



FOREBASE INTERNATIONAL HOLDINGS LIMITED

申基國際控股有限公司

(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: 2310)



用心鑽研

Attentive Investigative

Annual Report
2018
年報

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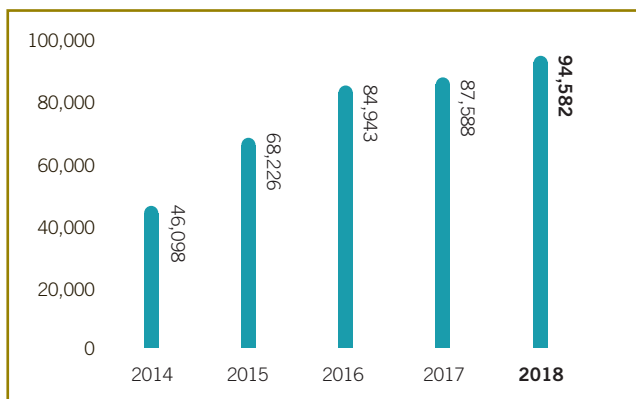
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Financial Highlights 財務摘要

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

Revenue 營業額

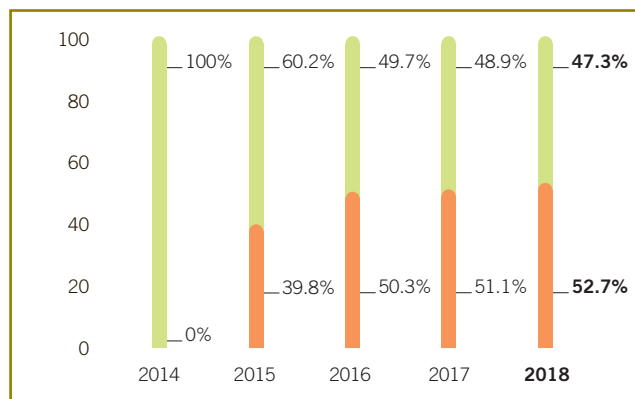
(HK\$'000 千港元)



Revenue by Business Segments 按業務分部劃分之收益分析

(% 百分比)

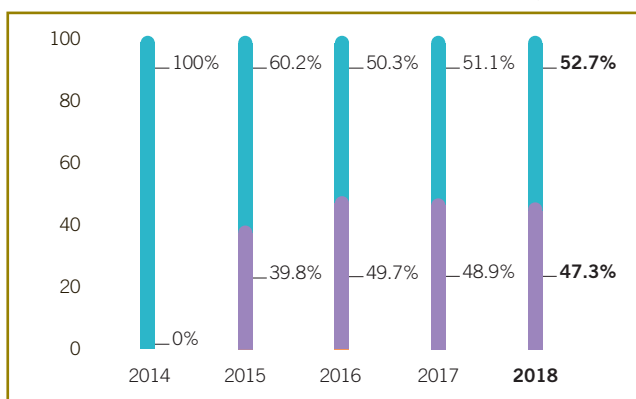
Hotel Operation 酒店經營
Property Management 物業管理



Revenue by Geographical Regions 按地區分佈劃分之收益分析

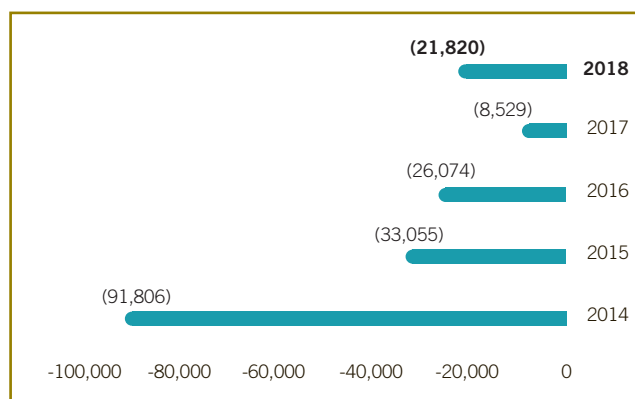
(% 百分比)

PRC 中國
Canada 加拿大



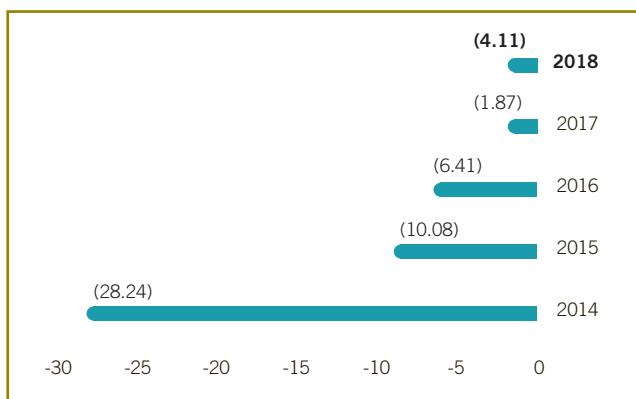
Loss Attributable to Equity Shareholders of the Company 本公司權益股東應佔虧損

(HK\$'000 千港元)



Basic Loss per Share (including both continuing and discontinued operations)

每股基本虧損 (包括持續經營及已終止經營業務) (HK cents 港仙)



Financial Highlights

財務摘要

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年	2017 二零一七年	% Change 變動百分比
Results HK\$'000	業績 千港元				
Revenue	收益		94,582	87,588	7.99%
Loss before income tax	除所得稅前虧損		(20,584)	(17,834)	(15.42%)
Loss for the year attributable to equity shareholders of the Company from continuing and discontinued operations	本年度本公司權益股東於持續及已終止經營業務應佔虧損		(21,820)	(8,529)	(155.83%)
Assets and Liabilities HK\$'000	資產與負債 千港元				
Total assets	總資產		205,677	178,864	14.99%
Total liabilities	總負債		141,558	172,619	(17.99%)
Shareholders' equity	股東權益		64,119	6,245	926.73%
Per share data HK cents	每股數據 港仙				
Basic and diluted (loss)/earnings	基本及攤薄(虧損)/盈利				
– from continuing operations	– 持續經營業務		(4.11)	(4.98)	(17.47%)
– from discontinued operations	– 已終止經營業務		–	3.11	(100%)
HK\$	港元				
Net asset value	資產淨值		0.10	0.01	1,100%
Financial Ratio	財務比率				
Current ratio	流動比率	1	1.23	1.54	(20.13%)
Quick ratio	速動比率	2	1.20	1.49	(19.46%)

Notes:

- 1) Current ratio represents current assets divided by current liabilities.
- 2) Quick ratio represents current assets excluding inventories divided by current liabilities.

附註：

- 1) 流動比率指流動資產除以流動負債。
- 2) 速動比率指不包括存貨的流動資產除以流動負債。

Chairman's Statement

主席報告書

The Group has been exploring other investment opportunities in hotel operation, property investment and development in Hong Kong, the PRC and other overseas countries, with an aim to deliver satisfactory returns to the shareholders.

本集團正積極發掘於香港、中國及其他海外國家之酒店經營、物業投資及發展的其他投資機會，希望為股東帶來可觀的回報。





Chairman's Statement

主席報告書

YEAR UNDER REVIEW

The year 2018 was a significant year for Forebase International Holdings Limited (the "Company", together with its subsidiaries, the "Group").

Nuofute Property Management Co., Ltd.* 重慶諾富特物業管理有限公司 ("Nuofute Property Management") becomes the key source of income to the Group. Its success strengthen the confidence of the Group to become a modern city integrated life service provider. Management will continue to explore new property management projects and expand this segment through acquisitions.

Through the efforts of the management, the Brentwood Bay Resort in Victoria, British Columbia, Canada continues to be another source of profit of the Group. Management will continue to explore other investment opportunities in hotel operation, property investment and development in Hong Kong, the PRC and other overseas countries.

The board of directors (the "Board") and the management will continue to adjust the Group's business strategies with an aim to deliver satisfactory returns to every shareholders.

BUSINESS PERFORMANCE

Revenue represents hotel operation income and properties management income, which accounted for approximately 47.3% (2017: 48.9%) and 52.7% (2017: 51.1%) respectively, of the total revenue. Revenue increased by 8.0% to approximately HK\$94,582,000 from approximately HK\$87,588,000 in 2017, which was mainly attributable to the increase in property management income from approximately HK\$44,714,000 in 2017 to approximately HK\$49,825,000 in 2018. The Group's net loss increased from approximately 8,529,000 in 2017 to approximately HK\$21,820,000 in 2018 due to a profit of approximately HK\$14,217,000 was recorded as a result of the disposal of electronic component business last year.

年內回顧

二零一八年對申基國際控股有限公司（「本公司」，連同其附屬公司統稱「本集團」）而言極具重大意義。

重慶諾富特物業管理有限公司（「諾富特物業管理」）成為本集團的主要收入來源。它成功加強本集團致力成為現代城市綜合生活服務提供者的信心。管理層將繼續物色新物業管理項目，並通過收購方式壯大此業務。

在管理團隊的努力下，位於加拿大英屬哥倫比亞維多利亞市經營之 Brentwood Bay Resort 繼續成為本集團的另一個利潤來源。管理團隊將繼續物色其他於香港、中國及其他海外國家之酒店經營、物業投資及發展的投資機會。

董事會（「董事會」）及管理層將繼續調整本集團的整體經營策略，祈望為所有股東帶來可觀回報。

業務表現

收益指酒店經營收入及物業管理收入，分別佔總收益約47.3%（二零一七年：48.9%）及52.7%（二零一七年：51.1%）。總收益由二零一七年約87,588,000港元增加8.0%至約94,582,000港元，主要來自物業管理業務的收益由二零一七年約44,714,000港元增加至二零一八年約49,825,000港元。本集團的虧損淨額由二零一七年約8,529,000港元增加至二零一八年約21,820,000港元，主要由於去年出售電子元件業務錄得收入約14,217,000港元所致。

* For identification purpose only.

PROSPECTS

The property management segment has become one of the key sources of income to the Group. Management believes that the property management industry in China will continue to grow steadily and this segment will bring stable income to the Group. While exploring new property management projects, the Group will actively consider expanding this segment through acquisitions.

The hotel operation business in Victoria, British Columbia, Canada continues to generate revenue for the Group, of which, however, has contributed less due to foreign exchange fluctuations. The Group has been exploring other investment opportunities in hotel operation, property investment and development in Hong Kong, the PRC and other overseas countries, with an aim to deliver substantial returns for shareholders of the Company through a series of acquisitions and proposed cooperation.

The Group is adjusting its overall operational strategies and considering to invest in several service-oriented industries, including cultural, tourism and healthcare sectors. The objective is to synthesize these new investments with existing businesses to transform the Group into a modern city integrated life service provider and bring satisfactory returns to both the Group and its shareholders.

APPRECIATION

On behalf of the Board, I would like to express sincere thanks and appreciation to our shareholders, business partners and dedicated management as well as staff for their continued support and valuable contributions to the Group.

Shen Yong
Chairman

Hong Kong, 27 March 2019

前景

物業管理業務成為本集團其中一個主要收入來源。管理層相信中國物業管理行業將持續穩定增長，而此業務將會為本集團帶來穩定收入。在繼續物色新物業管理項目的同時，本集團將積極考慮以收購方式壯大此業務。

位於加拿大英屬哥倫比亞省維多利亞市的酒店經營業務繼續替本集團帶來收益。但由於匯率因素，以致其帶來的貢獻減少。本集團正積極發掘於香港、中國及其他海外國家之酒店經營、物業投資及發展的其他投資機會，希望通過一系列的收購行動及合作計畫，為本公司股東帶來可觀的回報。

本集團正調整其整體經營策略，並考慮投資於數個服務主導行業，包括文化、旅遊及醫療版塊，旨在將該等新投資與現有業務整合，將本集團轉型為現代城市綜合生活服務提供者，並為本集團及其股東帶來可觀回報。

感謝

本人謹代表董事會對我們的股東、業務伙伴及堅定投入的管理層和員工致以最深謝意，感謝他們一直以來對本集團的無間斷支持及寶貴貢獻。

申勇
主席

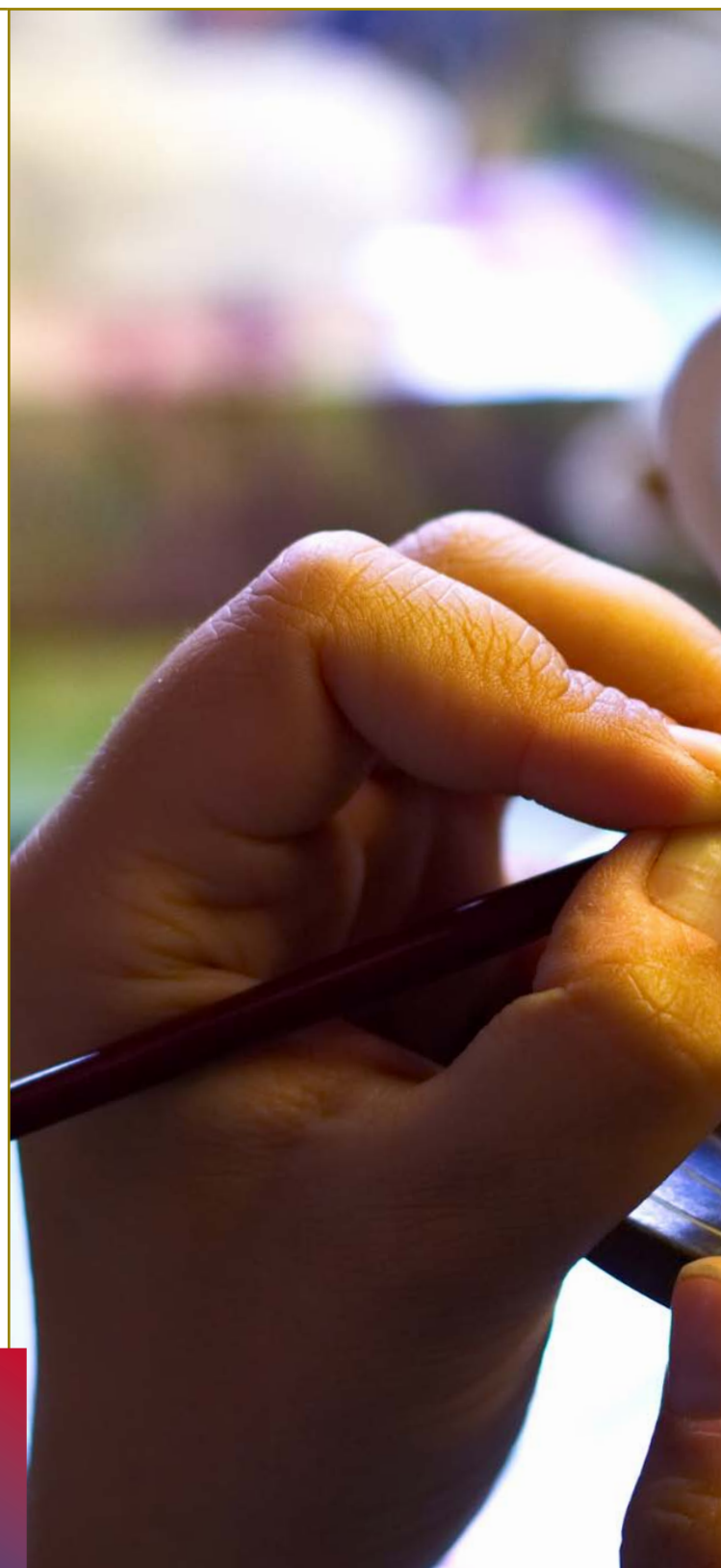
香港，二零一九年三月二十七日

Management Discussion and Analysis

管理層討論及分析

The success of property management segment strengthen the confidence of the Group to become a modern city integrated life service provider. Management will continue to explore new property management projects and expand this segment through acquisitions.

物業管理業務的成功，加強了本集團致力成為現代城市綜合生活服務提供者的信心。管理層將繼續物色新物業管理項目，並通過收購方式壯大此業務。





Management Discussion and Analysis

管理層討論及分析



FINANCIAL REVIEW

Revenue and Segment Information

Revenue represents hotel operation income and properties management income. Revenue increased by 8.0% to approximately HK\$94,582,000 from approximately HK\$87,588,000 in 2017 was mainly attributable to the increase in hotel operation income and properties management income during the year ended 31 December 2018.

Direct Costs

Direct costs increased by approximately HK\$3,427,000 or 6.2% to approximately HK\$58,890,000 which was in line with the increase in revenue.

Gross Profit

Gross profit increased by approximately HK\$3,567,000 or 11.1% which was in line with the increase in revenue.

財務回顧

收益及分部資料

收益指酒店經營收入及物業管理收入。收益由二零一七年約87,588,000港元上升8.0%至約94,582,000港元，主要由於截至二零一八年十二月三十一日止年度酒店營運收入及物業管理收益增加所致。

直接成本

直接成本增加約3,427,000港元或6.2%至約58,890,000港元，與收益增加相符。

毛利

毛利上升約3,567,000港元或11.1%，與收益之上升一致。

The Group has been exploring investment opportunities in hotel operation, property investment and development in Hong Kong, the PRC and other overseas.

本集團正積極發掘於香港、中國及其他海外國家之酒店經營、物業投資及發展的投資機會。

Other Income

Other income decreased by approximately HK\$2,583,000 from approximately HK\$3,992,000 in 2017 to approximately HK\$1,409,000 in 2018. The decrease was mainly due to the decrease in gain on amount due to a director stated at fair value upon initial recognition.

Administrative Expenses

Administrative expenses increased by approximately HK\$3,869,000 from approximately HK\$46,847,000 in 2017 to approximately HK\$50,716,000 in 2018. The increase was mainly due to additional equity-settled share-based payment expenses of HK\$7,101,000 against the decrease in loss allowance of trade and other receivable of HK\$4,190,000.

Finance Costs

The Group's finance costs during the year amounted to HK\$7,522,000 (2017: HK\$7,104,000) mainly due to the issuance of a 3% coupon unlisted bond of HK\$10,181,000 in March 2018.

其他收入

其他收入由二零一七年約3,992,000港元減少約2,583,000港元至二零一八年約1,409,000港元。減少主要是由於應付董事款項（於初始確認時按公允值列賬）收益減少所致。

行政開支

行政開支由二零一七年約46,847,000港元增加約3,869,000港元至二零一八年約50,716,000港元。此增加主要由於額外以權益結算以股份為基礎的付款開支7,101,000港元抵銷貿易及其他應收賬款的虧損撥備之減少4,190,000港元所致。

融資成本

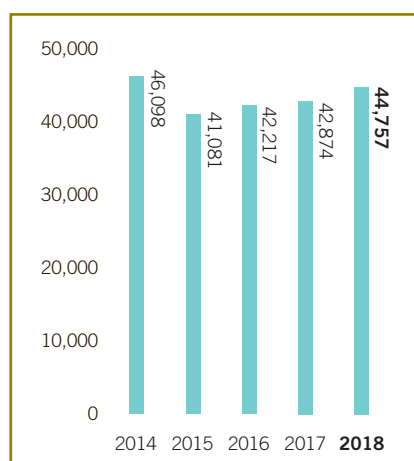
本集團在年內的融資成本為7,522,000港元（二零一七年：7,104,000港元），主要由於二零一八年三月發行10,181,000港元，票面年利率為3%之非上市債券所致。

Management Discussion and Analysis

管理層討論及分析

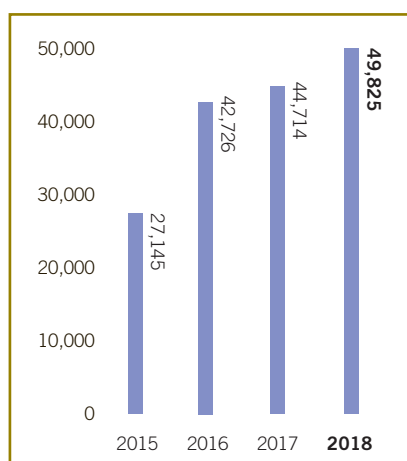
Revenue of Hotel Operation Business

酒店經營業務收益 (HK\$'000 千港元)



Revenue of Property Management Business

物業管理業務收益 (HK\$'000 千港元)



Taxation

Income tax expense decreased from approximately HK\$4,912,000 in 2017 to approximately HK\$1,236,000 in 2018 was mainly attributable to the decrease in provision for PRC Corporate Income Tax by approximately HK\$3,676,000.

Loss for the Year

As a result of the foregoing combined effects of the above, the Group recorded a net loss of approximately HK\$21,820,000.

Liquidity and Financial Resources

As at 31 December 2018, the Group's net current assets and current ratio were approximately HK\$8,550,000 and 1.23 respectively (2017: HK\$16,643,000 and 1.54 respectively).

Charge on Assets

As at 31 December 2018, the Group's land and buildings held for own use of approximately HK\$82,956,000 (2017: HK\$90,023,000) were pledged to secure banking facilities granted to the Group.

稅項

所得稅開支由二零一七年約4,912,000港元減少至二零一八年約1,236,000港元，主要是由於中國企業所得稅撥備減少約3,676,000港元所致。

本年度虧損

由於上述各項的綜合影響，本集團錄得虧損淨額約21,820,000港元。

流動資金及財務資源

於二零一八年十二月三十一日，本集團的流動資產淨額及流動比率分別約為8,550,000港元及1.23（二零一七年：分別為16,643,000港元及1.54）。

資產抵押

於二零一八年十二月三十一日，本集團持作自用的土地及樓宇約82,956,000港元（二零一七年：90,023,000港元）用作所取得銀行融資之抵押。

Management Discussion and Analysis

管理層討論及分析

Capital Structure

For the year ended 31 December 2018, the Group financed its liquidity requirements through a combination of cash flow as generated from operations, secured loans, bonds and advances from a director.

Commitment and Contingent Liabilities

As at 31 December 2018, the Group had operating lease commitments of approximately HK\$5,041,000 (2017: HK\$6,709,000) and did not have any significant contingent liabilities.

BUSINESS REVIEW

Hotel Operation Business

Revenue from hotel operation accounted for approximately 47.3% of the total revenue. For the year 2018, the hotel achieved occupancy of 80.7% (2017: 77.9%) and growth in revenue of other hotel related services by 5.8%. The revenue was increased by approximately HK\$1,883,000 from approximately HK\$42,874,000 in 2017 to approximately HK\$44,757,000 in 2018.

Property Management Business

Revenue from property management business amounted to approximately HK\$49,825,000, representing an increase of 11.4% comparing to approximately HK\$44,714,000 in 2017. The increase was due to the increase in areas under management from approximately 507,000 square metres in 2017 to approximately 579,000 square metres in 2018. The segmental revenue accounted for approximately 52.7% of the total revenue of the Group.

Net Gearing Ratio

The net gearing ratio was 1.38 as at 31 December 2018 (31 December 2017: 12.5). The net gearing ratio was measured by net debt (including secured loans and bonds, and deducting bank balances and cash) over the total equity.

資本結構

截至二零一八年十二月三十一日止年度，本集團主要透過綜合利用經營所得的現金流、抵押貸款、債券及董事墊款滿足流動資金需要。

承擔及或然負債

於二零一八年十二月三十一日，本集團有經營租賃承擔約5,041,000 港元（二零一七年：6,709,000港元），以及並無任何重大或然負債。

業務回顧

酒店經營業務

來自酒店經營之收益，佔總收益約47.3%。於二零一八年，酒店入住率達80.7%（二零一七年：77.9%），其他酒店相關服務收益增長5.8%。收益增加約1,883,000港元，由二零一七年約42,874,000港元增加至二零一八年約44,757,000港元。

物業管理業務

物業管理業務的收益為約49,825,000港元，較二零一七年約44,714,000港元增加11.4%。收益增加乃因為管理面積由二零一七年約507,000平方米增加至二零一八年度約579,000平方米。分類收益佔本集團收益總額約52.7%。

淨資產負債比率

於二零一八年十二月三十一日之淨資產負債比率為1.38（二零一七年十二月三十一日：12.5）。淨資產負債比率乃由負債淨額（包括已抵押貸款及債券，並扣除銀行結餘及現金）除總權益計量。

Management Discussion and Analysis

管理層討論及分析

Staff and Remuneration Policy

As at 31 December 2018, the Group had approximately 361 employees, including 234 based in the PRC, 11 based in Hong Kong and 116 based in Canada. Staff costs from continuing operations for the year ended 31 December 2018 were approximately HK\$53,871,000, representing an increase of approximately HK\$7,138,000 as compared to approximately HK\$46,733,000 of last year due to the increase in equity-settled share-based payment expenses as a result of share options granted to certain directors and eligible participants.

Employee remuneration is determined in accordance with prevailing industry practice and employees' performance and experience. Discretionary bonuses are awarded to employees with outstanding performance with reference to the performance of the Group. Employees are also entitled to other staff benefits including medical insurance and mandatory provident fund.

Foreign Exchange Fluctuation and Hedge

The Group is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Renminbi, United States Dollar and Canadian Dollar. Foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investment in foreign operations.

During the years ended 31 December 2018 and 2017, the Group did not enter into any forward foreign currency contracts.

僱員及薪酬政策

於二零一八年十二月三十一日，本集團約有361名員工，當中234名位於中國、11名位於香港及116名位於加拿大。截至二零一八年十二月三十一日止年度來自持續經營業務員工成本約53,871,000港元，較去年約46,733,000港元增加約7,138,000港元，乃因為向若干董事及合資格參與者授出購股權令以權益結算以股份為基礎的付款開支增加所致。

僱員酬金乃根據現行的行業慣例及僱員表現及經驗釐定。酌情花紅乃參考本集團表現，授予表現優異的僱員。僱員亦有權享有其他僱員福利（包括醫療保險及強制性公積金）。

外匯波動及對沖

本集團承受來自多種貨幣的外匯風險，主要涉及人民幣、美元及加元。外匯風險來自商業交易、已確認資產和負債，以及於外國業務之淨投資。

截至二零一八年及二零一七年十二月三十一日止年度，本集團並無訂立任何遠期外匯合約。

CORPORATE GOVERNANCE CODE AND CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving a high standard of practices of corporate governance so as to ensure the protection of shareholders' interests with better transparency. The Company has complied with the code provisions of the Corporate Governance Code set out in Appendix 14 to the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange during the year ended 31 December 2018, except for the following:

Code Provision A.6.7

Pursuant to the code provision A.6.7, independent non-executive directors and other non-executive directors, as equal Board members, should attend the general meetings of the Company.

The Company held its annual general meeting on 29 May 2018 (the "AGM") and extraordinary general meeting on 20 December 2018 ("the EGM"). During the year ended 31 December 2017, certain independent non-executive directors were unable to attend the Company's general meetings due to their unavoidable business engagements.

The Company has arranged and will continue to arrange to furnish all directors with appropriate information on all general meetings and take all reasonable measures to arrange to schedule in such a way that all directors can attend general meetings, as well as to support non-executive directors to respond to shareholders' questions in the general meetings.

Code Provision E.1.2 stipulates that the Chairman of the Board should attend the AGM. Due to other business engagements, the Chairman of the Board was unable to attend the AGM. However, Mr. Gan Lin, an executive director of the Company, took chair of the AGM pursuant to the articles of association of the Company to ensure an effective communication with the shareholders of the Company thereat.

企業管治守則及企業管治常規

本公司一向恪守嚴謹之企業管治常規，藉提高透明度確保股東利益。本公司於截至二零一八年十二月三十一日止年度已遵守聯交所證券上市規則（「上市規則」）附錄十四所載企業管治守則所載的守則條文，惟下列除外：

守則條文第 A.6.7 條

根據守則條文第 A.6.7 條，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位之董事會成員，應出席本公司之股東週年大會。

本公司於二零一八年五月二十九日舉行股東週年大會及於二零一八年十二月二十日舉行股東特別大會。截至二零一七年十二月三十一日止年度，若干獨立非執行董事因處理不可避免事務而未能出席本公司股東大會。

本公司已在所有股東大會，及將在日後的股東大會為所有董事安排提供適當的資訊，並採取所有合理措施安排日程，使所有董事可以出席會議，並向非執行董事提供支持，以回應股東於股東大會之提問。

守則條文第 E.1.2 條規定董事會主席應出席股東週年大會。由於有其他事務在身，董事會主席未能出席股東週年大會。然而，本公司執行董事甘霖先生根據本公司之組織章程細則，擔任股東週年大會之主席以保證與本公司股東進行有效溝通。

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Model code for securities transactions by directors

The Company has adopted Appendix 10, Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules (the “Model Code”) as the code of practice for carrying out securities transactions by the directors of the Company. The Company, having made specific enquiries to all directors of the Company, confirmed that all directors have complied with the required standard of dealings as set out in the Model Code throughout the year ended 31 December 2018.

BOARD OF DIRECTORS

The Company’s overall management is vested in its Board, which currently comprises seven members, coming from diverse businesses and professional backgrounds. The biographical details of directors are set out under the section “Directors and Senior Management” on pages 52 to 55 of this annual report. The Board currently comprises executive directors Mr. Shen Yong (Chairman) and Mr. Gan Lin (Chief Executive Officer); non-executive director Mr. Huang Xiang Yang and independent non-executive directors Dr. Loke Yu (alias Loke Hoi Lam), Mr. Yu Lei, and Mr. Ernst Rudolf Zimmermann.

The Board meets at least four times annually to review business development and overall strategic policies.

To facilitate the operation of the Board, the Board has established a schedule of matters reserved for its approval. The specific responsibilities reserved for the Board include (a) setting the Group’s strategy and dividend policy; (b) approving budgets, reviewing operational and financial performance; (c) approving major investments and divestments; (d) reviewing the internal control system of the Group; (e) ensuring appropriate management development and succession plans in place; (f) approving appointments of and remuneration policy for directors and other senior executives; (g) approving corporate social responsibility policies; and (h) ensuring effective communication with shareholders.

董事進行證券交易的標準守則

本公司已採納上市規則附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易的行為守則。本公司向本公司所有董事作出具體查詢後確認，截至二零一八年十二月三十一日止整個年度，所有董事均有遵守標準守則所載之守則條文。

董事會

本公司之整體管理由董事會負責，目前，董事會由七名成員組成，彼等擁有不同行業及專業背景。董事履歷詳情載於本年報52至55頁「董事及高層管理人員」一節。董事會成員目前包括執行董事申勇先生（主席）及甘霖先生（行政總裁）；非執行董事黃向陽先生以及獨立非執行董事陸海林博士、余磊先生及司馬文先生。

董事會每年最少舉行四次會議，以檢討業務發展及整體策略政策。

為方便董事會運作，董事會制定了一份項目清單並保留其決定權。董事會之指定責任包括 (a) 制定本集團整體策略及股息政策；(b) 通過預算案、檢討營運及財務表現；(c) 批准重大投資及撤資；(d) 檢討本集團內部監控系統；(e) 確保有適當管理發展及延續計劃；(f) 通過委任董事及其他高級行政人員並釐訂彼等之薪酬政策；(g) 批准企業社會責任政策；及 (h) 確保與股東進行有效溝通。

For the financial reporting accountability, the Board has an ultimate responsibility for preparing the financial statements. In preparing the financial statements, the Board has ensured that (a) the generally accepted accounting standards in Hong Kong have been adopted; (b) appropriate accounting policies have been used and applied consistently; and (c) reasonable and prudent judgments and estimates have been made. Moreover, the Board is not aware of any material uncertainties relating to events or conditions which may cast significant doubt over the Group's ability to continue as a going concern. Accordingly, the Board has continued to adopt the going concern basis in preparing the financial statements.

Being part of good corporate governance practices, a number of board committees have been established. These committees include five corporate governance related committees namely the Executive Committee, the Remuneration Committee, the Audit Committee and the Nomination Committee as well as one ad hoc committee namely the Independent Board Committee which is responsible for advising the matters in relation to the continuing connected transactions. These committees operate within specific terms of reference as prepared by the Company and report their work and findings to the Board regularly.

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The Nomination Committee as a whole is responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors. Each of the executive Directors is engaged on a service contract for a term of three years. The appointment may be terminated by not less than one month's written notice or payment in lieu of such notice. Each of the independent non-executive Directors has entered into a service contract with the Company for a specific term of three years and is subject to retirement by rotation once every three years. And they should be re-appointed at any annual general meeting of the Company during their term of office. The appointment may be terminated by not less than one month's written notice or payment in lieu of such notice.

就財務申報之問責性而言，董事會有編製財務報表之最終責任。在編製財務報表時，董事會已保證 (a) 香港公認之會計準則已予採納；(b) 適當會計政策已予使用及貫徹應用；及 (c) 合理及審慎之判斷和估算已予作出。此外，董事會並不知悉有任何重大不確定因素致使本集團持續經營之能力存在疑問。為此，董事會在編製財務報表時繼續採用持續經營基準。

作為良好企業管治之部份措施，本公司已成立多個董事會轄下的委員會。該等委員會包括五個與企業管治有關的委員會，即執行委員會、薪酬委員會、審核委員會及提名委員會，以及一個負責就持續關連交易提供意見之特設委員會，即獨立董事委員會。該等委員會均按由本公司編製之特定職權範圍操作並且定期向董事會匯報彼等之工作及調查結果。

委任、重選及罷免董事

提名委員會整體負責檢討董事會的組成、就提名及委任董事發展及制定相關程序、監察董事的委任和繼任計畫及評估獨立非執行董事的獨立性。各執行董事透過為期三年的服務合約委聘。委任可以不少於一個月書面通知或以付款代替該通知之方式終止。各獨立非執行董事已於本公司訂立服務合約，指定年期為三年，並須每三年輪值退任一次，而彼等須於其在任期間的任何本公司股東週年大會上予以重新委任。委任可以不少於一個月書面通知或以付款代替該通知之方式終止。

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In accordance with the Company's articles of association, one third of the Directors of the Company are subject to retirement by rotation every year and any new director appointed to fill a casual vacancy or as an addition to the Board shall submit himself/herself for re-election by shareholders at the first general meeting or the first annual general meeting respectively after appointment. The Nomination Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board regularly to ensure that the Board has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company. Where vacancies on the Board exist, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, the Company's needs and other relevant statutory requirements and regulations. An external recruitment agency may be engaged to carry out the recruitment and selection process where necessary. The recommendations of the Nomination Committee are then put to the full Board for decision.

The Nomination Committee recommended the re-appointment of the Directors Mr. Shen Yong, Mr. Gan Lin and Dr. Loke Yu standing for re-election at the next forthcoming annual general meeting of the Company. The Company's circular contains detailed information of the directors standing for re-election will be despatched to shareholders for consideration.

根據本公司組織章程細則，本公司三分之一董事須於每年輪值退任，而填補臨時空缺或作為董事會新增成員的任何新董事須分別於委任後的第一個股東大會或第一個股東週年大會上提呈股東重選。提名委員會定期檢討董事會的結構、規模及組成（包括技能、知識及經驗），確保董事會具有適合本公司業務所須的專業知識、技能及經驗。當董事會出現空缺時，提名委員會將參照獲建議人選的技能、經驗、專業知識、個人誠信及時間投放，以及本公司的需要及其他相關法定規定及規例，進行有關甄選程序。在需要時，會委聘外部招募代理進行招募及甄選程序。提名委員會的建議其後會提呈予全體董事會作決定。

提名委員會已建議重新委任董事申勇先生、甘霖先生及陸海林博士於本公司應屆股東週年大會上提呈連任。本公司將向股東發出載有提呈重選董事的詳細資料的通函，以供股東考慮。

DIRECTORS' ATTENDANCE RECORDS

The attendance records of the directors at Board Meetings, Audit Committee Meetings, Remuneration Committee Meeting, Executive Committee Meetings, Nomination Committee Meeting, Independent Board Committee Meeting and General Meetings during the year ended 31 December 2018 are set out below:

董事出席紀錄

截至二零一八年十二月三十一日止年度內，每位董事於董事會會議、審核委員會會議、薪酬委員會會議、執行委員會會議、提名委員會會議、獨立董事委員會會議及股東大會之出席記錄如下：

		No. of meetings attended/held 會議出席/舉行次數						
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Executive Committee 執行委員會	Nomination Committee 提名委員會	Independent Board Committee 獨立董事委員會	General meeting 股東大會
Executive directors	執行董事							
Mr. Shen Yong	申勇先生	4/4	n/a 不適用	n/a 不適用	0/0	n/a 不適用	n/a 不適用	1/2
Mr. Gan Lin	甘霖先生	4/4	n/a 不適用	n/a 不適用	0/0	n/a 不適用	n/a 不適用	2/2
Mr. Shen Ke ⁽¹⁾	申柯先生 ⁽¹⁾	3/4	n/a 不適用	n/a 不適用	0/0	n/a 不適用	n/a 不適用	1/1
Non-executive director	非執行董事							
Mr. Huang Xiang Yang	黃向陽先生	4/4	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	n/a 不適用	2/2
Independent non-executive directors	獨立非執行董事							
Dr. Loke Yu (alias Loke Hoi Lam)	陸海林博士	4/4	2/2	1/1	n/a 不適用	0/0	1/1	2/2
Mr. Yu Lei	余磊先生	4/4	2/2	1/1	n/a 不適用	0/0	1/1	1/2
Mr. Ernst Rudolf Zimmermann	司馬文先生	4/4	2/2	1/1	n/a 不適用	0/0	1/1	2/2

(1) resigned on 21 September 2018

(1) 於二零一八年九月二十一日辭任

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BOARD COMMITTEES

The Board has established five board committees, namely, the Executive Committee, the Remuneration Committee, the Nomination Committee, the Audit Committee and the Independent Board Committee, for overseeing particular aspects of the Company's affairs. All board committees should report to the Board on their decisions or recommendations made.

A. Executive Committee

The Executive Committee comprises Mr. Shen Yong (Committee Chairman) and Mr. Gan Lin. The major responsibilities of the Executive Committee are:

1. to develop strategic plans for the consideration of the Board;
 2. to implement the strategies and policies of the Group as determined by the Board;
 3. to monitor the daily operations and financial results against plans and budgets; and
 4. to guide the Company in various corporate affairs
- There were no Executive Committee meetings held for the year ended 31 December 2018.

B. Remuneration Committee

The Remuneration Committee currently comprises three independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Loke Yu and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Remuneration Committee are:

1. to review the remuneration packages of directors and senior management;
2. to make recommendations to the Board on the remuneration structure; and
3. to review and guide the formulation of the Group's remuneration policy for directors and senior management attributable to performance-driven compensation commitment as well as market trend and industry norms.

董事委員會

董事會已成立五個董事委員會，即執行委員會、薪酬委員會、提名委員會、審核委員會及獨立董事委員會，以監管本公司各方面事務。所有董事委員會應就其決策或建議向董事會匯報。

A. 執行委員會

執行委員會目前由申勇先生（委員會主席）及甘霖先生組成。執行委員會之主要責任為：

1. 發展策略性計劃以供董事會考慮；
2. 實施董事會決定之本集團策略及政策；
3. 監管日常營運表現及財務業績以對比計劃及預算中的情況；及
4. 多方面指導本公司企業事務。截至二零一八年十二月三十一日止年度，並沒有舉行執行委員會會議。

B. 薪酬委員會

薪酬委員會目前由三名獨立非執行董事余磊先生（委員會主席）、陸海林博士及司馬文先生組成。

薪酬委員會之主要責任為：

1. 檢討董事及高層管理人員之薪酬組合；
2. 就薪酬架構向董事會作出建議；及
3. 定期檢討及指導本集團董事及高層管理人員之薪酬政策之編製。薪酬政策乃根據與表現掛鉤之報酬承諾，並參考市場趨勢及行業慣例釐訂。

There were one Remuneration Committee meeting held for the year ended 31 December 2018 to review the remuneration packages of directors and senior management according to the Group's employment policy, nomination policy, remuneration policy, and training and development policy.

The Remuneration Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Remuneration Committee can be viewed on the websites of the Company and the Stock Exchange.

Details of the remuneration to the directors on named basis and members of senior management by band are disclosed in notes 10 and 11 to the consolidated financial statements, respectively.

C. Nomination Committee

The Nomination Committee currently comprises three independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Loke Yu and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Nomination Committee are:

1. to make recommendations to the Board on the appointment or re-appointment of directors;
2. to review the structure, size and composition of the Board and to ensure fair and transparent procedures for the appointment or re-appointment of directors;
3. to propose the appointment of such candidates to the Board for consideration; and
4. to review the qualifications of the relevant candidates for determining the suitability to the Group on the basis of his/her qualifications, experience and background.

截至二零一八年十二月三十一日止年度，舉行了一次薪酬委員會會議，已根據本集團聘用政策、提名政策、薪酬政策以及培訓及發展政策，檢討董事及高層管理人員之薪酬待遇。

薪酬委員會具備充足資源履行其職責。薪酬委員會之最新職權範圍可於本公司及聯交所網站查閱。

董事之酬金詳情以具名方式而高層管理人員之酬金詳情按組別分別披露於綜合財務報表附註 10 及 11。

C. 提名委員會

提名委員會目前包括三名獨立非執行董事余磊先生（委員會主席）、陸海林博士及司馬文先生。

提名委員會之主要責任為：

1. 向董事會提供有關委任或續聘董事之推薦意見；
2. 檢討董事會之架構、大小及組成以及確保委任或續聘董事之程序公正透明；
3. 提出委任人選供董事會考慮；及
4. 審視相關人選之資歷，基於其資歷、經驗及背景決定是否適合本集團。

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There was no Nomination Committee meeting held for the year ended 31 December 2018 to discuss and consider the following matters:

1. the composition of the Board with reference to certain criteria. These criteria included qualifications required under the Listing Rules or any other relevant laws regarding characteristics and skills of the directors, professional ethics and integrity, appropriate professional knowledge and industry experience, as well as ability to devote sufficient time to the work of the Board and its committees and to participate in all Board meetings and shareholders' meetings;
2. the re-appointment of the retiring directors for reelection at the previous general meeting;
3. procedures for election of directors and by shareholders; and
4. independence of the independent non-executive directors.

The Nomination Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Nomination Committee can be viewed on the websites of the Company and the Stock Exchange.

D. Audit Committee

The Audit Committee currently comprises three independent non-executive directors Dr. Loke Yu (Committee Chairman), Mr. Yu Lei and Mr. Ernst Rudolf Zimmermann.

The main responsibilities of the Audit Committee are:

1. to monitor the integrity of financial reporting of the Company;
2. to review the internal control and risk management systems of the Group; and
3. to review the corporate governance practices of the Company.

截至二零一八年十二月三十一日止年度，提名委員會會議沒有舉行會議，以討論並考慮以下事項：

1. 參考若干準則檢討及評估董事會的組成。該等準則包括上市規則或任何相關法律就董事的個性及技能、專業操守及誠信、適合的專業知識及行業經驗而規定之資歷，以及能對董事會及其委員會的工作付出足夠的時間以及參與所有董事會會議及股東會議之能力；
2. 續聘於上屆股東週年大會獲續聘的退任董事；
3. 股東及董事選舉之程序；及
4. 獨立非執行董事的獨立性。

提名委員會具備充足資源履行職責。提名委員會之最新職權範圍可於本公司及聯交所網站查閱。

D. 審核委員會

審核委員會目前由三名獨立非執行董事陸海林博士（委員會主席）、余磊先生及司馬文先生組成。

審核委員會之主要職責為：

1. 監察本公司財務報告之完整性；
2. 檢討本集團內部監控及風險管理系統；及
3. 檢討本公司之企業管治常規。

There were two Audit Committee meetings held for the year ended 31 December 2018 to discuss and review the following matters:

1. the 2017 annual report and accounts;
2. the 2018 interim report and accounts;
3. the Group's financial controls, internal control and risk management systems;
4. the financial reporting and relevant compliance with external auditor; and
5. the auditor's remuneration and recommended the Board to re-appoint Grant Thornton Hong Kong Limited as the auditor of the Company in the year 2019, which is subject to the approval of shareholders at the forthcoming AGM.

The Audit Committee is provided with sufficient resources to perform its duties. Latest terms of reference of the Audit Committee can be viewed on the websites of the Company and the Stock Exchange.

E. Independent Board Committee

The Independent Board Committee currently comprises three independent non-executive directors Mr. Yu Lei (Committee Chairman), Dr. Loke Yu and Mr. Ernst Rudolf Zimmermann.

The major responsibilities of the Independent Board Committee are:

1. to consider and review matters regarding the continuing connected transactions of the Group; and
2. to advise the independent shareholders whether the Group's transactions are fair and reasonable and in the interests of the Company and shareholders as a whole.

There was one Independent Board Committee meeting held for the year ended 31 December 2018.

截至二零一八年十二月三十一日止年度，舉行了兩次審核委員會會議，以討論及檢討以下事項：

1. 二零一七年年報及賬目；
2. 二零一八年中報及賬目；
3. 本集團之財務監控、內部監控及風險管理系統；
4. 與外聘核數師就財務報告及相關遵例情況進行討論；及
5. 核數師薪酬及向董事會建議於二零一九年續聘致同（香港）會計師事務所有限公司為本公司核數師，惟須獲股東於應屆股東週年大會上批准方會作實。

審核委員會具備充足資源履行職責。審核委員會之最新職權範圍可於本公司及聯交所網站查閱。

E. 獨立董事委員會

獨立董事委員會目前由三名獨立非執行董事余磊先生（委員會主席）、陸海林博士及司馬文先生組成。

獨立董事委員會之主要責任為：

1. 以考慮及檢討有關本集團持續關連交易之事宜；及
2. 就本集團交易是否公平、合理及符合本公司與股東整體利益而向獨立股東提供意見。

截至二零一八年十二月三十一日止年度，曾舉行一次獨立董事委員會會議。

Corporate Governance Report

企業管治報告書

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the following corporate governance duties as required under the CG Code:

1. to develop and review the Company's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of the directors and senior officers of the Group;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the codes of conduct applicable to employees and the directors; and
5. to review the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

During the year ended 31 December 2018, the Board considered the following corporate governance matters:

1. review of the compliance with the Code Provisions of the CG Code; and
2. review of the effectiveness of the internal controls and risk management systems of the Group through the Audit Committee.

COMPANY SECRETARY

Company Secretary of the Company is a full time employee of the Group and has day-to-day knowledge of the Company's affairs. During the year ended 31 December 2018, the Company Secretary, Mr. Leung Tak Chee Frankie, has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules. According to Rule 3.29 of the Listing Rules, the Company Secretary has taken no less than 15 hours of relevant professional training. The biographical details of the Company Secretary is set out on in the section entitled "Directors and Senior Management" in this annual report.

企業管治職能

董事會負責履行企業管治守則規定的企業管治職責如下：

1. 制定及檢討本公司的企業管治政策及常規；
2. 檢討及監察董事及高級管理人員的培訓及持續專業發展；
3. 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；
4. 制定、檢討及監察適用於僱員及董事的操守準則；及
5. 檢討本公司遵守企業管治守則的情況及在本《企業管治報告書》內的披露。

於截至二零一八年十二月三十一日止年度，董事會已審議以下企業管治事宜：

1. 檢討遵守企業管治守則之守則條文之情況；及
2. 透過審核委員會檢討本集團內部監控及風險管理系統之有效性。

公司秘書

本公司的公司秘書為本集團全職僱員，且熟悉本公司日常事務。於截至二零一八年十二月三十一日止年度，公司秘書梁德志先生已遵守上市規則第3.29條下相關專業培訓之規定。根據上市規則第3.29條，公司秘書已作出不少於15小時之相關專業培訓。公司秘書的履歷詳情載於本年報「董事及高層管理人員」一節。

TRAINING, INDUCTION AND CONTINUING DEVELOPMENT FOR DIRECTORS

Each newly appointed director receives a comprehensive and formal induction to ensure that he/she has an appropriate understanding of the business and operations of the Group, his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements, the CG Code of the Company and the Model Code.

Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. Continuing briefing and professional development for directors will be arranged at the expenses of the Company whenever necessary. The directors are committed to complying with Code Provision A.6.5 of the CG Code on directors' training effective from 1 April 2012. All directors have participated in continuous professional development to develop and refresh their knowledge and skills and provided their training records to the Company.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY

The Company has arranged appropriate liability insurance to indemnify its directors and officers in respect of legal actions against the directors. During the year ended 31 December 2018, no claim had been made against the directors and the officers of the Company.

The Separate Roles of the Chairman and Chief Executive Officer

The division of responsibilities between the Chairman of the Board and the Chief Executive Officer, is clearly defined and has been approved by the Board. The Chairman provides leadership of the Board, ensures the effectiveness of the Board and oversees the corporate development; while the Chief Executive Officer, as head of the executive directorate, is responsible for managing the business development and strategic planning of the Group.

Their separate roles reinforce the continuous enhancement of the Group's corporate governance in terms of corporate fairness, transparency and accountability.

董事培訓、入職介紹及持續發展

每名獲委任之新董事均獲提供全面、正式之入職介紹，以確保其可適當掌握本集團之業務及營運；根據上市規則及相關法規須履行之職務及責任；本公司之企業管治守則；及標準守則。

董事將不斷獲得法定及監管機制發展以及業務環境之新消息，以協助彼等履行職責。當有需要時，董事將獲安排持續簡報及專業發展，費用由本公司承擔。董事致力遵守由二零一二年四月一日起生效之企業管治守則內第 A.6.5 條有關董事培訓之守則條文。全體董事均有參與發展及更新彼等知識及技能之持續專業發展，並已向本公司提供其培訓記錄。

董事及高級人員責任保險及彌償

本公司已就其董事可能會面對的法律訴訟購買合適的責任保險，以保障其董事及高級人員。截至二零一八年十二月三十一日止年度，本公司董事及高級人員並無面臨任何索償。

區分主席及行政總裁職能

董事會主席及行政總裁兩人之職責已清楚劃分，並已獲董事會批准。主席負責領導董事會、確保董事會之有效運作及監督企業發展；而行政總裁為執行董事之首，負責管理本集團之業務發展及策略規劃。

彼等之職能區分進一步提升本集團以公平、高透明度及問責為原則的企業管治。

Corporate Governance Report

企業管治報告書

Directors' Independence

There are no financial, business, family or other material/relevant relationship(s) among members of the Board.

The directors are given access to independent professional advice at the Group's expense, when the directors deem it necessary in order to carry out their responsibilities.

The Board also advocates the participation of independent non-executive directors and non-executive directors in various board committees to safeguard objectivity and independence.

The Company has received the confirmation letters from each of the independent non-executive directors, confirming their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all independent non-executive directors are independent.

Risk Management and Internal Control

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group established and maintained appropriate and effective risk management and internal control systems.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

The Group has established risk management procedures to address and handle the all significant risks associate with the business of the Group. The Board would perform annual review on any significant change of the business environment and establish procedures to response the risks result from significant change of business environment. The risk management and internal control systems are designed to mitigate the potential losses of the business.

董事之獨立性

董事會成員間並無財務、業務、家族或其他重大／相關關係。

倘董事認為必須尋求獨立專業顧問之意見以協助履行彼等之職責，有關費用由本集團支付。

董事會亦鼓勵獨立非執行董事及非執行董事參與各董事委員會，從而達致客觀性及獨立性。

本公司已接獲各名獨立非執行董事依據上市規則第 3.13 條就其獨立身份之確認函。本公司認為所有獨立非執行董事均為獨立個體。

風險管理及內部控制

董事會全面負責評估及釐定為實現本集團戰略目標而擬採取的措施的風險性質及程度，並確保本集團建立及維護適當有效的風險管理及內部控制制度。

審核委員會持續檢討對本集團屬重大的風險管理及內部控制。審核委員會考量本集團會計、內部審核及財務報告職能部門的資源、資質及經驗以及對員工與外聘顧問的培訓情況。

本集團管理層負責風險管理及內部控制制度的設計、維護、實施及監控，確保實行充分的控制，維護本集團資產及股權持有人的利益。

本集團已製定風險管理程序，解決及處理與本集團業務有關的所有重大風險。董事會每年對業務環境出現的任何重大變化進行檢討，並製定程序以應對業務環境的重大變化帶來的風險。風險管理及內部控制制度旨在減少業務的潛在虧損。

Management would identify the risks associate with the business of the Group by considering both internal and external factors and events which include political, economic, technology, environmental, social and staff. Each of risks has been assessed and prioritised based on their relevant impact and occurrence opportunity. The relevant risk management strategy would be applied to each type of risks according to the assessment results, type of risk management strategy has been listed as follow:

- Risk retention and reduction: accept the impact of risk or undertake actions by the Group to reduce the impact of the risks;
- Risk avoidance: change business process or objective so as to avoid the risk;
- Risk sharing and diversification: diversify the effect of the risk or allocate to different location or product or market.
- Risk transfer: transfer ownership and liability to a third party

The internal control systems are designed and implemented to reduce the risks associated with the business accepted by the Group and minimise the adverse impact results from the risks. The risk management and internal control system are design to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

For the year ended 31 December 2018, the Group has engaged an external advisory firm to undertake the internal audit function to ensure the effectiveness and efficiency of the risk management and internal control system of the Group. There is no significant deficiency and weakness on the internal control system has been identified by the external advisory firm for the year ended 31 December 2018.

The Board considered that, for the year ended 31 December 2018, the risk management and internal control system and procedures of the Group, covering all material controls including financial, operational and compliance controls and risk management functions were reasonably effective and adequate.

管理層將通過考慮政治、經濟、技術、環境、社會及員工等內外因素及事件以釐定與本集團業務有關的風險。各種風險均已根據其相關影響及發生幾率進行評估及優先排序。根據評估結果，相關風險管理策略將適用於各類風險，風險管理策略的類型如下：

- 風險保持及減少：本集團接受風險的影響或採取行動以減少風險的影響；
- 風險規避：改變業務流程或目標以規避風險；
- 風險分擔及多樣化：將風險的影響多元化或分配至不同位置或產品或市場。
- 風險轉移：將所有權及責任轉移至第三方

設計和實施內部控制制度，以減少與本集團接受的業務相關的風險，並儘量減少風險的不利影響。設計風險管理及內部控制制度乃為管理而非消除未能實現業務目標的風險，僅能提供合理而非絕對的保證，防止出現重大錯報或損失。

截至二零一八年十二月三十一日止年度，本集團聘請外部諮詢公司履行內部審核職能，確保本集團風險管理及內部控制制度的有效性及效率。外部諮詢公司釐定，截至二零一八年十二月三十一日止年度內部控制制度並不存在重大缺陷與不足。

董事會認為，截至二零一八年十二月三十一日止年度，涵蓋財務、經營及合規控制以及風險管理職能所有重要控制的本集團風險管理及內部控制制度及程序屬合理有效及充分。

Corporate Governance Report

企業管治報告書

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group has put in place the procedures and internal controls for the handling and dissemination of inside information. The Group complies with requirements of the SFO and the Listing Rules. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as stated in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements or circulars are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparing the Company's financial statements for the year ended 31 December 2018 which reflect true and fair view of the financial position of the Company and the Group and in compliance with relevant law and disclosure provisions of the Listing Rules. The Board is responsible for presenting a balanced, clear and comprehensible assessment extends to annual and interim reports, other inside information announcements and other financial disclosures required under the Listing Rules.

The Group appointed Grant Thornton Hong Kong Limited as the Group's external auditor. The statement by Grant Thornton Hong Kong Limited regarding their reporting responsibilities to the shareholders on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 69 to 77 of this annual report.

處理及發放內幕消息

本集團備有處理及發放內幕消息的程序及內部監控。本集團遵守證券及期貨條例以及上市規則之規定。本集團會在可行下盡快向公眾公佈內幕消息，惟有關資料屬證券及期貨條例所列之安全港內者則除外。於向公眾全面披露資料前，本集團確保有關資料絕對保密。當本集團認為已有違反保密之情況，本集團將即時向公眾披露有關資料。本集團致力確保公告或通函所載資料對於重大事實並非虛假或具誤導性，亦不會因以明確及均衡的方式呈報資料（其要求同等披露正面和負面的事實）遺漏重大事實而造成虛假或誤導。

董事及核數師就財務報表承擔的責任

董事清楚彼等須負責編製本公司截至二零一八年十二月三十一日止年度的財務報表，而財務報表須真實及公平地反映本公司及本集團的財務狀況，及符合相關法例及上市規則的披露規定。董事會負責衡平、清晰及全面地呈列年報及中期報告、其他內幕消息公告及上市規則規定的其他財務披露事項。

本集團已委任致同（香港）會計師事務所有限公司為本集團外聘核數師。致同（香港）會計師事務所有限公司就其向股東報告本集團綜合財務報表承擔的責任發出的聲明載於本年報第69至77頁的獨立核數師報告內。

AUDITOR'S REMUNERATION

During the year ended 31 December 2018 the fees paid/payable to the auditor in respect of audit and non-audit services provided by the auditor to the Group were as follows:

Nature of services	服務性質	HK\$'000 千港元
Audit services	核數服務	860
Non-audit services	非核數服務	
Other services	其他服務	30
Total	總額	890

INVESTOR RELATIONS

The Board recognises the importance of maintaining effective communications with shareholders. Annual reports and interim reports provide shareholders with comprehensive information of the Group's operational and financial performances; while general meetings offer a platform for shareholders to state and exchange views with the Board directly.

The management continually communicates with analysts and institutional investors and provides them with up-to-date and comprehensive information regarding the Group's development. The Company practices timely dissemination of information and makes sure its website www.forebase.com.hk contains the most latest information, including but not limited to annual reports, interim reports, announcements, monthly returns and press releases, and is updated in a timely manner to ensure transparency.

CONSTITUTIONAL DOCUMENTS

During the year ended 31 December 2018, there had been no significant changes in the Company's constitutional documents.

核數師薪酬

截至二零一八年十二月三十一日止年度，就核數師向本集團提供核數及非核數服務之已支付／應付予核數師之費用如下：

投資者關係

董事會了解與股東維持有效溝通的重要性。年報及中期報告為股東提供本集團營運及財務表現之詳盡資料，而股東大會則提供平台讓股東表達意見及與董事會直接交換意見。

管理層持續與分析員及機構投資者溝通，並向彼等提供有關本集團發展之最新及詳盡之資料。本公司實行及時發放資料之措施及確保其網站 www.forebase.com.hk 載有最新資料，包括但不限於年報、中期報告、公告、月報表及新聞公布，並經常更新以確保透明度。

組織章程

截至二零一八年十二月三十一日止年度，本公司之組織章程並無重大變動。

SHAREHOLDERS' RIGHTS

A. Convening an Extraordinary General Meeting by Shareholders

In accordance with section 566 of the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the "Companies Ordinance"), shareholder(s) holding at the date of the deposit of the requisition at least 5% of the voting rights at general meetings of the Company, may request the directors of the Company to convene an EGM. The written requisition must state the objects of the meeting and must be signed by the shareholder(s) concerned and deposited at the registered office of the Company for the attention of chairman of the Board or the Company Secretary. The requisition may consist of several documents in like form, each signed by one or more of the shareholders concerned.

If the directors of the Company do not within 21 days from the date of the deposit of the requisition proceed duly to convene an EGM for a date 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 of the Company.

B. Enquiries to the Board

Shareholders may put forward enquiries to the Board in writing to the principal office of the Company in Hong Kong.

The Company Secretary will forward the shareholders' enquiries and concerns to the Board and/or relevant board committees of the Company, where appropriate, to answer the shareholders' questions in writing.

股東之權利

A. 由股東召開股東特別大會

根據公司條例（香港法例第 622 章）〔公司條例〕第 566 條，由一名或多名股東於存放請求召開股東特別大會的請求書當日持有本公司總表決權最少 5%，並可於本公司股東會上投票者，可要求本公司董事召開股東特別大會。書面請求須列明大會的目的，及須由有關股東簽署並送交本公司之註冊辦事處（註明收件人為董事會主席或公司秘書），書面請求可包含多份同樣格式的文件，每份由一名或多於一名有關股東簽署的文件組成。

如本公司董事在請求書遞呈日期起計 21 日內，未有在召開股東特別大會通告發出日期後 28 日內安排正式召開股東特別大會，則有關股東或佔全體有關股東總投票權一半以上之任何有關股東可自行召開股東特別大會，但任何如此召開之股東特別大會不得在上述請求書遞呈日期起計 3 個月屆滿後舉行。

由股東召開之大會，須盡可能以接近本公司董事召開大會之方式召開。

B. 股東查詢

股東可以書面形式向董事進行查詢，有關查詢須送交至本公司於香港之主要辦事處。

公司秘書將向董事會及／或本公司之相關董事委員會轉交股東的查詢及意見，並在適當情況下書面回覆股東提問。

C. Procedures for Putting Forward Proposals at General Meetings by Shareholders

Shareholders are requested to follow sections 551 to 554 (written resolutions), section 579 (notice of resolutions), sections 580 to 583 (statements), section 615, section 616 (resolutions for AGMs) of the Companies Ordinance for including a resolution at AGM of the Company AGM. The requirements and procedures are set out as follows:

1. A member of a company may request the company to circulate a resolution that-
 - (a) may properly be moved; and
 - (b) is proposed as a written resolution under section 549(b) of the Companies Ordinance.

If a member requests a company to circulate a resolution, the member may request the company to circulate with the resolution a statement of not more than 1,000 words on the subject matter of the resolution.

However, each member may only request the company to circulate one such statement with respect to the resolution.

2. A company must circulate a resolution proposed as a written resolution under section 549(b) of the Companies Ordinance and any statement mentioned in section 551(2) of the Companies Ordinance if it has received requests that it do so from the members of the company representing not less than 5% of the total voting rights of all the members entitled to vote on the resolution (or a lower percentage specified for this purpose in the company's articles).

C. 股東在股東大會上提呈動議的程序

倘股東在本公司股東週年大會上提呈決議案，必須根據公司條例第 551 至 554 條（書面決議）、第 579 條（決議之通告）、第 580 至 583 條（陳述書）、第 615 條、第 616 條（股東週年大會的決議）之規定進行。有關要求及程序如下：

1. 公司的成員可要求該公司傳閱符合以下說明的決議 –
 - (a) 可恰當地被動議的；及
 - (b) 屬根據公司條例第 549(b) 條提出的採用書面決議形式的。

有關成員如要求公司傳閱某決議，可要求該公司在傳閱該決議的同時，傳閱關於該決議的標的事宜而字數不多於 1,000 字的陳述書。

然而，每名成員僅可就有關決議要求公司傳閱一份上述的陳述書。

2. 如有根據公司條例第 549(b) 條提出的採用書面決議形式的決議，及有公司條例第 551(2) 條所述的任何陳述書，而有關公司收到佔全體有權就該決議表決的成員的總表決權不少於 5%（或有關公司的章程細則為此目的而指明的較低百分比）提出的要求，要求該公司傳閱該等決議及陳述書，則該公司須傳閱該等決議及陳述書。

Corporate Governance Report

企業管治報告書

A request –

- (a) may be sent to the company in hard copy form or in electronic form;
- (b) must identify the resolution and any statement mentioned in section 551(2) of the Companies Ordinance; and
- (c) must be authenticated by the person or persons making it.

3. If by any provision of the Companies Ordinance special notice is required to be given of a resolution, the resolution is not effective unless notice of the intention to move it has been given to the company at least 28 days before the meeting at which it is moved.

The company must, if practicable, give its members notice of the resolution at the same time and in the same manner as it gives notice of the meeting.

If that is not practicable, the company must give its members notice of the resolution at least 14 days before the meeting –

- (a) by advertisement in a newspaper circulating generally in Hong Kong; or
- (b) in any other manner allowed by the company's articles.

If, after notice of the intention to move the resolution has been given to the Company, a meeting is called for a date 28 days or less after the notice has been given, the notice is to be regarded as having been properly given, though not given within the time required.

要求 –

- (a) 可採用印本形式或電子形式送交有關公司；
- (b) 須指出有關決議及公司條例第 551(2) 條所述的陳述書；及
- (c) 須經所有提出該要求的人認證。

3. 如根據公司條例的任何條文規定，須就在某會議上動議的某決議給予特別通知，則除非在該會議前最少 28 日，已向有關公司發出動議該決議的意向的通知，否則該決議無效。

有關公司須（如切實可行的話）於發出有關會議的通知的同時，按發出該通知的同樣方式，向其成員發出該決議的通知。

如上述做法並非切實可行，則有關公司須於有關會議前最少 14 日，以下述方式向其成員發出有關決議的通知 –

- (a) 在一份於香港廣泛流通的報章刊登廣告；或
- (b) 該公司的章程細則所容許的任何其他方式。

如擬動議有關決議的通知向有關公司發出，而會議於該通知發出後的 28 日內召開，則該通知雖然並非在規定的時限內發出，亦須視為已恰當地發出。

4. Pursuant to Article 105 of the Company's Articles of Association, no person other than a director retiring at the meeting shall, unless recommended by the directors for election, be eligible for election as director at any general meeting unless a notice signed by a member (other than the person to be processed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the registered office of the Company provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven days and that the period for lodgement of such notice(s) shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting.
4. 根據本公司之組織章程細則第105條，除非獲董事會提名參選，或經有權出席大會並於會上投票的股東（不得為被推舉者）簽署之書面通知述明其有意推舉某人參選，而擬被推舉之人士亦簽署同意被推舉之書面通知已各自送交本公司註冊辦事處，否則除於大會上退任之董事外，概無人士符合資格於任何股東大會上膺選董事職位。發出通知的最短期限最少為七日；提交該通知的期間由就該選舉發出股東大會通告後之日開始計算，直至該股東大會舉行日期之前七日止。

Environmental, Social and Governance Report

環境、社會及管治報告

1. REPORT OVERVIEW

- **About the Report**

Introduction to the Report

Forebase International Holdings Limited (02310.HK), (“Forebase” or the “Company”, together with its subsidiaries referred to as the “Group”) has been listed on the Main Board of Hong Kong Stock Exchange (“HKEX”) since 2003. The Group continues to work towards sustainable growth through communicating and cooperating with its key stakeholder groups.

This is the third environmental, social and governance report (“ESG Report”) prepared by the Group. Our report follows the ESG reporting principles of materiality, quantitative, balance and consistency, extensively illustrates the Group’s management approach and business performance in terms of the environmental, social and governance for the twelve months ended 31 December 2018 (the “Reporting Period”).

The Group understands the importance of ESG report and is committed to making continuous improvements in corporate social responsibility into our business in order to better meet the changing needs of an advancing society.

Preparation Basis and Reporting Standard

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “ESG Reporting Guide”) under the Appendix 27 to the Rules Governing the Listing of Securities on Hong Kong Exchanges and Clearing Limited (“HKEX”). Cushman & Wakefield was appointed as external consultant to provide assistance and advice in the course of report preparation.

1. 報告概述

- **關於本報告**

報告簡介

申基國際控股有限公司 (02310.HK) (「申基」或「本公司」，連同其附屬公司統稱「本集團」) 自二零零三年起於香港聯交所 (「聯交所」) 主板上市。本集團持續透過與主要持份者團體溝通及合作達致可持續增長。

本報告為本集團編製之第三份環境、社會及管治報告 (「環境、社會及管治報告」)。報告遵從環境、社會及管治報告之重要性、量化、平衡及一致性披露原則，廣泛說明本集團截至二零一八年十二月三十一日止十二個月 (「報告期」) 於環境、社會及管治方面之管理方式及業績。

本集團知悉環境、社會及管治報告的重要性，並承諾在本公司業務中不斷提升企業社會責任，以更好地迎合這個日新月異的社會不斷變化的需求。

編製基準及報告準則

環境、社會及管治報告根據香港聯合交易所有限公司 (「聯交所」) 證券上市規則附錄二十七項下《環境、社會及管治報告指引》 (「環境、社會及管治報告指引」) 編製。Cushman & Wakefield 獲委任為外部顧問，以於編製報告過程中提供協助及建議。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group is pleased to present our performance and progress. The Board of Directors have reviewed and approved the ESG Report to ensure all material issues and impacts on sustainability development are fairly presented.

Scope of the ESG Report

The Group is diversified with business areas including hotel operation and property management. One of the main business segments is hotel operation in Canada, namely Brentwood Bay Resort in Victoria, British Columbia, Canada. This award-winning resort is tailored for luxury traveller. Culinary innovation would be the core value at the resort and the resort offers resort and spa services. The Group always look for ways to improve, grow and develop for all staffs because the resort operates as a team to deliver exceptional service. Our business areas also cover property management in the People's Republic of China (the "PRC") and provision of administrative support to group companies in Hong Kong.

The ESG Report focuses on three environmental aspects and eight social aspects required by HKEX. For information regarding the governance section, please refer to the Corporate Governance Report as incorporated in our Annual Report.

本集團欣然呈報我們的表現及進展。董事會已審閱及批准環境、社會及管治報告，以確保就有關可持續發展之所有重大事項及影響進行恰當呈報。

環境、社會及管治報告範圍

本集團多元化發展，業務領域包括酒店營運及物業管理。其中一個主要業務分部為加拿大的酒店經營業務，該酒店為位於加拿大英屬哥倫比亞維多利亞市的Brentwood Bay Resort，這一久負盛名的度假酒店專為高端遊客打造。該度假酒店的核心理念在於烹飪的創新，就酒店提供度假及水療服務。由於該酒店以團隊經營模式提供獨樹一幟的服務，本集團不斷探索幫助全體員工提升、成長及發展的契機。本集團的業務範圍亦涵蓋中華人民共和國（「中國」）的物業管理業務及為香港的集團公司提供行政支援服務。

環境、社會及管治報告按聯交所要求集中於三個環境範疇及八個社會範疇。有關管治部分的資料，請參閱年報內的企業管治報告書。

Environmental, Social and Governance Report

環境、社會及管治報告

- **Stakeholder Engagement**

Stakeholder Communication

During the Reporting Period, we have been actively engaging with our internal and external stakeholders to strengthen initiatives and strategies which are essential for the Group's sustainable growth. We identify our key stakeholders as government and regulatory authorities, shareholders, customers, business partners, environment, employees, community and media.

To understand and meet expectation of our stakeholders, transparent and responsive channels such as meetings, telephone conference, email and mutual visits are in place to ensure our quality communications with our stakeholders.

- **持份者參與**

持份者溝通

於報告期內，我們一直積極與內部和外部持份者進行交流，以強化各項措施和策略，達到維持本集團的可持續增長目標。我們視政府及監管機構、股東、客戶、業務伙伴、環境、員工、社區及媒體為我們的主要持份者。

為了解及切合持份者期望，我們採用會議、電話會議、電郵及互訪等透明且能迅速回應的方式確保與持份者保持高質素的溝通。

Environmental, Social and Governance Report

環境、社會及管治報告

Stakeholders 持份者	Expectations and aspirations 期望及要求	Communication modes 溝通方式
Government and regulatory authorities 政府及監管機構	<ul style="list-style-type: none"> Operation in compliance 合規經營 Fulfilment of tax obligations 繳納稅款 Creation of job opportunities 製造就業機會 	<ul style="list-style-type: none"> Regular submission of information 定期報送資料 Regular communication with regulatory authorities 與監管機構定期對話
Shareholders 股東	<ul style="list-style-type: none"> Investment returns 投資回報 Sustainable development 可持續發展 Workplace safety 工作環境安全 	<ul style="list-style-type: none"> General meetings 股東週年大會 Annual and interim report 年度及中期報告 Inspection on site 實地考察
Customers 客戶	<ul style="list-style-type: none"> Client privacy 客戶私隱 High quality services 優質服務 	<ul style="list-style-type: none"> Satisfaction Surveys 滿意度調查 Online Commenting Platform 線上意見平台
Business Partners 業務伙伴	<ul style="list-style-type: none"> Integrity and Honesty 廉潔誠實 Healthy Cooperating Relationship 健康合作關係 	<ul style="list-style-type: none"> Lawful actions and communications 合法行動及溝通 On-going direct engagement 持續直接參與
Environment 環境	<ul style="list-style-type: none"> Fulfilment of emission standards 達標排放 Energy conservation and emission reduction 節能減排 	<ul style="list-style-type: none"> Communication with local environmental protection department 與當地環保部門交流
Employees 員工	<ul style="list-style-type: none"> Career development 職業發展 Remuneration and benefits 薪酬福利 Occupational health 職業健康 Corporate support 公司支援 	<ul style="list-style-type: none"> Employee Representatives Meeting 職工代表大會 Annual performance review 年度績效檢討 Team building activities 團隊建設活動
Community 社區	<ul style="list-style-type: none"> Participation in local community 投身本地社區 Support for community welfare 支持社區公益 	<ul style="list-style-type: none"> Communication meeting with the community 社區溝通會 Sponsorship and Donation 贊助及捐贈
Media 媒體	<ul style="list-style-type: none"> Information transparency 資訊透明 	<ul style="list-style-type: none"> Media enquiry 媒體查詢 Press conference on important events 為重要活動舉辦記者會

Environmental, Social and Governance Report

環境、社會及管治報告

2. THE ENVIRONMENT

- **Environment Strategy and Management Approach**

During the Reporting Period, the Group continued to adhere to the concept of sustainable development, clean and environment-friendly production. Resource consumption and environmental emissions for the Group's subordinate enterprises were under strict management and in compliance with relevant laws and regulations.

The Group pays great attention to the balance between sustainable development and its business development. It has formulated a series of environmental protection strategies and policies, and actively influenced environmental strategies and management approaches of the subsidiaries of the Group.

2. 環境

- **環境策略及管理方式**

於報告期內，本集團繼續堅守可持續發展、潔淨及環保生產的理念。本集團下屬企業之資源消耗及環保排放均受到嚴格管理，並遵從相關法律法規。

本集團非常重視可持續發展與業務發展之間的平衡。其已制訂一系列環保策略及政策，並積極改善本集團附屬公司之環保策略及管理方式。

CASE STUDY: CHONGQING NOVOTEL PROPERTY MANAGEMENT

Chongqing Novotel Property Management Co., Ltd. ("Novotel") has built up an internal management system to implement its environment strategy, which not only enhances the Group's sustainability performance, but also brings value to its client.

Novotel pays great attention to build up an efficient and sustainable management system and has received several certifications, which includes "ISO14001 Environmental Management System certification", "ISO9001 Quality Management System certification" and "OHSAS18001 Occupational Health and Safety Management System Certification".

Property management services such as customer service, regular inspection, engineering maintenance, cleaning service, green plants maintenance have been provided by Novotel in six projects, with a total gross floor area over five hundred seventy thousand square meters. Projects that currently being managed by "Novotel" have won several awards such as "Property Management Model Building of Chongqing City", "Best Model Project for High Grade Office Buildings in China Property Management", "Standardized Property Management of Yuzhong District, Chongqing – Class A Commercial Building", and "Yuzhong District Five-Star Commercial Building".



Standardized Property Management of Yuzhong District, Chongqing – Class A Commercial Building
重慶渝中區物業服務標準化 – 甲級商務樓宇

Environmental, Social and Governance Report

環境、社會及管治報告

- **Emissions**

The main source of the Group's greenhouse gas (GHG) emissions is derived from mobile source combustion from vehicles owned by the company ("Scope 1 emission"), procured electricity and gas ("Scope 2 emission") and other indirect emissions ("Scope 3 emission"). During the Reporting Period, the total GHG emission is listed as below:

- **排放**

本集團溫室氣體（溫室氣體）排放之主要來源來自本公司擁有之車輛的移動燃燒源（「範圍1 排放」）、外購電力及煤氣（「範圍2 排放」）及其他間接排放（「範圍3 排放」）。於報告期內，溫室氣體排放總量列示如下：

案例研究：重慶諾富特物業管理有限公司



Yuzhong District Five-Star Commercial Building
渝中區五星商務樓宇

重慶諾富特物業管理有限公司（「諾富特」）已建立內部管理系統實施其環境政策，不但提升本集團之可持續表現，並為客戶創造價值。

諾富特非常重視建立有效及可持續的管理系統，並已收到若干認證，其中包括「ISO 14001 環境管理體系認證」、「ISO9001 品質管理體系認證」及「OHSAS18001 職業健康安全體系認證」。

諾富特已於六個項目內提供客戶服務、定期檢查、工程維修、清潔服務、植物維護等物業管理服務，服務涵蓋總建築面積超過五十七萬平方米。現由「諾富特」管理的項目已贏得若干獎項如「重慶市物業管理示範大廈」（「Property Management Model Building of Chongqing City」）、「中國物業管理高級辦公大樓最佳模範項目」（「Best Building of China Property Management」）、「重慶渝中區物業服務標準化 – 甲級商務樓宇」及「渝中區五星商務樓宇」（「Yuzhong District Five-Star Commercial Building」）。

Model Project for High Grade Office Buildings in China Property Management]、「重慶渝中區物業服務標準化 – 甲級商務樓宇」及「渝中區五星商務樓宇」（「Yuzhong District Five-Star Commercial Building」）。

Environmental, Social and Governance Report

環境、社會及管治報告

GHG Emission 溫室氣體排放			
Scope 1 Emission 範圍 1 排放	Direct GHG Emission (Mobile source combustion from vehicles owned by the company) 直接溫室氣體排放 (來自本公司擁有之車輛的移動燃燒源)	CO ₂ 二氧化碳	17.77 tons 17.77 噸
		CH ₄ 甲烷	0.04 tons 0.04 噸
		N ₂ O 氧化亞氮	2.58 tons 2.58 噸
		<i>GHG Total</i> 溫室氣體總量	20.39 tons 20.39 噸
Scope 2 Emission 範圍 2 排放	Indirect GHG Emission (Purchased Electricity & Gas) 間接溫室氣體排放 (外購電力及煤氣)	<i>GHG Total</i> 溫室氣體總量	18.73 tons 18.73 噸
Scope 3 Emission 範圍 3 排放	Indirect GHG Emission (mainly travelling) 間接溫室氣體排放 (主要為旅遊)	<i>GHG Total</i> 溫室氣體總量	32 tons 32 噸
Total 總計			71.12 tons 71.12 噸

* The above greenhouse gas emissions are defined and calculated according to the GHG Protocol and HKEX Guidance of ESG report Annex II

* The above calculation EF is sourced from NDRC & HKEX Guidance of ESG report Annex II

* 上述溫室氣體排放乃根據溫室氣體協議(GHG Protocol)及聯交所環境、社會及管治報告指引附件二定義及計算

* 以上排放系數計算乃源自國家發展和改革委員會及聯交所環境、社會及管治報告指引附件二

There were no hazardous wastes generated by the Group during the Reporting Period, all the harmless wastes were properly collected and disposed by qualified recycling company with a total quantity of 18 tons.

During the Reporting Period, we made continuous improvement guided by a set of CO₂ emission reduction management policies that have been implemented since 2017. All members of the Group have gained increasing awareness to save energy, reduce energy wastage and efficient consumption of energy, so as to create a better and cleaner environment for the society.

於報告期內，本集團概無產生有害廢料，而所有無害廢料（總量為18噸）則交由合資格回收公司妥善收集及處理。

於報告期內，我們按照一套自二零一七年起實施之二氧化碳減排管理政策的指引進行持續改善。本集團的所有成員公司已更注重節能、減少浪費能源及有效消耗能源，有助為社會打造一個更好更清潔的環境。

Environmental, Social and Governance Report

環境、社會及管治報告

Resources Consumption

The main consumption resources of the Group during the Reporting Period are gasoline, electricity, natural gas and water. The gasoline is mainly supplied to vehicles owned by the Group. The power and water are mainly supplied to the building services. Natural gas is consumed for cooking and boiler heating.

The Group attaches great importance to the water conservation and energy efficiency in its daily operation, all the employees of the Group are encouraged to adopt environmentally responsible habits. Regular maintenance and commissioning of the building equipment were taken by the Group.

資源消耗

於報告期內，本集團主要消耗之資源為汽油、電力、天然氣及水。汽油主要用於本公司擁有之車輛。電力及水主要用於樓宇服務。天然氣用於煮食及加熱鍋爐。

本集團非常重視日常營運中節約用水及能源效率，本集團鼓勵所有員工鼓勵員工養成對環境負責的習慣。本集團亦對樓宇設備進行定期維修及測試。

Gasoline
汽油 839L 公升



Water
水 31,902ton 噸



Electricity
電力 1,269,364kwh 千瓦時



Natural Gas
天然氣 29,92m³
立方米



Environmental and Natural Resources

In accordance with the Group's environmental philosophy, all sub-companies are committed to providing high quality services while also ensuring that all business activities impact the environment positively, maintaining the balance between operational efficiency and resource consumption. For example, the Group has implemented following policies and measures to reducing environmental impact:

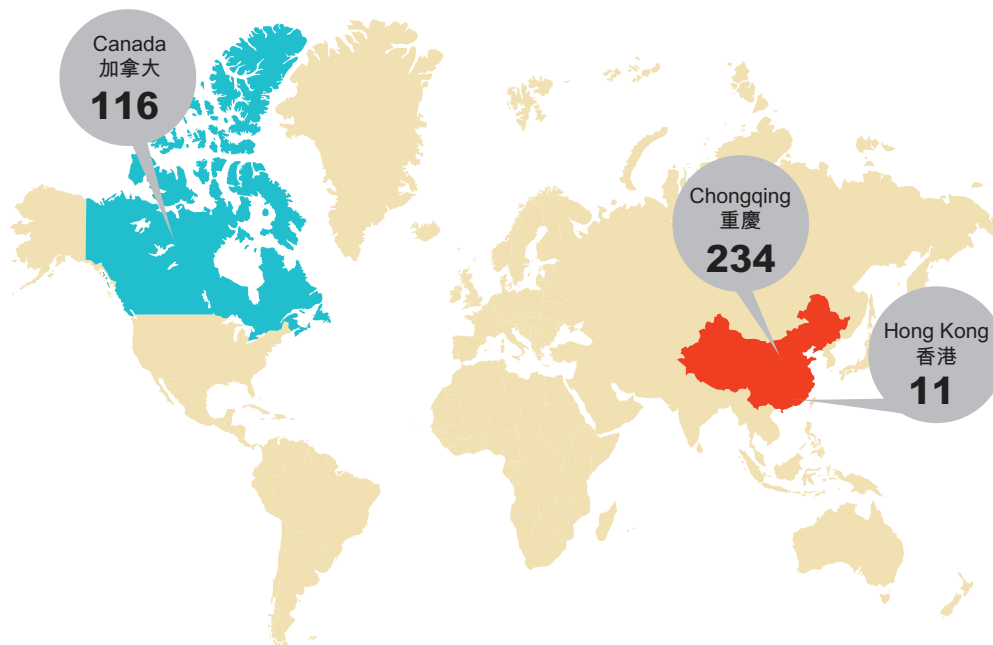
- Use energy-efficient light bulbs
- Energy-efficient hot tubs installed
- Doors with new weather stripping

環境及自然資源

根據本集團的環境理念，所有子公司均有責任在提供優質服務的同時，亦確保所有業務活動對環境產生良性影響，維持營運效率與資源消耗之平衡。例如，本集團已執行下列政策及措施減低環境影響：

- 使用節能燈泡
- 安裝節能熱水浴缸
- 門上裝有新擋風雨條

Forebase Labor Force Distribution Map
申基勞動力分佈地圖



3. THE EMPLOYEE

- Employment Policy and Labour Practice**

The Group emphasizes the protection of the legitimate rights and interests of all employees. During the Reporting Period, the Group has complied with all relevant employment and labour laws and regulations, namely *China's Labour Law of the People's Republic of China* 《中華人民共和國勞動法》 and *Labour Contract Law of the People's Republic of China* 《中華人民共和國勞動合同法》 in the PRC and the *Employment Ordinance* 《僱傭條例》, *Minimum Wage Ordinance* 《最低工資條例》 in Hong Kong.

We ensure a fair arrangement of working hours and off days for our employees, we encourage our employees to work according to the standard working hours per day and week as stated in the labour contract. Overtime wages will be paid in accordance with the labour law, that is the case of working time in excess of 8 hours a day or 40 hours a week.

The Group also strictly abides by *Employment Standards Act* in Canada for overseas business of hotel operation. Brentwood Bay Resort and Spa complies with all Provincial and Federal regulations in regard to employment standards and labour laws as outlined in the *British Columbia Employment Standards Act*, which is stated explicitly in our employee handbook and employment contracts.

3. 員工

- 聘用政策及勞工實務**

本集團著重保護所有員工的合法權益。於報告期內，本集團已遵守所有相關僱傭及勞動法律及法規，如中國的《中華人民共和國勞動法》及《中華人民共和國勞動合同法》以及香港的《僱傭條例》及《最低工資條例》。

我們確保員工於工作時間及休息日方面獲公平的安排，並鼓勵僱員根據勞動合約列明的標準每日及每週工作時間工作。倘工作時間超過每日8小時或每週40小時，則本集團將根據勞動法支付加班工資。

本集團亦就酒店營運的海外業務嚴格遵守加拿大的僱傭標準法。Brentwood Bay Resort and Spa 遵守《英屬哥倫比亞僱傭標準法》(British Columbia Employment Standards Act) 所載所有有關僱傭標準及勞工法例的省級及聯邦法規，該等法例亦於員工手冊及僱傭合約上清楚列明。

Environmental, Social and Governance Report

環境、社會及管治報告

Hong Kong 香港

For the Reporting Period, the Group employed about 11 employees in Hong Kong division, for provision of administrative support to the Group hence majority of them are senior management people.

於報告期間，本集團於香港部門僱用約11名員工為本集團提供行政支援服務，因此彼等大多為高級管理人員。

The PRC 中國

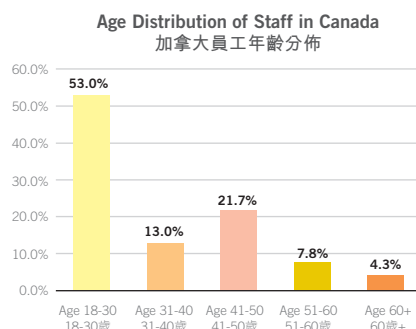
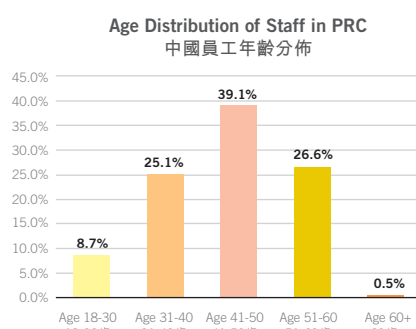
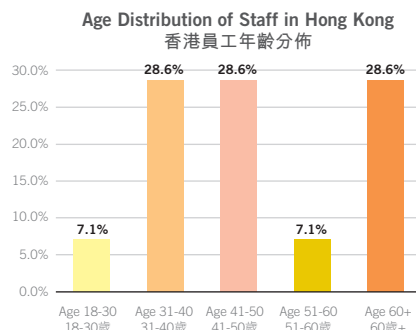
The Group employed over 230 employees for the Reporting Period in the PRC. Comparatively, the total number of workers in the PRC's companies is more than that of Canada and Hong Kong.

於報告期間，本集團於中國僱用超過230名員工。中國公司之員工總數相對高於加拿大及香港之員工總數。

Canada 加拿大

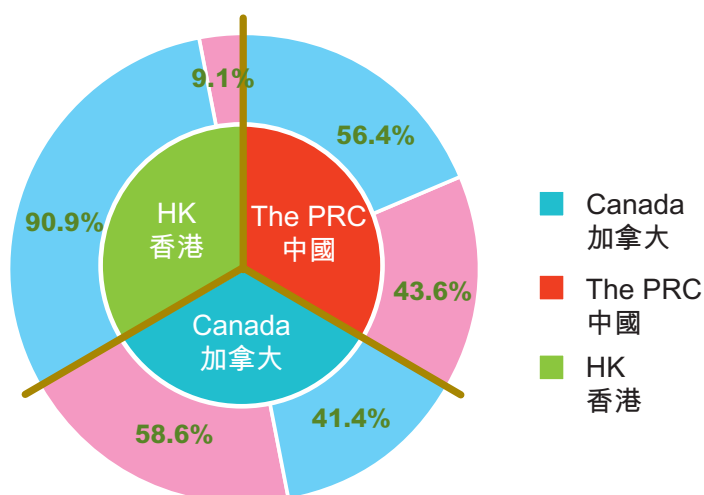
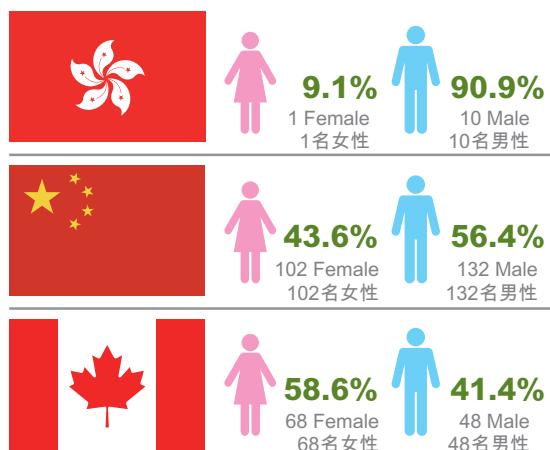
Brentwood Bay Resort employed over 110 employees for the Reporting Period in Canada. The resort always attaches importance to engaging full-time employees with part-time employees. The resort also hires more staff during the summer (the peak season of the resort).

於報告期間，加拿大Brentwood Bay Resort僱用超過110名員工。該度假酒店一直重視全職及兼職員工並用，亦會於夏天（為度假酒店之繁忙季節）期間聘請更多員工。



Gender Profile of the Group

本集團之性別分佈情況



Environmental, Social and Governance Report

環境、社會及管治報告

• Working Environment

Diversity and Equalization

The Group aims to create a safe and healthy working environment where all the employees are treated equally, with respect and care. We also aim to ensure justice, fairness and openness in the whole employment process, from recruitment, to remuneration, promotion and training, try our very best to eliminate all gender, age, religion, marital status and disability discrimination. We continuously invested in employee benefits and professional development of employee, to show our believes in shared values and team work.

Health and Safety

The Group is concerned about the welfare and safety of each employee and implements a “zero accident” in the workplace with a clear policy. Building a healthy and safe workplace means having effective health and safety procedures and meeting other basic requirements. There were no work-related fatal accidents in the Reporting Period, and the total number of days lost due to work-related injuries was 24.

• 工作環境

多元化及平等

本集團旨在創造安全健康的工作環境，以尊重及關懷的態度平等對待所有員工。我們亦致力確保由招聘至計酬、晉升及訓練的整個僱用過程為公正、公平及公開，盡力消除所有性別、年齡、宗教、婚姻狀況及殘疾歧視。我們持續在員工福利及員工專業發展方面投放資源，展現我們對共享價值及團隊合作的信念。

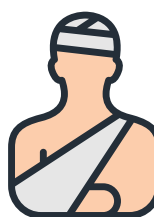
健康及安全

本集團關注每位員工的福利及安全，以清晰的政策實現工作場所「零事故」。打造一個健康及安全的工作場所意味著具備有效的健康及安全程序並滿足其他基本要求。於報告期間，概無發生與工作相關的死亡事故，因工傷造成的總損失天數為24天。



0%

No Fatalities
無死亡事故



24

Lost Days
損失天數

Environmental, Social and Governance Report

環境、社會及管治報告



The Group regularly assesses emerging risks and other health and safety issues. In order to protect workers and adopt a systematic approach to rectify risks through non-safe conditions, the Group has accurately excluded workplace hazards. The Group has implemented an effective and formal health and safety plan. In addition, the Group has established a Joint Health and Safety Commission to support its performance of its duties for its employees. We also regularly conduct on site safety inspections and wrote an integrated set of safety procedures for employees to follow.

本集團定期評估新興風險及其他健康及安全問題。為保護工人及採用系統性方法透過非安全條件整改風險，本集團已準確排除工作場所的隱患。本集團已執行一項有效及正式的健康及安全計劃。此外，本集團已成立一個健康及安全聯合委員會，以支持其為員工履行職責。我們亦定期進行實地安全檢查，並編制綜合安全程序供員工遵守。

Environmental, Social and Governance Report

環境、社會及管治報告

• Labour Standards and Ethical Conducts

• *Child Labour and Forced Labour*

The Group adheres to a strict set of employment practices. For example, when recruiting employees in Canada, the Group strictly prohibits the employment of any person under the age of 15 unless the person has obtained the written consent of the child's parent or guardian. The Group also strictly abides by the Labor Contract Law of the People's Republic of China. In the event of any child labor and the use of forced labor, the person concerned will be dismissed immediately and the board will discuss and review the issue in case the same problem occurs again. There were no incidents of breach of employment age or labour disputes between the Group and its employees during the Reporting Period.

• *Anti-corruption and money laundering*

The Group has complied with the provisions of the Combating Crimes (Money Laundering) and Terrorist Financing Act. The Group has a zero-tolerance policy on corruption, fraud, money laundering, bribery and extortion. There were no such incidents in the Group for the Reporting Period. The Group has taken specific measures to detect and prevent money laundering and terrorist financing activities, such as: (i) establish and maintain financial service provider records and customer identification requirements; (ii) request for reporting suspicious financial transactions and currency cross-border movements; and (iii) establish an agency dedicated to ensuring compliance with all the acts.

• 勞動規範及道德操守

• 童工及強制勞動

本集團堅持遵守嚴格的僱傭守則。比如，在加拿大招募僱員時，本集團嚴禁僱用任何15歲以下的人員，惟該人士已取得該兒童家長或監護人的書面同意則除外。本集團亦嚴格遵守《中華人民共和國勞動合同法》。倘出現任何童工及使用強制勞工的情況，有關人士將被即時解僱，董事會將對該問題進行討論及檢討，以防再次發生同樣的問題。於報告期間，概無發生違反僱傭年齡的事件，本集團與僱員之間亦無發生勞工糾紛。

• 反貪污及洗錢

本集團已遵守《打擊犯罪收益（洗錢）及恐怖分子融資法》的規定。本集團對貪污、欺詐、洗錢、賄賂及敲詐勒索實行零容忍政策。於報告期間，本集團概無發生此類事件。本集團已採取特定措施，以偵查及阻止洗錢及恐怖分子融資活動，例如：(i) 建立並保存金融服務供應商的記錄及客戶識別要求；(ii) 要求申報可疑的金融交易及貨幣跨境動向；及(iii) 建立專門負責確保遵守所有法例的機構。

Environmental, Social and Governance Report

環境、社會及管治報告

• **Development and Training**

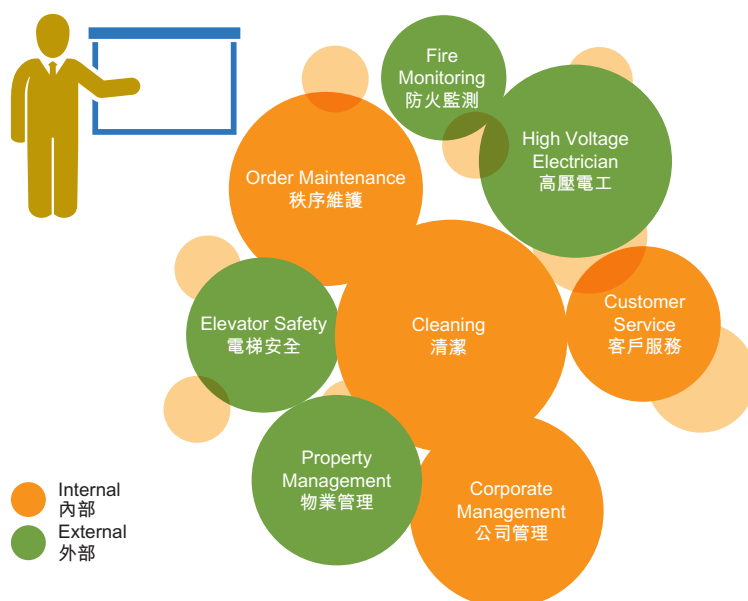
The Group has always believed that effective training and guidance for the Group's workers is the key to helping them understand the working environment and fully develop their workforce. The Group has various internal and external safety training courses. It is extremely important that the Group has placed safety instructions in the site guide before the employees start work. The topics of the guide mainly cover rights and responsibilities, workplace hazards and safe operating procedures. The Group shall ensure that they are able to perform their duties safely and comply with safe working procedures if they are personally instructed and supervised by the tasks they will perform.

• **發展及培訓**

本集團始終堅信，對本集團工人進行有效的培訓及指導乃幫助彼等瞭解工作環境，並全面開發其勞動力的關鍵。本集團設有各種內部及外部安全培訓課程。極為重要的是，本集團在員工開始工作前便已於工地指南中加入安全須知。指南的主題主要涵蓋權利及責任、工作場所隱患及安全作業程序等。若員工就彼等將執行的任務得到親身指導及監督，本集團應確保彼等能安全執行任務及遵從安全工作程序。

Forebase Internal and External Training Categories

申基內部及外部訓練分類



Environmental, Social and Governance Report

環境、社會及管治報告

In the PRC, in addition to safety training, the Group also focuses on employee development. The Group provides in-house and external training to enhance employee performance, topics including elevator safety, high voltage electrician, fire monitoring, property management, corporate management, customer services, order maintenance, cleaning and so on. During the Reporting Period, the total number of trained employees per month was 2.1 times more than the total number of employees. The Group shall conduct follow-up visits to all workers and employees to ensure that they comply with safe working procedures. All worker training records should be documented and provide continuous supervisor training for the Group's supervisors. In Canada, average number of training hours received by our employees per year is 26 hours.

於中國，除安全培訓外，本集團亦專注於員工發展。本集團提供內部及外部培訓以提升員工表現，培訓主題包括電梯安全、高壓電工、防火監測、物業管理、公司管理、客戶服務、秩序維護及清潔等。於報告期間，每月經培訓員工總數較員工總數多2.1倍。本集團應對所有工人及員工進行跟蹤隨訪，以確保彼等遵守安全工作程序。所有工人培訓記錄應予存檔，並為本集團的監督員提供持續監督員培訓。我們在加拿大的員工的平均受訓時數為每年26小時。

4. THE VALUE CHAIN

- **Supply Chain Management**

The Group adheres to good practices during procurement process and works closely with a spectrum of suppliers for the smooth operation of business, resources including but not limited to office supplies, uniforms, internet and software, elevator and fire maintenance, air conditioner cleaning service and pest control. The areas in which we procure are mainly located in the same city, Chongqing, in the PRC. For oversea business operations, the procurement area is boarder, including Canada, U.S.A and Netherlands.

The Group has a stringent supplier selection process and management approach to ensure healthy and sustainable relationship with suppliers. The procurement department will take multiple criteria into account when accessing suppliers' profile, such as product quality, reputation, sustainability and so on. Our suppliers are expected to have strong commitments to good ESG practices concerning issues such as environmental sustainability, health and safety, ethical conduct.

4. 價值鏈

- **供應鏈管理**

本集團於採購過程中遵守良好規範，並與多個供應商緊密合作以確保業務營運順暢，資源包括但不限於辦公用品、制服、網絡及軟件、電梯及防火維修、空調清潔服務及害蟲防治。我們進行採購的地區主要位於相同的城市 – 中國重慶。海外業務營運的採購範圍更廣泛，包括加拿大、美國及荷蘭。

本集團設有嚴格的供應商甄選過程及管理方式，以確保與供應商維持健康及可持續關係。在評估供應商資料時，採購部門將考慮若干條件如產品質素、商譽及可持續性等。我們預期供應商嚴格遵守有關環境可持續性、健康及安全以及道德操守等議題的環境、社會及管治規範。

Environmental, Social and Governance Report

環境、社會及管治報告

• Product Responsibility and Service Quality

The Group places a high priority to ensure customers' satisfaction in terms of products and services we deliver. For the services provided in the PRC, the Group is committed to provide responsible and quality services by improving the capacity of property management. Our employees are encouraged not only to receive trainings but also to participate various activities for service skills enhancement.

For the services provided in Canada, we have been following the Hotel Keepers Act, such as the limitation of liability for property of guest, liability for refusal or failure to take charge of goods. The Group also has confidentiality practices relating to observing and protecting intellectual property rights and the Business Practices and Consumer Protection Act for consumer data protection and privacy policies. Below is a list of company awards we received in recent years:

- 2016 Canadian Tourism Business of the Year



• 產品責任及服務質量

本集團非常著重確保客戶對於我們交付的產品及服務的滿意度。對於中國提供的服務，本集團致力透過改善物業管理的實力提供可靠優質的服務。我們不但鼓勵員工受訓，亦鼓勵彼等參與各項活動提升服務技能。

對於加拿大提供的服務，我們一直遵守《酒店財物保管法》，例如有關客人財產責任、拒絕或未能照看貨品的責任等等的限制。本集團亦有保密常規作法，即遵守及保護知識產權，以及遵守關於消費者資料保護及私隱政策的《商業行為和消費者保護法》。下表為我們於近年獲得的公司獎項：

- 二零一六年度加拿大旅遊業業務 (2016 Canadian Tourism Business of the Year)

CASE STUDY: CREATE A PROPERTY ELITE AND INHERIT THE CRAFTSMANSHIP

案例研究：打造物業精英，傳承工匠精神

On 28 October 2018, the 2018 Yuzhong District Property Service Skills Competition was held in Chongqing Wuyi Technician College with the theme of "Promoting High-quality Property Services and Casting High-quality Habitat Environment" ("推動高質量物業服務，鑄造高品質人居環境").

In this competition, professional skills for security, property management and electrician were emphasized, attracting 276 employees from 26 property companies in Yuzhong District. We have 14 employees from Customer Service Department, Engineering Maintenance Department and Order Maintenance Department participated in this competition. This competition promoted the spirit of labor model and the spirit of artisans, created a glorious social trend of work and a dedicated spirit of excellence, further stimulating the enthusiasm of our staff to learn technology, drill business practice skills, promoted and improved the quality of our property management services.

於二零一八年十月二十八日，渝中區物業服務技能大賽於重慶五一技師學院舉行，主題為「推動高質量物業服務，鑄造高品質人居環境」。

該比賽強調保安、物業管理及電工方面的專業技能，吸引來自渝中區26家物業管理公司的276名員工參與。我們有14名來自客戶服務部門、工程維護部門及秩序維持部門的員工參與比賽。該比賽推廣模範勞工精神及工匠精神、打造行內輝煌社會趨勢及精益求精的精神、進一步刺激我們員工學習技能及鑽研業務實踐技能的熱情，有助推廣及改善我們的物業管理服務質素。

Environmental, Social and Governance Report

環境、社會及管治報告

- 2016 Victoria Chamber Employer of the Year
- 2017 OpenTable Diners' Choice
- 2017 TripAdvisor Certificate of Excellence
- 2018 AAA Inspector's Best of Housekeeping
- 2018 Peninsula Reader's Choice for Accommodation
- 2018 #7 Best Resort in Canada by Conde Nast Traveller
- 二零一六年年維多利亞商會僱主 (2016 Victoria Chamber Employer of the Year)
- 二零一七年OpenTable食家評選大獎 (2017 OpenTable Diners' Choice)
- 二零一七年貓途鷹卓越獎 (2017 TripAdvisor Certificate of Excellence)
- 二零一八年AAA級督察員最佳房務 (2018 AAA Inspector's Best of Housekeeping)
- 二零一八年半島讀者住宿之選 (2018 Peninsula Reader's Choice for Accommodation)
- Conde Nast Traveller頒發之二零一八年加拿大最佳度假酒店第七位 (2018 #7 Best Resort in Canada)

5. COMMUNITY INVESTMENT

The Group believes in the concept of giving back to the community, as contributing to society is one of the Group's sustainable development strategies. The Group is committed to providing employment opportunities for local people and promoting the economic development of the community. The Group encourages employees to seek opportunities to participate in more charitable work in the future and participate in various community projects.

In Canada, each month Brentwood Bay Resort makes a \$250 donation to a local charity/non-profit organization. In addition, services can also be donated to local events as silent auction or door prize. Examples of previous organizations that have received donations are:

- ALS Society of BC
- BC Wildlife Federation

5. 社區投資

本集團信奉回饋社會的理念，因為對社會作貢獻是本集團其中一項可持續發展戰略。本集團致力為本地人提供就業機會，並促進社區的經濟發展。本集團鼓勵員工日後尋求機會參與更多慈善工作，並參與各種社區項目。

在加拿大，Brentwood Bay Resort每月向本地慈善組織／非牟利機構捐贈\$250。此外，本集團亦會對本地活動（如無聲拍賣或門票對號獎）捐贈服務。過往曾接受本集團捐贈的組織包括：

- 卑詩肌萎縮性脊髓側索硬化症協會 (ALS Society of BC)
- 卑詩野生動物聯合會 (BC Wildlife Federation)

Environmental, Social and Governance Report

環境、社會及管治報告

- Coast Mental Health Foundation
- Victoria Hospital Foundation
- Make a Wish Vancouver Island
- UVic Women in Science
- Victoria Humane Society
- Melts for Mutts Senior Dog Rescue
- 海岸精神健康基金會 (Coast Mental Health Foundation)
- 維多利亞醫院基金會 (Victoria Hospital Foundation)
- Make a Wish Vancouver Island
- UVic Women in Science
- Victoria Humane Society
- Melts for Mutts Senior Dog Rescue

6. DATA TABLE

6. 數據列表

Whether to list 2017 data for comparison, to be decided by Forebase

Category 分類	Parameters 參數	Data 2018 二零一八年數據	Data 2017 二零一七年數據	Unit 單位
Project Emission & Its GHG Emission 項目排放 & 其溫室氣體排放	Scope 1 Emission 範圍1 排放	20.39	16.30	tCO2e 噸二氧化碳當量
	Scope 2 Emission 範圍2 排放	18.73	36.23	tCO2e 噸二氧化碳當量
	Scope 3 Emission 範圍3 排放	32	23.07	tCO2e 噸二氧化碳當量
Resources Consumption 資源消耗	Gasoline 汽油	7,531	6,021	L 公升
	Electricity Power 電力	1,269,364	1,035,138	KWh 千瓦時
	Natural Gas 天然氣	29,927	Not reported 無報告	m ³ 立方米
	Water 水	31,902	17,083	m ³ 立方米

Directors and Senior Management

董事及高層管理人員

CHAIRMAN AND EXECUTIVE DIRECTOR

Mr. Shen Yong

Mr. Shen Yong, aged 56, is the Chairman of the Board and an executive director of the Company. He is a director and a shareholder of Ultra Harvest Limited (“Ultra Harvest”), the controlling shareholder of the Company, holding 51% of its issued shares. Mr. Shen has more than 20 years of experience in hotel and commercial properties development, as well as investment, corporate and general management.

Mr. Shen completed a postgraduate (advanced studies) course in laws (civil and commercial law) from the Southwest University of Politics and Law (西南政法大學) in July 2000.

Mr. Shen served as a deputy to the 1st to 3rd Chongqing Municipal People’s Congress in the PRC. Mr. Shen is currently a member of the 4th Chongqing Municipal Committee of the Chinese People’s Political Consultative Conference of the PRC and a deputy chairman of the Chongqing Municipal Federation of Industry and Commerce (General Chamber).

EXECUTIVE DIRECTORS

Mr. Gan Lin

Mr. Gan Lin, aged 39, is the Chief Executive Officer and an executive director of the Company. He graduated from Beijing Technology and Business University (formerly Beijing Institute of Business) with a Bachelor’s degree in Logistics Management in 2001. He had served as various senior management positions in different financial institution and multi-national corporations, such as Guoxin Securities, Mocon Inc. and LXE Inc.. He has extensive experience in strategic planning, corporate finance and financial management.

主席暨執行董事

申勇先生

申勇先生，56歲，為本公司董事會主席兼執行董事。彼為控股股東Ultra Harvest Limited(「Ultra Harvest」)之董事及股東，持有其51%已發行股份。申先生在酒店及商用物業發展，以及投資、企業及一般管理方面擁有超過20年經驗。

申先生於二零零零年七月結業於西南政法大學法律(民商法)研究生課程進修班。

申先生曾擔任中國重慶市第一屆至第三屆人民代表大會代表。申先生現為中國人民政治協商會議重慶市第四屆委員會委員，及重慶市工商業聯合會(總商會)副會長。

執行董事

甘霖先生

甘霖先生，39歲，本公司行政總裁及執行董事。甘先生於二零零一年畢業於北京工商大學(原北京商學院)，持有物流管理學士學位。彼曾於多家金融機構、跨國企業(如國信證券、Mocon Inc.及LXE Inc.)擔任不同高管職位。彼於策略企劃、企業融資及財務管理方面具有豐富經驗。

Directors and Senior Management

董事及高層管理人員

NON-EXECUTIVE DIRECTOR

Mr. Huang Xiang Yang

Mr. Huang Xiang Yang, aged 64, is a non-executive director of the Company. He is a senior partner of Intewig & Partners and has over 30 years of experience in Chinese law, especially economic, trade and intellectual property law. Mr. Huang is a qualified patent attorney in Germany and China. Prior to joining the Company, Mr. Huang was employed by Paul Hastings and China Patent Agent (HK) Ltd..

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Loke Yu alias Loke Hoi Lam

Dr. Loke Yu, aged 69, is an independent non-executive director of the Company. He has over 40 years of experience in accounting and auditing for private and public companies, financial consultancy and corporate management. He holds an MBA Degree from the Universiti Teknologi Malaysia and a Doctor of Business Administration Degree from the University of South Australia. Dr. Loke is a Fellow of The Institute of Chartered Accountants in England and Wales, Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Directors and The Hong Kong Institute of Chartered Secretaries.

He serves as an independent non-executive director of V1 Group Limited, Matrix Holdings Limited, TradeGo Fin Tech Limited, CIMC-TianDa Holdings Company Limited, Zhong An Real Estate Limited, Chiho-Tiande Group Limited, Tianjin Development Holdings Limited, Tianhe Chemicals Group Limited, Lamtex Holdings Limited, Hang Sang (Siu Po) International Holding Company Limited, Hong Kong Resources Holdings Company Limited, TC Orient Lighting Holdings Limited and Zhenro Properties Group Limited, all of which are companies listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange").

非執行董事

黃向陽先生

黃向陽先生，64歲，本公司非執行董事。彼為博華智(Intewig & Partner)之高級合夥人並於中國法律（特別是經濟、貿易及知識產權法方面）有超過30年經驗。黃先生具備德國及中國的專利律師資格。於加入本集團前，黃先生曾受聘於普衡律師事務所(Paul Hastings)及中國專利代理（香港）有限公司。

獨立非執行董事

陸海林博士

陸博士，69歲，本公司獨立非執行董事。彼於私人及上市公司之會計及審計工作、財務顧問及企業管理方面擁有逾40年經驗。陸博士持有馬來西亞科技大學工商管理碩士學位及南澳大學工商管理博士學位。彼為英國英格蘭與威爾斯許會計師學會、香港會計師公會、香港董事學會之資深會員及香港特許秘書公會之會員。

彼為多間香港聯合交易所有限公司（「聯交所」）上市公司擔任獨立非執行董事，包括第一視頻集團有限公司、美力時集團有限公司、捷利交易寶金融科技有限公司、中集天達控股有限公司、眾安房產有限公司、齊合天地集團有限公司、天津發展控股有限公司、天合化工集團有限公司、林達控股有限公司、Hang Sang(Siu Po)International Holding Company Limited、香港資源控股有限公司、達進東方照明控股有限公司及正榮地產集團有限公司。

Directors and Senior Management 董事及高層管理人員

Mr. Yu Lei

Mr. Yu Lei, aged 48, is an independent non-executive director of the Company. He has extensive experience in the real estate industry and infrastructure sectors in the PRC.

Mr. Yu obtained his bachelor degree in economics and a master degree in management from the Zhongnan University of Economics and Law (中南財經政法大學) in 1993 and 1999 respectively. Mr. Yu is also a qualified accountant conferred by the Ministry of Finance of the PRC and a Certified Internal Auditor conferred by The Institute of Internal Auditors.

Mr. Yu is currently a president assistant of Shenzhen Zhuojia Industry Groups Co., Ltd. (深圳市卓佳實業集團有限公司), a company specializing in real estate, healthcare and infrastructure development and the provision of investment services in the PRC. During March 2006 to August 2011, Mr. Yu was employed as the president assistant of Great China International Group (China) Limited (大中華國際集團(中國)有限公司) which is principally engaged in property, hotel, commercial and infrastructure investment and development.

Mr. Ernst Rudolf Zimmermann

Mr. Ernst Rudolf Zimmermann, aged 70, is an independent non-executive director of the Company. He has more than 40 years of business experience in the international hospitality industry, especially in the Greater China region.

Mr. Zimmermann is currently the president and CEO of AVA Hospitality, a hotel management services company providing specialized China-related hospitality management and consultancy services and giving independent professional advice on design brief on hotel component to hotel investors and operators. Mr. Zimmermann now serves as the senior vice president of Swiss-Belhotel International, an international hotel management company offering unique fusion of Swiss hospitality management in all aspects of the hotel, serviced apartments and club. He is also an associate of Global Strategic Associates, LLC, an independent, privately-owned international advisory firm in New York, the United States of America.

余磊先生

余磊先生，48歲，本公司獨立非執行董事。彼於中國房地產及基礎建設業擁有豐富的工作經驗。

余先生於一九九三年取得中南財經政法大學經濟學學士學位，其後於一九九九年同校取得管理學碩士學位。余先生亦為中國財政部認可之合資格會計師，並為內部審計師協會(IIA)註冊內部審計師(CIA)。

余先生目前為深圳市卓佳實業集團有限公司之總裁助理，該公司專注於中國房地產、健康產業及基礎建設發展及提供投資服務。於二零零六年三月至二零一一年八月期間，余先生受聘為大中華國際集團(中國)有限公司之總裁助理，其主要業務為房地產、酒店、商業及基礎設施投資開發。

司馬文先生

司馬文先生，70歲，為本公司獨立非執行董事。彼擁有超過40年於國際酒店業(尤其於大中華區)的業務經驗。

司馬文先生現為AVA Hospitality主席兼行政總裁。AVA Hospitality為一間專門提供與中國相關的專業酒店管理及諮詢服務，並就酒店設計向酒店投資者及經營者提供獨立專業意見之酒店管理服務公司。司馬文先生現為瑞雅國際酒店有限公司之高級副總裁。瑞雅國際酒店有限公司對酒店、服務式公寓及俱樂部提供全方位獨一無二融合瑞士酒店管理特色之國際酒店管理公司。彼同時擔任全球戰略合作伙伴有限公司(位於美國紐約之獨立私營國際顧問公司)之合夥人。

Directors and Senior Management

董事及高層管理人員

Mr. Zimmermann started his hospitality career first in Stadl — Paura, Austria in 1962 and accepted hospitality training in Gmunden, Austria. Before relocating to Hong Kong as a restaurant manager in Furama Hotel in 1974, he worked in a number of food and beverage positions across various Western Europe countries, including England, Switzerland, Italy, Bermuda and so on. Mr. Zimmermann continued his hotel business in a Holiday Inn Group (now known as InterContinental Hotels Group) for subsequent years in senior managerial and executive positions for the development of the hotel chain throughout the Asia Pacific region, including, Hong Kong, Thailand and the PRC; and later on, with extensive years of experience in the hospitality field, Mr. Zimmermann established his own hotel management business, namely, Zenith Hotels International Limited, providing hotel management services and technical assistance to hotel owners, developing more than 20 hotel properties throughout the PRC and South-East Asia. More recently, Mr. Zimmermann served as the vice president within the ACCOR Hotel Group China to re-position new Sofitel Luxury Hotel in the PRC; and being the senior vice president in the New World Hotels Group to help promote its new hotel brand in the PRC. In previous years, Mr. Zimmermann also held consultative positions in certain companies in the PRC and Hong Kong.

SENIOR MANAGEMENT

Mr. Leung Tak Chee Frankie

Mr. Leung Tak Chee Frankie, aged 45, is Chief Financial Officer and company secretary of the Company. He holds a Bachelor Degree in Commence from University of Adelaide, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. He has held managerial and financial executive positions in various listed companies and financial institutions in Hong Kong. He has more than 20 years of experience in financial management, taxation, and corporate finance.

司馬文先生早於一九六二年起在奧地利格蒙登開展其酒店管理職業生涯，並於奧地利施塔德爾接受酒店管理專業訓練。司馬文先生於一九七四年遷居香港並於富麗華大酒店任職餐廳經理前，曾於英國、瑞士、意大利、百慕達等多個西歐國家擔任餐飲方面之職務。往後多年間，司馬文先生繼續其酒店管理職務，於假日酒店集團（現稱洲際酒店集團）出任高級行政管理層職位，負責整個亞太區（包括香港、泰國及中國）酒店連鎖的發展。隨後，憑藉其於酒店領域之豐富經驗，司馬文先生自行成立其酒店管理業務，即 Zenith Hotels International Limited，向酒店所有者提供酒店管理及技術支援服務，並於整個中國及東南亞地區籌建超過 20 間酒店物業。近年，司馬文先生曾任雅高酒店集團中國副總裁，將新開設位於中國之索菲特豪華酒店重新定位；並擔任新世界酒店集團之高級副總裁，協助於中國推廣新的酒店品牌。於過往年間，司馬文先生亦於中國及香港多間公司擔任顧問職位。

高層管理人員

梁德志先生

梁德志先生，現年 45 歲，為本公司財務總裁暨公司秘書。彼持有澳洲阿德萊德大學商學士學位。彼為香港會計師公會及澳洲會計師公會會員。彼曾於香港多間上市公司及金融機構擔任管理及財務行政職位，擁有逾 20 年財務管理、稅務、及企業融資等相關經驗。

Report of the Directors

董事會報告書

The directors submit herewith their report together with the audited financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company acts as an investment holding company.

The principal activities of its subsidiaries are hotel operation and provision of property management services in PRC.

The principal activities and other particulars of the subsidiaries are set out in note 17 to the consolidated financial statements. An analysis of the Group's performance for the year by business and geographical segments is set out in note 6 to the consolidated financial statements. Further discussion and analysis of these activities as required by schedule 5 of the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the "Management Discussion and Analysis" set out on page 8 to 14 of this annual report. This discussion forms part of this directors' report.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of revenue and cost of sales for the year ended 31 December 2018 attributable to the Group's major suppliers and customers from continuing operations are as follows:

Revenue	
The largest customer	4%
Five largest customers in aggregate	14%
Cost of sales	
The largest supplier	8%
Five largest suppliers in aggregate	13%

At no time during the year, have the directors, their associates or any shareholder (which, to the knowledge of the directors, owns more than 5% of the issued share capital of the Company) has a beneficial interest in the five largest customers or suppliers of the Group.

董事會全體成員謹將報告連同截至二零一八年十二月三十一日止年度之經審核財務報表呈覽。

主要業務及業務回顧

本公司為投資控股公司。

其附屬公司的主要業務為酒店營運及於中國提供物業管理服務。

附屬公司之主要業務及其他詳情載於綜合財務報表附註17。本集團本年度業務及地區分部表現之分析載列於綜合財務報表附註6。根據《香港公司條例》附表5的要求對該等活動所作的進一步討論及分析，包括對本集團面臨的主要風險及不確定因素以及本集團業務未來發展跡象的討論，可參閱本年報第8至14頁所載的「管理層討論及分析」一節。該討論屬董事會報告書的一部分。

主要客戶及供應商

於截至二零一八年十二月三十一日止年度，本集團持續經營業務之主要供應商及客戶應佔之收益及銷售成本百分比如下：

收益	
最大客戶	4%
五大客戶總和	14%
銷售成本	
最大供應商	8%
五大供應商總和	13%

於本年度任何時間，各董事、其聯繫人或任何股東（就董事所知，擁有本公司已發行股本5%以上者）概無於本集團之五大客戶或供應商中擁有實益權益。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2018 and the state of the Group's affairs as at that date are set out in the "Consolidated Statement of Profit or Loss and Other Comprehensive Income" and "Consolidated Statement of Financial Position" on pages 78 to 81 of this annual report.

The Board does not recommend the payment of a final dividend for the year ended 31 December 2018 (2017: HK\$Nil).

RESERVES

Details of movements in reserves of the Group and the Company during the year are set out in the "Consolidated Statement of Changes in Equity" on pages 82 to 83 and page 191 respectively of this annual report.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2018, calculated under the Hong Kong Companies Ordinance, amounted to HK\$Nil (2017: HK\$Nil).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association of the Company or the laws of the Hong Kong which would oblige the Company to offer new Shares on a pro-rata basis to existing shareholders.

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Details of movements in property, plant and equipment and intangible assets of the Group during the year are set out in notes 15 and 16 respectively, to the consolidated financial statements.

業績及分派

本集團於截至二零一八年十二月三十一日止年度之業績及本集團於該日事務之狀況載於本年報第78至81頁之「綜合損益及其他全面收益表」及「綜合財務狀況表」內。

董事會不建議就截至二零一八年十二月三十一日止年度派發末期股息（二零一七年：零港元）。

儲備

年內，本集團及本公司儲備之變動詳情分別載於本年報第82至83頁的「綜合權益變動表」及第191頁。

可供分派儲備

按香港公司條例計算，本公司於二零一八年十二月三十一日之可供分派儲備為零港元（二零一七年：零港元）。

優先權

本公司組織章程細則或香港法例並無條文規定本公司須按比例向現有股東發售新股份。

物業、機器及設備及無形資產

本集團物業、機器及設備以及無形資產之變動詳情分別載於綜合財務報表附註15及16。

Report of the Directors

董事會報告書

SECURED LOANS

Particulars of secured loans of the Group as at 31 December 2018 are set out in note 29 to the consolidated financial statements.

BONDS

Particulars of bonds of the Group as at 31 December 2018 are set out in note 30 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in share capital of the Company during the year ended 31 December 2018 are set out in note 26 to the consolidated financial statements.

EQUITY-LINKED AGREEMENTS

Share options granted to directors

The following table discloses movements in the Company's share option during the year:

	Exercise period 行使期	Exercise price 行使價	Outstanding as at 1.1.2018 於二零一八年 一月一日 尚未行使	Granted during the year 年內授出	Exercised during the year 年內行使	Forfeited during the year 年內沒收	Outstanding as at 31.12.2018 於二零一八年 十二月三十一日 尚未行使
Directors							
董事							
Mr. Gan Lin 甘霖先生	4.5.2019 - 3.5.2028	0.415	-	3,240,499	-	-	3,240,499
Mr. Huang Xiang Yang 黃向陽先生	20.1.2020 - 19.1.2027	0.47	2,105,330	-	-	-	2,105,330
Mr. Shen Yong 申勇先生	20.1.2020 - 19.1.2027 4.5.2019 - 3.5.2028	0.47 0.415	323,898 -	- 456,408	- -	- -	323,898 456,408
Mr. Shen Ke 申柯先生	20.1.2020 - 19.1.2027 4.5.2019 - 3.5.2028	0.47 0.415	3,238,970 -	- 4,564,083	- -	- -	3,238,970 4,564,083
Continuous contract employees							
持續合約僱員							
Employee 僱員	4.5.2019 - 3.5.2028	0.415	-	28,251,678	-	-	28,251,678
Employee 僱員	20.1.2020 - 19.1.2027	0.47	26,721,495	-	-	-	26,721,495
Other eligible participants 其他合資格參與者	4.5.2019 - 3.5.2028	0.415	-	9,128,166	-	-	9,128,166
			32,389,693	45,640,834	-	-	78,030,527

抵押貸款

本集團於二零一八年十二月三十一日之抵押貸款詳情均載於綜合財務報表附註29。

債券

本集團於二零一八年十二月三十一日之債券詳情均載於綜合財務報表附註30。

股本

本年度股本於截至二零一八年十二月三十一日止年度之變動詳情載於綜合財務報表附註26。

權益掛鈎協議

購股權授予董事

下表披露本公司購股權於年內之變動：

SHARE CAPITAL AND SECURITIES IN ISSUE

The Company issued shares as part of the consideration for the acquisition of joint ventures and for the settlement of amount due to Mr. Shen Yong. Details of the movements in the share capital of the Company are set out in note 26 to the consolidated financial statements.

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

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

DIRECTORS

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

Executive directors

Mr. Shen Yong (*Chairman*)
Mr. Gan Lin (*Chief Executive Officer*)
Mr. Shen Ke*

Non-executive director

Mr. Huang Xiang Yang

Independent non-executive directors

Mr. Yu Lei
Dr. Loke Yu (alias Loke Hoi Lam)
Mr. Ernst Rudolf Zimmermann

* resigned on 21 September 2018

The biographical details of the current directors are set out under the section "Directors and Senior Management" of this annual report.

In accordance with Article 101 of the Company's Articles of Association, Mr. Huang Xiang Yang, Mr. Yu Lei and Mr. Ernst Rudolf Zimmermann shall retire from the Board by rotation and, being eligible, offer themselves for re-election at the forthcoming AGM.

股本及已發行證券

本公司發行股份作為收購合營企業之部分代價及結算應付申勇先生款項。有關本公司的股本變動詳情披露於綜合財務報表附註26。

購買、出售或贖回本公司上市證券

本公司或任何其附屬公司於截至二零一八年十二月三十一日止年度概無購買、出售或贖回本公司任何上市證券。

董事

本財政年度內及至本報告日之董事如下：

執行董事

申勇先生 (主席)
甘霖先生 (行政總裁)
申柯先生*

非執行董事

黃向陽先生

獨立非執行董事

余磊先生
陸海林博士
司馬文先生

* 於二零一八年九月二十一日辭任

現任董事的履歷資料載於本年報之「董事及高層管理人員」一節。

根據本公司組織章程細則第101條，黃向陽先生、余磊先生及司馬文先生將輪席退任董事，彼等合乎資格並願意於應屆股東週年大會上膺選連任。

Report of the Directors

董事會報告書

Mr. Shen Ke resigned as an executive director of the Company on 21 September 2018. Mr. Shen Ke has confirmed that he has no disagreements with the Board and nothing relating to the affairs of the Company needed to be brought to the attention of the shareholders of the Company.

The names of all persons who, during the financial year and/or during the period from the end of the financial year to the date of this report, serve/served as directors of all those companies included as subsidiaries in the consolidated financial statements of the Company for the financial year ended 31 December 2018 are set out below:

Except for those directors listed above, the persons who were directors of the subsidiaries of the Company during the year and up to the date of this report were (unless otherwise stated):

— Mr, Shen Ke ^

^ resigned as a director on 21 September 2018

DIRECTORS' SERVICE CONTRACTS

As at the date of this report, each of the Directors has entered into a service contract or an appointment letter (as the case may be) with the Company for either no fixed term of service or an initial fixed term of three years commencing from their appointment or re-designation, subject to retirement by rotation and re-election at annual general meetings of the Company pursuant to Articles of Association of the Company, and will continue thereafter until terminated by (i) in cases of executive Directors and independent non-executive Directors, not less than one months' notice in writing served by either party on the other or payment in lieu of such notice, or (ii) in case of non-executive Directors, not less than one month's notice in writing by the non-executive Director or the written notice issued by the Company with immediate effect.

DIRECTORS' EMOLUMENTS

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board of the Company with reference to directors' duties, responsibilities and performance and the results of the Group.

申柯先生於二零一八年九月二十一日辭任本公司執行董事。申柯生已經確認與董事會並無任何意見分歧及並沒有任何有關本公司事務需要提請本公司股東注意。

於本財政年度內及／或由本財政年度結束至本報告日期期間，於本公司截至二零一八年十二月三十一日止財政年度綜合財務報表內，列為附屬公司的所有相關公司擔任董事的所有人士之名稱如下：

本年度內及至本報告日之附屬公司的董事名稱如下（不包括以上列出的董事）：

— 申柯先生 ^

^ 於二零一八年九月二十一日已辭任董事

董事服務合約

於本報告日期，各董事已與本集團訂立服務合約或委任函（視情況而定），年期為並無固定年期或初步固定年期為獲委任或調任起計三年，並須根據本公司組織章程細則於本公司股東週年大會上輪席退任及膺選連任，而其任期在其後將持續，直至經由以下方式終止：(i) 如為執行董事及獨立非執行董事，在任何一方發出不少於一個月書面通知或以付款代替該通知，或(ii) 如為非執行董事，在非執行董事提供不少於一個月書面通知，或由本公司發出書面通知時即時生效。

董事酬金

董事袍金須經股東於股東大會上批准方可作實。其他酬金乃本公司董事會參考董事之職責、責任及表現以及本集團之業績後釐定。

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

As at 31 December 2018, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules adopted by the Company (the “Model Code”) (collectively “disclosure interests”) to be notified to the Company and the Stock Exchange, were as follows:

(1) Interests in Issued Shares of the Company

Name of directors 董事姓名	Personal Interests 個人權益	Interest of controlled corporation 受控制法團 之權益
Mr. Shen Yong 申勇先生	6,520,000 (L)	397,840,315 (L) (note 1) (附註 1)

Note:

- (1) Out of the 397,840,315 Shares, 205,962,125 Shares are held by Ultra Harvest Limited (“Ultra Harvest”), of which Ultra Harvest is owned as to 51% by Mr. Shen Yong and 10% by Mr. Shen Ke respectively. Mr. Shen Yong is the father of Mr. Shen Ke; 68,229,512 Shares are held by Magic Blazes Limited which is wholly-owned by Ultra Harvest. 123,648,678 Shares are held by Middle Spring Limited (“Middle Spring”), of which Middle Spring is wholly-owned by Mr. Shen Yong.
- (2) These Shares are held by Ms. Meng Qing, who is the spouse of Mr. Shen Yong, the executive director of the Company. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, Mr. Shen Yong is deemed to be interested in those Shares.
- (L) Long position

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零一八年十二月三十一日，董事或本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第 XV 部）之股份、相關股份或債權證中，擁有須 (i) 根據證券及期貨條例第 XV 部第 7 及 8 分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被視作或視為擁有之權益及淡倉）；或 (ii) 根據證券及期貨條例第 352 條記入該條所述登記冊之權益及淡倉；或 (iii) 根據本公司所採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所之權益及淡倉（統稱「須予披露權益」）如下：

(1) 本公司已發行股份權益

Interest of spouse 配偶權益	Total 合計	Approximately Percentage of shareholding 股權概約百分比
5,500,000 (L) (note 2) (附註 2)	409,860,315 (L)	61.17%

附註：

- (1) 該 397,840,315 股股份中，205,962,125 股股份由 Ultra Harvest Limited（「Ultra Harvest」）持有，而 Ultra Harvest 分別由申勇先生擁有 51% 及申柯先生擁有 10%。申勇先生為申柯先生之父親；68,229,512 股股份由 Magic Blazes Limited 持有，該公司由 Ultra Harvest 全資擁有。123,648,678 股股份由 Middle Spring Limited（「Middle Spring」）持有，該公司由申勇先生全資擁有。
- (2) 該等股份由本公司執行董事申勇先生之配偶孟青女士持有。根據證券及期貨條例第 XV 部第 2 及第 3 分部之條文，申勇先生被視為於該等股份中擁有權益。
- (L) 好倉

Report of the Directors

董事會報告書

(2) Interests in the Issued Share Capital in Ultra Harvest, the Associated Corporation, of the Company

Name of directors	董事姓名	Nature of interest/ Capacity 權益性質／身份
Mr. Shen Yong	申勇先生	Beneficial owner 實益擁有人
Mr. Wang Yuqiang	王玉強先生	Beneficial owner 實益擁有人
Mr. Shen Ke	申柯先生	Beneficial owner 實益擁有人

(3) Interests in underlying shares

The directors have been granted options under the Company's Share Option Scheme, details of which are set out on the section "Equity-linked agreements" above.

Save as disclosed above, as at 31 December 2018, none of the directors and/or the chief executive of the Company, or their respective associates had any other discloseable interests as required.

(2) 本公司之相聯公司 Ultra Harvest 已發行股本之權益

Total number of shares held 持有之股份總數	% of total issued shares of Ultra Harvest 佔 Ultra Harvest 已發行股份 總數之百分比
51	51%
39	39%
10	10%

(3) 相關股份權益

董事根據本公司之購股權計劃獲授出購股權，詳情載於上文「權益掛鈎協議」一節。

除上文披露者外，於二零一八年十二月三十一日，概無本公司之董事及／或最高行政人員或彼等各自之關連人士擁有任何其他須予披露之權益。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

主要股東及其他人士於股份及相關股份之權益及淡倉

As at 31 December 2018, the following persons (other than the directors or chief executive of the Company) had interests or long positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO or as otherwise notified to the Company were as follows:

於二零一八年十二月三十一日，除本公司之董事或最高行政人員外，下列人士於本公司之股份及相關股份中，擁有本公司根據證券及期貨條例第336條須予備存之登記冊所記錄或已知會本公司之權益或好倉如下：

Substantial shareholders 主要股東	Ordinary shares 普通股		% of issued share capital 佔已發行 股本百分比
	No. of ordinary shares held 持有之 普通股數目	Nature of interest/Capacity 權益性質／身份	
Ultra Harvest (Note 1) Ultra Harvest (附註1)	205,962,125 (L)	Beneficial owner 實益擁有人	30.74%
	68,229,512 (L)	Interest of controlled corporation 受控制法團之權益	10.18%
Magic Blazes Limited	68,229,512 (L)	Beneficial owner 實益擁有人	10.18%
Middle Spring (Note 2) Middle Spring (附註2)	123,648,678 (L)	Beneficial owner 實益擁有人	18.45%
Ms. Meng Qing (Note 3) 孟青女士 (附註3)	404,360,315 (L)	Interest of spouse 配偶之權益	60.35%
	5,500,000 (L)	Beneficial owner 實益擁有人	0.82%
Mr. Wang Yuqiang (Note 4) 王玉強先生 (附註4)	274,191,637 (L)	Interest of controlled corporation 受控制法團之權益	40.92%
Ms. Zhao Ying Ying (Note 5) 趙穎穎女士 (附註5)	274,191,637 (L)	Interest of spouse 配偶之權益	40.92%
(L) Long position		(L) 好倉	

Report of the Directors

董事會報告書

Notes:

- (1) Ultra Harvest is owned as to 51% by Mr. Shen Yong, 39% by Mr. Wang Yuqiang and 10% by Mr. Shen Ke. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, each of Mr. Shen Yong and Mr. Wang Yuqiang is deemed to be interested in all the ordinary shares in which Ultra Harvest is, or is deemed to be, interested. Mr. Shen Yong is the director of Ultra Harvest. 68,229,512 Shares are held by its wholly-owned subsidiary, Magic Blazes Limited. As such Ultra Harvest is deemed to be interested in the Share held by Magic Blazes Limited.
- (2) Middle Spring is wholly-owned by Mr. Shen Yong.
- (3) Ms. Meng Qing is the spouse of Mr. Shen Yong. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Shen Yong is, or is deemed to be, interested.
- (4) Mr. Wang Yuqiang holds 39% interest in Ultra Harvest. As such, Mr. Wang Yuqiang is deemed to be interested in the Shares held by Ultra Harvest.
- (5) Ms. Zhao Ying Ying is the spouse of Mr. Wang Yuqiang. Pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, she is deemed to be interested in all the ordinary shares in which Mr. Wang Yuqiang is, or is deemed to be, interested.

Save as disclosed above, as at 31 December 2018, no other interests required to be recorded in the register kept under Section 336 of the SFO had been notified to the Company.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its directors, the directors confirmed that the Company has maintained the amount of public float as required under the Listing Rules during the year and up to the date of this report.

附註：

- (1) Ultra Harvest分別由申勇先生、王玉強先生及申柯先生擁有51%、39%及10%。根據證券及期貨條例第XV部第2及3分部之條款，申勇先生及王玉強先生被視為於Ultra Harvest擁有或視為擁有權益之所有普通股中擁有權益。申勇先生為Ultra Harvest之董事。68,229,512股股份由其全資附屬公司Magic Blazes Limited持有。據此，Ultra Harvest被視為於Magic Blazes Limited擁有之股份中擁有權益。
- (2) Middle Spring由申勇先生全資擁有。
- (3) 孟青女士為申勇先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於申勇先生擁有或視為擁有權益之所有普通股中擁有權益。
- (4) 王玉強先生持有Ultra Harvest 39%權益。據此，王玉強先生被視為於Ultra Harvest擁有之股份中擁有權益。
- (5) 趙穎穎女士為王玉強先生之配偶。根據證券及期貨條例第XV部第2及3分部之條款，彼被視為於王玉強先生擁有或視為擁有權益之所有普通股中擁有權益。

除上文所披露者外，於二零一八年十二月三十一日，本公司並無得悉其他需要記錄於依據證券及期貨條例第336條須予備存之登記冊內之權益。

足夠公眾持股量

基於公開所得之資料及據董事所知，董事確認於本年度內及截至本年度報告日期為止，本公司有足夠公眾持股量。

DIRECTORS' TRANSACTIONS, ARRANGEMENTS OR CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

Save as disclosed under the section headed "Connected Transactions" and note 36 to the consolidated financial statements, no other transactions, arrangements or contracts of significance, to which the Company or any of its holding Company, subsidiaries or fellow subsidiaries was a party, and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2018, Mr. Shen Yong, the Chairman of the Company was also the director and controlling shareholder of Chongqing Forebase Industrial Investment (Holdings) Co. Ltd., which together with its subsidiaries, are engaged in hotel real estate development business in the PRC.

Save as disclosed above, as at 31 December 2018, none of the Directors and his/her respective associates had interests in the businesses which competes or was likely to compete, whether directly or indirectly, with the business of the Group. Mr. Shen Yong has undertaken to the Company that for so long as he remains as a Director or a controlling Shareholder, all enquiries and actual or potential business opportunities received by him (and/or his associates) in relation to hotel real estate business (the "Business Opportunities") shall be referred to the Company on a timely basis and the Business Opportunities must be first offered or made available to the Group.

There has been no material change in directors' interests in any competing business subsequent to 31 December 2018.

MANAGEMENT CONTRACTS

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

對本公司業務有重大關連的董事交 易、協議或合約權益

除下文「關連交易」一節及綜合財務報表附註36外，於年終或本年度內任何時間，本公司或其任何控股公司，附屬公司或同系附屬公司概無訂有本公司董事直接或間接擁有重大權益之重大交易、協議或合約。

董事於競爭性業務之權益

於二零一八年十二月三十一日，本公司主席申勇先生為重慶申基實業（集團）有限公司之董事及控股股東，該公司連同其附屬公司於中國從事酒店地產開發業務。

除上文披露者外，於二零一八年十二月三十一日，概無董事及各自聯繫人士於與或可能與本集團業務競爭（不論直接或間接）的業務中擁有權益。申勇先生向本公司承諾，於彼擔任董事或控股股東期間，彼（及／或其聯繫人士）因酒店地產業務而遇到的所有查詢及實際或可能商機（「商機」）須即時轉介至本公司，有關商機須首先向本集團提供。

於二零一八年十二月三十一日後，董事於競爭業務之權益並無任何重大轉變。

管理合約

年內並無訂立或存續有關本公司全部或任何主要部分業務之管理及行政合約。

Report of the Directors

董事會報告書

CONNECTED TRANSACTIONS

Connected transactions

On 12 October 2018, the Company entered into Loan Capitalisation Agreement with Mr. Shen Yong, pursuant to which the Company agreed to issued and Mr. Shen Yong agreed to subscribe for 123,648,678 shares of the Company at the issue price of HK\$0.335 per share. The subscription was completed on 31 December 2018.

Continuing connected transactions

In 2016, the Company entered into a Framework Agreement with Mr. Shen Yong, the Chairman of the Board, an executive Director and a beneficial owner of 51% equity interest in Ultra Harvest, which constituted continuing connected transactions (the “connected transactions”) as defined in the Listing Rules.

Pursuant to the Framework Agreement, the Group agreed to provide the Property Management Services to certain premises owned by corporations controlled by Mr. Shen Yong including offices, residential apartments and car parking spaces for a term of three years commencing from the Effective Date and ending on the earlier of (i) 31 December 2018; or (ii) the date the owners’ committee of such premises has been formed (both days inclusive). During the year, service fee of Property Management Services amounted to RMB9,119,000 (equivalent to HK\$10,818,000) was charged to corporations controlled by Mr. Shen Yong.

As all of the applicable percentage ratios (as defined under Chapter 14A of the Listing Rules) in respect of the annual caps for the Framework Agreement exceed 0.1% but are less than 5%, the connected transactions are subject to announcement and reporting requirements but is exempt from circular and the Independent Shareholders’ approval requirement under the Listing Rules. The connected transactions up to the limit specified in the annual cap amount for each of the financial years ended/ending 31 December 2016, 2017 and 2018 are HK\$13,900,000, HK\$12,500,000, and HK\$12,400,000 respectively.

On 21 December 2018, the Company and Mr. Shen Yong entered into a new Framework Agreement to extend the term of three years commencing from 1 January 2019 and ending on the earlier of (i) 31 December 2021 (both days inclusive); or (ii) the date the owners’ committee of such premises has been formed (both days inclusive). The connected transactions up to the limit specified in the annual cap amount for each of the financial

關連交易

關連交易

於二零一八年十月十二日，本公司與申勇先生訂立貸款資本化協議，據此本公司同意發行而申勇先生同意認購本公司123,648,678股股份，發行價為每股0.335港元。認購事項已於二零一八年十二月三十一日完成。

持續關連交易

於2016年，本公司與董事會主席兼執行董事申勇先生（亦為Ultra Harvest 51%股權之實益擁有人）訂立一份框架協議，該等交易構成上市規則所界定之持續關連交易（「關連交易」）。

根據框架協議，本集團同意向申勇先生所控公司擁有之若干場所（包括寫字樓、住宅公寓及車位）提供為期三年的物業管理服務，由生效日期開始直至 (i) 二零一八年十二月三十一日；或 (ii) 該等場所業主委員會成立當日（包括首尾兩日）為止（以較早者為準）。年內，向申勇先生所控公司所支取之物業管理服務費用為人民幣9,119,000元（相等於10,818,000港元）。

由於就框架協議年度上限而言，適用百分比率（定義見上市規則第14A章）超過0.1%但少於5%，故根據上市規則，關連交易須遵守公告及申報規定，惟可豁免通函及獨立股東批准之規定。關連交易於截至二零一六年、二零一七年及二零一八年十二月三十一日止財政年度各年的年度上限分別為13,900,000港元、12,500,000港元及12,400,000港元。

於二零一八年十二月二十一日，本公司與申勇先生訂立新框架協議延長框架協議三年，由二零一九年一月一日開始直至 (i) 二零二一年十二月三十一日（包括首尾兩日）；或 (ii) 該等場所業主委員會成立當日（包括首尾兩日）為止（以較早者為準）。關連交易於截至二零一九年、二零二零年及二零二一年十二月三十一日止財政年

years ended/ending 31 December 2019, 2020 and 2021 are RMB8,042,153 (equivalent to HK\$9,087,633), RMB7,760,056 (equivalent to HK\$8,768,863), and RMB7,534,112 (equivalent to HK\$8,513,547) respectively. As all of the applicable percentage ratios (as defined under Chapter 14A of the Listing Rules) in respect of the annual caps for the Framework Agreement exceed 0.1% but are less than 5%, the connected transactions are subject to announcement and reporting requirements but is exempt from circular and the Independent Shareholders' approval requirement under the Listing Rules.

The connected transactions were entered in the ordinary and usual course of business of the respective companies after due negotiations on an arm's length basis with reference to the prevailing market conditions.

Announcements were published regarding the connected transactions in accordance with the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in so far as they are applicable.

All Independent non-executive directors of the Company have reviewed the connected transactions and confirmed that the connected transactions are entered into:

1. in the ordinary and usual course of business of the Company;
2. on normal commercial terms or better; and
3. in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders of the Company as a whole.

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

Saved as disclosed above, details of the material related party transactions during the year are set in note 36 to the consolidated financial statements.

度各年的年度上限分別為人民幣8,042,153(相當於9,087,633港元)、人民幣7,760,056(相當於8,768,863港元)元及人民幣7,534,112元(相當於8,513,547港元)。由於就框架協議年度上限而言，適用百分比率(定義見上市規則第14A章)超過0.1%但少於5%，故根據上市規則，關連交易須遵守公告及申報規定，惟可豁免通函及獨立股東批准之規定。

該等關連交易已參考當時市場情況後於有關公司在日常業務過程中以公平原則磋商後而訂立。

載有有關關連交易之公告已根據上市規則刊登。本公司確定已遵守適用於該等交易之上市規則第14A章之披露規定。

所有本公司獨立非執行董事均已檢討該等關連交易，並確認該等關連交易：

1. 於本公司一般及正常業務過程中訂立；
2. 按照一般或更佳商業條款訂立；及
3. 根據有關協議訂立，而交易條款屬公平合理，並且符合本公司股東的整體利益。

根據上市規則第14A.56條，本公司已聘用核數師，遵照香港會計師公會發出的《香港審核保證委聘準則3000號(經修訂)》的「審核或審閱過去財務資料以外的核證委聘」及參照《實務說明》第740號「關於香港上市規則所述持續關連交易的核數師函件」，就本集團的持續關連交易作出匯報。就持續關連交易的結果，核數師已發出無保留意見函件。本公司已將該核數師函件副本呈交聯交所。

除上文披露者外，本年度內重大關聯交易之詳情載於綜合財務報表附註36。

Report of the Directors

董事會報告書

RETIREMENT SCHEMES

Details of the retirement schemes participated by the Group are set out in note 32 to the consolidated financial statements.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the year under review. The Company has also taken out and maintained appropriate insurance cover to indemnify the Directors for liabilities that may arise out of corporate activities of the Group. The insurance coverage is reviewed on an annual basis. During the year ended 31 December 2018, no claims were made against the Directors.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 201 of this annual report.

CONFIRMATION OF INDEPENDENCE

The Company has received, from each of the independent non-executive directors, an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the independent non-executive directors are independent.

AUDITOR

The consolidated financial statements for the year ended 31 December 2018 have been audited by Grant Thornton Hong Kong Limited.

Grant Thornton Hong Kong Limited will retire and, being eligible, offer themselves for reappointment. A resolution for the reappointment of Grant Thornton Hong Kong Limited as auditor of the Company is to be proposed at the forthcoming AGM.

By order of the Board
Shen Yong
Chairman

Hong Kong, 27 March 2019

退休計劃

本集團參與之退休計劃之詳情，載於綜合財務報表附註32。

獲准許的彌償條文

以董事為受益人之經許可彌償條款現時生效及於回顧年度內持續生效。本公司亦已投購及維持適當保險，保障董事不會承擔本集團的公司活動可能產生的責任。保險保障獲每年檢討。於截至二零一八年十二月三十一日止年度，概無對董事作出申索。

五年財務概要

本集團過去五個財政年度業績、資產與負債概要載於本年報第201頁。

確認獨立性

本公司已收取各獨立非執行董事根據上市規則第3.13條之年度獨立性確認函件，並認為所有獨立非執行董事均維持獨立身份。

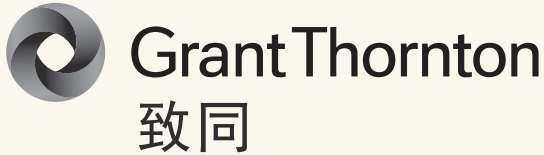
核數師

截至二零一八年十二月三十一日止年度本公司之綜合財務報表已經致同（香港）會計師事務所有限公司審核。

致同（香港）會計師事務所有限公司即將告退，惟符合資格並願意膺選連任。重新委聘致同（香港）會計師事務所有限公司為本公司核數師的決議，將於應屆股東週年大會上提出。

承董事會命
主席
申勇

香港，二零一九年三月二十七日



To the members of Forebase International Holdings Limited
(incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Forebase International Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 78 to 200, which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (the “Code”) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

致申基國際控股有限公司股東
(於香港註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審核列載於第78至第200頁申基國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，該等綜合財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

我們認為，綜合財務報表根據香港會計師公會頒佈的香港財務報告準則真實而公平地反映貴集團於二零一八年十二月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例適當編製。

意見基準

我們已根據香港會計師公會頒佈的香港審計準則進行審核。根據該等準則，我們的責任於本報告中核數師就審計綜合財務報表承擔的責任一節中詳述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」)，我們獨立於貴集團，並已遵循守則中的其他專業道德責任。我們認為，我們獲取的審核憑證屬充分及適當，可為我們發表意見提供基準。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

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

Impairment of Property, Plant and Equipment

物業、機器及設備之減值

The Key Audit Matter

關鍵審核事項

Please refer to note 15 to the consolidated financial statements and the accounting policies as set out on note 2.6.

As at 31 December 2018, the carrying amount of property, plant and equipment of the Group were HK\$84,738,000, of which land and buildings amounted to HK\$82,956,000.

Management carries out an impairment assessment of land and buildings on an annual basis. The impairment assessment requires evaluation as to whether any impairment indicators existed in the land and buildings by reference to the profitability of the relevant cash-generating units ("CGUs").

請參閱綜合財務報表附註15以及附註2.6所載的會計政策。

於二零一八年十二月三十一日，貴集團的物業、機器及設備之賬面值為84,738,000港元，其中土地及樓宇為82,956,000港元。

管理層每年對土地及樓宇進行減值評估。減值評估需要參照有關現金產生單位的盈利能力，評估土地及樓宇是否存在減值跡象。

關鍵審核事項

關鍵審核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核最為重要的事項。這些事項是在我們審核整體綜合財務報表及對其出具意見過程中需要應對的，但我們不對這些事項提供單獨的意見。

How the Matter was Addressed in Our Audit

我們在審核中如何回應該等關鍵事項

Our audit procedures to assess the impairment testing of land and buildings included the following:

- Assessing the competency, capability and objectivity of the independent professional external valuer, and the scope of valuer's work.
- Assessing the valuation methodologies.
- Assessing the reasonableness of the key assumptions and estimates used against general market practice.

我們評估土地及樓宇之減值測試的審核程序包括：

- 評估獨立專業外部估值師的資格、能力及客觀性以及彼等之工作範圍。
- 評估估值方法。
- 對比一般市場慣例評估所用的主要假設及估計的合理性。

Impairment of Property, Plant and Equipment (Continued)

物業、機器及設備之減值（續）

The Key Audit Matter

關鍵審核事項

Where there are indicators, management is required to assess the recoverable amount of the land and buildings with reference to valuation performed by the independent professional external valuer using the income capitalisation method for resort hotel and sales comparison method for development land. The valuation of land and buildings requires the application of significant judgement and estimation in determining the appropriate valuation methodologies to be used, use of subjective assumptions and various unobservable inputs.

The valuation of resort hotel is sensitive to key underlying assumptions applied by the valuer such as volatility of income, occupancy rate and discount rate used. The valuation of development land is sensitive to market comparables with adjustments of other individual factors by valuer which may have a significant impact to the valuation.

倘存在減值跡象，管理層須參照獨立專業外部估值師就度假酒店使用收入資本化方法及就發展土地使用銷售比較方法進行的估值來評估土地及樓宇的可收回金額。土地及樓宇的估值須進行重大判斷及估計以確定將使用的適當估值方法，並採用主觀假設及各種不可觀察的輸入數據。

對度假酒店的估值對估值師採用的主要相關假設敏感，例如收入波動、入住率及所採用的折扣率等。就發展土地的估值對估值師採用的可能對估值產生重大影響的市場可比較數據（就其他個別因素進行調整）敏感。

How the Matter was Addressed in Our Audit

我們在審核中如何回應該等關鍵事項

Please refer to P.70.

請參閱第70頁。

Independent Auditor's Report

獨立核數師報告

Impairment of Intangible Assets

無形資產之減值

The Key Audit Matter

關鍵審核事項

Please refer to note 16 to the consolidated financial statements and the accounting policies as set out on note 2.9.

The carrying amounts of intangible assets amounted to HK\$30,029,000 as at 31 December 2018. Management reviews the carrying amounts of intangible assets annually or more frequently when impairment indicators are present.

Where there are indicators, management is required to assess the recoverable amount of the intangible assets with reference to valuation performed by the independent professional external valuer based on a value-in-use calculation using future cash flow projections. The valuation of intangible assets requires the application of significant judgement in the use of subjective assumptions. The valuation is sensitive to underlying assumptions applied by the valuer such as discount rate and growth rate used are based on the assets' past performance and management's expectation of market development and the future cash flow projections were prepared based on financial budgets approved by management which may have a significant impact to the valuation.

請參閱綜合財務報表附註16以及附註2.9所載的會計政策。

於二零一八年十二月三十一日，無形資產的賬面值為30,029,000港元。管理層每年對無形資產的賬面值進行一次檢討，當出現減值跡象時，該檢討則需要進行得更加頻密。

倘存在減值跡象，管理層須參照獨立專業外部估值師根據使用未來現金流量預測的使用價值計算方式進行的估值來評估無形資產的可收回金額。無形資產的估值於使用主觀假設時須進行重大判斷。該估值對估值師採用的相關假設敏感，例如所用折現率及增長率，乃基於資產過往表現及管理層對市場發展的預期，而未來現金流量預測乃根據管理層批准的財務預算編製，可能對估值產生重大影響。

How the Matter was Addressed in Our Audit

我們在審核中如何回應該等關鍵事項

Our audit procedures in relation to management's impairment assessment of the Group's intangible assets included the following:

- Assessing the valuation methodology adopted by management.
- Assessing the reasonableness of key assumptions, in particular those relating to the ten-year period cash flow forecasts, the growth rates used to extrapolate the cash flows beyond three-year period and the discount rates, based on our knowledge of the business and industry.
- Reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets.

我們對管理層就 貴集團無形資產的減值評估的相關審核程序包括：

- 評估管理層採用的估值方法。
- 根據我們對業務及行業的了解，評估主要假設的合理性，特別是與十年期現金流量預測及與用於推斷三年期以上的現金流量的增長率及折現率相關的假設。
- 調整支持證據的輸入數據（例如經批准的預算），並考慮該等預算的合理性。

Valuation of Interests in Joint Ventures

於合營企業之權益之估值

The Key Audit Matter

關鍵審核事項

Please refer to note 18 to the consolidated financial statements and the accounting policies as set out on note 2.4.

During the year ended 31 December 2018, the Group acquired 49% equity interest in Triple Market Limited and its subsidiaries ("Triple Market Group") from an independent third party. Triple Market Group has no business operation, it mainly holds an investment property which is stated at fair value. The investment in Triple Market Group was recognised as joint ventures of the Group and accounted for using the equity method. As at 31 December 2018, the carrying amount of the interests in joint ventures was approximately HK\$44,604,000. Interests in joint ventures are significant to the Group in terms of its value.

The fair value of the investment property owned by Triple Market Group was estimated by the management of Triple Market Group using direct comparison approach. The valuation of the investment property is conducted by an independent professional external valuer. The valuation of investment property requires the application of significant judgement and estimation in determining the appropriate valuation methodology to be used, use of subjective assumptions and various unobservable inputs. It is sensitive to market comparables with adjustments of other individual factors by valuer which may have a significant impact to the valuation.

請參閱綜合財務報表附註18以及附註2.4所載的會計政策。

截至二零一八年十二月三十一日止年度，貴集團向獨立第三方收購Triple Market Limited及其附屬公司（「Triple Market集團」）49%股權。Triple Market集團並無業務營運，主要持有按公允價值列賬的投資物業。於Triple Market集團的投資被確認為貴集團的合營企業，並採用權益法入賬。於二零一八年十二月三十一日，於合營企業之權益的賬面值約為44,604,000港元。於合營企業之權益對貴集團而言價值重大。

Triple Market集團擁有的投資物業的公允價值由Triple Market集團的管理層採用直接比較法估計。投資物業由獨立專業外部估值師進行估值。投資物業的估值需要運用重大判斷及估計以確定所使用的適當估值方法，並使用主觀假設及各種不可觀察輸入數據。有關估值對估值師採用的可能對估值產生重大影響的市場可比較數據（就其他個別因素進行調整）敏感。

How the Matter was Addressed in Our Audit

我們在審核中如何回應該等關鍵事項

Our audit procedures in relation to the valuation of interests in joint ventures included the following:

- Assessing the appropriateness of the management's accounting for interests in joint ventures.
- Assessing the competency, capability and objectivity of the independent professional external valuer, and the scope of valuer's work.
- Assessing the valuation methodology.
- Assessing the reasonableness of the key assumptions and estimates used against general market practice.

我們就於合營企業之權益的估值的審核程序包括：

- 評估管理層就於合營企業之權益所作會計處理的合理性。
- 評估獨立專業外部估值師的資格、能力及客觀性以及估值師的工作範圍。
- 評估估值方法。
- 對比一般市場慣例評估所用的主要假設及估計的合理性。

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information included in the 2018 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

其他資料

貴集團董事需對其他資料負責。其他資料包括本公司二零一八年年報的全部資料，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資料，我們亦不對其他資料發表任何形式的鑒證結論。

在我們審核綜合財務報表時，我們的責任為閱讀其他資料，並在此過程中考慮其他資料是否與綜合財務報表或我們於審核過程中所了解的情況有重大抵觸，或似乎有重大錯誤陳述。基於我們已執行之工作，倘我們認為其他資料有重大錯誤陳述，我們須報告該事實。在這方面，我們沒有任何事項需要報告。

董事對綜合財務報表的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的規定編製綜合財務報表以令綜合財務報表作出真實而公平之反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，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。

董事獲審核委員會協助履行其監督 貴集團的財務報告程序。

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

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

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

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

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

核數師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。我們是根據香港公司條例第405條向閣下（作為整體）報告我們的意見，除此之外別無其他目的。我們不會就本報告內容對任何其他人士負責或承擔任何責任。

合理保證屬高水平的保證，但不能擔保根據香港審計準則進行的審核總能發現重大錯誤陳述。錯誤陳述可源於欺詐或錯誤引起，如果合理預期他們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表作出的經濟決定，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核的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，設計及執行審核程序以應對這些風險，以及獲得充足及適當審核憑證為我們的意見提供基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制，因此未能發現因欺詐而導致的重大錯誤陳述風險高於未能發現錯誤而導致的重大錯誤陳述風險。
- 了解與審核有關的內部控制，以設計恰當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所用會計政策的恰當性及作出會計估計及相關披露的合理性。

Independent Auditor's Report

獨立核數師報告

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 總結董事採用以持續經營為基礎的會計基準是否恰當，並根據已獲取的審核憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘我們總結認為存在重大不確定因素，我們需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，我們則發表非無保留意見。我們的結論以截至核數師報告日所獲得的審核憑證為基礎，惟未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表的整體列報、架構及內容（包括披露）、以及綜合財務報表是否已公平反映及列報相關交易及事項。
- 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、監督及執行集團的審核工作。我們須為我們的審核意見承擔全部責任。

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

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

除其他事項外，我們與審核委員會溝通了計劃的審核工作範圍及時間安排及重大審核發現，包括我們於審核期間識別出內部監控的任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已遵守有關獨立性的道德要求，並就所有被合理認為可能影響我們的獨立性的關係及其他事宜及相關防範措施（如適用）與審核委員會溝通。

Independent Auditor's Report 獨立核數師報告

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

從與審核委員會溝通的事項中，我們決定哪些事項對本期綜合財務報表的審核工作最為重要，因而構成關鍵審核事項。除非法律或法規不容許公開披露該等事項，或於極罕有的情況下，我們認為披露該等事項可合理預期的不良後果將超越公眾知悉該等事項的利益而不應於報告中披露，否則我們會於核數師報告中描述該等事項。

Grant Thornton Hong Kong Limited

Certified Public Accountants

Level 12
28 Hennessy Road
Wanchai
Hong Kong

27 March 2019

Han Pui Yu
Practising Certificate No.: P07101

致同（香港）會計師事務所有限公司

執業會計師

香港
灣仔
軒尼詩道28號
12樓

二零一九年三月二十七日

韓佩瑜
執業證書編號：P07101

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
截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Continuing operations	持續經營業務			
Revenue	收益	5	94,582	87,588
Direct costs	直接成本		(58,890)	(55,463)
Gross profit	毛利		35,692	32,125
Other income	其他收入	7	1,409	3,992
Share of profits of joint ventures	分佔合營企業溢利	18	553	–
Administrative expenses	行政開支		(50,716)	(46,847)
Finance costs	融資成本	8	(7,522)	(7,104)
Loss before income tax	除所得稅前虧損	9	(20,584)	(17,834)
Income tax expenses	所得稅開支	12	(1,236)	(4,912)
Loss from continuing operations	持續經營業務虧損		(21,820)	(22,746)
Discontinued operations	已終止經營業務			
Profit from discontinued operations	已終止經營業務溢利	31	–	14,217
Loss for the year	本年度虧損		(21,820)	(8,529)
Other comprehensive (expense)/income for the year	本年度其他全面(開支)/收益			
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能會重新分類至損益的項目：</i>			
– Exchange differences on translation of financial statements of overseas operations	– 換算海外業務之財務報表之匯兌差額		(5,293)	5,783
– Share of other comprehensive expense of joint ventures	– 分佔合營企業之其他全面開支		(1,230)	—
<i>Reclassification adjustments for the cumulative gain transferred to profit or loss:</i>	<i>累計收益轉入損益之重新分類調整：</i>			
– Exchange differences released upon disposal of subsidiaries	– 出售附屬公司時將匯兌差額轉出	31	–	739
Other comprehensive (expense)/income for the year	本年度其他全面(開支)/收益		(6,523)	6,522

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
截至二零一八年十二月三十一日止年度

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Total comprehensive expense attributable to the equity shareholders of the Company for the year	本公司權益股東應佔 本年度全面開支總額		(28,343)	(2,007)
(Loss)/Earnings per share	每股(虧損)/盈利	14	HK cents 港仙	HK cents 港仙
Basic and diluted	基本及攤薄			
– from continuing operations	– 持續經營業務		(4.11)	(4.98)
– from discontinued operations	– 已終止經營業務		–	3.11

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。按所選用之過渡方法，比較資料不予重列。見附註3。

The notes on pages 86 to 200 are an integral part of these consolidated financial statements.

載於第86至200頁的附註乃為該等綜合財務報表的組成部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Non-current assets			
Property, plant and equipment	15	84,738	92,846
Intangible assets	16	30,029	34,591
Interests in joint ventures	18	44,604	–
Other non-current assets		–	4,084
		159,371	131,521
Current assets			
Inventories	19	837	1,524
Trade and other receivables	20	37,712	32,792
Bank balances and cash	21(a)	7,757	13,027
		46,306	47,343
Current liabilities			
Trade and other payables	22	11,972	14,573
Contract liabilities	25	5,019	–
Amounts due to related companies	23	7,157	3,590
Current taxation		11,596	10,478
Secured loans	29	2,012	2,059
		37,756	30,700
Net current assets		8,550	16,643
Total assets less current liabilities		167,921	148,164
Non-current liabilities			
Amount due to a director	24	3,315	45,961
Deferred tax liabilities	28	6,305	6,989
Secured loans	29	34,001	38,969
Bonds	30	60,181	50,000
		103,802	141,919
Net assets		64,119	6,245

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018
於二零一八年十二月三十一日

		Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Capital and reserves	資本及儲備			
Share capital	股本	26	368,984	292,462
Reserves	儲備	27	(304,865)	(286,217)
Total equity attributable to equity shareholders of the Company	本公司權益股東應佔總權益		64,119	6,245

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。按所選用之過渡方法，比較資料不予重列。見附註3。

Approved and authorised for issue by the board of directors on 27 March 2019.

於二零一九年三月二十七日獲董事會批准及授權發行。

Shen Yong
Director

申勇
董事

Gan Lin
Director

甘霖
董事

The notes on pages 86 to 200 are an integral part of these consolidated financial statements.

載於第86至200頁的附註乃為該等綜合財務報表的組成部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

		Attributable to the equity shareholders of the Company 本公司權益股東應佔							
		Share capital	Merger reserve	Contribution reserve	Statutory reserve	Share options reserve	Exchange reserve	Accumulated losses	Total
		股本	合併儲備	出資儲備	法定儲備	購股權儲備	匯兌儲備	累計虧損	總額
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(note 26)	(note 27(a))	(note 27(b))	(note 27(c))	(note 27(d))	(note 27(e))		
		(附註26)	(附註27(a))	(附註27(b))	(附註27(c))	(附註27(d))	(附註27(e))		
Balance as at 1 January 2017	於二零一七年一月一日的結餘	292,462	(124,635)	8,478	12,662	–	(40,453)	(143,001)	5,513
Loss for the year	本年度虧損	–	–	–	–	–	–	(8,529)	(8,529)
Other comprehensive income for the year	本年度其他全面收入								
– Exchange differences on translation of financial statements of overseas subsidiaries	– 換算海外附屬公司的財務報表的匯兌差額	–	–	–	–	–	5,783	–	5,783
– Exchange differences released upon disposal of subsidiaries	– 出售附屬公司時將匯兌差額轉出	–	–	–	–	–	739	–	739
		–	–	–	–	–	6,522	–	6,522
Total comprehensive expense for the year	本年度全面開支總額	–	–	–	–	–	6,522	(8,529)	(2,007)
Transactions with owners:	與擁有人的交易：								
Recognition of equity-settled share-based payments transactions (note 35)	確認以權益結算以股份為基礎的付款交易 (附註35)	–	–	–	–	2,739	–	–	2,739
Disposal of subsidiaries	出售附屬公司	–	–	–	(10,215)	–	–	10,215	–
		–	–	–	(10,215)	2,739	–	10,215	2,739
Balance as at 31 December 2017	於二零一七年十二月三十一日的結餘	292,462	(124,635)	8,478	2,447	2,739	(33,931)	(141,315)	6,245

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

		Attributable to the equity shareholders of the Company 本公司權益股東應佔							
		Share capital 股本 HK\$'000 千港元 (note 26) (附註26)	Merger reserve 合併儲備 HK\$'000 千港元 (note 27(a)) (附註27(a))	Contribution reserve 出資儲備 HK\$'000 千港元 (note 27(b)) (附註27(b))	Statutory reserve 法定儲備 HK\$'000 千港元 (note 27(c)) (附註27(c))	Share options reserve 購股權儲備 HK\$'000 千港元 (note 27(d)) (附註27(d))	Exchange reserve 匯兌儲備 HK\$'000 千港元 (note 27(e)) (附註27(e))	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Balance as at 31 December 2017 (note)	於二零一七年十二月三十一日的結餘(附註)	292,462	(124,635)	8,478	2,447	2,739	(33,931)	(141,315)	6,245
Impact on initial application of HKFRS 9 (note 3)	初始應用香港財務報告準則第9號的影響(附註3)	-	-	-	-	-	-	(145)	(145)
Balance at 1 January 2018, as adjusted	於二零一八年一月一日的結餘(經調整)	292,462	(124,635)	8,478	2,447	2,739	(33,931)	(141,460)	6,100
Loss for the year	本年度虧損	-	-	-	-	-	-	(21,820)	(21,820)
Other comprehensive expense for the year	本年度其他全面開支	-	-	-	-	-	-	-	-
- Exchange differences on translation of financial statements of overseas operations	- 換算海外業務的財務報表的匯兌差額	-	-	-	-	-	(5,293)	-	(5,293)
- Share of other comprehensive expense of joint ventures	- 分佔合營企業其他全面開支	-	-	-	-	-	(1,230)	-	(1,230)
		-	-	-	-	-	(6,523)	-	(6,523)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	-	-	(6,523)	(21,820)	(28,343)
Transactions with owners: Recognition of equity-settled share-based payments transactions (note 35)	與擁有人的交易：確認以權益結算以股份為基礎的付款交易(附註35)	-	-	-	-	9,840	-	-	9,840
Issuance of shares (note 26)	發行股份(附註26)	41,422	-	-	-	-	-	-	41,422
Issuance of shares in relation to acquisition of joint ventures (note 26)	就收購合營企業發行股份(附註26)	35,100	-	-	-	-	-	-	35,100
Appropriation to statutory reserve	撥款至法定儲備	-	-	-	456	-	-	(456)	-
		76,522	-	-	456	9,840	-	(456)	86,362
Balance as at 31 December 2018	於二零一八年十二月三十一日的結餘	368,984	(124,635)	8,478	2,903	12,579	(40,454)	(163,736)	64,119

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，並無重列比較資訊。見附註3。

The notes on pages 86 to 200 are an integral part of these consolidated financial statements.

載於第86至200頁的附註乃為該等綜合財務報表的組成部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Operating activities			
Loss before income tax from continuing operations		(20,584)	(17,834)
Loss before income tax from discontinued operations	31	–	(32,734)
		(20,584)	(50,568)
Adjustments for:	調整：		
Interest income	利息收入	(21)	(48)
Interest income from advance to a third party	給予第三方墊款的 利息收入	(475)	–
Finance costs	融資成本	7,522	7,104
Depreciation	折舊	3,462	6,158
Amortisation	攤銷	4,562	4,562
Loss allowance of trade receivables	貿易應收賬款虧損撥備	1,199	5,389
Reversal of allowance for doubtful debts	呆賬撥備回撥	–	(46)
Allowance for inventories	存貨撥備	–	724
Reversal of allowance for inventories	存貨撥備回撥	–	(271)
Written back of trade payables	已撇銷之貿易應付賬款	–	(5,779)
Gain on disposal of property, plant and equipment	出售物業、機器及設備 之收益	(7)	(152)
Equity-settled share-based payment expenses	以權益結算以股份 為基礎的付款開支	9,840	2,739
Gain on amount due to a director stated at fair value upon initial recognition	初始確認按公允價值 呈列的應付一名董事 款項時之收益	(151)	(3,790)
Share of profits of joint ventures	分佔合營企業溢利	(553)	–
Currency exchange translation	外匯兌換	(63)	35
Operating cash flows before movements in working capital	營運資金變動前的經營 現金流量	4,731	(33,943)
Decrease/(increase) in inventories	存貨減少/(增加)	455	(7,285)
Increase in trade and other receivables	貿易及其他應收賬款增加	(1,863)	(5,715)
Increase in contract liabilities	合約負債增加	879	–
Increase in trade and other payables	貿易及其他應付賬款增加	1,954	42,325
Cash generated from/(used in) operations	經營業務所得/(所用) 之現金	6,156	(4,618)
PRC Corporate Income Tax paid	已付中國企業所得稅	(659)	(1,707)
Net cash from/(used in) operating activities	經營活動所得/(所用) 之現金淨額	5,497	(6,325)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Investing activities			
Proceeds on disposal of property, plant and equipment		7	720
Interest received		21	48
Increase in other non-current assets		-	(4,084)
Advance to a third party		(1,820)	-
Decrease in restricted bank deposits		-	3,090
Net cash outflow from disposal of subsidiaries		-	(11,295)
Purchase of property, plant and equipment	15	(2,324)	(4,461)
<i>Net cash used in investing activities</i>		(4,116)	(15,982)
Financing activities			
Advance from related companies	21(b)	3,911	-
Repayment to related companies	21(b)	-	(659)
Repayment of secured loans	21(b)	(1,943)	(1,968)
Proceeds from issuance of bonds	21(b)	-	10,000
Repayment of capital element of finance lease	21(b)	-	(156)
Interest element of finance lease	21(b)	-	(4)
Repayment to a director	21(b)	(1,224)	(18,574)
Interest paid	21(b)	(6,970)	(7,100)
<i>Net cash used in financing activities</i>		(6,226)	(18,461)
Net decrease in cash and cash equivalents		(4,845)	(40,768)
Cash and cash equivalents at 1 January		13,027	52,795
Effect of foreign exchange rate changes		(425)	1,000
Cash and cash equivalents at 31 December, represented by bank balances and cash		7,757	13,027

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。根據所選擇的過渡方法，並無重列比較資訊。見附註3。

The notes on pages 86 to 200 are an integral part of these consolidated financial statements.

載於第86至200頁的附註乃為該等綜合財務報表的組成部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

1. GENERAL

Forebase International Holdings Limited (the “Company”) was incorporated in Hong Kong with limited liability. The addresses of the registered office and principal place of business of the Company are disclosed in section headed “Corporate Information and Shareholders’ Calendar” of the annual report. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

In the opinion of the directors of the Company, Ultra Harvest Limited (“Ultra Harvest”), a company incorporated in the British Virgin Islands (the “BVI”) with limited liability, is the ultimate and immediate holding company of the Company and Mr. Shen Yong, the Chairman of the Company, is the ultimate controlling party of the Company.

The Company is an investment holding company and the principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are hotel operation in Canada and properties management in the People’s Republic of China (the “PRC”).

The functional currency of the Company is Hong Kong dollar (“HK\$”). For the purposes of presenting the consolidated financial statements, the Group adopted HK\$ as its presentation currency as its shares are listed in Hong Kong.

The consolidated financial statements are presented in thousands of HK\$ (“HK\$’000”), unless otherwise stated.

1. 一般資料

申基國際控股有限公司（「本公司」）是一間於香港註冊成立之有限公司。本公司之註冊辦事處及主要營業地址於本年報「公司資料及股東日程表」一節。本公司股份於香港聯合交易所有限公司（「聯交所」）主板上市。

本公司董事認為，Ultra Harvest Limited（「Ultra Harvest」，一家於英屬處女群島註冊成立之有限公司）為本公司之最終及直接最終控股公司，而本公司主席申勇先生則為本公司之最終控股方。

本公司為投資控股公司，本公司及其附屬公司（統稱「本集團」）的主要業務為於加拿大營運酒店及於中華人民共和國（「中國」）管理物業。

本公司的功能貨幣為港元。就呈列綜合財務報表而言，本集團採納港元為其呈列貨幣，因為其股份於香港上市。

除另有說明外，本綜合財務報表以千港元呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new and amended HKFRSs and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 3. The consolidated financial statements have been prepared on the historical cost basis. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

2. 主要會計政策

2.1 編製基準

年度綜合財務報表乃按照全部適用香港財務報告準則（「香港財務報告準則」）編製，而香港財務報告準則是一個統稱，包括香港會計師公會頒佈的所有適用的個別香港財務報告準則、香港會計準則及詮釋、香港公認會計原則，以及香港公司條例之規定。綜合財務報表亦符合聯交所證券上市規則（「上市規則」）之適用披露規定。

編製綜合財務報表時採用之主要會計政策概述於下文。除另有說明外，該等政策已貫徹應用於所有呈報年度。採納新訂及經修訂香港財務報告準則，及對本集團綜合財務報表之影響（如有）於附註3披露。綜合財務報表乃根據歷史成本基準編製。計量基準於下文的會計政策中詳述。

謹請留意，編製綜合財務報表時須作出會計估計及假設。儘管該等估計乃基於管理層對現存事件及行動的最佳理解及判斷而作出，惟實際結果最終可能有別於該等估計。涉及較高度判斷或複雜性，或其假設及估計對綜合財務報表而言有重大影響之範圍已於附註4披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year.

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

The Group includes the income and expenses of a subsidiary in the consolidated financial statements from the date it gains control until the date when the Group ceases to control the subsidiary.

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

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

2. 主要會計政策（續）

2.2 綜合基準

綜合財務報表包括本公司及其附屬公司截至每年十二月三十一日止之財務報表。

附屬公司為本集團所控制之所有實體。倘本集團因參與一家實體之業務而可或有權獲得可變回報，且有能力透過對實體行使權力而影響其回報，則對該實體擁有控制權。於評估本集團是否對該實體擁有控制權時，僅考慮（由本集團及其他方所持有）與該實體相關之實質權利。

自本集團獲得控制權之日起至其不再控制附屬公司之日止，本集團將該附屬公司之收益及開支計入綜合財務報表。

集團內公司間之交易、結餘及未變現之交易收益及虧損會於編製綜合財務報表時予以抵銷。倘集團內公司間資產出售之未變現虧損於綜合賬目時撥回，相關資產亦會從本集團角度進行減值測試。附屬公司財務報表之呈報數額在必要時已予調整，確保與本集團採納之會計政策一致。

本集團於附屬公司之權益變動倘無導致失去控制權，則按權益交易入賬，並於綜合權益內對控股權益金額進行調整以反映相關權益之變動，但不會對商譽進行調整，同時也不會確認損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Basis of consolidation (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Company had directly disposed of the related assets (i.e., reclassified to profit or loss or transferred directly to retained earnings). 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 “Financial Instruments” (“HKFRS 9”) or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company’s statement of financial position, subsidiaries are carried at cost less any impairment loss (see note 2.13) unless the subsidiary is held for sale or included in a disposal group. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the end of the reporting period. All dividends whether received out of the investee’s pre or post-acquisition profits are recognised in the Company’s profit or loss.

2. 主要會計政策 (續)

2.2 綜合基準 (續)

倘本集團失去對一間附屬公司之控制權，則於出售時的損益乃以下列兩項的差額計算：(i) 所收取代價之公允價值及任何保留權益公允價值的總和，及(ii) 附屬公司先前之資產(包括商譽)及負債及任何非控股權益之賬面值。倘附屬公司之若干資產按重估金額或公允價值計算，而相關累計損益已於其他全面收益確認並於權益累計，則早前於其他全面收益確認及於權益累計之金額將會以猶如本公司已直接出售相關資產之方式入賬(即重新分類至損益或直接轉撥至保留盈利)。於失去控制權當日仍保留於前附屬公司的任何投資公允價值，則根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)，將被視為就其後入賬而言初始確認的公允價值，或(如適用)於聯營公司或合營公司的投資的初始確認成本。

本公司之財務狀況表中，於附屬公司之權益按成本減去減值虧損列賬(見附註2.13)，除非該附屬公司為持作待售或包括於出售組別內。成本包括直接應佔的投資成本。

附屬公司之業績由本公司按報告期末之已收及應收股息列賬。所有股息(無論是從被投資方收購前或收購後的溢利中獲取)均在本公司損益表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Basis of consolidation (Continued)

Business combinations

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

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

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

2. 主要會計政策 (續)

2.2 綜合基準 (續)

業務合併

收購附屬公司及業務採用收購法入賬。於業務合併中轉撥的代價按公允價值計量，而公允價值按本集團所轉讓的資產、本集團向被收購方前股東承擔的負債及本集團用作交換被收購方的控制權所發行之股權於收購日之公允價值總和計算。有關收購的成本於產生時確認於損益表中。

於業務合併中收購的可識別資產及承擔的負債及或然負債乃於收購日初始按其公允價值計量。

商譽乃以已轉撥的代價、任何非控股權益於被收購方中所佔金額及收購方過往於被收購方所持股權的公允價值（如有）之總和，超出所收購的可識別資產及所承擔的負債於收購日的淨值之數額計量。倘經過評估後，所收購的可識別資產與所承擔的負債於收購日的淨額高於已轉撥的代價、非控股權益於被收購方中所佔金額及收購方過往於被收購方所持股權的公允價值（如有）之總和，則超出的數額即時於損益表中確認為議價收購收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Basis of consolidation (Continued)

Business combinations (Continued)

Where the consideration the Group transfers in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and considered as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill or gain on bargain purchase. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed as of the acquisition date. Measurement period does not exceed one year from the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at the end of the subsequent reporting periods and its subsequent settlement is accounting for within equity. Contingent consideration that is classified as a financial liability is remeasured at the end of the subsequent reporting periods at fair value with corresponding gain or loss being recognised in profit or loss.

Changes in the value of the previously held equity interest recognised in other comprehensive income and accumulated in equity before the acquisition date are reclassified to profit or loss when the Group obtains control over the acquiree.

2. 主要會計政策 (續)

2.2 綜合基準 (續)

業務合併 (續)

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價乃按收購日期之公允價值計量並視為於業務合併中所轉讓代價的一部份。合資格估計量期間調整之或然代價之公允價值變動乃追溯調整，並對商譽或議價購買作出相應調整。計量期間調整乃於計量期間因取得有關於收購日期已存在事實及情況的額外資料所作出的調整。計量期間自收購日期起計不可超過一年。不合資格作為計量期間調整之或然代價公允價值變動之其後會計處理，取決於或然代價如何分類。分類為權益的或然代價於其後報告期末不會重新計量，其後結算於權益內進行入賬處理。分類為金融負債的或然代價乃根據公允價值於其後報告期末重新計量，而相應收益或虧損乃於損益中確認。

於收購日期前在其他全面收益及在權益內累計確認的以往持有股本權益之價值變動，於本集團取得該被收購方控制權時重新分類至損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Basis of consolidation (Continued)

Business combinations (Continued)

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

2.3 Merger accounting for business combination involving entities under common control

Merger accounting method stipulated under Hong Kong Accounting Guideline 5 “Merger Accounting for Common Control Combinations” is used to account for acquisitions of businesses under common control before and after the acquisitions. The difference between fair value of acquisition consideration and carrying amount of net assets acquired is adjusted to merger reserve.

The consolidated financial statements incorporate the financial statements items of the combining entities or businesses in which the common control combination occurs as if they had been combined from the date when the combining entities or businesses first came under the control of the controlling party.

The net assets of the combining entities or businesses are consolidated using the existing book values from the controlling party’s perspective. No amount is recognised in respect of goodwill or excess of acquirer’s interest in the net fair value of acquiree’s identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party’s interest.

2. 主要會計政策 (續)

2.2 綜合基準 (續)

業務合併 (續)

倘業務合併之初始會計處理於合併發生之結算日仍未完成，則本集團會就仍未完成會計處理之項目呈報暫定金額。該等暫定金額於計量期間（見上文）內作出調整，並確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況之新資料，而倘知悉該等資料，將會影響於當日確認之金額。

2.3 涉及共同控制實體的業務合併會計處理

對於收購前和收購後處於共同控制下的業務收購乃根據香港會計指引第5號「共同控制合併的合併會計處理」以合併會計法入賬。收購代價的公允價值與被收購資產淨值賬面值的差額乃調整至合併儲備。

本綜合財務報表包括合併實體或業務的財務報表項目，該共同控制的實體或業務合併猶如開始於該共同控制的實體或業務首度成為被控制方控制的日期。

合併實體或業務的資產淨值按控制方的現有賬面值合併。在控制方的權益持續的情況下，商譽或收購方應佔被收購方可識別資產、負債及或然負債的公允價值超過於共同控制合併時的收購成本的金額不予確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Merger accounting for business combination involving entities under common control (Continued)

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining entities or businesses from the earliest date presented or since the date when the combining entities or businesses first came under the common control, where this is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities or businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

2.4 Interests in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions relating about relevant activities require the unanimous consent of the parties sharing control.

2. 主要會計政策 (續)

2.3 涉及共同控制實體的業務合併會計處理

對於收購前和收購後處於共同控制下綜合損益及其他全面收益表包括各合併實體或業務自最早呈列日期或自合併實體或業務初次受共同控制日期(以較短期間為準, 而不論何日為共同控制合併日期)的業績。

本綜合財務報表中之比較數據, 已假設實體或業務於上一報告期末或初次受到共同控制時(以較短者為準)已合併而呈列。

2.4 於合營企業之權益

合營企業是一種共同安排, 共同控制安排的各方有權分享該安排的淨資產。共同控制是指按照合約協定對某項安排所共有的控制, 僅在相關活動要求共同享有控制權的各方作出一致同意之決定時存在。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Interests in joint ventures (Continued)

In consolidated financial statements, interests in joint ventures is initially recognised at cost and subsequently accounted for using the equity method. Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the joint ventures recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Group, plus any costs directly attributable to the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss in the determination of the Group's share of the joint ventures' profit or loss in the period in which the investment is acquired.

Under the equity method, the Group's interests in joint ventures is carried at cost and adjusted for the post-acquisition changes in the Group's share of the joint ventures' net assets less any identified impairment loss, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The profit or loss for the year includes the Group's share of the post-acquisition, post-tax results of the joint ventures for the year, including any impairment loss on the interests in joint ventures for the year. The Group's other comprehensive income for the year includes its share of the joint ventures' other comprehensive income for the year.

2. 主要會計政策 (續)

2.4 於合營企業之權益 (續)

在綜合財務報表中，於合營企業的權益初始按成本確認，其後採用權益法入賬。收購成本超逾本集團應佔於收購日期所確認該合營企業的可識別資產、負債及或然負債的公允淨值的任何數額會確認為商譽。商譽計入投資的賬面值，並作為投資的一部分作出減值評估。收購成本按交易當日所給予的資產、所產生或承擔的負債，以及本集團已發行權益工具的公允價值總額，另加投資直接應佔的任何成本計量。重新評估後，本集團應佔可識別資產、負債及或然負債的公允價值淨值超出收購成本的任何差額，即時於損益確認，以釐定購入投資期間本集團應佔合營企業的損益。

按照權益法，本集團於合營企業的權益按成本列賬，並就本集團應佔合營企業的資產淨值減任何已識別減值虧損於收購後的變動作出調整，惟列為持作出售者（或計入持作出售類別的出售組別內者）除外。往績記錄期間損益包括本集團於本年度應佔合營企業的收購後及除稅後業績（包括於本年度確認的於合營企業的投資的任何減值虧損）。本集團應佔合營企業之本年度其他全面收益計入本集團本年度其他全面收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Interests in joint ventures (Continued)

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Where unrealised losses on assets sales between the Group and its joint ventures are reversed on equity accounting, the underlying asset is also tested for impairment from the Group's perspective. Where the joint ventures use accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made, where necessary, to conform the joint ventures' accounting policies to those of the Group when the joint ventures' financial statements are used by the Group in applying the equity method.

When the Group's share of losses in joint ventures equals or exceeds its interest in the joint ventures, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures. For this purpose, the Group's interests in the joint ventures is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the joint ventures.

After the application of equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's interests in its joint ventures. At the end of each reporting period, the Group determines whether there is any objective evidence that the interests in joint ventures is impaired. If such indications are identified, the Group calculates the amount of impairment as being the difference between the recoverable amount (i.e. higher of value in use and fair value less costs of disposal) of the joint ventures and its carrying amount. In determining the value in use of the investment, the Group estimates its share of the present value of the estimated future cash flows expected to be generated by the joint ventures, including cash flows arising from the operations of the joint ventures and the proceeds on ultimate disposal of the investment.

2. 主要會計政策 (續)

2.4 於合營企業之權益 (續)

本集團與其合營企業之間交易的未變現收益將會撤銷，惟以本集團所佔合營企業的權益為限。倘本集團與其合營企業之間資產銷售的未變現虧損按權益會計法撥回，本集團亦會對有關資產作減值測試。倘合營企業所用會計政策並非為本集團於同類情況下就類似交易及事件所採用者，則本集團須於採用權益法而使用該合營企業財務報表時作出必要調整，以使該合營企業的會計政策與本集團所用者一致。

當本集團應佔合營企業的虧損相等於或超過其於合營企業的權益時，除非其擁有法定或推定責任或代表合營企業付款，否則本集團不會再確認虧損。就此而言，本集團於合營企業的權益為根據權益法計算投資的賬面值，連同實質構成本集團於該合營企業的投資淨額的長期權益部分。

於應用權益法後，本集團決定是否須就本集團於其合營企業的投資確認額外減值虧損。於各報告日期，本集團決定是否有任何客觀憑證顯示於合營企業的投資出現減值。倘識別出該等跡象，則本集團所計算之減值金額為於合營企業的可收回金額（使用價值與公允價值減出售成本兩者間之較高者）與其賬面值之差額。於釐定投資之使用價值時，本集團估計其應佔預期將由該合營企業產生的估計未來現金流量的現值，包括該合營企業的營運所產生以及最終出售該投資的所得款項的現金流量。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Interests in joint ventures (Continued)

The Group discontinues the use of equity method from the date when it ceases to have joint control over a joint venture. If the retained interest in that former joint venture is a financial asset, the retained interest is measured at fair value, which is regarded as its fair value on initial recognition as a financial asset in accordance with HKFRS 9. The difference between (i) the fair value of any retained interest and any proceeds from disposing of a partial interest in the joint ventures; and (ii) the carrying amount of the investment at the date the equity method was discontinued, is recognised in the profit or loss. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint ventures on the same basis as would have been required if the joint ventures had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by the investee would be reclassified to profit or loss on the disposal of the related assets or liabilities, the entity reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

2.5 Revenue recognition

Revenue arises mainly from service income from hotel operation and properties management.

To determine whether to recognise revenue, the Group follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

2. 主要會計政策 (續)

2.4 於合營企業之權益 (續)

本集團自其不再對合營企業擁有共同控制權當日起終止使用權益法。倘於該前合營企業之保留權益為金融資產，該保留權益則按公允價值計量，並根據香港財務報告準則第9號初始確認為金融資產時將該公允價值視作其公允價值。在(i)任何保留權益及出售合營企業部分權益之任何所得款項之公允價值與(ii)終止使用權益法當日投資賬面值之間之差額，均於損益內確認。此外，本集團會將以往在有關該合營企業之其他全面收益中確認之所有金額入賬，且基準與有關合營企業直接處置相關資產或負債所需基準相同。因此，倘以往由被投資方於其他全面收益中確認之收益或虧損將於處置相關資產或負債時重新分類至損益，則實體於終止使用權益法時，將該收益或虧損自權益重新分類至損益（作為重新分類調整）。

2.5 收益確認

所產生的收益主要來自於酒店經營及物業管理。

為釐定是否確認收益，本集團遵循五個步驟程序：

- 第一步： 識別與客戶訂立之合約
- 第二步： 識別履約責任
- 第三步： 釐定交易價
- 第四步： 將交易價分配至履約責任
- 第五步： 於（或隨著）完成履約責任時確認收益

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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Revenue recognition (Continued)

In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices. The transaction price for a contract excludes any amounts collected on behalf of third parties.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method.

The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”) and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group’s revenue and other income recognition policies are as follows:

- (a) Service income from hotel operation and properties management is recognised when services are rendered. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts;
- (b) Interest income is recognised on a time proportion basis using the effective interest method.

2. 主要會計政策 (續)

2.5 收益確認 (續)

在所有情況下，合約的總交易價格根據其相對獨立的銷售價格分配至各履約責任。合約的交易價格不包括代表第三方收取的任何金額。

當（或於）本集團通過將承諾的商品或服務轉移至其客戶以履行履約責任時，收入在某個時間點或隨時間確認。

倘合約中包含為客戶提供超過12個月的重大融資利益的融資部分，則收益按應收金額的現值計量，並使用與客戶的單獨融資交易中反映的貼現率貼現，而利息收入按實際利率法單獨計量。倘合約中包含為本集團提供重大融資利益的融資部分，則根據該合約確認的收入包括按實際利率法計算的合約負債所產生的利息開支。

本集團採用香港財務報告準則第15號「客戶合約收入」（「香港財務報告準則第15號」）第63段所載的實際權宜方法，倘融資期為12個月或以下，則不會就重大融資部份的任何影響調整代價。

有關本集團收益及其他收入確認政策的進一步詳情如下：

- (a) 來自酒店經營及物業管理的服務收入於提供服務時確認；收益不包括增值稅或其他銷售稅，並已扣除任何貿易折扣；
- (b) 利息收入按時間比例基準採用實際利率法確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Revenue recognition (Continued)

- (c) Sales of goods are recognised when the customer obtains control of the promised goods in the contract. This is usually taken to be the point in time when the goods are delivered and the customer has accepted the goods.

2.6 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses (see note 2.13). Historical cost includes purchase price and expenditure that is directly attributable to the acquisition of the item.

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

Land and buildings held for own use	25 years
Plant and machinery	4-10 years
Leasehold improvements	Over the lease term
Motor vehicles	5 years
Other property, plant and equipment	3-5 years

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other expenses, such as repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

2. 主要會計政策 (續)

2.5 收益確認 (續)

- (c) 當客戶獲得合約中承諾貨物的控制權時，確認貨物銷售，通常是在貨物交付及客戶接受貨物之時。

2.6 物業、機器及設備

物業、機器及設備乃按歷史成本減累計折舊及累計減值虧損列賬（見附註2.13）。歷史成本包括收購有關項目直接應佔的購入價及開支。

物業、機器及設備項目的折舊按估計可使用年期以直線法撇銷成本減其剩餘價值（如有）計提如下：

持作自用的土地及樓宇	25年
機器及設備	4-10年
租賃物業裝修	按租賃年期
汽車	5年
其他物業、機器及設備	3-5年

資產的剩餘價值、折舊方法及可使用年期於各報告期末檢討及調整（如適用）。

廢棄或出售時產生的收益或虧損按銷售所得款項與資產賬面值間的差額釐定，並於損益確認。

其後成本僅在項目相關的未來經濟利益將會流入本集團及能夠可靠計量項目成本時，方會在適當情況下計入資產賬面值或確認為獨立資產。更換部分的賬面值終止確認。維修及保養等所有其他支出，均於產生的財政年間自損益扣除。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Inventories

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

Cost is calculated using the weighted average method and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2.8 Foreign currency translation

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the end of the reporting period retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates and are not retranslated (i.e. only translated using the exchange rates at the transaction date).

2. 主要會計政策 (續)

2.7 存貨

存貨以成本及可變現淨值兩者中的較低數額列賬。

成本按加權平均法計算，且包括採購成本、轉變成本及將存貨達致現有地點及狀況所產生的其他成本。

可變現淨值乃於日常業務過程中的估計售價減估計完工成本及適用銷售開支。

於出售存貨時，該等存貨的賬面值於確認有關收益的期間確認為開支。存貨撇減至可變現淨值的款額及所有存貨虧損均於撇減或虧損出現的期間列作開支。已撇減存貨的任何撥回金額於撥回產生年度列作開支並確認為所確認存貨金額減少。

2.8 外幣換算

於綜合實體的個別財務報表中，外幣交易按交易當日匯率換算為個別實體的功能貨幣。於報告期末，以外幣計值的貨幣資產及負債乃按當日的匯率換算。因結算該等交易列值的貨幣資產及負債而產生的匯兌收益或虧損於損益內確認。

按歷史成本計量以外幣為單位的非貨幣項目均使用換算當日的匯率折算概不重新換算（即僅使用換算當日的匯率折算）。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Foreign currency translation (Continued)

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong dollars. Assets and liabilities have been translated into Hong Kong dollars at the closing rates at the end of the reporting period. Income and expenses have been converted into Hong Kong dollars at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the exchange reserve in equity.

On the disposal of a foreign operation (i.e., a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or loss of joint control over a joint venture that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

2.9 Intangible assets

Acquired intangible assets are recognised initially at cost. After initial recognition, intangible assets with finite useful lives are carried at cost less accumulated amortisation and any accumulated impairment losses (see note 2.13). Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Amortisation commences when the intangible assets are available for use. The following useful life is applied:

Customers relationship 10 years

The assets' amortisation method and useful life are reviewed, and adjusted if appropriate, at the end of each reporting period.

2. 主要會計政策 (續)

2.8 外幣換算 (續)

於綜合財務報表內，原由本集團呈列貨幣以外貨幣呈列的境外業務的所有個別財務報表已兌換為港元。資產及負債乃按報告期末的收盤匯率換算為港元。收入及開支乃按交易日的通行匯率或倘匯率並無大幅波動，則以報告期間的平均匯率兌換為港元。換算產生的任何差額已於其他全面收益確認並於權益內匯兌儲備中分別累計。

於出售海外業務（即出售本集團於海外業務的全部權益，或涉及失去對包括海外業務的附屬公司的控制權或失去對包括海外業務的合營企業的共同控制權）時，本集團應佔有關該業務的所有累計匯兌差額重新分類至損益。終止確認先前歸屬為非控股權益的任何匯兌差額，但無需重新分類至損益。

2.9 無形資產

已收購無形資產初始按成本值確認。於初始確認後，具有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損（見附註2.13）列賬。具有限可使用年期的無形資產按估計可使用年期以直線法予以攤銷。無形資產於可供使用時隨即攤銷。下列可使用年期會予以應用：

顧客關係 10年

資產的攤銷方法及可使用年期會於報告期末予以檢討及在適用情況下予以調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the end of the reporting period. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the end of the reporting period between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

2. 主要會計政策（續）

2.10 所得稅之會計處理

所得稅包括即期稅項及遞延稅項。

即期稅務資產及／或負債包括本報告期間或過往報告期間（且於報告期末尚未支付）向財政當局繳納稅款的責任或來自有關財政當局催繳稅款的索償。所得稅乃根據有關財政期間適用的稅率及稅法按年內應課稅溢利計算。即期稅項資產或負債的所有變動於損益中確認為稅項開支的一部分。

遞延稅項乃按於報告期末綜合財務報表內資產與負債賬面值與其相應稅基的暫時差額使用負債法計算。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣稅暫時差額、可結轉稅項虧損以及其他未運用稅務抵免確認，惟以可能有應課稅溢利（包括現有應課稅暫時差額）可抵銷可扣稅暫時差額、未運用稅項虧損及未運用稅務抵免的情況為限。

倘暫時差額由商譽或初次確認一項不影響應課稅溢利或會計溢利的交易中的其他資產及負債（業務合併除外）所產生，則遞延稅項資產及負債不予確認。

遞延稅項負債乃按與於附屬公司及合營企業的投資有關的應課稅臨時差額而確認，惟若本集團可控制臨時差額的回撥及臨時差額很有可能不會於可見將來回撥的情況除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Accounting for income taxes (Continued)

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the end of the reporting period.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average tax rates that are expected to apply to the taxable income of the periods in which the temporary differences are expected to reverse.

The determination of the average tax rates requires an estimation of (1) when the existing temporary differences will reverse and (2) the amount of future taxable profit in those years. The estimate of future taxable profit includes:

- (a) income or loss excluding reversals of temporary differences; and
- (b) reversals of existing temporary differences.

Current tax assets and current tax liabilities are presented in net if, and only if:

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2. 主要會計政策 (續)

2.10 所得稅之會計處理 (續)

遞延稅項乃按預期於清償負債或變現資產期間適用的稅率計算(不作折現)，惟有關稅率於報告期末須為已頒佈或實際上頒佈的稅率。

遞延稅項資產或負債變動於損益中確認，或倘與其他全面收益或直接於權益扣除或計入的項目有關，則於其他全面收益或直接於權益中確認。

來自股息分派的額外所得稅乃於派付有關股息的責任獲確認時確認。

當不同稅率適用於不同水平的應課稅收入時，遞延所得稅資產和負債按預期適用於預計暫時性差額撥回期間的應課稅收入的平均稅率計量。

釐定平均稅率需要估計(i)當現有暫時性差額將撥回時及(ii)該等年度的未來應課稅收入金額。估計未來應課稅收入包括：

- (a) 不包括暫時性差異撥回的收入或虧損；及
- (b) 現有暫時性差異撥回。

即期稅項資產與即期稅項負債僅於以下情況以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時變現資產及清償負債。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Accounting for income taxes (Continued)

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if:

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.11 Financial assets

Policy applicable from 1 January 2018

Recognition and derecognition

Financial assets are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all of its risks and rewards are transferred.

2. 主要會計政策 (續)

2.10 所得稅之會計處理 (續)

本集團僅於以下情況以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債是關於同一稅務機關就以下任何一項所徵收的所得稅：
 - (i) 同一應課稅實體；或
 - (ii) 計劃於各未來期間（而預期在未來將結清或收回大額的遞延稅項負債或資產）以淨額基準結算即期稅項負債與資產或同時變現資產及清償負債的不同應課稅實體。

2.11 金融資產

自二零一八年一月一日起採用的政策

確認及終止確認

金融資產在本集團成為工具合同條款的一方時於綜合財務狀況表中確認。

當金融資產的現金流量的合同權利到期，或金融資產及其絕大部分風險及回報轉移時，金融資產終止確認。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial assets (Continued)

Policy applicable from 1 January 2018 (Continued)

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with HKFRS 15, all financial assets are initially measured at fair value, in case of a financial asset not at fair value through profit or loss (FVTPL), plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets are measured at amortised cost.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

Expected credit losses ("ECL") of trade and other receivables is presented within "Administrative expenses".

Subsequent measurement – financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. 主要會計政策 (續)

2.11 金融資產 (續)

自二零一八年一月一日起採用的政策 (續)

金融資產的分類及初始計量

除不包含重大融資成分且按交易價格按照香港財務報告準則第15號計量的貿易應收賬款外，所有金融資產初始按公允價值（如適用）計量，如果金融資產不是以公允價值計量且其變動計入損益（FVTPL），加上直接歸屬於收購該金融資產的交易成本。

金融資產按攤銷成本計量。

分類由以下兩者決定：

- 實體管理金融資產的商業模式；及
- 金融資產的合同現金流量特徵。

貿易及其他應收賬款的預期信貸虧損列於「行政開支」內。

後續計量 – 按攤銷成本計量的金融資產

如果資產符合以下條件（並且未指定為FVTPL），則金融資產按攤餘成本計量：

- 在一種商業模式中持有，其目的是持有金融資產並收取其約定的現金流量；及
- 金融資產的合約條款產生的現金流僅為本金及未償還本金的利息。

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綜合財務報表附註

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截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial assets (Continued)

Policy applicable from 1 January 2018 (Continued)

*Subsequent measurement – financial assets at
amortised cost (Continued)*

After initial recognition, these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in “Other income” in profit or loss. Discounting is omitted where the effect of discounting is immaterial. The Group’s bank balances and cash and trade and other receivables fall into this category of financial assets.

Policy applicable before 1 January 2018

The Group’s accounting policies for financial assets other than interests in subsidiaries of the Company are set out below.

Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at the end of the each reporting period.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

At the end of each reporting period, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

2. 主要會計政策 (續)

2.11 金融資產 (續)

*自二零一八年一月一日起採用的政策
(續)*

*後續計量 – 按攤銷成本計量的金融資產
(續)*

在初始確認後，金融資產使用實際利率法以攤銷成本法計量。該等金融資產的利息收入計入損益表的「其他收入」。如果貼現的影響並不重大，則省略貼現。本集團的銀行結存及現金以及貿易及其他應收賬款均屬於此類金融資產。

於二零一八年一月一日之前採用的政策

本集團對本公司附屬公司權益以外的金融資產的會計政策載列如下。

管理層於初始確認時根據收購金融資產的目的釐定金融資產的類別，並（倘允許及適合）於各報告期末重新評估該分類。

所有金融資產只會在本集團成為有關工具合約條文的訂約方時確認。以常規方式購買的金融資產於交易日期確認。金融資產於初始確認時按公允價值計量，倘並非按公允價值計入損益，則加上直接應佔交易成本。

當從投資收取現金流量的權利屆滿或被轉讓且所有權的絕大部分風險與回報已轉讓時，解除確認金融資產。

於各報告期末會對金融資產進行檢討，以評估是否有客觀減值證據。如有任何上述證據，則根據金融資產分類釐定及確認減值虧損。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial assets (Continued)

Policy applicable before 1 January 2018 (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are subsequently measured at amortised cost using the effective interest method less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

2.12 Credit loss and impairment of financial assets

Policy applicable from 1 January 2018

HKFRS 9's impairment requirements use more forward-looking information to recognise ECL – the “ECL model”. Instruments within the scope included loans and other debt-type financial assets measured at amortised cost and trade receivables.

The Group considers a broader range of information when assessing credit risk and measuring ECL, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (“Stage 1”) and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low (“Stage 2”).

2. 主要會計政策 (續)

2.11 金融資產 (續)

於二零一八年一月一日之前採用的政策 (續)

貸款及應收賬款

貸款及應收賬款為有固定或可釐定付款款額但並無於活躍市場內報價的非衍生金融資產。貸款及應收賬款其後採用實際利息法按攤銷成本減任何減值虧損列賬。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本組成部分的各項費用。

2.12 金融資產信貸虧損及減值

自二零一八年一月一日起採用的政策

香港財務報告準則第9號的減值規定採用更具前瞻性的資料確認預期信貸虧損 – 「預期信貸虧損模式」。範疇內的工具包括按攤銷成本計量的貸款及其他債務類之金融資產以及貿易應收賬款。

本集團在評估信貸風險及計量預期信用損失時考慮更廣泛的信息，包括過去事件、當前狀況、合理且可支持的預測，這些預測會影響工具未來現金流量的預期可收回性。

在應用這種前瞻性方法時，區別在於：

- 自初始確認後信用質量未顯著惡化或信用風險較低的金融工具（「第一階段」）；及
- 自初始確認以來信用質量顯著惡化且信用風險不低的金融工具（「第二階段」）。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Credit loss and impairment of financial assets (Continued)

Policy applicable from 1 January 2018 (Continued)

“Stage 3” would cover financial assets that have objective evidence of impairment at the end of the reporting period.

“12-month ECL” are recognised for the Stage 1 category while “lifetime ECL” are recognised for the Stage 2 category.

Measurement of the ECL is determined by a probability-weighted estimate of credit losses over the expected life of the financial asset.

Trade receivables

For trade receivables, the Group applies a simplified approach in calculating ECL and recognises a loss allowance based on lifetime ECL at the end of each reporting period. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. In calculating the ECL, the Group has established a provision matrix that is based on its historical credit loss experience and external indicators, adjusted for forward-looking factors specific to the debtors and the economic environment.

To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics and the past due status.

Other financial assets measured at amortised cost

The Group measures the loss allowance of other receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of default occurring since initial recognition.

2. 主要會計政策（續）

2.12 金融資產信貸虧損及減值（續）

自二零一八年一月一日起採用的政策 (續)

「第三階段」將涵蓋在各報告期末具有客觀減值證據的金融資產。

「12個月預期信貸虧損」被確認為第一類，而「終身預期信用損失」被確認為第二類。

預期信貸虧損的計量方法取決於金融資產預計使用年限內信用損失的概率加權估計。

貿易應收賬款

就貿易應收賬款而言，本集團採用簡化模式計算預期信貸虧損，並於各報告期末根據終身預期信貸虧損確認虧損撥備。考慮到金融資產有效期內任何時候違約的可能性，這些是合同現金流量的預期缺口。在計算預期信貸虧損時，本集團已建立一個基於其歷史信用損失經驗和外部指標的撥備矩陣，並根據債務人和經濟環境特定的前瞻性因素進行調整。

為計量預期信貸虧損，貿易應收賬款根據共同信貸風險特徵及逾期狀況進行分組。

按攤銷成本計量的其他金融資產

本集團計算其他應收賬款的虧損撥備等於12個月預期信貸虧損，除非自初始確認後信用風險大幅增加，本集團確認終身預期信貸虧損。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。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Credit loss and impairment of financial assets (Continued)

Policy applicable from 1 January 2018 (Continued)

*Other financial assets measured at amortised cost
(Continued)*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial assets at the end of each reporting period with the risk of default occurring on the financial assets 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; and
- 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.

2. 主要會計政策 (續)

2.12 金融資產信貸虧損及減值 (續)

*自二零一八年一月一日起採用的政策
(續)*

*按攤銷成本計量的其他金融資產
(續)*

在評估自初始確認後信貸風險是否顯著增加時，本集團將報告期末金融資產發生違約的風險與初始確認日期金融資產違約風險進行比較。在進行評估時，本集團會考慮合理且可支持的定量和定性信息，包括歷史經驗和前瞻性信息，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，會考慮以下信息：

- 金融工具外界（如果有）或內部信用評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如信貸利差大幅增加，債務人的信用違約掉期價格；
- 預計會導致債務人履行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；及
- 債務人的監管、經濟或技術環境的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。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Credit loss and impairment of financial assets (Continued)

Policy applicable from 1 January 2018 (Continued)

*Other financial assets measured at amortised cost
(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 end of each reporting period. A debt instrument is determined to have low credit risk if it has a low risk of default, the borrower has strong capacity to meet its contractual cash flow obligations in the near term and 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.

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group).

Detailed analysis of the ECL assessment of trade receivables and other financial assets measured at amortised cost are set out in note 38.3.

Policy applicable before 1 January 2018

At the end of each reporting period, financial assets are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as default or delinquency in interest or principal payments;

2. 主要會計政策（續）

2.12 金融資產信貸虧損及減值（續）

自二零一八年一月一日起採用的政策 (續)

*按攤銷成本計量的其他金融資產
(續)*

儘管如此，倘於各報告期末確定債務工具的信貸風險較低，本集團假設債務工具的信貸風險自初始確認後並未顯著增加。倘債務工具的違約風險較低，借款人擁有在短期內履行合約現金流責任的較強能力，而長期內經濟及商業狀況的不利變化不一定會降低借款人履行合約現金流責任的能力，則釐定其具有較低的信用風險。

就內部信貸風險管理而言，本集團認為，倘內部生成或自外部來源獲得之資料顯示債務人不太可能向其債權人（包括本集團）悉數付款（不考慮本集團持有之任何抵押品），則發生違約事件。

按攤銷成本計量的貿易應收賬款及其他金融資產的預期信貸虧損評估詳情載於附註38.3。

於二零一八年一月一日之前採用的政策

於各報告期末，金融資產會予以審閱，以確定是否有任何減值的客觀證據。

個別金融資產減值的客觀證據，包括本集團注意到以下一項或多項虧損事項的可觀察數據：

- 債務人出現重大財政困難；
- 違反合約，如不支付或拖欠利息或本金；

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Credit loss and impairment of financial assets (Continued)

Policy applicable before 1 January 2018 (Continued)

- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation; and
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor.

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data including but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

If any such evidence exists, the impairment loss is measured and recognised as follows:

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

2. 主要會計政策 (續)

2.12 金融資產信貸虧損及減值 (續)

於二零一八年一月一日之前採用的政策 (續)

- 債務人可能破產或進行其他財務重組；及
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響。

有關某一組金融資產的虧損事項包括顯示該組金融資產的估計未來現金流量出現可計量跌幅的可觀察數據。該等可觀察數據包括但不限於組別內債務人的付款狀況以及與組別內資產拖欠情況有關的國家或當地經濟狀況出現逆轉。

若任何該等證據存在，將根據以下方式計量及確認減值虧損：

按攤銷成本入賬的金融資產

倘有客觀證據顯示按攤銷成本入賬的貸款及應收賬款出現減值虧損，則減值虧損金額按該金融資產賬面值與其原實際利率（即初始確認時計算的實際利率）折算的估計未來現金流量（不包括尚未產生的未來信貸虧損）現值的差額計量。虧損金額於減值期間在損益確認。

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For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Credit loss and impairment of financial assets (Continued)

Policy applicable before 1 January 2018 (Continued)

*Financial assets carried at amortised cost
(Continued)*

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 to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

Impairment loss on financial assets other than trade receivables that are stated at amortised cost are written off against the corresponding assets directly. Where the recovery of trade receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of trade receivables is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

2. 主要會計政策 (續)

2.12 金融資產信貸虧損及減值 (續)

於二零一八年一月一日之前採用的政策 (續)

按攤銷成本入賬的金融資產 (續)

倘若其後減值虧損金額減少，而有關減幅可客觀地與確認減值後發生的事件聯繫，則需撥回過往確認的減值虧損，惟於撥回減值當日，不得導致金融資產賬面值超過未被確認減值的原本應計的攤銷成本。撥回金額於撥回發生期間在損益確認。

金融資產（按攤銷成本列賬的貿易應收賬款除外）的減值虧損乃直接與相關資產撇銷。若貿易應收賬款被認為有可能但並非不能收回，則屬應收賬款呆賬的減值虧損記入撥備。若本集團相信貿易應收賬款的可收回性極低，則被認為不可收回的金額乃直接自貿易應收賬款撇銷，並撥回就該應收賬款記入撥備的任何金額。先前計入撥備的金額如在其後收回，則從撥備撥回。撥備的其他變動及其後收回先前已直接撇銷的金額，均在損益確認。

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For the year ended 31 December 2018
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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Impairment of non-financial assets

Property, plant and equipment, intangible assets and interests in subsidiaries in the statement of financial position of the Company, are subject to impairment testing. These assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions 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 assessment of the time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e., a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Impairment losses recognised for cash-generating units is charged pro rata to the assets in the cash-generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal, or value in use, if determinable.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. 主要會計政策 (續)

2.13 非金融資產減值

物業、機器及設備、無形資產以及本公司財務狀況表內於附屬公司之權益須接受減值測試。當有跡象表明資產賬面值可能無法收回，則會進行減值測試。

減值虧損按資產賬面值超出其可收回金額的差額，即時確認為開支。可收回金額為反映市況的公允價值減出售成本與使用價值兩者的較高者。評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，以反映現時市場對貨幣時間值及有關資產特有風險的評估。

為評估減值，倘資產並無產生大致上獨立於其他資產的現金流入，可收回金額則按可獨立產生現金流入的最小資產組合（即現金產生單位）釐定。因此，部分資產個別進行減值測試，另有部分按現金產生單位測試。

於現金產生單位確認的減值虧損會按比例基準自現金產生單位的資產扣除，惟資產的賬面值不得減至低於其個別公允價值減出售成本或使用價值（倘能釐定）。

倘用於釐定資產可收回金額的估計出現有利變動，則撥回減值虧損，惟以資產賬面值不得高於並無確認減值虧損時原應釐定的賬面值（扣除折舊或攤銷）為限。

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截至二零一八年十二月三十一日止年度

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Interim financial reporting and impairment

Under the Listing Rules, the Group is required to prepare an interim financial report in compliance with HKAS 34 “Interim Financial Reporting”, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year.

2.15 Cash and cash equivalents

Cash and cash equivalents include cash at banks and on hand and short term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.16 Financial liabilities

The Group’s financial liabilities include trade and other payables, amounts due to related companies, secured loans, bonds and amount due to a director.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

All interest related charges are recognised in accordance with the Group’s accounting policy for borrowing costs (see note 2.19).

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

2. 主要會計政策 (續)

2.14 中期財務報告及減值

根據上市規則，集團須就財政年度的首六個月編製符合香港會計準則第34號「中期財務報告」規定的中期財務報告。集團在中期期末採用了在財政年度終結時會採用的相同減值測試、確認和撥回準則。

2.15 現金及現金等價物

現金及現金等價物包括銀行及手頭現金以及原定期限為三個月或以下、可隨時轉換為已知金額現金且價值變動風險小的其他短期高流動性投資。

2.16 金融負債

本集團的金融負債包括貿易及其他應付賬款、應付關聯公司款項、抵押貸款、債券及應付一名董事款項。

金融負債於本集團成為工具合約條款訂約方時確認。

金融負債初始按公允價值計量，並在適用情況下就交易成本進行調整，除非本集團指定為按公允價值計入損益的金融負債。

所有利息相關費用根據本集團的借貸成本會計政策確認（見附註2.19）。

當負債下的責任獲免除或取消或到期，金融負債將撤銷確認。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Financial liabilities (Continued)

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Trade and other payables, amount due to a director and amounts due to related companies

They are recognised initially at their fair values and subsequently measured at amortised cost, using the effective interest method.

Secured loans and bonds

Borrowings, including secured loans and bonds, are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

2.17 Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see note 2.5) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for ECL in accordance with the policy set out in note 2.12 and are reclassified to receivables when the right to the consideration has become unconditional.

2. 主要會計政策 (續)

2.16 金融負債 (續)

當現有金融負債以同一貸款人按極為不同的條款提供的另一項金融負債所取代，或對現有負債的條款作出重大修訂，此類交換或修訂被視為取消確認原有負債及確認新負債，有關賬面值的差額於損益中確認。

貿易及其他應付賬款、應付一名董事款項及應付關聯公司款項

該等款項最初以其公允價值確認，隨後使用實際利息法按攤銷成本計量。

抵押貸款及債券

借款（包括抵押貸款及債券）初始以公允價值（扣除交易成本）確認並計量。借款其後按攤銷成本列賬；所得款（扣除交易成本）與贖回價值的任何差額使用實際利率法於借貸期間在損益表內確認。

除非本集團有無條件權利遞延結算報告期末後至少12個月的負債，否則借款歸類為流動負債。

2.17 合約資產及合約負債

在本集團有權無條件獲取合約所載付款條款代價前確認收益（見附註2.5）時確認合約資產。合約資產按附註2.12所載政策就預期信貸虧損而獲評估，並在代價權利成為無條件後獲重新分類至應收款項。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Contract assets and contract liabilities (Continued)

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see note 2.5). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see note 2.11).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

2.18 Provision and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) arising as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligations can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 主要會計政策 (續)

2.17 合約資產及合約負債 (續)

本集團確認相關收益前，合約負債在客戶支代價時確認（見附註2.5）。如本集團有無條件權利在本集團確認相關收益前收取代價，則合約負債亦會獲確認。在相關情況下，相應應收款項亦會獲確認（見附註2.11）。

就與客戶的單一合約而言，淨合約資產或淨合約負債得以呈列。就多份合約而言，不相關合約的合約資產及合約負債不按淨額基準呈列。

2.18 撥備及或然負債

當本集團因過往事件而須承擔現有責任（法定或推定），且可能須有經濟利益流出以結清責任及能夠可靠地估計有關責任金額時，則會確認撥備。倘貨幣時間值屬重大，則撥備按預計結清責任所需開支的現值列賬。

所有撥備均於各報告期末作出檢討並作出調整以反映現時的最佳估計。

倘經濟利益流出的可能性不大，或無法可靠估計金額時，該責任會披露為或然負債，除非經濟利益流出的可能性極低，則作別論。可能的責任（視乎日後是否發生本集團無法完全控制的一宗或多宗未確定事件而確定其是否存在）亦披露為或然負債，除非經濟利益流出的可能性極低，則作別論。

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For the year ended 31 December 2018
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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Borrowing costs

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

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

2.20 Employee benefits

Retirement benefit

Retirement benefits to employees are provided through defined contribution plans.

Payments for defined contribution retirement schemes to local governments in the PRC and Canada pursuant to the relevant labour rules and regulations in the PRC and Canada and the Mandatory Provident Fund Scheme (the “MPF Scheme”) in Hong Kong are recognised as an expense when employees have rendered service entitling them to the contributions.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group’s obligations under these plans are limited to the fixed percentage contributions payable.

Short-term employee benefits

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

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

2. 主要會計政策 (續)

2.19 借貸成本

建造任何合資格資產所直接產生的借貸成本乃撥充該等資產的成本，直至有關資產大致上可作擬定用途為止，而合資格資產為需較長時間預備以用於擬定用途的資產。

所有其他借貸成本於產生期間在損益確認。

2.20 僱員福利

退休福利

退休福利乃通過界定供款退休計劃向僱員提供。

根據中國及加拿大的相關勞動規則及法規所制定的中國及加拿大地方政府所界定退休供款計劃的付款以及香港的強制性公積金計劃（「強積金計劃」）於僱員提供服務時賦予其供款後確認作開支。

供款於年內隨僱員提供服務於損益確認為開支。本集團根據該等計劃的責任僅限於應付固定百分比供款。

短期僱員福利

僱員應得的年假於其可享有時確認。截至報告期末，僱員因提供服務而可享有年假的估計負債已作撥備。

病假及產假等非累積補假於休假時方予確認。

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綜合財務報表附註

For the year ended 31 December 2018
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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

2.21 Share capital

Ordinary shares are classified as equity. Share capital is recognised at the amount of consideration of shares issued, after deducting any transaction costs associated with the issuing of shares (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

2.22 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease. Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

Operating lease charges as the lessee

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to the profit or loss on a straight-line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

2. 主要會計政策 (續)

2.20 僱員福利 (續)

辭退福利

辭退福利會在本集團不再能夠撤回所提供的辭退福利或確認涉及辭退福利付款的重組成本(以較早者為準)時確認。

2.21 股本

普通股分類為權益。股本以已發行股份面值釐定。與發行股份相關的任何交易成本(扣除任何相關所得稅利益)均予扣減,惟以權益交易直接應佔的增加成本為限。

2.22 租賃

倘本集團釐定一項安排(不論由一宗交易或一系列交易組成)附有權利可於協定期間內使用一項特定資產或多項資產以換取一項或多項付款,則該安排屬於或包含一項租賃。該釐定乃基於對該安排實質內容的評估而作出,不論該安排是否採用租賃的法定形式。本集團根據將所有權的絕大部分風險及回報轉移至本集團的租賃持有的資產均分類為根據融資租賃持有的資產。並無將所有權的絕大部分風險及回報轉移至本集團的租賃分類為經營租賃。

作為承租人的經營租賃費用

倘本集團有權使用根據經營租賃持有的資產,則根據租賃期內作出的付款於租賃期內按直線法計入損益表,惟其他基準可更清楚地反映自租賃資產獲得的收益的時間模式則除外。收取的租賃優惠於損益確認,作為合共所作租賃付款淨額的組成部分。或然租金於產生的會計期間自損益扣除。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Share-based payment transactions

Equity-settled share-based payments to employees and other eligible participants are measured at the fair value of the share options at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 35.

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

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

2. 主要會計政策（續）

2.23 以股份為基礎的支付交易

向僱員及其他合資格參與者的人士作出的以權益結算以股份為基礎的付款乃於授出當日按購股權的公允價值計量。有關釐定以權益結算以股份為基礎的支付交易的公允價值的詳情載於附註35。

於以權益結算以股份為基礎的付款授出當日釐定的公允價值，根據本集團所估計最終歸屬的購股權，按歸屬期以直線法支銷，權益內之購股權儲備相應增加。

於各報告期末，本集團修改其估計的預期將歸屬的購股權數量。修改原先估計的影響（如有）於損益確認，累計支出反映已修改的估計，對購股權儲備進行相應調整。

就於授出日期立即歸屬的購股權而言，所授出購股權的公允價值立即於損益支銷。

當購股權獲行使時，先前於購股權儲備確認的金額將轉撥至股本。倘購股權於歸屬期後失效或於歸屬期仍未行使，則先前於購股權儲備確認的金額將轉撥至保留盈利。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions. Government grants are deferred and recognised in profit or loss over the period necessary to match them with the costs that the grants are intended to compensate. Government grants relating to the purchase of assets are included in liabilities as “deferred government grants” in the consolidated statement of financial position and are recognised in profit or loss on a straight-line basis over the expected lives of the related assets/ deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

Government grants relating to income is presented in gross under “Other income” in the consolidated statement of profit or loss and other comprehensive income.

2.25 Discontinued operations

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. The component comprises operations and cash flows that can be clearly distinguished from the rest of the Group and represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued, a single amount in the consolidated statement of profit or loss and other comprehensive income comprising the total of: (i) the post-tax profit or loss of discontinued operations and (ii) the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal group constituting the discontinued operation.

2. 主要會計政策 (續)

2.24 政府補助

當可合理保證補助將可收取及本集團將遵守所有附帶條件時，政府補助乃按公允價值確認。政府補助於符合擬補償成本所需的期間內予以遞延及於損益表中確認。與購買資產相關的政府補助於綜合財務狀況表中按「遞延政府補助」計入負債，及按有關資產的可使用年期以直線法在損益表中確認，或於資產之賬面值扣減，因此按資產之可使用年期以扣減折舊費用方式於損益表中有效確認。

與收入有關之政府補助於綜合損益及其他全面收益表內之「其他收入」項下以總額列示。

2.25 已終止經營業務

已終止經營業務乃本集團的其中一部分，該等業務已被出售或已被分類為持作出售。該部分包括可明確地與本集團餘下業務區分出來的業務及現金流量，並代表一項獨立的主要業務或地區性的業務，出售一項獨立主要業務或地區性的業務的單一協調計劃的一部份，或專為轉售目的而購入的附屬公司。

當一項業務被分類為已終止經營，便會在綜合損益及其他全面收益表中以單一金額列示，並包括：(i) 已終止經營業務的除稅後溢利或虧損，及(ii) 按公允價值減出售成本或出售時之成本計量、或構成已終止經營業務的出售資產或出售組別所確認的除稅後收益或虧損。

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.26 Segment reporting

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

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2.27 Related parties

For the purpose of these consolidated financial statements, a party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and if that person:
 - (i) has control or joint control over of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group.

2. 主要會計政策 (續)

2.26 分部報告

經營分部及綜合財務報表所呈報的各分部項目金額，乃根據就分配資源予本集團各業務及地區分部及評估其表現而定期提供予本集團最高層管理人員的財務資料而確定。

個別而言屬重要的經營分部不會合計以作財務匯報，但如該等經營分部的產品和服務性質、生產工序性質、客戶類別或階層、分銷產品或提供服務的方法以至監管環境的本質等經濟特性均屬類似，則作別論。個別而言屬不重要的經營分部如果符合以上大部分準則，則可以合計為一個分部報告。

2.27 關聯方

就本綜合財務報表而言，符合以下條件的人士被視為與本集團有關聯：

- (a) 該人士為符合以下條件的人士或近親，且該人士：
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理層成員。

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綜合財務報表附註

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2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.27 Related parties (Continued)

- (b) the party is an entity and if any of the following conditions applies:
- (i) the entity and the Group are members of the same group.
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) the entity and the Group are joint ventures of the same third party.
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) the entity is controlled or jointly controlled by a person identified in (a).
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 主要會計政策 (續)

2.27 關聯方 (續)

- (b) 該人士為實體且符合以下任何條件：
- (i) 該實體及本集團為同一集團的成員公司。
 - (ii) 該實體為其他實體（或為該實體所屬集團成員公司的聯營公司或合營企業）的聯營公司或合營企業。
 - (iii) 該實體及本集團為同一第三方的合營企業。
 - (iv) 一個實體為某第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體屬本集團或與本集團有關聯的實體就僱員福利設立的離職後福利計劃。
 - (vi) 該實體由一名於(a)指明的人士控制或共同控制。
 - (vii) 於(a)(i)指明的對該實體有重大影響力或為該實體（或該實體的母公司）的主要管理層人員。
 - (viii) 該實體或其所屬集團的任何成員公司向本集團或本集團母公司提供主要管理層人員服務。

個別人士的近親指與該實體交易時預期可影響該個別人士或受該個別人士影響的家族成員。

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綜合財務報表附註

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3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSS

New and amended HKFRSSs that are effective for annual periods beginning on or after 1 January 2018

In the current year, the Group has applied for the first time the following new and amended HKFRSSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 January 2018:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
Amendments to HKFRSs 1 and HKAS 28	Annual Improvements to HKFRSs 2014-2016 Cycle
Amendments to HKFRS 2	Share-based Payment: Classification and Measurement of Share-based Payment Transactions
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration

Other than as noted below, the adoption of the new and amended HKFRSSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

HKFRS 9 “Financial Instruments”

HKFRS 9 replaces HKAS 39 “Financial Instruments: Recognition and Measurement” (“HKAS 39”). It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an “ECL model” for the impairment of financial assets.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則

於截至二零一八年一月一日或之後的年度期間生效之新訂及經修訂香港財務報告準則

於本年度，本集團初次採用以下由香港會計師公會頒佈之新訂及經修訂香港財務報告準則，乃指與本集團業務相關且於本集團於二零一八年一月一日開始之年度期間生效：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益以及相關修訂
香港財務報告準則第1號及香港會計準則第28號（修訂本）	香港財務報告準則二零一四年至二零一六年週期之年度改進
香港財務報告準則第2號（修訂本）	以股份為基礎的支付交易之分類及計量
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

除下文所述者外，採納新訂及經修訂香港財務報告準則對本期間及過往期間業績及財務狀況之編製及呈列並無重大影響。

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號取代香港會計準則第39號「金融工具：確認及計量」（「香港會計準則第39號」）。準則就金融資產分類及計量之原有指引進行重大修改，並就金融資產減值引入「預期信貸虧損模式」。

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3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2018 (Continued)

HKFRS 9 “Financial Instruments” (Continued)

When adopting HKFRS 9, the Group has applied the standard retrospectively to items that existed at 1 January 2018 in accordance with the transition requirement and also applied transitional relief and opted not to restate prior periods. Differences arising from the adoption of HKFRS 9 in relation to classification, measurement, and impairment are recognised in retained earnings.

Classification and measurement of financial assets and financial liabilities

On 1 January 2018, the Group’s management has assessed which business models apply to the financial assets held by the Group and has classified its financial instruments into the appropriate categories of HKFRS 9.

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (“FVTOCI”) and FVTPL. These supersede HKAS 39’s categories of held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVTPL. The classification of financial assets under HKFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則（續）

於截至二零一八年一月一日或之後的年度期間生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號「金融工具」(續)

採納香港財務報告準則第9號時，本集團已根據過渡規定對於二零一八年一月一日存續的項目採用追溯應用法，亦應用過渡性條文及不對過往期間予以重列。採納香港財務報告準則第9號在分類、計量及減值方面產生之差異於保留盈餘內確認。

金融資產及金融負債的分類及計量

於二零一八年一月一日，本集團管理層已評估哪些業務模式適用於本集團持有的金融資產，並已將其金融工具分類為香港財務報告準則第9號的適當類別。

香港財務報告準則第9號將金融資產分類為三個主要類別：按攤銷成本計量、按公允價值計入其他全面收益及FVTPL。此分類取代香港會計準則第39號之持有至到期日之投資、貸款及應收款項、可供出售金融資產及FVTPL之金融資產類別。根據香港財務報告準則第9號，金融資產之分類按管理金融資產之業務模式及其合約現金流量之特性釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2018 (Continued)

HKFRS 9 “Financial Instruments” (Continued)

Classification and measurement of financial assets and financial liabilities (Continued)

Upon the adoption of HKFRS 9, the classification and measurement of financial assets depends on two assessments: the financial asset's contractual cash flow characteristics and the entity's business model for managing the financial asset.

As at 1 January 2018, the Group's management reviewed and assessed the Group's existing financial assets and liabilities for classification and measurement in accordance with the requirements of HKFRS 9. There have been no changes to the classification or measurement of financial assets and financial liabilities as a result of the application of HKFRS 9.

Expected credit loss

HKFRS 9 replaces the “incurred loss” model in HKAS 39 with the ECL model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than under the “incurred loss” model in HKAS 39.

The Group applies the HKFRS 9 simplified approach to measure ECL which use a lifetime ECL for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics such as past due status and credit risk ratings.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則（續）

於截至二零一八年一月一日或之後的年度期間生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號「金融工具」(續)

金融資產及金融負債的分類及計量（續）

採納香港財務報告準則第9號後，金融資產的分類及計量取決於兩項評估：金融資產的合約現金流量特點及實體管理金融資產的業務模式。

於二零一八年一月一日，本集團管理層根據香港財務報告準則第9號的規定檢討及評估本集團現有金融資產及負債的分類及計量。採用香港財務報告準則第9號後，金融資產及金融負債的分類或計量並無變動。

預期信貸虧損

香港財務報告準則第9號以預期信貸虧損模式取代香港會計準則第39號之「已產生虧損」模式。預期信貸虧損模式要求持續計量與金融資產相關之信貸風險，因此比根據港會計準則第39號之「已產生虧損」模式較早確認預期信貸虧損。

本集團應用香港財務報告準則第9號之簡化法計量預期信貸虧損，即就全部貿易應收賬款使用全期預期信貸虧損。為計量預期信貸虧損，貿易應收賬款已根據共有信貸風險特性（如逾期狀況及信貸評級）劃分為不同組別。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2018 (Continued)

HKFRS 9 “Financial Instruments” (Continued)

Expected credit loss (Continued)

Loss allowances for other financial assets at amortised cost mainly comprise other receivables, amounts due from related companies, amount due from a third party and bank balances and cash are measured on a 12-month ECL basis if there had been no significant increase in credit risk since initial recognition.

For bank balances and cash, the Group only transacts with reputable banks with high credit ratings assigned by international credit-rating agencies. There has been no recent history of default in relation to these banks. The ECL is not material.

For other receivables, amounts due from related companies and amount due from a third party, the management of the Group makes periodic collective as well as individual assessment on the recoverability based on historical settlement records, past experience and forward-looking information.

Upon the adoption of HKFRS 9, loss allowance of trade receivables of HK\$145,000 was recognised as at 1 January 2018.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則（續）

於截至二零一八年一月一日或之後的年度期間生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第9號「金融工具」(續)

預期信貸虧損（續）

按攤銷成本列值之其他金融資產之虧損撥備主要包括其他應收賬款、應收關聯公司款項、應收一名第三方款項以及銀行結餘及現金，倘自初始確認以來其信貸風險並無明顯增加，其虧損撥備乃按十二個月預期信貸虧損基準計量。

就銀行結餘及現金而言，本集團僅與國際信貸評級機構指定的擁有較高信貸評級的信譽良好銀行進行交易。該等銀行近期並無違約記錄。預期信貸虧損不大。

其他應收賬款（包括應收關聯公司款項及應收一名第三方款項）方面，本集團管理層按過往結付記錄、以往經驗及前瞻性資料，就可收回程度定期作出集體及個別評估。

採納香港財務報告準則第9號後，於二零一八年一月一日已確認貿易應收賬款之虧損撥備145,000港元。

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綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2018 (Continued)

HKFRS 15 "Revenue from Contracts with Customers"

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract liability account balances between periods and key judgements and estimates.

The Group has elected to use the cumulative effect transition method and has recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2018.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則（續）

於截至二零一八年一月一日或之後的年度期間生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號建立了一個全新的五步模式，供入賬客戶合約產生的收益。根據香港財務報告準則第15號，收益按能反映實體轉讓貨物或服務予客戶而預期有權換取所得的代價金額予以確認。香港財務報告準則第15號的原則為計量及確認收益提供更加結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆總收益、關於履約責任的資料、不同期間合約負債賬目結餘的變動以及主要判斷及估計。

本集團已選擇採用累積效應過渡法，並已確認初始應用的累計影響作為對二零一八年一月一日權益期初餘額的調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2018 (Continued)

HKFRS 15 "Revenue from Contracts with Customers" (Continued)

i) Timing of revenue recognition

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. This may be at a single point in time or over time. HKFRS 15 identifies the following three situations in which control of the promised goods or services is regarded as being transferred over time:

- When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced; or
- When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the Group recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則（續）

於截至二零一八年一月一日或之後的年度期間生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第15號「客戶合約收益」（續）

i) 收益確認的時間

根據香港財務報告準則第15號，收益於客戶獲得合約承諾貨物或服務之控制權時確認。收益可能在某一時間點或隨時間確認。香港財務報告準則第15號確定以下三種情況會被視為承諾貨物或服務之控制權會隨時間而轉移：

- 當客戶於實體履約時同時接受及使用實體履約所提供之利益時；
- 當實體履約而製造或改良一項資產（如在建工程）及客戶對該製造及改良的資產有控制權時；或
- 當實體履約並無製造對實體具替代用途之資產，且該實體對迄今完成之履約付款具有可執行權利時。

倘合約條款及實體的活動並不屬於任何該等三種情況，則根據香港財務報告準則第15號，本集團於某一指定時間點（即控制權轉移時）確認銷售該貨物或服務的收益。所有權風險及回報的轉移僅為確定控制權轉移何時發生時所考慮的指標之一。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2018
截至二零一八年十二月三十一日止年度

3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

New and amended HKFRSs that are effective for annual periods beginning on or after 1 January 2018 (Continued)

HKFRS 15 "Revenue from Contracts with Customers" (Continued)

ii) Significant financing component

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance of revenue recognition or significantly deferred.

The adoption of HKFRS 15 does not have a significant impact on adjusting the transaction price containing significant financing component on the financial statements as at date of initial application.

iii) Presentation of contract assets and liabilities

Under HKFRS 15, a receivable is recognised only if the Group has an unconditional right to consideration. If the Group recognises the related revenue (see note 2.5) before being unconditionally entitled to the consideration for the promised goods and services in the contract, then the entitlement to consideration is classified as a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognises the related revenue.

At the date of initial application of HKFRS 15, there was no conditional but unbilled revenue arising from the contracts and the advances received amounted to HK\$4,508,000 which was previously included in "Trade and other payables" were reclassified to "Contract liabilities" as at 1 January 2018.

Except for the above, the adoption of HKFRS 15 does not have a significant impact on the consolidated financial statements.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則 (續)

於截至二零一八年一月一日或之後的年度期間生效之新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第15號「客戶合約收益」(續)

ii) 重大融資成分

香港財務報告準則第15號規定，實體須於合約包含重大融資成分時就貨幣時間值調整交易價格，而不論客戶的付款是否於確認收益前大幅提前或延後收取。

採納香港財務報告準則第15號對於初始應用日期財務報表中包含重大融資成分的交易價格調整並無重大影響。

iii) 合約資產及負債的呈列

根據香港財務報告準則第15號，僅於本集團在對代價擁有無條件權利之情況下才會確認應收賬款。倘本集團可無條件享有合約中承諾商品及服務之代價前確認相關收益（見附註2.5），則有關代價之享有權會被分類為合約資產。同樣道理，於本集團確認相關收益前，合約負債（而非應付款項）於客戶已支付代價時或合約要求支付代價且金額已到期支付時方予確認。

於初始應用香港財務報告準則第15號日期，並無從合約產生任何有條件但未入賬的收益，而先前計入「貿易及其他應付賬款」的已收預付款4,508,000港元，於二零一八年一月一日重新分類為「合約負債」。

除上文者外，採納香港財務報告準則第15號對綜合財務報表並無明顯影響。

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綜合財務報表附註

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3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

Issued but not yet effective HKFRSs

At the date of authorisation of the consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

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

- ¹ Effective for annual periods beginning on or after 1 January 2019
- ² Effective for annual periods beginning on or after 1 January 2020
- ³ Effective for annual periods beginning on or after 1 January 2021
- ⁴ Effective date not yet determined
- ⁵ 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

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則 (續)

已頒佈但尚未生效之香港財務報告準則

於批准綜合財務報表當日，本集團並無提前應用若干已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第16號	租賃 ¹
香港財務報告準則第17號	保險合約 ³
香港會計準則第1號及香港會計準則第8號(修訂本)	重大之定義 ²
香港會計準則第19號(修訂本)	計劃之修訂、縮減或結付 ¹
香港會計準則第28號(修訂本)	聯營公司及合營企業之長期權益 ¹
香港財務報告準則第3號(修訂本)	業務之定義 ⁵
香港財務報告準則第9號(修訂本)	具有負補償之提前還款特性 ¹
香港財務報告準則第10號及香港會計準則第28號(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入 ⁴
香港財務報告準則(修訂本)	香港財務報告準則二零一五年至二零一七年週期之年度改進 ¹
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理的不確定性 ¹

- ¹ 於二零一九年一月一日或以後開始之年度期間生效
- ² 於二零二零年一月一日或以後開始之年度期間生效
- ³ 於二零二一年一月一日或以後開始之年度期間生效
- ⁴ 尚未釐定生效日期
- ⁵ 在收購日期於二零二零年一月一日或之後開始的首個年度期間開始或其後之業務合併及資產收購生效

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綜合財務報表附註

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3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

Issued but not yet effective HKFRSs (Continued)

The above standards are effective for annual periods beginning on or after 1 January 2019. The Group has decided not to early adopt these standards in its consolidated financial statements for the year ended 31 December 2018.

The Group is in the process of making an assessment of the impact of these new and amended HKFRSs upon initial application. Currently it has been considered that adoption of them is unlikely to have an impact on the Group's results of operations and financial position, except for the following:

HKFRS 16 "Leases" ("HKFRS 16")

HKFRS 16 will replace HKAS 17 "Leases" and the related interpretations. Currently the Group classifies leases into operating leases. Once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則 (續)

已頒佈但尚未生效之香港財務報告準則 (續)

以上準則於二零一九年一月一日或以後開始之年度期間生效。本集團決定不提前於截至二零一八年十二月三十一日止年度之綜合財務報表中採納該等準則。

本集團正評估初始應用該等新訂及經修訂香港財務報告準則之影響。迄今，彼認為採納該等準則不大可能會影響到本集團之經營業績及財務狀況，惟下文所述者除外：

香港財務報告準則第 16 號「租賃」(「香港財務報告準則第 16 號」)

香港財務報告準則第 16 號將取代香港會計準則第 17 號「租賃」及相關詮釋。本集團現將租賃分類為經營租賃。當香港財務報告準則第 16 號一經採納，承租人將不再區分融資租賃及經營租賃，而是在可行權宜方法之規限下，承租人將所有租賃以現有融資租賃會計處理相若的方法入賬，即承租人於租賃開始日期按最低未來租賃款項現值確認及計量租賃負債，及確認相應的「使用權」資產。於初始確認該資產及負債後，承租人將確認租賃負債尚未償還的結餘所產生的利息開支及使用權資產折舊，而非根據現有政策於租賃期內系統性確認根據經營租賃所產生的租賃開支。作為一項可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃（即租期為 12 個月或以下）及低價值資產的租賃，於該等情況下，租賃開支將繼續於租期內系統性確認。

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3. CHANGES IN ACCOUNTING POLICIES AND ADOPTION OF NEW AND AMENDED HKFRSs (Continued)

Issued but not yet effective HKFRSs (Continued)

HKFRS 16 "Leases" ("HKFRS 16") (Continued)

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for premises which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss and other comprehensive income over the period of the lease. As at 31 December 2018, the Group's future minimum lease payments under non-cancellable operating leases amounted to HK\$5,041,000, the majority of which is payable either between 2 and 5 years after the end of the reporting period. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. Other than the recognition of lease liabilities and right-of-use assets, the Group expects that the transition adjustments to be made upon the initial adoption of HKFRS 16 will not be material. However, the expected changes in accounting policies as described above could have a material impact on the Group's consolidated financial statement from 1 January 2019 onwards.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's significant accounting policies, which are described in note 2, 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 underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

3. 會計政策變動以及採納新訂及經修訂香港財務報告準則 (續)

已頒佈但尚未生效之香港財務報告準則 (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」)(續)

香港財務報告準則第16號將主要影響本集團作為經營場地租賃(現時分類為經營租賃)承租人的會計處理方法。預期應用新會計模式將導致資產及負債均有所增加,及影響租賃期間於綜合損益及其他全面收益表確認開支的時間。於二零一八年十二月三十一日,本集團於不可撤銷經營租賃項下的未來最低租賃款項為5,041,000港元,其中大部份須於報告期末後2至5年內支付。因此,一旦採納香港財務報告準則第16號,若干該等款項可能須按照相應使用權資產確認為租賃負債。除租賃負債及使用權資產的確認外,本集團預期將於初始採納香港財務報告準則第16號時作出的過渡調整將不屬重大。然而,上述會計政策的預期變動可能對本集團自二零一九年一月一日起的綜合財務報表造成重大影響。

4. 重大會計判斷及估計不確定因素的主要來源

於應用本集團的主要會計政策(詳述於附註2)時,本公司董事須對無法自其他來源直接獲得的資產及負債賬面值作出判斷、估計及假設。該等估計及相關假設乃基於過往經驗及被視作相關的其他因素而作出。實際結果可能有別於估計。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

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.

The followings 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 are discussed below:

Impairment of non-current assets

The Group reviews the carrying amounts of the non-current assets including property, plant and equipment and intangible assets at the end of the reporting period to determine whether there is objective evidence of impairment. When indication of impairment is identified for property, plant and equipment, management assesses its recoverable amount by reference to the transaction prices of similar assets within the same industry, less costs of disposal for development land and the present value of discounted cash flows for resort hotel and other property, plant and equipment.

When indication of impairment is identified for intangible assets, management prepares discounted future cash flows to assess the differences between the carrying amount and value in use and provide for the impairment loss. Any change in assumption adopted in the cash flow forecasts or fair value assessments would increase or decrease in the provision of impairment loss and affect the Group's profit or loss for the year.

As at 31 December 2018, the carrying values of property, plant and equipment and intangible assets of the Group were approximately HK\$84,738,000 (2017: HK\$92,846,000) and HK\$30,029,000 (2017: HK\$34,591,000) respectively. No impairment loss was recognised during the years ended 31 December 2018 and 2017.

4. 重大會計判斷及估計不確定因素的主要來源 (續)

估計及有關假設乃持續檢討。倘會計估計的修訂僅影響修訂期間，則僅於修訂期間確認；倘修訂同時影響修訂期間及未來期間，則於修訂期間及未來期間確認。

於報告期末有關未來的主要假設及存在導致下一個財政年度內資產及負債賬面值須作重大調整的重大風險的其他主要估計不確定因素來源論述如下：

非流動資產減值

本集團於報告期末檢討非流動資產（包括物業、機器及設備及無形資產）的賬面值，以釐定是否存在客觀的減值證據。於發現物業、機器及設備有減值跡象時，管理層參照度假酒店及其他物業、機器及設備貼現現金流量的現值及相同行業類似資產交易價格減開發土地的出售成本，以評估其可收回金額。

於發現無形資產有減值跡象時，管理層編製未來貼現現金流量，評估賬面值與使用價值的差額並計提減值虧損撥備。倘現金流量預測或公允價值評估所採用的假設發生變動，則將導致減值虧損撥備金額增加或減少並影響本集團於本年度的損益。

於二零一八年十二月三十一日，本集團物業、機器及設備以及無形資產的賬面值分別約為84,738,000港元（二零一七年：92,846,000港元）及30,029,000港元（二零一七年：34,591,000港元）。於截至二零一八年及二零一七年十二月三十一日止年度概無確認減值虧損。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Loss allowance of trade and other receivables

Loss allowance of trade and other receivables are assessed and provided based on the directors' regular review of ageing analysis, evaluation of collectability, comparison with collection performance against historical trends provisioning methodology such as risk of default and expected loss rate. A considerable level of judgement is exercised by the directors when assessing the credit worthiness and past collection history of each individual customer, assumption of default and forward looking estimates. An increase or decrease in the above impairment loss would affect the profit in the year and in future years.

When the actual future cash flows are different from expected, such difference will impact the carrying amount of trade receivables and other financial assets within the scope of ECL upon application of HKFRS 9.

As at the date of initial adoption of HKFRS 9, the Group performed assessment for those items subjects to ECL (including trade and other receivables) based on assumptions about risk of default, ECL rate and forward looking estimates.

Before the adoption of HKFRS 9, the Group assesses at the end of each reporting period whether there is any objective evidence that trade and other receivables are impaired. In determining whether there is objective evidence of impairment, the Group takes into consideration the ageing status and the likelihood of collection by reference to the background and repayment history of the debtors and the occurrence of any default or disputes. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on factors such as repayment plans committed by debtors and subsequent collections. An impairment loss is made for trade receivables of which the present values of future cash flows are less than their carrying amount.

4. 重大會計判斷及估計不確定因素的主要來源 (續)

貿易及其他應收賬款的虧損撥備

貿易及其他應收賬款的虧損撥備乃根據董事對賬齡分析的定期檢討、對可收回程度的評估、回款表現與歷史趨勢比較的撥備方法(如違約風險及預期虧損比率)予以評定及計提撥備。董事於評估各個別客戶的信譽度及過往收款記錄時會做出大量判斷、違約假設及前瞻性估計。上述減值虧損增加或減少將影響本年度及未來年度的溢利。

當實際未來現金流量有別於預期時，該差異將影響應用香港財務報告準則第9號後貿易應收賬款及屬於預期信貸虧損範圍內的其他金融資產的賬面值。

於初始採納香港財務報告準則第9號日期，本集團根據有關違約風險、預期信貸虧損比率及前瞻性估計的假設，對符合預期信貸虧損(包括貿易及其他應收賬款)的項目進行評估。

於採納香港財務報告準則第9號之前，本集團會於各報告期末評估是否存在任何客觀證據表明貿易及其他應收賬款出現減值。於釐定是否存在減值的客觀證據時，本集團會參考債務人的背景及還款記錄及發生的任何違約或糾紛，考慮賬齡情況及收回賬款的可能性。倘存在減值的客觀證據，則未來現金流量的金額及時間會基於債務人承諾的還款計劃及其後回收情況等多項因素予以估計。未來現金流量的現值低於其賬面值的貿易應收賬款會作出減值虧損。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Loss allowance of trade and other receivables (Continued)

As at 31 December 2018, the carrying amount of trade and other receivables of the Group was approximately HK\$37,712,000 (2017: HK\$32,792,000), net of loss allowance of trade receivables of approximately HK\$6,611,000 (2017: HK\$5,610,000). As at 31 December 2018, the carrying amount of amounts due from subsidiaries of the Company was HK\$80,999,000 (2017: HK\$99,953,000), net of allowance for impairment loss of amounts due from subsidiaries of approximately HK\$81,206,000 (2017: HK\$10,000,000).

Amortised cost of amount due to a director

The directors of the Company use their best estimation to determine the effective interest rate in calculating the amortised cost of amount due to a director, with reference to the market rates. Should the estimates applied are different, the carrying value of these amounts will be changed. As at 31 December 2018, the carrying amount of amount due to a director was approximately HK\$3,315,000 (2017: HK\$45,961,000).

Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions and interpretation of tax rules. The Group carefully evaluates tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislation. Details of taxation are set out in note 12.

Deferred tax assets have not been recognised for unutilised tax losses and deductible temporary differences. As those deferred tax assets can only be recognised to the extent that it is probable that future profit will be available against which the unused tax credit can be utilised, management's judgement is required to assess the probability of future taxable profits.

4. 重大會計判斷及估計不確定因素的主要來源 (續)

貿易及其他應收賬款的虧損撥備 (續)

於二零一八年十二月三十一日，本集團貿易及其他應收賬款的賬面值約為37,712,000港元（二零一七年：32,792,000港元），已扣除貿易應收賬款虧損撥備約6,611,000港元（二零一七年：5,610,000港元）。於二零一八年十二月三十一日，本公司應收附屬公司款項的賬面值約為80,999,000港元（二零一七年：99,953,000港元），已扣除應收附屬公司減值虧損撥備約81,206,000港元（二零一七年：10,000,000港元）。

應付一名董事款項的攤銷成本

本公司董事採用最佳估計並參考市場利率，釐定計算應付一名董事款項的攤銷成本的實際利率。倘採用不同的估計，則該等款項的賬面值將發生變動。於二零一八年十二月三十一日，應付一名董事款項的賬面值約為3,315,000港元（二零一七年：45,961,000港元）。

所得稅

釐定所得稅撥備須對特定交易的未來稅務處理和稅務規則的詮釋作出判斷。本集團仔細評估交易的稅務影響，並相應設立撥備。該等交易的稅務處理定期予以重新考慮，以計入稅務法例的所有變動。稅項詳情載於附註12。

未動用稅項虧損及可扣稅暫時差額並未確認遞延稅項資產。由於僅在有可能獲得可使用未動用稅項抵免予以抵銷的未來溢利時方可確認遞延稅項資產，管理層須按此作出判斷，評估獲得未來應課稅溢利的可能性。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Income taxes (Continued)

Management's assessment is constantly reviewed and additional deferred tax assets are recognised if it becomes probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities have not been established for income tax and withholding tax that would be payable on certain profits of PRC subsidiaries to be repatriated and distributed by way of dividends as the directors consider that the timing of the reversal of the related temporary differences can be controlled and such temporary differences will not be reversed in the foreseeable future. If those undistributed earnings of the PRC subsidiaries are considered to be repatriated and distributed by way of dividends, deferred tax liabilities of approximately HK\$1,742,000 would be provided as at 31 December 2018 (2017: HK\$1,653,000).

Amortisation charges of intangible assets and depreciation charges of property, plant and equipment

Intangible assets and property, plant and equipment are amortised or depreciated on a straight-line basis over the estimated useful lives of the assets, after taking into account the estimated residual value, if any. The Group reviews the estimated useful lives of the assets regularly in order to determine the amount of amortisation or depreciation expenses to be recorded during each financial year. The useful lives are based on the Group's historical experience with similar assets and taking into account anticipated technological changes. As at 31 December 2018, the carrying amount of intangible assets and property, plant and equipment of the Group was approximately HK\$30,029,000 (2017: HK\$34,591,000) and HK\$84,738,000 (2017: HK\$92,846,000) respectively.

The amortisation or depreciation expenses for future periods are adjusted if there are significant changes from previous estimates. Carrying amounts of the intangible assets and property plant and equipment are set out in notes 16 and 15 respectively.

4. 重大會計判斷及估計不確定因素的主要來源 (續)

所得稅 (續)

管理層會定期檢討該等評估，並在有可能獲得可供收回遞延稅項資產的未來應課稅溢利的情況下確認額外的遞延稅項資產。

本集團並無為將以股息形式匯返及派發的若干中國附屬公司溢利須支付的所得稅及預扣稅而確立遞延稅項負債，原因是董事認為可以控制撥回有關暫時差異的時間，而該等暫時差異將不會於可見將來撥回。倘該等中國附屬公司的未分派盈利被視為以股息形式匯返及分派，則於二零一八年十二月三十一日將計提遞延稅項負債約1,742,000港元（二零一七年：1,653,000港元）。

無形資產攤銷費用及物業、機器及設備折舊費用

無形資產的攤銷或物業、機器及設備的折舊是根據預計可使用年期扣除估計剩餘價值（如有）後，按直線法計算。本集團定期審閱資產的可使用年期，以確定在各財政年度應予入賬的攤銷或折舊費用的數額。可使用年期乃根據本集團以往在類似資產上的經驗而作出，並考慮到預期發生的技術上的變化。於二零一八年十二月三十一日，本集團無形資產及物業、機器及設備的賬面值分別約為30,029,000港元（二零一七年：34,591,000港元）及84,738,000港元（二零一七年：92,846,000港元）。

如果原有估計發生任何重大變化，未來期間內的攤銷或折舊費用將被調整。無形資產及物業、機器及設備的賬面值分別見附註16及15。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Valuation of equity-settled share-based payments

The fair value of share options granted was priced using a binomial option pricing model which requires the management's estimates and assumptions on significant calculation inputs, including the estimated life of share options granted, the volatility of share price, exercise behaviour and expected dividend yield. Changes in the subjective input assumptions could materially affect the fair value estimate, which would in turn affect the equity-settled share-based payments expense recognised for the year and its corresponding impact on the share options reserve. Estimates relating to the evaluation of share options are discussed in note 35.

5. REVENUE

The Group's principal activities are disclosed in note 1 of the consolidated financial statements. Revenue from the Group's principal activities recognised during the year is as follows:

4. 重大會計判斷及估計不確定因素的主要來源 (續)

以權益結算以股份為基礎的付款的估值

已授出購股權之公允價值乃使用二項式期權定價模型定價，管理層須就重大計算輸入數據作出估計及假設，包括所授出購股權之估計有效期、股價波幅、行使行為及估計股息率。主觀性輸入數據假設的變動或會對公允價值估計造成重大影響，進而影響本年度確認的以權益結算以股份為基礎的付款開支及其對購股權儲備的相應影響。有關購股權評估的估計於附註35中論述。

5. 收益

本集團之主要業務於綜合財務報表附註1披露。年內確認來自本集團主要業務的收益載列如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Continuing operations	持續經營業務		
Hotel operation income	酒店經營收入	44,757	42,874
Properties management income	物業管理收入	49,825	44,714
		94,582	87,588

Note: The Group has initially applied HKFRS 15 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號。按所選用之過渡方法，比較資料不予重列。見附註3。

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5. REVENUE (Continued)

Disaggregation of revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical markets:

5. 收益(續)

收益之拆解

本集團收益來自隨時間或在某一時間點就下列主要產品項目及地區市場轉移貨品及服務：

		Hotel operation 酒店經營		Properties management 物業管理		Total 總計	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hotel accommodation	酒店住宿	14,112	13,900	-	-	14,112	13,900
Food and beverage	餐飲	22,988	21,879	-	-	22,988	21,879
Others	其他	7,657	7,095	-	-	7,657	7,095
Properties management	物業管理	-	-	49,825	44,714	49,825	44,714
		44,757	42,874	49,825	44,714	94,582	87,588
Timing of revenue recognition		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At a point in time	在某一時間點	22,988	21,879	-	-	22,988	21,879
Over time	隨時間	21,769	20,995	49,825	44,714	71,594	65,709
		44,757	42,874	49,825	44,714	94,582	87,588
Geographical markets		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
PRC	中國	-	-	49,825	44,714	49,825	44,714
Canada	加拿大	44,757	42,874	-	-	44,757	42,874
		44,757	42,874	49,825	44,714	94,582	87,588

The Group has recognised the aggregated amount of transaction price allocated to the unsatisfied performance obligations as at the end of the reporting period under contract liabilities (note 25). The Group expects the transaction price allocated to the unsatisfied performance obligations will be recognised as revenue when the Group transfers goods or services to the customer.

本集團已確認於報告期末分配至合約負債下未完成履約責任的交易價格的匯總金額(附註25)。本集團預期，分配至未完成履約責任的交易價格將於本集團向客戶轉移貨品或服務時確認為收益。

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6. SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the Chief Executive Officer, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on goods or services provided are as follows:

Continuing operations

(1) Hotel operation

Operation of a resort in Canada.

(2) Properties management

Properties management in the PRC.

Discontinued operations

(3) Electronic components

Sales and manufacture of electronic components for electronic appliances and communication equipment.

Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

All assets are allocated to reportable segments other than bank balances and cash, interests in joint ventures, amounts due from related companies and unallocated head office and corporate assets; and all liabilities are allocated to reportable segments other than unallocated head office and corporate liabilities, deferred tax liabilities, amount due to a director, secured loans and bonds.

6. 分部資料

本集團的可呈報營運分部乃根據報告予首席執行官（即最高營運決策者）作資源分配及評估分部間所出售的產品及提供服務之表現的資料，如下所示：

持續經營業務

(1) 酒店經營

經營一間位於加拿大的渡假酒店。

(2) 物業管理

於中國提供物業管理。

已終止經營業務

(3) 電子元件

銷售及製造電子設備和通訊設備專用的電子元件。

分部業績、資產及負債

為評估分部表現及在各分部間分配資源，本集團的高級行政管理人員按下列基準監控各可呈報分部的業績、資產及負債：

收益及開支分配至各可呈報分部乃參考各分部產生的銷售額以及該等分部產生或因該等分部的資產折舊或攤銷而產生的開支。

除銀行結餘及現金、於合營企業之權益、應收關連公司款項及未分配之總部及公司資產外，所有資產分配至可呈報分部；及除未分配之總部及公司負債、遞延稅項負債、應付一名董事款項、抵押貸款及債券外，所有負債分配至可呈報分部。

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6. SEGMENT INFORMATION (Continued)

- (a) The following is an analysis of the Group's revenue, results and other material items by reportable and operating segments:

2018

		Continuing operations 持續經營業務		
		Hotel Operation HK\$'000 酒店經營 千港元	Properties management HK\$'000 物業管理 千港元	Total HK\$'000 總計 千港元
Revenue from external customers	來自外部客戶之收益	44,757	49,825	94,582
Segment profit derived from the Group's external customers	來自本集團外部客戶之分部溢利	903	11,778	12,681
Finance costs	融資成本	(2,176)	–	(2,176)
Depreciation	折舊	(3,343)	(58)	(3,401)
Interest income	利息收入	–	20	20
Amortisation	攤銷	–	(4,562)	(4,562)
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	7	–	7
Loss allowance of trade receivables	貿易應收賬款虧損撥備	–	(1,199)	(1,199)
Segment assets	分部資產	86,704	63,993	150,697
Additions to non-current segment assets during the year	年內添置非流動分部資產	2,286	38	2,324
Segment liabilities	分部負債	5,409	17,340	22,749

6. 分部資料 (續)

- (a) 本集團按可呈報及經營分部劃分之收益、業績及其他重大項目分析如下：

二零一八年

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6. SEGMENT INFORMATION (Continued)

- (a) The following is an analysis of the Group's revenue, results and other material items by reportable and operating segments (Continued):

2017 (Note)

		Continuing operations		Sub-total	Discontinued operations	Total
		Hotel Operation	Properties management		已終止經營業務	
		HK\$'000	HK\$'000	HK\$'000	Electronic components	HK\$'000
		千港元	千港元	千港元	電子元件	千港元
Revenue from external customers	來自外部客戶之收益	42,874	44,714	87,588	100,114	187,702
Segment profit/(loss) derived from the Group's external customers	來自本集團外部客戶之分部溢利/(虧損)	876	4,622	5,498	(32,734)	(27,236)
Finance costs	融資成本	(1,894)	-	(1,894)	-	(1,894)
Depreciation	折舊	(3,251)	(61)	(3,312)	(2,698)	(6,010)
Interest income	利息收入	15	8	23	24	47
Amortisation	攤銷	-	(4,562)	(4,562)	-	(4,562)
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	-	-	-	152	152
Allowance for doubtful debts	呆賬撥備	-	(5,389)	(5,389)	-	(5,389)
Reversal of allowance for doubtful debts	撥回呆賬撥備	-	-	-	46	46
Allowance for inventories	存貨撥備	-	-	-	(724)	(724)
Reversal of allowance for inventories	撥回存貨撥備	-	-	-	271	271
Segment assets	分部資產	96,515	65,216	161,731	-	161,731
Additions to non-current segment assets during the year	年內添置非流動分部資產	4,027	4,129	8,156	-	8,156
Segment liabilities	分部負債	5,736	10,654	16,390	-	16,390

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

6. 分部資料 (續)

- (a) 本集團按可呈報及經營分部劃分之收益、業績及其他重大項目分析如下：
(續)

二零一七年(附註)

		Continuing operations		Sub-total	Discontinued operations	Total
		Hotel Operation	Properties management		已終止經營業務	
		HK\$'000	HK\$'000	HK\$'000	Electronic components	HK\$'000
		千港元	千港元	千港元	電子元件	千港元
Revenue from external customers	來自外部客戶之收益	42,874	44,714	87,588	100,114	187,702
Segment profit/(loss) derived from the Group's external customers	來自本集團外部客戶之分部溢利/(虧損)	876	4,622	5,498	(32,734)	(27,236)
Finance costs	融資成本	(1,894)	-	(1,894)	-	(1,894)
Depreciation	折舊	(3,251)	(61)	(3,312)	(2,698)	(6,010)
Interest income	利息收入	15	8	23	24	47
Amortisation	攤銷	-	(4,562)	(4,562)	-	(4,562)
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	-	-	-	152	152
Allowance for doubtful debts	呆賬撥備	-	(5,389)	(5,389)	-	(5,389)
Reversal of allowance for doubtful debts	撥回呆賬撥備	-	-	-	46	46
Allowance for inventories	存貨撥備	-	-	-	(724)	(724)
Reversal of allowance for inventories	撥回存貨撥備	-	-	-	271	271
Segment assets	分部資產	96,515	65,216	161,731	-	161,731
Additions to non-current segment assets during the year	年內添置非流動分部資產	4,027	4,129	8,156	-	8,156
Segment liabilities	分部負債	5,736	10,654	16,390	-	16,390

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。按所選用之過渡方法，比較資料不予重列。見附註3。

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6. SEGMENT INFORMATION (Continued)

(b) Reconciliation of reportable segment profit or loss, assets and liabilities:

6. 分部資料 (續)

(b) 可呈報分部損益、資產及負債之對賬：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit from continuing operations	持續經營業務之溢利		
Segment profit	分部溢利	12,681	5,498
Interest income	利息收入	–	1
Gain on amount to a director stated at fair value upon initial recognition	初始確認按公允價值列賬之應付一名董事款項時之收益	151	3,790
Depreciation	折舊	(61)	(148)
Equity-settled share-based payment expenses	以權益結算以股份為基礎的付款開支	(9,840)	(2,739)
Other finance costs	其他融資成本	(5,346)	(5,210)
Share of profits of joint ventures	分佔合營企業溢利	553	–
Unallocated head office and corporate expenses	未分配總部及公司開支	(18,722)	(19,026)
Consolidated loss before income tax	綜合除所得稅前虧損	(20,584)	(17,834)
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Assets	資產		
Reportable segment assets	可呈報分部資產	150,697	161,731
Bank balances and cash	銀行結餘及現金	7,757	13,027
Amounts due from related companies	應收關連公司款項	648	2,522
Interests in joint ventures	於合營企業之權益	44,604	–
Unallocated head office and corporate assets	未分配總部及公司資產	1,971	1,584
Consolidated total assets	綜合資產總額	205,677	178,864

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6. SEGMENT INFORMATION (Continued)

(b) Reconciliation of reportable segment profit or loss, assets and liabilities (Continued):

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	22,749	16,390
Amount due to a director	應付一名董事款項	3,315	45,961
Bonds	債券	60,181	50,000
Secured loans	抵押貸款	36,013	41,028
Deferred tax liabilities	遞延稅項負債	6,305	6,989
Unallocated head office and corporate liabilities	未分配總部及公司負債	12,995	12,251
Consolidated total liabilities	綜合負債總額	141,558	172,619

Geographical information

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, and other non-current assets and the location of the operations to which they are allocated, in the case of intangible assets and interests in joint ventures. The Group's operations are principally located in Hong Kong, Canada and the PRC (excluding Hong Kong).

6. 分部資料 (續)

(b) 可呈報分部損益、資產及負債之對賬 (續)：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Liabilities	負債		
Reportable segment liabilities	可呈報分部負債	22,749	16,390
Amount due to a director	應付一名董事款項	3,315	45,961
Bonds	債券	60,181	50,000
Secured loans	抵押貸款	36,013	41,028
Deferred tax liabilities	遞延稅項負債	6,305	6,989
Unallocated head office and corporate liabilities	未分配總部及公司負債	12,995	12,251
Consolidated total liabilities	綜合負債總額	141,558	172,619

地區資料

客戶的地理位置按提供服務或交付貨品的地理位置釐定。非流動資產的地理位置按資產的實際位置（物業、機器及設備及其他非流動資產）及獲分配營運業務所在地（無形資產、於合營企業之權益）釐定。本集團業務主要位於香港、加拿大及中國（香港除外）。

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6. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical locations of the assets are detailed below:

6. 分部資料 (續)

地區資料 (續)

本集團來自持續經營業務之外部客戶收益及有關其非流動資產之資料按資產所在地詳列如下：

		Revenue from external customers 外部客戶之收益		Non-current assets 非流動資產	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong	香港	-	-	-	61
The PRC (excluding Hong Kong)	中國 (香港除外)	49,825	44,714	74,760	38,829
Canada	加拿大	44,757	42,874	84,611	92,631
		94,582	87,588	159,371	131,521

Information about major customers

There is no single external customer contributed over 10% of the total revenue of the Group from continuing operations for the years ended 31 December 2018 and 2017.

有關主要客戶之資料

截至二零一八年及二零一七年十二月三十一日止年度，概無單一外部客戶貢獻本集團持續經營業務總收益超過10%。

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7. OTHER INCOME

7. 其他收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations			
Interest income from bank deposits	持續經營業務 銀行存款之利息收入	21	24
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	7	-
Gain on amount due to a director stated at fair value upon initial recognition	初始確認按公允價值列賬之應付一名董事款項時之收益	151	3,790
Government rewards (note)	政府獎勵(附註)	629	-
Interest income for amount due from a third party	應收一名第三方款項之利息收入	475	-
Others	其他	126	178
		1,409	3,992
Discontinued operations			
Interest income from bank deposits	已終止經營業務 銀行存款之利息收入	-	24
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	-	152
Government grants	政府補助	-	1,387
Reversal of allowance for doubtful debts	撥回呆賬撥備	-	46
Written back of trade payables	已撇銷之貿易應付賬款	-	5,779
Reversal of allowance for inventories	撥回存貨撥備	-	271
Others	其他	-	2,416
		-	10,075

Note: The government rewards provided by the PRC government to the Group were paid mainly as an incentive for maintaining good quality of properties management. There are no conditions and contingencies attached to the receipt of the government rewards and they are non-recurring in nature.

附註：中國政府向本集團提供之政府獎勵金乃主要為就物業管理保持高質素作出之獎勵。收取政府獎勵金並無附帶條件及或然因素，並屬非持續性質。

8. FINANCE COSTS

8. 融資成本

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations			
Interests on:	持續經營業務 利息：		
- Finance leases	- 融資租賃	-	4
- Secured loans	- 抵押貸款	2,176	1,894
- Bonds	- 債券	3,352	2,837
- Imputed interest on amount due to a director	- 應付一名董事款項之推算利息	1,994	2,369
		7,522	7,104

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9. LOSS BEFORE INCOME TAX

Loss before income tax has been arrived at after charging/
(crediting):

9. 除所得稅前虧損

除所得稅前虧損的計算已扣除／（計入）：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Continuing operations			
Auditor's remuneration	持續經營業務 核數師酬金	860	820
Operating lease charges:	經營租賃費用：		
minimum lease payments	最低租賃付款	1,964	2,423
Staff costs (including directors' emoluments) (note 10)	員工成本（包括董事酬金）（附註10）	53,871	46,733
– salaries, wages, allowances, long service payments and other benefits in kind	– 薪金、工資、津貼、長期服務金及其他實物福利	41,494	41,380
– retirement schemes contributions	– 退休計劃之供款	2,537	2,614
– equity-settled share-based payment expenses	– 以權益結算以股份為基礎的付款開支	9,840	2,739
Cost of inventories	存貨成本	8,385	8,254
Net foreign exchange gain	匯兌收益淨額	–	(2)
Depreciation (note 15)	折舊（附註15）	3,462	3,460
Loss allowance of trade receivables (note 20)	貿易應收賬款之虧損撥備（附註20）	1,199	5,389
Amortisation of intangible assets (note 16)	無形資產攤銷（附註16）	4,562	4,562
Discontinued operations			
Operating lease charges:	已終止經營業務 經營租賃費用：		
minimum lease payments	最低租賃付款	–	2,885
Staff costs (including directors' remuneration) (note 10)	員工成本（包括董事薪酬）（附註10）	–	27,027
– salaries, wages, allowances, long service payments and other benefits in kind	– 薪金、工資、津貼、長期服務金及其他實物福利	–	25,755
– retirement schemes contributions	– 退休計劃之供款	–	1,272
Cost of inventories	存貨成本	–	88,519
Net foreign exchange gain	匯兌收益淨額	–	(82)
Reversal of allowance for doubtful debts	撥回呆賬撥備	–	(46)
Allowance for inventories	存貨撥備	–	724
Reversal of allowance for inventories	撥回存貨撥備	–	(271)
Depreciation	折舊	–	2,698

Note: The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。按所選用之過渡方法，比較資料不予重列。見附註3。

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For the year ended 31 December 2018
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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's emoluments, disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

2018

10. 董事及行政總裁的酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露董事及行政總裁的酬金如下：

二零一八年

		Salaries, allowances and benefits in kind	Retirement benefits schemes contributions	Share-based payment expenses	Total
	Fees 袍金	薪金、津貼及 實物福利	退休福利 計劃供款	以股份支付 的開支	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元 (note c) (附註c)	千港元
Executive directors	執行董事				
Mr. Shen Yong (<i>Chairman</i>)	申勇先生 (主席)	1,200	-	107	1,307
Mr. Gan Lin (<i>Chief Executive Officer</i>)	甘霖先生 (行政總裁)	-	2,250	542	2,810
Mr. Shen Ke (note a)	申柯先生 (附註a)	210	-	1,066	1,276
Non-executive director	非執行董事				
Mr. Huang Xiang Yang	黃向陽先生	600	-	197	797
Independent non-executive directors	獨立非執行董事				
Dr. Loke Yu	陸海林博士	240	-	-	240
Mr. Yu Lei	余磊先生	120	-	-	120
Mr. Ernst Rudolf Zimmermann	司馬文先生	180	-	-	180
		2,550	2,250	18	6,730

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Directors' and chief executive's emoluments, disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows (Continued):

2017

10. 董事及行政總裁的酬金（續）

根據香港公司條例第383(1)條及公司（披露董事利益資料）規例第2部披露董事及行政總裁的酬金如下（續）：

二零一七年

		Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼及 實物福利 HK\$'000 千港元	Retirement benefits schemes contributions 退休福利 計劃供款 HK\$'000 千港元	Share-based payment expenses 以股份支付 的開支 HK\$'000 千港元 (note c) (附註c)	Total 總計 HK\$'000 千港元
Executive directors		執行董事				
Mr. Shen Yong (<i>Chairman</i>)	申勇先生 (主席)	1,200	–	–	30	1,230
Mr. Gan Lin (<i>Chief Executive Officer</i>)	甘霖先生 (行政總裁)	–	2,280	18	–	2,298
Mr. Hong Sang Joon (note b)	洪祥準先生 (附註b)	–	1,707	6	–	1,713
Mr. Shen Ke (note a)	申柯先生 (附註a)	600	–	–	302	902
Non-executive director		非執行董事				
Mr. Huang Xiang Yang	黃向陽先生	600	–	–	197	797
Independent non-executive directors		獨立非執行董事				
Dr. Loke Yu	陸海林博士	240	–	–	–	240
Mr. Yu Lei	余磊先生	120	–	–	–	120
Mr. Ernst Rudolf Zimmermann	司馬文先生	180	–	–	–	180
		2,940	3,987	24	529	7,480

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10. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Notes:

- (a) Mr. Shen Ke resigned on 21 September 2018.
- (b) Mr. Hong Sang Joon resigned on 27 June 2017.
- (c) The value of share options granted to the directors is measured according to the Group's accounting policy for share-based payment transactions as set out in note 2.23. The details of these benefits in kind including the principal terms and number of options granted are disclosed in note 35.

11. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, four (2017: four) are directors whose emoluments are reflected in the analysis presented in note 10. The emoluments in respect of the remaining one (2017: one) individual during the year are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,511	1,541
Retirement benefits schemes contributions	退休福利計劃供款	18	18
Equity-settled share-based payment expenses	以權益結算以股份為基礎的支付開支	214	214
		1,743	1,773

The above individual's emolument was within the following bands:

		Number of individuals 僱員人數	
		2018 二零一八年	2017 二零一七年
HK\$1,500,001 – HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	1

There was no arrangement during the years ended 31 December 2018 and 2017, under which the directors or the five highest paid individuals waived or agreed to waive any remuneration, and no emoluments were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office.

10. 董事及行政總裁的酬金 (續)

附註：

- (a) 申柯先生於二零一八年九月二十一日辭任。
- (b) 洪祥準先生於二零一七年六月二十七日辭任。
- (c) 授予董事的購股權的價值乃根據本集團有關股份支付交易的會計政策進行計量，詳情載於附註2.23。該等實物福利詳情（包括已授出購股權的主要條款及數目）於附註35披露。

11. 最高薪酬人士

本集團五名最高薪酬人士中，四名（二零一七年：四名）為本公司董事，其酬金已於上文附註10內作出披露。年內餘下一名（二零一七年：一名）人士的酬金總額詳情如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,511	1,541
Retirement benefits schemes contributions	退休福利計劃供款	18	18
Equity-settled share-based payment expenses	以權益結算以股份為基礎的支付開支	214	214
		1,743	1,773

上述人士的酬金範圍載列如下：

		Number of individuals 僱員人數	
		2018 二零一八年	2017 二零一七年
HK\$1,500,001 – HK\$2,000,000	1,500,001 港元至 2,000,000 港元	1	1

於截至二零一八年及二零一七年十二月三十一日止年度，董事或五名最高薪酬人士概無根據任何安排放棄或同意放棄任何酬金，且本集團並無向董事或五名最高薪酬人士已付任何酬金，以作為加盟本集團或於加盟本集團時的獎金或作為離職補償。

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12. INCOME TAX EXPENSES

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations	持續經營業務		
PRC Corporate Income Tax	中國企業所得稅		
Provision for the year	本年度撥備	1,920	5,596
Deferred tax (note 28)	遞延稅項 (附註28)	(684)	(684)
		1,236	4,912

Notes:

- (a) No Hong Kong Profits Tax has been provided in the consolidated financial statements as the Group had no assessable profit in Hong Kong for the years ended 31 December 2018 and 2017.
- (b) Provision for the PRC Corporate Income Tax is calculated at 25% of the estimated assessable profits for both years ended 31 December 2018 and 2017.
- (c) Provision for the PRC Corporate Income Tax for Nuofute Property Management Co., Ltd.* 重慶諾富特物業管理有限公司 (“Nuofute Property Management”) is calculated at 15% of the estimated assessable profits for both years ended 31 December 2018 and 2017. Nuofute Property Management is qualified as a company under the development strategy of the PRC’s western region and was able to enjoy a preferential income tax rate of 15%.
- (d) Canadian Corporation Tax is calculated at Federal tax rate of 15% and British Columbia provincial tax rate of 11% on the estimated assessable profits for the years ended 31 December 2018 and 2017. No provision for taxation has been made as there is no assessable profit for the years ended 31 December 2018 and 2017.
- (e) United States of America (“USA”) Corporation Tax is calculated at Federal tax rate of 21% and California provincial tax rate of 8.84% on the estimated assessable profits for the year ended 31 December 2018. No provision for taxation has been made as there is no assessable profit for the year ended 31 December 2018.
- (f) Pursuant to the rules and regulations of the BVI, the Group is not subject to any income tax in the BVI.

* For identification purpose only.

12. 所得稅開支

於綜合損益及其他全面收益表內之稅項指：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations	持續經營業務		
PRC Corporate Income Tax	中國企業所得稅		
Provision for the year	本年度撥備	1,920	5,596
Deferred tax (note 28)	遞延稅項 (附註28)	(684)	(684)
		1,236	4,912

附註：

- (a) 由於本集團截至二零一八年及二零一七年十二月三十一日止年度均無應課稅溢利，故並無於綜合財務報表計提香港利得稅撥備。
- (b) 中國企業所得稅撥備乃以截至二零一八年及二零一七年十二月三十一日止年度之估計應課稅溢利按25%計算。
- (c) 重慶諾富特物業管理有限公司（「諾富特物業管理」）之中國企業所得稅撥備乃以截至二零一八年及二零一七年十二月三十一日止各年度之估計應課稅溢利按15%計算。諾富特物業管理乃中國西部大開發下之合資格公司，可享優惠所得稅率15%。
- (d) 截至二零一八年及二零一七年十二月三十一日止年度，加拿大企業所得稅乃以估計應課稅溢利按聯邦稅率15%及英屬哥倫比亞省稅率11%計算。截至二零一八年及二零一七年十二月三十一日止年度，由於並無應課稅溢利，故並無計提稅項撥備。
- (e) 美國公司稅乃就截至二零一八年十二月三十一日止年度之估計應課稅溢利按聯邦稅率21%及加利福尼亞州稅率8.84%計算。由於截至二零一八年十二月三十一日止年度並無應課稅溢利，故並無計提稅項撥備。
- (f) 根據英屬處女群島規則及法規，本集團無須繳交英屬處女群島任何所得稅。

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12. INCOME TAX EXPENSES (Continued)

Reconciliation between accounting loss and income tax expenses at applicable tax rate is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss before income tax from continuing operations	來自持續經營業務之除所得稅前虧損	(20,584)	(17,834)
Notional tax on loss before income tax, calculated at the rates applicable to profit in the tax jurisdictions concerned	按照適用於相關稅務司法權區的溢利之稅率，就除所得稅前虧損計算的名義稅項	(3,532)	(2,951)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	3,269	2,435
Tax effect of income not taxable for tax purpose	毋須納稅收入的稅務影響	(253)	(782)
Tax effect of unused tax losses and other temporary differences not recognised	未動用稅項虧損及其他未確認臨時差異的稅務影響	1,752	6,210
Income tax expenses for the year	本年度所得稅開支	1,236	4,912

12. 所得稅開支 (續)

會計虧損與按適用稅率計算的所得稅開支之間的對賬如下：

13. DIVIDEND

No dividend was paid or proposed during the years ended 31 December 2018 and 2017, nor has any dividend been proposed since the end of the reporting period.

13. 股息

截至二零一八年及二零一七年十二月三十一日止年度，並無派付或建議股息，且自報告期末以來亦未建議任何股息。

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14. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to equity shareholders of the Company is based on the following:

14. 每股（虧損）／盈利

本公司權益股東應佔的每股基本及攤薄（虧損）／盈利乃基於以下項目計算：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss)/earnings	（虧損）／盈利		
(Loss)/earnings for the purpose of basic (loss)/earnings per share	用於計算每股基本（虧損）／盈利的（虧損）／盈利		
(Loss)/profit for the year attributable to equity shareholders of the Company	本公司權益股東應佔的本年度（虧損）／溢利		
– from continuing operations	– 來自持續經營業務	(21,820)	(22,746)
– from discontinued operations	– 來自已終止經營業務	–	14,217
		'000 千股	'000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares as at 31 December	於十二月三十一日的普通股加權平均數	531,213	456,409

Diluted (loss)/earnings per share for the years ended 31 December 2018 and 2017 equate the basic (loss)/earnings per share as the Group's share options were not included in the calculation of diluted (loss)/earnings per share because they are anti-dilutive.

截至二零一八年及二零一七年十二月三十一日止年度的每股攤薄（虧損）／盈利與每股基本（虧損）／盈利相等，原因是本集團購股權具反攤薄影響，故並無在計算每股攤薄（虧損）／盈利時包括在內。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、機器及設備

		Land and buildings held for own use 持作自用的土地及樓宇 HK\$'000 千港元	Plant and machinery 機器及設備 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Other property, plant and equipment 其他物業、機器及設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本						
As at 1 January 2017	於二零一七年一月一日	87,844	87,834	5,306	2,838	44,157	227,979
Exchange adjustments	匯兌調整	7,076	2,317	55	26	1,442	10,916
Additions	添置	2,463	78	-	-	1,920	4,461
Disposal through disposal of subsidiaries	透過出售附屬公司出售	-	(88,666)	(3,767)	(2,163)	(39,604)	(134,200)
Disposals	出售	-	(1,563)	-	-	(150)	(1,713)
As 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	97,383	-	1,594	701	7,765	107,443
Exchange adjustments	匯兌調整	(7,606)	-	-	-	(439)	(8,045)
Additions	添置	1,736	-	-	-	588	2,324
Disposals	出售	-	-	-	-	(439)	(439)
As at 31 December 2018	於二零一八年十二月三十一日	91,513	-	1,594	701	7,475	101,283
Depreciation and impairment	折舊及減值						
As at 1 January 2017	於二零一七年一月一日	5,305	74,775	4,800	2,144	37,306	124,330
Exchange adjustments	匯兌調整	481	1,875	48	18	1,117	3,539
Charge for the year	本年度支銷	1,574	1,710	188	283	2,403	6,158
Disposal through disposal of subsidiaries	透過出售附屬公司出售	-	(77,257)	(3,442)	(1,802)	(35,784)	(118,285)
Written back on disposals	出售時撇銷	-	(1,103)	-	-	(42)	(1,145)
As 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	7,360	-	1,594	643	5,000	14,597
Exchange adjustments	匯兌調整	(660)	-	-	-	(415)	(1,075)
Charge for the year	本年度支銷	1,857	-	-	58	1,547	3,462
Written back on disposals	出售時撇銷	-	-	-	-	(439)	(439)
As at 31 December 2018	於二零一八年十二月三十一日	8,557	-	1,594	701	5,693	16,545
Carrying values	賬面值						
As at 31 December 2018	於二零一八年十二月三十一日	82,956	-	-	-	1,782	84,738
As at 31 December 2017	於二零一七年十二月三十一日	90,023	-	-	58	2,765	92,846

As at 31 December 2018, the Group's land and buildings held for own use located outside Hong Kong with carrying amount of approximately HK\$82,956,000 (2017: HK\$90,023,000) were pledged to the secured loans (see note 29).

於二零一八年十二月三十一日，本集團於香港境外持有，賬面值約為82,956,000港元（二零一七年：90,023,000港元）的自用土地及樓宇已抵押予抵押貸款（參閱附註29）。

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16. INTANGIBLE ASSETS

16. 無形資產

		Customers relationship 客戶關係 HK\$'000 千港元
Cost	成本	
As at 1 January 2017, 31 December 2017, 1 January 2018 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 二零一八年一月一日及 二零一八年十二月三十一日	45,616
Amortisation	攤銷	
As at 1 January 2017	於二零一七年一月一日	6,463
Charges for the year	本年度攤銷	4,562
As 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	11,025
Charges for the year	本年度攤銷	4,562
As at 31 December 2018	於二零一八年十二月三十一日	15,587
Carrying values	賬面值	
As at 31 December 2018	於二零一八年十二月三十一日	30,029
As at 31 December 2017	於二零一七年十二月三十一日	34,591

The amortisation charge for the year is included in "Administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

本年度攤銷費用計入綜合損益及其他全面收益表中的「行政開支」項下。

The customers relationship was acquired from third parties through business combinations. It was amortised on a straight-line basis over 10 years. The remaining useful live of the intangible assets was 7 years.

客戶關係乃透過業務合併自第三方收購，其乃使用直線基準在十年內攤銷。無形資產之剩餘可使用年期為七年。

Management of the Group considered that no impairment of intangible assets is necessary as at 31 December 2018 and 2017.

本集團管理層認為，於二零一八年及二零一七年十二月三十一日，其無形資產無須減值。

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17. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries as at 31 December 2018 and 2017 are as follows:

17. 於附屬公司之權益

於二零一八年及二零一七年十二月三十一日的主要附屬公司詳情如下：

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
Forebase Canada Limited 申基加拿大有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股
Forebase Group Limited 申基集團有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	100%	100%	-	-	Investment holding 投資控股
Forebase Victoria Holdings Limited	Canada 加拿大	1 share of Canadian dollar ("CAD")1 1股·1加拿大元(「加元」)	-	-	100%	100%	Hotel operation 酒店經營
Forebase Enterprise Limited 申基創業有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	100%	100%	-	-	Investment holding 投資控股
Forebase China Limited 申基中國有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股
Forebase Hong Kong Limited 申基香港有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Provision of administrative support to group companies 對集團公司提供行政支援
Ultimate Frontier Limited	BVI 英屬處女群島	1 share, US\$1 1股·1美元	-	-	100%	100%	Investment holding 投資控股

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17. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries as at 31 December 2018 and 2017 are as follows (Continued):

17. 於附屬公司之權益 (續)

於二零一八年及二零一七年十二月三十一日的主要附屬公司詳情如下 (續) :

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
Forebase International Healthcare and Senior Living Hotel Management Service Limited 申基國際健康養老酒店管理 服務有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Provision of services of global high-end healthcare and senior care industry 提供全球高端保健及 長者護理行業服務
Equity Stream Limited	BVI 英屬處女群島	1 share, US\$1 1股·1美元	-	-	100%	100%	Investment holding 投資控股
Keen Capture Limited 佳安有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股
Capital Knight Limited	BVI 英屬處女群島	1 share, US\$1 1股·1美元	-	-	100%	100%	Investment holding 投資控股
Easy Chase Limited 萬璋有限公司	Hong Kong 香港	1 share, HK\$1 1股·1港元	-	-	100%	100%	Investment holding 投資控股
Forebase US Holdings Limited (note a) (附註a)	USA 美國	100 share, US\$31 100股·31美元	100%	-	-	-	Investment holding 投資控股

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17. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the principal subsidiaries as at 31 December 2018 and 2017 are as follows (Continued):

Name of subsidiaries 公司名稱	Place of incorporation/ establishment/ operation 註冊成立/成立/ 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例				Principal activities 主要業務
			Directly 直接		Indirectly 間接		
			2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	
Wanwei (Chongqing) Business Management Co., Ltd.** 萬璋(重慶)企業管理有限公司#	PRC 中國	US\$400,000 400,000美元	-	-	100%	100%	Investment holding 投資控股
Chongqing Wanwei Trading Development Co., Ltd.** 重慶萬璋貿易發展有限公司#	PRC 中國	Renminbi ("RMB") 1,000,000 人民幣 1,000,000元	-	-	100%	100%	Investment holding 投資控股
Nuofute Property Management Co., Ltd.** 重慶諾富特物業管理有限公司#	PRC 中國	RMB5,000,000 人民幣5,000,000元	-	-	100%	100%	Properties management 物業管理
Chengdu Aoshenda Business Management Limited Liability Co.,** 成都奧申達商業管理有限責任公司#	PRC 中國	HK\$10,000,000 10,000,000港元	-	-	100%	100%	Business management 商業管理

Notes:

(a) Company incorporated during the year ended 31 December 2018.

* The English translation of the name of the companies established in the PRC is for reference only. The official name of the companies are in Chinese.

These entities were established in the PRC and are wholly-owned foreign enterprises.

None of the subsidiaries had issued any debt securities at the end of both years or during both years.

17. 於附屬公司之權益(續)

於二零一八年及二零一七年十二月三十一日的主要附屬公司詳情如下(續):

附註:

(a) 於截至二零一八年十二月三十一日止年度註冊成立的公司。

* 於中國成立的公司之英文譯名僅供參考。公司官方名稱以中文表示。

該等實體於中國成立，屬外商獨資企業。

概無任何附屬公司於兩個年度末或於年內發行任何債券。

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18. INTERESTS IN JOINT VENTURES

18. 於合營企業之權益

		2018 二零一八年 HK\$'000 千港元
Share of net assets	應佔資產淨值	15,081
Amounts due from joint ventures	應收合營企業款項	29,523
		44,604
Represented by:	即：	
Investment costs	投資成本	15,758
Share of post-acquisition reserves	應佔收購後儲備	(677)
		15,081
Amount due from joint ventures	應收合營企業款項	29,523
At 31 December 2018	於二零一八年 十二月三十一日	44,604

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18. INTERESTS IN JOINT VENTURES (Continued)

The following list contains only the particulars of joint ventures, all of which are unlisted corporate entities whose quoted market prices are not available, which in the opinion of the directors principally affected the results or net assets of the Group as at 31 December 2018.

18. 於合營企業之權益 (續)

下表僅載列董事認為對本集團於二零一八年十二月三十一日的業績或資產淨值有重大影響的合營企業之詳情，所有合營企業均為非上市公司實體，並無市場報價。

Name 名稱	Place of incorporation/ establishment/ operations 註冊成立/成立/ 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Proportion ownership interest held by the Company 由本公司持有之所有權權益比例		Principal activities 主要業務
			Indirectly 間接		
			2018 二零一八年	2017 二零一七年	
Triple Market Limited	BVI 英屬處女群島	1 share, US\$1 1股，1美元	49%	–	Investment holding 投資控股
Daily Host Limited	Hong Kong 香港	1 share, HK\$1 1股，1港元	49%	–	Investment holding 投資控股
Chongqing Shandu Corporate Management Limited* 重慶善度企業管理有限公司	PRC 中國	US\$300,000 300,000美元	49%	–	Investment holding 投資控股
Chongqing Shance Limited* 重慶善策實業有限公司	PRC 中國	RMB10,000,000 人民幣10,000,000元	49%	–	Investment holding 投資控股
Chongqing Xingling Limited* 重慶星嶺實業有限公司	PRC 中國	RMB49,658,200 人民幣49,658,200元	49%	–	Property holding 持有物業

* The English translation of the names of the companies established in the PRC is for reference only. The official names of the companies are in Chinese.

* 於中國成立的公司之英文譯名僅供參考。公司官方名稱以中文表示。

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18. INTERESTS IN JOINT VENTURES (Continued)

In November 2017, Forebase China Limited, a wholly owned subsidiary of the Group, entered into a sales and purchase agreement (“Agreement”) with an independent third party, for the acquisition of 49% equity interests, together with the shareholder’s loan, in Triple Market Limited and its subsidiaries (“Triple Market Group”) (the “Acquisition”) at a total consideration of HK\$45,281,000, represented by the issuance of 90,000,000 ordinary shares at a market value of HK\$0.39 per share amounting to HK\$35,100,000 and an unlisted bond with the principal amount of HK\$10,181,000. The bond bears an interest rate at 3% per annum, unsecured and repayable within 36 months from 6 March 2018. The Acquisition was completed on 6 March 2018. The net assets acquired of the Triple Market Group amounted to HK\$32,159,000 and the carrying amount of 49% of shareholder’s loan amounted to approximately HK\$29,523,000. Triple Market Group has no business operation, it mainly holds an investment property.

The amount due from joint ventures is unsecured, non-interest bearing and repayable on demand.

Pursuant to the Agreement, unanimous consent from both shareholders are required for certain key corporate matters of Triple Market Group. Therefore, Triple Market Group is under the joint control of the Group. The Group has the right to the net assets of Triple Market Group. Accordingly, the investment in Triple Market Group was accounted for as joint ventures of the Group by using the equity method.

18. 於合營企業之權益 (續)

於二零一七年十一月，本集團一間全資附屬公司申基中國有限公司與一名獨立第三方訂立買賣協議（「該協議」），以收購 Triple Market Limited 及其附屬公司（「Triple Market 集團」）之 49% 股權連同股東貸款（「收購事項」），總代價約為 45,281,000 港元，乃透過按每股股份 0.39 港元之市價發行 90,000,000 股普通股（合共 35,100,000 港元）以及發行本金額為 10,181,000 港元非上市債券之方式支付。該債券按年利率 3% 計息，無抵押及須於二零一八年三月六日起計 36 個月內償還。收購事項已於二零一八年三月六日完成。所收購 Triple Market 集團之資產淨值為 32,159,000 港元，而 49% 股東貸款之賬面值約為 29,523,000 港元。Triple Market 集團並無業務營運，主要持有一項投資物業。

應收合營企業款項為無抵押、免息及須於要求時償還。

根據該協議，Triple Market 集團的若干重要公司事宜須獲得兩名股東的一致同意。因此，Triple Market 集團由本集團共同控制。本集團有權享有 Triple Market 集團的淨資產。因此，於 Triple Market 集團的投資以權益法入賬列為本集團的合營企業。

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18. INTERESTS IN JOINT VENTURES (Continued)

Set out below are the summarised financial information of each of Triple Market Group which are accounted for using the equity method:

18. 於合營企業之權益 (續)

以下載列以權益法入賬的Triple Market集團的財務資料概要：

		2018 二零一八年 HK\$'000 千港元
Current assets	流動資產	65
Non-current assets	非流動資產	87,736
Current liabilities	流動負債	(56,454)
Non-current liabilities	非流動負債	(569)
Net assets	資產淨值	30,778
Included in the above assets and liabilities:	上述資產及負債包括：	
Cash and cash equivalents	現金及現金等價物	1
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括貿易及其他應付賬款及撥備)	(55,491)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括貿易及其他應付賬款及撥備)	(569)

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18. INTERESTS IN JOINT VENTURES (Continued)

Set out below are the summarised financial information of each of Triple Market Group which are accounted for using the equity method (Continued):

18. 於合營企業之權益 (續)

以下載列以權益法入賬的Triple Market集團的財務資料概要(續):

		2018 二零一八年 HK\$'000 千港元
Revenue	收益	57
Other income	其他收入	3
Gain arising from change in fair value of an investment property	投資物業公允價值變動產生之收益	2,373
Total operating expenses	經營開支總額	(711)
Profit before income tax	除所得稅前溢利	1,722
Income tax expenses	所得稅開支	(593)
Profit for the year	本年度溢利	1,129
Other comprehensive expenses for the year	本年度其他全面開支	
Exchange differences on translation of financial statements of the overseas joint ventures	換算海外合營企業財務報表之匯兌差額	(2,510)
Total comprehensive expense attributable to the Group	本集團應佔全面開支總額	(1,381)

19. INVENTORIES

19. 存貨

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Food and beverages	食物及飲料	622	1,063
Hotel merchandise	酒店商品	215	461
		837	1,524

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20. TRADE AND OTHER RECEIVABLES

20. 貿易及其他應收賬款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Trade receivables, net of loss allowance (note (a))	應收貿易賬款 (扣除虧損撥備) (附註(a))		
– with third parties	– 第三方	542	1,532
– with related companies (note (b))	– 關聯公司 (附註(b))	26,580	24,555
		27,122	26,087
Deposits and other receivables	按金及其他應收賬款	2,724	2,651
Amount due from a third party (note (c))	應收一名第三方款項 (附註(c))	6,004	–
Amounts due from related companies (note (b))	應收關聯公司款項 (附註(b))	648	2,522
Prepayments	預付款項	1,214	1,532
		37,712	32,792

Note: The Group has initially applied HKFRS 9 at 1 January 2018. As at 1 January 2018, loss allowance of trade receivables amounted to HK\$145,000 was recognised. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第9號。於二零一八年一月一日，已確認貿易應收賬款之虧損撥備145,000港元。按所選用之過渡方法，比較資料不予重列。見附註3。

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20. TRADE AND OTHER RECEIVABLES (Continued)

(a) Trade receivables

The Group allows an average credit period of 0 to 30 days to its trade customers. Further details on the Group's credit policy are set out in note 38.3. The following is an ageing analysis of trade receivables, net of loss allowance of trade receivables, based on the date of delivery of goods or date of rendering of services which approximated the respective dates on which revenue was recognised.

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 90 days	90日內	1,176	2,926
91 to 180 days	91至180日	1,086	3,292
181 to 365 days	181至365日	2,633	6,604
Over 365 days	超過365日	22,227	13,265
		27,122	26,087

The movements in loss allowance of trade receivables during the year are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Balance at 31 December calculated under HKAS 39	於十二月三十一日的結餘，按香港會計準則第39號計算	5,610	10,956
Impact on initial application of HKFRS 9 (note 3)	初始應用香港財務準則第9號之影響（附註3）	145	-
Adjusted balance at 1 January calculated under HKFRS 9	於一月一日的經調整結餘，按香港財務報告準則第9號計算	5,755	10,956
Loss allowance of trade receivables during the year	年內貿易應收賬款之虧損撥備	1,199	5,389
Reversal of allowance for doubtful debts	撥回呆賬撥備	-	(46)
Reversal of allowance for doubtful debts through disposal of subsidiaries	經出售附屬公司撥回呆賬撥備	-	(10,910)
Exchange adjustments	匯兌調整	(343)	221
As at 31 December	於十二月三十一日	6,611	5,610

20. 貿易及其他應收賬款（續）

(a) 貿易應收賬款

本集團向貿易客戶授予的平均信貸期為0至30日。關於本集團信貸政策的進一步詳情載於附註38.3。以下為根據交付貨品的日期或提供服務的日期（與確認收益的日期相若）呈列的貿易應收賬款（扣除貿易應收賬款虧損撥備）的賬齡分析。

貿易應收賬款之虧損撥備於年內之變動如下：

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20. TRADE AND OTHER RECEIVABLES (Continued)

(b) Amounts due from related companies

Amounts due from related companies disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

Name of related company 關聯公司名稱	Relationship with the Group 與本集團的關係	At 31 December 2018 於二零一八年十二月三十一日 HK\$'000 千港元	At 31 December 2017 於二零一七年十二月三十一日 HK\$'000 千港元	Maximum outstanding balance during the year 年內最高未償還結餘 HK\$'000 千港元	Term 條款
Chongqing Tianma Property Development Co., Ltd* 重慶天馬物業發展有限公司	A company controlled by Mr. Shen Yong, a controlling shareholder of the Company 由本公司控股股東申勇先生控制的公司	297	–	309	Unsecured, interest-free and repayable on demand 無抵押、免息及須按要求償還
Chongqing Liangping Daisi Zhiye Co., Ltd* 重慶梁平戴斯置業有限公司	A company controlled by Mr. Shen Yong, a controlling shareholder of the Company 由本公司控股股東申勇先生控制的公司	351	–	375	Unsecured, interest-free and repayable on demand 無抵押、免息及須按要求償還
Chongqing Kaitai Huasheng Shiye Co., Ltd* 重慶開泰華盛實業有限公司	A company controlled by Mr. Gan Lin, a director of the Company 由本公司董事甘霖先生控制的公司	–	2,522	4,508	Unsecured, interest-free and repayable on demand 無抵押、免息及須按要求償還
Total 總計		648	2,522		

* The English translation of the names of the companies established in the PRC is for reference only. The official name of the companies are in Chinese.

20. 貿易及其他應收賬款 (續)

(b) 應收關聯公司款項

根據香港公司條例第383(1)(d)條及公司(披露董事利益資料)規例第3部披露之應收關聯公司款項如下：

* 於中國成立的公司之英文譯名僅供參考。公司官方名稱以中文表示。

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20. TRADE AND OTHER RECEIVABLES (Continued)

(b) Amounts due from related companies (Continued)

As at 31 December 2018, Mr. Shen Yong, the controlling shareholder, had undertaken to indemnify the Group against any losses that may result from the non-recovery of the trade receivables from related companies of HK\$26,580,000, these amounts were also secured by a pledge of an asset of approximately HK\$41,422,000 owned by Mr. Shen Yong.

(c) Amount due from a third party

The amount is unsecured, interest bearing at 8% per annum and repayable before 14 November 2019.

21. BANK BALANCES AND CASH AND OTHER CASH FLOW INFORMATION

(a) Bank balances and cash

Bank balances of the Group represented short-term deposits with a maturity of three months or less. Bank balances carry interest at market rates which range from 0.01% to 0.35% (2017: 0.01% to 0.35%) per annum was identified for the year ended 31 December 2018.

Bank balances and cash of HK\$4,718,000 (2017: HK\$2,829,000) denominated in RMB are placed with banks in the PRC. RMB is not a freely convertible currency. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through banks that are authorised to conduct foreign exchange business.

20. 貿易及其他應收賬款 (續)

(b) 應收關聯公司款項 (續)

於二零一八年十二月三十一日，控股股東申勇先生已承諾就任何因未收回的關聯公司貿易應收賬款26,580,000港元而產生的虧損向本集團進行補償，而該等款項亦由申勇先生所擁有的約41,422,000港元之資產抵押作擔保。

(c) 應收一名第三方款項

該款項乃無抵押，按年利率8%計息，及須於二零一九年十一月十四日之前償還。

21. 銀行結餘及現金及其他現金流量 資料

(a) 銀行結餘及現金

本集團之銀行結餘乃指三個月或以下到期之短期存款。截至二零一八年十二月三十一日止年度，銀行結餘按每年0.01%至0.35% (二零一七年：0.01%至0.35%) 的市場利率計息。

銀行結餘及現金4,718,000港元 (二零一七年：2,829,000港元) 均以人民幣計值，存放於中國的銀行。人民幣並非可自由兌換的貨幣。根據中國外匯管理條例及外匯結算、銷售及付款管理條例，本集團獲准透過獲授權開展外匯業務的銀行將人民幣兌換為外幣。

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21. BANK BALANCES AND CASH AND OTHER CASH FLOW INFORMATION (Continued)

(b) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

21. 銀行結餘及現金及其他現金流量資料 (續)

(b) 融資活動所產生的負債對賬

下表詳細列出融資活動所產生的本集團負債變動，包括現金及非現金的變動。融資活動所產生的負債乃為現金流量或未來現金流量於本集團綜合現金流量表中已分類或將分類為融資活動所產生的現金流量的負債。

		Amounts due to related companies 應付關聯公司款項 HK\$'000 千港元	Secured loans 抵押貸款 HK\$'000 千港元 (note 29) (附註29)	Bonds 債券 HK\$'000 千港元 (note 30) (附註30)	Amount due to a director 應付一名董事款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	3,590	41,028	50,000	45,961	140,579
Changes from financing cash flows:	融資現金流量變動：					
Advances from related companies	關聯公司墊款	3,911	-	-	-	3,911
Repayment to a director	償還一名董事款項	-	-	-	(1,224)	(1,224)
Interest paid	已支付利息	-	(2,176)	(2,800)	(1,994)	(6,970)
Repayment of secured loans	償還抵押貸款	-	(1,943)	-	-	(1,943)
Total changes from financing cash flows	融資現金流量變動總額	3,911	(4,119)	(2,800)	(3,218)	(6,226)
Exchange adjustments	匯兌調整	(344)	(3,072)	-	-	(3,416)
Other changes:	其他變動：					
Finance costs (note 8)	融資成本 (附註8)	-	2,176	3,352	1,994	7,522
Interest payable	應付利息	-	-	(552)	-	(552)
Issuance of shares for repayment of amount due to a director (note 26(b))	就償還應付一名董事款項發行股份 (附註26(b))	-	-	-	(41,422)	(41,422)
Issuance of bonds for acquisition of joint ventures	就收購合營企業發行之債券	-	-	10,181	-	10,181
Total other changes	其他變動總額	-	2,176	12,981	(39,428)	(24,271)
At 31 December 2018	於二零一八年十二月三十一日	7,157	36,013	60,181	3,315	106,666

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21. BANK BALANCES AND CASH AND OTHER CASH FLOW INFORMATION (Continued)

(b) Reconciliation of liabilities arising from financing activities (Continued)

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities (Continued).

		Amounts due to related companies 應付關聯公司款項 HK\$'000 千港元	Obligation under finance leases 融資租賃責任 HK\$'000 千港元	Secured loans 抵押貸款 HK\$'000 千港元 (note 29) (附註29)	Bonds 債券 HK\$'000 千港元 (note 30) (附註30)	Amount due to a director 應付一名董事款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	3,974	156	39,898	40,000	68,325	152,353
Changes from financing cash flows:	融資現金流量變動：						
Repayment to related companies	償還關聯公司款項	(659)	-	-	-	-	(659)
Proceeds from issuance of bonds	發行債券所得款項	-	-	-	10,000	-	10,000
Repayment of capital element of finance lease	償還融資租賃的資本部份	-	(156)	-	-	-	(156)
Interest element of finance lease	融資租賃的利息部份	-	(4)	-	-	-	(4)
Repayment to a director	償還一名董事款項	-	-	-	-	(18,574)	(18,574)
Interest paid	已支付利息	-	-	(1,894)	(2,837)	(2,369)	(7,100)
Repayment of secured loans	償還抵押貸款	-	-	(1,968)	-	-	(1,968)
Total changes from financing cash flows	融資現金流量變動總額	(659)	(160)	(3,862)	7,163	(20,943)	(18,461)
Exchange adjustments	匯兌調整	275	-	3,098	-	-	3,373
Other changes:	其他變動：						
Finance charges on obligation under finance leases (note 8)	融資租賃責任之融資費用(附註8)	-	4	-	-	-	4
Finance costs (note 8)	融資成本(附註8)	-	-	1,894	2,837	2,369	7,100
Gain on amount due to a director stated at fair value upon initial recognition (note 7)	初始確認按公允價值列賬的應付一名董事款項時之收益(附註7)	-	-	-	-	(3,790)	(3,790)
Total other changes	其他變動總額	-	4	1,894	2,837	(1,421)	3,314
At 31 December 2017	於二零一七年十二月三十一日	3,590	-	41,028	50,000	45,961	140,579

21. 銀行結餘及現金及其他現金流量資料(續)

(b) 融資活動所產生的負債對賬(續)

下表詳細列出融資活動所產生的本集團負債變動，包括現金及非現金的變動。融資活動所產生的負債乃為現金流量或未來現金流量於本集團綜合現金流量表中已分類或將分類為融資活動所產生的現金流量的負債(續)。

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22. TRADE AND OTHER PAYABLES

22. 貿易及其他應付賬款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Note) (附註)
Trade payables	貿易應付賬款	1,234	1,903
Accruals	應計費用	855	1,886
Other payables	其他應付賬款	9,883	10,784
		11,972	14,573

Note: The Group applies the practical expedient for not adjusting the amount of consideration for the effects of a significant financing component if the period between the transfer of services and customer payment will be one year or less and recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the asset that the Group otherwise would have recognised will be less than one year. As at 1 January 2018, advance from customers related to hotel operation and properties management totalling HK\$4,508,000 were reclassified to "Contract liabilities" (note 25).

附註：本集團應用務實權宜之計，在轉移服務與客戶付款之間為時將為一年或以下之情況下，不調整代價金額以反映重大融資成份之影響，且倘資產攤薄期（指本集團原應確認者）將少於一年，則在產生時將取得合約之新增成本確認為開支。於二零一八年一月一日，酒店經營及物業管理相關之客戶預付款合共4,508,000港元乃重新分類為「合約負債」（附註25）。

The ageing analysis of trade payables, based on the invoice date, at the end of the reporting period, is set out as follows:

根據發票日期於報告期末呈列的貿易應付賬款賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 90 days	90日內	1,227	1,878
91 to 180 days	91至180日	-	18
181 to 365 days	181至365日	4	5
Over 365 days	超過365日	3	2
		1,234	1,903

The average credit period on purchases of goods is 0 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購貨之平均信貸期為0至90日。本集團設有金融風險管理政策，確保所有應付賬款均於信貸期限內結付。

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23. AMOUNTS DUE TO RELATED COMPANIES

The balances were unsecured, non-interest bearing and repayable on demand.

24. AMOUNT DUE TO A DIRECTOR

The balance is unsecured, interest bearing at 1.3% per annum (2017: 1.3% per annum) in 2018. As at 31 December 2018, the interest rate was renewed to 2.7% per annum and the amount will be repayable in December 2020.

25. CONTRACT LIABILITIES

23. 應付關聯公司款項

該等結餘為無抵押、免息及須按要求償還。

24. 應付一名董事款項

於二零一八年，該結餘為無抵押、每年按1.3%計息(二零一七年：每年1.3%)。於二零一八年十二月三十一日，該年利率更新為2.7%，全額將於二零二零年十二月償還。

25. 合約負債

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contract liabilities	合約負債		
– related to hotel operation (note)	– 有關酒店經營 (附註)	3,745	–
– related to properties management (note)	– 有關物業管理 (附註)	1,274	–
		5,019	–

Note: The Group has initially applied HKFRS 15 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

附註：本集團於二零一八年一月一日初始應用香港財務報告準則第15號。按所選用之過渡方法，比較資料不予重列。見附註3。

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25. CONTRACT LIABILITIES (Continued)

The movements in contract liabilities during the year are as follows:

		HK\$'000 千港元
At 31 December 2017	於二零一七年十二月三十一日	–
Impact on initial application of HKFRS 15 (note 22)	初始應用香港財務報告準則第15號之影響(附註22)	4,508
At 1 January 2018 (adjusted)	於二零一八年一月一日(經調整)	4,508
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at 1 January 2018	於二零一八年一月一日(經調整)因年內確認於二零一八年一月一日計入合約負債之收益導致合約負債的減少	(2,964)
Increase in contract liabilities as a result of receiving advance deposits and properties management fee in advance during the year ended 31 December 2018	因截至二零一八年十二月三十一日止年度收取預付定金及預付物業管理費導致合約負債的增加	3,475
At 31 December 2018	於二零一八年十二月三十一日	5,019

25. 合約負債(續)

合約負債於年內之變動如下：

As at 31 December 2018, the Group assess that the balance of contract liabilities will be fully recognised as revenue as below:

於二零一八年十二月三十一日，本集團評估合約負債結餘將按以下期間全部確認為收益：

		2018 二零一八年 HK\$'000 千港元
Within one year	一年內	3,557
More than one year	超過一年	1,462
		5,019

Note: The Group receives payments from customers based on the terms established in the contracts. Payments are usually received in advance of the performance under the contracts such as advance deposits for reservation of hotel rooms and properties management fee received in advance.

附註：本集團根據合約中訂立的條款收取客戶付款。付款通常在合約履行之前收取，如預訂酒店房間的預付定金及預收物業管理費等。

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26. SHARE CAPITAL

26. 股本

		Number of shares 股份數目		Share capital 股本	
		2018 二零一八年 '000 千股	2017 二零一七年 '000 千股	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Ordinary shares issued and fully paid:	已發行及繳足的普通股：				
As at 1 January	於一月一日	456,409	456,409	292,462	292,462
Issuance of shares on 6 March 2018 (note (a))	於二零一八年三月六日發行股份(附註(a))	90,000	–	35,100	–
Issuance of shares on 31 December 2018 (note (b))	於二零一八年十二月三十一日發行股份(附註(b))	123,649	–	41,422	–
As at 31 December	於十二月三十一日	670,058	456,409	368,984	292,462

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

Notes:

- (a) On 6 March 2018, the Company has allotted and issued 90,000,000 ordinary shares at HK\$0.39 per share as part of the consideration in respect of the acquisition of 49% equity interest of Triple Market Group (see note 18).
- (b) On 31 December 2018, the Company has issued 123,648,678 new shares at the issue price of HK\$0.335 per share to Middle Spring Limited, a company owned by Mr. Shen Yong for the settlement of amount due to Mr. Shen Yong of approximately HK\$41,422,000.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

根據香港公司條例第135條，本公司普通股並無面值。

附註：

- (a) 於二零一八年三月六日，本公司已按每股0.39港元配發及發行90,000,000股普通股，作為收購Triple Market集團49%股權的部份代價（見附註18）。
- (b) 於二零一八年十二月三十一日，本公司已按發行價每股0.335港元發行123,648,678股新股份予一間由申勇先生擁有之公司Middle Spring Limited，以償還應付申勇先生之款項約41,422,000港元。

普通股持有人有權收取不時宣派之股息，並於本公司大會上可就每股股份享有一票投票權。就本公司之剩餘資產而言，所有普通股享有同等權利。

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27. RESERVES

(a) Merger reserve

Merger reserve was created as a result of the acquisition of common control entities. It represents the difference between the carrying amount and fair value of subsidiaries acquired. The acquisition was accounted for using merger accounting as detailed in note 2.3.

(b) Contribution reserve

Contribution reserve represents contributions from shareholders for indemnity liabilities payable for periods prior to 30 June 2003.

(c) Statutory reserve

In accordance with the PRC laws applicable to wholly-foreign owned investment enterprises, subsidiaries of the Company operating in the PRC are required to set up a general reserve fund and appropriate at least 10% of respective company's annual profit after tax, as determined under the PRC accounting rules and regulations, to the general reserve fund until the balance of the reserve equals to 50% of its registered capital. This fund can be used to make good losses and to convert into paid-up capital.

(d) Share options reserve

The share options reserve represents the cumulative charge to the consolidated statement of profit or loss and other comprehensive income for employee share options awards.

(e) Exchange reserve

The exchange reserve comprises all foreign exchanges differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2.8.

27. 儲備

(a) 合併儲備

合併儲備乃因收購共同控制實體而設立，乃所收購附屬公司的賬面值與公允價值之間的差額。收購事項採用合併會計法入賬，詳情見附註2.3。

(b) 出資儲備

出資儲備乃股東於二零零三年六月三十日之前期間應付的彌償責任的出資。

(c) 法定儲備

根據適用於外商獨資企業的中國法律，本公司於中國經營的附屬公司須設置一般儲備基金，並將相關公司的年度除稅後溢利的至少10%（根據中國會計規則及法規釐定）撥至一般儲備基金，直至儲備結餘相等於其註冊資本的50%為止。此基金可被用於彌補虧損及轉換為繳足股本。

(d) 購股權儲備

購股權儲備指就僱員購股權獎勵而自綜合損益及其他全面收益表累計扣除的費用。

(e) 匯兌儲備

匯兌儲備包括因換算境外業務的財務報表而產生的所有匯兌差額。該儲備根據附註2.8所載的會計政策處理。

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28. DEFERRED TAX LIABILITIES

The followings are the major deferred tax liabilities recognised in the Group's consolidated statement of financial position and movements thereon during the current and prior years:

28. 遞延稅項負債

以下為於本集團綜合財務狀況表內確認之主要遞延稅項負債以及其於本年度及過往年度之變動：

		Withholding tax on undistributed profits from the PRC subsidiaries 來自中國 附屬公司 的未分配 溢利的預扣稅 HK\$'000 千港元	Intangible assets 無形資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2017	於二零一七年一月一日	1,800	5,873	7,673
Credited to profit or loss (note 12)	計入損益(附註12)	–	(684)	(684)
As 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	1,800	5,189	6,989
Credited to profit or loss (note 12)	計入損益(附註12)	–	(684)	(684)
As at 31 December 2018	於二零一八年 十二月三十一日	1,800	4,505	6,305

The Group has unrecognised tax losses of HK\$92,639,000 (2017: HK\$91,001,000) to carry forward against future taxable income. These tax losses do not expire under current legislation. No deferred tax asset has been recognised in respect of the above tax losses due to the unpredictability of future profit streams.

本集團擁有未確認稅項虧損92,639,000港元(二零一七年: 91,001,000港元)以結轉未來應課稅收入。根據現行法例, 該等稅項虧損並未到期。由於無法預計未來溢利來源, 故並無就上述稅項虧損確認遞延稅項資產。

The Group is also liable to withholding tax on dividends to be distributed from the Group's foreign-invested enterprises in the PRC in respect of its profits generated from 1 January 2008. No deferred tax liability was recognised for the distributable profits not yet paid out as dividends that are generated by the PRC subsidiaries of the Company during the years ended 31 December 2018 and 2017.

本集團亦須就本集團在中國的外資企業的應分派股息(因二零零八年一月一日以來的溢利而產生)繳納預扣稅。於截至二零一八年及二零一七年十二月三十一日止年度, 本公司的中國附屬公司產生的未以股息支付的應分派溢利概無確認遞延稅項負債。

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29. SECURED LOANS

As at 31 December 2018, the secured loans were repayable as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year – current portion	一年內 – 流動部分	2,012	2,059
Non-current portion	非流動部分		
After one year but within two years	於一年後但於兩年內	2,122	2,180
After two years but within five years	於兩年後但於五年內	7,110	7,288
After five years	於五年後	24,769	29,501
		34,001	38,969
		36,013	41,028

In September 2016, the Group signed two mortgage loans facilities with an aggregate principal amount of CAD7,000,000 (equivalent to approximately HK\$41,300,000). The mortgage loans facilities are secured by land and buildings held for own use with carrying amount of approximately HK\$82,956,000 (2017: HK\$90,023,000) (note 15) repayable within fifteen years and bear an interest rate of 2% plus prime rate per annum and guaranteed by Mr. Shen Ke. The loan facilities will be reviewed periodically until maturity date. In the opinions of the directors of the Company, the effective interest rate of the secured loans was 5.6% (2017: 4.8%) per annum for the year ended 31 December 2018.

29. 抵押貸款

於二零一八年十二月三十一日，抵押貸款須於下列期限內償還：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year – current portion	2,012	2,059
Non-current portion		
After one year but within two years	2,122	2,180
After two years but within five years	7,110	7,288
After five years	24,769	29,501
	34,001	38,969
	36,013	41,028

於二零一六年九月，本集團簽訂兩項按揭貸款融資借款本金總額為7,000,000加元（相當於約41,300,000港元）。該等按揭貸款融資以賬面值約82,956,000港元（二零一七年：90,023,000港元）（附註15）的持有自用土地及樓宇作抵押，須於十五年內償還，年息率為最優惠利率加2厘，由申柯先生擔保。該等貸款融資將於到期前進行定期檢討。本公司董事認為，該等抵押貸款於截至二零一八年十二月三十一日止年度的實際利率為年息5.6厘（二零一七年：4.8厘）。

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30. BONDS

30. 債券

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Bonds carried at fixed coupon rate of 6% per annum (note (a))	按每年6%固定票面年利率計息的債券(附註(a))	20,000	20,000
Bonds carried at fixed coupon rate of 8% per annum (note (b))	按每年8%固定票面年利率計息的債券(附註(b))	20,000	20,000
Bonds carried at fixed coupon rate of 3% per annum (note (c))	按每年3%固定票面年利率計息的債券(附註(c))	10,000	10,000
Bonds carried at fixed coupon rate of 3% per annum (note (d))	按每年3%固定票面年利率計息的債券(附註(d))	10,181	–
		60,181	50,000

Notes:

- (a) The Company entered into two placing agreements with a placing agent issued two 6% coupon unlisted bonds on 6 August 2014 and 10 October 2014 with the aggregate principal amount of HK\$10,000,000 each within the placing period. The amounts are repayable within 96 months from the date of issue, which are 5 August 2022 and 9 October 2022 respectively.
- (b) The Company issued two 8% coupon unlisted bonds with the aggregate principal amount of HK\$10,000,000 each on 23 January 2015 and 1 June 2015 respectively. The amounts are repayable within 96 months and 60 months respectively from the date of issue, which are 22 January 2023 and 31 May 2020 respectively.
- (c) The Company issued a 3% coupon unlisted bond with the principal amount of HK\$10,000,000 on 1 December 2017 to Mr. Shen Ke. The amount is repayable within 84 months from the date of issue, which is 30 November 2024.
- (d) The Company issued a bond with the principal amount of HK\$10,181,000 as part of the consideration in respect of the acquisition of the joint ventures during the year (note 18). The bond bears interest rate at 3% per annum and is unsecured. The amount is repayable within 36 months from the date of issue, which is 5 March 2021.

附註：

- (a) 本公司與一名配售代理訂立兩份配售協議，以於二零一四年八月六日及二零一四年十月十日配售期內發行兩份本金總額各為10,000,000港元、票面年利率為6%的非上市債券。該等金額須於發行日期起計96個月內償還，到期日分別為二零二二年八月五日及二零二二年十月九日。
- (b) 本公司於二零一五年一月二十三日及二零一五年六月一日發行兩份本金總額各為10,000,000港元、票面年利率為8%的非上市債券。該等金額須分別於發行日期起計96個月及60個月內償還，到期日分別為二零二三年一月二十二日及二零二零年五月三十一日。
- (c) 本公司於二零一七年十二月一日發行一份本金額為10,000,000港元予申柯先生，票面年利率為3%的非上市債券。該等金額須於發行日期起計84個月內償還，到期日為二零二四年十一月三十日。
- (d) 本公司發行一份本金額為10,181,000港元之債券，作為年內收購合營企業之部分代價(附註18)。債券按年息3厘計息，且並無抵押。該金額須於發行日期起計36個月內償還，到期日為二零二一年三月五日。

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31. DISPOSAL OF SUBSIDIARIES WITH LOSS OF CONTROL

31. 出售附屬公司（導致失去控制權）

		2017 二零一七年 HK\$'000 千港元
Loss from discontinued operations	已終止經營業務之虧損	(33,182)
Gain on disposal of subsidiaries	出售附屬公司的收益	47,399
Profit from discontinued operations	已終止經營業務之溢利	14,217

Disposal of Kwang Sung Electronics Holdings Limited

In May 2017, the Group disposed of its entire equity interest in Kwang Sung Electronics Holdings Limited and its subsidiaries (collectively as “Kwang Sung Group”) to an independent third party, at a total cash consideration of HK\$3,000,000. Kwang Sung Group carried out all of the Group’s electronics components business. The disposal was completed on 16 June 2017. Please refer to the Company’s announcement dated 16 June 2017.

出售光星電子控股有限公司

於二零一七年五月，本集團以總現金代價3,000,000港元向一獨立第三方出售其於光星電子控股有限公司及其附屬公司（統稱為「光星集團」）的全部股權。光星集團經營本集團的所有電子元件業務。有關出售已於二零一七年六月十六日完成。有關詳情請參閱本公司於二零一七年六月十六日之公告。

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31. DISPOSAL OF SUBSIDIARIES WITH LOSS OF CONTROL (Continued)

31. 出售附屬公司（導致失去控制權）（續）

Disposal of Kwang Sung Electronics Holdings Limited (Continued)

出售光星電子控股有限公司（續）

		2017 二零一七年 HK\$'000 千港元
Total consideration received	已收總代價	3,000
Analysis of assets and liabilities over which control was lost	對失去控制權的資產及負債的分析	
Bank balances and cash	銀行結餘及現金	14,295
Property, plant and equipment	物業、機器及設備	15,915
Club memberships	會所會籍	600
Inventories	存貨	37,463
Trade and other receivables	貿易及其他應收賬款	58,355
Trade and other payables	貿易及其他應付賬款	(171,766)
Amount due from holding company	應收控股公司款項	14,136
Net liabilities disposed of	已出售負債淨額	(31,002)
Gain on disposal of subsidiaries	出售附屬公司的收益	
Total cash consideration	現金總代價	3,000
Less:	減：	
– Net liabilities disposed of	– 已出售負債淨額	(31,002)
– Novation of amount due from holding company	– 將應收控股公司款項進行約務更替	(14,136)
– Exchange difference released upon disposal of subsidiaries	– 出售附屬公司時撥回的匯兌差額	739
Gain on disposal of subsidiaries	出售附屬公司的收益	(47,399)
Net cash outflow arising from the disposal:	因出售產生的現金流出淨額：	
Cash consideration received	已收現金代價	3,000
Cash and cash equivalents disposed of	已出售現金及現金等價物	(14,295)
Outflow of cash and cash equivalents in respect of disposal of subsidiaries	就出售附屬公司流出之現金及現金等價物	(11,295)

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31. DISPOSAL OF SUBSIDIARIES WITH LOSS OF CONTROL (Continued)

Disposal of Kwang Sung Electronics Holdings Limited (Continued)

The losses from Kwang Sung Group for the preceding year are analysed as follows:

		From 1 January to 16 June 2017 由二零一七年 一月一日至 六月十六日 HK\$'000 千港元
Revenue	收益	100,114
Cost of sales	銷售成本	(130,226)
Gross loss	毛損	(30,112)
Other income	其他收入	10,075
Selling and distribution expenses	銷售及分銷開支	(4,682)
Administrative expenses	行政開支	(5,985)
Research and development expenses	研發開支	(1,639)
Other operating expenses	其他經營開支	(391)
Loss before income tax	除所得稅前虧損	(32,734)
Income tax expenses	所得稅開支	(448)
Loss for the year	本年度虧損	(33,182)

Net cashflows attributable to Kwang Sung Group is set out as follows:

31. 出售附屬公司（導致失去控制權）（續）

出售光星電子控股有限公司（續）

上一年度光星集團所產生的虧損分析如下：

		2017 二零一七年 HK\$'000 千港元
Net cash used in operating activities	經營活動所用之現金淨額	(4,837)
Net cash generated from investing activities	來自投資活動之現金淨額	1,709
Net cash outflows for the year	本年度現金流出淨額	(3,128)

光星集團應佔之現金流量淨額如下：

		2017 二零一七年 HK\$'000 千港元
Net cash used in operating activities	經營活動所用之現金淨額	(4,837)
Net cash generated from investing activities	來自投資活動之現金淨額	1,709
Net cash outflows for the year	本年度現金流出淨額	(3,128)

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32. RETIREMENT BENEFITS SCHEMES CONTRIBUTIONS

Hong Kong

The Group operates the MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution retirement scheme administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income. The mandatory contributions from each of the employer and employees are subject to a cap of HK\$1,500 per month. Contributions to the MPF scheme vest immediately.

The PRC

The Group's subsidiaries in the PRC participate in a defined contribution scheme organised by the PRC municipal government. The subsidiaries are required to contribute a specified percentage of its payroll costs to the scheme. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the scheme.

Canada

Employees in Canada participate in a Canada Pension Plan (the "Plan") which is a mandatory scheme under Canada Pension Plan Regulations. The employer and the employees are required to make a total contribution of 9.9% on the pensionable earnings, subject to a cap of pensionable earnings of CAD55,900 (equivalent to approximately HK\$321,000) (2017: CAD53,600 (equivalent to approximately HK\$333,000)).

32. 退休福利計劃之供款

香港

本集團根據《香港強制性公積金計劃條例》為根據香港《僱傭條例》所僱用之僱員提供強積金計劃。強積金計劃乃由獨立信託人管理之界定供款退休計劃。根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%之比例就計劃作出供款。僱主及僱員各自之強制供款上限為每月1,500港元。強積金計劃之供款即時成為既定僱員福利。

中國

本集團於中國之附屬公司參與由中國市政府籌辦之定額供款計劃。附屬公司須按其僱員薪金成本之特定比例就計劃作出供款。該供款於其根據計劃規則支付時於綜合損益及其他全面收益表內支銷。

加拿大

加拿大之僱員參與加拿大國家退休金計劃（「該計劃」），其為一項按國家退休金法設立之強制性保險計劃。根據該計劃，僱主及僱員須按每月收入之合共9.9%作出供款，上限應供款收入為55,900加元（相等於約321,000港元（二零一七年：53,600加元（相等於約333,000港元）））。

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33. COMMITMENTS

(a) Capital commitments

Capital commitments outstanding as at 31 December 2018 not provided for in the consolidated financial statements are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted for	已訂約	—	44,501

(b) Operating lease commitments

As at 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	1,890	1,850
In the second to fifth years inclusive	於第二年至第五年 (包括首尾兩年)	3,151	4,859
		5,041	6,709

Operating lease payments represent rentals payables by the Group for certain of its office premises. Leases are negotiated for an average term of 3 years (2017: 3 years) for the Group. None of the leases includes contingent rentals.

33. 承擔

(a) 資本承擔

於二零一八年十二月三十一日，並無於綜合財務報表中提撥準備之尚未支付資本承擔如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Contracted for	已訂約	—	44,501

(b) 經營租賃承擔

於二零一八年十二月三十一日，根據不可撤銷經營租賃之未來最低租賃款項總額須於下列期間內支付：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	1,890	1,850
In the second to fifth years inclusive	於第二年至第五年 (包括首尾兩年)	3,151	4,859
		5,041	6,709

經營租賃款項指本集團就若干辦公室物業之應付租金。本集團之租約經磋商後平均為期三年(二零一七年：三年)。該等租約概不包括或然租金。

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34. MAJOR NON-CASH TRANSACTIONS

- (i) During the year ended 31 December 2018, the Company has issued a bond with the principal amount of HK\$10,181,000 and allotted 90,000,000 ordinary shares of HK\$0.39 per share as a part of the total consideration in respect of the acquisition of Triple Market Group (see note 18).
- (ii) On 31 December 2018, the Company has issued 123,648,678 new shares at the issue price of approximately HK\$0.335 per share to Middle Spring Limited, a company wholly owned by Mr. Shen Yong for the settlement of an amount due to Mr. Shen Yong of approximately HK\$41,422,000.

35. EQUITY-SETTLED SHARE-BASED PAYMENTS TRANSACTIONS

The Company has adopted a share option scheme (the "Scheme") on 3 June 2013 whereby the directors of the Company are authorised, at their discretion, to invite, among other eligible participants, employees of the Group (including directors of any member of the Group), advisers and consultants, to take up options to subscribe for shares of the Company. Each option gives the holders the right to subscribe for one ordinary share of the Company. The Scheme shall be valid and effective for a period of ten years ending on 2 June 2023, after which no further options can be granted.

As at 31 December 2018, the number of shares in respect of which options had been granted and remained outstanding under the Scheme were 78,030,527 (2017: 32,389,693) shares. The total number of shares which may be issued upon exercise of these options granted under the Scheme is not permitted to exceed 30% of the shares of the Company without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares.

34. 主要非現金交易

- (i) 截至二零一八年十二月三十一日止年度，本公司已發行本金額為10,181,000港元之債券，及已配發90,000,000股每股0.39港元之普通股，作為收購Triple Market集團的部分總代價（見附註18）。
- (ii) 於二零一八年十二月三十一日，本公司已按發行價每股約0.335港元發行123,648,678股新股份予一間由申勇先生全資擁有之公司Middle Spring Limited，以償還應付申勇先生之款項約41,422,000港元。

35. 以權益結算以股份為基礎的支付交易

根據本公司於二零一三年六月三日採納之購股權計劃（「計劃」），本公司董事獲授權酌情向（包括其他合資格參與者）本集團僱員（包括本集團內任何成員公司之董事）、顧問及諮詢人提出接納購股權之要約，以認購本公司股份。每份購股權均授權持有人認購一股本公司普通股。計劃有效期為十年，直至二零二三年六月二日止，其後不可授出額外購股權。

於二零一八年十二月三十一日，根據計劃授出及尚未行使之購股權所涉及之股份數目為78,030,527股（二零一七年：32,389,693股）。根據計劃授出之該等購股權獲行使時可予發行之股份總數不得超過本公司股份之30%，而毋須事先取得本公司股東之批准。在未事先取得本公司股東之批准下，於任何一年授予及可授予任何個人之購股權所涉及之已發行及將予發行股份數目不得於任何時候超過本公司已發行股份之1%。

行使價由本公司董事釐定，不會低於以下較高者：(i) 本公司股份於授出日期之收市價；(ii) 股份於緊接授出日期前五個營業日的平均收市價；及(iii) 本公司股份之面值。

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35. EQUITY-SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

No consideration is payable on the grant of an option. Options may be exercised after vesting period and the exercisable period is set out below.

35. 以權益結算以股份為基礎的支付交易（續）

概無代價須於授出購股權時支付。購股權可於歸屬期後行使，行使期如下。

Category of participant 參與者類別	Date of grant 授出日期	Vesting period 歸屬期	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元	Fair value per share option at grant date 每份購股權於授出日期之公允價值 HK\$ 港元
Directors 董事					
Mr. Gan Lin 甘霖先生	4 May 2018 二零一八年五月四日	4 May 2018 to 3 May 2019 二零一八年五月四日至 二零一九年五月三日	4 May 2019 to 3 May 2028 二零一九年五月四日至 二零二八年五月三日	0.415	0.25
Mr. Huang Xiang Yang 黃向陽先生	20 January 2017 二零一七年一月二十日	20 January 2017 to 19 January 2020 二零一七年一月二十日至 二零二零年一月十九日	20 January 2020 to 19 January 2027 二零二零年一月二十日至 二零二七年一月十九日	0.47	0.28
Mr. Shen Yong 申勇先生	20 January 2017 二零一七年一月二十日	20 January 2017 to 19 January 2020 二零一七年一月二十日至 二零二零年一月十九日	20 January 2020 to 19 January 2027 二零二零年一月二十日至 二零二七年一月十九日	0.47	0.28
Mr. Shen Yong 申勇先生	4 May 2018 二零一八年五月四日	4 May 2018 to 3 May 2019 二零一八年五月四日至 二零一九年五月三日	4 May 2019 to 3 May 2028 二零一九年五月四日至 二零二八年五月三日	0.415	0.25
Mr. Shen Ke 申柯先生	20 January 2017 二零一七年一月二十日	20 January 2017 to 19 January 2020 二零一七年一月二十日至 二零二零年一月十九日	20 January 2020 to 19 January 2027 二零二零年一月二十日至 二零二七年一月十九日	0.47	0.28
Mr. Shen Ke 申柯先生	4 May 2018 二零一八年五月四日	4 May 2018 to 3 May 2019 二零一八年五月四日至 二零一九年五月三日	4 May 2019 to 3 May 2028 二零一九年五月四日至 二零二八年五月三日	0.415	0.25

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35. EQUITY-SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

No consideration is payable on the grant of an option. Options may be exercised after vesting period and the exercisable period is set out below. (Continued)

35. 以權益結算以股份為基礎的支付交易（續）

概無代價須於授出購股權時支付。購股權可於歸屬期後行使，行使期如下。（續）

Category of participant 參與者類別	Date of grant 授出日期	Vesting period 歸屬期	Exercisable period 行使期	Exercise price 行使價 HK\$ 港元	Fair value per share option at grant date 每份購股權於授出日期之公允價值 HK\$ 港元
Employees 僱員					
Employees 僱員	20 January 2017 二零一七年一月二十日	20 January 2017 to 19 January 2020 二零一七年一月二十日至 二零二零年一月十九日	20 January 2020 to 19 January 2027 二零二零年一月二十日至 二零二七年一月十九日	0.47	0.25
Employees 僱員	4 May 2018 二零一八年五月四日	4 May 2018 to 3 May 2019 二零一八年五月四日至 二零一九年五月三日	4 May 2019 to 3 May 2028 二零一九年五月四日至 二零二八年五月三日	0.415	0.22
Others 其他					
Other eligible participants 其他合資格參與者	4 May 2018 二零一八年五月四日	4 May 2018 to 3 May 2019 二零一八年五月四日至 二零一九年五月三日	4 May 2019 to 3 May 2028 二零一九年五月四日至 二零二八年五月三日	0.415	0.25

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35. EQUITY-SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The following table discloses movements of the Company's share options held by directors and employees during the year:

2018

Category of participant 參與者類別	Date of grant 授出日期	Outstanding as at 1 January 2018 於二零一八年 一月一日尚未行使	Granted during the year 年內授出	Forfeited during the year 年內沒收	Outstanding as at 31 December 2018 於二零一八年 十二月三十一日 尚未行使
Directors					
董事					
Mr. Gan Lin 甘霖先生	4 May 2018 二零一八年五月四日	-	3,240,499	-	3,240,499
Mr. Huang Xiang Yang 黃向陽先生	20 January 2017 二零一七年一月二十日	2,105,330	-	-	2,105,330
Mr. Shen Yong 申勇先生	20 January 2017 二零一七年一月二十日	323,898	-	-	323,898
Mr. Shen Yong 申勇先生	4 May 2018 二零一八年五月四日	-	456,408	-	456,408
Mr. Shen Ke 申柯先生	20 January 2017 二零一七年一月二十日	3,238,970	-	-	3,238,970
Mr. Shen Ke 申柯先生	4 May 2018 二零一八年五月四日	-	4,564,083	-	4,564,083
Employees					
僱員					
Employees 僱員	20 January 2017 二零一七年一月二十日	26,721,495	-	-	26,721,495
Employees 僱員	4 May 2018 二零一八年五月四日	-	28,251,678	-	28,251,678
Others					
其他					
Other eligible participants 其他合資格參與者	4 May 2018 二零一八年五月四日	-	9,128,166	-	9,128,166
		32,389,693	45,640,834	-	78,030,527
Number of options exercisable at the end of the year 於年底行使的購股權數目					
Weighted average exercise price 加權平均行使價					
HK\$0.44 港元					
Weighted average contractual life 加權平均合約期限					
8.8 years 年					

35. 以權益結算以股份為基礎的支付交易 (續)

下表披露年內董事及僱員持有的本公司購股權的變動情況：

二零一八年

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35. EQUITY-SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The following table discloses movements of the Company's share options held by directors and employees during the year (Continued):

2017

Category of participant 參與者類別	Date of grant 授出日期	Outstanding as at 1 January 2017 於二零一七年 一月一日尚未行使	Granted during the year 年內授出	Forfeited during the year 年內沒收	Outstanding as at 31 December 2017 於二零一七年 十二月三十一日 尚未行使
Directors					
董事					
Mr. Huang Xiang Yang 黃向陽先生	20 January 2017 二零一七年一月二十日	–	2,105,330	–	2,105,330
Mr. Shen Ke 申柯先生	20 January 2017 二零一七年一月二十日	–	3,238,970	–	3,238,970
Mr. Shen Yong 申勇先生	20 January 2017 二零一七年一月二十日	–	323,898	–	323,898
Employees					
僱員					
Employees 僱員	20 January 2017 二零一七年一月二十日	–	26,721,495	–	26,721,495
		–	32,389,693	–	32,389,693
Number of options exercisable at the end of the year 於年底行使的購股權數目					
					–
Weighted average exercise price 加權平均行使價					
					HK\$0.47 港元
Weighted average contractual life 加權平均合約期限					
					9.0 years 年

35. 以權益結算以股份為基礎的支付交易（續）

下表披露年內董事及僱員持有的本公司購股權的變動情況（續）：

二零一七年

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35. EQUITY-SETTLED SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The total fair values of the options granted at the grant date is HK\$10,651,000 (2017: HK\$8,217,000). The Group recognised the total expense of approximately HK\$9,840,000 (2017: HK\$2,739,000) for the year ended 31 December 2018 in relation to share options granted by the Company.

The fair value was calculated using the binomial option pricing model. The key inputs into the model were as follows:

2018

Grant date share price	HK\$0.42
Exercise price	HK\$0.42
Expected volatility	74.71%
Option life	10 years
Dividend yield	0%
Risk-free interest rate	2.22%
Early exercise multiple for director	2.8
Early exercise multiple for employee	2.2

2017

Grant date share price	HK\$0.46
Exercise price	HK\$0.47
Expected volatility	76.47%
Option life	10 years
Dividend yield	0%
Risk-free interest rate	1.81%
Early exercise multiple for director	2.8
Early exercise multiple for employee	2.2

Expected volatility was determined by using the historical volatility of Company's share price. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate. Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share options granted.

35. 以權益結算以股份為基礎的支付交易 (續)

於授出日期授出的購股權的公允價值總額為10,651,000港元(二零一七年: 8,217,000港元)。截至二零一八年十二月三十一日止年度,本集團就本公司授出的購股權確認總開支約9,840,000港元(二零一七年: 2,739,000港元)。

公允價值乃運用二項式期權定價模型計算,該模型之主要輸入數據如下:

二零一八年

授出日期之股價	0.42 港元
行使價	0.42 港元
預期波幅	74.71%
購股權有效期	10 年
股息率	0%
無風險利率	2.22%
董事之提前行使倍數	2.8
僱員之提前行使倍數	2.2

二零一七年

授出日期之股價	0.46 港元
行使價	0.47 港元
預期波幅	76.47%
購股權有效期	10 年
股息率	0%
無風險利率	1.81%
董事之提前行使倍數	2.8
僱員之提前行使倍數	2.2

預期波幅乃按本公司股價之歷史波幅釐定。該模型所用之預計有效期已按管理層之最佳估計就不可轉讓性之特點、行使限制及行為考慮因素之影響作出調整。

預期股息乃基於歷史股息釐定。主觀性輸入數據假設的變動或會對公允價值估計造成重大影響。購股權乃根據一項服務條件授出。於計量所獲得服務之授出日期公允價值時並無考慮此條件。所授出之購股權並無市場條件。

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36. MATERIAL RELATED PARTY TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions:

(a) Transactions with related parties

The Group had the following material transactions with related parties during the year:

Name of company 公司名稱	Nature of transactions 交易性質	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Chongqing Forebase Industry Investment (Holdings) Co., Ltd* 重慶申基實業(集團)有限公司	Properties management service fee received or receivables 已收或應收物業管理服務費	(a), (b) & (c)	3,860	1,978
Chongqing Forebase Property Development Co., Ltd* 重慶申基房地產開發有限公司	Properties management service fee received or receivables 已收或應收物業管理服務費	(a), (b) & (c)	854	994
Chongqing Liangping Daisi Zhiye Co., Ltd* 重慶梁平戴斯置業有限公司	Properties management service fee received or receivables 已收或應收物業管理服務費	(a), (b) & (c)	1,808	1,829
Chongqing Tianma Property Development Co., Ltd* 重慶天馬物業發展有限公司	Properties management service fee received or receivables 已收或應收物業管理服務費	(a), (b) & (c)	301	145
Chongqing Bozhuang Shiye Co., Ltd* 重慶柏樁實業有限公司	Properties management service fee received or receivables 已收或應收物業管理服務費	(a), (b) & (c)	3,757	3,653
Chongqing Tiane International Travel Co., Ltd Chengshi Hotel Branch* 重慶天鵝國際旅遊有限公司城市酒店分公司	Properties management service fee received or receivables 已收或應收物業管理服務費	(a), (b) & (c)	238	–
Mr. Shen Ke 申柯先生	Bond interest paid or payables 已付或應付債券利息	(d)	300	37

* The English translation of the names of the companies established in the PRC is for reference only. The official name of the companies are in Chinese.

36. 重大關聯交易

除本綜合財務報表其他地方所披露之交易及結餘外，本集團訂立以下重大關聯交易：

(a) 關聯交易

於本年度，本集團已發生下列重大關聯交易：

* 於中國成立的公司之英文譯名僅供參考。公司官方名稱以中文表示。

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36. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

In addition to the transactions and balances disclosed elsewhere in these consolidated financial statements, the Group entered into the following material related party transactions (Continued):

(a) Transactions with related parties (Continued)

Notes:

- (a) These transactions were carried out at terms determined and agreed by the Group and the relevant parties. The contracts do not have any expiry date until owners' committee is formed and the owners' committee can re-appoint the service provider. As at 31 December 2018 and 2017, no owners' committee is set up.
- (b) Mr. Shen Yong, the controlling shareholder of the Company has beneficial interest in these companies.
- (c) The related party transactions in respect of above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in section "Connected Transactions" of the Report of the Directors of this annual report.
- (d) The related party transactions above constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules. However, those transactions are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are conducted on normal commercial terms or better and not secured by the assets of the Group under Rule 14A.90.

36. 重大關聯交易 (續)

除本綜合財務報表其他地方所披露之交易及結餘外，本集團訂立以下重大關聯交易(續)：

(a) 關聯交易 (續)

附註：

- (a) 該等交易乃按本集團與相關人士釐定及協商的條款進行。該等合約並無任何到期日，直至業主委員會成立為止，屆時業主委員會可重新委任服務提供商。於二零一八年及二零一七年十二月三十一日，並無成立業主委員會。
- (b) 本公司控股股東申勇先生於該等公司擁有實益權益。
- (c) 上述關聯交易構成上市規則第14A章定義之關連交易或持續關連交易。上市規則第14A章規定之披露於本年報董事會報告書「關連交易」一節提供。
- (d) 上述關聯交易構成上市規則第14A章定義之關連交易或持續關連交易。然而，根據上市規則第14A.90條由於該等交易乃按一般或更有利的商業條款進行，並非由本集團之資產作抵押，故豁免遵守上市規則第14A章之披露規定。

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36. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Key management personnel compensation

The remuneration of directors and other members of key management personnel during the year were as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term benefits	短期福利	5,771	7,928
Post-employment benefits	離職後福利	36	42
Equity-settled share-based payments expenses	以權益結算以股份為基礎的支付開支	2,126	744
		7,933	8,714

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Other than the related party transactions disclosed above, no other transaction, arrangement or contract of significance to which the Company was a party and in which a director of the Company or a connected entity of the director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

36. 重大關聯交易 (續)

(b) 主要管理層人員之酬金

董事及其他主要管理層人員於年內之酬金載列如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term benefits	短期福利	5,771	7,928
Post-employment benefits	離職後福利	36	42
Equity-settled share-based payments expenses	以權益結算以股份為基礎的支付開支	2,126	744
		7,933	8,714

董事及主要行政人員之薪酬乃由薪酬委員會考慮個人表現及市場趨勢而釐定。

除上文披露之關聯交易外，於年終或本年度內任何時間，本公司概無訂有本公司董事或本公司董事之關連實體直接或間接擁有重大權益之重大交易、安排或合約。

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37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

37. 本公司之財務狀況表

	Note 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets			
Property, plant and equipment		–	–
Interests in subsidiaries		24	–
		24	–
Current assets			
Other receivables		1,213	1,213
Amounts due from subsidiaries		80,999	99,953
Bank balances and cash		96	8,154
		82,308	109,320
Current liabilities			
Other payables		3,997	3,123
Amounts due to subsidiaries		2,392	1,600
Current taxation		4,000	4,000
		10,389	8,723
Net current assets		71,919	100,597
Total assets less current liabilities		71,943	100,597
Non-current liabilities			
Amount due to a director		3,315	45,961
Bonds		60,181	50,000
		63,496	95,961
Net assets		8,447	4,636
Capital and reserves			
Share capital		368,984	292,462
Reserves	(a)	(360,537)	(287,826)
Total equity		8,447	4,636

Approved and authorised for issue by the board of directors on 27 March 2019.

於二零一九年三月二十七日獲董事會批准及授權發行。

Shen Yong
申勇
Director
董事

Gan Lin
甘霖
Director
董事

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37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

37. 本公司之財務狀況表 (續)

Note (a):

附註(a)：

		Contribution reserve 出資儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Accumulated Losses* 累計虧損* HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2017	於二零一七年一月一日	8,478	–	(12,623)	(279,210)	(283,355)
Loss for the year and total comprehensive expense for the year	本年度虧損及本年度全面開支總額	–	–	–	(7,210)	(7,210)
Recognition of equity-settled share-based payments transactions (note 36)	確認以權益結算以股份為基礎的支付交易 (附註36)	–	2,739	–	–	2,739
As 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	8,478	2,739	(12,623)	(286,420)	(287,826)
Loss for the year and total comprehensive expense for the year	本年度虧損及本年度全面開支總額	–	–	–	(82,551)	(82,551)
Recognition of equity-settled share-based payments transactions (note 36)	確認以權益結算以股份為基礎的支付交易 (附註36)	–	9,840	–	–	9,840
As at 31 December 2018	於二零一八年十二月三十一日	8,478	12,579	(12,623)	(368,971)	(360,537)

* Accumulated losses represented the distributable reserve of the Company.

* 累計虧損指本公司之可分派儲備。

38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

38. 金融風險管理及公允價值計量

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks include foreign currency risk, credit risk, interest rate risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. The most significant financial risk to which the Group is exposed as discussed below.

本集團透過於日常經營過程中使用之金融工具承受金融風險。金融風險包括外幣風險、信貸風險、利率風險及流動資金風險。管理層管理及監察風險敞口，確保及時而有效地採取適當措施。本集團所承受之最重大金融風險於下文討論。

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 risks.

本集團關於金融工具之風險敞口類型或其管理及計量風險之方式並無變動。

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38. 金融風險管理及公允價值計量 (續)

38.1 Categories of financial assets and liabilities

38.1 金融資產及負債分類

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities:

於綜合財務狀況表呈列之賬面值乃關於以下金融資產及金融負債分類：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets:	金融資產：		
Financial assets measured at amortised cost	按攤銷成本計量之金融資產		
– Trade and other receivables	– 貿易及其他應收賬款	36,498	31,260
– Bank balances and cash	– 銀行結餘及現金	7,757	13,027
		44,255	44,287
Financial liabilities:	金融負債：		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債		
– Trade and other payables	– 貿易及其他應付賬款	11,972	12,687
– Amount due to a director	– 應付一名董事款項	3,315	45,961
– Amount due to related companies	– 應付關聯公司款項	7,157	3,590
– Secured loans	– 抵押貸款	36,013	41,028
– Bonds	– 債券	60,181	50,000
		118,638	153,266

38.2 Foreign currency risk

38.2 外幣風險

The Group are exposed to foreign currency risk primarily through sales and purchases which give rise to receivables, payables and bank balances that are denominated in a foreign currency i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to the risk are primarily USD, RMB and CAD. The Group ensure that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

本集團主要因買賣產生以並非交易所屬業務的功能貨幣之貨幣（外幣）計值的應收賬款、應付賬款及銀行結餘而面臨貨幣風險。產生風險的貨幣主要為美元、人民幣及加元。本集團務求將淨敞口維持在可接受的水平，必要時按現貨匯率買賣外幣，以解決短期的失衡。

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38.2 Foreign currency risk (Continued)

The carrying amounts of the Group's recognised assets and liabilities denominated in currencies other than the functional currency of the entity to which they relate. The Group does not expose to significant foreign currency risk as at 31 December 2018.

38.3 Credit risk

As at 31 December 2018, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties provided by the Group is arising from the carrying amount of respective recognised financial assets as stated in the consolidated statement of financial position.

In the Group has concentration of credit risk as 37% (2017: 35%) and 98% (2017: 92%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

Effective on 1 January 2018

(i) *Trade receivables*

The Group's policy is to deal only with credit worthy counterparties. Credit terms are granted to new customers after a credit worthiness assessment by the credit control department. Where available at reasonable cost, external credit ratings and/or reports on customers are obtained and used. Customers who are not considered creditworthy are required to pay in advance or on delivery of goods. Payment record of customers is closely monitored. It is not the Group's policy to request collateral from its customers.

38. 金融風險管理及公允價值計量 (續)

38.2 外幣風險 (續)

本集團已確認資產及負債的賬面值以相關集團實體的功能貨幣以外的貨幣計值。於二零一八年十二月三十一日，本集團並無面臨重大外幣風險。

38.3 信貸風險

於二零一八年十二月三十一日，本集團因交易對手未能履行本集團規定的責任而須蒙受財務虧損的最大信貸風險敞口，產生自綜合財務狀況表所列各項已確認金融資產的賬面值。

本集團面臨信貸集中風險，因為來自本集團最大客戶及前五大客戶的貿易應收賬款分別佔本集團貿易應收賬款總額的37% (二零一七年：35%) 及98% (二零一七年：92%)。

於二零一八年一月一日生效

(i) *貿易應收賬款*

本集團的政策為僅與信用良好的交易對手進行交易。授予新客戶的信貸期由信貸監控部門進行信用評估後授出。於可行情況下，我們會以合理成本取得並使用客戶的外部信用評級及/或報告。未被視為信用良好的客戶須預先付款或貨到付款。客戶的付款記錄會受到密切監察。本集團的政策不要求客戶提供抵押品。

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38.3 Credit risk (Continued)

Effective on 1 January 2018 (Continued)

(i) Trade receivables (Continued)

In addition, as set out in note 2.12, the Group assesses ECL under HKFRS 9 on trade receivables based on provision matrix, the expected loss rates are based on the payment profile for sales in the past 24 months as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. At the end of each reporting period, the historical default rates are updated and changes in the forward-looking estimates are analysed. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

Trade receivables are written off (i.e. derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 365 days by third party from the invoice date and failure to engage with the Group on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

As at 31 December 2018, Mr. Shen Yong, the controlling shareholder, had undertaken to indemnify the Group against any losses that may result from the non-recovery of the trade receivables from related companies of HK\$26,580,000 and agreed that these amounts are secured by a pledge of an asset of an amount of approximately HK\$41,422,000 owned by Mr. Shen Yong. The loss allowance of trade receivables on 31 December 2018 amounted to HK\$6,611,000.

38. 金融風險管理及公允價值計量 (續)

38.3 信貸風險 (續)

於二零一八年一月一日生效 (續)

(i) 貿易應收賬款 (續)

此外，誠如附註2.12所載，本集團根據香港財務報告準則第9號按撥備矩陣評估貿易應收賬款的預期信貸虧損，預期虧損率乃根據過去24個月的銷售付款情況及該期間內相應的歷史信貸虧損計算。歷史虧損率乃經調整，以反映影響客戶結算未支付款項能力的現時及前瞻性宏觀經濟因素。於各報告期末，歷史違約率會予以更新，並對前瞻性估計的變動加以分析。然而，鑑於短期承受信貸風險，該等宏觀經濟因素的影響於報告期內並不視為重大。

當並無合理收回預期時，貿易應收賬款會予以撇銷（即終止確認）。第三方由發票日期起365天內未能付款且未能與本集團作出其他付款安排等被視為並無合理收回預期的跡象。

於二零一八年十二月三十一日，控股股東申勇先生承諾就因無法收回應收關聯公司的貿易應收賬款26,580,000港元而可能產生的任何虧損向本集團作出彌償保證，並同意該等款項由申勇先生擁有之約41,422,000港元資產之抵押作擔保。於二零一八年十二月三十一日，貿易應收賬款的虧損撥備為6,611,000港元。

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38.3 Credit risk (Continued)

Effective on 1 January 2018 (Continued)

(ii) *Other financial assets at amortised cost*

Other financial assets at amortised cost include other receivables and bank balances and cash. In order to minimise the credit risk of other receivables, the management of the Group has designated a team responsible for determination of credit limits and credit approvals. The management would make periodic collective and individual assessment on the recoverability of other receivables based on historical settlement records and past experience as well as current external information. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In these regards, the credit risk of other receivables are considered to be low.

The Group measures the loss allowance of other receivables equal to 12-month ECL, unless when there has been a significant increase in credit risk since initial recognition.

After the management assessment of recoverability and on-going business relationship, the management is of opinion that there is no significant increase in credit risk on other receivables as the risk of default is low after considering the factors as set out in note 2.12.

(iii) *Bank balances and cash*

The credit risks on bank balances and cash are considered to be insignificant because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

38. 金融風險管理及公允價值計量 (續)

38.3 信貸風險 (續)

於二零一八年一月一日生效 (續)

(ii) 按攤銷成本計量的其他金融資產

按攤銷成本計量的其他金融資產包括其他應收款項及銀行結餘及現金。為減低其他應收款項的信貸風險，本集團管理層已委派一個團隊負責釐定信貸限額及信貸批核。管理層將根據歷史結算記錄及過往經驗以及現時外部資料，對其他應收款項的可收回性定期進行共同及個別評估。本集團設有其他監察程序，以確保採取後續措施收回逾期債務。就此而言，其他應收款項的信貸風險被認為偏低。

本集團計量其他應收賬款的虧損撥備等於12個月預期信貸虧損，除非自初始確認後信貸風險大幅增加。

管理層評估可收回性及持續業務關係後，認為其他應收款項的信貸風險並無大幅增加，因經考慮附註2.12所載的因素後，違約風險較低。

(iii) 銀行結餘及現金

銀行結餘及現金的信貸風險被認為並不重大，因為其交易對手為獲國際信用評級機構授予高信用評級的銀行。

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38.4 Interest rate risk

The Group is exposed to fair value interest rate risk in relation to the amount due to a director (see note 24) and bonds (see note 30) bearing fixed rates. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider other necessary action when significant interest rate exposure is anticipated.

The Group is also exposed to cash flow interest rate risk in relation to bank deposits and secured loans (see note 29) bearing variable rates.

The Group's cash flow interest rate is mainly concentrated on the fluctuation of (i) prevailing market rates arising from the Group's secured loans and bank balances denominated in HK\$, USD and CAD and (ii) RMB base deposit rate stipulated by the People's Bank of China arising from the Group's bank balances denominated in RMB.

38. 金融風險管理及公允價值計量 (續)

38.4 利率風險

本集團因定息應付一名董事款項(見附註24)及定息債券(見附註30)面臨公允價值利率風險。本集團目前並未制定利率對沖政策,但本集團管理層密切監察利率風險,並將於預計出現重大利率風險敞口時採取其他必要措施。

本集團亦因浮息銀行存款及抵押貸款(見附註29)面臨現金流量利率風險。

本集團的現金流量利率主要集中於(i)本集團以港元、美元及加元計值的抵押貸款及銀行結餘承受現行市場利率波動及(ii)本集團以人民幣計值的銀行結餘承受由中國人民銀行公佈的人民幣基礎存款利率波動。

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38. 金融風險管理及公允價值計量 (續)

38.4 Interest rate risk (Continued)

The following table details the interest rate profile of the Group's interest bearing financial liabilities at the end of the reporting period.

38.4 利率風險 (續)

下表詳列本集團的計息金融負債於報告期末的利率情況。

		2018 二零一八年		2017 二零一七年	
		Effective interest rate 實際利率 %	HK\$'000 千港元	Effective interest rate 實際利率 %	HK\$'000 千港元
Fixed rate borrowings:	定息借貸：				
Amount due to a director	應付一名董事款項	1.3	3,315	1.3	45,961
Bonds	債券	5.6	60,181	3.0-8.0	50,000
			63,496		95,961
Variable rate borrowings:	浮息借貸：				
Secured loans	抵押貸款	5.6	36,013	4.8	41,028
Total borrowings	借貸總額		99,509		136,989

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38.4 Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments as at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2017: 10 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. The amount due to a director (see note 24) and bonds (see note 30) bearing fixed rates is not exposed to material interest rate risk, therefore, no sensitivity analysis is presented. If interest rates had been 50 basis points (2017: 10 basis points) higher/lower and all other variables were held constant, the Group's loss for the year ended 31 December 2018 would increase/decrease HK\$180,000 (2017: HK\$41,000).

38.5 Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserve of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table show the details of the remaining contractual maturities as at 31 December 2018 and the Group's non-derivative liabilities and derivative liabilities which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current as at the end of each reporting period) and the earliest date the Group can be required to pay.

38. 金融風險管理及公允價值計量 (續)

38.4 利率風險 (續)

敏感度分析

以下敏感度分析根據於報告期末非衍生工具的利率風險敞口釐定。分析假設於報告期末尚未到期的金融工具於整個年度未到期。在內部向主要管理層人員報告利率風險時採用增減50個基點(二零一七年: 10個基點)分析, 反映管理層對利率合理可能變動的評估。定息應付一名董事款項(見附註24)及定息債券(見附註30)並無面臨重大利率風險, 因此並無呈列敏感度分析。倘利率升/跌50個基點(二零一七年: 10個基點)而所有其他變量維持不變, 則本集團截至二零一八年十二月三十一日止年度的虧損將增加/減少180,000港元(二零一七年: 41,000港元)。

38.5 流動資金風險

本集團之政策為定期監察流動資金需要, 以確保其維持充裕現金儲備及向大型金融機構取得足夠的承諾資金額度, 從而滿足其短期及長遠流動資金需要。

下表詳列於二零一八年十二月三十一日本集團非衍生負債及衍生負債的餘下合約到期情況, 乃根據合約未貼現現金流量(包括使用合約利率或(倘為浮息)於各報告期末之即期利率計算之利息付款)及本集團可能須還款的最早日期編製。

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38. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

38. 金融風險管理及公允價值計量 (續)

38.5 Liquidity risk (Continued)

38.5 流動資金風險 (續)

2018

二零一八年

		On demand or within one year 按要求或 一年內 HK\$'000 千港元	More than one year but less than two years 超過一年 但不到兩年 HK\$'000 千港元	More than two years but less than five years 超過兩年 但不到五年 HK\$'000 千港元	More than five years 超過五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付賬款	11,972	-	-	-	11,972	11,972
Amount due to a director	應付一名董事款項	-	3,315	-	-	3,315	3,315
Amounts due to related companies	應付關聯公司款項	7,157	-	-	-	7,157	7,157
Secured loans	抵押貸款	3,917	3,931	11,792	30,489	50,129	36,013
Bonds	債券	3,405	12,936	44,805	10,264	71,410	60,181
		26,451	20,182	56,597	40,753	143,983	118,638

2017

二零一七年

		On demand or within one year 按要求或 一年內 HK\$'000 千港元	More than one year but less than two years 超過一年 但不到兩年 HK\$'000 千港元	More than two years but less than five years 超過兩年 但不到五年 HK\$'000 千港元	More than five years 超過五年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
Non-derivative financial liabilities	非衍生金融負債						
Trade and other payables	貿易及其他應付賬款	12,687	-	-	-	12,687	12,687
Amount due to a director	應付一名董事款項	-	47,997	-	-	47,997	45,961
Amounts due to related companies	應付關聯公司款項	3,590	-	-	-	3,590	3,590
Secured loans	抵押貸款	4,243	4,243	12,778	37,300	58,564	41,028
Bonds	債券	3,100	3,100	36,854	20,610	63,664	50,000
		23,620	55,340	49,632	57,910	186,502	153,266

38.6 Fair value estimation

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2018 and 2017.

38.6 公允價值估計

所有金融工具的賬面值與二零一八年及二零一七年十二月三十一日的公允價值並無重大差異。

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39. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

During the years ended 31 December 2018 and 2017, The Group's strategy in monitoring its capital structure, which was unchanged from prior year, was to maintain a sufficient cash level to meet its liquidity requirements. In order to maintain or adjust the cash level, the Group may issue new shares, raise new debts financing or sell assets to increase the cash level.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

40. COMPARATIVE FIGURES

The Group has initially applied HKFRS 15 and HKFRS 9 at 1 January 2018. Under the transition methods chosen, comparative information is not restated. See note 3.

39. 資本風險管理

本集團管理資本之首要目標乃保障本集團能夠繼續根據持續經營基準經營，從而透過與風險水準相對應之產品及服務定價及以合理成本獲得融資，繼續為股東創造回報及為其他持份者帶來利益。

本集團積極並定期審閱和管理其資本架構，以在高借貸、高股東回報與穩定資產保障帶來的資本成本之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

截至二零一八年及二零一七年十二月三十一日止年度，本集團秉承往年之策略，監察其股本架構以維持充裕現金水平應付流動資金所需。為維持或調整現金水平，本集團可發行新股份、籌集新債務融資或出售資產以增加現金水平。

本公司及其附屬公司毋須受外部實施之資本規定限制。

40. 比較數字

本集團於二零一八年一月一日初始應用香港財務報告準則第15號及香港財務報告準則第9號。按所選用之過渡方法，比較資料不予重列。見附註3。

Five-year Financial Summary

五年財務概要

		2014 二零一四年	2015 二零一五年 (Restated) (重列) (Note) (附註)	2016 二零一六年 (Restated) (重列) (Note) (附註)	2017 二零一七年	2018 二零一八年
Consolidated Statement of profit or loss and other comprehensive income (HK\$'000)	綜合損益及其他全面收益表 (千港元)					
Revenue from Continuing operations	持續經營業務收益	348,530	413,259	84,943	87,588	94,582
Loss before tax from continuing operations	持續經營業務除所得稅前虧損	(94,053)	(23,302)	(18,334)	(17,834)	(20,584)
Loss after income tax and attributable to owner of the Company	除所得稅後本公司擁有人應佔虧損	(91,806)	(33,055)	(26,074)	(8,529)	(21,820)
Basic (loss)/earnings per share/(HK cents)	每股基本/(虧損)盈利/(港仙)					
- From continuing operations	- 持續經營業務	(28.24)	(8.93)	(6.44)	(4.98)	(4.11)
- From discontinued operations	- 已終止經營業務	-	(1.15)	0.03	3.11	-
Diluted (loss)/earnings per share/(HK cents)	每股攤薄/(虧損)盈利/(港仙)					
- From continuing operations	- 持續經營業務	(28.24)	(8.93)	(6.44)	(4.98)	(4.11)
- From discontinued operations	- 已終止經營業務	-	(1.15)	0.03	3.11	-
Consolidated Statement of financial position (HK\$'000)	綜合財務狀況表 (千港元)					
Non-current assets	非流動資產	121,711	158,891	143,402	131,521	159,371
Current assets	流動資產	246,777	374,851	177,312	47,343	46,306
Current liabilities	流動負債	(168,643)	(379,100)	(161,238)	(30,700)	(37,756)
Net current assets (liabilities)	流動資產(負債)淨值	78,134	(4,249)	16,074	16,643	8,550
Non-current Liabilities	非流動負債	(178,757)	(189,192)	(153,963)	(141,919)	(103,802)
Net assets(liabilities)	資產(負債)淨值	21,088	(34,550)	5,513	6,245	64,119
Share Information (HK\$)	股份資料 (港元)					
Highest share price	最高股價	\$3.11	\$2.30	\$2.00	\$0.49	\$0.58
Lowest share price	最低股價	\$1.73	\$1.10	\$0.48	\$0.39	\$0.26
Year end closing share price	年終收市股價	\$1.96	\$1.84	\$0.48	\$0.40	\$0.34

Note: As a result of the business combination under common control and the discontinued operation, comparative figures for the years ended 31 December 2015 and 2016 had been reclassified to confirm to the preceding years' presentation.

附註：因共同控制業務合併及已終止經營業務，截至二零一五年及二零一六年十二月三十一日止年度之比較數字已重新分類，以與過往年度之呈列方式保持一致。

Corporate Information and Shareholders' Calendar

公司資料及股東日程表

CORPORATE INFORMATION

Board of Directors

Executive directors

Mr. Shen Yong (*Chairman*)
Mr. Gan Lin (*Chief Executive Officer*)
Mr. Shen Ke[#]

Non-executive director

Mr. Huang Xiang Yang

Independent non-executive directors

Mr. Yu Lei
Dr. Loke Yu (alias Loke Hoi Lam)
Mr. Ernst Rudolf Zimmermann

Executive Committee

Mr. Shen Yong
Mr. Shen Ke[#]
Mr. Gan Lin

Audit Committee

Mr. Yu Lei
Dr. Loke Yu (alias Loke Hoi Lam)
Mr. Ernst Rudolf Zimmermann

Remuneration Committee

Mr. Yu Lei
Dr. Loke Yu (alias Loke Hoi Lam)
Mr. Ernst Rudolf Zimmermann

Nomination Committee

Mr. Yu Lei
Dr. Loke Yu (alias Loke Hoi Lam)
Mr. Ernst Rudolf Zimmermann

公司資料

董事會

執行董事

申勇先生 (主席)
甘霖先生 (行政總裁)
申柯先生[#]

非執行董事

黃向陽先生

獨立非執行董事

余磊先生
陸海林博士
司馬文先生

執行委員會

申勇先生
申柯先生[#]
甘霖先生

審核委員會

余磊先生
陸海林博士
司馬文先生

薪酬委員會

余磊先生
陸海林博士
司馬文先生

提名委員會

余磊先生
陸海林博士
司馬文先生

Corporate Information and Shareholders' Calendar

公司資料及股東日程表

Independent Board Committee

Mr. Yu Lei
Dr. Loke Yu (alias Loke Hoi Lam)
Mr. Ernst Rudolf Zimmermann

resigned on 21 September 2018

Company Secretary

Mr. Leung Tak Chee Frankie

Authorised Representatives

Mr. Gan Lin
Mr. Leung Tak Chee Frankie

Registered Office and Principal Place of Business

Room 3805, 38/F, Lee Garden One
33 Hysan Avenue
Causeway Bay
Hong Kong

Auditor

Grant Thornton Hong Kong Limited
Certified Public Accountants

Share Registrar and Transfer Office

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

獨立董事委員會

余磊先生
陸海林博士
司馬文先生

於二零一八年九月二十一日辭任

公司秘書

梁德志先生

授權代表

甘霖先生
梁德志先生

註冊辦事處及主要營業地點

香港
銅鑼灣
希慎道33號
利園一期38樓3805室

核數師

致同(香港)會計師事務所有限公司
執業會計師

股份過戶登記處

卓佳標準有限公司
香港
皇后大道東183號
合和中心
22樓

Corporate Information and Shareholders' Calendar

公司資料及股東日程表

Stock Code

The Stock Exchange of Hong Kong Limited: 2310

Company Website

www.forebase.com.hk

Shareholders' Calendar

Announcement of 2018 Final Results
27 March 2019

Closure of Registrar of Members
22-29 May 2019
(both days inclusive)

Annual General Meeting
29 May 2019

股份代號

香港聯合交易所有限公司：2310

公司網址

www.forebase.com.hk

股東日程表

公佈二零一八年末期業績
二零一九年三月二十七日

暫停辦理股份過戶登記
二零一九年五月二十二日至二十九日
(包括首尾兩天)

股東週年大會
二零一九年五月二十九日



Forebase International Holdings Limited
申基國際控股有限公司