



ANNUAL
REPORT
2016
年報

HIDDEN GEMS

隱藏的瑰寶



FOREBASE INTERNATIONAL HOLDINGS LIMITED
申基國際控股有限公司

(Incorporated in Hong Kong with limited liability) (於香港註冊成立之有限公司)
(Stock Code 股份代號: 2310)

CONTENTS

目錄

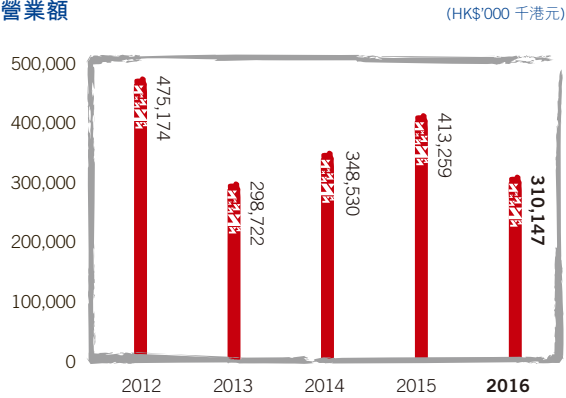
Financial Highlights	財務摘要	02
Chairman's Statement	主席報告書	04
Management Discussion and Analysis	管理層討論與分析	08
Corporate Governance Report	企業管治報告書	16
Environmental, Social and Governance Report	環境、社會與管治報告	33
Directors and Senior Management	董事及高層管理人員	46
Report of the Directors	董事會報告書	50
Independent Auditor's Report	獨立核數師報告	65
Consolidated Statement of Profit or Loss and Other Comprehensive Income	綜合損益及其他全面收益表	74
Consolidated Statement of Financial Position	綜合財務狀況表	76
Consolidated Statement of Changes in Equity	綜合權益變動表	78
Consolidated Statement of Cash Flows	綜合現金流量表	80
Notes to the Consolidated Financial Statements	綜合財務報表附註	82
Five-year Financial Summary	五年財務概要	185
Corporate Information and Shareholders' Calendar	公司資料及股東日程表	186

FINANCIAL HIGHLIGHTS

財務摘要

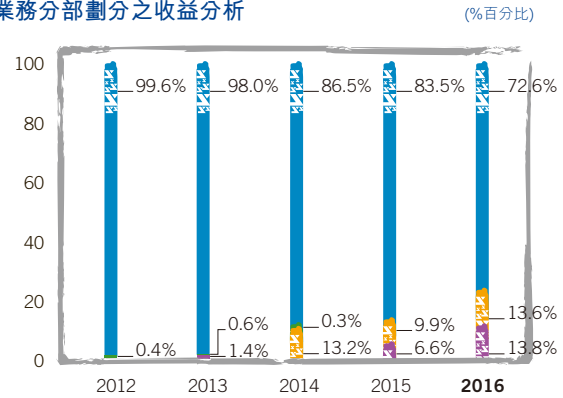
Revenue

營業額



Revenue by Business Segments

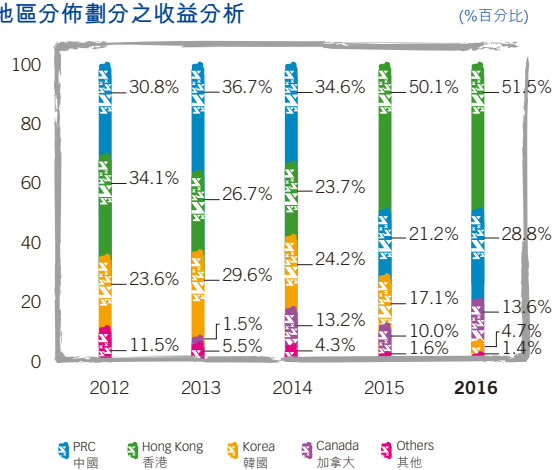
按業務分部劃分之收益分析



Electronic Components 電子元件 Property Development 物業發展 Hotel Operation 酒店經營 Property Management 物業管理

Revenue by Geographical Regions

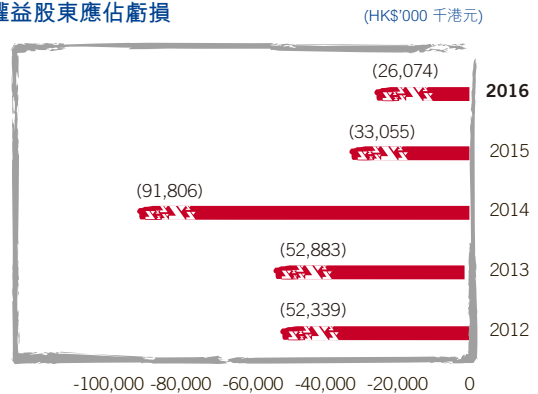
按地區分佈劃分之收益分析



PRC 中國 Hong Kong 香港 Korea 韓國 Canada 加拿大 Others 其他

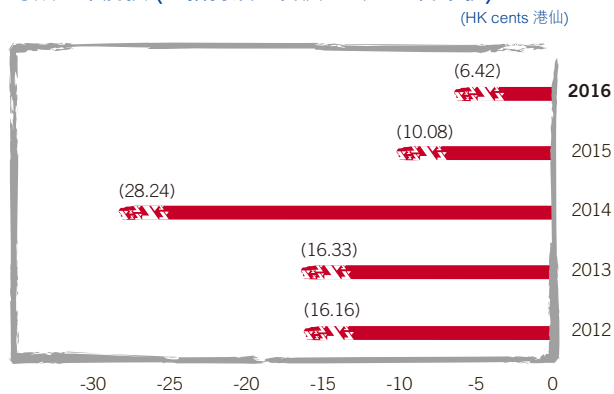
Loss Attributable to Equity Shareholders of the Company

本公司權益股東應佔虧損



Basic Loss per Share (including both continuing and discontinued operations)

每股基本虧損 (包括持續經營及已終止經營業務)



FINANCIAL HIGHLIGHTS

財務摘要

		Note 附註	2016 二零一六年	2015 二零一五年	% Change 變動百分比
Results	業績				
HK\$'000	千港元				
Revenue	收益		310,147	413,259	(24.95%)
Loss before income tax	除所得稅前虧損		(72,500)	(23,302)	211.13%
Loss for the year attributable to equity shareholders of the Company from continuing and discontinued operations	本年度本公司權益股東於持續及已終止經營業務應佔虧損		(26,074)	(33,055)	(21.12%)
Assets and Liabilities	資產與負債				
HK\$'000	千港元				
Total assets	總資產		320,714	533,742	(39.91%)
Total liabilities	總負債		315,201	568,292	(44.54%)
Shareholders' equity	股東權益		5,513	(34,550)	115.96%
Per share data	每股數據				
HK cents	港仙				
Basic and diluted (loss)/earnings	基本及攤薄 (虧損)/盈利				
– from continuing operations	– 持續經營業務		(20.23)	(8.93)	126.54%
– from discontinued operation	– 已終止經營業務		13.81	(1.15)	1,300.87%
HK\$	港元				
Net asset/(liabilities) value	資產/(負債)淨值		0.01	(0.11)	109.09%
Financial Ratio	財務比率				
Current ratio	流動比率	1	1.10	0.99	11.11%
Quick ratio	速動比率	2	0.90	0.91	(1%)

Notes:

- 1) Current ratio represents current assets divided by current liabilities.
- 2) Quick ratio represents current assets excluding inventories divided by current liabilities.


附註：

- 1) 流動比率指流動資產除以流動負債。
- 2) 速動比率指不包括存貨的流動資產除以流動負債。



CHAIRMAN'S STATEMENT

主席報告書



The year 2016 was a significant year for the Group. The acquisition of Nuofute Property Management was an important step to the future transformation of the Group. However, Resulted from the rising market competition and price pressure for electronic products, the Group sill struggle for a turnaround.

二零一六年對本集團而言極具重大意義。收購重慶諾富特物業管理有限公司是本集團轉型過程中重要的一步。但由於電子產品之市場競爭及價格壓力日益加劇，本集團仍努力扭虧為盈。

CHAIRMAN'S STATEMENT

主席報告書

YEAR UNDER REVIEW

The year 2016 was a significant year for Forebase International Holdings Limited (the "Company", together with its subsidiaries, the "Group").

The acquisition of Nuofute Property Management Co., Ltd.* 重慶諾富特物業管理有限公司 ("Nuofute Property Management") at the beginning of the year was an important step to the Group. Nuofute Property Management not only becomes one of the key source of income to the Group, its success also strengthen the confidence of the Group to become a modern city integrated life service provider.

Through the efforts of the management, the Brentwood Bay Resort in Victoria, British Columbia, Canada continues to be another source of profit of the Group. The hotel and residential composite development project located in Zhaotong City, Yunnan Province, the People's Republic of China (the "PRC") was sold with a profit of approximately HK\$56,000,000. Management will continue to explore other investment opportunities in hotel operation, property investment and development in Hong Kong, the PRC and other overseas countries.

As a result of the sluggish manufacturing business environment mainly brought by the rising market competition and price pressure for the existing products, the Group's electronic components business continued to incur losses during the year and was the primary reason for the Group's unsatisfactory results for the year. Management has taken various active measures so as to reduce the negative impact of the electronic components business with an aim to bring a turnaround for the Group.

The board of directors (the "Board") and the management will continue to adjust the Group's business strategies with an aim to deliver satisfactory returns to every shareholders.

BUSINESS PERFORMANCE

Revenue represents sales of electronic components, hotel operating income and property management income, which accounted for approximately 72.6% (2015: 83.5%), 13.6% (2015: 9.9%) and 13.8% (2015: 6.6%) respectively, of the total revenue. Revenue decreased by 25.0% to approximately HK\$310,147,000 from approximately HK\$413,259,000 in 2015, which was mainly attributable to the net effect of the decrease in sales of electronic components business from approximately HK\$345,033,000 in 2015 to approximately HK\$225,204,000 in 2016 and the increase property management income from approximately HK\$27,145,000 in 2015 to approximately HK\$42,726,000 in 2016. The Group incurred gross loss in 2016, as compared to gross profit of approximately HK\$11,494,000 in 2015, as a result of the decrease in sales of electronic components.

* For identification purpose only.

年內回顧

二零一六年對申基國際控股有限公司（「本公司」，連同其附屬公司統稱「本集團」）而言極具重大意義。

於本年初收購的重慶諾富特物業管理有限公司（「諾富特物業管理」）是本集團轉型過程中重要的一步。諾富特物業管理不單成為本集團的主要收入來源之一，它的成功亦加強了本集團致力成為現代城市綜合生活服務提供者的信心。

在管理團隊的努力下，位於加拿大英屬哥倫比亞維多利亞市經營之Brentwood Bay Resort繼續成為本集團的另一個利潤來源。位於中華人民共和國（「中國」）雲南省昭通市之酒店及住宅之綜合發展項目已出售並帶來約56,000,000港元的利潤。管理團隊將繼續發掘其他於香港、中國及其他海外國家之酒店經營、物業投資及發展的投資機會。

由於現有產品之市場競爭及價格壓力日益加劇而造成製造業之低迷營商環境，本集團的電子元件業務於繼續產生虧損，此乃本集團於本年度業績未如理想的主因。管理層已採取各種積極措施，減少電子元件業務的不利影響，祈使本集團扭虧為盈。

董事會（「董事會」）及管理層將繼續調整本集團的整體經營策略，祈望為所有股東帶來可觀回報。

業績表現

收益乃電子元件銷售，酒店經營收入及物業管理收入，並分別佔總收益約72.6%（二零一五年：83.5%）、13.6%（二零一五年：9.9%）及13.8%（二零一五年：6.6%）。總收益由二零一五年約413,259,000港元下降25.0%至約310,147,000港元，主要來自電子元件業務之收益由二零一五年約345,033,000港元減少至二零一六年約225,204,000港元及物業管理業務的收益由二零一五年約27,145,000港元增加至二零一六年約42,726,000港元的淨影響。本集團於二零一六年產生毛損，主要由於電子元件業務的銷售減少所致，而在二零一五年之毛利為11,494,000港元。

CHAIRMAN'S STATEMENT

主席報告書

PROSPECTS

In January 2016, the Group completed the acquisition of Nuofute Property Management. Since then the property management segment has become one of the key sources of income to the Group. Management believes that the property management industry in China will continue to grow steadily and this segment will bring stable income to the Group. While exploring new property management projects, the Group will actively consider expanding this segment through acquisitions.

The hotel operation business in Victoria, British Columbia, Canada continues to generate revenue for the Group, of which, however, has contributed less due to foreign exchange fluctuations. The Group has been exploring other investment opportunities in hotel operation, property investment and development in Hong Kong, the PRC and other overseas countries, with an aim to deliver substantial returns for shareholders of the Company through a series of acquisitions and proposed cooperation.

The Group's electronic components business continued to incur losses during the year and was the primary reason for the Group's unsatisfactory results for the year. Management has taken various active measures so as to reduce the negative impact of the electronic components business with an aim to bring a turnaround for the Group.

The Group is adjusting its overall operational strategies and considering to invest in several service-oriented industries, including cultural, tourism and healthcare sectors. The objective is to synthesize these new investments with existing businesses to transform the Group into a modern city integrated life service provider and bring satisfactory returns to both the Group and its shareholders.

APPRECIATION

On behalf of the Board, I would like to express sincere thanks and appreciation to our shareholders, business partners and dedicated management as well as staff for their continued support and valuable contributions to the Group.

Shen Yong
Chairman

Hong Kong, 29 March 2017

前景

於二零一六年一月，本集團完成收購諾富特物業管理。自此，物業管理業務成為本集團其中一個主要收入來源。管理層相信中國物業管理行業將持續穩定增長，而本業務將會為本集團帶來穩定收入。除繼續物色新物業管理項目的同時，本集團將積極考慮以收購方式壯大本業務。

位於加拿大英屬哥倫比亞省維多利亞市的酒店經營業務繼續替本集團帶來收益。但由於匯率因素，以致其帶來的貢獻減少。本集團正積極發掘於香港、中國及其他海外國家之酒店經營、物業投資及發展的其他投資機會，希望通過一系列的收購行動及合作計畫，為本公司股東帶來可觀的回報。

本集團的電子元件業務繼續產生虧損，此乃本集團於本年度業績未如理想的主因。管理層已採取各種積極措施，減少電子元件業務的不利影響，祈使本集團扭虧為盈。

本集團正調整其整體經營策略，並考慮投資於數個服務主導行業，包括文化、旅遊及醫療版塊，旨在將該等新投資與現有業務整合，將本集團轉型為現代城市綜合生活服務提供者，並為本集團及其股東帶來可觀回報。

感謝

本人謹代表董事會對我們的股東、業務伙伴及堅定投入的管理層和員工致以最深謝意，感謝他們一直以來對本集團的無間斷支持及寶貴貢獻。


申勇
主席

香港，二零一七年三月二十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析





While exploring new sound investment opportunities with solid profitability, the Group will actively consider expanding property management segment through acquisitions.

除發掘具有穩建盈利的投資機會，本集團將積極考慮以收購方式壯大物業管理業務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



FINANCIAL REVIEW

Revenue and Segment Information

Revenue represents sales of electronic components, hotel operating income and property management income. Sales of electronic components accounted for approximately 72.6% (2015: 83.5%) of the total revenue. Revenue decreased by 25.0% to approximately HK\$310,147,000 from approximately HK\$413,259,000 in 2015 which was due to the decrease in sales of electronic components business during the year.

Cost of Sales

Cost of sales decreased by approximately HK\$88,767,000 or 22.1% to approximately HK\$312,998,000 which was in line with the decrease in revenue.

財務回顧

收益及分部資料

收益指電子元件銷售，酒店經營收入及物業管理收入。電子元件銷售收益佔總收益約72.6%（二零一五年：83.5%）。總收益由二零一五年約413,259,000港元下降25.0%至約310,147,000港元，因銷售電子元件業務減少所致。

銷售成本

銷售成本減少約88,767,000港元或22.1%至約312,998,000港元，與收益減少相符。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group is actively considering to invest in several service-oriented industries. To synthesize these new investments with existing businesses, the Group aims to transform into a modern city integrated life service provider and bring satisfactory returns to both the Group and its shareholders.

本集團正積極考慮投資於數個服務主導行業。希望將該等新投資與現有業務整合，將本集團轉型為現代城市綜合生活服務提供者，並為本集團及其股東帶來可觀回報。

Gross (Loss)/Profit

Gross loss in 2016 was mainly attributable to the decrease in sales of electronic components business. Gross profit in 2015 was the net effect of the gross profit in hotel operation and property management of HK\$13,786,000 and HK\$10,629,000, respectively and gross loss in electronic components business of HK\$12,921,000.

Other Income

Other income decreased by approximately HK\$34,106,000 from approximately HK\$46,460,000 in 2015 to approximately HK\$12,354,000 in 2016. The decrease was mainly due to a bargain purchase gain arising on the business combination of approximately HK\$39,056,000 was recorded in 2015.

(毛損) / 毛利

於二零一六年之毛損主要由於電子元件業務的銷售減少所致。二零一五年之毛利為來自經營酒店及物業管理分別為13,786,000港元及10,629,000港元的毛利，以及來自電子元件的毛損12,921,000港元的淨影響。

其他收入

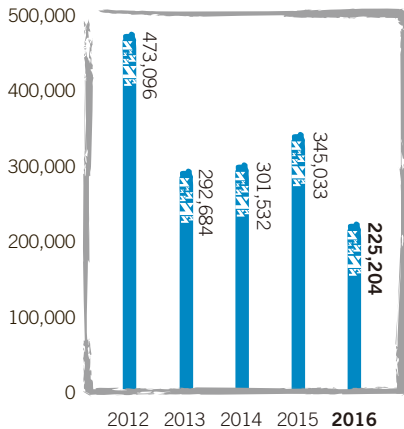
其他收入減少約34,106,000港元，由二零一五年約46,460,000港元減少至二零一六年約12,354,000港元。減少主要是由於二零一五年錄得業務合併產生的議價收益約39,056,000港元所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

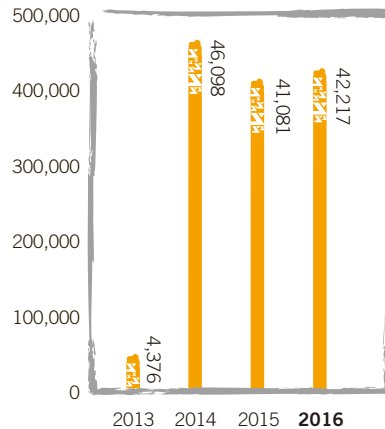
Revenue of Electronic Components Business 電子元件業務收益

(HK\$'000 千港元)



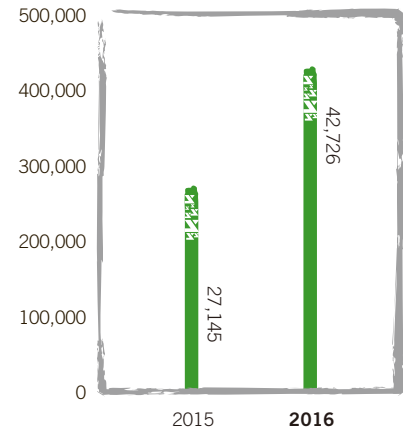
Revenue of Hotel Operation Business 酒店經營業務收益

(HK\$'000 千港元)



Revenue of Property Management Business 物業管理業務收益

(HK\$'000 千港元)



Operating Expenses

Operating expenses during the year amounted to HK\$64,101,000 (2015: HK\$63,434,000), which had no significant fluctuation.

Finance Costs

The Group's finance costs during the year amounted to HK\$17,902,000 (2015: HK\$17,822,000), which had no significant fluctuation.

Taxation

Income tax expense increased from approximately HK\$5,985,000 in 2015 to approximately HK\$9,720,000 in 2016 was mainly attributable to the increase in provision for PRC Enterprise Income Tax of approximately HK\$2,889,000 as a result of the increase in taxable profit of the property management segment.

Loss for the Year

As a result of the foregoing combined effects of the above, the Group recorded a net loss of approximately HK\$26,074,000.

Liquidity and Financial Resources

As at 31 December 2016, the Group's net current assets and current ratio were approximately HK\$16,074,000 and 1.10 respectively (2015: Net current liabilities of approximately HK\$4,249,000 and 0.99).

經營開支

年內的經營開支為64,101,000港元（二零一五年：63,434,000港元），並無顯著波動。

融資成本

本集團在二零一六年內的融資成本為17,902,000港元（二零一五年：17,822,000港元），並無重大波動。

稅項

所得稅開支由二零一五年約5,985,000港元增加至二零一六年約9,720,000港元，主要是由於物業管理分部的溢利增加造成中國企業所得稅撥備增加約2,889,000港元所致。

本年度虧損

由於上述各項的綜合影響，本集團錄得虧損淨額約26,074,000港元。

流動資金及財務資源

於二零一六年十二月三十一日，本集團的流動資產淨額及流動比率分別約為16,074,000港元及1.10（二零一五年：流動負債淨值約4,249,000港元及0.99）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2016, the Group's bank balances and cash amounted to approximately HK\$56,885,000 including approximately HK\$3,090,000 restricted bank deposits and approximately HK\$1,000,000 short-term bank deposit with original maturity more than three months (2015: approximately HK\$62,211,000 including approximately HK\$11,768,000 restricted bank deposits and approximately HK\$1,000,000 short-term bank deposit with original maturity more than three months).

Charge on Assets

As at 31 December 2016, the Group's bank deposits of approximately HK\$3,090,000 (2015: approximately HK\$11,768,000) and the land and buildings held for own use of approximately HK\$82,539,000 (2015: HK\$80,858,000) were pledged to secure banking facilities granted to the Group.

Capital Structure

For the year ended 31 December 2016, the Group financed its liquidity requirements through a combination of cash flow as generated from operations, bank borrowings, secured loans, bonds, advances from a director.

Capital Commitment and Contingent Liabilities

As at 31 December 2016, the Group's had no capital commitments (2015: HK\$518,685,000) and operating lease commitments were approximately HK\$8,968,000 (2015: approximately HK\$15,386,000). As at 31 December 2016 and 2015, the Group did not have any significant contingent liabilities.

BUSINESS REVIEW

Electronic Components Business

As the Group has been facing a sluggish manufacturing business environment mainly brought by the rising market competition and price pressure for the existing products, turnover from the electronic component business decreased by approximately HK\$119,829,000 or approximately 34.7% from approximately HK\$345,033,000 in 2015 to approximately HK\$225,204,000 in 2016. The decline was mainly due to decrease in sales of tablet products and tuner modules for home and car audio for the year ended 31 December 2016. The turnover amount represented approximately 72.6 % of the Group's total turnover.

於二零一六年十二月三十一日，本集團的銀行結餘及現金約為56,885,000港元，包括受限制銀行存款約3,090,000港元及原到期日超過三個月的短期銀行存款1,000,000港元（二零一五年：約62,211,000港元，包括受限制銀行存款約11,768,000港元及原到期日超過三個月的短期銀行存款約1,000,000港元）。

資產抵押

於二零一六年十二月三十一日，本集團將銀行存款約3,090,000港元（二零一五年：約11,768,000港元）及持作自用的土地及樓宇約82,539,000港元（二零一五年：80,858,000港元）用作所取得銀行融資之抵押。

資本結構

截至二零一六年十二月三十一日止年度，本集團主要透過綜合利用經營所得的現金流、銀行借款、抵押貸款、債券及董事墊款滿足流動資金需要。

資本承擔及或然負債

於二零一六年十二月三十一日，本集團並無資本承擔（二零一五年：518,685,000港元），而經營租賃承擔約為8,968,000港元（二零一五年：約15,386,000港元）。於二零一六年及二零一五年十二月三十一日，本集團並無任何重大或然負債。

業務回顧

電子元件業務

由於本集團一直面對主要因現有產品之市場競爭及價格壓力日益加劇而造成製造業之低迷營商環境，來自電子元件業務之收益由二零一五年約345,033,000港元減少約119,829,000港元或約34.7%至二零一六年約225,204,000港元。減少主要是由於截至二零一六年十二月三十一日止年度之家用及車用音響平板產品及調諧器模組之銷售額下跌所致。收益佔本集團總營業額約72.6%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Hotel Operation Business

Revenue from hotel operation accounted of approximately 13.6% of the total revenue. For the year 2016, the hotel achieved occupancy of 77.4% (2015: 72.5%) and room revenue increased by 9.9% in 2016. However, the growth in room revenue was offset by the devaluation of CAD. The revenue was increased by approximately HK\$1,136,000 from approximately HK\$41,081,000 in 2015 to approximately HK\$42,217,000 in 2016.

Property Management Business

Revenue from property management business amounted to approximately HK\$42,726,000, representing an increase of 57.4% against approximately HK\$27,145,000 in 2015. The increase was due to the acquisition of Nuofute Property Management in July 2015 of which only 5 months of results was accounted for in 2015 as compared to the entire year being accounted for in 2016. The segmental revenue accounted for approximately 13.8% of the total revenue of the Group.

Staff and Remuneration Policy

As at 31 December 2016, the Group had approximately 1,196 employees, including 1,026 based in the PRC, 38 based in Hong Kong 17 based in Korea and 115 based in Canada. Staff costs for the year ended 31 December 2016 were approximately HK\$120,632,000, representing a decrease of approximately HK\$6,754,000 as compared to approximately HK\$127,386,000 of last year.

Employee remuneration is determined in accordance with prevailing industry practice and employees' performance and experience. Discretionary bonuses are awarded to employees with outstanding performance with reference to the performance of the Group. Employees are also entitled to other staff benefits including medical insurance and mandatory provident fund.

Foreign Exchange Fluctuation and Hedge

The Group is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Renminbi, United States Dollars, Canadian Dollar and Korean Won. Foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investment in foreign operations.

During the years ended 31 December 2016 and 2015, the Group did not enter into any forward foreign currency contracts.

酒店經營業務

來自酒店經營之收益，佔總收益約13.6%。於二零一六年，酒店入住率達77.4%（二零一五年：72.5%），住房收益於二零一六年上升9.9%。然而，住房收益及餐飲收益之增長被加元貶值所抵銷。收益增加約1,136,000港元，由二零一五年約41,081,000港元增加至二零一六年約42,217,000港元。

物業管理業務

物業管理業務的收益為約42,726,000港元，較二零一五年約27,145,000增加57.4%。收益增加因為本集團於二零一五年七月收購諾富特物業管理，且於二零一五年度僅有五個月業績入賬，而於二零一六年度則以全年業績入賬。分類收益佔本集團收益總額約13.8%。

僱員及薪酬政策

於二零一六年十二月三十一日，本集團約有1,196名員工，當中1,026名位於中國、38名位於香港、17名位於韓國及115名位於加拿大。截至二零一六年十二月三十一日止年度員工成本約120,632,000港元，較去年約127,386,000港元減少約6,754,000港元。

僱員酬金乃根據現行的行業慣例及僱員表現及經驗釐定。酌情花紅乃參考本集團表現，授予表現優異的僱員。僱員亦有權享有其他僱員福利（包括醫療保險及強制性公積金）。

外匯波動及對沖

本集團承受來自多種貨幣的外匯風險，主要涉及人民幣、美元、加元及韓圓。外匯風險來自商業交易、已確認資產和負債，以及於外國業務之淨投資。

截至二零一六年及二零一五年十二月三十一日止年度，本集團並無訂立任何遠期外匯合約。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Principal Risks and uncertainties

The following is a list of principal risks and uncertainties that are considered to be of significance as it currently stands and with potential affecting the Group's businesses, results of operations and financial conditions. However, this is non-exhaustive as there may be other risks and uncertainties arising resulting from changes in economic and other conditions over time.

- The Group derives a significant portion of its revenue from major customers. The decrease in demand from major customers may materially and adversely affect the business.
- Fluctuation in exchange rates may adversely affect the business.
- The Group may be subject to labour shortages, increased labour cost or other factors affecting labour force, which may materially affect the Group's business operation and financial condition.
- In recent years, the property development market in the PRC has been concurrently affected by the economic trend and government policies such as the adoption of category based regulatory measures and the bilateral regulatory measures for the real estate market, policy changes in mortgage levels and ownership, interest rate changes, supply and demand conditions as well as the overall economic volatility in the PRC.
- The Group operates a resort hotel in Victoria, British Columbia, Canada. Hotel performance is usually subject to a high degree of fluctuation caused by both predictable and unpredictable factors including seasonality, social stability, epidemic diseases and changes in economic conditions.

主要風險及不明朗因素

以下是被認為有可能對本集團業務、經營業績及財務狀況有重大影響的現存主要風險及不明朗因素。惟以下清單並非詳盡無遺，經濟及其它狀況隨時間改變均有可能產生其它風險及不明朗因素。

- 本集團大部分收益乃來自其主要客戶，來自主要客戶的需求減少或會對業務造成重大不利影響。
- 匯率波動或會對業務造成不利影響。
- 本集團或受制於勞工短缺、勞工成本上漲或其他影響勞動力的因素，這可能對本集團的業務、營運及財務狀況造成重大不利影響。
- 近年，中國內地的發展物業市場一直同時受國內經濟趨勢及政府政策影響，例如在房地產市場採納分類調控措施及雙方調控措施、按揭水平及擁有權的政策改變、息率改變、供求狀況及整體經濟動盪。
- 本集團在加拿大英屬哥倫比亞維多利亞市經營一間度假酒店。酒店表現通常受可預測及不可預測的因素（包括季節性、社會穩定性、傳染病及經濟狀況轉變）影響而出現高度波動。

CORPORATE GOVERNANCE REPORT

企業管治報告書

CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving a high standard of practices of corporate governance so as to ensure the protection of shareholders' interests with better transparency. The Company has complied with the code provisions of the Corporate Governance Code set out in Appendix 14 to the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange during the year ended 31 December 2016, except for the following:

Code Provision A.6.7

Pursuant to the code provision A.6.7, independent non-executive directors and other non-executive directors, as equal Board members, should attend the general meetings of the Company.

The Company held its extraordinary general meeting on 22 January 2016 ("the EGM") and annual general meeting on 31 May 2016 (the "AGM"). During the year ended 31 December 2016, certain independent non-executive directors were unable to attend the Company's general meetings due to their unavoidable business engagements.

The Company was arranged and will continue to arrange to furnish all directors with appropriate information on all general meetings and take all reasonable measures to arrange to schedule in such a way that all directors can attend general meetings, as well as to support non-executive directors to respond to shareholders' questions in the general meetings.

Code Provision E.1.2 stipulates that the Chairman of the Board should attend the AGM. Due to other business engagements, the Chairman of the Board was unable to attend the AGM. However, Mr. Kaneko Hiroshi, a former executive director, took chair of the AGM pursuant to the articles of association of the Company to ensure an effective communication with the shareholders of the Company thereat.

企業管治守則及企業管治常規

本公司一向恪守嚴謹之企業管治常規，藉提高透明度確保股東利益。本公司於截至二零一六年十二月三十一日止年度已遵守聯交所證券上市規則（「上市規則」）附錄十四所載企業管治守則所載的守則條文，惟下列除外：

守則條文第 A.6.7 條

根據守則條文第 A.6.7 條，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位之董事會成員，應出席本公司之股東週年大會。

本公司於二零一六年一月二十二日舉行股東特別大會及於二零一六年五月三十一日舉行股東週年大會。截至二零一六年十二月三十一日止年度，若干獨立非執行董事因處理不可避免事務而未能出席本公司股東大會。

本公司已在所有股東大會，及將在日後的股東大會為所有董事安排提供適當的資訊，並採取所有合理措施安排日程，使所有董事可以出席會議，並向非執行董事提供支持，以回應股東於股東大會之提問。

守則條文第 E.1.2 條規定董事會主席應出席股東週年大會。由於有其他事務在身，董事會主席未能出席股東週年大會。然而，本公司前執行董事金子博先生根據本公司之組織章程細則，擔任股東週年大會之主席以保證與本公司股東進行有效溝通。

CORPORATE GOVERNANCE REPORT

企業管治報告書

Model code for securities transactions by directors

The Company has adopted Appendix 10, Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules (the “Model Code”) as the code of practice for carrying out securities transactions by the directors of the Company. The Company, having made specific enquiries to all directors of the Company, confirmed that all directors have complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2016.

BOARD OF DIRECTORS

The Company’s overall management is vested in its Board, which currently comprises eight members, coming from diverse businesses and professional backgrounds. The biographical details of directors are set out under the section “Directors and Senior Management” on pages 46 to 49 of this annual report. The Board currently comprises executive directors Mr. Shen Yong (Chairman), Mr. Gan Lin (Chief Executive Officer), Mr. Shen Ke, Mr. Hong Sang Joon; non-executive director Mr. Huang Xiang Yang and independent non-executive directors Dr. Loke Yu (alias Loke Hoi Lam), Mr. Yu Lei, and Mr. Ernst Rudolf Zimmermann.

The Board meets at least four times annually to review business development and overall strategic policies.

To facilitate the operation of the Board, the Board has established a schedule of matters reserved for its approval. The specific responsibilities reserved for the Board include (a) setting the Group’s strategy and dividend policy; (b) approving budgets, reviewing operational and financial performance; (c) approving major investments and divestments; (d) reviewing the internal control system of the Group; (e) ensuring appropriate management development and succession plans in place; (f) approving appointments of and remuneration policy for directors and other senior executives; (g) approving corporate social responsibility policies; and (h) ensuring effective communication with shareholders.

董事進行證券交易的標準守則

本公司已採納上市規則附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易的行為守則。本公司向本公司所有董事作出具體查詢後確認，截至二零一六年十二月三十一日止年度，所有董事均有遵守標準守則所載之守則條文。

董事會

本公司之整體管理由董事會負責，目前，董事會由八名成員組成，彼等擁有不同行業及專業背景。董事履歷詳情載於本年報46至49頁「董事及高層管理人員」一節。董事會成員目前包括執行董事申勇先生（主席）、甘霖先生（行政總裁）、申柯先生及洪祥準先生；非執行董事黃向陽先生以及獨立非執行董事陸海林博士、余磊先生及司馬文先生。

董事會每年最少舉行四次會議，以檢討業務發展及整體策略政策。

為方便董事會運作，董事會制定了一份項目清單並保留其決定權。董事會之指定責任包括(a)制定本集團整體策略及股息政策；(b)通過預算案、檢討營運及財務表現；(c)批准重大投資及撤資；(d)檢討本集團內部監控系統；(e)確保有適當管理發展及延續計劃；(f)通過委任董事及其他高級行政人員並釐訂彼等之薪酬政策；(g)批准企業社會責任政策；及(h)確保與股東進行有效溝通。

CORPORATE GOVERNANCE REPORT

企業管治報告書

For the financial reporting accountability, the Board has an ultimate responsibility for preparing the financial statements. In preparing the financial statements, the Board has ensured that (a) the generally accepted accounting standards in Hong Kong have been adopted; (b) appropriate accounting policies have been used and applied consistently; and (c) reasonable and prudent judgments and estimates have been made. Moreover, the Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

Being part of good corporate governance practices, a number of board committees have been established. These committees include five corporate governance related committees namely the Executive Committee, the Remuneration Committee, the Audit Committee and the Nomination Committee as well as one ad hoc committee namely the Independent Board Committee which is responsible for advising the matters in relation to the continuing connected transactions. These committees operate within specific terms of reference as prepared by the Company and report their work and findings to the Board regularly.

就財務申報之問責性而言，董事會有編製財務報表之最終責任。在編製財務報表時，董事會已保證(a)香港公認之會計準則已予採納；(b)適當會計政策已予使用及貫徹應用；及(c)合理及審慎之判斷和估算已予作出。此外，董事會並不知悉有任何重大不確定因素致使本集團持續經營之能力存在疑問。為此，董事會在編製財務報表時繼續採用持續經營基準。

作為良好企業管治之部份措施，本公司已成立多個董事會轄下的委員會。該等委員會包括五個與企業管治有關的委員會，即執行委員會、薪酬委員會、審核委員會及提名委員會，以及一個負責就持續關連交易提供意見之特設委員會，即獨立董事委員會。該等委員會均按由本公司編製之特定職權範圍操作並且定期向董事會匯報彼等之工作及調查結果。

CORPORATE GOVERNANCE REPORT

企業管治報告書

		No. of meetings attended/held 會議出席/舉行次數					Independent Board Committee	General meeting
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Executive Committee 執行委員會	Nomination Committee 提名委員會	獨立董事 委員會	股東大會
Independent non-executive directors	獨立非執行董事							
Dr. Loke Yu (alias Loke Hoi Lam) ⁽¹⁾	陸海林博士 ⁽¹⁾	3/3	1/1	2/2	n/a 不適用	1/1	n/a 不適用	1/1
Mr. Yu Lei	余磊先生	4/4	3/3	4/4	n/a 不適用	2/2	1/1	2/2
Mr. Ernst Rudolf Zimmermann	司馬文先生	3/4	2/3	4/4	n/a 不適用	2/2	0/1	1/2
Ms. Zhang Cui Lan ⁽⁴⁾	張翠蘭女士 ⁽⁴⁾	1/1	1/1	2/2	n/a 不適用	1/1	0/1	0/1

- ⁽¹⁾ appointed on 18 April 2016
⁽²⁾ resigned on 30 December 2016
⁽³⁾ appointed on 30 December 2016
⁽⁴⁾ resigned on 18 April 2016

- ⁽¹⁾ 於二零一六年四月十八日獲委任
⁽²⁾ 於二零一六年十二月三十日辭任
⁽³⁾ 於二零一六年十二月三十日獲委任
⁽⁴⁾ 於二零一六年四月十八日辭任

BOARD COMMITTEES

The Board has established five board committees, namely, the Executive Committee, the Remuneration Committee, the Nomination Committee, the Audit Committee and the Independent Board Committee, for overseeing particular aspects of the Company's affairs. All board committees should report to the Board on their decisions or recommendations made.

A. Executive Committee

The Executive Committee comprises Mr. Shen Yong (Committee Chairman), Mr. Shen Ke, Mr. Hong Sang Joon and Mr. Gan Lin.

The major responsibilities of the Executive Committee are:

- to develop strategic plans for the consideration of the Board;
- to implement the strategies and policies of the Group as determined by the Board;

董事委員會

董事會已成立五個董事委員會，即執行委員會、薪酬委員會、提名委員會、審核委員會及獨立董事委員會，以監管本公司各方面事務。所有董事委員會應就其決策或建議向董事會匯報。

A. 執行委員會

執行委員會目前由申勇先生（委員會主席）、申柯先生、洪祥準先生及甘霖先生組成。

執行委員會之主要責任為：

- 發展策略性計劃以供董事會考慮；
- 實施董事會決定之本集團策略及政策；

CORPORATE GOVERNANCE REPORT

企業管治報告書

3. to monitor the daily operations and financial results against plans and budgets; and
 4. to guide the Company in various corporate affairs
- There were no Executive Committee meetings held for the year ended 31 December 2016.

B. Remuneration Committee

The Remuneration Committee currently comprises three independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Loke Yu and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Remuneration Committee are:

1. to review the remuneration packages of directors and senior management;
2. to make recommendations to the Board on the remuneration structure; and
3. to review and guide the formulation of the Group's remuneration policy for directors and senior management attributable to performance-driven compensation commitment as well as market trend and industry norms.

There were four Remuneration Committee meetings held for the year ended 31 December 2016 to review the remuneration packages of directors and senior management according to the Group's employment policy, nomination policy, remuneration policy, and training and development policy.

The Remuneration Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Remuneration Committee can be viewed on the websites of the Company and the Stock Exchange.

Details of the remuneration to the directors on named basis and members of senior management by band are disclosed in notes 11 and 12 to the consolidated financial statements, respectively.

3. 監管日常營運表現及財務業績以對比計劃及預算中的情況；及
4. 多方面指導本公司企業事務。截至二零一六年十二月三十一日止年度，並沒有舉行執行委員會會議。

B. 薪酬委員會

薪酬委員會目前由三名獨立非執行董事余磊先生（委員會主席）、陸海林博士及司馬文先生組成。

薪酬委員會之主要責任為：

1. 檢討董事及高層管理人員之薪酬組合；
2. 就薪酬架構向董事會作出建議；及
3. 定期檢討及指導本集團董事及高層管理人員之薪酬政策之編製。薪酬政策乃根據與表現掛鉤之報酬承諾，並參考市場趨勢及行業慣例釐訂。

截至二零一六年十二月三十一日止年度，舉行了四次薪酬委員會會議，已根據本集團聘用政策、提名政策、薪酬政策以及培訓及發展政策，檢討董事及高層管理人員之薪酬待遇。

薪酬委員會具備充足資源履行其職責。薪酬委員會之最新職權範圍可於本公司及聯交所網站查閱。

董事之酬金詳情以具名方式而高層管理人員之酬金詳情按組別分別披露於綜合財務報表附註 11 及 12。

CORPORATE GOVERNANCE REPORT

企業管治報告書

C. Nomination Committee

The Nomination Committee currently comprises three independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Loke Yu and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Nomination Committee are:

1. to make recommendations to the Board on the appointment or re-appointment of directors;
2. to review the structure, size and composition of the Board and to ensure fair and transparent procedures for the appointment or re-appointment of directors;
3. to propose the appointment of such candidates to the Board for consideration; and
4. to review the qualifications of the relevant candidates for determining the suitability to the Group on the basis of his/her qualifications, experience and background.

There were two Nomination Committee meetings held for the year ended 31 December 2016 to discuss and consider the following matters:

1. the composition of the Board with reference to certain criteria. These criteria included qualifications required under the Listing Rules or any other relevant laws regarding characteristics and skills of the directors, professional ethics and integrity, appropriate professional knowledge and industry experience, as well as ability to devote sufficient time to the work of the Board and its committees and to participate in all Board meetings and shareholders' meetings;
2. the re-appointment of the retiring directors for reelection at the previous general meeting;
3. procedures for election of directors and by shareholders; and
4. independence of the independent non-executive directors.

The Nomination Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Nomination Committee can be viewed on the websites of the Company and the Stock Exchange.

C. 提名委員會

提名委員會目前包括三名獨立非執行董事余磊先生（委員會主席）、陸海林博士及司馬文先生。

提名委員會之主要責任為：

1. 向董事會提供有關委任或續聘董事之推薦意見；
2. 檢討董事會之架構、大小及組成以及確保委任或續聘董事之程序公正透明；
3. 提出委任人選供董事會考慮；及
4. 審視相關人選之資歷，基於其資歷、經驗及背景決定是否適合本集團。

截至二零一六年十二月三十一日止年度，舉行了兩次提名委員會會議，以討論並考慮以下事項：

1. 參考若干準則檢討及評估董事會的組成。該等準則包括上市規則或任何相關法律就董事的個性及技能、專業操守及誠信、適合的專業知識及行業經驗而規定之資歷，以及能對董事會及其委員會的工作付出足夠的時間以及參與所有董事會會議及股東會議之能力；
2. 續聘於上屆股東週年大會獲續聘的退任董事；
3. 股東及董事選舉之程序；及
4. 獨立非執行董事的獨立性。

提名委員會具備充足資源履行職責。提名委員會之最新職權範圍可於本公司及聯交所網站查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告書

D. Audit Committee

The Audit Committee currently comprises three independent non-executive directors Dr. Loke Yu (Committee Chairman), Mr. Yu Lei and Mr. Ernst Rudolf Zimmermann.

The main responsibilities of the Audit Committee are:

1. to monitor the integrity of financial reporting of the Company;
2. to review the internal control and risk management systems of the Group; and
3. to review the corporate governance practices of the Company.

There were three Audit Committee meetings held for the year ended 31 December 2016 to discuss and review the following matters:

1. the 2015 annual report and accounts;
2. the 2016 interim report and accounts;
3. the Group's financial controls, internal control and risk management systems;
4. the financial reporting and relevant compliance with external auditor; and
5. the auditor's remuneration and recommended the Board to appoint Grant Thornton Hong Kong Limited as the auditor of the Company in 2016 upon the resignation of ShingWing (HK) CPA Limited. The re-appointment of Grant Thornton Hong Kong Limited as the auditor of the Company in the year 2017, which is subject to the approval of shareholders at the forthcoming AGM.

The Audit Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Audit Committee can be viewed on the websites of the Company and the Stock Exchange.

E. Independent Board Committee

The Independent Board Committee currently comprises three independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Loke Yu and Mr. Ernst Rudolf Zimmermann.

D. 審核委員會

審核委員會目前由三名獨立非執行董事陸海林博士（委員會主席）、余磊先生及司馬文先生組成。

審核委員會之主要職責為：

1. 監察本公司財務報告之完整性；
2. 檢討本集團內部監控及風險管理系統；及
3. 檢討本公司之企業管治常規。

截至二零一六年十二月三十一日止年度，舉行了三次審核委員會會議，以討論及檢討以下事項：

1. 二零一五年年報及賬目；
2. 二零一六年中期報告及賬目；
3. 本集團之財務監控、內部監控及風險管理系統；
4. 與外聘核數師就財務報告及相關遵例情況進行討論；及
5. 核數師薪酬及向董事會建議於二零一六年及二零一七年度委任及續聘致同（香港）會計師事務所有限公司為本公司新任核數師，以填補信永中和會計師事務所有限公司辭任留下之空缺，惟須獲股東於應屆股東週年大會上批准方會作實。

審核委員會具備充足資源履行職責。審核委員會之最新職權範圍可於本公司及聯交所網站查閱。

E. 獨立董事委員會

獨立董事委員會目前由三名獨立非執行董事余磊先生（委員會主席）、陸海林博士及司馬文先生組成。

CORPORATE GOVERNANCE REPORT

企業管治報告書

The major responsibilities of the Independent Board Committee are:

1. to consider and review matters regarding the continuing connected transactions of the Group; and
2. to advise the independent shareholders whether the Group's transactions are fair and reasonable and in the interests of the Company and shareholders as a whole.

There was one Independent Board Committee meeting held for the year ended 31 December 2016.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the following corporate governance duties as required under the CG Code:

1. to develop and review the Company's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of the directors and senior officers of the Group;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the codes of conduct applicable to employees and the directors; and
5. to review the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

During the year ended 31 December 2016, the Board considered the following corporate governance matters:

1. review of the compliance with the Code Provisions of the CG Code; and
2. review of the effectiveness of the internal controls and risk management systems of the Group through the Audit Committee.

獨立董事委員會之主要責任為：

1. 以考慮及檢討有關本集團持續關連交易之事宜；及
2. 就本集團交易是否公平、合理及符合本公司與股東整體利益而向獨立股東提供意見。

截至二零一六年十二月三十一日止年度，曾舉行一次獨立董事委員會會議。

企業管治職能

董事會負責履行企業管治守則規定的企業管治職責如下：

1. 制定及檢討本公司的企業管治政策及常規；
2. 檢討及監察董事及高級管理人員的培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制定、檢討及監察適用於僱員及董事的操守準則；及
5. 檢討本公司遵守企業管治守則的情況及在本《企業管治報告書》內的披露。

於截至二零一六年十二月三十一日止年度，董事會已審議以下企業管治事宜：

1. 檢討遵守企業管治守則之守則條文之情況；及
2. 透過審核委員會檢討本集團內部監控及風險管理系統之有效性。

CORPORATE GOVERNANCE REPORT

企業管治報告書

COMPANY SECRETARY

Company Secretary of the Company is a full time employee of the Group and has day-to-day knowledge of the Company's affairs. During the year ended 31 December 2016, the Company Secretary, Mr. Leung Tak Chee Frankie, has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. According to Rule 3.29 of the Listing Rules, the Company Secretary has taken no less than 15 hours of relevant professional training. The biographical details of the Company Secretary is set out on in the section entitled "Directors and Senior Management" in this annual report.

TRAINING, INDUCTION AND CONTINUING DEVELOPMENT FOR DIRECTORS

Each newly appointed director receives a comprehensive and formal induction to ensure that he/she has an appropriate understanding of the business and operations of the Group, his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements, the CG Code of the Company and the Model Code.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for directors will be arranged at the expenses of the Company whenever necessary. The directors are committed to complying with Code Provision A.6.5 of the CG Code on directors' training effective from 1 April 2012. All directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided their training records to the Company.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY

The Company has arranged appropriate liability insurance to indemnify its directors and officers in respect of legal actions against the directors. During the year ended 31 December 2016, no claim had been made against the directors and the officers of the Company.

公司秘書

本公司的公司秘書為本集團全職僱員，且熟悉本公司日常事務。於截至二零一六年十二月三十一日止年度，公司秘書梁德志先生已遵守上市規則第3.29條下相關專業培訓之規定。根據上市規則第3.29條，公司秘書已作出不少於15小時之相關專業培訓。公司秘書的履歷詳情載於本年報「董事及高層管理人員」一節。

董事培訓、入職介紹及持續發展

每名獲委任之新董事均獲提供全面、正式之入職介紹，以確保其可適當掌握本集團之業務及營運；根據上市規則及相關法規須履行之職務及責任；本公司之企業管治守則；及標準守則。

董事將不斷獲得法定及監管機制發展以及業務環境之新消息，以協助彼等履行職責。當有需要時，董事將獲安排持續簡報及專業發展，費用由本公司承擔。董事致力遵守由二零一二年四月一日起生效之企業管治守則內第A.6.5條有關董事培訓之守則條文。全體董事均有參與發展及更新彼等知識及技能之持續專業發展，並已向本公司提供其培訓記錄。

董事及高級人員責任保險及彌償

本公司已就其董事可能會面對的法律訴訟購買合適的責任保險，以保障其董事及高級人員。截至二零一六年十二月三十一日止年度，本公司董事及高級人員並無面臨任何索償。

CORPORATE GOVERNANCE REPORT

企業管治報告書

The Separate Roles of the Chairman and Chief Executive Officer

The division of responsibilities between the Chairman of the Board and the Chief Executive Officer, is clearly defined and has been approved by the Board. The Chairman provides leadership of the Board, ensures the effectiveness of the Board and oversees the corporate development; while the Chief Executive Officer, as head of the executive directorate, is responsible for managing the business development and strategic planning of the Group.

Their separate roles reinforce the continuous enhancement of the Group's corporate governance in terms of corporate fairness, transparency and accountability.

Directors' Independence

There are no financial, business, family or other material/relevant relationship(s) among members of the Board except that Mr. Shen Yong, chairman of the Board is the father of Mr. Shen Ke, an executive director of the Company.

The directors are given access to independent professional advice at the Group's expense, when the directors deem it necessary in order to carry out their responsibilities.

The Board also advocates the participation of independent non-executive directors and non-executive directors in various board committees to safeguard objectivity and independence.

The Company has received the confirmation letters from each of the independent non-executive directors, confirming their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive directors are independent.

區分主席及行政總裁職能

董事會主席及行政總裁兩人之職責已清楚劃分，並已獲董事會批准。主席負責領導董事會、確保董事會之有效運作及監督企業發展；而行政總裁為執行董事之首，負責管理本集團之業務發展及策略規劃。

彼等之職能區分進一步提升本集團以公平、高透明度及問責為原則的企業管治。

董事之獨立性

除申勇先生（董事會主席）為申柯先生（本公司執行董事）之父親外，董事會成員間並無財務、業務、家族或其他重大／相關關係。

倘董事認為必須尋求獨立專業顧問之意見以協助履行彼等之職責，有關費用由本集團支付。

董事會亦鼓勵獨立非執行董事及非執行董事參與各董事委員會，從而達致客觀性及獨立性。

本公司已接獲各名獨立非執行董事依據上市規則第3.13條就其獨立身份之確認函。本公司認為所有獨立非執行董事均為獨立個體。

CORPORATE GOVERNANCE REPORT

企業管治報告書

Risk Management and Internal Control

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group established and maintained appropriate and effective risk management and internal control systems.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

The Group has established risk management procedures to address and handle the all significant risks associate with the business of the Group. The Board would perform annual review on any significant change of the business environment and establish procedures to response the risks result from significant change of business environment. The risk management and internal control systems are designed to mitigate the potential losses of the business.

Management would identify the risks associate with the business of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritised based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results, type of risk management strategy has been listed as follow:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risks;
- Risk avoidance: change business process or objective so as to avoid the risk;
- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market.
- Risk transfer: transfer ownership and liability to a third party

風險管理及內部控制

董事會全面負責評估及釐定為實現本集團戰略目標而擬採取的措施的風險性質及程度，並確保本集團建立及維護適當有效的風險管理及內部控制制度。

審核委員會持續檢討對本集團屬重大的風險管理及內部控制。審核委員會考量本集團會計、內部審核及財務報告職能部門的資源、資質及經驗以及對員工與外聘顧問的培訓情況。

本集團管理層負責風險管理及內部控制制度的設計、維護、實施及監控，確保實行充分的控制，維護本集團資產及股權持有人的利益。

本集團已製定風險管理程序，解決及處理與本集團業務有關的所有重大風險。董事會每年對業務環境出現的任何重大變化進行檢討，並製定程序以應對業務環境的重大變化帶來的風險。風險管理及內部控制制度旨在減少業務的潛在虧損。

管理層將通過考慮政治、經濟、技術、環境、社會及員工等內外因素及事件以釐定與本集團業務有關的風險。各種風險均已根據其相關影響及發生幾率進行評估及優先排序。根據評估結果，相關風險管理策略將適用於各類風險，風險管理策略的類型如下：

- 風險保持及減少：本集團接受風險的影響或採取行動以減少風險的影響；
- 風險規避：改變業務流程或目標以規避風險；
- 風險分擔及多樣化：將風險的影響多元化或分配至不同位置或產品或市場。
- 風險轉移：將所有權及責任轉移至第三方

CORPORATE GOVERNANCE REPORT

企業管治報告書

The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimise the adverse impact results from the risks. The risk management and internal control system are design to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

For the year ended 31 December 2016, the Group has engaged an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. There is no significant deficiency and weakness on the internal control system has been identified by the external advisory firm for the year ended 31 December 2016.

The Board considered that, for the year ended 31 December 2016, the risk management and internal control system and procedures of the Group, covering all material controls including financial, operational and compliance controls and risk management functions were reasonably effective and adequate.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparing the Company's financial statements for the year ended 31 December 2016 which reflect true and fair view of the financial position of the Company and the Group and in compliance with relevant law and disclosure provisions of the Listing Rules. The Board is responsible for presenting a balanced, clear and comprehensible assessment extends to annual and interim reports, other inside information announcements and other financial disclosures required under the Listing Rules.

The Group appointed Grant Thornton Hong Kong Limited as the Group's external auditor. The statement by Grant Thornton Hong Kong Limited regarding their reporting responsibilities to the shareholders on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 65 to 73 of this annual report.

設計和實施內部控制制度，以減少與本集團接受的業務相關的風險，並儘量減少風險的不利影響。設計風險管理及內部控制制度乃為管理而非消除未能實現業務目標的風險，僅能提供合理而非絕對的保證，防止出現重大錯報或損失。

截至二零一六年十二月三十一日止年度，本集團聘請外部諮詢公司履行內部審核職能，確保本集團風險管理及內部控制制度的有效性及效率。外部諮詢公司釐定，截至二零一六年十二月三十一日止年度內部控制制度並不存在重大缺陷與不足。

董事會認為，截至二零一六年十二月三十一日止年度，涵蓋財務、經營及合規控制以及風險管理職能所有重要控制的本集團風險管理及內部控制制度及程序屬合理有效及充分。

董事及核數師就財務報表承擔的責任

董事清楚彼等須負責編製本公司截至二零一六年十二月三十一日止年度的財務報表，而財務報表須真實及公平地反映本公司及本集團的財務狀況，及符合相關法例及上市規則的披露規定。董事會負責衡平、清晰及全面地呈列年報及中期報告、其他內幕消息公告及上市規則規定的其他財務披露事項。

本集團已委任致同（香港）會計師事務所有限公司為本集團外聘核數師。致同（香港）會計師事務所有限公司就其向股東報告本集團綜合財務報表承擔的責任發出的聲明載於本年報第65至73頁的獨立核數師報告內。

CORPORATE GOVERNANCE REPORT

企業管治報告書

AUDITOR'S REMUNERATION

During the year ended 31 December 2016, the fees paid/payable to the auditor in respect of audit and non-audit services provided by the auditor to the Group were as follows:

Nature of services	服務性質	HK\$'000 千港元
Audit services	核數服務	850
Non-audit services	非核數服務	
Other services	其他服務	30
Total	總額	880

INVESTOR RELATIONS

The Board recognises the importance of maintaining effective communications with shareholders. Annual reports and interim reports provide shareholders with comprehensive information of the Group's operational and financial performances; while general meetings offer a platform for shareholders to state and exchange views with the Board directly.

The management continually communicates with analysts and institutional investors and provides them with up-to-date and comprehensive information regarding the Group's development. The Company practices timely dissemination of information and makes sure its website www.forebase.com.hk contains the most latest information, including but not limited to annual reports, interim reports, announcements, monthly returns and press releases, and is updated in a timely manner to ensure transparency.

CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2016, there had been no significant changes in the Company's constitutional documents.

核數師薪酬

截至二零一六年十二月三十一日止年度，就核數師向本集團提供核數及非核數服務之已支付／應付予核數師之費用如下：

投資者關係

董事會了解與股東維持有效溝通的重要性。年報及中期報告為股東提供本集團營運及財務表現之詳盡資料，而股東大會則提供平台讓股東表達意見及與董事會直接交換意見。

管理層持續與分析員及機構投資者溝通，並向彼等提供有關本集團發展之最新及詳盡之資料。本公司實行及時發放資料之措施及確保其網站 www.forebase.com.hk 載有最新資料，包括但不限於年報、中期報告、公告、月報表及新聞公布，並經常更新以確保透明度。

組織章程

文件截至二零一六年十二月三十一日止年度，本公司之組織章程文件並無重大變動。

CORPORATE GOVERNANCE REPORT

企業管治報告書

SHAREHOLDERS' RIGHTS

A. Convening an Extraordinary General Meeting by Shareholders

In accordance with section 566 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the "Companies Ordinance"), shareholder(s) holding at the date of the deposit of the requisition at least 5% of the voting rights at general meetings of the Company, may request the directors of the Company to convene an EGM. The written requisition must state the objects of the meeting and must be signed by the shareholder(s) concerned and deposited at the registered office of the Company for the attention of chairman of the Board or the Company Secretary. The requisition may consist of several documents in like form, each signed by one or more of the shareholders concerned.

If the directors of the Company do not within 21 days from the date of the deposit of the requisition proceed duly to convene an EGM for a date not more than 28 days after the date on which the notice convening the EGM is given, the shareholder(s) concerned, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM, provided that the EGM so convened shall not be held after the expiration of 3 months from the said date.

The EGM convened by shareholders shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the directors of the Company.

B. Enquiries to the Board

Shareholders may put forward enquiries to the Board in writing to the principal office of the Company in Hong Kong.

The Company Secretary will forward the shareholders' enquiries and concerns to the Board and/or relevant board committees of the Company, where appropriate, to answer the shareholders' questions in writing.

股東之權利

A. 由股東召開股東特別大會

根據公司條例（香港法例第622章）（「公司條例」）第566條，由一名或多名股東於存放請求召開股東特別大會的請求書當日持有本公司總表決權最少5%，並可於本公司股東會上投票者，可要求本公司董事召開股東特別大會。書面請求須列明大會的目的，及須由有關股東簽署並送交本公司之註冊辦事處（註明收件人為董事會主席或公司秘書），書面請求可包含多份同樣格式的文件，每份由一名或多於一名有關股東簽署的文件組成。

如本公司董事在請求書遞呈日期起計21日內，未有在召開股東特別大會通告發出日期後28日內安排正式召開股東特別大會，則有關股東或佔全體有關股東總投票權一半以上之任何有關股東可自行召開股東特別大會，但任何如此召開之股東特別大會不得在上述請求書遞呈日期起計3個月屆滿後舉行。

由股東召開之大會，須盡可能以接近本公司董事召開大會之方式召開。

B. 股東查詢

股東可以書面形式向董事進行查詢，有關查詢須送交至本公司於香港之主要辦事處。

公司秘書將向董事會及／或本公司之相關董事委員會轉交股東的查詢及意見，並在適當情況下書面回覆股東提問。

CORPORATE GOVERNANCE REPORT

企業管治報告書

C. Procedures for Putting Forward Proposals at General Meetings by Shareholders

Shareholders are requested to follow sections 551 to 554 (written resolutions), section 579 (notice of resolutions), sections 580 to 583 (statements), section 615, section 616 (resolutions for AGMs) of the Companies Ordinance for including a resolution at AGM of the Company AGM. The requirements and procedures are set out as follows:

1. A member of a company may request the company to circulate a resolution that—
 - (a) may properly be moved; and
 - (b) is proposed as a written resolution under section 549(b) of the Companies Ordinance.

If a member requests a company to circulate a resolution, the member may request the company to circulate with the resolution a statement of not more than 1,000 words on the subject matter of the resolution.

However, each member may only request the company to circulate one such statement with respect to the resolution.

2. A company must circulate a resolution proposed as a written resolution under section 549(b) of the Companies Ordinance and any statement mentioned in section 551(2) of the Companies Ordinance if it has received requests that it do so from the members of the company representing not less than 5% of the total voting rights of all the members entitled to vote on the resolution (or a lower percentage specified for this purpose in the company's articles).

A request—

- (a) may be sent to the company in hard copy form or in electronic form;
- (b) must identify the resolution and any statement mentioned in section 551(2) of the Companies Ordinance; and
- (c) must be authenticated by the person or persons making it.

C. 股東在股東大會上提呈動議的程序

倘股東在本公司股東週年大會上提呈決議案，必須根據公司條例第551至554條（書面決議）、第579條（決議之通告）、第580至583條（陳述書）、第615條、第616條（股東週年大會的決議）之規定進行。有關要求及程序如下：

1. 公司的成員可要求該公司傳閱符合以下說明的決議—
 - (a) 可恰當地被動議的；及
 - (b) 屬根據公司條例第549(b)條提出的採用書面決議形式的。

有關成員如要求公司傳閱某決議，可要求該公司在傳閱該決議的同時，傳閱關於該決議的標的事宜而字數不多於1,000字的陳述書。

然而，每名成員僅可就有關決議要求公司傳閱一份上述的陳述書。

2. 如有根據公司條例第549(b)條提出的採用書面決議形式的決議，及有公司條例第551(2)條所述的任何陳述書，而有關公司收到佔全體有權就該決議表決的成員的總表決權不少於5%（或有關公司的章程細則為此目的而指明的較低百分比）提出的要求，要求該公司傳閱該等決議及陳述書，則該公司須傳閱該等決議及陳述書。

要求—

- (a) 可採用印本形式或電子形式送交有關公司；
- (b) 須指出有關決議及公司條例第551(2)條所述的陳述書；及
- (c) 須經所有提出該要求的人認證。

CORPORATE GOVERNANCE REPORT

企業管治報告書

3. If by any provision of the Companies Ordinance special notice is required to be given of a resolution, the resolution is not effective unless notice of the intention to move it has been given to the company at least 28 days before the meeting at which it is moved.

The company must, if practicable, give its members notice of the resolution at the same time and in the same manner as it gives notice of the meeting.

If that is not practicable, the company must give its members notice of the resolution at least 14 days before the meeting-

- (a) by advertisement in a newspaper circulating generally in Hong Kong; or
- (b) in any other manner allowed by the company's articles.

If, after notice of the intention to move the resolution has been given to the Company, a meeting is called for a date 28 days or less after the notice has been given, the notice is to be regarded as having been properly given, though not given within the time required.

4. Pursuant to Article 105 of the Company's Articles of Association, no person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election as director at any general meeting unless a notice signed by a member (other than the person to be processed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the registered office of the Company provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and that the period for lodgement of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.

3. 如根據公司條例的任何條文規定，須就在某會議上動議的某決議給予特別通知，則除非在該會議前最少28日，已向有關公司發出動議該決議的意向的通知，否則該決議無效。

有關公司須（如切實可行的話）於發出有關會議的通知的同時，按發出該通知的同樣方式，向其成員發出該決議的通知。

如上述做法並非切實可行，則有關公司須於有關會議前最少14日，以下述方式向其成員發出有關決議的通知-

- (a) 在一份於香港廣泛流通的報章刊登廣告；或
- (b) 該公司的章程細則所容許的任何其他方式。

如擬動議有關決議的通知向有關公司發出，而會議於該通知發出後的28日內召開，則該通知雖然並非在規定的時限內發出，亦須視為已恰當地發出。

4. 根據本公司之組織章程細則第105條，除非獲董事會提名參選，或經有權出席大會並於會上投票的股東（不得為被推舉者）簽署之書面通知述明其有意推舉某人參選，而擬被推舉之人士亦簽署同意被推舉之書面通知已各自送交本公司註冊辦事處，否則除於大會上退任之董事外，概無人士符合資格於任何股東大會上膺選董事職位。發出通知的最短期限最少為七日；提交該通知的期間由就該選舉發出股東大會通告後之日開始計算，直至該股東大會舉行日期之前七日止。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION AND SCOPE OF ESG REPORT

This is the first Environmental, Social and Governance (“ESG”) report and the Group is committed towards sustainability and understands the importance of sustainable development of its business and community. This report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) set out in Appendix 27 to the Listing Rules.

As this is the first ESG report of the Group it will present mainly policies, initiatives and performance and will also disclose material aspects identified and activities implemented for the year ended 31 December 2016. The Board is pleased to present our performance and progress and has reviewed and approved the report to ensure all material issues and impacts are fairly presented.

The Group understands the importance of ESG report and is committed to making continuous improvements in corporate social responsibility into our business in order to better meet the changing needs of an advancing society. The following will show the ESG issues that found material for the Group and the relation to the ESG Guide:

ESG Guide

環境、社會及管治指引

A. Environmental

A. 環境

A.1 Emissions

A.1 排放

A.2 Use of resources

A.2 資源利用

A.3 Environmental and natural resources

A.3 環境及自然資源

緒言及環境、社會及管治報告的範圍

本報告為首份環境、社會及管治報告。本集團致力於可持續發展，並了解其業務及社區可持續發展的重要性。本報告根據上市規則附錄二十七載列的《環境、社會及管治報告指引》（「環境、社會及管治報告指引」）編製。

由於本報告乃本集團的首份環境、社會及管治報告，本集團將主要呈報政策、措施及表現，亦將就截至二零一六年十二月三十一日止年度釐定的主要方面及開展的活動進行披露。董事會欣然呈報本公司的表現及進展，並已審閱及批准本報告，以確保就所有重大事項及影響進行恰當呈報。

本集團知悉環境、社會及管治報告的重要性，並承諾在本公司業務中不斷提升企業社會責任，以更好地迎合這個日新月異的社會不斷變化的需求。下表呈列對本集團意義重大的環境、社會及管治事項以及與環境、社會及管治指引的關係：

Relevant ESG issues to the Group

與本集團相關的環境、社會及管治事項

CO2 emissions

二氧化碳排放

Water, electricity, fossil fuel and paper consumption

水、電、化石燃料及紙的消耗

Measures in reducing environmental impact

減少環境影響的措施

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ESG Guide

環境、社會及管治指引

Relevant ESG issues to the Group

與本集團相關的環境、社會及管治事項

B. Social	
B. 社會	
B.1 Employment	Labour practices, anti-discrimination and equal opportunities
B.1 僱傭	勞工實務反歧視及平等機會
B.2 Health and safety	Risk management
B.2 健康及安全	風險管理
B.3 Development and training	Employees training and development
B.3 發展及培訓	僱員培訓及發展
B.4 Labour standards	Child labour and forced labor
B.4 勞動規範	童工及強制勞動
B.5 Supply chain management	Supplier management
B.5 供應鏈管理	供應商管理
B.6 Product responsibility	Product safety and quality
B.6 產品責任	產品安全及質量
B.7 Anti-corruption	Anti-corruption and money laundering
B.7 反貪污	反貪污及洗錢
B.8 Community investment	Community involvement
B.8 社區投資	社區參與

ABOUT THE GROUP

The Group is diversified with core business areas including manufacture and sale of electronic components, hotel operations, property management as well as properties development. The regions of all sub-companies can be divided into Hotel, Dining and properties development in Canada, property management in the People's Republic of China (the "PRC"), manufacture and sale of electronic component in Hong Kong and the PRC, and Korea without operation.

About the Brentwood Bay Resort in Victoria, British Columbia, Canada, this award-winning resort is tailored for luxury traveler. Culinary innovation would be the core value at the resort and the resort offers resort and spa services. The Group always look for ways to improve, grow and develop for all staffs because the resort operates as a team to deliver exceptional service.

關於本集團

本集團多元化發展，核心業務領域包括製造及銷售電子元件、酒店營運、物業管理以及物業開發。所有子公司的區域分部可劃分為加拿大的酒店、餐飲及物業開發業務；中華人民共和國（「中國」）的物業管理業務；香港及中國的電子元件製造及銷售業務；以及韓國（並無業務）。

關於加拿大英屬哥倫比亞維多利亞市的 Brentwood Bay Resort，這一久負盛名的度假酒店專為高端遊客打造。該度假酒店的核心理價值在於烹飪的創新，就酒店提供度假及水療服務。由於該酒店以團隊經營模式提供獨樹一幟的服務，本集團不斷探索幫助全體員工提升、成長及發展的契機。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A. ENVIRONMENTAL

By qualifying the ISO 14001, the Group has a successful and systematic framework to manage the immediate and long term environmental impacts of an organisation's products, services and processes.

A.1 Emissions

In recent years, the Central government has actively promoted carbon reduction. The Group sticks to the principle of active participation and environmental responsibility, the Group can fulfill not only its market mandate but also greatly support green activities and actively implement national policies aimed at emission reduction.

The PRC Group are under governed by Environmental Protection of the People's Republic of China Prevention 《中華人民共和國環境保護法》, Control of Atmospheric Pollution 《中華人民共和國大氣污染防治法》 and Urban Drainage and Sewage Treatment Ordinance 《城鎮排水與污水處理條例》. The guidelines for the environmental requirement of local government and violate these environmental regulations may result temporary suspension of production.

In Canada, the Brentwood Bay Resort has always paid attention to both environmental protection and social responsibility in their business practices. For the Canada region's corporation, the Brentwood Bay Resort is compliance towards British Columbia laws and regulations on Greenhouse gas reduction targets act. Overall, for the year ended 31 December 2016, the Group has been fully complied with these environmental regulations.

CO₂ emissions

In 2016, the Group has proposed a set of CO₂ emission reduction management policy in order to save energy resources, reduce energy waste and spend energy efficiently. All members of the Group would build up a saving habit on energy resources. The reduction policy has suggested some tactics to create a better and cleaner environment for the society.

A. 環境

透過 ISO 14001 認證，本集團以成功的系統性框架對一家組織的產品、服務及工序所造成的即時及長期環境影響進行管理。

A.1 排放

近年來，中央政府一直在積極推廣減少碳排放。本集團堅持積極參與及對環境負責的原則。本集團不只履行其市場職責，同時亦大力支持綠色活動，並積極執行旨在減少排放的國家政策。

中國集團須遵守《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》及《城鎮排水與污水處理條例》以及地方政府的環境要求指引，違反該等環境法規可能導致暫停生產。

加拿大方面，Brentwood Bay Resort 在其業務實踐中一直注重環境保護及社會責任。加拿大區域的公司 Brentwood Bay Resort 遵守英屬哥倫比亞省關於溫室氣體減排目標法案的法律及法規。總而言之，本集團於截至二零一六年十二月三十一日止年度已全面遵守該等環境規定。

二氧化碳排放

於二零一六年，本集團提議一套二氧化碳減排管理政策，以節約能源、減少能源浪費及提高能效。本集團的所有成員公司力爭養成節能習慣。該減排政策提出若干方針，致力為社會打造更好更清潔的環境。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

For the Forebase Canada Limited, the Group has an official greenhouse gas emissions target levels. The target level would be established and for each subsequent calendar year, greenhouse gas emissions will be at least 33% less than the level of those emissions in 2007.

As the Group is engaging in manufacture electronic components such as coils and transformers in PRC, strict control has been taken for emission of air, water and land waste. It is the Group's policy to maintain the manufacture process in an efficient and effective manner to continue minimizing environmental impact. The Group ensured waste water is properly connected to municipal sewage system and all land waste is send to municipal solid waste management plant during production.

A.2 Use of Resources

Water, electricity, fossil fuel and paper consumption

The Group always encourage staffs to adopt environmentally responsible habits that mentioned in the environmental management practices to measure and reduce the use of resources, minimize waste and recycle materials.

During the year, the use of electricity and paper are principally direct impact to the environment. Whenever it produces electrical components and provides customer services or operates the office and resort, the Group also exerts an impact through fossil fuel and water.

對於 Forebase Canada Limited，本集團已制定正式的溫室氣體排放目標等級。有關目標等級將得以完善並適用於後續每個日曆年度，溫室氣體排放量將至少比二零零七年的排放量少 33%。

由於本集團在中國從事線圈及變壓器等電子元件的製造業務，本集團對廢氣及廢水的排放及地面廢棄物進行嚴格控制。本集團的政策為保持節能高效的生產流程以繼續最小化對環境的影響。本集團確保廢水與市政污水系統妥善連接，且所有地面廢棄物於生產期間送至市政固體廢棄物管理廠。

A.2 資源利用

水、電、化石燃料及紙的消耗

本集團始終鼓勵員工養成環境管理實務中提到的對環境負責的習慣，以計量及減少對資源的利用，使資源浪費實現最小化及對原料循環使用。

於本年度，用電及用紙對環境造成主要直接影響。本集團生產電子元件及提供客戶服務或經營辦公室及度假酒店時，亦透過對化石燃料及水的使用造成環境影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

In the PRC, the Group's resources consumption during the year of 2016 are listed in the below table:

在中國，本集團於二零一六年度的資源消耗情況如下表所列：

Resources Consumption 資源消耗	Unit 單位	Amount 數量
Electricity consumption 電力消耗	kWh 千瓦	3,534,390
Fossil fuel used 所用化石燃料	Litre 公升	30,000
Paper used 用紙	ream 令	849,000
Water consumption 耗水	M ³ 立方米	60,120

As a whole, the “save more use less” concept is being promoted throughout all work sites. The Group would rearrange production schedules to improve the production efficiency to reduce use of resources including energy, labour and raw materials.

總體上，本集團已在所有工作場所推廣「多省少用」的理念。本集團將重新安排生產計劃，以提高生產效力，減少對能源、勞工及原材料等資源的使用。

A.3 The Environmental and Natural Resources

Measures in reducing environmental impact

In accordance with the Group's environmental philosophy, all sub-companies are committed to producing high quality products while also ensuring that all business activities impact the environment positively (manufacturing operations merely for the companies in the PRC and Hong Kong).

A.3 環境及自然資源

減少環境影響的措施

根據本集團的環境理念，所有子公司均有責任在生產優質產品的同時，亦確保所有業務活動對環境產生良性影響（製造業務僅限於中國及香港的公司）。

B. SOCIAL

B.1 Employment

Labour practices

The Group has maintained two manufacturing bases in Hong Kong and the PRC and two service bases in Canada and the PRC. The Group has established staff handbook to ensure every member of the Group have complied with all relevant ethical and regulatory standards. The Group regards every single staff as the greatest assets as they continue to be the greatest force behind the Company.

B. 社會

B.1 僱傭

勞工實務

本集團在香港及中國設有兩個製造基地，在加拿大及中國設有兩個服務基地。本集團已編製員工手冊，以確保本集團的每位成員遵守所有相關道德及監管標準。本集團將每位員工視為最大資產，員工仍為本公司最強大的後盾。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

(Pic: recruitment advertisement from the Shenzhen Kwang Sung Electronic Co. Limited)
(圖：深圳光星電子有限公司的招聘廣告)

For the year ended 31 December 2016, the Group has complied with all relevant employment and labour laws and regulations such as the Labor Law of the People's Republic of China 《中華人民共和國勞動法》, Labor Contract Law of People's Republic of China 《中華人民共和國勞動合同法》. The Group has remunerated all wages owing to employees within 48 hours after the employer terminates the employment or within 6 days after the employee terminates the employment by following the employment standards act for British Columbia.

The Group has encouraged its employees to work according to the standard working hour per day and week as stated in the labour contract. The Group would pay an employee overtime wages in accordance with labour law if the employer requires the employee to work more than 8 hours a day or 40 hours a week.

截至二零一六年十二月三十一日止年度，本集團已遵守所有相關僱傭及勞動法律及法規，如《中華人民共和國勞動法》及《中華人民共和國勞動合同法》。根據英屬哥倫比亞的僱傭標準法，本集團已於僱主終止僱傭關係後48小時內或僱員終止僱傭關係後六日內悉數付清僱員應得工資。

本集團鼓勵僱員根據勞動法列明的標準每日及每週工作時間工作。倘僱主需要僱員的工作時間超過每日8小時或每週40小時，則本集團將根據勞動法向僱員支付加班工資。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Anti-discrimination and equal opportunity

The Group would diversify its staffs by means of gender and age to balance the culture and communications between staffs. The Group would perform annual review to ensure the policy has been consistently adopted. The Group is committed in having a workplace environment free from discrimination and received equal opportunities for all despite of age, gender, race, colour, sexual orientation, disability or marital status. During the year, the Group established a speak-out policy which allows any level of employees to raise questions and concerns about suspected issue. The Group encourage labour diversity and welcomes all regions of manpower regardless of national origin, race, religion, sexual orientation, disability, thus putting the principle of fairness into practices.

As at the end of 2016, Brentwood Bay Resort employed over 110 service workers. The charts below show the diversity of the staffs.

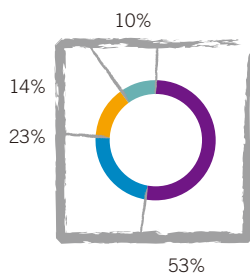
反歧視及平等機會

本集團力爭員工性別及年齡多元化，以使員工在文化及交流方面實現均衡。本集團每年進行檢討，以確保貫徹執行該政策。本集團致力於為所有員工提供一個無歧視及平等機會的工作環境，不論其年齡、性別、種族、膚色、性取向、殘疾或婚姻狀況。於本年度，本集團已制定一項暢所欲言的政策，允許任意級別的僱員就所懷疑事宜提出問題及擔憂。本集團鼓勵勞工多元化，歡迎所有地區的勞動力，而不論國籍、種族、宗教、性取向及殘疾，將平等原則付諸實踐。

於二零一六年底，Brentwood Bay Resort僱用超過110名服務人員。下列圖標顯示該等員工的多樣性。

Age Profile 年齡分佈

- 20-30
- 30-40
- 40-50
- 50+



Gender Profile 性別分佈

- Male 男性
- Female 女性



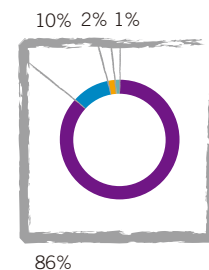
Employee Profile 僱員狀況

- Full time 全職
- Part time 兼職



Turnover Rate Age 流動率 (按年齡劃分)

- 20-30
- 30-40
- 40-50
- 50+



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group always appreciate that both full time or part time worker to participate in group together, although the turnover rate of the age range between 20 and 30 is greater than other age ranges. The Group has been providing more employees' welfares and benefits in a bid to retain the number of employee.

儘管20-30歲年齡段的流動率高於其他年齡段，但本集團始終重視讓全職員工與兼職員工一起參加活動。為能挽留僱員，本集團一直在增加提供僱員福利及利益。

Turnover Rate Gender 流動率（按性別劃分）

Male 男性
Female 女性



The turnover rate gender is even so that the company (hotel business) in Canada of the Group can deal with different customers' requests and problems that might have preference to be served by male or female.

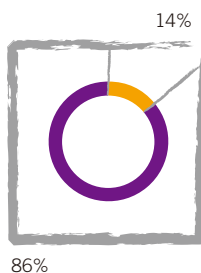
流動率性別平均，因而本集團於加拿大的公司（酒店業務）可以處理可能更傾向於某種性別的不同客戶要求及問題。

On the other hand, the Group has employed over 1,026 manufacturing workers in the PRC. The variety of those workers are shown in the below charts.

另一方面，本集團在中國僱用超過1,026名生產工人。下列圖表顯示該等員工的多樣性。

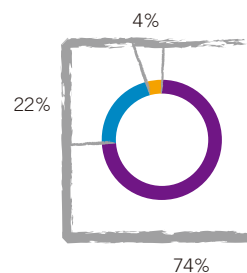
Gender Profile 性別分佈

Male 男性
Female 女性



Age Profile 年齡分佈

18-30
31-40
41-50



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

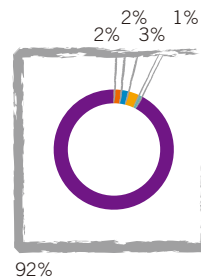
環境、社會及管治報告

Comparatively, the total number of workers in China's companies is much greater than that of Canada since they are manufacture-based and the nature of business is labour oriented.

相對而言，由於本集團於中國的公司乃生產基地，且其業務性質為勞工導向型，故其員工總數遠遠大於加拿大的公司。

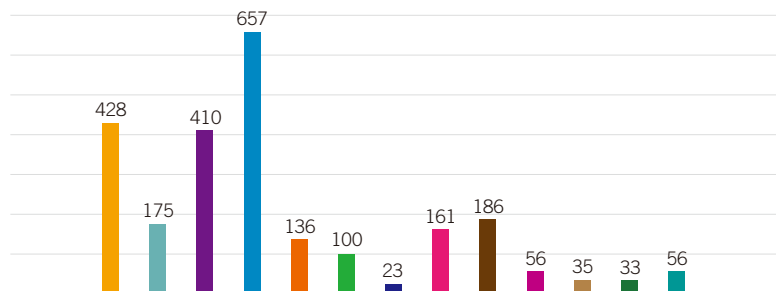
Position Profile 職位分佈

- Operation Management 營運管理
- Production Management 生產管理
- Quality Management 質量管理
- Exploitation (R&D) 開發(研發)
- Technician 技術人員



Region Profile 地區分佈

- Hunan(湖南)
- Hubei(湖北)
- Guangdong(廣東)
- Guangxi(廣西)
- Guizhou(貴州)
- Henan(河南)
- Hainan(海南)
- Jiangxi(江西)
- Sichuan(四川)
- Yunnan(雲南)
- Chongqing(重慶)
- Shaanxi(陝西)
- Others(其他)



B.2 Health and Safety

Risk management

The Group cares about every employee' welfare and safety to achieve "zero accidents" in the workplace with clear policies. During 2016 there was no record of work related fatalities. Creating a healthy and safe workplace means having an effective health and safety program and meeting other basic requirements.

The Group would regularly assess emerging risks and other health and safety issues. Hazards in workplace has been accurately identified in order to protect workers and control the risks using a systematic approach by correcting unsafe conditions.

B.2 健康及安全

風險管理

本集團關心每位僱員的福利及安全，以清晰的政策實現工作場所「零事故」。於二零一六年度並無與工作相關的死亡事故。打造一個健康及安全的工作場所意味著具備有效的健康及安全程序並滿足其他基本要求。

本集團定期評估新興風險及其他健康及安全問題。為保護工人及採用系統性方法透過非安全條件整改控制風險，本集團已準確排除工作場所的隱患。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group has implemented an effective and formal health and safety programme if there is a workforce of 20 or more workers and at least one workplace where there is a moderate or high risk of injury. Also, the Group has set up a joint health and safety committee together to support its duty for the workers.

B.3 Development and Training

Employees training and development

The Group always believe that effective training and orienting our workers is the key to helping them stay safe and prevent work injuries. The Group has obtained the certificates of ISO 9001, ISO 14001, TS16949, OHSAS18001 and the approval of international management system to keep up the Group's standard.

The Group has various training programmes, internal and external, to fully develop its workforce. It is extremely important that we incorporate safety into our worksite orientation before our staff beings working. Orientation topics would mostly cover rights and responsibilities, workplace hazards, safe work procedures, etc.

When the workers have been supervised with hands-on training on the tasks they will perform, the Group would ensure that they can

- perform tasks safely
- follow safe work procedures
- wearing all required personal protective equipment when operating machines and equipment

The Group would follow up all workers and staff to check that they are following safe work procedures. All training records of workers would be kept and there is on-going supervisor training specifically for our supervisors.

針對員工人數達到或超過20人，且至少有一個工作場所面臨中度或高度受傷風險者，本集團已執行一項有效及正式的健康及安全計劃。此外，本集團已成立一個健康及安全聯合委員會，一起支持其為員工履行職責。

B.3 發展及培訓

僱員培訓及發展

本集團始終堅信，對本集團工人進行有效的培訓及引導乃幫助彼等保持安全及防止出現工傷的關鍵。本集團已取得ISO 9001、ISO 14001、TS16949及OHSAS18001證書及國際管理系統的批文，以維持本集團的標準。

本集團設有各種內部及外部培訓課程幫助員工全面發展。極為重要的是，本集團在員工開始作業前便已於工地指南中植入安全須知。指南的主題主要涵蓋權利及責任、工作場所隱患及安全作業程序等。

若員工就彼等將執行的任務得到親身指導及監督，本集團應確保彼等能

- 安全執行任務
- 遵從安全工作程序
- 在操作機器及設備時佩戴所有必需的個人保護設備。

本集團應對所有工人及員工進行跟蹤隨訪，以確保彼等遵守安全工作程序。所有工人培訓記錄應予存檔，並專門為本集團的監督員提供持續監督員培訓。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B.4 Labour Standards

Child labour and forced labor

The Group has a strict employment standards to follow. For instance, when hiring employees in Canada, the Group has prohibited to employ any person under 15 years of age unless the person has obtained the written consent of the child's parent or guardian. The Group also strictly complied with Labour Contract Law of the People's Republic of China《中華人民共和國勞動合同法》.

Upon discovery of any child labour and use of forced labour, the person will be dismissed immediately and the Board will discuss and review the problem to prevent it from happening again. During the year ended 31 December 2016, no violation regarding to the age of employment and any labour dispute between the Group and employees.

B.5 Supply Chain Management

Supplier management

The Group's supply chain policy requires suppliers to ensure compliance with all applicable environmental regulations. Greater emphasis is placed on the communication and relationship with the suppliers towards sustainable development. It is intended to reduce the environmental impact of our activities while maintaining cost-effectiveness.

The Group also tended to maintain long term relationship with its suppliers for ensuring stable supply of materials or goods. Group's suppliers are appointed from the approved list which is reviewed yearly. The approved list of suppliers is subjected to product quality and environmental commitment. Below is the diagram of the suppliers' regional distribution of the Group.

B.4 勞動規範

童工及強制勞工

本集團遵守一套嚴格的僱傭規範。比如，在加拿大招募僱員時，本集團嚴禁僱用任何15週歲以下的人員，惟該人士已取得該兒童家長或監護人的書面同意則除外。本集團已嚴格遵守《中華人民共和國勞動合同法》。

一旦出現任何童工及使用強制勞工的情況，有關人士將被即時解僱，董事會將對該問題進行討論及檢討，以防再次發生同樣的問題。於截至二零一六年十二月三十一日止年度，概無發生違反僱傭年齡的事件，本集團與僱員之間亦無發生任何勞工糾紛。

B.5 供應鏈管理

供應商管理

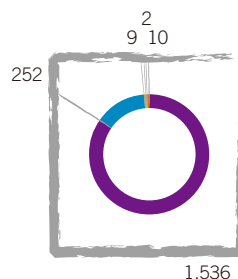
本集團的供應鏈政策要求供應商確實遵守所有適用環境法規。本集團與供應商之間的溝通及關係更重視可持續發展。其目的是在維持成本效益的同時減少本集團活動對環境的影響。

本集團亦有意與供應商維持長期關係，以確保原材料或貨品的穩定供應。本集團的供應商從經核准名單上指定，該名單每年進行審查。經核准供應商名單視產品質量及環境承諾而定。下圖為本集團供應商的地區分佈圖。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Suppliers Profile 供應商分佈



B.6 Product Responsibility

Product safety and quality

The Group puts products and services quality as our first priority. For our products in PRC such as electrical component, is subjected to the Product Quality Law of the People's Republic of China 《中華人民共和國產品質量法》 which makes the Group have a responsibility to compensate for the damage done to the person or property if the products are defected. During the year ended 31 December 2016, the Group has not received any complaint regarding to the quality of the products. For the services provided in Canada, we have been following the Hotel Keepers Act such as the limitation of liability for property of guest, liability for refusal or failure to take charge of goods.

Also, the Group have a confidentiality practices relating to observing and protecting intellectual property rights and the Business Practices and Consumer Protection Act for consumer data protection and privacy policies. To protect consumer data and privacy client information are kept in confidential and destroy on a timely basis.

B.6 產品責任

產品安全及質量

本集團將產品及服務質量作為首要考量。對於本集團於中國生產的產品（如電子元件），須遵守《中華人民共和國產品質量法》，該法規釐定公司有責任就缺陷產品對人員或財產造成的損害作出賠償。於截至二零一六年十二月三十一日止年度，本集團並無收到任何有關產品質量的投訴。對於加拿大提供的服務，我們一直遵守《酒店財物保管法》，例如有關客人財產責任、拒絕或未能照看貨品的責任等等的限制。

此外，本集團有一套保密常規作法，即遵守及保護知識產權，以及遵守關於消費者資料保護及私隱政策的《商業行為和消費者保護法》。為保護消費者數據及私隱，本集團對客戶資料保密並定期銷毀。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B.7 Anti-Corruption

Anti-corruption and money laundering

The Group has complied to facilitate combatting the Proceeds of Crime (Money Laundering) and Terrorist Financing Act. The Group's policies stresses on no tolerance towards any corruption, fraud, money laundering, bribery and extortion and have compliance with relevant laws and regulations such as Criminal law of the People's Republic of China 《中華人民共和國刑法》 and the Anti-Unfair Competition Law of the People's Republic 《中華人民共和國反不正當競爭法》. For the year ended 31 December 2016, such events have never happened in the Group.

The Group has implemented specific measures to detect and deter money laundering and the financing of terrorist activities. For instance,

1. Establishing record keeping and client identification requirements for financial services providers.
2. Requiring the reporting of suspicious financial transactions and of cross-border movements of currency.
3. Establishing an agency that is responsible for ensuring compliance with the Act.

B.8 Community Investment

Community involvement

The Group believes in giving back to the community because contribution to society is one of the Group's sustainable development strategy. The Group has contributed \$3,000 annually and a total number of 30 hours annually. Regular assessment has been made of how to give relate business activities to the interests of community. The Group is committed to provide career opportunities to the locals and promote the development of the community's economy. Also, the Group will try to seek opportunities to work with more charities in the future to get involved in various community programs as our strategy to expand its efforts in the area of charity work.

B.7 反貪污

反貪污及洗錢

本集團已遵守《打擊犯罪收益（洗錢）及恐怖分子融資法》的規定。本集團對貪污、欺詐、洗錢、賄賂及敲詐勒索實行零容忍政策，並已遵守相關法律及法規，如《中華人民共和國刑法》及《中華人民共和國反不正當競爭法》。截至二零一六年十二月三十一日止年度，本集團概無發生此類事件。

本集團已採取特定措施，以偵查及阻止洗錢及恐怖分子融資活動。例如，

1. 建立並保存金融服務供應商的記錄及客戶識別要求。
2. 要求申報可疑的金融交易及貨幣跨境動向。
3. 建立專門負責確保遵守該法案的機構。

B.8 社區投資

社區參與

本集團信奉回饋社會的理念，因為對社會作貢獻是本集團其中一項可持續發展戰略。本集團每年貢獻3,000美元及合共30個小時。定期評估如何推行與社區利益相關的業務活動。本集團致力為本地人員提供就業機會，並促進社區的經濟發展。此外，作為本集團的策略，本集團日後將盡力爭取與更多慈善機構合作的機會，參與各種社區項目，加大在慈善工作方面的力度。

DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員

CHAIRMAN AND EXECUTIVE DIRECTOR

Mr. Shen Yong

Mr. Shen Yong, aged 54, is the Chairman of the Board and an executive director of the Company. He is a director and a shareholder of Ultra Harvest Limited (“Ultra Harvest”), the controlling shareholder of the Company, holding 51% of its issued shares. Mr. Shen has more than 20 years of experience in hotel and commercial properties development, as well as investment, corporate and general management.

Mr. Shen completed a postgraduate (advanced studies) course in laws (civil and commercial law) from the Southwest University of Politics and Law (西南政法大學) in July 2000.

Mr. Shen served as a deputy to the 1st to 3rd Chongqing Municipal People’s Congress in the PRC. Mr. Shen is currently a member of the 4th Chongqing Municipal Committee of the Chinese People’s Political Consultative Conference of the PRC and a deputy chairman of the Chongqing Municipal Federation of Industry and Commerce (General Chamber). Mr. Shen is the father of Mr. Shen Ke, an executive director of the Company.

EXECUTIVE DIRECTORS

Mr. Shen Ke

Mr. Shen Ke, aged 27, is an executive director of the Company. He is a director and a shareholder of Ultra Harvest as to 10% shareholding. Mr. Shen has over 8 years of experience in the hospitality investment and management in the PRC. Mr. Shen is the son of Mr. Shen Yong, the chairman of the Board and an executive director of the Company.

Mr. Gan Lin

Mr. Gan Lin, aged 37, is the Chief Executive Officer and an executive director of the Company. He graduated from Beijing Technology and Business University (formerly Beijing Institute of Business) with a Bachelor’s degree in Logistics Management in 2001. He had served as various senior management positions in different financial institution and multi-national corporations, such as Guoxin Securities, Mocon Inc. and LXE Inc.. He has extensive experience in strategic planning, corporate finance and financial management.

主席暨執行董事

申勇先生

申勇先生，54歲，為本公司董事會主席兼執行董事。彼為控股股東Ultra Harvest Limited(「Ultra Harvest」)之董事及股東，持有其51%已發行股份。申先生在酒店及商用物業發展，以及投資、企業及一般管理方面擁有超過20年經驗。

申先生於二零零零年七月結業於西南政法大學法律(民商法)研究生課程進修班。

申先生曾擔任中國重慶市第一屆至第三屆人民代表大會代表。申先生現為中國人民政治協商會議重慶市第四屆委員會委員，及重慶市工商業聯合會(總商會)副會長。申先生為本公司執行董事申柯先生之父親。

執行董事

申柯先生

申柯先生，27歲，本公司執行董事。彼為Ultra Harvest之董事及股東，持有其10%股份。申先生在中國於酒店投資及管理方面有逾8年之經驗。申先生為董事會主席兼本公司執行董事申勇先生之兒子。

甘霖先生

甘霖先生，37歲，本公司行政總裁及執行董事。甘先生於二零零一年畢業於北京工商大學(原北京商學院)，持有物業管理學士學位。彼曾於多家金融機構、跨國企業(如國信證券、Mocon Inc.及LXE Inc.)擔任不同高管職位。彼於策略企劃、企業融資及財務管理方面具有豐富經驗。

DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員

Mr. Hong Sang Joon

Mr. Hong Sang Joon, aged 48, is an executive director of the Company. He holds positions as director of certain subsidiaries of the Company. He has over 20 years of experience in investment, restructuring, strategic planning, and financial management and control.

Mr. Hong obtained his bachelor degree in Chinese language and Chinese literature, minoring in business administration from Yonsei University in Korea, and a master degree in business administration from The University of Hong Kong. He is a CFA Charterholder, Certified FRM, and U.S. CPA for public practice licensed by Washington State Board of Accountancy in the United States of America (the "U.S.A."), and he is a regular member of CFA Institute, The Hong Kong Society of Financial Analysts, Global Association of Risk Professionals, and American Institute of CPAs. Mr. Hong is currently the Chairman of the Board and an executive director of Siberian Mining Group Company Limited (Stock code: 1142) whose shares are listed on the Main Board of the Stock Exchange.

NON-EXECUTIVE DIRECTOR

Mr. Huang Xiang Yang

Mr. Huang Xiang Yang, aged 62, is a non-executive director of the Company. He is a senior partner of Intewig & Partners and has over 30 years of experience in Chinese law, especially economic, trade and intellectual property law. Mr. Huang is a qualified patent attorney in Germany and China. Prior to joining the Company, Mr. Huang was employed by Paul Hastings and China Patent Agent (HK) Ltd..

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Loke Yu alias Loke Hoi Lam

Dr. Loke Yu, aged 67, is an independent non-executive director of the Company. He has over 40 years of experience in accounting and auditing for private and public companies, financial consultancy and corporate management. He holds an MBA Degree from the Universiti Teknologi Malaysia and a Doctor of Business Administration Degree from the University of South Australia. Dr. Loke is a Fellow of The Institute of Chartered Accountants in England and Wales, Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors and The Hong Kong Institute of Chartered Secretaries.

洪祥準先生

洪祥準先生，48歲，本公司執行董事。彼為於本公司若干附屬公司擔任董事。彼擁有超過20年在投資、重組及策略規劃和財務管理及監控方面的經驗。

洪先生持有韓國延世大學學士學位，主修中國語文及中國文學及副修工商管理，彼亦持有香港大學工商管理碩士學位。彼為特許財經分析師(CFA)、認可財金風險管理分析師(FRM)及美國華盛頓州會計委員會(Washington State Board of Accountancy)認可之美國(「美國」)職業會計師，彼亦為特許財經分析師協會、香港財經分析師學會、全球風險專業管理協會及美國會計師公會資深會員。洪先生現為西伯利亞礦業集團有限公司(股份代號：1142)之董事會主席兼執行董事，該公司之股份現於聯交所主板上市。

非執行董事

黃向陽先生

黃向陽先生，62歲，本公司非執行董事。彼為博華智(Intewig & Partner)之高級合夥人並於中國法律(特別是經濟、貿易及知識產權法方面)有超過30年經驗。黃先生具備德國及中國的專利律師資格。於加入本集團前，黃先生曾受聘於普衡律師事務所(Paul Hastings)及中國專利代理(香港)有限公司。

獨立非執行董事

陸海林博士

陸博士，67歲，本公司獨立非執行董事。彼於私人及上市公司之會計及審計工作、財務顧問及企業管理方面擁有逾40年經驗。陸博士持有馬來西亞科技大學工商管理碩士學位及南澳大學工商管理博士學位。彼為英國英格蘭與威爾斯特許會計師學會、香港會計師公會、香港董事學會之資深會員及香港特許秘書公會之會員。

DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員

He is the company secretary of Minth Group Limited, and currently serves as an independent non-executive director of V1 Group Limited, Matrix Holdings Limited, China Beidahuang Industry Group Holdings Limited, China Fire Safety Enterprise Group Limited, Winfair Investment Company Limited, SCUD Group Limited, Zhong An Real Estate Limited, Chiho-Tiande Group Limited, Tianjin Development Holdings Limited, China Household Holdings Limited, Tianhe Chemicals Group Limited Lamtex Holdings Limited and Hang Sang (Siu Po) International Holding Company Limited, all of which are companies listed on The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

Mr. Yu Lei

Mr. Yu Lei, aged 46, is an independent non-executive director of the Company. He has extensive experience in the real estate industry and infrastructure sectors in the PRC.

Mr. Yu obtained his bachelor degree in economics and a master degree in management from the Zhongnan University of Economics and Law (中南財經政法大學) in 1993 and 1999 respectively. Mr. Yu is also a qualified accountant conferred by the Ministry of Finance of the PRC and a Certified Internal Auditor conferred by The Institute of Internal Auditors.

Mr. Yu is currently a president assistant of Shenzhen Zhuojia Industry Groups Co., Ltd. (深圳市卓佳實業集團有限公司), a company specializing in real estate, healthcare and infrastructure development and the provision of investment services in the PRC. During March 2006 to August 2011, Mr. Yu was employed as the president assistant of Great China International Group(China) Limited (大中華國際集團(中國)有限公司) which is principally engaged in property, hotel, commercial and infrastructure investment and development.

Mr. Ernst Rudolf Zimmermann

Mr. Ernst Rudolf Zimmermann, aged 68, is an independent non-executive director of the Company. He has more than 40 years of business experience in the international hospitality industry, especially in the Greater China region.

Mr. Zimmermann is currently the president and CEO of AVA Hospitality, a hotel management services company providing specialized China-related hospitality management and consultancy services and giving independent professional

彼現為敏實集團有限公司之公司秘書，亦於多間香港聯合交易所有限公司（「聯交所」）上市公司擔任獨立非執行董事，包括第一視頻集團有限公司、美力時集團有限公司、中國北大荒產業集團控股有限公司、中國消防企業集團控股有限公司、永發置業有限公司、飛毛腿集團有限公司、眾安房產有限公司、齊合天地集團有限公司、天津發展控股有限公司、中國家居控股有限公司、天合化工集團有限公司、林達控股有限公司及 Hang Sang (Siu Po) International Holding Company Limited。

余磊先生

余磊先生，46歲，本公司獨立非執行董事。彼於中國房地產及基礎建設業擁有豐富的工作經驗。

余先生於一九九三年取得中南財經政法大學經濟學學士學位，其後於一九九九年同校取得管理學碩士學位。余先生亦為中國財政部認可之合資格會計師，並為內部審計師協會（IIA）註冊內部審計師（CIA）。

余先生目前為深圳市卓佳實業集團有限公司之總裁助理，該公司專注於中國房地產、健康產業及基礎建設發展及提供投資服務。於二零零六年三月至二零一一年八月期間，余先生受聘為大中華國際集團（中國）有限公司之總裁助理，其主要業務為房地產、酒店、商業及基礎設施投資開發。

司馬文先生

司馬文先生，68歲，為本公司獨立非執行董事。彼擁有超過40年於國際酒店業（尤其於大中華區）的業務經驗。

司馬文先生現為AVA Hospitality主席兼行政總裁。AVA Hospitality為一間專門提供與中國相關的專業酒店管理及諮詢服務，並就酒店設計向酒店投資者及經營者提供獨立專業意見之酒店

DIRECTORS AND SENIOR MANAGEMENT

董事及高層管理人員

advice on design brief on hotel component to hotel investors and operators. Mr. Zimmermann now serves as the senior vice president of Swiss-Belhotel International, an international hotel management company offering unique fusion of Swiss hospitality management in all aspects of the hotel, serviced apartments and club. He is also an associate of Global Strategic Associates, LLC, an independent, privately-owned international advisory firm in New York, the United States of America.

Mr. Zimmermann started his hospitality career first in Stadl – Paura, Austria in 1962 and accepted hospitality training in Gmunden, Austria. Before relocating to Hong Kong as a restaurant manager in Furama Hotel in 1974, he worked in a number of food and beverage positions across various Western Europe countries, including England, Switzerland, Italy, Bermuda and so on. Mr. Zimmermann continued his hotel business in a Holiday Inn Group (now known as InterContinental Hotels Group) for subsequent years in senior managerial and executive positions for the development of the hotel chain throughout the Asia Pacific region, including, Hong Kong, Thailand and the PRC; and later on, with extensive years of experience in the hospitality field, Mr. Zimmermann established his own hotel management business, namely, Zenith Hotels International Limited, providing hotel management services and technical assistance to hotel owners, developing more than 20 hotel properties throughout the PRC and South-East Asia. More recently, Mr. Zimmermann served as the vice president within the ACCOR Hotel Group China to re-position new Sofitel Luxury Hotel in the PRC; and being the senior vice president in the New World Hotels Group to help promote its new hotel brand in the PRC. In previous years, Mr. Zimmermann also held consultative positions in certain companies in the PRC and Hong Kong.

SENIOR MANAGEMENT

Mr. Leung Tak Chee Frankie

Mr. Leung Tak Chee Frankie, aged 43, is Chief Financial Officer and company secretary of the Company. He holds a Bachelor Degree in Commence from University of Adelaide, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. He has held managerial and financial executive positions in various listed companies and financial institutions in Hong Kong. He has more than 20 years of experience in financial management, taxation, and corporate finance.

管理服務公司。司馬文先生現為瑞雅國際酒店有限公司之高級副總裁。瑞雅國際酒店有限公司對酒店、服務式公寓及俱樂部提供全方位獨一無二融合瑞士酒店管理特色之國際酒店管理公司。彼同時擔任全球戰略合作伙伴有限公司（位於美國紐約之獨立私營國際顧問公司）之合夥人。

司馬文先生早於一九六二年起在奧地利格蒙登開展其酒店管理職業生涯，並於奧地利施塔德爾接受酒店管理專業訓練。司馬文先生於一九七四年遷居香港並於富麗華大酒店任職餐廳經理前，曾於英國、瑞士、意大利、百慕達等多個西歐國家擔任餐飲方面之職務。往後多年間，司馬文先生繼續其酒店管理職務，於假日酒店集團（現稱洲際酒店集團）出任高級行政管理層職位，負責整個亞太區（包括香港、泰國及中國）酒店連鎖的發展。隨後，憑藉其於酒店領域之豐富經驗，司馬文先生自行成立其酒店管理業務，即 Zenith Hotels International Limited，向酒店所有者提供酒店管理及技術支援服務，並於整個中國及東南亞地區籌建超過 20 間酒店物業。近年，司馬文先生曾任雅高酒店集團中國副總裁，將新開設位於中國之索菲特豪華酒店重新定位；並擔任新世界酒店集團之高級副總裁，協助於中國推廣新的酒店品牌。於過往年間，司馬文先生亦於中國及香港多間公司擔任顧問職位。

高層管理人員

梁德志先生

梁德志先生，現年 43 歲，為本公司財務總裁暨公司秘書。彼持有澳洲阿德萊德大學商學士學位。彼為香港會計師公會及澳洲會計師公會會員。彼曾於香港多間上市公司及金融機構擔任管理及財務行政職位，擁有逾 20 年財務管理、稅務、及企業融資等相關經驗。

REPORT OF THE DIRECTORS

董事會報告書

The directors submit herewith their report together with the audited financial statements for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company acts as an investment holding company.

The principal activities of its subsidiaries are manufacturing and sale of electronic components, hotel operation, properties development in the PRC and provision of property management services.

The principal activities and other particulars of the subsidiaries are set out in note 19 to the consolidated financial statements. An analysis of the Group's performance for the year by business and geographical segments is set out in note 7 to the consolidated financial statements. Further discussion and analysis of these activities as required by schedule 5 of the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the "Management Discussion and Analysis" set out on page 8 to 15 of this annual report. This discussion forms part of this directors' report.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of revenue and cost of sales for the year ended 31 December 2016 attributable to the Group's major suppliers and customers are as follows:

Revenue	
The largest customer	42%
Five largest customers in aggregate	88%
Cost of sales	
The largest supplier	6%
Five largest suppliers in aggregate	25%

At no time during the year, have the directors, their associates or any shareholder (which, to the knowledge of the directors, owns more than 5% of the issued share capital of the Company) has a beneficial interest in the five largest customers or suppliers of the Group.

董事會全體成員謹將報告連同截至二零一六年十二月三十一日止年度之經審核財務報表呈覽。

主要業務及業務回顧

本公司為投資控股公司。

其附屬公司的主要業務為製造及銷售電子元件、酒店營運、中國物業發展及提供物業管理服務。

附屬公司之主要業務及其他詳情載於綜合財務報表附註19。本集團本年度業務及地區分部表現之分析載列於綜合財務報表附註7。根據《香港公司條例》附表5的要求對該等活動所作的進一步討論及分析，包括對本集團面臨的主要風險及不確定因素以及本集團業務未來發展跡象的討論，可參閱本年報第8至15頁所載的「管理層討論與分析」一節。該討論屬董事會報告的一部分。

主要客戶及供應商

於截至二零一六年十二月三十一日止年度，本集團主要供應商及客戶應佔之收益及銷售成本百分比如下：

收益	
最大客戶	42%
五大客戶總和	88%
銷售成本	
最大供應商	6%
五大供應商總和	25%

於本年度任何時間，各董事、其聯繫人或任何股東（就董事所知，擁有本公司已發行股本5%以上者）概無於本集團之五大客戶或供應商中擁有實益權益。

REPORT OF THE DIRECTORS

董事會報告書

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2016 and the state of the Group's affairs as at that date are set out in the consolidated financial statements on pages 74 to 77 of this annual report.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2016 (2015: HK\$Nil).

RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in the "Consolidated Statement of Changes in Equity" on pages 78 to 79 and page 176 respectively of this annual report.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2016, calculated under the Hong Kong Companies Ordinance, amounted to HK\$Nil (2015: HK\$Nil).

DONATIONS

No charitable and other donations made by the Group during the year (2015: HK\$Nil).

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Details of movements in property, plant and equipment and intangible assets of the Group during the year are set out in notes 16 and 18 respectively, to the consolidated financial statements.

SECURED LOANS

Particulars of secured loans of the Group as at 31 December 2016 are set out in note 31 to the consolidated financial statements.

BONDS

Particulars of bonds of the Group as at 31 December 2016 are set out in note 32 to the consolidated financial statements.

業績及分派

本集團於截至二零一六年十二月三十一日止年度之業績及本集團於該日事務之狀況載於本年報第74至77頁之綜合財務報表。

董事會不建議就截至二零一六年十二月三十一日止年度派發末期股息(二零一五年：零港元)。

儲備

年內，本集團及本公司儲備之變動詳情分別載於本年報第78至79頁的「綜合權益變動表」及第176頁。

可供分派儲備

按香港公司條例計算，本公司於二零一六年十二月三十一日之可供分派儲備為零港元(二零一五年：零港元)。

捐款

本集團於年內並無慈善及其他捐款(二零一五年：零港元)。

物業、機器及設備及無形資產

本集團物業、機器及設備以及無形資產之變動詳情分別載於綜合財務報表附註16及18。

抵押貸款

本集團於二零一六年十二月三十一日之抵押貸款詳情均載於綜合財務報表附註31。

債券

本集團於二零一六年十二月三十一日之債券詳情均載於綜合財務報表附註32。

REPORT OF THE DIRECTORS

董事會報告書

SHARE CAPITAL

Details of movements in share capital of the Company during the year ended 31 December 2016 are set out in note 28 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Share options granted to directors

Details of the share options granted in current year are set out in note 38 to the consolidated financial statements and “Share Option Scheme” section in this directors’ report.

SHARE CAPITAL AND SECURITIES IN ISSUE

As at 31 December 2016, the Company maintained 456,408,343 issued ordinary shares.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2016.

股本

本年度股本於截至二零一六年十二月三十一日止年度之變動詳情載於綜合財務報表附註28。

權益掛鈎協議

購股權授予董事

在本年度授出購股權詳情載於綜合財務報表附註38，並載於本「董事會報告書」中的「購股權計劃」一節。

股本及已發行證券

於二零一六年十二月三十一日，本公司維持456,408,343股已發行普通股。

購買、出售或贖回本公司上市證券

本公司或任何其附屬公司於截至二零一六年十二月三十一日止年度概無購買、出售或贖回本公司任何上市證券。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS

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

Executive directors

Mr. Shen Yong (*Chairman*)
 Mr. Gan Lin (*Chief Executive Officer*)[#]
 Mr. Shen Ke
 Mr. Hong Sang Joon
 Mr. Kaneko Hiroshi^{*}

Non-executive director

Mr. Huang Xiang Yang[□]

Independent non-executive directors

Mr. Yu Lei
 Ms. Zhang Cui Lan[∞]
 Dr. Loke Yu (alias Loke Hoi Lam)^{*}
 Mr. Ernst Rudolf Zimmermann

[#] appointed as an executive director on 18 April 2016 and become Chief Executive Officer on 30 December 2016
^{*} resigned on 30 December 2016
[□] appointed on 30 December 2016
[∞] resigned on 18 April 2016
^{*} appointed on 18 April 2016

The biographical details of the current directors are set out under the section “Directors and Senior Management” of this annual report.

Pursuant to Article 92 of the Company’s Articles of Association, Mr. Huang Xiang Yang shall hold office only until the forthcoming AGM and, being eligible, offer himself for re-election. In accordance with Article 101 of the Company’s Articles of Association, Mr. Shen Ke and Mr. Hong Sang Joon shall retire from the Board by rotation and, being eligible, offer themselves for re-election at the forthcoming AGM.

Mr. Kaneko Hiroshi resigned as an executive director and chief executive officer of the Company on 30 December 2016. Mr. Kaneko Hiroshi and Ms. Zhang Cui Lan have confirmed that they have no disagreements with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders of the Company.

董事

本財政年度內及至本報告日之董事如下：

執行董事

申勇先生 (主席)
 甘霖先生 (行政總裁)[#]
 申柯先生
 洪祥準先生
 金子博先生^{*}

非執行董事

黃向陽先生[□]

獨立非執行董事

余磊先生
 張翠蘭女士[∞]
 陸海林博士^{*}
 司馬文先生

[#] 於二零一六年四月十八日獲委任為執行董事，並於二零一六年十二月三十日獲委任為行政總裁
^{*} 於二零一六年十二月三十日辭任
[□] 於二零一六年十二月三十日獲委任
[∞] 於二零一六年四月十八日辭任
^{*} 於二零一六年四月十八日獲委任

現任董事的履歷資料載於本年報之「董事及高層管理人員」一節。

根據組織章程細則第92條，黃向陽先生之任期至應屆股東週年大會為止，彼合乎資格並願意膺選連任。根據本公司組織章程細則第101條，申柯先生及洪祥準先生將輪席退任董事，彼等合乎資格並願意於應屆股東週年大會上膺選連任。

金子博先生於二零一六年十二月三十日辭任本公司執行董事及行政總裁。金子博先生及張翠蘭女士已經確認與董事會並無任何意見分歧及並沒有任何有關本公司事務需要提請本公司股東注意。

REPORT OF THE DIRECTORS

董事會報告書

The names of all persons who, during the financial year and/or during the period from the end of the financial year to the date of this report, serve/served as directors of all those companies included as subsidiaries in the consolidated financial statements of the Company for the financial year ended 31 December 2016 are set out below:

The persons who were directors of the subsidiaries of the Company during the year and up to the date of this report (not including those directors listed above) were:

- Best Dollar International Limited ^{##}
- Xiong Yi ^{##}
- Ko Byoung Hwan [^]
- Jo Jung Ho

^{##} resigned as a director on 15 April 2016
[^] resigned as a director on 11 January 2017

DIRECTORS' SERVICE CONTRACTS

As at the date of this report, the directors have entered into either service contract or letters of appointment, subject to retirement by rotation and re-election of their directorship in the Company as set in the Company's Articles of Association.

Save as disclosed above, no director of the Company, who proposed for re-election at the forthcoming AGM, has an unexpired service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation, other than normal statutory obligations.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board of the Company with reference to directors' duties, responsibilities and performance and the results of the Group.

於本財政年度內及／或由本財政年度結束至本報告日期期間，於本公司截至二零一六年十二月三十一日止財政年度綜合財務報表內，列為附屬公司的所有相關公司擔任董事的所有人士之名稱如下：

本年度內及至本報告日之附屬公司的董事名稱如下（不包括以上列出的董事）：

- Best Dollar International Limited ^{##}
- 熊軼 ^{##}
- 高秉煥 [^]
- Jo Jung Ho

^{##} 於二〇一六年四月十五日已辭任董事
[^] 於二〇一七年一月十一日已辭任董事

董事服務合約

於本報告日期，董事與本公司訂立服務合約或委任書，惟彼等均須根據本公司之組織章程細則輪值告退本公司董事職務及膺選連任。

除上文披露者外，擬於即將召開之股東週年大會中連任之董事概無訂立本公司或任何其附屬公司於一年內不可在無需賠償（一般法定賠償除外）之情況下終止之尚未滿期之服務合約。

董事酬金

董事袍金須經股東於股東大會上批准方可作實。其他酬金乃本公司董事會參考董事之職責、責任及表現以及本集團之業績後釐定。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2016, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules adopted by the Company (the “Model Code”) (collectively “disclosure interests”) to be notified to the Company and the Stock Exchange, were as follows:

(1) Interests in Issued Shares of the Company

Name of directors	董事姓名	Beneficial Owner 實益擁有人	Ordinary Shares 普通股		Total number of shares held 持有之股份總數	% of total issued shares 佔已發行股份總數之百分比
			Interest of controlled corporation 受控制法團之權益	Interest of spouse 配偶權益		
Mr. Shen Yong	申勇先生	–	307,998,980 (L) (note 1) (附註1)	5,500,000 (L) (note 2) (附註2)	313,498,980 (L)	68.68%
			20,000,000 (S)	–		
Mr. Shen Ke	申柯先生	5,500,000 (L)	–	–	5,500,000 (L)	1.20%

Note:

(1) These ordinary shares of the Company (the “Shares”) are held by Ultra Harvest Limited (“Ultra Harvest”), of which Ultra Harvest is owned as to 51% by Mr. Shen Yong and 10% by Mr. Shen Ke respectively. Mr. Shen Yong is the father of Mr. Shen Ke.

(2) These Shares are held by Ms. Meng Qing, who is the spouse of Mr. Shen Yong, the executive director of the Company. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, Mr. Shen Yong is deemed to be interested in those Shares.

(L) Long position

(S) Short Position

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零一六年十二月三十一日，董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中，擁有須(i)根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被視作或視為擁有之權益及淡倉）；或(ii)根據證券及期貨條例第352條記入該條所述登記冊之權益及淡倉；或(iii)根據本公司所採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所之權益及淡倉（統稱「須予披露權益」）如下：

(1) 本公司已發行股份權益

Name of directors	董事姓名	Beneficial Owner 實益擁有人	Ordinary Shares 普通股		Total number of shares held 持有之股份總數	% of total issued shares 佔已發行股份總數之百分比
			Interest of controlled corporation 受控制法團之權益	Interest of spouse 配偶權益		
Mr. Shen Yong	申勇先生	–	307,998,980 (L) (note 1) (附註1)	5,500,000 (L) (note 2) (附註2)	313,498,980 (L)	68.68%
			20,000,000 (S)	–		
Mr. Shen Ke	申柯先生	5,500,000 (L)	–	–	5,500,000 (L)	1.20%

附註：

(1) 該等本公司普通股（「股份」）由 Ultra Harvest Limited（「Ultra Harvest」）持有，而 Ultra Harvest 分別由申勇先生擁有 51% 及申柯先生擁有 10%。申勇先生為申柯先生之父親。

(2) 該等股份由本公司執行董事申勇先生之配偶孟青女士持有。根據證券及期貨條例第XV部份第2及3分部之條款，申勇先生被視為於該等股份中擁有權益。

(L) 好倉

(S) 淡倉

REPORT OF THE DIRECTORS

董事會報告書

(2) Interests in the Issued Share Capital in Ultra Harvest, the Associated Corporation, of the Company

(2) 本公司之相聯公司 Ultra Harvest 已發行股本之權益

Name of directors	董事姓名	Nature of interest/ Capacity 權益性質／身份	Total number of shares held 持有之股份總數	% of total issued shares of Ultra Harvest 佔 Ultra Harvest 已發行股份 總數之百分比
Mr. Shen Yong	申勇先生	Beneficial owner 實益擁有人	51	51%
Mr. Wang Yuqiang	王玉強先生	Beneficial owner 實益擁有人	39	39%
Mr. Shen Ke	申柯先生	Beneficial owner 實益擁有人	10	10%

(3) Interests in underlying shares

The directors have been granted options under the Company's Share Option Scheme, details of which are set out on the section "Share Option Scheme" below.

Save as disclosed above, as at 31 December 2016, none of the directors and/or the chief executive of the Company, or their respective associates had any other discloseable interests as required.

(3) 相關股份權益

董事根據本公司之購股權計劃獲授出購股權，詳情載於下文「購股權計劃」一節。

除上文披露者外，於二零一六年十二月三十一日，概無本公司之董事及／或最高行政人員或彼等各自之關連人士擁有任何其他須予披露之權益。

REPORT OF THE DIRECTORS

董事會報告書

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

As at 31 December 2016, the following persons (other than the directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO or as otherwise notified to the Company were as follows:

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一六年十二月三十一日，除本公司之董事或最高行政人員外，下列人士於本公司之股份及相關股份中，擁有本公司根據證券及期貨條例第336條須予備存之登記冊所記錄或已知會本公司之權益或淡倉如下：

Substantial shareholders 主要股東	Ordinary shares 普通股		% of issued share capital 佔已發行 股本百分比
	No. of ordinary shares held 持有之 普通股數目	Nature of interest/Capacity 權益性質／身份	
Ultra Harvest (Note 1) Ultra Harvest (附註1)	239,779,468 (L)	Beneficial owner 實益擁有人	52.54%
	20,000,000 (S)	Beneficial owner 實益擁有人	4.38%
	68,219,512 (L)	Interest of controlled corporation 受控制法團之權益	14.94%
Magic Blazes Limited	68,219,512 (L)	Beneficial owner 實益擁有人	14.94%
Ms. Meng Qing (Note 2) 孟青女士 (附註2)	307,998,980 (L)	Interest of spouse 配偶之權益	67.48%
	20,000,000 (S)	Interest of spouse 配偶之權益	4.38%
	5,500,000 (L)	Beneficial owner 實益擁有人	1.20%
Mr. Wang Yuqiang (Note 3) 王玉強先生 (附註3)	307,998,980 (L)	Interest of controlled corporation 受控制法團之權益	67.48%
	20,000,000 (S)	Interest of controlled corporation 受控制法團之權益	4.38%
Ms. Zhao Ying Ying (Note 4) 趙穎穎女士 (附註4)	307,998,980 (L)	Interest of spouse 配偶之權益	67.48%
	20,000,000 (S)	Interest of spouse 配偶之權益	4.38%

(L) Long position
(S) Short position

(L) 好倉
(S) 淡倉

REPORT OF THE DIRECTORS

董事會報告書

Notes:

- (1) Ultra Harvest is owned as to 51% by Mr. Shen Yong, 39% by Mr. Wang Yuqiang and 10% by Mr. Shen Ke. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, each of Mr. Shen Yong, Mr. Wang Yuqiang and Mr. Shen Ke is deemed to be interested in all the ordinary shares in which Ultra Harvest is, or is deemed to be, interested. Mr. Shen Yong is the father of Mr. Shen Ke, both of whom are directors of Ultra Harvest. 68,219,512 Shares are held by its wholly-owned subsidiary, Magic Blazes Limited. As such Ultra Harvest is deemed to be interested in the Share held by Magic Blazes Limited.
- (2) Ms. Meng Qing is the spouse of Mr. Shen Yong. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Shen Yong is, or is deemed to be, interested.
- (3) Mr. Wang Yuqiang holds 39% interest in Ultra Harvest. As such, Mr. Wang Yuqiang is deemed to be interested in the Shares held by Ultra Harvest.
- (4) Ms. Zhao Ying Ying is the spouse of Mr. Wang Yuqiang. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Wang Yuqiang is, or is deemed to be, interested.

Save as disclosed above, as at 31 December 2016, no other interests required to be recorded in the register kept under Section 336 of the SFO had been notified to the Company.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "Share Option Scheme") on 3 June 2013 whereby the directors of the Company are authorised, at their discretion, to invite, among other eligible participants, employees of the Group (including directors of any member of the Group), advisers and consultants, to take up options to subscribe for shares of the Company. Each option gives the holder the right to subscribe for one ordinary share of the Company. The Share Option Scheme shall be valid and effective for a period of ten years ending on 2 June 2023, after which no further options can be granted.

附註：

- (1) Ultra Harvest分別由申勇先生、王玉強先生及申柯先生擁有51%、39%及10%。根據證券及期貨條例第XV部第2及3分部之條款，申勇先生、王玉強先生及申柯先生被視為於Ultra Harvest擁有或視為擁有權益之所有普通股中擁有權益。申勇先生為申柯先生之父親，兩人均為Ultra Harvest之董事。68,219,512股股份由其全資附屬公司Magic Blazes Limited持有。據此，Ultra Harvest被視為於Magic Blazes Limited擁有之股份中擁有權益。
- (2) 孟青女士為申勇先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於申勇先生擁有或視為擁有權益之所有普通股中擁有權益。
- (3) 王玉強先生持有Ultra Harvest 39%權益。據此，王玉強先生被視為於Ultra Harvest擁有之股份中擁有權益。
- (4) 趙穎穎女士為王玉強先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於王玉強先生擁有或視為擁有權益之所有普通股中擁有權益。

除上文所披露者外，於二零一六年十二月三十一日，本公司並無得悉其他需要記錄於依據證券及期貨條例第336條須予備存之登記冊內之權益。

購股權計劃

本公司於二零一三年六月三日採納購股權計劃（「購股權計劃」），本公司董事獲授權酌情向（包括其他合資格參與者）本集團僱員（包括本集團內任何成員公司之董事）、顧問及諮詢人提出接納購股權之要約，以認購本公司股份。各份購股權均授權持有人認購一股本公司普通股。購股權計劃有效期為十年，直至二零二三年六月二日止，其後不可授出額外購股權。

REPORT OF THE DIRECTORS

董事會報告書

Particulars of the movement of the options held by each of the directors and, the employees of the Company in aggregate granted under the Share Option Scheme during the year ended 31 December 2016, were as follows:

於二零一六年十二月三十一日止年度，根據購股權計劃授予本公司各董事及僱員之購股權變動詳情載列如下：

Category of participants 持有人	Date of grant 授予日期	Exercise period 行使期	Exercise price per share 每股股份行使價 HK\$ 港元	Number of outstanding share options 尚未行使之購股權數目				
				Held at 1 January 2016 於二零一六年一月一日持有	Granted during the year 於本年度授予	Exercised during the year 於本年度行使	Lapsed during the year 於本年度失效	Held at 31 December 2016 於二零一六年十二月三十一日持有
Directors of the Company 本公司董事								
Mr. Kaneko Hiroshi (note 1) 金子博先生(附註1)	31.8.2015	1.9.2018-30.8.2025	1.41	3,278,939	-	-	(3,278,939)	-
	31.8.2016	1.9.2018-30.8.2025	1.37	-	3,278,939	-	(3,278,939)	-
Total 合共				3,278,939	3,278,939	-	(6,557,878)	-

Note:

(1) Mr Kaneko Hiroshi resigned as an executive Director of the Company on 30 December 2016 and his 6,557,878 share options were lapsed on the same date.

附註：

(1) 金子博先生自二零一六年十二月三十日起辭任本公司執行董事，其6,557,878份購股權已於同一天失效。

During the years ended 31 December 2016 and 2015, a total of 3,278,939 and 3,278,939 options respectively were granted to a director and the estimated fair values of the options granted on the grant dates were HK\$ 2,922,000 and HK\$2,259,000, respectively.

於截至二零一六年及二零一五年十二月三十一日止年度，分別向董事授出合共3,278,939份及3,278,939份購股權，於授出當日授出之購股權估計公允價值分別為2,922,000港元及2,259,000港元。

REPORT OF THE DIRECTORS

董事會報告書

The fair value was calculated using the Binomial model. The inputs into the model were as follows:

公允價值乃運用二項式模型計算，該模型之輸入數據如下：

**For the year ended
31 December 2016
截至二零一六年
十二月三十一日止年度**

Grant date share price	授出日期之股價	HK\$1.37 港元
Exercise price	行使價	HK\$1.37 港元
Expected volatility	預期波幅	75.154%
Option life	購股權有效期	10 years 年
Dividend yield	股息率	0%
Risk-free interest rate	無風險利率	0.927%
Early exercise multiple for director	董事之提前行使倍數	2.8

For the year ended
31 December 2015
截至二零一五年
十二月三十一日止年度

Grant date share price	授出日期之股價	HK\$1.41 港元
Exercise price	行使價	HK\$1.41 港元
Expected volatility	預期波幅	66.94%
Option life	購股權有效期	10 years 年
Dividend yield	股息率	5.26%
Risk-free interest rate	無風險利率	1.799%
Early exercise multiple for director	董事之提前行使倍數	2.8

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

二項式模型已用於估算購股權之公允價值。計算購股權之公允價值所使用之參數及假設乃基於董事之最佳預測。參數及假設之變動將可能導致購股權之公允價值變化。

Other than disclosed above, no other share options had been granted during the year.

除上文披露外，於本年度，概無授出其他購股權。

As at 31 December 2016, there was no outstanding share options under the Share Option Scheme.

於二零一六年十二月三十一日，在購股權計劃下沒有未行使之購股權。

REPORT OF THE DIRECTORS

董事會報告書

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its directors, the directors confirmed that the Company has maintained the amount of public float as required under the Listing Rules during the year and up to the date of this report.

DIRECTORS' TRANSACTIONS, ARRANGEMENTS OR CONTRACTS THAT'S ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

Save as disclosed under the section headed "Connected Transactions" and note 39 to the consolidated financial statements, no other transactions, arrangements or contracts of significance, to which the Company or any of its subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2016, Mr. Shen Yong, the Chairman of the Company was also the director and controlling shareholder of Chongqing Forebase Industrial Investment (Holdings) Co. Ltd., which together with its subsidiaries, are engaged in hotel real estate development business in the PRC.

Save as disclosed above, as at 31 December 2016, none of the Directors and his/her respective associates had interests in the businesses which competes or was likely to compete, whether directly or indirectly, with the business of the Group. Mr. Shen Yong has undertaken to the Company that for so long as he remains as a Director or a controlling Shareholder, all enquiries and actual or potential business opportunities received by him (and/or his associates) in relation to hotel real estate business (the "Business Opportunities") shall be referred to the Company on a timely basis and the Business Opportunities must be first offered or made available to the Group.

There has been no material change in directors' interests in any competing business subsequent to 31 December 2016.

足夠公眾持股量

基於公開所得之資料及據董事所知，董事確認於本年度內及截至本年度報告日期為止，本公司有足夠公眾持股量。

對本公司業務有重大關連的董事交易、協議或合約權益

除下文「關連交易」一節及綜合財務報表附註39外，於年終或本年度內任何時間，本公司或其任何附屬公司概無訂有本公司董事直接或間接擁有重大權益之重大交易、協議或合約。

董事於競爭性業務之權益

於二零一六年十二月三十一日，本公司主席申勇先生為重慶申基實業（集團）有限公司之董事及控股股東，該公司連同其附屬公司於中國從事酒店地產開發業務。

除上文披露者外，於二零一六年十二月三十一日，概無董事及各自聯繫人士於與或可能與本集團業務競爭（不論直接或間接）的業務中擁有權益。申勇先生向本公司承諾，於彼擔任董事或控股股東期間，彼（及／或其聯繫人士）因酒店地產業務而遇到的所有查詢及實際或可能商機（「商機」）須即時轉介至本公司，有關商機須首先向本集團提供。

於二零一六年十二月三十一日後，董事於競爭業務之權益並無任何重大轉變。

REPORT OF THE DIRECTORS

董事會報告書

MANAGEMENT CONTRACTS

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

CONNECTED TRANSACTIONS

Connected transactions

On 30 October 2015, the Company entered into an agreement with Ultra Harvest. Pursuant to which the Company has conditionally agreed to purchase, and Ultra Harvest has conditionally agreed to sell the entire issued share capital of Capital Knight Limited and its subsidiaries, at a consideration of HK\$146,000,000. The consideration was satisfied by way of allotment and issuance of the Consideration Shares, being 71,219,512 new Shares, by the Company to Ultra Harvest, at an issue price of HK\$2.05 per Consideration Share on Completion pursuant to the Agreement. The transaction was completed on 27 January 2016, the fair value of Consideration Share issued was HK\$1.75 per Consideration Share, amounted to approximately HK\$124,635,000.

Continuing connected transactions

During the year, the Company entered into a Framework Agreement with Mr. Shen Yong, the Chairman of the Board, an executive Director and a beneficial owner of 51% equity interest in Ultra Harvest, which constituted continuing connected transactions (the “connected transactions”) as defined in the Listing Rules.

Pursuant to the Framework Agreement, the Group agreed to provide the Property Management Services to certain premises owned by corporations controlled by Mr. Shen Yong including offices, residential apartments and car parking spaces for a term of three years commencing from the Effective Date and ending on the earlier of (i) 31 December 2018 (both days inclusive); or (ii) the date the owners' committee of such premises has been formed (both days inclusive). During the year, service fee of Property Management Services amounted to RMB6,725,000 (equivalent to HK\$7,632,000) was charged to corporations controlled by Mr. Shen Yong.

管理合約

年內並無訂立或存續有關本公司全部或任何主要部分業務之管理及行政合約。

關連交易

關連交易

於二零一五年十月三十日，本公司與Ultra Harvest訂立一份協議。根據該協議，本公司已有條件同意購買，而Ultra Harvest已有條件同意出售Capital Knight Limited及其附屬公司之全部已發行股本，作價146,000,000港元。代價乃以本公司根據該協議於完成時按每股代價股份2.05港元之發行價向Ultra Harvest配發及發行代價股份（即71,219,512股新股份）之方式支付。是項交易已於二零一六年一月二十七日完成，所發行代價股份之公允價值為每股代價股份1.75港元，總值約124,635,000港元。

持續關連交易

年內，本公司與董事會主席兼執行董事申勇先生（亦為Ultra Harvest 51%股權之實益擁有人）訂立一份框架協議，該等交易構成上市規則所界定之持續關連交易（「關連交易」）。

根據框架協議，本集團同意向申勇先生所控公司擁有之若干場所（包括寫字樓、住宅公寓及車位）提供為期三年的物業管理服務，由生效日期開始直至(i)二零一八年十二月三十一日（包括首尾兩日）；或(ii)該等場所業主委員會成立當日（包括首尾兩日）為止（以較早者為準）。年內，向申勇先生所控公司所支取之物業管理服務費用為人民幣6,725,000元（相等於約7,632,000港元）。

REPORT OF THE DIRECTORS

董事會報告書

As all of the applicable percentage ratios (as defined under Chapter 14A of the Listing Rules) in respect of the annual caps for the Framework Agreement exceed 0.1% but are less than 5%, the connected transactions are subject to announcement and reporting requirements but is exempt from circular and the Independent Shareholders' approval requirement under the Listing Rules. The connected transactions up to the limit specified in the annual cap amount for each of the financial years ended/ending 31 December 2016, 2017 and 2018 are HK\$13,900,000, HK\$12,500,000, and HK\$12,400,000 respectively.

The connected transactions were entered in the ordinary and usual course of business of the respective companies after due negotiations on an arm's length basis with reference to the prevailing market conditions.

Announcements were published regarding the connected transactions in accordance with the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in so far as they are applicable.

All Independent non-executive directors of the Company have reviewed the connected transactions and confirmed that the connected transactions are entered into:

1. in the ordinary and usual course of business of the Company;
2. on normal commercial terms or better; and
3. in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing the findings and conclusions in respect of the above continuing connected transactions. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

Saved as disclosed above, details of the material related party transactions during the year are set in note 39 to the consolidated financial statements.

由於就框架協議年度上限而言，適用百分比率（定義見上市規則第14A章）超過0.1%但少於5%，故根據上市規則，關連交易須遵守公告及申報規定，惟可豁免通函及獨立股東批准之規定。關連交易於截至二零一六年、二零一七年及二零一八年十二月三十一日止財政年度各年的年度上限分別為13,900,000港元、12,500,000港元及12,400,000港元。

該等關連交易已參考當時市場情況後於有關公司在日常業務過程中以公平原則磋商後而訂立。

載有有關關連交易之公告已根據上市規則刊登。本公司確定已遵守適用於該等交易之上市規則第14A章之披露規定。

所有本公司獨立非執行董事均已檢討該等關連交易，並確認該等關連交易：

1. 於本公司一般及正常業務過程中訂立；
2. 按照一般或更佳商業條款訂立；及
3. 根據有關協議訂立，而交易條款屬公平合理，並且符合本公司股東的整體利益。

根據上市規則第14A.56條，本公司已聘用核數師，遵照香港會計師公會發出的《香港審核保證委聘準則3000號（經修訂）》的「審核或審閱過去財務資料以外的核證委聘」及參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，就本集團的持續關連交易作出匯報。就持續關連交易的審閱結果，核數師已發出無保留意見函件。本公司已將該核數師函件副本呈交聯交所。

除上文披露者外，本年度內重大關聯交易之詳情載於綜合財務報表附註39。

REPORT OF THE DIRECTORS

董事會報告書

RETIREMENT SCHEMES

Details of the retirement schemes participated by the Group are set out in note 35 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the year under review. The Company has also taken out and maintained appropriate insurance cover to indemnify the Directors for liabilities that may arise out of corporate activities of the Group. The insurance coverage is reviewed on an annual basis. During the year ended 31 December 2016, no claims were made against the Directors.

FIVE-YEAR 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 185 of this annual report.

CONFIRMATION OF INDEPENDENCE

The Company has received, from each of the independent non-executive directors, an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive directors are independent.

AUDITOR

The consolidated financial statements for the year ended 31 December 2016 have been audited by Grant Thornton Hong Kong Limited.

Grant Thornton Hong Kong Limited was first appointed as the auditor of the Company in 2016 upon the resignation of ShingWing (HK) CPA Limited.

Grant Thornton Hong Kong Limited will retire and, being eligible, offer themselves for reappointment. A resolution for the appointment of Grant Thornton Hong Kong Limited as auditor of the Company is to be proposed at the forthcoming AGM.

By order of the Board
Shen Yong
Chairman

Hong Kong, 29 March 2017

退休計劃

本集團參與之退休計劃之詳情，載於綜合財務報表附註35。

獲准許的彌償條文

以董事為受益人之經許可彌償條款現時生效及於回顧年度內持續生效。本公司亦已投購及維持適當保險，保障董事不會承擔本集團的公司活動可能產生的責任。保險保障獲每年檢討。於截至二零一六年十二月三十一日止年度，概無對董事作出申索。

五年財務概要

本集團過去五個財政年度業績、資產與負債概要載於本年報第185頁。

確認獨立性

本公司已收取各獨立非執行董事根據上市規則第3.13條之年度獨立性確認函件，並認為所有獨立非執行董事均維持獨立身份。

核數師

截至二零一六年十二月三十一日止年度本公司之綜合財務報表已經致同（香港）會計師事務所有限公司審核。

信永中和（香港）會計師事務所有限公司辭任後，致同（香港）會計師事務所有限公司於二零一六年首次被任命為本公司核數師。

致同（香港）會計師事務所有限公司即將告退，惟符合資格並願意膺選連任。重新委聘致同（香港）會計師事務所有限公司為本公司核數師的決議，將於應屆股東週年大會上提出。

承董事會命
主席
申勇

香港，二零一七年三月二十九日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



To the members of Forebase International Holdings Limited
(incorporated in Hong Kong with limited liability)

致申基國際控股有限公司股東
(於香港註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Forebase International Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 74 to 184, which comprise the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

本核數師（以下簡稱「我們」）已審核列載於第74至第184頁申基國際控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、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）。

我們認為，綜合財務報表根據香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則（「香港財務報告準則」）真實而公平地反映貴集團於二零一六年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例適當編製。

意見基準

我們已根據香港會計師公會頒佈的香港審計準則（「香港審計準則」）進行審核。根據該等準則，我們的責任於本報告中核數師就審計綜合財務報表承擔的責任一節中詳述。根據香港會計師公會頒佈的專業會計師道德守則（「守則」），我們獨立於貴集團，並已遵循守則中的其他專業道德責任。我們認為，我們獲取的審核憑證屬充分及適當，可為我們發表意見提供基準。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements 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.

Impairment of trade receivables

貿易應收賬款之減值

The Key Audit Matter

關鍵審核事項

As at 31 December 2016, the Group had trade receivables of HK\$69,494,000, net of allowance for doubtful debts of HK\$10,956,000. The impairment of trade receivables is made based on assessment of the recoverability of receivables due from customers. When determining whether a trade receivable is collectable, significant management judgement is involved. Management considered various factors which included the ageing analysis of the balances, locations of customers, existence of disputes, recent historical payment patterns and any other available information concerning the creditworthiness of customers.

於二零一六年十二月三十一日，貴集團的貿易應收賬款為69,494,000港元，扣除呆賬撥備10,956,000港元。貿易應收賬款減值乃根據應收客戶賬款的可收回性評估結果釐定。在釐定貿易應收賬款是否可收回時，涉及重要管理層判斷。管理層已考慮各種因素，包括結餘的賬齡分析、客戶位置、存在爭議、最近期的付款模式以及有關客戶信譽的任何其他可用信息。

Please refer to note 22 to the consolidated financial statements and the accounting policies as set out on note 3.12.

請參閱綜合財務報表附註22以及附註3.12所載的會計政策。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表的審核最為重要的事項。這些事項是在我們審核整體綜合財務報表及對其出具意見過程中需要應對的，但我們不對這些事項提供單獨的意見。

How the matter was addressed in our audit

我們在審核中如何回應此等關鍵事項

Our audit procedures to assess the recoverability of trade receivables included the following:

我們評估貿易應收賬款可收回金額的審核程序包括：

- Checking the correctness of the ageing analysis by customer on a sample basis.
以抽樣方式檢查按客戶分類的賬齡分析的準確性。
- Evaluating the financial strength of customers with significant overdue balances by considering cash collection performance against historical trends and the level of allowance for doubtful debts over time.
比對過往趨勢及一段時間內呆賬撥備水平以考慮現金收回表現，從而評估具有重大逾期餘額的客戶的財務實力。
- Reviewing the collections subsequent to the end of the reporting period, with focus on long outstanding debts and debts which are past due but not impaired.
檢討報告期末後的收款情況，重點關注長期未償還債務及已逾期但未減值債務。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Impairment of property, plant and equipment

物業、機器及設備之減值

The Key Audit Matter

關鍵審核事項

As at 31 December 2016, the carrying amount of property, plant and equipment of the Group was HK\$103,649,000.

於二零一六年十二月三十一日，貴集團的物業、機器及設備之賬面值為103,649,000港元。

Please refer to note 16 to the consolidated financial statements and the accounting policies as set out on note 3.5.

請參閱綜合財務報表附註16以及附註3.5所載的會計政策。

Management carries out an impairment assessment of property, plant and equipment on an annual basis. The impairment assessment requires evaluation as to whether any impairment indicators existed in the property, plant and equipment by reference to the profitability of the relevant cash-generating units ("CGUs").

管理層每年對物業、機器及設備進行減值評估。減值評估需要參照有關現金產生單位（「現金產生單位」）的盈利能力，評估物業、機器及設備是否存在減值跡象。

Where there are indicators, management is required to assess the recoverable amount of the property, plant and equipment with reference to valuation performed by the independent professional external valuers using the sales comparison method. The valuation of property, plant and equipment requires the application of significant judgement and estimation in determining the appropriate valuation methodology to be used, use of subjective assumptions and various unobservable inputs. The valuation is sensitive to underlying assumptions applied by the valuers such as market comparable used which may have a significant impact to the valuation.

倘存在減值跡象，管理層須參照獨立專業外部估值師使用銷售比較方法進行的估值來評估物業、機器及設備的可收回金額。物業、機器及設備的估值須進行重大判斷及估計以確定將使用的適當估值方法，並採用主觀假設及各種不可觀察的輸入數據。該估值對估值師採用的相關假設，例如可能對估值產生重大影響的市場可比較數據敏感。

How the matter was addressed in our audit

我們在審核中如何回應此等關鍵事項

Our audit procedures to assess the impairment of property, plant and equipment included the following: 我們評估物業、機器及設備之減值的審核程序包括：

- Assessing the competency, capability and objectivity of the independent professional external valuers, and the scope of their work.
評估獨立專業外部估值師的資格、能力及客觀性以及彼等之工作範圍。
- Assessing the valuation methodology.
評估估值方法。
- Assessing the reasonableness of the key assumptions and estimates used against general market practice.
對比一般市場慣例評估所用的主要假設及估計的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Business combinations and impairment of intangible assets

業務合併及無形資產之減值

The Key Audit Matter

關鍵審核事項

In January 2016, the Group acquired 100% equity interest of Capital Knight Limited ("Capital Knight") and its subsidiaries ("Capital Knight Group") from Ultra Harvest Limited ("Ultra Harvest"), the ultimate holding company. Capital Knight acquired the property management business from independent third parties at a total cash consideration of RMB5,000,000 (equivalent to HK\$6,232,000) on 24 July 2015.

於二零一六年一月，貴集團向最終控股公司Ultra Harvest Limited(「Ultra Harvest」)收購Capital Knight Limited(「Capital Knight」)及其附屬公司(「Capital Knight集團」)100%股權。Capital Knight於二零一五年七月二十四日以現金人民幣5,000,000元(相當於6,232,000港元)的總代價向獨立第三方收購物業管理業務。

The basis of presentation and the accounting policies are more fully explained in notes 2 and 3.3 respectively.

呈列基準及會計政策分別於附註2及3.3作出更全面的闡述。

Given that the Company and Capital Knight are under common control of Ultra Harvest and Mr. Shen Yong, the controlling shareholder, before and after the acquisition of Capital Knight Group, the acquisition was accounted for as a business combination under common control. Please refer to note 33 to the consolidated financial statements. 鑑於在收購Capital Knight集團前後，貴公司及Capital Knight受Ultra Harvest及控股股東申勇先生的共同控制，故是項收購以共同控制下的業務合併入賬。請參閱綜合財務報表附註33。

As a result of the acquisition of the property management business by Capital Knight that the Group accounted for as business combination under common control, the Group recognised certain intangible assets. We focused on this area because accounting for the acquisition requires identification and valuation of intangible assets and the allocation of purchase price to the assets and liabilities acquired, which involves judgements and assumptions. Management engaged an independent professional external expert to value significant tangible and intangible assets acquired in the business combination.

貴集團按共同控制下的業務合併對於Capital Knight收購物業管理業務入賬，並確認若干無形資產。我們關注此方面，因為是項收購的會計處理需要對無形資產進行釐定及估值，並向所收購的資產及負債分配購置價，其中涉及判斷及假設。管理層聘請一獨立專業外部專家，評估於業務合併時收購的重大有形及無形資產。

How the matter was addressed in our audit

我們在審核中如何回應此等關鍵事項

Our procedures in relation to key assumptions made by management in accounting for the acquisition included the following:

我們對管理層就是項收購作出之會計處理所用的主要假設的相關程序包括：

- Assessing the competency, capability and objectivity of the independent professional external expert and the scope of his work.
評估獨立專業外部專家的資格、能力及客觀性及其工作範圍。
- Assessing the valuation methodology, the identification and valuation of tangible and intangible assets and the allocation of purchase price to the assets and liabilities acquired.
評估估值方法、對有形資產及無形資產的釐定及估值以及向所收購的資產及負債分配的購置價。
- Assessing the appropriateness and valuation of the identified intangible assets.
評估所釐定的無形資產的適當性及估值。
- Assessing the reasonableness of key assumptions, in particular those relating to the ten-year period cash flow forecasts, the growth rates and the discount rates, based on our knowledge of the business and industry.
根據我們對業務及行業的了解，評估主要假設的合理性，特別是與十年期現金流量預測及與增長率及折現率相關的假設。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Business combinations and impairment of intangible assets

業務合併及無形資產之減值

The Key Audit Matter

關鍵審核事項

The carrying amounts of intangible assets amounted to HK\$39,153,000 as at 31 December 2016. Management reviews the carrying amounts of intangible assets annually or more frequently when impairment indicators are present.

於二零一六年十二月三十一日，無形資產的賬面值為39,153,000港元。當出現減值跡象時，管理層每年對無形資產的賬面值進行一次或以上的檢討。

Please refer to note 18 to the consolidated financial statements and the accounting policies as set out on note 3.10.

請參閱綜合財務報表附註18以及附註3.10所載的會計政策。

The recoverable amount of the cash-generating units ("CGU") to which the intangible assets allocated to was determined based on value-in-use calculations using future cash flow projections. The future cash flow projections based on financial budgets approved by management covering a ten-year period and at a discount rate of 15.6% per annum. The cash flows beyond three-year period are extrapolated using a growth rate of 0%. The key assumptions are based on the management's expectation of market development.

分配至無形資產的現金產生單位（「現金產生單位」）的可收回金額乃根據採用未來現金流量預測計算的使用價值釐定。基於管理層批准的財務預算作出的未來現金流量預測為期十年，折現率為每年15.6%。超過三年的現金流量以0%的增長率推算。該等主要假設乃基於管理層對市場發展的預期。

How the matter was addressed in our audit

我們在審核中如何回應此等關鍵事項

Our procedures in relation to management's impairment assessment of the Group's intangible assets included the following:

我們對管理層就 貴集團無形資產的減值評估的相關程序包括：

- Assessing the valuation methodology adopted by management.
評估管理層採用的估值方法。
- Assessing the reasonableness of key assumptions, in particular those relating to the ten-year period cash flow forecasts, the growth rates and the discount rates, based on our knowledge of the business and industry.
根據我們對業務及行業的了解，評估主要假設的合理性，特別是與十年期現金流量預測、增長率及折現率相關的假設。
- Reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets.
調整支持證據的輸入數據（例如經批准的預算），並考慮該等預算的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

其他資料

貴集團董事需對其他資料負責。其他資料包括年報的全部資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對其他資料發表任何形式的鑒證結論。

在我們審核綜合財務報表時，我們的責任為閱讀其他資料，並在此過程中考慮其他資料是否與綜合財務報表或我們於審核過程中所了解的情況有重大抵觸，或似乎有重大錯誤陳述。

基於我們已執行之工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。在這方面，我們沒有任何事項需要報告。

董事對綜合財務報表的責任

貴集團董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的規定編製綜合財務報表以令綜合財務報表作出真實而公平之反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

董事獲審核委員會協助履行其監督貴集團的財務報告程序。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, 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的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是根據香港公司條例第405條僅向閣下（作為整體）報告，除此之外本報告別無其他目的。我們不會就本報告內容對任何其他人士負責或承擔任何責任。

合理保證屬高水平的保證，但不能擔保根據香港審計準則進行的審核總能發現重大錯誤陳述。錯誤陳述可源於欺詐或錯誤引起，如果合理預期他們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，設計及執行審核程序以應對這些風險，以及獲得充足及適當審核憑證為我們的意見提供基礎。由於欺詐涉可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制，因此未能發現因欺詐而導致的重大錯誤陳述風險高於未能發現錯誤而導致的重大錯誤陳述風險。
- 了解與審核有關的內部控制，以設計恰當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所用會計政策的恰當性及作出會計估計及相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- 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.
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，我們則發表非無保留意見。我們的結論以截至核數師報告日所獲得的審核憑證為基礎，惟未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表的整體列報、架構及內容（包括披露）、以及綜合財務報表是否已公平反映及列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。我們須負責指導、監督及執行集團的審核工作。我們須為我們的審核意見承擔全部責任。

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

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

除其他事項外，我們與審核委員會溝通了計劃的審核工作範圍及時間安排及重大審核發現，包括我們於審核期間識別出內部監控的任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響我們的獨立性的關係及其他事宜及相關防範措施（如適用）與審核委員會溝通。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

從與審核委員會溝通的事項中，我們決定哪些事項對本期綜合財務報表的審核工作最為重要，因而構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，我們認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則我們會於核數師報告中描述此等事項。

Grant Thornton Hong Kong Limited

Certified Public Accountants

Level 12
28 Hennessy Road
Wanchai
Hong Kong

29 March 2017

Lin Ching Yee Daniel

Practising Certificate No.: P02771

致同（香港）會計師事務所有限公司

執業會計師

香港
灣仔
軒尼詩道28號
12樓

二零一七年三月二十九日

林敬義

執業證書編號：P02771

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務			
Revenue	收益	6	310,147	413,259
Cost of sales	銷售成本		(312,998)	(401,765)
Gross (loss)/profit	(毛損) / 毛利		(2,851)	11,494
Other income	其他收入	8	12,354	46,460
Selling and distribution expenses	銷售及分銷開支		(10,163)	(10,398)
Administrative expenses	行政開支		(35,781)	(33,401)
Research and development expenses	研發開支		(2,341)	(5,664)
Other operating expenses	其他經營開支		(15,816)	(13,971)
Finance costs	融資成本	9	(17,902)	(17,822)
Loss before income tax	除所得稅前虧損	10	(72,500)	(23,302)
Income tax expenses	所得稅開支	13	(9,720)	(5,985)
Loss from continuing operations	持續經營業務虧損		(82,220)	(29,287)
Discontinued operation	已終止經營業務			
Profit/(loss) from discontinued operation	已終止經營業務溢利/ (虧損)	34	56,146	(3,768)
Loss for the year	本年度虧損		(26,074)	(33,055)
Other comprehensive expense	其他全面開支			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後或會重新分類至損益的項目：</i>			
- Exchange differences on translation of financial statements of overseas subsidiaries	- 換算海外附屬公司之財務報表之匯兌差額		(4,167)	(23,336)
Reclassification adjustments for the cumulative loss transferred to profit or loss:	累計虧損轉入本年度損益之重新分類調整：			
- Exchange differences released upon disposal of subsidiaries	- 出售附屬公司時將匯兌差額轉出	34	319	-
Other comprehensive expense for the year	本年度其他全面開支		(3,848)	(23,337)
Total comprehensive expense for the year	本年度全面開支總額		(29,922)	(56,391)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

	Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
(Loss)/Earnings per share	15		
Basic			
– from continuing operations (in HK cents)	基本 – 持續經營業務 (港仙)	(20.23)	(8.93)
– from discontinued operation (in HK cents)	– 已終止經營業務 (港仙)	13.81	(1.15)
Diluted			
– from continuing operations (in HK cents)	攤薄 – 持續經營業務 (港仙)	(20.23)	(8.93)
– from discontinued operation (in HK cents)	– 已終止經營業務 (港仙)	13.81	(1.15)

The notes on pages 82 to 184 are an integral part of these consolidated financial statements.

載於第82至184頁的附註乃為該等綜合財務報表的組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2016
於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	16	103,649	114,370
Club memberships	會所會籍	17	600	600
Intangible assets	無形資產	18	39,153	43,715
Deposits for purchase of property, plant and equipment	購買物業、機器及 設備之按金		–	206
			143,402	158,891
Current assets	流動資產			
Inventories	存貨	20	32,048	31,446
Properties under development	發展中物業	21	–	134,291
Trade and other receivables	貿易及其他應收賬款	22	88,379	146,903
Restricted bank deposits	受限制銀行存款	23	3,090	11,768
Short-term bank deposit with original maturity more than three months	原到期日超過三個月之 短期銀行存款	23	1,000	1,000
Bank balances and cash	銀行結餘及現金	23	52,795	49,443
			177,312	374,851
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	24	148,961	213,165
Amounts due to related companies	應付關聯公司款項	25	3,974	100,714
Current taxation	即期稅項		6,214	3,067
Obligation under finance leases	融資租賃責任	27	156	148
Secured loans	抵押貸款	31	1,933	62,006
			161,238	379,100
Net current assets/(liabilities)	流動資產／(負債)淨值		16,074	(4,249)
Total assets less current liabilities	資產總值減流動負債		159,476	154,642

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2016
於二零一六年十二月三十一日

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Capital and reserves	資本及儲備			
Share capital	股本	28	292,462	99,076
Reserves	儲備	29	(286,949)	(133,626)
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔總權益		5,513	(34,550)
Non-current liabilities	非流動負債			
Amount due to a director	應付一名董事款項	26	68,325	142,096
Obligation under finance leases	融資租賃責任	27	–	156
Deferred tax liabilities	遞延稅項負債	30	7,673	6,940
Secured loans	抵押貸款	31	37,965	–
Bonds	債券	32	40,000	40,000
			153,963	189,192
			159,476	154,642

Approved and authorised for issue by the board of directors on 29 March 2017.

於二零一七年三月二十九日獲董事會批准及授權發行。

Shen Yong
Director

申勇
董事

Gan Lin
Director

甘霖
董事

The notes on pages 82 to 184 are an integral part of these consolidated financial statements.

載於第82至184頁的附註乃為該等綜合財務報表的組成部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

Attributable to the equity shareholders of the Company
本公司權益股東應佔

		Share capital 股本 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元 (note 29(a)) (附註29(a))	Contribution reserve 出資儲備 HK\$'000 千港元 (note 29(b)) (附註29(b))	Statutory reserve 法定儲備 HK\$'000 千港元 (note 29(c)) (附註29(c))	Share options reserve 購股權儲備 HK\$'000 千港元 (note 29(d)) (附註29(d))	Exchange reserve 匯兌儲備 HK\$'000 千港元 (note 29(e)) (附註29(e)) (Restated – note 3.3) (經重列 – 附註3.3)	Accumulated losses 累計虧損 HK\$'000 千港元 (Restated – note 3.3) (經重列 – 附註3.3)	Total 總額 HK\$'000 千港元
Balance as at 1 January 2015 (previously stated)	於二零一五年一月一日的結餘 (如前呈列)	99,076	(8,195)	8,478	10,215	829	(13,269)	(76,046)	21,088
Loss for the year (previously stated)	本年度虧損 (如前呈列)	-	-	-	-	-	-	(77,656)	(77,656)
Other comprehensive expense for the year – Exchange differences on translation of financial statements of overseas subsidiaries (previously stated)	本年度其他全面開支 – 換算海外附屬公司的財務報表的匯兌差額 (如前呈列)	-	-	-	-	-	(22,721)	-	(22,721)
Total comprehensive expense for the year (previously stated)	本年度全面開支總額 (如前呈列)	-	-	-	-	-	(22,721)	(77,656)	(100,377)
Impact of common control business combination (note 3.3)	共同控制業務合併的影響 (附註3.3)	-	-	-	-	-	(615)	44,601	43,986
Total comprehensive expense for the year (restated)	本年度全面開支總額 (經重列)	-	-	-	-	-	(23,336)	(33,055)	(56,391)
Transactions with owners:	與擁有人的交易:								
Appropriation to statutory reserve	分派予法定儲備	-	-	-	1,303	-	-	(1,303)	-
Recognition of equity-settled share-based payment expenses transactions (note 38)	確認以股權結算的股份付款開支交易 (附註38)	-	-	-	-	753	-	-	753
Lapse of share options granted by the Company (note 38)	本公司授出的購股權失效 (附註38)	-	-	-	-	(1,322)	-	1,322	-
		-	-	-	1,303	(569)	-	19	753
Balance as at 31 December 2015 (restated)	於二零一五年十二月三十一日的結餘 (經重列)	99,076	(8,195)	8,478	11,518	260	(36,605)	(109,082)	(34,550)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

Attributable to the equity shareholders of the Company
本公司權益股東應佔

		Share capital 股本 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元 (note 29(a)) (附註 29(a))	Contribution reserve 出資儲備 HK\$'000 千港元 (note 29(b)) (附註 29(b))	Statutory reserve 法定儲備 HK\$'000 千港元 (note 29(c)) (附註 29(c))	Share options reserve 購股權儲備 HK\$'000 千港元 (note 29(d)) (附註 29(d))	Exchange reserve 匯兌儲備 HK\$'000 千港元 (note 29(e)) (附註 29(e)) (Restated – note 3.3) (經重列 – 附註 3.3)	Accumulated losses 累計虧損 HK\$'000 千港元 (Restated – note 3.3) (經重列 – 附註 3.3)	Total 總額 HK\$'000 千港元
Balance as at 1 January 2016	於二零一六年一月一日的結餘	99,076	(8,195)	8,478	11,518	260	(36,605)	(109,082)	(34,550)
Loss for the year	本年度虧損	-	-	-	-	-	-	(26,074)	(26,074)
Other comprehensive expense for the year	本年度其他全面開支								
- Exchange differences on translation of financial statements of overseas subsidiaries	- 換算海外附屬公司的財務報表的匯兌差額	-	-	-	-	-	(4,167)	-	(4,167)
- Exchange differences released upon disposal of subsidiaries	- 出售附屬公司時將匯兌差額轉出	-	-	-	-	-	319	-	319
		-	-	-	-	-	(3,848)	-	(3,848)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	-	-	(3,848)	(26,074)	(29,922)
Transactions with owners:	與擁有人的交易：								
Issue of shares	發行股份	68,751	-	-	-	-	-	-	68,751
Appropriation to statutory reserve	分派予法定儲備	-	-	-	1,144	-	-	(1,144)	-
Recognition of equity-settled share-based payment expenses transactions (note 38)	確認以股權結算的股份付款開支交易 (附註 38)	-	-	-	-	1,234	-	-	1,234
Impact of common control business combination (note 33)	共同控制業務合併的影響 (附註 33)	124,635	(124,635)	-	-	-	-	-	-
Disposal of subsidiaries	出售附屬公司	-	8,195	-	-	-	-	(8,195)	-
Lapse of share options granted by the Company (note 38)	本公司授出購股權失效 (附註 38)	-	-	-	-	(1,494)	-	1,494	-
		193,386	(116,440)	-	1,144	(260)	-	(7,845)	69,985
Balance as at 31 December 2016	於二零一六年十二月三十一日的結餘	292,462	(124,635)	8,478	12,662	-	(40,453)	(143,001)	5,513

The notes on pages 82 to 184 are an integral part of these consolidated financial statements.

載於第 82 至 184 頁的附註乃為該等綜合財務報表的組成部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

	Note	2016	2015
	附註	二零一六年 HK\$'000 千港元	二零一五年 HK\$'000 千港元 (Restated – note 3.3) (經重列 – 附註3.3)
Operating activities			
Loss before income tax from continuing operations		(72,500)	(23,302)
Adjustments for:			
Interest income	8	(126)	(261)
Finance costs	9	17,902	17,822
Depreciation	10	9,684	10,241
Amortisation	10	4,562	1,901
Provision for doubtful debts	10	277	27
Reversal of provision for doubtful debts recognised on trade receivables	10	(189)	(111)
Allowance for inventories	10	900	4,341
Reversal of allowance for inventories	10	(1,199)	(1,703)
Gain on disposal of property, plant and equipment	8	(585)	(7)
Share-based payment expenses	10	1,234	753
Gain on disposal of a subsidiary		–	(110)
Bargain purchase gain arising on business combination	33	–	(39,056)
Gain on amount due to a director stated at fair value upon initial recognition	8	(6,688)	(5,646)
Currency exchange translation		552	(1,052)
Operating cash flows before movements in working capital		(46,176)	(36,163)
Increase in inventories		(303)	(6,510)
Increase in properties under development		–	(40,089)
Decrease/(increase) in trade and other receivables		53,881	(26,346)
(Decrease)/increase in trade and other payables		(24,132)	28,150
Decrease in amounts due to related companies		–	(1,050)
Cash used in operations		(16,730)	(82,008)
PRC Corporate Income Tax paid		(5,840)	(5,400)
Net cash used in operating activities		(22,570)	(87,408)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

	Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated – note 3.3) (經重列 – 附註3.3)
Investing activities 投資活動			
Proceeds on disposal of property, plant and equipment		5,449	463
Interest received		126	261
Decrease in deposits for purchase of property, plant and equipment		206	126
Decrease in restricted bank deposits		8,678	434
Cash outflow through acquisition of subsidiaries	33	–	(5,547)
Net cash inflow/(outflow) from disposal of subsidiaries	34	49,570	(86)
Purchase of property, plant and equipment		(2,082)	(24,330)
<i>Net cash from/(used in) investing activities</i>		61,947	(28,679)
Financing activities 融資活動			
Advance from related companies		995	44,800
Advance from unrelated companies		–	36,001
Proceeds from secured loans		41,903	–
Proceeds from issuance of bonds		67,000	20,000
Repayment of obligation under finance leases		(148)	(159)
(Repayment to)/advance from a director		(129,165)	88,103
Interest paid		(17,902)	(15,560)
Repayment of secured loans		(186)	(38,761)
<i>Net cash (used in)/from financing activities</i>		(37,503)	134,424
Net increase in cash and cash equivalents		1,874	18,337
Cash and cash equivalents as at 1 January		49,443	31,921
Effect of foreign exchange rate changes		1,478	(815)
Cash and cash equivalents as at 31 December, represented by bank balances and cash		52,795	49,443

The notes on pages 82 to 184 are an integral part of these consolidated financial statements.

載於第82至184頁的附註乃為該等綜合財務報表的組成部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

1. GENERAL

Forebase International Holdings Limited (the “Company”) was incorporated in Hong Kong with limited liability. The addresses of the registered office and principal place of business of the Company are disclosed in section headed “Corporate Information and Shareholders’ Calendar” of this annual report. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

In the opinion of the directors of the Company, the Company is controlled by Ultra Harvest Limited (“Ultra Harvest”), a company incorporated in the British Virgin Islands (the “BVI”) with limited liability, which is also the ultimate holding company of the Company and Mr. Shen Yong, the Chairman of the Company, is the ultimate controlling party of the Company.

The Company is an investment holding company and the principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are the manufacturing and sale of electronic components, hotel operation, property management and properties development in the People’s Republic of China (the “PRC”). The Group has discontinued its properties development business during the year.

The functional currency of the Company is Hong Kong dollar (“HK\$”). For the purposes of presenting the consolidated financial statements, the Group adopted HK\$ as its presentation currency as its shares are listed in Hong Kong.

2. BASIS OF PRESENTATION

In October 2015, the Group had entered into an acquisition agreement with Ultra Harvest to acquire 100% equity interest of Capital Knight Limited (“Capital Knight”) and its subsidiaries (“Capital Knight Group”) by allotting and issuing 71,219,512 new ordinary shares of the Company. The acquisition was completed on 27 January 2016.

1. 一般資料

申基國際控股有限公司(「本公司」)是一間於香港註冊成立的有限公司。本公司的註冊辦事處及主要營業地址於本年報的「公司資料及股東日程表」一節內披露。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司董事認為，本公司由Ultra Harvest Limited(「Ultra Harvest」)於英屬處女群島(「英屬處女群島」)註冊成立之有限公司控制，Ultra Harvest亦為本公司之最終控股公司，而本公司主席申勇先生則為本公司之最終控股方。

本公司為投資控股公司，本公司及其附屬公司(統稱「本集團」)的主要業務為製造及銷售電子元件、營運酒店及於中華人民共和國(「中國」)提供物業管理服務及發展物業。本集團於本年內已終止其物業發展業務。

本公司的功能貨幣為港元。就呈列綜合財務報表而言，本集團採納港元為其呈列貨幣，因為其股份於香港上市。

2. 呈列基準

於二零一五年十月，本公司與Ultra Harvest簽訂收購協議，透過配發及發行本公司71,219,512股新普通股，收購Capital Knight Limited(「Capital Knight」)及其附屬公司(「Capital Knight集團」)之100%股權。該收購已於二零一六年一月二十七日完成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

2. BASIS OF PRESENTATION (Continued)

Capital Knight acquired 100% equity interest of Nuofute Property Management Co., Ltd.* 重慶諾富特物業管理有限公司 (“Nuofute Property Management”) from independent third parties through its wholly owned subsidiary, Chongqing Wanwei Trading Development Co., Ltd* 重慶萬瑋貿易發展有限公司 (“Chongqing Wanwei”) at a total cash consideration of RMB5,000,000 (equivalent to HK\$6,232,000) on 24 July 2015. Nuofute Property Management is principally engaged in the provision of property management services.

The Group and Capital Knight Group are under the common control of Ultra Harvest and Mr. Shen Yong, the controlling shareholder, both before and after this acquisition, the directors consider the acquisition of Capital Knight Group is a business combination under common control. Accordingly, the consolidated financial statements of the Group has been prepared on the basis as if the Company had always been the holding company of Capital Knight Group during the year ended 31 December 2015 using the principles of merger accounting in accordance with Accounting Guideline 5 “Merger Accounting for Common Control Combination” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as set out in note 3 below.

As a result of the above, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows including the results and cash flows of the companies comprising the Group have been prepared as if the current group structure had been in existence during the year ended 31 December 2015 or since the date the Company gains control or their respective dates of incorporation or establishment up to 31 December 2015. The consolidated statement of financial position of the Group as at 1 January 2016 have been restated to present the assets and liabilities of the companies comprising the Group as if the current group structure had been in existence. The details of the merger accounting restatement are set out in note 33.

* For identification purpose only.

2. 呈列基準 (續)

於二零一五年七月二十四日，Capital Knight透過其全資附屬公司重慶萬瑋貿易發展有限公司（「重慶萬瑋」），向獨立第三方收購重慶諾富特物業管理有限公司（「諾富特物業管理」），總現金代價為人民幣5,000,000元（相等於約6,232,000港元）。諾富特物業管理主要從事提供物業管理服務。

本集團及Capital Knight集團於收購前後均由Ultra Harvest及控股股東申勇先生共同控制，董事認為收購Capital Knight集團屬共同控制下的業務合併。故此，本集團的綜合財務報表已按照香港會計師公會頒佈之會計指引第5號「就共同控制的合併事項作合併會計處理」使用合併會計原則處理，按猶如本公司在截至二零一五年十二月三十一日止年度一直為Capital Knight集團之控股公司的基準編製。

由於上述事項之緣故，已編製包括本集團屬下公司的業績及現金流量之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，猶如現有集團架構在截至二零一五年十二月三十一日止年度或自本公司取得控制權當日或各自的註冊成立或成立日期起至二零一五年十二月三十一日止期間一直存在。本集團於二零一六年一月一日的綜合財務狀況表已予重列，以呈列本集團屬下公司之資產及負債，猶如現有集團架構在該等日期已經存在。合併會計重列之詳情載於附註33。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

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

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new and amended HKFRSs and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 4. The consolidated financial statements have been prepared on the historical cost basis. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

3. 主要會計政策概要

3.1 編製基準

年度綜合財務報表乃按照香港財務報告準則編製，而香港財務報告準則是一個統稱，包括香港會計師公會頒佈的所有適用的個別香港財務報告準則、香港會計準則及詮釋、香港公認會計原則，以及香港公司條例的規定。綜合財務報表亦符合聯交所證券上市規則（「上市規則」）之適用披露規定。

編製綜合財務報表時採用的主要會計政策概述於下文。除另有說明外，該等政策已貫徹應用於所有呈報年度。採用新訂及經修訂香港財務報告準則及對本集團綜合財務報表的影響（如有）於附註4披露。綜合財務報表乃根據歷史成本基準編製。計量基準於下文的會計政策中詳述。

謹請留意，編製綜合財務報表時須作出會計估計及假設。儘管此等估計乃基於管理層對現存事件及行動的最佳理解及判斷而作出，惟實際結果最終可能有別於該等估計。涉及較高度判斷或複雜性，或其假設及估計對綜合財務報表而言有重大影響之範圍已於附註5披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group 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. When assessing whether the Group has power over the entity, only substantive rights relating to the entity (held by the Group and others) are considered.

The Group includes the income and expenses of a subsidiary in the consolidated financial statements from the date it gains control until the date when the Group ceases to control the subsidiary.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

3. 主要會計政策概要 (續)

3.2 綜合基準

綜合財務報表包括本公司及本公司及其附屬公司截至每年十二月三十一日止之財務報表。

附屬公司為本集團所控制之所有實體(包括特別用途實體)。倘本集團因參與一家實體之業務而可或有權獲得可變回報，且有能力透過對實體行使權力而影響其回報，則對該實體擁有控制權。於評估本集團是否對該實體擁有控制權時，僅考慮(由本集團及其他方所持有)與該實體相關之實質權利。

自本集團獲得控制權之日起至其不再控制附屬公司之日止，本集團將該附屬公司之收益及開支計入綜合財務報表。

集團內公司間之交易、結餘及未變現之交易收益及虧損會於編製綜合財務報表時予以抵銷。倘集團內公司間資產出售之未變現虧損於綜合賬目時撥回，相關資產亦會從本集團角度進行減值測試。附屬公司財務報表之呈報數額在必要時已予調整，確保與本集團採納之會計政策一致。

本集團於附屬公司之權益變動倘無導致失去控制權，則按權益交易入賬，並於綜合權益內對控股權益金額進行調整以反映相關權益之變動，但不會對商譽進行調整，同時也不會確認損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Basis of consolidation (Continued)

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 and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e., reclassified to profit or loss or transferred directly to retained earnings). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 “Financial Instruments: Recognition and Measurement” (“HKAS 39”) or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company’s statement of financial position, interests in subsidiaries are carried at cost less any impairment loss (see note 3.13) unless the subsidiary is held for sale or included in a disposal group. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the end of the reporting period. All dividends whether received out of the investee’s pre or post-acquisition profits are recognised in the Company’s profit or loss.

3. 主要會計政策概要 (續)

3.2 綜合基準 (續)

倘本集團失去對一間附屬公司之控制權，則於出售時的損益乃以下列兩項的差額計算：(i) 所收取代價之公允價值及任何保留權益公允價值的總和，及(ii) 附屬公司先前之資產（包括商譽）及負債及任何非控股權益之賬面值。倘附屬公司之若干資產按重估金額或公允價值計算，而相關累計損益已於其他全面收益確認並於權益累計，則早前於其他全面收益確認及於權益累計之金額將會以猶如本公司已直接出售相關資產之方式入賬（即重新分類至損益或直接轉撥至保留盈利）。於失去控制權當日仍保留於前附屬公司的任何投資公允價值，則根據香港會計準則第39號「金融工具：確認及計量」（「香港會計準則第39號」），將被視為就其後入賬而言初次確認的公允價值，或（如適用）於聯營公司或合營公司的投資的初步確認成本。

本公司之財務狀況表中，於附屬公司按成本減去減值虧損列賬（見附註3.13），除非該附屬公司為持作待售或包括於出售組別內。成本包括直接應佔的投資成本。

附屬公司之業績由本公司按報告期末之已收及應收股息列賬。所有股息（無論是從被投資方收購前或收購後的溢利中獲取）均在本公司損益表確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Basis of consolidation (Continued)

Business combinations

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

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

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

3. 主要會計政策概要 (續)

3.2 綜合基準 (續)

業務合併

收購附屬公司及業務採用收購法入賬。於業務合併中轉撥的代價按公允價值計量，而公允價值按本集團所轉讓的資產、本集團向被收購方前股東承擔的負債及本集團用作交換被收購方的控制權所發行之股權於收購日之公允價值總和計算。有關收購的成本於產生時確認於損益表中。

於業務合併中收購的可識別資產及承擔的負債及或然負債乃於收購日初步按其公允價值計量。

商譽乃以已轉撥的代價、任何非控股權益於被收購方中所佔金額及收購方過往於被收購方所持股權的公允價值（如有）之總和，超出所收購的可識別資產及所承擔的負債於收購日的淨值之數額計量。倘經過評估後，所收購的可識別資產與所承擔的負債於收購日的淨額高於已轉撥的代價、非控股權益於被收購方中所佔金額及收購方過往於被收購方所持股權的公允價值（如有）之總和，則超出的數額即時於損益表中確認為議價收購收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Basis of consolidation (Continued)

Business combinations (Continued)

Where the consideration the Group transfers in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounting for within equity. Contingent consideration that is classified as a financial liability is remeasured at subsequent reporting dates at fair value with corresponding gain or loss being recognised in profit or loss.

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree.

3. 主要會計政策概要 (續)

3.2 綜合基準 (續)

業務合併 (續)

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價乃按收購日期之公允價值計量並視為於業務合併中所轉讓代價的一部份。合資格估計量期間調整之或然代價之公允價值變動乃追溯調整，並對商譽或議價購買作出相應調整。計量期間調整乃於計量期間因取得有關於收購日期已存在事實及情況的額外資料所作出的調整。計量期間自收購日期起計不可超過一年。不合資格作為計量期間調整之或然代價公允價值變動之其後會計處理，取決於或然代價如何分類。分類為權益的或然代價於其後報告日期不會重新計量，其後結算於權益內進行入賬處理。分類為金融負債的或然代價乃根據公允價值於其後報告日期重新計量，而相應收益或虧損乃於損益中確認。

於收購日期前在其他全面收益及在權益內累計確認的以往持有股本權益之價值變動，於本集團取得該被收購方控制權時重新分類至損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Basis of consolidation (Continued)

Business combinations (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

3.3 Merger accounting for business combination involving entities under common control

Merger accounting method stipulated under Hong Kong Accounting Guideline 5 “Merger Accounting for Common Control Combinations” is used to account for acquisitions of businesses under common control before and after the acquisitions. The difference between fair value of acquisition consideration and carrying amount of net assets acquired is adjusted to merger reserve.

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party’s perspective. No amount is recognised in respect of goodwill or excess of acquirer’s interest in the net fair value of acquiree’s identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party’s interest.

3. 主要會計政策概要 (續)

3.2 綜合基準 (續)

業務合併 (續)

倘業務合併之初步會計處理於合併發生之結算日仍未完成，則本集團會就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期間（見上文）內作出調整，並確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況之新資料，而倘知悉該等資料，將會影響於當日確認之金額。

3.3 涉及共同控制實體的業務合併會計處理

對於收購前和收購後處於共同控制下的業務收購乃根據香港會計指引第5號「共同控制合併的合併會計處理」以合併會計法入賬。收購代價的公允價值與被收購資產淨值賬面值的差額乃調整至合併儲備。

本綜合財務報表包括合併實體或業務的財務報表項目，該共同控制的實體或業務合併猶如開始於該共同控制的實體或業務首度成為被控制方控制的日期。

合併實體或業務的資產淨值按控制方的現有賬面值合併。在控制方的權益持續的情況下，商譽或收購方應佔被收購方可識別資產、負債及或然負債的公允價值超過於共同控制合併時的收購成本的金額不予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.3 Merger accounting for business combination involving entities under common control (Continued)

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

3.4 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

- (a) Sales of goods are recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken to be the point in time when the goods are delivered and the customer has accepted the goods. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts;
- (b) Service income from hotel operation and properties management is recognised when services are rendered;
- (c) Interest income is recognised as it accrues using the effective interest method.

3. 主要會計政策概要 (續)

3.3 涉及共同控制實體的業務合併會計處理 (續)

綜合損益及其他全面收益表包括各合併實體或業務自最早呈列日期或自合併實體或業務首次受共同控制日期(以較短期間為準, 而不論何日為共同控制合併日期)的業績。

本綜合財務報表中之比較數據, 已假設實體或業務於上一報告期末或首次受到共同控制時(以較短者為準)已合併而呈列。

3.4 收益確認

收益乃按已收或應收代價之公允價值進行釐定。如經濟效益有可能流入本集團, 而收益及成本(如適用)能可靠計量, 則收益確認如下:

- (a) 銷售貨品於所有權之絕大部分風險及回報已轉移至客戶時確認。有關情況通常指貨品已付運且客戶已接納貨品時。收益不包括增值稅或其他銷售稅, 並已扣除任何貿易折扣;
- (b) 來自酒店經營及物業管理的服務收入於提供服務時確認;
- (c) 利息收入採用實際利率法確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses (see note 3.13). Historical cost includes purchase price and expenditure that is directly attributable to the acquisition of the item.

Depreciation of item of property, plant and equipment is provided to write off the cost less their residual values, if any, over their estimated useful lives using the straight-line method, at the following rates per annum:

Land and buildings held for own use situated thereon are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of purchase.

Plant and machinery	4-10 years
Leasehold improvements	Over the lease term
Motor vehicles	5 years
Other property, plant and equipment	3-5 years

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

3. 主要會計政策概要 (續)

3.5 物業、機器及設備

物業、機器及設備乃按歷史成本減累計折舊及累計減值虧損列賬(見附註3.13)。歷史成本包括收購有關項目直接應佔的購入價及開支。

物業、機器及設備項目的折舊按估計可使用年期以直線法撇銷成本減其剩餘價值(如有)計提,所採年年率如下:

持作自用的租賃土地及樓宇按未屆滿租約年期及其估計使用年期的較短者(自購買的日起計不超過50年)進行折舊。

機器及設備	4-10年
租賃物業裝修	按租賃年期
汽車	5年
其他物業、機器及設備	3-5年

資產的剩餘價值、折舊方法及可使用年期於各報告期末檢討及調整(如適用)。

廢棄或出售時產生的收益或虧損按銷售所得款項與資產賬面值間的差額釐定,並於損益確認。

其後成本僅在項目相關的未來經濟利益將會流入本集團及能夠可靠計量項目成本時,方會在適當情況下計入資產賬面值或確認為獨立資產。更換部分的賬面值終止確認。維修及保養等所有其他支出,均於產生的財政年間自損益扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.6 Club memberships

Club memberships with indefinite useful lives are stated in the consolidated statement of financial position at cost less impairment losses (see note 3.13).

3.7 Inventories

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and 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 the write-down or loss occurs. The amount of any reversal of 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.

3.8 Properties under development

Properties under development are stated at the lower of cost and net realisable value.

Cost comprises the costs of land use rights, construction costs and other direct development expenditure.

3. 主要會計政策概要 (續)

3.6 會所會籍

具有無限使用年期的會所會籍按成本減減值虧損於綜合財務狀況表列賬 (見附註3.13)。

3.7 存貨

存貨以成本及可變現淨值兩者中的較低數額列賬。

成本按加權平均法計算，且包括採購成本、轉變成本及將存貨達致現有地點及狀況所產生的其他成本。

可變現淨值乃於日常業務過程中的估計售價減估計完工成本及適用銷售開支。

於出售存貨時，該等存貨的賬面值於確認有關收益的期間確認為開支。存貨撇減至可變現淨值的款額及所有存貨虧損均於撇減或虧損出現的期間列作開支。已撇減存貨的任何撥回金額於撥回產生年度列作開支並確認為所確認存貨金額減少。

3.8 發展中物業

發展中物業按成本及可變現淨值的間的較低者列賬。

成本包括土地使用權成本、建設成本及其他直接開發開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.8 Properties under development (Continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to completion and applicable selling expenses.

On completion, the properties are transferred to properties held for sale at their carrying values at the date of transfer.

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

3.9 Foreign currency translation

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates and are not retranslated.

3. 主要會計政策概要 (續)

3.8 發展中物業 (續)

可變現淨值乃正常經營業務期間的估計售價減完工時的累計成本及適用銷售開支。

於完工時，物業按其於轉撥日期的賬面值轉撥至持作銷售物業。

倘發展中物業獲出售，則將此等物業的賬面值於確認相關收入期間確認為支出。將物業的價值減至可變現淨值的數額和所有虧損均在出現減值或虧損的期內確認為支出。

3.9 外幣換算

於綜合實體的個別財務報表中，外幣交易按交易當日匯率換算為個別實體的功能貨幣。於報告期末，以外幣計值的貨幣資產及負債乃按當日的匯率換算。因結算該等交易列值的貨幣資產及負債而產生的匯兌收益或虧損於損益內確認。

以外幣計值並按公允價值列賬的非貨幣項目，按釐定公允價值當日的當時匯率換算。按歷史成本計量以外幣為單位的非貨幣項目均使用換算當日的匯率折算概不重新換算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.9 Foreign currency translation (Continued)

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong dollars. Assets and liabilities have been translated into Hong Kong dollars at the closing rates at the end of the reporting period. Income and expenses have been converted into the Hong Kong dollars at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the exchange reserve in equity.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

3.10 Intangible assets

Acquired intangible assets are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The following useful lives are applied:

Customers relationship	10 years
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3. 主要會計政策概要 (續)

3.9 外幣換算 (續)

於綜合財務報表內，原由本集團呈列貨幣以外貨幣呈列的境外業務的所有個別財務報表已兌換為港元。資產及負債乃按報告期末的收盤匯率換算為港元。收入及開支乃按交易日的通行匯率或倘匯率並無大幅波動，則以報告期間的平均匯率兌換為港元。換算產生的任何差額已於其他全面收益確認並於權益內匯兌儲備中分別累計。

於出售海外業務（即出售本集團於海外業務的全部權益，或涉及失去對包括海外業務的附屬公司的控制權）時，本集團應佔有關該業務的所有累計匯兌差額重新分類至損益。終止確認先前歸屬為非控股權益的任何匯兌差額，但無需重新分類至損益。

3.10 無形資產

已收購無形資產初步按成本值確認。於初步確認後，具有有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有有限可使用年期的無形資產按估計可使用年期以直線法予以攤銷。無形資產於可供使用時隨即攤銷。下列可使用年期會予以應用：

顧客關係	10年
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.10 Intangible assets (Continued)

The assets' amortisation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Intangible assets are tested for impairment as described below in note 3.13.

3.11 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the end of the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the end of the reporting period between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

3. 主要會計政策概要 (續)

3.10 無形資產 (續)

資產的攤銷方法及可使用年期會於報告期末予以檢討及在適用情況下予以調整。

如下文附註3.13所述，無形資產會進行減值測試。

3.11 所得稅的會計處理

所得稅包括即期稅項及遞延稅項。

即期稅務資產及／或負債包括本報告期間或過往報告期間（且於報告期末尚未支付）向財政當局繳納稅款的責任或來自有關財政當局催繳稅款的索償。所得稅乃根據有關財政期間適用的稅率及稅法按年內應課稅溢利計算。即期稅項資產或負債的所有變動於損益中確認為稅項開支的一部分。

遞延稅項乃按於報告期末綜合財務報表內資產與負債賬面值與其相應稅基的暫時差額使用負債法計算。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣稅暫時差額、可結轉稅項虧損以及其他未運用稅務抵免確認，惟以可能有應課稅溢利（包括現有應課稅暫時差額）可抵銷可扣稅暫時差額、未運用稅項虧損及未運用稅務抵免的情況為限。

倘暫時差額由商譽或首次確認一項不影響應課稅溢利或會計溢利的交易中的其他資產及負債（業務合併除外）所產生，則遞延稅項資產及負債不予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Accounting for income taxes (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in subsidiaries, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the end of the reporting period.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are presented in net if, and only if:

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3. 主要會計政策概要 (續)

3.11 所得稅的會計處理 (續)

遞延稅項負債乃按與於附屬公司的投資有關的應課稅臨時差額而確認，惟若本集團可控制臨時差額的回撥及臨時差額很有可能不會於可見將來回撥的情況除外。

遞延稅項乃按預期於清償負債或變現資產期間適用的稅率計算（不作折現），惟有關稅率於報告期末須為已頒佈或實際上頒佈的稅率。

遞延稅項資產或負債變動於損益中確認，或倘與其他全面收益或直接於權益扣除或計入的項目有關，則於其他全面收益或直接於權益中確認。

即期稅項資產與即期稅項負債僅於以下情況以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時變現資產及清償負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.11 Accounting for income taxes (Continued)

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if:

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.12 Financial assets

The Group's accounting policies for financial assets other than investments in subsidiaries of the Company are set out below.

Financial assets are classified into loans and receivables. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at the end of the each reporting period.

3. 主要會計政策概要 (續)

3.11 所得稅的會計處理 (續)

本集團僅於以下情況以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債是關於同一稅務機關就以下任何一項所徵收的所得稅：
 - (i) 同一應課稅實體；或
 - (ii) 計劃於各未來期間（而預期在未來將結清或收回大額的遞延稅項負債或資產）以淨額基準結算即期稅項負債與資產或同時變現資產及清償負債的不同應課稅實體。

3.12 金融資產

本集團有關金融資產（於附屬公司的投資除外）的會計政策載於下文。

金融資產劃分為貸款及應收賬款。管理層視乎購入金融資產的目的於初步確認時釐定其金融資產分類，並在允許及適當情況下，於各報告期末重新評估此劃分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Financial assets (Continued)

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At the end of each reporting period, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

3. 主要會計政策概要 (續)

3.12 金融資產 (續)

所有金融資產只會在本集團成為有關工具合約條文的訂約方時確認。以常規方式購買的金融資產於交易日期確認。金融資產於初步確認時按公允價值計量，倘並非按公允價值計入損益，則加上直接應佔交易成本。

當從投資收取現金流量的權利屆滿或被轉讓且所有權的絕大部分風險與回報已轉讓時，解除確認金融資產。

於各報告期末會對金融資產進行檢討，以評估是否有客觀減值證據。如有任何上述證據，則根據金融資產分類釐定及確認減值虧損。

貸款及應收賬款

貸款及應收賬款為有固定或可釐定付款款額但並無於活躍市場內報價的非衍生金融資產。貸款及應收賬款其後採用實際利息法按攤銷成本減任何減值虧損列賬。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分的各項費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Financial assets (Continued)

Impairment of financial assets

At the end of each reporting period, financial assets are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- the disappearance of an active market for that financial asset because of financial difficulties.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data including but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

3. 主要會計政策概要 (續)

3.12 金融資產 (續)

金融資產的減值

於各報告期末，金融資產會予以審閱，以確定是否有任何減值的客觀證據。

個別金融資產減值的客觀證據，包括本集團注意到以下一項或多項虧損事項的可觀察數據：

- 債務人出現重大財政困難；
- 違反合約，如不支付或拖欠利息或本金；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響；及
- 因出現財政困難導致該金融資產失去活躍市場。

有關某一組金融資產的虧損事項包括顯示該組金融資產的估計未來現金流量出現可計量跌幅的可觀察數據。該等可觀察數據包括但不限於組別內債務人的付款狀況以及與組別內資產拖欠情況有關的國家或當地經濟狀況出現逆轉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.12 Financial assets (Continued)

Impairment of financial assets (Continued)

If any such evidence exists, the impairment loss is measured and recognised as follows:

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

Impairment loss on financial assets other than trade receivables that are stated at amortised cost are written off against the corresponding assets directly. Where the recovery of trade receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of trade receivables is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

3. 主要會計政策概要 (續)

3.12 金融資產 (續)

金融資產的減值 (續)

若任何該等證據存在，將根據以下方式計量及確認減值虧損：

按攤銷成本入賬的金融資產

倘有客觀證據顯示按攤銷成本入賬的貸款及應收賬款出現減值虧損，則虧損金額按該金融資產賬面值與其原實際利率（即首次確認時計算的實際利率）折算的估計未來現金流量（不包括尚未產生的未來信貸虧損）現值的差額計量。虧損金額於減值期間在損益確認。

倘若其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生的事件聯繫，則需撥回過往確認的減值虧損，惟於撥回減值當日，不得導致金融資產賬面值超過未被確認減值的原本應計的攤銷成本。撥回金額於撥回發生期間在損益確認。

金融資產（按攤銷成本列賬的貿易應收賬款除外）的減值虧損乃直接與相關資產撇銷。若貿易應收賬款被認為有可能但並非不能收回，則屬應收賬款呆賬的減值虧損記入撥備。若本集團相信貿易應收賬款的可收回性極低，則被認為不可收回的金額乃直接自貿易應收賬款撇銷，並撥回就該應收賬款記入撥備的任何金額。先前計入撥備的金額如在其後收回，則從撥備撥回。撥備的其他變動及其後收回先前已直接撇銷的金額，均在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.13 Impairment of non-financial assets

Property, plant and equipment, intangible assets, club memberships and interests in subsidiaries in the statement of financial position of the Company, are subject to impairment testing. These assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e., a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

3. 主要會計政策概要 (續)

3.13 非金融資產減值

物業、機器及設備、無形資產、會所會籍以及本公司財務狀況表內於附屬公司之權益須接受減值測試。當有跡象表明資產賬面值可能無法收回，則會進行減值測試。

減值虧損按資產賬面值超出其可收回金額的差額，即時確認為開支。可收回金額為反映市況的公允價值減出售成本與使用價值兩者的較高者。評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，以反映現時市場對貨幣時間值及有關資產特有風險的評估。

為評估減值，倘資產並無產生大致上獨立於其他資產的現金流入，可收回金額則按可獨立產生現金流入的最小資產組合（即現金產生單位）釐定。因此，部分資產個別進行減值測試，另有部分按現金產生單位測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.13 Impairment of non-financial assets (Continued)

Impairment losses recognised for cash-generating units is charged pro rata to the assets in the cash-generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal, or value in use, if determinable.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.14 Interim financial reporting and impairment

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34 "Interim Financial Reporting", in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see note 3.13).

3.15 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3. 主要會計政策概要 (續)

3.13 非金融資產減值 (續)

於現金產生單位確認的減值虧損會按比例基準自現金產生單位的資產扣除，惟資產的賬面值不得減至低於其個別公允價值減出售成本或使用價值（倘能釐定）。

倘用於釐定資產可收回金額的估計出現有利變動，則撥回減值虧損，惟以資產賬面值不得高於並無確認減值虧損時原應釐定的賬面值（扣除折舊或攤銷）為限。

3.14 中期財務報告及減值

根據上市規則，集團須就財政年度的首六個月編製符合香港會計準則第34號（「中期財務報告」）規定的中期財務報告。集團在中期期末採用了在財政年度終結時會採用的相同減值測試、確認和轉回準則（見附註3.13）。

3.15 現金及現金等價物

現金及現金等價物包括銀行及手頭現金以及及原訂期限為三個月或以下、可隨時轉換為已知金額現金且價值變動風險小的其他短期高流動性投資。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.16 Financial liabilities

The Group's financial liabilities include trade and other payables, amounts due to related companies, secured loans, obligation under finance leases, bonds and amount due to a director.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs (see 3.19).

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Trade and other payables, amount due to a director and amounts due to related companies

They are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策概要 (續)

3.16 金融負債

本集團的金融負債包括貿易及其他應付賬款、應付關聯公司款項、抵押貸款、融資租賃責任、債券及應付一名董事款項。

金融負債於本集團成為工具合約條款訂約方時確認。所有利息相關費用根據本集團的借貸成本會計政策確認(見附註3.19)。

當負債下的責任獲免除或取消或到期，金融負債將撤銷確認。

當現有金融負債以同一貸款人按極為不同的條款提供的另一項金融負債所取代，或對現有負債的條款作出重大修訂，此類交換或修訂被視為取消確認原有負債及確認新負債，有關賬面值的差額於損益中確認。

貿易及其他應付賬款、應付一名董事款項及應付關聯公司款項

該等款項最初以其公允價值確認，隨後使用實際利息法按攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.16 Financial liabilities (Continued)

Secured loans and bonds

Borrowings, including secured loans and bonds, are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

3.17 Provision and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation arising as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligations can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

3. 主要會計政策概要 (續)

3.16 金融負債 (續)

抵押貸款及債券

借款(包括抵押貸款及債券)初步以公允價值(扣除交易成本)確認並計量。借款其後按攤銷成本列賬;所得款(扣除交易成本)與贖回價值的任何差額使用實際利率法於借貸期間在損益表內確認。

除非本集團有無條件權利遞延結算報告期末後至少12個月的負債,否則借款歸類為流動負債。

3.17 撥備及或然負債

當本集團因過往事件而須承擔法定或推定責任,且可能須有經濟利益流出以結清責任及能夠可靠地估計有關責任金額時,則會確認撥備。倘貨幣時間值屬重大,則撥備按預計結清責任所需開支的現值列賬。

所有撥備均於各報告期末作出檢討並作出調整以反映現時的最佳估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.17 Provision and contingent liabilities (Continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

3.18 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

3.19 Borrowing costs

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

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

3. 主要會計政策概要 (續)

3.17 撥備及或然負債 (續)

倘經濟利益流出的可能性不大，或無法可靠估計金額時，該責任會披露為或然負債，除非經濟利益流出的可能性極低，則作別論。可能的責任（視乎日後是否發生本集團無法完全控制的一宗或多宗未確定事件而確定其是否存在）亦披露為或然負債，除非經濟利益流出的可能性極低，則作別論。

3.18 政府補助

當本集團合理地保證會遵守政府補助的附帶條件以及將會得到資助後，政府補助方會予以確認。

政府補助乃按配對基準，於本集團將有關補助擬補償的有關成本確認為開支的期間內，於損益中確認。有關可折舊資產的政府補助，乃於綜合財務狀況報表內確認為相關資產賬面值的扣除，並於相關資產的可使用年期內系統及合理地轉撥至損益。

3.19 借貸成本

建造任何合資格資產所直接產生的借貸成本乃撥充該等資產的成本，直至有關資產大致上可作擬定用途為止，而合資格資產為需較長時間預備以用於擬定用途的資產。

所有其他借貸成本於產生期間在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.20 Research and development expenditure

Research and development costs comprise all costs that are directly attributable to research and development activities or that can be allocated on a reasonable basis to such activities. Because of the nature of the Group's research and development activities, the criteria for the recognition of such costs as an asset are generally not met until later in the development stage of the project when the remaining development costs are immaterial. Hence both research costs and development costs are generally recognised as expenses in the period in which they are incurred.

3.21 Employee benefits

Retirement benefit

Retirement benefits to employees are provided through defined contribution plans.

Payments for defined contribution retirement schemes to local governments in the PRC, Canada and Korea pursuant to the relevant labour rules and regulations in the PRC, Canada and Korea and the Mandatory Provident Fund Scheme (the "MPF Scheme") in Hong Kong are recognised as an expense when employees have rendered service entitling them to the contributions.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

3. 主要會計政策概要 (續)

3.20 研發支出

研發成本包括所有直接由研發活動產生的成本，或可合理地分配作有關活動的成本。基於本集團的研發活動的性質，有關成本能確認為資產的條件一般須在專案研發階段之後期才能達成，而餘下的研發成本已微不足道。因此，研究成本及開發成本一般均於發生的期間內確認為開支。

3.21 僱員福利

退休福利

退休福利乃通過界定供款退休計劃向僱員提供。

根據中國、加拿大及韓國的相關勞動規則及法規所制定的中國、加拿大及韓國地方政府所界定退休供款計劃的付款以及香港的強制性公積金計劃（「強積金計劃」）於僱員提供服務時賦予其供款後確認為開支。

供款於年內隨僱員提供服務於損益確認為開支。本集團根據該等計劃的責任僅限於應付固定百分比供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.21 Employee benefits (Continued)

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

3.22 Share capital

Ordinary shares are classified as equity. Share capital is recognised at the amount of consideration of shares issued, after deducting any transaction costs associated with the issuing of shares (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

3.23 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

3. 主要會計政策概要 (續)

3.21 僱員福利 (續)

短期僱員福利

僱員應得的年假於其可享有時確認。截至報告期末，僱員因提供服務而可享有年假的估計負債已作撥備。

病假及產假等非累積補假於休假時方予確認。

辭退福利

辭退福利會在本集團不再能夠撤回所提供的辭退福利或確認涉及辭退福利付款的重組成本(以較早者為準)時確認。

3.22 股本

普通股分類為權益。股本以已發行股份面值釐定。與發行股份相關的任何交易成本(扣除任何相關所得稅利益)均予扣減，惟以權益交易直接應佔的增加成本為限。

3.23 租賃

倘本集團釐定一項安排(不論由一宗交易或一系列交易組成)附有權利可於協定期間內使用一項特定資產或多項資產以換取一項或多項付款，則該安排屬於或包含一項租賃。該釐定乃基於對該安排實質內容的評估而作出，不論該安排是否採用租賃的法定形式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.23 Leases (Continued)

Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, except for land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon, at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease (see note 3.5). For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments of such assets, are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligation under finance leases.

Subsequent accounting for assets held under finance lease agreements corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

3. 主要會計政策概要 (續)

3.23 租賃 (續)

租予本集團的資產的分類

本集團根據將所有權的絕大部分風險及回報轉移至本集團的租賃持有的資產均分類為根據融資租賃持有的資產。並無將所有權的絕大部分風險及回報轉移至本集團的租賃分類為經營租賃，惟根據經營租賃持作自用的土地，而其公允價值無法與於其上蓋興建的樓宇於租賃生效時的公允價值分開計量，有關土地則列作根據融資租賃持有則除外，除非有關樓宇亦已明確地根據經營租賃（見附註3.5）持有，則另當別論。就此而言，租賃生效的時間為本集團首次訂立租賃的時間，或從先前承租人接管租賃的時間。

根據融資租賃收購資產

倘本集團以融資租賃獲得資產的使用權，則會以租賃資產公允價值或有關資產最低租賃付款的現值（以較低者為準）金額計入物業、機器及設備，而相應的負債則於扣除融資費用後則入賬列為融資租賃責任。

根據融資租賃協議所持資產的其後會計處理與可比較的收購資產所應用者一致。相應的融資租賃負債將藉租金付款減融資費用而予以減少。

租金內含的融資費用於租賃期自損益扣除，以使每個會計期間就剩餘債務維持大致恒常不變的定期支出。或然租金在其產生的會計期間內在損益中扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.23 Leases (Continued)

Operating lease charges as the lessee

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to the profit or loss on a straight-line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

3.24 Share-based payment transactions

Equity-settled share-based payments to employees and other eligible participants are measured at the fair value of the share options at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 38.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of share options that will eventually vest, with a corresponding increase in share options reserve in equity.

At the end of each reporting period, the Group revises its estimate of the number of share options expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

3. 主要會計政策概要 (續)

3.23 租賃 (續)

作為承租人的經營租賃費用

倘本集團有權使用根據經營租賃持有的資產，則根據租賃期內作出的付款於租賃期內按直線法計入損益表，惟其他基準可更清楚地反映自租賃資產獲得的收益的時間模式則除外。收取的租賃優惠於損益確認，作為合共所作租賃付款淨額的組成部分。或然租金於產生的會計期間自損益扣除。

3.24 以股份為基礎的支付交易

向僱員及其他合資格參與者的人士作出的按股權結算以股份支付的款項乃於授出當日按購股權的公允價值計量。有關釐定按股權結算以股份支付的交易的公允價值的詳情載於附註 38。

於按股權結算以股份支付的款項授出當日釐定的公允價值，根據本集團所估計最終歸屬的購股權，按歸屬期以直線法支銷，權益內之購股權儲備相應增加。

於各報告期末，本集團修改其估計的預期將歸屬的購股權數量。修改原先估計的影響（如有）於損益確認，累計支出反應已修改的估計，對購股權儲備進行相應調整。

就於授出日期立即歸屬的購股權而言，所授出購股權的公允價值立即於損益直銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.24 Share-based payment transactions (Continued)

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

3.25 Discontinued operation

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. The component comprises operations and cash flows that can be clearly distinguished from the rest of the Group and represents a separate major line of business or geographical area of operations, 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.

When an operation is classified as discontinued, a single amount in the consolidated statement of profit or loss and other comprehensive income comprising the total of: (i) the post-tax profit or loss of discontinued operations and (ii) the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal group(s) constituting the discontinued operation.

3. 主要會計政策概要 (續)

3.24 以股份為基礎的支付交易 (續)

當購股權獲行使時，先前於購股權儲備確認的金額將轉撥至股本。倘購股權於歸屬期後失效或於歸屬期仍未行使，則先前於購股權儲備確認的金額將轉撥至保留盈利。

3.25 已終止經營業務

已終止經營業務乃本集團的其中一部分，該等業務已被出售或已被分類為持作出售。該部分包括可明類地與本集團餘下業務區分出來的業務及現金流量，並代表一項獨立的主要業務或地區性的業務，出售一項獨立主要業務或地區性的業務的單一協調計劃的一部份，或專為轉售目的而購入的附屬公司。

當一項業務被分類為已終止經營，便會在綜合損益及其他全面收益表中以單一金額列示，並包括：(i) 已終止經營業務的除稅後溢利或虧損，及(ii) 按公允價值減出售成本計量、或構成已終止經營業務的出售資產或出售組別所確認的除稅後收益或虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.26 Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3.27 Related parties

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

- (a) the party is a person or a close member of that person's family and if that person:
 - (i) has control or joint control over of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

3. 主要會計政策概要 (續)

3.26 分部報告

經營分部及綜合財務報表所呈報的各分部項目金額，乃根據就分配資源予本集團各業務及地區分部及評估其表現而定期提供予本集團最高層管理人員的財務資料而確定。

個別而言屬重要的經營分部不會合計以供財務報表的用，但如該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別而言屬不重要的經營分部如果符合以上大部分準則，則可以合計為一個分部報告。

3.27 關聯方

符合以下條件的人士被視為與本集團有關聯：

- (a) 該人士為符合以下條件的人士或近親，且該人士：
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.27 Related parties (Continued)

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

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.

3. 主要會計政策概要 (續)

3.27 關聯方 (續)

- (b) 該人士為實體且符合以下任何條件：
- (i) 該實體及本集團為同一集團的成員公司。
 - (ii) 該實體為其他實體（或為該實體所屬集團成員公司的聯營公司或合營企業）的聯營公司或合營企業。
 - (iii) 該實體及本集團為同一第三方的合營企業。
 - (iv) 一個實體為某第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體屬本集團或與本集團有關聯的實體就僱員福利設立的離職後福利計劃。
 - (vi) 該實體由一名於(a)指明的人士控制或共同控制。
 - (vii) 於(a)(i)指明的對該實體有重大影響力或為該實體（或該實體的母公司）的主要管理層成員。
 - (viii) 該實體或其所屬集團的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。

個別人士的近親指與該實體交易時預期可影響該個別人士或受該個別人士影響的家族成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

4. ADOPTION OF NEW AND AMENDED HKFRSS

The HKICPA has issued a number of new and amended HKFRSSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

At the date of authorisation of these consolidated financial statements, the Group has not early applied the following new and amended HKFRSSs which are relevant to the Group's operations that have been issued but are not yet effective.

HKFRS 9	Financial Instruments ²
HKFRS 15	Revenue from Contracts with Customers ²
HKFRS 16	Leases ³
Amendments to HKAS 7	Disclosure Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ¹
Amendments to HKAS 2	Classification and Measurement of Share-based Payment Transactions ²

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2018

³ Effective for annual periods beginning on or after 1 January 2019

The Group is in the process of making an assessment of the impact of these new and amended HKFRSSs upon initial application. Currently it has been considered that adoption of them is unlikely to have an impact on the Group's results of operations and financial position, except for the following:

4. 採納新訂及經修訂香港財務報告準則

香港會計師公會頒佈多項新訂及經修訂香港財務報告準則，並於本集團本會計期間首次生效。該等發展對本集團所編製或呈列之本期或往期業績及財務狀況概無重大影響。

於批准綜合財務報表日期，下列與本集團營運有關之新訂及經修訂香港財務報告準則已頒佈但尚未生效，且未獲本集團提早採納。

香港財務報告準則第9號	金融工具 ²
香港財務報告準則第15號	客戶合約收益 ²
香港財務報告準則第16號	租賃 ³
香港會計準則第7號(修訂本)	披露方案 ¹
香港會計準則第12號(修訂本)	就未實現虧損確認遞延稅項資產 ¹
香港會計準則第2號(修訂本)	以股份支付交易之分類及計量 ²

¹ 於二零一七年一月一日或以後開始之年度期間生效

² 於二零一八年一月一日或以後開始之年度期間生效

³ 於二零一九年一月一日或以後開始之年度期間生效

本集團正評估初次應用該等新訂及經修訂香港財務報告準則之影響。本集團目前認為採納該等新訂及經修訂香港財務報告準則不太可能對本集團之經營業績及財務狀況造成影響，惟下列除外：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

4. ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

HKFRS 9 “Financial Instruments” (“HKFRS 9”)

The release of HKFRS 9 represents the completion of the project to replace HKAS 39. The new standard introduces extensive changes to HKAS 39’s guidance on the classification and measurement of financial assets and introduces a new ‘expected credit loss’ model for the impairment of financial assets. HKFRS 9 also provides new guidance on the application of hedge accounting.

The directors have started to assess the impact of HKFRS 9 but are not yet in a position to provide quantified information. At this stage the main areas of expected impact are as follows:

- the classification and measurement of the Group’s financial assets will need to be reviewed based on the new criteria that considers the assets’ contractual cash flows and the business model in which they are managed.
- an expected credit loss-based impairment will need to be recognised on the Group’s trade receivables.

HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”)

HKFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and HK(IFRIC)-Int 13 “Customer Loyalty Programmes”. It also includes guidance on when to capitalise costs of obtaining or fulfilling a contract not otherwise addressed in other standards, and includes expanded disclosure requirements. The impact of the standard is currently being assessed. It is not yet practicable to quantify the effect on the consolidated financial statements.

4. 採納新訂及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」 〔香港財務報告準則第9號〕

香港財務報告準則第9號之發佈表示香港會計準則第39號已被取代。新準則對香港會計準則第39號關於金融資產之分類及計量之指引作出大幅修改，並就金融資產之減值推出新「預計信貸虧損」模式。香港財務報告準則第9號亦就採用對沖會計提供新指引。

董事已開始評估香港財務報告準則第9號之影響，惟尚未能提供量化資料。在此階段，預期受影響之主要方面如下：

- 本集團金融資產之分類及計量將需按照新標準審閱，當中會考慮資產之合約現金流量及管理業務模式。
- 預期信貸虧損減值將需就本集團之貿易應收賬款進行確認。

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〕

香港財務報告準則第15號確立釐定確認收益之方法、數額及時間之全面框架。該準則取代現有收益確認指引，包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及香港（國際財務報告詮釋委員會）— 詮釋第13號「客戶忠誠計劃」。該準則亦載有何時資本化取得或履行未按其他標準另行處理之合約成本之指引，並包括擴大之披露要求。該準則之影響正在評估中，量化該準則對綜合財務報表之影響尚未切實可行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

4. ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

HKFRS 16 “Leases” (“HKFRS 16”)

HKFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17 “Leases” (“HKAS 17”). Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. It replaces HKAS 17 and the related interpretations including HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease”. The impact of the standard is currently being assessed. It is not yet practicable to quantify the effect on the consolidated financial statements.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group’s accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. 採納新訂及經修訂香港財務報告準則 (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〕

香港財務報告準則第 16 號引入單一承租人之會計處理模式，並規定承租人就所有為期超過 12 個月之租賃以確認其資產及負債，惟相關資產屬低價值資產則作別論。承租人須確認使用權資產（其使用相關租賃資產之權利）及租賃負債（指其支付租賃款項之責任）。香港財務報告準則第 16 號大致轉承香港會計準則第 17 號「租賃」〔香港會計準則第 17 號〕之出租人會計法規定。故此，出租人繼續將其租賃分類為經營租賃或融資租賃，並以不同方法將兩類租賃入賬。該準則取代香港會計準則第 17 號及相關詮釋（包括香港（國際財務報告詮釋委員會）— 詮釋第 4 號「釐定一項安排是否包括租賃」）。該準則之影響正在評估中，量化該準則對綜合財務報表之影響尚未可行。

5. 重大會計判斷及估計不確定因素的主要來源

於應用本集團的會計政策（詳述於附註 3）時，本公司董事須對無法自其他來源直接獲得的資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及被視作相關的其他因素而作出。實際結果可能有別於估計。

估計及有關假設乃持續檢討。倘會計估計的修訂僅影響修訂期間，則僅於修訂期間確認；倘修訂同時影響修訂期間及未來期間，則於修訂期間及未來期間確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

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

Impairment of non-current assets

The Group reviews the carrying amounts of the non-current assets at the end of the reporting period to determine whether there is objective evidence of impairment. When indication of impairment is identified, management prepares discounted future cash flow to assess the differences between the carrying amount and value in use or fair value less costs of disposal and provide for the impairment loss. Any change in assumption adopted in the cash flow forecasts or fair value assessments would increase or decrease in the provision of impairment loss and affect the Group's profit or loss in the year. As at 31 December 2016, the carrying values of property, plant and equipment and intangible assets of the Group were approximately HK\$103,649,000 and HK\$39,153,000 respectively (2015: HK\$114,370,000 (restated) and HK\$43,715,000 (restated) respectively). No impairment loss was recognised during the year ended 31 December 2016 (2015: HK\$Nil).

Impairment of trade and other receivables

Impairment losses on trade and other receivables are assessed and provided based on the directors' regular review of ageing analysis and evaluation of collectability. A considerable level of judgement is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer. An increase or decrease in the above impairment loss would affect the profit or loss in the year and in future years. As at 31 December 2016, the carrying amount of trade and other receivables of the Group was approximately HK\$88,379,000 (2015: HK\$146,903,000 (restated)), net of allowance for doubtful debts of approximately HK\$10,956,000 (2015: HK\$10,871,000).

5. 重大會計判斷及估計不確定因素的主要來源 (續)

於報告期末有關未來及其他主要估計不確定因素來源，且存在導致下一個財政年度內資產及負債賬面值須作重大調整的重大風險的主要假設論述如下。

非流動資產減值

本集團於報告期末檢討非流動資產的賬面值，以釐定是否存在客觀的減值憑證。於發現減值跡象時，管理層編製未來的貼現現金流量，評估賬面值與使用價值或公允價值減出售成本的差額並計提減值虧損撥備。倘現金流量預測或公允價值評估所採用的假設發生變動，則將導致減值虧損撥備金額增加或減少並影響本集團該年度的損益。於二零一六年十二月三十一日，本集團物業、機器及設備以及無形資產的賬面值分別約為103,649,000港元及39,153,000港元（二零一五年：分別為114,370,000港元（經重列）及43,715,000港元（經重列））。於截至二零一六年十二月三十一日止年度概無減值虧損確認（二零一五年：零港元）。

貿易及其他應收賬款減值

貿易及其他應收賬款的減值虧損乃根據董事對賬齡分析的定期審閱和對可收回程度的評估予以評定及計提撥備。董事於評估各個別客戶的信譽度及過往收款記錄時會做出大量判斷。上述減值虧損增加或減少將影響本年度及未來年度的溢利或虧損。於二零一六年十二月三十一日，本集團貿易及其他應收賬款的賬面值約為88,379,000港元（二零一五年：146,903,000港元（經重列）），已扣除呆賬撥備約10,956,000港元（二零一五年：10,871,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Allowance for inventories

The Group performs regular review of the carrying amounts of inventories with reference to aged inventories analysis, expected future consumption and management judgement. Based on this review, write-down of inventories will be made when the carrying amounts of inventories decline below their estimated net realisable value. Significant judgement is required. In making this judgement, the Company evaluates, amongst other factors, the duration and extent and the means by which the amount will be recovered. These estimates are based on the current market condition and past experience in sales of similar products. Due to changes in technology and market conditions, actual consumption may be different from estimation and profit or loss could be affected by differences in this estimation. As at 31 December 2016, the carrying amount of inventories of the Group was approximately HK\$32,048,000 (2015: HK\$31,446,000 (restated)), net of allowance for inventories of approximately HK\$900,000 (2015: HK\$4,341,000).

Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions and interpretation of tax rules. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Details of taxation are set out in note 13.

Deferred tax assets have not been recognised for unutilised tax losses and deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future profit will be available against which the unused tax credit can be utilised, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

5. 重大會計判斷及估計不確定因素的主要來源 (續)

存貨撥備

本集團參考貨齡分析、預期未來消費量及管理層判斷定期檢討存貨的賬面值。根據該檢討，倘存貨賬面值跌至低於其估計可變現淨值，則對存貨進行撇減。該過程須作出重大判斷。於作出判斷時，本公司評估可收回金額的時間、程度及方式以及其他因素。該等估計乃基於當前市況及類似產品的過往銷售情況而定。科技變革及市況變化可能導致實際消費量有別於估計，所產生的差異可能對溢利或虧損產生影響。於二零一六年十二月三十一日，本集團存貨的賬面值約為32,048,000港元（二零一五年31,446,000港元（經重列）），已扣除存貨撥備約900,000港元（二零一五年：4,341,000港元）。

所得稅

釐定所得稅撥備須對特定交易的未來稅務處理和稅務規則的詮釋作出判斷。本集團仔細評估交易的稅務影響，並相應設立撥備。該等交易的稅務處理定期予以重新考慮，以計入稅務法例的所有變動。稅項詳情載於附註13。

未動用稅項虧損及可扣稅暫時差額並未確認遞延稅項資產。由於僅在有可能獲得可使用未動用稅項抵免予以抵銷的未來溢利時方可確認遞延稅項資產，管理層須按此作出判斷，評估獲得未來應課稅溢利的可能性。管理層會定期檢討該等評估，並在有可能獲得可供收回遞延稅項資產的未來應課稅溢利的情況下確認額外的遞延稅項資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Amortised cost of amount due to a director

The directors of the Company use their best estimation to determine the effective interest rate in calculating the amortised cost of amount due to a director, with reference to the market rates. Should the estimates applied are different, the carrying value of these amounts will be changed. As at 31 December 2016, the carrying amounts of amount due to a director were approximately HK\$68,325,000 (2015: HK\$142,096,000).

Amortisation charges of intangible assets and depreciation charges of property, plant and equipment

Intangible assets and property, plant and equipment are amortised or depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value, if any. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of amortisation or depreciation expense to be recorded during each financial year. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. As at 31 December 2016, the carrying amounts of intangible assets and property, plant and equipment of the Group were approximately HK\$39,153,000 and HK\$103,649,000. (2015: HK\$43,715,000 (restated) and HK\$114,370,000 (restated)) respectively. The amortisation or depreciation expense for future periods is adjusted if there are significant changes from previous estimates. Carrying amounts of the intangible assets and property plant and equipment are set out in notes 18 and 16 respectively.

5. 重大會計判斷及估計不確定因素的主要來源 (續)

應付一名董事款項的攤銷成本

本公司董事採用最佳估計並參考市場利率，釐定計算應付一名董事款項的攤銷成本的實際利率。倘採用不同的估計，則該等金額的賬面值將發生變動。於二零一六年十二月三十一日，應付一名董事款項的賬面值約為68,325,000港元（二零一五年：142,096,000港元）。

無形資產攤銷費用及物業、機器及設備折舊費用

無形資產的攤銷或物業、機器及設備的折舊是根據預計可使用年期扣除估計剩餘價值（如有）後，按直線法計算。本集團定期審閱資產的可使用年期，以確定在各財政年度應予入賬的攤銷或折舊費用的數額。可使用年期乃根據本集團以往在類似資產上的經驗而作出，並考慮到預期發生的技術上的變化。於二零一六年十二月三十一日，無形資產及物業、機器及設備的賬面值分別為39,153,000港元及103,649,000港元（二零一五年：43,715,000港元（經重列）及114,370,000港元（經重列））。如果原有估計發生任何重大變化，未來期間內的攤銷或折舊費用將被調整。無形資產及物業、機器及設備的賬面值分別見附註18及16。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

6. REVENUE

The Group's principal activities are disclosed in note 1 to the consolidated financial statements. Revenue from the Group's principal activities recognised during the year is as follows:

6. 收益

本集團主要業務於綜合財務報表附註1披露。本集團主要業務於年內確認的收益如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務		
Sales of electronic components	銷售電子元件	225,204	345,033
Hotel operation income	酒店經營收入	42,217	41,081
Property management income	物業管理收入	42,726	27,145
		310,147	413,259

7. SEGMENT INFORMATION

The Group is principally engaged in the manufacturing and sales of electronic components, hotel operation, property management and properties development. The Group's reportable and operating segments, based on information reported to the Chief Executive Officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on goods or services provided are as follows:

7. 分部資料

本集團主要從事製造及銷售電子元件、酒店經營、物業管理及物業發展。本集團的可呈報營運分部乃根據報告予首席執行官（即最高營運決策者）作資源分配及評估分部間所出售的產品及提供服務之表現的資料，如下所示：

(1) Electronic components

Sales and manufacturing of electronic components for electronic appliances and communication equipment.

(1) 電子元件

銷售及製造電子設備和通訊設備專用的電子元件。

(2) Hotel operation

Operation of a resort in Canada.

(2) 酒店經營

經營一間位於加拿大的渡假酒店。

(3) Property management

Property management in the PRC.

(3) 物業管理

於中國提供物業管理服務。

(4) Properties development

Properties development in the PRC.

(4) 物業發展

於中國發展物業。

No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable and operating segments of the Group.

在達致本集團可呈報營運分部時，概無將主要營運決策者所識別的營運分部予以合併。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)**Segment results, assets and liabilities**

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

For the purposes of monitoring segment performances and allocating resources between segments for the years ended 31 December 2016 and 2015:

- all assets are allocated to reportable segments other than restricted bank deposits, short-term bank deposit with original maturity more than three months, bank balances and cash, club memberships and unallocated head office and corporate assets; and
- all liabilities are allocated to reportable segments other than unallocated head office and corporate liabilities, obligation under finance leases, deferred tax liabilities, amount due to a director, secured loans and bonds.

7. 分部資料 (續)**分部業績、資產及負債**

為評估分部表現及在各分部間分配資源，本集團的高級行政管理人員按下列基準監控各可呈報分部的業績、資產及負債：

收益及開支分配至各可呈報分部乃參考各分部產生的銷售額以及該等分部產生或因該等分部的資產折舊或攤銷而產生的開支。

截至二零一六年及二零一五年十二月三十一日止年度，為監督分部表現及在各分部之間分配資源：

- 除受限制銀行存款，原到期日超過三個月之短期銀行存款、銀行結餘及現金、會所會籍及未分配之總部及公司資產外，所有資產分配至可呈報分部；及
- 除未分配之總部及公司負債、融資租賃責任、遞延稅項負債、應付一名董事款項、抵押貸款及債券外，所有負債分配至可呈報分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

7. 分部資料 (續)

(a) The following is an analysis of the Group's revenue and results by reportable and operating segments:

(a) 本集團可呈報營運分部的收益及業績分析如下：

2016

二零一六年

		Continuing operations			Discontinued operation	Total
		持續經營業務			已終止經營業務	
		Electronic components	Hotel operation	Property management	Properties development	Total
		電子元件	酒店經營	物業管理	物業發展	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue from external customers	來自外部客戶之收益	225,204	42,217	42,726	-	310,147
Segment (loss)/profit	分部(虧損)/溢利	(54,128)	3,953	8,870	(370)	(41,675)
Finance costs	融資成本	-	(570)	-	-	(570)
Depreciation	折舊	(6,668)	(2,800)	(48)	(16)	(9,532)
Interest income	利息收入	82	20	14	-	116
Amortisation	攤銷	-	-	(4,562)	-	(4,562)
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	585	-	-	-	585
Provision for doubtful debts	呆賬撥備	(277)	-	-	-	(277)
Reversal for provision for doubtful debts	呆賬撥備回撥	189	-	-	-	189
Allowance for inventories	存貨撥備	(900)	-	-	-	(900)
Reversal of allowance for inventories	存貨撥備回撥	1,199	-	-	-	1,199
Segment assets	分部資產	104,831	87,747	69,110	-	261,688
Additions to non-current segment assets during the year	年內添置非流動分部資產	1,712	239	131	-	2,082
Segment liabilities	分部負債	134,371	5,306	10,185	-	149,862

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

- (a) The following is an analysis of the Group's revenue and results by reportable and operating segments (Continued):

2015

		Continuing operations			Discontinued	Total
		持續經營業務			已終止	
		Electronic components	Hotel operation	Property management	Properties development	
		Electronic components	Hotel operation	Property management	Properties development	Total
		電子元件	酒店經營	物業管理	物業發展	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
		(Restated)		(Restated)		
		(經重列)		(經重列)		
Revenue from external customers	來自外部客戶之收益	345,033	41,081	27,145	-	413,259
Segment (loss)/profit	分部(虧損)/溢利	(39,083)	4,971	46,958	(3,768)	9,078
Finance costs	融資成本	-	-	-	-	-
Depreciation	折舊	(7,070)	(2,722)	(40)	(154)	(9,986)
Interest income	利息收入	232	-	14	3	249
Amortisation	攤銷	-	-	(1,901)	-	(1,901)
Gain/(loss) on disposal of property, plant and equipment	出售物業、機器及設備之收益/(虧損)	21	(14)	-	-	7
Provision for doubtful debts	呆賬撥備	(27)	-	-	-	(27)
Reversal for provision for doubtful debts	呆賬撥備回撥	111	-	-	-	111
Allowance for inventories	存貨撥備	(4,341)	-	-	-	(4,341)
Reversal of allowance for inventories	存貨撥備回撥	1,703	-	-	-	1,703
Segment assets	分部資產	183,223	85,526	63,551	135,310	467,610
Additions to non-current segment assets during the year	年內添置非流動分部資產	21,413	487	43,755	6	65,661
Segment liabilities	分部負債	148,861	3,769	24,969	133,997	311,596

7. 分部資料(續)

- (a) 本集團可呈報營運分部的收益及業績分析如下(續):

二零一五年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

7. 分部資料 (續)

(b) Reconciliation of reportable segment (loss)/profit, assets and liabilities:

(b) 可呈報分部 (虧損) / 溢利、資產及負債的對賬：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
(Loss)/profit from continuing operations	持續經營業務之 (虧損) / 溢利		
Segment (loss)/profit	分部 (虧損) / 溢利	(41,305)	12,846
Interest income	利息收入	10	12
Gain on disposal of a subsidiary	出售附屬公司之收益	-	110
Gain on amount due to a director stated at fair value upon initial recognition	按公允價值呈列應付一名董事款項之初步確認收益	6,688	5,646
Depreciation	折舊	(152)	(255)
Other finance costs	其他融資成本	(17,332)	(17,822)
Unallocated head office and corporate expenses	未分配總部及公司開支	(20,409)	(23,839)
Consolidated loss before income tax	綜合除所得稅前虧損	(72,500)	(23,302)
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Assets	資產		
Reportable segment assets	可呈報分部資產	261,688	467,610
Restricted bank deposits	受限制銀行存款	3,090	11,768
Short-term bank deposit with original maturity more than three months	原到期日超過三個月的短期銀行存款	1,000	1,000
Bank balances and cash	銀行結餘及現金	52,795	49,443
Club memberships	會所會籍	600	600
Unallocated head office and corporate assets	未分配總部及公司資產	1,541	3,321
Consolidated total assets	綜合資產總額	320,714	533,742

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

(b) Reconciliation of reportable segment (loss)/profit, assets and liabilities (Continued):

7. 分部資料 (續)

(b) 可呈報分部 (虧損) / 溢利、資產及負債的對賬 (續) :

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	149,862	311,596
Obligation with finance leases	融資租賃責任	156	304
Amount due to a director	應付一名董事款項	68,325	142,096
Bonds	債券	40,000	40,000
Secured loans	抵押貸款	39,898	62,006
Deferred tax liabilities	遞延稅項負債	7,673	6,940
Unallocated head office and corporate liabilities	未分配總部及公司負債	9,287	5,350
Consolidated total liabilities	綜合負債總額	315,201	568,292

The Group has amended the format of management information provided to the chief operating decision maker for the purpose of assessing the performance of the operating segments due to the acquisition of subsidiaries engaged in the provision of property management services.

因收購從事提供物業管理服務的附屬公司，本集團已修訂提供予主要經營決策者評估經營分部表現的管理層資料的格式。

Geographical information

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, club memberships and deposits for purchase of property, plant and equipment and the location of the operation to which they are allocated, in the case of intangible assets. The Group's operations are principally located in Hong Kong, Korea, Canada and the PRC (excluding Hong Kong).

地區資料

客戶的地理位置按提供服務或交付貨品的地理位置釐定。非流動資產的地理位置按資產的實際位置釐定 (物業、機器及設備、會所會籍及購買物業、機器及設備的按金)，無形資產的地理位置按其所在的經營地點釐定。本集團業務主要位於香港、韓國、加拿大及中國 (香港除外)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

7. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

The Group's revenue from external customers and information about its non-current assets by geographical location of the assets are detailed below:

		Revenue from external customers		Non-current assets	
		來自外部客戶之收益		非流動資產	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
			(Restated)		(Restated)
			(經重列)		(經重列)
Hong Kong	香港	159,723	207,160	2,494	3,189
The PRC	中國 (香港除外)				
(excluding Hong Kong)		89,375	87,725	55,844	72,064
Korea	韓國	14,464	70,558	-	13
Canada	加拿大	42,217	41,081	85,064	83,625
Others	其他	4,368	6,735	-	-
		310,147	413,259	143,402	158,891

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Customer A ¹	客戶 A ¹	129,956	170,312
Customer B ¹	客戶 B ¹	N/A 不適用	89,173
Customer C ¹	客戶 C ¹	41,013	N/A 不適用

¹ Customers from electronic components segment.

¹ 來自電子元件分部的客戶。

7. 分部資料 (續)

地區資料 (續)

本集團來自外部客戶之收益及有關其非流動資產之資料按資產所在地詳列如下：

有關主要客戶之資料

貢獻收益超過本集團總收益 10% 的主要客戶載列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

8. OTHER INCOME

8. 其他收入

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務		
Interest income from bank deposits	銀行存款之利息收入	126	258
Gain on disposal of property, plant and equipment	出售物業、機器及設備的收益	585	7
Gain on amount due to a director stated at fair value upon initial recognition	按公允價值呈列應付一名董事款項之初步確認的收益	6,688	5,646
Gain on disposal of a subsidiary	出售一間附屬公司之收益	-	110
Reversal of provision for doubtful debts	撥回呆賬撥備	189	111
Government grants (note)	政府補助(附註)	2,982	69
Bargain purchase gain arising on business combination (note 33)	業務合併產生的議價收益(附註33)	-	39,056
Others	其他	1,784	1,203
		12,354	46,460
Discontinued operation	已終止經營業務		
Interest income from bank deposits	銀行存款之利息收入	-	3

Note:

During the year ended 31 December 2016, the Group received government grants of RMB2,000,000 (equivalent to approximately HK\$2,338,000) in respect of operating activities which are unconditional grants or grants with conditions have been satisfied to finance the energy savings entity from the electronic components segment.

附註：

於截至二零一六年十二月三十一日止年度，本集團就經營活動獲得政府補助人民幣2,000,000元(相等於約2,338,000港元)，乃屬無條件補貼或已達成有關條件的補貼，用以資助電子元件分部的節能實體。

9. FINANCE COSTS

9. 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務		
Interests on:	利息：		
- Finance leases	- 融資租賃	12	19
- Secured loans	- 抵押貸款	10,077	13,138
- Bonds	- 債券	4,550	2,422
- Imputed interest on amount due to ultimate holding company	- 應付最終控股公司款項之推算利息	-	1,624
- Imputed interest on amount due to a director	- 應付一名董事款項之推算利息	3,263	619
		17,902	17,822

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

10. LOSS BEFORE INCOME TAX

Loss before income tax has been arrived at after charging/
(crediting):

10. 除所得稅前虧損

除所得稅前虧損的計算已扣除／(計入)：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務		
Auditor's remuneration	核數師酬金	880	880
Operating lease charges: minimum lease payments# *	經營租賃費用： 最低租賃付款# *	8,573	8,682
Staff costs (including directors' remuneration disclosed in note 11)*	員工成本(包括董事酬金， 於附註11披露)*	120,632	127,386
– salaries, wages, allowances, long service payment and other benefits in kind	– 薪金、工資、津貼、 長期服務金及 其他實物福利	113,441	120,810
– retirement schemes contributions	– 退休計劃的供款	5,957	5,823
– Equity-settled share-based payment expenses	– 以股權結算的股份 付款開支	1,234	753
Cost of inventories*	存貨成本*	157,390	234,909
Reversal of provision for doubtful debts (note 22)	呆賬撥備回撥(附註22)	(189)	(111)
Bargain purchase gain arising on business combination (note 33)	業務合併產生的議價收益 (附註33)	–	(39,056)
Provision for doubtful debts (note 22)	呆賬撥備(附註22)	277	27
Net foreign exchange loss/(gain)	匯兌虧損／(收益)淨額	219	(1,873)
Allowance for inventories (note 20)	存貨撥備(附註20)	900	4,341
Reversal of allowance for inventories (note 20)	存貨撥備回撥(附註20)	(1,199)	(1,703)
Depreciation*	折舊*	9,668	10,238
Amortisation of intangible assets (note 18)	無形資產攤銷(附註18)	4,562	1,901
Discontinued operation	已終止經營業務		
Depreciation	折舊	16	154

Minimum lease payments include an amount of approximately HK\$1,497,000 (2015: HK\$1,610,000) for staff quarters which is also included and disclosed in staff costs.

* Cost of inventories includes HK\$87,345,000 (2015: HK\$95,875,000) relating to staff costs, depreciation and operating lease charges, which amounts are also included in the respective total amounts disclosed separately above for each of these types of expenses.

The cash (used in)/generated from operating activities, investing activities and financing activities from discontinued operation were (HK\$14,000), (HK\$127,000) and HK\$Nil respectively (2015: HK\$179,000, (HK\$5,000) and HK\$Nil respectively).

最低租賃付款包括租賃員工宿舍的金額約1,497,000港元(二零一五年：1,610,000港元)，該金額亦已計入員工成本並作出披露。

* 存貨成本包括與員工成本、折舊及經營租賃費用有關的87,345,000港元(二零一五年：95,875,000港元)，該等金額亦已計入上文就各項該等類型開支單獨披露的各自總金額。

已終止經營業務的經營活動、投資活動及融資活動(所用)／產生的現金分別為(14,000港元)、(127,000港元)及零港元(二零一五年：分別為179,000港元、(5,000港元)及零港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's emoluments, disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

2016

11. 董事及行政總裁的酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露董事及行政總裁的酬金如下：

二零一六年

		Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及 實物福利 HK\$'000 千港元	Retirement benefits schemes contributions 退休福利 計劃供款 HK\$'000 千港元	Share-based payment expenses 以股份支付 的開支 HK\$'000 千港元 (note i) (附註 i)	Total 總計 HK\$'000 千港元
Executive directors	執行董事					
Mr. Shen Yong (<i>Chairman</i>)	申勇先生 (主席)	-	1,200	-	-	1,200
Mr. Gan Lin (<i>Chief Executive Officer</i>) (note g)	甘霖先生 (行政總裁) (附註 g)	-	522	-	-	522
Mr. Hong Sang Joon	洪祥準先生	-	1,364	18	-	1,382
Mr. Shen Ke	申柯先生	-	600	-	-	600
Mr. Kaneko Hiroshi (Note b)	金子博先生 (附註 b)	-	2,282	18	1,234	3,534
Non-executive director	非執行董事					
Mr. Huang Xiang Yang (note h)	黃向陽先生 (附註 h)	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Dr. Loke Yu (note c)	陸海林博士 (附註 c)	169	-	-	-	169
Mr. Yu Lei	余磊先生	120	-	-	-	120
Ms. Zhang Cui Lan (note d)	張翠蘭女士 (附註 d)	36	-	-	-	36
Mr. Ernst Rudolf Zimmermann	司馬文先生	180	-	-	-	180
		505	5,968	36	1,234	7,743

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

11. 董事及行政總裁的酬金 (續)

2015

二零一五年

		Fees	Salaries, allowances and benefits in kind	Retirement benefits schemes contributions	Share-based payment expenses	Total
		袍金	薪金、津貼及實物福利	退休福利計劃供款	以股份支付的開支	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
					(note i)	
					(附註i)	
Executive directors	執行董事					
Mr. Shen Yong (Chairman)	申勇先生 (主席)	–	1,200	–	–	1,200
Mr. Hong Sang Joon	洪祥準先生	–	1,349	18	–	1,367
Mr. Li Zhi (note e)	李智先生 (附註e)	–	157	–	–	157
Mr. Shen Ke	申柯先生	–	600	–	–	600
Mr. Kwan Man Kit Edmond (note f)	關文傑先生 (附註f)	–	708	6	493	1,207
Mr. Zhao Enze (note a)	趙恩澤先生 (附註a)	–	643	–	–	643
Mr. Fan Jiangang (note a)	范劍剛先生 (附註a)	–	77	–	–	77
Mr. Kaneko Hiroshi (note b)	金子博先生 (附註b)	–	892	7	260	1,159
Independent non-executive directors	獨立非執行董事					
Mr. Yu Lei	余磊先生	120	–	–	–	120
Ms. Zhang Cui Lan	張翠蘭女士	120	–	–	–	120
Mr. Ernst Rudolf Zimmermann	司馬文先生	180	–	–	–	180
		420	5,626	31	753	6,830

Notes:

附註：

- (a) Mr. Zhao Enze and Mr. Fan Jiangang were appointed as executive directors on 16 February 2015 and resigned on 25 September 2015.
- (a) 趙恩澤先生及范劍剛先生於二零一五年二月十六日獲委任為執行董事及於二零一五年九月二十五日辭任。
- (b) Mr. Kaneko Hiroshi was appointed on as an executive director 31 August 2015 and resigned on 30 December 2016.
- (b) 金子博先生於二零一五年八月三十一日獲委任為執行董事及於二零一六年十二月三十日辭任。
- (c) Dr. Loke Yu was appointed as an independent non-executive director of the Company on 26 April 2016.
- (c) 陸海林博士於二零一六年四月二十六日獲委任為本公司獨立非執行董事。
- (d) Ms. Zhang Cui Lan resigned on 18 April 2016.
- (d) 張翠蘭女士於二零一六年四月十八日辭任。
- (e) Mr. Li Zhi resigned on 16 February 2015.
- (e) 李智先生於二零一五年二月十六日辭任。
- (f) Mr. Kwan Man Kit Edmond was appointed on 10 June 2014 and resigned on 13 March 2015.
- (f) 關文傑先生於二零一四年六月十日獲委任及於二零一五年三月十三日辭任。
- (g) Mr. Gan Lin was appointed as an executive director and Chief Executive Officer on 18 April 2016 and 30 December 2016 respectively.
- (g) 甘霖先生分別於二零一六年四月十八日及二零一六年十二月三十日獲委任為執行董事及行政總裁。
- (h) Mr. Huang Xiang Yang was appointed as a non-executive director on 30 December 2016.
- (h) 黃向陽先生於二零一六年十二月三十日獲委任為非執行董事。
- (i) The value of share options granted to the directors is measured according to the Group's accounting policy for share-based payment transactions as set out in note 3.24. The details including the principal terms and number of options granted are disclosed in note 38.
- (i) 授予董事的購股權的價值乃根據本集團有關股份支付交易的會計政策進行計量，詳情載於附註3.24。該等詳情（包括已授出購股權的主要條款及數目）於附註38披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

12. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2015: four) are directors whose emoluments are reflected in the analysis presented in note 11. The emoluments in respect of the remaining two (2015: one) individual during the year are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,953	1,325
Retirement benefits schemes contributions	退休福利計劃供款	39	16
		1,992	1,341

The above individual's emoluments were within the following bands:

		Number of individuals 僱員人數	
		2016 二零一六年	2015 二零一五年
HK\$500,000 – HK\$1,000,000	500,000 港元至 1,000,000 港元	1	–
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	1

There was no arrangement during the years ended 31 December 2016 and 2015, under which a director or the five highest paid individuals waived or agreed to waive any remuneration, and no emoluments were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office.

12. 最高薪酬個別人士

本集團五名最高薪人士中，三名（二零一五年：四名）為本公司董事及行政總裁，其酬金已於上文附註11內作出披露。餘下兩名（二零一五年：一名）人士的酬金總額詳情如下：

上述人士的酬金範圍載列如下：

於截至二零一六年及二零一五年十二月三十一日止年度，董事或五名最高薪酬人士概無根據任何安排放棄或同意放棄任何酬金，且本集團並無向董事或五名最高薪酬人士已付任何酬金，以作為加盟本集團或於加盟本集團時的獎金或作為離職補償。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

13. INCOME TAX EXPENSES

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

13. 所得稅開支

綜合損益及其他全面收益表的稅項指：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務		
PRC Enterprise Income Tax	中國企業所得稅		
Provision for the year	本年度撥備	8,987	6,098
Deferred tax (note 30)	遞延稅項 (附註30)	733	(113)
		9,720	5,985

Notes:

- (a) No Hong Kong Profits Tax has been provided in the consolidated financial statements as the Group had no assessable profit in Hong Kong for the years ended 31 December 2016 and 2015.
- (b) Provision for the PRC Enterprise Income Tax are calculated at 25% of the estimated assessable profits for the years ended 31 December 2016 and 2015.
- (c) Provision for the PRC Enterprise Income Tax for Nuofute Property Management is calculated at 15% of the estimated assessable profits for the years ended 31 December 2016 and 2015. Nuofute Property Management is qualified as a company under the development strategy of the PRC's western region and is able to enjoy a preferential income tax rate of 15%.
- (d) The Korea Branches operated in Korea are subject to Korean Corporate Income Tax. The basic Korean Corporate Tax rates for the years ended 31 December 2016 and 2015 are 11% on the first KRW200,000,000 of the tax base and 22% for the excess. In addition to the basic tax rate, there is a resident surcharge of 10% on the income tax liability. No provision for taxation has been made as there is no assessable profit for the years ended 31 December 2016 and 2015.
- (e) Canadian Corporation Tax is calculated at Federal tax rate of 15% and British Columbia provincial tax rate of 11% on the estimated assessable profits for the years ended 31 December 2016 and 2015. No provision for taxation has been made as there is no assessable profit for the years ended 31 December 2016 and 2015.
- (f) Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI.

附註：

- (a) 由於本集團截至二零一六年及二零一五年十二月三十一日止年度均無應課稅溢利，故並無於綜合財務報表計提撥備香港利得稅。
- (b) 中國企業所得稅撥備乃以截至二零一六年及二零一五年十二月三十一日止年度的估計應課稅溢利按25%計算。
- (c) 諾富特物業管理的中國企業所得稅撥備乃以截至二零一六年及二零一五年十二月三十一日止各年度的估計應課稅溢利按15%計算。諾富特物業管理乃中國西部大開發下的合資格公司，可享優惠所得稅率15%。
- (d) 在韓國經營的韓國分公司須繳納韓國企業所得稅。截至二零一六年及二零一五年十二月三十一日止年度，基本韓國企業稅率為稅基中首200,000,000韓圓為11%，超過的部分則為22%。除基本稅率外，亦就所得稅負債徵收10%居民附加稅。於截至二零一六年及二零一五年十二月三十一日止年度內均無應課稅溢利，故並無作出稅項撥備。
- (e) 截至二零一六年及二零一五年十二月三十一日止年度，加拿大企業所得稅乃以估計應課稅溢利按聯邦稅率15%及英屬哥倫比亞省稅率11%計算。截至二零一六年及二零一五年十二月三十一日止年度，由於並無應課稅溢利，故並無計提稅項撥備。
- (f) 根據英屬處女群島規則及法規，本集團無須繳交英屬處女群島任何所得稅。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

13. INCOME TAX EXPENSES (Continued)

Reconciliation between accounting (loss)/profit and income tax expenses at applicable tax rate is as follows:

13. 所得稅開支(續)

會計(虧損)／溢利與按適用稅率計算的所得稅開支之間的對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
(Loss)/profit before income tax	除所得稅前(虧損)／溢利		
– from continuing operations	– 來自持續經營業務	(72,500)	(23,302)
– from discontinued operation	– 來自已終止經營業務	56,146	(3,768)
		(16,354)	(27,070)
Notional tax on (loss)/profit before income tax, calculated at the rates applicable to profit in the tax jurisdictions concerned	按照適用於相關稅務司法權區的溢利之稅率，就除所得稅前(虧損)／溢利計算的名義稅項	(3,037)	(8,802)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	7,395	21,464
Tax effect of income not taxable for tax purpose	毋須納稅收入的稅務影響	(6,313)	(7,979)
Tax effect of unused tax losses and other temporary differences not recognised	未動用稅項虧損及其他未確認臨時差異的稅務影響	9,875	1,413
Utilisation of tax losses previously not recognised	使用以往未確認的稅務虧損	–	(111)
Deferred tax charge on distributable profits withholding tax (note 30)	可分派溢利預扣稅的遞延稅項支出(附註30)	1,800	–
Income tax expenses for the year	本年度所得稅開支	9,720	5,985

14. DIVIDEND

No dividend was paid or proposed during the years ended 31 December 2016 and 2015, nor has any dividend been proposed since the end of the reporting period.

14. 股息

截至二零一六年及二零一五年十二月三十一日止年度，並無派付或建議股息，且自報告期末以來亦未建議任何股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

15. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to equity shareholders of the Company is based on the following:

15. 每股(虧損)/盈利

本公司權益股東應佔的每股基本及攤薄(虧損)/盈利乃基於以下項目計算：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
(Loss)/earnings	(虧損)/盈利		
(Loss)/earnings for the purpose of basic (loss)/earnings per share	用於計算每股基本(虧損)/盈利的(虧損)/盈利		
(Loss)/profit for the year attributable to equity shareholders of the Company	本公司權益股東應佔的本年度(虧損)/溢利		
– from continuing operations	– 來自持續經營業務	(82,220)	(29,287)
– from discontinued operation	– 來自自己終止經營業務	56,146	(3,768)
Number of shares	股份數目	'000 千股	'000 千股
Weighted average number of ordinary shares as at 31 December	於十二月三十一日的普通股加權平均數	406,444	327,897

Diluted (loss)/earnings per share for the years ended 31 December 2016 and 2015 equate the basic (loss)/earnings per share as the Group had no potential dilutive ordinary shares in issue during the years ended 31 December 2016 and 2015. The computation of diluted (loss)/earnings per share does not assume the exercise of the Company's share options as the exercise price of those options was higher than the average market price of the Company's shares for the years ended 31 December 2016 and 2015.

截至二零一六年及二零一五年十二月三十一日止兩個年度的每股攤薄(虧損)/盈利與每股基本(虧損)/盈利相等，原因是本集團於截至二零一六年及二零一五年十二月三十一日止兩個年度並無發行潛在攤薄普通股。截至二零一六年及二零一五年十二月三十一日止兩個年度，由於本公司購股權的行使價高於本公司股份的平均市場價，因此計算每股攤薄(虧損)/盈利以本公司購股權不獲行使為假設條件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、機器及設備

		Land and buildings held for own use 持作自用的土地及樓宇 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Other property, plant and equipment 其他物業、機器及設備 HK\$'000 千港元 (Restated – note 3.3) (經重列) (附註3.3)	Total 總計 HK\$'000 千港元 (Restated) (經重列)
Cost	成本						
As at 1 January 2015	於二零一五年一月一日	100,903	93,525	5,156	3,391	47,706	250,681
Exchange adjustments	匯兌調整	(16,390)	(5,549)	(87)	(109)	(3,970)	(26,105)
Additions	添置	32	18,698	216	193	2,807	21,946
Acquisition through business combination under common control (note 33)	透過共同控制下業務合併進行收購(附註33)	-	-	-	-	361	361
Disposals	出售	-	(599)	-	(150)	(1,235)	(1,984)
As at 31 December 2015 and 1 January 2016 (restated)	於二零一五年十二月三十一日及二零一六年一月一日(經重列)	84,545	106,075	5,285	3,325	45,669	244,899
Exchange adjustments	匯兌調整	3,198	(5,460)	21	(57)	(1,332)	(3,630)
Additions	添置	101	892	-	-	1,089	2,082
Disposal through disposal of subsidiaries (note 34)	透過出售附屬公司出售(附註34)	-	-	-	(430)	(243)	(673)
Disposals	出售	-	(13,673)	-	-	(1,026)	(14,699)
As at 31 December 2016	於二零一六年十二月三十一日	87,844	87,834	5,306	2,838	44,157	227,979
Depreciation and impairment	折舊及減值						
As at 1 January 2015	於二零一五年一月一日	2,686	83,816	4,453	1,651	37,311	129,917
Exchange adjustments	匯兌調整	(562)	(4,303)	(36)	(51)	(3,431)	(8,383)
Acquisition through business combination under common control (note 33)	透過共同控制下業務合併進行收購(附註33)	-	-	-	-	282	282
Charge for the year	本年度支銷	1,563	4,736	167	660	3,115	10,241
Written back on disposals	出售時撇銷	-	(480)	-	(150)	(898)	(1,528)
As at 31 December 2015 and 1 January 2016 (restated)	於二零一五年十二月三十一日及二零一六年一月一日(經重列)	3,687	83,769	4,584	2,110	36,379	130,529
Exchange adjustments	匯兌調整	97	(4,236)	6	(38)	(1,381)	(5,552)
Charge for the year	本年度支銷	1,521	4,467	210	453	3,033	9,684
Disposal through disposal of subsidiaries (note 34)	透過出售附屬公司出售(附註34)	-	-	-	(381)	(115)	(496)
Written back on disposals	出售時撇銷	-	(9,225)	-	-	(610)	(9,835)
As at 31 December 2016	於二零一六年十二月三十一日	5,305	74,775	4,800	2,144	37,306	124,330
Carrying values	賬面值						
As at 31 December 2016	於二零一六年十二月三十一日	82,539	13,059	506	694	6,851	103,649
As at 31 December 2015 (Restated)	於二零一五年十二月三十一日(經重列)	80,858	22,306	701	1,215	9,290	114,370

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

16. PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 31 December 2016, the Group's land and buildings held for own use located outside Hong Kong with carrying amount of approximately HK\$82,539,000 (2015: HK\$80,858,000) were pledged to the secured loans (see note 31) issued by the Group.

As at 31 December 2016, a motor vehicle with carrying amount of HK\$199,000 (2015: HK\$399,000) was held under finance leases.

16. 物業、機器及設備 (續)

於二零一六年十二月三十一日，本集團於香港境外持有的自用土地及樓宇賬面值約為82,539,000港元（二零一五年：80,858,000港元）已抵押予本集團發行的抵押貸款（參閱附註31）。

於二零一六年十二月三十一日，根據融資租賃持有的汽車與賬面值為199,000港元（二零一五年：399,000港元）。

17. CLUB MEMBERSHIPS

17. 會所會籍

		HK\$'000 千港元
Cost	成本	
As at 1 January 2015, 31 December 2015 and 31 December 2016	於二零一五年一月一日、 二零一五年十二月三十一日及 二零一六年十二月三十一日	759
Impairment	減值	
As at 1 January 2015, 31 December 2015 and 31 December 2016	於二零一五年一月一日、 二零一五年十二月三十一日及 二零一六年十二月三十一日	(159)
Carrying value	賬面值	
As at 31 December 2015 and 2016	於二零一五年及 二零一六年十二月三十一日	600

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

18. INTANGIBLE ASSETS

18. 無形資產

		Customers relationship 顧客關係 HK\$'000 千港元
Cost	成本	
As at 1 January 2015	於二零一五年一月一日	–
Additions through business combination (note 33)	透過業務合併添置(附註33)	45,616
As at 31 December 2015 (Restated), 1 January 2016 and 31 December 2016	於二零一五年十二月三十一日 (經重列)、二零一六年一月一日及 二零一六年十二月三十一日	45,616
Amortisation	攤銷	
As at 1 January 2015	於二零一五年一月一日	–
Charges for the year	本年度攤銷	1,901
As at 31 December 2015 (Restated) and 1 January 2016	於二零一五年十二月三十一日 (經重列)及二零一六年一月一日	1,901
Charges for the year	本年度攤銷	4,562
As at 31 December 2016	於二零一六年十二月三十一日	6,463
Carrying values	賬面值	
As at 31 December 2016	於二零一六年十二月三十一日	39,153
As at 31 December 2015	於二零一五年十二月三十一日	43,715

The amortisation charge for the year is included in “Other operating expenses” in the consolidated statement of profit or loss and other comprehensive income.

The intangible assets have finite useful lives and amortised on a straight-line basis over 10 years.

本年度攤銷費用計入綜合損益及其他全面收益表「其他經營開支」項下。

無形資產具有有限使用年期，在十年內按直線基準攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

18. INTANGIBLE ASSETS (Continued)

The customers relationship were acquired from third parties through business combinations (see note 33).

The recoverable amount of the cash-generating units (“CGU”) to which the intangible assets allocated to has been determined based on a value-in-use calculation. The calculation uses cash flow projection based on financial budgets approved by management covering a ten-year period with a discount rate of 15.6% (2015: 15.6%) per annum. The cash flows beyond three-year period are extrapolated using a growth rate of 0% (2015: 0%).

Cash flow projections during the budget period for the CGU are based on management’s estimate of cash inflows/outflows including revenue and operating expenses. The assumptions and estimation are based on the management’s expectation of market development. The management of the Group believes that any reasonably possible change in the key assumptions of the value-in-use calculation would not cause the carrying amount to exceed its recoverable amount.

Management of the Group considered that there is no impairment of its intangible assets as at 31 December 2016 and 2015.

18. 無形資產 (續)

顧客關係乃透過業務合併(參閱附註33)自第三方收購。

獲分配無形資產之現金產生單位的可收回金額根據使用價值計算釐定。該金額採用根據管理層批准的十年期財務預算所作的現金流預測按每年15.6%(二零一五年: 15.6%)的折扣率計算。三年期以上的現金流按0%(二零一五年: 0%)的增長率進行推算。

於預算期內現金產生單位的現金流乃根據管理層估計的現金流入/流出金額(包括收益及經營開支)進行預測。有關假設及估計乃根據管理層對市場發展情況的預期得出。本集團管理層相信,倘有關使用價值計算的主要假設出現任何合理可能變動,均不會導致其賬面值超過其可收回金額。

本集團管理層認為,於二零一六年及二零一五年十二月三十一日,其無形資產概無出現減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

19. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries as at 31 December 2016 and 2015 are as follows:

19. 於附屬公司之權益

於二零一六年及二零一五年十二月三十一日的主要附屬公司詳情如下：

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2016	2015	2016	2015	
			二零一六年	二零一五年	二零一六年	二零一五年	
Kwang Sung Electronics Holdings Company Limited 光星電子控股有限公司	Hong Kong 香港	253,855,129 shares, HK\$253,855,129 253,855,129股· 253,855,129港元	100%	100%	-	-	Investment holding 投資控股
Kwang Sung Technology Holdings Company Limited ("Kwang Sung Technology") 光星科技控股有限公司 (「光星科技」)	Hong Kong 香港	194,198,829 shares, HK\$194,198,829 194,198,829股· 194,198,829港元	-	-	100%	100%	Sales of electronic components 銷售電子元件
Shenzhen Kwang Sung Electronics Co., Ltd.# 深圳光星電子有限公司#	PRC 中國	United States dollars ("US\$") 10,561,780 10,561,780美元	-	-	100%	100%	Manufacturing and sales of electronic components 製造及銷售電子元件
石岩光星電子(深圳)有限公司#	PRC 中國	US\$2,100,000 2,100,000美元	-	-	100%	100%	Manufacturing and sales of electronic components 製造及銷售電子元件
Forebase Canada Limited 申基加拿大有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股
Forebase Group Limited 申基集團有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	100%	100%	-	-	Investment holding 投資控股
Forebase Victoria Holdings Limited	Canada 加拿大	Canadian dollar ("CAD") 1 1加元	-	-	100%	100%	Hotel operation 酒店經營

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

19. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries as at 31 December 2016 and 2015 are as follows (Continued):

19. 於附屬公司之權益 (續)

於二零一六年及二零一五年十二月三十一日的主要附屬公司詳情如下 (續) :

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2016	2015	2016	2015	
			二零一六年	二零一五年	二零一六年	二零一五年	
Forebase Enterprise Limited 申基創業有限公司	Hong Kong 香港	1 share, HK\$1 1股, 1港元	100%	100%	-	-	Investment holding 投資發展
Forebase China Limited 申基中國有限公司	Hong Kong 香港	1 share, HK\$1 1股, 1港元	-	-	100%	100%	Investment holding 投資控股
Forebase Hong Kong Limited 申基香港有限公司	Hong Kong 香港	1 share, HK\$1 1股, 1港元	-	-	100%	100%	Provision of administrative support to group companies 對集團公司提供 行政支援
Best Dollar International Limited (note a) (附註a)	BVI 英屬處女群島	US\$1,000 1,000美元	-	-	-	100%	Investment holding 投資控股
Excellent Top Corporation Limited (note a) 御億有限公司 (附註a)	Hong Kong 香港	1,000 shares, HK\$1,000 1,000股, 1,000港元	-	-	-	100%	Investment holding 投資控股
重慶御億企業管理有限公司 [#] (note a) (附註a)	PRC 中國	US\$500,000 500,000美元	-	-	-	100%	Investment holding 投資控股
重慶緝御貿易有限公司 [#] (note a) (附註a)	PRC 中國	Renminbi ("RMB") 2,000,000 人民幣2,000,000元	-	-	-	100%	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

19. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries as at 31 December 2016 and 2015 are as follows (Continued):

19. 於附屬公司之權益 (續)

於二零一六年及二零一五年十二月三十一日的主要附屬公司詳情如下 (續) :

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2016	2015	2016	2015	
			二零一六年	二零一五年	二零一六年	二零一五年	
昭通泰陽房地產開發有限公司 [#] (note a) (附註a)	PRC 中國	RMB10,000,000 人民幣10,000,000元	-	-	-	100%	Properties development 物業發展
Ultimate Frontier Limited (note b) (附註b)	BVI 英屬處女群島	US\$1 1美元	-	-	100%	100%	Investment holding 投資控股
Forebase International Healthcare and Senior Living Hotel Management Service Limited (note b) 申基國際健康養老酒店管理 服務有限公司 (附註b)	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Provision of services of global high-end healthcare and senior care industry 提供全球高端保健 服務及長者護理 行業
Shineful Port Limited (note b) 達光有限公司 (附註b)	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股
Orient Reward Limited (note b) 達天有限公司 (附註b)	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股
Equity Stream Limited (note b) (附註b)	BVI 英屬處女群島	US\$1 1美元	-	-	100%	100%	Investment holding 投資控股
Starry Winning Limited (note b) 時業有限公司 (附註b)	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

19. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries as at 31 December 2016 and 2015 are as follows (Continued):

19. 於附屬公司之權益 (續)

於二零一六年及二零一五年十二月三十一日的主要附屬公司詳情如下 (續) :

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2016	2015	2016	2015	
			二零一六年	二零一五年	二零一六年	二零一五年	
Golden Skyford Limited (note b) 金勵有限公司 (附註 b)	Hong Kong 香港	1 share, HK\$1 1股, 1港元	-	-	100%	100%	Investment holding 投資控股
Wealthy Reward Limited (note b) 富雋有限公司 (附註 b)	Hong Kong 香港	1 share, HK\$1 1股, 1港元	-	-	100%	100%	Investment holding 投資控股
Wellring Limited (note b) (附註 b)	BVI 英屬處女群島	US\$1 1美元	-	-	100%	100%	Investment holding 投資控股
Master Force Investments Limited (note b) (附註 b)	BVI 英屬處女群島	US\$1 1美元	-	-	100%	100%	Investment holding 投資控股
Keen Capture Limited (note b) 佳安有限公司 (附註 b)	Hong Kong 香港	1 share, HK\$1 1股, 1港元	-	-	100%	100%	Investment holding 投資控股
Wealth Glorious Limited (note b) 特富有限公司 (附註 b)	Hong Kong 香港	1 share, HK\$1 1股, 1港元	-	-	100%	100%	Investment holding 投資控股
Freemaster Limited (note b) (附註 b)	BVI 英屬處女群島	US\$1 1美元	-	-	100%	100%	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

19. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries as at 31 December 2016 and 2015 are as follows (Continued):

19. 於附屬公司之權益 (續)

於二零一六年及二零一五年十二月三十一日的主要附屬公司詳情如下 (續) :

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2016	2015	2016	2015	
			二零一六年	二零一五年	二零一六年	二零一五年	
Moonpray Limited (note b) (附註 b)	BVI 英屬處女群島	US\$1 1 美元	-	-	100%	100%	Investment holding 投資控股
New Scores Limited (note b) (附註 b)	BVI 英屬處女群島	US\$1 1 美元	-	-	100%	100%	Investment holding 投資控股
Sparkling Alley Limited (note b) (附註 b)	BVI 英屬處女群島	US\$1 1 美元	-	-	100%	100%	Investment holding 投資控股
Capital Knight Limited (note c) (附註 c)	BVI 英屬處女群島	US\$1 1 美元	-	-	100%	100%	Investment holding 投資控股
Easy Chase Limited (note c) 萬璋有限公司 (附註 c)	Hong Kong 香港	1 share, HK\$1 1 股 · 1 港元	-	-	100%	100%	Investment holding 投資控股
Wanwei (Chongqing) Business Management Co., Ltd.* 萬璋 (重慶) 企業管理 有限公司* (附註 c)	PRC 中國	US\$400,000 400,000 美元	-	-	100%	100%	Investment holding 投資控股
Chongqing Wanwei Trading Development Co., Ltd.* (note c) 重慶萬璋貿易發展 有限公司* (附註 c)	PRC 中國	RMB1,000,000 人民幣 1,000,000 元	-	-	100%	100%	Investment holding 投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

19. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries as at 31 December 2016 and 2015 are as follows (Continued):

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 已註冊資本	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2016	2015	2016	2015	
			二零一六年	二零一五年	二零一六年	二零一五年	
Nuofute Property Management Co., Ltd. ^{#*} (note c) 重慶諾富特物業管理有限公司 [#] (附註c)	PRC 中國	RMB5,000,000 人民幣5,000,000元	-	-	100%	100%	Properties management 物業管理
Chengdu Aoshenda Business Management Limited Liability Co., ^{#*} 成都奧申達商業管理有限責任公司 [#]	PRC 中國	HK\$10,000,000 10,000,000港元	-	-	100%	-	Business management 商業管理

Notes:

- (a) Companies disposed on 15 April 2016.
- (b) Companies are inactive during the year.
- (c) Companies were acquired from business combination as stated in note 33.
- # These entities were established in the PRC and are wholly-owned foreign enterprises.
- * For identification purpose only.

None of the subsidiaries had issued any debt securities at the end of both years or during both years.

19. 於附屬公司之權益 (續)

於二零一六年及二零一五年十二月三十一日的主要附屬公司詳情如下 (續) :

附註 :

- (a) 已於二零一六年四月十五日出售的公司。
- (b) 年內暫無營業的公司。
- (c) 如附註33所載自業務合併中收購的公司。
- # 該等實體於中國成立，屬外商獨資企業。

概無任何附屬公司於兩個年度末期或期間發行任何債務證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

20. INVENTORIES

20. 存貨

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Raw materials	原材料	17,240	12,124
Work in progress	在製品	2,567	8,027
Finished goods	製成品	11,038	10,430
Food and beverages	食物及飲料	700	510
Hotel merchandise	酒店商品	503	355
		32,048	31,446

During the year, allowance for inventories of HK\$900,000 (2015: HK\$4,341,000) was recognised and certain inventories previously written down were sold at profit. As a result, a reversal of allowance for inventories of approximately HK\$1,199,000 (2015: HK\$1,703,000) has been recognised for the year ended 31 December 2016.

在年內，已確認存貨撥備900,000港元（二零一五年：4,341,000港元），而若干先前已撇減存貨出售獲利。因此，截至二零一六年十二月三十一日止年度，確認存貨撥備撥回約1,199,000港元（二零一五年：1,703,000港元）。

21. PROPERTIES UNDER DEVELOPMENT

21. 發展中物業

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At the beginning of the year	年初	134,291	66,950
Additions	添置	128	74,329
Exchange adjustments	匯兌調整	952	(6,988)
Disposal (note 34)	出售（附註34）	(135,371)	-
At the end of the year	年末	-	134,291
Represented by:	其中包括：		
Land use rights	土地使用權	-	50,107
Construction costs and capitalised expenditure	建設成本及資本化開支	-	84,184
		-	134,291

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

21. PROPERTIES UNDER DEVELOPMENT (Continued)

The analysis of carrying value of properties under development is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Outside Hong Kong	香港境外		
– 50 years or more (long leases)	– 50年或以上(長期租賃)	–	50,107

Properties under development were classified as current asset as the construction period of the relevant properties development project was expected to complete in the normal operating cycle.

發展中物業之賬面值分析如下：

由於預期有關物業開發項目之建設期將於正常經營週期內完成，故發展中物業分類為流動資產。

22. TRADE AND OTHER RECEIVABLES

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Trade receivables (note a)	貿易應收賬款(附註a)		
– with third parties	– 第三方	58,174	110,913
– with related companies (note d)	– 關聯公司(附註d)	22,276	17,637
Less: allowance for doubtful debts (note b)	減：呆賬撥備(附註b)	(10,956)	(10,871)
		69,494	117,679
Deposits and other receivables	按金及其他應收賬款	17,059	27,544
Prepayments	預付款項	1,826	1,680
Total trade and other receivables	貿易及其他應收賬款總額	88,379	146,903

The amount of deposits and other receivables expected to be recovered after more than one year is HK\$2,455,000 (2015: HK\$Nil). All of the other trade and other receivables, apart from those mentioned are expected to be recovered within one year.

預期須於一年後收回之按金及其他應收賬款金額為2,455,000港元(二零一五年：零港元)。除上述者外，全部其他貿易及其他應收賬款預期須於一年內收回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES (Continued)

(a) Trade receivables

The Group does not hold any collateral or other credit enhancements over its trade receivables.

The Group allows an average credit period of 0 to 90 days to its trade customers. Further details on the Group's credit policy are set out in note 41.3. The following is an ageing analysis of trade receivables, net of allowance for doubtful debts, based on the date of delivery of goods or date of rendering of services which approximated the respective dates on which revenue was recognised.

22. 貿易及其他應收賬款 (續)

(a) 貿易應收賬款

本集團並無就貿易應收賬款持有任何抵押品或其他信用增強措施。

本集團向貿易客戶授予的平均信貸期為0至90日。關於本集團信貸政策的進一步詳情載於附註41.3。以下為根據交付貨品或提供服務的日期（與確認收益的日期相若）呈列的貿易應收賬款扣除呆賬撥備的貿易應收賬款賬齡分析。

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
			(Restated)
			(經重列)
Within 90 days	90日內	52,565	87,563
91 to 180 days	91至180日	7,952	17,111
181 to 365 days	181至365日	7,890	7,811
Over 365 days	超過365日	1,087	5,194
		69,494	117,679

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES (Continued)

(b) Impairment of trade receivables

Impairment loss in respect of trade receivables is recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly.

The movements in provision for doubtful debts recognised during the year are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
As at 1 January	於一月一日	10,871	11,087
Exchange adjustments	匯兌調整	(3)	(132)
Provision for doubtful debts recognised	已確認呆賬撥備	277	27
Reversal of provision for doubtful debts	呆賬撥備撥回	(189)	(111)
As at 31 December	於十二月三十一日	10,956	10,871

As at 31 December 2016, the Group's trade receivables of approximately HK\$10,956,000 (2015: HK\$10,871,000) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that only a portion of the receivables is expected to be recovered. Consequently, specific provision for doubtful debts of HK\$277,000 (2015: HK\$27,000) was recognised during the year ended 31 December 2016.

22. 貿易及其他應收賬款 (續)

(b) 貿易應收賬款之減值

貿易應收賬款減值虧損使用備抵賬記錄，惟本集團認為收回款項之機會甚微則除外，在此情況下減值虧損直接從貿易應收賬款中撇銷。

年內已確認呆賬撥備之變動如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
As at 1 January	10,871	11,087
Exchange adjustments	(3)	(132)
Provision for doubtful debts recognised	277	27
Reversal of provision for doubtful debts	(189)	(111)
As at 31 December	10,956	10,871

於二零一六年十二月三十一日，本集團將金額約為10,956,000港元（二零一五年：10,871,000港元）的貿易應收賬款已個別釐定為須予減值。該等個別減值的應收賬款與遭遇財務困難的客戶有關，管理層評估預期僅可收回部份應收賬款。因此，截至二零一六年十二月三十一日止年度，已確認特別呆賬撥備277,000港元（二零一五年：27,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES (Continued)

(c) Trade receivables that are not impaired

The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Neither past due nor impaired	既無逾期亦未減值	42,384	50,665
Within 30 days past due	逾期30日或以內	5,291	14,148
Over 31 days but within 90 days past due	逾期超過31日但不超過90日	7,607	37,872
Over 91 days but within 365 days past due	逾期超過91日但不超過365日	13,922	10,853
Over 365 days past due	逾期超過365日	290	4,141
Total	總額	69,494	117,679

Trade receivables that were neither past due nor impaired relate to a range of customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired related to a number of independent customers that have a good track record with the Group. Based on past experience, the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

22. 貿易及其他應收賬款 (續)

(c) 未減值的貿易應收賬款

未被個別或集體視為減值的貿易應收賬款之賬齡分析如下：

既無逾期亦無減值之應收賬款是與近期並無違約記錄之客戶有關。

已逾期但無減值之應收賬款是與本集團及本公司有良好還款紀錄之多名獨立客戶有關。根據以往經驗，由於信貸質素並無重大變化，加上有關結餘仍被認為可全數收回，故管理層相信毋須就該等結餘作減值撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

22. TRADE AND OTHER RECEIVABLES (Continued)

(d) Amounts due from related companies

The balances that are arisen from normal sales transactions, are unsecured, non-interest bearing and expected to be settled according to their respective credit terms which are similar to those with third parties.

Mr. Shen Yong, the controlling shareholder, has undertaken to indemnify the Group against any losses that may result from the non-recovery of the receivables and agreed that the Group could set-off the amounts due from related companies with the amount due to a director, Mr. Shen Yong, in future.

23. RESTRICTED BANK DEPOSITS/SHORT-TERM BANK DEPOSIT WITH ORIGINAL MATURITY MORE THAN THREE MONTHS/BANK BALANCES AND CASH

Restricted bank deposits

Restricted bank deposits represent deposits placed to the government as security for custom of import and export of trading. The deposits will be released upon the expiry of the contract. It carries interest at market rates which range from 1.35% to 2.35% (2015: 2.35% to 2.60%) per annum for the year ended 31 December 2016.

Short-term bank deposit with original maturity more than three months

Short-term bank deposit carries interest at 1.00% (2015: 0.76%) per annum for the year ended 31 December 2016. The maturity would be on 18 July 2017.

22. 貿易及其他應收賬款 (續)

(d) 應收關聯公司款項

因正常銷售交易而產生的結餘為無抵押、免息及須根據各自的信貸期（與第三方信貸期相若）進行結算。

控股股東申勇先生已承諾就任何因未收回的應收賬款而產生的虧損進行補償，並同意未來從應付一名董事（申勇先生）款項中扣減應收關聯公司款項。

23. 受限制銀行存款／原到期日超過三個月的短期銀行存款／銀行結餘及現金

受限制銀行存款

受限制銀行存款乃指存放於政府之存款，作為客戶進出口貿易之抵押品。該等存款將於合同期屆滿時被釋放。截至二零一六年十二月三十一日止年度，該等存款按每年1.35%至2.35%（二零一五年：2.35%至2.60%）之市場利率計息。

原到期日超過三個月的短期銀行存款

截至二零一六年十二月三十一日止年度，短期銀行存款按每年1.00%（二零一五年：0.76%）計息。有關存款將於二零一七年七月十八日到期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

23. RESTRICTED BANK DEPOSITS/SHORT-TERM BANK DEPOSIT WITH ORIGINAL MATURITY MORE THAN THREE MONTHS/BANK BALANCES AND CASH (Continued)

Bank balances

Bank balances of the Group represented short-term deposits with a maturity of three months or less. Bank balances carry interest at market rates which ranged from 0.01% to 0.35% (2015: 0.01% to 0.35%) per annum for the year ended 31 December 2016.

Bank balances and cash, restricted bank deposits and short-term bank deposit with original maturity more than three months totalling HK\$11,197,000 (2015: HK\$19,660,000) denominated in RMB are placed with banks in the PRC. RMB is not a freely convertible currency. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

24. TRADE AND OTHER PAYABLES

23. 受限制銀行存款／原到期日超過三個月之短期銀行存款／銀行結餘及現金（續）

銀行結餘

本集團之銀行結餘乃指三個月或以下到期之短期存款。截至二零一六年十二月三十一日止年度，銀行結餘按每年0.01%至0.35%（二零一五年：0.01%至0.35%）計息。

銀行結餘及現金、受限制銀行存款及原到期日超過三個月的短期銀行存款合共11,197,000港元（二零一五年：19,660,000港元），均以人民幣計值，存放於中國的銀行。人民幣並非可自由兌換的貨幣。根據中國外匯管理條例及外匯結算、銷售及付款管理條例，本集團獲准透過獲授權開展外匯業務的銀行將人民幣兌換為外幣。

24. 貿易及其他應付賬款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Trade payables	貿易應付賬款	79,295	90,742
Construction payables	應付工程款	—	35,040
Advanced from third parties	來自第三方墊款	34,348	42,337
Accrued expenses and other payables	應計費用及其他應付賬款	35,318	45,046
		148,961	213,165

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

24. TRADE AND OTHER PAYABLES (Continued)

The following is an ageing analysis of trade payables, based on the invoice date, at the end of the reporting period.

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Within 90 days	90日內	43,516	73,046
91 to 180 days	91至180日	3,796	5,651
181 to 365 days	181至365日	8,819	9,596
Over 365 days	超過365日	23,164	2,449
		79,295	90,742

The average credit period on purchases of goods is 0 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

25. AMOUNTS DUE TO RELATED COMPANIES

The balances that are non-trade in nature are unsecured, non-interest bearing and repayable on demand. The balances that are arose from normal purchase transactions, are unsecured, non-interest bearing and expected to be settled according to their respective credit terms which are similar to those with third parties.

26. AMOUNT DUE TO A DIRECTOR

The amount due to a director are unsecured, non-interest bearing and repayable in December 2018.

24. 貿易及其他應付賬款 (續)

以下為根據發票日期於報告期末呈列的貿易應付賬款賬齡分析。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Within 90 days	90日內	43,516	73,046
91 to 180 days	91至180日	3,796	5,651
181 to 365 days	181至365日	8,819	9,596
Over 365 days	超過365日	23,164	2,449
		79,295	90,742

購貨之平均信貸期為0至90日。本集團設有金融風險管理政策，確保所有應付賬款均於信貸期限內結付。

25. 應付關聯公司款項

非貿易性質的結餘為無抵押、免息及須按要求償還。來自一般採購交易之結餘為無抵押、免息及預期將根據各自的信貸期(與第三方相似)結算。

26. 應付一名董事款項

應付一名董事款項為無抵押、免息及須於二零一八年十二月償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

27. OBLIGATION UNDER FINANCE LEASES

The Group has leased a motor vehicle with cost of approximately HK\$702,000 under finance lease during the years ended 31 December 2016 and 2015. The lease term is 5 years. Effective interest rate underlying the obligation under finance leases is fixed at respective contract dates at 2.75% per annum for both years.

As at 31 December 2016, the Group had obligation under finance leases payable as follows:

27. 融資租賃責任

於截至二零一六年及二零一五年十二月三十一日止年度，本集團以融資租賃租用一部汽車，成本約702,000港元。租賃期為五年。融資租賃責任之實際利率固定為合約日期年利率2.75%。

於二零一六年十二月三十一日，本集團擁有如下應付的融資租賃責任：

		Total minimum lease payments		Present value of minimum lease payments	
		最低租賃付款總額		最低租賃付款現值	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Amounts payable under finance leases	融資租賃應付款項				
Within one year	一年以內	160	160	156	148
More than one year but less than two years	超過一年但少於兩年	-	160	-	156
		160	320	156	304
Less: future finance charges	減：未來融資開支	(4)	(16)		
Present value of lease obligations	租賃責任現值	156	304		
Less: amount due for settlement within twelve months (shown under current liabilities)	減：於十二個月內到期結算的款項 (列作流動負債)			(156)	(148)
Amount due for settlement after twelve months	於十二個月後到期結算的款項			-	156

The Group's obligation under finance leases are secured by the lessor's charge over the leased asset.

本集團之融資租賃責任是以出租人租賃資產的所有權作為抵押品。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

28. SHARE CAPITAL

28. 股本

		Number of shares		Share capital	
		股份數目		股本	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		'000	'000	HK\$'000	HK\$'000
		千股	千股	千港元	千港元
Ordinary shares issued and fully paid:	已發行及繳足的普通股：				
As at 1 January	於一月一日	327,897	327,897	99,076	99,076
Issue of shares on 27 January 2016 (note a)	於二零一六年一月二十七日發行股份 (附註a)	71,220	–	124,635	–
Issue of shares on 13 October 2016 (note b)	於二零一六年十月十三日發行股份 (附註b)	57,292	–	68,751	–
As at 31 December	於十二月三十一日	456,409	327,897	292,462	99,076

Notes:

- (a) On 27 January 2016, the Company has allotted and issued 71,219,512 ordinary shares of HK\$1.75 each as the total consideration in respect of the acquisition of Capital Knight Group. The transaction was completed on 27 January 2016 (see note 33).
- (b) On 13 October 2016, the Company has allotted and issued 57,292,000 ordinary shares of HK\$1.2 each to the bonds holders in order to settle the bonds with aggregate principal amount of HK\$67,000,000 (see note 32).
- (c) In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

附註：

- (a) 於二零一六年一月二十七日，本公司已按每股1.75港元配發及發行71,219,512股普通股，作為Capital Knight集團收購事項的總代價。該交易已於二零一六年一月二十七日完成（見附註33）。
- (b) 於二零一六年十月十三日，本公司已向債券持有人配發及發行57,292,000股每股1.2港元的普通股，以結算債券總本金67,000,000港元（見附註32）。
- (c) 根據香港公司條例第135條，本公司普通股概無面值。

普通股持有人有權收取不時宣派之股息，並於本公司大會上可就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

29. RESERVES**(a) Merger reserve**

Merger reserve was created as a result of the acquisition of common control entities. The acquisition was accounted for using merger accounting as detailed in note 3.3.

(b) Contribution reserve

Contribution reserve represents contributions from shareholders for indemnity liabilities payable for periods prior to 30 June 2003.

(c) Statutory reserve

In accordance with the PRC laws applicable to wholly-foreign owned investment enterprises, subsidiaries of the Company operating in the PRC are required to set up a general reserve fund and appropriate at least 10% of respective company's annual profit after tax, as determined under the PRC accounting rules and regulations, to the general reserve fund until the balance of the reserve equals to 50% of its registered capital. This fund can be used to make good losses and to convert into paid-up capital.

(d) Share options reserve

The share options reserve represents the cumulative charge to the statement of profit or loss and other comprehensive income for employee share option awards.

(e) Exchange reserve

The exchange reserve comprises all foreign exchanges differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 3.9.

29. 儲備**(a) 合併儲備**

合併儲備乃因收購共同控制實體而設立。收購事項採用合併會計法入賬，詳情見附註3.3。

(b) 出資儲備

出資儲備乃股東於二零零三年六月三十日之前期間應付的彌償責任的出資。

(c) 法定儲備

根據適用於外商獨資企業的中國法律，本公司於中國經營的附屬公司須設置一般儲備基金，並將相關公司的年度除稅後溢利的至少10%（根據中國會計規則及法規釐定）撥至一般儲備基金，直至儲備結餘相等於其註冊資本的50%為止。此基金可被用於彌補虧損及轉換為繳足股本。

(d) 購股權儲備

購股權儲備指就僱員購股權獎勵而自損益及其他全面收益表累計扣除的費用。

(e) 匯兌儲備

匯兌儲備包括因換算境外業務的財務報表而產生的所有匯兌差額。該儲備根據附註3.9所載的會計政策處理。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

30. DEFERRED TAX LIABILITIES

The followings are the major deferred tax liabilities recognised in the Group's statement of financial position and movements thereon during the current and prior years:

30. 遞延稅項負債

以下為於本集團財務狀況表內確認之主要遞延稅項負債以及其於本年度及過往年度之變動：

		Withholding tax on undistributed profits from the PRC subsidiaries 來自中國 附屬公司 的未分配 溢利的預扣稅 HK\$'000 千港元	Intangible assets 無形資產 HK\$'000 千港元 (Restated) (經重列)	Depreciation allowances in excess of related depreciation 超出有關 折舊之 折舊撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元 (Restated) (經重列)
As at 1 January 2015	於二零一五年一月一日	-	-	211	211
Addition through business combination (note 33)	透過業務合併添置 (附註33)	-	6,842	-	6,842
Credited to profit or loss (note 13)	於損益中計入 (附註13)	-	-	(113)	(113)
As at 31 December 2015 (Restated) and 1 January 2016	於二零一五年十二月三十一日 (經重列) 及二零一六年一月一日	-	6,842	98	6,940
Charged/(credited) to profit or loss (note 13)	於損益中扣除/(計入)(附註13)	1,800	(969)	(98)	733
As at 31 December 2016	於二零一六年十二月三十一日	1,800	5,873	-	7,673

The Group has unrecognised tax losses of HK\$148,000,000 (2015: HK\$96,770,000) to carry forward against future taxable income. These tax losses do not expire under current legislation. No deferred tax asset has been recognised in respect of the above tax losses due to the unpredictability of future profit streams.

The Group is also liable to withholding tax on dividends to be distributed from the Group's foreign-invested enterprises in the PRC in respect of its profits generated from 1 January 2008. Deferred tax liabilities of HK\$1,800,000 (2015: HK\$Nil) was recognised for the distributable profits not yet paid out as dividends that are generated by the PRC subsidiaries of the Company during the year.

本集團擁有未確認稅項虧損 148,000,000 港元 (二零一五年: 96,770,000 港元) 以結轉未來應課稅收入。根據現行法例, 該等稅項虧損並未到期。由於無法預計未來溢利來源, 故並無就上述稅項虧損確認遞延稅項資產。

本集團亦須就本集團在中國的外資企業的應分派股息 (因二零零八年一月一日以來的溢利而產生) 繳納預扣稅。於年內, 本公司的中國附屬公司產生的未分派股息支付的應分派溢利已確認遞延稅項負債 1,800,000 港元 (二零一五年: 零港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

31. SECURED LOANS

As at 31 December 2016, the secured loans were repayable as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year – current portion	一年內 – 流動部分	1,933	62,006
Non-current portion	非流動部分		
After one year but within two years	於一年後但於兩年內	2,025	–
After two years but within five years	於兩年後但於五年內	6,671	–
After five years	於五年後	29,269	–
		37,965	–
		39,898	62,006

In September 2016, the Company signed two mortgage loans facilities with an aggregate principal amount of CAD 7,000,000 (equivalent to approximately HK\$41,300,000). The mortgage loans facilities are secured by land and buildings with carrying amount of approximately HK\$82,539,000 (note 16), repayable within fifteen years and bear an interest rate of 2% plus prime rate per annum and guaranteed by a director, Mr. Shen Ke. The loan facilities will be reviewed periodically until the maturity date. In the opinions of the directors of the Company, the effective interest rate of the secured loans approximated to the interest rate of 4.7% per annum for the year ended 31 December 2016.

On 24 December 2014, the Company signed a secured term loan facility (“the Loan”) with an aggregate principal amount of US\$13,000,000 (equivalent to approximately HK\$100,847,000).

The Loan was secured by land and buildings of approximately HK\$80,858,000, guaranteed by Forebase Victoria Holdings Limited, two directors of the Company and a related company, had a maturity term of two years and borne a fixed interest rate of 14% per annum. The Loan was fully repaid during the year ended 31 December 2016.

31. 抵押貸款

於二零一六年十二月三十一日，抵押貸款須於下列期限內償還：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year – current portion	1,933	62,006
Non-current portion		
After one year but within two years	2,025	–
After two years but within five years	6,671	–
After five years	29,269	–
	37,965	–
	39,898	62,006

於二零一六年九月，本公司簽訂兩項按揭貸款融資借款本金總額為7,000,000加元（相當於約41,300,000港元）。該等按揭貸款融資以賬面值約82,539,000港元的土地及樓宇作抵押（附註16），須於十五年內償還，年息率為最優惠利率加2%，由董事申柯先生擔保。該等貸款融資將於到期前進行定期檢討。本公司董事認為，該等抵押貸款於截至二零一六年十二月三十一日止年度的實際利率約為年息4.7%。

於二零一四年十二月二十四日，本公司簽署一項總本金額為13,000,000美元（相等於約100,847,000港元）的抵押有限期貨款融資（「該貸款」）。

該貸款以約80,858,000港元的土地及樓宇作抵押，並由Forebase Victoria Holdings Limited、本公司兩名董事及一間關聯公司提供擔保，期限為兩年，按14%的固定年利率計算。該貸款已於截至二零一六年十二月三十一日止年度全數償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

32. BONDS

32. 債券

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Bonds carried at fixed coupon rate of 6% per annum	按每年6%固定票面年利率計息的債券	20,000	20,000
Bonds carried at fixed coupon rate of 8% per annum	按每年8%固定票面年利率計息的債券	20,000	20,000
		40,000	40,000

The Company entered into two placing agreements with a placing agent issued two 6% coupon unlisted bonds on 6 August 2014 and 10 October 2014 with the principal amount of HK\$10,000,000 each within the placing period. The amounts are repayable within 96 months from the date of issue, which are 5 August 2022 and 9 October 2022 respectively.

The Company issued two 8% coupon unlisted bonds with the principal amount of HK\$10,000,000 each on 23 January 2015 and 1 June 2015 respectively. The amounts are repayable within 96 months and 60 months respectively from the date of issue, which are 22 January 2023 and 31 May 2020 respectively.

The Company issued six 5% coupon unlisted bonds with the aggregate principal amount of HK\$47,000,000 on 29 March 2016. The amounts are repayable within 36 months from the date of issue, which is 28 March 2019. In addition, the Company issued two 6% coupon unlisted bonds with the aggregate principal amount of HK\$20,000,000 on 7 April 2016. The amounts are repayable within 96 months from the date of issue, which is 6 April 2024. The bonds with aggregate principal amount of HK\$67,000,000 were fully repaid by allotting and issuing 57,292,000 ordinary shares at HK\$1.2 each on 13 October 2016 (note 28).

本公司與一名配售代理訂立兩份配售協議，以於二零一四年八月六日及二零一四年十月十日配售期內分別發行兩份本金額為10,000,000港元、票面年利率為6%的非上市債券。該等金額須於發行日期起計96個月內償還，到期日分別為二零二二年八月五日及二零二二年十月九日。

本公司於二零一五年一月二十三日及二零一五年六月一日分別發行兩份本金額為10,000,000港元、票面年利率為8%的非上市債券。該等金額須分別於發行日期起計96個月及60個月內償還，到期日分別為二零二三年一月二十二日及二零二零年五月三十一日。

本公司於二零一六年三月二十九日發行六份本金總額為47,000,000港元、票面年利率為5%的非上市債券。該等金額須分別於發行日期起計36個月內償還，到期日為二零一九年三月二十八日。此外，本公司於二零一六年四月七日發行兩份本金總額為20,000,000港元、票面年利率為6%的非上市債券。該等金額須分別於發行日期起計96個月內償還，到期日為二零二四年四月六日。該等本金總額為67,000,000港元的債券已於二零一六年十月十三日透過以每股1.2港元配發及發行57,292,000股普通股悉數償還（附註28）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

33. BUSINESS COMBINATIONS

As disclosed in note 2, in January 2016, the Group acquired 100% equity interest in Capital Knight Group by allotting and issuing 71,219,512 new ordinary shares. On 27 January 2016, the shares were allotted and issued at fair value of HK\$1.75 each, amounted to approximately HK\$124,635,000 (note 28). Capital Knight acquired 100% equity interest of Nuofute Property Management from independent third parties at a total cash consideration of RMB5,000,00 (equivalent to HK\$6,232,000) on 24 July 2015.

Since the Company and Capital Knight are under the common control of Mr. Shen Yong and Ultra Harvest both before and after the acquisition of Capital Knight Group, the acquisition of Capital Knight Group was accounted for as a business combination under common control ("Common Control Business Combination"). The details of subsidiaries acquired from Common Control Business Combination is disclosed in note 19.

33. 業務合併

誠如附註2所披露，本集團於二零一六年一月透過配發及發行71,219,512股新普通股收購Capital Knight集團全部股權。於二零一六年一月二十七日，該等股份按公允價值每股1.75港元進行配發及發行，總額約124,635,000港元（附註28）。Capital Knight於二零一五年七月二十四日自獨立第三方收購諾富特物業管理全部股權，總現金代價為人民幣5,000,000元（相當於6,232,000港元）。

由於本公司及Capital Knight於Capital Knight集團收購事項前後受申勇先生及Ultra Harvest共同控制，因此，收購Capital Knight集團應為共同控制下的業務合併（「共同控制業務合併」），共同控制業務合併取得的附屬公司詳細於附註19披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

33. BUSINESS COMBINATIONS (Continued)

(a) Common Control Business Combination

The following is the reconciliation of the effect arising from Common Control Business Combination on the consolidated financial statements:

For the year ended 31 December 2015

33. 業務合併 (續)

(a) 共同控制業務合併

以下為因共同控制業務合併對綜合財務報表產生的影響的對賬：

截至二零一五年十二月三十一日止年度

		The Group (before Common Control Business Combination) 本集團 (於共同控制 業務合併前)	Capital Knight Group Capital Knight 集團	Subtotal 小計	Represented by: The Group (after Common Control Business Combination) from continuing operations 代表： 本集團 (於共同控制 業務合併後) 來自持續 經營業務	Discontinued operation 已終止 經營業務 HK\$'000 (note 34) (附註34)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收益	386,114	27,145	413,259	413,259	-
Cost of sales	銷售成本	(385,249)	(16,516)	(401,765)	(401,765)	-
Gross profit	毛利	865	10,629	11,494	11,494	-
Other income	其他收入	7,384	39,079	46,463	46,460	3
Selling and distribution expenses	銷售及分銷開支	(10,398)	-	(10,398)	(10,398)	-
Administrative expenses	行政開支	(36,323)	(849)	(37,172)	(33,401)	(3,771)
Research and development expenses	研發開支	(5,664)	-	(5,664)	(5,664)	-
Other operating expenses	其他經營開支	(12,070)	(1,901)	(13,971)	(13,971)	-
Finance costs	融資成本	(17,822)	-	(17,822)	(17,822)	-
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(74,028)	46,958	(27,070)	(23,302)	(3,768)
Income tax expenses	所得稅開支	(3,628)	(2,357)	(5,985)	(5,985)	-
(Loss)/profit for the year	本年度(虧損)/溢利	(77,656)	44,601	(33,055)	(29,287)	(3,768)
Other comprehensive expense	其他全面開支					
Items that may be reclassified subsequently to profit or loss:	隨後可重新分類至損益的項目：					
- Exchange differences on translation of financial statements of overseas subsidiaries	- 換算境外附屬公司財務報表時的匯兌差額	(22,721)	(615)	(23,336)	(23,336)	-
Other comprehensive expense for the year	本年度其他全面開支	(22,721)	(615)	(23,336)	(23,336)	-
Total comprehensive (expense)/income for the year	本年度全面(開支)/收入總額	(100,377)	43,986	(56,391)	(52,623)	(3,768)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

33. BUSINESS COMBINATIONS (Continued)

(a) Common Control Business Combination (Continued)

The following is the reconciliation of the effect arising from Common Control Business Combination on the consolidated financial statements (Continued):

As at 31 December 2015

33. 業務合併 (續)

(a) 共同控制業務合併 (續)

以下為因共同控制業務合併對綜合財務報表產生的影響的對賬 (續) :

於二零一五年十二月三十一日

		The Group (before Common Control Business Combination) 本集團 (於共同控制 業務合併前) HK\$'000 千港元	Capital Knight Group Capital Knight 集團 HK\$'000 千港元	The Group (after Common Control Business Combination) 本集團 (於共同控制 業務合併後) HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	114,291	79	114,370
Club memberships	會所會籍	600	–	600
Intangible assets	無形資產	–	43,715	43,715
Deposits for purchase of property, plant and equipment	購買物業、機器及設備的按金	206	–	206
		115,097	43,794	158,891
Current assets	流動資產			
Inventories	存貨	31,212	234	31,446
Properties under development	發展中物業	134,291	–	134,291
Trade and other receivables	貿易及其他應收賬款	127,381	19,522	146,903
Restricted bank deposits	受限制銀行存款	11,768	–	11,768
Short-term bank deposit with original maturity more than three months	原到期日超過三個月之短期銀行存款	1,000	–	1,000
Bank balances and cash	銀行結餘及現金	44,039	5,404	49,443
		349,691	25,160	374,851
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	208,340	4,825	213,165
Amounts due to related companies	應付關聯公司款項	94,334	6,380	100,714
Current taxation	即期稅項	2,413	654	3,067
Obligation under finance leases	融資租賃責任	148	–	148
Secured loans	抵押貸款	62,006	–	62,006
		367,241	11,859	379,100
Net current (liabilities)/assets	流動(負債)/資產淨值	(17,550)	13,301	(4,249)
Total assets less current liabilities	資產總值減流動負債	97,547	57,095	154,642

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

33. BUSINESS COMBINATIONS (Continued)

(a) Common Control Business Combination (Continued)

The following is the reconciliation of the effect arising from Common Control Business Combination on the consolidated financial statements (Continued):

33. 業務合併 (續)

(a) 共同控制業務合併 (續)

以下為因共同控制業務合併對綜合財務報表產生的影響的對賬 (續)：

		The Group (before Common Control Business Combination) 本集團 (於共同控制 業務合併前) HK\$'000 千港元	Capital Knight Group Capital Knight 集團	The Group (after Common Control Business Combination) 本集團 (於共同控制 業務合併後) HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	99,076	–	99,076
Reserves	儲備	(177,612)	43,986	(133,626)
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔總權益	(78,536)	43,986	(34,550)
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	98	6,842	6,940
Obligation under finance leases	融資租賃責任	156	–	156
Amount due to a director	應付一名董事款項	135,829	6,267	142,096
Bonds	債券	40,000	–	40,000
		176,083	13,109	189,192
		97,547	57,095	154,642

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

33. BUSINESS COMBINATIONS (Continued)**(a) Common Control Business Combination (Continued)**

The effects of adopting merger accounting for Common Control Business Combination on the Group's basic and diluted loss per share for 2015:

33. 業務合併 (續)**(a) 共同控制業務合併 (續)**

就共同控制業務合併採用合併會計處理對本集團二零一五年度每股基本及攤薄虧損的影響：

		Impact on basic loss per share in 2015 對二零一五年 每股基本 虧損的影響 HK cents 港仙	Impact on diluted loss per share in 2015 對二零一五年 每股攤薄 虧損的影響 HK cents 港仙
Reported figures before adjustments (including both continuing and discontinued operations)	調整前已呈報數字 (包括持續經營及 已終止經營業務)	(23.68)	(23.68)
Adjustments arising on Common Control Business Combination	因共同控制業務合併產生之調整	13.60	13.60
Restated figures after adjustments (including both continuing and discontinued operations)	調整後的經重列數字 (包括持續經營及 已終止經營業務)	(10.08)	(10.08)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

33. BUSINESS COMBINATIONS (Continued)

(b) The acquisition of Nuofute Property Management

The consideration paid for the acquisition of Nuofute Property Management, the fair value of assets acquired and liabilities assumed at the acquisition date on 24 July 2015 are summarised as follows:

33. 業務合併 (續)

(b) 收購諾富特物業管理

下文概述收購諾富特物業管理所付代價、所收購資產及所承擔負債於收購日期二零一五年七月二十四日之公允價值：

		Carrying amount 賬面值 HK\$'000 千港元	Fair value adjustments 公允價值調整 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	685	–	685
Property, plant and equipment	物業、機器及設備	83	–	83
Intangible assets (note 18)	無形資產 (附註 18)	–	45,616	45,616
Inventories	存貨	11	–	11
Trade and other receivables	貿易及其他應收賬款	18,772	–	18,772
Trade and other payables	貿易及其他應付賬款	(11,489)	–	(11,489)
Deferred tax liabilities (note 30)	遞延稅項負債 (附註 30)	–	(6,842)	(6,842)
Income tax expenses	所得稅開支	(1,548)	–	(1,548)
Net assets acquired	所收購淨資產	6,514	38,774	45,288
Purchase consideration settled in cash	以現金結算之收購代價			6,232
Bank balances and cash in subsidiaries acquired	於所收購附屬公司的銀行結餘及現金			(685)
Cash outflow on acquisition of subsidiaries	收購附屬公司時的現金流出			5,547
Total consideration transferred	所轉讓總代價			6,232
Net assets acquired	所收購淨資產			(45,288)
Bargain purchase gain arising on the business combination (note 8)	業務合併產生的議價收益 (附註 8)			(39,056)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

33. BUSINESS COMBINATIONS (Continued)**(b) The acquisition of Nuofute Property Management (Continued)**

As a result of the acquisition of Nuofute Property Management, the Group is expected to diversify the business of the Group and enhance the return to the equity shareholders of the Company. No acquisition-related costs had been incurred in relation to the acquisition. Bargain purchase gain arising on business combination is included in "Other income" in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2015. Bargain purchase gain arising from the acquisition is not expected to be deductible for tax purpose.

Included in revenue and the loss for the year ended 31 December 2015, revenue and a net profit of HK\$27,145,000 and HK\$7,773,000 respectively were attributable to Nuofute Property Management. If the acquisition had occurred on 1 January 2015, the Group's revenue would have been HK\$433,617,000 and loss for the year would have been HK\$26,835,000 for the year ended 31 December 2015. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2015, nor is it intended to be a projection of future results.

33. 業務合併 (續)**(b) 收購諾富特物業管理 (續)**

因收購諾富特物業管理，本集團預期將多元化本集團業務及提高對本公司股權持有人的回報。概無就收購事項產生與收購有關的成本。業務合併產生的議價收益計入截至二零一五年十二月三十一日止年度之綜合損益及其他全面收益表之「其他收入」。就稅務而言，收購產生的議價收益預計不會扣稅。

截至二零一五年十二月三十一日止年度之收益及虧損中包括諾富特物業管理應佔的收益及純利分別為27,145,000港元及7,773,000港元。倘是項收購已於二零一五年一月一日發生，則本集團截至二零一五年十二月三十一日止年度之收益為433,617,000港元，年度虧損為26,835,000港元。本備考資料僅作說明用途，未必能表示倘是項收購於二零一五年一月一日完成時本集團可實際達成的收益及經營業績，亦非對未來業績的預測。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

34. DISPOSAL OF SUBSIDIARIES WITH LOSS OF CONTROL

On 15 April 2016, the Group disposed of its entire equity interest in Best Dollar International Limited and its subsidiaries (collectively as “Best Dollar Group”) to an independent third party, at a total cash consideration of HK\$50,000,000. Best Dollar Group carried out all of the Group’s properties development business, the discontinued operation. The disposal was completed on 15 April 2016.

34. 出售附屬公司（導致失去控制權）

於二零一六年四月十五日，本集團以總現金代價50,000,000港元向一獨立第三方出售其於Best Dollar International Limited及其附屬公司（統稱為「Best Dollar集團」）的全部股權。Best Dollar集團經營本集團的所有物業發展業務（已終止經營業務）。有關出售已於二零一六年四月十五日完成。

		2016 二零一六年 HK\$'000 千港元
Total consideration received	已收總代價	50,000
Analysis of assets and liabilities over which control was lost	對失去控制權的資產及負債的分析	
Bank balances and cash	銀行結餘及現金	430
Property, plant and equipment (note 16)	物業、機器及設備（附註16）	177
Properties under development (note 21)	發展中物業（附註21）	135,371
Deposits, prepayment and other receivables	按金、預付款項及其他應收賬款	610
Trade and other payables	貿易及其他應付賬款	(45,689)
Amounts due to related companies	應付關聯公司款項	(97,734)
Net liabilities disposed of	已出售淨負債	(6,835)
Gain on disposal of subsidiaries	出售附屬公司的收益	
Total cash consideration	現金總代價	50,000
Less:	減：	
– Net liabilities disposed of	– 已出售負債淨額	(6,835)
– Exchange difference released upon disposal of subsidiaries	– 出售附屬公司時撥回的匯兌差額	319
Gain on disposal of subsidiaries	出售附屬公司的收益	56,516
Net cash inflow arising from the disposal:	因出售產生的現金流入淨額：	
Cash consideration received	已收現金代價	50,000
Cash and cash equivalents disposed of	已出售現金及現金等價物	(430)
Inflow of cash and cash equivalents in respect of disposal of subsidiaries	就出售附屬公司流入的現金及現金等價物	49,570

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

34. DISPOSAL OF SUBSIDIARIES WITH LOSS OF CONTROL (Continued)

The loss from the discontinued operation for the current and preceding year is analysed as follows:

34. 出售附屬公司（導致失去控制權）（續）

本年度及上一年度已終止經營業務所產生的虧損分析如下：

		From 1 January to 15 April 2016 由二零一六年 一月一日至 四月十五日 HK\$'000 千港元	Year ended 31 December 2015 截至二零一五年 十二月三十一日 止年度 HK\$'000 千港元
Other income	其他收入	-	3
Administrative expenses	行政開支	(370)	(3,771)
Loss before income tax	除所得稅前虧損	(370)	(3,768)
Income tax expenses	所得稅開支	-	-
Loss for the year	本年度虧損	(370)	(3,768)
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Loss from discontinued operation	已終止經營業務產生之虧損	(370)	(3,768)
Gain on disposal of subsidiaries	出售附屬公司的收益	56,516	-
Profit/(loss) from discontinued operation	已終止經營業務產生之 溢利／（虧損）	56,146	(3,768)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

35. RETIREMENT BENEFITS SCHEMES CONTRIBUTIONS

Hong Kong

The Group operates a Mandatory Provident Fund (“MPF”) scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income. The mandatory contributions from each of the employer and employees are subject to a cap of HK\$1,500 per month. Contributions to the MPF scheme vest immediately.

Korea

Employees in Korea participate in a National Pension Scheme which is a mandatory insurance scheme under the National Pension Act (the “Scheme”). Under the Scheme, the employer and its employees are each required to make contributions to the Scheme at a specified rate of the employees’ monthly income, subject to adjustments and a cap of monthly income stipulated in the Scheme.

The PRC

The Group’s subsidiaries in the PRC participate in a defined contribution scheme organised by the PRC municipal government. The subsidiaries are required to contribute a specified percentage of its payroll costs to the scheme. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the scheme.

Canada

Employees in Canada participate in a Canada Pension Plan (the “Plan”) which is a mandatory scheme under Canada Pension Plan Regulations. The employer and the employees are required to make a total contribution of 9.9% on the pensionable earnings, subject to a cap of pensionable earnings of CAD53,600 (equivalent to approximately HK\$326,000) (2015: equivalent to approximately HK\$362,000).

35. 退休福利計劃之供款

香港

本集團根據《香港強制性公積金計劃條例》為根據香港《僱傭條例》所僱用之僱員提供強積金計劃。強積金計劃乃由獨立信托人管理之界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%之比例就計劃作出供款。僱主及僱員各自之強制供款上限為每月1,500港元。強積金計劃之供款即時成為既定僱員福利。

韓國

在韓國之僱員參與國家退休金計劃，其為一項按國家退休金法設立之強制性保險計劃（「該計劃」）。根據該計劃，僱主及其僱員各自須按僱員每月收入之特定比例就該計劃作出供款（可予調整，且以該計劃所規定每月收入之上限所限）。

中國

本集團於中國之附屬公司參與由中國市政府籌辦之定額供款計劃。附屬公司須按其僱員薪金成本之特定比例就計劃作出供款。該供款於其根據計劃規則支付時於綜合損益及其他全面收益表內支銷。

加拿大

加拿大之僱員參與加拿大國家退休金計劃（「該計劃」），其為一項按國家退休金法設立之強制性保險計劃。據該計劃，僱主及僱員須按每月收入之合共9.9%作出供款，上限應供款收入為53,600加元（相等於約326,000港元（二零一五年：相等於約362,000港元））。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

36. COMMITMENTS

- (a) Capital commitments outstanding as at 31 December 2016 not provided for in the consolidated financial statements are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for	就收購物業、機器及設備作出之已訂約資本開支	-	117
Capital expenditure in respect of properties under development contracted for	就發展中物業作出之已訂約資本開支	-	518,568
		-	518,685

- (b) As at 31 December 2016, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	6,716	7,912
After one year but within five years	一年後但五年內	2,252	7,474
		8,968	15,386

Operating lease payments represent rentals payables by the Group for certain of its office premises. Leases are negotiated for an average term of 5 years (2015: 5 years) for the Group.

36. 承擔

- (a) 於二零一六年十二月三十一日，並無於綜合財務報表中提撥準備的尚未支付資本承擔如下：

- (b) 於二零一六年十二月三十一日，不可解除經營租賃項下的未來最低租賃款項總額須於下列期間內償還：

經營租賃款項指本集團就若干辦公室物業之應付租金。本集團之租約經磋商後平均為期五年（二零一五年：五年）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

37. MAJOR NON-CASH TRANSACTIONS

- (a) During the year ended 31 December 2016, the secured loans of US\$8,000,000 (which are equivalents to HK\$62,006,000) were settled with the current account with a director by increasing the amount due to a director of approximately HK\$62,006,000.
- (b) During the year ended 31 December 2016, aggregate principal amounts of bonds of HK\$67,000,000 was settled by allotting and issuing 57,292,000 ordinary shares at HK\$1.2 each.
- (c) During the year ended 31 December 2016, 71,219,512 ordinary shares were allotted and issued to Ultra Harvest at HK\$1.75 each in relation to the business combination (note 33).

38. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS

The share option scheme (the “Old Scheme”) adopted by the Company on 16 June 2003 expired on 15 June 2013. The Company has adopted a new share option scheme (the “New Scheme”) on 3 June 2013 whereby the directors of the Company are authorised, at their discretion, to invite, among other eligible participants, employees of the Group (including directors of any member of the Group), advisers and consultants, to take up options to subscribe for shares of the Company. Each option gives the holder the right to subscribe for one ordinary share of the Company. The New Scheme shall be valid and effective for a period of ten years ending on 2 June 2023, after which no further options can be granted.

As at 31 December 2016 and 31 December 2015, the number of shares in respect of which options had been granted and remained outstanding under the New Scheme were nil and 3,278,939 respectively. The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company’s shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company’s shareholders.

37. 主要非現金交易

- (a) 截至二零一六年十二月三十一日止年度，抵押貸款8,000,000美元（相等於約62,006,000港元），乃以增加應付一名董事之款項約62,006,000港元之方式，以一名董事之往來賬戶結付。
- (b) 截至二零一六年十二月三十一日止年度，本金總額67,000,000港元之債券以按每股1.2港元之價格配發及發行57,292,000股普通股之方式結付。
- (c) 截至二零一六年十二月三十一日止年度，71,219,512股普通股就業務合併以每股1.75港元配發及發行予Ultra Harvest（附註33）。

38. 以股份為基礎的支付交易

本公司於二零零三年六月十六日採納之購股權計劃（「舊計劃」）已於二零一三年六月十五日屆滿。根據本公司於二零一三年六月三日採納之新購股權計劃（「新計劃」），本公司董事獲授權酌情向（包括其他合資格參與者）本集團僱員（包括本集團內任何成員公司之董事）、顧問及諮詢人提出接納購股權之要約，以認購本公司股份。每份購股權均授權持有人認購一股本公司普通股。新計劃有效期為十年，直至二零二三年六月二日止，其後不可授出額外購股權。

於二零一六年及二零一五年十二月三十一日，根據新計劃授出及尚未行使之購股權所涉及之股份數目分別為零及3,278,939股。根據新計劃可授出購股權所涉及之股份總數不得超過任何時候本公司已發行股份之10%，而毋須事先取得本公司股東之批准，在未先取得本公司股東之批准，於任何一年授予及可授予任何個人之購股權所涉及之已發行及將予發行股份數目不得超過任何時候本公司已發行股份之1%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

38. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares.

No consideration is payable on the grant of an option. Options may be exercised after vesting period and the exercisable period is set out below.

38. 以股份為基礎的支付交易（續）

行使價由本公司董事釐定，不會低於以下較高者：(i)本公司股份於授出日期之收市價；(ii)股份於緊接授出日期前五個營業日的平均收市價；及(iii)本公司股份之面值。

概無代價須於授出購股權時支付。購股權可於歸屬期後行使，行使期如下。

Category of participant 參與者類別	Date of grant 授出日期	Vesting period 歸屬期	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元	Fair value per share at grant date 於授出日期之公允價值 HK\$ 港元
Director A 董事A	31 August 2016 二零一六年八月三十一日	31 August 2016 to 31 August 2018 二零一六年八月三十一日 至二零一八年八月三十一日	1 September 2018 to 30 August 2025 二零一八年九月一日 至二零二五年八月三十日	1.37	0.89
Director A 董事A	31 August 2015 二零一五年八月三十一日	31 August 2015 to 31 August 2018 二零一五年八月三十一日 至二零一八年八月三十一日	1 September 2018 to 30 August 2025 二零一八年九月一日 至二零二五年八月三十日	1.41	0.42
Director B 董事B	10 June 2014 二零一四年六月十日	10 June 2014 to 31 March 2017 二零一四年六月十日 至二零一七年三月三十一日	1 April 2017 to 9 June 2024 二零一七年四月一日 至二零二四年六月九日	2.41	2.38

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

38. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses movements of the Company's share options held by a director during the year.

2016

Category of participant 參與者類別	Date of grant 授出日期	Outstanding as at 1 January 2016 於二零一六年 一月一日尚未行使	Granted during the year 年內授出	Lapsed during the year 年內失效	Outstanding as at 31 December 2016 於二零一六年 十二月三十一日 尚未行使
Director A 董事A	31 August 2016 二零一六年八月三十一日	-	3,278,939	(3,278,939)	-
Director A 董事A	31 August 2015 二零一五年八月三十一日	3,278,939	-	(3,278,939)	-
		3,278,939	3,278,939	(6,557,878)	-

2015

Category of participant 參與者類別	Date of grant 授出日期	Outstanding as at 1 January 2015 於二零一五年 一月一日尚未行使	Granted during the year 年內授出	Lapsed during the year 年內失效	Outstanding as at 31 December 2015 於二零一五年 十二月三十一日 尚未行使
Director A 董事A	31 August 2015 二零一五年八月三十一日	-	3,278,939	-	3,278,939
Director B 董事B	10 June 2014 二零一四年六月十日	3,238,969	-	(3,238,969)	-
		3,238,969	3,278,939	(3,238,969)	3,278,939

Number of options
exercisable at the
end of the year
於年末可行使之購股權數目

-

Weighted average
exercise price
加權平均行使價

HK\$1.41 港元

HK\$1.41 港元

During the years ended 31 December 2016 and 2015, a total of 3,278,939 and 3,278,939 options respectively were granted to Director A and the estimated fair values of the options granted on the grant dates were HK\$2,922,000 and HK\$2,259,000, respectively.

The Group recognised the total expense of approximately HK\$1,234,000 for the year ended 31 December 2016 (2015: HK\$753,000) in relation to share options granted by the Company.

38. 以股份為基礎的支付交易 (續)

下表披露年內董事持有之本公司購股權之變動。

二零一六年

Category of participant 參與者類別	Date of grant 授出日期	Outstanding as at 1 January 2016 於二零一六年 一月一日尚未行使	Granted during the year 年內授出	Lapsed during the year 年內失效	Outstanding as at 31 December 2016 於二零一六年 十二月三十一日 尚未行使
Director A 董事A	31 August 2016 二零一六年八月三十一日	-	3,278,939	(3,278,939)	-
Director A 董事A	31 August 2015 二零一五年八月三十一日	3,278,939	-	(3,278,939)	-
		3,278,939	3,278,939	(6,557,878)	-

二零一五年

Category of participant 參與者類別	Date of grant 授出日期	Outstanding as at 1 January 2015 於二零一五年 一月一日尚未行使	Granted during the year 年內授出	Lapsed during the year 年內失效	Outstanding as at 31 December 2015 於二零一五年 十二月三十一日 尚未行使
Director A 董事A	31 August 2015 二零一五年八月三十一日	-	3,278,939	-	3,278,939
Director B 董事B	10 June 2014 二零一四年六月十日	3,238,969	-	(3,238,969)	-
		3,238,969	3,278,939	(3,238,969)	3,278,939

Number of options
exercisable at the
end of the year
於年末可行使之購股權數目

-

Weighted average
exercise price
加權平均行使價

HK\$1.41 港元

HK\$1.41 港元

截至二零一六年及二零一五年十二月三十一日止年度，合共授予董事A 3,278,939份購股權及3,278,939份購股權，於授出日授出之購股權之估計公允價值分別為2,922,000港元及2,259,000港元。

截至二零一六年十二月三十一日止年度，本集團就本公司授出之購股權確認總開支約1,234,000港元（二零一五年：753,000港元）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

38. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

During the year ended 31 December 2016, Director A resigned as an executive director of the Company on 30 December 2016 and all of his share options were then lapsed upon his resignation.

During the year ended 31 December 2015, Director B resigned as an executive director of the Company and his 3,238,969 share options were then lapsed in April 2015.

The fair value was calculated using the Binomial model. The inputs into the model were as follows:

2016	
Grant date share price	HK\$1.37
Exercise price	HK\$1.37
Expected volatility	75.15%
Option life	10 years
Dividend yield	0%
Risk-free interest rate	0.927%
Early exercise multiple for director	2.8
Exit rate for director	22.593%

2015	
Grant date share price	HK\$1.41
Exercise price	HK\$1.41
Expected volatility	66.94%
Option life	10 years
Dividend yield	5.26%
Risk-free interest rate	1.799%
Early exercise multiple for director	2.8
Exit rate for director	22.593%

Expected volatility was determined by using the historical volatility of Company's share price. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate. Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share options granted.

38. 以股份為基礎的支付交易 (續)

截至二零一六年十二月三十一日止年度，董事A於二零一六年十二月三十日辭任本公司執行董事，其全部購股權亦於其辭任後失效。

截至二零一五年十二月三十一日止年度，董事B辭任本公司執行董事，其3,238,969份購股權亦於二零一五年四月失效。

公允價值乃運用二項式模型計算，該模型之輸入數據如下：

二零一六年	
授出日期之股價	1.37 港元
行使價	1.37 港元
預期波幅	75.15%
購股權有效期	10年
股息率	0%
無風險利率	0.927%
董事之提前行使倍數	2.8
董事之退出率	22.593%

二零一五年	
授出日期之股價	1.41 港元
行使價	1.41 港元
預期波幅	66.94%
購股權有效期	10年
股息率	5.26%
無風險利率	1.799%
董事之提前行使倍數	2.8
董事之退出率	22.593%

預期波幅乃按本公司股價之歷史波幅釐定。該模型所用之預計有效期已按管理層之最佳估計就不可轉讓性之特定、行使限制及行為考慮因素之影響作出調整。

預期股息乃基於歷史股息釐定。主觀性輸入數據假設的變動或會對公允價值估計造成重大影響。購股權乃根據一項服務條件授出。於計量所獲得服務之授出日期公允價值時並無考慮此條件。所授出之購股權並無市場條件。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

39. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions.

(a) Transactions with related parties

The Group had the following material transactions with related parties during the year:

Name of company 公司名稱	Nature of transactions 交易性質	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
重慶申基實業(集團)有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	2,051	1,393
重慶平方釐米房地產經紀有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	—	293
重慶申基房地產開發有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	1,653	1,077
重慶梁平戴斯置業有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	1,089	253
重慶天馬物業發展有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	342	264
重慶柏樁實業有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	3,405	1,174
青海申基置業有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	817	501
重慶申基通用航空有限公司	Property management service fee received or receivables 已收或應收物業管理服務費	(i), (ii) & (iii)	36	18

39. 重大關聯交易

除本綜合財務報表其他地方所披露之交易及結餘外，本集團訂立以下重大關聯交易。

(a) 關聯交易

於本年度，本集團已發生下列重大關聯交易：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

39. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(a) Transactions with related parties (Continued)

Notes:

- (i) These transactions were carried out at terms determined and agreed by the Group and the relevant parties. The contracts do not have any expiry date until owners' committee are formed and the owners' committee can re-appoint the service provider. As at 31 December 2016, no owners' committee are set up.
- (ii) Mr. Shen Yong, the controlling shareholder of the Company has beneficial interest in these companies.
- (iii) The related party transactions in respect of above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

The disclosures required by Chapter 14A of the Listing Rules are provided in section "Connected Transactions" of the directors' report of this annual report.

(b) Key management personnel compensation

The remuneration of directors and other members of key management personnel during the year are as follows:

Short-term benefits	短期僱員福利	7,280	8,573
Post-employment benefits	離職後福利	54	66
Equity-settled share-based payment expenses	以股權結算之股份付款開支	1,234	755
		8,568	9,394

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Other than the related party transactions disclosed above, no other transaction, arrangement or contract of significance to which the Company was a party and in which a director of the Company or a connected entity of the director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

39. 重大關聯交易 (續)

(a) 關聯交易 (續)

附註：

- (i) 該等交易乃按本集團與相關人士釐定及協商的條款進行。該等合約並無任何到期日，直至業主委員會成立為止，屆時業主委員會可重新委任服務提供商。於二零一六年十二月三十一日，並無成立業主委員會。
- (ii) 本公司控股股東申勇先生於該等公司擁有實益權益。
- (iii) 上述關聯交易構成上市規則第14A章定義之關連交易或持續關連交易。

上市規則第14A章規定之披露於本年報董事會報告書「關連交易」一節提供。

(b) 主要管理人員之酬金

董事及其他主要管理人員於年內之酬金載列如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	7,280	8,573
	54	66
	1,234	755
	8,568	9,394

董事及主要行政人員之薪酬乃由薪酬委員會考慮個人表現及市場趨勢而釐定。

除上文披露之關聯交易外，於年終或本年度內任何時間，本公司概無訂有本公司董事或本公司董事之關連實體直接或間接擁有重大權益之重大交易、安排或合約。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

40. 本公司之財務狀況表

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	–	–
Interests in subsidiaries	於附屬公司之權益	–	–
		–	–
Current assets	流動資產		
Other receivables	其他應收賬款	1,152	1,152
Amounts due from subsidiaries	應收附屬公司款項	96,727	19,477
Bank balances and cash	銀行結餘及現金	30,928	33,766
		128,807	54,395
Current liabilities	流動負債		
Other payables	其他應付賬款	3,739	3,582
Secured loans	抵押貸款	–	62,006
Amounts due to subsidiaries	應付附屬公司款項	14,136	14,136
		17,875	79,724
Net current assets/(liabilities)	流動資產／(負債)淨值	110,932	(25,329)
Total assets less current liabilities	資產總值減流動負債	110,932	(25,329)
Capital and reserves	資本及儲備		
Share capital	股本	292,462	99,076
Reserves (note)	儲備(附註)	(283,355)	(300,234)
Total equity	總權益	9,107	(201,158)
Non-current liabilities	非流動負債		
Amount due to a director	應付一名董事款項	61,825	135,829
Bonds	債券	40,000	40,000
		101,825	175,829
		110,932	(25,329)

Approved and authorised for issue by the board of directors
on 29 March 2017.

於二零一七年三月二十九日獲董事會批准
及授權發行。

Shen Yong
申勇
Director
董事

Gan Lin
甘霖
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

40. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

40. 本公司之財務狀況表 (續)

Note:

附註：

		Contribution reserve 出資儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Accumulated Losses* 累計虧損* HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2015	於二零一五年一月一日	8,478	829	(12,623)	(46,397)	(49,713)
Loss for the year and total comprehensive expense for the year	本年度虧損及本年度全面開支總額	-	-	-	(251,274)	(251,274)
Lapse of share options granted by the Company (note 38)	本公司授出之購股權失效(附註38)	-	(1,322)	-	1,322	-
Recognition of equity-settled share-based payment transactions (note 38)	確認以股權結算之股份付款交易(附註38)	-	753	-	-	753
As at 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	8,478	260	(12,623)	(296,349)	(300,234)
Profit for the year and total comprehensive income for the year	本年度溢利及本年度全面收益總額	-	-	-	15,645	15,645
Lapse of share options granted by the Company (note 38)	本公司授出之購股權失效(附註38)	-	(1,494)	-	1,494	-
Recognition of equity-settled share-based payment transactions (note 38)	確認以股權結算之股份付款交易(附註38)	-	1,234	-	-	1,234
As at 31 December 2016	於二零一六年十二月三十一日	8,478	-	(12,623)	(279,210)	(283,355)

* Accumulated losses represented the distributable reserves to the equity shareholders of the Company.

* 累計虧損指可分派予本公司之股權股東之儲備。

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

41. 金融風險管理及公允價值計量

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include foreign currency risk, credit risk, interest rate risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The most significant financial risk to which the Group is exposed as discussed below.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

本集團透過於日常經營過程中使用之金融工具承受金融風險。金融風險包括外幣風險、信貸風險、利率風險及流動資金風險。管理層管理及監察風險敞口，確保及時而有效地採取適當措施。本集團所承受之最重大金融風險於下文討論。

本集團關於金融工具之風險敞口類型或其管理及計量風險之方式並無變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41. 金融風險管理及公允價值計量 (續)

41.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities:

41.1 金融資產及負債分類

於綜合財務狀況表呈列之賬面值乃關於以下金融資產及金融負債分類：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)
Financial assets:		
Loans and receivables		
– Trade and other receivables	86,553	145,223
– Restricted bank deposits	3,090	11,768
– Short-term bank deposit with original maturity more than three months	1,000	1,000
– Bank balances and cash	52,795	49,443
	143,438	207,434
Financial liabilities:		
Financial liabilities measured at amortised cost		
– Trade and other payables	132,591	204,939
– Amount due to a director	68,325	142,096
– Amount due to related companies	3,974	100,714
– Secured loans	39,898	62,006
– Bonds	40,000	40,000
	284,788	549,755

金融資產：

貸款及應收賬款

– 貿易及其他應收賬款

– 受限制銀行存款

– 原到期日超過三個月之
短期銀行存款

– 銀行結餘及現金

金融負債：

按攤銷成本計量之金融負債

– 貿易及其他應付賬款

– 應付一名董事款項

– 應付關聯公司款項

– 抵押貸款

– 債券

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41.2 Foreign currency risk

The Group are exposed to foreign currency risk primarily through sales and purchases which give rise to receivables, payables and bank balances and borrowings that are denominated in a foreign currency i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to the risk are primarily US\$, RMB and CAD. The Group ensure that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

The carrying amounts of the Group's recognised assets and liabilities denominated in currencies other than the functional currency of the entity to which they relate.

For presentation purposes, the amounts of the exposure are shown in HK\$, translates at spot rate as at the end of the reporting period. Exchange reserves resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

41. 金融風險管理及公允價值計量 (續)

41.2 外幣風險

本集團主要因買賣產生以並非交易所屬業務的功能貨幣之貨幣(外幣)計值的應收賬款、應付賬款、銀行結餘及借貸而面臨貨幣風險。產生風險的貨幣主要為美元、人民幣及加元。本集團務求將淨敞口維持在可接受的水平，必要時按現貨匯率買賣外幣，以解決短期的失衡。

並非以相關集團實體的功能貨幣計值的本集團已確認資產及負債的賬面值。

為便於呈列，風險敞口金額乃按報告期末之現貨匯率換算為港元。將海外業務之財務報表換算為本集團呈列貨幣所產生之匯兌儲備不包括在內。

		2016 二零一六年			2015 二零一五年		
		Recognised assets 已確認資產 HK\$'000 千港元	Recognised liabilities 已確認負債 HK\$'000 千港元	Net exposure 風險 敞口淨額 HK\$'000 千港元	Recognised assets 已確認資產 HK\$'000 千港元 (Restated) (經重列)	Recognised liabilities 已確認負債 HK\$'000 千港元 (Restated) (經重列)	Net exposure 風險 敞口淨額 HK\$'000 千港元 (Restated) (經重列)
US\$	美元	29,056	(27,619)	1,437	64,330	(92,611)	(28,281)
RMB	人民幣	70,470	(63,342)	7,128	31,591	(34,630)	(3,039)
CAD	加元	5,109	(1,211)	3,898	1,117	-	1,117
		104,635	(92,172)	12,463	97,038	(127,241)	(30,203)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41.2 Foreign currency risk (Continued)

The following table indicated the instantaneous change in the Group's loss for the year (and accumulated losses) that would arise if the exchange rates to which the Group has significant exposure as at the end of the reporting period had changed at that date, assuming all other risk variables remained constant. In this respect, it is assumed that the pegged rate between HK\$ and US\$ would not be materially affected by any changes in movement in value of the US\$ against other currencies.

41. 金融風險管理及公允價值計量 (續)

41.2 外幣風險 (續)

下表顯示倘於報告期末本集團存在重大風險敞口的匯率於當日發生變動，而假設所有其他風險變量維持不變，則本集團的本年度虧損（及累計虧損）將出現的即時變動。就此而言，假設港元與美元之間的聯繫匯率不會受到美元兌其他貨幣的匯率發生變動的的重大影響。

		2016 二零一六年		2015 二零一五年	
		Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/ (下降)	(Increase)/ decrease in profit or loss 損益 (增加)/ 減少 HK\$'000 千港元	Increase/ (decrease) in foreign exchange rates 外匯匯率 上升/ (下降)	(Increase)/ decrease in profit or loss 損益 (增加)/ 減少 HK\$'000 千港元
US\$	美元	0.5% (0.5%)	(7) 7	0.5% (0.5%)	118 (118)
RMB	人民幣	6.0% (6.0%)	(428) 428	6.0% (6.0%)	152 (152)
CAD	加元	16.0% (16.0%)	(624) 624	16.0% (16.0%)	(149) 149

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' profit or loss for the year and equity measured in the respective functional currencies, translated into HK\$ at the exchange rate ruling as at the end of the reporting period for presentation purposes.

上表列示的分析結果反映各集團實體以各自的功能貨幣計量的年度損益及權益受到的即時總影響。為便於呈列，各功能貨幣均按報告期末的現行匯率換算為港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41.2 Foreign currency risk (Continued)

The sensitivity analysis assumes that the change in exchange rates had been applied to remeasure those financial assets and liabilities held by the Group which expose the Group to foreign currency risk as at the end of the reporting period. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The management adjusted the sensitivity rate for assessing foreign currency risk after considering the impact of the volatile financial market conditions during the year ended 31 December 2016.

41.3 Credit risk

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debtor as at the end of the reporting period to ensure that adequate provision for doubtful debts are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

41. 金融風險管理及公允價值計量 (續)

41.2 外幣風險 (續)

敏感度分析乃假設匯率變動已用於重新計量令本集團於報告期末面臨外幣風險的本集團金融資產及負債。該分析不包括將海外業務的財務報表換算為本集團呈列貨幣所產生的差異。管理層經考慮截至二零一六年十二月三十一日止年度金融市場震盪的影響後，已調整評估外幣風險所使用的敏感度率。

41.3 信貸風險

於二零一六年十二月三十一日，本集團因交易對手方未能履行本集團規定的責任而須蒙受財務虧損的最大信貸風險敞口，產生自綜合財務狀況報表所列各項已確認金融資產的賬面值。

為減低信貸風險，本集團管理層已委派一個團隊負責釐定信貸限額、信貸批核及其他監察程序，確保採取後續措施收回逾期債務。此外，本集團在報告期末檢討各項個別貿易應收賬款的可收回金額，確保已就不可收回金額計提充分的呆賬撥備。就此而言，本公司董事認為本集團的信貸風險已顯著減低。

流動資金的信貸風險有限，因為該等資金存置於獲國際信用評級機構授予高信用評級的銀行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41.3 Credit risk (Continued)

The Group's concentration of credit risk by geographical locations is mainly in the Hong Kong, which in aggregate accounted for 20% (2015: 20%) of the total trade receivables as at 31 December 2016.

The Group has concentration of credit risk as 14% (2015: 35%) and 52% (2015: 74%) of the total trade receivables were due from the Group's largest customer and the five largest customers respectively.

41.4 Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate obligation under finance leases (see note 27) and bonds (see note 32). The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank deposits and secured loans (see note 31).

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group's cash flow interest rate is mainly concentrated on the fluctuation of (i) prevailing market rates arising from the Group's bank balances denominated in HK\$, USD and CAD and (ii) RMB deposits interest rate stipulated by the People's Bank of China arising from the Group's bank balances denominated in RMB.

41. 金融風險管理及公允價值計量 (續)

41.3 信貸風險 (續)

按地區劃分，本集團的信貸集中風險主要源於香港，其佔於二零一六年十二月三十一日貿易應收賬款總額20% (二零一五年：20%)。

本集團面臨信貸集中風險，因為來自本集團最大客戶及前五大客戶的貿易應收賬款分別佔本集團貿易應收賬款總額的14% (二零一五年：35%) 及52% (二零一五年：74%)。

41.4 利率風險

本集團面臨定息融資租賃責任 (見附註27) 及債券 (見附註32) 的公允價值利率風險。本集團目前並未制定利率對沖政策，但本集團管理層密切監察利率風險，並將於預計出現重大利率風險敞口時採取其他必要措施。

本集團亦面臨浮息銀行存款及抵押貸款 (見附註31) 的現金流量利率風險。

本集團面臨的金融負債利率風險詳述於本附註流動資金風險管理一節。本集團的現金流量利率主要集中於 (i) 本集團以港元、美元及加元計值的銀行結餘承受現行市場利率波動及 (ii) 本集團以人民幣計值的銀行結餘承受由中國人民銀行公佈的人民幣存款利率波動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41.4 Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments as at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding as at the end of the reporting period were outstanding for the whole year. A 10 basis points (2015: 10 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 10 basis points (2015: 10 basis points) higher/lower and all other variables were held constant, the Group's loss for the year ended 31 December 2016 would increase/decrease HK\$40,000 (2015: HK\$62,000).

41.5 Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserve of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table shows the details of the remaining contractual maturities as at 31 December 2016 and the Group's non-derivative liabilities and derivative liabilities which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current as at the end of each reporting period) and the earliest date the Group can be required to pay.

41. 金融風險管理及公允價值計量 (續)

41.4 利率風險 (續)

敏感度分析

以下敏感度分析根據於報告期末非衍生工具的利率風險敞口釐定。分析假設於報告期末尚未到期的金融工具於整個年度未到期。在內部向主要管理人員報告利率風險時採用增減10個基點(二零一五年: 10個基點)分析, 反映管理層對利率合理可能變動的評估。

倘利率升/跌10個基點(二零一五年: 10個基點)而所有其他變量維持不變, 則本集團截至二零一六年十二月三十一日止年度的虧損將增加/減少40,000港元(二零一五年: 62,000港元)。

41.5 流動資金風險

本集團之政策為定期監察流動資金需要, 以確保其維持充裕現金儲備及向大型金融機構取得足夠的承諾資金額度, 從而滿足其短期及長遠流動資金需要。

下表詳列於二零一六年十二月三十一日本集團非衍生負債及衍生負債的餘下合約到期情況, 乃根據合約未貼現現金流量(包括使用合約利率或(倘為浮息)於各報告期末之即期利率計算之利息付款)及本集團可能須還款的最早日期編製。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41. 金融風險管理及公允價值計量 (續)

41.5 Liquidity risk (Continued)

41.5 流動資金風險 (續)

2016

二零一六年

		On demand or within one year 按要求或 一年內 HK\$'000 千港元	More than one year but less than two years 超過一年 但不到兩年 HK\$'000 千港元	More than two years but less than five years 超過兩年 但不到五年 HK\$'000 千港元	More than five years 超過五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付賬款	132,591	-	-	-	132,591	132,591
Amounts due to related companies	應付關聯公司款項	3,974	-	-	-	3,974	3,974
Amount due to a director	應付一名董事款項	-	71,750	-	-	71,750	68,325
Secured loans	抵押貸款	3,772	3,770	11,310	36,509	55,361	39,898
Bonds	債券	2,800	2,800	17,200	34,104	56,904	40,000
		143,137	78,320	28,510	70,613	320,580	284,788

2015

二零一五年

		On demand or within one year 按要求或 一年內 HK\$'000 千港元 (Restated) (經重列)	More than one year but less than two years 超過一年 但不到兩年 HK\$'000 千港元 (Restated) (經重列)	More than two years but less than five years 超過兩年 但不到五年 HK\$'000 千港元 (Restated) (經重列)	More than five years 超過五年 HK\$'000 千港元 (Restated) (經重列)	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元 (Restated) (經重列)	Carrying amount 賬面值 HK\$'000 千港元 (Restated) (經重列)
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付賬款	204,939	-	-	-	204,939	204,939
Amounts due to related companies	應付關聯公司款項	100,714	-	-	-	100,714	100,714
Amount due to a director	應付一名董事款項	-	144,570	-	-	144,570	142,096
Secured loans	抵押貸款	66,346	-	-	-	66,346	62,006
Bonds	債券	2,800	2,800	17,200	34,104	56,904	40,000
		374,799	147,370	17,200	34,104	573,473	549,755

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

41. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

41.6 Fair value estimation

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2016 and 2015 due to their short-term maturities.

42. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

During the year ended 31 December 2016, the Group's strategy in monitoring its capital structure, which was unchanged from prior year, was to maintain a sufficient cash level to meet its liquidity requirements. In order to maintain or adjust the cash level, the Group may issue new shares, raise new debt financing or sell assets to increase the cash level.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

43. COMPARATIVE FIGURES

As a result of the business combination under common control (note 33) and the discontinued operation, certain comparative figures have been reclassified to conform to the current year's presentation.

41. 金融風險管理及公允價值計量 (續)

41.6 公允價值估計

由於在短期內到期，全部金融工具的賬面值與其於二零一六年及二零一五年十二月三十一日之公允價值並無重大差異。

42. 資本風險管理

本集團管理資本之首要目標乃保障本集團能夠繼續根據持續經營基準經營，從而透過與風險水準相對應之產品及服務定價及以合理成本獲得融資，繼續為股東創造回報及為其他持份者帶來利益。

本集團積極並定期審閱和管理其資本架構，以在高借貸、高股東回報與穩定資產保障帶來的資本成本之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

截至二零一六年十二月三十一日止年度，本集團秉承往年之策略，監察其股本架構以維持充裕現金水平應付流動資金所需。為維持或調整現金水平，本集團可發行新股份、籌集新債務融資或出售資產以增加現金水平。

本公司及其附屬公司毋須受外部實施之資本規定限制。

43. 比較數字

因共同控制業務合併(附註33)及已終止經營業務，若干比較數字已重新分類，以與本年度之呈列方式保持一致。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

		2012 二零一二年	2013 二零一三年	2014 二零一四年	2015 二零一五年 (Restated) (經重列)	2016 二零一六年
Consolidated statement of profit or loss and other comprehensive income (HK\$'000)	綜合損益及其他全面收益表 (千港元)					
Revenue	收益	475,174	298,722	348,530	413,259	310,147
Loss before income tax	除所得稅前虧損	(51,187)	(56,980)	(94,053)	(23,302)	(72,500)
Loss for the year attributable to equity shareholders of the Company from continuing and discontinued operations	本年度本公司權益股東於持續及已終止經營業務應佔虧損	(52,339)	(52,883)	(91,806)	(33,055)	(26,074)
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港仙)					
– From continuing operations	– 持續經營業務	(16.16)	(16.33)	(28.24)	(8.93)	(20.23)
– From discontinued operation	– 已終止經營業務	–	–	–	(1.15)	13.81
Diluted (loss)/earnings per share (HK cents)	每股攤薄(虧損)/盈利(港仙)					
– From continuing operations	– 持續經營業務	(16.16)	(16.33)	(28.24)	(8.93)	(20.23)
– From discontinued operation	– 已終止經營業務	–	–	–	(1.15)	13.81
Consolidated statement of financial position (HK\$'000)	綜合財務狀況表 (千港元)					
Non-current assets	非流動資產	80,110	166,843	121,711	158,891	143,402
Current assets	流動資產	230,897	240,842	246,777	374,851	177,312
Current liabilities	流動負債	(121,140)	(118,642)	(168,643)	(379,100)	(161,238)
Net current assets/(liabilities)	流動資產/ (負債)淨值	109,757	122,200	78,134	(4,249)	16,074
Non-current liabilities	非流動負債	(10,634)	(157,450)	(178,757)	(189,192)	(153,963)
Net assets/(liabilities)	資產/(負債)淨值	179,233	131,593	21,088	(34,550)	5,513
Share Information (HK\$)	股份資料(港元)					
Highest share price	最高股價	\$1.61	\$2.38	\$3.11	\$2.30	\$2.00
Lowest share price	最低股價	\$0.38	\$0.99	\$1.73	\$1.10	\$0.48
Year end closing share price	年終收市股價	\$0.98	\$1.82	\$1.96	\$1.84	\$0.48

CORPORATE INFORMATION AND SHAREHOLDERS' CALENDAR

公司資料及股東日程表

CORPORATE INFORMATION

Board of Directors

Executive directors

Mr. Shen Yong (*Chairman*)
 Mr. Gan Lin (*Chief Executive Officer*)[#]
 Mr. Shen Ke
 Mr. Hong Sang Joon
 Mr. Kaneko Hiroshi^{*}

Non-executive director

Mr. Huang Xiang Yang[□]

Independent non-executive directors

Mr. Yu Lei
 Ms. Zhang Cui Lan[∞]
 Dr. Loke Yu (alias Loke Hoi Lam)^{*}
 Mr. Ernst Rudolf Zimmermann

Executive Committee

Mr. Shen Yong
 Mr. Shen Ke
 Mr. Hong Sang Joon
 Mr. Gan Lin[#]
 Mr. Kaneko Hiroshi^{*}

Audit Committee

Mr. Yu Lei
 Ms. Zhang Cui Lan[∞]
 Dr. Loke Yu (alias Loke Hoi Lam)^{*}
 Mr. Ernst Rudolf Zimmermann

公司資料

董事會

執行董事

申勇先生 (主席)
 甘霖先生 (行政總裁)[#]
 申柯先生
 洪祥準先生
 金子博先生^{*}

非執行董事

黃向陽先生[□]

獨立非執行董事

余磊先生
 張翠蘭女士[∞]
 陸海林博士^{*}
 司馬文先生

執行委員會

申勇先生
 申柯先生
 洪祥準先生
 甘霖先生[#]
 金子博先生^{*}

審核委員會

余磊先生
 張翠蘭女士[∞]
 陸海林博士^{*}
 司馬文先生

CORPORATE INFORMATION AND SHAREHOLDERS' CALENDAR

公司資料及股東日程表

Remuneration Committee

Mr. Yu Lei
 Ms. Zhang Cui Lan[∞]
 Dr. Loke Yu (alias Loke Hoi Lam)*
 Mr. Ernst Rudolf Zimmermann

Nomination Committee

Mr. Yu Lei
 Ms. Zhang Cui Lan[∞]
 Dr. Loke Yu (alias Loke Hoi Lam)*
 Mr. Ernst Rudolf Zimmermann

Independent Board Committee

Mr. Yu Lei
 Ms. Zhang Cui Lan[∞]
 Dr. Loke Yu (alias Loke Hoi Lam)*
 Mr. Ernst Rudolf Zimmermann

appointed on 18 April 2016 as an executive director and become Chief Executive Officer on 30 December 2016
 ☆ resigned on 30 December 2016
 □ appointed on 30 December 2016
 ∞ resigned on 18 April 2016
 * appointed on 18 April 2016

Company Secretary

Mr. Leung Tak Chee Frankie

Authorised Representatives

Mr. Gan Lin
(from 30 December 2016)
 Mr. Kaneko Hiroshi
(until 30 December 2016)
 Mr. Leung Tak Chee Frankie

薪酬委員會

余磊先生
 張翠蘭女士[∞]
 陸海林博士*
 司馬文先生

提名委員會

余磊先生
 張翠蘭女士[∞]
 陸海林博士*
 司馬文先生

獨立董事委員會

余磊先生
 張翠蘭女士[∞]
 陸海林博士*
 司馬文先生

於二零一六年四月十八日獲委任為執行董事並於二零一六年十二月三十日成為行政總裁
 ☆ 於二零一六年十二月三十日辭任
 □ 於二零一六年十二月三十日獲委任
 ∞ 於二零一六年四月十八日辭任
 * 於二零一六年四月十八日獲委任

公司秘書

梁德志先生

授權代表

甘霖先生
(自二零一六年十二月三十日起)
 金子博先生
(至二零一六年十二月三十日止)
 梁德志先生

CORPORATE INFORMATION AND SHAREHOLDERS' CALENDAR

公司資料及股東日程表

Registered Office and Principal Place of Business

Room 3805, 38/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

Auditor

Grant Thornton Hong Kong Limited
Certified Public Accountants

Share Registrar and Transfer Office

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

Stock Code

The Stock Exchange of Hong Kong Limited: 2310

Company Website

www.forebase.com.hk

Shareholders' Calendar

Announcement of 2016 Final Results
29 March 2017

Closure of Registrar of Members
26-31 May 2017
(both days inclusive)

Annual General Meeting
31 May 2017

註冊辦事處及主要營業地點

香港
銅鑼灣
希慎道33號
利園一期38樓3805室

核數師

致同(香港)會計師事務所有限公司
執業會計師

股份過戶登記處

卓佳標準有限公司
香港
皇后大道東183號
合和中心
22樓

股份代號

香港聯合交易所有限公司：2310

公司網址

www.forebase.com.hk

股東日程表

公佈二零一六年末期業績
二零一七年三月二十九日

暫停辦理股份過戶登記
二零一七年五月二十六日至三十一日
(包括首尾兩天)

股東週年大會
二零一七年五月三十一日



FOREBASE INTERNATIONAL HOLDINGS LIMITED

申基國際控股有限公司