



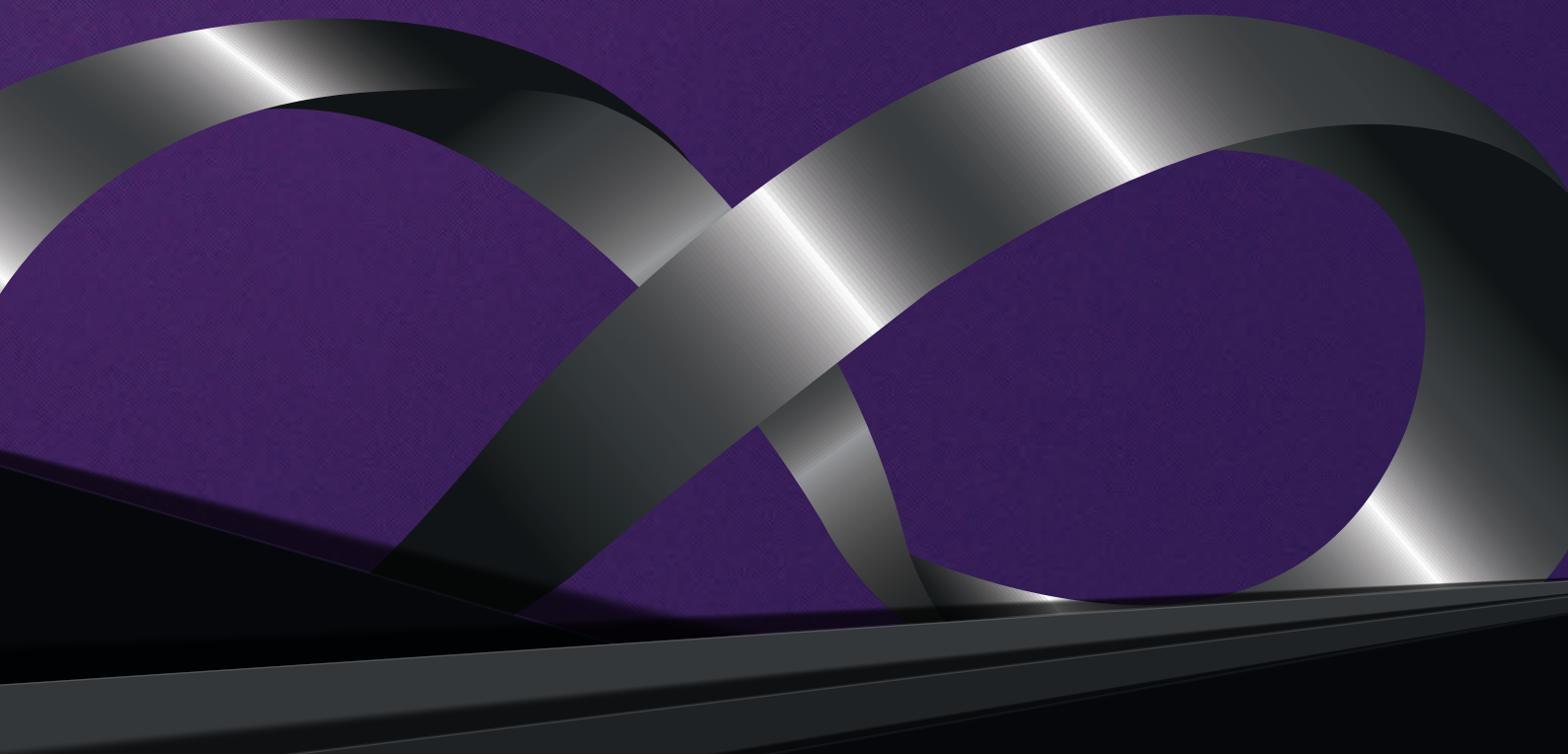
SUNCITY GROUP HOLDINGS LIMITED
太陽城集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock Code 股份編號：1383)

2017
ANNUAL REPORT
年報



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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chau Cheok Wa
Mr. Lo Kai Bong (appointed on 9 March 2017)
Mr. Au Chung On John (appointed on 31 March 2017)
Mr. Manuel Assis Da Silva (appointed on 31 March 2017)

Ms. Yeung So Lai (resigned on 31 March 2017)
Ms. Cheng Mei Ching (resigned on 31 March 2017)
Ms. Yeung So Mui (resigned on 20 July 2017)

Independent Non-Executive Directors

Mr. Tou Kin Chuen
Dr. Wu Kam Fun Roderick
Mr. Lo Wai Tung John

COMPANY SECRETARY

Mr. Tong Wing Chi

AUDITOR

Deloitte Touche Tohmatsu

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
George Town
Grand Cayman KY1-1111
The Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

3/F., Club House of Le Paysage
Buji Street
Longgang District, Shenzhen City
Guangdong Province, the People's Republic of China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1201-1202, 12/F., China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Sheung Wan
Hong Kong

董事會

執行董事

周焯華先生
盧啟邦先生（於2017年3月9日獲委任）
歐中安先生（於2017年3月31日獲委任）
Manuel Assis Da Silva先生

（於2017年3月31日獲委任）
楊素麗女士（於2017年3月31日辭任）
鄭美程女士（於2017年3月31日辭任）
楊素梅女士（於2017年7月20日辭任）

獨立非執行董事

杜健存先生
胡錦勳博士
盧衛東先生

公司秘書

唐永智先生

核數師

德勤•關黃陳方會計師行

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
George Town
Grand Cayman KY1-1111
The Cayman Islands

中華人民共和國主要營業地點

中華人民共和國廣東省
深圳市龍崗區
布吉街道
半山道1號會所3樓

香港主要營業地點

香港
上環
干諾道中168-200號
信德中心
招商局大廈12樓1201-1202室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

In Hong Kong:

DBS Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited

In the PEOPLE'S REPUBLIC OF CHINA:

China CITIC Bank

INVESTOR RELATIONS

For other information relating to the Company, please contact
Corporate Communications Department
website: www.suncitygroup.com.hk
e-mail: ir@suncitygroup.com.hk

開曼群島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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

主要往來銀行

在香港：

星展銀行(香港)有限公司
中國銀行(香港)有限公司
香港上海滙豐銀行有限公司

在中華人民共和國：

中信銀行

投資者關係

有關本公司的其他資料，請聯絡企業傳訊部

網址：www.suncitygroup.com.hk
電郵：ir@suncitygroup.com.hk

Properties Portfolio Overview

物業組合概覽

PROPERTY DEVELOPMENT BUSINESS

Completed project

Project name	Place	Site Area (m ²)	GFA (m ²)			Total	Saleable Area (m ²)	Commencement/ completion date	Interest attributable to the Group
			Residential	Shop	Others ⁽¹⁾				
Le Paysage	Shenzhen	42,233	90,053	5,890	42,180	138,123	96,953	2008/Q1-2014/Q3	100%

Properties under development/to be developed

Project name	Place	Site Area (m ²)	GFA (m ²)			Total	Saleable Area (m ²)	Commencement/ completion date	Interest attributable to the Group
			Residential	Shop	Others ⁽¹⁾				
The Landale	Chaohu	122,363	78,120	4,854	2,782	85,756	82,974	2005/Q2-2019/Q4	100%
Fushun Project	Shenyang	72,350	N/A	N/A	N/A	N/A	195,345	note (2)	90%

PROPERTY LEASING BUSINESS

Project name	Place	100% owned by the Group	
		Leaseable area (m ²)	
Gang Long City Shopping Centre	Shenzhen	64,397	

Notes:

(1) Includes club house and car parking spaces

(2) The project is still in the initial design and planning stage.

Properties Portfolio Overview 物業組合概覽

物業開發業務 已完成項目

項目名稱	地點	土地面積 (m ²)	建築面積 (m ²)			可銷售面積 (m ²)	動工/竣工時間	本集團 應佔權益	
			住宅	商鋪	其他 ⁽¹⁾				合計
半山道1號	深圳	42,233	90,053	5,890	42,180	138,123	96,953	2008/Q1-2014/Q3	100%

在開發/待開發物業

項目名稱	地點	土地面積 (m ²)	建築面積 (m ²)			可銷售面積 (m ²)	動工/竣工時間	本集團 應佔權益	
			住宅	商鋪	其他 ⁽¹⁾				合計
天嶼湖	巢湖	122,363	78,120	4,854	2,782	85,756	82,974	2005/Q2-2019/Q4	100%
撫順項目	瀋陽	72,350	不適用	不適用	不適用	不適用	195,345	附註(2)	90%

物業租賃業務

項目名稱	地點	本集團 佔100%權益 可出租面積 (m ²)
港隆城購物中心	深圳	64,397

附註：

(1) 含住客會所和停車位

(2) 於該項目仍在初步設計及規劃階段。

Group Financial Summary

集團財務概要

Result

業績

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2015 RMB'000 人民幣千元 (Restated) (重列)	2014 RMB'000 人民幣千元 (Restated) (重列)	2013 RMB'000 人民幣千元 (Restated) (重列)
Revenue	收入	544,708	1,108,841	777,211	959,781	226,830
Change in fair value of investment properties	投資物業之公允價值變動	(7,100)	40,000	95,000	467,000	49,210
Change in fair value of derivative financial instruments	衍生金融工具之公允價值變動	(329,855)	17,704	-	-	-
Reversal of provisions (provisions) for litigations	訴訟撥備撥回(撥備)	289,240	(130,761)	(114,393)	(98,406)	(89,628)
(Provision) reversal of provision for potential claims	潛在索償(撥備)撥回	(41,882)	14,937	(15,137)	-	-
(Impairment loss) reversal of impairment loss recognised in respect of inventories	就存貨確認之(減值虧損)減值虧損撥回	(57,034)	(21,557)	13,367	59,612	(57,000)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	-	(4,039)	-	(3,564)	-
Impairment loss recognised in respect of prepayment for land use right	就土地使用權的預付金確認之減值虧損	-	(99,330)	-	-	-
Reversal of impairment loss (impairment loss) recognised in respect of deposits for non-current assets	就非流動資產按金確認之減值虧損撥回(減值虧損)	438,000	(316,259)	-	-	-
Share of result of an associate	應佔聯營公司業績	(37)	-	-	-	-
Gain (loss) on disposal of subsidiaries	出售附屬公司之收益(虧損)	-	1,145	-	(2,001)	100
Finance costs	融資成本	(118,046)	(192,137)	(296,431)	(347,102)	(211,070)
Profit (loss) before taxation	除稅前溢利(虧損)	262,084	(393,452)	(230,606)	(47,420)	(669,620)
Income tax expense	所得稅開支	(65,191)	(318,839)	(161,504)	(239,763)	(36,091)
Profit (loss) for the year	本年度溢利(虧損)	196,893	(712,291)	(392,110)	(287,183)	(705,711)
Other comprehensive income (expense) for the year	本年度其他全面收入(開支)	392	(234)	-	-	-
Total comprehensive income (expense) for the year	年內全面收入(開支)總額	197,285	(712,525)	(392,110)	(287,183)	(705,711)
Total comprehensive income (expense) attributable to owners of the Company	本公司擁有人應佔全面收入(開支)總額	197,394	(702,470)	(391,185)	(286,316)	(705,711)
Total comprehensive expense attributable to non-controlling interests	非控股權益應佔全面開支總額	(109)	(10,055)	(925)	(867)	-
		197,285	(712,525)	(392,110)	(287,183)	(705,711)

Group Financial Summary

集團財務概要

Assets, Liabilities and Non-controlling Interests

資產、負債及非控股權益

		2017	2016	2015	2014	2013
		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
			(Restated)	(Restated)	(Restated)	(Restated)
			(重列)	(重列)	(重列)	(重列)
Non-current assets	非流動資產	1,834,649	1,970,453	2,274,831	2,144,087	1,499,566
Current assets	流動資產	1,084,052	1,004,600	1,342,918	2,035,495	2,422,214
Current liabilities	流動負債	(2,403,566)	(2,277,216)	(3,363,623)	(2,906,351)	(3,481,114)
Non-current liabilities	非流動負債	(762,950)	(1,170,883)	(821,393)	(1,459,128)	(337,666)
Non-controlling interests	非控股權益	10,772	10,663	5,217	4,292	-
Deficit attributable to owners of the Company	本公司擁有人應佔虧絀	(237,043)	(462,383)	(562,050)	(181,605)	103,000

Chairman's Statement

主席報告

The board ("Board") of directors ("Director") of Suncity Group Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2017.

DIVIDEND

The Board does not recommend the payment of dividend for the year ended 31 December 2017 (31 December 2016: nil). The Group will formulate appropriate dividend policy in accordance with the development needs in the future.

REVIEW AND OUTLOOK

The Group has commenced to deliver Le Paysage to buyers since the fourth quarter of 2014. With the heating up of Shenzhen property market and we began to deliver the boutique highrise building and villa residential units, the gross profit margin in property development segment has increased from 46.60% in the year of 2016 to 76.97% in the year of 2017. Looking ahead, we expect the government policies will remain unchanged and the local governments will fine-tune and introduce targeted policies based on growth properties stock, properties prices and land prices. In the meantime, the Group will actively examine the developing real estate markets outside China. Asian countries, such as Korea, Malaysia and Vietnam are among the initial target markets of the Group.

The Group has been actively developed its travel agent business since the acquisition of the entire interest of Sun Travel Ltd. ("Sun Travel") in 2016. The sale of hotel accommodation products and ferry tickets increased significantly during the year ended 31 December 2017. According to the information published by the Statistics and Census Service of the Macau Government, the average occupancy rate of hotels and guesthouses increased from 83.3% in 2016 to 86.9% in 2017 and the number of guests through travel agents increased from approximately 5.4 million in 2016 to approximately 5.8 million in 2017. With the continual growth in number of visitors to Macau and more specifically, the increase in overnight visitors, it is anticipated that revenue from travel agent business will continue to grow in the future.

Having entered into the technical services agreement to provide pre-opening and technical services to integrated resorts, the Group commenced to receive revenue during the year ended 31 December 2017 and will continue to explore opportunities in Asia.

太陽城集團控股有限公司(「本公司」)董事(「董事」)會(「董事會」)欣然公佈本公司及其附屬公司(統稱為「本集團」)截至2017年12月31日止年度的綜合業績。

股息

董事會不建議就截至2017年12月31日止年度派付股息(2016年12月31日:無)。本集團將因應未來的發展需要制訂合適的派息政策。

回顧及展望

本集團已自2014年第四季度起開始向買方交付半山道1號。隨著深圳房地產市場升溫且我們開始交付精品高層住宅單位及別墅住宅單位,物業開發分部的毛利率由2016年的46.60%上升至2017年的76.97%。展望未來,我們預計政府政策將維持不變,地方政府將根據物業存貨增長、房價及土地價格微調並推出具有針對性的政策。本集團將積極研究發展中國境外的房地產市場。亞洲國家(如韓國、馬來西亞及越南)是本集團的初步的目標市場。

本集團自2016年收購太陽旅遊有限公司(「太陽旅遊」)全部股權起,一直大力發展其旅遊代理業務。截至2017年12月31日止年度,酒店住宿服務採購及船票銷售大幅增加。根據澳門特別行政區政府統計暨普查局發佈的資料,酒店及旅館的平均入住率由2016年的83.3%增至2017年的86.9%,而透過旅遊代理的遊客人數由2016年的約540萬人次增至2017年的約580萬人次。隨著訪澳人數持續增加,且尤其是過夜遊客增加,預計旅遊代理業務產生的收入日後將繼續增長。

於訂立技術服務協議以向綜合度假村提供開業前及技術服務後,本集團於截至2017年12月31日止年度開始獲益,並將繼續於亞洲探求機遇。

REVIEW AND OUTLOOK (Cont'd)

On 27 July 2017, the Group entered the acquisition agreement in relation to the proposed acquisition of the entire equity interest in and shareholder's loan owned by Star Admiral Limited, which is a company indirectly wholly owned by Mr. Chau Cheok Wa ("Mr. Chau). Star Admiral Limited owns approximately 34% equity interest in a project company, in which its principal asset is an integrated resort project in Hoi An, Vietnam. We expect this acquisition shall complete by first half year of 2018, subject to the fulfilment of the conditions precedent as disclosed in the circular of the Company dated 1 November 2017.

The Group will continue to explore and invest in potential projects and business opportunities with good potential and to further expand its tourism-related business to other countries in the Asian market.

SOCIAL RESPONSIBILITY

The Group is committed to bear its social responsibility and contribute to the weak and poor. The employees of the Group have actively participated in various charity activities involving cultural education, disaster relief, environmental protection, health and hygiene, as well as public transportation of the municipal. The Group will continue to promote our corporate culture of dedicating sincerity and love to the community internally, and bear our related social responsibility.

回顧及展望 (續)

於2017年7月27日，本集團訂立收購協議，內容有關建議收購星將有限公司（一間由周焯華先生（「周先生」）間接全資擁有的公司）的全部股權及結欠的股東貸款。星將有限公司擁有項目公司約34%股權，其中其主要資產為於越南會安的綜合度假村項目。我們預期是項收購將於2018年上半年前完成，惟須待本公司日期為2017年11月1日的通函內披露的先決條件獲達成後，方可作實。

本集團將繼續探索及投資具有強勁增長潛力的潛在項目與商機，並進一步探索亞洲市場其他國家的旅遊相關業務。

社會責任

本集團樂於承擔其應盡的社會責任，奉獻力量扶弱濟貧。本集團的員工積極參與文化教育、賑災、環境保護、醫療衛生及市政交通等有關的公益活動。未來本集團將繼續在內部推行誠愛社會的企業文化，承擔相應的社會責任。

Chairman's Statement

主席報告

ACKNOWLEDGEMENT

I would like to take this opportunity to thank the shareholders, customers and business partners for their trust in, understanding of and support to the Group over the years. Moreover, I would also like to thank all staffs for their tremendous effort and contribution. We will continue to explore new business opportunities in the challenging year ahead and strive for the best returns for our shareholders.

Chau Cheok Wa

Chairman

29 March 2018

感謝

本人謹此感謝股東、客戶及商業夥伴多年來對本集團的信任、理解與支持，亦感謝全體員工的努力及貢獻。在未來充滿挑戰的一年，本集團將繼續發掘新商機，並致力為股東帶來良好回報。

周焯華

主席

2018年3月29日

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Revenue: Revenue was derived from (i) the sale of properties, and (ii) the leasing of properties, (iii) the provision of hotel and integrated resort management and consultancy services, and (iv) the provision of travel related products and services. Revenue for the year was approximately RMB544.7 million, decreased by approximately RMB564.1 million when compared to approximately RMB1,108.8 million (restated) for the last year. The decrease was due to lower contributions from property sales and rental income, netting off with the increase in revenue from provision of travel related products and services and provision of hotel and integrated resort management and consultancy services.

In respect of sales proceed of properties delivered, we have delivered residential units of approximately 1,202m² (31 December 2016: 23,489m²) gross floor area ("GFA"), which includes high-rise building units of approximately 204m² (2016: 13,775m²) GFA, luxury high-rise building units of approximately 215m² (31 December 2016: 6,821m²) GFA and villa of approximately 783m² (31 December 2016: 2,893m²) GFA in 2017.

Revenue from provision of travel related products and services has been growing rapidly, contributing a total of approximately RMB354.1 million in revenue for the year, representing an increase of approximately RMB352.9 million over the previous year.

Revenue from the leasing of properties decreased as a result of the decrease in occupancy rate during the year.

Provision of hotel and integrated resort management and consultancy services is a new business of the Group and has generated revenue of approximately RMB2.5 million for the year.

Other income, gains and losses: The significant increase in other gains was mainly attributable to net exchange gain of approximately RMB41.7 million when compared to net exchange loss of approximately RMB80.9 million for the last year.

Selling and distribution expenses: The decrease in 2017 was mainly attributable to the decrease in commission paid for the sales of Le Paysage.

財務回顧

收入：收入來自(i)銷售物業·(ii)租賃物業·(iii)提供酒店及綜合度假村管理及顧問服務·及(iv)提供旅遊相關產品及服務。年內收入約為人民幣544.7百萬元·較去年的約人民幣1,108.8百萬元(重列)減少約人民幣564.1百萬元。減少乃由於物業銷售及租金收入貢獻減少·被提供旅遊相關產品及服務以及提供酒店及綜合度假村管理及顧問服務產生之收入增加所抵銷。

就已交付物業之銷售所得款項而言·我們於2017年交付建築面積(「建築面積」)約1,202平方米的住宅單位(2016年12月31日: 23,489平方米)·包括建築面積約204平方米(2016年12月31日: 13,775平方米)的高層住宅單位·建築面積約215平方米(2016年12月31日: 6,821平方米)的豪華高層住宅單位及建築面積約783平方米(2016年12月31日: 2,893平方米)的別墅。

提供旅遊相關產品及服務之收入增長迅速·為年內收入貢獻合共約人民幣354.1百萬元·較去年增加約人民幣352.9百萬元。

租賃物業之收入因年內出租率下降而減少。

提供酒店及綜合度假村管理及顧問服務為本集團的新業務·且年內產生收入約人民幣2.5百萬元。

其他收入·收益及虧損：其他收益大幅增加·主要由於錄得匯兌收益淨額約人民幣41.7百萬元·而去年錄得匯兌虧損淨額約人民幣80.9百萬元所致。

銷售及分銷費用：2017年減少乃主要由於就半山道1號銷售支付的佣金減少所致。

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FINANCIAL REVIEW (Cont'd)

Administrative expenses: The increase in 2017 was mainly attributable to the share-based compensation benefits of approximately RMB24.4 million (31 December 2016: nil) and the increase in directors' remuneration by approximately RMB9.3 million.

Other operating expenses: The decrease in 2017 was mainly due to the decrease in compensation and penalty paid.

Change in fair value of investment properties: The decrease in 2017 was mainly due to the prevailing market conditions.

Change in fair value of derivative financial instruments: In December 2016, the Company issued convertible bonds in the principal amount of HK\$570 million (equivalent to approximately RMB505.1 million) to Fame Select Limited, the major shareholder of the Company. The change in fair value, as assessed by an independent valuer, of derivative component has been recognised in the consolidated statement of profit or loss and other comprehensive income.

Reversal of provisions (provisions) for litigations: As stated in note 28 to the consolidated financial statements, since the Group reached settlement agreements in relation to the Bank Claim (as defined in note 28 to the consolidated financial statements) and Consultant Claim during the year, reversal of provisions for litigations amounting to approximately RMB289.2 million was recognised as compared to provisions for litigations amounting to approximately RMB130.8 million (restated) for the last year.

(Provision) reversal of provision for potential claims: As stated in note 26 to the consolidated financial statements, since certain properties have been seized by the court in relation to the Bank Claim during the year, provision for potential claims amounting to approximately RMB41.9 million was provided, as compared to reversal of provision for potential claims amounting to approximately RMB14.9 million (restated) was provided for the last year.

Impairment loss recognised in respect of inventories: The amount represented the impairment loss recognised for the difference between the cost and its net realisable value of a property project in the People's Republic of China (the "PRC"), as assessed by an independent valuer.

Impairment loss recognised in respect of goodwill: The amount represented the impairment loss recognised on the goodwill arising from the acquisition of the subsidiary, Sun Travel, during the year ended 31 December 2016.

財務回顧 (續)

行政費用: 2017年增加乃主要由於股份支付的薪酬福利約人民幣24.4百萬元 (2016年12月31日: 無) 及董事薪酬增加約人民幣9.3百萬元所致。

其他營運費用: 2017年減少乃主要由於已付賠償及罰款減少所致。

投資物業之公允值變動: 2017年減少乃主要由於現行市況所致。

衍生金融工具之公允值變動: 於2016年12月, 本公司向本公司主要股東名萃有限公司發行本金額為570百萬港元 (相當於約人民幣505.1百萬元) 之可換股債券。衍生部分之公允值變動 (經獨立估值師評估) 已於綜合損益及其他全面收益表內確認。

訴訟撥備撥回 (撥備): 如綜合財務報表附註28所述, 由於本集團於年內就銀行索償 (定義見綜合財務報表附註28) 及顧問索償達成和解協議, 故確認訴訟撥備撥回約人民幣289.2百萬元, 而去年訴訟撥備約為人民幣130.8百萬元 (重列)。

潛在索償 (撥備) 撥備撥回: 如綜合財務報表附註26所述, 由於年內若干物業因銀行索償而被法院查封, 故計提潛在索償撥備約人民幣41.9百萬元, 而去年潛在索償撥備撥回約人民幣14.9百萬元 (重列)。

就存貨確認之減值虧損: 該款項指就位於中華人民共和國 (「中國」) 之物業項目之成本與其可變現淨值 (經獨立估值師評估) 之間之差額確認之減值虧損。

就商譽確認之減值虧損: 該款項指於截至2016年12月31日止年度收購附屬公司太陽旅遊產生之商譽確認之減值虧損。

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FINANCIAL REVIEW (Cont'd)

Impairment loss recognised in respect of prepayment for land use right: As stated in note 17(a) to the consolidated financial statements, the amount represented the impairment loss recognised on the prepayment for the consideration of the land use right and related tax of a property project in the PRC.

Reversal of impairment loss (impairment loss) recognised in respect of deposits for non-current assets: As stated in note 17(b) to the consolidated financial statements, since the Group has received the fund of RMB150.0 million and RMB288.0 million for Jiangsu Project (as defined in note 17(b) to the consolidated financial statements) and Anhui Project (as defined in note 17(b) to the consolidated financial statements) after a series of follow up collection actions taken by management of the Group, reversal of impairment loss of such deposits of RMB438.0 million was recognised during the year, when compared to the impairment loss of approximately RMB316.3 million recognised for the last year.

Share of result of an associate: The amount represented the share of loss and other comprehensive expense of the Group's associate.

Gain on disposal of subsidiaries: The amount represented the gain recognised on the disposal of subsidiaries, Vanilla Rose Investments Limited together with its subsidiaries, to an independent third party.

Finance costs: Finance costs comprised interests on interest-bearing loan and effective interest expenses on the convertible bond. The decrease in 2017 was mainly due to the decrease of interest-bearing loans.

Income tax expense: Income tax expense included current tax and deferred tax and the decrease for the year was mainly due to the decrease in sale of properties.

SEGMENT ANALYSIS

In 2017, property development income, property leasing income, hotel and integrated resort management and consultancy services income and travel agency services income accounted for approximately 24.33% (31 December 2016: 94.56%), 10.19% (31 December 2016: 5.33%), 0.47% (31 December 2016: 0.00%) and 65.01% (31 December 2016: 0.11%) of the total revenue respectively.

財務回顧 (續)

就土地使用權預付金確認之減值虧損: 如綜合財務報表附註17(a)所述, 該款項指就位於中國之物業項目之土地使用權代價及相關稅項之預付金確認之減值虧損。

就非流動資產按金確認之減值虧損撥回 (減值虧損): 如綜合財務報表附註17(b)所述, 由於經本集團管理層採取一系列後續追討行動後, 本集團就江蘇項目 (定義見綜合財務報表附註17(b)) 及安徽項目 (定義見綜合財務報表附註17(b)) 分別收到款項人民幣150,000,000元及人民幣288,000,000元, 故年內就該等按金確認減值虧損撥回人民幣438.0百萬元, 而去年確認減值虧損約人民幣316.3百萬元。

應佔聯營公司業績: 該款項指應佔本集團聯營公司之虧損及其他全面開支。

出售附屬公司之收益: 該款項指就向一名獨立第三方出售附屬公司Vanilla Rose Investments Limited及其附屬公司確認之收益。

融資成本: 融資成本包括計息貸款之利息及可換股債券之實際利息開支。2017年減少乃主要由於計息貸款減少。

所得稅開支: 所得稅開支包括即期稅項及遞延稅項, 年內減少乃主要由於銷售物業減少所致。

分部分析

於2017年, 物業發展收入、物業租賃收入、酒店及綜合度假村之管理及顧問服務收入及旅遊代理服務收入分別約佔總收入的24.33% (2016年12月31日: 94.56%)、10.19% (2016年12月31日: 5.33%)、0.47% (2016年12月31日: 0.00%) 及65.01% (2016年12月31日: 0.11%)。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

Total pledged bank deposits, restricted bank deposits and bank balances and cash as at 31 December 2017 amounted to approximately RMB308.8 million (31 December 2016: RMB145.1 million) which included approximately RMB262.4 million, US\$0.01 million, MOP0.3 million and HK\$55.1 million respectively.

The Group had total bank and other borrowings of approximately RMB617.5 million as at 31 December 2017 (31 December 2016: RMB715.0 million) of which approximately RMB212.5 million were repayable on demand or within one year; approximately RMB40.0 million were repayable in the second year; approximately RMB140.0 million were repayable in the third to fifth year, inclusive; and the remainings were repayable after the fifth year. The Group's borrowings carried interest at fixed or floating interest rates. The Group's total bank and other borrowings divided by total assets as at 31 December 2017 was 21.16% (31 December 2016: 24.03%).

The Group had convertible bond and derivative financial instruments of approximately RMB411.1 million (31 December 2016: RMB365.3 million (restated)) and RMB439.9 million (31 December 2016: RMB130.0 million (restated)), respectively. The total of convertible bond and derivative financial instruments divided by total assets as at 31 December 2017 was 29.16% (31 December 2016: 16.64%).

As at 31 December 2017, the Group had current assets of approximately RMB1,084.1 million (31 December 2016: RMB1,004.6 million (restated)) and current liabilities of approximately RMB2,403.6 million (31 December 2016: RMB2,277.2 million (restated)).

CHARGE ON ASSETS

As at 31 December 2017, bank and other borrowings of approximately RMB617.5 million were secured by certain investment properties and inventories of the Group of approximately RMB1,724.9 million (31 December 2016: RMB1,732.0 million) and RMB178.1 million (31 December 2016: RMB250.0 million (restated)) respectively.

流動資金、財務資源及負債比率

於2017年12月31日，已抵押銀行存款、受限制銀行存款及銀行結餘及現金總額約為人民幣308.8百萬元（2016年12月31日：人民幣145.1百萬元），分別包括約人民幣262.4百萬元、0.01百萬美元、0.3百萬澳門元及55.1百萬港元。

於2017年12月31日，本集團的銀行及其他借貸總額約為人民幣617.5百萬元（2016年12月31日：人民幣715.0百萬元），其中約人民幣212.5百萬元須按要求或於1年內償還；約人民幣40.0百萬元須於第2年償還；約人民幣140.0百萬元須於第3至5年（包括首尾兩年）內償還；及餘額須於5年後償還。本集團借貸以定息或浮動息率計息。本集團於2017年12月31日的銀行及其他借貸總額除以總資產為21.16%（2016年12月31日：24.03%）。

本集團之可換股債券及衍生金融工具分別約為人民幣411.1百萬元（2016年：人民幣365.3百萬元（重列））及人民幣439.9百萬元（2016年12月31日：人民幣130.0百萬元（重列））。於2017年12月31日，可換股債券及衍生金融工具總額除以總資產為29.16%（2016年：16.64%）。

於2017年12月31日，本集團有流動資產約人民幣1,084.1百萬元（2016年12月31日：人民幣1,004.6百萬元（重列））及流動負債約人民幣2,403.6百萬元（2016年12月31日：人民幣2,277.2百萬元（重列））。

對資產的抵押

於2017年12月31日，銀行及其他借貸約人民幣617.5百萬元分別由本集團約值人民幣1,724.9百萬元（2016年12月31日：人民幣1,732.0百萬元）及人民幣178.1百萬元（2016年12月31日：人民幣250.0百萬元（重列））的若干投資物業及存貨作抵押。

Management Discussion and Analysis

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CHARGE ON ASSETS (Cont'd)

As at 31 December 2017, pledged deposits of approximately RMB5.6 million (31 December 2016: RMB1.3 million) were pledged for the license and suppliers in relation to Sun Travel, an indirect wholly-owned subsidiary of the Company.

As at 31 December 2017, pledged deposits of approximately RMB297,000 (31 December 2016: RMB296,000) have been pledged with the banks as guarantee deposits for the mortgage loan facilities granted to the buyers of the Group's properties.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Group conducts its business primarily in Renminbi. Except for bank balances and cash of approximately HK\$48.5 million and US\$0.01 million, pledged bank deposits of approximately HK\$6.6 million, convertible bond in the principal amount of HK\$570 million and promissory note of approximately HK\$5.6 million, the Group did not have material exposures to fluctuations in exchange rates. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its statement of financial position exposure to fluctuations in exchange rates as at 31 December 2017.

CONTINGENT LIABILITIES

For the details of contingent liabilities, please refer to the note 33 to the consolidated financial statements.

TREASURY POLICIES AND CAPITAL STRUCTURE

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

EMPLOYEES

As at 31 December 2017, the Group had a staff force of approximately 168 (31 December 2016: 250) employees. Of this, most were stationed in the PRC. The remuneration of employees was in line with the market trend and commensurable to the level of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives (such as share option scheme). Total staff costs incurred for the year 2017 was approximately RMB38.7 million (31 December 2016: RMB33.7 million).

對資產的抵押 (續)

於2017年12月31日，約人民幣5.6百萬元（2016年12月31日：人民幣1.3百萬元）的已抵押存款已就本公司間接全資附屬公司太陽旅遊抵押予特許人及供應商。

於2017年12月31日，已抵押存款約人民幣297,000元（2016年12月31日：人民幣296,000元）已抵押予多間銀行，作為本集團物業買方獲授按揭貸款融資之保證金。

匯率波動風險及有關對沖

本集團主要以人民幣經營業務。除約48.5百萬元及0.01百萬元之銀行結餘及現金、約6.6百萬元之已抵押存款、本金為570百萬元之可換股債券及約5.6百萬元之承兌票據外，本集團並無重大匯率波動風險。於2017年12月31日，本集團並沒有參與任何衍生工具活動及並無對任何金融工具作出承擔以對沖財務狀況表中外匯風險。

或然負債

有關或然負債之詳情，謹請參考綜合財務報表附註33。

財資政策及資本結構

本集團就其財資政策採取審慎策略，並專注於風險管理及與本集團之相關業務有直接關係之交易。

僱員

於2017年12月31日，本集團擁有約168名（2016年：250名）員工，其中絕大部分常駐中國。僱員的薪酬與市場趨勢一致，與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵（如購股權計劃）。2017年所產生的員工成本總額約為人民幣38.7百萬元（2016年：人民幣33.7百萬元）。

Management Discussion and Analysis

管理層討論及分析

FINAL DIVIDEND

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

EVENTS AFTER THE REPORTING PERIOD

For the details of events after the reporting period, please refer to note 45 to the consolidated financial statements.

BUSINESS REVIEW

The Group is principally engaged in the development of residential and commercial properties as well as leasing of commercial properties in Guangdong, Liaoning and Anhui Provinces, the PRC, and providing hotel and integrated resort management and consultancy service and travel agency service.

Property Development

Summary of development and status of existing projects are reported in the following paragraphs.

Completed Project

Le Paysage: Le Paysage is in the boarder land of Luohu district and Longgang district of Shenzhen, on the hillside of the east side of Qingping expressway and Fengyi mountain tunnel. Le Paysage consists of premier villas, residential units and retail shops with planned GFA of approximately 138,000m². In March 2013, the Group launched pre-sales part of Le Paysage and was well received by the market. The project is completed and to deliver in phases in the third quarter of 2014 onwards.

Projects Under Development

The Landale: The Landale, formerly known as Vacation Water Town, and is situated in Zhongmiao Town of Chaohu in Anhui Province. The Landale consists of lake-side villas and residential units with planned GFA of 85,756m². To cope with the rectification, integration and development of Chaohu Scenic Area, the Group planned to postpone the development progress of The Landale and commence pre-sale of the project in phases in 2019 onwards.

Fushun Project: The Group acquired a land at Hua Mao Jie Dong, Fushun Economic Development Zone in Liaoning Province, the PRC. The site area of the land is approximately of 72,350m² with a plot ratio of more than 1 but less than 2.7 and the planned GFA of approximately of 195,345m². The land use of the land is for commercial and residential use. The project is still in the initial design and planning stage.

末期股息

董事會並無建議派付截至2017年12月31日止年度末期股息(2016年12月31日:無)。

報告期完結後事項

有關報告期後事項之詳情, 謹請參考綜合財務報表附註45。

業務回顧

本集團主要在中國廣東省、遼寧省及安徽省從事住宅及商業物業的開發和商業物業的租賃業務以及提供酒店及綜合度假村之管理及顧問服務及旅遊代理服務。

物業開發

現有項目之發展及狀況於下文概述。

已完成項目

半山道1號: 半山道1號坐落深圳羅湖區與龍崗區交界處, 清平高速及風儀山隧道東側山坡上。半山道1號由高級別墅、住宅單位及零售商店鋪組成, 規劃建築面積約138,000平方米。於2013年3月, 本集團啟動半山道1號的部分預售, 深受市場的歡迎。該項目計劃已竣工並於2014年第三季度起分階段交付。

發展中項目

天嶼湖: 天嶼湖前稱假日水鎮, 位於安徽省巢湖忠廟鎮。天嶼湖由湖濱別墅和住宅單位組成, 規劃建築面積約85,756平方米。為配合巢湖風景區的改造、整合與發展, 本集團計劃延遲天嶼湖的開發進度並於2019年起分階段開始該項目的預售。

撫順項目: 本集團已收購一幅位於中國遼寧省撫順經濟開發區華茂街東的土地。該土地的地盤面積約72,350平方米, 地積比率高於1但低於2.7, 規劃總建築面積約為195,345平方米。該土地的土地用途為作商用及住宅用途。該項目仍處在初步設計及規劃階段。

BUSINESS REVIEW (Cont'd)

Properties Leasing and Management

Hong Long Plaza: Hong Long Plaza is situated in Bao Min 2nd Road, Baoan District, Shenzhen City, Guangdong Province, the PRC. Hong Long Plaza is a commercial and residential complex occupying a total GFA of approximately 172,630m². For residential portion, it comprises three 25 to 27 storey towers with a total of approximately 1,500 residential units erected on a 5-storey shopping mall and a 2-storey basement for car parking. It is managed by Shenzhen Sun Era Management Company Limited, a wholly owned subsidiary of the Group. The commercial portion of Hong Long Plaza, namely Gang Long City Shopping Centre, comprise a total GFA of approximately 64,397m² for a shopping mall. Gang Long City Shopping Centre is held by the Group for leasing purpose and is managed by Shenzhen Gang Long City Commercial Management Company Limited, a wholly-owned subsidiary of the Group.

Hotel and Integrated Resort Management and Consultancy

Hotel and integrated resort management and consultancy represents the provision of management and consultancy services to hotels and integrated resorts.

During the year ended 31 December 2017, the Group entered into memorandums of understanding in relation to the provision of management and consultancy services to two integrated resorts in Vietnam.

On 22 September 2017, the Group entered into the technical services agreement with Van Don Sun Joint Stock Company, an independent third party, which owns and in the course of developing an integrated resort in Van Don District, Quang Ninh Province, Vietnam, to provide pre-opening and technical services.

Travel Agency Service

On 6 February 2017, Sun Travel entered into (i) a hotel accommodation procurement agreement and (ii) a ferry ticket supply agreement with Sun City Gaming Promotion Company Limited (“Sun City Gaming Promotion”), a related company which is wholly-owned by Mr. Chau, the Chairman of the Company.

業務回顧 (續)

物業租賃及管理

鴻隆廣場: 鴻隆廣場位於中國廣東省深圳市寶安區寶民二路。鴻隆廣場為商住綜合體，總建築面積約172,630平方米。就住宅部份而言，其包括建造於5層高購物中心及2層地下停車場上方的三幢樓高25至27層的大廈，合共約1,500戶住宅單位。該部份由本集團全資附屬公司深圳市太陽時代管理有限公司管理。鴻隆廣場的商業部份（即港隆城購物中心）包括總建築面積約64,397平方米的購物中心。港隆城購物中心由本集團持作租賃用途，由本集團全資附屬公司深圳市港隆城商業管理有限公司管理。

酒店及綜合度假村之管理及顧問

酒店及綜合度假村之管理及顧問指向酒店及綜合度假村提供的管理及顧問服務。

截至2017年12月31日止年度，本集團訂立諒解備忘錄，內容有關向越南的兩個綜合度假村提供管理及顧問服務。

於2017年9月22日，本集團與獨立第三方Van Don Sun Joint Stock Company（擁有並正在發展越南廣寧省雲屯縣一個綜合度假村項目）訂立技術服務協議，以提供開業前及技術服務。

旅遊代理服務

於2017年2月6日，太陽旅遊與太陽城博彩中介一人有限公司（「太陽城博彩中介」，為一間關聯公司，由本公司主席周先生全資擁有）訂立(i)酒店住宿服務採購協議及(ii)船票供應協議。

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管理層討論及分析

BUSINESS REVIEW (Cont'd)

Travel Agency Service (Cont'd)

Pursuant to the hotel accommodation procurement agreement, Sun Travel may from time to time to procure from Sun City Gaming Promotion the hotel accommodation products, subject to the cap of HK\$120 million (the "Original Cap") from the commencement date of hotel accommodation procurement agreement to 31 December 2017.

Pursuant to the ferry ticket supply agreement, Sun City Gaming Promotion may from time to time purchase from Sun Travel the ferry tickets and other complementary services, subject to the annual caps of HK\$8.5 million in 2017, HK\$10 million in 2018 and HK\$10 million in 2019 respectively.

On 15 May 2017, Sun Travel and Sun City Gaming Promotion entered into a revised hotel accommodation procurement agreement to amend the Original Cap to HK\$420 million and to provide the annual caps of HK\$570 million and HK\$590 million for the years ending 31 December 2018 and 31 December 2019, respectively.

Investment in Integrated Resort

On 27 July 2017, the Group entered into the acquisition agreement in relation to the proposed acquisition of the entire equity interest in and shareholder's loan to Star Admiral Limited, which indirectly owns approximately 34% equity interest in an integrated resort in Hoi An, Quang Nam Province, Vietnam, which is expected to complete by first half year of 2018 subject to the fulfillment of the conditions precedents as disclosed in the circular of the Company dated 1 November 2017.

業務回顧 (續)

旅遊代理服務 (續)

根據酒店住宿服務採購協議，太陽旅遊可不時向太陽城博彩中介採購酒店住宿服務採購，惟自酒店住宿服務採購協議開始日期至2017年12月31日期間的年度上限為120百萬港元（「原上限」）。

根據船票供應協議，太陽城博彩中介可不時向太陽旅遊採購船票及其他配套服務，2017年、2018年及2019年的年度上限分別為8.5百萬港元、10百萬港元及10百萬港元。

於2017年5月15日，太陽旅遊與太陽城博彩中介訂立經修訂酒店住宿服務採購協議，以將初步上限修訂為420百萬港元，並就截至2018年12月31日及2019年12月31日止年度提供年度上限分別為570百萬港元及590百萬港元。

投資綜合度假村

於2017年7月27日，本集團訂立收購協議，內容有關建議收購星將有限公司的全部股權及結欠的股東貸款，星將有限公司於越南廣南省會安的一個綜合度假村項目間接擁有約34%股權，預期該項目將於2018年上半年前完成，惟須待本公司日期為2017年11月1日的通函披露的先決條件獲達成後，方可作實。

Biographical Details of Directors 董事之履歷

EXECUTIVE DIRECTORS

Mr. Chau Cheok Wa, aged 43, was born in Macau. Mr. Chau joined the Company on 2 September 2011 as an executive Director and acted as the Chairman of the Company since 8 November 2011. Mr. Chau was also appointed as directors of certain subsidiaries of the Group. Mr. Chau engaged in the business of operating and managing VIP clubs in hotels. Mr. Chau was previously an executive director and the chairman of Sun International Group Limited (formerly known as “Sun International Resources Limited”) (Stock Code: 8029) (“Sun International”), a company listed on the Growth Enterprises Market of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and resigned on 5 July 2013.

Mr. Lo Kai Bong, aged 38, joined the Company on 9 March 2017 as an executive Director. Mr. Lo has obtained a Bachelor of Arts degree from the University of Winnipeg in Canada. Mr. Lo is the Chief Investment Officer of Suncity Group and has been involved in business development of Suncity Group’s overseas businesses. Mr. Lo is also responsible for the corporate management and mergers and acquisitions of Suncity Group and is experienced in the gaming industry. Prior to his appointment as an executive Director, Mr. Lo was appointed as an executive director of Sun International from 13 August 2013 to 28 February 2015.

Mr. Au Chung On John, aged 58, joined the Company on 31 March 2017 as an executive Director and was appointed as a director of Suncity Group Management and Consultancy Limited, an indirect wholly-owned subsidiary of the Company with effect from 1 April 2017. Mr. Au has obtained a Bachelor of Social Science degree from The Chinese University of Hong Kong in 1983. He has more than 13 years of experience in the gaming industry. From 2004 to 2016, Mr. Au was the senior director of business development, director of operations as well as various senior management positions at one of the major gaming concessionaires in Macau. His major roles included but not limited to establishing business strategies, driving overall performance and control of VIP business, and overseeing both gaming and non-gaming operation of newly established properties. Representing the company, Mr. Au was a member of gaming related committees formed by the six Macau concessionaires and sub-concessionaires to provide advice to the relevant regulatory bodies of the Macau government.

執行董事

周焯華先生，43歲，於澳門出生。彼於2011年9月2日作為執行董事加入本公司，並自2011年11月8日起擔任本公司主席。周先生亦獲委任為本集團若干附屬公司之董事。周先生於各酒店之娛樂場貴賓會從事營運及管理貴賓會業務。周先生曾為太陽國際集團有限公司（前稱「太陽國際資源有限公司」）（於香港聯合交易所有限公司（「聯交所」）GEM上市，股份代號：8029）（「太陽國際」）之執行董事及主席並已於2013年7月5日辭任。

盧啟邦先生，38歲，於2017年3月9日作為執行董事加入本公司。盧先生持有加拿大溫尼伯大學之文學士學位。盧先生為太陽城集團之首席投資總監，一直參與太陽城集團海外業務之業務發展。盧先生亦負責太陽城集團之公司企業管理及併購，並具有博彩業經驗。獲委任為執行董事前，盧先生自2013年8月13日起至2015年2月28日獲委任為太陽國際之執行董事。

歐中安先生，58歲，於2017年3月31日作為執行董事加入本公司，並自2017年4月1日起獲委任為太陽城集團管理顧問有限公司（本公司間接全資附屬公司）董事。歐先生於1983年獲得香港中文大學社會科學學士學位。彼擁有逾13年博彩業經驗。於2004年至2016年，歐先生在澳門一間大型博彩娛樂經營集團曾擔任業務發展高級董事、營運董事等多個高級職位，負責制定企業發展策略，提升貴賓業務整體表現，新發展項目博彩與非博彩之營運管理等範疇。歐先生亦代表集團，成為由澳門六間博彩經營集團所組成的委員會成員之一，向澳門相關監管政府機構提供專業意見。

Biographical Details of Directors 董事之履歷

EXECUTIVE DIRECTORS (Cont'd)

Mr. Manuel Assis Da Silva, aged 64, joined the Company on 31 March 2017 as an executive Director. Mr. Manuel Assis Da Silva had served at The Gaming Inspection and Coordination Bureau (“DICJ”), the Macau gaming regulator, for more than 43 years and was appointed as the Head of Inspection at DICJ from 2003 to 2016, during which he was responsible for overseeing the casino operation in Macau. Mr. Manuel Assis Da Silva is recognised across Asia as an expert on casino game rules, internal controls in casinos, the control of junket and VIP gaming operations and in the regulation of gaming machines. He serves as a consultant to a number of substantial industry participants, including machine manufacturers, casino operators and other industry suppliers.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tou Kin Chuen, aged 41, joined the Company on 26 April 2012 as an independent non-executive Director, the chairman of audit committee and the members of remuneration committee and nomination committee. Mr. Tou is the principal of Roger K.C. Tou & Co. Mr. Tou graduated from the Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) with a Honours Diploma in Accounting in 2001. He is experienced in audit, taxation, company secretarial, insolvency and finance for over 19 years. Mr. Tou is a member of the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and an associate of the Taxation Institute of Hong Kong. Mr. Tou has been the independent non-executive director of Sun International and Milan Station Holdings Limited (Stock Code: 1150), a company listed on the Main Board of the Stock Exchange since 22 July 2015.

Dr. Wu Kam Fun Roderick, aged 79, joined the Company on 26 April 2012 as an independent non-executive Director, the chairman of nomination committee and the members of audit committee and remuneration committee. Dr. Wu obtained his LL.B. degree and Honorary Doctorate of the University from the University of Buckingham, United Kingdom. Dr. Wu is also an Associate of Chartered Institute of Arbitrators and a Barrister of the Inner Temple, the Victorian Bar, Australia and the Singapore Bar. Dr. Wu was awarded Diploma in Chinese Law by the then University of East Asia, Macau, now known as the University of Macau. Dr. Wu has been at the Hong Kong Bar for over 37 years. He is a practising member of the Hong Kong Bar Association.

執行董事 (續)

Manuel Assis Da Silva先生，64歲，於2017年3月31日作為執行董事加入本公司。Manuel Assis Da Silva先生在澳門博彩監管機構博彩監察協調局（「博彩監察協調局」）任職逾43年，於2003年至2016年獲委任為博彩監察協調局監察廳廳長，負責監督澳門娛樂場運作。Manuel Assis Da Silva先生是亞洲知名的娛樂場遊戲規則、娛樂場內部監控、博彩中介人及貴賓博彩業務控制以及博彩機器監管方面的專家。彼擔任業內多家大型公司（包括機器製造商、娛樂場運營商及行業其他供應商）的顧問。

獨立非執行董事

杜健存先生，41歲，於2012年4月26日作為獨立非執行董事、審核委員主席及薪酬委員會及提名委員會會員加入本公司。杜先生為杜健存會計師事務所之負責人，於2001年畢業於香港樹仁大學（前稱香港樹仁學院），持有榮譽會計文憑。彼在審計、稅務、公司秘書、破產及財務方面擁有逾19年經驗。杜先生為香港會計師公會（「香港會計師公會」）會員及香港稅務學會會員。杜先生擔任太陽國際及米蘭站控股有限公司（股份代碼：1150）（自2015年7月22日起於聯交所主板上市之公司）之獨立非執行董事。

胡錦勳博士，79歲，於2012年4月26日作為獨立非執行董事、提名委員主席及審核委員會及薪酬委員會會員加入本公司。胡博士於英國白金漢大學取得法律學士學位及榮譽博士學位。胡博士為英國特許仲裁學會會員。彼考獲英國倫敦內廟法學院大律師資格，並獲得澳洲維多利亞省及新加坡共和國之大律師資格。澳門東亞大學，現稱澳門大學，授予胡博士中國法律文憑。胡博士為香港大律師超逾37年。彼現為香港大律師公會執業大律師。

Biographical Details of Directors 董事之履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS (Cont'd)

Mr. Lo Wai Tung John, aged 49, joined the Company on 10 October 2012 as an independent non-executive Director, the chairman of remuneration committee and the members of audit committee and nomination committee. Mr. Lo graduated from the Chinese University of Hong Kong with a bachelor's degree of Science (with honours) in Computer Science in 1991. Mr. Lo is experienced in securities and finance industry for over 20 years. He is currently the managing director (equities) and head of institutional sales of SBI China Capital Financial Services Limited.

獨立非執行董事（續）

盧衛東先生，49歲，於2012年10月10日作為獨立非執行董事、薪酬委員主席及審核委員會及提名委員會會員加入本公司。盧先生於1991年畢業於香港中文大學，取得計算機科學理學士榮譽學位。盧先生於證券及金融業擁有逾20年經驗。彼現時任職軟庫中華金融服務有限公司證券部董事總經理及機構銷售部主管。

Directors' Report

董事會報告

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

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed at the extraordinary general meeting of the Company held on 31 March 2017, together with the approval of the Register of Companies in the Cayman Islands on 11 April 2017 and the approval of the Registrar of Companies in Hong Kong on 12 May 2017, the name of the Company has been changed from “Sun Century Group Limited 太陽世紀集團有限公司” to “Suncity Group Holdings Limited 太陽城集團控股有限公司” with effect from 11 April 2017.

PRINCIPAL ACTIVITIES AND SUBSIDIARIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries as at 31 December 2017 are set out in note 44 to the consolidated financial statements.

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 December 2017 and the financial position of the Group at that date are set out in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of financial position on page 71 and page 73 of this annual report respectively.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2017 (31 December 2016: nil).

董事會欣然提呈本集團截至2017年12月31日止年度的年報及經審核綜合財務報表。

更改公司名稱

根據於2017年3月31日舉行的本公司股東特別大會上通過的特別決議案，並經開曼群島公司註冊處於2017年4月11日批准及香港公司註冊處於2017年5月12日批准，本公司名稱已由「Sun Century Group Limited 太陽世紀集團有限公司」更改為「Suncity Group Holdings Limited 太陽城集團控股有限公司」，自2017年4月11日起生效。

主要業務及附屬公司

本公司為投資控股公司。於2017年12月31日，其主要附屬公司之主要業務載於綜合財務報表附註44。

業績及股息

本集團於截至2017年12月31日止年度之業績及本集團截至該日止之財務狀況分別載於本年報第71頁及第73頁之綜合損益及其他全面收益表及綜合財務狀況表。

董事並不建議派發截至2017年12月31日止年度的末期股息（2016年12月31日：無）。

USE OF PROCEEDS FROM RIGHTS ISSUE

On 20 September 2016, the Company proposed to raise the gross proceeds of not less than approximately HK\$901.4 million and not more than approximately HK\$960.7 million by way of issuing not less than 4,506,944,175 rights shares and not more than 4,803,587,904 rights shares at the subscription price of HK\$0.20 per rights share on the basis of three rights shares for every one share of the Company on the record date. The rights issue has been completed on 16 December 2016 and the net proceeds from the rights issue amounting to approximately HK\$892.92 million (after deducting the cost and expenses in relation to the rights issue). Details of the rights issue please refer to the announcements of the Company dated 20 September 2016, 7 October 2016, 13 October 2016, 25 October 2016, 14 November 2016, 15 November 2016 and 15 December 2016, the circular of the Company dated 28 October 2016, and the prospectus of the Company dated 22 November 2016. Such net proceeds have been used in the following manner:

供股所得款項用途

於2016年9月20日，本公司建議透過按於記錄日期每持有一股本公司股份獲發三股供股股份之基準，按認購價每股供股股份0.20港元發行不少於4,506,944,175股供股股份及不超過4,803,587,904股供股股份，籌集不少於約901.4百萬港元及不超過約960.7百萬港元。供股已於2016年12月16日完成，供股所得款項淨額（扣除有關供股的成本及開支後）約892.92百萬港元。有關供股詳情，請參閱本公司日期為2016年9月20日、2016年10月7日、2016年10月13日、2016年10月25日、2016年11月14日、2016年11月15日及2016年12月15日的公告、本公司日期為2016年10月28日的通函及本公司日期為2016年11月22日的章程。該等所得款項淨額已按下列方式動用：

		Amount raised 籌集資金 HK\$ million 百萬港元	Amount used as at the date of this report 於本報告日期 已使用之金額 HK\$ million 百萬港元
Repayment of third parties loans together with the interest accrued thereon	償還第三方貸款連同其應付利息	803.7	803.7
Business development in respect of tourism-related services and hotel and integrated resort management and consultancy service business	有關旅遊相關服務業務以及酒店及綜合度假村管理及顧問服務業務之業務發展計劃	50.0	50.0
General working capital	一般營運資金	39.2	39.2
		892.9	892.9

Directors' Report

董事會報告

SHARE CAPITAL

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

There were no purchases, sales or redemptions of Company's listed securities by the Company or any of its subsidiaries during the year.

RESERVES

Details of the movement in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and note 44b to the consolidated financial statements respectively.

DISTRIBUTABLE RESERVES

The Company's reserves available for distribution comprise share premium, capital reserve and accumulated losses. The Company has no reserves available for distribution to the shareholders as at 31 December 2017 (31 December 2016: nil).

PROPERTY, PLANT AND EQUIPMENT

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

INVESTMENT PROPERTIES

Details of the investment properties of the Group during the year are set out in note 16 to the consolidated financial statements.

股本

本公司年內已發行股本變動詳情載於綜合財務報表附註31。

年內本公司或其任何附屬公司並無購買、出售或贖回本公司上市證券。

儲備

本集團及本公司年內儲備變動的詳情分別載於綜合權益變動表及綜合財務報表附註44b。

可供分派儲備

本公司的可供分派儲備包括股份溢價、資本儲備及累計虧損。本公司於2017年12月31日並無可供股東分派的儲備(2016年12月31日：無)。

物業、廠房及設備

本集團於年內的物業、廠房及設備的變動詳情載於綜合財務報表附註15。

投資物業

本集團於年內的投資物業詳情載於綜合財務報表附註16。

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2017, the aggregate sales attributable to the Group's largest customer and the five largest customers taken together accounted for 15.97% and 42.34% of the aggregate of the Group's total turnover for the year.

During the year ended 31 December 2017, the aggregate purchases attributable to the Group's largest supplier and the five largest suppliers taken together accounted for 85.44% and 98.42% of the Group's total purchases for the year.

Save as disclosed in this annual report, none of the Directors, their respective associates or, so far as the Directors are aware, any shareholder who owns more than 5% of the issued share capital of the Company has any interest in any of the said top five customers and suppliers of the Group for the year.

DIRECTORS

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

EXECUTIVE DIRECTORS:

Mr. Chau Cheok Wa (*Chairman*)
Ms. Yeung So Lai (resigned on 31 March 2017)
Ms. Cheng Mei Ching (resigned on 31 March 2017)
Ms. Yeung So Mui (resigned on 20 July 2017)
Mr. Lo Kai Bong (appointed on 9 March 2017)
Mr. Au Chung On John (appointed on 31 March 2017)
Mr. Manuel Assis Da Silva (appointed on 31 March 2017)

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Mr. Tou Kin Chuen
Dr. Wu Kam Fun Roderick
Mr. Lo Wai Tung John

BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the current Directors are set out on page 19 to page 21 of this annual report.

主要客戶及供應商

截至2017年12月31日止年度，本集團最大客戶及五大客戶之總銷售額分別佔本集團本年度總營業額的15.97%及42.34%。

截至2017年12月31日止年度，本集團最大供應商及五大供應商之總採購額分別佔本集團本年度總採購的85.44%及98.42%。

除本年報披露者外，概無董事、彼等各自之聯繫人、或就董事所知擁有本公司已發行股本5%以上之任何股東於年內擁有本集團上述任何五大客戶及供應商的權益。

董事

本公司年內及截至本報告日期之在任董事如下：

執行董事：

周焯華先生（主席）
楊素麗女士（於2017年3月31日辭任）
鄭美程女士（於2017年3月31日辭任）
楊素梅女士（於2017年7月20日辭任）
盧啟邦先生（於2017年3月9日獲委任）
歐中安先生（於2017年3月31日獲委任）
Manuel Assis Da Silva先生（於2017年3月31日獲委任）

獨立非執行董事：

杜健存先生
胡錦勳博士
盧衛東先生

董事履歷

現任董事履歷詳情載於本年報第19至21頁。

Directors' Report

董事會報告

DIRECTORS' SERVICE CONTRACTS AND ROTATION

The appointment of each Director is subject to retirement by rotation and, being eligible, offer themselves for re-election in accordance with the Company's articles of association (the "Articles"). All of the executive Directors do not enter any service contract with the Company. All of the independent non-executive Directors have entered a service contract with the Company for a term of 3 years and subject to retirement by rotation and re-election in accordance with the Articles and the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

In accordance with the provisions of the Articles, Mr. Lo Kai Bong, Mr. Tou Kin Chuen and Mr. Lo Wai Tung John shall retire from the Board by rotation at the forthcoming annual general meeting and being eligible, offer themselves for re-election.

Other than disclosed above, none of the Directors has entered or has proposed to enter into any service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without payment of compensation other than statutory compensation.

DIRECTORS' EMOLUMENTS

Details of Directors' emoluments on a named basis are set out in note 11 to the consolidated financial statements.

ANNUAL CONFIRMATION FROM INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company had received written confirmation from each of the independent non-executive Directors of their independence pursuant to rule 3.13 of the Listing Rules and both the Board and the nomination committee considered that all independent non-executive Directors are independent.

董事之服務合約及輪席

各董事之委任須根據本公司組織章程細則（「細則」）輪席退任並合資格膺選連任。所有執行董事均未與本公司訂立服務合約。所有獨立非執行董事均已與本公司簽訂為期三年之服務合約，及須依照本公司組織章程細則及聯交所證券上市規則（「上市規則」）附錄14所載之《企業管治守則》及《企業管治報告》輪值退任並膺選連任。

根據本公司組織章程細則規定，盧啟邦先生、杜健存先生及盧衛東先生須於應屆股東週年大會輪席退任，惟彼等符合資格並願意膺選連任。

除上述所披露者外，概無董事已或擬與本公司或任何其附屬公司訂立不可於一年內不支付賠償（法定賠償除外）則終止之服務合約。

董事酬金

按姓名分類之董事酬金詳情載於綜合財務報表附註11。

獨立非執行董事之年度確認書

本公司已收到各位獨立非執行董事有關彼等根據上市規則第3.13條發出的年度獨立的書面確認書，而董事會及提名委員會均認為所有獨立非執行董事均具獨立性。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES

As at 31 December 2017, the interests of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations") as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事於股份、相關股份或債券中之權益

於2017年12月31日，董事於本公司或其任何相聯法團（按證券及期貨條例（「證券及期貨條例」）第XV部之涵義）（「相聯法團」）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須存置之登記冊所記錄或根據上市發行人董事進行證券交易之標準守則（「標準守則」）而另行知會本公司及聯交所之權益如下：

LONG POSITION IN THE SHARES OF THE COMPANY

於本公司股份之好倉

Name of director	Capacity in which shares are held	Number of shares held	Number of underlying shares held under equity derivatives	Total	Percentage of aggregate interest shares to total number of shares in issue*
					%
董事姓名	持有股份之身份	持有股份數目	按股本衍生工具持有相關股份之數目	總計	總權益股份佔已發行股份總數之百分比*
Mr. Chau Cheok Wa ("Mr. Chau") 周焯華先生（「周先生」）	Interest of controlled corporation 受控制法團之權益	4,345,489,489 ¹	2,192,307,692 ²	6,537,797,181	108.59%
	Beneficial owner 實益擁有人	-	196,666,667 ³	196,666,667	3.27%
Mr. Lo Kai Bong ("Mr. Lo") 盧啟邦先生（「盧先生」）	Beneficial owner 實益擁有人	-	173,333,333 ⁴	173,333,333	2.88%
Mr. Au Chung On John ("Mr. Au") 歐中安先生（「歐先生」）	Interest of spouse 配偶權益	400,000	-	400,000	0.01%
Mr. Manuel Assis Da Silva Manuel Assis Da Silva 先生	Beneficial owner 實益擁有人	290,000	3,000,000 ⁵	3,290,000	0.05%
	Interest of spouse 配偶權益	520,000	-	520,000	0.01%

Directors' Report

董事會報告

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES (Cont'd)

Notes:

1. This represents interests held by Mr. Chau through Fame Select Limited, which holds 4,345,489,489 shares. Mr. Chau has 50% interests in Fame Select Limited and is therefore deemed to be interested in 4,345,489,489 shares.
 2. This represents the maximum of 2,192,307,692 conversion shares to be issued upon the full conversion of the convertible bonds issued by the Company to Fame Select Limited at the initial conversion price of HK\$0.26 (subject to adjustments). Mr. Chau has 50% interests in Fame Select Limited and is therefore deemed to be interested in the 2,192,307,692 underlying shares.
 3. This represents the maximum of 196,666,667 conversion shares to be issued upon full conversion of another convertible bonds, which will be issued by the Company to the vendor (or as it may direct in writing) for settlement of an acquisition, at the initial conversion price of HK\$0.90 (subject to adjustments).
 4. This represents the maximum of 133,333,333 conversion shares to be issued upon the full conversion of another convertible bonds, which will be issued by the Company to the vendor (or as it may direct in writing) for settlement of an acquisition, at the initial conversion price of HK\$0.90 (subject to adjustments). Mr. Lo is also interested in 40,000,000 share options at an exercise price of HK\$0.455 per share to subscribe for shares.
 5. Mr. Manuel Assis Da Silva is interested in 3,000,000 share options at an exercise price of HK\$0.455 per share to subscribe for shares.
- * The percentage has been calculated based on the total number of shares of the Company in issue as at 31 December 2017 (i.e. 6,020,818,900 shares).

董事於股份、相關股份或債券中之權益 (續)

附註:

1. 此指由周先生透過名萃有限公司(持有4,345,489,489股股份)持有的權益。周先生擁有名萃有限公司的50%權益,因此被視為於4,345,489,489股股份中擁有權益。
 2. 此指於本公司向名萃有限公司發行的可換股債券按初步轉換價0.26港元(可予調整)獲悉數轉換時將予發行的最多2,192,307,692股轉換股份。周先生持有名萃有限公司的50%權益,因此被視為於2,192,307,692股相關股份中擁有權益。
 3. 此指於本公司為結清收購而將另行向賣方(或按其可能書面指示)發行的可換股債券按初步轉換價0.90港元(可予調整)獲悉數轉換時將予發行的最多196,666,667股轉換股份。
 4. 此指於本公司為結清收購而將另行向賣方(或按其可能書面指示)發行的可換股債券按初步轉換價0.90港元(可予調整)獲悉數轉換時將予發行的最多133,333,333股轉換股份。盧先生亦於40,000,000份購股權中擁有權益,可按行使價每股0.455港元認購股份。
 5. Manuel Assis Da Silva先生於3,000,000份購股權中擁有權益,可按行使價每股0.455港元認購股份。
- * 百分比已根據本公司於2017年12月31日已發行之股份總數(即6,020,818,900股)計算。

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES OR DEBENTURES (Cont'd)

Save as disclosed above, as at 31 December 2017, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in notes 30 and 36 to the consolidated financial statements headed "Convertible Bond/Derivative Financial Instruments" and "Related Party Disclosures", respectively, no other contracts of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year under review and up to the date of this annual report, none of the Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in note 30 to the consolidated financial statements headed "Convertible Bond/Derivative Financial Instruments" and the share option schemes described below, at no time during the year was the Company, its holding company or any of its subsidiaries, a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事於股份、相關股份或債券中之權益 (續)

除上文所披露者外，於2017年12月31日，概無董事於本公司或其任何相聯法團之股份、相關股份或債券中擁有記入根據證券及期貨條例第352條所存置之登記冊或根據標準守則另行知會本公司及聯交所之任何其他權益或淡倉。

董事於重大合約之權益

除綜合財務報表附註30及36分別所載之「可換股債券／衍生金融工具」及「關連人士披露」披露者外，本公司、其控股公司或任何其附屬公司概無訂立任何董事於其中直接或間接擁有重大權益而於年結日或年內任何時間仍然生效的其他重大合約。

董事於競爭業務中之權益

於回顧年度及截至本年報日期止，概無董事直接或間接於與本集團業務構成競爭或可能構成競爭的任何業務中擁有權益（定義見上市規則）。

董事購買股份及債券之權利

除綜合財務報表附註30「可換股債券／衍生金融工具」所披露者及下文所述之購股權計劃外，年內本公司、其控股公司或其任何附屬公司概無訂立任何安排，致使董事可透過購買本公司股份或任何其他法團之股份而獲益。

Directors' Report

董事會報告

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY

As at 31 December 2017, the interests of those persons (other than the Directors) in the shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

於本公司股本之主要權益

於2017年12月31日，於本公司股份擁有根據證券及期貨條例第336條本公司須存置之登記冊所記錄之權益之該等人士（董事除外）如下：

Name	Capacity in which shares were held	Number of shares held	Number of underlying shares held under equity derivatives 按股本衍生工具持有相關股份之數目	Total	Percentage of aggregate interest shares to total number of shares in issue* 總權益股份佔已發行股份總數之百分比*
董事姓名	持有股份之身份	持有股份數目	數目	總計	百分比*
Fame Select Limited 名萃有限公司	Beneficial owner 實益擁有人	4,345,489,489 ¹	2,192,307,692 ²	6,537,797,181	108.59%
Mr. Cheng Ting Kong ("Mr. Cheng") 鄭丁港先生（「鄭先生」）	Interest of controlled corporation 受控制法團之權益	4,345,489,489 ¹	2,192,307,692 ²	6,537,797,181	108.59%
Mr. Chau 周先生	Interest of controlled corporation 受控制法團之權益	4,345,489,489 ¹	2,192,307,692 ²	6,537,797,181	108.59%
	Beneficial owner 實益擁有人	–	196,666,667 ³	196,666,667	3.27%
Magicmount Holdings Limited ("Magicmount") 偉晉控股有限公司 （「偉晉」）	Beneficial owner 實益擁有人	337,719,868 ⁴	–	337,719,868	5.61%

Notes:

- Fame Select Limited is owned as to 50% by Mr. Chau and 50% by Mr. Cheng. As such, Mr. Chau and Mr. Cheng are deemed to be interested in 4,345,489,489 shares held by Fame Select Limited.
 - This represents the maximum of 2,192,307,692 conversion shares upon the full conversion of the convertible bonds previously issued by the Company to Fame Select Limited at the initial conversion price of HK\$0.26 (subject to adjustments). Fame Select Limited is owned as to 50% by Mr. Chau and 50% by Mr. Cheng. As such, Mr. Chau and Mr. Cheng are deemed to be interested in the 2,192,307,692 underlying shares.
 - This represents the maximum of 196,666,667 conversion shares to be issued upon full conversion of another convertible bonds, which will be issued by the Company to the vendor (or as it may direct in writing) for settlement of an acquisition, at the initial conversion price of HK\$0.90 (subject to adjustments).
 - Magicmount is wholly-owned by Mr. Kwan Tat Ming. As such, Mr. Kwan Tat Ming is deemed to be interested in 337,719,868 shares held by Magicmount.
- * The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2017 (i.e. 6,020,818,900 shares).

附註：

- 名萃有限公司由周先生及鄭先生分別擁有50%。因此，周先生及鄭先生被視為於名萃有限公司持有的4,345,489,489股股份中擁有權益。
 - 此指於本公司早前向名萃有限公司發行的可換股債券按初步轉換價0.26港元（可予調整）獲悉數轉換時發行的2,192,307,692股轉換股份。名萃有限公司由周先生及鄭先生分別擁有50%。因此，周先生及鄭先生被視為於2,192,307,692股相關股份中擁有權益。
 - 此指於本公司為結清收購而將另行向賣方（或按其可能書面指示）發行的可換股債券按初步轉換價0.90港元（可予調整）獲悉數轉換時將予發行的最多196,666,667股轉換股份。
 - 偉晉由關達明先生全資擁有，因此，關達明先生被視為於偉晉持有的337,719,868股股份中擁有權益。
- * 百分比已根據本公司於2017年12月31日已發行之股份總數（即6,020,818,900股）作出調整。

SUBSTANTIAL INTERESTS IN THE SHARE CAPITAL OF THE COMPANY (Cont'd)

Save as disclosed above, as at 31 December 2017, the Company had not been notified of any interests and short positions in the shares and underlying shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

於本公司股本之主要權益（續）

除上文所披露者外，於2017年12月31日，本公司並無獲知會於本公司股份及相關股份中擁有根據證券及期貨條例第336條須存置之登記冊所記錄之任何權益及淡倉。

Directors' Report

董事會報告

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there was sufficiency of public float of the Company's securities as required under the Listing Rules up to the date of this report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws in the Cayman Islands.

SHARE OPTION

On 31 January 2007, in recognition of the contributions made by employees of the Group towards its growth and success, a share option scheme (the "Share Option Scheme") was adopted by the shareholder's written resolution of the Company. On 2 June 2016, a resolution has been passed in the 2016 annual general meeting of the Company to terminate the Share Option Scheme and adopt a new share option scheme (the "New Share Option Scheme"). Following the termination of the Share Option Scheme, no further options will be granted under such scheme, but in all other respects the provisions of the Share Option Scheme will remain in full force and effect and options granted prior to such termination will continue to be valid and exercisable in accordance with the rules of the Share Option Scheme.

The Listing Committee of Stock Exchange has granted the listing of, and permission to deal in the shares of the Company which may fall to be issued pursuant to the exercise of the options which granted and/or may be granted under the Share Option Scheme, and/or the New Share Option Scheme, subsequently.

As at 31 December 2017, a total of 346,458,336 share options were outstanding which comprised 95,958,336 share options and 250,500,000 share options granted under the Share Option Scheme and the New Share Option Scheme respectively.

The following is a summary of the principal terms of the Share Option Scheme and the New Share Option Scheme.

(A) SHARE OPTION SCHEME

Purpose

Recognise and acknowledge the contributions that the grantees had made or may make to the Group.

公眾持股量

根據本公司所獲公開資料及就董事所知，本公司至本報告日期具有符合上市規則所規定本公司證券之充足公眾持股量。

優先權

細則或開曼群島法例並無有關優先權之條文。

購股權

於2007年1月31日，為表彰本集團的僱員對其成長及成功所作出之貢獻，根據本公司之股東書面決議案，本公司採納一項購股權計劃（「購股權計劃」）。於2016年6月2日，一項決議案於本公司2016年股東週年大會上通過，以終止購股權計劃並採納一項新購股權計劃（「新購股權計劃」）。於購股權計劃終止後，不會再根據該計劃授出購股權，但購股權計劃的條文將在所有其他方面仍然具有十足效力，於終止前授出的購股權將繼續有效並可按照購股權計劃的規則行使。

聯交所上市委員會已批准因根據購股權計劃及／或新購股權計劃授出及／或可能授出之購股權獲行使而須予發行之本公司股份上市及買賣。

於2017年12月31日，合共346,458,336份購股權未獲行使，其中包括根據購股權計劃及新購股權計劃分別授出的95,958,336份購股權及250,500,000份購股權。

以下乃購股權計劃及新購股權計劃之主要條款之概要。

(A) 購股權計劃

目的

表彰及感謝承授人過往或可能對本集團所作出之貢獻。

SHARE OPTION (Cont'd)

(A) SHARE OPTION SCHEME (Cont'd)

Participants

Eligible participants include:

- (a) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate");
- (b) the trustee of any trust the beneficiary of which or an discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or
- (c) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

Exercise price

Determined by the Board and shall not be less than the higher of:

- (a) the nominal value of the share;
- (b) the closing price of one (1) share on the Stock Exchange at the offer date, which must be a trading day; and
- (c) the average closing price of the share on the Stock Exchange for the five business days immediately preceding the offer date.

Total number of shares available for issue and the percentage of the issued shares capital that it represented as at the date of this annual report

No further options will be granted.

Maximum entitlement of each participant

Not exceed 1% of the shares in issue in any 12-month period.

購股權 (續)

(A) 購股權計劃 (續)

參與者

合資格參與者包括:

- (a) 本集團、本集團持有權益之公司或該公司附屬公司之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴或諮詢人或承建商(「聯屬人」);
- (b) 任何信託受託人之受益人或任何全權信託之全權對象,包括本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承建商或聯屬人;或
- (c) 本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承建商或聯屬人所實益擁有之公司。

行使價

由董事會釐定,且不得低於以下之最高者:

- (a) 股份之面值;
- (b) 於發售日期(須為營業日)股份在聯交所之一(1)股收市價;及
- (c) 緊接發售日期前五個營業日股份在聯交所之平均收市價。

可發行股份總數及於本年報日期佔已發行股份之百分比

不會再授出購股權。

每名參與者之最高配額

不超過於任何12個月期間已發行股份之1%。

Directors' Report

董事會報告

SHARE OPTION (Cont'd)

(A) SHARE OPTION SCHEME (Cont'd)

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of offer.

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$10 payable upon acceptance of the offer.

Period within which calls/loans must be made/repaid

Not applicable.

Remaining life of the scheme

The scheme has been terminated on 2 June 2016 but the provisions of the scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to the date of termination shall continue to be exercisable in accordance with their terms of grant, notwithstanding the termination of the scheme.

(B) New Share Option Scheme

Purpose

Recognise and acknowledge the contributions that the grantees had made or may make to the Group.

Participants

Eligible participants include:

- (a) full time or part time employees, executives, officers, or directors (whether executive or non-executive and whether independent or not) of the Group;

購股權 (續)

(A) 購股權計劃 (續)

根據購股權認購證券之期限

由董事會酌情釐定，而如並無釐定，由接納日期起至有關購股權失效之日及由授出日期起計滿10年（以較早發生者為準）。

購股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付10港元。

付款金額／貸款須作出／償還之期限
不適用。

該計劃之餘下年期

該計劃已於2016年6月2日中止，但該計劃之條文於所有其他方面將維持十足效力及有效。於該計劃期內授出且於中止日前仍未獲行使但符合上市規則條文之購股權，將可繼續根據彼等之授出條款予以行使，儘管該計劃已中止。

(B) 新購股權計劃

目的

表彰及感謝承授人過往或可能對本集團所作出之貢獻。

參與者

合資格參與者包括：

- (a) 本集團的全職或兼職僱員、行政人員、高級人員或董事（不論為執行董事或非執行董事，且不論是否為獨立董事）；

SHARE OPTION (Cont'd)

(B) New Share Option Scheme (Cont'd)

Participants

- (b) and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group.

Exercise price

Determined by the Board and shall not be less than the higher of:

- (a) the nominal value of the share;
- (b) the closing price of one (1) share on the Stock Exchange at the offer date, which must be a trading day; and
- (c) the average closing price of the share on the Stock Exchange for the five business days immediately preceding the offer date.

Total number of shares available for issue and the percentage of the issued shares capital that it represented as at the date of this annual report

500,425,890 shares, being approximately 8.31% of the issued shares of the Company.

購股權 (續)

(B) 新購股權計劃 (續)

參與者

- (b) 本集團的任何業務或合營夥伴、承包商、代理或代表、諮詢人員、顧問、供應商、生產商或授權人、客戶、獲授權人(包括任何分獲授權人)或分銷商、業主或承租人(包括任何分承租人)。

行使價

由董事會釐定，且不得低於以下之較高者：

- (a) 股份之面值；
- (b) 於授出日期(須為交易日)一(1)股股份在聯交所之每股收市價；及
- (c) 緊接授出日期前五個營業日股份在聯交所之平均收市價。

可發行股份總數及於本年期報告日期佔已發行股本之百分比

500,425,890股股份，佔本公司已發行股份約8.31%。

SHARE OPTION (Cont'd)

(B) New Share Option Scheme (Cont'd)

Maximum entitlement of each participant

Not exceed 1% of the shares in issue in any 12-month period.

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of offer.

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$1 payable upon acceptance of the offer.

Period within which calls/loans must be made/repaid

Not applicable.

Remaining life of the scheme

The scheme will be valid and effective until 2 June 2026, after which no further options will be granted but the provisions of the scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 2 June 2026 shall continue to be exercisable in accordance with their terms of grant, notwithstanding the expiry of the scheme.

購股權 (續)

(B) 新購股權計劃 (續)

每名參與者之最高配額

不超過於任何十二個月期間已發行股份之1%。

根據購股權認購證券之期限

由董事會酌情釐定，如並無釐定，由接納日期起至有關購股權失效之日及由授出日期起計滿十年（以較早發生者為準）。

購股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付1港元。

付款金額／貸款須作出／償還之期限
不適用。

該計劃之餘下年期

該計劃將生效及有效直至2026年6月2日，此後將不會授出任何購股權，但該計劃之條文於所有其他方面將維持十足效力及有效。於該計劃期內授出且於緊接2026年6月2日前仍未獲行使但符合上市規則條文之購股權，將可繼續根據彼等之授出條款予以行使，儘管該計劃之期限已屆滿。

SHARE OPTION (Cont'd)

(C) MOVEMENTS OF THE SHARE OPTION SCHEME

Movements of the share options, which were granted under the Share Option Scheme, during the year ended 31 December 2017 are listed below in accordance with rule 17.07 of the Listing Rules:

購股權 (續)

(C) 購股權計劃之變動

截至2017年12月31日止年度內，根據購股權計劃授出之購股權變動如下（乃根據上市規則第17.07條載列）：

Category 類別	Date of grant 授出日期	As at 於 1.1.2017	During the year 年內				As at 於 31.12.2017	Adjusted exercise price 經調整行使價 HK\$ 港元	Exercisable period 行使期
			Granted 授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效			
Continuous Contract Employees 持續合約僱員	15.05.2007	596,485	-	-	-	(596,485) ¹	-	4.134	15.11.2007 - 14.05.2017
	10.10.2007	444,425	-	-	(444,425) ²	-	-	6.728	10.04.2008 - 09.10.2017
	12.12.2013	462,559	-	-	-	-	462,559	0.344	13.12.2013 - 12.12.2023
Sub-total: 小計:		1,503,469	-	-	(444,425)	(596,485)	462,559		
Consultants 顧問	15.05.2007	5,786,833	-	-	-	(5,786,833) ¹	-	4.134	15.11.2007 - 14.05.2017
	13.02.2008	3,558,149	-	-	-	-	3,558,149	3.822	13.08.2008 - 12.02.2018
	12.12.2013	103,497,628	-	(11,560,000) ³	-	-	91,937,628	0.344	13.12.2013 - 12.12.2023
Sub-total: 小計:		112,842,610	-	(11,560,000)	-	(5,786,833)	95,495,777		
Total: 總計:		114,346,079	-	(11,560,000)	(444,425)	(6,383,318)	95,958,336		

Directors' Report

董事會報告

SHARE OPTION (cont'd)

(C) MOVEMENTS OF THE SHARE OPTION SCHEME (cont'd)

Notes:

- 6,383,318 share options were lapsed under the Share Option Scheme upon expiry of the life of the options during the year ended 31 December 2017.
- 444,425 share options were cancelled upon the resignation of an employee of the Company.
- The weighted average closing price of the Company's share immediately before the date on which the share options were exercised was HK\$0.710.
- The exercise price of the share options is subject to the adjustment in case of right or bonus issues, or other similar changes in the Company's share capital.
- When the share options are lapsed or cancelled, the amount previously recognised in share option reserve will be transferred to accumulated losses.

(D) MOVEMENTS OF THE NEW SHARE OPTION SCHEME

Movements of the share options, which were granted under the New Share Option Scheme, during the year ended 31 December 2017 are listed below in accordance with rule 17.07 of the Listing Rules:

購股權 (續)

(C) 購股權計劃之變動 (續)

附註:

- 截至2017年12月31日止年度，6,383,318份購股權已於購股權計劃的期限屆滿時根據購股權計劃失效。
- 444,425份購股權於本公司一名僱員辭職後被註銷。
- 緊接購股權行使之日前本公司股份的加權平均收市價為0.710港元。
- 購股權之行使價將因應供股或發行紅股或本公司股本之其他類似變動而作出調整。
- 當購股權已失效或被註銷，早前於購股權確認之數額將轉撥至累計虧損。

(D) 新購股權計劃之變動

截至2017年12月31日止年度，根據新購股權計劃授出之購股權變動按上市規則第17.07條列示如下：

Category	Date of grant	As at 於 1.1.2017	During the year 年內				As at 於 31.12.2017	Adjusted exercise price/ Exercise price 經調整行使價 / 行使價 HK\$ 港元	Exercisable period 行使期
			Granted 授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效			
Consultants 顧問	11.01.2017	-	150,000,000 ¹	-	-	-	150,000,000	0.202	11.01.2017 - 10.01.2027
	19.04.2017	-	16,500,000 ²	-	-	-	16,500,000	0.700	19.04.2017 - 18.04.2027
	19.04.2017	-	4,100,000 ³	-	-	-	4,100,000	0.700	19.04.2017 - 18.04.2027
	19.04.2017	-	6,150,000 ³	-	-	-	6,150,000	0.700	19.04.2018 - 18.04.2027
	19.04.2017	-	10,250,000 ³	-	-	-	10,250,000	0.700	19.04.2019 - 18.04.2027

SHARE OPTION (cont'd)

**(D) MOVEMENTS OF THE NEW SHARE OPTION SCHEME
(cont'd)**

購股權 (續)

(D) 新購股權計劃之變動 (續)

Category	Date of grant	As at 於 1.1.2017	During the year 年內				As at 於 31.12.2017	Adjusted exercise price/ Exercise price 經調整行使價 /行使價 HK\$ 港元	Exercisable period 行使期
			Granted 授出	Exercised 已行使	Cancelled 已註銷	Lapsed 已失效			
	04.09.2017	-	1,400,000 ⁴	-	-	-	1,400,000	0.455	04.09.2017 - 03.09.2027
	04.09.2017	-	2,100,000 ⁴	-	-	-	2,100,000	0.455	04.09.2018 - 03.09.2027
	04.09.2017	-	3,500,000 ⁴	-	-	-	3,500,000	0.455	04.09.2019 - 03.09.2027
Sub-total: 小計:		-	194,000,000	-	-	-	194,000,000		
Directors 董事									
Lo Kai Bong 盧啟邦	04.09.2017	-	8,000,000 ⁴	-	-	-	8,000,000	0.455	04.09.2017 - 03.09.2027
	04.09.2017	-	12,000,000 ⁴	-	-	-	12,000,000	0.455	04.09.2018 - 03.09.2027
	04.09.2017	-	20,000,000 ⁴	-	-	-	20,000,000	0.455	04.09.2019 - 03.09.2027
Manuel Assis Da Silva	04.09.2017	-	600,000 ⁴	-	-	-	600,000	0.455	04.09.2017 - 03.09.2027
	04.09.2017	-	900,000 ⁴	-	-	-	900,000	0.455	04.09.2018 - 03.09.2027
	04.09.2017	-	1,500,000 ⁴	-	-	-	1,500,000	0.455	04.09.2019 - 03.09.2027
Sub-total: 小計		-	43,000,000	-	-	-	43,000,000		
Continuous Contract Employees 持續合約僱員	04.09.2017	-	2,700,000 ⁴	-	-	-	2,700,000	0.455	04.09.2017 - 03.09.2027
	04.09.2017	-	4,050,000 ⁴	-	-	-	4,050,000	0.455	04.09.2018 - 03.09.2027
	04.09.2017	-	6,750,000 ⁴	-	-	-	6,750,000	0.455	04.09.2019 - 03.09.2027
Sub-total: 小計		-	13,500,000	-	-	-	13,500,000		
Total 總計		-	250,500,000	-	-	-	250,500,000		

SHARE OPTION (cont'd)

(D) MOVEMENTS OF THE NEW SHARE OPTION SCHEME (cont'd)

Notes:

1. No vesting period for the 150,000,000 share options granted on 11 January 2017. The closing price of the Company's share immediately before the date of grant was HK\$0.199.
2. No vesting period for the 16,500,000 share options granted on 19 April 2017. The closing price of the Company's share immediately before the date of grant was HK\$0.60.
3. Among the 20,500,000 share options granted on 19 April 2017, 4,100,000 share options vested on 19 April 2017, 6,150,000 shares options will vest on 19 April 2018 and 10,250,000 share options will vest on 19 April 2019. The closing price of the Company's share immediately before the date of grant was HK\$0.60.
4. Among the 63,500,000 share options granted on 4 September 2017, 12,700,000 share options vested on 4 September 2017, 19,050,000 shares options will vest on 4 September 2018 and 31,750,000 share options will vest on 4 September 2019. The closing price of the Company's share immediately before the date of grant was HK\$0.46.
5. The exercise price of the share options is subject to the adjustment in case of right or bonus issues, or other similar changes in the Company's share capital.
6. When the share options are lapsed or cancelled, the amount previously recognised in share option reserve will be transferred to accumulated losses.

購股權 (續)

(D) 新購股權計劃之變動 (續)

附註:

1. 於2017年1月11日授出的150,000,000份購股權並無歸屬期。緊接授出日期前本公司股份的收市價為0.199港元。
2. 於2017年4月19日授出的16,500,000份購股權並無歸屬期。緊接授出日期前本公司股份的收市價為0.60港元。
3. 於2017年4月19日授出的20,500,000份購股權中，4,100,000份購股權已於2017年4月19日歸屬，6,150,000份購股權將於2018年4月19日歸屬，10,250,000份購股權將於2019年4月19日歸屬。緊接授出日期前本公司股份的收市價為0.60港元。
4. 於2017年9月4日授出的63,500,000份購股權中，12,700,000份購股權已於2017年9月4日歸屬以及19,050,000份及31,750,000份購股權將分別於2018年9月4日及2019年9月4日歸屬。緊隨授出日期前，本公司股份的收市價為0.46港元。
5. 購股權的行使價須在供股或紅股發行或本公司股本出現其他類似變動時進行調整。
6. 當購股權失效或註銷時，早前於購股權確認的金額將轉入累計虧損。

PENSION SCHEMES

The pension schemes of the Group are primarily in form of contributions to the PRC statutory public welfare fund and Hong Kong's Mandatory Provident Fund, respectively.

CONTINUING CONNECTED TRANSACTIONS

On 6 February 2017, Sun Travel, an indirect wholly-owned subsidiary of the Company, entered into (i) the hotel accommodation procurement agreement (the "Original HAP agreement"); and (ii) the ferry ticket supply agreement (the "Ferry Ticket Supply Agreement") with Sun City Gaming Promotion Company Limited ("Sun City Gaming Promotion").

The Original HAP agreement has a term commencing from the date of approval of the Original HAP agreement at the extraordinary general meeting (the "EGM") held and convened and ending on 31 December 2017 (both dates inclusive) (the "Initial Term"), subject to subsequent renewal in compliance with the Listing Rules. During the term of the Original HAP agreement, Sun Travel may from time to time procure from Sun City Gaming Promotion, and Sun City Gaming Promotion may from time to time supply to Sun Travel, the provision of hotel accommodation and related services, subject to the cap of HK\$120,000,000 (the "Original Annual Cap").

The Ferry Ticket Supply Agreement has a term of three years commencing from 6 February 2017 and ending on 31 December 2019 (both dates inclusive), subject to subsequent renewal in compliance with the Listing Rules. During the term of the Ferry Ticket Supply Agreement, Sun City Gaming Promotion may from time to time purchase from Sun Travel, and Sun Travel may from time to time supply to Sun City Gaming Promotion, the provision of ferry tickets and other complementary services, subject to the annual caps of HK\$8,500,000, HK\$10,000,000 and HK\$10,000,000 for each of the three years (commencing from 6 February 2017) during the term.

On 15 May 2017, Sun Travel and Sun City Gaming Promotion entered into a new hotel accommodation procurement agreement (the "Revised HAP Agreement") to amend the Original Annual Cap and to provide additional annual caps. Taking into account the development of the business of Sun Travel, the Board proposed to revise the Original Annual Cap of HK\$120,000,000 to HK\$420,000,000 for the Initial Term and to provide additional annual caps for the years ending 31 December 2018 and 31 December 2019, respectively.

退休金計劃

本集團之退休金計劃主要分別為中國法定公益金供款計劃及香港強制性公積金。

持續關連交易

於2017年2月6日，太陽旅遊（本公司的間接全資附屬公司）與太陽城博彩中介一人有限公司（「太陽城博彩中介」），訂立(i)酒店住宿服務採購協議（「原酒店住宿服務採購協議」）；及(ii)船票供應協議（「船票供應協議」）。

原酒店住宿服務採購協議的期限自於召開及舉行之股東特別大會（「股東特別大會」）上批准原酒店住宿服務採購協議之日起至2017年12月31日止（包括首尾兩日）（「初步期限」），惟其後須根據上市規則續新。於酒店住宿服務採購協議的期限內，太陽旅遊可不時向太陽城博彩中介採購，而太陽城博彩中介可不時向太陽旅遊供應酒店住宿及相關服務採購，上限為120,000,000港元（「原年度上限」）。

船票供應協議為期三年，自2017年2月6日起至2019年12月31日止（包括首尾兩日），惟其後須根據上市規則續新。於船票供應協議的期限內，太陽城博彩中介可不時向太陽旅遊採購，而太陽旅遊可不時向太陽城博彩中介供應船票及其他配套服務，期限內（自2017年2月6日起）三個年度各年的年度上限分別為8,500,000港元、10,000,000港元及10,000,000港元。

於2017年5月15日，太陽旅遊與太陽城博彩中介訂立新酒店住宿服務採購協議（「經修訂酒店住宿服務採購協議」），以修訂原年度上限及提供額外年度上限。經計及太陽旅遊的業務發展，董事會建議將初步期限的原年度上限120,000,000港元修訂為420,000,000港元，並分別就截至2018年12月31日及2019年12月31日止年度提供額外年度上限。

Directors' Report

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CONTINUING CONNECTED TRANSACTIONS (cont'd)

Sun City Gaming Promotion is wholly owned by Mr. Chau, who is the Chairman of the Company and an executive Director. Fame Select Limited, which is owned as to 50% by Mr. Chau, is controlling shareholder of the Company interested in approximately 72.17% of the issued share capital of the Company. Accordingly, Sun City Gaming Promotion is regarded as a connected person of the Company under the Listing Rules, and therefore the transactions contemplated under the Original HAP agreement, the Ferry Ticket Supply Agreement and the Revised HAP Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Parties to the transactions

Service provider	Service recipient	Nature of transactions	Annual cap for the year ended 31 December 2017 截至 2017年12月31日 止年度之年度上限	Total amount for the year ended 31 December 2017 截至 2017年12月31日 止年度之總額
服務供應商	服務接受方	交易性質		
Sun City Gaming Promotion	Sun Travel	provision of hotel accommodation and related services	HK\$420,000,000 (equivalent to approximately RMB363,000,000)	HK\$376,608,596 (equivalent to approximately RMB326,889,000)
太陽城博彩中介	太陽旅遊	提供酒店住宿及相關服務	420,000,000港元 (相當於約人民幣363,000,000元)	376,608,596港元 (相當於約人民幣326,889,000元)
Sun Travel	Sun City Gaming Promotion	provision of ferry tickets and other complementary services	HK\$8,500,000 (equivalent to approximately RMB7,400,000)	HK\$6,864,376 (equivalent to approximately RMB5,958,000)
太陽旅遊	太陽城博彩中介	提供船票及其他配套服務	8,500,000港元 (相當於約人民幣7,400,000元)	6,864,376港元 (相當於約人民幣5,958,000元)

持續關連交易 (續)

太陽城博彩中介由本公司主席兼執行董事周先生全資擁有。名萃有限公司由周先生擁有50%，為本公司控股股東，擁有本公司的已發行股本約72.17%。故此，太陽城博彩中介根據上市規則被視為本公司的關連人士，因此根據上市規則第14A章，原酒店住宿服務採購協議、船票供應協議及經修訂酒店住宿服務採購協議項下擬進行之交易構成本公司的持續關連交易。

交易之訂約方

CONTINUING CONNECTED TRANSACTIONS (cont'd)

Parties to the transactions (cont'd)

During the year, the above continuing connected transactions were carried out within their respective annual caps. The independent non-executive Directors have reviewed and confirmed that during the year, the above continuing connected transactions were conducted and entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms; and
- (iii) according to the agreements governing it on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

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

Full details of the above connected transactions are set out in the announcements and circulars as aforesaid and are available in the Stock Exchange's website and the Company's website at www.suncitygroup.com.hk.

Details of other related party transactions are set out in Note 36 to the consolidated financial statements.

MANAGEMENT CONTRACTS

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

持續關連交易 (續)

交易之訂約方 (續)

於年度，上述持續關連交易乃於彼等各自的年度上限範圍內進行。獨立非執行董事已審閱並確認，年內上述持續關連交易：

- (i) 於本集團一般及日常業務過程中進行及訂立；
- (ii) 按一般商業條款進行及訂立；及
- (iii) 根據屬公平合理及符合本公司股東整體利益的條款規管該等協議進行及訂立。

本公司已根據香港會計師公會頒佈的香港鑒證業務準則3000號(經修訂)「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明740號「香港上市規則項下持續關連交易的核數師函件」委聘核數師就本集團的持續關連交易作出匯報。核數師已根據上市規則第14A.56條發出載有其就本集團於本年報披露的持續關連交易的事實及結論的無保留意見函件。本公司已將核數師函件副本呈交聯交所。

上述關連交易的全部詳情載於所述公告及通函，且可於聯交所網站及本公司網站(www.suncitygroup.com.hk)查閱。

其他關聯方交易的詳情載於綜合財務報表附註36。

管理合約

年內概無訂立或存在任何關於本公司業務全部及任何重要部分之管理及行政合約。

Directors' Report

董事會報告

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

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

BUSINESS REVIEW

"Group Financial Summary" on page 6 and "Management Discussion and Analysis" on pages 11 to 18 form part of this Directors' report.

The environmental policies and performance, compliance with relevant laws and regulations and relationships with employees are also discussed under section headed "Environmental, Social and Governance Report" on pages 58 to 62.

Principal Risks and Uncertainties Facing the Company

The Group's business performance in the year under review was affected by the volatility and uncertainty of macro-economic conditions in the PRC and Hong Kong.

The Group's business is also exposure to credit, liquidity, interest rate, foreign currency and equity price risks. An analysis of the Group's financial risk management is provided in note 38 to the consolidated financial statements.

Environmental Policies and Performance

The Group recognise its responsibility to protect the environment from its business activities. The Group continually seeks to identify and manage environmental impacts attributable from our operational activities in order to minimise these impacts if possible.

Compliance with the Relevant Laws and Regulations

During the year ended 31 December 2017 and up to the date of this report, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on our business and operation.

Future Development

"Review and Outlook" on page 9 from part of this Directors' report.

購買、出售或贖回本公司上市證券

年內，除以上所披露外，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

業務回顧

第6頁所載之「集團財務概要」及第11至18頁所載之「管理層討論及分析」構成本董事會報告之一部分。

環境政策及表現、遵守相關法律及法規以及與僱員關係亦於第58至62頁所載之「環境、社會及管治報告」一節討論。

本公司面臨的主要風險及不確定因素

本集團於回顧年度的業務表現受中國及香港宏觀經濟狀況波動及不確定因素影響。

本集團業務亦面臨信貸、流動資金、利率、外匯及股價風險。本集團財務風險管理的分析載於綜合財務報表附註38。

環境政策及表現

本集團深知其於業務活動中保護環境的責任。本集團繼續尋求識別及管理營運活動產生的環境影響，以盡可能減少該等影響。

遵守相關法律及法規

於截至2017年12月31日止年度及截至本報告日期，據本公司所知，本集團並無重大違反或不遵守適用法律及法規，而對我們的業務及營運造成重大影響。

未來發展

第9頁所載之「回顧及展望」構成本董事會報告之一部分。

BUSINESS REVIEW (cont'd)

Key Relationships with Employees, Customers and Suppliers

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 December 2017, there was no material and significant dispute between the Group and its employees, customers and suppliers.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 5 June 2018 to 8 June 2018 (both dates inclusive) for determining the identity of the shareholders who are entitled to attend and vote at the annual general meeting ("AGM"). No transfer of shares will be registered during this period. Shareholders whose name appears on the register of members of the Company on 8 June 2018 shall be entitled to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, unregistered holders of the shares should ensure that all transfer forms accompanied by the relevant share certificates must be lodged with the share registrar and transfer office of the Company, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration no later than 4:30 p.m. on 4 June 2018.

PERMITTED INDEMNITY PROVISIONS

At no time during the financial year and up to the date of this report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Company or an associate.

EVENTS AFTER THE REPORTING PERIOD

For the details of events after the reporting period, please refer to note 45 to the consolidated financial statements.

業務回顧 (續)

與僱員、客戶及供應商的重要關係

本集團知悉與其僱員、客戶及供應商維持良好關係對達致其當前及長期業務目標的重要性。截至2017年12月31日止年度，本集團與其僱員、客戶及供應商概無任何嚴重及重大糾紛。

暫停辦理股份過戶登記

本公司將於2018年6月5日至2018年6月8日(包括首尾兩日)暫停辦理股份過戶登記，以釐定有權出席股東週年大會(「股東週年大會」)並於會上投票的股東身份。該期間不會辦理任何股份過戶登記手續。於2018年6月8日名列本公司股東名冊的股東有權出席股東特別大會並於會上投票。為符合資格出席股東特別大會並於會上投票，股份的未登記持有人應確保所有過戶表格連同相關股票必須於2018年6月4日下午四時三十分前送交本公司的股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)登記。

獲准許的彌償條文

在財政年度內及直至本報告日期止任何時間，均未曾經有或現有生效的任何獲准許的彌償條文惠及本公司的董事或有關連公司。

報告期完結後事項

有關報告期後事項之詳情，謹請參考綜合財務報表附註45。

Directors' Report

董事會報告

AUDITORS

Andes Glacier CPA Limited resigned as auditor of the Company on 20 July 2017, and Deloitte Touche Tohmatsu ("Deloitte") was appointed as auditor of the Company to fill the vacancy arising from the resignation of Andes Glacier CPA Limited on 16 January 2018. Save as disclosed above, there was no change in auditor during the past three years.

A resolution will be submitted to the forthcoming AGM meeting of the Company to re-appoint Deloitte as auditor of the Company.

On behalf of the Board

Chau Cheok Wa

Chairman

29 March 2018

核數師

思捷會計師行有限公司已於2017年7月20日辭任本公司核數師，及德勤•關黃陳方會計師行（「德勤」）已於2018年1月16日獲委任為本公司核數師，以填補思捷會計師行有限公司辭任產生的空缺。除上文披露者外，於過去三年核數師概無變動。

本公司將於應屆股東週年大會上提呈決議案，以續聘德勤為本公司核數師。

代表董事會

周焯華

主席

2018年3月29日

The Company is committed to maintain high standard of corporate governance standards and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency. The Company has complied with the code on corporate governance practices (the “Code”) as set out in Appendix 14 of the Listing Rules during the year ended 31 December 2017 except the following deviations:

Code provision A.2.1

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

Following the resignation of Ms. Yeung So Lai as an executive Director and the chief executive officer of the Company (the “Chief Executive Officer”) on 31 March 2017, the Company has not appointed an individual to take up the vacancy of the Chief Executive Officer, and the roles and functions of the Chief Executive Officer have been performed by all the executive Directors collectively.

Code provision D.1.4

Under Code provision D.1.4 of the Code, the Company should have formal letters of appointment for Directors setting out the key terms and conditions of their appointment. The Company did not have formal letters of appointment for Mr. Chau, Mr. Lo Kai Bong, Mr. Au Chung On John and Mr. Manuel Assis Da Silva, executive Directors of the Company.

However, Mr. Chau, Mr. Lo Kai Bong, Mr. Au Chung On John and Mr. Manuel Assis Da Silva are subject to retirement by rotation at least once in every three years in accordance with the Articles.

本公司致力於維持高水平的企業管治準則及程序，以保護所有股東的利益及加強問責及透明度。本公司於截至2017年12月31日止年度已遵守上市規則附錄14所載企業管治常規守則（「守則」），惟以下偏離除外：

守則條文第A.2.1條

根據守則條文第A.2.1條，主席及行政總裁之角色應予區分，且不應由同一人擔任。主席及行政總裁之職責分工應以書面清晰界定。

於楊素麗女士於2017年3月31日辭任本公司執行董事兼行政總裁（「行政總裁」）後，本公司並無委任個別人士以填補行政總裁空缺，而行政總裁之角色及職能由全體執行董事共同履行。

守則條文第D.1.4條

根據守則條文第D.1.4條，本公司應有正式的董事委任書，訂明有關委任的主要條款及條件。本公司並無有關委任本公司執行董事周先生、盧啟邦先生、歐中安先生及Manuel Assis Da Silva先生的正式委任書。

然而，周先生、盧啟邦先生、歐中安先生及Manuel Assis Da Silva先生須按照細則至少每三年輪值退任一次。

Corporate Governance Report

企業管治報告

Code provision E.1.2

Under Code provision E.1.2 of the Code, the chairman of the Board should attend the general meetings of the Company and invite the chairman of the committees to attend. However, due to his other business commitment, Mr. Chau, the chairman of the Board, did not attend the extraordinary general meetings held on 31 March 2017, 23 June 2017 and 21 November 2017 and the annual general meeting of the Company held on 23 June 2017.

Code provision A.6.7

Under code provision A.6.7, independent non-executive Directors and other non-executive Directors should attend general meetings and develop a balanced understanding of the views of shareholders.

Mr. Lo Wai Tung John, the chairman of remuneration committee of the Company and an independent non-executive Director, did not attend the extraordinary general meetings held on 31 March 2017, 23 June 2017 and 21 November 2017 and the annual general meeting of the Company held on 23 June 2017. Mr. Tou Kin Chuen, the chairman of audit committee of the Company (the "Audit Committee") and an independent non-executive Director and Dr. Wu Kam Fun Roderick, the Chairman of nomination committee of the Company and independent non-executive Director, did not attend the extraordinary general meetings held on 31 March 2017 and 23 June 2017 and the annual general meeting of the Company held on 23 June 2017. However, executive Director(s) were present to enable the Board to develop a balanced understanding of the views of shareholders.

Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with the required standard as set out in the Model Code regarding securities transactions by the Directors throughout the year ended 31 December 2017.

守則條文第E.1.2條

根據守則之守則條文第E.1.2條，董事會主席應出席本公司股東大會並邀請委員會主席出席。然而，由於其他公務，周先生（為董事會主席）未出席於2017年3月31日、2017年6月23日及2017年11月21日舉行的股東特別大會以及於2017年6月23日舉行的本公司股東週年大會。

守則條文第A.6.7條

根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席本公司股東大會及均衡了解股東的意見。

盧衛東先生（為本公司薪酬委員會主席及獨立非執行董事）未出席於2017年3月31日、2017年6月23日及2017年11月21日舉行的股東特別大會以及於2017年6月23日舉行的本公司股東週年大會。杜健存先生（為本公司審核委員會（「審核委員會」）主席及獨立非執行董事）及胡錦勳博士（為本公司提名委員會主席及獨立非執行董事）未出席於2017年3月31日及2017年6月23日舉行的股東特別大會以及於2017年6月23日舉行的本公司股東週年大會。然而，執行董事出席使董事會均衡了解股東的意見。

董事的證券交易

本公司已採納上市規則附錄10所載有關上市發行人之董事進行證券交易之標準守則（「標準守則」）作為其自身有關董事進行證券交易的行為守則。經向全體董事具體查詢後，本公司並不知悉截至2017年12月31日止整個年度內有關董事進行證券交易不遵守標準守則所載規定準則的任何情況。

Board of Directors

The Board currently comprises seven Directors, of whom four are executive Directors, and three are independent non-executive Directors. The Board has in its composition a balance of skills and experience necessary for decision making and fulfilling its business needs. The participation of non-executive Directors in the Board brings independent judgement on issues relating to the Group's strategy, performance, conflicts of interest and management process to ensure that the interests of all shareholders of the Company have been duly considered.

The Board considers that all of the independent non-executive Directors are independent and has received from each of them the annual confirmation of independence required by the Listing Rules.

Details of the biographies of the Directors are given under the section "Biographical Details of Directors" of this annual report.

Details of term of appointment of non-executive Directors are given under the section "Directors' Service Contracts and Rotation" in the Directors' Report.

The Board is responsible for the approval and monitoring of the Group's overall strategies and policies; approval of business plans; effectiveness of internal control and risk management systems and oversight of management. It is also responsible for promoting the success of the Company and its businesses by directing and supervising the Company's affairs.

The Board focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group.

The Board delegates day-to-day operations of the Group to executive Directors and senior management of every business segment, while reserving certain key matters for its approval. Decisions of the Board are communicated to the management through executive Directors who have attended Board meetings.

The Company had arranged for appropriate liability insurance for the directors and officers of the Group for indemnifying their liabilities arising from corporate activities.

董事會

董事會現由七名董事組成，其中四名為執行董事，三名為獨立非執行董事。所組成的董事會具備全面之專長以及經驗，足作決策及滿足業務所需。非執行董事於董事會之參與，可為有關本集團之策略、表現、利益衝突及管理程序之事宜作出獨立判斷，可確保本公司所有股東之權益已獲妥善考慮。

董事會認為所有獨立非執行董事均為獨立人士，並已接獲每位獨立非執行董事根據上市規則規定之年度獨立性確認書。

董事之簡歷詳情載於本年報「董事之履歷」一節。

非執行董事任期之詳情載於董事會報告「董事之服務合約及輪席」一節。

董事會負責審批及監察本集團之整體策略及政策；審批業務計劃；內部監控及風險管理制度之有效性以及監督。董事會亦負責透過指揮及監督本公司之事務而協助本公司及其業務再創佳績。

董事會專注於整體策略及政策，並特別注意本集團之增長及財政表現。

董事會轉授本集團之營運予執行董事以及各項業務之高級管理層，但若干主要事項則必須取得董事會批准。董事會之決定會透過出席董事會之執行董事與管理層溝通。

本公司已為本集團董事及高級職員安排適當之責任保險，以彌償其就公司事務而產生之責任。

Corporate Governance Report

企業管治報告

Board of Directors (Cont'd)

董事會 (續)

Directors	董事	Board meeting	General meeting
		Attended/Held	Attend/Held
		董事會會議	股東大會
		出席/舉行之次數	出席/舉行之次數
Executive Directors:	執行董事:		
Mr. Chau Cheok Wa	周焯華先生	3/19	0/4
Ms. Yeung So Mui ⁴	楊素梅女士 ⁴	0/14	0/3
Ms. Cheng Mei Ching ³	鄭美程女士 ³	1/6	0/1
Ms. Yeung So Lai ³	楊素麗女士 ³	6/6	0/1
Mr. Lo Kai Bang ¹	盧啟邦先生 ¹	12/14	4/4
Mr. Au Chung on John ²	歐中安先生 ²	7/13	1/3
Mr. Manuel Assis Da Silva ²	Manuel Assis Da Silva先生 ²	4/13	2/3
Independent Non-Executive Directors:	獨立非執行董事:		
Mr. Tou Kin Chuen	杜健存先生	14/19	1/4
Dr. Wu Kam Fun Roderick	胡錦勳博士	3/19	1/4
Mr. Lo Wai Tung John	盧衛東先生	11/19	0/4

¹ appointed on 9 March 2017

¹ 於2017年3月9日獲委任

² appointed on 31 March 2017

² 於2017年3月31日獲委任

³ resigned on 31 March 2017

³ 於2017年3月31日辭任

⁴ resigned on 20 July 2017

⁴ 於2017年7月20日辭任

Regular Board meetings are attended to by a majority of the Directors in person or through other electronic means of communication. Besides the regular Board meetings, special Board meetings are convened from time to time for the Board to discuss major matters that require the Board's timely attention. As some of the special Board meetings are concerned with the day-to-day management of the Company which often requires prompt decisions, usually only the executive Directors attend. During 2017, apart from holding Board meetings, the Board also passed resolutions in writing to approve certain matters.

大部份董事親自或透過其他電子通訊方式出席之定期董事會會議。除定期董事會會議外，本公司亦會不時召開特別董事會會議，討論董事會須及時處理之主要事項。由於部份特別董事會會議涉及本公司之日常管理，需要即時作出決定，故往往只有執行董事出席。於2017年，除舉行董事會會議外，董事會亦會以書面決議案批准若干事項。

Accountability and Audit

The Directors were responsible for overseeing the preparation of the consolidated financial statements for the year ended 31 December 2017. The Directors' responsibilities in the preparation of the consolidated financial statements and the auditor's responsibilities are set out in the Independent Auditor's Report.

問責性及審核

董事會負責監督編製截至2017年12月31日止年度之綜合財務報表。董事編製綜合財務報表之責任以及核數師之責任載於獨立核數師報告。

Risk Management and Internal Control

The Board is responsible for effectiveness of the Group's the risk management and internal control systems. The systems are implemented to minimise the risk to which the Group is exposed and is used as a management tool for the day-to-day operation of business. The system can only provide reasonable but not absolute assurance against material misstatement or loss. Procedures have been designed for safeguarding assets against unauthorized use or disposition, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensuring compliance of applicable laws, rules and regulation.

The Group has engaged external professional consultant to conduct risk management and internal audit of the Group. It performs risk-based audits to review the effectiveness of the Group's risk management and internal control systems and reports to the Board with its findings and makes recommendations. The Group has conducted a review of the effectiveness of the implemented system and procedures, including areas covering financial, operational, compliance and risk management function.

Chairman and the Chief Executive Officer

Mr. Chau Cheok Wa is the chairman of the Company. The chairman's responsibility is to oversee the functioning of the Board and the strategies and policies of the Group. The Chief Executive Officer's responsibility is to monitor the daily operation and management of the Company. The Company has not appointed any person to replace Ms. Yeung So Lai as the Chief Executive Officer following her resignation with effect from 31 March 2017.

The Company is in the process of identifying a suitable candidate to assume the role as Chief Executive Officer and further announcement in this regard will be made as and when appropriate. In the meantime, the former role and responsibility of Ms. Yeung So Lai as the Chief Executive Officer of the Company have been performed by all the executive Directors collectively.

風險管理及內部監控

董事會對本集團風險管理及內部監控系統的有效性負責。實施有系統旨在減輕本集團面臨的風險，並用作日常業務經營的管理工具。該系統僅可提供免於重大失實陳述的合理而非絕對保證。已設計程序保護資產免受未經授權使用或處置，確保維持適當的會計記錄，以提供可靠的財務資料供內部使用或發佈，並確保遵守適用法律、規則及法規。

本集團已委聘外部專業顧問進行本集團的風險管理及內部審核。該顧問進行基於風險的審核，以評估本集團風險管理及內部監控系統的有效性，並向董事會彙報其發現及作出推薦。本集團已評估所實施的系統及程序的有效性，涵蓋財務、經營、合規及風險管理職能等領域。

主席及行政總裁

周焯華先生為本公司主席。主席之責任為監督董事會之運作以及本集團之策略及政策。行政總裁負責監察本公司之日常運作及管理。於楊素麗女士自2017年3月31日起辭任後，本公司並未委聘任何人士以替代楊素麗女士擔任行政總裁。

本公司正物色適當人選擔任行政總裁職務，並將適時就此另行刊發公告。同時，楊素麗女士作為本公司行政總裁之原有職務及職責暫由全體執行董事共同履行。

Corporate Governance Report

企業管治報告

Professional Development

Every newly appointed Director will be given an induction training so as to ensure that he/she has appropriate understanding of the Group's business and of his/her duties and responsibilities under the Listing Rules and the relevant statutory and regulatory requirements.

The Company also provides regular updates on the business development of the Group. The Directors are regularly briefed on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, the Company has been encouraging the Directors to enroll in professional development courses and seminars relating to the Listing Rules, Hong Kong Companies Ordinance and corporate governance practices organised by professional bodies or chambers in Hong Kong. All directors are requested to provide the Company with their respective training records pursuant to the Corporate Governance Code.

All Directors have participated in appropriate continuous professional development and refresh their knowledge and skills during the year. Such professional development was completed either by way of attending briefings, conference, forum, courses and seminars and self-reading which are relevant to the business or directors duties.

Company Secretary

The company secretary of the Company is Mr. Tong Wing Chi, a member of HKICPA. The company secretary assists the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. Mr. Tong Wing Chi has taken not less than 15 hours of relevant professional training during the year ended 31 December 2017.

專業發展

每名新委任董事獲提供就職培訓，以確保其妥為了解本集團之業務以及其根據上市規則及相關法定及監管規定之職責。

本公司定期提供本集團業務發展的最新資料。董事定期獲簡介上市規則及其他適用法定規定之最新發展，以確保遵守及掌握良好公司管治常規。此外，本公司一直鼓勵董事參加由香港專業團體或商會籌辦有關上市規則、香港公司條例及企業管治常規之專業培訓課程及研討會。所有董事須根據企業管治守則向本公司提供其各自之培訓記錄。

所有董事已於年內參與適當的持續專業發展，並更新其知識及技巧。董事透過出席簡報會、會議、論壇、課程及研討會以及自行閱讀有關業務或董事職責的刊物而完成有關專業發展的培訓。

公司秘書

本公司之公司秘書為唐永智先生，彼為香港會計師公會會員。公司秘書透過確保董事會內之良好資訊溝通而協助董事會，並確保董事會政策及程序得以遵守。截至2017年12月31日止年度，唐永智先生已接受不少於15小時的有關專業培訓。

Remuneration Committee

The remuneration committee is responsible for ensuring that the Company has formal and transparent procedures for developing and overseeing its policies on the remuneration of the Directors and senior management. The committee's authorities and duties are set out in written terms of reference.

4 remuneration committee meetings were held during the year ended 31 December 2017 for reviewing the remuneration of Directors and senior management; and considering and making recommendation to the Board on the remuneration of the newly appointed Directors. Members of the remuneration committee and the attendance of each member are set out below:

Committee members

委員會成員

Attend/Held

出席／舉行

Mr. Lo Wai Tung John (<i>Chairman</i>)	盧衛東先生 (主席)	4/4
Mr. Tou Kin Chuen	杜健存先生	3/4
Dr. Wu Kam Fun Roderick	胡錦勳博士	4/4

The terms of reference of the remuneration committee are posted on the Company's website. The principal functions include:

- (i) to make recommendations on the Company's policies and structure for all the remuneration of Directors;
- (ii) to propose the specific remuneration packages of the executive Directors, and to make recommendations on the remuneration of the non-executive Directors for the Board's approval; and
- (iii) to review and propose remuneration for executive Directors by reference to corporate goals and objectives resolved by the Board from time to time.

薪酬委員會

薪酬委員會負責確保本公司擁有正式及透明的程序，制訂及監督董事及高級管理層薪酬之政策。該委員會的授權及職責載於書面職權範圍內。

薪酬委員會於截至2017年12月31日止年度舉行4次會議，以審閱董事及高級管理層薪酬；及就新獲委任董事之薪酬向董事會提供推薦建議。薪酬委員會成員及彼等之出席會議次數載列如下：

薪酬委員會的職權範圍於本公司網站登載。主要職能包括：

- (i) 就本公司有關董事所有薪酬的政策及架構提出推薦意見；
- (ii) 就執行董事的特別薪酬待遇提出建議，及就非執行董事的薪酬提出推薦意見以供董事會批准；及
- (iii) 參照董事會不時議決的公司目標及宗旨、審閱及建議執行董事的薪酬。

Corporate Governance Report

企業管治報告

Nomination Committee

The nomination committee is responsible to make recommendation to the Board on the appointment of Directors and the management of the Board's succession. The committee's authorities and duties are set out in written terms of reference.

3 nomination committee meetings were held during the year ended 31 December 2017 for assessing the independence of the independent non-executive Directors; considering the re-election of Directors; reviewing the composition of the Board; and considering and making recommendation to the Board on the appointment of Directors. Members of the nomination committee and the attendance of each member are set out below:

Committee members

委員會成員

Dr. Wu Kam Fun Roderick (*Chairman*)
Mr. Tou Kin Chuen
Mr. Lo Wai Tung John

胡錦勳博士 (主席)
杜健存先生
盧衛東先生

Attend/Held

出席／舉行

3/3
3/3
3/3

The terms of reference of the nomination committee are posted on the Company's website. The principal functions include:

- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (ii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iii) to assess the independence of independent non-executive Directors; and
- (iv) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer.

提名委員會

提名委員會負責就委任董事及董事會繼任管理向董事會提出推薦意見。委員會之授權及職責載於書面職權範圍。

提名委員會於截至2017年12月31日止年度舉行3次會議，以評估獨立非執行董事之獨立性；考慮重選董事；審閱董事會組成；及考慮及就委任董事向董事會提供推薦建議。提名委員會成員及其出席會議次數載列如下：

提名委員會的職權範圍於本公司網站登載。主要職能包括：

- (i) 定期檢討董事會的架構、規模及組成（包括技能、知識及經驗）及就任何建議調整向董事會提出推薦建議；
- (ii) 物色具備合適資格可擔任董事之人士，及挑選獲提名出任董事之人士或就此向董事會提出推薦意見；
- (iii) 評估獨立非執行董事的獨立性；及
- (iv) 就有關委任或重新委任董事以及董事（尤其是主席及行政總裁）繼任計劃的相關事宜向董事會提出推薦意見。

Audit Committee

2 audit committee meetings were held during the year ended 31 December 2017. Each committee meeting has been supplied with necessary financial information of the Group for members to consider, review and access significant issues arising from the work conducted. Attendance of the Members are set out below:

審核委員會

審核委員會於截至2017年12月31日止年度舉行2次會議。每次委員會會議均會提供所需的本集團財務資料，以供成員考慮、審閱及了解所進行工作產生的重大事宜。成員出席會議次數載列如下：

Committee members

委員會成員

Attend/Held

出席／舉行

Mr. Tou Kin Chuen (<i>Chairman</i>)	杜健存先生 (主席)	2/2
Dr. Wu Kam Fun Roderick	胡錦勳博士	2/2
Mr. Lo Wai Tung John	盧衛東先生	2/2

The terms of reference of the audit committee are posted on the Company's website. The principal functions include:

審核委員會的職權範圍於本公司網站登載。主要職能包括：

- | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| (i) to make recommendations with respect to the appointment, reappointment and removal of the Company's external auditor, and to evaluate their independence, objectivity and effectiveness of the audit process; | (i) 就委任、重新委任及罷免本公司的外聘核數師提出推薦意見，以及客觀評估彼等的獨立性及審核程序的成效； |
| (ii) to review and monitor the interim and annual financial statements, reports and accounts of the Company, and to review significant and judgemental financial reporting issues contained therein; | (ii) 檢討及監察本公司的中期及年度財務報表、報告及賬目，以及檢討其中所載的重大及決策性財務申報事宜； |
| (iii) to review the Company's financial controls, risk management and internal control systems; and | (iii) 檢討本公司的財務監控、風險管理及內部監控系統；及 |
| (iv) to discuss with the management the risk management and internal control systems, and to ensure that the management has discharged its duties and responsibilities in implementing an effective internal control system. | (iv) 與管理層討論風險管理及內部監控系統，以及確保管理層於落實有效的內部監控系統方面已履行其職責及責任。 |

The Group's 2017 interim and annual reports have been reviewed by the audit committee, which was of the opinion that such reports were prepared in accordance with the applicable accounting standards and requirements. For the 2017 annual report, the audit committee met with the external auditor to discuss auditing, internal control, statutory compliance and financial reporting matters before recommending it to the Board for approval. The committee also monitored the Company's progress in implementing the code provisions on the Code as required under the Listing Rules.

審核委員會已審閱本集團2017年中期報告及年報，並認為有關報告根據適用之會計準則及規定而編製。審核委員會於向董事會推薦2017年年報供批准前，已與外聘核數師討論審核、內部監控、法定合規情況及財務報告事宜。審核委員會亦已監察本公司實施上市規則下要求的守則之守則條文的進展。

Corporate Governance Report

企業管治報告

Auditor's Remuneration

During the year ended 31 December 2017, the fees paid/payable to auditor in respect of audit services and non-audit services provided by the auditor to the Group were as follows:

Nature of services		2017	2016
服務性質		HK\$'000	HK\$'000
		千港元	千港元
Audit	核數		
– Current year	– 本年度	3,000	1,630
Others	其他	423	219
		3,423	1,849

核數師酬金

截至2017年12月31日止年度，就核數師向本集團提供的核數服務及非核數服務而已付／應付予核數師的費用如下：

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information which enables shareholders and investors to make a properly informed investment decision.

The Company continues to enhance communications and relationships with its investors. Enquiries from investors are dealt with in an informative and timely manner. Investors may write directly to the Company at its principal place of business in Hong Kong for any inquiries.

To promote effective communication, the Company maintains a website at www.suncitygroup.com.hk, where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

The Board confirmed that, during the year, there were no significant changes made to the Articles affecting its operations and reporting practices.

與股東及投資者溝通

本公司相信與股東有效溝通，是提升投資者關係以及加強投資者對本集團業務表現及策略之了解屬不可或缺。本集團深明透明度以及迅速披露公司資料，該股東及投資者作出恰當知情的投資決定的重要性。

本公司繼續加強與投資者之溝通及關係。本公司會快速處理投資者之垂詢，並提供相關資料。投資者若有任何垂詢，可直接致函本公司的香港主要營業地點。

本公司為加強有效溝通，已設置一個網址 www.suncitygroup.com.hk，提供大量資訊，包括有關本公司業務發展及營運、財務資料、企業管治常規及其他資料，供公眾瀏覽。

董事會確認，年內公司之章程細則並無影響其營運及申報常規之重大變動。

SHAREHOLDER RIGHTS

Pursuant to article 58 of the Articles of the Company, extraordinary general meetings of the Company shall be convened on the requisition of any one or more shareholder(s) (the “Requisitionist(s)”) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company.

The Requisitionist(s) shall have the right, by written requisition to the Board or the Company Secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and the EGM shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the Requisitionist(s) may do so in the same manner, and shall be entitled to reimbursement of all reasonable expenses incurred by the Requisitionist(s).

Specific enquiries by shareholders requiring the Board’s attention can be sent in writing to the Board or the Company Secretary at the Company’s principal place of business in Hong Kong.

In addition, the Company maintains contact with its shareholders through annual general meetings or extraordinary general meetings, and encourages shareholders to attend those meetings.

Notice of general meeting is sent by mail to the registered shareholders of the Company. Agenda and resolutions are set out in the notice of general meeting. A proxy form for use at a general meeting is enclosed with the notice. Shareholders who do not intend or are unable to be present at the meeting should fill out the form and return the same to the share registrar and transfer office of the Company, so as to appoint a representative, another shareholder or the chairman of the meeting as their proxy.

股東權利

根據本公司細則第58條，本公司的股東特別大會須應任何一名或多名股東（「請求者」）的請求而召開，而該等股東於遞交請求書之日須持有不少於本公司有權於本公司股東大會上投票的繳足股本的十分之一。

請求者有權向董事會或本公司的公司秘書遞交書面請求，要求董事會就處理有關請求書內所述任何業務的交易召開股東特別大會；而該股東特別大會須於有關請求書遞交日期後兩個月內舉行。倘董事會於遞交日期起計二十一日內未有召開有關大會，則請求者可按相同方式自行召開大會，並應獲償付請求者召開大會所產生的所有合理開支。

股東要求董事會垂注之特別垂詢，可致函於香港主要營業地點之董事會或公司秘書。

此外，本公司透過股東週年大會或股東特別大會與股東聯繫，並鼓勵股東出席該等大會。

股東大會通告將以郵遞方式寄至本公司登記股東。議程及議案載於股東大會通告。隨通告奉附股東大會代表委任表格。不擬出席或未能出席大會之股東應填妥表格並交回本公司之股份過戶登記處，以委任一名代表、另一名股東或大會主席作為其代表。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THE COMPANY

The property development business and the property leasing and management business are the Company's largest business, both of which are principally conducted in the PRC. Other business segments of the Group included hotel and integrated resort management and consultancy and travel agency service.

STAKEHOLDER ASSESSMENT AND COMMUNICATION

The management had given due consideration in accessing and addressing the definition and concerns of the stakeholders of the Group. Stakeholder assessment and engagement refer to the process by which the Group involves parties who may be affected by the decisions it makes or can influence the implementation of its decisions. In the course of the businesses the Management had: set out the full spectrum of stakeholders by consulting various departments within the Group; leverage on the on-going communication channels and day-to-day interactions to engage these stakeholders; and conducted an in depth assessment of the influence and dependency of each of these stakeholder groups. The Company's stakeholders can categorically be divided into customers, suppliers, employees and shareholders.

OUR ENVIRONMENT

The Group is in the business of property development and thus place significant emphasis on the environment. The Group understands and appreciate the key aspects of the PRC government's environmental protection efforts, including aspects such as reducing pollution, effectively utilizing resources, increasing awareness of environmental issues, and promoting sustainable economic and social development. Being the business of property development, the Group is subject to a number of laws and regulations in PRC concerning overall environmental protection, impact to the environment, noise pollution and environmental protection. It's one of the Group's top priority to comply with relevant environmental laws and regulations and require its staff and construction contractors to comply with the relevant environment laws and regulations in PRC. The management of the Group believes, in all material respects, the Group has complied with applicable environmental laws and regulations in PRC.

關於本公司

物業開發以及物業租賃及管理是本公司之最大業務，且主要位於中國。本集團之其他業務領域包括：酒店及綜合度假村之管理及顧問服務以及旅遊代理服務。

利益相關者評估及溝通

管理層對取得並處理本集團之利益相關者之定義及意見已予以充分考慮。利益相關者評估及處理指本集團邀請受本集團決策影響或影響本集團決策實施之各方參與其中的程序。於業務營運期間，管理層已諮詢本集團內各部門，列出各方面之利益相關者；善用目前之溝通渠道及日常互動，跟利益相關者交流；並展開深入評估，衡量各利益相關群體之影響及依賴程度。本公司之利益相關者可分為客戶、供應商、僱員及股東。

我們的環境

物業開發為本集團主要業務，因此本集團重視環境保護。本集團理解並認同中國政府致力保護環境之工作重點，包括保護環境、減少污染、有效利用資源、提高有關環境問題之意識及促進經濟及社會可持續發展。作為物業開發的企業，本集團須遵守中國之多項法律及規例，其中涉及整體環境保護、對環境之影響、噪音污染及環保。本集團視遵守中國相關環境法律及規例，並要求其員工與建設承包商遵守中國相關環境法律及規例為重中之重的己任。本集團相信其在所有重要方面均已遵守中國之適用環境法律及規例。

Environmental, Social and Governance Report

環境、社會及管治報告

Emissions

During the financial year ended 2017, there had not been conducted any construction work. The other business segments of the Group produce certain degree of emissions, most of which are administrative offices based, details as follows.

For the business operation in the PRC, during the year ended 31 December 2017, the main source of the Group's greenhouse gas emissions indirect emission from acquired electricity emissions ("Scope 2") and other indirect emissions ("Scope 3"). The greenhouse gas of Scope 2 was generated by electricity usage and Scope 3 was generated by water consumption and paper used. The total greenhouse gases emissions from Scope 2 and Scope 3 for the year ended 31 December 2017 were 1,722,374 kg and 20,025 kg respectively.

For the business operation in Hong Kong and Macau, during the year ended 31 December 2017, air emission for nitrogen oxides ("NOx"), sulphur oxides ("SOx") and respiratory suspended particles ("RSP", also known as Particulate Matter ("PM")) were about 3,242 g, 64 g and 239 g respectively, which were mainly produced as a result of company vehicles usage.

Also, the main source of the Hong Kong and Macau's greenhouse gas emissions is derived from direct emission from the mobile combustion sources ("Scope 1"), Scope 2 and Scope 3. The greenhouse gas of Scope 1 was generated by vehicles usage, Scope 2 was generated by electricity usage and Scope 3 was generated by paper used and business travel by employees. The total greenhouse gases emissions from Scope 1, Scope 2 and Scope 3 for the year ended 31 December 2017 were 11,752 kg, 64,584 kg and 9,698 kg respectively.

For the year ended 2017, the Group did not produce any hazardous waste. The Group produced some non-hazardous waste which included the domestic garbage. The above environmental wastes, which would pollute the land, would be disposed by the Group to disposal services provider.

排放物

於截至2017財政年度期間，本集團未有進行任何建築工程。本集團之其他業務領域生產一定程度的排放物，當中大部分來自行政辦公室，詳情如下。

於截至2017年12月31日年內，在中國之業務營運方面，本集團之溫室氣體排放物主要來自取得電力排放的間接排放物（「範圍二」）及其他間接排放物（「範圍三」）。範圍二之溫室氣體由用電量產生，而範圍三則由用水量 and 用紙量產生。於截至二零一七年度，由範圍二及範圍三排放的溫室氣體總量為分別1,722,374公斤及20,025公斤。

於截至2017年12月31日年內，在香港及澳門之業務營運方面，主要由本公司汽車用量產生的氣體排放物：氮氧化物（「NOx」），硫氧化物（「SOx」）和可吸入懸浮粒子（「RSP」，亦稱為粒子（「PM」））分別為3,242克、64克及239克。

再者，香港及澳門的溫室氣體排放物之主要來源為可移動燃燒機械（「範圍一」）、範圍二及範圍三的直接排放。範圍一產生的溫室氣體來自汽車用量，範圍二的來自用電量，而範圍三的來自用紙量及僱員的商務公幹。於截至2017年12月31日年度，來自範圍一、範圍二及範圍三的溫室氣體排放總量分別為11,752公斤、64,584公斤及9,698公斤。

於截至2017度，本集團未有產生任何有害廢棄物。本集團產生的無害廢棄物包括住宅廢棄物。本集團將以上可能對土地造成污染之環境廢棄物交由廢棄物服務供應商處理。

Environmental, Social and Governance Report

環境、社會及管治報告

Use of resources

The Group has implemented internal policies to minimise the impact of business activities on the environment and support environmental-protection initiatives. The Group actively implemented measures to reduce carbon emission and water usage in our business operations. Since no construction work had been conducted during the year, the policy focus was placed on the administrative offices. Measures were introduced to minimising the use of paper by encouraging double side printing and paper recycling. The Group also promote paperless environment by encouraging the use of electronic copy for the document instead of printed hard copy.

For the business operation in the PRC, the following consumption data was recorded in the year ended 31 December 2017:

- electricity consumption: 1,979,401 kWh
- water consumption: 45,384 tons
- paper consumption: 306 kg

For the business operation in Hong Kong and Macau, the following consumption data was recorded in the year ended 31 December 2017:

- electricity consumption: 81,752 kWh
- petrol consumption: 4,340 Litres
- paper consumption: 441 kg

Environment and Natural Resources

The Group continues to review the environmental impact of its operations and make use of best practices across their functions and to develop monitoring of resources consumption data and implementing better performance strategies as to enhance the contributions to environmental sustainability through good environmental practices. The Group does not ignore the opportunity to contribute to sustainability at the office space, and the Group enhances environmental awareness of the employees through various means of internal communications.

資源使用

本集團已實施內部環保政策，以盡量減少業務活動對環境之影響，並支持環保舉措。本集團積極推行措施，以減少我們業務營運中之碳排放及用水量。因年內本集團未有進行建築工程，本集團的資源政策重點放在行政辦公室上。本集團已實行措施減少用紙，如透過鼓勵雙面打印及紙張回收。本集團亦透過鼓勵使用軟件及電子副本而非複印件促進無紙環境。

在中國之業務營運方面，以下資源耗量於截至2017年12月31日年度記錄：

- 用電量：1,979,401千瓦時
- 用水量：45,384噸
- 用紙量：306公斤

在香港及澳門之業務營運方面，以下資源耗量於截至2017年12月31日年度記錄：

- 用電量：81,752千瓦時
- 汽油用量：4,340升
- 用紙量：441公斤

環境及天然資源

本集團持續檢討其營運所造成之環境影響，並令各職能善用最佳常規，以提高資源耗用數據監控及實施更好之績效政策，從而透過良好之環保實踐促進對環境可持續性之貢獻。本集團亦不忘在辦公室方面對可持續發展作出貢獻，透過不同的內部溝通措施，提高僱員的環保意識。

OUR EMPLOYEES

Employment

We value our employees as an intricate and vital part of the Group, and thus the Group establishes and maintains fair and comprehensive employment policies and practices to ensure the compliance with all relevant ethical and regulatory standards, by, for example, providing equal opportunity and career development to all our employees. The Group strictly complied with the laws, regulations and policies regarding employment benefits across different jurisdictions, including, for example, the social security in the PRC and Mandatory Provident Fund Scheme Ordinance in Hong Kong.

Health and Safety

Although the health and safety related risks with office administrative work is relatively lower than that of the construction sites, the Group does strive to provide and maintain a safe and healthy workplace for all employees. One of the measures include placement of safety guides and healthcare tips in observable areas for our staff. During the year ended 31 December 2017, the Group was not aware of any non-compliance with the health and safety laws and regulations.

Development and Training

The Group places strong emphasis on staff development. Both structured training programme and on-job coaching are organised for new staff to familiarise with the Group's culture, the industry and specific skills required for their respective duties. Regular training are provided to update knowledge of our staff from time to time and where deemed necessary. The Group also encourages the employees to identify their own personal objectives for development, allowing them to develop according to their own needs and pace.

Labor Standards

The Group provides its staff with a safe, health, comfortable working environment with labor protection, reasonable remuneration and various welfare. The Group enters employment contract with each of its employees in accordance with relevant laws and regulations in the respective jurisdictions. The Group also strictly prohibits employing any child or forced labor.

我們的僱員

僱傭

我們視僱員為本集團精密且重要的一部分，因此，本集團設立並維繫公平、全面的僱傭政策及措施，以確保本集團遵守一切相關之道德及監管標準，如透過向我們的僱員提供均等機會及職業發展。本集團嚴格遵守不同司法管轄區的僱傭福利法律、規例及政策，包括中國的社會保障及香港的《強制性公積金計劃條例》。

健康與安全

跟建築工地相比，雖然辦公室行政工作的職業健康與安全風險較低，但本集團仍致力為所有僱員提供並維持一個安全、健康的工作場所。其中一項措施為在當眼處張貼安全指引及健康護理提醒。於截至2017年12月31日年內，本集團未有知悉任何違反健康與安全法律及規例的事宜。

發展及培訓

本集團極為重視員工發展。本集團為新員工制定系統之培訓方案及在職指導培訓，以令其熟悉本集團文化、本行業及其職務所需的特定技能，並提供定期培訓以不時更新我們員工之知識。本集團亦鼓勵僱員確定其自身之個人發展目標，使其按照自身之需要及步伐發展。

勞工準則

本集團為員工營造安全、健康及舒適之工作環境，並提供勞動保護、合理薪酬及各項福利。本集團根據各司法管轄區之相關法律及規例與每位僱員訂立僱傭合約。本集團嚴格禁止聘用任何童工或強制勞工。

Environmental, Social and Governance Report

環境、社會及管治報告

OUR PRODUCTS AND SERVICES

Supply Chain Management

The Group tends to maintain long term relationship with its suppliers for ensuring stable supply of materials for construction and services. We also require our suppliers to improve their sustainability performance and acting responsibly to adhere to our environmental protection policies.

Product Responsibility

The Group aims to achieve the highest possible standard with the products and services provided. The Group pays a highly attention to the quality and has put quality as its first priority to ensure customer satisfaction in terms of our products and services. During the year ended 31 December 2017, the Group was not aware of any non-compliance with relevant laws and regulations related to product responsibility.

Anti-Corruption

The Group has implemented internal policies and guidelines to comply with applicable laws on anti-bribery and anticorruption for the respective jurisdictions the Group has operation in. These measures are subject to regular review and update to ensure their effectiveness to strengthen the internal controls and compliance regime of the Group. During the year ended 31 December 2017, the Group was not aware of any non-compliance with relevant laws and regulations related to anti-corruption.

COMMUNITY PARTICIPATION

The Group encourages employees to actively participate in community and group activities. The Group will also participate in even more activities to give back to the community in the coming year and will consider from time to time to donate to charitable organisations when the Group recorded profit after tax and have sufficient cash flow.

我們的採購及服務

供應鏈管理

本集團有意與其供應商維持長期關係，以確保建築材料之穩定供應。我們亦要求供應商提升其可持續發展表現，並以負責任之方式遵循我們的環保政策。

採購責任

本集團致力向客戶提供最高標準之採購及服務。本集團高度重視質量，並將質量置於首位，以確保客戶對我們的採購及服務滿意。於截至2017年12月31日年內，本集團未有知悉任何違反與採購責任有關之法律及規例的事宜。

反貪污

本集團已實施內部政策及指引，以遵守本集團業務所在之司法管轄區的有關反賄賂及反貪污之適用法律。該等舉措須定期予以檢討及更新，以確保其可有效加強本集團之內部控制及合規制度。於截至2017年12月31日年內，本集團未有知悉任何違反有關反貪污之法律及規例的事宜。

社區參與

本集團鼓勵僱員積極參與社區及集體活動。本公司於來年亦將參加更多活動以回饋社區，亦會不時考慮於本集團錄得除稅後溢利及擁有充裕現金流量時向慈善組織捐款。

Deloitte.

德勤

**TO THE SHAREHOLDERS OF SUNCITY GROUP
HOLDINGS LIMITED**

(incorporated in the Cayman Islands with limited liability)

致太陽城集團控股有限公司股東之
獨立核數師報告

(於開曼群島註冊成立的有限公司)

Opinion

We have audited the consolidated financial statements of Suncity Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 71 to 208, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and 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 ("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"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審核載於第71頁至第208頁太陽城集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,其中包括於2017年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於2017年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例之披露規定妥為編製。

意見基準

我們已按照香港會計師公會頒佈之香港核數準則(「香港核數準則」)進行審核工作。我們於該等準則下之責任於本報告「核數師有關審核綜合財務報表的責任」一節詳述。根據香港會計師公會之「專業會計師操守守則」(「守則」),我們獨立於 貴集團,且我們已根據守則履行其他道德責任。我們相信,我們獲取的審核證據屬充分、適當,且為發表審核意見提供基礎。

Independent Auditor's Report

獨立核數師報告

Material Uncertainty Related to Going Concern

We draw attention to note 2 to the consolidated financial statements which indicates that as at 31 December 2017, the Group's current liabilities exceeded its current assets by RMB1,319,514,000 and total liabilities exceeded its total assets by RMB247,815,000. As stated in note 2 to the consolidated financial statements, the Group is dependent on the financial support from its controlling shareholder, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

有關持續經營的重大不明朗因素

我們提呈閣下垂注綜合財務報表附註2，其中顯示於2017年12月31日，貴集團之流動負債超出其流動資產人民幣1,319,514,000元，及總負債超出其總資產人民幣247,815,000元。如綜合財務報表附註2所述，貴集團倚賴其控股股東之財務支援，表明存在重大不明朗因素或會對貴集團之持續經營能力造成重大疑問。我們的意見並無就該事項作出修訂。

關鍵審核事項

關鍵審核事項指根據我們的專業判斷，該等對我們審核本期綜合財務報表屬最重要的事項。該等事項在我們對綜合財務報表進行整體審核及就此達致意見時處理，我們並不就該等事項單獨提供意見。除「有關持續經營的重大不明朗因素」一節所述事項外，我們已識別下述事項為將於我們的報告中傳達的關鍵審核事項。

Key Audit Matters (Cont'd)

關鍵審核事項 (續)

Key audit matter

關鍵審核事項

Provisions for litigations

訴訟撥備

We identified the provisions for litigations as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the significant estimation uncertainty in determining the amount.

由於結餘對綜合財務報表整體至關重要以及釐定該金額涉及重大估計不確定性，故我們將訴訟撥備視作關鍵審核事項。

As disclosed in notes 5 and 28 to the consolidated financial statements, the Group acted as a guarantor for a bank loan and consultancy fee and became defendant in the Bank Claim and Consultant Claim as defined in note 28 to the consolidated financial statements. The Group did not provide any provision for these claims in the consolidated financial statements for the year ended 31 December 2016. During the current year, the Group provided the provisions for these claims and the Group's provisions for litigations amounted to RMB235,000,000 as at 31 December 2017.

如綜合財務報表附註5及28所披露者，貴集團擔任銀行貸款及顧問費之擔保人，並成為銀行索償及顧問索償（定義見綜合財務報表附註28）之被告。貴集團概無於截至2016年12月31日止年度之綜合財務報表內就該等索償計提任何撥備。於本年度，貴集團就該等索償計提撥備，且貴集團於2017年12月31日的訴訟撥備為人民幣235,000,000元。

How our audit addressed the key audit matter

我們的審核如何處理關鍵審核事項

Our procedures in relation to the provisions for litigations included:

我們有關訴訟撥備之程序包括：

- Understanding how the Group's management perform assessment on the provisions for litigations;
- 了解 貴集團管理層評估訴訟撥備之方式；
- Discussing with the management on the status of litigation cases, possible outcomes and basis to estimate the provisions;
- 與管理層討論訴訟案件進程、潛在結果及基準以估計撥備；
- Obtaining and reading the related legal documents and discussing the impacts with the management;
- 獲取及審閱相關法律文件以及與管理層討論影響；
- Obtaining legal letters from external legal counsels and discussing with them on the potential exposure of significant litigation cases;
- 自外部法律顧問獲取法律函件，並與彼等討論重大訴訟案件之潛在風險；
- Arranging litigation search and checking the search results and legal expenses against the information stated in the legal letters from external legal counsels to assess the completeness of the litigation cases;
- 安排訴訟搜尋並查核搜尋結果及法律開支與來自外部法律顧問之法律函件所載資料，以評估訴訟案件之完整性。
- Checking the payments made to settle the litigation cases against bank payment record; and
- 核查訴訟案件之和解付款與銀行付款記錄；及
- Evaluating the adequacy of the disclosure of provisions for the litigations in the consolidated financial statements.
- 評估綜合財務報表內訴訟撥備披露之充分性。

Independent Auditor's Report

獨立核數師報告

Key Audit Matters (Cont'd)

關鍵審核事項 (續)

Key audit matter

關鍵審核事項

Provision for land appreciation tax

土地增值稅撥備

We identified the provision for land appreciation tax in the People's Republic of China ("LAT") as a key audit matter due to the significant underprovision of LAT in prior years and significant judgement required in estimating the amounts of the LAT including the appropriateness of the tax rate applied and the deductibility of expenditures of properties.

由於過往年度土地增值稅(「土地增值稅」)存在重大撥備不足以及於估計土地增值稅金額時須作出重大判斷(包括所採用稅率之適當性及物業開支之可扣減程度),故我們將中華人民共和國之土地增值稅撥備視作關鍵審核事項。

As disclosed in notes 6(a)(iii) and 12 to the consolidated financial statements, the Group's income tax expense in relation to LAT amounted to RMB56,056,000 and RMB228,730,000 for the years ended 31 December 2017 and 2016, respectively.

如綜合財務報表附註6(a)(iii)及12所披露者,於截至2017年及2016年12月31日止年度,貴集團有關土地增值稅之所得稅開支分別為人民幣56,056,000元及人民幣228,730,000。

How our audit addressed the key audit matter

我們的審核如何處理關鍵審核事項

Our procedures in relation to provision for LAT included:

我們有關土地增值稅撥備之程序包括:

- Understanding how the Group's management estimates provisions for LAT;
- 了解 貴集團管理層估計土地增值稅撥備之方式;
- Engaging our internal tax expert to assess the accuracy of the provision for LAT with reference to the applicable progressive rates on the appreciation of land value;
- 委聘內部稅務專家參考土地增值額之適用累進稅率評估土地增值稅撥備之準確性;
- Obtaining and inspecting the documents, including the sales summary supporting the calculation of LAT; and
- 獲取及檢查文件,包括證明土地增值稅計算之銷售概要;
- Assessing the reasonableness of the estimation of the amount of LAT with reference to the estimated deductible expenditures including the cost of land use rights and all relevant property development expenditures.
- 經參考估計扣減開支(包括土地使用權成本及所有相關物業開發開支)評估土地增值稅之估計金額之合理性。

Independent Auditor's Report

獨立核數師報告

Other Matter

The consolidated financial statements of the Group for the year ended 31 December 2016 were audited by another auditor who expressed a modified opinion on those statements on 24 March 2017.

Other Information

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

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

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

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

其他事項

貴集團截至2016年12月31日止年度之綜合財務報表乃由另一名核數師審核，其曾於2017年3月24日就該等報表發表修訂意見。

其他資料

董事對其他資料負責。其他資料包括年報中包含的資料，但不包括綜合財務報表及本核數師報告。

我們對綜合財務報表的意見不涵蓋其他資料，且我們並不就此發表任何形式的鑒證結論。

就我們對綜合財務報表的審核而言，我們負責閱讀其他資料，並同時考慮其他資料是否與綜合財務報表或我們在審核過程中獲得的了解存在重大不一致或看似嚴重失實。倘若基於我們進行的工作，我們認為該其他資料存在重大失實陳述，則我們須報告該事實。我們在此方面無任何發現可報告。

董事及相關負責人對綜合財務報表的責任

貴公司擬董事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披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實董事認為必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大失實陳述。

於編製綜合財務報表時，董事負責評估貴集團的持續經營能力，披露（如適用）與持續經營有關的事項，並使用持續經營會計基準（除非董事擬將貴集團清盤或終止經營，或除此之外並無其他可行的選擇）。

相關負責人負責監督貴集團的財務申報程序。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

核數師審核綜合財務報表的責任

我們的目標是就綜合財務報表整體是否不存在重大失實陳述（不論因欺詐或錯誤導致）取得合理保證，按照協定的委聘條款向閣下（作為整體）彙報並出具包含我們意見的核數師報告，而非用於其他目的。我們概不就本報告的內容向其他任何人負有或承擔任何責任。合理保證是一種高水平的保證，但並不保證按照香港核數準則進行的審核總能發現所存在的重大失實陳述。失實陳述可能因欺詐或錯誤而產生，如個別或整體合理預期可能影響用戶基於該等綜合財務報表作出的經濟決定，則屬重大。

作為按照香港核數準則進行審核的一部分，我們在整個審核期間作出專業判斷並保持專業懷疑。我們亦：

- 識別及評估綜合財務報表中存在重大失實陳述（不論因欺詐或錯誤導致）的風險，設計及執行應對該等風險的審核程序，並取得充分適當的審核證據，為我們的意見提供基礎。未發現欺詐導致重大失實陳述的風險高於錯誤導致重大失實陳述的風險，原因是欺詐可能涉及勾結、偽造、故意遺漏、虛假陳述或超越內部控制。
- 取得與審核相關的內部控制的理解，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的適當性及所作出會計估計的合理性。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Cont'd)

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

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

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

核數師審核綜合財務報表的責任 (續)

- 對董事使用持續經營會計基準的適當性，及（基於所取得的審核證據）是否存在與事件或狀況相關且可能導致對 貴集團持續經營能力產生重大疑問的重大不確定性得出結論。倘若我們認為存在重大不確定性，需要在核數師報告中提請注意綜合財務報表的相關披露或（如該披露不足）修改我們的意見。我們的結論基於截至核數師報告日期所獲得的審核證據。然而，未來事件或狀況可能導致 貴集團無法持續經營。
- 評價綜合財務報表的整體呈列、結構及內容，包括披露及綜合財務報表是否按實現公平呈列的方式反映了相關交易及事件。
- 獲取有關 貴集團內實體或業務活動的財務資料的充分適當的審核證據，以對綜合財務報表發表意見。我們負責指導、監督及進行集團審核。我們仍然對我們的審核意見承擔全部責任。

我們就（其中包括）審核的規劃範圍及時間與重大審核結果（包括我們在審核中發現的內部控制重大缺陷）與相關負責人溝通。

我們亦向相關負責人提供一份聲明，表示我們已遵守有關獨立性的相關道德要求，並就合理可能導致對我們獨立性產生疑問的所有關係及（如適用）相關保障措施與審核委員會溝通。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Cont'd)

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

The engagement partner on the audit resulting in the independent auditor's report is Lau Kai Hung.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

29 March 2018

核數師審核綜合財務報表的責任 (續)

根據與相關負責人溝通的事項，我們認為有關事項為對審核本期綜合財務報表而言最重要的事項，因此屬於關鍵審核事項。我們在核數師報告中說明該等事項，除非法律或法規禁止公開披露該事項，或（在極少數情況下）由於其不利後果合理預期將超過公開披露所帶來的公共利益，我們認為該事項不應在我們的報告中披露。

編製本獨立核數師報告的審核的合夥人為劉啟鴻。

德勤•關黃陳方會計師行

執業會計師

香港

2018年3月29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2017年12月31日止年度

		Notes 附註	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Revenue	收入	7	544,708	1,108,841
Cost of sales	銷售成本		(362,658)	(564,845)
Gross profit	毛利		182,050	543,996
Other income, gains and losses	其他收入、收益及虧損	8	43,515	(76,616)
Selling and distribution expenses	銷售及分銷費用		(27,730)	(79,075)
Administrative expenses	行政費用		(105,600)	(73,401)
Other operating expenses	其他營運費用		(3,437)	(18,059)
Change in fair value of investment properties	投資物業之公允值變動	16	(7,100)	40,000
Change in fair value of derivative financial instruments	衍生金融工具之公允值變動	30	(329,855)	17,704
Reversal of provisions (provisions) for litigations	訴訟撥備撥回(撥備)	28	289,240	(130,761)
(Provision) reversal of provision for potential claims	潛在索償(撥備)撥備撥回	26	(41,882)	14,937
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損	20	(57,034)	(21,557)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	40	-	(4,039)
Impairment loss recognised in respect of prepayment for land use right	就土地使用權的預付金確認之減值虧損	17(a)	-	(99,330)
Reversal of impairment loss (impairment loss) recognised in respect of deposits for non-current assets	就非流動資產按金確認之減值虧損撥回(減值虧損)	17(b)	438,000	(316,259)
Share of result of an associate	應佔聯營公司業績	18	(37)	-
Gain on disposal of subsidiaries	出售附屬公司之收益	41	-	1,145
Finance costs	融資成本	9	(118,046)	(192,137)
Profit (loss) before taxation	除稅前溢利(虧損)	10	262,084	(393,452)
Income tax expense	所得稅開支	12	(65,191)	(318,839)
Profit (loss) for the year	本年度溢利(虧損)		196,893	(712,291)

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2017年12月31日止年度

	Note 附註	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Other comprehensive income (expense):			
Exchange differences on translating foreign operations that may be subsequently reclassified to profit or loss	其他全面收入(開支): 其後可能重新分類至損益的 換算海外業務而產生之 匯兌差異	392	(234)
Total comprehensive income (expense) for the year	年內全面收入(開支) 總額	197,285	(712,525)
Profit (loss) for the year attributable to:	以下人士應佔本年度溢利 (虧損):		
– Owners of the Company	– 本公司擁有人	197,002	(702,236)
– Non-controlling interests	– 非控股權益	(109)	(10,055)
		196,893	(712,291)
Total comprehensive income (expense) for the year attributable to:	以下人士應佔本年度全面收入 (開支)總額:		
– Owners of the Company	– 本公司擁有人	197,394	(702,470)
– Non-controlling interests	– 非控股權益	(109)	(10,055)
		197,285	(712,525)
Earnings (loss) per share:	每股盈利(虧損):		
– Basic (RMB cents)	– 基本(人民幣分)	14	3.24
– Diluted (RMB cents)	– 攤薄(人民幣分)	14	3.18

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2017 於2017年12月31日

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
		Notes 附註		
Non-current assets		非流動資產		
Property, plant and equipment	物業、廠房及設備	15	3,605	2,643
Investment properties	投資物業	16	1,724,900	1,732,000
Prepayment and deposits for non-current assets	就非流動資產之預付金及按金	17	8,136	149,774
Interest in an associate	於聯營公司權益	18	1,701	-
Deferred tax assets	遞延稅項資產	19	96,307	86,036
			1,834,649	1,970,453
Current assets		流動資產		
Inventories	存貨	20	653,230	731,900
Trade and other receivables	應收賬款及其他應收款	21	121,392	124,821
Amount due from a related company	應收關聯公司款項	22	-	2,806
Amounts due from directors	應收董事款項	22	666	-
Pledged bank deposits	已抵押銀行存款	23	5,873	1,634
Restricted bank deposits	受限制銀行存款	23	334	-
Bank balances and cash	銀行結餘及現金	24	302,557	143,439
			1,084,052	1,004,600
Current liabilities		流動負債		
Trade and other payables	應付賬款及其他應付款	25	198,860	288,997
Amount due to a related company	應付關聯公司款項	22	50,193	2,421
Amount due to a director	應付一名董事款項	22	4,668	-
Receipt in advance	預收賬款	27	339,441	454,965
Rent and other deposits	租賃及其他按金		8,442	9,238
Provision for potential claims	就潛在索賠之撥備	26	42,082	200
Provisions for litigations	就訴訟之撥備	28	235,000	653,843
Bank and other borrowings	銀行及其他借貸	29	212,547	270,000
Loan from immediate holding company	來自直接控股公司貸款	22	-	-
Convertible bond	可換股債券	30	411,107	-
Derivative financial instruments	衍生金融工具	30	439,938	129,675
Current tax liabilities	即期稅項負債		461,288	467,877
			2,403,566	2,277,216
				3,363,623

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2017 於2017年12月31日

		Notes 附註	As at 31 December 於12月31日		As at 1 January 於1月1日
			2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Net current liabilities	流動負債淨值		(1,319,514)	(1,272,616)	(2,020,705)
Total assets less current liabilities	資產總值減流動負債		515,135	697,837	254,126
Non-current liabilities	非流動負債				
Bank borrowings	銀行借貸	29	405,000	445,000	480,000
Amount due to a director	應付一名董事款項	22	-	4,995	-
Deferred tax liabilities	遞延稅項負債	19	357,950	355,602	341,393
Convertible bond	可換股債券	30	-	365,286	-
			762,950	1,170,883	821,393
Net liabilities	負債淨值		(247,815)	(473,046)	(567,267)
Capital and reserves	資本及儲備				
Share capital	股本	31	525,734	524,712	123,644
Reserves	儲備		(762,777)	(987,095)	(685,694)
Deficit attributable to owners of the Company	本公司擁有人應佔虧絀		(237,043)	(462,383)	(562,050)
Non-controlling interests	非控股權益		(10,772)	(10,663)	(5,217)
Total deficit	虧絀總額		(247,815)	(473,046)	(567,267)

The consolidated financial statements on pages 71 to 208 were approved and authorised for issue by the board of directors on 29 March 2018 and are signed on its behalf by:

第71至208頁之綜合財務報表乃由董事會於2018年3月29日批准並授權刊發，並經以下董事簽署：

Chau Cheek Wa

周焯華

Director

董事

Lo Kai Bong

盧啟邦

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2017 截至2017年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests		Total equity
		Share capital	Share premium	Merger reserve	Statutory reserve	Share option reserve	Exchange reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	合併儲備	法定儲備	購股權儲備	外匯儲備	累計虧損	總計	非控制權益	權益總計
Notes		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
附註		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	人民幣千元
At 1 January 2016 (Restated)	於2016年1月1日 (重列)	123,644	998,042	24,227	49,373	19,594	-	(1,776,930)	(562,050)	(5,217)	(567,267)
Loss for the year (Restated)	年內虧損 (重列)	-	-	-	-	-	-	(702,236)	(702,236)	(10,055)	(712,291)
Exchange differences on translating foreign operations	換算海外業務而產生之匯兌差異	-	-	-	-	-	(234)	-	(234)	-	(234)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	-	-	(234)	(702,236)	(702,470)	(10,055)	(712,525)
Disposal of subsidiaries	出售附屬公司	41	-	-	-	-	-	-	-	4,609	4,609
Issue of rights shares	供股發行	31(a)	401,068	401,069	-	-	-	-	802,137	-	802,137
At 31 December 2016 and 1 January 2017 (Restated)	於2016年12月31日及2017年1月1日 (重列)	524,712	1,399,111	24,227	49,373	19,594	(234)	(2,479,166)	(462,383)	(10,663)	(473,046)
Profit for the year	年內溢利	-	-	-	-	-	-	197,002	197,002	(109)	196,893
Exchange differences on translating foreign operations	換算海外業務而產生之匯兌差異	-	-	-	-	-	392	-	392	-	392
Total comprehensive income (expense) for the year	年內全面收入 (開支) 總額	-	-	-	-	-	392	197,002	197,394	(109)	197,285
Exercise of share options	購股權行使	1,022	3,417	-	-	(925)	-	-	3,514	-	3,514
Recognition of share-based compensation benefits	確認股份支付的薪酬福利	32	-	-	-	24,432	-	-	24,432	-	24,432
Forfeiture of share options	沒收購股權	-	-	-	-	(7,341)	-	7,341	-	-	-
At 31 December 2017	於2017年12月31日	525,734	1,402,528	24,227	49,373	35,760	158	(2,274,823)	(237,043)	(10,772)	(247,815)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2017 截至2017年12月31日止年度

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
OPERATING ACTIVITIES	經營活動		
Profit (loss) before taxation	除稅前溢利(虧損)	262,084	(393,452)
Adjustments for:	調整項目:		
Interest income	利息收入	(534)	(423)
Exchange (gain)/loss	匯兌(收益)虧損	(45,951)	80,944
Finance costs	融資成本	118,046	192,137
Depreciation	折舊	1,701	1,344
Share-based compensation benefits	股份支付的薪酬福利	24,432	-
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損	57,034	21,557
(Reversal of provisions) provisions for litigations	訴訟(撥備撥回)撥備	(289,240)	130,761
Provision (reversal of provision) for potential claims	潛在索償撥備(撥備撥回)	41,882	(14,937)
Change in fair value of derivative financial instruments	衍生金融工具的公允值變動	329,855	(17,704)
(Reversal of impairment loss) impairment loss recognised in respect of deposits for non-current assets	就非流動資產按金確認之(減值虧損撥回)減值虧損	(438,000)	316,259
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(59)	(57)
Gain from exchange of loan with convertible bond	與可換股債券兌換貸款所得收益	-	(1,098)
Share of result of an associate	應佔聯營公司業績	37	-
Gain on disposal of subsidiaries	出售附屬公司之收益	-	(1,145)
Change in fair value of investment properties	投資物業的公允值變動	7,100	(40,000)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	-	4,039
Impairment loss recognised in respect of prepayment for land use right	就土地使用權的預付金確認之減值虧損	-	99,330
Operating profit before working capital changes	營運資金變動前的經營溢利	68,387	377,555
Decrease in inventories	存貨減少	21,636	513,650
Decrease in trade and other receivables	應收賬款及其他應收款減少	357,454	6,435
Increase in amounts due from directors	應收董事款項	(691)	-
Decrease (increase) in amount due from a related company	應收關聯公司款項減少(增加)	2,723	(2,744)
Placement of pledged bank deposits	存放已抵押銀行存款	(4,488)	(885)
Decrease in trade and other payables	應付賬款及其他應付款減少	(88,807)	(136,203)
Increase in amount due to a related company	應付關聯公司款項增加	49,657	2,368
Decrease in receipt in advance	預收賬款減少	(115,524)	(468)
Decrease in rental and other deposits	租賃及其他按金減少	(796)	(962)
Cash generated from operations	營運產生的現金	289,551	758,746
Income tax paid	已付所得稅	(79,703)	(86,855)
Net cash from operating activities	經營活動產生的現金淨額	209,848	671,891

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2017 截至2017年12月31日止年度

	Notes 附註	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
INVESTING ACTIVITIES			
投資活動			
Capital injection to an associate	向聯營公司注資	(1,745)	-
Purchase of property, plant and equipment	購買物業、廠房及設備	(1,370)	(217)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	174	69
Net cash inflow arising from acquisition of a subsidiary	收購一間附屬公司產生的現金流入淨額	-	2,394
	40		
Net cash inflow arising from disposal of subsidiaries	出售附屬公司產生的現金流入淨額	-	1
	41		
Placement of deposits for non-current assets	存放非流動資產按金	-	(18,685)
Refund of deposits for non-current assets	退回非流動資產按金	140,135	-
Withdrawal of pledged bank deposits	提取已抵押銀行存款	-	2,364
Placement of restricted bank deposits	存放受限制銀行按金	(334)	-
Interest received	已收利息	534	423
Net cash from (used in) investing activities	投資活動產生(動用)的現金淨額	137,394	(13,651)
FINANCING ACTIVITIES			
融資活動			
New bank and other borrowings raised	籌集之新銀行及其他貸款	-	200,000
Repayment of bank and other borrowings	償還銀行及其他貸款	(98,000)	(1,133,574)
Settlement for a litigation	訴訟和解款項	(45,000)	-
Placement of deposit for a litigation	就訴訟存放按金	-	(84,603)
Proceeds from issue of rights shares	供股發行之所得款項	-	802,137
Proceeds from exercise of share options	行使購股權之所得款項	3,514	-
Interest paid	已付利息	(45,866)	(330,910)
Net cash used in financing activities	融資活動動用的現金淨額	(185,352)	(546,950)
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物的增加淨額	161,890	111,290
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於1月1日的現金及現金等價物	143,439	27,768
Effect of foreign exchange rate changes	匯兌變動的影響	(2,772)	4,381
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by bank balances and cash	於12月31日的現金及現金等價物，以銀行結餘及現金代表	302,557	143,439

Notes to the Consolidated Financial Statements

綜合財務報表附註

1. GENERAL

Suncity Group Holdings Limited (the “Company”) (formerly known as Sun Century Group Limited) is a public limited company incorporated in the Cayman Islands and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office of the Company is at Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands. The principal place of business of the Company is at Room 1201-1202, 12/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong. Its immediate holding company is Fame Select Limited, a company incorporated in the British Virgin Islands (the “BVI”) and Mr. Chau Cheok Wa (“Mr. Chau”) and Mr. Cheng Ting Kong are the ultimate controlling parties of the Company.

Pursuant to a special resolution passed on 31 March 2017 and the Certificate of Change of Name issued by the Registrar of Companies of Hong Kong on 12 May 2017, the Company changed its name to Suncity Group Holdings Limited (太陽城集團控股有限公司) with effect from 12 May 2017.

The Company is an investment holding company. The principal activities of its subsidiaries are principally engaged in property development and management in the People’s Republic of China (the “PRC”), provision of hotel and integrated resort management and consultancy services in Vietnam and sales of travel related products and provision of travel agency services in Macau.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

As at 31 December 2017, the Group’s current liabilities exceeded its current assets by RMB1,319,514,000 and total liabilities exceeded its total assets by RMB247,815,000. Taking into account the financial resources of the Group, including the financial support from Mr. Chau, its controlling shareholder, the directors of the Company are of the opinion that the Group has sufficient working capital to meet in full its financial obligations as they fall due for at least the next twelve months from the end of the reporting period and accordingly these consolidated financial statements have been prepared on a going concern basis.

1. 一般資料

太陽城集團控股有限公司(「本公司」)(前稱太陽世紀集團有限公司)為一間於開曼群島註冊成立之公眾公司，且股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, PO Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands。本公司之主要營業地點位於香港上環軒諾道中168-200號信德中心招商局大廈12樓1201-1202室。名萃有限公司(於英屬維爾京群島(「英屬維爾京群島」)註冊成立之公司)為本公司之直接母公司，以及周焯華先生(「周先生」)及鄭丁港先生為本公司之最終控股方。

根據於2017年3月31日通過的特別決議案及香港公司註冊處處長於2017年5月12日發出的名稱更改證明書，本公司已將其名稱更改為太陽城集團控股有限公司，自2017年5月12日起生效。

本公司為一間投資控股公司，其主要附屬公司之主要業務為於中華人民共和國(「中國」)開發及管理物業、於越南提供酒店及綜合度假村之管理及顧問服務及於澳門銷售旅遊相關產品及提供旅遊代理服務。

綜合財務報表乃以人民幣(「人民幣」)呈列，其亦為本公司之功能貨幣。

2. 綜合財務報表之編製基準

於2017年12月31日，本集團的流動負債超出其流動資產人民幣1,319,514,000元及總負債超出其總資產人民幣247,815,000元。經計及本集團的財務資源(包括其控股股東周先生的財務支持)，本公司董事認為，本集團有充足的營運資金，可悉數履行自報告期末起計至少未來十二個月到期的財務責任，故該等財務報表按持續經營基準編製。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has applied the following amendments to HKFRSs and the Hong Kong Accounting Standards (“HKASs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle

Except as described below, the application of amendments to HKFRS in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 7 *Disclosure Initiative*

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of the consolidated financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 39. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 39, the application of these amendments has had no impact on the Group’s consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

本集團於本年度首次應用下列由香港會計師公會（「香港會計師公會」）所頒佈的香港財務報告準則及香港會計準則（「香港會計準則」）之修訂：

香港會計準則第7號之修訂	披露計畫
香港會計準則第12號之修訂	就未動用虧損確認遞延稅項資產
香港財務報告準則第12號之修訂	作為香港財務報告準則2014年至2016年週期之年度改進之一部分

除下文所述者外，於本年度應用該等修訂香港財務報告準則及香港會計準則不會對本年度及過往年度本集團之財務表現及狀況及／或該等綜合財務報表所載披露造成重大影響。

香港會計準則第7號之修訂披露計畫

本集團已於本年度首次應用該等修訂。該等修訂要求實體提供披露資料，令使用綜合財務報表的人士得以評估融資活動所產生負債之變動（包括現金及非現金變動）。此外，該等修訂亦要求，當金融資產之現金流量已經或其未來現金流量將會計入融資活動之現金流量時，實體須披露有關金融資產之變動。

具體而言，有關修訂規定須披露以下事項：(i) 融資現金流之變動；(ii) 因取得或喪失附屬公司控制權或其他業務而出現之變動；(iii) 匯率變動之影響；(iv) 公允值變動；及(v) 其他變動。

該等項目之期初和期末餘額之間的對賬載於附註39。根據修訂之過渡條款，本集團並未披露去年之比較資料。除附註39之額外披露外，該等修訂之應用並無對本集團綜合財務報表造成影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and related Amendments ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ⁴
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 28	As part of the Annual Improvement to HKFRSs 2014 – 2016 Cycle ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ²
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015 – 2017 Cycle ²

¹ Effective for annual periods beginning on or after 1 January 2018.

² Effective for annual periods beginning on or after 1 January 2019.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 January 2021.

Except for the new and revised HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and revised HKFRSs and Interpretations will have no material impact on the consolidated financial statements in the foreseeable future.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但仍未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈惟尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	來自客戶合約之收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價 ¹
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理的不確定性 ³
香港財務報告準則第2號之修訂	以股份為基礎之付款交易之分類及計量 ²
香港財務報告準則第4號之修訂	應用香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約 ¹
香港財務報告準則第9號之修訂	提早還款特性及負補償 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間之資產銷售或注資 ⁴
香港會計準則第28號之修訂	作為香港財務報告準則2014年至2016年週期之年度改進之一部分 ¹
香港會計準則第28號之修訂	於聯營公司或合營企業之長期權益 ²
香港會計準則第40號之修訂	轉讓投資物業 ¹
香港財務報告準則之修訂	香港財務報告準則2015年至2017年週期之年度改進 ²

¹ 於2018年1月1日或之後開始之年度期間生效。

² 於2019年1月1日或之後開始之年度期間生效。

³ 於待釐定日期或之後開始之年度期間生效。

⁴ 於2021年1月1日或之後開始之年度期間生效。

除下文所述之新訂及經修訂香港財務報告準則外，本公司董事預期採納所有其他新訂及經修訂香港財務報告準則及詮釋於可預見未來將不會對綜合財務報告準則產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 9 Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具

香港財務報告準則第9號就金融資產、金融負債分類及計量、一般對沖會計及金融資產減值規定引入新規定。

於本集團相關之香港財務報告準則第9號之主要規定載列如下：

- 於香港財務報告準則第9號範圍內所有已確認金融資產其後須按攤銷成本或公允值計量。具體而言，目的為收取合約現金流量的業務模式內持有的債務投資，及合約現金流量僅為支付本金及未償還本金利息的債務投資，一般於其後會計期間結束時按攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產的業務模式內持有的債務工具，以及合約條款令於特定日期產生的現金流量僅為支付本金及未償還本金利息的債務工具，一般按透過其他全面收益按公允值計量。所有其他債務投資及股權投資均於其後會計期間結束時按公允值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇，於其他全面收益呈報並非持作買賣的股權投資公允值的其後變動，一般僅於損益確認股息收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 9 Financial Instruments (Cont’d)

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss (“FVTPL”), HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39 *Financial Instruments: Recognition and Measurement*, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss.
- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group’s financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

Classification and measurement:

All financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

- 就指定為按公允值計入損益（「按公允值計入損益」）的金融負債的計量而言，香港財務報告準則第9號規定因金融負債信貸風險有變而導致其公允值變動的金額，乃於其他全面收益呈列，除非於其他全面收益確認該負債信貸風險變動的影響會產生或擴大損益之會計錯配，則作別論。因金融負債信貸風險變動而導致金融負債的公允值變動其後不會重新分類至損益。根據香港會計準則第39號金融工具：確認及計量，指定為按公允值計入損益的金融負債的公允值變動金額全數於損益中呈列。
- 就金融資產減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自初步確認以來的變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

根據本集團於2017年12月31日的金融工具及風險管理政策，本公司董事預期首次應用香港財務報告準則第9號將產生以下潛在影響：

分類及計量：

所有金融資產及金融負債將繼續按現時所根據的香港會計準則第39號的相同基準計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 9 Financial Instruments (Cont’d)

Impairment

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that are subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model was to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018 would be slightly increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade receivables. Such further impairment recognised under expected credit loss model would reduce the opening accumulated losses at 1 January 2018.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

減值

一般而言，本公司董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量的金融資產以及其他須作減值撥備的項目而尚未產生的信貸虧損提前計提撥備。

根據本公司董事評估，倘本集團應用預期信貸虧損模式，則本集團於2018年1月1日將予確認的累計減值虧損金額將較根據香港會計準則第39號確認的累計金額略有增加，主要由於應收賬款的預期信貸虧損撥備所致。按預期信貸虧損模式確認的其他減值將減少於2018年1月1日的期初累計虧損。

香港財務報告準則第15號來自客戶合約之收益

香港財務報告準則第15號頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生的收益入賬。於香港財務報告準則第15號生效後，其將取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋的現時收益確認指引。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 15 Revenue from Contracts with Customers (Cont’d)

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued clarifications to HKFRS 15 in relation to the identification of performance obligations principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號來自客戶合約之收益（續）

香港財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收益金額，應為能反映該實體預期就交換該等貨品或服務而有權獲得的代價。具體而言，該準則引入確認收益的五個步驟：

- 第1步：識別與客戶訂立的合約
- 第2步：識別合約中的履約責任
- 第3步：釐定交易價
- 第4步：將交易價分配至合約中的履約責任
- 第5步：於實體完成履約責任時（或就此）確認收益

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收益，即當特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求更詳盡的披露。

於2016年，香港會計準則委員會發出香港財務報告準則第15號的澄清，內容有關履約責任的識別、委託人相對代理人的考慮因素以及許可授權的應用指引。

本公司董事預期，日後應用香港財務報告準則第15號或會導致更多披露，然而，彼等預期應用國際財務報告準則第15號將不會對各報告期確認收益的時間及金額產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 16 Leases

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows respectively by the Group.

The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃

香港財務報告準則第16號引入一個綜合模式以供識別租賃安排及出租人和承租人的會計處理。當香港財務報告準則第16號生效時，它將取代現行香港會計準則第17號租賃及相關的詮釋。

香港財務報告準則第16號以識別資產是否由客戶控制來區分租賃及服務合約為基準。除短期租賃及低值資產租賃外，就承租人會計處理方法，經營租賃及融資租賃的區分已被移除，並由另一種模式取代，該模式要求承租人確認所有租賃使用權資產及相應負債。

使用權資產初步按成本計量，並隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款（非當日支付）的現值初步確認。其後，租賃負債（其中包括）經利息及租賃付款以及租賃修訂的影響所調整。就現金流量分類而言，本集團現時將有關自用租賃土地及分類為投資物業之租賃土地的前期預付租賃付款呈列為投資現金流量，而其他經營租賃付款則呈列為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債的租賃付款將分配為本金及利息部分，且本集團將其單獨列作融資現金流量。

應用香港財務報告準則第16號或會導致該等資產之潛在變動，視乎本集團是否單獨或於倘擁有資產時將予以呈列相應有關資產的同一項目內呈列使用權資產而定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HKFRS 16 Leases (Cont’d)

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitments of RMB5,140,000 as disclosed in note 34. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of RMB1,185,000 and refundable rental deposits received of RMB8,442,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃（續）

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求更詳盡的披露。

於2017年12月31日，本集團擁有不可撤銷的經營租賃承擔約人民幣5,140,000元（如附註34所披露）。初步評估表明，該等安排符合租賃的定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債，除非其符合低價值或短期租賃。

此外，本集團當前將已付可退還租賃按金人民幣1,185,000元及已收可退還租賃按金人民幣8,442,000元視作香港會計準則第17號適用的租賃下的權利及義務。根據香港財務報告準則第16號下租賃款項的定義，有關按金並非與相關資產使用權有關的款項，因此，該等按金的賬面值可能會調整為攤銷成本，有關調整被視為額外租賃款項。對支付可退還租賃按金作出的調整將計入使用權利資產的賬面值，而對已收可退還租賃按金作出的調整則被視為預付租賃款項。

此外，應用新規定可能導致計量、呈列及披露會出現上述變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

HK(IFRIC) – Int 23 Uncertainty over Income Tax Treatments

HK(IFRIC) – Int 23 sets out how to determine the accounting tax position when there is uncertainty over income tax treatments. The interpretation requires an entity to determine whether uncertain tax positions are assessed separately or as a group; and assess whether it is probable that a tax authority will accept an uncertain tax treatment used, or proposed to be used, by an entity in its income tax filings.

The financial impact of the Group upon the application of HK(IFRIC) – Int 23 is still under assessment by the directors of the Company.

4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and derivative financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港（國際財務報告詮釋委員會）－詮釋第23號所得稅處理的不確定性

香港（國際財務報告詮釋委員會）－詮釋第23號載明於所得稅處理存在不確定性時如何釐定會計稅務狀況。該詮釋要求實體釐定是否將不確定的稅務狀況單獨或作為一個組別進行評估；並評估稅務機關是否有可能接受實體在其所得稅申報中使用或擬使用的不確定稅務處理。

本公司董事仍在評估於應用香港（國際財務報告詮釋委員會）－詮釋第23號後本集團之財務影響。

4. 主要會計政策

綜合財務報表按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例規定的適用披露。

綜合財務報表根據歷史成本法編製，惟投資物業及衍生金融工具則按各報告期末的公允值計量（如下文會計政策所述）。

歷史成本一般按照為交換貨品及服務而提供的代價公允值計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

4. 主要會計政策 (續)

公允值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格，不論該價格是否可直接觀察到或採用其他估值技巧估計。於估計資產或負債的公允值時，本集團所考慮資產或負債的特徵，為資產或負債於計量日期定價時，市場參與者可能考慮的資產或負債的特色。於綜合財務報表內計量及／或披露的公允值按此基準釐定，惟屬於香港財務報告準則第2號以股份為基準之付款範疇內以股份為基礎的付款、香港會計準則第17號範疇內的租賃交易以及具有公允值的若干相似性但並非公允值的計量（如香港會計準則第2號存貨內的可變現淨值或香港會計準則第36號資產減值內的使用價值）除外。

非金融資產的公允值計量須計及市場參與者能自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者，所產生的經濟效益。

此外，就財務報告而言，根據可觀察公允值計量的輸入參數及公允值計量的輸入參數對其整體的重要性程度，公允值計量分為第1、第2及第3級，於下文說明：

- 第1級輸入數據乃企業於計量日可得出之自相同資產或負債於活躍市場中所報的未調整價格；
- 第2級輸入數據乃與資產或負債直接或間接可觀察的資料，第1級所含報價除外，直接或間接獲得；及
- 第3級輸入數據乃自資產或負債的不可觀察輸入資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise their judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 5 to the consolidated financial statements.

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

4. 主要會計政策(續)

綜合財務報表乃遵照香港財務報告準則編製，當中須採用若干主要假設及估計，亦要求董事於應用該等會計政策過程中作出判斷。涉及關鍵判斷及對此等綜合財務報表而言屬重大假設及估計之範疇，乃於綜合財務報表附註5披露。

於編製此等綜合財務報表時應用之重大會計政策載列如下。

綜合基準

綜合財務報表載有本公司及受本公司所控制的實體及其附屬公司的財務報表。於以下情況視為本公司已取得控制權：

- 可對被投資方行使權力；
- 參與被投資方之業務獲得或有權獲得可變回報；及
- 有行使其權力以影響其回報之能力。

倘有事實及情況顯示上述三項控制因素之一項或多項出現變化，本集團將重新評估其是否控制被投資方。

於本集團取得對附屬公司之控制權時綜合附屬公司並於失去對附屬公司控制權時予以終止。具體而言，於年內被收購或出售之附屬公司收益及開支乃自本集團獲取控制日期起至本集團失去對附屬公司控制日期止期間計入綜合損益及其他全面收益表。

損益及其他全面收益之每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of consolidation (Cont'd)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair values, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

4. 主要會計政策 (續)

綜合基準 (續)

於必要時，將對附屬公司之財務報表作出調整，使其會計政策與本集團之會計政策貫徹一致。

有關本集團成員公司之間交易之所有集團內公司間資產及負債、權益、收益、開支及現金流量於綜合賬目時悉數對銷。

業務合併

收購業務採用收購法入賬。業務合併所轉讓的代價按公允值計量，而計算方法為本集團所轉讓的資產、本集團向被收購方原擁有人產生的負債及本集團於交換被收購方的控制權發行的權益於收購日的公允值總額。有關收購的成本一般於產生時於損益確認。

於收購日期，所收購之可識別資產及所承擔之負債乃於收購日期按公允值確認，惟以下情況除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號所得稅及香港會計準則第19號員工福利確認及計量；
- 有關以被收購方以股份為基礎之付款安排或本集團以股份為基礎之付款安排以取代被收購方以股份為基礎之付款安排之負債或股本工具於收購日期根據香港財務報告準則第2號計量（見下文會計政策）；及
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產（或出售組合）根據該項準則計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Business combinations (Cont'd)

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable.

4. 主要會計政策 (續)

業務合併 (續)

商譽乃以所轉讓的代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權公允值的總和超出所收購可識別資產及所承擔負債於收購日期的淨值的部分計量。倘經過重新評估後，所收購可識別資產及所承擔負債於收購日期的淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權（如有）公允值的總和，則超出部分即時於損益內確認為議價收購收益。

屬現時所有權權益且於清盤時讓持有人有權按比例分占實體資產淨值的非控股權益，可初步按公允值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類別的非控股權益乃按其公允值或（如適用）計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units). In respect of the goodwill, impairment loss previously recognised in profit or loss will not be reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

Interests in subsidiaries

Interests in subsidiaries are stated in the Company's statement of financial position at cost less subsequent accumulated impairment losses, if any.

4. 主要會計政策 (續)

商譽

收購業務所產生的商譽乃按收購該業務日期所確立的成本(見上文會計政策)減累計減值虧損(如有)列賬。

就減值測試而言,商譽乃分配至預期可從合併的協同作用獲益的各個現金產生單位(或各組現金產生單位),而該單位或單位組別指就內部管理目的監控商譽的最低水準且規模不超過經營分部。

已獲分配商譽之現金產生單位(或現金產生單位組別)每年進行減值測試,或有跡象顯示單位可能減值時更頻繁進行減值測試。倘可收回金額低於其賬面值,則減值虧損會首先予以分配以減低任何分配至該單位之商譽之賬面值,之後根據該單位(或現金產生單位組別)內各資產之賬面值按比例分配至其他資產。就商譽而言,先前於損益確認之減值虧損於其後期間將不予撥回。

就出售相關現金產生單位而言,商譽應佔款項計入釐定出售盈虧的金額(或本集團監察商譽的現金產生單位組合內的任何現金產生單位)。

於附屬公司之權益

於附屬公司的權益乃於本公司財務狀況表內按成本減其後累計減值虧損(如有)列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Interests in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting from the date on which the investee becomes an associate. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

4. 主要會計政策 (續)

於聯營公司之權益

聯營公司指本集團對其有重大影響的實體。重大影響指有權參與被投資方的財政及營運政策的決策，但無法控制或共同控制該等政策。

聯營公司的業績與資產及負債使用權益會計法自起成為聯營公司之日起綜合併入該等綜合財務報表。按權益會計法入賬的聯營公司的財務報表，乃使用本集團有關類似情況下類似交易及事件的統一會計政策編製。按照權益法，於聯營公司的投資初步於綜合財務狀況表按成本確認，並於其後就確認本集團應佔該聯營公司之損益及其他全面收入作出調整。當本集團應佔聯營公司的虧損超過本集團於該聯營公司的權益（包括實際上構成本集團於該聯營公司投資淨額一部分的任何長期權益）時，本集團會終止確認其應佔的未來虧損。僅於本集團已產生代表該聯營公司作出付款的法定或推定義務時，方才確認額外虧損。

香港會計準則第39號用於釐定是否有必要就本集團於聯營公司的投資確認任何減值虧損。如必要，該投資的全部賬面值按照香港會計準則第36號作為單一資產透過將其可收回金額（即使用價值與公允價值減出售成本之較高者）與其賬面值進行比較作減值測試。所確認的任何減值虧損構成該投資賬面值的一部分。倘隨後該投資的可收回金額增加，則按照香港會計準則第36號確認撥回該減值虧損。

倘集團實體與本集團一間聯營公司進行交易，與該聯營公司進行交易所產生損益僅於該聯營公司之權益與本集團並無關連之情況下，方才於本集團綜合財務報表內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

4. 主要會計政策 (續)

外幣

於編製各個別集團實體的財務報表時，並非以實體功能貨幣（「外幣」）進行的貨幣交易按交易日的現行匯率確認。於報告期間末時，以外幣計值的貨幣項目按該日之現行匯率重新換算。按公允值（以外幣計值）列賬的非貨幣項目按公允值釐定當日的現行匯率重新換算。以外幣按歷史成本計量的非貨幣項目不會重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額會於產生期間於損益內確認。

為呈列綜合財務報表，本集團境外業務的資產及負債採用各報告期末的現行匯率換算為本集團的呈列貨幣（即人民幣）。收入及開支項目以當期平均匯率進行換算，除非當期匯率大幅波動，則採用各交易日期的匯率進行換算。所產生的匯兌差額（如有），於其他全面收入確認及於權益的匯兌儲備項下累計（於適當時撥作非控股權益）。

出售境外業務時（即出售本集團於境外業務的全部權益、或出售涉及失去包括境外業務的附屬公司的控制權、或出售包括境外業務之合營安排或聯營公司之部份權益（其保留權益成為一項金融資產）），本公司擁有人就該業務應佔的所有於股權累計的匯兌差額重新分類至損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. An investment property is measured initially at its cost including all direct costs attributable to the property.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are classified and accounted for as investment properties and are measured using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

4. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備於綜合財務狀況表內按成本扣除其後累計折舊及其後累計減值虧損(如有)列賬。

折舊乃使用直線法確認,以於其估計可使用年期撇銷資產成本減去其估計剩餘價值。估計可使用年期、剩餘價值及折舊法於各報告期末進行審閱,以按預期基準反映任何估計變動的影響。

物業、廠房及設備項目於出售時或預期繼續使用有關資產不會產生未來經濟利益時取消確認。任何因出售或報廢物業、廠房及設備項目而產生的收益或虧損釐定為出售所得款項與資產賬面值之間的差額,並於損益內確認。

投資物業

投資物業乃就賺取租金及/或作資本增值持有之物業。投資物業初步按其成本(包括物業應佔之所有直接成本)計量。

投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後,投資物業按公允值計量。本集團所有根據經營租賃持有以賺取租金或作資本增值目的之物業權益乃分類及入賬為投資物業並使用公允值模式計量。投資物業公允值之變動所產生的盈虧於產生期間計入損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment properties (Cont'd)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Impairment on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

4. 主要會計政策 (續)

投資物業 (續)

投資物業於出售或該項投資物業永久不再使用且預期其於出售後不會產生未來經濟利益時終止確認。終止確認該項物業所產生的任何盈虧(按該資產的出售所得款項淨額及賬面值之間的差額計算)於該物業終止確認期間計入損益。

有形資產減值

於報告期末,本集團檢討其有形資產之賬面值以釐定是否存在跡象顯示該等資產出現減值虧損。倘存在有關跡象,則應估計有關資產之可回收金額以釐定其減值虧損(如有)程度。

倘無法單獨估計資產之可回收金額,則本集團會估計該資產所屬現金產生單位之可回收金額。倘可識別合理及一致之分配基準,則企業資產亦會分配至個別現金產生單位,或分配至可按合理及一致分配基準識別之最小現金產生單位組別。

可回收金額為公允值減銷售成本與使用價值兩者中之較高者。於評估使用價值時,乃以反映目前市場對金錢時間價值及未調整未來現金流量估計之資產(或現金產生單位)之特有風險之稅前貼現率貼現至現值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment on tangible assets (Cont'd)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Leasing

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

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

4. 主要會計政策(續)

有形資產減值(續)

倘估計資產(或現金產生單位)之可收回金額低於其賬面值,資產(或現金產生單位)之賬面值下調至其可收回金額。於分配減值虧損時,減值虧損將予以首先分配以調低任何商譽之賬面值(如適用),其後根據該單位內各資產之賬面值按比例分配至其他資產。資產之賬面值不會調低至低於其公允值減出售成本(倘可計量)、其使用價值(倘可釐定)及零中之最高者。將另行分配至資產之減值虧損金額按比例分配至該單位之其他資產。減值虧損即時於損益確認。

倘減值虧損於其後撥回,則該項資產(或現金產生單位)之賬面值會增加至其經修訂之估計可收回金額,惟增加後之賬面值不得超出假設過往年度並無就該項資產(或現金產生單位)確認減值虧損時原應釐定之賬面值。減值虧損撥回即時於損益確認。

租賃

當租賃條款將擁有權的絕大部分風險及回報轉移至承租人時,租賃則分類為融資租賃。所有其他租賃乃分類為經營租賃。

本集團作為承租人

經營租賃款項(包括收購根據經營租賃持有之土地成本)按租期以直線法確認為開支。

倘於訂立經營租約時收取租賃優惠,則有關優惠確認為負債。優惠總利益以直線法確認為租金開支減少。

本集團作為出租人

經營租賃所產生之租金收入乃按其有關租期以直線法於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Inventories

Properties for sale includes properties under development and properties held for sale and travel related products which are stated at the lower of cost and net realisable value.

The carrying value of properties for sale comprises the costs of land use rights together with development expenditure, which includes construction costs and borrowing costs capitalised.

Net realisable value represents the estimated selling price for the properties less all estimated costs of completion and costs necessary to make the sale.

Costs of travel related products are determined on a weighted average method. Net realisable value represents the estimated selling price for travel related products less all estimated costs necessary to make the sale.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

4. 主要會計政策 (續)

存貨

可供出售物業包括開發中物業及持作銷售物業以及旅遊相關產品，按成本與可變現淨值之較低者列賬。

可供銷售之物業之賬面值包括土地使用權成本連同開發費用，而開發費用包括建築成本及已撥充資本之借貸成本。

可變現淨值指物業之估計售價減完成所需之全部估計成本及銷售所需成本。

旅遊相關產品成本乃按加權平均法釐定。可變現淨值指旅遊相關產品之估計售價減銷售所需之所有估計成本。

撥備

倘本集團因過往事件而須承擔現時責任（法律或推定），而本集團可能須履行該責任且該責任之金額能可靠估計，則確認撥備。

確認撥備之金額乃經計及有關責任之風險及不確定因素後，於報告期末履行現時責任所需代價作出之最佳估計。當撥備按履行現時責任估計所需之現金流計量時，其賬面值為有關現金流之現值（倘貨幣時間價值之影響重大）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified as loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

4. 主要會計政策(續)

金融工具

當一個集團實體成為工具之合約條文之一方，則確認金融資產及金融負債。

金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債(透過損益按公允值列賬的金融負債除外)直接應佔的交易成本，乃於初步確認時加入金融資產或金融負債的公允值，或從金融資產或金融負債的公允值扣除(視情況而定)。收購透過損益按公允值列賬的金融資產或金融負債直接應佔的交易成本，即時於損益內確認。

金融資產

金融資產分類為貸款及應收款項。該分類視乎金融資產的性質及用途，並於初步確認時釐定。所有以正常方式買賣的金融資產於交易日確認及終止確認。以正常方式買賣的金融資產指購買或出售須於根據有關市場規則或慣例設定的時限內交付之資產。

實際利率法

實際利率法是一種用於按相關期間計算債務工具的攤銷成本以及按相關期間分配利息收入的方法。實際利率乃於初步確認時按債務工具的預計可用年期或適用的較短期間內將估計未來現金收入(包括構成實際利率不可或缺部分已付或已收的一切費用及基點、交易成本及其他溢價或折現)精確折現至賬面淨值的利率。

債務工具的利息收入乃按實際利率基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including deposits for non-current assets, trade and other receivables, amounts due from a related company and directors, bank balances and cash, restricted bank deposits and pledged bank deposits) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is 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.

4. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項並未於交投活躍的市場內報價而附帶固定或可議定付款的非衍生金融資產。貸款及應收款項 (包括就非流動資產之按金、應收賬款及其他應收款、應收關聯方及董事款項、銀行結餘及現金、受限制銀行存款及已抵押銀行存款) 使用實際利率法按經攤銷成本減任何減值計量。

利息收入按實際利率計算確認。

金融資產減值

於各報告期末，評估金融資產是否有減值跡象。當有客觀證據顯示金融資產的預期未來現金流量因於初步確認該金融資產後發生的一項或多項事件出現而受到影響時，該等金融資產即已被視作減值。

減值之客觀證據可包括：

- 發行人或交易對手出現重大財務困難；或
- 違反合約，例如逾期交付或拖欠利息或本金；或
- 借款人有可能面臨破產或財務重組；或

就按已攤銷成本值列賬的金融資產而言，確認減值虧損的金額按該項資產的賬面值與估計未來現金流量按該金融資產以初始實際利率折現的現值之間的差額計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

4. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

全部金融資產的減值虧損會直接於金融資產之賬面值中扣減，惟應收賬款除外，其賬面值會經過撥備賬作出扣減。當應收賬款被視為不可收回時於撥備賬內撇銷，其後收回之前已撇銷之金額均撥回撥備賬內。撥備賬內之賬面值變動於損益中確認。

就按已攤銷成本列賬的金融資產而言，如在其後之期間減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認的減值虧損將透過損益予以撥回，惟該投資於減值被撥回當日的賬面值不得超過並無確認減值下的已攤銷成本。

金融負債及權益工具

集團實體發行之債務及權益工具根據合約安排之實質內容以及金融負債及權益工具之定義分類為金融負債及權益。

權益工具

權益工具指可證明實體經減除其所有負債後資產之剩餘權益之任何合約。本集團發行之權益工具按所得款項（扣除直接發行成本）確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL on initial recognition.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

實際利率法

實際利率法指一種在有關期間內用於計算金融負債的已攤銷成本及分配利息支出之方法。實際利率指一種在金融負債之預期有效期或(如適用)更短期間內能夠精確折現預計未來現金支出額(包括構成實際利率部分的已付或已收全部費用及基點、交易成本及其他溢價或折讓)至初始確認時賬面淨值的利率。

利息開支乃按實際利率基準確認。

透過損益按公允值列賬的金融負債當金融負債於初步確認時為持作買賣或指定為透過損益按公允值處理時，其將分類為透過損益按公允值列賬的金融負債。

倘某項金融負債出現下列情況，則分類為持作買賣：

- 購入之主要目的為於不久將來出售；或
- 於初步確認時屬於本集團整體管理的可識別金融工具組合的一部分，且近期事實上有出售以賺取短期溢利的模式；或
- 屬非指定及有效作為對沖工具之衍生工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Financial liabilities at FVTPL (Cont'd)

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is shown as change in fair value of derivative financial instruments.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables, amounts due to a related company and a director, receipt in advance, rent and other deposits, provisions for litigations, bank and other borrowings, loan from immediate holding company and debt component of convertible bond) are subsequently measured at amortised cost using the effective interest method.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

透過損益按公允值列賬的金融負債 (續)

倘屬於下列情況，金融負債（持作買賣的金融負債除外）可於初步確認時指定為透過損益按公允值處理：

- 有關指定可對銷或大幅減少可能出現之不一致計量或確認；或
- 金融負債為金融資產或金融負債組別或兩者之組成部分，而根據本集團的明文訂明之風險管理或投資策略，金融負債乃按照公允值基準管理及評估表現，且有關分類資料則以該基準向內部提供；或
- 其為包括一項或多項內嵌式衍生工具之合約部分，而香港會計準則第39號容許將全部合併合約（資產或負債）指定為透過損益按公允值處理。

透過損益按公允值列賬的金融負債以公允值列賬，自重估產生之任何盈虧則於損益中確認。於損益確認之盈虧淨額包括就金融負債支付之任何利息，並列作衍生金融工具之公允值變動。

按攤銷成本計量的金融負債

金融負債（包括應付賬款及其他應付款項、應付關聯方及董事款項、預收賬款、租金其他按金、訴訟撥備、銀行及其他借款、來自直接控股公司貸款及可換股之負債部分）隨後使用實際利率法按攤銷成本計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Convertible bond

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative and early redemption derivative.

An early redemption option provides the Group to redeem its convertible bond before the maturity date at principal amount is an early redemption option derivative.

At the date of issue, both the debt component and derivative component are recognised at fair value. In subsequent periods, the debt component of the convertible bond is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair values at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

實際利率法

實際利率法指一種在有關期間內用於計算金融負債的已攤銷成本及分配利息支出之方法。實際利率指一種在金融負債之預期有效期或(如適用)更短期間內能夠精確折現預計未來現金支出額(包括構成實際利率部分的已付或已收取利率點子的全部費用、交易成本及其他溢價或折讓)至初始確認時賬面淨值的利率。

利息開支乃按實際利率基準確認。

可換股債券

將以固定現金金額或其他金融資產交換本集團固定數目自有權益工具以外方式結算之兌換權為換股期權衍生工具及提前贖回衍生工具。

提前贖回期權令本集團可於到期日前按本金額贖回其可換股債券，為提前贖回期權衍生工具。

於發行日期，債務部分及衍生部分於按公允值確認。於其後期間，可換股債券之債務部分乃使用實際利率法按攤銷成本列賬。衍生部分乃按公允值計量，而公允值變動於損益確認。

衍生金融工具

衍生工具首次按衍生工具合約訂立日期的公允值確認，其後於各報告期末以其公允值重新計量。所得盈虧隨即於損益確認，除非衍生工具指定為及實際上為對沖工具，在此情況下，於損益確認的時間乃視乎對沖關係性質而定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. Generally, multiple embedded derivatives in a single instrument are treated as a single compound embedded derivative unless those derivatives relate to different risk exposures and are readily separable and independent of each other.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the obligation under the contract, as determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. 主要會計政策(續)

金融工具(續)

金融負債及權益工具(續)

嵌入式衍生工具

倘非衍生主合約所包括的衍生工具的風險及特性與主體合約並無密切關係，則該等衍生工具被視為獨立衍生工具處理，而主合約不會以按公允值計入損益的方式計量。一般而言，單一工具的多項嵌入式衍生工具被當做單一複合嵌入式衍生工具，除非該等衍生工具涉及不同風險敞口及可隨時分離及相互獨立，則作別論。

財務擔保合約

財務擔保合約為規定發行人作出指定付款以補償持有人因特定債務人未能按照債務工具條款在到期時付款所招致之損失之合約。

本集團所發出之財務擔保合約初步按公允值計量，而倘其並非指定為透過損益按公允值計量，則隨後按下列之較高者計量：

- 合約下之責任金額，乃按照香港會計準則第37號「撥備、或然負債及或然資產」釐定；及
- 初步確認之金額減(倘適合)根據收益確認政策確認之累計攤銷。

終止確認

當從資產收取現金流的合約權利屆滿，或本集團轉讓金融資產及該資產擁有權的近乎全部風險及回報予另一實體時，即終止確認該金融資產。倘本集團非轉讓或保留資產擁有權的近乎所有風險及回報並繼續控制已轉讓之資產，本集團則確認該資產已保留的權利及可能須支付金額的相關負債。倘本集團保留該已轉讓的金融資產擁有權之絕大部分風險及回報時，本集團則繼續確認該金融資產並同時確認抵押借款的已收所得款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Derecognition (Cont'd)

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for value added tax or other sales taxes, estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold.

Revenue from sale of properties in the ordinary course of business is recognised when the respective properties have been completed and delivered to the buyers. Deposits and instalments received from buyers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Service income is recognised when services are provided.

4. 主要會計政策 (續)

金融工具 (續)

金融負債及權益工具 (續)

終止確認 (續)

於終止確認金融資產時，資產的賬面值與已收及應收代價總額於損益確認。

僅當本集團的責任已被解除、註銷或屆滿時，本集團終止確認金融負債。終止確認金融負債賬面值與已付或應付代價的差額於損益確認。

收入確認

收入乃按已收或應收代價的公允值計量。收入因增值稅或其他營業稅、估計客戶退貨、折扣及其他類似撥備而有所減少。

收入於其能可靠計量時；當經濟效益可能流入本集團及且符合下文所述之本集團各項活動已之特定準則時確認。

銷售貨品收入乃於擁有權的重大風險及回報轉移至買方時確認，惟本集團不再涉及其一般與擁有權相關之管理或對已售貨品擁有實際控制權。

來自於日常業務中銷售物業之收益乃於有關物業竣工並交付買方時確認。於符合上述收入確認之準則前自買方收取之按金及分期付款計入綜合財務狀況表之流動負債。

服務收益於提供服務時確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue recognition (Cont'd)

Interest income is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income is recognised on a straight-line basis over the lease terms.

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for leasing above.

Retirement benefit costs and termination benefits

Payment to defined contribution retirement benefit plans including schemes registered under the Mandatory Provident Fund Schemes Ordinance and government retirement benefit scheme are recognised as an expense when employees have rendered service, entitling them to the contributions.

Share-based payment arrangements

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve.

4. 主要會計政策(續)

收入確認(續)

利息收入按時間比例基準參考未償還本金額及適用實際利率(即金融資產於預期可使用年期的估計未來現金收入準確折現至該資產初步確認時的賬面淨值的比率)計算。

租金收入乃按直線法於租期內確認。

本集團就確認經營租賃收入之會計政策載於上文租賃之會計政策。

退休福利成本及終止福利

定向退休福利計劃(包括根據強積金計劃條例登記之計劃及政府退休福利計劃)供款之付款於僱員提供服務而有權獲得供款時確認為開支。

以股份為基礎之付款安排

以權益結算以股份為基礎之付款交易向僱員授出之購股權

向僱員及提供同類服務之其他人士作出之以權益結算以股份為基礎之付款按於授出日期權益工具之公允值計量。

以權益結算以股份為基礎之付款於授出日期未計及所有非市場歸屬條件而釐定之公允值乃按本集團對於最終將歸屬的股權工具數目所作之估計，於歸屬期間以直線法確認為開支，並於權益(購股權儲備)中作相應增加。於各報告期末，本集團根據對所有相關非市場歸屬條件作出之估計修訂其對於預期歸屬之權益工具數目之估計。修訂原有估計(如有)之影響於損益確認，以使累計開支反映經修訂估計，並對購股權儲備作相應調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Share-based payment arrangements (Cont'd)

Equity-settled share-based payment transactions (Cont'd)

Share options granted to employees (Cont'd)

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

Borrowing costs

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

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

Taxation

Income tax represents the sum of the current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4. 主要會計政策 (續)

以股份為基礎之付款安排 (續)

以權益結算以股份為基礎之付款交易 (續)

向僱員授出之購股權 (續)

當購股權獲行使時，過往於購股權儲備中確認之金額將轉移至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未獲行使時，過往於購股權儲備中確認之金額將轉移至累計虧損。

借貸成本

收購、建設或生產需長時間方準備就緒作擬定用途或出售之合資格資產而直接應佔之借貸成本均計入該等資產之成本，直至資產大致上準備可用作擬定用途或出售止。

所有其他借貸成本乃於產生之期間於損益確認。

稅項

所得稅為即期稅項與遞延稅項之總和。

即期稅項

應付稅項乃按本年度應課稅溢利計算。應課稅溢利與損益中確認之溢利不同，因應課稅溢利不包括其他年度之應課稅收入或可扣減開支項目，亦不包括毋須課稅或不可扣稅項目。本集團之即期稅項負債乃按報告期末前已頒佈或實質頒佈之稅率計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation (Cont'd)

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and then are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項

遞延稅項乃按綜合財務報表中資產及負債之賬面值與用作計算應課稅溢利之相應稅基間之差額確認。遞延稅項負債通常會就所有應課稅暫時性差額確認，倘有應課稅溢利可用以抵銷可扣減暫時性差異、未動用稅項虧損或未動用稅項抵免，則會確認為遞延稅項資產。於一項交易中，倘因其他資產及負債之商譽或初步確認（業務合併除外）而產生之暫時性差額不影響應課稅溢利及會計溢利時，則不會確認該等資產及負債。此外，倘暫時性差異來自初步確認商譽，則不予確認遞延稅項負債。

遞延稅項負債就投資於附屬公司產生之應課稅暫時性差額確認，除非本集團能控制撥回暫時性差額以及暫時性差額在可見將來不會被撥回。自與該等投資及權益相關之可扣除暫時性差異產生之遞延稅項資產僅會在有充足之應課稅溢利以抵銷動用臨時差額之利益且預期於可預見將來可予撥回時予以確認。

遞延稅項資產之賬面值於各報告期末作檢討，並扣減直至再無可能有足夠應課稅溢利可供收回全部或部份資產價值為止。

遞延稅項資產及負債乃根據報告期末已頒佈或實質上頒佈之稅率（及稅法），按預期於負債結清或資產變現期間適用之稅率計算。

遞延稅項負債及資產之計量反映本集團於報告期末，預期對收回或結清其資產及負債賬面值之方式產生之稅務後果。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation (Cont'd)

Deferred tax (Cont'd)

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. 主要會計政策 (續)

稅項 (續)

遞延稅項 (續)

就計量利用公允值模式計量的投資物業的遞延稅項而言，該等物業的賬面值乃假設通過銷售全數收回，除非該假設被推翻則除外。當投資物業可予折舊及於業務模式目標為隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益內持有時，有關假設會被推翻。

即期及遞延稅項於損益中確認，惟倘該等稅項與於其他全面收益或直接於權益中確認的項目有關時，奇跡或遞延稅項亦須分別於其他全面收益或直接於權益中確認。倘因業務合併之初步會計處理而產生即期稅項或遞延稅項，有關稅務影響包括於業務合併之會計處理。

5. 關鍵會計判斷及估計不確定因素之主要來源

於應用附註4所述之本集團之會計政策時，本公司董事須對無法從其他途徑得知之資產及負債之賬面值作出判斷、估計及假設。估計及相關假設乃根據歷史經驗及其他認為相關之因素作出。實際結果或會與該等估計有別。

估計及相關假設均會按持續審閱。倘會計估計之修訂僅影響作出估計修訂之期間，則會於該期間確認會計估計之修訂，或倘修訂影響當前及未來期間，則於有關修訂及未來期間確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Revenue recognition as principal or agent

During the current year, the Group commenced its operation in the travel related businesses, which include the provision of arrangement of hotel accommodation, transportation and entertainment. The Group has acted as principal for transactions of hotel accommodation products and acted as agent for the rest. In assessing whether the Group acted as principal or agent, the Group has considered, among others, indicators including but not limited to whether the Group has primary responsibility in providing the goods and services to the customers, inventory risk before the customers' order, credit risk for the amounts receivable from the customers and whether it has discretion in establishing price.

Impairment losses recognised in respect of prepayment for land use right

As set out in notes 6(a)(vii) and 17(a), the Group prepaid land costs for a project in the PRC and pursuant to the terms stipulated in the Agreement (as defined in note 17(a)), the Group has to complete the construction by 30 April 2016. Should the construction cannot be completed by 30 April 2016, the Agreement would be rescinded at no cost. The directors of the Company retrospectively impaired the entire balance for such prepayment as at 31 December 2016.

5. 關鍵會計判斷及估計不確定因素之主要來源 (續)

應用會計政策時的關鍵判斷

以下為本公司董事於應用本集團會計政策之過程中作出及對於綜合財務報表確認的金額具有最重大影響之關鍵按斷(該等涉及估計者除外(見下文))。

作為委託人或代理之收入確認

於本年度,本集團開始營運旅遊相關業務,包括提供酒店住宿、交通及娛樂安排。本集團擔任酒店住宿服務採購交易之委託人,此外均擔任代理。於評估本集團是否擔任委託人或代理人時,本集團已考慮(其中包括)多個因素,包括但不限於本集團向客戶提供貨品及服務時是否承擔主要職責、於客戶下單前是否面臨存貨風險、是否就應收賬款面臨信貸風險及是否擁有定價權。

就土地使用權預付金確認之減值虧損

如附註6(a)(vii)及17(a)所載,本集團就中國項目預付土地成本,及根據協議(定義見附註17(a))訂明之條款,本集團須於2016年4月30日前完成建築工程。倘建築工程未能於2016年4月30日前完成,協議將終止,而毋須支付任何費用。於2016年12月31日,本公司董事就該預付金之全部結餘追溯減值。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Critical judgements in applying accounting policies (Cont'd)

Deferred taxation on investment properties

For the purposes of measuring deferred tax arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolio and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. As a result, the Group has recognised deferred tax on changes in fair value of investment properties.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Fair value of investment properties

Investment properties, including those completed investment properties are carried in the consolidated statement of financial position at their fair values, details of which are disclosed in note 16. The fair value of the investment properties was determined by reference to valuations conducted on these properties by an independent and professionally qualified valuer using property valuation techniques which involve certain assumptions of prevailing market conditions. Favourable or unfavourable changes to these assumptions may result in changes in the fair value of the Group's investment properties included in the consolidated statement of financial position and corresponding adjustments to the changes in fair value reported in the consolidated statement of profit or loss and other comprehensive income. During the year ended 31 December 2017, decrease in fair value of investment properties of RMB7,100,000 (31 December 2016: increase in fair value: RMB40,000,000) has been recognised in the consolidated statement of profit or loss and other comprehensive income.

5. 關鍵會計判斷及估計不確定因素之主要來源 (續)

應用會計政策時的關鍵判斷 (續)

投資物業之遞延稅項

就計量使用公允值模式計量之投資物業產生之遞延稅項而言，本公司董事已檢討本集團之投資物業組合，並認為本集團藉以持有投資物業之業務模式旨在享有於持有該等投資物業期間所產生之絕大部份經濟利益。因此，本集團就投資物業之公允值變動確認遞延稅項。

估計不確定因素之主要來源

以下為於報告期末就未來及其他估計不明朗因素之主要來源所作之主要假設，該等假設可致使對下一財政年度之資產及負債之賬面值作出重大調整之重大風險。

投資物業之公允值

投資物業（包括該等已竣工投資物業）乃於綜合財務狀況表按其公允值列賬，詳情於附註16披露。投資物業之公允值乃參考獨立專業合資格估值師使用涉及若干對當前市況之假設之物業估值技術對該等物業所進行之估值釐定。該等假設之有利或不利變動或會導致本集團計入綜合財務狀況表之投資物業公允值產生變動，並因而導致須對綜合損益及其他全面收益表內呈報之公允值變動作出相應調整。截至2017年12月31日止年度，投資物業之公允值減少人民幣7,100,000元（2016年12月31日：公允值增加人民幣40,000,000元）已於綜合損益及其他全面收益表內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Impairment loss recognised in respect of inventories

Properties under development and properties held for sale are stated at the lower of the cost and net realisable value. Based on the experience of the directors of the Company and the nature of the subject properties, the directors of the Company determine the net realisable value of properties under development and properties held for sale by reference to the estimated market prices of the properties under development and properties held for sale, which takes into account a number of factors including the recent prices of similar property type in the same project or by similar properties, and the prevailing real estate market conditions in the PRC. The directors of the Company estimate the future costs to complete the properties under development by reference to the actual development cost of other similar completed projects of the Group, adjusted by certain current market data. During the year ended 31 December 2017, impairment loss of RMB57,034,000 (31 December 2016: RMB21,557,000) has been recognised in the consolidated statement of profit or loss and other comprehensive income.

As at 31 December 2017, the aggregate carrying amount of properties under development and properties held for sale amounted to approximately RMB644,411,000 (31 December 2016: RMB731,900,000 (restated), and 1 January 2016: RMB1,267,107,000 (restated)) in the PRC.

PRC land appreciation taxes ("LAT")

The Group is subject to LAT in the PRC. The LAT is levied at progressive rates on the appreciation of land value, being the proceeds of the sales of properties less the estimated deductible expenditures, the cost of land use rights and all relevant property development expenditures.

Significant judgment is required in estimating the amounts of land appreciation and the applicable land appreciation tax rate due to the uncertainty of proceeds of sales of properties and deductible expenditures.

5. 關鍵會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源 (續)

就存貨確認之減值虧損

發展中物業及持作銷售物業乃按成本與可變現淨值之較低者列賬。根據本公司董事之經驗及目標物業之性質，本公司董事參考發展中物業及持作銷售物業之估計市價釐定該等發展中物業及持作銷售物業之可變現淨值，並考慮到多種因素，包括同一項目中類似物業類別或類似物業之近期價格，以及中國當前房地產市場狀況。經參考本集團其他類似已竣工項目之實際開發成本，本公司董事估計完成發展中物業之未來成本，並因應若干現行市場數據作出調整。截至2017年12月31日止年度，減值虧損人民幣57,034,000元（2016年12月31日：人民幣21,557,000元）已於綜合損益及其他全面收益表內確認。

於2017年12月31日，中國發展中物業及持作銷售物業之總賬面值約為人民幣644,411,000元（2016年12月31日：人民幣731,900,000元（重列）及2016年1月1日：人民幣1,267,107,000元（重列））。

中國土地增值稅（「土地增值稅」）

本集團須於中國繳納土地增值稅。土地增值稅乃按土地增值額（即物業銷售所得款項減估計可扣減開支、土地使用權成本及所有相關物業開發開支）之累進稅率徵收。

由於物業銷售所得款項及可扣減開支存在不確定性，故於估計土地增值額及使用土地增值稅率時須作出重大判斷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

PRC land appreciation taxes ("LAT") (Cont'd)

However, the implementation and settlement of the tax varies amongst different tax jurisdictions in various cities of the PRC and certain projects of the Group have not finalised their land appreciation tax calculations and payments with any local tax authorities in the PRC. The amount of the land appreciation is determined with reference to proceeds of the sales of properties less the estimated deductible expenditures, including the cost of land use rights and all relevant property development expenditures. The Group recognised the LAT based on management's best estimates. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalised with local tax authorities. During the years ended 31 December 2017 and 2016, approximately RMB56,056,000 and RMB228,730,000 (restated) of LAT has been recognised.

Provisions for litigations

As set out in notes 6(a)(iv) and 28, approximately RMB235,000,000, RMB653,843,000 (restated) and RMB523,082,000 (restated) of provisions for litigations have been recognised by the Group as at 31 December 2017, 31 December 2016 and 1 January 2016, respectively, in relation to the Bank Claim and Consultant Claim (as defined in note 28). The directors of the Company reversed provision of RMB289,240,000, net of provision for Consultant Claim of RMB14,842,000 for the year ended 31 December 2017, and retrospectively recognised provisions of RMB130,761,000 for the year ended 31 December 2016, based on the best estimates derived from different sources of documents, including the Judgement from the PRC court, the settlement agreement and legal opinion from external lawyers.

5. 關鍵會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源 (續)

中國土地增值稅(「土地增值稅」) (續)

然而，中國各個城市的不同徵稅區的稅項徵收及支付有所差異，而本集團的若干項目尚未與中國任何地方稅務部門最終確定土地增值稅之計算及支付。土地增值額乃經參考物業銷售所得款項減估計可扣減開支(包括土地使用權成本及所有相關物業開發開支)後釐定。本集團根據管理層作出之最佳估計確認土地增值稅。最終稅項結果或會不同於初始列賬之金額，而該等差異將影響與地方稅務部門最終確定該等項之期間內之所得稅開支及有關所得稅撥備。截至2017年及2016年12月31日止年度，已確認土地增值稅約人民幣56,056,000元及人民幣228,730,000元(重列)。

訴訟撥備

如附註6(a)(iv)及28所載，於2017年12月31日、2016年12月31日及2016年1月1日，本集團已就銀行索償及顧問索償(定義見附註28)分別確認訴訟撥備約人民幣235,000,000元、人民幣653,843,000元(重列)及人民幣523,082,000元(重列)。根據不同文件來源(包括中國法院判決、和解協議及外部律師之法律意見)作出之最佳估計，本公司董事已於截至2017年12月31日止年度撥回撥備人民幣289,240,000元(扣除顧問索償撥備人民幣14,842,000元)及於截至2016年12月31日止年度追溯確認撥備人民幣130,761,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Impairment losses recognised in respect of deposits for non-current assets

As set out in notes 17(b) and 17(c), the Group have paid deposits for property development projects and potential investment projects in the PRC. The Group reviews the recoverability and aging of the deposits and provides for impairment losses if the balances are not fully recoverable. The assessments involve estimation on the recoverability of these balances. The Group's estimates and judgements may be inaccurate and any change in estimates would affect profit or loss in future years. The directors of the Company have reversed impairment of RMB438,000,000 and recognised impairment loss of RMB316,259,000 of the years ended 31 December 2017 and 2016, respectively.

Fair value of derivative financial instruments

The directors of the Company use their judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. For derivative financial instruments, the estimation of fair value of derivatives includes some assumptions not supported by observable market prices or rates. The carrying amount of the derivative financial instruments as at 31 December 2017 was approximately RMB439,938,000 (31 December 2016: RMB129,675,000 (restated)). Details of the assumptions used are disclosed in note 30. The directors of the Company believe that the chosen valuation techniques and assumptions are appropriate in determining the fair value of derivative financial instruments.

5. 關鍵會計判斷及估計不確定因素之主要來源 (續)

估計不確定因素之主要來源 (續)

就非流動資產按金確認之減值虧損

如附註17(b)及17(c)所述，本集團已就中國物業開發項目及潛在投資項目支付按金。本集團檢討按金之可收回性及賬齡，倘結餘未能悉數收回，則會計提減值虧損撥備。評估涉及對該等結餘之可收回性之估計。本集團之估計及判斷可能不準確及估計之任何變動將影響未來年度之損益。截至2017年及2016年12月31日止年度，本公司董事已撥回減值人民幣438,000,000元及確認減值虧損人民幣316,259,000元。

衍生金融工具之公允值

本公司董事使用判斷，以為並未在活躍市場市場報價之金融工具選擇適當之估值技術。應用市場參與者常用的估值技術。就衍生金融工具而言，衍生工具公允值估計包括若干可觀察市價或費率支持的假設。於2017年12月31日，衍生金融工具之賬面值約為人民幣439,938,000元（2016年：人民幣129,675,000元（重列））。所用假設之詳情於附註30披露。本公司董事認為，所選估值技術及假設對釐定衍生金融工具之公允值屬適當。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. PRIOR YEAR ADJUSTMENTS AND CHANGES IN PRESENTATION OF COMPARATIVES

The Company has carried out a reassessment on the Group's consolidated financial statements for the prior years and identified the following misstatements. The directors of the Company decided that the most appropriate treatment for these misstatements is to restate the comparative figures in the Group's consolidated financial statements for the year ended 31 December 2017.

Prior year adjustments

- (a)(i) Revenue was recognised incorrectly and recognised in the inappropriate period. In addition, cost of sales was incorrectly measured, certain administrative expenses were not recognised in the year in which they were incurred. Furthermore, the income tax expense was misstated in prior years.
- (a)(ii) The Company identified that an amount of approximately RMB34,849,000 was previously recognised as a prepayment to a subcontractor included in trade and other receivables. The management of the Group performed impairment assessment on such balance and considered the possibility of recovering the amount is remote. Based on the analysis conducted by the management of the Group, the amount should have been fully impaired as at 1 January 2016.
- (a)(iii) The Group has over-provided the land appreciation tax in relation to its inventories during the year ended 31 December 2016. Also, deferred tax assets and current tax liabilities in relation to the land appreciation tax were misstated in prior years.

6. 過往年度調整及比較數字呈列之變動

本公司已對本集團過往年度之綜合財務報表進行重新評估，並發現以下錯報。本公司董事認為對該等錯報之最適宜處理方法為於本集團截至2017年12月31日止年度之綜合財務報表內重列比較數字。

過往年度調整

- (a)(i) 收入未正確確認且未於適當期間內確認。此外，銷售成本未正確計量、若干行政費用未於產生年度確認以及所得稅費用在過往年度出現錯報。
- (a)(ii) 本公司發現約人民幣34,849,000元之金額於過往確認為向分包商之預付款（計入貿易及其他應收款項）。本集團管理層已就有關結餘進行減值評估，並認為收回金額可能性甚小。根據本集團管理層所作分析，該金額應於2016年1月1日悉數減值。
- (a)(iii) 截至2016年12月31日止年度，本集團就其存貨之土地增值稅計提超額撥備。此外，於過往年度，有關土地增值稅之遞延稅項資產及即期稅項負債存在錯報。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. PRIOR YEAR ADJUSTMENTS AND CHANGES IN PRESENTATION OF COMPARATIVES (Cont'd)

Prior year adjustments (Cont'd)

(a)(iv) Provisions in relation to the Bank Claim (as defined in note 28) and Consultant Claim (as defined in note 28) had not yet been provided in prior years, but such claims were disclosed as contingent liabilities in the consolidated financial statements for the year ended 31 December 2016. After reviewing all the relevant documents, the directors of the Company considered that the Group had a present legal obligation as a result of a past event, it was probable that the Group would be required to settle that obligation, and a reliable estimate could be made of the amount of the obligation in relation to the Bank Claim and Consultant Claim as at 31 December 2016 and 1 January 2016.

(a)(v) Certain properties under pre-sale arrangement have been seized by the court due to the litigations as set out in note 28 since 2015. As a result, the Group failed to fulfil the obligations stipulated in the sales and purchase agreement within the predetermined period of time. Pursuant to the terms of the sales and purchase agreement, the Group is liable to the claims for the return of pre-sale deposits, instalment payment and compensation made by the buyers. However, no such provision was made in the consolidated financial statements in prior years. During the year ended 31 December 2016, certain properties were released by the court and reversal of provision of RMB14,937,000 was recognised in profit or loss as the Group performed the obligations stipulated in the sales and purchase agreement.

6. 過往年度調整及比較數字呈列之變動 (續)

過往年度調整 (續)

(a)(iv) 過往年度尚未就銀行索償 (定義見附註28) 及顧問索償 (定義見附註28) 計提撥備, 但該等索償已於截至2016年12月31日止年度之綜合財務報表內披露為或然負債。於審閱所有相關文件後, 本公司董事認為, 本集團因過往事件而須承擔現時法律責任, 而本集團可能須履行該責任且於2016年12月31日及2016年1月1日有關銀行索償及顧問索償之責任金額能可靠估計。

(a)(v) 自2015年起, 預售安排項下之若干物業已因附註28所述之訴訟而被法院查封, 因此本集團無法於預定期限內履行買賣協議訂明之責任。根據買賣協議之條款, 本集團須承擔買方要求退還預售按金、分期付款及作出賠償之索償。然而, 未於過往年度之綜合財務報表中作出有關撥備。截至2016年12月31日止年度, 由於本集團已履行買賣協議訂明之責任, 故若干物業已獲法院解除, 並於損益確認撥備撥回人民幣14,937,000元。

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綜合財務報表附註

6. PRIOR YEAR ADJUSTMENTS AND CHANGES IN PRESENTATION OF COMPARATIVES (Cont'd)

Prior year adjustments (Cont'd)

(a)(vi) Refer to note 30 for the details of the convertible bond issued by the Company in 2016. Due to the inappropriate assumptions used in the assessment of fair value of the convertible bond, the initial recognition of the convertible bond issued by the Company was not accounted for correctly in 2016. Such balance was presented as bank and other borrowings in the consolidated financial statements for the year ended 31 December 2016. The Group engaged Grant Sherman Appraisal Limited, independent and professional qualified valuer not connected to the Group, to revisit the valuation on the convertible bond as at 8 December 2016 (date of issuance) and 31 December 2016.

(a)(vii) The prepayment for land use right was presented as prepaid land costs under trade and other receivables in the consolidated financial statements for the year ended 31 December 2016. As described in note 17(a), since the Group did not comply with certain terms in the relevant land use right transfer agreement signed between the Group and the Fushun Land and Resource Bureau in the PRC as at 31 December 2016, the directors of the Company impaired the entire prepayment during the year ended 31 December 2016. As the Group's equity interest in the subsidiary is 90%, adjustment to the equity attributable to non-controlling interests has been made during the year ended 31 December 2016.

Changes in presentation of comparatives

(a)(viii) In addition to the adjustments made to correct prior year's errors mentioned in notes 6(a)(i) to 6(a)(vii) above, the directors of the Company also made certain reclassifications to the comparative figures as at 31 December 2016 and 1 January 2016 in order to conform with current year's presentation. Such adjustments were mainly made to group together multiple line items with similar nature that were previously disclosed on the face of the primary statements, so as to make the face of those statements clearer and more concise. The details of the relevant items have been retained in the notes to the consolidated financial statements.

6. 過往年度調整及比較數字呈列之變動 (續)

過往年度調整 (續)

(a)(vi) 有關本公司於2016年發行之可換股債券之詳情，請參閱附註30。由於對可換股債券之公允值評估所用假設不適當，故本公司發行之可換股債券之初步確認並未於2016年妥為入賬。該結餘於截至2016年12月31日止年度之綜合財務報表內列作銀行及其他借貸。本集團委聘與本集團概無關連之獨立及專業合資格估值師中證評估有限公司，以重新審閱於2016年12月8日（刊發日期）及2016年12月31日之可換股債券之估值。

(a)(vii) 土地使用權的預付金於截至2016年12月31日止年度之綜合財務報表內列作應收賬款及其他應收款下之預付土地成本。如附註17(a)所述，由於本集團於2016年12月31日未遵守本集團與中國撫順市國土資源局簽訂之相關土地使用權轉讓協議之若干條款，故本公司董事於截至2016年12月31日止年度就全部預付金作出減值。由於本集團擁有該附屬公司90%股權，故於截至2016年12月31日止年度已就非控股權益應佔權益作出調整。

比較數字呈列之變動

(a)(viii) 除上文附註6(a)(i)至6(a)(vii)所述之為糾正過往年度之差錯而作出之調整外，本公司董事亦就2016年12月31日及2016年1月1日之比較數字作出若干重新分類，以與本年度呈列保持一致。該等調整主要為將過往於主要報表層面披露之具有相同性質之多行項目進行歸納，以使該等報表更為清晰及簡明。相關項目之詳情已被保留於財務報表附註。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. PRIOR YEAR ADJUSTMENTS AND CHANGES IN PRESENTATION OF COMPARATIVES (Cont'd)

(b) Summary of the effects of restatements

Consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2016

6. 過往年度調整及比較數字呈列之變動 (續)

(b) 重列之影響概要

截至2016年12月31日止年度之綜合損益及其他全面收益表

		2016 (as previously reported)	Effect of prior year adjustments					2016 (after prior year adjustments)	Changes in presentation	2016 (as restated)
		2016年(如以往報告)	過往年度調整之影響					2016年(過往年度調整後)		呈列變動
		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
		(a)(i)	(a)(ii)	(a)(iv)	(a)(v)	(a)(vi)	(a)(vii)	(a)(viii)	(a)(viii)	(a)(viii)
Revenue	收入	1,108,544	297	-	-	-	-	1,108,841	-	1,108,841
Cost of sales	銷售成本	(603,238)	38,393	-	-	-	-	(564,845)	-	(564,845)
Gross profit	毛利	505,306	38,690	-	-	-	-	543,996	-	543,996
Other income, gains and losses	其他收入、收益及虧損	(78,319)	-	-	-	1,703	-	(76,616)	-	(76,616)
Selling and distribution expenses	銷售及分銷費用	(79,075)	-	-	-	-	-	(79,075)	-	(79,075)
Administrative expenses	行政費用	(82,232)	8,831	-	-	-	-	(73,401)	-	(73,401)
Other operating expenses	其他營運費用	(334,318)	-	-	-	-	-	(334,318)	316,259	(18,059)
Change in fair value of investment properties	投資物業的公允價值變動	40,000	-	-	-	-	-	40,000	-	40,000
Change in fair value of derivative financial instruments	衍生金融工具之公允價值變動	7,138	-	-	-	10,566	-	17,704	-	17,704
Provisions for litigations	訴訟撥備	-	-	(130,761)	-	-	-	(130,761)	-	(130,761)
Reversal of provision for potential claims	潛在索償撥備撥回	-	-	-	14,937	-	-	14,937	-	14,937
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損	(21,557)	-	-	-	-	-	(21,557)	-	(21,557)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	(4,039)	-	-	-	-	-	(4,039)	-	(4,039)
Impairment loss recognised in respect of prepayment for land use right	就土地使用權的預付金確認之減值虧損	-	-	-	-	-	(99,330)	(99,330)	-	(99,330)
Impairment loss recognised in respect of deposits for non-current assets	就非流動資產按金確認之減值虧損	-	-	-	-	-	-	-	(316,259)	(316,259)
Gain on disposal of subsidiaries	出售附屬公司之收益	1,145	-	-	-	-	-	1,145	-	1,145
Finance costs	融資成本	(189,664)	-	-	-	(2,473)	-	(192,137)	-	(192,137)
Loss before taxation	除稅前虧損	(235,615)	47,521	-	(130,761)	14,937	9,796	(393,452)	-	(393,452)
Income tax expense	所得稅開支	(254,893)	(72,779)	8,833	-	-	-	(318,839)	-	(318,839)
Loss for the year	本年度虧損	(490,508)	(25,258)	8,833	(130,761)	14,937	9,796	(712,291)	-	(712,291)
Other comprehensive expense:	其他全面開支:									
Exchange differences on translating foreign operations that may be subsequently reclassified to profit or loss	其後可能重新分類至損益的換算海外業務而產生之匯兌差異	(234)	-	-	-	-	-	(234)	-	(234)
Total comprehensive expense for the year	年內其他全面開支總額	(490,742)	(25,258)	8,833	(130,761)	14,937	9,796	(712,525)	-	(712,525)
Loss for the year attributable to:	以下人士應佔本年度虧損:									
- Owners of the Company	- 本公司擁有人	(490,386)	(25,258)	8,833	(130,761)	14,937	9,796	(69,397)	(702,236)	(702,236)
- Non-controlling interests	- 非控股權益	(122)	-	-	-	-	-	(9,933)	(10,055)	(10,055)
		(490,508)	(25,258)	8,833	(130,761)	14,937	9,796	(712,291)	-	(712,291)
Total comprehensive expense for the year attributable to:	以下人士應佔本年度全面開支總額:									
- Owners of the Company	- 本公司擁有人	(490,620)	(25,258)	8,833	(130,761)	14,937	9,796	(89,397)	(702,470)	(702,470)
- Non-controlling interests	- 非控股權益	(122)	-	-	-	-	-	(9,933)	(10,055)	(10,055)
		(490,742)	(25,258)	8,833	(130,761)	14,937	9,796	(712,525)	-	(712,525)

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. PRIOR YEAR ADJUSTMENTS AND CHANGES IN PRESENTATION OF COMPARATIVES (Cont'd)

(b) Summary of the effects of restatements (Cont'd)

Consolidated statement of financial position at 31 December 2016

6. 過往年度調整及比較數字呈列之變動(續)

(b) 重列之影響概要(續)

於2016年12月31日之綜合財務狀況表

		Effect of prior year adjustments						31 December 2016 (after prior year adjustments)	Changes in presentation	31 December 2016 (as restated)
		過往年度調整之影響								
		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
		(a)(i)	(a)(ii)	(a)(iii)	(a)(iv)	(a)(v)	(a)(vi)	(a)(vii)	(a)(viii)	(a)(ix)
Non-current assets	非流動資產									
Property, plant and equipment	物業、廠房及設備	2,643	-	-	-	-	-	-	2,643	2,643
Investment properties	投資物業	1,732,000	-	-	-	-	-	-	1,732,000	1,732,000
Prepayment and deposits for non-current assets	就非流動資產之預付金及按金	-	-	-	-	-	-	-	-	149,774
Deferred tax assets	遞延稅項資產	102	-	-	85,934	-	-	-	86,036	86,036
		1,734,745	-	-	85,934	-	-	-	1,820,679	1,970,453
Current assets	流動資產									
Inventories	存貨	813,540	(96,611)	-	-	-	-	-	716,929	731,900
Trade and other receivables	應收賬款及其他應收款	386,213	(21,093)	(34,849)	-	-	-	(99,330)	230,941	124,821
Amount due from a related company	應收關聯公司款項	-	-	-	-	-	-	-	-	2,806
Pledged bank deposits	已抵押銀行存款	1,634	-	-	-	-	-	-	1,634	1,634
Bank balances and cash	銀行結餘及現金	143,439	-	-	-	-	-	-	143,439	143,439
		1,344,826	(117,704)	(34,849)	-	-	-	(99,330)	1,092,943	1,004,600
Current liabilities	流動負債									
Trade and other payables	應付賬款及其他應付款	378,171	7,416	-	-	-	-	-	385,587	288,997
Amount due to a related company	應付關聯公司款項	-	-	-	-	-	-	-	-	2,421
Receipt in advance	預收賬款	421,117	(121,752)	-	-	-	-	-	299,365	454,965
Rent and other deposits	租賃及其他按金	9,238	-	-	-	-	-	-	9,238	9,238
Provision for potential claims	就潛在索償之撥備	-	-	-	-	200	-	-	200	200
Provisions for litigations	就訴訟之撥備	-	-	-	653,843	-	-	-	653,843	653,843
Bank and other borrowings	銀行及其他借貸	270,000	-	-	-	-	-	-	270,000	270,000
Derivative financial instruments	衍生金融工具	59,613	-	-	-	-	70,062	-	129,675	129,675
Current tax liabilities	即期稅項負債	298,246	126,002	-	43,629	-	-	-	467,877	467,877
		1,436,385	11,666	-	43,629	653,843	200	70,062	2,215,785	2,277,216
Net current liabilities	流動負債淨值	(91,559)	(129,370)	(34,849)	(43,629)	(653,843)	(200)	(70,062)	(99,330)	(1,272,616)
Total assets less current liabilities	資產總值減流動負債	1,643,186	(129,370)	(34,849)	42,305	(653,843)	(200)	(70,062)	697,837	697,837
Non-current liabilities	非流動負債									
Bank and other borrowings	銀行及其他借貸	895,139	-	-	-	-	(79,858)	-	815,281	445,000
Amount due to a director	應付一名董事款項	-	-	-	-	-	-	-	-	4,995
Deferred tax liabilities	遞延稅項負債	355,602	-	-	-	-	-	-	355,602	355,602
Convertible bond	可換股債券	-	-	-	-	-	-	-	-	365,286
		1,250,741	-	-	-	-	(79,858)	-	1,170,883	1,170,883
Net assets (liabilities)	資產(負債)淨值	392,445	(129,370)	(34,849)	42,305	(653,843)	(200)	9,796	(473,046)	(473,046)
Capital and reserves	資本及儲備									
Share capital	股本	524,712	-	-	-	-	-	-	524,712	524,712
Reserves	儲備	(131,537)	(129,370)	(34,849)	42,305	(653,843)	(200)	9,796	(987,095)	(987,095)
Equity (deficit) attributable to owners of the Company	本公司擁有人應佔權益(虧絀)	393,175	(129,370)	(34,849)	42,305	(653,843)	(200)	9,796	(462,383)	(462,383)
Non-controlling interests	非控股權益	(730)	-	-	-	-	-	(9,933)	(10,663)	(10,663)
Total equity (deficit)	權益(虧絀)總額	392,445	(129,370)	(34,849)	42,305	(653,843)	(200)	9,796	(473,046)	(473,046)

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. PRIOR YEAR ADJUSTMENTS AND CHANGES IN PRESENTATION OF COMPARATIVES (Cont'd)

(b) Summary of the effects of restatements (Cont'd)

Consolidated statement of financial position at 1 January 2016

		1 January 2016 (as previously reported)	Effect of prior year adjustments					1 January 2016 (after prior year adjustments)	Changes in presentation	1 January 2016 (as restated)
		2016年1月1日(如以往報告)	過往年度調整之影響					2016年1月1日(過往年度調整後)		呈列變動
		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	RMB'000 人民幣千元
		(a)	(a)(i)	(a)(ii)	(a)(iii)	(a)(iv)	(a)(v)	(a)(vi)	(a)(vii)	(a)(viii)
Non-current assets	非流動資產									
Property, plant and equipment	物業、廠房及設備	2,843	-	-	-	-	-	2,843	-	2,843
Investment properties	投資物業	1,692,000	-	-	-	-	-	1,692,000	-	1,692,000
Prepayment and deposits for non-current assets	就非流動資產之預付金及按金	-	-	-	-	-	-	-	546,678	546,678
Deferred tax assets	遞延稅項資產	217	-	-	33,093	-	-	33,310	-	33,310
		1,695,060	-	-	33,093	-	-	1,728,153	546,678	2,274,831
Current assets	流動資產									
Inventories	存貨	1,324,477	(144,335)	-	-	-	-	1,180,142	86,965	1,267,107
Trade and other receivables	應收賬款及其他應收款	636,977	6,313	(34,849)	-	-	-	608,441	(563,064)	45,377
Pledged bank deposits	已抵押銀行存款	2,666	-	-	-	-	-	2,666	-	2,666
Bank balances and cash	銀行結餘及現金	27,768	-	-	-	-	-	27,768	-	27,768
		1,991,888	(138,022)	(34,849)	-	-	-	1,819,017	(476,099)	1,342,918
Current liabilities	流動負債									
Trade and other payables	應付賬款及其他應付款	452,562	13,573	-	-	-	-	466,135	137,999	604,134
Receipt in advance	預收賬款	623,559	(100,706)	-	-	-	-	522,853	(67,420)	455,433
Rent and other deposits	租賃及其他按金	10,200	-	-	-	-	-	10,200	-	10,200
Provision for potential claims	就潛在索賠之撥備	-	-	-	-	-	15,137	15,137	-	15,137
Provisions for litigations	就訴訟之撥備	-	-	-	-	523,082	-	523,082	-	523,082
Bank and other borrowings	銀行及其他借貸	1,558,261	-	-	-	-	-	1,558,261	(440,159)	1,118,102
Loan from immediate holding company	來自直接控股公司貸款	-	-	-	-	-	-	-	440,159	440,159
Current tax liabilities	即期稅項負債	144,532	53,223	-	(379)	-	-	197,376	-	197,376
		2,789,114	(33,910)	-	(379)	523,082	15,137	3,293,044	70,579	3,363,623
Net current liabilities	流動負債淨值	(797,226)	(104,112)	(34,849)	379	(523,082)	(15,137)	(1,474,027)	(546,678)	(2,020,705)
Total assets less current liabilities	資產總值減流動負債	897,834	(104,112)	(34,849)	33,472	(523,082)	(15,137)	254,126	-	254,126
Non-current liabilities	非流動負債									
Bank borrowings	銀行借貸	480,000	-	-	-	-	-	480,000	-	480,000
Deferred tax liabilities	遞延稅項負債	341,393	-	-	-	-	-	341,393	-	341,393
		821,393	-	-	-	-	-	821,393	-	821,393
Net assets (liabilities)	資產(負債)淨值	76,441	(104,112)	(34,849)	33,472	(523,082)	(15,137)	(567,267)	-	(567,267)
Capital and reserves	資本及儲備									
Share capital	股本	123,644	-	-	-	-	-	123,644	-	123,644
Reserves	儲備	(41,986)	(104,112)	(34,849)	33,472	(523,082)	(15,137)	(685,694)	-	(685,694)
Equity (deficit) attributable to owners of the Company	本公司擁有人應佔權益(虧絀)	81,658	(104,112)	(34,849)	33,472	(523,082)	(15,137)	(562,050)	-	(562,050)
Non-controlling interests	非控股權益	(5,217)	-	-	-	-	-	(5,217)	-	(5,217)
Total equity (deficit)	權益(虧絀)總額	76,441	(104,112)	(34,849)	33,472	(523,082)	(15,137)	(567,267)	-	(567,267)

6. 過往年度調整及比較數字呈列之變動(續)

(b) 重列之影響概要(續)

於2016年1月1日之綜合財務狀況表

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION

An analysis of the Group's revenue for both years is as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Income from sales of properties	銷售物業收入	132,543	1,048,519
Rental income and property management services income from investment properties	租賃收入及物業管理服務投資物業收入	55,513	59,079
Travel agency services income	旅遊代理服務收入	6,246	1,243
Income from sales of travel related products	銷售旅遊相關產品收入	347,867	-
Hotel and integrated resort management and consultancy services income	酒店及綜合度假村之管理及顧問服務收入	2,539	-
		544,708	1,108,841

Segment Information

Information reported to the Executive Directors of the Company, being the chief operating decision maker ("CODM") for the purpose of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's operating and reportable segments are as follows:

- (1) Property development – Development and sales of office premises, residential and retail properties in the PRC;
- (2) Property leasing – Leasing of retail properties and provision of property management services in the PRC;
- (3) Hotel and integrated resort management and consultancy services – Provision of hotel and integrated resort management and consultancy services; and
- (4) Travel related products and services – Sales of travel related products and provision of travel agency services.

7. 收入及分部資料

以下為兩個年度本集團之收入分析：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Income from sales of properties	銷售物業收入	132,543	1,048,519
Rental income and property management services income from investment properties	租賃收入及物業管理服務投資物業收入	55,513	59,079
Travel agency services income	旅遊代理服務收入	6,246	1,243
Income from sales of travel related products	銷售旅遊相關產品收入	347,867	-
Hotel and integrated resort management and consultancy services income	酒店及綜合度假村之管理及顧問服務收入	2,539	-
		544,708	1,108,841

分部資料

就資源分配及分部表現評估向本公司董事（即主要經營決策者（「主要經營決策者」））報告之資料乃集中於所交付或提供之貨品或服務之類別。本集團於呈列報告分部時並無合併經營分部。

具體而言，本集團之經營及報告分部如下：

- (1) 物業開發－於中國開發及銷售寫字樓、住宅及零售物業；
- (2) 物業租賃－於中國租賃零售物業及提供物業管理服務；
- (3) 酒店及綜合度假村之管理及顧問服務－提供酒店及綜合度假村管理及顧問服務；及
- (4) 旅遊相關產品及服務－銷售旅遊相關產品及提供旅遊代理服務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment Information (Cont'd)

Commencing from the current year, the CODM considers that the Group provides travel related arrangement to certain groups of gaming patrons under the segment of travel related products and services.

The following is an analysis of the Group's revenue and results by operating and reportable segments.

7. 收入及分部資料 (續)

分部資料 (續)

自本年度起，主要經營決策者認為本集團於旅遊相關產品及服務分部下向若干博彩顧客群提供旅遊相關安排。

以下為本集團按經營及報告分部劃分之收入及業績之分析。

		Property development	Property leasing	Hotel and integrated resort management and consultancy services	Travel related product and services	Total
		物業開發 RMB'000 人民幣千元	物業租賃 RMB'000 人民幣千元	酒店及綜合度假村之管理 及顧問服務 RMB'000 人民幣千元	旅遊相關產品及服務 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
For the year ended 31 December 2017	截至2017年12月31日止年度					
Segment revenue from external customers	外來客戶分部收入	132,543	55,513	2,539	354,113	544,708
Segment (loss) profit	分部(虧損)溢利	(50,467)	(7,551)	(16,271)	17,807	(56,482)
Reversal of impairment loss recognised in respect of deposits for non-current assets	就非流動資產按金確認之減值虧損撥回					438,000
Change in fair value of derivative financial instruments	衍生金融工具之公允價值變動					(329,855)
Reversal of provisions for litigations	訴訟撥備撥回					289,240
Share of result of an associate	應佔聯營公司業績					(37)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損					42,046
Unallocated finance costs	未分配融資成本					(72,184)
Unallocated expenses	未分配開支					(48,644)
Profit before taxation	除稅前溢利					262,084

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment Information (Cont'd)

		Property development	Property leasing	Hotel and integrated resort management and consultancy services	Travel related products and services	Total
		物業開發 RMB'000 人民幣千元	物業租賃 RMB'000 人民幣千元	酒店及綜合度假村之 管理及顧問服務 RMB'000 人民幣千元	旅遊相關 產品及服務 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
For the year ended	截至2016年12月31日止年度					
31 December 2016 (Restated)	(重列)					
Segment revenue from external customers	外來客戶分部收入	1,048,519	59,079	-	1,243	1,108,841
Segment profit (loss)	分部溢利(虧損)	228,091	20,035	(1,714)	(268)	246,144
Impairment loss recognised in respect of deposits for non-current assets	就非流動資產按金確認之減值虧損					(316,259)
Change in fair value of derivative financial instruments	衍生金融工具之公允值變動					17,704
Provisions for litigations	訴訟撥備					(130,761)
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損					(4,039)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損					(79,613)
Unallocated finance costs	未分配融資成本					(105,798)
Unallocated expenses	未分配開支					(20,830)
Loss before taxation	除稅前虧損					(393,452)

7. 收入及分部資料(續)

分部資料(續)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies set out in note 4. Segment results represent the profit earned by/loss from each segment without allocation of other income, gains and losses, reversal of impairment loss/impairment loss recognised in respect of deposits of non-current assets, finance costs, change in fair value of derivative financial instruments, share of result of an associate, reversal of provisions/provisions for litigations, impairment loss recognised in respect of goodwill and corporate expenses. This is the measure reported to the CODM for the purpose of resources allocation and performance assessment.

經營及報告分部之會計政策於附註4所載本集團之會計政策一致。分部業績指各分部所賺取之利潤/所產生之虧損，當中未分配其他收入、收益及虧損、就非流動資產按金確認之減值虧損撥回/減值虧損、融資成本、衍生金融工具之公允值變動、分佔聯營公司業績、訴訟撥備撥回/撥備、就商譽確認之減值虧損及公司開支。此乃就資源分配及表現評估而向主要經營決策者匯報之方式。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segments:

7. 收入及分部資料 (續)

分部資產及負債

以下為本集團按經營及報告分部劃分之資產及負債之分析：

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Segment assets	分部資產			
Property development	物業開發	714,637	907,615	1,417,892
Property leasing	物業租賃	1,734,799	1,744,821	1,725,392
Hotel and integrated resort management and consultancy services	酒店及綜合度假村之管理及顧問服務	1,401	461	352
Travel related products and services	旅遊相關產品及服務	78,265	8,214	-
Total segment assets	分部資產總值	2,529,102	2,661,111	3,143,636
Unallocated assets:	未分配資產：			
Interest in an associate	於聯營公司權益	1,701	-	-
Bank balances and cash	銀行結餘及現金	289,689	86,632	899
Deferred tax assets	遞延稅項資產	96,307	86,036	33,310
Deposits for non-current assets	就非流動資產之按金	-	140,135	439,212
Others	其他	1,902	1,139	692
Consolidated assets	綜合資產	2,918,701	2,975,053	3,617,749

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment assets and liabilities (Cont'd)

7. 收入及分部資料 (續)

分部資產及負債 (續)

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Segment liabilities	分部負債			
Property development	物業開發	645,639	851,710	1,050,274
Property leasing	物業租賃	532,764	569,529	685,222
Hotel and integrated resort management and consultancy services	酒店及綜合度假村之管理及顧問服務	1,600	3,053	6,102
Travel related products and services	旅遊相關產品及服務	62,630	7,984	–
Total segment liabilities	分部負債總額	1,242,633	1,432,276	1,741,598
Unallocated liabilities:	未分配負債：			
Bank and other borrowings	銀行及其他借貸	–	–	650,602
Current tax liabilities	即期稅項負債	461,288	467,877	197,376
Deferred tax liabilities	遞延稅項負債	357,950	355,602	341,393
Loan from immediate holding company	來自直接控股公司貸款	–	–	440,159
Convertible bond	可換股債券	411,107	365,286	–
Derivative financial instruments	衍生金融工具	439,938	129,675	–
Provisions for litigations	就訴訟之撥備	235,000	653,843	523,082
Amount due to a director	應付一名董事款項	4,668	4,995	–
Interest payables	應付利息	–	–	173,868
Others	其他	13,932	38,545	116,938
Consolidated liabilities	綜合負債	3,166,516	3,448,099	4,185,016

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment assets and liabilities (Cont'd)

For the purposes of monitoring segment performance and allocating resources among segments:

- all assets are allocated to operating segments other than interest in an associate, certain bank balances and cash, deferred tax assets, deposits for non-current assets and the corporate assets of investment holding companies; and
- all liabilities are allocated to operating segments other than certain bank and other borrowings, loan from immediate holding company, convertible bond, derivative financial instruments, provisions for litigations, current tax liabilities, deferred tax liabilities, amount due to a director, certain other payables and the corporate liabilities of investment holding companies.

7. 收入及分部資料 (續)

分部資產及負債 (續)

為監察分部表現及在分部之間分配資源：

- 所有資產均分配至經營分部，惟於聯營公司之權益、若干銀行結餘及現金、遞延稅項資產、非流動資產之按金及投資控股公司之公司資產除外；及
- 所有負債均分配至經營分部，惟若干銀行及其他借貸、來自直接控股公司貸款、可換股債券、衍生金融工具、就訴訟之撥備、即期稅項負債、遞延稅項負債、應付一名董事款項、若干應付款項及投資控股公司之公司負債除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Other segment information

For the year ended 31 December 2017

7. 收入及分部資料 (續)

其他分部資料

截至2017年12月31日止年度

	Property development	Property leasing	Hotel and integrated resort management and consultancy services	Travel related products and services	Unallocated	Total
	物業開發	物業租賃	酒店及綜合度假村之管理及顧問服務	旅遊相關產品及服務	未分配	總計
	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
Amounts included in the measure of segment profit or loss or segment assets:	計入分部損益或分部資產計量基準之金額:					
Addition to non-current assets (Note)	-	2	442	1,475	2,699	4,618
Depreciation	535	114	105	733	214	1,701
Gain on disposal of property, plant and equipment	-	-	-	-	59	59
Interest income	43	26	-	50	415	534
Interest expense	19,264	26,598	-	-	72,184	118,046
Change in fair value of investment properties	-	7,100	-	-	-	7,100
Provision for potential claims	41,882	-	-	-	-	41,882
Impairment loss recognised in respect of inventories	57,034	-	-	-	-	57,034
Income tax expense	58,864	4,793	-	1,534	-	65,191

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:

定期提供予主要經營決策者但不計入分部溢利或虧損或分部資產計量之金額:

Change in fair value of derivative financial instruments	衍生金融工具之公允價值變動	-	-	-	-	329,855	329,855
Reversal of provisions for litigations	訴訟撥備撥回	-	-	-	-	289,240	289,240
Reversal of impairment loss recognised in respect of deposits for non-current assets	就非流動資產按金確認之減值虧損撥回	-	-	-	-	438,000	438,000
Share of result of an associate	應佔聯營公司業績	-	-	-	-	37	37
Interest in an associate	於聯營公司權益	-	-	-	-	1,701	1,701

Note: Non-current assets excluded financial assets and deferred tax assets.

附註: 非流動資產不包括金融資產及遞延稅項資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Other segment information (Cont'd)

For the year ended 31 December 2016 (Restated)

	Property development	Property leasing	Hotel and integrated resort management and consultancy services 酒店及綜合度假村之管理及顧問服務	Travel related products and services	Unallocated	Total
	物業開發 RMB'000 人民幣千元	物業租賃 RMB'000 人民幣千元	RMB'000 人民幣千元	旅遊相關 產品及服務 RMB'000 人民幣千元	未分配 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Amounts included in the measure of segment profit or loss or segment assets:	計入分部損益或分部資產計量基準之金額：					
Addition to property, plant and equipment and deposit for property, plant and equipment	-	36	181	1,503	-	1,720
Depreciation	835	246	3	81	179	1,344
Gain on disposal of property, plant and equipment	-	57	-	-	-	57
Change in fair value of investment properties	-	-	40,000	-	-	40,000
Reversal of provision for potential claims	14,937	-	-	-	-	14,937
Impairment loss recognised in respect of inventories	21,557	-	-	-	-	21,557
Gain on disposal of subsidiaries	-	-	1,145	-	-	1,145
Interest income	121	255	-	8	39	423
Interest expense	47,776	38,563	-	-	105,798	192,137
Income tax expense	304,629	14,210	-	-	-	318,839

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:

定期提供予主要經營決策者但不計入分部溢利或虧損或分部資產計量之金額：

Change in fair value of derivative financial instruments	-	-	-	-	17,704	17,704
Gain from exchange of loan with convertible bond	-	-	-	-	1,098	1,098
Provisions for litigations	-	-	-	-	130,761	130,761
Impairment loss recognised in respect of goodwill	-	-	-	-	4,039	4,039
Impairment loss recognised in respect of deposits for non-current assets	-	-	-	-	316,259	316,259

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Revenue from customers under property development segment of the corresponding years contributing over 10% of total revenue of the Group are as follows:

		2017	2016
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Customer A	客戶甲	87,000	-
Customer B	客戶乙	65,000	-
Customer C	客戶丙	65,000	-
		217,000	-

No customers contributed over 10% of the total revenue of the Group during the year ended 31 December 2016.

7. 收入及分部資料 (續)

於相關年度物業開發分部下為本集團總收入貢獻逾10%之客戶產生之收入如下：

截至2016年12月31日止年度，概無客戶為本集團總收入貢獻逾10%。

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7. REVENUE AND SEGMENT INFORMATION (Cont'd)

Geographical location

The Group operates in four principal geographical areas – the PRC, Macau, Hong Kong and Japan. The Group's revenue from external customers by geographical location at which the goods were delivered and services were rendered and information about its non-current assets (Note) by location of assets and its associate by location of its business operations are detailed below:

7. 收入及分部資料 (續)

地區資料

本集團於四個主要地區－中國、澳門、香港及日本經營業務。本集團按交付採購及提供服務所在地區劃分之來自外部客戶收入以及有關其按資產所在地劃分之非流動資產（附註）及其按營業地點劃分之聯營公司之資料詳述如下：

		Revenue from external customers		Non-current assets		
		來自外部客戶之收入		非流動資產		
				As at 31 December		As at 1 January
				於12月31日		於1月1日
		2017	2016	2017	2016	2016
		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
			(Restated)		(Restated)	(Restated)
			(重列)		(重列)	(重列)
PRC	中國	188,056	1,107,598	1,733,963	1,741,711	1,802,210
Macau	澳門	356,652	1,243	1,938	2,542	-
Hong Kong	香港	-	-	740	29	99
Japan	日本	-	-	1,701	-	-
		544,708	1,108,841	1,738,342	1,744,282	1,802,309

Note: Non-current assets exclude financial assets and deferred tax assets.

附註：非流動資產不包括金融資產及遞延稅項資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. OTHER INCOME, GAINS AND LOSSES

8. 其他收入、收益及虧損

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Advertising income	廣告收入	100	200
Interest income	利息收入	534	423
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之溢利	59	57
Gain from exchange of loan with convertible bond (note 42)	與可換股債券兌換貸款所得收益(附註42)	-	1,098
Net exchange gain (loss)	兌換收益(虧損)淨額	41,667	(80,944)
Others	其他	1,155	2,550
		43,515	(76,616)

9. FINANCE COSTS

9. 融資成本

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Effective interest expense on convertible bond (note 30)	可換股債券之實際利息開支(附註30)	72,180	4,501
Interest on bank borrowings	銀行借貸利息	26,602	29,988
Interest on other borrowings	其他借貸利息	19,264	157,648
		118,046	192,137

No finance costs have been capitalised in 2017 (31 December 2016: Nil).

於2017年，並無借貸成本予以資本化(2016年12月31日：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

10. PROFIT (LOSS) BEFORE TAXATION

10. 除稅前溢利(虧損)

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Profit (loss) before taxation has been arrived at after charging (crediting) the following:	除稅前溢利(虧損)已扣除(計入)以下:		
Depreciation	折舊	1,701	1,344
Auditor's remuneration	核數師酬金	2,595	1,458
Directors' remuneration (note 11)	董事酬金(附註11)	11,522	2,254
Staff costs	員工成本		
– salaries and wages, excluding directors	– 薪金及工資, 不包括董事	35,759	31,172
– share-based compensation benefits, excluding directors and consultants	– 股份支付的薪酬福利, 不包括董事及顧問	934	–
– retirements benefits scheme contributions, excluding directors	– 退休福利計劃供款, 不包括董事	2,042	2,548
Total staff costs, excluding directors	總員工成本, 不包括董事	38,735	33,720
(Reversal of impairment loss) impairment loss recognised in respect of deposits for non-current assets	就非流動資產按金確認之(減值虧損撥回)減值虧損	(438,000)	316,259
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(59)	(57)
Change in fair value of investment properties	投資物業的公允值變動	7,100	(40,000)
Change in fair value of derivative financial instruments	衍生金融工具的公允值變動	329,855	(17,704)
Impairment loss recognised in respect of inventories	就存貨確認之減值虧損	57,034	21,557
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	–	4,039
Impairment loss recognised in respect of prepayment for land use right	就土地使用權的預付金確認之減值虧損	–	99,330
Gain on disposal of subsidiaries	出售附屬公司之收益	–	(1,145)
Legal and professional fee for litigations	訴訟之法律及專業費	3,191	662
Minimum lease payments under operating leases in respect of office premises	辦公物業之經營租賃下最低租賃付款	4,238	8,988
Cost of sales	銷售成本		
– cost of properties sold	– 物業銷售成本	30,326	559,870
– cost of travel-related products sold	– 旅遊相關產品銷售成本	327,409	–
– cost of services rendered	– 提供服務成本	4,923	4,975
		362,658	564,845
Gross rental income from investment properties	投資物業之租金收入總額	(42,277)	(44,583)
Less: Direct operating expenses incurred for investment properties	減: 投資物業產生之直接經營開支	685	813
		(41,592)	(43,770)

Notes to the Consolidated Financial Statements

綜合財務報表附註

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS 11. 董事及僱員酬金

	Appointment date 委任日期	Resignation date 辭任日期	Salaries and allowances		Retirement benefit scheme	Benefit in kind	Share-based compensation	Total
			Fees	contributions	contributions	benefits	benefits	
			袍金	薪金及津貼	退休福利計劃供款	實物福利	股份為基礎補償福利	總計
			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
Year ended 31 December 2017								
截至2017年12月31日止年度								
Executive Directors								
執行董事								
Chau Cheok Wa	2 September 2011	N/A	104	-	5	-	-	109
周焯華	2011年9月2日	不適用						
Lo Kai Bong	9 March 2017	N/A	1,369	-	13	-	3,019	4,401
盧啟邦	2017年3月9日	不適用						
Au Chung On John	31 March 2017	N/A	78	5,184	4	-	-	5,266
歐中安	2017年3月31日	不適用						
Manuel Assis Da Silva	31 March 2017	N/A	781	-	12	-	226	1,019
Manuel Assis Da Silva	2017年3月31日	不適用						
Cheng Mei Ching	2 September 2011	31 March 2017	26	-	1	-	-	27
鄭美程	2011年9月2日	2017年3月31日						
Yeung So Lai	2 September 2011	31 March 2017	26	142	4	156	-	328
楊素麗	2011年9月2日	2017年3月31日						
Yeung So Mui	5 October 2010	20 July 2017	57	-	3	-	-	60
楊素梅	2010年10月5日	2017年7月20日						
Independent Non-executive Directors								
獨立非執行董事								
Lo Wai Tung John	10 October 2012	N/A	104	-	-	-	-	104
盧衛東	2012年10月10日	不適用						
Tou Kin Chuen	26 April 2012	N/A	104	-	-	-	-	104
杜健存	2012年4月26日	不適用						
Wu Kam Fun Roderick	26 April 2012	N/A	104	-	-	-	-	104
胡錦勳	2012年4月26日	不適用						
Total	總計		2,753	5,326	42	156	3,245	11,522

Notes to the Consolidated Financial Statements

綜合財務報表附註

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Cont'd) 11. 董事及僱員酬金 (續)

	Appointment date	Resignation date	Fees	Salaries and allowances	Retirement benefit scheme contributions	Benefit in kind	Share-based compensation benefits	Total
	委任日期	辭任日期	袍金	薪金及津貼	退休福利計劃供款	實物福利	股份為基礎補償福利	總計
			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
Year ended 31 December 2016								
截至2016年12月31日止年度								
Executive Directors								
執行董事								
Chau Cheok Wa	2 September 2011	N/A	103	-	5	-	-	108
周焯華	2011年9月2日	不適用						
Cheng Mei Ching	2 September 2011	N/A	103	-	5	-	-	108
鄭美程	2011年9月2日	不適用						
Yeung So Lai	2 September 2011	N/A	103	783	15	720	-	1,621
楊素麗	2011年9月2日	不適用						
Yeung So Mui	5 October 2010	N/A	103	-	5	-	-	108
楊素梅	2010年10月5日	不適用						
Independent Non-executive Directors								
獨立非執行董事								
Lo Wai Tung John	10 October 2012	N/A	103	-	-	-	-	103
盧衛東	2012年10月10日	不適用						
Tou Kin Chuen	26 April 2012	N/A	103	-	-	-	-	103
杜健存	2012年4月26日	不適用						
Wu Kam Fun Roderick	26 April 2012	N/A	103	-	-	-	-	103
胡錦勳	2012年4月26日	不適用						
Total	總計		721	783	30	720	-	2,254

The Executive Directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The emoluments of the Independent Non-executive Directors shown above were for their services as directors of the Company.

上文所示執行董事之酬金乃為彼等就管理本公司及本集團事務提供之服務。上文所示獨立非執行董事之酬金乃為彼等擔任本公司董事提供之服務。

During the year ended 31 December 2017, certain directors were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 32 to the consolidated financial statements.

截至2017年12月31日止年度，根據本公司購股權計劃若干董事就向本集團提供服務而獲授購股權。購股權計劃之詳情載列於綜合財務報表附註32。

Notes to the Consolidated Financial Statements

綜合財務報表附註

11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Cont'd)

Ms. Yeung So Lai was the chief executive officer since February 2012 and the position was vacant after her resignation.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during both years.

Of the five individuals with the highest emoluments in the Group, 2 (31 December 2016: 1) were the directors of the Company whose emoluments are included in the disclosure above. The emoluments of the remaining 3 (31 December 2016: 4) individuals were as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Salaries and allowances	薪金及津貼	6,298	2,618
Share-based compensation benefits	股份為基礎補償福利	415	-
Retirement benefit scheme contributions	退休福利計劃供款	16	52
		6,729	2,670

The emoluments of the remaining 3 (31 December 2016: 4) individuals with the highest emolument are within the following bands:

		Number of individuals 人數 2017	Number of individuals 人數 2016
Nil to HK\$1,000,000 (Equivalent to Nil to RMB865,000)	零至1,000,000港元(相當於零至人民幣865,000元)	-	4
HK\$2,000,001 to HK\$2,500,000 (Equivalent to RMB1,730,001 to RMB2,162,500)	2,000,001港元至2,500,000港元(相當於人民幣1,730,001元至人民幣2,162,500元)	2	-
HK\$2,500,001 to HK\$3,000,000 (Equivalent to RMB2,162,501 to RMB2,595,000)	2,500,001港元至3,000,000港元(相當於人民幣2,162,501元至人民幣2,595,000元)	1	-

During both years, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

11. 董事及僱員酬金 (續)

楊素麗女士曾自2012年2月起擔任行政總裁，彼辭任後此職位空缺。

於兩個年度內，並無董事或行政總裁放棄或同意放棄任何酬金的安排。

本集團五名最高酬金人士中2名(2016年12月31日：1名)為本公司董事，其酬金載於上文披露內。其餘3名(2016年12月31日：4名)人士的酬金如下：

其餘3名(2016年12月31日：4名)酬金最高人士的酬金範圍如下：

本兩個年度內，本集團概無向任何董事或最高薪酬人士支付酬金，作為吸引彼等加入本集團或於加入本集團時的獎勵或離職補償。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12. INCOME TAX EXPENSE

12. 所得稅開支

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Current tax	即期稅項		
– Enterprise Income Tax (“EIT”)	– 企業所得稅 (「企業所得稅」)	15,524	128,626
– Macau Complementary Income Tax (“CIT”)	– 澳門補充所得稅 (「補充所得稅」)	1,534	–
		17,058	128,626
LAT	土地增值稅	56,056	228,730
Deferred tax (note 19)	遞延稅項 (附註19)	(7,923)	(38,517)
		65,191	318,839

(a) Hong Kong profits tax

Hong Kong profits tax is calculated at 16.5% (31 December 2016: 16.5%) of the estimated assessable profits. No provision for taxation in Hong Kong has been made as the Group’s income neither arises in, nor is derived from, Hong Kong.

(b) EIT

Under the Law of the People’s Republic of China on EIT (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the Group’s PRC subsidiaries is 25% from 1 January 2008 onwards.

(a) 香港利得稅

香港利得稅乃按估計應課稅溢利之16.5% (2016年12月31日: 16.5%) 計算。由於本集團收入並非產生自或源自香港，故概無就香港稅項作出撥備。

(b) 企業所得稅

根據中國企業所得稅法 (「企業所得稅法」) 及企業所得稅法實施條例，自2008年1月1日起本集團中國附屬公司的稅率為25%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12. INCOME TAX EXPENSE (Cont'd)

(c) PRC withholding income tax

PRC withholding income tax of 10% shall be levied on the dividends declared by the companies established in the PRC to their foreign investors out of their profits earned after 1 January 2008. A lower 5% withholding tax rate may be applied when the immediate holding companies of the PRC subsidiaries are incorporated or operated in Hong Kong and fulfil the requirements to the tax treaty arrangements between the PRC and Hong Kong.

(d) LAT

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

(e) Overseas income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 of the Cayman Islands and accordingly, is exempted from the Cayman Islands income tax. The Company's subsidiaries in the BVI were incorporated under the International Business Companies Act of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income tax.

(f) CIT

CIT is calculated at the progressive rate on the estimated assessable profits. The maximum tax rate is 12% for the years ended 31 December 2017 and 2016.

12. 所得稅開支 (續)

(c) 中國預扣所得稅

於中國成立的公司向其海外投資者宣派自2008年1月1日起賺取盈利的股息應按10%的稅率繳納中國預扣所得稅。倘中國附屬公司的直接控股公司乃於香港註冊成立或於香港營運且符合中國與香港的稅收協定安排及規定，則應用5%的較低預扣稅稅率。

(d) 土地增值稅

土地增值稅撥備乃根據相關中國稅法及條例所載之規定估計。土地增值稅已按增值額之累進稅率範圍作出撥備，且有若干可扣減項目。

(e) 海外所得稅

本公司根據開曼群島法例第22章公司法於開曼群島註冊成立為獲豁免有限公司，因此，獲豁免繳納開曼群島所得稅。本公司之附屬公司根據英屬維爾京群島國際商業公司法於英屬維爾京群島註冊成立，因此，獲豁免繳納英屬維爾京群島所得稅。

(f) 補充所得稅

補充所得稅乃根據估計應課稅溢利按累進稅率計算。截至2017年及2016年12月31日止年度，最高稅率為12%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12. INCOME TAX EXPENSE (Cont'd)

(g) The income tax expense for the year can be reconciled to the profit (loss) before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

12. 所得稅開支(續)

(g) 年內所得稅開支與綜合損益及其他全面收益表內除稅前溢利(虧損)之對賬如下:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Profit (loss) before taxation	除稅前溢利(虧損)	262,084	(393,452)
Notional tax calculated at EIT rate of 25% (31 December 2016: 25%) (Note)	按企業所得稅稅率25%(2016年12月31日:25%)計算的名義稅項(附註)	65,521	(98,363)
Tax effect of non-taxable income	毋須計稅收入的稅項影響	(192,375)	(18,841)
Tax effect of non-deductible expenses	不可扣減支出的稅項影響	133,060	231,354
Tax effect of deductible temporary difference not recognised	未予以確認可扣減暫時差額的稅項影響	14,258	5,389
Tax effect of tax losses not recognised	未予以確認稅項虧損的稅項影響	6,295	33,312
Tax effect of utilisation of tax losses previously not recognised	動用先前未確認稅項虧損的稅項影響	(3,610)	(5,558)
LAT	土地增值稅	56,056	228,730
Tax effect on LAT deductible for calculation of EIT	在所得稅扣減的土地增值稅的稅項影響	(14,014)	(57,184)
Income tax expense for the year	本年度所得稅開支	65,191	318,839

Note: The tax rate represents the statutory tax rate of the operations in the jurisdiction where the operations of the Group are substantially based.

附註: 該稅率指本集團大部分業務所在司法管轄區業務的法定稅率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

13. DIVIDENDS

The board of directors does not recommend the payment of a final dividend for each of the years ended 31 December 2017 and 2016.

14. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

Earnings (loss) figures are calculated as follows:

13. 股息

董事會並無建議派付截至2017年及2016年12月31日止年度各年之末期股息。

14. 每股盈利 (虧損)

本公司擁有人應佔每股基本及攤薄盈利 (虧損) 之計算基準如下:

盈利 (虧損) 數據計算如下:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Earnings (loss)	盈利 (虧損)		
Earnings (loss) for the purpose of basic and diluted earnings (loss) per share (profit (loss) for the year attributable to owners of the Company)	計算每股基本及攤薄盈利 (虧損) 之盈利 (虧損) (本公司擁有人應佔年內溢利 (虧損))	197,002	(702,236)

		Number of shares 股份數目	
		2017	2016 (Restated) (重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic earnings (loss) per share	計算每股基本盈利 (虧損) 之普通股之加權平均數	6,072,849,666	1,931,724,464
Effect of dilutive potential ordinary shares: Share options	攤薄性潛在普通股之影響: 購股權	124,116,274	N/A 不適用
Weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share	計算每股基本攤薄盈利 (虧損) 之普通股之加權平均數	6,196,965,940	1,931,724,464

Notes to the Consolidated Financial Statements

綜合財務報表附註

14. EARNINGS (LOSS) PER SHARE (Cont'd)

The weighted average number of ordinary shares adopted in the calculation of the basic and diluted loss per share for the year ended 31 December 2016 have been adjusted to reflect the bonus element of the issue of rights shares during the year ended 31 December 2016.

For the year ended 31 December 2017, the computation of diluted earnings per share does not assume the conversion of the outstanding convertible bond of the Company since the conversion of the outstanding convertible bond would result in increase in earnings per share.

For the year ended 31 December 2016, the computation of diluted loss per share does not assume the exercise of the Company's outstanding share options and the conversion of the outstanding convertible bond of the Company since the assumed exercise of those share options and the conversion of the outstanding convertible bond would result in decrease in loss per share.

14. 每股盈利（虧損）（續）

計算截至2016年12月31日止年度之基本及攤薄虧損所採納之普通股加權平均數已予調整，以反映截至2016年12月31日止年度供股發行之紅利部分。

截至2017年12月31日止年度，計算每股攤薄盈利時並未假設轉換本公司未償還可換股債券，原因為假設轉換未償還可換股債券將令每股盈利增加。

截至2016年12月31日止年度，計算每股攤薄虧損時並未假設行使本公司未行使購股權及轉換本公司未償還可換股債券，原因為假設行使該等購股權及轉換未償還可換股債券將令每股虧損減少。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

		Leasehold improvement 租賃物業裝修 RMB'000 人民幣千元	Furniture and fixture 傢俱及裝置 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At cost	按成本				
At 1 January 2016	於2016年1月1日	–	6,058	7,463	13,521
Acquisition of a subsidiary	收購一間附屬公司	571	27	314	912
Additions	添置	–	212	5	217
Disposals	出售	–	(3,351)	(231)	(3,582)
Disposal of subsidiaries	出售附屬公司	–	(15)	–	(15)
Exchange differences	匯兌差額	22	1	13	36
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	593	2,932	7,564	11,089
Additions	添置	904	86	1,883	2,873
Disposals	出售	–	(86)	(591)	(677)
Exchange differences	匯兌差額	(53)	(4)	(75)	(132)
At 31 December 2017	於2017年12月31日	1,444	2,928	8,781	13,153
Accumulated depreciation	累計折舊				
At 1 January 2016	於2016年1月1日	–	5,547	5,131	10,678
Charge for the year	本年度折舊	39	155	1,150	1,344
Eliminated on disposals	出售時對銷	–	(3,351)	(219)	(3,570)
Disposal of subsidiaries	出售附屬公司	–	(13)	–	(13)
Exchange differences	匯兌差額	2	1	4	7
At 31 December 2016 and 1 January 2017	於2016年12月31日及 2017年1月1日	41	2,339	6,066	8,446
Charge for the year	本年度折舊	398	180	1,123	1,701
Eliminated on disposals	出售時對銷	–	(1)	(561)	(562)
Exchange differences	匯兌差額	(9)	(1)	(27)	(37)
At 31 December 2017	於2017年12月31日	430	2,517	6,601	9,548
Carrying values	賬面值				
At 31 December 2017	於2017年12月31日	1,014	411	2,180	3,605
At 31 December 2016	於2016年12月31日	552	593	1,498	2,643
At 1 January 2016	於2016年1月1日	–	511	2,332	2,843

Notes to the Consolidated Financial Statements

綜合財務報表附註

15. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The above items of property, plant and equipment are depreciated over their estimated useful lives and after taking into account their estimated residual values, using the straight-line method, as follows:

Leasehold improvement	Over the shorter of the term of the lease and 20 years
Furniture and fixture	3 to 5 years
Motor vehicles	4 years

16. INVESTMENT PROPERTIES

Fair value	公允值
At 1 January	於1月1日
Fair value (loss) gain recognised in profit or loss	於損益內確認之公允值 (虧損) 收益
At 31 December	於12月31日

All of the Group's investment properties held under operating lease to earn rentals are measured using the fair value model and are classified and accounted for as investment properties.

The Group engages Grant Sherman Appraisal Limited and ROMA Appraisal Limited, independent and professionally qualified valuers not connected to the Group to perform the valuation for the fair value of the Group's investment properties as at 31 December 2017 and 31 December 2016, respectively. The valuation committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee's findings to the board of directors of the Company every six months to explain the cause of fluctuations in the fair value of the investment properties.

15. 物業、廠房及設備 (續)

上述物業、廠房及設備項目於其如下估計可使用年內使用直線法予以攤銷並經計及其估計剩餘價值：

租賃物業裝修	租期或20年 (以較短者為準)
傢俱及裝置	3至5年
汽車	4年

16. 投資物業

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Fair value	公允值			
At 1 January	於1月1日	1,732,000	1,692,000	1,597,000
Fair value (loss) gain recognised in profit or loss	於損益內確認之公允值 (虧損) 收益	(7,100)	40,000	95,000
At 31 December	於12月31日	1,724,900	1,732,000	1,692,000

本集團按營運租約持作賺取租金用途之所有投資物業均使用公允值模式計量，並分類投資物業及以投資物業入賬。

於2017年12月31日及2016年12月31日，本集團分別委聘中證評估有限公司及羅馬國際評估有限公司 (均為與本集團並無關連的獨立專業合資格估值師) 對本集團投資物業之公允值進行估值。估值委員會與合資格外聘估值師緊密合作，制訂合適的估值技術及模式輸入數據。財務總監每六個月向本公司董事會匯報估值委員會之調查結果以說明投資物業公允值波動之原因。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. INVESTMENT PROPERTIES (Cont'd)

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

As at 31 December 2017 and 2016, all investment properties of the Group have been pledged to secure the Group's bank borrowings and details are set out in note 29.

Income approach operates by taking into account the rental income of the property derived from the existing tenancy with due allowance for the reversionary income potential of the tenancy which are then capitalised into the value at an appropriate capitalisation rate.

As at 31 December 2017 and 2016, all investment properties are included in Level 3 in the fair value hierarchy.

There were no changes to the valuation techniques during both years and there were no transfers among the fair value hierarchy during both years.

Information about Level 3 fair value measurements of investment properties:

16. 投資物業 (續)

於估計物業之公允值時，該等物業之最高及最佳用途為其現時之用途。

於2017年及2016年12月31日，本集團所有投資物業已抵押以作為本集團銀行借貸之擔保，有關詳情載於附註29。

收入法透過計及自現有租約產生之物業租金收入，並適當計及租約之復歸收入潛力，然後按適當的資本化率將其資本化為若干價值。

於2017年及2016年12月31日，本集團所有投資物業計入公允值等級內的第3級。

於兩個年度內估值技術並無變動且於兩個年度內公允值等級內並無轉移。

有關投資物業第3級公允值計量之資料：

	Valuation technique 估值技術	Significant unobservable inputs 不可觀察之重要輸入值	Sensitivity 敏感度
All Investment properties	Income approach (31 December 2016: Income approach)	The rental unit rates range from RMB18,366 (31 December 2016: RMB10,535) to RMB58,313 (31 December 2016: RMB43,000) per square meter with weighted average of RMB27,891 (31 December 2016: RMB26,897) per square meter.	A significant increase in the rental unit rate used would result in a significant increase in fair value, and vice versa.
所有投資物業	收入法 (2016年12月31日: 收入法)	單位租金介乎每平方米人民幣18,366元(2016年12月31日:人民幣10,535元)至人民幣58,313元(2016年12月31日:人民幣43,000元)，加權平均租金為每平方米人民幣27,891元(2016年12月31日:人民幣26,897元)。	所用的單位租金大幅上漲將導致公允值大幅增加，反之亦然。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17. PREPAYMENT AND DEPOSITS FOR NON-CURRENT ASSETS

The prepayment and deposits are for the following items:

17. 非流動資產之預付金及按金

以下各項之預付金及按金：

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
			(Restated)	(Restated)
			(重列)	(重列)
Land use right in the PRC (Note (a))	於中國的土地使用權 (附註(a))	8,136	8,136	107,466
Property development projects in the PRC (Note (b))	於中國的物業發展項目 (附註(b))	-	-	316,259
Potential investment project in the PRC (Note (c))	於中國的潛在投資項目 (附註(c))	-	140,135	122,953
Property, plant and equipment	物業、廠房及設備	-	1,503	-
		8,136	149,774	546,678

Notes:

- (a) The prepayment represents the consideration of the land use right and related tax of a project in the PRC which was fully paid by the Group in 2014.

Pursuant to the terms stipulated in the land use right transfer agreement (the "Agreement") signed between the Group and the Fushun Land and Resources Bureau ("FLRB") in 2014, the construction is required to be completed before 30 April 2016 or the Group can apply for an extension of construction completion date to 30 April 2017 before 30 April 2016, subject to the approval by FLRB. FLRB is entitled to rescind the Agreement at no cost if the Group did not comply with such term.

附註：

- (a) 預付金指一個位於中國之項目之土地使用權代價及相關稅項，且本集團已於2014年悉數支付。

根據本集團與撫順市國土資源局（「FLRB」）於2014年簽訂之土地使用權轉讓協議（「協議」）訂明的條款，建築工程須於2016年4月30日前完成或本集團可於2016年4月30日前申請將建築工程完成日期延長至2017年4月30日，惟須經FLRB批准。倘本集團未遵守該條款，FLRB有權無條件終止協議。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17. PREPAYMENT AND DEPOSITS FOR NON-CURRENT ASSETS (Cont'd)

Notes: (Cont'd)

(a) (Cont'd)

Neither the management of the Group applied for the extension of the construction completion date by 30 April 2016, nor FLRB agreed to extend the construction completion date as at 31 December 2016. The directors of the Company are in the opinion that the construction was unlikely to be approved by FLRB given that FLRB held up the application of the construction commencement lodged by the Group during the current year. Therefore, the directors of the Company impaired the entire prepayment amounting to RMB99,330,000 during the year ended 31 December 2016 given that the Group could not complete the construction before 30 April 2016 with no extension applied during the year ended 31 December 2016. The remaining balance represents the prepayment for land use right for a property project in the PRC.

(b) The deposit represents the earnest monies paid under two memorandums of understanding entered into with different independent third parties in relation to two property development projects in the PRC.

The Group paid deposits of RMB150,000,000 for a project in Jiangsu Province ("Jiangsu Project") to a company and approximately RMB316,259,000 for a project in Anhui Province ("Anhui Project") to an individual during the year ended 31 December 2011.

As the directors of the Company were in the opinion that the projects were not feasible and the earnest monies could not be recovered, the deposits for Jiangsu Project and Anhui Project were fully impaired during the years ended 31 December 2014 and 31 December 2016, respectively.

During the year ended 31 December 2017, the Group has received the refund of RMB150,000,000 and RMB288,000,000 for Jiangsu Project and Anhui Project, respectively after the series of follow up collection actions taken by the management of the Group. Accordingly, reversal of impairment loss of such deposits of RMB438,000,000 is recognised during the year ended 31 December 2017.

17. 非流動資產之預付金及按金 (續)

附註：(續)

(a) (續)

本集團管理層於2016年4月30日前概無申請延長建築工程完成日期，且FLRB亦無同意將建築工程完成日期延遲至2016年12月31日。鑒於FLRB擱置本集團於本年度遞交之建築工程施工申請，故本公司董事認為FLRB不可能會批准建築工程。因此，鑒於本集團並未於2016年4月30日前完成建築工程且於截至2016年12月31日止年度概無申請延期，故本公司董事就截至2016年12月31日止年度之全部預付金人民幣99,330,000元作出減值。餘額指就位於中國之一個物業項目之土地使用權支付之預付金。

(b) 按金指不同獨立第三方就位於中國之兩個物業開發項目訂立之兩份諒解備忘錄而支付之誠意金。

本集團於截至2011年12月31日止年度就位於江蘇省的項目（「江蘇項目」）及位於安徽省的項目（「安徽項目」）分別向一間公司及一名人士支付按金人民幣150,000,000元及約人民幣316,259,000元。

由於本公司董事認為該等項目不可行且誠意金無法收回，故江蘇項目及安徽項目的按金分別於截至2014年12月31日止年度及截至2016年12月31日止年度作出悉數減值。

截至2017年12月31日止年度，經本集團管理層採取系列後續追討行動後，本集團就江蘇項目及安徽項目分別收到退款人民幣150,000,000元及人民幣288,000,000元。因此，於截至2017年12月31日止年度，就該等按金確認減值虧損撥回人民幣438,000,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17. PREPAYMENT AND DEPOSITS FOR NON-CURRENT ASSETS (Cont'd)

Notes: (Cont'd)

- (c) Pursuant to the strategic cooperation agreement signed between the Group and an independent third party on 1 February 2014, the Group and the independent third party will explore investment opportunities together in the PRC for 3 years from the date of strategic cooperation agreement. The actual detailed terms and conditions for the investment(s) under the strategic cooperation agreement shall be subject to the entering of formal agreement(s) between the relevant parties. As at 31 December 2016 and 1 January 2016, deposits of RMB140,135,000 and RMB122,953,000, were paid by the Group for this strategic cooperation agreement, respectively.

As the strategic cooperation agreement was expired on 31 January 2017, the entire amount is received by the Group during the year ended 31 December 2017.

17. 非流動資產之預付金及按金 (續)

附註：(續)

- (c) 根據於2014年2月1日與一名獨立第三方簽訂之策略合作協議，本集團與該名獨立第三方將自策略合作協議日期起計三年內共同於中國尋求投資機遇。策略合作協議項下有關投資之實際詳細條款及條件須待有關各方訂立正式協議後，方可作實。於2016年12月31日及2016年1月1日，本集團就該策略合作協議分別支付按金人民幣140,135,000元及人民幣122,953,000元。

由於策略合作協議已於2017年1月31日屆滿，故截至2017年12月31日止年度本集團已收到全部款項。

18. INTEREST IN AN ASSOCIATE

18. 於聯營公司權益

		2017 RMB'000 人民幣千元
Cost of unlisted investment	非上市投資成本	1,745
Share of post-acquisition loss and other comprehensive expense, net of dividends received	應佔收購後虧損及其他全面開支，扣除已收取股息	(37)
Exchange differences	匯兌差額	(7)
		1,701

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. INTEREST IN AN ASSOCIATE (Cont'd)

The following sets out the particulars of the associate of the Group at 31 December 2017 which, in the opinion of the directors of the Company, principally affected the results or net assets of the Group.

Name of associate	Place of registration and operation	Legal form	Paid up share capital	Attributable equity interest held by the Group 本集團持有之應佔股權 2017	Principal business 主營業務
S•K•Y 株式會社	Japan 日本	Limited Company 有限公司	JPY100,000,000 100,000,000日圓	30% (Note) (附註)	Investment holding 投資控股

Note: The associate was incorporated in Japan on 27 November 2017. The Group held 30% equity interest in the associate and the rest 70% equity interest was held by two independent third parties.

The associate is accounted for using the equity method in the consolidated financial statements.

18. 於聯營公司權益 (續)

以下載列於2017年12月31日本集團聯營公司之詳情(本公司董事認為主要影響本集團業績或資產淨值)。

附註: 該聯營公司於2017年11月27日於日本註冊成立。本集團持有該聯營公司之30%股權及其餘下70%股權由兩名獨立第三方持有。

該聯營公司使用權益法於綜合財務報表內入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. INTEREST IN AN ASSOCIATE (Cont'd)

The financial information of the associate is summarised as follows:

18. 於聯營公司權益 (續)

該聯營公司之財務資料概要如下：

	From 27 November 2017 to 31 December 2017 自2017年 11月27日 至2017年 12月31日 RMB'000 人民幣千元
The Group's share of loss and other comprehensive expense for the period	(37)
	As at 31 December 2017 於2017年 12月31日 RMB'000 人民幣千元
Carrying amount of the Group's interest in the associate	1,701

Notes to the Consolidated Financial Statements

綜合財務報表附註

19. DEFERRED TAX

The components of deferred tax assets (liabilities) recognised in the consolidated statement of financial position and the movements during the current and prior years are as follows:

		Revaluation of investment properties 重估投資 物業 RMB'000 人民幣千元	LAT provision 土地增值稅 撥備 RMB'000 人民幣千元	Accelerated tax depreciation 加速稅項 折舊 RMB'000 人民幣千元	Capitalisation of interest expenses 利息支出資 本化 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
At 1 January 2016 (Restated)	於2016年1月1日 (重列)	(310,008)	33,109	(31,385)	201	(308,083)
(Charge) credit to profit or loss	(扣除自)計入損益	(10,000)	52,838	(4,209)	(112)	38,517
At 31 December 2016 and 1 January 2017 (Restated)	於2016年12月31日 及2017年1月1日 (重列)	(320,008)	85,947	(35,594)	89	(269,566)
Credit (charge) to profit or loss	計入(扣除自)損益	1,775	10,276	(4,123)	(5)	7,923
At 31 December 2017	2017年12月31日	(318,233)	96,223	(39,717)	84	(261,643)

19. 遞延稅項

於本年度及過往年度於綜合財務狀況表內確認的遞延稅項資產(負債)部分及變動如下:

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances for financial reporting purposes:

為於綜合財務狀況表內呈列，若干遞延稅項資產及負債已抵銷。以下為就財務呈報目的而呈列之遞延稅項結餘分析：

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Deferred tax assets	遞延稅項資產	96,307	86,036	33,310
Deferred tax liabilities	遞延稅項負債	(357,950)	(355,602)	(341,393)
		(261,643)	(269,566)	(308,083)

Notes to the Consolidated Financial Statements

綜合財務報表附註

19. DEFERRED TAX (Cont'd)

At 31 December 2017, the Group had unused tax losses of approximately RMB262,540,000 (31 December 2016: RMB251,800,000 and 1 January 2016: RMB140,784,000), available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. Tax losses will be expired at various times within a period of five years from the year of origination.

20. INVENTORIES

During the years ended 31 December 2017 and 2016, impairment loss of RMB57,034,000 and RMB21,557,000 have been recognised in respect of inventories, respectively as the net realisable value of the properties under development is lower than the carrying amount.

The properties held for sale were located in the PRC. Properties held for sale which are expected to be recovered in more than twelve months after the end of each reporting period are classified under current assets as it is expected to be realised in the Group's normal operating cycle.

19. 遞延稅項 (續)

於2017年12月31日，本集團擁有未動用稅項虧損約人民幣262,540,000元（2016年12月31日：人民幣251,800,000元及2016年1月1日：人民幣140,784,000元）可供抵銷未來溢利。未來溢利流不可預測，故並無確認遞延稅項資產。稅項虧損將自所涉及課稅年度起5年期間內不同時間屆滿。

20. 存貨

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Properties under development	發展中物業	222,672	279,272	288,295
Properties held for sale	持作出售物業	421,739	452,628	978,812
Travel related products	旅遊相關產品	8,819	-	-
		653,230	731,900	1,267,107

於截至2017年及2016年12月31日止年度，已就存貨分別確認減值虧損人民幣57,034,000元及人民幣21,557,000元，乃因為發展中物業之可變現淨值低於其賬面值。

持作出售物業均位於中國。預期可於各報告期結束後超過12個月內收回之持作出售物業分類為流動資產，因為預期可於本集團正常營運週期內變現。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20. INVENTORIES (Cont'd)

As at 31 December 2017 and 2016, certain inventories have been pledged to secure the Group's bank borrowings and details are set out in note 29.

As stated in note 28, certain properties held for sales have been seized by the court in the PRC in relation to the litigations.

20. 存貨 (續)

於2017年及2016年12月31日，若干存貨已抵押以作為本集團銀行借貸之擔保，有關詳情載於附註29。

如附註28所述，若干持作出售物業因訴訟已被中國法院查封。

21. TRADE AND OTHER RECEIVABLES

21. 應收賬款及其他應收款

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Trade receivables (Note (a))	應收賬款 (附註(a))	59,022	25,101	330
Other receivables (Note (b))	其他應收款 (附註(b))	7,983	10,507	42,228
Deposit for a litigation (Note (c))	就訴訟之按金 (附註(c))	-	84,603	-
Other deposits (Note (d))	其他按金 (附註(d))	54,387	4,610	2,819
		121,392	124,821	45,377

Notes:

- (a) Proceeds receivable in respect of sale of properties are settled in accordance with the terms stipulated in the sale and purchase agreements. Buyers are not granted with any credit period for both years. For the trade receivables in respect of rental income from lease of properties, no credit periods are granted for both years.

Except for the proceeds receivable from sale of properties and rental income from lease of properties which are payable on demand and payable in advance monthly, respectively, the Group generally allows a credit period of not exceeding 30 days to its customers.

附註：

- (a) 銷售物業之應收款項乃根據買賣協議訂明之條款結付。買方於兩個年度概無獲授任何信貸期。就租賃物業產生之租金收入有關之應收賬款而言，兩個年度概無授出信貸期。

除銷售物業之應收款項及租賃物業產生之租金收入須分別按要求支付及應每月提前支付外，本集團通常允許向其客戶授出不超過30日之信貸期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

21. TRADE AND OTHER RECEIVABLES (Cont'd)

Notes: (Cont'd)

(a) (Cont'd)

The following is an aging analysis of trade receivables based on the dates of the properties delivered, dates of check-in and invoice dates at the end of each reporting period which approximated the revenue recognition dates:

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Within 30 days	30日內	56,791	1,767	232
31 – 90 days	31日至90日	31	164	73
91 – 180 days	91日至180日	120	-	25
Over 180 days	超過180日	2,080	23,170	-
		59,022	25,101	330

As at 31 December 2017, approximately RMB2,231,000 (31 December 2016: RMB25,084,000 (restated) and 1 January 2016: RMB98,000 (restated)) of trade receivables are past due at the end of the reporting period for which the Group has not provided for impairment loss. The Group is entitled to take over the legal title and possession of the underlying properties for resale under the sales and purchase agreements and rental deposits were held as collateral over the proceeds receivable in respect of rental income from lease of properties. The Group does not hold any collateral as security for other trade receivable.

Aging of trade receivables which are past due but not impaired

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Past due for:	逾期:			
Within 30 days	30日內	-	1,750	-
31 – 90 days	31日至90日	31	164	73
91 – 180 days	91日至180日	120	-	25
Over 180 days	超過180日	2,080	23,170	-
Total	總計	2,231	25,084	98

21. 應收賬款及其他應收款 (續)

附註: (續)

(a) (續)

以下為於各報告期末應收賬款按物業交付日期、驗收日期及發票日期(收入確認日期前後)呈列之賬齡分析:

於2017年12月31日, 應收賬款約人民幣2,231,000元(2016年12月31日: 人民幣25,084,000元(重列)及2016年1月1日: 人民幣98,000元(重列))於報告期末逾期, 但本集團並未作出減值虧損撥備。本集團有權接管相關物業之法定業權及所有權以供根據買賣協議轉售, 且租金按金乃作為租賃物業產生之租金開支有關之應收款項之抵押品而持有。本集團並無就其他應收賬款持有任何抵押品作為擔保。

已逾期但未減值應收賬款之賬齡

Notes to the Consolidated Financial Statements

綜合財務報表附註

21. TRADE AND OTHER RECEIVABLES (Cont'd)

Notes: (Cont'd)

- (b) Other receivables are non-trade nature, unsecured, interest-free and recoverable within one year from the end of each reporting period.
- (c) As details set out in note 28, the balance represents the deposit placed in the court in relation to the Consultant Claim (as defined in note 28) as at 31 December 2016. Such deposit was paid to the Claimant during the year ended 31 December 2017.
- (d) The balance mainly represents construction deposits of approximately RMB52,000,000 for properties under development as at 31 December 2017 (31 December 2016: Nil and 1 January 2016: Nil). As the deposit is expected to be realised in the Group's normal operating cycle, such deposit is classified as current assets.

22. AMOUNTS DUE FROM (TO) A RELATED COMPANY/DIRECTORS/LOAN FROM IMMEDIATE HOLDING COMPANY

The amount due to a director of RMB4,668,000 and RMB4,995,000 as at 31 December 2017 and 2016, respectively, represents the Hong Kong dollar ("HK\$") denominated promissory note of principal amount of approximately HK\$5,584,000 (equivalent to approximately RMB4,676,000) which is non-interest bearing and repayable after two years from 31 August 2016 (date of issuance). Included in the principal amount is an amount of approximately RMB1,256,000 that was settled for the consideration of acquisition of Sun Travel Ltd. ("Sun Travel") (note 40).

Movement of the amount due to a director during the years is as follows:

		RMB'000 人民幣千元
At 1 January 2016	於2016年1月1日	–
Issuance of promissory note	發行承兌票據	4,676
Exchange difference	匯兌差額	319
At 31 December 2016	於2016年12月31日	4,995
Exchange difference	匯兌差額	(327)
At 31 December 2017	於2017年12月31日	4,668

21. 應收賬款及其他應收款 (續)

附註：(續)

- (b) 其他應收款屬非貿易性質、無抵押、免息及須於各報告期末起計一年內收回。
- (c) 如附註28所詳述，餘額指於2016年12月31日就顧問索償（定義見附註28）存放於法院的按金。截至2017年12月31日止年度，該按金已支付予索賠人。
- (d) 結餘主要指於2017年12月31日有關在建物業之建設按金約人民幣52,000,000元（2016年12月31日：零及2016年1月1日：零）。由於預期該按金將於本集團正常營運週期內變現，故該按金分類為流動資產。

22. 應收（應付）關連公司／董事款項／來自直接控股公司貸款

於2017年及2016年12月31日分別應付董事款項人民幣4,668,000元及人民幣4,995,000元指本金額約5,584,000港元（相當於約人民幣4,676,000元）之以港元（「港元」）計值之承兌票據，該等票據不計息及須於2016年8月31日（發行日期）起兩年後支付。本金額中包括約人民幣1,256,000元已用於結付收購太陽旅遊有限公司（「太陽旅遊」）之代價（附註40）。

年內應付董事款項之變動如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

22. AMOUNTS DUE FROM (TO) A RELATED COMPANY/DIRECTORS/LOAN FROM IMMEDIATE HOLDING COMPANY (Cont'd)

Amount represented as:

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Current	流動	4,668	-	-
Non-current	非流動	-	4,995	-
		4,668	4,995	-

22. 應收(應付)關連公司/董事款項/來自直接控股公司貸款(續)

金額呈列為：

On 1 January 2017, the Group has entered into a management service agreement (“MS Agreement”) with Sun City Gaming Promotion Company Limited (“Sun City Gaming Promotion”), a related company which is wholly owned by Mr. Chau. Pursuant to the MS Agreement, Sun City Gaming Promotion will provide certain management and administrative services to the Group at a fixed monthly fee.

On 6 February 2017, the Group has entered into a hotel accommodation procurement agreement (“HAP Agreement”) and ferry ticket supply agreement (“FTS Agreement”) with Sun City Gaming Promotion.

Pursuant to the HAP Agreement, the Group will procure the hotel accommodation products from Sun City Gaming Promotion for its business in relation to the travel related products and services. During the year ended 31 December 2017, the Group procures the hotel accommodation products from Sun City Gaming Promotion in aggregate of RMB326,889,000 (31 December 2016: Nil).

於2017年1月1日，本集團與太陽城博彩中介一人有限公司（「太陽城博彩中介」，為一間關連公司，由周先生全資擁有）訂立管理服務協議（「MS協議」）。根據MS協議，太陽城博彩中介將按每月固定收費向本集團提供若干管理及行政服務。

於2017年2月6日，本集團與太陽城博彩中介訂立酒店住宿服務採購協議（「HAP協議」）及船票供應協議（「FTS協議」）。

根據HAP協議，本集團將就其旅遊相關產品及服務向太陽城博彩中介採購酒店住宿服務採購。於截至2017年12月31日止年度，本集團自太陽城博彩中介採購酒店住宿服務採購金額共計人民幣326,889,000元（2016年12月31日：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22. AMOUNTS DUE FROM (TO) A RELATED COMPANY/DIRECTORS/LOAN FROM IMMEDIATE HOLDING COMPANY (Cont'd)

Pursuant to the FTS Agreement, Sun City Gaming Promotion will purchase the ferry ticket from the Group.

Upon signing the HAP Agreement, the Group engaged Sun City Gaming Promotion to follow up the collection of the trade receivables in respect of the hotel accommodation products. During the year ended 31 December 2017, Sun City Gaming Promotion collected RMB309,380,000 (31 December 2016: Nil) from the customers.

There was no amount due from a related company at 31 December 2017 (31 December 2016: RMB2,806,000) and amounts due from directors of RMB666,000 at 31 December 2017 (31 December 2016: Nil) are in trade nature, unsecured, interest-free and recoverable within 30 days.

The amount due from a related company and an aging analysis of such balance net of allowance for doubtful debts presented based on the invoice dates at the end of each reporting period, which approximated the respective revenue recognition dates are as follows:

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017	2016	2016
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Within 30 days	30日內	-	2,806	-

22. 應收(應付)關連公司/董事款項/來自直接控股公司貸款(續)

根據FTS協議，太陽城博彩中介將向本集團採購船票。

於簽署HAP協議後，本集團委托太陽城博彩中介跟進收取有關酒店住宿服務採購之應收賬款。於截至2017年12月31日止年度，太陽城博彩中介已自客戶收取人民幣309,380,000元(2016年12月31日：無)。

於2017年12月31日並無應收關連公司款項(2016年12月31日：人民幣2,806,000元)，以及於2017年12月31日應收董事款項人民幣666,000元(2016年12月31日：無)為貿易性質、無抵押、免息及可於30日內收回。

下列呈列於各報告期末基於發票日期(與各收入確認日期相若)的應收關連公司款項以及該等結餘(扣除呆賬撥備)的賬齡分析：

Notes to the Consolidated Financial Statements

綜合財務報表附註

22. AMOUNTS DUE FROM (TO) A RELATED COMPANY/DIRECTORS/LOAN FROM IMMEDIATE HOLDING COMPANY (Cont'd)

The amounts due from directors and an aging analysis of such balances net of allowance for doubtful debts presented based on the invoice dates at the end of each reporting period, which approximated the respective revenue recognition dates are as follows:

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Within 30 days	30日內	666	-	-

All amounts due from the related company and directors are within the credit period as at 31 December 2017 and 31 December 2016.

The Group does not hold any collateral over these balances. The average age of the amount due from a related company is 30 days in 2016, while the average age of the amounts due from directors is 30 days in 2017.

The Group has not provided any allowance for doubtful debts of amounts due from the related company and the directors for the years ended 31 December 2017 and 2016 as the entire amounts have been subsequently received.

22. 應收(應付)關連公司/董事款項/來自直接控股公司貸款(續)

下列呈列於各報告期末基於發票日期(與各收入確認日期相若)的應收董事款項以及該等結餘(扣除呆賬撥備)的賬齡分析:

於2017年12月31日及2016年12月31日,所有應收關連公司及董事款項均處於信用期間內。

本集團並無就該等結餘持有任何抵押品。2016年應收關連公司款項的平均賬齡為30日,而2017年應收董事款項的平均賬齡為30日。

截至2017年及2016年12月31日止年度,本集團並無就應收關連公司及董事款項計提任何呆賬撥備,因為全部金額其後已收回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22. AMOUNTS DUE FROM (TO) A RELATED COMPANY/DIRECTORS/LOAN FROM IMMEDIATE HOLDING COMPANY (Cont'd)

The amount due to a related company of RMB50,193,000 at 31 December 2017 (31 December 2016: RMB2,421,000) is in trade nature, unsecured, interest-free and repayable within 30 days. An aging analysis of such balance is presented based on the invoice dates at the end of each reporting period as follows:

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Within 30 days	30日內	50,193	2,421	-

The loan from immediate holding company was unsecured, interest bearing at 2% and repayable on demand as at 1 January 2016. The entire balance was settled through issuance of the convertible bond on 8 December 2016 at consideration of HK\$570,000,000 (equivalent to approximately RMB505,077,000).

22. 應收(應付)關連公司/董事款項/來自直接控股公司貸款(續)

於2017年12月31日應付關連公司款項人民幣50,193,000元(2016年12月31日: 人民幣2,421,000元)為貿易性質、無抵押、免息及須於30日內償還。於各報告期末基於發票日期呈列之該等結餘之賬齡分析如下:

於2016年1月1日,來自直接控股公司貸款為無抵押、按2%計息及須按要求償還。全部結餘透過於2016年12月8日按代價570,000,000港元(相當於約人民幣505,077,000元)發行可換股債券結付。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23. PLEDGED BANK DEPOSITS/RESTRICTED BANK DEPOSITS

Pledged bank deposits represent deposits for the following purposes:

23. 已抵押銀行存款／受限制銀行存款

已抵押銀行存款指用於下列目的之存款：

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Securities for banking facilities (note 29)	銀行融資之擔保(附註29)	6	6	2,371
Securities for mortgage loan facilities granted by the banks to buyers of the Group's properties (note 33)	銀行授予本集團物業買方之按揭貸款融資之擔保(附註33)	297	296	295
Securities for the travel agency business to the suppliers and license granted by the local regulatory body	提供予供應商及本地監管機構之旅遊代理業務之擔保	5,570	1,332	-
		5,873	1,634	2,666

At 31 December 2017, the pledged bank deposits are subjected to floating interest rate ranged from 0% to 0.3% (31 December 2016: 0% to 0.3% and 1 January 2016: 0% to 0.3%) per annum.

於2017年12月31日，已抵押銀行存款按年利率介乎0%至0.3%（2016年12月31日：0%至0.3%及2016年1月1日：0%至0.3%）的浮動利率計息。

At 31 December 2017, the restricted bank deposits represent bank deposits seized by the court in the PRC as details set out in note 28. The restricted bank deposits carry floating interest rate ranged from 0% to 0.3% per annum.

於2017年12月31日，受限制銀行存款指中國法院查封之銀行存款，詳情載列於附註28。受限制銀行存款按年利率介乎0%至0.3%的浮動利率計息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

24. BANK BALANCES AND CASH

The carrying amounts of the Group's bank balances and cash are denominated in the following currencies:

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
RMB	人民幣	261,798	55,482	27,093
United States Dollars ("US\$")	美元(「美元」)	74	74	74
HK\$	港元	40,465	87,867	601
Macau Pataca ("MOP")	澳門幣(「澳門幣」)	220	16	-
		302,557	143,439	27,768

The conversion of RMB denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to the relevant rules and regulation of foreign exchange control promulgated by the PRC government.

At 31 December 2017, bank balances carry interest at prevailing deposit rates which ranged from 0% to 0.3% (31 December 2016: 0% to 0.3% and 1 January 2016: 0% to 0.3%) per annum.

24. 銀行結餘及現金

本集團銀行結餘及現金的賬面值以下列貨幣計值：

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
RMB	人民幣	261,798	55,482	27,093
United States Dollars ("US\$")	美元(「美元」)	74	74	74
HK\$	港元	40,465	87,867	601
Macau Pataca ("MOP")	澳門幣(「澳門幣」)	220	16	-
		302,557	143,439	27,768

將人民幣計值結餘兌換為外幣以及將該等外幣計值銀行結餘及現金匯出中國須遵守中國政府頒佈之外匯管制相關條例及規例。

於2017年12月31日，銀行結餘按現行存款利率每年介乎0%至0.3%（2016年12月31日：0%至0.3%及2016年1月1日：0%至0.3%）的利率計息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. TRADE AND OTHER PAYABLES

25. 應付賬款及其他應付款

	As at 31 December 於12月31日		As at 1 January 於1月1日
	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Trade payables (Notes (a) and (b)) 應付賬款(附註(a)及(b))	76,173	112,886	206,561
Interest payables (Note (c)) 應付利息(附註(c))	-	-	173,868
Other payables (Note (d)) 其他應付款(附註(d))	122,687	176,111	223,705
	198,860	288,997	604,134

Notes:

附註:

- (a) The credit period of trade payables ranges from 30 to 180 days.
- (b) The following is an aging analysis of trade payables at the end of each reporting period based on invoice dates:

- (a) 應付賬款之信貸期介乎30日至180日。
- (b) 以下為於各報告期末按發票日期呈列之應付賬款之賬齡分析:

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
0 – 90 days	0至90日	11,157	7,437	1,138
Over 90 days	90日以上	65,016	105,449	205,423
		76,173	112,886	206,561

- (c) The balance represents interest payables of approximately RMB30,594,000 and RMB143,274,000 which are arising from the loan from immediate holding company and a borrowing from a third party, respectively. The interest payable due to immediate holding company was settled through issuing the convertible bond and the entire amount of interest payable due to a third party was settled by cash during the year ended 31 December 2016.

- (c) 結餘指直接控股公司貸款及第三方借款產生之應付利息分別約人民幣30,594,000元及人民幣143,274,000元。截至2016年12月31日止年度，結欠直接控股公司之應付利息乃透過發行可換股債券結清，而結欠第三方之全部應付利息乃以現金結清。

- (d) Amounts mainly include accruals, other tax payables and salaries payable.

- (d) 該等款項主要包括應計費用、其他應付稅項及應付薪金。

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綜合財務報表附註

26. PROVISION FOR POTENTIAL CLAIMS

The balance represents the provision for potential claims which include refund of the deposit and compensation to the buyers of the properties held for sale in relation to the breach of terms stipulated in the sales and purchase agreement entered into between the Group and the buyers.

Certain properties under pre-sale arrangement have been seized by the court due to the litigations as set out in note 28 since 2015. As a result, the Group failed to fulfil the obligations stipulated in the sales and purchase agreement within the predetermined period of time.

The Group is liable to the claims for the return of pre-sale deposits and instalment payments made by the buyers and compensation stipulated in sales and purchase agreement.

During the year ended 31 December 2016, certain properties were released by the court as set out in note 28 and the Group has performed the obligations stipulated in the sales and purchase agreements, and reversal of provision of RMB14,937,000 was recognised in profit or loss. However, as the Group received a Judgement (as defined in note 28), additional properties have been seized by the court which leads to non-fulfilment of certain obligations stipulated in the sales and purchase agreements and therefore RMB41,882,000 of provision has been recognised during the year ended 31 December 2017.

No claims from the buyers have been received by the Group during both years.

The movement of the provision for potential claims is shown as follows:

		RMB'000 人民幣千元
At 1 January 2016 (Restated)	於2016年1月1日(重列)	15,137
Credit to profit or loss	計入損益	(14,937)
At 31 December 2016 (Restated)	於2016年12月31日(重列)	200
Charge to profit or loss	扣除損益	41,882
At 31 December 2017	於2017年12月31日	42,082

26. 潛在索償撥備

結餘指潛在索償撥備，其中包括持作銷售物業之買方就違反本集團與買方訂立之買賣協議訂明之條款而產生之按金退回及賠償。

自2015年起，預售安排項下之若干物業已因附註28所述之訴訟而被法院查封，本集團無法於預定期限內履行買賣協議訂明之責任。

本集團須承擔買方作出之退還預售按金及分期付款之索償以及買賣協議中規定之賠償。

截至2016年12月31日止年度，法院已解除附註28所載之若干物業，且本集團已履行買賣協議訂明之責任，並於損益確認撥備撥回人民幣14,937,000元。然而，由於本集團收到判決（定義見附註28），其他物業已被法院查封，導致無法履行買賣協議訂明之若干責任，故於截至2017年12月31日止年度確認撥備人民幣41,882,000元。

於兩個年度，買方概無向本集團提出索償。

潛在索償撥備變動載列如下：

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27. RECEIPT IN ADVANCE

Receipt in advance represents sales proceeds received from buyers in connection with the Group's pre-sales of properties and prepaid rental and management fee from tenants of the Group's investment properties. The entire receipt in advance is expected to be released to profit or loss within one year.

28. PROVISIONS FOR LITIGATIONS

In July 2017, the Group has received an enforcement civil ruling (the "Judgement") from 廣東省深圳市中級人民法院 (the "Intermediate Court") relating to the enforcement of a civil claim (the "Bank Claim") taken out by a bank (the "Bank"). As alleged by the Bank under the Bank Claim, the Bank Claim relates to a loan agreement for a loan with principal amount of RMB120,000,000 (the "Bank Loan") and made between the Bank and a company (the "Borrower"), which is not connected to the Group, established in the PRC as borrower in prior years. Pursuant to the Bank Claim, it was alleged that 深圳紫瑞房地產開發有限公司 ("Shenzhen Zirui") and 太陽世紀地產集團有限公司 ("Sun Century Property"), both being indirect wholly-owned subsidiaries of the Company established in the PRC, together with other four defendants which are not connected to the Group in the Bank Claim, had been acting as guarantors for the Bank Loan.

The provision for the Bank Claim is determined by the terms of the loan agreement under which, the loan is interest bearing at 24% per annum and repayable within 6 months from date of withdrawal of the loan. Beyond the loan period, the interest will be adjusted to 36% per annum and all unpaid interest will be subject to compound interest rate at 36% per annum until the loan is settled.

27. 預收賬款

預收賬款是指本集團自預售物業購買者收取的銷售所得款及自本集團投資物業的租戶收取的預付租金及管理費。所有預收款項預期於1年內撥至損益。

28. 就訴訟之撥備

於2017年7月，本集團收到廣東省深圳市中級人民法院（「中級法院」）有關執行一間銀行（「銀行」）提出的民事索償（「銀行索償」）的民事執行裁定書（「判決」）。據銀行根據銀行索償指稱，銀行索償涉及銀行與一間在中國成立的公司（「借款人」）（與本集團概無關連）於過往年度訂立的本金額為人民幣120,000,000元的貸款（「銀行貸款」）之貸款協議。根據銀行索償，深圳紫瑞房地產開發有限公司（「深圳紫瑞」）及太陽世紀地產集團有限公司（「太陽世紀地產」）（均為本公司於中國成立的間接全資附屬公司）連同銀行索償中另外四名被告（與本集團概無關連）被指稱擔任銀行貸款的擔保人。

銀行索償撥備乃按貸款協議之條款釐定，據此，貸款按年利率24%計息，且須於提取貸款日期後六個月內償還。倘超過貸款期限，年利率將調整為36%，且於結清貸款前，所有未償還利息須按複合年利率36%計息。

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綜合財務報表附註

28. PROVISIONS FOR LITIGATIONS (Cont'd)

Pursuant to the Judgement, the assets of the Borrower, Shenzhen Zirui, Sun Century Property and other defendants under the Bank Claim (up to the sum of RMB807,133,000 with interest thereon together with fees and expenses to be incurred under the enforcement) shall be seized or frozen (the "Frozen Assets") and such Frozen Assets shall be disposed of for repayment of the amounts under the Bank Claim if not paid. As at 31 December 2017, the Frozen Assets under the Group's legal title comprised bank balances in the aggregate amount of approximately RMB334,000 (31 December 2016: Nil and 1 January 2016: Nil) and inventories with carrying value of approximately RMB213,367,000 (31 December 2016: Nil and 1 January 2016: Nil).

As the Borrower defaulted the repayment of the Bank Loan in 2012, the directors of the Company have revisited the provisions in relation to the Bank Claim in prior years and retrospectively recognised provision of RMB116,267,000 for the year ended 31 December 2016 (1 January 2016: RMB99,939,000).

During the year ended 31 December 2017, the Group has reached a settlement agreement (the "Settlement Agreement A") with the Bank. Pursuant to the Settlement Agreement A, the Group's liabilities in relation to the Bank Claim is limited to RMB235,000,000, subject to the fulfilment of the precedent events. Based on the legal opinion from the PRC lawyers, Settlement Agreement A is legally enforceable and binding as at 31 December 2017 even though there are some precedent events to be fulfilled, the directors of the Company consider that the maximum exposure for the liabilities of the Group in relation to the Bank Claim is RMB235,000,000 as at 31 December 2017 and therefore reversal of provisions of RMB304,082,000 has been recognised during the year ended 31 December 2017.

The provision in relation to the Bank Claim as at 31 December 2017 is RMB235,000,000 (31 December 2016: RMB539,082,000 (restated) and 1 January 2016: RMB422,815,000 (restated)).

28. 就訴訟之撥備 (續)

根據判決，借款人、深圳紫瑞、太陽世紀地產及銀行索償下其他被告的資產（金額最高為人民幣807,133,000元，連同利息及執行將產生的費用及開支）將被查封或凍結（「被凍結資產」），若不支付，該等被凍結資產將被出售，以償還銀行索償下款項。於2017年12月31日，本集團法定業權下的被凍結資產包括總金額約人民幣334,000元（2016年12月31日：零及2016年1月1日：零）的銀行結餘及賬面值約人民幣213,367,000元（2016年12月31日：零及2016年1月1日：零）的存貨。

由於借款人於2012年拖欠償還銀行貸款，故本公司董事重新審閱過往年度就銀行索償計提之撥備，並於截至2016年12月31日止年度追溯確認撥備人民幣116,267,000元（2016年1月1日：人民幣99,939,000元）。

截至2017年12月31日止年度，本集團與銀行達成和解協議（「和解協議A」）。根據和解協議A，本集團有關銀行索償之負債僅限於人民幣235,000,000元，且須待先決事項獲達成。根據中國律師之法律意見，儘管該等先決事項有待達成，但和解協議A於2017年12月31日仍可依法強制執行及具約束力，故本集團董事認為，本集團於2017年12月31日就銀行索償承擔之最高負債為人民幣235,000,000元，故於截至2017年12月31日止年度確認撥備撥回人民幣304,082,000元。

於2017年12月31日，就銀行索償計提之撥備為人民幣235,000,000元（2016年12月31日：人民幣539,082,000元（重列）及2016年1月1日：人民幣422,815,000元（重列））。

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綜合財務報表附註

28. PROVISIONS FOR LITIGATIONS (Cont'd)

In December 2015, the Group received an enforcement notice (the “Enforcement Notice”) from the Intermediate Court in relation to another civil claim (the “Consultant Claim”).

Pursuant to the Consultant Claim, an individual (the “Claimant”) alleged provision of consultancy services to the Borrower relating to the Bank Loan pursuant to a consultancy agreement (the “Consultancy Agreement”) made between the Claimant and the Borrower in prior year. It was alleged that Shenzhen Zirui, Sun Century Property and another defendant which is not connected to the Group had been acting as guarantors in respect of payment of consultancy fee under the Consultancy Agreement. Pursuant to the Enforcement Notice, certain inventories held by Shenzhen Zirui with carrying value of approximately RMB388,374,000 were seized or frozen as at 1 January 2016.

The provision for Consultant Claim is determined by the terms of the Consultancy Agreement under which, daily interest rate of 0.1% will be charged on the unpaid consultancy fee until the consultancy fee is settled.

As the consultancy fee had not been paid by the Borrower, of which was payable in 2012, the directors of the Company have revisited the provisions in relation to the Consultant Claim in prior years and recognised provision of RMB14,494,000 for the year ended 31 December 2016 (1 January 2016: RMB14,454,000).

During the year ended 31 December 2016, the Group paid deposit of RMB84,603,000 to the court in the PRC and accordingly inventories with value of RMB221,419,000 were released.

In July 2017, the Group received a notice from the Intermediate Court, in which part of frozen inventories held by Shenzhen Zirui with carrying value of approximately RMB166,955,000 shall be disposed of by way of tender to settle the Consultant Claim.

28. 就訴訟之撥備 (續)

於2015年12月，本集團就另一項民事索償（「顧問索償」）收到中級法院之強制執行通知書（「強制執行通知書」）。

根據顧問索償，一名人士（「索賠人」）聲稱根據索賠人及借款人在前一年訂立的顧問協議（「顧問協議」）向借款人提供與銀行貸款有關的顧問服務。據稱，深圳紫瑞、太陽世紀地產及另外一名與本集團並無關連的被告人在顧問協議項下支付顧問費方面一直擔任擔保人。根據強制執行通知書，深圳紫瑞持有若干存貨（賬面值約人民幣388,374,000元）於二零一六年一月一日被查封或凍結。

顧問索償撥備乃根據顧問協議之條款釐定，據此，於結清顧問費前，未支付顧問費將按日息率0.1%計息。

由於借款人尚未支付顧問費（應於2012年支付），故本公司董事已重新審閱過往年度顧問索償有關之撥備，並於截至2016年12月31日止年度確認撥備人民幣14,494,000元（2016年1月1日：人民幣14,454,000元）。

截至2016年12月31日止年度，本集團向中國法院支付按金人民幣84,603,000元，故價值為人民幣221,419,000元之存貨獲解除。

於2017年7月，本集團收到中級法院的通知，其中深圳紫瑞持有的部分被凍結存貨（賬面值約人民幣166,955,000元）須以招標方式出售以結付顧問索償。

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綜合財務報表附註

28. PROVISIONS FOR LITIGATIONS (Cont'd)

During the year ended 31 December 2017, the Group has reached a settlement agreement (the "Settlement Agreement B") with the Claimant. Pursuant to the Settlement Agreement B, the Group's liabilities in relation to the Consultant Claim is limited to RMB129,603,000, subject to the fulfilment of the precedent events. Accordingly, provision of RMB14,842,000 in relation to the Consultant Claim has been recognised during the year ended 31 December 2017.

As all precedent events have been fulfilled and the Group has settled the Consultant Claim as at 31 December 2017. No provision in relation to the Consultant Claim as at 31 December 2017 (31 December 2016: RMB114,761,000 (restated) and 1 January 2016: RMB100,267,000 (restated)), however, inventories with carrying value of approximately RMB166,955,000 were still seized under the Enforcement Notice as the inventories are under the process of release from the court as at 31 December 2017.

The carrying value of inventories of RMB380,322,000 (31 December 2016: RMB166,955,000 (restated) and 1 January 2016: RMB388,374,000 (restated)) have been seized by the court in the PRC in relation to the Bank Claim and Consultant Claim as at 31 December 2017 as disclosed in note 20. In the event that such inventories were released from the Enforcement Notice, pursuant to the Judgement under the Bank Claim, such inventories shall be seized or frozen.

28. 就訴訟之撥備 (續)

截至2017年12月31日止年度，本集團與索賠人達成和解協議（「和解協議B」）。根據和解協議B，本集團有關顧問索償之負債僅限於人民幣129,603,000元，且須待先決事項獲達成。因此，於截至2017年12月31日止年度就顧問索償確認撥備人民幣14,842,000元。

由於所有先決事項已獲達成及本集團已於2017年12月31日結清顧問索償，故於2017年12月31日概無就顧問索償計提撥備（2016年12月31日：人民幣114,761,000元（重列）及2016年1月1日：人民幣100,267,000元（重列））。然而，由於存貨於2017年12月31日正處法院解封過程，故賬面值約人民幣166,955,000元之存貨仍根據強制執行通知書被查封。

如附註20所披露，於2017年12月31日，中國法院就銀行索償及顧問索償查封的存貨的賬面值為人民幣380,322,000元（2016年12月31日：人民幣166,955,000元（重列）及2016年1月1日：人民幣388,374,000元（重列））。倘該等存貨獲解除強制執行通知書，則根據銀行索償項下之判決，該等存貨將被查封或凍結。

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綜合財務報表附註

28. PROVISIONS FOR LITIGATIONS (Cont'd)

The movement of the provisions for litigations is shown as follows:

28. 就訴訟之撥備 (續)

訴訟撥備的變動列示如下：

		Bank Claim	Consultant Claim	Total
		銀行索償	顧問索償	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At 1 January 2016 (Restated)	於2016年1月1日 (重列)	422,815	100,267	523,082
Charge to profit or loss for the year	自年內損益扣除	116,267	14,494	130,761
At 31 December 2016 (Restated)	於2016年12月31日 (重列)	539,082	114,761	653,843
Charge to profit or loss for the year	自年內損益扣除	-	14,842	14,842
Credit to profit or loss for the year	計入年內損益	(304,082)	-	(304,082)
Settled through deposit paid (note 21(c))	透過已付按金清償 (附註21(c))	-	(84,603)	(84,603)
Payment for the year	年內付款	-	(45,000)	(45,000)
At 31 December 2017	於2017年12月31日	235,000	-	235,000

29. BANK AND OTHER BORROWINGS

29. 銀行及其他借貸

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
			(Restated)	(Restated)
			(重列)	(重列)
Bank borrowings – secured	銀行借貸 – 有抵押	445,000	480,000	517,500
Other borrowings	其他借貸			
– Secured	– 有抵押	172,547	200,000	200,000
– Unsecured	– 無抵押	-	35,000	880,602
		172,547	235,000	1,080,602
		617,547	715,000	1,598,102

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綜合財務報表附註

29. BANK AND OTHER BORROWINGS (Cont'd)

The maturity profile of bank borrowings is as follows:

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Within one year	一年內	40,000	35,000	37,500
More than one year but not exceeding two years	超過一年但不超過兩年	40,000	40,000	35,000
More than two years but not more than five years	超過兩年但不超過五年	140,000	130,000	120,000
Over five years	五年以上	225,000	275,000	325,000
		445,000	480,000	517,500
Less: Amounts due for settlement within one year (shown under current liabilities)	減：一年內到期償付的款項（列為流動負債）	(40,000)	(35,000)	(37,500)
Amounts due for settlement after one year	一年後到期償付的款項	405,000	445,000	480,000

The carrying amounts of the Group's bank borrowings are denominated in RMB at the end of each reporting period.

於各報告期末，本集團銀行借貸的賬面值以人民幣計值。

The effective interest rates (which are also equal to contracted interest rates) on the bank borrowings are as follows:

銀行借貸之實際利率（亦等同於訂約利率）如下：

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017	2016	2016
Effective interest rate per annum: Variable-rate bank borrowings	115% of People's Bank of China benchmark rate ("PBOC benchmark rate") (equivalent to 5.64%)	115% of PBOC benchmark rate (equivalent to 5.64%)	115% of PBOC benchmark rate (equivalent to 5.64%)	
實際年利率：浮動利率銀行借貸	中國人民銀行基準利率（「央行基準利率」）之115%（等於5.64%）	央行基準利率之115%（等於5.64%）	央行基準利率之115%（等於5.64%）	

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綜合財務報表附註

29. BANK AND OTHER BORROWINGS (Cont'd)

All other borrowings are repayable within one year at the end of each reporting period.

The carrying amounts of the Group's other borrowings are denominated in the following currencies:

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
HK\$	港元	-	-	645,602
RMB	人民幣	172,547	235,000	435,000
		172,547	235,000	1,080,602

The effective interest rates (which are also equal to contracted interest rates) on the other borrowings are as follows:

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017	2016	2016
Effective interest rate per annum: 實際年利率:				
Fixed-rate other borrowings	固定利率其他借貸	12.00%	8.00% – 18.00%	14.00% – 18.00%

29. 銀行及其他借貸 (續)

於各報告期末，所有其他借貸須予一年內償還。

本集團之其他借貸的賬面值乃以下列貨幣計值：

其他借貸之實際利率（亦等同於訂約利率）如下：

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綜合財務報表附註

29. BANK AND OTHER BORROWINGS (Cont'd)

At the end of each reporting period, the Group has pledged the following assets as securities for the Group's bank borrowings:

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Investment properties (note 16)	投資物業 (附註16)	1,724,900	1,732,000	1,692,000
Pledged bank deposits (note 23)	已抵押銀行存款 (附註23)	6	6	2,371
		1,724,906	1,732,006	1,694,371

At the end of each reporting period, the Group has pledged the following assets as securities for the Group's other borrowings:

		As at 31 December 於12月31日	As at 1 January 於1月1日	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Inventories (note 20)	存貨 (附註20)	178,138	250,039	837,778

29. 銀行及其他借貸 (續)

於各報告期末，為本集團銀行借貸而抵押的本集團資產如下：

於各報告期末，為本集團其他借貸而抵押的本集團資產如下：

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30. CONVERTIBLE BOND/DERIVATIVE FINANCIAL INSTRUMENTS

On 8 December 2016, the Company issued a convertible bond (the “Convertible Bond”) with a principal amount of HK\$570,000,000 (equivalent to RMB505,077,000 at the issuance date) to Fame Select Limited, the major shareholder of the Company to set off the balance of the loan from immediate holding company and the related accrued interest due to Fame Select Limited on a dollar-for-dollar basis against the total subscription price payable by Fame Select Limited in respect of the subscription of the Convertible Bond.

The maturity date of the Convertible Bond is 7 December 2018 (“CB Maturity Date”) which is 2 years from the date of issue of the Convertible Bond. The Convertible Bond is not interest bearing and matures on CB Maturity Date at the principal amount. The Convertible Bond is convertible into shares at any time after the issuance up to the close of business on the CB Maturity Date at the conversion price of HK\$0.26 per share, subject to anti-dilutive adjustments (“CB Conversion Option”). The initial number of ordinary shares of the Company issuable upon conversion is 2,192,307,692 shares, which represent 59.34% of the total number of ordinary shares of the Company issued and outstanding as of the issue date of the Convertible Bond on a fully diluted basis.

The Company is entitled to an option to early redeem at anytime before CB Maturity Date the whole or part of the principal outstanding amount of the Convertible Bond at principal amount (“CB Redemption Option”).

The Convertible Bond contains a debt component and derivative component. The CB Conversion Option is classified as a derivative financial liability as it will be settled other than by an exchange of a fixed amount of cash for a fixed number of the Company’s own equity instruments on the basis that the Convertible Bond is denominated in HK\$, a foreign currency of the Company.

30. 可換股債券／衍生金融工具

於2016年12月8日，本公司向本公司主要股東名萃有限公司發行本金額為570,000,000港元（於發行日期相當於人民幣505,077,000元）的可換股債券（「可換股債券」），以名萃有限公司就認購可換股債券應付的總認購價，抵銷應付名萃有限公司的來自直接控股公司貸款及其相關應計利息。

可換股債券之到期日為2018年12月7日（「可換股債券到期日」），即可換股債券發行日期起計為期兩年。可換股債券不計息，且按本金額於可換股債券到期日到期。可換股債券可於發行後直至可換股債券到期日營業時間結束止隨時按轉換價每股0.26港元轉換為股份，惟可作出反攤薄調整（「可換股債券轉換選擇權」）。本公司於轉換時可發行之普通股初始數目為2,192,307,692股，相當於按悉數攤薄基準本公司於可換股債券發行日期之已發行及尚未發行普通股總數之59.34%。

本公司有權選擇於可換股債券到期日前任何時間按本金額提前贖回全部或部分可換股債券之未償還本金額（「可換股債券贖回選擇權」）。

可換股債券包括債務部分及衍生部分。可換股債券轉換選擇權可分類為衍生金融負債，原因為其將不會按可換股債券據以港元（本公司外幣）計值之基準以固定金額之現金換取固定數目之本公司本身股本工具進行交收。

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30. CONVERTIBLE BOND/DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

The fair value of the Convertible Bond is HK\$568,761,000 (approximately RMB503,979,000) on the initial recognition date. On initial recognition, the debt component was recognised at fair value, calculated based on the present value of the principal amount plus accrued coupon interest over the expected life of the Convertible Bond. In subsequent periods, the debt component is carried at amortised cost using the effective interest method. The effective interest rate of the debt component is 14.64% per annum. The derivative component is measured at fair values at the date of issue and in subsequent periods with changes in fair value recognised in profit or loss.

The fair values of the derivative financial instruments as at 31 December 2017, 31 December 2016 and 8 December 2016 (date of issuance) are determined by Grant Sherman Appraisal Limited, an independent valuer not connected to the Group, based on the Binomial Option Pricing Model (the "Binomial Model").

The inputs used for the calculation of fair values of the derivative financial instruments are as follows:

		31 December 2017	31 December 2016 (Restated)	8 December 2016 (date of issuance) (Restated)
		2017年 12月31日	2016年 12月31日 (重列)	2016年 12月8日 (發行日期) (重列)
Share price	股價	HK\$0.465 港元	HK\$0.204 港元	HK\$0.218 港元
Conversion price	轉換價	HK\$0.260 港元	HK\$0.260 港元	HK\$0.260 港元
Expected volatility (Note (a))	預期波幅 (附註(a))	71.403%	93.469%	94.466%
Expected option life	預期期權年期	0.94 Year 年	1.94 Years 年	2 Years 年
Expected dividend yield (Note (b))	預期股息率 (附註(b))	Zero 零	Zero 零	Zero 零
Risk-free rate (Note (c))	無風險利率 (附註(c))	1.519%	1.711%	1.213%

30. 可換股債券／衍生金融工具 (續)

於初步確認日期，可換股債券之公允值為568,761,000港元（約人民幣503,979,000元）。於初步確認時，債務部分按公允值確認，並根據本金現值加於可換股票據之預期年期已產生之票面利息計算。於隨後期間，債務部分採用實際利率法按攤銷成本列賬。債務部分之實際年利率為14.64%。衍生部分按發行當日之公允值計量，而於隨後期間之公允值變動於損益確認。

於2017年12月31日、2016年12月31日及2016年12月8日（發行日期），衍生金融工具之公允值乃由與本集團概無關連之獨立估值師中證評估有限公司根據二項式期權定價模型（「二項式模型」）釐定。

計算衍生金融工具之公允值所使用之輸入數據如下：

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30. CONVERTIBLE BOND/DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

Notes:

- (a) The expected volatility was determined by using the historical volatility of the Company's share price over the previous one year.
- (b) The expected dividend yield was estimated with reference to the historical dividend payment record and the expected dividend payment in the next two years of the Company.
- (c) Risk-free rate is estimated based on the yield of Hong Kong Dollar Swap Curve with a similar remaining tenure.

The movements of the debt component of convertible bond and derivative financial instruments are shown as follows:

30. 可換股債券／衍生金融工具 (續)

附註：

- (a) 預期波幅乃使用本公司上一年股價之歷史波幅釐定。
- (b) 預期股息率乃經參考本公司歷史股息派付記錄及未來兩年之預期股息派付後估計。
- (c) 無風險利率乃根據擁有類似餘下年期之港元掉期曲線之收益率估計。

可換股債券債務部分及衍生金融工具之變動列示如下：

		Debt component	Derivative financial instruments	Total
		債務部分	衍生金融工具	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
At date of issuance (Restated)	於發行日期 (重列)	357,196	146,783	503,979
Credit to profit or loss	計入損益	-	(17,704)	(17,704)
Exchange difference	匯兌差額	3,589	596	4,185
Effective interest expenses (note 9)	實際利息開支 (附註9)	4,501	-	4,501
At 31 December 2016 (Restated)	於2016年12月31日 (重列)	365,286	129,675	494,961
Charge to profit or loss	扣除損益	-	329,855	329,855
Exchange difference	匯兌差額	(26,359)	(19,592)	(45,951)
Effective interest expenses (note 9)	實際利息開支 (附註9)	72,180	-	72,180
At 31 December 2017	於2017年12月31日	411,107	439,938	851,045

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綜合財務報表附註

31.SHARE CAPITAL

Ordinary shares of HK\$0.1 each

31.股本

每股面值0.1港元的普通股

	Note 附註	Number of shares 股份數目		Share capital 股本	
		2017	2016 (Restated) (重列)	2017 HK\$'000 千港元	2016 HK\$'000 千港元
Authorised At beginning and end of year	法定 於年初及年末	50,000,000,000	50,000,000,000	5,000,000	5,000,000
Issued and fully paid At beginning of year	已發行及繳足 於年初	6,064,900,186	1,557,956,011	600,926	150,231
Issue of shares under rights issue	根據供股發行股份 issue	(a) -	4,506,944,175	-	450,695
Exercise of share options	行使購股權	11,560,000	-	1,156	-
At end of year	於年末	6,076,460,186	6,064,900,186	602,082	600,926

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
RMB equivalent	人民幣等額	525,734	524,712	123,644

Note (a): The Company entered into an underwriting agreement dated 20 September 2016 (as amended and supplemented by the extension letters dated 13 October 2016 and 25 October 2016 respectively), pursuant to which the Company has conditionally agreed to allot and issue 4,506,944,175 rights shares at the subscription price of HK\$0.2 per rights share on the basis of three rights shares for every one existing ordinary share of the Company held on 6 December 2016 (the "Subscription"). The Subscription was completed on 16 December 2016 with net proceeds of approximately HK\$901,389,000 (equivalent to approximately RMB802,137,000) and resulted in the increase in share capital of HK\$450,695,000 (equivalent to approximately RMB401,068,000) and share premium of approximately HK\$450,694,000 (equivalent to approximately RMB401,069,000).

附註(a): 本公司於2016年9月20日訂立包銷協議(經日期分別為2016年10月13日及2016年10月25日之延期協議修訂及補充)。據此,本公司已有條件同意透過按於2016年12月6日每持有一股本公司現有股份獲發三股供股股份之基準,以認購價每股供股股份0.2港元配發及發行4,506,944,175股供股股份(「認購事項」)。認購事項已於2016年12月16日完成,籌集所得款項淨額約901,389,000港元(相當於約人民幣802,137,000元)及導致股本增加450,695,000港元(相當於約人民幣401,068,000元)及股份溢價約450,694,000港元(相當於約人民幣401,069,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32. SHARE OPTION SCHEMES

The Company adopted a share option scheme (the “2007 Scheme”) on 31 January 2007.

The purpose of the 2007 Scheme is to enable the Company to grant share options to selected participants as incentives or rewards for their contribution to the Company and/or its subsidiaries and/or its associated companies (as defined under the 2007 Scheme). The 2007 Scheme was adopted on 31 January 2007 and terminated on 2 June 2016.

Under the 2007 Scheme, the board of directors may, at its discretion, offer directors of the Company (including Executive and Non-executive Directors), executives, officers, employees or certain other eligible participants, share options to subscribe for shares of the Company.

The exercise price in relation to each share option was determined by the board of directors at its absolute discretion and was not less than the highest of (i) the official closing price of the shares of the Company as stated in the daily quotation sheet of the Stock Exchange on the date of offer of share options; (ii) the average of the official closing prices of the shares of the Company as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of offer of share options; and (iii) the nominal value of a share of the Company on the date of offer of share options. Each of the grantees was required to pay HK\$10 as consideration for the grant of share options in accordance with the 2007 Scheme. The offer of a grant of share options must be accepted within 60 days from the date of the offer. All share options are fully vested as at 31 December 2016.

32. 購股權計劃

本公司於2007年1月31日採納一項購股權計劃（「2007年計劃」）。

2007年計劃旨在讓本公司向選定參與者授予購股權作為彼等對本公司及／或其附屬公司及／或其聯營公司（定義見2007年計劃）所作貢獻之激勵或獎勵。2007年計劃於2007年1月31日採納及於2016年6月2日終止。

根據2007年計劃，董事會可酌情向本公司董事（包括執行董事及非執行董事）、行政人員、高級職員、僱員或若干其他合資格參與者授予購股權以認購本公司股份。

各購股權之行使價將由董事全權釐定，惟該價格不得少於以下之最高者：(i)於授出購股權日期本公司股份於聯交所每日報價表所報之官方收市價；(ii)緊接授出購股權日期前五個營業日本公司股份於聯交所每日報價表所報之平均官方收市價；及(iii)於授出購股權日期本公司股份之面值。根據2007年計劃，各承授人須支付10港元作為彼接納獲授購股權之代價。授予之購股權須於要約日期起計60日內接納。於2016年12月31日所有購股權已悉數歸屬。

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綜合財務報表附註

32. SHARE OPTION SCHEMES (Cont'd)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, were subject to approval in advance by the Independent Non-executive Directors. In addition, any share options granted to a substantial shareholder or an Independent Non-executive Director of the Company, or to any of their associates, in excess of in aggregate 0.1% of the shares of the Company in issue (based on the date of offer) and an aggregate value of HK\$5 million (based on the closing price of the Company's shares at the date of each offer), within any 12-month period, were subject to shareholders' approval in advance in a general meeting.

The 2007 Scheme was terminated on 2 June 2016 and no further options can be granted under the 2007 Scheme. However, the share options granted under the 2007 Scheme prior to its termination shall continue to be valid and exercisable in accordance with the 2007 Scheme.

As at 31 December 2017 and 2016, 95,958,336 and 114,346,079 share options are outstanding under 2007 Scheme, respectively.

11,560,000 (31 December 2016: Nil) share options have been exercised, 444,425 (31 December 2016: Nil) share options have been cancelled and 6,383,318 (31 December 2016: Nil) share options have been lapsed under the 2007 Scheme during the current year. No share option was granted in accordance with the terms of the 2007 Scheme during the current year.

The Company adopted a new share option scheme (the "2016 Scheme") on 2 June 2016.

The purpose of the 2016 Scheme is to replace the 2007 Scheme and to continue to enable the Company to grant share options to selected participants as incentives or rewards for their contribution or potential contribution to the Company and/or any of its subsidiaries and/or any entity in which any member of the Group holds any equity interest. The 2016 Scheme will remain in force for a period of 10 years commencing on 2 June 2016.

32. 購股權計劃 (續)

向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人士授出購股權，須取得獨立非執行董事之事先批准。此外，於任何十二個月期間向本公司之主要股東或獨立非執行董事或任何彼等之聯繫人士授出之購股權超過本公司已發行股份總數0.1%（以授出日期為基準）及總值5,000,000港元（以各授出日期本公司股份之收市價為基準），則須於股東大會上取得股東之事先批准。

2007年計劃已於2016年6月2日終止及根據2007年計劃概不會進一步授出購股權。然而，於2007年計劃終止之前據其授出之購股權將繼續有效並根據2007年計劃可予行使。

於2017年及2016年12月31日，根據2007年計劃分別有95,958,336份及114,346,079份購股權尚未行使。

於本年度內，根據2007年計劃11,560,000份（2016年12月31日：無）購股權已獲行使、444,425份（2016年12月31日：無）購股權已註銷及6,383,318份（2016年12月31日：無）購股權已失效。於本年度內，概無購股權根據2007年計劃之條款而授出。

本公司於2016年6月2日採納一項新購股權計劃（「2016年計劃」）。

2016年計劃旨在代替2007年計劃並繼續讓本公司向選定參與者授予購股權作為彼等對本公司及／或其任何附屬公司及／或本集團任何成員公司於其中持有股權之任何實體所作貢獻或潛在貢獻之激勵或獎勵。2016年計劃將自於2016年6月2日起計之10年期間內有效。

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綜合財務報表附註

32. SHARE OPTION SCHEMES (Cont'd)

Under the 2016 Scheme, the board of directors may, at its discretion, offer directors of the Company (including Executive and Non-executive Directors), executives, officers, employees or certain other eligible participants, share options to subscribe for shares of the Company.

The exercise price in relation to each share option will be determined by the board of directors at its absolute discretion and shall not be less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotation sheet of the Stock Exchange on the date of offer of share options; (ii) the average closing price of the shares of the Company as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of offer of share options; and (iii) the nominal value of a share of the Company on the date of offer of share options. Each of the grantees is required to pay HK\$1 as a consideration for the acceptance of the grant of share options in accordance with the 2016 Scheme. The offer of share options must be accepted within 21 days from the date of the offer.

250,500,000 share options have been granted under the 2016 Scheme since its adoption. Accordingly, as at 31 December 2017, 250,500,000 (31 December 2016: Nil) share options are outstanding under the 2016 Scheme. The maximum number of shares of the Company available for issue upon exercise of all share options which may be granted under the 2016 Scheme is 500,425,890, representing approximately 8.31% of the shares of the Company in issue at the end of the reporting period. The total number of shares of the Company issued and which may fall to be issued upon the exercise of share options to be granted under the 2016 Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding share options) to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the number of shares of the Company in issue as at the date of grant. Any further grant of share option in excess of this 1% limit shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting.

32. 購股權計劃 (續)

根據2016年計劃，董事會可酌情向本公司董事（包括執行董事及非執行董事）、行政人員、高級職員、僱員或若干其他合資格參與者授予購股權以認購本公司股份。

各購股權之行使價將由董事全權釐定，惟該價格不得少於以下之最高者：(i)於授出購股權日期本公司股份於聯交所每日報價表所報之收市價；(ii)緊接授出購股權日期前五個營業日本公司股份於聯交所每日報價表所報之平均收市價；及(iii)於授出購股權日期本公司股份之面值。根據2016年計劃，各承授人須支付1港元作為彼接納獲授購股權之代價。授予之購股權須於要約日期起計21日內接納。

自2016年購股權計劃採納以來據其已授出250,500,000份購股權。因此，於2017年12月31日，根據2016年購股權計劃250,500,000份（2016年12月31日：無）購股權尚未行使。於行使根據2016年計劃可能授出之所有購股權而可發行之最高本公司股份數目為500,425,890股，相當於報告期末本公司已發行股份之約8.31%。各承授人於授予日期前任何十二個月期間因行使根據2016年計劃及本公司任何其他購股權計劃向其授出之購股權（包括已行使、註銷及尚未行使之購股權）而已發行及可能將予發行之本公司股份總數，不得超過授出日期本公司已發行股份之1%。任何進一步授出超過此1%限額之購股權須由本公司刊發一份通函及於股東大會上取得股東批准。

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32. SHARE OPTION SCHEMES (Cont'd)

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the Independent Non-executive Directors. In addition, any share options granted to a substantial shareholder or an Independent Non-executive Director of the Company, or to any of their associates, in excess of in aggregate 0.1% of the shares of the Company in issue (based on the date of offer) and an aggregate value of HK\$5 million (based on the closing price of the Company's shares at the date of each offer), in the 12-month period up to and including the date of the offer of such grant shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting.

The following tables disclose details of the share options held by directors, employees and other eligible participants under the 2007 Scheme and 2016 Scheme and movements in such holdings during the years ended 31 December 2017 and 2016:

- (a) The terms and conditions of the grants that existed at the end of each reporting period are as follows, whereby all options are settled by physical delivery of shares:

32. 購股權計劃 (續)

向本公司董事、主要行政人員或主要股東或彼等之任何聯繫人士授出購股權，須取得獨立非執行董事之事先批准。此外，於十二個月期間直至建議授出日期（包括該日）向本公司之主要股東或獨立非執行董事或任何彼等之聯繫人士授出之任何購股權超過本公司已發行股份總數0.1%（以授出日期為基準）及總值5,000,000港元（以各授出日期本公司股份之收市價為基準），須由本公司刊發一份通函及於股東大會上取得股東批准。

下表披露截至2017年及2016年12月31日止年度根據2007年計劃及2016年計劃董事、僱員及其他合資格參與者持有之購股權以及該等持有之變動之詳情：

- (a) 於各報告期末存在之授予之條款及條件（據此所有購股權以股份實物交付方式結付）如下：

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32. SHARE OPTION SCHEMES (Cont'd)

(a) (Cont'd)

2017

Grantees	Number of share options 購股權數目					At 31.12.2017 (Note (iii)) 於2017年 12月31日 (附註(iii))	Date of grant	Vesting period	Exercisable period	Exercise price per share HK\$ 每股行使價 港元
	At 1.1.2017	Granted during 2017	Exercised during 2017	Cancelled during 2017 (Note (i)) 2017年 內已註銷 (附註(i))	Lapsed during 2017 (Note (ii)) 2017年 內已失效 (附註(ii))					
承授人	於2017年 1月1日	2017年 內授出	2017年 內已行使	2017年 內已註銷 (附註(i))	2017年 內已失效 (附註(ii))	於2017年 12月31日 (附註(iii))	授出日期	歸屬期間	可行使期間	每股行使價 港元
Directors of the Company 本公司董事										
Mr. Lo Kai Bong 盧啟邦先生	-	8,000,000	-	-	-	8,000,000	4.9.2017	N/A 不適用	4.9.2017 to 3.9.2027	0.455
	-	12,000,000	-	-	-	12,000,000	4.9.2017	4.9.2017 to 3.9.2018	4.9.2018 to 3.9.2027	0.455
	-	20,000,000	-	-	-	20,000,000	4.9.2017	4.9.2017 to 3.9.2019	4.9.2019 to 3.9.2027	0.455
Mr. Manuel Assis Da Silva	-	600,000	-	-	-	600,000	4.9.2017	N/A 不適用	4.9.2017 to 3.9.2027	0.455
Manuel Assis Da Silva 先生	-	900,000	-	-	-	900,000	4.9.2017	4.9.2017 to 3.9.2018	4.9.2018 to 3.9.2027	0.455
	-	1,500,000	-	-	-	1,500,000	4.9.2017	4.9.2017 to 3.9.2019	4.9.2019 to 3.9.2027	0.455
	-	43,000,000	-	-	-	43,000,000				
Other employees of the Group 本集團其他僱員	596,485	-	-	-	(596,485)	-	15.5.2007	15.5.2007 to 14.11.2007	15.11.2007 to 14.5.2017	4.134
	444,425	-	-	(444,425)	-	-	10.10.2007	10.10.2007 to 9.4.2008	10.4.2008 to 9.10.2017	6.728
	462,559	-	-	-	-	462,559	12.12.2013	12.12.2013 to 12.12.2013	13.12.2013 to 12.12.2023	0.344
	-	2,700,000	-	-	-	2,700,000	4.9.2017	N/A 不適用	4.9.2017 to 3.9.2027	0.455
	-	4,050,000	-	-	-	4,050,000	4.9.2017	4.9.2017 to 3.9.2018	4.9.2018 to 3.9.2027	0.455
	-	6,750,000	-	-	-	6,750,000	4.9.2017	4.9.2017 to 3.9.2019	4.9.2019 to 3.9.2027	0.455
	1,503,469	13,500,000	-	(444,425)	(596,485)	13,962,559				
Consultants of the Group 本集團顧問	5,786,833	-	-	-	(5,786,833)	-	15.5.2007	15.5.2007 to 14.11.2007	15.11.2007 to 14.5.2017	4.134
	3,558,149	-	-	-	-	3,558,149	13.2.2008	13.2.2008 to 12.8.2008	13.8.2008 to 12.2.2018	3.822
	103,497,628	-	(11,560,000)	-	-	91,937,628	12.12.2013	12.12.2013 to 12.12.2013	13.12.2013 to 12.12.2023	0.344
	-	150,000,000	-	-	-	150,000,000	11.1.2017	N/A 不適用	11.1.2017 to 10.1.2027	0.202
	-	16,500,000	-	-	-	16,500,000	19.4.2017	N/A 不適用	19.4.2017 to 18.4.2027	0.700
	-	4,100,000	-	-	-	4,100,000	19.4.2017	N/A 不適用	19.4.2017 to 18.4.2027	0.700
	-	6,150,000	-	-	-	6,150,000	19.4.2017	19.4.2017 to 18.4.2018	19.4.2018 to 18.4.2027	0.700
	-	10,250,000	-	-	-	10,250,000	19.4.2017	19.4.2017 to 18.4.2019	19.4.2019 to 18.4.2027	0.700
	-	1,400,000	-	-	-	1,400,000	4.9.2017	N/A 不適用	4.9.2017 to 3.9.2027	0.455
	-	2,100,000	-	-	-	2,100,000	4.9.2017	4.9.2017 to 3.9.2018	4.9.2018 to 3.9.2027	0.455
	-	3,500,000	-	-	-	3,500,000	4.9.2017	4.9.2017 to 3.9.2019	4.9.2019 to 3.9.2027	0.455
	112,842,610	194,000,000	(11,560,000)	-	(5,786,833)	289,495,777				
	114,346,079	250,500,000	(11,560,000)	(444,425)	(6,383,318)	346,458,336				
Exercisable 可行使	114,346,079					279,258,336				

32. 購股權計劃 (續)

(a) (續)

2017年

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綜合財務報表附註

32. SHARE OPTION SCHEMES (Cont'd)

(a) (Cont'd)

2016

	Number of share options 購股權數目						At 31.12.2016	Date of grant	Vesting period	Exercisable period	Exercise price per share HK\$ (Note (iii)) 每股 行使價 港元 (附註(iii))
	At 1.1.2016	Adjustment during 2016 (Note (iii))	Exercised during 2016	Cancelled during 2016	Lapsed during 2016						
Grantees											
承授人	於2016年 1月1日	2016年 調整 (附註(iii))	2016年 內已行使	2016年 內已註銷	2016年 內已失效	於2016年 12月31日	授出日期	歸屬期間	可行使期間		
Other employees of the Group											
本集團其他僱員	515,813	80,672	-	-	-	596,485	15.5.2007	15.5.2007 to 14.11.2007	15.11.2007 to 14.5.2017	4.134	
	384,318	60,107	-	-	-	444,425	10.10.2007	10.10.2007 to 9.4.2008	10.4.2008 to 9.10.2017	6.728	
	400,000	62,559	-	-	-	462,559	12.12.2013	12.12.2013 to 12.12.2013	13.12.2013 to 12.12.2023	0.344	
	1,300,131	203,338	-	-	-	1,503,469					
Consultants of the Group											
本集團顧問	5,004,188	782,645	-	-	-	5,786,833	15.5.2007	15.5.2007 to 14.11.2007	15.11.2007 to 14.5.2017	4.134	
	3,076,924	481,225	-	-	-	3,558,149	13.2.2008	13.2.2008 to 12.8.2008	13.8.2008 to 12.2.2018	3.822	
	89,500,000	13,997,628	-	-	-	103,497,628	12.12.2013	12.12.2013 to 12.12.2013	13.12.2013 to 12.12.2023	0.344	
	97,581,112	15,261,498	-	-	-	112,842,610					
	98,881,243	15,464,836	-	-	-	114,346,079					
Exercisable 可行使	98,881,243					114,346,079					

Notes:

- The cancellation of the share options is due to resignation of staff.
- The lapse of the share options is due to the expiry of the exercisable period.
- The number of share option and the corresponding exercise price have been adjusted due to the issue of rights share during the year 2016.

During the year ended 31 December 2017, share options were granted on 11 January 2017 ("January Batch"), 19 April 2017 ("April Batch") and 4 September 2017 ("September Batch").

The fair values of the share options granted on those dates are HK\$13,523,000, HK\$12,192,000 and HK\$14,343,000 (equivalent to approximately RMB11,697,000, RMB10,546,000 and RMB12,407,000), respectively.

32. 購股權計劃 (續)

(a) (續)

2016年

	Number of share options 購股權數目						At 31.12.2016	Date of grant	Vesting period	Exercisable period	Exercise price per share HK\$ (Note (iii)) 每股 行使價 港元 (附註(iii))
	At 1.1.2016	Adjustment during 2016 (Note (iii))	Exercised during 2016	Cancelled during 2016	Lapsed during 2016						
Grantees											
承授人	於2016年 1月1日	2016年 調整 (附註(iii))	2016年 內已行使	2016年 內已註銷	2016年 內已失效	於2016年 12月31日	授出日期	歸屬期間	可行使期間		
Other employees of the Group											
本集團其他僱員	515,813	80,672	-	-	-	596,485	15.5.2007	15.5.2007 to 14.11.2007	15.11.2007 to 14.5.2017	4.134	
	384,318	60,107	-	-	-	444,425	10.10.2007	10.10.2007 to 9.4.2008	10.4.2008 to 9.10.2017	6.728	
	400,000	62,559	-	-	-	462,559	12.12.2013	12.12.2013 to 12.12.2013	13.12.2013 to 12.12.2023	0.344	
	1,300,131	203,338	-	-	-	1,503,469					
Consultants of the Group											
本集團顧問	5,004,188	782,645	-	-	-	5,786,833	15.5.2007	15.5.2007 to 14.11.2007	15.11.2007 to 14.5.2017	4.134	
	3,076,924	481,225	-	-	-	3,558,149	13.2.2008	13.2.2008 to 12.8.2008	13.8.2008 to 12.2.2018	3.822	
	89,500,000	13,997,628	-	-	-	103,497,628	12.12.2013	12.12.2013 to 12.12.2013	13.12.2013 to 12.12.2023	0.344	
	97,581,112	15,261,498	-	-	-	112,842,610					
	98,881,243	15,464,836	-	-	-	114,346,079					
Exercisable 可行使	98,881,243					114,346,079					

附註:

- 該等購股權註銷乃因員工辭職。
- 該等購股權失效乃因可行使期間屆滿。
- 購股權數目及相應行使價已因2016年發行供股股份而進行調整。

截至2017年12月31日止年度，購股權已分別於2017年1月11日（「一月批次」）、2017年4月19日（「四月批次」）及2017年9月4日（「九月批次」）授出。

於該等日期授出之購股權之公允值分別為13,523,000港元、12,192,000港元及14,343,000港元（相當於約人民幣11,697,000元、人民幣10,546,000元及人民幣12,407,000元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32. SHARE OPTION SCHEMES (Cont'd)

The fair values were calculated using the Binomial Model. The inputs of model were as follows:

		January Batch 一月批次	April Batch 四月批次	September Batch 九月批次
Share price	股價	HK\$0.197 港元	HK\$0.700 港元	HK\$0.455 港元
Exercise price	行使價	HK\$0.202 港元	HK\$0.700 港元	HK\$0.455 港元
Expected volatility	預期波幅	47.12%	46.65%	45.43%
Expected option life	預期期權年期	10 years 年	10 years 年	10 years 年
Risk-free rate	無風險利率	1.649%	1.349%	1.382%
Expected dividend yield	預期股息收益率	0.0%	0.0%	0.0%

No share options were granted during the year ended 31 December 2016.

The volatilities adopted were based on average annualised standard deviations of the continuously compounded rates of return of the share price of the Company and comparable companies with similar business nature of the Company as of the valuation date. The fair value calculated for share options is inherently subjective due to the assumptions made and the limitations of the model utilised.

The Group recognised the share-based compensation benefits of RMB24,432,000 for the year ended 31 December 2017 (31 December 2016: Nil) in relation to share options granted by the Company.

32. 購股權計劃 (續)

公允值乃使用二項式模型計算。該模型之輸入數據如下：

於截至2016年12月31日止年度，概無授出購股權。

所採用之波幅乃基於於估值日期本公司及與本公司業務性質類似之可比較公司股價之持續複式回報率之平均年度標準偏差。由於所作假設及所用模式有所限制，故就購股權計算的公允值難免有主觀成分。

截至2017年12月31日止年度，本集團就本公司授出之購股權確認以股份為基礎補償福利人民幣24,432,000元（2016年12月31日：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

33. CONTINGENT LIABILITIES

At 31 December 2017 and 2016, the Group provided guarantees to certain banks in respect of mortgage facilities granted in connection with the mortgage loans entered into by buyers of the Group's properties as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Guarantees given to banks for mortgage facilities granted to buyers	就買方獲授按揭融資額度向銀行提供擔保	3,600	11,660

Pursuant to the terms of the guarantees contract, if there are any defaults on the mortgages, the Group is liable to the repayment of the outstanding mortgage principals together with the accrued interest and penalty payable by the defaulting buyers to banks. The Group is then entitled to take over the legal title and possession of the related properties. The guarantees shall be released upon the issue of the relevant buyer's property ownership certificate and in the custody of the banks.

The fair value of the guarantees at date of inception is not significant and is not recognised in the consolidated financial statements. The directors of the Company consider that no provision should be recognised at the end of each reporting period as the potential cash outflow related to the guarantee is not probable.

Bank balances of approximately RMB297,000 (31 December 2016: RMB296,000 and 1 January 2016: RMB295,000) have been pledged with the banks as guarantee deposits for the mortgage loan facilities granted by the banks to buyers of the Group's properties (note 23).

33. 或然負債

於2017年及2016年12月31日，本集團就有關本集團物業買方訂立的按揭貸款而授出的按揭融資額度，向若干銀行提供擔保如下：

根據擔保合約之條款，倘按揭出現違約情況，本集團須負責償還違約買方結欠銀行之未償還按揭本金連同應計利息及罰款。本集團之後有權接管相關物業的法定業權及所有權。相關買方的房屋所有權證獲頒發及由銀行保管時該等擔保應予解除。

有關擔保於提供日期之公允值並不重大，因此並無於綜合財務報表確認。本公司董事認為，由於擔保不可能產生潛在現金流出，故毋須於各報告期末確認撥備。

銀行結餘約人民幣297,000元（2016年12月31日：人民幣296,000元及2016年1月1日：人民幣295,000元）已抵押予銀行，作為銀行向本集團物業買方授出之按揭貸款融資之保證金（附註23）。

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綜合財務報表附註

34. OPERATING LEASE COMMITMENTS

The Group as lessee

At 31 December 2017, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Within one year	1年內	3,740	2,079
In the second to fifth year inclusive	第2年至第5年(含第5年)	1,400	584
		5,140	2,663

Operating lease payments represent rentals payable by the Group for its offices and staff quarters. Leases are typically negotiated for three years and do not include contingent rentals.

The Group as lessor

At the end of each reporting period, the Group had contracted with lessees for the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Within one year	1年內	39,817	43,983
In the second to fifth year inclusive	第2年至第5年(含第5年)	110,408	136,116
Over five years	5年以上	55,503	69,612
		205,728	249,711

The investment properties rented during the year have committed tenants for terms ranging from 1 to 20 years (31 December 2016: 1 to 20 years).

34. 經營租賃承擔

本集團作為承租人

於2017年12月31日，不可撤銷經營租賃下未來應付之最低租賃款項總額如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Within one year	1年內	3,740	2,079
In the second to fifth year inclusive	第2年至第5年(含第5年)	1,400	584
		5,140	2,663

經營租賃款項指本集團就其寫字樓及員工宿舍的租金。租賃通常協定三年期，且不包括或然租金。

本集團作為出租人

於各報告期末，本集團與承租人訂約根據不可撤銷經營租賃在未來可收取之最低租賃付款分析如下：

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Within one year	1年內	39,817	43,983
In the second to fifth year inclusive	第2年至第5年(含第5年)	110,408	136,116
Over five years	5年以上	55,503	69,612
		205,728	249,711

本年度內出租之投資物業與租戶之租約承諾期由1至20年不等(2016年12月31日：1至20年)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35. CAPITAL COMMITMENTS

The Group has following material commitments in respect of the properties under development which are not provided for in the consolidated financial statements as follows:

		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
Contracted but not provided for	已訂約但未撥備	113,109	117,877

36. RELATED PARTY DISCLOSURES

As stated in note 22, during the current year, the Group commenced its operation in the travel related businesses by providing hotel accommodation, transportation and entertainment to external individual customers ("Ultimate Customers"). Substantially all of this business is deriving from Ultimate Customers referred to the Group by its controlling shareholder and/or its controlled entities, and these Ultimate Customers were also customers of the controlling shareholder and/or its controlled entities in their other businesses. Also, the controlled entities are the major supplier of the underlying services (such as provision of hotel rooms, cars and similar products), as well as the settlement agent for certain Ultimate Customers. Therefore, the Group's trade receivables and trade payables were net settled with the controlling shareholder and/or its controlled entities on a regular basis.

35. 資本承擔

本集團就發展中物業擁有之未於綜合財務報表內撥備之重大承擔如下：

36. 關連人士披露

誠如附註22所述，於本年度內，本集團通過向外部個別客戶（「最終客戶」）提供酒店住宿、交通及娛樂開始其旅遊相關業務營運。此業務絕大部分源於本集團控股股東及／或其控制實體向本集團推介之最終客戶，而該等最終客戶亦為本集團控股股東及／或其控制實體之其他業務之客戶。此外，該等受控制實體亦為相關服務（主提供酒店房間、汽車及類似採購）之主要供應商以及若干最終客戶之結算代理。因此，本集團之應收賬款及應付賬款定期與控股股東及／或其控制實體以淨額結清。

Notes to the Consolidated Financial Statements

綜合財務報表附註

36. RELATED PARTY DISCLOSURES (Cont'd)

Apart from details of the balances with related parties disclosed in the consolidated statement of financial position and other details disclosed elsewhere in the consolidated financial statements, the Group also entered into the following significant transactions with related parties during both years:

36. 關連人士披露 (續)

除於綜合財務狀況表內披露之與關連人士之結餘詳情以及於綜合財務報表其他地方披露的其他詳情外，於兩個年度內本集團亦與關連人士進行下列重大交易：

Name of related parties 關連人士名稱	Notes 附註	Nature of transactions 交易性質	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元
Fame Select Limited 名萃有限公司	(i)	Interest expense on convertible bond 可換股債券之利息開支	72,180	4,501
		Interest expense on loan from immediate holding company 來自直接控股公司貸款之利息開支	-	9,054
		Gain from exchange of loan with convertible bond 與可換股債券交換貸款之收益	-	1,098
Sun City Gaming Promotion 太陽城博彩中介	(ii)	Travel agency services income 旅遊代理服務收入	5,958	-
		Purchase of travel related products and services 採購旅遊相關產品及服務	327,024	-
		Management service expenses 管理服務開支	2,531	-
Billion Grant Success Investment Limited	(iii)	Purchase of motor vehicle 採購汽車	433	-
Mr. Chau and Ms. Chan Wai Leng 周先生及陳慧玲女士	(iv)	Sales of travel related products and services 銷售旅遊相關產品及服務	2,308	200
Mr. Lo Kai Bong 盧啟邦先生		Sales of travel related products and services 銷售旅遊相關產品及服務	170	-

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綜合財務報表附註

36. RELATED PARTY DISCLOSURES (Cont'd)

Notes:

- (i) Fame Select Limited is the immediate holding company of the Company.
- (ii) Sun City Gaming Promotion is wholly owned by Mr. Chau, the major shareholder and Executive Director and chairman of the Company.
- (iii) Mr. Lo Kai Bong, an Executive Director of the Company, is the ultimate beneficial owner of Billion Grant Success Investment Limited.
- (iv) Ms. Chan Wai Leng is the spouse of Mr. Chau.

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of debt, which includes amount due to a director, bank and other borrowings, loan from immediate holding company and convertible bond as disclosed in notes 22, 29 and 30, respectively, net of pledged bank deposits, restricted bank deposits, bank balances and cash, and deficit attributable to owners of the Company, comprising share capital, share premium and other reserves.

The management of the Group reviews the capital structure from time to time. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, the issue of new shares, new debts or the redemption of existing debts.

36. 關連人士披露 (續)

附註:

- (i) 名萃有限公司為本公司之直接控股公司。
- (ii) 太陽城博彩中介由本公司主要股東及執行董事兼主席周先生全資擁有。
- (iii) 本公司執行董事盧啟邦先生為Billion Grant Success Investment Limited之最終實益擁有人。
- (iv) 陳慧玲女士為周先生之配偶。

37. 資本風險管理

本集團的資本管理目標為確保本集團實體能持續經營，同時透過優化債務與股本結餘，為股東爭取最大回報。本集團於年內的整體策略保持不變。

本集團之資本架構包括債務，當中包括分別於附註22、29及30內披露之應付董事款項、銀行及其他借貸、來自直接控股公司貸款及可換股債券，扣除已抵押銀行存款、受限制銀行存款、銀行結餘及現金以及本公司擁有人應佔虧絀，當中包括股本、股份溢價及其他儲備。

本集團管理層不時審閱資本架構。作為審閱之一部分，管理層考慮資本成本及各類別資本涉及之風險。根據管理層的推薦建議，本集團將透過支付股息、發行新股、舉借新債或贖回現有負債來平衡其整體資本架構。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

38. 金融工具

(a) 金融工具的分類

		As at 31 December	As at 1 January	
		於12月31日	於1月1日	
		2017	2016	2016
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
			(Restated)	(Restated)
			(重列)	(重列)
Financial assets	金融資產			
Loans and receivable (including bank balances and cash)	貸款及應收款項 (包括銀行結餘及現金)	430,822	412,835	515,023
Financial liabilities	金融負債			
At amortised cost	按攤銷成本計量	1,865,258	1,840,902	3,108,028
Derivative financial instruments	衍生金融工具	439,938	129,675	-
		2,305,196	1,970,577	3,108,028

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies

The Group's major financial instruments include deposits for non-current assets, trade and other receivables, amounts due from a related company and directors, bank balances and cash, pledged bank deposits, restricted bank deposits, trade and other payables, amounts due to a related company and a director, receipt in advance, rent and other deposits, provisions for litigations, derivative financial instruments, convertible bond, bank and other borrowings, and loan from immediate holding company. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (represented by currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risks

(i) Currency risk

All the Group's entities do not have any foreign currency sales and purchases for both years. The Group's exposure to currency risk is mainly attributable to bank balances and cash, pledged bank deposits, amount due to a director, other borrowings and convertible bond that are denominated in currencies other than the functional currency of the entity to which they related. The management manages and monitors this exposure to ensure approximate measures are implemented on a timely and effective manner.

38. 金融工具 (續)

(b) 金融風險管理目標及政策

本集團之主要金融工具包括非流動資產之按金、應收賬款及其他應收款、應收關連公司及董事款項、銀行結餘及現金、已抵押銀行存款、受限制銀行存款、應付賬款及其他應付款、應付關連公司及董事款項、預收賬款、租金及其他存款、訴訟撥備、衍生金融工具、可換股債券、銀行及其他借貸以及來自直接控股公司貸款。該等金融工具之詳情已於相關附註披露。該等金融工具涉及之風險包括市場風險(即貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。如何減低該等風險的政策載於下文。管理層會管理及監察該等風險，以確保及時與有效地採取適當措施。

市場風險

(i) 貨幣風險

於兩個年度內，本集團所有實體並無進行任何外幣買賣。本集團面臨之貨幣風險主要為以相關實體功能貨幣以外之貨幣計值之銀行結餘及現金、已抵押銀行存款、應付董事款項、其他借貸及可換股債券。管理層會管理及監察該等風險，以確保及時與有效地採取適當措施。

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綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and polices (Cont'd)

Market risks (Cont'd)

(i) Currency risk (Cont'd)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities other than the functional currency of the entity to which they related at the end of each reporting period are as follows:

		Liabilities 負債		Assets 資產	
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)
HK\$	港元	855,713	499,956	45,625	87,867

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Sensitivity analysis

The sensitivity analysis below has been determined based on a 10% increase/decrease in functional currency of respective entities against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 10% change in foreign currency rates.

38. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

本集團於各報告期末以相關實體功能貨幣以外貨幣計值之貨幣資產及貨幣負債賬面值如下：

本集團現時並無外幣對沖政策。然而，管理層會監控外匯風險，並於需要時考慮對沖重大外幣風險。

敏感度分析

以下敏感度分析乃基於各實體功能貨幣兌相關外幣上升／下跌10%而釐定。10%乃向主要管理人員呈報外幣風險時採用的敏感度比率，並代表管理層對外幣匯率可能合理變動的評估。敏感度分析僅包括以外幣計值的尚未支付貨幣項目，並於報告期末以外幣匯率變動10%作匯兌調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risks (Cont'd)

(i) Currency risk (Cont'd)

Sensitivity analysis (Cont'd)

If RMB had been 10% strengthened/weakened to HK\$ for respective HK\$ denominated monetary assets and liabilities, the Group's post-tax profit for the year ended 31 December 2017 would have increased/decreased by approximately RMB60,757,000 (31 December 2016: post-tax loss would have decreased/increased by approximately RMB30,907,000 (restated)).

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate other borrowings (note 29) and debt component of convertible bond (note 30).

The Group is also exposed to cash flow interest rate risk in relation to the restricted bank deposits (note 23), pledged bank deposits (note 23), bank balances (note 24), bank borrowings (note 29) due to the fluctuation of the prevailing market interest rates for both years.

The Group currently does not have any interest rate hedging policy in relation to fair value and cash flow interest rate risks. The directors monitor the Group's exposure on ongoing basis and will consider hedging interest rate risk should the need arise. The Group's cash flow interest rate risk is mainly sensitive to the fluctuation of interest rate arising from the Group's restricted bank deposits, pledged bank deposits, bank balances and bank borrowings.

38. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(i) 貨幣風險 (續)

敏感度分析 (續)

倘就各以港元計值的貨幣資產及負債人民幣兌港元上升/下跌10%，則本集團於截至2017年12月31日止年度的除稅後溢利將增加/減少約人民幣60,757,000元(2016年12月31日：除稅後虧損將減少/增加約人民幣30,907,000元(重列))。

(ii) 利率風險

本集團面臨與固定利率其他借貸(附註29)及可換股債券之債務部分(附註30)有關的公允值利率風險。

於兩個年度內因現行市場利率之波動，本集團亦就受限制銀行存款(附註23)、已抵押銀行存款(附註23)、銀行結餘(附註24)、銀行借貸(附註29)面臨現金流量利率風險。

本集團現時並無有關公允值及現金流量利率風險之任何利率對沖政策。董事持續監控本集團面臨的風險並於需要時考慮對沖利率風險。本集團之現金流量利率風險主要對產生自本集團之受限制銀行存款、已抵押銀行存款、銀行結餘及銀行借貸之利率波動敏感。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and polices (Cont'd)

Market risks (Cont'd)

(ii) Interest rate risk (Cont'd)

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for restricted bank deposits, pledged bank deposits, bank balances and variable-rate bank borrowings at the end of the reporting period. The analysis is prepared assuming the amounts outstanding at the end of the reporting period were outstanding for the whole year. A 10 basis points for restricted bank deposits, pledged bank deposits and bank balances and 50 basis points for variable-rate bank borrowings increase or decrease are used during the year for the Group when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 10 basis points lower/higher and all other variables were held constant, the post-tax profit for the year ended 31 December 2017 would have decreased/increased by RMB232,000 (31 December 2016: post-tax loss would have increased/decreased by RMB109,000).

If interest rates had been 50 basis points higher/lower, with all other variable held constant, the Group's post-tax profit for the year ended 31 December 2017 would have decreased/increased by approximately RMB1,669,000 (31 December 2016: post-tax loss would have increased/decreased by RMB1,800,000).

(iii) Other price risk

The Group is required to estimate the fair value of the derivative financial instruments at the end of each reporting period with changes in fair value to be recognised in the consolidated statement of profit or loss and other comprehensive income as long as the convertible bond is outstanding. The fair value adjustment will be affected either positively or negatively, amongst others, by the changes in market interest rate, the Company's share market price and share price volatility.

38. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險 (續)

敏感度分析

以下敏感度分析乃基於受限制銀行存款、已抵押銀行存款、銀行結餘及浮息銀行借貸於報告期末的利率風險而釐定。該分析乃假設於報告期末的未償還金額於整個年度內仍未償還而編製。本集團於向主要管理人員以內部形式報告利率風險及管理層評估利率的可能合理變動時，年內受限制銀行存款、已抵押銀行存款及銀行結餘使用10個基點上升或下跌及浮息銀行借貸使用50個基點上升或下跌。

倘利率下跌/上升10個基點，所有其他可變因素維持不變，則截至2017年12月31日止年度的除稅後溢利將減少/增加約人民幣232,000元（2016年12月31日：除稅後虧損將增加/減少人民幣109,000元）。

倘利率上升/下跌50個基點，所有其他可變因素維持不變，則本集團截至2017年12月31日止年度的除稅後溢利將減少/增加約人民幣1,669,000元（2016年12月31日：除稅後虧損將增加/減少人民幣1,800,000元）。

(iii) 其他價格風險

只要可換股債券尚未行使，則本集團須於各報告期末估計衍生金融工具之公允值，而公允值之變動將於綜合損益及其他全面收益表內確認。公允值調整將因（其中包括）市場利率、本公司股份市價變動及股價波動而受到正面或負面影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Market risks (Cont'd)

(iii) Other price risk (Cont'd)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk and volatility risk arising from derivative financial instruments at the end of the reporting period only as the directors of the Company consider that the change in market interest rate may not have significant financial impact on the fair value of derivative financial instruments.

Changes in share price

If the Company's share price had been 5% lower/higher and all other variables were held constant, the Group's post-tax profit for the year (as a result of changes in fair value of derivative financial instruments) would have increased/decreased by RMB42,607,000 (31 December 2016: post-tax loss for the year would have decreased/increased by RMB10,288,000 (restated)).

Credit risk

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at the end of each reporting period in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position. The Group's credit risk is primarily attributable to its trade and other receivables, amounts due from a related company and directors, pledged bank deposits, restricted bank deposits and bank balances.

In order to reduce credit risk, the Group has procedures in place to monitor the credit standing of this counterparty and to ensure that follow-up action is taken to recover these debts. The Group also reviews the recoverable amounts of the relevant debts and the probability of default by the counterparty at the end of each reporting period. The directors of the Company considered that no provision for impairment loss is necessary at the end of the reporting period. Except for the above, the Group has no other significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

38. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

(iii) 其他價格風險 (續)

敏感度分析

以下敏感度分析乃僅基於報告期末面臨之股價風險以及衍生金融工具之波動風險而釐定，因為本公司董事認為，市場利率變動可能不會對衍生金融工具之公允值產生重大財務影響。

股價變動

倘本公司股價下跌/上升50%，所有其他可變因素維持不變，則本集團本年度的除稅後溢利（因衍生金融工具公允值變動）將增加/減少人民幣42,607,000元（2016年12月31日：年內除稅後虧損將減少/增加人民幣10,288,000元（重列））。

信貸風險

於各報告期末，就交易對手未能履行其責任而導致本集團各類已確認金融資產須面對的最大信貸風險為於綜合財務狀況表所列該等資產之賬面值。本集團的信貸風險主要為其應收賬款及其他應收款、應收關連公司及董事款項、已抵押銀行存款、受限制銀行存款以及銀行結餘。

為減低信貸風險，本集團已制定程序監控交易對手之信用狀況及確保採取跟進措施收回該等債務。於各報告期末，本集團亦檢討相關債務之可收回金額以及交易對手拖欠之可能性。本公司董事認為於報告期末無需計提減值虧損撥備。除上文所述者外，本集團並無其他重大信貸集中風險，風險敞口分散於多個交易對手及客戶。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Credit risk (Cont'd)

The Group has concentration of credit risk as 7% (31 December 2016: 68%) of the total trade receivables was due from top five customers as at 31 December 2017. The Group's remaining customers individually contribute to less than 10% of the total trade receivables of the Group.

The credit risk on pledged bank deposits, restricted bank deposits and bank balances are limited because the counterparties are reputable banks or a financial institution with high credit ratings assigned by international credit-rating agencies.

As stated in notes 22 and 36, controlling shareholders and/or its controlled entities act as collecting agent for the Group, therefore the Group has concentration of credit risk under such arrangement.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. A monthly report on forecasted inflow and outflow of cash is compiled for the review by the directors of the Company. The management monitors the utilisation of bank and other borrowings.

The Group relies on bank and other borrowings and convertible bond as significant sources of liquidity. The Group's and the Company's current liabilities exceeded its current assets by RMB1,319,514,000 and RMB1,709,973,000 as at 31 December 2017, respectively. Furthermore, the Group's and the Company's total liabilities exceeded its total assets by RMB247,815,000 and RMB820,341,000 as at 31 December 2017, respectively. Taking into account the financial resources of the Group, including the financial support from its controlling shareholder, the directors of the Company are of the opinion that the Group has sufficient working capital to meet in full its financial obligations as they fall due for at least the next twelve months from the end of the reporting period.

38. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

信貸風險 (續)

因於2017年12月31日，應收賬款總額之7%（2016年12月31日：68%）為應收五大客戶款項，故本集團存在信貸風險集中情況。本集團餘下客戶個別為本集團之應收賬款總額帶來少於10%貢獻。

由於交易對手方為國際信貸評級機構賦予高信貸評級之著名銀行或財務機構，故已抵押銀行存款、受限制銀行存款及銀行結餘的信貸風險有限。

如附註22及36所述，控股股東及／或其受控制實體擔任本集團之收款代理，因此，本集團根據該安排存在信貸風險集中情況。

流動性風險

於管理流動性風險時，本集團監控並維持管理層認為足以應付本集團的運營及減低現金流量波動帶來的影響的現金及現金等價物。本公司編製預測現金流入及流出的每月報告以供本公司董事審閱。管理層監控銀行及其他借貸的動用情況。

本集團依賴銀行及其他借貸以及可換股債券作為流動資金之重大來源。於2017年12月31日，本集團及本公司之流動負債超出其流動資產分別為人民幣1,319,514,000元及人民幣1,709,973,000元。此外，於2017年12月31日，本集團及本公司之負債總額超過其資產總值分別為人民幣247,815,000元及人民幣820,341,000元。經計及本集團之財務資源（包括其控股股東之財務支持），本公司董事認為，本集團擁有充足營運資金足以應付於報告期末起至少未來十二個月之財務承擔。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Liquidity risk (Cont'd)

The following tables detail the Group's remaining contractual maturities for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of each reporting period.

38. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動性風險 (續)

下述列表詳列本集團非衍生金融負債的剩餘合約到期期限。該等列表基於金融負債的未折現現金流量及基於本集團可被要求付款的最早日期編製。列表包括利息及本金的現金流量。若利息流為浮動利率，則未折現金額乃自各報告期末的利率得出。

		Weighted average effective interest rate 加權平均 實際利率 %	Within 1 year or repayable on demand 1年內或按 要求償還 RMB'000 人民幣千元	More than 1 year but less than 2 years 1年以上但 少於2年 RMB'000 人民幣千元	More than 2 years but less than 5 years 2年以上但 少於5年 RMB'000 人民幣千元	More than 5 years 5年以上 RMB'000 人民幣千元	Total undiscounted cash flows 未折現現金 流量總額 RMB'000 人民幣千元	Carrying amount 賬面值 RMB'000 人民幣千元
As at 31 December 2017	於2017年12月31日							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	應付賬款及其他應付款	-	198,860	-	-	-	198,860	198,860
Amount due to a related company	應付關連公司款項	-	50,193	-	-	-	50,193	50,193
Amount due to a director	應付董事款項	-	4,668	-	-	-	4,668	4,668
Provisions for litigations	訴訟撥備	-	235,000	-	-	-	235,000	235,000
Receipt in advance	預收賬款	-	339,441	-	-	-	339,441	339,441
Convertible bond	可換股債券	14.64%	471,293	-	-	-	471,293	411,107
Rent and other deposits	租金及其他按金	-	8,442	-	-	-	8,442	8,442
Bank borrowings	銀行借貸	5.64%	42,254	44,635	175,176	373,458	635,523	445,000
Other borrowings	其他借貸	12.00%	189,802	-	-	-	189,802	172,547
Total	總計		1,539,953	44,635	175,176	373,458	2,133,222	1,865,258

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

Liquidity risk (Cont'd)

	Weighted average effective interest rate	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash flows	Carrying amount
	加權平均實際利率	1年內或按 要求償還	1年以上但 少於2年	2年以上但 少於5年	5年以上	未折現現金 流量總額	賬面值
	%	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

38. 金融工具 (續)

(b) 金融風險管理目標及政策 (續)

流動性風險 (續)

As at 31 December 2016 (Restated) 於2016年12月31日 (重列)

Non-derivative financial liabilities 非衍生金融負債

Trade and other payables	應付賬款及其他應付款	-	288,997	-	-	288,997	288,997
Amount due to a related company	應付關連公司款項	-	2,421	-	-	2,421	2,421
Amount due to a director	應付董事款項	-	-	4,995	-	4,995	4,995
Receipt in advance	預收賬款	-	454,965	-	-	454,965	454,965
Convertible bond	可換股債券	14.64%	-	480,071	-	480,071	365,286
Rent and other deposits	租金及其他按金	-	9,238	-	-	9,238	9,238
Bank borrowings	銀行借貸	5.64%	36,972	44,635	162,724	463,976	480,000
Other borrowings	其他借貸	15.00%	248,333	-	-	248,333	235,000
Total	總計		1,040,926	529,701	162,724	463,976	2,197,327
						2,197,327	1,840,902

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of each reporting period.

若浮動利率變動與各報告期末所釐定之估計利率有差異，則以上非衍生金融負債之浮息工具之金額將會隨之改變。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value measurement of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

(i) *Fair value of the financial liabilities that are measured at fair value on a recurring basis*

Some of the financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial liabilities are determined (in particular, the valuation technique(s) and inputs used) as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities at measurement date;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

38. 金融工具 (續)

(c) 金融工具之公允值計量

本附註提供資料說明本集團為各項金融資產及金融負債釐定公允值之方法。

(i) *按經常性基準以公允值計量之金融資產及金融負債之公允值*

部分金融負債按於各報告期末以公允值計量。下表所載資料說明如何釐定該等金融負債的公允值 (尤其是所用估值方法及輸入數據), 以及按照公允值計量的輸入數據的可觀察程度進行分類之公允值層級 (第1至3級)。

第1級公允值計量指以在活躍市場就相同資產或負債取得之報價 (未經調整) 所進行之計量。

第2級公允值計量指以第1級報價以外之資產或負債之可觀察輸入數據, 無論是直接 (即價格) 或間接 (即按價格推算) 所進行之計量。

第3級公允值計量指透過運用並非基於可觀察市場數據之資產或負債輸入數據 (不可觀察輸入數據) 之估值技術所進行之計量。

Notes to the Consolidated Financial Statements 綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value measurement of financial instruments (Cont'd)

- (i) Fair value of the financial liabilities that are measured at fair value on a recurring basis (Cont'd)

Financial liabilities 金融負債	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
<p>Derivative financial instruments classified as FVTPL 分類為按公允值計入損益之衍生金融工具</p>	<p>Binomial Model – in this approach, certain parameters (note 30) determined by management are input into the Binomial Model to derive the valuation of the derivative financial instruments. 二項式模型－於此方法中，管理層釐定的若干參數（附註30）輸入二項式模型以得出衍生金融工具之估值。</p> <p>Certain parameters include:</p> <ul style="list-style-type: none"> – Share price – Conversion price – Risk-free rate – Expected option life – Expected dividend yield – Expected volatility <p>若干參數包括：</p> <ul style="list-style-type: none"> – 股價 – 轉換價 – 無風險利率 – 預期期權年期 – 預期股息收益率 – 預期波幅 	<p>Estimation of share price volatility, determined by reference to the average historical volatility of comparable companies 估計股價波幅，參考可比較公司之平均歷史波幅釐定</p>
<p>Sensitivity analysis If the volatility of the Company's share price had been 5% higher/lower while all other variables were held constant, there will be no impact on the Group's post-tax profits for the year ended 31 December 2017 (31 December 2016: post-tax loss for the year would have increased/decreased by RMB2,207,000) (as a result of changes in fair value of derivative financial instruments).</p>	<p>敏感度分析 倘本公司股價波幅上升／下跌5%，所有其他可變因素維持不變，對本集團截至2017年12月31日止年度的除稅後溢利並無影響（2016年12月31日：年內除稅後虧損將增加／減少人民幣2,207,000元）（因衍生金融工具之公允值變動）。</p>	

38. 金融工具（續）

(c) 金融工具之公允值計量（續）

- (i) 按經常性基準以公允值計量之金融負債之公允值（續）

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value measurement of financial instruments (Cont'd)

- (i) Fair value of the financial liabilities that are measured at fair value on a recurring basis (Cont'd)

		Level 1 第1級 RMB'000 人民幣千元	Level 2 第2級 RMB'000 人民幣千元	Level 3 第3級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Fair value hierarchy as at 31 December 2017	於2017年12月31日之 公允值層級				
Financial liabilities	金融負債				
Derivative financial instruments	衍生金融工具	-	-	439,938	439,938
Fair value hierarchy as at 31 December 2016 (Restated)	於2016年12月31日之公允 值層級(重列)				
Financial liabilities	金融負債				
Derivative financial instruments	衍生金融工具	-	-	129,675	129,675

- (ii) Reconciliation of Level 3 fair value measurements of financial liabilities

- (i) 按經常性基準以公允值計量之金融負債之公允值(續)

- (ii) 金融負債第3級公允值計量之對賬

		Derivative financial instruments 衍生金融工具 RMB'000 人民幣千元
Date of issuance (Restated)	發行日期(重列)	146,783
Total gains in profit or loss	損益內之收益總額	(17,704)
Exchange difference	匯兌差額	596
At 31 December 2016 and 1 January 2017 (Restated)	於2016年12月31日及2017年1月1日 (重列)	129,675
Total losses in profit or loss	損益內之虧損總額	329,855
Exchange difference	匯兌差額	(19,592)
At 31 December 2017	於2017年12月31日	439,938

Total gains/losses in profit or loss are included in "change in fair value of derivative financial instruments" in the consolidated statement of profit or loss and other comprehensive income.

損益內之收益/虧損總額計入綜合損益及其他全面收益表內之「衍生金融工具公允值變動」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. FINANCIAL INSTRUMENTS (Cont'd)

(c) Fair value measurement of financial instruments (Cont'd)

(iii) Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The directors of the Company consider that the carrying amounts of financial assets and other financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

There is no transfer among Level 1, Level 2 and Level 3 during both years.

38. 金融工具 (續)

(c) 金融工具之公允值計量 (續)

(iii) 並非按經常性基準 (惟須作出公允值披露) 以公允值計量之金融資產及金融負債之公允值

本公司董事認為於綜合財務報表按攤銷成本列賬之金融資產及其他金融負債之賬面值與其公允值相若。

於兩個年度內，第1級、第2級與第3級之間並無轉移

39. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

39. 融資活動產生之負債之對賬

下表詳列本集團融資活動之負債變動，包括現金及非現金變動。融資活動產生之負債乃指其現金流量及未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量之負債。

		Provisions for litigations	Bank and other borrowings	Convertible bond	Total
		訴訟撥備	銀行及 其他借貸	可換股債券	總計
		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
		(note 28)	(note 29)	(note 30)	
		(附註28)	(附註29)	(附註30)	
At 1 January 2017 (Restated)	於2017年1月1日 (重列)	653,843	715,000	494,961	1,863,804
Financing cash flows	融資現金流量	(45,000)	(143,319)	-	(188,319)
Reversal of provisions for litigations	訴訟撥備撥回	(289,240)	-	-	(289,240)
Settlement through a deposit paid	透過已付按金和解	(84,603)	-	-	(84,603)
Change in fair value of derivative financial instruments	衍生金融工具公允值變動	-	-	329,855	329,855
Exchange gain	匯兌收益	-	-	(45,951)	(45,951)
Interest expenses recognised	已確認利息開支	-	45,866	72,180	118,046
At 31 December 2017	於2017年12月31日	235,000	617,547	851,045	1,703,592

Notes to the Consolidated Financial Statements

綜合財務報表附註

40. ACQUISITION OF A SUBSIDIARY

On 31 August 2016, the Group acquired the entire equity interest in Sun Travel (formerly named as Suncity Group Tourism Limited), a subsidiary engaged in tourism business at a consideration of MOP1,500,000 (equivalent to approximately RMB1,256,000) (the "Acquisition") from Mr. Chau, the major shareholder and Executive Director, in order to expand its business segment. The consideration has been settled by way of issuing a promissory note with zero interest and repayable within two years from the date of issue. All conditions of the Acquisition were fulfilled and the completion of Acquisition took place on 1 September 2016. The carrying value of the assets acquired and liabilities recognised of Sun Travel at acquisition date approximated to its fair value and as follows:

40. 收購一間附屬公司

為擴展業務分部，於2016年8月31日，本集團以代價澳門幣1,500,000元（相當於人民幣1,256,000元）自主要股東及執行董事周先生收購太陽旅遊（前稱太陽城集團旅遊有限公司）的全部股權（「收購事項」），該附屬公司從事旅遊業務。該代價已透過發行日期起計兩年內償還之不計息承兌票據方式支付。收購事項之所有條件已達成及收購事項已於2016年9月1日完成。於收購日期太陽旅遊之已收購資產及已確認負債之賬面值與其公允值相若，如下所示：

		2016 RMB'000 人民幣千元
Plant and equipment	廠房及設備	912
Trade and other receivables	應收賬款及其他應收款	1,559
Pledged deposit	抵押存款	418
Bank balances and cash	銀行結餘及現金	2,394
Trade and other payables	應付賬款及其他應付款	(4,646)
Amount due to immediate holding company	應付直接控股公司款項	(3,420)
Net liabilities assumed	所承擔負債淨額	(2,783)
Goodwill (Note)	商譽(附註)	4,039
		1,256
Satisfied by:	以下列方式支付：	
Promissory note issued	已發行承兌票據	1,256
Net cash inflow from acquisition of a subsidiary	收購一間附屬公司之淨現金流入	2,394

Notes to the Consolidated Financial Statements

綜合財務報表附註

40. ACQUISITION OF A SUBSIDIARY (Cont'd)

Included in the loss for the year ended 31 December 2016 is RMB67,000 attributable to the additional business incurred by Sun Travel. Revenue for the year ended 31 December 2016 includes RMB1,243,000 generated from Sun Travel.

Had the acquisition been completed on 1 January 2016, total group revenue for the year ended 31 December 2016 would have been RMB1,109,825,000, and loss for the year ended 31 December 2016 would have been RMB716,058,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2016, nor is it intended to be a projection of future results.

In determining the 'pro-forma' revenue and loss of the Group had Sun Travel been acquired at the beginning of the year 2016, the directors of the Company have determined borrowing costs based on the funding levels, credit ratings and debt/equity position of the Group after the business combination.

Note: At date of Acquisition, goodwill of approximately RMB4,039,000 has been allocated to an individual cash generating unit, comprising one subsidiary, namely Sun Travel. As Sun Travel was at net liabilities position and in the preliminary establishment stage as at 31 December 2016, the directors of the Company consider that the recoverable amount of such cash generating unit is less than the aggregate carrying amount of Sun Travel, and therefore the entire goodwill has been impaired during the year ended 31 December 2016.

40. 收購一間附屬公司(續)

於截至2016年12月31日止年度虧損包括太陽旅遊因其他業務應佔的虧損約人民幣67,000元。截至2016年12月31日止年度的收入包括太陽旅遊產生之人民幣1,243,000元。

倘收購已於2016年1月1日完成，截至2016年12月31日止年度之集團收益總額將為人民幣1,109,825,000元及截至2016年12月31日止年度之虧損應為人民幣716,058,000元。備考資料僅供說明用途，未必反映假設收購已於2016年1月1日完成本集團將實際達成的收入或經營業績，亦無意作為未來業績之預測。

釐定假設已於2016年度年初收購太陽旅遊時本集團之「備考」收入及虧損時，本公司董事乃根據本集團於業務合併後之融資水平、信貸評級及債務／股權水平釐定借貸成本。

附註： 於收購事項日期，商譽約人民幣4,039,000元已分配至個別現金產生單位，包括一間附屬公司（即太陽旅遊）。由於太陽旅遊於2016年12月31日處於淨負債狀況及初步成立階段，本公司董事認為該等現金產生單位之可收回金額低於太陽旅遊之總賬面值，因此於截至2016年12月31日止年度全部商譽已減值。

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綜合財務報表附註

41. DISPOSAL OF SUBSIDIARIES

During the year ended 31 December 2016, the Group disposed its entire interest in Vanilla Rose Investments Limited to a third party at consideration of HK\$100 (equivalent to approximately RMB80). Net liabilities of the subsidiaries being disposed of at the date of disposal were as follows:

41. 出售附屬公司

於截至2016年12月31日止年度，本集團以代價100港元（相當於約人民幣80元）向一名第三方出售於Vanilla Rose Investment Limited之全部權益。出售附屬公司於出售日期的負債淨值如下：

		2016 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	2
Other receivables	其他應收款	295
Other payables	其他應付款	(6,050)
Bank overdrafts	銀行透支	(1)
Non-controlling interests	非控股權益	4,609
Net liabilities discharged	已清償負債淨值	(1,145)
Total consideration	總代價	-
Gain on disposal of subsidiaries	出售附屬公司之收益	1,145
Net cash inflow arising from disposal of subsidiaries	出售附屬公司產生之現金流入淨額	
Cash and cash equivalents disposed of	已出售現金及現金等價物	1

42. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2016, repayment to loan from immediate holding company of approximately HK\$525,375,000 (equivalent to approximately RMB465,535,000) with related interest payable of approximately HK\$44,625,000 (equivalent to approximately RMB39,542,000) were settled through issuing the convertible bond at consideration of RMB503,979,000, gain from exchange of loan with convertible bond of approximately RMB1,098,000 was recognised.

42. 主要非現金交易

於截至2016年12月31日止年度，償還來自直接控股公司貸款約525,375,000港元（相當於約人民幣465,535,000元）連同相關應付利息約44,625,000港元（相當於約人民幣39,542,000元），乃通過按代價人民幣503,979,000元發行可換股債券結付，已確認交換貸款與可換股債券之收益約人民幣1,098,000元。

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43. RETIREMENT BENEFITS SCHEMES

The Group provides defined contribution plans to its employees and executive officers in Macau, Hong Kong, the PRC and other jurisdictions.

Macau

Employees employed by the Group in Macau are members of government-managed Social Security Fund Scheme (the “SSF Scheme”) operated by the Macau Government and the Group is required to pay a monthly fixed contribution to the SSF Scheme to fund the benefits.

Hong Kong

The Group operates Mandatory Provident Fund Schemes for all qualifying employees in Hong Kong. The assets of these schemes were held separately from those of the Group, in funds under the control of trustees. The cost charged to the profit or loss represented contributions payable to the funds by the Group at rates specified in the rules of the schemes.

The PRC

The Group contributes to the local municipal government retirement scheme for all qualifying employees in the PRC. The employers and its employees are each required to make contributions to the scheme at the rates specified in the scheme’s rules. The only obligation of the Group with respect to the retirement scheme is to make the required contributions under the scheme.

43. 退休福利計劃

本集團向其位於澳門、香港、中國及其他司法權區之僱員及行政人員提供界定供款計劃。

澳門

本集團的澳門僱員為澳門政府所管理及營運的社會保障基金計劃（「社保基金計劃」）成員，本集團須每月向社保基金計劃定額供款以撥付相關福利。

香港

本集團為其所有於香港之合資格僱員設立強積金計劃。該等計劃之資產乃由受託人控制之基金持有，與本集團之資產分開處理。自損益扣除之成本乃指本集團按計劃條例內列明之比率向基金支付之供款。

中國

本集團為所有中國合資格僱員向一項地方市政府退休計劃供款。僱主及僱員均須各自按計劃規則訂明的比率向計劃供款。本集團有關該退休計劃之唯一責任為根據計劃作出指定的供款。

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綜合財務報表附註

44. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

44. 本公司之財務狀況表及儲備變動

		As at 31 December 於12月31日		As at 1 January 於1月1日
		2017 RMB'000 人民幣千元	2016 RMB'000 人民幣千元 (Restated) (重列)	2016 RMB'000 人民幣千元 (Restated) (重列)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	19	–	–
Investments in subsidiaries (Note(a))	於附屬公司投資(附註(a))	889,613	584,948	591,332
		889,632	584,948	591,332
Current assets	流動資產			
Prepayment and deposits	預付款項及按金	132	80	316,337
Bank balances and cash	銀行結餘及現金	34,567	85,870	57
		34,699	85,950	316,394
Current liabilities	流動負債			
Other payables	其他應付款項	5,810	3,659	195,637
Amounts due to subsidiaries	應付附屬公司款項	883,484	1,047,573	802,104
Borrowings	借貸	–	–	1,085,761
Derivative financial instruments	衍生金融工具	439,938	129,675	–
Convertible bond	可換股債券	411,107	–	–
Current tax liabilities	即期稅項負債	4,333	4,333	4,333
		1,744,672	1,185,240	2,087,835
Net current liabilities	流動負債淨值	(1,709,973)	(1,099,290)	(1,771,441)
Total assets less current liabilities	資產總值減流動負債	(820,341)	(514,342)	(1,180,109)
Non-current liability	非流動負債			
Convertible bond	可換股債券	–	365,286	–
Net liabilities	負債淨值	(820,341)	(879,628)	(1,180,109)
Capital and reserves	股本及儲備			
Share capital	股本	525,734	524,712	123,644
Reserves (Note (b))	儲備(附註(b))	(1,346,075)	(1,404,340)	(1,303,753)
Total deficit	虧絀總額	(820,341)	(879,628)	(1,180,109)

The Company's statement of financial position was approved and authorised for issue by the board of directors on 29 March 2018 and is signed on its behalf by:

本公司財務狀況表由董事會於2018年3月29日批准及授權刊發並由以下董事代為簽署：

Chau Cheek Wa
周焯華
Director
董事

Lo Kai Bong
盧啟邦
Director
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

44. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

a. INVESTMENTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which principally affected the results, assets and liabilities of the Group. To give details of other subsidiaries would in the opinion of the directors of the Company, result in particulars of excessive length.

Name of subsidiaries 附屬公司名稱	Place of establishment incorporation/ registration 註冊成立/登記 地點	Place of operation 經營地點	Legal form 法定形式	Registered capital/issued and fully paid up share capital 註冊資金/已發行及實繳股本	Attributable equity interest held by the Group 本集團持有之應佔股權				Principal activities 主要業務
					2017		2016		
					Direct 直接 %	Indirect 間接 %	Direct 直接 %	Indirect 間接 %	
Access Achievement Limited	The BVI 英屬維爾京群島	The PRC 中國	Limited liabilities company 有限公司	US\$10,000 10,000美元	100	-	100	-	Investment holding 投資控股
Sun Century Property 太陽世紀地產	The PRC 中國	The PRC 中國	Wholly foreign owned enterprise 外商獨資企業	RMB299,000,000 人民幣 299,000,000元	-	100	-	100	Property development and property investment 物業開發及物業投資
Shenzhen Zirui 深圳紫瑞	The PRC 中國	The PRC 中國	Limited liabilities company 有限公司	RMB21,000,000 人民幣 21,000,000元	-	100	-	100	Property development 物業開發
Shenzhen Sun Era Management Company Limited 深圳市太陽時代管理有限公司	The PRC 中國	The PRC 中國	Limited liabilities company 有限公司	RMB1,000,000 人民幣 1,000,000元	-	100	-	100	Property management 物業管理
Shenzhen Guang Long City Commercial Management Company Limited 深圳市港隆城商業管理有限公司	The PRC 中國	The PRC 中國	Limited liabilities company 有限公司	RMB1,000,000 人民幣 1,000,000元	-	100	-	100	Property management 物業管理

44. 本公司之財務狀況表及儲備變動 (續)

a. 於附屬公司投資

下表僅載列主要影響本集團業績、資產及負債的附屬公司的詳情。本公司董事認為，提供其他附屬公司詳情將導致有關詳情過於冗長。

Notes to the Consolidated Financial Statements

綜合財務報表附註

44. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

a. INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiaries 附屬公司名稱	Place of establishment incorporation/ registration 註冊成立/登記 地點	Place of operation 經營地點	Legal form 法定形式	Registered capital/issued and fully paid up share capital 註冊資金/已發行 及實繳股本	Attributable equity interest held by the Group 本集團持有之應佔股權				Principal activities 主要業務
					2017		2016		
					Direct 直接 %	Indirect 間接 %	Direct 直接 %	Indirect 間接 %	
Chachu Boshing Tourism Development Company Limited 巢湖寶昇旅遊開發有限公司	The PRC 中國	The PRC 中國	Wholly foreign owned enterprise 外商獨資企業	US\$7,000,000 7,000,000美元	-	100	-	100	Property development 物業開發
Fushun Sun Era Property Development Company Limited [#] 撫順太陽時代房地產開發 有限公司 [#]	The PRC 中國	The PRC 中國	Limited liabilities company 有限公司	US\$23,000,000/ US\$20,700,000 23,000,000美元/ 20,700,000美元	-	90	-	90	Property development 物業開發
Sun Travel 太陽旅遊	Macau 澳門	Macau 澳門	Limited liabilities company 有限公司	MOP1,500,000 1,500,000澳門幣	-	100	-	100	Travel agency service 旅遊代理服務
Suncity Group Management and Consultancy Limited 太陽城集團管理顧問有限公司	Macau 澳門	Macau 澳門	Limited liabilities company 有限公司	MOP25,000 25,000澳門幣	-	100	-	100	Hotel and integrated resort management and consultancy service 酒店及綜合度假村管理及 顧問服務

[#] 10% of the registered capital of the subsidiary was not paid-up by the non-controlling shareholder.

None of the subsidiaries had issued any debt securities at the end of both years.

44. 本公司之財務狀況表及儲備變動 (續)

a. 於附屬公司投資 (續)

[#] 非控股股東未繳清該附屬公司註冊股本的10%。

於兩個年度末，附屬公司概無發行任何債務證券。

Notes to the Consolidated Financial Statements

綜合財務報表附註

44. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Cont'd)

b. RESERVES

44. 本公司之財務狀況表及儲備變動 (續)

b. 儲備

		Share premium	Share option reserve	Merger reserve	Accumulated losses	Total
		股份溢價	購股權儲備	合併儲備	累計虧損	總計
		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
At 1 January 2016 (Restated)	於2016年1月1日(重列)	998,042	19,594	(752)	(2,320,637)	(1,303,753)
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	-	-	-	(501,656)	(501,656)
Issue of rights shares	發行供股股份	401,069	-	-	-	401,069
At 31 December 2016 and 1 January 2017 (Restated)	於2016年12月31日及2017年1月1日(重列)	1,399,111	19,594	(752)	(2,822,293)	(1,404,340)
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	31,341	31,341
Exercise of share options	行使購股權	3,417	(925)	-	-	2,492
Recognition of share-based compensation benefits	確認以股份為基礎補償福利	-	24,432	-	-	24,432
Forfeiture of share options	沒收購股權	-	(7,341)	-	7,341	-
At 31 December 2017	於2017年12月31日	1,402,528	35,760	(752)	(2,783,611)	(1,346,075)

Notes to the Consolidated Financial Statements

綜合財務報表附註

45. EVENTS AFTER THE REPORTING PERIOD

The following events took place subsequent to the end of the reporting period:

- (a) On 13 February 2018, Suncity Group Management and Consultancy (Hoi An) Limited (“SGMC (HA)”), a wholly-owned subsidiary of the Company entered into the Technical Services Agreement with Hoi An South Development Ltd, pursuant to which SGMC (HA) shall provide technical and pre-opening services in relation to a casino and the food and beverages outlets to be established in the integrated resort project being developed in Hoi An, Quang Nam Province, Vietnam. Details of which are disclosed in the announcement of the Company dated 13 February 2018.
- (b) On 23 February 2018, the Group has fully settled the Bank Claim with settlement amount of RMB235,000,000. Details of which are disclosed in the announcement of the Company dated 23 February 2018.
- (c) On 27 July 2017, Goal Summit Limited, a wholly-owned subsidiary of the Company entered into an acquisition agreement (the “Acquisition Agreement”) with Suncity International Holdings Limited, a related company wholly owned by Mr. Chau. Pursuant to the Acquisition Agreement, the Group will acquire the entire equity interest of a company, which indirectly owns approximately 34% effective interest in a company which is engaged in an integrated resort project being developed in Vietnam, subject to certain conditions. The expected completion date was 31 December 2017, and was extended to 31 March 2018 on 2 January 2018 and 31 May 2018 on 29 March 2018. The directors of the Company are still assessing the financial impact of the acquisition.

45. 報告期完結後事項

下列事項於報告期末後發生：

- (a) 於2018年2月13日，太陽城集團管理顧問（會安）一人有限公司（「管理會安附屬公司」）（本公司之全資附屬公司）與Hoi An South Development Ltd訂立技術服務協議，據此，管理會安附屬公司將就正於越南廣南省會安的開發綜合度假村項目內將予建立的娛樂場及餐飲店提供技術及開業前服務。詳情請查閱本公司於2018年2月13日刊發之公告。
- (b) 於2018年2月23日，本集團已悉數結清銀行索償，清償金額為人民幣235,000,000元。詳情請查閱本公司於2018年2月23日刊發之公告。
- (c) 於2017年7月27日，Goal Summit Limited（本公司之全資附屬公司）與太陽城國際控股有限公司（一間由周先生全資擁有之關連公司）訂立收購協議（「收購協議」）。根據收購協議，本集團將收購一間公司（間接擁有一間現正於越南開發一個綜合度假村項目之公司約34%股權）之全部股權，惟須待若干條件獲達成後，方可作實。預期完成日期為2017年12月31日，而已於2018年1月2日延期至2018年3月31日及於2018年3月29日延期至2018年5月31日。本公司董事仍在評估是項收購之財務影響。



SUNCITY GROUP HOLDINGS LIMITED
太陽城集團控股有限公司

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