

CWT International Limited

Stock Code: 521

ANNUAL REPORT 2017



商界展關懷

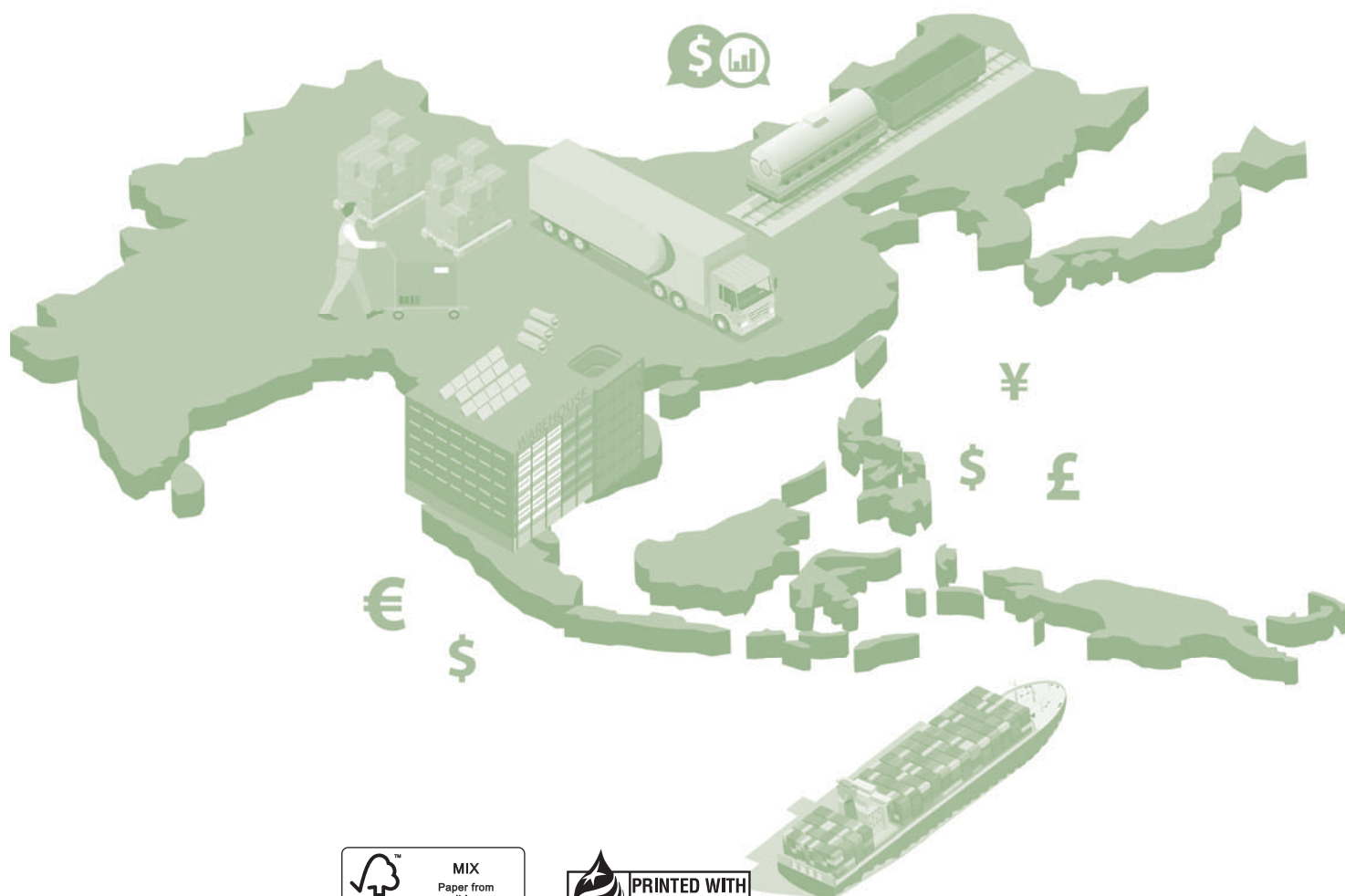
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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Guo Ke (*Co-Chairman*)
Xu Haohao (*Co-Chairman*)
Ding Lei (*Chief Executive Officer*)
Zhao Quan

Non-executive Directors

Leung Shun Sang, Tony
Mung Bun Man, Alan

Independent Non-executive Directors

Leung Kai Cheung
Liem Chi Kit, Kevin
Lam Kin Fung, Jeffrey

EXECUTIVE COMMITTEE

Guo Ke (*Co-Chairman*)
Xu Haohao (*Co-Chairman*)
Ding Lei

AUDIT COMMITTEE

Leung Kai Cheung (*Chairman*)
Liem Chi Kit, Kevin
Lam Kin Fung, Jeffrey

NOMINATION COMMITTEE

Xu Haohao (*Chairman*)
Leung Shun Sang, Tony
Leung Kai Cheung
Liem Chi Kit, Kevin
Lam Kin Fung, Jeffrey

REMUNERATION COMMITTEE

Leung Kai Cheung (*Chairman*)
Guo Ke
Xu Haohao
Liem Chi Kit, Kevin
Lam Kin Fung, Jeffrey

董事會

執行董事

郭可 (*聯席主席*)
徐昊昊 (*聯席主席*)
丁磊 (*行政總裁*)
趙權

非執行董事

梁順生
蒙品文

獨立非執行董事

梁繼昌
林子傑
林健鋒

執行委員會

郭可 (*聯席主席*)
徐昊昊 (*聯席主席*)
丁磊

審核委員會

梁繼昌 (*主席*)
林子傑
林健鋒

提名委員會

徐昊昊 (*主席*)
梁順生
梁繼昌
林子傑
林健鋒

薪酬委員會

梁繼昌 (*主席*)
郭可
徐昊昊
林子傑
林健鋒

INVESTMENT COMMITTEE

Guo Ke (Co-Chairman)
Xu Haohao (Co-Chairman)
Ding Lei
Leung Shun Sang, Tony
Leung Kai Cheung

COMPANY SECRETARY

Lau Lap Ngai

AUDITOR

KPMG

LEGAL ADVISER AS TO HONG KONG LAW

Clifford Chance

SHARE REGISTRAR

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

REGISTERED OFFICE

Suites 5811-5814, 58/F.
Two International Finance Centre
No. 8 Finance Street, Central
Hong Kong

STOCK CODE

521

WEBSITE

www.cwtinternational.com

投資委員會

郭可(聯席主席)
徐昊昊(聯席主席)
丁磊
梁順生
梁繼昌

公司秘書

劉立毅

核數師

畢馬威會計師事務所

有關香港法律的法律顧問

高偉紳律師行

股份過戶登記處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

註冊辦事處

香港中環
金融街8號
國際金融中心二期
58樓5811-5814室

股份代號

521

網址

www.cwtinternational.com



DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Guo Ke, aged 39, holds a doctoral degree of Industrial Economics and Investment from Northwest University. Mr. Guo was appointed as an Executive Director and the Chairman of the Board of the Company in December 2017, and re-designated as the Co-Chairman of the Board in March 2018. He is also acting as the Co-Chairman of each of Executive Committee and Investment Committee, and a member of the Remuneration Committee. He is currently the vice-chairman of HNA Logistics Group Co., Ltd.* (海航物流集團有限公司), which is under HNA Group Co., Ltd.* (海航集團有限公司), a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Guo joined HNA Group Co., Ltd.* (海航集團有限公司) in 2004, and was engaged with senior management positions, namely deputy general manager of HNA Group Finance Co., Ltd.* (海航集團財務有限公司), vice-chairman and chief executive officer of Jinhai Heavy Industries Co., Ltd.* (金海重工股份有限公司) and a vice-chairman and chief executive officer of HNA Innovation Finance Group Co., Limited, and was also once engaged with the vice-chairman of HNA Logistics Group Co., Ltd.* (海航物流集團有限公司). He was also the chairman and subsequently was re-designated as to vice-chairman and chief executive officer of Tianjin Tianhai Investment Co., Ltd. (a Shanghai A-share listed company, Stock Code: 600751 and B-share listed company, Stock Code: 900938), a company under HNA Group Co., Ltd.* (海航集團有限公司), for the period from February 2015 to March 2017. Mr. Guo has nearly 10 years working and management experience in the fields of financial management, capital operation and financial investment etc.

A service agreement was entered into between Mr. Guo and the Company for a term commencing on 13 December 2017 and expiring on 31 December 2019. Under the service agreement, Mr. Guo is entitled to a monthly salary of HK\$100,000 or such higher salary and discretionary bonus as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. Such salary was, and discretionary bonus will be, determined with reference to the then prevailing market conditions, the performance of the Company as well as Mr. Guo's individual performance.

郭可先生，年三十九歲，持有西北大學產業經濟與投資博士學位。郭先生於二零一七年十二月獲委任為本公司之執行董事兼董事會主席，並於二零一八年三月轉任為董事會聯席主席。彼亦為執行委員會和投資委員會之聯席主席及薪酬委員會之成員。彼現任本公司主要股東(根據證券及期貨條例第XV部賦予之涵義)海航集團有限公司旗下公司，海航物流集團有限公司之副董事長。郭先生於二零零四年加入海航集團有限公司，曾擔任之高級管理職務包括於海航集團財務有限公司之副總經理、金海重工股份有限公司之副董事長兼首席執行官及海航創新金融集團有限公司之副董事長兼首席執行官，亦曾一度擔任海航物流集團有限公司之副董事長。彼亦曾於二零一五年二月起至二零一七年三月期間，為海航集團有限公司旗下公司天津天海投資發展股份有限公司(上海證券交易所A股證券代碼：600751，及B股證券代碼：900938)分別擔任董事長及其後轉任副董事長兼首席執行官一職。郭先生在財務管理、資本運作和金融投資等領域擁有近十年之從業及管理經驗。

郭先生與本公司訂有一份服務合約，任期由二零一七年十二月十三日起至二零一九年十二月三十一日止。根據該服務合約，郭先生將可每月獲取港幣100,000元薪金或由董事會獲股東授權而不時釐定之較高薪金及酌情花紅。該等薪金及酌情花紅乃經／將參考當時市場情況、本公司及郭先生之個人表現而釐定。

Mr. Xu Haohao, aged 34, holds a bachelor's degree in Financial Administration from University of Winnipeg, Canada. He joined the Finance Department of the Company in January 2014 and was appointed as the Financial Controller in April of the same year overseeing the financial matters; and he was appointed as the Vice-President in July of the same year. Mr. Xu was appointed as an Executive Director of the Company in December 2014. In February 2015, he was appointed as the Executive President of the Company, responsible for the general operation of the Company. As from February 2016, Mr. Xu was also responsible for the matters relating to the Company's external communication, strategy and investment programs, etc. He was subsequently appointed as the President in August 2017, responsible for the business development and day-to-day management of the Group (i.e. the Company and its subsidiaries). In March 2018, Mr. Xu was appointed as the Co-Chairman of the Board and accordingly, stepped down as the President. He is also acting as the Chairman of Nomination Committee, the Co-Chairman of each of Executive Committee and Investment Committee and a member of Remuneration Committee. Mr. Xu also acts as directors of a number of subsidiaries of the Company. In November 2016 and April 2018, he has been appointed as a non-executive director of Healthoo International Technology Holdings Limited (formerly known as AID Partners Technology Holdings Limited) (Stock Code: 8088), a listed company in Hong Kong and chief executive officer of Zhejiang Haiyue Co. Ltd. (an A-Share listed company on the Shanghai Stock Exchange, stock code: 600387), which is under HNA Group Co. Ltd., a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, respectively. Before joining the Company, he had served as the general manager of the finance department of Hong Kong Airlines Limited. Mr. Xu has extensive management knowledge and working experience in financial and corporate management.

A service agreement was entered into between Mr. Xu and the Company for a term of three years commencing on 1 January 2017. Under the service agreement, Mr. Xu is entitled to a monthly salary of HK\$143,000 or such higher salary and discretionary bonus as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. With effect from August 2017, his monthly salary has been restated by increasing to HK\$182,000. Such salary was, and discretionary bonus will be, determined with reference to the then prevailing market conditions, the performance of the Company as well as Mr. Xu's individual performance.

徐昊昊先生，年三十四歲，持有加拿大溫尼伯大學金融管理學士學位。彼於二零一四年一月加入本公司財務部，於同年四月獲委任為財務總監，負責本公司財務工作；並於同年七月獲委任為副總裁。徐先生於二零一四年十二月獲委任為本公司之執行董事。彼於二零一五年二月獲委任為本公司之執行總裁，負責本公司一般運作。於二零一六年二月起，徐先生並負責處理本公司對外溝通、戰略及投資方案等事宜。彼並於二零一七年八月獲委任為總裁，負責本集團(即本公司及其附屬公司)的業務發展及日常管理。於二零一八年三月，徐先生獲委任為本公司董事會之聯席主席及因此退任總裁。彼亦為提名委員會主席、執行委員會和投資委員會之聯席主席及薪酬委員會委員。徐先生亦擔任本公司多間附屬公司的董事。於二零一六年十一月及二零一八年四月，彼分別獲委任為香港上市公司海滙國際科技控股有限公司(前稱滙友科技控股有限公司)(股份代號：8088)之非執行董事及本公司主要股東(根據證券及期貨條例第XV部賦予之涵義)海航集團有限公司旗下於上海上市公司，浙江海越股份有限公司(上海證券交易所A股證券代碼：600387)之首席執行官。入職本公司之前，徐先生曾擔任香港航空有限公司財務部總經理職務。徐先生在財務及企業管理方面擁有豐富的管理知識及工作經驗。

徐先生與本公司訂有一份為期三年之服務合約，任期由二零一七年一月一日起生效。根據該服務合約，徐先生每月可獲取港幣143,000元薪金或由董事會獲股東授權而不時釐定之較高薪金及酌情花紅。自二零一七年八月起，彼每月薪金已重訂增加至港幣182,000元。該等薪金及酌情花紅乃經／將參考當時市場情況、本公司及徐先生之個人表現而釐定。



DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Ding Lei, aged 39, holds a bachelor's degree in Finance and International Finance from Beijing University of Aeronautics and Astronautics, a master's degree in Statistics from Leland Stanford Junior University and a master's degree in Financial Mathematics from University of Chicago. Mr. Ding was appointed as an Executive Director and the Chief Executive Officer as well as a member of each of Executive Committee and Investment Committee in April 2018. He is responsible for the business development and day-to-day management of the Company and its subsidiaries. Mr. Ding joined HNA Group Co., Ltd.* (海航集團有限公司), a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, in 2017. He was engaged with senior management positions, namely the chief innovation officer of HNA Modern Logistics Group Co., Limited* (海航現代物流集團有限公司), the chief innovation officer of HNA Innovation Finance Group Co., Limited, the chairman of HNA Import and Export Co., Limited* (海航進出口有限公司) and the chairman of International Innovation Capital (HK) Limited. Mr. Ding also worked as the vice-president of China clients and marketing services of Hong Kong Exchanges and Clearing Limited, the director of global commodities and futures of China Merchants Securities (HK) Co., Limited, the director of global commodities and futures of BOC International Holdings Limited, the first vice-president of PRC commodities department of Newedge Financial Group and the product controller of the foreign exchange derivatives department of Goldman Sachs. Mr. Ding has almost 10 years working and management experience in the field of commodities marketing.

A service agreement was entered into between Mr. Ding and the Company for a term commencing from 13 April 2018 and expiring on 31 December 2019. Under the service agreement, Mr. Ding is entitled to a monthly salary of HK\$180,000 or such higher salary and discretionary bonus as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. Such salary was, and discretionary bonus will be, determined with reference to the then prevailing market conditions, the performance of the Company as well as Mr. Ding's individual performance.

丁磊先生，年三十九歲，持有北京航空航天大學金融及國際金融學士學位、史丹福大學統計學碩士學位、及芝加哥大學金融數學碩士學位。丁先生於二零一八年四月獲委任為執行董事兼行政總裁以及執行委員會和投資委員會之成員。彼負責本公司及其附屬公司的業務發展及日常管理。丁先生於二零一七年加入本公司主要股東(根據證券及期貨條例第XV部賦予之涵義)海航集團有限公司，彼曾擔任的高級管理職務包括於海航現代物流集團有限公司的創新總裁、海航創新金融集團有限公司的創新總裁、海航進出口有限公司的董事長、及香港國際創投集團有限公司的董事長。丁先生亦曾擔任香港交易及結算所有限公司的中國客戶關係及市場推廣部副總裁、招商證券(香港)有限公司的環球商品部董事、中銀國際(控股)有限公司的環球商品部董事、新際金融集團中國大宗商品部的第一副總裁及高盛集團的外匯衍生產品部產品控制員。丁先生在商品貿易方面擁有約十年的從業及管理經驗。

丁先生與本公司訂有一份服務合約，任期由二零一八年四月十三日起至二零一九年十二月三十一日止。根據該服務合約，丁先生將可每月獲取港幣180,000元薪金或由董事會獲股東授權而不時釐定之較高薪金及酌情花紅。該等薪金及酌情花紅乃經／將參考當時市場情況、本公司及丁先生之個人表現而釐定。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Zhao Quan, aged 47, holds a bachelor's degree of science in Computer Science Software Management from Lanzhou University. Mr. Zhao was appointed as an Executive Director and the Chairman of the Board of the Company in July 2015, re-designated as the Co-Chairman of the Board in November 2016, and subsequently stepped down as the Co-Chairman of the Board in December 2017 but remains as an Executive Director. He also acts as directors of a number of subsidiaries of the Company. Mr. Zhao is now a non-executive director of HNA Group Co., Ltd.* (海航集團有限公司) which is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and a director of HNA Investment Group Co., Ltd.* (海航投資集團股份有限公司) (a Shenzhen A-share listed company, Stock Code: 000616), a director of HNA Holding Group Co., Ltd.* (海航實業集團有限公司), and also the chairman and the chief executive officer of HNA Travel Industry Group Co., Ltd.* (海航旅業集團有限公司) respectively, all of which are under HNA Group Co., Ltd.* (海航集團有限公司). Mr. Zhao joined HNA Group Co., Ltd.* (海航集團有限公司) in 2009, and was engaged with senior management positions, namely the chief financial officer of HNA Group Co., Ltd.* (海航集團有限公司), the vice-chairman and the chairman of HNA Group Finance Co., Ltd.* (海航集團財務有限公司), and the executive vice-president of HNA Group Co., Ltd.* (海航集團有限公司). During the period from December 2016 to December 2017, he was an executive director of Hong Kong International Construction Investment Management Group Co., Limited (Stock Code: 687), which is also under HNA Group Co., Ltd.* (海航集團有限公司). Mr. Zhao has over 20 years of working and management experience in the areas of airlines, finance, airport investment and operation etc., and has extensive knowledge and working experience in corporate management.

A service agreement was entered into between Mr. Zhao and the Company for a term of three years commencing on 1 January 2017. Under the service agreement, Mr. Zhao is entitled to a monthly salary of HK\$220,000 or such higher salary and discretionary bonus as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. Such salary was, and discretionary bonus will be, determined with reference to the then prevailing market conditions, the performance of the Company as well as Mr. Zhao's individual performance.

趙權先生，年四十七歲，持有蘭州大學計算機科學系計算機軟件專業理學士學位。趙先生於二零一五年七月獲委任為本公司之執行董事兼董事會主席，並於二零一六年十一月轉任為董事會聯席主席，其後於二零一七年十二月退任董事會聯席主席，現保留執行董事一職。彼亦擔任本公司多間附屬公司的董事。趙先生現為本公司主要股東（根據證券及期貨條例第XV部賦予之涵義）海航集團有限公司非執行董事，亦分別為其旗下公司海航投資集團股份有限公司（深圳A股上市公司，股票代碼：000616）董事、海航實業集團有限公司董事以及海航旅業集團有限公司董事長兼首席執行官。趙先生於二零零九年加入海航集團有限公司，曾擔任的高級管理職務包括海航集團有限公司財務總監、海航集團財務有限公司兼任副董事長及董事長、以及海航集團有限公司執行副總裁。於二零一六年十二月至二零一七年十二月期間，彼亦為海航集團有限公司旗下公司香港國際建設投資管理集團有限公司（股份代號：687）執行董事。趙先生在航空、金融、機場投資及營運等多個領域擁有逾二十年的從業及管理經歷，擁有豐富的企業管理知識及工作經驗。

趙先生與本公司訂有一份為期三年之服務合約，任期由二零一七年一月一日起生效。根據該服務合約，趙先生每月可獲取港幣220,000元薪金或由董事會獲股東授權而不時釐定之較高薪金及酌情花紅。該等薪金及酌情花紅乃經／將參考當時市場情況、本公司及趙先生之個人表現而釐定。



DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Leung Shun Sang, Tony, aged 75, holds a bachelor's degree of commerce from The Chinese University of Hong Kong and a master's degree in business administration from New York State University. Mr. Leung was appointed as a Non-executive Director of the Company in April 1993 and is a member of each of Nomination Committee and Investment Committee. He is also a non-executive director of each of Shougang Concord International Enterprises Company Limited (Stock Code: 697), Shougang Fushan Resources Group Limited (Stock Code: 639), Shougang Concord Century Holdings Limited (Stock Code: 103), Shougang Concord Grand (Group) Limited (Stock Code: 730) and Global Digital Creations Holdings Limited (Stock Code: 8271), all of which are listed companies in Hong Kong. Mr. Leung had worked in Citibank N.A. and W.I. Carr Sons & Co. (Overseas) in his early years and was the managing director of CEF Group. He has over 40 years of experience in securities and banking business, investment, financial markets, corporate strategy and corporate management.

An engagement letter was entered into between Mr. Leung and the Company for a term of three years commencing on 1 January 2017. Under the engagement letter, Mr. Leung is entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ended 31 December 2017, the director's fee of Mr. Leung was HK\$220,000. For the financial year ending 31 December 2018, the director's fee of Mr. Leung will be HK\$220,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Leung. Such director's fees were determined with reference to Mr. Leung's experience and duties as well as the then prevailing market conditions.

梁順生先生，年七十五歲，持有香港中文大學商學士學位及紐約州立大學工商管理碩士學位。梁先生於一九九三年四月獲委任為本公司之非執行董事，並為提名委員會及投資委員會之成員。彼亦為香港上市公司首長國際企業有限公司(股份代號：697)、首鋼福山資源集團有限公司(股份代號：639)、首長寶佳集團有限公司(股份代號：103)、首長四方(集團)有限公司(股份代號：730)及環球數碼創意控股有限公司(股份代號：8271)之非執行董事。梁先生早年任職花旗銀行及英國惠嘉證券公司，並曾任加怡集團之董事總經理。彼擁有超過四十年之證券及銀行業務、投資、金融市場、企業策劃及管理經驗。

梁先生與本公司訂有一份為期三年之委聘書，任期由二零一七年一月一日起生效。根據該委聘書，梁先生可收取由董事會獲股東授權而不時釐定之董事袍金。於截至二零一七年十二月三十一日止財政年度，梁先生之董事袍金為港幣220,000元。截至二零一八年十二月三十一日止財政年度，梁先生整個年度之董事袍金將為港幣220,000元，該袍金將按梁先生之實際服務任期按比例支付給梁先生。該袍金乃經參考梁先生的經驗及職責，以及當時市場情況後釐定。

Mr. Mung Bun Man, Alan, aged 31, holds a bachelor's degree of arts in Business Economics from University of California-Santa Barbara and a Master Degree in Finance from Peking University. Mr. Mung was appointed as a Non-executive Director of the Company in September 2017. He was an Executive Director of the Company from October 2013 to February 2015 and acted as directors for a number of subsidiaries of the Company during the said period. Mr. Mung is also an executive director and the managing director of Global Mastermind Holdings Limited (Stock Code: 8063), and an executive director and the chief executive officer of Global Mastermind Capital Limited (Stock Code: 905), both of which are listed companies in Hong Kong. He was also an executive director of Global Mastermind Capital Limited (formerly known as Mastermind Capital Limited) from November 2010 to April 2013 and Tai United Holdings Limited (formerly known as Bestway International Holdings Limited) (Stock Code: 718) from October 2013 to June 2015, respectively. Mr. Mung has extensive working experience in investment and asset management.

An engagement letter was entered into between Mr. Mung and the Company for a term commencing on 5 September 2017 and expiring on 31 December 2019. Under the engagement letter, Mr. Mung is entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ended 31 December 2017, the director's fee of Mr. Mung was HK\$300,000, to be paid in proportion to the actual length of services. For the financial year ending 31 December 2018, the director's fee of Mr. Mung will be HK\$300,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Mung. Such director's fees were determined with reference to Mr. Mung's experience and duties as well as the then prevailing market conditions.

蒙品文先生，年三十一歲，持有加州大學－聖達芭芭拉分校之商務經濟本科學位及北京大學之金融碩士學位。蒙先生於二零一七年九月獲委任為本公司之非執行董事。彼曾於二零一三年十月至二零一五年二月期間出任本公司之執行董事，並在該期間擔任本公司多間附屬公司的董事。蒙先生亦為香港上市公司環球大通集團有限公司(股份代號：8063)之執行董事及董事總經理，以及環球大通投資有限公司(股份代號：905)之執行董事及兼行政總裁。彼亦曾分別於二零一零年十一月至二零一三年四月期間出任環球大通投資有限公司(前稱慧德投資有限公司)之執行董事，以及二零一三年十月至二零一五年六月期間出任太和控股有限公司(前稱百威國際控股有限公司)(股份代號：718)之執行董事。蒙先生於投資及資產管理方面擁有豐富工作經驗。

蒙先生與本公司訂有一份委聘書，任期由二零一七年九月五日起至二零一九年十二月三十一日止。根據該委聘書，蒙先生可收取由董事會獲股東授權而不時釐定之董事袍金。於截至二零一七年十二月三十一日止財政年度，蒙先生之董事袍金為港幣300,000元，按蒙先生之實際服務任期按比例支付。截至二零一八年十二月三十一日止財政年度，蒙先生整個年度之董事袍金將為港幣300,000元，該袍金將按蒙先生之實際服務任期按比例支付給蒙先生。該袍金乃經參考蒙先生的經驗及職責，以及當時市場情況後釐定。



DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Leung Kai Cheung, aged 72, holds a bachelor's degree in business from The Chinese University of Hong Kong. Mr. Leung was appointed as an Independent Non-executive Director of the Company in June 2006 and is the chairman of each of Audit Committee and Remuneration Committee and a member of each of Nomination Committee and Investment Committee. He is also an independent non-executive director of each of Hong Kong International Construction Investment Management Group Co., Limited (Stock Code: 687), Shougang Concord International Enterprises Company Limited (Stock Code: 697) and BeijingWest Industries International Limited (Stock Code: 2339), all of which are listed companies in Hong Kong. Mr. Leung had been a senior executive of Citibank, N.A., the general manager of Barclays Bank PLC in charge of Kowloon and New Territories district and was the chairman of Star International Enterprises Limited. Mr. Leung has extensive financial knowledge and business management experience and is familiar with the business environment of both Hong Kong and Mainland China and the operation of listed companies.

An engagement letter was entered into between Mr. Leung and the Company for a term of three years commencing on 1 January 2017. Under the engagement letter, Mr. Leung is entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ended 31 December 2017, the director's fee of Mr. Leung was HK\$300,000. For the financial year ending 31 December 2018, the director's fee of Mr. Leung will be HK\$300,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Leung. Such director's fees were determined with reference to Mr. Leung's experience and duties as well as the then prevailing market conditions.

梁繼昌先生，年七十二歲，持有香港中文大學商學士學位。梁先生於二零零六年六月獲委任為本公司之獨立非執行董事，並為審核委員會及薪酬委員會之主席，以及提名委員會及投資委員會之成員。彼亦為香港上市公司香港國際建設投資管理集團有限公司(股份代號：687)、首長國際企業有限公司(股份代號：697)及京西重工國際有限公司(股份代號：2339)之獨立非執行董事。梁先生曾於美國花旗銀行任職高級行政人員，亦曾任英國柏克萊銀行的九龍及新界區總經理及四達國際企業有限公司董事長。梁先生擁有豐富的金融財務知識及企業管理經驗，熟悉中港兩地的營商環境及上市公司的運作。

梁先生與本公司訂有一份為期三年之委聘書，任期由二零一七年一月一日起生效。根據該委聘書，梁先生可收取由董事會獲股東授權而不時釐定之董事袍金。於截至二零一七年十二月三十一日止財政年度，梁先生之董事袍金為港幣300,000元。截至二零一八年十二月三十一日止財政年度，梁先生整個年度之董事袍金將為港幣300,000元，該袍金將按梁先生之實際服務任期按比例支付給梁先生。該等袍金經參考梁先生之經驗及職責，以及當時市況後釐定。

DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Liem Chi Kit, Kevin, aged 37, holds a bachelor's degree (honours) in commerce from University of Toronto and a master degree in taxation from University of Waterloo. Mr. Liem was appointed as an Independent Non-executive Director of the Company in June 2013 and is a member of each of Audit Committee, Remuneration Committee and Nomination Committee. He is a CFA charter holder and a certified public accountant (USA). Mr. Liem is a chief investment officer of CBH Asia Limited and a research analyst of HKGolden 50. He is a council member and an investment committee member of the Hong Kong Baptist University, and a member of the outreach committee of Hong Kong Securities and Investment Institute (HKSI). Mr. Liem has extensive experience in securities, financial market and investment.

An engagement letter was entered into between Mr. Liem and the Company for a term of three years commencing on 1 January 2017. Under the engagement letter, Mr. Liem is entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ended 31 December 2017, the director's fee of Mr. Liem was HK\$300,000. For the financial year ending 31 December 2018, the director's fee of Mr. Liem will be HK\$300,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Liem. Such director's fees were determined with reference to Mr. Liem's experience and duties as well as the then prevailing market conditions.

林子傑先生，年三十七歲，持有多倫多大學商業榮譽學士學位及滑鐵盧大學稅務碩士學位。林先生於二零一三年六月獲委任為本公司之獨立非執行董事，並為審核委員會、薪酬委員會及提名委員會之成員。彼為金融分析師特許狀持有人及美國註冊會計師。林先生為瑞金亞洲有限公司投資總監及香港黃金五十之研究分析員。彼為香港浸會大學校董會成員及投資委員會成員，和香港證券及投資學會外展委員會成員。林先生於證券、金融市場及投資方面擁有豐富經驗。

林先生與本公司訂有一份為期三年之委聘書，任期由二零一七年一月一日起生效。根據該委聘書，林先生可收取由董事會獲股東授權而不時釐定之董事袍金。於截至二零一七年十二月三十一日止財政年度，林先生之董事袍金為港幣300,000元。截至二零一八年十二月三十一日止財政年度，林先生整個年度之董事袍金將為港幣300,000元，該袍金將按林先生之實際服務任期按比例支付給林先生。該等袍金乃經參考林先生之經驗及職責，以及當時市場情況後釐定。



DIRECTORS' BIOGRAPHIES

董事簡介

Mr. Lam Kin Fung, Jeffrey, GBS, JP, aged 66, holds a bachelor's degree in mechanical engineering from Tufts University in the United States and was conferred university fellow of Tufts University and The Hong Kong Polytechnic University. Mr. Lam was appointed as an Independent Non-executive Director of the Company in October 2013 and is a member of each of Audit Committee, Remuneration Committee and Nomination Committee. He is an independent non-executive director of each of C C Land Holdings Limited (Stock Code: 1224), China Overseas Grand Oceans Group Limited (Stock Code: 81), Chow Tai Fook Jewellery Group Limited (Stock Code: 1929), i-CABLE Communications Limited (Stock Code: 1097) and Wynn Macau, Limited (Stock Code: 1128), all of which are listed companies in Hong Kong. He was an independent non-executive director of each of Bracell Limited (Stock Code: 1768) and Hsin Chong Construction Group Limited (Stock Code: 404) from October 2010 to October 2016 and from August 2002 to May 2014 respectively, both of which are listed companies in Hong Kong. He has over 30 years of experience in toy industry and is currently the managing director of Forward Winsome Industries Limited which is engaged in toy manufacturing.

In addition, Mr. Lam is a member of the National Committee of the Chinese People's Political Consultative Conference. He is also a member of the Legislative Council of the Hong Kong Special Administrative Region (the "HKSAR"), a non-official member of the Executive Council of the HKSAR, a member of the board of The Airport Authority Hong Kong, the chairman of the Independent Commission Against Corruption (ICAC) Complaints Committee, a general committee member of the Hong Kong General Chamber of Commerce and a honorary member of the Court of The Hong Kong Polytechnic University, a director on the board of Heifer International – Hong Kong and a director of the Hong Kong Mortgage Corporation Limited. Mr. Lam also holds a number of other public and community service positions.

Mr. Lam was awarded the Young Industrialist Award of Hong Kong in 1989 and the Outstanding Achievement Award – Hong Kong Toy Industry in 1999. In 1996, he was appointed Justice of the Peace and became a member of the Most Excellent Order of the British Empire. Mr. Lam was awarded the Silver Bauhinia Star in 2004 and the Gold Bauhinia Star in 2011 respectively.

林健鋒先生，GBS, JP，年六十六歲，持有美國塔夫斯大學機械工程學士學位，並獲塔夫斯大學及香港理工大學頒授院士名銜。林先生於二零一三年十月獲委任為本公司之獨立非執行董事，並為審核委員會、薪酬委員會及提名委員會之成員。彼為香港上市公司中渝置地控股有限公司(股份代號：1224)、中國海外宏洋集團有限公司(股份代號：81)、周大福珠寶集團有限公司(股份代號：1929)、有線寬頻通訊有限公司(股份代號：1097)及永利澳門有限公司(股份代號：1128)之獨立非執行董事。彼分別於二零一零年十月至二零一六年十月及於二零零二年八月至二零一四年五月期間為香港上市公司Bracell Limited(股份代號：1768)及新昌營造集團有限公司(股份代號：404)之獨立非執行董事。彼於玩具業擁有逾三十年經驗，現時為玩具製造商永和實業有限公司之董事長。

此外，林先生為中國人民政治協商會議全國委員會委員。彼亦為香港特別行政區(「香港特區」)立法會議員、香港特區行政會議非官守議員、香港機場管理局董事會成員、廉政公署事宜投訴委員會主席、香港總商會理事會理事、香港理工大學顧問委員會榮譽成員、國際小母牛香港分會董事會成員及香港按揭證券有限公司董事。林先生亦身兼多項公職及社區服務職位。

林先生分別於一九八九年及一九九九年獲授「香港青年工業家獎」及「香港玩具業傑出成就獎」。彼於一九九六年獲委任為太平紳士並獲授大英帝國勳章。林先生分別於二零零四年及二零一一年獲頒銀紫荊星章及金紫荊星章。

DIRECTORS' BIOGRAPHIES

董事簡介

An engagement letter was entered into between Mr. Lam and the Company for a term of three years commencing on 1 January 2017. Under the engagement letter, Mr. Lam is entitled to a director's fee as may be determined by the Board from time to time pursuant to the authority given by the Shareholders. For the financial year ended 31 December 2017, the director's fee of Mr. Lam was HK\$300,000. For the financial year ending 31 December 2018, the director's fee of Mr. Lam will be HK\$300,000 for a full year which will be paid in proportion to the actual length of services provided by Mr. Lam. Such director's fees were determined with reference to Mr. Lam's experience and duties as well as the then prevailing market conditions.

林先生與本公司訂有一份為期三年之委聘書，任期由二零一七年一月一日起生效。根據該委聘書，林先生可收取由董事會由股東授權而不時釐定之董事袍金。於截至二零一七年十二月三十一日止財政年度，林先生之董事袍金為港幣300,000元。截至二零一八年十二月三十一日止財政年度，林先生整個年度之董事袍金為港幣300,000元，該袍金將按林先生之實際服務任期按比例支付給林先生。該等袍金經參考林先生之經驗及職責，以及當時市場情況後釐定。

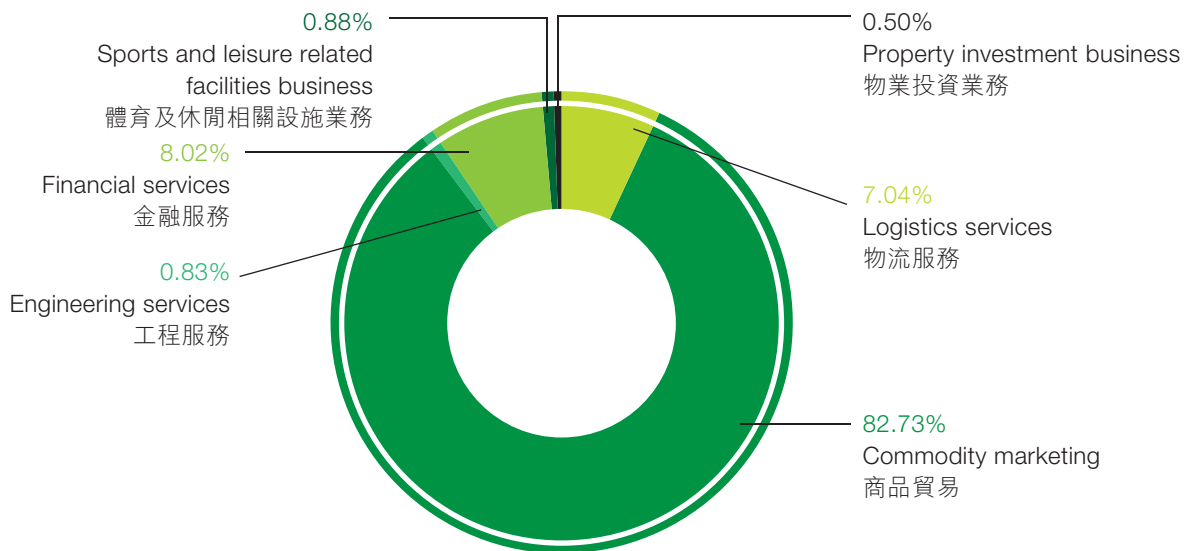


FINANCIAL HIGHLIGHTS

財務摘要

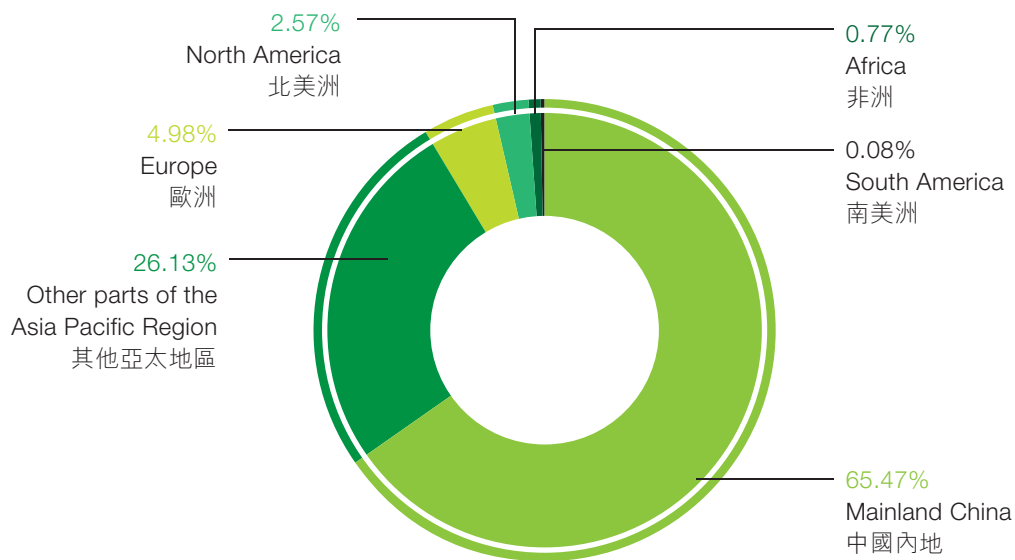
TURNOVER BY PRINCIPAL ACTIVITIES FOR THE YEAR 2017

二零一七年年度按主要業務劃分之營業額



TURNOVER BY GEOGRAPHICAL LOCATION FOR THE YEAR 2017

二零一七年年度按地區劃分之營業額



REVENUE (HK\$'000)

營業額(港幣千元)



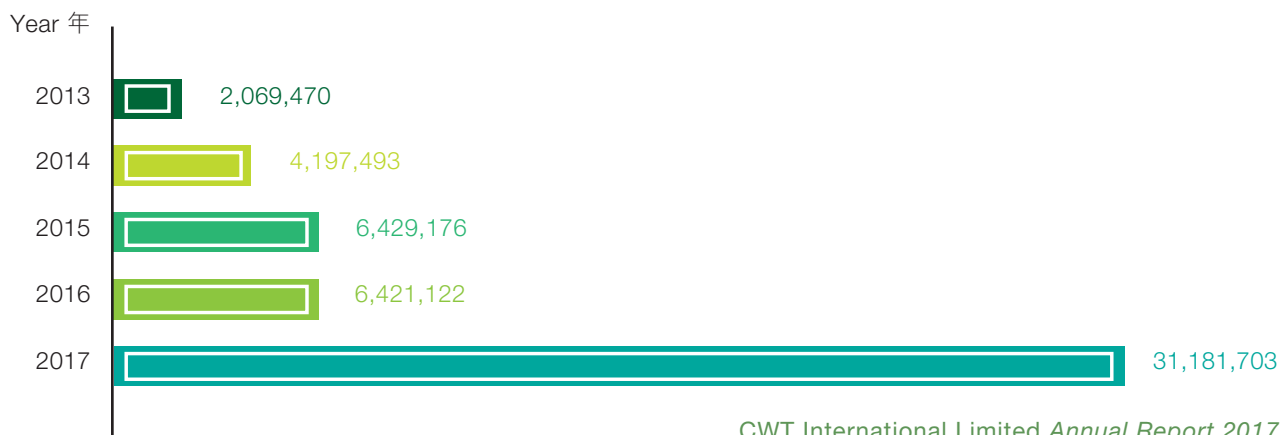
GROSS PROFIT (HK\$'000)

毛利(港幣千元)



TOTAL ASSETS (HK\$'000)

總資產(港幣千元)





CHAIRMAN'S STATEMENT

主席報告書

The year 2017 was another important milestone year marking the Group's development, starting from the completion of disposal of intelligent information business to the completion of the acquisition of CWT Pte. Limited (formerly known as CWT Limited) ("CWT SG"). The Group will further explore diversified business opportunities in order to facilitate the Group's development and create value for the shareholders of the Company.

COMPLETION OF DISPOSAL OF INTELLIGENT INFORMATION BUSINESS

The Group has successfully completed the disposal of the intelligent information business in April 2017 and reported a gain on disposal of HK\$112.1 million. This disposal enhanced the financial performance and financial position of the Group, which led the Group to a better position for exploring future business opportunities.

ACQUISITION OF CWT SG

2017 has been a very exciting and fruitful year for the Company with the successful completion of the acquisition and subsequent de-listing from the Singapore Exchange Securities Trading Limited of CWT SG. At the end of 2017, CWT SG was recognized as a wholly-owned subsidiary of the Company. We have been actively assessing the global market for attractive investment opportunities to continue to develop ourselves into a leading diversified international company.

We believe that the acquisition of CWT SG will provide us with a good opportunity to leverage an established international business platform and management team to capitalize on well-established logistics, commodity marketing and financial services platforms while enhancing our ability to identify and develop new business opportunities. Highlighting the importance of the acquisition to the future of the Company, and as part of our initial integration and branding efforts, HNA Holding Group Co. Limited has been renamed to CWT International Limited.

二零一七年為本集團發展的另一個重要里程碑，先後完成出售智能信息業務以至收購CWT Pte. Limited(前稱CWT Limited)(「**CWT SG**」)。本集團將進一步開拓更多商機，以促進本集團的發展及為本公司股東創造價值。

完成出售智能信息業務

本集團已於二零一七年四月順利完成出售智能信息業務，並錄得出售收益港幣112,126,000元。該出售令本集團的財務表現及財務狀況得以增強，從而更有利於把握未來商機。

收購CWT SG

於二零一七年，本公司順利完成收購CWT SG及CWT SG隨後於新加坡證券交易所有限公司除牌，渡過精彩豐碩的一年。於二零一七年底，CWT SG已確認為本公司之全資附屬公司。我們一直積極評估全球市場上的優質投資機遇，不斷發展，務求成為首屈一指的多元化國際公司。

我們相信，收購CWT SG將為我們提供良機，可充分利用該享負盛名的國際業務平台及管理團隊以及穩固的物流、商品貿易、金融服務平台，同時提升我們物色及開拓新商機的能力。由於該收購對本公司的未來發展極其重要，且作為初步合併及品牌推廣之一環，海航實業集團股份有限公司更名為CWT International Limited。

LOOKING FORWARD TO 2018

The close integration of China's "Belt and Road Initiative" and the "going global" industrial layout are expected to create new business momentum within modern logistics industry in mainland China. We will explore opportunities in the growing China market to build a stronger engine for the further development of the Company.

Under logistics services in Singapore, value-adding regional distribution hub model is a key focus. With approximately 2.4 million square feet of gross floor area, it is the largest integrated logistics facility in Singapore. We will continue our steadfast commitment to future business expansion.

Under commodity marketing, the business retains a respectable order book. We believe that commodity prices will remain firm which should assist the overall health of the business for this coming year. Competition however continues to remain intense in both the non-ferrous metals and energy market place with ongoing pressure on margins and the recent interest rate increases likely to have potential negative impact. We are pursuing new avenues of growth that fit logically alongside the existing business and that utilize the knowledge base and experience of our core competences.

Under financial services, the Group will continue to expand and innovate with our product offerings to remain resilient in this service industry and to stay ahead of our competition.

二零一八年之展望

中國「一帶一路」倡議與中國企業「走出去」的行業藍圖緊密結合，預期將為中國內地的現今物流行業創造業務新動力。我們將於不斷增長的中國市場開拓商機，為本公司進一步發展建設強大後盾。

新加坡物流服務方面，我們側重於具增值特色的地區分銷中心模式。該物流中心的建築面積約為2,400,000平方呎，為新加坡最大的綜合物流設施。我們將持續對未來業務拓展作出堅定不移的承擔。

商品貿易業務仍會保持相當數量的訂單。我們相信商品價格將維持穩定，並有望於來年為我們帶來整體穩健的業務。然而，有色金屬及能源市場的競爭仍然激烈，加上利潤不斷受壓及近期加息事件均可能構成潛在負面影響。我們正尋求增長的新方向，以合理配合現有業務的發展，亦要運用我們核心技能的知識及經驗。

金融服務方面，本集團將不斷擴展產品範疇及創新產品，令我們於金融服務行業繼續佔一席位，並於眾多競爭對手中脫穎而出。



CHAIRMAN'S STATEMENT

主席報告書

GLOBAL ECONOMY IN 2018 AND FUTURE INVESTMENT STRATEGY

After a generally strong global market in 2017, we remain positive about the global economy for 2018 and beyond. We are keeping an active watch on the developments of China's "Belt and Road Initiative", which we believe will be a key driver of future global economy.

In 2018 and beyond we will focus on the ongoing integration of the CWT SG business and in identifying and exploiting potential synergies and opportunities with the Group. We will also continue to explore the market for potential opportunities to complement our existing businesses, especially as they relate to positioning ourselves to take advantage of China's "Belt and Road Initiative".

Guo Ke

Co-Chairman

Hong Kong, 24 April 2018

二零一八年的全球經濟及未來投資策略

二零一七年全球市場整體表現強勁，我們對二零一八年及未來的全球經濟保持正面態度。我們密切注視中國「一帶一路」倡議的發展，因我們相信該項目為未來全球經濟之主要增長動力。

於二零一八年及往後日子，我們將專注與CWT SG業務的持續合併，並識別及發掘其與本集團之間帶來的潛在協同效益及機遇。我們亦繼續物色具有潛在商機並可配合現有業務發展的市場，尤其是令我們可受惠於中國「一帶一路」倡議的市場。

聯席主席

郭可

香港，二零一八年四月二十四日



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

The year of 2017 continued to be a remarkable one for the Group in terms of its business development. The Group has been putting efforts in the disposal of loss-making businesses and acquiring businesses which deliver stable cash flows and offer great growth prospect over the years, in order to deliver value to our shareholders.

During the year, the Group made a voluntary general offer to purchase the entire issued and fully paid-up ordinary shares of CWT SG at an aggregate consideration of S\$1,398.7 million (equivalent to HK\$8,109.0 million). Our successful completion of acquisition of CWT SG and its subsidiaries (collectively referred to as “**CWT SG Group**”) enabled the Group to simultaneously enter into logistics, engineering, financial services and commodity marketing businesses with global presence, which provided a solid foundation for the Group’s future business development, especially taking advantages of China’s “Belt and Road Initiatives”. On the other hand, following the entering into of the formal sale and purchase agreement on 13 January 2016 to dispose of the loss-making Intelligent Information Business, the Group successfully completed the disposal in April 2017 at a consideration of RMB120.0 million, with a special gain on disposal of HK\$112.1 million recognised during the year.

The Group’s revenue for the year 2017 significantly increased to HK\$23,955.9 million (2016: HK\$182.5 million), and it generated profit attributable to owners amounted to HK\$204.5 million (2016: loss attributable to owners of HK\$21.9 million), the aforesaid turnaround from loss to profit was mainly attributable to (i) a gain on bargain purchase in the amount of HK\$327.2 million recognised in the acquisition of the CWT SG Group in September 2017; and profit contribution of approximately HK\$106.5 million from the CWT SG Group during the period from 7 September 2017 (date of the acquisition) to 31 December 2017; and (ii) a disposal gain in the amount of approximately HK\$112.1 million arising from the disposal of Intelligent Information Business which was completed in April 2017; which are partially offset by financing expenses and transaction costs incurred in relation to the Group’s acquisition of CWT SG Group and the fair value adjustment of certain assets held by the Group.

二零一七年繼續為本集團業務發展出眾的一年。本集團一直致力出售虧損業務及收購能為本集團帶來穩定的現金流及巨大的增長前景的業務，從而為股東創造價值。

年內，本集團作出自願全面要約，以收購CWT SG全部已發行及繳足普通股，總代價為1,398,710,000新加坡元（相當於港幣8,108,978,000元）。我們順利完成收購CWT SG及其附屬公司（統稱「**CWT SG集團**」），令本集團可同時投身於分佈全球的物流、工程、金融服務及商品貿易業務，該收購為本集團特別在中國「一帶一路」倡議下未來的業務發展奠定了堅實的基礎。另一方面，於二零一六年一月十三日就出售虧損的智能信息業務訂立正式買賣協議後，本集團於二零一七年四月順利以代價人民幣120,000,000元完成出售，並於年內確認出售收益為港幣112,126,000元。

本集團於二零一七年之收益大幅上升至港幣23,955,863,000元（二零一六年：港幣182,546,000元），並帶來擁有人應佔溢利港幣204,478,000元（二零一六年：擁有人應佔虧損港幣21,902,000元）。上述轉虧為盈乃主要由於(i)於二零一七年九月收購CWT SG集團時確認議價收購收益港幣327,172,000元；CWT SG集團於二零一七年九月七日（收購事項日期）至二零一七年十二月三十一日期間貢獻溢利約港幣106,500,000元；及(ii)於二零一七年四月完成出售智能信息業務產生約港幣112,126,000元的出售收益，及由於有關本集團收購CWT SG集團產生之融資開支及交易成本以及本集團持有若干資產之公允價值調整抵銷部份收益所致。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

The operations of the six business segments of the Group during the year are summarised as follows:

Logistics services

In logistics business, value-adding regional distribution hub model is a key focus. We continue to actively pursue business opportunities in this space. Our regional distribution hub operations are supplemented by our logistics infrastructure which provides the fundamental competitive platform for our integrated logistics services. On that note, we have completed the warehouse construction of our Mega Integrated Logistics Hub (“MLH”) in 2017. With approximately 2.4 million square feet of gross floor area, it is the largest integrated logistics facility in Singapore. Our continued investment in logistics infrastructure demonstrates our steadfast commitment to future business expansion.

Logistics services reported a revenue of HK\$1,693.9 million and profit before tax of HK\$86.0 million for the period from 7 September 2017 to 31 December 2017.

Freight logistics performed well with higher gross profit and profit sharing from joint ventures and associates amid the growing challenges of logistics industry. In 2017, freight logistics contributed close to 50% and 40% of total logistics services revenue and profit before tax respectively. Commodity logistics was beginning to recover from its low in tandem with the commodity industry’s gradual recovery. Warehousing & integrated logistics services were weakened by customers’ slower trade volume and our start-up costs of MLH which was incurred following the temporary occupation permit of MLH obtained in phases in 2017. The construction of an automated container storage and retrieval infrastructure in MLH had commenced its foundation work in the fourth quarter of 2017.

本集團於年內六個業務分部的營運情況概述如下：

物流服務

物流業務側重於具增值特色的地區分銷中心模式。我們繼續就此積極開拓商機。我們的地區分銷中心營運輔以物流基礎設施，為我們的綜合物流服務提供核心兼具競爭力的平台。就此而言，我們已於二零一七年完成宏大綜合物流中心（「宏大綜合物流中心」）的倉庫建設。該物流中心的建築面積約為2,400,000平方呎，為新加坡最大的綜合物流設施。我們於物流基建持續投資，足證對未來業務拓展堅定不移的承諾。

自二零一七年九月七日起至二零一七年十二月三十一日止期間，物流服務錄得收益港幣1,693,946,000元及除稅前溢利港幣86,022,000元。

儘管物流行業挑戰重重，惟貨運物流表現理想且帶來高毛利、而合營企業及聯營公司分佔毛利均有所增加。於二零一七年，貨運物流佔物流服務總收益及除稅前溢利分別接近50%及40%。商品物流隨著商品行業逐步復甦，亦開始從低位回升。倉儲及綜合物流服務的業務表現較弱，主要受客戶交易量縮減及宏大綜合物流中心於二零一七年分階段取得臨時入伙紙後所產生開辦成本的不利因素影響所致。於二零一七年第四季，宏大綜合物流中心的自動貨櫃存儲及取提的基礎設施已開展基礎建設工程。



Commodity marketing

MRI Holding Pte. Limited and its subsidiaries (the “MRI Group”) were involved in the commodity marketing business of the Group. MRI Group contributed revenue of HK\$19,819.4 million to the Group during the period from 7 September 2017 to 31 December 2017, which was mainly driven by significantly higher commodity prices due to strong demand and supply constraints. Commodity marketing returned profit before tax of HK\$30.8 million attributed to fewer deals finalised and higher unrealised mark-to-market losses recognised for the period from 7 September 2017 to 31 December 2017.

The MRI Group returned a very satisfactory result in 2017.

The primary markets in which MRI Group operates saw an improvement in fundamental supply/demand balances during the year with an associated increase in commodity prices which accounted for the gross revenue increase.

Looking forward to 2018, the business retains a respectable order book particularly in the concentrates space. We believe that commodity prices will remain firm which should assist the overall health of the business for this coming year.

Competition however continues to remain intense in both the non-ferrous metals and energy market place with ongoing pressure on margins and the recent interest rate increases likely to have potential negative impact.

The MRI Group is pursuing new avenues of growth that fit logically alongside the existing business and that utilise the knowledge base and experience of our key personnel/core competences.

商品貿易

自二零一七年九月七日起至二零一七年十二月三十一日止期間，MRI Holding Pte. Limited及其附屬公司(「MRI Group」)參與本集團之商品貿易業務，其為本集團貢獻收益港幣19,819,439,000元，主要由於商品價格因需求龐大及供應受限而大幅上升。自二零一七年九月七日起至二零一七年十二月三十一日止期間，商品貿易貢獻除稅前溢利港幣30,805,000元，乃由於成交量較少及確認的未變現劃價計虧損增加。

MRI Group於二零一七年的業績十分理想。

年內，MRI Group經營所在主要市場於基本供求平衡方面有所改善，而商品價格的相應增幅帶動總收益增加。

展望二零一八年，商品貿易業務仍會保持相當數量的訂單，精礦方面將尤其突出。我們相信商品價格將維持穩定，並有望於來年為我們帶來整體穩健的業務。

然而，有色金屬及能源市場的競爭仍然激烈，加上利潤不斷受壓及近期加息事件均可能構成潛在負面影響。

MRI Group正尋求增長的新方向，惟必須合理配合現有業務的發展，亦要運用我們主要管理人員的知識、經驗／核心競爭力。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Financial services

Straits Financial Group Pte. Ltd and its subsidiaries (“**Straits Financial Group**”) were involved in the provision of financial brokerage services, structured trade services and asset management services. For the period from 7 September 2017 to 31 December 2017, financial services generated a revenue of HK\$1,920.3 million and profit before tax of HK\$26.8 million. Derivatives business continued to deliver consistent performance as lower business volume in the US market was mitigated by the increased activity from existing and new clients in the Asian market. Trade services performance weakened as a result of less trade services opportunities.

Global economies saw an accelerated growth in 2017 as compared to previous years, underpinned by more benign global conditions. Commodity prices rebalanced from the previous lows, but was largely driven by sectorial factors rather than a general uptrend across the board. Nonetheless, it was a challenging year for the derivatives industry which tested our resilience.

During the year, Straits Financial Group received its highest accolade since its beginnings 7 years ago, the FOW Asia Capital Markets Awards 2017 Broker of the Year (Commodities) in recognising the tangible innovations and growth in our commodities business. The award is an affirmation to the Straits Financial Group’s continuous commitment and determination in being customer-centric in our business and delivering unique brokerage service to our clients.

Straits Financial Group expanded its self-clearing memberships by adding the CBOE/Nasdaq to our existing Clearing Membership in the CME Group of Exchanges. In keeping up with the Cryptocurrency frenzy, Straits Financial Group also added the Bitcoin Futures to our spectrum of product suite. The market reaction has been well received with clientele trading the product outright or using the futures as a hedge against physical positions. Straits Financial Group also expanded its individual managed futures offerings and Premier Fund I, a professionally managed commodity pool, which completed its first full year of operation returning 14.55% to its investors.

金融服務

Straits Financial Group Pte. Ltd 及其附屬公司（「**Straits Financial Group**」）從事提供金融經紀服務、結構性貿易服務及資產管理服務。自二零一七年九月七日起至二零一七年十二月三十一日止期間，金融服務產生收益港幣1,920,310,000元及除稅前溢利港幣26,803,000元。衍生業務繼續帶來一致的表現，乃由於美國市場的營業額減幅被亞洲市場的現有及新客戶的營業額增幅抵銷。由於貿易服務的商機減少，故貿易服務業績倒退。

受惠於更多利好的全球條件，環球經濟於二零一七年的增長速度較過往數年快。商品價格由過往的低位反彈，但其主要受個別因素而非整體升勢影響。儘管如此，本年度對衍生行業的重重挑戰正好考驗我們的復甦能力。

年內，Straits Financial Group憑藉於商品業務的實質創新元素及增長榮獲FOW亞洲資本市場獎項2017的年度經紀商（商品）（FOW Asia Capital Markets Awards 2017 Broker of the Year (Commodities)）的稱譽，為其自七年前成立以來的最高殊榮。該獎項嘉許Straits Financial Group不斷堅持及決意提供以客為本的業務及給予客戶獨一無二的經紀服務。

Straits Financial Group於現有芝加哥商品交易所集團的交易所的結算會員中新增芝加哥期權交易所／納斯達克以擴大其自行結算會員會籍。為緊貼加密電子貨幣的熱潮，Straits Financial Group亦於產品組合範圍內新增比特幣期貨。市場對此反應熱烈，而客戶可直接買賣產品或利用期貨對沖實際持倉。Straits Financial Group亦擴大其個別管理的期貨組合及Premier Fund I（專業管理商品基金，其首次完成全年營運，為投資者帶來14.55%的回報）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

2017 was also a year of challenges for the Straits Financial Group. The industry continues to compete on fees and commissions which put a strain on revenue margins. The lack of market volatility in the second half of the year has seen a slowdown in trading volumes across some of our product classes. Major banks have also reduced their business focus and exposure on collateralised financing, which continues to limit credit flow throughout 2017. Our collateral financing business was consequently affected by this adverse shift. Despite all these challenges, Straits Financial Group was able to generate positive revenue growth within certain market segments – revenues from the OTC broking business grew by approximately 50% for the group.

Looking ahead to 2018, Straits Financial Group continues to expand and innovate with our product offerings to remain relevant in this service industry and to stay ahead of our competition.

Engineering services

Engineering services continued to deliver consistent results generating revenue of HK\$200.5 million and profit before tax of HK\$28.9 million for the period from 7 September 2017 to 31 December 2017 as majority of its revenue were secured by contracts and recognised on a consistent basis over the contract period.

Engineering services result 2017 was boosted by finalisation of a design & build (“D&B”) project. Going forward, engineering maintenance & property management will remain steady, D&B would soften amidst construction industry weakness.

Sports and leisure related facilities business

The Group operates sports and leisure related facilities business in Dongguan. Revenue for this business segment is mainly contributed by green fees and relating accommodation income, followed by club membership income, as a result, weather conditions directly affects most of the revenue contributors in this business segment. During the year, the Group made more sales of short-term membership cards, and the golf courses were only closed for 135 hours due to bad weather, as compared to 426.5 hours in the prior year, which significantly improved revenue by 41.6%, and the sports and leisure related facilities business segment generated profit before tax of HK\$24.2 million during the year (2016: loss of HK\$36.0 million).

二零一七年對 Straits Financial Group 亦屬挑戰重重的一年。業界於收費及佣金持續競爭，導致收益率受壓。下半年市況疲弱降低若干產品類別的成交量。主要銀行亦將業務重心偏離抵押融資，以降低抵押融資的風險，令信貸流量於整個二零一七年持續受限制。我們的抵押品融資業務因而受此不利變動所影響。儘管有重重挑戰，惟 Straits Financial Group 仍能於若干市場分部產生收益正面增長，而場外經紀業務為本集團帶來約 50% 的增長。

展望二零一八年，Straits Financial Group 將不斷擴展及開創新產品組合，以繼續於本服務業佔一席位，面對未來挑戰。

工程服務

自二零一七年九月七日起至二零一七年十二月三十一日止期間，工程服務繼續保持平穩的業績，並產生收益港幣 200,479,000 元及除稅前溢利港幣 28,908,000 元，原因為其大部份收益由合約產生及於合約期內按一致基準確認。

工程服務於二零一七年的業績受設計及建設（「設計及建設」）項目完成所帶動。展望未來，工程維護及物業管理將保持平穩，而設計及建設將因建造業疲弱而偏軟。

體育及休閒相關設施業務

本集團於東莞營運體育及休閒相關設施業務。此業務分部的收益主要來自果嶺費、相關住房收入及會所會籍收入，因此，天氣狀況直接影響此業務分部的大部份收益來源。年內，由於本集團成功銷售更多短期會籍卡，及相較去年的 426.5 小時，高爾夫球場因惡劣天氣關閉之時數僅為 135 小時，令收益大幅增加 41.6%，而年內體育及休閒相關設施業務分部產生除稅前溢利港幣 24,245,000 元（二零一六年：虧損港幣 35,979,000 元）。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Property investment business

In the prior year, the Group successfully acquired a Grade A office building, known as “17 Columbus Courtyard” situated in Canary Wharf (“**London Office Premises**”), London in July 2016; and a portfolio of eight golf courses in Seattle, Washington State, the United States of America (the “**US**”) in December 2016. These two acquisitions generated stable lease income amounted to HK\$120.6 million during the year, while due to the less favourable market conditions in the United Kingdom (the “**UK**”) and US, including the uncertain Brexit negotiation results and the US interest rate rise, revaluation loss of GBP8.0 million (equivalent to HK\$81.2 million) and US\$3.4 million (equivalent to HK\$26.3 million) have been recorded for the London Office Premises and US Golf Courses, respectively. As a result of these revaluation adjustments, the property investment segment reported a loss before tax of HK\$22.5 million for the current year (2016: profit of HK\$21.3 million).

LIQUIDITY, FINANCIAL RESOURCES AND FINANCING ACTIVITIES

Although the Group had net current liabilities as at the end of the reporting period, the directors have made an assessment and concluded that the Group is able to continue as a going concern for at least twelve months from the end of the reporting period and to meet its obligations, assuming the success of the following measures:

(i) Certain borrowings totaling US\$561.0 million (carrying amount as at 31 December 2017 of approximately HK\$4,325.2 million) raised in connection with acquisition of CWT SG are guaranteed by HNA Group (International) Company Limited, a substantial shareholder of the Company. In addition, HNA Group Co., Ltd undertakes to maintain the liquidity of the Company and HNA Group (International) Company Limited to ensure they have sufficient liquidity to meet the payment obligation in respect of these borrowings as they fall due. Both HNA Group (International) Company Limited and HNA Group Co., Ltd will continue to provide adequate financial support to the Group so as to enable the Group to meet its liabilities as and when they fall due and to continue its operations for the period of at least twelve months from the end of the reporting period; and

物業投資業務

於上一年度，本集團於二零一六年七月成功收購位於倫敦金絲雀碼頭內名為「17 Columbus Courtyard」之甲級辦公大樓（「倫敦辦公物業」）；並於二零一六年十二月成功收購一個位於美利堅合眾國（「美國」）華盛頓州西雅圖包含八座高爾夫球場之業務組合。該兩項收購事項於年內為本集團帶來穩定的租賃收入港幣120,600,000元，而由於受英國（「英國」）及美國的不利市況所影響，當中包括英國脫歐磋商的不明朗結果及美國加息，故倫敦辦公物業及美國高爾夫球場分別錄得重估虧損8,000,000英鎊（相當於港幣81,174,000元）及3,379,000美元（相當於港幣26,347,000元）。基於有關重估調整，本年度物業投資分部錄得除稅前虧損港幣22,485,000元（二零一六年：溢利港幣21,344,000元）。

流動資金、財務資源及融資活動

儘管於報告期末，本集團擁有流動負債淨值，董事已評估並認為假設成功採取下列措施，則本集團自報告期末起最少十二個月可繼續以持續方式經營及償付其到期債務：

(i) 就收購CWT SG所籌得之若干借款合計561,000,000美元（於二零一七年十二月三十一日之賬面值約為港幣4,325,222,000元）由本公司之主要股東之一海航集團（國際）有限公司作出擔保。此外，海航集團（國際）有限公司承諾維持本公司之流動資金，而海航集團（國際）有限公司將確保彼等有充足流動資金以於該等借款到期時償付承擔。海航集團（國際）有限公司及海航集團有限公司均將繼續向本集團提供充足之財務支持，以使本集團可償付其到期負債，並於自報告期末起計最少十二個月內繼續其經營；及

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

(ii) The directors have been actively negotiating with (i) overseas commercial banks and international financial institutions for raising funds from new facilities to the Group; (ii) reputable real estate capital management companies for sales and lease back arrangements in respect of certain of the Group's warehouses located in Singapore. The Group has received a number of non-binding term sheets, letter of intent and expression of interest regarding the mentioned negotiation, and it is expected that binding agreement(s) will be entered upon the completion of certain due diligence procedures and negotiation on terms.

(ii) 董事已積極與(i)海外商業銀行及國際金融機構磋商，以為本集團取得新融資進行籌資；及(ii)著名房地產資本管理公司磋商，以就本集團位於新加坡之若干倉庫訂立出售及租回安排。本集團已就上述磋商接獲若干不具約束力之條款清單、意向書及意願書，並預期將於完成若干盡職審查程序及就條款進行磋商後訂立具約束力之協議。

As at 31 December 2017, the Group had cash and cash equivalents of HK\$2,137.9 million. Cash and bank balances is mostly held in Hong Kong dollar, United States dollar, Singapore dollar, Euro and Renminbi and deposited in leading banks with maturity dates falling within one year. Correspondingly, the Group had loans and borrowings of HK\$14,347.4 million of which an aggregated amount HK\$10,268.1 million was repayable within one year.

於二零一七年十二月三十一日，本集團擁有現金及現金等值項目港幣2,137,858,000元。大部份現金及銀行結存以港幣、美元、新加坡元、歐元及人民幣持有，並存於具領導地位之銀行，於一年內到期。同時，本集團擁有貸款及借款港幣14,347,419,000元，當中合共港幣10,268,069,000元須於一年內償還；

Amongst these borrowings, secured bank borrowings amounted to HK\$3,095.1 million are pledged with the Group's assets as detailed below:

在該等借款中，以本集團資產抵押之已抵押銀行借款港幣3,095,083,000元之詳情如下：

Land use rights of HK\$1,140.1 million;

港幣1,140,105,000元之土地使用權；

Investment properties in the UK of HK\$1,394.3 million;

港幣1,394,290,000元之於英國之投資物業；

Bank deposits of approximately HK\$36.0 million;

約港幣36,015,000元之銀行存款；

Property, plant and equipment, including land and building, of HK\$3,459.5 million;

港幣3,459,462,000元之物業、廠房及設備，包括土地及樓宇；

Floating charges on existing fixed and floating assets; and

現有固定及流動資產之浮動押記；及

Entire equity interests in HNA Belt and Road Investments Company Limited, HNA Belt and Road Investments (BVI) Company Limited, HNA Belt and Road Investments (Singapore) Pte. Limited and CWT SG.

於HNA Belt and Road Investments Company Limited、HNA Belt and Road Investments (BVI) Company Limited、HNA Belt and Road Investments (Singapore) Ptd. Limited及CWT SG之全部股權。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

Revolving short-term trade facilities of the Group amounted to HK\$5,344.2 million relate to short-term trade related self-liquidating facilities to finance the Group's commodity marketing business. These are secured by bank balances and fixed deposits with carrying amount of HK\$36.0 million, trade and other receivables with carrying value of HK\$2,471.4 million and inventories with carrying amount of HK\$4,305.1 million.

As at 31 December 2017, the Group had total debt of HK\$9,383.9 million, comprising of loans and borrowings and convertible bonds but excluding the revolving short-term trade facilities amount to HK\$5,344.2 million (collectively, "Total Debt"). The consolidated net debt of the Group comprising of Total Debt minus pledged bank deposits, cash and bank balances amounted to HK\$7,210.0 million; and the total capital of the Group (measured as Total Debt plus equity attributable to owners of the Company) amounted to HK\$14,828.0 million. The Group's gearing ratio (net debt to total capital) as at 31 December 2017 was 48.6% (2016: 10.0%).

As at 31 December 2017, the total unutilised banking facilities amounted to HK\$11,870.7 million (2016: HK\$89.0 million).

As at 31 December 2017, outstanding derivatives on the books were mainly commodity contracts for hedging the commodity price exposure. The management monitors the hedging policy closely and the hedging level of the Group is approximately 100% of the total commodity inventories.

The Group maintains an appropriate level of foreign currency borrowings for natural hedge to minimise the foreign exchange exposure. As at 31 December 2017, the borrowings denominated in Singapore dollar, United States dollar, Great British Pound and Renminbi amounted to S\$483.0 million, US\$1,284.3 million, GBP75.2 million and RMB461.2 million, respectively.

CONTINGENT LIABILITIES

The Group is subject to various litigation, regulatory and arbitration matters in the normal course of business. The Group vigorously defends against these claims and, in the opinion of management, the resolution of these matters will not have a material effect on the financial position of the Group.

本集團之循環短期貿易融資為港幣5,344,176,000元，其與為向本集團之商品貿易業務撥款之短期貿易自行清償融資有關。該等融資由賬面值為港幣36,015,000元之銀行結存及定期存款、賬面值為港幣2,471,417,000元之應收貿易賬項及其他應收款項及賬面值為港幣4,305,111,000元之存貨所抵押。

於二零一七年十二月三十一日，本集團擁有港幣9,383,899,000元之債務，其包括貸款及借款以及可換股債券，惟不包括金額為港幣5,344,176,000元之循環短期貿易融資（統稱「總債務」）。本集團之綜合淨債務（包括總債務減已抵押銀行存款、現金及銀行結存）為港幣7,210,026,000元，及本集團總資本（以總債務加本公司擁有人應佔股權計量）為港幣14,828,032,000元。於二零一七年十二月三十一日，本集團之負債比率（債務淨額對總資本）為48.6%（二零一六年：10.0%）。

於二零一七年十二月三十一日，未動用之銀行融資總額為港幣11,870,700,000元（二零一六年：港幣89,000,000元）。

於二零一七年十二月三十一日，賬面上未平倉之衍生工具主要為用作對沖商品價格風險之商品合約。管理層密切監控對沖政策，現時本集團之對沖水平約為商品總存貨之100%。

本集團維持適當水平之外幣借款作自然對沖，以將外匯風險降至最低。於二零一七年十二月三十一日，借款以新加坡元、美元、英鎊及人民幣計值，分別為483,000,000新加坡元、1,284,300,000美元、75,200,000英鎊及人民幣461,200,000元。

或然負債

本集團於日常業務過程中亦須面對各種訴訟、監管及仲裁事宜。本集團對有關申索積極抗辯，而管理層認為，解決該等事宜將不會對本集團之財務狀況造成重大影響。

EMPLOYEES AND REMUNERATION POLICIES

The Group had a total of 6,702 employees as at 31 December 2017.

The Group's remuneration policies are to ensure the remuneration package as a whole is fair and competitive, motivate and able to retain current employees and attract potential talents. These remunerations packages have already carefully taken into account, amongst other aspects, the Group's business in different jurisdictions. The employees' remuneration packages are comprised of salaries and discretionary bonuses, along with retirement schemes, medical insurance and share options which form a part of welfare benefits.

僱員及薪酬政策

於二零一七年十二月三十一日，本集團之僱員總人數為6,702名。

本集團之薪酬政策為確保整體薪酬組合公平且具競爭力，從而鼓勵及挽留現任僱員，並吸引有意加盟之人才。該薪酬組合已仔細考慮到(其中包括)本集團在不同司法權區之業務。僱員薪酬組合包括薪金及酌情花紅、以及退休計劃、醫療保險及購股權(作為員工福利的一部份)。



CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintaining good corporate governance standard and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 of the Listing Rules during the financial year ended 31 December 2017, except for the following deviation:

- Under the first part of code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting. He should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. In their absence, he should invite another member of the committee or failing this his duly appointed delegate, to attend. These persons should be available to answer questions at the annual general meeting.

Mr. Zhao Quan, a Co-Chairman of the Board of the Company, was not able to attend the annual general meeting of the Company held on 23 June 2017 (the “**2017 AGM**”) as he had another business engagement. Mr. Wang Shuang, the other Co-Chairman of the Board took the chair of the 2017 AGM, and other members of the Board together with the chairman of the Audit and Remuneration Committees and all other members of each of the Audit, Remuneration and Nomination Committees attended the 2017 AGM. The Company considers that the members of the Board and the Audit, Remuneration and Nomination Committees who attended the 2017 AGM were of sufficient calibre and knowledge for answering questions at the 2017 AGM.

BOARD OF DIRECTORS

Composition

The Board currently comprises a total of nine Directors, being four Executive Directors, two Non-executive Directors and three Independent Non-executive Directors. The list of Directors is set out in the section headed “Corporate Information” of this annual report. In addition, an updated list of the Directors and their roles and functions is published on the websites of the Stock Exchange and the Company respectively.

本公司致力維持良好企業管治準則及程序，以維護全體股東利益，提高問責性及透明度。

企業管治常規

本公司於截至二零一七年十二月三十一日止財政年度內已遵守上市規則附錄十四所載的企業管治守則(「**企業管治守則**」)的守則條文，下文所述之偏差除外：

- 根據企業管治守則E.1.2條第一部份的規定，董事會主席應出席股東週年大會，並邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會(視何者適用而定)的主席出席。若有關委員會主席未能出席，董事會主席應邀請委員會的另一名委員或(如該名委員未能出席)其適當委任的代表出席。該等人士須在股東週年大會上回答提問。

本公司董事會聯席主席趙權先生因其他業務安排而未能出席於二零一七年六月二十三日召開的股東週年大會(「**二零一七年股東週年大會**」)。董事會的另一位聯席主席Wang Shuang先生出席並主持了二零一七年股東週年大會，董事會其他成員、審核委員會及薪酬委員會主席以及審核委員會、薪酬委員會及提名委員會所有其他成員均出席了二零一七年股東週年大會。本公司認為出席了二零一七年股東週年大會的董事會、審核委員會、薪酬委員會及提名委員會成員已經具備足夠的能力及知識，以回答二零一七年股東週年大會上的所有提問。

董事會

組成

董事會現時共有九名董事，由四名執行董事、兩名非執行董事及三名獨立非執行董事組成。董事名單載列於本年報「公司資料」一節。此外，最新的董事名單及其角色與職能分別刊登於聯交所及本公司網站上。

The Board is characterised by significant diversity and has a balance of skills and experience appropriate for the requirements of the business of the Company. The Directors' biographical information is set out in the section headed "Directors' Biographies" of this annual report.

The Directors give sufficient time and attention to the affairs of the Company and its subsidiaries (the "Group"). All Directors are required to, at the time of their appointment and annually, disclose to the Company the number and the nature of offices held in public companies or organizations and other significant commitments with an indication of the time involved.

Save for those as disclosed in the section headed "Directors' Biographies" as set out on pages 4 to 13 of this annual report, the Board members have no other financial, business, family or other material/relevant relationships with each other.

The Board includes a balanced composition of Executive and Non-executive Directors (including Independent Non-executive Directors) so that there is a sufficient independent element on the Board, which can effectively exercise independent judgment.

The Non-executive Directors are of sufficient number and calibre for their views to carry weight. The functions of Non-executive Directors include:

- bringing an independent judgment at Board meetings;
- taking the lead where potential conflicts of interests arise;
- serving on Board committees if invited; and
- scrutinising the Company's performance and monitoring performance reporting.

董事會成員具顯著的多元化特色，並具備本公司業務所需的適當技巧和經驗。董事的履歷載列於本年報「董事簡介」一節。

董事均付出足夠時間及精神來處理本公司及其附屬公司（「本集團」）的事務。所有董事須於接受委任時及每年向本公司披露其於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔，並顯示其擔任有關職務所涉及的時間。

除於本年報第4頁至第13頁所載之「董事簡介」一節所披露者外，董事會成員之間概無其他財務、業務、家族或其他重大／相關關係。

董事會中執行董事與非執行董事（包括獨立非執行董事）的組合均衡，使董事會具備足夠的獨立元素，能有效地作出獨立判斷。

非執行董事具有足夠人數和才幹，其意見具有影響力。非執行董事的職能包括：

- 於董事會會議上提供獨立的意見；
- 在出現潛在利益衝突時發揮牽頭引導作用；
- 應邀出任董事會轄下委員會成員；及
- 仔細檢查本公司的表現，並監察匯報公司表現的事宜。



CORPORATE GOVERNANCE REPORT

企業管治報告

The Non-executive Directors (including Independent Non-executive Directors) have made a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. They give the Board and the committees on which they serve the benefit of their skills, expertise, varied backgrounds and qualifications through regular attendance and active participation.

Composition of the Board is disclosed, and the Independent Non-executive Directors are identified, in all corporate communications to shareholders.

Board Diversity

In compliance with the requirement set out in code provision A.5.6 of the CG Code, the Company adopted a board diversity policy (the "**Board Diversity Policy**") on 28 August 2013, which sets out its approach to achieve diversity on the Board composition with a view to achieving a sustainable and balanced development of the Company.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

The Board Diversity Policy is posted on the website of the Company.

非執行董事(包括獨立非執行董事)透過提供獨立、富建設性及有根據的意見，對制定本公司策略及政策作出正面貢獻。彼等透過定期出席董事會及董事會轄下委員會的會議，並積極參與會務，以其技能、專業知識、不同之背景及資格作出貢獻。

董事會之組成及獨立非執行董事之身份於致全體股東之公司通訊文件內披露。

董事會成員多元化

為符合企業管治守則之守則條文第A.5.6條之規定，本公司於二零一三年八月二十八日採納董事會成員多元化政策(「**董事會成員多元化政策**」)，當中列載本公司為達致董事會成員多元化而採取之方針，以達致本公司可持續及均衡發展。

本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。本公司亦將根據本身的業務模式及不時的特定需要去考慮各種因素。最終將按候選者的長處及可為董事會作出的貢獻而作決定。

董事會成員多元化政策登載於本公司網站上。

Role and Function of the Board and the Management

The Board is responsible for overall strategic formulation and performance monitoring of the Group. It delegates day-to-day operations of the Company to the Executive Committee and senior management within the control and authority framework set by the Board. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee, the Nomination Committee and the Investment Committee. Further details of these committees are set out in this report.

Board Meetings

The Board meets regularly and holds at least four Board meetings a year. Additional meetings will be arranged, if and when required. The Directors can attend meetings in person or through electronic means of communication in accordance with the articles of association of the Company (the “**Articles**”).

The Joint Company Secretaries/Company Secretary assist(s) the Chairman/Co-Chairmen in drawing up the agenda of each Board meeting. Draft agenda of each regular Board meeting will be sent to all Directors for review before the agenda is issued and all Directors may request for inclusion of other matters in the agenda. The Chairman/Co-Chairmen will take into account the matters proposed by the Directors and where appropriate, approve the inclusion of such matters in the agenda of the Board meeting. Generally, at least 14-day notice of a regular Board meeting is given and the Company aims at giving reasonable notice for all other Board meetings. The Company also aims at sending the agenda and the accompanying board papers, which are prepared in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it, to all Directors at least 3 days before the intended date of a Board meeting. Where queries are raised by Directors, prompt and full responses will be given if possible.

董事會及管理層的角色及職能

董事會負責制訂本集團的整體策略性方向及監管其表現。董事會授權執行委員會及高級管理人員在董事會設定之監控及授權框架內處理有關本公司日常營運之事宜。另外，董事會亦授權審核委員會、薪酬委員會、提名委員會及投資委員會執行不同職責。該等委員會之進一步詳情載於本報告。

董事會議

董事會定期開會，並每年召開至少四次董事會議。於有需要時亦會另行安排會議。董事可親身出席或透過根據本公司之組織章程細則（「**細則**」）規定之電子通訊方法參與會議。

聯席公司秘書／公司秘書協助主席／聯席主席訂定每次董事會議的議程，每次發出定期董事會之會議議程前，會先把初稿發給各董事審閱，各董事可要求於議程上加入其他事項。主席／聯席主席會考慮董事提議加入議程的事項，並在適當情況下批准把該等事項加入董事會議的議程。董事會之定期會議一般發出至少十四天通知，本公司亦致力就一切其他董事會議發出合理通知。本公司會盡力將議程及相關會議文件在擬定舉行之董事會議日期至少三天前送交全體董事，而其形式及素質亦足以讓董事會就供彼等商議的事項作出有根據的決定。若有董事提出問題，本公司必定盡力作出迅速及全面的回應。



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There has been procedure in place to enable Directors to seek independent professional advice in appropriate circumstances at the Company's expenses. The Board shall resolve to, upon reasonable request, provide separate independent professional advice to Directors to assist them to perform their duties to the Company.

The Joint Company Secretaries/Company Secretary are/is responsible for taking minutes of Board meetings and Board committee meetings, draft and final versions of which would be sent to Directors for comments and records respectively, within a reasonable time after each meeting. Minutes are recorded in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views (if any) expressed. Minutes of Board meetings and Board committees meetings are kept by the Joint Company Secretaries/Company Secretary and are open for inspection by any Director/committee member.

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board (including material transaction with connected persons) which the Board has determined to be material, the matter will be dealt with by a physical Board meeting, rather than a written resolution. Independent Non-executive Directors who, and whose associates, have no material interest in the transaction should be present at that Board meeting.

Except for those circumstances permitted by the Articles and all applicable laws, rules and regulations, a Director shall not vote on any Board resolution approving any contract or arrangement or any other proposal in which he or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting.

董事會已有既定的程序，讓董事可在適當的情況下尋求獨立專業意見，費用由本公司支付。董事會須應合理要求，議決另外為董事提供獨立專業意見，以協助彼等履行其對本公司的責任。

聯席公司秘書／公司秘書負責撰寫董事會及其轄下委員會的會議紀錄。在每次會議結束後，會議紀錄的初稿及最終定稿於合理時間內先後送交董事，初稿供董事表達意見，最後定稿則作記錄之用。會議紀錄對會議上所考慮事項及達致的決定有足夠詳細的記錄，其中包括董事提出的任何疑慮或表達的反對意見(如有的話)。董事會及其轄下委員會的會議紀錄由聯席公司秘書／公司秘書備存，並供任何董事／委員會成員查閱。

若有主要股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突(包括與關連人士進行的重大交易)，該事項將以舉行董事會議的方式處理，而不會以書面決議之方式處理。在交易中本身及其聯繫人均沒有重大利益的獨立非執行董事須出席有關的董事會議。

除在細則及所有適用法律、規則及規例允許之情況下以外，若董事或其任何聯繫人於任何合約、安排或任何其他建議中佔有重大利益，有關董事不得就通過該合約、安排或建議之董事會決議案進行表決，亦不會被計入該次會議出席之法定人數。



Attendance Records

During the financial year ended 31 December 2017, the Directors have made active contribution to the affairs of the Group and five physical Board meetings were held to consider, among other things, various projects contemplated by the Group and to review and approve the interim results and annual results of the Group.

Details of the Directors' attendances in 2017 are as follows:

出席記錄

於截至二零一七年十二月三十一日止財政年度內，董事積極參與本集團的事務，並曾舉行五次董事會議，以考慮(其中包括)本集團擬進行之各種項目，以及審閱和批准本集團之中期業績及全年業績。

董事於二零一七年之出席記錄如下：

		Number of meeting(s) attended/eligible to attend
		出席會議次數/ 合資格出席會議次數
<i>Executive Directors</i>		
<i>執行董事</i>		
Zhao Quan	趙權	4/5
Wang Shuang (<i>resigned on 13 December 2017</i>)	Wang Shuang (於二零一七年 十二月十三日辭任)	5/5
Xu Haohao	徐昊昊	5/5
Zhang Ke (<i>resigned on 6 February 2017</i>)	張克(於二零一七年 二月六日辭任)	-/-
Guo Ke (<i>appointed on 13 December 2017</i>)	郭可(於二零一七年 十二月十三日獲委任)	-/-
Zhu Chunjie (<i>appointed on 13 December 2017</i>)	主春杰(於二零一七年 十二月十三日獲委任)	-/-
<i>Non-executive Directors</i>		
<i>非執行董事</i>		
Leung Shun Sang, Tony	梁順生	5/5
Wang Hao (<i>resigned on 13 December 2017</i>)	王浩(於二零一七年 十二月十三日辭任)	4/5
Mung Bun Man, Alan (<i>appointed on 5 September 2017</i>)	蒙品文(於二零一七年 九月五日獲委任)	1/2
<i>Independent Non-executive Directors</i>		
<i>獨立非執行董事</i>		
Leung Kai Cheung	梁繼昌	5/5
Liem Chi Kit, Kevin	林子傑	5/5
Lam Kin Fung, Jeffrey	林健鋒	5/5



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Access to Information

The Board is supplied with sufficient explanation and information by the management to enable the Board to make an informed assessment of financial and other information put before it for approval. The management provides all Board members with monthly updates which give a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties. Where any Director requires more information than is volunteered by the management, each Director has the right to separately and independently access to the Company's senior management to make further enquiries if necessary.

Appointment and Re-election of Directors

Appointment of new Directors is a matter for consideration by the Nomination Committee. The Nomination Committee will give adequate consideration to the Board Diversity Policy and review the profiles of the candidates and make recommendations to the Board on the appointment, re-appointment and nomination of Directors.

According to the Articles, any Director so appointed by the Board shall hold office, in the case of filling a casual vacancy, only until the next following general meeting of the Company or, in the case of an addition to their number, until the next following annual general meeting of the Company who shall then be eligible for re-election at such general meeting. Every Director is subject to retirement by rotation at least once every three years.

All Directors (including all Non-executive Directors) have entered into service agreements or letters of engagement with the Company for a term of not more than three years.

資料之使用

管理層應向董事會提供充分之解釋及資料，讓董事會可就提交給彼等批准的財務及其他資料，作出有根據之評審。管理層每月向董事會全體成員提供更新之資料，讓董事會整體及各董事獲得充足資料使彼等可對本公司之表現、狀況及前景有公正及易於理解之評估，以便履行職務。倘任何董事需要管理層主動提供額外資料，各董事均有權於有需要時自行接觸本公司高級管理人員作進一步查詢。

委任及重選董事

委任新董事的事宜由提名委員會審議。提名委員會將充分考慮董事會成員多元化政策，以及審查候選人的簡歷，並就董事的委任、重新委任及提名向董事會提出建議。

根據細則，任何為填補臨時空缺而獲董事會委任的董事，其任期至本公司下次股東大會終止；若為增加董事會成員數目而獲委任之董事，其任期至本公司下屆股東週年大會終止，並有資格於該股東大會上膺選連任。每名董事須至少每三年輪值退任一次。

本公司與所有董事(包括所有非執行董事)均已簽訂任期不多於三年之服務協議或委聘書。



Independent Non-executive Directors

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules, the Company has appointed three Independent Non-executive Directors and one of them has appropriate professional qualifications or accounting or related financial management expertise.

Pursuant to Rule 3.10A of the Listing Rules, the number of Independent Non-executive Directors of the Company represents at least one-third of the Board.

The Company has received from each of its Independent Non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Company considers that all of the Independent Non-executive Directors are independent.

Any re-election of an Independent Non-executive Director who has served the board for more than nine years, his/her further appointment should be subject to a separate resolution to be approved by shareholders.

Insurance for Directors' and Officers' Liability

Appropriate insurance cover on directors' and officers' liabilities has been in force to protect the Directors and officers of the Group from their risk exposure arising from the businesses of the Group.

Directors' Training and Professional Development

Every newly appointed Director will be given an introduction of regulatory requirements. Directors are continually updated on the latest development of the Listing Rules, legal and other regulatory requirements to ensure compliance and upkeep of good corporate governance practice. Directors are also encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Joint Company Secretaries/ Company Secretary facilitate(s) induction and professional development of Directors.

獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條，本公司委任了三名獨立非執行董事，其中一名獨立非執行董事具備適當的專業資格或在會計或相關財務管理方面之專長。

根據上市規則第3.10A條，本公司獨立非執行董事的人數佔董事會人數至少三分之一。

本公司接獲各獨立非執行董事根據上市規則第3.13條之規定就獨立性提交之週年確認書，本公司認為全體獨立非執行董事均屬獨立人士。

凡服務董事會超過九年之獨立非執行董事，須獲股東以獨立決議案批准方可續任。

董事及高級職員之責任保險

本集團已為董事及高級職員購買合適之責任保險，就彼等因本集團業務承擔的風險提供保障。

董事培訓及專業發展

每名新委任的董事均獲提供相關監管要求之簡介。董事亦會不斷向董事更新上市規則、法律及其他監管規定要求之最新發展，以確保彼等遵守及維持良好之企業管治常規。董事亦鼓勵董事參與持續專業發展，發展並更新彼等的知識及技能。聯席公司秘書／公司秘書協助安排董事之就任須知及專業發展。

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All Directors have provided to the Company their records of training received during the period from 1 January 2017 or the date of appointment as a director of the Company to the date of resignation as a director of the Company or 31 December 2017, where applicable, a summary of which is as follows:

所有董事已向本公司提供彼等由二零一七年一月一日或獲委任為本公司董事日期至辭任本公司董事日期或二零一七年十二月三十一日止期間(如適用)接受培訓之記錄，概要如下：

Directors	董事	Continuous professional development 持續專業發展	
		Type ^(Note I) 種類 ^(附註I)	Subject ^(Note II) 內容 ^(附註II)
Zhao Quan	趙權	B	1
Wang Shuang (resigned on 13 December 2017)	Wang Shuang(於二零一七年十二月十三日辭任)	B	1
Xu Haohao	徐昊昊	B	1
Guo Ke (appointed on 13 December 2017)	郭可(於二零一七年十二月十三日獲委任)	A	1
Zhu Chunjie (appointed on 13 December 2017)	主春杰(於二零一七年十二月十三日獲委任)	A	1
Leung Shun Sang, Tony	梁順生	B	1
Wang Hao (resigned on 13 December 2017)	王浩(於二零一七年十二月十三日辭任)	B	1
Mung Bun Man, Alan (appointed on 5 September 2017)	蒙品文(於二零一七年九月五日獲委任)	B	1
Leung Kai Cheung	梁繼昌	A	3
Liem Chi Kit, Kevin	林子傑	B	1
Lam Kin Fung, Jeffrey	林健鋒	A	1, 3
		B	1
		A	1
		B	1, 3

Note I:

- A: Attending seminars, conferences, forums, in-house briefings or in-house training
B: Reading newspapers, journals and updates

附註I:

- A: 出席研討會、會議、論壇、內部簡介會或內部培訓
B: 閱讀報章、刊物及更新資料

Note II:

- 1: Laws, rules and regulations
2: Finance, accounting or taxation
3: Management
4: Businesses relating to the Company

附註II:

- 1: 法例、規則及法規
2: 財務、會計或稅務
3: 管理
4: 與本公司有關的業務

CHAIRMAN/CO-CHAIRMEN AND CHIEF EXECUTIVE OFFICER

The roles of Chairman/Co-Chairmen and Chief Executive Officer are separate and exercised by different individuals to reinforce their independence and accountability. Mr. Zhao Quan/Mr. Wang Shuang served as Chairman/Co-Chairmen during the period from 1 January 2017 to 13 December 2017. For the period from 13 December 2017 to 31 December 2017, Mr. Guo Ke served as Chairman. During the year, Mr. Xu Haohao, as a President, served as/took the responsibilities of the Chief Executive Officer of the Company. The Chairman/Co-Chairmen provide(s) leadership for the Board and that the Board works ensure(s) effectively and performs its responsibilities. The Chief Executive Officer has overall chief executive responsibility for the Group's business development and day-to-day management generally. The division of responsibilities between the Chairman/Co-Chairmen and the Chief Executive Officer is clearly established and set out in writing.

In performing the role of Chairman/Co-Chairmen, while some duties are in jointly responsible, they have been serving clearly delineated functions within the Group in both business and compliance matters.

The Co-Chairmen have the distinguished areas of responsibility on the business side during their appointment period. Mr. Zhao Quan has over 20 years of management experience and has extensive knowledge and experience in the areas of, inter alia, property development and property investment, including management of companies in the PRC, he took major charge on the overall business direction together with the existing businesses; Mr. Wang Shuang has nearly 10 years of practical experience in the fields of, inter alia, logistic and transportation, including extensive experience in management of companies overseas and at the international level, he took major charge on the new businesses.

主席／聯席主席及行政總裁

主席／聯席主席與行政總裁之角色應予以區分，並由不同人士擔任，以加強彼等之獨立性及問責性。於二零一七年一月一日至二零一七年十二月十三日期間，趙權先生／Wang Shuang先生為主席／聯席主席。於二零一七年十二月十三日至二零一七年十二月三十一日，郭可先生為主席。於年內，徐昊昊先生作為總裁，肩負本公司行政總裁的責任。主席／聯席主席負責領導董事會，確保董事會有效地運作，且履行其職責。行政總裁則肩負行政總裁整體的職務，負責本集團整體的業務發展及日常管理。主席／聯席主席與行政總裁之間之職責分工已予清楚界定並以書面列載。

就履行主席／聯席主席之角色而言，儘管部份職責由彼等共同承擔，惟彼等於本集團內有關業務及合規事宜之職能已明確區分。

聯席主席於其任內在業務方面所承擔之責任範圍有明確區分。趙權先生擁有逾20年之管理經驗，並於(其中包括)物業發展及物業投資等領域具備豐富知識及經驗，包括管理中國公司，彼主要負責整體業務方向及現有業務；而Wang Shuang先生於(其中包括)物流及運輸等領域擁有近10年的從業經驗，包括管理海外及國際公司之豐富經驗，彼主要負責新業務。



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While the Company is benefit from the services of Co-Chairmen in their expertise areas, the Co-Chairmen can be complementary to each other on sharing knowledge and experience and also creating synergy on management, operation and control on the common businesses (such as golf businesses in Dongguan and the US).

On the compliance side, both Articles and Listing Rules have stipulated the duties and responsibilities of the chairman. But the Co-Chairmen can perform their roles without conflict:

1. the Articles:

If both Co-Chairmen attend the board/shareholders' meeting, the chairman to that meeting will be agreed between the Co-Chairmen. If only one of the Co-Chairmen attends the board/shareholders' meeting, the attending Co-Chairman shall act as the chairman to that meeting. The relevant duties and powers (including the casting vote) under the Articles will be vested on the chairman to that meeting.

2. the Listing Rules:

(a) Under the CG Code:

- provides leadership for the Board, ensures that the Board works effectively and performs its responsibilities, and that all key and appropriate issues are discussed by it in a timely manner (the Co-Chairmen can be complementary to each other in the leadership of the board as they have different fields on experience, and they can bring out key and appropriate issues to be discussed in a timely manner);
- ensures that all Directors are properly briefed on issues arising at board meetings, and ensuring that Directors receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable (the Co-Chairman will brief the Directors in his respective fields while the Joint Company Secretaries/Company Secretary will brief on the general matters and take the initiative to make preparations and inform and provide information to all Directors);

聯席主席在其專業領域所提供之服務固然使本公司受惠，彼等在分享知識及經驗方面亦可相輔相成，並就共通業務(如位於東莞及美國的高爾夫球業務)之管理、營運及控制締造協同效應。

就合規性而言，細則及上市規則均有訂明主席之職責及責任。然而，聯席主席可履行彼等之角色而不產生任何衝突：

1. 細則：

倘兩名聯席主席均出席董事會會議／股東大會，該會議之主席將由聯席主席之間協定。倘僅有其中一名聯席主席出席董事會會議／股東大會，出席的聯席主席將作為該會議之主席。細則項下之相關職責及權力(包括決定票)將賦予該會議的主席。

2. 上市規則：

(a) 根據企業管治守則：

- 負責領導董事會，確保董事會有效地運作，且履行應有職責，並及時就所有重要的適当事項進行討論(由於聯席主席在不同領域各具經驗，在領導董事會方面可相輔相成，亦可及時提出重要的適当事項進行討論)；
- 確保董事會會議上所有董事均適當知悉當前的事項，以及確保董事適時收到充分的資訊，而有關資訊亦必須準確清晰及完備可靠(聯席主席將就其相關領域向董事作出簡要報告，而聯席公司秘書／公司秘書將就一般事項作出簡要報告，並主動進行預備工作、通知及向全體董事提供資訊)；

- primarily responsible for drawing up and approving the agenda for each board meeting and take into account, where appropriate, any matters proposed by the other Directors for inclusion in the agenda (the Co-Chairmen has delegated the responsibility to the Joint Company Secretaries);
- primary responsibility for ensuring that good corporate governance practices and procedures are established (the Co-Chairmen relies on the assistance of Joint Company Secretaries/Company Secretary on this area but the Joint Company Secretaries/Company Secretary will report to the Co-Chairmen where necessary);
- encourages all Directors to make a full and active contribution to the Board's affairs and take the lead to ensure that it acts in the best interests of the Company, and encouraging Directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure that board decisions fairly reflect board consensus (in meetings, the relevant Co-Chairman will perform the duties; at the other time outside meetings, either of the Co-Chairmen and the Joint Company Secretaries/Company Secretary will collect and solicit from the other Directors their opinions and feedback on other board members and the management);
- at least annually hold meetings with the Non-executive Directors (including Independent Non-executive Directors) without the Executive Directors present (either or both of the Co-Chairmen can attend and listen to the opinions of the Non-Executive Directors and then reflect to the management and the relevant parties of the Company);
- 主要負責擬定並批准每次董事會會議的議程，並在適當情況下考慮其他董事提議加入議程之任何事項(聯席主席已將這項責任轉授予聯席公司秘書)；
- 主要負責確保制定良好的企業管治常規及程序(聯席主席在這方面依賴聯席公司秘書／公司秘書的協助，惟聯席公司秘書／公司秘書將在需要時向聯席主席報告)；
- 鼓勵所有董事全力及主動地投入董事會事務，並以身作則，確保董事會行事符合本公司最佳利益，並鼓勵持不同意見的董事表達本身關注的事宜、給予充足時間討論這些事宜，以及確保董事會的決定能公正反映董事會的共識(在各會議上，相關聯席主席將會履行此職責；在會議以外之其他時間，聯席主席或聯席公司秘書／公司秘書將會收集及徵求其他董事對其他董事會成員及管理層之意見及反饋)；
- 至少每年與非執行董事(包括獨立非執行董事)舉行一次沒有執行董事出席之會議(其中一名或兩名聯席主席均可出席會議，聽取非執行董事的意見，然後向管理層及本公司之相關方反映)；



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- ensures that appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole (a shareholders' communication policy of the Company is already in place);
- promotes a culture of openness and debate by facilitating the effective contribution of Non-executive Directors in particular and ensuring constructive relations between Executive and Non-executive Directors (in meetings, the relevant Co-Chairman will perform the duties; at the other time outside meetings, either of the Co-Chairmen and the Joint Company Secretaries/Company Secretary will collect and solicit from the other Directors their opinions and feedback on other board members and the management);
- 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達到整個董事會（本公司已制定股東通訊政策）；
- 提倡公開、積極討論之文化，促進董事（特別是非執行董事）對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係（在各會議上，相關聯席主席將會履行此職責；在會議以外的其他時間，聯席主席或聯席公司秘書／公司秘書將會收集及徵求其他董事對其他董事會成員及管理層的意見及反饋）；

(b) *Under the other Listing Rules:*

- under the Model Code (Appendix 10), considering that this is only an administration procedure, either Co-Chairman is entitled to receive notification and give clearance relating to directors' dealing and the Co-Chairman receiving notification will inform the other Co-Chairman. If one of the Co-Chairmen give the notification, the other Co-Chairman will provide a written acknowledgement; and
- for the provisions under Chapters 14 and 14A of the Listing Rules, the relevant duties and powers will be vested on the chairman to that meeting.

(b) *根據其他上市規則：*

- 根據標準守則（附錄十），考慮到此舉只屬行政程序，任何一名聯席主席均有權接收通知及發出有關董事買賣之許可，而接收通知的聯席主席將會知會另一名聯席主席。倘其中一名聯席主席發出通知，則另一名聯席主席將會出具書面確認；及
- 根據上市規則第十四章及第十四A章之條文，相關職責及權力將會歸屬於該會議之主席。

During the year, Mr. Wang Shuang, the then Co-Chairman of the Board, met with the Non-executive Directors (including Independent Non-executive Director) without the presence of other Executive Directors.

年內，當時之董事會聯席主席Wang Shuang先生在沒有其他執行董事在場的情況下與非執行董事（包括獨立非執行董事）會面。



BOARD COMMITTEES

The Board has established the following committees to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All committees have their own terms of reference. All resolutions passed by the committees will be reported to the Board at the next Board meeting.

Executive Committee

The Executive Committee of the Board was established in April 2005 with specific written terms of reference which deal clearly with its authorities and duties.

The Executive Committee has been conferred with the general powers of the Board (except those matters specifically reserved for the Board) to manage and oversee the operations of the Group and has been assigned with the responsibilities to perform the corporate governance duties as follows:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Group's employees and Directors;
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- to conform to any requirement, direction, regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

The Executive Committee comprises the Executive Directors (as appointed from time to time) of the Company.

董事會轄下委員會

董事會已成立下列委員會，以監察本公司特定範疇的事務及協助董事會執行其職務。全部委員會均有其職權範圍。委員會通過的所有決議案均須於下次董事會議上向董事會匯報。

執行委員會

董事會轄下之執行委員會於二零零五年四月成立，委員會具書面訂明之職權範圍，清楚說明其職權及責任。

執行委員會獲授董事會的一般權力(惟特別保留予董事會的事項除外)以管理及監督本集團的營運，以及負責履行下列企業管治職責：

- 制定及檢討本公司之企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- 制定、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊(如有)；
- 檢討本公司遵守企業管治守則之情況及企業管治報告內的披露；及
- 遵守董事會不時規定或本公司組織章程所載或法例規定之任何規定、指引或規則。

執行委員會由本公司不時委任之執行董事組成。



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During the year, no physical meeting of the Executive Committee were held. All the work performed by Executive Committee during the year was passed by resolution in writing.

The major work in relation to the corporate governance of the Group performed by the Executive Committee during the year included the review of the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company for the year ended 31 December 2016.

Audit Committee

The Audit Committee of the Board was established in December 1998 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Audit Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Audit Committee include, amongst other things:

- overseeing the relationship with the Company's auditor;
- reviewing the interim and annual financial statements;
- reviewing the Company's financial reporting system and internal control procedures; and
- reviewing the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee has explicit authority to investigate any activity within its terms of reference and the authority to obtain external legal or other independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. It is given access to and assistance from the employees and reasonable resources to perform its duties properly.

年內，執行委員會並無舉行會議。執行委員會於年內履行之所有工作均以書面決議案獲得通過。

執行委員會於年內履行有關本集團企業管治之主要工作包括檢討本公司於截至二零一六年十二月三十一日止年度遵守企業管治守則之情況及審閱本公司《企業管治報告》內之披露。

審核委員會

董事會轄下之審核委員會於一九九八年十二月成立，委員會具書面訂明之職權範圍，清楚說明其職權及責任。審核委員會之職權範圍分別登載於聯交所及本公司網站上。

審核委員會之主要職責(其中包括)：

- 監察與本公司核數師之間之關係；
- 審閱中期及全年財務報表；
- 審查本公司的財務申報制度及內部監控程序；及
- 檢討本公司僱員可在保密的情況下就財務匯報、內部監控或其他方面可能發生之不正當行為提出關注之有關安排。

審核委員會具有明確權力，可按其職權範圍調查任何事宜，並有權在其認為有需要時獲取外來法律或其他獨立專業意見，以履行其職責，費用由本公司支付。審核委員會亦可獲僱員提供支援及協助，取得合理之資源以妥善履行其職務。



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The chairman of the Audit Committee is an Independent Non-executive Director and the Audit Committee comprises all Independent Non-executive Directors of the Company. None of the members of the Audit Committee are former partners of the auditor of the Company.

審核委員會主席由一名獨立非執行董事擔任，審核委員會由本公司全體獨立非執行董事組成。概無審核委員會成員為本公司核數師之前任合夥人。

During the year, three physical meetings of the Audit Committee were held and the attendances of the members of the Audit Committee are as follows:

年內，審核委員會曾舉行三次會議，審核委員會各成員的出席記錄如下：

		Number of meeting(s) attended/eligible to attend
		出席會議次數/ 合資格出席會議次數
Leung Kai Cheung (Chairman of the Committee)	梁繼昌 (委員會主席)	3/3
Liem Chi Kit, Kevin	林子傑	3/3
Lam Kin Fung, Jeffrey	林健鋒	3/3

The major work performed by the Audit Committee during the year included, amongst other things, the following:

審核委員會於年內履行之主要工作(其中包括)如下：

- reviewing the final results of the Group for the financial year ended 31 December 2016;
- reviewing the interim results of the Group for the six months ended 30 June 2017; and
- proposing to appoint KPMG as the new auditor.
- 審閱本集團截至二零一六年十二月三十一日止財政年度之全年業績；
- 審閱本集團截至二零一七年六月三十日止六個月之中期業績；及
- 建議委任畢馬威會計師事務所為新核數師。

During the year, the Board had no disagreement with the Audit Committee's view on the selection, appointment, resignation or dismissal of the external auditor.

董事會於年內概無不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見。



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Nomination Committee

The Nomination Committee of the Board was established in April 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Nomination Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Nomination Committee include:

- reviewing the structure, size and composition of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board;
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
- assessing the independence of Independent Non-executive Directors; and
- reviewing the Board Diversity Policy, as appropriate; and reviewing the measurable objectives that have been set for implementing the Board Diversity Policy, and reviewing the progress on achieving the objectives.

Where vacancies exist at the Board, candidates are proposed and put forward to the Nomination Committee for consideration. The recommendations of the Nomination Committee will then be tendered to the Board for approval. In considering the nomination of a new Director, the Nomination Committee will give adequate consideration to the Board Diversity Policy and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

提名委員會

董事會轄下的提名委員會於二零零五年四月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。提名委員會的職權範圍分別登載於聯交所及本公司網站上。

提名委員會的主要職責包括：

- 檢討董事會的架構、人數及組成，並就任何為配合本公司策略而擬對董事會作出的變動提出建議；
- 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事會成員或就此向董事會提供建議；
- 就董事委任或重新委任以及董事繼任計劃向董事會提出建議；
- 評核獨立非執行董事之獨立性；及
- 在適當情況下檢討董事會成員多元化政策；以及檢討為董事會成員多元化政策而制定的可計量目標和檢討達標進度。

董事會出現空缺時，獲提名之候選人交由提名委員會審議。提名委員會之建議其後會提交董事會審批。提名委員會於考慮提名新董事時，會充分考慮董事會成員多元化政策，並考慮該等候選人之資格、能力、工作經驗、領導才能及專業操守。董事會在決定董事之獨立性時會遵循上市規則所載規定。



The Nomination Committee has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain external independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

提名委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在其認為有需要時獲取外來獨立專業意見，以履行其職責，費用由本公司支付。

The chairman of the Nomination Committee is one of the Co-Chairmen of the Board and the Independent Non-executive Directors of the Company constitute the majority of the Nomination Committee.

提名委員會主席由董事會其中一名聯席主席擔任。本公司之獨立非執行董事佔提名委員會的大多數。

During the year, no physical meeting of the Nomination Committee was held. All the work performed by Nomination Committee during the year was passed by resolution in writing.

年內，提名委員會並無舉行會議，提名委員會於年內履行之所有工作均以書面決議案獲得通過。

The major work performed by the Nomination Committee during the year included, amongst other things, the following:

提名委員會於年內履行之主要職責(其中包括)如下：

- assessing the independence of the Independent Non-executive Directors;
- considering and making recommendations to the Board on the re-election of Directors at the annual general meeting;
- considering and making recommendations to the Board for the appointment of Mr. Mung Bun Man, Alan, Mr. Guo Ke and Mr. Zhu Chunjie as Directors of the Company;
- reviewing the structure and composition of the Board with due regards for the benefits of diversity on the Board; and
- considering and making recommendations to the Board on the change of Board composition.
- 評核獨立非執行董事之獨立性；
- 考慮及就於股東週年大會上重選董事向董事會提出建議；
- 考慮及就委任蒙品文先生、郭可先生及主春杰先生為本公司董事向董事會提出建議；
- 審閱董事會之架構及組成，並充分顧及董事會之多元性；及
- 考慮及就變更董事會之組成向董事會提出建議。



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Remuneration Committee

The Remuneration Committee of the Board was established in April 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Remuneration Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Remuneration Committee include:

- making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management of the Group;
- reviewing and approving the management's remuneration proposals with reference to the Company's goals and objectives;
- determining, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management and making recommendations to the Board on the remuneration of Non-executive Directors;
- reviewing and approving compensation payable to Executive Directors and senior management and compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration.

薪酬委員會

董事會轄下的薪酬委員會於二零零五年四月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。薪酬委員會的職權範圍分別登載於聯交所及本公司網站上。

薪酬委員會的主要職責包括：

- 就本公司對本集團董事及高級管理人員之全體薪酬政策及架構，向董事會提出建議；
- 因應本公司方針及目標而檢討及審批管理層之薪酬建議；
- 獲董事會轉授責任，釐定個別執行董事及高級管理人員之薪酬待遇，並就非執行董事的酬金向董事會提出建議；
- 檢討及審批應付予執行董事及高級管理人員之賠償，以及董事因行為不當而被辭退或免職時的賠償安排；及
- 確保任何董事或其任何聯繫人不得自行釐定薪酬。



The Remuneration Committee may consult the Chairman/Co-Chairmen of the Board and/or the Chief Executive Officer of the Company about their remuneration proposals for other Executive Directors. It has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain external independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

The remuneration policies for the Company as well as the Directors are market alignment and reward for performance. The Company reviews the remuneration package annually, taking into consideration of the market practice, competitive market position and individual performance.

The chairman of the Remuneration Committee is an Independent Non-executive Director and the Independent Non-executive Directors of the Company constitute the majority of the Remuneration Committee.

During the year, no physical meeting of the Remuneration Committee was held. All the work performed by the Remuneration Committee during the year was passed by resolution in writing.

The major work performed by the Remuneration Committee during the year included, amongst other things, the following:

- considering, reviewing and determining the remuneration of the Executive Directors of the Company for the year 2018;
- considering and approving the terms of the service agreements and the remuneration of Mr. Mung Bun Man, Alan, Mr. Guo Ke and Mr. Zhu Chunjie;
- making recommendations to the Board on the directors' fee of the Non-executive Directors of the Company for the year 2018; and
- Considering the service agreements of the Executive Directors and making recommendations to the Board on the engagement letter of the Non-executive Directors and the Independent Non-executive Directors.

Note: The Remuneration Committee performed the following work in February 2018:

- considering and determining the bonuses of the Executive Directors of the Company for the year 2017.

薪酬委員會可就其他執行董事的薪酬建議諮詢董事會主席／聯席主席及／或本公司行政總裁的意見。薪酬委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在其認為有需要時獲取外來獨立專業意見，以履行其職責，費用由本公司支付。

本公司及董事之薪酬政策均與市場水平及工作表現掛鈎。本公司會考慮市場慣例、市場上的競爭狀況及個人表現，按年檢討薪酬待遇。

薪酬委員會之主席由一名獨立非執行董事擔任。本公司之獨立非執行董事佔薪酬委員會的大多數。

年內，薪酬委員會並無舉行會議。薪酬委員會於年內履行之所有工作均以書面決議案獲得通過。

薪酬委員會於年內履行之主要工作(其中包括)如下：

- 考慮、審閱及釐定本公司執行董事於二零一八年之薪酬；
- 考慮及審批蒙品文先生、郭可先生及主春杰先生之服務協議條款及薪酬；
- 就本公司非執行董事於二零一八年之董事袍金向董事會提出建議；及
- 考慮執行董事之服務協議以及就非執行董事及獨立非執行董事之委聘書向董事會提出建議。

附註： 薪酬委員會於二零一八年二月履行以下工作：

- 考慮及釐定本公司執行董事於二零一七年之花紅。



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Details of remuneration paid to Directors and senior management for the year are set out in Note 14 to the consolidated financial statements.

Investment Committee

The Investment Committee of the Board was established in July 2009 with specific written terms of reference which deal clearly with its authorities and duties.

Pursuant to the terms of reference, the Investment Committee comprises the Executive Directors (as appointed from time to time) and two Non-executive Directors of the Company (amongst the two Non-executive Directors, at least one must be an Independent Non-executive Director).

JOINT COMPANY SECRETARIES/COMPANY SECRETARY

The Joint Company Secretaries/Company Secretary support the Board by ensuring good information flow within the Board and that board policy and procedures are followed. The Joint Company Secretaries/Company Secretary are/is also responsible for advising the Board through the Chairman/Co- Chairmen and/or the Chief Executive Officer of the Company on corporate governance and the implementation of the CG Code. The Joint Company Secretaries/Company Secretary are/is employee(s) of the Company and have day-to-day knowledge of the Group's affairs. Mr. Huang Tianbo has resigned as Joint Company Secretary of the Company on 20 November 2017, Mr. Lau Lap Ngai remains as the Company Secretary of Company.

The Joint Company Secretaries/Company Secretary report to the Chairman/Co- Chairmen and the Chief Executive Officer. All Directors also have access to the advice and services of the Joint Company Secretaries/Company Secretary to ensure that board procedures, and all applicable laws, rules and regulations, are followed. The selection, appointment and dismissal of the Joint Company Secretaries/Company Secretary are/is subject to the Board approval.

The Joint Company Secretaries have confirmed they have each taken no less than 15 hours of relevant professional training during the year 2017.

年內向董事及高級管理人員支付之薪酬詳情載列於綜合財務報表附註14。

投資委員會

董事會轄下之投資委員會於二零零九年七月成立，委員會書面訂明之職權範圍，清楚說明其職權及責任。

根據職權範圍書，投資委員會應由本公司不時委任之執行董事，以及兩名非執行董事（該兩名非執行董事之中，其中最少一名應為獨立非執行董事）組成。

聯席公司秘書／公司秘書

聯席公司秘書／公司秘書支援董事會，確保董事會成員之間資訊交流良好，以及董事會政策及程序得以遵循。聯席公司／公司秘書亦負責透過本公司主席／聯席主席及／或行政總裁向董事會就企業管治情況及企業管治守則之施行事宜提供意見。聯席公司秘書／公司秘書為本公司的僱員，對本集團之日常事務甚有認識。黃天波先生於二零一七年十一月二十日辭任本公司聯席公司秘書一職，劉立毅先生留任本公司的公司秘書。

聯席公司秘書／公司秘書向主席／聯席主席及行政總裁匯報。所有董事亦可取得聯席公司秘書／公司秘書的意見及服務，以確保董事會程序及所有適用法律、規則及規例得以遵守。聯席公司秘書／公司秘書之遴選、委任與撤職須經董事會批准。

聯席公司秘書確認其於二零一七年期間接受不少於十五小時之相關專業培訓。

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is of the opinion that sound internal control and risk management systems will contribute to the effectiveness and efficiency of operations of the Group and to the safeguard of the Group's assets as well as the shareholders' investment.

The Board is responsible for overall ensuring, maintaining and overseeing the internal control and risk management systems of the Group. The Executive Committee helps the Board to discharge its responsibilities of ensuring and maintaining sound internal control and risk management functions by continuously reviewing and monitoring the internal control and risk management systems and processes so as to ensure that they can provide reasonable assurance against material errors and potential risk of the Group.

The internal control and risk management systems are embedded within the business processes and function as an integral part of the overall operations of the Group. The systems comprise a comprehensive organization structure with assignment of definite accountabilities and delegation of the corresponding authorities to each post. Based on the organization structure, an accountability system has been developed which includes a reporting system from division head of each principal business unit to the Executive Committee.

Business plans and budgets are prepared by the division head of each principal business unit annually. In preparing the business plans and budgets, the management identifies and evaluates any potential risks. Measures will be put in place with an aim to ultimately managing, controlling or lessening such risks.

內部監控及風險管理

董事會認為健全的內部監控及風險管理系統能提高本集團的營運效益及效率，亦有助於保障本集團的資產及股東的投資。

董事會負責整體確保、維持及監管本集團的內部監控及風險管理系統。執行委員會協助董事會履行確保及維持健全的內部監控系統功能，並透過持續檢討和監察內部監控及風險管理系統和程序，以確定該等系統和程序能合理地確保本集團不會出現重大的誤差及潛在風險。

內部監控及風險管理系統已納入業務程序中，成為本集團整體營運中不可分割的一部份。該等系統包括一個全面的組織架構，當中每個崗位都委以明確的責任，並授予相應的權力。本集團根據組織架構建立了問責制度，當中包括每個主要業務單位的主管向執行委員會匯報的制度。

每個主要業務單位的主管須每年編製業務計劃及預算案。在編製業務計劃及預算案時，管理層會辨識及評估任何潛在風險，對應的措施將予實施，務求最終能管理、控制或降低該等風險。

The business plans and budgets are subject to review and approval by the Executive Committee. The Executive Committee reviews monthly management report on the operational and financial results of each principal business unit and measures the actual performance of the Group against the business plans and budgets concerned. In this course, the Executive Committee also reviews and assesses the effectiveness of all material controls and the adequacy of resources, staff qualifications and experience, training programmes and budgets of the Company's accounting and financial reporting function. The Executive Committee holds periodical meetings with the senior management of each principal business unit to, amongst other matters, address the issues in such controls, identify areas of improvement and put the appropriate measures in place.

The internal control and risk management systems of the Group is documented and if any revision is required, such information will be submitted to the Audit Committee for evaluation.

The Audit Committee assists the Board to fulfill its oversight role over the Group's internal control and risk management functions by reviewing and evaluating the effectiveness of the overall internal control and risk management systems.

The Company set up the Internal Audit Department in October 2012. To cope with the newest development of the Group, the Risk Control Department which replaced the existing Internal Audit Department was established under the Group's structure in September 2016. Upon the completion of the acquisition of CWT SG, the Risk Control Department has been enlarged to include the internal audit function of CWT SG Group. The audit controller of CWT SG Group is an independent qualified resource reporting to chief financial officer of CWT SG Group (on administrative matters) and the Chief Risk Officer of the Group. The Risk Control Department is independent to the operational department of the Group and assists the Board and the Audit Committee by consistent monitoring the risks in which the Group and its subsidiaries encounter during operation, and ensures that all material controls, including financial, operational and compliance controls as well as risk management are in place and functioning effectively. The Risk Control Department reports to the Board and the Audit Committee with its findings and makes recommendations to improve the internal control and risk management systems of the Group. Thus the internal audit area has been included into the Risk Control Department.

有關業務計劃及預算案需提交執行委員會審閱及批准。執行委員會審閱每個主要業務單位每月營運及財務業績之管理報告，並以相關業務計劃及預算案來衡量本集團之實際表現。在此過程中，執行委員會亦檢討及評估所有重大監控方面的成效，以及本公司在會計及財務匯報職能方面的資源、員工資格及經驗、培訓課程及有關預算是否足夠。執行委員會與每個主要業務單位的高級管理人員定期舉行會議，以(其中包括)解決該等監控內之問題，識別可予以改善的地方及採取適當措施。

本集團的內部監控及風險管理系統通過書面記載，如需作任何修訂，將會把相關的資料呈交審核委員會作評估。

審核委員會協助董事會履行其在本集團內部監控及風險管理功能上的監管角色，審閱及評估內部監控及風險管理系統整體效益。

本公司於二零一二年十月成立內部審計部。為應對本集團最近期之發展，於二零一六年九月，本集團在其架構內成立風險控制部，以取代現有內部審計部。完成收購CWT SG後，風險控制部經已擴大，以納入CWT SG集團之內部審計職能。CWT SG集團的審計總監為一名獨立合資格人員，就行政事宜向CWT SG集團之財務總監(就行政事宜)及本集團之風險總監匯報。風險控制部乃獨立於本集團之營運部門，透過持續監察本集團及其附屬公司營運時所面臨之風險來協助董事會及審核委員會，並確保所有重大監控(包括財務、經營及合規監控以及風險管理)均恰到好處及運作有效。風險控制部向董事會及審核委員會匯報其發現及作出建議，以改善本集團之內部監控及風險管理系統。因此，內部審計方面已納入風險控制部內。

Internal Audit Functions

During the year under review, the Board has been, through the Executive Committee and the Audit Committee (with the assistance from the Risk Control Department), continuously reviewing the effectiveness of the Group's internal control systems and considers the systems effective and adequate. The Board also considers that adequate resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function are provided.

MODEL CODE FOR 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 of the Listing Rules as a code of conduct of the Company for Directors' securities transactions.

Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code and the Company's code of conduct regarding Directors' securities transactions throughout the year ended 31 December 2017.

Employees who are likely to possess inside information in relation to the Company or its shares are required to prohibit from dealing in shares of the Company during the relevant period.

內部審計功能

於回顧年內，董事會透過執行委員會及審核委員會（在風險控制部的協助下）持續檢討本集團內部監控系統的成效，並認為該系統充足及有效。董事會亦認為已提供充足資源、員工資歷及經驗、培訓課程及本公司會計及財務匯報職能的預算。

進行證券交易的標準守則

本公司已就董事進行證券交易而採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「**標準守則**」）作為其本身之行為守則。

在向所有董事作出特定查詢後，所有董事於截至二零一七年十二月三十一日止年度內已遵守標準守則及本公司有關董事進行證券交易之行為守則所規定的標準。

任何可能管有關於本公司或其股份的內幕消息之僱員，均不得於有關期內買賣本公司股份。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITOR'S REMUNERATION

On 4 December 2017, Deloitte Touche Tohmatsu resigned and KPMG was appointed as the Auditor of the Company on 19 December 2017. During the year, the remuneration paid/payable to the Company's auditors are set out as follows:

核數師酬金

於二零一七年十二月四日，德勤•關黃陳方會計師行已辭任及畢馬威會計師事務所於二零一七年十二月十九日獲委任為本公司之核數師。年內已支付／應付予本公司核數師的酬金載列如下：

Services rendered	所提供服務	HK\$'000 港幣千元
Deloitte Touche Tohmatsu	德勤•關黃陳方會計師行	
Non-audit services	非審計服務	9,694
KPMG	畢馬威會計師事務所	
Audit services	審計服務	4,900
KPMG affiliates and other member firms	畢馬威會計師事務所之聯屬公司及其他成員公司	
Audit services*	審計服務*	10,370
Non-audit services*	非審計服務*	4,337
Total	總計	29,301

* Including fees paid to KPMG and its affiliates and other member firms for services rendered during the year prior to the acquisition of CWT SG.

* 包括於收購CWT SG前年度就所提供服務向畢馬威會計師事務所及其聯屬公司以及其他成員公司支付之費用。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing financial statements of the Group which give a true and fair view of the state of affairs of the Group on a going concern basis and in presenting the annual and interim reports and other financial disclosures required under the Listing Rules, the Directors aim to present a balanced, clear and understandable assessment of the Group's position and prospects.

董事於財務報表的責任

董事承認彼等有責任編製本集團財務報表，以持續經營基準真實及公平地呈列本集團的事務。另於呈列年報及中期報告及上市規則所要求的其他財務披露時，董事須致力平衡、清晰及明白地評估本集團之狀況及前景。

As at 31 December 2017, the Group had net current liabilities of approximately HK\$2,193.9 million, primarily as a result of certain borrowings totaling US\$561.0 million (carrying amount as at 31 December 2017 of approximately HK\$4,325.2 million) (“the Acquisition Borrowings”) raised in connection with the acquisition of CWT SG. The Group is committed to repay US\$300.0 million (carrying amount as at 31 December 2017 of approximately HK\$2,313.0 million) and US\$261.0 million (carrying amount as at 31 December 2017 of approximately HK\$2,012.3 million) in May and September 2018, respectively. The Group will be unable to repay these Acquisition Borrowings in full when they fall due unless it is able to obtain sufficient cash sources through refinancing or other arrangements. The Directors considered that these conditions indicate the existence of material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern.

The financial statements have been prepared on a going concern basis after taking into account of certain factors as detailed in Note 2(b) to the consolidated financial statements, including the following:

- (a) The above Acquisition Borrowings are guaranteed by HNA Group (International) Company Limited, a substantial shareholder of the Company. In addition, HNA Group Co., Ltd undertakes to maintain the liquidity of the Company and HNA Group (International) Company Limited to ensure they have sufficient liquidity to meet the payment obligation in respect of the Acquisition Borrowings as they fall due. Both HNA Group (International) Company Limited and HNA Group Co., Ltd will continue to provide adequate financial support to the Group so as to enable the Group to meet its liabilities as and when they fall due and to continue its operations for the period of at least twelve months from the end of the reporting period; and
- (b) the Directors have been actively negotiating with (i) overseas commercial banks and international financial institutions for raising funds from new facilities to the Group; and (ii) reputable real estate capital management companies for sales and lease back arrangements in respect of certain of the Group’s warehouses located in Singapore. The Group has received a number of non-binding term sheets, letters of intent and expressions of interest regarding the mentioned negotiations, and it is expected that binding agreement(s) will be entered upon the completion of certain due diligence procedures and negotiation on terms.

於二零一七年十二月三十一日，本集團擁有流動負債淨值約港幣2,193,875,000元，主要由於就收購CWT SG所籌得之若干借款合計561,000,000美元（於二零一七年十二月三十一日之賬面值約為港幣4,325,222,000元）（「收購事項借款」）所致。本集團承諾分別於二零一八年五月及九月償還300,000,000美元（於二零一七年十二月三十一日之賬面值約為港幣2,312,953,000元）及261,000,000美元（於二零一七年十二月三十一日之賬面值約為港幣2,012,269,000元）。除非本集團可透過再融資或其他安排獲得充足現金來源，否則其將無法於該等收購事項借款到期時悉數償還該等借款。董事認為該等情況表示存在重大不確定性，其可能對本集團可繼續以持續方式經營之能力構成重大疑問。

經考慮若干因素（詳情見綜合財務報表附註2(b)）後，財務報表已按持續經營基準編製，該等因素包括下列因素：

- (a) 上述收購事項借款由本公司之主要股東之一海航集團（國際）有限公司作出擔保。此外，海航集團有限公司承諾維持本公司之流動資金，而海航集團（國際）有限公司將確保彼等有充足流動資金以於該等借款到期時償付承擔。海航集團（國際）有限公司及海航集團有限公司均將繼續向本集團提供充足之財務支持，以使本集團可償付其到期負債，並於自報告期末起計最少十二個月內繼續其經營；及
- (b) 董事已積極與(i)海外商業銀行及國際金融機構磋商，以為本集團取得新融資進行籌資；及(ii)著名房地產資本管理公司磋商，以就本集團位於新加坡之若干倉庫訂立出售及租回安排。本集團已就上述磋商接獲若干不具約束力之條款清單、意向書及意願書，並預期將於完成若干盡職審查程序及就條款進行磋商後訂立具約束力之協議。

The statement of the auditor of the Company, KPMG, about its reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 78 to 87 of this annual report.

KPMG has drawn attention to Note 2(b) to the consolidated financial statements in the Independent Auditor's Report, which describes that the Group is committed to repay certain borrowings totally US\$561.0 million (carrying amount as at 31 December 2017 of approximately HK\$4,325.2 million) for the purpose of the acquisition of CWT SG that will be due for repayment within one year. The Group is committed to repay US\$300.0 million (carrying amount as at 31 December 2017 of approximately HK\$2,313.0 million) and US\$261.0 million (carrying amount as at 31 December 2017 of approximately HK\$2,012.3 million) in May and September 2018, respectively. The Group will be unable to repay these Acquisition Borrowings in full when they fall due unless it is able to obtain sufficient cash sources through refinancing and other arrangements. Such facts and circumstances indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, while the audit opinion is not modified in respect of this matter.

COMMUNICATION WITH SHAREHOLDERS

On 22 March 2012, the Board adopted a Shareholders' Communication Policy reflecting the current practices of the Company for communication with its shareholders. Such policy aims at ensuring the shareholders of the Company are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders to engage actively with the Company.

To foster effective communications with the shareholders, the Company provides extensive information in its annual and interim reports and announcements. All shareholders' communications are also available on the Company's website at www.cwtinternational.com.

The annual general meeting of the Company provides a useful forum for shareholders to exchange views with the Board. All Directors will make an effort to attend. External auditor is also available at the annual general meeting to address shareholders' queries. In case of any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval, members of the independent Board committee will also make an effort to attend to address shareholders' queries.

本公司的核數師畢馬威會計師事務所已在本年報第78頁至第87頁之獨立核數師報告中就彼於本集團綜合財務報表之申報責任作出聲明。

畢馬威會計師事務所謹請閣下垂注獨立核數師報告中綜合財務報表附註2(b)，其闡述本集團承諾償還為收購CWT SG之若干借款合計561,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣4,325,222,000元)，該等借款須於一年內償還。本集團承諾分別於二零一八年五月及九月償還300,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣2,312,953,000元)及261,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣2,012,269,000元)。除非本集團可透過再融資及其他安排獲得充足現金來源，否則其將無法於該等收購事項借款到期時悉數償還該等借款。該等事實及情況表示存在重大不確定性，其可能對本集團可繼續以持續方式經營之能力構成重大疑問，而核數意見未有就此事宜而修改。

與股東的溝通

於二零一二年三月二十二日，董事會採納一項反映本公司現時與股東通訊之常規的股東通訊政策。該政策旨在確保本公司股東均可於已有、平等及適時之渠道下獲得均衡及容易理解之本公司資料，一方面使股東可在知情情況下行使其權力，另一方面也讓股東可與本公司積極交流。

為促進與股東之間的有效溝通，本公司於年報、中期報告及公告中提供全面資料。所有股東通訊資料均可於本公司網站索閱，網址為 www.cwtinternational.com。

本公司的股東週年大會為股東提供與董事會交流意見之有用平台。全體董事均會盡可能抽空出席，外聘核數師亦出席股東週年大會回答股東之提問。在任何批准關連交易或任何其他須經獨立股東批准之交易之股東大會上，獨立董事委員會成員亦會盡可能抽空出席回答股東的提問。

During the year, three general meetings were held. One of the general meetings was the annual general meeting held on 23 June 2017 (the “**2017 AGM**”) and the others were the following:

- held on 7 September 2017 (the “**1st GM**”) for approving the acquisition of CWT SG; and
- held on 29 November 2017 (the “**2nd GM**”) for approving the change of company name.

The ex-auditor of the Company, Deloitte Touche Tohmatsu, attended the 2017 AGM. Details of the Directors’ attendances at the general meetings of the Company held during the year are as follows:

於年內，本公司舉行了三次股東大會。其中一次股東大會為於二零一七年六月二十三日舉行之股東週年大會（「二零一七年股東週年大會」），其他股東大會載列如下：

- 於二零一七年九月七日召開（「第一次股東大會」），以批准收購CWT SG；及
- 於二零一七年十一月二十九日召開（「第二次股東大會」），以批准更改公司名稱。

本公司前任核數師德勤•關黃陳方會計師行出席了二零一七年股東週年大會。董事於年內本公司股東大會的出席記錄如下：

Directors	董事	Attendance at the 2017 AGM 出席 二零一七年 股東週年大會	Attendance at the 1st GM 出席 第一次 股東大會	Attendance at the 2nd GM 出席 第二次 股東大會
<i>Executive Directors</i>	<i>執行董事</i>			
Zhao Quan	趙權	x	x	x
Wang Shuang (resigned on 13 December 2017)	Wang Shuang(於二零一七年 十二月十三日辭任)	✓	✓	✓
Xu Haohao	徐昊昊	✓	✓	✓
Zhang Ke (resigned on 6 February 2017)	張克(於二零一七年 二月六日辭任)	-	-	-
Guo Ke (appointed on 13 December 2017)	郭可(於二零一七年 十二月十三日獲委任)	-	-	-
Zhu Chunjie (appointed on 13 December 2017 and resigned on 13 April 2018)	主春杰(於二零一七年 十二月十三日獲委任及於二零 一八年四月十三日辭任)	-	-	-
<i>Non-executive Directors</i>	<i>非執行董事</i>			
Leung Shun Sang, Tony	梁順生	✓	✓	✓
Wang Hao (resigned on 13 December 2017)	王浩(於二零一七年 十二月十三日辭任)	✓	✓	✓
Mung Bun Man, Alan (appointed on 5 September 2017)	蒙品文(於二零一七年 九月五日獲委任)	-	✓	✓
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>			
Leung Kai Cheung	梁繼昌	✓	✓	✓
Liem Chi Kit, Kevin	林子傑	✓	✓	✓
Lam Kin Fung, Jeffrey	林健鋒	✓	✓	✓

During the year, all notices of general meetings despatched by the Company to its shareholders for meetings held were sent for annual general meeting at least 20 clear business days before the meeting and at least 10 clear business days for all other general meetings. Separate resolutions were proposed at general meetings on each substantially separate issue, including the election of individual Directors, and all resolutions put to the vote of a general meeting were taken by way of a poll. At the general meetings, the chairman of the meetings explained the procedures for conducting a poll and answered questions from shareholders on voting by poll, if any. The results of the poll were published on the websites of the Stock Exchange and the Company respectively.

SHAREHOLDERS' RIGHTS

Convene a General Meeting

Shareholder(s) representing at least 5% of the total voting rights of all shareholders of the Company having a right to vote at general meetings can request the Directors to call a general meeting pursuant to Section 566 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The request must state the general nature of the business to be dealt with at the meeting, and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. Such request must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Joint Company Secretaries.

Put Forward Proposals at Shareholders' Meetings

Shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company or at least 50 shareholders who have a relevant right to vote at a general meeting can request the Company to circulate to the shareholders of the Company a statement of not more than 1,000 words with respect to a matter mentioned in a proposed resolution or other business to be dealt with at that meeting pursuant to Section 580 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The expenses shall be borne by the shareholder(s) making the request unless the meeting concerned is an annual general meeting and the statement is received by the Company in time for sending with the notice of the meeting. The request must identify the statement to be circulated, and must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Joint Company Secretaries at least 7 days before the meeting to which it relates.

於年內，本公司就所有舉行的股東大會發出通知，如屬股東週年大會，已於大會舉行前至少足二十個營業日向股東發送通知，而就所有其他股東大會而言，則已在大會舉行前至少足十個營業日發送通知。本公司就股東大會上每項實際獨立的事宜提出個別的決議案，包括個別董事之提名，而股東大會上提呈的所有議案均以投票方式表決。於股東大會上，大會主席已解釋以投票方式進行表決的程序，並回答股東有關以投票方式表決的提問(如有)。投票結果分別刊登於聯交所及本公司網站上。

股東權利

召開股東大會

根據香港法例第622章公司條例第566條，佔全體有權在股東大會上表決的本公司股東的總表決權最少5%的股東可要求董事召開股東大會。有關要求須述明有待在有關股東大會上處理的事務之一般性質及可包含可在股東大會上恰當地動議並擬在股東大會上動議之決議的文本。該要求須經提出要求的股東認證及以印本形式或電子形式送交本公司予聯席公司秘書。

在股東大會提出建議

根據香港法例第622章公司條例第580條，佔全體在股東大會上有相關表決權利的本公司股東的總表決權最少2.5%的股東，或最少五十名在股東大會上有相關表決權利的股東，可以要求本公司向本公司股東傳閱有待在股東大會上處理的、某項被提出決議所述之事宜，或其他有待在股東大會上處理之事務而字數不多於1,000字之陳述書。除非有關會議是股東週年大會，而本公司及時收到股東之陳述書，使本公司在發出會議通知時可同時送交陳述書，否則費用概由提出要求之股東承擔。有關要求須指出將予傳閱之陳述書，及須經所有提出該要求之股東認證，並須在該要求所關乎之股東大會前最少七日以印本形式或電子形式送交本公司予聯席公司秘書。

Shareholder(s) representing at least 2.5% of the total voting rights of all shareholders of the Company or at least 50 shareholders who have a right to vote on the resolution at an annual general meeting can request the Company to give to the shareholders of the Company notice of a resolution that may properly be moved and is intended to be moved at that meeting pursuant to Section 615 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). The request must identify the resolution of which notice is to be given, and must be authenticated by the shareholder(s) making it and sent to the Company in hard copy form or in electronic form for the attention of the Joint Company Secretaries no later than 6 weeks before the annual general meeting to which the requests relate, or if later, the time at which notice of the meeting is given.

Shareholders' Enquiries

Specific enquiries or suggestions by shareholders can be sent in writing to the Board or the Joint Company Secretaries at our registered office or by email to our Company. In addition, shareholders can contact Tricor Tengis Limited, the share registrar of the Company, if they have any enquiries about their shareholdings and entitlement to dividend. Relevant contact details are set out on page 3 of this annual report.

CONSTITUTIONAL DOCUMENTS

Save as disclosed in the circular of the Company dated 13 November 2017 regarding the change of company name, there was no change in the Company's constitutional documents during the year.

根據香港法例第622章公司條例第615條，佔全體有權在股東週年大會上表決之本公司股東的總表決權最少2.5%之股東或最少五十名有權在股東週年大會就決議表決之股東可以要求本公司向本公司股東發出關於可在股東週年大會上恰當地動議並在該大會上動議的決議之通知。有關要求須指出有待發出通知所關乎之決議及須經所有提出該要求的股東認證，並須在該要求所關乎之股東週年大會舉行前六個星期之前或(倘在前述時間之後送抵本公司，則有關會議通知發出之時以印本形式或電子形式 送交本公司予聯席公司秘書。

股東查詢

倘股東有特別查詢或建議，可致函本公司之註冊辦事處予董事會或聯席公司秘書或電郵至本公司。此外，股東如有任何有關其股份及股息之查詢，可以聯絡本公司的股份過戶登記處卓佳登捷時有限公司，有關聯絡詳情載於本年報第3頁。

憲法性文件

除本公司日期為二零一七年十一月十三日有關更改公司名稱之通函所披露者外，年內本公司的憲法性文件概無變動。



REPORT OF THE DIRECTORS

董事會報告書

The Directors herein present their report and the audited financial statements of the Company and its subsidiaries (collectively as the “Group”) for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The Company is a Hong Kong-based investment holding company principally engaged in commodity marketing, financial services and logistics services. The Company is also engaged in the affiliated business of operation of sports and leisure related facilities, property investment, management & development, and engineering services. The activities of its principal subsidiaries and associates are set out in Note 46 to the consolidated financial statements respectively.

RESULTS

The results of the Group for the year ended 31 December 2017 and the financial status of the Group at that date are set out in the financial statements on pages 88 to 295 of this annual report.

The Board of Directors of the Company does not recommend the payment of any dividend in respect of the year (2016: Nil).

BUSINESS REVIEW

A fair review of the business and a discussion and analysis of the performance for the year ended 31 December 2017 and an indication of likely future development in the business of the Group are provided in the Chairman’s Statement and Management Discussion and Analysis of this annual report. Description of the principal risks and uncertainties facing the Group can be found throughout this annual report, in particular Notes 2, 3, 43 and 44 to the consolidated financial statements. There was no important events affecting the Group since the end of the year 2017. An analysis using financial key performance indicators are provided in the Financial Highlights and the Management Discussion and Analysis in this annual report. Compliance with relevant laws and regulations which have significant impact on the Group can be found throughout this annual report, in particular, the Corporate Governance Report. An indication of likely future development in the Company’s business can be found in the Chairman’s Statement.

董事會謹此提呈董事會報告書及本公司及其附屬公司(統稱「本集團」)於截至二零一七年十二月三十一日止年度之經審核財務報表。

主要業務

本公司是一家主要從事商品貿易、金融服務及物流服務的香港投資控股公司。本公司還從事營運體育及休閒相關設施、物業投資、管理與開發業務，以及提供工程服務的附屬業務。其主要附屬公司及聯營公司之業務分別載列於綜合財務報表附註46。

業績

本集團於截至二零一七年十二月三十一日止年度之業績及本集團於該日之財務狀況載列於本年報第88頁至第295頁之財務報表。

本公司董事會不建議就本年度派發任何股息(二零一六年：無)。

業務回顧

有關對本集團於截至二零一七年十二月三十一日止年度業務之中肯審視及表現之討論及分析，以及業務未來發展可能性之指示，皆載於本年報之主席報告書及管理層論述與分析內。對本集團面對之主要風險及不明朗因素之描述，載於本年報各部份(尤其在綜合財務報表附註2、3、43及44)。自二零一七年末以來概無對本集團產生影響之重大事件。運用財務主要表現指標進行之分析，載於本年報之財務摘要及管理層論述與分析。本集團遵守對本集團有重大影響之有關法律及規例之情況，載於本年報各部份(尤其是企業管治報告)。本公司業務未來發展可能性之指示載於主席報告書。

The Company is committed to promote environmental policies, during the year:

本公司致力於推動環境政策，年內：

1. Sports and Leisure Related Facilities Business:

- (a) Facilities have been built in golf club, to treat domestic sewage, soot and exhaust. Completed in August 2016, the construction project passed inspection and acceptance before commencing operation in late September 2016. The operating company has prepared corresponding management solutions to ensure effective operation of the facilities for treating domestic sewage, soot and exhaust;
- (b) We strictly screened the suppliers of pesticides, herbicides, chemical fertilizers and other lawn maintenance materials. Apart from that, we ensure no purchase of such materials that are explicitly banned by national authorities, and archives its material purchase and application;
- (c) 17 rainwater reservoirs provide water for maintaining golf courses where such water-saving facilities as automatic sprinkler systems are installed, with tail water flowing back to the reservoirs for reuse. During its daily operation, we check and repair sprinkler systems in a timely fashion; the sprinkler operation system was also checked, with damaged components replaced timely. We adjust the amount of time for sprinkling in such areas, based on actual conditions and in a timely manner. Sprinklers are adjusted reasonably to avoid overlap in sprinkling areas and save water resources; and
- (d) Golf clubs are also actively engaged in energy conservation and other areas of environmental protection during its daily operation and life.

2. Commodity Marketing

The operating company and its employees operate in accordance with a) Code of Ethics and Business Conduct Policy and b) Corporate Social Responsibility Policy (issued and last updated January 2017). The policy documents state that the company strives to minimize detrimental environmental issues and is committed to meeting all environmental laws and legislation in the countries and regions in which it operates. There have been no reported environmental issues raised that the operating company is aware of during the year 2017.

1. 體育及休閒相關設施業務：

- (a) 球會建成了生活污水及油煙廢氣治理設施。該工程項目於二零一六年八月建成，並於二零一六年九月底通過驗收並投入使用；營運公司制定了相應管理方案，確保生活污水及油煙廢氣治理設施有效運轉；
- (b) 對農藥、除草劑、化肥及其他草坪養護物料的供應商進行嚴格篩選，並確保沒有購買國家明令禁止的相關物料，及對物料建立購買及使用檔案；
- (c) 在高爾夫球場養護取水來源於17個雨水蓄水湖，採用自動噴灌系統等節水設施，尾水回流蓄水湖重複利用。日常運作中及時檢查和維修噴灌設備設施，檢查噴灌操作系統，及時更換損壞的元器件；依據實際情況，及時調整區域噴淋時間；合理調整噴頭噴淋區域，避免重疊噴淋，節約水資源；及
- (d) 在高爾夫球會於日常運作和生活中積極開展節能及其他環境保護工作。

2. 商品貿易

營運公司及其僱員根據a)道德及業務操守政策守則及b)企業社會責任政策(於二零一七年一月發行及最後更新)運營業務。該政策文件列明公司須致力減少負面環境問題，並承諾遵守其營運所在國家及地區的所有環境法律及法例。於二零一七年，營運公司概無呈報引起其關注的任何環境問題。



REPORT OF THE DIRECTORS

董事會報告書

3. Logistics Services

We are committed to minimising emissions, enhancing energy performance and optimising the use of natural resources in addressing global challenges. Our environmental practices and integrated logistics assets such as warehouse facilities and transport vehicles demonstrate green features that reduce the environmental impact of our operations while promoting a more eco-friendly workplace.

4. Financial Services

Due to the nature of its business, Straits Financial Group does not have any environmental policies in place.

5. Engineering Services

Indeco Engineers is committed to protect the environment so that our business remains environmentally sustainable. Our certifications and actions reflect this commitment. They are:

- ISO 14001:2004 certification since 2013 to achieve the International Environmental Management System standards.
- Singapore Green Building Services Certificate – Green Facilities Management.
- Singapore Green and Gracious Builder Certificate by the Building and Construction Authority.
- Actively participating in green related activities with building owners; such as the earth hour activities.
- Proactively monitoring of the building electricity and water consumption in the buildings that we manage and suggest ways to conserve water and electricity.
- Conduct in-house trainings and external trainings for our staff so that they are equipped with the skills to sustain the environment.
- Ensure all effluent discharge meet the regulatory requirements.

3. 物流服務

我們致力減少排放、提升能源效益及優化天然資源的運用，以應對全球挑戰。我們的環保措施及綜合物流資產，如倉庫設施及運輸車輛，均配備環保元素，可減少我們的業務對環境的影響，同時構建更環保的工作環境。

4. 金融服務

基於業務性質，Straits Financial Group並無實施任何環保政策。

5. 工程服務

Indeco Engineers致力保護環境，故我們的業務堅持環保方面的可持續發展。我們透過以下的認證及行動貫徹該理念：

- 自二零一三年起獲ISO 14001：2004認證，達致國際環保管理體系標準。
- 新加坡環保樓宇服務認證－綠色設施管理。
- 新加坡建設局頒發環保與優雅建築商證書。
- 與業主合作，積極參與環保相關活動，如地球一小時。
- 積極監察我們所管理樓宇內的用電及用水情況，並提供節約用水及用電的建議。
- 為我們的員工提供內部及外部培訓，致使其具備所需的技能，令環境可持續發展。
- 確保所有污水排放符合監管規定。

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years is set out on page 296 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in Note 17 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the year are set out in Note 37 to the consolidated financial statements.

CONVERTIBLE BONDS

Details of movements in the Company's convertible bonds during the year are set out in Note 32 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the year are set out in the Consolidated Statement of Changes in Equity on pages 94 to 96 of this annual report and in Note 37 to the consolidated financial statements, respectively.

DONATIONS

Donations made by the Group during the year for charitable purpose amounted to approximately HK\$118,000 (2016: Nil).

五年財務摘要

本集團過去五個財政年度之已公佈業績及資產與負債摘要載列於本年報第296頁。

物業、廠房及設備

年內，本集團物業、廠房及設備變動之詳情載列於綜合財務報表附註17。

股本

年內，本公司股本變動之詳情載列於綜合財務報表附註37。

可換股債券

年內，本公司可換股債券變動之詳情載列於綜合財務報表附註32。

儲備

年內，本集團及本公司儲備變動之詳情分別載列於本年報第94頁至第96頁之綜合權益變動表及綜合財務報表附註37。

捐款

年內，本集團作出之慈善捐款約為港幣118,000元(二零一六年：無)。



REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS OF THE COMPANY

The Directors of the Company during the year and up to the date of this annual report were as follows:

Executive Directors

Guo Ke (*appointed on 13 December 2017*)
Xu Haohao
Ding Lei (*appointed on 13 April 2018*)
Zhao Quan
Zhang Ke (*resigned on 6 February 2017*)
Wang Shuang (*resigned on 13 December 2017*)
Zhu Chunjie (*appointed on 13 December 2017 and resigned on 13 April 2018*)

Non-executive Directors

Leung Shun Sang, Tony
Mung Bun Man, Alan (*appointed on 5 September 2017*)
Wang Hao (*resigned on 13 December 2017*)

Independent Non-executive Directors

Leung Kai Cheung
Liem Chi Kit, Kevin
Lam Kin Fung, Jeffrey

In accordance with Clauses 95 and 104(A) of the Company's Articles, Messrs. Guo Ke, Ding Lei, Zhao Quan, Leung Shun Sang, Tony and Mung Bun, Man Alan will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

DIRECTORS OF THE SUBSIDIARIES

A list of names of the directors who held office in the Company's subsidiaries during the year and up to the date of this annual report is available on the Company's website (www.cwtinternational.com).

DIRECTORS' SERVICE AGREEMENTS

No Director proposed for re-election at the forthcoming annual general meeting has a service agreement with the Company, which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

MANAGEMENT CONTRACTS

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

本公司董事

於年內及截至本年報日期止，本公司之董事如下：

執行董事

郭可(於二零一七年十二月十三日獲委任)
徐昊昊
丁磊(於二零一八年四月十三日獲委任)
趙權
張克(於二零一七年二月六日辭任)
Wang Shuang(於二零一七年十二月十三日辭任)
主春杰(於二零一七年十二月十三日獲委任及於二零一八年四月十三日辭任)

非執行董事

梁順生
蒙品文(於二零一七年九月五日獲委任)
王浩(於二零一七年十二月十三日辭任)

獨立非執行董事

梁繼昌
林子傑
林健鋒

根據本公司之細則第95及104(A)條，郭可先生、丁磊先生、趙權先生、梁順生先生及蒙品文先生將於本公司即將舉行之股東週年大會上任滿告退，而彼等均符合資格並願意於上述大會上膺選連任。

附屬公司之董事

載有年內及截至本年報日期止期間於本公司之附屬公司在任董事名稱之名單，可於本公司網站(www.cwtinternational.com)查閱。

董事之服務協議

擬於即將舉行之股東週年大會上膺選連任之董事，概無與本公司訂立任何由本公司於一年內終止而須支付賠償(法定賠償除外)之服務協議。

管理合約

年內，本公司並無訂立或存在有關管理或經營本公司全部或任何主要部份業務之合約。

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

The Directors of the Company who held office at 31 December 2017 had the following interests in the shares and underlying shares of the Company as at 31 December 2017 as recorded in the register required to be kept under Section 352 of the Securities and Futures Ordinance (the “SFO”) or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code:

董事及最高行政人員於股份、相關股份及債權證之權益及淡倉

於二零一七年十二月三十一日，本公司在任董事於該日在本公司之股份及相關股份擁有須記入根據證券及期貨條例（「證券及期貨條例」）第352條須予設存之登記冊，或根據標準守則須通知本公司及香港聯合交易所有限公司（「聯交所」）之權益如下：

Long positions in the shares and underlying shares of the Company

於本公司股份及相關股份之好倉

Name of Director 董事姓名	Capacity in which interests were held 持有權益之身份	Number of shares/underlying shares in the Company 於本公司股份／相關股份數目			Total interests as to % of the issued share capital of the Company as at 31 December 2017 總權益佔本公司於二零一七年十二月三十一日已發行股本之百分比
		Interests in shares 於股份之權益	Derivative interests** 衍生權益**	Total interests 總權益	
Leung Shun Sang, Tony 梁順生	Beneficial owner 實益擁有人	20,000,000	15,360,000	35,360,000	0.31%
Leung Kai Cheung 梁繼昌	Beneficial owner 實益擁有人	5,000,000	1,843,200	6,843,200	0.06%

** The interests are unlisted physically settled options granted pursuant to the Company's share option scheme adopted on 7 June 2002 (the “2002 Scheme”). Upon exercise of the share options in accordance with the 2002 Scheme, ordinary shares in the share capital of the Company are issuable. The share options are personal to the respective Directors. Further details of the share options are set out in the section headed “Share Option Schemes” below.

** 該等權益乃根據本公司於二零零二年六月七日採納之購股權計劃（「二零零二年計劃」）授出之非上市實物結算購股權。在根據二零零二年計劃行使購股權時，本公司須發行其股本中之普通股。購股權屬有關董事個人所有。有關購股權之進一步詳情載於下文「購股權計劃」一節內。



REPORT OF THE DIRECTORS

董事會報告書

Save as disclosed above, none of the Company's Directors, chief executives or their respective associates had any other personal, family, corporate and other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as at 31 December 2017.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the sections headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" and "Share Option Schemes" herein, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the Company's Directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transactions, arrangements or contracts of significance to which the holding companies of the Company, the Company or any of its subsidiaries was a party and in which a Director of the Company or an entity connected with 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 BUSINESSES

During the year, no Director has been recorded as having interests in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

PERMITTED INDEMNITY PROVISIONS

Appropriate insurance cover on directors' and officers' liabilities has been in force to protect the Directors and officers of the Group from their risk exposure arising from the businesses of the Group.

除上文所披露者外，於二零一七年十二月三十一日，本公司之董事、最高行政人員或彼等各自之聯繫人概無於本公司或其任何相聯法團（按證券及期貨條例第XV部賦予之涵義）之股份、相關股份或債權證中擁有須記入根據證券及期貨條例第352條須予設存之登記冊或根據標準守則須通知本公司及聯交所之任何其他個人、家族、公司及其他權益或淡倉。

董事購買股份或債權證之權利

除本年報「董事及最高行政人員於股份、相關股份及債權證之權益及淡倉」及「購股權計劃」兩節所披露者外，於年內任何時間，本公司或其任何附屬公司概無參與訂立任何安排，使本公司董事或彼等各自之配偶或未滿十八歲之子女可藉購買本公司或任何其他法人團體之股份或債權證而獲得利益。

董事於交易、安排或重大合約之權益

本公司之控股公司、本公司或其任何附屬公司在本年度結束時或本年度任何時間內，概無簽訂任何本公司董事或與董事有關連之實體於其中有直接或間接重大利益之重要交易、安排或合約。

董事於競爭業務之權益

年內，並無記錄顯示各董事於與本集團業務構成或可能構成直接或間接競爭之業務中擁有權益。

獲准許之彌償條文

本集團已為董事及高級人員購買合適之責任保險，就彼等因本集團業務承擔之風險提供保障。



INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 31 December 2017, according to the register kept by the Company under Section 336 of the SFO, the following companies and persons had interests in the shares and/or underlying shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

Long positions in the shares/underlying shares of the Company

根據證券及期貨條例須予披露之股東權益及淡倉

於二零一七年十二月三十一日，根據本公司按證券及期貨條例第336條設存之登記冊所載，下列公司及人士於本公司股份及／或相關股份持有權益，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露：

於本公司股份／相關股份之好倉

Name of shareholder 股東名稱	Capacity in which interests were held 持有權益之身份	Number of shares/ underlying shares 股份/ 相關股份數目	Interests as to % of the issued share capital of the Company as at 31 December 2017 權益佔本公司 於二零一七年 十二月三十一日 已發行股本之百分比	Note(s) 附註
HNA Group (International) Company Limited ("HNA Group (International)") 海航集團(國際)有限公司 (「海航集團(國際)」)	Beneficial owner 實益擁有人	1,109,244,000	9.73%	1
Hong Kong HNA Holding Group Co. Limited ("Hong Kong HNA") 香港海航實業集團有限公司 (「香港海航」)	Beneficial owner 實益擁有人	6,510,130,189	57.11%	1, 2
HNA Financial Holdings International Co., Ltd ("HNA Financial Holdings") 海航金控國際有限公司 (「海航金控」)	Interests of controlled corporations 受控法團之權益	6,510,130,189	57.11%	1
Beijing HNA Financial Holdings Co., Ltd. ("Beijing HNA Financial Holdings") 北京海航金融控股有限公司 (「北京海航金融」)	Interests of controlled corporations 受控法團之權益	6,510,130,189	57.11%	1
HNA Investment Holding Co. Ltd. ("HNA Investment Holding") 海航投資控股有限公司 (「海航投資控股」)	Interests of controlled corporations 受控法團之權益	6,510,130,189	57.11%	1
HNA Group Co., Ltd. ("HNA Group") 海航集團有限公司 (「海航集團」)	Interests of controlled corporations 受控法團之權益	7,619,374,189	66.84%	1

REPORT OF THE DIRECTORS

董事會報告書

Name of shareholder 股東名稱	Capacity in which interests were held 持有權益之身份	Number of shares/ underlying shares 股份/ 相關股份數目	Interests as to % of the issued share capital of the Company as at 31 December 2017 權益佔本公司 於二零一七年 十二月三十一日 已發行股本之百分比	Note(s) 附註
Hainan Traffic Administration Holding Co. Ltd. ("Hainan Traffic Administration") 海南交管控股有限公司 (「海南交管」)	Interests of controlled corporations 受控法團之權益	7,619,374,189	66.84%	1
Sheng Tang Development (Yangpu) Co., Ltd. ("Sheng Tang (Yangpu)") 盛唐發展(洋浦)有限公司 (「盛唐(洋浦)」)	Interests of controlled corporations 受控法團之權益	7,619,374,189	66.84%	1
Hainan Province Cihang Foundation 海南省慈航公益基金會	Interests of controlled corporations 受控法團之權益	7,619,374,189	66.84%	1
Hainan Cihang Charity Foundation, Inc. ("Hainan Cihang Charity Foundation")	Interests of controlled corporations 受控法團之權益	7,619,374,189	66.84%	1
China Construction Bank Corporation ("China CCB") 中國建設銀行股份有限公司 (「中國建設銀行」)	Security interests 保證權益	1,484,000,000	13.02%	2
Central Huijin Investment Ltd. ("Central Huijin") 中央匯金投資有限責任公司 (「中央匯金」)	Security interests 保證權益	1,484,000,000	13.02%	2

Notes:

1. As at 31 December 2017, HNA Group is a company established in the PRC with limited liability which owns approximately 91.09% of HNA Group (International) and directly owns 100% of HNA Holding Group Co., Ltd. (“**HNA Holding Group**”). HNA Holding Group and HNA Group directly owns 51.38% and 21.61% respectively of Hainan HNA Holding Co., Ltd., which in turn directly owned 73.06% of HNA Investment Holding Co. Ltd., which in turn directly owned 99.06% of Beijing HNA Financial Holdings, which in turn directly owned 100% of HNA Financial Holdings. HNA Financial Holdings directly owns 100% of Hong Kong HNA.

HNA Group is held as to 70% by Hainan Traffic Administration, which was in turn held as to 50% by Sheng Tang (Yangpu). Sheng Tang (Yangpu) was held as to 65% by Hainan Province Cihang Foundation. Sheng Tang (Yangpu) was held as to 35% by Tang Dynasty Development Co. Ltd. which was in turn 98% held by Pan-American Aviation Holding Company, which is wholly held by Hainan Cihang Charity Foundation, Inc.

2. As at 31 December 2017, Hong Kong HNA, the controlling shareholder of the Company, pledged 1,484,000,000 Shares to China CCB, whose beneficial owner is Central Huijin.

PUBLIC FLOAT

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

SHARE OPTION SCHEMES

On 7 June 2002, the shareholders of the Company adopted the 2002 Scheme which would be valid for a period of ten years. On 25 May 2012, the shareholders of the Company approved the termination of the 2002 Scheme (to the effect that no further share option shall be granted by the Company under the 2002 Scheme) and the adoption of a new share option scheme (the “**2012 Scheme**”), which became effective on 29 May 2012 upon the Listing Committee of the Stock Exchange granting its approval to the listing of, and permission to deal in, the shares of the Company which may fall to be issued upon exercise of the options to be granted under the 2012 Scheme. The share options granted under the 2002 Scheme prior to its termination shall continue to be valid and exercisable in accordance with the 2002 Scheme.

附註：

1. 於二零一七年十二月三十一日，海航集團為一家在中國成立之有限公司，擁有海航集團（國際）約91.09%股權及直接擁有海航實業集團有限公司（「**海航實業**」）100%股權。海航實業及海航集團分別直接擁有51.38%及21.61%海南海航實業控股有限公司股權，而海南海航實業控股有限公司則直接擁有海航投資控股有限公司73.06%股權，而海航投資控股有限公司則直接擁有北京海航金融99.06%股權，而北京海航金融則直接擁有海航金控100%股權。海航金控直接擁有香港海航100%股權。

海航集團由海南交管持有70%股權，而海南交管則由盛唐（洋浦）持有50%股權。盛唐（洋浦）由海南省慈航公益基金會擁有65%股權。盛唐（洋浦）由盛唐發展有限公司持有35%股權，而盛唐發展有限公司則由Pan-American Aviation Holding Company（其由Hainan Cihang Charity Foundation, Inc.全資擁有）持有98%股權。

2. 於二零一七年十二月三十一日，香港海航（本公司之控股股東）向中國建設銀行（其實益擁有人為中央匯金）抵押1,484,000,000股股份。

公眾持股量

根據本公司所獲得之公開資料及就本公司董事所知，於本年報刊發日期，本公司之證券符合上市規則所規定之足夠公眾持股量規定。

購股權計劃

於二零零二年六月七日，本公司股東採納二零零二年計劃，有效期為十年。於二零一二年五月二十五日，本公司股東批准終止二零零二年計劃（致使本公司不得根據二零零二年計劃進一步授出購股權），並採納了一個新購股權計劃（「**二零一二年計劃**」），其自二零一二年五月二十九日（即於聯交所上市委員會授出批准因行使根據二零一二年計劃授出之購股權而可能發行之本公司股份上市及買賣當日）起生效。於二零零二年計劃終止前根據該計劃授出之購股權將繼續有效，並可根據二零零二年計劃予以行使。



REPORT OF THE DIRECTORS

董事會報告書

A summary of the principal terms of each of the 2002 Scheme and the 2012 Scheme is set out below:

(a) The 2002 Scheme

The purpose of the 2002 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. The 2002 Scheme was adopted on 7 June 2002 and terminated on 29 May 2012 (the date on which the 2012 Scheme became unconditional and effective).

Under the 2002 Scheme, the Directors may, at their discretion, offer directors (including executive and non-executive directors), executives, officers, employees or shareholders, of the Company or any of its subsidiaries or any of its associated companies, and any suppliers, customers, consultants, advisers, agents, partners or business associates who will contribute or have contributed to the Company or any of its subsidiaries or any of its associated companies, share options to subscribe for shares of the Company.

The total number of shares of the Company which may be issued upon exercise of all outstanding share options granted under the 2002 Scheme is 96,307,200, which represents approximately 0.84% of the shares of the Company in issue as at the date of this annual report. Since the 2002 Scheme was terminated on 29 May 2012, no further options can be granted under the 2002 Scheme. However, the share options granted under the 2002 Scheme prior to its termination shall continue to be valid and exercisable in accordance with the 2002 Scheme.

Each of the grantees was required to pay HK\$1 as a consideration for the grant of share options in accordance with the 2002 Scheme. The offer of share options must be accepted within 60 days from the date of the offer.

Save as disclosed above, there is no material difference in the terms, which shall be disclosed pursuant to Rule 17.09 of the Listing Rules, between the 2002 Scheme and the 2012 Scheme.

二零零二年計劃及二零一二年計劃各自的主要條款概述如下：

(a) 二零零二年計劃

二零零二年計劃旨在讓本公司向選定參與者授出購股權，作為彼等對本公司及／或其附屬公司及／或其聯營公司所作貢獻之激勵或獎勵。二零零二年計劃於二零零二年六月七日採納，並於二零一二年五月二十九日(二零一二年計劃成為無條件並生效當日)終止。

根據二零零二年計劃，董事可酌情向本公司或其任何附屬公司或其任何聯營公司之董事(包括執行及非執行董事)、行政人員、職員、僱員或股東，以及將為或曾為本公司或其任何附屬公司或其任何聯營公司作出貢獻之任何供應商、客戶、諮詢人、顧問、代理人、夥伴或業務合夥人授出購股權以認購本公司股份。

因悉數行使根據二零零二年計劃所授出之尚未行使購股權而可予發行之本公司股份總數為96,307,200股，佔本公司於本年報刊發日期已發行股份約0.84%。自二零零二年計劃於二零一二年五月二十九日終止後，概不能再根據二零零二年計劃進一步授出購股權。惟於二零零二年計劃終止前根據該計劃授出之購股權將繼續有效，並可根據二零零二年計劃予以行使。

根據二零零二年計劃，各承授人須支付港幣1元作為獲授購股權之代價。提出授出之購股權須於提出日期起計六十日內接納。

除上述所披露者外，二零零二年計劃與二零一二年計劃內須根據上市規則第17.09條作出披露之條款並無重大差異。



REPORT OF THE DIRECTORS

董事會報告書

No share option was granted, exercised or cancelled in accordance with the terms of the 2002 Scheme during the year. Details of movements in the share options under the 2002 Scheme during the year are as follows:

年內，概無購股權根據二零零二年計劃之條款授出、行使或註銷。年內，根據二零零二年計劃所授出之購股權變動詳情如下：

Category or name of grantees 承授人類別或姓名	Options to subscribe for shares of the Company 可認購本公司股份之購股權			Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價
	At the beginning of the year 年初	Lapsed during the year 年內失效	At the end of the year 年終			
Directors of the Company						
本公司董事						
Leung Shun Sang, Tony 梁順生	433,981	(433,981)	–	19.01.2007	19.01.2007 – 18.01.2017	HK\$0.396 港幣0.396元
	15,360,000	–	15,360,000	22.01.2008	22.01.2008 – 21.01.2018	HK\$0.762 港幣0.762元
	15,793,981	(433,981)	15,360,000			
Leung Kai Cheung 梁繼昌	1,843,200	–	1,843,200	22.01.2008	22.01.2008 – 21.01.2018	HK\$0.762 港幣0.762元
	17,637,181	(433,981)	17,203,200			
Employees of the Group						
本集團僱員						
	25,088,000	(4,608,000)	20,480,000	22.01.2008	22.01.2008 – 21.01.2018	HK\$0.762 港幣0.762元
Other participants						
其他參與者						
	10,684,416	(10,684,416)	–	19.01.2007	19.01.2007 – 18.01.2017	HK\$0.396 港幣0.396元
	46,592,000	–	46,592,000	22.01.2008	22.01.2008 – 21.01.2018	HK\$0.762 港幣0.762元
	8,960,000	–	8,960,000	16.12.2009	16.12.2009 – 15.12.2019	HK\$0.582 港幣0.582元
	3,072,000	–	3,072,000	14.12.2010	14.12.2010 – 13.12.2020	HK\$0.410 港幣0.410元
	69,308,416	(10,684,416)	58,624,000			
	112,033,597	(15,726,397)	96,307,200			

(b) The 2012 Scheme

The purpose of the 2012 Scheme is to replace the 2002 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 “**Invested Entities**”). The 2012 Scheme shall be valid and effective for the period of ten years commencing on 25 May 2012, being the date on which the 2012 Scheme was conditionally adopted by the shareholders of the Company, and ending on 25 May 2022 (both dates inclusive).

Under the 2012 Scheme, the Board may, at its discretion, offer full-time or part-time employees, executives, officers or directors (including executive and non-executive directors) of the Company or any of its subsidiaries or any of the Invested Entities, and any advisors, consultants, agents, suppliers, customers and distributors, who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries and/or any of the Invested Entities, share options to subscribe for shares of the Company.

No share option has been granted under the 2012 Scheme since its adoption. The maximum number of shares of the Company available for issue upon exercise of all share options which may be granted under the 2012 Scheme is 224,214,117, representing approximately 1.97% of the shares of the Company in issue as at the date of this annual report. 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 2012 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 options 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. 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, which would result in the shares of the Company issued and to be issued upon exercise of all options already granted and to be granted (including

(b) 二零一二年計劃

二零一二年計劃旨在取代二零零二年計劃，亦為使本公司能繼續向選定參與者授出購股權，作為激勵或獎勵彼等對本公司及／或其任何附屬公司及／或本集團任何成員公司持有任何股權之任何實體（「**投資實體**」）作出之貢獻或潛在貢獻。二零一二年計劃自二零一二年五月二十五日（即二零一二年計劃獲本公司股東有條件採納當日）起至二零二二年五月二十五日（包括首尾兩日）止有效及生效，為期十年。

根據二零一二年計劃，董事會可酌情向本公司或其任何附屬公司或任何投資實體之全職或兼職僱員、行政人員、職員或董事（包括執行及非執行董事），以及在董事會全權認為將對或曾對本公司及／或任何其附屬公司及／或任何投資實體作出貢獻之任何諮詢人、顧問、代理人、供應商、客戶和分銷商授出購股權以認購本公司股份。

自採納二零一二年計劃起，概無根據該計劃授出購股權。因悉數行使根據二零一二年計劃可能授出之購股權而可發行之本公司股份數目最多為224,214,117股，佔本公司於本年報刊發日期已發行股份約1.97%。各承授人於授出日期前任何十二個月期間因行使二零一二年計劃及本公司任何其他購股權計劃，將予獲授之購股權（包括已行使、註銷及尚未行使之購股權）而經已發行及將予發行之本公司股份總數不得超過於授出日期本公司已發行股份數目之1%。倘進一步授出超過此1%限額之購股權，本公司須發出通函及經股東在股東大會上批准。此外，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授出之任何購股權，會導致有關人士於授出日期前十二個月期間（包括授出日期）所有已獲授及將獲授之購股權（包括已行使、註銷及尚未行使之購股權）予以行使後已發行及將予發行之本公司股份：(a)合計超過於授出日期本公司已發行股份0.1%；及(b)根據各授出日期本公司股份載於聯交

options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant (a) representing in aggregate over 0.1% of the shares of the Company in issue on the date of the grant; and (b) having an aggregate value of in excess of HK\$5,000,000 (based on the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of each grant), such further grant of options shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting on a poll at which all connected persons of the Company shall abstain from voting in favour of the resolution concerning the grant of such options, and/or such other requirements prescribed under the Listing Rules from time to time. A connected person of the Company will be permitted to vote against the grant only if his intention to do so has been stated in the circular. Any grant of share options to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, is required to be approved by the Independent Non-executive Directors (excluding the Independent Non-executive Director who is the grantee of the options).

The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted under the 2012 Scheme. There is no requirement that a share option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of offer of any share options.

The exercise price in relation to each share option will be determined by the Board 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 quotations 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 quotations 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 his acceptance of the grant of share options in accordance with the 2012 Scheme. The offer of share options must be accepted within 30 days from the date of the offer.

所每日報價表之收市價計算總值超過港幣5,000,000元，則須待本公司發出通函並經股東在股東大會上以投票表決方式批准，而本公司所有關連人士均須就授出該等購股權之決議案放棄投贊成票，及／或遵守上市規則不時規定之其他要求，方可進一步授出購股權。本公司關連人士將獲准投票反對授出購股權，惟通函內須表明其意向。向本公司董事、最高行政人員或主要股東或任何彼等之聯繫人授出任何購股權，須經獨立非執行董事(不包括為有關購股權承授人之獨立非執行董事)批准。

董事會可全權釐定購股權之行使期限，惟不得於根據二零一二年計劃授出購股權之日期起計十年後行使。並無規定購股權可予行使前必須持有之最短期限，惟董事會有權於授出任何購股權時酌情釐定任何最短期限。

各購股權之行使價將由董事會全權釐定，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載於聯交所每日報價表之收市價；(ii)緊接授出購股權日期前五個營業日本公司股份載於聯交所每日報價表之平均收市價；及(iii)於授出購股權日期本公司股份之面值。根據二零一二年計劃，各承授人須支付港幣1元作為接納獲授予購股權之代價。提出授予之購股權須於提出日期起計三十日內接納。



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Share options to be granted under the 2012 Scheme do not confer rights on the holders to dividends or to vote at general meetings.

No share option has been granted under the 2012 Scheme since its adoption. Accordingly, as at 31 December 2017, there was no share option outstanding under the 2012 Scheme.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (whether on the Stock Exchange or otherwise) during the year.

DISTRIBUTABLE RESERVES

At the end of the reporting period, the Company did not have any reserves available for distribution as calculated in accordance with the relevant provisions of the Companies Ordinance.

The Company's capital reserve represents a non-distributable reserve.

RELATIONSHIP WITH EMPLOYEES, MAJOR CUSTOMERS, SUPPLIERS AND OTHERS

In the year under review, sales to the Group's five largest customers accounted for less than 30% of the total sales from continuing operations for the year. Purchases from the Group's five largest suppliers accounted for less than 30% of the total purchases relating to continuing operations for the year. None of the Directors of the Company or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued shares) had any interest in the Group's five largest customers and suppliers.

根據二零一二年計劃將予授出之購股權並不授予持有人獲派股息或於股東大會上投票之權利。

自採納二零一二年計劃起，概無根據此計劃授出購股權。因此，於二零一七年十二月三十一日，概無根據二零一二年計劃授出之尚未行使購股權。

購買、出售或贖回本公司之上市證券

年內，本公司或其任何附屬公司概無在聯交所或任何其他證券交易所購買、出售或贖回本公司之任何上市證券。

可供分派儲備

於報告期末，根據公司條例之相關規定計算，本公司並無儲備可供分派。

本公司之資本儲備指不可分派儲備。

與僱員、主要客戶、供應商及其他之關係

於回顧年度內，本集團向五位最大客戶銷售之總額佔本年度持續經營業務之總銷售額少於30%。本集團向五位最大供應商採購之總額佔本年度與持續經營業務有關之總採購額少於30%。本公司董事或其任何緊密聯繫人或就董事所知擁有本公司超過5%已發行股份之任何股東，概無於本集團五大客戶及供應商中擁有任何權益。



Sports and leisure related business

Employees of the sports and leisure related business segment are regarded as the one of the important and valuable assets of the Group. The Group offers competitive salaries and benefits as well as festival allowance to its employees and allowance to those in need, hosts birthday parties for employees each month, various sports activities are also held, such as badminton, basketball and running; employees are also organized to take part in public welfare activities. In addition, employees are provided with training courses to further enhance their skills in management, professional skills and knowledge so as to make continuous contribution to the Group. From time to time, the Group also organizes gatherings (including annual dinners and recreation activities) for employees and the management to strengthen their partnership and communication.

The sports and leisure related business segment mainly targets golf enthusiasts and business clients, with whom we have maintained years of good relations. We provide them with quality membership and golf products, golf playing reception services, conferences and banquets, accommodation and catering services.

The major suppliers of sports and leisure related business segment include suppliers of turf machinery and equipment, lawn maintenance materials such as chemical fertilizers and pesticides, golf products, golf course equipment, food, hotel cleaning products and guest room products. We have maintained good relationships with these suppliers to achieve cost efficiency and promote long-term commercial interests.

Commodity Marketing

The MRI Code of Ethics and Business Conduct also addresses the matter of how MRI personnel should treat a) other MRI employees b) customers and suppliers. In summary it stipulates that employees should be treated fairly, honestly and with good management in order to ensure a safe working environment.

Both suppliers and customers should be treated fairly and reasonably in business matters. There have been no significant infringements of these policies that the company is aware of during the course of 2017.

體育及休閒相關設施業務

體育及休閒相關設施業務分部之僱員被視為本集團其中一項重要及寶貴之資產。本集團提供具競爭力之薪酬及福利、向其僱員提供節日津貼及向有需要之僱員發放津貼、每月為僱員舉辦生日會、亦舉辦各項體育活動，例如羽毛球、籃球、跑步等，並鼓勵僱員參與公益活動。此外，僱員亦可接受培訓課程，以進一步加強其管理技能、專業技能及知識，以持續為本集團作出貢獻。本集團亦不時為僱員及管理層舉辦聚會（包括年度晚宴及娛樂活動），以加強合作及溝通。

體育及休閒相關設施業務分部的主要客戶為高爾夫愛好者及商務客戶。我們與該等客戶已保持多年良好關係，向他們提供優質會籍產品、高球產品、高爾夫打球接待服務、會議宴會、住房及餐飲服務。

體育及休閒相關設施業務分部的主要供應商為草坪機械及配件供應商，化肥、農藥等草坪護理類物資供應商，高爾夫用品供應商，高爾夫球場設備供應商，食品供應商，酒店清潔用品供應商及客房用品供應商。我們與該等供應商維持良好關係，以達致成本效益及促進長遠商業利益。

商品貿易

MRI道德及業務操守守則亦提供方法，指導MRI人員應如何對待a)其他MRI僱員b)客戶及供應商。簡單而言，該守則規定僱員須獲得公平誠懇的待遇，並獲得良好管理，以確保工作環境安全。

就業務而言，供應商及客戶均應獲公平合理的待遇。於二零一七年，概無發現與該等政策嚴重抵觸而引起公司關注的事宜。



REPORT OF THE DIRECTORS

董事會報告書

Logistics Services

Under logistics business, we engage with employees, customers and suppliers about social responsibility issues of interest to them and its business. Such engagement enables us to provide updates, obtain insights, build strong relationships and identify strengths and opportunities to improve its performance. We engage with employees daily through a variety of internal communication channels. It is committed to conducting its business with honesty and integrity.

Maintaining the trust of customers and partners is important to CWT SG's success. CWT SG interacts with them daily in the conduct of its business through its Sales teams and Customer Support Organisation. CWT SG values customer/supplier feedback, which CWT SG uses to help shape its plans and strategies.

Financial Services

We are committed to the ethical treatment of all to whom we have an obligation. For our employees, we are committed to honesty, just management and fairness, providing a safe environment, and respecting the dignity due to everyone.

For our customers, we value them as our business partners and are committed to provide them with value for money services. For our suppliers, we value them as our business partners and are committed to fair competition and the sense of responsibility required of a good customer and partner.

Engineering Services

Indeco's employees are our most important and valuable assets. In order to attract talent, the Company offers competitive salaries and benefits. We practise open communication and regularly conduct meetings and dialogues between management and staff. We organize Company dinners once a year to show our appreciation to the staff and to strengthen our partnership with them. Indeco recognizes the need to develop our employees. We send them for courses to enhance their skills in their respective profession, safety and environment as well as management.

物流服務

在物流業務方面，我們與僱員、客戶及供應商聯繫，共同關注與彼等及其業務利益相關的社會責任事宜。憑藉該關係，我們可提供最新消息、洞悉先機、建立深厚關係以及發掘優勢及機遇，以改善其表現，亦透過各種內部溝通渠道，每日與僱員聯繫。我們致力以正當及真誠的方式經營業務。

持續獲得客戶及合作夥伴的信賴乃CWT SG成功的關鍵。CWT SG透過其銷售團隊及客戶支援組織就營商事宜每日與客戶聯繫。CWT SG重視客戶／供應商的意見，並利用相關意見協助制定計劃及策略。

金融服務

我們致力以一切合乎道德的方式對待我們須對其承擔責任的人士。就僱員而言，我們致力推行誠信、公正管理，提倡公平待遇，構建安全環境，並維護各僱員的尊嚴。

就客戶而言，我們視其為業務夥伴，專注為金融服務增值。就供應商而言，我們視其為業務夥伴，致力提倡公平競爭及保持良好客戶與夥伴應有的責任感。

工程服務

Indeco的僱員是我們最重要及寶貴的資產。為招攬人才，本公司提供豐厚的薪酬及福利。我們開放溝通渠道，管理層與員工定期會面及交流。我們舉行公司週年晚宴，以答謝員工，並加強凝聚力。Indeco深明公司必須培育僱員，故我們保送僱員報讀課程，提升其於相關專業、安全及環境以及管理層面的技能。

We treasure our customers and endeavor to provide quality services at competitive prices. Due to our excellent service and working relationships with our customers, many of them continue to engage our services beyond the first contract. A significant number of our major customers have been with us for more than 20 years. We treat our customers as our partners and hold joint activities such as inviting our customers to participate in the external seminars that we organize.

Our major suppliers include suppliers of mechanical and electrical engineering services as well as facility equipment and systems. We treat our suppliers as our partners and maintain good working relationships with them so that our goals and commercial interests are aligned. We constantly review their services and prices to ensure that we remain competitive.

UK Property

The UK property has been single let to an investment bank of international repute before acquisition by the Group. The tenant will end in November 2024 with a tenant option to renew for another 15 years. The annual rental of the UK property amounted to approximately GBP6.4 million.

US Golf Courses

The eight US golf courses were leased to Oki Golf Management LLC (“**Oki Management**”), a wholly-owned subsidiary of Oki Development Inc., which has been the operator and manager of the eight US golf courses before acquisition by the Group. Oki Development Inc. has more than 20 years’ experience and track record in golf club and management. The term of lease with Oki Management was 5-year, commencing in December 2016. Oki Management would pay to the Group a fixed annual rent of US\$7.1 million.

我們重視客戶，致力以優惠價格提供優質服務。由於我們的卓越服務及與客戶的合作關係，眾多客戶於訂立第一份合約後繼續使用我們的服務。大部份主要客戶與我們建立超過20年合作關係。我們視客戶為合作夥伴，並舉行聯合活動，如邀請客戶參與我們舉辦的外部研討會。

我們的主要供應商包括提供機電工程服務以及設施設備及系統的供應商。我們視供應商為合作夥伴，並與其維持良好合作關係，使我們的目標符合商業利益。我們定期檢討供應商的服務及定價，以確保我們仍具競爭力。

英國物業

於本集團收購英國物業前，該物業之唯一租戶為一間國際知名投資銀行。租約將於二零二四年十一月完結，租戶可選擇再續租15年。英國物業之年租約為6,400,000英鎊。

美國高爾夫球場

於本集團收購前，八座美國高爾夫球場已租予Oki Development Inc. (該八座高爾夫球場之營運商及管理人)之全資附屬公司Oki Golf Management LLC (「**Oki Management**」)。Oki Development Inc.於管理高爾夫球會有超過20年經驗及往績。與Oki Management訂立之租約年期為5年，自二零一六年十二月起開始。Oki Management將向本集團支付固定年度租金7,100,000美元。



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董事會報告書

CONNECTED TRANSACTION

As regards the transactions took place during the year as set out in Note 45(a) and 45(b) to the consolidated financial statements under the heading of “Related Party Transactions” are concerned, the transaction regarding a laundry expense to a related company as set out in Note 45(b) was connected transaction which was exempt from any disclosure and shareholders’ approval requirements under the Listing Rules.

The transactions set out in Note 45(c) to the consolidated financial statements were the remuneration of the Directors as determined pursuant to the service agreements entered into between the Directors and the Company and the securities issued and to be issued upon exercise of options granted to the Directors under the 2002 Scheme of the Company were connected transactions which were exempt from any disclosure and shareholders’ approval requirements under the Listing Rules.

Saved as disclosed above, no related party transaction in Note 45(a) and 45(b) of the consolidated financial statements which took place during the year constitutes connected transaction or continuing connected transaction under the Listing Rules. The Company has complied with the disclosure requirements with Chapter 14A of the Listing Rules during the year.

CORPORATE GOVERNANCE

The Company’s corporate governance practices are set out in the Corporate Governance Report on pages 28 to 57 of this annual report.

EVENT AFTER THE REPORTING DATE

There was no significant events occurring after the reporting date.

關連交易

有關載列於綜合財務報表附註45(a)及45(b)「關連方交易」一節項下於年內進行之交易而言，載列於附註45(b)項下有關於一間關連公司支付之洗滌開支的交易乃關連交易，惟該等交易獲豁免遵守上市規則項下任何披露及股東批准規定。

載列於綜合財務報表附註45(c)之交易乃根據董事與本公司訂立的服務協議而釐訂之董事酬金，以及根據本公司二零零二年計劃授予董事之購股權行使時發行及將予發行證券之關連交易，惟該等交易獲豁免遵守上市規則項下任何披露及股東批准規定。

除上文所披露者外，概無於年內發生之綜合財務報表附註45(a)及45(b)中之關連方交易構成上市規則下之關連交易或持續關連交易。年內，本公司已遵守上市規則第十四A章之披露規定。

企業管治

本公司之企業管治常規載於本年報第28頁至第57頁之企業管治報告內。

報告期後事項

報告期後概無發生重大事項。

AUDITOR

On 4 December 2017, Deloitte Touche Tohmatsu resigned and KPMG was appointed as auditor of the Company on 19 December 2017 to fill the casual vacancy caused by the resignation of Deloitte Touche Tohmatsu, until the conclusion of 2018 AGM. Save as disclosed above, there was no other changes in the Company's auditor in the past three years.

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

核數師

於二零一七年十二月四日，德勤•關黃陳方會計師行已辭任及畢馬威會計師事務所於二零一七年十二月十九日獲委任為本公司之核數師，以填補德勤•關黃陳方會計師行辭任後所產生的臨時空缺，任期至二零一八年股東週年大會結束為止。除上文所披露者外，過去三年本公司核數師並無任何變更。

本公司將於即將舉行之股東週年大會上提呈重新委聘畢馬威會計師事務所為本公司核數師之決議案。

By order of the Board

Guo Ke

Co-Chairman

承董事會命

聯席主席

郭可

Hong Kong, 24 April 2018

香港，二零一八年四月二十四日



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Independent auditor's report to the members of CWT International Limited

(Formerly known as HNA HOLDING GROUP CO. LIMITED

海航實業集團股份有限公司)

(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of CWT International Limited and its subsidiaries (“**the Group**”) set out on pages 88 to 295, which comprise the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated 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 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.

致CWT International Limited列位成員之獨立核數師報告

(前稱HNA HOLDING GROUP CO. LIMITED海航實業集團股份有限公司)

(於香港註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第88至295頁的CWT International Limited及其附屬公司(以下統稱「**貴集團**」)的綜合財務報表，此財務報表包括於二零一七年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「**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**」)真實而中肯地反映了 貴集團於二零一七年十二月三十一日之綜合財務狀況及截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

意見之基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「**香港審計準則**」)進行審計。我們在該等準則下承擔之責任已在本報告「核數師就審計綜合財務報表承擔之責任」部份中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「**守則**」)，我們獨立於 貴集團，並已履行守則中之其他專業道德責任。我們相信，我們所獲得之審計憑證能充足及適當地為我們之審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2(b) to the consolidated financial statements which describes that the Group is committed to repay certain borrowings totalling US\$561,000,000 (carrying amount as at 31 December 2017 of approximately HK\$4,325,222,000) for the purpose of the acquisition of CWT Pte. Limited (formerly known as CWT Limited) (“**CWT SG**”) within one year and that the Group’s ability to meet these liquidity requirements depends on its ability to obtain sufficient cash sources through refinancing arrangements. These facts and circumstances indicate the existence of material uncertainties which 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 judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

有關持續經營之重大不確定性

謹請閣下垂注綜合財務報表附註2(b)，其指出貴集團承諾於一年內償還為收購CWT Pte. Limited(前稱CWT Limited)(「**CWT SG**」)，合計561,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣4,325,222,000元)之若干借款，而貴集團達到該等流動資金要求之能力取決於其透過再融資取得足夠現金來源之能力。該等事實及情況表示存在重大不確定性，其可能對貴集團可繼續以持續方式經營之能力構成重大疑問。我們的意見未有就此事宜而修改。

關鍵審計事項

關鍵審計事項是根據我們之專業判斷，認為對本期綜合財務報表之審計最為重要之事項。該等事項在我們審計整體綜合財務報表及出具意見時進行處理。我們不會對該等事項提供單獨的意見。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Accounting for the acquisition of CWT SG

收購CWT SG之會計處理

Refer to accounting policy Note 2(e) and Note 4 to the consolidated financial statements

請參閱綜合財務報表附註2(e)之會計政策及附註4

The key audit matter

關鍵審計事項

How the matter was addressed in our audit

我們之審計如何處理有關事項

During the year ended 31 December 2017, the Group acquired through a general offer 100% equity interest in CWT SG, whose shares were then listed on the Singapore Exchange Limited, at a total consideration of S\$1,398,710,000 (equivalent to HK\$8,108,978,000).

截至二零一七年十二月三十一日止年度，貴集團透過全面要約收購CWT SG（其股份當時於新加坡證券交易所有限公司上市）全部股權，總代價為1,398,710,000新加坡元（相當於港幣8,108,978,000元）。

A gain on a bargain purchase arising from this acquisition amounted to HK\$327,172,000, which represented the excess of the fair value of the identifiable net assets of the acquired business over the consideration paid.

該收購產生之議價收購收益為港幣327,172,000元，即所收購業務可識別資產淨值之公允價值超出所付代價之差額。

Our audit procedures to assess the accounting for the acquisition of CWT SG included the following:

我們評估有關收購CWT SG之會計處理而進行之審計程序載列如下：

- reading the agreements, circular and offer document to understand the nature of the transaction and evaluating the accounting treatment adopted by the Group for the acquisition;
- 細閱相關協議、通函及要約文件，以瞭解交易性質及評估 貴集團就收購所採納之會計處理；
- obtaining and inspecting the valuation reports prepared by the external valuers engaged by the Group and on which the directors' assessment of the fair value of the identifiable net assets acquired was based;
- 獲取及查核 貴集團所委聘外聘估值師編製之估值報告，而董事亦根據該等報告評估所收購可識別資產淨值之公允價值；
- assessing the external valuers' qualifications, experience and expertise in the assets being valued and considering their objectivity and independence;
- 評估外聘估值師就所估值資產之資歷、經驗及專業知識，並衡量其是否客觀及獨立；

Accounting for the acquisition of CWT SG (continued)**收購CWT SG之會計處理(續)**

Refer to accounting policy Note 2(e) and Note 4 to the consolidated financial statements (continued)

請參閱綜合財務報表附註2(e)之會計政策及附註4(續)

The key audit matter**關鍵審計事項****How the matter was addressed in our audit****我們之審計如何處理有關事項**

The fair value of the identifiable net assets acquired was assessed by the directors based on an independent valuation performed by external valuers which required the exercise of significant judgement and estimation, particularly the discount rates and capitalisation rates adopted in the valuation.

所收購可識別資產淨值之公允價值由董事根據外聘估值師作出之獨立估值評估，而作出該估值時，尤其是對估值時所採納之貼現率及資本化率，須運用重大判斷及估計。

We identified accounting for the acquisition of CWT SG as a key audit matter because of the significant impact the acquisition has on the consolidated financial statements and because the valuation of the identifiable net assets acquired can be inherently subjective and requires significant judgement and estimation which increases the risk of error or potential management bias.

由於收購CWT SG對綜合財務報表構成重大影響，加上所收購可識別資產淨值之估值本身可能涉及主觀性，且需要重大判斷及估計，而增加出現錯誤或管理層潛在偏見之風險，故我們確定有關收購之會計處理為關鍵審計事項。

with the assistance of our internal valuation specialists, assessing the valuation methodologies adopted by the external valuers with reference to the industrial practice and requirements of the prevailing accounting standards;

在內部估值專家之協助下，評估外聘估值師所採用之估值方法，當中經參考行業慣例及現行會計準則之規定；

with the assistance of our internal valuation specialists, challenging the key assumptions, particularly the discount rates and capitalisation rates adopted in the valuation, which impacted the valuation by comparing these assumptions with market data, our past experience of similar transactions and the Group's business plan supporting the acquisition; and

在內部估值專家之協助下，透過比較重要假設與市場數據、類似交易之過往經驗及貴集團支援有關收購之業務計劃，質疑對估值造成影響之重要假設，尤其是估值所採用之貼現率及資本化率；及

assessing the disclosures in respect of the acquisition in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

評估於綜合財務報表有關該收購之披露資料，當中經參考現行會計準則之規定。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Recognition and measurement of commodity marketing revenue and accrued income

確認及計量商品貿易收益及應計收入

Refer to accounting policy Note 2(cc) and Note 7 to the consolidated financial statements

請參閱綜合財務報表附註2(cc)之會計政策及附註7

The key audit matter

關鍵審計事項

How the matter was addressed in our audit

我們之審計如何處理有關事項

During the year ended 31 December 2017, the Group recognised revenue of HK\$23,955,863,000, of which HK\$21,595,819,000 was attributable to the commodity marketing activities. The Group's revenue from the commodity marketing activities consisted of high volume of individual transactions.

Our audit procedures to assess the recognition and measurement of commodity marketing revenue and accrued income included the following:

截至二零一七年十二月三十一日止年度，貴集團確認收益港幣23,955,863,000元，當中港幣21,595,819,000元歸屬於商品貿易業務。貴集團於商品貿易業務之收益包含龐大之單筆交易量。

我們評估有關確認及計量商品貿易收益及應計收入而進行之審計程序載列如下：

At 31 December 2017, the Group had accrued income of HK\$932,350,000 pertaining mainly to the commodity marketing activities. Accrued income represented primarily sales made but yet to be invoiced and price adjustments to the provisional sales/purchase price of certain commodities. For such sales, at the point of transaction, the price was provisional and would depend on the quality and quantity of the commodity based on a final assay and weight certificates. The Group marked to market these provisional sales based on the forward price in the estimated month of settlement. At settlement, prices would be fixed based on the spot price and metal contents and quantities, with subsequent adjustments for quality and content.

- evaluating the design, implementation and operating effectiveness of key internal controls which govern the recognition and measurement of commodity marketing revenue and accrued income;

於二零一七年十二月三十一日，貴集團之應計收入為港幣932,350,000元，主要有關商品貿易業務。應計收入主要指已進行但未開發票之銷售及若干商品臨時買賣價之價格調整。就該等銷售而言，於交易時之價格為臨時價格，且根據最終測定及份量證書並視乎商品質素及數量而釐定價格。貴集團於估計結算月份對其臨時售價進行市場劃價。於結算時，價格將根據現貨價格以及金屬含量及數量釐定，而其後會按品質及含量再予以調整。

- 就管理有關確認及計量商品貿易收益及應計收入之主要內部控制，評估其設計、實施及運作成效；

- inspecting the sale and purchase agreements, on a sample basis for each type of commodity marketing transactions, to understand the terms and evaluate the appropriateness of revenue recognition, measurement and presentation with reference to the requirements of the prevailing accounting standards, in particular whether the Group acted as a principal or an agent;

- 抽樣檢查各類商品貿易交易之買賣協議，以瞭解相關條款，並特別就貴集團是否擔當主事人或代理參考現行會計準則之規定後評價收益確認、計量及呈報是否恰當；

Recognition and measurement of commodity marketing revenue and accrued income (continued)

確認及計量商品貿易收益及應計收入(續)

Refer to accounting policy Note 2(cc) and Note 7 to the consolidated financial statements (continued)

請參閱綜合財務報表附註2(cc)之會計政策及附註7(續)

The key audit matter**關鍵審計事項****How the matter was addressed in our audit****我們之審計如何處理有關事項**

In addition, for certain of the commodity marketing transactions, judgement is required to determine whether the risks and rewards of the underlying commodity have been transferred under the contractual arrangement with third parties, and accordingly, whether the Group acted as a principal or an agent in such transactions.

此外，就若干商品貿易交易而言，根據與第三方訂立之合約安排釐定相關商品之風險及回報是否已轉移，且繼而釐定貴集團於該等交易是否擔當主事人或代理人時，需要判斷。

We identified recognition and measurement of commodity marketing revenue and accrued income as a key audit matter because the volume of transactions increases the risk of error in the recognition of revenue and significant judgement is involved in estimating the provision for price adjustments of affected commodities and in determining whether the Group acts as a principal or an agent in certain transactions.

由於交易量會增加錯誤確認收益之風險，且於估計作出受影響商品之價格調整及釐定貴集團於若干交易是否擔當主事人或代理人時涉及重大判斷，故我們確定商品貿易收益及應計收入之確認及計量為關鍵審計事項。

- comparing, on a sample basis, revenue transactions recorded during the year with the underlying sale and purchase agreements, bills of lading, invoices and bank-in slips for settled balance and assessing whether the related revenue had been recognised in accordance with the Group's revenue recognition policies;
- 抽樣比較年內錄得之收益交易與相關買賣協議、提貨單、發票及用作結清餘額之銀行存款收據，並評估相關收益是否已根據貴集團之收益確認政策予以確認；
- comparing, on a sample basis, specific revenue transactions recorded before and after the financial year end date with the underlying sale and purchase agreements and bills of lading to determine whether the related revenue had been recognised in the appropriate financial period; and
- 抽樣比較財政年度年結日前後錄得之特定收益交易與相關買賣協議及提貨單，以釐定相關收益是否已於適當財政期間予以確認；及
- evaluating the valuation methodology adopted by management in valuing provisional sale and purchase contracts by agreeing the provisional prices to the forward prices provided by brokers and agreeing quantities and qualities of commodities to underlying documents such as sale and purchase agreements and the final assay and weight certificates.
- 透過按經紀商提供之遠期價格協定臨時價格，以及按買賣協議以及最終測定及份量證書等相關文件協定商品數量及質素，評價管理層於估算臨時買賣合約價格所採用之估值方法。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

綜合財務報表及其核數師報告以外之資料

董事須對其他資料負責。其他資料包括刊載於年報內之全部資料，但不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，我們亦不對該等其他資料發表任何形式之鑒證結論。

結合我們對綜合財務報表之審計，我們之責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所了解之情況存在重大抵觸或者似乎存在重大錯誤陳述之情況。

基於我們已執行之工作，如果我們認為其他資料存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港《公司條例》擬備真實而中肯之綜合財務報表，並對其認為為使綜合財務報表之擬備不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際之替代方案。

審核委員會協助董事履行監督 貴集團之財務報告過程之責任。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

核數師就審計綜合財務報表承擔之責任

我們之目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括我們意見之核數師報告。我們是按照香港《公司條例》第405條之規定，僅向整體成員報告。除此以外，我們之報告不可用作其他用途。我們概不就本報告之內容，對任何其他人士負責或承擔法律責任。

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

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當之審計憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致重大錯誤陳述之風險。
- 了解與審計相關之內部控制，以設計適當之審計程序，但目的並非對貴集團內部控制之有效性發表意見。



INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。
- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對貴集團之持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報中之相關披露，或倘有關披露不足，則我們應當發表非無保留意見。我們之結論是基於核數師報告日止所取得之審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表之整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動之財務資料獲取充足、適當之審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計之方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

我們還向審核委員會提交聲明，說明我們已符合有關獨立性之相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性之所有關係和其他事項，以及在適用之情況下，相關之防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Lee Ka Nang.

從與審核委員會溝通之事項中，我們確定哪些事項對本期綜合財務報表之審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露這些事項，或在極端罕見之情況下，如果合理預期在我們報告中溝通某事項造成之負面後果超過產生之公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告之審計項目合夥人是李家能。

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
24 April 2018

畢馬威會計師事務所

執業會計師
香港中環
遮打道十號
太子大廈八樓
二零一八年四月二十四日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		NOTE 附註	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Continuing operations	持續經營業務			
Revenue	收益	7	23,955,863	182,546
Cost of sales	銷售成本		(23,144,701)	(123,029)
Gross profit	毛利		811,162	59,517
Other income	其他收入	9	77,513	21,422
Other gains, net	其他收益淨額	10	383,827	142,151
Selling and distribution costs	銷售及分銷費用		(177,186)	(6,152)
Administrative expenses	行政開支		(548,997)	(124,815)
Finance costs	融資成本	11	(383,659)	(113,071)
Share of profits less losses of associates, net of tax	分佔聯營公司溢利減虧損 (除稅後)		13,006	–
Share of profits less losses of joint ventures, net of tax	分佔合營企業溢利減虧損 (除稅後)		4,020	–
Profit/(loss) before taxation	除稅前溢利/(虧損)	12	179,686	(20,948)
Income tax (expense)/credit	所得稅(支出)/抵免	13	(41,896)	2,003
Profit/(loss) for the year from continuing operations	持續經營業務之年度 溢利/(虧損)		137,790	(18,945)
Discontinued operations	已終止業務			
Profit/(loss) for the year from discontinued operations	已終止業務之年度 溢利/(虧損)	6	88,421	(40,895)
Profit/(loss) for the year	年度溢利/(虧損)		226,211	(59,840)

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Other comprehensive income:	其他全面收益：		
Item that will not be reclassified to profit or loss:	不會重新分類至損益之項目：		
Exchange differences arising from translation of financial statements from functional currency to presentation currency	換算財務報表功能貨幣為呈報貨幣產生之匯兌差額	57,063	(157,711)
Defined benefit plan remeasurements	界定福利計劃重估	1,063	-
Tax on other comprehensive income	其他全面收益稅項	(144)	-
		57,982	(157,711)
Item that may be reclassified subsequently to profit or loss net of tax:	其後可能重新分類至損益之項目(扣除稅項)：		
Exchange differences arising from translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表產生之匯兌差額	44,173	-
Exchange differences reclassified to profit or loss on disposal of subsidiaries	於出售附屬公司時重新分類至損益之匯兌差額	23	-
Net change in fair value of available-for-sale financial assets	可供出售金融資產公允價值變動淨額	(4,242)	-
Share of other comprehensive income of associates and joint ventures	分佔聯營公司及合營企業之其他全面收益	(8,796)	-
		31,158	-
Other comprehensive income for the year	年度其他全面收益	89,140	(157,711)
Total comprehensive income for the year	年度全面收益總額	315,351	(217,551)

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		NOTE 附註	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Profit/(loss) for the year attributable to owners of the Company	本公司擁有人應佔年度溢利/(虧損)			
– from continuing operations	– 來自持續經營業務		115,621	(8,322)
– from discontinued operations	– 來自已終止業務		88,857	(13,580)
Profit/(loss) for the year attributable to owners of the Company	本公司擁有人應佔年度溢利/(虧損)		204,478	(21,902)
Profit/(loss) for the year attributable to non-controlling interests	非控股權益應佔年度溢利/(虧損)			
– from continuing operations	– 來自持續經營業務		22,169	(10,623)
– from discontinued operations	– 來自已終止業務		(436)	(27,315)
Profit/(loss) for the year attributable to non-controlling interests	非控股權益應佔年度溢利/(虧損)		21,733	(37,938)
Profit/(loss) for the year	年度溢利/(虧損)		226,211	(59,840)
Total comprehensive income attributable to:	以下人士應佔全面收益總額：			
Owners of the Company	本公司擁有人		263,284	(152,169)
Non-controlling interests	非控股權益		52,067	(65,382)
			315,351	(217,551)
EARNINGS/(LOSS) PER SHARE	每股盈利/(虧損)	16		
Basic (HK cents)	基本(港仙)		1.79	(0.19)
Diluted (HK cents)	攤薄(港仙)		1.79	(0.40)
From continuing operations	來自持續經營業務			
Basic (HK cents)	基本(港仙)		1.01	(0.07)
Diluted (HK cents)	攤薄(港仙)		1.01	(0.28)

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

		NOTE 附註	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	8,589,127	260,655
Land use rights	土地使用權	18	1,095,395	1,059,477
Investment properties	投資物業	19	2,486,202	2,447,621
Intangible assets	無形資產	20	420,969	–
Interest in associates	於聯營公司權益	21	202,135	–
Interest in joint ventures	於合營企業權益	22	311,334	–
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	26	77,745	2,500
Other financial assets	其他金融資產	23	373,409	155,000
Other non-current assets	其他非流動資產		23,038	700
Deferred tax assets	遞延稅項資產	36	19,614	–
			13,598,968	3,925,953
Current assets	流動資產			
Land use rights	土地使用權	18	44,710	41,548
Inventories	存貨	24	4,349,064	6,916
Trade receivables	應收貿易賬項	25	4,604,925	27,040
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	26	5,303,592	919,253
Warrantable LME commodities	有擔保之LME商品		136,387	–
Other financial assets	其他金融資產	23	561,168	–
Derivative financial instruments	衍生金融工具	44(e)	379,805	–
Tax recoverable	可收回稅項		13,594	–
Pledged bank deposits	已抵押銀行存款		36,015	27,890
Cash and cash equivalents	現金及現金等值項目	28	2,137,858	1,085,447
			17,567,118	2,108,094
Assets associated with disposal groups classified as held-for-sale	分類為持作出售之出售組別之相關資產	5	–	387,075
Other non-current assets held-for-sale	持作出售之其他非流動資產	5	15,617	–
			17,582,735	2,495,169

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

		NOTE 附註	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Current liabilities	流動負債			
Trade and other payables	應付貿易賬項及其他應付款項	29	7,845,311	122,448
Loans and borrowings	貸款及借款	30	10,268,069	55,163
Convertible bonds	可換股債券	32	380,656	–
Derivative financial instruments	衍生金融工具	44(e)	1,074,659	–
Current tax payable	應付當期稅項		128,906	13,704
Deferred gains	遞延收益	35	59,360	49,489
Provisions	撥備		19,649	–
			19,776,610	240,804
Liabilities associated with disposal groups classified as held-for-sale	分類為持作出售之出售組別之相關負債	5	–	396,961
			19,776,610	637,765
Net current (liabilities)/assets	流動(負債淨值)/資產淨值		(2,193,875)	1,857,404
Total assets less current liabilities	總資產減流動負債		11,405,093	5,783,357

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

		NOTE 附註	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Loans and borrowings	貸款及借款	30	4,079,350	1,232,692
Derivative financial instruments	衍生金融工具	44(e)	567	56,167
Convertible bonds	可換股債券	32	–	324,421
Employee benefits	僱員福利	33	71,163	–
Deferred gains	遞延收益	35	195,386	193,909
Deferred tax liabilities	遞延稅項負債	36	1,073,624	237,406
Other non-current liabilities	其他非流動負債	29	13,670	–
			5,433,760	2,044,595
Net assets	資產淨值		5,971,333	3,738,762
Capital and reserves	股本及儲備			
Share capital	股本	37	4,731,480	4,731,480
Reserves	儲備	37	712,653	(1,329,029)
Amounts recognised in other comprehensive income and accumulated in equity relating to disposal groups classified as held-for-sale	分類為持作出售之出售組別於其他全面收益確認及於權益累計之相關金額		–	(42,240)
Equity attributable to owners of the Company	本公司擁有人應佔權益		5,444,133	3,360,211
Non-controlling interests	非控股權益		527,200	378,551
Total equity	總權益		5,971,333	3,738,762

The consolidated financial statements on pages 88 to 295 were approved and authorised for issue by the Board of Directors on 24 April 2018 and are signed on its behalf by:

第88至295頁之綜合財務報表已於二零一八年四月二十四日獲董事會批准及授權刊發，並由下列董事代為簽署：

Guo Ke
郭可
DIRECTOR
董事

Xu Haohao
徐昊昊
DIRECTOR
董事

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Attributable to non-controlling interests 非控股權益應佔		Total
		Share capital	Capital reserve	Translation reserve	Share option reserve	Other reserves	Accumulated losses	Amounts recognised in other comprehensive income and accumulated in equity relating to disposal groups classified as held-for-sale 分類為持作出售之出售組別於其他全面收益確認及於權益	Sub-total		
		股本	資本儲備	匯兌儲備	購股權儲備	其他儲備	累計虧損	累計之相關金額	小計	權益應佔	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2016	於二零一六年一月一日	4,731,480	222,248	(72,716)	20,212	360	(1,419,283)	30,079	3,512,380	443,933	3,956,313
Total comprehensive income for the year	年度全面收益總額										
Loss for the year	年度虧損	-	-	-	-	-	(21,902)	-	(21,902)	(37,938)	(59,840)
Other comprehensive income	其他全面收益										
Exchange differences arising from translation of financial statements from functional currency to presentation currency	換算財務報表功能貨幣為呈報貨幣產生之匯兌差額	-	-	(114,356)	-	-	-	(15,911)	(130,267)	(27,444)	(157,711)
Total other comprehensive income	其他全面收益總額	-	-	(114,356)	-	-	-	(15,911)	(130,267)	(27,444)	(157,711)
Total comprehensive income for the year	年度全面收益總額	-	-	(114,356)	-	-	(21,902)	(15,911)	(152,169)	(65,382)	(217,551)
Release of reserves upon disposal of subsidiaries	於出售附屬公司後解除儲備	-	-	(26,425)	-	-	52,425	(26,000)	-	-	-
Transfer of reserves relating to disposal groups classified as held-for-sale	轉撥有關分類為持作出售之出售組別儲備	-	-	30,768	-	(360)	-	(30,408)	-	-	-
At 31 December 2016	於二零一六年十二月三十一日	4,731,480	222,248	(182,729)	20,212	-	(1,388,760)	(42,240)	3,360,211	378,551	3,738,762

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔								Amounts recognised in other comprehensive income and accumulated in equity relating to disposal groups classified as held for-sale instrument			Attributable to non- controlling interests		Total
Share capital	Capital reserve	Translation reserve	Hedging reserve	Fair value reserve	Statutory reserve	Share option reserve	Accumulated losses		Perpetual capital	Sub-total					
				公允				分類為待作出售 之出售組別於 其他全面收益 確認及於權益	永久資本工具	小計	權益應佔	合計			
股本	資本儲備	匯兌儲備	對沖儲備	價值儲備	法定儲備	購股權儲備	累計虧損	累計之相關金額	永久資本工具	小計	權益應佔	合計			
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元			
At 1 January 2017	於二零一七年一月一日	4,731,480	222,248	(182,729)	-	-	-	20,212	(1,388,760)	(42,240)	-	3,360,211	378,551	3,738,762	
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	-	-	204,478	-	-	204,478	21,733	226,211		
Profit for the year	年度溢利	-	-	-	-	-	-	204,478	-	-	204,478	21,733	226,211		
Other comprehensive income	其他全面收益	-	-	34,406	-	-	-	-	14,556	-	48,962	8,101	57,063		
Exchange differences arising from translation of financial statements from functional currency to presentation currency	換算財務報表功能貨幣為呈報貨幣產生之匯兌差額	-	-	34,406	-	-	-	-	14,556	-	48,962	8,101	57,063		
Exchange differences arising from translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	-	21,940	-	-	-	-	-	-	21,940	22,233	44,173		
Exchange differences reclassified to profit or loss on disposal of subsidiaries	於出售附屬公司時重新分類至損益之匯兌差額	-	-	23	-	-	-	-	-	-	23	-	23		
Share of other comprehensive income of associates and joint ventures	分佔聯營公司及合營企業之其他全面收益	-	-	(9,085)	289	-	-	-	-	-	(8,796)	-	(8,796)		
Net changes in fair value of available-for-sale financial assets	可供出售金融資產之公允價值變動淨額	-	-	-	(4,242)	-	-	-	-	-	(4,242)	-	(4,242)		
Defined benefit plan remeasurements	界定福利計劃重估	-	-	-	-	-	-	1,063	-	-	1,063	-	1,063		
Tax on other comprehensive income	其他全面收益稅項	-	-	-	-	-	-	(144)	-	-	(144)	-	(144)		
Total other comprehensive income	其他全面收益總額	-	-	47,284	289	(4,242)	-	919	14,556	-	58,806	30,334	89,140		
Total comprehensive income for the year	年度全面收益總額	-	-	47,284	289	(4,242)	-	205,397	14,556	-	263,284	52,067	315,351		

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

	Share capital	Capital reserves	Translation reserve	Hedging reserve	Fair value reserve	Statutory reserve	Share option reserve	Accumulated losses	Amounts recognised in other comprehensive income and accumulated in equity relating to disposal groups classified as held for-sale	Perpetual capital instrument	Sub total	Attributable to non-controlling interests	Total
	股本	資本儲備	匯兌儲備	對沖儲備	公允價值儲備	法定儲備	購股權儲備	累計虧損	累計之相關金額	永久資本工具	小計	非控股權益應佔	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Issue of perpetual capital instruments 發行永久資本工具	-	-	-	-	-	-	-	-	-	1,819,390	1,819,390	-	1,819,390
Acquisition of subsidiaries 收購附屬公司	-	1,860	-	-	-	-	-	-	-	-	1,860	97,336	99,196
Dividend paid to non-controlling interests 向非控股權益支付之股息	-	-	-	-	-	-	-	-	-	-	-	(3,820)	(3,820)
Transfer to statutory reserve in compliance with foreign entities' statutory requirements 為符合海外實體之法定規定轉撥至法定儲備	-	-	-	-	-	214	-	(214)	-	-	-	-	-
Disposal of subsidiaries 出售附屬公司	-	-	-	-	-	-	-	(27,684)	27,684	-	-	3,315	3,315
Share option lapsed/cancelled 購股權失效/註銷	-	-	-	-	-	-	(300)	300	-	-	-	-	-
Changes in non-controlling interests 非控股權益變動	-	(179)	-	-	-	-	-	(433)	-	-	(612)	(249)	(861)
	-	1,681	-	-	-	214	(300)	(28,031)	27,684	1,819,390	1,820,638	96,582	1,917,220
At 31 December 2017 於二零一七年十二月三十一日	4,731,480	223,929	(135,445)	289	(4,242)	214	19,912	(1,211,394)	-	1,819,390	5,444,133	527,200	5,971,333

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

			2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
		NOTE 附註		
OPERATING ACTIVITIES	經營活動			
Cash (used in)/generated from operations	經營業務(所用)/所得之現金	28(b)	(686,234)	48,639
Interest paid	已付利息		(233,305)	(144,511)
Overseas income tax paid	已付海外所得稅		(11,451)	(512)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用之現金淨額		(930,990)	(96,384)
INVESTING ACTIVITIES	投資活動			
Net cash outflow from acquisition of subsidiaries	收購附屬公司所用之現金淨額	4	(6,465,807)	-
Purchase of property, plant and equipment	購買物業、廠房及設備		(137,746)	(5,737)
Purchase of intangible assets	購買無形資產		(2,726)	(2,544)
Advances to related companies	向關連公司提供之墊款		(2,610)	(7,824)
Repayments from related companies	關連公司還款		-	1,721
Acquisition of investment properties	收購投資物業		(7,562)	(2,537,809)
Purchase of available-for-sale investment	購買可供出售投資		-	(155,000)
Placement of pledged bank deposits and restricted bank deposits	存入已抵押銀行存款及受限制銀行存款		(34,719)	(38,402)
Withdrawal of pledged bank deposits	提取已抵押銀行存款		35,333	2,552
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		162,905	24
Net cash inflow from disposal of DTV Disposal Group	出售數字電視出售組別所得之現金流入淨額	6(a)	900,000	49,527
Net cash inflow from disposal of Intelligent Information Business	出售智能信息業務所得之現金流入淨額	6(b)	95,156	39,046
Interest received	已收利息		45,075	6,981
Dividend received from joint venture	收取合營企業股息		1,396	-
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用之現金淨額		(5,411,305)	(2,647,465)
FINANCING ACTIVITIES	融資活動			
New bank loans raised	新借銀行貸款		1,013,632	1,119,881
Loans from independent third parties	獲獨立第三方提供之貸款		20,000	76,327
Proceeds from issue of senior secured notes	發行有抵押優先票據所得款項	30(c)	4,373,837	-
Proceeds from issue of perpetual notes	發行永久票據所得款項	30(c)	358,800	-
Proceeds from issue of perpetual capital instrument	發行永久資本工具所得款項	37(b)(vii)	1,819,390	-
Repayment to an independent third party	向一名獨立第三方還款		-	(70,257)
Up-front fee paid for issue of senior secured notes	發行有抵押優先票據之預付費用		(110,069)	-
Repayments of bank loans	償還銀行貸款		(52,427)	(418,055)
Repayment of principal on convertible bonds	償還可換股債券之本金		-	(116,489)
Repayment of finance lease obligations	償還融資租賃承擔		(2,270)	(394)
Dividend paid to non-controlling interests	支付非控股權益股息		(3,820)	-
Proceeds from issue of new convertible bonds	發行新可換股債券之所得款項		-	404,560
NET CASH GENERATED FROM FINANCING ACTIVITIES	融資活動所得之現金淨額		7,417,073	995,573

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		NOTE 附註	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 增加/(減少)淨額		1,074,778	(1,748,276)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及 現金等值項目		1,091,201	2,850,966
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動之影響		(36,005)	(11,489)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及 現金等值項目	28(a)	2,129,974	1,091,201

The notes on pages 99 to 295 form part of these consolidated financial statements.

第99至295頁之附註構成該等綜合財務報表之一部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Hong Kong HNA Holding Group Co. Limited (“**Hong Kong HNA**”), a company incorporated in Hong Kong with limited liability, is the immediate parent of the Company. HNA Group Co., Ltd. (“**HNA Group**”), a company registered in the People’s Republic of China (the “**PRC**”), is an intermediate parent of the Company. Hainan Province Cihang Foundation, a foundation registered in the PRC, is the ultimate controlling party of the Company. The address of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section of the Company’s annual report.

Pursuant to a special resolution passed on 29 November 2017, the Company changed the name from HNA Holding Group Co. Limited (海航實業集團股份有限公司) to CWT International Limited.

The Company is an investment holding company (together with its subsidiaries referred to thereafter as the “**Group**”). During the year ended 31 December 2017, the Group completed the acquisition of CWT Pte. Limited (formerly known as CWT Limited) (“**CWT SG**”) (see Note 4), which is principally engaged in commodity marketing activities, provision of logistics services, financial services and engineering services. The principal subsidiaries of the Company and their principal activities are set out in Note 46.

During the year ended 31 December 2017, the directors of the Company (the “**Directors**”) changed the Company’s functional currency from Renminbi to Hong Kong dollars (“**HK\$**”) in response to substantial changes in the primary economic environment and the capital structure of the Company. As the Company is listed on the Stock Exchange, for the convenience of the financial statements users, the results and financial position of the Group are expressed in HK\$, which is the presentation currency for the consolidated financial statements.

1. 一般事項

本公司乃於香港註冊成立之公眾有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。香港海航實業集團有限公司（「香港海航」，於香港註冊成立之有限公司）乃本公司之直接母公司。海航集團有限公司（「海航集團」，於中華人民共和國（「中國」）註冊之公司）乃本公司之中間母公司。海南省慈航公益基金會（於中國註冊之基金）乃本公司之最終控制方。本公司之註冊辦事處及主要營業地點之地址於本公司年報「公司資料」一節披露。

根據於二零一七年十一月二十九日通過之特別決議案，本公司之名稱由海航實業集團股份有限公司(HNA Holding Group Co. Limited)更改為CWT International Limited。

本公司為一間投資控股公司（連同其附屬公司於下文統稱「本集團」）。截至二零一七年十二月三十一日止年度，本集團完成收購CWT Pte. Limited（前稱CWT Limited）（「**CWT SG**」）（見附註4）。該公司主要從事商品貿易活動、提供物流服務、金融服務及工程服務之業務。本公司之主要附屬公司及其主要業務載於附註46。

截至二零一七年十二月三十一日止年度，為應對本公司之主要經濟環境及資本結構之重大轉變，本公司董事（「董事」）將本公司之功能貨幣由人民幣變更為港幣（「港幣」）。由於本公司於聯交所上市，為方便財務報表之使用者，本集團之業績及財務狀況以港幣呈列，即綜合財務報表之呈報貨幣。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

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

2. 重要會計政策

(a) 合規聲明

該等財務報表已根據所有適用之香港財務報告準則(「**香港財務報告準則**」)，此乃包括所有適用之個別香港財務報告準則、香港會計師公會(「**香港會計師公會**」)頒佈之香港會計準則(「**香港會計準則**」)及詮釋)、香港公認之會計原則及香港公司條例(「**公司條例**」)編製。該等財務報表亦遵守聯交所證券上市規則(「**上市規則**」)之適用披露條文。本集團所採用之重要會計政策披露如下。

香港會計師公會已頒佈若干於本集團本會計期間首次生效或可供本集團於本會計期間提前採納之新訂及經修訂之香港財務報告準則。附註2(d)提供有關因初步應用該等進展而引致之任何會計政策變動之資料，惟僅限於在該等財務報表反映與本集團有關之本會計期間及過往會計期間之資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2017 comprise the Group and the Group's interest in associates and joint ventures.

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- financial instruments classified as available-for-sale or as trading securities (see Note 2(i));
- derivative financial instruments (see Note 2(j));
- investment properties (see Note 2(l));
- inventory held under broker-trader exemption (see Note 2(q)); and
- warrantable LME commodities (see Note 2(r)).

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

2. 重要會計政策(續)

(b) 財務報表之編製基準

截至二零一七年十二月三十一日止年度之綜合財務報表包括本集團及本集團於聯營公司及合營企業之權益。

除以下資產及負債按公允價值列賬外，編製財務報表時乃採用歷史成本法作為計量基準，詳情於下文所載之會計政策闡述：

- 分類為可供出售或買賣證券之金融工具(見附註2(i))；
- 衍生金融工具(見附註2(j))；
- 投資物業(見附註2(l))；
- 根據經紀－交易商豁免持有之存貨(見附註2(q))；及
- 有擔保之LME商品(見附註2(r))。

持作出售之非流動資產及出售組別以賬面值及公允價值減出售成本之較低者列賬(見附註2(ff))。



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

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

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

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

2. 重要會計政策(續)

(b) 財務報表之編製基準(續)

編製符合香港財務報告準則之財務報表需要管理層作出對政策應用以及對資產、負債、收入及支出的呈報數額構成影響之判斷、估計及假設。該等估計及相關假設乃根據以往經驗及多項根據情況被認為合理之其他因素而作出，所得結果構成未能從其他途徑即時得知資產與負債賬面值時所依據之判斷基準，故實際結果可能有別於該等估計。

該等估計及相關假設會持續檢討。倘會計估計修訂只影響修訂估計之期間，則有關修訂會於該期間確認。倘有關修訂既影響當期，亦影響未來期間，則有關修訂會於修訂期間及未來期間確認。

管理層於應用香港財務報告準則時所作出對財務報表造成重大影響之判斷及估計不確定因素之主要來源於附註3討論。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

As at 31 December 2017, the Group had net current liabilities of approximately HK\$2,193,875,000, primarily as a result of certain borrowings totalling US\$561,000,000 (carrying amount as at 31 December 2017 of approximately HK\$4,325,222,000) (“**the Acquisition Borrowings**”) raised in connection with the acquisition of CWT SG which is detailed in Note 4. The Group is committed to repay the Acquisition Borrowings of US\$300,000,000 (carrying amount as at 31 December 2017 of approximately HK\$2,312,953,000) in May 2018 and US\$261,000,000 (carrying amount as at 31 December 2017 of approximately HK\$2,012,269,000) in September 2018. The Group will be unable to repay these Acquisition Borrowings in full when they fall due in May and September 2018 unless it is able to obtain sufficient cash sources through refinancing arrangements. These conditions indicate the existence of material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern.

2. 重要會計政策(續)

(b) 財務報表之編製基準(續)

於二零一七年十二月三十一日，本集團擁有流動負債淨值約港幣2,193,875,000元，主要由於就收購CWT SG(詳見附註4)所籌得合計561,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣4,325,222,000元)之若干借款(「收購事項借款」)所致。本集團承諾於二零一八年五月償還300,000,000美元(於二零一七年十二月三十一日之賬面值約港幣2,312,953,000元)之收購事項借款，並於二零一八年九月償還261,000,000美元(於二零一七年十二月三十一日之賬面值約港幣2,012,269,000元)。除非本集團可透過再融資安排獲得充足現金來源，否則本集團將無法於該等收購事項借款於二零一八年五月及九月到期時悉數償還該等收購事項借款。該等情況表示存在重大不確定性，其可能對本集團可繼續以持續方式經營之能力構成重大疑問。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

Assuming the success of the following measures, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis:

- (i) The Acquisition Borrowings are guaranteed by HNA Group (International) Company Limited (“**HNA Group (International)**”), a substantial shareholder of the Company. In addition, HNA Group undertakes to maintain the liquidity of the Company and HNA Group (International) to ensure they have sufficient liquidity to meet the payment obligation in respect of the Acquisition Borrowings as they fall due. Both HNA Group (International) and HNA Group will continue to provide adequate financial support to the Group so as to enable the Group to meet its liabilities as and when they fall due and to continue its operations for the period of at least twelve months from the end of the reporting period; and
- (ii) Directors have been actively negotiating with (i) overseas commercial banks and international financial institutions for raising funds from new facilities to the Group; and (ii) reputable real estate capital management companies for sales and lease back arrangements in respect of certain of the Group’s warehouses located in Singapore. The Group has received a number of non-binding term sheets, letters of intent and expressions of interest regarding the mentioned negotiations, and it is expected that binding agreement(s) will be entered upon the completion of certain due diligence procedures and negotiation on terms.

2. 重要會計政策(續)

(b) 財務報表之編製基準(續)

假設成功採取下列措施，則董事認為以持續經營基準編製綜合財務報表為合適：

- (i) 收購事項借款由本公司之主要股東之一海航集團(國際)有限公司(「海航集團(國際)」)作出擔保。此外，海航集團承諾維持本公司之流動資金，而海航集團(國際)將確保彼等有充足流動資金以於該等借款到期時償付承擔。海航集團(國際)及海航集團均將繼續向本集團提供充足之財務支持，以使本集團可償付其到期負債，並於自報告期末起計最少十二個月內繼續其經營；及
- (ii) 董事已積極與(i)海外商業銀行及國際金融機構磋商，以為本集團取得新融資進行籌資；及(ii)著名房地產資本管理公司磋商，以就本集團位於新加坡之若干倉庫訂立出售及租回安排。本集團已就上述磋商接獲若干不具約束力之條款清單、意向書及意願書，並預期將於完成若干盡職審查程序及就條款進行磋商後訂立具約束力之協議。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

The consolidated financial statements do not include any adjustments relating to the carrying amount and reclassification of assets and liabilities that might be necessary should the Group be unable to operate as a going concern.

(c) Fair value measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The Group's accounting team has overall responsibility for all significant fair value measurements, including Level 3 fair values, and reports directly to the Group Chief Financial Officer. Independent qualified professional valuers are engaged as considered necessary. The Group's accounting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then such evidence obtained from the third parties is assessed and documented to support the conclusion that such valuations meet the requirements of HKFRSs, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group Chief Financial Officer.

2. 重要會計政策(續)

(b) 財務報表之編製基準(續)

綜合財務報表並無包括在本集團無法以持續經營方式繼續經營時可能需要作出的有關資產及負債之賬面值及重新分類之任何調整。

(c) 公允價值計量

本集團之若干會計政策及披露要求計量金融及非金融資產及負債之公允價值。

本集團已就公允價值之計量制定控制框架，本集團之會計團隊全面負責監督所有重大公允價值計量(包括第三級別公允價值)並直接向本集團財務總監匯報。本集團將於有需要時委聘獨立合資格之專業估值師。本集團之會計團隊定期審閱重要不可觀察輸入數據及估值調整。倘計量公允價值時使用經紀報價或定價服務等第三方資料，則評估並記錄該等自第三方取得之憑證，以支持估值符合香港財務報告準則規定之結論，包括該等估值應歸入之公允價值層級。

重要估值事項會上報本集團財務總監。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Fair value measurement (continued)

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is set out in Note 19 and Note 44(e).

2. 重要會計政策(續)

(c) 公允價值計量(續)

計量資產或負債之公允價值時，本集團盡量使用可觀察市場數據。公允價值按下列估值技術所用輸入數據分為不同級別之公允價值層級：

- 第一級別：相同資產或負債於活躍市場之報價(未經調整)。
- 第二級別：資產或負債之直接(即價格)或間接(即價格衍生數據)的可觀察輸入數據(不包括第一級別之報價)。
- 第三級別：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)。

本集團於出現公允價值層級級別之間轉移之報告期末確認有關轉移。有關公允價值計量所作假設之更多資料載於附註19及附註44(e)。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, additional disclosure has been included in Note 28 to satisfy the new disclosure requirements introduced by the amendments to HKAS 7 *Statement of Cash Flows: Disclosure Initiative*, which require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

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

(e) Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value except that deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with HKAS12 *Income Taxes* and HKAS19 *Employee Benefits*, respectively.

2. 重要會計政策(續)

(d) 會計政策變動

香港會計師公會已頒佈多項於本集團本會計期間首次生效之香港財務報告準則之修訂本。該等修訂本對本集團之會計政策概無影響。然而，本集團已於附註28作出額外披露，以符合香港會計準則第7號之修訂本*現金流量表：主動披露*所引入之新披露規定。該等修訂本規定實體作出披露，讓財務報表使用者能夠評估融資活動所產生之負債變動，包括現金流量引致之變動及非現金變動。

本集團尚未應用任何於本會計期間並未生效之新準則或詮釋。

(e) 業務合併

收購業務採用收購法入賬。業務合併之已轉讓代價按公允價值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原擁有人轉讓所產生之負債及本集團於交換被收購方之控制權時發行之股權於收購日期之公允價值之總額。收購相關費用通常於產生時於損益中確認。

於收購日期，所收購之可識別資產及所承擔之負債乃按公允價值確認，惟遞延稅項資產或負債及與僱員福利安排有關之負債或資產則分別按香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Business combinations (continued)

Where the acquiree is a party to an operating lease arrangement of leasehold lands with terms that are favourable relative to market terms, the excess of the market price over the carrying amount of the leasehold land held by the acquiree at the time of acquisition represents the right to a favourable lease contract and is included as part of the Group's interests in land use rights.

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 amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount 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, except for the acquisition of business from an equity participant of the Company whereby the excess is accounted for as a deemed contribution from a shareholder and is recognised in equity.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary'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.

2. 重要會計政策(續)

(e) 業務合併(續)

倘被收購方為租賃土地之一份經營租賃安排之一名訂約方，而條款相對市場條款較有利，當市場價格超過於收購時由被收購方持有之租賃土地之賬面值之金額時，則代表其有權訂立有利之租賃合約，及作為本集團於土地使用權權益之一部份入賬。

商譽是以已轉讓代價、任何非控股權益於被收購方中所佔金額以及收購方以往持有之被收購方股權之公允價值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨額後，所得出之差額計值。倘經重新評估後，所收購之可識別資產與所承擔之負債之淨額高於已轉讓代價、任何非控股權益於被收購方中所佔金額以及收購方以往持有之被收購方權益之公允價值(如有)之總和，則相關差額即時於損益內確認為議價收購收益，惟向本公司一名權益參與者收購業務者則作別論。於該情況下，相關差額會列賬為來自股東之視作貢獻並於權益確認。

屬現時之擁有權權益且於清盤時讓持有人有權按比例分佔相關附屬公司資產淨值之非控股權益，可初步按公允價值或按非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公允價值計量。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Business combinations (continued)

When put options are issued by the Group over non-controlling interests, a financial liability arising from the put options is initially recognised at fair value and subsequently measured at amortised cost with changes in its carrying amount recognised in the profit or loss. At the acquisition date, non-controlling interests subject to the put options are deemed to have been acquired as if the put options had been exercised already and the fair value of financial liability arising from the put options is included in the consideration transferred. Consequently, the non-controlling interests subject to the put options are presented as already owned by the Company, both in the consolidated statement of financial position and the consolidated statement of profit or loss and other comprehensive income.

(f) Subsidiaries and non-controlling interests

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

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

2. 重要會計政策(續)

(e) 業務合併(續)

當本集團就非控股權益發行認沽期權時，認沽期權所產生之金融負債將初步以公允價值確認，其後以攤銷成本(連同其於損益確認之賬面值變動)計量。於收購日期，認沽期權所涉及之非控股權益視作已收購，猶如認沽期權已獲行使，而認沽期權產生之金融負債之公允價值則計入已轉讓代價。因此，認沽期權所涉及之非控股權益列作已由本公司擁有，並於綜合財務狀況表及綜合損益及其他全面收益表呈列。

(f) 附屬公司及非控股權益

附屬公司為本集團控制之實體。當本集團承擔或擁有就其參與實體所得之可變回報之風險或權利，以及能夠運用其對實體之權力影響該等回報時，則為之本集團控制該實體。當評估本集團是否擁有權力時，僅考慮實質權利(由本集團及其他各方持有)。

於附屬公司之投資由控制開始當日至控制終止當日綜合計入綜合財務報表。集團內公司間之結餘、交易及現金流量，與任何因集團內公司間交易而產生之未變現溢利均在編製綜合財務報表時悉數對銷。集團內公司間交易所產生之未變現虧損以處理未變現收益之相同方式對銷，惟僅會在無減值跡象之情況下進行。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(f) Subsidiaries and non-controlling interests

(continued)

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

Non-controlling interests are presented in the consolidated financial statements of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with Notes 2(v) or 2(x) depending on the nature of the liability.

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

2. 重要會計政策(續)

(f) 附屬公司及非控股權益(續)

非控股權益指並非由本公司直接或間接擁有之附屬公司股權，而且當中本集團並無就任何額外條款與非控股權益持有人達成協議，致使本集團整體須對該等符合金融負債定義之權益承擔合約責任。對於每項業務合併，本集團可選擇按公允價值或按附屬公司可識別資產淨值應佔之非控股權益比例份額計量任何非控股權益。

非控股權益呈列於綜合財務狀況表內權益項下，與本公司權益股東應佔權益分開呈列。非控股權益應佔本集團業績部份於綜合損益及其他全面收益表內呈列為非控股權益與本公司權益股東之間對年內損益總額及全面收益總額之分配。非控股權益持有人提供之貸款及對該等持有人應負之其他訂約責任根據附註2(v)或2(x)並視乎負債之性質於綜合財務狀況表呈列為金融負債。

倘本集團於附屬公司之權益變動不會導致喪失控制權，則入賬為股權交易，而於綜合權益內之控股權益及非控股權益款項應予調整，以反映相關權益之變動，惟概無對商譽作出調整，亦無確認任何收益或虧損。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(f) Subsidiaries and non-controlling interests

(continued)

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(i)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see Note 2(g)).

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

(g) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

2. 重要會計政策(續)

(f) 附屬公司及非控股權益(續)

當本集團喪失對附屬公司控制權時，則入賬為出售於該附屬公司之全部權益，所產生之收益或虧損於損益內確認。於喪失控制權當日，前附屬公司之任何保留權益按公允價值確認，而該金額會被視作初步確認金融資產之公允價值(見附註2(i))，或(如適用)初步確認於聯營公司或合營企業之投資成本(見附註2(g))。

除非投資分類為持作出售(或計入分類為持作出售之出售組別)(見附註2(ff))，否則於本公司之財務狀況表中，於附屬公司之投資按成本值減減值虧損列賬(見附註2(p))。

(g) 聯營公司及合營企業

聯營公司指本集團或本公司對其管理(包括參與財務及經營政策決策)有重大影響力但並無控制權或共同控制權之實體。

合營企業為一項安排，據此，本集團或本公司與其他各方訂約同意攤分該安排之控制權，並有權享有該安排之資產淨值。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(g) Associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale) (see Note 2(ff)). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Notes 2(h) and 2(p)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

2. 重要會計政策(續)

(g) 聯營公司及合營企業(續)

除非投資分類為持作出售(或計入分類為持作出售之出售組別)(見附註2(ff))，否則於聯營公司或合營企業之投資按權益法於綜合財務報表入賬。根據權益法，投資初步按成本入賬，並就本集團所佔投資公司可識別資產淨值於收購日期之公允價值超出投資成本之任何差額(如有)作出調整。其後，就本集團所佔投資公司之資產淨值在收購後之變動及任何與投資有關之減值虧損對投資作出調整(見附註2(h)及2(p))。於收購日期超出成本之任何差額、本集團所佔投資公司於收購後之除稅後業績及任何年內減值虧損於綜合損益表內確認，而本集團於收購後所佔投資公司除稅後之其他全面收益項目則於綜合損益及其他全面收益表內確認。

當本集團所佔虧損超出其於聯營公司或合營企業之權益時，本集團之權益將降至零，並終止確認進一步虧損，惟倘本集團須承擔法定或推定責任或代表投資公司付款則除外。就此而言，本集團之權益為按權益法計算之投資賬面值加上實質上屬於本集團於聯營公司或合營企業投資淨額一部份之本集團長期權益。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(g) Associates and joint ventures (continued)

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

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceased to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 2(i)).

In the Company's statement of financial position, investments in associates and joint venture are stated at cost less impairment losses (see Note 2(p)), unless classified as held for sale (or included in a disposal group that is classified as held for sale) (see Note 2(ff)).

2. 重要會計政策(續)

(g) 聯營公司及合營企業(續)

本集團與其聯營公司及合營企業之間交易所產生之未變現損益，以本集團於投資公司所佔權益為限予以抵銷，惟倘未變現虧損顯示已轉讓資產出現減值跡象，則該等未變現虧損會即時於損益內確認。

倘於聯營公司之投資成為於合營企業之投資，或反之亦然，保留權益不予重新計量。相反，投資繼續按權益法入賬。

在所有其他情況下，當本集團失去對聯營公司之重大影響力或失去對合營企業之共同控制權，則入賬為出售該投資公司之全部權益，由此產生之收益或虧損於損益內確認。於失去重大影響力或共同控制權當日所保留有關前投資公司之任何權益按公允價值確認，而該金額被當作在初步確認金融資產時之公允價值(見附註2(i))。

除非分類為持作出售(或計入分類為持作出售之出售組別)(見附註2(ff))，否則於本公司之財務狀況表中，於聯營公司及合營企業之投資以成本減減值虧損列賬(見附註2(p))。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Goodwill

Goodwill represents the excess of

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

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

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

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

2. 重要會計政策(續)

(h) 商譽

商譽指以下多出的金額

- (i) 已轉讓代價之公允價值、任何非控股權益於被收購方中所佔金額及本集團以往持有之被收購方股權之公允價值之總和；超過
- (ii) 被收購方之可識別資產及負債於收購日期計量之公允價值淨額。

如(ii)大於(i)，則差額即時於損益內確認為議價收購收益。

商譽按成本減累計減值虧損列賬。業務合併所得之商譽被分配至各個現金產生單位或各組現金產生單位，預期會受惠於合併帶來之協同效益，且每年作減值測試(見附註2(p))。

倘年內出售現金產生單位，於計算出售時損益將計入任何購入商譽之應佔金額。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Other investments in debt and equity securities

The Group's and the Company's policies for investment in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are as follows:

Investments in debt and equity securities are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

Investments in securities held for trading are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in Note 2(cc)(vi).

Dated debt securities that the Group and/or the Company have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated at amortised cost less impairment losses (see Note 2(p)).

2. 重要會計政策(續)

(i) 債務及股本證券之其他投資

本集團及本公司關於債務及股本證券投資(於附屬公司、聯營公司及合營企業之投資除外)之政策如下:

債務及股本證券投資初步按公允價值列賬, 即其交易價, 惟確定初步確認之公允價值有別於交易價及該公允價值可從相同資產或負債於活躍市場上之報價得出, 或依據僅使用可觀察市場數據之估值技巧除外。成本包括應佔交易成本, 惟下文另有指明者除外。該等投資其後按其分類透過下列方式列賬:

持作買賣之證券投資分類為流動資產。任何應佔交易成本於產生時於損益確認。公允價值於各報告期末重新計量, 由此產生之收益或虧損於損益內確認。於損益內確認之收益或虧損淨額不包括該等投資所賺取之任何股息或利息, 乃由於有關股息或利息根據附註2(cc)(vi)所載政策確認。

本集團及/或本公司有正面能力及有意持至到期之有期債務證券分類為持至到期證券。持至到期證券按攤銷成本減減值虧損列賬(見附註2(p))。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Other investments in debt and equity securities (continued)

Investments in securities which do not fall into any of the above categories are classified as available-for-sale securities. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the fair value reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see Note 2(p)). Dividend income from equity securities and interest income from debt securities calculated using the effective interest method are recognised in profit or loss in accordance with the policies set out in Note 2(cc)(vi), respectively. Foreign exchange gains and losses resulting from changes in the amortised cost of debt securities are also recognised in profit or loss.

When the investments are derecognised or impaired (see Note 2(p)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

(j) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedge the net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see Note 2(k)).

2. 重要會計政策(續)

(i) 債務及股本證券之其他投資(續)

不屬於上述任何類別之證券投資分類為可供出售證券。公允價值於各報告期末重新計量，由此產生之收益或虧損於其他全面收益確認並在權益中之公允價值儲備分開累計。然而，股本證券投資無法就相同工具在活躍市場取得報價且其公允價值無法另行可靠計量時，以成本減減值虧損(見附註2(p))於財務狀況表確認。股本證券之股息收入及按實際利率法計算之債務證券之利息收入分別根據附註2(cc)(vi)所載政策於損益確認。債務證券攤銷成本變動所產生之外匯收益及虧損亦於損益內確認。

該等投資被終止確認或出現減值(見附註2(p))時，於權益確認之累計收益或虧損重新分類至損益。該等投資於本集團承諾購入/出售投資或投資屆滿當日確認/終止確認。

(j) 衍生金融工具

衍生金融工具初步按公允價值確認。公允價值於各報告期末重新計量。重新計量公允價值之收益或虧損即時於損益內確認，惟倘衍生工具合資格作現金流量對沖會計處理或對沖投資境外業務之淨額，則視乎對沖項目之性質確認任何由此產生之收益或虧損(見附註2(k))。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Hedge accounting

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, as well as its risk management objectives and strategy for undertaking the hedge transactions. The documentation includes identification of the hedging instrument, the hedge item or transaction, the nature of risk being hedged and how the entity assesses the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they are designated.

The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in the fair value or cash flows of the respective hedged items attributable to the hedged risk, and whether the actual results of each hedge are within a range of 80%-125%. For a cash flow hedge of a forecast transaction, the transaction should be highly probable to occur and should present an exposure to variations in cash flows that could ultimately affect reported profit or loss.

Derivatives are recognised initially at fair value, attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are accounted for as described below:

2. 重要會計政策(續)

(k) 對沖會計法

於對沖關係開始時，本集團會正式指定及記錄本集團擬應用對沖會計處理之對沖關係以及進行對沖交易之風險管理目標及策略。該記錄包括識別對沖工具、對沖項目或交易、所對沖風險之性質，以及實體如何評估對沖工具抵銷對沖項目因與對沖風險相關之公允價值或現金流量變動所造成風險之成效。有關對沖預期將極為有效地達致抵銷公允價值或現金流量變動，並將持續評估以釐定該等對沖於其被指定之整個財務報告期內是否極具效益。

本集團會於對沖關係開始時及按持續基準，評估對沖工具對抵銷有關對沖項目因與對沖風險相關之公允價值或現金流量變動是否預計「極為有效」，以及各項對沖之實際結果是否介乎80%至125%範圍內。就預測交易之現金流量對沖而言，交易應很可能發生，並面臨現金流量變動風險，而最終可能影響已呈報損益。

衍生工具初步按公允價值確認；應佔交易成本於產生時在損益內確認。於初步確認後，衍生工具按公允價值計量，且其變動按下文所述方法入賬：

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Hedge accounting (continued)

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss immediately, together with any changes in the fair value of the hedged item that is attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the statement of comprehensive income/income statement relating to the hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

(ii) Cash flow hedge

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

2. 重要會計政策(續)

(k) 對沖會計法(續)

(i) 公允價值對沖

指定及合資格作公允價值對沖之衍生工具之公允價值變動連同與對沖風險相關之對沖項目公允價值之任何變動即時於損益內列賬。對沖工具公允價值變動及與對沖風險相關之對沖項目變動於全面收益表/收益表內確認為與對沖項目相關之項目。

倘本集團撤銷對沖關係、對沖工具到期或被出售、終止或獲行使，或不再合資格應用對沖會計法時，將終止應用對沖會計法。因對沖風險產生之對沖項目之賬面值調整自該日起於損益內攤銷。

(ii) 現金流量對沖

倘指定一項衍生工具作為對沖現金流量變動之對沖工具，而該現金流量變動源於與已確認資產或負債或可能影響損益之一項極有可能進行之預測交易有關之特定風險，則衍生工具公允價值變動之有效部份於其他全面收益確認，並於權益之對沖儲備內呈列。衍生工具公允價值變動之任何無效部份則於損益內即時確認。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(k) Hedge accounting (continued)

(ii) Cash flow hedge (continued)

When the hedged item is a non-financial asset, the amount accumulated in equity is included in the carrying amount of the asset when the asset is recognised. In other cases, the amount accumulated in equity is reclassified to profit or loss in the same period that the hedged item affects profit or loss. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in equity is reclassified to profit or loss.

(l) Investment properties

Investment properties are land and/or building which are owned or held under a leasehold interest (see Note 2(o)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in Note 2(cc)(vii).

2. 重要會計政策(續)

(k) 對沖會計法(續)

(ii) 現金流量對沖(續)

倘對沖項目為非金融資產，於權益累計之金額於資產獲確認時計入資產之賬面值。在其他情況下，於權益累計之金額則於對沖項目影響損益之相同期間重新分類至損益。倘對沖工具不再符合對沖會計法之準則、到期或被出售、終止或獲行使，或指定被撤銷，則對沖會計法於未來期間終止應用。倘預測交易預計不會出現，則於權益之結餘會重新分類至損益。

(l) 投資物業

投資物業指為賺取租金收入及／或為資本增值而以租賃權益(見附註2(o))擁有或持有之土地及／或樓宇，當中包括就目前尚未確定未來用途所持有之土地及在建或已發展以供日後用作投資物業之物業。

除非於報告期末投資物業仍然在建或處於開發中且該等物業之公允價值於該期間無法可靠計量，否則投資物業按公允價值列賬。投資物業公允價值變動或報廢或出售投資物業產生之任何收益或虧損均於損益中確認。投資物業之租金收入按附註2(cc)(vii)所述方式入賬。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(l) Investment properties (continued)

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see Note 2(o)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in Note 2(o).

(m) Other property, plant and equipment

The following items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see Note 2(p)):

- building held for own use which are situated on leasehold land classified as held under operating leases (see Note 2(o)); and
- other items of property, plant and equipment.

Changes arising on the revaluation of properties held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the property revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

2. 重要會計政策(續)

(l) 投資物業(續)

當本集團為賺取租金收入及／或為資本增值而以經營租賃持有物業權益時，有關權益會按每項物業之基準分類及入賬為投資物業。任何分類為投資物業之有關物業權益將予入賬，猶如其以融資租賃所持有（見附註2(o)），而應用於該權益之會計政策亦與應用於以融資租賃出租之其他投資物業者相同。租賃付款之入賬方式載列於附註2(o)。

(m) 其他物業、廠房及設備

以下物業、廠房及設備項目按成本減累計折舊及減值虧損（見附註2(p)）之方式列賬：

- 持作自用而建於租賃土地上及分類為按經營租賃持有之樓宇（見附註2(o)）；及
- 其他物業、廠房及設備項目。

因重估持作自用物業產生之變動一般在其他全面收益內處理並在權益之物業重估儲備分開累計。僅有例外情況如下：

- 倘產生重估虧絀，則該虧絀超出同一項資產於緊接重估前在儲備內持有之金額將在損益內扣除；及
- 倘產生重估盈餘，則該盈餘將計入損益，惟同一項資產之重估虧絀必須先前已於損益扣除。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Other property, plant and equipment

(continued)

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

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the revaluation reserve to retained profit and is not reclassified to profit or loss.

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

Freehold land is not depreciated

永久業權土地並無折舊

Hotel and buildings for golf business

高爾夫球業務之酒店及樓宇

Leasehold land and buildings

租賃土地及樓宇

Plant, machinery, equipment, moulds and tools

廠房、機器、設備、模具及工具

Motor vehicles and trailers

汽車及拖車

Furniture, fittings, computers and office equipment

傢俬、裝置、電腦及辦公室設備

Leasehold improvements

租賃物業裝修

2. 重要會計政策(續)

(m) 其他物業、廠房及設備(續)

自建物業、廠房及設備項目之成本包括材料、直接勞動力、初步估計拆卸及搬遷項目以及修復項目所在地之成本(如有關)，以及適當比例之生產費用及借款成本(見附註2(ee))。

報廢或出售物業、廠房及設備項目所產生之收益或虧損，以出售所得款項淨額與項目賬面值之間之差額釐定，並於報廢或出售當日於損益內確認。任何相關之重估盈餘將由重估儲備轉移至保留溢利而不會重新分類至損益。

折舊按下列物業、廠房及設備項目之估計可使用年期，以直線法撇銷該等項目之成本或估值，減去估計剩餘價值(如有)計算：

9 years, or over the lease terms, whichever is shorter

9年或按租賃年期之較短者

5 to 52 years, or over the lease terms, whichever is shorter

5年至52年或按租賃年期之較短者

3 to 25 years

3年至25年

3 to 10 years

3年至10年

1 to 10 years

1年至10年

15 to 25 years, or over the lease terms, whichever is shorter

15年至25年或按租賃年期之較短者

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Other property, plant and equipment

(continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(n) Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses (see Note 2(p)). Expenditure on internally generated goodwill and brands is recognised as an expense in the period in which it is incurred.

- **Computer software**

Computer software which is acquired by the Group, where it is not an integral part of the related hardware, is treated as an intangible asset. Computer software is stated at cost less accumulated amortisation and impairment losses.

Computer software is amortised to profit or loss using the straight-line method over its estimated useful life of 3 to 5 years.

- **Customer contracts**

Customer contracts relate to the estimated value of contracts acquired in a business combination; and have finite lives and are measured at cost less accumulated amortisation and impairment losses.

Customer contracts are amortised to profit or loss using the straight-line method over the customers' contract periods of 1 to 5 years.

2. 重要會計政策(續)

(m) 其他物業、廠房及設備(續)

倘物業、廠房及設備項目各部份之可使用年期不同，則該項目成本或估值將合理分配至各部份，而各部份將個別折舊。資產之可使用年期及其剩餘價值(如有)將每年進行檢討。

(n) 無形資產(不包括商譽)

本集團所購入之無形資產按成本值減累計攤銷(倘估計可使用年期有限)及減值虧損列賬(見附註2(p))。有關內部產生之商譽及品牌之開支於產生期間確認為開支。

- **電腦軟件**

倘本集團購入之電腦軟件不屬於相關硬件之組成部份，則被視為無形資產。電腦軟件按成本減累計攤銷及減值虧損後列賬。

電腦軟件按估計可使用年期3年至5年採用直線法攤銷至損益。

- **客戶合約**

客戶合約與業務合併中所獲得合約之估計價值相關，具有固定期限並以成本減累計攤銷及減值虧損計量。

客戶合約按客戶合約期1年至5年採用直線法攤銷至損益。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(n) Intangible assets (other than goodwill)

(continued)

- **London Metal Exchange (“LME”) license**

The license relates to the estimated license value acquired in a business combination and has finite life and is measured at cost less accumulated amortisation and impairment losses.

LME license is amortised to profit or loss using the straight-line method over its estimated useful life of 30 years.

- **Business relationship**

Business relationship relates to the estimated economic benefits from business relationship arising from a business combination. Business relationship refers to business relationship between suppliers and customers. Business relationship is estimated to have finite life and is measured at cost less accumulated amortisation and impairment losses.

Business Relationship is amortised to profit or loss using the straight-line basis over its estimated useful life of 4 to 5 years.

2. 重要會計政策(續)

(n) 無形資產(不包括商譽)(續)

- **倫敦金屬交易所(「LME」)許可證**

該許可證與業務合併中所獲得許可證之估計價值相關，具有固定期限並以成本減累計攤銷及減值虧損計量。

LME許可證按估計可使用年期30年採用直線法攤銷至損益。

- **業務關係**

業務關係與業務合併所產生業務關係之估計經濟效益相關。業務關係指供應商與客戶之間之業務關係。業務關係預計具有固定期限並以成本減累計攤銷及減值虧損計量。

業務關係按估計可使用年期4年至5年採用直線法攤銷至損益。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(n) Intangible assets (other than goodwill)

(continued)

- **Brand**

Brand relates to the estimated economic benefits from brand arising from a business combination. Brand refers to the acquired company's good reputation and name known in the market. Brand is estimated to have finite life and is measured at cost less accumulated amortisation and impairment losses.

Brand is amortised to profit or loss on a straight-line basis over its estimated useful life of 10 years.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(o) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

2. 重要會計政策(續)

(n) 無形資產(不包括商譽)(續)

- **品牌**

品牌與業務合併所產生品牌之估計經濟效益相關。品牌指所收購公司之良好聲譽及市場知名度。品牌預計具有固定期限並以成本減累計攤銷及減值虧損計量。

品牌按估計可使用年期10年採用直線法攤銷至損益。

攤銷方法、可使用年期及剩餘價值乃於各報告日期進行檢討，且可予以調整(如適用)。

(o) 租賃資產

倘本集團認為某項安排於協定期限內將特定資產使用權出讓以換取一筆或一連串款項，則該項安排(包括一項交易或一連串交易)屬於或包括一項租賃。該推斷基於評估安排之本質後作出，而不論該項安排是否採取租賃之法律形式。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Leased assets (continued)

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see Note 2(l)); and
- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

2. 重要會計政策(續)

(o) 租賃資產(續)

(i) 租賃予本集團之資產分類

對於本集團以租賃持有之資產，如租賃使所有權之絕大部份風險和回報轉移至本集團，有關資產會分類為以融資租賃持有。如租賃不會使所有權之絕大部份風險和回報轉移至本集團，則分類為經營租賃，惟下列者除外：

- 以經營租賃持有但在其他方面均符合投資物業定義之物業，會按照每項物業之基準分類為投資物業。倘分類為投資物業，其入賬方式則猶如以融資租賃持有(見附註2(l))；及
- 以經營租賃持作自用之土地，但不能夠於訂立租賃時將其公允價值與已建於其上之建築物之公允價值分開計量，將當作以融資租賃持有之方式入賬；但確實以經營租賃持有之建築物則除外。就此而言，訂立租約之時是指本集團首次訂立租賃之時，或自前承租人接收之時。



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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Leased assets (continued)

(ii) Assets acquired under finance lease

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are recognised as property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in Note 2(m). Impairment losses are accounted for in accordance with the accounting policy as set out in Note 2(p). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of change on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2. 重要會計政策(續)

(o) 租賃資產(續)

(ii) 以融資租賃購入之資產

如本集團以融資租賃獲得資產之使用權，會將有關資產相當於租賃資產公允價值之金額或最低租賃付款之現值(如為較低之數額)確認為物業、廠房及設備，而扣除融資費用後之相應負債則列為融資租賃承擔。如附註2(m)所述，折舊乃按在相關租賃期或資產之年期(如本集團可能取得資產之所有權)作比率計提，以撇銷資產之成本或估值。減值虧損按照附註2(p)所載之會計政策入賬。租賃付款內含之融資費用於租賃期內之損益扣除，使每個會計期間所佔承擔餘額之定期變動比率大致相同。或然租金在其產生之會計期間於損益扣除。

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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Leased assets (continued)

(iii) Operating lease charges

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

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see Note 2(l)).

2. 重要會計政策(續)

(o) 租賃資產(續)

(iii) 經營租賃支出

倘本集團擁有以經營租賃持有資產之使用權，則根據租賃作出之付款會在租賃期所涵蓋之會計期間內，以等額分期方式於損益扣除，惟如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。已收取之租賃優惠在損益中確認為總租賃付款淨額之一部份。或然租金在其產生之會計期間內自損益扣除。

以經營租賃持有土地之收購成本按租期以直線法攤銷，惟分類為投資物業之物業(見附註2(l))除外。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets

(i) *Impairment of investments in debt and equity securities and other receivables*

Investments in debt and equity securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale securities are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payment;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2. 重要會計政策(續)

(p) 資產減值

(i) *債務及股本證券投資及其他應收款項之減值*

以成本值或攤銷成本入賬或被分類為可供銷售證券之債務及股本證券投資及其他即期及非即期應收款項，會於各報告期末進行檢討，以決定有否客觀減值證據。客觀減值證據包括本集團獲悉有關以下一項或多項虧損事項之可觀察數據：

- 債務人有重大財務困難；
- 違反合約，例如逾期或拖欠償還利息或本金；
- 債務人可能破產或將進行其他財務重組；
- 科技市場、經濟或法律環境有重大變動而對債務人構成不利影響；及
- 股本工具投資之公允價值大幅或長期下跌至低於其成本。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(i) Impairment of investments in debt and equity securities and other receivables

(continued)

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

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (see Note 2(g)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with Note 2(p)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with Note 2(p)(ii).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

2. 重要會計政策(續)

(p) 資產減值(續)

(i) 債務及股本證券投資及其他應收款項之減值(續)

倘出現任何有關證據，則根據以下方式釐定及確認任何減值虧損：

- 就使用權益法於綜合財務報表入賬之於聯營公司及合營企業之投資而言(見附註2(g))，減值虧損根據附註2(p)(ii)透過比較該項投資之可收回金額與其賬面值予以計量。倘於根據附註2(p)(ii)釐定可收回金額所用估計數據出現有利轉變，減值虧損將予撥回。
- 就按成本列值之未上市股本證券而言，減值虧損以金融資產之賬面值與估計未來現金流量之間之差額計算，倘貼現影響屬重大，則按類似金融資產之現時市場回報率貼現。按成本列值之股本證券之減值虧損不可撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(i) Impairment of investments in debt and equity securities and other receivables

(continued)

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

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

2. 重要會計政策(續)

(p) 資產減值(續)

(i) 債務及股本證券投資及其他應收款項之減值(續)

- 就按攤銷成本列賬之應收貿易賬項及其他即期應收款項以及其他金融資產而言，減值虧損以資產之賬面值與估計未來現金流量現值之間之差額計量，倘貼現影響屬重大，則以金融資產原始實際利率(即初步確認該等資產時計算之實際利率)貼現。倘該等金融資產具備類似風險特徵(如類似之逾期情況)及並未單獨評估為已減值，該等資產會一併評估。一併進行評估減值之金融資產之未來現金流量根據與一併評估組別具有類似信貸風險特徵之資產之過往虧損經驗估算。

倘若其後減值虧損金額減少，而有關減少可客觀地與確認減值虧損後發生之事件相關，則有關減值虧損透過損益撥回。減值虧損之撥回不得導致資產賬面值超出倘在過往年度並無確認任何減值虧損之情況下原應釐定之金額。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(i) Impairment of investments in debt and equity securities and other receivables

(continued)

- For available-for-sale securities, the cumulative loss that has been recognised in the fair value reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity securities are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

2. 重要會計政策(續)

(p) 資產減值(續)

(i) 債務及股本證券投資及其他應收款項之減值(續)

- 就可供出售證券而言，已於公允價值儲備確認之累計虧損重新分類至損益。於損益確認之累計虧損金額為收購成本(扣除任何本金償還及攤銷)與現時公允價值之間之差額減過往於損益確認資產之任何減值虧損。

於損益確認有關可供出售股本證券之減值虧損概無透過損益撥回。該等資產其後之任何公允價值增加於其他全面收益確認。

倘若其後公允價值增加可客觀地與確認減值虧損後發生之事件相關，則有關可供出售債務證券減值虧損將予撥回。該等情況下之減值虧損撥回於損益內確認。



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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(i) Impairment of investments in debt and equity securities and other receivables

(continued)

- Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade debtors and bills receivables included within trade and other receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors and bills receivable directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

2. 重要會計政策(續)

(p) 資產減值(續)

(i) 債務及股本證券投資及其他應收款項之減值(續)

- 減值虧損直接於相應資產撇銷，惟就計入應收貿易賬項及應收票據及其他應收款項內可收回性存疑但並非不可能收回之應收貿易債務人賬款及應收票據確認之減值虧損則例外。在此情況下，應使用撥備賬記錄呆賬之減值虧損。倘本集團信納收回款項之機會微乎其微，則被視為不可收回之金額直接從應收貿易債務人賬款及應收票據中撇銷，而在撥備賬中持有有關該債務之任何金額將會被撥回。其後收回過往從撥備賬中扣除之款項，從相關撥備賬撥回。撥備賬之其他變動及過往直接撇銷而其後收回之款項，均在損益內確認。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(ii) Impairment of other assets

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

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

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

2. 重要會計政策(續)

(p) 資產減值(續)

(ii) 其他資產減值

於各報告期末檢討內部及外部資料來源，以確認下列資產是否可能出現減值跡象，或過往已確認之減值虧損是否不再存在或可能已減少(除商譽之情況外)：

- 物業、廠房及設備；
- 土地使用權(分類為經營租賃項下所持之租賃土地之預付權益)；
- 無形資產；
- 商譽；及
- 本公司財務狀況表項下於附屬公司、聯營公司及合營企業之投資。

倘存在任何該等跡象，則會估計資產之可收回金額。此外，就商譽、仍未可供使用之無形資產及具無限可使用年期之無形資產而言，不論有否存在任何減值跡象，每年亦會估計其可收回金額。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

- Calculation of recoverable amount

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

- Recognition of impairment losses

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

2. 重要會計政策(續)

(p) 資產減值(續)

(ii) 其他資產減值(續)

- 計算可收回金額

資產之可收回金額為其公允價值減出售成本與使用價值兩者間之較高者。在評估使用價值時，估計未來現金流量乃按能反映現時市場對貨幣時間價值及資產特定風險之評估之除稅前貼現率貼現至其現值。倘資產並無產生大致獨立於其他資產之現金流入，則以能獨立產生現金流入之最小資產組別(即現金產生單位)釐定可收回金額。

- 確認減值虧損

倘資產或其所屬現金產生單位之賬面值超過其可收回金額時，則於損益內確認減值虧損。就現金產生單位確認之減值虧損會首先分配用作扣減該現金產生單位(或單位組別)所獲分配之任何商譽之賬面值，其後用作按比例扣減該單位(或單位組別)內其他資產之賬面值，惟資產之賬面值不會減至低於其個別公允價值扣減出售成本(如可計量)或使用價值(如可釐定)之金額。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

- Reversal of impairment losses

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

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

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see Notes 2(p)(i) and (ii)).

2. 重要會計政策(續)

(p) 資產減值(續)

(ii) 其他資產減值(續)

- 撥回減值虧損

就除商譽以外之資產而言，倘用於釐定可收回金額之估計出現有利變動，有關減值虧損將予撥回。商譽之減值虧損則不會撥回。

減值虧損撥回以在過往年度並無確認減值虧損之情況下原應釐定之資產賬面值為限。減值虧損撥回在確認撥回之年度計入損益。

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須遵照香港會計準則第34號「中期財務報告」之規定就財政年度首六個月編製中期財務報告。在中期期間完結時，本集團採用於財政年度完結時應採用之相同減值測試、確認及撥回準則(見附註2(p)(i)及(ii))。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(p) Impairment of assets (continued)

(iii) Interim financial reporting and impairment (continued)

Impairment losses recognised in an interim period in respect of goodwill, available-for-sale equity securities and unquoted equity securities carried at cost are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates. Consequently, if the fair value of an available-for-sale equity security increases in the remainder of the annual period, or in any other period subsequently, the increase is recognised in other comprehensive income and not profit or loss.

(q) Inventories

All inventories are valued at the lower of cost and net realisable value except for inventories where the Group acts as a broker-trader.

Inventories where the Group acts as a broker-trader include metals and energy commodities acquired with the purpose of selling them in the near term and generating a profit from fluctuation in price, and are measured at fair value less costs to sell.

All other inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Cost is determined on a first-in, first-out (FIFO) basis and includes the full costs of materials, freight and insurance and all other costs incurred in bringing the inventories to their present location and condition.

Allowances is made where necessary for obsolete, slow moving and defective inventories.

2. 重要會計政策(續)

(p) 資產減值(續)

(iii) 中期財務報告及減值(續)

在中期期間內就商譽、可供出售股本證券及按成本列賬之非上市股本證券所確認之減值虧損不會在其後期間撥回。倘在財政年度完結時方進行與中期期間相關之減值評估，即使並無確認虧損或只確認輕微虧損，該減值虧損亦不會於其後撥回。因此，若可供出售股本證券之公允價值於年度餘下期間或其後任何其他期間增加，則該增幅會於其他全面收益而非於損益內確認。

(q) 存貨

除本集團擔任經紀交易商之存貨外，所有存貨乃按成本及可變現淨值兩者中之較低者列賬。

本集團擔任經紀交易商之存貨包括為於近期售出及自價格波動產生溢利而購入之金屬及能源商品，並按公允價值減出售成本計量。

所有其他存貨按成本及可變現淨值兩者中之較低者列賬。可變現淨值乃於日常業務過程中之估計售價，扣減估計完成之成本及進行銷售所需之估計成本。

成本乃按先進先出法釐定，包括材料、運輸及保險之總成本以及將存貨運送到現時地點及達致現時狀況所產生之所有其他成本。

陳舊、滯銷及劣質存貨於有需要時作出撥備。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(r) Warrantable LME commodities

Warrantable LME commodities comprise highly liquid commodities with the intention of selling them in the near term, where the Group acts as a broker-trader. These are measured at fair value less costs to sell.

(s) Contract work-in-progress

Contract work-in-progress comprises uncompleted service contracts.

Contract work-in-progress at the reporting date is recorded in the statement of financial position at cost plus attributable profit less recognised losses, net of progress billings and allowances for foreseeable losses, and is presented in the statement of financial position as contract work-in-progress (as an asset) or as excess of progress billings over contract work-in-progress (as a liability), as applicable. Cost includes all expenditure related directly to specific contracts and an allocation of fixed and variable overheads incurred in the Group's contract activities based on normal operating capacity.

Allowance is made where applicable for any foreseeable losses on uncompleted contracts as soon as the possibility of the loss is ascertained.

Progress claims not yet paid by the customer are included in the statement of financial position under progress billings receivable.

The accounting policy for service contract revenue is set out in Note 2(cc)(viii).

2. 重要會計政策(續)

(r) 有擔保之LME商品

有擔保之LME商品包括有意於近期出售且由本集團擔任經紀交易商之高流通性商品。該等商品乃按公允價值減出售成本計量。

(s) 在建合約工程

在建合約工程包括未完成服務合約。

於報告日期之在建合約工程按成本加應佔溢利減已確認虧損(扣除進度付款及可預見虧損撥備)列入財務狀況表,且於財務狀況表呈列為在建合約工程(即資產)或呈列為進度付款超逾在建合約工程之差額(即負債)(倘適用)。成本包括所有直接與特定合約有關之費用及按正常經營能力計算之本集團合約活動中所產生之固定及可變日常開支之分配部份。

當確認未完成合約有可能出現虧損時,即就任何可預見虧損作出撥備(倘適用)。

客戶尚未支付之進度款項計入財務狀況表之應收進度付款。

服務合約收益之會計政策載列於附註2(cc)(viii)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(t) Trade and other receivables

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

(u) Convertible notes

Convertible notes that contain a debt component and an equity component

Convertible notes that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary (“**fixed-for-fixed criteria**”), are accounted for as compound financial instruments which contain both a debt component and an equity component.

At initial recognition the debt component of the convertible notes is measured at fair value based on the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. The equity component is initially recognised at the difference between the fair value of the convertible notes as a whole and the fair value of the debt component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the debt and equity components in proportion to the allocation of proceeds.

2. 重要會計政策(續)

(t) 應收貿易賬項及其他應收款項

應收貿易賬項及其他應收款項初步按公允價值確認，其後以實際利率法按攤銷成本減減值撥備列賬(見附註2(p))，惟倘應收款項為向關連方提供之並無任何固定還款期之免息貸款或貼現之影響並不重大則作別論。在該等情況下，應收款項乃按成本減減值撥備列賬。

(u) 可換股票據

包含債務部份及權益部份之可換股票據

倘於可供持有人選擇轉為權益股本之可換股票據轉換時將予發行之股份數目及其時將予收取之代價值並無轉變(「**固定準則**」)，則列賬為包含債務部份及權益部份之複合金融工具。

於初步確認時，可換股票據之債務部份根據未來利息及本金付款之現值以公允價值計算，且按於初步確認時適用於並無轉換權之類似負債之市場利率貼現。權益部份初步按整體可換股票據之公允價值與債務部份之公允價值之間之差額確認。有關發行複合金融工具之交易成本按所得款項分配之比例分配予債務及權益部份。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(u) Convertible notes (continued)

Convertible notes that contain a debt component and an equity component (continued)

The debt component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the debt component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the note is converted or redeemed.

If the note is converted, the capital reserve, together with the carrying amount of the debt component at the time of conversion, is transferred to share capital as consideration for the shares issued. If the note is redeemed, the capital reserve is released directly to retained profits.

Convertible notes that do not meet the fixed-for-fixed criteria are classified separately as a financial component and derivative components.

At initial recognition the debt component of the convertible notes is measured at fair value based on the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. The debt components are initially recognised at the difference between the fair value of the convertible notes as a whole and the fair value of the derivative component. Transaction costs that relate to the issue of such convertible notes are allocated to the debt and derivative components in proportion to the allocation of proceeds.

The debt component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the debt component is calculated using the effective interest method. The derivative components are accounted for in accordance with accounting policy set out in Note 2(j).

2. 重要會計政策(續)

(u) 可換股票據(續)

包含債務部份及權益部份之可換股票據(續)

債務部份其後按攤銷成本列賬。於損益內確認之債務部份利息開支以實際利率法計算。權益部份於資本儲備確認直至票據已獲轉換或贖回。

倘票據已獲轉換，資本儲備連同轉換時債務部份之賬面值轉移至股本作為已發行股份之代價。倘票據已贖回，資本儲備直接撥入保留溢利。

不符合固定準則之可換股票據個別分類為金融部份及衍生工具部份。

於初步確認時，可換股票據之債務部份根據未來利息及本金付款之現值以公允價值計量，且按於初步確認時適用於並無轉換權之類似負債之市場利率貼現。債務部份初步按整體可換股票據之公允價值與衍生工具部份之公允價值之間之差額確認。有關發行該等可換股票據之交易成本按所得款項分配之比例分配予債務及衍生工具部份。

債務部份其後按攤銷成本列賬。於損益內確認之債務部份利息開支以實際利率法計算。衍生工具部份根據載於附註2(j)之會計政策列賬。



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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(v) Interest-bearing borrowings

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

(w) Perpetual borrowings

Perpetual borrowings repayable upon an event not controllable by the Group are stated at cost and classified as current liabilities in the consolidated statement of financial position.

(x) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities measured in accordance with Note 2(bb)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

2. 重要會計政策(續)

(v) 計息借款

計息借款初步按公允價值減應佔交易成本確認。於初步確認後，計息借款乃按攤銷成本列賬，而初步確認金額與贖回價值之間的任何差額（連同任何應付利息及費用）會於借款期內以實際利率法於損益內確認。

(w) 永久借款

因本集團不可控制事件而須償還之永久借款按成本列賬，並於綜合財務狀況表分類為流動負債。

(x) 應付貿易賬項及其他應付款項

應付貿易賬項及其他應付款項初步按公允價值確認。除根據附註2(bb)(i)計量之財務擔保負債外，應付貿易賬項及其他應付款項其後按攤銷成本列賬，惟倘貼現影響不屬重大，於有關情況下，該等款項則按成本列賬。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(y) Cash and cash equivalents

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

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(z) Employee benefits

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

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

2. 重要會計政策(續)

(y) 現金及現金等值項目

現金及現金等值項目包括銀行現金及手頭現金、存入銀行及其他金融機構之活期存款，以及可隨時轉換為已知現金金額及價值變動風險不大且於購入後三個月內到期之短期及高流通性投資。

就綜合現金流量表而言，按要求償還及構成本集團現金管理之重要部份之銀行透支亦計入現金及現金等值項目之一部份。

(z) 僱員福利

(i) 短期僱員福利及界定供款退休計劃之供款

薪金、年度花紅、有薪年假、界定供款退休計劃之供款及非貨幣性福利成本均在僱員提供相關服務之年度內累計。倘付款或清償遭遞延，且影響重大，則該等金額以其現值列賬。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Employee benefits (continued)

(ii) Defined benefit retirement plan obligations

The Group's net obligation in respect of defined benefit retirement plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine the present value and the fair value of any plan assets is deducted. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Service cost and net interest expense/income on the net defined benefit liability/asset are recognised in profit or loss and allocated by function as part of "cost of sales", "selling and distribution costs" or "administrative expenses". Current service cost is measured as the increase in the present value of the defined benefit obligation resulting from employee service in the current period. When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised as an expense in profit or loss at the earlier of when the plan amendment or curtailment occurs and when related restructuring costs or termination benefits are recognised. Net interest expense/income for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the reporting period to the net defined benefit liability/asset. The discount rate is the yield at the end of the reporting period on high quality corporate bonds that have maturity dates approximating the terms of the Group's obligations.

2. 重要會計政策(續)

(z) 僱員福利(續)

(ii) 界定福利退休計劃承擔

本集團會獨立計算各項界定福利退休計劃之承擔淨額，方法為估計僱員就其於本期及過往期間服務所獲取之未來福利金額。該福利將予以貼現以釐定現值，而任何計劃資產之公允價值將予以扣減。合資格精算師以預期累積福利單位法進行計算。當計算結果對本集團有利，獲確認之資產會透過計劃之任何未來退款或計劃之未來供款扣減額之形式並以所獲得之經濟利益現值為限。

界定福利負債／資產淨值之服務成本及淨利息開支／收入於損益內確認，並按用途分配為「銷售成本」、「銷售及分銷費用」或「行政開支」之一部份。現有服務成本按本期間僱員服務所產生之界定福利承擔現值之增幅計量。倘計劃之福利出現變動或計劃縮減，與僱員過往服務相關之福利變動部份或有關縮減之收益或虧損於該計劃作出修訂或縮減時及於確認相關重組成本或終止福利時兩者中之較早者於損益內確認為開支。期內淨利息開支／收入透過於界定福利負債／資產淨額應用計量於報告期初界定福利承擔之貼現率予以釐定。貼現率為到期日與本集團履行承擔之期限相若之優質企業債券於報告期末之收益率。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Employee benefits (continued)

(ii) *Defined benefit retirement plan obligations (continued)*

Remeasurements arising from defined benefit retirement plans are recognised in other comprehensive income and reflected immediately in retained earnings. Remeasurements comprise actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability/asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability/asset).

(iii) *Share-based payments*

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

2. 重要會計政策(續)

(z) 僱員福利(續)

(ii) 界定福利退休計劃承擔(續)

界定福利退休計劃所產生的重新計量於其他全面收益內確認，並於保留盈利中即時反映。重新計量包括精算收益及虧損、計劃資產回報(不包括計入界定福利負債／資產淨值之利息淨額之金額)及資產上限影響之任何變動(不包括計入界定福利負債／資產淨值之利息淨額之金額)。

(iii) 以股份為基礎之付款

授予僱員之購股權之公允價值確認為僱員成本，並於權益中相應地增加資本儲備。公允價值乃於授出日期使用二項式點陣法模式計量，並經計及授出購股權之條款及條件。倘僱員須於符合歸屬條件後無條件獲發購股權，則估計購股權之公允價值總額會於歸屬期間攤分，並計及購股權歸屬之可能性。



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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Employee benefits (continued)

(iii) Share-based payments (continued)

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

(iv) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

2. 重要會計政策(續)

(z) 僱員福利(續)

(iii) 以股份為基礎之付款(續)

於歸屬期間，會就預期歸屬的購股權數目作出檢討。除非原有僱員開支合資格如資產般確認，否則於過往年度確認之累計公允價值作出之任何相應調整會於回顧年內自損益中扣除／計入損益，並須於資本儲備作出相應調整。於歸屬日期，就確認為開支之金額會作出調整，以反映歸屬購股權之實際數目（須於資本儲備作出相應調整），惟因無法達成與本公司股份市價相關之歸屬條件而遭沒收者方為例外。權益金額於資本儲備中確認，直至購股權獲行使（當計入就已發行股份於股本中確認之金額時）或購股權屆滿（當直接撥入保留溢利時）為止。

(iv) 離職福利

離職福利於本集團不再可以撤回提供該等福利時及其確認涉及支付離職福利之重組成本時（以較早者為準）確認。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Employee benefits (continued)

(v) Other employee benefits

The Group operates other long-term employee benefit schemes. Every year the Group calculates the amount to be debited/credited to the bonus pool under the schemes. Such amounts are recognised in the profit or loss. Payments to beneficiaries are dependent on certain conditions such as minimum service period and long-term profitability. Payments within 12 months to beneficiaries after the service period are reclassified from non-current liabilities to current liabilities.

(aa) Income tax

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

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

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

2. 重要會計政策(續)

(z) 僱員福利(續)

(v) 其他僱員福利

本集團設有其他長期僱員福利計劃。本集團每年會計算扣除／計入該等計劃項下全部獎金之金額。相關金額將於損益內確認。支付予受益人之款項取決於若干條件，如最短服務年期及長期盈利能力。於服務年期後12個月內向受益人作出之付款由非流動負債重新分類至流動負債。

(aa) 所得稅

年內所得稅包括即期稅項及遞延稅項資產與負債之變動。即期稅項及遞延稅項資產與負債之變動均於損益內確認，惟與於其他全面收益或直接於權益內確認的項目有關者則除外，在此情況下有關稅項金額分別於其他全面收益或直接於權益內確認。

即期稅項為就年內應課稅收入採用於報告期末已頒佈或實質已頒佈之稅率計算之預期應付稅項，並就過往年度之應付稅項作出任何調整。

遞延稅項資產及負債分別自可扣稅及應課稅之暫時差額產生，即就財務報告而言資產和負債之賬面值與其稅基之間之差額。遞延稅項資產亦自未動用稅項虧損及未動用稅項抵免產生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Income tax (continued)

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

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

2. 重要會計政策(續)

(aa) 所得稅(續)

除若干有限之例外情況外，倘未來可能有應課稅溢利致使可動用資產作抵扣，所有遞延稅項負債及所有該等遞延稅項資產均會予以確認。可支持確認自可扣稅暫時差額所產生之遞延稅項資產之未來應課稅溢利包括因撥回現有應課稅暫時差額而產生之金額；惟此等差額必須與同一稅務機關及同一應課稅實體有關，並預期在可扣稅暫時差額預計撥回之同一期間或遞延稅項資產所產生稅項虧損可向前期或後期結轉之期間內撥回。在釐定現有應課稅暫時差額是否支持確認自未動用稅項虧損和抵免產生之遞延稅項資產時，亦會採用同一準則，即該等差額若與同一稅務機關及同一應課稅實體有關，並預期在稅項虧損或抵免可動用之期間內撥回，則予以考慮。

確認遞延稅項資產和負債之有限例外情況為就稅務而言不可扣減自商譽產生之暫時差額、不影響會計或應課稅溢利之資產或負債之初步確認(前提是其並不屬業務合併之一部份)及有關於附屬公司之投資之暫時差額(如屬應課稅差額，則只限於本集團可控制撥回之時間，而且在可見將來不大可能撥回之差額；或如屬可扣稅差額，則除非其為很可能在將來撥回之差額)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Income tax (continued)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in Note 2(l), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

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

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

2. 重要會計政策(續)

(aa) 所得稅(續)

倘投資物業根據附註2(l)所載之會計政策按其公允價值列賬，已確認之遞延稅項金額使用按報告日期之賬面值出售該等資產之稅率計量，除非物業可折舊及其目的為於一段時間內耗用物業所含之絕大部份經濟利益之業務模式而非透過銷售而持有。於所有其他情況，已確認之遞延稅項金額按照資產與負債賬面值之預期變現或清償方式，使用報告期末已頒佈或實質已頒佈之稅率計量。遞延稅項資產與負債均不作貼現。

於各報告期末，遞延稅項資產之賬面值均被審閱，並將賬面值減至在不再可能獲得足夠應課稅溢利以動用相關稅項利益時為止。任何扣減金額會於可能獲得足夠應課稅溢利時予以撥回。

分派股息所產生之額外所得稅於支付相關股息之負債獲確認時予以確認。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Income tax (continued)

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

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

2. 重要會計政策(續)

(aa) 所得稅(續)

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

- 倘為即期稅項資產及負債，本公司或本集團擬按淨額基準結算，或同時變現該資產及清償該負債；或
- 倘為遞延稅項資產及負債，而該等資產及負債與同一稅務機關就以下其中一項徵收的所得稅有關：
 - 同一應課稅實體；或
 - 不同的應課稅實體，該等實體擬在預期日後清償大額遞延稅項負債或收回大額遞延稅項資產之各期間內，按淨額基準變現即期稅項資產及清償即期稅項負債，或同時變現該資產及清償該負債。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(bb) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

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

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

2. 重要會計政策(續)

(bb) 已發出財務擔保、撥備及或然負債

(i) 已發出財務擔保

財務擔保合約規定發行人(即擔保人)支付指定款項,以補償擔保之受益人(「持有人」)因特定債務人未能根據債務工具之條款償還到期債務而致使持有人蒙受之損失。

倘本集團發出財務擔保,擔保的公允價值初步確認為應付貿易賬項及其他應付款項的遞延收入。已發出財務擔保於發出時之公允價值乃經參考類似服務在公平交易中所收取之費用而釐定(於能獲得該等資料時),或另行參考通過比較在有擔保情況下貸方收取之實際利率與倘在並無擔保情況下估計貸方可能收取的利率(如該等資料能可靠估計)所得之利率差額作出估計。倘就發出擔保而已收或應收代價,則該代價乃根據適用於該資產類別之本集團政策予以確認。倘並無已收或應收代價,則於初步確認任何遞延收入時於損益內確認即時開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

(i) Financial guarantees issued (continued)

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

(ii) Contingent liabilities assumed in business combinations

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with Note 2(bb)(iii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with Note 2(bb)(iii).

2. 重要會計政策(續)

(bb) 已發出財務擔保、撥備及或然負債(續)

(i) 已發出財務擔保(續)

初步確認為遞延收入之擔保金額作為已發出之財務擔保的收入於擔保期在損益內攤銷。此外，倘(i)擔保持有人可能要求本集團履行該項擔保；及(ii)向本集團提出的申索金額預期超過現時就該擔保於應付貿易賬項及其他應付款項所列賬之金額(即初步確認之金額)減累計攤銷，則根據附註2(bb)(iii)確認撥備。

(ii) 於業務合併承擔之或然負債

於業務合併承擔於收購日期為現有責任之或然負債初步按公允價值確認，前提為能夠可靠計量公允價值。此等或然負債按公允價值獲初步確認後，將按初步確認金額減累計攤銷(如適用)與根據附註2(bb)(iii)釐定之金額兩者中的較高者確認。倘於業務合併承擔之或然負債未能可靠以公允價值計量或於收購日期並非現有責任，則按附註2(bb)(iii)所載披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

(iii) Other provisions and contingent liabilities

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

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

2. 重要會計政策(續)

(bb) 已發出財務擔保、撥備及或然負債(續)

(iii) 其他撥備及或然負債

當本集團或本公司因過往事件以致有法定或推定責任，而履行該責任可能須導致經濟利益流出，且其能夠可靠估計，則就無法確定時間或數額的其他負債確認撥備。倘貨幣的時間價值屬重大，撥備則按履行責任的預期開支的現值列賬。

倘經濟利益流出是不可能，或當該責任金額未能可靠估計時，該責任會披露為或然負債，除非經濟利益流出的可能性低則另作別論。可能責任僅由一項或多項未來事件是否發生以確認是否存在，除非經濟利益流出之可能性低，否則亦會披露為或然負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(cc) Revenue recognition

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

(i) Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Revenue from the sale of certain commodities is initially recorded based on 100% of the provisional sales prices. Until final settlement occurs, adjustments to the provisional sales price are made to take into account metal price changes, based upon the month-end spot price and metal quantities upon receipt of the final assay and weight certificates, if different from the initial certificates. The Group marks to market its provisional sales based on the forward price for the estimated month of settlement. In the statement of financial position, such mark to market adjustments is included within “accrued income” or “accrued expenses”.

2. 重要會計政策(續)

(cc) 收益確認

收益按已收或應收代價之公允價值計量。倘經濟利益可能流入本集團，而收益及成本(如適用)能可靠計量時，則收益會根據下列方法於損益內確認：

(i) 銷售貨品

來自銷售貨品之收益按已收或應收代價之公允價值計量並扣除退款及減免、貿易折扣及數量回饋。於所有權附帶之重大風險及回報轉移至買家，並可收回代價時，而相關成本及退貨之可能性能可靠估計，且並無參與持續管理貨品，以及收益金額能可靠計量時，便會確認收益。

來自銷售若干商品之收益初步根據暫定售價之100%列賬。倘獲取之最終評測及重量證書與初始證書有別，則直至最終結算時，根據月底現貨價格及金屬數量對暫定售價作出調整，以反映金屬價格變動。本集團根據估計結算月份之遠期價格將其暫定售價進行市場劃價。該市場劃價調整計入財務狀況表之「應計收入」或「應計開支」內。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(cc) Revenue recognition (continued)

(ii) Provision of logistics services

Freight forwarding

Export revenue is recognised when the cargos are delivered to the carriers and import revenue is recognised upon the arrival of cargos.

Distribution services, and repair and maintenance services

Revenues from distribution services, and repair and maintenance services are recognised as and when the services are rendered.

(iii) Financial services income

Commission and brokerage fee income

When the Group acts in the capacity of an agent rather than as a principal in a transaction, the revenue recognised is the net amount of commission earned by the Group. Commission income is recognised as earned when trades are executed by clients.

Transaction fee income

Transaction fee represents the margin earned from executing sale and purchase contracts. Transaction fee is recognised in income when the contracts are executed.

Service income and interest income

Service income is recognised when the services are rendered. Interest income is accrued on a time basis, by reference to the principal amount outstanding and at the effective interest rate applicable.

2. 重要會計政策(續)

(cc) 收益確認(續)

(ii) 提供物流服務

貨運代理

出口收益於貨物送交承運人時確認，而進口收益於貨物抵達時確認。

派送服務以及維修及保養服務

來自派送服務以及維修及保養服務之收益於提供服務時確認。

(iii) 金融服務收入

佣金及經紀費用收入

當本集團在一宗交易中擔任代理人，而非主事人，則已確認之收益為本集團所賺取之佣金淨額。佣金收入於客戶進行交易時確認為已賺取。

交易費用收入

交易費用為訂立買賣合約時賺取之保證金。交易費用於訂立合約時於收入確認。

服務收入及利息收入

服務收入於提供服務時確認。利息收入經參考尚未償還本金及適用實際利率按時間基準收取。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(cc) Revenue recognition (continued)

(iv) Revenue from golf club operations

The initial membership fee is amortised on a straight-line basis based on the remaining period to the expiry date of business license of the golf club of the Group and the unamortised initial membership fee is recognised as deferred revenue. The monthly membership fee and the service income related to the usage of golf club's facilities are recognised when services are provided.

(v) Revenue from hotel and leisure operations

Revenue from hotel and leisure operations comprising hotel accommodation, food and beverages are recognised when the services are rendered.

(vi) Investment and dividend income

Interest income is accrued on a time 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.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

2. 重要會計政策(續)

(cc) 收益確認(續)

(iv) 來自經營高爾夫球會之收益

入會費以直至本集團高爾夫球會營業執照到期日前之餘下期間為基準按直線法攤銷，而尚未被攤銷之入會費則確認為遞延收益。會員月費及與使用高爾夫球會設施有關之服務收入於提供服務時確認。

(v) 來自酒店及休閒業務之收益

來自酒店及休閒業務(包括酒店住宿、食物及飲料)之收益於提供服務時確認。

(vi) 投資及股息收入

利息收入乃參考尚未償還之本金及以適用之實際利率按時間基準累計，有關利率為將金融資產於預計可使用年期之估計未來現金收入準確貼現至該資產於初步確認時之賬面淨值之比率。

投資股息收入於股東收取款項之權利確立時確認。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(cc) Revenue recognition (continued)

(vii) Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income to be received. Contingent rentals are recognised as income in the accounting period in which they are earned.

(viii) Contract revenue

When the outcome of the service contract can be estimated reliably, contract revenue and costs are recognised as income and expense using the percentage of completion method, measured by reference to the contract activity. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred and revenue is recognised only to the extent of contract costs incurred that can probably be recovered.

(ix) Construction and installation contracts

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments, to the extent that it is probable that they will result in revenue and can be measured reliably. When the outcome of a construction contract can be estimated reliably, contract revenue is recognised in profit or loss in proportion to the stage of completion of the contract. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

2. 重要會計政策(續)

(cc) 收益確認(續)

(vii) 租金收入

經營租賃之應收租金收入於租賃期內以直線法確認。所給予的租金優惠確認為將收取總租金收入的重要部份。或然租金於賺取之會計期內確認為收入。

(viii) 合約收益

倘能可靠估計服務合約之成果，合約收益及成本採用完工百分比法(經參考合約活動計量)確認為收入及開支。當合約成本總額可能超過合約收益總額時，預期虧損即時確認為開支。倘不能可靠估計合約之成果，合約成本於其產生期間確認為開支，且僅會於所產生之合約成本有可能收回時確認收益。

(ix) 建築及安裝合約

合約收益包括合約協定之初始金額，另加合約工程、索償及獎金之任何變動，前提為該等項目可能帶來收益並能可靠計量。在建築合約之成果能可靠估計時，合約收益即按照合約完成階段按比例於損益中確認。合約開支於產生時確認，惟合約開支產生與未來合約活動相關之資產則除外。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(cc) Revenue recognition (continued)

(ix) Construction and installation contracts (continued)

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in profit or loss.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus representing amounts due from customers is shown as “progress billings receivable” and included under “prepayments, deposits and other receivables”. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus representing amounts due to customers is shown as “advance billings and billings in excess of costs incurred and recognised profits” and included under “trade and other payables”.

(dd) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss, except those arising from foreign currency borrowings used to hedge a net investment in a foreign operation which are recognised in other comprehensive income.

2. 重要會計政策(續)

(cc) 收益確認(續)

(ix) 建築及安裝合約(續)

完成階段會參考對已進行工程之調查進行評估。倘建築合約之成果無法可靠估計，則只有以很可能收回之所產生合約成本為限確認合約收益。合約之預期虧損乃即時於損益內確認。

倘直至當日所產生之合約成本加已確認溢利減已確認虧損超逾進度付款，超出額(即應收客戶款項)會呈列為「應收進度付款」並計入「預付款項、按金及其他應收款項」。就進度付款超逾直至當日所產生之合約成本加已確認溢利減已確認虧損之合約而言，超出額(即應付客戶款項)會呈列為「預付款項及超出所產生成本及已確認溢利之款項」並計入「應付貿易賬項及其他應付款項」。

(dd) 換算外幣

年內之外幣交易乃按於交易日期適用之外幣匯率換算。以外幣計值之貨幣資產及負債乃按於報告期末適用之外幣匯率換算。匯兌收益及虧損乃於損益內確認，惟用作對沖海外業務淨投資之外幣借款所產生之該等匯兌收益及虧損則於其他全面收益內確認。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(dd) Translation of foreign currencies (continued)

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve. Goodwill arising on consolidation of a foreign operation acquired before 1 January 2005 is translated at the foreign exchange rate that applied at the date of acquisition of the foreign operation.

On disposal of a group entity that is a foreign operation, the exchange differences accumulated in equity in respect of that operation attributable to owners of the Company are reclassified to profit or loss.

2. 重要會計政策(續)

(dd) 換算外幣(續)

以外幣的歷史成本計量之非貨幣資產及負債乃使用於交易日期適用之外幣匯率換算。按公允價值列賬之以外幣計值非貨幣資產及負債乃使用於計量公允價值當日適用之外幣匯率換算。

海外業務之業績按與交易日適用外幣匯率相若之匯率換算為港幣。財務狀況表之項目，包括因合併於二零零五年一月一日或之後所收購海外業務而產生之商譽，按報告期末之收市外幣匯率換算為港幣。所產生之匯兌差額乃於其他全面收益內確認，並單獨於權益之匯兌儲備內累計。因合併於二零零五年一月一日前所購海外業務而產生之商譽，按收購海外業務日期所適用之外幣匯率換算。

於出售屬海外業務之集團實體時，本公司擁有人應佔與該業務有關並於權益累計之匯兌差額乃重新分類至損益。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(ee) Borrowing costs

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

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

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

(i) Non-current assets held for sale

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

2. 重要會計政策(續)

(ee) 借款成本

收購、建造或生產資產(需要一段長時間方可達致其擬定用途或作銷售)之直接應佔借款成本資本化為該資產之成本之一部份。其他借款成本於其產生期間支銷。

有關合資格資產產生開支、產生借款成本及準備資產作其擬定用途或銷售所需之活動進行時，開始將借款成本資本化為該資產成本之一部份。當合資格資產作其擬定用途或銷售所需之絕大部份準備活動中止或完成時，資本化借款成本將會暫停或終止。

(ff) 持作出售之非流動資產及已終止業務

(i) 持作出售之非流動資產

倘一項非流動資產(或出售組別)之賬面值極可能透過出售交易(而非透過持續使用)收回，以及該資產(或出售組別)在現況下可供出售，則分類為持作出售。一個出售組別為一組將於單一交易中一併出售之資產以及與將於交易中轉讓之資產直接相關之負債。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

(i) Non-current assets held for sale (continued)

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

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

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

2. 重要會計政策(續)

(ff) 持作出售之非流動資產及已終止業務(續)

(i) 持作出售之非流動資產(續)

當本集團致力執行涉及失去附屬公司之控制權之出售計劃時，不論本集團會否於出售後保留於該附屬公司之非控股權益，該附屬公司之所有資產及負債會於達致上述持作出售之分類準則時分類為持作出售。

緊接分類為持作出售前，非流動資產(及出售組別之所有獨立資產及負債)會於分類前根據會計政策重新計量。其後，於初步分類為持作出售及直至出售前，非流動資產(除下文說明之若干資產外)或出售組別會按賬面值及公允價值減銷售成本之較低者確認。就本集團及本公司之財務報表而言，豁免採用此計量政策之主要項目為遞延稅項資產、僱員福利所產生之資產、金融資產(於附屬公司、聯營公司及合營企業之投資除外)及投資物業。該等資產即使為持作出售用途，仍會繼續按附註2其他部份所載之政策計量。

於初步分類為持作出售及其後在持作出售期間重新計量之減值虧損於損益內確認。只要非流動資產仍分類為持作出售或計入分類為持作出售之出售組別，非流動資產均不予折舊或攤銷。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

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

(ii) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale (see (i) above), if earlier. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented on the face of the statement of profit or loss, which comprises:

- the post-tax profit or loss of the discontinued operation; and
- the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

2. 重要會計政策(續)

(ff) 持作出售之非流動資產及已終止業務(續)

(ii) 已終止業務

已終止業務指本集團業務之一個組成部份，而此業務之營運和現金流量可與本集團其他業務作明確區分，並作為一項獨立之主要業務或一個主要營運地區，或作為出售一項獨立之主要業務或一個主要營運地區之單一協調計劃之一部份，或專門為轉售用途而收購之附屬公司。

當出售時或營運符合分類為持作出售的準則(見上文(i)項)(以較早者為準)時，則會分類為已終止業務。放棄經營之業務亦分類為已終止業務。

如業務分類為已終止，則會於損益表內以單一金額呈列，包括：

- 已終止業務之除稅後溢利或虧損；及
- 按公允價值減去出售成本後所得數額進行計量所確認之除稅後收益或虧損，或出售對構成已終止業務之資產或出售組別所確認之除稅後收益或虧損。

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(gg) Related parties

(a) A person, or a close member of that person's family, is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

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

- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

2. 重要會計政策(續)

(gg) 關連方

(a) 個人或該個人之近親家庭成員於以下情況會視為與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團之母公司主要管理層人員之成員。

(b) 於以下任何情況實體會視為與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員(即各母公司、附屬公司及同系附屬公司相互間有關連)；
- (ii) 某一實體為另一實體的聯營公司或合營企業(或為另一實體屬成員公司的本集團旗下成員公司的聯營公司或合營企業)；
- (iii) 兩間實體均為同一第三方之合營企業；
- (iv) 某一實體為第三方實體的合營企業，而另一實體為該第三方實體之聯營公司；
- (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立之離職後福利計劃；

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2. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(gg) Related parties (continued)

- (b) An entity is related to the group if any of the following conditions applies: (continued)
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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

(hh) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2. 重要會計政策(續)

(gg) 關連方(續)

- (b) 於以下任何情況實體會視為與本集團有關連：(續)
- (vi) 該實體受(a)所述之人士控制或受共同控制；
 - (vii) 於(a)(i)所述之人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員；
 - (viii) 該實體或該實體為其中一員之集團內任何成員公司為本集團或本集團母公司提供主要管理人員服務。

個人之近親家庭成員為在與實體交易時預期會影響該個人或受到該個人影響之家庭成員。

(hh) 分部報告

經營分部及於財務報表內所呈報之各分部項目之金額乃從定期向本集團最高級行政管理人員提供之財務資料中識別，以就本集團多個業務分部及地理區域進行資源調配及評估表現。

就財務申報而言，個別重大之經營分部並不予以合併計算，除非該等分部具有相似經濟特性，以及就產品及服務性質、生產程序性質、客戶類別或種類、用以分銷產品或提供服務之方式及監管環境之性質方面相類似，則另當別論。倘其符合大部份有關條件，並非個別重大之經營分部可予以合併計算。

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3. ACCOUNTING JUDGEMENT AND ESTIMATES

(a) Sources of estimation uncertainty

Notes 19, 34, 38 and 44(e) contain information about the assumptions and their risk factors relating to valuation of investment property, defined benefit retirement obligations, fair value of share options granted and financial instruments. Notes 25 and 44(b) contain information relating to the allowance for doubtful receivables. Other key sources of estimation uncertainty are as follows:

(i) Revenue recognition

In the ordinary course of business, certain subsidiaries of the Group enter into commodity marketing transactions where sales and purchases are initially recognised at provisional prices with subsequent price adjustments made to the provisional sales/purchase prices.

During the contractually agreed quotational period, the sales/purchase prices are not fixed and fluctuate based on the changes in the market prices of the underlying metals. The Group marks to market its provisional sales and purchases based on the forward price for the estimated month of settlement. In the statement of financial position, positive mark to market adjustments are included within 'accrued income' whereas negative adjustments are included within 'accrued expenses'. Upon completion of the quotation period, the prices are fixed based upon the spot price and metal contents and quantities upon receipt of the final assay and weight certificates.

3. 會計判斷及估計

(a) 估計不確定因素之來源

附註19、34、38及44(e)包含有關投資物業估值、界定退休福利承擔、授出購股權之公允價值及金融工具之假設及其風險因素之資料。附註25及44(b)包含有關應收呆賬撥備之資料。其他估計不確定因素之主要來源如下：

(i) 收益確認

於日常業務過程中，本集團若干附屬公司訂立商品貿易交易，其中買賣初步以臨時價格予以確認，並於其後就臨時銷售／購買價格作出價格調整。

於合約協定的報價期間，銷售／購買價格並非固定，並根據相關金屬市場價格變動而波動。本集團根據估計結算月份之遠期價格，對其臨時銷售及購買進行市場劃價。於財務狀況表中，正數市場劃價調整列入「應計收入」，而負數調整列入「應計開支」。於報價期間完成並於收到最終評測及重量證書後，價格根據現貨價格、金屬含量及數量予以釐定。

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3. ACCOUNTING JUDGEMENT AND ESTIMATES (continued)

(a) Sources of estimation uncertainty (continued)

(ii) Impairment of non-financial assets

As described in Note 2(p)(ii), assets such as property, plant and equipment, land use rights and intangible assets and are reviewed for possible impairment indications at the end of each reporting period. If any such indication exists, recoverable amount of the assets (or the cash-generating unit to which it belongs) is estimated and, when necessary, an impairment loss or reversal of impairment loss is recognised accordingly. Determination as to whether and how much an asset is impaired involves management estimates and judgements and the impairment reviews and calculations are based on assumptions that are consistent with the Group's business plans. Favourable changes to some assumptions may allow the Group to avoid the need to impair any assets in these years, whereas unfavourable changes may cause the assets to become impaired.

(iii) Provision for inventories

The Group reviews the carrying amounts of inventories at the end of each reporting period to determine whether the inventories are carried at lower of cost and net realisable value in accordance with the accounting policy set out in Note 2(q). Management estimates the net realisable value based on the current market situation and historical experience on similar inventories. Any change in the assumptions would increase or decrease the amount of inventories write-down or the related reversals of write-down and affect the Group's profit and net asset value.

3. 會計判斷及估計(續)

(a) 估計不確定因素之來源(續)

(ii) 非金融資產減值

誠如附註2(p)(ii)所述，物業、廠房及設備、土地使用權及無形資產等資產於各報告期末就減值跡象之可能性進行檢討。如任何該等跡象存在，資產(或其所屬之現金產生單位)之可收回金額將予以估計，(如需要)減值虧損或減值虧損撥回將相應確認。釐定資產是否出現減值及減值之金額時涉及管理層之估計及判斷，而減值檢討及計算則根據與本集團業務計劃貫徹一致之假設進行。若干假設之有利變動或令本集團毋須於該等年度就任何資產作出減值，惟不利變動或會令該等資產減值。

(iii) 存貨撥備

本集團於各報告期末審閱存貨之賬面值，以釐定存貨是否根據附註2(q)載列之會計政策按成本及可變現淨值兩者中之較低者列賬。管理層根據現時市場狀況及類似存貨之過往經驗估計可變現淨值。假設之任何變動將使存貨撇減或相關撇減撥回之金額增加或減少，並影響本集團之溢利及資產淨值。

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4. ACQUISITION OF SUBSIDIARIES

During the year ended 31 December 2017, the Group acquired CWT SG (the “**Acquisition**”) by way of a voluntary general offer. CWT SG is incorporated in Singapore and its shares were previously listed on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). CWT SG and its subsidiaries (collectively referred to as “**CWT SG Group**”) is principally engaged in commodity marketing activities and provision of logistic services, financial services and engineering services.

On 9 April 2017, the Company made a public announcement that, subject to the fulfilment or waiver (as applicable) of certain pre-conditions (“**Pre-conditions**”), HNA Belt and Road Investments (Singapore) Pte. Ltd., a wholly-owned subsidiary of the Company, would make a voluntary conditional offer (the “**Offer**”) to purchase all the issued and fully paid-up ordinary shares of CWT SG (“**CWT Shares**”) at a cash consideration of 2.33 Singapore Dollars (“**S\$**”) per share.

As at 7 September 2017, all of the Pre-conditions have been fulfilled or waived (as applicable), and certain shareholders of CWT SG, collectively holding 65.13% of the CWT Shares, have given irrevocable written undertakings to accept the Offer. In accordance with accounting policy set out in Note 2(e), the Offer to the then holders of the remaining 34.87% of the CWT Shares is considered put option issued by the Group over such interests, which are deemed to have been acquired as if the put options had been exercised already on 7 September 2017. Consequently, CWT SG became a wholly-owned subsidiary of the Company on the same date.

Based on 600,304,650 CWT Shares in issue as at 7 September 2017, the consideration for the Acquisition is approximately S\$1,398,710,000 (equivalent to approximately HK\$8,108,978,000). The Group completed the acquisition of all the CWT Shares on 15 December 2017 and CWT SG became delisted from the SGX-ST on 18 December 2017.

4. 收購附屬公司

於截至二零一七年十二月三十一日止年度，本集團以自願全面要約之方式收購CWT SG(「**收購事項**」)。CWT SG於新加坡註冊成立，其股份過往於新加坡證券交易所有限公司(「**新交所**」)上市。CWT SG及其附屬公司(統稱「**CWT SG集團**」)主要從事商品貿易活動及提供物流服務、金融服務及工程服務。

本公司於二零一七年四月九日刊發公告，宣佈待若干先決條件(「**先決條件**」)達成或獲豁免(如適用)後，本公司全資附屬公司HNA Belt and Road Investments (Singapore) Pte. Ltd.將作出收購CWT SG之所有已發行及繳足普通股(「**CWT股份**」)之自願有條件要約(「**要約**」)，現金代價為每股2.33新加坡元(「**新加坡元**」)。

於二零一七年九月七日，所有先決條件已達成或獲豁免(如適用)，而合共持有65.13% CWT股份之若干CWT SG股東已不可撤回地書面承諾接受要約。根據附註2(e)所載會計政策，向當時持有餘下34.87% CWT股份之股東作出之要約被視為本集團就該等權益發行之認沽期權，而該等權益被視為已被收購，猶如認沽期權已於二零一七年九月七日獲行使。因此，CWT SG於同日成為本公司全資附屬公司。

根據於二零一七年九月七日已發行600,304,650股CWT股份計算，收購事項之代價約為1,398,710,000新加坡元(相當於約港幣8,108,978,000元)。於二零一七年十二月十五日，本集團完成收購所有CWT股份，而CWT SG於二零一七年十二月十八日在新交所除牌。

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4. ACQUISITION OF SUBSIDIARIES (continued)

The Acquisition had the following effect on the Group's assets and liabilities on 7 September 2017, which is the date of acquisition:

4. 收購附屬公司(續)

於二零一七年九月七日(即收購日期)，收購事項對本集團之資產及負債造成以下影響：

		HK\$'000 港幣千元
Non-current assets	非流動資產	
Property, plant and equipment	物業、廠房及設備	8,341,651
Investment properties	投資物業	2,612
Intangible assets	無形資產	431,274
Interest in associates	於聯營公司權益	189,352
Interest in joint ventures	於合營企業權益	317,284
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	55,678
Other financial assets	其他金融資產	187,960
Other non-current assets	其他非流動資產	20,663
Deferred tax assets	遞延稅項資產	27,526
		<hr/> 9,574,000 <hr/>
Current assets	流動資產	
Inventories	存貨	2,655,582
Trade and other receivables	應收貿易賬項及其他應收款項	13,007,910
Other financial assets	其他金融資產	671,697
Derivative financial instruments	衍生金融工具	411,348
Tax recoverable	可收回稅項	15,758
Cash and cash equivalents	現金及現金等值項目	1,643,171
Other non-current assets held-for-sale	持作出售之其他非流動資產	15,641
		<hr/> 18,421,107 <hr/>
Current liabilities	流動負債	
Trade and other payables	應付貿易賬項及其他應付款項	(9,281,123)
Loans and borrowings	貸款及借款	(4,551,739)
Derivative financial instruments	衍生金融工具	(1,911,455)
Current tax payable	應付即期稅項	(109,862)
Deferred gains	遞延收益	(16,065)
Provisions	撥備	(13,427)
		<hr/> (15,883,671) <hr/>
Non-current liabilities	非流動負債	
Loans and borrowings	貸款及借款	(2,643,919)
Derivative financial instruments	衍生金融工具	(690)
Employee benefits	僱員福利	(70,944)
Deferred gains	遞延收益	(21,729)
Deferred tax liabilities	遞延稅項負債	(817,107)
Other non-current liabilities	其他非流動負債	(23,561)
		<hr/> (3,577,950) <hr/>
Fair value of net assets acquired	所收購資產淨值之公允價值	8,533,486
Gain on bargain purchase	議價收購收益	(327,172)
Non-controlling interests arising from the Acquisition	收購事項產生之非控股權益	(97,336)
		<hr/> 8,108,978 <hr/>
Total consideration	總代價	8,108,978
Less: cash acquired	減：所收購現金	(1,643,171)
		<hr/> 6,465,807 <hr/>
Net cash outflow	現金流出淨額	6,465,807

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4. ACQUISITION OF SUBSIDIARIES (continued)

The Group recognised a gain on bargain purchase of approximately HK\$327,172,000 because there was increase in fair value of identifiable net assets of CWT SG from the date when the price of the Offer was determined to the acquisition completion date on 7 September 2017. The total revenue and profit for the period contributed by CWT SG Group from 7 September 2017 to 31 December 2017 were HK\$23,624,714,000 and HK\$106,500,000, respectively.

If the Acquisition had occurred on 1 January 2017, the Group's revenue and profit for the year contributed by CWT SG Group would have been approximately HK\$65,158,100,000 and HK\$369,000,000, respectively, and the Group's revenue and profit for the year would have been approximately HK\$65,489,300,000 and HK\$488,700,000, respectively. These amounts have been calculated by adopting the Group's accounting policies and adjusting the results of relevant subsidiaries to reflect the additional amortisation and depreciation that would have been charged assuming the fair value adjustments to intangible assets and property, plant and equipment had been applied from 1 January 2017, together with the consequential tax effects.

The Directors have assumed that the fair value adjustments that arose in the date of acquisition would have been the same if the acquisition were occurred on 1 January 2017.

4. 收購附屬公司(續)

本集團確認議價收購收益約港幣327,172,000元，原因為CWT SG之可識別淨資產之公允價值自要約價格於收購完成日期(即於二零一七年九月七日)釐定當日起有所增加。自二零一七年九月七日至二零一七年十二月三十一日止，CWT SG集團貢獻之期內總收益及溢利分別為港幣23,624,714,000元及港幣106,500,000元。

倘收購事項於二零一七年一月一日發生，年內CWT SG集團向本集團所貢獻之總收益及溢利將分別約為港幣65,158,100,000元及港幣369,000,000元，而本集團之年內收益及溢利將分別約為港幣65,489,300,000元及港幣488,700,000元。該等金額乃透過採納本集團之會計政策及調整相關附屬公司之業績予以計算，以反映於假設自二零一七年一月一日就無形資產及物業、廠房及設備應用公允價值調整之情況下所支銷之額外攤銷及折舊，連同附帶稅務影響。

董事已假設收購日期產生之公允價值調整與倘收購於二零一七年一月一日發生者相同。

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5. DISPOSAL GROUPS AND OTHER NON-CURRENT ASSETS CLASSIFIED AS HELD-FOR-SALE

5. 分類為持作出售之出售組別及其他非流動資產

			2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
		Note 附註		
Assets associated with disposal groups classified as held-for-sale	分類為持作出售之出售組別之相關資產			
Intelligent Information Business	智能信息業務	6(b)(iii)	-	387,075
Other non-current assets held for sale	持作出售之其他非流動資產			
Interest in an associate, Westford Trade Services Ltd.	於一間聯營公司Westford Trade Services Ltd.之權益		15,617	-
Liabilities associated with disposal groups classified as held-for-sale	分類為持作出售之出售組別之相關負債			
Intelligent Information Business	智能信息業務	6(b)(iii)	-	396,961
Amounts recognised in other comprehensive income and accumulated in equity relating to disposal groups classified as held-for-sale	分類為持作出售之出售組別於其他全面收益確認及於權益累計之相關金額			
Intelligent Information Business	智能信息業務		-	(42,240)

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6. DISCONTINUED OPERATIONS

Profit/(loss) for the year from the discontinued operations is analysed as follows:

6. 已終止業務

已終止業務之年度溢利／(虧損)分析如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
	Note 附註		
Discontinued operations	已終止業務		
Loss of DTV Business and LED Business	數字電視業務及發光二極管業務虧損	-	(102,926)
Loss of Intelligent Information Business	智能信息業務虧損	(23,705)	(66,225)
Gain on disposal of DTV Business and LED Business	出售數字電視業務及發光二極管業務收益	-	128,256
Gain on disposal of Intelligent Information Business	出售智能信息業務收益	112,126	-
Profit/(loss) for the year from discontinued operations	已終止業務之年度溢利／(虧損)	88,421	(40,895)
Profit/(loss) for the year from discontinued operations attributable to:	以下人士應佔已終止業務之年度溢利／(虧損)：		
Owners of the Company	本公司擁有人	88,857	(13,580)
Non-controlling interests	非控股權益	(436)	(27,315)
		88,421	(40,895)

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6. DISCONTINUED OPERATIONS (continued)

(a) DTV Business and LED Business (collectively referred to as the “DTV Disposal Group”)

Following a reform in Guangdong Province whereby the cable digital broadcasting networks of Guangdong Province would be reorganised and ultimately held by a state-owned enterprise, the Group was no longer able to operate its digital television technical solutions and equipment business (the “DTV Business”). The Group was committed to sell the DTV Business and the Directors consider the disposal transaction was highly probable as at 31 December 2015.

On 17 August 2016, the Company and Leader Concept Investments Limited (“Leader Concept”), a company which is ultimately controlled by HNA Group, the then ultimate parent of the Company, entered into an agreement (the “Agreement”) in relation to the disposal of the DTV Business as well as a subsidiary of the Group engaging in the sales of light emitted diode business (the “LED Business”) at a cash consideration of HK\$1 (the “Disposal”). Accordingly, the DTV Disposal Group was included in discontinued operation.

According to the Agreement, after the completion of the Disposal, Leader Concept would procure the DTV Disposal Group to repay the shareholders’ loan of HK\$950,000,000 due to the Group (the “Repayment Obligations”) in the following manner:

6. 已終止業務(續)

(a) 數字電視業務及發光二極管業務(統稱「數字電視出售組別」)

隨著於廣東省進行一項改革後，據此，廣東省有線數字廣播網絡經歷重組並最終由一間國有企業持有，本集團不能再經營其數字電視技術方案及設備業務(「數字電視業務」)。於二零一五年十二月三十一日，本集團承諾出售數字電視業務而董事認為非常有可能達成出售交易。

於二零一六年八月十七日，本公司與領意投資有限公司(「領意投資」，一間由本公司當時之最終母公司海航集團最終控制之公司)訂立一項協議(「該協議」)，內容有關出售數字電視業務以及本集團一間從事銷售發光二極管業務(「發光二極管業務」)之附屬公司，現金代價為港幣1元(「出售事項」)。因此，數字電視業務計入已終止業務。

根據該協議，於出售事項完成後，領意投資將以下列方式促使數字電視出售組別償還欠付本集團之股東貸款港幣950,000,000元(「償還義務」)：

		HK\$'000 港幣千元
Repayment date	償還日期	
At the completion date	於完成日期	50,000
Three months from the date after the completion date	自完成日期翌日起計三個月	500,000
The first anniversary of the date of the completion date	完成日期之日起計一週年	400,000
		950,000

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6. DISCONTINUED OPERATIONS (continued)

(a) DTV Business and LED Business (collectively referred to as the “DTV Disposal Group”) (continued)

The Disposal (together with the Repayment Obligations) constitutes a non-exempt connected transaction for the Company under the Listing Rules which requires the approval of the independent shareholders other than Leader Concept and its associates and those who were involved in or interested in the Disposal. Details of the Disposal and Repayment Obligations are set out in the Company’s announcement dated 17 August 2016 and the Company’s circular dated 15 September 2016. The Disposal was completed on 17 October 2016.

(i) Results of DTV Disposal Group

		Period from 1 January 2016 to 17 October 2016 (date of disposal) 自二零一六年 一月一日至 二零一六年 十月十七日 (出售日期) 期間 HK\$'000 港幣千元
Revenue	收益	-
Expenses	開支	(102,926)
Results from operating activities	經營活動所產生之業績	(102,926)
Income tax	所得稅	-
Results from operating activities, net of tax	經營活動所產生之業績， 扣除稅項	(102,926)
Gain on sale of DTV Disposal Group	銷售數字電視出售組別之收益	128,256
Profit from DTV Disposal Group, net of tax	數字電視出售組別 所產生溢利，扣除稅項	25,330

6. 已終止業務(續)

(a) 數字電視業務及發光二極管業務(統稱「數字電視出售組別」) (續)

出售事項(連同償還義務)構成上市規則項下之本公司非豁免關連交易，其規定須獲得領意投資及其聯繫人以及參與或於出售事項擁有權益人士以外之獨立股東批准。出售事項及償還義務之詳情載於本公司日期為二零一六年八月十七日之公告及本公司日期為二零一六年九月十五日之通函。出售事項已於二零一六年十月十七日完成。

(i) 數字電視出售組別之業績

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6. DISCONTINUED OPERATIONS (continued)

(a) DTV Business and LED Business (collectively referred to as the “DTV Disposal Group”) (continued)

(ii) Cash flows from DTV Disposal Group

6. 已終止業務(續)

(a) 數字電視業務及發光二極管業 務(統稱「數字電視出售組別」) (續)

(ii) 數字電視出售組別所產生之 現金流量

		Period from 1 January 2016 to 17 October 2016 (date of disposal) 自二零一六年 一月一日至 二零一六年 十月十七日 (出售日期) 期間 HK\$'000 港幣千元
Net cash used in operating activities	經營活動所用之現金淨額	(18,964)
Net cash used in investing activities	投資活動所用之現金淨額	(121)
Net cash generated from financing activities	融資活動所得之現金淨額	13,190
		<hr/>
Net cash outflows	現金流出淨額	<u>(5,895)</u>

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6. DISCONTINUED OPERATIONS (continued)

(a) DTV Business and LED Business (collectively referred to as the “DTV Disposal Group”) (continued)

(iii) Effect of disposal on the consolidated financial position of the Group

The following are the assets and liabilities in respect of DTV Disposal Group disposed of on the date of completion on 17 October 2016:

6. 已終止業務(續)

(a) 數字電視業務及發光二極管業務 (統稱「數字電視出售組別」) (續)

(iii) 出售對本集團綜合財務狀況 表之影響

以下為於二零一六年十月十七日，即完成日期，出售之數字電視出售組別之資產及負債：

		HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	435,173
Investment properties	投資物業	38,269
Goodwill	商譽	12,682
Intangible assets	無形資產	277,597
Inventories	存貨	408
Trade receivables	應收貿易賬項	160,883
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	19,608
Tax recoverable	可收回稅項	237
Restricted bank deposits	受限制銀行存款	269
Cash and bank balances	現金及銀行結存	473
Trade and other payables	應付貿易賬項及其他應付款項	(37,293)
Amounts due to the Group	應付本集團款項	(950,000)
Tax payables	應付稅項	(88,269)
Net liabilities of DTV Disposal Group	數字電視出售組別之負債淨額	(129,963)
Repayment of amounts due to the Group	償還應付本集團款項	950,000
Cash and bank balances disposed of	所出售之現金及銀行結存	(473)
Net cash inflow from disposal	出售所得之現金流入淨額	949,527
Amount received in 2017	二零一七年已收款額	900,000
Amount received in 2016	二零一六年已收款額	49,527
		949,527



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6. DISCONTINUED OPERATIONS (continued)

(b) Intelligent Information Business

On 13 January 2016, the Company entered into the sale and purchase agreement with an independent third party in relation to the proposed disposal of entire issued share capital of Made Connection Limited (“**Made Connection**”), a subsidiary of the Company, after restructuring as required (the “Intelligent Information Business Disposal Group”) at a cash consideration of RMB120,000,000 (the “**Intelligent Information Business Disposal**”). Pursuant to the sale and purchase agreement, immediately upon to the completion of the sale and purchase agreement, all intercompany balances between the Intelligent Information Business Disposal Group and the remaining group entities should be irrevocably waived on a dollar-to-dollar basis. Details are set out in the announcement dated 13 January 2016. Made Connection and its subsidiaries are mainly engaged in Intelligent Information Business. The Intelligent Information Business Disposal was approved by the shareholders of the Company on 22 February 2016 and completed on 28 April 2017. Accordingly, the Intelligent Information Business Disposal Group was classified as a disposal group held-for-sale as at 31 December 2016 and its results was presented as discontinued operations.

6. 已終止業務(續)

(b) 智能信息業務

於二零一六年一月十三日，本公司與一名獨立第三方訂立買賣協議，內容有關於重組後(如需要)建議出售 Made Connection Limited (「**Made Connection**」，本公司之一間附屬公司)之全部已發行股本(「智能信息業務出售組別」)，現金代價為人民幣120,000,000元(「**智能信息業務出售事項**」)。根據買賣協議，於緊隨買賣協議完成後，智能信息業務出售組別與餘下集團實體之間之全部公司間結餘應按等值基準不可撤回地免除。有關詳情載於日期為二零一六年一月十三日之公告。Made Connection及其附屬公司主要從事智能信息業務。智能信息業務出售事項乃於二零一六年二月二十二日獲本公司股東批准並於二零一七年四月二十八日完成。因此，智能信息業務出售組別已於二零一六年十二月三十一日被分類為持作出售之出售組別，且其業績已呈列為已終止業務。

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6. DISCONTINUED OPERATIONS (continued)

(b) Intelligent Information Business (continued)

(i) Results of Intelligent Information Business

6. 已終止業務(續)

(b) 智能信息業務(續)

(i) 智能信息業務之業績

		Period from 1 January 2017 to 28 April 2017 (date of disposal) 自二零一七年 一月一日至 二零一七年 四月二十八日 (出售日期)期間 HK\$'000 港幣千元	Year ended 31 December 2016 截至 二零一六年 十二月 三十一日 止年度 HK\$'000 港幣千元
Revenue	收益	47,227	239,282
Expenses	開支	(70,932)	(305,507)
Results from operating activities	經營活動所產生之業績	(23,705)	(66,225)
Income tax	所得稅	-	-
Results from operating activities, net of tax	經營活動所產生之業績， 扣除稅項	(23,705)	(66,225)
Gain on sale of Intelligent Information Business	出售智能信息業務之 收益	112,126	-
Profit/(loss) from Intelligent Information Business, net of tax	智能信息業務之溢利/ (虧損)，扣除稅項	88,421	(66,225)

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6. DISCONTINUED OPERATIONS (continued)

(b) Intelligent Information Business (continued)

(ii) Cash flows from Intelligent Information Business

6. 已終止業務(續)

(b) 智能信息業務(續)

(ii) 智能信息業務所得之現金流量

		Period from 1 January 2017 to 28 April 2017 (date of disposal) 自二零一七年 一月一日至 二零一七年 四月二十八日 (出售日期)期間 HK\$'000 港幣千元	Year ended 31 December 2016 截至 二零一六年 十二月 三十一日 止年度 HK\$'000 港幣千元
Net cash generated from operating activities	經營活動所得之現金淨額	5,781	26,061
Net cash generated from/(used in) investing activities	投資活動所得/(所用)之現金淨額	6,147	(9,737)
Net cash used in financing activities	融資活動所用之現金淨額	(16,925)	(29,761)
Net cash outflows	現金流出淨額	(4,997)	(13,437)

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6. DISCONTINUED OPERATIONS (continued)

(b) Intelligent Information Business (continued)

(iii) Assets and liabilities classified as held-for-sale as at 31 December 2016

6. 已終止業務(續)

(b) 智能信息業務(續)

(iii) 於二零一六年十二月三十一日分類為持作出售之資產及負債

		2016 二零一六年 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	4,790
Other financial assets	其他金融資產	791
Intangible assets	無形資產	2,335
Inventories	存貨	654
Trade receivables	應收貿易賬項	171,223
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	187,290
Tax recoverable	可收回稅項	4,891
Pledged bank deposits	已抵押銀行存款	9,347
Cash and bank balances	現金及銀行結存	5,754
Assets classified as held-for-sale	分類為持作出售之資產	<u>387,075</u>
Trade and other payables	應付貿易賬項及其他應付款項	(243,868)
Loans and borrowings	貸款及借款	(113,679)
Tax payables	應付稅項	(368)
Deposit received from purchaser relating to disposal of Intelligent Information Business	就出售智能信息業務收取買方按金	<u>(39,046)</u>
Liabilities classified as held-for-sale	分類為持作出售之負債	<u>(396,961)</u>

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

6. DISCONTINUED OPERATIONS (continued)

(b) Intelligent Information Business (continued)

(iv) Effect of disposal on the consolidated financial position of the Group

The following are the assets and liabilities in respect of Intelligent Information Business disposed on the date of completion on 28 April 2017:

6. 已終止業務(續)

(b) 智能信息業務(續)

(iv) 出售對本集團綜合財務狀況之影響

以下為於二零一七年四月二十八日，即完成日期，出售之智能信息業務之資產及負債：

		HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	4,507
Other financial assets	其他金融資產	800
Intangible assets	無形資產	2,283
Inventories	存貨	661
Trade receivables	應收貿易賬項	169,817
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	193,038
Tax recoverable	可收回稅項	4,905
Pledged bank deposits	已抵押銀行存款	3,053
Cash and bank balances	現金及銀行結存	758
Trade and other payables	應付貿易賬項及其他應付款項	(261,424)
Loans and borrowings	貸款及借款	(98,058)
Tax payables	應付稅項	(373)
Net assets of Intelligent Information Business	智能信息業務之資產淨值	19,967
Consideration received in cash	已收現金代價	135,408
Cash and bank balances disposed of	所出售之現金及銀行結存	(758)
Net cash inflow from disposal	出售所得之現金流入淨額	134,650
Amount received in 2017	二零一七年已收款項	95,156
Amount received in 2016	二零一六年已收款項	39,494
		134,650

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7. REVENUE

An analysis of the Group's revenue for the year from continuing operations is as follows:

7. 收益

本集團本年度持續經營業務之收益之分析如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Sale of goods	銷售貨品	12,556	—
Sale of commodities	大宗商品銷售	21,595,819	—
Rendering of services	提供服務	1,987,612	—
Construction income	工程收入	28,727	—
Operations of golf club	經營高爾夫球會	174,350	117,817
Hotel and leisure service	酒店及休閒服務	36,209	30,922
Rental income	租金收入	120,590	33,807
		23,955,863	182,546



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8. SEGMENT INFORMATION

Information reported to the chief operating decision maker (“**CODM**”), being the Chief Executive Officer of the Company, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

During the year ended 31 December 2017, the Group acquired CWT SG, which is engaged in four business segments, namely Logistic Services, Commodity Marketing, Engineering Services and Financial Services. The CODM reviewed the results of these four business segments of CWT SG and they have been regarded as additional reportable and operating segments of the Group during the year.

In a manner consistent with the way in which information is reported internally to the Group’s most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following six reportable segments.

Logistics services

Include warehousing, transportation, freight forwarding and cargo consolidation, supply chain management services.

Commodity marketing

Include physical trading and supply chain management of base metal non-ferrous concentrates with predominant focus on copper, lead, zinc and other minor metals and energy products like naphtha and distillates.

8. 分部資料

就資源調配及分部表現評估向主要營運決策者(「**主要營運決策者**」)，即本公司行政總裁呈報之資料集中於所交付或提供之貨品或服務類別。

於截至二零一七年十二月三十一日止年度，本集團收購CWT SG，其從事四個業務分部，即物流服務、商品貿易、工程服務及金融服務。主要營運決策者已審閱CWT SG四個業務分部之業績，且該等業務分部於年內已被視為本集團之新加可呈報及經營分部。

本集團已呈報以下六個可呈報分部，列報方式與為資源調配及評估表現目的而向本集團最高級行政管理人員內部報告資料之方式貫徹一致。

物流服務

包括倉儲、運輸、貨運和貨物拼裝、供應鏈管理服務。

商品貿易

包括以銅、鉛、鋅及其他次要金屬及能源產品(如石腦油和餾出物)為主之卑金屬有色精礦之實物貿易及供應鏈管理。

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8. SEGMENT INFORMATION (continued)

Engineering services

Include management and maintenance of facilities, vehicles and equipment, supply and installation of engineering products, property management, and design-and-build for logistic properties.

Financial services

Include financial brokerage services, structured trade services and assets management services.

Sports and leisure related facilities business

Include the operation of golf club and the provision of sports and leisure facilities.

Property investment business

The leasing of office properties and golf courses.

Segment profit/(loss) before tax represents operating revenue less expenses. Segment assets represents assets directly managed by each segment, and primarily include inventories, receivables, property, plant and equipment. Segment liabilities represent liabilities directly managed by each segment, and primarily include payables and loans and borrowings.

The segment information reported below does not include any amounts for those discontinued operations, which is described in more detail in Note 5 and 6. Items not managed by or derived from the operations of reportable segments are classified as “unallocated” in the segment reconciliations.

8. 分部資料(續)

工程服務

包括設施、車輛及設備之管理與維護、工程產品之供應及安裝、物業管理以及物流物業之設計與建造。

金融服務

包括金融經紀服務、結構性貿易服務及資產管理服務。

體育及休閒相關設施業務

包括經營高爾夫球會及提供體育及休閒設施。

物業投資業務

出租辦公室物業及高爾夫球場。

除稅前分部溢利／(虧損)指經營收益減開支。分部資產指各分部直接管理之資產，主要包括存貨、應收款項、物業、廠房及設備。分部負債指各分部直接管理之負債，主要包括應付款項及貸款以及借款。

以下報告之分部資料並不包括該等已終止業務之任何金額，進一步資料詳述於附註5及6。並非由經營可呈報分部管理或源自經營可呈報分部之項目於分部對賬中分類為「未分配」。

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8. SEGMENT INFORMATION (continued)

Segment results, assets and liabilities

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

8. 分部資料 (續)

分部業績、資產及負債

為截至二零一七年及二零一六年十二月三十一日止年度之資源調配及評估分部表現目的而向本集團最高級行政管理人員提供有關本集團報告分部之資料載列如下。

	Logistics services 物流服務		Commodity marketing 商品貿易		Engineering services 工程服務		Financial services 金融服務		Sports and leisure related facilities business 體育及休閒相關設施業務		Property investment business 物業投資業務		Elimination 對銷		Total 合計	
	2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年
Segment Revenue:																
External revenue	1,685,428	-	19,819,439	-	199,337	-	1,920,310	-	210,559	148,739	33,807	-	-	-	23,955,863	182,546
Inter-segment revenue	8,518	-	-	-	942	-	-	-	-	-	-	-	(9,400)	-	-	-
Reportable segment revenue	1,693,946	-	19,819,439	-	200,479	-	1,920,310	-	210,559	148,739	33,807	-	(9,400)	-	23,955,863	182,546
Results:																
Interest income	5,871	-	23,503	-	763	-	12,142	-	6,151	429	-	-	(5,594)	-	42,836	429
Interest expense	(29,352)	-	(43,874)	-	-	-	(6,334)	-	(40,215)	(39,286)	-	-	5,270	-	(129,194)	(45,244)
Depreciation and amortisation	(165,839)	-	(11,301)	-	(3,102)	-	(618)	-	(54,830)	(56,052)	-	-	-	-	(235,090)	(56,032)
Share of profits of associates and joint ventures, net of taxation	13,334	-	-	-	855	-	2,837	-	-	-	-	-	-	-	17,026	-
Other material non-cash items:																
Gain/(loss) on disposal of property, plant and equipment	102,375	-	-	-	-	-	-	-	(388)	(717)	-	-	-	-	101,977	(717)
Reportable segment profit/(loss) before taxation	86,022	-	30,805	-	29,908	-	26,803	-	24,245	(35,979)	(22,485)	21,344	-	-	174,298	(14,635)
Reportable segment assets	10,704,372	-	10,011,919	-	408,925	-	5,507,193	-	1,490,009	1,397,788	2,449,925	(477,320)	-	-	30,142,566	3,847,713
Investments in associates and joint ventures	463,791	-	-	-	5,827	-	43,851	-	-	-	-	-	-	-	513,469	-
Capital expenditure	128,554	-	3,334	-	243	-	12	-	-	-	-	-	-	-	132,143	-
Reportable segment liabilities	4,848,270	-	8,737,364	-	191,232	-	4,564,496	-	527,886	536,224	46,616	44,875	(477,320)	-	18,498,544	581,099

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8. SEGMENT INFORMATION (continued)

8. 分部資料(續)

Reconciliation of reportable segment profit or loss, assets and liabilities and other material items

可呈報分部損益、資產與負債及其他重大項目對賬

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Reportable segment profit or loss	可呈報分部損益		
Total profit/(loss) for reportable segments	可呈報分部溢利/(虧損)總額	174,298	(14,635)
Unallocated amounts:	未分配金額:		
Gain on bargain purchase (Note 4)	議價收購收益(附註4)	327,172	-
Gain on derecognition of the derivative components of convertible bonds	終止確認可換股債券之衍生工具部份之收益	-	11,996
Gain on fair value change of the derivative components of convertible bonds	可換股債券之衍生工具部份之公允價值變動收益	14,179	61,191
Interest expenses	利息開支	(201,928)	(54,392)
Unallocated income and gains	未分配收入及收益	86,807	73,221
Unallocated expenses	未分配開支	(237,868)	(98,329)
Share of profits less losses of associates and joint ventures	分佔聯營公司及合營企業溢利減虧損	17,026	-
Consolidated profit/(loss) before taxation (continuing operations)	除稅前之綜合溢利/(虧損)(持續經營業務)	179,686	(20,948)
Reportable segment assets	可呈報分部資產		
Continuing operations	持續經營業務		
Logistics services	物流服務	10,704,372	-
Commodity marketing	商品貿易	10,011,919	-
Engineering services	工程服務	408,925	-
Financial services	金融服務	5,507,193	-
Sports and leisure related facilities business	體育及休閒相關設施業務	1,490,009	1,397,788
Property investment business	物業投資業務	2,497,468	2,449,925
Reportable segment assets	可呈報分部資產	30,619,886	3,847,713
Elimination of inter-segment assets	分部間資產對銷	(477,320)	-
		30,142,566	3,847,713
Assets associated with disposal group and other non-current assets classified as held-for-sale (Note 5)	與分類為持作出售之出售組別相關之資產及其他非流動資產(附註5)		
- Interest in an associate, Westford Trade Services Ltd.	- 於一間聯營公司Westford Trade Services Ltd.之權益	15,617	-
- Intelligent Information Business	- 智能信息業務	-	387,075
		30,158,183	4,234,788
Unallocated assets:	未分配資產:		
Investments in associates and joint ventures	於聯營公司及合營企業之投資	513,469	-
Cash and cash equivalents	現金及現金等值項目	256,525	1,085,447
Pledged bank deposits	已抵押銀行存款	36,015	27,890
Other financial assets	其他金融資產	155,000	155,000
Other unallocated assets	其他未分配資產	62,511	917,997
Consolidated total assets	綜合總資產	31,181,703	6,421,122

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8. SEGMENT INFORMATION (continued)

Reconciliation of reportable segment profit or loss, assets and liabilities and other material items (continued)

8. 分部資料(續)

可呈報分部損益、資產與負債及其他重大項目對賬(續)

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Reportable segment liabilities	可呈報分部負債		
Continuing operations	持續經營業務		
Logistics services	物流服務	4,848,270	–
Commodity marketing	商品貿易	8,737,364	–
Engineering services	工程服務	191,232	–
Financial services	金融服務	4,564,496	–
Sports and leisure related facilities business	體育及休閒相關設施業務	527,886	536,224
Property investment business	物業投資業務	46,616	44,875
Reportable segment liabilities	可呈報分部負債	18,915,864	581,099
Elimination of inter-segment liabilities	分部間負債對銷	(477,320)	–
		18,438,544	581,099
Liabilities associated with disposal group classified as held-for-sale (Note 5) – Intelligent Information Business	與分類為持作出售之出售組別相關負債(附註5) – 智能信息業務	–	396,961
		18,438,544	978,060
Unallocated liabilities:	未分配負債：		
Obligations under finance leases	融資租賃承擔	–	2,271
Bank borrowings	銀行借款	1,371,487	1,285,584
Convertible bonds and related payables (including embedded derivative components)	可換股債券及相關應付款項 (包括嵌入式衍生工具部份)	422,644	380,588
Senior secured notes (Note 30(c))	有抵押優先票據(附註30(c))	4,325,222	–
Perpetual notes (Note 30(c))	永久票據(附註30(c))	359,182	–
Other unallocated liabilities	其他未分配負債	293,291	35,857
Consolidated total liabilities	綜合總負債	25,210,370	2,682,360

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8. SEGMENT INFORMATION (continued)

Geographic information

The Logistics services and Commodity marketing segments are managed on a worldwide basis and the Group operates principally in Mainland China, Taiwan, Singapore, Malaysia and other parts of Asia Pacific Region, Europe, Africa, North America and South America. Engineering services are primarily in Singapore, Financial services operates mainly in Mainland China, Singapore and North America. Sports and leisure related facilities business operates in Mainland China. Property investment business operates in Europe and North America.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical locations from which the Group derives its revenue. Segment non-current assets (other than prepayments, deposits and other receivables, financial assets and deferred tax assets) are based on the geographical location of the assets.

8. 分部資料(續)

地區資料

物流服務及商品貿易分部按全球範圍層面管理，本集團主要於中國內地、台灣、新加坡、馬來西亞、其他亞太地區、歐洲、非洲、北美洲及南美洲運營。工程服務主要在新加坡，而金融服務則主要於中國內地、新加坡及北美洲運營。體育及休閒相關設施業務於中國內地運營。物業投資業務則於歐洲及北美洲運營。

按地區分部基準呈報資料時，分部收益按本集團取得收益之所在地區計算。分部非流動資產(預付款項、按金及其他應收款項、金融資產及遞延稅項資產除外)按資產所在地區計算。

		Revenue from external customers 來自外部客戶之收益		Specified non-current assets 指定非流動資產	
		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Mainland China	中國內地	15,685,634	148,739	1,402,793	1,309,558
Singapore	新加坡	2,995,585	-	7,842,351	-
Malaysia	馬來西亞	700,837	-	79,912	-
Taiwan	台灣	505,385	-	-	-
Other parts of the Asia Pacific Region	其他亞太地區	2,057,058	-	249,527	11,274
Europe	歐洲	1,193,735	31,548	2,360,038	1,340,668
North America	北美洲	614,624	2,259	1,111,742	1,106,953
Africa	非洲	183,570	-	78,383	-
South America	南美洲	19,435	-	3,454	-
		23,955,863	182,546	13,128,200	3,768,453

Information about major customers

No single customer contributed over 10% or more to the total revenue of the Group from continuing operations for both 2017 and 2016.

有關主要客戶之資料

於二零一七年及二零一六年，概無單一客戶為本集團之持續經營業務貢獻總收益逾10%或以上。

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9. OTHER INCOME

9. 其他收入

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Interest income from bank deposits	銀行存款利息收入	26,264	6,806
Other interest income	其他利息收入	20,342	11,441
Dividend income from other financial assets	其他金融資產股息收入	3,895	-
Others	其他	27,012	3,175
		77,513	21,422

10. OTHER GAINS, NET

10. 其他收益淨額

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Gain on bargain purchase (Note 4)	議價收購收益(附註4)	327,172	-
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備之 收益/(虧損)	101,977	(717)
Net foreign exchange gain	匯兌收益淨額	48,718	63,241
Fair value gain on derivative component of convertible bonds (Note 32)	可換股債券之衍生工具部份之 公允價值收益(附註32)	14,179	61,191
Gain from derecognition of derivative component of convertible bonds (Note 32)	終止確認可換股債券之 衍生工具部份之 收益(附註32)	-	11,996
Fair value (loss)/gain on the investment properties (Note 19)	投資物業公允價值(虧損)/ 收益(附註19)	(107,558)	6,610
Others	其他	(661)	(170)
		383,827	142,151

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11. FINANCE COSTS

11. 融資成本

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Bank charges	銀行手續費	29,461	–
Interest expense on:	利息開支：		
– Bank borrowings and other facilities	– 銀行借款及其他融資	105,815	45,388
– Senior secured notes	– 有抵押優先票據	110,198	–
– Convertible bonds	– 可換股債券	89,666	54,179
– Medium term notes	– 中期票據	24,249	–
– Hire purchase and finance lease liabilities	– 租購及融資租賃負債	501	69
– Others	– 其他	693	–
Other finance cost	其他融資成本	23,076	13,435
		383,659	113,071

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12. PROFIT/(LOSS) BEFORE TAXATION FROM CONTINUING OPERATIONS

Profit/(loss) before taxation for the year from continuing operations has been arrived at after charging/(crediting):

12. 持續經營業務之除稅前溢利／(虧損)

年內自持續經營業務所得除稅前溢利／(虧損)已扣除／(計入)：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Staff costs, including Directors' remuneration	員工成本(包括董事酬金)		
– Salaries, wages and other benefits	– 薪金、工資及其他福利	577,052	87,520
– Retirement benefit scheme contributions	– 退休福利計劃供款	29,710	4,516
		606,762	92,036
Depreciation of property, plant and equipment (Note 17)	物業、廠房及設備折舊(附註17)	172,824	17,440
Amortisation of land use rights (Note 18)	土地使用權攤銷(附註18)	43,101	43,466
Amortisation of intangible assets (Note 20)	無形資產攤銷(附註20)	16,398	–
Auditor's remuneration	核數師酬金	8,356	1,744
Impairment loss/(reversal of impairment) on:	就以下各項作出之減值虧損／(減值撥回)：		
– trade receivables	– 應收貿易賬款	1,294	–
– other non-current assets	– 其他非流動資產	(1,956)	–
Cost of inventories sold	已銷售存貨成本	20,800,430	29,309
Gross rental income from investment properties	投資物業之租金總收入	(120,590)	(33,807)
Direct operating expenses arising from investment properties that generated rental income	產生租金收入之投資物業所產生之直接營運開支	12,575	156

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13. INCOME TAX

13. 所得稅

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Current tax – outside Hong Kong	即期稅項 – 香港境外		
Provision for the year	年內撥備	42,118	–
Over-provision in respect of prior years	過往年度 超額撥備	(5,333)	–
		36,785	–
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	源自及撥回暫時性差額	2,811	(2,003)
Withholding tax	預扣稅	2,300	–
Total income tax expense/(credit)	所得稅開支/(抵免)總額	41,896	(2,003)

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

13. INCOME TAX (continued)

No provision for Hong Kong Profits Tax has been made as the Group had no assessable profits arising in Hong Kong for both years. Taxation outside Hong Kong is calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the relevant jurisdictions.

Reconciliation between tax expense/(credit) and accounting profit/(loss) from continuing operations at applicable tax rates

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Profit/(loss) before taxation	除稅前溢利／(虧損)	179,686	(20,948)
Notional tax on profit/(loss) before taxation, calculated at the rates applicable to profits/(losses) in the jurisdictions concerned	除稅前溢利／(虧損)之名義稅項按有關司法權區之溢利／(虧損)適用稅率計算	50,904	5
Tax effect of non-deductible expense	不可扣稅開支之稅務影響	105,468	16,985
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(97,049)	(37,928)
Tax incentives	稅務獎勵	(7,336)	-
Tax effect of utilisation of previously not recognised tax losses and allowances	動用先前未確認之稅項虧損及撥備之稅務影響	(8,413)	-
Tax effect of unused tax losses and allowance not recognised	未確認之未使用稅項虧損及撥備之稅務影響	371	16,773
Over-provision in respect prior years	過往年度超額撥備	(5,333)	-
Withholding tax	預扣稅	2,300	-
Others	其他	984	2,162
		41,896	(2,003)

13. 所得稅(續)

由於本集團於兩個年度均並無於香港產生應課稅溢利，故並無就香港利得稅作出撥備。香港境外之稅項根據按相關司法權區之現行稅率計算之年度估計應課稅盈利計算。

於持續經營業務按適用稅率計算之稅項開支／(抵免)與會計溢利／(虧損)間之對賬

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14. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS

(a) Directors' and chief executives' emoluments

Directors' and chief executive's emoluments for the years ended 31 December 2016 and 2017 are set out below:

14. 董事及最高行政人員酬金

(a) 董事及最高行政人員酬金

截至二零一六年及二零一七年十二月三十一日止年度，董事及最高行政人員之酬金載列如下：

		Retirement		
		Salaries and other benefits	benefit scheme contributions	Total emoluments
Fees		薪金及其他福利	退休福利計劃供款	總酬金
袍金		薪金及其他福利	退休福利計劃供款	總酬金
HK\$'000		HK\$'000	HK\$'000	HK\$'000
港幣千元		港幣千元	港幣千元	港幣千元
2017	二零一七年			
Executive Directors	執行董事			
Guo Ke (Note i)	郭可(附註i)	-	63	63
Zhu Chunjie (Note ii)	主春杰(附註ii)	-	32	32
Zhao Quan	趙權	-	3,390	3,453
Xu Haohao	徐昊昊	-	2,515	2,641
Wang Shuang (Note iv)	Wang Shuang(附註iv)	-	2,160	2,160
Zhang Ke (Note vi)	張克(附註vi)	-	401	412
Non-executive Directors	非執行董事			
Leung Shun Sang, Tony	梁順生	220	-	220
Mung Bun Man, Alan (Note v)	蒙品文(附註v)	97	-	97
Wang Hao (Note iii)	王浩(附註iii)	120	-	120
Independent Non-executive Directors	獨立非執行董事			
Leung Kai Cheung	梁繼昌	300	-	300
Liem Chi Kit, Kevin	林子傑	300	-	300
Lam Kin Fung, Jeffrey	林健鋒	300	-	300
		1,337	8,561	10,098

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14. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS (continued)

(a) Directors' and chief executives' emoluments (continued)

14. 董事及最高行政人員酬金(續)

(a) 董事及最高行政人員酬金(續)

		Fees	Salaries and other benefits	Retirement benefit scheme contributions	Total emoluments
		袍金	薪金及其他福利	退休福利計劃供款	總酬金
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
2016	二零一六年				
Executive Directors	執行董事				
Zhao Quan	趙權	–	3,080	–	3,080
Xu Haohao	徐昊昊	–	1,951	126	2,077
Wang Shuang (Note iv)	Wang Shuang(附註iv)	–	181	–	181
Zhang Ke (Note vi)	張克(附註vi)	–	2,029	53	2,082
Li Tongshuang (Note vii)	李同雙(附註vii)	–	2,402	116	2,518
Non-executive Directors	非執行董事				
Leung Shun Sang, Tony	梁順生	220	–	–	220
Wang Hao (Note iii)	王浩(附註iii)	109	242	13	364
Independent Non-executive Directors	獨立非執行董事				
Directors					
Leung Kai Cheung	梁繼昌	300	–	–	300
Liem Chi Kit, Kevin	林子傑	300	–	–	300
Lam Kin Fung, Jeffrey	林健鋒	300	–	–	300
		1,229	9,885	308	11,422

Note:

- Mr. Guo Ke was appointed as an Executive Director on 13 December 2017.
- Mr. Zhu Chunjie was appointed as an Executive Director on 13 December 2017 and resigned on 13 April 2018.

附註：

- 郭可先生於二零一七年十二月十三日獲委任為執行董事。
- 主春杰先生於二零一七年十二月十三日獲委任為執行董事，並於二零一八年四月十三日辭任。

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14. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS (continued)

(a) Directors' and chief executives' emoluments (continued)

Note: (continued)

- iii. Mr. Wang Hao was re-designated as a Non-executive Director on 4 February 2016 and resigned on 13 December 2017.
- iv. Mr. Wang Shuang was appointed as an Executive Director on 24 November 2016 and resigned on 13 December 2017.
- v. Mr. Mung Bun Man, Alan was appointed as a Non-executive Director on 5 September 2017.
- vi. Mr. Zhang Ke was appointed as an Executive Director on 22 April 2016 and resigned on 6 February 2017.
- vii. Mr. Li Tongshuang resigned as an Executive Director on 24 November 2016.

The emoluments disclosed above included those for services rendered by Mr. Wang Hao as Executive Director and Chief Executive Officer.

The Executive Directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

The Non-executive Directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries.

The Independent Non-executive Directors' emoluments shown above were mainly for their services as directors of the Company.

14. 董事及最高行政人員酬金(續)

(a) 董事及最高行政人員酬金(續)

附註：(續)

- iii. 王浩先生於二零一六年二月四日轉任為非執行董事，其後於二零一七年十二月十三日辭任。
- iv. Wang Shuang先生於二零一六年十一月二十四日獲委任為執行董事，其後於二零一七年十二月十三日辭任。
- v. 蒙品文先生於二零一七年九月五日獲委任為非執行董事。
- vi. 張克先生於二零一六年四月二十二日獲委任為執行董事，其後於二零一七年二月六日辭任。
- vii. 李同雙先生於二零一六年十一月二十四日辭任執行董事。

上文披露之酬金包括王浩先生擔任執行董事兼行政總裁時提供服務之酬金。

上文所示之執行董事酬金主要與彼等管理本公司及本集團事務之服務有關。

上文所示之非執行董事酬金主要與彼等擔任本公司或其附屬公司董事之服務有關。

上文所示之獨立非執行董事酬金主要與彼等擔任本公司董事之服務有關。

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14. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS (continued)

(b) Five individuals with highest emoluments

Of the five individuals with highest emoluments in the Group, three (2016: four) were Directors of the Company whose emoluments are set out above. The emoluments of the remaining two (2016: one) individuals are as follows:

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	22,295	1,162
Contributions to retirement benefit schemes	退休福利計劃之供款	51	18
		22,346	1,180

The emoluments were within the following bands:

		2017 二零一七年 Number of employees 僱員數目	2016 二零一六年 Number of employees 僱員數目
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	-	1
HK\$3,500,001 to HK\$4,000,000	港幣3,500,001元至 港幣4,000,000元	1	-
HK\$18,500,001 to HK\$19,000,000	港幣18,500,001元至 港幣19,000,000元	1	-

No emoluments were paid by the Group to the Directors or the five highest paid individuals as compensation for loss of office or as an inducement to join or upon joining the Group.

14. 董事及最高行政人員酬金(續)

(b) 五名最高薪酬人士

於本集團五名最高薪酬人士中，共有三名(二零一六年：四名)為本公司董事，彼等之酬金載於上文。其餘兩名(二零一六年：一名)人士之酬金如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	22,295	1,162
Contributions to retirement benefit schemes	退休福利計劃之供款	51	18
		22,346	1,180

彼等之酬金範圍如下：

		2017 二零一七年 Number of employees 僱員數目	2016 二零一六年 Number of employees 僱員數目
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	-	1
HK\$3,500,001 to HK\$4,000,000	港幣3,500,001元至 港幣4,000,000元	1	-
HK\$18,500,001 to HK\$19,000,000	港幣18,500,001元至 港幣19,000,000元	1	-

本集團並無向董事或五名最高薪酬人士支付酬金，作為離職補償或作為加入或加入本集團後之獎勵。

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15. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 December 2017 and 2016, nor has any dividend been proposed since the end of reporting period.

16. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the year attributable to owners of the Company, and the weighted average number of ordinary shares of 11,399,996,101 (2016: 11,399,996,101) in issue during the year.

(b) Diluted earnings/(loss) per share

No adjustment has been made to the basic earnings per share amounts presented for the year ended 31 December 2017 in respect of a dilution as the impact of 2016 Convertible Bonds (as defined in Note 32) outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

15. 股息

本公司於截至二零一七年及二零一六年十二月三十一日止年度並無向普通股股東支付或建議支付任何股息，且自報告期末起並無建議支付任何股息。

16. 每股盈利／（虧損）

(a) 每股基本盈利／（虧損）

每股基本盈利／（虧損）金額根據本公司擁有人應佔年度溢利／（虧損）及年內已發行普通股之加權平均數 11,399,996,101 股（二零一六年：11,399,996,101 股）計算。

(b) 每股攤薄盈利／（虧損）

由於尚未行使之二零一六年可換股債券（定義見附註32）對呈列之每股基本盈利金額具反攤薄影響，故並未於截至二零一七年十二月三十一日止年度就攤薄對呈列之每股基本盈利金額作出調整。

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16. EARNINGS/(LOSS) PER SHARE (continued)

(b) Diluted earnings/(loss) per share (continued)

The calculation of the diluted loss per share for the year ended 31 December 2016 is based on the loss for the year attributable to owners of the Company, adjusted to reflect the interests and fair value changes of 2016 Convertible Bonds, calculated as follows:

(i) Loss attributable to owners of the Company (diluted)

16. 每股盈利／(虧損)(續)

(b) 每股攤薄盈利／(虧損)(續)

截至二零一六年十二月三十一日止年度之每股攤薄虧損根據本公司擁有人應佔年度虧損計算，並作出調整以反映二零一六年可換股債券之利息及公允價值變動，計算如下：

(i) 本公司擁有人應佔虧損(經攤薄)

		2016 二零一六年 HK\$'000 港幣千元
Loss attributable to owners of the Company, used in the basic loss per share calculation:	本公司擁有人應佔虧損(用於計算每股基本虧損)：	
From continuing operations	持續經營業務	(8,322)
From discontinued operations	已終止業務	(13,580)
		<u>(21,902)</u>
Interest expenses on 2016 Convertible Bonds (Note 32)	於二零一六年可換股債券之利息支出(附註32)	36,179
Fair value gain on the derivative components of 2016 Convertible Bonds (Note 32)	於二零一六年可換股債券之衍生工具部份之公允價值收益(附註32)	(61,191)
		<u>(46,914)</u>
Loss attributable to owners of the Company (diluted)	本公司擁有人應佔虧損(經攤薄)	<u>(46,914)</u>
Attributable to:	應佔：	
Continuing operations	持續經營業務	(33,334)
Discontinued operations	已終止業務	(13,580)
		<u>(46,914)</u>

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

16. EARNINGS/(LOSS) PER SHARE (continued)

(b) Diluted earnings/(loss) per share (continued)

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

16. 每股盈利／(虧損)(續)

(b) 每股攤薄盈利／(虧損)(續)

(ii) 普通股加權平均數(經攤薄)

		2016 二零一六年 '000 千股
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	11,399,996
Effect of conversion of 2016 Convertible Bonds	轉換二零一六年可換股債券之影響	459,979
Weighted average number of ordinary shares (diluted) at 31 December	於十二月三十一日之普通股加權平均數(經攤薄)	11,859,975

The computation of diluted loss per share for the year ended 31 December 2016 does not assume exercise of (1) conversion of the convertible bonds issued in 2009 and repaid in 2016 because the assumed exercise of conversion thereof would result in decrease in loss per share from continuing operations and (2) share options because the exercise price of those options was higher than the average market price for shares.

計算截至二零一六年十二月三十一日止年度之每股攤薄虧損時並無假設行使(1)轉換於二零零九年發行並於二零一六年償還之可換股債券，原因為假設行使轉換該等可換股債券會導致持續經營業務之每股虧損下降及(2)購股權，原因為該等購股權之行使價高於股份平均市價。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Land, buildings and improvements	Motor vehicles and trailers	Furniture, fittings, computers, and office equipment	Assets under construction	Hotel and buildings for golf business	Plant, machinery, equipment, moulds and tools	Total
		土地、樓宇 及物業裝修	汽車和拖車	傢私、裝置、 電腦及 辦公室設備	在建資產	高爾夫球 業務之酒店 及樓宇	廠房、機器、 設備、模具 及工具	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
COST	成本							
At 1 January 2016	於二零一六年一月一日	52,962	14,954	12,151	-	273,954	19,879	373,900
Transfer to disposal group	轉撥至出售組別	(3,745)	(10,922)	(4,261)	-	-	-	(18,928)
Additions	添置	2,886	1,435	197	-	-	2,626	7,144
Disposals	出售	-	-	-	-	-	(7,414)	(7,414)
Disposal of subsidiaries	出售附屬公司	(36,560)	(658)	(826)	-	-	-	(38,044)
Exchange realignment	匯兌調整	(1,706)	(78)	(41)	-	(17,924)	(1,090)	(20,839)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	13,837	4,731	7,220	-	256,030	14,001	295,819
Transfer to disposal group	轉撥至出售組別	(40)	-	-	-	-	(81)	(121)
Additions	添置	34,836	4,883	3,900	86,546	-	7,322	137,487
Reclassification	重新分類	278,929	17	-	(278,975)	-	29	-
Transfer to intangible assets	轉撥至無形資產	-	-	(6)	(110)	-	-	(116)
Acquisition of subsidiaries (Note 4)	收購附屬公司(附註4)	7,879,031	73,814	39,991	242,130	-	106,685	8,341,651
Disposals	出售	(78,105)	(8,864)	(9,952)	-	-	(19,287)	(116,208)
Exchange realignment	匯兌調整	67,881	1,288	605	1,683	19,485	3,553	94,495
At 31 December 2017	於二零一七年十二月三十一日	8,196,369	75,869	41,758	51,274	275,515	112,222	8,753,007
ACCUMULATED DEPRECIATION	累計折舊							
At 1 January 2016	於二零一六年一月一日	4,508	9,914	9,122	-	13,698	4,792	42,034
Transfer to disposal group	轉撥至出售組別	(2,060)	(8,400)	(2,572)	-	-	-	(13,032)
Charge for the year	年內計提	3,979	835	233	-	8,928	3,465	17,440
Disposals	出售	-	-	-	-	-	(6,673)	(6,673)
Disposal of subsidiaries	出售附屬公司	(1,613)	(625)	(762)	-	-	-	(3,000)
Exchange realignment	匯兌調整	(60)	(46)	(37)	-	(1,290)	(172)	(1,605)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	4,754	1,678	5,984	-	21,336	1,412	35,164
Transfer to disposal group	轉撥至出售組別	(40)	-	-	-	-	-	(40)
Transfer to intangible assets	轉撥至無形資產	-	-	-	-	-	(6)	(6)
Charge for the year	年內計提	138,053	5,529	5,370	-	8,523	15,349	172,824
Disposals	出售	(21,280)	(6,132)	(9,820)	-	-	(18,047)	(55,279)
Exchange realignment	匯兌調整	6,253	613	407	-	1,942	2,002	11,217
At 31 December 2017	於二零一七年十二月三十一日	127,740	1,688	1,941	-	31,801	710	163,880
NET BOOK VALUE	賬面淨值							
At 31 December 2017	於二零一七年十二月三十一日	8,068,629	74,181	39,817	51,274	243,714	111,512	8,589,127
At 31 December 2016	於二零一六年十二月三十一日	9,083	3,053	1,236	-	234,694	12,589	260,655

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17. PROPERTY, PLANT AND EQUIPMENT

(continued)

As at the end of the reporting period, the carrying amount of property, plant and equipment of the Group held under finance lease arrangements amounted to HK\$18,469,000 (2016: HK\$2,255,000).

During the year, the Group capitalised interest expenses of HK\$5,646,000 (2016: Nil) in assets-under-construction, with a capitalisation rate of 3.16% (2016: Nil).

18. LAND USE RIGHTS

Amortisation of land use rights of HK\$43,101,000 (2016: HK\$43,466,000) is recognised in the Group's profit or loss for the year ended 31 December 2017.

17. 物業、廠房及設備(續)

於報告期末，本集團根據融資租賃安排持有之物業、廠房及設備之賬面值為港幣18,469,000元(二零一六年：港幣2,255,000元)。

年內，本集團將利息開支港幣5,646,000元(二零一六年：無)資本化於在建資產，資本化比率為3.16%(二零一六年：無)。

18. 土地使用權

截至二零一七年十二月三十一日止年度，土地使用權攤銷港幣43,101,000元(二零一六年：港幣43,466,000元)於本集團損益內確認。

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Leasehold land in the PRC	中國之租賃土地	1,140,105	1,101,025
Analysed for reporting purposes as:	按報告而分析為：		
Current assets	流動資產	44,710	41,548
Non-current assets	非流動資產	1,095,395	1,059,477
		1,140,105	1,101,025

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19. INVESTMENT PROPERTIES

19. 投資物業

		HK\$'000
		港幣千元
FAIR VALUE	公允價值	
At 1 January 2016	於二零一六年一月一日	–
Additions	添置	2,537,809
Exchange realignment	匯兌調整	(96,798)
Fair value adjustment	公允價值調整	6,610
		<hr/>
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	2,447,621
Acquisition of subsidiaries (Note 4)	收購附屬公司(附註4)	2,612
Additions	添置	7,562
Exchange realignment	匯兌調整	135,965
Fair value adjustment	公允價值調整	(107,558)
		<hr/>
At 31 December 2017	於二零一七年十二月三十一日	2,486,202

All of the Group's properties held under operating leases with the purposes to earn rentals or for capital appreciation are measured using the fair value model and are classified and accounted for as investment properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

本集團為賺取租金或作資本增值用途而根據經營租賃持有之所有物業使用公允價值模式計量，並分類及入賬列為投資物業。於估計物業之公允價值時，該等物業現時已為最高及最佳用途。

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19. INVESTMENT PROPERTIES (continued)

Information about fair value measurements using significant unobservable inputs

The following table shows the valuation techniques used in the determination of fair values for material investment properties and key unobservable inputs used in the valuation models.

19. 投資物業(續)

有關使用顯著不可觀察輸入數據進行公允價值計量之資料

下表顯示釐定重大投資物業公允價值所採用之估值方法及估值模式所採用之主要不可觀察輸入數據。

	Fair value	Fair value hierarchy	Valuation techniques	Unobservable inputs	Range of significant inputs	Relationship of inputs to fair value
	公允價值	公允價值層級	估值方法	不可觀察輸入數據	顯著輸入數據範圍	數據與公允價值之間之關係
	HK\$'000					
	港幣千元					
As at 31 December 2017						
於二零一七年十二月三十一日						
Investment properties located in the UK 位於英國之投資物業	1,394,290	Level 3 第三級別	Income approach 收入法	(i) Capitalisation rate (i) 資本化比率	4.5%-5.1% 4.5%至5.1%	The higher the capitalisation rate, the lower the fair value. 資本化比率越高，公允價值越低。
				(ii) Monthly market rent per square feet (ii) 每月每平方呎市場租金	GBP35-GBP36 per square foot 每平方呎35英鎊至36英鎊	The higher the market rent, the higher the fair value. 市場租金越高，公允價值越高。
Investment properties located in the USA 位於美國之投資物業	1,089,317	Level 3 第三級別	Income approach 收入法	(i) Capitalisation rate (i) 資本化比率	5.3% 5.3%	The higher the capitalisation rate, the lower the fair value. 資本化比率越高，公允價值越低。
				(ii) Monthly market rent per acre (ii) 每月每英畝市場租金	US\$308.5 308.5美元	The higher the market rent, the higher the fair value. 市場租金越高，公允價值越高。

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19. INVESTMENT PROPERTIES (continued)

Information about fair value measurements using significant unobservable inputs (continued)

The following table shows the valuation techniques used in the determination of fair values for material investment properties and key unobservable inputs used in the valuation models. (continued)

	Fair value	Fair value hierarchy	Valuation techniques	Unobservable inputs	Range of significant inputs	Relationship of inputs to fair value
	公允價值	公允價值層級	估值方法	不可觀察輸入數據	顯著輸入數據範圍	數據與公允價值之間之關係
	HK\$'000					
	港幣千元					
As at 31 December 2016						
於二零一六年十二月三十一日						
Investment properties located in the UK 位於英國之投資物業	1,340,668	Level 3 第三級別	Income approach 收入法	(i) Capitalisation rate (i) 資本化比率	4.75% – 5% 4.75%至5%	The higher the capitalisation rate, the lower the fair value. 資本化比率越高，公允價值越低。
				(ii) Monthly market rent per square feet (ii) 每月每平方米市場租金	GPB15 – GPB38.5 per square foot 每平方呎15英鎊至38.5英鎊	The higher the market rent, the higher the fair value. 市場租金越高，公允價值越高。
Investment properties located in the USA 位於美國之投資物業	1,106,953	Level 3 第三級別	Income approach 收入法	(i) Capitalisation rate (i) 資本化比率	5% 5%	The higher the capitalisation rate, the lower the fair value. 資本化比率越高，公允價值越低。
				(ii) Monthly market rent per acre (ii) 每月每英畝市場租金	US\$313.5 313.5美元	The higher the market rent, the higher the fair value. 市場租金越高，公允價值越高。

19. 投資物業(續)

有關使用顯著不可觀察輸入數據進行公允價值計量之資料(續)

下表顯示釐定重大投資物業公允價值所採用之估值方法及估值模式所採用之主要不可觀察輸入數據。(續)

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19. INVESTMENT PROPERTIES (continued)

At the end of the reporting period, management of the Group works closely with the independent qualified professional valuers to establish and determine the appropriate valuation techniques and inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to management of the Group.

There were no transfers into or out of Level 3 for the years ended 31 December 2017 and 31 December 2016.

The fair values of the investment properties located in the USA at 31 December 2017 and 31 December 2016 were arrived at on the basis of valuations carried out on that date by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (“**JLL**”), independent qualified professional valuers not connected with the Group. JLL has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The fair values were determined based on income approach where the market rents are assessed by considering the income derived from existing tenancies of the properties and discounted at the capitalisation rate.

The fair value of the investment property located in the UK as at 31 December 2017 was arrived at on the basis of valuations carried out by Vigers Appraisal & Consulting Limited (“**Vigers**”) (2016: JLL), independent qualified professional valuer not connected with the Group. Vigers (2016: JLL) has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The fair values were determined based on income approach where the market rents are assessed by considering the income derived from existing tenancies of the properties and discounted at the capitalisation rate.

19. 投資物業(續)

於報告期末，本集團管理層與獨立合資格專業估值師緊密合作，以制定及釐定合適估值方法及輸入數據。倘資產之公允價值有重大變動，將向本集團管理層匯報波動原因。

於截至二零一七年十二月三十一日止年度及截至二零一六年十二月三十一日止年度，概無轉入或轉出公允價值層級之第三級別。

本集團位於美國之投資物業於二零一七年十二月三十一日及二零一六年十二月三十一日之公允價值以與本集團並無關連之獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司(「**仲量聯行**」)於該日期進行之估值為基準達致。仲量聯行在對相關地點之類似物業進行估值方面具備合適資格及近期經驗。公允價值乃根據收入法釐定，而市場租金則透過考慮由物業之現有租約產生之收入進行評估，並按資本化比率貼現。

位於英國之投資物業於二零一七年十二月三十一日之公允價值以與本集團並無關連之獨立合資格專業估值師威格斯資產評估顧問有限公司(「**威格斯**」)(二零一六年：仲量聯行)所進行之估值為基準達致。威格斯(二零一六年：仲量聯行)對相關地點之類似物業進行估值方面具備合適資格及近期經驗。公允價值乃根據收入法釐定，而市場租金則透過考慮由物業之現有租約產生之收入進行評估，並按資本化比率貼現。

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20. INTANGIBLE ASSETS

20. 無形資產

		Project contracts	Customer contracts	LME licence	Development costs for intelligent information system and computer software	Business relationships	Brand	Total
		項目合約	客戶合約	LME 許可證	智能信息系統之開發成本及電腦軟件	業務關係	品牌	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
COST	成本							
At 1 January 2016	於二零一六年一月一日	1,473	-	-	14,437	-	-	15,910
Transfer to disposal group	轉撥至出售組別	(1,473)	-	-	(14,437)	-	-	(15,910)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	-	-	-	-	-	-	-
Acquisition of subsidiaries (Note 4)	收購附屬公司(附註4)	-	24,673	36,951	9,490	108,794	251,366	431,274
Additions	添置	-	-	-	2,710	-	-	2,710
Disposal	出售	-	-	-	(1,676)	-	-	(1,676)
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	-	-	-	110	-	-	110
Exchange realignment	匯兌調整	-	200	300	(132)	883	2,190	3,441
At 31 December 2017	於二零一七年十二月三十一日	-	24,873	37,251	10,502	109,677	253,556	435,859
ACCUMULATED AMORTISATION	累計攤銷							
At 1 January 2016	於二零一六年一月一日	1,473	-	-	14,266	-	-	15,739
Transfer to disposal group	轉撥至出售組別	(1,473)	-	-	(14,266)	-	-	(15,739)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	-	-	-	-	-	-	-
Charge for the year	年內計提	-	1,640	653	2,138	3,615	8,352	16,398
Disposals	出售	-	-	-	(1,676)	-	-	(1,676)
Exchange realignment	匯兌調整	-	18	7	5	43	95	168
At 31 December 2017	於二零一七年十二月三十一日	-	1,658	660	467	3,658	8,447	14,890
NET BOOK VALUE	賬面淨值							
At 31 December 2017	於二零一七年十二月三十一日	-	23,215	36,591	10,035	106,019	245,109	420,969
At 31 December 2016	於二零一六年十二月三十一日	-	-	-	-	-	-	-

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21. INTEREST IN ASSOCIATES

21. 於聯營公司之權益

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Share of net assets	應佔資產淨值	200,037	-
Quasi-equity loan to an associate	授予一間聯營公司之類似股本貸款	2,098	-
		202,135	-

Quasi-equity loan to an associate is interest-free and forms part of the Group's net investment in that associate. The loan is unsecured and settlement is neither planned nor likely to occur in the foreseeable future.

授予一間聯營公司之類似股本貸款為免息，並構成本集團於聯營公司之投資淨額之一部份。該貸款為無抵押，並無計劃亦不大可能於可見未來結清。

The Group's associates are acquired through business combination (see Note 4). All associates are unlisted and each of them does not have a significant financial impacts on the Group's results and financial position. Aggregate financial information of associates that are not individually material is as follows:

本集團之聯營公司均透過業務合併(見附註4)收購。所有聯營公司均為非上市，且各自對本集團之業績及財務狀況均無重大財務影響。非個別重大聯營公司之整合財務資料如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Carrying amount in the consolidated financial statements	於綜合財務報表之賬面值	202,135	-
Aggregate amounts of the Group's share of those associates'	本集團應佔該等聯營公司之總值		
Profit from continuing operations	持續經營業務溢利	13,006	-
Other comprehensive income	其他全面收益	1,141	-
Total comprehensive income	全面收益總額	14,147	-

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22. INTEREST IN JOINT VENTURES

The Group's joint ventures are acquired through business combination (see Note 4). All joint ventures are unlisted and each of them does not have a significant financial impact on the Group's results and financial position. Aggregate financial information of joint ventures that are not individually material is as follows:

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Carrying amount in the consolidated financial statements	於綜合財務報表之賬面值	311,334	-
Aggregate amounts of the Group's share of those joint ventures'	本集團應佔該等合營企業之總值		
Profit from continuing operations	持續經營業務溢利	4,020	-
Other comprehensive income	其他全面收益	(9,937)	-
Total comprehensive income	全面收益總額	(5,917)	-

22. 於合營企業之權益

本集團之合營企業均透過業務合併(見附註4)收購。所有合營企業均為非上市，且各自對本集團之業績及財務狀況均無重大財務影響。非個別重大合營公司之整合財務資料如下：

23. OTHER FINANCIAL ASSETS

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Non-current	非流動		
Available-for-sale equity securities:	可供出售股本證券：		
- Unlisted	- 非上市	155,234	155,000
- Listed	- 上市	218,175	-
		373,409	155,000
Current	流動		
Held-to-maturity treasury securities:	持至到期之國庫券：		
- Listed	- 上市	560,680	-
Equity securities designated at fair value through profit or loss	指定為按公允價值之計入損益之股本證券		
- Listed	- 上市	488	-
		561,168	-

23. 其他金融資產

NOTE
附註

(a)

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23. OTHER FINANCIAL ASSETS (continued)

- (a) The treasury securities are quoted with an interest rate ranging from 1.07% coupon to 1.28% that mature between one to five months. The treasury securities are purchased using customer segregated funds held and pledged as margin deposit with the Chicago Mercantile Exchange (“CME”).

23. 其他金融資產(續)

- (a) 國庫券以介乎1.07%票面息率至1.28%之利率報價，並於一至五個月內到期。國庫券使用所持之客戶分離資金購買，並於芝加哥商品交易所(「芝交所」)抵押為保證金。

24. INVENTORIES

24. 存貨

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Commodity inventories at fair value	按公允價值計量之商品存貨	1,755,197	-
Commodity inventories at lower of cost and net realisable value	按成本及可變現淨值較低者計量之商品存貨	2,559,610	-
Raw materials	原料	10,636	6,474
Finished goods	製成品	24,778	442
		4,350,221	6,916
Less: Allowance for inventory obsolescence	減：陳舊存貨撥備	(1,157)	-
		4,349,064	6,916

25. TRADE RECEIVABLES

25. 應收貿易賬項

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Trade debtors and bills receivable	應收貿易債務人賬款及應收票據	4,633,470	29,515
Less: Allowance for doubtful debts (Note 25(b))	減：呆賬撥備(附註25(b))	(28,545)	(2,475)
		4,604,925	27,040

Trade debtors and bills receivable are expected to be recovered within one year or recognised as expenses.

預期應收貿易債務人賬款及應收票據均可一年內收回，否則將確認為開支。

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25. TRADE RECEIVABLES (continued)

The Group's trade receivables at 31 December 2017 included accrued income of HK\$932,350,000 (2016: Nil) which represents primarily sales made but yet to be invoiced and price adjustments to the provisional sales/purchase price of certain commodities. During the contractually agreed quotation period, the sales/purchase prices are not fixed and fluctuate based on the changes in the market prices of the underlying metals. The Group marks to market its provisional sales and purchases based on the forward price for the estimated month of settlement. In the consolidated statement of financial position, positive marked to market adjustments are included within accrued income whereas negative adjustments are included within accrued expenses. Upon completion of the quotation period, the prices are fixed based upon the spot price and metal contents and quantities upon receipt of the final assay and weight certificates.

As at 31 December 2017, trade receivables amounted to HK\$10,970,000 (2016: Nil), HK\$3,589,000 (2016: Nil) and HK\$783,000 (2016: Nil), are due from the Group's associates, joint ventures and other related parties, respectively.

(a) Ageing analysis

As at the end of the reporting period, the ageing analysis of trade debtors and bills receivable based on the invoice date and net of allowance for doubtful debts, is as follows:

0-90 days	0-90日
91-180 days	91-180日
181-365 days	181-365日
1-2 years	1-2年
Over 2 years	2年以上

Further details of the Group's credit policy are set out in Note 44(b).

25. 應收貿易賬項(續)

本集團於二零一七年十二月三十一日的應收貿易賬項包括應計收入港幣932,350,000元(二零一六年：無)，主要指已銷售但尚未開具發票及對若干商品臨時銷售／購買價格進行調整之情況。於合約協定之報價期間，銷售／購買價格並不固定，並因應相關金屬市場價格變動而波動。本集團根據估計結算月份之遠期價格，對其臨時銷售及購買進行市場劃價。於綜合財務狀況表中，正數市場劃價調整列入應計收入，而負數調整列入應計開支。於報價期間完成後，價格於收到最終測定及份量證書後，根據現貨價格、金屬含量及數量予以釐定。

於二零一七年十二月三十一日，本集團應收聯營公司、合營企業及其他關連方之應收貿易賬項分別為港幣10,970,000元(二零一六年：無)、港幣3,589,000元(二零一六年：無)及港幣783,000元(二零一六年：無)。

(a) 賬齡分析

於報告期末，按照發票日期及經扣除呆賬撥備後計算之應收貿易債務人賬款及應收票據之賬齡分析如下：

2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
4,279,536	20,171
242,857	543
36,587	6,326
45,572	-
373	-
4,604,925	27,040

有關本集團信貸政策之進一步詳情載於附註44(b)。

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25. TRADE RECEIVABLES (continued)

(b) Impairment of trade debtors and bills receivable

Impairment losses in respect of trade debtors and bills receivable are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade debtors and bills receivables directly.

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
At 1 January	於一月一日	2,475	34,857
Acquisition of subsidiaries	收購附屬公司	24,968	-
Impairment loss recognised	確認減值虧損	1,294	21,515
Transfer to disposal group	轉撥至出售組別	-	(50,829)
Exchange realignment	匯兌調整	(192)	(3,068)
At 31 December	於十二月三十一日	28,545	2,475

At 31 December 2017, trade debtors and bills receivable of HK\$28,545,000 (2016: HK\$2,475,000) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and management assessed that the receivables may not be recovered. Consequently, specific allowance for doubtful debts of HK\$28,545,000 (2016: HK\$2,475,000) were recognised.

25. 應收貿易賬項(續)

(b) 應收貿易債務人賬款及應收票據之減值

應收貿易債務人賬款及應收票據之減值虧損透過使用撥備賬記賬，除非本集團信納收回該金額之機會甚微，在此情況下減值虧損直接於應收貿易債務人賬款及應收票據撤銷。

年內呆賬撥備(包括特定及共同虧損部份)之變動如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
At 1 January	於一月一日	2,475	34,857
Acquisition of subsidiaries	收購附屬公司	24,968	-
Impairment loss recognised	確認減值虧損	1,294	21,515
Transfer to disposal group	轉撥至出售組別	-	(50,829)
Exchange realignment	匯兌調整	(192)	(3,068)
At 31 December	於十二月三十一日	28,545	2,475

於二零一七年十二月三十一日，應收貿易債務人賬款及應收票據港幣28,545,000元(二零一六年：港幣2,475,000元)已按個別情況釐定為減值。個別減值應收款項與出現財政困難之客戶有關，管理層評估可能無法收回該等應收款項。因此，已確認特定呆賬撥備港幣28,545,000元(二零一六年：港幣2,475,000元)。

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26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

26. 預付款項、按金及其他應收款項

			2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
		NOTE 附註		
Assets held or segregated in separate accounts	以獨立賬戶持有或分離之資產	(a)	4,660,480	–
Deposits and prepayments	按金及預付款項	(b)	337,927	–
Other receivables	其他應收款項		346,504	11,188
Gross amount due from customers for contract work	就合約工程應收客戶款項總額	27	432	–
Amounts due from fellow subsidiaries	應收同系附屬公司款項	(c)	5,357	10,565
Amounts due from other related parties	應收其他關連方款項	(d)	4,179	–
Amount due from DTV Disposal Group	應收數字電視出售組別	6(a)	–	900,000
Loans to associates	向聯營公司貸款	(e)	5,628	–
Loans to non-controlling interests	向非控股權益貸款	(f)	20,830	–
			5,381,337	921,753
Less: non-current portion	減：非流動部份		(77,745)	(2,500)
			5,303,592	919,253

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26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

- (a) The balance at 31 December 2017 included customers' funds of HK\$4,014,955,000 held by the Group in respect of the Group's commodity marketing and financial services, which are required to be held in segregated accounts by laws and regulations of the Securities and Futures Act ("SFA") governed by Monetary Authority of Singapore ("MAS"), the Commodities Trading Act ("CTA") governed by International Enterprise Singapore ("IE Singapore") and Commodity Futures Trading Commission ("CFTC") in the United States of America. These customers' funds are included in "trade and other payables" (see note 29).
- (b) Deposits and prepayments at 31 December 2017 included guarantee deposits of HK\$30,333,000 placed at CME.
- (c) Amounts due from fellow subsidiaries are unsecured, interest free and repayable on demand.
- (d) Amounts due from other related parties represented non-trade amounts due from associates, joint ventures and non-controlling interests which are unsecured, interest-free and repayable on demand.
- (e) Loans to associates are unsecured and bear interest of 1.2% to 4.0% per annum. The Group has given undertakings to the associates not to recall the loans within the next 12 months.
- (f) Loans to non-controlling interests at 31 December 2017 included current and non-current portion:
- non-current portion amounted to HK\$13,057,000 which is unsecured and repayable in 2019. All of the balance is interest-free except for a balance amounted to HK\$1,905,000 which is interest-bearing at 9% per annum.
 - current portion amounted to HK\$7,773,000 which is unsecured, interest-free and repayable on demand.

26. 預付款項、按金及其他應收款項(續)

- (a) 於二零一七年十二月三十一日，結餘包括由本集團就本集團之商品貿易及金融服務持有之客戶基金港幣4,014,955,000元，該等基金根據新加坡金融管理局(「新加坡金融管理局」)所監管之證券及期貨法(「證券及期貨法」)、新加坡國際企業發展局(「新加坡國際企業發展局」)所監管之商品交易法(「商品交易法」)及美利堅合眾國商品期貨交易委員會(「商品期貨交易委員會」)之法律及法規，須透過獨立賬戶持有。該等客戶基金記入「應付貿易賬項及其他應付款項」(見附註29)。
- (b) 於二零一七年十二月三十一日，按金及預付款項包括存置於芝交所之抵押按金港幣30,333,000元。
- (c) 應收同系附屬公司款項為無抵押、免息及按要求償還。
- (d) 應收其他關連方款項指應收聯營公司、合營企業及非控股權益之非貿易款項，為無抵押、免息及按要求償還。
- (e) 向聯營公司貸款為無抵押，並按年利率1.2%至4.0%計息。本集團已向聯營公司承諾，不會於未來12個月內向其催繳貸款。
- (f) 於二零一七年十二月三十一日，向非控股權益之貸款包括流動及非流動部份：
- 非流動部份港幣13,057,000元為無抵押及於二零一九年償還。所有結餘均為免息，惟按年利率9%計息之結餘港幣1,905,000元除外。
 - 流動部份港幣7,773,000元為無抵押、免息及按要求償還。

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27. CONTRACT WORK-IN-PROGRESS

27. 在建合約工程

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Costs incurred and recognised profits	已產生成本及已確認溢利	333,160	-
Allowance for foreseeable losses	可預見虧損撥備	2,034	-
Progress billings	進度付款	(335,106)	-
		88	-
Represented by:	呈列為：		
Gross amount due from customers (Note 26)	應收客戶款項總額(附註26)	432	-
Gross amount due to customers (Note 29(b))	應付客戶款項總額(附註29(b))	(344)	-
		88	-

All of the gross amount due from/(to) customers for contract work at 31 December 2017 are expected to be recovered/(settled) within one year.

In respect of construction contracts in progress at the end of the reporting period, the amount of retentions receivable from customers, recorded in "Other receivables" within "Prepayment, deposits and other receivables" at 31 December 2017, is HK\$8,650,000 (2016: Nil). All of the retentions receivable are expected to be recovered within one year or the Group's normal operating cycle.

The Group assesses allowance for foreseeable losses by taking into account the contract revenue, estimated total costs to completion, project duration and overruns. It is possible that management estimate is not indicative of future losses that may be incurred. Any increase or decrease would affect profit or loss in the future years.

所有於二零一七年十二月三十一日就合約工程應收／(應付)客戶款項總額預期將於一年內收回／(結清)。

就報告期末之在建工程合約而言，於二零一七年十二月三十一日，應收客戶保證金於「預付款項、按金及其他應收款項」內錄為「其他應收款項」，金額為港幣8,650,000元(二零一六年：無)。所有應收保證金預期將於一年內或本集團之正常營運週期內收回。

本集團透過合約收益、估計總完工成本、項目期限及延誤評估可預見虧損撥備。管理層之估計未必反映未來可能出現之虧損。任何增加或減少將影響未來年度之溢利或虧損。

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28. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(a) Cash and cash equivalents comprise

28. 現金及現金等值項目以及其他現金流量資料

(a) 現金及現金等值項目之組成

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 <i>HK\$'000</i> 港幣千元
Cash and bank deposits, representing cash and cash equivalents in the consolidated statement of financial position	現金及銀行存款，指於綜合財務狀況表之現金及現金等值項目	2,137,858	1,085,447
Cash and cash equivalents included in disposal groups held for sale	計入持作出售之出售組別之現金及現金等值項目	-	5,754
Less: Bank overdrafts	減：銀行透支	(7,884)	-
Cash and cash equivalents in the consolidated statement of cash flows	於綜合現金流量表之現金及現金等值項目	2,129,974	1,091,201

Bank balances carry interest at prevailing bank saving deposits rates ranging from 0.01% to 0.88% (2016: 0.01% to 0.88%) per annum.

銀行結存按每年介乎0.01%至0.88%（二零一六年：0.01%至0.88%）之現行銀行儲蓄存款利率計息。

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28. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(continued)

(b) Reconciliation of profit/(loss) for the year to cash generated from operations

28. 現金及現金等值項目以及其他現金流量資料(續)

(b) 年度溢利/(虧損)與自業務產生現金之對賬

			2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Profit/(loss) for the year from	來自以下者之年度溢利/(虧損)			
Continuing operations	持續經營業務		137,790	(18,945)
Discontinued operations	已終止業務		88,421	(40,895)
Profit/(loss) before taxation including discontinued operations	除稅前溢利/(虧損) (包括已終止業務)		226,211	(59,840)
Adjustments for:	調整:			
Gain on bargain purchase	議價收購收益	4	(327,172)	-
Income tax expense/(credit)	所得稅開支/(抵免)		41,896	(2,003)
Depreciation of property, plant and equipment	物業、廠房及設備折舊		173,169	94,373
Amortisation of financial guarantee contracts	財務擔保合約之攤銷		-	(8,491)
Loss on financial guarantee contracts	財務擔保合約之虧損		-	12,061
Interest on convertible bonds	可換股債券利息	11	89,666	54,179
Interest on bank borrowings and other facilities	銀行借款及其他融資利息	11	105,815	54,714
Interest on senior secured notes	有抵押優先票據利息	11	110,198	-
Interest on other borrowings	其他借款利息		48,018	13,435
Interest expenses on hire purchase and finance lease liabilities	租購及融資租賃負債利息開支	11	501	69
Amortisation of intangible assets	無形資產攤銷		16,492	16,442
Amortisation of land use rights	土地使用權攤銷	12	43,101	43,466
Fair value gain on the derivative component of convertible bonds	可換股債券之衍生工具部份之公允價值收益	10	(14,179)	(61,191)
Fair value loss/(gain) on investment properties	投資物業公允價值虧損/(收益)	10	107,558	(8,186)
(Gain) / loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	10	(101,977)	717
Gain on disposal of subsidiaries	出售附屬公司之收益		(112,126)	(128,256)
Interest income	利息收入		(46,606)	(18,422)
Share of profit of associates and joint ventures	分佔聯營公司及合營企業溢利		(17,026)	-
Gain on derecognition of derivative component of convertible bonds	終止確認可換股債券之衍生工具部份之收益		-	(11,996)
Dividend income from other financial assets	從其他金融資產獲得的股息收入		(3,895)	-
Unrealised exchange gain	未變現匯兌收益		1,985	(67,377)
Operating cash flows before changes in working capital	營運資金變動前經營現金流量		341,629	(76,306)

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28. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(continued)

(b) Reconciliation of profit/(loss) for the year to cash generated from operations

(continued)

28. 現金及現金等值項目以及其他現金流量資料(續)

(b) 年度溢利/(虧損)與自業務產生現金之對賬(續)

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
	NOTE 附註		
Increase in inventories	存貨增加	(1,645,841)	(776)
Decrease in trade receivables	應收貿易賬項減少	8,052,032	18,442
Decrease in derivative financial liabilities	衍生金融負債減少	(878,907)	-
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(4,761,837)	(3,911)
(Decrease)/increase in trade and other payables	應付貿易賬項及其他應付款項(減少)/增加	(1,681,210)	117,617
Increase in employee benefit	僱員福利增加	751	-
Increase in provisions	撥備增加	6,045	-
Increase in other financial assets and warrantable LME commodities	其他金融資產及有擔保之LME商品增加	(53,648)	-
Increase in non-current assets	非流動資產增加	(21,371)	-
Decrease in deferred gains	遞延收益減少	(43,877)	(6,427)
Cash (used in)/from operations	經營業務(所用)/所得之現金	(686,234)	48,639

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28. CASH AND CASH EQUIVALENTS AND OTHER CASH FLOW INFORMATION

(continued)

(c) Reconciliation of liabilities arising from financing activities

28. 現金及現金等值項目以及其他現金流量資料(續)

(c) 融資活動產生負債之對賬

		Senior Secured Notes 有抵押 優先票據 HK\$'000 港幣千元	Perpetual Notes 永久票據 HK\$'000 港幣千元	Other loans and borrowings 其他貸款 及借款 HK\$'000 港幣千元	Convertible bonds 可換股 債券 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
At 1 January 2017	於二零一七年 一月一日	-	-	1,287,855	324,421	1,612,276
Changes from financing cash flows:	融資現金流量變動：					
New bank loans raised	新借銀行貸款	-	-	1,013,632	-	1,013,632
Loans from independent third parties	獲獨立第三方提供之貸款	-	-	20,000	-	20,000
Proceeds from issue of senior secured notes	發行有抵押優先票據所得款項	4,373,837	-	-	-	4,373,837
Proceeds from issue of perpetual notes	發行永久票據所得款項	-	358,800	-	-	358,800
Up-front fee paid for issue of senior secured notes	發行有抵押優先票據之預付費用	(110,069)	-	-	-	(110,069)
Repayment of bank loans	償還銀行貸款	-	-	(52,427)	-	(52,427)
Repayment of finance lease obligations	償還融資租賃承擔	-	-	(2,270)	-	(2,270)
Total changes from financing cash flows	融資現金流量變動總額	4,263,768	358,800	978,935	-	5,601,503
Change from operating cash flows:	經營現金流量變動：					
Interest paid	已付利息	(55,280)	-	(145,497)	(32,528)	(233,305)
Effect of foreign exchange rate changes	外幣匯率變動之影響	6,536	382	191,730	(903)	197,745
Other changes:	其他變動：					
Business combination	業務合併	-	-	7,195,658	-	7,195,658
Interest expense	利息開支	110,198	-	154,334	89,666	354,198
Total other changes	其他變動總額	110,198	-	7,349,992	89,666	14,728,076
At 31 December 2017	於二零一七年 十二月三十一日	4,325,222	359,182	9,663,015	380,656	14,728,075

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29. TRADE AND OTHER PAYABLES

29. 應付貿易賬項及其他應付款項

			2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
	NOTE 附註			
Trade and bills payables	應付貿易賬項及應付票據	(a)	1,124,623	7,021
Amounts segregated for customers	劃分予客戶之金額	26(a)	4,014,955	–
Other payables and accruals	其他應付款項及應付項目		2,548,367	107,952
Advance billings	預付賬項	(b)	156,183	–
Amounts due to other related parties	應付其他關連方款項	(c)	1,819	7,475
Loans from non-controlling interests	來自非控股權益之貸款	(d)	13,034	–
			7,858,981	122,448
Less: non-current portion	減：非流動部份		(13,670)	–
			7,845,311	122,448

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

29. TRADE AND OTHER PAYABLES (continued)

- (a) The following is an aged analysis of the trade payables based on the invoice date as at the end of the reporting period:

0–90 days	0–90日
91–180 days	91–180日
181–365 days	181–365日
1–2 years	1–2年
Over 2 years	2年以上

The average credit period for purchase of goods ranged from 90 to 180 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

As at 31 December 2017, trade payables amounted to HK\$2,157,000 (2016: Nil), HK\$2,063,000 (2016: Nil) and HK\$1,175,000 (2016: Nil), are due to the Group's associates, joint ventures and other related parties, respectively.

- (b) The balance includes gross amount due to customers for contract work of HK\$344,000 (see Note 27).
- (c) Amounts due to other related parties represented non-trade amounts due to joint ventures and other related parties which are unsecured, interest-free and repayable on demand.
- (d) Loans from non-controlling interests are unsecured and interest-free. Among which, balances of HK\$10,123,000 are neither planned nor likely to repay within the next twelve months. The rest of the balances are repayable on demand.

29. 應付貿易賬項及其他應付款項(續)

- (a) 以下為於報告期末時之應付貿易賬項根據發票日期之賬齡分析：

2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
924,828	1,451
93,467	3,908
30,100	302
64,916	–
11,312	1,360
1,124,623	7,021

購入商品之平均信貸期介乎90至180日。本集團設有財務風險管理政策，確保於信貸時間範圍內支付全部應付款項。

於二零一七年十二月三十一日，應付予本集團聯營公司、合營企業及其他關連方之應付貿易賬項分別為港幣2,157,000元(二零一六年：無)、港幣2,063,000元(二零一六年：無)及港幣1,175,000元(二零一六年：無)。

- (b) 結餘包括有關就合約工程應付客戶款項總額港幣344,000元(見附註27)。
- (c) 應付其他關連方款項呈列為應付合營企業及其他關連方之非貿易款項，該款項為無抵押、免息及按要償還。
- (d) 來自非控股權益之貸款為無抵押及免息。其中，結餘港幣10,123,000元並無計劃亦不太可能於未來十二個月內償還。餘下結餘為按要償還。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

30. LOANS AND BORROWINGS

30. 貸款及借款

			2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
	NOTE 附註			
Non-current		非流動		
Medium term notes	(a)	中期票據	1,177,567	-
Secured bank loans	(b)	有抵押銀行貸款	2,888,633	1,230,986
Hire purchase and finance lease liabilities		租購及融資租賃負債	13,150	1,706
			4,079,350	1,232,692
Current		流動		
Senior secured notes	(c)	有抵押優先票據	4,325,222	-
Perpetual notes	(c)	永久票據	359,182	-
Secured bank loans	(b)	有抵押銀行貸款	206,450	54,598
Revolving short-term trade facilities	(d)	循環短期貿易融資	5,344,176	-
Hire purchase and finance lease liabilities		租購及融資租賃負債	5,155	565
Unsecured loan		無抵押貸款	20,000	-
Secured bank overdrafts	(b)	有抵押銀行透支	742	-
Unsecured bank overdrafts	(b)	無抵押銀行透支	7,142	-
			10,268,069	55,163

(a) The medium term notes are issued by CWT SG under its Multicurrency Debt Issuance Programme which was first established in April 2013. As at 31 December 2017, the balance included two tranches of medium term notes:

- Notes with aggregate principal amount of S\$100,000,000 (approximately HK\$584,450,000 as at 31 December 2017) issued on 18 April 2013. The notes are interest-bearing at a fixed rate of 3.9% per annum and matured on 18 April 2019. The interest is payable semi-annually in arrear.
- Notes with aggregate principal amount of S\$100,000,000 (approximately HK\$584,450,000 as at 31 December 2017) issued on 18 March 2015. The notes are interest-bearing at a fixed rate of 4.8% per annum and matured on 18 March 2020. The interest is payable semi-annually in arrear.

(a) 中期票據乃由CWT SG根據其於二零一三年四月首次設立之多種貨幣債務發行計劃予以發行。於二零一七年十二月三十一日，結餘包括兩批中期票據：

- 於二零一三年四月十八日所發行本金總額為100,000,000新加坡元(於二零一七年十二月三十一日約港幣584,450,000元)之票據。該等票據按固定年利率3.9%計息及於二零一九年四月十八日到期。利息每半年到期支付一次。
- 於二零一五年三月十八日所發行本金總額為100,000,000新加坡元(於二零一七年十二月三十一日約港幣584,450,000元)之票據。該等票據按固定年利率4.8%計息及於二零二零年三月十八日到期。利息每半年到期支付一次。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

30. LOANS AND BORROWINGS (continued)

- (b) At 31 December 2017, the bank loans and overdrafts were repayable as follows:

Carrying amount repayable	須於以下期間償還之賬面值
Within one year	一年內
More than one year, but not more than two years	一年以上但不超過兩年
More than two years, but not more than five years	兩年以上但不超過五年
More than five years	超過五年

- (c) Senior secured notes and perpetual notes are issued by the Group to finance the Acquisition (see Note 4).

- (i) The Group issued senior secured notes with aggregate principal amount of US\$561,000,000 (carrying amount as at 31 December 2017 of approximately HK\$4,325,222,000). The notes are interest-bearing at a fixed rate of 5% per annum, and secured by the share of Belt and Road Investments Company Limited or HNA Belt and Road Investments (BVI) Company Limited, HNA Belt and Road Investments (Singapore) Pte. Limited and CWT SG. The notes are also guaranteed by HNA Group (International) and HNA Group undertakes to maintain the liquidity of the Company and HNA Group (International) to ensure they have sufficient liquidity to meet the payment obligation. Among which, notes of principal amount of US\$45,000,000 is also secured by the Group's investment properties in UK.

The Group is committed to repay US\$300,000,000 (carrying amount as at 31 December 2017 of approximately HK\$2,312,953,000) in May 2018 and US\$261,000,000 (carrying amount as at 31 December 2017 of approximately HK\$2,012,269,000) in September 2018. Interest are payable every three months in arrear. The notes would bear additional default interest of 2% to 3% per annum since the date of default.

30. 貸款及借款(續)

- (b) 於二零一七年十二月三十一日，銀行貸款及透支須按以下期限償還：

2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
214,334	54,598
576,627	32,352
2,174,348	1,127,236
137,658	71,398
3,102,967	1,285,584

- (c) 本集團發行有抵押優先票據及永久票據以撥付收購事項(見附註4)。

- (i) 本集團發行本金總額為561,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣4,325,222,000元)之有抵押優先票據。該等票據按固定年利率5%計息，由Belt and Road Investments Company Limited或HNA Belt and Road Investments (BVI) Company Limited、HNA Belt and Road Investments (Singapore) Pte. Limited及CWT SG之股份作抵押。該等票據亦由海航集團(國際)擔保而海航集團承諾維持本公司之流動資金，海航集團(國際)將確保彼等有充足流動資金以償付承擔。其中，本金額為45,000,000美元之票據亦由本集團於英國之投資物業作抵押。

本集團承諾於二零一八年五月償還300,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣2,312,953,000元)並於二零一八年九月償還261,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣2,012,269,000元)。利息每三個月到期支付一次。該等票據自違約日期起按2%至3%之額外違約年利率計息。

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30. LOANS AND BORROWINGS (continued)

(c) (continued)

- (ii) The Group issued perpetual notes with aggregate principal amount of US\$46,000,000 (carrying amount as at 31 December 2017 of approximately HK\$359,182,000). The notes are guaranteed by HNA Group (International) Company Limited, a substantial shareholder of the Company, and HNA Group.

The notes are unsecured, interest-free and repayable at the discretion of the Group, but redeemable upon occurrence of subordination events (including but not limited to liquidation of the note guarantors) as set out in the notes' subscription agreement. Since the liquidation of the note guarantors is not controllable by the Group, the perpetual notes is therefore classified as "current liability" in accordance with the prevailing accounting standards.

- (d) Revolving short-term trade facilities of the Group relate to short-term trade related self-liquidating facilities to finance the Group's commodity marketing business. At the end of the reporting period, the facilities are secured by the relevant assets of the commodity marketing business.

30. 貸款及借款(續)

(c) (續)

- (ii) 本集團發行本金總額為46,000,000美元(於二零一七年十二月三十一日之賬面值約為港幣359,182,000元)之永久票據。該等票據由本公司一名主要股東海航集團(國際)有限公司及海航集團擔保。

該等票據為無抵押、免息及由本集團酌情償還，惟於票據之認購協議所載從屬事件(包括但不限於票據擔保人清盤)發生後償還。由於票據擔保人之清盤並不受本集團控制，故永久票據根據現行會計準則分類為「流動負債」。

- (d) 本集團之循環短期貿易融資與為向本集團之商品貿易業務撥款之短期貿易自行清償融資有關。於報告期末，該等融資由商品貿易業務之相關資產作抵押。

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30. LOANS AND BORROWINGS (continued)

At the end of the reporting period, assets used to secure the Group's loans and borrowings, including the obligations under finance leases, were as follows:

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Investment properties	投資物業	1,394,290	1,340,668
Property, plant and equipment	物業、廠房及設備	3,459,462	236,949
Land use rights	土地使用權	1,140,105	1,101,025
Pledged bank deposits	已抵押銀行存款	36,015	37,237
Trade and other receivables	應收貿易賬項及其他應收款項	2,471,417	95,889
Inventories	存貨	4,305,111	—
		12,806,400	2,811,768

The pledged bank deposits carry interest at market rates of 0.3%-1.8% (2016: 0.3%) per annum. The pledged bank deposits will be released upon the settlement of relevant bills payables in year 2018 (2016: released upon settlement of bank borrowings in year 2017) and are therefore classified as current assets.

30. 貸款及借款(續)

於報告期末，用以取得本集團之貸款及借款之抵押資產(包括融資租賃承擔)如下：

已抵押銀行存款按每年0.3%-1.8%(二零一六年：0.3%)之市場利率計息。已抵押銀行存款將於二零一八年償付相關應付票據後解除(二零一六年：於二零一七年償付銀行借款後解除)，故分類為流動資產。

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31. TERMS AND DEBT REPAYMENT SCHEDULE

The terms and conditions of outstanding loans and borrowings are as follows:

31. 條款及償還債務時間表

尚未償還貸款及借款之條款及條件如下：

	Nominal interest rate 票面利率	Year of maturity 到期年限	2017 二零一七年 Carrying amount 賬面值 HK\$'000 港幣千元	2016 二零一六年 Carrying amount 賬面值 HK\$'000 港幣千元
USD floating rate revolving short-term trade facilities 美元浮息循環短期貿易融資	1.43%-4.90% 1.43%至4.90%	2018 二零一八年	5,344,176	—
USD fixed rate senior secured notes 美元定息有抵押優先票據	5.00% 5.00%	2018 二零一八年	4,325,222	—
SGD floating rate loans 新加坡元浮息貸款	1.87%-2.81% 1.87%至2.81%	2020-2021 二零二零年至 二零二一年	1,618,851	—
SGD fixed rate medium term notes 新加坡元定息中期票據	3.90%-4.80% 3.90%至4.80%	2017-2020 二零一七年至 二零二零年	1,177,567	—
GBP floating rate loans 英鎊浮息貸款	1.98% 1.98%	2021 二零二一年	787,457	713,906
RMB floating rate loans 人民幣浮息貸款	6.89%-7.38% 6.89%至7.38%	2018-2023 二零一八年至 二零二三年	554,031	547,202
USD perpetual notes 美元永久票據	N/A 不適用	N/A 不適用	359,182	—
EUR fixed rate loans 歐元定息貸款	1.80%-5.77% 1.80%至5.77%	2020-2027 二零二零年至 二零二七年	86,458	—

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31. TERMS AND DEBT REPAYMENT SCHEDULE (continued)

31. 條款及償還債務時間表(續)

	Nominal interest rate 票面利率	Year of maturity 到期年限	2017 二零一七年 Carrying amount 賬面值 HK\$'000 港幣千元	2016 二零一六年 Carrying amount 賬面值 HK\$'000 港幣千元
HKD floating rate loans 港幣浮息貸款	2.16%	2019 二零一九年	30,000	—
HKD fixed rate loans 港幣定息貸款	2.00%	2018 二零一八年	20,000	—
Hire purchase and finance lease liabilities 租購及融資租賃負債	1.80%-1.90% 1.80%至1.90%	2018-2023 二零一八年至二零二三年	18,305	2,271
TRY floating rate loans 土耳其里拉浮息貸款	16.00%	2018 二零一八年	11,116	—
Bank overdrafts 銀行透支	5.00%-24.00% 5.00%至24.00%	2018 二零一八年	7,884	—
GBP fixed rate loans 英鎊定息貸款	3.60%	2031 二零三一年	6,476	—
INR fixed rate loans 印度盧比定息貸款	8.65%-11.50% 8.65%至11.50%	2018-2019 二零一八年至二零一九年	694	—
EUR floating rate loans 歐元浮息貸款	0.67%	2017 二零一七年	—	24,476
			14,347,419	1,287,855

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32. CONVERTIBLE BONDS AND EMBEDDED DERIVATIVE COMPONENTS

The movement of the debt component and the derivative components (including conversion option derivative, bondholder's early redemption option derivative and compulsory conversion option derivative) of the convertible bonds for the years ended 31 December 2017 and 2016 are set out as follows:

32. 可換股債券及嵌入式衍生工具部份

可換股債券之債務部份及衍生工具部份(包括轉換權衍生工具、債券持有人之提前贖回權衍生工具及強制轉換權衍生工具)於截至二零一七年及二零一六年十二月三十一日止年度之變動載列如下:

		2017		2016	
		二零一七年		二零一六年	
		Debt component	Derivative component	Debt component	Derivative component
		債務部份	衍生工具部份	債務部份	衍生工具部份
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
			Note 44(e)(i) 附註44(e)(i)		Note 44(e)(i) 附註44(e)(i)
At 1 January	於一月一日	324,421	56,167	119,477	11,996
Interest charge for the year	年度利息開支	89,666	-	36,179	-
Gain on fair value changes	公允價值變動之收益	-	(14,179)	-	(61,191)
Derecognition	終止確認	-	-	-	(11,996)
Exchange realignment	匯兌調整	(903)	-	(2,248)	300
Recognition of new convertible bonds	確認新可換股債券	-	-	287,502	117,058
Repayment of principal amount	償還本金	-	-	(116,489)	-
Coupon payment	支付票息	(32,528)	-	-	-
At 31 December	於十二月三十一日	380,656	41,988	324,421	56,167
Analysis of carrying amount	賬面值分析				
- nominal interest payable	- 應付票面利息	-	-	-	-
- 2016 Convertible Bonds (note (b))	- 二零一六年可換股債券 (附註(b))	380,656	41,988	324,421	56,167
		380,656	41,988	324,421	56,167

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32. CONVERTIBLE BONDS AND EMBEDDED DERIVATIVE COMPONENTS (continued)

(a) Convertible bond issued in 2009

On 5 June 2009, the Company issued a convertible bond for a principal amount of US\$15,000,000 (equivalent to approximately HK\$116,250,000) (“**Convertible Bond I**”) to an independent third party, Templeton Strategic Emerging Markets Fund III, LDC (“**Templeton**”). Details of the major terms of the Convertible Bond I are disclosed in the Group’s annual financial statements for the year ended 31 December 2015. The Convertible Bond I shall not bear any interest and will be redeemed at its outstanding principal amount plus a premium of 8.5% per annum compounded annually at the maturity date of Convertible Bond I by the Company. The Convertible Bond I is denominated in United States dollars.

The original maturity date of the Convertible Bond I is on 5 June 2014. On 23 May 2014, the Company and Templeton entered into an agreement to extend the maturity date and conversion option expiry date of Convertible Bond I to the sixth anniversary of the date of issue of the Convertible Bond I (i.e. 5 June 2015) (“**2014 Convertible Bond I**”).

On 24 August 2015, the Company entered into a supplemental agreement with Templeton that the maturity date and conversion option expiry date of the 2014 Convertible Bond I is further extended by one year to 5 June 2016 (“**New Maturity Date**”). Other terms and conditions of this new convertible bond (“**New Convertible Bond I**”) remain unchanged from the original Convertible Bond I.

32. 可換股債券及嵌入式衍生工具部份(續)

(a) 於二零零九年發行之可換股債券

於二零零九年六月五日，本公司發行本金額為15,000,000美元(相等於約港幣116,250,000元)之可換股債券(「**可換股債券I**」)予一名獨立第三方 Templeton Strategic Emerging Markets Fund III, LDC (「**Templeton**」)。有關可換股債券I主要條款之詳情披露於本集團截至二零一五年十二月三十一日止年度之年度財務報表。可換股債券I不附帶任何利息，並將由本公司於可換股債券I之到期日贖回其尚未償還之本金額加上按複合年利率8.5%計算之溢價。可換股債券I以美元計值。

可換股債券I之原到期日為二零一四年六月五日。於二零一四年五月二十三日，本公司與Templeton訂立協議以延長可換股債券I之到期日及轉換權屆滿日期至發行可換股債券I日期第六週年(即二零一五年六月五日)(「**二零一四年可換股債券I**」)。

於二零一五年八月二十四日，本公司與Templeton訂立補充協議，二零一四年可換股債券I之到期日及轉換權屆滿日期獲進一步延長一年至二零一六年六月五日(「**新到期日**」)。此新可換股債券(「**新可換股債券I**」)之其他條款及條件與原有可換股債券I維持不變。

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32. CONVERTIBLE BONDS AND EMBEDDED DERIVATIVE COMPONENTS (continued)

(a) Convertible bond issued in 2009 (continued)

The extension of the debt and derivative components is considered to be a substantial modification of the 2014 Convertible Bond I after taking into account all relevant facts and circumstances including qualitative factors. As such, the 2014 Convertible Bond I was derecognised and the New Convertible Bond I was recognised.

On 5 June 2015, the carrying amount of the 2014 Convertible Bond I amounted to HK\$131,700,000 was derecognised. On initial recognition of the New Convertible Bond I, the fair value of debt component and derivative components amounted to approximately HK\$100,399,000 and HK\$25,860,000, respectively, are recognised in the consolidated statement of financial position. The fair value of the New Convertible Bond I approximates to the carrying amounts of the 2014 Convertible Bond I as at date of initial recognition, and accordingly no gain or loss is recorded. The effective interest rate of the debt component of the New Convertible Bond I and interest payable of the New Convertible Bond I is 25.6% per annum.

During the year ended 31 December 2016, interest expense of approximately HK\$18,000,000 was charged to profit or loss. No conversion was noted for the year ended 31 December 2016. On 5 June 2016, the Company has fully redeemed the New Convertible Bond I at principal amount of US\$15,000,000 (equivalent to approximately HK\$116,489,000) and repaid interest payable of US\$11,552,000 (equivalent to approximately HK\$89,727,000). A gain on derecognition of the derivative components of convertible notes of HK\$11,996,000 is credited to profit or loss during the year ended 31 December 2016.

32. 可換股債券及嵌入式衍生工具部份(續)

(a) 於二零零九年發行之可換股債券(續)

經考慮所有相關事實及情況(包括質量因素)後，延長債務及衍生工具部份被視為二零一四年可換股債券I之重大修訂。因此，二零一四年可換股債券I已獲終止確認，而新可換股債券I已獲確認。

於二零一五年六月五日，二零一四年可換股債券I之賬面值港幣131,700,000元獲終止確認。於初步確認新可換股債券I時，債務部份及衍生工具部份之公允價值分別約為港幣100,399,000元及港幣25,860,000元已於綜合財務狀況表確認。於初步確認日期，新可換股債券I之公允價值與二零一四年可換股債券I之賬面值相若，因此並無錄得收益或虧損。新可換股債券I債務部份之實際利率及新可換股債券I之應付利息為每年25.6%。

截至二零一六年十二月三十一日止年度，利息開支約港幣18,000,000元於損益中扣除。於截至二零一六年十二月三十一日止年度並無換股。於二零一六年六月五日，本公司以本金額15,000,000美元(相等於約港幣116,489,000元)悉數贖回新可換股債券I及償還應付利息11,552,000美元(相等於約港幣89,727,000元)。於截至二零一六年十二月三十一日止年度，終止確認可換股票據之衍生工具部份之收益港幣11,996,000元記入損益。

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32. CONVERTIBLE BONDS AND EMBEDDED DERIVATIVE COMPONENTS (continued)

(b) Convertible bonds issued in 2016

On 30 May 2016, the Company entered into a subscription agreement with independent subscribers (“**Subscribers**”), pursuant to which, the Subscribers agreed to subscribe for convertible bonds in an aggregate principal amount of US\$52,000,000 (“**2016 Convertible Bonds**”). On 19 July 2016, the issuance of convertible bonds under specific mandate in an aggregate principal amount of US\$52,000,000 (equivalent to HK\$404,560,000) was completed. Details of convertible bonds are set out in the Company’s announcements dated 30 May 2016 and 19 July 2016 and the Company’s circular dated 24 June 2016.

The 2016 Convertible Bonds shall bear interest from and including the issue date to and excluding the maturity date which is two years from the date of the issue date on the outstanding amount of the 2016 Convertible Bonds at the interest rate of 8% per annum.

The major terms of the 2016 Convertible Bonds are as follows:

(i) Conversion by the bondholders

Subject to certain conditions, the bondholders have the right to convert their bonds into the shares of the Company at the initial conversion price of HK\$0.4 per share, subject to anti-dilutive adjustments, at any time on and after a date which is 6 months after the issue date up to the close of business on the 7th business day prior to the maturity date or if such bond shall have been called for redemption before the maturity date, then up to and including the close of business on a date prior to the date of giving the notice of redemption, provided that such conversion rights can only be exercised in respect of the bonds in the aggregate principal amount of not less than US\$600,000 and in the integral multiples of US\$100,000.

32. 可換股債券及嵌入式衍生工具部份(續)

(b) 於二零一六年發行之可換股債券

於二零一六年五月三十日，本公司與獨立認購人(「認購人」)訂立認購協議，據此，認購人同意認購本金總額為52,000,000美元之可換股債券(「二零一六年可換股債券」)。於二零一六年七月十九日，本公司根據特別授權完成發行本金總額為52,000,000美元(相等於港幣404,560,000元)之可換股債券。有關可換股債券之詳情載於本公司日期為二零一六年五月三十日及二零一六年七月十九日之公告以及本公司日期為二零一六年六月二十四日之通函。

二零一六年可換股債券將自發行日期(包括該日)起至到期日(不包括該日，為自發行日期起計兩年)止期間，就二零一六年可換股債券之未償還金額按年利率8%計息。

二零一六年可換股債券之主要條款如下：

(i) 債券持有人換股

在若干條件之規限下，債券持有人有權於發行日期後滿六個月當日及之後直至到期日前第七個營業日之營業時間結束止任何時間，以初步換股價每股港幣0.4元(可作反攤薄調整)將其債券轉換為本公司股份，或倘於到期日前要求贖回有關債券，則直至發出贖回通知之日前當日之營業時間結束(包括該日)止，惟僅本金總額不少於600,000美元且為100,000美元之完整倍數之債券方能行使有關換股權。

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32. CONVERTIBLE BONDS AND EMBEDDED DERIVATIVE COMPONENTS (continued)

(b) Convertible bonds issued in 2016 (continued)

(ii) Redemption at maturity

Unless previously redeemed, converted or purchased and cancelled, the Company will redeem each bond at the outstanding principal amount on the maturity date.

(iii) Redemption at the option of the Company

The Company may, having given not less than 7 days' notice to the bondholders, redeem the bonds in whole but not in part at any time if, immediately prior to the date of the relevant notice is given, conversion rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 90% or more in principal amount of the bonds originally issued.

On initial recognition of the 2016 Convertible Bond, the fair value of debt component and derivative components amounted to approximately HK\$287,502,000 and HK\$117,058,000, respectively, are recognised in the consolidated statement of financial position. The effective interest rate of the debt component of the 2016 Convertible Bonds and interest payable of the 2016 Convertible Bonds is 27.8% per annum.

32. 可換股債券及嵌入式衍生工具部份(續)

(b) 於二零一六年發行之可換股債券(續)

(ii) 於到期時贖回

除先前贖回、轉換或購買及註銷外，本公司將於到期日按未償還本金額贖回每張債券。

(iii) 按本公司選擇贖回

倘緊接發出有關通知日期前，原已發行債券本金額90%或以上之換股權將獲行使及／或購買(及相應註銷)及／或贖回生效，本公司可隨時向債券持有人發出不少於七日之通知，以全部而非部份贖回債券。

於初步確認二零一六年可換股債券時，債務部份及衍生工具部份之公允價值分別約為港幣287,502,000元及港幣117,058,000元於綜合財務狀況表確認。二零一六年可換股債券之債務部份之實際利率及二零一六年可換股債券之應付利息為每年27.8%。

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32. CONVERTIBLE BONDS AND EMBEDDED DERIVATIVE COMPONENTS (continued)

(b) Convertible bonds issued in 2016 (continued)

Binomial model is used for valuation of the derivative components of the 2016 Convertible Bonds. The major inputs into the model were as follows:

		31 December 2017 二零一七年 十二月三十一日	31 December 2016 二零一六年 十二月三十一日	19 July 2016 二零一六年 七月十九日
Stock price	股價	HK\$0.390 港幣0.390元	HK\$0.285 港幣0.285元	HK\$0.37 港幣0.37元
Conversion price	換股價	HK\$0.40 港幣0.40元	HK\$0.40 港幣0.40元	HK\$0.40 港幣0.40元
Volatility (Note a)	波幅(附註a)	39%	60%	56%
Dividend yield	股息率	0%	0%	0%
Option life	選擇權年期	0.6 years 0.6年	1.6 years 1.6年	2 years 2年
Risk-free rate (Note b)	無風險率(附註b)	1.014%	1.047%	0.462%

Notes:

- (a) The volatility used in the model was determined with reference to the Company's historical volatility and a set of comparable companies.
- (b) The risk-free rate used in the model was reference to Hong Kong Exchange Fund Notes at the end of the reporting period.

As at 31 December 2017, the carrying amount of the debt component of the 2016 Convertible Bonds was approximately HK\$380,656,000 (2016: HK\$324,421,000), and the fair value of the derivative components of the 2016 Convertible Bonds was approximately HK\$41,988,000 (2016: HK\$56,167,000). During the year ended 31 December 2017, interest expense of the 2016 Convertible Bonds of approximately HK\$89,666,000 (2016: HK\$36,179,000) was charged to profit or loss. No conversion was noted for the year ended 31 December 2017 and 2016.

32. 可換股債券及嵌入式衍生工具部份(續)

(b) 於二零一六年發行之可換股債券(續)

在對二零一六年可換股債券衍生工具部份進行估值時乃採用二項式模式。該模式採用以下各項主要輸入數據：

附註：

- (a) 該模式所採用之波幅參考本公司之歷史波幅及一組可比較公司釐定。
- (b) 該模式所採用之無風險率參照於報告期末時之香港外匯基金票據。

於二零一七年十二月三十一日，二零一六年可換股債券債務部份之賬面值約為港幣380,656,000元(二零一六年：港幣324,421,000元)，而二零一六年可換股債券衍生工具部份之公允價值約為港幣41,988,000元(二零一六年：港幣56,167,000元)。截至二零一七年十二月三十一日止年度，二零一六年可換股債券之利息開支約港幣89,666,000元(二零一六年：港幣36,179,000元)於損益中扣除。於截至二零一七年及二零一六年十二月三十一日止年度均並無換股。

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33. EMPLOYEE BENEFITS

33. 僱員福利

		NOTES	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
		附註		
Non-current	非流動			
Defined benefit obligations	界定福利承擔	34	46,253	–
Other long-term employee benefit liabilities	其他長期僱員福利負債	(a)	24,910	–
			71,163	–

(a) Other long-term employee benefit obligation relates to a deferred share plan of a subsidiary of CWT SG. The deferred share plan is an award granted to certain key management personnel of certain subsidiaries who have earned a bonus under an annual bonus plan. The deferred share plan can be in the form of a conditional award or an option. In a conditional award, the employee receives the shares of the subsidiary as soon as the award vests. In an option, the employee is entitled to exercise the option when the award vests.

Each award vests in three equal tranches on the first, second and third anniversary of the grant date. The share value of the shares awarded to the employees under the deferred share plan is measured based on the net assets of the subsidiary.

The deferred share awards are discounted to determine their present value. The discount rate is the yield at the reporting date on Singapore government bonds that have maturity dates approximating the terms of the subsidiary's obligations in which the benefits are expected to be paid. This calculation is performed using projected unit credit method.

(a) 其他長期僱員福利承擔指CWT SG之其中一間附屬公司之遞延股份計劃。遞延股份計劃為一項授予已賺取年度花紅計劃項下花紅之若干附屬公司之若干主要管理人員之獎勵。遞延股份計劃可以有條件獎勵或購股權形式作出。就有條件獎勵而言，獎勵一經歸屬，僱員則收取該附屬公司股份。就購股權而言，獎勵歸屬時僱員有權行使購股權。

各獎勵於授出日期之第一、第二及第三週年按三批相同數量歸屬。根據遞延股份計劃獎勵予僱員股份之股份價值按該附屬公司資產淨值釐定。

遞延股份獎勵予以貼現以確定其現值。貼現率為參照到期日與該附屬公司預期須支付之福利承擔期限相若之新加坡政府債券於報告日期之收益率。該計算採用預期累積福利單位法進行。

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33. EMPLOYEE BENEFITS (continued)

- (b) The Group had adopted a share option scheme (see Note 38) for the directors and employees.
- (c) The Group operates a Mandatory Provident Fund Scheme (the “**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Scheme Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance and not previously covered by the defined benefit retirement plan. The MPF Scheme is a defined contribution benefit plan administered by independent trustees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

The Group also contributes to various other defined contribution retirement plans for eligible employees. The plans are managed either by the government in the countries where the employees are employed, or by independent trustees. Contribution levels are determined by the relevant laws and regulations concerned.

34. DEFINED BENEFIT OBLIGATIONS

The Group operates a pension plan for its employees in Switzerland whereby the plan participants are insured against the financial consequences of old age, disability and death. The pension plan is operated by an independent, legally autonomous collective foundation of an insurance company. Consequently the plan assets are completely segregated from both the Group and the plan participants.

The pension plan is funded by contributions from the Group whereby funding is determined by the provisions stipulated in The Swiss Federal Law on Occupational Benefit and Disability Pension Plans and the Federal law on Vesting in Pension Plans. The latest independent actuarial valuation of the pension plan was at 31 December 2017 performed by Mercer (Switzerland) SA, using the projected unit credit method. Mercer (Switzerland) SA is an affiliate of Marsh & McLennan Companies, Inc., a global professional services firm headquartered in New York City. The actuarial valuation indicated that the Group’s obligations under the pension plan is 60.98% covered by the plan assets held by the insurance company.

33. 僱員福利(續)

- (b) 本集團已為董事及僱員採納購股權計劃(見附註38)。
- (c) 本集團根據香港強制性公積金計劃條例為香港僱傭條例司法權下受僱且過往不受界定福利退休計劃保障之僱員設立強制性公積金計劃(「**強積金計劃**」)。強積金計劃為界定供款福利計劃，由獨立受託人執行。根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%向該計劃作出供款，每月相關收入上限為港幣30,000元。計劃供款即時歸屬。

本集團亦為合資格僱員向各項其他界定供款退休計劃供款。該等計劃由僱員受僱所在國家之政府或由獨立受託人管理。供款水平乃基於相關法律及規例釐定。

34. 界定福利承擔

本集團為其於瑞士之僱員設立退休金計劃，以使該計劃參與人免受因老齡、傷殘及死亡帶來之財務負擔。退休金計劃由一間保險公司之獨立、合法自主之集體基金會營運。因此，計劃資產完全獨立於本集團及該計劃參與人。

退休金計劃由本集團供款注資，供款根據瑞士聯邦職業福利和傷殘撫恤計劃法及聯邦退休金授予計劃法所規定之條例釐定。退休金計劃之最新獨立精算評估於二零一七年十二月三十一日由Mercer (Switzerland) SA使用預期累積福利單位法進行。Mercer (Switzerland) SA為Marsh & McLennan Companies, Inc.之聯屬公司，Marsh & McLennan Companies, Inc.之總部位於紐約市，為一間全球專業服務公司。精算評估顯示本集團於該退休金計劃下之承擔由保險公司所持有之計劃資產承擔60.98%。

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34. DEFINED BENEFIT OBLIGATIONS

(continued)

The net defined benefit obligations recognised in the consolidated statement of financial position at the reporting date are as follows:

34. 界定福利承擔(續)

於報告日期在綜合財務狀況表內確認之界定福利承擔淨額如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Present value of funded obligations 已注資承擔現值		118,549	-
Fair value of plan assets 計劃資產之公允價值		(72,296)	-
	33	46,253	-

Total amounts recognised in profit or loss:

於損益中已確認之總額：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Current service cost 當期服務成本		2,994	-
Interest cost 利息成本		264	-
Interest income 利息收入		(171)	-
		3,087	-

Total amounts recognised in other comprehensive income:

於其他全面收益中已確認之總額：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Remeasurements on changes of assumptions 重新計量假設變動		(693)	-
Return on plan assets (excluding interest income) 計劃資產回報 (不包括利息收入)		(370)	-
		(1,063)	-

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34. DEFINED BENEFIT OBLIGATIONS

(continued)

Change in present value of defined benefit obligations are as follows:

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Defined benefit obligations at 1 January	於一月一日之界定福利承擔	-	-
Acquisition of subsidiaries	收購附屬公司	120,558	-
Current service cost	當期服務成本	2,994	-
Interest cost	利息成本	264	-
Remeasurements on change in assumptions	因假設變動而重新計量	(693)	-
Benefits paid	已付福利	(4,153)	-
Exchange differences	匯兌差額	(421)	-
Defined benefit obligations at 31 December	於十二月三十一日之界定福利承擔	118,549	-

Weighted average duration of the defined benefit obligations as of 31 December 2017 is 21.3 years (2016: Nil).

34. 界定福利承擔(續)

界定福利承擔現值變動如下：

截至二零一七年十二月三十一日，界定福利承擔加權平均年期為21.3年(二零一六年：無)。

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34. DEFINED BENEFIT OBLIGATIONS

(continued)

Change in the fair value of plan assets during the year are as follows:

34. 界定福利承擔(續)

年內計劃資產公允價值變動如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Fair value of plan assets at 1 January	於一月一日之計劃資產公允價值	-	-
Acquisition of subsidiaries	收購附屬公司	(73,151)	-
Interest income	利息收入	(171)	-
Employer contribution*	僱主供款*	(3,017)	-
Return on plan assets (excluding interest income)	計劃資產回報 (不包括利息收入)	(370)	-
Benefits paid	已付福利	4,153	-
Exchange differences	匯兌差額	260	-
Fair value of plan assets at 31 December	於十二月三十一日之計劃資產公允價值	(72,296)	-

* Employer contributions for 2018 are expected to be HK\$9,061,000.

* 二零一八年僱主供款預期為港幣9,061,000元。

Breakdown of plan assets:

計劃資產明細：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Assets held by insurance company	保險公司持有之資產	(72,296)	-

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34. DEFINED BENEFIT OBLIGATIONS

(continued)

The principal actuarial assumptions are as follows:

		2017 二零一七年 BVG2015	2016 二零一六年 BVG2015
Mortality tables, actuarial statistics (disability, mortality, etc.)	死亡率表，精算數據 (傷殘、死亡等)		
Discount rate	貼現率	0.70%	-
Rate of salary increase	薪金升幅	1.00%	-
Rate of the projection of the saving capital	儲蓄資本預測率	0.70%	-
Rate of pension increase	退休金升幅	0.00%	-
Turnover	營業額	12.60%	-

Sensitivities of significant actuarial assumptions

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

		Increase 增加 HK\$'000 港幣千元	Decrease 減少 HK\$'000 港幣千元
2017	二零一七年		
Discount rate (0.25% movement)	貼現率(變動0.25%)	(6,569)	6,067
Future salary growth (0.25% movement)	未來薪金增長 (變動0.25%)	2,209	-
2016	二零一六年		
Discount rate (0.25% movement)	貼現率(變動0.25%)	-	-
Future salary growth (0.25% movement)	未來薪金增長 (變動0.25%)	-	-

The above sensitivity calculations are based on one assumption changing while others remain unchanged. In practice, however, there are certain correlations between the individual assumptions. The same method was used to calculate the sensitivities and the defined benefit obligations at the end of the financial year.

34. 界定福利承擔(續)

主要精算假設如下：

主要精算假設之敏感度

於報告日期，其中一項相關精算假設之合理可能變動(其他假設不變)會影響界定福利承擔，所涉及金額列示如下：

上述敏感度計算乃基於一項假設變動而其他假設保持不變。然而，實際上個別假設之間存在若干相關系數。於財政年度末，敏感度及界定福利承擔採用相同方法計算。

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35. DEFERRED GAINS

35. 遞延收益

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Arising from:	來自：		
Sales and leaseback arrangement of leasehold buildings	租賃樓宇之出售及售後租回安排	28,819	-
Golf club memberships	高爾夫球會會籍	225,927	243,398
		254,746	243,398
Analysed for reporting purposes as:	按報告而分析為：		
Non-current	非流動	195,386	193,909
Current	流動	59,360	49,489
		254,746	243,398

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36. DEFERRED TAX

The following are the major deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

Deferred tax liabilities/(assets)

36. 遞延稅項

以下為已確認之主要遞延稅項負債(資產)，以及其於本年度及過往年度之變動：

遞延稅項負債/(資產)

		Recognised					At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 港幣千元
		At 1 January 2017 於二零一七年 一月一日 HK\$'000 港幣千元	Acquisition of subsidiaries 收購附屬公司 HK\$'000 港幣千元	Translation differences 換算差額 HK\$'000 港幣千元	Recognised in profit or loss 於損益內確認 HK\$'000 港幣千元	in other comprehensive income 於其他 全面收益確認 HK\$'000 港幣千元	
Deferred tax liabilities/(assets)	遞延稅項負債/(資產)						
Property, plant and equipment	物業、廠房及設備	33,625	750,869	8,505	(16,959)	-	776,040
Investment properties	投資物業	-	-	21	13,657	-	13,678
Land use rights	土地使用權	260,624	-	19,529	(8,171)	-	271,982
Deferred gains	遞延收益	(56,843)	-	(4,157)	4,532	-	(56,468)
Intangible assets	無形資產	-	65,421	170	(3,662)	-	61,929
Financial assets	金融資產	-	-	(1)	(17)	-	(18)
Inventories	存貨	-	7,802	(95)	(121)	-	7,586
Trade and other receivables	應收貿易賬項及其他應收款項	-	5,108	69	5,080	-	10,257
Trade and other payables	應付貿易賬項及其他應付款項	-	(5,032)	22	(803)	144	(5,669)
Provisions	撥備	-	(3,879)	(42)	(971)	-	(4,892)
Unutilised tax benefits	未動用稅務優惠	-	(25,886)	18	10,246	-	(15,622)
Others	其他	-	(4,822)	29	-	-	(4,793)
		237,406	789,581	24,068	2,811	144	1,054,010

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36. DEFERRED TAX (continued)

36. 遞延稅項(續)

		Recognised					At 31 December 2016 於二零一六年 十二月三十一日 HK\$'000 港幣千元
		At 1 January 2016 於二零一六年 一月一日 HK\$'000 港幣千元	Acquisition of subsidiaries 收購 附屬公司 HK\$'000 港幣千元	Translation differences 換算差額 HK\$'000 港幣千元	Recognised in profit or loss 於損益內確認 HK\$'000 港幣千元	in other comprehensive income 於其他 全面收益確認 HK\$'000 港幣千元	
Deferred tax liabilities/(assets)	遞延稅項負債/(資產)						
Property, plant and equipment	物業、廠房及設備	35,490	-	(2,343)	478	-	33,625
Land use rights	土地使用權	287,298	-	(18,433)	(8,241)	-	260,624
Deferred gains	遞延收益	(66,714)	-	4,111	5,760	-	(56,843)
		256,074	-	(16,665)	(2,003)	-	237,406

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxation authority. The amounts determined after appropriate offsetting are included in the statements of financial position as follows:

倘在合法情況下即期稅項資產與即期稅項負債互相抵銷，且遞延稅項涉及同一徵稅機構，則遞延稅項資產及負債亦可同時互相抵銷。於適當抵銷後釐定之金額計入財務狀況表內，如下文所示：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Deferred tax liabilities	遞延稅項負債	1,073,624	237,406
Deferred tax assets	遞延稅項資產	(19,614)	-
Deferred tax liabilities, net	遞延稅項負債，淨值	1,054,010	237,406

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36. DEFERRED TAX (continued)

Deferred tax assets have not been recognised in respect of the following items in accordance with accounting policies set out in Note 2(aa):

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Deductible temporary differences	可抵扣暫時性差額	143,003	-
Unutilised tax losses	未動用稅項虧損	701,123	498,617
Unabsorbed wear and tear allowance	不可分攤之耗損撥備	111	-
		844,237	498,617

At 31 December 2017, the Group has unused tax losses of approximately HK\$701,123,000 (2016: HK\$498,617,000) which are available for offsetting against future profits. No deferred tax asset has been recognised in respect of the tax loss due to the unpredictability of future profit streams as at 31 December 2017 and 2016. Except below, other losses can be carried forward indefinitely.

36. 遞延稅項(續)

並無根據附註2(aa)所載會計政策就下列項目確認遞延稅項資產：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
		143,003	-
		701,123	498,617
		111	-
		844,237	498,617

於二零一七年十二月三十一日，本集團有未動用稅項虧損約港幣701,123,000元(二零一六年：港幣498,617,000元)，可用於抵銷未來溢利。在二零一七年及二零一六年十二月三十一日，由於未來之溢利來源難以預計，故並未就稅項虧損確認任何遞延稅項資產。除下述情況外，其他虧損可無限期結轉。

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Tax losses to be expired in	於下列日期屆滿之稅項虧損：		
- 2017	- 二零一七年	-	24,588
- 2018	- 二零一八年	22,216	36,958
- 2019	- 二零一九年	32,688	38,484
- 2020	- 二零二零年	28,174	18,569
- 2021	- 二零二一年	20,636	14,959
		103,714	133,558

The tax losses are subject to agreement by the tax authorities and compliance with tax regulations in the respective countries in which the subsidiaries operate. The deductible temporary differences and tax losses, other than disclosed above, do not expire under current tax legislation.

稅項虧損須經稅務機關同意，並遵守附屬公司經營所在國家之稅收法規。可抵扣暫時性差額及稅項虧損(除上述所披露者外)不會在現行稅法下終止。

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37. MOVEMENT IN COMPONENTS OF EQUITY

The reconciliation between the opening and closing balances of each component of the Group's equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

37. 權益部份之變動

本集團之各權益部份之年初及年末結餘間之對賬載於綜合權益變動表。本公司於年初及年末個別權益部份變動詳情載列如下：

		Share capital	Capital reserve	Perpetual capital instrument	Translation reserve	Share option reserve	Accumulated losses	Total
		股本	資本儲備	永久資本工具	匯兌儲備	購股權儲備	累計虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2016	於二零一六年一月一日	4,731,480	158,100	-	(46,217)	20,212	(1,068,901)	3,794,674
Loss for the year	年度虧損	-	-	-	-	-	(367,316)	(367,316)
Exchange difference arising during the year	年內產生之匯兌差額	-	-	-	(68,841)	-	-	(68,841)
Total comprehensive income for the year	年度全面收益總額	-	-	-	(68,841)	-	(367,316)	(436,157)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	4,731,480	158,100	-	(115,058)	20,212	(1,436,217)	3,358,517
Profit for the year	年度溢利	-	-	-	-	-	16,013	16,013
Exchange difference arising during the year	年內產生之匯兌差額	-	-	-	48,902	-	-	48,902
Total comprehensive income for the year	年度全面收益總額	-	-	-	48,902	-	16,013	64,915
Share options lapsed/cancelled	購股權失效/註銷	-	-	-	-	(300)	300	-
Issues of perpetual capital instrument (Note 37(b)(vii))	發行永久資本工具 (附註37(b)(vii))	-	-	1,819,390	-	-	-	1,819,390
At 31 December 2017	於二零一七年十二月三十一日	4,731,480	158,100	1,819,390	(66,156)	19,912	(1,419,904)	5,242,822

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37. MOVEMENT IN COMPONENTS OF EQUITY (continued)

(a) Share capital

Ordinary shares, issued and fully paid:	已發行及繳足之普通股：
At 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	於二零一六年一月一日、二零一六年十二月三十一日、二零一七年一月一日及二零一七年十二月三十一日

Number of shares	Amount
股份數目	金額
	HK\$'000
	港幣千元

11,399,996,101	4,731,480
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In accordance with section 135 of the Hong Kong Company Ordinance, the ordinary shares of the Company do not have a par value.

根據香港公司條例第135條，本公司普通股並無面值。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派之股息，並有權於本公司大會上以每股一票進行表決。就本公司剩餘資產而言，所有普通股地位同等。

(b) Nature and purpose of reserves

(i) Capital reserve

Capital reserve mainly represents:

- i) Capital reserve mainly represents the excess amount of the fair value of identifiable net assets acquired in an acquisition of subsidiaries in 2014 over the fair value of consideration transferred and non-controlling interest, which is considered as deemed capital contribution from HNA Group and is credited to capital reserve. The vendor of the acquisition transaction was controlled by HNA Group.

(b) 儲備性質及用途

(i) 資本儲備

資本儲備主要指：

- i) 資本儲備主要指於二零一四年收購附屬公司時所收購可識別資產淨值之公允價值減已轉讓代價之公允價值以及非控股權益所超出之差額被視為來自海航集團之視作注資，並計入資本儲備。收購交易之賣方為當時受海航集團控制之公司。

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37. MOVEMENT IN COMPONENTS OF EQUITY (continued)

(b) Nature and purpose of reserves (continued)

(ii) Translation reserve

Translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the functional currency of the Company.

(iii) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net changes in the fair value of cash flow hedging instruments.

(iv) Fair value reserve

The fair value reserve comprises the cumulative net changes in the fair values of available-for-sale financial assets.

(v) Statutory reserve

Statutory reserve mainly represent reserve set aside by certain subsidiaries operating in foreign jurisdictions where profits of these subsidiaries are set aside according to local legislations.

37. 權益部份之變動(續)

(b) 儲備性質及用途(續)

(ii) 匯兌儲備

匯兌儲備包括因換算海外業務(其功能貨幣與本公司之功能貨幣不同)財務報表產生之外匯差額。

(iii) 對沖儲備

對沖儲備包括現金流量對沖工具之累計公允價值變動淨額之有效部份。

(iv) 公允價值儲備

公允價值儲備包括可供出售金融資產之累計公允價值變動淨額。

(v) 法定儲備

法定儲備主要指於外地司法權區營運之若干附屬公司撥出之儲備，該等附屬公司根據當地法例撥出溢利。

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37. MOVEMENT IN COMPONENTS OF EQUITY (continued)

(b) Nature and purpose of reserves (continued)

(vi) Share option reserve

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payments transactions in Note 38 to the financial statements. The amount will either be transferred to the share capital when the related options are exercised, or be transferred to retained profits should the related options expire or be forfeited.

(vii) Perpetual capital instrument

Perpetual capital instrument represents a perpetual loan of S\$316,000,000 (approximately HK\$1,819,390,000) from two shareholders of the Company, both of which are affiliates of the HNA Group. The Group has no contractual obligation to repay any amounts of the perpetual loan under any circumstances and any repayment is entirely at the discretion of the Company. Consequently, the Directors are of the view that the economic substance of the perpetual loan is a non-reciprocal capital contribution from HNA Group and credited directly to reserve.

37. 權益部份之變動(續)

(b) 儲備性質及用途(續)

(vi) 購股權儲備

誠如財務報表附註38中以股份為基礎之付款交易之會計政策進一步闡釋，購股權儲備包括已授出但尚未獲行使購股權之公允價值。當有關購股權獲行使，該金額將轉撥至股本，或倘有關購股權屆滿或遭沒收，將轉撥至保留溢利。

(vii) 永久資本工具

永久資本工具指來自兩名本公司股東的永久貸款316,000,000新加坡元(約港幣1,819,390,000元)，該等股東均為海航集團之聯屬公司。本集團於任何情況下均無償還永久貸款之任何金額之合約責任，而任何還款均完全由本公司酌情支付。因此，董事認為永久貸款之經濟實質為來自海航集團之非互惠性注資，並直接記入儲備。

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38. SHARE-BASED PAYMENT TRANSACTIONS

On 29 May 2012, the Company terminated the share options scheme adopted on 7 June 2002 (the “**2002 Scheme**”) and adopted a new share option scheme (the “**2012 Scheme**”) with effect from 25 May 2012. Under the 2012 Scheme, the Board of Directors (the “**Board**”) of the Company may, subject to and in accordance with the provisions of the 2012 Scheme and the Listing Rules, grant share options to any eligible participant to subscribe for shares in the capital of the Company. The options granted under the 2002 Scheme remain valid until those options lapsed on their expiry date.

Qualifying grantees of the 2012 Scheme include any director (including executive, non-executive and independent non-executive), executive, officer, employee, shareholder of the Company or any of the subsidiaries or any of the associated companies or any of the jointly controlled entities and any supplier, customer, consultant, adviser, agent, partner or business associate, who will contribute or has contributed to the development and growth of the Group. Unless otherwise cancelled or amended, the 2012 Scheme will remain in force for a period of ten years from 25 May 2012.

The maximum number of shares issued and to be issued upon exercise of options granted to each eligible participant under the 2012 Scheme (including exercised, cancelled and outstanding options) in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company in issue, as at the date of grant.

38. 以股份為基礎之付款交易

於二零一二年五月二十九日，本公司終止於二零零二年六月七日採納之購股權計劃（「二零零二年計劃」），並採納一項新購股權計劃（「二零一二年計劃」），自二零一二年五月二十五日起生效。根據二零一二年計劃，本公司董事會（「董事會」）可根據二零一二年計劃及上市規則之條文及在其規限下向任何合資格參與者授出購股權，以認購本公司股本中之股份。根據二零零二年計劃授出之購股權仍然有效，直至該等購股權於其屆滿日期失效為止。

二零一二年計劃之合資格承授人包括將會或已經對本集團之發展及增長作出貢獻之本公司或其任何附屬公司或其任何聯營公司或其任何共同控制實體之任何董事（包括執行董事、非執行董事及獨立非執行董事）、行政人員、管理人員、僱員、股東及任何供應商、客戶、諮詢人、顧問、代理、合作夥伴或業務合夥人。除非另行註銷或修訂，否則二零一二年計劃將繼續有效，由二零一二年五月二十五日起計為期十年。

根據二零一二年計劃，於任何直至授出日期為止之十二個月期間內授予各合資格參與者之購股權（包括已行使、已註銷及未行使之購股權）獲行使時已經及將予發行之最高股份數目，將不得超過於授出日期本公司已發行股本之1%。

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38. SHARE-BASED PAYMENT TRANSACTIONS (continued)

The period during which an option may be exercised will be determined by the Board at its absolute discretion, save that no option may be exercised later than 10 years after it has been granted.

Same as the 2002 Scheme, HK\$1 should be payable by the grantee on acceptance of an offer by the grantee under the 2012 Scheme. The exercise price per share in relation to an option shall be a price to be determined by the Board and shall be no less than the highest of (a) the official closing price of the shares of the Company as stated in the daily quotation sheet issued by the Stock Exchange on the date on which the option is offered to an eligible participant; (b) the official average closing prices of the shares of the Company as stated in the daily quotation sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of offer of option to an eligible participant; and (c) the nominal value of shares of the Company on the date of offer of option to an eligible participant. During the years ended 31 December 2016 and 2017, no share option was granted under the 2012 Scheme.

Pursuant to the 2002 Scheme and 2012 Scheme, share options held by any eligible participants/qualifying grantees will lapse automatically upon their termination of employment but the Board is empowered to extend the exercise period of the concerned share options at its discretion. Relevant exercise period of share options held by the eligible participant/qualifying grantee whose employment was terminated during the year was extended and approved by the Board. Such change does not constitute modification of the 2002 Scheme and 2012 Scheme.

38. 以股份為基礎之付款交易(續)

購股權可能獲行使之期間將由董事會全權酌情釐定，惟購股權不得於其授出十年後獲行使。

一如二零零二年計劃，根據二零一二年計劃，承授人於接納獲授予之購股權時須支付港幣1元。購股權之每股行使價由董事會釐定，且不得少於以下之最高者：(a)於授出購股權予合資格參與者當日本公司股份於聯交所發出之每日報價表所報之官方收市價；(b)緊接授出購股權予合資格參與者當日前5個營業日本公司股份於聯交所發出之每日報價表所報之平均官方收市價；及(c)於授出購股權予合資格參與者當日本公司股份之面值。於截至二零一六年及二零一七年十二月三十一日止年度，概無根據二零一二年計劃授出購股權。

根據二零零二年計劃及二零一二年計劃，任何合資格參與者／合資格承授人持有之購股權將於其僱傭合約終止時自動失效，惟董事會有權將有關購股權之行使期酌情延長。在年內被終止聘用之合資格參與者／合資格承授人持有之購股權之相關行使期已予延長，並經董事會批准。該變動並不會修改二零零二年計劃及二零一二年計劃。

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38. SHARE-BASED PAYMENT TRANSACTIONS (continued)

The following tables disclose details and movements in share options under the 2002 Scheme during the years ended 31 December 2017 and 2016:

38. 以股份為基礎之付款交易(續)

下表披露於截至二零一七年及二零一六年十二月三十一日止年度，二零零二年計劃項下之購股權詳情及變動：

Category of grantees 承授人之類別	Date of grant 授出日期	Exercise period 行使期	Exercise price 每股行使價	Adjusted exercise price per share due to rights issue 因供股進行調整之每股行使價	Number of shares under options 購股權項下之股份數目						At 31.12.2017 於二零一七年十二月三十一日
					At 1.1.2017 於二零一七年一月一日	Granted during the year 年內授出	Transferred during the year 年內轉讓	Exercised during the year 年內行使	Lapsed/cancelled during the year 失效/註銷年內	Addition after adjustment due to rights issue 因供股進行調整後之添置	
Directors 董事	19.1.2007	19.1.2007-18.1.2017	HK\$0.406 港幣0.406元	HK\$0.396 港幣0.396元	433,981	-	-	-	(433,981)	-	-
	22.1.2008	22.1.2008-21.1.2018	HK\$0.780 港幣0.780元	HK\$0.762 港幣0.762元	17,203,200	-	-	-	-	-	17,203,200
					17,637,181	-	-	-	(433,981)	-	17,203,200
Employees of the Group 本集團僱員	22.1.2008	22.1.2008-21.1.2018	HK\$0.780 港幣0.780元	HK\$0.762 港幣0.762元	25,088,000	-	-	-	(4,608,000)	-	20,480,000
Other participants 其他參與者	19.1.2007	19.1.2007-18.1.2017	HK\$0.406 港幣0.406元	HK\$0.396 港幣0.396元	10,684,416	-	-	-	(10,684,416)	-	-
	22.1.2008	22.1.2008-21.1.2018	HK\$0.780 港幣0.780元	HK\$0.762 港幣0.762元	46,592,000	-	-	-	-	-	46,592,000
	16.12.2009	16.12.2009-15.12.2019	HK\$0.596 港幣0.596元	HK\$0.582 港幣0.582元	8,960,000	-	-	-	-	-	8,960,000
	14.12.2010	14.12.2010-13.12.2020	HK\$0.420 港幣0.420元	HK\$0.410 港幣0.410元	3,072,000	-	-	-	-	-	3,072,000
					69,308,416	-	-	-	(10,684,416)	-	58,624,000
					112,033,597	-	-	-	(15,726,397)	-	96,307,200
Exercisable at the end of the year 於年終可行使											96,307,200
Weighted average exercise price per share 每股加權平均行使價											HK\$0.734 港幣0.734元

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38. SHARE-BASED PAYMENT TRANSACTIONS (continued)

38. 以股份為基礎之付款交易(續)

Category of grantees 承授人之類別	Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價	Adjusted exercise price per share due to rights issue 因供股進行調整之每股行使價	Number of shares under options 購股權項下之股份數目						At 31.12.2016 於二零一六年十二月三十一日
					At 1.1.2016 於二零一六年一月一日	Granted during the year 年內授出	Transferred during the year 年內轉讓	Exercised during the year 年內行使	Lapsed/cancelled during the year 失效/註銷年內	Addition after rights issue 因供股進行調整後之添置	
Directors 董事	19.1.2007	19.1.2007-18.1.2017	HK\$0.406 港幣0.406元	HK\$0.396 港幣0.396元	433,981	-	-	-	-	-	433,981
	22.1.2008	22.1.2008-21.1.2018	HK\$0.780 港幣0.780元	HK\$0.762 港幣0.762元	17,203,200	-	-	-	-	-	17,203,200
					17,637,181	-	-	-	-	-	17,637,181
Employees of the Group 本集團僱員	22.1.2008	22.1.2008-21.1.2018	HK\$0.780 港幣0.780元	HK\$0.762 港幣0.762元	25,088,000	-	-	-	-	-	25,088,000
Other participants 其他參與者	19.1.2007	19.1.2007-18.1.2017	HK\$0.406 港幣0.406元	HK\$0.396 港幣0.396元	10,684,416	-	-	-	-	-	10,684,416
	22.1.2008	22.1.2008-21.1.2018	HK\$0.780 港幣0.780元	HK\$0.762 港幣0.762元	46,592,000	-	-	-	-	-	46,592,000
	16.12.2009	16.12.2009-15.12.2019	HK\$0.596 港幣0.596元	HK\$0.582 港幣0.582元	8,960,000	-	-	-	-	-	8,960,000
	14.12.2010	14.12.2010-13.12.2020	HK\$0.420 港幣0.420元	HK\$0.410 港幣0.410元	3,072,000	-	-	-	-	-	3,072,000
					69,308,416	-	-	-	-	-	69,308,416
					112,033,597	-	-	-	-	-	112,033,597
Exercisable at the end of the year 於年終可行使											112,033,597
Weighted average exercise price per share 每股加權平均行使價											HK\$0.702 港幣0.702元

All share options are vested at the date of grant.

所有購股權於授出日期歸屬。

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39. MAJOR NON-CASH TRANSACTIONS

Apart from non-cash transaction related to the substantial modification of the convertible bonds of the Group described in Note 32, the Group also entered into the a major non-cash transaction during the year ended 31 December 2016, whereby the Group and its fellow subsidiaries entered into an agreement to offset the amount due from and amount due to a fellow subsidiary with carrying amount of HK\$549,824,000.

40. OPERATING LEASES

The Group as lessee

Minimum lease payments for certain of its office properties and quarters for Directors and staff paid by the Group under operating leases during the year amounted to approximately HK\$219,824,000 (2016: HK\$13,188,000). These leases are negotiated and rentals are fixed for terms ranging from one to fifty years (2016: one to three years). Leasehold land held for own use under operating leases are included in "Land, buildings and improvements" set out in Note 17.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

39. 主要非現金交易

除附註32所述與本集團可換股債券之重大修訂相關之非現金交易外，於截至二零一六年十二月三十一日止年度，本集團亦訂立主要非現金交易，據此，本集團與其同系附屬公司訂立協議以抵銷賬面值為港幣549,824,000元之應收及應付一間同系附屬公司之款項。

40. 經營租賃

本集團作為承租人

年內本集團根據經營租賃就其若干辦公室物業及董事與員工宿舍已付之最低租金約為港幣219,824,000元(二零一六年：港幣13,188,000元)。該等租賃經磋商而定且租金亦經釐定，租期介乎一至五十年(二零一六年：一至三年)不等。經營租賃項下持作自用之租賃土地計入載列於附註17之「土地、樓宇及物業裝修」。

於報告期末時，本集團根據不可撤回經營租賃之未來最低租金承擔之到期應付日如下：

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Within one year	一年內	373,746	14,056
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	509,997	10,005
Over fifth year	超過五年	1,540,505	-
		2,424,248	24,061

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40. OPERATING LEASES (continued)

The Group as lessor

Property and motor vehicles rental income earned during the year was HK\$122,437,000 (2016: HK\$33,843,000) which was included in loss for the year from discontinued and continuing operations in the consolidated statement of profit or loss and other comprehensive income.

The Group leases its investment properties, advertising space and motor vehicles and sublets its office space under operating lease arrangements with leases negotiated for terms ranging from one to ten years. All the properties held have committed tenants for terms ranging from one to seven years (2016: one to eight years). A lease includes contingent rentals calculated with reference to gross revenue less expenses and fixed rent period, the remaining leases are on a fixed repayment basis and no arrangement has been entered into for contingent rental payments.

At the end of the reporting period, the Group had contracted with tenants for the following minimum lease payments:

40. 經營租賃(續)

本集團作為出租人

年內賺取之物業及汽車租金收入為港幣122,437,000元(二零一六年:港幣33,843,000元),有關款項已計入綜合損益及其他全面收益表之已終止業務及持續經營業務之年度虧損。

本集團按照經營租賃安排出租其投資物業、廣告空間及汽車及分租其辦公空間,經磋商之租期介乎一至十年不等。持有之所有物業均已承租,租期介乎一至七年(二零一六年:一至八年)不等。租賃包括經參考總收益減開支及固定租期後計算之或然租金,而餘下租賃按固定還款基準訂立,概無訂立或然租金安排。

於報告期末時,本集團與租戶就下列最低租金訂立合約:

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Within one year	一年內	580,544	117,542
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	1,101,562	466,986
Over fifth year	超過五年	435,011	179,655
		2,117,117	764,183

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41. CAPITAL COMMITMENT

41. 資本承擔

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	有關收購物業、廠房及設備之已訂約但未在綜合財務報表計提撥備之資本開支	351,314	834
Capital expenditure in respect of the acquisition of property, plant and equipment authorised but not contracted for	有關收購物業、廠房及設備之已授權但未訂約之資本開支	37,978	-

42. CONTINGENT LIABILITIES

42. 或然負債

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Guarantee given to banks, in respect of banking facilities to third parties	就第三方獲授之銀行融資向銀行提供擔保		
- amount that could be required to be paid if the guarantee was called upon in entirety	- 被催繳全數擔保時可能須支付之金額	-	104,866
- amount utilised	- 已動用金額	-	90,085



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42. CONTINGENT LIABILITIES (continued)

The Group is subject to various litigation, regulatory and arbitration matters in the normal course of business. The Group vigorously defends against these claims and, in the opinion of the management, the resolution of these matters will not have a material effect on the financial position of the Group.

At 31 December 2016, the Company had provided guarantees to banks in respect of banking facilities granted to subsidiaries at nil consideration. In addition, Sinostride Technology Company Limited (“**Sinostride Technology**”, part of the Intelligent Information Business) entered into a cross guarantee arrangement with third parties whereby the third parties had also provided guarantee to banks in respect of Sinostride Technology’s banking facilities for the year ended 31 December 2016.

During the year ended 31 December 2016, Sinostride Technology had provided additional or renewed the existing financial guarantees to the third parties and fair value of these financial guarantees was approximately HK\$12,061,000 at initial recognition based on valuation performed by Vigers. During the year ended 31 December 2016, HK\$8,491,000 had been amortised and was included in profit or loss. At 31 December 2016, an amount of HK\$9,258,000 had been recognised as liabilities associated with a disposal group classified as held-for-sale.

At 31 December 2017, there is no guarantee given to banks in favour of third parties after the disposal of Intelligent Information in 2017.

42. 或然負債(續)

本集團於日常業務過程中須面對各種訴訟、監管及仲裁事宜。本集團對有關申索積極抗辯，而管理層認為解決該等事宜將不會對本集團之財務狀況造成重大影響。

於二零一六年十二月三十一日，本公司為附屬公司獲授之銀行融資免費向銀行提供擔保。此外，中程科技有限公司(「**中程科技**」，為智能信息業務之一部份)與第三方訂立交叉擔保安排，據此，第三方亦於截至二零一六年十二月三十一日止年度就中程科技之銀行融資向銀行提供擔保。

截至二零一六年十二月三十一日止年度，中程科技已向第三方提供額外或更新現有財務擔保，而根據威格斯所進行之估值，該等財務擔保在初步確認時之公允價值約為港幣12,061,000元。截至二零一六年十二月三十一日止年度，港幣8,491,000元已被攤銷，並計入損益內。於二零一六年十二月三十一日，港幣9,258,000元確認為分類為持作出售之出售組別之相關負債。

於二零一七年十二月三十一日，於二零一七年出售智能信息後，概無為第三方利益向銀行提供擔保。

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43. CAPITAL 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 stakeholders through the optimisation of the debt and equity balance. The Group will balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of net debt, which includes loans and borrowings (excluding collateralised short-term trade facilities) (Note 30) and convertible bonds (collectively referred as "Total Debt"); net of pledged bank deposits and cash and cash equivalent ("Net Debt"). Total capital of the Group comprising issued share capital and reserves attributable to owners of the Company and Total Debt ("Total Capital"). The details of Net Debt and equity attributable to owners of the Company as at 31 December 2017 and 2016 were as follows:

43. 資本管理

本集團管理其資本以確保本集團內各實體將可以持續方式經營，同時透過優化債務及權益平衡為持份者帶來最大回報。本集團將透過發行新股以及發行新債務或贖回現有債務平衡其整體資本結構。本集團之整體策略與去年保持不變。

本集團資本結構包括債務淨額(其包括貸款及借款(不包括已抵押短期貿易融資)(附註30)及可換股債券(統稱「總債務」); 扣除已抵押銀行存款及現金及現金等值項目(「淨債務」)。本集團之總資本則包括本公司擁有人應佔之已發行股本及儲備及總債務(「總資本」)。於二零一七年及二零一六年十二月三十一日之債務淨額及本公司擁有人應佔權益之詳情如下：

		NOTE 附註	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Loans and borrowings	貸款及借款	30	14,347,419	1,287,855
Convertible bonds	可換股債券			
– debt component	– 債務部份	32	380,656	324,421
Less: collateralised short-term trade facilities	減：已抵押短期貿易融資	30	(5,344,176)	–
Total Debt	總債務		9,383,899	1,612,276
Less: Pledged bank deposits	減：已抵押銀行存款		(36,015)	(27,890)
Less: Cash and cash equivalents*	減：現金及現金等值項目*	28	(2,137,858)	(1,085,447)
Net Debt	淨債務		7,210,026	498,939
Equity attributable to owners of the Company	本公司擁有人應佔權益		5,444,133	3,360,211
Total Debt	總債務		9,383,899	1,612,276
Total Capital	總資本		14,828,032	4,972,487
Gearing ratio	負債比率		48.6%	10.0%

* Cash and cash equivalents includes those balances with disposal groups and excluded bank overdrafts of HK\$7,884,000 (2016: Nil) which were included in loans and borrowings

* 現金及現金等值項目包括出售組別之該等結餘但不包括銀行透支港幣7,884,000元(二零一六年：無)(該金額計入貸款及借款)

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43. CAPITAL MANAGEMENT (continued)

Collateralised short-term trade facilities are excluded from the calculation of net debt to equity ratio due to its short term highly liquid nature that is fully secured by liquid assets such as cash and cash equivalents, inventories and receivables.

Straits Financial LLC, Straits (Singapore) Pte Ltd and Straits Financial Services Pte Ltd, incorporated in the United States of America, Singapore and Singapore respectively, are subject to minimum capital requirements pursuant to laws and regulations of the United States of America and Singapore. Management has established controls and policies to ensure that the subsidiaries comply with the minimum capital requirements. The subsidiaries have complied with the minimum capital requirements pursuant to laws and regulations of the United States of America and Singapore during the year.

Other than disclosed above, the Company and its subsidiaries are not subject to externally imposed capital requirements.

44. FINANCIAL RISK MANAGEMENT

(a) Overview

The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

43. 資本管理(續)

由於其短期高流通性使然，已抵押短期貿易融資並不計入淨債務權益比率之計算內，其全數以流動資產(如現金及現金等值項目、存貨及應收款項)作抵押。

Straits Financial LLC、Straits (Singapore) Pte Ltd及Straits Financial Services Pte Ltd分別於美國、新加坡及新加坡註冊成立，須符合美國及新加坡法律法規規定之最低資本要求。管理層已實施監控及政策以確保附屬公司符合最低資本要求。年內，附屬公司已根據美國及新加坡法律法規規定，符合最低資本要求。

除上文所披露外，本公司及其附屬公司毋須遵守外部施加之資本規定。

44. 金融風險管理

(a) 概述

本集團已設有監控制度，以合理平衡在發生風險時之成本與管理風險之成本。管理層會持續監控本集團之風險管理程序，以確保可適當地平衡風險與監控。

審核委員會監察管理層如何監控本集團遵守風險管理政策及程序之情況，並檢討與本集團所面臨之風險有關之風險管理架構是否完整。審核委員會由內部核數師協助監察。內部核數師會定期及在有需要時檢討風險管理控制及程序，並向審核委員會匯報檢討結果。

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44. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

The Group's primary exposure to credit risk arises through its trade and other receivables.

The Group has a credit policy in place whereby new customers are subject to credit evaluations based on available financial information and past experiences. The Group has established credit limits for customers and monitors their balances on an ongoing basis. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The Group assessed collectability based on ageing historical default rates to determine the impairment loss to be recognised. The Group's historical experience in the collection of accounts receivable falls within the recorded allowances.

The credit risk on liquid funds of the Group is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The maximum exposure to credit risk is represented by the carrying amount of each relevant financial asset in the consolidated statements of financial position and the financial guarantees given by the Group as set out in Note 42.

Except for the financial guarantees given by the Group as set out in Note 42, the Group does not provide any other guarantees which would expose the Group to credit risk.

The Group does not have significant concentrations of credit risk as the Group's customers are diversified and internationally dispersed. Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables are set out in Note 25.

44. 金融風險管理(續)

(b) 信貸風險

本集團主要面臨產生自應收貿易賬項及其他應收款項之信貸風險。

本集團設有信貸政策，根據可獲得之財務資料及過往經驗對新客戶進行信貸評估。本集團已針對客戶建立信貸額度並持續監察其餘額。此外，本集團於報告期末時評估每項個別貿易債務之可收回金額，以確保就不可收回金額所作出之減值虧損已足夠。本集團根據賬齡及過往違約率評估可回收性，以釐定將予確認之減值虧損。本集團過往收回之應收款項並無超出有關撥備額。

由於交易對手均為獲國際信貸評級機構給予高信貸評級之銀行，故本集團流動資金方面之信貸風險有限。

信貸風險最大承擔額指綜合財務狀況表內及載列於附註42之本集團所提供財務擔保之各項相關金融資產之賬面值。

除載列於附註42之本集團所提供財務擔保外，本集團概無提供任何使本集團面臨信貸風險之其他擔保。

本集團概無重大集中信貸風險，原因在於本集團擁有各類客戶且遍佈世界各地。本集團面臨產生自應收貿易賬項之信貸風險之進一步量化披露載列於附註25。

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44. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

The ageing of receivables classified as loans and receivables at the end of the reporting period is:

		Impairment		Impairment	
		Gross	losses	Gross	losses
		總額	減值虧損	總額	減值虧損
		2017	2017	2016	2016
		二零一七年	二零一七年	二零一六年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Not past due	未逾期	9,260,454	(44,079)	31,359	-
Past due 1-180 days	逾期1-180日	447,817	(719)	543	-
Past due 180-365 days	逾期180-365日	34,851	(5,026)	6,326	-
Past due more than 1 year	逾期超過1年	82,001	(51,192)	38,660	(38,660)
		9,825,123	(101,016)	76,888	(38,660)

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

(c) Liquidity risk

In the management of the liquidity risk, the Group monitor and maintain 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. In connection with the Acquisition, the Group raised the Acquisition Borrowings which leads to a position of net current liabilities of approximately HK\$2,193,875,000 as at 31 December 2017. As mentioned in Note 2(b), the Group is undertaking various refinancing arrangement to meet its short term liquidity requirements. The Group will continue to undertake various measures in order to further improve its liquidity position in the longer term.

44. 金融風險管理(續)

(b) 信貸風險(續)

於報告期末分類為貸款及應收款項之應收款項之賬齡為：

未逾期亦無減值之應收款項與多名近期並無拖欠紀錄之客戶有關。

已逾期但並無減值之應收款項與若干過往在本集團有良好紀錄之獨立客戶有關。根據過往經驗，管理層相信並無必要就該等結餘作出減值撥備，原因為信貸品質並無重大變動且結餘仍獲認為可全數收回。

(c) 流動資金風險

在管理流動資金風險時，本集團監察及維持管理層認為合適之現金及現金等值項目水平，以便為本集團業務提供資金，並減低現金流量波動之影響。本集團就收購事項籌得收購事項借款，其導致本集團於二零一七年十二月三十一日之流動負債淨值狀況約為港幣2,193,875,000元。誠如附註2(b)所述，本集團正進行多項再融資安排，以滿足其短期流動資金需求。本集團將繼續採取多項措施以進一步提升其長期流動資金狀況。

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44. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

Individual operating entities within the Group are responsible for their own cash management, including raising of loans to cover expected cash demands, subject to approval by the Company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants. Where necessary and at the appropriate time, the Group would unlock cash from properties held to meet expansion needs.

The following tables show the remaining contractual maturities at the end of the reporting period of the Group's non-derivative financial liabilities and derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Group can be required to pay:

44. 金融風險管理(續)

(c) 流動資金風險(續)

本集團內之個別營運實體均須負責其自身之現金管理，包括籌集貸款以滿足預期現金需要，惟當借款超過若干預設授權水平時，則須獲本公司之董事會批准。本集團之政策為定期監察其流動資金需求及其遵守借款契約之情況。本集團會於需要時及於合適時間將持有之物業套現，以滿足擴張需求。

下列各表載列本集團於報告期末之非衍生金融負債及衍生金融負債之餘下合約到期情況。該等表格根據合約未貼現現金流量(包括以合約利率計算之利息付款或倘利率為浮動，則根據報告期末之現行利率計算)及本集團須予支付之最早日期編製：

		Within 1 year or on demand	1-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31.12.2017 於二零一七年 十二月三十一日 未貼現 現金流量總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
2017	二零一七年					
Trade and other payables*	應付貿易賬項及 其他應付款項*	7,689,128	13,670	-	7,702,798	7,702,798
Convertible bonds, including embedded derivative components	可換股債券，包括嵌入式 衍生工具部份	436,925	-	-	436,925	422,644
Senior secured notes	有抵押優先債券	4,546,074	-	-	4,546,074	4,325,222
Perpetual notes	永久票據	359,182	-	-	359,182	359,182
Other loans and borrowings	其他貸款及借款	5,730,007	4,174,065	145,167	10,049,239	9,663,015
Other derivative financial instruments	其他衍生金融工具	1,032,671	567	-	1,033,238	1,033,238
		19,793,987	4,188,302	145,167	24,127,456	23,506,099

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44. FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

44. 金融風險管理(續)

(c) 流動資金風險(續)

	Within 1 year or on demand	1-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31.12.2016
	一年內或 按要求	一至五年	五年以上	未貼現 現金流量總額	於二零一六年 十二月三十一日 之賬面值
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
2016					
Trade and other payables*		應付貿易賬項及 其他應付款項*			
	106,301	-	-	106,301	106,301
Convertible bonds, including embedded derivative components	-	467,908	-	467,908	380,588
		可換股債券，包括嵌入式 衍生工具部份			
Other loans and borrowings	89,285	1,180,315	80,837	1,350,437	1,287,855
		其他貸款及借款			
	195,586	1,648,223	80,837	1,924,646	1,774,744

* Excluding advance billings and billings in excess of costs incurred and recognised profits. Payables on demand relates to customer segregated funds.

* 不包括墊支付款及超出所產生成本之付款以及已確認溢利。按要求應付之款項與客戶分離資金有關。

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44. FINANCIAL RISK MANAGEMENT (continued)

(d) Market risk

Market risk is the risk that changes in equity prices, commodity prices, interest rates and foreign exchange rates, will affect the Group's income, or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

(i) Equity price risk

The Group hold listed equity securities which are classified as available-for-sale investments or equity securities designated at fair value through profit or loss totalling, approximately HK\$218,663,000 (2016: Nil) (Note 23). A 10% increase or decrease in the underlying equity prices at the reporting date with all other variables held constant would increase or decrease the Group's profit before tax by approximately HK\$21,866,300 (2016: Nil) respectively.

The fair value of derivative component of the convertible bonds will be affected by the changes in the Company's share price and share price volatility. At 31 December 2016 and 2017 as the conversion price of the convertible bonds is higher than the share price of the Company, the impact to the Group's result due to 10% change in share price and volatility of the share price is immaterial. Accordingly, no sensitivity analysis is presented for both years.

(ii) Commodity price risk

The Group uses derivative financial instruments such as commodity futures, commodity option contracts, commodity futures and commodity swaps to hedge certain exposures. The markets used are the London Metal Exchange ("LME") for base metals, such as copper, lead and zinc, the London Bullion Market Association ("LBMA") for gold and silver, and the Intercontinental Exchange ("NYSE: ICE") and the New York Mercantile Exchange ("NYMEX").

44. 金融風險管理(續)

(d) 市場風險

市場風險指股票價格、商品價格、利率及外匯匯率變動將影響本集團收益或其持有金融工具價值之風險。市場風險管理之目標為管理並控制所面臨之市場風險在可接受參數範圍內，同時提高風險回報。

(i) 股價風險

本集團持有分類為可供出售投資之上市股本證券或指定為按公允價值計入損益之股本證券合共約港幣218,663,000元(二零一六年：無)(附註23)。在所有其他可變因素維持不變之情況下，有關股票價格於報告日期增加或減少10%將分別致使本集團之除稅前溢利增加或減少約港幣21,866,300元(二零一六年：無)。

本集團之可換股債券衍生工具部份之公允價值會受本公司股價變動及股價波動影響。於二零一六年及二零一七年十二月三十一日，由於可換股債券之換股價高於本公司股價，故股價變動及股價波動10%對本集團業績之影響並不重大。因此，並無就此等兩個年度呈列敏感度分析。

(ii) 商品價格風險

本集團利用衍生金融工具(如商品期貨、商品期權合約、商品期貨及商品掉期)對沖若干風險。交易市場為倫敦金屬交易所("LME") (基本金屬，如銅、鉛及鋅)、倫敦金銀市場協會("LBMA")(黃金及白銀)、洲際交易所("NYSE: ICE")及紐約商品交易所("NYMEX")。

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44. FINANCIAL RISK MANAGEMENT (continued)

(d) Market risk (continued)

(ii) Commodity price risk (continued)

The following table presents the quantities by commodity, to which the Group is exposed to commodity price risk. Base metals, such as copper, lead and zinc are shown as, metric tons (mt), precious metals such as gold and silver are shown as ounces (oz).

		Copper	Lead	Zinc	Gold	Silver	Nickel/ Aluminium	Naphtha	Tin Ore
		銅	鉛	鋅	黃金	白銀	鎳/鋁	石腦油	錫礦石
		mt	mt	mt	oz	oz	mt	mt	mt
		公噸	公噸	公噸	盎司	盎司	公噸	公噸	公噸
2017	二零一七年								
Gross exposure	總風險	115,091	8,489	10,129	104,279	2,252,556	2,363	(8,477)	206
Hedges	套期保值	(115,049)	(10,689)	(11,862)	(103,090)	(2,208,933)	(2,371)	8,000	(190)
Net exposure	淨風險	42	(2,200)	(1,733)	1,189	43,623	(8)	(477)	16

Exposure to commodity prices is covered by derivatives and therefore, changes to market prices are not expected to significantly impact the Group's financial performance. Changes in weight and content of the metals within the concentrates can impact the Group's financial performance.

44. 金融風險管理(續)

(d) 市場風險(續)

(ii) 商品價格風險(續)

下表呈列按商品分類之數量，當中本集團面臨商品價格風險。基本金屬(如銅、鉛及鋅)按公噸(公噸)呈列，而貴金屬(如黃金和白銀)按盎司(盎司)呈列。

商品價格風險由衍生工具覆蓋，因此，市場價格變動預計不會對本集團之財務表現造成重大影響。精礦金屬重量及含量之變化可能對本集團之財務表現造成影響。

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44. FINANCIAL RISK MANAGEMENT (continued)

(d) Market risk (continued)

(iii) Interest rate risk

The Group's interest rate risk arises primarily from loans and borrowings and convertible bonds. Borrowings issued at variable rates and at fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. It is the Group's policy to maintain an appropriate level between its fixed rate and variable rate borrowings so as to optimise the fair value and cash flow interest rate risk. The Group may also enter into interest rate swap to hedge its interest rate risk if necessary.

The interest rate profile of the Group's loans and borrowings and convertible bonds (as defined at the end of the reporting period, after taking into account the effect of interest rate swaps designated as cash flow hedging instruments) is disclosed in notes 31 and 32.

At 31 December 2017, it is estimated that a general increase or decrease of 100 basis points in interest rates, with all other variables held constant, would have decreased or increased the Group's profit before tax by approximately HK\$83,718,000 (2016: increased or decreased the Group's profit before tax by approximately HK\$13,993,000). This sensitivity analysis excludes the impact from cash and bank balances as the management considers the impact to be insignificant having regard to the stable trend in interest rates and thus no material fluctuation is anticipated in the near future.

44. 金融風險管理(續)

(d) 市場風險(續)

(iii) 利率風險

本集團之利率風險主要產生自貸款及借款以及可換股債券。按浮息及定息發行之借款使本集團分別面臨現金流量利率風險及公允價值利率風險。本集團之政策為維持適當水平之定息及浮息借款，以改善公允價值及現金流量風險。倘有需要，本集團亦可訂立利率掉期，以對沖其利率風險。

本集團之貸款及借款以及可換股債券之利率狀況(於報告期末釐定，經考慮指定利率掉期為現金流量對沖工具之影響)於附註31及32披露。

於二零一七年十二月三十一日，估計利率一般增加或減少100個基點，而在所有其他可變因素維持不變之情況下，本集團之除稅前溢利將減少或增加約港幣83,718,000元(二零一六年：增加或減少本集團之除稅前溢利約港幣13,993,000元)。此敏感度分析排除現金及銀行結存之影響，因為管理層經考慮利率之穩定趨勢後認為有關影響並不重大，因此預期在不久將來不會有重大波動。

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44. FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Market risk (continued)

(iii) Interest rate risk (continued)

The sensitivity analysis above indicates the instantaneous change in the Group's profit before tax that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group at the end of the reporting period, the impact on the Group's profit before tax is estimated as an annualised impact on interest expense or income of such a change in interest rates. The analysis is performed on the same basis as 2016.

(iv) Currency risk

The Group operates internationally and is exposed to foreign currency risks arising from various currency exposures. Where possible, the Group seeks to minimise its foreign currency exposure in operations by matching its exposure to foreign currency receivables to its exposure to foreign currency payables. The Group may also explore using derivatives to hedge its foreign exchange risk.

The Group seeks to minimise its foreign currency exposures in foreign subsidiaries, associates and joint ventures by repatriating their earnings, where practicable. The Group also requires the foreign subsidiaries, associates and joint ventures to maintain their borrowings in the relevant foreign currencies which match their respective functional currencies.

In respect of the other monetary assets and liabilities held in currencies other than the functional currencies, the Group reviews the balances periodically to ensure the net exposure is kept at an acceptable level.

44. 金融風險管理(續)

(d) 市場風險(續)

(iii) 利率風險(續)

上述敏感度分析指假設利率已於報告期末發生變動，並已應用有關利率變動以重新計量本集團所持有之該等金融工具(其使本集團於報告期末面臨公允價值利率風險)後，本集團之除稅前溢利將產生之即時變動。就本集團於報告期末面臨之產生自所持有之浮息非衍生工具之現金流量利率風險而言，對本集團之除稅前溢利所造成之影響會預估為對利息開支或因有關利率變動產生之收入之年度影響。分析以與二零一六年相同之基準進行。

(iv) 貨幣風險

本集團在全球營運，面臨來自多種貨幣風險之外匯風險。在可能之情況下，本集團尋求透過將其應收外匯風險與應付外匯風險相抵，盡量減少其於營運中之外匯風險。本集團亦可能利用衍生工具對沖外匯風險。

本集團尋求在可行之情況下，透過調回國外附屬公司、聯營公司及合營企業之盈利，盡量減少其面臨之外匯風險。本集團亦要求國外附屬公司、聯營公司及合營企業保持其借款之相關幣種與彼等各自之功能貨幣一致。

就以非功能貨幣持有之其他貨幣資產及負債而言，本集團定期審閱餘額，確保淨風險保持在可接受之水準。

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44. FINANCIAL RISK MANAGEMENT (continued)

(d) Market risk (continued)

(iv) Currency risk (continued)

As at 31 December 2017 and 2016, assets and liabilities related to disposal groups or classified as held for sale are not exposed to significant currency risks. The Group's significant exposures to foreign currencies from its continuing operations are as follows:

44. 金融風險管理(續)

(d) 市場風險(續)

(iv) 貨幣風險(續)

於二零一七年及二零一六年十二月三十一日，與出售組別有關或分類為持作出售之資產及負債概無面臨重大貨幣風險。本集團來自持續經營業務之主要外幣風險如下：

		Singapore			
		US Dollar	Dollar	Euro	Renminbi
		美元	新加坡元	歐元	人民幣
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
2017	二零一七年				
Trade and other receivables	應收貿易賬項及其他應收款項	346,287	60,964	36,633	1,128,731
Cash and cash equivalents	現金及現金等值項目	139,673	23,618	3,064	14,601
Trade and other payables	應付貿易賬項及其他應付款項	(308,408)	(1,325,928)	(23,115)	(943,269)
Loans and borrowings	貸款及借款	(5,186,620)	(5,728)	(181)	-
Gross exposure arising from recognised assets and liabilities	已確認資產及負債所產生之風險總額	(5,009,068)	(1,247,074)	16,401	200,063
Forward exchange contracts	遠期外匯合約	-	220,151	(1,876)	(77,288)
Net exposure	淨風險	(5,009,068)	(1,026,923)	14,525	122,775
2016	二零一六年				
Trade and other receivables	應收貿易賬項及其他應收款項	2,259	-	-	233
Cash and cash equivalents	現金及現金等值項目	2,018	-	-	4,586
Trade and other payables	應付貿易賬項及其他應付款項	(25,074)	-	-	-
Loans and borrowings	貸款及借款	(380,588)	-	(24,476)	-
Gross exposure arising from recognised assets and liabilities	已確認資產及負債所產生之風險總額	(401,385)	-	(24,476)	4,819
Forward exchange contracts	遠期外匯合約	-	-	-	-
Net exposure	淨風險	(401,385)	-	(24,476)	4,819

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44. FINANCIAL RISK MANAGEMENT (continued)

(d) Market risk (continued)

(iv) Currency risk (continued)

At 31 December 2017, the US Dollar exposure of approximately HK\$5,186,620,000 arising from loans and borrowings was mainly attributable from the intra-group loans denominated in US Dollar raised by the immediate parent of CWT SG with functional currency of Singapore Dollar.

Sensitivity analysis

A 10% strengthening of the Group's major functional currencies against the following currencies at the reporting date would increase/(decrease) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

44. 金融風險管理(續)

(d) 市場風險(續)

(iv) 貨幣風險(續)

於二零一七年十二月三十一日，產生自貸款及借款約港幣5,186,620,000元之美元風險主要因CWT SG之直接母公司(其功能貨幣為新加坡元)所籌得之集團內公司間之貸款以美元計值所致。

敏感度分析

於報告日期，本集團之主要功能貨幣兌以下貨幣升值10%將增加/(減少)下文所示數額之除稅前溢利。分析假設所有其他變量(尤其是利率)維持不變。

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
US Dollar	美元	500,907	40,139
Singapore Dollar	新加坡元	102,692	-
Euro	歐元	(1,453)	2,448
Renminbi	人民幣	(12,278)	(482)

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44. FINANCIAL RISK MANAGEMENT (continued)

44. 金融風險管理(續)

(e) Fair values

(e) 公允價值

(i) Fair value hierarchy

(i) 公允價值層級

The table below analyse fair value measurements for financial assets and financial liabilities, by the levels in the fair value hierarchy based on the inputs to valuation techniques.

下表分析金融資產及金融負債之公允價值計量，根據估值方法之輸入數據劃分之公允價值層級水平呈列。

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Financial assets and liabilities carried at fair value 按公允價值列賬之金融資產及負債					
2017 二零一七年					
Other financial assets	其他金融資產	218,657	155,240	-	373,897
Derivative financial assets	衍生金融資產				
- Commodities futures	- 商品期貨	250,454	47,714	-	298,168
- Commodities forward contracts	- 商品遠期合約	310	713	-	1,023
- Commodities swaps	- 商品掉期	59,620	-	-	59,620
- Currency forward contracts	- 貨幣遠期合約	-	2,841	-	2,841
- Fair value gain on commodity contracts	- 商品合約之公允價值收益	-	18,153	-	18,153
		529,041	224,661	-	753,702
Derivative financial liabilities	衍生金融負債				
- Interest rate swaps	- 利率掉期	-	(567)	-	(567)
- Commodities futures	- 商品期貨	(854,922)	(67,071)	-	(921,993)
- Commodities forward contracts	- 商品遠期合約	-	(14,360)	-	(14,360)
- Commodities options	- 商品期權	-	(6,692)	-	(6,692)
- Commodities swaps	- 商品掉期	(39,655)	-	-	(39,655)
- Currency forward contracts	- 貨幣遠期合約	-	(1,292)	-	(1,292)
- Fair value loss on commodity contracts	- 商品合約之公允價值虧損	-	(48,679)	-	(48,679)
- Embedded derivative component of convertible bonds	- 可換股債券之嵌入式衍生部份	-	-	(41,988)	(41,988)
		(894,577)	(138,661)	(41,988)	(1,075,226)
2016 二零一六年					
Derivative financial liabilities	衍生金融負債				
- Embedded derivative component of convertible bonds	- 可換股債券之嵌入式衍生部份	-	-	(56,167)	(56,167)

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44. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair values (continued)

(i) Fair value hierarchy (continued)

The carrying amount of the Group's financial assets and liabilities not carried at fair value are not materially different from their fair values as at 31 December 2017 and 2016.

The following table shows the carrying amounts and fair values of significant non-financial assets, including their levels in the fair value hierarchy.

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Non-financial assets measured at fair value	按公允價值計量之 非金融資產				
2017	二零一七年				
Investment properties	投資物業	-	-	2,486,202	2,486,202
Warrantable LME commodities	有擔保之LME商品	136,387	-	-	136,387
		136,387	-	2,486,202	2,622,589

(ii) Measurement of fair value

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values of financial instruments, as well as the significant unobservable inputs used. The valuation techniques used in measuring the fair values of investment properties are set out in Note 19.

44. 金融風險管理(續)

(e) 公允價值(續)

(i) 公允價值層級(續)

於二零一七年及二零一六年十二月三十一日，本集團並非按公允價值列賬之金融資產及金融負債之賬面值與其公允價值並無重大差異。

下表列示重大非金融資產之賬面值及公允價值，包括其於公允價值層級中之水平。

(ii) 公允價值計量

下表列示計量金融工具之第二級及第三級公允價值時使用之估值方法以及使用之重大不可觀察輸入數據。計量投資物業公允價值時使用之估值方法載列於附註19。

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44. FINANCIAL RISK MANAGEMENT (continued)

44. 金融風險管理(續)

(e) Fair values (continued)

(e) 公允價值(續)

(ii) Measurement of fair value (continued)

(ii) 公允價值計量(續)

Financial instruments measured at fair value

按公允價值計量之金融工具

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement 主要不可觀察輸入數據與公允價值計量之間之互動關係
類型	估值方法	重大不可觀察輸入數據	
Embedded derivative component of convertible bonds 可換股債券之嵌入式衍生部份	Binomial method 二項法	Volatility of 39% (2016: 60%) is applied in the 2016 Convertible Bonds by reference to the Company's historical volatility 經參考本公司之歷史波幅，二零一六年可換股債券應用39%之波幅（二零一六年：60%）	The estimated fair value would increase/ (decrease) if the volatility was higher/(lower). 倘波幅較高/（較低），估計公允價值將增加/（減少）。
Commodities forward contracts 商品遠期合約	Market comparison technique: The fair values are based on exchange or broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. 市場比較方法： 公允價值乃以交易所或經紀人報價為基準。類似合約於活躍市場交易，且報價反映類似工具之實際交易量。	Not applicable 不適用	Not applicable 不適用

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair values (continued)

(ii) Measurement of fair value (continued)

Financial instruments measured at fair value
(continued)

44. 金融風險管理(續)

(e) 公允價值(續)

(ii) 公允價值計量(續)

按公允價值計量之金融工具
(續)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement 主要不可觀察輸入數據與公允價值計量之間之互動關係
類型	估值方法	重大不可觀察輸入數據	
Commodities futures 商品期貨	<i>Market comparison technique:</i> The fair values are based on month end spot and forward prices received from broker. <i>市場比較方法：</i> 公允價值乃以經紀人提供之月末現貨及期貨價格為基準。	Not applicable 不適用	Not applicable 不適用
Interest rate swaps 利率掉期	<i>Market comparison technique:</i> The fair values are based on market value (MTM value) provided by the bank. <i>市場比較方法：</i> 公允價值乃以銀行提供之市值(劃價估值)為基準。	Not applicable 不適用	Not applicable 不適用
Currency forward contracts 貨幣遠期合約	<i>Market comparison technique:</i> The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments. <i>市場比較方法：</i> 公允價值乃以經紀人報價為基準。類似合約於活躍市場交易，且報價反映類似工具之實際交易量。	Not applicable 不適用	Not applicable 不適用

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44. FINANCIAL RISK MANAGEMENT (continued)

44. 金融風險管理(續)

(e) Fair values (continued)

(e) 公允價值(續)

(ii) Measurement of fair value (continued)

(ii) 公允價值計量(續)

Financial instruments not measured at fair value

並未按公允價值計量之金融工具

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
類型	估值方法	重大不可觀察輸入數據	主要不可觀察輸入數據與公允價值計量之間之互動關係
Non-current receivables 非流動應收款項	Discounted cash flows. 貼現現金流量。	Risk-adjusted discount rate 風險調整貼現率	The estimated fair value would increase (decrease) if the risk – adjusted discount rate was lower (higher). 倘風險調整貼現率較低／(較高)，估計公允價值將增加／(減少)。
Medium term notes 中期票據	Market comparison technique: The fair value are based on bank quotes. The valuations are calculated on the basis of estimated mid-market levels. 市場比較方法： 公允價值乃以銀行報價為基準。估值根據估計中級市場水平計算。	Not applicable 不適用	Not applicable 不適用
Other fixed-rate loans and borrowings 其他定息貸款及借款	Discounted cash flows. 貼現現金流量。	Discount rate 貼現率	The estimated fair value would increase/ (decrease) if the discount rate was lower/(higher). 倘貼現率較低／(較高)，估計公允價值將增加／(減少)。

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44. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair values (continued)

(ii) Measurement of fair value (continued)

Transfer between Level 1 and Level 2

There were no transfers from Level 1 to Level 2 nor the opposite direction in the reporting and comparative period.

Level 3 fair value

The following table shows a reconciliation for Level 3 fair value:

		Derivative component of convertible bonds 可換股債券之衍生部份	
		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
At 1 January	於一月一日	56,167	11,996
Derecognition of New Convertible Bonds I (Note 32)	取消確認新可換股債券I (附註32)	-	(11,996)
Recognition of 2016 Convertible Bonds (Note 32)	確認二零一六年可換股債券 (附註32)	-	117,058
Gain arising on changes of fair value (Note 10)	公允價值變動所產生之收益 (附註10)	(14,179)	(61,191)
Exchange realignment	匯兌調整	-	300
31 December	十二月三十一日	41,988	56,167

Sensitivity analysis

For the fair values of the available-for-sale financial assets, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, the impact to the Group's result due to reasonably possible changes of the significant unobservable inputs at the reporting date, holding other inputs constant, is immaterial. Accordingly, no sensitivity analysis is presented for both years.

44. 金融風險管理(續)

(e) 公允價值(續)

(ii) 公允價值計量(續)

第一級與第二級之間之轉換

第一級與第二級之間並無任何轉換，且於報告期與比較期亦無相反方向轉換。

第三級公允價值

下表列示第三級公允價值之對賬：

		Derivative component of convertible bonds 可換股債券之衍生部份	
		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
At 1 January	於一月一日	56,167	11,996
Derecognition of New Convertible Bonds I (Note 32)	取消確認新可換股債券I (附註32)	-	(11,996)
Recognition of 2016 Convertible Bonds (Note 32)	確認二零一六年可換股債券 (附註32)	-	117,058
Gain arising on changes of fair value (Note 10)	公允價值變動所產生之收益 (附註10)	(14,179)	(61,191)
Exchange realignment	匯兌調整	-	300
31 December	十二月三十一日	41,988	56,167

敏感度分析

就可供出售金融資產之公允價值而言，於其他輸入數據維持不變之情況下，其中一項重大不可觀察輸入數據在報告日期之合理可能變動及於其他輸入數據維持不變之情況下，因重大不可觀察輸入數據在報告日期之合理可能變動對本集團之業績造成之影響並不重大。因此，概無就兩個年度呈列敏感度分析。

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

44. FINANCIAL RISK MANAGEMENT (continued)

(e) Fair values (continued)

(iii) Offsetting financial assets and liabilities

44. 金融風險管理(續)

(e) 公允價值(續)

(iii) 抵銷金融資產及負債

		Gross amounts of recognised financial assets/ liabilities offset in the consolidated statement of financial position	Net amounts of financial assets/ liabilities presented in the consolidated statement of financial position	Related amounts not offset in the consolidated statement of financial position-financial instruments	Net amount
		於綜合財務狀況表 已確認 金融資產/ 負債總額 HK\$'000 港幣千元	於綜合財務 狀況表呈列之 金融資產/ 負債淨值 HK\$'000 港幣千元	並未於 綜合財務狀況表 抵銷之相關金額 - 金融工具 HK\$'000 港幣千元	淨額 HK\$'000 港幣千元
2017	二零一七年				
Type of financial assets	金融資產類型				
Derivatives	衍生工具	1,690,960	(1,311,155)	379,805	-
					379,805
Type of financial liabilities	金融負債類型				
Derivatives	衍生工具	2,344,393	(1,311,155)	1,033,238	-
					1,033,238

There were no offsetting of financial assets and liabilities as at 31 December 2016.

於二零一六年十二月三十一日概無抵銷金融資產及負債。

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45. MATERIAL RELATED PARTY TRANSACTIONS

Apart from the Agreement as entered with Leader Concept as detailed in Note 6(a) and disclosed elsewhere in the consolidated financial statements, the Group has the following related party transactions:

(a) Income

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Sales of goods and/or services to associates	向聯營公司銷售貨品及／或服務	22,238	—
Sales of goods and/or services to joint ventures	向合營企業銷售貨品及／或服務	10,604	—
Interest income from fellow subsidiaries	來自同系附屬公司之利息收入	—	9,868
Interest income from associates	來自聯營公司之利息收入	474	—
Imputed interest income on interest-free amounts due from other subsidiaries of HNA Group	應收海航集團其他附屬公司之免息款項之估算利息收入	—	1,573
Golf club membership income from a related company [#]	來自一間關連公司之高爾夫球會會籍收入 [#]	—	11,844
Dividend received from joint ventures	收取合營企業股息	5,935	—

[#] The transaction constitute connected transactions under the Listing Rules, details of which are set out in the paragraph headed “Connected transactions and continuing connected transaction” in the Report of the Directors of the annual report for the year ended 31 December 2016.

45. 重大關連方交易

除與領意投資訂立該協議（詳情見附註6(a)）及綜合財務報表所披露者外，本集團之關連方交易如下：

(a) 收入

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Sales of goods and/or services to associates	向聯營公司銷售貨品及／或服務	22,238	—
Sales of goods and/or services to joint ventures	向合營企業銷售貨品及／或服務	10,604	—
Interest income from fellow subsidiaries	來自同系附屬公司之利息收入	—	9,868
Interest income from associates	來自聯營公司之利息收入	474	—
Imputed interest income on interest-free amounts due from other subsidiaries of HNA Group	應收海航集團其他附屬公司之免息款項之估算利息收入	—	1,573
Golf club membership income from a related company [#]	來自一間關連公司之高爾夫球會會籍收入 [#]	—	11,844
Dividend received from joint ventures	收取合營企業股息	5,935	—

[#] 有關交易根據上市規則構成關連交易，有關詳情載於截至二零一六年十二月三十一日止年度年報之董事會報告書「關連交易及持續關連交易」一段。

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45. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(b) Expense

45. 重大關連方交易(續)

(b) 開支

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Purchase of goods and/or services from associates	向聯營公司購買貨品及／或服務	8,998	-
Purchase of goods and/or services from joint ventures	向合營企業購買貨品及／或服務	4,490	-
Laundry expense to a related company*	向一間關連公司支付之洗滌開支*	464	633
Imputed interest expense as promissory note	承兌票據之估算利息開支	-	13,435
Rental paid to associates	支付聯營公司租金	1,180	-

* The transaction constitute connected transactions under the Listing Rules but is exempt from the disclosure requirements as it is below the de minimis threshold.

* 有關交易根據上市規則構成關連交易，惟因其低於最低豁免水平，故豁免遵守披露規定。

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45. MATERIAL RELATED PARTY TRANSACTIONS (continued)

(c) Compensation of key management personnel

The remuneration of key management members, who are the Directors of the Group during the year, was as follows:

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Short term benefits	短期福利	9,898	11,114
Post-employment benefits	離職後福利	200	308
		10,098	11,422

Total remuneration is included in “staff costs” (see Note 12).

The remuneration of executive directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

- (d) Details of balances with related parties of the Group are set out in the Group’s consolidated statement of financial position on pages 91 to 93 and Notes 25, 26 and 29 the consolidated financial statements respectively.

45. 重大關連方交易(續)

(c) 主要管理人員之酬金

主要管理人員(即本集團董事)於本年度之酬金如下:

	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Short term benefits	9,898	11,114
Post-employment benefits	200	308
	10,098	11,422

酬金總額於「員工成本」入賬(見附註12)。

執行董事酬金由薪酬委員會按個人表現及市場趨勢釐定。

- (d) 與本集團關連方有關之結餘詳情分別載於本集團綜合財務狀況表第91至93頁及綜合財務報表附註25、26及29。

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綜合財務報表附註

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46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's principal subsidiaries at 31 December 2017 and 2016 are as follows:

46. 本公司主要附屬公司之詳情

本公司主要附屬公司於二零一七年及二零一六年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations 持續經營業務						
CWT Logistics Pte Ltd	Singapore 新加坡	Singapore 新加坡	5,002,502 shares of SG\$1 each 5,002,502股每股 面值1新加坡元 之股份	100	-	Provision of warehousing and logistics services 提供倉儲及物流服務
Force 21 Equipment Pte Ltd	Singapore 新加坡	Singapore 新加坡	2,000,000 shares of SG\$1 each 2,000,000股每股 面值1新加坡元 之股份	70	-	Provision of warehousing and logistics services 提供倉儲及物流服務
Indeco Engineers Pte Ltd	Singapore 新加坡	Singapore 新加坡	600,146 shares of SG\$3.43 each 600,146股每股 面值3.43新加坡元 之股份	100	-	Management and maintenance of vehicles and equipment, supply and installation of engineering products, and design-and-build for logistics properties 車輛及設備之管理和維 護、工程產品之供應和 安裝以及物流物業之設 計及建造

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations (continued) 持續經營業務(續)						
CWT Integrated Pte Ltd 新加坡	Singapore 新加坡	Singapore 新加坡	20,000,000 shares of SG\$1 each 20,000,000股每股 面值1新加坡元 之股份	100	-	Provision of warehousing and logistics services 提供倉儲及物流服務
CWT Globelink Pte Ltd 新加坡	Singapore 新加坡	Singapore 新加坡	800,000 shares of SG\$1 each 800,000股每股 面值1新加坡元 之股份	100	-	Provision of transportation, sea freight forwarding services and container freight station services 提供運輸、外運代理服務 及集裝箱貨運站服務

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46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations (continued) 持續經營業務(續)						
Globelink-Trans (Tianjin) International Forwarding Co., Ltd	PRC 中國	PRC 中國	10,656,640 shares of RMB 1 each 10,656,640股每股 面值人民幣1元 之股份	100		- Provision of transportation, sea freight forwarding services and container freight station services 提供運輸、外運代理服務 及集裝箱貨運站服務
MRI Group Pte Ltd	Singapore 新加坡	Singapore 新加坡	131,588,000 shares of US\$1 each 131,588,000股每股 面值1美元 之股份	100		- Physical trading and supply chain management of base metal nonferrous concentrates and energy 卑金屬有色精礦及能源之 實物交易及供應鏈管理

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46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations (continued) 持續經營業務(續)						
MRI Trading AG	Switzerland 瑞士	Switzerland 瑞士	115,933 shares of CHF 10 each 115,933股每股 面值10瑞士法郎 之股份	100		- Physical trading and supply chain management of base metal nonferrous concentrates and energy products 卑金屬有色精礦及能源產 品之實物交易及供應鏈 管理
Straits Singapore Pte Ltd	Singapore 新加坡	Singapore 新加坡	13,000,000 shares of US\$1 each 13,000,000股每股 面值1美元之股份	97.4		- Provision of financial brokerage and structured trade services 提供金融經紀及結構性貿 易服務
Straits Financial Group Pte Ltd	Singapore 新加坡	Singapore 新加坡	58,652,000 shares of US\$1 each 58,652,000股每股 面值1美元之股份	97.4		- Investment holding 投資控股

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46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations (continued) 持續經營業務(續)						
Straits Financial Services Pte Ltd 新加坡	Singapore 新加坡	Singapore 新加坡	30,000,000 shares of US\$1 each 30,000,000股每股 面值1美元之股份	97.4	-	Provision of financial brokerage services 提供金融經紀服務
Straits Financial LLC	United States of America ("USA") 美利堅合眾國 (「美國」)	USA 美國	33,000,000 shares of US\$1 each 33,000,000股每股 面值1美元之股份	94.4	-	Provision of financial brokerage services 提供金融經紀服務
CWT Commodities Pte Ltd 新加坡	Singapore 新加坡	Singapore 新加坡	2,000,000 shares of SG\$1 each 2,000,000股每股 面值1新加坡元 之股份	100	-	Provision of warehousing and logistics services 提供倉儲及物流服務
CWT Aquarius Shipping International (Pty) Ltd	South Africa 南非	South Africa 南非	1,333 shares of R1 each 1,333股每股 面值1蘭特之股份	70	-	Provision of warehousing and logistics services, transportation and freight forwarding services 提供倉儲及物流服務、 運輸及貨代服務

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations (continued) 持續經營業務(續)						
CWT-ASI Africa Ltd	South Africa 南非	South Africa 南非	1,333 shares of R1 each 1,333股每股 面值1蘭特之股份	70		- Provision of warehousing and logistics services, transportation and freight forwarding services 提供倉儲及物流服務、 運輸及貨代服務
CWT Commodities (Indochine) Pte Ltd	Singapore 新加坡	Singapore 新加坡	500,000 shares of SG\$1 each 500,000股每股 面值1新加坡元 之股份	100		- Provision of warehousing and logistics services 提供倉儲及物流服務
CWT Commodities (Metals) Pte Ltd	Singapore 新加坡	Singapore 新加坡	4,000,000 shares of SG\$1 each 4,000,000股每股 面值1新加坡元 之股份	100		- Provision of warehousing and logistics services 提供倉儲及物流服務

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46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations (continued) 持續經營業務(續)						
CWT Commodities (China) Pte Ltd	Singapore 新加坡	Singapore 新加坡	500,000 shares of SG\$1 each 500,000股每股 面值1新加坡元 之股份	100	–	Provision of warehousing and logistics services 提供倉儲及物流服務
CWT Europe B.V. Group	The Netherlands 荷蘭	The Netherlands 荷蘭	90,000 shares of EUR1 each 90,000股每股 面值1歐元之股份	70	–	Provision of warehousing and logistics services 提供倉儲及物流服務
DG Hillview 東莞峰景	The PRC 中國	The PRC 中國	Registered capital US\$34,060,000 註冊資本 34,060,000美元	65	65	Operation of sports and leisure related facilities business 經營體育及休閒相關 設施業務
HNA International Property Investment Company Three Limited ^a	B.V.I. 英屬處女群島	UK 英國	1 ordinary share of US\$1 1股每股面值 1美元之普通股	100	100	Property investment 物業投資

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Continuing operations (continued) 持續經營業務(續)						
HNA Newcastle Golf, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資
HNA Trophy Lake Golf, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資
HNA Redmond Ridge, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資
HNA Washington National Golf, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資
HNA Harbour Pointe, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資
HNA Indian Summer Golf, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資
HNA Hawks Prairie Golf, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資
HNA Plateau Golf, LLC ³	USA 美國	USA 美國	N/A 不適用	100	100	Property investment 物業投資

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綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

46. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

46. 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place/ country of incorporation/ registration 註冊成立/ 註冊地點/國家	Principal place of operation 主要營業地點	Issued and fully paid share capital/ registered capital 已發行及繳足股本 /註冊資本	The Group's effective interest over nominal value of issued share capital/ registered capital 本集團 已發行股本/註冊 資本面值之實際權益		Principal activities 主要經營業務
				2017 二零一七年 %	2016 二零一六年 %	
Discontinued operations 已終止業務						
Sino Stride Technology (Holdings) Limited ^{&} 中程科技集團有限公司 ^{&}	B.V.I. 英屬處女群島	Hong Kong 香港	1,078,959,000 ordinary shares of HK\$0.01 each 1,078,959,000股 每股面值 港幣0.01元 之普通股	-	100	Investment holding 投資控股
Sinostride Technology Company Limited ^{&} ("Sinostride Technology") 中程科技有限公司 ^{&} (「中程科技」)	The PRC 中國	The PRC 中國	Registered capital RMB113,000,000 註冊資本 人民幣113,000,000元	-	58.5	System value-added service solution and development 系統增值服務方案及發展
Zhejiang Concord Optic - Electronic Technology Company Limited ^{&} 浙江協和光電科技有限公司 ^{&}	The PRC 中國	The PRC 中國	Registered capital RMB10,000,000 註冊資本 人民幣10,000,000元	-	80	Inactive 暫無營業
Made Connection Limited ^{&}	Samoa 索摩亞	Hong Kong 香港	1 ordinary share of US\$1 1股面值1美元 之普通股	-	100	Investment holding 投資控股

[&] Indirectly held through subsidiaries

[⊗] Registered under the laws of the PRC as a Sino-foreign co-operative joint venture

[&] 透過附屬公司間接持有

[⊗] 根據中國法律註冊為一間中外合作合營企業

None of the subsidiaries had issued any debt securities for the year ended 31 December 2017.

概無附屬公司於截至二零一七年十二月三十一日止年度發行任何債務證券。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

47. 本公司財務狀況表

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	4,581	10,279
Investments in subsidiaries	於附屬公司之投資	158,100	231,252
Advances to subsidiaries	向附屬公司提供墊款	-	585,000
Club debentures	會所債券	700	700
		163,381	827,231
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	5,469	6,232
Amounts due from subsidiaries	應收附屬公司款項	5,593,879	2,240,955
Amounts due from related company	應收關連公司款項	-	385,404
Bank balances and cash	銀行結存及現金	10,572	968,959
		5,609,920	3,601,550
Current liabilities	流動負債		
Other payables, deposits received and accruals	其他應付款項、已收按金及應付項目	57,669	46,110
Amounts due to subsidiaries	應付附屬公司款項	-	609,436
Amount due to related companies	應付關連公司款項	166	7,383
Borrowings	借款	20,000	24,476
Convertible bonds and related payables	可換股債券及相關應付款項	380,656	-
Embedded derivative component of convertible bonds	可換股債券之嵌入式衍生工具部份	41,988	-
Obligations under finance leases	融資租賃承擔	-	565
		500,479	687,970
Net current assets	流動資產淨值	5,109,441	2,913,580
Total assets less current liabilities	資產總值減流動負債	5,272,822	3,740,811

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

47. 本公司財務狀況表(續)

		2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元
Non-current liabilities	非流動負債		
Convertible bonds and related payables	可換股債券及相關應付款項	-	324,421
Embedded derivative component of convertible bonds	可換股債券之嵌入式 衍生工具部份	-	56,167
Promissory note	承兌票據	30,000	-
Obligations under finance leases	融資租賃承擔	-	1,706
		30,000	382,294
Net assets	資產淨值	5,242,822	3,358,517
Capital and reserves	股本及儲備		
Share capital	股本	4,731,480	4,731,480
Reserves	儲備	511,342	(1,372,963)
Equity attributable to owners of the Company	本公司擁有人應佔權益	5,242,822	3,358,517

The Company's statement of financial position was approved and authorised for issue by the board of directors on 24 April 2018 and are signed on its behalf by:

Guo Ke
郭可
DIRECTOR
董事

本公司之財務狀況表已於二零一八年四月二十四日獲董事會批准及授權刊發，並由下列董事代表簽署：

Xu Haohao
徐昊昊
DIRECTOR
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

48. COMPARATIVE FIGURES

As a result of the Acquisition, certain comparative figures have been adjusted to conform to current year's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2017.

49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group.

48. 比較數字

基於收購事項，若干比較數字經已調整以遵循本年度之呈列方式及就於二零一七年首次披露之項目提供比較金額。

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響

截至該等財務報表發佈日期，香港會計師公會已發佈多項於截至二零一七年十二月三十一日止年度尚未生效且尚未於該等財務報表中獲採納之修訂本及新準則。該等修訂本及新準則包括可能與本集團有關的以下各項。

	<i>Effective for accounting periods beginning on or after</i> 於以下日期或之後開始的會計期間生效
HKFRS 9, <i>Financial instruments</i> 香港財務報告準則第9號，金融工具	1 January 2018 二零一八年一月一日
HKFRS 15, <i>Revenue from contracts with customers</i> 香港財務報告準則第15號，客戶合約收益	1 January 2018 二零一八年一月一日
Amendments to HKAS 40, <i>Investment property: Transfers of investment property</i> 香港會計準則第40號修訂本，投資物業：轉讓投資物業	1 January 2018 二零一八年一月一日
HK(IFRIC) Int 22, <i>Foreign currency transactions and advance consideration</i> 香港(國際財務報告詮釋委員會)詮釋第22號，外幣交易及墊付代價	1 January 2018 二零一八年一月一日
HKFRS 16, <i>Leases</i> 香港財務報告準則第16號，租賃	1 January 2019 二零一九年一月一日

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and interpretations is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. While the assessment has been substantially completed for HKFRS 9 and HKFRS 15, the actual impacts upon the initial adoption of the standards may differ as the assessment completed to date is based on the information currently available to the Group, and further impacts may be identified before the standards are initially applied in the Group's interim financial report for the six months ended 30 June 2018. The Group may also change its accounting policy elections, including the transition options, until the standards are initially applied in that financial report.

HKFRS 9, Financial instruments

HKFRS 9 will replace the current standard on accounting for financial instruments, HKAS 39, *Financial instruments: Recognition and measurement*. HKFRS 9 introduces new requirements for classification and measurement of financial assets, including the measurement of impairment for financial assets and hedge accounting. On the other hand, HKFRS 9 incorporates without substantive changes the requirements of HKAS 39 for recognition and derecognition of financial instruments and the classification and measurement of financial liabilities.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to use the exemption from restating comparative information and will recognise any transition adjustments against the opening balance of equity at 1 January 2018.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

本集團現正評估此等修訂本、新準則及詮釋在初步應用期間之預期影響。迄今本集團已識別新準則的若干方面可能對綜合財務報表造成重大影響。預期影響的進一步詳情於下文論述。儘管香港財務報告準則第9號及香港財務報告準則第15號的評估已大致完成，惟由於迄今完成的評估基於本集團目前可獲得的資料，因此對首次採納準則的實際影響可能不同。在該等準則初步應用於本集團截至二零一八年六月三十日止六個月的中期財務報告前，或會識別出更多影響。本集團亦可能改變其會計政策選擇，包括過渡方案，直至該等準則初步適用於該財務報告。

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號將取代有關金融工具會計處理之現有準則香港會計準則第39號，*金融工具：確認及計量*。香港財務報告準則第9號引入分類及計量金融資產（包括計量金融資產減值及對沖會計處理）之新規定。另一方面，香港財務報告準則第9號納入且無大幅改動香港會計準則第39號有關確認及終止確認金融工具及金融負債分類及計量之規定。

香港財務報告準則第9號按追溯基準於二零一八年一月一日或之後開始之年度期間生效。本集團計劃使用重列比較資料之豁免，並將確認就於二零一八年一月一日之期初權益結餘作出之任何過渡調整。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 9, Financial instruments (continued)

Expected impacts of the new requirements on the Group's financial statements are as follows:

(a) Classification and measurement

HKFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss ("FVTPL") and (3) fair value through other comprehensive income ("FVTOCI"):

- The classification for debt instruments is determined based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the asset. If a debt instrument is classified as FVTOCI then interest revenue, impairment and gains/losses on disposal will be recognised in profit or loss.
- For equity securities, the classification is FVTPL regardless of the entity's business model. The only exception is if the equity security is not held for trading and the entity irrevocably elects to designate that security as FVTOCI. If an equity security is designated as FVTOCI then only dividend income on that security will be recognised in profit or loss. Gains, losses and impairments on that security will be recognised in other comprehensive income without recycling.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

香港財務報告準則第9號，金融工具(續)

新規定對本集團財務報表之預期影響如下：

(a) 分類及計量

香港財務報告準則第9號載有三個主要金融資產分類類別：(1)以攤銷成本計量、(2)按公允價值計入損益(「按公允價值計入損益」)及(3)按公允價值計入其他全面收益(「按公允價值計入其他全面收益」)：

- 債務工具的分類乃根據實體就管理金融資產及資產的合約現金流量特性所協定的業務模式而釐定。倘債務工具被分類為按公允價值計入其他全面收益，則出售時的利息收益、減值及收益／虧損將於損益中確認。
- 不論實體的業務模式，股本證券均被分類為按公允價值計入損益，惟於股本證券並非持作交易，而實體不可撤回地選擇指定有關證券為按公允價值計入其他全面收益的情況下方為例外。倘股本證券被指定為按公允價值計入其他全面收益，則僅有關證券的股息收入將於損益中確認。有關證券的收益、虧損及減值將於其他全面收益中確認，而不會重新計入損益。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 9, Financial instruments (continued)

(a) Classification and measurement (continued)

For financial assets and equity instrument currently held at fair value, the Group expects to continue measuring these assets at fair value under HKFRS 9. Loans and receivables and held-to-maturity debt securities that are currently accounted for at amortised cost will continue to be accounted for using amortised cost model under HKFRS 9.

The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group currently does not have any significant financial liabilities designated at FVTPL and therefore this new requirement will not have any impact on the Group on adoption of HKFRS 9.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

香港財務報告準則第9號，金融工具(續)

(a) 分類及計量(續)

就現時按公允價值持有之金融資產及股本工具而言，預期本集團繼續根據香港財務報告準則第9號以公允價值計量該等資產。而現時按攤銷成本入賬之貸款及應收款項及持至到期之債務證券將繼續根據香港財務報告準則第9號以攤銷成本模式入賬。

香港財務報告準則第9號項下對金融負債的分類及計量規定與香港會計準則第39號並無重大差異，惟香港財務報告準則第9號規定指定為按公允價值計入損益的金融負債由於信貸風險的變動所致的公允價值變動須於其他全面收益確認(並無重新分類至損益)。本集團現時並無任何有關指定為按公允價值計入損益的重大金融負債，故於採納香港財務報告準則第9號後此新規定不會對本集團造成任何影響。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 9, Financial instruments (continued)

(b) Impairment

The new impairment model in HKFRS 9 replaces the “incurred loss” model in HKAS 39 with an “expected credit loss” model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group plans to apply the simplified approach and record lifetime expected credit loss on all trade receivables and any contract assets arising from the application of HKFRS 15.

The Group expects that the application of the expected credit loss model will result in earlier recognition of credit losses. Based on a preliminary assessment, if the Group were to adopt the new impairment requirements at 31 December 2017, accumulated impairment loss at that date would not increase significantly compared with that recognised under HKAS 39. As a consequence, no material adjustment will be made to the opening balances of net assets and retained profits at 1 January 2018.

The Group is currently finalising the testing of its expected credit loss model and the quantum of the final transition adjustments may be different upon finalisation.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

香港財務報告準則第9號，金融工具(續)

(b) 減值

香港財務報告準則第9號之新減值模式以「預期信貸虧損」模式取代香港會計準則第39號的「已產生虧損」模式。根據預期信貸虧損模式，虧損事件將毋須再於確認減值虧損前發生。相反，實體須按資產以及事實及情況確認及計量12個月之預期信貸虧損或永久預期信貸虧損。本集團計劃應用簡易方式，以及將永久預期信貸虧損計入所有應收貿易賬項及因應用香港財務報告準則第15號而產生之任何合約資產。

本集團預期應用預期信貸虧損模式將導致提早確認信貸虧損。根據初步評估，倘本集團於二零一七年十二月三十一日採納新減值規定，則該日之累計減值虧損將不會較根據香港會計準則第39號所確認者大幅增加。因此，於二零一八年一月一日的資產淨值及保留溢利之期初結餘將不會予以重大調整。

本集團現時正對其預期信貸虧損模式作最後測試，在最後測試階段之最終過渡調整金額可能有所不同。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

(c) *Hedge accounting*

HKFRS 9 does not fundamentally change the requirements relating to measuring and recognising ineffectiveness under HKAS 39. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting. The Group has assessed that its current hedge relationships will qualify as continuing hedges upon the adoption of HKFRS 9 and therefore it expects that the accounting for its hedging relationships will not be significantly impacted.

HKFRS 15, Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18, *Revenue*, which covers revenue arising from sale of goods and rendering of services, and HKAS 11, *Construction contracts*, which specifies the accounting for revenue from construction contracts.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

(c) *對沖會計處理*

香港財務報告準則第9號基本上並無改變香港會計準則第39號項下有關計量及確認無效性之規定。然而，就合資格作對沖會計處理的交易類別而言已經引入較大靈活性。本集團已評估，於採納香港財務報告準則第9號後其即期對沖關係將符合資格作持續對沖，故預期將不會對於對沖關係的會計處理造成重大影響。

香港財務報告準則第15號，客戶合約收益

香港財務報告準則第15號建立一個確認客戶合約收益之綜合框架。香港財務報告準則第15號將取代現有收益準則(即香港會計準則第18號收益，當中涵蓋自銷售貨品及提供服務產生之收益，以及香港會計準則第11號建築合約，當中指明建築合約之收益會計處理)。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 15, Revenue from contracts with customers (continued)

Based on the assessment completed to date, the Group has identified the following areas which are expected to be affected:

(a) Timing of revenue recognition

The Group's revenue recognition policies are disclosed in Note 2(cc). Currently, revenue arising from construction contracts and the provision of services is recognised over time, whereas revenue from the sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies three situations in which control of the promised good or service is regarded as being transferred over time:

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

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

香港財務報告準則第15號，客戶合約收益(續)

根據迄今完成的評估，本集團已識別以下預期將受影響的範疇：

(a) 收益確認的時間

本集團之收益確認政策於附註2(cc)披露。目前，建築合約及提供服務產生的收益隨時間確認，而銷售貨品的收益一般於所有權的風險及回報已轉移至客戶時確認。

根據香港財務報告準則第15號，收益於客戶獲得合約中承諾貨品或服務的控制權時確認。香港財務報告準則第15號已確定對承諾貨品或服務的控制權被視為隨時間轉移的三種情況：

- (i) 當客戶同時取得及消耗實體履約所提供的利益時；
- (ii) 當資產(如在建工程)被創造或改良時實體的履約行為創造或改良客戶所控制的資產；
- (iii) 實體的履約行為並未創造可被實體作替代用途的資產，並且就迄今已完成的履約部份實體具有獲得客戶付款的可執行權利。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 15, Revenue from contracts with customers (continued)

(a) Timing of revenue recognition (continued)

If the contract terms and the entity's activities do not fall into any of these three situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

The Group has assessed that the new revenue standard is not likely to have significant impact on how it recognises revenue from construction contracts.

(b) Significant financing component

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance or in arrears, which are currently not common in the Group's arrangements with its customers.

The Group plans to elect to use the cumulative effect transition method for the adoption of HKFRS 15 and will recognise the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018. As allowed by HKFRS 15, the Group plans to apply the new requirements only to contracts that are not completed before 1 January 2018. Since the number of "open" construction contracts at 31 December 2017 is limited, the Group expects that the transition adjustment to be made upon the initial adoption of HKFRS 15 will not be material.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

香港財務報告準則第15號，客戶合約收益(續)

(a) 收益確認的時間(續)

倘合約條款及實體行為並不屬於任何該等三種情況，則根據香港財務報告準則第15號，實體於某一時間點(即控制權轉移時)就銷售貨品或服務確認收益。所有權的風險及回報的轉移僅為於釐定控制權轉移何時發生將考慮的其中一項指標。

本集團已評估，新收益準則不大可能對確認建築合約收益的方法造成重大影響。

(b) 重大融資部份

香港財務報告準則第15號要求實體於合約包含重大融資部份時就貨幣時間價值調整交易價格，而不管來自客戶的付款將大部份提前或延後收取，惟此情況於目前本集團與其客戶間的安排中並不常見。

本集團計劃選擇使用累積效應過渡方法以採納香港財務報告準則第15號，並將初次應用的累積效應確認為於二零一八年一月一日的權益期初結餘調整。按香港財務報告準則第15號所允許，本集團計劃僅將新規定應用於二零一八年一月一日前尚未完成的合同。由於在二零一七年十二月三十一日仍在進行的建築合約數目有限，故本集團預期於首次採納香港財務報告準則第15號後將予作出的過渡調整並不重大。



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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 16, Leases

As disclosed in Note 2(o), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding “right-of-use” asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

香港財務報告準則第16號，租賃

誠如附註2(o)所披露，本集團現時將租賃分類為融資租賃及經營租賃，並且根據租賃的分類對租賃安排進行不同的會計核算。本集團作為出租人訂立若干租約，並作為承租人訂立其他租約。

預期香港財務報告準則第16號將不會大幅影響出租人根據租約核算其權利及義務的方式。然而，採用香港財務報告準則第16號後，承租人將不再區分為融資租賃及經營租賃。相反，根據可行權宜方法，承租人將按與現有融資租賃會計處理類似的方法核算所有租約，即於租約開始日期，承租人將按日後最低租賃付款的現值確認及計算租賃負債，及將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債尚未償還結餘所累計的利息開支及使用權資產折舊，而非根據現有政策於租期內按系統基準確認根據經營租賃所產生的租賃開支。作為可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃(即租期為12個月或以下)及低價值資產的租賃，於該等情況下，租金開支將繼續於租期內按系統基準確認。

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49. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

HKFRS 16, Leases (continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. As disclosed in Note 40, at 31 December 2017 the Group's future minimum lease payments under non-cancellable operating leases amount to approximately HK\$2,424,248,000, the majority of which is payable either between one and five years after the reporting date or in more than five years. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

HKFRS 16 is effective for annual periods beginning on or after 1 January 2019. The standard offers different transition options and practical expedients, including the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. If this practical expedient is chosen, the Group will apply the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. If the practical expedient is not chosen, the Group will need to reassess all of its decisions about which existing contracts are, or contain, leases, using the new definition. Depending on whether the Group elects to adopt the standard retrospectively or follow a modified retrospective method of recognising a cumulative-effect adjustment to the opening balance of equity at the date of initial application, the Group may or may not need to restate comparative information for any changes in accounting resulting from the reassessment.

49. 截至二零一七年十二月三十一日止年度已頒佈但尚未生效之修訂本、新訂準則及詮釋之潛在影響(續)

香港財務報告準則第16號，租賃(續)

香港財務報告準則第16號將主要影響本集團作為租約承租人就物業、廠房及設備(現時分類為經營租賃)的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加，及影響租約期間於綜合損益表內確認開支的時間。誠如附註40所披露，於二零一七年十二月三十一日，本集團於不可撤銷經營租賃項下有關物業及其他資產的日後最低租賃付款額約為港幣2,424,248,000元，其中大部份須於報告日期後一至五年內或五年後支付。因此，採用香港財務報告準則第16號後，若干該等款項可能須確認為租賃負債，並附帶相應使用權資產。經考慮可行權宜方法的適用性及就現時至採用香港財務報告準則第16號期間已訂立或終止的任何租約及貼現影響作出調整後，本集團將須進行更為詳細的分析以釐定於採用香港財務報告準則第16號時經營租賃承擔所產生的新資產及負債的金額。

香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間生效。該準則提供不同過渡方案及可行權宜方法，包括並不受限於現有安排是否(或有否包含)租賃的先前評估之可行權宜方法。倘選擇此可行權宜方法，本集團僅將香港財務報告準則第16號對租賃之新定義應用於首次應用日期或之後訂立之合約。倘並無選擇可行權宜方法，本集團將須使用新定義重新評估其對哪些現有合約為(或包含)租賃而作出之所有決定。視乎本集團是否選擇以追溯方式採納該準則，或遵從經修訂可追溯方式確認對首次應用當日權益期初結餘之累計效應調整，本集團或毋須重列因重新評估而引致任何會計變動之比較資料。

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

RESULTS

業績

		For the years ended 31 December				
		截至十二月三十一日止年度				
		2013	2014	2015	2016	2017
		二零一三年	二零一四年	二零一五年	二零一六年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
				(restated)		
				(經重列)		
Profit/(loss) attributable to:	應佔溢利/(虧損)：					
Owners of the Company	本公司擁有人	(318,378)	(335,016)	(213,810)	(21,902)	204,478
Non-controlling interests	非控股權益	(37,052)	(16,242)	(21,791)	(37,938)	21,733
		(355,430)	(351,258)	(235,601)	(59,840)	226,211
Earning/(loss) per share	每股盈利/(虧損)					
Basic (HK cents)	基本(港仙)	(11.83)	(9.96)	(4.28)	(0.19)	1.79
Diluted (HK cents)	攤薄(港仙)	(11.83)	(9.96)	(4.28)	(0.40)	1.79
Dividends	股息	-	-	-	-	-

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		As at 31 December				
		於十二月三十一日				
		2013	2014	2015	2016	2017
		二零一三年	二零一四年	二零一五年	二零一六年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Total assets	總資產	2,069,470	4,197,493	6,429,176	6,421,122	31,181,703
Total liabilities	總負債	(1,185,226)	(2,727,182)	(2,472,863)	(2,682,360)	(25,210,370)
		884,244	1,470,311	3,956,313	3,738,762	5,971,333
Equity attributable to owners of the Company	本公司擁有人應佔權益	813,975	983,179	3,512,380	3,360,211	5,444,133
Non-controlling interests	非控股權益	70,269	487,132	443,933	378,551	527,200
		884,244	1,470,311	3,956,313	3,738,762	5,971,333