任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人或顧問或承包商為受益人之任何信託或全權信託對象包括上述人士之任何全權信託之受託人；或(iii)本集團或聯屬公司任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人、顧問或承包商實益擁有之公司。

30. SHARE OPTION SCHEME (Continued)

The directors may, at their discretion, invite any participant to take up options. Options may be granted to participants under the Scheme during the period of 10 years commencing on the effective date of the Scheme. An option is deemed to have been granted and accepted by the grantee upon the duplicate letter comprising acceptance of the option duly signed by the grantee and paying HK\$1 by way of consideration for the grant thereof.

The subscription price of the share options will be determined by the board and shall not be less than the higher of (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the relevant option, which must be a business day (b) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the relevant option and (c) the nominal value of a share on the date of grant.

The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time. The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 80,000,000 shares of the Company, being 10% of the total number of shares of the Company in issue as at the date of approval of the Scheme unless shareholders' approval has been obtained. An option may be exercised during a period to be determined by the directors in their absolute discretion and in any event such period shall not be later than 10 years after the date of grant of the option.

The maximum entitlement for any participant is that the total number of shares issued and to be issued upon exercise of the options granted to each participant under the Scheme in any 12-month period shall not exceed 1 percent of the total number of shares in issue of the Company. Any further grant of options in excess of the 1 percent limit shall be subject to certain requirements provided under the GEM Listing Rules.

No option has been granted under the Scheme since its adoption.

30. 購股權計劃 (續)

董事可酌情邀請任何參與者接納購股權。購股權可根據計劃於計劃生效日期起計10年期間內向參與者授出。承授人正式簽署接納購股權函件副本及就此支付代價1港元後，購股權即被視為已授出及獲承授人接納。

購股權之認購價將由董事會釐定及不得少於以下較高者：(a) 授出有關購股權日期（必須為營業日）聯交所每日報價表所列股份收市價；(b) 緊接有關購股權授出日期前五個營業日聯交所每日報價表所列股份平均收市價；及(c) 授出日期之股份面值。

因根據計劃及本公司任何其他購股權計劃授出之所有尚未行使及有待行使之購股權獲行使而發行之股份最高數目，合共不得超過不時已發行股份總數之30%。除非獲得股東批准，否則根據計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時可能發行之本公司股份總數，合共不得超過80,000,000股本公司股份，即於計劃批准日期本公司已發行股份總數之10%。購股權可於董事全權酌情釐定之期間內獲行使，而於任何情況下該期間不應遲於購股權授出日期後十年。

任何參與者之最大配額指，於任何十二個月期間內根據計劃授予各參與者之購股權獲行使時發行及將予發行之股份總數不得超過本公司已發行股份總數之1%。超出1%限額之任何進一步授出購股權將受限於GEM上市規則項下若干規定。

自採納計劃以來概無根據計劃授出任何購股權。

31. RESERVES**31(a) Share premium**

Share premium represents the excess of the net proceeds from issuance of the Company's shares over its nominal value. Under the law of the Cayman Islands and the Company's Articles of Association, it is distributable to the Company's shareholders provided that the Company is able to pay its debts as they fall due in the ordinary course of business after the distribution.

31(b) Capital reserve

The capital reserve arises from the business combination under common control in relation to the reorganisation (the "Reorganisation") for rationalising the corporate structure in preparation for the initial listing of the Company's shares on GEM of the Stock Exchange. The Reorganisation was completed on 3 August 2013. The amount represents the difference between aggregate net asset value of the subsidiaries and the investment costs in the subsidiaries.

The negative capital reserve represents the excess of "total investment costs in the subsidiaries" over "the aggregate net assets value of the subsidiaries".

Under merger accounting the net assets of the combining entities are combined using the existing book values from the controlling party's perspective. No amount is recognised as consideration for goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of the controlling party's interest. Accordingly, the above mentioned difference has been recorded in the capital reserve under merger accounting.

31(c) Exchange reserve

Exchange reserve of the Group comprises all foreign exchange differences arising from translation of the financial statements of the Group's subsidiaries in the PRC. The reserve is dealt with in accordance with the accounting policy set out in note 4 above.

31. 儲備**31(a) 股份溢價**

股份溢價指發行本公司股份所得款項淨額超出股份面值之部分。根據開曼群島法例及本公司組織章程細則，倘本公司於分派後在一般業務過程中有能力償付到期債務，則股份溢價可分派予本公司股東。

31(b) 資本儲備

資本儲備自有關因籌備本公司股份於聯交所GEM首次上市而理順公司架構所進行重組(「重組」)之共同控制下業務合併產生。重組已於二零一三年八月三日完成。該金額指附屬公司之資產淨值總額與投資附屬公司之成本間之差額。

負資本儲備指「投資附屬公司之總成本」超出「附屬公司之資產淨值總額」之部分。

就控股方而言，合併賬目項下合併實體之資產淨值乃以現有賬面值合併入賬。倘控制方仍然持有權益，於共同控制合併時，不會就商譽或議價購買收益確認任何金額。因此，上述差額已於合併賬目項下資本儲備入賬。

31(c) 匯兌儲備

本集團之匯兌儲備包括因換算本集團中國附屬公司之財務報表而引致之所有外匯差額。該儲備乃根據上文附註4所載會計政策處理。

31. RESERVES (Continued)**31(d) Statutory reserve**

The statutory reserves are reserves required by the Accounting Regulations for Business Enterprises applicable to the Company's PRC subsidiaries. The reserves can be used to reduce previous years' losses and to increase the capital of the subsidiaries.

31(e) Other reserve

The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in other reserves.

31(f) Contributed surplus

The contributed surplus of the Company arose from the Reorganisation. The balance represents the difference between the nominal amount of the Company's shares issued and the consolidated shareholders' fund of the subsidiaries acquired during the Reorganisation.

31(g) Share-based payment reserve

The share-based payment reserve comprises the fair value of share-based payment transactions dealt with employees of the Group and is dealt with in accordance with the accounting policy as set out in note 4 to the consolidated financial statements.

31. 儲備(續)**31(d) 法定儲備**

法定儲備乃適用於本公司中國附屬公司之企業會計制度所規定儲備。該儲備可用於削減過往年度虧損及增加附屬公司資本。

31(e) 其他儲備

其他儲備乃為處理不會導致失去控制權之附屬公司擁有權權益變動而設。非控股權益所調整金額與已付或已收代價公平值間之差額於其他儲備內確認。

31(f) 實繳盈餘

本公司之實繳盈餘自重組產生。該結餘指本公司已發行股份面值與重組期內所收購附屬公司綜合入賬之股東資金間之差額。

31(g) 以股份為基礎之付款儲備

以股份為基礎之付款儲備包括與本集團僱員所進行以股份為基礎之付款交易之公平值，並按綜合財務報表附註4所載會計政策處理。

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32 OTHER CASH FLOW INFORMATION

32. 其他現金流量資料

32(a) Cash generated from (used in) operations

32(a)經營所得(所用)現金

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss) Profit before taxation	除稅前(虧損)溢利	(173,315)	5,629
Amortisation	攤銷	1,035	1,004
Depreciation	折舊	12,651	20,472
Foreign exchange differences	外匯差額	(16,584)	(12,500)
Impairment of property, plant and equipment	物業、廠房及設備減值	23,804	1,416
Impairment on disposal group classified as held for sale	分類為持作出售之出售集團減值	10,837	-
Impairment loss on goodwill	商譽減值虧損	14,844	-
Impairment loss on prepaid lease payment	預付租賃付款減值虧損	6,906	-
Interest income	利息收入	(6,998)	(2,807)
Interest expenses	利息開支	31,907	17,237
Share of results of associates	應佔聯營公司業績	591	519
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備之收益淨額	(381)	(5,965)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	(261)	(12,844)
Write-back of long outstanding other payables	撤回長期未償還其他應付款項	(6,686)	-
Write-back of interest payable	撤回應付利息	-	(708)
Write-back of accrued directors' salaries	撤回應計董事薪金	-	(760)
Cash flows before changes in working capital:	營運資金變動前現金流量：		
Inventories	存貨	(10,058)	22,719
Trade and other receivables	貿易及其他應收款項	43,743	(352,710)
Trade and other payables	貿易及其他應付款項	328,646	153,692
Cash generated from (used in) operations	經營所得(所用)現金	260,681	(165,606)

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32 OTHER CASH FLOW INFORMATION

(Continued)

32(b) Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

2017

32. 其他現金流量資料(續)

32(b) 融資活動所產生負債之變動

下表詳列本集團來自融資活動之負債之變動，包括現金及非現金變動。來自融資活動之負債之現金流量已經或未來現金流量將分類納入本集團綜合現金流量表之融資活動所得現金流量。

二零一七年

		Bank and other borrowings	Cash flow from/(used in) financing activities
		銀行及其他借貸	所得/(所用)現金流量
		HK\$'000	HK\$'000
		千港元	千港元
At beginning of the year	於年初	98,330	-
Receipts of new interest-bearing borrowings	已收新計息借貸	633,198	633,198
New finance leases	新融資租賃	7,470	-
Repayments — principal	還款 — 本金	(64,664)	(64,664)
Disposal of a subsidiary	出售一間附屬公司	(29,737)	-
Foreign exchange translation	外幣換算	26,307	-
At end of the year	於年末	670,904	568,534

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32 OTHER CASH FLOW INFORMATION

(Continued)

32. 其他現金流量資料(續)

32(b) Changes in liabilities arising from financing activities (Continued)

32(b) 融資活動所產生負債之變動(續)

2018

二零一八年

		Bank and other borrowings	Cash flow from/(used in) financing activities
		銀行及其他借貸	所得/(所用)
		HK\$'000	現金流量
		千港元	HK\$'000
		千港元	千港元
At beginning of the year	於年初	670,904	—
Receipts of new interest-bearing borrowings	已收新計息借貸	583,004	583,004
New finance leases	新融資租賃	3,275	—
Transferred to liabilities associated with assets held for sale (note 25)	轉撥至與持作出售資產有關之負債(附註25)	(10,812)	—
Repayments — principal	還款 — 本金	(661,041)	(661,041)
Acquisition of a subsidiary (note 34)	收購一間附屬公司(附註34)	170,805	—
Foreign exchange translation	外幣換算	(4,010)	—
At end of the year	於年末	752,125	(78,037)

Bank and other borrowings include bank loans, loan from a third party and loans from connected parties as disclosed in note 27 to the consolidated financial statements.

銀行及其他借貸包括綜合財務報表附註27所披露銀行貸款、來自第三方之貸款及來自關連人士之貸款。

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33. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the consolidated financial statements, the Group has the following related party transactions during the Year:

33. 關聯方交易

除綜合財務報表其他章節所披露交易／資料外，於本年度，本集團已進行以下關聯方交易：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Ocean freight income received from:			
海運收入來自：			
Echo Chain Shipping Limited	Associate	5,996	6,811
向盈船務有限公司	聯營公司		
Ocean freight charge paid to:			
海運收費支付予：			
Echo Chain Shipping Limited	Associate	141	61
向盈船務有限公司	聯營公司		
Vanco Logistics Limited	Associate	–	158
匯駿物流有限公司	聯營公司		
Management fee income received from:			
管理費收入來自：			
Full & Fame Oil Product Agency Limited	Associate	550	400
富信石油產品代理有限公司	聯營公司		
Equipment rental received from:			
設備租金來自：			
Echo Chain Shipping Limited	Associate	420	402
向盈船務有限公司	聯營公司		
Vanco Logistics Limited	Associate	250	250
匯駿物流有限公司	聯營公司		
Fuel and oil fee received from:			
燃料及油費來自：			
Vanco Logistics Limited	Associate	–	478
匯駿物流有限公司	聯營公司		

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33. RELATED PARTY TRANSACTIONS (Continued)

33. 關聯方交易 (續)

		2018 二零一八年	2017 二零一七年
	Related party relationship 關聯方關係	HK\$'000 千港元	HK\$'000 千港元
Logistics service fee received from:			
物流服務費來自：			
大豐海港港口有限責任公司	Controlled by a substantial shareholder 由主要股東控制	–	15,020
Repair service fee paid to:			
維修服務費支付予：			
大豐海港港口有限責任公司	Controlled by a substantial shareholder 由主要股東控制	–	4,368
Fuel costs paid to:			
燃料費支付予：			
鹽城市大豐港成品油有限公司	Controlled by a substantial shareholder 由主要股東控制	–	7,780
Oil storage service income received from:			
儲油服務收入來自：			
大豐港口責任有限公司	Controlled by a substantial shareholder 由主要股東控制	–	1,845
Port service fee paid to:			
港口服務費支付予：			
Jiangsu Dafeng	Controlled by a substantial shareholder 由主要股東控制	–	14
江蘇大豐			
Car rental fee paid to:			
租車費支付予：			
大豐海港港口供應鏈管理有限公司	Controlled by a substantial shareholder 由主要股東控制	–	2,164

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33. RELATED PARTY TRANSACTIONS (Continued)

33. 關聯方交易 (續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	
		Related party relationship 關聯方關係		
Interest expenses paid to:				
利息開支支付予：				
大豐港融資租賃(北京)有限責任公司	(b)	Controlled by a substantial shareholder 由主要股東控制	792	1,886
Jiangsu Dafeng 江蘇大豐		Controlled by a substantial shareholder 由主要股東控制	1,363	289
海晶商業保理有限公司	(b)	Controlled by a substantial shareholder 由主要股東控制	3,632	12,527
Remuneration paid:				
已付薪酬：				
Salaries and other benefits 薪金及其他福利	(a)	Key management personnel other than directors 主要管理人員(董事除外)	5,165	3,228
Contributions to defined contribution plans 定額供款計劃供款			46	36
Write-back of accrued directors' salaries 撤回應計董事薪金		Directors of the Company 本公司董事	–	760

Notes:

- (a) The remuneration of directors is set out in note 10 to the consolidated financial statements.
- (b) The related parties are controlled by Jiangsu Dafeng.

附註：

- (a) 董事薪酬載於綜合財務報表附註10。
- (b) 該等關聯方由江蘇大豐控制。

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34. ACQUISITION OF A SUBSIDIARY

On 29 May 2018, Heshun Trading entered into the framework equity purchase agreement and together with any supplemental agreement thereto (the "Framework Equity Purchase Agreement") with two connected persons (the "Sellers"), pursuant to which Heshun Trading conditionally agreed to purchase and each of the sellers conditionally agreed to sell their respective equity interest in Jiangsu Hairong (together constituting 100% of equity interests in Jiangsu Hairong), a company incorporated in the PRC which engaged in provision of terminal handling and berthing services at the aggregate consideration of RMB405,900,000 (equivalent to HK\$462,198,000). The acquisition was completed on 21 December 2018 (the "Acquisition").

The following summarises the consideration paid and the recognised accounts of the identifiable assets acquired and liabilities assumed, as well as acquisition-related costs at the date of acquisition:

34. 收購附屬公司

於二零一八年五月二十九日，和順貿易與兩名關連人士（「賣方」）訂立股份收購框架協議連同其任何補充協議（「股份收購框架協議」），據此，和順貿易有條件同意購買而各賣方有條件同意出售其各自於江蘇海融（於中國註冊成立，從事提供碼頭處理及靠泊服務）之股權（合共佔江蘇海融股權之100%），總代價為人民幣405,900,000元（相當於462,198,000港元）。該收購事項已於二零一八年十二月二十一日完成（「收購事項」）。

以下概列於收購日期之已付代價、所收購可識別資產及所承擔負債之已確認金額以及收購相關成本：

		HK\$'000 千港元
Consideration:	代價：	
Cash paid	已付現金	138,659
Consideration payable (note 26(b)(ii))	應付代價(附註26(b)(ii))	323,539
<hr/>		
Total consideration in accordance with the Framework Equity Purchase Agreement	根據股份收購框架協議之總代價	462,198
Prepayments regarding Dafeng Harbour's Properties (note 34(a))	就大豐海港港口物業之預付款項 (附註34(a))	9,004
<hr/>		
Total consideration	總代價	471,202

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34. ACQUISITION OF A SUBSIDIARY (Continued)

34. 收購附屬公司(續)

		HK\$'000 千港元
Recognised amounts of identifiable assets acquired and liabilities assumed:	所收購可識別資產及所承擔負債之確認金額：	
Property, plant and equipment (note 15)	物業、廠房及設備(附註15)	841,136
Sea use right payment (note 18)	海域使用權付款(附註18)	2,927
Prepayment in relation to property, plant and equipment (note 19)	物業、廠房及設備之有關預付款項(附註19)	500
Cash and cash equivalents	現金及現金等價物	218
Trade and other receivables	貿易及其他應收款項	52,359
Due from Jiangsu Dafeng	應收江蘇大豐款項	435,321
Trade and other payables	貿易及其他應付款項	(919)
Due to Jiangsu Dafeng	應付江蘇大豐款項	(908,063)
Bank and other borrowings (note 27(a))	銀行及其他借貸(附註27(a))	(170,805)
Deferred tax liabilities	遞延稅項負債	(5,254)
Total identifiable net assets	可識別資產淨值總額	247,420
Goodwill arising on acquisition (note 16)	收購所產生商譽(附註16)	223,782
		471,202

		HK\$'000 千港元
Net cash outflow on acquisition of a subsidiary:	收購附屬公司之現金流出淨額	
Cash and cash equivalents acquired	獲得之現金及現金等價物	218
Consideration	代價	(138,659)
		(138,441)

The goodwill is attributable to the growth and profit potential as a result of benefiting from the growing demand of the acquired business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

商譽源自所收購業務日益增長之需求帶來之增長及利潤潛力。由於該等利益不符合可識別無形資產之確認標準，故並無與商譽分開確認。預期概無已確認商譽可用於扣除所得稅。

Acquisition-related costs of HK\$2,540,000 have been excluded from the consideration transferred and have been included in "administrative expenses" in the consolidation statement of comprehensive income.

收購相關成本2,540,000港元已從所轉讓代價中剔除，並計入綜合全面收益表項下「行政開支」內。

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34. ACQUISITION OF A SUBSIDIARY (Continued)

If the business combination effected during the year had been taken place at the beginning of the year, the revenue and loss for the Group would have been HK\$4,180,741,000 and HK\$143,135,000 respectively. This pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and result of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018.

Since acquisition, the acquired business made no significant contribution to revenue and results of the Group.

The fair value of trade and other receivables at the date of acquisition amounted to HK\$487,680,000. The gross contractual amounts of those trade and other receivables acquired amounted to HK\$487,680,000 at the date of acquisition, of which no balance is expected to be uncollectible.

34(a) Prepayments regarding Dafeng Harbour Port Limited Liability Company's properties

The Group has entered into an agreement with 大豐海港港口有限責任公司 (Dafeng Harbour Port Limited Liability Company*, "Dafeng Harbour"), pursuant to which the Group agreed to assist Dafeng Harbour to complete construction works of certain Dafeng Harbour's properties (the "Follow-up Works") on the five storage tanks and other facilities including the on-shore properties ("Dafeng Harbour Properties"). The costs of the Follow-up Works paid by the Group, which were recognised as prepayment for purchase of property, plant and equipment, amounted to RMB7,499,000 (equivalent to approximately HK\$9,004,000) as at 31 December 2017 (the "Prepayment").

Since the Dafeng Harbour Properties has formed part of the property, plant and equipment of Jiangsu Hairong after the completion of transferring assets transferred from Dafeng Harbour to Jiangsu Hairong on 30 June 2017, the Group has obtained the right to use the properties related to the Follow-up Works upon completion of the Acquisition and therefore, the Prepayment was deemed as part of the consideration for the Acquisition. The directors consider the carrying amount of the Prepayment approximates to its fair value at the date of the Acquisition.

34. 收購附屬公司 (續)

倘年內所實施業務合併於年初進行，則本集團之收益及溢利將分別為4,180,741,000港元及143,135,000港元。是項備考資料僅供說明用途，不一定反映倘收購事項於二零一八年一月一日已完成，本集團實際可實現之收益及經營業績。

自收購事項以來，所收購業務並無對本集團收益及業績作重大貢獻。

貿易及其他應收款項於收購日之公平值為487,680,000港元。所收購該等貿易及其他應收款項於收購日之合約總額為487,680,000港元，其中並無結餘預期無法收回。

34(a) 有關大豐海港港口有限責任公司之物業之預付款項

本集團已與大豐海港港口有限責任公司(「大豐海港港口」)訂立協議，據此，本集團同意協助大豐海港港口完成大豐海港港口若干物業有關五個倉儲池及其他設施(包括岸上設施)(「大豐海港港口物業」)之建設工程(「後續工程」)。於二零一七年十二月三十一日，本集團就後續工程支付之成本為人民幣7,499,000元(相當於約9,004,000港元)，已確認為購買物業、廠房及設備之預付款項(「預付款項」)。

由於在二零一七年六月三十日完成將資產由大豐海港港口轉移至江蘇大豐後，大豐海港港口物業構成江蘇大豐物業、廠房及設備之一部分，於收購事項完成後本集團已取得後續工程相關物業之使用權，因此，預付款項被視為收購事項之部分代價。董事認為，預付款項之賬面值與其於收購日期之公平值相若。

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35. DISPOSAL OF A SUBSIDIARY

On 29 December 2018, Qianhai Mingtian and an independent third party purchaser entered into a disposal agreement (the "Disposal Agreement") pursuant to which Qianhai Mingtian has agreed to sell and the purchaser agreed to purchase the entire equity interest of 深圳市粵新達科技有限公司 (Shenzhen Yuexinda Technology Company Limited*) at a consideration of RMB800,000 (equivalent HK\$911,000). The disposal was completed on 29 December 2018.

* The official name is in Chinese and the English name is translated for identification purpose only.

The following summaries the consideration received and the carrying amount of the assets and liabilities at the date of disposal:

		HK\$'000 千港元
Net assets disposed of:	所出售淨資產：	
Property, plant and equipment	物業、廠房及設備	1,457
Inventories	存貨	637
Cash and cash equivalents	現金及現金等價物	50
Trade and other receivables	貿易及其他應收款項	442
Trade and other payables	貿易及其他應收款項	(2,442)
		144
Consideration received:	已收代價：	
Consideration receivable	應收代價	911

The Consideration is one month due after the date of the Disposal Agreement.

代價於出售協議日期後一個月到期。

Analysis of net outflow of cash and cash equivalents in respect of disposal of a subsidiary:

出售一間附屬公司之現金及現金等價物流出淨額分析：

		HK\$'000 千港元
Net cash outflow on disposal of subsidiary:	出售附屬公司之現金流出淨額：	
Cash consideration received	已收現金代價	-
Cash and cash equivalents disposed of	已出售現金及現金等價物	(50)
Net outflow of cash and cash equivalents	現金及現金等價物流出淨額	(50)

35. 出售一間附屬公司

於二零一八年十二月二十九日，前海明天與獨立第三方買方訂立出售協議（「出售協議」），據此，前海明天同意出售而買方同意收購深圳市粵新達科技有限公司之全部股權，代價為人民幣800,000元（相當於911,000港元）。該出售事項已於二零一八年十二月二十九日完成。

以下概述已收代價以及於出售日期之資產及負債賬面值：

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35. DISPOSAL OF A SUBSIDIARY (Continued)

35. 出售一間附屬公司(續)

		HK\$'000 千港元
Gain on disposal of a subsidiary:	出售一間附屬公司之收益：	
Consideration receivable	應收代價	911
Net assets disposed of	所出售淨資產	(144)
Non-controlling interest	非控股權益	(506)
		261

The gain on disposal is included in the consolidated statement of comprehensive income.

出售收益計入綜合全面收益表。

36. COMMITMENTS

36. 承擔

(a) The Group as lessee

(a) 本集團作為承租人

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases which are payable as follows:

於報告期末，本集團於不可撤銷經營租賃下有應付未來最低租賃付款總額如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	3,594	12,201
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	666	8,338
		4,260	20,539

Operating lease payments represent rental payables by the Group for its office premises, dormitories and a parking lot. Leases are negotiated for terms ranging from 1 to 5 years with fixed rentals.

經營租賃付款指本集團就辦公室、宿舍及停車場應付之租金。協定租期介乎1至5年，租金固定。

(b) Capital expenditure commitments

(b) 資本開支承擔

		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 net of deposit paid for construction of property, plant and equipment	已訂約但未撥備，扣除建設物業、廠房及設備之已付訂金	129,670	41,175

At the end of the reporting period, the Group had commitment of HK\$129,670,000 (2017:HK\$41,175,000) principally relating to construction work of petrochemical storage facilities.

於報告期末，本集團為數129,670,000港元(二零一七年：41,175,000港元)之承擔主要涉及石化倉儲設施建設工程。

37. FINANCIAL INSTRUMENTS**(a) Financial risk management objectives and policies**

The Group's principal financial instruments comprise bank and other borrowings, amounts due from/to connected companies, financial assets at FVPL, bank balances and cash. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as trade and other receivables and trade and other payables, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are (i) foreign currency risk, (ii) interest rate risk, (iii) credit risk and (iv) liquidity risk. The Group does not have any written risk management policies and guidelines. However, the board of directors co-operates closely with key management to identify and evaluate risks and generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum level as follows:

(i) Foreign currency risk

Most of the Group's business transactions were conducted in Hong Kong dollars, Renminbi ("RMB") and United States dollar ("US\$"). Exposures to foreign currency risk arise from certain of the Group's trade and other receivables, trade and other payables and cash and bank balances denominated in RMB and US\$. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposures regularly and considers there is no significant exposure on its foreign currency risk.

37. 金融工具**(a) 金融風險管理目標及政策**

本集團之主要金融工具包括銀行及其他借貸、應收／應付關聯公司款項、按公平值計入損益之金融資產以及銀行結餘及現金。該等金融工具之主要目的為籌集及維持本集團經營所需融資。本集團有貿易及其他應收款項以及貿易及其他應付款項等多種其他金融工具，該等款項直接自其業務活動產生。

本集團金融工具產生之主要風險為(i) 外匯風險、(ii) 利率風險、(iii) 信貸風險及(iv) 流動資金風險。本集團並無任何書面風險管理政策及指引。然而，董事會與主要管理人員緊密合作，以辨別及評估風險，對其整體風險管理採取保守策略並將本集團所面對該等風險限制在最低水平，具體如下：

(i) 外匯風險

本集團業務主要以港元、人民幣(「人民幣」)及美元(「美元」)進行交易。所面對外匯風險乃源自本集團以人民幣及美元計值之貿易及其他應收款項、貿易及其他應付款項以及現金及銀行結餘。本集團並無使用衍生金融工具對沖其外匯風險。本集團定期檢討外匯風險且認為並無重大外匯風險。

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(ii) Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to its interest-bearing financial instruments including bank and other borrowings with variable interest rates, bank balances and cash and bank overdrafts.

The table below is a summary quantitative data about exposure to interest rates at the end of the reporting period:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	64,588	61,703
Bank and other borrowings with variable interest rate	銀行及其他借貸 (按浮動利率計息)	(176,477)	(111,261)
Net exposure	風險淨值	(111,889)	(49,558)

At the end of the reporting period, if interest rates had been 100 basis points (2017: 100 basis points) higher/lower and all other variables were held constant, the Group's net loss would increase/decrease by HK\$1,119,000 (2017: the Group's net profit would decrease/increase by HK\$496,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for the financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(ii) 利率風險

主要與計息金融工具(包括按浮動利率計息之銀行及其他借貸以、銀行結餘及現金以及銀行透支)有關之利率變動使本集團面對市場風險。

下表概列報告期末利率風險之量化數據：

於報告期末，倘利率上調/下調100個基點(二零一七年：100個基點)，而所有其他變數維持不變，則本集團之虧損淨額將增加/減少1,119,000港元(二零一七年：本集團之純利將減少/增加496,000港元)。

以上敏感度分析乃假設利率變動已於報告期末發生而釐定，並已應用於當日已存在之金融工具承受之利率風險。上升或下降100個基點代表管理層對直至下一年度報告期末止利率之合理可能變動所進行評估。

37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iii) Credit risk

The carrying amount of financial assets on the consolidated statement of financial position represents the Group's maximum exposure to credit risk on these financial assets.

Trade receivables

The Group trades only with recognised and creditworthy third parties. The Group limits its exposure to credit risk from trade receivables by selecting the counterparties with reference to their past credit history and/or market reputation.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. Credit quality of a customer is assessed based on an extensive credit rating and individual credit limit assessment which is mainly based on the Group's own trading records.

The carrying amount of financial assets recorded in the consolidated financial statements, represents the Group's exposure to credit risk.

At the end of the reporting period, the Group had a concentration of credit risk as 10.08% (2017: 22%) and 27.50% (2017: 70%) of the trade receivables were due from the Group's largest customer and the five largest customers respectively.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iii) 信貸風險

綜合財務狀況表之金融資產賬面值指本集團就該等金融資產承擔之信貸風險上限。

貿易應收款項

本集團僅與獲認可及信譽良好之第三方交易。本集團透過參考交易對手過往信貸記錄及/或市場聲譽甄選交易對手以限制其信貸風險。

本集團所承擔信貸風險主要受各客戶之個別特徵影響。客戶經營所在行業及國家之違約風險亦影響信貸風險，為影響幅度較小。本集團基於廣泛信貸評級及個別信貸限額評估(主要基於本集團本身之交易紀錄)對客戶之信貸質素進行評估。

於綜合財務報表入賬之金融資產賬面值指本集團所承擔信貸風險。

於報告期末，本集團應收其最大客戶及五大客戶貿易應收款項之集中信貸風險分別為10.08%(二零一七年：22%)及27.50%(二零一七年：70%)。

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iii) Credit risk (Continued)

Trade receivables (Continued)

The Group's customer base consists of a wide range of clients and the trade receivables are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The Group applies a simplified approach in calculating ECL for trade receivables and recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience over the past years and adjusted for current and forward looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the year.

An ageing analysis of the trade receivables as at the reporting period, based on the invoice date 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
Within 90 days	90日內	393,207	258,003
91–180 days	91至180日	2,412	39,342
181–365 days	181至365日	23,069	6,009
More than 365 days	365日以上	–	129
		418,688	303,483

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iii) 信貸風險(續)

貿易應收款項(續)

本集團之客戶基礎包括多名客戶，貿易應收款項按代表客戶支付根據合約條款結欠之所有款項之能力之共同風險特徵分類。本集團就計量貿易應收款項之預期信貸虧損應用簡化法，並於各報告日期按全期預期信貸虧損確認虧損撥備。本集團已設有撥備矩陣，以其過往信貸虧損經驗為基準並就應收賬款及經濟環境之特定前瞻因素作出調整。撥備矩陣所用預期虧損率根據過往年度之實際信貸虧損經驗按類別計算，並就現時及前瞻因素作出調整，從而反映收集過往數據期間之經濟條件差異、目前情況及本集團對應收款項預計年內未來經濟狀況之估計。年內並無對估計方法或重大假設作出重大更改。

於報告期，貿易應收款項及應收票據按發票日期之賬齡分析如下：

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iii) Credit risk (Continued)

Trade receivables (Continued)

The Group allows a credit period up to 90 days to its trade debtors. The management of the Company considers the EGL of trade receivables to be insignificant so no loss allowance was recognised during the year ended 31 December 2018.

The information about the exposure to credit risk for trade receivables as at 31 December 2018 is summarised below.

		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	無逾期亦無減值	372,097	193,260
Past due but not impaired	已逾期但無減值		
Within 90 days	90日內	21,673	71,879
91–180 days	91至180日	2,143	37,772
181–365 days	181至365日	22,775	443
More than 365 days	365日以上	–	129
		46,591	110,223
		418,688	303,483

Included in the Group's trade receivables balance as at 31 December 2018 are debtors with a carrying amount of HK\$46,591,000 (2017: HK\$110,223,000), which are past due as at 31 December 2018 but which the Group has not impaired as there has not been any significant changes in credit quality and the directors believe that the amounts are fully receivable.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iii) 信貸風險(續)

貿易應收款項(續)

本集團給予其貿易債務人最多90日之信貸期。本公司管理層認為貿易應收款項之預期信貸虧損並不重大，故並無於截至二零一八年十二月三十一日止年度確認虧損撥備。

有關二零一八年十二月三十一日貿易應收款項之信貸風險之資料概要如下。

二零一八年十二月三十一日本集團之貿易應收款項結餘包括賬面值為46,591,000港元(二零一七年: 110,223,000港元)之應收賬款，有關賬款於二零一八年十二月三十一日已逾期，惟本集團並無計提減值，原因為信貸質素並無任何重大變動及董事相信可全數收回該等款項。

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iii) Credit risk (Continued)

Trade receivables (Continued)

Includes in the Group's trade receivables balances as at 31 December 2018 are debtors with a carrying amount of HK\$46,391,000 (2017: HK\$110,223,000), which are past due as at 31 December 2018 but which the Group has not impaired as there has not been any significant changes in credit quality and the debtors believe that the amounts are fully receivables.

Receivables that are neither past due nor impaired as at 31 December 2018 and 2017 relate to a wide range of customers for whom there was no history of default.

The Group does not hold any collateral over trade receivables as at 31 December 2018 (2017: Nil).

Amounts due from connected companies

The Group considers that the amounts due from connected companies have low credit risk based on the borrowers' strong capacity to meet its contractual cash flow obligations in the near term and low risk of default. Impairment on amounts due from connected companies is measured on 12-month ECL and reflects the short maturities of the exposures.

In estimating the ECL, the Group has taken into account the historical actual credit loss experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the counterparties operate, in estimating the probability of default of these financial assets, as well as the loss upon default in each case. The management of the Group considers the ECL of these financial assets to be insignificant after considering the financial position and credit quality of the counterparties.

There was no change in the estimation techniques or significant assumptions made during the year.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iii) 信貸風險(續)

貿易應收款項(續)

本集團於二零一八年十二月三十一日之貿易應收款項結餘包括賬面值為46,391,000港元(二零一七年:110,223,000港元)之債務,於二零一八年十二月三十一日已逾期,惟本集團並未計提減值,原因為有關信貸質素並無重大變動及董事相信有關款項可全數收回。

於二零一七年及二零一八年十二月三十一日,既無逾期亦無減值之應收款項與多名並無拖欠記錄之客戶有關。

於二零一八年十二月三十一日,本集團並無就貿易應收款項持有任何抵押品(二零一七年:無)。

應收關聯公司款項

由於借款人有穩健能力於近期償還其合約現金流量承擔且違約風險相當低,故本集團認為應收關聯公司款項具有低信貸風險。應收關聯公司士款項之減值按12個月預期信貸虧損計量並反映有關風險於短期內屆滿。

估計預期信貸風險時,本集團考慮交易對手之過往實際信貸虧損經驗及財務狀況,並按應收賬款及交易對手經營所在行業之整體經濟狀況之特定因素作出調整,以評估該等金融資產之違約可能性及各個案違約時之損失。經考慮交易對手之財務狀況及信貸質素後,本集團管理層應以該等金融資產之預期信貸虧損並不重大。

年內並無對估計方法或重大假設作出重大更改。

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iv) Liquidity risk

Management of the Group aims at maintaining sufficient level of cash and cash equivalents to finance the Group's operations and expected expansion. The Group's primary cash requirements include payments for operating expenses, additions or upgrades of property, plant and equipment and repayment of borrowings. The Group finances its working capital requirements mainly by the funds generated from operations, advances from related parties and use of bank and other borrowings.

The Group manages liquidity risk by forecasting the amount of cash required and monitoring the working capital of the Group to ensure that all liabilities due and known funding requirements could be met. Based on the assessment of the management, the overall liquidity risk encountered by the Group is manageable.

As at 31 December 2018, the Group had net current liabilities of approximately HK\$591,216,000. The consolidated financial statements have been prepared by the directors of the Company on a going concern basis taking into account of the measures mentioned in note 2 to the consolidated financial statements.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iv) 流動資金風險

本集團管理層擬維持足夠現金及現金等價物，為本集團業務及預計擴張提供資金。本集團主要現金需求包括為經營開支、添置或改善物業、廠房及設備以及償還借貸所支付之款項。本集團主要以業務經營所產生之資金、來自關聯方之墊款及銀行及其他借貸撥付營運資金需求。

本集團通過預測所需現金金額及監察本集團營運資金控制流動資金風險，以確保能應付所有到期負債及已知資金需求。據管理層評估，本集團能夠控制整體流動資金風險。

於二零一八年十二月三十一日，本集團之流動負債淨額約為591,216,000港元。經考慮綜合財務報表附註2所述措施，本公司董事已按持續經營基準編製綜合財務報表。

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iv) Liquidity risk (Continued)

The remaining undiscounted contracted maturity profile of the Group's non-derivative financial liabilities at the end of the reporting period, based on the earliest date in which the Group is required to settle, is summarised below:

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iv) 流動資金風險(續)

於報告期末，按本集團須支付之最早日期劃分本集團非衍生金融負債之剩餘未貼現合約到期情況概要如下：

		On demand	Less than 3 months	Over	Over	Over	Total
				3 months but not more than 12 months	1 year but not more than 2 years	2 years but not more than 5 years	
		按要求	少於三個月	超過三個月 但不超過 十二個月	超過一年 但不超過 兩年	超過兩年 但不超過 五年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2018	於二零一八年十二月三十一日						
Trade and other payables	貿易及其他應付款項	341,568	37,685	326,517	-	-	705,770
Amount due to connected companies	應付關聯公司之款項	908,063	-	337,717	-	-	1,245,780
Bank loans	銀行貸款	-	36,535	83,584	101,697	-	221,816
Unlisted secured bonds	非上市有抵押債券	-	14,642	14,883	29,524	406,719	465,768
Bank overdrafts	銀行透支	5,672	-	-	-	-	5,672
Loans from connected companies	來自關聯公司之貸款	-	2,413	7,374	116,951	-	126,738
Loan from a third party	來自第三方之貸款	-	6,203	18,609	12,406	-	37,218
		1,255,303	97,478	788,684	260,578	406,719	2,808,762

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iv) Liquidity risk (Continued)

	On demand	Less than 3 months	Over			Total
			more than 12 months but not more than 2 years	more than 2 years but not more than 5 years	more than 5 years	
	按要求	少於三個月	十二個月	兩年	五年	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
At 31 December 2017	於二零一七年十二月三十一日					
Trade and other payables	68,715	107,025	2	-	-	175,742
Amount due to associates	5,157	-	-	-	-	5,157
Amounts due to ex-shareholders of Zhongnanhui	1,014	-	-	-	-	1,014
Amounts due to ex-director of Zhongnanhui	15,589	-	-	-	-	15,589
Obligations under finance leases	-	848	2,540	2,684	5,016	11,088
Bank loans	-	936	324,907	45,037	-	370,880
Loans from connected companies	-	16,816	230,182	-	-	246,998
Loan from a third party	-	6,542	19,624	26,165	13,083	65,414
	90,475	132,167	577,255	73,886	18,099	891,882

(b) Capital management

The objectives of the Group's capital management are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth.

The capital structure of the Group mainly consists of bank and other borrowings and equity attributable to equity owners of the Company.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or return capital to shareholders. No changes were made in the objectives, policies or processes during the years ended 31 December 2018 and 2017.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iv) 流動資金風險(續)

本集團管理資本之目標為保障其持續經營能力，從而為股東提供回報及為其他持份者帶來得益，並維持良好資本結構以減少資本成本及支持本集團穩定發展。

本集團之資本結構主要包括銀行及其他借貸以及本公司權益持有人應佔權益。

本集團積極定期檢討及管理資本結構，力求達到最理想資本結構及股東回報，同時考慮本集團日後資本需求。為維持或調整資本結構，本集團可調整支付予股東之股息金額、發行新股份或退還資本予股東。截至二零一八年及二零一七年十二月三十一日止年度，目標、政策或程序並無變動。

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

37. FINANCIAL INSTRUMENTS (Continued)

37. 金融工具(續)

(c) Categories and fair value of financial instruments

(c) 金融工具分類及公平值

The carrying amounts of each of the following categories of financial assets and financial liabilities are set out as follows:

以下各類金融資產及金融負債之賬面值載列如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets at FVPL	按公平值計入損益之金融資產	7,971	–
Financial assets at amortised costs under HKFRS 9:	根據香港財務報告準則第9號按攤銷成本列賬之金融資產：		
Available-for-sale financial assets under HKAS 39	香港會計準則第39號項下可供出售金融資產	–	8,806
Loans and receivables under HKAS 39	香港會計準則第39號項下貸款及應收款項		
Trade and other receivables	貿易及其他應收款項	456,149	338,183
Security deposit for loan from a third party	來自第三方之貸款之保證金	–	3,602
Pledged bank deposits	已抵押銀行存款	307,449	312,936
Bank balances and cash	銀行結餘及現金	64,588	61,703
		828,186	716,424
		836,157	725,230
Financial liabilities at amortised costs:			
Trade and other payables	貿易及其他應付款項	1,929,176	203,182
Current portion of bank and other borrowings	銀行及其他借貸之即期部分	140,633	585,475
Non-current portion of bank and other borrowings	銀行及其他借貸之非即期部分	611,492	85,429
		2,681,301	874,086

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2018 and 2017.

所有金融工具賬面值與其於二零一八年及二零一七年十二月三十一日之公平值並無重大差異。

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38. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in these financial statements on a recurring basis across the three levels of the fair value hierarchy defined in HKFRS 13, Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

a) Assets and liabilities measured at fair value

2018

	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets measured at fair value	按公平值計量之資產			
Unlisted investment fund (note 21)				
非上市投資基金 (附註21)	-	-	7,971	7,971

There was no assets or liabilities was measured at fair value as at 31 December 2017. During the year ended 31 December 2018 and 2017, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

38. 公平值計量

以下呈列按香港財務報告準則第13號「公平值計量」所界定公平值層級之三個級別劃分按公平值計量或須按經常性基準於該等財務報表披露其公平值之資產及負債，公平值計量分類整體基於對整個計量而言屬重大之最低級別輸入數據。輸入數據之級別界定如下：

- 第一級(最高級)：於計量日期本集團可取得相同資產或負債於活躍市場之報價(未經調整)；
- 第二級：除第一級包括之報價外，可直接或間接觀察之資產或負債輸入數據；
- 第三級(最低級)：資產或負債輸入之不可觀察數據。

a) 按公平值計量之資產及負債

二零一八年

於二零一七年十二月三十一日，並無任何資產或負債按公平值計量。截至二零一八年及二零一七年十二月三十一日止年度，第一級及第二級公平值計量之間並無轉撥，第三級公平值計量亦無任何轉入或轉出。

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綜合財務報表附註

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39. PLEDGE OF ASSETS/BANKING FACILITIES

Details of pledged assets and the banking facilities granted to the Group are summarised as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Total banking facilities granted (note 1)	已授出銀行融資總額(附註1)	415,626	382,627
Total utilised banking facilities (note 2)	已動用銀行融資總額(附註2)	365,632	363,391

Note 1:

At the end of the reporting period, the Group had obtained several banking facilities amounted to HK\$415,626,000 (2017: HK\$382,627,000) of which:

- (i) HK\$Nil (2017: HK\$10,000,000) are cross guaranteed among certain subsidiaries of the Group and secured by pledged bank deposit as shown in note 24(a) to the consolidated financial statements.
- (ii) RMB500,000,000 (approximately HK\$56,935,000) (2017: HK\$60,040,000) are guaranteed by Jiangsu Dafeng and secured by prepaid lease payments as shown in note 17 to consolidated financial statements.
- (iii) RMB300,000,000 (approximately HK\$341,610,000) (2017: HK\$312,587,000) is secured by pledged bank deposit as shown in note 24(a) to the consolidated financial statements.
- (iv) RMB315,000,000 (approximately HK\$17,081,000) (2017: nil) is secured by properties owned by spouse of a director of Qianhai Mingtian as shown in note 27(d) to the consolidated financial statements.

Note 2:

As at 31 December 2017, the utilised banking facilities amounted to HK\$363,391,000, being bank guarantees of HK\$370,000 (out of HK\$10,000,000 facilities) issued by bankers which were cross guaranteed among certain subsidiaries of the Group and RMB42,000,000 and US\$40,000,00 (together equivalent to HK\$363,021,000) were for bank loan disclosed in note 27 to the consolidated financial statements.

As at 31 December 2018, the utilised banking facilities amounted to HK\$365,632,000, which comprised bills payables of RMB 282,115,000 (equivalent to HK\$321,244,000) included in trade and bills payables issued by a bank, bank overdraft of RMB4,981,000 (equivalent to HK\$5,672,000) disclosed in note 24 and bank loan of RMB34,000,000 (equivalent to HK\$38,716,000) disclosed in note 27(a) to the consolidated financial statements.

39. 資產抵押／銀行融資

資產抵押及授予本集團之銀行融資詳情概述如下：

附註1：

於報告期末，本集團取得為數415,626,000港元(二零一七年：382,627,000港元)之若干銀行融資，其中：

- (i) 零港元(二零一七年：10,000,000港元)為本集團若干附屬公司間之交叉擔保，並以綜合財務報表附註24(a)所示已抵押銀行存款作抵押。
- (ii) 人民幣50,000,000元(約56,935,000港元)(二零一七年：60,040,000港元)由江蘇大豐擔保，並以綜合財務報表附註17所示預付租賃付款作抵押。
- (iii) 人民幣300,000,000元(約341,610,000港元)(二零一七年：312,587,000港元)以綜合財務報表附註24(a)所示已抵押銀行存款作抵押。
- (iv) 人民幣15,000,000元(約17,081,000港元)(二零一七年：無)以綜合財務報表附註27(d)所示前海明天一名董事之配偶所擁有物業作抵押。

附註2：

於二零一七年十二月三十一日，已動用銀行融資為363,391,000港元，其中370,000港元(從10,000,000港元信貸額中提取)為銀行所提供銀行擔保，涉及本集團若干附屬公司間之交叉擔保；另人民幣42,000,000元及40,000,000美元(合共相當於363,021,000港元)作綜合財務報表附註27所披露銀行貸款用途。

於二零一八年十二月三十一日，已動用銀行融資為365,632,000港元計入貿易應付款項及應付票據，包括銀行所發出應付票據人民幣28,115,000元(相當於321,244,000港元)、附註24所披露銀行透支人民幣4,981,000元(相當於5,672,000港元)及綜合財務報表附註27(a)所披露銀行貸款，另人民幣3,400,000元(相當於38,716,000港元)。

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綜合財務報表附註

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

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 40. 本公司財務狀況表

		Note	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Investment in subsidiaries	投資附屬公司	14	8	17,050
Current assets	流動資產			
Available-for-sale financial assets	可供出售金融資產		–	8,806
Prepayments	預付款項		202	270
Amounts due from subsidiaries	應收附屬公司款項		409,711	128,877
Consideration receivable on disposal of interests in a subsidiary	就出售一間附屬公司權益應收代價		–	4,250
Cash at bank	銀行現金		542	8,780
			410,455	150,983
Assets held for sale	持作出售資產		4,150	–
Total current assets	流動資產總值		414,605	150,983
Current liabilities	流動負債			
Other payables and accrual	其他應付款項及應計費用		5,029	7,778
Net current assets	流動資產淨值		409,576	143,205
Total assets less current liabilities	資產總值減流動負債		409,584	160,255
Non-current liabilities	非流動負債			
Unlisted secured bonds	非上市有抵押債券		392,657	–
NET ASSETS	資產淨值		16,927	160,255
Capital and reserves	資本及儲備			
Share capital	股本	29	12,880	12,880
Reserves	儲備	40(a)	4,047	147,375
TOTAL EQUITY	權益總額		16,927	160,255

Approved and authorised for issue by the Board of Directors on 22 March 2019 and signed on its behalf by:

於二零一九年三月二十二日經董事會批准及授權刊發，並由以下人士代表簽署：

Tao Ying
陶瑩
Director
董事

Miao Zhibin
繆志斌
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

40. 本公司財務狀況表(續)

(a) Movements of the reserves

(a) 儲備變動

		Share premium	Contributed surplus	Share-based payment reserve 以股份為基礎之付款儲備	Accumulated losses	Total
		股份溢價 HK\$' 000 千港元 (Note 31(a)) (附註 31(a))	實繳盈餘 HK\$' 000 千港元 (Note 31(f)) (附註 31(f))	之付款儲備 HK\$' 000 千港元 (Note 31(g)) (附註 31(g))	累計虧損 HK\$' 000 千港元	總計 HK\$' 000 千港元
At 1 January 2017	於二零一七年一月一日	201,419	34,556	3,063	(75,591)	163,447
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(16,072)	(16,072)
At 31 December 2017	於二零一七年十二月三十一日	201,419	34,556	3,063	(91,663)	147,375
At 1 January 2018	於二零一八年一月一日	201,419	34,556	3,063	(91,663)	147,375
Effect on adoption of HKFRS 9	採納香港財務報告準則第9號之影響	-	-	-	601	601
At 1 January 2018 as restated	於二零一八年一月一日(經重列)	201,419	34,556	3,063	(91,062)	147,976
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(143,929)	(143,929)
At 31 December 2018	於二零一八年十二月三十一日	201,419	34,556	3,063	(234,991)	4,047

FINANCIAL SUMMARY

財務概要

RESULTS

業績

		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		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
Revenue	收益	4,369,900	3,424,606	563,708	260,395	367,620
(Loss) Profit before taxation	除稅前(虧損)溢利	(173,315)	5,629	(32,522)	(30,371)	(16,839)
Income tax expense	所得稅開支	(695)	(4,236)	(4,572)	(902)	(1,738)
(Loss) Profit for the year	年內(虧損)溢利	(174,010)	1,393	(37,094)	(31,273)	(18,577)

ASSETS AND LIABILITIES

資產及負債

		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		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
Total assets	資產總值	2,769,734	1,268,618	598,548	160,317	201,523
Total liabilities	負債總額	(2,752,807)	(1,072,157)	(434,934)	(55,575)	(69,813)
Total equity	權益總額	16,927	196,461	163,614	104,742	131,710

* The above figures included both continuing operations and discontinued operations.

* 上述數字包括持續經營業務及已終止經營業務。



Dafeng Port Heshun Technology
Company Limited
大豐港和順科技股份有限公司