

The background of the entire page is a light blue and green gradient. It features a large, semi-transparent image of a microscope in the upper right quadrant. In the lower right, there are two round-bottom flasks containing blue liquid, with molecular models overlaid on them. The overall aesthetic is clean, professional, and scientific.

NationalInvestments

National Investments Fund Limited
國盛投資基金有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號: 1227)

Annual Report
2017
年報

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Corporation Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Wong Danny F. (*Chairman*)
Mr. Wu Tse Wai, Frederick
Mr. Fong Chi Wah

Non-executive Directors

Mr. Gao Chengming (*Retired on 30 June 2017*)
Mr. Lau Chi Lung, Johnny (*Retired on 30 June 2017*)

Independent Non-executive Directors

Mr. Char Shik Ngor, Stephen
Mr. Liu Jin
Mr. Law Tze Lun

AUDIT COMMITTEE

Mr. Law Tze Lun (*Chairman*)
Mr. Char Shik Ngor, Stephen
Mr. Liu Jin

REMUNERATION COMMITTEE

Mr. Liu Jin (*Chairman*)
Mr. Law Tze Lun

NOMINATION COMMITTEE

Mr. Char Shik Ngor, Stephen (*Chairman*)
Mr. Liu Jin
Mr. Law Tze Lun

CHIEF EXECUTIVE OFFICER

Mr. Feng Wen

COMPANY SECRETARY

Mr. Law Kim Fai

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

董事會

執行董事

汪曉峰先生 (*主席*)
吳子惠先生
方志華先生

非執行董事

高城銘先生 (*於二零一七年六月三十日退任*)
劉嗣龍先生 (*於二零一七年六月三十日退任*)

獨立非執行董事

查錫我先生
劉進先生
羅子璘先生

審核委員會

羅子璘先生 (*主席*)
查錫我先生
劉進先生

薪酬委員會

劉進先生 (*主席*)
羅子璘先生

提名委員會

查錫我先生 (*主席*)
劉進先生
羅子璘先生

行政總裁

馮文先生

公司秘書

羅劍輝先生

核數師

國衛會計師事務所有限公司
執業會計師

PRINCIPAL BANKERS

OCBC Wing Hang Bank Limited
Industrial and Commercial Bank of China (Asia) Limited

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS

20/F., Octa Tower
8 Lam Chak Street
Kowloon Bay, Hong Kong

INVESTMENT MANAGER

Avia Asset Management Limited
Unit A, Level 9, Fortis Tower
77-79 Gloucester Road
Wanchai, Hong Kong

CUSTODIAN

Bank of Communications Trustee Limited
1st Floor, Far East Consortium Building
121 Des Voeux Road Central
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

The Stock Exchange of Hong Kong Limited: 1227

WEBSITE

www.nif-hk.com

主要往來銀行

華僑永亨銀行有限公司
中國工商銀行(亞洲)有限公司

註冊辦事處

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

主要營業地點

香港九龍灣
臨澤街8號
傲騰廣場20樓

投資經理

輝亞資產管理有限公司
香港灣仔
告士打道77-79號
富通大廈9樓A室

託管商

交通銀行信託有限公司
香港
德輔道中121號
遠東發展大廈1樓

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

股份代號

香港聯合交易所有限公司: 1227

網址

www.nif-hk.com

Financial Highlights

財務摘要

Key Financial Figures and Ratios	主要財務資料及比率	Notes 附註	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2016 截至 二零一六年 十二月三十一日 止年度 HK\$'000 千港元	Increase/ (decrease) in 增加/(減少) %
Performance	業績				
Revenue	收益		2,915	1,785	63.31%
Loss before taxation	除稅前虧損		(123,593)	(114,413)	8.02%
Loss for the year*	年內虧損*		(123,593)	(114,413)	8.02%
Loss attributable to owners of the Company	本公司擁有人應佔虧損		(123,593)	(114,413)	8.02%
Net loss margin	淨虧損率	1	(4,239.90)%	(6,409.69)%	(33.85%)
Per Share Data	每股資料		HK cents 港仙	HK cents 港仙	
Loss per share – Basic and Diluted [^]	每股虧損 – 基本及攤薄 [^]		(4.86)	(5.28)	
[^] Number of shares:			[^] 股份數目:		
			'000 千股	'000 千股	
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share (Note)	計算每股基本盈利時採用之普通股加權平均數(附註)		2,545,238	2,168,932	

Note:

The calculation of basic loss per share for the years ended 31 December 2017 and 2016 is based on the loss attributable to owners of the Company for the years and the weighted average number of shares for the relevant period.

The weighted average of ordinary shares for the purpose of calculating basic loss per share for the year ended 31 December 2017 have been adjusted for the effects of both placing and rights issue completed on 10 January 2017, 7 March 2017 and 2 January 2018 respectively (2016: adjusted for the effect of placing completed on 26 January 2016, 18 July 2016 and 22 December 2016 respectively). The rights issue completed on 2 January 2018 has been reflected retrospectively by restating the weighted average number of ordinary shares for the year ended 31 December 2016.

For the years ended 31 December 2017 and 2016, the Company's outstanding share options were not included in the calculation of diluted loss per share because the effect of the Company's outstanding share options were anti-dilutive.

附註:

截至二零一七年及二零一六年十二月三十一日止年度之每股基本虧損乃根據各年度本公司擁有人應佔虧損及有關期間加權平均股數計算。

截至二零一七年十二月三十一日止年度，計算每股基本虧損時採用之普通股加權平均數已分別就於二零一七年一月十日、二零一七年三月七日及二零一八年一月二日完成之配售及供股之影響作出調整(二零一六年：分別就於二零一六年一月二十六日、二零一六年七月十八日及二零一六年十二月二十二日完成之配售之影響作出調整)。截至二零一六年十二月三十一日止年度之普通股加權平均數已經重列，以追溯反映於二零一八年一月二日完成之供股之影響。

截至二零一七年及二零一六年十二月三十一日止年度，由於本公司之尚未行使購股權具反攤薄影響，故計算每股攤薄虧損時並無將本公司之尚未行使購股權計算在內。

Key Financial Figures and Ratios	主要財務資料及比率	Notes 附註	Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2016 截至 二零一六年 十二月三十一日 止年度 HK\$'000 千港元	Increase/ (decrease) in 增加/(減少) %
Total assets	資產總值		174,931	207,737	(15.79)%
Net (liabilities)/assets	(負債)/資產淨值		(47,443)	43,747	(208.45)%
Cash and cash equivalents	現金及現金等值項目		34,794	7,401	370.13%
Liquidity and Gearing					
	流動資金及資產負債				
Current ratio	流動比率	2	0.56	1.32	(57.58)%
Quick ratio	速動比率	3	0.56	1.32	(57.58)%
Gearing ratio	資本負債比率	4	N/A不適用	3.17	N/A不適用
Per Share Data					
	每股資料		HK cents 港仙	HK cents 港仙	
Net (liabilities)/assets value per share	每股(負債)/資產 淨值	5	(1.97)	2.05	(196.10)%
Net cash per share	每股現金淨額	6	1.45	0.35	314.29%

Notes:

附註:

- Net loss margin is calculated by dividing loss for the year by revenue and multiplying the resulting value by 100%.
 - Current ratio is calculated by dividing current assets by current liabilities.
 - Quick ratio is calculated by dividing current assets (net of work in progress) by current liabilities.
 - Gearing ratio is calculated by dividing total debt by total equity. Total debt comprises short-term loans, obligations under finance leases, promissory notes and interest-bearing other payables.
 - Net asset value per share is calculated based on the number of 2,402,260,913 shares (2016: 2,132,260,913 shares).
 - Net cash per share is calculated based on the number of 2,402,260,913 shares (2016: 2,132,260,913 shares).
- 淨虧損率乃按年內虧損除以收益再乘100%計算。
 - 流動比率乃按流動資產除流動負債計算。
 - 速動比率乃按流動資產(扣除未完成項目)除流動負債計算。
 - 資產負債比率乃按債務總額除權益總額計算。債務總額包括短期貸款、融資租賃承擔、承兌票據及其他計息應付款項。
 - 每股資產淨值乃按2,402,260,913股(二零一六年: 2,132,260,913股)股份數目計算。
 - 每股現金淨額乃按2,402,260,913股(二零一六年: 2,132,260,913股)股份數目計算。

Chairman's Statement and Management Discussion and Analysis

主席報告與管理層討論及分析

On behalf of the board of directors (the "Board") of National Investments Fund Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2017 (the "Review Period").

The Company is an investment company and the Group is principally engaged in investments in a diversified portfolio of listed and unlisted companies.

BUSINESS REVIEW

For the Review Period, the Group's revenue recorded a net gain of approximately HK\$2,915,000 (for the year ended 31 December 2016 ("Last Corresponding Period"): net gain of approximately HK\$1,785,000). Excluding the net gain of approximately HK\$575,000 (Last Corresponding Period: the net loss of approximately HK\$200,000) recorded on the financial assets at fair value through profit or loss ("FVTPL"), the Group's revenue increased by approximately 17.88% to approximately HK\$2,340,000 (Last Corresponding Period: approximately HK\$1,985,000). The proceeds on sales of equity securities were approximately HK\$13,365,000 (Last Corresponding Period: approximately HK\$7,459,000), and the cost of sales were approximately HK\$12,790,000 (Last Corresponding Period: approximately HK\$7,659,000). The net realised gain on financial assets at FVTPL was therefore approximately HK\$575,000 (Last Corresponding Period: the net realised loss of approximately HK\$200,000). Apart from the net realised gain on financial assets at FVTPL, there was no unrealised gain on financial assets at FVTPL (Last Corresponding Period: NIL).

For the Review Period, the loss for the year attributable to owners of the Company was approximately HK\$123,593,000 (Last Corresponding Period: approximately HK\$114,413,000). The loss was primarily attributable to (i) impairment loss of available-for-sale financial assets of approximately HK\$13,868,000 (Last Corresponding Period: approximately HK\$18,388,000); (ii) impairment loss of other tangible assets of approximately HK\$1,007,000 (Last Corresponding Period: approximately HK\$86,000); (iii) impairment loss of other receivable of approximately HK\$40,800,000 (Last Corresponding Period: Nil); and (iv) finance costs of approximately HK\$15,415,000 (Last Corresponding Period: approximately HK\$11,922,000).

本人謹代表國盛投資基金有限公司（「本公司」）董事會（「董事會」）欣然呈列本公司及其附屬公司（統稱「本集團」）截至二零一七年十二月三十一日止年度（「回顧期間」）之全年業績。

本公司為一間投資公司，而本集團之主要業務為投資於上市及非上市公司之多元化投資組合。

業務回顧

於回顧期間，本集團收益錄得收益淨額約2,915,000港元（截至二零一六年十二月三十一日止年度（「去年同期」）：收益淨額約1,785,000港元）。倘剔除於損益表按公允價值列賬（「於損益表按公允價值列賬」）的金融資產錄得的收益淨額約575,000港元（去年同期：虧損淨額約200,000港元），則本集團之收益增加約17.88%至約2,340,000港元（去年同期：約1,985,000港元）。股本證券之銷售所得款項約為13,365,000港元（去年同期：約7,459,000港元），而銷售成本約為12,790,000港元（去年同期：約7,659,000港元）。因此，於損益表按公允價值列賬之金融資產已變現收益淨額約為575,000港元（去年同期：已變現虧損淨額約200,000港元）。除於損益表按公允價值列賬之金融資產已變現收益淨額外，概無於損益表按公允價值列賬之金融資產未變現收益（去年同期：無）。

於回顧期間，本公司擁有人應佔年內虧損約為123,593,000港元（去年同期：約114,413,000港元）。虧損主要源自(i)可供出售金融資產之減值虧損約13,868,000港元（去年同期：約18,388,000港元）；(ii)其他有形資產減值虧損約1,007,000港元（去年同期：約86,000港元）；(iii)其他應收款項減值虧損約40,800,000港元（去年同期：無）；及(iv)融資成本約15,415,000港元（去年同期：約11,922,000港元）。

PROSPECT

In the year of 2018, the world's economy continues to fill with challenges and uncertainties. Affected by the global economy (in particular the economy of China), the financial market in Hong Kong was confronted with numerous challenges and uncertainties. Recently the United States government is trying to use trade protectionist measures as remedial tools for trade disputes with China which may affect China's normal trade relations with the United States and cause uncertainty to the global economy due to trade war threats between the world's biggest two nations. Internally, the China's economy growth also face various issues, such as its domestic debt, which may affect its economic growth. The uncertainties may hinder the investor's confidence in financial market and it is expected that the stock market may remain volatile.

The Group will continue to implement a diversified investment strategies and to identify suitable investment opportunities with potential assets appreciation that will furtherance our Company's investment objectives and policies and also to generate better returns for the Group and the shareholders of the Company. Despite the difficult market conditions, the Group would endeavor to bring positive returns under our investment portfolio to the shareholders of the Company.

DIVIDEND

The Board does not recommend the payment of final dividend for the Review Period (Last Corresponding Period: Nil).

展望

二零一八年，世界經濟仍然充滿挑戰及不明朗性。受全球經濟（特別是中國經濟）的影響，香港金融市場面臨眾多挑戰及不明朗性。近期，美國政府嘗試採取貿易保護主義措施作為與中國貿易爭端的彌補手段，此舉可能影響中國與美國的正常貿易關係並因世界兩大國家之間的貿易戰爭威脅導致全球經濟不明朗。就國內形勢而言，中國經濟增長亦面臨眾多問題，如國內債務，可能影響其經濟增長。該等不明朗因素或會窒礙投資者對金融市場的信心並預期股市或會維持波動。

本集團將繼續實施多元化投資策略，物色具有資產升值潛力之合適投資機會，從而將深化本公司投資目標及政策，亦為本集團及本公司股東帶來更佳回報。儘管市況艱難，本集團將致力為本公司股東帶來更豐厚的投資組合回報。

股息

董事會不建議就回顧期間派發末期股息（去年同期：無）。

LIQUIDITY AND FINANCIAL RESOURCES

The Group had cash and cash equivalents of approximately HK\$34,794,000 as at 31 December 2017 (2016: approximately HK\$7,401,000).

As at 31 December 2017, the Company had issued promissory notes in the aggregate amount of HK\$110,000,000. Eleven promissory notes in the denomination of HK\$10,000,000 each were issued to eleven independent third parties. Each promissory note bears interest at a rate of 5% per annum with a maturity period of seven years from the date of issue. The net proceeds were used for investment in securities and as general working capital of the Group.

The net current liabilities held by the Group as at 31 December 2017 amounted to approximately HK\$49,332,000 (2016: net current assets of approximately HK\$17,878,000). Save and except the above, the Group had no other outstanding credit facility from other financial institution as at 31 December 2017. As all cash and cash equivalents were maintained in Hong Kong Dollars accounts with banks in Hong Kong, exposure to exchange fluctuation is considered minimal. The gearing ratio, calculated on the basis of total debt over total equity as at 31 December 2017, was not applicable (2016: approximately 3.174).

The Company has entered into a loan agreement with Enhanced Finance Limited ("Enhanced") on 14 January 2016 for a loan facility in the total amount of HK\$65,000,000 (the "Enhanced Facility"). On 20 June 2016, the Company, Enhanced and Hansom Finance Limited ("Hansom") entered into a deed of assignment ("Deed of Assignment") whereas Enhanced, as the assignor, assigned the outstanding principal (i.e. HK\$15,000,000) of the Enhanced Facility to Hansom (the "Assigned Loan").

Prior to the date of the Deed of Assignment, the Company has entered into two respective loan agreements with Hansom on 8 April 2016 and 16 May 2016 for loan facilities in the total amount of HK\$5,000,000 (the "First Facility") and HK\$5,000,000 (the "Second Facility") respectively.

流動資金及財務資源

於二零一七年十二月三十一日，本集團持有現金及現金等值項目約34,794,000港元（二零一六年：約7,401,000港元）。

於二零一七年十二月三十一日，本公司已發行總額為110,000,000港元之承兌票據。十一份每份面值為10,000,000港元的承兌票據已發行予十一名獨立第三方。每份承兌票據按年利率5%計息，由發行日期起計七年到期。所得款項淨額已用於投資證券及用作本集團一般營運資金。

於二零一七年十二月三十一日，本集團持有之流動負債淨額約為49,332,000港元（二零一六年：流動資產淨值約17,878,000港元）。除上述者外，本集團於二零一七年十二月三十一日並無向其他金融機構取得任何其他未償還信貸融資。由於所有現金及現金等值項目均存放於香港銀行之港元賬戶，故所承擔之外匯波動風險極低。按於二零一七年十二月三十一日之負債總額除以權益總額之基準計算，資產負債比率為不適用（二零一六年：約3.174）。

於二零一六年一月十四日，本公司與進陞信貸有限公司（「進陞」）就總額65,000,000港元之貸款融資（「進陞融資」）訂立貸款協議。於二零一六年六月二十日，本公司、進陞及恒盛財務有限公司（「恒盛」）訂立轉讓契據（「轉讓契據」），據此進陞（作為轉讓人）轉讓進陞融資之未償還本金（即15,000,000港元）予恒盛（「轉讓貸款」）。

於轉讓契據日期前，本公司已於二零一六年四月八日及二零一六年五月十六日分別就總額為5,000,000港元（「第一融資」）及5,000,000港元（「第二融資」）之貸款融資與恒盛訂立兩份貸款協議。

In order to extend the repayment dates, the Company and Hansom agreed to enter into a deed of promissory note (the "PN Deed") on 20 June 2016 to merge the First Facility, the Second Facility, the Assigned Loan and the outstanding interest accrued on the Assigned Loan into a single debt so that such merged debt shall be payable and secured by in accordance with the terms and conditions of the PN Deed. Pursuant to the PN Deed, the Company covenanted to repay the debt to Hansom on or before 19 December 2016 with an interest at the rate of 3% per month commencing from 20 June 2016. The Company charged its assets by way of floating charge as well as the interest its wholly owned subsidiaries in favour of Hansom as security of the debt.

Pursuant to the deed of assignment made between Hansom and Citizens Money Lending Corporation Limited ("Citizens") on 19 July 2016, Hansom assigned all its rights, title, benefits and interest in the debt under the PN Deed to Citizens.

On 2 January 2018, the Company completed a rights issue and issued 1,201,130,456 new ordinary shares of HK\$0.01 each at a subscription price of HK\$0.035 each. The Company has applied part of the net proceeds from the rights issue to fully settle the indebtedness owed to Citizens.

CAPITAL STRUCTURE AND FUND RAISING ACTIVITIES

The shares of the Company were listed on the Stock Exchange. Changes in the capital structure of the Company during the Review Period are set out below.

On 10 January 2017, the Company completed the placing of 160,000,000 new ordinary shares of HK\$0.01 each through a placing agent to not less than six independent investors at a price of HK\$0.1 per placing share which represented a discount of approximately 9.09% to the closing price of HK\$0.110 per share as quoted on the Stock Exchange on 6 January 2017, being the date of placing agreement. The net proceeds of the placing is in the amount of approximately HK\$15.52 million, which represents a net price of HK\$0.097 per placing share. The balance of approximately HK\$9.88 million was used for investments in Hong Kong listed securities pursuant to the investment objectives of the Group. The balance of approximately HK\$0.75 million was used for settlement of the promissory notes interest and debt interest, while the balance of approximately HK\$4.89 million was used for general working capital. Details of the placing were disclosed in the announcements of the Company dated 6 January 2017 and 10 January 2017.

為延長還款日期，本公司與恒盛於二零一六年六月二十日協定訂立承兌票據契據（「承兌票據契據」），以合併第一融資、第二融資及轉讓貸款以及轉讓貸款之未償還應計利息為一筆單項債務，而有關合併債務須根據承兌票據契據之條款及條件支付及抵押。根據承兌票據契據，本公司保證於二零一六年十二月十九日或之前向恒盛償還債務，利息自二零一六年六月二十日起按每月3厘計。本公司透過浮動押記以及於其全資附屬公司之權益方式以恒盛為受益人抵押其資產作為債務之擔保。

根據恒盛與民眾財務有限公司（「民眾」）於二零一六年七月十九日作出之轉讓契據，恒盛已轉讓其於承兌票據契據項下之所有權利、所有權、利益及債務權益予民眾。

於二零一八年一月二日，本公司已完成供股並按每股0.035港元之認購價發行1,201,130,456股每股面值0.01港元之新普通股。本公司已將部份供股所得款項淨額用於支付全部結欠民眾之債務。

股本架構及集資活動

本公司之股份於聯交所上市。於回顧期間內，本公司之股本架構變動載列於下文。

於二零一七年一月十日，本公司透過一名配售代理以每股配售股份0.1港元之價格（較股份於二零一七年一月六日（即配售協議日期）於聯交所所報收市價每股0.110港元折讓約9.09%），向不少於六名獨立投資者完成配售160,000,000股每股面值0.01港元之新普通股。配售之所得款項淨額約為15,520,000港元（即每股配售股份淨價格為0.097港元）。餘額約9,880,000港元已根據本集團之投資目標用於投資香港上市證券。餘額約750,000港元已用於償付承兌票據利息及債務利息，餘額約4,890,000港元已用作一般營運資金。配售之詳情於本公司日期為二零一七年一月六日及二零一七年一月十日之公告內披露。

Chairman's Statement and Management Discussion and Analysis

主席報告與管理層討論及分析

On 7 March 2017, the Company completed the placing of 110,000,000 new ordinary shares of HK\$0.01 each through a placing agent to not less than six independent investors at a price of HK\$0.142 per placing share which represented a discount of approximately 19.77% to the closing price of HK\$0.177 per share as quoted on the Stock Exchange on 28 February 2017, being the date of the placing agreement. The net proceeds of the placing is in the amount of approximately HK\$15.15 million, which represents a net price of HK\$0.138 per placing share. The balance of approximately HK\$1.5 million was used for settlement of the promissory notes interest and debt interest, while the balance of approximately HK\$13.65 million was used for general working capital. Details of the placing were disclosed in the announcements of the Company dated 28 February 2017 and 7 March 2017.

On 2 January 2018, the Company completed a rights issue and issued 1,201,130,456 new shares with par value of HK\$0.01 each at a subscription price of HK\$0.035 per rights share on the basis of two rights shares for every one then existing share held, and the net proceeds of the Rights Issue, after deducting the related expense, were approximately HK\$40,280,000 which were mainly used to repay the principal amount and interests of Group's loans including the Citizens Money Lending Corporation Limited. Details of the rights issue were disclosed in the announcements of the Company dated 21 November 2017, 28 November 2017, 2 January 2018 and the prospectus of the Company 7 December 2017.

As at 31 December 2017, the total number of issued ordinary shares of the Company was 2,402,260,913 shares (2016: 2,132,260,913 shares).

EMPLOYEES

As at 31 December 2017, the Group had 26 employees (2016: 30 employees), including executive directors and independent non-executive directors. The total employment costs incurred during the Review Period were approximately HK\$20,813,000 (2016: approximately HK\$21,683,000). The Group's remuneration policies are in line with the prevailing market practice and are determined based on the performance, level of responsibility and experience of individual employees.

Further, as incentives or rewards for employees' contributions to the Company, the Company adopted a share option scheme on 27 August 2007 (which was terminated on 30 June 2017) and a new share option scheme on 30 June 2017.

於二零一七年三月七日，本公司透過一名配售代理以每股配售股份0.142港元之價格（較股份於二零一七年二月二十八日（即配售協議日期）於聯交所所報收市價每股0.177港元折讓約19.77%），向不少於六名獨立投資者完成配售110,000,000股每股面值0.01港元之新普通股。配售之所得款項淨額約為15,150,000港元（即每股配售股份淨價格為0.138港元）。餘額約1,500,000港元已用於償付承兌票據利息及債務利息，餘額約13,650,000港元已用作一般營運資金。配售之詳情於本公司日期為二零一七年二月二十八日及二零一七年三月七日之公告內披露。

於二零一八年一月二日，本公司完成供股，並按當時每持有一股現有股份獲發兩股供股股份之基準，以每股供股股份0.035港元之認購價發行1,201,130,456股每股面值0.01港元之新股份，及供股之所得款項淨額（扣除相關開支後）約為40,280,000港元，主要用於償還本集團貸款（包括民眾財務有限公司）之本金金額及利息。供股詳情於本公司日期為二零一七年十一月二十一日、二零一七年十一月二十八日及二零一八年一月二日之公告以及日期為二零一七年十二月七日之本公司章程中披露。

於二零一七年十二月三十一日，本公司之已發行普通股總數為2,402,260,913股（二零一六年：2,132,260,913股）。

僱員

於二零一七年十二月三十一日，本集團共有26名（二零一六年：30名）僱員，其中包括執行董事及獨立非執行董事。於回顧期間產生之僱員成本總額約為20,813,000港元（二零一六年：約21,683,000港元）。本集團之薪酬政策與現行之市場慣例相符，並以個別僱員之表現、職責水平及經驗作為釐定基準。

此外，作為僱員對本公司作出貢獻之鼓勵或獎賞，本公司於二零零七年八月二十七日採納一項購股權計劃（已於二零一七年六月三十日終止）及於二零一七年六月三十日採納一項新購股權計劃。

CAPITAL COMMITMENTS

As at 31 December 2017, the Group did not have any material capital commitments (2016: Nil).

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

In 2016, the Group as borrower entered into a loan agreement with an independent third party as lender for a short-term loan of approximately HK\$25,716,000. As at 31 December 2017, the outstanding balance payable by the Group is approximately HK\$39,130,000, which includes the outstanding principal and accrued interest payable. Pursuant to the loan agreement, the Group pledged the interest in its wholly owned subsidiaries in favour of Massive Shine Limited, Old Peak Limited, Eighty Riches Limited, Union Power Holdings Limited and Fine East Trading Limited as chargees.

In 2017, the Group as borrower entered into a loan agreement with an independent third party as lender for a short-term loan of approximately HK\$1,500,000. As at 31 December 2017, the outstanding balance payable by the Group is approximately HK\$1,580,000, which includes the outstanding principal and accrued interest payable.

As at 31 December 2017, bank deposits in the amount of approximately HK\$2,070,000 (2016: HK\$2,040,000) were pledged to a bank as security for certain trade credit facilities granted to the Group.

Save as disclosed above, there were no charges over any of the Group's assets or significant contingent liabilities as at 31 December 2017.

資本承擔

於二零一七年十二月三十一日，本集團並無任何重大資本承擔（二零一六年：無）。

本集團資產抵押及或然負債

於二零一六年，本集團（作為借款人）與獨立第三方（作為貸款人）就短期貸款約25,716,000港元訂立貸款協議。於二零一七年十二月三十一日，本集團應付尚未償還餘額約39,130,000港元，包括尚未償還本金及應付應計利息。根據貸款協議，本集團以Massive Shine Limited、Old Peak Limited、Eighty Riches Limited、Union Power Holdings Limited及Fine East Trading Limited（作為承押人）為受益人抵押本集團於其全資附屬公司之權益。

於二零一七年，本集團（作為借款人）與獨立第三方（作為貸款人）就短期貸款約1,500,000港元訂立貸款協議。於二零一七年十二月三十一日，本集團應付尚未償還餘額約1,580,000港元，包括尚未償還本金及應付應計利息。

於二零一七年十二月三十一日，約2,070,000港元（二零一六年：2,040,000港元）之銀行存款已抵押予銀行，以取得授予本集團之若干貿易信用融資。

除上文所披露者外，於二零一七年十二月三十一日，本集團並無質押任何資產或重大或然負債。

DISCLAIMER OF OPINION AND GOING CONCERN

The Board prepared the financial statements on a going concern basis based on the cash flow projections of the Group covering a period of not less than twelve months from the end of the reporting period prepared by the Company's management. Both the Board and the audit committee are of the opinion that, taking into account the plans for additional financing and amicable disposal of the winding up petition and measures to control costs and generate adequate cash flows from the Group's operations, the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the end of the reporting period. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements for the year ended 31 December 2017 on a going concern basis. Whilst the Board and the audit committee are confident for the successful implementation of the above-mentioned plans and measures, the auditors expressed a disclaimer of opinion (details of which are set out in the section headed "Disclaimer of Opinion" in the Independent Auditor's report in pages 58 to 61 in this report) as they took the view that the going concern basis would depend on the outcome of the above-mentioned plans and measures which are subject to the following uncertainties including (i) whether the Group is able to successfully obtain additional financing as and when required, the achievability of which depends on the future performance of the Group; (ii) whether the Group is able to implement its operation plans for control costs and to generate adequate cash flow from operations, the achievability of which depends on the market environment which is expected to remain challenging; and (iii) whether the Group is able to successfully negotiate with Medisun Holdings Limited (the "Petitioner") for an amicable disposal of the petition out of the High Court and negotiate with the Creditor for the settlement of the outstanding balance. The audit committee has reviewed and agreed with the Board's position concerning the audit qualification. The audit committee had discussed with the Company's auditors regarding the financial statements and the cashflow projection (including the achievability of the abovementioned plans and measures) in order to resolve the audit qualification. Whilst the audit committee is of the view that the abovementioned plans and measures are achievable, the Company's auditor is of the view that there is insufficient audit evidence for certainty of the outcome of the abovementioned plans and measures which will only be implemented in 2018 and took the view that it is appropriate to express a disclaimer of opinion for the financial year ended 31 December 2017.

The Company will endeavor to implement the abovementioned plans and measures.

不發表意見及持續經營

董事會根據本公司管理層所編製涵蓋呈報期末起計不少於十二個月期間的本集團現金流量預測，按持續經營基準編製財務報表。經考慮額外融資及清盤呈請和解的計劃以及控制成本及自本集團經營產生充足現金流量的措施，董事會及審核委員會均認為，本集團將有充足營運資金於呈報期末起計未來十二個月期間為其經營提供資金及應付其到期金融負債。因此，本公司董事認為，按持續經營基準編製截至二零一七年十二月三十一日止年度之綜合財務報表乃屬適當。同時，董事會及審核委員會有信心可成功落實上述計劃及措施，而核數師就此發表不發表意見（詳情載於本報告第58至61頁之獨立核數師報告中「不發表意見」一節），原因為彼等認為持續經營基準將取決於上述計劃及措施的結果，而上述計劃及措施涉及以下不確定因素，包括(i)本集團能否在需要時成功獲得額外融資，此取決於本集團未來的表現而定；(ii)本集團能否實施其控制成本的營運計劃並從業務營運產生足夠現金流，此取決於預計將仍充滿挑戰的市場環境而定；及(iii)本集團能否成功與麥迪遜醫療集團有限公司（「呈請人」）協商於庭外和解呈請並與債權人協商償付尚未償還結餘。審核委員會已審閱並同意審核保留意見有關的董事會情況。審核委員會與本公司核數師討論有關財務報表及現金流量預測的情況（包括上述計劃及措施的可行性），以解決審核保留意見。審核委員會認為，上述計劃及措施乃屬可行，而本公司核數師認為，未有充足審核憑證可確定上述僅於二零一八年執行的計劃及措施的結果並認為就截至二零一七年十二月三十一日止財政年度之不發表意見乃屬恰當。

本公司將致力落實上述計劃及措施。

For the plan for raising additional financing, the Company plans to raise fund by way of rights issue and expects to receive the proceeds of not less than HK\$50 million in July 2018. The Company has commenced discussion with the prospective underwriters for rights issue. For the plan for amicable disposal of the winding up petition, the Company commenced negotiation with the Petitioner and expects to reach settlement by 31 May 2018. For the measures to control costs and generate adequate cash flows from the Group's operations, they are ongoing for the entire year of 2018.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my utmost gratitude to our most valued shareholders and business partners for their continuous trust and unfailing support. I would also like to take this opportunity to express our appreciation and gratitude to our management and staff for their dedication and hard work.

Wong Danny F.
Chairman

Hong Kong, 29 March 2018

就額外融資計劃而言，本公司計劃透過供股集資，並預期將於二零一八年七月獲得所得款項約50,000,000港元。本公司已與有意包銷商就供股展開討論。就清盤呈請和解計劃而言，本公司已與呈請人展開協商並預期將於二零一八年五月三十一日前達成和解。就控制成本及自本集團經營產生充足現金流量的措施而言，有關措施將於二零一八年全年持續進行。

鳴謝

本人謹藉此機會代表董事會衷心感謝尊貴股東及業務夥伴一直信任和鼎力支持，同時由衷感激管理層及各員工不懈努力。

汪曉峰
主席

香港，二零一八年三月二十九日

Biographical Details of Directors and Senior Management

董事及高級管理層簡歷

EXECUTIVE DIRECTORS

Mr. Wong Danny F., aged 55, was appointed as an executive director of the Company on 21 May 2007. Mr. Wong holds a Bachelor's degree in Economics and Accounting from China Central University of Finance and Economics. Mr. Wong has over 25 years of experience in investment project evaluation, listing planning and asset management. From 2001 to 2005, Mr. Wong was an executive director of Sun Hung Kai International Limited and was in charge of investment banking and responsible for public listing of companies and fund raising activities for private and listed companies. Mr. Wong was an executive director of CMBC Capital Holdings Limited (formerly known as Poly Capital Holdings Limited) (Stock code: 1141) from June 2009 to August 2009, and he also was an executive director and the chairman of HengTen Networks Group Limited (formerly known as Mascotte Holdings Limited) (Stock code: 136) from February 2014 to June 2014, both of which are listed on the Stock Exchange. During the period from November 2014 to August 2016, Mr. Wong was a non-executive director of Celyad S.A. (formerly known as Cardio3 Biosciences S.A.) (Symbol: CYAD) which is listed on NASDAQ in the United States.

Mr. Wu Tse Wai, Frederick, aged 76, was appointed as an executive director of the Company on 6 January 2004. He also served as the Chief Executive Officer of the Company for the period from 1 November 2005 to 19 May 2014 and the period from 31 August 2015 to 20 March 2016. Mr. Wu was educated in Hong Kong and the United States with a Master of Business Administration degree in Finance. He has over 43 years of experience in insurance, securities business and asset management. He started his career with Paul Revere Life Insurance Company as an assistant actuary. He later worked for Fidelity Management and Research of Boston as an analyst and then moved on to senior positions in research and fund management with various well-known institutions in the United States. In the early 80s, Mr. Wu joined and served as a senior portfolio manager and investment advisor at Bank of America in Hong Kong. In the 90s, Mr. Wu joined and was elected as a director and senior consultant of Lippo Securities Group Limited ("Lippo Securities Group"). He was a member of Lippo Securities Group investment committee and was responsible for supervising the fund management activities including futures-related investments of Lippo Securities Group. Mr. Wu is currently a responsible officer registered under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO").

執行董事

汪曉峰先生，55歲，於二零零七年五月二十一日獲委任為本公司之執行董事。汪先生持有中國中央財經大學頒授之經濟及會計學士學位。汪先生在投資專案評估、策劃上市及資產管理方面擁有逾25年豐富經驗。汪先生於二零零一年至二零零五年期間出任新鴻基國際有限公司之執行董事，主管投資銀行業務，負責為私人企業及上市公司提供公開掛牌及集資服務。汪先生曾於二零零九年六月至二零零九年八月出任聯交所上市公司民銀資本控股有限公司（前稱保興資本控股有限公司）（股份代號：1141）之執行董事，彼亦曾於二零一四年二月至二零一四年六月出任聯交所上市公司恒騰網絡集團有限公司（前稱馬斯葛集團有限公司）（股份代號：136）之執行董事兼主席。於二零一四年十一月至二零一六年八月期間，汪先生曾出任美國納斯達克上市公司Celyad S.A.（前稱Cardio3 Biosciences S.A.）（股票代號：CYAD）之非執行董事。

吳子惠先生，76歲，於二零零四年一月六日獲委任為本公司之執行董事。彼亦曾於二零零五年十一月一日至二零一四年五月十九日期間及二零一五年八月三十一日至二零一六年三月二十日期間出任本公司之行政總裁。吳先生於香港及美國接受教育，取得財務工商管理碩士學位。彼於保險、證券業務及資產管理方面擁有逾43年經驗。彼曾於Paul Revere Life Insurance Company擔任助理精算師，從而開展其事業。彼之後在Fidelity Management and Research of Boston出任分析員，其後於美國多家著名機構出任研究及資金管理高層職位。於八十年代初期，吳先生加入香港美國銀行並出任高級投資組合經理兼投資顧問一職。於九十年代，吳先生加入Lippo Securities Group Limited（「Lippo Securities Group」）並膺選為董事兼高級顧問。彼為Lippo Securities Group投資委員會成員，負責監管資金管理事宜，包括Lippo Securities Group之期貨相關投資。吳先生現為證券及期貨條例（香港法例第571章）（「證券及期貨條例」）下註冊之負責人員。

Dr. FONG Chi Wah, aged 55, was appointed as an executive director of the Company on 1 November 2005. Dr. Fong is a fellow member of HKICPA and CPA Australia, a Chartered Financial Analyst and a member of the Hong Kong Institute of Directors. He holds a Bachelor's degree in management science (economics) from Lancaster University, United Kingdom, a Master's degree in business administration from Warwick University, United Kingdom, a Master's degree in investment management from the Hong Kong University of Science and Technology, a Master's degree in practising accounting from Monash University, Australia, a Doctorate in business administration from the Hong Kong Polytechnic University and a Juris Doctor from the Chinese University of Hong Kong. Dr. Fong has over 25 years of extensive experience in various sectors of the financial industry, including direct investment, project and structured finance, and capital markets with focus on Mainland China and Hong Kong. He was a director of Baring Capital (China) Management Limited and held various management positions in ING Bank. Dr. Fong was appointed as an independent non-executive director of China Innovationpay Group Limited (Stock code: 8083) since 19 December 2003 and Real Nutraceutical Group Limited (Stock code: 2010) since 28 March 2008, both of which are listed on the Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Char Shik Ngor, Stephen, aged 68, was appointed as an independent non-executive director of the Company on 22 May 2007. Mr. Char holds a Bachelor of Laws degree (Honours) from the University of London, a Master's degree in Social Sciences (Criminology) from the University of Hong Kong, a Master's degree in Social Sciences (Counselling) from the University of Hong Kong and a Post-graduate Certificate in Laws from City University of Hong Kong. Mr. Char had been a Chief Investigator and Senior Assignment Officer of the Independent Commission Against Corruption in Hong Kong from 1976 to 2004. Mr. Char was a Chief Executive Officer of Garner Forest Industries Limited. Mr. Char is a Barrister at Law and an Accredited Mediator. Mr. Char has been serving as an independent non-executive director of China Uptown Group Company Limited (stock code: 2330) since September 2015, which is listed on the Main Board of the Stock Exchange.

方志華博士，55歲，於二零零五年十一月一日獲委任為本公司之執行董事。方博士為香港會計師公會及澳洲會計師公會的資深會員、特許財務分析師及香港董事學會的會員。彼持有英國蘭卡斯特大學管理科學（經濟）學士學位，英國華威大學工商管理碩士學位，香港科技大學投資管理碩士學位，澳洲蒙納士大學執業會計碩士學位，香港理工大學工商管理學博士學位，及香港中文大學法律博士學位。方博士於中國內地及香港金融界的直接投資、項目及結構融資及資本市場等各方面積逾二十五年豐富經驗。彼曾任霸菱投資（中國）基金管理有限公司之董事，並於ING Bank擔任多個管理職位。方博士分別自二零零三年十二月十九日及二零零八年三月二十八日起獲委任為聯交所上市公司中國創新支付集團有限公司（股份代號：8083）及瑞年國際有限公司（股份代號：2010）之獨立非執行董事。

獨立非執行董事

查錫我先生，68歲，於二零零七年五月二十二日獲委任為本公司之獨立非執行董事。查先生持有倫敦大學（榮譽）法律學士學位、香港大學社會科學（犯罪學）碩士、香港大學社會科學（輔導學）碩士學位及香港城市大學法學專業證書。查先生於一九七六年至二零零四年期間曾任香港廉政公署總調查主任及高級審查主任，亦曾任加林森林工業有限公司之行政總裁。查先生現為大律師及認可調解員。查先生自二零一五年九月起為聯交所主板上市公司中國上城集團有限公司（股份代號：2330）之獨立非執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理層簡歷

Mr. Liu Jin, aged 42, was appointed as an independent non-executive director of the Company on 21 May 2007. Mr. Liu holds a Bachelor's degree in International Economic Law from the Zhongnan University of Economics and Law. Mr. Liu has been a qualified solicitor in the PRC since 2001 and has various experience in merger and acquisition and corporate restructure in the PRC. Mr. Liu is currently a qualified solicitor practicing in Shenzhen, the PRC.

Mr. Law Tze Lun, aged 45, was appointed as an independent non-executive director of the Company on 12 December 2013. Mr. Law is a practising Certified Public Accountant in Hong Kong and is currently a director of ANSA CPA Limited. Mr. Law obtained a Bachelor's degree in Commerce (Accounting) from Curtin University of Technology. He is a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants and a Certified Practising Accountant of the CPA Australia. He has over 20 years of experience in auditing, accounting and finance gained from various accounting firms in Hong Kong. Mr. Law has been serving as an independent non-executive director of Come Sure Group (Holdings) Limited (stock code: 794) since February 2009 and Gemini Investments (Holdings) Limited (stock code: 174) since November 2010, both of which are listed on the Main Board of the Stock Exchange and an independent non-executive director of Tak Lee Machinery Holdings Limited (Stock Code: 8142) with effect from 26 July 2017 which are listed on the GEM Board of the Stock Exchange. During the period from April 2010 to September 2011, Mr. Law served as an independent non-executive director of China Automotive Interior Decoration Holdings Limited (stock code: 8321), which was listed on the GEM Board of the Stock Exchange.

CHIEF EXECUTIVE OFFICER

Mr. Feng Wen, aged 49, was appointed as the Chief Executive Officer of the Company on 21 March 2016. He graduated from the Medical Department of the Third Military Medical University in 1992 and holds a Master's degree from the School of Public Administration, Renmin University of China (中國人民大學) in 2006. Mr. Feng had worked for the General Office of the Ministry of Health of the PRC and a number of military hospitals for over 20 years. Mr. Feng is currently the chairman of the board of Zhong He Hou De Investment Management Co., Ltd, as well as an independent non-executive director of Golden Meditech Holdings Limited (stock code: 801), which is listed on the Main Board of the Stock Exchange.

劉進先生，42歲，於二零零七年五月二十一日獲委任為本公司之獨立非執行董事。劉先生持有中南財經政法大學頒授之國際經濟法學士學位。劉先生自二零零一年起為中國合資格律師，於中國併購及企業重組方面擁有豐富經驗。劉先生現為中國深圳合資格執業律師。

羅子磷先生，45歲，於二零一三年十二月十二日獲委任為本公司之獨立非執行董事。羅先生為香港執業會計師，現為錦璘會計師行有限公司之董事。羅先生持有澳洲科廷科技大學之商業（會計）學士學位。彼為香港會計師公會之執業會計師及澳洲會計師公會之執業會計師。彼於香港多間會計師事務所累積逾20年審計、會計及財務經驗。羅先生自二零零九年二月起擔任聯交所主板上市公司錦勝集團（控股）有限公司（股份代號：794）及自二零一零年十一月起擔任盛洋投資（控股）有限公司（股份代號：174）之獨立非執行董事，以及自二零一七年七月二十六日起擔任聯交所GEM上市公司德利機械控股有限公司（股份代號：8142）之獨立非執行董事。於二零一零年四月至二零一一年九月期間，羅先生曾擔任聯交所GEM上市公司中國汽車內飾集團有限公司（股份代號：8321）之獨立非執行董事。

行政總裁

馮文先生，49歲，於二零一六年三月二十一日獲委任為本公司行政總裁。彼於一九九二年畢業於第三軍醫大學醫療系，並於二零零六年獲得中國人民大學公共管理學院碩士學位。馮先生曾於中國衛生部辦公廳及多家軍區醫院任職超過20年。馮先生現任中和厚德投資管理有限公司董事長，並為聯交所主板上市公司金衛醫療集團有限公司（股份代號：801）之獨立非執行董事。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high level of corporate governance practices and procedures to safeguard the interests of its shareholders and enhance the performance of the Group. The Board will review and improve its corporate governance practices from time to time to ensure that the Group is under the leadership of an effective Board.

During the year under review, the Company has complied with all applicable code provisions in the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except for the deviation disclosed below. The Company periodically reviews its corporate governance practices to ensure that the Company complies with the requirements of the CG Code. The Company acknowledges the importance of corporate governance and ensures transparency and accountability of the Company’s operations.

Meetings were held throughout the year and where appropriate, circulars and other guidance notes were issued to directors and senior management of the Group to ensure that each and every director and senior management is aware of the importance of corporate governance.

DEVIATION FROM THE CODE

According to code provision E.1.2 of the CG Code, the Chairman of the Board should attend general meeting. In respect of the annual general meeting held on 30 June 2017 (the “2017 AGM”), Mr. Wong Danny F., the Chairman of the Board, was engaged in an important business meeting and was not able to attend. However, Mr. Law Tze Lun, an independent non-executive director of the Company, the chairman of the Audit Committee and members of the Nomination Committee and Remuneration Committee of the Company, attend the 2017 AGM and answered questions raised during the 2017 AGM.

企業管治常規

本公司致力於維持高水平之企業管治常規及程序，以保障股東利益及提高本集團表現。董事會將不時檢討及改進其企業管治常規，以確保本集團由董事會有效領導。

於回顧年度，本公司一直遵守聯交所證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）之所有適用守則條文，惟以下披露之偏離情況除外。本公司定期檢討其企業管治常規，以確保本公司符合企業管治守則之規定。本公司深明企業管治相當重要，並確保本公司營運之透明度及問責性。

年內，本公司曾舉行多次會議，並在適當情況下向本集團董事及高級管理人員刊發通函及其他應用指引，確保所有董事及高級管理人員均知悉企業管治之重要性。

偏離守則

根據企業管治守則之守則條文E.1.2，董事會主席應出席股東大會。就於二零一七年六月三十日舉行之股東週年大會（「二零一七年股東週年大會」）而言，董事會主席汪曉峰先生因參加重要業務會議而未能出席。然而，本公司獨立非執行董事、本公司審核委員會主席以及提名委員會及薪酬委員會成員羅子璘先生出席二零一七年股東週年大會並解答二零一七年股東週年大會上提出的疑問。

BOARD OF DIRECTORS

Responsibilities

The Board provides leadership, approves policies, strategies and plans and oversees their implementation to ensure the healthy growth of the Company and to safeguard the interests of shareholders of the Company.

The Board takes responsibility for all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, financial information, appointment of directors and other significant financial and operational matters.

All directors have full and timely access to all relevant information as the management will prepare and supply the same to the Board and its committees. The Company Secretary will render his advice to the Board so that all the Board procedures and applicable rules and regulations are followed. The directors may make further enquiries if they are of the view that the information is not sufficient for them to make an informed decision. In general, each director is able to seek independent professional advice in appropriate circumstances to assist him/her in discharging his/her duties at the Company's expenses upon making such request to the Board.

In case where a conflict of interest may arise involving a substantial shareholder or a director, such matter will be discussed in a physical meeting and will not be dealt with by way of written resolutions. Independent non-executive directors with no conflict of interest will be present at meetings to deal with such conflict issues.

The Board committees, including the Audit Committee, the Remuneration Committee and the Nomination Committee, have adopted the applicable practices and procedures used in Board meetings.

During the Review Period, four Board meetings were held and the attendance of each director at these meetings is set out in the table under the section headed "Directors' Attendance at Shareholders' Meetings, Board and Committee Meetings".

董事會

責任

董事會負責領導、批准政策、策略及計劃並監督該等決策之實施，以確保本公司穩健成長及保障本公司股東之利益。

董事會負責本公司所有重大事項，包括審批及監控所有政策事項、整體策略及預算、內部監控及風險管理系統、財務資料、董事委任以及其他重大財務及營運事項。

管理層將會編製並向董事會及其轄下委員會提供所有相關資料，使全體董事均可全面及時取得所有相關資料。公司秘書將向董事會提供建議，致使董事會程序以及適用規則及規例均獲得遵守。董事於認為資料不足以讓彼等作出知情決定時可作進一步查詢。一般而言，各董事經向董事會要求後，均可在適當之情況下尋求獨立專業意見，協助彼履行職責，費用由本公司支付。

若有主要股東或董事可能在某事項中存有利益衝突，有關事項將透過現場會議進行討論，而不會以書面決議案方式處理。無利益衝突之獨立非執行董事將會出席會議，以處理有關衝突事宜。

董事會轄下委員會包括審核委員會、薪酬委員會及提名委員會，全部已採納董事會會議沿用之適用常規及程序。

董事會於回顧期間曾舉行四次會議，各董事於該等會議之出席記錄載於「股東大會、董事會會議及委員會會議之董事出席率」一節之列表內。

Delegation by the Board

The day-to-day management, administration and operation of the Company are delegated to the Chief Executive Officer and the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to the entering into of any significant transactions by the abovementioned officers. The Board has full support from the Chief Executive Officer and the senior management to discharge its responsibilities.

The Audit Committee, the Remuneration Committee and the Nomination Committee have specific terms of reference defining the authorities and responsibilities of the respective committees. The committees are required by their respective terms of reference to report to the Board in relation to their decisions, findings or recommendations, and in certain specific situations, to seek the Board's approval before taking any actions.

The Board reviews, on a yearly basis, all delegations by the Board to different committees to ensure that such delegations are appropriate and remain beneficial to the Company as a whole.

Directors' and Officers' Liability Insurance

The Company has arranged a Directors' and Officers' Liability Insurance Policy to provide appropriate coverage for any potential claims against directors and officers. The insurance policy was renewed in April 2017.

BOARD COMPOSITION

The composition of the Board reflects the necessary balance of skills and experience desirable for effective leadership of the Company and independence in decision making. All directors devote sufficient time and attention to the affairs of the Group.

The Board currently comprises six members, consisting of three executive directors and three independent non-executive directors.

According to the Company's Articles of Association, directors appointed to fill casual vacancy shall hold office until the next following annual general meeting after their appointment and shall be subject to re-election by shareholders. All directors are subject to retirement by rotation at least once every three years.

董事會之授權

本公司授權行政總裁及高級管理人員處理本公司之日常管理、行政及營運。所授職能及工作任務會定期檢討。上述人員訂立任何重大交易前須獲董事會批准。董事會已在行政總裁及高級管理人員之全力支持下履行其責任。

審核委員會、薪酬委員會及提名委員會均有特定職權範圍，界定相關委員會之權力及責任。該等委員會須按各自之職權範圍就其決定、發現或推薦建議向董事會報告，並於若干特定情況下，在採取任何行動前徵求董事會批准。

董事會每年檢討董事會轉授不同委員會之所有轉授權力，確保此等轉授權力為恰當，並持續對本公司整體有利。

董事及高級職員責任險

本公司已安排董事及高級職員責任險政策，為可能針對董事及高級職員提出之任何潛在申索投購適當保險。該等保險已於二零一七年四月續保。

董事會成員組合

董事會之成員組合體現本公司有效領導及獨立決策所須具備之適當技巧及經驗。所有董事均投入足夠時間及精力處理本集團之事務。

董事會現時由六名成員組成，包括三名執行董事及三名獨立非執行董事。

根據本公司之組織章程細則，為填補臨時空缺而委任之董事之任期直至其獲委任後之下一次股東週年大會為止，屆時須接受股東重選。所有董事須至少每三年輪值退任一次。

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. The Board has adopted a board diversity policy with effect from 4 September 2013. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

Selection of candidates for Board membership will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge.

During the year and up to the date of this report, the Board comprises the following directors:

Executive Directors:

Mr. Wong Danny F. (*Chairman*)
Mr. Wu Tse Wai, Frederick
Mr. Fong Chi Wah

Non-executive Directors:

Mr. Gao Chengming (*Retired on 30 June 2017*)
Mr. Lau Chi Lung, Johnny (*Retired on 30 June 2017*)

Independent Non-executive Directors:

Mr. Char Shik Ngor, Stephen
Mr. Liu Jin
Mr. Law Tze Lun

List of directors containing the names of the directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

All independent non-executive directors of the Company are appointed for a term up to the forthcoming annual general meeting subject to renewal and re-election as and when required under the Listing Rules and the Articles of Association of the Company. All directors are subject to retirement from office by rotation and re-election at the Company's annual general meeting at least once every three years.

為達致可持續均衡發展，本公司認為在董事會層面提高多樣性乃支持達致其策略目標及其可持續發展之重要元素。董事會已由二零一三年九月四日起採納一項董事會成員多元化政策。所有董事會之委任將以用人唯才為原則，董事會考慮候選人時會以客觀標準為基礎，並顧及董事會成員多元化之裨益。

甄選董事會成員候選人時將會考慮多個多元化層面，包括但不限於候選人之性別、年齡、文化及教育背景、種族、專業經驗、技能及知識。

於年內及截至本報告日期，董事會由下列董事組成：

執行董事：

汪曉峰先生（主席）
吳子惠先生
方志華先生

非執行董事：

高城銘先生（於二零一七年六月三十日退任）
劉嗣龍先生（於二零一七年六月三十日退任）

獨立非執行董事：

查錫我先生
劉進先生
羅子璘先生

列有董事姓名（按類別）之董事名單亦於本公司根據上市規則不時刊發之所有公司通訊中披露。

本公司全體獨立非執行董事之任期直至即將舉行之股東週年大會為止，並須根據上市規則及本公司組織章程細則之規定續任及重選。所有董事均須至少每三年於本公司股東週年大會上輪值退任一次，並經重選連任。

In accordance with Article 88 of the Company's Articles of Association, Mr. Wong Danny F., Mr. Char Shik Ngor, Stephen and Mr. Liu Jin shall retire as directors by rotation. Mr. Wong Danny F., Mr. Char Shik Ngor, Stephen and Mr. Liu Jin, being eligible, offer himself for a re-election as Director at the annual general meeting.

The presence of three independent non-executive directors is considered by the Board to be a reasonable balance between executive and non-executive directors. The Board is of the opinion that such balance can provide adequate checks and balances for safeguarding the interests of shareholders and of the Group. The non-executive directors provide the Group with a wide range of expertise and experience so that independent judgment can effectively be exercised as well as ensuring that the interests of all shareholders are taken into account. They are also responsible for participating in Board meetings, dealing with potential conflicts of interest, serving on the Audit Committee, the Remuneration Committee and the Nomination Committee and scrutinising the Group's performance and reporting. Through their active participation, they provide their valuable skills, expertise and experience to the Board and the committees on which they serve so that the management process can be critically reviewed and controlled.

The Company has received written annual confirmation from each independent non-executive director of his independence pursuant to the requirements of the Listing Rules. The Company considers all its independent non-executive directors to be independent in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules.

The independent non-executive directors bring a wide range of business and financial expertise, experiences and independent judgment to the Board. Through active participation in Board meetings, taking the lead in managing issues involving potential conflicts of interest and serving on Board committees, all independent non-executive directors make various contributions to the effective direction of the Company.

根據本公司之組織章程細則第88條，汪曉峰先生、查錫我先生及劉進先生將輪值退任董事。汪曉峰先生、查錫我先生及劉進先生均符合資格並願意於本公司之股東週年大會上膺選連任董事。

董事會認為，董事會包括三名獨立非執行董事能為執行董事與非執行董事之間提供合理平衡。董事會認為此平衡能為保障股東及本集團之利益提供充份監察及制衡。非執行董事為本集團帶來廣泛專業知識及豐富經驗，從而能有效作出獨立判斷，並確保所有股東之利益均獲得考慮。彼等亦負責參與董事會會議，處理潛在利益衝突，任職於審核委員會、薪酬委員會及提名委員會，檢視本集團之表現並進行匯報。彼等的積極參與，為董事會及彼等任職之委員會提供寶貴技能、專業知識及經驗，致使管理程序能審慎地得以檢討及監控。

根據上市規則之規定，本公司已接獲各獨立非執行董事就其獨立性作出之年度書面確認。本公司認為，按照上市規則第3.13條所載之獨立性指引，所有獨立非執行董事均為獨立人士。

獨立非執行董事為董事會帶來廣泛業務及財務方面之專業知識、經驗及獨立判斷。透過積極參與董事會會議，在管理涉及潛在利益衝突事項時發揮領導作用及出任董事會轄下委員會成員，全體獨立非執行董事對本公司之有效指引作出多種貢獻。

APPOINTMENT AND SUCCESSION PLANNING OF DIRECTORS

The Company has established formal, considered and transparent procedures for the appointment and succession planning of directors.

The Board as a whole is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of directors, monitoring the appointment and succession planning of directors and assessing the independence of independent non-executive directors.

The Board reviews its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Company.

Where vacancies on the Board exist, the Board will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process when necessary.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. To ensure a balance of power and authority, Mr. Wong Danny F. and Mr. Feng Wen have been appointed as the Chairman and Chief Executive Officer of the Company respectively.

董事之委任及繼任計劃

本公司已制定正式、經審慎考慮並具透明度之董事委任及繼任計劃程序。

總體而言，董事會負責檢討董事會之成員組合、發展及制定董事提名及委任之相關程序、監控董事委任及繼任計劃以及評估獨立非執行董事之獨立性。

董事會定期檢討其架構、人數及成員組合，確保具備適合本公司業務所需之專業知識、技能及經驗。

倘董事會出現空缺，董事會將參照建議候選人之技能、經驗、專業知識、個人操守及時間承諾、本公司之需要及其他相關法定規定及法規執行篩選程序。必要時可委任外部招聘代理執行招聘及篩選程序。

主席及行政總裁

企業管治守則之守則條文A.2.1規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。為確保權責得以平衡，汪曉峰先生及馮文先生已分別獲委任為本公司主席及行政總裁。

DIRECTORS' ATTENDANCE AT SHAREHOLDERS' MEETINGS, BOARD AND COMMITTEE MEETINGS

股東大會、董事會會議及委員會會議之董事出席率

The individual attendance records of each director at shareholders' meetings, board and committees meetings during the year are set out below:

各董事於年內出席股東大會、董事會會議及委員會會議之個別出席記錄載列如下：

Name of Directors	董事姓名	Board 董事會	Number of meetings attended/held 出席／舉行會議次數			AGM 股東週年大會
			Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	
Executive Directors 執行董事						
Mr. Wong Danny F.	汪曉峰先生	4/4	-	-	-	0/1
Mr. Wu Tse Wai, Frederick	吳子惠先生	4/4	-	-	-	0/1
Mr. Fong Chi Wah	方志華先生	4/4	-	-	-	0/1
Non-executive Directors 非執行董事						
Mr. Gao Chengming <i>(retired on 30 June 2017)</i>	高城銘先生(於二零一七年六月三十日退任)	0/4	-	-	-	0/0
Mr. Lau Chi Lung, Johnny <i>(retired on 30 June 2017)</i>	劉嗣龍先生(於二零一七年六月三十日退任)	0/4	-	-	-	0/0
Independent Non-executive Directors 獨立非執行董事						
Mr. Char Shik Ngor, Stephen	查錫我先生	4/4	2/2	-	1/1	0/1
Mr. Liu Jin	劉進先生	4/4	2/2	1/1	1/1	0/1
Mr. Law Tze Lun	羅子璘先生	4/4	2/2	1/1	1/1	1/1

PRACTICES AND CONDUCT OF MEETINGS

Annual meeting schedules and draft agenda of each meeting are normally made available to directors in advance. Notices of regular Board meetings are served to all directors at least 14 days before the meetings, who were all given an opportunity to include matters in the agenda for discussion. For other Board and committee meetings, reasonable notice is generally given.

The Company Secretary assists the Chairman in preparing agenda for the meeting and ensures that all applicable rules and regulations in connection with the meetings are observed and complied with. The finalised agenda and accompanying board papers are then sent to all directors at least three days prior to the meeting.

During the year, the Chairman held a meeting with non-executive directors (including independent non-executive Directors) without the presence of executive directors. The Board and each director also have separate and independent access to the senior management whenever necessary.

The Company Secretary is responsible to take and keep minutes of all Board meetings and committee meetings, including the record of all decisions by the Board together with concerns raised and dissenting views expressed (if any). Draft minutes are normally circulated to directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

According to current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a director, will be considered and dealt with by the Board at a duly convened Board meeting. The Articles of Association also contain provisions requiring directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such directors and/or any of their associates have a material interest.

會議常規及守則

週年大會之安排及每次會議之草擬議程通常提前提提交予董事。定期董事會會議通知均於會議前至少十四天送達全體董事，以便彼等有機會在議程中加入討論事項。至於召開其他董事會會議及委員會會議時，則通常會發出合理通知。

公司秘書協助主席編排會議議程，並確保遵守及依循有關會議之所有適用規則及規例。最終確定之議程及隨附之董事會文件隨後將在會議召開至少三天前送交全體董事。

主席於年內曾於執行董事避席之情況下，與非執行董事（包括獨立非執行董事）舉行一次會議。於必要情況下，董事會及每名董事亦有自行接觸高級管理人員之獨立途徑。

公司秘書負責記錄及保管所有董事會會議及委員會會議之會議紀錄，包括董事會所有決定之紀錄，連同所提出之關注及所表達之反對意見（如有）。會議紀錄初稿通常在各會議後一段合理時間內發送予董事傳閱，供董事表達意見，而最終定稿可供董事查閱。

根據現行之董事會常規，涉及與主要股東或董事有利益衝突之任何重大交易將由董事會於正式召開之董事會會議上考慮及處理。組織章程細則亦載有條文規定，於批准董事及／或其任何聯繫人擁有重大利益之交易之會議上，有關董事須放棄表決，且不得計入該次會議之法定人數內。

SHAREHOLDERS' MEETINGS

The annual general meeting and other general meetings of the Company are the primary forum for communication by the Company with its shareholders and for shareholders' participation. All shareholders are encouraged to attend the general meetings or to appoint proxies to attend and vote at meetings on their behalf if they are unable to attend the meetings.

During the Review Period, apart from the annual general meeting held on 30 June 2017, the Company has not held any other general meetings.

TRAINING AND SUPPORT FOR DIRECTORS

All directors, including non-executive directors and independent non-executive directors, must keep abreast of their collective responsibilities as directors and of the business of the Group. As such, the Group provides a comprehensive and formal induction to each newly appointed director upon his/her appointment. Briefings and orientations are provided and organised to ensure that the new directors have a proper understanding of and are fully aware of the role of the Board, their legal and other duties as directors as well as the business and governance practices of the Group. Such programmes are tailored for each individual director taking into account his/her background and expertise. The Company Secretary will regularly update all directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements to ensure compliance of the same by all directors.

股東大會

本公司股東週年大會及其他股東大會乃本公司與其股東溝通及讓股東參與之主要途徑。本公司鼓勵所有股東出席股東大會；若股東未克出席大會，亦可委派代表代其出席並於會上投票。

於回顧期間，除於二零一七年六月三十日舉行之股東週年大會外，本公司並無舉行任何其他股東大會。

董事培訓及支援

所有董事（包括非執行董事及獨立非執行董事）須不時了解彼等作為董事之共同責任及本集團業務。因此，本集團於每名新任董事接任後提供一次全面而正規之簡介，並為新任董事提供及安排簡報及介紹，以確保彼等妥為了解並充份認識董事會之角色、彼等作為董事所擔負之法律和其他責任，以及本集團之業務及管治常規。此等計劃乃考慮到各個別董事之背景和專業知識而為彼等度身制定。公司秘書將定期向全體董事提供有關上市規則及其他適用監管規定最新發展之最新資料，以確保各董事遵守該等規則及規定。

Corporate Governance Report

企業管治報告

All directors have participated in continuous professional development programmes provided or procured by the Group, such as external seminars organised by qualified professionals, to develop and refresh their knowledge and skills in relation to the discharge of their duties as directors. Details of the trainings received by the respective director, records of which are kept and updated by the Company Secretary, are as follows:

全體董事已參與本集團提供或安排之持續專業發展計劃，例如由合資格專業人士舉辦之外界座談會，以發展及更新與彼等履行董事職責有關之知識和技能。各董事接受培訓之紀錄由公司秘書保存及更新，有關詳情如下：

Name of Directors	董事姓名	Types of Trainings 培訓類型
Mr. Wong Danny F.	汪曉峰先生	A, B
Mr. Wu Tse Wai, Frederick	吳子惠先生	A, B
Mr. Fong Chi Wah	方志華先生	A, B
Mr. Gao Chengming (Retired on 30 June 2017)	高城銘先生 (於二零一七年六月三十日退任)	A, B
Mr. Lau Chi Lung, Johnny (Retired on 30 June 2017)	劉嗣龍先生 (於二零一七年六月三十日退任)	A, B
Mr. Char Shik Ngor, Stephen	查錫我先生	A, B
Mr. Liu Jin	劉進先生	A, B
Mr. Law Tze Lun	羅子璘先生	A, B

A: Attending seminars and/or conferences and/or talks

A: 出席座談會及／或會議及／或講座

B: Reading updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements.

B: 閱覽有關上市規則及其他相關法律及監管規定之最新發展及變動之最新資料。

Each director will, upon his/her first appointment and thereafter on a yearly basis, disclose to the Group the number and nature of offices held by him/her in public companies and organisations and other significant commitments.

每位董事將於其首次接受委任時及隨後每年向本集團披露其於公眾公司及組織擔任職位之數目及性質以及其他重大承擔。

COMPANY SECRETARY

Mr. Law Kim Fai is the Company Secretary of the Company. He has taken not less than 15 hours of relevant professional trainings to update his skills and knowledge during the year.

公司秘書

羅劍輝先生為本公司之公司秘書。彼於年內已接受不少於15個小時之相關專業培訓，以更新其技能及知識。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Following specific enquiry by the Company, all directors confirmed that they had complied with the required standards as set out in the Model Code throughout the year under review.

AUDIT COMMITTEE AND ACCOUNTABILITY

The Board is responsible for presenting a balanced, clear and comprehensive assessment of the Group's performance and prospects. The Board is also responsible for preparing the accounts of the Company, which give a true and fair view of the financial position of the Group on a going-concern basis, announcements related to inside information and other financial disclosures. The management of the Group provides all relevant information and records to the Board enabling it to make the above assessment and to prepare the accounts and other financial disclosures.

No member of the Audit Committee is a former partner of the existing auditing firm of the Company within one year from the date of his ceasing to be a partner or to have any financial interest in the auditing firm.

The Audit Committee is satisfied with its review of the independence of auditors, their audit process and also the standard of reports aforesaid. The Audit Committee made recommendations to the Board and that there was no disagreement between the Board and the Audit Committee during the year under review.

The Audit Committee's primary duties include ensuring that the Group's financial statements, annual, interim and quarterly reports and the auditors' report present a true and balanced assessment of the Group's financial position, reviewing the Group's financial control, internal control and risk management systems, and reviewing the Group's financial and accounting policies and practices. Other duties of the Audit Committee are set out in its specific terms of reference which are available on the Company's website.

董事之證券交易

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易之行為守則。於本公司作出具體查詢後，全體董事確認彼等於回顧年度內一直遵守標準守則所載之規定標準。

審核委員會及問責性

董事會負責對本集團表現及前景呈列持平、清晰及全面之評估。董事會亦負責編製以持續經營為基準真實而中肯地反映本集團財務狀況之本公司賬目、有關內幕消息之公告及其他財務披露。本集團管理層向董事會提供所有相關資料及紀錄，致使董事會可作出上述評估，以及編製賬目及其他財務披露。

概無審核委員會成員在其終止出任本公司現時審核公司的合夥人或享有該審核公司之任何財務利益之日期起計一年內，為該審核公司的前任合夥人。

審核委員會信納核數師之獨立性及核數程序以及上述報告準則之檢討。於回顧年度，審核委員會向董事會提出推薦建議，而董事會與審核委員會之間並無意見分歧。

審核委員會之主要職責包括確保本集團之財務報表、年度、中期及季度報告以及核數師報告真實及公正地評估本集團之財務狀況、檢討本集團之財務監控、內部監控及風險管理系統及檢討本集團之財務及會計政策及常規。審核委員會之其他職責列於其特定職權範圍內，而有關職權範圍可於本公司網站查閱。

The Audit Committee of the Company currently comprises three independent non-executive directors, namely, Mr. Liu Jin, Mr. Char Shik Ngor, Stephen and Mr. Law Tze Lun. Mr. Law Tze Lun serves as the chairman of the Audit Committee.

During the year, two meetings of the Audit Committee were held to review the Company's interim report for the six months ended 30 June 2017 and the annual report for the year ended 31 December 2017. The attendance record of individual members of the Audit Committee are set out in the table under the section headed "Directors' Attendance at Shareholders' Meetings, Board and Committee Meetings".

The Company Secretary keeps full minutes of all Audit Committee meetings. In line with practices consistent with Board meetings and other committee meetings, draft and final versions of Audit Committee meeting minutes are circulated to all members of the Audit Committee for comments, approval and record as soon as practicable after each meeting.

The principal duties of the Audit Committee as per the terms of reference include:

- to monitor integrity of the Company's financial statements and reports;
- to review financial controls, internal controls and risk management system;
- to review the Company's financial and accounting policies and practices;
- to review arrangements by which employees can raise concerns about possible improprieties in financial reporting, internal control or other matters in confidence and to ensure that proper arrangements are in place for the fair and independent investigation of such concerns and appropriate follow-up actions; and
- to act as the key representative body to oversee the Company's relations with the external auditors.

The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice when necessary. The Company's annual report for the year has been reviewed by the Audit Committee.

本公司審核委員會現時由三名獨立非執行董事劉進先生、查錫我先生及羅子璘先生組成。羅子璘先生為審核委員會主席。

審核委員會於年內曾舉行兩次會議，審閱本公司截至二零一七年六月三十日止六個月之中期報告及截至二零一七年十二月三十一日止年度之年報。審核委員會個別成員之出席紀錄載於「股東大會、董事會會議及委員會會議之董事出席率」一節之列表內。

公司秘書保存所有審核委員會會議之完整會議紀錄。為符合董事會會議及其他委員會會議之常規，審核委員會之會議紀錄初稿及最終定稿會於每次會議結束後，在切實可行情況下盡快發送予審核委員會全體成員傳閱，以供評論、批准及記錄之用。

根據職權範圍，審核委員會之主要職責包括：

- 監察本公司財務報表及報告是否符合誠信；
- 檢討財務監控、內部監控及風險管理系統；
- 檢討本公司之財務及會計政策和實務；
- 審閱供僱員可在保密情況下就財務申報、內部監控或其他事宜可能發生之不當行為提出關注之安排，並確保有適當安排，以公平及獨立地調查該等關注事項及採取適當跟進行動；及
- 擔任監察本公司與外部核數師之間之關係的主要代表。

審核委員會獲提供充足資源履行其職務，亦可在有需要時尋求獨立專業意見。本公司本年度之年報已由審核委員會審閱。

REMUNERATION COMMITTEE

The Remuneration Committee of the Company currently comprises two independent non-executive directors, Mr. Liu Jin and Mr. Law Tze Lun. Mr. Liu Jin also serves as the chairman of the Remuneration Committee.

The specific terms of reference of the Remuneration Committee are available on the Company's website. The Remuneration Committee meets at least once a year. During the year, the Remuneration Committee convened two meetings and all Remuneration Committee members attended the meetings.

The major roles and functions of the Remuneration Committee as set out in the Committee's terms of reference are as follows:

- to make recommendations to the Board on the establishment of a formal and transparent procedure for developing remuneration policy;
- to determine specific remuneration packages of all executive directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, factors taken into consideration by the Committee include salaries paid by comparable companies, time commitment and responsibilities of directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration;
- to make recommendations to the Board on the remuneration of non-executive directors;
- to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- to review and approve compensation payable to executive directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with contractual terms and that such compensation is otherwise fair and not excessive for the Company;

薪酬委員會

本公司薪酬委員會現時由兩名獨立非執行董事劉進先生及羅子璘先生組成。劉進先生亦擔任薪酬委員會主席。

薪酬委員會之特定職權範圍可於本公司網站查閱。薪酬委員會每年最少開會一次。薪酬委員會於年內曾召開兩次會議，而全體薪酬委員會成員均有出席該等會議。

委員會之職權範圍所載之薪酬委員會主要角色和職能如下：

- 就制訂薪酬政策而設立正規及具透明度之程序向董事會提出推薦建議；
- 釐定全體執行董事及高級管理人員之特定薪酬待遇，包括實物利益、退休金權利及賠償金額（包括就喪失或終止彼等職務或委任而應付之任何賠償）。委員會所考慮之因素包括同類公司支付之薪金、董事付出之時間承諾及董事職責、本集團內其他職位之僱用條件及是否應按表現釐定薪酬等；
- 向董事會建議非執行董事之薪酬；
- 參照董事會之企業目標及宗旨，檢討及批准管理層之薪酬建議；
- 檢討及批准就喪失或終止彼等職務或委任應向執行董事及高級管理人員支付之賠償，以確保該等賠償按照合約條款釐定；否則，該等賠償亦須公平，不會對本公司造成過重負擔；

- to review and approve compensation arrangements relating to dismissal or removal of directors for misconduct to ensure that such arrangements are made in accordance with contractual terms and that any compensation payment is otherwise reasonable and appropriate; and
- to advise shareholders on how to vote with respect to any service contracts of directors that require shareholders' approval under the Listing Rules.

The Remuneration Committee shall be provided with sufficient resources to enable it to perform its functions and the Remuneration Committee has right to access professional advice relating to remuneration proposal when it is considered necessary.

The principle elements of the Company's remuneration policy for directors and senior management are:

- to ensure that no director or any of his/her associates is involved in deciding that director's own remuneration;
- to ensure that remuneration packages should be on a par with companies with which the Company competes for human resources;
- to ensure that remuneration packages should reflect the performance and responsibilities of an individual, as well as the complexity of work; and
- to ensure that remuneration packages should be structured in such a way which can provide incentives to directors and senior management to improve their individual performance.

During the year, the Remuneration Committee reviewed performance and remuneration of directors and senior management and made recommendations to the Board on the remunerative packages of individual executive directors and senior management.

NOMINATION COMMITTEE

The Nomination Committee of the Company comprises three independent non-executive directors, namely, Mr. Char Shik Ngor, Stephen, Mr. Liu Jin and Mr. Law Tze Lun. Mr. Char Shik Ngor, Stephen serves as the chairman of the Nomination Committee.

- 檢討及批准董事因行為失當而被解僱或罷免所涉及之賠償安排，以確保該等安排按照合約條款作出；否則，該等賠償亦須合理及適當；及
- 向股東提議如何就根據上市規則須獲股東批准之任何董事服務合約投票。

薪酬委員會將獲得充足資源履行其職能，亦有權在其認為有需要時就薪酬建議尋求專業意見。

本公司董事及高級管理人員之薪酬政策之要旨如下：

- 確保董事或其任何聯繫人均不得參與釐定董事本人之薪酬；
- 確保薪酬待遇應與跟本公司競逐人力資源之公司提供之薪酬待遇大致相若；
- 確保薪酬待遇應反映個別人員之表現、責任及工作之複雜性；及
- 確保薪酬待遇應能激勵董事及高級管理人員，以提升彼等個人表現。

薪酬委員會已於年內檢討董事及高級管理人員之表現及薪酬，並就個別執行董事及高級管理人員之薪酬待遇向董事會提供推薦建議。

提名委員會

本公司提名委員會由三名獨立非執行董事查錫我先生、劉進先生及羅子璘先生組成。查錫我先生擔任提名委員會主席。

The specific terms of reference of the Nomination Committee are available on the Company's website. The Nomination Committee meets at least once a year. During the Review Period, the Nomination Committee convened two meetings and all Nomination Committee members attended the meetings.

The major roles and functions of the Nomination Committee as per the terms of reference are as follows:

- to formulate nomination policy for the Board's consideration and implement the Board's approved nomination policy;
- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individual nominated for directorships;
- to assess the independence of independent non-executive directors;
- to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and the succession planning for the Chairman, the CEO as well as the senior management;
- to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board;
- to conform to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the Company's constitution or imposed by legislation;
- to review the Company's Board diversity policy and the progress on achieving the objectives set for implementing the said policy; and
- to report to the Board on its decisions and recommendations as and when appropriate and at least once annually.

The Nomination Committee is provided with sufficient resources to enable the performance of its functions and is allowed to seek independent professional advice at the Company's expenses where necessary.

提名委員會之特定職權範圍可於本公司網站查閱。提名委員會每年最少開會一次。提名委員會於回顧期間曾召開兩次會議，而全體提名委員會成員均有出席該等會議。

根據職權範圍，提名委員會主要角色和職能如下：

- 制訂提名政策供董事會考慮，以及實行經董事會批准之提名政策；
- 最少每年一次檢討董事會之架構、規模及成員組合（包括技能、知識及經驗方面），並就任何擬作出之變動向董事會提出推薦建議，以補充本公司之企業策略；
- 物色具備合適資格可出任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提供推薦建議；
- 評核獨立非執行董事之獨立性；
- 就與董事之委任或再度委任以及主席、行政總裁及高級管理人員繼任計劃有關之事宜向董事會提供推薦建議；
- 進行可讓委員會履行董事會所賦予之權力及職能之任何事情；
- 符合董事會可不時指定或本公司憲章不時所載或法例不時施加之任何要求、指示及規例；
- 檢討本公司之董事會成員多元化政策及在達成為實行上述政策而設定之目標方面之進度；及
- 於適當時候及最少每年一次向董事會匯報其決定及推薦建議。

提名委員會獲提供充足資源以履行其職能，亦可在有需要時尋求獨立專業意見，費用由本公司承擔。

The Nomination Committee performed the following work during the year:

- (i) reviewing the composition of the Board of the Company;
- (ii) assessing the independence of independent non-executive directors; and
- (iii) determining the suitability, duties and responsibilities of Mr. Feng Wen as the Chief Executive Officer.

AUDITORS' REMUNERATION

For the Review Period, the total remuneration for the audit services provided by auditors amounted to approximately HK\$350,000 (2016: HK\$350,000). Non-audit services of approximately HK\$150,000 were provided by auditors during the Review Period (2016: Nil).

The re-appointment of HLB Hodgson Impey Cheng Limited as auditors of the Company has been recommended by the Audit Committee and endorsed by the Board and is subject to approval by the shareholders at the forthcoming annual general meeting.

CORPORATE GOVERNANCE FUNCTION

No corporate governance committee has been established and the Board will therefore be responsible for performing the corporate governance functions and has adopted a written guideline on corporate governance functions in compliance with the CG Code.

The duties of the Board in respect of corporate governance functions are summarised as follows:

- (i) to develop and review the Company's policies and practices on corporate governance;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

提名委員會於年內進行以下工作：

- (i) 檢討本公司董事會之成員組合；
- (ii) 評估獨立非執行董事之獨立性；及
- (iii) 釐定馮文先生是否勝任行政總裁一職以及其職責及職務。

核數師酬金

於回顧期間，有關核數師提供之審核服務之酬金總額約為350,000港元（二零一六年：350,000港元）。於回顧期間，核數師提供的非審核服務約150,000港元（二零一六年：無）。

審核委員會建議再度委任國衛會計師事務所有限公司為本公司之核數師，有關建議已獲董事會同意，惟須待股東於即將舉行之股東週年大會上批准。

企業管治職能

由於本公司並未成立企業管治委員會，故此董事會將負責履行企業管治職能，並已遵照企業管治守則採納有關企業管治功能的書面指引。

董事會於企業管治職能方面的職責概述如下：

- (i) 制定及檢討本公司企業管治的政策及常規；
- (ii) 檢討及監察董事及高級管理層的培訓及持續專業發展；
- (iii) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；

- (iv) To develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (v) To review the Company's compliance with the code provisions as set out in the CG Code and its disclosure requirements in the Corporate Governance Report.

During the year, the Board reviewed and monitored the training of the Directors, and the Company's policies and practices on compliance with legal and regulatory requirements.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board has overall responsibilities for the system of internal controls and risk management of the Company and to review its effectiveness. During the year, the Board has reviewed the effectiveness of the Group's internal control system, covering financial, operational and compliance controls and risk management functions.

In such review, the Board has considered factors such as changes since the last review, scope and quality of the management's monitoring of risks, incidence of significant control failings and identified weaknesses, and effectiveness relating to financial reporting and compliance with the applicable laws and regulations including the Listing Rules.

During the Review Period, the Board has conducted review of the effectiveness of the system of internal control of the Group and is satisfied with the scope and effectiveness of the system. The Board also conducted review on the adequacy of resources, experience and qualification of the staff of the Company's accounting and financial reporting function, its training programmes and budget.

During the Review Period, the Company was exposed to market risk for its available-for-sale financial assets, including the embedded derivatives, as the Company may not be able to liquidate such investments in time to meet its cash flow requirements. In response to this situation, the Board has maintained a portfolio of listed securities and a relatively strong cash position.

The portfolio of listed securities, classified as financial assets at FVTPL in the statement of financial position, may be exposed to market price risk. The Board will continue to monitor the portfolio with an aim to reduce such risk by diversification.

- (iv) 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊（如有）；及
- (v) 檢討本公司是否遵守企業管治守則所載的守則條文及其於企業管治報告的披露規定。

於年內，董事會檢討及監察董事培訓以及本公司政策及常規就法例及法規規則的合規事宜。

內部監控及風險管理

董事會對本公司內部監控制度及風險管理負有總體責任，並須檢討其成效。年內，董事會曾檢討本集團內部監控制度之成效，涵蓋財務、營運及合規監控，以及風險管理職能。

董事會於檢討時已考慮多項因素，例如自上次檢討以來之轉變、管理層監察風險之工作範疇及質素、重大監控失誤事故及已辨識之弱項，以及有關財務報告及遵守適用法律及法規（包括上市規則）之成效。

於回顧期間，董事會已對本集團內部監控系統之有效性進行檢討並對系統之範圍及有效性感到滿意。董事會亦對資源的充足性、本公司會計職員的經驗及資質、財務申報功能、其培訓課程及預算進行檢討。

於回顧期間，由於本公司未必能及時將可供出售金融資產（包括內含衍生工具）變現，應付其現金流量需求，故本公司須承受該等投資之市場風險。因應此情況，董事會維持由上市證券組成之投資組合及較充裕之現金狀況。

上市證券投資組合（於財務狀況表歸類為於損益表按公允價值列賬之金融資產）可能須承受市場價格風險。董事會將繼續監察該投資組合，並通過分散投資減低有關風險。

In order to safeguard the annual review of the continuing connected transactions, the Group has in place internal control procedures to ensure that continuing connected transactions will be conducted in compliance with the rules. In reviewing the continuing connected transactions, the Independent non-Executive Directors and the Audit Committee have the power to request further information, require alternations, modifications or changes to the terms, with respect to the Group's continuing connected transactions. The management will ensure that the Independent non-Executive Directors and the Audit Committee will be provided with sufficient information to review the continuing connected transactions.

DIRECTORS' RESPONSIBILITY STATEMENT

The directors acknowledge their responsibilities for the preparation of the consolidated financial statements of the Group for each financial period, which should give a true and fair view of the state of affairs of the Company and the Group's results and cash flow for that period. The directors ensure that the consolidated financial statements for the year were prepared in accordance with statutory requirements and applicable accounting standards, and will ensure that the publication of which will be in a timely manner.

SHAREHOLDERS RELATIONS

The Company is committed to maintaining a high level of transparency and employs a policy of open and timely disclosure of relevant information to its shareholders. The commitments to fair disclosure and comprehensive and transparent reporting of the Company's activities can be reflected in many aspects.

In endeavouring to maintain an on-going dialogue with shareholders, the annual general meeting provides a useful forum for shareholders to exchange views with the Board.

The proceedings of the annual general meeting are reviewed from time to time to ensure that the Company conforms to the best practices regarding corporate governance. The notice of annual general meeting and the relevant circular, which are circulated to all shareholders at least 20 clear business days prior to the holding of the annual general meeting, set out the details in relation to each resolution proposed, voting procedures (including procedures for demanding and conducting a poll) and other relevant information. At the beginning of the meeting, the chairman of the meeting indicates to the meeting the level of proxies lodged on each resolution and the balance for and against such resolution. At the Company's 2017 AGM, all the resolutions were put to the vote by poll and Tricor Tengis Limited, the Company's Hong Kong branch share registrar, was engaged as scrutineer to ensure the votes were properly counted.

為保障對持續關連交易進行年度審閱，本集團已制定內部監控程序以確保持續關連交易將根據有關規則進行。於審閱持續關連交易過程中，獨立非執行董事及審核委員會有權就本集團持續關連交易要求取得進一步資料、替代方案、對條款進行修訂或變更。管理層將確保獨立非執行董事及審核委員會將獲提供充足資料以審閱持續關連交易。

董事責任聲明

董事確認彼等負責編製本集團各財政期間之綜合財務報表，以令財務報表真實而公平地反映本公司之事務狀況以及本集團於該期間之業績及現金流量。董事確保本年度之綜合財務報表乃按法定規定及適用會計準則編製，並會確保適時刊發該等財務報表。

股東關係

本公司承諾維持高水平之透明度，並設有政策致力向其股東公開及適時披露有關資料。對公平披露及全面且透徹報告本公司活動之承諾可在多方面得到反映。

董事會致力維持與股東持續對話溝通。股東週年大會提供一個實用之公開討論機會，以便董事會與股東交流意見。

股東週年大會之程序會不時檢討，以確保本公司遵從最佳之企業管治常規。股東週年大會之通告及相關通函於舉行股東週年大會前最少二十個完整營業日派發予各股東；通函內列明所呈每項決議案之詳情、投票表決之程序（包括要求及進行以投票方式表決之程序）及其他有關資料。在大會開始時，大會主席向大會表明每項決議案之委任代表投票比例，以及贊成和反對票數。於本公司之二零一七年股東週年大會上，所有決議案均以投票方式表決，而本公司之香港股份登記分處卓佳登捷時有限公司獲聘擔任監票員，以確保妥為點算票數。

There are no provisions allowing shareholders to propose new resolutions at general meetings under the Cayman Islands Companies Law or the Articles of Association of the Company. Shareholders who wish to propose a resolution may request the Company to convene an extraordinary general meeting.

Pursuant to Article 58 of the Articles of Association of the Company, any one or more shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary at the Company's principal place of business in Hong Kong, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

Where notice of general meeting includes the election of directors of the Company, any shareholder of the Company may propose the election of any person as a director of the Company at the general meeting. Pursuant to Article 89 of the Articles of Association of the Company, if a shareholder duly qualified to attend and vote at the general meeting wishes to propose a person other than a retiring director for election as a director at any general meeting (including the annual general meeting), the shareholder should lodge a written notice (the "Nomination Notice") signed by the shareholder at the head office or Registration Office (as defined in the Articles of Association) of the Company not less than seven clear days but not more than 14 clear days before the date of the general meeting. The Nomination Notice must be accompanied by a notice signed by the person to be proposed of his willingness to be elected as a director.

The Company also communicates to its shareholders through its annual and interim reports. The directors, Company Secretary or other appropriate members of senior management also respond promptly to inquiries from shareholders and investors.

Shareholders may at any time send their enquiries to the Board in writing to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

開曼群島公司法或本公司組織章程細則並無任何條文允許股東於股東大會上提呈新決議案。有意提呈決議案之股東可要求本公司召開股東特別大會。

根據本公司之組織章程細則第58條，在呈遞要求日期持有不少於本公司繳足股本（附有於本公司股東大會表決權利）十分之一的任何一名或多名股東，於任何時候有權透過向董事會或公司秘書發出書面要求至本公司於香港的主要營業地點，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且有關大會應於呈遞有關要求後兩個月內舉行。倘該呈遞後二十一日內董事會未有召開有關大會，則呈遞要求人士可自發以同樣方式召開大會，而呈遞要求人士因董事會未有召開大會而產生的所有合理開支應由本公司向呈遞要求人作出償付。

倘股東大會通告包括推選本公司董事之事宜，任何本公司股東均可建議任何人士於股東大會上參選本公司董事。根據本公司組織章程細則第89條，倘正式合資格出席股東大會並於會上投票的股東有意建議任何人士（並非退任董事）於任何股東大會（包括股東週年大會）上參選董事，則應於該股東大會舉行日期前不少於七個整日但不多於十四個整日，向本公司之總辦事處或過戶登記處（定義見組織章程細則）呈交一份經其簽署之書面通知（「提名通知」）。提名通知必須連同一份由擬參選人簽署並表明參選董事意向之通知一併呈交。

本公司亦透過年報及中期報告與其股東溝通。董事、公司秘書或其他適合之高級管理人員均會迅速回應股東及投資者之查詢。

股東可隨時致函至本公司之香港股份登記分處卓佳登捷時有限公司（地址為香港皇后大道東183號合和中心22樓），向董事會提出查詢。

INVESTOR RELATIONS

The Company is committed to a policy of open and timely disclosure of corporate information to shareholders and investors. The Company updates shareholders on its latest business developments and financial performance through its annual and interim reports and notices, announcements and circulars. The Company's website (www.nif-hk.com) provides a communication platform to the public and the shareholders.

To strengthen its relationships with investors, the Company regularly meets with analysts and holds interviews with reporters and columnists of the press and other economic journals.

No significant changes were made to the Company's constitutional documents during the Review Period.

投資者關係

本公司致力維持向股東及投資者公開及適時披露公司資料之政策。本公司透過其年度及中期報告、通告、公告及通函為股東提供有關業務發展和財務表現之最新資料。本公司網站(www.nif-hk.com)為公眾及股東提供溝通平台。

本公司定期會見分析員，並接受新聞界及其他財經雜誌刊物之記者及專欄作者採訪，以加強其與投資者之關係。

於回顧期間，本公司之憲章文件並無其他重大變動。

Environmental, Social and Governance Report

環境、社會及管治報告

REPORTING SCOPE

The Company is an investment company and principally engages in investments in a diversified portfolio of listed and unlisted companies. As an investment company, the Company does not directly participate in the production and operation of its subsidiaries. While actively seeking to optimise its investment portfolio and maximise shareholder return, the Company lives up to its corporate social responsibility and strikes a balance between the interests of stakeholders such as the shareholders and the community, with the ultimate goal of achieving a sustainable corporation.

In accordance with the requirements of Appendix 27 to the Listing Rules, the Company hereby presents its environmental, social and governance report for the year ended 31 December 2017.

Working Environment

Working conditions

Policies on remuneration and dismissal, recruitment and promotion, working hours, leaves, equal opportunity, diversity and other fringe benefits.

The principal place of business of the Group is Hong Kong. The Group has put in place employment policies and guidelines in compliance with the relevant laws and regulations of the local governments, including:

- the formulation of wage allocation system according to laws, and such wages shall not be lower than the minimum wages, if any, for the respective year as promulgated by the government;
- the provision of social security and fringe benefits in accordance with the relevant government requirements, such as providing insurance for employees; and
- the provision of labour protection, labour conditions and protection against occupational hazards in accordance with the relevant government requirements on labour protection.

報告範圍

本公司為一間投資公司，而本公司之主要業務為投資於上市及非上市公司之多元化投資組合。作為投資公司，本公司未直接參與其附屬公司的生產及營運。然而，本公司於積極尋求優化投資組合，提升股東回報的同時，仍然恪守企業社會責任，平衡股東、社區等各持份者的利益，致力取得企業可持續發展。

本公司採用上市規則附錄二十七為標準，匯報截至二零一七年十二月三十一日止年度的環境、社會及管治事宜。

工作環境

工作條件

有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化以及其他待遇及福利的政策。

本集團主要營業地點在香港。本集團已制定符合當地政府有關法律法規的規定的僱傭政策及指引。包括：

- 依法制定工資分配制度，不得低於政府公佈的當年度最低工資（如有）；
- 按照政府有關規定，提供社會保險和福利待遇，如為僱員購買保險等；及
- 按政府有關勞動保護規定，提供勞動保護、勞動條件和職業危害防護等。

Environmental, Social and Governance Report

環境、社會及管治報告

In addition, the Company's policies and guidelines on recruitment and promotion are formulated based on the principles that:

- we are an equal opportunity employer;
- we are against any act of discrimination on the basis of gender, age, race, etc.; and
- we make decisions relating to engagement and promotion based on staff/candidate performance.

Remuneration, working hours, leaves and other fringe benefits

- Remuneration and benefit packages are determined with reference to the position, skills, capability and performance of staff;
- Remuneration is adjusted based on local regulations on minimum wages;
- Working hours, leaves and other fringe benefits are in line with industry practice and/or (if applicable) adjusted based on experience, qualifications and seniority of staff; and
- An equitable reward system is in place.

During the year under review, there was no material breach of applicable laws and/or regulations.

Staff breakdown

A breakdown of the number of the Company's staff as at 31 December 2017 and 31 December 2016 is as follows:

此外，本公司在招聘及晉升方面的政策及指引原則為：

- 我們是平等機會僱主；
- 我們反對任何性別、年齡及種族等的歧視行為；及
- 我們按照員工／候選者的表現僱用及晉升。

薪酬、工作時數、假期及其他福利待遇

- 根據員工的職位、技術、能力、實績等釐定薪酬及福利待遇；
- 根據當地有關最低工資的規定調整薪酬；
- 工作時數、假期及其他福利待遇與行業慣例一致，及／或（如適用）按經驗、資格及年資調整；及
- 設立合理的獎罰制度。

於回顧年內，本公司並無嚴重違反適用法例及／或規例。

人數統計

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，本公司在職人員人數統計如下：

		Staff 員工	Directors 董事	Total 合計
Number (31 December 2017)	人數（二零一七年十二月三十一日）	20	6	26
Number (31 December 2016)	人數（二零一六年十二月三十一日）	22	8	30

Health and Safety

It is the Company's primary concern to provide its employees with safe and convenient working environments.

The Company has developed a set of work safety codes covering areas of environmental hygiene and cleanliness, machine operation, smoking ban and fire prevention, hazardous materials handling, arrangements in times of typhoons and rainstorms, as well as response to emergencies, etc. It also provides training on work safety codes and requires strict compliance therewith by its employees.

Work-related injuries and fatalities

During the year under review, there were no work-related fatalities.

Occupational health and safety measures

The Company provides suitable working environments to ensure adequate protection of the health and safety of its staff.

Development and Training

Policies on employee development and training

The Company places a great deal of importance on the development of the overall ability and professional skills of its staff. It is committed to providing relevant training opportunities to its staff from time to time according to their work requirements, so as to boost the competence and efficiency of staff and hence the Company's professionalism and performance.

Environmental Protection

Emission level

Environmental protection has always been a focus of the Company. In addition to the strict compliance with national regulations, policies and requirements, the Company also checks and supervises the plants of its subsidiaries and associates regularly to ensure that the environmental standards of the plants meet local laws and regulations and that consents and approvals have been obtained from relevant authorities.

Utilisation of resources

As one of its green initiatives, the Company seeks to minimise resource consumption. Average consumption of resources is reduced with advancements in production technology and the implementation of other effective measures and guidelines.

健康與安全

本公司首要優先事項是向僱員提供安全方便的工作環境。

本公司制定了一系列工作安全守則，包括環境衛生整潔、機器操作、禁煙防火、危險品處理、防颱風抗暴雨、以及突發事件處理等，本公司就該等工作安全守則提供培訓，並要求員工嚴格遵守。

工傷及死亡統計

於回顧年內，概無任何因工作相關死亡事故。

職業健康及安全措施

本公司為員工提供合適的工作環境，確保員工的健康及安全受到充足的保護。

發展和培訓

僱員發展及培訓政策

本公司重視員工的綜合素質和專業技能發展，致力於根據員工工作需要不時為員工提供各種相關培訓機會，旨在提升員工的工作能力及工作效率，增強本公司的業務水平及素質。

環境保護

排放量

本公司一直重視環境保護，嚴格遵守國家在有關方面的法規政策，符合相關標準。本公司亦定期主動瞭解並監督旗下子公司及聯營公司的廠房，確保廠房的環保標準符合當地有關法律、法規規定，並已獲得相關部門的許可及批覆。

資源運用

本公司積極響應環保，儘量減少資源消耗量。透過生產技術提升及各種行之有效的措施指引的配合，平均資源消耗量得到一定程度的降低。

Operational Practice

The Company and its subsidiaries and associates have developed an effective monitoring mechanism to ensure the smooth implementation of, and compliance with, its strategies and policies regarding operation. Various measures such as holding management meetings, conducting site visits, inspecting documents, etc., are adopted to ensure that the following principles are observed.

Supply chain management

Being an investment management company, the Company engages in investments in listed or unlisted equity securities. It does not have any major supplier of products, raw materials or services, nor does it directly participate in any negotiation between any investee and its supplier. However, for the purpose of ensuring a certain degree of management of supply chain risks, the Company maintains close communication with its investees to allow a better understanding of the operation and production of those subsidiaries and associates.

Accordingly, the management believes that the investees have adopted one or more monitoring measures listed below as a part of their supplier management:

- Raw materials are initially procured in small batches and tests are conducted for the raw materials of each product to ensure that the materials meet the local regulations and requirements regarding chemical contents;
- Raw materials are purchased in bulk only after being confirmed to be of no quality issues arising during production;
- As a part of the supplier selection process, samples of raw materials are requested for testing and only those suppliers whose raw materials are certified as suitable for use in production will be qualified;
- Quotations are compared to ensure that they are in line with market rates;
- The procurement process is strictly monitored to ensure against any breach of laws;
- Contracts will be entered into with approved suppliers to ensure that the purchase price and quality of the materials are consistent with those stated in the contracts.

營運慣例

本公司與旗下子公司及聯營公司已建立一套行之有效的監察機制，確保有關營運方面的策略及政策上行下效。本公司透過管理層會議、派員實地考察、文件審查等各項措施，確保旗下項目／公司恪守下述原則。

供應鏈管理

本公司作為一間投資管理公司，業務均為其於上市或非上市股本證券之投資，故沒有任何為本公司提供產品、原材料或服務之主要供貨商。此外，本公司亦沒有直接參與旗下投資組合內之公司與其供應商的協商。然而，本公司密切與投資組合公司溝通，以更好地了解該等子公司及聯營公司的營運及生產狀況，確保一定程度之供應鏈風險管理。

因此，管理層相信旗下投資組合公司對供貨商管理採取以下一項或多項監察方法：

- 小規模批量原材料，並測試各項產品的原材料，以確保原材料符合當地就化學成份等各方面的法例標準；
- 在生產過程中確保無任何質量問題，方才進行大批量採購；
- 甄選供貨商時，要求供貨商提供原料樣品供本公司測試。測試結果適用於生產的產品方為合格；
- 價格對比，確保符合市場價格；
- 嚴格規管採購過程，確保沒有涉及任何違法行為；
- 經過考核成為合格的供應商後，雙方簽定合同，並確保材料的最終來貨價格、質量等與合同所載相符。

Product liabilities

The management believes that all its investees are responsible product and service suppliers who fulfill all of their service and product commitments and response to their clients' complaints in a diligent manner.

Anti-corruption

Being a responsible corporation, the Company strives to eliminate bribery and corruption across its management and staff. To do so, the Company actively introduces relevant and current anti-corruption laws and punishments to its employees. All employees are fully briefed on the relevant anti-corruption laws and guidelines upon entering into their employment contracts so as to ensure that they comply strictly with them and carry out their duties in good faith. The Company closely monitors the conduct of its staff to prevent wrong-doings amongst the Board, its senior management and its staff, such as prohibiting transfer of benefits while considering any company or project investment.

During the year under review, the Company had not been charged for any corruption within the Board, its senior management and its staff, as well as its investees and their employees, during their employment.

Corporate Governance Responsibilities

To provide reasonable protection for the interests of minority shareholders, the Company strictly complies with the Listing Rules. In addition to maintaining timely disclosures of relevant corporate information as well as transparency and accountability in its operation, the Company also conducts internal reviews from time to time in order to improve its corporate governance. For information on the Company's corporate governance, please refer to the section headed "Corporate Governance Report".

The Board advocates a high level of independence so as to make independent judgments. Therefore, the Company has appointed three independent non-executive directors. The directors believe that all three of the independent non-executive directors have diversified backgrounds and experience as well as sufficient calibre and independence to make independent judgments, provide impartial and professional advice, evaluate the decisions of the Board, and safeguard the interests of the minority shareholders.

產品責任

管理層相信旗下投資組合公司均為負責任的產品及服務供貨商，並嚴謹履行所有服務及產品承諾，以及認真回應客戶投訴。

防止貪污

作為負責任的企業，本公司確保管理層及員工廉潔反貪。有鑒於此，本公司積極讓員工知悉現行相關的反貪污法例及刑罰。每一名員工簽訂僱用合約時，均提供清晰指引，確保員工遵守相關反貪污法例及指引，誠信履行職務。本公司嚴格監察員工操守，嚴禁董事會、高級管理層及員工徇私舞弊（包括於衡量是否投資於個別公司或項目時，禁止一切利益輸送行為）。

於回顧年內，本公司概無因本公司董事會、高級管理層及員工，以及旗下公司或其僱員（於受僱期間）貪污而被起訴。

企業管治責任

為確保小股東權益得到合理保障，本公司嚴格遵守上市規則。除適時披露企業相關訊息，確保本公司營運之透明度及問責性外，本公司亦不時進行內部檢討，以進一步提升企業管治水平。有關本公司企業管治，請參閱「企業管治報告」章節。

董事會認為，董事會應具備強烈獨立性，有效行使獨立判斷。因此，本公司已委任三名獨立非執行董事。董事相信，全部三名獨立非執行董事擁有不同背景及經驗，具備足夠才幹以及獨立性，能行使獨立判斷，提供中肯專業意見，以不同角度評估董事會決策，保障少數股東權益。

Community Involvement

The Company always endeavours to serve the community and therefore highly respects its corporate social responsibilities. In March 2017, the Company donated HK\$200,000 to Hong Kong International School for general teaching purposes and the improvement of school facilities, thereby benefiting its students. The Company has high regard for the value of education and is therefore delighted to see that a better campus and excellent teaching is offered to the students. We wish our humble effort today will reap a bumper harvest of great men for the future society.

For the sake of social betterment, the Company will also identify charitable, non-profit or educational institutions and foundations that share its beliefs, and encourage its staff to volunteer for them.

Subsidiaries and Other Investees

The Company has formulated stringent basic internal corporate governance principles and requirements for its projects/subsidiaries. It ensures the observance of these principles and requirements by these projects/subsidiaries through various measures such as holding management meetings, conducting site visits, inspecting documents, etc. It also offers necessary support and training in the implementation of these policies to its subsidiaries and investees from time to time.

For each line of business operation, the Company has adopted different measures to ensure its respective compliance with the above principles and guidelines. In respect of the agriculture and forestry development business, it has adopted a set of principles and guidelines for ecosystem protection and ensures that the workers are adequately protected and remunerated, such as having insurance for work injuries and accidents. In terms of the biological pharmaceutical and regenerative medicine system and product business, measures have been taken to ensure safety in its production and research and development processes. For instance, the research and development and other staff are protected from fatalities as well as inhaling or being exposed to chemical/hazardous elements, the products are certified as meeting national safety standards, and the research and development procedures comply with ethical standards and guidelines. For the development and building of yachts, environmental matters of the building process are taken seriously and green measures such as the reduction of waste and emissions as well as the recycling of materials has already been implemented.

社區參與

本公司一向致力回饋社會，高度重視履行企業的社會責任。本公司於二零一七年三月向香港國際學校捐款200,000港元，作一般教學用途、改善校內設施，使莘莘學子得益。本公司深信教育有傳承的作用，讓學生們享受完善的校園和教學是我們所樂見的。我們希望今日所盡的一點綿力，可令幼苗茁壯成長，他日結出更多果實，貢獻社會。

為推動社會服務發展，本公司日後亦會繼續物色與本公司理念一致的慈善、非牟利或教育機構及基金組織，以回饋社會，並鼓勵僱員參與其中。

附屬公司及其他投資組合內的公司

本公司自身對旗下項目／公司就內部企業管治制定了一套嚴謹的基本原則及要求，本公司透過管理層會議、派員實地考察、文件審查等各項措施，確保旗下項目／公司恪守有關原則及要求，並不時為附屬公司及其他投資組合內的公司就執行相關政策提供必要之支援及培訓。

就本公司涉及的不同業務，本公司積極採取多方面的措施確保營運過程符合上述原則及指引。開發及種植農林方面，本公司採納對生態環境保護的原則及指引，並確保種植人員得到足夠保護及合理福利，如工傷意外保險保障等。生物製藥及再生醫學系統及產品方面，本公司採取措施以確保生產及科研過程安全，如保障科研人員及其他僱員的生命安全、減少他們吸入或攝取化學／有害物質等，並確保產品符合國家安全標準、以及科研過程符合道德標準的措施及指引。在開發及製造遊艇方面，積極考慮製造過程中的環保問題，實行減廢減排、物料循環再用等環保措施。

Directors' Report

董事報告

The directors have the pleasure in presenting this annual report and the audited consolidated financial statements of the Company and its subsidiaries for the year.

PRINCIPAL ACTIVITIES

The Company was incorporated on 28 June 2002 as an exempted company with limited liability in the Cayman Islands under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The principal activity of the Company is investment in listed and unlisted companies.

The shares of the Company were listed on the Main Board of the Stock Exchange since 27 September 2002.

Business or geographical analysis of the Group's assets and liabilities for the year is set out in Note 6 to the consolidated financial statements.

BUSINESS REVIEW

A business review of the Group together with a description of uncertainties facing the Group and an indication of likely future development in the Group's business are provided in "Chairman's Statement and Management Discussion and Analysis" on pages 6 to 13 of this annual report. The business review shall form part of this Directors' Report.

RESULTS AND APPROPRIATIONS

The state of affairs of the Group as at 31 December 2017 and the results of the Group for the year are set out in the consolidated financial statements on pages 62 to 64.

The directors do not recommend the payment of any final dividend for the year (2016: Nil).

CHARITABLE DONATIONS

Charitable donations made by the Group during the Review Period amounted to HK\$200,000 (2016: Nil).

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year are set out in Note 29 to the consolidated financial statements.

董事欣然提呈本公司及其附屬公司本年度之年報及經審核綜合財務報表。

主要業務

本公司於二零零二年六月二十八日根據開曼群島法例第22章公司法（一九六一年第3條法例，經綜合及修訂）在開曼群島註冊成立為獲豁免有限責任公司。本公司之主要業務為投資於上市及非上市公司。

本公司股份由二零零二年九月二十七日起在聯交所主板上市。

按業務或地區劃分之本集團年內資產及負債分析載於綜合財務報表附註6。

業務回顧

本集團之業務回顧，連同本集團面對之不確定因素之描述，以及本集團業務之未來可能發展前景，載於本年報第6至13頁之「主席報告與管理層討論及分析」。業務回顧構成本董事報告一部份。

業績及分派

本集團於二零一七年十二月三十一日之事務狀況及本集團年內之業績載於第62至64頁之綜合財務報表。

董事不建議就本年度派發末期股息（二零一六年：無）。

慈善捐款

本集團於回顧期間作出慈善捐款200,000港元（二零一六年：無）。

股本

本公司年內之股本變動詳情載於綜合財務報表附註29。

RESERVES

Details of the 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 65 and 66 and Note 31 to the consolidated financial statements.

As at 31 December 2017, no reserve of the Company available for distribution to shareholders under the Companies Law of the Cayman Islands (2016: approximately HK\$16,762,000).

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group and the Company during the year are set out in Note 16 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Memorandum and Articles of Association and there is no restriction against such rights under the laws of the Cayman Islands.

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

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

DIRECTORS

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

Executive Directors

Mr. Wong Danny F. (*Chairman*)

Mr. Wu Tse Wai, Frederick

Mr. Fong Chi Wah

Non-executive Directors

Mr. Gao Chengming (*Retired on 30 June 2017*)

Mr. Lau Chi Lung, Johnny (*Retired on 30 June 2017*)

儲備

本集團及本公司年內之儲備變動詳情載於第65至66頁之綜合權益變動表及綜合財務報表附註31。

於二零一七年十二月三十一日，根據開曼群島公司法，本公司沒有可分發予股東之儲備（二零一六年：約16,762,000港元）。

物業、廠房及設備

本集團及本公司年內之物業、廠房及設備變動詳情載於綜合財務報表附註16。

優先購買權

本公司之組織章程大綱及細則並無有關優先購買權之條文，而開曼群島法例亦無有關該權利之限制。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於年內概無購買、出售或贖回任何本公司之上市證券。

董事

本公司於本財政年度及截至本報告日期之董事如下：

執行董事

汪曉峰先生 (*主席*)

吳子惠先生

方志華先生

非執行董事

高城銘先生 (*於二零一七年六月三十日退任*)

劉嗣龍先生 (*於二零一七年六月三十日退任*)

Independent Non-executive Directors

Mr. Char Shik Ngor, Stephen
Mr. Liu Jin
Mr. Law Tze Lun

In accordance with Article 88 of the Company's Articles of Association, Mr. Wong Danny F., Mr. Liu Jin and Mr. Law Tze Lun shall retire as directors by rotation. Mr. Wong Danny F., Mr. Liu Jin and Mr. Law Tze Lun, being eligible, offer himself for a re-election as director at the annual general meeting.

DIRECTORS' SERVICE CONTRACTS

Currently, all executive directors have entered into service contracts with the Company for a term of two years. Each of these executive directors is entitled to his respective basic salary. In addition, in respect of each financial year of the Company, each of the executive directors is also entitled to a discretionary bonus provided that the aggregate amount of the bonuses payable to all executive directors may not exceed 15% of the audited net profit of the Company (after taxation but before extraordinary and exceptional items and payment of such bonuses) in respect of that financial year of the Company. An executive director is required to abstain from voting and is not counted in the quorum in respect of any resolution of the directors regarding the amount of the monthly salary and the discretionary bonus payable to him.

In respect of the non-executive directors and independent non-executive directors, each of them has entered into a letter of appointment with the Company respectively for a term up to the forthcoming annual general meeting and their appointments will be terminated by the giving of not less than 14 days' notice in writing by either party. All directors of the Company, including independent non-executive directors, are subject to retirement by rotation in accordance with the Company's Articles of Association.

Save as disclosed above, no other director has entered into service agreement with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

獨立非執行董事

查錫我先生
劉進先生
羅子璘先生

根據本公司之組織章程細則第88條，汪曉峰先生、劉進先生及羅子璘先生將輪值退任董事。汪曉峰先生、劉進先生及羅子璘先生符合資格並願意於股東週年大會上膺選連任董事。

董事服務合約

目前，全體執行董事均已與本公司訂立為期兩年之服務合約。該等執行董事各自有權收取彼等相關基本薪金。此外，於本公司每個財政年度，各執行董事均有權獲發酌情花紅，惟本公司於任何財政年度應支付予全體執行董事之花紅總額不可超出本公司於該財政年度經審計之溢利淨額（除稅後但未計非經常性與特殊項目及支付該等花紅前）之15%。執行董事須就有關向彼支付之月薪和酌情花紅金額之任何董事決議案放棄表決，亦不得計入法定人數內。

各非執行董事及獨立非執行董事均已與本公司訂立委任書，各任期均直至即將舉行之股東週年大會止，而彼等之委任可由任何一方發出不少於十四天書面通知予以終止。本公司所有董事（包括獨立非執行董事）須根據本公司之組織章程細則輪值退任。

除上文所披露者外，概無其他董事已與本公司訂立任何本公司不可於一年內毋須作出賠償（法定賠償除外）而終止之服務協議。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

The directors' interests in transactions, arrangements or contracts are set out in Note 12 to the consolidated financial statements. Apart from the foregoing, there was no transactions, arrangements or contract of significance in relation to the Company's business, to which the Company or any of its subsidiaries was a party, and in which a director had a material interest in, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

Other than those disclosed under the section headed "Interests in Share Options" below, at no time during the year was the Company a party to any arrangement to enable the directors or chief executive of the Company (including their spouses or children under 18 years of age) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other corporate.

PERMITTED INDEMNITY PROVISION

Under the Company's Articles of Association, directors and other officers for the time being of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices provided that such indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

The Company has arranged a Directors' and Officers' Liability Insurance Policy to provide appropriate coverage for any potential claims against directors and officers.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the directors is interested in any business apart from the Group's business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

董事於交易、安排或合約之權益

董事於交易、安排或合約之權益載於綜合財務報表附註12。除上述者外，本公司或其任何附屬公司概無訂立與本公司業務有關而董事於當中擁有直接或間接重大權益，並於年末或年內任何時間仍然生效之重大交易、安排或合約。

董事買入股份或債務證券之權利

除下文「購股權權益」一節所披露者外，本公司於年內概無參與任何安排，使本公司董事或最高行政人員（包括彼等之配偶或十八歲以下子女）擁有任何可認購本公司或其任何相聯法團（定義見證券及期貨條例）證券之權利，或可藉買入本公司或任何其他法人團體之股份或債券而獲益之權利。

獲准許的彌償條文

根據本公司之組織章程細則，本公司在任董事及其他高級職員均可從本公司之資產及溢利中獲得彌償及保障，免責於任內在或就履行職務或假定職務作出、同意或遺漏作出任何行動而將會或可能產生或蒙受，或因此而將會或可能產生或蒙受之一切法律行動、費用、支出、損失、損害賠償及開支，惟有關彌償保證不得伸延至可能與上述人士有關之任何欺詐或不誠實事宜。

本公司已投購董事及高級職員責任保險，為董事及高級職員之任何潛在申索提供適當保障。

董事於競爭業務之權益

除本集團之業務外，董事概無於任何直接或間接與本集團業務構成競爭或可能構成競爭之業務中擁有權益。

DIRECTORS' AND CHIEF EXECUTIVE INTERESTS IN EQUITY OR DEBT SECURITIES

As at 31 December 2017, the interests or short positions of the directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company under section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code were as below:

Name of Director	Capacity	Number of ordinary shares held	Approximate percentage of the Company's issued share capital
董事姓名	身份	所持普通股數目	佔本公司已發行股本概約百分比
Mr. Wong Danny F. 汪曉峰先生	Interest of controlled corporation/ Beneficial owner 受控制法團之權益／實益擁有人	296,338,637 ⁽¹⁾	12.34%

All of the above interests in the Company held by the directors were long positions.

Notes:

- (1) These represent beneficial interests in shares owned by CCM Asia Investment Corporation, a company incorporated in the British Virgin Islands with limited liability and the entire issued share capital of which is indirectly held by Mr. Wong Danny F., the Chairman and an executive director of the Company. These shares have been charged in favour of a secured lender.

Save as disclosed above, none of the directors, chief executive or their associates had any interests and short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations as defined in Part XV of the SFO as recorded in the register 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.

INTERESTS IN SHARE OPTIONS

The Company operates a share option scheme for Directors and employees of the Group. The share option scheme adopted on 27 August 2007 (the "Old Scheme") has expired and was replaced by a new share option scheme approved by the shareholders of the Company on 30 June 2017 (the "Share Option Scheme"). No further option can be granted under the Old Scheme upon its expiration, but all options granted previously will remain exercisable in accordance with the terms of the Old Scheme and the relevant letters of offers to the respective grantees. The Share Option Scheme had a life of ten years and is due to expire on 29 June 2027.

董事及最高行政人員於股本或債務證券之權益

於二零一七年十二月三十一日，本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有載於本公司根據證券及期貨條例第352條規定存置之登記冊，或根據標準守則須知會本公司及聯交所之權益或淡倉如下：

Name of Director	Capacity	Number of ordinary shares held	Approximate percentage of the Company's issued share capital
董事姓名	身份	所持普通股數目	佔本公司已發行股本概約百分比
Mr. Wong Danny F. 汪曉峰先生	Interest of controlled corporation/ Beneficial owner 受控制法團之權益／實益擁有人	296,338,637 ⁽¹⁾	12.34%

上述董事於本公司所持全部權益均為好倉。

附註：

- (1) 指CCM Asia Investment Corporation擁有之股份之實益權益。CCM Asia Investment Corporation為一間於英屬處女群島註冊成立之有限責任公司，其全部已發行股本由本公司主席兼執行董事汪曉峰先生間接持有。該等股份已抵押予一名抵押貸款人。

除上文所披露者外，董事、最高行政人員或彼等之聯繫人概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份及債券中擁有載於根據證券及期貨條例第352條規定存置之登記冊之任何權益及淡倉，或根據標準守則須知會本公司及聯交所之任何權益及淡倉。

購股權權益

本公司為董事及本集團僱員設立一項購股權計劃。於二零零七年八月二十七日採納之購股權計劃（「舊計劃」）已屆滿並被本公司股東於二零一七年六月三十日批准之新購股權計劃（「購股權計劃」）所替代。於舊計劃屆滿後，不可根據舊計劃授出其他購股權，惟所有先前已授出之購股權仍可根據舊計劃及授予各承授人之有關要約函件的條款予以行使。購股權計劃有效期為十年，及於二零二七年六月二十九日屆滿。

Pursuant to the terms and conditions of the Share Option Scheme, the purpose of the Share Option Scheme, in principle, is to enable the Company to motivate participants for their significant contributions to the growth of the Company and to retain and maintain on-going business relationship with such participants whose contributions are or will be beneficial to the long-term growth of the Company. It is important for the Company to provide them, where appropriate, with an additional incentive by offering them an opportunity to obtain an ownership interest in the Company and to reward them for contributing to the Company's long-term success and prosperity. The principal terms of the Share Option Scheme are as follows:

- | | |
|--|---|
| <p>(i) The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any options to be granted under any other scheme must not in aggregate exceed 10% of the aggregate of the shares in issue as at the adoption date unless refreshed by the shareholders. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and all outstanding options granted and yet to be exercised under any other scheme should not exceed 30% of the shares in issue from time to time.</p> | <p>根據購股權計劃之條款及條件，購股權計劃原則上旨在讓本公司能鼓勵參與者對本公司發展作出重大貢獻，挽留及維持與該等參與者（彼等之貢獻乃有利於或將會有利於本公司之長遠發展）之持續業務關係。重要的是，本公司於適當時給予彼等機會獲得本公司擁有權益作為額外獎勵，並獎勵彼等對本公司長遠成功及興旺所作出之貢獻。購股權計劃主要條款如下：</p> |
| <p>(ii) The total number of shares in respect of which options may be granted to each eligible participant in any 12-month period must not exceed 1% of the issued share capital of the Company for the time being.</p> | <p>(i) 除非獲股東更新，否則於行使根據購股權計劃將予授出之全部購股權，以及根據任何其他計劃將予授出之任何購股權時可予發行之股份總數，合共不得超過於採納日期已發行股份總數之10%。然而，於行使根據購股權計劃已授出但尚未行使之全部購股權，以及根據任何其他計劃已授出但尚未行使之全部購股權時可予發行之股份總數，不得超過不時已發行股份之30%。</p> |
| <p>(iii) The subscription price shall be a price determined by the Board, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.</p> | <p>(ii) 每一位合資格參與者在任何十二個月期間內可獲授出之購股權所涉及之股份總數，不得超過該期間本公司已發行股本之1%。</p> |
| <p>(iv) An option may be accepted by an eligible participant within 28 days from the date of offer of the option. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant of the option.</p> | <p>(iii) 認購價由董事會釐定，惟不得低於以下三者之最高者：(i)於授出日期（必須為營業日）股份在聯交所每日報價表之收市價；(ii)於緊接授出日期前五個營業日股份在聯交所每日報價表之平均收市價；及(iii)股份之面值。</p> |
| <p>(v) The Share Option Scheme will remain valid for a period of ten years commencing on 30 June 2017.</p> | <p>(iv) 合資格參與者可於提呈購股權日期起計二十八天內接受購股權。於接納購股權時，承授人須向本公司支付1.00港元，作為所授出購股權之代價。</p> |
| | <p>(v) 購股權計劃自二零一七年六月三十日起十年期內將維持有效。</p> |

Details of movement of the share options during the year under the Share Option Scheme were as follows:

購股權計劃下購股權於年內之變動詳情如下：

	Number of share options 購股權數目				Outstanding at 31 Dec 2017 於 二零一七年 十二月三十一日 尚未行使	Exercise price at 1 Jan 2016 於 二零一六年 一月一日之 行使價 (HK\$) (港元) (Note 2) (附註2)	Date of grant 授出日期	Exercisable period 行使期 (Note 1) (附註1)
	Outstanding at 1 Jan 2017 於 二零一七年 一月一日 尚未行使	Granted during the Review Period 於回顧期間 授出	Exercised during the Review Period 於回顧期間 行使	Lapsed during the Review Period 於回顧期間 失效				
Directors 董事								
Mr. Wong Danny F. 汪曉峰先生	73,382	-	-	(73,382)	-	5.65	28 Nov 2007 二零零七年 十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	18 Apr 2011 二零一一年 四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Wu Tse Wai Frederick 吳子惠先生	73,382	-	-	(73,382)	-	5.65	28 Nov 2007 二零零七年 十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	18 Apr 2011 二零一一年 四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Fong Chi Wah 方志華先生	73,382	-	-	(73,382)	-	5.65	28 Nov 2007 二零零七年 十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	18 Apr 2011 二零一一年 四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Char Shik Ngor, Stephen 查錫我先生	73,383	-	-	(73,383)	-	5.65	28 Nov 2007 二零零七年 十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	18 Apr 2011 二零一一年 四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Liu Jin 劉進先生	73,382	-	-	(73,382)	-	5.65	28 Nov 2007 二零零七年 十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	18 Apr 2011 二零一一年 四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
	2,315,711	-	-	(2,315,711)	-			
Resigned directors 已辭任董事	220,148	-	-	(220,148)	-	5.65	28 Nov 2007 二零零七年 十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	1,169,280	-	-	(1,169,280)	-	0.56	18 Apr 2011 二零一一年 四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Other eligible participants 其他合資格參與者	10,594,080	-	-	(10,594,080)	-	0.56	18 Apr 2011 二零一一年 四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Total 總計	14,299,219	-	-	(14,299,219)	-			
Weighted average exercise price 加權平均行使價	HK\$0.77 0.77港元	-	-	-	-			

No share option was granted, exercised or cancelled in accordance with the terms of the Share Option Scheme during the year.

Notes:

1. In accordance with the terms of the share-based arrangement, (i) a maximum of 30% options are exercisable from the date of grant; (ii) a maximum of another 30% options, plus any options being unexercised in (i), in aggregate not exceeding 60% of total options granted, are exercisable from 28 November 2008; and (iii) the remaining 40% options, plus any options being unexercised in (i) and (ii), are exercisable from 28 November 2009 to 26 August 2017.
2. Pursuant to the terms of the Share Option Scheme, the exercise price and the number of new shares to be allotted and issued upon full exercise if the subscription rights attaching to the outstanding share options were adjusted to reflect the rights issue which came into effect on 20 February 2014.

Save as disclosed above, none of the Company's directors and chief executive, or their spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or had exercised any such rights during the Review Period.

年內概無購股權根據購股權計劃條款獲授出、行使或註銷。

附註：

1. 根據以股份為基礎之安排之條款，(i)最多30%購股權自授出日期起可予行使；(ii)另外最多30%購股權，加上(i)中尚未行使之任何購股權，合共不超過已授出購股權總數之60%，自二零零八年十一月二十八日起可予行使；及(iii)其餘40%購股權，加上(i)及(ii)中尚未行使之任何購股權，於二零零九年十一月二十八日至二零一七年八月二十六日期間可予行使。
2. 根據購股權計劃之條款，行使價及於尚未行使之購股權附帶之認購權獲全面行使後將予配發及發行之新股份數目已作出調整，以反映因於二零一四年二月二十日生效之供股。

除上文所披露者外，於回顧期間，概無本公司董事及最高行政人員或彼等之配偶或十八歲以下子女，擁有任何可認購本公司證券之權利，或已行使任何該等權利。

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS' INTERESTS IN SECURITIES

As at 31 December 2017, so far as is known to the directors, the following shareholders (other than the directors and chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Name of shareholder	Capacity	Number of ordinary shares	Percentage of the Company's issued share capital
股東名稱／姓名	身份	普通股數目	佔本公司已發行股本百分比
CCM Asia Investment Corporation (Note 1) CCM Asia Investment Corporation (附註1)	Beneficial owner 實益擁有人	296,338,637	12.34%
CCM Financial Corporation (Note 1) CCM Financial Corporation (附註1)	Corporate owner 公司擁有人	296,338,637	12.34%
Sino Portfolio International Limited (Note 2) Sino Portfolio International Limited (附註2)	Security owner 擔保權益擁有人	296,338,637	12.34%
Ms. Angela Chen (Note 3) Angela Chen女士 (附註3)	Interest through controlled corporation 通過受控制法團之權益	296,338,637	12.34%

All of the above interests in the Company held by shareholders were long positions.

Notes:

- Mr. Wong Danny F., the Chairman and an executive director of the Company, is the sole shareholder of CCM Financial Corporation which in turn is the sole shareholder of CCM Asia Investment Corporation. CCM Financial Corporation and Mr. Wong Danny F. are therefore deemed to be interested in the shares and underlying shares of the Company held by CCM Asia Investment Corporation under the SFO.
- Sino Portfolio International Limited, a company incorporated in the Republic of Seychelles ("Sino Portfolio"), has a security interest in 296,338,637 shares of the Company.
- Sino Portfolio is wholly-owned by Ms. Angela Chen. Ms. Angela Chen is therefore deemed to be interested in 296,338,637 shares of the Company which Sino Portfolio has a security interest in under the SFO.

Other than disclosed above, the Company has not been notified of any other interests or short positions in the shares and underlying shares of the Company representing 5% or more of the issued share capital of the Company as at 31 December 2017.

主要股東及其他人士於證券之權益

於二零一七年十二月三十一日，就董事所知，根據按證券及期貨條例第336條規定存置之登記冊所載，以下股東（除本公司董事及最高行政人員外）於本公司股份及相關股份中擁有權益或淡倉：

Name of shareholder	Capacity	Number of ordinary shares	Percentage of the Company's issued share capital
股東名稱／姓名	身份	普通股數目	佔本公司已發行股本百分比
CCM Asia Investment Corporation (Note 1) CCM Asia Investment Corporation (附註1)	Beneficial owner 實益擁有人	296,338,637	12.34%
CCM Financial Corporation (Note 1) CCM Financial Corporation (附註1)	Corporate owner 公司擁有人	296,338,637	12.34%
Sino Portfolio International Limited (Note 2) Sino Portfolio International Limited (附註2)	Security owner 擔保權益擁有人	296,338,637	12.34%
Ms. Angela Chen (Note 3) Angela Chen女士 (附註3)	Interest through controlled corporation 通過受控制法團之權益	296,338,637	12.34%

上述股東於本公司所持全部權益均為好倉。

附註：

- 汪曉峰先生（本公司之主席兼執行董事）乃CCM Financial Corporation唯一股東，該公司乃CCM Asia Investment Corporation唯一股東。根據證券及期貨條例，CCM Financial Corporation及汪曉峰先生因此被視為於CCM Asia Investment Corporation持有之本公司股份及相關股份中擁有權益。
- Sino Portfolio International Limited（「Sino Portfolio」，一間於塞舌爾共和國註冊成立之公司）於本公司296,338,637股股份中擁有擔保權益。
- Sino Portfolio由Angela Chen女士全資擁有。根據證券及期貨條例，Angela Chen女士因此被視為於Sino Portfolio擁有擔保權益之本公司296,338,637股股份中擁有權益。

除上文所披露者外，於二零一七年十二月三十一日，本公司概無得知任何其他相當於本公司已發行股本5%或以上之本公司股份及相關股份之權益或淡倉。

MANAGEMENT CONTRACT

No contract 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 under review.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group recognises the importance of environmental protection and has adopted stringent measures for environmental protection in order to ensure our compliance of prevailing environmental protection laws and regulations. For details, please refer to the section headed "Environmental Social and Governance Report" contained in this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group pays attention to legal and regulatory requirements in designing its policies and practices. Legal and compliance advisers will be engaged when necessary to ensure the Group is operated in accordance with applicable laws and regulations.

KEY RELATIONSHIP WITH EMPLOYEES

Employees are regarded as valuable assets of the Group and comprehensive benefit package, career development opportunities and appropriate internal training are provided to employees. Effective communications amongst employees are promoted in order to achieve corporate efficiency.

MAJOR CUSTOMERS AND SUPPLIERS

The Company's entire turnover is derived from the Company's investment in listed or unlisted equity securities and thus the disclosure of information regarding to customers and suppliers would not be meaningful.

管理合約

於回顧年度並無簽訂或存在任何與本公司全部或任何重要部份業務之管理及行政有關之合約。

環境政策及表現

本集團肯定環境保護之重要性，並已採納多項嚴格之環保措施，以確保遵守現行之環境保護法律及法規。有關詳情請參閱本年報「環境、社會及管治報告」一節。

遵守法律及法規

本集團在制訂政策及常規時會留意法律及監管規定。本集團在有需要時會委聘法律及合規顧問，確保本集團之營運符合適用法律及法規。

與僱員之主要關係

僱員乃本集團之寶貴資產。本集團向其僱員提供全面福利待遇、事業發展機會及適合之內部培訓。僱員相互有效溝通可提升企業效率。

主要客戶及供應商

本公司全部營業額均源自其於上市或非上市股本證券之投資，故披露有關客戶及供應商之資料並無任何意義。

CONNECTED TRANSACTIONS

Subscription Agreement

The Company and Premium Castle Limited ("Premium Castle"), a company incorporated under the laws of British Virgin Islands, entered into a new subscription agreement (the "New Subscription Agreement"), pursuant to which the Company has conditionally agreed to subscribe for and Premium Castle has conditionally agreed to issue a convertible note in the principal amount of HK\$18,600,000, being the outstanding principal amount of HK\$17,000,000 under the 2011 Convertible Note and the outstanding interest in the sum of approximately HK\$1,600,000 accrued under the 2010 Convertible Note and the 2011 Convertible Note (collectively "Debt"), with maturity period of five years and coupon rate of 2% (the "Subscription"). The New Subscription Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules as the applicable percentage ratios as defined under Rule 14.06 of the Listing Rules are more than 5% but less than 25%. The New Subscription Agreement also constitutes a connected transaction under Chapter 14A of the Listing Rules as the major shareholder of Premium Castle is Mr. Wong Danny F., the Chairman and an executive director of the Company, Premium Castle is therefore a connected person of the Company. Accordingly, the New Subscription Agreement is subject to the reporting, announcement and independent Shareholders' approval requirements under the Listing Rules. Mr. Wong Danny F., who is the Chairman and an executive director of the Company and a major shareholder of Premium Castle, is regarded as having a material interest in the New Subscription Agreement and therefore he abstained from voting at the meeting of the Board at which the resolution approving the New Subscription Agreement was passed and Mr. Wong Danny F. and his associates were required to abstain from voting on the resolution approving the New Subscription Agreement passed at the extraordinary general meeting of the Company held on 25 February 2014. Details of the Subscription were disclosed in the circular of the Company dated 7 February 2014. The New Subscription Agreement has been approved at the extraordinary general meeting and was completed on the same day.

Upon completion of the Subscription on 25 February 2014, the obligation of Premium Castle to pay the Debt has been released and the Debt, which was previously recorded as current assets of the Company, was reclassified as financial asset in the Company's consolidated statement of financial position.

關連交易

認購協議

本公司與Premium Castle Limited (「Premium Castle」, 一間根據英屬處女群島法律註冊成立的公司)訂立新認購協議(「新認購協議」), 據此, 本公司有條件地同意認購而Premium Castle有條件地同意發行本金金額為18,600,000港元(即二零一一年可換股票據項下之未償還本金金額17,000,000港元及二零一零年可換股票據及二零一一年可換股票據項下之應計未償還利息合共約1,600,000港元(合稱「債務」))之可換股票據, 有效期五年, 票面息為2厘(「認購事項」)。由於上市規則第14.06條所界定之適用百分比率高於5%但低於25%, 故根據上市規則第十四章, 新認購協議構成本公司之須予披露交易。由於Premium Castle之主要股東為本公司主席兼執行董事汪曉峰先生, 故Premium Castle為本公司之關連人士, 而根據上市規則第十四A章, 新認購協議亦構成關連交易。因此, 新認購協議須遵守上市規則項下之申報、公告及獨立股東批准之規定。本公司之主席兼執行董事及Premium Castle之主要股東汪曉峰先生被視為於新認購協議中擁有重大利益, 因此彼已於通過有關批准新認購協議之決議案之董事會會議上放棄表決, 而汪曉峰先生及其聯繫人須就於本公司於二零一四年二月二十五日舉行之股東特別大會上通過之有關批准新認購協議之決議案放棄表決。有關認購事項之詳情已於本公司日期為二零一四年二月七日之通函內披露。新認購協議已於股東特別大會上獲批准, 並於同日完成。

於二零一四年二月二十五日認購事項完成時, Premium Castle支付債務之義務已解除, 而之前入賬列作本公司流動資產之債務已於本公司之綜合財務狀況表內重新分類為金融資產。

Placing Agreement

The Company entered into a placing agreement with Beijing Securities Limited (the "Placing Agent") on 6 January 2017 and 28 February 2017 respectively, pursuant to which the Placing Agent had agreed to place 160,000,000 new ordinary shares and 110,000,000 new ordinary shares respectively on a best effort basis to not less than six independent investors at the placing price of HK\$0.1 per placing share and at the placing price of HK\$0.142 per placing share respectively. The placing shares were fully taken up and no placing share has been allotted to the Placing Agent. Mr. Wong Danny F., the Chairman and an executive director of the Company, holds 84.85% of the shareholdings of the holding company of the Placing Agent. Mr. Wong Danny F. is also a director of the Placing Agent and the holding company of the Placing Agent. Hence, the Placing Agent is an associate of Mr. Wong Danny F. and is therefore a connected person of the Company within the meaning of the Listing Rules. The acting as the Placing Agent is a connected transaction under Chapter 14A of the Listing Rules.

The Board is of the view that the placing commission of 3% on the gross proceeds of the placing was determined within arm's length negotiation between the parties with regard to the prevailing market practice and the placing commission is on normal commercial terms, fair and reasonable. As the relevant percentage ratios (other than the profits ratio) in respect of the placing commission and the brokerage fees under Rule 14.07 of the Listing Rules is less than 5% and the total consideration is less than HK\$3,000,000, the transaction constitutes a connected transaction which is fully exempt from independent shareholders' approval, annual review and all disclosure requirements under Rule 14A.76(1) of the Listing Rules.

UNDERWRITING AGREEMENT

The Company entered into an Underwriting Agreement with Enhanced Securities Limited ("Enhanced") on 21 November 2017 in relation to the underwriting arrangement in respect of the rights issue. Meanwhile, Enhanced was also been appointed as the financial adviser of the Company. Therefore, Enhanced is connected person of the Company under Chapter 21.13 of the Listing Rules. Accordingly, the payment of the underwriting commission and the financial advisory fee by the Company constitute connected transactions under Chapter 14A of the Listing Rules.

The underwriting commission payable to Enhanced was approximately HK\$1,261,187 and the financial advisory fee was approximately HK\$200,000 respectively.

配售協議

分別於二零一七年一月六日及二零一七年二月二十八日，本公司與北京證券有限公司（「配售代理」）訂立配售協議，據此，配售代理已同意按盡力基準分別按配售價每股配售股份0.1港元及每股配售股份0.142港元向不少於六名獨立投資者分別配售160,000,000股新普通股及110,000,000股新普通股。配售股份獲全數承購，配售代理並不獲配發任何配售股份。本公司主席兼執行董事汪曉峰先生持有配售代理控股公司之84.85%股權。汪曉峰先生亦為配售代理及其控股公司之董事。因此，配售代理為汪曉峰先生之聯繫人，故屬於本公司之關連人士（定義見上市規則）。根據上市規則第十四A章，擔任配售代理構成關連交易。

董事會認為，相等於配售事項所得款項總額3%之配售佣金乃訂約各方經考慮當時市場慣例後按公平原則磋商釐定，且配售佣金乃符合正常商業條款，屬公平合理。由於根據上市規則第14.07條，配售佣金及經紀費涉及之相關百分比率（盈利率除外）低於5%，而總代價少於3,000,000港元，故根據上市規則第14A.76(1)條，有關交易構成關連交易，獲全面豁免遵守獨立股東批准、年度審核及所有披露規定。

包銷協議

本公司於二零一七年十一月二十一日與進陞證券有限公司（「進陞」）訂立包銷協議，內容有關供股之包銷安排。同時，進陞亦被委任為本公司之財務顧問。因此，根據上市規則第21.13章，進陞乃本公司之關連人士。故根據上市規則第十四A章，本公司支付包銷佣金及財務諮詢費用均構成關連交易。

應付予進陞之包銷佣金約1,261,187港元，而財務顧問費用約200,000港元。

CONTINUING CONNECTED TRANSACTIONS

Investment Management Agreement

The investment management agreement dated 1 November 2016 was entered into between the Company and Avia Asset Management Limited ("New Investment Management Agreement"). Under the New Investment Management Agreement, Avia Asset Management Limited agreed to provide investment management services to the Company from 1 November 2016 unless and until terminated by either party by serving not less than 6 months' notice in writing to the other party with a fixed management fee of HK\$55,000 per month. Pursuant to Rule 14A.08 of the Listing Rules, an investment manager is deemed to be connected person of the Company. The entering into of the New Investment Management Agreement with Avia Asset Management Limited constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules but is exempted from the reporting, announcement and independent shareholders' approval requirements under the Listing Rules.

Custodian Agreement

Commencing from 11 March 2005, the Company appointed the Bank of Communications Trustee Limited as its custodian for the provision of custody services. The Bank of Communications Trustee Limited has agreed to provide the Company with securities services including the safe custody and physical settlement of the securities in the investment portfolio of the Company, and the collection of dividends and other entitlements in respect of such securities. The custodian agreement between the parties (the "Custodian Agreement") will continue be in force until being terminated by either the Company or the custodian by the giving to the other party of not less than 90 days' notice in writing at any time.

Pursuant to Rule 14A.08 of the Listing Rules, a custodian shall be regarded as a connected person of the Company. Therefore, the provision of services by the Bank of Communications Trustee Limited under the Custodian Agreement constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The Board, including the independent non-executive directors, is of the view that the above continuing connected transactions have been entered into (1) on normal commercial terms; (2) on an arm's length basis; and (3) in the ordinary and usual course of business of the Company, and that the terms of the above continuing connected transactions were fair and reasonable to the shareholders and the Company as a whole.

The Company confirms that it has received written confirmation from its auditors confirming the matters stated under Rule 14A.56 of the Listing Rules.

持續關連交易

投資管理協議

本公司與輝亞資產管理有限公司於二零一六年十一月一日訂立投資管理協議（「新投資管理協議」）。根據新投資管理協議，輝亞資產管理有限公司同意自二零一六年十一月一日起向本公司提供投資管理服務，且每月固定管理費為55,000港元，除非及直至任一方方向另一方發出不少於六個月的書面通知予以終止。根據上市規則第14A.08條，投資經理被視為本公司之關連人士。根據上市規則第十四A章，與輝亞資產管理有限公司訂立新投資管理協議構成本公司之持續關連交易，惟獲豁免遵守上市規則有關申報、公告及獨立股東批准之規定。

託管協議

自二零零五年三月十一日起，本公司委任交通銀行信託有限公司為其託管商，提供託管服務。交通銀行信託有限公司已同意向本公司提供證券服務，包括為本公司投資組合中之證券提供安全託管及實物交收，並代收該等證券之股息及其他應得權利。雙方訂立之託管協議（「託管協議」）將繼續有效，直至本公司或託管商隨時向對方發出不少於九十天書面通知以終止託管協議為止。

根據上市規則第14A.08條，託管商被視為本公司之關連人士。因此，根據上市規則第十四A章，交通銀行信託有限公司按託管協議提供服務構成本公司之持續關連交易。

董事會（包括獨立非執行董事）認為，上述持續關連交易(1)按一般商業條款；(2)按公平磋商基準；及(3)於本公司日常及一般業務過程中訂立，上述持續關連交易之條款對股東及本公司整體而言亦屬公平合理。

本公司確認，其已收到其核數師有關確認上市規則第14A.56條所載事宜之書面確認書。

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors at the date of this annual report, there is a sufficient prescribed public float of the issued shares of the Company under the Listing Rules.

AUDIT COMMITTEE

The Audit Committee of the Company currently comprises of three independent non-executive directors, Mr. Liu Jin, Mr. Char Shik Ngor, Stephen and Mr. Law Tze Lun. Mr. Law Tze Lun serves as the chairman of the Audit Committee.

The Audit Committee together with the management, have reviewed the accounting principles and practices adopted by the Company and discussed auditing, internal control and financial reporting matters including a review of the audited consolidated financial statements for the year.

EVENTS AFTER THE END OF THE REPORTING PERIOD

As announced by the Company on 21 November 2017, the Company proposed to raise approximately HK\$42,039,000 (before expenses) by way of the rights issue of 1,201,130,456 rights shares of HK\$0.01 each at a subscription price of HK\$0.035 per rights share on the basis of two rights shares for every one then existing share held, and the net proceeds of the Rights Issue, after deducting the related expense, will be approximately HK\$40,280,000 was mainly used to repay the principal amount and interests of Group's loans including the Citizens Money Lending Corporation Limited. Details of the rights issue were disclosed in the announcements of the Company dated 21 November 2017 and 28 November 2017 and the prospectus of the Company 7 December 2017.

On 2 January 2018, the Company has fully settled the loan entered with Freeman Opto Money Lending Corporation Limited with cash of approximately HK\$1,580,000.

On 5 Jan 2018, the Company entered into a sale and purchase agreement with an independent third party in respect of sale of diamond at HK\$16,000,000. On 5 Jan 2018, the sale has been fully settled with cash of HK\$16,000,000.

On 8 January 2018, the Company has fully settled the loan entered with Citizens Money Lending Corporation Limited with cash of approximately HK\$39,233,000.

公眾持股量

根據本公司公開取得之資料及就董事所知，於本年報日期，本公司之已發行股份已維持上市規則所訂明之足夠公眾持股量。

審核委員會

本公司審核委員會現時由三名獨立非執行董事劉進先生、查錫我先生及羅子璘先生組成。羅子璘先生擔任審核委員會主席。

審核委員會已與管理層共同審閱本公司所採納之會計原則及慣例，並討論審核、內部監控及財務報告事宜，包括審閱本年度之經審核綜合財務報表。

呈報期末後事項

誠如本公司於二零一七年十一月二十一日所公佈，本公司建議透過供股，按當時每持有一股現有股份獲發兩股供股股份之基準，以每股供股股份0.035港元之認購價發行1,201,130,456股每股面值0.01港元之供股股份以集資約42,039,000港元（扣除開支前），及供股之所得款項淨額（扣除相關開支後）將約為40,280,000港元，主要用於償還本集團貸款（包括民眾財務有限公司）之本金金額及利息。供股詳情於本公司日期為二零一七年十一月二十一日及二零一七年十一月二十八日之公告以及日期為二零一七年十二月七日之本公司章程中披露。

於二零一八年一月二日，本公司以現金約1,580,000港元悉數償付與Freeman Opto Money Lending Corporation Limited訂立之貸款。

於二零一八年一月五日，本公司就以16,000,000港元出售鑽石與一名獨立第三方訂立買賣協議。於二零一八年一月五日，出售以現金16,000,000港元悉數結清。

於二零一八年一月八日，本公司以現金約39,233,000港元悉數償付與民眾財務有限公司訂立之貸款。

Since 29 January 2018, the Company entered into loan agreements with Medisun Holdings Limited (the "Petitioner") in an aggregated amount of HK\$2,500,000. The loan was repayable on the date of one year from the date of loan agreements with interest rate of 12% per annum. On 26 March 2018, the Company received a petition from the Petitioner in the matter of the Companies (Winding Up and Miscellaneous Provision) Ordinance from the High Court that the Company may be wound up by the High Court on the ground that the Company is unable to pay its debts. The petition was filed against the Company for failure to settle the sum of approximately HK\$7,143,000 (the "Petition"). On 29 March 2018, the Company received a notice from Carley Company S.A., a creditor of not less than HK\$700,000 (being the amount of outstanding rental) of the Company, that it intends to appear on the hearing of the Petition to support such petition. Please refer to the Company's announcements dated 26 March 2018, 27 March 2018 and 29 March 2018 for further details of the Petition.

AUDITORS

The consolidated financial statements for the years ended 31 December 2017 and 2016 were audited by HLB Hodgson Impey Cheng Limited who will retire at the conclusion of the forthcoming annual general meeting and being eligible, offer themselves for re-appointment. A resolution for the re-appointment of HLB Hodgson Impey Cheng Limited as auditors of the Company is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Wong Danny F.
Chairman

Hong Kong, 29 March 2018

於二零一八年一月二十九日，本公司與麥迪舜醫療集團有限公司（「呈請人」）訂立總額為2,500,000港元之貸款協議。該貸款將於貸款協議日期起一年期滿當日償還，按年利率12%計息。於二零一八年三月二十六日，本公司收到高等法院有關呈請人就公司（清盤及雜項條文）條例向高等法院提出的清盤呈請，本公司可能遭高等法院基於本公司無力償債的理由進行清盤。該呈請乃針對本公司無法償還債務約7,143,000港元而提出（「呈請」）。於二零一八年三月二十九日，本公司接獲Carley Company S.A.（本公司不少於700,000港元（即尚未償還租金款項）的債權人）發出的通知，表示其有意出席呈請之聆訊以支持呈請。有關呈請之進一步詳情請參閱本公司日期為二零一八年三月二十六日、二零一八年三月二十七日及二零一八年三月二十九日之公告。

核數師

截至二零一七年及二零一六年十二月三十一日止年度之綜合財務報表已由國衛會計師事務所有限公司審核，彼將於應屆股東週年大會結束時退任，惟其符合資格並願意續任。於應屆股東週年大會上，將提呈續任國衛會計師事務所有限公司為本公司核數師之決議案。

代表董事會

汪曉峰
主席

香港，二零一八年三月二十九日

Independent Auditors' Report

獨立核數師報告



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

TO THE SHAREHOLDERS OF NATIONAL INVESTMENTS FUND LIMITED

(incorporated in the Cayman Islands with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of National Investments Fund Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 62 to 191, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, 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.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements and as to whether the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

As explained in Note 2(b) to the consolidated financial statements, the Group incurred a loss of approximately HK\$123,593,000 and a net cash outflow from operating activities of approximately HK\$47,292,000 for the year ended 31 December 2017. As at 31 December 2017, the Group had net current liabilities of approximately HK\$49,332,000 and net liabilities of approximately HK\$47,443,000. In addition, on 26 March 2018, the Company received a petition from Medisun Holdings Limited (the "Petitioner") in the matter of the Companies (Winding Up and Miscellaneous Provision) Ordinance from the High Court of The Hong Kong Special Administrative Region (the "High Court") that the Company may be wound up by the High Court on the ground that the Company is unable to pay its debts of approximately HK\$7,143,000 (the "Petition"). On 29 March 2018, the Company also received a notice from Carley Company S.A. (the "Creditor"), a creditor of the Company, that it intends to appear on the hearing of the Petition and to support such Petition.

致國盛投資基金有限公司列位股東

(於開曼群島註冊成立之有限公司)

不發表意見

本核數師(以下簡稱「我們」)獲委聘審計列載於第62至191頁的國盛投資基金有限公司(以下簡稱「貴公司」)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、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們不就貴集團的綜合財務報表發表意見。由於本報告「不發表意見的基礎」一節所述事宜的重要性,我們未能獲得充足及適當的審計憑證為我們對此綜合財務報表及綜合財務報表是否已按照香港《公司條例》的披露要求妥為擬備作出審計意見提供基礎。

不發表意見的基礎

誠如綜合財務報表附註2(b)所闡述,貴集團於截至二零一七年十二月三十一日止年度產生虧損約123,593,000港元及經營業務現金流出淨額約47,292,000港元。於二零一七年十二月三十一日,貴集團錄得淨流動負債約49,332,000港元及淨負債約47,443,000港元。此外,於二零一八年三月二十六日,貴公司收到香港特別行政區高等法院(「高等法院」)有關麥迪舜醫療集團有限公司(「呈請人」)就公司(清盤及雜項條文)上述條例向高等法院提出的清盤呈請,貴公司可能遭高等法院基於貴公司無力償還債務約7,143,000港元的理由進行清盤(「呈請」)。於二零一八年三月二十九日,貴公司亦接獲貴公司一名債權人Carley Company S.A.(「債權人」)發出的通知,表示其有意出席呈請之聆訊以支持呈請。

The directors of the Company have been undertaking certain measures to improve the Group's liquidity and financial position, which are set out in Note 2(b) to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent on the outcome of these measures, which are subject to the following uncertainties, including (i) whether the Group is able to successfully obtain additional financing as and when required, the achievability of which depends on the future performance of the Group; (ii) whether the Group is able to implement its operation plans for control costs and to generate adequate cash flow from operations, the achievability of which depends on the market environment which is expected to remain challenging; and (iii) whether the Group is able to successfully negotiate with the Petitioner for an amicable disposal of the Petition out of the High Court and negotiate with the Creditor for the settlement of the outstanding balance.

These facts and circumstances, along with other matters as described in Note 2(b) to the consolidated financial statements, indicate the existence of multiple material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

貴公司董事已採取若干措施以提升 貴集團的流動資金及財務狀況（如綜合財務報表附註2(b)載列）。綜合財務報表乃按持續經營基準擬備，其有效性取決於此等措施的結果，而有關措施涉及以下不確定因素，包括(i) 貴集團能否在需要時成功獲得額外融資，此取決於 貴集團未來的表現而定；(ii) 貴集團能否實施其控制成本的營運計劃並從業務營運產生足夠現金流，此取決於預計將仍充滿挑戰的市場環境而定；及(iii) 貴集團能否成功與呈請人協商於庭外和解呈請並與債權人協商償付尚未償還結餘。

此等事實及情況，連同綜合財務報表附註2(b)所述的其他事宜，顯示存在多項重大不確定因素可能導致對 貴集團持續經營能力產生重大疑慮。

倘若 貴集團無法按持續經營基準繼續營運，則須作出調整以將資產價值撇減至可收回金額，為可能產生的進一步負債作出撥備，以及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。此等調整的影響並未於綜合財務報表中反映。

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

董事及審計委員會就綜合財務報表須 承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露要求，擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

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

審計委員會須負責監督 貴集團的財務報告過程。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and to issue an auditors' report. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

核數師就審計綜合財務報表承擔的責任

我們的責任是根據香港會計師公會（「香港會計師公會」）頒佈的《香港審計準則》（「《香港審計準則》」）對 貴集團綜合財務報表進行審計並出具我們的核數師報告。我們僅向全體股東報告，除此以外別無其他目的。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。然而，由於本報告「不發表意見的基礎」一節所述的事項，我們未能取得充足及適當的審計憑證為我們對此綜合財務報表的審計意見提供基礎。

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，並已履行守則中的其他專業道德責任。

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Wong Sze Wai, Basilia
Practising Certificate Number: P05806

Hong Kong, 29 March 2018

國衛會計師事務所有限公司
執業會計師

黃思璋
執業證書編號：P05806

香港，二零一八年三月二十九日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	7	2,915	1,785
Other income	其他收入	8	4,525	606
Change in fair value of conversion options embedded in convertible notes	可換股票據內含之換股權之公允價值變動		(740)	(292)
Impairment loss of available-for-sale financial assets	可供出售金融資產之減值虧損		(13,868)	(18,388)
Impairment loss of other tangible assets	其他有形資產之減值虧損	17	(1,007)	(86)
Impairment loss of other receivable	其他應收款項之減值虧損	22	(40,800)	-
Other operating expenses	其他營運開支		(59,203)	(70,921)
Finance costs	融資成本	9	(15,415)	(11,922)
Share of result of associates	應佔聯營公司業績	18	-	(15,195)
Loss before taxation	除稅前虧損		(123,593)	(114,413)
Taxation	稅項	10	-	-
Loss for the year	年內虧損	11	(123,593)	(114,413)
Other comprehensive income/(loss)	其他全面收益/(虧損)			
Items that may be reclassified subsequently to profit or loss:	其後或會重新分類至損益表之項目:			
- Net loss on revaluation of available-for-sale financial assets	- 重估可供出售金融資產之虧損淨額		(12,136)	(22,560)
- Reclassification adjustments relating to available-for-sale financial assets	- 有關可供出售金融資產之重新分類調整		13,868	18,388
Other comprehensive income/(loss) for the year, net of income tax	年內其他全面收益/(虧損)·已扣除所得稅		1,732	(4,172)
Total comprehensive loss for the year	年內全面虧損總額		(121,861)	(118,585)
Loss for the year attributable to:	下列各項應佔年內虧損:			
Owners of the Company	本公司擁有人		(123,593)	(114,413)
Total comprehensive loss for the year attributable to:	下列各項應佔年內全面虧損總額:			
Owners of the Company	本公司擁有人		(121,861)	(118,585)
				(restated) (經重列)
Loss per share	每股虧損			
Basic and diluted (HK cents)	基本及攤薄(港仙)	15	(4.86)	(5.28)

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為此等綜合財務報表之一部份。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2017 於二零一七年十二月三十一日

			2017 二零一七年	2016 二零一六年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Assets:	資產：			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	6,432	14,511
Other tangible assets	其他有形資產	17	17,583	18,590
Available-for-sale financial assets	可供出售金融資產	19	88,200	101,000
Conversion options embedded in convertible notes	可換股票據內含之換股權	20	7	747
			112,222	134,848
Current assets	流動資產			
Available-for-sale financial assets	可供出售金融資產	19	20,487	18,132
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	7,428	47,356
Cash and bank balances	現金及銀行結餘	23	34,794	7,401
			62,709	72,889
Total assets	資產總值		174,931	207,737
Equity:	權益：			
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	29	24,023	21,323
Reserves	儲備		(71,466)	22,424
Total equity	權益總額		(47,443)	43,747
Liabilities:	負債：			
Current liabilities	流動負債			
Short-term loans	短期貸款	24	6,833	-
Accrued charges and other payables	應付開支及其他應付款項	25	104,649	55,011
Obligations under finance leases	融資租賃承擔	26	559	-
			112,041	55,011

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2017 於二零一七年十二月三十一日

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Promissory notes	承兌票據	27	109,310	108,979
Obligations under finance leases	融資租賃承擔	26	1,023	-
			110,333	108,979
Total liabilities	負債總額		222,374	163,990
Total equity and liabilities	權益及負債總值		174,931	207,737
Net current (liabilities)/assets	流動(負債)/資產淨值		(49,332)	17,878
Total assets less current liabilities	資產總值減流動負債		62,890	152,726

Approved by the Board of Directors on 29 March 2018 and signed on its behalf by:

經董事會於二零一八年三月二十九日批准及由以下人士代表簽署：

Wong Danny F.
汪曉峰
Executive Director
執行董事

Wu Tse Wai, Frederick
吳子惠
Executive Director
執行董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為此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

		Share capital	Share premium	Share option reserve (Note (i))	Available-for-sale financial assets equity reserve (Note (ii))	Accumulated losses	Total
		股本	股份溢價	購股權儲備 (附註(i))	可供出售金融資產權益儲備 (附註(ii))	累積虧損	總值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 1 January 2016	於二零一六年一月一日	18,023	686,282	2,193	654	(633,542)	73,610
Loss for the year	年內虧損	-	-	-	-	(114,413)	(114,413)
Other comprehensive loss for the year, net of income tax	年內其他全面虧損，已扣除所得稅	-	-	-	(22,560)	-	(22,560)
Reclassification adjustments relating to available-for-sale financial assets	有關可供出售金融資產之重新分類調整	-	-	-	18,388	-	18,388
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(4,172)	(114,413)	(118,585)
Placing	配售	3,300	89,084	-	-	-	92,384
Placing expenses	配售開支	-	(3,662)	-	-	-	(3,662)
As 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	21,323	771,704	2,193	(3,518)	(747,955)	43,747
Loss for the year	年內虧損	-	-	-	-	(123,593)	(123,593)
Other comprehensive loss for the year, net of income tax	年內其他全面虧損，已扣除所得稅	-	-	-	(12,136)	-	(12,136)
Reclassification adjustments relating to available-for-sale financial assets	有關可供出售金融資產之重新分類調整	-	-	-	13,868	-	13,868
Total comprehensive income/(loss) for the year	年內全面收益/(虧損)總額	-	-	-	1,732	(123,593)	(121,861)
Share options lapsed	購股權失效	-	-	(2,193)	-	2,193	-
Placing	配售	2,700	28,920	-	-	-	31,620
Placing expenses	配售開支	-	(949)	-	-	-	(949)
As at 31 December 2017	於二零一七年十二月三十一日	24,023	799,675	-	(1,786)	(869,355)	(47,443)

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

Notes:

- (i) Share option reserve relates to share options granted under the Company's share option scheme and which are reclassified to share capital and share premium when the share options were exercised, and to accumulated losses when the share options were lapsed or expired.
- (ii) Available-for-sale financial assets equity reserve relates to the cumulative gains or losses arising on the change in fair values of available-for-sale financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those financial assets are disposed or impaired.

The accompany notes form an integral part of these consolidated financial statements.

附註：

- (i) 購股權儲備乃與根據本公司購股權計劃授出之購股權有關，會於購股權獲行使時重新分類至股本及股份溢價，並於購股權失效或屆滿時重新分類至累積虧損。
- (ii) 可供出售金融資產權益儲備乃與因可供出售金融資產之公允價值變動（已於其他全面收益確認）而產生之累計收益或虧損有關，當中已扣減於金融資產出售或減值時重新分類至損益表之金額。

隨附之附註為此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	2016 二零一六年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Cash flows from operating activities	經營業務之現金流量		
Bank interest income received	已收銀行利息收入	30	20
Proceeds from sale of financial assets at fair value through profit or loss	出售於損益表按公允價值列 賬之金融資產之所得款項	13,365	7,459
Cash payments to acquire financial assets at fair value through profit or loss	收購於損益表按公允價值列 賬之金融資產之現金款項	(12,790)	(4,997)
Cash payments to employees	給予僱員之現金款項	(15,647)	(15,715)
Cash payments to other suppliers	給予其他供應商之現金款項	(33,650)	(32,863)
Interest received from available-for-sale financial assets	可供出售金融資產之 已收利息	1,400	-
Cash payments to acquire available-for-sale financial assets	收購可供出售金融資產之 現金款項	-	(63,896)
	19		
Net cash outflow from operating activities	經營業務之現金流出淨額	(47,292)	(109,992)
Cash flows from investing activity	投資活動之現金流量		
Purchase of property, plant and equipment	購置物業、廠房及設備	(1,001)	(1,594)
Net cash outflow from investing activity	投資活動之現金流出淨額	(1,001)	(1,594)
Cash flows from financing activities	融資活動之現金流量		
Proceeds from placing	配售所得款項	31,620	92,384
Placing expenses	配售開支	(949)	(3,662)
Proceeds from rights issue received in advance	提前收取之供股所得款項	42,039	-
Rights issue expenses paid in advance	提前支付之供股開支	(1,661)	-
Repayment for obligations under finance leases	償還融資租賃承擔	(526)	-
	35		
Proceeds from short-term loans	短期貸款之所得款項	8,170	85,000
Repayment for short-term loans	償還短期貸款	-	(61,218)
Interest paid	已付利息	(3,007)	(1,936)
	35		
Net cash inflow from financing activities	融資活動之現金流入淨額	75,686	110,568

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 千港元	2016 二零一六年 HK\$'000 千港元
Net increase/(decrease) in cash and cash equivalents	現金及現金等值項目增加／(減少)淨額	27,393	(1,018)
Cash and cash equivalents at the beginning of the year	年初之現金及現金等值項目	7,401	8,419
Cash and cash equivalents at the end of the year	年終之現金及現金等值項目	34,794	7,401
Analysis of the balances of cash and cash equivalents	現金及現金等值項目結餘之分析		
Cash and bank balances	現金及銀行結餘	34,794	7,401

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為此等綜合財務報表之一部份。

Notes to 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. CORPORATE INFORMATION

The Company was incorporated on 28 June 2002 as an exempted company with limited liability in the Cayman Islands under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its substantial shareholder is CCM Financial Corporation, a company incorporated in the British Virgin Islands.

The principal activity of the Group is investment in listed and unlisted companies. Particulars of the subsidiaries are set out in Note 38 to the consolidated financial statements.

The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at 20/F., Octa Tower, 8 Lam Chak Street, Kowloon Bay, Hong Kong.

The shares of the Company were listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 27 September 2002.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the HKICPA, and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and the Hong Kong Companies Ordinance.

These consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company. All values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

1. 公司資料

本公司於二零零二年六月二十八日根據開曼群島法例第二十二章公司法（一九六一年第三冊，經綜合及修訂）在開曼群島註冊成立為獲豁免有限公司。其主要股東為CCM Financial Corporation（於英屬處女群島註冊成立之公司）。

本集團之主要業務為投資於上市及非上市公司。有關附屬公司的詳情載列於綜合財務報表附註38。

本公司之註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司之主要營業地點位於香港九龍灣臨澤街8號傲騰廣場20樓。

本公司之股份由二零零二年九月二十七日起在香港聯合交易所有限公司（「聯交所」）上市。

2. 主要會計政策概要

(a) 合規聲明

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則（為一個統稱，包括所有適用之個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）以及香港公認會計原則編製。此外，綜合財務報表亦符合聯交所證券上市規則（「上市規則」）及香港公司條例之適用披露規定。

該等綜合財務報表以港元（亦為本公司之功能貨幣）呈列。除另有指明者外，所有數值乃四捨五入至最接近千位數（千港元）。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Statement of compliance (Continued)

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in areas where assumptions and estimates are significant to the consolidated financial statements, are discussed in Note 4.

(b) Basis of preparation

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

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

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

2. 主要會計政策概要 (續)

(a) 合規聲明 (續)

在編製符合香港財務報告準則之綜合財務報表時，需運用若干關鍵會計估計。管理層亦須在涉及對綜合財務報表而言屬重大之假設及估計之範疇作出判斷，有關論述見附註4。

(b) 編製基準

綜合財務報表以歷史成本法編製，惟如下文會計政策所闡述，若干金融工具於各呈報期末按公允價值計量除外。

歷史成本一般按就交換貨品及服務給予之代價之公允價值計量。

公允價值為於計量日期按市場參與者之間之有序交易出售一項資產而將收取或轉讓一項負債而將支付之價格，而不論該價格是否可以直接或觀察或運用另一種估值技巧估算。倘市場參與者於計量日期對資產或負債定價時會考慮資產或負債之特點，則本集團於估計資產或負債之公允價值時會考慮該等特點。該等綜合財務報表中作計量及／或披露用途之公允價值乃按此基準釐定，惟不包括屬香港財務報告準則第2號範圍內之以股份為基礎之付款交易、屬香港會計準則第17號範圍之租賃交易及與公允價值部份類似但並不屬公允價值之計量（如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值）。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation (Continued)

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

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

Going concern

For the year ended 31 December 2017, the Group incurred a loss of approximately HK\$123,593,000 (2016: approximately HK\$114,413,000) and a net cash outflow from operating activities of approximately HK\$47,292,000 (2016: approximately HK\$109,992,000). As at 31 December 2017, the Group had net current liabilities of approximately HK\$49,332,000 (2016: net current assets of approximately HK\$17,878,000) and net liabilities of approximately HK\$47,443,000 (2016: net assets of approximately HK\$43,747,000). In addition, on 26 March 2018, the Company received a petition from Medisun Holdings Limited (the "Petitioner") in the matter of the Companies (Winding Up and Miscellaneous Provision) Ordinance from the High Court of The Hong Kong Special Administrative Region (the "High Court") that the Company may be wound up by the High Court on the ground that the Company is unable to pay its debts of approximately HK\$7,143,000 (the "Petition"). On 29 March 2018, the Company also received a notice from Carley Company S.A. (the "Creditor"), a creditor of the Company for not less than HK\$700,000 (amount of outstanding rental), that it intends to appear on the hearing of the Petition and to support such Petition.

2. 主要會計政策概要 (續)

(b) 編製基準 (續)

此外，就財務報告而言，按公允價值計量之輸入數據之可觀察程度及公允價值計量之輸入數據對其整體之重要性，公允價值計量可分類為第1級、第2級或第3級，詳情如下：

- 第1級輸入數據乃自實體於計量日期可獲得有關相同資產或負債於活躍市場中所報之未經調整價格；
- 第2級輸入數據乃除第1級計入之報價外，就資產或負債直接或間接可觀察之輸入數據；及
- 第3級輸入數據乃資產或負債之不可觀察輸入數據。

持續經營

截至二零一七年十二月三十一日止年度，本集團產生虧損約123,593,000港元（二零一六年：約114,413,000港元）及經營活動產生之現金流出淨額約47,292,000港元（二零一六年：約109,992,000港元）。於二零一七年十二月三十一日，本集團流動負債淨額為約49,332,000港元（二零一六年：流動資產淨值約17,878,000港元）及負債淨額約47,443,000港元（二零一六年：資產淨值約43,747,000港元）。此外，於二零一八年三月二十六日，本公司收到麥迪舜醫療集團有限公司（「呈請人」）就公司（清盤及雜項條文）條例向香港特別行政區高等法院（「高等法院」）提出的清盤呈請，本公司可能因無力償還債務約7,143,000港元遭高等法院清盤（「呈請」）。於二零一八年三月二十九日，本公司亦接獲Carley Company S.A.（本公司不少於700,000港元（即尚未償還租金款項）的債權人，「債權人」）發出的通知，表示其有意出席上述呈請之聆訊以支持呈請。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation (Continued)

Going concern (Continued)

These conditions indicate the existence of a material uncertainty that might cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise the Group's assets and discharge the Group's liabilities in the normal course of business.

In view of such circumstances, the directors of the Company have given careful consideration to future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will be able to repay the outstanding promissory notes and interest payables and be able to finance its future working capital and finance requirements. Certain measures have been taken to manage its liquidity needs and to improve its financial position which include, but are not limited to, the following:

1. The Group will negotiate with the Petitioner for an amicable disposal of the Petition out of the court and negotiate with the Creditor for the settlement of the outstanding rental.
2. The Group will seek to obtain additional financing including but not limited to rights issue, open offer and placing of the new shares.
3. The Group will implement operation plans to control costs and generate adequate cash flows from the Group's operations.

2. 主要會計政策概要 (續)

(b) 編製基準 (續)

持續經營 (續)

該等情況表示，存在重大不確定性可能導致對本集團持續經營能力產生重大疑問，因此，本集團可能無法於日常業務過程中變現本集團資產及清償其負債。

鑒於該等情況，本公司董事於評估本集團能否償還尚未償還承兌票據及應付利息以及能否為其日後營運資金及融資需求提供資金時已審慎考量本集團日後流動資金及表現以及可用融資來源。本公司已採取若干措施管理其流動資金需求及改善其財務狀況，其中包括（但不限於）以下各項：

1. 本集團將與呈請人協商於庭外和解呈請並與債權人協商償付尚未償還租金。
2. 本集團將尋求額外融資，包括但不限於供股、公開發售及配售新股份。
3. 本集團將執行經營計劃以監控成本及從本集團經營中產生充足現金流量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation (Continued)

Going concern (Continued)

Whilst the Group is taking measures to preserve cash and secure additional finance, the following material uncertainties exist:

1. The Group may not be able to negotiate with the Petitioner for an amicable disposal of the Petition out of the court and may not be able to enter settlement agreement with the Creditor. The Group's ability to successfully negotiate with the Petitioner and the Creditor is dependent upon various factors, including but not limit to the future performance of the Group.
2. The Group may not be able to obtain the financial support. The Group's ability to successfully obtain additional financing is dependent upon the future performance of the Group.
3. The operation plans to control costs and generate adequate cash flow from operations may not be effectively implemented and future performance and cash flows in respect of operating activities may not be in line with the assumptions. The achievability of the plans is dependent upon the market environment, which is expected to remain challenging in the near future.

These facts and circumstances indicate the existence of multiple material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

2. 主要會計政策概要 (續)

(b) 編製基準 (續)

持續經營 (續)

儘管本集團採取措施保留現金及取得額外融資，仍存在以下重大不確定性：

1. 本集團可能無法與呈請人達成庭外和解呈請及可能無法與債權人訂立償付協議。本集團與呈請人及債權人協商成功的能力取決於多項因素，包括但不限於本集團日後表現。
2. 本集團可能無法取得融資支持。本集團成功取得額外融資的能力取決於本集團日後表現。
3. 監控成本及從經營中產生充足現金流量的經營計劃可能無法獲得有效實施，及經營活動的日後表現及現金流量可能與假設不一致。計劃的可行性取決於市場環境，而預期短期內市場仍充滿挑戰。

該等事實及情況表明，存在多項重大不確定性可能導致對本集團持續經營能力產生重大疑問，因而可能無法於日常業務過程中變現資產及清償負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of preparation (Continued)

Going concern (Continued)

The directors of the Company have reviewed the Group's cash flow projections prepared by the management. The cash flow projections cover a period of not less than twelve months from the end of the reporting period. The directors of the Company are of the opinion that, taking into account the abovementioned plans and measures, the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the end of the reporting period. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the consolidated financial statements for the year ended 31 December 2017 on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

2. 主要會計政策概要 (續)

(b) 編製基準 (續)

持續經營 (續)

本公司董事已審閱管理層編製的本集團現金流量預測。現金流量預測涵蓋呈報期末起計至少十二個月期間。本公司董事經考慮上述計劃及措施認為，本集團將有充足營運資金於呈報期末起計未來十二個月期間為其經營提供資金及應付其到期財務負債。因此，本公司董事認為，按照持續經營基準編製截至二零一七年十二月三十一日止年度之綜合財務報表乃屬適當。

倘本集團無法持續經營，其將作出調整以撇減資產價值至其可收回款項，就可能產生的其他負債計提撥備及分別重新分類非流動資產及非流動負債為流動資產及流動負債。該等調整的影響並未於綜合財務報表反映。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation

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

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

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2. 主要會計政策概要 (續)

(c) 綜合賬目基準

綜合財務報表包含本公司及由本公司控制之實體(其附屬公司)之財務報表。當出現下列情況時,即擁有控制權:

- 本公司對被投資公司擁有權力;
- 本公司因參與被投資公司之營運而面臨風險或有權獲得可變回報;及
- 本公司有能力運用權力影響其回報。

倘有事實及情況顯示上述三項控制權元素中有一項或以上出現變動,則本集團會重新評估其是否對被投資公司擁有控制權。

當本集團於被投資公司之投票權未能佔大多數,但只要投票權足以賦予本集團實際能力可單方面掌控被投資公司之相關活動時,本集團即對被投資公司擁有權力。在評估本集團於被投資公司之投票權是否足以賦予其權力時,本集團會考慮所有相關事實及情況,包括:

- 本集團所持投票權之規模相較其他投票權持有人所持投票權之規模及分散程度;
- 本集團、其他投票權持有人或其他人士持有之潛在投票權;
- 其他合約安排所產生之權利;及
- 可顯示於需要作出決定時,本集團當前能否掌控相關活動之任何其他事實及情況(包括於過往股東大會上之投票模式)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (Continued)

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

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

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

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

Changes in the Group's ownership interests in existing subsidiaries

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

2. 主要會計政策概要 (續)

(c) 綜合賬目基準 (續)

本集團於取得附屬公司之控制權時開始將綜合附屬公司綜合入賬，並於本集團失去附屬公司之控制權時終止將綜合附屬公司綜合入賬。具體而言，於年內收購或出售附屬公司之收入及開支，會由本集團取得控制權當日起直至本集團失去附屬公司之控制權當日止計入綜合損益及其他全面收益表。

溢利或虧損及其他全面收益之各個部份乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額乃歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘亦如是。

如有需要，本集團會調整附屬公司之財務報表，以令其會計政策與本集團之會計政策一致。

所有集團內資產及負債、權益、收入、開支及與本集團成員公司間交易有關之現金流量會於綜合賬目時悉數撇銷。

本集團於現有附屬公司之擁有權權益變動

不會導致本集團失去對附屬公司控制權之本集團附屬公司擁有權權益變動，會入賬列作股權交易。本集團會調整其權益及非控股權益之賬面金額，以反映該等項目於附屬公司之相關權益變動。非控股權益之調整金額與已付或已收代價公允價值之間如有任何差異，則會直接於權益內確認並撥歸本公司擁有人。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Basis of consolidation (Continued)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

2. 主要會計政策概要 (續)

(c) 綜合賬目基準 (續)

當本集團失去對附屬公司之控制權，會按(i)已收代價之公允價值及任何保留權益之公允價值之總額與(ii)該附屬公司資產(包括商譽)及負債之先前賬面金額及任何非控股權益之差額計算收益或虧損並於損益表確認。所有先前於其他全面收益確認有關該附屬公司之金額會按與本集團直接出售該附屬公司相關資產或負債之情況相同之方式入賬(即重新分類至損益或轉撥至適用香港財務報告準則所列明/允許之另一權益類別)。於失去控制權當日所保留前附屬公司之任何投資之公允價值會於根據香港會計準則第39號進行其後會計處理時列作初步確認時之公允價值，或(如適用)列作初步確認於聯營公司或合營企業之投資之成本。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business combination

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

2. 主要會計政策概要 (續)

(d) 業務合併

業務收購採用收購法入賬。於業務合併中轉讓之代價按公允價值計量，而公允價值乃按本集團所轉讓資產於收購日之公允價值、本集團結欠被收購公司前擁有人之負債，以及本集團為換取被收購公司控制權而發行之股權之總和計算。收購相關成本一般於產生時在損益表確認。

於收購日，所收購之可識別資產及所承擔之負債按公允價值確認，惟：

- 遞延稅項資產或負債及有關僱員福利安排之資產或負債分別根據香港會計準則第12號「*所得稅*」及香港會計準則第19號「*僱員福利*」確認及計量；
- 與被收購公司以股份為基礎之付款安排或本集團為取代被收購公司以股份為基礎之付款安排而訂立之本集團以股份為基礎付款安排有關之負債或股本工具於收購日根據香港財務報告準則第2號「*以股份為基礎之付款*」計量；及
- 根據香港財務報告準則第5號「*持作出售之非流動資產及已終止經營業務*」分類為持作出售之資產（或出售組別）按該準則計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business combination (Continued)

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

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

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed at the acquisition date. Measurement period cannot exceed one year from the acquisition date.

2. 主要會計政策概要 (續)

(d) 業務合併 (續)

商譽按已轉讓代價、被收購公司之任何非控股權益金額與收購方先前所持被收購公司之股權(如有)公允價值之總和超出所收購可識別資產及所承擔負債於收購日之金額淨值之差額計量。倘經重估後,所收購可識別資產及所承擔可識別負債於收購日之金額淨值超出已轉讓代價、被收購公司之任何非控股權益金額與收購方先前所持被收購公司之權益(如有)公允價值之總和,則該高出數額即時於損益表確認為廉價收購收益。

非控股權益(屬現時擁有權權益,並賦予持有人權利按比例在清盤時分佔實體淨資產)可初步按公允價值或按非控股權益分佔被收購公司可識別淨資產之比例計量。計量基準乃逐項交易選擇。其他類別之非控股權益按公允價值或(如適用)另一項香港財務報告準則指定之基準計量。

當本集團於業務合併中轉讓之代價包括或然代價安排所產生之資產或負債時,或然代價會按收購日之公允價值計量,並計入於業務合併中轉讓之代價之一部份。本集團會追溯調整合資格作為計量期調整之或然代價公允價值變動,並相應調整商譽。計量期調整為於計量期內就於收購日存在之事實及情況獲得之其他資料所產生之調整。計量期不得超過由收購日起計一年時間。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Business combination (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

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

2. 主要會計政策概要 (續)

(d) 業務合併 (續)

不合資格作為計量期調整之或然代價公允價值變動之其後會計處理，取決於或然代價如何分類。分類為權益之或然代價不會於其後呈報日期重新計量，而其隨後結算則會於權益內入賬。分類為資產或負債之或然代價於其後呈報日期根據香港會計準則第39號或香港會計準則第37號「撥備、或然負債及或然資產」（如適用）重新計量，而相應之收益或虧損於損益表確認。

當業務合併分階段完成，本集團先前於被收購公司持有之股權會重新計量至其收購日期之公允價值，而所產生之收益或虧損（如有）會於損益表確認。先前於其他全面收益確認之被收購公司於收購日前之權益所產生之金額乃於有關處理方法適用於所出售權益時重新分類至損益表。

倘業務合併之初步會計處理未能於合併發生之呈報期結束前完成，則本集團會呈報未完成會計處理之項目之暫定金額。該等暫定金額於計量期內調整，或確認額外資產或負債，以反映收購日已存在之事實及情況之新資料（如獲悉）可能對該日所確認之金額構成之影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Goodwill

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

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

(f) Investments in associates

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

2. 主要會計政策概要 (續)

(e) 商譽

收購業務所產生之商譽按成本(於收購業務當日制定)減累計減值虧損(如有)列賬。

就減值測試而言,商譽會分配至預期受惠於合併協同效應之本集團各個現金產生單位(「現金產生單位」)(或現金產生單位組別)。

獲分配商譽之現金產生單位每年進行減值測試,或於單位有可能出現減值之跡象時更頻密地進行減值測試。倘現金產生單位之可收回金額少於其賬面金額,則會首先分配減值虧損以削減獲分配至該單位之商譽之賬面金額,其後以該單位內各資產之賬面金額為基準,按比例分配到該單位內其他資產。任何商譽減值虧損會直接於損益表確認。已確認之商譽減值虧損不會於其後期間撥回。

出售相關現金產生單位後,商譽之應佔金額會計入出售損益。

(f) 於聯營公司之投資

聯營公司為本集團擁有重大影響力之實體。重大影響力指參與被投資公司之財務及經營政策決定而非控制或共同控制該等政策之權力。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investments in associates (Continued)

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

2. 主要會計政策概要 (續)

(f) 於聯營公司之投資 (續)

聯營公司之業績、資產及負債以權益會計法計入該等綜合財務報表，惟當投資或其部份分類為持作出售，則按香港財務報告準則第5號入賬。根據權益法，於聯營公司之投資初步於綜合財務狀況表按成本確認，其後進行調整，以確認本集團應佔該聯營公司之損益及其他全面收益。當本集團應佔聯營公司之虧損超過本集團於該聯營公司之權益（其包括實質上構成本集團於該聯營公司之投資淨額一部份之任何長期權益），本集團不再繼續確認其應佔之進一步虧損。本集團僅就本集團已承擔法定或推定責任或已代表該聯營公司支付款項之數額確認額外虧損。

於聯營公司之投資由被投資公司成為聯營公司當日起以權益法入賬。收購於聯營公司之投資時，投資成本超出本集團應佔被投資公司可識別資產及負債之淨公允價值之任何差額會確認為商譽，而商譽乃計入投資之賬面金額中。本集團應佔可識別資產及負債之淨公允價值超出投資成本之任何差額，於重新評估後即時在收購投資當期之損益表確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investments in associates (Continued)

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

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

2. 主要會計政策概要 (續)

(f) 於聯營公司之投資 (續)

香港會計準則第39號之規定乃用於釐定是否需要就本集團於聯營公司之投資確認任何減值虧損。如有需要，投資之全部賬面金額（包括商譽）會根據香港會計準則第36號「資產減值」作為單一資產進行減值測試，方法為將可收回金額（即使用價值與公允價值減出售成本之較高者）與賬面金額進行比較。已確認減值虧損構成投資賬面金額之一部份。有關減值虧損之任何撥回於該項投資可收回金額其後增加時根據香港會計準則第36號確認。

本集團由投資不再屬聯營公司當日起，或於投資分類為持作出售時終止使用權益法。當本集團保留於前聯營公司之權益，而該保留權益為金融資產，本集團會按當日之公允價值計量保留權益，而公允價值根據香港會計準則第39號被視為初步確認時之公允價值。聯營公司於終止使用權益法當日之賬面金額與任何保留權益之公允價值及出售部份於聯營公司之權益之任何所得款項之差額，會計入出售該聯營公司之收益或虧損。此外，本集團將先前於其他全面收益就該聯營公司確認之所有金額入賬，基準與假設該聯營公司直接出售相關資產或負債時所規定之基準相同。因此，倘該聯營公司先前已於其他全面收益確認之收益或虧損將於出售相關資產或負債時重新分類至損益表，則本集團會於終止使用權益法時，將收益或虧損由權益重新分類至損益表（作為重新分類調整）。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Investments in associates (Continued)

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

(g) Property, plant and equipment

Property, plant and equipment including leasehold improvement, furniture and fixtures, office equipment, computer and motor vehicles, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any. The cost of an item of property comprises its purchase price and any directly attributable costs of bringing the assets to its location and working condition for its intended use. Expenses incurred after item of property, plant and equipment have been put into operation, such as repair and maintenance, is normally charged to the consolidated statement of profit or loss and other comprehensive income in the period in which it is incurred. In situation where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of assets and as a replacement.

2. 主要會計政策概要 (續)

(f) 於聯營公司之投資 (續)

當於聯營公司之投資成為於合營企業之投資或當於合營企業之投資成為於聯營公司之投資，本集團會繼續使用權益法。發生該等擁有權權益變動時，不會重新計量公允價值。

當本集團減少於聯營公司之擁有權權益但仍繼續使用權益法，則本集團會按比例將先前就該擁有權權益減少而於其他全面收益確認之收益或虧損重新分類至損益表，前提是該收益或虧損會於出售相關資產或負債時重新分類至損益表。

當集團實體與本集團之聯營公司進行交易，則會於本集團之綜合財務報表確認與該聯營公司交易所產生之損益，惟僅限於與本集團無關之聯營公司權益。

(g) 物業、廠房及設備

物業、廠房及設備（包括租賃物業裝修、傢俬及裝置、辦公室設備、電腦及汽車）於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損（如有）列賬。物業、廠房及設備項目之成本包括購買價及將該等資產付運至運作地點及達至擬定用途之狀態而直接產生之費用。物業、廠房及設備項目投入運作後產生之開支（如維修及保養）一般於產生之期間從綜合損益及其他全面收益表扣除。倘能清楚顯示該等支出能增加預計日後運用該項物業、廠房及設備而產生之經濟效益，而該項目之成本能可靠地計量，則該等支出會撥作資產之額外成本，並列作取代。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Property, plant and equipment (Continued)

Depreciation is calculated on the straight-line method basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful lives. The principal annual rates used for the purpose are as follows:

Leasehold improvement	33%
Furniture and fixtures	10-50%
Office equipment	20%
Computer	50%
Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

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

(h) Art works and diamonds

Art works and diamonds are stated at cost less accumulated impairment loss.

Art works and diamonds are derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the profit or loss in the period in which the item is derecognised.

2. 主要會計政策概要 (續)

(g) 物業、廠房及設備 (續)

折舊按每項物業、廠房及設備之估計可使用年期以直線法計算，以撇銷成本值至其剩餘價值。計算折舊時所採用之主要年率如下：

租賃物業裝修	33%
傢俬及裝置	10-50%
辦公室設備	20%
電腦	50%
汽車	20%

倘物業、廠房及設備項目各部份之可使用年期不同，則該項目之成本乃按合理基礎於該等部份中分配，而每個部份將會分開計算折舊。

本集團會於各呈報期末檢討剩餘價值、可使用年期及折舊方法，並作出適當調整。

當物業、廠房及設備項目出售或預期將不會從持續使用資產中產生經濟效益，則終止確認該項目。將物業、廠房及設備項目出售或報廢之任何收益或虧損乃按銷售所得款項與資產賬面金額之差額釐定，並於損益表確認。

(h) 藝術品及鑽石

藝術品及鑽石按成本減累計減值虧損列賬。

藝術品及鑽石於出售時終止確認。終止確認資產所產生之任何收益或虧損（按出售所得款項淨額與該項目賬面金額之差額計算）於終止確認該項目期間計入損益表。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments

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

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

Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL.

2. 主要會計政策概要 (續)

(i) 金融工具

當集團實體成為工具合約條文之訂約方時，會確認金融資產及金融負債。

金融資產及金融負債初步按公允價值計量。因收購或發行金融資產及金融負債（於損益表按公允價值列賬之金融資產及金融負債除外）而直接產生之交易成本於初步確認時新增至金融資產及金融負債之公允價值或從該等價值扣除（按適用情況而定）。因收購於損益表按公允價值列賬之金融資產或金融負債而直接產生之交易成本即時於損益表確認。

金融資產

金融資產分為以下指定類別：於損益表按公允價值列賬之金融資產、可供出售金融資產以及貸款及應收賬款。分類依據金融資產之性質及用途且於初步確認時釐定。所有正常方式買賣之金融資產按交易日基準確認或終止確認。正常方式買賣金融資產為須於市場之規定或常規設立之時限內交付資產之金融資產買賣。

實際利息法

實際利息法為計算債務工具之攤銷成本及於有關期間內攤分利息收入之方法。實際利率乃於債務工具之預計年期或（如適用）較短期間將估計未來現金收入（包括所有已付或已收之費用及費點，且形成實際利率、交易成本及其他溢價或折讓之主要部份）準確貼現至於初步確認時之賬面淨額之比率。

債務工具收入按實際利息法確認，惟分類為於損益表按公允價值列賬之金融資產除外。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

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

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

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

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

金融資產 (續)

於損益表按公允價值列賬之金融資產

屬持作買賣或指定為於損益表按公允價值列賬之金融資產乃分類為於損益表按公允價值列賬。

倘屬下列情況，金融資產則會分類為持作買賣：

- 購入之主要目的為於短期內銷售；或
- 於初步確認時構成已識別金融工具組合之一部份，該組合乃由本集團一併管理，且近來具有短期獲利之實際模式；或
- 為未被指定及有效作對沖工具之衍生工具。

倘屬下列情況，金融資產（持作買賣之金融資產除外）可於初步確認時指定為於損益表按公允價值列賬：

- 有關指定能消除或大幅減少於其他情況下可能出現之不一致計量或確認；或
- 金融資產構成一組金融資產或金融負債或兩者之一部份，而該組合乃按公允價值基準管理，表現可根據本集團之書面風險管理或投資策略按公允價值評估，而有關分組之資料乃於內部按該基準提供；或
- 其構成載有一種或以上內含衍生工具之合約之一部份，而香港會計準則第39號「金融工具：確認及計量」允許全份經合併合約指定為於損益表按公允價值列賬。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL (Continued)

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the consolidated statement of profit or loss and other comprehensive income.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as available-for-sale financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method and dividends on available-for-sale equity investments are recognised in profit or loss. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on available-for-sale equity investments are recognised in profit or loss when the Group's right to receive the dividends is established.

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

金融資產 (續)

於損益表按公允價值列賬之金融資產 (續)

於損益表按公允價值列賬之金融資產按公允價值列賬，而重新計量所產生之任何收益或虧損則於損益表確認。於損益表確認之收益或虧損淨額包括就金融資產賺取之任何股息或利息，並計入綜合損益及其他全面收益表。

可供出售金融資產

可供出售金融資產乃指定為可供出售或並無分類為(a)貸款及應收款項、(b)持至到期投資或(c)於損益表按公允價值列賬之金融資產之非衍生工具。

分類為可供出售金融資產並於活躍市場買賣之本集團所持股本及債務證券於各呈報期末以公允價值計量。有關採用實際利息法計算之利息收入及可供出售股本投資股息之可供出售貨幣金融資產之賬面金額變動會於損益表確認。可供出售金融資產賬面金額之其他變動於其他全面收益確認，並於投資重估儲備下累計。當該投資被出售或認定為減值時，之前於投資重估儲備累計之累積收益或虧損會重新分類至損益表。

可供出售股本投資之股息於本集團收取股息之權利確立時在損益表確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Financial assets (Continued)

Available-for-sale financial assets (Continued)

The fair value of available-for-sale monetary financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate prevailing at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including deposits and other receivables and cash and bank balances) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

金融資產 (續)

可供出售金融資產 (續)

以外幣列值之可供出售貨幣金融資產之公允價值以該外幣釐定，並按於呈報期末之通行現貨匯率換算。在損益表確認之匯兌收益及虧損按貨幣資產之攤銷成本釐定。其他匯兌收益及虧損在其他全面收益確認。

於活躍市場並無市場報價且公允價值不能可靠地計量之可供出售股本投資，以及與股本投資掛鈎且必須以該等無報價股本投資作交收之衍生工具，會於各呈報期末按成本減任何已識別減值虧損計量。

貸款及應收款項

貸款及應收款項為並非於活躍市場報價而具備固定或可釐定款項之非衍生金融資產。貸款及應收款項（包括按金及其他應收款項以及現金及銀行結餘）使用實際利息法按攤銷成本計量，並已扣除任何減值。

本集團採用實際利息法確認利息收入，惟利息確認並不重大之短期應收款項除外。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

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

For available-for-sale equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

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

For financial assets that are carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

金融資產 (續)

金融資產之減值

金融資產(於損益表按公允價值列賬者除外)會於各呈報期末評定是否有減值跡象。當有客觀證據顯示投資之估計未來現金流量因於初步確認金融資產後發生之一項或多項事件而受影響時,該金融資產會被視為出現減值。

就可供出售股本投資而言,證券之公允價值大幅或長期低於其成本被視為減值之客觀證據。

至於所有其他金融資產,減值之客觀證據可包括:

- 發行人或交易對手出現嚴重財務困難;或
- 違約(如欠繳或拖欠利息或本金付款);或
- 借款人很有可能將宣告破產或進行財務重組;或
- 因財政困難而導致該金融資產失去活躍市場。

就按攤銷成本列賬之金融資產而言,所確認之減值虧損金額以資產賬面金額與按金融資產之原實際利率貼現之估計未來現金流量之現值之差額計量。

就按成本列賬之金融資產而言,減值虧損金額以資產賬面金額與按類似金融資產現時市場回報率貼現估計未來現金流量之現值之差額計量。有關減值虧損不會於往後期間撥回。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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

In respect of available-for-sale equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of available-for-sale debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

金融資產 (續)

金融資產之減值 (續)

所有金融資產之減值虧損會直接於金融資產之賬面金額中扣除，惟貿易應收賬款之賬面金額則透過使用撥備賬扣減。當貿易應收賬款被視為不可收回時，則於撥備賬內撇銷。其後收回先前撇銷之金額會計入撥備賬。撥備賬之賬面金額變動會在損益表確認。

當可供出售金融資產被視為減值時，先前於其他全面收益確認之累積收益或虧損會重新分類至期內損益表。

就按攤銷成本計量之金融資產而言，倘減值虧損金額於往後期間減少，而該減幅在客觀上與確認減值後發生之事件有關，則先前確認之減值虧損會透過損益表撥回，惟該投資於減值撥回當日之賬面金額不得超過未確認減值時之攤銷成本。

就可供出售股本證券而言，先前已於損益表確認之減值虧損不會透過損益表撥回。於減值虧損後出現之任何公允價值增加會於其他全面收益確認並於投資重估儲備下累計。至於可供出售債務證券，倘投資之公允價值增加在客觀上與確認減值虧損後發生之事件有關，則減值虧損其後透過損益表撥回。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are classified as other financial liabilities.

Other financial liabilities

Other financial liabilities (including accrued charges and other payables, short-term loans and obligations under finance leases) are subsequently measured at amortised cost using the effective interest method.

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

金融負債及股本工具

債務或權益之分類

集團實體發行之債務及股本工具根據金融負債及股本工具之合約安排及釋義分類為金融負債或權益。

股本工具

股本工具為可證明於實體資產經扣除其所有負債後之餘額權益之任何合約。集團實體發行之股本工具按已收所得款項扣除直接發行成本確認。

購回本公司本身股本工具直接於權益確認並扣除。概無就購買、出售、發行或註銷本公司本身股本工具在損益表確認收益或虧損。

金融負債

金融負債分類為其他金融負債。

其他金融負債

其他金融負債 (包括應付開支及其他應付款項、短期貸款及融資租賃承擔) 其後使用實際利息法按攤銷成本計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Derecognition

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

金融負債及股本工具 (續)

實際利息法

實際利息法為計算金融負債之攤銷成本及於有關期間內攤分利息開支之方法。實際利率乃於金融負債之預計年期或(如適用)較短期間將估計未來現金付款(包括所有已付或已收之費用及費點,且形成實際利率、交易成本及其他溢價或折讓之主要部份)準確貼現至於初步確認時之賬面淨額之比率。

利息開支按實際利息法確認。

終止確認

本集團僅於自資產獲取現金流之合約權利到期時,或本集團將金融資產及資產擁有權之絕大部份風險及回報轉讓予另一實體時,方會終止確認金融資產。倘本集團既無轉讓亦無保留擁有權之絕大部份風險及回報,並繼續控制已轉讓資產,則本集團會繼續按其持續參與情況確認資產,並確認相關負債。倘本集團保留已轉讓金融資產擁有權之絕大部份風險及回報,則本集團繼續確認該金融資產,亦會就已收所得款項確認有抵押借貸。

全面終止確認金融資產時,資產賬面金額與已收及應收代價以及累計收益或虧損(已於其他全面收益確認並於權益累計)總和間之差額會在損益表確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Financial instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

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

(j) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash at banks and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2. 主要會計政策概要 (續)

(i) 金融工具 (續)

終止確認 (續)

除全面終止確認金融資產外，本集團將金融資產之過往賬面金額在其繼續確認之部份與終止確認之部份之間，按照該兩者於轉讓日期之相關公允價值作出分配。終止確認部份獲分配之賬面金額與該部份已收代價及其已於其他全面收益確認獲分配之任何累計收益或虧損之總和間之差額，乃於損益表確認。已於其他全面收益確認之累計收益或虧損按繼續確認部份及終止確認部份之相關公允價值在該兩者間作出分配。

本集團僅於責任獲免除、取消或終止時，方會終止確認金融負債。被終止確認之金融負債之賬面金額與已付及應付代價間之差額會於損益表確認。

(j) 現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括銀行及手頭現金、存放於銀行及其他金融機構之活期存款，以及可隨時轉換為已知金額現金之短期高流動性投資，而該等投資之價值轉變風險較低，並為較短期之投資項目（一般為由購入日期起計三個月內到期），並已減去須於要求時償還並組成本集團現金管理主要部份之銀行透支。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivables.

Revenue represents dividend income from securities investments, bank interest income, other interest/dividend income from financial assets and net gain/loss on financial assets at FVTPL.

Provided it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably, revenue is recognised in the consolidated statement of profit or loss and other comprehensive income as follows:

- i. Dividend income from investments is recognised when the Group's rights to receive payment have been established.
- ii. Interest income from financial assets including financial assets at FVTPL are recognised on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which are the rates that exactly discounts and the estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.
- iii. Net gain/loss on financial assets at FVTPL is recognised on the transaction dates when the relevant contracts are executed.

2. 主要會計政策概要 (續)

(k) 收益確認

收益按已收或應收代價之公允價值計量。

收益指證券投資之股息收入、銀行利息收入、來自金融資產之其他利息／股息收入，以及於損益表按公允價值列賬之金融資產之收益／虧損淨額。

倘若收益之經濟利益很可能流入本集團及收益能可靠地計量，則按以下方式於綜合損益及其他全面收益表確認：

- i. 投資之股息收入於本集團收取款項之權利確立時確認。
- ii. 金融資產之利息收入（包括於損益表按公允價值列賬之金融資產）按時間基準經參考尚未償還本金額以適用實際利率確認，該利率指於金融資產估計可使用年期將估計未來現金收入準確貼現至資產於初步確認時之賬面淨額之利率。
- iii. 於損益表按公允價值列賬之金融資產之收益／虧損淨額於簽立有關合約之交易日確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “loss before taxation” as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

2. 主要會計政策概要 (續)

(i) 稅項

所得稅開支指現行應繳稅項與遞延稅項之總和。

即期稅項

現行應繳稅項乃根據年內應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面收益表呈報之「除稅前虧損」，原因為前者並無計入其他年度之應課稅或可扣稅收支項目及毋須課稅或不可扣稅之項目。本集團之即期稅項採用呈報期末已實施或實質上已實施之稅率計算。

遞延稅項

本集團就綜合財務報表之資產及負債賬面金額與計算應課稅溢利所用相應稅基兩者之暫時差額確認遞延稅項。本集團一般將會就所有應課稅暫時差額確認遞延稅項負債。遞延稅項資產一般於可能有應課稅溢利以供動用所有可扣減暫時差額時就該等可扣稅暫時差額確認。倘暫時差額因於一項不影響應課稅溢利或會計溢利之交易初步確認（業務合併除外）資產及負債而產生，則不會確認有關遞延稅項資產及負債。此外，倘暫時差額因初步確認商譽而產生，亦不會確認遞延稅項負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Taxation (Continued)

Deferred tax (Continued)

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

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

2. 主要會計政策概要 (續)

(I) 稅項 (續)

遞延稅項 (續)

本集團就與於附屬公司及聯營公司之投資相關之應課稅暫時差額確認遞延稅項負債，惟倘本集團可控制暫時差額撥回，且暫時差額有可能不會於可見將來撥回則除外。因與有關投資及權益相關之可扣減暫時差額而產生之遞延稅項資產僅於可能產生足夠應課稅溢利以供動用暫時差額利益並預期可於可見將來撥回時確認。

遞延稅項資產賬面金額於各呈報期末審閱，並按不可能有足夠應課稅溢利以收回所有或部份資產之金額減少。

遞延稅項資產及負債根據於呈報期末已實施或實質上已實施之稅率（及稅法），按清償負債或變現資產期間預期之適用稅率計量。

遞延稅項負債和資產之計量反映本集團於呈報期末預期能收回或清償其資產和負債賬面金額之稅務影響。

為就利用公允價值模型計量之投資物業計量遞延稅項負債或遞延稅項資產，該等物業之賬面金額乃推定為將全數透過銷售收回，除非有關推定遭推翻則作別論。當投資物業可計算折舊，並於旨在隨時間而非透過銷售耗用投資物業內含之絕大部份經濟利益之業務模型內持有時，即推翻有關推定。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Taxation (Continued)

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

(m) Impairment of tangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGU) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

2. 主要會計政策概要 (續)

(l) 稅項 (續)

年內即期及遞延稅項

即期及遞延稅項於損益表確認，惟當即期及遞延稅項與其他全面收益確認或直接在權益確認之項目相關，亦會分別於其他全面收益或直接於權益確認。倘就業務合併於初步入賬後產生即期稅項或遞延稅項，本集團會於就業務合併入賬時計入稅務影響。

(m) 有形資產 (商譽除外) 減值

於各呈報期末，本集團檢討其有形資產之賬面金額，以釐定是否有跡象顯示該等資產已蒙受減值虧損。倘出現任何有關跡象，則須估計資產之可收回金額，以釐定減值虧損 (如有) 之程度。倘無法估計個別資產之可收回金額，本集團則估計該資產所屬現金產生單位之可收回金額。當能確定合理及貫徹之分配基準，公司資產亦分配至個別現金產生單位，否則將分配至可確定合理及貫徹之分配基準之最小現金產生單位組別。

可收回金額為公允價值減出售成本與使用價值之較高者。於評估使用價值時，估計未來現金流量使用稅前貼現率貼現至現值，該貼現率反映當前市場對貨幣時間價值之評估及未調整估計未來現金流量之資產之特有風險。

倘估計資產 (或現金產生單位) 之可收回金額少於賬面金額，則會扣減資產 (或現金產生單位) 之賬面金額至其可收回金額。減值虧損即時於損益表確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Impairment of tangible assets other than goodwill (Continued)

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

(n) Provisions

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

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2. 主要會計政策概要 (續)

(m) 有形資產 (商譽除外) 減值 (續)

倘減值虧損其後撥回，則該資產 (或現金產生單位) 之賬面金額將增至重新估計之可收回金額，但增加後之賬面金額不得超過資產 (或現金產生單位) 於過往年度若未確認減值虧損所釐定之賬面金額，而減值虧損撥回會即時於損益表確認。

(n) 撥備

當本集團因過往事件而須承擔現時責任 (法定或推定)，本集團很可能須履行該責任，且能可靠地估計責任金額，即確認撥備。

確認為撥備之金額乃對於呈報期末履行現時責任所需代價之最佳估計，當中已計及有關責任之風險及不確定因素。當撥備按利用履行現時責任估計所需之現金流量計量時，其賬面金額為有關現金流量之現值 (如金錢時間價值之影響重大)。

當清償撥備所需之部份或全部經濟利益預期將從第三方收回，且實際上可確定會收到付還及應收款項金額能可靠地計量，則會將應收款項確認為資產。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group.

A contingent asset is not recognised but is disclosed in the notes to the consolidated financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

(p) Employee benefits

Retirement benefits scheme

The Group has participated in the Mandatory Provident Fund Scheme (the "MPF Scheme") under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The MPF Scheme is generally funded by payments from employees and by the Group. The Group's contributions to the MPF Scheme are expensed as incurred in accordance with the rules of the MPF Scheme and are not reduced by contributions forfeited by those employees who leave the MPF Scheme prior to vesting fully in the contributions.

2. 主要會計政策概要 (續)

(o) 或然負債及或然資產

或然負債指因過去事件而產生之可能債務，而其存在與否僅由不屬本集團全然掌握之一件或以上未確定未來事件之發生或不發生所確定。或然負債亦可以是過去事件所產生之現時債務，而由於不大可能導致經濟資源流失，或債務數額不能可靠地衡量而未予確認。

或然負債雖不作確認，惟於綜合財務報表附註披露。當資源外流之可能性有變，以致有可能流出經濟資源時，會確認或然負債為撥備。

或然資產指因過往事件而可能獲得之資產，其存在與否僅可視乎將來發生或不發生一件或以上非本集團所能完全控制之不明確事件確定。

或然資產雖不作確認，惟於有可能流入經濟利益時在綜合財務報表附註披露。當實際上可確定有關利益流入時，即會確認資產。

(p) 僱員福利

退休福利計劃

本集團已根據強制性公積金計劃條例參與強制性公積金計劃（「強積金計劃」）。強積金計劃之資產與本集團之資產分開持有，並由獨立管理之基金管理。強積金計劃之款項一般是由僱員及本集團支付。本集團之強積金計劃供款於根據強積金計劃之規則向強積金計劃作出供款時支銷，且不會以僱員在取得全數供款前退出強積金計劃而被沒收之供款扣減。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Employee benefits (Continued)

Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long-service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity or paternity leave are not recognised until the time of leave.

Profit sharing and bonus plans

The expected cost of profit sharing and bonus payments are recognised as a liability when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

Liabilities for profit sharing and bonus plan are expected to be settled within twelve months and are measured at the amounts expected to be paid when they are settled.

(q) Equity-settled share-based payments transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payments transactions are set out in Note 37.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve).

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

2. 主要會計政策概要 (續)

(p) 僱員福利 (續)

僱員應有假期

僱員年假及長期服務假期於僱員應享時確認。本公司已就截至呈報期末僱員提供之服務所產生之年假及長期服務假期之估計負債作出撥備。

僱員應有病假及產假或陪產假期在申請假期時方予確認。

溢利分享及花紅計劃

當本集團因僱員提供服務而承擔現有法律或推定責任，且能夠對責任作出可靠估計，溢利分享及花紅付款之預期成本會確認為負債。

溢利分享及花紅計劃之負債預期於十二個月內償付，並按預期於償付時支付之款額計量。

(q) 按股權結算以股份為基礎付款之交易

向僱員或提供類似服務之其他人士支付按股權結算以股份為基礎支付之款項按股本工具於授出日期之公允價值計量。有關釐定按股權結算以股份為基礎付款之交易之公允價值之詳情，載於附註37。

於授出按股權結算以股份為基礎支付之款項當日釐定之公允價值根據本集團對最終將會歸屬之股本工具之估計，按直線法於歸屬期內支銷，而權益（購股權儲備）則相應增加。

於各呈報期末，本集團修訂對預期將會歸屬之股本工具數目之估計。修訂原估計所產生之影響（如有）於損益表確認，則累計開支反映經修訂之估計，且須對購股權儲備作出相應調整。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Equity-settled share-based payments transactions (Continued)

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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

(r) Leasing

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

2. 主要會計政策概要 (續)

(q) 按股權結算以股份為基礎付款之交易 (續)

就於授出日期已即時歸屬之購股權而言，已授出購股權之公允價值即時於損益表支銷。

當購股權獲行使時，先前已在購股權儲備確認之金額會轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於到期日仍未行使，先前已於購股權儲備確認之金額將轉撥至保留盈利。

(r) 租賃

本集團作為承租人

經營租賃款項於租期以直線法確認為開支，惟倘另有系統基準更能代表租賃資產消耗經濟利益之時間模式則作別論。根據經營租賃產生之或然租金於產生期間確認為開支。

倘訂立經營租賃時收取租賃優惠，則有關優惠會確認為負債。優惠利益總額以直線法確認為租金開支扣減，惟倘另有系統基準更能代表租賃資產耗用經濟利益之時間模式則作別論。

本集團作為出租人

經營租賃之租金收入按直線法於相關租期內確認。於協商及安排經營租賃時引致之初步直接成本乃加至租賃資產之賬面值，並按租賃期限以直線法確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Related parties transactions

A party is considered to be related to the Group if:

- (a) A person or a close member of that person's family is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.
- (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 subsidiaries is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employees are also related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);

2. 主要會計政策概要 (續)

(s) 關連人士交易

倘屬下列情況，一方即被視為與本集團有關連：

- (a) 倘屬以下情況，則該人士或其近親與本集團有關連：
 - (i) 該人士控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或其母公司之主要管理層成員。
- (b) 倘符合下列任何條件，則實體與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）；
 - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）；
 - (iii) 兩間實體均為同一第三方之合營企業；
 - (iv) 一間實體為一間第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
 - (v) 該實體為就本集團或與本集團有關連的實體的僱員利益而設立的離職福利計劃。倘本集團本身為有關計劃，供款僱員亦與本集團有關連；
 - (vi) 該實體受(a)項所識別之人士控制或受共同控制；

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Related parties transactions (Continued)

(b) (Continued)

- (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); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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

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

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between the Group and a related party, regardless of whether a price is charged.

2. 主要會計政策概要 (續)

(s) 關連人士交易 (續)

(b) (續)

- (vii) (a)(i)項所識別人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員;或
- (viii) 該實體或其所屬集團之任何成員公司向本集團或其母公司提供主要管理人員服務。

某個別人士之近親指與實體進行買賣時預期可影響該人士或受該人士影響之家庭成員及包括:

- (a) 該人士之子女及配偶或家庭伴侶;
- (b) 該人士之配偶或家庭伴侶之子女;及
- (c) 該人士或該人士之配偶或家庭伴侶之受贍養者。

不論有否收取價款,凡本集團與關連人士之間轉讓資源或責任之交易,均屬關連人士交易。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Foreign currencies

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

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

2. 主要會計政策概要 (續)

(t) 外幣

編製各個別集團實體之財務報表時，以實體功能貨幣以外之貨幣（外幣）進行之交易按交易日通行之匯率確認。於各呈報期末，以外幣列值之貨幣項目按該日之通行匯率重新換算。以外幣列值並按公允價值列賬之非貨幣項目按釐定公允價值當日之通行匯率重新換算。以外幣列值並按歷史成本計量之非貨幣項目不予重新換算。

貨幣項目所產生之匯兌差額均於產生期間在損益表確認，惟以下各項除外：

- 與作未來生產用途之在建資產有關之外幣借貸之匯兌差額，該等匯兌差額於被視為該等外幣借貸利息成本之調整時計入該等資產之成本；
- 為對沖若干外幣風險而進行之交易之匯兌差額；及
- 應收或應付海外業務之貨幣項目之匯兌差額，而其既無計劃結算亦不大可能結算（因此構成海外業務投資淨額之一部份），該等匯兌差額初步於其他全面收益確認，並於償還貨幣項目時自權益重新分類至損益表。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Foreign currencies (Continued)

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

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

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

2. 主要會計政策概要 (續)

(t) 外幣 (續)

為呈列綜合財務報表，本集團海外業務之資產及負債會採用於各呈報期末通行之匯率換算為本集團之呈列貨幣（即港元）。收支項目按期內平均匯率換算，惟倘該期間內匯率大幅波動，則按交易日期之匯率換算。所產生之匯兌差額（如有）於其他全面收益確認，並於權益內之外幣換算儲備累計（視適用情況歸屬於非控股權益）。

當出售海外業務（即出售本集團於海外業務之全部權益、出售涉及失去包括海外業務之附屬公司之控制權，或部份出售於包括海外業務之聯合安排或聯營公司之權益（其保留權益成為金融資產）），本公司擁有人應佔該業務而於權益累計之所有匯兌差額會重新分類至損益表。

此外，就部份出售包括海外業務之附屬公司（並無導致本集團失去對該附屬公司之控制權）而言，按比例分佔累計匯兌差額之份額會重新歸屬於非控股權益，且不會於損益表確認。就所有其他部份出售（即部份出售聯營公司或聯合安排而並無導致本集團失去重大影響力或共同控制權）而言，按比例分佔累計匯兌差額之份額會重新分類至損益表。

對透過收購海外業務而收購之可識別資產及承擔之負債作出之商譽及公允價值調整被視為該海外業務之資產及負債，並於各呈報期末按通行匯率換算。所產生之匯兌差額於其他全面收益確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Borrowing costs

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

(v) Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

- (i) Classification of assets leased to the Group Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

2. 主要會計政策概要 (續)

(u) 借貸成本

所有借貸成本於產生之期間在損益表確認。

(v) 租賃資產

倘本集團釐定由一項交易或一系列交易組成的安排涵蓋個別資產或多項資產於協定年期內的使用權，以換取付款或一系列付款，則該項安排乃屬或包含一項租賃。有關釐定工作乃以評估該項安排的實質內容為基準，而不論該項安排是否擁有租賃的法律形式。

- (i) 本集團承租的資產之分類。對於本集團以租賃持有的資產，如有關租賃將擁有資產的絕大部份風險和回報轉移至本集團，有關資產便會劃歸為以融資租賃持有。不向本集團轉移擁有權的絕大部份風險和回報的租賃乃列作經營租賃。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Leased assets (Continued)

- (ii) Assets acquired under finance leases. Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost 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(g). Impairment losses are accounted for in accordance with the accounting policy as set out in Note 2(m). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type of 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. 主要會計政策概要 (續)

(v) 租賃資產 (續)

- (ii) 以融資租賃收購的資產。倘本集團以融資租賃獲得資產的使用權，代表租賃資產公允價值或該等資產最低租賃付款現值（以較低者為準）的金額計入物業、廠房及設備，而相應的負債則於扣除融資費用後入賬列為融資租賃承擔。折舊乃於相關租賃期或（倘本集團很可能將取得該資產的擁有權）資產的年期內按撇銷資產成本的比率計提，詳情載於附註2(g)。減值虧損乃根據會計政策作出，詳情載於附註2(m)。租賃付款內含融資費用乃於租賃期內計入損益表，藉此在每個會計期間以一個相若的息率計算負債餘額的融資費用。或然租金乃於產生的會計期間計入損益表。

(w) 分類報告

經營分類及綜合財務報表所呈報各分類項目之金額乃自定期提供予本集團最高行政管理人員之財務資料中識別得出，以將資源分配至本集團各項業務及地理位置，以及評估本集團各項業務及地理位置之表現。

就財務報告而言，除非分類具備相似經濟特徵，且產品及服務性質、生產工序性質、客戶類型或類別、用於分銷產品或提供服務之方法及監管環境性質相似，否則個別重大經營分類不會進行合算。個別非重大之經營分類如符合上述大部份標準，則可進行合算。

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

In the current year, the Group has applied, for the first time, the following amendments (the “amendments to HKFRSs”) issued by the HKICPA, which are effective for the Group’s financial year beginning on or after 1 January 2017.

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

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

Amendments to HKAS 7 Disclosure Initiative

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

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

A reconciliation between the opening and closing balances of these items is provided in Note 35. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in Note 35, the application of these amendments has had no impact on the Group’s consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用以下由香港會計師公會頒佈並於本集團自二零一七年一月一日或之後開始之財務年度生效之修改（「香港財務報告準則之修改」）。

香港會計準則第7號（修改）	披露計劃
香港會計準則第12號（修改）	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號（修改）	作為二零一四年至二零一六年週期之香港財務報告準則年度改進之一部份

除下文所述者外，於本年度應用香港財務報告準則之修改並無對本集團本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載披露產生重大影響。

香港會計準則第7號之修改「披露計劃」

本集團已於本年度首次應用此等修改。有關修改規定實體須披露所需資料令財務報表使用者得以衡量融資活動所產生負債變動（包括現金及非現金變動）。此外，有關修改亦規定，倘來自金融資產的現金流量或未來現金流量會列作融資活動之現金流量，則須披露有關金融資產的變動。

具體而言，有關修改規定須披露以下事項：(i) 融資現金流量的變動；(ii) 因取得或喪失附屬公司控制權或其他業務而出現的變動；(iii) 匯率變動的影響；(iv) 公允價值的變動；及(v) 其他變動。

有關該等項目期初及期末結餘的對賬載於附註35。與有關修改之過渡規定一致，本集團並無披露去年之比較資料。除附註35之額外披露外，應用該等修改並無對本集團的綜合財務報表構成任何影響。

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

New and revised HKFRSs in issue but not yet effective

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

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈惟尚未生效之香港財務報告準則

本集團並無提早應用以下已頒佈惟尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則（修改）	二零一五年至二零一七年週期之香港財務報告準則年度改進 ²
香港財務報告準則第2號（修改）	股份支付交易的分類及計量 ¹
香港財務報告準則第4號（修改）	採用香港財務報告準則第4號「保險合約」時一併應用香港財務報告準則第9號「金融工具」 ¹
香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第9號（修改）	提早還款特性及負補償 ²
香港財務報告準則第10號及香港會計準則第28號（修改）	投資者與其聯營公司或合營企業之間的資產出售或投入 ²
香港財務報告準則第15號	來自客戶合約之收益 ¹
香港財務報告準則第15號（修改）	澄清香港財務報告準則第15號「來自客戶合約之收益」 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港會計準則第28號（修改）	於聯營公司及合營公司的長期權益 ²
香港會計準則第28號（修改）	作為香港財務報告準則年度改進（二零一四年至二零一六年週期）之一部份 ¹
香港會計準則第40號（修改）	轉讓投資物業 ¹
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價 ¹
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅之不確定性之處理 ²

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

New and revised HKFRSs in issue but not yet effective (Continued)

- ¹ Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
- ² Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.
- ³ Effective for annual periods beginning on or after a date to be determined. Early adoption is permitted.
- ⁴ Effective for annual periods beginning on or after 1 January 2021.

HKFRS 9 Financial Instruments

HKFRS 9 will replace HKAS 39 *Financial Instruments: Recognition and Measurement*. HKFRS 9 introduces new requirements for classification and measurement of financial assets, new rules for hedge accounting and a new impairment model for financial assets.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2018 on a retrospective basis. The Group plans to adopt the new standard on the required effective date and will not restate comparative information.

Based on an analysis of the Group’s financial assets and financial liabilities as at 31 December 2017 on the basis of the facts and circumstances that exist at that date, the directors of the Company have assessed the impact of HKFRS 9 to the Group’s consolidated financial statements as follows:

Classification and measurement

The Group expects to irrevocably designate those unlisted equity securities currently classified as available-for-sale as at fair value through other comprehensive income.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈惟尚未生效之香港財務報告準則（續）

- ¹ 於二零一八年一月一日或之後開始的年度期間生效，允許提早應用。
- ² 於二零一九年一月一日或之後開始的年度期間生效，允許提早應用。
- ³ 於待定期日或之後開始的年度期間生效，允許提早採用。
- ⁴ 於二零二一年一月一日或之後開始的年度期間生效。

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號引入金融資產分類及計量之新規定、對沖會計之新規則以及金融資產之新減值模式。

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。本集團計劃於規定生效日期採納新準則且將不會重列比較資料。

根據本集團於二零一七年十二月三十一日之金融資產及金融負債分析（按照該日存在之事實及情況得出），本公司董事已評估香港財務報告準則第9號對本集團綜合財務報表之影響如下：

分類及計量

本集團預期將不可撤回地將該等現時分類為可供出售之非上市股本證券指定為以公允價值計入其他全面收益。

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

HKFRS 9 *Financial Instruments* (Continued)

Classification and measurement (Continued)

Fair value gains and losses on these instruments will no longer be recycled to profit or loss on disposal. Impairment losses on equity securities will no longer be recognised in profit or loss but rather in other comprehensive income.

Amendments to HKFRS 10 and HKAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Amendments to HKFRS 10:

- An exception from the general requirement of full gain or loss recognition has been introduced into HKFRS 10 for the loss control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method.
- New guidance has been introduced requiring that gains or losses resulting from those transactions are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement at fair value of investments retained in any former subsidiary that has become an associate or a joint venture that is accounted for using the equity method are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號「金融工具」（續）

分類及計量（續）

該等工具之公允價值收益及虧損將不再於出售時回撥至損益。股本證券之減值虧損將不再於損益內確認，而是於其他全面收益內確認。

香港財務報告準則第10號及香港會計準則第28號之修改「投資者與其聯營公司或合營企業之間的資產出售或投入」

香港財務報告準則第10號之修訂：

- 香港財務報告準則第10號已引入全數確認盈虧之一般性規定之例外情況，以處理與聯營公司或合營企業（使用權益法入賬者）進行交易而喪失附屬公司控制權（不包含業務）之情況。
- 引入新指引，規定該等交易產生之盈虧於母公司之損益確認，惟僅以無關連投資者於該聯營公司或合營企業之權益為限。同樣地，按公允價值重新計量於任何前附屬公司（已成為使用權益法入賬之聯營公司或合營企業者）保留之投資時，產生之盈虧於前母公司之損益確認，惟僅以無關連投資者於新聯營公司或合營企業之權益為限。

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

Amendments to HKFRS 10 and HKAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Continued)*

Amendments to HKAS 28:

- The requirements on gains and losses resulting from transactions between an entity and its associate or joint venture have been amended to relate only to assets that do not constitute a business.
- A new requirement has been introduced that gains or losses from downstream transactions involving assets that constitute a business between an entity and its associate or joint venture must be recognised in full in the investor’s financial statements.
- A requirement has been added that an entity needs to consider whether assets that are sold or contributed in separate transactions constitute a business and should be accounted for as a single transaction.

The directors of the Company do not anticipate that the application of these amendments to HKFRS 10 and HKAS 28 will have a material impact on the Group’s consolidated financial statements.

HKFRS 15 *Revenue from Contracts with Customers*

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第10號及香港會計準則第28號之修改「投資者與其聯營公司或合營企業之間的資產出售或投入」（續）

香港會計準則第28號之修訂：

- 有關實體與其聯營公司或合營企業進行交易所產生盈虧之規定已修訂為僅與並不構成一項業務之資產相關。
- 已引入一項新規定，實體與其聯營公司或合營企業如進行下游交易，而所涉資產構成一項業務，則相關盈虧必須全數於投資者之財務報表中確認。
- 新增一項規定，實體需考慮於獨立交易中出售或投入之資產是否構成一項業務，應否作為單一交易入賬。

本公司董事預期，應用香港財務報告準則第10號及香港會計準則第28號之該等修訂將不會對本集團之綜合財務報表產生重大影響。

香港財務報告準則第15號「來自客戶合約之收益」

香港財務報告準則第15號為實體建立一個單一的綜合模式，以確認來自客戶合約之收益。香港財務報告準則第15號生效後，將取代現有收入確認指引，包括香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋。

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

HKFRS 15 Revenue from Contracts with Customers (Continued)

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

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

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

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

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號「來自客戶合約之收益」（續）

香港財務報告準則第15號之核心原則為實體應確認收益以說明向顧客轉讓承諾貨品或服務，而該金額能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入確認收益之五個步驟：

- 第1步：識別與某客戶訂立之合約
- 第2步：識別合約中之履約責任
- 第3步：釐定交易價格
- 第4步：將交易價格分攤至合約中之履約責任
- 第5步：於實體符合履約責任時（或就此）確認收益

根據香港財務報告準則第15號，於（或隨著）實體完成履約責任，即與特定履約責任相關之貨品或服務之「控制權」轉移予顧客時確認收入。香港財務報告準則第15號已加入更多特定指引以處理特別情況。此外，香港財務報告準則第15號要求更詳盡之披露。

於二零一六年，香港會計師公會發佈對香港財務報告準則第15號的澄清，內容關於確認履約義務、委託人與代理方考慮事項以及許可申請指引。

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

Timing of revenue recognition

The Group’s revenue recognition policies are disclosed in Note 2(k). The directors of the Company have assessed the effects of applying the new standard on the Group’s consolidated financial statements and does not expect a significant impact on the recognition of revenue based on the existing business model of the Group as at 31 December 2017.

HKFRS 16 Leases

HKFRS 16 provides new provisions for the accounting treatment of leases and will in the future no longer allow lessees to account for certain leases outside the statement of financial position. Instead, all long-term leases must be recognised in the statement of financial position in the form of assets (for the rights of use) and lease liabilities (for the payment obligations). Short-term leases with a lease term of twelve months or less and leases of low-value assets are exempt from such reporting obligations. The new standard will therefore result in recognition of a right-to-use asset and an increase in lease liabilities in the statement of financial position. In the income statement, rental expenses will be replaced with depreciation and interest expense. The new standard is not expected to be applied by the Group until the financial year ending 31 December 2019. HKFRS 16 will primarily affect the accounting for the Group’s operating leases. At 31 December 2017, the Group had non-cancellable operating lease commitments of HK\$13,377,000. Upon adoption of HKFRS 16 the majority of operating lease commitments will be recognised in the consolidated statement of financial position as lease liabilities and right-of-use assets. The lease liabilities would subsequently be measured at amortised cost and the right-of-use assets will be depreciated on a straight-line basis during the lease term.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號「來自客戶合約之收益」（續）

根據至今完成之評估，本集團已識別下列預期將受影響之方面：

收益確認之時點

本集團的收益確認政策於附註2(k)中披露。於二零一七年十二月三十一日，本公司董事已根據本集團現有業務模式評估應用新訂準則對本集團綜合財務報表的影響，且預期不會對收益確認產生重大影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號就租賃的會計處理訂明新條文，且日後不再容許承租人於財務狀況表外將若干租賃入賬。取而代之，所有長期租賃必須以資產（就使用權而言）及租賃負債（就付款責任而言）形式於財務狀況表確認。租期為十二個月或以下的短期租賃及低價資產租賃獲豁免有關報告責任。因此，新準則將致使需於財務狀況表確認使用權資產及租賃負債增加。於收入表內，租賃開支將以折舊及利息開支代替。預期本集團將不會於截至二零一九年十二月三十一日止財政年度前應用新準則。香港財務報告準則第16號主要影響集團經營租賃的會計處理。於二零一七年十二月三十一日，本集團之不可撤銷經營租賃承擔為13,377,000港元。在採納香港財務報告準則第16號後，大部份經營租賃承擔將於綜合財務狀況表內確認為租賃負債及使用權資產。租賃負債其後將按攤銷成本計量，而使用權資產將以直線法於租賃期內折舊。

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

HKFRS 16 *Leases* (Continued)

The Group is in the process of assessing the potential impact of the other new and revised HKFRSs upon initial application but is not yet in a position to state whether the other new and revised HKFRSs will have a significant impact on the Group’s financial performance and position.

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

In the application of the Group’s accounting policies, which are described in Note 2, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates 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.

The critical judgments, apart from those involving estimations are that management has made in the process of applying the Group’s accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號「租賃」

本集團正評估首次應用其他新訂及經修訂香港財務報告準則的潛在影響，惟尚未能就其他新訂及經修訂香港財務報告準則會否對本集團的財務業績及狀況造成重大影響發表意見。

4. 重要會計判斷及估計

於應用附註2所述之本集團會計政策時，管理層須就未能於其他來源取得之資產及負債之賬面金額作出判斷、估計及假設。估計及相關假設乃根據過往經驗及其他被認為屬相關之因素作出。實際結果可能與該等估計有異。

本集團會持續審閱該等估計及相關假設。倘會計估計之修訂僅影響作出修訂估計之期間，則有關估計修訂將於作出修訂之期間確認，或倘修訂對本期及未來期間均會構成影響，則會於作出修訂之期間及未來期間確認。

除涉及估計者外，管理層亦於應用本集團會計政策過程中作出對於綜合財務報表確認之金額具有最重大影響之重要判斷。

於呈報期末有關未來之主要假設及估計不明朗因素之其他主要來源具有導致資產及負債之賬面金額於下一財政年度內作出大幅調整之重大風險。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Critical judgments in applying accounting policies, accounting estimates and assumptions

Impairment of available-for-sale financial assets

The Group follows the guidance of HKAS 39 when determining whether an investment in available-for-sale financial assets is other than temporarily impaired. This determination requires significant judgment. In making this judgment, the Group evaluates, among other factors, the duration and extent to which the fair value of an available-for-sale financial asset is less than its cost, and the expected time span the Group will hold on to this investment.

Impairment of other receivables

The Group estimates impairment losses for other receivables resulting from the inability of the debtors to make the required payments. The Group bases the estimates on the ageing of the other receivables balance, receivables creditworthiness, and historical write-off experience. If the financial conditions of the receivables were to deteriorate, actual write-offs would be higher than estimated.

Estimated impairment of interests in associates

In determining whether there is an impairment loss, the Group takes into consideration the estimation of future cash flows to be generated by the associates. The amount of the impairment loss is measured as the difference between the carrying amount of the interests in associates and the share of the present value of estimated future cash flows expected to be generated by the associates. Where the actual future cash flows are less than expected, a material impairment loss may arise.

4. 重要會計判斷及估計（續）

應用會計政策、會計估計及假設時之重大判斷

可供出售金融資產之減值

本集團於釐定於可供出售金融資產之投資是否並非短暫減值時，乃依照香港會計準則第39號內之指引。此釐定過程需作出重大判斷。進行判斷時，本集團評估（其中包括）可供出售金融資產之公允價值低於其成本之持續時間及程度，以及本集團持有該項投資之預計年期。

其他應收款項之減值

本集團因債務人無力作出所需付款而產生之其他應收款項估計減值虧損。本集團根據其他應收款項結餘之賬齡、應收款項之信譽及過往撇銷經驗作出估計。倘應收款項之財務狀況惡化，則實際撇銷可能高於估計數字。

於聯營公司之權益之估計減值

於釐定有否出現減值虧損時，本集團考慮對聯營公司將產生之未來現金流量之估計。減值虧損之金額乃根據於聯營公司之權益之賬面金額與分估預期聯營公司將產生之估計未來現金流量之現值之差額計量。倘實際未來現金流量少於預期，則可能出現重大減值虧損。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Critical judgments in applying accounting policies, accounting estimates and assumptions (Continued)

Impairment of property, plant and equipment and other tangible assets

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the CGUs to which property, plant and equipment have been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value in use calculations which require the use of assumptions and estimates.

Determining whether other tangible assets are impaired requires an estimation of the fair value less cost to disposal to which other tangible assets have been allocated. The recoverable value calculation requires the Group to estimate the future cash flows expected to arise from the assets. Impairment loss has been made if the recoverable amounts of the other tangible assets were below their carrying amounts. Details of the recoverable amount calculations are disclosed in Note 17.

Fair value of conversion options embedded in convertible notes

Conversion options embedded in convertible notes represented the conversion option element of the convertible notes subscribed by the Group and are measured at fair value using the binomial option pricing model at initial recognition and at the end of each reporting period. The debt element of the convertible notes is classified as available-for-sale financial assets.

4. 重要會計判斷及估計 (續)

應用會計政策、會計估計及假設時之重大判斷 (續)

物業、廠房及設備以及其他有形資產之減值

於釐定物業、廠房及設備有否出現減值時，本集團需估計獲分配物業、廠房及設備之現金產生單位之使用價值。於計算使用價值時，本集團需估計現金產生單位預期產生之未來現金流量及適當之貼現率，藉此計算現值。本集團每年測試資產有否出現減值。資產或現金產生單位之可收回金額乃根據使用價值計算法釐定，當中需要作出假設及估計。

於釐定其他有形資產是否出現減值時，本集團需估計獲分配其他有形資產之現金產生單位之公允價值減出售成本。於計算可收回價值時，本集團需估計資產預期產生之未來現金流量。倘其他有形資產之可收回金額少於其賬面金額，則出現減值虧損。有關計算可收回金額之詳細資料載於附註17。

可換股票據內含之換股權之公允價值

可換股票據內含之換股權指本集團所認購可換股票據之換股權部份，於初步確認時及各呈報期末使用二項式期權定價模型按公允價值計量。可換股票據之債務部份則分類為可供出售金融資產。

4. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES (CONTINUED)

Critical judgments in applying accounting policies, accounting estimates and assumptions (Continued)

Income taxes

The Group is subject to income taxes. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of the business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Fair value of available-for-sale financial assets

The fair value of available-for-sale financial assets that are not traded in active market is determined by valuation techniques. Fair value of available-for-sale financial assets is determined by independent valuers with reference to the market value of underlying net assets. Valuation techniques that include inputs that are not based on observable market data and make assumptions that are primarily based on market conditions existing at the end of each reporting period. Note 19 provide detailed information about key assumptions used in the determination of the fair value.

Useful lives of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, as well as technical obsolescence arising from changes in the market demands. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

Going Concern

As disclosed in Note 2(b), the directors of the Company have prepared the consolidated financial statements on a going concern basis as per following reasons:

- (1) The Group will negotiate with the Petitioner for an amicable disposal of the Petition out of the court and negotiate with the Creditor for the settlement of the outstanding rental.
- (2) The Group will seek to obtain additional financing including but not limited to rights issue, open offer and placing of the new shares.
- (3) The Group will implement operation plans to control costs and generate adequate cash flows from the Group's operations.

4. 重要會計判斷及估計 (續)

應用會計政策、會計估計及假設時之重大判斷 (續)

所得稅

本集團須繳納所得稅。釐定所得稅撥備時須作出重大判斷。在日常業務過程中，大部份交易及計算之最終稅務決定均不明朗。本公司根據附加稅項會否到期之估計來確認預計稅項審核事宜之負債。倘此等事宜之最終稅務結果有別於首次錄得之金額，有關差額將對作出決定期間之所得稅及遞延稅項撥備構成影響。

可供出售金融資產之公允價值

並無於活躍市場買賣之可供出售金融資產之公允價值採用估值技巧釐定。可供出售金融資產之公允價值由獨立估值師參考相關淨資產市值釐定。估值技巧包括並非以可見市場數據為基礎之輸入數據，並主要根據各呈報期末當時之市場情況作出假設。有關用於釐定公允價值之主要假設之詳細資料載於附註19。

物業、廠房及設備之可使用年期

本集團根據香港會計準則第16號估計物業、廠房及設備之可使用年期，從而判斷所須記錄之折舊開支金額。於購置資產之時，根據過往經驗、資產之預期使用量、損耗程度，以及技術會否因市場需求變動而變成過時，估計其可使用年期。本集團亦於每年作出檢討，以判斷為資產可使用年期所作出之假設是否仍然有效。

持續經營

誠如附註2(b)所披露，本公司董事已按持續經營基準編製綜合財務報表，原因如下：

- (1) 本集團將與呈請人協商於庭外和解呈請並與債權人協商償付尚未償還租金。
- (2) 本集團將尋求額外融資，包括但不限於供股、公开发售及配售新股份。
- (3) 本集團將執行經營計劃以監控成本及從本集團經營中產生充足現金流量。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

(a) Categories of financial instruments

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale financial assets	可供出售金融資產	108,687	119,132
Conversion options embedded in convertible notes	可換股票據內含之換股權	7	747
Loans and receivables (including cash and cash equivalent)	貸款及應收款項 (包括現金及現金等值項目)	41,685	54,338
		150,379	174,217
Financial liabilities	金融負債		
At amortised cost	按攤銷成本	222,374	163,990

(b) Financial risk management objectives and policies

The Group's principal financial instruments comprise available-for-sale financial assets, conversion options embedded in convertible notes and loans and receivables. The main purpose of holding these financial instruments is to generate short-term appreciation gain and gain from trading of these financial instruments. The Group has other financial assets and liabilities such as other receivables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Board of Directors reviews and agrees policies for managing each of these risks and they are summarised below.

5. 金融工具及資本風險管理

(a) 金融工具類別

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale financial assets	可供出售金融資產	108,687	119,132
Conversion options embedded in convertible notes	可換股票據內含之換股權	7	747
Loans and receivables (including cash and cash equivalent)	貸款及應收款項 (包括現金及現金等值項目)	41,685	54,338
		150,379	174,217
Financial liabilities	金融負債		
At amortised cost	按攤銷成本	222,374	163,990

(b) 金融風險管理目標及政策

本集團之主要金融工具包括可供出售金融資產、可換股票據內含之換股權以及貸款及應收款項。持有該等金融工具之主要目的為產生短期升值收益及因買賣該等金融工具而獲利。本集團擁有直接由經營產生之其他金融資產及負債 (如其他應收款項)。

從本集團金融工具所產生之主要風險為市場風險 (包括外幣風險、利率風險及價格風險)、信貸風險及流動資金風險。董事會檢討及同意管理各項該等風險之政策, 有關政策概述如下。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and equity prices.

Market risk exposures are measured by sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured. Details of sensitivity analysis for foreign currency risk and interest rate risk are set out below.

Foreign currency risk

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group carries out its business mainly in Hong Kong and all of the transactions are denominated in HK\$. The Group's assets and liabilities are mainly denominated in HK\$, except certain bank balances are denominated in United States dollars ("US\$"). As Hong Kong dollar are pegged to US\$, it is assumed that there would be no material currency risk exposure between these two currencies. The Group does not have any formal hedging policies.

Interest rate risk

The Group's cash flow interest rate risk relates primarily to the Group's variable interest-bearing bank balances, short-term loans, obligations under finance leases and promissory notes. The exposure to cash flow interest rate risk is minimal. The Group did not enter into interest rate swap to hedge against its exposures.

The Group is exposed to fair value interest rate risk related to the Group's interest-bearing available-for-sale financial assets.

5. 金融工具及資本風險管理（續）

(b) 金融風險管理目標及政策（續）

市場風險

本集團業務主要承受外幣匯率、利率及股本價格變動之財務風險。

所承受之市場風險以敏感度分析計量。

本集團所面對之市場風險或管理及計量該等風險之方法概無改變。外幣風險及利率風險之敏感度分析詳情載列於下文。

外幣風險

外匯風險指金融工具之價值因匯率變動而波動之風險。本集團主要於香港從事業務，而所有交易均以港元計值。本集團之資產及負債主要是以港元計值，惟若干銀行結餘按美元計值。由於港元與美元掛鈎，故假設兩種貨幣之間並無重大貨幣風險。本集團並無任何正式對沖政策。

利率風險

本集團之現金流量利率風險主要與其浮息銀行結餘、短期貸款、融資租賃承擔及承兌票據有關。現金流量利率風險屬微不足道。本集團並無訂立利率調期交易，以對沖其風險。

本集團面對與本集團計息可供出售金融資產有關之公允價值利率風險。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to fair value interest rate risk at the reporting date:

If the fair value interest rate had been 50 basis points (2016: 50 basis point) higher or lower and all other variable held constant, the Group's:

- Available-for-sale financial assets equity reserve would increase or decrease by approximately HK\$102,000 (2016: HK\$91,000) as a result of the changes in fair value of available-for-sale financial assets.

The Group has no exposure to interest rate on financial liabilities except for the promissory notes.

Price risk

The Group is exposed to equity securities price risk because investments held by the Group are classified in the consolidated statement of financial position either as available-for-sale financial assets or as financial assets at FVTPL. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio.

5. 金融工具及資本風險管理（續）

(b) 金融風險管理目標及政策（續）

市場風險（續）

利率風險（續）

敏感度分析

以下敏感度分析乃依照於呈報日期面對之公允價值利率風險釐定：

倘公允價值利率上升或下跌50基點（二零一六年：50基點）而所有其他變數維持不變，本集團之：

- 可供出售金融資產權益儲備將增加或減少約102,000港元（二零一六年：91,000港元）。這是因為可供出售金融資產之公允價值變動所致。

本集團並無就金融負債（承兌票據除外）承受利率風險。

價格風險

由於本集團持有之投資於綜合財務狀況表內分類為可供出售金融資產或於損益表按公允價值列賬之金融資產，故本集團承受股本證券價格風險。本集團分散其投資組合，以管理其因投資於股本證券而產生之價格風險。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

Price risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risk at the reporting date:

If the equity prices had been 5% higher or lower:

- Loss before taxation for the years ended 31 December 2017 and 2016 would have no change. This is mainly due to no change in fair value of held for trading investments.
- Available-for-sale financial assets equity reserve would increase or decrease by approximately HK\$5,434,000 (2016: HK\$5,957,000). This is mainly due to change in fair value of available-for-sale financial assets.

The Group's sensitivity to price risk has increased during the year mainly due to the increase in investments in available-for-sale financial assets.

Credit risk

As at 31 December 2017 and 2016, the Group's maximum exposure to credit risk is bank balances and other receivables, arises from default of the counterparty.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. The Group and the Company also have credit policies in place and exposures to credit risks regards other receivables are mentioned on an ongoing basis.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Company does not have any other significant concentration of credit risk.

5. 金融工具及資本風險管理 (續)

(b) 金融風險管理目標及政策 (續)

市場風險 (續)

價格風險 (續)

敏感度分析

以下敏感度分析乃按呈報日期所面對之股本價格風險而釐定：

倘股本價格上升或下跌5%：

- 截至二零一七年及二零一六年十二月三十一日止年度之除稅前虧損並無變動。這主要因為持作買賣投資之公允價值並無出現變動所致。
- 可供出售金融資產權益儲備將增加或減少約5,434,000港元(二零一六年：5,957,000港元)。這主要因為可供出售金融資產之公允價值變動所致。

本集團之價格風險敏感度於年內增加，主要由於可供出售金融資產之投資增加所致。

信貸風險

於二零一七年及二零一六年十二月三十一日，本集團所面臨之最高信貸風險為銀行結餘及其他應收款項，乃因為交易對手違約所致。

由於交易對手均為獲國際信貸評級機構評為高信貸評級之銀行，故此流動資金之信貸風險有限。本集團及本公司亦訂有信貸政策，並持續監察涉及其他應收款項之信貸風險。

除因存入多間高信貸評級銀行而面臨流動資金信貸風險集中外，本公司之信貸風險並無任何其他重大集中情況。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The following tables detail the Group's remaining contractual maturity for its financial liabilities which are included in the maturity analysis provided internally to the key management personnel for the purpose of managing liquidity risk. For non-derivative liabilities, the tables reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

5. 金融工具及資本風險管理（續）

(b) 金融風險管理目標及政策（續）

流動資金風險

董事會負有管理流動資金風險之最終責任，並已建立適當之流動資金風險管理架構，以管理本集團之短期、中期及長期資金及流動資金管理要求。

下表詳列本集團就其金融負債之餘下合約期（已列入為管理流動資金風險而向主要管理人員內部提供之到期分析內）。就非衍生負債而言，有關列表反映根據本集團可被要求還款之最早日期計算之金融負債未貼現現金流量。有關列表包括利息及本金現金流量。

		Weighted average effective interest rate 加權平均 實際利率 %	Within	2 to	Over 5	Total	Total
			1 year	5 years	years	undiscounted	carrying
			一年內	兩年至五年	超過五年	未貼現總額	總賬面金額
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元	千港元
2017	二零一七年						
Non-derivative financial liabilities	非衍生金融負債						
Accrued charges and other payables	應付開支及其他應付款項	-	62,610	-	-	62,610	62,610
Short-term loans	短期貸款	12	6,833	-	-	6,833	6,833
Obligations under finance leases	融資租賃承擔	2.36	619	1,081	-	1,700	1,582
Promissory notes	承兌票據	5.35	-	185,000	-	185,000	109,310
			70,062	186,081	-	256,143	180,335

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

		Weighted average effective interest rate 加權平均 實際利率 %	Within	2 to	Over 5	Total	Total
			1 year	5 years	years	undiscounted amount	carrying amount
			一年內	兩年至五年	超過五年	未貼現總額	總賬面金額
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元	千港元
2016	二零一六年						
Non-derivative financial liabilities	非衍生金融負債						
Accrued charges and other payables	應付開支及其他應付款項	-	55,011	-	-	55,011	55,011
Promissory notes	承兌票據	5.35	-	175,000	-	175,000	108,979
			55,011	175,000	-	230,011	163,990

(c) Fair value estimation

The fair value of financial assets and financial liabilities are determined as follows:

- (i) the fair value of financial assets and financial liabilities (including derivative instruments) with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices and ask prices respectively; and
- (iii) the fair value of other financial assets and financial liabilities (including derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices or rates from observable current market transactions as input. For an option-based derivative, the fair value is estimated using option pricing model (for example, the binomial option pricing model).

5. 金融工具及資本風險管理 (續)

(b) 金融風險管理目標及政策 (續)

流動資金風險 (續)

(c) 公允價值估計

金融資產及金融負債之公允價值乃以下列方式釐定：

- (i) 受標準條款及條件規管並於活躍流動市場買賣之金融資產及金融負債 (包括衍生工具) 之公允價值，分別參考市場所報之買入價及賣出價而釐定；及
- (ii) 其他金融資產及金融負債 (包括衍生工具) 之公允價值，則根據公認定價模型按貼現現金流量分析使用可供對照之現有市場交易之價格或比率作為輸入數據而釐定。就以期權為基礎之衍生工具而言，公允價值乃以期權定價模型 (如二項式期權定價模型) 估計。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair values except for the promissory notes.

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5. 金融工具及資本風險管理（續）

(c) 公允價值估計（續）

本公司董事認為，除承兌票據外，於綜合財務報表內列賬之金融資產及金融負債之賬面金額與其公允價值相若。

於綜合財務狀況表確認之公允價值計量

下表提供於初步確認後按公允價值計量之金融工具分析，其按公允價值可觀察程度分為1至3級：

- 第1級公允價值計量乃自相同資產或負債於活躍市場所報未調整價格得出；
- 第2級公允價值計量乃除第1級計入之報價外，自資產或負債可直接（即價格）或間接（即自價格衍生）可觀察輸入數據得出；及
- 第3級公允價值計量乃自計入並非根據可觀察市場數據（無法觀察輸入數據）之資產或負債數據之估值方法得出。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理 (續)

(c) Fair value estimation (Continued)

(c) 公允價值估計 (續)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

於綜合財務狀況表確認之公允價值計量 (續)

2017 二零一七年		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Financial assets	金融資產				
Conversion options embedded in convertible notes	可換股票據內含之換股權	-	-	7	7
Available-for-sale financial assets	可供出售金融資產				
Unlisted debt securities	非上市債務證券	-	-	20,487	20,487
Unlisted equity securities	非上市股本證券	-	-	88,200	88,200
		-	-	108,694	108,694
2016 二零一六年		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Financial assets	金融資產				
Conversion options embedded in convertible notes	可換股票據內含之換股權	-	-	747	747
Available-for-sale financial assets	可供出售金融資產				
Unlisted debt securities	非上市債務證券	-	-	18,132	18,132
Unlisted equity securities	非上市股本證券	-	-	101,000	101,000
		-	-	119,879	119,879

During the reporting period, there were no transfer of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3.

於呈報期內，第1級與第2級之間並無轉撥公允價值計量，且概無轉入或轉出第3級。

Notes to 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

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

Reconciliation of Level 3 fair value measurements of financial assets

		Unlisted equity securities 非上市股本證券 HK\$'000 千港元	Unlisted debt securities 非上市債務證券 HK\$'000 千港元	Conversion options embedded in convertible notes 可換股票據內含之換股權 HK\$'000 千港元	Total 合計 HK\$'000 千港元
2017 二零一七年					
Opening balance	年初結餘	101,000	18,132	747	119,879
Gains or losses recognised in:	於下列項目確認之收益或虧損:				
– profit or loss	– 損益	(13,868)	1,691	(740)	(12,917)
– other comprehensive loss	– 其他全面虧損	1,068	664	–	1,732
Closing balance	年終結餘	88,200	20,487	7	108,694
2016 二零一六年					
Opening balance	年初結餘	59,344	17,004	1,039	77,387
Gains or losses recognised in:	於下列項目確認之收益或虧損:				
– profit or loss	– 損益	(18,388)	1,448	(292)	(17,232)
– other comprehensive loss	– 其他全面虧損	(3,852)	(320)	–	(4,172)
Purchases	購買	63,896	–	–	63,896
Closing balance	年終結餘	101,000	18,132	747	119,879

5. 金融工具及資本風險管理 (續)

(c) 公允價值估計 (續)

金融資產第3級公允價值計量之對賬

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

The gains or losses included in the consolidated statement of profit or loss and other comprehensive income for the years mainly related to recognition of interest income, change in fair value of conversion options embedded in convertible notes, disposal and impairment loss of available-for-sale financial assets.

The gains and losses included in other comprehensive income for the current year related to the fair value change in unlisted equity securities and unlisted debt securities held at the end of the reporting period and are reported as changes of "available-for-sale financial assets equity reserve".

5. 金融工具及資本風險管理 (續)

(c) 公允價值估計 (續)

金融資產第3級公允價值計量之對賬 (續)

計入有關年度綜合損益及其他全面收益表之收益或虧損乃主要有關確認利息收入、可換股票據內含之換股權之公允價值變動、出售可供出售金融資產及其減值虧損。

計入本年度其他全面收益之收益及虧損乃與於呈報期末所持非上市股本證券及非上市債務證券之公允價值變動有關，而該等變動已於「可供出售金融資產權益儲備」之變動中呈報。

Notes to 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

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at 於下列日期之公允價值		Fair value hierarchy	Valuation techniques and key inputs 估值技巧及 主要輸入數據	Significant unobservable inputs
	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			
1) Conversion options embedded in convertible notes classified as financial assets at FVTPL (Note 20)	Conversion options embedded in convertible notes issued by Premium Castle Limited (Note (vi)) – HK\$7,000	Conversion options embedded in convertible notes issued by Premium Castle Limited (Note (vi)) – HK\$747,000	Level 3	Binomial option pricing model (Note (x))	The expected share price volatility is 35.00% (2016: 65.00%) with reference to 1.15-year (2016: 2.15-year) historical weekly volatilities of comparable companies, a risk-free rate of 0.86% and a risky rate of 9.37% (2016: a risk-free rate of 1.09% and a risky rate of 10.80%). The fair value measurement is positively correlated to the credit spread. As at 31 December 2017, the credit spread used in the valuation is 8.51% (2016: 9.71%), and it is estimated that with all other variables held constant, an increase/decrease of 10% in the credit spread would increase/ decrease the fair value of the option by approximately HK\$200/ HK\$300 (2016: HK\$16,000/HK\$17,000).
1) 分類為於損益表按公允價值列賬之金融資產之可換股票據內含之換股權 (附註20)	由Premium Castle Limited發行之可換股票據內含之換股權 (附註(vi)) – 7,000港元	由Premium Castle Limited發行之可換股票據內含之換股權 (附註(vi)) – 747,000港元	第3級	二項式期權定價模型 (附註(x))	預期股價波幅為35.00% (二零一六年: 65.00%)，乃參照可資比較公司之1.15年 (二零一六年: 2.15年) 過往每週波幅、無風險利率0.86%及具風險利率9.37% (二零一六年: 無風險利率1.09%及具風險利率10.80%)。 公允價值計量與信用息差有正面關聯。於二零一七年十二月三十一日，估值所用信用息差為8.51% (二零一六年: 9.71%)，估計所有其他變數維持不變，信用息差增加/減少10%會導致購股權公允價值增加/減少約200港元/300港元 (二零一六年: 16,000港元/17,000港元)。

5. 金融工具及資本風險管理 (續)

(c) 公允價值估計 (續)

金融資產第3級公允價值計量之對賬 (續)

本集團部份金融資產及金融負債於各呈報期末按公允價值計量。下表提供如何釐定該等金融資產及金融負債公允價值 (特別是所用之估值技巧及輸入數據) 之資料。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理（續）

(c) Fair value estimation (Continued)

(c) 公允價值估計（續）

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

金融資產第3級公允價值計量之對賬（續）

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	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			
2) Unlisted equity securities classified as available-for-sale financial assets (Note 19)	0.49% equity investment in Co-Lead Holdings Limited (Note (i)) – HK\$13,700,000	0.72% equity investment in Co-Lead Holdings Limited (Note (i)) – HK\$15,500,000	Level 3	Market approach (Note (viii))	The price to book ratio of the comparable companies are considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date. Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35.00% as at 31 December 2017 (2016: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$1,100,000/HK\$1,000,000 (2016: HK\$1,200,000).
2) 分類為可供出售金融資產之非上市股本證券（附註19）	於Co-Lead Holdings Limited之0.49%股本投資（附註(i)）– 13,700,000港元	於Co-Lead Holdings Limited之0.72%股本投資（附註(i)）– 15,500,000港元	第3級	市場法（附註(viii)）	估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一七年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35.00%（二零一六年：35.00%）。如折讓率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約1,100,000港元/1,000,000港元（二零一六年：1,200,000港元）。
	3.35% equity investment in Freepoint Holdings Limited (Note (ii)) – HK\$15,400,000	5.06% equity investment in Freepoint Holdings Limited (Note (ii)) – HK\$20,700,000	Level 3	Market approach (Note (viii))	The price to book ratio of the comparable companies is considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date. Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35.00% as at 31 December 2017 (2016: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$1,100,000/HK\$1,200,000 (2016: HK\$1,600,000).
	於Freepoint Holdings Limited之3.35%股本投資（附註(ii)）– 15,400,000港元	於Freepoint Holdings Limited之5.06%股本投資（附註(ii)）– 20,700,000港元	第3級	市場法（附註(viii)）	估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一七年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35.00%（二零一六年：35.00%）。如折讓率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約1,100,000港元/1,200,000港元（二零一六年：1,600,000港元）。

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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

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及 主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	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			
	0.59% equity investment in Freewill Holdings Limited (Note (iii)) - HK\$1,840,000	0.54% equity investment in Freewill Holdings Limited (Note (iii)) - HK\$12,500,000	Level 3	Market approach (Note (viii))	The price to book ratio of the comparable companies is considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date.
	於Freewill Holdings Limited之 0.59%股本投資(附註(iii)) - 1,840,000港元	於Freewill Holdings Limited之 0.54%股本投資 (附註(iii)) - 12,500,000港元	第3級	市場法(附註(viii))	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35.00% as at 31 December 2017 (2016: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$140,000 (2016: HK\$1,000,000). 估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一七年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35.00%（二零一六年：35.00%）。如折讓率上升/下降5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約140,000港元（二零一六年：1,000,000港元）。
	0.88% equity investment in Joint Global Limited (Note (iv)) - HK\$700,000	0.78% equity investment in Joint Global Limited (Note (iv)) - HK\$1,100,000	Level 3	Market approach (Note (viii))	The price to book ratio of the comparable companies is considered in the valuation to reflect the condition that there are premium or discount on its stock price and its book value as at valuation date.
	於Joint Global Limited之0.88% 股本投資(附註(iv)) - 700,000 港元	於Joint Global Limited之0.78% 股本投資(附註(iv)) - 1,100,000港元	第3級	市場法(附註(viii))	Discount for lack of marketability, determined by reference to the share price of listed entities in similar industries at 35.00% as at 31 December 2017 (2016: 35.00%). If the discount rate was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would decrease/increase by approximately HK\$100,000/HK\$Nil (2016: HK\$100,000). 估值考慮可資比較公司之市賬率，以反映於估值日期較其股價及賬面值有所溢價或折讓之情況。 於二零一七年十二月三十一日，參照類似行業上市實體之股價釐定缺乏市場流通性之折讓為35.00%（二零一六年：35.00%）。如折讓率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將減少/增加約100,000港元/零港元（二零一六年：100,000港元）。

5. 金融工具及資本風險管理（續）

(c) 公允價值估計（續）

金融資產第3級公允價值計量之對賬（續）

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理 (續)

(c) Fair value estimation (Continued)

(c) 公允價值估計 (續)

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

金融資產第3級公允價值計量之對賬 (續)

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及 主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	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			
	8% equity investment in Smart Role Limited (Note (v)) - HK\$56,560,000;	8% equity investment in Smart Role Limited (Note (v)) - HK\$51,200,000;	Level 3	Comparable sales approach (Note (ix))	Prices for each species were taken from on-site research and interview, official construction cost journals, local practitioners, and forestry products industry information in the PPC from various websites in the public domains. No allowances for transportation was considered as these costs are normally paid by the buyer. However, the referenced prices adopted are after allowance for the uprooting and loading. If the prices parameters was 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would increase/decrease by approximately RMB35,000,000/ RMB35,000,000 (2016: RMB34,000,000/RMB35,000,000).
	於Smart Role Limited之8%股本投資(附註(v)) - 56,560,000港元;	於Smart Role Limited之8%股本(附註(v)) - 51,200,000港元;	第3級	可資比較銷售法(附註(ix))	Reasonable recovery rates were applied to allow for losses before and during harvesting for each species at the representation of the appointed personnel of the Group's management. If the recovery rates were 5% higher/lower while all other variables were held constant, the carrying amount of unlisted equity securities would increase/ decrease by approximately RMB4,300,000/ RMB4,300,000 (2016: RMB42,000,000/ RMB43,000,000).
					各樹木品種之價錢乃取自實地調查及訪問、官方建設成本日誌、地方業內人士以及不同公開網站之中國林產品行業資料。由於運輸費用一般由買方支付，故並無考慮有關費用。然而，所採用之參考價已扣除連根拔起及裝貨費用。如價格參數上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將增加/減少約人民幣35,000,000元/人民幣35,000,000元(二零一六年：人民幣34,000,000元/人民幣35,000,000元)。
					作為獲本集團管理層委任之代表，有關方面已應用合理收回率，以考慮採收各樹木品種於收成期之前及期間之損失。如收回率上升/下跌5%，而所有其他變數維持不變，則非上市股本證券之賬面金額將增加/減少約人民幣43,000,000元/人民幣43,000,000元(二零一六年：人民幣42,000,000元/人民幣43,000,000元)。

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5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

5. 金融工具及資本風險管理 (續)

(c) Fair value estimation (Continued)

(c) 公允價值估計 (續)

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

金融資產第3級公允價值計量之對賬 (續)

Financial assets 金融資產	Fair value as at 於下列日期之公允價值		Fair value hierarchy 公允價值等級	Valuation techniques and key inputs 估值技巧及主要輸入數據	Significant unobservable inputs 重大不可觀察輸入數據
	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			
3) Unlisted debt securities classified as available-for-sale financial assets (Note 19)	Convertible notes issued by Premium Castle Limited (Note (vi)) - HK\$18,457,000	Convertible notes issued by Premium Castle Limited (Note (vi)) - HK\$16,412,000	Level 3	Amortised cost model (Note (xi))	Risk-free rate 0.86%, a risky rate of 9.37% and a coupon rate of 2.00% (2016: risk-free rate of 1.09%, a risky rate of 10.80% and a coupon rate of 2.00%). The fair value measurement is negatively correlated to the credit spread. As at 31 December 2017, the credit spread used in the valuation is 8.51% (2016: 9.71%), and it is estimated that with all other variables held constant, an increase/decrease of 10% in the credit spread would decrease/increase the fair value of the convertible notes as a whole by approximately HK\$164,000/HK\$166,000 (2016: HK\$305,000/HK\$314,000).
3) 分類為為可供出售金融資產之非上市債務證券 (附註19)	由Premium Castle Limited發行之可換股票據 (附註(vi)) -18,457,000港元	由Premium Castle Limited發行之可換股票據 (附註(vi)) -16,412,000港元	第3級	攤銷成本模型 (附註(xi))	無風險利率0.86%、具風險利率9.37%及票息率2.00% (二零一六年: 無風險利率1.09%、具風險利率10.80%及票息率2.00%)。 公允價值計量與信用息差呈負相關關係。於二零一七年十二月三十一日, 估值所用信用息差為8.51% (二零一六年: 9.71%)。估計所有其他變數維持不變, 信用息差增加/減少10%會導致可換股票據整體公允價值減少/增加約164,000港元/166,000港元 (二零一六年: 305,000港元/314,000港元)。
	Debenture issued by the American Club (Note (viii)) - HK\$2,030,000	Debenture issued by the American Club (Note (viii)) - HK\$1,720,000	Level 3	Market approach (Note (viii))	Market comparable ranges from HK\$1.95 million to HK\$2.1 million (2016: HK\$1.7 million to HK\$1.8 million) and the individual factors considered are the second hand quotation price of American Club Corporate (Full) Membership in Hong Kong.
	由American Club發行之債權證 (附註(vii)) - 2,030,000港元	由American Club發行之債權證 (附註(vii)) -1,720,000港元	第3級	市場法 (附註(vii))	市場比較範圍介乎1,950,000港元至2,100,000港元 (二零一六年: 1,700,000港元至1,800,000港元), 而所考慮個別因素為香港American Club公司 (完整) 會籍之二手報價。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

Notes:

- (i) Co-Lead Holdings Limited is an exempted company incorporated in the British Virgin Islands with limited liability on 22 January 2014, which is principally engaged in investment holding.
- (ii) Freeopt Holdings Limited is an exempted company incorporated in the Republic of the Marshall Islands with limited liability on 22 December 2015, which is principally engaged in investment holding.
- (iii) Freewill Holdings Limited is an exempted company incorporated in the Republic of the Marshall Islands with limited liability on 16 June 2014, which is principally engaged in investment holding.
- (iv) Joint Global Limited is an exempted company incorporated in the Republic of the Marshall Islands with limited liability on 14 September 2015, which is principally engaged in investment holding.
- (v) Smart Role Limited is an exempted company incorporated in the British Virgin Islands with limited liability on 7 November 2013, which is principally engaged in investment holding.
- (vi) On 24 December 2013, the Company subscribed a new convertible note issued by Premium Castle Limited with principal amount of HK\$18,600,000. The completion of the subscription took place on 25 February 2014.
- (vii) On 23 March 2015, the Company subscribed a debenture issued by the American Club with consideration of HK\$1,800,000. The completion of subscription took place on 1 June 2015.
- (viii) The market approach determines the fair value of the assets by reference to the transaction prices, or valuation multiples implicit in the transactions prices, of identical or similar assets on the market.

5. 金融工具及資本風險管理 (續)

(c) 公允價值估計 (續)

金融資產第3級公允價值計量之對賬 (續)

附註：

- (i) Co-Lead Holdings Limited為於二零一四年一月二十二日在英屬處女群島註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (ii) Freeopt Holdings Limited為於二零一五年十二月二十二日在馬紹爾群島共和國註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (iii) Freewill Holdings Limited為於二零一四年六月十六日在馬紹爾群島共和國註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (iv) Joint Global Limited為於二零一五年九月十四日在馬紹爾群島共和國註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (v) Smart Role Limited為於二零一三年十一月七日在英屬處女群島註冊成立之獲豁免有限公司，主要從事投資控股業務。
- (vi) 於二零一三年十二月二十四日，本公司認購由Premium Castle Limited所發行本金額為18,600,000港元之新可換股票據。認購已於二零一四年二月二十五日完成。
- (vii) 於二零一五年三月二十三日，本公司認購由American Club發行之債權證，代價為1,800,000港元。認購已於二零一五年六月一日完成。
- (viii) 市場法參照市場上相同或類似資產之成交價或成交價隱含之估值倍數釐定資產之公允價值。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(c) Fair value estimation (Continued)

Reconciliation of Level 3 fair value measurements of financial assets (Continued)

Notes: (Continued)

- (ix) Comparable sales approach is the present market value in terms of price per unit volume of the final product and the total merchantable volume of each species in the concession as basis for coming up with the estimated value. The underlying theory of this approach is existing market price is dependent parameter since it reflects how much the buyer is willing to pay and how much the seller is willing to receive to give up his goods and services.
- (x) Binomial option pricing model determines the fair value of the assets by adopting discrete time, non-closed form model of varying price over time of the underlying instruments.
- (xi) Amortised cost model is the amount at which the financial asset is measured at initial recognition minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment on uncollectibility.

(d) Capital risk management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2016.

The capital structure of the Group mainly consists of net debt, which include short-term loans, obligations under finance leases and promissory notes and interest-bearing other payables. It finances its operation primary through equity attributable to owners of the Company, comprising share capital, share premium, share option reserve, available-for-sale financial assets equity reserve, exchange reserve and accumulated losses.

5. 金融工具及資本風險管理 (續)

(c) 公允價值估計 (續)

金融資產第3級公允價值計量之對賬 (續)

附註：(續)

- (ix) 可資比較銷售法為以各樹木品種最終產品之現行市值(按每單位數量價格計算)及林場內可銷售林木總量為基準,計算有關估計價值。此方法之基本理論為現行市價為依據參數,因其反映買方願意付出之價格及賣方就售出貨物及提供服務而願意收取之價格。
- (x) 二項式期權定價模型採用離散時間(相關工具價格隨時間而有所不同之非閉合式模型)釐定資產之公允價值。
- (xi) 攤銷成本模型為於初步確認時計量金融資產之金額減本金還款,另加入或減去就初步金額與到期金額之任何差額以實際利息法計算之累計攤銷,再減去就不可收回性作出之減值之任何扣減。

(d) 資本風險管理

本集團管理其資本,以確保本集團能夠繼續持續經營,並同時透過優化債務及權益之結餘,令各權益關涉方獲得最高回報。本集團之整體策略與二零一六年比較並無變動。

本集團之資本架構主要包括債務淨額(包括短期貸款、融資租賃承擔、承兌票據及計息其他應付款項)。本集團主要通過本公司擁有人應佔權益(包括股本、股份溢價、購股權儲備、可供出售金融資產權益儲備、匯兌儲備及累積虧損)為其經營撥付資金。

5. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (CONTINUED)

(d) Capital risk management (Continued)

Gearing ratio

The Group has adopted a higher finance leverage compared to the last year. Based on the Group's policy, the gearing ratio, as calculated as total debt divided by total equity at the end of the reporting period was as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Debt (Note (i))	債務 (附註(i))	158,435	138,851
Equity (Note (ii))	權益 (附註(ii))	(47,443)	43,747
Gearing ratio	資本負債比率	N/A 不適用	317.4%

Notes:

- (i) Debt comprises short-term loans, obligations under finance leases, promissory notes and interest-bearing other payables.
- (ii) Equity includes all capital and reserves attributable to owners of the Company.

附註:

- (i) 債務包括短期貸款、融資租賃承擔、承兌票據及其他計息應付款項。
- (ii) 權益包括本公司擁有人應佔之所有資本及儲備。

6. SEGMENT INFORMATION

The Group manages its business by both business lines and geography. In a manner consistent with the way in which information is reported internally to the Board of Directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance, the Group has presented its reportable segments under HKFRS 8 as follows:

Business segment

The Group operates one segment for both years ended 31 December 2017 and 2016. All of the Group's revenue was derived from investment income from investments in listed and unlisted securities. Accordingly, the Group does not have separately reportable segment.

6. 分類資料

本集團按照業務線及地區管理其業務。呈列方式與提供予董事會（即主要經營決策者）作分配資源及評估分類表現之內部報告一致。本集團根據香港財務報告準則第8號所呈列之可呈報分類如下：

業務分類

截至二零一七年及二零一六年十二月三十一日止兩個年度內，本集團經營一項分類。本集團之收益全部來自投資上市證券及非上市證券之投資收入。故此，本集團並無個別可呈報分類。

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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. SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group's operations are located in Hong Kong. The following table provides an analysis of the Group's revenue by geographical market:

		Revenue by geographical market 按地區市場劃分之收益	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	2,915	1,785

The following is an analysis of the carrying amount of non-current assets (excluding available-for-sale financial assets and conversion options embedded in convertible notes) analysed by the geographical area in which the assets are located:

		Carrying amount of non-current assets 非流動資產之賬面金額	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	24,015	33,101

No single customer of the Group contributed 10% or more to the Group's revenue for both years.

6. 分類資料 (續)

地區資料

本集團之業務位於香港。下表提供本集團按地區市場劃分之收益分析：

		Revenue by geographical market 按地區市場劃分之收益	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	2,915	1,785

按資產所在地區劃分之非流動資產(不包括可供出售金融資產及可換股票據內含之換股權)賬面金額分析如下：

		Carrying amount of non-current assets 非流動資產之賬面金額	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Hong Kong	香港	24,015	33,101

本集團於兩個年度內概無單一客戶之貢獻佔本集團收益10%或以上。

7. REVENUE

The amount of significant category of revenue recognised during the year is as follow:

7. 收益

於年內已確認主要類別收益金額如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net gain/(loss) on financial assets at FVTPL (Note)	於損益表按公允價值列賬之金融 資產之收益／(虧損)淨額 (附註)	575	(200)
Bank interest income	銀行利息收入	30	20
Interest income from available-for-sale financial assets	可供出售金融資產之利息收入	2,064	1,820
Dividend income	股息收入	246	-
Interest income from a promissory note	承兌票據之利息收入	-	145
		2,915	1,785

Note:

Net gain/(loss) on financial assets at FVTPL represented:

附註：

於損益表按公允價值列賬之金融資產之收益／(虧損)淨額指：

		Equity securities 股本證券	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Proceeds on sales	銷售所得款項	13,365	7,459
Less: Cost of sales	減：銷售成本	(12,790)	(7,659)
Net realised gain/(loss) on financial assets at FVTPL	於損益表按公允價值列賬之 金融資產之已變現 收益／(虧損)淨額	575	(200)

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8. OTHER INCOME

8. 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Waiver of payment of consultancy fee	豁免諮詢費付款	3,313	–
Sundry income	雜項收入	1,211	600
Net exchange gain	匯兌收益淨額	1	6
		4,525	606

9. FINANCE COSTS

9. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest expenses on promissory notes	承兌票據之利息開支	5,829	9,986
Interest expenses on other payables	其他應付款項之利息開支	9,338	–
Interest expenses on short-term loans	短期貸款之利息開支	163	1,934
Interest expenses on obligations under finance leases	融資租賃承擔之利息開支	78	–
Interest expenses on securities trading	證券買賣之利息開支	7	2
		15,415	11,922

10. TAXATION

10. 稅項

Current taxation

No provision for Hong Kong Profits Tax has been made as the Group had no estimated assessable profits for the year ended 31 December 2017 (2016: Nil).

即期稅項

由於本集團於截至二零一七年十二月三十一日止年度並無估計應課稅溢利，故並無就香港利得稅作出撥備（二零一六年：無）。

10. TAXATION (CONTINUED)**Current taxation (Continued)**

The income tax expense for the year can be reconciled to loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 稅項 (續)**即期稅項 (續)**

年內所得稅開支與綜合損益及其他全面收益表之除稅前虧損對賬如下：

		2017		2016	
		二零一七年		二零一六年	
		HK\$'000	%	HK\$'000	%
		千港元	%	千港元	%
Loss before taxation	除稅前虧損	(123,593)		(114,413)	
Tax at Hong Kong Profits Tax rate of 16.5% (2016: 16.5%)	按香港利得稅稅率16.5% (二零一六年: 16.5%) 計算之稅項	(20,393)	(16.5)	(18,878)	(16.5)
Estimated tax effect on income that are not taxable in determining taxable profit	釐定應課稅溢利時毋須課稅收入之估計稅務影響	(386)	(0.3)	(329)	(0.3)
Estimated tax effect on expenses that are not deductible in determining taxable profit	釐定應課稅溢利時不可扣稅開支之估計稅務影響	12,327	10.0	9,304	8.1
Estimated tax effect of temporary difference	暫時差額之估計稅務影響	(392)	(0.3)	(300)	(0.2)
Estimated tax effect of unrecognised tax losses	未確認稅項虧損之估計稅務影響	8,844	7.1	10,203	8.9
Income tax expense for the year	年內所得稅開支	-	-	-	-

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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

11. LOSS FOR THE YEAR

11. 年內虧損

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss for the year has been arrived after charging:	年內虧損乃經扣除下列各項達致：		
Auditors' remuneration	核數師酬金		
– Audit services	– 審核服務	350	350
– Non-audit services	– 非審核服務	150	–
Directors' and chief executive officers' emoluments (Note 12)	董事及行政總裁酬金 (附註12)	5,560	5,760
Total staff costs, excluding directors' emoluments	總員工成本 (不包括董事酬金)	15,253	15,923
Depreciation of property, plant and equipment	物業、廠房及設備折舊	11,110	11,243
Legal and professional fee	法律及專業費用	1,221	1,296
Operating lease rental in respect of land and building	土地及樓宇之經營租賃租金	12,231	12,115
Impairment loss of available-for-sale financial assets	可供出售金融資產之減值虧損	13,868	18,388
Impairment loss of other tangible assets	其他有形資產之減值虧損	1,007	86
Impairment loss of other receivables	其他應收款項之減值虧損	40,800	–

12. DIRECTORS' AND CHIEF EXECUTIVE OFFICERS' EMOLUMENTS

The emoluments paid or payable to each of the eight (2016: eight) directors and the chief executive officers for the years ended 31 December 2017 and 2016 were as follows:

2017

Name of Director/Chief Executive Officer	Fee	Salary	Other benefits	Contribution to pension scheme	Total
董事/行政總裁姓名	袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	其他福利 HK\$'000 千港元	退休金 計劃供款 HK\$'000 千港元	合計 HK\$'000 千港元
Executive Directors					
Mr. Wong Danny F. (Chairman)	-	1,500	1,680	18	3,198
Mr. Wu Tse Wai, Frederick	-	378	-	-	378
Mr. Fong Chi Wah	-	277	-	14	291
Non-executive Directors					
Mr. Gao Chengming (Note (i))	-	98	-	-	98
Mr. Lau Chi Lung, Johnny (Note (ii))	-	98	-	-	98
Independent Non-executive Directors					
Mr. Char Shik Ngor, Stephen	-	189	-	-	189
Mr. Liu Jin	-	189	-	-	189
Mr. Law Tze Lun	-	189	-	-	189
Chief Executive Officer					
Mr. Feng Wen (Note (iii))	-	930	-	-	930
	-	3,848	1,680	32	5,560

二零一七年

截至二零一七年及二零一六年十二月三十一日止年度已付或應付八名(二零一六年:八名)董事及行政總裁之酬金列載如下:

2016

Name of Director/Chief Executive Officer	Fee	Salary	Other benefits	Contribution to pension scheme	Total
董事/行政總裁姓名	袍金 HK\$'000 千港元	薪金 HK\$'000 千港元	其他福利 HK\$'000 千港元	退休金 計劃供款 HK\$'000 千港元	合計 HK\$'000 千港元
Executive Directors					
Mr. Wong Danny F. (Chairman)	-	1,500	1,680	18	3,198
Mr. Wu Tse Wai, Frederick	-	378	-	-	378
Mr. Fong Chi Wah	-	277	-	14	291
Non-executive Directors					
Mr. Gao Chengming (Note (i))	-	195	-	-	195
Mr. Lau Chi Lung, Johnny (Note (ii))	-	195	-	-	195
Independent Non-executive Directors					
Mr. Char Shik Ngor, Stephen	-	189	-	-	189
Mr. Liu Jin	-	189	-	-	189
Mr. Law Tze Lun	-	189	-	-	189
Chief Executive Officer					
Mr. Feng Wen (Note (iii))	-	936	-	-	936
	-	4,048	1,680	32	5,760

二零一六年

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12. DIRECTORS' AND CHIEF EXECUTIVE OFFICERS' EMOLUMENTS (CONTINUED)

Notes:

- (i) Mr. Gao Chengming appointed on 4 March 2015 and resigned on 30 June 2017.
- (ii) Mr. Lau Chi Lung, Johnny appointed on 17 March 2015 and resigned on 30 June 2017.
- (iii) Mr. Feng Wen appointed as the CEO on 21 March 2016.

During the years ended 31 December 2017 and 2016, there was no arrangement under which a director or CEO waived or agreed to waive any emoluments.

For both years ended 31 December 2017 and 2016, no emoluments were paid by the Group to the directors or CEO as an inducement to join, or upon joining the Group, or as compensation for loss of office.

The number of the directors and CEO fell within the following bands:

12. 董事及行政總裁酬金 (續)

附註:

- (i) 高城銘先生於二零一五年三月四日獲委任，並於二零一七年六月三十日辭任。
- (ii) 劉嗣龍先生於二零一五年三月十七日獲委任，並於二零一七年六月三十日辭任。
- (iii) 馮文先生於二零一六年三月二十一日獲委任為行政總裁。

於截至二零一七年及二零一六年十二月三十一日止年度，概無董事或行政總裁放棄或同意放棄任何酬金之安排。

截至二零一七年及二零一六年十二月三十一日止年度，本集團概無向董事或行政總裁支付酬金作為加入本集團之獎勵或離職補償。

董事及行政總裁之酬金組別如下：

		Number of directors and CEO 董事及行政總裁人數	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	8	8
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	-
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	-
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	-	-
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	-	-
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	1	1
		9	9

13. SENIOR MANAGEMENT'S EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

(a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included one executive director (2016: one) whose emoluments were reflected in the analysis presented in Note 12 to the consolidated financial statements. The emoluments of the remaining four individuals (2016: four) were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	5,530	5,677
Contribution to pension scheme	退休金計劃供款	36	36
		5,566	5,713

The emoluments of the four individuals (2016: four), included four individuals (2016: four) of senior management, with the highest emoluments are within the following band:

		Number of individuals 人數	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	-
		4	4

13. 高級管理人員酬金及最高薪人士

(a) 五位最高薪人士

本集團年內五位最高薪人士中，包括一名（二零一六年：一名）執行董事，其酬金已於綜合財務報表附註12所呈列之分析中反映。其餘四名（二零一六年：四名）人士之酬金如下：

四名（二零一六年：四名）最高薪人士（包括四名（二零一六年：四名）高級管理人員）之酬金組別如下：

13. SENIOR MANAGEMENT'S EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (CONTINUED)

(b) Senior management of the Company

The emoluments of the senior management of the Company are within the following band:

		Number of individuals 人數	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	–	2
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	–
		4	4

During the year, no bonus was paid to the five highest paid individuals of the Group (2016: Nil). No emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join, or upon joining the Group, or as a compensation for loss of office (2016: Nil).

14. DIVIDENDS

The directors of the Company do not recommend the payment of a dividend in respect of both years ended 31 December 2017 and 2016.

13. 高級管理人員酬金及最高薪人士 (續)

(b) 本公司之高級管理人員

本公司高級管理人員之酬金組別如下：

年內，概無向本集團五位最高薪人士支付花紅（二零一六年：無）。本集團概無向五位最高薪人士支付酬金作為加入本集團之獎勵或離職補償（二零一六年：無）。

14. 股息

本公司董事不建議派付截至二零一七年及二零一六年十二月三十一日止兩個年度之股息。

15. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss			
虧損			
Loss for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損時採用之虧損	(123,593)	(114,413)
		2017 二零一七年 '000 千股	2016 二零一六年 '000 千股 (restated) (經重列)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	計算每股基本及攤薄虧損時採用之普通股加權平均數	2,545,238	2,168,932

The weighted average of ordinary shares for the purpose of calculating basic loss per share for the year ended 31 December 2017 have been adjusted for the effects of both placing and rights issue completed on 10 January 2017, 7 March 2017 and 2 January 2018 respectively (2016: adjusted for the effect of placing completed on 26 January 2016, 18 July 2016 and 22 December 2016 respectively). The rights issue completed on 2 January 2018 has been reflected retrospectively by restating the weighted average number of ordinary shares for the year ended 31 December 2016.

For the years ended 31 December 2017 and 2016, the Company's outstanding share options were not included in the calculation of diluted loss per share because the effects of the Company's outstanding share options were anti-dilutive.

本公司擁有人應佔之每股基本及攤薄虧損乃按下列數據計算：

截至二零一七年十二月三十一日止年度，計算每股基本虧損時採用之普通股加權平均數已分別就於二零一七年一月十日、二零一七年三月七日及二零一八年一月二日完成之配售及供股之影響作出調整（二零一六年：分別就二零一六年一月二十六日、二零一六年七月十八日及二零一六年十二月二十二日完成之配售之影響作出調整）。截至二零一六年十二月三十一日止年度之普通股加權平均數已經重列，以追溯反映於二零一八年一月二日完成之供股之影響。

截至二零一七年及二零一六年十二月三十一日止年度，由於本公司之尚未行使購股權具反攤薄影響，故計算每股攤薄虧損時並無將本公司之尚未行使購股權計算在內。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Leasehold improvement 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Computer 電腦 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At cost	按成本						
As at 1 January 2016	於二零一六年一月一日	18,122	8,372	591	1,050	8,490	36,625
Additions	增購	1,500	-	11	83	-	1,594
As 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	19,622	8,372	602	1,133	8,490	38,219
Additions	增購	950	-	-	-	2,081	3,031
As at 31 December 2017	於二零一七年十二月三十一日	20,572	8,372	602	1,133	10,571	41,250
Accumulated depreciation	累計折舊						
As at 1 January 2016	於二零一六年一月一日	5,187	2,840	194	273	3,971	12,465
Charge for the year	年內支出	6,541	2,432	120	541	1,609	11,243
As 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	11,728	5,272	314	814	5,580	23,708
Charge for the year	年內支出	6,621	2,428	117	303	1,641	11,110
As at 31 December 2017	於二零一七年十二月三十一日	18,349	7,700	431	1,117	7,221	34,818
Net carrying amount	賬面淨值						
As at 31 December 2017	於二零一七年十二月三十一日	2,223	672	171	16	3,350	6,432
As at 31 December 2016	於二零一六年十二月三十一日	7,894	3,100	288	319	2,910	14,511

During the year ended 31 December 2017, additions to motor vehicles financed by new finance leases were approximately HK\$2,081,000 (2016: Nil). At 31 December 2017, the carrying amount of the Group's motor vehicles held under finance leases was approximately HK\$1,782,000 (2016: Nil).

截至二零一七年十二月三十一日止年度，通過新訂融資租賃增購汽車約2,081,000港元（二零一六年：零）。於二零一七年十二月三十一日，本集團根據融資租賃下持有之汽車賬面值約1,782,000港元（二零一六年：零）。

17. OTHER TANGIBLE ASSETS

17. 其他有形資產

		HK\$'000 千港元
Cost	成本	
As 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	21,730
Accumulated impairment	累計減值	
As at 1 January 2016	於二零一六年一月一日	3,054
Impairment for the year	年內減值	86
As 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	3,140
Impairment for the year	年內減值	1,007
As at 31 December 2017	於二零一七年十二月三十一日	4,147
Carrying amount	賬面金額	
As at 31 December 2017	於二零一七年十二月三十一日	17,583
As at 31 December 2016	於二零一六年十二月三十一日	18,590

The amount represents the aggregate cost of art work, diamond and diamond ring held by the Group. During the years ended 31 December 2017 and 2016, the directors of the Company, after referencing to professional valuation reports, determined that there is impairment loss of approximately HK\$1,007,000 (2016: HK\$86,000) as the recoverable amounts of the other tangible assets were below their carrying amounts.

The recoverable amount of other tangible assets are determined based on its fair value less costs to disposal by market comparison model. The value of the assets assessed by comparing the asset being valued to comparable items recently sold. Using similar units of comparison, adjustments are made based on the elements of comparison to the sales prices of the comparable. The fair value hierarchy is Level 2.

該等金額指本集團所持藝術品、鑽石及鑽石介指之成本總額。於截至二零一七年及二零一六年十二月三十一日止年度，經參考專業估值報告後，本公司董事釐定，由於其他有形資產之可收回金額低於其賬面金額，故減值虧損約為1,007,000港元（二零一六年：86,000港元）。

其他有形資產之可收回金額乃使用市場比較法按照其公允價值減出售成本釐定。資產價值之評估模型為比較所評估資產與最近出售之可資比較項目。有關調整使用類似比較單位，並已按照比較因素對可資比較項目之售價作出調整。有關公允價值屬第2級。

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18. INTERESTS IN ASSOCIATES

A detail of the Group's interests in associates is as follows:

18. 於聯營公司之權益

本集團於聯營公司之權益詳情如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cost of investment in associates	聯營公司之投資成本		
– Unlisted	– 非上市	–	–
Share of post-acquisition loss and other comprehensive income, net of dividends received	應佔收購後虧損及其他全面收益，扣除已收股息		
– Unlisted	– 非上市	–	–
		–	–
Amount due from an associate (<i>Note (i)</i>)	應收聯營公司款項 (<i>附註(i)</i>)		
– Unlisted	– 非上市	30,000	30,000
Less: share of post-acquisition loss and other comprehensive income, net of dividends received	減：應佔收購後虧損及其他全面收益，扣除已收股息		
– Unlisted (<i>Note (ii)</i>)	– 非上市 (<i>附註(ii)</i>)	(30,000)	(30,000)
		–	–
Total	總額	–	–

18. INTERESTS IN ASSOCIATES (CONTINUED)

Notes:

- (i) The amount due from an associate is unsecured, interest-free and has no fixed terms of repayment. In the opinion of the directors of the Company, the Company will not demand repayment within one year from the end of reporting period and are therefore considered as non-current.
- (ii) On 17 April 2014, Essence Sharp Holdings Limited, a wholly-owned subsidiary of the Group, has established Medisun Holdings (Overseas) Limited ("Medisun Holdings"), incorporated under the laws of British Virgin Islands. The principal activities of Medisun Holdings and its subsidiaries are development of bio-pharmaceutical and regenerative medicine system and products. The investment cost amount to approximately HK\$800 and the Group did not share of losses of associates for the year ended 31 December 2017 (2016: approximately HK\$15,195,000).

In the opinion of the directors of the Company, the amount due from an associate form part of the Group's net investment and the Group did not share of losses of associates for the year ended 31 December 2017 (2016: the Group's share the excess part of losses of associates amounted to approximately HK\$15,195,000).

18. 於聯營公司之權益 (續)

附註：

- (i) 應收聯營公司款項為無抵押、免息及無固定還款期。本公司董事認為，本公司不會於由呈報期末起計一年內要求償還，故被視作非即期。
- (ii) 於二零一四年四月十七日，本集團之全資附屬公司Essence Sharp Holdings Limited成立Medisun Holdings (Overseas) Limited (「Medisun Holdings」)，乃根據英屬處女群島法律註冊成立。Medisun Holdings及其附屬公司之主要業務為開發生物製藥及再生醫學系統及產品。投資成本約為800港元，截至二零一七年十二月三十一日止年度本集團並無應佔聯營公司虧損(二零一六年：約15,195,000港元)。

本公司董事認為，截至二零一七年十二月三十一日止年度，應收一間聯營公司款項為本集團淨投資之一部份，而本集團並無應佔聯營公司虧損(二零一六年：本集團應佔聯營公司虧損之超出部份約為15,195,000港元)。

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18. INTERESTS IN ASSOCIATES (CONTINUED)

Details of the Group's associates which are held indirectly by the Company as at 31 December 2017 and 2016 are as follows:

Name of associate	Form of entity	Place of incorporation	Fully paid share capital	Principal place of operation	Class of shares held	Proportion of nominal value of issued share capital held 所持已發行股本面值比例	Proportion of voting power held 所持投票權比例	Principal activities
聯營公司名稱	實體形式	註冊成立地點	已繳足股本	主要營業地點	所持股份類別	股本面值比例	投票權比例	主要業務
Medisun Holdings	Incorporated	British Virgin Islands	US\$50,000	Hong Kong	Ordinary	30%	30% (Note (i))	Investment holdings
Medisun Holdings	註冊成立	英屬處女群島	50,000美元	香港	普通股	30%	30% (附註(i))	投資控股
Hong Kong National Investments Fund Limited	Incorporated	Hong Kong	HK\$5	Hong Kong	Ordinary	20%	20% (Note (ii))	Dormant
香港國盛基金管理有限公司	註冊成立	香港	5港元	香港	普通股	20%	20% (附註(ii))	暫無營業
OBOR Investment Fund Limited	Incorporated	Hong Kong	HK\$100	Hong Kong	Ordinary	30%	30% (Note (iii))	Dormant
一帶一路投資基金有限公司	註冊成立	香港	100港元	香港	普通股	30%	30% (附註(iii))	暫無營業

Notes:

- (i) The Group holds 30% of the issued share capital of Medisun Holdings. The directors of the Company consider that the Group does have significant influence over Medisun Holdings and it is therefore classified as an associate of the Group.
- (ii) The Group holds 20% of the issued share capital of Hong Kong National Investments Fund Limited ("Hong Kong National"). The directors of the Company consider that the Group does have significant influence over Hong Kong National and it is therefore classified as an associate of the Group.
- (iii) The Group holds 30% of the issued share capital of OBOR Investment Fund Limited ("OBOR Investment Fund"). The directors of the Company consider that the Group does have significant influence over OBOR Investment Fund and it is therefore classified as an associate of the Group.

Summarised financial information in respect of each of the Group's associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with HKFRSs.

18. 於聯營公司之權益 (續)

於二零一七年及二零一六年十二月三十一日，由本公司間接持有之本集團聯營公司之詳情如下：

Name of associate	Form of entity	Place of incorporation	Fully paid share capital	Principal place of operation	Class of shares held	Proportion of nominal value of issued share capital held 所持已發行股本面值比例	Proportion of voting power held 所持投票權比例	Principal activities
聯營公司名稱	實體形式	註冊成立地點	已繳足股本	主要營業地點	所持股份類別	股本面值比例	投票權比例	主要業務
Medisun Holdings	Incorporated	British Virgin Islands	US\$50,000	Hong Kong	Ordinary	30%	30% (Note (i))	Investment holdings
Medisun Holdings	註冊成立	英屬處女群島	50,000美元	香港	普通股	30%	30% (附註(i))	投資控股
Hong Kong National Investments Fund Limited	Incorporated	Hong Kong	HK\$5	Hong Kong	Ordinary	20%	20% (Note (ii))	Dormant
香港國盛基金管理有限公司	註冊成立	香港	5港元	香港	普通股	20%	20% (附註(ii))	暫無營業
OBOR Investment Fund Limited	Incorporated	Hong Kong	HK\$100	Hong Kong	Ordinary	30%	30% (Note (iii))	Dormant
一帶一路投資基金有限公司	註冊成立	香港	100港元	香港	普通股	30%	30% (附註(iii))	暫無營業

附註：

- (i) 本集團持有Medisun Holdings之30%已發行股本。本公司董事認為，本集團對Medisun Holdings有重大影響力，因此將其分類為本集團之聯營公司。
- (ii) 本集團持有香港國盛基金管理有限公司（「香港國盛」）之20%已發行股本。本公司董事認為，本集團對香港國盛有重大影響力，因此將其分類為本集團之聯營公司。
- (iii) 本集團持有一帶一路投資基金有限公司（「一帶一路投資基金」）之30%已發行股本。本公司董事認為，本集團對一帶一路投資基金有重大影響力，因此將其分類為本集團之聯營公司。

有關本集團各聯營公司之財務資料概要載列如下。下文所列之財務資料概要指聯營公司按照香港財務報告準則編製之財務報表所示金額。

**18. INTERESTS IN ASSOCIATES
(CONTINUED)**

All of these associates are accounted for using the equity method in these consolidated financial statements.

18. 於聯營公司之權益 (續)

所有該等聯營公司均以權益會計法計入此綜合財務報表。

		Medisun Holdings	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	61,976	16,854
Non-current assets	非流動資產	108,906	36,250
Current liabilities	流動負債	(80,690)	(51,901)
Non-current liabilities	非流動負債	(372,492)	(227,119)
Revenue	收益	57,044	88,942
Loss for the year	年內虧損	(88,298)	(143,455)
Loss attributable to the Group	本集團應佔虧損	-	(15,195)

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18. INTERESTS IN ASSOCIATES (CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

18. 於聯營公司之權益 (續)

上述財務資料概要與綜合財務報表內所確認於聯營公司之權益之賬面金額之對賬：

		Medisun Holdings	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Net liabilities attributable to the owners of the associate	該聯營公司擁有人應佔淨負債	(282,300)	(225,916)
Proportion of the Group's ownership interest in Medisun Holdings	本集團於Medisun Holdings之擁有權權益比例	30%	30%
Share of post-acquisition loss and other comprehensive loss, net of dividends received	應佔收購後虧損及其他全面虧損，扣除已收股息	-	(67,775)
Amount due from an associate	應收一間聯營公司款項	-	30,000
Others	其他	-	37,775
Carrying amount of the Group's interest in Medisun Holdings	本集團於Medisun Holdings之權益之賬面金額	-	-
		Hong Kong National	
		香港國盛	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Current assets	流動資產	4	17
Non-current assets	非流動資產	-	-
Current liabilities	流動負債	(11)	(22)
Non-current liabilities	非流動負債	(28)	(26)
Revenue	收益	-	-
Loss for the year	年內虧損	(4)	(29)
Loss attributable to the Group	本集團應佔虧損	-	-

18. INTERESTS IN ASSOCIATES (CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

18. 於聯營公司之權益 (續)

上述財務資料概要與綜合財務報表內所確認於聯營公司之權益之賬面金額之對賬：

		Hong Kong National 香港國盛	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Net liabilities attributable to the owners of the associate	該聯營公司擁有人應佔淨負債	(35)	(31)
Proportion of the Group's ownership interest in Hong Kong National	本集團於香港國盛之擁有權權益比例	20%	20%
Share of post-acquisition loss and other comprehensive loss, net of dividends received	應佔收購後虧損及其他全面虧損，扣除已收股息	-	-
Carrying amount of the Group's interest in Hong Kong National	本集團於香港國盛之權益之賬面金額	-	-

		OBOR Investment Fund 一帶一路投資基金	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Current assets	流動資產	5	5
Non-current assets	非流動資產	-	-
Current liabilities	流動負債	-	-
Non-current liabilities	非流動負債	(52)	(45)
Revenue	收益	-	-
Loss for the year	年內虧損	(7)	(40)
Loss attributable to the Group	本集團應佔虧損	-	-

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18. INTERESTS IN ASSOCIATES (CONTINUED)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

18. 於聯營公司之權益 (續)

上述財務資料概要與綜合財務報表內所確認於聯營公司之權益之賬面金額之對賬：

		OBOR Investment Fund 一帶一路投資基金	
		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
Net liabilities attributable to the owners of the associate	該聯營公司擁有人應佔淨負債	(47)	(40)
Proportion of the Group's ownership interest in OBOR Investment Fund	本集團於一帶一路投資基金之擁有權權益比例	30%	30%
Share of post-acquisition loss and other comprehensive loss, net of dividends received	應佔收購後虧損及其他全面虧損，扣除已收股息	-	-
Carrying amount of the Group's interest in OBOR Investment Fund	本集團於一帶一路投資基金之權益之賬面金額	-	-

Unrecognised share of losses of associates

未確認之應佔聯營公司虧損

		2017 二零一七年	2016 二零一六年
		HK\$'000 千港元	HK\$'000 千港元
The unrecognised share of losses of associates for the year	未確認之應佔聯營公司年內虧損	(26,492)	(27,859)
Cumulative share of losses of associates	累計應佔聯營公司虧損	(54,351)	(27,859)

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS**19. 可供出售金融資產**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted securities	非上市證券		
– Equity securities	– 股本證券	88,200	101,000
– Debt securities	– 債務證券	20,487	18,132
		108,687	119,132
Analysed for reporting purposes as:	就呈報目的分析為：		
– Non-current assets	– 非流動資產	88,200	101,000
– Current assets	– 流動資產	20,487	18,132
		108,687	119,132

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19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

The following is a list of available-for-sale financial assets as at 31 December 2017 and 2016:

19. 可供出售金融資產 (續)

以下為於二零一七年及二零一六年十二月三十一日之可供出售金融資產列表：

Name of equity/debt securities 股本／債務證券名稱	Proportion share capital owned as at 31 December 2017 於二零一七年 十二月三十一日 所擁有股本 百分比 (%)	Net assets attributable to the Group as at 31 December 2017 於二零一七年 十二月三十一日 本集團應佔之 資產淨值 HK\$'000 千港元	Cost of investment 投資成本 HK\$'000 千港元	Fair value as at 31 December 2017 於二零一七年 十二月三十一日 之公允價值 HK\$'000 千港元	Fair value as at 31 December 2016 於二零一六年 十二月三十一日 之公允價值 HK\$'000 千港元	
	Equity securities issued by: 以下公司發行之股本證券：					
- Upperclass Developments Limited ("Upperclass") (Note (iii))		- Upperclass Developments Limited ("Upperclass") (附註(iii))	30	27,941	-	-
- Smart Role Limited ("Smart Role") (Note (iii))		- Smart Role Limited ("Smart Role") (附註(iii))	8	56,574	59,680	56,560
- Co-Lead Holdings Limited ("Co-Lead") (Note (iv))		- Co-Lead Holdings Limited ("Co-Lead") (附註(iv))	0.49	14,043	15,908	13,700
- Freeopt Holdings Limited ("Freeopt") (Note (v))		- Freeopt Holdings Limited ("Freeopt") (附註(v))	3.35	15,111	16,000	15,400
- Freewill Holdings Limited ("Freewill") (Note (vi))		- Freewill Holdings Limited ("Freewill") (附註(vi))	0.59	2,265	15,950	1,840
- Joint Global Limited ("Joint Global") (Note (vii))		- Joint Global Limited ("Joint Global") (附註(vii))	0.88	1,241	16,038	700
Debt securities issued by: 以下公司發行之債務證券：						
- Premium Castle Limited ("Premium Castle") (Note (viii))		- Premium Castle Limited ("Premium Castle") (附註(viii))	N/A 不適用	N/A 不適用	12,056	18,457
- The American Club ("American Club") (Note (ix))		- The American Club ("American Club") (附註(ix))	N/A 不適用	N/A 不適用	1,800	2,030
				108,687	119,132	

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes:

- (i) The unlisted equity securities and unlisted debt securities are measured at fair value and are classified as Level 3 fair value measurement. The fair value of unlisted equity securities is estimated by applying price-to-book ratios for similar listed companies and reference to the market value of underlying net assets and adjusted to reflect the specific circumstance of the investments. The fair value of debt element of the unlisted debt securities is calculated based on the present value of contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to the credit rating of the issuers of the unlisted debt securities and the maturity terms. The discount rate is 15.00% (2016: 17.00%).
- (ii) Unlisted equity securities that do not have a quoted market price in an active market and the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed, such unlisted equity securities are measured at cost less any identified impairment losses at the end of each reporting period.

On 8 April 2013, Top Onward Development Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Mr. Li, a shareholder of Upperclass which incorporated under the laws of British Virgin Islands, in relation to the acquisition of 30% equity interest and the transfer of contractual right to receive another receivable owed by Upperclass. This resulted in an indirectly held of approximately 16% equity interest in Hua Tong International Leasing Co., Limited ("Hua Tong"), incorporated in the People's Republic of China with limited liability. The principal activities of Hua Tong are leasing. The investment cost and other receivable amount to HK\$234 and approximately HK\$40,800,000 respectively, and the transaction was completed on 30 December 2013. The Group is unable to exercise significant influence over Upperclass and Hua Tong as it does not have the power to appoint any of their directors and do not participate in their policy-making processes.

The other receivable amount to approximately HK\$40,800,000 has been impaired during the year ended 31 December 2017 as Hua Tong has significant financial difficulties and the directors of the Company considered that the possibility to recover was remote.

19. 可供出售金融資產（續）

附註：

- (i) 非上市股本證券及非上市債務證券按公允價值計量並分類為第3級公允價值計量。非上市股本證券之公允價值按類似上市公司之市賬率，並參考相關淨資產市值估計，並作出調整以反映投資之特定情況。非上市債務證券債務部份之公允價值乃按以規定回報率貼現之未來現金流之約定流量現值計算，其回報率乃參考非上市債務證券發行人之信貸評級及年期而釐定。貼現率為15.00%（二零一六年：17.00%）。
- (ii) 非上市股本證券如於活躍市場上並無報價，而合理公允價值之估計範圍太大，且多項估計之可能性無法合理評估，則於各呈報期末按成本減任何已識別減值虧損計量有關非上市股本證券。

於二零一三年四月八日，拓匯發展有限公司（本集團之全資附屬公司）與Upperclass（根據英屬處女群島法律註冊成立之公司）股東李先生訂立一份協議，內容有關收購Upperclass之30%股權及轉讓收取Upperclass結欠之另一筆應收款項之合約權利。收購導致間接持有華通國際租賃有限公司（「華通」，於中華人民共和國註冊成立之有限責任公司）約16%股權。華通之主要業務為租賃。投資成本及其他應收款項分別為234港元及約40,800,000港元，而交易已於二零一三年十二月三十日完成。由於本集團無權委任Upperclass及華通之任何董事，亦無參與彼等之決策過程，故本集團無法對Upperclass及華通行使重大影響力。

由於華通陷入重大財政困難而本公司董事認為收回款項之可能性極微，故其他應收款項約40,800,000港元已於截至二零一七年十二月三十一日止年度減值。

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19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes: (Continued)

- (iii) On 24 September 2014, Massive Shine Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Trillion Cheer Toprich Limited ("Trillion Cheer"), a shareholder of Smart Role which incorporated under the laws of British Virgin Islands with limited liability. This result in an indirectly held in 8% equity interest of 漢誠(巴中)農林有限公司 ("Hancheng Bazhong"), incorporated under the People's Republic of China with limited liability. The principal activities of Hancheng Bazhong are holding of the Forest Rights Certificates. The investment cost amount to approximately HK\$59,680,000, and the transaction was completed on 24 September 2014. No dividend was entitled to the Group during the years ended 31 December 2017 and 2016.
- (iv) On 14 January 2016, Old Peak Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Co-Lead which incorporated under the laws of British Virgin Islands with limited liability. The principal activities of Co-Lead are investment holdings. The investment cost amount to approximately HK\$15,908,000, and the transaction was completed on 15 January 2016. The Group directly held 0.49% equity interest of Co-Lead according to issued share capital of Co-Lead as at 31 December 2017. No dividend was entitled to the Group during the year ended 31 December 2017.

Due to significant change with the performance of the available-for-sale financial asset, the fair value of the available-for-sale financial asset decreased significantly. Impairment loss of approximately HK\$2,208,000 was recognised in the Group's consolidated statement of profit or loss during the year ended 31 December 2017.

19. 可供出售金融資產(續)

附註:(續)

- (iii) 於二零一四年九月二十四日, Massive Shine Limited (本集團之全資附屬公司)與Smart Role (根據英屬處女群島法律註冊成立之有限責任公司)股東Trillion Cheer Toprich Limited (「Trillion Cheer」)訂立一份協議。此舉導致間接持有漢誠(巴中)農林有限公司(「漢誠巴中」,於中華人民共和國註冊成立之有限責任公司)之8%股權。漢誠巴中之主要業務為持有林權證。投資成本約為59,680,000港元,而交易已於二零一四年九月二十四日完成。截至二零一七年及二零一六年十二月三十一日止年度,本集團無權獲派股息。
- (iv) 於二零一六年一月十四日, Old Peak Limited (本集團之全資附屬公司)與Co-Lead (根據英屬處女群島法律註冊成立之有限公司)訂立協議。Co-Lead之主要業務為投資控股。投資成本為約15,908,000港元,而交易已於二零一六年一月十五日完成。根據Co-Lead於二零一七年十二月三十一日之已發行股本,本集團直接持有Co-Lead之0.49%股權。本集團於截至二零一七年十二月三十一日止年度無權獲派股息。

由於可供出售金融資產之表現發生重大變動,故此可供出售金融資產之公允價值大幅下降。減值虧損約2,208,000港元已於本集團截至二零一七年十二月三十一日止年度之綜合損益表中確認。

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes: (Continued)

- (v) On 14 January 2016, the Company has entered into agreement with Freeopt which incorporated in Republic of the Marshall Islands with limited liability. The principal activities of Freeopt are investment holdings. The investment cost amount to approximately HK\$16,000,000, and the transaction was completed on 15 January 2016. The Group Directly held 3.35% equity interest of Freeopt according to issued share capital of Freeopt as at 31 December 2017. No dividend was entitled to the Group during the year ended 31 December 2017.

Due to significant change with the performance of the available-for-sale financial asset, the fair value of the available-for-sale financial asset decreased significantly. Impairment loss of approximately HK\$600,000 was recognised in the Group's consolidated statement of profit or loss during the year ended 31 December 2017.

- (vi) On 14 January 2016, the Company has entered into agreement with Freewill which incorporated in Republic of the Marshall Islands with limited liability. The principal activities of Freewill are investment holdings. The investment cost amount to approximately HK\$15,950,000, and the transaction was completed on 15 January 2016. The Group directly held 0.59% equity interest of Freewill according to issued share capital of Freewill as at 31 December 2017. No dividend was entitled to the Group during the year ended 31 December 2017.

Due to significant change with the performance of the available-for-sale financial asset, the fair value of the available-for-sale financial asset decreased significantly. Impairment loss of approximately HK\$10,660,000 was recognised in the Group's consolidated statement of profit or loss during the year ended 31 December 2017 (2016: HK\$3,450,000).

19. 可供出售金融資產 (續)

附註：(續)

- (v) 於二零一六年一月十四日，本公司與Freeopt（在馬紹爾群島共和國註冊成立之有限公司）訂立協議。Freeopt之主要業務為投資控股。投資成本為約16,000,000港元，而交易已於二零一六年一月十五日完成。根據Freeopt於二零一七年十二月三十一日之已發行股本，本集團直接持有Freeopt之3.35%股權。本集團於截至二零一七年十二月三十一日止年度無權獲派股息。

由於可供出售金融資產之表現發生重大變動，故此可供出售金融資產之公允價值大幅下降。減值虧損約600,000港元已於本集團截至二零一七年十二月三十一日止年度之綜合損益表中確認。

- (vi) 於二零一六年一月十四日，本公司與Freewill（在馬紹爾群島共和國註冊成立之有限公司）訂立協議。Freewill之主要業務為投資控股。投資成本為約15,950,000港元，而交易已於二零一六年一月十五日完成。根據Freewill於二零一七年十二月三十一日之已發行股本，本集團直接持有Freewill之0.59%股權。本集團於截至二零一七年十二月三十一日止年度無權獲派股息。

由於可供出售金融資產之表現發生重大變動，故此可供出售金融資產之公允價值大幅下降。減值虧損約10,660,000港元已於本集團截至二零一七年十二月三十一日止年度之綜合損益表中確認（二零一六年：3,450,000港元）。

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

Notes: (Continued)

- (vii) On 14 January 2016, Eighty Riches Limited, a wholly-owned subsidiary of the Group, has entered into agreement with Joint Global which incorporated in Republic of the Marshall Islands with limited liability. The principal activities of Joint Global are investment holdings. The investment cost amount to approximately HK\$16,038,000, and the transaction was completed on 15 January 2016. The Group directly held 0.88% equity interest of Joint Global according to issued share capital Joint Global as at 31 December 2017. No dividend was entitled to the Group during the year ended 31 December 2017.

Due to significant change with the performance of the available-for-sale financial asset, the fair value of the available-for-sale financial asset decreased significantly. Impairment loss of approximately HK\$400,000 was recognised in the Group's consolidated statement of profit or loss during the year ended 31 December 2017 (2016: HK\$14,938,000).

- (viii) Premium Castle and the Group have agreed to settle the loan receivable by entering into a new subscription agreement ("Subscription Agreement") on 24 December 2013 and subscribed a new convertible note issued by Premium Castle ("New Premium Castle CN") with principal amount of HK\$18,600,000, which comprise principle amount and outstanding interest of HK\$17,000,000 and approximately HK\$1,600,000 respectively from the outstanding Premium Castle CN. The completion of the subscription took place on 25 February 2014. Details of the Subscription Agreement were set out in the Company's announcement dated on 24 December 2013.

Initial recognition of the debt element of the New Premium Castle CN and the conversion options element of the New Premium Castle CN in accordance with HKAS 39, amounting to approximately HK\$12,056,000 and HK\$6,224,000 respectively.

As at 31 December 2017 and 2016, the principal amount of the New Premium Castle CN is HK\$18,600,000 (2016: HK\$18,600,000). There was no disposal or redemption during the year ended 31 December 2017. No dividend was entitled to the Group during the years ended 31 December 2017 and 2016.

- (ix) On 23 March 2015, the Company subscribed a debenture issued by the American Club (the "Debenture") with a principal amount of HK\$625,000 at a consideration of HK\$1,800,000. The completion of the subscription took place on 1 June 2015.

19. 可供出售金融資產 (續)

附註: (續)

- (vii) 於二零一六年一月十四日，Eighty Riches Limited (本集團之全資附屬公司)與Joint Global (在馬紹爾群島共和國註冊成立之有限公司)訂立協議。Joint Global之主要業務為投資控股。投資成本為約16,038,000港元，而交易已於二零一六年一月十五日完成。根據Joint Global於二零一七年十二月三十一日之已發行股本，本集團直接持有Joint Global之0.88%股權。本集團於截至二零一七年十二月三十一日止年度無權獲派股息。

由於可供出售金融資產之表現發生重大變動，故此可供出售金融資產之公允價值大幅下降。減值虧損約400,000港元已於本集團截至二零一七年十二月三十一日止年度之綜合損益表中確認(二零一六年: 14,938,000港元)。

- (viii) Premium Castle與本集團同意於二零一三年十二月二十四日訂立新認購協議(「認購協議」)，結清應收貸款，並認購Premium Castle所發行本金額為18,600,000港元之新可換股票據(「新Premium Castle可換股票據」)，有關本金額包括未獲轉換Premium Castle可換股票據之本金額17,000,000港元及未償還利息約1,600,000港元。認購事項於二零一四年二月二十五日完成。認購協議詳情載於本公司日期為二零一三年十二月二十四日之公告內。

根據香港會計準則第39號初步確認新Premium Castle可換股票據之債務部份及新Premium Castle可換股票據之換股權部份分別約12,056,000港元及6,224,000港元。

於二零一七年及二零一六年十二月三十一日，新Premium Castle可換股票據之本金額為18,600,000港元(二零一六年: 18,600,000港元)。於截至二零一七年十二月三十一日止年度均無進行出售或贖回。於截至二零一七年及二零一六年十二月三十一日止年度，本集團均無權獲派股息。

- (ix) 於二零一五年三月二十三日，本公司認購由American Club發行之債權證(「債權證」)，本金額為625,000港元，代價為1,800,000港元。認購事項已於二零一五年六月一日完成。

19. AVAILABLE-FOR-SALE FINANCIAL ASSETS (CONTINUED)

The following is the analysis of fair value change of available-for-sale financial assets for the years ended 31 December 2017 and 2016:

19. 可供出售金融資產（續）

以下為截至二零一七年及二零一六年十二月三十一日止年度可供出售金融資產之公允價值變動分析：

Name of unlisted equity/debt securities 非上市股本／債務證券名稱	Change in fair value during the year ended 31 December 於截至十二月三十一日 止年度之公允價值變動	
	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted equity securities issued by:	以下公司發行之 非上市股本證券：	
– Smart Role	– Smart Role 5,360	(8,144)
– Co-Lead	– Co-Lead (1,800)	(408)
– Freeopt	– Freeopt (5,300)	4,700
– Freewill	– Freewill (10,660)	(3,450)
– Joint Global	– Joint Global (400)	(14,938)
Unlisted debt securities issued by:	以下公司發行之 非上市債務證券：	
– Premium Castle	– Premium Castle 354	(240)
– American Club	– American Club 310	(80)

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20. CONVERSION OPTIONS EMBEDDED IN CONVERTIBLE NOTES

20. 可換股票據內含之換股權

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At the beginning of the year	年初	747	1,039
Fair value change	公允價值變動	(740)	(292)
At the end of the year	年終	7	747

Notes:

- (i) Conversion options embedded in convertible notes represented the conversion option element of the convertible notes subscribed by the Group and are measured at fair value using the binomial option pricing model at initial recognition and at the end of each reporting period. The debt element of the convertible notes is classified as available-for-sale financial assets.
- (ii) As explained in Note 19, the Group subscribed New Premium Castle CN during the year ended 31 December 2014 and amount of approximately HK\$6,224,000 was recognised as conversion option embedded in convertible note which was measured at fair value at initial recognition. At 31 December 2017, the carrying amount of conversion option in New Premium Castle CN was approximately HK\$7,000 (2016: HK\$747,000).

附註：

- (i) 可換股票據內含之換股權指本集團所認購可換股票據之換股權部份，乃於初步確認時及各呈報期末利用二項式期權定價模型以公允價值計量。可換股票據之債務部份乃分類為可供出售金融資產。
- (ii) 誠如附註19所闡述，本集團於截至二零一四年十二月三十一日止年度認購新Premium Castle可換股票據，而約6,224,000港元之金額已確認為可換股票據內含之換股權，乃於初步確認時按公允價值計量。於二零一七年十二月三十一日，新Premium Castle可換股票據內含之換股權之賬面金額約為7,000港元（二零一六年：747,000港元）。

21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

No listed equity securities was held by the Group as at 31 December 2017 and 2016.

The followings are the analysis of realised gain/(loss) of each held-for-trading investments for the years ended 31 December 2017 and 2016:

2017

Name of equity securities	股本證券名稱	Place of incorporation	Stock code	Selling price	Cost of investment	Realised gain/(loss)
		註冊成立地點	股份代號	售價	投資成本	已變現收益/ (虧損)
				HK\$'000	HK\$'000	HK\$'000
				千港元	千港元	千港元
China Merchants Bank Co., Ltd.	招商銀行股份有限公司	People's Republic of China	3968	5,586	4,921	665
		中華人民共和國				
HSBC Holdings plc	HSBC Holdings plc	England	5	4,906	4,958	(52)
		英格蘭				
Tencent Holdings Limited	騰訊控股有限公司	Cayman Islands	700	2,873	2,911	(38)
		開曼群島				

2016

Name of equity security	股本證券名稱	Stock code	Selling price	Cost of investment	Realised loss
		股份代號	售價	投資成本	已變現虧損
			HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元
China Merchants Bank Co., Ltd.	招商銀行股份有限公司	3968	7,459	7,659	(200)

A brief description of the business and financial information of the above listed equity securities, based on its latest financial statements, is as follows:

China Merchants Bank Co., Ltd. is principally engaged in the provision of corporate and personal banking services, conducting treasury business, the provision of asset management and other financial services.

HSBC Holdings plc is principally engaged in the provision of financial services and products to companies, governments and institutions.

Tencent Holdings Limited is principally engaged in the provision of value-added services and online advertising services to users in the People's Republic of China.

During the year ended 31 December 2017, dividend income of approximately HK\$126,000 and HK\$120,000 was received from HSBC Holdings plc and China Merchants Bank Co., Ltd., respectively (2016: No dividend income was received).

21. 於損益表按公允價值列賬之金融資產

本集團於二零一七年及二零一六年十二月三十一日並無持有任何上市股本證券。

以下為於截至二零一七年及二零一六年十二月三十一日止年度每項持作買賣投資之已變現收益/(虧損)分析:

二零一七年

Place of incorporation	Stock code	Selling price	Cost of investment	Realised gain/(loss)
註冊成立地點	股份代號	售價	投資成本	已變現收益/ (虧損)
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
People's Republic of China	3968	5,586	4,921	665
中華人民共和國				
England	5	4,906	4,958	(52)
英格蘭				
Cayman Islands	700	2,873	2,911	(38)
開曼群島				

二零一六年

Stock code	Selling price	Cost of investment	Realised loss
股份代號	售價	投資成本	已變現虧損
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元
3968	7,459	7,659	(200)

根據最近期財務報表，上述上市股本證券的業務及財務資料簡述如下：

招商銀行股份有限公司主要從事提供企業及個人銀行服務、庫存業務、提供資產管理及其他金融服務業務。

HSBC Holdings plc主要從事向公司、政府及機構提供金融服務及產品業務。

騰訊控股有限公司主要於中華人民共和國從事向用戶提供增值服務及線上廣告服務業務。

截至二零一七年十二月三十一日止年度，約126,000港元及120,000港元之股息收入乃分別自HSBC Holdings plc及招商銀行股份有限公司收取(二零一六年：概無收取股息收入)。

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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

22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

22. 預付款項、按金及其他應收款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Prepayments	預付款項	537	419
Other receivables (Note)	其他應收款項 (附註)	3,672	44,057
Rental deposits and other deposits	租金按金及其他按金	3,219	2,880
		7,428	47,356

Note:

Other receivables mainly include interest receivables from available-for-sale financial assets of approximately HK\$2,964,000 (2016: interest receivables from available-for-sale financial assets and other receivable from an investee of approximately HK\$2,330,000 and HK\$40,800,000 respectively) (please refer to Note 19(ii) for details).

附註:

其他應收款項主要包括可供出售金融資產之應收利息約2,964,000港元(二零一六年:可供出售金融資產之應收利息約2,330,000港元以及被投資公司之其他應收款項約40,800,000港元)(詳情請參閱附註19(ii))。

23. CASH AND BANK BALANCES

23. 現金及銀行結餘

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	32,724	5,361
Pledged bank deposits	已抵押銀行存款	2,070	2,040
		34,794	7,401

Deposits with banks earn interest at floating rates based on bank deposit and saving rates. The bank balances and pledged bank deposits are deposited with creditworthy banks with no recent history of default. As at 31 December 2017, the bank deposits of HK\$2,070,000 (2016: HK\$2,040,000) were pledged to a bank to secure trade credit facilities granted to the Group.

銀行存款根據銀行存款及儲蓄利率按浮動利率計息。銀行結餘及已抵押銀行存款存放於並無近期違約記錄及具信譽之銀行。於二零一七年十二月三十一日, 2,070,000港元(二零一六年: 2,040,000港元)之銀行存款已抵押予銀行, 以取得授予本集團之貿易信用融資。

24. SHORT-TERM LOANS

24. 短期貸款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amount due to an associate (Note (i))	應付一間聯營公司款項 (附註(i))	6,833	-
Loans from third parties (Notes (ii) and (iii))	第三方貸款 (附註(ii)及(iii))		
- Principal	- 本金	-	-
- Interest	- 利息	-	-
		6,833	-
Unsecured	無抵押	6,833	-
Carrying amount repayable (Note (iv)): Within one year	應償還賬面金額 (附註(iv)) : 一年內	6,833	-

Notes:

- (i) Since 15 August 2017, the Company entered into loan agreements with Medisun Holdings Limited ("Medisun"), an associate of a subsidiary of the Company, in an aggregated amount of HK\$6,670,000. The loan was unsecured and repayable on the date of one year from the date of loan agreements with interest rate of 12% per annum. The balances represent the loan principal and outstanding interest of approximately HK\$6,670,000 and HK\$163,000 respectively.
- (ii) The Company entered into a loan agreement with Freeman Opto Money Lending Corporation Limited ("Freeman") amounted to HK\$1,500,000 on 12 October 2017. The loan was repayable on the date of one month from the date of loan agreement with interest rate of 2% per month. The loan principal and outstanding interest of approximately HK\$1,500,000 and HK\$80,000 respectively were recognised in other payables upon maturity (please refer to Note 25 for details).

附註:

- (i) 於二零一七年八月十五日，本公司與本公司一間附屬公司之聯營公司麥迪舜醫療集團有限公司（「麥迪舜醫療」）訂立合共6,670,000港元之貸款協議。該貸款為無抵押且須於由貸款協議日期起計滿一年當日償還，每年按利率12厘計息。餘額指分別約6,670,000港元及163,000港元之貸款本金額及尚未償還利息。
- (ii) 本公司與Freeman Opto Money Lending Corporation Limited（「Freeman」）於二零一七年十月十二日訂立1,500,000港元之貸款協議。該貸款須於由貸款協議日期起計滿一個月當日償還，每月按利率12厘計息。分別約1,500,000港元及80,000港元之貸款本金及未償還利息已於到期時於其他應付款項中確認（詳情請參閱附註25）。

24. SHORT-TERM LOANS (CONTINUED)

Notes: (Continued)

- (iii) The Company entered into a loan agreement with Enhanced Finance Limited (“Enhanced”) amounted to HK\$65,000,000 and HK\$10,000,000 on 14 January 2016 and 2 February 2016 respectively. The loan was repayable on the date of one year from the date of loan agreement with interest rate of 12% per annum. The balance of approximately HK\$60,294,000 was partially settled by cash on 28 January 2016 resulting an outstanding principal of HK\$15,000,000 (the “Enhanced Facility”).

The Company entered into loan agreements with Hansom Finance Limited (“Hansom”) amounted to HK\$5,000,000 (the “First Facility”) and HK\$5,000,000 (the “Second Facility”) on 8 April 2016 and 16 May 2016 respectively, which was secured by a charge over the interest in its wholly owned subsidiaries, namely Massive Shine Limited, Old Peak Limited, Eighty Riches Limited, Union Power Holdings Limited and Fine East Trading Limited in favour of the lender. The loan was repayable on the date of three months from the date of drawdown with interest rate of 2% per month.

On the 20 June 2016, the Company, Enhanced and Hansom entered into a deed of assignment whereas Enhanced, as the assignor, assigned the outstanding principal of HK\$15,000,000 of the Enhanced Facility to Hansom (the “Assigned Loan”).

On 20 June 2016, the Company entered into a deed of promissory note (the “PN Deed”) with Hansom to merge the outstanding principal of the Assigned Loan, the First Facility and the Second Facility of HK\$15,000,000, HK\$5,000,000 and HK\$5,000,000 respectively; and the outstanding interest on the Assigned Loan of approximately HK\$716,000, into a single debt with an aggregated principal amount of approximately HK\$25,716,000 (the “PN”). The PN was repayable on or before 19 December 2016 with interest rate of 3% per month. The Company charged its assets by way of floating charge as well as the interest in its wholly owned subsidiaries in favour of Hansom as security of the debt. The PN and the outstanding interest of approximately HK\$25,716,000 and HK\$4,156,000 respectively were recognised in other payables upon expiry during the year ended 31 December 2016 (please refer to Note 25 for details).

24. 短期貸款 (續)

附註：(續)

- (iii) 本公司與進陞信貸有限公司(「進陞信貸」)分別於二零一六年一月十四日及二零一六年二月二日訂立65,000,000港元及10,000,000港元之貸款協議。該貸款須於由貸款協議日期起計滿一年當日償還，每年按利率12厘計息。結餘約60,294,000港元已於二零一六年一月二十八日部份以現金結清，由此產生未償還本金額15,000,000港元(「進陞融資」)。

本公司與恒盛財務有限公司(「恒盛」)分別於二零一六年四月八日及二零一六年五月十六日訂立5,000,000港元(「第一份融資」)及5,000,000港元(「第二份融資」)之貸款協議，以貸款人為受益人抵押本公司於其全資附屬公司(即Massive Shine Limited、Old Peak Limited、Eighty Riches Limited、Union Power Holdings Limited及Fine East Trading Limited)之權益作擔保。該貸款須於由提取日期起計滿三個月當日償還，每月按利率2厘計息。

於二零一六年六月二十日，本公司、進陞信貸及恒盛訂立轉讓契據，據此，進陞信貸(作為轉讓人)轉讓進陞融資未償還本金15,000,000港元予恒盛(「轉讓貸款」)。

於二零一六年六月二十日，本公司與恒盛訂立承兌票據契據(「承兌票據契據」)以合併轉讓貸款、第一份融資及第二份融資之未償還本金，金額分別為15,000,000港元、5,000,000港元及5,000,000港元；而轉讓貸款的未償還利息約716,000港元將計入本金總額約為25,716,000港元之單一債務(「承兌票據」)。承兌票據須於二零一六年十二月十九日或之前償還，每月按利率3厘計息。本公司以浮動抵押方式抵押其資產及其全資附屬公司之權益作為債務之擔保，有關擔保之受益人為恒盛。分別約25,716,000港元及4,156,000港元的承兌票據及未償還利息已於截至二零一六年十二月三十一日止年度到期時於其他應付款項中確認(詳情請參閱附註25)。

24. SHORT-TERM LOANS (CONTINUED)

Notes: (Continued)

(iii) (Continued)

Pursuant to the deed of assignment entered between Hansom and Citizens Money Lending Corporation Limited ("Citizens") on 19 July 2016, whereas Hansom assigned all its rights, title, benefits and interest in the debt under the PN to Citizens.

The Company did not repay the debt and any part thereof on the repayment date, therefore, in order to relieve the Group from immediate repayment obligation of the debt and reduce the burdensome interest expenses incurred, the Company and Citizens have agreed on a settlement proposal pursuant to the terms and conditions of a deed of settlement (the "Settlement Deed").

Pursuant to the terms of the Settlement Deed, the Company shall duly issue and allot 800,000,000 shares at the price of HK\$0.025 per share to Citizens. The aggregate price of the shares is in sum of HK\$20,000,000 which shall be partially set off against the debt. Further, the Company shall also duly issue and deliver a convertible bond with a principal amount of HK\$11,000,000 to Citizens in full and final settlement of the balance of the debt and all outstanding accrued interest. Completion of the Settlement Deed is conditional upon fulfilment of certain conditions on or before 8 May 2017. Given that those conditions have not yet been fulfilled, the Company and Citizens entered into two supplemental deeds dated 5 May 2017 and 9 June 2017 to extend the long stop date to 8 June 2017 and 8 August 2017, respectively. Please refer to the announcements of the Company dated 9 February 2017, 5 May 2017 and 9 June 2017 for more information in relation to the Settlement Deed.

As certain conditions precedent to the Settlement Deed have not been fulfilled on or before 8 August 2017, the Settlement Deed has lapsed pursuant to the terms therein. As such, the Settlement Deed has become null and void and of no further effect, and both parties to the Settlement Deed have been released from their respective obligations under the Settlement Deed save for any antecedent breaches thereof. As at 31 December 2017, the outstanding principal amount and accrued interest of the PN of approximately HK\$25,716,000 and HK\$13,414,000 respectively were included in other payables (please refer to Note 25 for details).

(iv) The amounts due are based on the scheduled repayment dates set out in the loan agreements.

24. 短期貸款 (續)

附註：(續)

(iii) (續)

根據恒盛與民眾財務有限公司(「民眾」)於二零一六年七月十九日訂立之轉讓契據，據此恒盛已轉讓承其於承兌票據項下之所有權利、所有權、利益及債務權益予民眾。

本公司於償還日期並未償債務或其任何部份，因此，為使本集團免除即時償還債務之責任，並減少所產生繁重之利息開支，本公司與民眾按償付契據(「償付契據」)之條款及條件協定償付建議。

根據償付契據之條款，本公司須按每股股份0.025港元之價格妥為發行及配發800,000,000股股份予民眾。股份之總價為數20,000,000港元將部份抵銷債務。此外，本公司亦須妥為發行及交付本金額為11,000,000港元之可換股債券予民眾，以悉數及最終償付債務餘額及所有尚未償還之應計利息。償付契約須待若干條件於二零一七年五月八日或之前獲達成後，方告完成。鑒於該等條件尚未獲達成，本公司及民眾於二零一七年五月五日及二零一七年六月九日訂立兩份補充契約，以將截止日期分別延長至二零一七年六月八日及二零一七年八月八日。有關償付契據之更多資料，請參閱本公司日期為二零一七年二月九日、二零一七年五月五日及二零一七年六月九日之公告。

由於償付契據之若干先決條件於二零一七年八月八日或之前尚未獲達成，故償付契據已根據其條款失效。因此，償付契據已告無效且無進一步效力，且償付契據之訂約雙方均已解除彼等各自於償付契據項下之責任，惟任何先前違反者則除外。於二零一七年十二月三十一日，分別約25,716,000港元及13,414,000港元之尚未償還承兌票據本金額及應計利息計入其他應付款項(詳情請參閱附註25)。

(iv) 應付款項乃根據貸款協議所載預訂還款日期計量。

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25. ACCRUED CHARGES AND OTHER PAYABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Accrued charges	應付開支	12,066	13,803
Other payables (Notes (i) and (ii))	其他應付款項 (附註(i)及(ii))	92,583	41,208
		104,649	55,011

Notes:

- (i) Other payables mainly include interest payables to promissory notes of approximately HK\$9,834,000 (2016: HK\$7,336,000) and other payables to Citizens and Freeman of approximately HK\$39,130,000 and HK\$1,580,000 respectively (2016: other payable to Citizens of approximately HK\$29,872,000) (please refer to Note 24 for details).
- (ii) Included in other payables of approximately HK\$42,039,000 represented the gross proceeds received from rights issue subscribers. The balance will be recognised to share capital when the rights issue is completed on 2 January 2018. Please reference to Note 40 for details.

附註:

- (i) 其他應付款項主要包括應付承兌票據利息約9,834,000港元(二零一六年: 7,336,000港元)及其他應付民眾及Freeman款項約39,130,000港元及1,580,000港元(二零一六年: 其他應付民眾款項約29,872,000港元)(詳情請參閱附註24)。
- (ii) 其他應付款項約42,039,000港元包括自供股認購人收取的所得款項總額。該餘額將於供股於二零一八年一月二日完成時於股本確認(詳情請參閱附註40)。

26. OBLIGATIONS UNDER FINANCE LEASES

The Group lease certain of its property, plant and equipment under finance leases.

26. 融資租賃承擔

本集團根據融資租賃租賃若干物業、廠房及設備。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Minimum lease payments under finance leases	融資租賃項下之最低租賃款項		
– within one year	— 一年內	619	—
– in the second to fifth years, inclusive	— 第二年至第五年 (包括首尾兩年)	1,081	—
		1,700	—
Less: Future finance charges	減: 未來融資費用	(118)	—
Present value of finance leases	融資租賃之現值	1,582	—

**26. OBLIGATIONS UNDER FINANCE LEASES
(CONTINUED)****26. 融資租賃承擔 (續)**

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Present value of minimum lease payments under finance leases	融資租賃項下之最低租賃款項之現值		
– within one year	– 一年內	559	–
– in the second to fifth years, inclusive	– 第二年至第五年 (包括首尾兩年)	1,023	–
		1,582	–
Less: Amount due for settlement within one year	減：須於一年內償還之款項	(559)	–
Amount due for settlement after one year	須於一年後償還之款項	1,023	–

27. PROMISSORY NOTES**27. 承兌票據**

On 21 November 2012 and 11 April 2013, the Group issued seven and four promissory notes respectively of HK\$10,000,000 each to eleven independent third parties. Each promissory note is issued at 5% interest rate per annum with 7 years maturity from the date of issue. The net proceeds are intended to be used for investment in listed securities and/or general capital of the Group.

於二零一二年十一月二十一日及二零一三年四月十一日，本集團向十一名獨立第三方分別發行七份及四份承兌票據，每份為數10,000,000港元。每份承兌票據按年利率5厘發行，於由發行日期起計滿七年到期。所得款項淨額擬用於投資上市證券及／或用作本集團之一般資金。

The carrying amount and fair value of promissory notes at the end of the reporting period are as follows:

承兌票據於呈報期末之賬面金額及公允價值如下：

		Carrying amount 賬面金額		Fair value 公允價值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Promissory notes	承兌票據				
– Non-current liabilities	– 非流動資產	109,310	108,979	100,700	94,175

The fair value of the promissory notes is calculated based on the present value of contractually determined stream of future cash flow discounted at rate of approximately 10% (2016: 11%).

承兌票據之公允價值乃依照按約10% (二零一六年：11%) 貼現之約定未來現金流量之現值計算。

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28. DEFERRED TAXATION

No provision for deferred taxation has been made as the Group had no material temporary differences between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements (2016: Nil).

At the end of the reporting period, the Group has estimated tax losses of approximately HK\$533,132,000 (2016: HK\$491,187,000) that are available for offsetting against future taxable profits of the Group. No deferred tax asset has been recognised due to the unpredictability of the future profit streams.

29. SHARE CAPITAL

28. 遞延稅項

由於本集團資產及負債之稅基與其於綜合財務報表內之賬面金額並無重大暫時差額，故並無作出遞延稅項撥備（二零一六年：無）。

於呈報期末，本集團之估計稅項虧損約為533,132,000港元（二零一六年：491,187,000港元），可用於抵銷本集團日後之應課稅溢利。由於難以預測日後溢利來源，因此並無確認遞延稅項資產。

29. 股本

		Number of shares 股份數目		Amount 款額	
		2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年
		'000 千股	'000 千股	HK\$'000 千港元	HK\$'000 千港元
Authorised:	法定：				
At 1 January, ordinary shares of HK\$0.01 each	於一月一日，每股面值0.01港元之普通股	20,000,000	20,000,000	200,000	200,000
At 31 December, ordinary shares of HK\$0.01 each	於十二月三十一日，每股面值0.01港元之普通股	20,000,000	20,000,000	200,000	200,000
Issued and fully paid:	已發行及繳足：				
At 1 January, ordinary shares of HK\$0.01 each	於一月一日，每股面值0.01港元之普通股	2,132,261	1,802,261	21,323	18,023
Placing (Notes (i), (ii) and (iii))	配售（附註(i)、(ii)及(iii)）	-	330,000	-	3,300
Placing (Notes (iv) and (v))	配售（附註(iv)及(v)）	270,000	-	2,700	-
At 31 December	於十二月三十一日	2,402,261	2,132,261	24,023	21,323

29. SHARE CAPITAL (CONTINUED)*Notes:*

- (i) On 27 January 2016, the Company placed 200,000,000 placing shares at the placing price of HK\$0.32 per placing share. A share premium of approximately HK\$59,165,000 had credited to share premium account. The net proceeds of approximately HK\$61,165,000 are intended to be used for general working capital and repayment of the existing loans of the Group. Details of the placing were set out in the Company's announcements dated 15 January 2016 and 27 January 2016.
- (ii) On 18 July 2016, the Company placed 82,000,000 placing shares at the placing price of HK\$0.28 per placing share. A share premium of approximately HK\$21,476,000 had credited to share premium account. The net proceeds of approximately HK\$22,296,000 are intended to be used for general working capital of the Group and/or for future investments pursuant to the investment objectives of the Company. Details of the placing were set out in the Company's announcements dated 13 July 2016 and 18 July 2016.
- (iii) On 22 December 2016, the Company placed 48,000,000 placing shares at the placing price of HK\$0.113 per placing share. A share premium of approximately HK\$4,781,000 had credited to share premium account. The net proceeds of approximately HK\$5,261,000 are intended to be used for general working capital of the Group and/or for future investments pursuant to the investment objectives of the Company. Details of the placing were set out in the Company's announcements dated 20 December 2016 and 22 December 2016.
- (iv) On 10 January 2017, the Company placed 160,000,000 placing shares at the placing price of HK\$0.1 per placing share. A share premium of approximately HK\$14,400,000 had credited to share premium account. The net proceeds of approximately HK\$15,520,000 are intended to be used for general working capital of the Group and/or for future investments pursuant to the investment objectives of the Company. Details of the placing were set out in the Company's announcements dated 6 January 2017 and 10 January 2017.
- (v) On 7 March 2017, the Company placed 110,000,000 placing shares at the placing price of HK\$0.142 per placing share. A share premium of approximately HK\$14,520,000 had credited to share premium account. The net proceeds of approximately HK\$15,151,000 are intended to be used for general working capital of the Group and/or for future investments pursuant to the investment objectives of the Company. Details of the placing were set out in the Company's announcements dated 28 February 2017 and 7 March 2017.

All the shares issued during the year rank pari passu with the then existing shares in all respects.

29. 股本 (續)*附註:*

- (i) 於二零一六年一月二十七日，本公司配售200,000,000股配售股份，配售價為每股配售股份0.32港元。股份溢價約59,165,000港元已計入股份溢價賬。所得款項淨額約61,165,000港元擬用作本集團之一般營運資金及於償還本集團之現有貸款。配售之詳情載於本公司日期為二零一六年一月十五日及二零一六年一月二十七日之公告內。
- (ii) 於二零一六年七月十八日，本公司配售82,000,000股配售股份，配售價為每股配售股份0.28港元。股份溢價約21,476,000港元已計入股份溢價賬。所得款項淨額約22,296,000港元擬根據本公司之投資目標用作本集團之一般營運資金及／或未來投資。配售之詳情載於本公司日期為二零一六年七月十三日及二零一六年七月十八日之公告內。
- (iii) 於二零一六年十二月二十二日，本公司配售48,000,000股配售股份，配售價為每股配售股份0.113港元。股份溢價約4,781,000港元已計入股份溢價賬。所得款項淨額約5,261,000港元擬根據本公司之投資目標用作本集團之一般營運資金及／或未來投資。配售之詳情載於本公司日期為二零一六年十二月二十日及二零一六年十二月二十二日之公告內。
- (iv) 於二零一七年一月十日，本公司以配售價每股配售股份0.1港元配售160,000,000股配售股份。股份溢價約14,400,000港元已計入股份溢價賬。所得款項淨額約15,520,000港元擬根據本公司之投資目標用作本集團之一般營運資金及／或未來投資。配售之詳情載於本公司日期為二零一七年一月六日及二零一七年一月十日之公告內。
- (v) 於二零一七年三月七日，本公司以配售價每股配售股份0.142港元配售110,000,000股配售股份。股份溢價約14,520,000港元已計入股份溢價賬。所得款項淨額約15,151,000港元擬根據本公司之投資目標用作本集團之一般營運資金及／或未來投資。配售之詳情載於本公司日期為二零一七年二月二十八日及二零一七年三月七日之公告內。

年內發行之所有股份於所有方面與當時之現有股份享有同等權益。

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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. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

30. 本公司之財務狀況表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Assets:	資產：		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	6,432	14,511
Other tangible assets	其他有形資產	17,583	18,590
Interests in subsidiaries	於附屬公司之權益	85,556	140,148
Conversion options embedded in convertible notes	可換股票據內含之換股權	7	747
		109,578	173,996
Current assets	流動資產		
Available-for-sale financial assets	可供出售金融資產	20,487	18,132
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	7,428	6,556
Cash and bank balances	現金及銀行結餘	34,784	7,401
		62,699	32,089
Total assets	資產總值	172,277	206,085
Equity:	權益：		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	24,023	21,323
Reserves (Note 31)	儲備 (附註31)	(75,261)	19,626
Total equity	權益總額	(51,238)	40,949

30. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

30. 本公司之財務狀況表(續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Liabilities:	負債：		
Current liabilities	流動負債		
Short-term loans	短期貸款	6,833	-
Accrued charges and other payables	應付開支及其他應付款項	104,649	55,011
Obligations under finance leases	融資租賃承擔	559	-
		112,041	55,011
Non-current liabilities	非流動負債		
Amounts due to subsidiaries	應付附屬公司款項	1,141	1,146
Promissory notes	承兌票據	109,310	108,979
Obligations under finance leases	融資租賃承擔	1,023	-
		111,474	110,125
Total liabilities	負債總額	223,515	165,136
Total equity and liabilities	權益及負債總額	172,277	206,085
Net current liabilities	流動負債淨額	(49,342)	(22,922)
Total assets less current liabilities	資產總值減流動負債	60,236	151,074

Approved by the Board of Directors on 29 March 2018 and signed on its behalf by:

經董事會於二零一八年三月二十九日批准及由以下人士代表簽署：

Wong Danny F.
汪曉峰
Executive Director
執行董事

Wu Tse Wai, Frederick
吳子惠
Executive Director
執行董事

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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

31. RESERVES OF THE COMPANY

31. 本公司之儲備

		Share premium	Share option reserve	Available -for-sale financial assets equity reserve	Accumulated losses	Total
		股份溢價	購股權儲備	可供出售 金融資產 權益儲備	累積虧損	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 1 January 2016	於二零一六年一月一日	686,282	2,193	991	(635,012)	54,454
Loss for the year	年內虧損	-	-	-	(119,930)	(119,930)
Other comprehensive income for the year, net of income tax	年內其他全面收益， 已扣除所得稅	-	-	(320)	-	(320)
Total comprehensive loss for the year	年內全面虧損總額	-	-	(320)	(119,930)	(120,250)
Placing	配售	89,084	-	-	-	89,084
Placing expenses	配售開支	(3,662)	-	-	-	(3,662)
As 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	771,704	2,193	671	(754,942)	19,626
Loss for the year	年內虧損	-	-	-	(123,522)	(123,522)
Other comprehensive income for the year, net of income tax	年內其他全面收益， 已扣除所得稅	-	-	664	-	664
Total comprehensive loss for the year	年內全面虧損總額	-	-	664	(123,522)	(122,858)
Share options lapsed	購股權失效	-	(2,193)	-	2,193	-
Placing	配售	28,920	-	-	-	28,920
Placing expenses	配售開支	(949)	-	-	-	(949)
As at 31 December 2017	於二零一七年十二月三十一日	799,675	-	1,335	(876,271)	(75,261)

32. NET (LIABILITIES)/ASSETS VALUE PER SHARE

As at 31 December 2017, the net liabilities value per share is HK\$(0.02) (2016: net assets value per share was HK\$0.02).

The calculation of net (liabilities)/assets value per share is based on the net liabilities of approximately HK\$(47,443,000) (2016: net assets of approximately HK\$43,747,000) and 2,402,261,000 ordinary shares in issue as at 31 December 2017 (2016: 2,132,261,000).

33. DISPOSAL OF A SUBSIDIARY

Gold Intelligent Investment Development Limited

On 1 August 2016, the Group has disposed of the entire issued share capital of Gold Intelligent Investment Development Limited with cash consideration of approximately HK\$8 (equivalent to US\$1). On that date, interest of the associate passed to the acquirer. Details of the liability disposed of, and the calculation of the gain on disposal, are disclosed belows:

Analysis of liability over which control was lost

		2016 二零一六年 HK\$'000 千港元
Non-current liability	非流動負債	
Amount due to the Group	應付本集團款項	(10)
Net liability disposed of	所出售之負債淨額	(10)

Gain on disposal of a subsidiary

		2016 二零一六年 HK\$'000 千港元
Consideration received	已收代價	-
Net liability disposed of	所出售之負債淨額	10
Sale loan	銷售貸款	(10)
Gain on disposal	出售收益	-

32. 每股(負債)/資產淨值

於二零一七年十二月三十一日，每股負債淨額為(0.02)港元(二零一六年：每股資產淨值0.02港元)。

每股(負債)/資產淨值乃按於二零一七年十二月三十一日之負債淨額約(47,443,000)港元(二零一六年：資產淨值約43,747,000港元)及2,402,261,000股(二零一六年：2,132,261,000股)已發行普通股計算。

33. 出售一間附屬公司

Gold Intelligent Investment Development Limited

於二零一六年八月一日，本集團出售Gold Intelligent Investment Development Limited之全部已發行股本，現金代價約為8港元(相當於1美元)。聯營公司之權益已於該日移交收購方。所出售負債之詳情及出售收益之計算方法披露如下：

喪失控制權之負債分析

出售一間附屬公司之收益

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33. DISPOSAL OF A SUBSIDIARY (CONTINUED)

Gold Intelligent Investment Development Limited (Continued)

Net cash inflow on disposal of a subsidiary

Consideration received in cash and cash equivalents

33. 出售一間附屬公司 (續)

Gold Intelligent Investment Development Limited (續)

出售一間附屬公司之現金流入淨額

2016
二零一六年
HK\$'000
千港元

以現金及現金等值項目
收取之代價

—

34. OPERATING LEASE COMMITMENTS

As lessee

As at the end of each reporting period, the total future minimum lease payments under non-cancellable operating leases falling due as follows:

34. 經營租賃承擔

作為承租人

於各呈報期末，根據不可撤銷經營租賃到期應付之未來最低租賃款項總值如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	9,915	5,878
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	3,462	2,352
		13,377	8,230

The Group leases office properties under operating lease arrangement and the lease payments are fixed and pre-determined for the term one to four years (2016: one to four years).

本集團根據經營租賃安排租賃辦公室物業，而租賃款項乃固定且預先確定為一至四年 (二零一六年：一至四年)。

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flow were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

35. 融資活動所產生負債之對賬

下表詳列本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生負債指現金流量已或未來現金流量將於本集團綜合報表中分類為融資活動產生之現金流量的負債。

		Obligations under			Total
		Promissory notes	finance leases	Short-term loans	
		承兌票據	融資租賃承擔	短期貸款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
As at 1 January 2017	於二零一七年一月一日	108,979	-	-	108,979
Financing cash inflows	融資現金流入	-	-	8,170	8,170
Financing cash outflows	融資現金流出	-	(526)	-	(526)
Interest paid	已付利息	(3,000)	-	-	(3,000)
Non-cash movement	非現金變動	3,331	2,108	(1,337)	4,102
As at 31 December 2017	於二零一七年十二月三十一日	109,310	1,582	6,833	117,725

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36. MATERIAL RELATED PARTY TRANSACTIONS

Saved as disclosed elsewhere in the consolidated financial statements, for the years ended 31 December 2017 and 2016, the Group had entered into transactions with related parties, which, in the opinion of the directors of the Company, were carried out on normal commercial terms and in the ordinary course of the Group's business.

36. 重大關連人士交易

除綜合財務報表其他部份所披露者外，於截至二零一七年及二零一六年十二月三十一日止年度，本集團與關連人士訂立交易，本公司董事認為有關交易乃於本集團之日常業務過程中按一般商業條款進行。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Consultancy expenses paid to a related party (Note (i))	支付予關連人士之顧問費 (附註(i))	-	200
Interest income received from a related party (Note (ii))	已收關連人士之利息收入 (附註(ii))	372	372
Commission expenses paid to a related party (Note (iii))	支付予關連人士之 佣金費用(附註(iii))	949	826
License fee paid to a related party for use of office (Note (iii))	就使用辦公室向關連人士 支付之特許費(附註(iii))	-	66
Rental income received from a related party (Note (iii))	已收關連人士之租金收入 (附註(iii))	1,200	600
Interest receivable from a related party (Note (ii))	應收關連人士之利息 (附註(ii))	1,487	1,115

Notes:

- (i) Mr. Wu Tse Wai, Frederick is the director of the Company and Beijing Capital Partners Limited ("Beijing Capital"). It constitutes a continuing connected transaction under Chapter 14A of the Listing Rules for the year ended 31 December 2016.
- (ii) Mr. Wong Danny F. is the director of the Company and the shareholder of Premium Castle. Please refer to the paragraph in relation to "Subscription Agreement" under the section headed "Connected Transactions" in the Director's Report on page 53.
- (iii) Mr. Wong Danny F. is the director of the Company and the shareholder of Beijing Securities Limited's holding company. Please refer to the paragraph in relation to "Placing Agreement" under the section headed "Connected Transactions" in the Director's Report on page 54.

附註：

- (i) 吳子惠先生為本公司及北京資本有限公司（「北京資本」）之董事。截至二零一六年十二月三十一日止年度，該項交易根據上市規則第十四A章構成持續關連交易。
- (ii) 汪曉峰先生為本公司之董事及Premium Castle之股東。請參閱第53頁董事報告「關連交易」一節中「認購協議」一段。
- (iii) 汪曉峰先生為本公司之董事及北京證券有限公司之控股公司之股東。請參閱第54頁董事報告「關連交易」一節中「配售協議」一段。

36. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

Key management compensation

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	5,528	5,728
Employer's contribution to pension scheme	退休金計劃之僱主供款	32	32
		5,560	5,760

37. SHARE-BASED PAYMENT TRANSACTIONS

The share option scheme adopted on 27 August 2007 (the "Old Scheme") has expired and was replaced by a new share option scheme approved by the shareholders of the Company on 30 June 2017 (the "Share Option Scheme"). No further option can be granted under the Old Scheme upon its expiration, but all options granted previously will remain exercisable in accordance with the terms of the Old Scheme and the relevant letters of offers to the respective grantees. The Share Option Scheme had a life of ten years and is due to expire on 29 June 2027.

Pursuant to the terms and conditions of the Share Option Scheme, the purpose of the Share Option Scheme, in principle, is to enable the Company to motivate participants for their significant contributions to the growth of the Company and to retain and maintain on-going business relationship with such participants whose contributions are or will be beneficial to the long-term growth of the Company. It is important for the Company to provide them, where appropriate, with an additional incentive by offering them an opportunity to obtain an ownership interest in the Company and to reward them for contributing to the Company's long-term success and prosperity. The principal terms of the Share Option Scheme are as follows:

- (i) The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any options to be granted under any other scheme must not in aggregate exceed 10% of the aggregate of the shares in issue as at the adoption date unless refreshed by the shareholders. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and all outstanding options granted and yet to be exercised under any other scheme should not exceed 30% of the shares in issue from time to time.

36. 重大關連人士交易（續）

主要管理層薪酬

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	5,528	5,728
Employer's contribution to pension scheme	退休金計劃之僱主供款	32	32
		5,560	5,760

37. 以股份為基礎付款之交易

於二零零七年八月二十七日採納的購股權計劃（「舊計劃」）已屆滿並由本公司股東於二零一七年六月三十日批准的新購股權計劃（「購股權計劃」）所替代。舊計劃屆滿後並無進一步據此授出購股權，惟先前授出的所有購股權仍可根據舊計劃及向各承授人發出相關要約函件的條款予以行使。購股權計劃的期限為十年並將於二零二七年六月二十九日屆滿。

根據購股權計劃之條款及條件，購股權計劃原則上旨在讓本公司能鼓勵參與者對本公司發展作出重大貢獻，挽留及維持與該等參與者（彼等之貢獻乃有利於或將會有利於本公司之長遠發展）之持續業務關係。重要的是，本公司於適當時給予彼等機會獲得本公司擁有權權益作為額外獎勵，並獎勵彼等對本公司長遠成功及興旺所作出之貢獻。購股權計劃主要條款如下：

- (i) 除非獲股東更新，否則於行使根據購股權計劃將予授出之全部購股權及根據任何其他計劃將予授出的任何購股權時可予發行之股份總數，合共不得超過於採納日期已發行股份總數之10%。然而，於行使根據計劃已授出但尚未行使之全部購股權，以及根據任何其他計劃已授出但尚未行使之全部購股權時可予發行之股份總數，不得超過不時已發行股份之30%。

37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

- (ii) The total number of shares in respect of which options may be granted to each eligible participant in any 12-month period must not exceed 1% of the issued share capital of the Company for the time being.
- (iii) The subscription price shall be a price determined by the Board, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share.
- (iv) An option may be accepted by an eligible participant within 28 days from the date of offer of the option. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant of the option.
- (v) The Share Option Scheme will remain valid for a period of ten years commencing on 30 June 2017.

37. 以股份為基礎付款之交易（續）

- (ii) 每一位合資格參與者在任何十二個月期間內可獲授出之購股權所涉及之股份總數，不得超過本公司當時已發行股本之1%。
- (iii) 認購價由董事釐定，惟不得低於以下三者之最高者：(i)股份於授出日期（必須為營業日）在聯交所每日報價表之收市價；(ii)股份於緊接授出日期前五個營業日在聯交所每日報價表之平均收市價；及(iii)股份之面值。
- (iv) 合資格參與者可於提呈購股權日期起計28天內接受購股權。一旦接納該購股權，則承授人須向本公司支付1.00港元，作為所授出購股權之代價。
- (v) 購股權計劃自二零一七年六月三十日起10年期內將維持有效。

37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

On 3 September 2013, the rights issue was completed. The number and exercise price of Outstanding Share Options has been adjusted. The 174,720 and 11,670,000 Outstanding Share Options with an exercise price of HK\$19 and HK\$1.89 granted on 28 November 2007 and 18 April 2011 immediately before the rights issue has been adjusted to 209,664 and 14,004,000 with an exercise price of HK\$15.83 and HK\$1.58 respectively. Details of the adjustment of Outstanding Share Options have been disclosed in the announcement dated on 3 September 2013.

On 20 February 2014, the rights issue was completed. The number and exercise price of Outstanding Share Options has been adjusted. The 209,664 and 14,004,000 Outstanding Share Options with an exercise price of HK\$15.83 and HK\$1.58 granted on 28 November 2007 and 18 April 2011 immediately before the rights issue has been adjusted to 587,059 and 39,211,200 with an exercise price of HK\$5.65 and HK\$0.56 respectively. Details of the adjustment of Outstanding Share Options have been disclosed in the announcement dated 20 February 2014.

On 11 July 2014, the Company granted 132,640,000 share options to eligible person to subscribe for up to 132,640,000 ordinary shares at an exercise price of HK\$0.40 within the exercisable period, under the Old Scheme.

At 31 December 2017, no number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme (2016: 14,299,219), representing Nil% (2016: 0.67%) of the shares of the Company in issue at that date. No share options were exercised by the grantees during the year (2016: Nil).

37. 以股份為基礎付款之交易（續）

供股於二零一三年九月三日完成。未行使購股權之數目及行使價已作調整。於二零零七年十一月二十八日及二零一一年四月十八日分別授出之174,720份及11,670,000份未行使購股權（緊接供股前之行使價為19港元及1.89港元）已調整為209,664份及14,004,000份（行使價15.83港元及1.58港元）。未行使購股權調整之詳情已於日期為二零一三年九月三日之公告披露。

供股於二零一四年二月二十日完成。未行使購股權之數目及行使價已作調整。於二零零七年十一月二十八日及二零一一年四月十八日分別授出之209,664份及14,004,000份未行使購股權（緊接供股前之行使價為15.83港元及1.58港元）已調整為587,059份及39,211,200份（行使價5.65港元及0.56港元）。未行使購股權調整之詳情已於日期為二零一四年二月二十日之公告披露。

於二零一四年七月十一日，本公司向合資格人士授出132,640,000份購股權，以於可行使期內根據舊計劃按行使價0.40港元認購最多132,640,000股普通股。

於二零一七年十二月三十一日，根據購股權計劃授出惟尚未行使之購股權涉及之股份數目為零（二零一六年：14,299,219股），佔本公司當日已發行股份之0%（二零一六年：0.67%）。承授人於年內概無行使任何購股權（二零一六年：無）。

37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

The fair value of the share options granted during the year ended 31 December 2011 was HK\$0.03 each. Options were priced using a binomial option pricing model.

Inputs into the model

Grant date share price	HK\$0.081
Exercise price	HK\$0.890
Expected volatility	88.71%
Option life	6.4 years
Dividend yield	0%
Risk-free interest rate	2.210%
Exercise multiple	1.2

Expected volatility was determined by using the historical volatility of the comparable companies share price over the previous 331 weeks.

The fair value of the share options granted during the year ended 31 December 2014 was HK\$0.19 each. Options were priced using a binomial option pricing model.

Inputs into the model

Grant date share price	HK\$0.4
Exercise price	HK\$0.4
Expected volatility	90.43%
Option life	3.1 years
Dividend yield	0%
Risk-free interest rate	0.88%
Exercise multiple	2.2

Expected volatility was determined by using the historical volatility of the comparable companies share price over the previous 162 weeks.

The binomial option pricing model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

37. 以股份為基礎付款之交易（續）

於截至二零一一年十二月三十一日止年度授出之購股權之公允價值為每份0.03港元。購股權乃按二項式期權定價模型定價。

該模型之輸入值

授出日期之股價	0.081港元
行使價	0.890港元
預期波幅	88.71%
購股權有效期	6.4年
股息回報率	0%
無風險利率	2.210%
行使倍數	1.2

預期波幅以可資比較公司股價於過去331個星期之歷史波幅釐定。

於截至二零一四年十二月三十一日止年度授出之購股權之公允價值為每份0.19港元。購股權乃按二項式期權定價模型定價。

該模型之輸入值

授出日期之股價	0.4港元
行使價	0.4港元
預期波幅	90.43%
購股權有效期	3.1年
股息回報率	0%
無風險利率	0.88%
行使倍數	2.2

預期波幅以可資比較公司股價於過去162個星期之歷史波幅釐定。

二項式期權定價模型乃用以估計購股權之公允價值。計算購股權公允價值時所用之變數及假設乃基於董事之最佳估計。購股權價值可因若干主觀假設之不同變數而變化。

37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

37. 以股份為基礎付款之交易（續）

The following table discloses movements of the Company's share options held by directors and employees during the year ended 31 December 2017:

下表披露董事及僱員所持本公司購股權於截至二零一七年十二月三十一日止年度之變動：

	Number of share options 購股權數目				Outstanding at 31 December 2017 於二零一七年 十二月三十一日 尚未行使	Exercise price at 1 January 2017 於二零一七年 一月一日 之行使價 (HK\$) (港元)	Exercise price at 31 December 2017 於二零一七年 十二月三十一日 之行使價 (HK\$) (港元)	Date of grant 授出日期	Exercisable period (Note (f)) (附註(f))
	Outstanding at 1 January 2017 於二零一七年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效					
Directors 董事									
Mr. Wong Danny F. 汪曉峰先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Wu Tse Wai Frederick 吳子惠先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Fong Chi Wah 方志華先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至二零 一七年八月二十六日
Mr. Char Shik Ngor, Stephen 查錫我先生	73,383	-	-	(73,383)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至二零 一七年八月二十六日
Mr. Liu Jin 劉進先生	73,382	-	-	(73,382)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	(389,760)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至二零 一七年八月二十六日
	2,315,711	-	-	(2,315,711)	-				

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37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

37. 以股份為基礎付款之交易（續）

	Number of share options 購股權數目				Outstanding at 31 December 2017 於二零一七年 十二月三十一日 尚未行使	Exercise price at 1 January 2017 於二零一七年 一月一日 之行使價 (HK\$) (港元)	Exercise price at 31 December 2017 於二零一七年 十二月三十一日 之行使價 (HK\$) (港元)	Date of grant 授出日期	Exercisable period 行使期 (Note (i)) (附註(i))
	Outstanding at 1 January 2017 於二零一七年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效					
Resigned directors 已辭任董事	220,148	-	-	(220,148)	-	5.65	Nil 零	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	1,169,280	-	-	(1,169,280)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Other eligible participants 其他合資格參與者	10,594,080	-	-	(10,594,080)	-	0.56	Nil 零	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Total 合計	14,299,219	-	-	(14,299,219)	-				
Weighted average exercise price 加權平均行使價	HK\$0.77 0.77港元	-	-	-	HK\$Nil 零港元				

37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

37. 以股份為基礎付款之交易（續）

The following table discloses movements of the Company's share options held by directors and employees during the year ended 31 December 2016:

下表披露董事及僱員所持本公司購股權於截至二零一六年十二月三十一日止年度之變動：

	Number of share options 購股權數目				Outstanding at 31 December 2016 於二零一六年 十二月三十一日 尚未行使	Exercise price at 1 January 2016 於二零一六年 一月一日 之行使價 (HK\$) (港元)	Exercise price at 31 December 2016 於二零一六年 十二月三十一日 之行使價 (HK\$) (港元)	Date of grant 授出日期	Exercisable period 行使期 (Note #) (附註#)
	Outstanding at 1 January 2016 於二零一六年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效					
Directors									
董事									
Mr. Wong Danny F. 汪曉峰先生	73,382	-	-	-	73,382	5.65	5.65	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	-	389,760	0.56	0.56	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Wu Tse Wai Frederick 吳子惠先生	73,382	-	-	-	73,382	5.65	5.65	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	-	389,760	0.56	0.56	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Fong Chi Wah 方志華先生	73,382	-	-	-	73,382	5.65	5.65	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	-	389,760	0.56	0.56	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Char Shik Ngor, Stephen 查錫我先生	73,383	-	-	-	73,383	5.65	5.65	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	-	389,760	0.56	0.56	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Mr. Liu Jin 劉進先生	73,382	-	-	-	73,382	5.65	5.65	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	389,760	-	-	-	389,760	0.56	0.56	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至二零 一七年八月二十六日
	2,315,711	-	-	-	2,315,711				

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37. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

37. 以股份為基礎付款之交易（續）

	Number of share options 購股權數目				Outstanding at 31 December 2016 於二零一六年 十二月三十一日 尚未行使	Exercise price at 1 January 2016 於二零一六年 一月一日 之行使價 (HK\$) (港元)	Exercise price at 31 December 2016 於二零一六年 十二月三十一日 之行使價 (HK\$) (港元)	Date of grant 授出日期	Exercisable period 行使期 (Note 11) (附註11)
	Outstanding at 1 January 2016 於二零一六年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed during the year 年內失效					
Resigned directors 已辭任董事	220,148	-	-	-	220,148	5.65	5.65	28 Nov 2007 二零零七年十一月二十八日	28 Nov 2007 to 26 Aug 2017 二零零七年十一月二十八日至 二零一七年八月二十六日
	1,169,280	-	-	-	1,169,280	0.56	0.56	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Other eligible participants 其他合資格參與者	10,594,080	-	-	-	10,594,080	0.56	0.56	18 Apr 2011 二零一一年四月十八日	18 Apr 2011 to 26 Aug 2017 二零一一年四月十八日至 二零一七年八月二十六日
Total 合計	14,299,219	-	-	-	14,299,219				
Weighted average exercise price 加權平均行使價	HK\$0.77 0.77港元	-	-	-	HK\$0.77 0.77港元				

The options outstanding at 31 December 2016 had the weighted average remaining contractual life of 0.65 years.

於二零一六年十二月三十一日尚未行使購股權之加權平均餘下合約年期為0.65年。

Note:

附註：

- (i) In accordance with the terms of the share-based arrangement, (i) a maximum of 30% options are exercisable from the date of grant; (ii) a maximum of another 30% options, plus any options being unexercised in (i), in aggregate not exceeding 60% of total options granted, are exercisable from 28 November 2008, (iii) and the remaining 40% options, plus any options being unexercised in (i) and (ii), are exercisable from 28 November 2009 to 26 August 2017.
- (i) 根據以股份為基礎之安排之條款，(i)最多30%購股權自授出日期起可予行使；(ii)另外最多30%購股權，加上(i)中尚未行使之任何購股權，合共不超過已授出購股權總數之60%，自二零零八年十一月二十八日起可予行使；及(iii)其餘40%購股權，加上(i)及(ii)中尚未行使之任何購股權，於二零零九年十一月二十八日至二零一七年八月二十六日期間可予行使。

38. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at the end of the reporting period are as follows:

38. 主要附屬公司

於呈報期末，本公司主要附屬公司之詳情如下：

Name of subsidiary	Place of incorporation or operation	Class of share	Fully Paid share capital	Proportion of nominal value equity interest and voting power directly attributable to the Company		Principal activities
				2017	2016	
附屬公司名稱	註冊成立或營業地點	股份類別	已繳足股本	本公司直接應佔股權面值比例及投票權比例		主要業務
				二零一七年	二零一六年	
Top Onward Development Limited ("Top Onward") 拓匯發展有限公司 (「拓匯」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Essence Sharp Holdings Limited ("Essence Sharp") Essence Sharp Holdings Limited (「Essence Sharp」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Massive Shine Limited ("Massive Shine") Massive Shine Limited (「Massive Shine」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Vast Spirit Investment Holding Limited ("Vast Spirit") Vast Spirit Investment Holding Limited (「Vast Spirit」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Old Peak Limited ("Old Peak") Old Peak Limited (「Old Peak」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Eighty Riches Limited ("Eighty Riches") Eighty Riches Limited (「Eighty Riches」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Union Power Holdings Limited ("Union Power") 順力集團有限公司 (「順力集團」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股
Fine East Trading Limited ("Fine East") Fine East Trading Limited (「Fine East」)	British Virgins Islands 英屬處女群島	Ordinary 普通股	US\$1 1美元	100%	100%	Investment holdings 投資控股

38. PRINCIPAL SUBSIDIARIES (CONTINUED)

None of the subsidiaries issued debt securities during the year or at the year end.

The above table lists the subsidiaries of the Group, which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive lengths.

39. PLEDGED OF ASSETS

Deposits with banks earn interest at floating rates based on bank deposit and saving rates. The bank balances and pledged bank deposits are deposited with creditworthy banks with no recent history of default. At 31 December 2017, the bank deposits of HK\$2,070,000 (2016: HK\$2,040,000) were pledged to a bank to secure trade credit facilities granted to the Group.

40. EVENTS AFTER THE REPORTING PERIOD

- (i) On 2 January 2018, the Company completed the rights issue on the basis of one rights share for every two shares held on the record date. 1,201,130,456 shares were issued at a subscription price of HK\$0.035 per rights share. A share premium of approximately HK\$30,028,000 had credited to share premium account. The net proceeds of approximately HK\$40,280,000 are intended to be used for repayment of the outstanding indebtedness and as general working capital of the Group. Details of the rights issue were set out in the Company's announcements dated on 21 November 2017 and 28 November 2017 and the Company's prospectus dated 7 December 2017.
- (ii) On 2 January 2018, the Company has fully settled the loan entered with Freeman with cash of approximately HK\$1,580,000 (please refer to Notes 24 and 25 for details).
- (iii) On 5 Jan 2018, the Company entered into a sale and purchase agreement with an independent third party in respect of sale of an other tangible asset at HK\$16,000,000. On 5 Jan 2018, the sale has been fully settled with cash of HK\$16,000,000.
- (iv) On 8 January 2018, the Company has fully settled the loan entered with Citizens with cash of approximately HK\$39,233,000 (please refer to Notes 24 and 25 for details).

38. 主要附屬公司 (續)

概無附屬公司於年內或年末發行債務證券。

上表載列本公司董事認為主要影響本集團業績或資產之本集團附屬公司。本公司董事認為，載列其他附屬公司的詳情將導致篇幅冗長。

39. 資產質押

銀行存款根據銀行存款及儲蓄利率按浮動利率計息。銀行結餘及已抵押銀行存款存放於並無近期違約記錄及具信譽之銀行。於二零一七年十二月三十一日，2,070,000港元（二零一六年：2,040,000港元）之銀行存款已抵押予銀行，以取得授予本集團之貿易信用融資。

40. 呈報期後事項

- (i) 於二零一八年一月二日，本公司完成按於記錄日期所持每兩股股份獲發一股供股股份之基準進行供股。本公司按認購價每股供股股份0.035港元發行1,201,130,456股股份。股份溢價約30,028,000港元已計入股份溢價賬。所得款項淨額約40,280,000港元擬用於償還尚未償還債務及用作本集團之一般營運資金。供股之詳情載於本公司日期為二零一七年十一月二十一日及二零一七年十一月二十八日之公告以及本公司日期為二零一七年十二月七日之章程內。
- (ii) 於二零一八年一月二日，本公司已以現金約1,580,000港元悉數結清與Freeman訂立之貸款（詳情見附註24及25）。
- (iii) 於二零一八年一月五日，本公司與一名獨立第三方訂立買賣協議，內容有關以16,000,000港元銷售其他有形資產。於二零一八年一月五日，銷售已以現金16,000,000港元悉數結清。
- (iv) 於二零一八年一月八日，本公司已以現金約39,233,000港元悉數結清與民眾訂立之貸款（詳情見附註24及25）。

40. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

- (v) On 26 March 2018, the Company received a petition from Medisun Holdings Limited in the matter of the Companies (Winding Up and Miscellaneous Provision) Ordinance from the High Court that the Company may be wound up by the High Court on the ground that the Company is unable to pay its debts. The petition was filed against the Company for failure to settle the sum of approximately HK\$7,143,000 (the "Petition"). On 29 March 2018, the Company received a notice from Carley Company S.A., a creditor of not less than HK\$700,000 (being the amount of outstanding rental) of the Company, that it intends to appear on the hearing of the Petition to support such petition. Please refer to the Company's announcements dated 26 March 2018 and 27 March 2018 for further details of the Petition.

41. NON-CASH TRANSACTIONS

During the year ended 31 December 2017, additions to property, plant and equipment of approximately HK\$2,081,000 were made under the finance leases which of approximately HK\$51,000 have made by the Group as down payment.

42. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 29 March 2018.

40. 呈報期後事項 (續)

- (v) 於二零一八年三月二十六日，本公司收到高等法院有關麥迪舜醫療集團有限公司就公司（清盤及雜項條文）條例向高等法院提出的清盤呈請，本公司可能遭高等法院基於本公司無力償債的理由進行清盤。該呈請乃針對本公司無法償還債務約7,143,000港元而提出（「呈請」）。於二零一八年三月二十九日，本公司接獲Carley Company S.A.（本公司不少於700,000港元（即尚未償還租金款項）的債權人）發出的通知，表示其有意出席呈請之聆訊以支持呈請。有關呈請之進一步詳情請參閱本公司日期為二零一八年三月二十六日及二零一八年三月二十七日之公告。

41. 非現金交易

截至二零一七年十二月三十一日止年度，本集團根據融資租賃添置物業、廠房及設備約2,081,000港元，其中支付約51,000港元作為定金。

42. 刊發綜合財務報表之授權

董事會於二零一八年三月二十九日批准並授權刊發綜合財務報表。

Five Years Financial Summary

五年財務摘要

Summary of the results, assets and liabilities of the Group for the last five years is as follows:

本集團過去五年之業績、資產及負債概要如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Results	業績					
Revenue	收益	2,915	1,785	(27,193)	56,480	(42,603)
Loss before taxation	除稅前虧損	(123,593)	(114,413)	(312,636)	(112,941)	(117,881)
Taxation	稅項	-	-	-	-	-
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(123,593)	(114,413)	(312,636)	(112,941)	(117,881)

		As at 31 December 於十二月三十一日				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	資產總值	174,931	207,737	199,852	469,018	231,790
Total liabilities	負債總額	(222,374)	(163,990)	(126,242)	(173,026)	(111,447)
Total equity	權益總額	(47,443)	43,747	73,610	295,992	120,343

