



(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock Code 股份代號 : 181

Annual Report 年報  
2018

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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors:

CHEN Yangbiao (*Chairman of the Board*)  
(Appointed on 20 August 2018)  
LIU Hongjian (*Resigned on 20 August 2018*)  
CHEN Danyun  
CHEN Yang

#### Non-executive Directors:

FENG Qiang  
WANG Ruilian  
WENG Weijian (*Appointed on 11 September 2018*)  
ZHANG Fan (*Resigned on 11 September 2018*)

#### Independent Non-executive Directors:

LAM Kwong Siu  
NG Man Kung  
LIU Mei Ling Rhoda (*Appointed on 1 January 2019*)  
LEUNG Hok Lim (*Resigned on 1 January 2019*)

### COMPANY SECRETARY

CHAN Tao Ming

### AUDIT COMMITTEE

LIU Mei Ling Rhoda (*Chairman of the Committee*)  
LAM Kwong Siu  
NG Man Kung

### REMUNERATION COMMITTEE

LAM Kwong Siu (*Chairman of the Committee*)  
NG Man Kung  
LIU Mei Ling Rhoda

### NOMINATION COMMITTEE

NG Man Kung (*Chairman of the Committee*)  
LAM Kwong Siu  
LIU Mei Ling Rhoda

### 董事會

#### 執行董事：

陳揚標(*董事會主席*)  
(於二零一八年八月二十日上任)  
劉洪建(於二零一八年八月二十日辭任)  
陳丹雲  
陳揚

#### 非執行董事：

馮強  
王瑞煉  
翁衛建(於二零一八年九月十一日上任)  
張帆(於二零一八年九月十一日辭任)

#### 獨立非執行董事：

林廣兆  
吳文拱  
廖美玲(於二零一九年一月一日上任)  
梁學濂(於二零一九年一月一日辭任)

### 公司秘書

陳道明

### 審核委員會

廖美玲(*委員會主席*)  
林廣兆  
吳文拱

### 薪酬委員會

林廣兆(*委員會主席*)  
吳文拱  
廖美玲

### 提名委員會

吳文拱(*委員會主席*)  
林廣兆  
廖美玲

## Corporate Information (Continued)

公司資料(續)

### PRINCIPAL BANKERS

Hang Seng Bank Limited  
Bank of China Limited  
Industrial Bank Co., Ltd.

### REGISTERED OFFICE

Room 3306-08, 33rd Floor  
West Tower, Shun Tak Centre  
200 Connaught Road Central  
Hong Kong

### AUDITORS

HLB Hodgson Impey Cheng Limited  
*Certified Public Accountants*  
31st Floor, Gloucester Tower  
The Landmark  
11 Pedder Street, Central  
Hong Kong

### SOLICITORS

Paul Hastings  
22nd Floor, Bank of China Tower  
1 Garden Road  
Hong Kong

### SHARE REGISTRAR

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

### STOCK CODE

00181

### WEBSITE

[www.fujianholdings.com](http://www.fujianholdings.com)

### 往來銀行

恒生銀行有限公司  
中國銀行有限公司  
興業銀行股份有限公司

### 註冊辦事處

中環干諾道中二百號  
信德中心西座  
33樓3306-08室

### 核數師

國衛會計師事務所有限公司  
香港執業會計師  
香港  
中環畢打街11號  
置地廣場  
告羅士打大廈31樓

### 律師

普衡律師事務所  
香港  
花園道1號  
中銀大廈22樓

### 股份過戶登記處

卓佳標準有限公司  
香港灣仔  
皇后大道東183號  
合和中心22樓

### 股份代號

00181

### 網址

[www.fujianholdings.com](http://www.fujianholdings.com)

# Financial Summary

## 財務摘要

### RESULTS

### 業績

		Year ended 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	Year ended 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	Year ended 31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	Year ended 31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元	Year ended 31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元
Revenue	收益	39,146	35,829	28,827	25,706	10,688
Profit/(loss) before tax	除稅前盈利/(虧損)	10,773	9,325	1,514	(2,945)	(548)
Income tax (expense)/credit	所得稅(支出)/抵免	(1,357)	(1,089)	41	809	48
Profit/(loss) for the year	本年度盈利/(虧損)	9,416	8,236	1,555	(2,136)	(500)
Profit/(loss) attributable to owners of the Company	本公司持有人應佔盈利/(虧損)	9,416	7,947	1,666	(2,136)	(500)

### ASSETS AND LIABILITIES

### 資產及負債

		As at 31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	As at 31 December 2017 二零一七年 十二月三十一日 HK\$'000 千港元	As at 31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	As at 31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元	As at 31 December 2014 二零一四年 十二月三十一日 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	420,600	416,208	445,070	247,829	147,608
Total liabilities	負債總值	(16,187)	(14,950)	(15,795)	(12,979)	(12,904)
Net assets	淨資產	404,413	401,258	429,275	234,850	134,704

## Financial Summary (Continued)

財務摘要(續)

### PER SHARE DATA

### 每股盈利/(虧損)

		As at 31 December 2018 二零一八年 十二月三十一日 HK Cents 港仙	As at 31 December 2017 二零一七年 十二月三十一日 HK Cents 港仙	As at 31 December 2016 二零一六年 十二月三十一日 HK Cents 港仙	As at 31 December 2015 二零一五年 十二月三十一日 HK Cents 港仙	As at 31 December 2014 二零一四年 十二月三十一日 HK Cents 港仙
Earnings/(loss) per share	每股盈利/(虧損)	0.82	0.69	0.18	(0.33)	(0.09)
Net book value per share	每股賬面淨值	35.66	35.40	37.88	29.90	25.21

## Financial Summary (Continued)

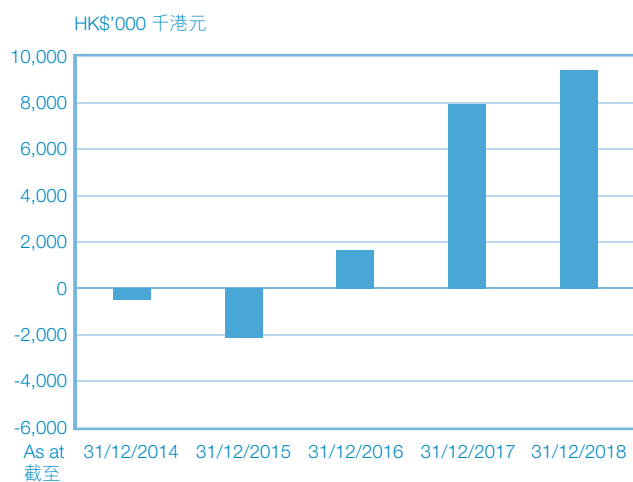
財務摘要(續)

### PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

本公司持有人應佔盈利/(虧損)

(excluding extra-ordinary items)

(不包括非經常性項目)

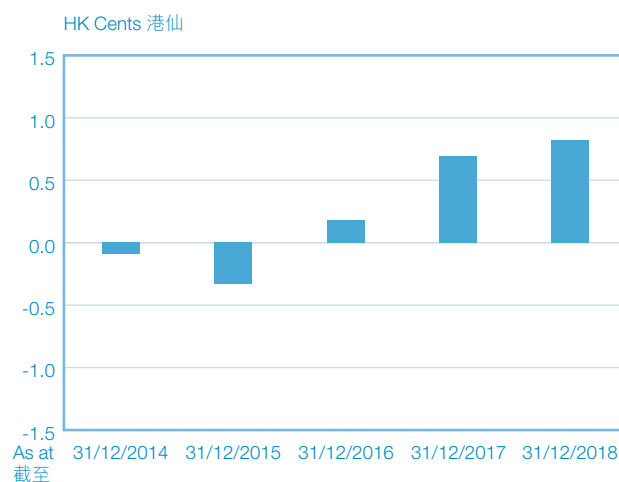


### EARNINGS/(LOSS) PER SHARE

每股盈利/(虧損)

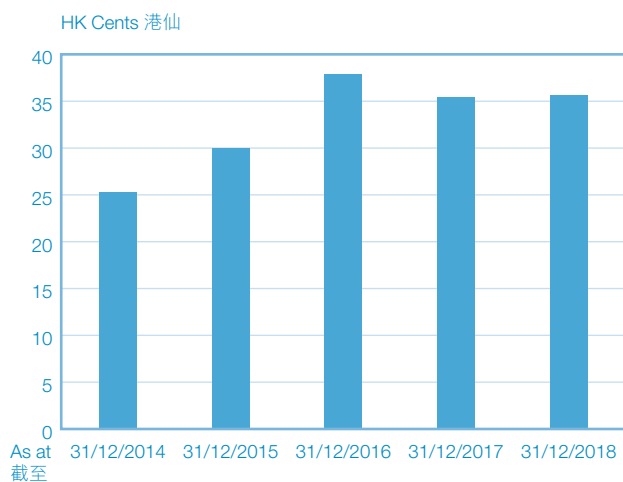
(excluding extra-ordinary items)

(不包括非經常性項目)



### NET BOOK VALUE PER SHARE

每股賬面淨值



## Financial Summary (Continued) 財務摘要 (續)

As of 31 December 於十二月三十一日		2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	Changes 變動 %
<b>Financial highlights</b>	<b>財務摘要</b>			
Revenue	收益	39,146	35,829	9.26
Profit for the year	本年盈利	9,416	8,236	14.33
Earnings per share (HK cents per share)	每股盈利 (每股港仙)			
Basic	基本	0.82	0.69	18.84
Diluted	攤薄	0.82	0.69	18.84
		<b>RMB 人民幣</b>	<b>RMB 人民幣</b>	
Average daily room rate	平均每天房價	298	285	4.56
Hotel occupancy rate	酒店入住率	80.12%	68.82%	16.42
<b>Liquidity ratios</b>	<b>流動資金比率</b>			
Current ratio	流動比率	4.26	4.37	
Average trade receivables turnover days <sup>(1)</sup>	平均貿易應收款項 周轉天數 <sup>(1)</sup>	6.7	11.10	
<b>Capital ratio</b>	<b>資金比率</b>			
Gearing ratio <sup>(2)</sup>	資產負債比率 <sup>(2)</sup>	1.00%	1.07%	

Notes:

- (1) Average trade receivables turnover days is equal to the average of the beginning and closing trade and bills receivables balance divided by turnover and multiplied by the number of days in the year.
- (2) Gearing ratio equals non-current liabilities divided by total equity.

附註：

- (1) 平均貿易應收款項周轉天數等於貿易應收款項及應收票據的年初及年終結餘的平均值除以營業額，再乘以年內天數。
- (2) 資產負債比率等於非流動負債除以權益總額。



# Chairman's Statement

## 主席報告

On behalf of the Board of Directors (the "Board" or "Directors") of Fujian Holdings Limited (the "Company"), I hereby present the annual report and the audited consolidated financial statements of the Company together with our subsidiaries (collectively the "Group") for the financial year ended 31 December 2018 ("2018" or the "current year" or "reporting year" or the "year under review") to the shareholders of the Company (the "Shareholders").

### BUSINESS REVIEW

For the year ended 31 December 2018, the Group recorded a revenue of approximately HK\$39.15 million, representing an increase of approximately 9.26% as compared to approximately HK\$35.83 million in the corresponding period last year.

Net profit attributable to shareholders was approximately HK\$9.42 million (2017: Approximately HK\$7.95 million).

Earnings per share was approximately 0.82 HK cents for year ended 31 December 2018 (2017: 0.69 HK cents).

Net assets (Total assets less total liabilities) increase by approximately HK\$3.15 million to approximately HK\$404.41 million as compared with HK\$401.26 million as at 31 December 2017.

### DIVIDENDS

The Directors do not recommend the payment of a dividend for the year ended 31 December 2018.

本人謹代表閩港控股有限公司(「本公司」)董事會(「董事會」或「董事」)提呈本公司及其附屬公司(統稱「本集團」)截至二零一八年十二月三十一日止之財政年度(「二零一八年」或「本年度」或「本報告期」或「回顧期」)報告及經審核之綜合財務報表，以供本公司股東(「股東」)省覽。

### 業務回顧

截至二零一八年十二月三十一日止年度，本集團收益達3,915萬港元，與去年同期約3,583萬港元比較，上升約9.26%。

本公司持有人應佔盈利約942萬港元(二零一七年：約795萬港元)。

截至二零一八年十二月三十一日止年度，每股盈利0.82港仙(二零一七年：0.69港仙)。

淨資產(總資產減總負債)比截至二零一七年十二月三十一日之40,126萬港元增加約315萬港元至約為40,441萬港元。

### 股息

董事會不建議派發二零一八年十二月三十一日止年度任何股息。

## Chairman's Statement (Continued) 主席報告(續)

### PROSPECTS

Going forward, the Group will grasp the development trend of tourism and related industries by relying on our advantages in Fujian Province, confront challenges, deploy and implement business strategies in order to enhance our internal driving force and long-term competitiveness for our sustainable development, thereby providing foundation for our future development.

In addition, the Group will speed up its review of its existing business and continuously update its business plans and strategies to keep pace with future development, and will continue to integrate business clusters, while expanding into industries such as finance, high technology, intelligence, etc. At the same time, the Group will conduct optimisation in internal procedures and enhance management efficiency to regulate and plan for future development strategies with innovative thinking, so as to fully stimulate and enhance the potential and intrinsic values of corporate resources.

Our overall objective is to better utilise the Group's resources in order to maximise every shareholder's interest.

### ACKNOWLEDGEMENTS

I would like to take this opportunity to extend my sincere gratitude to all shareholders, business partners and customers for their support, and to all our colleagues for their efforts, hard work and dedication. Their hardwork represents the foundation of the Group's future business development.

**Chen Yangbiao**  
*Chairman*

Hong Kong, 25 March 2019

### 前景展望

未來，本集團將抓緊旅遊產業及相關產業的發展態勢，依靠我們於福建省之優勢，勇於面對挑戰，部署和實施好經營策略，以提升本集團持續發展的內在動力與長期競爭力，為未來發展提供有力的支撐。

此外，本集團將加快檢討現有業務及不斷地更新業務計劃與策略以配合未來發展，繼續整合業務集群，同時向類金融、高科技、智能化等產業拓展，實現業務多元化。與此同時，本集團亦將優化內部流程及提升管理效率，以創新的思維規範及規劃企業未來的發展戰略，全面激發並提升企業資源的潛能和內在價值。

本集團之整體目標為更妥善運用其資源，為各股東創造最大之利益。

### 致謝

本人謹此感謝各位股東、合作伙伴及客戶在過去一年對本集團的鼎力支持。本人亦藉此衷心感謝集團全體員工的辛勤工作和無私奉獻，他們的努力為集團未來業務的發展奠定了堅實基礎。

**陳揚標**  
*主席*

香港，二零一九年三月二十五日

# Management Discussion and Analysis

## 管理層討論與分析

### BUSINESS REVIEW

For the year ended 31 December 2018, the Group recorded net profit attributable to owners of the Company approximately HK\$9.42 million (2017: Approximately HK\$7.95 million). The Group's substantial growth in net profit is mainly attributable to (i) the increase of around 11.70% in revenue from hotel operations for the year ended 31 December 2018 as compared to the revenue from hotel of approximately HK\$29.75 million for the year ended 31 December 2017; (ii) increase in profit contribution from associated companies during the year and (iii) the higher gains arising on change in fair value of investment properties for the year 2018 when compared to the corresponding financial year.

The turnover of the Group for the year ended 31 December 2018 amounted to approximately HK\$39.15 million, representing an increase of approximately 9.26% from approximately HK\$35.83 million in the previous year. The increase is mainly due to the increase in business volume of star-rated hotel operation during the year under review.

Given our good balance sheet status and cash generation ability, our financial position continues to be strong. As at 31 December 2018, the gearing ratio (dividing non-current liabilities by equity plus non-current liabilities multiplied by 100 which results in a percentage) of the Group was 1% (2017: 1.05%).

### OPERATIONAL REVIEW

#### A. Star-rated hotel operation

In 2018, the hotel introduced new management model by carrying out professional manager system reform, successfully restored the title of four-star by passing verification and was also awarded the honor of "the Top 100 Conference Hotel of China".

Star-rated hotel operation is the main source of revenue for the Group. For the year ended 31 December 2018, the turnover of the hotel operation was approximately HK\$33.23 million (2017: HK\$29.75 million), representing an increase of approximately 11.70% from the previous year.

### 業務回顧

截至二零一八年十二月三十一日止年度，本集團錄得本公司持有人應佔盈利約942萬港元（二零一七年：約795萬港元）。本集團的業績大幅增長主要歸因於(i)截至二零一八年十二月三十一日止年度來自酒店業務收益比較二零一七年十二月三十一日止年度之酒店業務收益約2,975萬港元增加約11.70%；(ii)一些聯營公司增加利潤貢獻所致及(iii)由於二零一八年投資物業公允值淨增加較去年增加所致。

截至二零一八年十二月三十一日止年度內，本集團營業額達3,915萬港元，與去年約3,583萬港元之數字比較，增加約9.26%。此乃主要因為於回顧期內，星級酒店業務量增加所致。

基於本集團優好的資產負債狀況及現金增值能力，本公司的財務狀況持續穩健。截至二零一八年十二月三十一日止年度，本集團資本負債比率（非流動負債與股本權益總額加非流動負債之百分比）為1%（二零一七年：1.05%）。

### 營運回顧

#### A. 星級酒店營運

二零一八年，酒店創新經營模式，完成職業經理人制度改革，順利通過審核評定，恢復四星級酒店稱號，還被授予「中國會議酒店百強」榮譽。

星級酒店經營是本集團主要收入來源。截至二零一八年十二月三十一日止年度，酒店營業額約為3,323萬港元（二零一七年：2,975萬港元），較去年相應回顧期內上升約11.70%。

## Management Discussion and Analysis (Continued)

### 管理層討論與分析 (續)

#### OPERATIONAL REVIEW (Continued)

##### A. Star-rated hotel operation (Continued)

For the year under review, the average occupancy rate was approximately 80.12% (2017: 68.82%), representing an increase of 16.42% over the previous year. Average daily rate (ADR) was approximately RMB298 (2017: RMB285) representing an increase of 4.6% over the previous financial year.

The following table sets out the amount and percentage of contributions from different businesses of the star-rated hotel operation for the year ended 31 December 2018, together with comparative figures of 2017:

		31 December 2018		31 December 2017	
		二零一八年十二月三十一日		二零一七年十二月三十一日	
		Amount	% in	Amount	% in
		HK\$'000	turnover	HK\$'000	turnover
			佔營業額		佔營業額
		千港元	百分比	千港元	百分比
Accommodation revenue	客房銷售收入	20,037	60%	15,493	52%
Catering revenue	餐飲收入	8,607	26%	8,211	28%
Rental revenue	出租收入	3,693	11%	4,844	16%
Others	其他	892	3%	1,201	4%
		<b>33,229</b>	<b>100%</b>	29,749	100%

##### Accommodation revenue

The accommodation revenue was mainly determined by the number of available rooms, occupancy rate and ADR of the Group's hotel. During the year under review, the accommodation revenue of star-rated hotel was approximately HK\$20.04 million, representing an increase of approximately 29% over the corresponding period of 2017, which is mainly due to accommodation reserve income for the year ended 31 December 2018.

#### 營運回顧 (續)

##### A. 星級酒店營運 (續)

於回顧期內，平均入住率約為80.12%（二零一七年：68.82%），較去年相應回顧期內上升約16.42%。平均每天房價則約為人民幣298元（二零一七年：人民幣285元），較去年相應回顧期內上升約4.6%。

截至二零一八年十二月三十一日止年度期間，本集團星級酒店營運於各分類業務的營業額及應佔營業額百分比與二零一七年同期比較如下：

##### 客房銷售收入

房間出租收入主要取決於本集團酒店的可供出租客房、入住率及平均每天房價。回顧年度內，星級酒店營運房間出租收入為約2,004萬港元，較二零一七年同期上升約29%，此乃由於截至二零一八年十二月三十一日止年度內來自客房銷售收入上升所致。

## Management Discussion and Analysis (Continued)

### 管理層討論與分析(續)

#### OPERATIONAL REVIEW (Continued)

##### A. Star-rated hotel operation (Continued)

###### Catering revenue

Starting from 2015, the Group made a major effort to develop the catering business through the hotel. During the year under review which generating revenue of approximately HK\$8.61 million representing approximately 26% of the hotel operation's turnover.

Increasing costs arising from the operating environment, especially from increasing wages, remains the key challenge for the hotel industry. To overcome these adversities, the Group will continue to implement tight cost control measures and seek further improvement in operational efficiency to minimise the adverse impacts.

Improved customer services and better hotel facilities are core competitive advantages to seize the growth opportunity in local tourism and restaurant industries. The Board believes that the hotel business in Xiamen will contribute positively to the Group. Meanwhile, the hotel management is enhancing sales force regarding wedding banquet, catering and related services as well.

###### Rental revenue

In order to stabilise the income of the hotel operation, the hotel leased out the shopping centre in the Group's hotel. This contributed to approximately HK\$3.69 million in rental revenue during the year under review, representing approximately 11% of the hotel operation's turnover.

##### B. Hong Kong properties held by the Group

As at 31 December 2018, all properties in Hong Kong held by the Group were 100% rented out, which brought a steady rental income to the Group.

During the year under review, the rental income of the properties in Hong Kong was approximately HK\$5.92 million, representing a decrease of approximately 2.69%. The decrease is mainly due to certain units being vacant during the period under review and searching for new tenants with better return. Such units were leased out in July of 2018. The Group recorded approximately HK\$6.08 million in rental income of properties in Hong Kong for the corresponding period of last year.

With the support of the stable Hong Kong economy growth, increase in rental from rental renewal and stable occupancy will drive the revenue growth for the Group's properties.

#### 營運回顧(續)

##### A. 星級酒店營運(續)

###### 餐飲收入

自二零一五年，酒店大力發展其團膳業務。於回顧期內為本集團帶來約861萬港元的收入，佔酒店業務營業額約26%。

營運環境成本不斷高漲，尤其是工資持續上升，為行業帶來挑戰。為克服此等不利情況，本集團將繼續實行嚴格成本監控措施，尋求進一步改善營運效率，務求盡量減低不利影響。

優質的客戶服務及良好的酒店設施是進一步提升核心競爭優勢及抓緊當地旅遊及餐飲業增長機遇的主要元素。董事會相信，廈門酒店業務將為本集團帶來正面貢獻。與此同時，酒店管理層亦正加強有關婚宴、團膳及相關服務的銷售力度。

###### 出租收入

為保持穩定收入，酒店將本集團之酒店內商場出租。此舉為集團於回顧期內貢獻約369萬港元之出租收入，佔酒店業務營業額11%。

##### B. 香港物業

截至二零一八年十二月三十一日，本集團物業之出租率為100%，為本集團持續帶來穩定之租金收入。

於本回顧期內，香港物業租金收入約為592萬港元較去年同期下降約2.69%，此乃由於在本報告期間內，某些單位空置並尋找較好回報的新租戶所致。這些單位已於二零一八年七月租出。本集團於去年同期香港物業租金錄得約為608萬港元。

在香港穩定的經濟發展帶動下，續租租金向上調整及穩定的租用率將帶來持續的收益及收入增長。

## Management Discussion and Analysis (Continued)

### 管理層討論與分析(續)

#### OPERATIONAL REVIEW (Continued)

##### C. Piano Manufacturing

The Group diversified its business into piano manufacturing by acquiring a 25% equity interest in Fuzhou Harmony Piano Co. Ltd. ("Harmony Piano") in 2005. This business interest has brought a steady profit to the Group for the past few years. For the year under review, the Group recorded a share of loss from its interest in Harmony Piano approximately HK\$0.21 million (2017: Profit of approximately HK\$0.54 million). Loss from the interest in Harmony Piano is mainly attributable to diminished gross profit margin.

##### D. Finance Leasing

For the year ended 31 December 2018, the interest in associate contributed approximately HK\$3.33 million profit for the period.

#### FUTURE DEVELOPMENT

Looking forward into 2019, the Group will adhere to the corporate strategy using investment management and operation management as a core method for achieving continuous value-based growth. On the one hand, the Group will continue its searches for assets with healthy profitability and excellent growth potential as long-term investment through investment management. On the other hand, it will establish a group-level multi-dimensional operation-supporting system covering among others, brand operation, management information, human resources and supply chain to advance operation efficiency, lower costs and enhance brand influence.

We are aware that during the past year, China's hotel industry has maintained a relatively speedy growth and has been constantly changing. However, the nature of China's hotel industry remained unchanged. The increase of disposable income per capita, the rise of urbanisation level and the accelerating pace of life remained the base driving forces behind the long-term and constant growth of China's hotel industry.

#### 營運回顧(續)

##### C. 鋼琴製造

本集團於二零零五年透過完成收購福州和聲鋼琴股份有限公司(原稱：福州和聲鋼琴有限公司)(「和聲鋼琴」)25%股權而擴展業務至鋼琴製造業。過去多年來此業務為本集團帶來穩定之盈利。截至二零一八年十二月三十一日止，應佔和聲鋼琴之權益錄得約21萬港元虧損(二零一七年：約54萬港元盈利)。和聲鋼琴之權益錄得虧損主要因為毛利率下降所致。

##### D. 融資租賃

截至二零一八年十二月三十一日止年度，聯營公司貢獻約333萬港元盈利。

#### 未來發展

展望二零一九年，本集團將繼續以投資管理及營運管理作為推動企業價值持續增長的核心：一方面通過投資管理持續尋找具備健康盈利能力及優秀增長潛力的資產作為長期投資；另一方面通過在集團層面建立品牌運營、信息管理、人力資源、供應鏈等多維度的運營支持體系，提高旗下業務板塊運營效率，降低成本，提升品牌影響力。

我們觀察到，過去一年中，雖然中國酒店行業保持較高增速，行業不斷在轉化，但酒店行業的本質並未發生改變。人均可支配收入增加、城市化水平上升及生活節奏加快等因素仍然是支撐酒店行業長期持續增長的動力。

## Management Discussion and Analysis (Continued)

### 管理層討論與分析(續)

#### FUTURE DEVELOPMENT (Continued)

The Group will strive to seize the opportunity presented by the reform of state-owned assets, give full play to the strengths of FTDC as “Top 20 advantage Tourism Group in China” and actively seek breakthroughs in the field of tourism-related and other business areas, together with accelerate the reform in the area of institutional mechanisms, integrate the industry chains of hotel, tourism and other businesses. Meanwhile, we will expand into industries such as finance, high technology, intelligent technology, etc. to achieve diversification of our income source, so as to further increase our overall asset return and enterprise value.

#### FINANCIAL REVIEW

##### Capital Structure

As at 31 December 2018, the total share capital of the Company was HK\$898,839,029 divided into 1,145,546,000 ordinary shares.

##### Liquidity and Financial Resources

As at 31 December 2018, the Group had a net cash balance of approximately HK\$49.54 million (2017: HK\$44.28 million). The Group's net asset value (assets less liabilities) was approximately HK\$404.41 million (2017: HK\$401.26 million), with a liquidity ratio (ratio of current assets to current liabilities) of 4.26 (2017: 4.37). During the year under review, there was no material change in the Group's funding and treasury policies. The Directors do not expect the Company to experience any problem with liquidity and financial resources in the foreseeable future.

##### Charge on Assets

As at 31 December 2018, the Group had not charged any of its assets. (2017: Nil)

#### 未來發展(續)

本集團將努力把握國資改革機遇，充分發揮旅遊集團作為「中國旅遊集團20強」之優勢，於旅遊相關行業及其他商業領域下積極尋求突破，加速推進機制體制改革，整合酒店資源、旅遊產業及其他產業鏈，同時向金融、高科技、智能化等產業拓展，實現業務收入來源多元化，進一步提升資產的整體回報和企業價值。

#### 財務回顧

##### 資本架構

於二零一八年十二月三十一日，本公司之股本總額為898,839,029港元，分為1,145,546,000普通股。

##### 流動資金及財務資源

截至二零一八年十二月三十一日止，本集團之現金結餘淨額約為4,954萬港元(二零一七年：4,428萬港元)。本集團之資產淨值(資產減負債)約為40,441萬港元(二零一七年：40,126萬港元)。流動比率(流動資產與流動負債之比率)為4.26(二零一七年：4.37)。於回顧年度內，本集團之資金及財政政策並無重大改變。董事認為，本公司在可預見的未來並不會遇上任何資金流動性和財務資源上的問題。

##### 資產抵押

於二零一八年十二月三十一日，本集團並無就其任何資產作出抵押。(二零一七：無)

## Management Discussion and Analysis (Continued)

### 管理層討論與分析(續)

#### FINANCIAL REVIEW (Continued)

##### Funding and Treasury Policies

The funding and treasury policies of existing subsidiaries of the Group are centrally managed and controlled by the Group's senior management in Hong Kong.

##### Treasury Management and Cash Funding

The Group's funding and treasury policies are designed to maintain a diversified and balanced debt profile and financing structure. The Group continues to monitor its cash flow position and debt profile, and to enhance the cost-efficiency of funding initiatives by its centralised treasury function. In order to maintain financial flexibility and adequate liquidity for the Group's operations, potential investments and growth, the Group has built a strong base of funding resources and will keep exploring cost-efficient ways of financing.

##### Bank Loans and Other Borrowings

There was no outstanding bank loan and other borrowing by the Company and the Group as at 31 December 2018 (2017: Nil).

##### Capitalised Borrowing Costs

No borrowing cost was being capitalised during the year ended 31 December 2018 (2017: Nil).

##### Exposure to Fluctuation in Exchange Rate and Related Hedges

There has been no significant change in the Group's policy in terms of exchange rate exposure. The Group operates mainly in Hong Kong and the PRC. Most of the transactions and cash and cash equivalents are denominated in Hong Kong dollars ("HK\$") and in Renminbi ("RMB"). The Group is exposed to foreign currency risk due to the exchange rate fluctuation of RMB against HK\$. Moderate fluctuation of RMB against HK\$ was expected. The Group considered the foreign currency risk exposure is acceptable. However, management of the Group will monitor foreign exposure closely and consider the use of hedging instruments when necessary.

#### 財務回顧(續)

##### 資金及財務政策

本集團之現有附屬公司之資金及財政政策均由香港之高級管理層集中管理及監控。

##### 庫務管理及融資

本集團的融資及庫務政策旨在維持債務狀況及融資構架多元化及平衡。本集團持續監控其現金流狀況和負債組合，並由本集團的庫務部門中央統籌以提升融資活動的成本效益。本集團已建立雄厚的資金來源基礎並將持續尋求符合成本效益的融資途徑，為本集團的營運、潛在投資及發展提供充足及靈活的流動資金。

##### 銀行貸款及其他借款

本公司及本集團於二零一八年十二月三十一日並無銀行貸款及其他借貸(二零一七年：無)。

##### 借貸成本資本化

於二零一八年十二月三十一日止年度概無借貸成本資本化(二零一七年：無)。

##### 匯率波動之風險及相關對沖

就匯率風險而言，本集團之政策並無重大變動。本集團主要於香港及中國內地營運。大部分交易及現金及現金等值以港元(「港元」)及人民幣(「人民幣」)計值。本集團就人民幣兌港元之匯率波動承受外匯風險。人民幣兌港幣之匯率預期存在適量波動，本集團認為有關外匯風險可以接受。然而，本集團之管理層將密切監控外匯風險，並於必要時考慮使用對沖工具。



## Management Discussion and Analysis (Continued)

### 管理層討論與分析(續)

#### FINANCIAL REVIEW (Continued)

##### Exposure to Fluctuation in Exchange Rate and Related Hedges (Continued)

As most of the Company's business operations are located in Hong Kong and Mainland China, the Company faces foreign currency risks due to exchange gain/loss from exchange rate fluctuations as well as currency conversion risk due to converted net asset value fluctuations of investment projects in Mainland China. To effectively manage foreign currency risk, the Company closely monitors foreign exchange markets, and utilises multiple strategic approaches, such as optimising cash management strategy and project finance instruments, to manage foreign exchange risk.

##### Material acquisitions and disposals

During the year under review, there were no material acquisition or disposal of any subsidiary or associate of the Group.

##### Capital Commitments

Capital expenditure for the acquisition of property, plant and equipment	有關收購廠房、機器及設備之資本開支	2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
		—	1,596,766

##### Contingent Liability

The Group did not have any significant contingent liability during the year under review.

##### Major Events

Save as aforesaid, the Group had no material capital commitments and no future plans for material investments or capital assets as at 31 December 2018.

#### 財務回顧(續)

##### 匯率波動之風險及相關對沖(續)

公司目前所經營業務主要集中於香港及中國境內地區，面臨因匯率波動而導致產生投資於中國境內的項目淨資產值的外幣換算風險。為有效管理外匯風險，公司密切跟蹤匯率市場走勢，通過優化存量資金安排、調整項目融資手段等方式對外匯風險進行多渠道管控。

##### 重大收購及出售

回顧期內，集團業沒有作出重大收購行動或出售任何附屬公司或聯營公司。

##### 資本承擔

	2018 二零一八年 HK\$ 港元	2017 二零一七年 HK\$ 港元
Capital expenditure for the acquisition of property, plant and equipment	—	1,596,766

##### 或然負債

本集團於本年內並無任何重大或然負債。

##### 主要事件

除上述者外，於二零一八年十二月三十一日，本集團並無重大資本承擔，亦無參與重大投資或購入資本資產之未來計劃。

## Management Discussion and Analysis (Continued)

### 管理層討論與分析(續)

## FINANCIAL REVIEW (Continued)

### Human Resources

As at 31 December 2018, the Group had approximately 132 employees in Hong Kong and Xiamen. The remuneration package was determined with reference to performance and the prevailing market rate. The Group also provides employees with training, the opportunity to join its mandatory provident fund scheme and medical insurance cover.

### Building Capabilities

In today's competitive labour market, it is essential to attract and retain talented people, and to equip employees with the capabilities to support business development. The Group has a comprehensive career advancement plan and well-rounded training programs to grow the capabilities of our employees, and ensure each employee has the skills and know-how necessary to deliver quality results in an efficient and effective manner. Department heads and supervisors act as mentors, and training workshops, courses and seminars are provided to meet the specific needs of each staff member.

### Nurturing Team Spirit

Professional and social events promote communication and cohesion across departments, business units and levels of seniority throughout the Group. These activities include corporate team-building Programs, staff outings, leisure activities and cocktail parties for new hires and promoted staff.

## NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

There is no non-adjusting event after the reporting period which would have material impact to the Group.

## COMPLIANCE CONFIRMATION

The Board of Directors confirms that throughout the year, the Group has conformed in all material respects with all the requirements under relevant statutes, rules, standards, codes, licences in respect of its operation, financial reporting, or disclosures in Hong Kong or other applicable jurisdictions.

## 財務回顧(續)

### 人力資源

於二零一八年十二月三十一日，本集團於香港及廈門擁有約132名僱員。薪金組合乃根據彼等之表現及市場價格釐定。本集團亦提供僱員培訓、參與強制性公積金計劃及醫療保險之機會。

### 拓展員工才能

現今勞動市場競爭激烈，為配合業務發展，企業必須更積極招攬和挽留人才，並協助員工提升才能。本集團設有全面的事業發展規劃機制及培訓課程，有助拓展員工才能，並確保每位員工能具備應有的技能和專門知識，以提升工作效率及成效。部門主管及上司肩負員工師友的指導角色，而每位員工亦可因應特定的需要參加各類工作坊、培訓課程及研討會。

### 建立團體精神

我們定時舉辦職場及社交活動，以促進本集團各部門、業務單位及各級員工之間的溝通及凝聚力，這些活動包括團隊培訓課程、員工旅行、消閒活動，以及為新入職員工及獲晉升員工而設的酒會。

## 報告期後未調整事項

概無任何對本集團造成重大影響的報告期後未調整事項。

## 遵例確認

董事會確認，於本年度，本集團已就其營運、財務報告或披露而在所有重大方面均符合於香港或其他適用司法管轄區的相關法規、規則、準則、守則、牌照下的所有規定。

## Management Discussion and Analysis (Continued)

### 管理層討論與分析(續)

#### ENVIRONMENTAL PROTECTION AND STAKEHOLDERS' RIGHTS

The Group recognises and respects: (i) the importance of environmental protection; (ii) the lawful rights of stakeholders, broadly to be categorised as employees, customers, suppliers, members of communities, and (iii) corporate social responsibilities of the Group as a member of the society. A specific report on these issues is covered in the Environmental, Social and Governance Report of this Annual Report.

#### DIVIDENDS

The Directors do not recommend the payment of a dividend for the year ended 31 December 2018.

#### PURCHASES, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor its subsidiaries, had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2018.

#### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct for dealings in securities of the Company by the Directors. In response to specific enquiries made, all Directors confirmed that they had complied with the required standards of dealings as set out in the Model Code during the year.

#### 環保與利益相關者權利

本集團明白並尊重：(i) 環保極為重要；(ii) 利益相關者（廣義而言涵蓋僱員、客戶、供應商、社區成員）的合法權利；及(iii) 本集團身為社會一分子所肩負的企業社會責任。有關上述事宜的特定報告乃載於本年報中的「環境、社會及管治報告」。

#### 股息

董事會不建議派發二零一八年十二月三十一日年度任何股息。

#### 購買、出售或贖回本公司之上市證券

截至二零一八年十二月三十一日止年度，本公司或其附屬公司均無購買、出售及贖回任何本公司之上市證券。

#### 董事進行證券交易之標準守則

本公司採納上市規則附錄十所載的《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為董事進行本公司證券交易的操守守則。經作出具體徵詢後，所有董事確認彼等於年內均遵照標準守則所載的規定標準。

# Directors' Biography

## 董事簡歷

### EXECUTIVE DIRECTORS

**Mr. CHEN Yangbiao**, aged 58, joined the Company in August 2018. He is an Executive Director and Chairman of Board of Directors of the Company. He is responsible for the overall strategic planning of the Group.

Mr. Chen is currently secretary of Communist Party Committee, chairman of the board of directors and legal representative of Fujian Tourism Development Group Co., Ltd. (福建省旅遊發展集團有限公司) ("FTDC"), the chairman of Fujian Enterprises (Holdings) Company Limited (華閩(集團)有限公司), he is in charge of the overall work. Mr. Chen is also an alternate member of the 10th Fujian Provincial Committee of the Communist Party of China ("CPC") (中國共產黨福建省委員會), a member and deputy director of the motions committee of the 12th Fujian Provincial Committee of the Chinese People's Political Consultative Conference (中國人民政治協商會議福建省委員會). Mr. Chen was also awarded as the 17th session of Excellent Entrepreneur of Fujian Province. He is also an expert consultant of Fujian Tourism Development Committee (福建省旅遊發展委員會). In 2018, Mr. Chen was awarded the honorary of the 40 Fujian's most influential entrepreneurs in the 40 years of the reform and opening-up.

Mr. Chen holds a bachelor's degree in engineering from Fujian Forestry College (福建林學院) and a master's degree in scientific socialism professional from Party School of the Central Committee of CPC (中共中央黨校). Mr. Chen has extensive experience in administration, corporate and capital management. In 2015, he led the establishment of FTDC, built the leading tourism enterprise in Fujian Province and led FTDC to the top 20 of China Tourism Groups for three consecutive years. Mr. Chen has taken up a number of management posts including Vice Mayor of Wuyishan City, Fujian Province, Director of Planning and Finance Department of Fujian Tourism Bureau, a member of Party Group and the Deputy Director of Fujian Tourism Bureau, the chairman of Fujian Enterprises (Holdings) Company Limited and secretary of Communist Party Committee, chairman of the board of directors and legal representative of FTDC.

### 執行董事

**陳揚標先生**，58歲，於二零一八年八月加入本集團。陳先生為本公司執行董事及董事會主席。陳先生負責本集團之整體策略性規劃。

陳先生現任福建省旅遊發展集團有限公司(下稱「福建旅遊集團」)黨委書記、董事長(法定代表人)，華閩(集團)有限公司董事長，主持集團全面工作。陳先生是中共福建省委第十屆候補委員，第十二屆福建省政協委員、提案委員會副主任，第十七屆福建省優秀企業家，福建省旅遊發展委員會專家智庫顧問。陳先生於二零一八年榮獲改革開放40年40位福建最有影響力企業家榮譽稱號。

陳先生持有福建林學院工學學士學位，並持有中央黨校科學社會主義專業研究生學歷。陳先生具有豐富的行政管理、企業管理及資本運作經驗。二零一五年，他主導組建福建旅遊集團，打造福建旅遊龍頭企業，帶領福建旅遊集團連續三年上榜中國旅遊集團20強。陳先生歷任福建省武夷山市副市長，福建省旅遊局計劃財務處處長，福建省旅遊局黨組成員、副局長，華閩(集團)有限公司董事長，福建省旅遊發展集團有限公司黨委書記、董事長(法定代表人)。

## Directors' Biography (Continued)

### 董事簡歷 (續)

#### EXECUTIVE DIRECTORS (Continued)

**Ms. CHEN Danyun**, aged 54, joined the Company in August 2015. She is Executive Director and General Manager of the Company. She is responsible for the general operation and management of the Company and to execute the overall strategic planning of the Group.

Ms. Chen has over 30 years of experience in international trade, corporate management and investment management. Ms. Chen graduated from Xiamen University with a bachelor's degree in economics and obtained her Master of Business of Administration degree from Murdoch University in Australia. She is a senior economist.

**Mr. CHEN Yang**, aged 54, is the Executive Director and Vice General Manager of the Company. Mr. Chen joined the Group in June 2015 and assists the general manager in the daily operations of the Group.

Mr. Chen has approximately 30 years' experience in finance management. Mr. Chen has taken up a number of management posts, including a vice general manager of Fuzhou Harmony Piano Co., Ltd. (福州和聲鋼琴股份有限公司), a vice general manager of the finance department of Fujian Huamin Industrial Group Company Limited (福建華閩實業(集團)有限公司) and the financial controller of Fujian Investment and Development Company Limited. Mr. Chen obtained his bachelor degree in economics from Xiamen University in the PRC. Mr. Chen is a senior economist.

#### NON-EXECUTIVE DIRECTORS

**Mr. FENG Qiang**, aged 52, is the assistant of General Manager of Fujian Tourism Development Group Company Limited ("FTDC") and the Director of Investment and Planning Department of FTDC and the chairman of Fujian Tourism Investment Holdings Company Limited. Mr. Feng joined the Group in January 2005.

He spent years of research in the Chinese Academy of Social Science at Fujian for corporate strategies and reforms. He also has practical experience in corporate investment planning, operational management and corporate restructuring during his service in the government of Fujian Province and its related companies. Mr. Feng has over 30 years' corporation and investment management experience.

Mr. Feng has a bachelor degree in economics from Shanghai University of Finance and Economics.

#### 執行董事 (續)

**陳丹雲女士**，54歲，本集團執行董事及總經理。陳女士於二零一五年八月加盟本集團，陳女士負責日常營運管理工作及執行本集團整體之策略。

陳女士於國際貿易、企業管理及投資管理方面擁有超過30年經驗。陳女士持有廈門大學經濟學學士學位及澳大利亞梅鐸大學(Murdoch University)之工商管理碩士學位。彼為高級經濟師。

**陳揚先生**，54歲，本集團執行董事及副總經理。陳先生於二零一五年六月加盟本集團，負責協助總經理執行本集團日常營運之事務。

陳先生於財務管理方面擁有約30年經驗。陳先生曾出任多個管理職位，包括福州和聲鋼琴股份有限公司副總經理、福建華閩實業(集團)有限公司財務部副總經理及華閩投資發展有限公司財務總監。陳先生擁有中國廈門大學經濟學學士學位。陳先生為高級經濟師。

#### 非執行董事

**馮強先生**，52歲，福建省旅游發展集團有限公司(原稱福建省旅游發展集團有限責任公司) (「旅游集團」)總經理助理、投資規劃部主任及福建旅遊投資集團有限公司董事長。馮先生於二零零五年一月加盟本集團。

馮先生曾長期在福建社會科學院從事企業發展戰略和企業改革的研究工作，並曾任職於福建省有關政府部門、企業，從事企業投資策劃、經營管理和企業重組的實務工作。馮先生於企業管理和投資管理方面擁有超過30年的經驗。

馮先生持有上海財經大學經濟學學士學位。

## Directors' Biography (Continued)

### 董事簡歷 (續)

#### NON-EXECUTIVE DIRECTORS (Continued)

**Mr. WANG Ruilian**, aged 55, is a non-executive director of the Company, and Mr. Wang was an executive director and general manager of the Company from July 2006 to October 2015. With effect from 19 October 2015, Mr. Wang has resigned as executive director and general manager of the Group and has been re-designated from an executive Director to a non-executive Director.

Mr. Wang has over 30 years' experience in management and finance. Mr. Wang has previously been sent to oversea companies to take up a number of senior management posts, including a director and vice general manager of the Finance Department of Fujian Investment and Development Company Limited, and the managing director of Fujian Enterprises (Hungary) Co., Ltd. Currently, he is a director of finance department of Fujian Tourism Development Group Company Limited (FTDC).

Mr. Wang acquired his bachelor degree in economics from Xiamen University in the PRC and master degree of International Management from Australian National University in Australia.

**Ms. WENG Weijian**, aged 48, joined the Company in September 2018 as non-executive director.

Ms. Weng graduated in the major of finance and accounting from Minjiang University and in the major of law from East China University of Political Science and Law. She is a Senior Accountant in Mainland China. She has over 25 years' extensive experience in risk management and control, accounting, assets management and financial management. She is currently the Supervisor of Min Xin Insurance Company Limited, Fujian Minxin Investments Company Limited and Sanming Sanyuan District Minxin Micro Credit Company Limited. She is currently a Chief Auditor of Min Xin Holdings Limited (Stock Code: 00222), and also a director of Land Hot (Hong Kong) Limited, Jian Xing Finance Limited, Jian Xing International Investments Limited, Fancy Time Investment Limited and Sino Earn Holdings Limited, a substantial shareholder of the Company.

#### 非執行董事 (續)

**王瑞煉先生**，55歲，王先生於二零零六年七月到二零一五年十月為本公司執行董事及總經理。自二零一五年十月十九日起王先生不再擔任本集執行董事及總經理，並由執行董事調任為非執行董事。

王先生於管理及金融財務方面擁有超過30年經驗，曾派駐海外公司及出任多個高級管理職位，包括華閩投資發展有限公司之董事、金融財務部副總經理及華閩(匈牙利)有限公司之執行董事。目前，王先生為福建省旅游發展集團有限公司(「旅游集團」)的財務部主任。

王先生持有中國廈門大學經濟學學士學位及澳大利亞國立大學之國際管理碩士學位。

**翁衛建女士**，48歲，於二零一八年九月加入本集團為非執行董事。

翁女士畢業於閩江大學財務專科及華東政法大學法學本科，並持有中國大陸高級會計師職稱。翁女士在風險管控、會計核算、資產管理和金融管理等方面逾25年豐富經驗。她現時為閩信保險有限公司、福建閩信投資有限公司和三明市三元區閩信小額貸款有限公司之監事。彼是閩信集團有限公司(股票代號：00222)的總稽核，亦分別擔任聯宏泰(香港)有限公司、建興財務有限公司、建興國際投資有限公司、輝達投資有限公司及本公司主要股東華鑫(香港)控股有限公司之董事。

## Directors' Biography (Continued)

### 董事簡歷(續)

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. LAM Kwong Siu**, *GBS*, aged 84, was the representative of the National People's Congress (10th Session). He is currently the vice chairman of BOC International Holdings Limited, the honorary chairman of Hong Kong Federation of Fujian Association, the life honorary chairman of Hong Kong Fukien Chamber of Commerce, the vice chairman of Fujian-Hong Kong Economic Cooperation, the life honorary chairman of the Chinese General Chamber of Commerce and the Adviser of the Hong Kong Chinese Enterprises Association, the honorary president of Chinese Bankers Club, Hong Kong. Mr. Lam is also the Independent Non-executive Director of Bank of China International Limited, China Overseas Land & Investment Limited, Yuzhou Properties Company Limited, Xinyi Glass Holdings Limited, Far East Consortium International Limited and Vico International Holdings Limited. Mr. Lam was awarded the HKSAR Silver Bauhinia Star in 2003 and HKSAR Gold Bauhinia Star in 2016.

Mr. Lam joined the Group and was appointed as independent non-executive director in 11 December 2003.

**Mr. NG Man Kung**, aged 67, graduated from Hong Kong Polytechnic University with an attendance certificate in banking. Mr. Ng has been senior management in banking industry of Hong Kong for 28 years. He was appointed as the Managing Director and General Manager of Chiyu Banking Corporation Limited in 1992 and the vice-chairman and Chief Executive of Chiyu Banking Corporation Limited in 2001. He retired from Chiyu Banking Corporation Limited in 2012. Mr. Ng was a member of the council of the Hong Kong Polytechnic University from April 1999 to March 2003 and was a member of Fujian Provincial Committee of the Chinese People's Political Consultative Conference from 1993 to 2013. Mr. Ng was served as a management consultant of China Orient Asset Management (International) Holdings Limited from January 2014 to April 2015. Mr. Ng was served as a non-executive director of Roma Group Limited (Stock Code: 8072-GEM) from 24 August 2017 to 18 December 2017. Currently, Mr. Ng serves as an independent non-executive director of ELL Environmental Holdings Limited (Stock Code: 01395) from 5 September 2014, an independent non-executive director of Guoan International Limited (Stock Code: 00143) from 11 March 2016, an independent non-executive director of HKBridge Financial Holdings Limited (Stock Code: 02323) from 23 March 2016, an independent non-executive director of Shanghai Zendai Property Limited (Stock Code: 00755) from 25 May 2017 and the Chairman of Supervisor Committee of Well Link Bank in Macau from 31 March 2018.

Mr. Ng joined the Group and was appointed as independent non-executive director on 30 June 2014.

#### 獨立非執行董事

**林廣兆先生**(*金紫荊勳章*)，84歲，彼曾任第十屆全國人大港區代表、現任香港中銀國際控股有限公司副董事長、香港福建社團聯會榮譽主席、旅港福建商會永遠榮譽會長、閩港經濟合作促進會副主任、香港中華總商會永遠榮譽會長、香港中國企業協會顧問及香港銀行華員會名譽會長。林廣兆先生亦為中銀國際有限公司、中國海外發展有限公司、禹州地產股份有限公司、信義玻璃控股有限公司、遠東發展有限公司及域高國際控股有限公司之獨立非執行董事。林先生於二零零三年獲香港特區政府頒發銀紫荊星勳銜及於二零一六年獲頒發金紫荊星勳銜。

林先生於二零零三年十二月十一日加盟本集團並委任為獨立非執行董事。

**吳文拱先生**，67歲，曾於香港理工大學進修銀行學課程。吳先生曾在香港銀行業任職高層管理人員達28年。彼於一九九二年獲任命為集友銀行有限公司常務董事兼總經理，於二零零一年獲任命為副董事長兼行政總裁至二零一二年退休。吳先生曾於一九九九年四月至二零零三年三月獲委任為香港理工大學校董會成員，並於一九九三年至二零一三年出任中國人民政治協商會議福建省委員會委員。吳先生於二零一四年一月至二零一五年四月期間擔任中國東方資產管理(國際)控股有限公司的業務顧問，及於二零一七年八月二十四日至二零一七年十二月十八日期間擔任羅馬集團有限公司(股份代號：8072—創業板)的非執行董事。目前，吳先生擔任以下公司的職位包括由二零一四年九月五日起擔任強泰環保控股有限公司(股份代號：1395)的獨立非執行董事。由二零一六年三月十一日起，擔任國安國際有限公司(股份代號：143)的獨立非執行董事。由二零一六年三月二十三日起，擔任港橋金融(控股)有限公司(股份代號：2323)的獨立非執行董事。由二零一七年五月二十五日起，擔任上海證大房地產有限公司(股份代號：755)的獨立非執行董事及由二零一八年三月三十一日起擔任澳門立橋銀行監事會主席。

吳先生於二零一四年六月三十日加盟本集團並委任為獨立非執行董事。

## Directors' Biography (Continued) 董事簡歷 (續)

### INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

**Ms. LIU Mei Ling Rhoda**, aged 57, joined the Group on 1 January 2019 as non-executive director, chairman of audit committee, and committee member of nomination committee and remuneration committee.

Ms. Liu is a Member of the Canadian Institute of Chartered Professional Accountants, Fellow Practising Member of the Hong Kong Institute of Certified Public Accountants, Fellow Member of the Taxation Institute of Hong Kong, and Fellow Member of the Hong Kong Institute of Directors. Ms. Liu holds a Bachelor of Art Degree in Finance and Commercial Studies from University of Western Ontario in Canada, Professional Degree in China Law from Tsinghua University in China, and a Master of Business Administration Degree from McMaster University in Canada. Ms. Liu is currently a Practising Certified Public Accountant in Hong Kong and sole proprietor of Liu & Wong, Certified Public Accountants. Ms. Liu is an independent non-executive director and the chairperson of the audit committee of Modern Beauty Salon Holdings Limited (stock code: 919), a company listed on The Stock Exchange of Hong Kong Limited and Mirach Energy Limited, a company listed on the Singapore Stock Exchange and a chairperson of the audit committee of Ellipsiz Communications Limited, a company listed on TSX Venture Exchange.

### 獨立非執行董事 (續)

**廖美玲女士**，57歲，於二零一九年一月一日加入本集團。為獨立非執行董事、審核委員會主席、提名委員會成員及薪酬委員會成員。

廖女士為加拿大特許專業會計師、香港會計師公會資深執業會計師、香港稅務學會資深會員及香港董事學會資深會員。廖女士持有加拿大西安大略大學金融及商業科學學士學位、中國清華大學中國法學專業學士學位及加拿大麥克馬斯特大學工商管理碩士學位。廖女士現任廖美玲會計師事務所的所長。廖女士亦為一間於香港交易所上市的公司「現代美容控股有限公司」(上市代號：919)及一間於新加坡證券交易所上市的公司「瑞德能源集團公司」的獨立非執行董事、審核委員會主席以及薪酬委員會成員；及多倫多創業交易所上市公司 Ellipsiz Communications Ltd 的獨立董事及審核委員會主席。



# Directors' Report

## 董事報告

The Directors are pleased to present the annual report and the consolidated audited financial statements for the year ended 31 December 2018.

董事會欣然提呈截至二零一八年十二月三十一日止年度之年報和經審核綜合財務報表。

### PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activities of the Company are investment holding, hotel business and property investment and those of its subsidiaries are disclosed in note 18 to the consolidated financial statements.

### 主要業務及經營地區分析

本公司主要從事投資控股，酒店業務及物業投資，其附屬公司之業務已於綜合財務報表附註18披露。

An analysis of the Group's revenue and contribution to results by principal activities and geographical area of operation for the year ended 31 December 2018 is set out in note 6 to the consolidated financial statements.

本集團截至二零一八年十二月三十一日止年度按主要業務及經營地區劃分之營業額及業績貢獻分析載於綜合財務報表附註6。

### RESULTS AND APPROPRIATIONS

The results and cash flow of the Group for the year ended 31 December 2018 and the financial status of the Group and the Company as at 31 December 2018 are set out in the consolidated financial statements on pages 72 to 77.

### 業績及分派

本集團截至二零一八年十二月三十一日止年度之業績及現金流量，以及本集團及本公司於二零一八年十二月三十一日年度財務狀況載於綜合財務報表第72至77頁。

### DIVIDENDS

The Directors do not recommend the payment of a dividend for the year ended 31 December 2018.

### 股息

董事會不建議派發二零一八年十二月三十一日年度任何股息。

### FINANCIAL SUMMARY

A summary of the results and the statement of net assets/liabilities of the Group for the last financial years is set out on pages 4 to 7.

### 財務摘要

本集團於過往財政年度之業績及淨資產／負債報表之概要載於第4至7頁。

## Directors' Report (Continued) 董事報告(續)

### MAJOR CUSTOMERS AND SUPPLIERS

During the year, sales to the Group's five largest customers accounted for approximately 11.03% (2017: 21.26%) of the Group's total sales for the year and the largest customer included therein amounted to approximately 4.39% (2017: 7.10%).

Purchases from the Group's five largest suppliers accounted for approximately 45.30% (2017: 45.46%) of the Group's total purchases for the year and purchase from the largest supplier included therein amounted to approximately 13.40% (2017: 20.69%).

None of the Directors of the Company, or any of his associates or shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital), had any beneficial interest in the Group's five largest customers or suppliers.

### RESERVES

Movements in the reserves of the Group and of the Company for the year ended 31 December 2018 are set out on page 75 and in note 26 to the consolidated financial statements.

### PREPAID LEASE PAYMENTS

Details of the movements in prepaid lease payments of the Group are set out in note 16 to the consolidated financial statements.

### INVESTMENT PROPERTIES

At 31 December 2018, the investment properties of the Group were revalued by an independent firm of professional surveyor and property valuer on an open market value basis at HK\$230.30 million. Details of these and other movements during the year in the investment properties of the Group are set out in note 17 to the consolidated financial statements respectively.

### 主要客戶及供應商

年內，本集團五大客戶之銷售額佔本集團年內銷售總額約11.03%（二零一七年：21.26%），其中最大客戶佔銷售總額約4.39%（二零一七年：7.10%）。

本集團五大供應商之採購額佔本集團年內採購總額約45.30%（二零一七年：45.46%），其中最大供應商之採購額佔採購總額約13.40%（二零一七年：20.69%）。

概無本公司董事或其任何聯繫人士或就董事所深知擁有本公司已發行股本5%以上之股東，於本集團五大客戶或供應商擁有任何實益權益。

### 儲備

本集團及本公司於二零一八年十二月三十一日年度之儲備變動載於第75頁及綜合財務報表附註26。

### 預付租賃款項

本集團之預付租賃款項變動詳情載於綜合財務報表附註16。

### 投資物業

於二零一八年十二月三十一日，本集團之投資物業經獨立專業測量師及物業估值師按公開市值基準重估為23,030萬港元。本集團之投資物業詳情及於年內其他變動詳情分別載於綜合財務報表附註17。

## Directors' Report (Continued)

### 董事報告(續)

#### PROPERTY, PLANT AND EQUIPMENT

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

#### SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's subsidiaries and associates for the year ended 31 December 2018 are set out in notes 18 and 19 to the consolidated financial statements.

#### CAPITAL STRUCTURE OF THE GROUP

Details of the movements in share capital of the Company are set out in note 25 to the consolidated financial statements.

As at 31 December 2018, the share capital of the Company consisted of 1,145,546,000 ordinary shares.

#### CONTINUING CONNECTED TRANSACTIONS

During the year, there were no continuing connected transactions which were required to be disclosed in accordance with the requirements of the Listing Rules.

None of the related party transactions as set out in note 34 to the consolidated financial statements constituted a discloseable connected transaction under Chapter 14A of the Listing Rules.

#### 物業、廠房及設備

本集團之物業、廠房及設備變動詳情載於綜合財務報表附註15。

#### 附屬公司及聯營公司

本公司截止二零一八年十二月三十一日止年度之附屬公司及聯營公司詳情載於綜合財務報表附註18及19。

#### 本集團之資本架構

本公司之股本變動詳情載於綜合財務報表附註25。

於二零一八年十二月三十一日，本公司股本由1,145,546,000股普通股構成。

#### 持續關連交易

本年度內，概無持續關連交易須根據《上市規則》之規定予以披露。

概無如綜合財務報表附註34所披露之關連人士交易構成《上市規則》第14A章項下須予披露之關連交易。

## Directors' Report (Continued) 董事報告(續)

### OCCUPATIONAL HEALTH AND SAFETY

As at the date of this report, no accidents involving serious injuries, death or property damage has been reported to our management. Furthermore, during the Reporting Period, we were not subject to any claims arising from any material accidents involving personal injuries or death or property damage that had a material adverse effect on our business, financial condition or results of operation. We were in compliance with all relevant PRC laws and regulations regarding occupational health and safety in all material respects during the Reporting Period and as at the date of this annual report.

### Environmental Policies and Compliance

We are committed to minimise the impact of our activities on the environment. To this end, various impact assessments have been undertaken and policies created which are in line with international best practices and long term sustainability.

The core values of our environmental policy are to meet all the environmental legislations that relate to our operations.

In addition to full compliance with all laws relevant to sustaining and improving the environment, we are committed to deploying ecologically friendly construction techniques, materials and operational procedures. It is policy of the Group to promote clean operation and strives to making the most efficient use of resources in its operations, and minimising wastes and emission. The Group achieves this through actively re-designing its activities and operation that encourage and promote recycling of resources, using environmental friendly raw materials and reviewing operations constantly to ensure that the processes are effective and efficient.

No environmental claims, lawsuits, penalties or administrative sanctions were reported to our management during the reporting period. We are of the view that we were in compliance with all relevant laws and regulations.

### 職業健康及安全

於本報告日期，我們的管理層概無接獲涉及包括重傷死亡或財物損毀的意外報告。此外，我們於報告期內並無因涉及任何人身傷亡或財物損毀的嚴重意外而產生任何索償，而致使我們的業務、財務狀況或經營業績受到重大不利影響。於報告期內及截至本報告日期，我們在所有主要方面一直遵守關於職業健康及安全的的所有相關中國法律及法規。

### 環保政策及合規

我們致力盡量減少業務活動對環境的影響。為此，我們已就此進行多項影響評估及設立多個政策，均與國際最佳慣例及長期可持續性相符。

我們的環保政策的核心價值在於符合所有與我們營運有關的環保法規。

除了全面遵行所有有關維持及改善環境的法例外，我們亦致力推展保護生態的建築技術、物料及營運程序。本集團推行促進清潔生產和在營運上最有效地善用資源及減低浪費和排放之政策。為此，本集團通過積極更新運作和生產方法以鼓勵和提升資源再利用，採用對環境友善的原材料和持續檢討生產營運，以確保生產流程之成效和效益。

於報告期內，我們的管理層概無接獲涉及環境索償、訴訟、罰則或行政處分的報告。我們認為，於報告期內及截至本公告日期，我們在各主要方面遵守有關環境保護的所有相關法律及法規。

## Directors' Report (Continued)

### 董事報告(續)

## RISK AND UNCERTAINTIES

Our Group's financial condition, results of operations and business prospects may be affected by a number of risks and uncertainties directly or indirectly pertaining to our Group's businesses. The following are the key risks and uncertainties identified by our Group. There may be other risks and uncertainties in addition to those shown below which are not known to our Group or which may not be material now but could turn out to be material in the future.

### Economic risks

A severe or prolonged downturn of the global economy.

Fluctuations in foreign currency exchange rate, inflation and fluctuations of interest rates would adversely affect the customers' spending sentiment and the Group's profit margin.

### Operational risks

Failure to compete in the competitive environment which the Group operates in;

Unable to keep pace with the technological advances in timely and cost-efficient manner; and

Failure to attract, train, retain, and motivate highly skilled and qualified managerial, sales, marketing, operating, and technical personnel, the loss of key personnel, or the inability to find additional qualified personnel.

### Regulatory risks

Failure to adhere to laws, regulations and rules, or to obtain or maintain all applicable permits and approvals;

Infringement of valid patents, copyrights or other intellectual property rights held by third parties; and

Any change in laws and regulations in different customers' and suppliers' countries.

### Financial risks

Details of financial risks are set out in note 28 to the consolidated financial statements.

## 風險及不確定性

本集團的財務狀況、營運業績及業務前景可能受到與本集團業務直接或間接相關的許多風險及不明朗因素的影響。以下為本集團知悉的主要風險及不明朗因素。除下文所列者外，或會存在本集團並未知悉或目前可能不重要但日後可能變得重要的其他風險及不明朗因素。

### 經濟風險

全球經濟嚴重或持續低迷。

外幣匯率波動、通脹及利率波動對客戶購買意欲及本集團之毛利率造成不利影響。

### 經營風險

本集團未能在經營所在之競爭環境中有效競爭；

無法及時以具成本效益的方式緊貼科技革新；及

未能吸納、培訓、挽留及激勵熟練及具資格的管理、銷售、市場推廣、營運及技術人員、要員流失或無法物色到額外的具資格人員。

### 監管風險

未遵守法律、法例及規定或取得或維持所有適用許可及批准；

侵犯第三方持有的有效專利權、版權或其他知識產權；及

不同客戶及供應商所在國家的法律和法規的任何變動。

### 財務風險

財務風險詳情載於綜合財務報表附註28。

## Directors' Report (Continued) 董事報告(續)

### RELATIONSHIPS WITH STAKEHOLDERS

The Group is committed to operate in a sustainable manner while balancing the interests of its various stakeholders including customers, suppliers and employees. This includes providing the Group's customers with good quality services, and timely, appropriate pre/after sales services. Similarly, the Group views its suppliers not just vendors but as strategic partners, important links in its supply chain. The Group's procurement policy is to maintain good relationship and communications with suppliers under the principal of mutual trust. The Group considers its employees the key to sustainable business growth. Workplace safety is priority of the Group, and with due awareness of all employees throughout the year, the Group was able to maintain safety workplaces.

### COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries in Mainland China and Hong Kong, while the Company listed on the Main Board of the Stock Exchange. The Group accordingly shall comply with relevant laws and regulations in Mainland China and Hong Kong and the respective places of incorporation of the Company and its subsidiaries.

During the year and up to the date of this annual report, the Board was unaware of any non-compliance with relevant laws and regulations that have a significant impact on the business and operations of the Group.

### 與持份者之關係

本集團致力以可持續方式經營，同時平衡其不同持份者之權益，包括客戶、供應商及僱員。這包括向本集團的客戶提供優質的服務，以及及時提供合適的售前／售後服務。同樣地，本集團不僅僅將其供應商視為銷售商，更視為戰略合作夥伴，是其供應鏈的重要環節。本集團的採購政策是在互相信任的原則上與供應商維持良好的關係及交流。本集團認為其僱員為可持續業務增長之關鍵。確保工作場所的安全是本集團的重中之重，本集團全年高度關注全體僱員，因此能夠維持工作場所的安全性。

### 遵守適用法律及法規

本集團之業務主要由本公司於中國大陸及香港之附屬公司進行，而本公司於聯交所主板上市。本集團因此須遵守中國大陸及香港以及本公司及其附屬公司各自註冊成立地之相關法律及法規。

於本年度及截至本年報日期，董事會並不知悉存在對本集團業務及營運造成重大影響之相關法律及法規之任何不合規情況。

## Directors' Report (Continued)

### 董事報告(續)

#### DIRECTORS

The Directors who held office during the year ended 31 December 2018 and up to the date of this report were:

##### Executive Directors:

CHEN Yangbiao (*Chairman of the board*)  
(Appointed on 20 August 2018)  
LIU Hongjian (*Resigned on 20 August 2018*)  
CHEN Danyun (*Chief Executive*)  
CHEN Yang

##### Non-executive Directors:

FENG Qiang  
WANG Ruilian  
WENG Weijian (*Appointed on 11 September 2018*)  
ZHANG Fan (*Resigned on 11 September 2018*)

##### Independent Non-executive Directors:

LAM Kwong Siu  
NG Man Kung  
LIU Mei Ling Rhoda (*Appointed on 1 January 2019*)  
LEUNG Hok Lim (*Resigned on 1 January 2019*)

Mr. Liu Hongjian has resigned as the Chairman and an executive director of the Company due to other work commitments in Mainland China with effect from 20 August 2018.

Mr. Zhang Fan has resigned as a non-executive director of the Company due to other work commitments in Mainland China with effect from 11 September 2018.

Mr. Leung Hok Lim has resigned as an independent non-executive director, and ceased to be the chairman of the audit committee, a member of nomination committee and a member of remuneration committee of the Board with effect from 1 January 2019 in order to devote more of his time to his other endeavors.

In accordance with Article 101 of the Company's articles of association, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire at the forthcoming annual general meeting of the Company and shall be eligible for re-election.

#### 董事

於二零一八年十二月三十一日年度及截至本報告刊發日期止之在任董事名單如下：

##### 執行董事：

陳揚標(董事會主席)  
(於二零一八年八月二十日上任)  
劉洪建(於二零一八年八月二十日辭任)  
陳丹雲(行政總裁)  
陳揚

##### 非執行董事：

馮強  
王瑞煉  
翁衛建(於二零一八年九月十一日上任)  
張帆(於二零一八年九月十一日辭任)

##### 獨立非執行董事：

林廣兆  
吳文拱  
廖美玲(於二零一九年一月一日上任)  
梁學濂(於二零一九年一月一日辭任)

由於內地其他工作安排的原因，劉洪建先生已辭任本公司主席及執行董事，由二零一八年八月二十日起生效。

由於內地其他工作安排的原因，張帆先生已辭任本公司非執行董事，由二零一八年九月十一日起生效。

梁學濂先生已辭任獨立非執行董事一職，並不再擔任本公司審核委員會主席、提名委員會及薪酬委員會各自的成員，自二零一九年一月一日起生效，以便可以於其他事務上投放更多時間。

遵照本公司之公司組織章程細則第101條之規定，三分之一之現任董事(或倘董事人數並非三位或三之倍數，則為最接近三分之一之人數)任期將於應屆股東週年大會屆滿，惟彼等具備資格膺選連任。

## Directors' Report (Continued) 董事報告(續)

### DIRECTORS (Continued)

Pursuant to Article 101 of the articles of association of the Company, Mr. Chen Yangbiao, Ms. Weng Weijian and Ms. Liu Mei Ling Rhoda shall retire by rotation in the forthcoming annual general meeting and all, being eligible, offer themselves for re-election.

### DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting have a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

### DIRECTORS' BIOGRAPHY

Biography of the Directors is set out on pages 19 to 23.

### Directors' Emoluments and the Five Highest Paid Individuals

Details of directors' remuneration and those of the five highest paid individuals in the Group are set out in notes 12 and 13 to the consolidated financial statements, respectively.

### DISCLOSURE OF INTERESTS BY DIRECTORS

As at 31 December 2018, the interests of the Directors and chief executive in the shares, underlying shares, and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules (the "Model Code") were as follows:

### 董事(續)

根據本公司組織章程細則第101條，陳揚標先生、翁衛建女士及廖美玲女士須於即將舉行的股東週年大會上輪值退任，而彼等均合符資格連任，並已表示願意膺選連任。

### 董事服務合約

於即將舉行之股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立僱用公司不可於一年內終止而毋須作出補償(法定補償除外)之服務合約。

### 董事簡歷

本公司董事簡歷載於第19至第23頁。

### 董事酬金及五位最高薪酬人士

董事酬金及本集團五位最高薪酬人士的詳情分別載於綜合財務報表附註12及13。

### 董事權益披露

於二零一八年十二月三十一日，董事及行政總裁於本公司或其相聯法團(定義見證券及期貨條例(按香港法例第571章)(「證券及期貨條例」)第XV部)之股份及相關股份擁有(a)須根據證券及期貨條例第XV部第7及8分部通知本公司及聯交所之權益(包括根據證券及期貨條例之該等條文董事被當作或被視作享有之權益及淡倉);或(b)須記入根據證券及期貨條例第352條規定存置之登記冊之權益;或(c)須根據上市規則所載上市發行人董事進行證券交易的標準守則(「標準守則」)通知本公司及聯交所之權益如下:



## Directors' Report (Continued)

董事報告(續)

### DISCLOSURE OF INTERESTS BY DIRECTORS (Continued)

#### Long position in shares and underlying shares of the Company

Director	Type of interests	Number of issued ordinary shares held	Percentage of interest
董事	權益類別	所持已發行普通股數目	權益百分比
CHEN Danyun 陳丹雲	Personal 個人	420,000	0.04%

Save as disclosed above, during the year under review, none of the Directors and chief executive had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (as defined in Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

At no time during the year was the Company or its subsidiaries engaged in any arrangements to enable the Directors of the Company or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### INTERESTS IN COMPETING BUSINESSES

During the year, none of the Directors nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with any business of the Group.

### 董事權益披露(續)

#### 本公司股份及相關股份之好倉

Director	Type of interests	Number of issued ordinary shares held	Percentage of interest
董事	權益類別	所持已發行普通股數目	權益百分比
CHEN Danyun 陳丹雲	Personal 個人	420,000	0.04%

除上文所披露外，於回顧年度間，董事及行政總裁概無於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債券中擁有或被視為擁有(i)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所(包括根據證券及期貨條例之該等條文被當作或視為擁有之權益或淡倉)；或(ii)根據證券及期貨條例第352條之規定須載入該條文所述之登記冊內之任何權益或淡倉；或(iii)須根據標準守則，須知會本公司及聯交所之任何權益或淡倉。

本公司或其附屬公司在本年間任何時間概無參與任何安排，致使董事或彼等各自之配偶或未滿18歲之子女可透過購入本公司或任何其他法團之股份或債券而獲取利益。

### 於競爭業務中之權益

於本年間，董事或彼等各自之聯繫人士概無直接或間接擁有與本集團任何業務競爭或可能競爭之任何業務。

## Directors' Report (Continued) 董事報告(續)

### INTERESTS IN ASSETS OF THE GROUP

During the year, none of the Directors had any direct or indirect interests in any assets which have been acquired or disposed of, or leased to, or which are proposed to be acquired or disposed of or leased to, the Company or any of its subsidiaries.

### DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors was materially interested directly or indirectly in any contract or arrangement subsisting during or at the end of the year under review which is significant in relation to the business of the Group.

### SUBSTANTIAL SHAREHOLDERS

As at 31 December 2018, as far as is known to the Directors and the Company, and as confirmed upon reasonable enquiry, the register maintained by the Company under section 336 of the SFO shows that the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares and underlying shares of the Company which are required to be disclosed to the Company or the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Company or had an option in respect of such capital were as follows:

### 於本集團資產中之權益

於本年間，董事概無於本公司或其任何附屬公司已收購或出售或承租，或建議收購或出售或承租之任何資產中擁有任何直接或間接權益。

### 董事之合約權益

董事概無於回顧年度間或至本年底存在而就本集團業務而言屬重大之任何合約或安排中擁有直接或間接重大權益。

### 主要股東

於二零一八年十二月三十一日，就本公司董事及本公司所知，或於彼等作出合理查詢後所能確定，按照本公司根據證券及期貨條例第336條須存置之登記冊所記錄，下列人士（並非本公司之董事及主要行政人員）擁有或被視為擁有本公司股份或相關股份中根據證券及期貨條例第XV部第2及第3分部須向本公司或聯交所披露之權益或淡倉，或直接或間接擁有附帶權利可於所有情況下於本公司任何其他成員公司之股東大會上投票之任何類別股本面值5%以上，或擁有該等股本之購股權：

## Directors' Report (Continued)

### 董事報告(續)

#### SUBSTANTIAL SHAREHOLDERS (Continued)

#### 主要股東(續)

#### Long positions in the shares of the Company

#### 本公司股份之好倉

Name of Shareholders	Number of shares of the Company held	Percentage of total issued shares of the Company (%)
股東名稱	所持本公司股份數目	佔已發行本公司股份總額百分比
HC Technology Capital Company Limited ("HC Technology") 華晶科技投資有限公司(「華晶科技」)	770,016,722 (a)	67.22
Fujian Investment Holdings Company Limited ("FIHC") 華閩投資集團有限公司(「華閩投資」)	778,328,772 (a)	67.94
Fujian Huamin Industrial Group Company Limited ("FHIG") 福建華閩實業(集團)有限公司(「華閩實業」)	778,328,772 (a)	67.94
Fujian Tourism Development Group Company Limited ("FTDC") 福建省旅游發展集團有限公司(原稱福建省旅游發展集團有限責任公司)(「旅游集團」)	778,328,772 (a)	67.94
Sino Earn Holdings Limited ("Sino Earn") 華鑫(香港)控股有限公司(「華鑫」)	72,553,382 (b)	6.33
Fujian Huaxing Trust & Investment Company ("FHTI") 福建華興信託投資公司(「華興信託」)	72,553,382 (b)	6.33
Fujian Huaxing Industrial Company ("FHIC") 福建華興實業公司(「華興實業」)	72,553,382 (b)	6.33
Fujian Huaxing Group Company Limited ("FHGC") 福建省華興集團有限責任公司(「福建華興」)	72,553,382 (b)	6.33
Fujian Investment & Development Group Company Limited ("FIDG") 福建省投資開發集團有限責任公司(「開發集團」)	72,553,382 (b)	6.33

## Directors' Report (Continued) 董事報告(續)

### SUBSTANTIAL SHAREHOLDERS (Continued)

Notes:

- (a) HC Technology and its associates hold 778,328,772 Shares (representing approximately 67.94% of the issued share capital of the Company) among which (i) 770,016,722 Shares (representing approximately 67.22% of issued share capital of the Company) are held by HC Technology and (ii) 8,312,050 Shares (representing approximately 0.72% of the issued capital of the company) are held by Pinoge. The issued share capital of each of HC Technology and Pinoge is 100% beneficially owned by FIHC, which is in turn 100% beneficially owned by FHIG, which is in turn 100% beneficially owned by FTDC, a state-owned corporation under the control and supervision of FJSOASAC in the PRC. Pursuant to the SFO, each of FIHC, FHIG and FTDC is deemed to be interested in 778,328,772 Shares.
- (b) Sino Earn beneficially holds 72,553,382 Shares. The issued share capital of Sino Earn is owned as to 30% by FHTI and 70% by FHIC respectively. Both of FHTI and FHIC are 100% beneficially owned by FHGC, which is in turn 100% beneficially owned by FIDG, a state-owned corporation in the PRC under the control and supervision of FJSOASAC. Pursuant to the SFO, each of FHTI, FHIC, FHGC and FIDG is deemed to be interested in 72,553,382 Shares.

### MANAGEMENT CONTRACTS

There were no contracts concerning the management and administration of the whole or any substantial part of the business of the Group which were entered into or existed during the year.

### RETIREMENT BENEFIT PLANS

The Group operates a Mandatory Provident Fund ("MPF") Scheme under rules and regulations of MPF Schemes Ordinance for all its employees in Hong Kong. All the employees of the Group in Hong Kong are required to join the MPF Scheme. Contributions are made based on a percentage of the employees' salaries and are charged to consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme. No forfeited contribution is available to reduce the contribution payable in the future for the year ended 31 December 2018.

### 主要股東(續)

附註：

- (a) 華晶科技及其聯繫人持有778,328,772股股份(佔本公司已發行股本約67.94%)，其中(i)770,016,722股股份(佔本公司已發行股本約67.22%)由華晶科技持有；及(ii)8,312,050股股份(佔本公司已發行股本約0.72%)由浩特持有。華晶科技及浩特各自之已發行股本均由華閩投資全資實益擁有，華閩投資由華閩實業全資實益擁有，而華閩實業則由福建國資委控制及監督的中國國有企業旅游集團全資實益擁有。根據證券及期貨條例，華閩投資、華閩實業及旅游集團各自均被視為於778,328,772股股份中擁有權益。
- (b) 華鑫實益持有72,553,382股股份。華鑫之已發行股本分別由華興信託及華興實業擁有30%及70%權益。華興信託及華興實業均由福建華興全資實益擁有，而福建華興則由福建國資委控制及監督的中國國有企業開發集團全資實益擁有。根據證券及期貨條例，華興信託、華興實業、福建華興及開發集團各自均被視為於72,553,382股股份中擁有權益。

### 管理合約

本集團並無簽訂任何有關業務管理或行政的其他合同。

### 退休福利計劃

本集團根據強制性公積金(「強積金」)計劃條例之規則及規例，為其所有香港僱員設立強積金。本集團所有香港僱員均須參與強積金計劃。根據強積金計劃規則，供款按僱員薪金一定百分比作出，並於應付時計入綜合收益表。強積金計劃資產與本集團資產分開並由獨立管理基金持有。本集團僱主供款於向強積金計劃作出供款時悉數歸屬予僱員。於二零一八年十二月三十一日年末，概無已沒收供款可供減少未來數年應付之供款。

## Directors' Report (Continued)

### 董事報告(續)

#### RETIREMENT BENEFIT PLANS (Continued)

The employees of the Group's subsidiary in China are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiary is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

During the year, the total amounts contributed by the Group to the schemes and costs charged to the consolidated income statement represent contribution payable to the schemes by the Group at rates specified in the rules of the schemes.

#### PERMITTED INDEMNITY

The Articles of Association of the Company provides that every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance (Cap. 622)) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. In addition, the indemnity agreements made by the Company, which are currently in force and were in force throughout the financial year, contained permitted indemnity provisions (as permitted in Section 469(2) of the Companies Ordinance (Cap. 622)), for the benefit of the Directors of the Company. The Company has also taken out and maintained Director's liability insurance throughout the year, which provides appropriate cover for the Directors.

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

Neither the Company nor its subsidiaries, had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2018.

#### 退休福利計劃(續)

本集團於中國大陸之附屬公司遵照中國之適用規則，參與一項國家管理由當地政府經營的退休福利計劃。附屬公司須按工資成本的指定百分比比率向退休福利計劃供款。本集團就退休福利計劃之唯一責任作出指定供款。

年內，本集團向該等計劃作出之供款總額及計入綜合收益表之成本，指本集團根據該等計劃規則所訂明比率向該等計劃應付之供款。

#### 獲准許之彌償

根據本公司章程細則，本公司每名董事或其他高級人員有權在彼執行職務或在其他方面與此有關之情況下可能蒙受或產生之所有損失或責任(公司條例(第622章)最大程度准許之情況下)，可獲得從本公司之資產中撥付彌償。此外，本公司制定彌償協議，載有獲准許之彌償條文(根據公司條例(第622章)第469(2)條)惠及本公司董事現正生效，並在本財政年度一直生效。本公司於本財政年度已購買及維持董事責任保險，為董事提供適當之保障。

#### 購買、出售或贖回本公司之上市證券

截至二零一八年十二月三十一日止年度，本公司或其附屬公司均無購買、出售及贖回任何本公司之上市證券。

## Directors' Report (Continued) 董事報告(續)

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct for dealings in securities of the Company by the Directors. In response to specific enquiries made, all Directors confirmed that they had complied with the required standards of dealings as set out in the Model Code during the year.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as of the date of this report.

### AUDITORS

The accounts for the year ended 31 December 2018 were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the conclusion of the forthcoming annual general meeting. A resolution for the re-appointment of HLB Hodgson Impey Cheng Limited as the auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

**CHEN Yangbiao**  
Chairman

Hong Kong, 25 March 2019

### 董事進行證券交易之標準守則

本公司採納上市規則附錄十所載的《上市發行人董事進行證券交易的標準守則》(「標準守則」)作為董事進行本公司證券交易的操守守則。經作出具體徵詢後，所有董事確認彼等於年內均遵照標準守則所載的規定標準。

### 足夠公眾持股量

根據本公司所獲提供資料及據董事所知悉，於本報告日期，公眾人士最少持有本公司已發行股本總額25%。

### 核數師

截至二零一八年十二月三十一日止年度之賬目經由國衛會計師事務所有限公司審核，彼於即將舉行之股東週年大會上任滿。本公司將於即將舉行之股東週年大會上提呈一項決議案再次委任國衛會計師事務所有限公司為本公司來年之核數師。

代表董事會

**陳揚標**  
主席

香港，二零一九年三月二十五日

# Corporate Governance Report

## 企業管治報告

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board of Directors (the “Board”) believes that good corporate governance is one of the areas that leads to the success of the Company and balances the interests of shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

The Company has fully complied throughout the year 2018 with the applicable provisions set out in the Corporate Governance Code (the “Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

In the opinion of the Directors, the Company has complied all code provisions as contained in the Code during the year ended 31 December 2018.

### BOARD COMPOSITION AND BOARD PRACTICES

The Board is primarily responsible for formulating the business strategy, reviewing and monitoring the business performance of the Group, approving the financial statements and annual budgets as well as directing and supervising the management of the Company. Execution of operational matters and the powers thereof are delegated to the management by the Board with clear directions.

The Board comprises a total of nine Directors, three of whom are Executive Directors, three Non-executive Directors and three Independent Non-executive Directors. One of the Independent Non-executive Directors has appropriate professional qualifications, or accounting or related financial management expertise.

Board composition review will be made regularly to ensure that it has a balance of expertise, skills and expertise appropriate for the requirements of the business of the Group. In accordance with article 101 of the Company’s Articles of Association, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire at the forthcoming annual general meeting and shall be eligible for re-election.

### 企業管治守則

配合及遵循企業管治原則及常規之公認標準一貫為本公司最優先原則之一。董事會（「董事會」）認為良好的企業管治是帶領本公司邁向成功及平衡股東、客戶及僱員之間利益之因素之一，董事會致力於持續改善該等原則及常規之效率及有效性。

於二零一八年期間本公司貫徹遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四中所載的「企業管治守則」（「守則」）的適用守則條文規定。

董事認為，公司已於截至二零一八年十二月三十一日止年度符合企業管治守則所載之守則條文。

### 董事會組成及董事會常規

董事會主要負責制定業務策略、審閱及監察本集團業務表現、批准財務報表及年度預算，以及監督本公司管理層並向其給予指引。董事會向管理層下放權力，並給予明確指引，以執行營運事宜。

董事會由合共九名董事組成，當中三名為執行董事、三名為非執行董事、及三名為獨立非執行董事。其中一名獨立非執行董事擁有適當之專業資格，或具備會計或相關財務管理專長。

本公司將定期檢討董事會之組成，確保其具備適當及所需之專長、技能及經驗以應付本集團業務之需求。根據本集團之公司組織章程細則第101條之規定，三分之一之現任董事（或倘董事人數並非三位或三之倍數，則為最接近三分之一之人數），任期將於應屆股東週年大會屆滿，惟彼等具備資格膺選連任。

## Corporate Governance Report (Continued) 企業管治報告(續)

### EMOLUMENT POLICY

All existing Executive Directors are entitled to a fixed salary per annum respectively. The remuneration of each Executive Director is subject to review of the Board with reference to his/her contribution in terms of time, effort and his/her expertise. The emolument policy for Non-executive Directors is to ensure that the Non-executive Directors are adequately compensated for their efforts and the time dedicated to the Company's affairs, including their participation in the Board Committees. Individual directors and senior management are not involved in the determination of their own remuneration.

Details of remuneration paid to each of the Directors and senior management during the year are disclosed in note 12 and note 13 to the financial statements.

All Executive Directors are entitled to be reimbursed for reasonable expenses incurred during the performance of their duties to the Company.

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles and duties of the Chairman and the Chief Executive Officer of the Company are carried out by different individuals. The Chairman of the Board is responsible for the overall strategic formulation, management and planning of our Group. The Chief Executive Officer is Ms. Chen Danyun, who is responsible for business development and day-to-day management and operations of the Group.

### CHAIRMAN'S ROLE AND RESPONSIBILITY

The Chairman of the Board ("Chairman") and the Chief Executive Officer are separate individuals, to maintain segregation of duties between the management of the Board and the day-to-day management of the Group's business. One important role of the Chairman is to provide leadership for the Board. The Chairman has to ensure that the Board works effectively, discharges responsibilities, and that all key and appropriate issues are discussed by the Board in a timely manner. All Directors are consulted about matters proposed for inclusion in the agenda. The Chairman has delegated to the Company Secretary the responsibility for drawing up the agenda for each Board meeting.

### 薪酬政策

目前所有執行董事每年均可各自獲得固定年薪。每位執行董事的薪酬須由董事會經參考其所貢獻的時間、精力及其專業知識進行檢討。非執行董事之薪酬政策則確保非執行董事按其參與本公司事務(包括參與董事會轄下委員會事務)所付出之努力及時間而獲合適的報酬。個別董事及高級管理人員不會參與釐定本身之薪酬。

於年內，董事及高級管理層獲得之個別薪酬詳情，於財務報表附註12及13披露。

全體執行董事均有權因履行本公司職務期間產生合理的開支而獲得補償。

### 主席及行政總裁

本公司主席及行政總裁的角色及職務由不同人士擔任。董事會主席負責本集團整體策略的制定、管理及規劃。行政總裁為陳丹雲女士，彼負責本集團的業務發展，以及日常管理及營運。

### 主席的角色及責任

董事會主席(「主席」)及行政總裁之職務由不同人士擔任，使董事會管理及本集團業務之日常管理得以有效區分。主席之其中一項主要職能為領導董事會。主席須確保董事會有效運作及履行職責，並就各項重要及適當事務進行適時討論。所有董事均經諮詢以提出任何商討事項列入會議議程。主席已委派公司秘書負責擬定每次董事會會議之議程。



## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### CHAIRMAN'S ROLE AND RESPONSIBILITY (Continued)

The Group supports the establishment of good corporate governance practices and procedures. The Group's Chief Executive Officer has been delegated such authority. The Board always acts in the best interests of the Group, and all Directors have made full and active contribution to the affairs of the Board. Meeting between the Chairman and the Non-executive Directors (including Independent Non-executive Directors) without the presence of Executive Directors has been scheduled as at least once a year.

#### Composition

As at the date of this report, the board of Directors comprises three Executive Directors namely Mr. CHEN Yangbiao (Chairman), Ms. CHEN Danyun and Mr. CHEN Yang, three Non-executive Directors, namely Mr. FENG Qiang, Mr. WANG Rulian and Ms. WENG Weijian, and three Independent Non-executive Directors, namely Mr. LAM Kwong Siu, Mr. NG Man Kung and Ms. LIU Mei Ling Rhoda. Details of the Chairman and the other Directors of the Company are set out in the section "Directors' Biography" of this report.

With the various experience of both the Executive Directors and the Non-executive Directors and the nature of the Group's business, the board considered that the Directors have a balance of skills and experience for the business of the Group.

#### BOARD DIVERSITY POLICY

The Group adopted a board diversity policy (the "Board Diversity Policy"). A summary of this policy, together with the measurable objectives set for implementing this policy and the progress made towards achieving those objectives are disclosed as below.

#### 主席的角色及責任(續)

本集團支持制定良好之企業常規管治守則及程序。集團行政總裁已獲授有關授權。董事會一直以符合本集團最佳利益之方式行事，所有董事均全力投入董事會事務。主席與非執行董事（包括獨立非執行董事）至少每年一次在執行董事並不出席之情況下舉行會議。

#### 成員

於本報告日期，董事會由三名執行董事陳揚標先生（主席）、陳丹雲女士及陳揚先生，三名非執行董事馮強先生、王瑞煉先生及翁衛建女士，以及三名獨立非執行董事林廣兆先生、吳文拱先生及廖美玲女士組成。主席及本公司其他董事之詳細資料載列於本報告「董事簡歷」一節內。

有鑑於各執行董事及非執行董事擁有不同經驗及本集團之業務性質，董事會認為各董事於本集團之經營技巧及經驗方面取得適當平衡。

#### 董事會成員多元化政策

本集團採納董事會成員多元化政策（「董事會成員多元化政策」）。本政策之概要連同為執行本政策而制定之可計量目標及達標進度於下文披露。

# Corporate Governance Report (Continued)

## 企業管治報告(續)

### Summary of Board Diversity Policy

The Company recognised and embraced the benefits of having a diverse board to the quality of its performance. The Board Diversity Policy aimed to set out the approach to achieve diversity on the board. In designing the board's composition, board diversity has been considered from a numbers of measurable aspects including gender, age, ethnicity, knowledge and length of services. All board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the board.

### Measurable objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the board.

As at the date of this report, the Board's composition under diversified perspectives was summarised as follows:

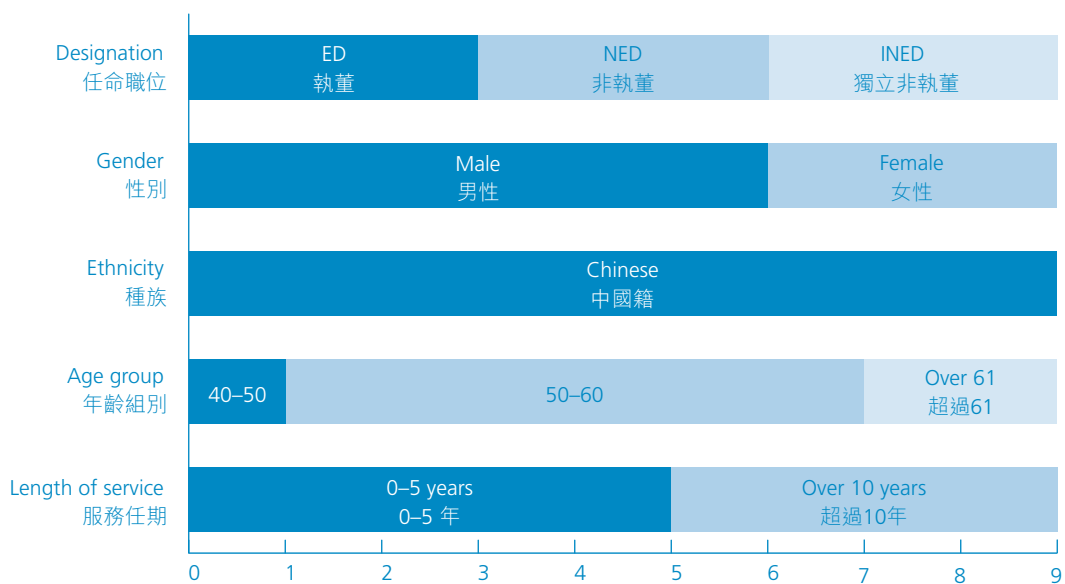
### 董事會成員多元化政策概要

本公司明白並深信董事會成員多元化對提升公司之表現質素裨益良多。董事會成員多元化政策旨在列載為達致董事會成員多元化而採取之方針。本公司在設定董事會成員組合時，會從多個可計量方面考慮董事會成員多元化，包括性別、年齡、種族、知識及服務任期。董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。

### 可計量目標

甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。最終將按人選之長處及可為董事會提供之貢獻而作決定。

於本報告日期，董事會在多元化層面之組成概述如下：



INED: Independent Non-executive Director    獨立非執董：獨立非執行董事  
 NED: Non-executive Director                    非執董：非執行董事  
 ED: Executive Director                            執董：執行董事

## Corporate Governance Report (Continued)

### 企業管治報告(續)

The nomination committee has reviewed the Board Diversity Policy to ensure its effectiveness and considered that the Group achieved the Board Diversity Policy.

### Implementation and Monitoring

The nomination committee reviewed the board's composition under diversified perspectives, and monitored the implementation of the Board Diversity Policy annually.

## BOARD OF DIRECTORS

The Board meets regularly. For the year ended 31 December 2018, it held nine meetings. Regular Board meetings of the year are scheduled in advance. All notices of the meeting of the Board will be made to various directors at least 14 days prior to the meeting. The company secretary assists the Chairman in preparing the memorandum of the meeting as to give all Directors an opportunity to attend. Board papers are circulated not less than three days before the Board meetings, to enable the Directors to make informed decisions on matters to be raised at the Board meetings and to offer them sufficient time to review the documents. The company secretary normally attends all regular Board meetings to advise on corporate governance, statutory compliance, accounting and financial matters when necessary, as to ensure the compliance and maintenance of sound corporate governance practice. The company secretary shall prepare minutes and keep record of matters discussed and decisions resolved at all Board meetings.

There is no relationship (including financial, business, family or other material/relevant relationships) among members of the Board. All of them are free to exercise their independent judgment. The Company has received annual written confirmations from all Independent Non-executive Directors in respect of their independence during the year under review pursuant to the Listing Rules. The Company considers all Independent Non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

提名委員會已檢討董事會成員多元化政策，以確保其行之有效，並認為本集團已達致董事會成員多元化政策。

### 執行及監察

提名委員會每年檢討董事會在多元化層面之組成，並監察董事會成員多元化政策之執行。

## 董事會

董事會定期開會。截至二零一八年十二月三十一日止年度，合共召開九次會議。每年定期召開之董事會會議均預定有關舉行日期。所有董事會會議的通知將於會議舉行最少十四天前發出予各董事，公司秘書協助主席預備會議議程，使各董事有充裕時間及機會出席。為確保董事會會議之討論事項具備充份資料以作出決定及使各董事有時間審閱該等文件，會議文件均於會議召開前不少於三天送交全體董事。公司秘書均出席各董事會定期會議，於有需要時就企業管治、法定管治、會計及財務等事宜向董事會提供意見，以確保本公司遵守及維持良好企業管治常規。於董事會會議上經討論及議決之事項均由公司秘書詳細記錄及存檔。

董事會成員之間並無任何關係(包括財務、業務、家庭或其他重大/相關關係)。彼等全部均可自由行使其獨立判斷權。於本回顧年度，本公司已接獲所有獨立非執行董事根據上市規則規定就彼等獨立性發出之書面年度確認書。本公司認為，根據上市規則所載之獨立性指引，所有獨立非執行董事均屬獨立人士。

## Corporate Governance Report (Continued) 企業管治報告(續)

### BOARD OF DIRECTORS (Continued)

The Board members meet regularly, to discuss the overall strategy as well as the operational and financial performance of the Company. Other Board meetings will be held when necessary. Such Board meetings involve the active participation, either in person or through other electronic means of communication, of a majority of Directors. During the year ended 31 December 2018, nine regular Board meetings and a meeting with Non-executive Directors were held and the attendance records of individual Directors are set out below:

### 董事會(續)

董事會成員定期舉行會議，並於會上討論本公司之整體策略及經營及財務方面之表現。其他董事會會議於需要時才舉行。該等董事會會議均取得大部分董事親身或透過其他電子通訊方式積極參與。於截至二零一八年十二月三十一日止年度內，共舉行過九次定期董事會及一次非執行董事會會議，各董事之出席記錄載列如下：

Director	董事	Attendance 出席次數 Board 董事會
<i>Chairman</i>	<i>主席</i>	
CHEN Yangbiao ( <i>Appointed on 20 August 2018</i> )	陳揚標(於二零一八年八月二十日上任)	5/9
LIU Hongjian ( <i>Resigned on 20 August 2018</i> )	劉洪建(於二零一八年八月二十日辭任)	3/9
<i>Executive Directors</i>	<i>執行董事</i>	
CHEN Danyun	陳丹雲	9/9
CHEN Yang	陳揚	9/9
<i>Non-executive Directors</i>	<i>非執行董事</i>	
FENG Qiang	馮強	6/9
WANG Ruilian	王瑞煉	8/9
WENG Weijian ( <i>Appointed on 11 September 2018</i> )	翁衛建(於二零一八年九月十一日上任)	3/9
ZHANG Fan ( <i>Resigned on 11 September 2018</i> )	張帆(於二零一八年九月十一日辭任)	3/9
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>	
LAM Kwong Siu	林廣兆	9/9
NG Man Kung	吳文拱	9/9
LEUNG Hok Lim ( <i>Resigned on 1 January 2019</i> )	梁學濂(於二零一九年一月一日辭任)	8/9

A meeting between Non-executive Directors was held in 2018 in which Non-executive Directors reviewed the future development of the Group. No Executive Directors took part in any discussion of the above.

於二零一八年，非執行董事舉行了一次會議，會上檢討了集團之未來發展。概無執行董事參與以上討論。

Appropriate notices are given to all Directors in advance for attending regular and other Board meetings. Meeting agendas and other relevant information are normally provided to the Directors in advance of Board meetings. All Directors are consulted to include additional matters in the agenda for Board meetings.

於董事會定期會議及其他會議前均向所有董事發出適當通知。通常於相關董事會會議舉行前會向董事發出議程及其他相關資料，並向所有董事徵詢，以將其他事項列入董事會會議議程內。

## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### BOARD OF DIRECTORS (Continued)

Directors have access to the advice and services of the company secretary with a view to ensuring that Board procedures, and all applicable law, rules and regulations, are followed.

Draft and final versions of the minutes are sent to all Directors for their comment and records respectively. Minutes of Board meetings are kept by the Company Secretary and such minutes are open for inspection at any reasonable time on reasonable prior notice by any Director.

Insurance policy has been arranged to safeguard the interests of the Directors in case of legal proceedings.

#### Independent Non-executive Directors and Non-executive Directors

Mr. Lam Kwong Siu was appointed as an Independent Non-executive Director of the Company on 11 December 2003 and reappointed seven times with tenure of two years and expiring on 10 December 2019.

Mr. Ng Man Kung was appointed as an Independent Non-executive Director of the Company on 30 June 2014 and was reappointed twice with tenure of two years and expiry on 29 June 2020.

Ms Liu Mei Ling Rhoda has appointed as an Independent Non-executive Director of the Company on 1 January 2019 with tenure of two years and expiry on 31 December 2020.

However, their tenure is subject to retirement by rotation at the Annual General Meeting in compliance with the amended and restated Articles of Association of the Company and the Code on Corporate Governance, under which they have to retire by rotation and make themselves eligible for re-election.

Mr. Feng Qiang, Mr. Wang Ruilian and Ms. Weng Weijian were appointed as Non-executive Directors on 27 January 2005, 19 October 2015 and 11 September 2018 respectively. All are subject to retirement by rotation at the Annual General Meeting in compliance with the amended and restated Articles of Association of the Company.

#### 董事會(續)

董事可取得公司秘書之意見及服務，以確保董事會程序及所有適用法律、規則及規例均獲得遵守。

會議記錄之草擬文本及最終版本均寄發予所有董事以供其提供意見及作記錄。董事會會議記錄由公司秘書保存，該等會議記錄可供任何董事於發出合理事先通知下於任何合理時間內查閱。

本公司已安排適當保險，使董事面對法律訴訟時得到保障。

#### 獨立非執行董事及非執行董事

二零零三年十二月十一日起，林廣兆先生為本公司獨立非執行董事，彼等之任期為期兩年，及已重新委任七次，其任期至二零一九年十二月十日屆滿。

吳文拱先生於二零一四年六月三十日獲委任為本公司獨立非執行董事，並獲重新委任兩次，其任期至二零二零年六月二十九日。

廖美玲女士於二零一九年一月一日獲委任為本公司獨立非執行董事，彼等之任期為期兩年，其任期至二零二零年十二月三十一日。

然而，其任期須受本公司經修訂及重列的章程及企業管治常規守則之規定，在股東週年大會上董事須輪值告退及重選再任。

馮強先生、王瑞煉先生及翁衛建女士分別於二零零五年一月二十七日及二零一五年十月十九日及二零一八年九月十一日獲委任為非執行董事，惟須按照本集團之經修訂及重列的公司組織章程細則之規定，於股東週年大會屆滿輪值告退並膺選連任。

## Corporate Governance Report (Continued) 企業管治報告(續)

### CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

#### Independence of Independent Non-Executive Directors

The Company has complied with the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The Company has received confirmation of independence from the four Independent Non-Executive Directors, namely Mr. Lam Kwong Siu, Mr. Leung Hok Lim, Mr. Ng Man Kung and Ms. Liu Mei Ling Rhoda in accordance with Rule 3.13 of the Listing Rules.

Mr. Lam Kwong Siu have served the Board of the Company for more than nine years. They have clearly demonstrated their willingness to exercise independent judgement and to provide objective challenges to the management. There is no evidence that length of tenure is having an adverse impact on their independence. The Board therefore considers that Mr. Lam remain independent, notwithstanding the length of their tenure.

The Board as well as the Nomination Committee have reviewed the independence of all Independent Non-executive Directors and have concluded that all of them are independent within the definition of the Listing Rules. Further, up to the date of this report, the Board is not aware of the occurrence of any events, which would cause it to believe that the independence of any of the Independent Non-executive Directors has been impaired.

### FINANCIAL REPORTING

The Board recognises the importance of integrity of financial information and acknowledges its responsibility for preparing interim and annual financial statements that give a true and fair view of the Group's affairs and its results and cash flows in accordance with Hong Kong Financial Reporting Standards and the Companies Ordinance. In presenting the financial information, as well as price-sensitive announcements and other financial disclosures as required by regulations, the Board endeavors to present in a timely manner to shareholders and other stakeholders a balanced and understandable assessment of the Company's performance, position and prospects. Accordingly, appropriate accounting policies are selected and applied consistently, and judgements and estimates made by the management for financial reporting purpose are prudent and reasonable. The Directors are also responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Group and which enable the preparation of financial statements in accordance with the Companies Ordinance and the applicable accounting standards. Prior to the adoption of the financial statements and the related accounting policies, the relevant financial information is discussed between the external auditors and the management, and then submitted to the Audit Committee for review.

### 獨立非執行董事之獨立性確認書

#### 獨立非執行董事的獨立性

本公司已遵守上市規則第3.10(1)、3.10(2)及3.10A條的規定。根據上市規則第3.13條，本公司已收到四位獨立非執行董事：林廣兆先生、梁學濂先生、吳文拱先生及廖美玲女士的獨立性確認函。

林廣兆先生服務本公司董事會逾九年。彼等的表現清晰反映其進行獨立判斷的意願，並為管理層帶來客觀意見。概無任何證據顯示任期長短對彼等獨立性構成負面影響。因此，董事會認為，不論任期長短，林先生仍為獨立人士。

董事會及提名委員會已評估全體獨立非執行董事的獨立性，並認為彼等均屬上市規則所界定的獨立人士。此外，截至本報告日期，董事會並無知悉有任何將削弱任何一位獨立非執行董事獨立性的事件。

### 財務匯報

董事會確知財務資料完整性的重要性，並須負責根據《香港財務報告準則》及《公司條例》編製半年及年度財務報表，藉以真實及公平地反映集團的財務狀況、業績及現金流。在提呈財務資料、股價敏感公告及規例規定的其他財務披露時，董事會致力向股東及其他持份者適時地對本公司的業績、現況及前景作出平衡及容易理解的評核。因此，適當的會計政策已被選用及貫徹地應用，而管理人員所作出關於財務匯報的判斷及估算均屬審慎及合理。董事亦須負責確保本集團保存會計記錄，該等記錄須於任何時間合理準確地披露本集團之財務狀況，並可據此按香港公司條例及適用之會計準則編製財務報表。在採納財務報表及相關會計政策前，相關財務資料均經外聘核數師及管理層討論，然後提交審核委員會審閱。

## Corporate Governance Report (Continued)

### 企業管治報告(續)

## INTERNAL CONTROLS

### Risk Management and Internal Control

The Board is responsible for the Group's risk management and internal control systems and reviews their effectiveness annually. Such systems are designed to prudently manage the Group's risks within an acceptable risk profile. The Board has delegated to management the implementation of the risk management and internal control systems as well as the review of relevant financial, operational, compliance, risk management and internal control procedures.

The management under the supervision of the Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the risk management and internal control systems when there are changes in business, external environment or regulatory guidelines.

The management assists the Board with the implementation of all relevant policies and procedures on risk and control by identifying and assessing the risks faced and designing, operating and monitoring suitable internal controls to mitigate and control these risks. The key processes that have been established in reviewing the adequacy and integrity of the risk management and internal control systems include the following:

A defined management structure is maintained with specified limits of authority and control responsibilities, which is designed to (a) safeguard assets from inappropriate use; (b) maintain proper accounts; (c) ensure compliance with regulations; and (d) identify, manage and mitigate key risks to the Group.

The Board reviews the financial controls, risk management and internal control systems of the Group and any significant internal control issues identified by the internal audit team, external auditors and management. It also conducts review of the internal audit functions with particular emphasis on the scope and quality of management's on-going monitoring of risks and of the internal control systems and the work of the internal audits and independence of the internal audit team. During its annual review, the Audit Committee also considers the adequacy of resources, qualifications and experience of staff of the Group's accounting, financial reporting and internal audit functions, and their training programmes and budgets.

## 內部監控

### 風險管理及內部監控

董事會負責本集團風險管理及內部監控系統，並每年檢討其有效性。然而，系統的設計只為於可接受的風險範圍內謹慎地管理本集團的風險。董事會授權管理層推行風險管理及內部監控系統，並檢討有關財務、營運、合規、風險管理及內部監控程序。

管理層在董事會的監督下，已確立持續的程序，以確定、評估及管理本集團所面對的重大風險，程序包括當營商、外圍環境或規例指引變更時，更新風險管理及內部監控系統。

管理層協助董事會推行所有相關的風險及監控政策及措施，確定及評估所面對的風險，並設計、運作及監察合適的內部監控措施，以減少及控制此等風險。本集團已確立主要程序以審閱風險管理及內部監控系統的足夠性及完整性，該等程序包括：

維持一個權限及監控責任明確界定的清晰管理架構，以(a)保管資產以防不正確使用；(b)保存適當的會計記錄；(c)確保符合相關法例；及(d)確認、管理及減少本集團主要風險。

董事會審閱本集團的財務監控、風險管理及內部監控系統及由內部稽核小組、外聘核數師及管理層所識別的任何重大內部監控事項；亦同時檢討內部審核的功能，特別著重管理層對持續監察風險及內部監控系統的範圍及質素和內部審核工作與內部稽核小組的獨立性。於年度檢討中，審核委員會並考慮本集團在會計、財務匯報及內部審核職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。

## Corporate Governance Report (Continued) 企業管治報告 (續)

### INTERNAL CONTROLS (Continued)

#### Risk Management and Internal Control (Continued)

The internal audit team monitors compliance with policies and procedures and the effectiveness of the risk management and internal control systems and highlights significant findings in respect of any non-compliance. It plays an important role in the Group's internal control framework, and provides objective assurance to the Board that a sound internal control system is maintained and operated in compliance with the established processes and standards by performing periodic checking. The internal audit team issues reports to the Board and relevant management covering various operational and financial processes of the Group and provides summary reports to the Audit Committee annually together with the status of implementation of their recommendation in Audit Committee meeting. In addition, the internal audit team reviews the continuing connected transactions of the Group and reports to the Audit Committee.

The Board is satisfied that the risk management and internal control systems in place covering all material controls including financial, operational and compliance controls and risk management functions for the year under review and up to the date of issuance of this Annual Report and accounts are reasonably effective and adequate.

#### Professional Development

To assist Directors' continuing professional development, the Company recommends Directors to attend relevant seminars to develop and refresh their knowledge and skills. All Directors also participate in continuous professional development programs, to develop and refresh their knowledge and skills in relation to their contribution to the Board. A record of the training received by the respective Directors are kept and updated by the Company Secretary of the Company.

### 內部監控 (續)

#### 風險管理及內部監控 (續)

內部稽核小組監察政策及程序的遵從、風險管理及內部監控系統的有效性，及指出任何不遵守事項的重大發現。內部稽核部為本集團內部監控架構重要的一環，透過定期審查，向董事會提供客觀保證，以確保依循既定的程序及標準維持及運作健全的內部監控系統。每年內部稽核小組向董事會及有關管理層提交涉及本集團各種經營和財務程序的報告，並向審核委員會提交摘要報告，及於每次的審核委員會會議上匯報其建議的執行情況。此外，內部稽核小組審核本集團的持續關連交易並向審核委員會報告。

董事會信納回顧年內及截至本年報及賬目刊發日期，現存的風險管理及內部監控系統涵蓋所有重大監控，包括財務、經營及合規監控以及風險管理功能，屬合理地有效及足夠。

#### 專業發展

為協助董事之持續專業發展，本公司建議董事出席相關之座談會以發展及更新彼等之知識及技能。全體董事亦有出席持續專業發展計劃，如由合資格專業人士所舉辦之外部座談會，就彼等對董事會之貢獻發展及更新彼等之知識及技能。各董事所接受之培訓記錄由本公司公司秘書保管及更新。



## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### INTERNAL CONTROLS (Continued)

##### Professional Development (Continued)

The individual training record of each Director received for the year ended 31 December 2018 is summarised below:

		Attending seminar(s)/ program(s)/conference(s) relevant to the business or directors' duties 出席有關業務或董事職 責之座談會/計劃/ 會議之情況	Reading materials and update relating to the latest development of Listing related regulatory requirements 閱讀有關上市規則 及他適用監管規定 之材料及更新
CHEN Yangbiao	陳揚標	✓	✓
CHEN Danyun	陳丹雲	✓	✓
CHEN Yang	陳揚	✓	✓
FENG Qiang	馮強	✗	✓
WANG Ruilian	王瑞煉	✗	✓
WENG Weijian	翁衛建	✗	✓
LAM Kwong Siu	林廣兆	✗	✓
LEUNG Hok Lim	梁學濂	✓	✓
NG Man Kung	吳文拱	✗	✓

All the Directors also understand the importance of continuous professional development and are committed to participating any suitable training to develop and refresh their knowledge and skills.

#### 內部監控(續)

##### 專業發展(續)

截至二零一八年十二月三十一日止年度，各董事所接受培訓之個別記錄概述如下：

全體董事均了解到持續專業發展之重要性，承諾參與任何合適之培訓，以發展及更新彼等之知識及技能。

#### BOARD COMMITTEES

The Board has appointed a number of committees to discharge its functions. Sufficient resources are provided to enable the Board committees to undertake their specific roles. The respective role, responsibilities and activities of each Board committee are set out below:

#### 董事會轄下委員會

董事會已委任若干委員會以執行其職能。董事會轄下各委員會均獲得足夠資源，以執行其具體任務。董事會轄下各委員會的個別任務、職責及活動列載如下：

## Corporate Governance Report (Continued) 企業管治報告(續)

### AUDIT COMMITTEE

The Audit Committee of the Company was established in 1999. Currently, it comprises three members, all of whom are Independent Non-executive Directors, namely Mr. Leung Hok Lim who possesses professional accounting qualification, Mr. Lam Kwong Siu and Mr. Ng Man Kung. Mr. Leung Hok Lim is the Chairman of the Audit Committee. The Audit Committee adopted its the terms of reference in accordance with the Code issued by the Stock Exchange. The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls. Two meetings had been held by the Audit Committee during the year under review. Each Committee meeting was provided with necessary financial information of the Group for consideration, review and assessment of major issues.

During the year ended 31 December 2018, the members of the Audit Committee met triple and their attendance is as follows:

Name of member	成員名稱	Attendance 出席次數
LEUNG Hok Lim ( <i>Chairman</i> )	梁學濂(主席)	3/3
LAM Kwong Siu	林廣兆	3/3
NG Man Kung	吳文拱	3/3

The Audit Committee has reviewed the interim and final financial results for the year 2018. The Audit Committee considers the financial statement to be complied with the appropriate financial standards and the law regulations and with sufficient disclosure has been made.

The Audit Committee held triple meetings during the year ended 31 December 2018. The following is a summary of work performed by the Audit Committee during the year 2018:

- (i) reviewed and discussed the annual accounts for 2017 and the interim accounts for 2018 with the management of the Company, with recommendations to the Board for approval;
- (ii) reviewed the significant audit and accounting issues arising from the external auditor's statutory audit of the 2017 annual accounts and issues arising from the review of the 2018 interim accounts;

### 審核委員會

本公司於一九九九年設立審核委員會。現時委員會由三名成員組成，彼等均為獨立非執行董事，包括梁學濂先生(具備專業會計師資格)、林廣兆先生及吳文拱先生。梁學濂先生為審核委員會主席。審核委員會已採納與聯交所頒佈守則一致之職權範圍。審核委員會之主要職責包括審閱及檢討本集團之財務申報程序及內部監控。審核委員會於回顧年度內已舉行兩次會議。每次委員會會議均獲提供必須之本集團財務資料，供成員考慮、檢討及評審工作中涉及之重大事宜。

於二零一八年十二月三十一日年度，審核委員會舉行三次會議，成員出席情況如下：

審核委員會已審閱本集團截至二零一八年中期及全年度財務業績。審核委員會認為，該等報表符合適用會計準則及法律規定且已作出足夠披露。

於截至二零一八年十二月三十一日止年度，核數委員會舉行了三次會議。以下是核數委員會於二零一八年年內執行的工作總結：

- (i) 與本公司管理層檢討及討論二零一七年年終賬目及二零一八年年終中期賬目，並向董事會作出建議予以批准；
- (ii) 檢討因外聘核數師對二零一七年年終賬目的法定審核而產生的重大審核及會計問題，及因審閱二零一八年年終中期賬目而產生的問題；

## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### AUDIT COMMITTEE (Continued)

- (iii) reviewed the impact of the new and revised accounting standards on the Company;
- (iv) reviewed the external auditor's audit strategy and approach;
- (v) reviewed the non-audit services provided by the external auditor in 2018;
- (vi) met with the external auditor to discuss issues from the audits and any other matters the external auditor might raise;
- (vii) reviewed the Internal Audit objectives and approval of the Annual Internal Audit Report;
- (viii) reviewed the findings and recommendations of the Internal Audit team on the audits carried out on the principal activities of the Group during the year 2018;
- (ix) reviewed the effectiveness of the internal control systems;
- (x) reviewed the relevant sections in the Corporate Governance Report for the year ended 31 December 2018 concerning the Audit Committee;
- (xi) reviewed the adequacy of the resources, staff qualifications and experience; and
- (xii) reviewed the continuing connected transactions and their annual caps.

The minutes of the Audit Committee meetings are prepared by the secretary of the Audit Committee with details of all matters considered by the attendees and of decisions reached, including any concern raised by the attendees and dissenting views expressed. The final version of the minutes is sent to the attendees for their records. The minutes are open for inspection by the Committee members and the Board members.

#### 審核委員會(續)

- (iii) 檢討新增及經修訂之會計準則對本公司的影響；
- (iv) 檢討外聘核數師的審核策略及方法；
- (v) 檢討由外聘核數師於二零一八年提供的非核數服務；
- (vi) 會見外聘核數師，討論因核數工作產生的事宜及由外聘核數師欲提出的其他事項；
- (vii) 檢討內部稽核的審核目標及報告；
- (viii) 檢討內部稽核小組在二零一八年年內對本集團主要活動進行的審核所得出的結果及建議；
- (ix) 檢討內部監控制度的有效性；
- (x) 檢討截至二零一八年十二月三十一日止年度之企業管治報告內涉及核數委員會的相關內容；
- (xi) 檢討本公司在會計及財務匯報職能方面的資源、員工資歷及經驗；及
- (xii) 檢討持續關連交易及其年度上限。

核數委員會會議記錄由核數委員會秘書草擬，載有出席者曾考慮的所有事項細節及達成之決定，包括出席者曾提出的任何關注事項及所表達的反對意見。會議記錄之最終定稿會發送予出席者以供存檔。會議記錄會公開予委員會及董事會成員以供審閱。

## Corporate Governance Report (Continued) 企業管治報告(續)

### REMUNERATION COMMITTEE

The Remuneration Committee currently comprises 3 members, all of whom are Independent Non-executive Directors. The Remuneration Committee members are set out on page 2 of the annual report.

The functions of the Remuneration Committee are to formulate transparent procedures for setting remuneration policies and packages for Directors and the senior management of the Group. Its duties include:

- Reviewing and recommending to the Board the remuneration packages of Executive and Non-executive Directors of the Group
- Reviewing the appropriateness of compensation for Directors of the Group

During the year ended 31 December 2018, the members of the Remuneration Committee met seven times and their attendance is as follows:

Name of member	成員名稱	Attendance 出席次數
LAM Kwong Siu (Chairman)	林廣兆(主席)	7/7
LEUNG Hok Lim	梁學濂	6/7
NG Man Kung	吳文拱	6/7

The Remuneration Committee held seven meetings during the year ended 31 December 2018. The following is a summary of work performed by the Remuneration Committee during the year 2018, including:

The principal duties of the Remuneration Committee include, but are not limited to, making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management (who are also executive directors of the Company), reviewing and approving the special remuneration packages of all executive directors with reference to corporate goals and objectives resolved by the Board from time to time and determining, with delegated responsibility, the remuneration packages of individual executive directors. The Company has adopted written terms of reference for the Remuneration Committee that clearly define the role, authority and function of the Remuneration Committee. The terms of reference of the Remuneration Committee are available on both the Exchange's and the Company's websites.

### 薪酬委員會

薪酬委員會現時由三名成員組成，所有皆為獨立非執行董事。薪酬委員會成員載於本年報第2頁。

薪酬委員會之職能為制訂一套具透明度的程序，以制定本集團董事及高級管理層的薪酬政策和方案。薪酬委員會的職能包括：

- 檢討本集團執行及非執行董事的薪酬方案並就此向董事會提供建議
- 檢討本集團董事的酬勞的合適程度

於二零一八年十二月三十一日年度，薪酬委員會舉行七次會議，成員出席情況如下：

於截至二零一八年十二月三十一日止年度，薪酬委員會舉行了七次會議。以下是薪酬委員會於二零一八年內執行的工作總結，包括：

薪酬委員會之主要職責包括(但不限於)就董事及高層管理人員(該等高層管理人員皆為公司之執行董事)之公司薪酬政策及架構向董事會作出建議；參照董事會不時訂定之企業目標，檢討及批准所有執行董事之特定薪酬待遇；並以董事會授予之職責，釐定個別執行董事之薪酬待遇。公司已採納以書面清楚訂明薪酬委員會之角色、權力及功能之職權範圍，並載列於聯交所及公司之網站內。

## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### REMUNERATION COMMITTEE (Continued)

The Company has not adopted any share option scheme. The emoluments of Directors are determined based on the duties and responsibilities of each Director. The Directors' fees were reviewed by the Remuneration Committee. The Remuneration Committee considered the fees reasonable in view of the Directors' responsibilities.

The remuneration of the members of the senior management of the Group by band for the year ended 31 December 2018 is set out below:

Remuneration bands	酬金範圍	Number of persons 人數
HK\$500,001 to HK\$1,000,000	500,001港元至1,000,000港元	3

Further particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in note 11 and note 12 to the consolidated financial statements.

#### NOMINATION COMMITTEE

The Nomination Committee currently comprises 3 members, all of whom are Independent Non-executive Directors. The Nomination Committee members are out on page 2 of the annual report.

Its duties include:

- 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 members of the Board and select or make recommendations to the Board on the selection of individual(s) nominated for directorship(s);
- to assess the independence of INEDs;
- to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board (if any) and the chief executive;

#### 薪酬委員會(續)

本公司並無推行任何購股權計劃。董事之酬金根據其職責決定。薪酬委員會檢討了董事之袍金，薪酬委員會鑒於董事之職責，認為所訂酬金合理。

截至二零一八年十二月三十一日止年度按範圍劃分本集團高級管理層成員的酬金載列如下：

根據上市規則附錄16須予披露的有關董事酬金及五名最高薪酬僱員的進一步詳情載於綜合財務報表附註11及附註12。

#### 提名委員會

提名委員會現由三位成員組成，成員為獨立非執行董事。提名委員會成員載列於本年報第2頁。

提名委員會的職能包括：

- 至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的企業策略而擬作出的變動向董事會提出建議；
- 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提出建議；
- 評估獨立非執行董事的獨立性；
- 就董事的委任或重新委任以及董事(尤其是董事會主席(如有)及行政總裁)的繼任計劃向董事會提出建議；

## Corporate Governance Report (Continued) 企業管治報告 (續)

### NOMINATION COMMITTEE (Continued)

- to review the Nomination Policy and to ensure disclosure of the same in the Corporate Governance Report, including the nomination procedures and the process and criteria adopted by the nomination committee to select and recommend candidate(s) for directorship;
- to review the Board Diversity Policy periodically and to ensure disclosure of the same or a summary of it in the Corporate Governance Report, including the measurable objectives that the Committee has set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and
- to ensure disclosure will be made in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting where the Board proposes a resolution to elect an individual as an INED at the general meeting:
  - the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
  - if the proposed INED will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
  - the perspectives, skills and experience that the individual can bring to the Board; and
  - how the individual contributes to diversity of the Board.

During the year ended 31 December 2018, the members of the Nomination Committee met six times and their attendance is as follows:

### 提名委員會 (續)

- 檢討提名政策，及確保於企業管治報告中作出披露，當中包括提名委員會用作遴選及推薦董事候選人而採納的提名程序以及準則；
- 定期檢討董事會成員多元化政策，及確保於企業管治報告中披露該政策或其摘要，當中包括就執行董事會成員多元化政策而製定之可計量目標，以及達致該等目標之進度；
- 於董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事的有關股東大會通告所隨附的致股東通函及／或說明函件中確保披露：
  - 用以物色該名人士的流程、董事會認為應選任該名人士的理由以及他們認為該名人士屬獨立人士的原因；
  - 如果候任獨立非執行董事將出任第七家(或以上)上市公司的董事，董事會認為該名人士仍可投入足夠時間履行董事責任的原因；
  - 該名人士可為董事會帶來的觀點與角度、技能及經驗；及
  - 該名人士如何促進董事會成員多元化。

於二零一八年十二月三十一日年度，提名委員會舉行六次會議，成員出席情況如下：

Name of member	成員名稱	Attendance 出席次數
NG Man Kung ( <i>Chairman</i> )	吳文拱 (主席)	5/6
LAM Kwong Siu	林廣兆	6/6
LEUNG Hok Lim	梁學濂	5/6

## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### NOMINATION COMMITTEE (Continued)

The Nomination Committee held six meetings during the year ended 31 December 2018. The following is a summary of work performed by the Nomination Committee during the year 2018:

- (i) reviewed the Company's policy for nomination of Directors;
- (ii) reviewed procedures for appointment of new Directors and plans for orderly succession;
- (iii) reviewed the implementation of the Board Diversity Policy of the Company;
- (iv) reviewed the structure, size and composition of the Board of the Company;
- (v) reviewed and recommended to the Board the nomination of the membership of committee of the Company;
- (vi) recommended re-election of the retiring directors at the annual general meeting of the Company; and
- (vii) assessed independence of the Independent Non-executive Directors of the Company.

#### REPORTING PROCEDURE

At the next meeting of the Board following a meeting/written resolution of the Committee, copy of the minutes of the meeting/resolutions setting out the findings, recommendations and decisions of the Committee shall be submitted to the Board.

#### 提名委員會(續)

於截至二零一八年十二月三十一日止年度，提名委員會舉行了六次會議。以下是提名委員會於二零一八年內執行的工作總結：

- (i) 檢討本公司提名董事政策；
- (ii) 檢討新董事委任的程序及有序的董事繼任計劃；
- (iii) 檢討本公司董事會成員多元化政策的執行；
- (iv) 檢討本公司董事會的架構、規模及組成；
- (v) 檢討及向董事會建議若干委員會成員之提名；
- (vi) 推薦本公司股東週年大會上重選退任的董事；及
- (vii) 評核本公司獨立非執行董事的獨立性。

#### 匯報程序

緊隨委員會會議舉行／書面決議案通過之後舉行的董事會會議上，須將已列載委員會的研究結果、建議及決定的會議記錄／決議案副本提交董事會。

## Corporate Governance Report (Continued) 企業管治報告(續)

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for the corporate governance functions with the following duties:

- to develop and review the Company's policies and practices on corporate governance and make recommendations on changes and updating;
- to review and monitor the training and continuous professional development of directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors;
- to review the Company's compliance with the Code and disclosure in the Corporate Governance Report; and
- such other corporate governance duties and functions set out in the Code (as amended from time to time) for which the Board are responsible.

The Company periodically reviews its corporate governance practices to ensure they continue to meet the requirements of the Code during the year of 2018.

### DIRECTORS' AND OFFICERS' INSURANCE

The Company has arranged appropriate insurance cover in respect of potential legal actions against its Directors.

### 企業管治職能

董事會負責企業管治職能，並有下列職責：

- 制訂及檢討本公司的企業管治政策及常規，並就變動及更新提出建議；
- 檢討及監察董事的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制訂、檢討及監察適用於僱員及董事的操守守則及合規手冊(如有)；
- 檢討本公司遵守企業管治守則的情況及於企業管治報告中作出的披露；及
- 載列於企業管治守則內董事會負責的該等其他企業管治職責及職能(經不時修訂)。

本公司定期檢討其企業管治措施，以確保該等措施於二零一八年一直符合前企業管治守則及經修訂企業管治守則的規定。

### 董事及行政人員的保險

本公司已就其董事可能會面對的法律訴訟作出適當的投保安排。



## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### COMPANY SECRETARY

As at 31 December 2018, the Company Secretary of the Company, Mr. Chan Tao Ming Alex, fulfilled the requirement under Rules 3.28 and 3.29 of the Listing Rules. As an employee of the Company, the Company Secretary supports the Board, ensures good information flow within the Board and Board policy and procedures are followed; advises the Board on governance matters, facilitates induction and, monitors the training and continuous professional development of Directors. He had attained not less than 15 hours of relevant professional training during the year under review.

#### EXTERNAL AUDITORS

The Audit Committee has reviewed a service plan from HLB Hodgson Impey Cheng Limited regarding their independence and objectivity and had a meeting with HLB Hodgson Impey Cheng Limited, the external auditors of the Company, to discuss the scope of their audit and approve the scope.

The consolidated financial statements for the year ended 31 December 2018 were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the forthcoming annual general meeting of the Company. The Audit Committee has recommended to the Board that HLB Hodgson Impey Cheng Limited be re-appointed as the auditors of the Company at the forthcoming Annual General Meeting of the Company.

#### AUDITORS' REMUNERATION

An analysis of remuneration in respect of audit services provided by the auditors and its common control entity during the year ended 31 December 2018 is as follows:

#### 公司秘書

於二零一八年十二月三十一日，本公司的公司秘書陳道明先生符合上市規則第3.28及3.29條所列之要求。作為本公司的僱員，公司秘書協助董事會工作，確保信息在董事會內部順暢流通，並已遵從董事會政策及程序；就管治事宜向董事會提出要求，方便董事就職及監管董事之培訓及持續專業發展。於回顧期間，彼獲得不少於十五個小時的相關培訓。

#### 外部核數師

審核委員會已審閱國衛會計師事務所有限公司確認其獨立性及客觀性之服務計劃，並與本公司之外部核數師國衛會計師事務所有限公司舉行會議，討論及批准其審核範圍。

截至二零一八年十二月三十一日止年度之綜合財務報表賬目經由國衛會計師事務所有限公司審核，彼於即將舉行之股東週年大會上任滿。審核委員會已向董事會建議，於本公司即將舉行之股東週年大會上提名更新委任國衛會計師事務所有限公司為本公司之核數師。

#### 核數師酬金

截至二零一八年十二月三十一日止年度，核數師及其處於同一控制權的分支機構提供的核數服務之酬金如下：

	HK\$
	港元
<b>Audit fee</b>	<b>680,000</b>
核數服務	

The auditors' reporting responsibility is set out on pages 65 to 71 of this annual report.

核數師之申報職責載於本年報第65至71頁。

## Corporate Governance Report (Continued) 企業管治報告(續)

### INSIDE INFORMATION

With respect to procedures and internal controls for the handling and dissemination of inside information, the Company:

- is required to disclose inside information as soon as reasonably practicable in accordance with the Securities and Futures Ordinance and the Listing Rules
- conducts its affairs with close regard to the “Guidelines on Disclosure of Inside Information” issued by the Securities and Futures Commission
- has included in its Corporate Code of Conduct a strict prohibition on the unauthorised use of confidential or inside information
- ensures, through its own internal reporting processes and the consideration of their outcome by senior management, the appropriate handling and dissemination of inside information.

### POLICY ON THE RECOMMENDATION AND DECLARATION OF DIVIDEND

The Board may propose the payment of dividends for a financial year. The recommendation of dividends is subject to the discretion of the Board. The Board will take into account the following factors when considering the proposal of any dividend payment:

- the actual and expected financial performances of the Company and each of its group member companies (collectively the “Group”);
- retained earnings and distributable reserves of the Group;
- the level of the Group’s debts, return on equity and the relevant financial covenants that may be imposed by the Group’s lenders;
- the Group’s expected working capital requirements and future capital expenditure plans;
- general economic conditions, internal and/or external factors that may have an impact on the business or financial performance of the Group;

### 內幕消息

有關處理及發佈內幕消息的程序和內部監控，公司：

- 須根據證券及期貨條例及上市規則在合理切實可行的範圍內盡快披露內幕消息
- 嚴格遵循證券及期貨事務監察委員會刊發的《內幕消息披露指引》處理事務
- 在其「企業行為守則」內納入嚴格禁止在未經許可下使用機密資料或內幕消息的規定
- 通過公司的內部報告程序並經管理層考慮有關的結果，確保適當處理及發佈內幕消息。

### 建議及宣派股息的政策

董事會可建議派發一個財政年度的股息。股息建議由董事會酌情決定。在考慮任何股息派發的建議時，董事會將考慮以下因素：

- 本公司及其每家集團成員公司（統稱為「本集團」）的實際和預期財務業績；
- 本集團的保留溢利及可供分配的儲備；
- 本集團的債務水平，股本回報率以及本集團貸款人可能施加的相關財務契約；
- 本集團的預期營運資金需求和未來資本支出計劃；
- 一般經濟狀況，可能對本集團業務或財務表現產生影響的內部和／或外部因素；

## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### POLICY ON THE RECOMMENDATION AND DECLARATION OF DIVIDEND (Continued)

- relevant statutory and other regulatory restrictions; and
- any other factors that the Board may deem appropriate.

#### COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board recognises the importance of good communications with the Shareholders and investors. A shareholders' communication policy setting out the principles of the Company in relation to Shareholders' communications, with the objectives of ensuring a transparent and timely communication with Shareholders via various means, has been established.

The Company's Annual General Meetings ("AGM") are valuable forum for the Board to communicate directly with the Shareholders and to answer questions Shareholders may raise. Separate resolutions are proposed at general meetings for each substantial issue, including the re-election and election of individual Directors. The detailed procedures of conducting a poll are explained to Shareholders at the commencement of the AGM, to ensure that Shareholders are familiar with such procedures.

The Company's last AGM ("2017 AGM") was held on 25 May 2018 at Ballroom, 1st Floor, South Pacific Hotel, 23 Morrison Hill Road, Wanchai, Hong Kong. All the resolutions proposed at that meeting were approved by shareholders of the Company by poll. Details of the poll results are available on the Company's website at [www.fujianholdings.com](http://www.fujianholdings.com).

#### 建議及宣派股息的政策(續)

- 相關的法例和其他監管限制；及
- 董事會認為適當的任何其他因素。

#### 與股東及投資者的溝通

董事會認同與股東及投資者有良好的溝通至為重要。本公司已制定一項股東溝通政策，列出本公司與股東溝通的原則，藉以確保與股東可透過不同方法作透明及適時的溝通。

本公司的股東週年大會(「股東週年大會」)提供理想的場合讓董事會直接與股東溝通及解答股東的提問。董事就各重大事項，包括重選及選舉個別董事，於股東大會上提呈獨立決議案。股東週年大會開始時會向股東解釋以投票方式表決的詳細程序，以確保股東熟悉該等程序。

本公司上屆股東週年大會(「二零一七年度股東週年大會」)於二零一八年五月二十五日假座香港灣仔摩理臣山道23號南洋酒店一樓玉蘭閣舉行。所有提呈大會的決議案已由本公司股東以投票方式表決通過。表決結果詳情載於本公司網站[www.fujianholdings.com](http://www.fujianholdings.com)。

## Corporate Governance Report (Continued) 企業管治報告(續)

### COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS (Continued)

### 與股東及投資者的溝通(續)

The attendance record of the Directors at the 2017 AGM and Extraordinary General Meeting (“EGM”) is set out below:

董事於二零一七年度股東週年大會及股東特別大會的出席記錄載列如下：

Directors	董事	AGM 股東週年大會
LIU Hongjian	劉洪建	✓
CHEN Danyun	陳丹雲	✓
CHEN Yang	陳揚	✓
FENG Qiang	馮強	X
ZHANG Fan	張帆	X
WANG Ruilian	王瑞煉	X
LAM Kwong Siu	林廣兆	X
LEUNG Hok Lim	梁學濂	✓
NG Wan Kung	吳文拱	✓

A key element of effective communication with shareholders and investors is the prompt and timely dissemination of information in relation to the Group. The Company commits to report to the Shareholders of the Company the Group's corporate information in a timely and punctual way through notifying or mailing to all shareholders via press release, Interim Report and Annual Report. The circular of the AGM will be distributed to all Shareholders at least 21 days prior to the meeting, which set out the requirements and the procedure of the vote and the relevant details of other proposed resolutions. The printed copies of the Group's annual report and interim report will be dispatched to all the shareholders.

與股東及投資者作有效溝通的要素，主要繫於快捷及適時發佈有關本集團的資訊。本公司依時向股東匯報本集團之企業資料，並透過刊發新聞稿、中期報告及年報等方式，通知和寄發予所有股東，而有關股東週年大會的通函於大會舉行前最少二十一天寄發予所有股東，通函載列要求及舉行票選的程序及其他建議的議案的有關資料。本集團的年報及中期報告之印刷本將寄發予所有股東。

The Company keeps on promoting investor relations and enhancing communication with the existing Shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

本公司不斷促進與投資者之關係，並加強與現有股東及有意投資者之溝通。本公司歡迎投資者、權益持有人及公眾人士提供意見。向董事會或本公司作出之查詢可郵寄至本公司於香港之主要營業地點。

### CONSTITUTIONAL DOCUMENTS

### 憲章文件

There was no change to the Company's articles of association during the year ended 31 December 2018. A copy of the latest consolidated version of amended and restated Articles of Association of the Company is posted on the websites of the Company and the Stock Exchange.

本公司組織章程大綱於二零一八年十二月三十一日之財政年度內概無變動。經修訂及重列之組織章程大綱的最新綜合版本載於本公司及聯交所網站。

## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### SHAREHOLDERS' RIGHTS

Set out below is a summary of certain rights of the Shareholders of the Company as required to be disclosed pursuant to the mandatory disclosure requirement under Paragraph O of the Code:

#### Convening of extraordinary general meeting on requisition by Shareholders

In accordance with section 566 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance"), Shareholder(s) representing at least 5% of the total voting rights of all Shareholders having a right to vote at general meetings may request the Directors to convene an extraordinary general meeting ("EGM"). The request(s) must state the general nature of the business to be dealt at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request(s) may consist of several documents in like form and may be sent to the Company in hard copy form or in electronic form which must be authenticated by the person or persons making it.

In accordance with sections 567 and 568 of the Companies Ordinance, if the Directors do not within 21 days after the date on which they are subject to the requirement under section 566 of the Companies Ordinance to convene an EGM for a day not more than 28 days after the date on which the notice convening the EGM is given, the Shareholder(s) concerned, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM, provided that the EGM so convened shall not be held after the expiration of 3 months from the said date.

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

#### 股東權利

下文為本公司股東若干權利的概要，此乃根據守則O段的強制披露規定須予披露的：

#### 應股東的請求召開股東特別大會

根據香港法例第622章《公司條例》第566條，佔全體有權在股東周年大會上表決的股東的總表決權最少5%的股東可要求本公司的董事安排召開股東特別大會（「股東特別大會」）。該請求須述明有待在有關大會上處理的事務的一般性質及可包含可在該大會上恰當地動議並擬在該大會上動議的決議的文本及可包含若干份格式相近的文件及可採用印本形式或電子形式送交公司及須經提出該要求的人認證。

根據《公司條例》第567條及568條，如本公司的董事在該請求書存放日期起計21天內，未有妥為安排在股東特別大會通知書發出日期後28天內召開股東特別大會，則該等股東或佔該等全體股東一半以上總表決權的股東，可自行召開股東特別大會，但如此召開的股東特別大會不得在上述日期起計三個月屆滿後舉行。

由股東召開的股東特別大會，須盡可能以接近本公司的董事召開股東大會的方式召開。

## Corporate Governance Report (Continued) 企業管治報告(續)

### Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

The Company Secretary  
Fujian Holdings Limited  
Room 3306–3308, 33rd Floor, West Tower, Shun Tak Centre,  
200 Connaught Road Central  
Email: info@fujianholdings.com  
Tel. No.: +852 2810 9222  
Fax No.: +852 2868 9930

The Company Secretary shall forward the shareholders' enquiries and concerns to the board of Directors and/or relevant Board Committees of the Company, where appropriate, to answer the Shareholders' questions.

### Proposing a resolution at an annual general meeting

Shareholder(s) may request the Company to give, to all Shareholders entitled to receive notice of AGM, notice of a resolution that may properly be moved and is intended to be moved at that meeting pursuant to section 615 of the Companies Ordinance, if they:

- (a) represent at least 2.5% of the total voting rights of all Shareholders who have a right to vote on the resolution at the annual general meeting to which the requests relate; or
- (b) are not less than 50 Shareholders who have a right to vote on the resolution at the AGM to which the requests relate.

The request(s):

- (a) may be sent to the Company in hard copy form or in electronic form;
- (b) must identify the resolution of which notice is to be given;
- (c) must be authenticated by the person or persons making it; and
- (d) must be received by the Company not later than six weeks before the AGM to which the request(s) relate; or if later, the time at which notice is given of that meeting.

### 將股東的查詢送達董事會的程序

股東可隨時以書面形式經公司秘書轉交彼等的查詢及關注事項予本公司的董事會，公司秘書的聯絡詳情如下：

公司秘書  
閩港控股有限公司  
香港干諾道中二百號信德中心  
西座三十三樓三三零六至三三零八室  
電郵：info@fujianholdings.com  
電話：+852 2810 9222  
傳真：+852 2868 9930

公司秘書將轉交股東的查詢及關注事項予本公司的董事會及／或有關的董事會委員會(若適當)，以便回覆股東的提問。

### 在股東週年大會上動議決議

根據公司條例第615條，本公司股東可要求本公司向有權收取股東週年大會通告的股東發出決議案通告，而有關決議案將於股東週年大會上適當動議或擬於會上動議。

- (a) 佔全體有權在該要求所關乎的股東週年大會上，就該決議表決的股東的總表決權最少2.5%的股東；或
- (b) 最少50名有權在該要求所關乎的股東週年大會上就該決議表決的股東。

該請求：

- (a) 可採用印本形式或電子形式送交本公司；
- (b) 須指出有待發出通知所關乎的決議；
- (c) 須經提出該要求的人認證；及
- (d) 須於該要求所關乎的股東週年大會舉行前的6個星期之前；或(如在上述時間之後送抵本公司)該股東週年大會的通知發出之時送抵本公司。

## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### PROPOSING A CANDIDATE FOR ELECTION AS A DIRECTOR AT AGM

Pursuant to article 105 of the articles of association of the Company, if a Shareholder intends to nominate a person other than the retiring Directors for Director at a general meeting, he/she shall deposit the following documents to the Company's registered office during the period commencing on the day after the dispatch of the notice of such meeting and ending no later than seven days prior to the date appointed for such general meeting, and the length of the notice period shall be at least seven days:

- (a) a written notice of such proposal for the attention of the Company Secretary, signed by the shareholder who is qualified to attend and vote at the general meeting;
- (b) biographical details of the candidate as set out in Rule 13.51(2)(a) to (x) of the Listing Rules; and
- (c) a written consent signed by the candidate indicating his/her willingness to be elected.

#### SHAREHOLDERS' ENQUIRIES

Shareholders should direct their questions about their shareholdings to the Company's Hong Kong branch share registrar: Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Other enquiries or comments raised by any Shareholder can be mailed to the Board at the Company's head office in Hong Kong at Room 3306-08, 33rd Floor, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong or sent through email to [info@fujianholdings.com](mailto:info@fujianholdings.com).

#### RISK MANAGEMENT

The Company's management believes that risk management is an essential component of the Group's administrative structure. The management assists the Board in evaluating material risk exposure existing in the Group's business, including investment risk, interest rate risk, liquidity risk etc, and participates in designing and formulating appropriate risk management and internal control measures, and to ensure its implementation in daily operational management.

#### 推薦人選在股東週年大會上參選董事

根據本公司組織章程第105條，股東如欲推薦退任董事以外的人士在股東週年大會上參選董事，股東須於會議通告發出後翌日起至不遲於舉行會議日期前七天止期間，向本公司註冊辦事處送交以下文件，提交有關通知的期限最少為七日：

- (a) 一份經合資格出席股東大會並於會上投票之股東簽署的書面通知交公司秘書收；
- (b) 有關擬參選人士按上市規則第13.51(2)(a)至(x)條所載的履歷資料；及
- (c) 擬參選人士簽署的同意書，說明其願意膺選。

#### 股東查詢

股東如對名下持股有任何疑問，應向本公司的香港股份過戶登記分處卓佳標準有限公司(地址為香港皇后大道東183號合和中心22樓)提出。

任何股東如提出其他查詢或意見，可郵寄予董事會(地址為本公司之香港總部：香港干諾道中二百號信德中心西座三十三樓三三零六至零八室或發送電郵至[info@fujianholdings.com](mailto:info@fujianholdings.com)。

#### 風險管理

公司管理層相信風險管理是本集團管治架構中重要的組成部分。管理層協助董事會評估本集團業務中存在的主要風險，包括投資風險、利率風險、流動資金風險等，參與設計和制訂合適的風險管理及內部監控措施，並在日常經營管理中落實執行。

## Corporate Governance Report (Continued) 企業管治報告(續)

### RISK MANAGEMENT (Continued)

The management considers that the investment risk management measures provide guarantee to the Group through its way of seeking new development opportunities, as to secure reasonable return in every investment, to reduce investment risks and to avoid possible loss attributable to investments.

The Group's risk management towards liquidity aims to ensure that under all circumstances there exists sufficient capital to fulfill repayment obligations of all debts due, to maintain good creditworthiness, to finance reasonable investment opportunities and to fuel business development. The Group's accounting department is responsible for daily financial activities and monitoring liquidity position from time to time to cope with business operation of the Company.

The Board had conducted a review on the effectiveness of the Group's internal control and risk management systems once during the year ended 31 December 2018 which covered financial, operational, compliance procedural and risk management functions and had considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. In light of the size and scale of the Group's businesses, the Board is also delegated with the responsibilities for the internal control of the Group and for reviewing its effectiveness. As such, the Group currently does not have an internal audit team. The Board will review and consider to establish such department as and when it thinks necessary.

The Group believes that good corporate governance practices are very important for maintaining and promoting investor confidence and for the sustainable growth of the Group. The Group has therefore made continued efforts to uplift its quality of corporate governance. It has established a highly effective system of internal controls and adopted a series of measures to ensure its safety and effectiveness. As a result, the Group is able to safeguard its assets and protect the interests of its Shareholders.

The Board is of the view that the systems of internal control and risk management are effective and there are no irregularities, improprieties, frauds or other deficiencies that suggest material deficiency in the effectiveness of the Group's internal control system.

### 風險管理(續)

管理層認為投資風險管理之措施可以令集團在尋找新的發展機會中得到保障，使每一項投資都能得到合理的回報，減低投資風險、避免投資可能會帶來的損失。

本集團對流動資金的風險管理，旨在確保任何情況下，仍能以充足的資金履行所有到期債務的償還責任，保持良好的信譽；能在適當的投資機會中提供所需資金，以擴大業務發展。集團會計部負責日常的財務活動並不時監察流動資金狀況，以應付公司的經營運作。

截止二零一八年十二月三十一日董事會已對本集團內部監控及風險管理系統之有效性進行一次檢討，其範圍覆蓋財務、營運、合規程序及風險管理職能等範疇，並已考慮本公司會計及財務申報職能方面之資源、員工資歷及經驗，以及員工接受之培訓課程及有關預算是否足夠。鑒於本集團業務的規模及範圍，董事會亦獲授予本集團內部控制的責任及檢討其有效性。因此，本集團目前沒有內部審計小組。董事會將在其認為必要時，審查並考慮設立該部門。

本集團相信良好的公司管治對於維持及促進投資者信心及自身的可持續發展是非常重要的。因此，本集團一直致力於提升公司管治水準，建立高效的內部控制體系，採取一系列措施保證該系統的健全性及有效性，從而得以確保本集團資產安全及維護股東利益。

董事會認為內部監控及風險管理制度為有效，且本集團的內部監控制度並無違規、不當、欺詐或其他不足顯示本集團內部控制制度的效能出現重大缺陷。



## Corporate Governance Report (Continued)

### 企業管治報告(續)

#### CORPORATE MONITOR

The Board is responsible for monitoring the Group's overall corporate reporting process and control system, while the corporate reporting standard is handled by the accounting department, which makes regular review of resources allocation and financial reporting system properly. Compliance with Code on Corporate Governance Practices, the Listing Rules, SFO and other applicable laws and regulations are handled by the Company Secretary. The Company's management meets with the Executive Directors regularly to review and brief the reporting system, and the Audit Committee annually to review and brief the reporting system.

A package of detailed materials setting out the duties and responsibilities of the Directors of the Company is provided to each newly appointed Director of the Company, in which it is especially specified the applicable rules and regulations (including the Listing Rules) that the first time appointed Directors of the Company shall notice and understand.

In respect of the securities transactions made by Directors and relevant employees, the Company has adopted Appendix 10 to the Listing Rules, the Model Code, as its own Code of conduct regarding the standard for securities transactions. Printed copies of the Model Code have been distributed to each Director and relevant employees of the Group as stipulated therein. Having made specific enquires of all Directors, all the Directors confirmed that they have complied with the standards set out therein.

Employees who are likely to be in possession of unpublished price-sensitive information about the Group are also subject to compliance with guidelines on no less exacting terms than the Model Code.

On behalf of the Board

**CHEN Yangbiao**  
Chairman

Hong Kong, 25 March 2019

#### 企業監控

董事會有責任監察本集團整體企業匯報過程及控制系統，企業匯報標準已交予會計部負責，由會計部適當地定期檢討資源調配及財務匯報系統。企業管治常規，以及符合上市規則、證券及期貨條例及其他適用法規等事宜，已交予公司秘書負責。本公司管理層定期與執行董事檢討及簡述匯報系統，亦每年與審核委員會檢討及簡述匯報系統。

本公司每位新委任董事均獲發一份詳盡資料，當中詳述作為本公司董事之責任及職責，並特別註明首次獲委任本公司董事須留意及知悉之適用規則及規例(包括上市規則)。

本公司就本集團董事及相關僱員之證券交易，採納載於上市規則附錄十有關董事進行證券交易標準之行為守則。公司守則之印刷本已分發予本公司守則內規定須獲提供之本集團每位董事及相關僱員。在向所有董事作出特選查問後，所有董事已確認，彼等已遵守本公司之守則內所載標準。

該等有可能獲得有關本集團未經刊發股價敏感資料之僱員亦須遵守條款內容不比標準守則寬鬆之指引。

代表董事會

**陳揚標**  
主席

香港，二零一九年三月二十五日

# 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

TO THE MEMBERS OF  
FUJIAN HOLDINGS LIMITED  
(Incorporated in Hong Kong with limited liability)

### OPINION

We have audited the consolidated financial statements of Fujian Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 72 to 178, which comprise the consolidated statement of financial position as at 31 December 2018, 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.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

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

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The Landmark 中環  
11 Pedder Street 畢打街11號  
Central 置地廣場  
Hong Kong 告羅士打大廈  
31樓

致閩港控股有限公司股東  
(於香港註冊成立的有限公司)

### 意見

本核數師(以下簡稱「我們」)已審計列載於第72頁至178頁閩港控股有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一八年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

我們認為，該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了 貴集團於二零一八年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及其綜合現金流量，並已遵照香港《公司條例》妥為擬備。

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們就該等準則承擔的責任在本報告「核數師就審計綜合財務報表承擔的責任」部分中闡述。根據香港會計師公會的《職業會計師道德守則》(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。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

## Independent Auditors' Report (Continued)

### 獨立核數師報告(續)

#### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### Key audit matter

##### 關鍵審計事項

##### ***Carrying amount of property and leasehold land used in the Group's hotel operation segment***

*Refer to Notes 15 and 16 to the consolidated financial statements*

**本集團的酒店業務分部之物業和租賃土地使用的賬面金額**

請參閱於綜合財務報表中附註15與16

We identified the carrying amounts of property and leasehold land used in the Group's hotel operation segment as a key audit matter due to the management's judgements associated with review of the recoverable amounts of assets.

As at 31 December 2018, the Group had a property and leasehold land used in the Group's hotel operation segment with a carrying amounts of HK\$16,939,355 and HK\$12,961,874 respectively.

Significant management judgement is required to determining the recoverable amounts based on a value in use calculation and a discount rate of 7.38% per annum.

我們認為審閱 貴集團的酒店分部之物業和租賃土地使用的賬面值為關鍵審計事項，原因與對資產進行可收回價值之審閱時使用的判斷及估計有關。

截至二零一八年十二月三十一日，貴集團酒店業務分部擁有的所使用物業及租賃土地帳面金額分別為16,939,355港元及12,961,874港元。

貴集團管理層對可收回金額之重大判斷是根據使用計算值和每年7.38%的折現率作出確定。

#### 關鍵審計事項

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

##### How our audit addressed the key audit matter

##### 我們在審計中對此的處理方式

Our procedures in relation to carrying amounts of property and leasehold land used in the Group's hotel operation segment included:

- Evaluating the objectivity, independence and competency of the external valuer engaged by the management and the valuation specialist engaged by us;
- Assessing the methodologies used by the external valuer engaged by the management to estimate the value in use calculation;
- Evaluating the appropriateness of information and estimation used in the financial forecasts provided by the management;
- Engaging a valuation specialist to assist us to assess the methodologies and key assumptions adopted in the valuation for estimating the value in use; and
- Checking the accuracy and relevance of the input data provided by management for the estimation of the value in use.

我們對有關貴集團所屬酒店業務分部使用之物業及租賃土地使用的帳面值所執行的程序包括：

- 對管理層及我們外聘之專業評估師的客觀性、獨立性和其能力；
- 就管理層外聘之專業評估師對計算使用價值所採用的評估方法作出評定；
- 評審管理層提供作財務預測所使用的資料及估計的適用性；
- 聘請專業評估師協助我們評估使用價值估值所採用的方法及關鍵假設；及
- 檢閱管理層提供的資料的準確性及相關性，以供估計其使用價值。

## Independent Auditors' Report (Continued)

### 獨立核數師報告(續)

### KEY AUDIT MATTERS (Continued)

### 關鍵審計事項(續)

#### Key audit matter

#### How our audit addressed the key audit matter

#### 關鍵審計事項

#### 我們在審計中對此的處理方式

#### *Valuation of investment properties*

*Refer to Note 17 to the consolidated financial statements*

#### 投資物業評估

請參閱於綜合財務報表中附註17

We identified the valuation of investment properties as a key audit matter due to the management's judgement associated with determining the fair value.

Our procedures in relation to valuation of investment properties included:

The Group has various investment properties in Hong Kong. Such investment properties are measured at fair value and the aggregate carrying amount of these investment properties was HK\$230,300,000 as at 31 December 2018.

— Evaluating the objectivity, independence and competency of the external valuer engaged by the management and the valuation specialist engaged by us;

— Obtaining understanding of the approach and valuation methodology adopted;

Significant estimation and judgement are required by management to determine the fair values of the investment properties. To support management's determination of the fair value, the Group engaged an external valuer to perform valuations on these assets at the end of the reporting period.

— Assessing whether the investment properties were valued on a consistence basis;

— Engaging a valuation specialist to assist us to assess the methodologies and assumptions adopted in the valuation;

— Checking the accuracy of the fair value calculation prepared by the external valuer; and

— Assessing the adequacy of disclosures in the consolidated financial statements.

我們認為投資物業的估值為關鍵審計事項，原因與管理層對確定公允值時有關的判斷及估計有關。

我們對有關 貴集團對投資物業的估值所執行的程序包括：

本集團於香港擁有若干投資物業。該項投資物業按公允值計量，這些投資物業於截至二零一八年十二月三十一日的總帳面價值為230,300,000港元。

— 對管理層及我們外聘之專業評估師的客觀性、獨立性和其能力作出評審；

— 獲將對所採用的方法及估值方法的瞭解；

管理層須作出重大估計及判斷，以確定投資物業的公允值。集團於報告期末外聘專業評估師對該項資產出具估值報告以支持其公允值。

— 評定投資物業是否按一貫計算方式計算；

— 聘請專業評估師協助我們評估其估值的方法和假設；

— 檢查由外聘之專業評估師準備的公允值計算的準確性；及

— 考慮綜合財務報表所披露的充分性。

## Independent Auditors' Report (Continued)

### 獨立核數師報告(續)

#### OTHER INFORMATION

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

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

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

#### RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA 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.

#### 其他信息

貴公司董事需對其他信息負責。其他信息包括年報所載的全部信息但不包括綜合財務報表及我們的核數師報告。

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

在我們審計綜合財務報表時，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息有重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

#### 董事及審核委員會就綜合財務報表須承擔的責任

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

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

審核委員會履行監督貴集團財務報告過程。

## Independent Auditors' Report (Continued) 獨立核數師報告(續)

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and for no other purpose. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

### 核數師就審計綜合財務報表承 擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下(作為全體股東)按照香港《公司條例》第405條的規定報告，除此之外本報告別無其他目的。合理保證是高水平的保證，但不能保證按《香港審計準則》進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或滙總起來可能影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

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

## Independent Auditors' Report (Continued)

### 獨立核數師報告(續)

#### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

#### 核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，決定是否存在與事項或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者對綜合財務報表中的相關披露資料的關注。假若有關的披露資料不足，則我們須出具非無保留意見的核數師報告。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。我們須負責指導、監督和執行貴集團的審核工作。我們須為我們的審核意見承擔全部責任。

我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等事項，包括我們在審計期間識別出內部控制的任何重大缺陷。

## Independent Auditors' Report (Continued) 獨立核數師報告(續)

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

The engagement director on the audit resulting in this independent auditors' report is Mr. Kwok Kin Leung.

**HLB Hodgson Impey Cheng Limited**  
*Certified Public Accountants*

**Kwok Kin Leung**  
Practising Certificate Number: P05769

Hong Kong, 25 March 2019

### 核數師就審計綜合財務報表承 擔的責任(續)

我們亦向審核委員會作出聲明，指出我們已符合有關獨立性的相關專業道德要求，並與他們溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

從與審核委員會溝通的事項中，我們釐定對本期間綜合財務報表的審計至關重要的事項，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

出具本獨立核數師報告的審計項目董事為郭健樑先生。

**國衛會計師事務所有限公司**  
香港執業會計師

**郭健樑**  
執業證書編號：P05769

香港，二零一九年三月二十五日



# 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 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

		Notes 附註	2018 二零一八年	2017 二零一七年
Revenue	收益	5	39,145,938	35,828,766
Other income	其他收入	7	419,420	2,844,239
Other gains and losses	其他收益及虧損	8	7,739,561	5,998,913
Employee benefits expense	員工福利支出	11	(14,542,537)	(13,018,480)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	(4,755,982)	(4,947,450)
Amortisation of prepaid lease payment	預付租賃款項攤銷	16	(1,874,007)	(1,874,007)
Share of profit of associates	應佔聯營公司之盈利	19	3,119,734	1,786,851
Other operating expenses	其他經營費用	9	(18,478,924)	(17,293,391)
Profit before tax	除稅前盈利		10,773,203	9,325,441
Income tax expense	所得稅支出	10	(1,357,559)	(1,089,340)
Profit for the year	本年度盈利	11	9,415,644	8,236,101
Other comprehensive (expense)/income <i>Item that may be reclassified subsequently to profit or loss:</i>	其他全面(開支)/收益 隨後可重分類至損益之 項目：			
Exchange differences on translating foreign operations	換算海外業務產生之匯兌 差額		(6,260,932)	7,335,530
Other comprehensive (expense)/income for the year, net of income tax	本年度其他全面(開支)/ 收益扣除所得稅		(6,260,932)	7,335,530
Total comprehensive income for the year	本年度全面收益總額		3,154,712	15,571,631

## Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

### 綜合損益及其他全面收益表(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

		Notes 附註	2018 二零一八年	2017 二零一七年
<b>Profit for the year attributable to:</b>	<b>本年度盈利分配於：</b>			
Owners of the Company	本公司持有人		9,415,644	7,947,117
Non-controlling interests	非控股權益		—	288,984
			<b>9,415,644</b>	<b>8,236,101</b>
<b>Total comprehensive income attributable to:</b>	<b>本年度全面收益分配於：</b>			
Owners of the Company	本公司持有人		3,154,712	15,288,008
Non-controlling interests	非控股權益		—	283,623
			<b>3,154,712</b>	<b>15,571,631</b>
<b>Earnings per share</b>	<b>每股盈利</b>			
<b>Basic (HK cents per share)</b>	<b>基本(每股港仙)</b>	14	<b>0.82</b>	0.69
<b>Diluted (HK cents per share)</b>	<b>攤薄(每股港仙)</b>	14	<b>0.82</b>	0.69

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2018 (in HK Dollars) 於二零一八年十二月三十一日 (以港元列示)

		Notes 附註	2018 二零一八年	2017 二零一七年
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	15	26,039,356	29,888,237
Prepaid lease payment	預付租賃款項	16	12,961,874	14,835,881
Investment properties	投資物業	17	230,300,000	223,300,000
Interest in associates	於聯營公司之權益	19	97,857,873	99,639,981
Deferred tax assets	遞延稅項資產	24	1,886,819	1,894,269
			<b>369,045,922</b>	<b>369,558,368</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	20	273,071	196,728
Trade and other receivables	貿易及其他應收賬款	21	1,738,815	2,176,582
Cash and bank balances	現金及銀行結餘	22	49,541,745	44,276,066
			<b>51,553,631</b>	<b>46,649,376</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables	貿易及其他應付賬款	23	11,487,862	9,656,595
Tax payable	應付稅項		615,836	1,016,460
			<b>12,103,698</b>	<b>10,673,055</b>
<b>Net current assets</b>	<b>流動資產淨值</b>		<b>39,449,933</b>	<b>35,976,321</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>408,495,855</b>	<b>405,534,689</b>
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Equity attributable to owners of the Company	本公司持有人應佔權益			
Share capital	股本	25	898,839,029	898,839,029
Reserves	儲備		(494,426,293)	(497,581,005)
<b>Total equity</b>	<b>股本權益總額</b>		<b>404,412,736</b>	<b>401,258,024</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Deferred tax liabilities	遞延稅項負債	24	4,083,119	4,276,665
			<b>408,495,855</b>	<b>405,534,689</b>

The consolidated financial statements on pages 72 to 178 were approved and authorised for issue by the Board of Directors on 25 March 2019 and signed on its behalf by:

董事會於二零一九年三月二十五日已批准並授權刊發及簽署之綜合財務報表中第72頁至178頁：

Chen Yangbiao  
陳揚標  
Director  
董事

Chen Danyun  
陳丹雲  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

		Attributable to owners of the Company 本公司持有人應佔				Attributable to non- controlling interests 分配於 非控股權益	Total 合計
		Share capital	Translation reserve	Accumulated losses	Sub-total		
		股本 (Note 25) (附註25)	換算儲備	累計虧損	小計		
<b>Balance at 1 January 2017</b>	於二零一七年一月一日	898,839,029	(10,417,162)	(502,848,863)	385,573,004	43,702,033	429,275,037
Profit for the year	本年度盈利	—	—	7,947,117	7,947,117	288,984	8,236,101
Other comprehensive income/ (expense) for the year	本年度其他全面 收益/(開支)	—	7,340,891	—	7,340,891	(5,361)	7,335,530
Total comprehensive income for the year	本年度全面 收益總額	—	7,340,891	7,947,117	15,288,008	283,623	15,571,631
Loss on deemed disposal of a subsidiary	作為出售一家附屬 公司之虧損	—	397,012	—	397,012	(43,985,656)	(43,588,644)
<b>Balance at 31 December 2017 and at 1 January 2018</b>	於二零一七年 十二月三十一日及 二零一八年一月一日	898,839,029	(2,679,259)	(494,901,746)	401,258,024	—	401,258,024
Profit for the year	本年度盈利	—	—	9,415,644	9,415,644	—	9,415,644
Other comprehensive expense for the year	本年度其他全面開支	—	(6,260,932)	—	(6,260,932)	—	(6,260,932)
Total comprehensive (expense)/income for the year	本年度全面(開支)/收益 總額	—	(6,260,932)	9,415,644	3,154,712	—	3,154,712
<b>Balance at 31 December 2018</b>	於二零一八年 十二月三十一日	898,839,029	(8,940,191)	(485,486,102)	404,412,736	—	404,412,736

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

		2018 二零一八年	2017 二零一七年
<b>Cash flows from operating activities</b>	<b>經營業務之現金流量</b>		
Profit for the year	本年度盈利	9,415,644	8,236,101
Adjustments for:	調整項目：		
Income tax expense	所得稅支出	1,357,559	1,089,340
Bank interest income	銀行利息收入	(131,349)	(246,835)
Share of profit of associates	應佔聯營公司之盈利	(3,119,734)	(1,786,851)
Amortisation of prepaid lease payment	預付租賃款項攤銷	1,874,007	1,874,007
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	4,755,982	4,947,450
Net increase in fair value of investment properties	投資物業公允值淨增加	(7,000,000)	(4,800,000)
Gain arising on change in fair value of financial assets at fair value through profit or loss	產生自金融資產(結構性存款)之公允值改變之收益(通過損益以反映公允值)	(1,241,893)	(760,846)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損確認	14,658	7,893
Loss on deemed disposal of a subsidiary	視作出售一家附屬公司虧損	—	402,324
		<b>5,924,874</b>	<b>8,962,583</b>
Movements in working capital	營運資金變動前之經營現金		
(Increase)/decrease in inventories	存貨(增加)/減少	(76,343)	26,486
Decrease in trade and other receivables	貿易及其他應收賬款減少	454,473	347,836
Increase/(decrease) in trade payables	貿易應付賬款增加/(減少)	1,831,267	(765,251)
Cash from operating activities	經營業務現金流入	<b>8,134,271</b>	<b>8,571,654</b>
Income tax paid	已支付的所得稅	(1,435,405)	(309,523)
Interest received	已收利息	1,330,339	975,187

## Consolidated Statement of Cash Flows (Continued)

### 綜合現金流量表(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

		2018	2017
		二零一八年	二零一七年
<b>Net cash from operating activities</b>	<b>經營業務現金流入淨額</b>	<b>8,029,205</b>	9,237,318
<b>Cash flows from investing activities</b>	<b>投資業務之現金流量</b>		
Payments for property, plant and equipment	購置物業、廠房及設備	<b>(1,316,062)</b>	(168,895)
Cash outflow from deemed disposal of a subsidiary	視作出售一家附屬公司的現金流出	—	(36,263,047)
Contribution of investment in an associate	聯營公司權益注資	—	(30,735,000)
<b>Net cash used in investing activities</b>	<b>投資業務之現金支出淨額</b>	<b>(1,316,062)</b>	(67,166,942)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等價增加/(減少)淨額</b>	<b>6,713,143</b>	(57,929,624)
<b>Cash and cash equivalents at the beginning of year</b>	<b>年初之現金及現金等值</b>	<b>44,276,066</b>	100,039,994
Effects of foreign exchange rate changes	匯率變動之影響	<b>(1,447,464)</b>	2,165,696
<b>Cash and cash equivalents at the end of year, representing bank balances and cash</b>	<b>年結之現金及現金等值即銀行結餘及現金</b>	<b>49,541,745</b>	44,276,066

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 1. GENERAL

Fujian Holdings Limited (the “Company”) is incorporated in Hong Kong as a public limited company and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate holding company is HC Technology Capital Company Limited, a company incorporated in the British Virgin Islands and its ultimate holding company is Fujian Tourism Development Group Company Limited (“FTDC”), a state-owned corporation in the People’s Republic of China (the “PRC”). The address of the registered office and principal place of business of the Company is Room 3306–08, 33/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are set out in note 6 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

### 1. 一般

閩港控股有限公司(「本公司」)為一家於香港註冊成立之公開上市公司。其股份於香港聯合交易所有限公司(「聯交所」)上市。其直接控股公司為華晶科技投資有限公司，乃於英屬處女群島成立之企業及其最終控股公司則為福建省旅游發展集團有限公司(原稱福建省旅游發展集團有限公司)(「旅游集團」)，乃中國之國有企業。本公司註冊辦事處及主要營業地址為香港干諾道中200號信德中心西座33樓3306至08室。

本公司及其附屬公司(統稱為「本集團」)主要業務之概要載於本綜合財務報表附註6。

綜合財務報表以本公司之功能貨幣港元呈列。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### New and amendments to HKFRSs that are mandatorily effective for the current year

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

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 <i>Financial Instruments</i> with HKFRS 4 <i>Insurance Contracts</i>
Amendments to HKFRS 15	Clarifications to HKFRS 15 <i>Revenue from Contracts with Customers</i>
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

## 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

### 於本年度強制生效的新訂及經修訂香港財務報告準則

本集團於本年度首次應用以下由香港會計師公會(「香港會計師公會」)頒布之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	來自客戶合約的收入
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
香港財務報告準則第2號之修訂本	以股份為基礎付款交易之分類及計量
香港財務報告準則第4號之修訂本	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
香港財務報告準則第15號之修訂本	釐清香港財務報告準則第15號來自客戶合約之收入
香港會計準則第28號之修訂本	作為二零一四年至二零一六年週期香港財務報告準則的年度改進的一部分
香港會計準則第40號之修訂本	投資物業的轉撥



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

Except as described below, the application of the new and 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.

#### 2.1 HKFRS 15 *Revenue from Contracts with Customers*

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits (or other components of equity, as appropriate) and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 January 2018.

The Group recognises revenue from the investment properties rental and hotel operations.

Information about the Group’s performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in note 3.

There is no impact of transition to HKFRS 15 on retained profits as at 1 January 2018.

## 2. 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)

### 於本年度強制生效的新訂及經修訂香港財務報告準則(續)

除下文所述，本年度應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度之財務表現及狀況及／或載於綜合財務報表之披露並無重大影響。

#### 2.1 香港財務報告準則第15號來自客戶合約的收入

本集團已於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響已於二零一八年一月一日首次應用日期確認。於首次應用日期的任何差額於期初留存盈利(或權益的其他部分(如適用))確認，且並無重列比較資料。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅對於二零一八年一月一日尚未完成的合約追溯應用該準則。此外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅將該準則追溯用於二零一八年一月一日尚未完成的合約。

本集團確認出租投資物業及酒店營運為主要收入來源。

本集團因實施香港財務報告準則第15號而須履行的業務責任及會計政策的資料，載於附註3。

應用香港財務報告準則第15號並無對本集團於二零一八年一月一日之保留盈利產生重大影響。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

##### 2.2 HKFRS 9 *Financial Instruments*

In the current year, the Group has applied HKFRS 9 *Financial Instruments*, and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for the financial assets and finance lease receivables and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement* (“HKAS 39”).

Accounting policies resulting from application of HKFRS 9 are disclosed in note 3.

##### *Classification and measurement of financial assets*

All financial assets and financial liabilities continue to be measured on the same bases as were previously measured under HKAS 39.

### 2. 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)

#### 於本年度強制生效的新訂及經修訂香港財務報告準則(續)

##### 2.2 香港財務報告準則第9號金融工具

於本年度，本集團已應用香港財務報告準則第9號金融工具及其他香港財務報告準則相關的相應修訂。香港財務報告準則第9號就1) 金融資產及金融負債的分類和計量、2) 金融資產的預期信貸虧損(「預期信貸虧損」)及3) 一般對沖會計法引入新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對二零一八年一月一日(首次應用日期)尚未終止確認的工具追溯應用分類及計量要求(包括預期信貸虧損模式項下的減值)，且並無對已於二零一八年一月一日終止確認的工具應用相關要求。於二零一七年十二月三十一日的賬面值與於二零一八年一月一日的賬面值的差額於期初留存盈利及其他權益部分中確認，且並無重列比較資料。

因此，若干比較資料未必能與根據香港會計準則第39號金融工具：確認及計量所編製之比較資料作出比較。

履行會計政策而實施香港財務報告準則第9號的資料，載於附註3。

##### 金融資產之分類及計量

所有金融資產及金融負債將繼續按先前根據香港會計準則第39號相同之基準計量。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

#### 2.2 HKFRS 9 *Financial Instruments* (Continued)

##### *Impairment under ECL model*

The Group applies the HKFRS 9 simplified approach to measure ECL when uses a lifetime ECL for all trade receivables from initial recognition. To measure the ECL, except for those which had been determined as credit impaired under HKAS 39, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Except for those which had been determined as credit impaired under HKAS 39, ECL for other financial assets at amortised cost, including bank balances, other receivables and rental deposits paid, are assessed on 12-month ECL (“12m ECL”) basis as there had been no significant increase in credit risk since initial recognition.

The directors considered that the measurement of ECL has no material impact to the Group’s retained earnings at 1 January 2018.

##### *Financial assets at fair value through profit or loss (“FVTPL”)*

At the date of initial application, the Group no longer applied designation as measured at FVTPL for the convertible notes and the portfolio of financial assets which is managed and its performance is evaluated on a fair value basis, as these financial assets are required to be measured at FVTPL under HKFRS 9.

There was no impact on the amounts recognised in relation to these assets from the application of HKFRS 9.

## 2. 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)

### 於本年度強制生效的新訂及經修訂香港財務報告準則(續)

#### 2.2 香港財務報告準則第9號金融工具(續)

##### *預期信貸虧損模式下的減值*

本集團應用香港財務報告準則第9號簡化方式計量預期信貸損失，即初始應用所有應收貿易款項的長期預期信貸損失。為計量預期信貸虧損，除根據香港會計準則第39號已釐定為信貸減值者外，貿易應收賬款已根據應佔信貸風險特點及過期天數分類。

除根據香港會計準則第39號已釐定為信貸減值者外，按攤銷成本計量的其他金融資產的損失撥備(包括銀行存款、其他應收款項以及已付租金按金)按12個月預期信用虧損基準計量，自初始確認以來信用風險並無顯著增加。

董事認為，預期信貸損失的計量對本集團於二零一八年一月一日的保留盈利並無重大影響。

##### *按公允值計入損益之金融資產*

本集團於參與式票據之非上市投資。已由可供出售投資重新分類至按公允值計入損益之金融資產。管理層認為，該等投資之現金流量不符合香港財務報告準則第9號純粹為支付本金及未償還本金利息之標準，因而分類為按公允值計入損益之金融資產。

應用香港財務報告準則第9號對該等資產確認的金額並無影響。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 16	Leases <sup>1</sup>
HKFRS 17	Insurance Contracts <sup>4</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments <sup>1</sup>
Amendments to HKFRS 3	Definition of a Business <sup>2</sup>
Amendments to HKFRS 9	Prepayment Features with Negative Compensation <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>5</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>3</sup>
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement <sup>1</sup>
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2019.

<sup>2</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2020.

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2021.

<sup>5</sup> Effective for annual periods beginning on or after a date to be determined.

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

### 2. 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)

#### 已頒布但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒布但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>4</sup>
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性 <sup>1</sup>
香港財務報告準則第3號之修訂本	業務的定義 <sup>2</sup>
香港財務報告準則第9號之修訂本	具不賠償條款的預付款 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂本	投資者與其聯營或合營企業之間的資產出售或注資 <sup>5</sup>
香港會計準則第1號及香港會計準則第8號之修訂本	重大的定義 <sup>3</sup>
香港會計準則第19號之修訂本	計劃修訂、削減或清償 <sup>1</sup>
香港會計準則第28號之修訂本	於聯營及合營企業的長期權益 <sup>1</sup>
香港財務報告準則之修訂本	二零一五年至二零一七年週期香港財務報告準則的年度改進 <sup>1</sup>

<sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效。

<sup>2</sup> 適用於收購日期為二零二零年一月一日或之後開始的首個年度期間開始當日或之後進行的業務合併及資產收購。

<sup>3</sup> 於二零二零年一月一日或之後開始的年度期間生效。

<sup>4</sup> 於二零二一年一月一日或之後開始之年度期間生效。

<sup>5</sup> 於待定日期或之後開始之年度期間生效。

除下文所述之新訂及經修訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則於可見未來將不會對本集團綜合財務報表產生重大影響。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### New and amendments to HKFRSs in issue but not yet effective (Continued)

#### HKFRS 16 *Leases*

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

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

## 2. 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)

### 已頒布但尚未生效的新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。當香港財務報告準則第16號生效時，將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定售後租回交易根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入賬的規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修訂的規定。

除短期租賃及低值資產租賃外，經營及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

使用權資產初步按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量而作出調整。租賃負債初步按租賃款項(非當日支付)之現值計量。隨後，租賃負債會就(其中包括)利息及租賃款項以及租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將與自用租賃土地及分類為投資物業的租賃土地有關的預付租賃款項呈列為投資現金流量，其他經營租賃款項則呈列為經營現金流量。當應用香港財務報告準則第16號，有關租賃負債的租賃款項將分配至本金及利息部分，本集團將分別以融資及經營現金流量呈列。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### New and amendments to HKFRSs in issue but not yet effective (Continued)

##### HKFRS 16 *Leases* (Continued)

Under HKAS 17, the Group has a prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of approximately HK\$224,000 as disclosed in note 29. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid of approximately HK\$223,000 and refundable rental deposits received of approximately HK\$2,394,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised costs. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets. Adjustment to refundable rental deposits received would be considered as advance lease payments.

### 2. 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)

#### 已頒布但尚未生效的新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第16號租賃(續)

根據香港會計準則第17號，本集團作為承租人已確認就租賃土地之預繳租賃款項為資產。採用香港財務報告準則第16號可能導致該等資產之分類發生潛在變動，其分類視乎本集團是否分開呈列使用權資產或按將呈列相應相關資產(倘擁有)的相同項目內呈列。

除某些適用於出租人的規定外，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

於二零一八年十二月三十一日，本集團持有不可撤銷的經營租賃承擔約224,000港元，載於附註29。初步評估顯示，該等安排將符合香港財務報告準則第16號下的租賃定義，因此，本集團將就所有符合低價值或短期租賃的該等租賃確認為使用權資產及相應負債。

此外，本集團現時認為已付可退回租賃按金約223,000港元及已收可退回租賃按金約2,394,000港元是租賃項下的權利及義務，適用於香港會計準則第17號。按香港財務報告準則第16號租賃付款的定義，上述按金並非與使用相關資產權利有關的付款，因此，上述按金的賬面值可予調整至經攤銷成本，已付可退還租賃按金的調整將被視為額外租賃付款及計入使用權資產的賬面值。已收可退還租賃按金的調整將被視為預付租賃付款。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### New and amendments to HKFRSs in issue but not yet effective (Continued)

#### HKFRS 16 *Leases* (Continued)

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC)-Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

#### HK(IFRIC)-Int 23 *Uncertainty over Income Tax Treatments*

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

## 2. 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)

### 已頒布但尚未生效的新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則第16號租賃(續)

如上文所述，新要求的適用可能導致計量、列報和披露方面的變化。本集團打算選擇現有融資租賃會計處理方法類似的方法，將香港財務報告準則第16號適用於先前被確定為適用於香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包括租賃，以決定一項安排是否載有租約，而不適用於先前並無識別為適用於香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號的合約。因此，專家組將不會重新評估這些合同是否是或包含在初次申請之日之前已經存在的租約。此外，集團打算選擇經修訂的追溯方法，以應用香港財務報告準則第16號作為承租人，並且將在不說明比較信息的情況下確認初始應用對承上保留盈利的累積影響。

#### 香港(國際財務報告詮釋委員會)－詮釋第23號所得稅處理的不確定性

香港(國際財務報告詮釋委員會)－詮釋第23號在所得稅處理不確定情況下，如何確定會計稅務狀況。該詮釋要求實體確定是否有單獨評估不確定的稅務狀況或作為一個集團進行評估；以及評估稅務機關是否可能接受實體在其所得稅申報中使用或提議使用的不確定的稅務處理。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

#### New and amendments to HKFRSs in issue but not yet effective (Continued)

##### Amendments to HKFRS 10 and HKAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments to HKFRS 10 *Consolidated Financial Statements* and HKAS 28 *Investments in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of 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, 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 or losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value 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.

##### Amendments to HKAS 28 *Long-term Interests in Associates and Joint Ventures*

The amendments clarify that an entity applies HKFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied that form part of the net investment in the investee. Furthermore, in applying HKFRS 9 to long-term interests, an entity does not take into account adjustments to their carrying amount required by HKAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with HKAS 28).

### 2. 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)

#### 已頒布但尚未生效的新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第10號及香港會計準則第28號之修訂本投資者與其聯營公司或合營企業之間的資產出售或注資

香港財務報告準則第10號綜合財務報表及香港會計準則第28號於聯營公司及合營企業的投資之修訂本處理投資者與其聯營公司或合營企業之間出現資產出售或注資的情況。具體而言，該等修訂訂明，因失去與聯營公司或合營企業(以權益法列賬)的交易中並無包含業務之附屬公司之控制權而產生之盈虧，於母公司損益賬確認且僅以非相關投資者於該聯營公司或合營企業之權益為限。類似地，按於成為聯營公司或合營企業(以權益法列賬)之任何前附屬公司所保留之投資公允值重新計量所產生之盈虧於前母公司損益賬確認且僅以非相關投資者於新聯營公司或合營企業之權益為限。

##### 香港會計準則第28號之修訂本於聯營及合營企業的長期權益

該等修訂釐清實體將香港財務報告準則第9號應用於聯營或合資企業的長期權益的減值規定，其不應用權益法並構成於被投資方的投資淨額。此外，在應用香港財務報告準則第9號至長期權益時，實體並無計及香港會計準則第28號所規定對賬面值的調整(即對產生自根據香港會計準則第28號分配被投資方虧損或減值評估的長期權益賬面值的調整)。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### New and amendments to HKFRSs in issue but not yet effective (Continued)

#### Amendments to HKFRSs *Annual Improvements to HKFRSs 2015-2017 Cycle*

The annual improvement packages amended the following four standards.

#### HKAS 12 *Income Taxes*

The amendments clarify that an entity should recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised the transactions that generated the distributable profits. This is the case irrespective of whether different tax rates apply to distributed and undistributed profits.

#### HKAS 23 *Borrowing Costs*

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings.

#### HKFRS 3 *Business Combinations*

The amendments clarify that when an entity obtains control of a business that is a joint operation, the entity applies the requirements for a business combination achieved in stages, including remeasuring its previously held interest in the joint operation at fair value. The previously held interest to be remeasured includes any unrecognised assets, liabilities and goodwill relating to the joint operation.

#### HKFRS 11 *Joint Arrangements*

The amendments clarify that when a party that participates in, but does not have joint control of, a joint operation that is a business obtains joint control of such a joint operation, the entity does not remeasure its previously held interest in the joint operation.

## 2. 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)

### 已頒布但尚未生效的新訂及經修訂香港財務報告準則(續)

#### 香港財務報告準則之修訂本二零一五年至二零一七年週期香港財務報告準則的年度改進

年度改進方案修訂下列四項標準。

#### 香港會計準則第12號所得稅

該等修訂釐清，實體應按照該實體原先確認產生可分派盈利的交易的方式於損益、其他全面收益或權益確認股息的所得稅後果，不論適用於已分派及未分派盈利的稅率是否有所不同。

#### 香港會計準則第23號借貸成本

該等修訂釐清倘在相關資產達到預定用途或銷售狀態後仍有特定借貸尚未償還，則在計算一般借貸的資本化比率時，其成為實體一般借入的借貸一部分。

#### 香港財務報告準則第3號業務合併

該等修訂澄清當實體取得屬共同經營業務的控制權時，實體應用分階段完成業務合併的規定，包括按公允值重新計量先前於共同經營業務所持有的權益。重新計量的先前權益包括任何與共同經營業務有關的未確認資產、負債及商譽。

#### 香港財務報告準則第11號共同安排

該等修訂澄清於參與(但並非擁有共同控制權)為一項業務的共同經營的一方隨後取得共同經營業務的共同控制權時，實體先前持有共同經營業務的權益不會重新計量。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out 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 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

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

### 3. 主要會計政策

此等綜合財務報表乃根據所有由香港會計師公會頒佈適用香港財務報告準則編製。此外，綜合財務報表乃根據包括香港聯合交易所有限公司證券上市規則(「上市規則」)及香港《公司條例》(「公司條例」)之披露要求編製。

綜合財務報表乃按歷史成本基準編製，惟若干投資物業和金融工具於會計期間結束時乃按公允值計量如下文會計政策所闡釋。

歷史成本一般按物品和服務於交換之代價之公允值計算。

公允值是指市場參與者之間在計量日進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格是直接觀察到的結果還是採用其他估值技術作出的估計。在對資產或負債的公允值作出估計時，本集團考慮了市場參與者在計量日為該資產或負債進行定價時將會考慮的那些特徵。在本綜合財務報表中計量和／或披露的公允值均在此基礎上予以確定，但香港財務報告準則第2號以股份為基礎付款範圍內的以股份為基礎的支付交易、香港會計準則第17號租賃範圍內的租賃交易、以及與公允值類似但並非公允值的計量，例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值除外。

非金融資產公允值之計量則參考市場參與者可從使用該資產得到之最高及最佳效用，或將該資產售予另一可從使用該資產得到最高及最佳效用之市場參與者所產生之經濟效益。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals the transaction price.

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.

The principal accounting policies are set out below.

### 3. 主要會計政策(續)

對於以公允值交易的金融工具和投資財產，以及於以後各期使用不可觀測的輸入數據計量的公允值的估值技術，須對估值技術進行校準，使估值技術的結果與交易價格相等。

此外，就財務報告而言，公允值計量可按公允值計量之輸入數據可觀察程度及公允值計量之輸入數據對其整體之重要性劃分為第一、二及三級，詳述如下：

- 第一級 輸入數據乃實體於計量日期可於活躍市場就相同資產或負債獲得之報價(未經調整)；
- 第二級 輸入數據乃為第一級所載報價以外之輸入數據，而該等數據乃就有關資產或負債可直接或間接觀察之輸入數據；及
- 第三級 輸入數據乃資產或負債之不可觀察輸入數據。

主要會計政策如下。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Basis of consolidation

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

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

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

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

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

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

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

### 3. 主要會計政策(續)

#### 合併基準

綜合財務報表包括本公司及本公司及其附屬公司所控制實體的財務報表。本公司在下列情況下擁有控制權：

- 有權控制投資對象；
- 因參與投資對象的營運而對其浮動回報承擔風險或享有權利；及
- 有能力運用其權力以影響投資對象的回報。

倘有事實及情況顯示上述三項控制因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投資對象擁有控制權。

附屬公司於本公司取得對附屬公司的控制權時開始綜合入賬，並於本公司喪失對附屬公司的控制權時終止綜合入賬。特別是，於年內收購或出售附屬公司的收入及開支自本公司取得附屬公司控制權的日期起直至本公司不再控制附屬公司之日止於綜合損益及其他全面收入表內列賬。

損益及其他全面收入的各個項目乃歸屬於本公司持有人及非控股權益。附屬公司的全面收入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產生虧絀結餘。

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團所採納者一致。

集團成員公司之間有關資產及負債、權益、收入、開支及現金流量於合併時全部撇銷。

附屬公司的非控制權權益與集團在其中的權益分開陳列，該等權益代表現有的所有權的權益，使其所有者在清算時有權獲得相關子公司的淨資產的比例份額。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Changes in the Group's interests in existing subsidiaries

Changes in the Group's 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 relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests. 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.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests are derecognised. 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 carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. 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 HKFRS 9/HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3. 主要會計政策(續)

#### 本集團於現有附屬公司權益之變動

本集團於附屬公司權益出現並無導致本集團失去該等附屬公司的控制權之變動，均以權益交易入賬。本集團之相關權益部分(包括非控股權益)之賬面值已予以調整，以反映彼等於附屬公司之相關權益之變動。包括本集團與非控股權益集團之間相關儲備的再分配，將根據本集團及非控制權益的權益比例重新分配。非控股股東權益所調整之款額與所付或所收代價之公允值兩者之間的差額，均直接於權益確認並歸屬於本公司持有人。

倘本集團失去附屬公司之控制權，該附屬公司的資產和負債及非控股權益會被取消確認。則於損益確認盈利或虧損並計為(i)所收代價的公允值及任何保留權益的公允值總和及(ii)該等資產(包括商譽)賬面值及本公司擁有人應佔該附屬公司負債之間的差額。先前於其他全面收益確認的與該附屬公司相關款項，會按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則指定/允許重新分類至損益或轉發至另一權益類別下)。於失去控制權當日於前附屬公司保留之任何投資的公允值將根據香港財務報告準則第9號/香港會計準則第39號，於其後入賬時被列作初步確認之公允值，或(如適用)於初步確認時於聯營公司或合營公司之投資成本。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investments in subsidiaries

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The results of subsidiaries are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are stated at cost less any impairment losses.

### 3. 主要會計政策(續)

#### 附屬公司之投資

附屬子公司乃本公司及／或其其他附屬子公司控制的實體(包括結構性實體)。取得控制權是指當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象的權力(即本集團獲賦予現有能力以主導投資對象相關活動的既存權利)影響該等回報時。

當本公司直接或間接擁有的投資對象少於大多數的投票權或類似權利時，本集團於評估其對投資對象是否擁有權力時會考慮所有相關事實及情況，包括：

- (a) 與投資對象的其他投票權持有人訂立的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬子公司的業績按已收及應收股息計入本公司的損益表。本公司於附屬子公司的投資根據香港財務報告準則第5號持有作出售之非流動資產及終止業務處理並非分類為持有作出售者，皆按成本減任何減值虧損列賬。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Interest in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in associates 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 associates. Changes in net assets of the associates other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in ownership interest held by the Group. When the Group's share of losses of associates exceeds the Group's interest in associates (which includes any long-term interests that, in substance, form part of the Group's net investment in associates), 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 associates.

An investment in associates is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in associates, 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.

### 3. 主要會計政策(續)

#### 聯營公司之投資

聯營公司指集團對其有重大影響力，而非附屬公司或合營權的一切實體。重大影響力即在投資對象公司作出財務及營運決定時，本集團有權力參與，但不擁有控制權。

聯營公司之業績、資產及負債乃以權益會計法計入綜合財務報表。根據權益法，聯營公司用於權益會計目的之財務報表均對類似交易及情況採用和集團統一的會計政策。於聯營公司之投資乃按成本初步確認於綜合財務狀況表中列賬，並就本集團分佔該聯營公司之損益及聯營公司之其他全面收益中作出調整。聯營公司淨資產的變動除損益和其他全面收入外，將不會入賬，除非這種變動導致本集團所持有的權益有所變動。當本集團分佔聯營公司之虧損超出集團於聯營公司之權益(其包括任何長期權益，而該長期權益實質上構成本集團於聯營公司之投資淨額之一部份)，則本集團不再繼續確認其分佔之進一步虧損。額外分佔之虧損以本集團已產生法定或推定責任或代表該聯營公司作出付款者為限被確認。

於被投資方成為聯營公司當日，對聯營公司之投資採用權益法入賬。於收購聯營公司之投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公允淨值之任何部分乃確認為商譽，並計入投資之賬面值。本集團所佔可識別資產及負債於重新評估後之公允淨值與投資成本之任何差額，會於收購投資期間即時於損益確認。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Interest in associates (Continued)

The Group assesses whether there is an objective evidence that the interest in associates may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over associates, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associates and the retained interest is a financial asset within the scope of HKFRS 9/HKAS 39, 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. The difference between the carrying amount of the associates, and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associates is included in the determination of the gain or loss on disposal of the associates. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to the associates on the same basis as would be required if the associates had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by the associates 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) upon disposal/partial disposal of the relevant associate.

The Group continues to use the equity method when an investment in 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.

### 3. 主要會計政策(續)

#### 聯營公司之投資(續)

當存在任何客觀證據時，集團會評估該客觀證據是否表明聯營公司之投資可能受到損害。該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號以單一資產的方式進行減值測試，方法是比較其可收回金額(即使用價值與公允值減出售成本之較高者)與其賬面值。任何已確認的減值虧損構成該項投資之賬面值之一部份，有關減值虧損之任何撥回乃於該項投資之可收回金額其後增加之情況下根據香港會計準則第36號確認。

當本集團不再施加重大影響的聯營公司，將會被視為當被投資方的整體利益在出售後所產生的收益或損失在損益表中確認。當該投資不再為聯營公司，或當投資(或其部分)被分類為持作出售時，於終止日起本集團將不採用權益法。本集團將按照香港財務報告準則第9號／香港會計準則第39號之規定，將保留權益之前聯營公司視作為一種金融資產，本集團公允值計量所保留的權益會根據香港會計準則第39號首次確認為金融資產之公允值作其公允值。先前已保留權益應佔聯營公司賬面值與其公允值之間的差額，乃計入出售該聯營公司之損益。此外，本集團將先前在其他全面收入就聯營公司確認之所有金額入賬，基準與聯營公司直接出售相關資產或負債的基準相同。因此，倘聯營公司先前已認其他全面收入之損益，則會於出售相關資產或負債時重新分類至損益賬，當對聯營公司在出售／部份出售時，本集團將收益或虧損由權益重新分類至損益賬(作為重新分類調整)。

當於聯營公司之投資成為於合營企業之投資或於合營企業之投資成為於聯營公司之投資時，本集團繼續使用權益法。於發生該等擁有權權益變動時，不會對公允值進行重新計量。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Interest in associates (Continued)

When the Group reduces its ownership interest in associates 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 the associates of the Group, profits and losses resulting from the transactions with the associates are recognised in the Group's consolidated financial statements only to the extent of interests in the associates that are not related to the Group.

#### Revenue recognition (prior to 1 January 2018)

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

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

Rental income under operating leases is recognised on a straight-line basis over the term of the lease.

Revenue from hotel operations is recognised when services are provided.

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3. 主要會計政策(續)

#### 聯營公司之投資(續)

當本集團減少其於聯營公司之擁有權權益，惟本集團繼續使用權益法時，而倘該盈虧將於出售相關資產或負債時重新分類至損益之情況下，本集團會將先前就減少擁有權權益於其他全面收益中確認之盈虧之部份重新分類至損益。

倘一集團實體與其聯營公司之集團交易，與其聯營公司交易所產生之損益只會在有關聯營公司之權益與本集團無關的情況下，才會在本集團之綜合財務報表確認。

#### 收益確認(二零一八年一月一日之前)

收入按已收或應收代價之公允值計量，收益已計入預期客戶之退貨、回扣及其他類似之津貼。

如下文所述，當未來的經濟利益有可能流向本集團時及當集團的各項活動滿足特定標準時及收入可以可靠地計量時，收入會被確認。

經營租賃之租金收入按租約年期以直線法確認。

酒店業務之收益乃於提供該等服務時確認入賬。

倘金融資產之利息的經濟利益將流入集團及有關之收益能可靠被計算，利息收入按未償還本金額及適用之實際利率以時間比例確認。有關利率按金融資產之估計未來現金流入預計可使用期內折現至資產賬面淨值之利率計算。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (after application of HKFRS 15 on 1 January 2018)

Under HKFRS 15, the Group 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.

A performance obligation represents a good and service that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

### 3. 主要會計政策(續)

#### 收入確認(自二零一八年一月一日應用香港財務報告準則第15號之後)

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關之商品或服務之「控制權」轉讓予客戶時。

履約責任指一項特定貨品及服務或一系列大致相同的特定貨品或服務。

控制權隨時間轉移，而倘符合以下其中一項準則，則收益乃參照完成相關履約責任的進展情況而隨時間確認：

- 隨著本集團履約，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約創建或強化一項於本集團履約時即由客戶控制的資產；或
- 本集團的履約並未產生對本集團有替代用途的資產，且本集團對迄今已完成履約的款項具有可執行的權利。

否則，收益於客戶取得特定貨品或服務之控制權的時間點確認。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue recognition (after application of HKFRS 15 on 1 January 2018) (Continued)

##### Revenue from other source

Rental income is recognised on a time proportion basis over lease terms, except for contingent rental income which is recognised when it arises, where premiums received to terminate leases are recognised in the statement of profit or loss when they arise.

##### Revenue from hotel operations

Accommodation income is recognised in the period in which such services are rendered because the customer simultaneously receives and consumes the benefits provided by the Group.

Catering and other income is recognised when the goods or services is transferred or rendered to the customer.

##### Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

### 3. 主要會計政策(續)

#### 收入確認(自二零一八年一月一日應用香港財務報告準則第15號之後)(續)

##### 來自其他來源的收入

租賃收入按租賃期間按時間比例確認，但在產生時確認的或有租金收入除外，終止租賃收到的保費在產生時在損益表中確認。

##### 來自酒店營運的收入

當客戶同時接收並享用本集團提供的利益，客房銷售收入於本集團提供該等服務期間確認。

餐飲及其他收入於餐飲或服務轉移或提供給客戶時確認。

##### 其他收入

利息收入採用實際利率法按權責發生制確認，採用準確折現預計未來現金收入超過金融工具預期年限的利率或適當時候較短期間的金融資產帳面淨值。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leases

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

#### The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss 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. Other than investment properties measured under fair value model, such costs are recognised as an expense on a straight-line basis over the lease term.

#### The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

### 3. 主要會計政策(續)

#### 租賃

倘租賃期條款將所有權絕大部分風險及回報轉讓予承租人，則租賃被分類為融資租賃。所有其他租賃被分類為經營租賃。

#### 本集團作為出租人

根據融資租約應收承租人款項按本集團於租約之淨投資記錄為應收款項。融資租約收入分配至各會計期間，以反映本集團就租約未償還投資淨額之固定週期回報率。

經營租約之租金收入會以直線法按有關租約年期於損益帳內確認。磋商及安排經營租約時產生之初步直接成本會加入租賃資產之賬面值。除了公允值模式計算下的投資物業，並以直線法按租約年期確認為開支。

#### 本集團作為承租人

按融資租約持有之資產按租約開始時之公允值或(倘為較低者)按最低租賃款項之現值確認為本集團資產。對出租人之相應責任則於資產負債表列為融資租賃責任。

租賃款項按比例分攤為融資費用及租賃責任減少，從而讓該等負債之利息按負債之應付餘額以固定息率計算。融資費用直接於損益表扣除。除非他們是直接與合資格資產相關，在這種情況下，他們符合集團資本化借款費用的總政策。或然租金在其發生期間會確認為開支。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Leases (Continued)

##### The Group as lessee (Continued)

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

##### Leasehold land and building

When the Group makes payment for property interest which includes both leasehold land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

### 3. 主要會計政策(續)

#### 租賃(續)

##### 本集團作為承租人(續)

經營租約租金按有關租期以直線法確認為一項開支，除非另有系統基準更能代表租賃資產使用經濟利益之時間模式則除外。根據經營租賃所產生或然租金於其產生期間內確認為開支。

倘訂立經營租約時收取租賃優惠，則有關優惠確認為負債。優惠總利益以直線法確認為租金開支減少，除非另有系統基準更能代表租賃資產使用經濟利益之時間模式則除外。

##### 租賃土地及樓宇

當本集團支付物業權益時包括土地及樓宇成份，本集團會按因擁有每個短期或低值資產租賃成份而附帶的絕大部份風險及回報是否已轉移到本集團的基礎上評估每個成份，除非兩個成份均明顯為經營租賃，在此情況下，整項物業被分類為經營租賃。具體而言，整個代價(包括任何一次性預付款)根據於初步確認時土地部分及樓宇部分各自租賃權益的相關公允值按比例在土地及樓宇部分之間分配。

倘能可靠分配租賃款項，作為經營租賃入賬的租賃土地權益於綜合財務狀況表內呈列為「預付租賃款項」並按直線法於租賃期內攤銷。除分類及視為投資物業以公允值模式外。當租賃租金不能夠在土地和樓宇間可靠的分配時，整項物業視為融資租賃，並列賬為租賃土地。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Foreign currencies

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

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

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's 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 expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing 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 translation reserve (attributed to non-controlling interests as appropriate).

#### Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

### 3. 主要會計政策(續)

#### 外幣

於編製每間個別集團實體的財務報表時，倘交易的貨幣(外幣)與實體的功能貨幣不同，則以其功能貨幣(實體經營業務的主要經濟環境)按交易日期適用的匯率換算入賬。於報告之結算日，貨幣項目再以外幣為面值的貨幣項目按結算日適用的匯率換算。以公允值計量且以外幣計價的非貨幣項目，公允值確定當日的匯率重新換算。惟外幣列值以歷史成本入賬的非貨幣項目則不予換算。

結算及換算貨幣項目所產生之滙兌差額計入其產生期間之盈虧。

就綜合財務報表之呈列方式而言，本集團海外業務之資產與負債按於報告期完結時適用之匯率換算為本集團之呈列貨幣(即港元)，而彼等之收入及開支則按該年度之平均匯率換算，惟匯率於該期間大幅波動則除外，於此情況下，則按各交易日期適用之匯率換算。產生之滙兌差額(如有)確認為其他全面收益並累計於權益滙兌儲備內(如適用將歸於非控股權益)。

#### 退休福利成本

強制性公積金計劃條例之供款於僱員提供服務而使其符合領取供款資格時確認為開支。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Share-based payment arrangements

##### Equity-settled share-based payment transactions

##### *Share options granted to employees*

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

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

When share options are exercised, the amount previously recognised in share options reserve will be transferred to equity. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will continue to be held in share options reserve/will be transferred to retained profits/other reserve.

##### *Share options granted to parties other than employees*

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses unless the goods or services qualify for recognition as assets.

### 3. 主要會計政策(續)

#### 以股份支付之交易之安排

##### 以股份支付之交易

##### *授予僱員之購股權*

以權益結算之以股份支款和其他提供類似服務乃按照權益工具在授出當日之公允值計算。

在授予日期確定的股權結算股票支付的公允值，將不考慮所有非市場歸屬的條件，並列作開支在歸屬期內以直線法計算，根據本集團對最終歸屬的權益工具的估計，相應股份因而增加(即購股權儲備)。在每個報告所述期間結束時，集團根據對所有相關的非市場歸屬條件的評估，修訂其對預期歸屬的權益工具數量的估計。如有的話，修改原始預算的影響被確認為損益，因此累積費用反映了修訂後的估計數，並對以股權結算儲備作出相應調整。就授出日期即時歸屬的購股權而言，所授出購股權的公允值會即時計入損益。

購股權行使時，先前於以股份為支付基礎的酬金儲備中確認之金額會轉撥至權益。當購股權於歸屬日期後被沒收或到屆滿日期仍未被行使，先前於以股份為支付基礎的酬金儲備中確認之金額會繼續保留於酬金儲備或轉撥至累計盈利虧損或其他儲備。

##### *授予僱員外之其他人士之購股權*

有關除僱員外之其他人士之以權益結算以股份支款項交易乃以收取之貨品或服務之公允值計量，惟公允值未能可靠估計則除外，於該情況下，按所授予權益工具的公允值計量，其乃按實體收取貨品或交易對手方提供服務當日計量。所獲貨品或服務的公允值於本公司收取貨品或交易對手方提供服務時確認為開支惟有關貨品或服務合資格確認為資產則除外。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation

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

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

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.

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.

### 3. 主要會計政策(續)

#### 稅項

所得稅開支指本年度應付稅項及遞延稅項的總和。

現時應付稅項乃按本年應課稅盈利計算。應課稅盈利／虧損因應其他年度的應課稅或應扣減之收入或開支項目及從未課稅或可扣稅之項目有所不同，故與綜合損益及其他全面收益表所列盈利不同。本集團本期稅項負債乃按已於年度報表結算日已頒佈或實際上已頒佈的稅率計算。

遞延稅項以綜合財務報表內資產及負債的賬面值與計算應課稅盈利所採用相應稅基之差異入賬。遞延稅項負債一般就所有應課稅暫時差額確認，遞延稅項資產則按可能出現可供動用可扣減暫時差額之所有應課稅盈利而予以確認。倘若暫時差額由商譽或由初次確認一項不影響應課稅盈利或會計盈利之其他資產及負債(業務合併除外)所產生，則不會確認有關資產及負債。

遞延稅項負債就與附屬公司及合營安排之投資相關之應課稅暫時差額予以確認，惟倘本集團可控制其撥回及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盈利以動用暫時差額盈利並預期可於可見將來撥回時確認。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Taxation (Continued)

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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.

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項資產之賬面值於每報告期間末作檢討，並於可能無足夠應課稅盈利恢復全部或部份資產價值時作調減。

遞延稅項資產及負債以變現資產或清償負債期間預期之適用稅率計算，根據於報告期間末已頒佈或實質上已頒佈之稅率(及稅法)計算。

遞延所得稅負債和資產之計量反映在報告期間末本集團預期將來能收回或支付有關資產和負債賬面金額之稅務影響。

就計量採用公允值模式計量之投資物業的遞延所得稅負債或遞延所得稅資產，該等物業的賬面值被推定為完全通過出售收回。除非此項假設在某些情況下被駁回。當投資物業為可折舊及投資物業可透過出售收回而並非根據商業模式持有，而該商業模式在一般時間內消耗在投資物業內絕大部份經濟利益，此項假設會被駁回。

遞延稅項資產及負債如有法律上可強制執行的權利，可將流動稅項資產與流動稅務負債抵銷，以及與同一稅務當局徵收的所得稅有關時，則抵銷該等資產及負債。本集團打算以淨額結算其流動稅項資產及負債。

即期及遞延稅項於損益確認，惟當其與在其他全面收入中確認或直接在股權中確認的項目相關，則即期及遞延稅項亦分別於其他全面收入或直接或於股權中確認。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment

Property, plant and equipment including hotel property held for use in the production or supply of goods or services, or for administrative purposes, are stated in the consolidated statement of financial position at cost or fair value less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Hotel property is interests in buildings and their integral fixed plant which are collectively used in the operations of the hotel, and are stated at cost less subsequent depreciation and impairment losses. The related repairs and maintenance attributable to hotel properties are charged to the consolidated statement of profit or loss and other comprehensive income in the period which they are incurred. The costs of significant improvements are capitalised.

Depreciation of the hotel property is calculated on the straight-line basis to write off the cost of the hotel property over the remaining lease terms.

Depreciation of other property, plant and equipment is recognised so as to write off the cost of assets less their residual values over their useful lives and after taking into account of their estimated residual value, using the reducing balance method at a principal annual rate of 20%. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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

### 3. 主要會計政策(續)

#### 物業、廠房及設備

物業、廠房及設備，包括酒店物業以用作生產或提供服務或管理目的，乃按成本值或於公允值減其後的累積折舊及其後的累積減值虧損列賬於綜合財務狀況表內，如有。

酒店物業乃指於樓宇權益與經營酒店時運用之整體固定設施，按成本值扣除累計折舊及累計減值虧損列賬。酒店物業相關修葺及維修於其產生期間計入綜合損益及其他全面收益表。其主要修建成本已被撥作資本。

酒店物業乃以直線法計算折舊，並按酒店物業之成本除以剩餘租賃年期計算撇銷。

除酒店物業外之折舊以其他物業、廠房及設備餘額遞減法，按預計本集團可使用年期撇銷其成本值，以主要年率20%計算。每個報告期末都會檢討其預計可使用年期，剩餘價值及折舊方法以反映其任何變化對預期的影響。

按融資租賃持有之資產按與自置資產相同之基準，於預計可使用年期計算折舊。然而，當擁有權未能在租賃期末合理地確定，則資產須以其租賃期及可使用年期(以較短者為準)折舊。

於物業、廠房及設備出售後或當預計不會因持續使用資產而產生未來經濟效益時，該項物業、廠房及設備解除確認。因出售或棄用而任何物業、廠房及設備而確認之任何盈虧按該項資產之出售所得款項淨額及賬面值之差額計算，確認計入損益賬內。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

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

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

#### Impairment of tangible assets

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

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

### 3. 主要會計政策(續)

#### 投資物業

投資物業是指為賺取租金收入及/或資本增值之物業。

投資物業按成本進行初始計量，其中包括任何直接可分配支出，於首次確認後，投資物業按公允值入賬。本集團所有為賺取租金或資本升值目的均入賬為投資物業並採用公允值模型計量。公允值變動所產生的收益或虧損於產生期間直接確認於損益賬內。

當投資物業出售，或當永久停止使用該投資物業，或繼續使用該投資物業不會為將來帶來經濟利益，該項投資物業不再確認。因不再確認而得的收益或虧損(按出售該項資產的淨所得款項及其賬面值的差額計算)於該期間的損益內入賬。

#### 有形資產減值虧損

於每報告期間末，本集團檢討其有形資產之賬面值，以釐定是否有跡象顯示資產出現減值虧損。倘出現任何有關跡象，則須估計資產之可收回金額，以釐定減值虧損之程度。倘出現任何有關跡象，則須估計相關資產之可收回金額，以釐定減值虧損之程度(如有)。

有形資產的可收回金額單獨估計，當無法單獨估計資產的可收回金額時，本集團估計該資產所屬的現金產出單元的可收回金額。當可以確定合理且一致的分配基礎時，公司資產也會分配給個別現金產生單位，或者分配給最小的現金產出單位組，可以確定合理一致的分配基礎。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Impairment of tangible assets (Continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

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

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

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 主要會計政策(續)

#### 有形資產減值虧損(續)

可收回金額乃公允值減銷售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量使用稅前貼現率貼現至其現值，該貼現率反映貨幣時間價值之當前市場估計及未來現金流量預期未經調整之資產(或現金產生單位)有關風險。

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則該資產(或現金產生單位)之賬面值將調低至其可收回數額。分配減值虧損時，首先分配減值虧損，以調低分配至任何商譽(如適用)賬面值，然後根據單位內各資產之賬面值按比例分配至其他資產。資產的賬面值不會減至其公允值減出售成本(如可計量)、其使用價值(如可釐定)與零之最高者。以其他方式分配至資產的減值虧損的金額按比例分配至該單位的其他資產。減值虧損即時於損益確認。

倘減值虧損其後撥回，則該資產之賬面值(或可回收價值)將增至重新估計之可收回款項，但所增加之賬面值不得超過資產於過去數年若未確認減值虧損所釐定之賬面值(或可回收價值)，而減值虧損撥回會即時於損益賬中確認。

#### 存貨

存貨按成本及可變現淨值兩者中之較低者入賬。成本按先入先出法計算。可變現淨值指日常業務過程中之計售價減銷售所需估計成本。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 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 (where 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.

#### Financial instruments (before application of HKFRS 9 on 1 January 2018)

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or 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.

### 3. 主要會計政策(續)

#### 撥備

倘本集團因過往事件而須承擔現有法律責任或推定責任，且本集團很可能須履行該責任，並能可靠地估計所須承擔之金額，則須確認撥備。

確認為撥備之金額乃對於報告期間末履行現時責任所需代價作出之最佳估計，並計及有關責任之風險及不確定因素。倘撥備按履行現時責任估計所需之現金流量計量，則其賬面值為有關現金流量之現值(如金錢的時間價值影響重大)。

當結算撥備所需之部份或全部經濟利益預期可自第三方收回時，倘大致確定將可獲償付及應收款項金額可作可靠估算，則將應收款項確認為資產。

#### 金融工具(於二零一八年一月一日應用香港財務報告準則第9號之前)

金融資產及金融負債於一家集團公司成為工具合約條文之一方確認。

金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債直接應佔之交易成本(經損益賬按在適當情況下，初步確定，從金融資產或金融負債的公允值中增加或扣除公允值入賬之金融資產或金融負債除外)乃收購以公允值計量且其變動計入當期損益的金融資產或金融負債產生的交易費用，直接計入當期損益。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (before application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets

Financial assets are classified into the following specified categories: FVTPL 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.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

##### Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading or (ii) 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

### 3. 主要會計政策(續)

#### 金融工具(於二零一八年一月一日應用香港財務報告準則第9號之前)(續)

##### 金融資產

金融資產分類為以下指定類別：金融資產通過損益以反映其公允值及貸款及應收款項。有關分類取決於金融資產之性質及目的及按交易日之基準解除確認。所有正常購買或銷售之金融資產，按交易日之基準確認及不予確認。正常購買或銷售之金融資產是指按照市場規定或慣例須在一段期限內進行資產交付之金融資產買賣。

##### 實際利率法

實際利率法乃計算債務工具之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計日後現金收入(包括所有支付或收取構成整體實際利率之費用及利率差價、交易成本及其他所有溢價或折價)按債務工具之預期使用年期，或較短期間(倘合適)準確折讓至初步確認時之賬面淨值之利率。

利息收入按債務工具之實際利率基準確認，惟按公允值計入損益之金融資產除外，其利息收入計入淨損益。

##### 按公允值於損益列賬的金融資產

當金融資產為持作(i)買賣或(ii)指定為按公允值於損益列賬，則分類為按公允值於損益列賬。

金融資產於下列情況下分類為持作買賣：

- 其主要用作於近期內出售而購入；或
- 於初步確認時，其為本集團共同管理的已識別金融工具組合的一部分及具有最近的短期盈利實際模式；或

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (before application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### Financial assets at FVTPL (Continued)

A financial asset is classified as held for trading if: (Continued)

- 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 the entire combined contract (asset or liability) to be designated as at FVTPL.

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. Fair value is determined in the manner described in note 28.

##### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, and cash and bank balances) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

### 3. 主要會計政策(續)

#### 金融工具(於二零一八年一月一日應用香港財務報告準則第9號之前)(續)

##### 金融資產(續)

##### 按公允值於損益列賬的金融資產(續)

金融資產於下列情況下分類為持作買賣:(續)

- 其為非指定及用作對沖工具的衍生工具。

金融資產(持作買賣金融資產除外)可於下列情況下於初步確認時指定為按公允值於損益列賬:

- 該指定消除或大幅減少可能會出現的計量或確認方面的一致性;或
- 該金融資產構成根據本集團制定的風險管理或投資策略管理及以公允值基準評估表現的一組金融資產或金融負債或金融資產及金融負債組合的一部分,而且有關分組的資料乃按該基準向內部提供;或
- 其構成包含一項或多項內含衍生工具的合約的一部分,而香港會計準則第39號將整個組合合約(資產或負債)指定為按公允值於損益列賬。

按公允值於損益列賬的金融資產乃按公允值列賬,而重新計量產生的任何盈虧則於損益確認。於損益確認的盈虧淨額包括就金融資產所賺取的任何股息或利息,並列入綜合損益及其他全面收益表項下。公允值乃按附註28所述的方式釐定。

##### 貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生金融資產。貸款及應收款項乃按實際利息法計算之攤銷成本減任何已識別減值虧損列賬。(見下文金融資產的減值虧損之會計政策)。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (before application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Loans and receivables (Continued)*

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

##### *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 financial assets have been affected.

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
- disappearance of an active market for that financial asset because of financial difficulties.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

### 3. 主要會計政策(續)

#### 金融工具(於二零一八年一月一日應用香港財務報告準則第9號之前)(續)

##### 金融資產(續)

##### *貸款及應收款項(續)*

利息收入透過採用實際利率確認，如短期應收款項之利息確認金額不大則另作處理。

##### *金融資產減值*

金融資產(在損益中以公平價值處理之金融資產除外)會於每年度報表結算日評定是否有減值跡象。於有客觀證據顯示投資之預期未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時，便對金融資產考慮作出減值。

對於所有金融資產，減值之客觀證據可包括：

- 發行人或對手方出現重大財政困難；或
- 違反合約，如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組；或
- 因出現財政困難導致該金融資產失去活躍市場。

應收賬款組合減值之客觀證據，可包括本集團過往收款記錄及拖欠款項的次數增加、全國或局部地區經濟狀況出現與應收賬款的拖欠具有關連的明顯變化。

就以攤銷成本列賬之金融資產而言，減值金額為資產賬面值與估計未來現金流量之現值(按金融資產之原實際利率折讓)之間之差額。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (before application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (Continued)*

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 (see the accounting policy below).

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. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

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

##### Financial liabilities and equity instruments

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

### 3. 主要會計政策(續)

#### 金融工具(於二零一八年一月一日應用香港財務報告準則第9號之前)(續)

##### 金融資產(續)

##### *金融資產減值(續)*

按成本列賬之金融資產之減值虧損金額按資產之賬面值與就換取類似金融資產以現行市場利率貼現估計未來現金流量現值間之差額計算。有關減值虧損不會於往後期間撥回(請參閱下面的會計政策)。

就所有金融資產而言，減值虧損會直接於金融資產之賬面值中作出扣減，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。倘撥備賬之賬面值有所改變，其改變會於損益賬中確認。倘預計不能收回貿易應收賬款，則有關金額於撥備賬撇銷。先前撇銷的金額若於其後收回，則計入撥備賬。

就以攤銷成本計量之金融資產而言，倘減值虧損額於往後期間減少，且該減少與於確認減值後所發生之事件存在客觀關係，則之前確認之減值虧損會於損益賬中撥回，惟於減值被撥回當日該投資之賬面值不得超過倘無確認減值之已攤銷成本。

##### 金融負債及股本權益工具

由集團實體發行之債務及股本權益工具乃根據合同安排之性質以及金融負債及股本權益工具之定義分類為金融負債或股本權益。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (before application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial liabilities and equity instruments (Continued) *Equity instruments*

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

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.

##### *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 on 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 other than financial liabilities classified as at FVTPL, of which the interest expense is included in net gains or losses.

##### *Financial liabilities at amortised cost*

Other financial liabilities (including trade and other payables) are subsequently measured at amortised cost, using the effective interest method.

### 3. 主要會計政策(續)

#### 金融工具(於二零一八年一月一日應用香港財務報告準則第9號之前)(續)

##### 金融負債及股本權益工具(續)

##### *股本權益工具*

股本權益工具為證明實體資產經扣除其全部負債後尚有殘餘利益之任何合約。本集團之金融負債一般分類為按攤銷成本之金融負債。由本集團發行之股本工具按扣除直接發行成本已收所得款項確認。

本公司購回本身股本工具於權益中確認，並直接於權益賬中扣除。就購買、出售、發行或註銷本公司本身股本工具而言，並無於損益賬中確認之收益或虧損。

##### *實際利率法*

實際利率法乃計算債務工具之攤銷成本及於相關期間分配利息支出之方法。實際利率乃按金融負債之估計可使用年期或適用之較短期間，將估計日後現金付款(包括構成實際利率不可或缺部份之一切已付或已收利率差價費用、交易成本及其他溢價及折讓)準確折讓至初步確認時之賬面淨值之利率。利息開支按實際利率基準確認，惟按公允值計入損益之金融負債除外，其利息開支計入淨收益或虧損。

##### *金融負債之攤銷成本*

其他金融負債(包括貿易及其他應付賬款)，初步按公平價值計量，而其後則使用實際利率法按攤銷成本計量。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (before application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial liabilities and equity instruments (Continued) *Derecognition*

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

On derecognition of a financial asset, 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.

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

### 3. 主要會計政策(續)

#### 金融工具(於二零一八年一月一日應用香港財務報告準則第9號之前)(續)

##### 金融負債及股本權益工具(續) *終止確認*

本集團僅在資產現金流量的合約權利到期或將資產所有權的絕大部分風險及回報轉移至其他實體時終止確認金融資產。如果本集團既不轉讓也不保留所有權的絕大部分風險和報酬，並繼續控制轉讓的資產，則本集團確認其對該資產的保留權益及其可能需要支付的金額的相關負債。如果本集團保留了轉讓金融資產所有權的絕大部分風險和報酬，則本集團繼續確認該金融資產，並確認收到的所得款項的抵押借款。

終止確認金融資產時，該資產的帳面價值之間存在差異。已收取及應收代價及已於其他全面收益確認並於權益中累計之累計收益或虧損之金額及金額於損益中確認。

本集團僅在責任獲免除、註銷或屆滿時，方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價間之差額於綜合損益表確認。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018)

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

Financial assets and financial liabilities are initially measured at fair value except for trade receivable arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or 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.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and 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 financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income which are derived from the Group's ordinary course of business are presented as revenue.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)

當集團實體成為票據合同條款的一方時，金融資產和金融負債會被確認。一切正常的金融資產的買賣方式，要求在市場規定的期限內交付資產。

金融資產和金融負債最初是按公允值計量除自客戶合約產生的應收貿易賬款外的價值，自二零一八年一月一日起根據香港財務報告準則第15號初步計量的。直接可歸因於購置或發行金融資產和金融負債(以公允值計量且其變動計入當期損益的金融資產或金融負債除外)的交易費用，在初次確認後酌情增加或從金融資產或金融負債的公允值中扣除。

實際利率法是計算一項金融資產或金融負債的攤銷成本和分配有關期間的利息收入和利息費用的一種方法。實際利率是指將預計未來現金收入和付款(包括已支付或收到的構成實際利率、交易費用和其他溢價或折扣的所有費用和點數)通過金融資產或金融負債的預期壽命，或在適當情況下更短的期限內，與初始確認時的淨帳面金額完全折讓的利率。

從集團正常經營過程中獲得的利息收入作為收入列報。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 with transition in accordance with note 2)*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at Fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in OCI if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產

*金融資產分類及隨後計量(根據附註2之應用香港財務報告準則第9號轉換)*

滿足下列條件的金融資產隨後按攤銷成本計量：

- 金融資產在一種業務模式內持有，其目的是收集合同現金流量；及
- 合同條款在特定日期產生現金流量，即僅支付本金和未償本金的利息。

符合下列條件的金融資產其後按公允價值計量其他綜合收益(「按公允價值計量其他綜合收益」)：

- 金融資產以業務模式持有，其目標是通過收取合同現金流和銷售來實現；和
- 合約條款在指定日期產生現金流量，該現金流量僅為未償還本金額的本金和利息。

所有其他金融資產其後按公允價值計入損益，惟於首次應用金融資產當日，本集團可不可撤銷地選擇呈列其他股權投資於公允價值投資的公允價值變動，或收購方於香港財務報告準則第3號業務合併適用的業務合併中確認的或然代價。

如果這樣做，則按攤銷成本或按公允價值計量其他綜合收益計量的金融資產以公允價值計量且其變動計入損益，從而消除或顯著減少會計錯配。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 with transition in accordance with note 2) (Continued)*

- (i) Amortised cost and interest income
- Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.
- (ii) Financial assets at FVTPL
- Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any interest earned on the financial asset and is included in the “other gains and losses” line item.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產(續)

*金融資產分類及隨後計量(根據附註2之應用香港財務報告準則第9號轉換)(續)*

- (i) 攤銷成本和利息收入
- 利息收入採用實際利率法確認金融資產，隨後按攤銷成本計量根及其後以指定為公允值計量其他綜合收益計量債務工具／應收款項。對於購買或原始信用減值金融資產以外的金融工具，利息收入的計量方法是將實際利率應用予金融資產的帳面總額，但後續信貸減值的金融資產除外(見下文)。對於後來成為信用減值的金融資產，利息收入通過將實際利率應用於下一個報告期間金融資產的攤餘成本確認。如果信用減值金融工具的信用風險改善，使金融資產不再信用減值，則通過將報告期初的實際利率應用於金融資產的帳面總額確認利息收入。在確定資產不再是信用減值之後。
- (ii) 按公允值計入損益的金融資產
- 不符合按攤銷成本或按公允值計量其他綜合收益或指定為按公允值計量其他綜合收益計量標準的金融資產將按公允值計量且其變動計入損益。

以公允值計量且其變動計入當期損益的金融資產在各報告期末按公允值計量，其中任何公允值損益計入當期損益。於損益確認的收益或虧損淨額包括該金融資產所賺取的任何利息，並計入「其他收益及虧損」項目。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Impairment of financial assets (upon application of HKFRS 9 with transition in accordance with note 2)*

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 including trade and other receivables, and cash and bank balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group applies the HKFRS 9 simplified approach to measure ECL when uses a lifetime ECL for all trade receivables from initial recognition. To measure the ECL, except for those which had been determined as credit impaired under HKSA39, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Except for those which had been determined as credit impaired under HKSA39, ECL for other financial assets at amortised cost, including bank balances, other receivables and rental deposits paid, are assessed on 12m ECL basis as there had been no significant increase in credit risk since initial recognition.

The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產(續)

##### *金融資產減值(根據附註2之應用香港財務報告準則第9號轉換)*

本集團就可能根據香港財務報告準則第9號(包括貿易及其他應收款項、現金及銀行結餘)減值的金融資產確認預期信貸虧損的虧損撥備。預期信貸損失的金額在每個報告日期更新,以反映自初始確認後信用風險的變化。

全期預期信貸虧損代表將在相關工具的預期壽命內的所有可能的默認事件產生的預期信貸損失。相比之下,12個月的預期信貸損失(「12個月預期信貸虧損」)代表預期由報告日期後12個月內可能發生的違約事件導致的全期預期信貸虧損部分。評估是根據本集團的歷史信用損失經驗進行的,並根據債務人特有的因素,一般經濟狀況以及對報告日期當前狀況的評估以及對未來狀況的預測進行調整。

本集團採用香港財務報告準則第9號簡化法計量預期信貸虧損,當初始確認所有貿易應收款項使用終身預期信貸虧損時。為計量預期信貸虧損,除根據香港會計準則第39號已釐定為信貸減值者外,貿易應收款項已根據共用信貸風險特徵及逾期日期分組。

除根據香港會計準則第39號已釐定為信貸減值者外,預期信貸虧損按攤銷成本計算的其他金融資產的預期信貸虧損(包括銀行結餘、其他應收款項及已支付的租賃按金)按12個月預期信貸虧損基準評估,因為自初始確認後信貸風險並無顯著增加。

是否應確認終身預期信貸虧損的評估是基於自初始確認以來發生違約的可能性或風險的顯著增加。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Significant increase in credit risk*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產(續)

##### *信用風險顯著增加*

在評估自初始確認後信貸風險是否顯著增加時，本集團將於報告日期發生在金融工具上的違約風險與初始確認日期金融工具發生違約風險進行比較。在進行評估時，本集團會考慮合理且可支援的定量和定性資訊，包括歷史經驗和前瞻性資訊，無需過多的成本或努力即可獲得。

特別是，在評估信用風險是否顯著增加時，會考慮以下資訊：

- 金融工具的外部(如果有)或內部信用評級的實際或預期的顯著惡化；
- 外部市場信貸風險指標顯著惡化，例如信貸利差大幅增加，債務人的信用違約掉期價格；
- 預計會導致債務人償還債務能力大幅下降的業務，財務或經濟狀況的現有或預測的不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 債務人的監管，經濟或技術環境中實際或預期的重大不利變化，導致債務人履行債務能力大幅下降。

無論上述評估的結果如何，除非本集團有合理且可支持的資訊，否則本集團認為自合約付款超過30天后，信用風險自初步確認後大幅增加。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Significant increase in credit risk (Continued)*

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

##### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events of default that have a detrimental impact the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產(續)

##### *信用風險顯著增加(續)*

儘管有上述規定，但如果債務工具在報告日被確定為具有低信用風險，則本集團假定自初始確認後債務工具的信用風險並未顯著增加。如果i) 違約風險較低，則確定債務工具具有較低的信用風險；ii) 借款人在短期內具有很強的履行合同現金流量義務的能力，以及iii) 經濟和商業條件的不利變化從長遠來看，可能但不一定會降低借款人履行合同現金流量義務的能力。根據全球理解的定義，本集團認為債務工具的內部或外部信用評級為「投資級別」時，信用風險較低。

本集團定期監察用以識別信貸風險是否顯著增加的準則的有效性，並酌情對其進行修訂，以確保該準則能夠在金額到期前確定信貸風險的顯著增加。

##### *信用減值金融資產*

當一項或多項違約事件對該金融資產的估計未來現金流量產生不利影響時，金融資產即為信用減值。金融資產存在信用減值的證據包括有關以下事件的可觀察資料：

- (a) 發行人或借款人的重大財務困難；
- (b) 違約，例如違約或逾期事件；
- (c) 借款人的貸款人，出於經濟或合同原因，與借款人的財務困難有關，已向借款人授予貸款人不會另行考慮的特許權；
- (d) 借款人很可能會進入破產或其他財務重組。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over three years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

##### *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產(續)

##### *註銷政策*

當有資訊表明交易對手處於嚴重的財務困境且沒有現實的復蘇前景時，例如，當交易對手已被清盤或已進入破產程式時，或在貿易應收款項的情況，當金額超過逾期三年時，以較早者為準。登出的金融資產可能仍然受到集團恢復程式下的執法活動的影響，並在適當的情況下考慮法律建議。註銷構成終止確認事件。任何後續回收均在損益中確認。

##### *預期信貸虧損的測量和識別*

預期信貸虧損的測量是默認概率，默認損失(即，如果存在預設值時的損失幅度)和預設情況下的暴露的函數。預設情況下對違約概率和損失的評估基於前瞻性資訊調整的歷史資料。預期信貸虧損的估計反映了無偏和概率加權數量，該數量是根據相應的權重的相應風險確定的。

一般而言，預期信貸虧損為本集團根據合約應付的所有合約現金流量與本集團預期收取的現金流量之間的差額，按初始確認時釐定的實際利率貼現。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Measurement and recognition of ECL (Continued)*

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit rating where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

##### *Derecognition of financial assets*

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

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產(續)

##### *預期信貸虧損的測量和識別(續)*

如果預期信貸虧損是集體衡量的，或者是針對個別工具級別的證據可能尚不可用的情況，則金融工具按以下基礎分組：

- 金融工具的性質；
- 過期狀態；
- 債務人的性質，規模和行業；和
- 可用的外部信用評級。

管理層定期審查分組，以確保每個集團的成員繼續分享類似的信用風險特徵。

利息收入按金融資產的帳面總額計算，除非該金融資產屬於信用減值，在此情況下，利息收入按金融資產的攤餘成本計算。

##### *終止確認金融資產*

本集團僅在資產現金流量的合約權利到期或將資產所有權的絕大部分風險及回報轉移至其他實體時終止確認金融資產。如果本集團既不轉讓也不保留所有權的絕大部分風險和報酬，並繼續控制轉讓的資產，則本集團確認其對該資產的保留權益及其可能需要支付的金額的相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，則本集團繼續確認該金融資產，並就所收款項確認抵押借款。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial assets (Continued)

##### *Derecognition of financial assets (Continued)*

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

On derecognition of an AFS financial asset, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

##### 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 the Group are recognised at the proceeds received, net of direct issue costs.

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 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 amortised cost of a financial liability.

##### *Financial liabilities*

Financial liabilities (including trade and other payables, and borrowings) are subsequently measured at amortised cost, using the effective interest method.

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融資產(續)

##### *終止確認金融資產(續)*

於終止確認按攤銷成本計量的金融資產時，資產帳面值與已收及應收代價總和之間的差額於損益中確認。

於終止確認可供出售金融資產時，先前於投資重估儲備中累計的累計收益或虧損將重新分類至損益。

##### 金融負債和權益

##### *分類為債務或股權*

集團實體發行的債務和權益工具根據合同安排的實質內容以及金融負債和權益工具的定義分類為金融負債或權益。

##### *權益工具*

權益工具是指在扣除所有負債後證明實體資產剩餘權益的任何合同。本集團發行的權益工具按已收所得款項扣除直接發行成本確認。

實際利率法是計算金融負債的攤餘成本和和在相關期間分配利息費用的方法。實際利率是指通過金融負債的預期年限準確折現估計未來現金支付(包括支付或收取的所有費用，構成實際利率，交易成本和其他保費或折扣的組成部分)的費用，或在適當的情況下，較短的期間，金融負債的攤餘成本。

##### *金融負債*

金融負債(包括貿易及其他應付款項及借款)其後以實際利率法按攤銷成本計量。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Financial instruments (after application of HKFRS 9 on 1 January 2018) (Continued)

##### Financial liabilities and equity instruments (Continued) *Derecognition of financial liabilities*

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

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

On derecognition of an AFS financial asset, the cumulative gain or loss previously accumulated in the investment revaluation reserve is classified to profit or loss.

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

#### Related parties

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

- (i) the party is a person or a close member of that person's family and that person:
  - (a) has controls or joint control over the Group;
  - (b) has significant influence over the Group; or
  - (c) is a member of the key management personnel of the Group or of a parent of the Group;

or

### 3. 主要會計政策(續)

#### 金融工具(自二零一八年一月一日應用香港財務報告準則第9號之後)(續)

##### 金融負債和權益(續)

##### 金融負債終止確認

當且僅當本集團的責任被解除、取消或已到期時，本集團終止確認金融負債。終止確認之金融負債帳面值與已付及應付代價之間的差額於損益中確認。

終止確認金融資產時，資產賬面值與已收及應收代價總和間之差額，於損益賬中確認。

於終止確認可供出售金融資產時，先前於投資重估儲備累計的累計收益或虧損分類至損益。

本集團只有在責任獲免除、取消或終止時，方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價間差額會於損益賬中確認。

#### 關聯人士

與本集團關聯人士指：

- (i) 該人士為個人或與其關係密切之家庭成員及某個人：
  - (a) 能控制或共同控制本集團；
  - (b) 能對本集團施加重大影響；或
  - (c) 為本集團或本集團母公司之主要管理人員；

或

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Related parties (Continued)

- (ii) the party is an entity where any of the following conditions applies:
- (a) the entity and the Group are members of the same group;
  - (b) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (c) the entity and the Group are joint ventures of the same third party;
  - (d) one entity is a joint venture of a third entity and the other entity is an associate of the third party;
  - (e) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (f) the entity is controlled or jointly controlled by a person identified in (i);
  - (g) a person identified in (i)(a) 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); and
  - (h) 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 member of the family of a person are those family members who may be expected to inference, or be inference by, that person in their dealing with the entity.

### 3. 主要會計政策(續)

#### 關聯人士(續)

- (ii) 某實體就任何以下情況被視為：
- (a) 該實體與本集團均為同一集團內之成員；
  - (b) 該實體為本集團之聯營公司或其他實體之合營企業(或母公司，附屬公司或其他實體之同系附屬公司)；
  - (c) 該實體與本集團為同一第三方之合營企業；
  - (d) 一間實體為第三方實體的合營公司及另一實體為第三方實體的聯營公司；
  - (e) 該實體及以本集團或本集團相關之實體為受益人的僱員退休後福利計劃；
  - (f) 該實體是由一位人士於(i)所指定控制或共同控制；
  - (g) 於(i)(a)所定義人士對該實體有重大影響力或屬該實體(該實體的母公司)主要管理層成員的其中一名成員；及
  - (h) 實體或實體作為集團任何成員公司其中一部分向本公司或本公司的母公司提供主要管理人員服務。

一名人士之家庭密切成員指，於其與該實體的交易上預期可影響或受該人士影響的家庭成員。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

##### Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

##### Investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions and underlying assumptions adopted for capitalisation of the income derived from the existing tenancies with due provision for the reversionary income potential of the property interests.

#### 4. 重要會計判斷及估計未明朗因素的主要來源

採用本集團的會計政策，在附註3中的描述，管理層須就資產和負債的賬面值進行評估，估計和假設。估計和有關的假設乃基於其過往經驗和其他被認為相關的因素。實際結果與預計可能出現誤差。

估計和潛在性假設將不斷進行修訂。會計估計中的修訂只影響在該修訂期間，或如現時或將來的修訂，將影響現時或將來之期間。

##### 應用會計政策之關鍵判斷

除涉及估計之判斷外，以下為管理層於應用本集團會計政策時所作出對財務報表已確認金額有最重大影響之主要判斷。

##### 投資物業

投資物業之公允值乃根據獨立專業評估師釐定，在釐定公允值時，評估師已包含若干假設來計入評估方法中。在依賴評估報告時，本公司董事已作充份判斷和滿意此評估方法已完全反映現時市場條件和若干假設而實施從現時租賃帶來的資本性收入。同時，仍為樓宇權益之收益帶來可行性的收入回撥。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Fair value measurement of financial instruments

Certain of the Group's financial assets are measured at fair values with fair values being determined based on unobserved inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of these instruments. See note 28 for further disclosures.

#### Provision of ECL for trade receivables

The Group uses group based on shared credit risks characteristics and the days past due to calculate ECL for the trade receivables. The loss allowances are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in note 21.

### 4. 重要會計判斷及估計未明朗因素的主要來源(續)

#### 估計不明朗因素之主要來源

有關日後之主要假設及於報告期完結時估計不明朗因素之其他主要來源，皆擁有可導致下一個財政年度之資產與負債賬面值出現大幅調整之重大風險。

#### 金融工具的公允值計量

本集團若干金融資產按公允值計量，公允值乃根據使用估值技術的未觀察輸入數釐定。在確定相關估值技術及其相關輸入資料時需要作出判斷和估計。與這些因素有關的假設變化可能會影響這些工具的公允值。有關進一步披露，請參見附註28。

#### 為貿易應收款項提供預期信貸虧損

本集團根據共同信貸風險特徵及過往日期使用集團計算應收貿易賬款的預期信貸虧損。損失準備基於對違約風險和預期損失率的假設。本集團根據本集團過往歷史，現有市場狀況以及各報告期末的前瞻性估計，使用判斷作出該等假設及選擇減值計算的輸入資料。

預期信貸虧損的提供對估計的變化很敏感。有關預期信貸虧損及本集團貿易應收款項的資料於附註21披露。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 5. REVENUE

An analysis of revenue is as follows:

### 5. 收益

收益的分析如下：

		2018 二零一八年	2017 二零一七年
Revenue from other sources	其他業務收入		
— Gross rental income	— 出租收入	5,916,719	6,079,993
Revenue from contract with customers	客戶合同收入		
— Hotel operations	— 酒店業務收益	33,229,219	29,748,773
		<b>39,145,938</b>	<b>35,828,766</b>

#### (i) Disaggregated of revenue from contract with customers

#### (i) 來自客戶合同的收入分析

		2018 二零一八年
<b>Types of goods or services</b>	<b>貨物或服務的類別</b>	
Accommodation income	客房銷售收入	20,036,853
Catering and other income	餐飲及其他收入	13,192,366
		<b>33,229,219</b>
<b>Geographical markets</b>	<b>按地區劃分市場</b>	
Mainland China	中國內地	33,229,219
<b>Timing of revenue recognition</b>	<b>收入確認時間</b>	
A point in time	於一個時間點	13,192,366
Over time	於一段時間	20,036,853
		<b>33,229,219</b>

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 5. REVENUE (Continued)

##### (ii) Performance obligations

For hotel operations, the performance obligation is satisfied when services are rendered.

The transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2018 are all expected to be recognised within one year.

#### 6. SEGMENT REPORTING

Information reported to the Board of Directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided.

The Group’s operating and reportable segments under HKFRS 8 are as follows:

Property investment — the rental of investment properties

Hotel operations — the operation of hotel

#### 5. 收益(續)

##### (ii) 履約責任

酒店營運於完成履約責任時確認收益。

於二零一八年十二月三十一日，交易價格分配至餘下的履約責任(未獲滿足或部分未獲滿足)預期將一年內獲確認。

#### 6. 分部資料

就資源分配及分部表現評估向本公司董事局(即主要經營決策者)所呈報之資料，側重於交付或提供之服務之部型。

本集團根據香港財務報告準則第8號設定之經營及可申報分部如下：

物業投資 — 出租投資物業

酒店業務 — 酒店營運

## Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 6. SEGMENT REPORTING (Continued)

## Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

## 6. 分部資料(續)

## 分部收益及業績

本集團按可申報分部劃分之收益及業績分析如下：

		Property investment		Hotel operations		Total	
		物業投資		酒店業務		總額	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
<b>REPORTABLE SEGMENT REVENUE</b>	<b>收益</b>						
Revenue from external customers	來自外部客戶收益	5,916,719	6,079,993	33,229,219	29,748,773	39,145,938	35,828,766
<b>REPORTABLE SEGMENT RESULT</b>	<b>業績</b>						
Segment result before other gains and losses:	未計其他收益及虧損的分部業績：	5,487,237	5,997,957	2,852,493	3,275,313	8,339,730	9,273,270
Net increase in fair value of investment properties	投資物業的公允價值淨增加	7,000,000	4,800,000	—	—	7,000,000	4,800,000
Segment result	分部業績	12,487,237	10,797,957	2,852,493	3,275,313	15,339,730	14,073,270
Unallocated (expense)/income	未攤分(支出)/收入					(343,861)	1,448,332
Corporate administration costs	企業行政成本					(7,342,400)	(7,983,012)
Share of profit of associates	應佔聯營公司之盈利					3,119,734	1,786,851
Profit before tax	除稅前盈利					10,773,203	9,325,441
Income tax expense	所得稅支出					(1,357,559)	(1,089,340)
Profit for the year	本年度盈利					9,415,644	8,236,101

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2017: Nil).

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit represents the profit earned by each segment without allocation of bank interest income and other unallocated (expense)/income, corporate administration costs including director's remuneration, share of profit of associates and income tax expense. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

上文所報之分部收益指來自外部客戶之收益。本年內並無分部間銷售額(二零一七年：無)。

可申報及營運分部之會計政策與本集團會計政策相同，載於附註3。分部盈利指各分部賺取之盈利，惟並無分配銀行利息收入及其他未攤分(支出)/收入，企業行政成本包括董事酬金、應佔兩間聯營公司之盈利及所得稅支出。此計量方法呈報予本公司董事局作為資源分配及評估表現之用。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 6. SEGMENT REPORTING (Continued)

##### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

		Property investment		Hotel operations		Total	
		物業投資		酒店業務		總額	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
<b>ASSETS</b>	<b>資產</b>						
Segment assets	分部資產	242,489,956	235,678,209	78,311,355	78,938,165	320,801,311	314,616,374
Interest in associates	於兩間聯營公司之權益					97,857,873	99,639,981
Unallocated corporate assets	未攤分公司資產					1,940,369	1,951,389
Consolidated total assets	綜合總資產					420,599,553	416,207,744
<b>LIABILITIES</b>	<b>負債</b>						
Segment liabilities	分部負債	(2,679,827)	(1,345,047)	(8,587,347)	(8,461,932)	(11,267,174)	(9,806,979)
Unallocated corporate liabilities	未攤分公司負債					(4,919,643)	(5,142,741)
Consolidated total liabilities	綜合總負債					(16,186,817)	(14,949,720)

All assets are allocated to operating segments other than interest in associates, deferred tax assets, and certain cash and bank balances.

All liabilities are allocated to operating segments other than certain balances of current liabilities and deferred tax liabilities.

##### Other segment information

		Property investment		Hotel operations		Total	
		物業投資		酒店業務		總額	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
<b>Other segment information</b>	<b>其他分部資料</b>						
Additions to non-current assets	非流動資產添置	—	59,858	1,316,062	109,037	1,316,062	168,895
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	93,656	92,453	4,662,326	4,854,997	4,755,982	4,947,450
Amortisation of prepaid lease payment	預付租賃款項攤銷	—	—	1,874,007	1,874,007	1,874,007	1,874,007
Net increase in fair value of investment properties	投資物業的公允值淨增加	(7,000,000)	(4,800,000)	—	—	(7,000,000)	(4,800,000)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損確認	—	7,893	14,658	—	14,658	7,893
Recovery of impairment losses recognised on other receivables	收回其他應收賬款之減值虧損確認	—	—	—	1,855,223	—	1,855,223

#### 6. 分部資料(續)

##### 分部資產及負債

本集團按可申報及營運分部劃分之資產及負債分析如下：

除某些現金及銀行結餘，於聯營公司之權益及遞延稅項資產，所有資產均已分配至營運分部。

除某些流動負債結餘及遞延稅項負債外，所有負債均已分配至可申報分部。

##### 其他分部資料

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 6. SEGMENT REPORTING (Continued)

### Geographical information

The Group operates in two principal geographical areas — the Mainland China and Hong Kong.

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of assets are detailed below:

		Revenue from external customers 來自外部客戶之收益		Non-current assets 非流動資產	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
Mainland China	中國內地	33,229,219	29,748,773	136,763,866	144,175,205
Hong Kong	香港	5,916,719	6,079,993	230,395,237	223,488,894
		<b>39,145,938</b>	35,828,766	<b>367,159,103</b>	367,664,099

### Information about major customers

No external customers of the Group contributed over 10% of the Group's revenue for the years ended 31 December 2018 and 2017.

## 6. 分部資料(續)

### 地區資料

本集團之業務經營於兩個主要地區區域 — 中國內地及香港。

按營運位置，本集團來自外部客戶之收益及有關按地理地區劃分之非流動資產資料詳情如下：

### 有關主要客戶的資料

本集團於二零一八年及二零一七年度並沒有外部客戶與本集團訂立的交易超過10%之集團收益。

## 7. OTHER INCOME

## 7. 其他收入

		2018 二零一八年	2017 二零一七年
Bank interest income	銀行利息收入	131,349	246,835
Consultancy income	顧問收入	—	137,850
Finance lease interest income	融資租賃利息收入	—	710,278
Recovery of other receivable previously written off	收回其他應收賬款之減值虧損 確認	—	1,609,994
Others	其他	288,071	139,282
		<b>419,420</b>	2,844,239

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 8. OTHER GAINS AND LOSSES

#### 8. 其他收益及虧損

		2018 二零一八年	2017 二零一七年
Net increase in fair value of investment properties	投資物業的公允值淨增加	7,000,000	4,800,000
Gain arising on change in fair value of financial assets at fair value through profit or loss	產生自金融資產(結構性存款)之公允值改變之收益(通過損益以反映公允值)	1,241,893	760,846
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	—	(7,893)
Loss on deemed disposal of a subsidiary	視作出售一家附屬公司之虧損	—	(402,324)
Net foreign exchange (losses)/gains	淨外匯(虧損)/收益	(502,332)	848,284
		<b>7,739,561</b>	<b>5,998,913</b>

#### 9. OTHER OPERATING EXPENSES

#### 9. 其他經營費用

		2018 二零一八年	2017 二零一七年
Auditor's remuneration	核數師酬金	680,000	650,000
Business taxes and surcharges	營業稅金及附加	977,736	806,503
Financial cost	財務費用	104,491	95,153
Hotel operations	酒店營運	7,522,300	6,378,308
Legal and professional fee	法律及專業費用	700,204	1,380,002
Listing cost	上市成本	265,409	272,527
Management fee	管理費用	227,368	187,077
Other operating expenses	其他營運費用	3,348,087	3,124,718
Rent and rate	租金及差餉	3,029,630	2,884,247
Sundry expenses	其他支出	316,132	250,413
Utilities expenses	公用事務支出	1,307,567	1,264,443
		<b>18,478,924</b>	<b>17,293,391</b>

## Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 10. INCOME TAX EXPENSE

## 10. 所得稅支出

		2018 二零一八年	2017 二零一七年
Current tax:	即期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	1,551,105	1,486,222
Deferred tax (note 24):	遞延稅項(附註24)：		
Current year	本年度	(193,546)	(396,882)
Total income tax expense recognised in profit or loss	本年度所得稅支出	<b>1,357,559</b>	1,089,340

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2017.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, starting from the current year, the Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Company and its Hong Kong subsidiaries did not have any assessable profits for the year (2017: Nil).

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

二零一七年度香港利得稅乃根據年度估計應課稅盈利按稅率16.5%計算。

於二零一八年三月二十一日，香港立法會通過二零一七年稅務(修訂)(第7號)條例草案(「條例草案」)，其引入兩級制利得稅率制度。條例草案於二零一八年三月二十八日簽署成為法律並於翌日刊登憲報。根據兩級制利得稅率制度，合資格集團的首2百萬港元利潤將按8.25%的稅率徵稅，而超過2百萬港元的利潤將按16.5%的稅率徵稅。不符合兩級制利得稅率制度的集團實體的利潤將繼續按16.5%的統一稅率徵稅。

因此，由本年度開始，香港利得稅按估計應評稅利潤的首2百萬港元計算，稅率為8.25%，而應評稅利潤則按2百萬港元以上的估計應評稅利潤計算，稅率為16.5%。

由於本公司有確認之承前稅務虧損抵銷估計應課稅盈利，及其香港附屬公司並無估計應課稅盈利，故並無於綜合財務報表內就香港利得稅計提撥備(二零一七年：無)。

按中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施細則，中華人民共和國企業所得稅撥備為25%(二零一七年：25%)。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 10. INCOME TAX EXPENSE (Continued)

The tax expense for the year can be reconciled to profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

2018

		Hong Kong	%	PRC	%	Total
		香港	百分比	中國	百分比	總額
Profit before tax	除稅前盈利	6,360,708		4,412,495		10,773,203
Tax at applicable tax rates	按適用稅率計算 稅款	1,049,517	16.50	1,103,124	25.00	2,152,641
Tax effect of expenses not deductible for tax purpose	不可扣稅項目之 稅務影響	183,190		1,591,100		1,774,290
Tax effect of income not taxable for tax purpose	無須課稅項目之 稅務影響	(6,311,430)		(1,248,321)		(7,559,751)
Tax effect of temporary difference not recognised	未確認之相應稅基差異稅 務影響	(86,363)		—		(86,363)
Income tax at concessionary rate	所得稅之 特惠稅率	3,415,361		—		3,415,361
Utilisation of tax losses previously not recognised	動用先前未確認稅項虧損	—		(95,794)		(95,794)
Tax effect of tax loss not recognised	未確認稅務虧損之 稅務影響	1,757,175		—		1,757,175
<b>Income tax expense for the year</b>	<b>年內稅務支出</b>	<b>7,450</b>		<b>1,350,109</b>		<b>1,357,559</b>

#### 10. 所得稅支出(續)

於本年度的稅項支出與綜合損益及其他全面收益表所載的除稅前盈利對賬如下：

二零一八年



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 10. INCOME TAX EXPENSE (Continued)

#### 10. 所得稅支出(續)

2017

二零一七年

		Hong Kong 香港	% 百分比	PRC 中國	% 百分比	Total 總額
Profit before tax	除稅前盈利	3,703,775		5,621,666		9,325,441
Tax at applicable tax rates	按適用稅率計算 稅款	611,123	16.50	1,405,416	25.00	2,016,539
Tax effect of expenses not deductible for tax purpose	不可扣稅項目之 稅務影響	458,029		1,765,396		2,223,425
Tax effect of income not taxable for tax purpose	無須課稅項目之 稅務影響	(1,366,042)		(1,632,111)		(2,998,153)
Tax effect of temporary difference not recognised	未確認暫時差異之 稅項影響	(34,383)		—		(34,383)
Utilisation of tax losses previously not recognised	動用先前未確認 稅項虧損	—		(449,361)		(449,361)
Tax effect of tax loss not recognised	未確認稅務虧損之 稅務影響	331,273		—		331,273
Income tax expense for the year	年內稅務支出	—		1,089,340		1,089,340

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 11. PROFIT FOR THE YEAR

## 11. 本年度盈利

		2018 二零一八年	2017 二零一七年
<b>Profit for the year has been arrived at after (crediting)/charging:</b>	<b>本年度盈利已(計入)/扣除:</b>		
Gross rental income from investment properties	投資物業租金收入總額	<b>(5,916,719)</b>	(6,079,993)
Less: Direct operating expenses incurred for investment properties that generated rental income during the year	減: 本年度從投資物業收取之租金收入而產生直接經營費用	<b>122,767</b>	55,733
		<b>(5,793,952)</b>	(6,024,260)
Employee benefits expense (including directors' remunerations):	員工福利支出(包括董事酬金):		
Salaries and other benefits in kind	薪金和其他實物福利	<b>13,828,590</b>	12,325,986
Contributions to retirement benefits schemes	退休計劃供款	<b>713,947</b>	692,494
		<b>14,542,537</b>	13,018,480
Depreciation of hotel property	酒店物業之折舊	<b>2,449,064</b>	2,449,064
Depreciation of other property, plant and equipment	其他物業、廠房及設備之折舊	<b>2,306,918</b>	2,498,386
		<b>4,755,982</b>	4,947,450
Amortisation of prepaid lease payment	預付租賃款項攤銷	<b>1,874,007</b>	1,874,007
Total depreciation and amortisation	總折舊和攤銷	<b>6,629,989</b>	6,821,457
Auditors' remuneration	核數師酬金	<b>680,000</b>	650,000

## Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and Chief Executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and CO, is as follows:

For the year ended 31 December 2018

Name of Directors	Fees	Salaries and other benefits in kind	Contributions to retirement benefit scheme	Total emoluments	
董事姓名	袍金	薪金及其他實物之福利	退休計劃供款	總計薪酬	
<b>(A) Executive Directors</b>	<b>執行董事</b>				
Mr. Wang Xiaowu (note (i))	汪小武(附註(i))	—	60,000	—	60,000
Mr. Liu Hongjian (note (ii))	劉洪建(附註(ii))	—	275,539	—	275,539
Mr. Chen Yangbiao (note (iii))	陳揚標(附註(iii))	—	360,000	—	360,000
Ms. Chen Danyun (Chief Executive)	陳丹雲 (行政總裁)	—	710,000	—	710,000
Mr. Chen Yang	陳揚	—	609,461	—	609,461
Sub-total	小計	—	2,015,000	—	2,015,000

The Executive Directors' emoluments shown above were mainly for their services with the management of the affairs of the Company and the Group.

本年度主要行政人員及董事，根據上市規則及公司條例披露如下：

截至二零一八年十二月三十一日

Name of Directors	Fees	Salaries and other benefits in kind	Contributions to retirement benefit scheme	Total emoluments
董事姓名	袍金	薪金及其他實物之福利	退休計劃供款	總計薪酬
<b>(B) Non-Executive Directors</b>	<b>非執行董事</b>			
Mr. Feng Qiang	馮強	—	—	—
Mr. Zhang Fan (note (iv))	張帆(附註(iv))	—	—	—
Mr. Wang Ruilian	王瑞煉	—	—	—
Mr. Weng Weijian (note (v))	翁維建(附註(v))	—	—	—
Sub-total	小計	—	—	—

The Non-executive Directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries.

以上執行董事薪酬主要作為他們對公司及集團作出之管理行政服務。

以上非執行董事薪酬主要作為本公司董事所作出之服務。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued) 12. 董事及主要行政人員薪酬(續)

For the year ended 31 December 2018

截至二零一八年十二月三十一日

Name of Directors	Fees	Salaries and other benefits in kind	Contributions to retirement benefit scheme	Total emoluments
董事姓名	袍金	薪金及其他 實物之福利	退休計劃供款	總計薪酬
<b>(C) Independent Non-executive Directors</b>				
Mr. Lam Kwong Siu	林廣兆	120,000	—	120,000
Mr. Leung Hok Lim (note (vi))	梁學濂(附註(vi))	120,000	—	120,000
Mr. Ng Man Kung	吳文拱	120,000	—	120,000
Ms. Liu Mei Ling Rhoda (note (vii))	廖美玲 (附註(vii))	—	—	—
Sub-total	小計	360,000	—	360,000

The Independent Non-executive Directors' emoluments shown above were mainly for their services as director of the Company.

以上獨立非執行董事薪酬主要作為本公司董事所作出之服務。

Total	總計	360,000	2,015,000	—	2,375,000
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Notes:

- (i) Mr. Wang Xiaowu resigned on 23 January 2018
- (ii) Mr. Liu Hongjian is appointed on 23 January 2018 and resigned on 20 August 2018
- (iii) Mr. Chen Yangbiao is appointed on 20 August 2018
- (iv) Mr. Zhang Fan resigned on 11 September 2018
- (v) Mr. Weng Weijian is appointed on 11 September 2018
- (vi) Mr. Leung Hok Lim resigned on 1 January 2019
- (vii) Ms. Liu Mei Ling Rhoda is appointed on 1 January 2019

附註：

- (i) 汪小武先生於二零一八年一月二十三日辭任
- (ii) 劉洪建先生於二零一八年一月二十三日上任及於二零一八年八月二十日辭任
- (iii) 陳揚標先生於二零一八年八月二十日上任
- (iv) 張帆先生於二零一八年九月十一日辭任
- (v) 翁衛建先生於二零一八年九月十一日上任
- (vi) 梁學濂先生於二零一九年一月一日辭任
- (vii) 廖美玲女士於二零一九年一月一日上任

For the year ended 31 December 2017

截至二零一七年十二月三十一日

Name of directors	Fees	Salaries and other benefits in kind	Contributions to retirement benefit scheme	Total emoluments
董事姓名	袍金	薪金及其他 實物之福利	退休計劃 供款	總計薪酬
<b>(A) Executive Directors</b>				
Mr. Wang Xiaowu (note (i))	汪小武(附註(i))	—	780,000	780,000
Mr. Liu Hongjian (note (ii))	劉洪建(附註(ii))	—	—	—
Ms. Chen Danyun	陳丹雲	—	650,000	650,000
Mr. Chen Yang	陳揚	—	585,000	385,000
Sub-total	小計	—	2,015,000	2,015,000

## Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

## 12. 董事及主要行政人員薪酬(續)

For the year ended 31 December 2017 (Continued)

截至二零一七年十二月三十一日(續)

The Executive Directors' emoluments shown above were mainly for their services with the management of the affairs of the Company and the Group.

以上執行董事薪酬主要作為他們對公司及集團作出之管理行政服務。

Name of directors	Fees	Salaries and other benefits in kind	Contributions to retirement benefit scheme	Total emoluments
董事姓名	袍金	薪金及其他實物之福利	退休計劃供款	總計薪酬
<b>(B) Non-executive Directors</b>	<b>非執行董事</b>			
Mr. Feng Qiang	—	—	—	—
Mr. Zhang Fan	—	—	—	—
Mr. Wang Ruilian	—	—	—	—
Sub-total	—	—	—	—

The Non-executive Directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries.

以上非執行董事薪酬主要作為本公司董事所作出之服務。

Name of directors	Fees	Salaries and other benefits in kind	Contributions to retirement benefit scheme	Total emoluments
董事姓名	袍金	薪金及其他實物之福利	退休計劃供款	總計薪酬
<b>(C) Independent Non-executive Directors</b>	<b>獨立非執行董事</b>			
Mr. Lam Kwong Siu	100,000	—	—	100,000
Mr. Leung Hok Lim	100,000	—	—	100,000
Mr. Ng Man Kung	100,000	—	—	100,000
Sub-total	300,000	—	—	300,000

The Independent Non-executive Directors' emoluments shown above were mainly for their services as director of the Company.

以上獨立非執行董事薪酬主要作為本公司董事所作出之服務。

Total	總計	300,000	2,015,000	—	2,315,000
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## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

For the year ended 31 December 2017 (Continued)

Notes:

- (i) Mr. Wang Xiaowu resigned on 23 January 2018.
- (ii) Mr. Liu Hongjian is appointed on 23 January 2018.

There was no arrangement under which the Director or the Chief Executive waived or agreed to waive any remuneration during the year.

During the year ended 31 December 2018, none of the Director has been granted share options, in respect of their services to the Group under the share option scheme of the Company (2017: Nil). Details of the share option scheme are set out in note 30 to the Group's consolidated financial statements.

### 13. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, four (2017: three) were Directors and the Chief Executive of the Company whose emoluments are included in the disclosure in note 12 above. The emoluments of the remaining one (2017: two) individual was as follows:

	2018 二零一八年	2017 二零一七年
Salaries and other benefits in kind 薪金及其他實物之福利	531,504	768,663
Contributions to retirement benefit schemes 退休計劃供款	18,000	30,360
	<b>549,504</b>	799,023

The emolument was within HK\$1,000,000.

During the year ended 31 December 2018, no emolument was paid by the Group to the five highest paid individuals, including the Directors of the Company, as an inducement to join or upon joining the Group or as compensation for loss of office (2017: Nil).

### 12. 董事及主要行政人員薪酬(續)

截至二零一七年十二月三十一日(續)

附註：

- (i) 汪小武先生於二零一八年一月二十三日辭任。
- (ii) 劉洪建先生於二零一八年一月二十三日上任。

本公司董事或主要行政人員未有安排免除或同意免除任何酬金。

截至二零一八年十二月三十一日止年度期間，本集團概無根據購股權計劃以購股權支付予各董事就本集團服務之酬金(二零一七年：無)。購股權計劃之詳細已載於綜合財務報表附註30。

### 13. 僱員酬金

在五名最高薪僱員中，四名(二零一七年：三名)為董事及行政總裁，彼等之酬金已計入附註12之董事酬金內。其餘一名(二零一七年：兩名)人士之薪酬如下：

	2018 二零一八年	2017 二零一七年
Salaries and other benefits in kind 薪金及其他實物之福利	531,504	768,663
Contributions to retirement benefit schemes 退休計劃供款	18,000	30,360
	<b>549,504</b>	799,023

酬金合共於1,000,000港元之內。

截至二零一八年十二月三十一日止年度期間，並無任何人士，包括董事獲支付酬金作為吸引加入或加入本集團時之獎金或作為離職補償(二零一七年：無)。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 14. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share for the years ended 31 December 2018 and 2017 are based on the Group's profit attributable to the owners of the Company is based on the following data:

#### 14. 每股盈利

本公司權益持有人截至二零一八及二零一七年十二月三十一日止之應佔之每股基本及攤薄盈利乃按下列公司之資料計算：

		2018 二零一八年	2017 二零一七年
<b>Profit</b>	<b>盈利</b>		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	本期間本公司權益持有人應佔盈利用以計算每股基本及攤薄之盈利	9,415,644	7,947,117
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	用以計算每股基本及攤薄盈利之普通股加權平均股數	1,145,546,000	1,145,546,000

No diluted earnings per share for both 2018 and 2017 were presented as there were no potential ordinary share in issue for both 2018 and 2017.

因二零一八年及二零一七年並無潛在未發行之普通股，因此，二零一八年及二零一七年並無攤薄盈利。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 15. PROPERTY, PLANT AND EQUIPMENT

## 15. 物業、廠房及設備

		Hotel property	Furniture and fixtures	Leasehold improvements	Plant, machinery and equipment	Total
		酒店物業	傢俬及 裝置	物業裝修	廠房、機器 及設備	總額
<b>COST</b>	<b>按成本</b>					
At 1 January 2017	於二零一七年一月一日	92,391,462	3,194,194	18,182,056	6,038,037	119,805,749
Additions	添置	—	5,682	—	163,213	168,895
Disposals	出售	—	—	—	(129,701)	(129,701)
Exchange adjustments	匯兌調整	—	221,165	1,259,182	414,016	1,894,363
At 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日及 二零一八年一月一日	92,391,462	3,421,041	19,441,238	6,485,565	121,739,306
Additions	添置	—	8,224	866,754	441,084	1,316,062
Disposals	出售	—	(49,295)	—	(39,020)	(88,315)
Exchange adjustments	匯兌調整	—	(155,498)	(883,832)	(292,286)	(1,331,616)
At 31 December 2018	於二零一八年 十二月三十一日	92,391,462	3,224,472	19,424,160	6,595,343	121,635,437
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>	<b>累計折舊及減值</b>					
At 1 January 2017	於二零一七年一月一日	70,553,979	2,219,525	9,362,144	3,717,068	85,852,716
Provided for the year	本年度折舊	2,449,064	216,065	1,792,790	489,531	4,947,450
Eliminated on disposals	出售時對銷及撇銷	—	—	—	(94,714)	(94,714)
Exchange adjustments	匯兌調整	—	161,538	715,933	268,146	1,145,617
At 31 December 2017 and 1 January 2018	於二零一七年 十二月三十一日及 二零一八年一月一日	73,003,043	2,597,128	11,870,867	4,380,031	91,851,069
Provided for the year	本年度折舊	2,449,064	165,582	1,666,895	474,441	4,755,982
Eliminated on disposals	出售時對銷及撇銷	—	(49,295)	—	(24,362)	(73,657)
Exchange adjustments	匯兌調整	—	(124,068)	(598,972)	(214,273)	(937,313)
At 31 December 2018	於二零一八年 十二月三十一日	75,452,107	2,589,347	12,938,790	4,615,837	95,596,081
<b>CARRYING AMOUNTS</b>	<b>賬面值</b>					
At 31 December 2018	於二零一八年 十二月三十一日	<b>16,939,355</b>	<b>635,125</b>	<b>6,485,370</b>	<b>1,979,506</b>	<b>26,039,356</b>
At 31 December 2017	於二零一七年 十二月三十一日	19,388,419	823,913	7,570,371	2,105,534	29,888,237



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

At the end of the reporting period, the Group carried out a review of the recoverable amount of assets including property and leasehold land used in the Group's hotel operation segment. In performing impairment testing, the directors of the Company reviewed the carrying amounts of these assets by reference to a valuation performed by Norton Appraisals Limited, an independent qualified professional valuer not connected with the Group. Norton Appraisals Limited is a member of Hong Kong Institute of Surveyors. The recoverable amount of this cash-generating unit ("CGU") is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by management covering a 5-year period and a discount rate of 7.38% (2017: 7.74%) per annum. The key assumptions for the value-in-use calculation are those regarding the discount rate, growth in revenue, direct and other operating costs during the period. The management estimates discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

There was no impairment for the years ended 31 December 2018 and 31 December 2017.

#### 15. 物業、廠房及設備(續)

於報告期間末，本集團對資產進行可收回價值之審閱包括用作酒店業務之物業及預付土地租賃款項。當進行減值測試時，本公司董事於審閱資產之賬面值時已參考普敦國際評估有限公司之估值。普敦國際評估有限公司為獨立專業評估師和香港測量師學會會員及與本集團沒有關連。該可收回價值之現金產生單位(「現金產生單位」)是根據經管理層所批准之五年內財務預算為基礎之現金流預測及每年7.38%(二零一七年:7.74%)折現率之可用價值計算。可用價值的主要假設為期內折現率、收入增長、直接及其他經營成本。管理層估計之折現率已反映現時市場評估之金錢的時間價值及現金產生單位之特定風險。

截至二零一八年十二月三十一日止年度及二零一七年十二月三十一日止年度期間並無減值虧損。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 16. PREPAID LEASE PAYMENT

#### 16. 預付租賃款項

COST	按成本	
At 1 January 2017, 31 December 2017 and 31 December 2018	於二零一七年一月一日、二零一七年十二月三十一日及二零一八年十二月三十一日	86,000,000
<b>AMORTISATION AND IMPAIRMENT</b>	<b>攤銷及減值</b>	
At 1 January 2017	於二零一七年一月一日	69,290,112
Amortisation for the year	本年度之攤銷	1,874,007
At 31 December 2017 and at 1 January 2018	於二零一七年十二月三十一日及二零一八年一月一日	71,164,119
Amortisation for the year	本年度之攤銷	1,874,007
At 31 December 2018	於二零一八年十二月三十一日	73,038,126
<b>CARRYING AMOUNTS</b>	<b>賬面值</b>	
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>12,961,874</b>
At 31 December 2017	於二零一七年十二月三十一日	14,835,881

Notes:

- (i) Pursuant to the terms of the joint venture agreement signed between the Xiamen Railway Department Company Limited ("Railway Department") and Yan Hei Limited ("Yan Hei"), both parties have agreed to establish a Sino-foreign co-operative joint venture enterprise known as Xiamen South East Asia Hotel Company, Limited ("Xiamen Plaza"), an indirect wholly-owned subsidiary of the Company to operate and manage the Xiamen South East Asia Hotel ("Hotel"). The land use rights of the Hotel have been granted to the joint venture partner and Xiamen Plaza is vested with the land use rights of the Hotel throughout the operation period of Xiamen Plaza.
- (ii) At the end of the reporting period, the Group carried out a review of the recoverable amount of its leasehold land. The leasehold land is used in the Group's hotel segment. In performing impairment testing, the directors of the Company reviewed the carrying amount of the leasehold land by reference to a valuation performed by Norton Appraisals Limited, an independent qualified professional valuer not connected with the Group. Norton Appraisals Limited is a member of Hong Kong Institute of Surveyors. The recoverable amount of this CGU is determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by management covering a 5-year period and a discount rate of 7.38% (2017: 7.74%) per annum. The key assumptions for the value in use calculation are those regarding the discount rate, growth in revenue, direct and other operating costs during the period. The management estimates discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

There was no impairment for the years ended 31 December 2018 and 2017.

附註：

- (i) 根據廈門鐵路開發公司(「鐵路局」)與本公司附屬公司仁禧有限公司(「仁禧」)簽定一項合資協議之條款，雙方同意成立合作共同控制個體廈門東南亞大酒店有限公司(「東酒」)，本公司之間接全資附屬公司，負責營運及管理廈門東南亞大酒店(「酒店」)。酒店土地使用權已授予合資夥伴，而東酒經營期間酒店之土地使用權屬東酒所有。
- (ii) 於報告期間末，本集團對用作酒店業務之預付土地租賃款項進行可收回價值之審閱。當進行減值測試時，本公司董事於審閱預付土地租賃款項之賬面值時已參考普敦國際評估有限公司之估值。普敦國際評估有限公司為獨立專業評估師和香港測量師學會會員及與本集團沒有關連。該可收回價值之現金產生單位是根據經管理層所批准之五年內財務預算為基礎之現金流預測及每年7.38%(二零一七年：7.74%)折現率之可用價值計算。可用價值的主要假設為期內折現率、收入增長、直接及其他經營成本。管理層估計之折現率已反映現時市場評估之金錢的時間價值及現金產生單位之特定風險。

截至二零一八年十二月三十一日及二零一七年十二月三十一日止年度期間並無減值虧損。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 17. INVESTMENT PROPERTIES

## 17. 投資物業

		2018 二零一八年	2017 二零一七年
<b>FAIR VALUE</b>	<b>公允值</b>		
Balance at beginning of year	年初結餘	<b>223,300,000</b>	218,500,000
Net increase in fair value recognised in profit or loss	於損益確認之公允值盈利	<b>7,000,000</b>	4,800,000
Balance at end of year	年底結餘	<b>230,300,000</b>	223,300,000
Unrealised gain on properties revaluation included in profit or loss (included in other gains and losses)	包括於損益之未變現物業重估收益(包括於其他收益及虧損)	<b>7,000,000</b>	4,800,000

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment properties.

The fair value of the Group's investment properties at 31 December 2018 and 2017 have been arrived at on the basis of a valuation carried out at that date by Norton Appraisals Limited, independent qualified professional valuer not connected with the Group. Norton Appraisals Limited is a member of the Hong Kong Institution of Surveyors.

The fair value of the commercial property units were determined based on the income approach, where the current passing rents and market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The current passing rents are assessed by reference to the current tenancy agreements. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The discount rate is determined by reference to the yields derived from analysing the sales transactions of similar commercial properties in Hong Kong and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties. There has been no change from the valuation technique used in the prior years.

所有根據經營租賃協議持有以賺取租金或作資本增值用途之本集團物業權益乃使用公允值模式計量，並分類及入賬為投資物業。

本集團於二零一八年十二月三十一日及二零一七年十二月三十一日之投資物業之公允值乃按與本集團並無關連之獨立專業物業估值師普敦國際評估有限公司於上述日期進行之估值而得出。普敦國際評估有限公司是香港測量師學會會員之一。

商業物業之公允值乃由資本法釐定，在估值時，物業所有現行租金及可出租單位的市場租金及按投資者對該類型物業的預期已貼現之市場收益進行評估及資本化。現行租金乃根據現行租務合約評定。評估市場租金時已考慮物業的可出租單位可得租金以及該區其他類似物業的出租情況。貼現率及參考所採納的乃經參考分析香港同類商用物業銷售交易所得之市場收益(即資本化利率)並根據物業投資者市場預期的認知作出調整以反映集團之投資物業之特別因素後得出，與往年所採納之估值技術無異。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 17. INVESTMENT PROPERTIES (Continued)

In estimating the fair value of the properties, the highest and best use of the properties are their current use.

One of the key inputs used in valuing the investment properties was the discount rates used, which ranged from 2.5% to 5.0% (2017: 2.5 to 4.0% per annum). An increase in the discount rate used would result in a decrease in fair value measurement of the investment properties, and vice versa.

Another key inputs used in valuing the investment properties was the reversionary income potential of the tenancies. The higher the reversionary income potential of the tenancies, the higher the fair value of the investment properties, and vice versa.

The fair value of the parking space was determined based on direct comparison method, which was making reference to market observable transactions of similar properties and adjust to reflect the conditions and locations of the subject property. There has been no change from the valuation technique used in the prior year.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2018 are as follows:

### 17. 投資物業(續)

於估計物業之公允值時，有關物業之最高及最佳用途即為其當前用途。

其中一項主要投入值作為評估投資物業乃貼現率，上述貼現率介乎2.5%至5.0% (二零一七年：每年2.5%至4.0%)。貼現率上升將會令致投資物業之公允值之下降，反之亦然。

其中另一項主要數據值作為評估投資物業乃租約的復歸收入能力，上述復歸收入能力上升將會令致投資物業之公允值上升，反之亦然。

停車位的公允值是根據直接比較法釐定，這是參考市場上同類可觀察的物業交易及作出調整以反映該物業的條件和位置。上述估值方法與以往期間相比並無改變。

於二零一八年十二月三十一日，本集團投資物業之詳情及公允值層級之資料載列如下：

		Level 2	Level 3	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 之公允值
		第二級	第三級	
Commercial property units located in Hong Kong	位於香港的商業性物業	—	229,500,000	229,500,000
Parking space located in Hong Kong	位於香港的停車位	800,000	—	800,000
		800,000	229,500,000	230,300,000

There was no transfer into or out of Level 2 and 3 during the year.

年內並無轉入或轉出第二及三級。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 17. INVESTMENT PROPERTIES (Continued)

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2017 are as follows:

		Level 2	Level 3	Fair value as at 31 December 2017 於二零一七年 十二月三十一日 之公允值
		第二級	第三級	
Commercial property units located in Hong Kong	位於香港的商業性物業	—	222,500,000	222,500,000
Parking space located in Hong Kong	位於香港的停車位	800,000	—	800,000
		800,000	222,500,000	223,300,000

There was no transfer into or out of Level 2 and 3 during the year.

#### 17. 投資物業(續)

於二零一七年十二月三十一日本集團投資物業之詳情及公允值層級之資料載列如下：

		Level 2	Level 3	Fair value as at 31 December 2017 於二零一七年 十二月三十一日 之公允值
		第二級	第三級	
Commercial property units located in Hong Kong	位於香港的商業性物業	—	222,500,000	222,500,000
Parking space located in Hong Kong	位於香港的停車位	800,000	—	800,000
		800,000	222,500,000	223,300,000

年內並無轉入或轉出第二及三級。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 18. LIST OF SUBSIDIARIES

As at 31 December 2018 and 2017, the Company had interests in the following subsidiaries:

### 18. 附屬公司列表

本公司於二零一八年十二月三十一日及二零一七年十二月三十一日所持有之主要附屬公司權益詳情如下：

Name of subsidiaries 附屬公司名稱	Place of establishment/ incorporation and principal place of operations 設立/註冊 成立及主要 營業地點	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司應佔 已發行股本/註冊資本 面值之百分比		Nominal value of issued share capital/ registered capital 已發行股本/ 註冊資本面值	Principal activities 主要業務
		2018 二零一八年 %	2017 二零一七年 %		
<b>Direct subsidiaries:</b> 直屬附屬公司：					
Ming Chuen Construction Company, Limited 明川建築有限公司	Hong Kong 香港	100	100	Ordinary HK\$100,000 普通股100,000港元	Investment holding 投資控股
Yan Hei Limited 仁禧有限公司	Hong Kong 香港	100	100	Ordinary HK\$10,000 and Deferred (note (i)) HK\$10,000 普通股10,000港元 及遞延股份(附註(i)) 10,000港元	Investment holding 投資控股
Champ Profit Asia Investment Limited ("Champ Profit") 益潤亞太投資有限公司(「益潤亞太」)	Hong Kong 香港	100	100	Registered capital Ordinary HK\$1 註冊資本普通股1港元	Investment holding 投資控股
<b>Indirect subsidiary:</b> 間接附屬公司：					
Xiamen South East Asia Hotel Company, Limited (note (ii)) 廈門東南亞大酒店有限公司 (附註(ii))	PRC 中國	100	100	Registered capital US\$5,000,000 註冊資本5,000,000美元	Hotel operations 酒店業務

Notes:

- (i) The deferred shares carry no right to dividends and no right to receive notice of or to attend or vote at any general meeting of the Company. In the winding-up of the Company, holders of the deferred shares are entitled to receive half of the amounts paid-up or credited as paid-up on shares after the holders of the ordinary shares of the company have received a total return of HK\$10,000,000 per share.
- (ii) Xiamen Plaza was established as a sino-foreign co-operative joint venture company under the laws of the PRC and is currently wholly-owned by Yan Hei.

附註：

- (i) 遞延股份無權獲派股息，亦無權收取本公司任何股東大會之通告或出席股東大會或於會上投票。在公司進行清盤時，遞延股份持有人須待公司普通股持有人獲合共退還每股10,000,000港元，方有權收取已就股份繳付或入賬列作繳足之半數款項。
- (ii) 東酒乃根據中華人民共和國法律規定而成立的中外合作企業，並由仁禧全資擁有。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 19. INTEREST IN ASSOCIATES

Details of the Group's interest in associates are as follows:

### 19. 於聯營公司之權益

本集團之聯營公司詳情如下：

		2018 二零一八年	2017 二零一七年
Share of net assets	淨資產之權益	97,857,873	99,639,981

As at 31 December 2018 and 2017, the Group had interest in the following associates:

於二零一八年十二月三十一日及二零一七年十二月三十一日本集團之聯營公司詳情如下：

Name of associates 聯營公司名稱	Place of establishment/ incorporation and principal place of operation 成立及主要 營業地點	Proportion of ownership interest held by the Group 本集團應佔 持有的所有權權益比例		Proportion of voting rights held by the Group 本集團持有的 投票權比例		Principal activities 主要業務
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
		%	%	%	%	
Fuzhou Harmony Piano Co., Ltd. ("Harmony Piano")	PRC	25 (Indirect)	25 (Indirect)	25 (Indirect)	25 (Indirect)	Design, manufacturing and distribution of piano and related products
福州和聲鋼琴股份有限公司 (「和聲鋼琴」)	中國	(間接)	(間接)	(間接)	(間接)	設計、製造及分銷鋼琴及相關產品
Fujian Huamin Leasing Company Limited	PRC	40 (Direct)	40 (Direct)	40 (Direct)	40	Provision of financial leasing and associated services
福建華閩融資租賃有限公司	中國	(直接)	(直接)	(直接)	(直接)	提供融資租賃及相關服務

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 19. INTEREST IN ASSOCIATES (Continued)

##### Summarised financial information of associates

The summarised financial information in respect of the Group's associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs.

The associates are accounted for using the equity method in these consolidated financial statements.

##### Harmony Piano

#### 19. 於聯營公司之權益(續)

##### 聯營公司之財務資料概要

以下聯營公司之財務報表所示金額之財務資料概要，乃根據香港財務報告準則而準備。

於綜合財務報表中之所有聯營公司乃採用權益法入賬。

##### 和聲鋼琴

		2018 二零一八年	2017 二零一七年
Current assets	流動資產	20,060,105	64,555,432
Non-current assets	非流動資產	59,456,000	21,447,875
Current liabilities	流動負債	(16,461,263)	(17,998,226)
Non-current liabilities	非流動負債	—	—
Revenue	收益	65,998,852	58,162,386
(Loss)/profit for the year	本年度(虧損)/盈利	(853,856)	2,171,002
Other comprehensive income for the year	本年度其他全面收益	—	—
Total comprehensive (expense)/income for the year	本年度全面(支出)/收益總額	(853,856)	2,171,002
Dividend received from the associate during the year	收取自這間聯營公司之股息	—	—

Reconciliation of the above summarised financial information to the carrying amounts of the interest in associates recognised in the consolidated financial statements as follows:

上述財務資料概要與綜合財務報表內確認於聯營公司的權益賬面值的對賬如下：

		2018 二零一八年	2017 二零一七年
Net assets of Harmony Piano	和聲鋼琴之淨資產	63,054,842	68,005,081
Proportion of the Group's ownership interest in Harmony Piano	本集團應佔和聲鋼琴註冊資本面值之百分比	25%	25%
Carrying amount of the Group's interest in Harmony Piano	本集團對和聲鋼琴之權益賬面值	15,763,710	17,001,270



## Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 19. INTEREST IN ASSOCIATES (Continued)

Summarised financial information of associates  
(Continued)

## Fujian Huamin Leasing

		2018 二零一八年	2017 二零一七年
Current assets	流動資產	595,221,909	557,454,033
Non-current assets	非流動資產	167,139,118	33,739,720
Current liabilities	流動負債	(329,869,291)	(140,149,268)
Non-current liabilities	非流動負債	(227,256,329)	(244,447,707)
Revenue	收益	27,827,635	11,527,601
Profit for the year	本年度盈利	8,333,000	3,716,136
Other comprehensive income for the year	本年度其他全面收益	—	—
Total comprehensive income for the year	本年度全面收益總額	8,333,000	3,716,136
Dividend received from the associate during the year	收取自這間聯營公司之股息	—	—

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements as follows:

## 19. 於聯營公司之權益(續)

## 聯營公司之財務資料概要(續)

## 福建華閩租賃

		2018 二零一八年	2017 二零一七年
Net assets of Fujian Huamin Leasing	福建華閩租賃的淨資產	205,235,407	206,596,778
Proportion of the Group's ownership interest in Fujian Huamin Leasing	本集團於福建華閩租賃中的股權比例	40%	40%
Carrying amount of the Group's interest in Fujian Huamin Leasing	本集團於福建華閩租賃的賬面值	82,094,163	82,638,711

上述財務資訊與合併財務報表中確認的關聯人權益的帳面金額看的對賬如下：

## 20. INVENTORIES

		2018 二零一八年	2017 二零一七年
Consumables	易損耗品	273,071	196,728

## 20. 存貨

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 21. TRADE AND OTHER RECEIVABLES

## 21. 貿易及其他應收賬款

		2018 二零一八年	2017 二零一七年
Trade receivables	應收貿易賬款	1,292,257	1,372,472
Loss allowance	損失撥備	(71,656)	(75,110)
		<b>1,220,601</b>	1,297,362
Other receivables, utility deposits and prepayments	其他應收款項、公用設施按金及預付款項	13,470,251	14,455,531
Loss allowance	損失撥備	(12,952,037)	(13,576,311)
		<b>518,214</b>	879,220
Total trade and other receivables	貿易及其他應收賬款總額	<b>1,738,815</b>	2,176,582

As at 31 December 2018 and 1 January 2018, trade receivables from contracts with customers amounted to HK\$1,292,257 and HK\$1,372,472 respectively.

截至二零一八年十二月三十一日和二零一八年一月一日，來自客戶的貿易應收款分別為1,292,257港元和1,372,472港元。

The following is an aged analysis of trade receivables net of loss allowance presented based on the invoice dates at the end of the reporting period.

以下是報告結束日期時根據發票日期的貿易應收款扣除損失撥備的賬齡分析。

		2018 二零一八年	2017 二零一七年
0–30 days	0–30 天	1,217,791	1,116,888
31–60 days	31–60 天	—	86,366
61–90 days	61–90 天	91	89,845
91–180 days	91–180 天	1,210	2,228
181–360 days	181–360 天	—	—
Over 360 days	超過360 天	1,509	2,035
		<b>1,220,601</b>	1,297,362

As at 31 December 2018, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$1,509 which are past due as at the reporting date. These relate to a number of independent customers that have a good payment track record with the Group.

截至二零一八年十二月三十一日，列入集團應收貿易餘額的債務人的帳面總額1,509港元，截至報告日已到期。該等款項與並無重大財務困難的若干獨立客戶有關，且基於過往經驗，逾期款項可以收回。

As at 31 December 2017, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$2,035 which are past due as at the reporting date for which the Group has not provided for impairment loss.

截至二零一七年十二月三十一日，列入本集團擁有之過期但無減值之應收貿易款項為2,035港元。本集團並未對有關款項作出撥備減值損失。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 21. TRADE AND OTHER RECEIVABLES

(Continued)

Aging of trade receivables which are past due but not impaired:

		2017 二零一七年
Past due but not impaired	過期但無減值	
Over six months and within one year	六個月以上及一年以內	—
Over one year	超過一年	2,035
		2,035

Movements in the allowance for doubtful debts on trade receivables are as follows:

		2017 二零一七年
Balance at the beginning of year	年初結餘	70,189
Exchange adjustment	外幣匯率差異的影響	4,921
Balance at the end of year	年底結餘	75,110

Movement in the allowance for doubtful debts on other receivables are as follows:

		2017 二零一七年
Balance at the beginning of year	年初結餘	14,520,912
Impairment losses reverse	收回其他應收賬款之減值虧損確認	(1,855,223)
Impairment losses recognised on other receivables	其他應收賬款確認減值之損失	—
Exchange adjustment	外幣匯率差異的影響	910,622
Balance at the end of year	年底結餘	13,576,311

As at 31 December 2017, included in the allowances for doubtful debts are individually impaired trade receivables and other receivables with an aggregate balances of HK\$75,110 and HK\$13,576,311. The individually impaired receivables related to customers that were in financial difficulties or in dispute and the management assessed that the recovery of the amounts is doubtful. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade and other receivables for the year ended 31 December 2018 are set out in note 28.

## 21. 貿易及其他應收賬款(續)

本集團已逾期但未計入減值之應收貿易賬款之賬齡分析：

		2017 二零一七年
Past due but not impaired	過期但無減值	
Over six months and within one year	六個月以上及一年以內	—
Over one year	超過一年	2,035
		2,035

貿易應收賬款呆賬撥備之變動如下：

		2017 二零一七年
Balance at the beginning of year	年初結餘	70,189
Exchange adjustment	外幣匯率差異的影響	4,921
Balance at the end of year	年底結餘	75,110

其他應收賬款呆賬撥備之變動如下：

		2017 二零一七年
Balance at the beginning of year	年初結餘	14,520,912
Impairment losses reverse	收回其他應收賬款之減值虧損確認	(1,855,223)
Impairment losses recognised on other receivables	其他應收賬款確認減值之損失	—
Exchange adjustment	外幣匯率差異的影響	910,622
Balance at the end of year	年底結餘	13,576,311

截至二零一七年十二月三十一日，呆賬撥備中包括個別減值之貿易及其他應收賬款為結餘75,110港元及13,576,311港元。個別減值應收款項與出現財政困難或糾紛之客戶，管理層懷疑可否收回該等款項。本集團並未就該等結餘持有任何抵押品。

截至二零一八年十二月三十一日止年度的貿易及其他應收款項減值評估詳情載於附註28。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 22. CASH AND BANK BALANCES

### 22. 現金及銀行結餘

		2018 二零一八年	2017 二零一七年
Cash at bank and in hand	銀行及手頭現金	42,349,540	37,230,940
Short-term bank deposits	短期銀行存款	7,192,205	7,045,126
		<b>49,541,745</b>	44,276,066

Bank balances carry interest at floating rates based on daily bank deposit rates. The short-term bank deposits carry fixed interest rates of 2.36% (2017: 0.90% to 1.30%) per annum.

銀行結餘按每日銀行存款浮動利率計算。短期銀行存款之現行年利率由2.36厘之固定利率計算。(二零一七年：年利率0.90厘至1.30厘)。

At 31 December 2018, time deposit, cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK\$37,643,962 (2017: HK\$32,304,410). The remittance of these funds out of the PRC is subject to the exchange control restrictions imposed by the government of the PRC.

於二零一八年十二月三十一日，本集團定期存款、現金及銀行結餘為人民幣(「人民幣」)金額大約37,643,962港元(二零一七年：32,304,410港元)。資金匯出中國須受中國政府實施的外匯管制所限。

### 23. TRADE AND OTHER PAYABLES

### 23. 貿易及其他應付賬款

		2018 二零一八年	2017 二零一七年
Trade payables	應付貿易賬款	1,268,555	1,317,857
Other payables	其他應付賬款	10,219,307	8,338,738
Total trade and other payables	貿易及其他應付賬款總額	<b>11,487,862</b>	9,656,595

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

應付貿易賬款於年度報表結算日按發票日之賬齡分析如下：

		2018 二零一八年	2017 二零一七年
Current to six months	即期至六個月	1,037,159	1,157,065
Over six months and within one year	六個月以上及一年以內	59,023	4,207
Over one year	超過一年	172,373	156,585
		<b>1,268,555</b>	1,317,857

The average credit period is 60 days (2017: 60 days).

平均信貸期為六十天(二零一七年：六十天)。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 24. DEFERRED TAXATION

The following are the major deferred tax balances recognised and movements thereon during the current and prior year:

### Deferred tax liabilities

		Accelerated tax depreciation 加速稅項折舊	Total 總額
At 1 January 2017	於二零一七年一月一日	4,673,547	4,673,547
Credit to profit or loss (note 10)	於損益中抵免(附註10)	(396,882)	(396,882)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	4,276,665	4,276,665
Credit to profit or loss (note 10)	於損益中抵免(附註10)	(193,546)	(193,546)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>4,083,119</b>	<b>4,083,119</b>

### Deferred tax assets

		Tax losses 稅項虧損
At 1 January 2017	於二零一七年一月一日	1,894,269
Credit to profit or loss (note 10)	於損益表內抵免(附註10)	—
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及 二零一八年一月一日	1,894,269
Credit to profit or loss (note 10)	於損益表內抵免(附註10)	(7,450)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>1,886,819</b>

At 31 December 2018, the Group has unused tax losses of HK\$161,012,797 (2017: HK\$166,352,794) available for offset against future taxable profits that may be carried forward indefinitely. The unrecognised tax losses arising from subsidiaries operated in the PRC will expire within 5 years. No tax losses were expired during the years ended 31 December 2018 and 2017.

At 31 December 2018, deferred tax assets have been recognised in respect of tax losses of HK\$11,472,970 (2017: HK\$11,480,421). No deferred tax asset has been recognised in respect of the remaining tax losses of HK\$149,539,827 (2017: HK\$154,872,373) due to the unpredictability of future profit streams.

## 24. 遞延稅項

以下為本集團於本年度及過往年度確認之主要遞延稅項結餘及其變動：

### 遞延稅項負債

		Accelerated tax depreciation 加速稅項折舊	Total 總額
At 1 January 2017	於二零一七年一月一日	4,673,547	4,673,547
Credit to profit or loss (note 10)	於損益中抵免(附註10)	(396,882)	(396,882)
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	4,276,665	4,276,665
Credit to profit or loss (note 10)	於損益中抵免(附註10)	(193,546)	(193,546)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>4,083,119</b>	<b>4,083,119</b>

### 遞延稅項資產

		Tax losses 稅項虧損
At 1 January 2017	於二零一七年一月一日	1,894,269
Credit to profit or loss (note 10)	於損益表內抵免(附註10)	—
At 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日及 二零一八年一月一日	1,894,269
Credit to profit or loss (note 10)	於損益表內抵免(附註10)	(7,450)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>1,886,819</b>

於二零一八年十二月三十一日，本集團有161,012,797港元(二零一七年：166,352,794港元)之累計稅項虧損可無限期結轉。附屬公司於國內之未確認稅務虧損將會於五年內到期，於二零一八年及二零一七年十二月三十一日並沒有稅務虧損到期。

於二零一八年十二月三十一日，已確認為遞延稅項資產的稅項虧損為11,472,970港元(二零一七年：11,480,421港元)。由於未能預計日後之盈利，故並無就149,539,827港元(二零一七年：154,872,373港元)之累計稅項虧損確認。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 25. SHARE CAPITAL

### 25. 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股票數目	HK\$ 港元	Number of shares 股票數目	HK\$ 港元
Issued and fully paid At 1 January and 31 December	已發行及繳足股本 於一月一日及十二月 三十一日	1,145,546,000	898,839,029	1,145,546,000	898,839,029

### 26. RESERVES

Details of changes in reserves of the Group are set out in the consolidated statement of changes in equity on page 75.

### 26. 儲備

本集團儲備變動之詳情載於第75頁之綜合權益變動表。

### 27. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt (including trade and other payables), net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated losses.

The Group is not subject to any externally imposed capital requirement.

### 27. 資本風險管理

本集團管理其資本，以確保本集團旗下實體將能繼續持續經營業務，同時透過優化債務及股本結餘為股東帶來回報。本集團之整體策略與往年一致。

本集團之資本架構包括負債(包括貿易及其他應付賬款)、現金及現金等值項目以及本公司持有人應佔權益，包括已發行股本、儲備及累積虧損。

本集團並沒有任何外部施加的資本需求。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 27. CAPITAL RISK MANAGEMENT (Continued)

### Gearing ratio

The management of the Group reviews the capital structure on a regularly basis. As part of this review, the management of the Group considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new shares issue as well as the issue of new debts.

The gearing ratio at the end of the reporting period was as follows:

## 27. 資本風險管理(續)

### 負債比率

本集團管理層定期地審閱資本架構。本集團管理層會考慮資本成本及各級資本之關聯的風險作為審閱的其中部份。根據管理層的建議，本集團會憑藉派發股息、發行新股及發行新的債務以平衡整體資本架構。

負債比率於本年度報表如下：

		2018 二零一八年	2017 二零一七年
Debt (note (i))	債項(附註(i))	11,487,862	9,656,595
Cash and cash equivalents	現金及現金等值	(49,541,745)	(44,276,066)
Net debt	債款淨額	(38,053,883)	(34,619,471)
Equity (note (ii))	股本權益(附註(ii))	404,412,736	401,258,024
Net debt to equity ratio	淨債項與股本權益比率	N/A	N/A

Notes:

- (i) Debt comprises trade and other payables as detailed in note 23.
- (ii) Equity includes all capital and reserves of the Group.

附註：

- (i) 債項包括流動貿易及其他應付賬款，詳情載於附註23。
- (ii) 股本權益包括本集團所有資本及儲備。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 28. FINANCIAL INSTRUMENTS

## 28. 金融工具

### (a) Categories of financial instruments

### (a) 金融工具分類

		2018 二零一八年	2017 二零一七年
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at amortised cost	按攤銷成本列賬之金融資產		
— Trade and other receivables	— 貿易及其他應收賬款	1,707,591	—
— Cash and bank balances	— 現金及銀行結餘	49,541,745	—
		<b>51,249,336</b>	<b>—</b>
Loans and receivables	貸款及應收款項		
— Trade and other receivables	— 貿易及其他應收賬款	—	2,138,586
— Cash and bank balances	— 現金及銀行結餘	—	44,276,066
		<b>—</b>	<b>46,414,652</b>
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本		
— Trade and other payables	— 貿易及其他應付賬款	10,281,633	9,046,672

### (b) Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, cash and bank balances and trade and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risk.

### (b) 金融風險管理目標和政策

本集團之主要金融工具包括貿易及其他應收賬款、現金及銀行結餘、貿易及其他應付賬款。該等金融工具詳情於各附註披露。有關相連於上述金融工具的風險包括市場風險(貨幣風險、利率風險及其他價格風險)信用風險及流動風險。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效採取適當之措施。

本集團金融工具或有關之管理及監控形式並沒有改變。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 28. FINANCIAL INSTRUMENTS (Continued)

### (b) Financial risk management objectives and policies (Continued)

#### Market risk

##### Currency risk

Substantially revenue and cost of the Group are denominated in the functional currency of the Group entities. Certain trade and other receivables, cash and bank balances, and trade and other payables are denominated in RMB. The Group is therefore exposed to foreign exchange risk arising from currency exposures, primarily with respect to RMB.

Management periodically monitors foreign currency exposures and considers hedging significant foreign currency exposures should the need arises.

At 31 December 2018, if HK\$ had weakened/strengthened by 5% against RMB with all other variables held constant, post-tax profit for the year would have been approximately HK\$2,833,000 (2017: HK\$2,739,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of RMB-denominated trade and other receivables, trade and other payables, cash and bank balances.

##### Interest rate risk

The Group is not exposed to significant fair value interest rate risk and cash flow interest rate risk. The Group currently does not have interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

##### Other price risk

As the Group has no significant investment at the end of reporting period, the Group is not subject to significant price risk.

## 28. 金融工具(續)

### (b) 金融風險管理目標和政策(續)

#### 市場風險

##### 外幣風險管理

本集團主要收益及成本是以相關公司功能貨幣計值。惟若干貿易及其他應收賬款、現金及銀行結餘及貿易及其他應付賬款則以人民幣為貨幣單位。因此本集團承受貨幣引致的外幣風險，主要是有關人民幣的風險。

管理層定期監管外幣風險及考慮於有需要時對沖重大外幣風險。

於二零一八年十二月三十一日，倘所有其他可變因素維持不變，而港元相對人民幣貶值/升值5%，該年度稅後利潤將會上升/下降港元約2,833,000港元(二零一七年：2,739,000港元)。這主要是換算以人民幣計值的貿易及其他應收款、貿易及其他應付款、及現金和銀行結餘引致的外匯收益/虧損。

##### 利率風險

本集團並沒有面臨公允值利率風險及的現金流量利率風險。本集團現時並無利率對沖政策。然而，管理層監管利率風險，並將在有需要時考慮對沖重大利率風險。

##### 其他價格風險

由於報告期末並無持有重大投資，本公司毋須承受重大其他價格風險。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 28. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment

As at 31 December 2018, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of financial guarantees provided by the Group is disclosed in the consolidated statement of financial position. The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

##### Cash and bank balances

The Group expects that there is no significant credit risk associated with cash and cash equivalent since they are deposited at state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

### 28. 金融工具(續)

#### (b) 金融風險管理目標和政策(續)

##### 信用風險和減值評估

於二零一八年十二月三十一日，除帳面金額最能代表信貸風險最大風險的金融資產外，本集團因本集團提供的財務擔保金額而對本集團造成財務損失的最大信貸風險敞口除外於綜合財務狀況表披露。本集團並無持有任何抵押品或其他信貸增強措施以彌補其與其金融資產相關的信貸風險。

##### 現金及銀行結餘

因為本集團現金及現金等價物存放於國有銀行及其他中型或大型上市銀行，本集團預期該等並無重大信貸風險及不會因該等交易對手而出現任何重大虧損。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 28. FINANCIAL INSTRUMENTS (Continued)

### (b) Financial risk management objectives and policies (Continued)

#### Credit risk and impairment assessment (Continued)

##### *Trade and other receivables*

All of the Group's trade and other receivables have no collateral. However, the Group has policies in place to ensure that sales are made to customers with appropriate credit history and the Group performs periodic credit evaluations of its customers. The Group assesses the credit quality of each customer by taking into account its financial position, past experience and other factors. Credit limits are reviewed on periodic basis, and the finance department is responsible for such monitoring procedures. In determining whether provision for impairment of receivables is required, the Group takes into consideration the future cash flows, aging status and the likelihood of collection. In this regard, the directors are satisfied that the risks of impairment are monitored and adequate provision, if any, has been made in the consolidated financial statements. There was no single customer contributing over 10% of the total trade receivables of the Group. The Group does not have any other significant concentration of credit risk. The directors of the Company closely monitor the subsequent settlement of the customers. In this regard, the directors of the Company consider that there is no additional loss allowance recognised in accordance with HKFRS 9 as at 31 December 2018.

No additional credit loss allowance was made for other receivables since the directors of the Company consider the probability of default is minimal after assessing the counter-parties' financial background and creditability. Except for those which had been determined as credit impaired under HKAS 39, the Group has assessed and concluded that the expected credit loss rate for these receivables is immaterial under 12m ECL method after taken into account the historical default experience, historical settlement records as well as the loss upon default in each case and are adjusted with forward-looking information.

## 28. 金融工具(續)

### (b) 金融風險管理目標和政策(續)

#### 信用風險和減值評估(續)

##### *貿易及其他應收賬款*

本集團的所有貿易及其他應收款項均無抵押品。然而，本集團已制定政策以確保向具有適當信貸記錄的客戶作出銷售，而本集團定期對其客戶進行信貸評估。本集團通過考慮其財務狀況，過往經驗及其他因素評估每名客戶的信貸質素。信貸限額會定期檢討，財務部門負責監管程式。於釐定是否需要就應收款項減值撥備時，本集團會考慮未來現金流量，賬齡及收款可能性。就此而言，董事信納監察減值風險及於綜合財務報表內作出足夠撥備(如有)。並無單一客戶貢獻本集團應收貿易賬款總額的10%以上。本集團並無任何其他重大信貸集中風險。本公司董事密切監察客戶的後續結算。就此而言，本公司董事認為於二零一八年十二月三十一日，並無根據香港財務報告準則第9號確認額外虧損撥備。

由於本公司董事在評估交易對手的財務背景及可信用度後認為違約概率極低，故並無就其他應收款項作出額外信貸損失撥備。除根據香港會計準則第39號確定為信貸減值的情況外，本集團已評估及得出結論認為，考慮到歷史違約經驗，歷史結算記錄以及考慮歷史結算記錄以及12個月的預期信貸虧損方法後該等應收款項的預期信貸損失率並不重大每種情況下的違約損失，並使用前瞻性信息進行調整。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 28. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

##### Liquidity tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

		On demand or less than 1 month 按要求 或少於 一個月	1 to 3 months 一至 三個月	3 months to 1 year 三個月至 一年	1 to 5 years 一年至 五年	Over 5 years 超過 五年	Total undiscounted cash flows 非折現 現金流量	Carrying amount at 31 December 十二月 三十一日之 面值
2018	二零一八年							
Trade payables	貿易應付賬款	1,268,555	—	—	—	—	1,268,555	1,268,555
Other payables	其他應付賬款	9,509,307	710,000	—	—	—	10,219,307	10,219,307
		10,777,862	710,000	—	—	—	11,487,862	11,487,862
2017	二零一七年							
Trade payables	貿易應付賬款	1,317,857	—	—	—	—	1,317,857	1,317,857
Other payables	其他應付賬款	7,658,738	680,000	—	—	—	8,338,738	8,338,738
		8,976,595	680,000	—	—	—	9,656,595	9,656,595

### 28. 金融工具(續)

#### (b) 金融風險管理目標和政策(續)

##### 流動資金風險管理

於管理流動資金風險時，本集團監督及維持現金及等同現金項目處於管理層認為充足之水平以支持本集團之營運及減低現金流量波動之影響。

##### 流動資金附表

下表詳列本集團財務負債之餘下合約到期情況，該等因素已列入向內部主要管理人員提供管理流動資金風險用途之到期情況分析。該等附表反映根據本集團被要求還款之最早日期而釐定之非折現現金流量。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 28. FINANCIAL INSTRUMENTS (Continued)

##### (c) Fair value measurement of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Some of the Group's financial instruments are measured at fair value for financial reporting purposes.

There was no transfer among Level 1, 2 and 3 during the year. (2017: Nil)

The fair values of the financial assets included in the Level 3 categories have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

#### 28. 金融工具(續)

##### (c) 金融工具之公允值釐定

本說明提供有關集團如何確認各種財務資產及財務負債的公允值。

本集團於報告期內之部分金融工具乃按公允值計量。

年內並無轉入或轉出第一、第二及第三級。(二零一七年：無)

包含在第三級之金融資產的公允值乃根據貼現現金流量分析的公認定價模式釐定，其中最主要之項目乃作用為反映交易對手的信貸風險之折現率。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

#### 28. FINANCIAL INSTRUMENTS (Continued)

##### (c) Fair value measurement of financial instruments (Continued)

Reconciliation of Level 3 fair value measurements  
31 December 2018

Opening balance	期初餘額	—
Purchases	購入	58,856,481
Disposals	出售	(57,864,855)
Total gains in profit or loss	於損益中之總收益	1,241,893
Exchange adjustments	外幣匯率差異的影響	(2,233,519)
Closing balance	期末餘額	—

31 December 2017

Opening balance	期初餘額	—
Purchases	購入	74,780,973
Disposals	出售	(76,108,219)
Total gains in profit or loss	於損益中之總收益	760,846
Exchange adjustments	外幣匯率差異的影響	566,400
Closing balance	期末餘額	—

Of the total gains or losses for the year included in profit or loss, HK\$1,241,893 (2017: HK\$760,846) relates to financial assets at fair value through profit or loss held at the end of the current reporting period. Fair value gains or losses on financial assets at fair value through profit or loss are included in “other gains and losses”.

#### 28. 金融工具(續)

##### (c) 金融工具之公允值釐定(續)

第三級之公允值計量對賬  
二零一八年十二月三十一日

Financial assets  
at FVTPL  
通過損益  
以反映  
公允值之  
金融資產

二零一七年十二月三十一日

Financial assets  
at FVTPL  
通過損益  
以反映  
公允值之  
金融資產

有關於本報告期內之通過損益以反映公允值之金融資產1,241,893港元(二零一七年: 760,846港元)已計入本年度之全年總收益或虧損及包括於本年度之損益中。通過公允值之損益以反映公允值之金融資產收益包括在「其他收益及虧損」中。

## Notes to the Consolidated Financial Statements (Continued)

## 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

## 29. OPERATING LEASES

## The Group as lessee

		2018 二零一八年	2017 二零一七年
Minimum lease payments paid under operating leases during the year:	本年度根據經營租賃繳付之最低付款額：		
Premises	物業	223,525	1,154,880

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2018 二零一八年	2017 二零一七年
Within one year	於一年內	223,525	1,154,880
In the second to fifth years inclusive	於二至五年內	—	223,525
		223,525	1,378,405

At 31 December 2018, operating leases relate to office premises with lease term of two years (2017: two years), with an option to extend for further one year, where the Group is not going to extend. All operating lease contract contain market review clauses in the event that the Group exercise its option to renew. The Group does not have an option to purchase the leased assets at the expiry of the lease period.

## The Group as lessor

Property rental income earned during the year was HK\$5,916,719 (2017: HK\$6,079,993). All of the Group's investment properties are held for rental purposes. The Group leases its investment properties under operating lease arrangements, with leases negotiated for terms ranging from one to four years (2017: one to four years).

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease receivable:

		2018 二零一八年	2017 二零一七年
Within one year	一年內	9,523,856	10,965,643
In the second to fifth years inclusive	兩年至五年內	14,849,395	6,060,190
		24,373,251	17,025,833

## 29. 經營租賃安排

## 本集團為承租人

		2018 二零一八年	2017 二零一七年
Minimum lease payments paid under operating leases during the year:	本年度根據經營租賃繳付之最低付款額：		
Premises	物業	223,525	1,154,880

於年度報表結算日，本集團承諾及不可取消之經營租賃承擔最低付款額如下：

		2018 二零一八年	2017 二零一七年
Within one year	於一年內	223,525	1,154,880
In the second to fifth years inclusive	於二至五年內	—	223,525
		223,525	1,378,405

於二零一八年十二月三十一日，有關辦公室的經營租賃期為兩年(二零一七年：兩年)，可以以市值租金續約一年，惟本集團並無此計劃。所有經營租賃合同均包含本集團行使續約權時的市場回顧條款。本集團於租賃期滿後對租賃資產並沒有認購權。

## 本集團為出租人

於年內賺取之物業租金收入約為5,916,719港元(二零一七年：6,079,993港元)，本集團之投資物業皆持有作出租用用途。本集團以經營租賃安排出租物業。所持物業之所有租戶承擔租用年期均為一至四年(二零一七年：一至四年)。

於年度報表結算日，本集團與承租人簽訂之經營租賃合約最低收款額如下：

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 30. SHARE-BASED PAYMENTS TRANSACTIONS

#### (a) Employee share-based compensation benefits

Employee share-based compensation benefits represent the fair value of employee services estimated to be received in exchange for the grant of the relevant options over the relevant vesting periods, the total of which is based on the fair value of the options at grant date. The amount for each period is determined by spreading the fair value of the options over the relevant vesting periods and is recognised as employee benefits expense with a corresponding increase in the employee share-based compensation reserve.

#### (b) Share options

##### Purpose of the share options scheme

The purpose of the share options scheme is to provide participants of the same with the opportunity to acquire proprietary interests in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

##### Eligible participants of the share options scheme

(i) any Executive, Non-executive or Independent Non-executive Director of any member of the Group or an entity in which the Group holds an interest (“Affiliate”); (ii) any employee or officer (whether full time or part time) (“Employee”) of the Group or an Affiliate; (iii) any shareholder of any member of the Group or an Affiliate who has, in the opinion of the Board of Directors, contributed or may contribute to the development and growth of the Group; (iv) any customer, supplier, agent, partner, consultant or adviser of or contractor to any member of the Group or an Affiliate; or (v) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, customer, supplier, agent, partner, consultant or adviser of or contractor to any member of the Group or an Affiliate; or (vi) a company beneficially owned by any director, employee, consultant, customer, supplier, agent, partner or adviser of or contractor any member of the Group or an Affiliate.

### 30. 以股份為基礎之交易

#### (a) 以股份為基礎之僱員薪酬福利

以股份支付的僱員薪酬福利，相當於授出相關購股權後估計可於相關權益授予期內換取得來的僱員服務的公允值，其總數乃以授出當日有關購股權的公允值為計算基準。至於每段期間的數額，則是將有關購股權的公允值在相關的權益授予期內攤分計算，並作為僱員費用入賬，及相應提高以股份支付的僱員薪酬儲備。

#### (b) 購股權

##### 購股權計劃之目的

本計劃之目的，乃向計劃參與者提供於本公司購買專有權益之機會，鼓勵彼等致力提高本公司及其股份之價值，為本公司及其股東爭取整體利益。

##### 購股權計劃之合資格參與者

(i) 本集團任何成員公司或本集團持有權益之實體(「聯屬公司」)之執行董事、非執行董事或獨立非執行董事；(ii) 本集團或聯屬公司之僱員或行政人員(不論全職或兼職)(「僱員」)；(iii) 董事會認為本集團發展或增長帶來貢獻之本集團任何成員公司或聯屬公司之股東；(iv) 本集團任何成員公司或聯屬公司之客戶、供應商、代理、夥伴、顧問或諮詢人或承辦商；或(v) 信託之信託人或酌情信託之信託對象，包括本集團任何成員公司或聯屬公司之任何董事、僱員、客戶、供應商、代理、夥伴、顧問或諮詢人或承辦商；或(vi) 本集團任何成員公司或聯屬公司之董事、僱員、顧問、客戶、供應商、代理、夥伴或諮詢人或承辦商所實益擁有之公司。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 30. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

#### (b) Share options (Continued)

##### Total number of securities issuable

The maximum number of shares which may be granted under the share options scheme and any other schemes involving the issue or grant of options or similar rights over shares or other securities by the Company shall not, in aggregate, exceed 10% of shares in issue as at the date of approval of the share options scheme.

##### Maximum entitlement of each participant

Unless approved by the shareholders, no option may be granted to any eligible participants which if exercised in full would result in the total number of shares issued and to be issued upon exercise of the options already granted or to be granted to such eligible participant under the share options scheme (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such new grant exceeding 1% of the issued share capital of the Company as at the date of such new grant.

##### Period to take up share options and minimum period to hold before exercise

There is no minimum period within which the shares option must be taken up or for which a share option must be held before it can be exercised.

##### Amount payable to take up share options and time to accept offer

An offer for the granting of share options under the share options scheme shall be accepted within 28 days from the offer date and by way of payment of a consideration of HK\$1.

##### Maximum period for exercising an option

An option may be exercised in accordance with the terms of the share options scheme at any time during a period to be determined and notified by the Board of Directors to each participant, which period may commence on the date on which the offer for the grant of options is made but shall end in any event not more than 10 years from the date of grant of the option.

### 30. 以股份為基礎之交易(續)

#### (b) 購股權(續)

##### 可發行證券之總數

購股權計劃及其他計劃批授之股份總數(包括本公司發行或批授購股權或股份或其他證券之類似權利),最高合共不得超過購股權計劃批准日期已發行股份之10%。

##### 各參與人之最高配額

除股東批准外,向任何合資格參與者批授購股權後,該等購股權獲悉數行使後之已發行股份總數,以及根據購股權計劃已批授或將會批授之購股權(包括已行使、註銷及未行使購股權)獲行使後將予發行之股份總數,於截至新批授日期(包括當日)止十二個月期間不得超過本公司於新批授日期已發行股本之1%。

##### 認購購股權之期間及行使前最短持有期間

購股權並無必須認購或必須於行使前持有之最短期間之規定。

##### 認購購股權之應付款項及接納建議之時間

根據購股權計劃批授購股權之建議,須自建議日期起計二十八日內以支付代價1港元之方式接納。

##### 行使購股權之最長期間

購股權可根據購股權計劃條款於董事會所釐訂及知會各承授人之期間內隨時行使,該期間可於購股權批授建議日期開始,惟於任何情況下不得遲於購股權批授日期起計十年後結束。

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 30. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

#### (b) Share options (Continued)

##### Exercise price

The exercise price shall be a price determined by the Board of Directors of the Company and shall not be less than the highest of:

- (i) the closing price of a share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a business day;
- (ii) an amount equivalent to the average closing price of the shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant of the relevant option; and
- (iii) the nominal value of a share.

##### Life of the share options scheme

The share options scheme shall be valid and effective for a period of two years commencing on the date of adoption of the share options scheme.

There was no Company's share option held by Directors and employees as at 31 December 2018 and 2017.

No option was granted under the share options scheme during the years ended 31 December 2018 and 2017.

### 30. 以股份為基礎之交易(續)

#### (b) 購股權(續)

##### 行使價

行使價乃本公司董事會釐訂之價格，惟不得少於下列三者之最高者：

- (i) 於有關購股權批授日，聯交所日報表所報之股份收市價(當日必須為營業日)；
- (ii) 緊接有關購股權批授日前五個營業日，聯交所日報表所報股份平均收市價之同等金額；及
- (iii) 股份面值。

##### 購股權計劃之有效期

購股權計劃於其採納日期起計兩年內有效及生效。

於二零一八年十二月三十一日及二零一七年十二月三十一日，並無任何董事及職員持有購股權。

截至二零一八年十二月三十一日及二零一七年十二月三十一日年度期間，並無根據購股權計劃下批出購股權。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 31. CAPITAL COMMITMENTS

### 31. 資本承擔

		2018 二零一八年	2017 二零一七年
Commitments for the acquisition of property, plant and equipment	有關收購廠房、機器及設備之資本開支	—	1,596,766

### 32. RETIREMENT BENEFIT PLANS

### 32. 退休福利計劃

The Group operates a Mandatory Provident Fund (“MPF”) Scheme under rules and regulations of MPF Schemes Ordinance for all its employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees.

The employees of the Group’s subsidiary in the Mainland China are members of a state-managed retirement benefit scheme operated by the government of the PRC. The subsidiary is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total expense recognised in profit or loss of HK\$713,947 (2017: HK\$692,494) represents contributions paid to these plans by the Group at rates specified in the rules of the plans. There was no outstanding contribution as at 31 December 2018 and 2017.

本集團根據強制性公積金(「強積金」)計劃條例之規則及規例，為其所有香港僱員設立強積金。計劃中的資產與本集團資本分開，並受信託公司監管。

本集團於中國內地之附屬公司遵照中國之適用規則，參與一項國家管理由當地政府經營的退休福利計劃。附屬公司須按工資成本的指定百分比比率向退休福利計劃供款。本集團就退休福利計劃之唯一責任作出指定供款。

所有支出入賬於損益表為713,947港元(二零一七年：692,494港元)已代表本集團根據條例計劃中供款之指定比率。本集團於二零一八年十二月三十一日及二零一七年十二月三十一日分別並無欠供款金額。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 33. DEEMED DISPOSAL OF A SUBSIDIARY 33. 視為出售一家附屬公司

With the subscribe for new capital in Fujian Huamin Leasing in April 2017, the Company's equity interest in Fujian Huamin Leasing has been diluted from 51.0% to 40.0%, resulting in a loss in control over Fujian Huamin Leasing. Accordingly, the investment in Fujian Huamin Leasing was reclassified as interest in an associate.

The assets and liabilities of Fujian Huamin Leasing were derecognised from the Group's consolidated statement of financial position and the interest in Fujian Huamin Leasing has been accounted for as an associate using equity method. The fair value of the 40.0% retained interest in Fujian Huamin Leasing at the date on which the control was lost is regarded as the cost on initial recognition of the investment in Fujian Huamin Leasing as an associate.

隨著本司於二零一七年四月認購福建華閩租賃的新資本，本公司對福建華閩租賃的股權已從51.0%攤薄至40.0%，導致本公司對福建華閩租賃失去了控制權。因此，對福建華閩租賃的投資被重新歸類為聯營公司權益。

福建華閩租賃的資產負債從集團財務狀況綜合報表中剝離及該福建華閩租賃的權益採用權益法入賬。福建華閩租賃在失去控制權之日的40.0%留成權益的公允值，被視為對福建華閩租賃投資的初始確認成本。

		HK\$ 港元
Fair value of interest retained	保留權益的公允值	76,655,244

Analysis of assets and liabilities over which control was lost:

對失去控制的資產和負債的分析：

		HK\$ 港元
<b>Non-current assets</b>	<b>非流動資產</b>	
Property, plant and equipment	廠房、物業及設備	4,914
Finance lease receivable	融資租賃應收賬款	44,547,197
<b>Current assets</b>	<b>流動資產</b>	
Trade and other receivables	貿易及其他應收賬款	
Finance lease receivable	融資租賃應收賬款	10,713,883
Cash and bank balances	現金及銀行結餘	36,263,047
<b>Current liabilities</b>	<b>流動負債</b>	
Trade payables and other payables	貿易及其他應付賬款	(699,918)
Tax payable	應付稅項	(230,570)
Net assets disposal of	出售的資產淨值	90,598,553

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 33. DEEMED DISPOSALS OF A SUBSIDIARY (Continued) 33. 視為出售一家附屬公司(續)

#### Deemed loss on disposal of Fujian Huamin Leasing

#### 視為出售華閩融資租賃之虧損

		HK\$ 港元
<b>Net assets disposed of</b>	出售的總資產	(90,598,553)
Fair value of retained interest	保留權益之公允值	76,655,244
Non-controlling interests	非控股權益	44,387,980
Capital contribution payable	應付的資本注入	(30,449,983)
Cumulative exchange difference in respect of the net assets of Fujian Huamin Leasing reclassified from equity to profit or loss on loss of control Fujian Huamin Leasing	因失去華閩融資租賃的控制權而由權益分類到損益的淨資金累計匯兌差額	(397,012)
<b>Loss on deemed disposal</b>	<b>視為出售一家附屬公司之虧損</b>	<b>(402,324)</b>
<b>Net cash outflow arising on disposal</b>	<b>因出售而產出的現金淨流出</b>	
Cash and cash equivalents of Fujian Huamin Leasing deemed disposal of	視為出售華閩融資租賃物業之現金及等同現金項目	36,263,047

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 34. RELATED PARTY TRANSACTIONS

#### Extension of operating period of Xiamen Plaza

Pursuant to an agreement entered into by Yan Hei and Railway Department on 1 October 1985 for co-operation on the construction and operation of Xiamen Plaza and as supplemented and amended subsequently on 18 December 1987 and 21 January 1992 (the “CJV Agreement”), the operating period for Xiamen Plaza will end on 11 December 2016. On 6 June 2005 and 20 July 2005, the Company announced that, Yan Hei entered into an extension agreement with Railway Department, and Fujian Enterprises (Holdings) Company Limited (“Fujian Enterprises”) (as a guarantor) on 9 May 2005 (“Extension Agreement”), in which, amongst others, the operation period of Xiamen Plaza will be extended for an additional 10 years up to 31 December 2025 and a change in the terms of the CJV Agreement in respect of the annual amounts to be distributed by Yan Hei to Railway Department. Pursuant to the terms of the Extension Agreement, Yan Hei has agreed to pay annual distributions to Railway Department during the operating period of Xiamen Plaza up to year 2025 as set out below:

2005 to 2006	: US\$70,000 per year
2007 to 2011	: US\$100,000 per year
2012 to 2025	: US\$200,000 per year

At the end of the reporting period, the Group had commitments for future minimum lease payments under the Extension Agreement which fall due as follows:

		2018 二零一八年	2017 二零一七年
Within one year	一年內	1,560,000	1,560,000
In the second to fifth years inclusive	兩年至五年內	6,240,000	6,240,000
Over five years	超過五年	3,120,000	6,240,000
		<b>10,920,000</b>	14,040,000

In addition, Fujian Enterprises irrevocably undertakes to Railway Department that it will guarantee performance by Yan Hei of its obligations under the CJV Agreement (as amended and extended).

### 34. 關聯人士之交易

#### 延長東酒之經營期

根據仁禧與鐵路開發公司於一九八五年十月一日訂立以合作興建及經營該酒店之正式及具法律約束力之協議(其後曾於一九八七年十二月十八日及一九九二年一月二十一日補充及修訂)(「合作協議」)，東酒之經營期將於二零一六年十二月十一日終止。於二零零五年六月六日及二零零五年七月二十日，本公司宣佈，仁禧與鐵路局及華閩(集團)有限公司(「華閩集團」)(作擔保人)已於二零零五年五月九日訂立延長協議(「延長協議」)。酒店合營企業之經營期將於二零二五年十二月三十一日結束。延長協議訂明(其中包括)額外延長酒店合營企業之經營期十年至二零二五年十二月三十一日，並更改有關每年由仁禧分派予鐵路局之數額之合作協議條款。根據延長協議條款，仁禧已同意於東酒經營期間直至二零二五年支付分派予鐵路局，其數額列載如下：

二零零五年至 二零零六年	: 每年70,000美元
二零零七年至 二零一一年	: 每年100,000美元
二零一二年至 二零二五年	: 每年200,000美元

於年度報表結算日，本集團根據延長協議之未來租金最低付款總額如下：

	2018 二零一八年	2017 二零一七年
Within one year	1,560,000	1,560,000
In the second to fifth years inclusive	6,240,000	6,240,000
Over five years	3,120,000	6,240,000
	<b>10,920,000</b>	14,040,000

此外，華閩集團向鐵路局作出不可撤回承諾，承諾其將保證仁禧履行其根據合作協議(經修訂及延長)之責任。

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 34. RELATED PARTY TRANSACTIONS

(Continued)

#### Extension of operating period of Xiamen Plaza (Continued)

Railway Department is beneficially owned by the State Railway Department. To the best knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, Railway Department is considered as an independent third party, it has no effective interest in the operations of Xiamen Plaza.

Fujian Enterprises is a trading conglomerate incorporated in Hong Kong with limited liability, and under administration of Fujian Provincial State-owned Asset Administration Commission of the PRC. Both Fujian Enterprises and the Company are ultimately owned by Fujian provincial government of the PRC. There are no common directors among Fujian Enterprises and any member of the Group.

#### Lease agreements in respect of certain premises at Xiamen Plaza

On 13 April 2015, the Group announced that, Xiamen Plaza as lessor and Huamin Mingrui (Xiamen) Tourism Company Limited (華閩茗睿(廈門)旅遊有限公司) ("Huamin Mingrui"), a non-wholly owned subsidiary of Fujian Huamin Industrial Group Company Limited 福建華閩實業(集團)有限公司 ("Huamin Industrial"), as lessee entered into the lease agreements in respect of the lease of certain premises at Xiamen Plaza for a term of two years from 16 April 2015 to 15 April 2017, a term of one year from 16 April 2017 to 15 April 2018, and renewed another term of year further from 16 April 2018 to 15 April 2019.

### 34. 關聯人士之交易 (續)

#### 延長東酒之經營期 (續)

鐵路局的實益擁有人為國家鐵道部。據董事於作出一切合理查詢後所知、得悉及相信，其於經營東酒中並無實際權益，故視為獨立第三方，惟其於經營東酒中並無實際權益。

華閩集團乃一家於香港註冊成立之企業集團式貿易有限公司，由中國福建省國有資產管理委員會管理。華閩集團及本公司均由中國福建省政府最終擁有。華閩集團與本集團任何成員公司並無任何共同董事。

#### 有關東酒若干物業的租務協議

於二零一五年四月十三日，本集團宣布東酒作為出租人和華閩茗睿(廈門)旅遊有限公司(「華閩茗睿」)，由福建華閩實業(集團)有限公司(「華閩實業」)非全資擁有的附屬公司作為承租人，訂立租賃協議承租東酒酒店大堂九至十一號店面。租期為二零一五年四月十六日至二零一七年四月十五日及續租一年由二零一七年四月十六日到二零一八年四月十五日，及再續租一年由二零一八年四月十六日到二零一九年四月十五日。

		2018 二零一八年	2017 二零一七年
Rental income received (included in revenue from hotel operations)	租金收入 (包含於酒店業務之收益)	995,685	1,203,370
Rental deposit received	押金收入	191,480	193,250
		<b>1,187,165</b>	1,396,620

## Notes to the Consolidated Financial Statements (Continued) 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 34. RELATED PARTY TRANSACTIONS (Continued)

#### Lease agreements in respect of certain premises at Xiamen Plaza (Continued)

At the end of the reporting period, the Group had contracted with Huamin Mingrui for future minimum lease receivable as follows:

		2018 二零一八年	2017 二零一七年
Within one year	一年內	245,000	245,000

#### Compensation of key management personnel

The remuneration of Directors during the year was as follows:

		2018 二零一八年	2017 二零一七年
Short-term employee benefits	短期員工福利	2,375,000	2,315,000

The remuneration of Directors is determined by the Remuneration Committee having regard to the performance of individuals and market trend.

### 34. 關聯人士之交易 (續)

#### 有關東酒若干物業的租務協議 (續)

於年度報表結算日，本集團與華閩茗睿之未來租金最低收款總額如下：

		2018 二零一八年	2017 二零一七年
Within one year	一年內	245,000	245,000

#### 主要管理人員之補償

本年度董事薪酬如下：

		2018 二零一八年	2017 二零一七年
Short-term employee benefits	短期員工福利	2,375,000	2,315,000

董事薪酬乃根據薪酬委員會就董事個人表現及市場趨勢而釐定。



## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 34. RELATED PARTY TRANSACTIONS

(Continued)

#### Office rental and building management fee of Fujian Holdings Limited company's office

Office rental and management fee were paid to Fujian Properties Limited ("Fujian Properties") for the Company's office at Unit 3308, 33rd Floor, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong for a term of 3 years from 11 March 2016 to 10 March 2019. Both Fujian Properties and the Company are ultimately owned by Huamin Industrial. There is no common director among Fujian Properties and any member of the Group.

### 34. 關聯人士之交易(續)

#### 閩港控股有限公司辦公室的租金及物業管理費

本公司向華閩物業有限公司(「華閩物業」)繳付於香港干諾道中200號信德中心西座33樓3306至3308號單位之辦公室租金及管理費為期3年，由二零一六年三月十一日起至二零一九年三月十日止。華閩物業和本公司均由華閩實業最終擁有。華閩物業和集團成員之間並沒有共同的董事。

		2018 二零一八年	2017 二零一七年
Office rental paid	已付之辦公室租金	1,154,880	1,154,880
Building management fee paid	已付之物業管理費	163,608	163,608
		<b>1,318,488</b>	1,318,488

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 35. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

### 35. 本公司財務狀況及儲備表

		2018	2017
		二零一八年	二零一七年
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	95,237	188,893
Investment properties	投資物業	49,300,000	49,300,000
Interest in associates	於聯營公司之投資	76,423,690	76,423,690
Investment in subsidiaries	於附屬公司之投資	206,474,995	206,353,291
Deferred tax assets	遞延稅項資產	1,886,819	1,894,269
		<b>334,180,741</b>	334,160,143
<b>Current assets</b>	<b>流動資產</b>		
Trade and other receivables	貿易及其他應收賬款	248,919	265,906
Cash and bank balances	現金及銀行結餘	9,981,231	9,834,594
		<b>10,230,150</b>	10,100,500
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and other payables	貿易及其他應付賬款	1,365,140	1,360,774
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>8,865,010</b>	8,739,726
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>343,045,751</b>	342,899,869
<b>Capital and reserves</b>	<b>資本及儲備</b>		
<i>Equity attributable to owners of the Company</i>	<i>本公司持有人應佔權益</i>		
Share capital	股本	895,839,029	895,839,029
Reserves	儲備	(552,827,514)	(552,973,396)
<b>Total equity</b>	<b>股本權益總額</b>	<b>343,011,515</b>	342,865,633
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Deferred tax liabilities	遞延稅項負債	34,236	34,236
		<b>343,045,751</b>	342,899,869

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 25 March 2019 and was signed on its behalf by:

董事會於二零一九年三月二十五日已批准並授權刊發及簽署之公司財務狀況表：

Chen Yangbiao  
陳揚標  
Director  
董事

Chen Danyun  
陳丹雲  
Director  
董事

## Notes to the Consolidated Financial Statements (Continued)

### 綜合財務報表附註(續)

For the year ended 31 December 2018 (in HK Dollars) 截至二零一八年十二月三十一日止年度 (以港元列示)

### 35. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

(Continued)

### 35. 本公司財務狀況及儲備表(續)

#### Movement in the Company's reserves

#### 本公司儲備變動

		Accumulated (losses)/profit 累計 (虧損)/盈利	Total 合計
At 1 January 2017	於二零一七年一月一日	(552,951,811)	(552,951,811)
Loss for the year	本年度虧損	(21,585)	(21,585)
Other comprehensive expense for the year	本年度其他全面開支	—	—
Total comprehensive expense for the year	本年度全面開支總額	(21,585)	(21,585)
<b>At 31 December 2017 and at 1 January 2018</b>	<b>截至二零一七年十二月三十一日及 二零一八年一月一日</b>	<b>(552,973,396)</b>	<b>(552,973,396)</b>
Profit for the year	本年度盈利	145,882	145,882
Other comprehensive expense for the year	本年度其他全面開支	—	—
Total comprehensive income for the year	本年度全面收益總額	145,882	145,882
<b>At 31 December 2018</b>	<b>截至二零一八年 十二月三十一日</b>	<b>(552,827,514)</b>	<b>(552,827,514)</b>

## Particulars of Property Interests 物業權益詳情

Particulars of investment property interests held by the Group at 31 December 2018 are as follows:

本集團於二零一八年十二月三十一日所持有之投資物業權益詳情如下：

Investment properties	Leasehold expiry	Gross floor area (square feet) 總樓面面積 (平方呎)	Year of completion	Group's attributable interest 本集團 應佔權益
<b>Hong Kong</b>				
<b>香港</b>				
<b>Commercial</b>				
<b>商用物業</b>				
Shop Nos. 1, 3 and 4 on Ground Floor together with open yard adjoining thereto and the whole of First and Second Floors, Sun Ming Court, Nos. 84-90 Castle Peak Road, Sham Shui Po, Kowloon	2047	10,464	1981	50%
九龍深水埗青山道84-90號新明閣地下1、3及4號店舖及相連之天井以及一樓及二樓全層	二零四七年	10,464	一九八一年	50%
Units A, C and D on 21st Floor, Wing On House, 71 Des Voeux Road Central, Hong Kong	2047	8,340	1967	100%
香港中環德輔道中71號永安集團大廈21樓A、C及D室	二零四七年	8,340	一九六七年	100%

## Particulars of Property Interests (Continued)

## 物業權益詳情(續)

Investment properties	Leasehold expiry	Gross floor area (square feet)	Year of completion	Group's attributable interest
投資物業	租約屆滿日期	總樓面面積 (平方呎)	落成年份	本集團 應佔權益
<b>Others</b>				
<b>其他</b>				
Motor cycle parking space Nos. 54, 55, 56, 57 and 58 of Yuet Ming Building, No. 52 Yuet Wah Street, Kwun Tong, Kowloon	2047	—	1975	100%
九龍觀塘 月華街52號 月明樓 第54、55、56、57及 58號電單車泊位	二零四七年	—	一九七五年	100%



FUJIAN HOLDINGS LIMITED  
閩 港 控 股 有 限 公 司

