

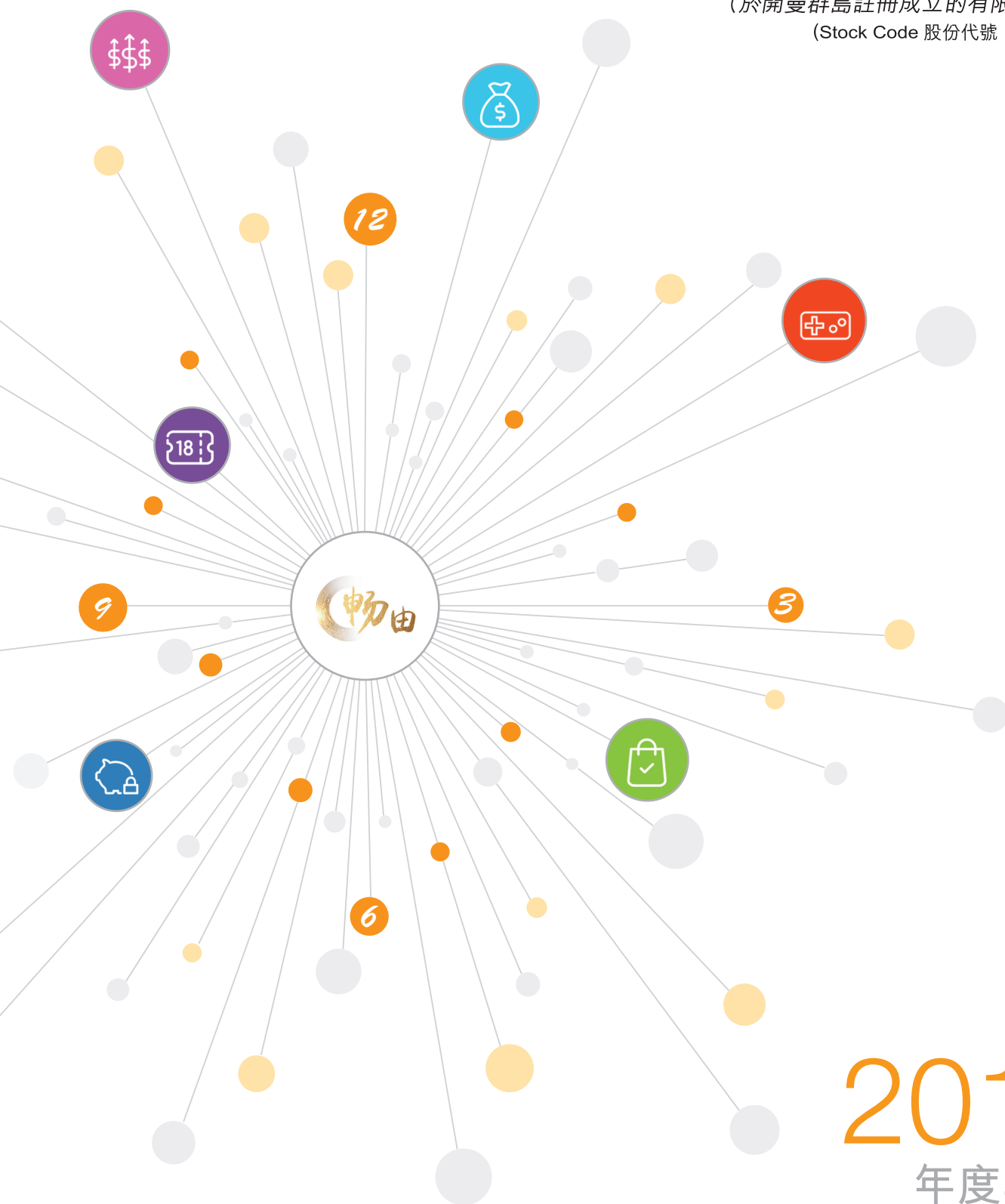
鑫網易商集團有限公司

FORTUNET E-COMMERCE GROUP LIMITED

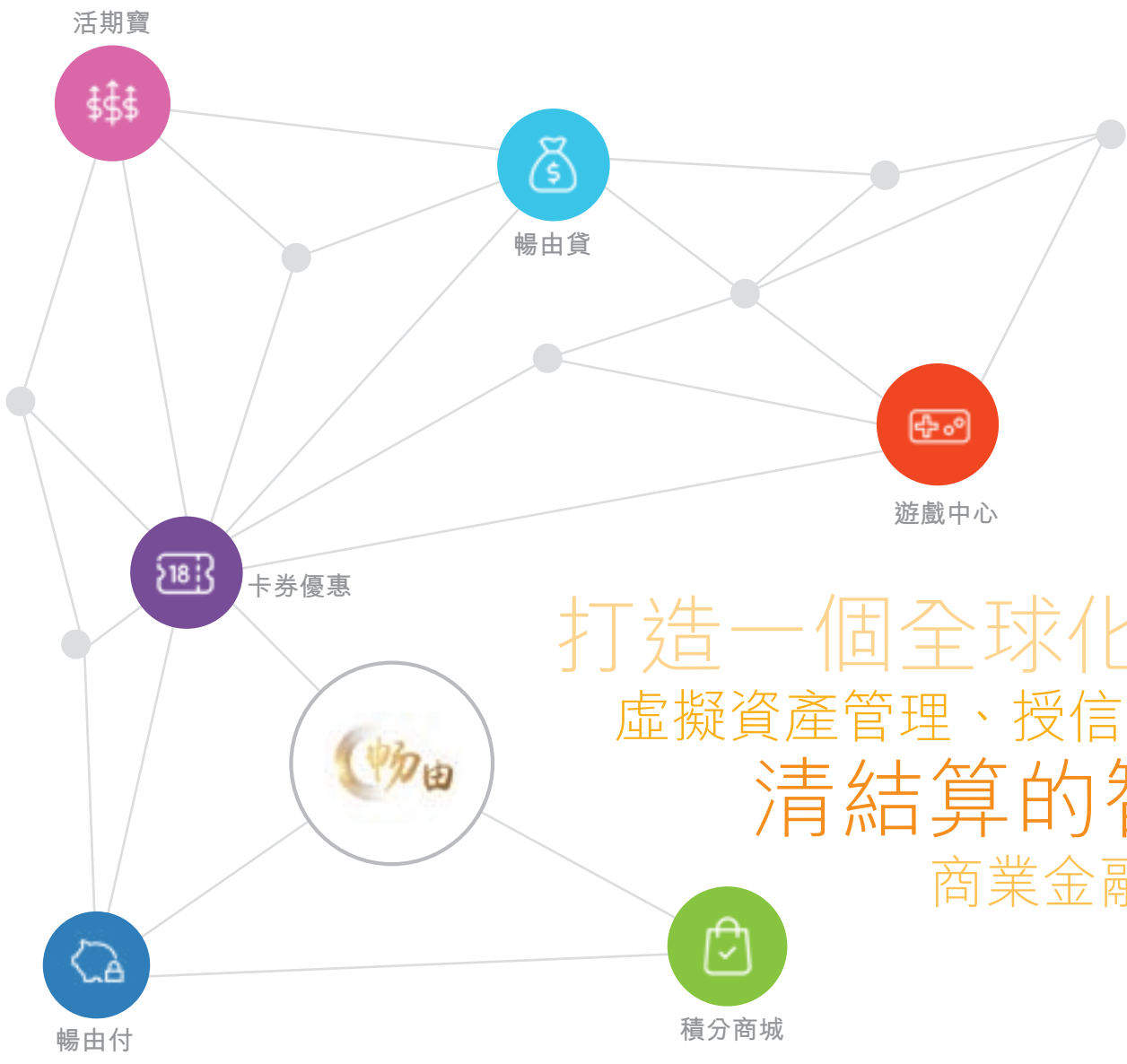
(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

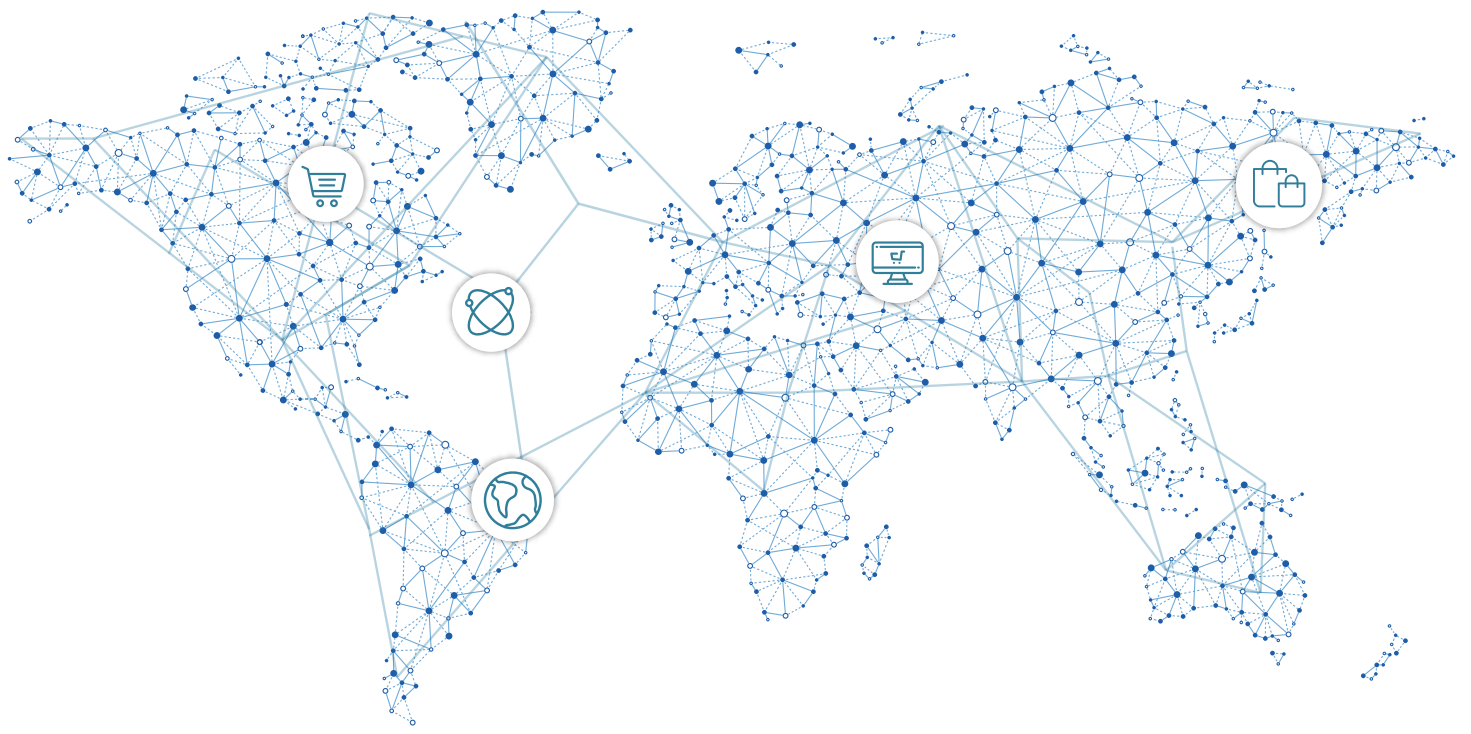
(Stock Code 股份代號：1039)



2017
年度報告
Annual Report



打造一個全球化 虛擬資產管理、授信支付和 清結算的智能 商業金融平台



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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Cheng Jerome (*Chairman*)
Mr. Yuan Weitao

Non-Executive Director

Mrs. Guo Yan

Independent Non-Executive Directors

Mr. Wong Chi Keung
Mr. Chan Chi Keung, Alan
Mr. Liu Jialin (*appointed on 1 April 2017*)
Mr. Liu Erhfei (*resigned on 1 April 2017*)

COMPANY SECRETARY

Mr. Chan Chi Keung, Billy

AUDIT COMMITTEE

Mr. Wong Chi Keung (*Chairman*)
Mr. Chan Chi Keung, Alan
Mr. Liu Jialin (*appointed on 1 April 2017*)
Mr. Liu Erhfei (*resigned on 1 April 2017*)

REMUNERATION COMMITTEE

Mr. Liu Jialin (*Chairman*) (*appointed on 1 April 2017*)
Mr. Liu Erhfei (*Chairman*) (*resigned on 1 April 2017*)
Mr. Cheng Jerome
Mr. Wong Chi Keung

NOMINATION COMMITTEE

Mr. Cheng Jerome (*Chairman*)
Mr. Wong Chi Keung
Mr. Chan Chi Keung, Alan

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor
24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1001-1009, 10/F, Sun Hung Kai Centre
30 Harbour Road, Wanchai
Hong Kong

董事

執行董事

Cheng Jerome 先生 (*主席*)
袁偉濤先生

非執行董事

郭燕女士

獨立非執行董事

黃之強先生
陳志強先生
劉嘉凌先生 (*於二零一七年四月一日獲委任*)
劉二飛先生 (*於二零一七年四月一日辭任*)

公司秘書

陳志強先生

審核委員會

黃之強先生 (*主席*)
陳志強先生
劉嘉凌先生 (*於二零一七年四月一日獲委任*)
劉二飛先生 (*於二零一七年四月一日辭任*)

薪酬委員會

劉嘉凌先生 (*主席*) (*於二零一七年四月一日獲委任*)
劉二飛先生 (*主席*) (*於二零一七年四月一日辭任*)
Cheng Jerome 先生
黃之強先生

提名委員會

Cheng Jerome 先生 (*主席*)
黃之強先生
陳志強先生

主要股份過戶登記處

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor
24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

香港主要營業地點

香港
灣仔港灣道30號
新鴻基中心10樓1001-1009室

PRINCIPAL BANKERS

Bank of China
China Construction Bank
Bank of Communications
The Hong Kong and Shanghai Banking Corporation

AUDITORS

KPMG

LEGAL ADVISOR

MinterEllison

STOCK CODE

1039

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

COMPANY'S WEBSITE

<http://www.fortunetecomm.com>

INVESTOR RELATIONSHIP

Mr. Chan Chi Keung, Billy
ir@fortunet.com.hk

主要往來銀行

中國銀行
中國建設銀行
交通銀行
香港上海滙豐銀行

核數師

畢馬威會計師事務所

法律顧問

銘德律師事務所

股份代號

1039

香港股份過戶登記處

香港中央證券登記有限公司
香港
灣仔皇后大道東183號
合和中心17樓·1712-1716室

公司網址

<http://www.fortunetecomm.com>

投資者關係

陳志強先生
ir@fortunet.com.hk

Brand Introduction of the Changyou Platform

The Digital Point Ecosystem Alliance operational platform (“Changyou”) was jointly initiated by the Group, CCB International and China UnionPay, with investment from Bank of China, China Mobile and China Eastern Airlines. The Changyou platform will make use of the huge points resources of the six founding shareholders to intergate digital points which are virtual assets that have broad application prospects. The Changyou platform also employs advanced technology such as big data and blockchain to build the “Digital Point Business Ecosystem Alliance” and “Virtual Asset Circulation and Settlement System” available globally. Through the continuous global expansion of the platform, digital points will certainly be an important carrier of asset virtualization of internet digital inclusive financing. The digital points virtual assets will bring brand new experience for us on assets trading with high efficiency, high level of security, intelligence and low cost, as well as settlement and custody. Changyou symbolizes the internet technology entering into a new phase and is the platform which demonstrates future financial industry ecosystem.



暢由平台品牌簡介

暢由是由鑫網易商集團聯合建銀國際、銀聯商務共同發起，特邀中國銀行、中國移動、以及東方航空共同投資的數字積分生態聯盟運營平台。該平台將依托六大創始股東的龐大積分資源體，有效匯聚數字積分這一具有廣闊應用前景的虛擬資產，運用大數據和區塊鏈等先進科技手段，打造面向全球的「數字積分商業生態聯盟」和「虛擬資產流通結算體系」。通過暢由平台持續地全球化延展，數字積分必將成為互聯網數字普惠金融虛擬資產化的重要載體。數字積分虛擬資產將給我們帶來高效率、高安全性、智能化和低成本的資產交易以及結算保存的全新體驗。暢由是互聯網走向的標誌，也是未來金融商業生態的示範平台。





Chairman's Statement 主席報告



Chairman's Statement

主席報告

In 2017, the global economy grew steadily. China's economy continued its stable development trend and improved alongside with the global situation, at a better than expected pace. The national gross domestic product for the past year reached RMB82,712.2 billion, representing a year-on-year increase of 6.9%¹, resulting in an overall stable performance while at the same time securing progress with improvement. With living standards gradually enhancing, China's economy transitioned to a new era of "upgraded consumption". Innovative consumption patterns have become an important issue to industries concerned with enhancing the consumption experience. The reward of 'points' has become an essential means of developing consumer behaviour and fostering their loyalty. The popularity of internet shopping and mobile payment, and innovative technology such as big data and blockchain, have boosted the application of consumption points and led the consumption points industry into a new age. On 11 January 2018, the Ministry of Commerce established the "Consumption Points Research Centre". The consumption points business model in China is expected to be further promoted with innovations that will bring a better consumption points experience to businesses and consumers.

The year 2017 represented a period of breakthrough and innovation for the Group. In July, the Digital Point Ecosystem Alliance operational platform "Changyou" – jointly initiated by the Group, CCB International and China UnionPay, with joint investment from Bank of China, China Mobile and China Eastern Airlines – was officially online and in external trial operation. As the first heterogeneous point alliance in mainland China, "Changyou" represents another milestone for China's points operating industry following the formation of an alliance for points realisation from an initial single business-created points mall. Since 1 September, "Changyou" has been fully connected to the points realisation function of the "three giants" of state-owned enterprises, namely Bank of China, China Mobile and China Eastern Airlines. On 1 October, "Changyou" launched a "Pay-by-Points" function which enables users to pay with points at offline businesses covered by UnionPay's "mobile QuickPass". "Changyou" has therefore opened up broad prospects for offline points consumption. Subsequently, "Changyou" accelerated the expansion of its points consumption opportunities, launching a ticketing entertainment function with Xishiqu (西十區) and an electronic flight ticketing business with China Eastern Airlines. It also launched the "Chang Xiang Hui" (暢享惠) group buying business and the "Changyou Credit" credit scoring product to provide reliable products and services to more quality-minded users. "Changyou" combined the strengths of its shareholders which include Fortune Global 100 companies and formed a system of realisation, settlement and payment of digital points as virtual assets based on innovative technologies such as big data and blockchain, through which the Group has formed a new ecosystem based on the virtual assets of our users and has created new opportunities for the Group in the consumption points market. As of 31 December 2017, "Changyou" had approximately 10 million registered users, driving the creation of a new era in the development of the global digital points market.

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2017年，全球經濟穩健增長，中國經濟更是延續了穩中向好的發展態勢，整體形勢好於預期。過去一年全國國內生產總值達到827,122億元人民幣，同比增長6.9%¹，呈現總體平穩、穩中有進、穩中提質的態勢。隨著居民生活水平的日益提高，中國經濟轉型發展跨入「消費升級」的全新時代，創新消費模式成為各行業提高消費體驗的重要課題。作為對用戶消費行為的回饋，消費換積分成為培養和服務用戶、提高用戶忠誠度的重要方式。藉助互聯網與移動支付的普及，以及大數據、區塊鏈等創新技術加速產業應用，積分行業步入一個嶄新的時代。2018年1月11日，國家商務部「消費積分研究中心」正式成立，相信將進一步促進中國消費積分商業模式的創新發展，為商家及消費者帶來更好的消費積分體驗。

2017年，對於集團來說是突破創新的一年。7月，由集團聯合建銀國際、銀聯商務共同發起，特邀中國銀行、中國移動、以及東方航空共同投資的數字積分生態聯盟運營平台「暢由」正式上線對外試運營。這是中國內地第一家異業積分聯盟，也是中國內地積分運營行業自最初的單體企業自建積分商城發展到結成聯盟通兌積分後又一里程碑式的發展。自9月1日起，「暢由」與中國銀行、中國移動以及中國東方航空三大央企巨頭的積分兌換功能實現全面對接。10月1日，「暢由」聯合中銀通推出「積分付」的功能，令用戶能在覆蓋銀聯「雲閃付」的線下商戶消費時實現用積分支付，「暢由」也因此正式打開線下積分消費的廣闊場景。隨後，「暢由」加速其積分消費場景的升級，牽手西十區，上線影票娛樂功能；攜手東方航空，上線電子機票業務。此外，「暢由」亦推出「暢享惠」拼團團購業務及信用評分產品「暢由信用」，旨在為更多追求品質的用戶提供值得信賴的產品及服務。「暢由」融合全球財富100強股東方優勢，基於大數據和區塊鏈創新技術形成數字積分虛擬資產的兌換、清算、支付體系，通過豐富多場景撬動積分存量背後龐大的消費市場，形成基於用戶虛擬資產的生態新模式。截至2017年12月31日，「暢由」已擁有約1,000萬註冊用戶，開創了全球數字積分市場發展的新時代。

1. http://www.stats.gov.cn/tjsj/zxfb/201801/t20180118_1574917.html

1. http://www.stats.gov.cn/tjsj/zxfb/201801/t20180118_1574917.html

Chairman's Statement

主席報告

In line with the rapid advancement of the internet, shopping channels have generally shifted online, creating huge market potential for electronic commerce. Online gross sales in China in 2017 amounted to RMB7,175.1 billion, representing a significant increase of 32.2% compared to the same period last year². The Group has been engaged in the electronic commerce business since March 2015, initially with a single business-to-business platform, then further developing a business-to-customer platform. In business-to-business, the Group engages with hundreds of brand suppliers in Europe representing thousands of producers, and has established strategic cooperative relationships with several high-profile brand groups. In September 2015, the Group launched a business-to-customer e-commerce platform with four main product categories: affordable luxury, nursery, cosmetics and health.

In 2018, the Group will increase its effort to develop the “Changyou” Digital Point Business Ecosystem Alliance, and currently offers digital consumption points in relation to the banking, communications and airlines industries. The Group will expand to other industries such as retail, travel, hotel, insurance which are closely associated with our user's lifestyles and has potential in the consumption points market. Its scope will also be expanded around the globe through cross-border cooperation with industry-leading international enterprises, thus enriching the overall variety of point resources. The Group will connect with leading companies in various industries to promote user registration and consumption via marketing promotion and corporate brand marketing. The Group will also enrich virtual commodities such as games, entertainment and other products to enhance user loyalty. In terms of cooperating businesses, the Group will issue points and provide new marketing channels for its suppliers and business partners to increase the integration of digital points. Meanwhile, the Group will launch an advertising business to introduce business networks with our cooperating businesses and realise a “three-win” situation for the Group, users and business partners. The Group will expand development of the points financing business by developing “Changyou Loan” and constructing customers' credit checking data using big data resources, thereby entering the field of consumption financing which has rigid consumer demand and enable customers to complete loan installments while consuming. Additionally, the Group plans to construct a cross-border virtual asset pool in a joint effort with major financing payment companies in Europe and the United States. This will integrate virtual digital point assets of users around the globe with the technology such as blockchain and cloud computing, and will lead the commercial society to an age of intelligent interconnection through credit extension.

近年來隨著互聯網的高速發展，消費者購物渠道普遍向線上轉移，為電子商貿的發展帶來巨大市場潛力。2017年中國網上零售總額達71,751億元人民幣，較去年同期大幅增長32.2%²。集團的電子商貿業務自2015年3月起至今，已由最初的企業對企業單一平台拓展至企業對企業、企業對消費者的業務發展模式。企業對企業平台方面，集團已與歐洲數百家品牌供應商展開實質性業務，覆蓋數千個商品製造商，與多個著名品牌集團建立起戰略合作關係。於2015年9月起，集團就輕奢品、護理、化妝品及保健品四大產品類別推出了企業對消費者的電子商務平台。

展望2018年，集團將更加著力於發展「暢由」數字積分商業生態聯盟。在現有的銀行、通訊及航空的場景基礎上，未來集團的場景將延伸至零售、旅遊、酒店、保險等積分發行量大且與大眾生活關聯度高的行業中，而合作的範圍亦將擴散至全球，與國際行業龍頭企業啟動跨國合作，從而掌握更豐富多元的積分資源。集團將接入各行業的龍頭企業，通過市場推廣、企業品牌營銷等活動促進用戶註冊以及複購。集團亦將豐富遊戲等虛擬商品，從而提高用戶黏性。於合作商家而言，集團將發行生產商積分，為企業提供新型營銷渠道，擴大數字積分的流通。同時，集團將開通廣告業務，為合作渠道商家引流，實現集團、用戶及合作夥伴三贏的局面。集團將擴大積分金融業務的發展，積極開發「暢由貸」，利用大數據資源，打造客戶徵信數據，切入垂直剛需領域以拓展消費金融，令客戶在消費的同時完成分期。此外，集團亦計劃攜手歐美重要的金融支付公司，建立跨境虛擬資產池，通過區塊鏈、雲計算等技術令使用者的數字積分虛擬資產在全球範圍內流通，並通過授信進行消費，引領商業社會進入智慧互聯時代。

2. http://www.stats.gov.cn/tjsj/zxfb/201801/t20180118_1574935.html

2. http://www.stats.gov.cn/tjsj/zxfb/201801/t20180118_1574935.html

Chairman's Statement 主席報告

The value of the “Changyou” Digital Point Business Ecosystem Alliance has gradually become apparent and can be expected to bring long-term stable revenue to the Group in the future. The Group will continue to invest time and resources to the electronic commerce business, and will explore related business opportunities to satisfy customer demand for online services.

On behalf of the Board, I would like to express my sincere gratitude to our devoted and diligent staff, and to each cooperation partner and shareholder for their firm support through the years. Let's make 2018 a fruitful year for you all.

By order of the board

Fortunet e-Commerce Group Limited

Cheng Jerome

Chairman

19 March 2018

隨著「暢由」數字積分商業生態聯盟的價值逐漸彰顯，預期未來可能為集團帶來長期穩定的收入。集團亦將持續投入時間及資源電子商貿業務中，並繼續探索其他相關業務機會，從而滿足客戶對線上服務的需求。

本人謹代表董事會對一直以來不懈努力的全體員工以及長久以來對我們堅定不移支持的各位合作夥伴及股東表示最誠摯的謝意，並期望與大家攜手共創2018年！

承董事會命

鑫網易商集團有限公司

主席

Cheng Jerome

二零一八年三月十九日

繽紛生活APP
註冊有禮



Management Discussion and Analysis

管理層討論及分析



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Group is engaged in electronic commerce (“**e-Commerce**”) business through cross-border electronic distribution platforms and mobile applications sourcing, importing and channeling authentic goods from suppliers abroad and then distributing and reselling such goods to domestic retailers and consumers in the People’s Republic of China (the “**PRC**”), and other general trading businesses. The Group has developed an electronic trading platform with a unique nature, and aims to integrate the resources and strategic advantages of the joint venture partners and operate the “Point-Connect” digital point alliance system (“**Changyou Digital Point Business Ecosystem Alliance**”). The points earned by customers through various channels can be exchanged globally in the form of virtual assets and credit for the consumption of merchandise, games, services and other commercial transactions.

Before the disposal of Chang Feng Holding (Hong Kong) Limited and its subsidiaries (the “**Chang Feng Group**”) in April 2017, the Group was also an independent axle component provider for the PRC’s medium duty truck (“**MDT**”) and heavy duty truck (“**HDT**”) aftermarket and also an independent axle assembly provider for the PRC’s MDT and HDT original equipment manufacturers (“**OEMs**”) market.

Owing to the continued deterioration of the business environment of the HDT market, the demand for axle assemblies has declined significantly. In view of these circumstances, on 7 April 2017, the Group entered into a conditional agreement to sell the entire interest in Chang Feng Group, details of which are disclosed in the Company’s announcement dated 7 April 2017 and the supplemental announcement dated 19 April 2017. The disposal was completed on 28 April 2017.

On 29 November 2016, Pointsea Holdings Company Limited (“**Pointsea Holdings**”), a non-wholly-owned subsidiary of the Company, entered into an agreement (the “**Agreement**”) with Extra Step Investments Limited (“**Extra Step**”), a wholly-owned subsidiary of China Mobile (Hong Kong) Group Limited (“**China Mobile**”) and Joy Empire Holdings Ltd. (“**Joy Empire**”), a wholly-owned subsidiary of Bank of China Group Investment Limited (“**Bank of China**”), in relation to (i) the subscription of shares in Pointsea Company Limited (“**PCL**”); and (ii) the cooperation in the development of the business of PCL and its subsidiaries. On 20 May 2017, China Eastern Airlines E-Commerce Co., Ltd (東方航空電子商務有限公司) (“**Eastern E-Commerce**”), a wholly-owned subsidiary of China Eastern Airlines Corporation Limited (“**China Eastern Airlines**”), executed a deed of accession and joined as a party to the Agreement in its capacity as one of the investors. Please refer to the announcements of the Company dated 29 November 2016, 7 December 2016 and 30 June 2017 for further details.

業務回顧

本集團通過跨界的電子分銷平台及移動應用程式，實現了從境外供應商採購、進口及引進正宗貨品，並於其後將有關商品分銷及轉售予中華人民共和國（「**中國**」）國內零售商及消費者從事電子商貿（「**電子商貿**」）業務以及其他一般貿易業務。本集團亦開發了一個獨特性質的電子交易平台，旨在整合合營夥伴資源及戰略優勢及營運「Point-Connect」聯盟積分系統（「**暢由數字積分商業生態聯盟**」）。客戶透過不同渠道賺取的積分能以虛擬資產及授信方式於全球兌換並於商品、遊戲、服務及其他商業交易中使用。

於二零一七年四月出售暢豐控股（香港）有限公司及其附屬公司（「**暢豐集團**」）前，本集團亦為中國中型卡車（「**中卡**」）及重型卡車（「**重卡**」）維修市場的獨立車橋零部件供應商，及亦為中國中卡及重卡原始設備製造商（「**原始設備製造商**」）市場的獨立車橋總成供應商。

由於重卡市場不斷衰退，對車橋總成的需求已大幅下降。鑒於此，於二零一七年四月七日，本集團訂立有條件協議，出售於暢豐集團的全部股權，有關詳情披露於本公司日期為二零一七年四月七日的公佈及日期為二零一七年四月十九日的補充公佈。出售事項於二零一七年四月二十八日完成。

於二零一六年十一月二十九日，本公司非全資附屬公司分海控股有限公司（「**分海控股**」）與中國移動（香港）集團有限公司（「**中國移動**」）全資附屬公司Extra Step Investments Limited（「**Extra Step**」）及中銀集團投資有限公司（「**中銀**」）全資附屬公司Joy Empire Holdings Ltd.（「**Joy Empire**」）訂立一份協議（「**該協議**」），其內容有關(i)認購分海有限公司（「**分海**」）的股份；及(ii)合作發展分海及其附屬公司之業務。於二零一七年五月二十日，中國東方航空股份有限公司（「**中國東方航空**」）全資附屬公司東方航空電子商務有限公司（「**東航電商**」）執行加入契約，並以投資者之一的身份加入為該協議的訂約方。有關進一步詳情，請參閱本公司日期為二零一六年十一月二十九日、二零一六年十二月七日及二零一七年六月三十日之公佈。

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On 20 June 2017, all the conditions precedent under the Agreement had been fulfilled and completion of the subscription of additional shares in PCL by Pointsea Holdings, Extra Step, Joy Empire and Eastern E-Commerce took place pursuant to the terms of the Agreement. PCL is held as to 50% by Pointsea Holdings, around 16.67% by Extra Step, around 16.67% by Joy Empire and around 16.67% by Eastern E-Commerce.

Changyou Digital Point Business Ecosystem Alliance

The Group has developed a membership point alliance, namely the Changyou Digital Point Business Ecosystem Alliance with various business partners, including Bank of China, China Mobile and China Eastern Airlines. Such business partners have integrated the digital alliance points of their respective platforms into the “Changyou” platform, which allows such digital points from various partnership entities and industries to be interchangeable and redeemable as ‘virtual assets’ through the “Changyou” platform. The users can redeem the alliance points for customized merchandises, games, services by using the “Changyou” platform. The platform intends to facilitate inclusive financing through the use of the internet by allowing users to purchase exchange and convert points earned under various channels into alliance points, a virtual asset used for online and offline consumption in merchandise or service transactions, which aims to promote better financial planning and wealth preservation for potential consumers in a secured environment.

The Changyou Digital Point Business Ecosystem Alliance also proposes to feature new financial technologies such as blockchain, which enables users to effectively extract and develop big data samples and a precise and extensive database of consumer transactions and consumption behaviour for the purposes of developing a new three-in-one internet credit system comprising corporate credit, individual credit and commodity credit. The Group also plans to collaborate with leading enterprises for blockchain technology research and development in the future to develop a universal standardised software and system solution for blockchain technology so as to make full use of the Changyou Digital Point Business Ecosystem Alliance.

The “Changyou” platform was launched in September 2017. As of 31 December 2017, the number of users of the platform has increased substantially to approximately 10 million within only a few months of operations.

For the year ended 31 December 2017, revenue from the Changyou Digital Point Business Ecosystem Alliance business amounted to approximately RMB0.94 million (2016: Nil). The total revenue from this segment accounted for approximately 0.6% of the Group’s total revenue.



於二零一七年六月二十日，該協議項下所有先決條件已達成，且分海控股、Extra Step、Joy Empire及東航電商已根據該協議條款完成認購於分海的額外股份。分海由分海控股、Extra Step、Joy Empire及東航電商擁有50%、約16.67%、約16.67%及約16.67%。

暢由數字積分商業生態聯盟

本集團已與商業夥伴(包括中銀、中國移動及中國東方航空)開發積分聯盟，名為暢由數字積分商業生態聯盟。該等業務夥伴將其各自數字聯盟積分融合至「暢由」平台，使不同夥伴實體及行業之數字積分可透過「暢由」平台通用及兌現為「虛擬資產」。用戶可利用「暢由」平台參與定制商品、遊戲及服務進行聯盟積分交易。平台擬透過互聯網促進普惠金融，允許用戶將在不同渠道購買、賺取之積分交換及轉換為聯盟積分(一種可以在線上及線下商品或服務交易中使用的虛擬資產)，旨在於安全的環境為潛在消費者提供更佳理財規劃及財富保值。

暢由數字積分商業生態聯盟亦打算採用嶄新的金融技術，例如區塊鏈，使用戶能夠有效抽取及建立大數據樣本及精準而廣泛的消費者交易及消費行為數據庫，以期打造集企業微信、個人微信和商品微信三位一體的新型互聯網微信體系。本集團亦計劃於未來與領先的區塊鏈技術研發企業合作，開發出面向全球的區塊鏈標準化軟件及系統解決方案，以充分利用暢由數字積分商業生態聯盟。

暢由平台已於二零一七年九月推出。於二零一七年十二月三十一日，營運僅數月平台用戶已大幅增加至約1,000萬位。

截至二零一七年十二月三十一日止年度，暢由數字積分商業生態聯盟業務的收入達約人民幣0.94百萬元(二零一六年：零)。該分部的總收入佔本集團總收入約0.6%。

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e-Commerce business

The Group has started the e-Commerce business since March 2015, initially through the operations of business-to-business ("B2B") platform. This B2B mode is to set up a direct path between overseas suppliers, distributors and domestic retailers in the PRC. The Group has commenced businesses with hundreds of brand suppliers in Europe, covering thousands of brand producers, and established strategic cooperation relationships with famous brand groups. The Group has launched a business-to-customer e-Commerce platform since September 2015 in four main themes of product categories, namely affordable luxury, nursery, cosmetics and health. The Company has developed cooperation with well established partners in various regions around the world. Besides, the Group has other trading businesses.

For the year ended 31 December 2017, revenue from the Group's e-Commerce business segment amounted to approximately RMB134.0 million (2016: approximately RMB302.1 million). The total revenue from this segment accounted for approximately 80.0% (2016: approximately 78.4%) of the Group's total revenue.

The revenue generated from the e-Commerce business had significantly decreased in 2017 compared with 2016 due to (a) increased competition in the e-commerce industry, resulting in a negative profit margin; and (b) decreasing level of the Company's market share in the industry in relation to the traditional e-commerce business models similar to the e-Commerce business, the operations of which are solely in relation to the sale of merchandise and products, due to the increased completion of large market players. The Group has committed and will continue to commit more time and resources to develop the Changyou Digital Point Ecosystem Alliance business in light of the business performance of the e-Commerce business and the increased competition in the e-commerce industry. Although the Group has tried to retain the quantity and loyalty of customers and users, it is difficult to thrive using the current traditional business model. As such, the Group decided to seek other business opportunities and different business models with potential growth.



電子商貿業務

本集團自二零一五年三月起開始電子商貿業務，初始透過營運企業對企業平台。該企業對企業模式為海外供應商、分銷商、中國國內零售商之間建立直接渠道。本集團已經與歐洲數百家品牌供應商展開了實質性業務，覆蓋數千個商品製造商，與多個著名品牌集團建立了戰略合作關係。自二零一五年九月起，本集團已就四大產品類別（即輕奢品、護理、化妝品及保健品）推出企業對消費者電子商務平台。本公司已於世界各地與實力雄厚的合夥人展開合作。此外，本集團擁有其他貿易業務。

截至二零一七年十二月三十一日止年度，本集團電子商貿業務分部的收入達約人民幣134.0百萬元（二零一六年：約人民幣302.1百萬元）。該分部的總收入佔本集團總收入約80.0%（二零一六年：約78.4%）。

於二零一七年電子商貿業務產生之收入較二零一六年大幅減少，乃由於(a)電子商貿行業競爭越趨激烈，導致負利潤率；及(b)由於大型市場參與者競爭越趨激烈，本公司於電子商貿業務類似的傳統電子商貿業務模式相關行業（其營運僅與銷售商品及產品相關）之市場份額減少。鑒於電子商貿業務表現及電子商貿行業競爭越趨激烈，本集團已投入及將會投入更多時間及資源以發展暢由數字積分生態聯盟業務。雖然本集團已嘗試保留客戶及用戶的數量及忠誠度，但利用目前傳統業務模式難以達至此目標。故此，本集團決定尋求其他業務機會及不同具增長潛力的業務模式。



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Axle business

The Group sells axle assemblies directly to OEMs in the PRC on a made-to-order basis to match its customers' specification requirements. A small portion of axle components are occasionally sold to other axle assembly providers. The Group is an independent axle component provider for China's MDT and HDT aftermarket with diversified product offerings among independent axle component providers in the PRC.

The axle components are sold to customers in the aftermarket through its extensive sales, marketing and services network across the PRC. For the year ended 31 December 2017, revenue from the Group's OEM market and aftermarket business segment amounted to approximately RMB32.7 million (2016: approximately RMB83.4 million), representing a decrease of approximately 60.8% as compared with 2016, and accounted for approximately 19.5% (2016: approximately 21.6%) of the Group's total revenue. The axle business was disposed of in April 2017.

FINANCIAL REVIEW

Revenue

The Group recorded a consolidated revenue of approximately RMB167.6 million (2016: approximately RMB385.5 million), representing a decrease of approximately 56.5% as compared to 2016.

Revenue from the Changyou Digital Point Business Ecosystem Alliance business was approximately RMB0.94 million for the year ended 31 December 2017, representing approximately 0.6% (2016: Nil) of the Group's total revenue.

Revenue generated from the Group's e-Commerce business segment was approximately RMB134.0 million for the year ended 31 December 2017 (2016: approximately RMB302.1 million), representing approximately 80.0% (2016: approximately 78.4%) of the Group's total revenue.

Revenue from the Group's axle business segment for the year ended 31 December 2016 was diminishing as a result of the disposal of the axle business in April 2017.

Gross loss

Gross loss for the year ended 31 December 2017 amounted to approximately RMB7.6 million, as compared with the gross loss of approximately RMB12.7 million for the year ended 31 December 2016. The gross loss was mainly attributable to the gross loss in the amount of approximately RMB0.24 million, approximately RMB2.4 million and approximately RMB4.9 million generated from digital point business, e-Commerce business and axle business respectively.

車橋業務

本集團直接向中國原始設備製造商廠商銷售按訂單製造，符合客戶規格要求的車橋總成。本集團間或將一小部份車橋零部件銷售予其他車橋總成供應商。本集團為一間中國中重卡維修市場的獨立車橋零部件供應商，在中國眾多獨立車橋零部件供應商中，提供最多樣化的車橋零部件產品。

本集團主要透過中國的廣泛銷售、營銷及服務網絡向客戶銷售車橋零部件。於截至二零一七年十二月三十一日止年度，本集團來自原始設備製造商市場及維修市場業務分部的收入約為人民幣32.7百萬元(二零一六年：約人民幣83.4百萬元)，較二零一六年減少約60.8%及佔本集團總收入約19.5%(二零一六年：約21.6%)。車橋業務於二零一七年四月出售。

財務回顧

收入

本集團錄得綜合收入約人民幣167.6百萬元(二零一六年：約人民幣385.5百萬元)，較二零一六年減少約56.5%。

暢由數字積分商業生態聯盟業務於截至二零一七年十二月三十一日止年度的收入為約人民幣0.94百萬元，佔本集團總收入的約0.6%(二零一六年：零)。

本集團電子商貿業務分部於截至二零一七年十二月三十一日止年度的收入為約人民幣134.0百萬元(二零一六年：約人民幣302.1百萬元)，佔本集團總收入的約80.0%(二零一六年：約78.4%)。

本集團車橋業務分部於截至二零一六年十二月三十一日止年度的收入減少的原因為於二零一七年四月出售車橋業務。

毛虧

截至二零一七年十二月三十一日止年度，毛虧為約人民幣7.6百萬元，而截至二零一六年十二月三十一日止年度為毛虧約人民幣12.7百萬元。毛虧主要由於數字積分業務、電子商貿業務及車橋業務分別產生毛虧約人民幣0.24百萬元、約人民幣2.4百萬元及約人民幣4.9百萬元所致。

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Other income

Other income of the Group for the year ended 31 December 2017 amounted to approximately RMB2.7 million (2016: approximately RMB22.8 million). The amount decreased was mainly attributable to the disposal of Kaifeng Changfeng Group on 20 May 2016.

Impairment losses

Impairment losses of the Group for the year ended 31 December 2017 amounted to approximately RMB68.3 million (2016: approximately RMB33.4 million), it mainly consists of reversal of impairment loss recognised in respect of trade and other receivable approximately RMB5.7 million (2016: impairment loss of approximately RMB18.2 million); impairment loss of goodwill of approximately RMB61.0 million (2016: Nil) and impairment loss of intangible asset of approximately RMB13.0 million (2016: Nil).

The e-Commerce business has a negative profit margin, continuous loss incurred and low business prospects. Based on the Group's recent forecast on the e-Commerce business and certain relevant parameters such as the low future growth rate of the e-Commerce business and decreasing value of the Group's intangible assets, the Group performed impairment assessment of e-Commerce Business and made full impairment on goodwill and intangible assets for the year ended 31 December 2017.

Selling and distribution expenses

Selling and distribution expenses of the Group for the year ended 31 December 2017 increased to approximately RMB48.3 million (2016: approximately RMB26.8 million). The increase was mainly attributable to the increase in sales and promotion activities for "Changyou" platform in 2017 and the increase in the equity-settled share based payment expenses when comparing with in 2016.

Administrative expenses

The Group's administrative expenses for the year ended 31 December 2017 increase to approximately RMB113.4 million (2016: approximately RMB76.3 million). The increase was mainly attributable to the increase in the business scale of "Changyou".

其他收入

截至二零一七年十二月三十一日止年度，本集團的其他收入達約人民幣2.7百萬元(二零一六年：約人民幣22.8百萬元)。金額減少主要由於於二零一六年五月二十日出售開封暢豐集團所致。

減值虧損

本集團於截至二零一七年十二月三十一日止年度的減值虧損達約人民幣68.3百萬元(二零一六年：約人民幣33.4百萬元)，其主要包括撥回貿易及其他應收款項已確認減值虧損約人民幣5.7百萬元(二零一六年：減值虧損約人民幣18.2百萬元)、商譽減值虧損約人民幣61.0百萬元(二零一六年：零)及無形資產減值虧損約人民幣13.0百萬元(二零一六年：零)。

由於電子商貿業務之負利潤率，錄得連續虧損，業務前景不佳。基於本集團就電子商貿業務及若干相關參數(比如電子商貿業務低未來增長率及本集團無形資產價值下降)之近期預測，本集團已就電子商貿業務進行減值評估並就截至二零一七年十二月三十一日止年度之商譽及無形資產作出全額減值。

銷售及分銷開支

截至二零一七年十二月三十一日止年度，本集團的銷售及分銷開支增加至約人民幣48.3百萬元(二零一六年：約人民幣26.8百萬元)。該增加主要歸因於二零一七年「暢由」平台銷售及推廣活動較二零一六年增加及權益結算以股份為基礎之付款開支增加。

行政開支

截至二零一七年十二月三十一日止年度，本集團的行政開支增加至約人民幣113.4百萬元(二零一六年：約人民幣76.3百萬元)。該增加主要歸因於「暢由」業務規模增加。

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Research and development costs

Research and development costs of the Group for the year ended 31 December 2017 increased to approximately RMB54.2 million (2016: approximately RMB23.2 million). The increase was mainly attributable to the development of blockchain technology.

Finance costs

The Group incurred finance costs of approximately RMB4.8 million for the year ended 31 December 2017, which represented approximately 2.9% (2016: approximately 22.1%) of its revenue. The decrease in percentage to revenue in 2017 was mainly due to the net effect of decrease in revenue from approximately RMB385.5 million in 2016 to approximately RMB167.6 million in 2017, decrease in finance charges on the secured notes and convertible bonds amounting to approximately RMB17.8 million and decrease in changes in fair value on the derivative components of convertible bonds amounting to approximately RMB59.0 million in 2017.

Loss for financial guarantee contracts issued

Loss for financial guarantee contracts issued represented the maximum exposure as of 31 December 2016 arising from the guarantees for bank loans drawn by a previous subsidiary of the Group disposed of on 20 May 2016. No such guarantee was granted as at 31 December 2017.

Taxation

Income tax expenses of approximately RMB47.2 million was recorded for the year ended 31 December 2017 (2016: income tax credit of approximately RMB25.5 million).

研發成本

截至二零一七年十二月三十一日止年度，本集團的研發成本增加至約人民幣54.2百萬元（二零一六年：約人民幣23.2百萬元）。該增加主要歸因於區塊鏈科技研發。

融資成本

本集團於截至二零一七年十二月三十一日止年度產生的融資成本約為人民幣4.8百萬元，佔其收入約2.9%（二零一六年：約22.1%）。於二零一七年，佔收入百分比下降主要由於收入由二零一六年約人民幣385.5百萬元減至二零一七年約人民幣167.6百萬元、有抵押票據及可換股債券的財務費用減少約人民幣17.8百萬元及於二零一七年可換股債券的衍生工具部分公平值變動減少約人民幣59.0百萬元的淨影響所致。

有關發出的財務擔保合約之虧損

有關發出的財務擔保合約之虧損指就於二零一六年五月二十日出售的本集團前附屬公司提取的銀行貸款提供擔保而產生的於二零一六年十二月三十一日最高風險。截至二零一七年十二月三十一日，概無作出該等擔保。

稅項

截至二零一七年十二月三十一日止年度錄得所得稅開支約人民幣47.2百萬元（二零一六年：所得稅抵免約人民幣25.5百萬元）。

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LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2017, cash and cash equivalents of the Group were approximately RMB393.0 million (31 December 2016: approximately RMB90.0 million). As compared to 2016, cash and cash equivalents increased by approximately RMB303.0 million, mainly due to net cash outflow arising from operating activities of approximately RMB150.7 million (2016: approximately RMB71.3 million), net cash outflow arising from investing activities of approximately RMB38.4 million (2016: net cash outflow of approximately RMB27.2 million) and net cash inflow arising from financing activities of approximately RMB512.1 million (2016: net cash inflow of approximately RMB13.6 million).

During the year, the Company bought back a total of 9,621,000 shares of the Company in September and October 2017 under the general mandate granted to the Directors in the annual general meeting of the Company held on 29 May 2017. All the repurchased shares had been cancelled as of 31 December 2017. The total consideration paid to buy back these shares was approximately HK\$10.5 million. Details of those transactions are as follows:

Month of buy-back 回購月份	Number of shares bought back 回購股份數目	Price per shares 每股價格		Aggregate price 總價格 HK\$ 港元
		Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
September 九月	7,811,000	1.13	1.05	8,481,520
October 十月	1,810,000	1.10	1.08	1,972,300

On 7 December 2017, the Company made an announcement in relation to the issuance of convertible bonds. US\$10 million 13% secured convertible bonds was subscribed by Chance Talent Management Limited (“Chance Talent”), an indirect wholly-owned special purpose vehicle of CCB International (Holding) Limited. The US\$10 million payable by Chance Talent for the subscription of the convertible bonds was satisfied by way of off-setting the aggregate outstanding amount of US\$10 million payable by the Company under the previous convertible bonds issued by the Company to Chance Talent in June 2015. Accordingly, no proceeds arose from the issue of the convertible bonds. The issuance of convertible bonds was completed on 20 December 2017.

流動資金及財務資源

於二零一七年十二月三十一日，本集團的現金及現金等價物約為人民幣393.0百萬元（二零一六年十二月三十一日：約人民幣90.0百萬元）。與二零一六年相比，現金及現金等價物增加約人民幣303.0百萬元，主要由於經營活動產生現金流出淨額約人民幣150.7百萬元（二零一六年：約人民幣71.3百萬元）、投資活動產生現金流出淨額約人民幣38.4百萬元（二零一六年：約人民幣27.2百萬元）及融資活動產生現金流入淨額約人民幣512.1百萬元（二零一六年：現金流出淨額約人民幣13.6百萬元）所致。

本公司於本年內根據本公司於二零一七年五月二十九日舉行之股東週年大會上授予董事的一般授權，於九月及十月購回總共9,621,000股本公司股份。所有購回股份於二零一七年十二月三十一日已註銷。為購回此等股份之總代價須支付約10.5百萬港元。該等交易詳情如下：

於二零一七年十二月七日，本公司作出有關發行可換股債券之公佈。10,000,000美元13%有抵押可換股債券由Chance Talent Management Limited（「Chance Talent」）（建銀國際（控股）有限公司間接全資擁有的特別目的公司）認購。Chance Talent應付作為認購可換股債券之10,000,000美元已由本公司根據本公司先前於二零一五年六月發行予Chance Talent之可換股債券須支付的加總未付金額10,000,000美元，以抵銷方式滿足。因此，發行可換股債券並無產生任何所得款項。可換股債券發行已於二零一七年十二月二十日完成。

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On 12 December 2016, the Company entered into a placing agreement with a placing agent, pursuant to which the Company agreed to place, through the placing agent, a maximum of 291,218,000 shares of the Company to independent placees at a price of HK\$1.98 per share. As of 31 December 2017, the actual use of the proceeds from such placing of shares, which was completed on 6 January 2017, was as follows:

於二零一六年十二月十二日，本公司與配售代理訂立配售協議，據此本公司同意透過配售代理以每股1.98港元配售最多291,218,000股本公司股份予獨立承配人。於二零一七年十二月三十一日，股份配售（於二零一七年一月六日完成）所得款項實際用途如下：

Usage 用途	Original use of the Proceeds 原先所得 款項用途 RMB (million) 人民幣(百萬元)	Revised use of the Proceeds 重訂所得 款項用途 RMB (million) 人民幣(百萬元)	Actual use of the Proceeds 所得款項 實際用途 RMB (million) 人民幣(百萬元)
To fund the general working capital of the Company other than the Changyou Digital Point Business Ecosystem Alliance business for the year ended 31 December 2017 截至於二零一七年十二月三十一日止年度用作本公司除暢由數字積分商業生態聯盟業務外之一般營運資金	53	53	53
To fund the Company's subscription of 50.1% in the issued share capital of Treasure Ease Holdings Limited 用作本公司認購寶怡控股有限公司已發行股本50.1%	40	40	40
To partially fund the working capital requirement for operating the Changyou Digital Point Business Ecosystem Alliance business for the year ending 31 December 2017, which includes (a) capital expenditure (such as acquisition of information system hardware, software, establishment of technological platform, and construction of engine rooms); and (b) operating expense requirement (such as marketing expenses, human resources expenses, and office rent) 用作截至二零一七年十二月三十一日止年度營運暢由數字積分商業生態聯盟業務的營運資金需求，包括(a)資本開支(如購買資訊系統硬件、軟件、建立技術平台、以及興建工程室)；及(b)營運開支需求(如營銷開支、人力資源開支及辦公室租金)	31	76	76
To fund (a) the capital expenditure for the year ending 31 December 2018; and (b) the operating expense, for developing and operating the Changyou Digital Point Business Ecosystem Alliance business and e-Commerce business (a) 用作截至二零一八年十二月三十一日止年度的資本開支；及 (b) 用作開發並營運暢由數字積分商業生態聯盟業務及電子商貿業務的營運開支	377	229	-
For interest-bearing instrument to allow flexibility in the Company's financial and treasury management 用於有利利息工具以使公司的財務和資金管理具有靈活性	-	47	31
To fund the repurchase of shares of the Company 用作回購本公司股份	-	9	9
For the repayment of secured loan 用作償還抵押貸款	-	47	47
Total 總計	501	501	256

As of 31 December 2017, the total balance of the unutilised proceeds was approximately RMB245 million. The Group intends that such unutilised proceeds will be substantially used to fund the continued development and operations of the Changyou Digital Point Ecosystem Alliance business.

於二零一七年十二月三十一日，尚未使用的所得款項餘額總額約為人民幣245百萬元。本集團擬將該等尚未使用的大部分款項用於繼續為暢由數字積分商業生態聯盟業務提供資金。

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As at 31 December 2017, net current assets of the Group amounted to approximately RMB408.7 million (31 December 2016: net current liabilities of approximately RMB137.8 million). As at 31 December 2017, the current ratio (i.e. total current assets/total current liabilities) of the Group was approximately 12.99 (31 December 2016: approximately 0.79).

As at 31 December 2017, total assets of the Group were approximately RMB451.6 million (31 December 2016: approximately RMB733.8 million) and total liabilities were approximately RMB119.2 million (31 December 2016: approximately RMB647.2 million). The debt ratio as at 31 December 2017 (i.e. total liabilities/total assets) was 0.26 as compared to 0.88 as at 31 December 2016.

As at 31 December 2017, the Group had total borrowings (including bank and other loans and convertible bonds) of approximately RMB85.1 million (31 December 2016: approximately RMB452.8 million). The gearing ratio (i.e. total borrowing/total equity) was approximately 0.26 (31 December 2016: approximately 5.23).

Trade and other receivables

Trade and other receivables of the Group as at 31 December 2017 were approximately RMB34.1 million (31 December 2016: approximately RMB315.4 million). The decrease in the balance was mainly due to the proceeds receivable from the placement of new shares of the company as at 31 December 2016 was received in 2017.

Inventories

The inventory balance of the Group as at 31 December 2017 was approximately RMB94,000 (31 December 2016: approximately RMB29.3 million). The stock turnover increased from 8.58 times per year in 2016 to 11.94 times per year in 2017 as the e-Commerce business of the Group required minimal level inventory.

Trade and other payables

Trade and other payables of the Group as at 31 December 2017 were approximately RMB34.1 million (31 December 2016: approximately RMB159.5 million). The decrease was mainly due to disposal of axle business during the year.

於二零一七年十二月三十一日，本集團的流動資產淨額約為人民幣408.7百萬元(二零一六年十二月三十一日：流動負債淨值約人民幣137.8百萬元)。於二零一七年十二月三十一日，本集團的流動比率(即總流動資產/總流動負債)約為12.99(二零一六年十二月三十一日：約0.79)。

於二零一七年十二月三十一日，本集團的總資產約為人民幣451.6百萬元(二零一六年十二月三十一日：約人民幣733.8百萬元)，總負債約為人民幣119.2百萬元(二零一六年十二月三十一日：約人民幣647.2百萬元)。於二零一七年十二月三十一日負債比率(即總負債/總資產)為0.26，而於二零一六年十二月三十一日為0.88。

於二零一七年十二月三十一日，本集團的借款總額(包括銀行及其他貸款及可換股債券)約為人民幣85.1百萬元(二零一六年十二月三十一日：約人民幣452.8百萬元)。資產負債比率(即借款總額/權益總額)約為0.26(二零一六年十二月三十一日：約5.23)。

貿易及其他應收款項

本集團於二零一七年十二月三十一日的貿易及其他應收款項約為人民幣34.1百萬元(二零一六年十二月三十一日：約人民幣315.4百萬元)。結餘減少主要由於截至二零一六年十二月三十一日之應收配售本公司新股份的所得款項於二零一七年收取所致。

存貨

本集團於二零一七年十二月三十一日的存貨結餘約為人民幣94,000元(二零一六年十二月三十一日：約人民幣29.3百萬元)。存貨周轉率由二零一六年的每年8.58倍上升至二零一七年的每年11.94倍，乃由於本集團電子商貿業務需要最低水平的存貨。

貿易及其他應付款項

本集團於二零一七年十二月三十一日的貿易及其他應付款項約為人民幣34.1百萬元(二零一六年十二月三十一日：約人民幣159.5百萬元)。該減少主要由於年內出售車橋業務所致。

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Pledged assets

As at 31 December 2017, the Group did not have pledged assets (31 December 2016: approximately RMB107.1 million). The following assets and their respective carrying values as at the end of the reporting period are pledged to secure the Group's bank and other loans.

Property, plant and equipment	物業、廠房及設備
Lease prepayments	預付租賃款項
Trade and other receivables	貿易及其他應收款項
Pledged bank deposits	已抵押銀行存款

已抵押資產

於二零一七年十二月三十一日，本集團並無抵押資產(二零一六年十二月三十一日：約人民幣107.1百萬元)。以下資產及於報告期末彼等各自的賬面值已抵押以就本集團的銀行及其他貸款提供擔保。

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Property, plant and equipment	-	75,316
Lease prepayments	-	11,484
Trade and other receivables	-	19,920
Pledged bank deposits	-	428
	-	107,148

Contingent liabilities

As at 31 December 2017, the Group had no significant contingent liabilities (31 December 2016: RMB Nil).

或然負債

於二零一七年十二月三十一日，本集團並無重大或然負債(二零一六年十二月三十一日：人民幣零元)。

Capital commitment

As at 31 December 2017, the Group had no contracted capital commitments which were not provided in the financial statements. As at 31 December 2016, the Group committed to inject RMB100 million in respect of investment in a company to be incorporated under the formation of joint ventures.

資本承擔

於二零一七年十二月三十一日，本集團並無已訂約但未於財務報表作出撥備的資本承擔。於二零一六年十二月三十一日，本集團承諾就投資於根據成立合營企業將予註冊成立的一間公司注資人民幣100百萬元。

Employees and remuneration policy

As at 31 December 2017, the Group had 283 employees (31 December 2016: 410 employees). For the year ended 31 December 2017, total staff costs were approximately RMB87.1 million (2016: approximately RMB68.1 million).

僱員及薪酬政策

於二零一七年十二月三十一日，本集團有283名僱員(二零一六年十二月三十一日：410名僱員)。截至二零一七年十二月三十一日止年度，總員工成本約為人民幣87.1百萬元(二零一六年：約人民幣68.1百萬元)。

During the year, the Group also provided internal training, external training and correspondence courses for its staff in order to promote self improvement and enhancement of skills relevant to work. The remuneration of the Directors was determined with reference to their position, responsibilities and experience and prevailing market conditions.

於年內，本集團亦為其員工提供內部培訓、外部培訓及函授課程，以提倡自我改進及增強其與工作相關的技能。董事之酬金乃參考其職務、責任、經驗及當前市況而釐定。

Foreign exchange risk

The business of the Group is mainly located in the PRC and most of the transactions are denominated in Renminbi. Most of the assets and liabilities of the Group are computed in Renminbi. As at 31 December 2017, the Group's net foreign currency assets amounted to approximately RMB183.3 million (31 December 2016: net foreign currency assets of approximately RMB58.5 million). During the year ended 31 December 2017, the Group did not utilize any future contracts, currency borrowings and otherwise to hedge against its foreign exchange risk. However, the Group will continue to monitor the risk exposures and will consider to hedge against material currency risk if required.

外匯風險

本集團的業務主要位於中國，而大部分交易以人民幣計值。本集團的大部分資產和負債均以人民幣計值。於二零一七年十二月三十一日，本集團的外幣資產淨值約為人民幣183.3百萬元(二零一六年十二月三十一日：外幣資產淨額約人民幣58.5百萬元)。於截至二零一七年十二月三十一日止年度，本集團並無使用任何遠期合約、貨幣借款及以其他方式對沖本集團的外匯風險。然而，本集團會繼續監察所承受的風險，並會考慮於有需要時對沖重大貨幣風險。

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SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save for the disposal of the axle business as disclosed in this report, there were no other significant investments held nor material acquisitions or disposals of subsidiaries during the reporting period and there was no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

PLEDGE OF SHARES BY CONTROLLING SHAREHOLDER

On 20 December 2017, the Company issued a secured convertible bonds with face value of US\$10 million to Chance Talent. The convertible bonds bear interest at 13% per annum and will mature on 3 June 2019. As at the date of this report, Century Investment (Holding) Limited pledged its 109,343,662 ordinary shares in the Company (the “**Charged Shares**”) to secure the obligation of the Company under the secured convertible bonds. The Charged Shares represent approximately 6.03% of the issued share capital of the Company. For further details of this transaction, please refer to the announcement of the Company dated 7 December 2017.

DIVIDEND

The Board does not recommend payment of any final dividend for the year ended 31 December 2017 (2016: Nil).

PROSPECTS

Changyou Digital Point Business Ecosystem Alliance

Changyou Digital Point Business Ecosystem Alliance aims to build a general beneficial commercial and financial services platform to unify the issue, trading, conversion and settlement of digital points. “Changyou” integrates the extensive point resources from the joint venture shareholders and partners, and, at the same time, relies on the advantageous offline payment networks of business partners who have strong business relationships with millions of merchants in China, so as to create more advantages for point rewards from the process of payment through the “e-wallet” in “Changyou”, so that the users’ experience of point rewards could be further enriched and improved. Specifically, “Changyou” connects the digital consumption points from well-known and leading enterprises from various industries, so that users could enjoy the increase of advantages and upgrade of experience from the point reward services. A win-win scenario could thus be achieved via this business model by increasing the loyalty of users while driving the principal businesses of the alliance members.

In addition to the consumption business from the traditional point reward business, “Changyou” has introduced, diversified and differentiated entertainment and lifestyle products and services. The platform also introduces consumer finance business to its large users base by leveraging on the platform’s advantages of consumer flow and data as well as the products and services provided by the alliance members in different industries, which would generate revenue of a large scale for the finance business in the near future.

持有的重大投資、附屬公司的重大收購及出售，以及未來作重大投資或購入資本資產的計劃

除於本報告披露的車橋業務出售外，本集團於報告期間沒有持有任何其他重大投資，亦沒有進行有關附屬公司的任何重大收購或出售。於本報告日期，本集團亦無任何經獲董事會批准作其他重大投資或購入資本資產的計劃。

控股股東抵押股份

於二零一七年十二月二十日，本公司已向Chance Talent發行面值為10,000,000美元有抵押可換股債券。該可換股債券均按年利率13%計息，並將於二零一九年六月三日到期。於本報告日期，Century Investment抵押其109,343,662股本公司普通股（「已抵押股份」），以擔保本公司於可換股債券下的責任。已抵押股份佔本公司已發行股本約6.03%。有關該交易的進一步詳情，請參閱本公司日期為二零一七年十二月七日的公佈。

股息

董事會並不建議就截至二零一七年十二月三十一日止年度派發任何末期股息（二零一六年：人民幣零元）。

展望

暢由數字積分商業生態聯盟

暢由數字積分商業生態聯盟旨在建設一個集數字積分的發行、交易、兌換和結算為一體的普惠商業金融服務平台。「暢由」整合合營公司股東方和合作方的龐大積分資源，同時依托於一家於中國擁有數百萬家商戶的優勢線下支付場景的合作方，使「暢由」電子錢包」從支付到場景形成了更具優勢的權益享受，使用戶的權益體驗更加的豐富和完善。具體來說，「暢由」以雙輪驅動的模式連通了知名行業龍頭企業的積分權益和各行業垂直剛性消費場景，使用戶在享受權益服務中形成了權益優勢的疊加和體驗的升級，這樣在提升用戶黏性的同時也帶動了聯盟成員的主營業務，透過此業務模式達到了多贏。

除來自傳統積分業務的消費業務外，「暢由」已經推出多樣化、差異化的娛樂、生活類產品服務；同時依托於平台的流量優勢和數據優勢，並疊加聯盟成員提供的垂直領域的剛性場景和產品，向其海量的用戶群推出了消費金融業務，可很快形成金融業務的規模性收益。

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Also, the “Changyou” platform adopts an advanced and reliable technical framework so as to ensure the users’ experience and the platform security. Blockchain technology will be gradually applied to the scenarios including account opening, trading, issue and settlement of points in order to increase the popularity of digital points trading and enhance the reliability of credit payment.

In 2018, “Changyou” aims to connect more digital points from business partners from various industries so as to further enrich and improve the users’ experience. “Changyou” is in the process of negotiating and introducing well-positioned alliance members from industries including petrochemical, travel, hospitality and entertainment for increasing the source of digital points from various industries. At the same time, it will introduce products and services from industries such as healthcare, education and travel in order to satisfy the needs for consumption upgrade and consumer finance thereby enhancing the business model of dual-wheels driving for “Changyou”.

Given the nature of the business and the operations, “Changyou” is an asset light business which requires liquid assets to develop and expand its business. The Group will continue to explore and consider any fund financing opportunities for this business segment at an appropriate valuation.

The Group will place more focus on the development of the Changyou Digital Point Business Ecosystem Alliance which is expected to generate a higher return and is also in all times looking for business opportunities on financial sector, including loan financing services and securities trading, which will supplement our “Changyou” platform with a view to increase its users base, users profiles, enhance revenue and return.

e-Commerce business

At present, there are a lot of business opportunities available to our e-Commerce business, which is experiencing rapid growth in the PRC. Looking forward, the Group will commit time and resources to best leverage the resources committed for the e-Commerce business and will continue to explore other related business opportunities, including provision of services to fit its customers’ needs in their online business.

Given the keen competition in the e-Commerce sector, the Group will consider to put less focus on this low profit margin business and will gradually integrate certain aspects of the e-Commerce Business into our newly developed business of the Changyou Digital Point Business Ecosystem Alliance in order to diversify the Group’s business model and increase its competitiveness in the market.

另外，「暢由」平台採用了先進可靠的技術架構確保用戶體驗及平台安全性，並逐步將區塊鏈技術應用到積分開戶、交易、代發以及請結算等場景，以加快數字積分交易流通速度並加強信用支付的可信度。

二零一八年間，「暢由」將以雙輪驅動模式連通更多的數字積分權益和場景權益，使用戶體驗更加豐富和完善。「暢由」正在石化、出行、酒店、娛樂等行業洽談引入有實力的聯盟成員，增加多行業的數字積分來源。同時在健康、教育、旅遊等行業引入垂直領域的有剛性需求場景和產品，滿足消費升級以及消費金融場景的需求，最終完成「暢由」雙輪驅動的商業模式的形成。

鑑於業務及營運性質，「暢由」為輕資產業務，需要流動資產以發展及擴展其業務。本集團將繼續探索及考慮任何估值適合的募資機會。

本集團將更加注重發展「暢由」數字積分商業生態聯盟，該業務預期產生更高回報，及不斷於金融業在尋求業務商機，包括貸款服務及證券交易，以補充暢由平台，從而增加用戶基礎、用戶組合、提高收益及回報。

電子商貿業務

目前，中國電子商貿業務發展迅速，商機良多。展望未來，本集團將投入時間及資源，持續發展其電子商貿業務。為了利用電子商貿及互聯網金融所投入的資源，本集團亦將繼續物色其他相關商機，包括提供服務以滿足客戶對線上業務的需求。

考慮到電子商貿分部競爭激烈，本集團將考慮較少著重於此低利潤率業務，及將逐步融合其電子商貿業務若干方面至我們新開發的暢由數字積分商業生態聯盟以使本集團業務模式更多元化及增加其市場競爭力。

Directors and Senior Management

董事及高級管理層

The biographical details of Directors and senior management of the Company during the year under review, and as at the date of this report, are set out below:

EXECUTIVE DIRECTORS

Mr. Cheng Jerome, aged 65, was appointed as the chairman and the executive Director on 25 March 2015. He joined Beijing Century Fortunet Technology Co., Ltd (北京世紀鑫網科技有限公司) ("OPCo"), a 51% owned subsidiary of the Company since 25 March 2015, in December 2014 and previously served as the chief information officer of OPCo till December 2015. Mr. Cheng graduated from University Paris 7 with a DEA (D'Etudes approfondies) French degree in information technology in 1986. He has working experience of over 24 years in the IT industry, serving the AXA Group and Oracle Corporation, both of which are among the Top 500 worldwide fortune companies. From 1986 to 1994, Mr. Cheng served the AXA Group successively as network engineer and architect, head of network architecture team and head of information technology system performance. From 1998 to 2008, Mr. Cheng worked for BEA Systems, Inc., a company specialized in enterprise infrastructure software products which was acquired by Oracle Corporation in 2008, as principal consulting engineer in BEA France, as managing consulting engineer in BEA France, as pre-sales consulting manager in BEA APAC region and as senior manager of BEA Technology Centre in Beijing, China. In June 2008, Mr. Cheng joined Oracle Systems Hong Kong Limited as the senior manager of soft development and served as Principal Solution Architect of Oracle Fusion Middleware worldwide architecture team from May 2010 to December 2014.

Mr. Yuan Weitao, aged 51, was appointed as the executive Director on 25 March 2015. He joined OPCo in September 2014 and currently serves as a director and executive vice president of OPCo, and a director of each of Century Investment (Holding) Limited ("CIH"), a substantial shareholder of the Company, and Century East, a non-wholly owned subsidiary of CIH. Mr. Yuan graduated from Tsinghua University with a bachelor's degree in engineering in 1989 and a master's degree in engineering in 1992. He has working experience of over 20 years in international trade, telecommunications and media industries. Mr. Yuan joined China National Electronics Import & Export Company (中國電子進出口總公司), administered by the Ministry of Mechanical Electronic Devices of the People's Republic of China, after his graduation and worked in its overseas subsidiary as a marketing manager in 1994. Mr. Yuan joined CIH as vice president in 1999 and was responsible for project development and external cooperation of CIH. Mr. Yuan has been the general manager of Beijing United Online Technology Co. Ltd (北京聯合在綫科技有限公司), a subsidiary of China Mobile Communications Corporation (中國移動通信集團公司) ("China Mobile"), in 2000; a vice-president and the representative of the China office of CMBSat which was a subsidiary of Echostar, one of the US leading satellite television operators, in 2006; and a vice general manager of CSMM, a subsidiary of China Telecommunications Corporation (中國電信集團公司), from 2010 to August 2014.

於回顧年度及於本報告日期，本公司董事及高級管理層的履歷詳情載列如下：

執行董事

Cheng Jerome先生，65歲，於二零一五年三月二十五日獲委任為主席兼執行董事。彼於二零一四年十二月加入北京世紀鑫網科技有限公司（「OPCo」），自二零一五年三月二十五日起由本公司擁有51%權益之附屬公司）及曾任OPCo首席信息官至二零一五年十二月為止。Cheng先生於一九八六年畢業於巴黎第七大學，獲授信息技術碩士學位。彼於信息技術行業擁有逾24年工作經驗，曾任職安盛集團及甲骨文股份有限公司（均為財富世界500強公司）。於一九八六年至一九九四年，Cheng先生任職安盛集團，先後擔任網絡工程師及架構師、網絡架構團隊主管及信息技術系統表現主管。於一九九八年至二零零八年，Cheng先生任職BEA Systems, Inc.（該公司專門從事企業基建軟件產品，於二零零八年被甲骨文股份有限公司收購），擔任BEA法國主要顧問工程師、BEA法國管理顧問工程師、BEA亞太地區售前顧問經理及中國北京BEA技術中心高級經理。於二零零八年六月，Cheng先生加入甲骨文香港有限公司，擔任軟件開發高級經理，及於二零一零年五月至二零一四年十二月擔任Oracle Fusion Middleware全球架構團隊的主要解決方案架構師。

袁偉濤先生，51歲，於二零一五年三月二十五日獲委任為執行董事。彼於二零一四年九月加入OPCo及現任OPCo董事及執行副總裁，並為Century Investment (Holding) Limited（「CIH」）（本公司主要股東）及Century East (CIH)的非全資附屬公司）的董事。袁先生畢業於清華大學，於一九八九年獲工程學學士學位及於一九九二年獲工程學碩士學位。彼於國際貿易、通信及媒體行業擁有逾20年工作經驗。畢業後，袁先生加入由中華人民共和國機械電子設備部主管的中國電子進出口總公司，並於一九九四年於其海外附屬公司擔任營銷經理。袁先生於一九九九年加入CIH，擔任副總裁並負責CIH項目開發及外部合作。袁先生於二零零零年擔任中國移動通信集團公司（「中國移動」）附屬公司北京聯合在綫科技有限公司總經理；於二零零六年擔任美國領先衛星電視運營商Echostar附屬公司CMBSat中國辦事處副總裁及代表；以及於二零一零年至二零一四年八月擔任中國電信集團公司附屬公司CSMM副總經理。

Directors and Senior Management

董事及高級管理層

NON-EXECUTIVE DIRECTOR

Mrs. Guo Yan, aged 45, was appointed as the non-executive Director on 25 March 2015. She has working experience of over 17 years in the IT industry. She has experience in the management of IT sales and operation of over 15 years. She has led numerous information/communications technology projects and has extensive experience particularly in the new mobile internet business model. Mrs. Guo graduated in testing technology and instruments (檢測技術與儀器) from Xi'dian University in 1994 and obtained a postgraduate diploma in astronomical instruments and methods (天文儀器與方法) from the Chinese Academy of Science in 1997. From 1997 to 2014, Mrs. Guo worked for Huawei Technologies Co., Ltd (華為技術有限公司) as a senior client manager of eastern China region, a director of mobile system division of China region, a director of the IT purchasing division of the China region. Mrs. Guo also participated in the market development of China Mobile in Shanghai as a team leader and acted as a project manager in the project of the IT centralized purchasing bid of China United Network Communications Corporations Limited (中國聯合通信有限公司).

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Chi Keung, aged 63, was appointed as the independent non-executive director on 25 March 2015. Mr. Wong obtained a master's degree in business administration from the University of Adelaide in Australia. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and CPA Australia and an associate member of the Institute of Chartered Secretaries and Administrators and the Chartered Institute of Management Accountants. Mr. Wong is also a responsible officer for asset management and advising on securities for CASDAQ International Capital Market (HK) Company Limited under the SFO. Mr. Wong has over 35 years of experience in finance, accounting and management. Mr. Wong was an executive director, the deputy general manager, group financial controller and company secretary of Guangzhou Investment Company Limited (now known as Yuexiu Property Company Limited), a company listed on the Main Board of the Stock Exchange (stock code: 123) for over ten years. He is also an independent non-executive director and a member of the audit committee of Asia Orient Holdings Limited (stock code: 214), Asia Standard International Group Limited (stock code: 129), Century City International Holdings Limited (stock code: 355), Nickel Resources International Holdings Company Limited (formerly known as China Nickel Resources Holdings Company Limited) (stock code: 2889), China Ting Group Holdings Limited (stock code: 3398), ENM Holdings Limited (stock code: 128), Golden Eagle Retail Group Limited (stock code: 3308), Paliburg Holdings Limited (stock code: 617), Regal Hotels International Holdings Limited (stock code: 78), TPV Technology Limited (stock code: 903), Yuan Heng Gas Holdings Limited (stock code: 332), Zhuguang Holdings Group Company Limited (stock code: 1176), and China Shanshui Cement Group Limited (stock code: 691), all of which are companies listed on the Stock Exchange. Mr. Wong was also an independent non-executive director of PacMos Technologies Holdings Limited (now known as PacRay International Holdings Limited) (stock code: 1010) and Heng Xin China Holdings Limited (stock code: 8046).

非執行董事

郭燕女士，45歲，於二零一五年三月二十五日獲委任為非執行董事。彼於IT行業擁有逾17年工作經驗。彼於管理IT銷售及經營方面擁有逾15年經驗。彼曾主導若干信息／通信技術項目，尤其對新移動網絡業務模式擁有豐富經驗。郭女士於一九九四年畢業於西安電子科技大學檢測技術與儀器專業並於一九九七年自中國科學院獲得天文儀器與方法研究生文憑。自一九九七年至二零一四年，郭女士就職華為技術有限公司，歷任華東地區高級客戶經理、中國地區移動系統部主任、中國地區IT採購部主任。郭女士亦以小組領導的身份參與中國移動上海的市場開發及於中國聯合通信有限公司IT集中採購投標項目擔任項目經理。

獨立非執行董事

黃之強先生，63歲，於二零一五年三月二十五日獲委任為獨立非執行董事。黃先生自澳洲阿德雷德大學取得工商管理碩士學位。彼為香港會計師公會、英國特許公認會計師公會及澳洲會計師公會資深會員、英國特許秘書及行政人員學會及英國特許管理會計師公會會員。黃先生亦為證券及期貨條例下之註冊負責人員，為卡斯達克國際資本市場(香港)有限公司提供資產管理，就證券提供意見。黃先生於財務、會計及管理方面積逾三十五年之經驗。黃先生曾擔任越秀投資有限公司(現稱越秀地產股份有限公司，於聯交所主板上市的公司，股份代號：123)執行董事、副總經理、集團財務總監及公司秘書超過十年。黃先生現亦擔任滙漢控股有限公司(股份代號：214)、泛海國際集團有限公司(股份代號：129)、世紀城市國際控股有限公司(股份代號：355)、銀資源國際控股有限公司(前稱中國銀資源控股有限公司)(股份代號：2889)、華鼎集團控股有限公司(股份代號：3398)、安寧控股有限公司(股份代號：128)、金鷹商貿集團有限公司(股份代號：3308)、百利保控股有限公司(股份代號：617)、富豪酒店國際控股有限公司(股份代號：78)、冠捷科技有限公司(股份代號：903)、元亨燃氣控股有限公司(股份代號：332)、珠光控股集團有限公司(股份代號：1176)、及中國山水水泥集團有限公司(股份代號：691)的獨立非執行董事及審核委員會成員，該等公司均為聯交所上市公司。黃先生亦曾擔任弘茂科技控股有限公司(股份代號：1010)及恒芯中國控股有限公司(股份代號：8046)的獨立非執行董事。

Directors and Senior Management 董事及高級管理層

Mr. Chan Chi Keung Alan, aged 54, was appointed as the independent non-executive Director on 25 March 2015. Mr. Chan is a qualified solicitor admitted in England and Wales in October 1991 and in Hong Kong in February 1992. Mr. Chan practiced corporate and commercial law for more than two decades. He is an independent non-executive director and a member of each of the audit committee, the remuneration committee and the nomination committee of Focus Media Network Limited, a company listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8112). Previously, Mr. Chan held a number of regional general counsel roles with international corporations, including legal vice president for NagaCorp Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3918), head of legal services of The Hong Kong Jockey Club and the Greater China Legal Counsel for Sun Microsystems. He was also an independent non-executive director, chairman of the remuneration committee and a member of each of the audit committee and nomination committee of L&A International Holdings Limited, a company listed on the Growth Enterprise Market of the Stock Exchange (stock code: 8195) from 25 September 2014 to 19 October 2015. Mr. Chan obtained a bachelor of science degree in civil engineering from the Aston University of Birmingham, England and a bachelor of laws degree in China Law from the China University of Political Science and Law in Beijing, China. Mr. Chan is a registered civil celebrant in Hong Kong; a council member of the China Overseas Friendship Association, Beijing, China (中華海外聯誼會理事); a committee member by Special Appointment of the Eighth Zhuhai Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議珠海市第八屆委員會特聘委員) and a director of the Hong Kong Chiu Chow Chamber of Commerce Limited.

Mr. Liu Jialin, aged 55, was appointed as the independent non-executive director of the Company. Mr. Liu also serves as the independent non-executive director of China Merchants Securities Co., Ltd (stock code: 6099) and Far East Horizon Limited (stock code: 3360). Mr. Liu has been the managing director of Cinda International Asset Management Limited since February 2011. From 1992 to 2007, Mr. Liu worked for Morgan Stanley group of companies and once served as a member of the Management Committee and Asia Executive Committee as well as a Managing Director in the Fixed Income Division in Hong Kong. Mr. Liu has over 20 years of experience in finance and securities industry. Mr. Liu obtained a bachelor's degree in science majoring in physics from Peking University and a master's degree in science majoring in physics from Massachusetts Institute of Technology.

陳志強先生，54歲，於二零一五年三月二十五日獲委任為獨立非執行董事。陳先生於一九九一年十月取得英國及威爾斯的事務律師資格及於一九九二年二月取得香港的事務律師資格。陳先生已從事公司法及商業法的執業超過二十年。彼為Focus Media Network Limited (於聯交所創業板上市的公司，股份代號：8112)的獨立非執行董事以及審核委員會、薪酬委員會及提名委員會成員。陳先生曾於大型國際企業擔任多個區域總顧問職位，包括金界控股有限公司 (於聯交所主板上市的公司，股份代號：3918)的法律副總裁、香港賽馬會的法律事務主管以及Sun Microsystems大中華法律顧問。彼亦於二零一四年九月二十五日至二零一五年十月十九日擔任樂亞國際控股有限公司 (於聯交所創業板上市的公司，股份代號：8195)獨立非執行董事、薪酬委員會主席以及審核委員會及提名委員會成員。陳先生取得英國伯明翰阿斯顿大學 (Aston University) 頒授的土木工程學士學位以及中國北京中國政法大學頒授的中國法律法學學士學位。陳先生為香港註冊婚姻監禮人、中華海外聯誼會理事、中國人民政治協商會議珠海市第八屆委員會特聘委員及香港潮州商會有限公司董事。

劉嘉凌先生，55歲，獲委任為本公司的獨立非執行董事。劉先生亦擔任招商證券股份有限公司 (股份代號：6099) 及遠東宏信有限公司 (股份代號：3360) 獨立非執行董事。劉先生自二零一一年二月起擔任信達國際資產管理有限公司董事總經理。自一九九二年至二零零七年，劉先生在摩根士丹利集團公司工作，並曾擔任管理委員會及亞洲執行委員會成員和香港固定收入部門董事總經理。劉先生於金融及證券行業擁有逾20年經驗。劉先生獲有北京大學物理學專業理學學士學位及麻省理工學院物理學專業理學碩士學位。

Directors and Senior Management

董事及高級管理層

MANAGEMENT TEAM

Mr. Mak Hing Keung, Thomas, aged 55, is the chief financial officer of the Company. Mr. Mak holds a Bachelor degree of Commerce from Queen's University, Canada. Mr. Mak is a member of the Chartered Professional Accountants of Canada, a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Hong Kong Business Accountants Association. Mr. Mak has over 25 years corporate finance and accounting experience in Hong Kong and overseas. Mr. Mak was the chief operations officer of HF Financial Group (China) Limited. Prior to HF Financial Group (China) Limited, Mr. Mak was the chief financial officer and company secretary in various Main Board listed and private companies. Mr. Mak worked for an investment bank and Listing Division of the Stock Exchange respectively. Mr. Mak has also worked for an international accounting firm in Hong Kong, Singapore and Canada for over seven years. Mr. Mak is currently a non-executive director and member of audit committee and remuneration committee of Huge China Holdings Limited (stock code: 428), a company listed on the Main Board. Mr. Mak was appointed as independent non-executive director, chairman of audit committee and member of remuneration committee of China Greenfresh Group Company Limited (stock code: 6183), a company listed on the Main Board with effect from 27 May 2015. He is also an Independent Non-executive Director of Tao Heung Holdings Limited (stock code: 573) since 1 March 2007. Besides, he was also appointed as a member of both Audit Committee and Remuneration Committee of Tao Heung Holdings Limited on 9 June 2007. He was an executive director of Millennium Pacific Group Holdings Limited (stock code: 8147), a company listed on the GEM Board.

Mr. Chan Chi Keung, Billy, aged 44, is the financial controller, company secretary, and one of the authorised representatives of the Company. He graduated from Hong Kong Baptist University with an Honours Degree with major in Accounting. He is a fellow member of the Association of Chartered Certified Accountants. He is an independent non-executive director and a member of each of the audit committee, the nomination committee and the remuneration committee of Boill Healthcare Holdings Limited (stock code: 1246). Mr. Chan has over 20 years' experience in auditing, accounting and financial management. He had worked in South China Media Group for 15 years from December 1999 to May 2015 and his latest position was the deputy financial controller. He had worked in South China Land Limited (formerly named as Capital Publications Limited, stock code: 8155) from January 2004 to June 2008 as the qualified accountant and company secretary.

管理層團隊

麥興強先生，55歲，為本公司首席財務官。麥先生持有加拿大皇后大學的商學士學位。麥先生為加拿大特許會計師公會會員，並為香港會計師公會資深會員及香港商界會計師協會會員。麥先生擁有逾25年的香港及海外公司融資及會計經驗。麥先生現為匯福金融集團有限公司之首席營運總監。加入匯福金融集團(中國)有限公司前，麥先生曾任多間主板上市及私人公司之首席財務官及公司秘書。麥先生曾分別於投資銀行及聯交所上市科工作，亦曾在香港、新加坡及加拿大的國際會計師事務所工作逾七年。麥先生現為於主板上市的匯嘉中國控股有限公司(股份代號：428)的非執行董事、審核委員會及薪酬委員會成員。麥先生於二零一五年五月二十七日起獲委任為於主板上市的中國綠寶集團有限公司(股份代號：6183)的獨立非執行董事、審核委員會主席及薪酬委員會成員。彼亦於二零零七年三月一日起為稻香控股有限公司(股份代號：573)的獨立非執行董事。此外，彼亦於二零零七年六月九日獲委任為稻香控股有限公司審核委員會及薪酬委員會之成員。彼曾為創業板上市的匯思太平洋集團控股有限公司(股份代號：8147)的執行董事。

陳志強先生，44歲，為本公司之財務總監、公司秘書及授權代表之一。彼畢業於香港浸會大學，獲會計榮譽學位。彼為特許公認會計師公會資深會員。彼為保集健康控股有限公司(股份代號：1246)的獨立非執行董事，以及審核委員會、提名委員會及薪酬委員會成員。陳先生於審核、會計及財務管理擁有逾20年經驗。自一九九九年十二月至二零一五年五月，彼於南華傳媒集團工作15年，而彼離任時職位為財務副總監。自二零零四年一月至二零零八年六月，彼曾於南華置地有限公司(前稱資本出版有限公司，股份代號：8155)擔任合資格會計師及公司秘書。

Directors' Report

董事會報告

The Board is pleased to present the annual report and the audited financial statements of the Group for the year ended 31 December 2017.

GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 21 May 2008 under The Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands with ("**Companies Law**") with limited liability.

In preparing for the listing of the Company's shares on the Main Board of the Stock Exchange, the Group underwent a reorganization. As a result, the Company became the holding company of each of the companies currently comprising the Group. Details of the reorganization are set out in the prospectus of the Company dated 13 September 2010. The shares of the Company were listed on the Main Board of the Stock Exchange on 24 September 2010.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of its subsidiaries are set out in note 17 to the financial statements.

RESULTS AND DISTRIBUTION

The results of the Group for the year ended 31 December 2017 are set out in the financial statements on page 57.

The Board does not recommend the payment of any final dividend in respect of the year ended 31 December 2017.

FINANCIAL STATEMENTS

The summary of the results, assets and liabilities of the Group for the year ended 31 December 2017 is set out on pages 57 to 161.

RESERVES

Movements in the reserves of the Group during the year ended 31 December 2017 are set out on page 61.

SHARE CAPITAL

Changes in share capital of the Company for the year ended 31 December 2017 are set out in note 29(c) to the financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the articles of association of the Company (the "**Articles**") or the laws of Cayman Islands, which would oblige the Company to offer new shares to existing shareholders on a pro-rata basis.

董事會欣然提呈本集團截至二零一七年十二月三十一日止年度的年報及經審核財務報表。

一般資料

本公司於二零零八年五月二十一日在開曼群島根據開曼群島法例第22章公司法(一九六一年第三號法例,經綜合及修訂)(「**公司法**」)註冊成立為有限公司。

本集團為籌備本公司股份在聯交所主板上市已進行重組。本公司從而成為現組成本集團各公司的控股公司。重組詳情載於本公司日期為二零一零年九月十三日的招股章程。本公司股份於二零一零年九月二十四日起在聯交所主板上市。

主要業務

本公司的主要業務為投資控股。附屬公司的主要業務詳情載於財務報表附註17。

業績及分派

本集團截至二零一七年十二月三十一日止年度的業績載於第57頁的財務報表內。

董事會並不建議就截至二零一七年十二月三十一日止年度派付任何末期股息。

財務報表

本集團於截至二零一七年十二月三十一日止年度的業績、資產及負債概要載於第57至161頁。

儲備

本集團於截至二零一七年十二月三十一日止年度內之儲備變動載於第61頁。

股本

本公司股本截至二零一七年十二月三十一日止年度之變化載於財務報表附註29(c)。

優先購買權

根據本公司之組織章程細則(「**細則**」)或開曼群島法例,並無載列有關本公司須按比例向現有股東提呈發售新股份之優先購買權規定。

Directors' Report

董事會報告

SHARE OPTION SCHEME

Pursuant to the resolutions in writing passed by all shareholders of the Company on 28 June 2010, the Company approved and adopted a share option scheme for the purpose of enabling the Group to grant options to selected participants as incentives or rewards for their contribution to the Group (the **"Share Option Scheme"**).

During the year ended 31 December 2017, 5,000,000 share options were lapsed under the Share Option Scheme and no share options were granted or exercised. As at 31 December 2017, the number of outstanding share options is 75,000,000.

As at the date of this report, the total number of shares of the Company available for issue under the Share Option Scheme was 262,313,027 shares of the Company, which represented approximately 4.4% of the shares of the Company in issue. The Share Option Scheme became effective on 24 September 2010 and the options issued pursuant to the Share Option Scheme will expire no later than 10 years from the date of grant of the option. Under the Share Option Scheme, the Board may grant options to any employees, directors, advisors, consultants, suppliers, customers, distributors and such other persons who in the sole opinion of the Board will contribute or have contributed to the Company or any of its subsidiaries to subscribe shares of the Company.

For any options granted to Directors, chief executives or substantial shareholders of the Company, options to be granted shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of options). The number of shares issued and to be issued in respect of options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the total shares of the Company in issue at any point in time, without prior approval from the shareholders.

The amount payable on acceptance of an option is HK\$1.00, which will be payable on or before a prescribed acceptance date. In relation to any options granted under the Share Option Scheme, the exercise price is determined by the Directors, and will not be less than the highest 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 share.

The Share Option Scheme does not contain any minimum period(s) for which an option must be held before it can be exercised. However, at the time of granting of the options, the Board may specify any such minimum period(s).

Unless otherwise terminated by the Board or the shareholders in a general meeting in accordance with the terms of the Share Option Scheme, the Scheme shall be valid and effective for a period of 10 years from the date on which it became unconditional which was 24 September 2010, after which no further options will be granted or offered but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting options granted prior to the expiry of the 10-year period or otherwise as may be required in accordance with the provisions of the Share Option Scheme. The remaining life of the Share Option Scheme is approximately 2.5 years.

購股權計劃

根據本公司全體股東於二零一零年六月二十八日通過的書面決議案，本公司批准及採納一項購股權計劃以允許本集團向所選的參與者授出購股權作為其對本集團作出貢獻的鼓勵或獎賞（「購股權計劃」）。

截至二零一七年十二月三十一日止年度，5,000,000份購股權根據購股權計劃失效及並無購股權獲授出或行使。於二零一七年十二月三十一日，尚未行使購股權數目為75,000,000份。

於本報告日期，根據購股權計劃可發行的本公司股份總數為262,313,027股本公司股份，佔當日本公司已發行股份約4.4%。購股權計劃於二零一零年九月二十四日生效，根據購股權計劃授出的購股權將於授出日期起計不超過十年後屆滿。根據購股權計劃，董事會可授出購股權予董事會全權認為將會或已經對本公司或其任何附屬公司作出貢獻的任何僱員、董事、顧問、諮詢人、供應商、客戶、代理及有關其他人士以認購本公司股份。

任何授予本公司之董事、高級行政人員或主要股東的購股權，均須經獨立非執行董事（不包括身為購股權建議承授人的任何獨立非執行董事）批准。未經股東事先批准，於任何一年內，因行使已授予或可授予任何人士的購股權而已發行及可予發行之股份數目，不得超過於授出當時本公司已發行股份數目的1%。

接納每份購股權時的應付款項為1.00港元，該款項將於規定的接納日期或之前支付。就任何根據該計劃授出的購股權而言，行使價由董事釐定，不得低於下列三者中之最高者：(i)授出當日本公司股份的收市價；(ii)於緊接授出日期前五個營業日股份的平均收市價；及(iii)本公司股份的面值。

購股權計劃並無載列購股權可獲行使前須持有的任何最短期限。然而，於授出購股權時，董事會可具體規定任何有關最短期限。

除非經董事會或股東在股東大會上遵照購股權計劃的條款另行終止，否則該計劃的有效期為十年，由成為無條件的二零一零年九月二十四日起計算，該期間結束後不會再授出或提呈購股權，惟若為使十年期屆滿前授出的任何仍然有效的購股權得以行使，或根據購股權計劃的條文可能另有規定，購股權計劃的條文將繼續具有十足效力。購股權計劃的餘下有效期約為2.5年。

As at 31 December 2017, options to subscribe for 75,000,000 ordinary shares of the Company were outstanding, details of which are set out below and in the note 26 to the financial statements:

於二零一七年十二月三十一日，可認購本公司75,000,000股普通股的購股權未行使，其詳情載於下文及財務報表附註26。

Name		Outstanding as at 1 January 2017	Granted during the year ended 31 December 2017	Lapsed during the year ended 31 December 2017	Exercised during the year ended 31 December 2017	Outstanding as at 31 December 2017
姓名		於二零一七年一月一日未行使	於截至二零一七年十二月三十一日止年度已授出	於截至二零一七年十二月三十一日止年度失效	於截至二零一七年十二月三十一日止年度獲行使	於二零一七年十二月三十一日未行使
Mr. Cheng Jerome	Cheng Jerome 先生	15,000,000	-	-	-	15,000,000
Mr. Yuan Weitao	袁偉濤先生	15,000,000	-	-	-	15,000,000
Mrs. Guo Yan	郭燕女士	15,000,000	-	-	-	15,000,000
Others	其他	35,000,000	-	5,000,000	-	30,000,000
Total	總計	80,000,000	-	5,000,000	-	75,000,000

MAJOR SUPPLIERS AND CUSTOMERS

During the year under review, the aggregate sales attributable to the Group's five largest customers comprised approximately 94.5% of the Group's total sales and the sales attributable to the Group's largest customer were approximately 56.9% of the Group's total sales. The aggregate purchases during the year under review attributable to the Group's five largest suppliers were approximately 80.6% of the Group's cost of sales and the purchases attributable to the Group's largest supplier were approximately 47.4% of the Group's cost of sales.

So far as is known to the Directors, none of the Directors, their associates or substantial shareholders (which own more than 5% of the Company's issued share capital) has any interest in the share capital of any of the five largest customers and suppliers of the Group.

RELATIONSHIPS WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group understands that employees are valuable assets. The Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard.

The Group's business is built on a customer-oriented culture. The Group also understands that it is important to maintain good relationship with its suppliers and customers to fulfil its immediate and long-term goals. To maintain its market competitiveness within the industry, the Group aims at delivering constantly high standards and high quality products and services to its customers. During the year under review, there was no material and significant dispute between the Group and its suppliers and/or customers.

BANK AND OTHER LOANS

Particulars of bank and other loans of the Group as at 31 December 2017 are set out in note 23 to the financial statements.

主要供應商及客戶

於回顧年度內，本集團五大客戶應佔銷售總額佔本集團銷售總額約94.5%，而本集團最大客戶應佔銷售額則佔本集團銷售總額約56.9%。於回顧年度內，本集團五大供應商應佔採購總額佔本集團銷售成本約80.6%，而本集團最大供應商應佔採購額則佔本集團銷售成本約47.4%。

據董事所知，概無任何董事、彼等之聯繫人士或主要股東（擁有超過本公司已發行股本5%以上之人士）於本集團的五大客戶及五大供應商中擁有任何股本權益。

與僱員、供應商及客戶之關係

本集團深知僱員為寶貴資產。本集團提供具有競爭力之薪酬待遇以吸引及激勵僱員。本集團定期檢討僱員之薪酬待遇並作出必要調整以符合市場標準。

本集團業務植根於以客為本之文化。本集團亦深信與其供應商及客戶維持良好關係對實現其當前及長遠目標至關重要。為保持於行業內之市場競爭力，本集團致力於不斷為客戶提供高標準優質產品及服務。於回顧年度內，本集團與其供應商及／或客戶並無重大及嚴重分歧。

銀行及其他貸款

本集團於二零一七年十二月三十一日之銀行及其他貸款詳情載於財務報表附註23。

Directors' Report

董事會報告

DONATIONS

The Group did not make any charitable and other donations during the year under review (2016: RMB Nil).

PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2017, the Group held property, plant and equipment of approximately RMB8.8 million. Details of the movements are set out in note 13 to the financial statements.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 December 2017, the Company bought back a total of 9,621,000 shares of the Company on the Stock Exchange. All the shares bought back were subsequently cancelled by the Company. Details of those transactions are as follows:

Month of buy-back	Number of shares bought back	Price per share		
		Highest HK\$	Lowest HK\$	Aggregate price HK\$
September	7,811,000	1.13	1.05	8,481,520
October	1,810,000	1.10	1.08	1,972,300

Save for the placing of shares of the Company which was completed on 6 January 2017 and the share repurchases as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or repurchased any of the listed shares of the Company during the year ended 31 December 2017.

DIRECTORS

During the year under review and as at the date of this report, the Board comprised the following directors:

Executive Directors

Mr. Cheng Jerome (*Chairman*)
Mr. Yuan Weitao

Non-Executive Director

Mrs. Guo Yan

Independent Non-Executive Directors

Mr. Wong Chi Keung
Mr. Liu Erhfei (*resigned on 1 April 2017*)
Mr. Chan Chi Keung, Alan
Mr. Liu Jialin (*appointed on 1 April 2017*)

In accordance with article 84 of the Articles, each of Mrs. Guo Yan and Mr. Wong Chi Keung will retire from the office of Director by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

捐贈

本集團於回顧年度內並無作出任何慈善及其他捐贈(二零一六年: 人民幣零元)。

物業、廠房及設備

於二零一七年十二月三十一日, 本集團擁有物業、廠房及設備約人民幣8.8百萬元。變動之詳情載於財務報表附註13。

購買、出售或贖回本公司股份

於二零一七年十二月三十一日止年度內, 本公司已於聯交所購回合共9,621,000股本公司股份。所有回購股份其後已由本公司註銷。該等交易詳情如下:

回購月份	回購股份數目	每股價格		
		最高港元	最低港元	總價格港元
九月	7,811,000	1.13	1.05	8,481,520
十月	1,810,000	1.10	1.08	1,972,300

除配售本公司股份(於二零一七年一月六日完成)及上文披露的回購股份外, 本公司或其任何附屬公司概無於截至二零一七年十二月三十一日止年度內購買、出售或贖回本公司任何上市股份。

董事

於回顧年度及於本報告日期, 董事會包括下列董事:

執行董事

Cheng Jerome 先生(主席)
袁偉濤先生

非執行董事

郭燕女士

獨立非執行董事

黃之強先生
劉二飛先生(於二零一七年四月一日辭任)
陳志強先生
劉嘉凌先生(於二零一七年四月一日獲委任)

按照細則第84條, 郭燕女士及黃之強先生各自將在即將召開的股東週年大會上依章輪值退任董事, 合資格並將參加重新選舉。

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors and non-executive Director entered into a service agreement with the Company for a term of three years commencing from 25 March 2018, whereas each of the independent non-executive Directors entered into a letter of appointment with the Company for a term of three years commencing from 25 March 2018, except that Mr. Liu Jialin entered into a service agreement with the Company for a term of three years commencing from 1 April 2017.

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

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors an annual confirmation of their independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and considers all the independent non-executive Directors to be independent.

DIRECTORS' REMUNERATION

The Remuneration Committee considers and recommends to the Board the remuneration and other benefits paid by the Company to the Directors. The remuneration of all Directors is subject to regular monitoring by the Remuneration Committee to ensure that the levels of their remuneration and compensation are appropriate. Details of Directors' remuneration are set out in note 10 to the financial statements.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the directors of the Company and the senior management of the Group are set out on pages 23 to 26 of the annual report.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed under the section headed "Connected Transactions" below and the section headed "Material Related Party Transactions" in note 32 to the financial statements, there was no contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party to and in which a Director had a material interest in, whether directly or indirectly, and subsisted at the end of the financial year under review or at any time during the financial year under review.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors held any interests in any competing business against the Company or any of its jointly controlled entities and subsidiaries for the year ended 31 December 2017.

董事服務合約

各執行董事及非執行董事已與本公司訂立服務協議，由二零一八年三月二十五日開始為期三年，而各獨立非執行董事已與本公司訂立委任函件，而任期由二零一八年三月二十五日開始為期三年，除劉嘉凌先生與本公司訂立自二零一七年四月一日起計為期三年的服務協議外。

擬於即將召開的股東週年大會上膺選連任的董事概無與本集團任何成員公司訂立任何本集團可於一年內毋須賠償(法定賠償除外)而予以終止的合約。

獨立性確認書

本公司已接獲各獨立非執行董事根據聯交所證券上市規則(「上市規則」)第3.13條發出的年度獨立性確認書，並認為所有獨立非執行董事均為獨立人士。

董事薪酬

薪酬委員會考慮並向董事會建議本公司支付董事的薪酬及其他福利。薪酬委員會定期審核所有董事的薪酬，以確保董事的薪酬及補償水平適當。董事薪酬之詳情載列於財務報表附註10。

董事及高級管理層履歷

本公司董事及本集團高級管理層的履歷詳情載於本年報第23頁至第26頁。

董事於重大合約之權益

除下文「關連交易」一節及財務報表附註32「重大關聯方交易」一節所披露者外，本公司或其任何附屬公司概無訂立與本集團業務有關，且本公司董事在其中直接或間接擁有重大利益且於財政年度結束時或於財政年度內任何時間仍然有效的任何重大合約。

董事於競爭業務之權益

截至二零一七年十二月三十一日止年度，概無董事於同本公司或其任何共同控制實體及附屬公司存在競爭的業務中擁有任何權益。

Directors' Report

董事會報告

DIRECTORS' RIGHTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year under review were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSIDIARIES

Details of the major subsidiaries of the Company as of 31 December 2017 are set out in note 17 to the financial statements.

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the interests and short positions of the Directors or chief executives of the Company or their respective associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

Name of Directors

董事姓名

		Number of underlying shares comprised in options (note 1) 包括在購股權內的相關股份數目(附註1)	Approximate percentage of shares in issue (note 2) 佔已發行股份的概約百分比(附註2)
Mr. Cheng Jerome	Cheng Jerome 先生	15,000,000	0.83%
Mr. Yuan Weitao	袁偉濤先生	15,000,000	0.83%
Mrs. Guo Yan	郭燕女士	15,000,000	0.83%

Notes:

1. These represent interest in underlying shares of the Share Option Scheme adopted on 28 June 2010 and options granted on 3 October 2016.
2. Based on a total of 1,813,509,272 issued shares of the Company, as at 31 December 2017.

董事購買股份或債券之權利

於回顧年度內任何時間，概無向任何董事或彼等各自配偶或未成年子女授予透過購買本公司股份或債券的方式獲得權益的權利，彼等亦無行使任何該等權利；本公司、其控股公司或其任何附屬公司或同系附屬公司亦無參與任何安排，致使董事可購入任何其他法人團體的該等權利。

附屬公司

本公司主要附屬公司於二零一七年十二月三十一日的詳情載於財務報表附註17。

本公司董事及最高行政人員於股份、相關股份及債券中的權益及淡倉

於二零一七年十二月三十一日，本公司董事或最高行政人員或彼等各自的聯繫人士於本公司或其相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)的任何權益及淡倉(包括根據證券及期貨條例的有關條文被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉，或根據上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉，如下：

附註：

1. 該等股份指於二零一零年六月二十八日採納的購股權計劃並於二零一六年十月三日授予的購股權之相關股份。
2. 按於二零一七年十二月三十一日本公司合共1,813,509,272股已發行股份計算。

Saved as disclosed above, as at 31 December 2017, none of the Directors and the chief executives of the Company or their respective associates had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2017, to the best of the Director's knowledge, the following persons (other than the Directors and chief executives of the Company) had or deemed or taken to have interests and short positions of 5% or more in the shares of the Company which would fall to be disclosed under provision of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept under Section 336 of the SFO:

Long positions in the Shares and underlying Shares of our Company

Name of substantial Shareholders	Nature of Interest	Interest in Shares	Approximate percentage of shareholding 概約股權百分比	Notes
主要股東名稱	權益性質	股份權益		附註
Century Investment (Holding) Limited ("CIH") Century Investment (Holding) Limited	Beneficial interest 實益權益	566,885,818	31.26	1,6
Starr International Foundation Starr International Foundation	Interest of controlled corporations 受控法團權益	224,710,691	12.39	2,6
Beijing Enterprises Real Estate (HK) Limited 北控置業(香港)有限公司	Beneficial interest 實益權益	151,515,000	8.35	3,6
Yang Liu 劉央	Interests of controlled corporations 受控法團權益	148,400,000	8.18	4,6
Taiping Trustees Limited 太平信託有限公司	Beneficial interest 實益權益	138,888,000	7.66	5,6

Notes:

- CIH is wholly owned by Ms. Pun Tang. A charge over the 109,343,662 Shares held by CIH had been created in favour of Chance Talent Management Limited. Chance Talent Management Limited is wholly owned by CCBI Investments Limited, which is in turn wholly owned by CCB International (Holdings) Limited. CCB International (Holdings) Limited is wholly owned by CCB Financial Holdings Limited, which is in turn wholly owned by CCB International Group Holdings Limited. CCB International Group Holdings Limited is wholly owned by China Construction Bank Corporation, which is owned as to 57.26% by Central Huijin Investment Ltd.

除上文所披露者外，於二零一七年十二月三十一日，本公司董事或最高行政人員或彼等各自的聯繫人士概無於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債券中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉(包括根據證券及期貨條例的有關條文被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

主要股東

於二零一七年十二月三十一日，據董事所深知，於本公司股份中擁有或被視作擁有根據證券及期貨條例第XV部第2及3分部之條文須予披露或根據證券及期貨條例第336條須存置之登記冊內記錄之5%或以上權益及淡倉的人士(不包括本公司董事及最高行政人員)如下：

本公司股份及相關股份的好倉

附註：

- CIH由Pun Tang女士全資擁有。對CIH持有109,343,662股股份作出以Chance Talent Management Limited為受益人的押記。Chance Talent Management Limited由CCBI Investments Limited全資擁有，CCBI Investments Limited由建銀國際(控股)有限公司全資擁有。建銀國際(控股)有限公司由建行金融控股有限公司全資擁有，建行金融控股有限公司由建行國際集團控股有限公司全資擁有。建行國際集團控股有限公司由中國建設銀行股份有限公司全資擁有，中國建設銀行股份有限公司由中央匯金投資有限責任公司擁有57.26%。

Directors' Report

董事會報告

2. *Starr Investments Cayman II, Inc. and Starr Investments Cayman V, Inc. are the beneficial owners of Shares as to 6.33% and 6.06% respectively. Starr Investments Cayman II, Inc. is wholly-owned by Starr International Cayman, Inc., which is in turn wholly-owned by Starr Insurance and Reinsurance Ltd. Starr Insurance and Reinsurance Ltd. and Starr Investments Cayman V, Inc. are wholly-owned subsidiaries of Starr International Investments Ltd., which is in turn wholly-owned by Starr International Company Inc.. Starr International Company Inc. is wholly-owned by Starr International AG, which is wholly-owned by Starr International Foundation, a charitable foundation established in Switzerland.*
3. *Beijing Enterprises Real Estate (HK) Limited is wholly owned by 北京北控置業有限責任公司, which is in turn wholly owned by Beijing Enterprises Group Company Limited. Beijing Enterprises Group Company Limited is wholly owned by the State-owned Assets Supervision and Administration Commission of the People's Government of Beijing Municipality.*
4. *Riverwood Asset Management (Cayman) Limited, Atlantis Investment Management (Ireland) Limited and Atlantis Investment Management (Hong Kong) Limited are the beneficial owners of Shares. Riverwood Asset Management (Cayman) Limited is wholly owned by Yang Liu. Atlantis Investment Management (Ireland) Limited and Atlantis Investment Management (Hong Kong) Limited are wholly owned by Atlantis Capital Holdings Limited which is in turn wholly owned by Yang Liu.*
5. *Taiping Trustees Limited is the beneficial owner of Shares. The ultimate controlling shareholder of Taiping Trustees Limited is China Taiping Insurance Group Limited, which is ultimately controlled by the State Council of the PRC.*
6. *Based on a total of 1,813,509,272 issued shares of the Company as at 31 December 2017.*

SUFFICIENCY OF PUBLIC FLOAT

Based on information available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float throughout the year ended 31 December 2017.

RETIREMENT SCHEME

The Group operates a Mandatory Provident Fund Scheme ("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, each of the employer and employee are required to make contributions of 5% of the employees' relevant income to the scheme, subject to a cap of monthly relevant income of HK\$30,000. Contributions made to the scheme are vested immediately.

The employees of the subsidiaries in the People's Republic of China participate in the retirement schemes operated by the local authorities. The subsidiaries are required to contribute a certain percentage of their salaries to these schemes to pay the benefits. The only obligation of the Group in respect to these schemes is the required contributions under the schemes. For the year ended 31 December 2017, the Group's total contributions to the retirement schemes charged in the income statement amounted to approximately RMB3.9 million (2016: approximately RMB3.2 million). Details of the Group's retirement scheme and the basis of calculation are set out in note 7(b) to the financial statements.

2. *Starr Investments Cayman II, Inc. 及 Starr Investments Cayman V, Inc. 為分別擁有 6.33% 及 6.06% 股份的實益擁有人。Starr Investments Cayman II, Inc. 由 Starr International Cayman, Inc. 全資擁有。Starr International Cayman, Inc. 由 Starr Insurance and Reinsurance Ltd. 全資擁有。Starr Insurance and Reinsurance Ltd. 及 Starr Investments Cayman V, Inc. 為 Starr International Investments Ltd. 的全資附屬公司。Starr International Investments Ltd. 由 Starr International Company Inc. 全資擁有。Starr International Company Inc. 由 Starr International AG 全資擁有。Starr International AG 由 Starr International Foundation (於瑞士成立的慈善基金) 全資擁有。*
3. *北控置業(香港)有限公司由北京北控置業有限責任公司全資擁有。北京北控置業有限責任公司由北京控股集團有限公司全資擁有。北京控股集團有限公司由北京市人民政府國有資產監督管理委員會全資擁有。*
4. *Riverwood Asset Management (Cayman) Limited、Atlantis Investment Management (Ireland) Limited 及 西京投資管理(香港)有限公司為股份的實益擁有人。Riverwood Asset Management (Cayman) Limited 由劉央全資擁有。Atlantis Investment Management (Ireland) Limited 及 西京投資管理(香港)有限公司由 Atlantis Capital Holdings Limited 全資擁有。而 Atlantis Capital Holdings Limited 由劉央全資擁有。*
5. *太平信託有限公司為股份的實益擁有人。太平信託有限公司的最終控股股東為中國太平保險集團有限責任公司，其由中國國務院最終控制。*
6. *基於二零一七年十二月三十一日本公司全部已發行股份合共 1,813,509,272 股計算。*

公眾持股量充足

根據本公司可獲得的資料及董事所知，於截至二零一七年十二月三十一日止年度，本公司始終維持充足的公眾持股量。

退休計劃

本集團根據香港強制性公積金計劃條例為受香港僱傭條例管轄的司法權區的受聘僱員設立一項強制性公積金計劃(「強積金計劃」)。強積金計劃為一項由獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入的5%向計劃供款，最高為每月相關收入的30,000港元。計劃供款即時歸屬。

於中華人民共和國的附屬公司僱員均參與由有關當局設立的退休計劃。附屬公司須按僱員薪金某個百分比向該等計劃供款以支付福利。本集團對該等計劃的唯一責任為根據計劃作出所需供款。截至二零一七年十二月三十一日止年度，本集團對退休計劃的總供款約人民幣3.9百萬元(二零一六年：約人民幣3.2百萬元)自收益表中扣除。有關本集團的退休金計劃及計算基準載於財務報表附註7(b)。

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to the establishment of good corporate governance practices and procedures with a view to enhancing investor confidence and the Company's accountability and transparency. The Company therefore strives to attain and maintain effective corporate governance practices and procedures. Throughout the year ended 31 December 2017 and save as disclosed herein this report, the Company has complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Listing Rules. The Group's principal corporate governance practices are set out on pages 36 to 46 of the annual report.

CONNECTED TRANSACTIONS

The Company (as lender) and Century Network Holding Limited (a non-wholly owned subsidiary of the Company) (as borrower) entered into the Loan Agreement on 11 June 2015, pursuant to which the Company conditionally agreed to advance an unsecured loan of an aggregate amount of not more than US\$22 million to its 51% owned subsidiary, Century Network. The details are disclosed in the Company's announcement dated 11 June 2015. As at 31 December 2015, the full amount of US\$22 million was advanced to Century Network Holding Limited by the Company.

RELATED PARTY TRANSACTIONS

None of the related party transactions set out in the section headed "Material Related Party Transactions" in note 32 to the financial statements constitutes connected transactions or continuing connected transactions of the Company which is required to be disclosed under the Listing Rules. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 24 May, 2018 to Tuesday, 29 May 2018, both days inclusive, during which period no transfer of shares will be registered. In order to determine who are entitled to attend and vote at the forthcoming annual general meeting of the Company to be held on Tuesday, 29 May 2018, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 23 May 2018.

AUDITORS

The consolidated financial statements for the year ended 31 December 2017 have been audited by KPMG who shall retire at the forthcoming annual general meeting of the Company. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint KPMG as auditor of the Company.

By order of the Board
Cheng Jerome
Chairman

Hong Kong, 19 March 2018

企業管治常規守則

本公司承諾建立良好企業管治常規及程序以加強投資者信心及本公司之問責性及透明度。因此，本公司致力達到及保持有效的企業管治常規及程序。除本報告所披露者外，截至二零一七年十二月三十一日止整個年度內，本公司已遵守上市規則附錄 14 所載的企業管治守則及企業管治報告（「企業管治守則」）的守則條文。本集團的主要企業管治常規載於本年報第 36 頁至第 46 頁。

關連交易

二零一五年六月十一日，本公司（作為貸方）與本公司非全資附屬公司 Century Network Holding Limited（作為借方）訂立貸款協議，據此，本公司有條件同意向其擁有 51% 權益的附屬公司 Century Network 墊付總金額不超過 22 百萬美元的無抵押貸款。詳情披露於本公司日期為二零一五年六月十一日的公佈。於二零一五年十二月三十一日，本公司已全數墊付 22 百萬美元予 Century Network Holding Limited。

關聯方交易

概無載於財務報表附註 32「重大關聯方交易」一節的關聯方交易構成須根據上市規則予以披露的本公司關連交易或持續關連交易。董事確認，本公司已根據上市規則第 14A 章遵守披露規定。

暫停辦理股東過戶登記

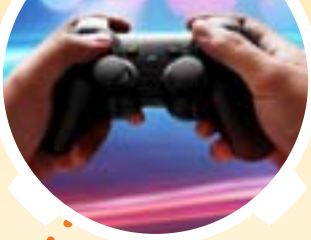
本公司將自二零一八年五月二十四日（星期四）至二零一八年五月二十九日（星期二）（包括首尾兩天）暫停辦理股東過戶登記，在此期間暫停股份過戶。為確定股東是否有權出席本公司將於二零一八年五月二十九日（星期二）舉行之應屆股東週年大會及於會上投票，所有股份過戶文件連同有關股票證書必須不遲於二零一八年五月二十三日（星期三）下午四時三十分交回本公司香港股份過戶登記處香港中央證券登記有限公司，地址為香港皇后大道東 183 號合和中心 17 樓 1712-1716 室。

核數師

截至二零一七年十二月三十一日止年度的綜合財務報表已由執業會計師畢馬威會計師事務所審核。畢馬威會計師事務所須於本公司應屆股東週年大會上告退。本公司將於應屆股東週年大會上提呈一項決議案以再度委任畢馬威會計師事務所為本公司的核數師。

承董事會命
主席
Cheng Jerome

香港，二零一八年三月十九日



Corporate Governance Report

企業管治報告



Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Company's shareholders. The Board strives to adhere to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all shareholders to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for its shareholders. The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimize return for shareholders.

Save as disclosed herein, the Company had complied with the CG Code as set out in Appendix 14 to the Listing Rules throughout the year ended 31 December 2017.

THE BOARD

The Board consists of six Directors, two of whom are executive Directors, one of whom is a non-executive Director and three of whom are independent non-executive Directors. The functions and duties conferred on the Board include convening shareholders' meetings and reporting on the work of the Board to the shareholders at shareholders' meetings as may be required by applicable laws, implementing resolutions passed at shareholders' meetings, determining the Company's business plans and investment plans, formulating the Company's annual budget and final accounts, formulating the Company's proposals for dividend and bonus distributions as well as exercising other powers, functions and duties as conferred on it by the Articles and applicable laws. The management team is delegated with the authority and responsibilities by the Board for the day-to-day management and operations of the Group. The Board meets regularly to review the financial and operating performance of the Company, and considers and approves the overall strategies and policies of the Company. The composition of the Board is well balanced with the directors having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. The executive Directors, non-executive Director and independent non-executive Directors bring a variety of experience and expertise to the Company.

The composition of the Board during the year ended 31 December 2017 and up to the date of this report is set out below:

Executive Directors

Mr. Cheng Jerome (*Chairman*)
Mr. Yuan Weitao

Non-Executive Director

Mrs. Guo Yan

企業管治常規

本公司承諾建立良好的企業管治常規及程序，冀能成為一具透明度及問責性的機構，以開放態度向公司股東負責。董事會致力於遵守企業管治原則並已採納良好的企業管治常規，以符合法律及商業準則，專注於例如內部監控、公平披露及向所有股東負責等領域，以確保本公司所有業務之透明度及問責性。本公司相信，有效的企業管治是為股東創造更多價值之基礎。董事會將繼續不時檢討及改善本集團之企業管治常規，以確保本集團由有效董事會領導以為股東帶來最大回報。

除本文所披露者外，於截至二零一七年十二月三十一日止年度本公司已遵守上市規則附錄 14 所載的企業管治守則。

董事會

董事會由六名董事組成，即兩名執行董事、一名非執行董事及三名獨立非執行董事。董事會之功能及職責包括根據適用法律之可能規定召開股東大會並於會上向股東報告董事會之工作，實施股東大會上通過之決議案，釐定本公司之業務計劃及投資計劃，制定本公司之年度預算及最終賬目，制定本公司之股息及花紅分派建議以及行使細則及適用法律賦予董事會之其他權力、功能及職責。董事會授予管理層團隊授權及責任負責本集團之日常管理及經營。董事會定期會面，以檢討本公司之財務及經營表現，並審議及批准本公司之總體策略及政策。董事會之成員各有所長，而董事對於本集團所從事業務均具備充分行業知識、豐富的企業及策略規劃經驗及／或專門技術。執行董事、非執行董事及獨立非執行董事為本公司帶來不同的經驗及專門技術。

截至二零一七年十二月三十一日止年度內及截至本報告日期止，董事會的組成如下：

執行董事

Cheng Jerome 先生 (*主席*)
袁偉濤先生

非執行董事

郭燕女士

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Independent Non-Executive Directors

Mr. Wong Chi Keung
Mr. Chan Chi Keung, Alan
Mr. Liu Jialin (appointed on 1 April 2017)
Mr. Liu Erhfei (resigned on 1 April 2017)

The biographical details of the current Board members are set out under the section headed "Directors and Senior Management" on pages 23 to 26 of this report. The list of directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

During the year ended 31 December 2017, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise, and the independent non-executive directors represented over one-third of the Board.

The Company has received an annual confirmation of independence from each of its independent non-executive Directors pursuant to Rule 3.13 of the Listing Rules.

Based on the contents of such confirmation, the Company considers that the three independent non-executive Directors are independent and that they have met the specific independence guidelines as set out in Rule 3.13 of the Listing Rules.

All Directors have separate and independent access to the Company's management team to fulfill their duties and, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expense. All Directors also have access to the company secretary who is responsible for ensuring that the Board procedures, and all applicable rules and regulations, are followed. An agenda and accompanying Board/committee papers are distributed to the Directors/Board committee members with reasonable notices in advance of the meetings. Minutes of Board meetings and meetings of Board committees, which record in sufficient detail the matters considered by the Board and decisions reached, including any concerns raised by Directors or dissenting views expressed, are kept by the company secretary and are open for inspection by Directors.

The Company has arranged for appropriate and sufficient insurance coverage on directors' liabilities in respect of legal actions taken against its directors arising out of corporate activities.

The Board meets regularly to review the financial and operating performance of the Company, and considers and approves the overall strategies and policies of the Company.

There is no other relationship among members of the Board, the Chairman or the Chief Executive Officer.

獨立非執行董事

黃之強先生
陳志強先生
劉嘉凌先生(於二零一七年四月一日獲委任)
劉二飛先生(於二零一七年四月一日辭任)

現有董事會成員的履歷詳情載於本年報第23頁至26頁的「董事及高級管理層」一節。董事名單(按類別劃分)亦根據上市規則不時於本公司發出之所有企業通訊中予以披露。根據上市規則,各獨立非執行董事已在所有企業通訊中列明。

截至二零一七年十二月三十一日止年度,董事會一直符合上市規則有關委任至少三名獨立非執行董事,而其中至少一位獨立非執行董事具備適當之專業資格,或會計或相關之財務管理專長之規定,且獨立非執行董事人數佔董事會三分之一以上。

根據上市規則第3.13條,本公司已從各位獨立非執行董事接獲年度獨立確認書。

根據有關確認書之內容,本公司認為,三位獨立非執行董事均為獨立,且彼等符合上市規則第3.13條所載有關獨立性之特定指引。

所有董事可個別及獨立地與本公司的管理層團隊接洽以履行彼等之職責,並可於提出合理的要求後在適當的情況下尋求獨立專業意見,費用由本公司支付。所有董事亦可與公司秘書接洽,而公司秘書乃負責確保董事會的程序及一切適用規則和規例獲得遵循。議程及隨附的董事會/委員會文件可於會議召開前事先給予合理通知下分發予董事/董事委員會成員。董事會會議及董事委員會會議的記錄詳細記錄董事會所考慮的事項及達致的決定,包括董事所提出的任何事項或發表的反對意見,概由公司秘書存檔,並可供董事查閱。

本公司已安排適合及充足保險,以覆蓋董事就企業活動期間產生對董事所提出法律訴訟的責任。

董事會定期會面,以檢討本公司之財務及經營表現,並審議及批准本公司之總體策略及政策。

董事會成員、主席或行政總裁間並無其他關係。

Each of the executive Directors and the non-executive Director has entered into a service agreement with the Company for an initial term of three years commencing from 25 March 2018, whereas each of the independent non-executive Directors has entered into a letter of appointment with the Company and is appointed for an initial term of three years commencing from 25 March 2018, except that Mr. Liu Jialin entered into a service agreement with the Company for a term of three years commencing from 1 April 2017.

In accordance with article 84 of the Articles, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

Chairman and Chief Executive Officer

Prior to 16 June 2015, the roles and duties of the Chairman and the Chief Executive Officer of the Company are carried out by different individuals and have been clearly defined in writing. The Chairman of the Board is Mr. Wong Kwai Mo (before 25 March 2015) and Mr. Cheng Jerome (after 25 March 2015), and the Chief Executive Officer is Mr. Lai Fengcai. The positions of Chairman and Chief Executive Officer are held by separate persons in order to preserve independence and a balance of views and judgement. With the support of the management team, the Chairman is responsible for ensuring that the Directors receive adequate, complete and reliable information in a timely manner and appropriate briefing on issues arising at Board meetings. The Chief Executive Officer focuses on implementing objectives, policies and strategies approved and delegated by the Board. He is in charge of the Company's day-to-day management and operations. The Chief Executive Officer is also responsible for developing strategic plans and formulating the organizational structure, control systems and internal procedures and processes for the Board's approval.

On 16 June 2015, Mr. Lai Fengcai resigned as Chief Executive Officer. The Company is in the process of identifying a suitable candidate to assume the role as chief executive officer of the Company.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Directors keep abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. Every newly appointed Director will receive a formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and relevant statutory requirements.

Directors participated in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. They were involved in relevant training courses at the Company's expenses. All Directors also read materials in relation to regular update to statutory requirements, Listing Rules and other relevant topics related to a listed company.

各執行董事及非執行董事已與本公司訂立服務協議，自二零一五年三月二十五日開始初步為期三年，而每位獨立非執行董事已與本公司訂立委聘書，其委任自二零一五年三月二十五日開始初步為期三年，除劉嘉凌先生與本公司訂立自二零一七年四月一日起計為期三年的服務協議外。

根據細則第84條，於每次股東週年大會上，當時之三分之一董事（倘數目並非三之倍數，則為最接近之數目，惟不得少於三分之一）須輪值告退，惟各董事均須最少每三年輪值退任一次。

主席及行政總裁

於二零一五年六月十六日前，本公司的主席及行政總裁的角色及職責由不同人士擔任，並以書面清楚界定。董事會的主席為王桂模先生（二零一五年三月二十五日前）及Cheng Jerome先生（二零一五年三月二十五日後），而行政總裁為賴鳳彩先生。主席及行政總裁的職位由不同人士擔任，以保持獨立性及作出判斷時有平衡意見。在管理層團隊協助下，主席確保董事能適時收到充分、完整及可靠資料及有關董事會會議上提出之事宜之適當簡介。行政總裁主要負責實行董事會批准及授權的目標、政策及策略。彼須負責本公司日常管理及運作。行政總裁亦負責發展策略計劃及制訂組織架構、監控系統及內部程序及流程供董事會批准。

於二零一五年六月十六日，賴鳳彩先生已辭任行政總裁。本公司現正物色擔任本公司行政總裁職務之合適人選。

董事的持續專業發展

董事須時刻了解身為本公司董事的職責並遵守本公司的行為操守、跟進業務活動及本公司發展。每名新任董事將於首次接受委任時獲得正式、全面及專門為其設計的入職培訓，以確保彼等對本公司業務及運作均有適當理解，並充分知悉於上市規則及任何相關法定要求下董事的職責及責任。

董事參與了適當的持續專業發展以發展及更新其知識及技能，從而確保彼等對董事會的貢獻為知情及相關。彼等參加相關培訓課程，費用由本公司支付。全體董事亦閱讀有關定期更新的法定規定、上市規則及上市公司所涉其他相關主題的材料。

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BOARD COMMITTEES

As an integral part of sound corporate governance practices, the Board has established the following Board committees to oversee the particular aspects of the Group's affairs. Each of these committees comprises independent non-executive Directors who are being invited to join as members.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established in compliance with Rules 3.21 and 3.22 of the Listing Rules and with written terms of reference in compliance with the CG Code. The primary duties of the Audit Committee are to review and monitor the Company's financial reporting and internal control principles of the Company and to provide advice and comments to the Board. The members meet regularly with the external auditors and the Company's management team for the review, supervision and discussion of the Company's financial reporting and internal control procedures and ensure that management has discharged its duty to have an effective internal control and risk management system. During the year 2017, and prior to 1 April 2017, the Audit Committee consists of three members, namely Mr. Wong Chi Keung, Mr. Liu Erhfei and Mr. Chan Chi Keung, Alan, of whom were all independent non-executive Directors. Mr. Wong Chi Keung, who has appropriate professional qualifications and experience in accounting matters, was appointed as the chairman of the Audit Committee. On 1 April 2017, Mr. Liu Erhfei resigned as member of the Audit Committee and Mr. Liu Jialin was appointed to fill a casual vacancy.

The Audit Committee held two meetings during the year under review to review the financial results of the Group and significant issues on the financial reporting and compliance procedures, internal control and risk management systems.

The Audit Committee has reviewed the consolidated financial statements of the Group for the year ended 31 December 2017, including the accounting principles and practices adopted by the Group, selection and appointment of the external auditors.

CORPORATE GOVERNANCE FUNCTIONS

During the period under review, the Audit Committee was also responsible for determining the policy for the corporate governance of the Company performing the corporate governance duties as below:

- to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of the Directors and management team;
- to review the adequacy and effectiveness of the systems of risk management and internal control of the Group;
- to review and monitor the Group's policies and practices on compliance with all legal and regulatory requirements (where applicable);
- to develop, review and monitor the relevant code of conduct and compliance manual (if any) applicable to employees and directors of the Group; and
- to review the Group's compliance with the CG Code and disclosure requirements in the Corporate Governance Report.

董事委員會

作為優良企業管治常規的重要構成部分，董事會已成立以下的董事委員會，以監察本集團特定範疇的事務。各委員會的成員皆由獲邀加入委員會的獨立非執行董事組成。

審核委員會

本公司審核委員會（「審核委員會」）按照上市規則第3.21及3.22條成立，並備有符合企業管治守則的書面職權範圍。審核委員會的主要職責為審核及監督本公司的財務申報及本公司的內部監控原則，並向董事會提供建議及意見。成員定期與外部核數師及本公司管理層團隊進行會晤，以審核、監督及討論本公司的財務申報及內部監控程序，並確保管理層履行其職責建立有效的內部監控及風險管理系統。於二零一七年度及於二零一七年四月一日前，審核委員會由三名成員，即黃之強先生、劉二飛先生及陳志強先生（均為獨立非執行董事）組成。黃之強先生具備適當的專業資格及會計事宜經驗，故獲委任為審核委員會主席。於二零一七年四月一日，劉二飛先生辭任審核委員會成員及劉嘉凌先生獲委任以填補臨時空缺。

審核委員會於回顧年度已召開兩次會議，審閱本集團的財務業績及有關財務申報、合規程序、內部監控及風險管理系統的重要事宜。

審核委員會已審閱本集團截至二零一七年十二月三十一日止年度的綜合財務報表（包括本集團採納的會計原則及常規）、甄選及委任外部核數師。

企業管治功能

於回顧期間，審核委員會亦負責制定本公司企業管治政策，履行以下企業管治職責：

- 制定及審閱本集團之企業管治政策及常規及向董事會作出推薦意見；
- 審閱及監察董事及管理層團隊之培訓及持續專業發展；
- 檢討本集團風險管理系統及內部監控的足夠性及有效性；
- 審閱及監察本集團遵守法定及監管規定之政策及常規（如適用）；
- 制定、審閱及監察適用於本集團僱員及董事之相關操守守則及合規手冊（如有）；
- 審閱本集團是否已遵守企業管治守則及企業管治報告之披露規定。

REMUNERATION COMMITTEE

The remuneration committee of the Company (the “**Remuneration Committee**”) was established on 24 September 2010 with written terms of reference in compliance with the CG Code. During the year 2017, and prior to 1 April 2017, the Remuneration Committee was chaired by Mr. Liu Erhfei with two Directors, namely Mr. Cheng Jerome and Mr. Wong Chi Keung, as members. On 1 April 2017, Mr. Liu Erhfei resigned as chairman of the Remuneration Committee and Mr. Liu Jialin was appointed to fill a casual vacancy. The principal responsibilities of the Remuneration Committee are to formulate and recommend remuneration policy to the Board, make recommendations to the Board on the Company’s policy and structure for all Directors’ and management team’s remunerations, approve and review management’s proposals with reference to the Board’s corporate goals and objectives and make recommendations to the Board on the remuneration of non-executive Directors of the Company. The Board expects the Remuneration Committee to exercise independent judgment and ensure that executive Directors do not participate in the determination of their own remunerations.

The Remuneration Committee held one committee meeting during the year under review to review and made recommendation to the Board on the remuneration policy and structure of the Company and remuneration packages of Directors.

NOMINATION COMMITTEE

The nomination committee of the Company (the “**Nomination Committee**”) was established on 24 September 2010. During the year 2017 the chairman was Mr Cheng Jerome, an executive Director of the Company, with two other members, namely Mr. Wong Chi Keung and Mr. Chan Chi Keung, Alan. The Nomination Committee is responsible for determining the policy for the nomination of Directors, reviewing the structure, size and composition of the Board, making recommendation to the Board on selection of candidates for directorships, appointment and reappointment of Directors and Board succession and assessing the independence of independent non-executive Directors.

The Company adopts the board diversity policy and recognizes board diversity as the key element for the achievement of its strategic goals and sustainable development. In considering the composition and diversity of the Board, the Company takes into account a number of factors from various aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All decisions regarding appointment of members of the Board will be based on the candidates’ meritocracy having regard to a set of objective standards that take into account the benefits of board diversity.

Selection of candidates will be based on a set of diversity criteria, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be made with reference to the candidates’ merits and contributions to the Board.

The Nomination Committee held one meeting during the year under review to review the structure, size and composition of the Board and the independence of the independent non-executive Directors.

薪酬委員會

本公司薪酬委員會（「**薪酬委員會**」）乃按照企業管治守則的規定於二零一零年九月二十四日成立，並備有書面職權範圍。於二零一七年度及於二零一七年四月一日前，薪酬委員會由劉二飛先生擔任主席，兩名董事，即Cheng Jerome先生及黃之強先生為成員。於二零一七年四月一日，劉二飛先生辭任薪酬委員會主席及劉嘉凌先生獲委任以填補臨時空缺。薪酬委員會的主要職責為制定薪酬政策並向董事會提供意見；就本公司所有董事及管理層團隊的全體薪酬政策及架構向董事會提供意見；參考董事會訂立的企業方針及目標而批准及檢討管理層的建議及就本公司非執行董事的薪酬向董事會提供意見。董事會預期薪酬委員會行使獨立判斷並確保執行董事並不參與釐定彼等本身的薪酬。

於回顧年度，薪酬委員會已召開一次會議，檢討本公司薪酬政策及架構以及董事之薪酬待遇並就此向董事會提供推薦意見。

提名委員會

本公司提名委員會（「**提名委員會**」）於二零一零年九月二十四日成立。於二零一七年主席為本公司執行董事Cheng Jerome先生，而其他兩名成員為黃之強先生及陳志強先生。提名委員會負責釐定提名董事之政策、審核董事會的結構、規模和構成；就甄選董事職務候選人、委任、重新委任董事及董事會的繼任事宜向董事會提供意見，並評估獨立非執行董事的獨立性。

本公司採納董事會成員多元化政策，並認為董事會成員多元化乃實現本公司策略目標及可持續發展的關鍵因素。於考慮董事會的構成及多元化時，本公司考慮多方面因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技術、知識及服務任期。所有有關委任董事會成員之決定均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化的裨益。

甄選人選將基於一系列多元化標準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技術、知識及服務任期。最終決定將參考人選的長處及可為董事會提供的貢獻而作決定。

於回顧年度，提名委員會已召開一次會議，檢討董事會的結構、規模及構成以及獨立非執行董事的獨立性。

Corporate Governance Report

企業管治報告

NUMBER OF MEETINGS AND DIRECTORS' ATTENDANCE

The individual attendance record of each Director at the meetings of the Board, Audit Committee, Remuneration Committee, Nomination Committee and the general meeting of the Company during the year ended 31 December 2017 is set out below:

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會	Remuneration Committee Meeting 薪酬委員會	Nomination Committee Meeting 提名委員會	Annual General Meeting 股東週年大會
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Cheng Jerome	Cheng Jerome 先生	3/4	N/A	1/1	1/1	1/1
Mr. Yuan Weitao	袁偉濤先生	4/4	N/A	N/A	N/A	1/1
<i>Non-executive Director</i>	<i>非執行董事</i>					
Mrs. Guo Yan	郭燕女士	1/4	N/A	N/A	N/A	1/1
<i>Independent non-executive Directors</i>	<i>獨立非執行董事</i>					
Mr. Wong Chi Keung	黃之強先生	4/4	2/2	1/1	1/1	1/1
Mr. Liu Erhfei (resigned on 1 April 2017)	劉二飛先生 (於二零一七年四月一日辭任)	1/2	1/1	1/1	N/A	N/A
Mr. Chan Chi Keung, Alan	陳志強先生	4/4	2/2	N/A	1/1	0/1
Mr. Liu Jialin (appointed on 1 April 2017)	劉嘉凌先生 (於二零一七年四月一日獲委任)	2/2	1/1	N/A	N/A	1/1

Code Provision A.6.7

Code Provision A.6.7 of the CG Code provides that independent non-executive directors and non-executive directors should attend general meetings of the Company. Mr. Chan Chi Keung, Alan was not able to attend the annual general meeting of the Company held on 29 May 2017 due to his other engagement in other commitments.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct for securities transactions. Specific enquiries have been made with all Directors, who have confirmed that, during the period under review, they were in compliance with the required provisions set out in the Model Code. All Directors declared that they have complied with the Model Code for the year ended 31 December 2017.

會議及董事出席次數

截至二零一七年十二月三十一日止年度，各位董事出席董事會、審核委員會、薪酬委員會、提名委員會會議以及本公司股東大會的個人出席記錄載列如下：

守則條文第 A.6.7 條

企業管治守則之守則條文第 A.6.7 條規定獨立非執行董事及非執行董事須出席本公司股東大會。陳志強先生未能出席本公司於二零一七年五月二十九日舉行之股東週年大會，乃由於彼從事其他職務。

遵守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 10 所載的上市發行人董事進行證券交易的標準守則（「標準守則」）作為其進行證券交易的行為守則。全體董事作出具體查詢後確認，彼等於回顧期內一直遵守標準守則所載的規定條文。全體董事宣稱彼等於截至二零一七年十二月三十一日止年度內一直遵守標準守則的規定。

COMPANY SECRETARY

Mr. Chan Chi Keung, Billy, the Company Secretary of the Company, is a full time employee of the Group and has day-to-day knowledge of the Company's affairs. He also serves as the secretary of the Audit Committee, the Nomination Committee and the Remuneration Committee as organized by the board from time to time. During the year 2017, the Company Secretary complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. The biographical details of the Company Secretary is set out in the section headed "Directors and Senior Management" on page 26 in this report.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparation of the financial statements for the financial year ended 31 December 2017 which give a true and fair view of the state of affairs of the Company and of the Group at that date and of the Group's results and cash flows for the year then ended and are properly prepared on the going concern basis in accordance with the applicable statutory requirements and accounting standards. The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the "Independent Auditor's Report".

AUDITORS' REMUNERATION

During the year ended 31 December 2017, the remuneration paid or payable to the Group's auditors, KPMG, in respect of their audit and non-audit services are as follows:

Items	項目	Amount 金額 RMB'000 人民幣千元
Audit services	核數服務	2,200
Internal control advisory services	內部諮詢服務	-
Disposal services	處置服務	-
Total	總數	2,200

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for maintaining sound and effective internal control and risk management systems in order to safeguard the Group's assets and shareholders' interests, and review and monitor the effectiveness of the Company's internal control and risk management systems on a regular basis so as to ensure that internal control and risk management systems in place are adequate. The Company has established written policies and procedures applicable to all operating units to ensure the effectiveness of internal controls. The Company also has a process of identifying, evaluating, and managing the significant risks to the achievement of its operational objective. This process is subject to continuous improvement and has been in place since 24 September 2010 and up to the date of this report. The day-to-day operation is entrusted to the individual department, which is accountable for its own conduct and performance, and is required to strictly adhere to the policies set by the Board. The Company carries out reviews on the effectiveness of the internal control and risk management systems from time to time in order to ensure that they are able to meet and deal with the dynamic and ever changing business environment.

公司秘書

陳志強先生為本公司的公司秘書，為本集團全職僱員及了解本公司的日常事務。彼亦擔任董事會不時舉行的審核委員會、提名委員會及薪酬委員會的秘書。於二零一七年度，公司秘書遵守上市規則第3.29條項下的相關專業培訓規定。公司秘書的履歷詳情載於本報告第26頁的「董事及高級管理層」一節。

董事對財務報表的責任

董事知悉彼等就編製截至二零一七年十二月三十一日止財政年度財務報表的責任，財務報表如實反映本公司及本集團於該日的事務狀況及本集團截至該日期止年度的業績及現金流量，並根據適用的法定規定及會計準則按持續經營基準為編製。有關本公司外聘核數師對財務報表所承擔之申報責任的聲明，已載於「獨立核數師報告」內。

核數師薪酬

截至二零一七年十二月三十一日止年度，已付或應付本集團核數師畢馬威會計師事務所的核數及非核數服務薪酬如下：

內部監控及風險管理

董事會負責維持健全有效的內部監控及風險管理制度，以保障本集團資產及股東利益，並定期檢討及規管本公司內部監控及風險管理系統之效率，以確保足夠內部監控及風險管理系統。本公司已制定適用於所有營運單位的書面政策及程序，確保內部監控的效率。本公司亦有識別、評估及管理重大風險的程序以達成其營運目標。該程序須不斷改善，並自二零一零年九月二十四日起及直至本報告日期始終使用。日常營運則委託個別部門，對其本身部門的行為及表現進行問責，並須嚴格遵守董事會制定的政策。本公司不時進行內部監控及風險管理系統效率的審閱，確保其能夠符合及應對靈活及不時轉變之經營環境。

Corporate Governance Report

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The risk management framework includes identifying significant risks in the Group's operation environment and evaluating the impacts of those risks on the Group's business; developing necessary measures to manage those risks; and monitoring and reviewing the effectiveness of such measures. The implementation of risk management framework of the Group was assisted by the Group's internal audit function so that the Group could ensure new and emerging risks relevant to the Group's operation are promptly identified by the management, assess the adequacy of action plans to manage these risks and monitor and evaluate the effectiveness of the action plans. These are on-going processes and the Audit Committee reviews periodically the Group's risk management systems.

The Audit Committee reported to the Board the implementation of the Group's risk management and internal control policy which, among other things, included the determination of risk factors, evaluation of risk level the Group could take and effectiveness of risk management measures. Based on the reports from internal audit function and the Audit Committee, the Board believes that the existing internal control and risk management systems are adequate and effective.

PROCEDURES FOR SHAREHOLDERS TO REQUISITION AND CONVENE AN EXTRAORDINARY GENERAL MEETING (INCLUDING PROPOSING A RESOLUTION AT AN EXTRAORDINARY GENERAL MEETING)

- Any two or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company (the "**Eligible Shareholders**") shall at all times have the right, by a written requisition signed by the Eligible Shareholders concerned (the "**Requisition**"), to require the Board to convene an extraordinary general meeting, and to put any resolution so requisitioned to vote at such extraordinary general meeting.
- Eligible Shareholders who wish to requisition the Board to convene an extraordinary general meeting for the purpose of proposing a resolution at the extraordinary general meeting must deposit the Requisition at the principal place of business of the Company in Hong Kong at Room 1001-1009, 10/F, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.
- The Requisition must state clearly the names of the Eligible Shareholders concerned, specify the objects of the meeting, and be signed by the Eligible Shareholders concerned. The Eligible Shareholders must prove their shareholdings in the Company to the satisfaction of the Company.

風險管理框架包括識別本集團營運環境中的重大風險及評估該等風險對本集團業務的影響；制訂必要的措施以管理該等風險；及監控及檢討該等措施的有效性。本集團風險管理框架的執行獲本集團內部審核職能的協助，從而本集團可確保管理層即時識別與本集團營運有關的新及萌發的風險，評估行動計劃的充足性以管理該等風險以及監控及評估該等行動計劃的有效性。該等計劃乃持續的過程，且我們審核委員會定期檢討本集團的風險管理系統。

審核委員會向董事會匯報本集團執行風險管理及內部監控政策的情況，當中（其中包括）包括釐定風險因素，評估本集團可承受的風險水平及風險管理措施的有效性。基於來自內部審核職能及審核委員會的報告，董事會相信，現有內部監控系統及風險管理系統乃充分有效。

股東要求及召開股東特別大會（包括於股東特別大會上提呈決議案）程序

- 任何兩位或以上於遞呈要求日期持有不少於本公司繳足股本（賦有於本公司股東大會上投票權）十分之一的股東（「**合資格股東**」）於任何時候有權透過經相關合資格股東簽署之書面要求（「**書面要求**」）要求董事會召開股東特別大會，並提呈所要求之任何決議案於股東特別大會上表決。
- 有意向董事會提出書面要求召開股東特別大會藉以於股東特別大會上提呈決議案的合資格股東必須將書面要求交回本公司於香港的主要營業地點，地址為香港灣仔港灣道30號新鴻基中心10樓1001-1009室。
- 書面要求必須載明相關合資格股東的姓名，闡明大會的目的，並由相關合資格股東簽署。合資格股東必須證明彼等於本公司的股權，令本公司信納。

- The Company will check the Requisition and the identities and the shareholdings of the Eligible Shareholders will be verified with the Company's branch share registrar. If the Requisition is found to be proper and in order and in compliance with the memorandum and articles of association of the Company, the Board will within 21 days of the date of deposit of the Requisition, proceed duly to convene an extraordinary general meeting to be held within a further 21 days, for the purpose of putting any resolution(s) proposed by the Eligible Shareholders to vote at such extraordinary general meeting. However, if the Requisition has been verified as not in order and not in compliance with the memorandum and articles of association of the Company, the Eligible Shareholders concerned will be advised of this outcome and accordingly, the Board will not convene an extraordinary general meeting and will not put any resolution(s) proposed by the Eligible Shareholders to vote at any such extraordinary general meeting or any other general meeting of the Company.
- If within 21 days of the date of deposit of the Requisition, the Board has not advised the Eligible Shareholders that the Requisition is not in order and not in compliance with the memorandum and articles of association of the Company, and the Board has failed to proceed to convene an extraordinary general meeting, the Eligible Shareholders themselves (or any one or more of the Eligible Shareholders who holds more than one-half of the total voting rights of all the Eligible Shareholders who signed the Requisition) may proceed to convene the extraordinary general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Board in accordance with the memorandum and articles of association of the Company, provided that the extraordinary general meeting so convened must be held before the expiration of three months from the date of deposit of the Requisition. All reasonable expenses incurred by the Eligible Shareholders concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholders concerned by the Company.

COMMUNICATION WITH SHAREHOLDERS

The Board recognizes the importance of maintaining a clear, timely and effective communication with the shareholders of the Company and investors. The Board also recognizes that effective communication with its investors is critical in establishing investors' confidence and attracting new investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure the investors and the shareholders of the Company will receive accurate, clear, comprehensive and timely information of the Group through the publication of annual reports, interim reports, announcements and circulars. The Company also publishes all corporate communications on the Company's website at www.fortunetecomm.com. Further, shareholders of the Company may send their enquiries and concerns to the Board by addressing them to the principal place of business of the Company in Hong Kong. The Board maintains regular dialogues with institutional investors and analysts from time to time to keep them informed of the Group's strategy, operations, management and plans. The Directors and members of various board committees will attend the annual general meeting of the Company and answer any questions raised. The resolution of every important proposal will be proposed at general meetings separately.

- 本公司將核查書面要求，而合資格股東的身份及股權將由本公司股份過戶登記分處核實。倘書面要求被證實適當及合理，並符合本公司組織章程大綱及細則，董事會將於遞呈日期起21日內，安排於下一個21日內召開股東特別大會，以於該股東特別大會上提呈合資格股東建議的任何決議案進行投票表決。然而，倘書面要求被證實為不合理，且不符合本公司的組織章程大綱及細則，相關合資格股東將獲告知此結果，而董事會據此將不會召開股東特別大會，且將不會於有關股東特別大會或本公司任何其他股東大會上提呈合資格股東建議的任何決議案進行投票表決。

- 倘於書面要求日期起21日內，董事會並無告知合資格股東書面要求不合理及不符合本公司組織章程大綱及細則，且董事會未有召開股東特別大會，合資格股東本人(或任何一位或以上持有簽署書面要求的全部合資格股東的總投票權一半以上的合資格股東)可按盡可能接近董事會根據本公司組織章程大綱及細則召開股東大會的方式，召開股東特別大會，惟所召開的股東特別大會必須於書面要求日期起三個月屆滿前舉行。相關合資格股東因董事會未有召開大會而合理產生的所有開支，將由本公司向相關合資格股東作出償付。

與股東的聯繫

董事會深明與本公司股東及投資者保持明確、及時和有效的聯繫之重要性。董事會亦深知與投資者之有效溝通，乃建立投資者信心及吸引新投資者之關鍵。因此，本集團致力於保持高透明度，以確保本公司投資者及股東通過刊發之年報、中期報告、公佈及通函，得到準確、清晰、完整而及時的集團資料。本公司亦在公司網站 www.fortunetecomm.com 刊登全部企業通訊。另外，本公司股東可向董事會發出其查詢及關注事項，並註明送至本公司的香港主要營業地點。董事會與機構投資者及分析員不時保持溝通，讓彼等得悉本集團的策略、營運、管理及計劃。董事及各董事委員會成員均將出席本公司股東週年大會及解答問題。股東大會上，各項重要議案須以獨立決議案方式提呈。

Corporate Governance Report

企業管治報告

The chairman of general meetings of the Company would explain the procedures for conducting a poll before proposing a resolution for voting. The poll results will be announced at general meetings and published on the websites of the Stock Exchange and the Company, respectively. In addition, the Company regularly meets with institutional investors, financial analysts and financial media, and promptly releases information related to any significant progress of the Company, so as to promote the development of the Company through mutual and efficient communications.

During the year under review, there was no change to the constitutional documents of the Company.

Shareholders, investors and the media can make enquiries to the Company through the following means:

Telephone number: (852) 2776 8500
By post: Room 1001-1009,
10/F, Sun Hung Kai Centre,
30 Harbour Road,
Wanchai, Hong Kong
Attention: Mr. Chan Chi Keung, Billy
By email: ir@fortunet.com.hk

本公司股東大會主席會於以投票方式表決一項決議案之前解釋進行投票的程式。投票的結果將於大會上宣佈，並將分別在聯交所及本公司的網站上公佈。此外，本公司定期與機構投資者、財務分析師及財務媒體會晤，並即時發佈有關本公司任何重大進程之資料，從而透過雙向及高效之聯繫促進本公司之發展。

於回顧年度，本公司的憲章文件並無變動。

股東投資者及媒體可透過下列方式向本公司作出查詢：

電話：(852) 2776 8500
郵遞：香港灣仔港灣道30號
新鴻基中心10樓
1001-1009室
致：陳志強先生
電郵：ir@fortunet.com.hk

Financial Section 財務報告



Independent Auditor's Report

獨立核數師報告



**Independent auditor's report to the shareholders of
Fortunet e-Commerce Group Limited**
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Fortunet e-Commerce Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 57 to 161, which comprise the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("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") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the Cayman Islands, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致鑫網易商集團有限公司
(於開曼群島註冊成立之有限公司)
股東的獨立核數師報告

意見

本核數師(以下簡稱「我們」)已審核列載於第57至第161頁的致鑫網易商集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一七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、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一七年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》之披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(簡稱「守則」)以及開曼群島任何與我們對綜合財務報表的審計有關的道德要求，我們獨立於貴集團，並已履行該等規定及守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

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.

Valuation of goodwill and intangible assets

Refer to Notes 15 and 16 to the consolidated financial statements and the accounting policies in Note 2(j)(ii).

The Key Audit Matter

In March 2015, the Group acquired 51% equity interests in Century Network Holding Limited ("Century Network") which operates e-commerce business. As a result, the Group recognised goodwill and intangible assets related to the e-commerce business with the costs amounted to RMB61,013,000 and RMB21,917,000, respectively.

The e-commerce business of the Group is in an early development stage with certain expected business growth in future periods. In view of the slower than expected growth and uncertainties surrounding the future growth, there is a risk that the goodwill and intangible assets may be impaired.

How the matter was addressed in our audit

Our audit procedures to assess the valuation of goodwill and intangible assets included the following:

- evaluating management's identification of cash-generating unit ("CGU") and the amounts of goodwill and intangible assets allocated to the e-commerce CGU by reviewing the basis of allocation;
- assessing and challenging the key assumptions adopted by management in its cash flow forecast of the e-commerce business, including unique visitor numbers, conversion rates and amount per customer transaction by comparing the key assumptions, where possible, with market and other external available information;

關鍵審計事項

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

商譽及無形資產的估值

請參閱綜合財務報表附註15及16以及附註2(j)(ii)的會計政策。

關鍵審計事項

於二零一五年，貴集團收購營運電子商貿業務之Century Network Holding Limited（「Century Network」）51%股權。因此，貴集團確認有關電子商貿業務之商譽及無形資產成本分別為人民幣61,013,000元及人民幣21,917,000元。

貴集團的電子商貿業務處於早期發展階段，預期於未來期間將會取得一定業務增長。惟鑒於增長較預期緩慢及其未來之不確定性，商譽及無形資產可能存在減值風險。

我們的審計如何處理該事項

我們就評估商譽及無形資產的估值的審計程序包括以下程序：

- 通過審閱分配基準估算管理層對現金產生單位（「現金產生單位」）的確定，分配至電子商貿現金產生單位的商譽及無形資產金額；
- 評估及質疑管理層於其對電子商貿業務的現金流量預測中採納的關鍵假設，包括電子商貿業務的獨特訪客數目、轉化率及每名客戶的成交額，方式為對比關鍵假設與市場及其他外部可獲得的資料（如可能）；

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KEY AUDIT MATTERS (CONTINUED)

The directors considered that there were indicators of impairment of these assets and prepared the impairment assessment of the cash generating unit ("CGU") to which the assets were allocated using the value in use model and fair value less costs of disposal model. The impairment assessment involves significant degree of management judgement, particularly in relation to the key assumptions adopted, including unique visitor numbers, conversion rates and amount per customer transaction, the discount rate applied in the discounted cash flow forecast and the remaining useful economic lives and price volatility of the relevant assets.

- comparing the revenue and operating costs included in the discounted cash flow forecasts prepared in the prior year with the current year's performance of the e-commerce CGU to assess how accurate the prior year's discounted cash flow forecasts were and making enquiries of management as to the reasons for any significant variations identified;

關鍵審計事項(續)

董事認為該等資產存在減值跡象，並採用使用價值模式及公平值減出售成本的模式編製資產被分配至現金產生單位(「現金產生單位」)的減值評估。該等減值評估涉及管理層的重大程度判斷，尤其是有關所採納的關鍵假設(包括電子商貿業務的獨特訪客數目、轉化率及每名客戶的成交額、使用於折現現金流量預測的折現率，相關資產餘下可使用的經濟年期及價格波幅。

- 對比計入於去年編製的折現現金流量預測的收入及經營成本與本年度各個電子商貿現金產生單位的表現，以評估去年折現現金流量預測的準確程度及向管理層詢問發現任何重大差異的原因；

KEY AUDIT MATTERS (CONTINUED)

We identified the valuation of goodwill and intangible assets as a key audit matter because the impairment assessments of these assets involve a significant degree of management judgement in relation to the key assumptions adopted in the impairment assessment model, some of which are inherently uncertain and may be subject to management bias.

- involving our internal valuation specialists to assist us in evaluating the methodology used by management in its preparation of the discounted cash flow forecast with reference to the requirements of the prevailing accounting standards;
- involving our internal valuation specialists to assist us in evaluating the discount rate applied in the discounted cash flow forecasts by assessing whether the discount rate applied in the discounted cash flow forecasts were within the range adopted by other companies in the same industry;
- involving our internal valuation specialists to assist us in assessing the key assumptions adopted in the calculation of the fair value less costs of disposal of the intangible assets, including the remaining economic useful lives and price volatility of the relevant assets, by assessing whether the key assumptions were within the range adopted by other companies in the same industry or performing recalculations by using market and other external available information derived from similar industries or comparable transactions;

關鍵審計事項 (續)

我們把商譽及無形資產的估值列為關鍵審計事項，因為該等資產的減值評估涉及管理層對於減值評估模式中採納的關鍵假設的重大程度判斷，其中部分本身具有不確定性，且可能受管理層的偏見左右。

- 委派我們的內部估值專家協助我們評估管理層於經參考現行的會計準則規定編製折現現金流量預測時所用的方法；
- 委派我們的內部估值專家協助我們通過評估使用於折現現金流量預測的折現率是否屬於同行業內其他公司採納的範圍內，估算使用於折現現金流量預測的折現率；
- 委派我們的內部估值專家協助我們評估於計算公平值減無形資產的出售成本所採納的關鍵假設，包括相關資產餘下可使用的經濟年期及價格波幅，方式為評估關鍵假設是否屬於同行業內其他公司採納的範圍內或通過採用源自類似行業或可比較交易的市場及外部可獲得的資料重新計算；

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獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

- obtaining from management the sensitivity analyses of the key assumptions, including unique visitor numbers, conversion rates and amount per customer transaction, and the discount rate adopted in the discounted cash flow forecast, and the remaining economic useful lives adopted in the fair value less costs of disposal calculations prepared by management, and assessing the impact on the conclusion of the impairment assessment, the impairment charged for the year and whether there were any indicators of management bias; and
- considering the appropriateness of disclosures in the consolidated financial statements in respect of impairment testing of goodwill and intangible assets with reference to the requirements of the prevailing accounting standards.

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

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.

關鍵審計事項(續)

- 獲得管理層對主要假設(包括電子商貿業務的獨特訪客數目、轉化率及每名客戶的成交額)的敏感度分析,管理層於編製折現現金流量預測及公平值減出售成本之計算所採納的使用於折現現金流量預測的折現率以及相關資產餘下可使用的經濟年期及價格波幅,並評估對減值評估結論的影響,年內支銷的減值及是否有任何跡象表示管理層有所偏見;及
- 經參考現行的會計準則規定,就商譽及無形資產的減值測試考慮綜合財務報表中的披露適合程度。

綜合財務報表及其核數師報告以外的信息

董事須對其他信息負責。其他信息包括刊載於年報內的全部信息,但不包括綜合財務報表及我們的核數師報告。

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

**INFORMATION OTHER THAN THE
CONSOLIDATED FINANCIAL STATEMENTS AND
AUDITOR'S REPORT THEREON (CONTINUED)**

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

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

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

綜合財務報表及其核數師報告以外的信息(續)

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

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

董事就綜合財務報表須承擔的責任

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》的批露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

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, 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 scepticism throughout the audit. We also:

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

核數師就審計綜合財務報表須承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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

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

We communicate with 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.

核數師就審計綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

Independent Auditor's Report

獨立核數師報告

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

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.

The engagement partner on the audit resulting in this independent auditor's report is Wan Chi Yau, Charles.

KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

19 March 2018

核數師就審計綜合財務報表須承擔的責任(續)

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

出具本獨立核數師報告的審計專案合夥人是溫梓佑。

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

二零一八年三月十九日

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 2017 截至二零一七年十二月三十一日止年度
(Expressed in Renminbi ("RMB")) (以人民幣(「人民幣」)列示)

		Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Revenue	收入	4	167,632	385,468
Cost of sales	銷售成本		(175,216)	(398,180)
Gross loss	毛虧	4(b)	(7,584)	(12,712)
Other income	其他收入	5	2,673	22,806
Selling and distribution expenses	銷售及分銷開支		(48,317)	(26,841)
Administrative expenses	行政開支		(113,368)	(76,275)
Research and development costs	研發成本		(54,229)	(23,200)
Impairment losses	減值虧損	6	(68,329)	(33,404)
Loss from operations	經營虧損		(289,154)	(149,626)
Finance costs	融資成本	7(a)	(4,812)	(85,288)
Loss on financial guarantee contracts issued	有關所發出的財務擔保 合約的虧損	28	-	(30,965)
Gain on disposal of subsidiaries	出售附屬公司收益	8	141,495	-
Loss before taxation	除稅前虧損	7	(152,471)	(265,879)
Income tax	所得稅	9	(47,210)	25,512
Loss and total comprehensive income for the year	年內虧損及全面收入總額		(199,681)	(240,367)
Attributable to:	以下人士應佔：			
Equity shareholders of the Company	本公司權益股東		(66,413)	(176,604)
Non-controlling interests	非控股權益		(133,268)	(63,763)
Loss and total comprehensive income for the year	年內虧損及全面收入總額		(199,681)	(240,367)
Loss per share	每股虧損			
Basic (RMB)	基本(人民幣)	12(a)	(0.04)	(0.12)
Diluted (RMB)	攤薄(人民幣)	12(b)	(0.05)	(0.12)

The notes on pages 64 to 161 form part of these financial statements.

第64頁至161頁附註為本財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

at 31 December 2017 於二零一七年十二月三十一日
(Expressed in RMB) (以人民幣列示)

		Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	8,805	82,970
Lease prepayments	預付租賃款項	14	-	11,207
Intangible assets	無形資產	15	-	22,667
Goodwill	商譽	16	-	61,013
Deferred tax assets	遞延稅項資產	27(b)	-	50,487
			8,805	228,344
Current assets	流動資產			
Inventories	存貨	18	94	29,259
Trade and other receivables	貿易及其他應收款項	19	49,646	315,373
Assets classified as held-for-sale	分類為持作出售之資產	20	-	70,398
Pledged bank deposits	已抵押銀行存款		30	461
Cash and cash equivalents	現金及現金等值項目	21	392,994	90,002
			442,764	505,493
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	22	34,096	159,511
Bank and other loans	銀行及其他貸款	23(a)	-	195,665
Secured notes	有抵押票據	24	-	141,161
Convertible bonds	可換股債券	25	-	115,976
Provisions	撥備	28	-	30,965
			34,096	643,278
Net current assets/(liabilities)	淨流動資產/(負債)		408,668	(137,785)
Total assets less current liabilities	總資產減流動負債		417,473	90,559
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	25	85,075	-
Deferred tax liabilities	遞延稅項負債	27(b)	-	3,946
			85,075	3,946
NET ASSETS	資產淨值		332,398	86,613

The notes on pages 64 to 161 form part of these financial statements.

第64頁至161頁附註為本財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

at 31 December 2017 於二零一七年十二月三十一日
(Expressed in RMB) (以人民幣列示)

		Note	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
CAPITAL AND RESERVES	資本及儲備	29		
Share capital	股本		117,978	108,209
Reserves	儲備		276,162	66,798
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔總權益		394,140	175,007
Non-controlling interests	非控股權益		(61,742)	(88,394)
TOTAL EQUITY	總權益		332,398	86,613

Approved and authorised for issue by the board of directors on 19 March 2018.

於二零一八年三月十九日獲董事會批准及授權刊發。

Cheng Jerome
Cheng Jerome
Director (Chairman)
董事(主席)

Yuan Weitao
袁偉濤
Director
董事

The notes on pages 64 to 161 form part of these financial statements.

第64頁至161頁附註為本財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度
(Expressed in RMB) (以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔						Non- controlling interests	Total equity	
		Share capital 股本	Share premium 股份溢價	Capital reserve 資本儲備	Surplus reserves 盈餘儲備	Other reserve 其他儲備	Accumulated losses 累計虧損	Total 合計	Total equity 總權益	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
		(Note 29(c)) (附註29(c))	(Note 29(d)(i)) (附註29(d)(i))	(Note 29(d)(ii)) (附註29(d)(ii))	(Note 29(d)(iii)) (附註29(d)(iii))	(Note 29(d)(iv)) (附註29(d)(iv))	(Note 29(d)(v)) (附註29(d)(v))	(Note 29(d)(vi)) (附註29(d)(vi))	(Note 29(d)(vii)) (附註29(d)(vii))	
Balance at 1 January 2016	於二零一六年一月一日之結餘	98,557	787,138	226,982	149,020	(7,703)	(1,160,133)	93,861	(21,770)	72,091
Changes in equity for 2016:	二零一六年之權益變動：									
Loss and total comprehensive income for the year	本年度虧損及全面收入總額	-	-	-	-	-	(176,604)	(176,604)	(63,763)	(240,367)
Effect on equity arising from acquisition of additional interest in a subsidiary	收購一間附屬公司額外權益對股權的影響	-	-	-	-	2,893	-	2,893	(2,893)	-
Effect on equity arising from capital injection from non-controlling equity shareholder into a subsidiary	非控股權益股東向一間附屬公司注資對股權的影響	-	-	-	-	-	-	-	32	32
Issuance of shares	發行股份	9,652	234,132	-	-	-	-	243,784	-	243,784
Equity-settled share-based transaction (Note 26)	權益結算以股份為基礎之交易 (附註26)	-	-	11,073	-	-	-	11,073	-	11,073
		9,652	234,132	11,073	-	2,893	-	257,750	(2,861)	254,889
Balance at 31 December 2016	於二零一六年十二月三十一日之結餘	108,209	1,021,270	238,055	149,020	(4,810)	(1,336,737)	175,007	(88,394)	86,613

The notes on pages 64 to 161 form part of these financial statements.

第64頁至161頁附註為本財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度
(Expressed in RMB) (以人民幣列示)

		Attributable to equity shareholders of the Company 本公司權益股東應佔						Non-	Total	
		Share capital	Share premium	Capital reserve	Surplus reserves	Other reserve	Accumulated losses	Total	controlling interests	equity
		股本	股份溢價	資本儲備	盈餘儲備	其他儲備	累計虧損	合計	非控股權益	總權益
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(Note 29(c))	(Note 29(d)(i))	(Note 29(d)(ii))	(Note 29(d)(iii))	(Note 29(d)(iv))	(Note 29(d)(v))	(Note 29(d)(vi))	(Note 29(d)(vii))	(Note 29(d)(viii))
		(附註29(c))	(附註29(d)(i))	(附註29(d)(ii))	(附註29(d)(iii))	(附註29(d)(iv))	(附註29(d)(v))	(附註29(d)(vi))	(附註29(d)(vii))	(附註29(d)(viii))
Balance at 1 January 2017	於二零一七年一月一日之結餘	108,209	1,021,270	238,055	149,020	(4,810)	(1,336,737)	175,007	(88,394)	86,613
Changes in equity for 2017:	二零一七年之權益變動：									
Loss and total comprehensive income for the year	本年度虧損及全面收入總額	-	-	-	-	-	(66,413)	(66,413)	(133,268)	(199,681)
Effect on equity arising from capital injections from non-controlling equity shareholders into subsidiaries	非控股權益股東向附屬公司注資對股權的影響	-	-	-	-	-	-	-	159,920	159,920
Issuance of shares (Note 29(c)(ii))	發行股份(附註29(c)(ii))	10,404	252,482	-	-	-	-	262,886	-	262,886
Purchase of own shares (Note 29(c)(iii))	購入自身股份(附註29(c)(iii))									
- par value paid	- 已付面值	(635)	-	-	-	-	-	(635)	-	(635)
- premium paid	- 已付溢價	-	(8,205)	-	-	-	-	(8,205)	-	(8,205)
Effect on equity arising from disposal of subsidiaries	出售附屬公司對股權的影響	-	-	(226,982)	(149,020)	7,703	368,299	-	-	-
Equity-settled share-based transaction (Note 26)	權益結算以股份為基礎之交易(附註26)	-	-	31,500	-	-	-	31,500	-	31,500
		9,769	244,277	(195,482)	(149,020)	7,703	368,299	285,546	159,920	445,466
Balance at 31 December 2017	於二零一七年十二月三十一日之結餘	117,978	1,265,547	42,573	-	2,893	(1,034,851)	394,140	(61,742)	332,398

The notes on pages 64 to 161 form part of these financial statements.

第64頁至161頁附註為本財務報表之一部分。

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度
(Expressed in RMB) (以人民幣列示)

			2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	Note 附註			
Operating activities	經營活動			
Loss before taxation	除稅前虧損		(152,471)	(265,879)
Adjustments for:	就以下各項作出調整：			
Depreciation and amortisation	折舊及攤銷	7(c)	16,987	27,196
Impairment losses	減值虧損	6	68,329	33,404
Write-down of inventories	存貨撇減	18(b)	8,989	12,205
Finance costs	融資成本	7(a)	4,812	85,288
Interest income	利息收入		(4,011)	(1,879)
Net loss/(gain) on disposal of property, plant and equipment and assets classified as held-for-sale	出售物業、廠房及設備及分類為持作出售資產的虧損/(收益)淨額	5	2,563	(15,070)
Gain on disposal of subsidiaries	出售附屬公司收益	8	(141,495)	-
Loss on financial guarantee contracts issued	有關所發出的財務擔保合約的虧損	28	-	30,965
Equity-settled share-based payment expenses	權益結算以股份為基礎的付款開支	7(b)	31,500	11,073
Changes in working capital:	營運資金變動：			
(Increase)/decrease in inventories	存貨(增加)/減少		(951)	24,896
Increase in trade and other receivables	貿易及其他應收款項增加		(7,773)	(35,923)
Increase in trade and other payables	貿易及其他應付款項增加		22,806	2,087
Changes in working capital of held-for-sale assets and liabilities	持作出售之資產及負債營運資金變動		-	20,320
Cash used in operations	經營所用現金		(150,715)	(71,317)
Income tax paid	已付所得稅		-	-
Net cash used in operating activities	經營活動所用現金淨額		(150,715)	(71,317)
Investing activities	投資活動			
Payments for purchase of property, plant and equipment and intangible assets	購置物業、廠房及設備以及無形資產的付款		(9,067)	(30,006)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備的所得款項		1,426	-
Proceeds from disposal of assets and liabilities classified as held-for-sale	出售分類為持作出售資產及負債之所得款項		-	4
Deposits received for disposal of assets classified as held-for-sale	就出售分類為持作出售資產所收取的按金		-	3,226
Proceeds from disposal of subsidiaries, net of cash disposal of	出售附屬公司的所得款項，扣除出售的現金	8	(401)	-
Loan to a third party	貸款予第三方		(49,605)	-
Collection of loan from a third party	自第三方收取貸款還款		15,224	-
Increase in pledged bank deposits	已抵押銀行存款增加		-	(408)
Interest received	已收取利息		4,011	22
Net cash used in investing activities	投資活動所用現金淨額		(38,412)	(27,162)

The notes on pages 64 to 161 form part of these financial statements.

第64頁至161頁附註為本財務報表之一部分。

Consolidated Cash Flow Statement

綜合現金流量表

for the year ended 31 December 2017 截至二零一七年十二月三十一日止年度
(Expressed in RMB) (以人民幣列示)

	Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Financing activities			
Proceeds of new bank and other loans		60,429	175,056
Repayment of bank and other loans		(54,505)	(153,294)
Proceeds from the issuance of shares, net of transaction costs	29(c)(ii)	506,670	-
Capital injections from non-controlling equity shareholders		159,920	32
Purchase of own shares	29(c)(iii)	(8,840)	-
Repayment of secured notes	21(b)	(137,747)	-
Payments for acquisition of non-controlling interests in a subsidiary in prior years		-	(1,702)
Finance costs paid		(13,866)	(33,715)
Net cash generated/(used in) from financing activities		512,061	(13,623)
Net increase/(decrease) in cash and cash equivalents		322,934	(112,102)
Cash and cash equivalents at 1 January	21	90,002	195,632
Effect of foreign exchange rate changes		(19,942)	6,472
Cash and cash equivalents at 31 December	21	392,994	90,002

The notes on pages 64 to 161 form part of these financial statements.

第64頁至161頁附註為本財務報表之一部分。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

1 CORPORATE INFORMATION

Fortunet e-Commerce Group Limited (the “Company”) was incorporated in the Cayman Islands on 21 May 2008 as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 24 September 2010. The consolidated financial statements of the Company for the year ended 31 December 2017 comprise the Company and its subsidiaries (collectively referred to as the “Group”).

Upon disposal of the Group’s manufacture and sale of axles business during the current year, the principal activities of the Group are the trading of goods through operation of electronic distribution platforms, mobile applications and other related means in the People’s Republic of China (the “PRC”). The Group has also developed an electronic trading platform, in which to facilitate awards earned by customers of loyalty programmes of other companies to be exchanged globally in the form of virtual assets and credits for consumption of merchandises, games, services and other commercial transactions.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

1 公司資料

鑫網易商集團有限公司(「本公司」)根據開曼群島法例第二十二章公司法(一九六一年法例三(經綜合及修訂))於二零零八年五月二十一日在開曼群島註冊成立為獲豁免有限公司。本公司股份於二零一零年九月二十四日在香港聯合交易所有限公司(「聯交所」)上市。本公司截至二零一七年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司(統稱為「本集團」)。

於本年度本集團製造及銷售車橋業務之出售後，本集團主要活動為在中華人民共和國(「中國」)境內透過經營電子分銷平台、移動應用程式及其他相關方式以買賣商品。本集團亦已發展電子平台以協助客戶自其他公司的忠誠度計劃所獲獎賞能以虛擬資產及授信方式於全球兌換並於商品、遊戲、服務及其他商業交易中使用。

2 重大會計政策

(a) 合規聲明

該等財務報表已根據所有適用香港財務報告準則(「香港財務報告準則」)編製，其條款包括香港會計師公會(「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(「香港會計準則」)及詮釋，香港公認會計原則和香港公司條例的適用披露規定。該等財務報表亦符合聯交所證券上市規則(「上市規則」)的適用披露條文。本集團採用的重大會計政策概要載於下文。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of compliance (continued)

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2017 comprise the Group.

The measurement basis used in the preparation of the financial statements is the historical cost basis except for derivative financial instruments which are stated at their fair values (see Note 2(f)).

Non-current assets and disposal groups held-for-sale are stated at the lower of carrying amount and fair value less costs to sell (see Note 2(w)).

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

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

2 重大會計政策(續)

(a) 合規聲明(續)

香港會計師公會已頒佈多項首次生效或可供本集團於本會計期間提前採納的新訂及經修訂香港財務報告準則。附註2(c)提供初次應用該等發展造成的會計政策任何變動的資料，惟以該等財務報表所反應的彼等與本集團當前及過往會計期間相關者為限。

(b) 財務報表的編製基準

於截至二零一七年十二月三十一日止年度的綜合財務報表包括本集團。

編製財務報表以歷史成本為計量基準，惟衍生金融工具乃按其公平值列賬(見附註2(f))。

非流動資產及持作出售之出售組合以賬面值與公平值扣除出售成本之較低者列賬(見附註2(w))。

編製符合香港財務報告準則的財務報表時，管理層須作出判斷、估計及假設，有關判斷、估計及假設會影響政策的應用及資產、負債、收入及開支的呈報金額。該等估計及相關假設乃基於過往經驗及其他被認為合理的因素，從該基準判斷得出的資產及負債的賬面值可能與其他來源得出的賬面值並不一致。實際結果可能與該等估計不同。

該等估計及相關假設按持續基準審閱。會計估計的修訂如只影響該修訂期，則於該修訂期內確認；修訂如影響本期間及未來期間，則於修訂期間及未來期間確認。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

For the year ended 31 December 2017, the Group had incurred net loss of RMB199,681,000 and net cash used in operating activities of RMB150,715,000. Notwithstanding of the above, based on a cash flow forecast of the Group for the twelve months ending 31 December 2018 prepared by the management, the directors of the Company are of the opinion that the Group would have adequate funds to meet its liabilities as and when they fall due at least twelve months from the end of the reporting period. Accordingly, the directors of the Company consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

(c) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, additional disclosure has been included in Note 21(b) to satisfy the new disclosure requirements introduced by the amendments to HKAS 7, *Statement of cash flows: Disclosure initiative*, which require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

2 重大會計政策(續)

(b) 財務報表的編製基準(續)

管理層應用香港財務報告準則時所作出對財務報表有重大影響之判斷及估計不明朗因素之主要來源於附註3討論。

於截至二零一七年十二月三十一日止年度本集團產生虧損淨額人民幣199,681,000元及錄得經營活動所用現金淨額人民幣150,715,000元。儘管出現上述情況，根據管理層編製的本集團截至二零一八年十二月三十一日止十二個月的現金流量預測，本公司董事認為本集團將有充足資金於報告期末起計至少十二個月履行其到期負債。因此，本公司董事認為按持續經營基準編製綜合財務報表乃屬適合。

(c) 會計政策的變動

香港會計師公會已頒佈以下於本集團本會計期間首次生效之香港財務報告準則之修訂。該等修訂概無對本集團會計政策造成影響。然而，附註21(b)已包括額外披露以符合香港會計準則第7號(修訂本)：現金流量表—披露動議之新披露要求，該修訂本要求實體提供披露，使財務報表使用者能夠評估融資活動產生的負債變動，包括來自現金流量及非現金的變動。

本集團並無應用任何於本會計期間並未生效的新訂準則或詮釋。

(d) 附屬公司及非控股權益

附屬公司指受本集團控制的實體。當本集團從參與某實體之業務獲得或有權獲得可變回報，及有能力對實體行使其權力而影響其回報，則本集團控制該實體。評估本集團是否有權力時，只考慮具體權利(由本集團及其他人士持有)。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries and non-controlling interests (continued)

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity interests in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those equity interests which would result in the Group as a whole having a contractual obligation in respect of those equity interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

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

2 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

於附屬公司的投資由控制開始當日至控制終止當日綜合計入綜合財務報表。集團內公司間的交易結餘及交易，與任何因集團內公司間交易而產生的現金流量和未變現溢利均在編製綜合財務報表時全數對銷。集團內公司間交易所產生的未變現虧損以處理未變現收益的同樣方式對銷，惟僅會在無減值跡象的情況下進行。

非控股權益指附屬公司不直接或間接歸屬於本公司的股本權益，而本集團與該等股本權益的持有人並無就此協定任何附加條款使本集團整體就有關股本權益而負有符合金融負債定義的合約性義務。本集團可在逐次企業合併基礎上選擇按其公平值或非控股權益享有附屬公司可識別淨資產的份額計量任何非控股權益。

在綜合財務狀況表內，非控股權益在權益內與歸屬於本公司權益股東的權益分開列報。於本集團業績的非控股權益，在綜合損益及其他全面收益表內分別按年度損益總額及全面收益總額分配予非控股權益與本公司權益股東的形式列報。

本集團將附屬公司中不導致喪失控制權的權益變動作為權益交易核算，據此，本集團會在綜合權益中調整控制性權益和非控股權益的金額以反映其相對權益的變動，但不會調整商譽，也不會確認任何損益。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries and non-controlling interests (continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire equity interests in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any equity interests retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 2(j)(ii)), unless the investment is classified as held-for-sale (or included in a disposal group that is classified as held-for-sale) (see Note 2(w)).

(e) Goodwill

Goodwill represents the excess of:

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the Group's previously held equity interests in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses (see Note 2(j)(ii)). Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see Note 2(j)(ii)).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

2 重大會計政策(續)

(d) 附屬公司及非控股權益(續)

當本集團喪失對附屬公司的控制權時，會當作出售於該附屬公司的全部股本權益核算，有關損益在損益內確認。在喪失控制權之日在前附屬公司中保留的任何股本權益按公平值確認，該金額會視為金融資產初始確認的公平值或(如適用)於聯營公司或合營企業的投資初始確認的成本。

在本公司的財務狀況表內，除非於附屬公司的投資分類為持作出售(或計入分類為持作出售之出售組合(見附註2(w))，否則以成本減去減值虧損(見附註2(j)(ii))列值。

(e) 商譽

商譽指：

- (i) 所轉讓代價的公平值、在被收購方的任何非控股權益金額以及本集團之前在被收購方中持有的股本權益的公平值的總額，超過
- (ii) 於收購日計量被收購方的可識別資產和負債的淨公平值的金額。

如果(ii)大於(i)，則這超出的金額即時作為議價購買收益在損益內確認。

商譽按成本減累計減值虧損(見附註2(j)(ii))列賬。業務合併產生的商譽會分配予每一個預期能從業務合併協同效應獲益的現金產生單位或現金產生單位組，並每年進行減值測試(見附註2(j)(ii))。

於年內出售現金產生單位後，購買商譽的任何應佔金額計入計算出售之損益。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

(g) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(j)(ii)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see Note 2(v)).

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual values, if any, using the straight line method over their estimated useful lives as follows:

	<i>Estimated useful lives</i>
Plant and buildings	20 years
Machinery and equipment	5-10 years
Motor vehicles and other equipment	3-5 years

2 重大會計政策(續)

(f) 衍生金融工具

衍生金融工具初始按公平值確認。在每個報告期末，公平值會重新計量。重新計量至公平值時產生的損益立即在損益中確認。

(g) 物業、廠房及設備

物業、廠房及設備按成本扣減累計折舊及減值虧損(見附註2(j)(ii))列值。

自行建造物業、廠房及設備項目的成本，包括材料成本、直接勞工成本、拆卸及搬遷項目以及恢復項目所在地原貌的初步估計成本(如適用)，以及適當比例的生產成本及借款費用(見附註2(v))。

報廢或出售物業、廠房及設備項目產生的損益，按出售所得款項淨額與該項目賬面值之間的差額予以確定，並在報廢或出售當日在損益中確認。

各項物業、廠房及設備在扣除其預計殘值(如有)後，採用直線法在其估計可使用年期內按足以撇銷其成本的折舊率折舊，年率如下：

	<i>估計可使用年期</i>
廠房及樓宇	20年
機器及設備	5至10年
汽車及其他設備	3至5年

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the estimated useful life of an asset and its residual value, if any, are reviewed annually. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

(h) Intangible assets (other than goodwill)

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

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(j)(ii)).

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

Domain name	5 years
Exclusive income right	3 years

Both the period and method of amortisation are reviewed annually.

2 重大會計政策(續)

(g) 物業、廠房及設備(續)

如果物業、廠房及設備項目的各組成部分具有不同使用年限，則在各部分間合理分配該項目的成本，且按各部分單獨計提折舊。本集團每年對資產的估計可使用年期和殘值(如有)進行覆核。在建工程在完工並可隨時投入擬定用途前不計提折舊。

(h) 無形資產(商譽除外)

研發活動費用於其產生期間確認為開支。

本集團收購的無形資產按成本減累計攤銷(倘估計可使用年期為有限)及減值虧損列值(見附註2(j)(ii))。

具有有限可使用年期之無形資產的攤銷是於資產估計可使用年期內以直線法在損益中扣除。以下具有有限可使用年期之無形資產自其可供使用之日起攤銷及彼等的估計可使用年期如下：

域名	5年
獨家收入權	3年

每年對攤銷年期及方法進行審閱。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Leased assets

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.

(i) 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.

(ii) Operating lease charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

Payments made on the acquisition of land held under an operating lease are stated at cost less accumulated amortisation and impairment losses (see Note 2(j)(ii)). Amortisation is charged to profit or loss on a straight-line basis over the period of the lease term.

2 重大會計政策(續)

(i) 租賃資產

倘本集團釐定安排附帶權利於經協定期間使用一項特定資產或多項資產以換取付款或一系列付款，則該項安排(包括一項交易或一系列交易)屬於或包含租賃。有關釐定乃按對安排本質的評估進行，而不論該項安排是否具有租賃的法律形式。

(i) 租予本集團的資產類別

對於本集團以租賃持有的資產，如有關租賃將擁有權的絕大部分風險及回報轉移至本集團，有關資產則分類為根據融資租賃持有。並無將擁有權的絕大部分風險及回報轉移至本集團的租賃則分類為經營租賃。

(ii) 經營租賃費用

倘本集團根據經營租賃擁有資產的使用權，則除非有較租賃資產產生的利益模式更具代表性的另一基準，否則根據租賃支付的款項，會於租賃期涵蓋的會計期間內，分期等額於損益表確認。已收租賃優惠於損益表確認為已繳租金淨值總額的組成部分。或然租金於其產生的會計期間於損益表確認。

收購根據經營租賃所持有土地的付款，乃按成本減累計攤銷及減值虧損(見附註2(j)(ii))列賬。攤銷於租期內按直線法於損益表扣除。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets

(i) Impairment of receivables

Receivables that are stated at cost or amortised cost are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment 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 a default or delinquency in payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

If any such evidence exists, for trade and other receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

2 重大會計政策(續)

(j) 資產減值

(i) 應收款項減值

按成本或攤銷成本列賬的應收款項會於各報告期末予以審閱，以釐定有否客觀減值證據。客觀減值證據包括本集團得悉有關以下一項或多項虧損事件的可觀察數據：

- 債務人面臨重大財務困難；
- 違反合約，例如違約或未能償還款項；
- 債務人有可能破產或進行其他財務重組；及
- 技術、市場、經濟或法律環境有重大變動而對債務人構成不利影響。

就以攤銷成本列賬的貿易及其他應收款項及其他金融資產而言，倘出現任何上述證據，如折現的影響屬重大，減值虧損以資產賬面值與該金融資產的原定實際利率（即於初步確認該等資產而估算的實際利率）折現預計未來現金流量現值的差額計量。如該等金融資產具備類似的風險特徵，例如類似的逾期情況，則有關評估會同時進行，而不單獨評估為減值。金融資產的未來現金流量會根據與該組被評估資產具有類似信貸風險特徵資產的過往虧損情況一同評估減值。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (continued)

(i) Impairment of receivables (continued)

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of receivables, whose recoveries is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against the receivables directly and any amounts held in the allowance account relating to that debt 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.

2 重大會計政策(續)

(j) 資產減值(續)

(i) 應收款項減值(續)

倘於其後期間，減值虧損金額減少，且減幅可與確認減值虧損後發生的事件客觀聯繫，則透過損益表撥回減值虧損。撥回減值虧損不得導致資產賬面值超過其於過往年度在沒有確認減值虧損情況下原應釐定的數額。

減值虧損應以相應的資產直接抵銷，惟因可收回性被視為可疑但並非可能性甚微而就應收款項確認的減值虧損除外。在此情況下，呆賬減值虧損以撥備賬目入賬。倘本集團認為收回款項機會甚微，被視為不可收回的金額會從應收款項中直接抵銷，而與該債項有關的撥備賬目內任何金額將予撥回。其後收回自先前撥備賬目扣除的金額就撥備賬目予以撥回。撥備賬的其他變動及其後收回先前直接抵銷的款項均於損益表確認。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (continued)

(ii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- pre-paid interests in leasehold land classified as being held under an operating lease;
- intangible assets;
- goodwill; and
- investments in subsidiaries in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

2 重大會計政策(續)

(j) 資產減值(續)

(ii) 其他資產減值

於各報告期末均會審閱內部及外部資料來源，以識別下列資產是否出現減值跡象，或除商譽外，先前確認的減值虧損是否不再存在或可能已經減少：

- 物業、廠房及設備；
- 分類為根據經營租賃持有之租賃土地之預付權益；
- 無形資產；
- 商譽；及
- 本公司財務狀況表中於附屬公司之投資。

如出現任何有關跡象，則會估計資產的可收回金額。此外，就商譽而言，可收回金額每年估計是否存在減值跡象。

- 計算可收回金額

資產的可收回金額以其公平值扣除銷售成本與使用價值二者的較高者為準。於評估使用價值時，估計未來現金流量乃使用反映目前市場對貨幣時間價值的評估及該項資產的特有風險的稅前折現率折現至現值。倘資產所產生的現金流入基本上不獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產類別(即現金產生單位)釐定可收回金額。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

- Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).
- Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

2 重大會計政策(續)

(j) 資產減值(續)

(ii) 其他資產減值(續)

- 確認減值虧損

倘一項資產或其所屬現金產生單位的賬面值高於其可收回金額，須於損益表確認減值虧損。現金產生單位確認的減值虧損首先會會被分配，減少分配至現金產生單位(或一組單位)的任何商譽的賬面值，其後以按比例減低在單位(或一組單位)其他資產的賬面值，惟該資產的賬面值不可減至低於其個別公平值減銷售成本(如可計量)或使用價值(如可釐定)。
- 減值虧損撥回

就商譽以外的資產而言，倘用於釐定可收回金額的估計出現有利變動，則會撥回減值虧損。有關商譽的減值虧損並無撥回。

減值虧損撥回限於該資產的賬面值，猶如過往年度並無確認該等減值虧損一般。減值虧損撥回在確認撥回年度計入損益表。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Impairment of assets (continued)

(iii) 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 Notes 2(j)(i) and 2(j)(ii)).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

(k) Inventories

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

Cost is calculated using the weighted average cost formula 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 any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2 重大會計政策(續)

(j) 資產減值(續)

(iii) 中期財務報告及減值

根據上市規則，本集團須就財政年度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。本集團在中期末應用與財政年度末所應用者相同的減值測試、確認和撥回準則(見附註2(j)(i)及2(j)(ii))。

於中期期間就商譽確認的減值虧損於其後期間並無撥回。即使僅在該中期期間有關之財政年度終結時才評估減值並確認沒有虧損或所確認之虧損較少，也不會撥回減值虧損。

(k) 存貨

存貨以成本與可變現淨值兩者中之較低者列賬。

成本以加權平均成本法計算，其中包括所有採購成本、加工成本及將存貨送達至目前地點及現狀之成本。

可變現淨值乃於日常業務過程中的估計售價，減去估計完成的成本及進行銷售所需的估計成本。

於出售存貨時，該等存貨的賬面值在相關收入確認的期間確認為開支。存貨撇減至可變現淨值的任何金額及存貨的所有虧損，在撇減或出現虧損的期間確認為開支。撥回任何存貨撇減的金額，會於撥回期間確認為已確認為開支之存貨金額減少。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts (see Note 2(j)(i)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts (see Note 2(j)(i)).

(m) Convertible bonds

Convertible bonds which do not contain an equity component are accounted for as follows:

At initial recognition the derivative components of the convertible bonds are measured at fair value as derivative financial instruments (see Note 2(f)). Any excess of proceeds over the amount initially recognised as the derivative components are recognised as the liability components. Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and derivative components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability components are recognised initially as part of the liability. The portion relating to the derivative components are recognised immediately in profit or loss.

The derivative components are subsequently remeasured in accordance with Note 2(f). The liability components are subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability components are calculated using the effective interest method.

If the bonds are converted, the carrying amounts of the derivative and liability components are transferred to share capital and share premium as consideration for the shares issued. If the bonds are redeemed, any difference between the amounts paid and the carrying amounts of both components is recognised in profit or loss.

2 重大會計政策(續)

(l) 貿易及其他應收款項

貿易及其他應收款項於初始確認時按公平值計量，其後則使用實際利率法按攤銷成本減呆賬減值撥備(見附註2(j)(i))列賬，惟倘應收款項為給予關聯方的無固定還款期的免息貸款，或折現影響並不重大者則除外。於該等情況下，應收款項乃按成本扣除呆賬減值撥備(見附註2(j)(i))列賬。

(m) 可換股債券

不含權益部分的可換股債券按以下方式入賬：

初步確認時，可換股債券的衍生部分作為衍生金融工具按公平值計量(見附註2(f))。凡所得款項超過初步確認為衍生工具部分之金額，乃確認為負債部分。有關發行可換股債券的交易成本，按所得款項的分配比例分配至負債及衍生工具部分。有關負債部分之交易成本部分，乃初步確認為負債一部分。有關衍生工具部分之部份則即時於損益賬確認。

衍生工具部分其後根據附註2(f)重新計量。負債部分其後按攤銷成本列賬。於損益賬在負債部分確認之利息開支採用實際利息法計算。

倘兌換債券，衍生工具及負債部分的賬面值則轉撥至股本及股份溢價，作為發行股份的代價。倘贖回有關債券，已付金額與兩個部分的賬面值之間的任何差額則直接於損益賬確認。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

(o) Trade and other payables

Trade and other payables are initially recognised at fair value, and are subsequently stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(p) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(q) Employee benefits

(i) Short-term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group's contributions to defined contribution retirement plans are charged to profit or loss when incurred, except to the extent that they are included in the cost of inventories not yet recognised as an expense or cost of construction in progress not yet transferred to property, plant and equipment.

2 重大會計政策(續)

(n) 計息借貸

計息借貸按公平值減去應佔交易成本後初始確認。初始確認後，計息借貸以攤銷成本列賬，而初始確認的金額與贖回價值之間的任何差異，連同任何應付利息和費用，均以實際利息法於借貸期內在損益表中確認。

(o) 貿易及其他應付款項

貿易及其他應付款項初始按公平值確認，其後採用實際利息法按攤銷成本列賬，如折現影響不大，則會按成本列賬。

(p) 現金及現金等值項目

現金及現金等值項目包括銀行及手頭現金、銀行及其他金融機構的活期存款以及可隨時轉換為已知金額現金的短期高變現能力並且價值改變風險不大的投資。

(q) 僱員福利

(i) 短期僱員福利及界定供款退休計劃之供款

薪金、年終花紅、有薪年假、向界定供款退休計劃作出的供款及非現金福利的成本，均在本集團僱員提供有關服務的年度內計提。凡有關的付款或結算被延遲及其具重大影響，則以現值列出該等數額。

本集團對界定供款退休計劃作出的供款於供款時扣自損益，惟已計入尚未確認為支出的存貨成本或尚未轉撥至物業、廠房及設備的在建工程成本的數額除外。

Notes to the Financial Statements

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits (continued)

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in capital reserve within equity. The fair value is measured at grant date using the Binomial Option Pricing Model, taking into account the terms and conditions upon which the share options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the share options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of the share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the share option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the share option expires (when it is released directly to retained profits).

2 重大會計政策(續)

(q) 僱員福利(續)

(ii) 以股份為基礎的付款

授予僱員的購股權的公平值確認為僱員成本，而權益內的儲備亦相應增加。購股權公平值於授出日期考慮授出購股權之條款及條件後按二項式期權定價模式計量。倘僱員須於無條件享有購股權權利前達成歸屬條件，考慮到購股權獲歸屬之可能性後，購股權之估計公平值總值於歸屬期內攤分。

本公司會在歸屬期內覆核預期歸屬的購股權數目。由此產生的已於過往年度確認的累計公平值的任何調整會在覆核當年於損益扣除／計入，惟原有僱員開支合資格確認為資產，便會對資本儲備作出相應調整。已確認為開支的數額會在歸屬日作出調整，以反映所歸屬購股權的實際數目(同時對資本儲備作出相應調整)，惟因未能符合與本公司股份市價相關的歸屬條件而被沒收之購股權除外。權益數額在資本儲備確認，直至購股權獲行使(載入就已發行股份於股本確認的金額)或購股權到期(直接轉入保留溢利)時為止。

Notes to the Financial Statements

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Employee benefits (continued)

(iii) 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.

(r) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to business combinations, or items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

2 重大會計政策(續)

(q) 僱員福利(續)

(iii) 終止福利

合約終止補償在下列兩者孰早日確定：本集團不能撤回提供此等福利時；及其確認涉及支付合約終止補償的重組成本時。

(r) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債的變動。即期稅項及遞延稅項資產與負債的變動均於損益表內確認，惟與業務合併，或於其他全面收益或直接於權益內確認的項目有關者除外，在此情況下，有關稅項金額分別於其他全面收益或直接於權益內確認。

即期稅項為就年內應課稅收入採用於報告期末已生效或實質已生效的稅率計算的預期應付稅項，並就過往年度的應付稅項作出調整。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Income tax (continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

2 重大會計政策(續)

(r) 所得稅(續)

遞延稅項資產及負債分別自可扣稅及應課稅的暫時差額產生，即資產和負債就財務報告目的而言的賬面值與其稅基之間的差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

除若干有限的例外情況外，倘可能有未來應課稅溢利用作抵扣可動用的資產，則所有遞延稅項負債及遞延稅項資產均會予以確認。能支持可確認自可扣稅暫時差額所產生遞延稅項資產的未來應課稅溢利包括因撥回現有應課稅暫時差額而產生的金額；惟此等差額必須與同一稅務機關及同一應課稅實體有關，並預期在可扣稅暫時差額預計撥回的同一期間或遞延稅項資產所產生稅項虧損可向承後或承前結轉的期間內撥回。在釐定現有應課稅暫時差額是否支持確認自未動用稅項虧損和抵免產生的遞延稅項資產時，亦會採用同一準則，即該等差額若與同一稅務機關及同一應課稅實體有關，並預期在可動用的稅項虧損或抵免的期間內撥回，則予以考慮。

確認遞延稅項資產和負債的有限例外情況為不可扣稅商譽、不影響會計或應課稅溢利的資產或負債的初步確認(前提是其並不屬業務合併的一部分)，以及有關於附屬公司的投資的暫時差額(如屬應課稅差額，則只限於本集團可控制撥回的時間，而且在可見將來不大可能撥回的差額；或如屬可扣稅差額，則只限於很可能在將來撥回的差額)。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Income tax (continued)

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

2 重大會計政策(續)

(r) 所得稅(續)

已確認的遞延稅項金額按照資產與負債賬面值的預期變現或清償方式，使用報告期末已生效或實質已生效的稅率計算。遞延稅項資產與負債均不作貼現。

本集團會在各報告期末審閱遞延稅項資產的賬面值，並在不可能再獲得足夠的應課稅溢利可抵扣相關稅項利益時予以扣減。倘日後有可能獲得足夠的應課稅溢利可作抵扣，則扣減金額予以撥回。

即期稅項結餘及遞延稅項結餘及其變動額，會各自分開呈報且不予抵銷。倘本公司或本集團有法定強制執行權利以即期稅項資產抵銷即期稅項負債，並且符合以下附帶條件，則即期稅項資產可抵銷即期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 倘為即期稅項資產與負債，本公司或本集團擬按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘為遞延稅項資產及負債，而此等資產及負債與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體，此等實體計劃在日後每個預計有大額遞延稅項負債需要清償或大額遞延稅項資產可以收回的期間內，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現該資產及清償該負債。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within trade and other payables. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

2 重大會計政策(續)

(s) 所發出的財務擔保、撥備及或然負債

(i) 所發出的財務擔保

財務擔保是指發出財務擔保者(即擔保人)須於擔保受益人(「持有人」)因指定債務人未能按債務工具條款預期償還款項而蒙受損失時向持有人償付指定款項的合約。

本集團發出的財務擔保，按擔保的公平值初始確認，計入貿易及其他應付款項的遞延收益。已發出財務擔保的公平值在發出時參照類似服務在公平磋商交易的過程中所收取的費用(如可獲得該等資料)確定，或參照息差作出估計，方法是以放款人在接受擔保的情況下實際收取的利率與不接受擔保的情況下放款人將會收取的估計利率作比較(如該等資料能可靠地估計)。如在發出擔保時收取或應收取對價，則該對價根據本集團適用於該類資產的會計政策確認。如果沒有已收或應收代價，則於初始確認任何遞延收益時，即時於損益表內確認為費用。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Financial guarantees issued, provisions and contingent liabilities (continued)

(i) Financial guarantees issued (continued)

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with Note 2(s)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Other provisions and contingent liabilities

Provisions are recognised for other liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate 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.

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 events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2 重大會計政策(續)

(s) 所發出的財務擔保、撥備及或然負債(續)

(i) 所發出的財務擔保(續)

初始確認為遞延收益的擔保金額，在擔保期限內確認為已發出財務擔保的收入。此外，出現以下情況時，財務擔保應根據附註2(s)(ii)確認為預計負債(i)擔保持有人很可能根據擔保向本集團發出催繳通知，及(ii)向本集團提出的申索款額預期超過計入其他負債的帳面價值(即初始確認的金額減累計攤銷)。

(ii) 其他撥備及或然負債

撥備乃於本集團或本公司因過往事件而產生法律或推定責任，而可能需要經濟利益流出以清償責任及能作出可靠估計時，就不確定時間或金額的其他負債確認。倘金錢的時間值屬重大時，撥備乃按預期清償責任的開支的現值列賬。

當需要經濟利益流出的可能性較低或當金額不能可靠估計時，責任會被披露為或然負債，除非經濟利益流出的可能性極微。可能的責任(其存在將僅由一項或以上未來事件的出現或不出現確認)亦作為或然負債披露，惟經濟利益流出的可能性極微者則屬例外。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) 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 in profit or loss as follows:

(i) Sale of goods

Revenue is recognised when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any sales discounts. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, the possible return of goods, or continuing management involvement with the goods.

(ii) Service income

Service income from the rendering of services is recognised when the related services are rendered.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

(iv) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

2 重大會計政策(續)

(t) 收入確認

收入乃按已收或應收代價的公平值計量。如經濟利益可能流入本集團，以及收入及成本(如適用)能可靠計量，收入乃按下列方式於損益中確認：

(i) 銷售貨品

收入於客戶已接納貨品及相關風險及所有權回報時確認。收入不包括增值稅或其他銷售稅，並於扣除任何銷售折扣後計算。倘出現有關收回到期代價、退貨的可能性或繼續管理貨品方面的重大不明朗因素，收入將不予以確認。

(ii) 服務收入

來自提供服務的服務收入於提供相關服務後確認。

(iii) 利息收入

利息收入於產生時使用實際利率法確認。

(iv) 政府補貼

倘可合理確定能夠收取政府補貼，而本集團將符合政府補貼所附帶條件，則政府補貼將初步在財務狀況表中確認。補償本集團所產生開支的補貼於產生開支同一期間有系統地於損益表中確認為收入。補償本集團資產成本的補貼，在相關資產賬面值中扣除，其後於該資產的可使用年期內以減少折舊開支方式於損益表確認。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Translation of foreign currencies

Foreign currency transactions are translated into the functional currency of the entity to which they relate at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the entity to which they relate at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated into the functional currency of the entity to which they relate using the foreign exchange rates ruling at the transaction dates.

(v) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

2 重大會計政策(續)

(u) 換算外幣

外幣交易乃按於交易日期適用的外幣匯率換算為其有關的實體的功能貨幣。以外幣計值的貨幣資產及負債乃按於報告期末適用的外幣匯率換算為其有關的實體的功能貨幣。外匯收益及虧損乃於損益表內確認。

以外幣的歷史成本計量的非貨幣資產及負債乃使用於交易日期適用的外幣匯率換算為有關實體的功能貨幣。

(v) 借貸成本

收購、興建或生產需長時間方可達致其擬定用途或出售的資產的直接應佔借貸成本乃作為該資產的成本一部分予以資本化。其他借貸成本乃於其產生期間支銷。

資本化借貸成本作為合資格資產的成本的一部分於資產產生開支、產生借貸成本及進行使資產達致其擬定用途或出售的必需準備工作期間開始。借貸成本的資本化於進行使合資格資產達致其擬定用途或出售的絕大部分活動中止或完成時暫停或不再進行。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Non-current assets held-for-sale

A non-current asset (or disposal group) is classified as held-for-sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held-for-sale when the above criteria for classification as held-for-sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

Immediately before classification as held-for-sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held-for-sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group and the Company are concerned are deferred tax assets and financial assets (other than investments in subsidiaries). These assets, even if held-for-sale, would continue to be measured in accordance with the policies set out elsewhere in Note 2.

Impairment losses on initial classification as held-for-sale, and on subsequent remeasurement while held-for-sale, are recognised in profit or loss. As long as a non-current asset is classified as held-for-sale, or is included in a disposal group that is classified as held-for-sale, the non-current asset is not depreciated or amortised.

2 重大會計政策(續)

(w) 持作出售之非流動資產

當非流動資產(或出售組別)之賬面值很有可能是通過銷售交易而非通過持續使用收回及當該資產(或出售組別)達到可出售狀態，則會分類為持作出售。出售組別指在一次交易中一同出售及於該交易中與該等資產直接相關之負債一同轉出之一組資產。

當本集團承諾進行出售一間附屬公司控制權之出售計劃時，不論本集團是否將於出售後保留該附屬公司之非控股權益，該附屬公司的所有資產及負債於符合上述有關分類為持作出售之條件時會分類為持作出售。

緊接分類為持作出售之前，非流動資產(及出售組別中所有的個別資產及負債)之計算均已根據被分類前所採用之會計政策更新。初次分類為持作出售後直至出售期間，非流動資產(下文所述若干資產除外)或出售組別按其賬面值及公平值減銷售成本中的較低者列示。該計量政策對於本集團和本公司的財務報表中的一些資產有所例外，這些資產包括遞延稅項資產、除附屬公司投資之外的金融資產。這些資產即使持作出售，也繼續依照附註2中所述的會計政策計量。

初次分類為持作出售及其後的重新計量而產生的減值虧損均在損益中確認。一旦一項非流動資產被分類為持作出售或包含在持作出售的出售組別中，該項非流動資產即不再計提折舊或攤銷。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group.
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (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).

2 重大會計政策(續)

(x) 關聯人士

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關聯：
- (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。
- (b) 倘符合下列任何條件，即實體與本集團有關聯：
- (i) 該實體與本集團屬同一集團之成員公司。
 - (ii) 一家實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
 - (iii) 兩間均為同一第三方的合營企業的實體。
 - (iv) 一家實體為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) 實體為本集團或與本集團有關聯之實體就僱員利益設立的離職福利計劃。
 - (vi) 該實體受(a)所識別人士控制或受共同控制。
 - (vii) 於(a)(i)所識別人士對實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies (continued):

(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.

(y) Segment reporting

Operating segments, and the amounts of each segment item reported in the 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.

2 重大會計政策(續)

(x) 關聯人士(續)

(b) 倘符合下列任何條件，即實體與本集團有關聯(續)：

(viii) 實體或實體作為集團任何成員公司其中一部分向本公司或本公司的母公司提供主要管理人員服務。

個別人士的近親為在與實體交易時預期會影響該名人士或受到該名人士影響的親屬。

(y) 分部報告

經營分部及於財務報表內所申報的各分部項目的金額乃從定期向本集團最高級行政管理人員提供以就本集團多項業務及多個地理區域進行資源分配及表現評估的財務資料中識別。

個別重大的經營分部並不就財務申報目的而予以合併，除非該等分部具有相似經濟特性，以及就產品及服務性質、生產過程性質、客戶類別或種類、用以分銷產品或提供服務的方式及監管環境的性質方面相似。倘其享有大部分有關條件，並非個別重大的經營分部可予以合併。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

3 ACCOUNTING JUDGEMENT AND ESTIMATES

(a) Key sources of estimation uncertainty

Notes 16, 26 and 30 contain information about the assumptions and their risk factors relating to goodwill impairment, fair value of share options granted and financial instruments. Other key sources of estimation uncertainty are as follows:

(i) Impairment of tangible and intangible assets

If circumstances indicate that the carrying amount of a tangible or intangible asset may not be recoverable, the asset may be considered “impaired”, and an impairment loss may be recognised. The carrying amounts of tangible and intangible assets are reviewed periodically or when indications are identified in order to assess whether the recoverable amounts have declined below the carrying amounts. When such a decline has occurred, the carrying amount is reduced to the recoverable amount. The recoverable amount is the greater of the fair value less costs of disposal and value in use. In determining the value in use, expected future cash flows generated by the asset are discounted to their present value, which requires significant judgement relating to the level of revenue and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and projections of the level of revenue and amount of operating costs. Changes in these estimates could have a significant impact on the recoverable amount of the asset and could result in additional impairment charge or reversal of impairment in future periods.

3 會計判斷及估計

(a) 估計不確定因素的主要來源

附註16、26及30載列有關與商譽減值、根據股份獎勵計劃授出的股份及金融工具公平值有關的假設及其風險因素。估計不確定因素的其他主要來源如下：

(i) 有形及無形資產的減值

倘有情況顯示無法收回有形及無形資產之賬面值，有關資產可能視為「減值」，並可能確認減值虧損。本集團定期或當發現減值跡象時複核有形及無形資產之賬面值，藉以評估可收回金額是否下跌至低於賬面值。倘出現上述減值情況，賬面值則會減至可收回金額。可收回金額為公平值減處置成本或使用價值兩者中之較高者。在釐定使用價值時，資產產生的預計未來現金流量貼現至現值，當中須對相關收入水平及經營成本金額作出重要判斷。本集團在釐定與可收回金額相若之合理數額時，使用全部可輕易獲得資料，包括基於合理及有支持力之假設之估計以及收入與經營成本款額之預測水平。有關估計之變動可對資產之可收回金額產生重大影響，並可於未來期間引致額外減值開支或作出減值撥回。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

3 ACCOUNTING JUDGEMENT AND ESTIMATES (CONTINUED)

(a) Key sources of estimation uncertainty (continued)

(ii) Impairment of receivables

The management maintains an allowance for doubtful accounts for estimated losses resulting from the inability of the debtors to make the required payments. The management bases the estimates on the ageing of the individual receivable balance, debtor credit-worthiness and historical write-off experience. If the financial condition of the debtors were to deteriorate, actual write-offs would be higher than estimated.

(iii) Deferred taxation

Deferred tax assets are recognised for unused tax losses and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilised. In determining the amount of deferred tax assets to be recognised, significant judgement is required relating to the timing and level of future taxable profits, after taking into account future tax planning strategies. The amount of deferred tax assets recognised at future dates are adjusted if there are significant changes from these estimates.

3 會計判斷及估計(續)

(a) 估計不確定因素的主要來源(續)

(ii) 應收款項減值

管理層會對因客戶未能作出所需付款所產生的估計虧損的呆賬計提撥備。管理層根據個別應收款項結餘的賬齡、債務人的信譽及過往撇銷經驗作出估計。倘債務人的財務狀況惡化，則實際撇銷金額將高於預期。

(iii) 遞延稅項

在很有可能未來應課稅溢利以抵扣遞延稅項資產的情況下，應就所有未利用的稅務虧損及可抵扣暫時性差異確認遞延稅項資產。在釐定可予以確認的遞延稅項資產金額時，須根據日後應課稅溢利可能出現的時間及水平以及未來稅項規劃策略作出重大判斷。如此等估計有重大改變，在未來確認的遞延稅項資產的金額會作出調整。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the manufacture and sale of axles and related components, and the trading of goods and facilitating awards earned by customers of loyalty programmes of other companies to be exchanged globally in the form of virtual assets and credits for consumption of merchandises, games, services and other commercial transactions through operation of electronic distribution platforms, mobile applications and other related means in the PRC.

The Group's customer base is diversified. There were 3 customers with whom transactions exceeded 10% of the Group's revenue for the year ended 31 December 2017 (2016: three customers). Revenue from sales to these customers amounted to RMB153,512,000 for the year ended 31 December 2017 (2016: RMB270,973,000). Details of concentrations of credit risk arising from the Group's customers are set out in Note 30(a).

Further details regarding the Group's principal activities are disclosed below.

(b) Segment reporting

The Group manages its businesses by lines of business. In view of the disposal of the manufacture and sale of axles business, and the development of an electronic trading platform to facilitate awards earned by customers of loyalty programmes of other companies to be exchanged globally in the form of virtual assets and credits for consumption of merchandises, games, services and other commercial transactions, the management of the Group has revisited the Group's future strategies and has decided to change the way in how information is to be reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment. Aside from the two operating segments, namely "E-commerce business" and "Axle business", as previously reported for the year ended 31 December 2016, the Group added a new operating segment, namely "Digital point business", and reported the following three operating segments for the year ended 31 December 2017:

4 收入及分部報告

(a) 收入

本集團主要活動為在中國境內製造及銷售車橋及相關零部件，及透過經營電子分銷平台、移動應用程式及其他相關方式以買賣商品及協助客戶自其他公司的忠誠度計劃所獲獎賞能以虛擬資產及授信方式於全球兌換並於商品、遊戲、服務及其他商業交易中使用。

本集團的客戶基礎多樣化。與三名客戶的交易超過本集團截至二零一七年十二月三十一日止年度收入的10%（二零一六年：三名客戶）。於截至二零一七年十二月三十一日止年度，銷售予該等客戶產生的收入為人民幣153,512,000元（二零一六年：人民幣270,973,000元）。來自本集團客戶之集中信貸風險詳情載列於附註30(a)。

有關本集團主要業務的進一步詳情披露於下文。

(b) 分部報告

本集團按業務線管理其業務。鑒於製造及銷售車橋業務之出售及協助客戶自其他公司的忠誠度計劃所獲獎賞能以虛擬資產及授信方式於全球兌換並於商品、遊戲、服務及其他商業交易中使用之電子平台發展，本集團管理層已重整本集團未來策略及已決定更改向本集團最高級行政管理人員內部呈報作分配資源及評估表現之資料的方式。除兩個經營分部（即如截至二零一六年十二月三十一日止年度呈報之「電子商貿業務」及「車橋業務」）外，本集團加入一個新經營分部「數字積分業務」，並於截至二零一七年十二月三十一日止年度呈報下列三個經營分部：

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

- Digital point business: this segment operates an electronic platform to facilitate awards earned by customers of loyalty programmes of other companies to be exchanged globally in the form of virtual assets and credits for consumption of merchandises, games, services and other commercial transactions.
- E-commerce business: this segment trades goods through electronic distribution platform, mobile applications and other related means.
- Axle business: this segment manufactures and sells axles and related components to truck manufacturers and after-sales services market. The segment has been disposed of during the year.

No operating segments have been aggregated to form the above reportable segments.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's most 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 revenue generated by those segments and expenses incurred by those segments. No inter-segment sales have occurred for the years ended 31 December 2017 and 2016. The Group's other operating expenses, such as selling and distribution expenses, administrative expenses, research and development costs, impairment losses, finance costs, loss on financial guarantee contracts issued and gain on disposal of subsidiaries, are not measured under individual segments. The measure used for reporting segment result is gross profit/(loss).

Segment assets and liabilities include all assets and liabilities with the exception of assets and liabilities classified as held-for-sale, bank and other loans, secured notes, convertible bonds and unallocated corporate assets and liabilities.

4 收入及分部報告(續)

(b) 分部報告(續)

- 數字積分業務：該分部透過營運電子平台協助客戶自其他公司的忠誠度計劃所獲獎賞能以虛擬資產及授信方式於全球兌換並於商品、遊戲、服務及其他商業交易中使用。
- 電子商貿業務：該分部透過電子分銷平台、移動應用程式及其他相關方式交易商品。
- 車橋業務：該分部製造及向卡車製造商及維修市場出售車橋及相關零部件。該分部已於本年度出售。

並無合計經營分部以構成以上報告分部。

(i) 分部業績、資產及負債

就評估分部表現及於分部間分配資源而言，本集團最高級行政管理人員按以下基準監察歸屬於各報告分部的業績、資產及負債：

收入及開支乃參考該等分部產生的收入及該等分部招致的開支而分配至報告分部。於截至二零一七年及二零一六年十二月三十一日止年度，並無錄得分部間銷售。本集團的其他經營開支(例如銷售及分銷開支、行政開支、研發成本、減值虧損、融資成本、有關發出的財務擔保合約之虧損及出售附屬公司收益)並未於獨立分部下計量。可報告分部業績所用計算為毛利/(虧)。

分部資產及負債包括所有資產及負債，惟分類為持作出售之資產及負債、銀行及其他貸款、有抵押票據、可換股債券及未分配公司資產及負債除外。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

(b) Segment reporting (continued)

(i) Segment results, assets and liabilities (continued)

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2017 and 2016 is set out below.

Revenue from external customers and reportable segment revenue	來自外部客戶的收入及可報告分部收入
Reportable segment gross loss	可報告分部毛虧
Reportable segment assets	可報告分部資產
Reportable segment liabilities	可報告分部負債

Revenue from external customers and reportable segment revenue	來自外部客戶的收入及可報告分部收入
Reportable segment gross loss	可報告分部毛虧
Reportable segment assets	可報告分部資產
Reportable segment liabilities	可報告分部負債

4 收入及分部報告(續)

(b) 分部報告(續)

(i) 分部業績、資產及負債(續)

於截至二零一七年及二零一六年十二月三十一日止年度，出於分配資源及評估分部表現的目的向本集團最高級行政管理人員提供有關本集團可報告分部的資料載列如下。

2017 二零一七年			
Digital point business 數字積分業務 RMB'000 人民幣千元	E-commerce business 電子商貿業務 RMB'000 人民幣千元	Axle business 車橋業務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
941	134,040	32,651	167,632
(238)	(2,404)	(4,942)	(7,584)
163,768	45,314	-	209,082
87,770	38,160	-	125,930

2016 二零一六年			
E-commerce business 電子商貿業務 RMB'000 人民幣千元	Axle business 車橋業務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	
302,088	83,380	385,468	
(5,557)	(7,155)	(12,712)	
233,800	171,560	405,360	
36,004	173,524	209,528	

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

4 REVENUE AND SEGMENT REPORTING (CONTINUED)

4 收入及分部報告(續)

(b) Segment reporting (continued)

(b) 分部報告(續)

(ii) Reconciliations of reportable segment assets and liabilities

(ii) 可報告分部資產及負債的對賬

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Assets	資產		
Reportable segment assets	可報告分部資產	209,082	405,360
Assets classified as held-for-sale	分類為持作出售的資產	-	70,398
Unallocated head office and corporate assets	未分配總部及公司資產	335,373	302,961
Elimination of receivables between segments, and segments and head office	各分部及分部與總部之間應收款項的抵銷	(92,886)	(44,882)
Consolidated total assets	綜合總資產	451,569	733,837
Liabilities	負債		
Reportable segment liabilities	可報告分部負債	125,930	209,528
Bank and other loans	銀行及其他貸款	-	195,665
Secured notes	有抵押票據	-	141,161
Convertible bonds	可換股債券	85,075	115,976
Unallocated head office and corporate liabilities	未分配總部及公司負債	1,052	29,776
Elimination of payables between segments, and segments and head office	各分部及分部與總部之間應付款項的抵銷	(92,886)	(44,882)
Consolidated total liabilities	綜合總負債	119,171	647,224

(iii) Geographic information

All of the revenue of the Group for the years ended 31 December 2017 and 2016 were generated from sales and services to customers in the PRC. All of the non-current assets of the Group are either physically located or allocated to operations in the PRC.

(iii) 地域資料

本集團於截至二零一七年及二零一六年十二月三十一日止年度的所有收入均從向中國客戶銷售及服務。本集團所有非流動資產實際上位於中國或被分配在中國營運。

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5 OTHER INCOME

5 其他收入

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Net (loss)/gain on disposal of property, plant and equipment and assets classified as held-for-sale	出售物業、廠房及設備及分類為持作出售資產之(虧損)/收益淨額	(2,563)	15,070
Government grants	政府補貼	1,171	1,075
Interest income	利息收入	4,011	1,879
Others	其他	54	4,782
		2,673	22,806

6 IMPAIRMENT LOSSES

6 減值虧損

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Impairment losses on property, plant and equipment (Note 13)	物業、廠房及設備之減值虧損(附註13)	-	13,746
Impairment losses on intangible assets (Note 15)	無形資產之減值虧損(附註15)	13,000	-
Impairment losses on goodwill (Note 16)	商譽之減值虧損(附註16)	61,013	-
(Reversal of impairment losses)/ impairment losses on trade and other receivables (Note 19(b))	貿易及其他應收款項(撥回減值虧損)/減值虧損(附註19(b))	(5,684)	18,249
Impairment losses on assets classified as held-for-sale	分類為持作出售資產之減值虧損	-	1,409
		68,329	33,404

Notes to the Financial Statements

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

7 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/
(crediting):

7 除稅前虧損

除稅前虧損經扣除／(計入)以下各項後達致：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
(a) Finance costs/(income):	(a) 融資成本／(收入)：		
Interest on bank and other loans	銀行及其他貸款利息	5,324	17,090
Finance charges on secured notes	有抵押票據財務費用	883	21,459
Finance charges on convertible bonds (Note 25)	可換股債券財務費用 (附註25)	13,126	12,166
Total borrowing costs	借貸成本總額	19,333	50,715
Net foreign exchange loss	外匯虧損淨額	16,030	7,987
Gain on redemption of secured notes (Note 24)	贖回有抵押票據之收益(附註24)	(1,228)	-
Loss on extinguishment of convertible bonds	清償可換股債券之虧損	3,078	-
Changes in fair value on the derivative components of convertible bonds (Note 25)	可換股債券衍生工具 部分公平值變動 (附註25)	(32,401)	26,586
		4,812	85,288

No borrowing costs have been capitalised for the year ended 31 December 2017 (2016: RMBNil).

截至二零一七年十二月三十一日止年度，並無資本化借款成本(二零一六年：人民幣零元)。

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
(b) Staff costs#:	(b) 員工成本#：		
Salaries, wages and other benefits	薪金、工資及其他福利	51,684	53,822
Contributions to defined contribution retirement plans	向界定供款退休計劃供款	3,905	3,189
Equity-settled share-based payment expenses (Note 26)	權益結算以股份為基礎之付款開支(附註26)	31,500	11,073
		87,089	68,084

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

7 LOSS BEFORE TAXATION (CONTINUED)

(b) Staff costs[#]: (continued)

The employees of the subsidiaries of the Group established in the PRC (excluding Hong Kong) participate in defined contribution retirement benefit schemes managed by the local government authorities, whereby these subsidiaries are required to contribute to the schemes at rates ranging from 18% to 20% of the employees' basic salaries. Employees of these subsidiaries are entitled to retirement benefits, calculated based on a percentage of the average salaries level in the PRC (excluding Hong Kong), from the above mentioned retirement schemes at their normal retirement age.

The Group also operates a Mandatory Provident Fund Scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Scheme Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement plan administered by an independent trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of Hong Kong Dollars ("HK\$") 30,000. Contributions to the MPF Scheme vest immediately.

The Group has no further material obligation for payment of other retirement benefits beyond the above contributions.

7 除稅前虧損(續)

(b) 員工成本[#]: (續)

本集團於中國(不包括香港)成立的附屬公司的僱員參加當地政府機構管理的界定供款退休福利計劃，據此，該等附屬公司必須按介乎僱員基本薪金的18%至20%向有關計劃供款。該等附屬公司的僱員當到達其正常退休年齡時有權享有上述退休計劃按中國(不包括香港)平均薪資水平百分比計算的退休福利。

本集團亦根據香港《強制性公積金計劃條例》為在香港《僱傭條例》司法管轄權範圍內的僱員實行了強制性公積金計劃(「強積金計劃」)。強積金計劃為由獨立受託人管理的界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員有關收入的5%向計劃供款，每月有關收入以30,000港元(「港元」)為限。對強積金作出的供款即時歸屬。

除作出上述年度供款外，本集團並無有關其他退休福利的進一步重大付款債務。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

7 LOSS BEFORE TAXATION (CONTINUED)

7 除稅前虧損(續)

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
(c) Other items:	(c) 其他項目：		
Cost of inventories [#] (Note 18(b))	存貨成本 [#] (附註18(b))	175,109	397,139
Auditor's remuneration	核數師酬金	2,200	2,000
Depreciation and amortisation [#] (Notes 13, 14 and 15)	折舊及攤銷 [#] (附註13、14及15)	16,987	27,196
Operating lease charges in respect of properties	有關物業的經營租賃費用	9,992	7,728

[#] Cost of inventories includes RMB6,831,000 for the year ended 31 December 2017 (2016: RMB18,026,000), relating to staff costs, and depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in Note 7(b) for each of these types of expenses.

[#] 於截至二零一七年十二月三十一日止年度內，存貨成本包括與員工成本以及折舊及攤銷開支有關的人民幣6,831,000元(二零一六年：人民幣18,026,000元)，有關金額亦已包括在上表或附註7(b)就各類開支單獨披露的各自總額內。

8 GAIN ON DISPOSAL OF SUBSIDIARIES

8 出售附屬公司收益

On 28 April 2017, the Group disposed of the entire equity interests in Chang Feng Holding (Hong Kong) Limited ("Chang Feng Hong Kong") and its subsidiaries (together the "Chang Feng Group") to a third party for a consideration of HK\$5,000 (equivalent to approximately RMB4,000). The carrying value of the net liabilities of the Chang Feng Group on the date of disposal amounted to RMB141,491,000. Accordingly, the Group recognised a gain on disposal of subsidiaries of RMB141,495,000 during the year ended 31 December 2017.

於二零一七年四月二十八日，本集團向一名第三方出售暢豐控股(香港)有限公司(「暢豐香港」)及其附屬公司(統稱為「暢豐集團」)的全部股權，代價為5,000港元(約等於人民幣4,000元)。於出售日期，暢豐集團負債淨額的賬面值為人民幣141,491,000元。因此，本集團於截至二零一七年十二月三十一日止年度確認出售附屬公司收益人民幣141,495,000元。

Effect of disposal of subsidiaries on the cash flow of the Group:

出售附屬公司對本集團現金流量之影響

		RMB'000 人民幣千元
Consideration received, satisfied in cash	已收代價(以現金清償)	4
Cash and cash equivalents disposed of	出售現金及現金等值項目	(405)
Net cash outflows	現金流出淨額	(401)

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

9 INCOME TAX

(a) Income tax in the consolidated statement of profit or loss and other comprehensive income represents:

Deferred taxation (Note 27(a)):	遞延稅項 (附註 27(a)) :
Origination and reversal of temporary differences	暫時性差異的產生及撥回

(b) Reconciliation between tax expense and accounting loss at applicable tax rates:

Loss before taxation	除稅前虧損
Expected tax on loss before taxation, calculated at the rates applicable to profits in the jurisdictions concerned (Notes (i), (ii) and (iii))	按照適用於有關司法管轄區溢利的稅率計算除稅前虧損的預計稅項(附註(i)、(ii)及(iii))
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響
Tax effect of reversal of deductible temporary differences not recognised for deferred tax	就遞延稅項未確認的撥回可扣減暫時性差異的稅務影響
Tax effect of unused tax losses not recognised	未確認的未動用稅項虧損的稅務影響
Tax effect of write-down of deferred tax assets and reversal of deferred tax liabilities (Note (iv))	撇減遞延稅資產及撥回遞延稅負債的稅務影響(附註(iv))
Income tax	所得稅

9 所得稅

(a) 綜合損益及其他全面收益表內的所得稅為：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
47,210	(25,512)

(b) 稅項開支與會計虧損按適用稅率計算的對賬：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
(152,471)	(265,879)
(32,720)	(57,779)
1,952	18,190
(1,476)	(13,019)
30,969	27,096
48,485	–
47,210	(25,512)

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

9 INCOME TAX (CONTINUED)

(b) Reconciliation between tax expense and accounting loss at applicable tax rates: (continued)

Notes:

- (i) The Company and the subsidiaries of the Group incorporated in Hong Kong are subject to Hong Kong Profits Tax rate of 16.5% for the year ended 31 December 2017 (2016: 16.5%). No provision for Hong Kong Profits Tax has been made, as the Company and the subsidiaries of the Group incorporated in Hong Kong did not have assessable profits subject to Hong Kong Profits Tax for the year ended 31 December 2017 (2016: RMBNil).
- (ii) The Company and the subsidiaries of the Group incorporated in the Cayman Islands and the British Virgin Islands, respectively, are not subject to any income tax pursuant to the rules and regulations of their respective countries of incorporation.
- (iii) The subsidiaries of the Group established in the PRC (excluding Hong Kong) are subject to PRC Corporate Income Tax rate of 25% for the year ended 31 December 2017 (2016: 25%).
- (iv) The amount mainly represents written down of previously recognised deferred tax assets in respect of unused tax losses and impairment losses on trade and other receivables, as the management of the Group expects that it is not probable that the related subsidiaries will have adequate taxable profits to utilise the unused tax losses and deductible temporary differences in the future.

9 所得稅(續)

(b) 稅項開支與會計虧損按適用稅率計算的對賬：(續)

附註：

- (i) 本公司及於香港註冊成立的本集團附屬公司於截至二零一七年十二月三十一日止年度須按16.5%(二零一六年：16.5%)的稅率繳納香港利得稅。由於本公司及本集團於香港註冊成立的附屬公司於截至二零一七年十二月三十一日止年度概無須繳納香港利得稅的應課稅溢利，故並無就香港利得稅計提撥備(二零一六年：人民幣零元)。
- (ii) 分別於開曼群島及英屬處女群島註冊成立的公司及本集團附屬公司根據各自註冊成立所在的國家的規則及法規毋須繳納任何所得稅。
- (iii) 本集團於中國(不包括香港)成立的附屬公司於截至二零一七年十二月三十一日止年度須按25%(二零一六年：25%)的稅率繳納中國企業所得稅。
- (iv) 該款項主要指先前就未動用稅項虧損及貿易及其他應收款項的減值虧損已確認之遞延稅資產撇銷，由於本集團管理層預期未來相關附屬公司將不大可能擁有足夠應課稅溢利以動用未動用稅項虧損及可扣稅暫時性差異。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

10 DIRECTORS' EMOLUMENTS

Directors' 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:

10 董事薪酬

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部披露的董事薪酬如下：

		2017 二零一七年						
		Salaries, allowances and benefits in kind 薪金、津貼 及實物福利	Discretionary bonuses 酌情花紅	Retirement scheme contributions 退休計劃供款	Sub-total 小計	Share- based payments 以股份為 基礎的付款	Total 總計	
		Directors' fees 董事袍金 RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	
		(Note) (附註)						
Executive directors	執行董事							
Mr. Cheng Jerome	Cheng Jerome 先生	-	261	-	261	6,438	6,699	
Mr. Yuan Weitao	袁偉濤先生	-	767	-	784	6,438	7,222	
Non-executive director	非執行董事							
Mrs. Guo Yan	郭燕女士	-	261	-	261	6,438	6,699	
Independent non-executive directors	獨立非執行董事							
Mr. Wong Chi Keung	黃之強先生	-	261	-	261	-	261	
Mr. Liu Erhfei (resigned on 1 April 2017)	劉二飛先生(於二零一七年四月一日辭任)	-	66	-	66	-	66	
Mr. Chan Chi Keung, Alan	陳志強先生	-	261	-	261	-	261	
Mr. Liu Jialin (appointed on 1 April 2017)	劉嘉凌先生(於二零一七年四月一日獲委任)	-	193	-	193	-	193	
		-	2,070	-	2,087	19,314	21,401	

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

10 DIRECTORS' EMOLUMENTS (CONTINUED)

10 董事薪酬(續)

		2016 二零一六年						
		Directors' fees	Salaries, allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	Sub-total	Share-based payments	Total
		董事袍金	薪金、津貼及實物福利	酌情花紅	退休計劃供款	小計	以股份為基礎的付款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Executive directors	執行董事							
Mr. Cheng Jerome	Cheng Jerome 先生	-	250	-	-	250	2,076	2,326
Mr. Yuan Weitao	袁偉濤先生	-	794	-	35	829	2,076	2,905
Non-executive directors	非執行董事							
Mr. Feng Xiaohui (resigned on 29 April 2016)	馮小暉先生(於二零一六年四月二十九日辭任)	-	-	-	-	-	-	-
Mrs. Guo Yan	郭燕女士	-	250	-	-	250	2,076	2,326
Ms. Dong Ying, Dorothy (resigned on 17 February 2016)	董穎女士(於二零一六年二月十七日辭任)	-	-	-	-	-	-	-
Independent non-executive directors	獨立非執行董事							
Mr. Wong Chi Keung	黃之強先生	-	250	-	-	250	-	250
Mr. Liu Erhfei	劉二飛先生	-	250	-	-	250	-	250
Mr. Chan Chi Keung, Alan	陳志強先生	-	250	-	-	250	-	250
		-	2,044	-	35	2,079	6,228	8,307

No emoluments were paid by the Group to any of the directors as an inducement to join, or upon joining the Group or as compensation for loss of office during the year.

本集團於年內概無向董事支付酬金以吸引彼等加盟本集團或作為加入後的獎勵或離職補償。

Note: These represent the estimated value of share options granted to the directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in Note 2(q)(ii).

附註：該等指根據本公司購股權計劃授予董事的購股權估計價值。該等購股權的價值根據附註2(q)(ii)載列的本集團以股份為基礎之付款交易的會計政策計量。

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed in Note 26.

該等實物福利的詳情(包括授出的購股權主要條款及數目)於附註26披露。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

11 INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2016: one) are directors whose emoluments are disclosed in Note 10. The aggregate of the emoluments in respect of the remaining two (2016: four) individuals who are not directors are as follows:

Salaries, allowances and benefits in kind	薪金、津貼及實物福利
Discretionary bonuses	酌情花紅
Share-based payments	以股份為基礎之付款
Retirement scheme contributions	退休計劃供款

The emoluments of the two (2016: four) individuals who are not directors and who are among the five highest paid individuals of the Group are within the following bands:

HK\$2,000,001-HK\$3,000,000	2,000,001 港元至 3,000,000 港元
HK\$3,000,001-HK\$4,000,000	3,000,001 港元至 4,000,000 港元
HK\$7,000,001-HK\$8,000,000	7,000,001 港元至 8,000,000 港元

11 最高薪酬人士

五名最高薪人士中，其中三名(二零一六年：一名)為董事，彼等之薪酬於附註10披露。其餘兩名(二零一六年：四名)非董事的人士的薪酬合計如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
621	8,223
33	616
12,876	2,076
34	61
13,564	10,976

本集團五名最高薪酬人士中非董事的兩名人士(二零一六年：四名)的薪酬介乎以下範圍：

2017 二零一七年 Number of individuals 人數	2016 二零一六年 Number of individuals 人數
-	2
-	2
2	-

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

12 LOSS PER SHARE

(a) Basic loss per share

The basic loss per share for the year ended 31 December 2017 is calculated based on the loss attributable to the equity shareholders of the Company of RMB66,413,000 (2016: RMB176,604,000) and the weighted average of 1,818,494,000 ordinary shares (2016: 1,533,865,000 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares:

Issued ordinary shares at 1 January	於一月一日已發行的普通股
Effect of shares issued (Note 29(c)(ii))	已發行股份的影響(附註29(c)(ii))
Effect of shares repurchased (Note 29(c)(iii))	購回股份的影響(附註29(c)(iii))
Weighted average number of ordinary shares at 31 December	於十二月三十一日普通股加權平均數目

(b) Diluted loss per share

The diluted loss per share is calculated based on the loss attributable to equity shareholders of the Company (diluted) of RMB88,130,000 and the weighted average number of ordinary shares (diluted) of 1,883,029,000 calculated as follows:

12 每股虧損

(a) 每股基本虧損

截至二零一七年十二月三十一日止年度，每股基本虧損按本公司權益股東應佔虧損人民幣66,143,000元(二零一六年：人民幣176,604,000元)及年內已發行普通股加權平均數1,818,494,000股(二零一六年：1,533,865,000股普通股)計算如下：

普通股加權平均數：

2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
1,671,615	1,532,727
149,440	1,138
(2,561)	-
1,818,494	1,533,865

(b) 每股攤薄虧損

截至二零一七年十二月三十一日止年度每股攤薄虧損乃基於本公司權益股東應佔虧損(攤薄)人民幣88,130,000元及普通股加權平均數(攤薄)1,883,029,000股計算如下：

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

12 LOSS PER SHARE (CONTINUED)

(b) Diluted loss per share (continued)

(i) Loss attributable to the equity shareholders of the Company (diluted)

Loss attributable to the equity shareholders of the Company
After tax effect of effective interest and exchange differences on the liability component of convertible bonds
After tax effect of changes in fair value recognised and exchange differences on the derivative components of convertible bonds
Loss on extinguishment of convertible bonds

Loss attributable to the equity shareholders of the Company (diluted)

(ii) Weighted average number of ordinary shares (diluted)

Weighted average number of ordinary shares at 31 December
Effect of conversion of convertible bonds

Weighted average number of ordinary shares (diluted) at 31 December

There were no dilutive potential shares outstanding during the year ended 31 December 2016.

The Group's share options granted could potentially dilute basic earnings/(loss) per share in the future, but were not included in the calculation of diluted loss per share because they are antidilutive during the years ended 31 December 2017 and 2016.

12 每股虧損(續)

(b) 每股攤薄虧損(續)

(i) 本公司權益股東應佔虧損(攤薄)

本公司權益股東應佔虧損
可換股債券負債部分實際利息及匯兌差額之稅後影響
可換股債券衍生部分已確認公平值變動及匯兌差額之稅後影響
清償可換股債券之虧損

本公司權益股東應佔虧損(攤薄)

(ii) 普通股加權平均數(攤薄)

於十二月三十一日之普通股加權平均數
兌換可換股債券之影響

於十二月三十一日之普通股加權平均數(攤薄)

截至二零一六年十二月三十一日止年度，並無已發行潛在攤薄股份。

本集團已授出購股權可能於未來潛在攤薄每股基本盈利/(虧損)，惟不會納入每股攤薄虧損之計算中，乃由於其已於截至二零一七年及二零一六年十二月三十一日止年度反攤薄。

2017
二零一七年
RMB'000
人民幣千元

(66,413)

9,231

(34,026)

3,078

(88,130)

2017
二零一七年
'000
千股

1,818,494
64,535

1,883,029

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

13 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

Cost:	成本：
At 1 January 2016	於二零一六年一月一日
Additions	添置
Disposals	出售
At 31 December 2016	於二零一六年十二月三十一日
Accumulated depreciation and impairment:	累計折舊及減值：
At 1 January 2016	於二零一六年一月一日
Charge for the year	年內支出
Impairment losses (Note 6)	減值虧損(附註6)
Written back on disposals	出售撥回
At 31 December 2016	於二零一六年十二月三十一日
Carrying amount:	賬面值：
At 31 December 2016	於二零一六年十二月三十一日
Cost:	成本：
At 1 January 2017	於二零一七年一月一日
Additions	添置
Disposals	出售
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	出售附屬公司減少(附註8及13(i))
At 31 December 2017	於二零一七年十二月三十一日
Accumulated depreciation and impairment:	累計折舊及減值：
At 1 January 2017	於二零一七年一月一日
Charge for the year	年內支出
Written back on disposals	出售撥回
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	出售附屬公司減少(附註8及13(i))
At 31 December 2017	於二零一七年十二月三十一日
Carrying amount:	賬面值：
At 31 December 2017	於二零一七年十二月三十一日

13 物業、廠房及設備

賬面值對賬

	Plant and buildings 廠房及樓宇 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles and other equipment 汽車及其他設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost:				
At 1 January 2016	78,735	213,983	18,641	311,359
Additions	211	10,005	785	11,001
Disposals	-	(27,632)	(35)	(27,667)
At 31 December 2016	78,946	196,356	19,391	294,693
Accumulated depreciation and impairment:				
At 1 January 2016	(46,925)	(150,062)	(4,844)	(201,831)
Charge for the year	(2,808)	(10,183)	(4,647)	(17,638)
Impairment losses (Note 6)	(4,504)	(8,891)	(351)	(13,746)
Written back on disposals	-	21,484	8	21,492
At 31 December 2016	(54,237)	(147,652)	(9,834)	(211,723)
Carrying amount:				
At 31 December 2016	24,709	48,704	9,557	82,970
Cost:				
At 1 January 2017	78,946	196,356	19,391	294,693
Additions	2,889	302	5,876	9,067
Disposals	-	-	(10,264)	(10,264)
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	(77,926)	(196,658)	(5,164)	(279,748)
At 31 December 2017	3,909	-	9,839	13,748
Accumulated depreciation and impairment:				
At 1 January 2017	(54,237)	(147,652)	(9,834)	(211,723)
Charge for the year	(1,985)	(2,830)	(2,414)	(7,229)
Written back on disposals	-	-	6,275	6,275
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	53,809	150,482	3,443	207,734
At 31 December 2017	(2,413)	-	(2,530)	(4,943)
Carrying amount:				
At 31 December 2017	1,496	-	7,309	8,805

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Note:

(i) As mentioned in Note 8, the Group disposed of the Chang Feng Group on 28 April 2017. Accordingly, the property, plant and equipment and lease prepayments (see Note 14) of the Chang Feng Group that were pledged as collaterals for a litigation against the Chang Feng Group have been disposed of during the year. Upon the completion of the above disposal, the Group is no longer liable to the above mentioned litigation.

13 物業、廠房及設備(續)

附註：

(i) 如附註8所述，本集團於二零一七年四月二十八日出售暢豐集團。因此，暢豐集團為一項訴訟而作抵押之物業、廠房及設備以及預付租賃款項(見附註14)已於年內出售。於完成上述出售事項後，本集團毋須再為上述訴訟負責。

14 LEASE PREPAYMENTS

14 預付租賃款項

		RMB'000 人民幣千元
Cost:	成本：	
At 1 January 2016 and 31 December 2016	於二零一六年一月一日及 二零一六年十二月三十一日	13,826
Accumulated amortisation and impairment:	累計攤銷及減值：	
At 1 January 2016	於二零一六年一月一日	(2,065)
Charge for the year	年內支出	(277)
At 31 December 2016	於二零一六年十二月三十一日	(2,342)
Carrying amount:	賬面值：	
At 31 December 2016	於二零一六年十二月三十一日	11,484
Cost:	成本：	
At 1 January 2017	於二零一七年一月一日	13,826
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	出售附屬公司減少 (附註8及13(i))	(13,826)
At 31 December 2017	於二零一七年十二月三十一日	-
Accumulated amortisation and impairment:	累計攤銷及減值：	
At 1 January 2017	於二零一七年一月一日	(2,342)
Charge for the year	年內支出	(91)
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	出售附屬公司減少 (附註8及13(i))	2,433
At 31 December 2017	於二零一七年十二月三十一日	-
Carrying amount:	賬面值：	
At 31 December 2017	於二零一七年十二月三十一日	-

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

14 LEASE PREPAYMENTS (CONTINUED)

Represented by:
Non-current portion
Current portion

指：
非流動部分
流動部分

Lease prepayments represented land use right premiums paid by the Group for leasehold land situated in the PRC.

14 預付租賃款項(續)

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	-	11,207
	-	277
	-	11,484

預付租賃款項指本集團就位於中國之租賃土地已付的土地使用權出讓金。

15 INTANGIBLE ASSETS

Cost:
At 1 January 2016
Addition

於二零一六年一月一日
添置

At 31 December 2016,
1 January 2017 and
31 December 2017

於二零一六年十二月三十一日、
二零一七年一月一日及
二零一七年十二月三十一日

**Accumulated amortisation
and impairment:**
At 1 January 2016
Charge for the year

於二零一六年一月一日
年內支出

At 31 December 2016
Charge for the year
Impairment losses
(Notes 6,15(i) and 15(ii))

於二零一六年十二月三十一日
年內支出
減值虧損
(附註6、15(i)及15(ii))

At 31 December 2017

於二零一七年十二月三十一日

Carrying amount:
At 31 December 2017

於二零一七年十二月三十一日

At 31 December 2016

於二零一六年十二月三十一日

成本：

累計攤銷及減值：

15 無形資產

Domain name 域名 RMB'000 人民幣千元 (Note (i)) 附註(i)	Exclusive income right 獨家收入權 RMB'000 人民幣千元 (Note (ii)) 附註(ii)	Total 總計 RMB'000 人民幣千元
21,917	-	21,917
-	13,824	13,824
21,917	13,824	35,741
(3,793)	-	(3,793)
(5,057)	(4,224)	(9,281)
(8,850)	(4,224)	(13,074)
(5,059)	(4,608)	(9,667)
(8,008)	(4,992)	(13,000)
(21,917)	(13,824)	(35,741)
-	-	-
13,067	9,600	22,667

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

15 INTANGIBLE ASSETS (CONTINUED)

- (i) This intangible asset represents the Group's electronic distribution platform, www.CCIGMALL.com, which the Group acquired through the acquisition of an e-commerce business in 2015. In view of the increasing competition within the e-commerce sector, and the slower than expected growth and uncertainties surrounding the future of the Group's own e-commerce business, the management of the Group assessed the recoverable amount of the domain name (together with the related goodwill as described in Note 16) and as a result the carrying amount of the domain name was written down to RMBNil. Accordingly, an impairment loss of RMB8,008,000 was recognised in the profit or loss for the year ended 31 December 2017 (see Note 6).
- (ii) This intangible asset represents an exclusive income right obtained in 2016 from the development of a tailor-made e-commerce platform for a property developer in order to earn revenue from this property developer by assisting its property sales through the platform. In view of the slower than expected progress of the property projects under development by the above property developer, the management of the Group considered such projects may not be developed as planned. Accordingly, the management of the Group assessed the recoverable amount of the exclusive income right and as a result the carrying amount of the exclusive income right was written down to RMBNil. Accordingly, an impairment loss of RMB4,992,000 was recognised in the profit or loss for the year ended 31 December 2017 (see Note 6). The directors of the Company confirm that the Group is taking the necessary actions to recover all or part of the consideration paid to the above property developer.

15 無形資產(續)

- (i) 此無形資產指本集團的電子分銷平台www.CCIGMALL.com，乃本集團於二零一五年透過收購電子商貿業務收購而來。鑒於電子商貿分部競爭越趨激烈，以及本集團自身電子商貿業務增長較預期緩慢及其未來之不確定性，本集團管理層評估域名(及如附註16所述之相關商譽)的可收回金額，並將域名賬面值撇減至人民幣零元。因此，人民幣8,008,000元減值虧損已確認至截至二零一七年十二月三十一日止年度之損益(見附註6)。
- (ii) 此無形資產指本集團自於二零一六年為一名物業開發商開發定制電子商貿平台所獲之獨家收入權利，以通過該平台協助其物業銷售自該名物業開發商賺取收入。鑒於上述物業開發商開發之物業項目進度較預期緩慢，本集團管理層認為該等項目未必能如預期發展。因此，本集團管理層評估獨家收入權利的可收回金額，並將獨家收入權利賬面值撇減至人民幣零元。因此，人民幣4,992,000元減值虧損已確認至截至二零一七年十二月三十一日止年度之損益(見附註6)。本公司董事確認本集團正為收回全部或部分已付予上述物業開發商代價採取必要行動。

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

16 GOODWILL

16 商譽

		RMB'000 人民幣千元
Cost:	成本：	
At 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	於二零一六年一月一日、二零一六年十二月三十一日、 二零一七年一月一日及 二零一七年十二月三十一日	61,013
Accumulated impairment losses:	累計減值虧損：	
At 1 January 2016, 31 December 2016 and 1 January 2017	於二零一六年一月一日、二零一六年十二月三十一日及 二零一七年一月一日	-
Impairment losses (Note 6)	減值虧損(附註6)	(61,013)
At 31 December 2017	於二零一七年十二月三十一日	(61,013)
Carrying amount:	賬面值：	
At 31 December 2017	於二零一七年十二月三十一日	-
At 31 December 2016	於二零一六年十二月三十一日	61,013

On 25 March 2015, the Group acquired the 51% equity interests in Century Network Holding Limited ("Century Network") for a consideration of RMB76,392,000. The excess of the cost of the purchase over the net fair value of the identifiable net assets acquired of RMB61,013,000 was recorded as goodwill and allocated to the Century Network's e-commerce business (the "e-commerce CGU").

The recoverable amount of the e-commerce CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets prepared by the directors of the Company covering a five-year period. These cash flow projections adopted annual growth rates ranging from -9% to 50% (31 December 2016: 65% to 392%), which are based on the Group's experience and future business plans for this business and adjusted for other factors that are specific to the e-commerce CGU. Cash flows beyond the five-year period are extrapolated using a 3% (31 December 2016: 3%) long-term growth rate, which is based on the relevant industry growth forecasts. The cash flows are discounted using a discount rate of 32.2% (31 December 2016: 32.4%). The discount rate used is pre-tax and reflects specific risks relating to the e-commerce CGU.

於二零一五年三月二十五日，本集團以代價人民幣76,392,000元收購Century Network Holding Limited (「Century Network」) 51% 股權。購買成本超出所收購可識別資產淨值的公平淨值的差額人民幣61,013,000元記錄為商譽及分配至Century Network的電子商貿業務(「電子商貿現金產生單位」)。

電子商貿現金產生單位的可收回金額乃根據使用價值計算而釐定。該計算使用現金流量預測(基於由本公司董事編製涵蓋五年期之財政預算)。該等現金流量預測採用-9%至50%(二零一六年十二月三十一日：65%至392%)的年增長率，其以本集團有關該項業務的經驗及未來業務計劃為基礎，並就電子商貿現金產生單位特定的其他因素作出調整。超出五年期之現金流量乃採用3%(二零一六年十二月三十一日：3%)長期增長率推斷，此增長率乃基於相關行業增長預測。現金流量採用32.2%(二零一六年十二月三十一日：32.4%)的折現率折現。所採用之折現率為稅前及反映與電子商貿現金產生單位有關之特定風險。

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

16 GOODWILL (CONTINUED)

Impairment loss of RMB61,013,000 has been recognised for the goodwill allocated to the e-commerce CGU, which also comprised the domain name included in intangible assets (see Note 15), for the year ended 31 December 2017.

17 INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group.

16 商譽(續)

截至二零一七年十二月三十一日止年度，減值虧損人民幣61,013,000元已確認為分配至電子商貿現金產生單位之商譽(包括組成無形資產的域名(見附註15))。

17 於附屬公司之投資

下表僅載列對本集團業績、資產或負債構成主要影響的附屬公司的詳情。

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation 成立/ 註冊成立地點	Particulars of registered/ issued and paid-up capital 註冊/已發行及 繳足股本詳情	Proportion of ownership interest 擁有權益比例			Principal activities 主要業務
			The Group's effective interest 本集團的實際權益	Held by the Company 本公司所持有	Held by subsidiaries 附屬公司所持有	
Beijing Century Fortunet Network Technology Co., Ltd.* 北京世紀新幹線網絡技術有限公司	The PRC 中國	RMB3,000,000 人民幣3,000,000元	51%	-	100%	Trading of goods through electronic distribution platform, mobile applications and other related means 透過電子分銷平台、移動應用程式及其他相關方式交易商品
Beijing Century Fortunet Technology Co., Ltd.* 北京世紀鑫網科技有限公司	The PRC 中國	RMB27,000,000 人民幣27,000,000元	51%	-	100%	Maintenance of electronic distribution platform and mobile applications 維護電子分銷平台及移動應用程式
Centchain Co., Ltd. ("Centchain")* 世紀暢鏈有限責任公司(「世紀暢鏈」)	The PRC 中國	RMB200,000,000 人民幣200,000,000元	20%	-	100%	Facilitating awards through an electronic platform 透過電子平台協助積分獎賞
Century Network	The British Virgin Islands 英屬處女群島	United States Dollar ("USD")1 1美元(「美元」)	51%	51%	-	Investment holding 投資控股
Pointsea Company Limited ("PCL") (Note (i)) 分海有限公司(「分海」)(附註(i))	The Cayman Islands 開曼群島	RMB200,000,000 人民幣200,000,000元	20%	-	50%	Investment holding 投資控股
Pointsea Holdings Company Limited ("PHC") 分海控股有限公司(「分海控股」)	The British Virgin Islands 英屬處女群島	RMB100,000,000 人民幣100,000,000元	40%	-	80%	Investment holding 投資控股

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17 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

17 於附屬公司之投資 (續)

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation 成立/ 註冊成立地點	Particulars of registered/ issued and paid-up capital 註冊/已發行及 繳足股本詳情	Proportion of ownership interest 擁有權權益比例			Principal activities 主要業務
			The Group's effective interest 本集團的實際權益	Held by the Company 本公司所持有	Held by subsidiaries 附屬公司所持有	
Pointsea (Hong Kong) Limited ("PHK") 分海(香港)有限公司(「分海香港」)	Hong Kong 香港	1 share 1股	20%	-	100%	Investment holding 投資控股
Shanghai Sub-chain Information Technology Co., Ltd ("Sub-chain") * (Note (ii)) 上海分互鏈信息技術有限公司 (「分互鏈」)(附註(ii))	The PRC 中國	RMB10,000,000 人民幣10,000,000元	-	-	-	Facilitating awards through an electronic platform 透過經營電子平台協助積分獎賞
Treasure Ease Holdings Limited ("Treasure Ease")	The British Virgin Islands 英屬處女群島	RMB80,065,000 人民幣80,065,000元	50.1%	50.1%	-	Investment holding 投資控股

* The English translation of the names are for reference only and the official names of these entities are in Chinese.

* 英文譯名僅作參考及此等實體之官方名稱為中文。

Note:

附註：

- (i) The management of the Group considers PCL is a subsidiary of the Group through its power to control the board of directors of PCL.
- (ii) In July 2017, the two individual equity holders (the "Sub-chain's equity holders") of Sub-chain entered into a loan agreement with Centchain, pursuant to which Centchain provided interest-free loans of RMB5,000,000 to each of the Sub-chain's equity holders. The loans are secured by the respective equity interests in Sub-chain held by the Sub-chain's equity holders. Centchain is granted an exclusive and irrevocable option to purchase part or all of the equity interests in the Sub-chain held by the Sub-chain's equity holders. The Sub-chain's equity holders entrust all of their respective shareholder rights in Sub-chain to Centchain. Although the Group does not hold any equity interests in Sub-chain, based on the terms of agreements Centchain contracted with the Sub-chain's equity holders, the Group has the current ability to direct Sub-chain's activities that most significantly affect the returns and will receive substantially all of the returns related to Sub-chain's operations and net assets. Accordingly, the directors of the Company consider it is appropriate to account Sub-chain as a subsidiary.

- (i) 本集團管理層認為其控制分海董事會之權力，分海為本集團附屬公司。
- (ii) 於二零一七年七月，分互鏈兩名個別股權持有人(「分互鏈股權持有人」)與世紀暢鏈訂立貸款協議，據此世紀暢鏈各向分互鏈股權持有人提供人民幣5,000,000元免息貸款。貸款由分互鏈股權持有人各自於分互鏈持有之權益作為抵押。世紀暢鏈獲授獨家及不可收回購股權以購買部分或全部分互鏈股權持有人於分互鏈持有之權益。分互鏈股權持有人將彼等各自於分互鏈之股東權利委託予世紀暢鏈。儘管本集團未於分互鏈持有任何股份，惟基於世紀暢鏈與分互鏈股權持有人所訂立之合約條款，本集團擁有指示分互鏈活動(對回報具有重大影響者)之現有能力及將收獲分互鏈營運及資產淨值之大部分回報。因此，本公司董事認為將分互鏈計及為附屬公司屬恰當。

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17 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

The following tables list out the combined financial information of Century Network and its subsidiaries, and Treasure Ease and its subsidiaries, the two sub-groups within the Group, which have material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

Century Network

Revenue	收入
Net loss	虧損淨額
Net loss attributable to NCI	非控股權益應佔虧損淨額
Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Non-current liabilities	非流動負債
Net liabilities	淨負債
Net liabilities attributable to NCI	非控股權益應佔淨負債

Treasure Ease

Revenue	收入
Net loss	虧損淨額
Net loss attributable to NCI	非控股權益應佔虧損淨額
Non-current assets	非流動資產
Current assets	流動資產
Current liabilities	流動負債
Net assets	淨資產
Net assets attributable to NCI	非控股權益應佔淨資產

17 於附屬公司之投資(續)

下表列出本集團內有重大非控股權益(「非控股權益」)的次集團Century Network及其附屬公司以及Treasure Ease及其附屬公司的合併財務資料。下列財務資料概要為未作出任何公司間對銷前的款項。

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Revenue	134,040	302,088
Net loss	(114,347)	(129,727)
Net loss attributable to NCI	(56,030)	(63,755)
Non-current assets	2,717	79,141
Current assets	40,905	93,770
Current liabilities	(11,455)	(7,850)
Non-current liabilities	(326,959)	(338,291)
Net liabilities	(294,792)	(173,230)
Net liabilities attributable to NCI	(144,448)	(88,418)
Revenue	941	–
Net loss	(96,644)	(16)
Net loss attributable to NCI	(77,238)	(8)
Non-current assets	2,476	–
Current assets	161,291	69
Current liabilities	(60,362)	(21)
Net assets	103,405	48
Net assets attributable to NCI	82,706	24

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

18 INVENTORIES

(a) Inventories in the consolidated statement of financial position comprise:

Raw materials	原材料
Work in progress	在製品
Finished goods	製成品
Merchandises for trading	交易商品
Less: write-down of inventories	減：存貨撇減

(b) The analysis of the amount of inventories recognised as an expense and included in the consolidated statement of profit or loss and other comprehensive income is as follows:

Carrying amount of inventories sold	已售存貨的賬面值
Write-down of inventories	存貨撇減

18 存貨

(a) 綜合財務狀況表的存貨包括：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
-	38,557
-	5,092
-	30,042
1,343	3,598
1,343	77,289
(1,249)	(48,030)
94	29,259

(b) 已確認為開支及計入綜合損益及其他全面收益表的存貨金額分析如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
166,120	384,934
8,989	12,205
175,109	397,139

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

19 TRADE AND OTHER RECEIVABLES

19 貿易及其他應收款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Trade receivables	貿易應收款項	4,296	300,540
Bills receivables	應收票據	-	25,990
		4,296	326,530
Less: allowance for doubtful debts	減：呆賬撥備	(3,399)	(276,533)
		897	49,997
Prepayments, deposits and other receivables:	預付款項、按金及其他應收款項：		
- Receivables from business partners in connection with the Group's digital point business	- 就本集團數字積分業務應收業務夥伴之款項	2,962	-
- Advances to suppliers	- 支付予供應商之墊款	2,149	74,088
- Value added tax refundable	- 可退回增值稅	6,265	5,293
- Proceeds receivable for issuance of shares	- 應收發行股份的所得款項	-	246,352
- Advance to a third party	- 支付予第三方之墊款	31,765	-
- Others	- 其他	45,738	71,420
		88,879	397,153
Less: allowance for doubtful debts	減：呆賬撥備	(40,130)	(131,777)
		48,749	265,376
		49,646	315,373

All of the trade and other receivables, net of allowance for doubtful debts, are expected to be recovered or recognised as expenses within one year.

所有貿易及其他應收款項(扣除呆賬撥備)預期於一年內收回或確認為開支。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

19 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade and bills receivables (net of allowance for doubtful debts), included in trade and other receivables, based on the invoice date, is as follows:

Within 3 months	三個月內
Over 3 months but within 6 months	超過三個月但少於六個月
Over 6 months	超過六個月

19 貿易及其他應收款項(續)

(a) 賬齡分析

於報告期末，計入貿易及其他應收款項之貿易應收款項及應收票據(扣除呆賬撥備)基於發票日期的賬齡分析如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
897	29,314
-	19,816
-	867
897	49,997

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

19 TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Ageing analysis (continued)

At 31 December 2017, trade and bills receivables of RMBNil (2016: RMB19,920,000) have been pledged to secure the Group's short-term bank and other loans.

Details on the Group's credit policy are set out in Note 30(a).

(b) Impairment of trade and other receivables

Impairment losses in respect of trade and other receivables are 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 and other receivables directly (see Note 2(j)(i)).

The movements in the allowance for doubtful debts during the year are as follows:

At 1 January	於一月一日
(Reversal of impairment losses)/impairment losses recognised (Note 6)	(減值虧損撥回)/已確認的減值虧損(附註6)
Uncollectible amounts written off	不可收回金額撇銷
Decrease from disposal of subsidiaries (Note 8)	出售附屬公司減少(附註8)
At 31 December	於十二月三十一日

At 31 December 2017, trade and other receivables of RMB43,529,000 (2016: RMB408,310,000) were individually determined to be impaired. The individually impaired receivables related to customers and debtors that were in financial difficulties and management assessed that these receivables are irrecoverable. The Group does not hold any collateral over these balances.

19 貿易及其他應收款項(續)

(a) 賬齡分析(續)

於二零一七年十二月三十一日，貿易應收款項及應收票據人民幣零元(二零一六年：人民幣19,920,000元)已抵押以就本集團的短期銀行及其他貸款提供擔保。

本集團的信貸政策詳情載於附註30(a)。

(b) 貿易及其他應收款項減值

有關貿易及其他應收款項的減值虧損是使用撥備賬記錄，惟本集團認為收回款項的機會甚微則除外，在此情況下減值虧損直接在貿易及其他應收款項中撇銷(見附註2(j)(i))。

年內呆賬撥備的變動如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
408,310	390,061
(5,684)	18,249
(108)	–
(358,989)	–
43,529	408,310

於二零一七年十二月三十一日，貿易及其他應收款項人民幣43,529,000元(二零一六年：人民幣408,310,000元)個別釐定減值。個別減值的應收款項與出現財務困難的客戶及債務人有關且管理層估計，該等應收款項不可收回。本集團並無就該等結餘持有任何抵押品。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

19 TRADE AND OTHER RECEIVABLES (CONTINUED)

(c) Trade and bills receivables that are not impaired

The ageing analysis of trade and bills receivables that are neither individually nor collectively considered to be impaired is as follows:

Neither past due nor impaired	既無逾期亦無減值
Less than 3 months past due	逾期少於三個月
Over 3 months but within 6 months past due	逾期超過三個月但少於六個月
Over 6 months past due	逾期超過六個月

Receivables that were neither past due nor impaired at 31 December 2016 related to bills receivable from the issuing banks for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

19 貿易及其他應收款項(續)

(c) 並無減值之貿易應收款項及應收票據：

既無個別或共同被視為減值之貿易應收款項及應收票據之賬齡分析如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
-	25,990
897	21,154
-	1,986
-	867
897	24,007
897	49,997

既無於二零一六年十二月三十一日逾期亦無減值之應收款項與並無近期違約歷史之開證行應收票據有關。

已逾期但未減值之應收款項乃與多名與本集團擁有良好過往記錄之獨立客戶有關。根據過往經驗，鑒於信貸質素並無重大變動及該等結餘仍被視為可悉數收回，故管理層相信毋須就該等結餘作出減值撥備。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

20 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE

The balance of assets classified as held-for-sale at 31 December 2016 was related to the Chang Feng Group which has been disposed of during the year (see Note 8).

21 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise:

Cash at bank and on hand 銀行及手頭現金

The Group's operations in the PRC (excluding Hong Kong) conduct their businesses in RMB. RMB is not a freely convertible currency and the remittance of funds out of the PRC (excluding Hong Kong) is subject to the exchange restrictions imposed by the PRC government.

20 分類為持作出售之資產及負債

於二零一六年十二月三十一日分類為持作出售之資產結餘與暢豐集團相關，並於年內出售(見附註8)。

21 現金及現金等值項目以及其他現金流資料

(a) 現金及現金等值項目包括：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
392,994	90,002

本集團於中國(不包括香港)的業務營運以人民幣計值。人民幣為不可自由兌換的貨幣及資金匯出中國(不包括香港)須受中國政府實施的外匯限制規管。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

21 CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION (CONTINUED)

21 現金及現金等值項目以及其他現金流資料(續)

(b) Reconciliation of liabilities arising from financing activities

(b) 融資活動產生負債的對賬

		Bank and other loans 銀行及其他借款 RMB'000 人民幣千元 (Note 23) (附註 23)	Interest payables 應付利息 RMB'000 人民幣千元 (Note 22) (附註 22)	Secured notes 有抵押票據 RMB'000 人民幣千元 (Note 24) (附註 24)	Liability components of convertible bonds 可換股債券負債部分 RMB'000 人民幣千元 (Note 25) (附註 25)	Derivative components of convertible bonds 可換股債券衍生工具部分 RMB'000 人民幣千元 (Note 25) (附註 25)	Total 總計 RMB'000 人民幣千元
At 1 January 2017	於二零一七年一月一日	195,665	13,996	141,161	67,035	48,941	466,798
Changes from financing cash flows:	融資活動現金流量變動：						
Proceeds from new bank and other loans	新增銀行及其他貸款之所得款項	60,429	-	-	-	-	60,429
Repayment of bank and other loans	償還銀行及其他貸款	(54,505)	-	-	-	-	(54,505)
Repayment of secured notes	償還有抵押票據	-	-	(137,747)	-	-	(137,747)
Interest paid	已付利息	-	(2,621)	(2,061)	(9,184)	-	(13,866)
Total changes from financing cash flows	融資活動現金流量總變動	5,924	(2,621)	(139,808)	(9,184)	-	(145,689)
Exchange adjustments	匯兌調整	-	-	(1,008)	(3,895)	(1,625)	(6,528)
Changes in fair value (Note 7(a))	公平值變動(附註 7(a))	-	-	-	-	(32,401)	(32,401)
Other changes:	其他變動：						
Finance cost (Note 7(a))	融資成本(附註 7(a))	-	5,324	883	13,126	-	19,333
Gain on redemption of secured notes (Note 7(a))	贖回有抵押票據之收益(附註 7(a))	-	-	(1,228)	-	-	(1,228)
Loss on extinguishment of convertible bonds (Note 7(a))	清償可換股債券之虧損(附註 7(a))	-	-	-	(8,051)	11,129	3,078
Disposal of subsidiaries (Note 8)	出售附屬公司(附註 8)	(201,589)	(16,699)	-	-	-	(218,288)
Total other changes	其他總變動	(201,589)	(11,375)	(345)	5,075	11,129	(197,105)
At 31 December 2017	於二零一七年十二月三十一日	-	-	-	59,031	26,044	85,075

Note: Bank and other loans consist of bank loans and loans from third parties as disclosed in Note 23.

附註：銀行及其他貸款包括於附註 23 所披露之銀行貸款及來自第三方的貸款。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

22 TRADE AND OTHER PAYABLES

22 貿易及其他應付款項

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Trade payables	貿易應付款項	1,120	23,431
Payables for construction and purchase of property, plant and equipment	建設及購買物業、廠房及設備應付款項	-	2,616
Payables for staff related costs	員工相關成本應付款項	8,787	10,070
Payables for miscellaneous taxes	應付雜稅	614	4,160
Payables for selling expense incurred for digital point business	應付數字積分業務應計銷售開支	14,705	-
Interest payables	應付利息	-	13,996
Others	其他	2,460	44,529
		26,566	75,371
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債	27,686	98,802
Deposits received from business partner in connection with the Group's digital point business	已收本集團數字積分業務之相關業務夥伴的按金	1,000	-
Deposits received in connection with disposals of assets classified as held-for-sale and subsidiaries	就出售分類為持作出售的資產及附屬公司收取的按金	-	54,226
Deferred income in connection with digital point business	就數字積分業務之遞延收入	5,256	-
Advances received from customers	已收客戶墊款	154	4,818
Provision for warranties	保修撥備	-	1,665
		34,096	159,511

All of the trade and other payables are expected to be settled or recognised as revenue within one year or are repayable on demand.

As of the end of the reporting period, the ageing analysis of trade payables included in trade and other payables, based on the invoice date, is as follows:

所有貿易及其他應付款項預期於一年內結算或確認為收入或按要求償還。

於報告期末，計入貿易及其他應付款項之貿易應付款項基於發票日期的賬齡分析如下：

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Within 3 months	三個月內	1,034	2,824
3 to 6 months	三至六個月	26	651
Over 6 months	超過六個月	60	19,956
		1,120	23,431

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

23 BANK AND OTHER LOANS

23 銀行及其他貸款

(a) The Group's short-term bank and other loans are analysed as follows:

(a) 本集團的短期銀行及其他貸款分析如下：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Bank loans:		
– Secured by land use rights and property, plant and equipment of the Group	-	52,400
Other loans from third parties:		
– Guaranteed by subsidiaries of the Group	-	42,860
– Secured by bills receivables of the Group	-	19,920
– Unguaranteed and unsecured	-	52,935
	-	115,715
Add: Current portion of long-term bank and other loans (Note 23(b))	-	168,115
	-	27,550
	-	195,665

(b) The Group's long-term bank loan is analysed as follows:

(b) 本集團的長期銀行貸款分析如下：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Bank loan:		
– Guaranteed by a third party	-	15,000
Other loan from a third party:		
– Guaranteed by a subsidiary of the Group	-	12,550
	-	27,550
Less: Current portion of long-term bank and other loans (Note 23(a))	-	(27,550)
	-	-

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

23 BANK AND OTHER LOANS (CONTINUED)

(c) The following assets and their respective carrying values as at the end of the reporting period are pledged to secure the Group's bank and other loans:

Property, plant and equipment (Note 13)	物業、廠房及設備(附註13)
Lease prepayments (Note 14)	預付租賃付款(附註14)
Trade and bills receivables (Note 19(a))	貿易應收款項及應收票據(附註19(a))
Pledged bank deposits	質押的銀行存款

(d) At 31 December 2017, the Group's banking facilities amounted to RMBNil (2016: RMB52,400,000) were utilised to the extent of RMBNil (2016: RMB52,400,000).

24 SECURED NOTES

On 3 June 2015, the Company issued secured notes (the "Notes") with an aggregate face value of USD20,000,000 (equivalent to approximately RMB122,352,000) to Chance Talent Management Limited ("Chance Talent"), a third party. Upon issuance, the Notes bear interest at 13% per annum, payable semi-annually, and will mature on 3 June 2017. The Notes and the convertible bonds issued on 3 June 2015 (see Note 25) are secured by 505,581,818 ordinary shares (the "Pledged Shares") in the Company owned by Century Investment (Holding) Limited ("Century Investment"), an equity shareholder of the Company.

On 13 January 2017, the Group has redeemed all of the Notes. The difference between the redemption value and the carrying amount of the Notes amounted to RMB1,228,000 has been recognised as a gain on redemption of the Notes in the current year (see Note 7(a)). On 15 March 2017, 396,238,156 ordinary shares of the Pledged Shares have been released.

23 銀行及其他貸款(續)

(c) 下列資產及其於報告期末之賬面值已抵押作為本集團銀行及其他貸款之擔保：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
-	75,316
-	11,484
-	19,920
-	428
-	107,148

(d) 於二零一七年十二月三十一日，本集團獲銀行授信額度達人民幣零元(二零一六年：人民幣52,400,000元)，已動用人民幣零元(二零一六年：人民幣52,400,000元)。

24 有抵押票據

於二零一五年六月三日，本公司已向一名第三方Chance Talent Management Limited(「Chance Talent」)發行面值總額為20,000,000美元(約等於人民幣122,352,000元)有抵押票據(「票據」)。於發行後，票據按年利率13%計息，每半年派息一次，並將於二零一七年六月三日期滿。於二零一五年六月三日發行之票據及可換股債券(見附註25)以本公司權益股東Century Investment (Holding) Limited(「Century Investment」)擁有本公司之505,581,818股普通股(「已抵押股份」)作為抵押。

於二零一七年一月十三日，本集團已贖回所有票據。票據贖回價值與賬面值之差額人民幣1,228,000元已確認為於本年度贖回票據之收益(見附註7(a))。於二零一七年三月十五日，已抵押股份之396,238,156股普通股已獲解除。

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

25 CONVERTIBLE BONDS

The Group's convertible bonds are analysed as follows:

At 1 January 2016	於二零一六年一月一日
Accrued finance charges for the year (Note 7(a))	本年度應計財務費用(附註7(a))
Interest paid	已付利息
Exchange adjustments	匯兌調整
Fair value changes on the derivative components (Note 7(a))	衍生工具部分公平值變動(附註7(a))
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日
Convertible bond issued	已發行可換股債券
Accrued finance charges for the year (Note 7(a))	本年度應計財務費用(附註7(a))
Interest paid	已付利息
Exchange adjustments	匯兌調整
Fair value changes on the derivative components (Note 7(a))	衍生工具部分公平值變動(附註7(a))
Extinguishment of convertible bonds	清償可換股債券
At 31 December 2017	於二零一七年十二月三十一日

25 可換股債券

本集團可換股債券分析如下：

Liability components 負債部分 RMB'000 人民幣千元	Derivative components 衍生工具部分 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
59,428	20,981	80,409
12,166	–	12,166
(8,738)	–	(8,738)
4,179	1,374	5,553
–	26,586	26,586
67,035	48,941	115,976
59,321	27,449	86,770
13,126	–	13,126
(9,184)	–	(9,184)
(3,895)	(1,625)	(5,520)
–	(32,401)	(32,401)
(67,372)	(16,320)	(83,692)
59,031	26,044	85,075

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

25 CONVERTIBLE BONDS (CONTINUED)

- (i) On 3 June 2015, the Company issued two secured convertible bonds with face value of USD6,000,000 (equivalent to approximately RMB36,706,000) ("CB1") and USD4,000,000 (equivalent to approximately RMB24,470,000) ("CB2") to Chance Talent. Upon issuance, both convertible bonds bear interest at 13% per annum and will mature on 3 June 2018. CB1, CB2 and the Notes (see Note 24) are secured by 505,581,818 ordinary shares in the Company owned by Century Investment.

Upon issuance of these convertible bonds, Chance Talent can convert CB1 into the Company's ordinary shares at HK\$1.06 per share (i.e. the conversion option) and CB2 into the Company's ordinary shares at HK\$1.50 per share (i.e. the conversion option) at any time from 3 June 2016 till 3 June 2018. The conversion options are classified as derivative financial instruments and have been included in the balance of the convertible bonds in the consolidated statement of financial position.

CB1 and CB2 are subject to the fulfilment of covenants as stipulated in the bond instruments. At 31 December 2016, the Group has not fulfilled certain of the financial and operational related covenants, and accordingly, CB1 and CB2 have become repayable on demand and have been classified as short-term liabilities. On 27 February 2017, the Group and Chance Talent have reached an agreement, where Chance Talent agreed not to demand payment as a consequence of the above matters before the original maturity date of 2 June 2018.

- (ii) On 20 December 2017, the Company has extinguished CB1 and CB2 and issued new secured convertible bonds with face value of USD10,000,000 (equivalent to approximately RMB66,066,000) ("CB3") to Chance Talent. Upon issuance, CB3 bears interest at 13% per annum and will mature on 3 June 2019. CB3 are secured by 109,343,662 ordinary shares in the Company owned by Century Investment. Chance Talent can convert CB3 into the Company's ordinary shares at HK\$1.209 per share (i.e. the conversion option) at any time from 20 December 2018 till 3 June 2019. The conversion options are classified as derivative financial instruments and have been included in the balance of the convertible bonds in the consolidated statement of financial position.

25 可換股債券(續)

- (i) 於二零一五年六月三日，本公司已向Chance Talent發行兩份面值分別為6,000,000美元(約等於人民幣36,706,000元)有抵押可換股債券(「可換股債券一」)及4,000,000美元(約等於人民幣24,470,000元)有抵押可換股債券(「可換股債券二」)。於發行後，該等兩份可換股債券均按年利率13%計息並將於二零一八年六月三日到期。可換股債券一、可換股債券二及票據(見附註24)以Century Investment擁有本公司505,581,818股普通股作為抵押。

於發行該等可換股債券後，Chance Talent可自二零一六年六月三日至二零一八年六月三日任何時間按每股股份1.06港元將可換股債券一轉換為本公司普通股(即換股權)及按每股股份1.50港元將可換股債券二轉換為本公司普通股(即換股權)。換股權被分類為衍生金融工具並已計入綜合財務狀況表可換股債券之結餘。

可換股債券一及可換股債券二受債券工具訂明的契諾獲履行所規限。於二零一六年十二月三十一日，本集團尚未履行若干與財務及經營相關的契諾，因此可換股債券一及可換股債券二須按要求償還及分類為短期負債。於二零一七年二月二十七日，本集團及Chance Talent已達成協議，其中Chance Talent同意不會於原到期日二零一八年六月二日之前因上述事宜而要求還款。

- (ii) 於二零一七年十二月二十日，本公司清償可換股債券一及可換股債券二，以及已向Chance Talent發行面值為10,000,000美元(約等於人民幣66,066,000元)有抵押可換股債券(「可換股債券三」)。於發行後，可換股債券三按年利率13%計息並將於二零一九年六月三日期到期。可換股債券三由Century Investment擁有本公司109,343,662股普通股作為抵押。Chance Talent可自二零一八年十二月二十日至二零一九年六月三日任何時間按每股股份1.209港元為可換股債券三轉換為本公司普通股(即換股權)。換股權被分類為衍生金融工具並已計入綜合財務狀況表可換股債券之結餘。

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26 EQUITY-SETTLED SHARE-BASED TRANSACTIONS

The Company has a share option scheme which was adopted on 28 June 2010 whereby the directors of the Company are authorised, at their discretion, to invite any full-time or part-time employees, executives, officers or directors (including independent non-executive directors) of the Group and any advisors, consultants, agents, suppliers, customers, distributors and such other persons who, in the sole opinion of the directors of the Company, will contribute or have contributed to the Group, to take up share options at HK\$1 to subscribe for ordinary shares in the Company.

On 3 October 2016, 80,000,000 share options were granted to directors of the Company and employees of the Group under the above share option scheme. All the share options granted will vest after one year from the date of grant and will mature on 2 October 2019. Each share option gives the holder the right to subscribe for one ordinary share in the Company at HK\$1.41 and is settled gross in shares.

(a) The term and condition of the share options granted is as follow:

Share options granted to directors:

授予董事的購股權：

– On 3 October 2016

– 於二零一六年十月三日

Share options granted to employees:

授予僱員的購股權：

– On 3 October 2016

– 於二零一六年十月三日

Total share options granted

授出的購股權總數

26 權益結算以股份為基礎的交易

本公司制訂了於二零一零年六月二十八日獲採納的購股權計劃，據此本公司董事獲授權按其酌情邀請本集團任何全職或兼職僱員、執行人員、高級職員或董事（包括獨立非執行董事），及本公司董事全權認為將為本集團作出或已作出貢獻的任何諮詢師、顧問、代理、供應商、客戶、分銷商及該等其他人士按1港元接納購股權以認購本公司普通股。

於二零一六年十月三日，80,000,000份購股權根據上述購股權計劃授予本公司董事及本集團僱員。授出的所有購股權將於自授出日期起計的一年後歸屬及將於二零一九年十月二日到期。每份購股權給予持有人權利以按1.41港元認購本公司一股普通股及以股份全數結算。

(a) 所授購股權的條款及條件如下：

	<i>Number of instruments</i> 工具數目	<i>Vesting condition</i> 歸屬條件	<i>Contractual life of share options</i> 購股權的合約期
Share options granted to directors: 授予董事的購股權：			
– On 3 October 2016	45,000,000	One year from the date of grant	3 years
– 於二零一六年十月三日		自授出日期起計的一年	3年
Share options granted to employees: 授予僱員的購股權：			
– On 3 October 2016	35,000,000	One year from the date of grant	3 years
– 於二零一六年十月三日		自授出日期起計的一年	3年
Total share options granted 授出的購股權總數	<u>80,000,000</u>		

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26 EQUITY-SETTLED SHARE-BASED TRANSACTIONS (CONTINUED)

(b) The number and weighted average exercise price of share options are as follows:

Outstanding at the beginning of the year	於年初未行使
Forfeited during the year	於年內失效
Outstanding at the end of the year	於年末未行使
Exercisable at the end of the year	於年末可行使

The share options outstanding at 31 December 2017 had a weighted average exercise price of HK\$1.41 and a weighted average remaining contractual life of 1.8 years.

26 權益結算以股份為基礎的交易(續)

(b) 購股權數目及加權平均行使價如下：

2017 二零一七年	
Weighted average exercise price HK\$ 加權平均行使價 港元	Number of share options 購股權數目
1.41	80,000,000
1.41	(5,000,000)
1.41	75,000,000
1.41	75,000,000

於二零一七年十二月三十一日未行使的購股權的加權平均行使價為1.41港元及餘下的加權平均合約期為1.8年。

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

27 DEFERRED TAX ASSETS AND LIABILITIES

(a) The components of deferred tax assets and liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

27 遞延稅項資產及負債

(a) 於綜合財務狀況表確認之遞延稅項資產與負債部分及於年內之變動如下：

		Assets 資產		Liabilities 負債	
		Unused tax losses	Impairment losses on trade and other receivables	Fair value adjustments on property, plant and equipment, lease prepayments and intangible assets and subsequent depreciation and amortisation	Total
		未動用 稅項虧損 RMB'000 人民幣千元	貿易及其他 應收款項 減值虧損 RMB'000 人民幣千元	物業、廠房 及設備、 預付租賃款項 及無形資產之 公平值調整 以及其後 折舊及攤銷 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2016	於二零一六年一月一日	26,270	-	(5,241)	21,029
Credited to the consolidated statement of profit or loss and other comprehensive income (Note 9(a))	計入綜合損益及其他全面收益表(附註9(a))	14,234	9,983	1,295	25,512
At 31 December 2016	於二零一六年十二月三十一日	40,504	9,983	(3,946)	46,541
(Charged)/credited to the consolidated statement of profit or loss and other comprehensive income (Note 9(a))	(扣除自)/計入綜合損益及其他全面收益表(附註9(a))	(40,504)	(9,983)	3,277	(47,210)
Decrease from disposal of subsidiaries (Note 8)	出售附屬公司減少(附註8)	-	-	669	669
At 31 December 2017	於二零一七年十二月三十一日	-	-	-	-

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

27 DEFERRED TAX ASSETS AND LIABILITIES (CONTINUED)

(b) Reconciliation of deferred tax assets and liabilities recognised in the consolidated statement of financial position:

Deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表內 確認之遞延稅項資產
Deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表內 確認之遞延稅項負債

(c) Deferred tax assets not recognised

In accordance with the accounting policy set out in Note 2(r), the Group has not recognised deferred tax assets in respect of unused tax losses and temporary differences of RMB276,296,000 at 31 December 2017 (31 December 2016: RMB1,058,324,000), as it is not probable that future taxable profits against which the losses and temporary differences can be utilised will be available in the relevant tax jurisdiction and entity. The unused tax losses at 31 December 2017 will expire on or before 31 December 2022.

28 PROVISIONS

Provisions for financial guarantee contracts issued

At 1 January 2016	於二零一六年一月一日
Additional provisions made	作出的額外撥備
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	出售附屬公司減少(附註8及13(i))
At 31 December 2017	於二零一七年十二月三十一日

27 遞延稅項資產及負債(續)

(b) 綜合財務狀況表內確認的遞延稅項資產與負債的對賬：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
-	50,487
-	(3,946)
-	46,541

(c) 未確認的遞延稅項資產

根據附註2(r)所載會計政策，由於在有關稅務司法權區內，實體不太可能有未來應課稅溢利以抵銷可供動用之稅項虧損及暫時差額，故本集團於二零一七年十二月三十一日並無就未動用稅項虧損及暫時差額人民幣276,296,000元(二零一六年十二月三十一日：人民幣1,058,324,000元)確認遞延稅項資產。於二零一七年十二月三十一日，未動用稅項虧損將於二零二二年十二月三十一日或之前屆滿。

28 撥備

就發出的財務擔保合約撥備

	RMB'000 人民幣千元
At 1 January 2016	-
Additional provisions made	30,965
At 31 December 2016 and 1 January 2017	30,965
Decrease from disposal of subsidiaries (Notes 8 and 13(i))	(30,965)
At 31 December 2017	-

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29 CAPITAL, RESERVES AND DIVIDENDS

29 資本、儲備及股息

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

(a) 權益部分的變動

本集團綜合權益各部分於年初及年末結餘之對賬載於綜合權益變動表。本公司年初與年末個別部分權益之變動詳情載於下表：

		Share capital 股本 RMB'000 人民幣千元 (Note 29(c)) (附註29(c))	Share premium 股份溢價 RMB'000 人民幣千元 (Note 29(d)(i)) (附註29(d)(i))	Capital reserve 資本儲備 RMB'000 人民幣千元 (Note 29(d)(ii)) (附註29(d)(ii))	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2016	於二零一六年一月一日的結餘	98,557	787,138	226,982	(850,072)	262,605
Changes in equity for 2016:	於二零一六年的權益變動：					
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	-	-	(79,509)	(79,509)
Issuance of shares	發行股份	9,652	234,132	-	-	243,784
Shares granted under the share option scheme (Note 26)	根據購股權計劃授出的股份(附註26)	-	-	11,073	-	11,073
Balance at 31 December 2016	於二零一六年十二月三十一日的結餘	108,209	1,021,270	238,055	(929,581)	437,953
Balance at 1 January 2017	於二零一七年一月一日的結餘	108,209	1,021,270	238,055	(929,581)	437,953
Changes in equity for 2017:	於二零一七年的權益變動：					
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	-	-	(427,463)	(427,463)
Issuance of shares (Note 29(c)(iii))	發行股份(附註29(c)(iii))	10,404	252,482	-	-	262,886
Purchase of own shares (Note 29(c)(iii))	購入自身股份(附註29(c)(iii))					
- par value paid	- 已付面值	(635)	-	-	-	(635)
- premium paid	- 已付溢價	-	(8,205)	-	-	(8,205)
Effect on equity arising from disposal of subsidiaries	出售附屬公司對股權的影響	-	-	(226,982)	226,982	-
Shares granted under the share option scheme (Note 26)	根據購股權計劃授出的股份(附註26)	-	-	31,500	-	31,500
Balance at 31 December 2017	於二零一七年十二月三十一日的結餘	117,978	1,265,547	42,573	(1,130,062)	296,036

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29 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(b) Dividends

- (i) Dividends payable to equity shareholders of the Company attributable to the year

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: RMBNil).

- (ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the year

The directors of the Company did not recommend the payment of a dividend for the year ended 31 December 2016 (2015: RMBNil).

(c) Share capital

(i) Issued share capital

Authorised:
Ordinary shares of USD0.01 each

法定：
每股面值0.01美元之普通股

Ordinary shares of USD0.01 each, issued and fully paid:

已發行及已繳足股款的每股面值0.01美元之普通股：

At 1 January	於一月一日
Shares issued (Note 29(c)(ii))	已發行股份(附註29(c)(ii))
Shares repurchased (Note 29(c)(iii))	已購回股份(附註29(c)(iii))
At 31 December	於十二月三十一日

29 資本、儲備及股息(續)

(b) 股息

- (i) 應付本公司權益股東應佔本年度的股息

本公司董事不建議派付截至二零一七年十二月三十一日止年度之末期股息(二零一六年：人民幣零元)。

- (ii) 於本年度批准之應付本公司權益股東應佔上一財政年度的股息

本公司董事不建議派付截至二零一六年十二月三十一日止年度之股息(二零一五年：人民幣零元)。

(c) 股本

(i) 已發行股本

2017 二零一七年		2016 二零一六年	
No. of shares 股份數目 '000 千股	USD'000 千美元	No. of shares 股份數目 '000 千股	USD'000 千美元
5,000,000	50,000	5,000,000	50,000

2017 二零一七年		2016 二零一六年	
No. of shares 股份數目 '000 千股	RMB'000 人民幣千元	No. of shares 股份數目 '000 千股	RMB'000 人民幣千元
1,671,615	108,209	1,532,727	98,557
151,515	10,404	138,888	9,652
(9,621)	(635)	-	-
1,813,509	117,978	1,671,615	108,209

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29 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Share capital (continued)

- (ii) On 12 December 2016, the Company entered into a placing agreement with a placing agent, pursuant to which the Company agreed to place, through the placing agent, a maximum of 291,218,000 new shares to independent placees at a price of HK\$1.98 per share. A placee subscribed for 138,888,000 shares in the Company in December 2016.

On 6 January 2017, another placee, namely Beijing Enterprises Real Estate (HK) Limited, subscribed for 151,515,000 shares in the Company. USD1,515,000 (equivalent to approximately RMB10,404,000) of the proceeds was credited to the Company's share capital. The remaining proceeds, net of transaction costs, of USD36,769,000 (equivalent to approximately RMB252,482,000) were credited to the Company's share premium account.

(iii) Purchase of own shares

During the year, the Company repurchased its own ordinary shares on the Stock Exchange as follows:

Month/year	年份/月份	Number of shares repurchased 購回股份數目	Highest price paid per share 已付每股最高價格 HK\$	Lowest price paid per share 已付每股最低價格 HK\$	Aggregate price paid 合共 已付價格 HK\$'000
September 2017	二零一七年九月	7,811,000	1.13	1.05	8,482
October 2017	二零一七年十月	1,810,000	1.10	1.08	1,972
		9,621,000			10,454

29 資本、儲備及股息(續)

(c) 股本(續)

- (ii) 於二零一六年十二月十二日，本公司與一名配售代理訂立配售協議，據此，本公司同意透過該配售代理配售最多291,218,000股新股份予獨立承配人，價格為每股1.98港元。一名承配人於二零一六年十二月認購138,888,000股本公司股份。

於二零一七年一月六日，另一名承配人(即北控置業(香港)有限公司)認購本公司151,515,000股股份。所得款項1,515,000美元(約等於人民幣10,404,000元)已計入本公司的股本。餘下所得款項(扣除交易成本)36,769,000美元(約等於人民幣252,482,000元)已計入本公司的股份溢價賬目。

(iii) 購入自身股份

於本年度內，本公司已於聯交所購回其自身普通股如下：

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29 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(c) Share capital (continued)

(iii) Purchase of own shares (continued)

The repurchased shares were cancelled and accordingly the issued share capital of the Company was reduced by the nominal value of these ordinary shares of USD96,210 (equivalent to approximately RMB635,000). The premium paid on the repurchase of the ordinary shares of HK\$9,701,000 (equivalent to approximately RMB8,205,000) was charged to share premium directly.

(d) Nature and purpose of reserves

(i) Share premium

The application of the share premium account is governed by Section 34 of the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands.

(ii) Capital reserve

Capital reserve comprises the follow:

- the portion of the grant date fair value of unexercised share options granted to directors of the Company and employees of the Group that has been recognised in accordance with the accounting policy adopted for share-based payments in Note 2(q)(ii); and
- the changes in equity arising from the group reorganisation took place in prior years. Such balance has been reclassified to the Group's accumulated losses upon the disposal of the Group's subsidiaries mentioned in Note 8.

29 資本、儲備及股息(續)

(c) 股本(續)

(iii) 購入自身股份(續)

購回股份已經註銷，因此本公司已發行股本已減去此等普通股之面值96,210美元(約等於人民幣635,000元)。購回普通股之已付溢價9,701,000港元(約等於人民幣8,205,000元)已直接列賬於股份溢價。

(d) 儲備之性質及目的

(i) 股份溢價

動用股份溢價賬受開曼群島法例第22章公司法(一九六一年第三項法例，經綜合及修訂)第34條監管。

(ii) 資本儲備

資本儲備包括下列者：

- 已根據附註2(q)(ii)所述就以股份為基礎之付款採納的會計政策確認的授予本公司董事及本集團僱員的未行使購股權於授出日期的公平值部分；及
- 於過往年度進行集團重組產生的權益變動。該結餘於附註8所述出售本集團附屬公司後已重新分類至本集團累計虧損。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

29 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(d) Nature and purpose of reserves (continued)

(iii) Surplus reserves

In accordance with the articles of association of the subsidiaries of the Group established in the PRC (excluding Hong Kong), these subsidiaries were required to set up certain statutory reserves and discretionary surplus reserves, which were non-distributable. The transfers of these reserves are at discretion of the directors of the respective subsidiaries. The surplus reserves are utilised for predetermined means upon approval by the relevant authority. Balances related to the Group's subsidiaries disposed of during the year have been reclassified to the Group's accumulated losses.

(iv) Other reserve

The balance of other reserve comprises the difference between the consideration paid and the carrying values of the non-controlling interests acquired by the Group in prior years.

(e) Capital 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 equity 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.

29 資本、儲備及股息(續)

(d) 儲備之性質及目的(續)

(iii) 盈餘儲備

根據本集團於中國(不包括香港)成立的附屬公司的組織章程細則，該等附屬公司須設立若干法定儲備及任意盈餘儲備，該等儲備為不可作分派。該等儲備可按各自附屬公司董事的指示進行轉讓。經相關機構批准後，盈餘儲備按預定的方式予以動用。與本集團於年內出售附屬公司有關之結餘已重新分類至本集團累計虧損。

(iv) 其他儲備

其他儲備的結餘包括已付代價與本集團於過往年度所獲得的非控股權益的賬面值之間的差額。

(e) 資本管理

本集團在資本管理上的首要目的是保障本集團能夠持續經營，從而通過與風險水平相應的產品及服務定價以及獲得合理成本的融資繼續為本公司權益股東提供回報及為其他利益相關者謀求利益。

本集團積極及定期檢討及管理其資本結構，以在盡量提高權益股東回報及借貸水平上升之間，以及在穩健的資本狀況的優勢與安全性之間維持平衡，此外亦會就經濟情況改變而調整其資本結構。

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

29 CAPITAL, RESERVES AND DIVIDENDS (CONTINUED)

(e) Capital management (continued)

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes bank and other loans, secured notes, convertible bonds, and trade and other payables) plus unaccrued proposed dividends, if any, less cash and cash equivalents, pledged deposits and proceeds receivable for issuance of shares. Adjusted capital comprises all components of equity, less unaccrued proposed dividends, if any.

During 2017, the Group continued to make efforts to improve the adjusted net debt-to-capital ratio. In order to maintain or adjust the ratio, the Group may issue new shares, raise new debt financing or sell assets to reduce debt.

The Group's adjusted net debt-to-capital ratio at 31 December 2017 and 2016 was as follows:

Current liabilities:	流動負債：		
Trade and other payables	貿易及其他應付款項	22	
Bank and other loans	銀行及其他貸款	23(a)	
Secured notes	有抵押票據	24	
Convertible bonds	可換股債券	25	
Non-current liabilities:	非流動負債：		
Convertible bonds	可換股債券	25	
Total debt	總債務		
Less: cash and cash equivalents	減：現金及現金等值項目	21	
Less: pledged bank deposits	減：抵押銀行存款		
Less: proceeds receivable for issuance of shares	減：應收發行股份的所得款項	19	
Adjusted net (assets)/debt	經調整(資產)/債務淨額		
Total equity	權益總額		
Adjusted net debt-to-capital ratio	經調整淨負債對資本比率		

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

29 資本、儲備及股息(續)

(e) 資本管理(續)

本集團按經調整淨負債對資本比率基準監察其資本結構。就此目的，經調整淨負債界定為總負債(包括銀行及其他貸款、有抵押票據、可換股債券及貿易及其他應付款項)加非應計擬分派股息(如有)，減現金及現金等值項目、抵押存款及應收發行股份的所得款項。經調整資本包括權益之所有組成部分減非應計擬分派股息(如有)。

於二零一七年，本集團繼續提高經調整淨負債對資本比率。為了維持或調整該比率，本集團可發行新股份、籌集新債務融資或出售資產以削減債務。

本集團於二零一七年及二零一六年十二月三十一日之經調整淨負債對資本比率如下：

Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	34,096	159,511
	-	195,665
	-	141,161
	-	115,976
	34,096	612,313
	85,075	-
	119,171	612,313
	(392,994)	(90,002)
	(30)	(461)
	-	(246,352)
	(273,853)	275,498
	332,398	86,613
	N/A	318%

本公司或其附屬公司毋須受外部施加的資本規定所規限。

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財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The Group's credit risk is primarily attributable to trade and other receivables. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade and other receivables, individual credit evaluations are performed on all customers and debtors requiring credit over a certain amount. These evaluations focus on the customer's and debtor's past history of making payments when due and current ability to pay, and take into account information specific to the customer and debtor as well as pertaining to the economic environment in which the customer and debtor operates. For trade receivables arising from the Group's e-commerce business, cash before delivery is generally required for all customers. Trade receivables arising from the Group's digital point business are generally due within three months from the date of billings. Trade receivables arising from the Group's axle business are generally due within three to four months from the date of billings. Normally, the Group does not obtain collateral from customers and debtors.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer or debtor rather than the industry in which the customers and debtors operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At 31 December 2017, 66.6% (2016: 29.4%) and 99.3% (2016: 84.0%) of the total trade and bills receivables was due from the Group's largest trade debtor and the five largest trade debtors, respectively.

30 財務風險管理及金融工具的公平值

本集團於日常業務過程中產生信貸、流動資金、利率及貨幣風險。

本集團所承受風險及本集團為管理該等風險採用之財務風險管理政策及慣常做法闡述如下。

(a) 信貸風險

本集團的信貸風險主要來自貿易及其他應收款項。管理層設有信貸政策，並會持續監控該等信貸風險。

就貿易及其他應收款項而言，本集團對要求信貸超過一定金額的所有客戶及債務人進行信貸評估。該等評估集中於客戶及債務人過往繳付到期款項的記錄及現時還款能力，並會考慮客戶及債務人的具體資料及客戶及債務人經營所在地的經濟環境。就本集團的電子商貿業務所產生的貿易應收款項而言，本集團一般要求所有客戶於交付前支付現金。本集團數字積分業務所產生的貿易應收款項通常自票據日期起三個月內到期。本集團車橋業務所產生的貿易應收款項通常自票據日期起三至四個月內到期。一般而言，本集團不會向客戶及債務人收取抵押品。

本集團的信貸風險主要受各客戶或債務人的個別情況所影響，而非受客戶及債務人經營所在行業或國家影響，故本集團的重大信貸集中風險主要在本集團面對重大個別客戶風險時產生。於二零一七年十二月三十一日，貿易應收款項及應收票據總額的66.6% (二零一六年：29.4%) 及99.3% (二零一六年：84.0%) 分別為應收本集團最大貿易債務人及五大貿易債務人的款項。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Credit risk (continued)

Except for the financial guarantees given by the Group as set out in Note 28, the Group does not provide any other guarantees which would expose the Group to credit risk.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in Note 19.

(b) Liquidity risk

The treasury function is centrally managed by the Group, which includes the short term investment of cash surpluses and the raising of loans to cover expected cash demands. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

30 財務風險管理及金融工具的公平值(續)

(a) 信貸風險(續)

除附註28載列的本集團作出的財務擔保外，本集團並無提供任何令本集團承受信貸風險的其他擔保。

有關本集團就貿易及其他應收款項所面對信貸風險的其他量化披露資料載於附註19。

(b) 流動資金風險

庫務功能由本集團中央管理，包括現金盈餘的短期投資，以及籌集貸款以滿足預期現金需求。本集團的政策是要定期監察流動資金需求及貸款契諾的遵行情況，以確保維持足夠現金儲備，獲主要金融機構承諾提供充裕的融資額度，從而應付短期及長期流動資金需要。

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30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (continued)

The following table shows the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest dates the Group can be required to pay.

Trade and other payables measured at amortised cost	按攤銷成本計量的貿易及其他應付款項
Convertible bonds – liability components	可換股債券 – 負債部分

30 財務風險管理及金融工具的公平值(續)

(b) 流動資金風險(續)

下表列示本集團於報告期末按合約未貼現現金流量(包括使用合約利率或(如屬浮息)於報告期末的現時利率計算的利息付款)計算的非衍生金融負債的剩餘合約期限，以及本集團須償還有關款項的最早日期。

2017 二零一七年			
Contractual undiscounted cash outflow			
Within 1 year or on demand 一年內或按要求 RMB'000 人民幣千元	More than 1 year but less than 2 year 一年以上但兩年以下 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
27,686	-	27,686	27,686
8,494	69,589	78,083	59,031
36,180	69,589	105,769	86,717

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30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(b) Liquidity risk (continued)

Trade and other payables measured at amortised cost	按攤銷成本計量的貿易及其他應付款項
Bank and other loans	銀行及其他貸款
Secured notes	有抵押票據
Convertible bonds – liability components	可換股債券 – 負債部分

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest bearing borrowings. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively.

30 財務風險管理及金融工具的公平值(續)

(b) 流動資金風險(續)

2016 二零一六年 Contractual undiscounted cash outflow 合約未折現現金流出	Carrying amount 賬面值
Within 1 year or on demand 一年內 或按要求 RMB'000 人民幣千元	RMB'000 人民幣千元
98,802	98,802
206,680	195,665
147,758	141,161
82,897	67,035
536,137	502,663

(c) 利率風險

本集團的利率風險主要源自計息借款。浮動利率及固定利率借款分別使本集團承受現金流量利率風險及公平值利率風險。

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30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk (continued)

(i) Interest rate profile

The following table details the interest rate profile of the Group's borrowings at the end of the reporting period.

30 財務風險管理及金融工具的公平值(續)

(c) 利率風險(續)

(i) 利率概況

下表詳述本集團於報告期末的借款利率概況。

	2017 二零一七年		2016 二零一六年	
	Effective interest rate 實際利率 %	RMB'000 人民幣千元	Effective interest rate 實際利率 %	RMB'000 人民幣千元
Fixed rate borrowings: 固定利率借款：				
Bank and other loans 銀行及其他貸款	-	-	0% ~ 13.0%	128,265
Secured notes 有抵押票據	-	-	15.33%	141,161
Convertible bonds – liability components 可換股債券－負債部分	22.44%	59,031	18.8%	67,035
		59,031		336,461
Variable rate borrowings: 浮動利率借款：				
Bank and other loans 銀行及其他貸款	-	-	5.49% ~ 6.65%	67,400
Total borrowings 借款總額		59,031		403,861
Fixed rate borrowings as a percentage of total borrowings 固定利率借款佔借款總額百分比		100%		83%

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30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(c) Interest rate risk (continued)

(ii) Sensitivity analysis

At 31 December 2017, it is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's loss after tax and accumulated losses by approximately RMBNil (2016: RMB674,000).

The sensitivity analysis above indicates the instantaneous change in the Group's loss after tax and accumulated losses assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those non-derivative financial instruments held by the Group which expose the Group to cash flow interest rate risk at the end of the reporting period. The impact on the Group's loss after tax and accumulated losses is estimated as an annualised impact on interest expenses of such a change in interest rates. The analysis is performed on the same basis as 2016.

(d) Currency risk

The Group is exposed to currency risk primarily through sales, purchases and borrowings which give rise to receivables, payables, loans and cash balances 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 this risk are primarily USD and HK\$. The Group manages this risk as follows:

(i) Recognised assets and liabilities

In respect of receivables, payables and borrowings denominated in foreign currencies, the Group ensures 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.

30 財務風險管理及金融工具的公平值(續)

(c) 利率風險(續)

(ii) 敏感度分析

於二零一七年十二月三十一日，在所有其他變量維持不變之情況下，據估計，倘利率整體上升/下降100個基點，本集團之除稅後虧損及累計虧損將增加/減少約人民幣零元(二零一六年：人民幣674,000元)。

以上敏感度分析假設利率變動已於報告期末發生，並已應用匯率變動重新計量本集團所持令本集團於報告期末面對現金流利率風險的該等非衍生金融工具，表示本集團除稅後虧損及累計虧損的即時變動。估計對本集團的除稅後虧損及累計虧損的影響為對利率變動的利息開支的年度影響。分析按與二零一六年所用之相同基準進行。

(d) 貨幣風險

本集團面對主要因買賣及借貸以外幣(即與交易有關業務功能貨幣以外的貨幣)結算的應收款項、應付款項、貸款及現金結餘產生貨幣風險。導致該風險的貨幣主要為美元及港元。本集團按以下方式管理該風險：

(i) 已確認資產及負債

就以外幣計值的應收款項、應付款項及借款而言，本集團透過解決短期不平衡狀況的需要按現貨買賣外幣的方式，確保維持其承受的風險於可接受水平。

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30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk (continued)

(ii) Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in RMB, translated using the spot rate at the end of the reporting period.

Cash and cash equivalents	現金及現金等值項目
Trade and other receivables	貿易及其他應收款項
Trade and other payables	貿易及其他應付款項
Secured notes	有抵押票據
Convertible bonds	可換股債券
Gross exposure arising from recognised assets and liabilities	已確認資產及負債產生的風險總額

30 財務風險管理及金融工具的公平值(續)

(d) 貨幣風險(續)

(ii) 面臨的貨幣風險

下表詳述本集團於報告期末因以有關實體功能貨幣以外之貨幣列值的已確認資產或負債而產生的貨幣風險。為了進行列報，有關風險金額採用報告期末即期匯率折算，以人民幣列示。

2017 二零一七年		2016 二零一六年	
USD 美元	HK\$ 港元	USD 美元	HK\$ 港元
RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
35,755	200,707	74,103	10,830
-	32,792	72	246,469
-	(903)	(2,105)	(13,696)
-	-	(141,161)	-
(85,075)	-	(115,976)	-
(49,320)	232,596	(185,067)	243,603

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk (continued)

(iii) Sensitivity analysis

The following table indicates the instantaneous change in the Group's loss after tax and accumulated losses that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

USD	美元
HK\$	港元

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the Group entities' loss after tax and accumulated losses measured in the respective functional currencies, translated into RMB at the exchange rates ruling at the end of the reporting period for presentation purposes.

30 財務風險管理及金融工具的公平值(續)

(d) 貨幣風險(續)

(iii) 敏感性分析

下表列示假設所有其他風險變數維持不變，本集團於報告期末因匯率改變而面對的重大風險對本集團除稅後虧損及累計虧損產生的即時變動。

2017 二零一七年		2016 二零一六年	
Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in loss after tax and accumulated losses	Increase/ (decrease) in foreign exchange rates	Increase/ (decrease) in loss after tax and accumulated losses
匯率上升/ (下降)	除稅後虧損 及累計虧損 增加/(減少)	匯率上升/ (下降)	除稅後虧損 及累計虧損 增加/(減少)
	RMB'000 人民幣千元		RMB'000 人民幣千元
5%	2,466	5%	9,303
(5%)	(2,466)	(5%)	(9,303)
5%	(11,630)	5%	(12,180)
(5%)	11,630	(5%)	12,180

上表分析結果為對本集團各實體按相關功能貨幣計量的除稅後虧損及累計虧損各自的即時影響總額，並就呈列按於報告期末的匯率換算為人民幣。

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(d) Currency risk (continued)

(iii) Sensitivity analysis (continued)

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to re-measure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currencies of the lender or the borrower. The analysis is performed on the same basis for 2016.

(e) Fair value measurement

**(i) Financial assets and liabilities measured at fair value
Fair value hierarchy**

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

30 財務風險管理及金融工具的公平值(續)

(d) 貨幣風險(續)

(iii) 敏感性分析(續)

敏感性分析假設已應用匯率變動重新計量本集團所持令本集團於報告期末面對外匯風險的該等金融工具，包括本集團公司間以貸方或借方功能貨幣以外之貨幣結算的應付款及應收款。上述分析與二零一六年採用準則相同。

(e) 公平值計量

(i) 以公平值計量的金融資產和負債

公平值等級

下表呈列於報告期末以經常性基準計量的金融工具公平值，按香港財務報告準則第13號公平值計量所界定公平值等級分為三個等級。公平值等級計量的分類根據估值技術使用的輸入數據可否觀察及重要與否釐定，載列如下：

- 第一級估值：僅利用第一級輸入數據，即相同資產或負債於計量日期在活躍市場的未經調整報價計量公平值。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued) Fair value hierarchy (continued)

- Level 2 valuations: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

Recurring fair value measurement

Financial liabilities

- Derivative components of convertible bonds (Note 25)

經常性公平值計量

金融負債

- 可換股債券的衍生工具部分 (附註25)

During the years ended 31 December 2017 and 2016, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

30 財務風險管理及金融工具的公平值(續)

(e) 公平值計量(續)

(i) 以公平值計量的金融資產和負債(續)

公平值等級(續)

- 第二級估值：利用第二級輸入數據(即除第一級報價外的可觀察輸入數據)且不使用重要不可觀察輸入數據計量公平值。不可觀察輸入數據指無法從市場數據取得的輸入數據。
- 第三級估值：利用重要不可觀察輸入數據計量公平值。

Fair value measurements categorised into Level 3 分類為三個等級的公平值計量

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
26,044	48,941

於截至二零一七年及二零一六年十二月三十一日止年度，第一級與第二級之間並無轉撥或並無從第三級轉入或轉出。本集團之政策乃為於等級所產生的報告期末確認公平值等級之間之轉移。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Information about Level 3 fair value measurements

Derivative components of convertible bonds
可換股債券的衍生部分

The fair values of the conversion options embedded in the convertible bonds are determined using binomial lattice model and the significant unobservable input used in the fair value measurement is expected volatility. The fair value measurement is positively correlated to the expected volatility. As at 31 December 2017, it is estimated that with all other variables held constant, an increase in the expected volatility by 5% would have increased the Group's net loss by RMB951,000 (2016: RMB812,000), whereas a decrease in the expected volatility by 5% would have decreased the Group's net loss by RMB1,125,000 (2016: RMB544,000).

30 財務風險管理及金融工具的公平值(續)

(e) 公平值計量(續)

(i) 以公平值計量的金融資產和負債(續)

有關第三級公平值計量的資料

Valuation technique	Significant unobservable input 重大不可觀察輸入數據	Weighted average
估值技術	觀察輸入數據	加權平均
Binomial lattice model 二項式點陣法模式	Expected volatility 預期波幅	53.97%

可換股債券嵌入的換股權的公平值乃採用二項式點陣模式釐定，而公平值計量所用之重大不可觀察輸入數據為預期波幅。公平值計量與預期波幅呈正相關關係。於二零一七年十二月三十一日，倘所有其他變數維持不變，預期波幅上升5%將導致本集團虧損淨額增加人民幣951,000元(二零一六年：人民幣812,000元)，而預期波幅下降5%將導致本集團的虧損淨額減少人民幣1,125,000元(二零一六年：人民幣544,000元)。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued) Information about Level 3 fair value measurements (continued)

The movements during the year in the balance of Level 3 fair value measurements are as follows:

Derivative components of convertible bonds:	可換股債券的衍生工具部分：
At 1 January	於一月一日
Addition through issuance of convertible bond	透過發行可換股債券添加
Changes in fair value recognised in profit or loss during the year	年內於損益確認的公平值變動
Exchange adjustments	匯兌調整
Extinguishment of convertible bonds	清償可換股債券
At 31 December	於十二月三十一日

30 財務風險管理及金融工具的公平值(續)

(e) 公平值計量(續)

(i) 以公平值計量的金融資產和負債(續)

有關第三級公平值計量的資料(續)

第三級公平值計量結餘的年內變動如下：

	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
	48,941	20,981
	27,449	-
	(32,401)	26,586
	(1,625)	1,374
	(16,320)	-
	26,044	48,941

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurement (continued)

(ii) Fair values of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values at 31 December 2017 except for the following financial instruments, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

Liabilities	負債
Secured notes (Note (i))	有抵押票據(附註(i))
Convertible bonds	可換股債券
– liability components (Note (i))	– 負債部分(附註(i))

30 財務風險管理及金融工具的公平值(續)

(e) 公平值計量(續)

(ii) 並非按公平值列賬的金融資產及負債的公平值

於二零一七年十二月三十一日，本集團按成本或攤銷成本列賬的金融工具賬面值與其公平值並無重大差異，惟以下金額工具除外，其賬面值及公平值及公平值等級披露如下：

2017 二零一七年		2016 二零一六年	
Carrying amount	Fair value measurements categorised into Level 3 at 31 December	Carrying amount	Fair value measurements categorised into Level 3 at 31 December
賬面值 RMB'000 人民幣千元	於十二月三十一日分類為第三級的公平值計量 RMB'000 人民幣千元	賬面值 RMB'000 人民幣千元	於十二月三十一日分類為第三級的公平值計量 RMB'000 人民幣千元
-	-	141,161	136,075
59,031	58,758	67,035	62,398

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

30 FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(e) Fair value measurement (continued)

(ii) Fair values of financial assets and liabilities carried at other than fair value (continued)

Note (i): Valuation techniques and inputs used in Level 3 fair value measurements

Secured notes and convertible bonds-liability components

The fair values are estimated as being the present value of future cash flows, discounted at current market interest rates for similar financial instruments.

The Group used the risk free interest rate with reference to the Hong Kong government bonds and treasury bills as of 31 December 2017 plus credit spread of comparable notes with similar credit rating, coupons and maturities to discount the secured notes and the liability components of the convertible bonds as of 31 December 2017. The interest rates used are as follows:

Secured notes	有抵押票據
Convertible bonds	可換股債券－負債部分
– liability components	

31 COMMITMENTS

(a) Capital commitments

At 31 December 2017, the outstanding capital commitments of the Group not provided for in the consolidated financial statements were summarised as follows:

Commitment in respect of investment in a subsidiary – Contracted for	有關投資於一間附屬公司的承擔－已訂約
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30 財務風險管理及金融工具的公平值(續)

(e) 公平值計量(續)

(ii) 並非按公平值列賬的金融資產及負債的公平值(續)

附註(i): 第三級公平值計量所用的估價技術及輸入數據

有抵押票據及可換股債券－負債部分

公平值按類似金融工具的現行市場利率折現的未來現金流量現值進行估計。

本集團參考香港政府債券及國庫券於二零一七年十二月三十一日的無風險利率加信用評級、票面息率及年期類似的可資比較票據的信貸息差，將於二零一七年十二月三十一日有抵押票據及可換股債券的負債部分折現。所採用的利率如下：

2017 二零一七年	2016 二零一六年
-	21.71%
22.79%	23.71%

31 承擔

(a) 資本承擔

於二零一七年十二月三十一日，未於綜合財務報表撥備的本集團未償付資本承擔如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
-	100,000

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

31 COMMITMENTS (CONTINUED)

(b) Operating lease commitments

At 31 December 2017, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

Within 1 year	1年內
After 1 year but within 5 years	超過1年但少於5年

The Group leases certain office premises under operating leases. None of the leases includes contingent rentals.

32 MATERIAL RELATED PARTY TRANSACTIONS

In addition to the balances disclosed elsewhere in these financial statements, the material related party transactions entered into by the Group during the year are set out below.

(a) Transactions with the equity shareholders of the Company

Details of guarantee provided by the equity shareholder of the Company for the Group's secured notes and convertible bonds are set out in Notes 24 and 25.

31 承擔(續)

(b) 經營租賃承擔

於二零一七年十二月三十一日，根據不可撤銷經營租賃應付的未來最低租金總額如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
15,685	6,016
17,266	9,397
32,951	15,413

本集團根據經營租賃租用若干辦公室物業。該等租賃概不包括或然租金。

32 重大關聯方交易

除該等財務報表他處披露的結餘外，由本集團於年內訂立的重大關聯方交易如下。

(a) 與本公司權益股東進行的交易

本公司權益股東就本集團有抵押票據及可換股債券提供的擔保的詳情載於附註24及25。

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

32 MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the directors of the Company as disclosed in Note 10 and certain of the highest paid employees as disclosed in Note 11, is as follows:

Short-term employee benefits	短期僱員福利
Contributions to defined contribution retirement plans	向界定供款退休計劃供款
Equity-settled share-based payment expenses (Note 26)	權益結算以股份為基礎之付款開支 (附註26)

32 重大關聯方交易(續)

(b) 關鍵管理人員薪酬

關鍵管理人員薪酬(包括附註10所披露支付予本公司董事的金額及附註11所披露若干最高薪酬僱員)如下：

2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
4,888	5,610
67	86
19,314	6,228
24,269	11,924

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

33 THE COMPANY'S STATEMENT OF FINANCIAL POSITION

		Note 附註	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	3,470	–
Investments in subsidiaries	於附屬公司的投資		40,113	92,441
Loans to a subsidiary	貸款予一間附屬公司		42,440	332,976
			86,023	425,417
Current assets	流動資產			
Amounts due from subsidiaries	應收附屬公司款項		39,539	28,748
Other receivables	其他應收款項		32,755	246,824
Cash and cash equivalents	現金及現金等值項目		226,624	23,876
			298,918	299,448
Current liabilities	流動負債			
Amounts due to subsidiaries	應付附屬公司款項		149	18,640
Other payables	其他應付款項		3,681	11,135
Secured notes	有抵押票據	24	–	141,161
Convertible bonds	可換股債券	25	–	115,976
			3,830	286,912
Net current assets	淨流動資產		295,088	12,536
Total assets less current liabilities	總資產減流動負債		381,111	437,953
Non-current liability	非流動負債			
Convertible bonds	可換股債券	25	85,075	–
NET ASSETS	淨資產		296,036	437,953
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	29	117,978	108,209
Reserves	儲備		178,058	329,744
TOTAL EQUITY	總權益		296,036	437,953

Approved and authorised for issue by the board of directors on 19 March 2018.

由董事會於二零一八年三月十九日批准及授權刊發。

Cheng Jerome
Director (Chairman)

Yuan Weitao
Director

Cheng Jerome
董事(主席)

袁偉濤
董事

Notes to the Financial Statements

財務報表附註

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

34 IMMEDIATE AND ULTIMATE HOLDING COMPANY

The directors of the Company consider the immediate and ultimate holding company of the Company at 31 December 2017 to be Century Investment, which is incorporated in the British Virgin Islands. This entity does not produce financial statements available for public use.

35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

34 直接及最終控股公司

本公司董事認為，於二零一七年十二月三十一日，本公司的直接及最終控股公司為Century Investment，該公司於英屬處女群島註冊成立。該實體並無編製可供公眾使用的財務報表。

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響

截至本財務報表刊發日期為止，香港會計師公會已發佈於截至二零一七年十二月三十一日止年度尚未生效的若干修訂及新訂準則，其在本財務報表內尚未採用。該等準則包括下列可能與本集團有關的準則。

	Effective for accounting periods beginning on or after 於下列日期或之後開始的 年度期間生效
HKFRS 9, <i>Financial instruments</i> 香港財務報告準則第9號，金融工具	1 January 2018 二零一八年一月一日
HKFRS 15, <i>Revenue from contracts with customers</i> 香港財務報告準則第15號，來自客戶合約之收入	1 January 2018 二零一八年一月一日
Amendments to HKFRS 2, <i>Share-based payment: Classification and measurement of share-based payment transactions</i> 香港財務報告準則第2號(修訂本)，以股份為基礎之付款： 以股份為基礎之付款交易分類及計量	1 January 2018 二零一八年一月一日
HK(IFRIC) 22, <i>Foreign currency transactions and advance consideration</i> 香港(國際財務報告詮釋委員會)第22號，外幣交易與預收付對價	1 January 2018 二零一八年一月一日
HKFRS 16, <i>Leases</i> 香港財務報告準則第16號，租賃	1 January 2019 二零一九年一月一日

(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 9 and HKFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ending 30 June 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that financial report.

HKFRS 9, Financial instruments

HKFRS 9 will replace the current standard on accounting for financial instruments, HKAS 39, *Financial instruments: Recognition and measurement*. HKFRS 9 introduces new requirements for classification and measurement of financial assets, including the measurement of impairment for financial assets and hedge accounting. On the other hand, HKFRS 9 incorporates without substantive changes the requirements of HKAS 39 for recognition and derecognition of financial instruments and the classification and measurement of financial liabilities.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to use the exemption from restating comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018.

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響 (續)

本集團正在評估預期這些的修訂、新訂準則及詮釋於首次應用期間的影響。迄今為止本集團已識別新訂準則的若干方面可能對綜合財務報表造成重大影響。有關預期影響的進一步詳情於下文論述。雖然有關香港財務報告準則第9號及香港財務報告準則第15號的評估已經大致完成，但該等準則於首次採納時的實際影響可能不同，原因是至今完成的評估乃基於本集團現時可得資料作出，而進一步影響可能於該等準則本集團截至二零一八年六月三十日止六個月的中期財務報告首次應用前確認。本集團亦可能改變其會計政策選擇，包括過渡選擇，直至該等準則於該中期財務報告內首次應用為止。

香港財務報告準則第9號，財務工具

香港財務報告準則第9號將取代有關財務工具會計處理方法的現有準則香港會計準則第39號*財務工具：確認及計量*。香港財務報告準則第9號引入分類及計量金融資產的新規定，包括計量金融資產減值及對沖會計。另一方面，香港財務報告準則第9號納入香港會計準則第39號有關確認及終止確認財務工具以及分類及計量財務負債的規定，並無作出大幅變動。

香港財務報告準則第9號於二零一八年一月一日或之後開始之年度期間追溯生效。本集團計劃採用豁免重列比較資料，並將就二零一八年一月一日之權益期初結餘確認任何過渡調整。

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 9, *Financial instruments* (continued)

Expected impacts of the new requirements on the Group's financial statements are as follows:

(a) Classification and measurement

HKFRS 9 contains three principal classification categories for financial assets measured at (1) amortised cost, (2) fair value through profit or loss ("FVTPL") and (3) fair value through other comprehensive income ("FVTOCI").

The Group has assessed that its financial assets currently measured at amortised cost will continue with their respective classification and measurements upon the adoption of HKFRS 9.

The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group currently does not have any financial liabilities designated at FVTPL and therefore this new requirement will not have any impact on the Group on adoption of HKFRS 9.

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響 (續)

香港財務報告準則第9號，*財務工具* (續)

新規定對本集團財務報表的預期影響如下：

(a) 分類及計量

香港財務報告準則第9號載有三個主要金融資產分類類別：(1)以攤銷成本計量、(2)按公平值計入損益(「FVTPL」)及(3)按公平值計入其他全面收益(「FVTOCI」)。

本集團已評估其現時按攤銷成本計量的金融資產將於採納香港財務報告準則第9號後維持彼等各自之分類及計量。

與香港會計準則第39號相比，香港財務報告準則第9號下的金融負債計量和分類要求大體上未發生改變，除了香港財務報告準則第9號要求，歸屬於該金融負債信用風險變動的、指定歸為FVTPL類的金融負債的公平值變動，在其他綜合收益中確認(不重新分類至損益)。本集團當前不擁有任何歸為FVTPL類的金融負債，因此，該新要求不會對本集團採用香港財務報告準則第9號產生任何影響。

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35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 9, *Financial instruments* (continued)

(b) Impairment

The new impairment model in HKFRS 9 replaces the “incurred loss” model in HKAS 39 with an “expected credit loss” model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group expects that the application of the expected credit loss model may result in earlier recognition of credit losses. Based on a preliminary assessment for financial assets as at 31 December 2017, if the Group were to adopt the new impairment requirements at 31 December 2017, accumulated impairment loss at that date would be the same as compared with that recognised under HKAS 39. As a consequence, the Group does not expect the new standard will have a significant impact on the opening balances of net assets and retained profits at 1 January 2018.

HKFRS 15, *Revenue from contracts with customers*

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18, *Revenue*, which covers revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specifies the accounting for revenue from construction contracts.

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響 (續)

香港財務報告準則第9號，*財務工具* (續)

(b) 減值

香港財務報告準則第9號之新減值模式以「預期信貸虧損」模式取代香港會計準則第39號之「已產生虧損」模式。根據預期信貸虧損模式，其將不再需要在確認減值虧損前發生虧損事件。相反，一間實體須確認並計量12個月之預期信貸虧損或可使用年期內之預期信貸虧損，惟視乎資產、事實及情況而定。本集團預期應用預期信貸虧損模式將導致提前確認信貸虧損。根據就金融資產於二零一七年十二月三十一日之初步評估，倘本集團於二零一七年十二月三十一日採納新減值規定，於該日之累計減值虧損與按香港會計準則第39號予以確認之累計減值虧損相信。因此，本集團預期新準則將不會對於二零一八年一月一日資產淨值及保留溢利之期初結餘有重大影響。

香港財務報告準則第15號，*來自客戶合約之收入*

香港財務報告準則第15號建立了確認與客戶的合約產生的收入的全面框架。香港財務報告準則第15號將取代現有收入準則，即香港會計準則第18號收入（涵蓋銷售貨物及提供服務所產生的收入）及香港會計準則第11號建設合約（訂明建設合約收入的會計處理方法）。

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(Expressed in RMB unless otherwise indicated) (除另有說明外，以人民幣列示)

35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 15, *Revenue from contracts with customers* (continued)

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

(a) Timing of revenue recognition

The Group's revenue recognition policies are disclosed in Note 2(t). Currently, revenue arising from the provision of services is recognised over time, whereas revenue from the sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

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

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響 (續)

香港財務報告準則第15號，來自客戶合約之收入 (續)

根據迄今完成之評估，本集團已識別下列領域很有可能受到影響：

(a) 確認收入的時間

本集團的收入確認政策於附註2(t)所商討。目前，提供服務產生的收入於一段時間內確認，而銷售貨品產生的收入一般於風險及所有權回報已轉移至客戶時確認。

根據香港財務報告準則第15號，收入於客戶取得合約中已約定貨物或服務的控制權時確認。香港財務報告準則第15號確認三項情況，其中已約定貨物或服務的控制權被視為時間上轉移：

- (i) 當客戶同時接收及耗用由實體的表現(由實體進行)所提供的利益時；
- (ii) 當實體的表現創造或增加一項資產(例如在建工程)時，客戶的控制權作為所創造或增加的資產；
- (iii) 當實體的表現並無創造對實體而言可替代使用的一項資產，及該實體對於迄今完成的表現具有可強制執行的付款權。

倘合約條款及實體活動並不屬於該三項情況中任何一項，則根據香港財務報告準則第15號，實體於單一時間點(即控制權轉移時)銷售該貨物或服務時確認收入。擁有權風險及回報的轉移僅於確定何時發生控制權轉移時將予考慮的指標之一。

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35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 15, *Revenue from contracts with customers* (continued)

(a) Timing of revenue recognition (continued)

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognises revenue for sale of goods and rendering of services. Meanwhile, the Group plans to elect to use the cumulative effect transition method for the adoption of HKFRS 15 and will recognise the cumulative effect of initial application (if any) as an adjustment to the opening balance of equity at 1 January 2018. As allowed by HKFRS 15, the Group plans to apply the new requirement to contracts that are not completed before 1 January 2018. Since there were no material “open” contracts for sales of goods and rendering of service at 31 December 2017, the Group does not expect the new standard will have a significant impact upon the initial adoption of HKFRS 15.

HKFRS 16, *Leases*

As disclosed in Note 2(i), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響 (續)

香港財務報告準則第15號，來自客戶合約之收入 (續)

(a) 確認收入的時間

本集團已評估新收入標準不可能對銷售貨品及提供服務所承認的方式產生重大影響。本集團計劃挑選使用累積效應過渡方法以採納香港財務報告準則第15號及將確認初次應用的累積效應(如有)為於二零一八年一月一日的期初權益結餘的調整。在香港財務報告準則第15號允許下，本集團計劃新準則僅應用於二零一八年一月一日前仍未完成的合約。由於二零一七年十二月三十一日並無銷售貨品及提供服務之重大開口合約，本集團預期新準則於採納香港財務報告準則第15號後將不會造成重大影響。

香港財務報告準則第16號，租賃

如附註2(i)所披露，本集團目前難以將租賃分類為融資租賃及經營租賃並就租賃安排入賬，取決於租賃的分類。本集團作為承租人訂立部分租賃，而其餘則以出租人訂立租賃。

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35 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 16, *Leases* (continued)

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group’s accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. As disclosed in Note 31(b), at 31 December 2017 the Group’s future minimum lease payments under non-cancellable operating leases amount to RMB32,951,000 for office premises, approximately RMB17,266,000 of which is payable between 1 and 5 years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響 (續)

香港財務報告準則第16號，*租賃* (續)

預期香港財務報告準則第16號將不會嚴重影響出租人將彼等於租約項下的權利及義務入賬的方式。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租約及經營租約。相反，受實際權益方法的規限，承租人將以與現有融資租約會計處理方法類似的方式將所有租約入賬，即於該租約開始日期，承租人將按未來最低租賃款項的現值確認及計量租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債結餘所累計的利息開支及使用權資產折舊，而非於租期內按系統基準確認根據經營租約所產生的租賃開支的現有政策。作為實際的權益方法，承租人可選擇不將此會計模式應用於短期租賃（即租期為12個月或以下）及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

香港財務報告準則第16號將主要影響本集團作為租約承租人就物業、廠房及設備（現時分類為經營租約）的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租期內於損益表確認開支的時間。誠如附註31(b)所披露，於二零一七年十二月三十一日，本集團於不可撤銷經營租約項下就辦公室物業的未來最低租賃款項將達人民幣32,951,000元，其中人民幣17,266,000元須於報告日期後一至五年內支付。因此，一旦採納香港財務報告準則第16號，若干該等款項可能須按照相應使用權資產確認為租賃負債。經考慮實際權益方法的適用性及調整現時與採納香港財務報告準則第16號之間訂立或終止的任何租約及貼現影響後，本集團將須進行更為詳細的分析以釐定於採納香港財務報告準則第16號時經營租約承擔所產生的新資產及負債的金額。

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36 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

HKFRS 16, *Leases* (continued)

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The standard offers different transition options and practical expedients, including the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. If this practical expedient is chosen, the Group will apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. If the practical expedient is not chosen, the Group will need to reassess all of its decisions about which existing contracts are, or contain, leases, using the new definition. Depending on whether the Group elects to adopt the standard retrospectively or follow a modified retrospective method of recognising a cumulative-effect adjustment to the opening balance of equity at the date of initial application, the Group may or may not need to restate comparative information for any changes in accounting resulting from the reassessment.

35 截至二零一七年十二月三十一日止年度已發佈但尚未生效的修訂、新訂準則及詮釋的潛在影響 (續)

香港財務報告準則第16號，*租賃* (續)

香港財務報告準則第16號將於二零一九年一月一日或之後開始之年度期間生效。該準則提供不同之過渡選擇及可行權宜方法，包括融入先前評估之可行權宜方法，當中現有安排為(或包含)租賃。倘選擇此可行權宜方法，本集團僅將香港財務報告準則第16號對租賃之新定義應用於首次應用日期或之後訂立之合約。倘並無選擇可行權宜方法，本集團將須使用新定義重新評估其對哪些現有合約為(或包含)租賃而作之所有決定。視乎本集團是否選擇以追溯方式採納準則，或遵從經修訂可追溯方式確認對首次應用當日權益期初結餘之累計效應調整，本集團未必需要重列因重新評估而引致任何會計變動之比較資料。

5-Year Financial Summary

五年財務摘要

		Year ended 31 December 截至十二月三十一日止年度				2017
		2013 二零一三年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元 (restated) (經重列)	2016 二零一六年 RMB'000 人民幣千元	二零一七年 RMB'000 人民幣千元
RESULTS	業績					
Revenue	收入	429,795	336,928	170,355	385,468	167,632
Loss before taxation	除稅前虧損	(227,410)	(409,202)	(631,217)	(265,879)	(152,471)
Income tax (expense) credit	所得稅(開支)抵免	(645)	270	16,264	25,512	(47,210)
Loss for the year	年內虧損	(228,055)	(408,932)	(614,953)	(240,367)	(199,681)
		At 31 December 於十二月三十一日				
		2013 二零一三年 RMB'000 人民幣千元	2014 二零一四年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元 (restated) (經重列)	2016 二零一六年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	1,581,581	1,017,913	776,118	733,837	451,569
Total liabilities	負債總額	(709,421)	(584,685)	(704,027)	(647,224)	(119,171)
Net assets	資產淨值	872,160	433,228	72,091	86,613	332,398

鑫網易商集團有限公司
FORTUNET E-COMMERCE GROUP LIMITED

