



Annual Report
年報 2018



Macrolink Capital Holdings Limited
新華聯資本有限公司

(Formerly known as Junefield Department Store Group Limited 前稱莊勝百貨集團有限公司)
(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 758)

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公司資料

CORPORATE INFORMATION

董事會

執行董事

傅軍先生(主席)

(於二零一八年八月一日委任)

張建先生

(於二零一八年八月一日委任)

張必書先生

(於二零一八年八月一日委任)

劉靜女士

(於二零一八年八月一日委任)

陳躍先生

(於二零一八年八月一日委任)

周建人先生

周建和先生

(於二零一八年八月二十二日辭任)

張民先生

(於二零一八年八月二十二日辭任)

向獻紅先生

(於二零一八年八月二十二日辭任)

雷曙光先生

(於二零一八年八月二十二日辭任)

非執行董事

Jorge Edgar Jose MUÑIZ ZICHES先生

(於二零一八年八月二十二日辭任)

獨立非執行董事

林聞深先生

曹貺予先生

張嘉偉先生

審核委員會

林聞深先生(主席)

曹貺予先生

張嘉偉先生

薪酬委員會

張嘉偉先生(主席)

林聞深先生

曹貺予先生

BOARD OF DIRECTORS

Executive Directors

Mr. FU Kwan (Chairman)

(appointed on 1 August 2018)

Mr. ZHANG Jian

(appointed on 1 August 2018)

Mr. ZHANG Bishu

(appointed on 1 August 2018)

Ms. LIU Jing

(appointed on 1 August 2018)

Mr. CHAN Yeuk

(appointed on 1 August 2018)

Mr. ZHOU Jianren

Mr. ZHOU Chu Jian He

(resigned on 22 August 2018)

Mr. ZHANG Min

(resigned on 22 August 2018)

Mr. XIANG Xianhong

(resigned on 22 August 2018)

Mr. LEI Shuguang

(resigned on 22 August 2018)

Non-Executive Director

Mr. Jorge Edgar Jose MUÑIZ ZICHES

(resigned on 22 August 2018)

Independent Non-Executive Directors

Mr. LAM Man Sum, Albert

Mr. CAO Kuangyu

Mr. CHEUNG Ka Wai

AUDIT COMMITTEE

Mr. LAM Man Sum, Albert (Chairman)

Mr. CAO Kuangyu

Mr. CHEUNG Ka Wai

REMUNERATION COMMITTEE

Mr. CHEUNG Ka Wai (Chairman)

Mr. LAM Man Sum, Albert

Mr. CAO Kuangyu

提名委員會

傅軍先生(主席)
(於二零一八年八月一日委任)
張建先生
(於二零一八年八月一日委任)
林聞深先生
曹貺予先生
張嘉偉先生
周建和先生
(於二零一八年八月一日辭任)

股份過戶登記處

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building, 69 Pitts Bay Road
Pembroke HM08, Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港皇后大道東183號
合和中心22樓

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

總辦事處暨香港主要營業地點

香港
銅鑼灣
告士打道262號
中糧大廈15樓

公司秘書

吳國才先生

核數師

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

股份代號

758

網站

<http://macrolinkcapital.etnet.com.hk>

NOMINATION COMMITTEE

Mr. FU Kwan (*Chairman*)
(*appointed on 1 August 2018*)
Mr. ZHANG Jian
(*appointed on 1 August 2018*)
Mr. LAM Man Sum, Albert
Mr. CAO Kuangyu
Mr. CHEUNG Ka Wai
Mr. ZHOU Chu Jian He
(*resigned on 1 August 2018*)

SHARE REGISTRARS AND TRANSFER OFFICE

Principal Registrar

MUFG Fund Services (Bermuda) Limited
The Belvedere Building, 69 Pitts Bay Road
Pembroke HM08, Bermuda

Hong Kong Branch Registrar

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

REGISTERED OFFICE

Clarendon House, 2 Church Street
Hamilton HM 11, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

15/F., COFCO Tower
262 Gloucester Road
Causeway Bay
Hong Kong

COMPANY SECRETARY

Mr. NG Kwok Choi

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
31/F., Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

STOCK CODE

758

WEBSITE

<http://macrolinkcapital.etnet.com.hk>

主席報告

CHAIRMAN'S STATEMENT

各位股東：

本人謹代表新華聯資本有限公司（「本公司」）及其附屬公司（統稱「本集團」）董事會（「董事會」），欣然提呈本集團截至二零一八年十二月三十一日止之業務回顧與展望。

業績

截至二零一八年十二月三十一日止年度，本集團之營業額約為184,704,000港元，較二零一七年相應期間之36,275,000港元大幅上升409.18%。截至二零一八年十二月三十一日止年度，本公司擁有人應占綜合虧損約為111,784,000港元，較二零一七年相應期間之44,895,000港元增加148.99%；本公司擁有人每股基本及攤薄虧損10.61港仙（二零一七年：4.29港仙）。於二零一八年十二月三十一日，本集團總資產及淨資產分別達約393,394,000港元及約259,867,000港元。收入增加主要由於本年度本集團新增有色金屬精礦電解鎳貿易所致。而本公司擁有人應占虧損增加乃主要由於：(a)在有關回顧年度並無來自湖南泰基建材有限公司（本公司間接擁有60%權益之附屬公司）之少數股東之任何賠償收入，而於比較年度則錄得有關金額約16,417,000港元；(b)經本集團評估有關本集團預付款項、按金及其他應收款項之可回收性後，有關之減值虧損金額出現大幅增加；及(c)經本集團重新評估其他無形資產之可收回金額後，有關本集團其他無形資產之減值虧損金額出現大幅增加，當中考慮到本集團之建築材料業務分部長期萎縮，以及有關本集團煤炭開採業務分部之估計生產量有所減少。

股息

根據本公司之股息政策及為預留充足的資金予本集團將來發展及營運之用，董事會並不建議派發本年度的末期股息（二零一七年：無）。

Dear Shareholders,

On behalf of the board of directors (the "Board") of Macrolink Capital Holdings Limited (the "Company", together with its subsidiaries, the "Group"), I am pleased to present the business review and outlook of the Group for the year ended 31 December 2018.

RESULTS

For the year ended 31 December 2018, the Group's revenue was approximately HK\$184,704,000, representing a significant increase of 409.18% over HK\$36,275,000 of the corresponding period of 2017. The consolidated loss attributable to owners of the Company was approximately HK\$111,784,000 for the year ended 31 December 2018, representing an increase of 148.99% over HK\$44,895,000 of the corresponding period of 2017. Basic and diluted loss per share attributable to owners of the Company was 10.61 Hong Kong cents (2017: 4.29 Hong Kong cents). At 31 December 2018, the Group's total assets and net assets reached approximately HK\$393,394,000 and approximately HK\$259,867,000 respectively. Revenue increased mainly because the Group added a new non-ferrous mineral concentrate – nickel cathodes in its trading business during the year. The increase in loss attributable to owners of the Company was primarily attributable to (a) the absence of any compensation income from the minority shareholder of the Company's indirect 60%-owned subsidiary, Hunan Taiji Construction Material Co., Ltd. during the year under review, as compared with an amount of approximately HK\$16,417,000 being recorded during the corresponding year; (b) a substantial increase in the amount of impairment loss related to the Group's prepayments, deposits and other receivables after the assessment by the Group of the recoverability related to the same; and (c) a substantial increase in the amount of impairment loss related to the Group's other intangible assets after the reassessment of its recoverable amounts, taking into account the prolonged curtailment of the Group's construction material business segment and the decrease in the estimated production volume relating to the Group's coal mining business segment.

DIVIDENDS

According to the Company's dividend policy and in order to reserve sufficient funds for the Group's future development and operation, the Board did not recommend the payment of a final dividend for the year (2017: nil).

回顧二零一八年

業務回顧

精礦貿易業務

於年內，本集團之營業額大幅增加乃主要由於二零一八年七月底管理層變動後，新進管理層成功開發有色金屬電解鎳之貿易管道，導致精礦業務部規模得以顯著擴展，並於回顧年度內錄得電解鎳貿易營業額約145,832,000港元，貢獻78.95%年度收入。

而自厄瓜多爾及秘魯的精礦（主要為黃金及銅精礦）採購及出口業務，由於供應穩定精礦能力之當地供應商的競爭激烈（特別是厄瓜多爾），該分部之銷售量及淨利潤於回顧期內均繼續下滑。另自二零一七年開拓的秘魯採購精礦市場，採購量逐漸增加。就按金及其他應收款項計提之減值虧損，本集團將持續就位於厄瓜多爾及秘魯之若干賣方採取行動，以收回已付按金。

建築材料業務

本公司間接擁有60%權益之附屬公司湖南泰基建材有限公司（「湖南泰基」）於中國從事製造及銷售礦渣粉業務，有鑒於原材料於可見將來仍暫停供應，現持續停產中且會否恢復生產仍屬未知。此外，本集團與湖南泰基之少數股東之仲裁仍未終結。於回顧年內，製造及銷售建築材料業務未能恢復營運，且於本年度有關之仲裁尚未有最新進展。

REVIEW OF 2018

Business review

Trading of mineral concentrates business

The significant increase in the turnover of the Group during the year was mainly attributable to the significant expansion of the business scale of the mineral concentrates business segment by successfully soliciting trading pipelines for a non-ferrous metal, nickel cathodes, by the new management after the management change in late July 2018. During the year under review, the turnover recorded for trading nickel cathodes was approximately HK\$145,832,000, contributing 78.95% of the revenue of the year.

In relation to the business of sourcing and exporting of mineral concentrates (mainly gold and copper concentrates) from Ecuador and Peru, during the period under review, both the sales volume and net profit margin of this segment continued to decline due to the keen competition in exploring local suppliers with stable supplies of the mineral concentrates, particularly in Ecuador. In addition, the Group has started to explore the sourcing of mineral concentrates market in Peru since 2017 and the purchases volume gradually increased. In respect of the impairment loss provided for in relation to deposits and other receivables, the Group will continue to take action against certain vendors located in Ecuador and Peru to recover the deposits paid.

Construction material business

Hunan Taiji Construction Material Co., Ltd. ("Hunan Taiji") is the Company's indirect 60%-owned subsidiary engaged in manufacture and sale of slag powder business in the PRC. Its production continues to be suspended and the resumption of production of Hunan Taiji remains uncertain due to the suspension of the supply of raw materials in the foreseeable future. In addition, the arbitration between the Group and the minority shareholders of Hunan Taiji was still pending. During the year under review, the operation of manufacture and sale of construction materials business has not yet resumed, and there were no updates for the arbitration during the year.

主席報告

CHAIRMAN'S STATEMENT

煤炭業務

本集團於秘魯擁有兩個發展中煤礦，一個現時已停產（「停產煤礦」），另一個於二零一八年八月正式投產之煤礦（「新煤礦」）於年內預估平均月產量為1,000噸。由於新煤礦仍處於初期營運階段，產量低於預期，且煤炭產品在秘魯當地銷售市場低迷，出口不符合成本效益，與回顧年內，煤炭開採及銷售業務錄得淨虧損。本集團計畫於新煤礦之生產趨穩時，儘快籌備恢復停產煤礦之經營，並改變其銷售戰略，將停產煤礦之煤炭產品由供應國內市場轉變為出口市場，增強與新煤礦之客戶及其物流之協同效應。

主要股東及董事會變動

二零一八年，本公司亦出現重大股東變動。於二零一八年五月九日，新華聯集團有限公司（「新華聯集團」，前稱新華聯國際控股有限公司）與當時為本公司控股股東的盛世投資有限公司（「盛世投資」）訂立一份買賣協定，以現金代價約433,845,522港元（相當於每股股份0.6217港元）收購盛世投資所持697,837,417股本公司股份（相當於本公司66.75%權益）。交易已於二零一八年七月二十六日完成，其後新華聯集團於二零一八年八月一日根據相關收購合併守則向其他股東做出無條件全面要約收購。全面收購於二零一八年八月二十二日結束並成立現時的董事會。完成無條件全面要約收購後，新華聯集團持有本公司67.85%權益。

公司名稱變更

於二零一八年七月二十三日舉行之股東特別大會上通過將本公司名稱易名為Macrolink Capital Holdings Limited，並採納「新華聯資本有限公司」作為副名。于完成所有易名手續後，本公司於二零一八年九月十九日起正式啟用新名稱。更改公司名稱的意義重大，不但彰顯本集團控制權及管理層的變更，鑒於目前波動的經濟形勢，更標誌著新華聯集團銳意將本公司發展成其於海外的核心上市平台，彰顯信心以帶其在中國的成功經驗走向國際化舞台。

Coal mining business

The Group has two coal mines in Peru under development with one of them being currently under suspension (the "Suspended Coal Mine") and the other (the "New Coal Mine") having officially started production in August 2018 with an estimated average monthly production volume of around 1,000 tonnes during the year. As the New Coal Mine is still in its initial stage of operation, output is lower than expected. The local sales market of coal products in Peru is sluggish, and it is not cost effective for export. During the year under review, the coal mining and sales business recorded a net loss. Once the production of the New Coal Mine becomes stable, the Group plans to prepare operation resumption of the Suspended Coal Mine as soon as possible. It will also change its sales strategy and coal products from the Suspended Coal Mine would be changed from domestic market to export market so as to enhance its synergy with the customer base of the New Coal Mine and its logistics.

Changes in major shareholders and the Board

In 2018, the Company also experienced a remarkable change in its shareholding. On 9 May 2018, Macrolink Group Limited ("Macrolink Group", previously named Macrolink International Holdings Limited) and Prime Century Investments Limited ("Prime Century Investments") (the then Company's controlling shareholder) entered into a sale and purchase agreement to acquire 697,837,417 shares in the Company (representing a 66.75% interest in the Company) held by Prime Century Investments for a cash consideration of approximately HK\$433,845,522 (equivalent to HK\$0.6217 per share). The transaction was completed on 26 July 2018. Macrolink Group subsequently made an unconditional general offer to the other shareholders in accordance with the relevant codes on takeovers and mergers on 1 August 2018. The general offer closed on 22 August 2018 and the current Board was set up. Upon completion of the unconditional general offer, Macrolink Group held a 67.85% interest in the Company.

Change of company name

At the special general meeting held on 23 July 2018, a resolution was passed to change the name of the Company to "Macrolink Capital Holdings Limited" and to adopt "新華聯資本有限公司" as its secondary name. Upon completion of all the procedures for the change of name, the Company's new name officially came into use on 19 September 2018. The change of company name is of great significance. It does not only highlight the change in control and management of the Group. In view of the volatile economic situation now, it also signifies that Macrolink Group is determined to develop the Company into its core listing platform overseas and demonstrates its confidence to bring its successful experiences in China to the international stage.

發行可換股債券

本公司與新華聯集團訂立有條件認購協議已發行本金金額為100,000,000港元之可換股債券（「可換股債券」），並已於二零一八年七月二十六日發行可換股債券予新華聯集團。於二零一八年十二月十四日按轉換價每股0.6217港元向新華聯集團配發及發行合共160,849,284股轉換股份，轉換股份於所有方面在互相之間及與已發行之所有其他現有股份具有同等地位。於二零一八年十二月十四日轉換後，本公司並無任何未償還可換股債券及新華聯集團持有本公司72.14%權益。

展望

隨著於二零一八年七月二十六日透過發行可換股債券成功籌集資金，本公司將持續鞏固與供應商之合作，發展鎳貿易以鞏固我們的核心業務，擴大業務企劃並擴闊收入基礎。憑藉二零一八年十月於中國深圳市鹽田區設立之全資附屬公司，本公司也將拓展中國境內貿易業務，以加強全方位的業務定位。

此外，持續秉承價值投資的理念，董事會亦將進一步謹慎並周全地關注及發展本集團在國內及海外的投資及業務拓展機會，善用資金擴展業務領域。配合集團投資戰略，憑藉本集團控股股東的經驗及支援，管理層矢志把握及創造貿易業務與證券及財務投資的商機，為股東及集團帶來長遠而可觀的回報。

致謝

本人謹代表董事會感謝我們尊貴的股東多年來對本集團堅定不移的信任，感謝業務夥伴及客戶長久以來的鼎力支持，亦對我們全體管理團隊成員及員工的努力及克盡己責表示由衷謝意。我們將繼續加大力度鞏固及發展現有業務，同時對發掘新投資給予保持開放態度，實現長期的戰略性轉型，致力為股東締造最大回報。

主席
傅軍

香港，二零一九年三月二十七日

Issue of convertible bonds

The Company entered into a conditional subscription agreement with Macrolink Group to issue convertible bonds with a principal amount of HK\$100,000,000 (the "Convertible Bonds"). The Convertible Bonds were issued to Macrolink Group on 26 July 2018. The Company allotted and issued a total of 160,849,284 conversion shares to Macrolink Group at the conversion price of HK\$0.6217 per share on 14 December 2018. The conversion shares rank pari passu in all respects among themselves and with all other existing shares in issue. Upon conversion on 14 December 2018, the Company did not have any outstanding Convertible Bonds and Macrolink Group held a 72.14% interest in the Company.

OUTLOOK

With the successful raising of funds through the issue of the Convertible Bonds on 26 July 2018, the Company will continue to foster its cooperation with suppliers to develop the trading of nickel so as to strengthen our core businesses, expand our business scope, and broaden our revenue base. With the establishment of a wholly-owned subsidiary in Yantian District, Shenzhen Municipality, China, in October 2018, the Company will also develop its domestic trading business in China to strengthen its all-round business positioning.

In addition, by continuing to adhere to the principle of investing in value, the Board will further cautiously and carefully focus on and develop the Group's investments and business development opportunities at home and abroad, and make good use of funds to expand its business scope. In line with the Group's investment strategy and leveraging on the experience and support of the Group's controlling shareholders, the management is committed to grasping and creating business opportunities in the trading business and securities and financial investments with a view to bringing long-term and substantial returns to shareholders and the Group.

APPRECIATION

On behalf of the Board, I would like express my gratitude to our valued shareholders for their unwavering trust in the Group over the years, to our business partners and clients for their long-term support, and to the entire management team and all staff for their efforts and dedication. We will continue to intensify our efforts to strengthen and develop our existing businesses while remaining open to explore new investment opportunities so as to achieve long-term strategic transformation and will strive to create the best returns for our shareholders.

Fu Kwan
Chairman

Hong Kong, 27 March 2019

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

財務回顧

截至二零一八年十二月三十一日止年度，本公司及其附屬公司（統稱「本集團」）錄得收入約184,704,000港元，較去年的36,275,000港元大幅增加409.18%。收入增加主要由於成功開發新精礦電解鎳之採購網絡，導致精礦業務分部之業務規模得以擴展所致。於回顧年度內，本集團之毛利為6,452,000港元（二零一七年：5,237,000港元）。本公司擁有人應佔綜合虧損約為111,784,000港元（二零一七年：44,895,000港元），較去年同期大幅上升約148.99%，主要由於(a)本集團於回顧年度並無收取來自本公司間接擁有之附屬公司湖南泰基建材有限公司（「湖南泰基」）之少數股東之任何賠償收入（二零一七年：16,417,000港元）；(b)經評估有關本集團預付款項、按金及其他應收款項之可收回性後，本集團確認減值虧損約為23,953,000港元（二零一七年：6,391,000港元）；及(c)由於本集團之建築材料業務分部長期萎縮，以及有關本集團煤炭開採業務分部之估計產量有所減少，本集團重新評估本集團其他無形資產之可收回金額，並錄得減值虧損約37,110,000港元（二零一七年：14,782,000港元）。每股基本及攤薄虧損為10.61港仙（二零一七年：4.29港仙）。

業務回顧

精礦貿易業務

精礦貿易業務分部主要經營兩大方面：(1)自厄瓜多爾及秘魯採購精礦（主要為黃金及銅精礦）並將其出口至中華人民共和國（「中國」）客戶；及(2)由二零一八年起，本集團得以透過與電解鎳知名供應商合作連接到品牌電解鎳之採購網絡，開始主要在俄羅斯採購產品，並將其出口至中國。

憑藉管理層的業務關係及背景，本集團透過抓緊鎳產品之潛力，得以擴展其精礦業務之規模。於回顧年度內，本集團就鎳之貿易總量約超過1,600噸，本集團確認有關收入約為145,832,000港元。此新收入流讓本集團可透過該業務分部多元化發展至其他礦產品，加強其收入基礎。

FINANCIAL REVIEW

For the year ended 31 December 2018, the Company and its subsidiaries (together the "Group") recorded revenue of approximately HK\$184,704,000, representing a significant increase of 409.18% over HK\$36,275,000 of the last year. The increase in revenue was mainly attributable to the expansion in business scale of the mineral concentrates business segment by successfully soliciting sourcing network of a new mineral concentrate-nickel cathodes. The Group's gross profit during the year under review was HK\$6,452,000 (2017: HK\$5,237,000). The consolidated loss attributable to owners of the Company was approximately HK\$111,784,000 (2017: HK\$44,895,000), representing a significant increase of 148.99% over the same period last year, which was primarily attributable to (a) the Group did not receive any compensation income from the minority shareholder of the Company's indirectly-owned subsidiary, Hunan Taiji Construction Material Co., Ltd. ("Hunan Taiji") during the year under review (2017: HK\$16,417,000); (b) after assessment of the recoverability related to the Group's prepayments, deposits and other receivables, the Group recognised an impairment loss of approximately HK\$23,953,000 (2017: HK\$6,391,000) and (c) as a result of the prolonged curtailment of the Group's construction material business segment and the decrease in the estimated production volume relating to the Group's coal mining business segment, the Group reassessed the recoverable amounts of the Group's other intangible assets and the Group recorded impairment losses of approximately HK\$37,110,000 (2017: HK\$14,782,000). Basic and diluted loss per share were HK cents 10.61 (2017: HK cents 4.29).

OPERATION REVIEW

Trading of mineral concentrates business

The trading of mineral concentrates business segment principally operates in two main aspects: (1) sourcing mineral concentrates (mainly gold and copper concentrates) from Ecuador and Peru and exporting them to the customers in the People's Republic of China (the "PRC"); and (2) starting from 2018, the Group was able to secure sourcing network of a branded electrolytic nickel cathodes with a well-known supplier in this area and started to source the product mainly in Russia and export them to the PRC.

Leveraging on the business relationship and background of the management, the Group achieved to expand its mineral concentrate business scale by exploring the potential in nickel products. During the year under review, the Group was able to trade an aggregate volume of approximately of more than 1,600 tons of nickel, with a revenue of approximately HK\$145,832,000 being recognized by the Group. This new revenue stream enables the Group to strengthen its revenue base with diversification into other mineral products in this business segment.

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另一方面，於回顧年度內，精礦貿易業務分部之其他產品表現未如理想，主要由於開拓具穩定供應精礦能力之當地供應商競爭激烈（特別是厄瓜多爾）。本集團自二零一七年開始探索於秘魯採購精礦，且採購量逐漸增加。本集團錄得收入約24,041,000港元（二零一七年：26,953,000港元），較去年同期下跌10.80%。

於回顧年度內，該業務分部確認淨虧損約20,401,000港元（二零一七年：4,695,000港元），較去年同期大幅上升約334.53%。淨虧損大幅上升主要乃由於經本集團評估後，有關已付按金之減值虧損約為21,456,000港元（二零一七年：5,175,000港元）。本集團正就位於厄瓜多爾及秘魯之若干賣方採取行動，以收回已付按金。

證券投資

誠如本公司日期為二零一八年六月二十九日之通函所述，鑒於香港及中國證券市場發展繁榮，本公司擬將於二零一八年七月二十六日發行可換股債券（「可換股債券」）之所得款項淨額42%投資於香港及／或中國從事金融服務公司之上市證券，以產生股息收入並把握中長期資本增值。然而，於二零一八年下半年，香港及中國證券市場存在高度不明朗因素及波動，下行風險較高。因此，於回顧年度內，本集團並無將任何所得款項淨額投資於該業務分部。

於回顧年度內，本集團已出售所有持作買賣之現有證券投資，且於二零一八年十二月三十一日，本集團持有按公平值計入其他全面收益（「按公平值計入其他全面收益」）之股本投資為數約508,000港元。本集團持有有關發行人之已發行股本少於5%。於本年度內，本集團就該等股本投資確認未變現公平值虧損約1,556,000港元，而於截至二零一七年十二月三十一日止年度則錄得公平值收益約2,275,000港元，其分類為可供銷售投資之公平值變動。該等公平值虧損及收益分別於截至二零一八年及二零一七年十二月三十一日止年度按公平值計入其他全面收益儲備內扣除及計入投資重估儲備。

On the other hand, during the year under review, the trading of mineral concentrates business segment in other products performed unsatisfactorily mainly due to the keen competition in exploring local suppliers with stable supplies of mineral concentrates, particularly in Ecuador. The Group has started to explore the sourcing of mineral concentrates in Peru since 2017 and the purchases volume gradually increased. The Group recorded the revenue of approximately HK\$24,041,000 (2017: HK\$26,953,000), representing a decrease of 10.80% compared to the same period last year.

During the year under review, this business segment recognised a net loss of approximately HK\$20,401,000 (2017: HK\$4,695,000), representing a significant increase of 334.53% compared to the same period last year. The significant increase in the net loss was mainly due to the impairment loss on deposits paid of approximately HK\$21,456,000 (2017: HK\$5,175,000) after the assessment by the Group. The Group is taking actions against certain vendors located in Ecuador and Peru to recover the deposits paid.

Securities investments

As stated in the circular of the Company dated 29 June 2018, in view of the prosperity of the securities market in Hong Kong and the PRC, the Company intends to apply 42% of the net proceeds from the issue of convertible bonds (the "Convertible Bonds") on 26 July 2018 to invest in the listed securities of companies engaged in financial services in Hong Kong and/or the PRC with a view to generate dividend income and seizing capital appreciation in medium or long term. However, during the second half of 2018, the securities markets in Hong Kong and the PRC are vulnerable to a high level of uncertainty and volatility with high downside risks. As a result, during the year under review, the Group did not invest any of the net proceeds in this business segment.

During the year under review, the Group has disposed of all of the existing securities investments held for trading and as at 31 December 2018, the Group held equity investments at fair value through other comprehensive income ("FVTOCI") of approximately HK\$508,000. The Group held less than 5% of the issued share capital of the issuer. During the year, the Group recognized an unrealized fair value loss of approximately HK\$1,556,000 for these equity investments while a fair value gain of approximately HK\$2,275,000 was recorded for the year ended 31 December 2017 which was classified as change in fair value of available-for-sale investment. These fair value loss and gain were charged to the FVTOCI reserve and credited to the investments revaluation reserve respectively for the years ended 31 December 2018 and 2017.

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建築材料業務

湖南泰基於中國從事製造及銷售礦渣粉業務，於其唯一供應商於二零一六年三月發出書面通知暫停供應用於生產之水渣（「水渣供應」）後，自二零一六年八月起暫停生產及自二零一六年八月起並無錄得任何營業額。於回顧年度內，本集團確認淨虧損約56,694,000港元（二零一七年：34,241,000港元），較上一回顧年度增加65.57%。淨虧損主要包括考慮到該業務分部長期萎縮，就本集團有關供應商合約之其他無形資產確認之減值虧損約28,245,000港元（二零一七年：14,782,000港元），以及就其物業、廠房及設備確認之減值虧損約4,251,000港元（二零一七年：無）。為了本集團、湖南泰基及其少數股東之最佳利益，本集團繼續與湖南泰基少數股東磋商以尋求恢復湖南泰基生產之可能性，並不時尋求任何可行的解決方案。應湖南泰基之少數股東的要求，中國湖南省婁底市地方法院於二零一九年二月向湖南泰基發出應訴通知書，由於兩個合營方之間長期發生糾紛，要求在湖南泰基合營協議終止前解散湖南泰基。有鑑於唯一供應商為湖南泰基之少數股東的關連方，本集團認為，由於原材料於可見將來仍然暫停供應，故湖南泰基會否恢復生產仍屬未知之數，因此，於二零一八年十二月三十一日，經重新評估後，本集團就供應商合約全數計提減值虧損。

在此之際，本集團仍在等待有關自二零一三年九月一日起至二零一六年八月三十一日止期間因水渣供應短缺導致溢利減少而向中國國際經濟貿易仲裁委員會（「仲裁委員會」）提出第二次仲裁申請向湖南泰基少數股東索取賠償之裁決，而湖南泰基少數股東根據湖南泰基合營協議應繼續承擔採購水渣供應之責任。於二零一五年，仲裁委員會已就第一次仲裁申請作出裁決，判本集團勝訴。

Construction material business

Hunan Taiji, engaging in manufacture and sale of slag powder business in the PRC, has being in suspension of production since August 2016 after its sole supplier served a written notice to suspend the supply of the granulated steel slag for production (“Steel Slag Supply”) in March 2016. There was no turnover generated since August 2016. During the year under review, the Group recognized a net loss of approximately HK\$56,694,000 (2017: HK\$34,241,000), representing an increase of 65.57% compared to the last year under review. The net loss mainly consisted of an impairment loss of approximately HK\$28,245,000 (2017: HK\$14,782,000) in relation to the Group’s other intangible assets of supplier contract, taking into account the prolonged curtailment of this business segment and an impairment loss of approximately HK\$4,251,000 (2017: Nil) on its property, plant and equipment. For the best interests of the Group, Hunan Taiji and its minority shareholder, the Group continued to pursue on the negotiations with the minority shareholder of Hunan Taiji on the possibility for the resumption of Hunan Taiji’s production and sought out any feasible solution from time to time. At the request of the minority shareholder of Hunan Taiji, a local court at Loudi City, Hunan Province of the PRC, served a notice of response to Hunan Taiji in February 2019 requesting to dissolve Hunan Taiji prior to the termination of the joint venture agreement of Hunan Taiji due to the prolonged disputes between the two joint venturers. In view of the sole supplier is a related party of the minority shareholder of Hunan Taiji, the Group believes that the resumption of production of Hunan Taiji remains uncertain due to the suspension of the supply of raw materials in the foreseeable future and, therefore the Group made full impairment loss on the supplier contract after the reassessment as at 31 December 2018.

Meanwhile, the Group is still waiting for the ruling for the second arbitral application with the China International Economics and Trade Arbitration Commission (“Arbitration Commission”) for claiming compensations from minority shareholder of Hunan Taiji on the decrease of the profits due to the shortage of Steel Slag Supply for the period from 1 September 2013 to 31 August 2016 and the minority shareholder of Hunan Taiji should continue to honour its obligations by procuring the Steel Slag Supply in accordance with the joint venture agreement of Hunan Taiji. The Arbitration Commission made the ruling in favour of the Group on the first arbitral application in 2015.

煤炭開採業務

誠如本公司截至二零一八年六月三十日止六個月之中期報告所述，本集團於秘魯擁有兩個發展中煤礦，其中一個已正式投產（「新煤礦」），而另一個現時已停產（「停產煤礦」）。新煤礦已於二零一八年八月正式投產，於二零一八年年末前，估計平均每月產量約為1,000噸。所有煤炭產品均在秘魯當地市場售賣，原因為銷售量較低，出口不符合成本效益。於回顧年度內，該業務分部錄得收入約657,000港元（二零一七年：無），亦錄得淨虧損約21,686,000港元（二零一七年：3,430,000港元），較去年同期增加約532.24%。本集團對其煤炭開採業務之勘探及評估資產以及採礦權進行減值評估，由於勘探及評估資產之估計可收回金額低於其賬面金額，因此，本集團就勘探及評估資產確認減值虧損約8,865,000港元（二零一七年：無），就存貨確認減值虧損3,894,000港元（二零一七年：無）。有關該分部，經本集團評估後，本集團亦就按金及其他應收款項確認撇減約1,985,000港元（二零一七年：1,216,000港元）。

由於新煤礦之產量落後於初期規劃，而所產生之收入不足以支持其營運成本，因此，本集團預期，其於二零一九年將會繼續發生虧損。儘管如此，一旦新煤礦有利可圖或產生正現金流量，本集團將會考慮恢復停產煤礦之營運及發展其他煤礦。

物業投資及發展

於北京之投資物業

於回顧年度內，來自出租中國北京物業之租金收入約為4,031,000港元（二零一七年：4,289,000港元），較上一個回顧年度輕微減少6.02%。該等位於北京之投資物業亦就重估錄得公平值收益約885,000港元（二零一七年：5,422,000港元）。本集團預期現時持有之該等位於北京之投資物業將繼續產生穩定之租金收入及可把握升值潛力。

Coal mining business

As stated in the Company's interim report for the six months ended 30 June 2018, there are two coal mines in Peru under development with one of them being under progress for formal production (the "New Coal Mine") and another one is currently under suspension (the "Suspended Coal Mine"). The New Coal Mine has started its formal production in August 2018 with an estimated average monthly production volume of around 1,000 tonnes by the year end of 2018. All the coal products were sold to the local market in Peru because it is not cost effective for export with a low sales volume. During the year under review, this business segment recorded revenue of approximately HK\$657,000 (2017: Nil) and a net loss of approximately HK\$21,686,000 (2017: HK\$3,430,000), representing an increase of approximately 532.24% as compared to the same period last year. The Group performed impairment assessments on its exploration and evaluation assets and mining rights of its coal mining business, the estimated recoverable amount of the exploration and evaluation assets were lower than their carrying amounts and therefore the Group recognised impairment loss on exploration and evaluation assets of approximately HK\$8,865,000 (2017: Nil). Regarding this segment, the Group also recognised written-down on inventories of HK\$3,894,000 (2017: Nil) and impairment loss on deposits and other receivables of approximately HK\$1,985,000 (2017: HK\$1,216,000) after the assessment by the Group.

Since the production volume of the New Coal Mine is lagged behind from the initial planning and the revenue generated is unable to support its operating costs, the Group expects that it will continue to incur loss in 2019. Nevertheless, the Group will consider the operation resumption of the Suspended Coal Mine and the development of other mines once the New Coal Mine would be profitable or generates positive cash flow.

Property investment and development

Investment properties in Beijing

During the year under review, the rental income from property leasing in Beijing, the PRC was approximately HK\$4,031,000 (2017: HK\$4,289,000), representing a slight decrease of 6.02% compared to the last year under review. These investment properties in Beijing also recorded fair value gains of approximately HK\$885,000 (2017: HK\$5,422,000) in respect of the revaluation. The Group expects these investment properties in Beijing currently held on hand will keep generating a stable rental income stream and capture potential appreciation.

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於秘魯之物業發展

於回顧年度內，位於秘魯之物業發展錄得營業額約3,883,000港元(二零一七年：無)。本集團致力於二零一九年上半年出售餘下兩個單位。

流動資金及財務資源

本集團的財務狀況穩健，擁有雄厚的權益及營運資金基礎。於二零一八年十二月三十一日，本集團之總權益約為259,867,000港元(二零一七年十二月三十一日：294,648,000港元)，較二零一七年十二月三十一日下降11.80%。於二零一八年十二月三十一日，本集團之流動比率為1.61(二零一七年十二月三十一日：1.75)。本集團於二零一八年十二月三十一日之資產負債比率(總計息銀行及其他借貸與總資產之比率)為0.09(二零一七年十二月三十一日：0.09)。

本集團之借貸並無特定季節性模式。於二零一八年十二月三十一日，本集團之有抵押銀行貸款、有抵押其他貸款及無抵押其他貸款分別為6,280,000港元(二零一七年十二月三十一日：9,914,000港元)；25,000,000港元(二零一七年十二月三十一日：25,000,000港元)及5,701,000港元(二零一七年十二月三十一日：6,010,000港元)。有抵押銀行貸款乃以美元(「美元」)計值，按一年期倫敦銀行同業拆息加6.4厘之年利率計息及將於二零二零年八月屆滿。有抵押其他貸款乃以港元計值及按每年8厘計息，根據本集團所訂立之新協議，其償還日期為二零二零年一月三日。無抵押其他貸款以人民幣計值及按每年9.5厘計息，並須按要求償還。

於二零一八年十二月三十一日，本集團主要以港元、美元、人民幣及索爾計值之現金及銀行結餘合共約為100,901,000港元(二零一七年十二月三十一日：34,290,000港元)。

於二零一八年十二月三十一日，本集團擁有銀行及其他融資合共約35,948,000港元(二零一七年：39,582,000港元)，並擁有可供提取而尚未動用之銀行及其他融資約4,668,000港元(二零一七年：4,668,000港元)。

經考慮以上各項，管理層有信心，本集團將有足夠資源於貸款到期時償還有關貸款，以及為其日常營運及資本開支提供資金。然而，本集團於其流動資金管理方面仍將審慎行事。

Property development in Peru

During the year under review, the property development in Peru recorded turnover of approximately HK\$3,883,000 (2017: Nil). The Group strives to sell the remaining 2 units in the first half of 2019.

LIQUIDITY AND FINANCIAL RESOURCES

The financial position of the Group is sound with strong equity and working capital bases. As at 31 December 2018, the Group's total equity amounted to approximately HK\$259,867,000 (31 December 2017: HK\$294,648,000), representing a decrease of 11.80% compared with that as at 31 December 2017. The Group's current ratio as at 31 December 2018 was 1.61 (31 December 2017: 1.75). The Group's gearing ratio, expressed as a ratio of total interest-bearing bank and other borrowings to total assets as at 31 December 2018, was 0.09 (31 December 2017: 0.09).

The Group had no particular seasonal pattern of borrowing. As at 31 December 2018, the Group had secured bank loan, secured other loan and unsecured other loan amounting to HK\$6,280,000 (31 December 2017: HK\$9,914,000); HK\$25,000,000 (31 December 2017: HK\$25,000,000) and HK\$5,701,000 (31 December 2017: HK\$6,010,000), respectively. The secured bank loan is denominated in United States dollars ("USD"), interest-bearing at an annual rate of London Interbank Offered Rate plus 6.4% per annum and will expire in August 2020. The secured other loan is denominated in HK\$, interest-bearing at 8% per annum and its repayment date is 3 January 2020 pursuant to a new agreement entered into by the Group. The unsecured other loan is denominated in RMB and interest-bearing at 9.5% per annum and repayable on demand.

As at 31 December 2018, the Group's cash and bank balances totaled approximately HK\$100,901,000 (31 December 2017: HK\$34,290,000), which were mainly denominated in HK\$, US\$, RMB and Soles.

As at 31 December 2018, the Group had aggregate banking and other facilities of approximately HK\$35,948,000 (2017: HK\$39,582,000) and had unutilised banking and other facilities of approximately HK\$4,668,000 (2017: HK\$4,668,000) available for drawdown.

Taking the above into account, the management is confident that the Group will have adequate resources to settle its loan as they fall due and finance its daily operational and capital expenditures. However, the Group will remain cautious in its liquidity management.

資本結構

本公司於二零一八年七月二十六日發行本金額為100,000,000港元之可換股債券。可換股債券按5厘之年利率計算利息，其到期日為可換股債券發行日期起滿兩年之日。根據轉換價每股0.6217港元，於可換股債券獲轉換後，可配發及發行最多160,849,284股本公司股份。於二零一八年十二月十一日，本公司接獲債券持有人轉換通知，以根據可換股債券之條款悉數轉換可換股債券。於二零一八年十二月十四日，本公司按轉換價每股轉換股份0.6217港元配發及發行合共160,849,284股股份。

除上文所披露者外，本公司之已發行股本並無任何變動，於二零一八年十二月三十一日，本公司之已發行普通股數目為1,206,249,251股（二零一七年十二月三十一日：1,045,399,967股）。

集團結構

於回顧年度內，本公司全資附屬公司新華聯國際發展有限公司成立深圳新華聯工貿發展有限公司，其為一家於中國成立及註冊之公司，其主要業務活動為貿易及投資）。

除上文所述者外，於回顧年度內，本集團之結構並無任何重大變動。

資本及經營租賃承擔

於二零一八年十二月三十一日，本集團並無重大資本承擔（二零一七年十二月三十一日：無）。有關不可撤銷經營租賃之租金付款約為156,000港元（二零一七年十二月三十一日：309,000港元）。

CAPITAL STRUCTURE

The Convertible Bonds in principal amount of HK\$100,000,000 were issued by the Company on 26 July 2018. The Convertible Bonds bore an interest rate of 5% per annum with its maturity date falling two years after the issuance of the Convertible Bonds. Based on the conversion price of HK\$0.6217 per share, a maximum of 160,849,284 shares of the Company may be allotted and issued upon its conversion. On 11 December 2018, the Company received a conversion notice from the bondholder to wholly convert the Convertible Bonds pursuant to the terms of the Convertible Bonds. On 14 December 2018, the Company allotted and issued a total of 160,849,284 shares at the conversion price of HK\$0.6217 per conversion shares.

Save as disclosed above, there has been no change in the issued share capital of the Company and the Company's number of issued ordinary shares as at 31 December 2018 was 1,206,249,251 (31 December 2017: 1,045,399,967).

GROUP STRUCTURE

During the year under review, Macrolink International Development Limited, a wholly-owned subsidiary of the Company, formed Shenzhen Macrolink Industrial & Trading Development Limited (深圳新華聯工貿發展有限公司), a company established and incorporated in the PRC with its principal activities being mainly in trading and investment.

Apart from the above, there has been no material change in the structure of the Group during the year under review.

CAPITAL AND OPERATING LEASE COMMITMENTS

As at 31 December 2018, the Group had no significant capital commitments (31 December 2017: Nil). Rental payment under non-cancellable operating lease amounted to approximately HK\$156,000 (31 December 2017: HK\$309,000).

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

財資政策

本集團繼續對其財資政策採取保守態度，並專注於風險管理及與本集團相關業務有直接關係的交易。於回顧年度內，本集團之業務活動主要以港元、人民幣、美元及索爾計值。董事會並不認為本集團面對任何重大外匯風險。本集團並無採納任何對沖政策或訂立任何衍生工具產品。然而，董事會及管理層將會繼續監察外匯風險，並考慮在有需要時就貨幣風險採取若干對沖措施。

資產抵押

於二零一八年十二月三十一日，本集團已將賬面值分別約44,178,000港元（二零一七年：46,973,000港元）及39,065,000港元（二零一七年：39,199,000港元）之若干物業、廠房及設備及投資物業抵押予銀行及其他貸款人以取得相關信貸。

員工及薪酬

於二零一八年十二月三十一日，本集團合共有約180名僱員（二零一七年十二月三十一日：172名），其中大部份為香港、中國及秘魯僱員。本集團聘用之僱員數目不定，視乎行業需要而定，而彼等之薪酬乃根據按照業內慣例而制定之聘用條款釐定。本集團實行其薪酬政策，並根據本集團及其僱員之表現獎勵酌情花紅。本集團提供社會及醫療保險以及退休金等福利以確保具有競爭力。

未決訴訟

未決訴訟之詳情載於綜合財務報表附註40。

TREASURY POLICIES

The Group continued to adopt a conservative approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group. During the year under review, the business activities of the Group were mainly denominated in HK\$, RMB, US\$ and Soles. The Board did not consider that the Group is significantly exposed to any foreign currency risk. The Group has not adopted any hedging policy or entered into any derivative products. However, the Board and the management will continue to monitor the foreign currency exchange exposure and will consider adopting certain hedging measures against the currency risk when necessary.

CHARGE OF ASSETS

As at 31 December 2018, certain of the Group's property, plant and equipment and investment properties with carrying amounts of approximately HK\$44,178,000 (2017: HK\$46,973,000) and HK\$39,065,000 (2017: HK\$39,199,000) respectively have been pledged to bank and other lender to secure bank and loan facilities.

STAFF AND REMUNERATION

The Group had 180 employees in total as at 31 December 2018 (31 December 2017: 172) mainly in Hong Kong, the PRC and Peru. The number of workers employed by the Group varies from time to time depending on the industry need and they are remunerated under the employment terms which are based on industry practice. The Group implemented its remuneration policy and discretionary bonus based on the performance of the Group and its employees. The Group provided benefits such as social and medical insurance and pensions to ensure competitiveness.

OUTSTANDING LITIGATION

Details of outstanding litigation are set out in note 40 to the consolidated financial statements.

發行可換股債券之所得款項淨額用途

發行可換股債券之實際所得款項淨額（經扣除相關開支約1,250,000港元）約為98,750,000港元。下表載列於二零一八年七月二十六日發行可換股債券之所得款項淨額擬定用途以及截至二零一八年十二月三十一日為止之使用情況：

USE OF NET PROCEEDS FROM ISSUE OF CONVERTIBLE BONDS

The actual net proceeds from the issue of Convertible Bonds, after deduction of related expenses of approximately HK\$1,250,000, amounted to approximately HK\$98,750,000. The below table sets out proposed application of net proceeds from the issue of the Convertible Bonds on 26 July 2018, and usage up to 31 December 2018:

| | | 截至 二零一八年 十二月三十一日 為止之 實際使用情況 Actual usage up to 31 December 2018 | 百萬元 HK\$ million |
|----------|--|---|---------------------|
| 維持證券投資業務 | Maintaining the securities investments business | | 41.5 |
| 維持精礦貿易業務 | Maintaining the trading of mineral concentrates business | | 32.5 |
| 償還借款 | Repayment of borrowings | | 14.8 |
| 一般營運資金 | General working capital | | 9.9 |
| | | | 98.7 |
| | | | 5.0 |

展望

隨著於二零一八年七月二十六日透過發行可換股債券成功籌集資金，本公司將持續鞏固與供應商之合作，發展鎳的貿易以鞏固我們的核心業務，擴大業務企劃並擴闊收入基礎。憑藉二零一八年十月於中國深圳市鹽田區設立之全資附屬公司，本公司也將拓展中國境內貿易業務，以加強全方位的業務定位。

此外，持續秉承「價值投資」的理念，董事會亦將進一步謹慎並周全地關注及發展本集團在國內及海外的投資及業務拓展機會，善用資金擴展業務領域。配合集團投資戰略，憑藉本集團控股股東的經驗及支援，管理層矢志把握及創造貿易業務與證券及財務投資的商機，為股東及集團帶來長遠而可觀的回報。

OUTLOOK

With the successful raising of funds through the issue of the Convertible Bonds on 26 July 2018, the Company will continue to foster its cooperation with supplier to develop the trading of nickel so as to strengthen our core businesses, expand our business scope, and broaden our revenue base. With the establishment of a wholly-owned subsidiary in Yantian District, Shenzhen Municipality, China, in October 2018, the Company will also develop its domestic trading business in China to strengthen its all-round business positioning.

In addition, by continuing to adhere to the principle of investing in value, the Board will further cautiously and carefully focus on and develop the Group's investments and business development opportunities at home and abroad, and make good use of funds to expand its business scope. In line with the Group's investment strategy and leveraging on the experience and support of the Group's controlling shareholders, the management is committed to grasping and creating business opportunities in the trading business and securities and financial investments with a view to bringing long-term and substantial returns to shareholders and the Group.

董事及高級管理人員履歷

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

執行董事

傅軍先生，現年61歲，由二零一八年八月一日起擔任本公司執行董事及主席以及本公司提名委員會主席。傅先生現任新華聯控股有限公司（「新華聯」）董事會主席及總裁。傅先生為高級經濟師，於企業管理及業務策略規劃方面擁有逾30年經驗。傅先生曾擔任中國湖南省醴陵市公安特派員、公社黨委副書記、鄉鎮黨委書記、醴陵市經委副主任、市外貿局局長、湖南省工藝品進出口集團副總經理、省委駐瀏陽市社教工作隊副隊長等職務。傅先生亦曾獲委任為全國工商聯執委及常委、全國工商聯參政議政委員會主任及第十屆全國工商聯副主席。傅先生曾任第十一屆中國民間商會副會長，及第十一屆、十二屆及十三屆中國人民政治協商會議全國委員會委員及香港中國商會會長。傅先生亦被聘任為中南大學及北京外國語大學董事會副董事長。彼多次被評為「中國優秀社會主義建設者」、「中國十大傑出企業家」及「中國經濟年度人物」等榮譽，並為「中國改革開放40年傑出民營企業家」。傅先生現為一間於香港聯合交易所有限公司（「聯交所」）主板上市之公司東岳集團有限公司的執行董事。

張建先生，現年45歲，由二零一八年八月一日起擔任本公司執行董事以及本公司提名委員會成員。張先生於二零零二年加入新華聯。張先生為現任新華聯高級副總裁兼新華聯陶瓷與裝備事業部總裁。張先生在投行與企業運營管理方面擁有逾20年經驗。張先生獲得江西財經大學經濟學及法律學士學位以及香港中文大學工商管理碩士學位。張先生目前為本公司總經理，亦擔任本公司兩家附屬公司之董事。

EXECUTIVE DIRECTORS

Mr. Fu Kwan, aged 61, has been the executive Director and the Chairman of the Company as well as the chairman of the nomination committee of the Company since 1 August 2018. Mr. Fu is currently the chairman of the board of directors and the president of Macrolink Holding Co., Ltd (“Macrolink”). Mr. Fu is a senior economist and has over 30 years of experience in corporate management and business strategy planning. Mr. Fu served as a Commissioner of Public Security in Liling City, Hunan Province, China, the Deputy Secretary of the Commune Party Committee, the Secretary of the Township Party Committee, the Deputy Director of the Economic and Trade Commission of Liling City, a director of the Municipal Foreign Trade Bureau, the deputy general manager of Hunan Arts and Crafts Import and Export Group, and the deputy leader of Social and Education Work Team of the Provincial Party Committee in Liuyang city, etc. Also, Mr. Fu was appointed as the executive director and a member of Standing Committee of the China Federation of Industry and Commerce (全國工商聯), and a director of Political Affairs Committee of China Federation of Industry and Commerce (全國工商聯參政議政委員會) and the vice president of the 10th China Federation of Industry and Commerce (全國工商聯). Mr. Fu worked as the vice chairman of the 11th China Civil Chamber of Commerce (中國民間商會), and was a member of the 11th, 12th and 13th National Committee of Chinese People’s Political Consultative Conference, and the president of the Hong Kong China Chamber of Commerce. Mr. Fu was appointed as the vice chairman of the board of directors of Central South University and Beijing Foreign Studies University. He has been honored as “the National Outstanding Socialist Builder”, “the China’s Top Ten Outstanding Entrepreneurs”, “China’s Economic Figures of the Year”, and “the Outstanding Entrepreneurs of Private Enterprise in 40 years of reform and opening up of China”. Mr. Fu is currently an executive director of Dongyue Group Limited, a company listed on Main Board of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Mr. Zhang Jian, aged 45, has been the executive Director of the Company and a member of the nomination committee of the Company since 1 August 2018. Mr. Zhang joined Macrolink in 2002. Mr. Zhang is currently the senior vice president of Macrolink and the president of the Ceramics and Equipment Business Department of Macrolink. Mr. Zhang has more than 20 years of experience in investment banking, corporate operation and business management. Mr. Zhang obtained a bachelor’s degree in economics and law from Jiangxi University of Finance and Economics and a master’s degree in business administration from the Chinese University of Hong Kong. Mr. Zhang is currently the general manager of the Company and also acts as directors of two subsidiaries of the Company.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

張先生現時擔任東岳集團有限公司(於聯交所主板上市)及新絲路文旅有限公司(於聯交所主板上市)之執行董事、科達潔能股份有限公司(於上海證券交易所上市)的副董事長及新華聯文化旅遊發展股份有限公司(於深圳證券交易所上市)的執行董事。於二零一六年六月至二零一七年八月期間，張先生為新安金融集團股份有限公司(於全國中小企業股份轉讓系統掛牌)董事。

張必書先生，現年49歲，由二零一八年八月一日起擔任本公司執行董事。張先生現任新華聯高級副總裁、首席會計師兼新華聯化工與輪胎事業部總裁。於加入新華聯前，張先生曾就職於國有企業和中國政府部門。張先生於二零零四年十月加入新華聯，曾任新華聯財務副總監、新華聯偉鴻食品有限公司董事長、佳遠鈷業控股有限公司董事兼總經理及新華聯財務總監兼投資事業部總監。張先生亦為中國註冊會計師及註冊稅務師。張先生亦為東岳集團有限公司(於聯交所主板上市)的執行董事及新華聯國際投資有限公司董事。

劉靜女士，現年43歲，由二零一八年八月一日起擔任本公司執行董事。劉女士現任新華聯高級副總裁、新華聯投資事業部總裁。劉女士於一九九八年加入新華聯。隨後，劉女士任職於新華聯下屬酒業公司、地產公司及燃氣公司。劉女士亦曾任新華聯海外財務部財務總監、長石投資有限公司董事長及總經理以及新華聯國際投資有限公司總經理。劉女士於一九九八年獲得湖南湘潭大學會計學學士學位。劉女士亦為中國註冊會計師，並擔任本公司一家附屬公司之董事。

陳躍先生，現年60歲，由二零一八年八月一日起擔任本公司執行董事。陳先生為一名經濟師及現任新華聯及新華聯國際投資有限公司董事。陳先生自一九七六年參加工作及曾任職工人及工程預算員。陳先生於一九八七年畢業於北京化工管理幹部學院企業管理專業。畢業後，陳先生任職美國關島三湘集團旗下一間公司副經理，後任中國投資銀行湖南省分行營業部副主任及主任。陳先生於一九九三年加入新華聯，歷任新華聯監事會主席、副董事長及執行董事。

Mr. Zhang is currently the executive director of Dongyue Group Limited (a company listed on the Main Board of the Stock Exchange and New Silkroad Culturaltainment Limited (a company listed on the Main Board of the Stock Exchange), the Vice President of Keda Clean Energy Co., Ltd. (a company listed on the Shanghai Stock Exchange and the executive director of Macrolink Culturaltainment Development Co. Ltd (a company listed on the Shenzhen Stock Exchange). Mr. Zhang was a director of Xia'an Financial Group Co., Ltd. which is quoted on the "National Equities Exchange and Quotations" from June 2016 to August 2017.

Mr. Zhang Bishu, aged 49, has been the executive Director of the Company since 1 August 2018. Mr. Zhang is currently the senior vice president and chief accountant of Macrolink, and the president of the Chemical and Tyre Business Department of Macrolink. Before joining Macrolink, Mr. Zhang served in state-owned enterprises and PRC government bureau. Mr. Zhang joined Macrolink in October 2004 and was employed as the deputy financial officer of Macrolink, the chairman of Macrolink Weihung Food Company Ltd. (新華聯偉鴻食品有限公司), a director and general manager of Jiayuan Cobalt Holdings Co., Ltd. (佳遠鈷業控股有限公司) and the chief financial officer and a director of the Investment Department of Macrolink. Mr. Zhang is also a certified accountant and registered tax agent in the PRC. Mr. Zhang is also the executive director of Dongyue Group Limited (a company listed on the Main Board of the Stock Exchange) and a director of Macrolink International Investment Co., Ltd.

Ms. Liu Jing, aged 43, has been the executive Director of the Company since 1 August 2018. Ms. Liu is currently the senior vice president of Macrolink, and the president of the Investment Department of Macrolink. Ms. Liu joined Macrolink in 1998. Since then, Ms. Liu has worked in winery, real estate and gas companies under Macrolink. Ms. Liu also served as the chief financial director of Overseas Finance Department of Macrolink, the chairman and the general manager of Changshi Investment Co., Ltd., and the general manager of Macrolink International Investment Co., Ltd. In 1998, Ms. Liu obtained a bachelor's degree in accounting from Xiangtan University in Hunan province. Ms. Liu is also a certified accountant in the PRC and acts as a director of a subsidiary of the Company.

Mr. Chan Yeuk, aged 60, has been the executive Director of the Company since 1 August 2018. Mr. Chan is an economist and the current director of Macrolink and Macrolink International Investment Co., Ltd. Mr. Chan started working in 1976 and worked as a worker and a project budgetary staff. In 1987, Mr. Chan obtained a degree from the Business Administration Department of Beijing Institute of Chemical Technology. After graduation, Mr. Chan worked in a company under San Xiang Group in Guam, the United States of America serving as the deputy manager, and later served as the deputy director and the director of Sales Department of Hunan branch of China Investment Bank. Mr. Chan joined Macrolink in 1993, and served as the chairman of the Supervisory Board, the vice president, and the executive director of Macrolink.

董事及高級管理人員履歷

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

周建人先生，現年60歲，自二零一四年七月起出任本公司執行董事。周先生亦為本公司主席及執行董事（直至二零一八年八月二十二日為止）周建和先生之胞兄。周先生擁有逾三十年之國際貿易經驗。周先生亦為本公司若干附屬公司之董事。

Mr. Zhou Jianren, aged 60, has been an executive Director of the Company since July 2014. Mr. Zhou is the elder brother of Mr. Zhou Chu Jian He, the Chairman and an executive director of the Company until 22 August 2018. Mr. Zhou has more than 30 years of experience in international trading. Mr. Zhou also acts as a director of certain subsidiaries of the Company.

獨立非執行董事

林聞深先生，現年63歲，於二零零四年九月起出任本公司獨立非執行董事及為本公司審核委員會主席以及薪酬委員會及提名委員會各自之成員。林先生為英格蘭及威爾斯特許會計師公會、英國特許公認會計師公會、香港會計師公會、香港證券學會、香港華人會計師公會、澳洲•紐西蘭特許會計師公會、香港稅務學會會員及註冊稅務師。林先生現為東健國際控股有限公司（前稱「叁龍國際有限公司」）及大唐滙金控股有限公司之獨立非執行董事，上述公司為聯交所主板及創業版上市公司。林先生現時為致同（香港）會計師事務所有限公司之合夥人。林先生曾任西證國際證券股份有限公司之部門總監及林聞深會計師事務所之東主。林先生曾為中天運浩勤、青葉集團之董事及現任股東及顧問。林先生持有英國曼徹斯特大學經濟系文學士學位。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lam Man Sum, Albert, aged 63, has been an independent non-executive Director of the Company since September 2004 and is the chairman of the audit committee; and a member of each of the remuneration committee and nomination committee of the Company. Mr. Lam is a member of the Institute of Chartered Accountants in England & Wales, Association of Chartered Certified Accountants, Hong Kong Institute of Certified Public Accountants, the Hong Kong Securities Institute, Society of Chinese Accountants & Auditors, Australia • New Zealand Institute of Chartered Accountants, Taxation Institute of Hong Kong and Certified Tax Adviser. Mr. Lam is currently an independent non-executive director of OCI International Holdings Limited (formerly known as “Dragonite International Limited”) and Grand T G Gold Holdings Limited, all of which are companies listed on the Main Board and the Growth Enterprise Market of the Stock Exchange. Mr. Lam currently is a partner of Grant Thornton Hong Kong Limited and was head of department in Southwest Securities International Securities Limited and also the proprietor of Albert Lam & Co. CPA. Mr. Lam was also the director and currently is the shareholder and Consultant of Jonten Hopkins & Aoba Group. Mr. Lam holds a Bachelor Degree in Arts (Economics) from the University of Manchester, the United Kingdom.

曹貺予先生，68歲，自二零一三年一月起出任本公司之獨立非執行董事及為審核委員會、薪酬委員會及提名委員會各自之成員。曹先生持有湖南大學經濟學學士學位及倫敦大學金融管理碩士學位。曹先生擁有逾三十年的銀行從業經驗。曹先生於一九八一年至一九九六年於中國銀行湖南省分行工作，最後職位為該分行副總經理。曹先生於一九九六年調任中國銀行新加坡分行副總經理，直至一九九九年止。曹先生亦於一九九九年至二零零三年服務於中信銀行深圳分行，其最後職位為該分行行長。曹先生於二零零三年來港，先後出任中銀國際亞洲有限公司董事總經理及全球投行部主管，直至二零零七年止。

Mr. Cao Kuangyu, aged 68, has been an independent non-executive Director of the Company since January 2013 and is a member of each of the audit committee, remuneration committee and nomination committee. Mr. Cao holds a Bachelor Degree in Economics from Hunan University and a Master Degree in Financial Management from the University of London. Mr. Cao has over 30 years of experience in the banking industry. Mr. Cao worked in the Bank of China, Hunan branch from 1981 to 1996 and his last position was the deputy general manager of the branch. In 1996, Mr. Cao was transferred to the Singapore branch of Bank of China as deputy general manager until 1999. Mr. Cao also worked in Citic Bank, Shenzhen branch from 1999 to 2003 and his last position was the president of the branch. Mr. Cao came to Hong Kong in 2003 when Mr. Cao worked as managing director, head of global investment banking division of BOCI Asia Limited until 2007.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

曹先生現時為東吳水泥國際有限公司、新絲路文旅有限公司及鼎億集團投資有限公司之獨立非執行董事，上述公司均於聯交所上市。曹先生曾任滙力資源(集團)有限公司之獨立非執行董事(於二零一七年九月辭任)，上述公司於聯交所上市。

Mr. Cao is currently an independent non-executive director of Dongwu Cement International Limited, New Silkroad Culturaltainment Limited and Dingyi Group Investment Limited, all of which are companies listed on the Stock Exchange. Mr. Cao served as an independent non-executive director of Huili Resources (Group) Limited (resigned in September 2017), which is a company listed on the Stock Exchange.

張嘉偉先生，61歲，自二零一三年三月起出任本公司之獨立非執行董事及為薪酬委員會主席以及審核委員會及提名委員會各自之成員。張先生亦持有香港大學經濟學學士學位及法律學學士學位。張先生亦持有香港大學公共行政碩士學位及法律碩士學位。張先生曾於不同政府部門任職十二年，並於公司法及民事訴訟方面擁有超過二十年的執業經驗。張先生現為張嘉偉律師事務所之高級合夥人。張先生及其律師事務所曾為數間於聯交所上市之公司、資產管理公司及非牟利機構及慈善團體擔任法律顧問。

Mr. Cheung Ka Wai, aged 61, has been an independent non-executive Director of the Company since March 2013 and is the chairman of the remuneration committee and a member of each of the audit committee and nomination committee. Mr. Cheung holds a Bachelor Degree in Economics and a Bachelor Degree in Law from the University of Hong Kong. Mr. Cheung also holds two Masters Degrees respectively in Public Administration and in Laws from the University of Hong Kong. Mr. Cheung has worked in various government departments for 12 years, and has over 20 years in the practice of company law and civil litigation matters. Currently Mr. Cheung is the senior partner of Messrs. Kelvin Cheung & Co., Solicitors & Notaries. Mr. Cheung and his law firm have been the legal advisors of a number of companies listed on the Stock Exchange, asset fund management firms and non-profit making organizations and charities in Hong Kong.

公司秘書

吳國才先生，47歲，自二零一八年九月起出任為本公司之公司秘書及財務總監。吳先生為特許公認會計師公會資深會員及香港會計師公會會員，持有香港科技大學工商管理學士學位，主修會計。吳先生於財務、會計及上市公司秘書事務方面擁有逾二十年經驗。於加入本公司前，吳先生曾在香港一間國際會計公司工作，以及任職於多間香港上市公司，負責會計、財務及公司秘書事務。

COMPANY SECRETARY

Mr. Ng Kwok Choi, aged 47, has been the company secretary and the financial controller of the Company since September 2018. Mr. Ng is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants and holds a bachelor degree in business administration from Hong Kong University of Science and Technology majoring in accounting. Mr. Ng has over 20 years of experience in finance, accounting and listed company secretarial matters. Prior to joining the Company, Mr. Ng had worked in an international accounting firm in Hong Kong, and was responsible for accounting, finance and company secretarial matters for various listed companies in Hong Kong.

董事會報告

REPORT OF THE DIRECTORS

新華聯資本有限公司（「本公司」）董事會（「董事會」）謹此提呈本公司及其附屬公司（統稱「本集團」）截至二零一八年十二月三十一日止年度（「報告年度」）的董事會報告及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股及精礦貿易。本公司附屬公司的主要業務包括物業投資及發展、製造及銷售建築材料、證券投資、精礦貿易、煤炭開採及其他，有關詳情載於綜合財務報表附註1。於報告年度內，本集團的主要業務性質並無重大變動。

更改公司名稱

將本公司的英文名稱「Junefield Department Store Group Limited」更改為「Macrolink Capital Holdings Limited」以及採用「新華聯資本有限公司」為本公司第二名稱以代替僅供識別用途之「莊勝百貨集團有限公司」一事已獲本公司股東於二零一八年七月二十三日舉行之股東特別大會上批准。百慕達公司註冊處處長於二零一八年八月二十日發出更改名稱註冊證書及第二名稱證明書。因此，更改公司名稱之條件已經符合，而將本公司的英文名稱更改以及採用中文第二名稱已經於二零一八年七月三十日生效。香港公司註冊處處長已於二零一八年九月五日發出註冊非香港公司變更名稱註冊證明書。

董事會認為，新名稱更能反映於報告年度內本公司之控制權變動。

The board (the “Board”) of directors of Macrolink Capital Holdings Limited (the “Company”) present their report together with the audited consolidated financial statements of the Company together with its subsidiaries (collectively the “Group”) for the year ended 31 December 2018 (the “Reporting Year”).

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and trading of mineral concentrates. The principal activities of the subsidiaries of the Company comprise of property investment and development, manufacturing and sale of construction materials, securities investment, trading of mineral concentrates, coal mining and others, details of which are set out in note 1 to the consolidated financial statements. There were no significant changes in the nature of the Group’s principal activities during the Reporting Year.

CHANGE OF COMPANY NAME

The change of the English name of the Company from “Junefield Department Store Group Limited” to “Macrolink Capital Holdings Limited” and the adoption of “新華聯資本有限公司” as the secondary name in Chinese to replace “莊勝百貨集團有限公司” which was used for identification purposes was approved by the shareholders of the Company at the special general meeting held on 23 July 2018. The Certificate of Incorporation on Change of Name and the Certificate of Secondary Name were issued by the Registrar of Companies in Bermuda on 20 August 2018. The conditions for the Change of Company Name have therefore been satisfied and the change of the English name of the Company and the adoption of Chinese secondary name became effective on 30 July 2018. The Certificate of Registration of Alternation of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 5 September 2018.

The Board considers that the new name better reflects the change of control of the Company during the Reporting Year.

業務審閱

本集團於報告年度之業務審閱、本集團業務的未來發展、本集團可能面對的潛在風險及不明朗因素之討論載於本年報第8至15頁管理層討論及分析一節。

環境、社會及管治

本集團致力為環境的可持續性出一分力，並維持高水準的企業社會管治，其對營造激勵僱員的環境極為重要，以於達致本集團之企業及業務目標同時回饋社會。本集團亦於辦公室（如適用）實施節能實踐。

本集團不時將檢討其環保實務，並將在營運中考慮採用更有效及效率之措施及實務。本集團之環境政策及表現於本年報「環境、社會及管治報告」一節作更詳細論述。

遵守法律及法規

本集團設有合規程序，確保適用法律、規則及法規得以遵守，尤以對本集團造成重大影響者為要，如香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）及經修訂香港財務報告準則。適用法律、規則及法規如有任何變動，將不時提請相關僱員及相關營運單位注意。就本公司所悉，本集團在各重大方面已遵守對其業務及營運構成重大影響的相關法律及法規。

BUSINESS REVIEW

A review of the business of the Group during the Reporting Year, discussion on the Group's future business development, possible risks and uncertainties that the Group may be facing are provided in the Management Discussion and Analysis section from pages 8 to 15 of this Annual Report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group is committed to contributing to the sustainability of the environment and maintaining a good standard of corporate social governance essential for creating a framework for motivating employees, and contributes to the community to meet our corporate and business objectives of the Group. The Group also implemented energy saving practices in offices where applicable.

The Group will review its environmental protection practices from time to time and will consider taking more effective and efficient measures and practices in the operations. The environmental policies and performance of the Group are discussed in more detail in the section headed "Environmental, Social and Governance Report" of this Annual Report.

COMPLIANCE WITH LAWS AND REGULATIONS

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group, such as the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the revised Hong Kong Financial Reporting Standards. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units from time to time. As far as the Company is aware, it has complied in material respects with the relevant laws and regulations that have a significant impact on the businesses and operations of the Group.

董事會報告

REPORT OF THE DIRECTORS

與僱員、客戶、供應商及其他人士之主要關係

本集團擬透過提供具競爭力的薪酬福利及推行職業發展及提供機會在本集團內發展事業及晉升，以獎勵及認可表現優秀的僱員。本集團鼓勵僱員參與外部研討會及講座，以緊貼行業、法律、合規、財務會計及稅務知識領域的變更及最新資訊。本集團亦鼓勵董事進行持續專業發展培訓，其中包括法規要求及發展以及企業管治常規之最新資訊以發展及更新彼等之知識及技能。

本集團高度重視與客戶及供應商維持良好及長期關係，確保各自有效率地供應產品及服務以及順利進行採購。

本集團深明保障股東的利益及透過股東週年大會、企業通訊、中期及年度報告以及業績公佈與彼等不時保持溝通的重要性。

主要風險及不確定性

於報告年度，董事會發現可能影響本集團業務經營所在行業之主要風險包括反覆及不明朗之市場情況、不斷變化的行業標準、行業競爭及金融風險如流動資金風險、利率風險及貨幣風險。本集團能夠及時應對可能對本集團業務及財務業績造成不利影響之該等變化尤為重要。

董事會最終負有確保本集團擁有充足的風險管理常規以盡可能有效率及有效地減低業務及營運中的風險之責任。董事會將其部分風險管理之職責下放予各個經營部門。進一步檢討載於本年報第60頁「企業管治報告－風險管理及內部監控」一節。

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND OTHERS

The Group intends to reward and recognise performing employees by providing a competitive remuneration package and to promote career development and provide opportunities within the Group for career advancement. The Group encourages employees participation of external seminars and lectures to keep abreast of changes and updates on areas of industrial, legal, compliance, financial accounting and tax knowledge. The Group also encourages continuous professional development training for the directors to develop and refresh their knowledge and skills which includes seminars, updates on regulatory requirements and development and corporate governance practices.

The Group places high priority on maintaining good and long-term relationships with our customers and suppliers to ensure efficient delivery of products and services and smooth procurement process respectively.

The Group recognises the importance to protect the interests of shareholders and the importance of having communication with them from time to time through annual general meetings, corporate communications, interim and annual reports as well as results announcements.

PRINCIPAL RISKS AND UNCERTAINTIES

During the Reporting Year, the Board identified the principal risks which are likely to affect the Group's business operations including volatility and uncertainty in market conditions, changing in industry standards, industry competition and financial risks in the ordinary course of business, such as liquidity risk, interest rate risk and currency risk. It is essential that the Group is able to respond in a timely manner to such changes which may adversely affect the Group's businesses and financial results.

The Board is ultimately responsible for ensuring that the risk management practices of the Group are sufficient to mitigate the risks present in our businesses and operations as efficiently and effectively as possible. The Board delegates some of its responsibility of risk management to various operational departments. Further reviews are set out in the section headed "Corporate Governance Report – Risk Management and Internal Control" on page 60 of the Annual Report.

業績及股息

本集團報告年度之業績載於本年報第72頁之綜合損益表。

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付任何股息(二零一七年：無)。

物業、廠房及設備

本集團之物業、廠房及設備於報告年度內之變動詳情載於綜合財務報表附註13。

投資物業

本集團之投資物業詳情載於綜合財務報表附註14。

捐款

於報告年度，本集團並無作出慈善捐款(二零一七年：779,000港元)。

銀行及其他借貸

本集團之銀行及其他借貸之詳情載於綜合財務報表附註31。

主要客戶及供應商

於回顧年度內，本集團五大客戶產生之收入合共佔本集團本年度之總營業額93.03%，最大客戶產生之收入佔當中50.64%。本集團向五大供應商作出之採購額佔本集團本年度之總採購額95.01%，向最大供應商作出之採購額佔當中79.08%。

於報告年度，概無任何本公司董事或彼等之任何聯繫人士或據董事所深知擁有本公司已發行股本5%以上之任何股東於本集團五大客戶及供應商擁有任何實益權益。

RESULTS AND DIVIDENDS

The results of the Group for the Reporting Year are set out in the consolidated statement of profit or loss on page 72 of this Annual Report.

The Board did not recommend the payment of any dividend for the year ended 31 December 2018 (2017: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Reporting Year are set out in note 13 to the consolidated financial statements.

INVESTMENT PROPERTIES

Details of investment properties of the Group are set out in note 14 to the consolidated financial statements.

DONATION

No charitable donation was made by the Group for the Reporting Year (2017: HK\$779,000).

BANK AND OTHER BORROWINGS

Details of the bank and other borrowings of the Group are set out in note 31 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, revenue generated from the Group's five largest customers in aggregate accounted for 93.03% of the total revenue for the year and revenue generated from the largest customer included therein accounted for 50.64%. Purchases from the Group's five largest suppliers accounted for 95.01% of the total purchases for the year and purchases from the largest supplier included therein accounted for 79.08%.

None of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five customers and suppliers during the Reporting Year.

董事會報告

REPORT OF THE DIRECTORS

股本

本公司之股本於報告年度內之變動詳情載於綜合財務報表附註33。

本公司於二零一八年七月二十六日所發行本金額為100,000,000港元之可換股債券（「可換股債券」）所附帶之轉換權獲行使後已發行本公司股份：

誠如本公司日期為二零一八年十二月十一日之公告內所披露，本公司接獲新華聯集團有限公司（「新華聯集團」，前稱新華聯國際控股有限公司）之轉換通知，內容有關行使轉換權，以根據可換股債券之條款悉數轉換可換股債券。於二零一八年十二月十四日，本公司按轉換價每股轉換股份0.6217港元向新華聯集團配發及發行合共160,849,284股股份。

儲備

於報告年度，本公司及本集團儲備變動之詳情分別載於綜合財務報表附註45及綜合權益變動表。

可供分派儲備

於二零一八年十二月三十一日，根據百慕達一九八一年公司法（經修訂）之條文計算，本公司可供分派予股東之儲備約為100,131,000港元（於二零一七年十二月三十一日：181,785,000港元）。

優先購買權

本公司之公司細則或百慕達法例並無優先購買權條文，以規定本公司須按比例向現有股東發售新股份。

SHARE CAPITAL

Details of movements in the share capital of the Company during the Reporting Year are set out in note 33 to the consolidated financial statements.

Issuance of shares of the Company upon exercise of the conversion rights attached to the convertible bonds (the "Convertible Bonds") in the principal amount of HK\$100,000,000 issued by the Company on 26 July 2018:

As disclosed in the announcement of the Company dated 11 December 2018, the Company received a conversion notice from Macrolink Group Limited ("Macrolink Group", previously named Macrolink International Holdings Limited), in relation to the exercise of the conversion rights to wholly convert the Convertible Bonds pursuant to its terms. On 14 December 2018, the Company allotted and issued a total of 160,849,284 shares to Macrolink Group at the conversion price of HK\$0.6217 per conversion shares.

RESERVES

Details of movements in the reserves of the Company and the Group during the Reporting Year are set out in note 45 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

At 31 December 2018, the Company's reserves available for distribution to shareholders, calculated in accordance with the provision of the Companies Act 1981 of Bermuda (as amended), amounted to approximately HK\$100,131,000 (as at 31 December 2017: HK\$181,785,000).

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company or the laws of Bermuda which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

股票掛鈎協議

除下文所述之購股權計劃外，本集團於報告年度內並無訂立任何股票掛鈎協議。

五年財務概要

本集團於過往五個財政年度之已發佈業績及資產以及負債之概要乃摘錄自經審核財務報表，並載於本年報第208頁。該概要並不構成經審核財務報表的一部分。

購買、出售或贖回本公司上市證券

於報告年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

董事

本公司於報告年度內及截至本年報日期之董事如下：

執行董事

傅軍先生(主席)(於二零一八年八月一日委任)
張建先生(於二零一八年八月一日委任)
張必書先生(於二零一八年八月一日委任)
劉靜女士(於二零一八年八月一日委任)
陳躍先生(於二零一八年八月一日委任)
周建和先生(於二零一八年八月二十二日辭任)
張民先生(於二零一八年八月二十二日辭任)
周建人先生
向獻紅先生(於二零一八年八月二十二日辭任)
雷曙光先生(於二零一八年八月二十二日辭任)

非執行董事

Jorge Edgar Jose Muñoz Ziches先生
(於二零一八年八月二十二日辭任)

EQUITY-LINKED AGREEMENTS

Save for the share option scheme described below, the Group has not entered into any equity-linked agreements during the Reporting Year.

FIVE YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 208 of this Annual Report. This summary does not form part of the audited 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 Reporting Year.

DIRECTORS

The directors of the Company during the Reporting Year and up to the date of this Annual Report were:

Executive Directors

Mr. Fu Kwan (Chairman) (appointed on 1 August 2018)
Mr. Zhang Jian (appointed on 1 August 2018)
Mr. Zhang Bishu (appointed on 1 August 2018)
Ms. Liu Jing (appointed on 1 August 2018)
Mr. Chan Yeuk (appointed on 1 August 2018)
Mr. Zhou Chu Jian He (resigned on 22 August 2018)
Mr. Zhang Min (resigned on 22 August 2018)
Mr. Zhou Jianren
Mr. Xiang Xianhong (resigned on 22 August 2018)
Mr. Lei Shuguang (resigned on 22 August 2018)

Non-Executive Director

Mr. Jorge Edgar Jose Muñoz Ziches (resigned on 22 August 2018)

董事會報告

REPORT OF THE DIRECTORS

獨立非執行董事

林聞深先生
曹貺予先生
張嘉偉先生

根據本公司之公司細則第86(2)條及第87(1)條，傅軍先生、張建先生、劉靜女士、張必書先生、陳躍先生及張嘉偉先生將於應屆股東週年大會上輪值退任，彼等符合資格膺選連任。

獨立非執行董事之獨立性確認書

本公司各獨立非執行董事已根據上市規則第3.13條之規定提交確認其符合獨立性之週年確認書。本公司認為所有獨立非執行董事符合上市規則第3.13條所載之獨立性指引，均屬獨立人士。

董事履歷

本公司董事之履歷載於本年報第16頁至第19頁。

董事服務合約

本公司董事概無與本公司或其任何附屬公司訂立僱主公司不可於一年內毋須支付賠償（法定賠償除外）而終止之服務合約。董事薪酬詳情載於綜合財務報表附註8。

董事於交易、安排或合約之權益

除分別載於本年報第28頁及29頁「關連交易」一節以及綜合財務報表附註41所披露者外，本公司董事概無於本公司或其任何控股公司及附屬公司於回顧年度內訂立有關本集團業務之任何重大合約中直接或間接擁有重大權益。

Independent Non-Executive Directors

Mr. Lam Man Sum, Albert
Mr. Cao Kuangyu
Mr. Cheung Ka Wai

In accordance with the Company's bye-law 86(2) and 87(1), Mr. Fu Kwan, Mr. Zhang Jian, Ms. Liu Jing, Mr. Zhang Bishu, Mr. Chan Yeuk and Mr. Cheung Ka Wai will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Each of the independent non-executive directors of the Company has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive directors met the independence guidelines as set out in Rule 3.13 of the Listing Rules and are independent.

BIOGRAPHICAL DETAILS OF DIRECTORS

Biographical details of directors of the Company are set out on pages 16 to 19 of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

None of the directors of the Company has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation (other than statutory compensations). Details of directors' remuneration are set out in note 8 to the consolidated financial statements.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed in the section headed "Connected Transaction" on pages 28 and 29 of this Annual Report and note 41 to the consolidated financial statements, no director of the Company had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its holding companies and subsidiaries was a party during the year under review.

獲准許的彌償條文

根據本公司之公司細則第166條，每名董事、其他高級人員及核數師均可從本公司的資產及利潤獲得彌償，該等人士作為本公司的董事、核數師或其他高級人員就其職務執行其職責或就此另行招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害。本公司已經為本集團董事及高級人員安排合適之董事及高級人員責任保險。

購股權計劃

一項購股權計劃已根據本公司股東於二零零九年六月二十九日通過之書面決議案而採納（「購股權計劃」）。購股權計劃旨在向對本集團成功經營業務作出貢獻之合資格參與人士提供鼓勵。購股權計劃之進一步詳情載於綜合財務報表附註34。

於回顧年度內，根據購股權計劃授出之未獲行使購股權之變動詳情如下：

PERMITTED INDEMNITY PROVISION

Pursuant to Bye-law number 166 of the Company's Bye-laws, every director, other officer and auditors shall be entitled to be indemnified and secured harmless out of assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses incurred or sustained by him as a director, auditors or other officer of the Company about the execution of the duties of his office or otherwise in relation thereto. The Company has arranged appropriate Directors' and Officers' liability insurance coverage for the directors and officers of the Group.

SHARE OPTION SCHEME

A share option scheme was adopted pursuant to the written resolutions passed by the shareholders of the Company on 29 June 2009 (the "Share Option Scheme"). The purpose of the Share Option Scheme is to provide incentives to eligible participants who contribute to the success of the Group's operations. Further details of the Share Option Scheme are set out in note 34 to the consolidated financial statements.

During the year under review, details of the movements of the outstanding share options granted under the Share Option Scheme are as follows:

| | 授出日期 Date of grant | 行使期間 Exercisable period | 購股權數目 Number of share options | | | | 於二零一八年 十二月 三十一日 | |
|----------------------------------|--------------------------|--|--|--|--|--|---|---|
| | | | 於二零一八年 一月一日 之結餘 Balance as at 1 January 2018 | 年內 已授出 Granted during the year | 年內 已行使 Exercised during the year | 年內 已註銷 Cancelled during the year | 於二零一八年 十二月 三十一日 之結餘 Balance as at 31 December 2018 | 每股 行使價 Exercise price per share 港元 HK\$ |
| 董事 Directors | | | | | | | | |
| 周建和先生 Mr. Zhou Chu Jian He | 二零零九年七月六日 6 July 2009 | 二零零九年七月六日至二零一九年七月五日 6 July 2009 – 5 July 2019 | 9,980,000 | - | - | (9,980,000) | - | 0.229 |
| 林闡深先生 Mr. Lam Man Sum, Albert | 二零零九年七月六日 6 July 2009 | 二零零九年七月六日至二零一九年七月五日 6 July 2009 – 5 July 2019 | 3,300,000 | - | - | (3,300,000) | - | 0.229 |
| | | | 13,280,000 | - | - | (13,280,000) | - | |

董事會報告

REPORT OF THE DIRECTORS

於本年度內，已因接納新華聯集團所作出之強制性現金要約（要約已於二零一八年八月二十二日完成）而註銷購股權計劃下之全部尚未行使購股權。購股權公平值之相關會計政策載於綜合財務報表附註2.4內。

關連方交易

於報告年度內，於綜合財務報表附註41內所載之關連方交易並不符合「關連交易」或「持續關連交易」之定義，或根據上市規則第14A.76條被視為符合最低豁免水平的交易。

關連交易

發行可換股債券

於二零一八年五月九日，本公司與新華聯集團（作為認購人）訂立有條件認購協議（經兩份補充協議補充及修訂，統稱「認購協議」）以發行本金金額為100,000,000港元之可換股債券。由於新華聯集團被視為於上市規則第14A.20條項下之關連人士，向新華聯集團發行可換股債券被視為本公司之關連交易。批准發行可換股債券之普通決議案已於二零一八年七月二十三日舉行之股東特別大會上獲本公司獨立股東正式通過。

根據認購協議，本公司已於二零一八年七月二十六日發行可換股債券予新華聯集團。可換股債券按5厘之年利率計算利息，其到期日為可換股債券發行日期起滿兩年之日。按轉換價每股股份0.6217港元計算，於其獲轉換後可予配發及發行之本公司股份數目最多為160,849,284股股份。

發行可換股債券的所得款項淨額擬用於本集團之證券投資及精礦貿易業務、償還本集團之借款及用作其一般營運資金。有關可換股債券之進一步詳情載於二零一八年六月二十九日本公司刊發之通函。

During the year, all the outstanding share options under the Share Option Scheme were cancelled as a result of the acceptance of mandatory cash offer made by Macrolink Group which was completed on 22 August 2018. The related accounting policy for the fair values of the share options are set out in note 2.4 to the consolidated financial statements.

RELATED PARTY TRANSACTIONS

During the Reporting Year, the related party transactions set out in note 41 to the consolidated financial statements did not either fall within the definition of “connected transaction” or “continuing connected transaction”, or treated as de minimis transactions under Rule 14A.76 of the Listing Rules.

CONNECTED TRANSACTION

Issue of Convertible Bonds

On 9 May 2018, the Company entered into a conditional subscription agreement (which is supplemented and amended by two supplemental agreements, collectively referred to as the “Subscription Agreement”) with Macrolink Group as a subscriber to the Convertible Bonds with a principal amount of HK\$100,000,000. As Macrolink Group was deemed to be a connected person under Rule 14A.20 of the Listing Rules, the issue of the Convertible Bonds to Macrolink Group was deemed to be a connected transaction of the Company. An ordinary resolution approving the issue of the Convertible Bonds was duly passed by independent shareholders of the Company at a special general meeting held on 23 July 2018.

Pursuant to the Subscription Agreement, the Convertible Bonds were issued by the Company to Macrolink Group on 26 July 2018. The Convertible Bonds bore an interest rate of 5% per annum with its maturity date falling two years after the issuance of the Convertible Bonds. Based on the conversion price of HK\$0.6217 per share, a maximum of 160,849,284 shares of the Company may be allotted and issued upon its conversion.

The net proceeds from the issuance of the Convertible Bonds was intended to be applied for securities investment and the trading of mineral concentrates businesses of the Group, repayment of the Group’s borrowings and for its general working capital purpose. Further details of the Convertible Bonds are set out in the circular of the Company dated 29 June 2018.

於二零一八年十二月十一日，本公司接獲新華聯集團之轉換通知，內容有關行使轉換權，以根據可換股債券之條款悉數轉換可換股債券。於二零一八年十二月十四日，本公司按轉換價每股轉換股份0.6217港元向新華聯集團配發及發行合共160,849,284股股份。

董事及主要行政人員於證券之權益

於二零一八年十二月三十一日，本公司董事及主要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（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須記錄在本公司保存之登記冊或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須通知本公司與聯交所之權益及淡倉如下：

好倉 – 本公司每股面值0.10港元之普通股

| 董事姓名 Name of directors | 個人權益 Personal interest | 法團權益 Corporate interest | 總權益 Total interests | 佔本公司已發行股本百分比 Percentage of the Company's issued share capital |
|---------------------------|---------------------------|----------------------------------|------------------------|--|
| 傅軍先生 Mr. Fu Kwan | 4,500,000 | 870,145,473 (附註1) (Note 1) | 874,645,473 | 72.51% |
| 陳躍先生 Mr. Chan Yeuk | 100,000 | – | 100,000 | 0.01% |

附註1：該870,145,473股股份乃由新華聯集團持有，新華聯集團由君立實業投資有限公司擁有42.05%。傅軍先生擁有君立實業投資有限公司已發行股本之70%權益。

Note 1: These 870,145,473 shares are held by Macrolink Group which is owned as to 42.05% by Truly Industry Investment Company Limited. Mr. Fu Kwan owns 70% of the issued share capital of Truly Industry Investment Company Limited.

附註2：於二零一八年十二月三十一日，本公司之已發行股本為1,206,249,251股股份。

Note 2: As at 31 December 2018, the issued share capital of the Company is 1,206,249,251 shares.

除上文所披露者外，於二零一八年十二月三十一日，就本公司董事及主要行政人員所知，概無任何其他人士於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券擁有根據證券及期貨條例第352條記錄在本公司保存之登記冊或根據標準守則須通知本公司與聯交所之權益或淡倉。

Save as disclosed above, as at 31 December 2018, so far as is known to the directors and chief executives of the Company, no other person had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were recorded in the register as required to be kept by the Company under section 352 of the SFO or as otherwise pursuant to the Model Code, notified to the Company and the Stock Exchange.

On 11 December 2018, the Company received a conversion notice from Macrolink Group in relation to the exercise of the conversion rights to wholly convert the Convertible Bonds pursuant to the terms of the Convertible Bonds. On 14 December 2018, the Company allotted and issued a total of 160,849,284 shares to Macrolink Group at the conversion price of HK\$0.6217 per conversion shares.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES

As at 31 December 2018, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”), which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) were as follows:

LONG POSITION – ORDINARY SHARES OF HK\$0.10 EACH OF THE COMPANY

董事會報告

REPORT OF THE DIRECTORS

董事購入股份或債券之權利

除上文「購股權計劃」一節所披露之權益外，於本年度內任何時間，任何董事或彼等各自之配偶或十八歲以下子女概無獲授任何權利，可藉收購本公司股份或債券而獲取利益，而彼等亦無行使任何該等權利。本公司或其任何控股公司及附屬公司概無訂立任何安排，致使董事可在任何其他法人團體獲取上述權利。

董事於競爭業務之權益

根據上市規則第8.10條，截至二零一八年十二月三十一日止年度，以下本公司董事被認為於與本集團之業務直接或間接競爭或可能構成競爭之以下業務擁有權益。

周建和先生曾經為本公司執行董事，直至二零一八年八月二十二日為止。周先生透過多間私人公司（統稱「私人集團」）從事物業投資、礦業開採及相關投資。

倘私人集團與本集團進行交易，周建和先生在本公司細則規定之情況下已就彼或其任何緊密聯繫人有重大利益之任何合約、安排或建議之董事會決議放棄投票。

由於董事會乃獨立於私人集團之董事會，並維持不少於三名獨立非執行董事，因此本集團能獨立於私人集團之業務並以公平原則進行其業務。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as the interests disclosed in the section headed "Share Option Scheme" above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director or their respective spouse or children under age of 18, or were any such rights exercised by them; or was the Company, or any of its holding companies and subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Pursuant to Rule 8.10 of the Listing Rules, during the year ended 31 December 2018, the following director of the Company was considered to have interests in the following businesses which competed or were likely to compete, either directly or indirectly, with the businesses of the Group.

Mr. Zhou Chu Jian He had been an executive director of the Company until 22 August 2018. Mr. Zhou engages in businesses including property investment, mineral exploitation and related investment through a number of private companies (collectively the "Private Group").

In the event that there were transactions between the Private Group and the Group, Mr. Zhou Chu Jian He, as and when required under the Company's bye-laws, abstained from voting on any board resolution in respect of any contract, arrangement, or proposal in which he or any of his close associates has a material interest.

As the Board is independent from the board of directors of the Private Group and maintains no less than three independent non-executive directors, the Group is capable of carrying on its businesses independently of, and at an arm's length from, the businesses of the Private Group.

此外，傅軍先生、張建先生、張必書先生、劉靜女士及陳躍先生各自為新華聯控股有限公司及其附屬公司擁有實益權益之若干公司（「該等公司」）之實益擁有人或董事及／或高級管理人員。該等公司從事的業務包括物業投資及發展、證券投資及精礦貿易。

上述業務由該等公司經營及管理，而該等公司管理及行政獨立。此外，董事會乃獨立於從事競爭業務之該等公司的董事會。因此，本集團經營其業務時有能力獨立於上述競爭業務。

足夠之公眾持股量

根據可供本公司公開查閱之資料及就本公司董事所知，於本年報日期，按照上市規則規定，本公司全部已發行股本其中至少25%由公眾人士持有。

薪酬政策

董事薪酬由本公司薪酬委員會經考慮本公司之經營業績、個人表現及／或可資比較市場數據後建議。為鼓勵僱員，亦可能根據個人表現評估給予僱員花紅及現金獎勵。

更改股份簡稱

於二零一八年九月十九日上午九時正起，本公司股份以新英文股份簡稱「MACROLINK CAP」及中文股份簡稱「新華聯資本」代替「JUNEFIELD GROUP」於聯交所進行買賣。本公司於聯交所之股份代號則維持不變。

企業管治

本公司致力於維持高標準之企業管治常規。

本公司之企業管治報告載於本年報第50至63頁。

In addition, each of Mr. Fu Kwan, Mr. Zhang Jian, Mr. Zhang Bishu, Ms. Liu Jing and Mr. Chan Yeuk is either the beneficial owner or the director and/or senior management of a number of companies (the "Companies") in which Macrolink Holding Co., Ltd. and its subsidiaries have beneficial interests. The businesses engaged by the Companies include property investment and development, securities investment and trading of mineral concentrates.

The above-mentioned businesses are operated and managed by the Companies with independent management and administration. In addition, the Board is independent of the boards of the Companies carrying on the competing businesses. Accordingly, the Group is capable of carrying on its businesses independently of the competing businesses mentioned above.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors of the Company, as at the date of this Annual Report, at least 25% of the total issued share capital of the Company was held by the public as required under the Listing Rules.

EMOLUMENT POLICY

The emoluments of the directors are recommended by the Remuneration Committee of the Company, having regard to the Company's operating results, individual performance and/or comparable market statistics. As an incentive for the employees, bonuses and cash awards may also be given to employees based on individual performance evaluation.

CHANGE OF STOCK SHORT NAME

The shares of the Company were traded on the Stock Exchange under the new English stock short name of "MACROLINK CAP" and Chinese stock short name of "新華聯資本" in place of "JUNEFIELD GROUP" with effect from 9:00 am on 19 September 2018. The stock code of the Company on the Stock Exchange remains unchanged.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices.

The Corporate Governance Report of the Company is set out on pages 50 to 63 of this Annual Report.

董事會報告

REPORT OF THE DIRECTORS

核數師

截至二零一八年十二月三十一日止年度之綜合財務報表乃由國衛會計師事務所有限公司審核，彼於即將舉行之股東週年大會上任滿，並符合資格及願意接受續聘。於過往三年之任何年度內，本公司之核數師概無其他變動。

代表董事會

傅軍
主席

香港，二零一九年三月二十七日

AUDITORS

The consolidated financial statements for the year ended 31 December 2018 were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. There has been no other change in the auditors of the Company in any of the preceding three years.

ON BEHALF OF THE BOARD

Fu Kwan
Chairman

Hong Kong, 27 March 2019

1. 報告概覽

- 關於本報告

報告緒言

新華聯資本有限公司(前稱莊勝百貨集團有限公司)(「本公司」)，連同其附屬公司(「新華聯」，統稱為「本集團」或「我們」)一直致力以可持續的方式經營其業務。

依循重要性、量化、平衡及一致性的環境、社會及管治匯報原則，本集團欣然提呈其環境、社會及管治報告，其旨在展示於截至二零一八年十二月三十一日止十二個月(「報告期間」)對內部及外部持份者就可持續發展所作的努力。

本報告的編製基準

本環境、社會及管治報告乃根據香港交易及結算所有限公司(「香港交易所」)證券上市規則附錄二十七《環境、社會及管治報告指引》(「環境、社會及管治報告指引」)編製。戴德梁行獲委任為外聘顧問，在報告編製過程中提供協助及意見。本集團已審閱並批准環境、社會及管治報告，確保所有有關可持續發展的重大議題及影響均公平呈列。

環境、社會及管治報告的範圍

我們上一份報告涵蓋本集團兩項主要業務(即位於秘魯的煤炭開採業務以及位於中華人民共和國(「中國」)湖南省的製造及銷售建築材料業務)，相比之下，於二零一八年報告期間的範圍主要集中在本集團於秘魯已經開始營運的煤炭開採業務，而本集團的製造及銷售建築材料業務則由於其唯一供應商自二零一六年八月起暫停供應用於生產之水渣而依然暫停。

本環境、社會及管治報告集中於香港交易所規定的三個環境層面及八個社會層面。有關管治方面的資料，敬請參閱本公司年報內所載的企業管治報告。

1. REPORT OVERVIEW

- About the Report

Introduction to the Report

Macrolink Capital Holdings Limited (formerly known as Junefield Department Store Group Limited) (the “Company”), together with its subsidiaries (“Macrolink”, collectively referred to as the “Group”, or “We” and “Us”) persistently strive to operate its business in a sustainable manner.

Adhering to the Environmental, Social and Governance (ESG) reporting principles of materiality, quantitative, balance and consistency, the Group is pleased to present its ESG Report, which aims to demonstrate the efforts on sustainability developments to both internal and external stakeholders for the twelve months ended 31 December 2018 (“Reporting Period”).

Preparation Basis of the Report

The ESG Report was 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 an external consultant to provide assistance and advice in the course of report preparation. The Group has reviewed and approved the ESG Report to ensure all material issues and impacts on sustainability development are fairly presented.

Scope of the ESG Report

Compared with our previous report, which covered two major businesses of the Group, namely the coal mining business in Peru and the manufacture and sales of construction materials business in Hunan province in the People’s Republic of China (the “PRC”), the scope during the Reporting Period of 2018 mainly focus the Group’s coal mining business in Peru which has commenced the operation, while the Group’s manufacture and sales of the construction materials business is still in suspension since its sole supplier suspended the supply of granulated steel slag for production since August 2016.

This 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 the Company’s Annual Report.

持份者參與

本集團重視與持份者溝通、維持長遠關係及回應其需要，並視其為業務營運的重要原則。本集團通過與各持份者維持有效溝通建立密切關係，並確保本集團及時了解他們的期望及意見並給予他們回應。

Stakeholder Engagement

The Group values its communication with stakeholders, maintains long-term relationships and responds to their needs as an important principle of business operations. The Group establishes close relationships by maintaining effective communication with each stakeholder and ensure that the Group understands their expectations and opinions in a timely manner and gives them feedback.

| 持份者 Stakeholder | 期望與要求 Expectation and aspirations | 溝通方式 Communication modes |
|--|---|---|
| 政府與監管機構 Government and regulatory authorities | <ul style="list-style-type: none"> 營運合規 履行繳稅義務 創造就業機會 Operation in compliance Fulfilment of tax obligations Creation of job opportunities | <ul style="list-style-type: none"> 按規定呈交資料 與監管機構定期溝通 Required submission of information Regular communication with regulatory authorities |
| 股東 Shareholders | <ul style="list-style-type: none"> 投資回報 工作場所安全 可持續發展 Investment return Workplace safety Sustainable development | <ul style="list-style-type: none"> 集團公告 實地視察 Group announcement On-site inspection |
| 客戶 Customers | <ul style="list-style-type: none"> 優質產品及服務 客戶滿意度 Quality products and services Customer satisfaction | <ul style="list-style-type: none"> 客戶回饋 服務熱線 Customer feedback Service hotline |
| 業務夥伴 Business partners | <ul style="list-style-type: none"> 誠信履約 Integrity and fulfilment of agreement | <ul style="list-style-type: none"> 行動合法及與夥伴溝通 Lawful actions and communications with partners |
| 環境 Environment | <ul style="list-style-type: none"> 排放符合標準 減少對環境的影響 Fulfilment of emission standards Environmental impact reduction | <ul style="list-style-type: none"> 與當地環境機構／部門溝通 Communication with local environment authority/department |
| 僱員 Employees | <ul style="list-style-type: none"> 職業健康 薪酬福利 事業發展 Occupational health Remuneration and benefits Career development | <ul style="list-style-type: none"> 職業講座和定期會議 團隊建立活動 Career talk and regular meeting Team building activities |
| 社區 Community | <ul style="list-style-type: none"> 改善當地社區 Improvement of local community | <ul style="list-style-type: none"> 參與當地社區 Participation in local community |
| 媒體 Media | <ul style="list-style-type: none"> 信息公開透明 Openness and transparency of information | <ul style="list-style-type: none"> 集團網站／公告 新聞發佈會／媒體採訪 Group website/announcement Press conference/media interviews |

2. 環境

• 2.1 排放物

於二零一八年報告期內，本集團繼續依循可持續發展、清潔生產及環保生產的概念。我們採取措施嚴格控制旗下生產基地的資源消耗及環保排放。

本集團本年度的生產營運僅涉及於秘魯開始經營的「新煤礦」。煤礦生產完全遵從秘魯當地有關環保法律及規例，包括有關固體廢物、液體排放物及氣體排放物的規例。所有與排放物有關的數據均已由煤礦管理人員徹底記錄，並由獨立評估專業人士驗證。由於在二零一八年開展新煤礦營運，因此，環境排放數據與二零一七年相比大幅增加。

本集團採納溫室氣體（「溫室氣體」）減少策略，尤其在材料採購、商務差旅、節約能源及節約用水方面。於二零一八年，我們在秘魯的煤礦使用當地可獲取的原材料進行生產。我們在所有僱員廁所水龍頭張貼節水標示。我們亦限制辦公室空調的溫度以節約用電，並鼓勵使用視像及會議通話，以減少不必要的差旅。

大約90%用於煤礦的木材均會回收並循環再用，以減少浪費資源。此外，本集團所有廢紙及打印機墨盒均會妥善回收。

2. THE ENVIRONMENT

• 2.1 Emissions

During the Reporting Period of 2018, the Group continues to adhere to the concept of sustainable development, clean production and environment-friendly production. We take measures to strictly control the resource consumption and environmental emissions for the subordinate production bases.

The Group's annual production operations only involve "new coal mines" that have been put into operation in Peru. The production of the mine is in full compliance with relevant local environmental laws and regulations in Peru, including regulations of solid waste, liquid discharge, gas discharge and emission. All the emission related data has been thoroughly recorded by the coal mine management and verified by independent assessment professionals. Due to the operation commencement of new coal mines in 2018, the environmental emission data has increased significantly compared to that of 2017.

The Group adopts a Greenhouse Gas ("GHG") reduction strategy, especially for material procurement, business travel, energy conservation, and water conservation. In 2018, our coal mines in Peru were produced by using mainly locally available raw materials. We put on water conservation signs at all employees' bathroom faucets. We also limit the air conditioning temperature set in the office to save electricity and encourages video and conference calls to reduce unnecessary travels.

About 90% of the woods used in the coal mine are recycled and reused to reduce the waste of resources. In addition, all waste paper and printer cartridges of the Group are properly recycled.

環境、社會及管治報告

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

本集團嚴格遵守環保相關法律及規例。於報告期間內概無因為嚴重違反環保法律而檢控本集團之個案報告。於二零一八年，因生產及營運而產生的主要排放物載列如下：

The Group strictly complies with relevant laws and regulations on environmental protection. During the Reporting Period, there was no reported case of prosecution against the Group for material violation of environmental laws. The main emissions in 2018 due to production and operation are listed below:

| 排放物 | | Emission | |
|--|--|--------------|--------------------|
| 液體廢物 | 於二零一八年概無錄得廢水排放 | | |
| Liquid Waste | No waste water discharge reported during 2018 | | |
| 固體廢物 | 於二零一八年概無錄得固體廢物排放 | | |
| Solid Waste | No solid waste discharge reported during 2018 | | |
| 溫室氣體排放物二氧化碳當量 | | | |
| GHG Emission Carbon Dioxide Equivalency | | | |
| 範圍1排放物 | • 散逸排放(煤礦及煤堆的甲烷排放物) | 1,875 | 噸二氧化碳當量 |
| Scope 1 Emission | • Fugitive emissions (CH ₄ emissions from coal mines and coal piles) 散逸排放 | 1,875 | tCO ₂ e |
| 範圍2排放物 | • 固定燃燒源(消耗所購買的電力、熱力或蒸汽) | 1 | |
| Scope 2 Emission | • Stationary combustion (consumption of purchased electricity, heat or steam) 固定源排放 | 1 | |
| 總計 | | 1,876 | |
| Total | | 1,876 | |

* 上述溫室氣體排放物根據下列參考資料界定及計算：

* **The above greenhouse gas emissions are defined and calculated according to the following reference:**

- 溫室氣體盤查議定書
- **GHG Protocol**
- 聯合國環境規劃署對企業和非商業機構發出計算溫室氣體排放物的指引
- **UNEP Guidelines for Calculating Greenhouse Gas Emissions for Businesses and Non-Commercial Organizations**
- 國際能源署(IEA)，CO₂ Emissions from Fuel Combustion (燃燒燃料之二氧化碳排放) 摘要版，<http://www.iea.org>，二零一一年
- **International Energy Agency (IEA), highlights version of CO₂ Emissions from Fuel Combustion, <http://www.iea.org>, 2011**
- 2006年IPCC國家溫室氣體清單指南
- **2006 IPCC Guidelines for National Greenhouse Gas Inventories**

• 2.2 資源使用

於二零一八年，本集團生產時主要消耗的資源為汽油、電力及木材。汽油主要供應予汽車以及採礦機器及設備，亦供應予其他為本集團業務服務的汽車。電力主要供應予採礦設備及基建以及生產建築材料。水主要用於降低鑽頭內部的溫度。

本集團關注主要電力設備的能源效益，並會定期維護及保養設備。



電：8,092,018 千瓦時
Electricity: 8,092,018 kWh

• 2.2 Use of Resources

The main resource consumptions of the Group's production in 2018 are petroleum, electricity and wood. The gasoline is mainly supplied to vehicles and mining machinery and equipment, and also supplied to other vehicles that serves the Group's business. The power is mainly supplied to the mining equipment and infrastructure and building material production. The water is mainly used for lowering the temperature inside the drills.

The Group pays attention to the energy efficiency of the main electrical equipment and carries out regular maintenance and commissioning of the equipment.



汽油：19,389 升
Gasoline: 19,389 L



木材：664.59 立方米
Wood: 664.59 m³

• 2.3 環境及天然資源

本集團積極主張合理使用天然資源，並教育其僱員以提高環保意識，以及積極實行在所有辦公室範圍使用具能源效益的電力設備，採用節能電燈泡，並在夏天將空調溫度定於攝氏26度，以減少空調能源消耗。本集團已採取多項措施以減少對環境的影響以及節約天然資源。

• 2.3 Environment and Natural Resources

The Group actively advocates the rational use of natural resources and educates its employees to raise awareness of environmental protection, and actively implements the use of energy-efficient electrical equipment in all office areas, adopts energy-saving light bulbs, and sets the cooling temperature to 26 degrees Celsius in summer to reduce air conditioning energy consumption. Various measures have been taken by the Group to reduce the environmental impact and save natural resources.

3. 僱員

• 3.1 僱傭政策及勞工常規

本集團非常重視保護所有僱員的合法權利及權益。舉例而言，我們就秘魯煤炭開採業務嚴格遵守相關法律及規例，即TUO del D. Leg. 728 – Ley de Productividad y Competitividad Laboral (勞動部生產及競爭力法)。根據秘魯一九九三年政治憲法，我們亦尊重平等權利，不會因性別、年齡、種族等因素而拒絕聘用應徵者。

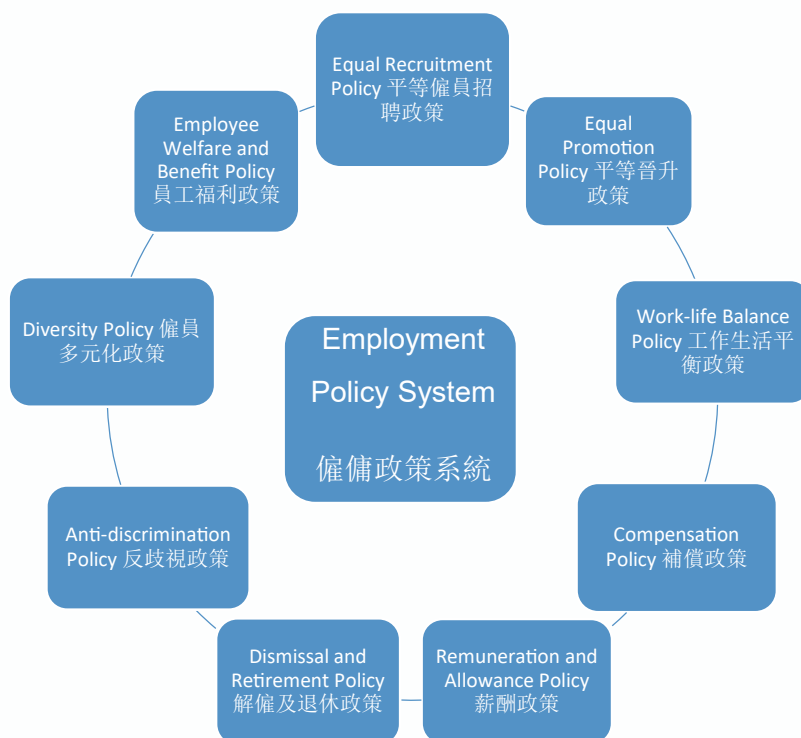
本集團已設立有效的僱傭政策系統，包括平等僱員招聘政策、平等晉升政策、工作生活平衡政策、補償政策、薪酬政策、解僱及退休政策、反歧視政策、僱員多元化政策及員工福利政策。

3. THE EMPLOYEE

• 3.1 Employment Policy and Labour Practice

The Group puts great emphasis on the protection of the legitimate rights and interests of all employees. For example, we strictly comply with relevant laws and regulations for our coal mining business in Peru, namely TUO del D. Leg. 728 – Ley de Productividad y Competitividad Laboral (Work Ministry law of productivity and competitiveness). We also respect equal right and would not reject to employ applicants by factors of sex, age, race, etc. according to Political Constitution of Peru of 1993.

The Group has established an effective system of employment policies, including equal recruitment policy, equal promotion policy, work-life balance policy, remuneration and allowances policy, dismissal and retirement policy, anti-discrimination policy, diversity policy, employee welfare and benefit policies.



為了讓僱員可在工作與生活之間取得平衡，除法例規定的法定假日外，本集團的女性及男性僱員均可享有侍產假。本集團亦為僱員提供社會保障及醫療保險，以及根據法例制定解僱及退休政策。於報告期內，本集團並無僱用任何童工或強制勞工。於報告期內並無因違反相關法律及規例而被檢控之個案。

In order to enable employees to strike a balance between work and life, both female and male employees of the Group are entitled to paternity leave in addition to statutory holidays required by law. The Group also provides employees with social security and medical insurance, and formulates dismissal and retirement policies in accordance with the law. The Group did not employ any child labor or forced labor during the Reporting Period. There were no cases of prosecution for breach of relevant laws and regulations during the reporting period.

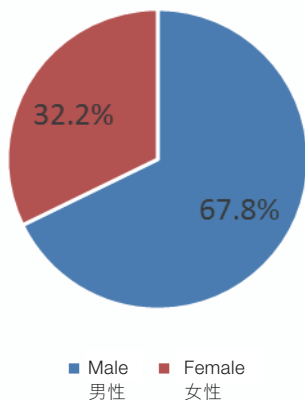


180 Employees
名僱員

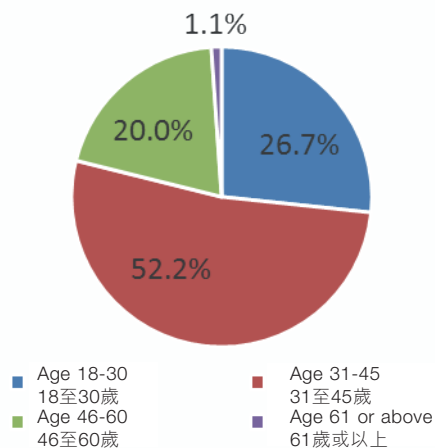


5.71% Employment Turnover Rate
僱員流失率

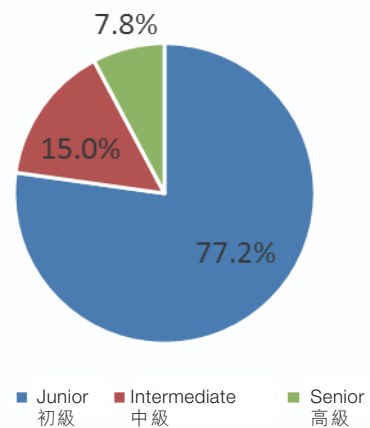
Composition of Staff
by Gender
按性別劃分的員工組成



Composition of Staff
by Age Group
按年齡組別劃分的員工組成



Composition of Staff
by Employment Group
按僱傭組別劃分的員工組成



3.2 工作環境

我們致力為所有僱員營造安全健康的工作環境，並奉行不歧視及平等機會的原則。我們亦致力確保整個僱用過程公正、公平、公開，由招聘到發薪、晉升及培訓，均盡力消除所有性別、年齡、宗教、婚姻狀況及種族歧視。我們在執行僱員安全及專業發展上投放資源及資金，顯示本集團對共同價值觀及團隊合作的信念。

多元化及平等

我們致力招聘不同地方、背景及種族的有能之士，營造多元化平台，使人力資源得以完全發揮，並尋求具有合適才幹及態度的有識之士加入我們。為確保平等，於決策過程中，我們僅考慮員工的表現、經驗、個人能力及業務需要，而並不會考慮婚姻狀態及身體狀況等其他因素。

3.2 Working Environment

We aim to create a safe and healthy working environment for all the employees, and pursue the principle of non-discrimination and equal opportunities. We also aim to ensure justice, fairness and openness in the whole employment process, from recruitment, to remuneration, promotion and training, try the very best to eliminate all gender, age, religion, marital status and ethnic discrimination. We invested resources and capitals in employee safety enforcement and professional development, which demonstrated the Group's believes in shared values and team work.

Diversity and Equalization

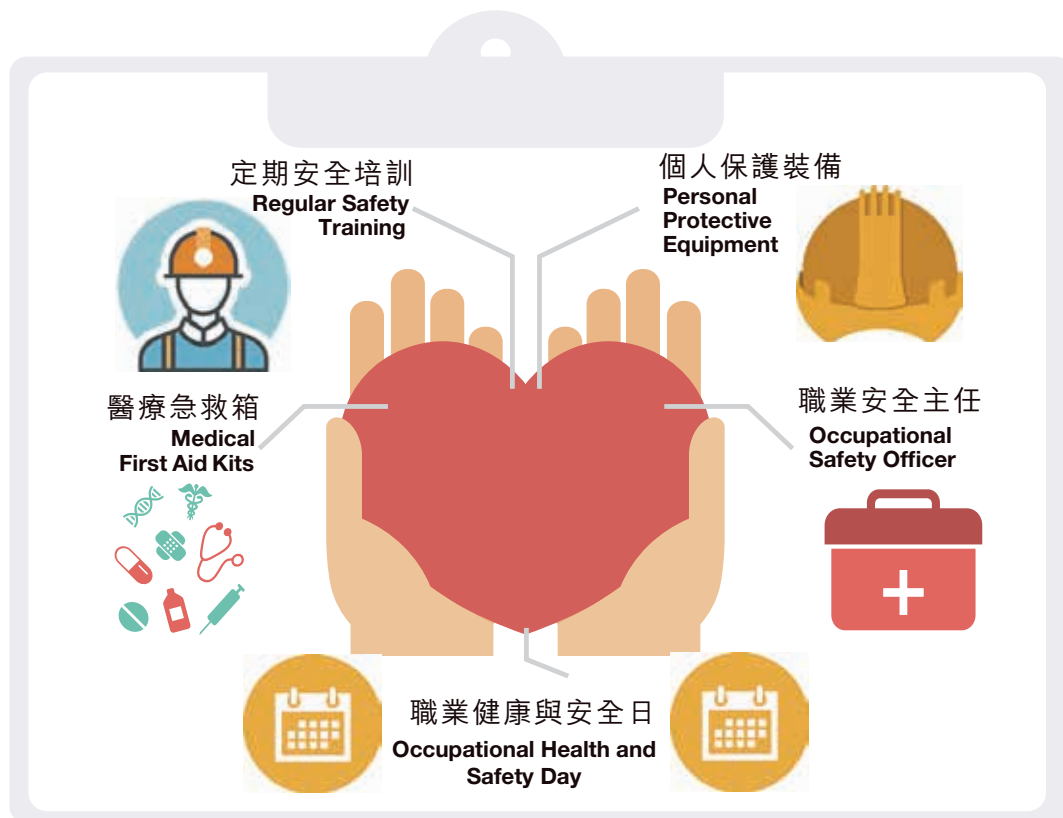
We strive to bring together talents from different geographic locations, backgrounds and ethnics, creating a diversified platform in which human resources can be turned to best account, and looking for high caliber individuals with the right talent and attitude to join us. Only looking at staff's performance, experience, personal ability and business needs, we would not consider other factors such as marriage status and body conditions during decision-making process to ensure equalization.

健康與安全

本集團首要事項之一是確保旗下僱員的健康與安全，我們維持高效率及有效的政策系統，以保障工作場所安全。我們根據當地法律及規例訂定一套職業安全管理系統。我們透過定期身體檢查積極監察僱員健康；我們在工作地點聘用職業安全主任進行日常安全管理；我們進行定期安全培訓及舉辦職業健康與安全日等活動。此外，個人保護裝備亦已根據當地標準提供。所有僱員均須於進入工作地點前穿戴好個人保護裝備。我們亦在工作地點安裝多個醫療急救箱及其他急救設備，以促進僱員安全。

Health and Safety

It is one of the Group's priority that we ensure the health and safety of our employees, we target to maintain an efficient and effective policy system to safeguard the workplace. Based on local law and regulations, we formed an occupational safety management system. We actively monitor employee health through regular physical examinations; we hire occupational safety officer at workplace for daily safety management; we conduct regular safety training and organize activities such as Occupational Health and Safety Day. Moreover, personal protective equipment has been provided in accordance with local standards. All employees must wear personal protective equipment before entering the workplace. Various medical first aid kits and other first aid equipment are also installed in the workplace to enhance the safety of our employees.



所有此等措施均讓本集團維持相對低的意外水平。於報告期內，我們的礦場並無因工死亡之個案，而因工傷損失工作天數則僅有99天。通過所有僱員一同參與，本集團致力改善工作地點的安全標準，並強調安全的重要。

All these measures allow the Group's accident level remains relatively low. There were no work-related fatalities, and only 99 lost days due to work injury in our mine sites during the Reporting Period. Through the participation of all employees, the Group strives to improve the safety standards of workplaces and emphasize the importance of safety.



99 lost days
due to work injury
因工傷損失工作
天數為99天

• **3.3 發展及培訓**

我們的學習及發展計劃的目的包括提升員工技能、擴闊其知識視野及培養僱員的安全意識。本集團相信，健康與安全培訓及業務軟性技巧等各種主題的有效培訓可幫助僱員了解工作環境，從而全面發展其員工的潛能。本集團明白，其可依賴卓越的管理及工作團隊，取得長遠成功並有所發展。

本集團為新入職員工提供僱員迎新培訓，以確保其可無縫銜接新職位。為幫助僱員適應社會的急促發展，本集團鼓勵僱員參與不同培訓，並為其提供持續專業發展機會。

本集團特別注意僱員的職業安全管理培訓，包括管理層的安全管理意識、僱員安全行為，以及應對地震、火災及救援方面的危機管理培訓。此外，有鑑於企業社會責任日益受到關注、本集團的秘魯煤炭開採業務特別為員工提供有關社區關係及企業社會責任的培訓。

• **3.3 Development and Training**

Enhancing our people's skill sets, broadening their knowledge horizons and cultivating employee safety awareness are some of the aims of our learning and development programs. The Group believes that effective trainings on various topics such as health and safety training and business soft skills can help employees understand the working environment, thereby fully develop the potential of its workforce. The Group understands that it can rely on excellence in management and work teams for long-term success and development.

The Group provides employee orientations to new joiners to ensure they are able to seamlessly fit into the new positions. To help employees adapt to the rapid development of the society, the Group encourages employees to participate in various training and provides them with continuous professional development opportunities.

The Group pays extra attention to the training of employees' occupational safety management, including management's safety supervision awareness, employee safety conduct, and crisis management training in response to earthquakes, fires and rescues. Moreover, given the increasing attention to corporate social responsibility, community relations and corporate social responsibility training were specially conducted for staff work for the Group's coal mining business in Peru.

• 3.4 道德操守及反貪污

我們的道德操守標準相當高。本集團嚴禁任何人士利用其職權索取賄賂、受賄，或以不正當手段謀取私利，亦不得進行勒索、欺詐及洗錢活動。一經發現，本集團將解僱有關人士且永不錄用；嚴重者可被移送至當地執法及司法當局處理。此乃我們經營業務的核心，對我們的可持續發展至關重要。

此外，我們的反欺詐政策及舉報政策為僱員提供保密渠道舉報任何不當行為。我們保證不會披露告發人的身份，並將得到尊重及公平對待。本集團鼓勵僱員於懷疑或發現任何違法或不道德違反事項時向管理層、部門主管及其他適當人員呈報，並提供相關資料予管理層以作適當處理。

本集團嚴格遵守相關的反貪污及反賄賂法律及規例。於報告期內並無因為違反相關法律而被檢控之個案。

4. 價值鏈

• 4.1 供應鏈管理

我們明白，履行社會責任需要所有業務夥伴共同參與及出力。本集團依循良好的實務，並在供應鏈管理中進行公平公正的採購程序。我們就煤礦維護／監控煤礦工程制定嚴格的供應商挑選程序及管理方式。舉例而言，根據我們由二零一四年起生效的採購程序政策，會委任合資格成員進行供應商評核，並審視有最少三個可供選擇供應商的建議提案。

我們亦會監察及檢討供應商的表現，確保等供應商符合我們有關對良好的環境、社會及管治實務有堅定承諾的期望，有關方面諸如法律合規、環境可持續性、健康與安全、道德操守等。本集團不單期望所有供應商符合適用的法律及規例，亦鼓勵供應商持續改善其表現。

• 3.4 Ethical Conduct and Anti-corruption

We have high standards in terms of ethical conduct. The Group strictly prohibits anyone from using their powers to ask for bribes, accept bribes, or use improper means to seek personal gain, and may not conduct extortion, fraud and money laundering activities. Upon discovery, the person will be dismissed and never hired; for serious case, the person will be transferred to local law enforcement and judicial authorities. This is core to who we are as a business, and essential to our sustainable growth.

Moreover, our Anti-Fraud Policy and Whistleblowing Policy provides employees with a confidential channel to report any misconducts. The identity of the informant will be guaranteed without being disclosed, and shall be treated with respect and fairness. The Group encourages its employees to report to management, department heads and other appropriate personnel when they suspect or discover any illegal or ethical violations, and provide relevant information to management for proper handling.

The Group strictly abides by the relevant anti-corruption and anti-bribery laws and regulations. There were no cases prosecuted for violating relevant laws during the Reporting Period.

4. THE VALUE CHAIN

• 4.1 Management of the Supply Chain

We understand that the performance of social responsibility requires the involvement and contribution from all the business partners. The Group adheres to good practices and conducts fair and unbiased procurement processes for supply chain management. We set stringent supplier selection process and management approach for mine care/control mine works. For example, according to our purchase procedure policy effective since 2014, qualified members are appointed to conduct supplier assessment and review the proposals with a short list of at least 3 suppliers to choose from.

Suppliers' performance monitoring and reviews are also in place to ensure that those suppliers can meet our expectation to have strong commitments to good ESG practices concerning issues such as legal compliance, environmental sustainability, health and safety, ethical conduct. The Group not only expects all suppliers to comply with applicable laws and regulations, but also encourages them to continually improve their performances.

• **4.2 產品質素及責任**

我們非常重視確保客戶對我們提供的產品及服務的滿意度。為長遠成功及可持續發展，本集團已制定質量管理政策，以嚴格的程序確保產品質素達到標準。

產品及服務質量保證政策已自二零一四年起實行，我們的質量檢查人員按照既定作業要求進行取樣、製樣、留樣及覆核工作，以於生產過程中識別潛在風險及欠妥之處。

準時交付非常重要，尤其對煤炭開採業務而言，我們亦已制定政策及營運措施以確保我們根據採購訂單合約準時交付符合客戶品質要求的產品。

5. 社區

我們明白，我們對社會的責任是透過社會活動及社區投資為現在一代以至下一代帶來長遠好處。本集團致力為當地人提供就業機會以及促進社區經濟發展。舉例而言，本集團為煤礦附近社區的當地人提供職位空缺，以與業務營運相關的利益團體維持良好關係，亦進一步將關懷及服務延伸至當地家庭及周邊社區。

• **4.2 Product Quality and Responsibility**

We place a high priority to ensure customers' satisfaction in terms of products and services we deliver. For long-term success and sustainable development, the Group has formulated a quality management policy with stringent procedures to ensure that the product quality is up to standard.

Product and service quality assurance policy has been implemented since 2014, our quality inspectors carry out sampling, sample preparation, sample retention and review in accordance with established operational requirements, with the purpose to identify potential risks and defects during the production process.

On-time delivery is important especially for coal mining business, we have also formulated policies and operational measures to ensure our products to be delivered on time under the purchase order contract with client's required quality.

5. THE COMMUNITY

We understand that our responsibility to society is to bring long-term benefits to the present and even the next generation through social activates and community investment. The Group is committed to providing career opportunities to the locals and promoting the development of the community's economy. For example, job openings are provided to local people from the community nearby the mine to maintain good relationship with interest groups which are relevant to business operation, which also further extend the caring and services to local families as well as surrounding community.

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6. 數據表

6. DATA TABLE

| 類別 Category | 範圍 Parameters | 二零一八年數據 Data 2018 | 單位 Unit | 備註 Remarks |
|--|----------------------------|----------------------|-------------------------------|---------------|
| 排放物及溫室氣體排放物 Emission & GHG Emission | 範圍1排放物 Scope 1 Emission | 1,875 | 噸二氧化碳當量 tCO ₂ e | |
| | 範圍2排放物 Scope 2 Emission | 1 | 噸二氧化碳當量 tCO ₂ e | |
| 資源消耗 Resources Consumption | 汽油 Gasoline | 19,389 | 升 L | |
| | 電力 Electricity Power | 8,092,018 | 千瓦時 KWh | |
| | 木材 Wood | 664.59 | 立方米 m ³ | |

7. 香港交易所《環境、社會及管治報告指引》索引

7. HONG KONG EXCHANGE ESG REPORTING GUIDE INDEX

| 環境、社會及管治報告指引 ESG Reporting Guide | 頁次 Pages | 報告內容 Contents in the Report |
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| A. 環境 A. Environmental | | |
| 層面A1：排放物 Aspect A1: Emissions | | |
| A1 一般披露 General Disclosure 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. | 第35頁 Page 35 | 第2.1節排放物 Section 2.1 Emissions |
| A1.1 排放物種類及相關排放數據。 The types of emissions and respective emission data. | 第36頁 Page 36 | 第2.1節排放物 Section 2.1 Emissions |

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|--|-----------------|--|
| ESG Reporting Guide | Pages | Contents in the Report |
| A1.2 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | 第36頁 Page 36 | 第2.1節排放物 Section 2.1 Emissions |
| A1.3 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). | 第36頁 Page 36 | 第2.1節排放物 Section 2.1 Emissions |
| A1.4 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。 Total non-hazardous waste produced (in tonnes and, where appropriate, intensity (e.g. per unit of production volume, per facility). | 第36頁 Page 36 | 第2.1節排放物 Section 2.1 Emissions |
| A1.5 描述減低排放量的措施及所得成果。 Description of measures to mitigate emissions and results achieved. | 第35頁 Page 35 | 第2.1節排放物 Section 2.1 Emissions |
| A1.6 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。 Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. | 第35頁 Page 35 | 第2.1節排放物 Section 2.1 Emissions |
| 層面A2：資源使用 | | |
| Aspect A2: Use Of Resources | | |
| A2 一般披露 General Disclosure 有效使用資源(包括能源、水及其他原材料)的政策。 Policies on the efficient use of resources, including energy, water and other raw materials. | 第37頁 Page 37 | 第2.2節資源使用 Section 2.2 Use of Resources |
| A2.1 按類型劃分的直接及/或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). | 第37頁 Page 37 | 第2.2節資源使用 Section 2.2 Use of Resources |
| A2.2 總耗水量及密度(如以每產量單位、每項設施計算)。 Water consumption in total and intensity (e.g. per unit of production volume, per facility). | 第37頁 Page 37 | 第2.2節資源使用 Section 2.2 Use of Resources |
| A2.3 描述能源使用效益計劃及所得成果。 Description of energy use efficiency initiatives and results achieved. | 第37頁 Page 37 | 第2.2節資源使用 Section 2.2 Use of Resources |

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| A2.4 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. | 第37頁 Page 37 | 第2.2節資源使用 Section 2.2 Use of Resources |
| A2.5 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. | – | 不適用 Not applicable |
| 層面A3：環境及天然資源 | | |
| Aspect A3: The environment and Natural Resources | | |
| A3 一般披露 General Disclosure 減低發行人對環境及天然資源造成重大影響的政策。 Policies on minimising the issuer's significant impact on the environment and natural resources. | 第37頁 Page 37 | 第2.3節環境及天然資源 Section 2.3 Environment and Natural Resources |
| A3.1 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. | 第37頁 Page 37 | 第2.3節環境及天然資源 Section 2.3 Environment and Natural Resources |
| B. 社會 | | |
| B. Social | | |
| 層面B1：僱傭 | | |
| Aspect B1: Employment | | |
| B1 一般披露 General Disclosure 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. | 第38頁 Page 38 | 第3.1節僱傭政策及勞工常規 Section 3.1 Employment Policy and Labour Practice |

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| Aspect B2: Health and Safety | | |
| B2 一般披露 General Disclosure 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. | 第40頁 Page 40 | 第3.2節工作環境 Section 3.2 Working Environment |
| 層面B3：發展及培訓 | | |
| Aspect B3: Development and Training | | |
| B3 一般披露 General Disclosure 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。 Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. | 第41頁 Page 41 | 第3.3節發展及培訓 Section 3.3 Development and Training |
| 層面B4：勞工準則 | | |
| Aspect B4: Labour Standards | | |
| B4 一般披露 General Disclosure 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. | 第38頁 Page 38 | 第3.1節僱傭政策及勞工常規 Section 3.1 Employment Policy and Labour Practice |

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| Aspect B5: Supply Chain Management | | |
| B5 一般披露 General Disclosure 管理供應鏈的環境及社會風險政策。 Policies on managing environmental and social risks of the supply chain. | 第42頁 Page 42 | 第4.1節供應鏈管理 Section 4.1 Management of Supply Chain |
| 層面B6：產品責任 | | |
| Aspect B6: Product Responsibility | | |
| B6 一般披露 General Disclosure 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. | 第43頁 Page 43 | 第4.2節產品質素及責任 Section 4.2 Product Quality and Responsibility |
| 層面B7：反貪污 | | |
| Aspect B7: Anti-Corruption | | |
| B7 一般披露 General Disclosure 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。 Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. | 第42頁 Page 42 | 第3.4節道德操守及反貪污 Section 3.4 Ethical Conduct and Anti-corruption |

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一般披露

General Disclosure

有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。

Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.

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第5節社區

Section 5 The
Community

企業管治報告

CORPORATE GOVERNANCE REPORT

新華聯資本有限公司(「本公司」)之董事(「董事」)會(「董事會」)承諾維持高標準之企業管治常規。適用於本公司之主要企業管治規則為香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治守則(「企業管治守則」)。

於截至二零一八年十二月三十一日止年度(「報告年度」)內及截至本報告日期止，本公司已遵從企業管治守則所載之所有守則條文，惟以下偏離者除外：

- 根據企業管治守則守則條文第E.1.2條規定，董事會主席應出席股東週年大會。此外，董事會轄下的獨立委員會的主席應在任何批准以下交易的股東大會上回應問題，即須經獨立股東批准的關連交易。董事會主席因其他業務安排並未能出席本公司於二零一八年六月四日舉行之股東週年大會(「股東週年大會」)。此外，獨立董事委員會主席並無出席本公司於二零一八年七月二十三日舉行之股東特別大會(「股東特別大會」)。審核委員會主席、薪酬委員會主席及提名委員會之若干委員均出席股東週年大會，而若干董事已出席股東特別大會，以回答股東問題。
- 根據企業管治守則守則條文第A.2.7條，董事會主席應至少每年與非執行董事(包括獨立非執行董事)舉行一次沒有執行董事出席的會議。由於董事會主席於報告年度內出現變動，加上有多項其他業務安排，董事會主席未能於報告年度與非執行董事舉行會議。新董事會主席將儘早與非執行董事協定會議日期，確保彼等可於二零一九年報告年度內舉行沒有其他執行董事出席的會議。
- 根據企業管治守則守則條文第A.6.7條，獨立非執行董事及非執行董事應出席股東大會，對公司股東的意見有全面、公正的了解。於報告年度內，獨立非執行董事及非執行董事並無全部出席股東週年大會及股東特別大會。本公司日後將會儘早訂定股東大會日期並給予通知，以確保獨立非執行董事能夠出席股東大會。

The board (the “Board”) of directors (the “Directors”) of Macrolink Capital Holdings Limited (the “Company”) is committed to maintaining high standard of corporate governance practices. The primary corporate governance rules applicable to the Company is the Corporate Governance Code (the “CG Code”) as contained in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

For the year ended 31 December 2018 (the “Reporting Year”) and up to the date of this Annual Report, the Company has complied with all the code provisions as set out in the CG Code except for the following deviations:

- Under code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting. In addition, the chairman of the independent board committee should be available to answer questions at any general meeting to approve a connected transaction that requires independent shareholders’ approval. The Chairman of the Board did not attend the annual general meeting of the Company held on 4 June 2018 (“AGM”) due to other business engagement. In addition, the chairman of the independent board committee did not attend the special general meeting (“SGM”) of the Company held on 23 July 2018. The chairman of the Audit Committee, the chairman of the Remuneration Committee and certain members of the Nomination Committee were present at the AGM, and certain Directors were present at the SGM to answer the shareholders’ questions.
- Under code provision A.2.7 of the CG Code, the chairman of the Board should at least annually hold meetings with non-executive directors (including independent non-executive directors) without the executive directors present. Due to the change of chairman of the Board during the Reporting Year and various other business engagement, the Chairman of the Board did not meet up with the non-executive Directors during the Reporting Year. The new Chairman of the Board will come up with a meeting date with the non-executive Directors as earliest as possible to make sure that they can meet without other executive Directors present in the reporting year of 2019.
- Under code provision A.6.7 of the CG Code, independent non-executive directors and non-executive director should attend general meetings and develop a balanced understanding of the views of shareholders. During the Reporting Year, not all the independent non-executive Directors and the non-executive Director attend the AGM and the SGM. The Company will finalize and inform the dates of the general meetings as earliest as possible to make sure that the independent non-executive Directors can attend the general meetings in future.

董事進行證券交易

本公司已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」），作為董事進行證券交易之操守守則。於作出具體查詢後，所有董事確認彼等於截至二零一八年十二月三十一日止整個年度內一直遵守標準守則。

本公司認為現有程序於刊發本集團中期及全年業績前提醒所有董事及本公司及其附屬公司（統稱為「本集團」）之高級管理人員嚴格遵守標準守則，仍然足夠防止違反標準守則情況發生。

董事會成員

於報告年度內及截至本年報日期為止，除(i)傅軍先生獲委任為本公司執行董事及主席，由二零一八年八月一日起生效；(ii)張建先生、張必書先生、劉靜女士及陳躍先生分別獲委任為執行董事，由二零一八年八月一日起生效；及(iii)周建和先生、張民先生、向獻紅先生、雷曙光先生及Jorge Edgar Jose Muñiz Ziches先生辭任本公司董事，由二零一八年八月二十二日起生效外，董事會結構並無任何變動，董事會現由以下九名董事組成，並認為其各具專業技能及經驗，相輔相成：

執行董事

傅軍先生(主席)
張建先生(總經理)
張必書先生
劉靜女士
陳躍先生
周建人先生

獨立非執行董事

林聞深先生
曹貺予先生
張嘉偉先生

本公司有三名獨立非執行董事，佔董事會成員人數三分之一。最少一名獨立非執行董事具有適當之專業會計學歷及／或經驗及／或相關財務管理專業知識。截至二零一八年十二月三十一日止整個年度，本公司一直遵守上市規則第3.10(1)條及第3.10(2)條。各非執行董事或獨立非執行董事已與本公司訂立服務合約，為期兩年，直至根據該合約列明之條款及條件獲終止為止。

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding the Directors' securities transactions. All Directors confirmed that they have complied with the Model Code throughout the year ended 31 December 2018 after specific enquiry.

The Company believes that the current procedures to remind all Directors and senior management of the Company and its subsidiaries (collectively the "Group") to follow strictly with the Model Code prior to publication of the Group's interim and final results remain sufficient to prevent non-compliance with the Model Code.

BOARD COMPOSITION

During the Reporting Year and up to the date of this Annual Report, except (i) Mr. Fu Kwan was appointed as an executive Director and the Chairman of the Company with effect from 1 August 2018; (ii) each of Mr. Zhang Jian, Mr. Zhang Bishu, Ms. Liu Jing and Mr. Chan Yeuk was appointed as an executive Director with effect from 1 August 2018; and (iii) each of Mr. Zhou Chu Jian He, Mr. Zhang Min, Mr. Xiang Xianhong, Mr. Lei Shuguang and Mr. Jorge Edgar Jose Muñiz Ziches was resigned as Director of the Company with effect from 22 August 2018, there was no change in the structure of the Board, which currently comprises nine Directors and is of the opinion that it has a balance of skill and experience based on the following composition:

Executive Directors

Mr. Fu Kwan (Chairman)
Mr. Zhang Jian (General manager)
Mr. Zhang Bishu
Ms. Liu Jing
Mr. Chan Yeuk
Mr. Zhou Jianren

Independent Non-Executive Directors

Mr. Lam Man Sum, Albert
Mr. Cao Kuangyu
Mr. Cheung Ka Wai

The Company has three independent non-executive Directors representing one-third of the Board. At least one of the independent non-executive Directors possess appropriate professional qualification and/ or experience in accounting and/or related financial management expertise. Throughout the year ended 31 December 2018, the Company has complied with Rules 3.10(1) and 3.10(2) of the Listing Rules. Each non-executive Director or independent non-executive Director has entered into a service contract with the Company for a period of two years until terminated in accordance with the terms and conditions specified therein.

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董事之履歷詳情載於本年報第16至19頁。除本文所披露者外，董事會成員之間概無其他關係（包括財務、業務、家族或其他重大或相關關係）。董事會已經收到各獨立非執行董事有關其獨立性之週年確認書，並且認為，根據上市規則第3.13條所載之指引，彼等確屬獨立人士。

The biographical details of the Directors are set out on pages 16 to 19 of this Annual Report. Save as disclosed therein, there are no other relationship (including financial, business, family or other material or relevant relationships among members of the Board. The Board has received from each independent non-executive Directors an annual confirmation of his independence and considers that they are independent under the guidelines set out in Rule 3.13 of the Listing Rules.

董事會會議

董事會定期舉行會議，以討論本集團的整體策略以及營運及財務表現，並審閱及批准本集團的年度及中期業績，以及審視企業管治、財務、資本、薪酬以及合併與收購之事宜。於回顧年度內，曾舉行六次董事會會議、一次股東週年大會及一次股東特別大會。各董事出席董事會會議及股東大會之情況載列如下：

BOARD MEETINGS

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results, as well as corporate governance, financial, capital, remuneration and mergers and acquisition matters. During the year under review, six Board meetings, an AGM and a SGM were held. The attendance of each Director at the Board meetings and the general meetings is set out as follows:

| 董事 | Directors | 出席／舉行會議次數* | | |
|---|---|-------------------------|-------------------|-------------------|
| | | 董事會 Board Meeting | 股東 週年大會 AGM | 股東 特別大會 SGM |
| 執行董事 | Executive Directors | | | |
| 傅軍先生(於二零一八年八月一日委任) | Mr. Fu Kwan (appointed on 1 August 2018) | 0/1 | 0/0 | 0/0 |
| 張建先生(於二零一八年八月一日委任) | Mr. Zhang Jian (appointed on 1 August 2018) | 1/1 | 0/0 | 0/0 |
| 張必書先生(於二零一八年八月一日委任) | Mr. Zhang Bishu (appointed on 1 August 2018) | 1/1 | 0/0 | 0/0 |
| 劉靜女士(於二零一八年八月一日委任) | Ms. Liu Jing (appointed on 1 August 2018) | 1/1 | 0/0 | 0/0 |
| 陳躍先生(於二零一八年八月一日委任) | Mr. Chang Yeuk (appointed on 1 August 2018) | 0/1 | 0/0 | 0/0 |
| 周建和先生(於二零一八年八月二十二日辭任) | Mr. Zhou Chu Jian He (resigned on 22 August 2018) | 2/5 | 0/1 | 0/1 |
| 張民先生(於二零一八年八月二十二日辭任) | Mr. Zhang Min (resigned on 22 August 2018) | 3/5 | 0/1 | 1/1 |
| 周建人先生 | Mr. Zhou Jianren | 3/6 | 1/1 | 1/1 |
| 向獻紅先生(於二零一八年八月二十二日辭任) | Mr. Xiang Xianhong (resigned on 22 August 2018) | 5/5 | 0/1 | 0/1 |
| 雷曙光先生(於二零一八年八月二十二日辭任) | Mr. Lei Shuguang (resigned on 22 August 2018) | 5/5 | 1/1 | 1/1 |
| 非執行董事 | Non-Executive Director | | | |
| Jorge Edgar Jose Muñoz Ziches先生 (於二零一八年八月二十二日辭任) | Mr. Jorge Edgar Jose Muñoz Ziches (resigned on 22 August 2018) | 2/5 | 0/1 | 0/1 |
| 獨立非執行董事 | Independent Non-Executive Directors | | | |
| 林聞深先生 | Mr. Lam Man Sum, Albert | 6/6 | 1/1 | 0/1 |
| 曹貺予先生 | Mr. Cao Kuangyu | 6/6 | 0/1 | 0/1 |
| 張嘉偉先生 | Mr. Cheung Ka Wai | 5/6 | 1/1 | 0/1 |

* 指其任期內曾舉行之會議次數。

* It refers to number of meetings held during his/her tenure.

於報告年度內，董事會曾處理之事項主要包括本集團的整體策略、全年、中期及季度業績、內部監控及風險評估、企業管治、資本、財務及全面要約之事宜。

董事會例會前將向全體董事發出至少十四天通知。至於其他董事會會議，則於舉行前一段合理時間發出通知。通常於董事會會議舉行前至少三天向董事發出會議議程及其他相關資料，並向所有董事查詢，以便將其他事項列入董事會會議議程內。

公司秘書負責保存所有董事會及委員會會議記錄，其列有所考慮事項之詳細資料。會議記錄之初稿及最終定稿會送交所有董事，以供彼等審議以提出意見及作為記錄。董事可從公司秘書獲得建議及服務，而公司秘書則向董事會負責，確保遵循董事會會議程序。公司秘書將為每位獲新委任之董事安排入職培訓，內容涵蓋監管責任。

資料使用

全體董事均經常獲適時告知可能影響到本集團業務的主要變動，包括相關規則及規例，並可在有需要時作進一步查詢。本公司已向董事會提供充分的解釋及資料，讓董事會可以就提交給他們批准的財務及其他資料，作出有根據的評審。董事亦可無限制取得公司秘書的意見和享用他的服務。本公司會每月向全體董事提供更新資料，載列有關本公司的表現、財務狀況及前景的公正及扼要的評估，內容足以讓董事履行職責。董事會亦已同意，董事可在履行其董事職責時尋求獨立專業意見，費用由本公司支付。

董事就任及持續專業發展

於截至二零一八年十二月三十一日止年度內，新委任的董事在其受委任後獲得就任須知，以確保他們對本集團的業務有適當的理解，以及知道本身在上市規則及相關法定及監管規定下的職責及責任。本公司向董事提供有關本集團業務表現之定期更新資料。董事持續獲得有關法律及監管發展以及業務及市場變動之最新資料，以幫助履行其責任。本公司將會於有需要時為董事安排持續之介紹及專業發展。

During the Reporting Year, the Board has dealt with matters covering mainly the Group's overall strategy, annual, interim and quarterly results, internal control and risk assessment, corporate governance, capital, finance and matters of general offers.

Notice of at least 14 days is given to all Directors in advance for regular Board meetings. For other Board meetings, reasonable notice period is given. Meeting agendas and other relevant information are normally provided to the Directors at least 3 days in advance of the Board meetings. All Directors are consulted to include additional matters in the agenda for Board meetings.

The company secretary is responsible for keeping minutes of all Board and committee meetings which are recorded in sufficient detail about the matters considered. Both draft and final versions of the minutes are sent to all Directors for their comments and records. Directors have access to the advice and services of the company secretary who is responsible to the Board for ensuring that Board meeting procedures are followed.

ACCESS TO INFORMATION

All Directors are kept informed on a timely basis of major changes that may have affected the Group's business, including relevant rules and regulations and are able to make further enquiries when necessary. Sufficient explanation and information have been provided to the Board to enable the Board to make an informed assessment of financial and other information put before it for approval. They also have unrestricted access to the advices and services of the Company Secretary. A monthly update which gives a balanced and concise assessment of the Company's performance, position and prospects in sufficient details is provided to all Directors to enable the Board as a whole and each Director to discharge their duties. The Board has also agreed that the Directors may seek independent professional advice in performing their Directors' duties at the Company's expenses.

DIRECTORS INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

During the year ended 31 December 2018, the newly appointed Directors were given an induction after their appointment so as to ensure that they have appropriate understanding of the Group's business and of their duties and responsibilities under the Listing Rules and the relevant statutory and regulatory requirements. The Company provides regular updates on the business performance of the Group to the Directors. The Directors are continually updated with legal and regulatory developments, and the business and market changes to facilitate the discharge of their responsibilities. Continuing briefings and professional development to Directors will be arranged whenever necessary.

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本公司鼓勵個別董事持續參與接受專業培訓，費用由本公司承擔。個別董事於二零一八年內參與培訓之概況如下：

The Company encourages the participation of ongoing professional trainings by individual Director at the Company's expenses. The training participation by individual Director during 2018 is summarised as below:

| | | 參閱材料 Reading materials | 出席就任 培訓/ 研討會/ 簡介會 Attending induction training/ seminars/ briefings |
|---|---|------------------------------|---|
| 執行董事 | Executive Directors | | |
| 傅軍先生(於二零一八年八月一日委任) | Mr. Fu Kwan (appointed on 1 August 2018) | ✓ | ✓ |
| 張建先生(於二零一八年八月一日委任) | Mr. Zhang Jian (appointed on 1 August 2018) | ✓ | ✓ |
| 張必書先生(於二零一八年八月一日委任) | Mr. Zhang Bishu (appointed on 1 August 2018) | ✓ | ✓ |
| 劉靜女士(於二零一八年八月一日委任) | Ms. Liu Jing (appointed on 1 August 2018) | ✓ | ✓ |
| 陳躍先生(於二零一八年八月一日委任) | Mr. Chan Yeuk (appointed on 1 August 2018) | ✓ | ✓ |
| 周建和先生(於二零一八年八月二十二日辭任) | Mr. Zhou Chu Jian He (resigned on 22 August 2018) | ✓ | – |
| 張民先生(於二零一八年八月二十二日辭任) | Mr. Zhang Min (resigned on 22 August 2018) | ✓ | – |
| 周建人先生 | Mr. Zhou Jianren | ✓ | – |
| 向獻紅先生(於二零一八年八月二十二日辭任) | Mr. Xiang Xianhong (resigned on 22 August 2018) | ✓ | – |
| 雷曙光先生(於二零一八年八月二十二日辭任) | Mr. Lei Shuguang (resigned on 22 August 2018) | ✓ | – |
| 非執行董事 | Non-Executive Director | | |
| Jorge Edgar Jose Muniz Ziches先生 (於二零一八年八月二十二日辭任) | Mr. Jorge Edgar Jose Muniz Ziches (resigned on 22 August 2018) | ✓ | – |
| 獨立非執行董事 | Independent Non-Executive Directors | | |
| 林聞深先生 | Mr. Lam Man Sum, Albert | ✓ | ✓ |
| 曹貺予先生 | Mr. Cao Kuangyu | ✓ | – |
| 張嘉偉先生 | Mr. Cheung Ka Wai | ✓ | ✓ |

董事會責任

除監管及法定職責以外，董事會的主要職責更包括制定策略，以及監控本集團之經營及財務表現。董事會亦須以負責任及重效益之態度領導及管理本公司之事務，肩負促使本公司成功之責任。全體董事（包括獨立非執行董事）在本公司之主要及重大事宜上均獲諮詢，並已鼓勵對董事會之事務作出積極貢獻。全體董事明白彼等對本公司股東承擔共同和個別責任，並致力真誠行事，作出符合本集團及本公司股東最佳利益之決定。董事會授權有關主要部門之管理層處理本集團之日常業務管理。本公司已設立審核委員會、薪酬委員會及提名委員會，以協助董事會履行其職責及監督本集團之具體事務。所有委員會均擁有特定之職能及權力以履行職責，連同推薦建議向董事會報告，董事會有最終決定權，惟於有關委員會之職權範圍內另行規定者除外。

董事會負責履行載於企業管治守則守則條文第D.3.1條之企業管治職能，並已自二零一六年三月起採納最新企業管治守則手冊（包括董事之持續專業發展、遵守標準守則等）。此外，本公司已自二零一二年三月起採納僱員舉報指引。本公司已為其董事及高級管理人員購買責任保險，以就彼等履行職責時可能引起的任何法律責任提供保障。

BOARD RESPONSIBILITY

On top of the regulatory and statutory responsibilities, the main duties of the Board include formulating strategy as well as monitoring and controlling operating and financial performance of the Group. The Board is also responsible for promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner. All Directors (including independent non-executive Directors) have been consulted on major and material matters of the Company and have been encouraged to make active contribution to the affairs of the Board. All Directors are aware of their collective and individual responsibilities to the shareholders of the Company and are committed to act in good faith and make decisions in the best interests of both the Group and the shareholders of the Company. The Board delegates day-to-day management of the businesses of the Group to the management of the relevant principal divisions. The Company's Audit Committee, Remuneration Committee and Nomination Committee have been set up to assist the Board to discharge its duties and to oversee particular aspects of the Group's affairs. All Committees have specific functions and authority to examine issues and report to the Board with recommendations. The final decisions are rested with the Board, unless otherwise provided in terms of reference of the relevant Committees.

The Board is responsible for performing the corporate governance functions as set out in the code provision D.3.1 of the CG Code and has adopted the latest corporate governance code manual (including continuous professional development of directors, the compliance of the Model Code, etc) since March 2016. In addition, the Company's employee whistleblowing guidelines has also been in place since March 2012. Liability insurance for the Company's directors and senior management was maintained by the Company with coverage for any legal liabilities which may arise in the course of performing their duties.

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CORPORATE GOVERNANCE REPORT

董事編製財務報表之責任

董事知悉，彼等須負責根據法定要求及適用之會計準則編製真實兼公平反映本集團財務狀況之本集團截至二零一八年十二月三十一日止年度綜合財務報表。董事會負責就本集團之表現及前景作出平衡、清晰及全面之評估。董事會並不知悉任何重大不確定因素可能會對本集團之持續經營能力造成重大疑問之事件或情況。因此，董事會已按持續基準編製綜合財務報表。本公司核數師已就其對綜合財務報表之申報責任作出聲明，有關聲明載於本年報第69至71頁之獨立核數師報告。

主席及行政總裁

董事會主席及行政總裁之角色應有區分及不應由同一人執行。於報告年度內，周建和先生曾經為主席，直至二零一八年八月一日為止，而由二零一八年八月一日起，傅軍先生獲委任為主席，彼等負責領導董事會及使其有效運作。張民先生曾經為行政總裁，直至二零一八年八月一日為止，而張建先生為本公司總經理，於張民先生辭任後承擔行政總裁的責任。彼等負責有效管理本集團日常業務之所有事宜，以及實施經董事會批准之策略，發展和制定業務計劃、預算及財務目標交由董事會考慮，以及在本公司審核委員會支持下建立及維持適當之內部監控和風險管理系統。

獨立非執行董事

獨立非執行董事負責就本集團之發展、表現及風險管理作出獨立判斷等相關職能。彼等之就任及參與亦令董事會可嚴格遵守財務及其他強制性申報規定，並可提供充分之審核及維持平衡，以維護本公司股東及本公司之利益。各獨立非執行董事之任期為兩年，彼等須於股東週年大會上輪值退任，並符合資格膺選連任。獨立非執行董事在本公司所有公司通訊內均已明確列明。

DIRECTORS' RESPONSIBILITY IN PREPARING FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group for the year ended 31 December 2018 that give a true and fair view of the financial position of the Group in accordance with statutory requirements and applicable accounting standards. The Board is responsible for presenting a balanced, clear and comprehensive assessment of the Group's performance and prospects. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern and, therefore, the consolidated financial statements were prepared on a going concern basis. The statement of the auditors of the Company regarding their reporting responsibilities for the consolidated financial statements is set out in the Independent Auditors' Report on pages 69 to 71 of this Annual Report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The role of the chairman of the board and the chief executive officer are segregated and are not exercised by the same individual. During the Reporting Year, Mr. Zhou Chu Jian He had been the Chairman until 1 August 2018 and Mr. Fu Kwan is appointed as the Chairman starting from 1 August 2018 and they are responsible for the leadership and the effective operation of the Board. Mr. Zhang Min had been the Chief Executive Officer until 1 August 2018 and Mr. Zhang Jian is the general manager of the Company and assumes the responsibility of the Chief Executive Officer of the Company upon the resignation of Mr. Zhang Min. They are responsible for the day-to-day management of the businesses in all aspects effectively, the implementation of the strategies approved by the Board, the development and formulation of business plans, budgets and financial objectives for consideration by the Board, and the establishment and maintenance of proper internal controls and risk management systems with the support of the Company's Audit Committee.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Independent non-executive Directors serve the relevant function of bringing independent judgment on the development, performance and risk management of the Group. Their presence and participation also enable the Board to maintain good standards of compliance in financial and other mandatory reporting requirements, and provide adequate checks and balances to safeguard the interests of shareholders of the Company and the Company. Each of the independent non-executive Directors has been appointed for a term of two years and subject to retirement by rotation at annual general meeting and, being eligible, offer themselves for re-election. The independent non-executive Directors are explicitly identified in all of the Company's corporate communications.

董事的委任及重選

委任新董事及其他相關事宜已轉授權力予本公司提名委員會，提名委員會就相關事宜（包括本公司董事的委任及重新委任）向董事會提出建議。董事會認為，預期新任董事具備有關範疇的專業知識，為本公司作出貢獻，且有足夠時間參與本公司的決策過程。

本公司執行董事與本公司已訂立服務合約，為期兩年或三年。此外，各獨立非執行董事已經跟本公司簽署委任書，指定任期為期兩年。

根據本公司之細則，(i)任何為填補某臨時空缺而獲董事會委任之董事只任職至其獲委任後本公司下屆股東大會止；或(ii)任何獲董事會委任作為現有董事會之新增成員之董事只任職至本公司下屆股東週年大會止。任何獲委任之董事於其時合資格再度獲重選。

薪酬委員會

本公司已於二零零五年成立薪酬委員會。薪酬委員會由三名獨立非執行董事林聞深先生、曹貽予先生及張嘉偉先生組成。張嘉偉先生為薪酬委員會主席。薪酬委員會之主要職責包括就本公司所有董事及高級管理人員之薪酬政策及架構向董事會作出推薦建議，並參照董事會所決定之企業目標及指標，檢討全體執行董事與高級管理人員之特定薪酬待遇。董事之薪酬乃根據董事之專業技能及對本公司之貢獻，並經考慮本集團表現及當時市場情況（包括同類公司支付之薪酬）以及參照執行董事之職責及責任而釐定。概無董事參與決定其本身之薪酬。薪酬委員會之職權範圍已刊載於本公司網站。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The appointment of new Director(s) and other related matters have been delegated to the Company's Nomination Committee, which would make recommendations to the Board on relevant matters including the appointment or reappointment of the Directors of the Company. The Board considers that the new Director(s) is expected to have expertise in relevant area to make contribution to the Company and to have sufficient time to participate in the decision making process of the Company.

The executive Directors of the Company entered into service contracts with the Company for terms of two or three years. In addition, each of the independent non-executive Directors signed a letter of appointment with the Company for a specific term of two years.

Pursuant to the Company's bye-laws, (i) any director appointed by the Board to fill a casual vacancy shall hold office until the next general meeting of the Company after his/her appointment or (ii) any director appointed by the Board as an addition to the existing Board shall hold office only until the next annual general meeting of the Company. Any Director appointed shall then be eligible for the re-election.

REMUNERATION COMMITTEE

The Company established the Remuneration Committee in 2005. The Remuneration Committee comprises three independent non-executive Directors, namely, Mr. Lam Man Sum, Albert, Mr. Cao Kuangyu and Mr. Cheung Ka Wai. Mr. Cheung Ka Wai is the chairman of the Remuneration Committee. The principal responsibility of the Remuneration Committee includes making recommendation to the Board on the Company's policy and structure for all remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board. The remuneration of Directors are based on the skill and contribution in the Company's affairs and are determined by reference to duties and responsibilities of the executive Directors after considering the Group's performance and the prevailing market situations including salaries paid by comparable companies. No Director is involved in determining his own remuneration. The terms of reference of the Remuneration Committee are available at the Company's website.

企業管治報告

CORPORATE GOVERNANCE REPORT

於截至二零一八年十二月三十一日止年度內，薪酬委員會曾舉行一次會議，以檢討董事及高級管理人員之薪酬待遇，以及於報告年度之薪酬政策。此外，與執行董事之薪酬有關之若干事宜已經以薪酬委員會全體成員簽署書面決議案之方式批准。

於截至二零一八年十二月三十一日止年度內，支付予董事及高級管理層成員之薪酬按等級披露之詳情在綜合財務報表附註8及9內披露。

於報告年度內，薪酬委員會之出席情況載列如下：

For the year ended 31 December 2018, there was one meeting held by the Remuneration Committee to review the remuneration packages of the Directors and senior management as well as the remuneration policies for the Reporting Year. In addition, certain matters relating to the remuneration of the executive Directors were approved by written resolutions signed by all members of the Remuneration Committee.

Details of the remuneration paid to Directors and members of senior management by band for the year ended 31 December 2018 are disclosed in notes 8 and 9 to the consolidated financial statements.

Attendance of the Remuneration Committee during the Reporting Year is set out below:

| 成員 | Members | 出席會議次數／舉行會議次數 No. of Meetings attended/ No. of meeting held |
|-----------|------------------------------|---|
| 張嘉偉先生(主席) | Mr. Cheung Ka Wai (Chairman) | 1/1 |
| 林聞深先生 | Mr. Lam Man Sum, Albert | 0/1 |
| 曹貺予先生 | Mr. Cao Kuangyu | 1/1 |

提名委員會

本公司於二零一二年已成立提名委員會，向董事會作出檢討及建議合適人選。提名委員會目前由兩名執行董事(傅軍先生(提名委員會主席)及張建先生)及三名獨立非執行董事(林聞深先生、曹貺予先生及張嘉偉先生)組成。提名委員會將根據人選之專業技能及經驗，評估董事認為有能力為董事會之表現作出積極貢獻之人選。提名委員會之職權範圍可於本公司網站查閱。

董事會已於二零一三年採納董事會多元化政策，其載有達致董事會多元化之方法。提名委員會亦負責檢討有關政策及可能不時採納之任何可量度目標並檢討達致該等目標之進展。本公司透過考慮多項因素(包括但不限於技能、區域及行業經驗、背景、種族、性別及其他品質)達致董事會多元化。於釐定董事會之最佳架構方面，本公司亦將計及其本身之業務模式及不時之特定需求。雖然董事會支持多元化原則，惟目前並不擬就董事會成員之委任而設定多元化配額或就性別多元化訂定短期目標，因有關政策可能會影響董事水平。

NOMINATION COMMITTEE

The Company's Nomination Committee was set up in 2012 to review and make recommendations for new candidates to the Board. The Nomination Committee currently comprises two executive Directors (Mr. Fu Kwan (chairman of the Nomination Committee) and Mr. Zhang Jian) and three independent non-executive Directors (Mr. Lam Man Sum, Albert, Mr. Cao Kuangyu and Mr. Cheung Ka Wai). The Nomination Committee will assess new candidates based on their skills, experience and who, in its opinion, are able to make positive contribution to the performance of the Board. The terms of reference of the Nomination Committee are available on the Company's website.

The Board has adopted a board diversity policy in 2013 which sets out the approach to achieve diversity on the Board. The Nomination Committee is also responsible to review the policy and any measurable objectives as may be adopted from time to time and to review the progress on achieving the objectives. The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to skills, regional and industry experience, background, race, gender and other qualities. The Company will also take into account of its own business model and specific needs from time to time in determining the optimum composition of the Board. Although the Board supports the principle of diversity, it currently does not intend to fix a diversity quota for Board members appointment or set a short term objective on gender diversity, for such policies may compromise on the calibre of Directors.

於截至二零一八年十二月三十一日止年度內，提名委員會並無舉行會議，與(i)檢討董事會的架構、人數及組成；(ii)提名五名新執行董事；及(iii)審閱將獲委任為本公司新董事之候選人的履歷並就提名為董事之候選人向董事會提出建議有關之事宜已經以提名委員會全體成員簽署書面決議案之方式批准。

審核委員會

審核委員會於一九九九年成立，現時由三名獨立非執行董事林聞深先生、曹貽予先生及張嘉偉先生組成，並由林聞深先生擔任主席。審核委員會主席具有合適之專業會計資歷及／或經驗及／或上市規則第3.10(2)條規定之相關財務管理專業知識。本公司已遵守上市規則第3.21條之規定。審核委員會之職權範圍可於本公司網站查閱。

審核委員會於二零一八年曾舉行兩次會議，其成員出席率為100%。年內，審核委員會向董事會提供會計及財務建議及推薦意見，並審閱外部核數師之獨立性及有關審核事項。此外，審核委員會檢討本集團之風險管理及內部監控系統。本集團截至二零一八年六月三十日止六個月之未經審核中期業績及截至二零一八年十二月三十一日止年度之經審核年度業績已由審核委員會審閱，審核委員會認為，該等相關財務報表已根據適用之會計準則及規定編製，並已作出充分披露。

核數師酬金

截至二零一八年十二月三十一日止年度綜合財務報表已由國衛會計師事務所有限公司審核。於報告年度內，國衛會計師事務所有限公司所提供審核服務收取之費用約為950,000港元(二零一七年：880,000港元)。就有關協助審閱中期財務報告內的披露情況之非核數服務已付／應付國衛會計師事務所有限公司之費用為285,000港元(二零一七年：200,000港元)。國衛會計師事務所有限公司就日期為二零一八年八月一日之綜合文件提供專業服務，就有關非核數事宜已付／應付予彼等之費用為158,950港元(二零一七年：無)。

During the year ended 31 December 2018, there were no meetings held by the Nomination Committee and the matters relating to (i) reviewing the structure, size and composition of the Board; (ii) nominating five new executive Directors; and (iii) reviewing biographies of the candidates who would be appointed as new Directors of the Company and made recommendation to the Board on the candidates nominated for directorship were approved by written resolutions signed by all members of the Nomination Committee.

AUDIT COMMITTEE

The Audit Committee was established in 1999 and currently comprises three Independent Non-Executive Directors, namely Mr. Lam Man Sum, Albert, Mr. Cao Kuangyu and Mr. Cheung Ka Wai, and is chaired by Mr. Lam Man Sum, Albert. The chairman of the Audit Committee possesses appropriate professional qualifications and/or experience in accounting and/or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The Company has complied with Rule 3.21 of the Listing Rules. The terms of reference of the Audit Committee are available on the Company's website.

The Audit Committee held two meetings in 2018 with 100% attendance of its members. During the year, the Audit Committee provided accounting and financial advices and recommendations to the Board as well as reviewed the independence of external auditors and relevant auditing matters. Also, the Audit Committee reviewed the risk management and internal control system of the Group. The Group's unaudited interim results for the six months ended 30 June 2018 and audited annual results for the year ended 31 December 2018 have been reviewed by the Audit Committee which was of the opinion that the preparation of the relevant financial statements complied with the applicable accounting standards and requirements and that adequate disclosure has been made.

AUDITORS' REMUNERATION

The consolidated financial statements for the year ended 31 December 2018 have been audited by HLB Hodgson Impey Cheng Limited. During the Reporting Year, the fee in respect of audit service provided by HLB Hodgson Impey Cheng Limited was approximately HK\$950,000 (2017: HK\$880,000). The fee paid/payable to HLB Hodgson Impey Cheng Limited for non-audit services relating to assisting in reviewing the disclosure of interim financial report was HK\$285,000 (2017: HK\$200,000). The fee paid/payable to HLB Hodgson Impey Cheng Limited for non-audit matters relating to professional services rendered in connection with the composite document dated 1 August 2018 was HK\$158,950 (2017: nil).

企業管治報告

CORPORATE GOVERNANCE REPORT

風險管理及內部監控

董事會知悉具整體責任建立及維持足夠及有效之風險管理及內部監控系統以保障本集團之資產免受未經授權動用或處置，並保障本公司股東之權益。此外，風險管理及內部監控系統設計為管理而非杜絕失誤風險，其僅可提供合理保證而非絕對保證可防範重大失實陳述或損失。

本集團已確立既定程序，以確定、評估及管理本集團所面對的重大風險。業務單位負責識別、評估及監察與相關業務單位有關之風險。評估結果將透過所識別風險清單及管理層對本集團影響評估，定期召開內部會議上報管理層。董事會對所識別風險進行討論並評估風險管理及內部控制系統之有效性。

本集團認為有效之風險管理及內部監控系統經已設立，其包括健全監控環境、適當職務分工、清楚界定的政策及監察程序，並且由管理層定期檢討及提升。

本集團致力維持及主張良好企業管治常規，風險管理及內部監控系統。就截至二零一八年十二月三十一日止年度，本集團已委聘外部顧問對精礦貿易業務之風險管理及內部監控系統之有效性進行年度檢討，並就改善及加強其內部監控系統作出建議。根據外部顧問之檢討結果報告，董事會信納本集團已設立有效之風險管理及內部監控系統。

就監察及披露內幕消息而言，本公司已制定指引，旨在確保內部人士遵守保密性規定及履行內幕消息之披露責任。

公司秘書

截至二零一八年十二月三十一日止年度，公司秘書已出席不少於15小時之相關專業培訓。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it has overall responsibilities for the establishment and maintenance of an adequate and effective risk management and internal control system to safeguard the Group's assets against unauthorised use or disposition, and to protect the interest of shareholders of the Company. Furthermore, the risk management and internal control system is designed to manage rather than eliminate the risk of failure and can only provide reasonable and not absolute assurance against material misstatement or loss.

On-going process for identifying, evaluating and managing the significant risks of the Group has been established. Business units are responsible for identifying, assessing and monitoring risks associated with their respective units. The results of evaluation will be reported to management through regular internal meetings associated with the list of risks identified and management's assessment on the impact to the Group. The Board discussed the risk identified and evaluates the effectiveness of the risk management and internal control system.

The Group is of the view that an effective risk management and internal control system is in place which encompasses sound control environment, appropriate segregation of duties, well-defined policies and monitoring procedures and is reviewed and enhanced by the management at regular intervals.

The Group is committed to maintaining and upholding good corporate governance practices, risk management and internal control system. In respect of the year ended 31 December 2018, the Group engaged external consultants to perform review on the effectiveness of the risk management and internal control system of the Group's major operating subsidiaries at least once a year and make recommendations for improvement and strengthening of its risk management and internal control system. Based on the reports on the findings from the external consultants, the Board considered the Group's risk management and internal control system were effective during the year.

With respect to the monitoring and disclosure of inside information, the Company has formulated its guidelines, with an aim to ensure that the insiders abide by the confidentiality requirement and fulfill the disclosure obligation of the inside information.

COMPANY SECRETARY

During the year ended 31 December 2018, the company secretary attended relevant professional training for not less than 15 hours.

股東之權利

股東召開股東特別大會之程序

根據本公司之公司細則，董事會可因應持有不少於本公司已發行股本十分之一且所持證券附有於本公司任何股東大會表決權利之任何股東之要求召開股東特別大會。股東須向董事會或公司秘書提出書面要求，並將有關要求寄至本公司之總辦事處及主要營業地點（地址為香港銅鑼灣告士打道262號中糧大廈15樓）（「總辦事處」），當中列明股東之持股資料、詳細聯絡方式、有關任何特定交易／業務之建議及其支持文件。

於股東大會上提呈建議之程序

股東須向董事會或公司秘書提出書面要求，並將有關要求寄至本公司之總辦事處及於其總辦事處之主要營業地點，當中列明股東之持股資料、詳細聯絡方式、擬於股東大會上提呈之有關任何特定交易／業務之建議及其支持文件。

向董事會發出股東查詢之程序

股東可隨時以書面方式將其查詢及關注事宜寄往本公司之總辦事處及於其總辦事處之主要營業地點，透過公司秘書轉交予董事會。股東亦可於本公司之股東大會上向董事會作出查詢。

組織章程文件

截至二零一八年十二月三十一日止年度，本公司之組織章程文件並無重大變動。

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene a special general meeting

Pursuant to the Company's bye-laws, special general meetings may be convened by the Board upon requisition by any shareholder holding not less than one-tenth of the issued share capital of the Company and the securities being held carrying the right of voting at any general meetings of the Company. The shareholder shall make a written requisition to the Board or the company secretary at the Company's head office and principal place of business at 15/F, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong ("Head Office"), specifying the shareholding information of the shareholder, his/her contact details and the proposal regarding any specified transaction/business and its supporting documents.

Procedures for putting forward proposals at a general meeting

A shareholder shall make a written requisition to the Board or the company secretary at the Company's head office and principal place of business at its Head Office, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the company secretary at the Company's head office and principal place of business at its Head Office. Shareholders may also make enquiries with the Board at the general meetings of the Company.

CONSTITUTIONAL DOCUMENTS

There are no significant changes in the Company's constitutional documents during the year ended 31 December 2018.

企業管治報告

CORPORATE GOVERNANCE REPORT

投資者關係

董事了解與本公司股東維持良好關係及保持良好溝通之重要性。本公司繼續提倡投資者關係及其投資者溝通。本公司使用各種溝通工具，如召開股東週年大會、股東特別大會、發佈年度及中期報告、各種通告、公告及通函等，以確保其股東能夠及時知悉本公司之資訊。

本公司設有網站（網址為<http://macrolinkcapital.etnet.com.hk>），為其股東及公眾人士提供公司通訊平台。上市規則規定之所有公司通訊（於過往五年內刊登之文件）均於本公司網站上刊載，本公司網站已設立程序以確保按照上市規則及時更新企業資訊。

股息政策

於二零一九年，本公司採納一份新股息政策（「股息政策」）。根據該股息政策，本公司可向本公司股東宣佈派發及分派股息，但須以本集團錄得除稅後溢利且宣佈派發及分派股息不會對本集團之正常營運構成影響為前提。本公司擬就當時之財政年度派付年度股息，惟須考慮（其中包括）以下因素：

- (i) 本集團之財務業績；
- (ii) 本集團之財務狀況；
- (iii) 業務營運、業務策略及未來發展所需的未來現金需求及可獲得途徑；
- (iv) 是否有資金履行本集團銀行貸款的財務契諾；及
- (v) 董事會可能認為適當的任何其他因素。

INVESTOR RELATIONS

The Directors are aware of the importance of maintaining good relations and communications with shareholders of the Company. The Company continues to promote investor relations and communication with its investors. The Company uses a range of communication tools, such as annual general meetings, special general meetings, annual and interim reports, various notices, announcements and circulars etc, to ensure its shareholders are kept informed of the Company's information.

The Company has maintained a website at <http://macrolinkcapital.etnet.com.hk>, which serves as a platform for corporate communications with its shareholders and the general public. All corporate communications required under the Listing Rules are displayed (for documents published in the previous 5 years) on the Company's website, which has established procedures to ensure timely update in compliance with the Listing Rules.

DIVIDEND POLICY

The Company adopted a new dividend policy (the "Dividend Policy") in 2019. Pursuant to the Dividend Policy, the Company may declare and distribute dividends to the shareholders of the Company, provided that the Group records a profit after tax and that the declaration and distribution of dividends does not affect the normal operations of the Group. The Company intends to pay out on annual dividend payment for the then financial year after taking into consideration of, inter alia, the following factors:

- (i) the Group's financial results;
- (ii) the financial condition of the Group;
- (iii) future cash requirements and availability for business operations, business strategies and future development needs;
- (iv) the availability of funds to meet the financial covenants of our Group's bank loans; and
- (v) any other factors that our Board may consider appropriate.

本公司派付股息亦須遵守百慕達公司法及本公司公司細則之任何限制。本公司宣佈派發的任何末期股息必須經其股東於股東週年大會上以普通決議案予以批准，且不得超過董事會所建議之金額。董事會可不時向股東支付其認為有本集團溢利支持的有關中期及／或特別股息。

根據該股息政策宣佈派發及／或派付任何未來股息，須經董事會認為其符合本集團及本公司股東之整體最佳利益後，方可進行。董事會致力在股東利益與審慎資本管理之間取得平衡，且董事會將不時檢討股息政策，並在其認為適合及有需要時可隨時運用其獨有及絕對酌情權去更新、修訂及／或更改該政策。概不保證會就任何指定期間支付任何特定金額之股息。

The payment of the dividend by the Company is also subject to any restrictions under the Companies Act of Bermuda and the Bye-Laws of the Company. Any final dividends declared by the Company must be approved by an ordinary resolution of its shareholders at an annual general meeting. The Board may from time to time pay to the shareholders such interim and/or special dividends as it considers to be justified by the profits of the Group.

Any declaration and/or payment of future dividends under the Dividend Policy are/is subject to the Board's determination that the same would be in the best interests of the Group and the shareholders of the Company as a whole. The Board endeavors to strike a balance between the shareholders' interests and prudent capital management and the Board will review the Dividend Policy from time to time and may exercise at its sole and absolute discretion to update, amend and/or modify the policy at any time as it deems fit and necessary. There is no assurance that dividends will be paid in any particular amount for any given period.

獨立核數師報告 INDEPENDENT AUDITORS' REPORT



香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

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

致新華聯資本有限公司
(前稱「莊勝百貨集團有限公司」)
全體股東
(於百慕達註冊成立之有限公司)

**TO THE MEMBERS OF
MACROLINK CAPITAL HOLDINGS LIMITED (FORMERLY KNOWN
AS "JUNEFIELD DEPARTMENT STORE GROUP LIMITED")**
(Incorporated in Bermuda with limited liability)

意見

吾等已審核第72頁至第206頁所載新華聯資本有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，此財務報表包括於二零一八年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益表、綜合全面收益表、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)。

OPINION

We have audited the consolidated financial statements of Macrolink Capital Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 72 to 206, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

吾等認為，綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實及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於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的披露規定妥為編製。

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 disclosure requirements of the Hong Kong Companies Ordinance.

意見的基礎

吾等按照香港會計師公會頒佈之香港核數準則(「香港核數準則」)進行審核工作。吾等於該等準則項下之責任已於吾等之報告內核數師就審核綜合財務報表須承擔的責任一節進一步闡述。吾等根據香港會計師公會頒佈之專業會計師道德守則(「守則」)獨立於貴集團，吾等亦已根據守則達致吾等之其他道德責任。吾等認為吾等所獲得的審核憑證屬充足及適當以為吾等之意見提供基準。

BASIS FOR OPINION

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

獨立核數師報告(續)

INDEPENDENT AUDITORS' REPORT (continued)

關鍵審核事項

關鍵審核事項為就吾等之專業判斷而言，對吾等審核本期間之綜合財務報表最為重要的事項。該等事項是在吾等審核整體綜合財務報表及就此出具意見時進行處理的，且吾等不會對該等事項提供單獨的意見。

關鍵審核事項

Key audit matter

採礦權以及勘探及評估資產之減值評估

Impairment assessments on mining rights and exploration and evaluation assets

參考綜合財務報表附註16。

Refer to note 16 to the consolidated financial statements.

貴集團採礦權以及勘探及評估資產於二零一八年十二月三十一日之賬面值分別約為12,264,000港元及17,772,000港元(未就資產減值評估結果作出調整前)。

The carrying amounts of the Group's mining rights and exploration and evaluation assets as at 31 December 2018 were approximately HK\$12,264,000 and HK\$17,772,000 respectively before adjusting for the results of the impairment assessment of the assets.

採礦權以及勘探及評估資產之賬面值會於有事件或情況之轉變顯示可能無法收回賬面值時作出減值檢討。釐定採礦權以及勘探及評估資產於報告期末之賬面值是否出現任何減值跡象以及減值虧損多寡(倘若存在有關跡象)時須要作出重大判斷。

The carrying amounts of mining rights and exploration and evaluation assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Determining whether there is any indication of impairment of the carrying amounts of mining rights and exploration and evaluation assets as at the end of the reporting period, and the extent of impairment loss if such indication exists, require significant judgement.

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.

吾等之審核如何處理關鍵審核事項

How our audit addressed the key audit matter

吾等就管理層對採礦權以及勘探及評估資產進行減值評估所進行之程序包括：

Our procedures in relation to management's impairment assessments on mining rights and exploration and evaluation assets included:

- 與管理層討論減值跡象，以及質疑管理層有關是否存在減值跡象的看法。在有關跡象被識別的情況下，評估管理層進行的減值測試；
Discussing indicators of impairment with the management and challenging the management's views about the existence or non-existence of indicators of impairment. Where such indicators were identified, assessing the impairment testing performed by management;
- 根據 貴集團之會計政策及吾等對 貴集團業務之理解評估管理層識別的現金產生單位；
Assessing management's identification of CGUs based on the Group's accounting policies and our understanding of the Group's business;

獨立核數師報告(續)

INDEPENDENT AUDITORS' REPORT (continued)

關鍵審核事項(續)

關鍵審核事項

Key audit matter

為進行減值評估，採礦權以及勘探及評估資產分配至現金產生單位(「現金產生單位」)。管理層根據使用價值計算使用現金流量預測釐定現金產生單位於二零一八年十二月三十一日之可收回金額。進行減值評估過程中，須運用重大判斷以適當確定採礦權以及勘探及評估資產所屬的有關現金產生單位及釐定用於編製現金流量預測及計算使用價值的關鍵假設，包括經營利潤率、增長率及貼現率。

For the purpose of assessing impairment, mining rights and exploration and evaluation assets are allocated to cash-generating units ("CGUs"). The recoverable amounts of the CGUs as at 31 December 2018 were determined by management based on value-in-use calculations using cash flow projections. In carrying out the impairment assessments, significant judgements were required to be exercised to appropriately identify the respective CGUs to which mining rights and exploration and evaluation assets belong and to determine the key assumptions, including operating margins, growth rates and discount rates, to be used in the preparation of the cash flow projections and the value-in-use calculations.

由於進行減值評估，因此，已經在綜合損益表內確認減值虧損為數約8,865,000港元，以將勘探及評估資產的賬面金額撇減。

As a result of the impairment assessment, impairment loss amounting to approximately HK\$8,865,000 was recognised in the consolidated statement of profit or loss to write down the carrying amounts of exploration and evaluation assets.

KEY AUDIT MATTERS (continued)

吾等之審核如何處理關鍵審核事項

How our audit addressed the key audit matter

- 評估管理層採納之使用價值計算(包括有關方法)；
Assessing the value-in-use calculations, including the methodologies adopted by the management;
- 根據吾等的業務及行業知識評估所採納的關鍵假設(包括經營利潤率、增長率及貼現率)之合理性；
Assessing the reasonableness of key assumptions adopted (including operating margins, growth rates and discount rates) based on our knowledge of the business and industry;
- 對賬輸入數據及支持憑證(如經批准預算)，並考慮該等預算之合理性；
Reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of these budgets;
- 評估獨立專業合資格估值師之勝任力、能力及客觀性；及
Evaluation of the independent professional qualified valuer's competence, capabilities and objectivity; and
- 委聘估值專家協助吾等評估所用方法及關鍵假設之合適性。
Engaging a valuation expert in assisting us to assess the methodology used and the appropriateness of the key assumptions.

獨立核數師報告(續)

INDEPENDENT AUDITORS' REPORT (continued)

關鍵審核事項(續)

KEY AUDIT MATTERS (continued)

關鍵審核事項

吾等之審核如何處理關鍵審核事項

Key audit matter

How our audit addressed the key audit matter

投資物業之估值

Valuation of investment properties

參考綜合財務報表附註14。

Refer to note 14 to the consolidated financial statements.

管理層估算 貴集團投資物業於二零一八年十二月三十一日之公平值約為74,367,000港元，而投資物業於截至二零一八年十二月三十一日止年度之公平值收益約885,000港元於綜合損益表內入賬。已就投資物業取得獨立外部估值。投資物業的估值依賴在估值過程中所採納的若干假設，而該等假設受不確定因素影響，可能與實際結果存在重大差異。已合理考慮主要根據報告期結束時之市況作出之相關假設。

Management has estimated the fair value of the Group's investment properties to be approximately HK\$74,367,000 as at 31 December 2018 with fair value gains on investment properties for the year ended 31 December 2018 recorded in the consolidated statement of profit or loss of approximately HK\$885,000. Independent external valuation was obtained in respect of the investment properties. The valuation of the investment properties is dependent on certain assumptions adopted in the valuation process, which are subject to uncertainties and might materially differ from the actual results. Reasonable consideration has been given to the underlying assumptions that are mainly based on market conditions existing at the end of the reporting period.

吾等就管理層對投資物業之估值所進行之程序包括：

Our procedures in relation to management's valuation of investment properties included:

- 評估獨立專業合資格估值師之勝任力、能力及客觀性；
Evaluation of the independent professional qualified valuer's competence, capabilities and objectivity;
- 委聘估值專家協助吾等評估所用方法及關鍵假設之合適性；及
Engaging a valuation expert in assisting us to assess the methodology used and the appropriateness of the key assumptions; and
- 檢查所用輸入數據之準確性及相關性。
Checking on the accuracy and relevance of the input data used.

獨立核數師報告(續)

INDEPENDENT AUDITORS' REPORT (continued)

其他資料

貴公司之董事負責編製其他資料。其他資料包括年報所載之資料，惟不包括綜合財務報表及吾等就此之核數師報告(「其他資料」)。

吾等有關綜合財務報表之意見並不涵蓋其他資料，吾等亦並不就此發表任何形式之核證結論。

就吾等對綜合財務報表之審核而言，吾等之責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或存在重大錯誤陳述。倘若吾等基於已完成的工作認為其他資料出現重大錯誤陳述，吾等須報告此事實。在這方面，吾等並沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製作出真實而公允反映之綜合財務報表，並負責董事認為就確保綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需之有關內部控制。

於編製綜合財務報表時，董事須負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項(如適用)。除非董事有意將 貴集團清盤，或停止營運，或除此之外並無其他實際可行的辦法，否則董事須採用以持續經營為基礎的會計法。

貴公司董事在審核委員會協助下履行其監督 貴集團的財務報告流程的責任。

OTHER INFORMATION

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

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 AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

獨立核數師報告(續)

INDEPENDENT AUDITORS' REPORT (continued)

核數師就審核綜合財務報表須承擔的責任

吾等的目標，是對整體綜合財務報表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，並根據百慕達一九八一年公司法第90章僅向閣下(作為整體)出具包括吾等意見的核數師報告，除此以外，吾等的報告不作其他用途。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港核數準則進行的審核在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等個別或整體可能影響該等綜合財務報表使用者所作出的經濟決策，則有關的錯誤陳述可被視作重大。

吾等根據香港核數準則進行審核的工作之一，是運用專業判斷，在整個審核過程中抱持職業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及取得充足和適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的效能發表意見。
- 評價董事所採用會計政策的恰當性及所作出會計估計和相關披露資料的合理性。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue auditors' report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, 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.

獨立核數師報告(續)

INDEPENDENT AUDITORS' REPORT (continued)

核數師就審核綜合財務報表須承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者對綜合財務報表中的相關披露資料的關注。倘有關的披露資料不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表(包括披露資料)的整體列報方式、結構及內容，以及綜合財務報表是否公允反映有關交易和事項。
- 就貴集團中實體或業務活動的財務資料獲取充分及適當的審核證據，以對綜合財務報表發表意見。吾等負責指導、監督及執行集團審核。吾等僅對吾等之審核意見承擔責任。

吾等與審核委員會溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括吾等在審核期間識別出內部控制的任何重大缺陷。

吾等亦向審核委員會提交聲明，說明吾等已符合有關獨立性的相關職業道德要求，並與彼等溝通所有可能合理地被認為會影響吾等獨立性的關係及其他事項，以及相關防範措施(倘適用)。

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

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

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

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.

獨立核數師報告(續) INDEPENDENT AUDITORS' REPORT (continued)

核數師就審核綜合財務報表須承擔的責任(續)

從與審核委員會溝通的事項中，吾等決定哪些事項對本期間綜合財務報表的審核最為重要，因而構成關鍵審核事項。吾等會在核數師報告中描述這些事項，惟法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在吾等的報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，吾等將不會在此等情況下在報告中溝通該事項。

負責此審核項目與簽發獨立核數師報告的項目合夥人為盧健基。

國衛會計師事務所有限公司
執業會計師

盧健基
執業證書編號：P06413
香港，二零一九年三月二十七日

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

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

The engagement director on the audit resulting in this independent auditors' report is Lo Kin Kei.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Lo Kin Kei
Practising Certificate Number: P06413
Hong Kong, 27 March 2019

綜合損益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

| | | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---------------------|---|------------|----------------------------------|----------------------------------|
| | | 附註 Note | | |
| 營業額 | Revenue | 5 | 184,704 | 36,275 |
| 銷售及服務成本 | Cost of sales and services | | (178,252) | (31,038) |
| 毛利 | Gross profit | | 6,452 | 5,237 |
| 其他收入及收益 | Other income and gains | 5 | 5,222 | 21,723 |
| 行政費用 | Administrative expenses | | (58,506) | (46,374) |
| 其他經營支出 | Other operating expenses | | (46,520) | (34,603) |
| 投資物業公平值收益 | Fair value gains on investment properties | 14 | 885 | 5,422 |
| 出售可供銷售投資之收益 | Gain on disposal of available-for-sale investment | | - | 4,394 |
| 其他無形資產減值虧損 | Impairment loss on other intangible assets | 16 | (37,110) | (14,782) |
| 經營虧損 | Operating loss | 6 | (129,577) | (58,983) |
| 財務成本 | Finance costs | 7 | (10,088) | (4,908) |
| 除稅前虧損 | Loss before tax | | (139,665) | (63,891) |
| 所得稅抵免 | Income tax credit | 10 | 7,765 | 1,029 |
| 年度虧損 | Loss for the year | | (131,900) | (62,862) |
| 應佔： | Attributable to: | | | |
| 本公司擁有人 | Owners of the Company | | (111,784) | (44,895) |
| 非控股權益 | Non-controlling interests | | (20,116) | (17,967) |
| | | | (131,900) | (62,862) |
| 本公司擁有人應佔每股虧損 | Loss per share attributable to owners of the Company | 11 | | |
| 基本及攤薄(每股港仙) | Basic and diluted (HK cents per share) | | (10.61) | (4.29) |

綜合全面收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至二零一八年十二月三十一日止年度(以港元列值)
For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|--|--|----------------------------------|----------------------------------|
| 年度虧損 | Loss for the year | (131,900) | (62,862) |
| 其他全面(開支)/收益(扣除稅項) | Other comprehensive (expense)/income, net of tax | | |
| 將不會重新分類至損益賬之項目： | <i>Items that will not be reclassified to profit or loss:</i> | | |
| 按公平值計入其他全面收益之股本投資之公平值變動 | Change in fair value of equity investments at fair value through other comprehensive income | (1,556) | - |
| 自物業、廠房及設備以及預付土地租賃款項重新分類至投資物業後之重估收益 | Gain on revaluation upon reclassification from property, plant and equipment and prepaid land lease payments to investment properties | - | 2,744 |
| 確認自物業、廠房及設備以及預付土地租賃款項重新分類至投資物業後之重估收益所產生之遞延稅項負債 | Deferred tax liability on recognition of gain on revaluation upon reclassification from property, plant and equipment and prepaid land lease payments to investment properties | - | (1,612) |
| | | (1,556) | 1,132 |
| 其後可能重新分類至損益賬之項目： | <i>Items that may be reclassified subsequently to profit or loss:</i> | | |
| 可供銷售投資公平值變動 | Change in fair value of available-for-sale investment | - | 2,275 |
| 就出售可供銷售投資進行重新分類調整 | Reclassification adjustments relating to disposal of available-for-sale investment | - | (4,519) |
| 換算海外業務產生之匯兌差額 | Exchange differences on translation of foreign operations | (2,441) | 13,904 |
| | | (2,441) | 11,660 |
| 年度其他全面(開支)/收益(扣除稅項) | Other comprehensive (expense)/income for the year, net of tax | (3,997) | 12,792 |
| 年度全面開支總額 | Total comprehensive expense for the year | (135,897) | (50,070) |
| 應佔： | Attributable to: | | |
| 本公司擁有人 | Owners of the Company | (113,268) | (37,002) |
| 非控股權益 | Non-controlling interests | (22,629) | (13,068) |
| | | (135,897) | (50,070) |

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零一八年十二月三十一日(以港元列值)

At 31 December 2018 (Expressed in Hong Kong dollars)

| | | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-----------------------|--|------------|----------------------------------|----------------------------------|
| | | 附註 Note | | |
| 非流動資產 | Non-current assets | | | |
| 物業、廠房及設備 | Property, plant and equipment | 13 | 122,045 | 149,400 |
| 投資物業 | Investment properties | 14 | 74,367 | 75,105 |
| 預付土地租賃款項 | Prepaid land lease payments | 15 | 17,963 | 19,399 |
| 其他無形資產 | Other intangible assets | 16 | 21,171 | 66,779 |
| 可供銷售投資 | Available-for-sale investment | 17 | – | 2,064 |
| 按公平值計入其他全面收益之 股本投資 | Equity investments at fair value through other comprehensive income | 18 | 508 | – |
| 遞延稅項資產 | Deferred tax assets | 32 | 349 | 357 |
| 非流動資產總值 | Total non-current assets | | 236,403 | 313,104 |
| 流動資產 | Current assets | | | |
| 物業存貨 | Stock of properties | 19 | 3,411 | 5,768 |
| 存貨 | Inventories | 20 | 15,794 | 12,829 |
| 應收貸款 | Loan receivable | 21 | – | 397 |
| 應收賬款 | Accounts receivable | 22 | 1,300 | 1,105 |
| 預付款項、按金及 其他應收款項 | Prepayments, deposits and other receivables | 23 | 22,929 | 58,473 |
| 應收關連公司款項 | Amounts due from related companies | 24 | 12,656 | 13,196 |
| 透過損益表按公平值處理之 金融工具 | Financial instruments at fair value through profit or loss | 26 | – | 1,047 |
| 可收回稅項 | Tax recoverable | | – | 86 |
| 現金及銀行結餘 | Cash and bank balances | 27 | 100,901 | 34,290 |
| 流動資產總值 | Total current assets | | 156,991 | 127,191 |
| 流動負債 | Current liabilities | | | |
| 應付賬款 | Accounts payable | 28 | 7,028 | 5,169 |
| 其他應付款項及應計負債 | Other payables and accruals | 29 | 45,969 | 47,612 |
| 計息銀行及其他借貸 | Interest-bearing bank and other borrowings | 31 | 34,469 | 9,728 |
| 應付最終控股公司款項 | Amount due to the ultimate holding company | 25 | – | 29 |
| 應付關連公司款項 | Amounts due to related companies | 25 | 3,780 | 3,818 |
| 應付稅項 | Tax payable | | 6,562 | 6,428 |
| 流動負債總值 | Total current liabilities | | 97,808 | 72,784 |
| 流動資產淨值 | Net current assets | | 59,183 | 54,407 |
| 資產總值減流動負債 | Total assets less current liabilities | | 295,586 | 367,511 |

綜合財務狀況表 (續)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

於二零一八年十二月三十一日 (以港元列值)
At 31 December 2018 (Expressed in Hong Kong dollars)

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|--------------|---|----------------------------------|----------------------------------|
| | | 附註 Note | |
| 非流動負債 | Non-current liabilities | | |
| 計息銀行及其他借貸 | Interest-bearing bank and other borrowings | 31 | 31,196 |
| 遞延稅項負債 | Deferred tax liabilities | 32 | 41,667 |
| 非流動負債總值 | Total non-current liabilities | | 72,863 |
| 資產淨值 | Net assets | | |
| | | | 259,867 |
| 權益 | Equity | | |
| 本公司擁有人應佔權益 | Equity attributable to owners of the Company | | |
| 股本 | Share capital | 33 | 104,540 |
| 儲備 | Reserves | 35 | 137,296 |
| | | | 229,684 |
| 非控股權益 | Non-controlling interests | | 241,836 |
| | | | 30,183 |
| 總權益 | Total equity | | 259,867 |

綜合財務報表於二零一九年三月二十七日獲董事會批准及授權並由以下董事代表董事會簽發：

The consolidated financial statements were approved and authorised for issue by the board of directors on 27 March 2019 and are signed on its behalf by:

傅軍
Fu Kwan
董事
Director

張建
Zhang Jian
董事
Director

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

| | | 本公司擁有人應佔 Attributable to owners of the Company | | | | | | | | | | |
|--|---|---|-----------------------------|---------------------------------|----------------------------|---------------------------------------|------------------------------------|------------------------------------|---------------------|----------|----------------------------------|-----------------|
| | | 股本 | 股份溢價賬 | 法定 盈餘儲備 | 購股權 儲備 | 投資 重估儲備 | 物業 重估儲備 | 匯兌 波動儲備 | 保留溢利 | 總計 | 非控股權益 | 總權益 |
| | | Share capital | Share premium account | Statutory surplus reserve | Share option reserve | Investments revaluation reserve | Property revaluation reserve | Exchange fluctuation reserve | Retained profits | Total | Non- controlling interests | Total equity |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | (附註33) | (附註33) | (附註35) | (附註35) | | | | | | | |
| | | (Note 33) | (Note 33) | (Note 35) | (Note 35) | | | | | | | |
| 於二零一七年一月一日 | At 1 January 2017 | 104,540 | 78,399 | 18,380 | 1,673 | 3,439 | - | (2,488) | 74,895 | 278,838 | 65,880 | 344,718 |
| 溢利或虧損 | Profit or loss | - | - | - | - | - | - | - | (44,895) | (44,895) | (17,967) | (62,862) |
| 其他全面收益/(開支) (扣除稅項) | Other comprehensive income/ (expense), net of tax | | | | | | | | | | | |
| 自物業、廠房及設備以及 預付土地租賃款項重新 分類至投資物業後之 重估收益 | Gain on revaluation upon reclassification from property, plant and equipment and prepaid land lease payments to investment properties | - | - | - | - | - | 2,744 | - | - | 2,744 | - | 2,744 |
| 確認自物業、廠房及設備 以及預付土地租賃款項 重新分類至投資物業後 之重估收益所產生之遞 延稅項負債 | Deferred tax liability on recognition of gain on revaluation upon reclassification from property, plant and equipment and prepaid land lease payments to investment properties | - | - | - | - | - | (1,612) | - | - | (1,612) | - | (1,612) |
| 可供銷售投資之公平值 變動 | Change in fair value of available-for-sale investment | - | - | - | - | 2,275 | - | - | - | 2,275 | - | 2,275 |
| 有關出售可供銷售 投資之重新分類調整 | Reclassification adjustments relating to disposal of available-for-sale investment | - | - | - | - | (4,519) | - | - | - | (4,519) | - | (4,519) |
| 換算海外業務產生之 匯兌差額 | Exchange differences on translation of foreign operations | - | - | - | - | - | - | 9,005 | - | 9,005 | 4,899 | 13,904 |
| 年度全面(開支)/收益總額 (扣除稅項) | Total comprehensive (expense)/ income for the year, net of tax | - | - | - | - | (2,244) | 1,132 | 9,005 | (44,895) | (37,002) | (13,068) | (50,070) |
| 於二零一七年十二月三十一日 | At 31 December 2017 | 104,540 | 78,399 | 18,380 | 1,673 | 1,195 | 1,132 | 6,517 | 30,000 | 241,836 | 52,812 | 294,648 |

綜合權益變動表 (續)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

截至二零一八年十二月三十一日止年度 (以港元列值)
For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

| | | 本公司擁有人應佔 Attributable to owners of the Company | | | | | | | | | | | | |
|---|--|---|---|--|---|--|--|--|---|---|---|--------------------------------|---|--|
| | | 股本 Share capital 千港元 HK\$'000 (附註33) (Note 33) | 股份溢價賬 Share premium account 千港元 HK\$'000 | 可換股 債券儲備 Convertible bonds reserve 千港元 HK\$'000 (附註30) (Note 30) | 法定 盈餘儲備 Statutory reserve 千港元 HK\$'000 (附註35) (Note 35) | 購股權 儲備 Share option reserve 千港元 HK\$'000 | 投資 重估儲備 Investments revaluation reserve 千港元 HK\$'000 | 按公平值 計入其他 全面收益儲備 Fair value through other comprehensive income reserve 千港元 HK\$'000 | 物業 重估儲備 Property revaluation reserve 千港元 HK\$'000 | 匯兌 波動儲備 Exchange fluctuation reserve 千港元 HK\$'000 | 保留溢利/ 虧損 (累計虧損) Retained profits/loss (accumulated) 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 | 非控股權益 Non-controlling interests 千港元 HK\$'000 | 總權益 Total equity 千港元 HK\$'000 |
| | | | | | | | | | | | | | | |
| 於二零一七年十二月三十一日 採用香港財務報告準則 第9號的影響 | At 31 December 2017 Effect of adoption of Hong Kong Financial Reporting Standard 9 | 104,540 | 78,399 | - | 18,380 | 1,673 | 1,195 | - | 1,132 | 6,517 | 30,000 | 241,836 | 52,812 | 294,648 |
| | | - | - | - | - | - | (1,195) | 1,195 | - | - | (480) | (480) | - | (480) |
| 於二零一八年一月一日 (經重列) | At 1 January 2018 (restated) | 104,540 | 78,399 | - | 18,380 | 1,673 | - | 1,195 | 1,132 | 6,517 | 29,520 | 241,356 | 52,812 | 294,168 |
| 溢利或虧損 | Profit or loss | - | - | - | - | - | - | - | - | - | (111,784) | (111,784) | (20,116) | (131,900) |
| 其他全面(開支)/收益 (扣除稅項) 按公平值計入其他全面 收益之股本投資之 公平值變動 換算海外業務產生 之匯兌差額 | Other comprehensive (expense)/income, net of tax Change in fair value of equity investments at fair value through other comprehensive income Exchange differences on translation of foreign operations | - | - | - | - | - | (1,556) | - | - | - | - | (1,556) | - | (1,556) |
| | | - | - | - | - | - | - | - | 72 | - | 72 | (2,513) | (2,441) | (2,441) |
| 年度全面(開支)/收益總額 (扣除稅項) | Total comprehensive (expense)/income for the year, net of tax | - | - | - | - | - | (1,556) | - | 72 | (111,784) | (113,268) | (22,629) | (135,897) | (135,897) |
| 發行可換股債券 可換股債券發行費用 | Issuance of convertible bonds Convertible bonds issuance expenses | - | - | 19,266 | - | - | - | - | - | - | - | 19,266 | - | 19,266 |
| | | - | - | (241) | - | - | - | - | - | - | - | (241) | - | (241) |
| 可換股債券轉換 可換股債券的遞延稅項 註銷購股權 | Conversion of convertible bonds Deferred tax on convertible bonds Cancellation of share options | 16,085 | 85,511 | (18,462) | - | - | - | - | - | - | - | 83,134 | - | 83,134 |
| | | - | - | (563) | - | - | - | - | - | - | - | (563) | - | (563) |
| | | - | - | - | - | (1,673) | - | - | - | - | - | 1,673 | - | - |
| 於二零一八年十二月三十一日 | At 31 December 2018 | 120,625 | 163,910 | - | 18,380 | - | - | (361) | 1,132 | 6,589 | (80,591) | 229,684 | 30,183 | 259,867 |

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

| | 附註 Note | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----------------------------|--|----------------------------------|----------------------------------|
| 經營業務現金流量 | CASH FLOWS FROM OPERATING ACTIVITIES | | |
| 除稅前虧損 | Loss before tax | (139,665) | (63,891) |
| 已就下列各項作出調整： | Adjustments for: | | |
| 財務成本 | Finance costs | 7 | 4,908 |
| 利息收入 | Interest income | (439) | (319) |
| 出售物業、廠房及設備項目之收益 | Gain on disposal of items of property, plant and equipment | (1,499) | – |
| 出售可供銷售投資之收益 | Gain on disposal of available-for-sale investment | – | (4,394) |
| 投資物業公平值收益 | Fair value gains on investment properties | 14 | (5,422) |
| 透過損益按公平值處理之股本投資公平值之(收益)/虧損 | Fair value (gains)/losses on equity investments at fair value through profit or loss | (39) | 104 |
| 物業、廠房及設備之折舊 | Depreciation of property, plant and equipment | 18,072 | 23,994 |
| 預付土地租賃款項之攤銷 | Amortisation of prepaid land lease payments | 15 | 446 |
| 其他無形資產之攤銷 | Amortisation of other intangible assets | 16 | 8,651 |
| 撇銷物業、廠房及設備項目 | Write-off of items of property, plant and equipment | 324 | 958 |
| 其他無形資產之減值虧損 | Impairment loss on other intangible assets | 16 | 14,782 |
| 應收賬款之減值虧損淨額 | Impairment loss on accounts receivable-net | 13 | 1,000 |
| 預付款項、按金及其他應收款項之減值虧損淨額 | Impairment loss on prepayments, deposits and other receivables-net | 23,953 | 6,391 |
| 物業、廠房及設備之減值虧損 | Impairment loss on property, plant and equipment | 4,251 | – |
| 存貨撇減 | Write-down of inventories | 3,894 | – |
| | | (38,034) | (12,792) |
| 物業存貨減少 | Decrease in stock of properties | 2,264 | – |
| 存貨增加 | Increase in inventories | (6,859) | (1,756) |
| 透過損益按公平值處理之股本投資減少 | Decrease in equity investments at fair value through profit or loss | 1,086 | 328 |
| 應收賬款(增加)/減少 | (Increase)/decrease in accounts receivable | (419) | 7,785 |
| 預付款項、按金及其他應收款項減少 | Decrease in prepayments, deposits and other receivables | 11,593 | 9,674 |
| 應收關連公司款項減少/(增加) | Decrease/(increase) in amounts due from related companies | 540 | (410) |
| 應付賬款增加/(減少) | Increase/(decrease) in accounts payable | 1,859 | (10,497) |
| 其他應付款項及應計負債減少 | Decrease in other payables and accruals | (2,205) | (9,303) |
| 應付關連公司款項(減少)/增加 | (Decrease)/increase in amounts due to related companies | (38) | 1,552 |
| 經營業務所用現金 | Cash used in operations | (30,213) | (15,419) |
| 已收銀行利息 | Bank interest received | 439 | 52 |
| 已付海外稅項 | Overseas tax paid | (401) | (2,403) |
| 用於經營活動之現金流量淨額 | Net cash flows used in operating activities | (30,175) | (17,770) |

綜合現金流量表 (續)

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

截至二零一八年十二月三十一日止年度 (以港元列值)
For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

| | 附註 Note | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----------------------|---|----------------------------------|----------------------------------|
| 投資活動現金流量 | CASH FLOWS FROM INVESTING ACTIVITIES | | |
| 已收利息 | Interest received | - | 172 |
| 購買物業、廠房及設備項目 | Purchases of items of property, plant and equipment | (812) | (2,071) |
| 出售物業、廠房及設備項目之所得款項 | Proceeds from disposal of items of property, plant and equipment | 1,659 | - |
| 出售可供銷售投資之所得款項 | Proceeds from disposal of available-for-sale investment | - | 6,025 |
| 添置其他無形資產 | Additions to other intangible assets | (124) | (5,854) |
| 已收回之應收貸款 | Receipt of loan receivable | 397 | 2,581 |
| 受限制現金減少 | Decrease of restricted cash | 10 | 498 |
| 投資活動所得之現金流量淨額 | Net cash flows from investing activities | 1,130 | 1,351 |
| 融資活動現金流量 | CASH FLOWS FROM FINANCING ACTIVITIES | | |
| 已付利息 | Interest paid | (2,672) | (2,358) |
| 支付貸款安排費用 | Loan arrangement fee paid | (1,500) | (1,500) |
| 發行可換股債券的所得款項 | Proceeds from issuance of convertible bonds | 100,000 | - |
| 可換股債券發行費用 | Convertible bonds issuance expenses | (1,250) | - |
| 已付可換股債券利息 | Convertible bonds interest paid | (1,945) | - |
| 新增其他貸款 | New other loan | - | 25,000 |
| 償還銀行貸款 | Repayment of bank loan | (3,724) | (1,241) |
| 應付最終控股公司款項 (減少)/增加 | (Decrease)/increase in amount due to the ultimate holding company | (29) | 3 |
| 融資活動所得之現金流量淨額 | Net cash flows from financing activities | 88,880 | 19,904 |
| 現金及現金等價物之增加淨額 | NET INCREASE IN CASH AND CASH EQUIVALENTS | 59,835 | 3,485 |
| 年初之現金及現金等價物 | Cash and cash equivalents at beginning of year | 34,201 | 33,373 |
| 外幣匯率變動之影響，淨額 | Effect of foreign exchange rate changes, net | 6,786 | (2,657) |
| 年終之現金及現金等價物 | CASH AND CASH EQUIVALENTS AT END OF YEAR | 100,822 | 34,201 |
| 現金及現金等價物結餘之分析 | ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS | | |
| 現金及銀行結餘 | Cash and bank balances | 100,901 | 34,290 |
| 減：受限制現金 | Less: Restricted cash | (79) | (89) |
| 列賬於綜合現金流量表內之現金及現金等價物 | Cash and cash equivalents as stated in the consolidated statement of cash flows | 100,822 | 34,201 |

綜合財務報表附註

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

1. 公司及集團資料

新華聯資本有限公司(「本公司」)乃一間於百慕達註冊成立之有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司於香港之註冊辦事處及主要營業地點之地址於本年報第2頁至第3頁公司資料一節中披露。

本公司連同其附屬公司(統稱「本集團」)於本年度內從事的主要業務如下：

- 物業投資及發展；
- 製造及銷售建築材料；
- 證券投資；
- 精礦貿易；
- 煤炭開採；及
- 銷售採礦設備零部件。

根據本公司於二零一八年七月二十三日舉行之股東特別大會上通過之特別決議案，本公司之英文名稱已由「Junefield Department Store Group Limited」變更為「Macrolink Capital Holdings Limited」，而中文名稱「新華聯資本有限公司」已獲採納並登記為本公司之第二名稱。百慕達公司註冊處處長已於二零一八年八月二十日發出更改名稱註冊證書及第二名稱證明書。

本公司董事認為，於二零一八年七月二十六日之前，本公司之直接控股公司為盛世投資有限公司(一間於英屬處女群島(「英屬處女群島」)註冊成立之公司)，而本公司之最終控股公司為於香港註冊成立之莊勝(集團)有限公司，其最終控制方為本公司前主席兼前執行董事周建和先生(於二零一八年八月二十二日辭任)。自二零一八年七月二十六日起及根據本公司日期為二零一八年六月一日、二零一八年六月二十二日及二零一八年七月二十六日有關買賣本公司股份之公告，本公司之直接控股公司及最終控股公司更改為新華聯集團有限公司(「新華聯集團」，前稱新華聯國際控股有限公司)及君立實業投資有限公司，兩者分別於開曼群島及英屬處女群島註冊成立，而其最終控制方則更改為本公司主席兼執行董事傅軍先生(於二零一八年八月一日獲委任)。

1. CORPORATE AND GROUP INFORMATION

Macrolink Capital Holdings Limited (the “Company”) is incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business in Hong Kong of the Company are disclosed in the corporate information section on pages 2 to 3 of this annual report.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were involved in the following principal activities:

- property investment and development;
- manufacture and sale of construction materials;
- securities investments;
- trading of mineral concentrates;
- coal mining; and
- sale of parts of mining equipment.

Pursuant to the special resolution passed at the special general meeting of the Company held on 23 July 2018, the English name of the Company was changed from “Junefield Department Store Group Limited” to “Macrolink Capital Holdings Limited” and a Chinese name “新華聯資本有限公司” has been adopted and registered as the secondary name of the Company. The Certificate of Incorporation on Change of Name and the Certificate of Secondary Name were issued by the Register of Companies in Bermuda on 20 August 2018.

In the opinion of the directors of the Company, prior to 26 July 2018, the immediate holding company of the Company was Prime Century Investments Limited, a company incorporated in the British Virgin Islands (“BVI”), and the ultimate holding company of the Company was Junefield (Holdings) Limited, a company incorporated in Hong Kong, and its ultimate controlling party was Mr. Zhou Chu Jian He, the former chairman and former executive director of the Company who resigned on 22 August 2018. Since 26 July 2018 and pursuant to the announcements of the Company dated 1 June 2018, 22 June 2018 and 26 July 2018 in relation to the sale and purchase of shares in the Company, the immediate holding company and the ultimate holding company of the Company changed to Macrolink Group Limited (formerly known as Macrolink International Holdings Limited, “Macrolink Group”) and Truly Industry Investment Company Limited, which are incorporated in Cayman Islands and BVI respectively, and its ultimate controlling party changed to Mr. Fu Kwan, the chairman and an executive director of the Company who was appointed on 1 August 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

1. 公司及集團資料(續)

附屬公司之資料

本公司之主要附屬公司之資料如下：

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

| 公司名稱 Name | 註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations | 已發行及繳足股本/ 註冊資本 Issued and fully paid share capital/ registered capital | 本公司 應佔權益 百分比 Percentage of equity attributable to the Company | 主要業務 Principal activities |
|--|--|---|---|--|
| 直接持有 Directly held | | | | |
| Junefield Energy Holdings Limited Junefield Energy Holdings Limited | 英屬處女群島 BVI | 1美元(「美元」) United States dollars ("USD") 1 | 100 | 投資控股 Investment holding |
| Topshine Reward Limited Topshine Reward Limited | 英屬處女群島 BVI | 50,000美元 USD50,000 | 100 | 投資控股 Investment holding |
| 新華聯國際發展有限公司 Macrolink International Development Limited | 香港 Hong Kong | 5,000,000美元 USD5,000,000 | 100 | 投資控股 Investment holding |
| 間接持有 Indirectly held | | | | |
| 巧悅有限公司 Best Yield Corporation Limited | 香港 Hong Kong | 1港元 HK\$1 | 100 | 證券投資 Securities investments |
| Compañía Minera Caminante S.A.C. | 秘魯 | 10,000秘魯索爾 ("索爾") | 100 | 搜索、勘察、 勘探、開發、 運輸及銷售煤炭 以及相關採礦業務 |
| Compañía Minera Caminante S.A.C. | Peru | Peruvian Soles ("Soles") 10,000 | | Searching, prospectation, exploration, development, transport and sale of coal and related mining activities |
| 恒栢發展有限公司 Ever Park Development Limited | 香港 Hong Kong | 1,000,000港元 HK\$1,000,000 | 100 | 物業投資 Property investment |
| 金才發展有限公司 Golden Talent Development Limited | 香港 Hong Kong | 1港元 HK\$1 | 100 | 物業投資 Property investment |
| Grade Honor Investments Limited Grade Honor Investments Limited | 英屬處女群島 BVI | 1美元 USD1 | 100 | 投資控股 Investment holding |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

1. 公司及集團資料（續）

1. CORPORATE AND GROUP INFORMATION (continued)

附屬公司之資料（續）

Information about subsidiaries (continued)

| 公司名稱 Name | 註冊成立／ 登記及經營地點 Place of incorporation/ registration and operations | 已發行及繳足股本／ 註冊資本 Issued and fully paid share capital/ registered capital | 本公司 應佔權益 百分比 Percentage of equity attributable to the Company | 主要業務 Principal activities |
|--|--|---|---|--|
| 間接持有（續） Indirectly held (continued) | | | | |
| 湖南泰基建材有限公司 （「湖南泰基」）（附註(i)） Hunan Taiji Construction Material Co., Ltd. ("Hunan Taiji") (Note (i)) | 中華人民共和國 （「中國」） The People's Republic of China ("PRC") | 11,000,000美元 USD11,000,000 | 60 | 製造及銷售建築材料 Manufacture and sale of construction materials |
| 莊勝（建材）有限公司（「莊勝（建材）」） Junefield (Building Material) Limited ("Junefield Building Material") | 香港 Hong Kong | 2港元 HK\$2 | 100 | 投資控股 Investment holding |
| 莊勝貴金屬投資有限公司 Junefield High Value Metals Investments Limited | 香港 Hong Kong | 10,000港元 HK\$10,000 | 100 | 證券投資 Securities investments |
| Junefield Metal Development S.A.C. | 秘魯 | 28,000索爾 | 100 | 精礦貿易及銷售 採礦設備零部件 |
| Junefield Metal Development S.A.C. | Peru | Soles 28,000 | | Trading of mineral concentrates and sale of parts of mining equipment |
| Able Field Colombia S.A.S. | 哥倫比亞 | 4,073,012,000 哥倫比亞披索 | 100 | 精礦貿易 Trading of mineral concentrates |
| Able Field Colombia S.A.S. | Colombia | Colombian Peso 4,073,012,000 | | |
| 龍拓有限公司（「龍拓」） Like Top Corporation Limited ("Like Top") | 香港 Hong Kong | 1港元 HK\$1 | 100 | 精礦貿易 Trading of mineral concentrates |
| 勵御有限公司 Link Wide Corporation Limited | 香港 Hong Kong | 1港元 HK\$1 | 100 | 投資控股 Investment holding |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

1. 公司及集團資料(續)

1. CORPORATE AND GROUP INFORMATION (continued)

附屬公司之資料(續)

Information about subsidiaries (continued)

| 公司名稱 Name | 註冊成立/ 登記及經營地點 Place of incorporation/ registration and operations | 已發行及繳足股本/ 註冊資本 Issued and fully paid share capital/ registered capital | 本公司 應佔權益 百分比 Percentage of equity attributable to the Company | 主要業務 Principal activities |
|---|--|---|---|--|
| 間接持有(續) Indirectly held (continued) | | | | |
| Lima Junefield Plaza S.A.C. | 秘魯 | 7,848,316索爾 | 100 | 推廣及發展 房地產項目 |
| Lima Junefield Plaza S.A.C. | Peru | Soles7,848,316 | | Promotion and development of real estate projects |
| Minera RC S.A.C. | 秘魯 | 7,286,874索爾 | 100 | 搜索、勘察、 勘探、開發、 運輸及銷售煤炭 以及相關採礦業務 |
| Minera RC S.A.C. | Peru | Soles7,286,874 | | Searching, prospection, exploration, development, transport and sale of coal and related mining activities |
| Talent Note Limited | 英屬處女群島 | 3美元 | 100 | 投資控股 |
| Talent Note Limited | BVI | USD3 | | Investment holding |
| 莊勝(北京)房地產經紀有限公司(附註(ii)) Junefield (Beijing) Property Agency Co., Ltd. (Note (ii)) | 中國 PRC | 100,000美元 USD100,000 | 100 | 物業代理 Property agency |
| 深圳新華聯工貿發展有限公司(附註(ii)) 深圳新華聯工貿發展有限公司 (Note (ii)) | 中國 PRC | 5,000,000美元 USD5,000,000 | 100 | 精礦貿易 Trading of mineral concentrates |

附註：

- (i) 該附屬公司乃根據中國法律註冊為合約合營企業。
- (ii) 有關附屬公司乃根據中國法律註冊為外商獨資企業。

董事認為上表載列之本公司附屬公司對本集團之本年度業績有重大影響或組成本集團資產淨值之主要部分。董事認為，提供其他附屬公司之詳情將導致資料過於冗長。

Notes:

- (i) The subsidiary is registered as a contractual joint venture under the PRC law.
- (ii) The subsidiaries are registered as wholly-foreign-owned enterprises under the PRC law.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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2.1 編製基準

此等綜合財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」）（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）及香港公認會計原則而編製。此等綜合財務報表亦遵照香港公司條例之披露規定及聯交所證券上市規則（「上市規則」）之適用披露條款。編製這些綜合財務報表時，除投資物業和股本投資採用公平值計價外，均採用了歷史成本計價原則。除非另外說明，這些綜合財務報表以港元列報，所有金額進位至最接近的千港元。

綜合賬目基準

綜合財務報表包括本公司及其附屬公司截至二零一八年十二月三十一日止年度之財務報表。附屬公司乃本公司直接或間接控制之實體（包括結構性實體）。當本集團就參與被投資公司營運所得之可變動回報有風險承擔或享有權利，並能夠向被投資公司運用其權力以影響回報金額（即現有之權利以致本集團現時能夠指示被投資公司之相關活動），即代表本集團取得控制權。

倘本公司直接或間接擁有被投資公司少於大多數的投票權或類似權利，則本集團於評估其是否擁有對被投資公司之權力時會考慮一切相關事實及情況，包括：

- (a) 與被投資公司其他投票持有人之合約安排；
- (b) 其他合約安排所產生之權利；及
- (c) 本集團之投票權及潛在投票權。

2.1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and accounting principles generally accepted in Hong Kong. These consolidated financial statements also complied with the disclosure requirements of the Hong Kong Companies Ordinance and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). They have been prepared under the historical cost convention, except for investment properties and equity investments which have been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2018. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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2.1 編製基準(續)

綜合賬目基準(續)

附屬公司的財務報表乃就本公司之相同報告期間使用一致之會計政策予以編製。附屬公司的業績乃由本集團取得控制權之日起綜合計算，至上述控制權終止之日止。

損益及其他全面收益各部分歸屬於本集團母公司擁有人及非控股權益，即使此舉導致非控股權益結餘出現虧絀。有關本集團成員公司之間交易之所有集團內資產及負債、權益、收入、開支及現金流於綜合賬目時全數對銷。

倘事實及情況顯示上文有關附屬公司的會計政策所述控制權之三個要素之一項或多項出現變動，則本集團會重新評估其是否控制被投資公司。倘於一間附屬公司之擁有權權益出現變動而並無失去控制權，則列賬為權益交易。

倘本集團失去一間附屬公司之控制權，其取消確認(i)該附屬公司之資產(包括商譽)及負債，(ii)任何非控股權益之賬面值及(iii)於權益列賬之累計換算差額；並確認(i)已收代價之公平值，(ii)任何保留投資之公平值及(iii)任何於損益產生之盈餘或虧絀。本集團應佔過往於其他全面收益確認之部分按所須相同基準(倘本集團已直接出售有關資產或負債)重新分類至損益或保留溢利(視何者適用而定)。

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.2 會計政策變動及披露

本集團已於本年度的綜合財務報表中首次採納下列新訂及經修訂香港財務報告準則：

| | |
|-------------------------|---------------------------------------|
| 香港財務報告準則第2號之修訂 | 以股份付款之交易之分類及計量 |
| 香港財務報告準則第4號之修訂 | 應用香港財務報告準則第9號金融工具時一併應用香港財務報告準則第4號保險合約 |
| 香港財務報告準則第9號 | 金融工具 |
| 香港財務報告準則第15號 | 來自客戶合約之收入 |
| 香港財務報告準則第15號之修訂 | 釐清香港財務報告準則第15號來自客戶合約之收益 |
| 香港會計準則第40號之修訂 | 轉讓投資物業 |
| 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 |
| 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1號及香港會計準則第28號之修訂 |

除下文闡述有關香港財務報告準則第9號及香港財務報告準則第15號的影響外，採納其他新訂及經修訂香港財務報告準則對本集團的綜合財務報表並無產生重大影響。採納香港財務報告準則第9號及香港財務報告準則第15號的主要影響如下：

香港財務報告準則第9號金融工具

就二零一八年一月一日或之後開始之年度期間，香港財務報告準則第9號金融工具取代香港會計準則第39號金融工具：確認和計量。香港財務報告準則第9號就(i)金融資產及金融負債的分類和計量，(ii)金融資產的預期信貸虧損（「預期信貸虧損」）及(iii)一般對沖會計引入新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對二零一八年一月一日（首次應用日期）尚未終止確認的工具追溯應用分類及計量要求（包括減值）及並未應用相關要求至二零一八年一月一日已終止確認的工具。二零一七年十二月三十一日及二零一八年一月一日之間的賬面值差異於期初保留溢利及其他權益組成部分確認，並不重列比較性資料。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's consolidated financial statements.

| | |
|-------------------------------------|--|
| Amendments to HKFRS 2 | <i>Classification and Measurement of Share-based Payment Transactions</i> |
| Amendments to HKFRS 4 | <i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> |
| HKFRS 9 | <i>Financial Instruments</i> |
| HKFRS 15 | <i>Revenue from Contracts with Customers</i> |
| Amendments to HKFRS 15 | <i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> |
| Amendments to HKAS 40 | <i>Transfers of Investment Property</i> |
| HK(IFRIC)-Int 22 | <i>Foreign Currency Transactions and Advance Consideration</i> |
| Annual Improvements 2014-2016 Cycle | <i>Amendments to HKFRS 1 and HKAS 28</i> |

Other than as explained below regarding the impact of HKFRS 9 and HKFRS 15, the adoption of the other new and revised HKFRSs has had no material impact on the Group's consolidated financial statements. The principal effects for adopting HKFRS 9 and HKFRS 15 are as follows:

HKFRS 9 *Financial Instruments*

HKFRS 9 *Financial Instruments* replaces HKAS 39 *Financial Instruments: Recognition and Measurement* for annual periods beginning on or after 1 January 2018. HKFRS 9 introduces new requirements for (i) the classification and measurement of financial assets and financial liabilities, (ii) expected credit losses ("ECL") for financial assets and (iii) general hedge accounting.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.2 會計政策變動及披露(續)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

香港財務報告準則第9號金融工具(續)
分類及計量

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：以攤銷成本計量、按公平值計入其他全面收益(「按公平值計入其他全面收益」)及按公平值計入損益賬(「按公平值計入損益賬」)。於初始確認時，本集團選擇將股本投資根據按公平值計入其他全面收益(不可撥回)，因此公平值的後續變動於其他全面收益確認。有關選擇乃按個別工具基準進行，惟僅當投資符合發行人角度所界定的股本時方可作出該選擇。一旦作出選擇，於其他全面收益累計的金額仍留存於公平值儲備(不可撥回)，直至投資出售為止。於出售時，公平值儲備(不可撥回)中的累計金額轉撥至保留溢利。其不可透過損益撥回。於本集團收取付款的權利確立時，股本投資(不論分類為按公平值計入損益賬或按公平值計入其他全面收益(不可撥回))的股息於損益賬中確認為其他收入。

本集團按攤銷成本及按公平值計入損益賬計量之金融資產於初步應用香港財務報告準則第9號後繼續其各自之分類及計量。香港財務報告準則第9號有關金融負債之分類及計量規定與香港會計準則第39號比較基本保持不變，惟香港財務報告準則第9號規定因指定按公平值計入損益賬之金融負債之信貸風險變動而導致其公平值變動之部分須於其他全面收益內確認(不可撥回)。本集團並無任何指定按公平值計入損益賬之金融負債，因此金融負債的新規定對本集團並無任何影響。

HKFRS 9 *Financial Instruments* (continued)*Classification and measurement*

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income (“FVTOCI”) and at fair value through profit or loss (“FVTPL”). On initial recognition the Group makes an election to designate the equity investments at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer’s perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits. It is not recycled through profit or loss. Dividends from equity investments, irrespective of whether classified as at FVTPL or FVTOCI (non-recycling), are recognised in profit or loss as other income when the Group’s right to receive payments is established.

The Group’s financial assets measured at amortised cost and FVTPL continue with their respective classification and measurements upon initial application of HKFRS 9. The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liabilities’ credit risk to be recognised in other comprehensive income (non-recycling). The Group does not have any financial liabilities designated at FVTPL and therefore the new requirement on financial liabilities does not have any impact on the Group.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.2 會計政策變動及披露（續）

香港財務報告準則第9號金融工具（續） 分類及計量（續）

香港財務報告準則第9號中的新減值模式以預期信貸虧損模式取代香港會計準則第39號「已發生虧損」模式。根據預期信貸虧損模式，於確認減值虧損前，將不再需要發生虧損事件。相反，實體需要根據資產及其事實和情況來識別及計量12個月的預期信用虧損或全期預期信貸虧損。就應收賬款而言，本集團應用香港財務報告準則第9號允許的簡化方法，其要求由初始確認應收款項時確認整個存續期預期虧損。為計量預期信貸虧損，應收賬款已根據共同信貸風險特徵及逾期天數分組。就除應收賬款以外的按攤銷成本計量的金融資產，本集團應用一般方法，亦稱為「三步」模型。預期信貸虧損金額於各報告日期予以更新，以反映信貸風險自初始確認以來的變動。

以下資料載列採納香港財務報告準則第9號對綜合財務狀況表的影響，包括香港財務報告準則第9號預期信貸虧損取代香港會計準則第39號已發生信貸虧損計算的影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

HKFRS 9 *Financial Instruments* (continued) *Classification and measurement (continued)*

The new impairment model in HKFRS 9 replaces the “incurred loss” model in HKAS 39 with ECL model. Under the ECL model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised. Instead, an entity is required to recognise and measure either a 12-month expected credit loss or a lifetime expected credit loss, depending on the asset and the facts and circumstances. The Group applies the simplified approach permitted by HKFRS 9 for accounts receivable which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the ECL, accounts receivable has been grouped based on shared credit risk characteristics and the days past due. For financial assets at amortised cost other than accounts receivable, the Group applies the general approach which is also referred to as the “three stage” model. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

The following information sets out the impacts of adopting HKFRS 9 on the consolidated statement of financial position, including the effect of replacing HKAS 39’s incurred credit loss calculations with HKFRS 9’s expected credit losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.2 會計政策變動及披露(續)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

香港財務報告準則第9號金融工具(續)
分類及計量(續)

HKFRS 9 *Financial Instruments* (continued)
Classification and measurement (continued)

於二零一八年一月一日，香港會計準則第39號項下的賬面金額與香港財務報告準則第9號項下所報告的結餘的對賬如下。下表顯示本集團就獨立單列項目確認的調整，並無包括不受變動所影響的單列項目。

A reconciliation between the carrying amounts under HKAS 39 and the balances reported under HKFRS 9 as at 1 January 2018 is as follows. The following table shows the adjustments of the Group recognised for individual line item and line items that were not affected by the changes have not been included.

| | | | 香港會計準則第 39號計量 HKAS 39 measurement 千港元 HK\$'000 | 重新分類 Reclassification 千港元 HK\$'000 | 預期信貸虧損 ECLs 千港元 HK\$'000 | 香港財務報告準 則第9號計量 HKFRS 9 measurement 千港元 HK\$'000 |
|-----------------------|---|--------------|---|---|-----------------------------------|--|
| | | 附註 Notes | | | | |
| 可供銷售投資 | Available-for-sale investment | (i) | 2,064 | (2,064) | - | - |
| 按公平值計入其他全面 收益之股本投資 | Equity investments at fair value through other comprehensive income | (i) | - | 2,064 | - | 2,064 |
| 應收賬款 | Accounts receivable | (ii) | 1,105 | - | (267) | 838 |
| 預付款項、按金及其他 應收款項 | Prepayments, deposits and other receivables | (iii) | 58,473 | - | (213) | 58,260 |
| 投資重估儲備 | Investments revaluation reserve | (i) | 1,195 | (1,195) | - | - |
| 按公平值計入其他全面 收益之儲備 | Fair value through other comprehensive income reserve | (i) | - | 1,195 | - | 1,195 |
| 保留溢利 | Retained profits | (ii) & (iii) | 30,000 | - | (480) | 29,520 |

附註：

Notes:

- (i) 本集團選擇於其他全面收益呈列其先前根據香港會計準則第39號分類為可供銷售投資之非交易性股本投資公平值變動，原因為該等投資並非持作買賣且預期不會在可見未來出售。於首次應用香港財務報告準則第9號日期，公平值約為2,064,000港元之金融資產自可供銷售投資重新分類至按公平值計入其他全面收益之股本投資，而儲備金額約1,195,000港元自投資重估儲備重新分類至按公平值計入其他全面收益之儲備。
- (ii) 有關應收賬款，本集團應用香港財務報告準則第9號的簡化方法，其採用整個存續期的預期信貸虧損撥備去計量預期信貸虧損。此舉導致應收賬款於二零一八年一月一日的減值撥備增加約267,000港元。
- (iii) 有關包括在預付款項、按金及其他應收款項的金融資產，本集團應用香港財務報告準則第9號的一般方法。此舉導致該等金融資產於二零一八年一月一日的減值撥備增加約213,000港元。

- (i) The Group elected to present in other comprehensive income the fair value changes of its non-trading equity investments previously classified as available-for-sale investment under HKAS 39, as the investment is not held for trading and not expected to be sold in the foreseeable future. As at the date of initial application of HKFRS 9, financial assets with a fair value of approximately HK\$2,064,000 were reclassified from available-for-sale investment to equity investments at FVTOCI and reserve amount of approximately HK\$1,195,000 were reclassified from the investments revaluation reserve to the FVTOCI reserve.
- (ii) The Group applies the HKFRS 9 simplified approach which uses lifetime expected credit loss allowance to measure ECLs for accounts receivable. This resulted in an increase of the loss allowance on 1 January 2018 by approximately HK\$267,000 for accounts receivable.
- (iii) The Group applies the HKFRS 9 general approach for financial assets included in prepayments, deposits and other receivables. This resulted in an increase of the loss allowance on 1 January 2018 by approximately HK\$213,000 for these financial assets.

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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2.2 會計政策變動及披露(續)

香港財務報告準則第9號金融工具(續) 減值

下表載列於二零一八年一月一日根據香港會計準則第39號計算的期初減值撥備總額與根據香港財務報告準則第9號計算的預期信貸虧損撥備的對賬。有關預期信貸虧損的進一步詳情在綜合財務報表附註22及23內披露。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

HKFRS 9 *Financial Instruments* (continued) *Impairment*

The following table reconciles the aggregate opening impairment allowances as at 1 January 2018 under HKAS 39 to the ECL allowances under HKFRS 9. Further details of ECL are disclosed in notes 22 and 23 to the consolidated financial statements.

| | | 根據香港會計準則第39號計算的減值撥備 Impairment allowances under HKAS 39 千港元 HK\$'000 | 重新計量 Re-measurement 千港元 HK\$'000 | 根據香港財務報告準則第9號計算的預期信貸虧損撥備 ECL allowances under HKFRS 9 千港元 HK\$'000 |
|------------------------|--|--|---|--|
| 應收賬款 | Accounts receivables | 1,000 | 267 | 1,267 |
| 包括在預付款項、按金及其他應收款項的金融資產 | Financial assets included in prepayments, deposits and other receivables | 161 | 213 | 374 |
| | | 1,161 | 480 | 1,641 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.2 會計政策變動及披露(續)

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

香港財務報告準則第15號來自客戶合約之收入

香港財務報告準則第15號及其修訂取代香港會計準則第11號「建造合約」、香港會計準則第18號「收入」及相關詮釋，且(除少數例外情況外)其應用於客戶合約產生的所有收入。香港財務報告準則第15號訂立就與客戶之間的合約產生的收入核算的新的五步法模型。根據香港財務報告準則第15號，收入應按反映實體預期有權就轉移商品或服務予客戶換取的代價的金額確認。香港財務報告準則第15號內的原則為計量及確認收入提供更具架構的方法。準則亦引進廣泛的描述性及定量披露要求，包括總收入的分解、有關履約義務的資料、合約資產和負債賬戶結餘於各期間的變動，以及重大判斷和估計。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累積影響已於二零一八年一月一日首次應用當日確認。於首次應用日期的一切差額已於期初保留溢利(或其他權益部分(如適用))確認，且並無重列比較資料。再者，根據香港財務報告準則第15號的過渡條文，本集團選擇僅就於二零一八年一月一日尚未完成的合約追溯應用該準則。

早前，提供服務產生的收入隨時間確認，而銷售貨品的收入一般於貨品所有權的風險及回報已轉移至客戶時確認。

根據香港財務報告準則第15號，收入於客戶獲得合約的承諾貨物或服務的控制權時確認。這可能在某一時間點或一段時間內。香港財務報告準則第15號確定了以下對承諾貨物或服務的控制權被視為隨時間轉移的三種情況：

- A - 當客戶於實體履約時同時接受及使用實體履約所提供的利益時；
- B - 當實體履約創造或改良一項於資產被創造或改良時由客戶所控制的資產(如在建工程)時；
- C - 當實體的履約並無創造對實體而言具替代用途的資產，且該實體對迄今完成的履約付款具有可強制行使權利時。

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 and its amendments replace HKAS 11 *Construction Contracts*, HKAS 18 *Revenue* and related interpretations and it applies, with limited exceptions, to all revenue arising 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 asset and liability account balances between periods and key judgements and estimates.

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

Previously, revenue arising from provision of services was recognised over time, whereas revenue from sale of goods was generally recognised at a point in time when the risks and rewards of ownership of the goods had passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised goods 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:

- A - When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- B - 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;
- C - 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.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.2 會計政策變動及披露（續）

香港財務報告準則第15號來自客戶合約之收入（續）

倘合約條款及實體活動並不屬於任何該三種情況，則根據香港財務報告準則第15號，實體於某一指定時間點（即控制權轉移時）就銷售貨物或服務確認收入。風險的轉移及所有權的回報僅為於釐定控制權轉移發生時考慮的其中一項指標。

本集團根據香港財務報告準則第15號於某一時間點確認的收入，即(i)銷售精礦；(ii)銷售物業；(iii)銷售煤炭；及(iv)銷售採礦設備零部件。本集團的租金收入總額、按公平值計入損益之股本投資的公平值變動以及提供飛機分租服務明確地從香港財務報告準則第15號的範圍剔除。管理層已進行評估並認為採納香港財務報告準則第15號不會對本集團的財務狀況及經營業績產生任何重大影響，惟載有更多列報及披露要求。

本集團預期並無自所承諾貨品轉讓予客戶至客戶付款期限超過一年的合約。因此，本集團並無就貨幣時間價值調整任何交易價格，原因為並無重大融資成分。

合約資產指本集團就換取本集團已向客戶轉讓的貨品或服務而收取代價的權利（尚未成為無條件），根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

HKFRS 15 Revenue from Contracts with Customers (continued)

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that is considered in determining when the transfer of control occurs.

The Group has the revenue which is recognised at a point in time under HKFRS 15, namely (i) sale of mineral concentrates; (ii) sale of properties; (iii) sale of coal; and (iv) sale of parts of mining equipment. Gross rental income, fair value changes on financial instruments at fair value through profit or loss and the provision of aircraft sub-leasing services of the Group are specifically excluded from the scope of HKFRS 15. Management has performed an assessment and determined that the implementation of HKFRS 15 does not result in any significant impact on the Group's financial position and results of operations, except for more presentation and disclosure requirements.

The Group does not expect to have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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2.2 會計政策變動及披露(續)

香港財務報告準則第15號來自客戶合約之收入(續)

根據香港財務報告準則第15號，合約負債指實體因已向客戶收取代價(或已到期收取代價)，而須向客戶轉讓貨品或服務的責任。

於採用香港財務報告準則第15號前，本集團將預先收取客戶的代價確認為「已收按金」，其包括在「其他應付款項及應計負債」。

於採用香港財務報告準則第15號後，為數約6,886,000港元的「已收按金」已經於二零一八年一月一日分開確認為合約負債，並繼續分類於「其他應付款項及應計負債」單列項目內。

於二零一八年十二月三十一日，根據香港財務報告準則第15號，約2,090,000港元預先收取客戶的代價已經分開確認為合約負債，並分類於「其他應付款項及應計負債」單列項目內。

2.3 已頒佈但仍未生效之香港財務報告準則

本集團並未於此等綜合財務報表內應用下列已頒佈但仍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3號之修訂 | 業務的定義 ² |
| 香港財務報告準則第9號之修訂 | 負債補償之預付特性 ¹ |
| 香港財務報告準則第10號之修訂 | 投資者與其聯營公司或合營企業之間出售或注資資產 ⁴ |
| 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號之修訂 | 重大的定義 ² |
| 香港會計準則第19號之修訂 | 計劃修訂、縮減或結算 ¹ |
| 香港會計準則第28號之修訂 | 於聯營公司及合營企業之長期權益 ¹ |
| 香港(國際財務報告詮釋委員會)–詮釋第23號 | 所得稅處理之不確定性 ¹ |
| 香港財務報告準則之修訂 | 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 |

¹ 於二零一九年一月一日或之後開始之年度期間生效
² 於二零二零年一月一日或之後開始之年度期間生效
³ 於二零二一年一月一日或之後開始之年度期間生效
⁴ 尚未釐定強制生效日期，但可予採納

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

HKFRS 15 Revenue from Contracts with Customers (continued)

Under HKFRS 15, a contract liability represents an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer.

Before the adoption of HKFRS 15, the Group recognised consideration received from customers in advance as "deposits received" which was included in "other payables and accruals".

Upon adoption of HKFRS 15, "deposits received" amounting to approximately HK\$6,886,000 was separately recognised as contract liabilities as at 1 January 2018 and continued to be classified within the line item "other payables and accruals".

As at 31 December 2018, under HKFRS 15, approximately HK\$2,090,000 was separately recognised as contract liabilities in relation to the consideration received from customers in advance and was classified within the line item "other payables and accruals".

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs that have been issued but are not yet effective, in these consolidated financial statements.

| | |
|---------------------------------|--|
| Amendments to HKFRS 3 | Definition of a Business ² |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation ¹ |
| Amendments to HKFRS 10 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴ |
| 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 |
| HK(IFRIC)-Int 23 | Uncertainty over Income Tax Treatments ¹ |
| Amendments to HKFRSs | Annual improvements to HKFRSs 2015-2017 Cycles 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 No mandatory effective date yet determined but available for adoption

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.3 已頒佈但仍未生效之香港財務報告準則（續）

預期適用於本集團之該等香港財務報告準則之進一步資料如下。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號就識別租賃安排以及出租人及承租人的會計處理引入一個全面的模型。當香港財務報告準則第16號生效時，其將會取代香港會計準則第17號「租賃」及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃與服務合約。就承租人會計處理而言，經營租賃與融資租賃的區分將會移除，並由另一模型取代，其中承租人須就所有租賃確認使用權資產及相應負債，惟短期租賃及低價值資產租賃除外。

使用權資產初始按成本計量，其後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債的任何重新計量而作出調整。租賃負債初始按當天尚未支付的租賃付款的現值計量。其後，租賃負債會就利息及租賃付款以及租賃修改的影響等作出調整。有關現金流量的分類，本集團目前將經營租賃付款列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃付款將會分配予本金及利息部分，本集團會將利息部分列為融資現金流量。

除同時適用於出租人的若干要求外，香港財務報告準則第16號大致上保留香港會計準則第17號內出租人的會計要求，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求廣泛的披露。

本集團預期將會使用簡化追溯應用法採用香港財務報告準則第16號，當中初始應用準則的累積影響將以調整保留溢利期初結餘的方式確認，而不會重列比較數字。於二零一八年十二月三十一日，本集團有不可撤銷經營租賃承擔總額約156,000港元，全部均於一年內到期。本集團預期將會依循有關短期租賃的條文就該等租賃入賬。預期採用香港財務報告準則第16號將不會對初始應用日期的資產、負債及保留溢利產生任何重大影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

HKFRS 16 Leases

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

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

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

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

Furthermore, extensive disclosures are required by HKFRS 16.

The Group expects to adopt HKFRS 16 using a modified retrospective approach where the cumulative effect of initially applying the standard is recognised as an adjustment to the opening balance of retained profits and comparatives are not restated. As at 31 December 2018, the Group had total non-cancellable operating lease commitments of approximately HK\$156,000, all falling due within one year. The Group expects to account for these leases following the provisions of short term leases. The adoption of HKFRS 16 is not expected to have a material impact on the assets, liabilities and retained profits at the date of initial application.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.3 已頒佈但仍未生效之香港財務報告準則(續)**其他新訂或經修訂香港財務報告準則**

本集團正在就其他新訂或經修訂的香港財務報告準則在初步應用期間的影響作出評估。到目前為止，已作出結論為，採納該等香港財務報告準則不會對本集團的業績或經營及財務狀況產生重大影響。

2.4 主要會計政策概要**公平值計量**

於各報告期末，本集團按公平值計量其投資物業及股本投資。公平值為市場參與者於計量日期在有序交易中出售資產所得或轉讓負債所付出的作價。公平值計量乃根據假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入之市場。資產或負債的公平值乃按假設市場參與者於資產或負債定價時會以彼等最佳經濟利益行事計量。

非金融資產之公平值計量乃考慮市場參與者通過使用其資產之最高及最佳用途或將其出售予將使用資產的最高及最佳用途之另一市場參與者，而能夠產生經濟利益之能力。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)**Other new or revised HKFRSs**

The Group is in the process of making an assessment on what the impact of the other new or revised HKFRSs is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Fair value measurement**

The Group measures its investment properties and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

綜合財務報表附註（續）

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2.4 主要會計政策概要（續）

公平值計量（續）

本集團使用適用於不同情況之估值技術，而其有足夠資料計量公平值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

所有其公平值載於綜合財務報表計量或披露之資產及負債均按對其公平值計量整體而言屬重大之最低層輸入參數（見以下描述）分類至公平值等級制度：

- 第一級 — 根據相同資產或負債於活躍市場的報價（未調整）
- 第二級 — 根據對公平值計量而言屬重大之可觀察（直接或間接）最低層輸入參數之估值方法
- 第三級 — 根據對公平值計量而言屬重大之不可觀察最低層輸入參數之估值方法

就按經常性基準於綜合財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類（按對其公平值計量整體而言屬重大的最低層輸入參數）以確定是否發生不同等級轉移。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

非金融資產之減值

每逢出現減值跡象，或於每年需就資產(存貨、金融資產及投資物業除外)進行減值測試時，便須估計該資產之可收回數額。資產之可收回數額以該資產或現金產生單元之使用價值及公平值減銷售成本兩者之較高者為準，並以個別資產釐定，惟倘該資產並不產生很大程度上獨立於其他資產或資產組別之現金流入則當別論，在此情況下，其可收回數額按該資產所屬之現金產生單元釐定。

減值虧損僅於資產賬面值超逾其可收回數額時確認。在評估使用價值時，估計未來現金流量乃以可反映當時市場對貨幣時間價值和資產特有風險評估的除稅前折現率折現至現值。減值虧損於產生期間計入綜合損益表中之按該減值資產之功能所屬之開支分類。

各報告期末均須作出評估，以考慮是否有跡象顯示先前確認之減值虧損可能不再存在或有所減少。如有任何該等跡象，則須估計可收回數額。該資產(商譽除外)之先前確認之減值虧損僅於釐定資產可收回數額之估計出現變動時回撥，惟回撥後之賬面值不得超越假設過往年度並無就該資產確認減值虧損之賬面值之數額(扣除任何折舊/攤銷)。減值虧損之回撥於產生期間計入綜合損益表，惟倘該資產以重估數額列賬，則減值虧損之回撥根據經重估資產之有關會計政策處理。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the consolidated statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the consolidated statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

綜合財務報表附註（續）

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2.4 主要會計政策概要（續）

關聯方

任何一方如屬以下情況，即被視為與本集團有關聯：

- (a) 該方為一名人士或其所屬家庭之親密成員，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；

或

- (b) 該方為實體，且符合下列任何條件：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一間實體（或另一間實體之母公司、附屬公司或同系附屬公司）之聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方之合營企業；
 - (iv) 一間實體為第三方實體之合營企業，而另一間實體為該第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關聯之實體就僱員福利設立之離職後福利計劃；
 - (vi) 該實體受(a)定義之人士控制或共同控制；
 - (vii) (a)(i)定義之人士對該實體有重大影響力或屬該實體（或該實體之母公司）之主要管理層成員；及
 - (viii) 向本集團或本集團之母公司提供主要管理人員服務之實體或其所屬集團之任何成員公司。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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 that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where 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 of a parent, subsidiary or fellow subsidiary of the other entity);
 - (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 the 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); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

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2.4 主要會計政策概要(續)

物業、廠房及設備與折舊

物業、廠房及設備(在建工程除外)按成本減累計折舊及任何減值虧損列賬。當物業、廠房及設備項目被分類為待售資產或作為處置組的一部分被分類為待售資產時，不再對其計提折舊並按香港財務報告準則第5號列賬。物業、廠房及設備項目的成本包括其購買價及使資產處於擬定用途的運作狀況及地點而產生的任何直接成本。

物業、廠房及設備項目投入運作後所涉及之費用(如維修保養費用)一般會在產生期間在綜合損益表中扣除。在符合確認準則的情況下，相關主要檢查的支出可按撥充資本計入作為重置之資產賬面值。倘物業、廠房及設備的重要部分需要不時重置，本集團將確認該部分為個別具有特定使用年期之資產並相應計提折舊。

物業、廠房及設備按各項目之估計可用年期以直線法計算折舊，以撇銷其成本至其殘值。就此所採用之主要年率如下：

| | |
|--------|-------------|
| 永久業權土地 | 不計折舊 |
| 樓宇 | 20至30年 |
| 租賃物業裝修 | 租期或6年兩者之較短者 |
| 廠房及機器 | 4至12年 |
| 辦公設備 | 5年 |
| 汽車 | 3至6年 |

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the consolidated statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

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

| | |
|------------------------|---|
| Freehold land | Not depreciated |
| Buildings | 20 to 30 years |
| Leasehold improvements | Over the shorter of the lease terms and 6 years |
| Plant and machinery | 4 to 12 years |
| Office equipment | 5 years |
| Motor vehicles | 3 to 6 years |

綜合財務報表附註（續）

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2.4 主要會計政策概要（續）

物業、廠房及設備與折舊（續）

倘物業、廠房及設備項目之組成部分有不同之可用年期，則該項目之成本按合理之基準分配至各組成部分，每個組成部分獨立計算折舊。殘值、可用年期及折舊方法至少於每個財政年度末進行檢討及調整（如適用）。

物業、廠房及設備項目（包括初始確認之任何重要部分）將在被出售，或預計其使用或出售不再產生未來經濟利益時終止確認。出售或廢棄所產生之任何利潤或虧損於資產終止確認當年在綜合損益表中確認，其數額為出售有關資產所得款項淨額與其賬面值之差額。

在建工程指在建樓宇、租賃物業裝修以及廠房及機器，乃按成本減任何減值虧損列賬，但不會計提折舊。成本包括建造期間的直接建設成本及相關借入資金之資本化借貸成本。在建工程於完工且可供使用時將重新分類為物業、廠房及設備的適當類別。

投資物業

投資物業為持作賺取租金收入及／或作資本增值而非用於生產或供應貨品或服務或行政目的，或在日常業務過程中出售之土地及樓宇之權益（包括以經營租賃持有在其他方面符合投資物業定義的物業之租賃權益）。該等物業初始以成本（包括交易成本）計量。初始確認後，投資物業按公平值呈列，反映報告期末的市況。

投資物業公平值之變動所產生之損益，計入所產生年度之損益表。

報廢或出售投資物業之任何損益均於報廢或出售年度之綜合損益表中予以確認。

倘本集團之自用物業轉為投資物業，本集團直至改變用途當日前會根據「物業、廠房及設備與折舊」所述之政策把該物業入賬，而物業於當日的賬面值與公平值之任何差額則根據上文「物業、廠房及設備與折舊」所述之政策列作重估入賬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the consolidated statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents a building, leasehold improvements and plant and machinery under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the consolidated statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the consolidated statement of profit or loss in the year of the retirement or disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above.

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2.4 主要會計政策概要(續)

無形資產(商譽除外)

單獨購入之無形資產於首次確認時以成本計量。於業務合併中所購入無形資產之成本為其於收購日之公平值。無形資產之可使用年期評估為有限或無限。年期有限之無形資產其後於可使用經濟壽命內攤銷，並於有跡象顯示無形資產可能出現減值時作減值評估。可使用年期有限之無形資產之攤銷年期及攤銷方法至少於每個財政年度結束時審閱一次。

可使用年期無限之無形資產於每年按個別或於現金產生單位作減值測試。該等無形資產不予攤銷。年期無限之無形資產之可使用年期於每年作審閱，以釐定無限年期之評估是否持續可靠。如不持續可靠，則可使用年期之評估自此由按無限年期更改為有限年期入賬。

採礦權

採礦權按成本初步確認。當有證據顯示開採礦資源在技術及商業上均屬可行時，勘探及評估資產之賬面值會重新分類為採礦權。具有有限可用年期之採礦權按成本減累計攤銷及任何已識別減值虧損入賬。具有有限可用年期之採礦權乃就礦點之估計經濟儲量按生產單位法予以攤銷。

勘探及評估資產

於首次確認時，勘探及評估資產以成本確認。於首次確認後，勘探及評估資產以成本減任何累計減值虧損入賬。勘探及評估資產包括勘探權之成本以及尋找礦產資源以及釐定開採該等資源之技術可行性及商業可行性所招致之開支。當可證實開採該等礦產資源之技術可行性及商業可行性時，之前確認之勘探及評估資產重新分類為無形資產或物業、廠房及設備。此等資產在重新分類前應評估減值，而任何減值虧損於損益確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Mining rights

Mining rights are initially measured at cost. The carrying amount of exploration and evaluation assets is reclassified to mining rights when the technical feasibility and commercial viability of extracting mineral resources are demonstrable. Mining rights with finite useful lives are carried at costs less accumulated amortisation and any identified impairment losses. The mining rights with finite useful lives are amortised on a unit of production basis over the estimated economic reserve of the mine.

Exploration and evaluation assets

Exploration and evaluation assets are recognised at cost on initial recognition. Subsequent to initial recognition, exploration and evaluation assets are stated at cost less any accumulated impairment losses. Exploration and evaluation assets include the cost of exploration rights and the expenditures incurred in the search for mineral resources as well as the determination of the technical feasibility and commercial viability of extracting those resources. When the technical feasibility and commercial viability of extracting mineral resources become demonstrated, previously recognised exploration and evaluation assets are reclassified as either intangible assets or property, plant and equipment. These assets are assessed for impairment before reclassification, and any impairment loss is recognised in profit or loss.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.4 主要會計政策概要（續）

租賃

凡將資產所有權之絕大部分回報及風險（法定所有權除外）轉移至本集團之租約，均視作融資租賃。融資租賃開始時，租賃資產之成本即按最低應付租金之現值資本化，並連同負債（不計利息部分）一併記錄，以反映購置及融資。根據已資本化之融資租賃持有之資產（包括融資租賃項下之預付土地租金）會列入物業、廠房及設備，並按該等資產之租賃期限及估計可使用年期兩者中之較短者進行折舊。該等租約之財務成本自綜合損益表中扣除，以得出一個於租賃期限內之固定週期支銷率。

透過融資性質之租購合約收購之資產作為融資租賃入賬，但於其估計可使用年期內折舊。

凡資產所有權之絕大部分回報及風險仍由出租人承擔之租約，均視為經營租賃。倘本集團為出租人，本集團根據經營租賃出租之資產列入非流動資產內，而經營租賃之應收租金，乃按租賃期限以直線法列入綜合損益表內。倘本集團為承租人，經營租賃之應付租金（扣除已收出租人之任何獎勵）在租賃期限內乃按直線法自綜合損益表扣除。

根據經營租賃預付土地租賃款項首次按成本列賬，其後則於租期內以直線法確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the consolidated statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Assets acquired through hire purchase contracts of a financing nature are accounted for as finance leases, but are depreciated over their estimated useful lives.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the consolidated statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the consolidated statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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2.4 主要會計政策概要(續)

投資及其他金融資產(根據香港財務報告準則第9號由二零一八年一月一日起適用的政策)

初始確認和計量

在初始確認時，金融資產分類為後續以攤銷成本計量、以公平值計量且其變動計入其他全面收益以及以公平值計量且其變動計入損益。

金融資產於初始確認時的分類取決於金融資產的合約現金流量特徵以及本集團管理金融資產的業務模式。除未包含重大融資成分或本集團已應用便於實務操作的方法不重大融資成分的影響作出調整的應收賬款外，本集團初始以其公平值計量金融資產，如果不是以公平值計量且其變動計入損益的金融資產，則還應加上交易費用。未包含重大融資成分或本集團已應用便於實務操作的方法的應收賬款以根據香港財務報告準則第15號根據下文「收入確認(由二零一八年一月一日起適用)」所載政策釐定的交易價格計量。

金融資產如要分類為以攤銷成本計量或以公平值計量且其變動計入其他全面收益，其產生的現金流量須僅為對本金和未償付本金金額為基礎的利息支付。

本集團管理金融資產的業務模式，是指如何管理金融資產以產生現金流量。業務模式決定現金流量的來源是收取合約現金流量、出售金融資產還是兩者兼有。

所有常規購買和出售金融資產於交易日(即本集團承諾購買或銷售該資產之日)確認。常規購買或出售金融資產指購買或出售需要在一般由法規或市場慣例確定的期間內移交資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Accounts receivable that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition (applicable from 1 January 2018)" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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2.4 主要會計政策概要（續）

投資及其他金融資產（根據香港財務報告準則第9號由二零一八年一月一日起適用的政策）（續）

後續計量

金融資產的後續計量視乎其分類如下：

以攤銷成本計量的金融資產（債務工具）

本集團將同時符合下列條件的金融資產，分類為以攤銷成本計量的金融資產：

- 管理該金融資產的業務模式是以收取合約現金流量為目標。
- 該金融資產的合約條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。

以攤銷成本計量的金融資產後續使用實際利率法計量，並可予減值。收益及虧損在資產終止確認、修改或減值時在綜合損益表內確認。

以公平值計量且其變動計入其他全面收益的金融資產（債務工具）

本集團將同時符合下列條件的債務投資，分類為以公平值計量且其變動計入其他全面收益的金融資產：

- 管理該金融資產的業務模式既以收取合約現金流量為目標又以出售該金融資產為目標。
- 該金融資產的合約條款規定，在特定日期產生的現金流量，僅為對本金和以未償付本金金額為基礎的利息的支付。

有關以公平值計量且其變動計入其他全面收益的債務投資，利息收入、外匯重估及減值虧損或轉回在綜合損益表內確認，計算方法與以攤銷成本計量的金融資產相同。餘下公平值變動在其他全面收益內確認。於終止確認時，在其他全面收益內確認的累積公平值變動劃轉至綜合損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the consolidated statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

The Group measures debt investments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the consolidated statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

投資及其他金融資產(根據香港財務報告準則第9號由二零一八年一月一日起適用的政策)(續)

後續計量(續)

指定為以公平值計量且其變動計入其他全面收益的金融資產(股本投資)

在初始確認時，本集團可以選擇將非交易性股本投資不可撤銷地分類為指定為以公平值計量且其變動計入其他全面收益的股本投資，其應滿足香港會計準則第32號「金融工具：列報」對股本工具的定義。分類乃按逐項工具基準而釐定。

該等金融資產的收益及虧損永不劃轉至綜合損益表。在獲支付的權利確立、與股息相關的經濟利益很可能流入本集團且股息的金額能可靠地計量時，股息在綜合損益表內作為其他收入確認，惟當本集團作為收回金融資產的部分成本而獲得有關款項的利益，則作別論，在該情況下，有關收益會記錄於其他全面收益內。指定為以公平值計量且其變動計入其他全面收益的股本投資無須進行減值評估。

以公平值計量且其變動計入損益的金融資產

以公平值計量且其變動計入損益的金融資產包括交易性金融資產、於初始確認時指定為以公平值計量且其變動計入損益的金融資產，或強制須以公平值計量的金融資產。如果取得相關金融資產的目的，是為了近期出售或回購，則金融資產會分類為交易性。衍生工具(包括單獨的嵌入衍生工具)亦分類為交易性，但被指定為有效套期工具的衍生工具除外。現金流量並非僅為對本金和利息的支付的金融資產分類為以公平值計量且其變動計入損益，而不論業務模式。儘管有上文所述債務工具分類為以攤銷成本計量或以公平值計量且其變動計入其他全面收益的準則，在初始確認時，如果能夠消除或顯著減少會計錯配，可以將債務工具指定為以公平值計量且其變動計入損益的金融資產。

以公平值計量且其變動計入損益的金融資產在綜合財務狀況表以公平值計量，而其公平值變動淨額在綜合損益表內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

Subsequent measurement (continued)

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the consolidated statement of profit or loss. Dividends are recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.4 主要會計政策概要（續）

投資及其他金融資產（根據香港財務報告準則第9號由二零一八年一月一日起適用的政策）（續）

後續計量（續）

以公平值計量且其變動計入損益的金融資產（續）

該類別包括衍生工具以及本集團並無不可撤銷地選擇分類為以公平值計量且其變動計入其他全面收益的股本投資。在獲支付的權利確立、與股息相關的經濟利益很可能流入本集團且股息的金額能可靠地計量時，分類為以公平值計量且其變動計入損益的金融資產的股本投資的股息亦在綜合損益表內作為其他收入確認。

當嵌入到混合合約（包含金融負債或非金融主合約）中的衍生工具的經濟特徵和風險與主合約不緊密相關；與嵌入衍生工具具有相同條款的單獨工具符合衍生工具的定義；且該混合合約不是以公平值計量且其變動計入損益時，嵌入衍生工具與主合約分拆並作為單獨衍生工具處理。嵌入衍生工具以公平值計量，且其公平值變動計入綜合損益表。只有在合約條款出現變動，且重大改變所需的現金流量或將以公平值計量且其變動計入損益的金融資產重新分類時，方進行重新評估。

嵌入混合合約（包含金融資產主合約）的衍生工具不得單獨核算。金融資產主合約連同嵌入衍生工具須整體分類為以公平值計量且其變動計入損益的金融資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss (continued)

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value profit or loss are also recognised as other income in the consolidated statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the consolidated statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

投資及其他金融資產(根據香港會計準則第39號適用於二零一八年一月一日前的政策)

首次確認及計量

金融資產於首次確認時分類為透過損益按公平值處理之金融資產、貸款及應收款項以及可供銷售金融投資或於實際對沖中指定作為對沖工具之衍生工具，視乎情況而定。對於並非屬於透過損益按公平值處理之金融資產，在首次確認時以公平值加收購金融資產應佔之交易成本計量。

所有正常購買及銷售之金融資產，於交易日(即本集團承諾購入或出售該資產當日)確認。正常購買或出售金融資產是指按照市場規定或慣例須在一段期限內進行資產交付之買賣。

本集團之金融資產包括可供銷售投資、現金及銀行結餘、應收貸款、應收賬款、包括在預付款項、按金及其他應收款項之金融資產、應收關連公司之款項及透過損益按公平值處理之金融工具。

其後計量

金融資產之其後計量視乎其以下分類而定：

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018)

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Group's financial assets include available-for-sale investment, cash and bank balances, loan receivable, accounts receivable, financial assets included in prepayments, deposits and other receivables, amounts due from related companies and financial instruments at fair value through profit or loss.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.4 主要會計政策概要（續）

投資及其他金融資產（根據香港會計準則第39號適用於二零一八年一月一日前的政策）（續）

後續計量（續）

透過損益按公平值處理之金融資產

透過損益按公平值處理之金融資產，包括持作買賣之金融資產及於首次確認時指定透過損益按公平值處理之金融資產。金融資產如以短期出售為目的而購買，概分類為持作買賣用途。衍生工具（包括已分開之嵌入式衍生工具）亦分類為持作買賣，惟彼等被指定為有效對沖工具（定義見香港會計準則第39號）除外。

透過損益按公平值處理之金融資產在綜合財務狀況表中以公平值列賬，其公平值變動淨值正數及公平值變動淨值負數於綜合損益表內呈列。該等公平值變動淨值並不包括該等金融資產所得之任何股息或利息，有關股息或利息乃根據下文「收入確認（適用於二零一八年一月一日前）」載列之政策確認。

於初步確認時指定為透過損益按公平值處理之金融資產在初步確認日期且僅在符合香港會計準則第39號項下標準時指定。

若嵌入於主合同衍生工具的經濟特色及風險與主合同並無密切關係，以及主合同並無持作買賣或指定為透過損益按公平值處理，嵌入於主合同衍生工具乃作為獨立衍生工具計算，並按公平值記錄。該等嵌入式衍生工具乃按公平值計量，而其公平值變動乃於綜合損益表中確認。重新評估僅會於合同條款出現變動致使另行所需現金流出現重大變動時，或將金融資產由透過損益按公平值處理類別重新分類時，方會進行。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with positive net changes in fair value and negative net changes in fair value presented in the consolidated statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for “Revenue recognition (applicable before 1 January 2018)” below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the consolidated statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.4 主要會計政策概要(續)

投資及其他金融資產(根據香港會計準則第39號適用於二零一八年一月一日前的政策)(續)

後續計量(續)

貸款及應收款項

貸款及應收款項為並未於交投活躍之市場內報價而附帶固定或可釐定付款之非衍生金融資產。於首次計量後，該等資產其後以實際利率法按攤銷成本扣除任何減值撥備計量。攤銷成本之計算乃考慮到於收購時之任何折現或溢價，且包括組成實際利率一部分之費用或成本。實際利率攤銷列入綜合損益表之其他收入及收益內。減值產生之虧損在綜合損益表的貸款融資成本及其他應收開支內確認。

可供銷售金融投資

可供銷售金融投資為在上市及非上市股本投資及債務證券內之非衍生金融資產。分類為可供銷售之股本投資為該等並非分類為持作買賣亦並非指定為透過損益按公平值處理之投資。此類債務證券乃擬於非特定期間內持有及因應流動資金需要或因應市況變動而出售者。

首次確認後，可供銷售金融投資其後乃按公平值計量，而未變現收益或虧損在可供銷售投資重估儲備中確認為其他全面收益直至投資已剔除確認，屆時累計收益或虧損在綜合損益表內確認；或直至投資已釐定為出現減值，屆時累計收益或虧損會由可供銷售投資重估儲備重新分類至綜合損益表。持作可供銷售之金融投資之所得利息及股息分別計入利息收入及股息收入，並根據下文「收入確認(適用於二零一八年一月一日前)」載列之政策於綜合損益表中確認為其他收入。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement (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. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the consolidated statement of profit or loss. The loss arising from impairment is recognised in the consolidated statement of profit or loss in finance costs for loans and in other expenses for receivables.

Available-for-sale financial investment

Available-for-sale financial investment is non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

After initial recognition, available-for-sale financial investment is subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the consolidated statement of profit or loss, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the consolidated statement of profit or loss. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the consolidated statement of profit or loss as other income in accordance with the policies set out for "Revenue recognition (applicable before 1 January 2018)" below.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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2.4 主要會計政策概要（續）

投資及其他金融資產（根據香港會計準則第39號適用於二零一八年一月一日前的政策）（續）

後續計量（續）

可供銷售金融投資（續）

倘非上市股本投資之公平值不能可靠計量是由於(a)該項投資之合理公平值範圍之估計存在重大可變性；或(b)在一定範圍內各種估計之可能性不能合理評估並用於估算公平值，則該等投資以成本減任何減值虧損列賬。

本集團會評估可供銷售金融資產在近期出售之能力及意向是否仍然恰當。在少數情況下，當本集團因市場不活躍而無法買賣該等金融資產，倘管理層有能力及意向於可見將來或直至到期日持有該等資產，本集團可能會選擇將該等金融資產重新分類。

對於從可供銷售類別中分出的金融資產，於重新分類日期之公平值賬面值為其新攤銷成本，而先前已在權益中確認關於資產之收益或虧損會使用實際利率於投資之剩餘期間在損益攤銷。新攤銷成本與到期金額之任何差額亦會使用實際利率於資產剩餘期間攤銷。倘資產其後被釐定為已減值，則在權益中列賬之金額會重新分類至綜合損益表。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement (continued)

Available-for-sale financial investment (continued)

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investment is stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the consolidated statement of profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.4 主要會計政策概要(續)

剔除確認金融資產(根據香港財務報告準則第9號由二零一八年一月一日起適用及根據香港會計準則第39號適用於二零一八年一月一日前的政策)

金融資產(或(如適用)金融資產一部分或同類金融資產組別之一部分)主要在下列情況下剔除確認(即自本集團之綜合財務狀況表中剔除):

- 收取資產之現金流量之權利屆滿時;或
- 本集團已轉讓收取資產所產生現金流量之權利,或已承擔責任根據「轉手」安排向第三方支付全數已收取之現金流量而無重大延誤;並且(a)本集團已轉讓該資產之絕大部分風險及回報,或(b)本集團並無轉讓或保留該資產之絕大部分風險及回報,但已轉讓該資產之控制權。

倘本集團已轉讓收取資產所產生現金流量之權利或已訂立轉手安排,則評估其是否保留該資產所有權之風險及回報及其程度。倘本集團並無轉讓或保留該資產絕大部分風險及回報,亦無轉讓該資產之控制權,則本集團將以本集團所繼續涉及之程度為限而繼續確認已轉讓資產。在此情況下,本集團亦同時確認相關負債。已轉讓資產及相關負債均按可反映本集團已保留之權利及責任之基準計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (policies under HKFRS 9 applicable from 1 January 2018 and policies under HKAS 39 applicable before 1 January 2018)

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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2.4 主要會計政策概要（續）

金融資產減值（根據香港財務報告準則第9號由二零一八年一月一日起適用的政策）

本集團就所有並非以公平值計量且其變動計入損益持有的債務工具確認預期信貸虧損撥備。預期信貸虧損是以本集團按照概約的原實際利率折現的、根據合約應收的合約現金流量與預期收取的所有現金流量之間的差額為基礎。預期現金流量將包括出售所持擔保品獲得的現金流量，以及屬於合約條款組成部分的其他信用增級所產生的現金流量。

一般方法

預期信貸虧損分兩個階段進行確認。對於自初始確認後並未顯著增加的信貸風險，就可能於未來12個月內出現的違約事件計提預期信貸虧損（12個月預期信貸虧損）。對於自初始確認後已顯著增加的信貸風險，須就預期在剩餘存續期內發生的信貸虧損風險計提虧損撥備，不論違約事件於何時發生（整個存續期預期信貸虧損）。

本集團在每個報告日評估金融工具的信用風險自初始確認後是否已顯著增加。在作出評估時，本集團會比較金融工具在報告日期發生違約的風險與金融工具在初始確認日發生違約的風險，本集團會考慮無須付出不必要的額外成本或努力即可獲得的合理且有依據的信息，包括歷史及前瞻性信息。

本集團將合約付款逾期90日的金融資產視作違約。然而，在若干情況下，當內部或外部信息顯示本集團不大可能悉數收回未支付合約金額（未計及本集團所持的任何信用增級前），本集團亦可能視金融資產為違約。當無合理預期可收回收約現金流量時，金融資產將會撇銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018)

The Group recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

金融資產減值(根據香港財務報告準則第9號由二零一八年一月一日起適用的政策)(續)

一般方法(續)

以公平值計量且其變動計入其他全面收益的債務投資及以攤銷成本計量的金融資產須根據一般方法評估減值，除應收賬款及合約資產應用簡化方法(詳見下文)外，其就預期信貸虧損計量分類於以下階段。

- 第一階段 – 金融工具的信貸風險自初始確認後並未顯著增加，按照相當於該金融工具12個月內預期信貸虧損的金額計量其減值撥備
- 第二階段 – 金融工具的信貸風險自初始確認後已顯著增加，但並非信用減值的金融資產，按照相當於該金融工具整個存續期內預期信貸虧損的金額計量其減值撥備
- 第三階段 – 於報告日期已信用減值的金融資產(但不是購買或源生的已發生信用減值的金融資產)，按照相當於該金融工具整個存續期內預期信貸虧損的金額計量其減值撥備

簡化方法

對於不包含重大融資成分的應收賬款及合約資產，或當本集團應用便於實務操作的方法而不就重大融資成分的影響作出調整，本集團應用簡化方法計量預期信貸虧損。根據簡化方法，本集團不會追蹤信貸風險的變化，而是於每個報告日期根據整個存續期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗計算應收賬款的預期信貸虧損，並根據債務人及經濟環境的特定前瞻性因素作出調整。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKFRS 9 applicable from 1 January 2018) (continued)

General approach (continued)

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for accounts receivable and contract assets which apply the simplified approach as detailed below.

- Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For account receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group calculates ECLs of accounts receivable that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

綜合財務報表附註(續)

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2.4 主要會計政策概要(續)

金融資產減值(根據香港會計準則第39號適用於二零一八年一月一日前的政策)

本集團於每個報告期間結束時均會評估是否有客觀證據顯示金融資產或一組金融資產有所減值。倘首次確認資產後發生之一宗或多宗事件對該項或該組金融資產之估計日後現金流量造成影響且能可靠地估計，則存在減值。減值證據可包括一名或一組債務人正面臨嚴重財務困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到之數據顯示估計日後現金流量出現可計量之減少，例如欠款數目變動或出現與違約相關之經濟狀況。

按攤銷成本列賬之金融資產

就按攤銷成本列賬之金融資產而言，本集團首先會按個別基準就個別屬重大之金融資產或按組合基準就個別不屬重大之金融資產，個別評估是否存在減值。倘本集團釐定按個別基準經評估之金融資產(無論具重要性與否)並無客觀跡象顯示存有減值，則該項資產會歸入一組具有相似信貸風險特性之金融資產內，並共同評估減值。經個別評估減值之資產，其減值虧損會予以確認或繼續確認入賬，而不會納入共同減值評估之內。

任何所識別之減值虧損金額按資產之賬面值與估計日後現金流量(不包括尚未產生之日後信貸虧損)之現值兩者之差額計量。估計日後現金流量之現值乃根據金融資產之原來實際利率(即首次確認時計算之實際利率)折現計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018)

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified 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 yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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2.4 主要會計政策概要(續)

金融資產減值(根據香港會計準則第39號適用於二零一八年一月一日前的政策)(續)

按攤銷成本列賬之金融資產(續)

資產之賬面值乃透過使用撥備賬撇減，而虧損在綜合損益表確認。利息收入採用計算減值虧損時用以折現日後現金流量之利率在撇減之賬面值中持續累算。貸款及應收款項連同任何相關撥備於不可能於日後收回時予以撇銷及所有抵押品已獲變現或已轉撥至本集團。

倘於日後期間，估計減值虧損金額因確認減值後發生之事件而增加或減少，則會透過調整撥備賬而增加或減少先前確認之減值虧損。若撇銷其後收回，則該項收回計入綜合損益表內之其他費用內。

可供銷售金融投資

就可供銷售金融投資而言，本集團於每個報告期間結束時均會評估是否有客觀證據顯示一項投資或一組投資有所減值。

如果可供銷售資產出現減值，包含其成本(扣除任何本金付款及攤銷)及其當前公平值之差額，在扣除先前於綜合損益表確認之任何減值虧損後，由其他全面收益剔除而在綜合損益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the consolidated statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the consolidated statement of profit or loss.

Available-for-sale financial investment

For available-for-sale financial investment, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the consolidated statement of profit or loss, is removed from other comprehensive income and recognised in the consolidated statement of profit or loss.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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2.4 主要會計政策概要（續）

金融資產減值（根據香港會計準則第39號適用於二零一八年一月一日前的政策）（續）

可供銷售金融投資（續）

對於分類為可供銷售之股本投資，客觀證據包括投資之公平值出現大幅或持續下降至低於其成本。「大幅」針對投資之原成本評估，而「持續」則針對公平值低於原成本之期間。倘存在減值證據，則其累計虧損（按收購成本與當時公平值之差額，減該投資先前於綜合損益表內確認之任何減值虧損計量）會由其他全面收益剔除而在綜合損益表確認。歸類為可供銷售之股本工具之減值虧損不可透過綜合損益表撥回。減值後之公平值增加直接於其他全面收益確認。

在釐定何謂「大幅」或「持續」時須作出判斷。在作出此項判斷時，本集團評估（包括其他因素）某項投資的公平值低於其成本的持續時間或數額。

金融負債（根據香港財務報告準則第9號由二零一八年一月一日起適用及根據香港會計準則第39號適用於二零一八年一月一日前的政策）

首次確認及計量

金融負債於首次確認時分類為透過損益按公平值處理之金融負債、貸款及借貸，或在有效對沖中指定為對沖工具之衍生工具，視乎情況而定。

所有金融負債首次按公平值確認，如為貸款及借貸，則以直接應佔之交易成本淨額確認。

本集團之金融負債包括應付賬款、計入其他應付款項及應計負債之金融負債、計息銀行及其他借貸、應付最終控股公司款項及應付關連公司款項。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (policies under HKAS 39 applicable before 1 January 2018) (continued)

Available-for-sale financial investment (continued)

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. “Significant” is evaluated against the original cost of the investment and “prolonged” against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the consolidated statement of profit or loss – is removed from other comprehensive income and recognised in the consolidated statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the consolidated statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is “significant” or “prolonged” requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

Financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include accounts payable, financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings, amount due to the ultimate holding company and amounts due to related companies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

金融負債(根據香港財務報告準則第9號由二零一八年一月一日起適用及根據香港會計準則第39號適用於二零一八年一月一日前的政策)(續)

其後計量

金融負債之其後計量視乎其以下分類而定：

貸款及借貸

於首次確認後，計息貸款及借貸其後以實際利率法按攤銷成本計量，倘折現之影響並不重大，則按成本列賬。當負債剔除確認以及按實際利率法進行攤銷過程中，在綜合損益表中確認收益及虧損。

攤銷成本之計算乃考慮到於收購之任何折讓或溢價，以及組成實際利率一部分之費用或成本。實際率攤銷列入綜合損益表之財務成本內。

可換股債券

可換股債券具有負債特徵的部分，在綜合財務狀況表中按扣除交易費用確認為負債。發行可換股債券時，其負債部分的公平值採用相類似的不可換股負債的市場利率釐定；並且這一金額以攤銷成本為基礎作為長期負債入賬，直到轉換或贖回為止。發行所得款項的其餘部分分配至轉換期權，扣除交易費用確認，計入股東權益。後續年度不再重新計量該轉換期權的賬面金額。交易費用根據可換股債券工具首次確認時其負債和權益部分分配的所得款項為基礎在此兩者間分配。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018) (continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the consolidated statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the consolidated statement of profit or loss.

Convertible bonds

The component of convertible bonds that exhibits characteristics of a liability is recognised as a liability in the consolidated statement of financial position, net of transaction costs. On issuance of convertible bonds, the fair value of the liability component is determined using market rate for equivalent non-convertible liability; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要（續）

剔除確認金融負債（根據香港財務報告準則第9號由二零一八年一月一日起適用及根據香港會計準則第39號適用於二零一八年一月一日前的政策）

當負債項下之責任已被解除、取消或期滿，則剔除確認金融負債。

如一項現有金融負債被來自同一貸款方且大部分條款均有差別之另一項金融負債所取代，或現有負債之條款被大幅修改，此種置換或修改作剔除確認原有負債並確認新負債處理，而兩者各自之賬面值差額於綜合損益表確認。

金融工具的抵銷（根據香港財務報告準則第9號由二零一八年一月一日起適用及根據香港會計準則第39號適用於二零一八年一月一日前的政策）

金融資產與金融負債對銷，而有關淨額當現有可強制執行之法定權利以抵銷已確認金額且有意按淨額基準結算或同時變現資產及結清負債時在綜合財務狀況表呈報。

存貨

存貨按成本與可變現淨值之較低者列賬。成本按先進先出或加權平均基準計算，倘屬在製品及製成品，則包括直接材料、直接勞工成本及適當比例之間接成本。可變現淨值根據估計售價減去完成時產生之任何估計成本計算。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial liabilities (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

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

When 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 a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Offsetting of financial instruments (policies under HKFRS 9 applicable from 1 January 2018 and HKAS 39 applicable before 1 January 2018)

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a first-in, first-out or weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

物業存貨

物業存貨包括持作買賣之完工物業，按成本與可變現淨值之較低者列賬。

待售完工物業之成本按全部開發成本(包括未出售單位應佔之撥充資本之借貸成本)之分配釐定。可變現淨值乃由本集團管理層根據當前的市場環境進行估計，即按估計售價減去銷售物業將發生的估計成本計算。

待售完工物業的任何撇減或撥備金額於撇減或虧損發生期間確認為開支。因可變現淨值增加所產生的任何撇減或撥備撥回金額於撥回發生期間於損益確認。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款及購入時到期日一般在三個月內之短期及高流通性之投資，且該投資可隨時轉換為已知數額之現金，而且價值不會有重大變動，並減去按要求償還且為本集團現金管理之一部分之銀行透支。

就綜合財務狀況表而言，現金及現金等價物包括手頭現金及銀行存款(包括用途不受限制的定期存款及性質類似現金之資產)。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Stock of properties

Stock of properties including completed properties, which are held-for-trading, is stated at the lower of cost and net realisable value.

The cost of completed properties for sale is determined by apportionment of the total development costs, including borrowing costs capitalised, attributable to unsold units. Net realisable value is estimated by the management of the Group based on prevailing market conditions, which represents the estimated selling price less estimated costs to be incurred in selling the property.

The amount of any write-down of or provision for completed properties held for sale is recognised as an expense in the period when the write-down or loss occurs. The amount of any reversal of any write-down or provision arising from an increase in net realisable value is recognised in profit or loss in the period in which the reversal occurs.

Cash and cash equivalents

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

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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2.4 主要會計政策概要（續）

撥備

撥備乃於本集團因以往之事件導致現行之責任（不論法定或推定）產生並將有可能需要於日後作出資源流出以履行責任時確認，惟需可靠地估計有關責任之金額。

倘折現之影響重大，確認為撥備之金額則為預期須用作履行責任之日後開支於報告期間結束時之現值。折現之現值因時間過去而產生之升幅，乃於綜合損益表中列作財務成本。

所得稅

所得稅包括即期及遞延稅項。與在損益以外確認項目之有關所得稅乃於損益外確認，即於其他全面收益或直接於權益內確認。

即期稅項資產及負債乃以報告期間結束時已經頒佈或大致上已經頒佈之稅率（及稅法）為基準，並考慮本集團業務所在國家之現有詮釋及慣例，按預期可從稅務當局收回或向稅務當局繳付之金額而計量。

在報告期間結束時，資產與負債之稅基與作為財務呈報用途之資產與負債賬面值之間之全部暫時性差異，須按負債法計提遞延稅項撥備。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the consolidated statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

所得稅(續)

全部應課稅暫時性差異均會確認為遞延稅項負債，惟以下各項除外：

- 若遞延稅項負債之起因，是由於在非業務合併之交易中首次確認商譽或資產或負債，於進行交易時，對會計溢利或應課稅溢利或虧損均無影響；及
- 對於涉及於附屬公司及聯營公司之投資之應課稅暫時性差異而言，倘若撥回暫時性差異之時間可以控制，而暫時性差異於可見將來將可能不會撥回。

對於全部可予扣減之暫時性差異、結轉未動用稅項抵免及未動用稅項虧損，若日後有可能出現應課稅溢利，可用以抵扣該等可予扣減暫時性差異、結轉未動用稅項抵免及未動用稅項虧損，則遞延稅項資產一律確認入賬，惟以下各項除外：

- 若有關可予扣減暫時性差異之遞延稅項資產之起因，是由於在非業務合併之交易中首次確認資產或負債，於進行交易時，對會計溢利或應課稅溢利或虧損均無影響；及
- 對於涉及於附屬公司及聯營公司之投資之可予扣減暫時性差異而言，只有在暫時性差異於可見將來較大可能會撥回，而且於日後出現之應課稅溢利，將用以抵扣該等暫時性差異時，方會確認為遞延稅項資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associate, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.4 主要會計政策概要（續）

所得稅（續）

遞延稅項資產之賬面值，在每個報告期間結束時予以審閱。若不再有足夠應課稅溢利用以抵扣全部或部分相關遞延稅項資產，則扣減遞延稅項資產賬面值。未予確認之遞延稅項資產於每個報告期間結束時予以重新審閱，而有足夠應課稅溢利用以收回全部或部分相關遞延稅項資產，則確認未予確認之遞延稅項資產。

變現資產或清償負債之期間預期適用之稅率，會用作衡量遞延稅項資產及負債，並以報告期間結束時已經頒佈或大致上已經頒佈之稅率（及税法）為基準。

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務實體及同一應稅機構或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債之不同稅務實體相關，則遞延稅項資產與遞延稅項負債可予抵銷。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right exists to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxation entity and the same taxable authority or 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

收入確認(由二零一八年一月一日起適用)

客戶合約收入

客戶合約收入於商品或服務的控制權轉移給客戶時確認，該金額反映本集團就交換該等商品或服務預計有權獲得的代價。

當合約中的代價包含可變金額時，會估計本集團向客戶轉讓商品或服務作為交換而有權獲得的代價金額。可變代價在合約開始時估計並受到限制，直至與可變代價相關的不確定性消除時，累計已確認收入金額極可能不會發生重大收入轉回。

當合約中包含融資成分，為客戶就商品或服務轉讓的融資提供超過一年的重大利益時，收入按應收款項的現值計量，其採用在本集團與客戶在合約開始日單獨的融資交易中會反映的折現率折現。當合約中包含融資成分，為本集團提供了一年以上的重大財務利益時，根據合約確認的收入包括合約負債根據實際利率法增加的利息開支。採用香港財務報告準則第15號中便於實務操作的方法，有關客戶支付價款與轉讓已承諾商品或者服務之間的間隔為一年或更短期間的合約，則不會就重大融資成分的影響調整交易價格。

來自銷售精礦、煤炭及採礦設備零部件的收入於資產控制權轉移予客戶的時點(一般於交付商品時)確認。

來自銷售物業的收入在物業擁有權的有效控制權轉移予買方時確認，其為法定所有權轉移予買方完成的時點。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018)

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, 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 between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

Revenue from sale of mineral concentrates, coal and parts of mining equipment is recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

Revenue from sale of properties are recognised when effective control of ownership of the properties is transferred to the buyer, which is the point in time upon completion of the transfer of legal title to the buyer.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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2.4 主要會計政策概要（續）

收入確認（由二零一八年一月一日起適用）（續）

來自其他來源的收入

租金收入按時間比例基準在租期內確認。

其他收入

利息收入按累計制採用實際利率法確認，所使用的利率為將金融工具在預計存續期或更短期間內（如適當）的估計未來現金收款額恰好折現為該金融資產賬面淨額的利率。

管理費收入在預定期間按直線法基準確認，原因為客戶同時取得及消耗本集團所提供的利益。

股息收入在股東的收款權利確立、有關股息的經濟利益很可能流入本集團且股息的金額能可靠地計量時予以確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable from 1 January 2018) (continued)

Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Management fee income is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

2.4 主要會計政策概要(續)

收入確認(適用於二零一八年一月一日前)

收益乃按下列基準於經濟利益很可能流入本集團而收益能可靠計量時獲確認：

- (a) 銷售貨品收益於擁有權之重大風險及回報已轉讓予買方，而本集團不再持有一般與擁有權有關之管理權，亦不再對已售貨品具實質控制權時確認；
- (b) 提供飛機分租服務之收益，於提供上述服務時確認；
- (c) 租金收入按時間比例基準於租賃期確認；
- (d) 利息收入，以累計基準計算，於金融工具之估計年期內或較短期間(如適用)採用實際利率法按將估計日後現金收入精確折現至金融資產賬面淨值的利率確認；及
- (e) 股息收入，於股東收取款項之權利確立時確認。

合約資產(由二零一八年一月一日起適用)

合約資產是指因向客戶轉讓商品或服務而獲得代價的權利。如果本集團在客戶支付代價或付款到期前已通過向客戶轉讓商品或服務而履約，則應當將該有條件收取的代價確認為合約資產。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (applicable before 1 January 2018)

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) from the rendering of aircraft sub-leasing services, when such services are rendered;
- (c) rental income, on a time proportion basis over the lease terms;
- (d) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (e) dividend income, when the shareholders' right to receive payment has been established.

Contract assets (applicable from 1 January 2018)

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要（續）

合約負債（由二零一八年一月一日起適用）

合約負債是指本集團就其已向客戶收取的代價（或應收代價金額）而向客戶轉讓商品或服務的義務。在本集團向客戶轉讓商品或服務之前，本集團應當在對方付款或付款到期時（以兩者中的較早者為準）確認合約負債。合約負債在本集團履約時確認為收入。

合約成本（由二零一八年一月一日起適用）

除資本化為存貨、物業、廠房及設備以及無形資產的成本外，滿足下列條件的為履行合約發生的成本，資本化為一項資產：

- (a) 該成本與實體可個別識別的當前或預期取得的合約直接相關。
- (b) 該成本產生或增加了實體未來用於履行（或持續履行）履約義務的資源。
- (c) 該成本預期能夠收回。

本集團對資本化的合約成本採用與該資產相關的收入確認相同的系統化基礎進行攤銷，計入綜合損益表。其他合約成本在發生時支銷。

股份結算付款

本公司設有一項購股權計劃，旨在鼓勵及嘉獎為本集團業務成功作出貢獻之合資格參與者。本集團僱員（包括董事）以股份結算付款之方式收取薪酬，而僱員則提供服務作為股本工具之代價（「股份結算交易」）。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contract liabilities (applicable from 1 January 2018)

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received a consideration (or an amount of consideration that is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

Contract costs (applicable from 1 January 2018)

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the consolidated statement of profit or loss on a systematic basis that is consistent with the pattern of the revenue to which the asset related is recognised. Other contract costs are expensed as incurred.

Share-based payments

The Company operated a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

股份結算付款(續)

與僱員進行之股份結算交易之成本，乃參照授出日期之公平值計量。有關購股權的進一步詳情載於綜合財務報表附註34。

股份結算交易之成本，連同權益相應增加部分，在績效及／或服務條件獲得履行期間內於僱員福利開支中確認。在歸屬日期前於每個報告期間結束時確認之股份結算交易之累計開支，反映歸屬期已到期部分及本集團對最終將會歸屬之股本工具數目之最佳估計。在某一期間內在綜合損益表內扣除或計入，乃反映累計開支於期初與期終確認時之變動。

釐定獎勵獲授當日之公平值時，並不計及服務及非市場績效條件，惟在有可能符合條件的情況下，則評估為本集團對最終將會歸屬股本工具數目最佳估計之一部分。市場績效條件反映於獲授當日之公平值。獎勵之任何其他附帶條件(但不帶有相關服務要求)視作非歸屬條件。非歸屬條件反映於獎勵之公平值，除非同時具服務及／或績效條件，否則獎勵即時支銷。

因非市場績效及／或服務條件未能達成而最終無歸屬之獎勵並不確認為支出。凡獎勵包含市場或非歸屬條件，無論市場條件或非歸屬條件獲履行與否，而所有其他績效及／或服務條件均獲履行，則交易仍被視為一項歸屬。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. Further details of share options are given in note 34 to the consolidated financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the consolidated statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要（續）

股份結算付款（續）

倘股份結算獎勵之條款有所變更，所確認之開支最少須達到猶如條款並無任何變更且符合獎勵原先條款之水平。此外，倘按變更日期之計量，任何變更導致股份結算付款之總公平值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。

倘股份結算獎勵被註銷，應被視為已於註銷日期歸屬，任何尚未就獎勵確認之開支均應立刻確認。該情況包括未符合屬本集團或僱員控制範圍內之非歸屬條件所涉及之任何獎勵。然而，若授予新獎勵以代替已註銷之獎勵，並於授出日期指定為替代獎勵，則已註銷之獎勵及新獎勵均應被視為原獎勵之變更，一如前段所述。

計算每股盈利時，未行使購股權之攤薄效應反映為額外股份攤薄。

其他僱員福利

退休計劃

本集團根據強制性公積金計劃條例，為合資格參與強制性公積金退休福利計劃（「強積金計劃」）之僱員管理一個界定供款強積金計劃。供款按僱員基本薪金之若干百分比作出，並於根據強積金計劃規則應付供款時在綜合損益表扣除供款。強積金計劃之資產與本集團資產分開持有，並由獨立管理之基金管理。本集團之僱主供款在向強積金計劃供款時即全部歸屬予僱員。

本集團於中國、秘魯及厄瓜多爾經營之附屬公司僱員須參與當地市政府管理之中央退休金計劃。供款乃於根據中央退休金計劃規則應付供款時在綜合損益表扣除。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operates in the PRC, Peru and Ecuador are required to participate in a central pension scheme operated by the local municipal government. The contributions are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要(續)

借貸成本

直接源自收購、建造或生產合資格資產(即須經過一段長時間方可作擬定用途或出售之資產)之借貸成本乃撥充資本,作為該等資產成本之一部分。當資產大致上可作擬定用途或出售,則該等借貸成本不再撥充資本。就留待合資格資產支出之特定借貸所進行暫時投資賺取之投資收入,乃從撥充資本之借貸成本中扣除。所有其他借貸成本乃於其產生之期間列支。借貸成本包括一間實體就借入資金所產生之利息及其他成本。

股息

末期股息在獲股東於股東大會批准時確認為負債。

中期股息乃同時建議及宣派。因此,中期股息於建議及宣派時即時確認為負債。

外幣

該等綜合財務報表按港元呈列,而港元為本公司之功能及呈列貨幣。本集團內各實體決定本身之功能貨幣,而各實體之財務報表內各項目均使用該功能貨幣計量。本集團內各實體之外幣交易首次按交易日期各自之功能貨幣匯率入賬。於報告期間結束時以外幣計值之貨幣資產及負債,乃按當日之功能貨幣匯率換算。結算或換算貨幣項目產生之差額於綜合損益表確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit or loss.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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2.4 主要會計政策概要（續）

外幣（續）

按外幣之歷史成本計量之非貨幣項目按首次交易當日之匯率換算。按外幣公平值計量之非貨幣項目按釐定公平值當日之匯率換算。換算按公平值計量之非貨幣項目產生之收益或虧損按與確認項目公平值變動之收益或虧損一致之方式處理（即於其他全面收益或損益中確認公平值盈虧的項目的匯兌差額，亦分別於其他全面收益或損益確認）。

若干海外附屬公司之功能貨幣為港元以外之貨幣。於報告期間結束時，該等實體之資產及負債按報告期間結束時之匯率換算為呈列貨幣（港元），而該等公司之損益表按本年度之加權平均匯率換算為港元。

所產生之匯兌差額在其他全面收益中確認，並於匯兌波動儲備中累計。出售海外業務時，有關該特定海外業務之其他全面收益部分在綜合損益表中確認。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日之匯率換算為港元。海外附屬公司於整個年度之經常性現金流量則按本年度加權平均匯率換算為港元。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency (Hong Kong dollars) at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the consolidated statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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3. 重大會計判斷及估計

編製本集團之綜合財務報表要求管理層作出會影響所呈報的收益、開支、資產與負債金額及其隨附之披露以及或然負債披露的判斷、估計及假設。這些假設和估計的不確定性可能會導致在未來需要對受影響的資產或負債的賬面值進行重大調整。

有關未來的主要假設，以及於報告期間結束時進行估計不確定因素之其他主要來源在下文論述。兩者在對下個財政年度資產及負債之賬面值作出重大調整均具有重大風險。

應收賬款及其他金融資產的預期信貸虧損撥備

為計量預期信貸虧損，應收賬款已根據共同信貸風險特徵及逾期天數分組，當中考慮到合理及可支持的前瞻性信息。就除應收賬款以外的按攤銷成本計量的金融資產，本集團應用一般方法，其亦稱為「三步」模型。於每個報告日期，會重新評估歷史觀察到的欠繳率以及考慮前瞻性信息的改變。

預期信用損失金額對情況及預測經濟狀況的變化敏感。本集團過去的信用損失經驗及對經濟狀況的預測也未必能就未來客戶實際違約的情況具代表性。有關本集團應收貿易賬款及包括在預付款項、按金及其他應收款項的金融資產的預期信貸虧損的資料，分別在綜合財務報表附註22及附註23內披露。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

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 described below.

Provision for expected credit losses on accounts receivable and other financial assets

To measure the expected credit losses, accounts receivable has been grouped based on shared credit risk characteristics and the days past due, taking into consideration forward-looking information that is reasonable and supportable available. For financial assets at amortised cost other than accounts receivable, the Group applies the general approach which is also referred to the "three stage" model. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The amount of ECLs is sensitive to changes in circumstances and forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's accounts receivable and financial assets included in prepayments, deposits and other receivables are disclosed in note 22 and note 23 to the consolidated financial statements, respectively.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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3. 重大會計判斷及估計（續）

物業、廠房及設備之可使用年期

本集團管理層負責釐定估計可使用年期及有關折舊開支。該估計乃根據性質及功能相近的物業、廠房及設備實際可使用年期的過往經驗而作出。這可能會因技術創新及競爭對手因為嚴峻的行業週期所作行動而有重大變化。倘可使用年期較之前的估計為短，則管理層會提高折舊開支，或將技術過時或已報廢或出售的非策略資產撇銷或撇減。物業、廠房及設備於二零一八年十二月三十一日之賬面值約為122,045,000港元（二零一七年：149,400,000港元）。進一步詳情載於綜合財務報表附註13。

其他無形資產－採礦權以及勘探及評估資產之減值

採礦權以及勘探及評估資產之賬面值會於有事件或情況之轉變顯示可能無法收回賬面值時作出減值檢討。本集團會考慮所有已發生之事實及情況以判斷該等事實及情況是否表明採礦權以及勘探及評估資產之賬面值可能會超過其可收回金額（即已減值）。可收回金額為其公平值減出售成本及使用價值兩者之較高者。使用價值的評估要求本集團評估來自現金產生單位的預期未來現金流量，以及選擇合適的折現率以計算該等現金流量的現時價值。進一步詳情載於綜合財務報表附註16。

其他無形資產－供應商合約之減值

於報告期間結束時，管理層重新考慮其他無形資產－供應商合約之可收回情況，經扣除累計攤銷及減值。於釐定供應商合約之可收回金額時需要作出重大估計及判斷。本集團已經就供應商合約確認全數撥備約28,245,000港元。供應短缺、仲裁及訴訟之詳情載於綜合財務報表附註16(i)及40。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and consequently related depreciation charges. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold. The carrying amount of property, plant and equipment at 31 December 2018 is approximately HK\$122,045,000 (2017: HK\$149,400,000). Further details are included in note 13 to the consolidated financial statements.

Impairment of other intangible assets – Mining rights and exploration and evaluation assets

The carrying amounts of mining rights and exploration and evaluation assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The Group considers all facts and circumstances occurred to judge whether these facts and circumstances would suggest that the carrying amounts of mining rights and exploration and evaluation assets may exceed their recoverable amounts (i.e. impaired). The recoverable amount is the higher of its fair value less costs of disposal and value in use. Estimating the value in use requires the Group to estimate the expected future cash flows from the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are included in note 16 to the consolidated financial statements.

Impairment of other intangible asset – Supplier contract

At the end of the reporting period, management reconsidered the recoverability of the other intangible asset – supplier contract after deducting the accumulated amortisation and impairment. Significant estimation and judgement are required in determining the recoverable amount of the supplier contract. The Group has recognised full impairment of approximately HK\$28,245,000 in relation to the supplier contract. Details of the circumstances, shortage of supply, arbitrations and litigation are set out in notes 16(i) and 40 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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3. 重大會計判斷及估計(續)

投資物業公平值的估計

根據綜合財務報表附註2.4內所述的會計政策，本集團投資物業按公平值計量。投資物業於二零一八年十二月三十一日之公平值約為74,367,000港元(二零一七年：75,105,000港元)。綜合財務報表附註14內所載的投資物業公平值乃經參考由獨立專業合資格評估師進行之估值釐定。有關估值乃根據若干假設而作出，當中涉及不確定性，並可能與實際結果有重大差異。在作出判斷時，已經對相關假設給予合理考慮，有關假設主要以報告期間結束時存在的市場狀況為基礎。該等估計會與實際市場數據及市場內的實際交易進行比較。

所得稅

釐定所得稅撥備涉及對若干交易日後稅務處理之判斷。本集團謹慎評估交易之稅務影響並據此建立稅務撥備。本集團定期重新審議上述交易之稅務處理以便將所有稅法變動考慮在內。

遞延稅項資產

倘可以動用稅項虧損抵銷應課稅溢利，則會就未動用稅項虧損確認遞延稅項資產。釐定可予確認之遞延稅項資產數額時，管理層須根據未來應課稅溢利可能出現的時間及水平作出重大判斷。於二零一八年十二月三十一日，與已確認稅項虧損有關之遞延稅項資產之賬面值約為349,000港元(二零一七年：357,000港元)。進一步詳情載於綜合財務報表附註32。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation of fair value of investment properties

Investment properties of the Group are stated at fair value in accordance with the accounting policy stated in note 2.4 to the consolidated financial statements. The fair value of investment properties at 31 December 2018 was approximately HK\$74,367,000 (2017: HK\$75,105,000). The fair value of investment properties, set out in note 14 to the consolidated financial statements, are determined with reference to a valuation performed by an independent professional qualified valuer. Such valuations are made based on certain assumptions, which are subject to uncertainties and might materially differ from the actual results. In making the judgement, reasonable consideration has been given to the underlying assumptions that are mainly based on market condition existing at the end of the reporting period. These estimates are compared to actual market data and actual transactions in the market.

Income taxes

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. 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 legislations.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2018 was approximately HK\$349,000 (2017: HK\$357,000). Further details are included in note 32 to the consolidated financial statements.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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4. 分部資料

就管理目的而言，本集團按業務單位之產品及服務分為下列六個呈報經營分部：

- (a) 物業投資及發展分部，從事出租及銷售物業；
- (b) 製造及銷售建築材料分部，從事製造及銷售礦渣粉；
- (c) 證券投資分部，從事上市證券投資；
- (d) 精礦貿易分部，從事精礦貿易；
- (e) 煤炭開採分部，從事煤礦特許權之勘探及開發以及開採及銷售煤炭；及
- (f) 其他分部，從事採礦設備零部件銷售及提供飛機分租服務。

管理層獨立監察本集團之經營分部業績，以便作出有關資源分配及表現評估之決策。分部表現乃根據呈報分部溢利／虧損評估，而呈報分部溢利／虧損則以經調整除稅前溢利／虧損計量。經調整除稅前溢利／虧損之計量方式與本集團之除稅前虧損計量方式一致，惟有關計量並不計入銀行利息收入及其他未分配收入及收益、財務成本及出售可供銷售投資之收益以及其他未分配之總辦事處及集團費用。

分部資產不包括遞延稅項資產、現金及現金等價物、應收關連公司款項以及其他未分配總辦事處及集團資產，因為該等資產乃按集團基準管理。

分部負債不包括計息銀行及其他借貸、應付最終控股公司款項、應付關連公司款項以及其他未分配總辦事處及集團負債，因為該等負債乃按集團基準管理。

4. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has six reportable and operating segments as follows:

- (a) the property investment and development segment engages in leasing and sale of properties;
- (b) the manufacture and sale of construction materials segment engages in the manufacture and sale of slag powder;
- (c) the securities investments segment engages in investing in listed securities;
- (d) the trading of mineral concentrates segment engages in the trading of mineral concentrates;
- (e) the coal mining segment engages in the exploration and development of coal mines concessions and mining for sale of coal; and
- (f) the others segment engages in the sale of parts of mining equipment and provision of aircraft sub-leasing services.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's loss before tax except that bank interest income and other unallocated income and gains, finance costs, gain on disposal of available-for-sale investment as well as other unallocated head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, cash and cash equivalents, amounts due from related companies and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, amount due to the ultimate holding company, amounts due to related companies and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

4. 分部資料(續)

分部業績

本集團按呈報分部劃分之分部業績分析如下：

截至二零一八年十二月三十一日止年度

4. SEGMENT INFORMATION (continued)

Segment results

An analysis of the Group's segment results by reportable segment is as follows:

Year ended 31 December 2018

| | | 物業投資 及發展 Property investment and development 千港元 HK\$'000 | 證券 投資 Securities investments 千港元 HK\$'000 | 製造及銷售 建築材料 Manufacture and sale of construction materials 千港元 HK\$'000 | 精礦 貿易 Trading of mineral concentrates 千港元 HK\$'000 | 煤炭 開採 Coal mining 千港元 HK\$'000 | 其他 Others 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-----------------------|--|--|--|---|--|--|---------------------------------|--------------------------------|
| 分部收益： | Segment revenue: | | | | | | | |
| 外界客戶之銷售/營業額* | Sales to/revenue from external customers* | 7,914 | - | - | 169,873 | 657 | 6,222 | 184,666 |
| 投資收入 | Investment income | - | 38 | - | - | - | - | 38 |
| 收入及投資收入總額 | Total revenue and investment income | 7,914 | 38 | - | 169,873 | 657 | 6,222 | 184,704 |
| 分部業績 | Segment results | (9,171) | 188 | (56,694) | (20,401) | (21,686) | (5,542) | (113,306) |
| 銀行利息收入及其他 未分配收入及收益 | Bank interest income and other unallocated income and gains | | | | | | | 2,553 |
| 集團及其他未分配開支 | Corporate and other unallocated expenses | | | | | | | (18,824) |
| 未分配財務成本 | Unallocated finance costs | | | | | | | (10,088) |
| 除稅前虧損 | Loss before tax | | | | | | | (139,665) |

* 由於分部間之銷售額微不足道，故並無作出對賬。

* Since the amount of intersegment sales is insignificant, no reconciliation has been made.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

4. 分部資料（續）

分部業績（續）

截至二零一七年十二月三十一日止年度

4. SEGMENT INFORMATION (continued)

Segment results (continued)

Year ended 31 December 2017

| | | 物業投資 及發展 | 證券 投資 | 製造及銷售 建築材料 | 精礦 貿易 | 煤炭 開採 | 其他 | 總計 |
|-----------------------|--|---|---------------------------|---|---------------------------------------|-----------------|-----------------|-----------------|
| | | Property investment and development | Securities investments | Manufacture and sale of construction materials | Trading of mineral concentrates | Coal mining | Others | Total |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 分部收益： | Segment revenue: | | | | | | | |
| 外界客戶之銷售／營業額* | Sales to/revenue from external customers* | 4,289 | - | - | 26,953 | - | 5,465 | 36,707 |
| 投資收入 | Investment income | - | (432) | - | - | - | - | (432) |
| 收入及投資收入總額 | Total revenue and investment income | 4,289 | (432) | - | 26,953 | - | 5,465 | 36,275 |
| 分部業績 | Segment results | 2,556 | (208) | (34,241) | (4,695) | (3,430) | (12,083) | (52,101) |
| 銀行利息收入及其他 未分配收入及收益 | Bank interest income and other unallocated income and gains | | | | | | | 320 |
| 集團及其他未分配開支 | Corporate and other unallocated expenses | | | | | | | (11,596) |
| 未分配財務成本 | Unallocated finance costs | | | | | | | (4,908) |
| 出售可供銷售投資之 收益 | Gain on disposal of available-for-sale investment | | | | | | | 4,394 |
| 除稅前虧損 | Loss before tax | | | | | | | (63,891) |

* 由於分部間之銷售額微不足道，故並無作出對賬。

* Since the amount of intersegment sales is insignificant, no reconciliation has been made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

4. 分部資料(續)

分部資產及負債以及其他分部資料

本集團按呈報分部劃分之分部資產及負債以及其他分部資料分析如下：

截至二零一八年十二月三十一日止年度

4. SEGMENT INFORMATION (continued)

Segment assets and liabilities and other segment information

An analysis of the Group's segment assets and liabilities and other segment information by reportable segment is as follows:

Year ended 31 December 2018

| | | 物業投資 及發展 Property investment and development 千港元 HK\$'000 | 證券 投資 Securities investments 千港元 HK\$'000 | 製造及銷售 建築材料 Manufacture and sale of construction materials 千港元 HK\$'000 | 精礦 貿易 Trading of mineral concentrates 千港元 HK\$'000 | 煤炭 開採 Coal mining 千港元 HK\$'000 | 其他 Others 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|---------------------------|--|--|--|---|--|--|---------------------------------|--------------------------------|
| 資產及負債： | Assets and liabilities: | | | | | | | |
| 分部資產 | Segment assets | 87,534 | 508 | 84,682 | 11,333 | 33,040 | 6,382 | 223,479 |
| 集團及其他未分配資產 | Corporate and other unallocated assets | | | | | | | 169,915 |
| 總資產 | Total assets | | | | | | | 393,394 |
| 分部負債 | Segment liabilities | 43,277 | - | 14,772 | 11,150 | 692 | 4,034 | 73,925 |
| 集團及其他未分配負債 | Corporate and other unallocated liabilities | | | | | | | 59,602 |
| 總負債 | Total liabilities | | | | | | | 133,527 |
| 其他分部資料： | Other segment information: | | | | | | | |
| 於損益扣除之折舊及攤銷 | Depreciation and amortisation charged in profit or loss | 2,948 | - | 18,838 | 140 | 2,149 | 5 | 24,080 |
| 集團及其他未分配金額 | Corporate and other unallocated amounts | | | | | | | 780 |
| | | | | | | | | 24,860 |
| 投資物業公平值收益 | Fair value gains on investment properties | (885) | - | - | - | - | - | (885) |
| 物業、廠房及設備減值虧損 | Impairment loss on property, plant and equipment | - | - | 4,251 | - | - | - | 4,251 |
| 存貨撇減 | Write-down of inventories | - | - | - | - | 3,894 | - | 3,894 |
| 預付款項、按金及其他 應收款項減值虧損，淨額 | Impairment loss on prepayments, deposits and other receivables - net | - | (213) | - | 21,456 | 1,985 | 423 | 23,651 |
| 集團及其他未分配金額 | Corporate and other unallocated amounts | | | | | | | 302 |
| | | | | | | | | 23,953 |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

4. 分部資料（續）

分部資產及負債以及其他分部資料
（續）

4. SEGMENT INFORMATION (continued)

Segment assets and liabilities and other segment
information (continued)

| | | 物業投資 及發展 Property investment and development 千港元 HK\$'000 | 證券 投資 Securities investments 千港元 HK\$'000 | 製造及銷售 建築材料 Manufacture and sale of construction materials 千港元 HK\$'000 | 精礦 貿易 Trading of mineral concentrates 千港元 HK\$'000 | 煤炭 開採 Coal mining 千港元 HK\$'000 | 其他 Others 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-------------------|---|--|--|---|--|--|---------------------------------|--------------------------------|
| 其他無形資產減值虧損 | Impairment loss on other intangible assets | - | - | 28,245 | - | 8,865 | - | 37,110 |
| 應收賬款減值虧損，淨額 | Impairment loss on accounts receivable – net | (61) | - | - | - | 60 | 14 | 13 |
| 撇銷物業、廠房及 設備項目 | Write-off of items of property, plant and equipment | - | - | - | - | 324 | - | 324 |
| 出售物業、廠房及設備項目收益 | Gain on disposal of items of property, plant and equipment | - | - | - | - | 1,499 | - | 1,499 |
| 資本開支 [#] | Capital expenditure [#] | 5 | - | - | 12 | 888 | 2 | 907 |
| 集團及其他未分配金額 | Corporate and other unallocated amounts | | | | | | | 29 |
| | | | | | | | | 936 |

[#] 資本開支包括添置物業、廠房及設備及其他無形資產。

[#] Capital expenditure consists of additions to property, plant and equipment and other intangible assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

4. 分部資料(續)

分部資產及負債以及其他分部資料
(續)

截至二零一七年十二月三十一日止年度

4. SEGMENT INFORMATION (continued)

Segment assets and liabilities and other segment
information (Continued)

Year ended 31 December 2017

| | | 物業投資 及發展 | 證券 投資 | 製造及銷售 建築材料 | 精礦 貿易 | 煤炭 開採 | 其他 | 總計 |
|-----------------|---|---|---------------------------|---|---------------------------------------|-----------------|-----------------|-----------------|
| | | Property investment and development | Securities investments | Manufacture and sale of construction materials | Trading of mineral concentrates | Coal mining | Others | Total |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 資產及負債： | Assets and liabilities: | | | | | | | |
| 分部資產 | Segment assets | 94,333 | 3,721 | 142,871 | 37,456 | 45,697 | 6,589 | 330,667 |
| 集團及其他未分配資產 | Corporate and other unallocated assets | | | | | | | 109,628 |
| 總資產 | Total assets | | | | | | | 440,295 |
| 分部負債 | Segment liabilities | 42,522 | 40 | 23,945 | 16,839 | 379 | 1,260 | 84,985 |
| 集團及其他未分配負債 | Corporate and other unallocated liabilities | | | | | | | 60,662 |
| 總負債 | Total liabilities | | | | | | | 145,647 |
| 其他分部資料： | Other segment information: | | | | | | | |
| 於損益扣除之折舊及 攤銷 | Depreciation and amortisation charged in profit or loss | 2,831 | - | 26,987 | 136 | 1,967 | 4 | 31,925 |
| 資本化為資產之折舊 | Depreciation capitalised in assets | - | - | - | - | 519 | - | 519 |
| 集團及其他未分配金額 | Corporate and other unallocated amounts | | | | | | | 1,166 |
| | | | | | | | | 33,610 |
| 投資物業公平值收益 | Fair value gains on investment properties | (5,422) | - | - | - | - | - | (5,422) |
| 應收賬款減值虧損 | Impairment loss on accounts receivable | - | - | 948 | - | 52 | - | 1,000 |
| 按金及其他應收款項減值虧損 | Impairment loss on prepayments, deposits and other receivables | - | - | - | 5,175 | 1,216 | - | 6,391 |
| 其他無形資產減值虧損 | Impairment loss on other intangible assets | - | - | 14,782 | - | - | - | 14,782 |
| 其他無形資產撇銷 | Write-off of items of property, plant and equipment | 958 | - | - | - | - | - | 958 |
| 資本開支* | Capital expenditure* | 445 | - | - | - | 7,952 | 6 | 8,403 |
| 集團及其他未分配金額 | Corporate and other unallocated amounts | | | | | | | 41 |
| | | | | | | | | 8,444 |

* 資本開支包括添置物業、廠房及設備及其他無形資產。

* Capital expenditure consists of additions to property, plant and equipment and other intangible assets.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

4. 分部資料（續）

地區資料

(a) 來自外界客戶之收入

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----|-----------|----------------------------------|----------------------------------|
| 中國 | PRC | 173,904 | 31,242 |
| 秘魯 | Peru | 10,762 | 5,465 |
| 澳洲 | Australia | – | (104) |
| 香港 | Hong Kong | 38 | (328) |
| | | 184,704 | 36,275 |

收入乃按客戶所在地分類。

The revenue information above is based on the location of the customers.

(b) 非流動資產

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------|-----------|----------------------------------|----------------------------------|
| 中國 | PRC | 157,013 | 215,773 |
| 秘魯 | Peru | 78,280 | 93,910 |
| 澳洲 | Australia | 508 | 2,064 |
| 香港 | Hong Kong | 213 | 848 |
| 厄瓜多爾 | Ecuador | 376 | 501 |
| 哥倫比亞 | Colombia | 13 | 8 |
| | | 236,403 | 313,104 |

非流動資產乃按資產所在地分類。

The non-current assets information above is based on the location of assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

4. 分部資料(續)

有關主要客戶之資料

於相關期間來自客戶之營業額超過本集團總營業額10%之資料如下：

4. SEGMENT INFORMATION (continued)

Information about major customers

Revenue from customers of corresponding period contributing over 10% of total revenue of the Group is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---------------|--|----------------------------------|----------------------------------|
| 客戶A(應佔精礦貿易分部) | Customer A (attributable to trading of mineral concentrates segment) | 23,314 | 26,953 |
| 客戶B(應佔精礦貿易分部) | Customer B (attributable to trading of mineral concentrates segment) | 93,535 | – |
| 客戶C(應佔精礦貿易分部) | Customer C (attributable to trading of mineral concentrates segment) | 39,574 | – |

5. 收入及其他收入及收益

本集團之收入分析如下：

5. REVENUE AND OTHER INCOME AND GAINS

An analysis of the Group's revenue is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|--------------------------------------|--|----------------------------------|----------------------------------|
| 收入 | Revenue | | |
| 香港財務報告準則第15號範圍內的客戶合約收入(二零一八年) | Revenue from contracts with customers within the scope of HKFRS 15 (for 2018) | | |
| 銷售精礦 | Sale of mineral concentrates | 169,873 | 26,953 |
| 銷售採礦設備零部件 | Sale of parts of mining equipment | 6,222 | 4,219 |
| 銷售物業 | Sale of properties | 3,883 | – |
| 銷售煤炭 | Sale of coal | 657 | – |
| 來自其他來源的收入 | Revenue from other sources | | |
| 租金收入總額 | Gross rental income | 4,031 | 4,289 |
| 提供飛機分租服務 | Provision of aircraft sub-leasing services | – | 1,246 |
| 公平值收益/(虧損), 淨額: | Fair value gains/(losses), net: | | |
| 透過損益按公平值處理之股本投資 – 持作買賣 | Equity investments at fair value through profit or loss – held for trading | 38 | (432) |
| | | 184,704 | 36,275 |

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

5. 收入及其他收入及收益(續)

5. REVENUE AND OTHER INCOME AND GAINS (continued)

客戶合約收入的分解

Disaggregation of revenue from contracts with customers

| 截至二零一八年十二月三十一日止年度 | | Year ended 31 December 2018 | | | | |
|-------------------|--|--|--|--|---------------------------------|--------------------------------|
| 分部 | Segment | 物業投資 及發展 Property investment and development 千港元 HK\$'000 | 精礦貿易 Trading of mineral concentrates 千港元 HK\$'000 | 煤炭開採 Coal mining 千港元 HK\$'000 | 其他 Others 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
| 貨品及服務種類 | Types of goods and services | | | | | |
| 銷售精礦 | Sale of mineral concentrates | – | 169,873 | – | – | 169,873 |
| 銷售採礦設備零部件 | Sale of parts of mining equipment | – | – | – | 6,222 | 6,222 |
| 銷售物業 | Sale of properties | 3,883 | – | – | – | 3,883 |
| 銷售煤炭 | Sale of coal | – | – | 657 | – | 657 |
| 客戶合約收入總額 | Total revenue from contracts with customers | 3,883 | 169,873 | 657 | 6,222 | 180,635 |
| 地區市場 | Geographical markets | | | | | |
| 中國 | The PRC | – | 169,873 | – | – | 169,873 |
| 秘魯 | Peru | 3,883 | – | 657 | 6,222 | 10,762 |
| 客戶合約收入總額 | Total revenue from contracts with customers | 3,883 | 169,873 | 657 | 6,222 | 180,635 |
| 收入確認時間 | Timing of revenue recognition | | | | | |
| 在某一時點 | At a point in time | 3,883 | 169,873 | 657 | 6,222 | 180,635 |
| 在一段時間內 | Over time | – | – | – | – | – |
| 客戶合約收入總額 | Total revenue from contracts with customers | 3,883 | 169,873 | 657 | 6,222 | 180,635 |

下表列示於報告期初包括在合約負債並於本報告期內確認的收入金額：

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

| | | 二零一八年 2018 千港元 HK\$'000 |
|------|---------------|----------------------------------|
| 銷售貨品 | Sale of goods | 6,644 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

5. 收入及其他收入及收益(續)

客戶合約收入的分解(續)

由於所有相關合約的時間為一年或以下，因此，本集團選擇了便於實務操作的方法而並無披露履約義務。

本集團之其他收入及收益分析如下：

5. REVENUE AND OTHER INCOME AND GAINS (continued)

Disaggregation of revenue from contracts with customers (continued)

The Group elected to choose a practical expedient and omitted disclosure of performance obligations as all related contracts have a duration of one year or less.

An analysis of the Group's other income and gains is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----------------|---|----------------------------------|----------------------------------|
| 其他收入及收益 | Other income and gains | | |
| 銀行利息收入 | Bank interest income | 439 | 52 |
| 已收取賠償(附註40(a)) | Compensation received (note 40(a)) | – | 16,417 |
| 出售物業、廠房及設備項目收益 | Gain on disposal of items of property, plant and equipment | 1,499 | – |
| 其他利息收入 | Other interest income | 2,412 | 267 |
| 管理費收入 | Management fee income | 554 | – |
| 匯兌收益淨額 | Net foreign exchange gains | – | 4,262 |
| 其他 | Others | 318 | 725 |
| | | 5,222 | 21,723 |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

6. 經營虧損

6. OPERATING LOSS

本集團之經營虧損已經扣除／（計入）：

The Group's operating loss is arrived at after charging/(crediting):

| | | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---|---|------------|----------------------------------|----------------------------------|
| | | 附註 Note | | |
| 僱員福利開支 （不包括董事酬金） 薪金、工資及其他實物福利 | Employee benefits expense (excluding directors' remuneration) Salaries, wages and other benefits in kind | (i) | 24,056 | 18,332 |
| 退休福利計劃供款 | Contributions to retirement benefits schemes | | 2,270 | 2,248 |
| | | | 26,326 | 20,580 |
| 核數師酬金 | Auditors' remuneration | | 950 | 880 |
| 其他無形資產攤銷 － 供應商合約 | Amortisation of other intangible assets － supplier contract | (ii) | 6,272 | 8,651 |
| 預付土地租賃款項攤銷 | Amortisation of prepaid land lease payments | | 455 | 446 |
| 採礦權攤銷 （計入銷售及服務成本內） | Amortisation of mining rights (included in cost of sales and services) | | 61 | – |
| 存貨成本確認為開支 | Cost of inventories recognised as an expense | (iv) | 176,078 | 27,907 |
| 撤銷物業、廠房及設備項目 | Write-off of items of property, plant and equipment | (ii) | 324 | 958 |
| 物業、廠房及設備之折舊 | Depreciation of property, plant and equipment | (iii) | 18,072 | 23,994 |
| 匯兌虧損淨額 | Exchange losses – net | | 9,811 | – |
| 應收賬款減值虧損淨額 | Impairment loss on accounts receivable – net | (ii) | 13 | 1,000 |
| 預付款項、按金及 其他應收款項減值虧損淨額 | Impairment loss on prepayments, deposits and other receivables – net | (ii) | 23,953 | 6,391 |
| 物業、廠房及設備減值虧損 | Impairment loss on property, plant and equipment | (ii) | 4,251 | – |
| 經營租賃項下 有關以下各項之最低租賃款項： － 土地及樓宇 － 飛機（計入銷售及服務成本內） | Minimum lease payments under operating leases in respect of: － Land and buildings － Aircraft (included in cost of sales and services) | | 168 | 431 |
| | | | – | 106 |
| 投資物業租金收入總額 | Gross rental income from investment properties | | (4,031) | (4,289) |
| 減： 年內帶來租金收入之投資物業 產生之直接經營開支 | Less: Direct operating expenses incurred for investment properties that generated rental income during the year | | 139 | 102 |
| | | | (3,892) | (4,187) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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6. 經營虧損(續)

附註：

- (i) 有關款項不包括分別為零港元(二零一七年：約3,372,000港元)之勘探及評估資產之資本化開支。僱員福利開支約4,322,000港元(二零一七年：1,808,000港元)及22,004,000港元(二零一七年：18,772,000港元)已分別計入銷售及服務成本以及行政費用。
- (ii) 有關款項計入綜合損益表之「其他經營支出」內。
- (iii) 有關款項不包括為零港元(二零一七年：約519,000港元)之勘探及評估資產之資本化開支。折舊約671,000港元(二零一七年：零港元)、5,694,000港元(二零一七年：6,391,000港元)及11,707,000港元(二零一七年：17,603,000港元)已分別計入存貨成本、行政費用以及其他經營支出內。
- (iv) 有關款項包括存貨撇減約3,894,000港元(二零一七年：無)

7. 財務成本

財務成本分析如下：

6. OPERATING LOSS (continued)

Notes:

- (i) Amounts excluded expenses capitalised in exploration and evaluation assets of Nil (2017: approximately HK\$3,372,000). Employee benefits expense of approximately HK\$4,322,000 (2017: HK\$1,808,000) and HK\$22,004,000 (2017: HK\$18,772,000) were charged to cost of sales and services and administrative expenses respectively.
- (ii) Amounts are included in "Other operating expenses" in the consolidated statement of profit or loss.
- (iii) Amounts excluded expenses capitalised in exploration and evaluation assets of Nil (2017: approximately HK\$519,000). Depreciation of approximately HK\$671,000 (2017: Nil), HK\$5,694,000 (2017: HK\$6,391,000) and HK\$11,707,000 (2017: HK\$17,603,000) were charged to cost of inventories, administrative expenses and other operating expenses respectively.
- (iv) The amount included write-down of inventories of approximately HK\$3,894,000 (2017: Nil).

7. FINANCE COSTS

An analysis of finance costs is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-------------------------|---|----------------------------------|----------------------------------|
| 須於五年內悉數償還 之銀行及其他借貸利息 | Interest on bank and other borrowings wholly repayable within five years | 3,234 | 3,408 |
| 其他貸款安排費用 | Loan arrangement fee for other loan | 1,500 | 1,500 |
| 可換股債券的實際利息 | Effective interest on convertible bonds | 5,354 | - |
| | | 10,088 | 4,908 |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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8. 董事及主要行政人員酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司（披露董事利益資料）規例第2部披露之年內董事及主要行政人員酬金如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------|---|----------------------------------|----------------------------------|
| 袍金 | Fees | 660 | 720 |
| 其他酬金： | Other emoluments: | | |
| 薪金、津貼及實物利益 | Salaries, allowances and benefits in kind | 2,615 | 2,020 |
| 退休計劃供款 | Pension scheme contributions | 31 | 18 |
| | | 2,646 | 2,038 |
| | | 3,306 | 2,758 |

(a) 獨立非執行董事

年內已付予獨立非執行董事之袍金如下：

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-------|-------------------------|----------------------------------|----------------------------------|
| 袍金： | Fees: | | |
| 林聞深先生 | Mr. Lam Man Sum, Albert | 180 | 180 |
| 曹貺予先生 | Mr. Cao Kuangyu | 180 | 180 |
| 張嘉偉先生 | Mr. Cheung Ka Wai | 180 | 180 |
| | | 540 | 540 |

除上述者外，年內概無其他應付獨立非執行董事之酬金（二零一七年：無）。

Apart from the above, there were no other emoluments payable to the independent non-executive directors during the year (2017: Nil).

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截至二零一八年十二月三十一日止年度(以港元列值)

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8. 董事及主要行政人員酬金(續)

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) 執行董事、非執行董事及主要行政人員

(b) Executive directors, a non-executive director and the chief executive

| | | 薪金、津貼及 袍金 | 實物利益 Salaries, allowances and benefits in kind | 退休計劃供款 Pension scheme contributions | 酬金總計 Total remuneration |
|------------------------------------|--------------------------------------|-----------------|--|--|-------------------------------|
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 二零一八年 | 2018 | | | | |
| 執行董事： | Executive directors: | | | | |
| 傅軍先生 | Mr. Fu Kwan | - | 50 | - | 50 |
| 張建先生 | Mr. Zhang Jian | - | 650 | - | 650 |
| 張必書先生 | Mr. Zhang Bishu | - | 50 | - | 50 |
| 劉靜女士 | Ms. Liu Jing | - | 375 | 16 | 391 |
| 陳躍先生 | Mr. Chan Yeuk | - | 50 | - | 50 |
| 周建人先生 | Mr. Zhou Jianren | - | 180 | 9 | 189 |
| 周建和先生 | Mr. Zhou Chu Jian He | - | 120 | 6 | 126 |
| 張民先生 | Mr. Zhang Min | - | 900 | - | 900 |
| 向獻紅先生 | Mr. Xiang Xianhong | - | 120 | - | 120 |
| 雷曙光先生 | Mr. Lei Shuguang | - | 120 | - | 120 |
| | | - | 2,615 | 31 | 2,646 |
| 非執行董事： | Non-executive director: | | | | |
| Jorge Edgar Jose Muñiz Ziches先生 | Mr. Jorge Edgar Jose Muñiz Ziches | 120 | - | - | 120 |
| | | 120 | 2,615 | 31 | 2,766 |
| 二零一七年 | 2017 | | | | |
| 執行董事： | Executive directors: | | | | |
| 周建和先生 | Mr. Zhou Chu Jian He | - | 180 | 9 | 189 |
| 張民先生 | Mr. Zhang Min | - | 1,300 | - | 1,300 |
| 周建人先生 | Mr. Zhou Jianren | - | 180 | 9 | 189 |
| 向獻紅先生 | Mr. Xiang Xianhong | - | 180 | - | 180 |
| 雷曙光先生 | Mr. Lei Shuguang | - | 180 | - | 180 |
| | | - | 2,020 | 18 | 2,038 |
| 非執行董事： | Non-executive director: | | | | |
| Jorge Edgar Jose Muñiz Ziches先生 | Mr. Jorge Edgar Jose Muñiz Ziches | 180 | - | - | 180 |
| | | 180 | 2,020 | 18 | 2,218 |

綜合財務報表附註(續)

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截至二零一八年十二月三十一日止年度(以港元列值)

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8. 董事及主要行政人員酬金(續)

(b) 執行董事、非執行董事及主要行政人員(續)

於本年度內，傅軍先生、張建先生、張必書先生、劉靜女士及陳躍先生於二零一八年八月一日獲委任為執行董事。

於本年度內，周建和先生、張民先生、向獻紅先生及雷曙光先生於二零一八年八月二十二日辭任執行董事。Jorge Edgar Jose Muñoz Ziches先生於二零一八年八月二十二日辭任非執行董事。張民先生於二零一八年八月二十二日辭任本公司行政總裁。

上文所示支付予或給予執行董事之薪金、津貼及其他利益一般為就該等人士管理本公司及其附屬公司事務而提供的其他服務的薪酬。

本公司並無訂立任何安排，致使董事或主要行政人員於年內放棄或同意放棄任何酬金(二零一七年：無)。

9. 五位最高薪僱員

本年度，五位最高薪僱員包括一位董事(二零一七年：一位)，彼之酬金詳情載於上文附註8。餘下四位(二零一七年：四位)最高薪僱員(非本公司董事或主要行政人員)於本年度之酬金詳情載於下文：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors, a non-executive director and the chief executive (continued)

During the year, Mr. Fu Kwan, Mr. Zhang Jian, Mr. Zhang Bishu, Ms. Liu Jing and Mr. Chan Yeuk were appointed as executive directors on 1 August 2018.

During the year, Mr. Zhou Chu Jian He, Mr. Zhang Min, Mr. Xiang Xianhong and Mr. Lei Shuguang resigned as executive directors on 22 August 2018. Mr. Jorge Edgar Jose Muñoz Ziches resigned as a non-executive director on 22 August 2018. Mr. Zhang Min resigned as the chief executive of the Company on 22 August 2018.

Salaries, allowances and other benefits paid to or for the executive directors shown above are generally emoluments in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year (2017: Nil).

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year include one director (2017: one), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining four (2017: four) highest paid employees who are neither a director nor a chief executive of the Company are as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------|---|----------------------------------|----------------------------------|
| 薪金、津貼及實物利益 | Salaries, allowances and benefits in kind | 3,427 | 5,168 |
| 退休計劃供款 | Pension scheme contributions | 93 | 196 |
| | | 3,520 | 5,364 |

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截至二零一八年十二月三十一日止年度(以港元列值)

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9. 五位最高薪僱員(續)

屬於下列酬金範圍的非董事及非主要行政人員最高薪僱員數目如下：

9. FIVE HIGHEST PAID EMPLOYEES (continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

| | | 僱員人數 Number of employees | |
|-------------------------|-------------------------------|-----------------------------|---------------|
| | | 二零一八年 2018 | 二零一七年 2017 |
| 0-1,000,000港元 | Nil - HK\$1,000,000 | 3 | 3 |
| 1,000,001港元-1,500,000港元 | HK\$1,000,001 - HK\$1,500,000 | 1 | 1 |
| | | 4 | 4 |

10. 所得稅抵免

香港利得稅乃根據年度於香港產生之估計應課稅溢利按16.5%(二零一七年:16.5%)之稅率計提撥備。其他地區應課稅溢利之稅項乃按本集團經營業務所在司法管轄區之現行稅率計算。

10. INCOME TAX CREDIT

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-----------------|--|----------------------------------|----------------------------------|
| 即期-香港 年度費用 | Current - Hong Kong Charge for the year | 148 | 162 |
| 即期-其他地區 年度費用 | Current - elsewhere Charge for the year | 333 | 301 |
| 過往年度撥備不足 | Under-provision in prior year | 20 | 868 |
| 遞延稅項抵免 | Deferred tax credit | (8,387) | (3,187) |
| 預扣稅費用 | Withholding tax charge: | | |
| - 中國 | - PRC | 121 | 799 |
| - 澳洲 | - Australia | - | 28 |
| 年度稅項總抵免 | Total tax credit for the year | (7,765) | (1,029) |

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10. 所得稅抵免（續）

本集團除稅前虧損之稅項抵免與採用香港利得稅稅率按16.5%（二零一七年：16.5%）而計算之理論稅額之差額如下：

10. INCOME TAX CREDIT (continued)

The tax credit on the Group's loss before tax differs from the theoretical amount that would arise using the Hong Kong profits tax rate of 16.5% (2017: 16.5%) as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----------------------------------|--|----------------------------------|----------------------------------|
| 除稅前虧損 | Loss before tax | (139,665) | (63,891) |
| 按法定稅率16.5% （二零一七年：16.5%）計算之稅項 | Tax at the statutory tax rate of 16.5% (2017: 16.5%) | (23,045) | (10,542) |
| 毋須納稅之收入 | Income not subject to tax | (1,149) | (2,248) |
| 不可扣稅之開支 | Expenses not deductible for tax | 18,172 | 10,231 |
| 過往年度撥備不足 | Under-provision in prior year | 20 | 868 |
| 未確認稅項虧損 | Tax losses not recognised | 6,871 | 5,951 |
| 過往年度已動用之稅項虧損 | Tax losses utilised from prior years | (84) | (177) |
| 附屬公司在其他司法 管轄區經營而稅率不同之影響 | Effect of different tax rates of subsidiaries operating in other jurisdictions | (8,108) | (5,939) |
| 預扣稅對來自本集團可供 銷售投資利息收入之影響 | Effect of withholding tax on the interest income from the Group's available-for-sale investment | – | 28 |
| 可換股債券的遞延稅項之影響 | Effect of deferred tax on convertible bonds | (563) | – |
| 中國仲裁所得其他收入的預扣稅 之影響 | Effect of withholding tax on other income from arbitration in the PRC | 121 | 799 |
| 按實際稅率計算之稅項抵免 | Tax credit at effective rate | (7,765) | (1,029) |

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11. 本公司擁有人應佔每股虧損

每股基本及攤薄虧損乃根據本公司擁有人應佔年度虧損及年內已發行普通股之加權平均數1,053,332,260股(二零一七年: 1,045,399,967股)計算。

按以下計算每股基本及攤薄虧損:

11. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic and diluted loss per share is based on the loss for the year attributable to owners of the Company, and the weighted average number of ordinary shares of 1,053,332,260 (2017: 1,045,399,967) in issue during the year.

The calculations of basic and diluted loss per share are based on:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------------------------|---|----------------------------------|----------------------------------|
| 虧損 | Loss | | |
| 用於計算每股基本及攤薄虧損之本公司擁有人應佔虧損 | Loss attributable to owners of the Company, used in the basic and diluted loss per share calculations | (111,784) | (44,895) |
| 股份數目 | Number of shares | | |
| 用於計算每股基本及攤薄虧損之年內已發行普通股之加權平均數 | Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculations | 1,053,332,260 | 1,045,399,967 |

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之每股攤薄虧損並無假設行使根據本公司之購股權計劃所授出之購股權有關的本公司潛在普通股，原因為其假設行使將具有反攤薄影響。本集團已經於本年度內註銷所有尚未行使購股權。

計算截至二零一八年十二月三十一日止年度之每股攤薄虧損並無假設本公司於二零一八年七月二十六日發行的可換股債券獲轉換(其已經於二零一八年十二月十四日獲全面轉換)，原因為其假設轉換將具有反攤薄影響。

於二零一八年十二月三十一日，本集團並無任何潛在普通股。

The computation of diluted loss per share for the years ended 31 December 2018 and 2017 did not assume the exercise of the Company's potential ordinary shares relating to share options granted under the Company's share option scheme since their assumed exercise would have an anti-dilutive effect. The Group cancelled all outstanding share options during the year.

The computation of diluted loss per share for the year ended 31 December 2018 did not assume the conversion of the Company's convertible bonds issued on 26 July 2018 and fully converted on 14 December 2018, since their assumed conversion would have an anti-dilutive effect.

The Group had no potential ordinary shares in issue as at 31 December 2018.

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12. 股息

於本年度內並無支付或宣佈派發任何股息（二零一七年：無）。本公司董事不建議就截至二零一八年十二月三十一日止年度派付任何股息（二零一七年：無）。

12. DIVIDENDS

No dividend has been paid or declared during the year (2017: Nil). The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2018 (2017: Nil).

13. 物業、廠房及設備

13. PROPERTY, PLANT AND EQUIPMENT

| | | 永久業權土地* | 樓宇 | 租賃物業裝修 | 廠房及機器 [†] | 辦公室設備 | 汽車 | 總計 |
|-----------------------------|--|----------|-----------|------------------------|----------------------------------|------------------|----------------|-----------|
| | | Freehold | Buildings | Leasehold improvements | Plant and machinery [†] | Office equipment | Motor vehicles | Total |
| | | Land* | Buildings | improvements | machinery [†] | equipment | vehicles | Total |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 二零一八年十二月三十一日 | 31 December 2018 | | | | | | | |
| 於二零一七年十二月三十一日 及二零一八年一月一日 | At 31 December 2017 and 1 January 2018 | | | | | | | |
| 成本 | Cost | 3,437 | 141,997 | 13,225 | 170,155 | 4,630 | 11,034 | 344,478 |
| 累計折舊 | Accumulated depreciation | - | (34,387) | (1,769) | (146,297) | (3,435) | (9,190) | (195,078) |
| 賬面淨值 | Net carrying amount | 3,437 | 107,610 | 11,456 | 23,858 | 1,195 | 1,844 | 149,400 |
| 於二零一八年一月一日，扣除累計折舊 | At 1 January 2018, net of accumulated depreciation | 3,437 | 107,610 | 11,456 | 23,858 | 1,195 | 1,844 | 149,400 |
| 添置 | Additions | - | - | - | 754 | 58 | - | 812 |
| 出售 | Disposals | - | - | - | (160) | - | - | (160) |
| 撇銷 | Write-off | - | - | - | (324) | - | - | (324) |
| 本年度折舊撥備 | Depreciation provided for the year | - | (5,079) | (1,216) | (10,425) | (546) | (806) | (18,072) |
| 減值虧損（附註(iii)） | Impairment losses (note iii) | - | (943) | - | (3,308) | - | - | (4,251) |
| 匯兌調整 | Exchange realignment | (83) | (4,185) | (252) | (800) | (15) | (25) | (5,360) |
| 於二零一八年十二月三十一日， 扣除累計折舊及減值 | At 31 December 2018, net of accumulated depreciation and impairment | 3,354 | 97,403 | 9,988 | 9,595 | 692 | 1,013 | 122,045 |
| 於二零一八年十二月三十一日 | At 31 December 2018 | | | | | | | |
| 成本 | Cost | 3,354 | 135,998 | 12,906 | 159,030 | 4,272 | 10,852 | 326,412 |
| 累計折舊及減值 | Accumulated depreciation and impairment | - | (38,595) | (2,918) | (149,435) | (3,580) | (9,839) | (204,367) |
| 賬面淨值 | Net carrying amount | 3,354 | 97,403 | 9,988 | 9,595 | 692 | 1,013 | 122,045 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

13. 物業、廠房及設備(續)

13. PROPERTY, PLANT AND EQUIPMENT (continued)

| | | 永久業權土地* | 樓宇 | 租賃物業裝修 | 廠房及機器* | 辦公室設備 | 汽車 | 在建工程 | 總計 |
|-------------------------|--|----------------|-----------|------------------------|----------------------|------------------|----------------|--------------------------|-----------|
| | | Freehold Land* | Buildings | Leasehold improvements | Plant and machinery* | Office equipment | Motor vehicles | Construction in progress | Total |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 二零一七年十二月三十一日 | 31 December 2017 | | | | | | | | |
| 於二零一六年十二月三十一日及二零一七年一月一日 | At 31 December 2016 and 1 January 2017 | | | | | | | | |
| 成本 | Cost | 3,300 | 110,695 | 9,741 | 156,456 | 4,424 | 10,784 | 27,128 | 322,528 |
| 累計折舊 | Accumulated depreciation | - | (28,101) | (587) | (119,789) | (2,804) | (7,748) | - | (159,029) |
| 賬面淨值 | Net carrying amount | 3,300 | 82,594 | 9,154 | 36,667 | 1,620 | 3,036 | 27,128 | 163,499 |
| 於二零一七年一月一日，扣除累計折舊 | At 1 January 2017, net of accumulated depreciation | 3,300 | 82,594 | 9,154 | 36,667 | 1,620 | 3,036 | 27,128 | 163,499 |
| 添置 | Additions | - | - | - | 1,580 | 85 | - | 406 | 2,071 |
| 撇銷 | Write-off | - | (958) | - | - | - | - | - | (958) |
| 轉發至投資物業 | Transferred to investment properties | - | (352) | - | - | - | - | - | (352) |
| 本年度折舊撥備 | Depreciation provided for the year | - | (4,945) | (1,160) | (16,617) | (552) | (1,239) | - | (24,513) |
| 轉發 | Transfer | - | 25,596 | 3,085 | - | - | - | (28,681) | - |
| 匯兌調整 | Exchange realignment | 137 | 5,675 | 377 | 2,228 | 42 | 47 | 1,147 | 9,653 |
| 於二零一七年十二月三十一日，扣除累計折舊 | At 31 December 2017, net of accumulated depreciation | 3,437 | 107,610 | 11,456 | 23,858 | 1,195 | 1,844 | - | 149,400 |
| 於二零一七年十二月三十一日 | At 31 December 2017 | | | | | | | | |
| 成本 | Cost | 3,437 | 141,997 | 13,225 | 170,155 | 4,630 | 11,034 | - | 344,478 |
| 累計折舊 | Accumulated depreciation | - | (34,387) | (1,769) | (146,297) | (3,435) | (9,190) | - | (195,078) |
| 賬面淨值 | Net carrying amount | 3,437 | 107,610 | 11,456 | 23,858 | 1,195 | 1,844 | - | 149,400 |

* 位於香港以外之地區。

* Located outside Hong Kong.

該賬面淨值包括與本集團於二零一八年十二月三十一日之勘探及評估活動有關之物業、廠房及設備約823,000港元(二零一七年:3,453,000港元)。

The net carrying amount includes property, plant and equipment of approximately HK\$823,000 (2017: HK\$3,453,000) relating to exploration and evaluation activities of the Group as at 31 December 2018.

附註:

Notes:

(i) 截至二零一八年十二月三十一日止年度，折舊撥備約18,072,000港元(二零一七年:24,513,000港元)中，零港元(二零一七年:約519,000港元)、約671,000港元(二零一七年:零港元)、約5,694,000港元(二零一七年:6,391,000港元)及11,707,000港元(二零一七年:17,603,000港元)分別資本化於勘探及評估資產、計入存貨成本、行政費用及其他經營支出。

(i) Amongst the depreciation provided for the year ended 31 December 2018 of approximately HK\$18,072,000 (2017: HK\$24,513,000), Nil (2017: approximately HK\$519,000), approximately HK\$671,000 (2017: Nil), HK\$5,694,000 (2017: HK\$6,391,000) and HK\$11,707,000 (2017: 17,603,000) were capitalised in exploration and evaluation assets, charged to cost of inventories, administrative expenses and other operating expenses respectively.

(ii) 於二零一八年十二月三十一日，本集團賬面值約44,178,000港元(二零一七年:46,973,000港元)之若干物業、廠房及設備已抵押作本集團獲授銀行及一般融資之擔保，詳情載於綜合財務報表附註31。

(ii) At 31 December 2018, the Group had certain property, plant and equipment with carrying amount of approximately HK\$44,178,000 (2017: HK\$46,973,000) pledged to secure banking and general facilities granted to the Group, details of which are included in note 31 to the consolidated financial statements.

(iii) 於二零一八年十二月三十一日，由於湖南泰基長期停止生產(附註16(i))，參考獨立專業合資格估值師對其位於中國湖南省之物業、廠房及設備所進行的估值，本集團根據公平值減出售成本進行了減值評估。土地及樓宇已採用直接比較法，根據對大小、特徵及位置相若的類似物業的價格資料進行分析而進行估值。就廠房及機器而言，主要採用市場法，當中考慮類似資產的價格，並按被評估資產的狀況及用途予以調整。上述公平值計量分類於公平值等級的第三級。根據評估，已分別就樓宇以及廠房及機器確認為減值虧損約943,000港元及3,308,000港元。

(iii) As at 31 December 2018, the Group performed an impairment assessment based on fair value less costs of disposal with reference to valuations performed by an independent professional qualified valuer on its property, plant and equipment located in Hunan, the PRC, due to prolonged suspension of production in Hunan Taiji (note 16(i)). In assessing the land and buildings, direct comparison method is adopted based on price information where comparable properties of similar size, character and location are analysed. For plant and machinery, market approach is principally adopted. Prices for similar assets are considered, with adjustment to reflect condition and utility of the appraised assets. The above fair value measurements are categorised into Level 3 of the fair value hierarchy. Based on the assessments, impairment losses of approximately HK\$943,000 and HK\$3,308,000 were recognised for buildings and plant and machinery, respectively.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

14. 投資物業

14. INVESTMENT PROPERTIES

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---------------------|--|----------------------------------|----------------------------------|
| 於一月一日之賬面值 | Carrying amount at 1 January | 75,105 | 63,023 |
| 公平值調整產生的收益淨額 | Net gain from fair value adjustment | 885 | 5,422 |
| 自物業、產房及 設備轉撥（附註） | Transferred from property, plant and equipment (Note) | - | 322 |
| 自預付土地租賃款項轉撥 （附註） | Transferred from prepaid land lease payments (Note) | - | 4,064 |
| 匯兌調整 | Exchange realignment | (1,623) | 2,274 |
| 於十二月三十一日之賬面值 | Carrying amount at 31 December | 74,367 | 75,105 |

附註：

* 截至二零一七年十二月三十一日年度，賬面值分別為約352,000港元及1,290,000港元（重新分類之重估收益調整前）之物業、廠房及設備以及預付土地租賃款項已轉撥至投資物業（詳情載於綜合財務報表附註13及15），此乃由於管理層已更改物業之用途。該物業已由獨立專業合資格估值師永利行評值顧問有限公司於轉讓日期按公開市場價值基準以直接比較法重新估值，主要輸入數據為每單位樓面面積市場價格。所產生之公平值增加及相關遞延稅項支出分別約2,744,000港元及1,612,000港元已於權益內的物業重估儲備確認。

Note:

* During the year ended 31 December 2017, property, plant and equipment and prepaid land lease payments with carrying amounts of approximately HK\$352,000 and HK\$1,290,000 (before adjustments of gain on revaluation upon reclassification) respectively, details of which are included in notes 13 and 15 to the consolidated financial statements, were transferred to investment properties as the management had changed the use of the property. The property was revalued by RHL Appraisal Limited an independent professional qualified valuer, at the date of transfer on an open market value basis by direct comparison method with the major input being the market price per unit of floor area. The resulting increase in fair value and related deferred tax charge of approximately HK\$2,744,000 and HK\$1,612,000 respectively have been recognised in property revaluation reserve within equity.

上文所示投資物業之賬面值包括：

The carrying amount of investment properties shown above comprises:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------|---|----------------------------------|----------------------------------|
| 於中國以中期租賃持有 | Held under medium-term lease in the PRC | 74,367 | 75,105 |

於二零一八年十二月三十一日，本集團的投資物業經參考獨立專業合資格估值師永利行評值顧問有限公司作出之估值，按公開市場價值基準以直接比較法進行估值，主要輸入數據為每單位樓面面積市場價格。若干投資物業乃根據經營租賃租予第三方，有關進一步概要詳情載於綜合財務報表附註39(a)。

The Group's investment properties were revalued on 31 December 2018 with reference to a valuation performed by RHL Appraisal Limited, an independent professional qualified valuer, on an open market value basis by direct comparison method with the major input being the market price per unit of floor area. Certain investment properties are leased to third parties under operating leases, further summary details of which are included in note 39(a) to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

14. 投資物業(續)

於二零一八年十二月三十一日，本集團賬面值約39,065,000港元(二零一七年：39,199,000港元)之若干投資物業已抵押作本集團獲授信貸融資之擔保，詳情載於綜合財務報表附註31。

有關本集團投資物業的進一步詳情載於本年報第207頁。

公平值分級

下表說明本集團之投資物業之公平值計量架構。

於二零一八年十二月三十一日之公平值計量

14. INVESTMENT PROPERTIES (continued)

At 31 December 2018, certain of the Group's investment properties with carrying amount of approximately HK\$39,065,000 (2017: HK\$39,199,000) were pledged to secure credit facilities granted to the Group, details of which are included in note 31 to the consolidated financial statements.

Further particulars of the Group's investment properties are included on page 207 of this annual report.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's investment properties.

Fair value measurement as at 31 December 2018

| | 活躍市場報價 (第一級) | 重大可觀察 輸入值 (第二級) | 重大不可觀察 輸入值 (第三級) | 總計 |
|-----------|--|--|--|----------|
| | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total |
| | 千港元 | 千港元 | 千港元 | 千港元 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 經常性公平值計量： | Recurring fair value measurement for: | | | |
| 商用物業 | | | 74,367 | 74,367 |
| | | | | |

於二零一七年十二月三十一日之公平值計量

Fair value measurement as at 31 December 2017

| | 活躍市場報價 (第一級) | 重大可觀察 輸入值 (第二級) | 重大不可觀察 輸入值 (第三級) | 總計 |
|-----------|--|--|--|----------|
| | Quoted prices in active markets (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) | Total |
| | 千港元 | 千港元 | 千港元 | 千港元 |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 經常性公平值計量： | Recurring fair value measurement for: | | | |
| 商用物業 | | | 75,105 | 75,105 |
| | | | | |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

14. 投資物業（續）

公平值分級（續）

於本年度，並無第一級與第二級間之公平值計量轉撥，亦無轉入或轉出第三級（二零一七年：無）。

分類於公平值等級內第三級的公平值計量的對賬：

14. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2017: Nil).

Reconciliation of fair value measurements categorised within Level 3 of the fair value hierarchy:

| | | 商業物業 Commercial properties 千港元 HK\$'000 |
|----------------------------------|--|---|
| 於二零一七年一月一日的賬面金額 | Carrying amount at 1 January 2017 | 63,023 |
| 公平值調整產生的收益淨額，在損益內確認 | Net gain from a fair value adjustment recognised in profit or loss | 5,422 |
| 轉自物業、廠房及設備 | Transferred from property, plant and equipment | 322 |
| 轉自預付土地租賃款項 | Transferred from prepaid land lease payments | 4,064 |
| 匯兌調整 | Exchange realignment | 2,274 |
| 於二零一七年十二月三十一日及 二零一八年一月一日的賬面金額 | Carrying amount at 31 December 2017 and 1 January 2018 | 75,105 |
| 公平值調整產生的收益淨額，在損益內確認 | Net gain from a fair value adjustment recognised in profit or loss | 885 |
| 匯兌調整 | Exchange realignment | (1,623) |
| 於二零一八年十二月三十一日的賬面金額 | Carrying amount at 31 December 2018 | 74,367 |

於二零一八年及二零一七年十二月三十一日

At 31 December 2018 and 2017

| | 公平值分級 Fair value hierarchy | 估值技術 Valuation techniques | 重大不可觀察輸入值 Significant unobservable input |
|--|----------------------------------|-----------------------------------|---|
| 於中國北京之商用物業 Commercial properties in Beijing, PRC | 第三級 Level 3 | 直接比較法 Direct comparison method | 每平方米單位市場價格 Market unit price per square meter |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

14. 投資物業(續)

公平值分級(續)

本集團採用直接比較法，該方法以替代性原則為基礎，其根據類似物業實際出售而已變現的價格及／或索價進行比較。本集團會對類似大小、規模、性質、特點及位置的類似物業進行分析，並權衡各物業的相關因素，以對市場價值作出公平比較。

主要輸入值為每平方米單位市場價格。單位市場價格大幅上升／(下降)會導致投資物業公平值大幅上升／(下降)。

於二零一八年及二零一七年十二月三十一日，所有本集團於中國之投資物業均為本集團所持有的商業物業，其乃為資本增值或賺取租金而持有。

15. 預付土地租賃款項

| | | | |
|--------------|---|---------------|---------|
| 於一月一日之賬面值 | Carrying amount at 1 January | 19,399 | 19,676 |
| 於年內確認的攤銷 | Amortisation recognised during the year | (455) | (446) |
| 轉撥至投資物業 | Transferred to investment properties | - | (1,290) |
| 匯兌調整 | Exchange realignment | (981) | 1,459 |
| 於十二月三十一日之賬面值 | Carrying amount at 31 December | 17,963 | 19,399 |

租賃土地位於中國，並以中期租賃持有。

14. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

Direct comparison method is adopted based on the principle of substitution, where comparison is made based on prices realised on actual sales and/or asking prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed and weighed against the respective factors of each property in order to arrive at a fair comparison of market value.

The key input was the market unit price. A significant increase/(decrease) in the market unit price (per square meter) would result in a significant increase/(decrease) in the fair value of the investment properties.

As at 31 December 2018 and 2017, all of the Group's investment properties in the PRC are commercial properties held by the Group either for capital appreciation or for earning rentals.

15. PREPAID LAND LEASE PAYMENTS

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|--------------|---|----------------------------------|----------------------------------|
| 於一月一日之賬面值 | Carrying amount at 1 January | 19,399 | 19,676 |
| 於年內確認的攤銷 | Amortisation recognised during the year | (455) | (446) |
| 轉撥至投資物業 | Transferred to investment properties | - | (1,290) |
| 匯兌調整 | Exchange realignment | (981) | 1,459 |
| 於十二月三十一日之賬面值 | Carrying amount at 31 December | 17,963 | 19,399 |

The leasehold land is held under medium-term lease and is situated in the PRC.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

16. 其他無形資產

16. OTHER INTANGIBLE ASSETS

| | | 供應商合同 Supplier contract 千港元 HK\$'000 (附註(i)) (Note (i)) | 勘探及評估 資產 Exploration and evaluation assets 千港元 HK\$'000 (附註(ii)) (Note (ii)) | 採礦權 Mining rights 千港元 HK\$'000 (附註(iii)) (Note (iii)) | 合計 Total 千港元 HK\$'000 |
|-----------------------------|--|--|---|--|--------------------------------|
| 二零一八年十二月三十一日 | 31 December 2018 | | | | |
| 於二零一八年一月一日之成本， 扣除累計攤銷及減值 | Cost at 1 January 2018, net of accumulated amortisation and impairment | 36,156 | 23,524 | 7,099 | 66,779 |
| 添置 | Additions | - | 124 | - | 124 |
| 已確認減值虧損 | Impairment loss recognised | (28,245) | (8,865) | - | (37,110) |
| 轉撥 | Transfer | - | (5,501) | 5,501 | - |
| 年內攤銷 | Amortisation provided during the year | (6,272) | - | (61) | (6,333) |
| 匯兌調整 | Exchange realignment | (1,639) | (375) | (275) | (2,289) |
| 於二零一八年十二月三十一日 | At 31 December 2018 | - | 8,907 | 12,264 | 21,171 |
| 於二零一八年十二月三十一日 成本 | At 31 December 2018 Cost | 166,824 | 17,688 | 16,529 | 201,041 |
| 累計攤銷及減值 | Accumulated amortisation and impairment | (166,824) | (8,781) | (4,265) | (179,870) |
| 賬面淨值 | Net carrying amount | - | 8,907 | 12,264 | 21,171 |
| 二零一七年十二月三十一日 | 31 December 2017 | | | | |
| 於二零一七年一月一日之成本， 扣除累計攤銷及減值 | Cost at 1 January 2017, net of accumulated amortisation and impairment | 55,474 | 17,450 | 5,842 | 78,766 |
| 添置 | Additions | - | 5,357 | 1,016 | 6,373 |
| 已確認減值虧損 | Impairment loss recognised | (14,782) | - | - | (14,782) |
| 年內攤銷 | Amortisation provided during the year | (8,651) | - | - | (8,651) |
| 匯兌調整 | Exchange realignment | 4,115 | 717 | 241 | 5,073 |
| 於二零一七年十二月三十一日 | At 31 December 2017 | 36,156 | 23,524 | 7,099 | 66,779 |
| 於二零一七年十二月三十一日 成本 | At 31 December 2017 Cost | 175,868 | 23,524 | 11,407 | 210,799 |
| 累計攤銷及減值 | Accumulated amortisation and impairment | (139,712) | - | (4,308) | (144,020) |
| 賬面淨值 | Net carrying amount | 36,156 | 23,524 | 7,099 | 66,779 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

16. 其他無形資產(續)

附註：

- (i) 供應商合同指在本集團於二零零九年五月二十二日收購莊勝(建材)(本公司間接持有之附屬公司)及其附屬公司湖南泰基後，包含於由合營夥伴莊勝(建材)與漣源鋼鐵集團有限公司(「漣源鋼鐵」)就成立湖南泰基而訂立之日期為二零零六年六月三十日之合資合同之材料供應協議。華菱漣源鋼鐵有限公司(「華菱漣源鋼鐵」)是一家在中國成立之鋼製品製造商，由漣源鋼鐵之控股公司實際持有30%以上權益。根據上述合資合同，漣源鋼鐵負責保證供應湖南泰基所需之原材料水渣，並促使華菱漣源鋼鐵於自湖南泰基開始營運日期起計十五年期間以既定單價向湖南泰基供應水渣。

無形資產根據合資合同之條款採用直線法按照估計可使用約十四年之年期攤銷。

於二零一七年十二月三十一日，湖南泰基由於暫停供應原材料水渣而暫停生產，本集團已於二零一三年十月及二零一五年十二月就水渣供應短缺而(其中包括)未能促使規定水渣供應數量對湖南泰基之少數股東漣源鋼鐵提出仲裁申請，進一步詳情載於綜合財務報表附註40(a)。

由於來自供應商之供應短缺，本集團管理層已重新評估供應商合同無形資產賬面金額的可收回性。於二零一七年十二月三十一日，包含供應商合同無形資產的現金產生單位(「現金產生單位」)可收回金額乃根據使用價值計算法釐定。有關現金流量預測乃以管理層所批准經參考當時的經營環境(包括與漣源鋼鐵有關供應水渣的爭議)及市況而編製之涵蓋五年期之最近財務預算為基礎。應用的稅前貼現率為27.84%。五年期間後之現金流量根據零增長率推斷。計算使用價值之主要假設乃與預測期間之貼現率、單價增長、採購量以及仲裁程序的預期時間及結果相關。該貼現率反映出貨幣時間價值之當前市場評估以及現金產生單位之特定風險。

於二零一九年二月二十二日，莊勝(建材)獲湖南泰基告知接獲中國湖南省婁底市中級人民法院發出日期為二零一九年二月二十二日之應訴通知書，據此，漣源鋼鐵(作為原告人)於二零一八年九月要求法院裁決，由於股東之長期糾紛，於湖南泰基合營協議終止前解散湖南泰基。本案件已排期於二零一九年九月二十五日開庭進行聆訊。根據中國法律顧問之法律意見，本公司董事認為，該宗訴訟的裁決結果存在不明朗因素及不能合理肯定地估計。因此，本集團認為對湖南泰基恢復生產產生不利影響。該等不明朗因素亦對收回供應商合約無形資產賬面價值的可能性產生不利影響，有鑑於該等不明朗因素，本集團認為，於截至二零一八年十二月三十一日止年度在綜合損益表內就供應商合約無形資產確認全數減值約28,245,000港元屬審慎之舉。

16. OTHER INTANGIBLE ASSETS (continued)

Notes:

- (i) The supplier contract represents the materials supply agreement embedded in the joint venture agreement dated 30 June 2006 regarding the establishment of Hunan Taiji entered into between the joint venturers, namely Junefield Building Material, an indirectly held subsidiary of the Company, and 漣源鋼鐵集團有限公司 (Lianyuan Steel Group Limited) ("Lianyuan Steel"), upon the acquisition of Junefield Building Material and its subsidiary, Hunan Taiji, by the Group on 22 May 2009. 華菱漣源鋼鐵有限公司 (Hualing Steel Company Limited) ("Hualing Steel"), a company established in the PRC, is a steel products manufacturer and is effectively owned as to more than 30% by the holding company of Lianyuan Steel. Pursuant to the joint venture agreement mentioned above, Lianyuan Steel is responsible to guarantee the supply of raw materials of granulated steel slag required by Hunan Taiji and to procure Hualing Steel to supply granulated steel slag to Hunan Taiji at the prescribed unit price for a period of 15 years from the date of commencement of operation of Hunan Taiji.

The intangible asset is amortised on a straight-line basis over its estimated useful life of approximately 14 years in accordance with the terms of the joint venture agreement.

As at 31 December 2017, Hunan Taiji was in suspension of production due to suspension in the supply of raw materials of granulated steel slag and the Group has filed applications in October 2013 and December 2015 for arbitration proceedings regarding the shortage of supply of granulated steel slag against Lianyuan Steel, which is also the minority shareholder of Hunan Taiji, for, inter alia, failing to procure the requested amount of steel slag supply, further details of which are included in note 40(a) to the consolidated financial statements.

Due to the shortage of supply from the supplier, the management of the Group reassessed the recoverability of the carrying amount of the supplier contract intangible asset. As at 31 December 2017, the recoverable amount of the cash-generating unit ("CGU") containing the supplier contract intangible asset has been determined based on value in use calculation. These cash flow projections were based on most recent financial budgets approved by management, taking into account the operating environment, including the dispute with Lianyuan Steel concerning the supply of steel slag, and market conditions at that point of time, and covered a five-year period. A pre-tax discount rate of 27.84% was applied. Cash flows beyond the five-year period were extrapolated using zero growth rate. The key assumptions for the value in use calculation are those regarding the discount rate, growth in unit price, purchase volume during the forecast period and expected timing and outcome of the arbitration proceedings. The discount rate reflects current market assessments of the time value of money and the risks specific to the CGU.

On 22 February 2019, Junefield Building Material was informed by Hunan Taiji that a notice of response to action (應訴通知書) dated 12 February 2019 from the Intermediate People's Court of Loudi City, Hunan Province, the PRC, was received, pursuant to which Lianyuan Steel, as plaintiff, had in September 2018 requested a court judgement to dissolve Hunan Taiji prior to the termination of Hunan Taiji's joint venture agreement due to the prolonged shareholders' disputes. The court hearing of this case has been scheduled to be held on 25 September 2019. Based on the legal opinion of the legal advisors in the PRC, the directors of the Company are of the opinion that the outcome of the ruling of this litigation proceeding is uncertain and cannot be estimated with reasonable certainty. As a result, the Group determined the production resumption of Hunan Taiji has been adversely affected. In view of these uncertainties, which also adversely affected the likelihood of recovering the carrying value of the supplier contract intangible asset, the Group has determined it prudent to recognise full impairment of approximately HK\$28,245,000 in relation to the supplier contract intangible asset in the consolidated statement of profit or loss for the year ended 31 December 2018.

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

16. 其他無形資產(續)

附註:(續)

- (ii) 勘探及評估資產主要指有關多個位於秘魯煤礦及礦物礦場之特許權、許可證以及勘探及評估工作成本，其賬面值約為8,907,000港元(二零一七年: 23,524,000港元)，於二零一八年十二月三十一日仍處於勘探及評估階段。該等資產於可供使用前毋須進行攤銷。

於截至二零一八年十二月三十一日止年度內，秘魯其中一個煤礦於二零一八年八月正式投產，有關勘探及評估資產已經轉撥至採礦權。本公司董事參考獨立專業合資格估值師對勘探及評估資產於轉撥後的可收回金額所進行的估值進行減值評估，而可收回金額則以使用折現現金流量預測進行的使用價值的計算為基礎。為進行評估，所轉撥的勘探及評估資產已經分配予現金產生單位，其可收回金額乃經考慮估計礦山壽命、產量、售價及經營成本，以及管理層批准的最近財務預算而釐定。有關評估涵蓋9年時間，所用的稅前折現率為17.1%。於9年的評估期內，未來六年的最新財務預算乃以本集團的開採計劃為基礎，該六年期間以後的現金流量根據年增長率2.9%預測。根據評估，本集團認為有關勘探及評估資產的估計可收回金額低於其賬面金額，並於轉撥時在綜合損益表內確認減值虧損約3,347,000港元。

本公司董事參考獨立專業合資格估值師對其勘探及評估資產於二零一八年十二月三十一日的可收回金額所進行的估值進行減值評估，而可收回金額則以使用折現現金流量預測進行的使用價值的計算為基礎。為進行評估，勘探及評估資產已經分配予勘探及評估活動現金產生單位，其可收回金額乃經考慮估計礦山壽命、產量、售價及經營成本，以及管理層批准的最近財務預算而釐定。有關評估涵蓋9年時間，所用的稅前折現率為17.0%。於9年的評估期內，未來六年的最新財務預算乃以本集團的假設開採計劃為基礎，該六年期間以後的現金流量根據年增長率2.9%預測。根據評估，本集團認為若干勘探及評估資產的估計可收回金額低於其賬面金額，並就勘探及評估資產確認減值虧損約3,196,000港元。

本集團已經對其於二零一八年十二月三十一日的勘探及評估資產進行減值評估，並且認為，有鑑於未來前景不利，其若干位於秘魯的礦物礦場須予減值。因此，已於截至二零一八年十二月三十一日止年度在綜合損益表內就勘探及評估資產確認減值虧損約2,322,000港元。

- (iii) 採礦權指就屬於秘魯的煤礦進行開採活動之權利。該等採礦權乃就礦場之估計經濟儲量按生產單位予以攤銷。截至二零一八年十二月三十一日止年度之有效攤銷比率約為1.12%。

截至二零一八年十二月三十一日止年度，參考獨立專業合資格估值師所進行的估值，本公司董事對採礦權進行減值評估。採礦權已獲分配至煤炭開採活動之現金產生單位，以作減值評估。根據有關評估，本公司董事認為採礦權之估計可收回金額較其賬面值為高，故於截至二零一八年十二月三十一日止年度並無就採礦權確認減值虧損(二零一七年: 無)。

16. OTHER INTANGIBLE ASSETS (continued)

Notes: (continued)

- (ii) The exploration and evaluation assets mainly represent the cost of concessions, permits and exploration and evaluation works related to various coal and mineral mines in Peru, which are under the exploration and evaluation stage as at 31 December 2018 with a carrying value of approximately HK\$8,907,000 (2017: HK\$23,524,000). These assets are not subject to amortisation until they are placed in use.

During the year ended 31 December 2018, one of the coal mines in Peru has commenced formal production in August 2018 and the respective exploration and evaluation assets were to be transferred to mining rights. The directors of the Company performed an impairment assessment with reference to valuation performed by an independent professional qualified valuer on the recoverable amount of the exploration and evaluation assets upon the transfer, based on value-in-use calculations using discounted cash flow projections. For the purpose of assessment, the exploration and evaluation assets being transferred have been allocated to a CGU, of which the recoverable amount is determined by taking into account the estimated mine life, production volume, selling price and operating costs, and the latest financial budgets approved by the management. The assessment covers a 9-year period using pre-tax discount rate of 17.1%. During the assessment period of 9 years, the latest financial budgets for the next 6 years were based on the mining plans of the Group and cash flows beyond this 6-year period were projected using a growth rate of 2.9% per annum. Based on the assessment, the Group determined that the estimated recoverable amount of the respective exploration and evaluation assets was lower than its carrying amount and recognised impairment loss of approximately HK\$3,347,000 in the consolidated statement of profit or loss upon the transfer.

The directors of the Company performed impairment assessments with reference to valuations performed by an independent professional qualified valuer on its exploration and evaluation assets as at 31 December 2018, based on value-in-use calculations using discounted cash flow projections. For the purpose of assessment, the exploration and evaluation assets have been allocated to exploration and evaluation activities' CGUs, of which the recoverable amount is determined by taking into account the estimated mine life, production volume, selling price and operating costs, and the latest financial budgets approved by the management. The assessment covers a 9-year period using pre-tax discount rate of 17.0%. During the assessment period of 9 years, the latest financial budgets for the next 6 years were based on the assumed mining plans of the Group and cash flows beyond this 6-year period were projected using a growth rate of 2.9% per annum. Based on the assessment, the Group determined that the estimated recoverable amount of certain exploration and evaluation assets were lower than its carrying amount and recognised impairment loss of approximately HK\$3,196,000 on its exploration and evaluation assets.

The Group has made impairment assessments on its exploration and evaluation assets as at 31 December 2018 and determined that certain of its mineral mines in Peru shall be impaired in view of their unfavourable future prospects. As a result, impairment loss of approximately HK\$2,322,000 in relation to the exploration and evaluation assets was recognised in the consolidated statement of profit or loss for the year ended 31 December 2018.

- (iii) The mining rights represent the rights to conduct mining activities pertaining to coal mines in Peru. The mining rights are amortised on a unit of production basis over the estimated economic reserve of the mine. Effective amortisation rate for the year ended 31 December 2018 approximate to 1.12% per annum.

During the year ended 31 December 2018, the directors of the Company performed impairment assessments of the mining rights with reference to valuations performed by an independent professional qualified valuer. The mining rights have been allocated to the coal mining activities' CGU for impairment assessment. Based on the assessment, the directors of the Company were of the opinion that the estimated recoverable amount of the mining rights was higher than its carrying amount and therefore, no impairment loss was recognised on the mining rights for the year ended 31 December 2018 (2017: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

17. 可供銷售投資

17. AVAILABLE-FOR-SALE INVESTMENT

| | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----------------------------|----------------------------------|----------------------------------|
| 上市股本投資，按公平值－其他地區 (附註18) | N/A | 2,064 |

18. 按公平值計入其他全面收益之股本投資

18. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

| | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|--------------------------|----------------------------------|----------------------------------|
| 上市股本投資，按公平值－其他地區 (附註) | 508 | N/A |

附註：

- (i) 於二零一八年十二月三十一日，本集團持有Latin Resources Limited (「LRS」，一間於澳洲證券交易所有限公司(「澳洲證券交易所」)上市之公司)約30,699,000股(二零一七年：30,699,000股)繳足普通股，相當於其已發行股本約1%(二零一七年：1%)。

於二零一八年一月一日(香港財務報告準則第9號首次採用日期)，本集團管理層已評估應用於本集團所持有金融資產的業務模式，並將金融工具分類進香港財務報告準則第9號的合適類別。於初始應用香港財務報告準則第9號日期，本集團將LRS普通股投資指定為按公平值計入其他全面收益，因此，公平值約為2,064,000港元的金融資產由可供銷售投資重新分類至按公平值計入其他全面收益之股本投資。有關會計政策變動及香港財務報告準則第9號的影響的詳情，在綜合財務報表附註2.2內披露。

Note:

As at 31 December 2018, the Group held approximately 30,699,000 (2017: 30,699,000) fully paid ordinary shares of Latin Resources Limited ("LRS"), a company listed on the Australian Securities Exchange Limited ("ASX Limited"), representing approximately 1% (2017: 1%) of its issued share capital.

On 1 January 2018 (the date of initial application of HKFRS 9), 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 HKFRS 9 categories. As at the date of initial application of HKFRS 9, the Group has designated the investment in ordinary shares of LRS as FVTOCI and accordingly the financial assets with a fair value of approximately HK\$2,064,000 were reclassified from available-for-sale investment to equity investments at FVTOCI. Details of the changes in accounting policies and impacts of HKFRS 9 are disclosed in note 2.2 to the consolidated financial statements.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

19. 物業存貨

19. STOCK OF PROPERTIES

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-------|-------------------------------|----------------------------------|----------------------------------|
| 已完工物業 | Completed properties for sale | 3,411 | 5,768 |

本集團以供銷售之已完工物業的進一步詳情載於本年報第207頁。

Further particulars of the Group's completed properties for sale are included on page 207 of this annual report.

20. 存貨

20. INVENTORIES

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---------|-------------------------------|----------------------------------|----------------------------------|
| 原材料及消耗品 | Raw materials and consumables | 5,771 | 2,425 |
| 製成品 | Finished goods | 10,023 | 10,404 |
| | | 15,794 | 12,829 |

21. 應收貸款

21. LOAN RECEIVABLE

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------------------|--|----------------------------------|----------------------------------|
| 即期 | Current | | |
| 應收LRS貸款－無抵押， 於一年內償還 | Loan receivable from LRS – unsecured, repayable within one year | – | 397 |

上述授予LRS之無抵押貸款乃以澳元（「澳元」）計值，按年利率12%計息並於二零一七年二月到期，其已經進一步延長至二零一八年一月。該結餘已經於二零一八年一月悉數結清。

The above unsecured loan to LRS was denominated in Australian dollars (“AUD”) with maturity in February 2017 which was further extended to January 2018 and bore interest at a rate of 12% per annum. The balance has been fully settled in January 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

22. 應收賬款

22. ACCOUNTS RECEIVABLE

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------|---------------------|----------------------------------|----------------------------------|
| 應收賬款 | Accounts receivable | 2,524 | 2,105 |
| 減值 | Impairment | (1,224) | (1,000) |
| | | 1,300 | 1,105 |

應收賬款一般於發票當日即時到期。一般而言需預先作出付款，惟信貸期一般為一個月，而來自本集團煤炭開採業務之若干客戶最多可延長至兩個月。本集團盡力維持對尚未收取之應收賬款及過期結餘嚴謹監控，並由高級管理層定期對其作出檢討，以減低信貸風險。應收賬款為不計息及主要以人民幣(「人民幣」)及索爾計值。

於報告期末，按發票日期計算並扣除撥備之本集團應收賬款之賬齡分析如下：

Accounts receivable are usually due immediately from the date of billing. Payment in advance is normally required except the credit period is generally 1 month extending up to 2 months for certain customers from coal mining business of the Group. The Group seeks to maintain strict control over its outstanding receivables and overdue balances which are reviewed regularly by senior management to minimise credit risk. Accounts receivable are non-interest-bearing and mainly denominated in Renminbi ("RMB") and Soles.

An aged analysis of the Group's accounts receivable as at the end of the reporting period, based on invoice date and net of provisions, is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-------|----------------|----------------------------------|----------------------------------|
| 一個月以內 | Within 1 month | 541 | 647 |
| 一至三個月 | 1 to 3 months | 759 | 355 |
| 超過三個月 | Over 3 months | - | 103 |
| | | 1,300 | 1,105 |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

22. 應收賬款（續）

應收賬款減值撥備之變動如下：

22. ACCOUNTS RECEIVABLE (continued)

The movements in provision for impairment of accounts receivable are as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------------|--|----------------------------------|----------------------------------|
| 於年初 | At the beginning of year | 1,000 | – |
| 採用香港財務報告準則第9號的影響 | Effect of adoption of HKFRS 9 | 267 | – |
| 於年初（經重列） | At the beginning of year (restated) | 1,267 | – |
| 確認的減值虧損 | Impairment loss recognised | 275 | 1,000 |
| 轉回已確認的減值虧損 | Reversal of impairment loss recognised | (262) | – |
| 匯兌調整 | Exchange realignment | (56) | – |
| 於年末 | At the end of year | 1,224 | 1,000 |

於截至二零一八年十二月三十一日止年度香港財務報告準則第9號下的減值

本集團應用香港財務報告準則第9號的簡化方法去計量預期信貸虧損，其就所有應收賬款確認由初始確認起整個存續期的預期虧損撥備。為計量預期信貸虧損，應收賬款已根據共同信貸風險特徵及逾期天數分組。有關計算反映概率加權結果、貨幣的時間價值，以及於報告日期可得有關過去事件、當前狀況及未來經濟狀況預測的合理及可支持的信息。一般而言，應收賬款如逾期超過90天就會計提全數減值。

Impairment under HKFRS 9 for the year ended 31 December 2018

The Group applies HKFRS 9 simplified approach to measure expected credit losses by recognising a lifetime expected loss allowance for all accounts receivable from initial recognition. To measure the expected credit losses, accounts receivable has been grouped based on shared credit risk characteristics and the days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, accounts receivable are fully impaired if past due for more than 90 days.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

22. 應收賬款(續)

於截至二零一八年十二月三十一日止年度香港財務報告準則第9號下的減值(續)

以下載列本集團應收賬款所面臨信貸風險的資料：

於二零一八年十二月三十一日

22. ACCOUNTS RECEIVABLE (continued)

Impairment under HKFRS 9 for the year ended 31 December 2018 (continued)

Set out below is the information about the credit risk exposure on the Group's accounts receivable:

As at 31 December 2018

| | | 逾期 Past due | | | 合計 Total |
|-----------|----------------------------------|-------------------------------|---------------------------|---------------------------|-------------|
| | | 少於一個月 Less than 1 month | 一至三個月 1 to 3 months | 超過三個月 Over 3 months | |
| 賬面總值(千港元) | Gross carrying amount (HK\$'000) | 545 | 944 | 1,035 | 2,524 |
| 預期信貸虧損率 | Expected credit loss rate | 0.73% | 19.60% | 100% | 48.49% |
| 虧損撥備(千港元) | Loss allowance (HK\$'000) | (4) | (185) | (1,035) | (1,224) |

於截至二零一七年十二月三十一日止年度香港會計準則第39號下的減值

應收賬款減值撥備為就個別已減值應收賬款計提撥備約1,000,000港元。於二零一七年十二月三十一日之個別已減值應收賬款主要與結餘逾期一年以上之客戶有關。管理層評估收回該等應收款項存疑。本集團並無就該等結餘持有任何抵押品或其他信貸升級。

Impairment under HKAS 39 for the year ended 31 December 2017

The provision for impairment of accounts receivable represented provision for individually impaired accounts receivable of approximately HK\$1,000,000. The individually impaired accounts receivable as at 31 December 2017 mainly related to customers with balances that were past due over 1 year. The management assessed that the collection of these receivables was in doubt. The Group did not hold any collateral or other credit enhancements over these balances.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

22. 應收賬款（續）

於截至二零一七年十二月三十一日止年度香港會計準則第39號下的減值（續）

於二零一七年十二月三十一日，根據香港會計準則第39號未被視為減值之應收賬款之賬齡分析如下：

22. ACCOUNTS RECEIVABLE (continued)

Impairment under HKAS 39 for the year ended 31 December 2017 (continued)

The aged analysis of the accounts receivable as at 31 December 2017 that are not considered to be impaired under HKAS 39 is as follows:

| | | 二零一七年 2017 千港元 HK\$'000 |
|----------|-------------------------------|----------------------------------|
| 並無逾期亦無減值 | Neither past due nor impaired | - |
| 逾期一個月內 | Less than 1 month past due | 647 |
| 逾期一至三個月 | 1 to 3 months past due | 355 |
| 逾期超過三個月 | Over 3 months past due | 103 |
| | | 1,105 |

與本集團往績記錄良好之若干獨立客戶有關之應收賬款已逾期但並無減值。根據過往經驗，本公司董事認為，根據香港會計準則第39號，毋須就該等結餘作出減值撥備，乃因信貸質素並無重大變動，而結餘仍被視作可全數收回。本集團並無就該等結餘持有任何抵押品或其他信貸升級。

Receivables that were past due but not impaired relate to certain independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment under HKAS 39 is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

23. 預付款項、按金及其他應收款項

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|--------|-----------------------|----------------------------------|----------------------------------|
| 預付款項 | Prepayments | 2,275 | 6,049 |
| 按金 | Deposits | 29,228 | 32,278 |
| 其他應收款項 | Other receivables | 21,953 | 26,697 |
| 其他應收貸款 | Other loan receivable | 3,421 | 3,606 |
| | | 56,877 | 68,630 |
| 減值 | Impairment | (33,948) | (10,157) |
| | | 22,929 | 58,473 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

23. 預付款項、按金及其他應收款項
(續)

預付款項、按金及其他應收款項之減值撥備變動如下：

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

The movements in provision for impairment of prepayments, deposits and other receivables are as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------------|--|----------------------------------|----------------------------------|
| 於年初 | At the beginning of year | 10,157 | 3,499 |
| 採用香港財務報告準則第9號的影響 | Effect of adoption of HKFRS 9 | 213 | - |
| 於年初(經重列) | At the beginning of year (restated) | 10,370 | 3,499 |
| 已確認減值虧損 | Impairment loss recognised | 24,166 | 6,391 |
| 已確認減值虧損轉回 | Reversal of impairment loss recognised | (213) | - |
| 因無法收回而撇銷 | Write-off as uncollectible | (161) | - |
| 匯兌調整 | Exchange realignment | (214) | 267 |
| 於年末 | At the end of year | 33,948 | 10,157 |

上述預付款項、按金及其他應收款項之減值撥備指就個別已減值預付款項、按金及其他應收款項作出之撥備。於二零一八年及二零一七年十二月三十一日的個別已減值預付款項、按金及其他應收款項主要與支付予賣方及服務供應商的逾期一年以上的按金有關。管理層評估該已減值按金預期將不可收回或用於採購。本集團並無就該等結餘持有任何抵押品或其他增信措施。

The above provision for impairment of prepayments, deposits and other receivables represents provision for individually impaired prepayments, deposits and other receivables. The individually impaired prepayments, deposits and other receivables as at 31 December 2018 and 2017 mainly relate to deposits paid to vendors and service providers that were past due over 1 year. The management assessed that the impaired deposits are neither expected to be recovered nor utilised as purchases. The Group did not hold any collateral or other credit enhancements over these balances.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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23. 預付款項、按金及其他應收款項（續）

當收回款項存疑時，其他應收貸款之減值虧損乃根據對尚未償還金額之定期審閱作出。壞賬乃於識別時撇銷。本集團並無對有關結餘持有任何抵押品或其他增信措施。於二零一八年及二零一七年十二月三十一日之其他應收貸款乃以人民幣計值，按每月1%計息，由個人擔保作抵押及須於二零一三年十二月償還。上述其他應收貸款已於二零一八年及二零一七年十二月三十一日獲悉數減值，原因為該筆貸款已於二零一三年十二月逾期及收回該等款項存疑。

有關包括在其他應收款項的金融資產及其他應收貸款的預期信貸虧損撥備的變動如下：

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

An impairment loss was made on other loan receivable based on a review of the outstanding amount on regular basis when collection of the amount is in doubt. Bad debts are written off when identified. The Group does not hold any collateral or other credit enhancements over this balance. The other loan receivable as at 31 December 2018 and 2017 was denominated in RMB, bore interest at 1% per month, was secured by personal guarantee and was repayable in December 2013. The above other loan receivable as at 31 December 2018 and 2017 was fully impaired as the loan was past due in December 2013 and the collection of the amount was in doubt.

The movements in the ECL allowance related to financial assets included in other receivables and other loan receivable are as follows:

| | | 包括在其他應收款項的金融資產 Financial assets included in other receivables | | | 其他應收貸款 Other loan receivable | | | |
|----------------------|-------------------------------|---|--|--|---------------------------------|---|--|-----------------|
| | | 整個存續期 預期信貸 12個月預期 信貸虧損 | 整個存續期 預期信貸 虧損－未信 用減值 | 整個存續期 預期信貸 虧損－信用 減值 | 12個月預期 信貸虧損 | 整個存續期 預期信貸 虧損－未信 用減值 | 整個存續期 預期信貸 虧損－信用 減值 | 總計 |
| | | Lifetime ECL not 12 months ECL | Lifetime ECL credit- impaired | Lifetime ECL credit- impaired | 12 months ECL | Lifetime ECL not 12 months ECL | Lifetime ECL credit- impaired | Total |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 於二零一八年一月一日 | At 1 January 2018 | - | - | 161 | - | - | 3,606 | 3,767 |
| 採用香港財務報告準則 第9號的影響 | Effect of adoption of HKFRS 9 | - | - | 213 | - | - | - | 213 |
| 於二零一八年一月一日 (經重列) | At 1 January 2018 (restated) | - | - | 374 | - | - | 3,606 | 3,980 |
| 於結算後轉回 | Reversal upon settlement | - | - | (213) | - | - | - | (213) |
| 因無法收回而撇銷 | Write-off as uncollectible | - | - | (161) | - | - | - | (161) |
| 匯兌調整 | Exchange realignment | - | - | - | - | - | (185) | (185) |
| 於二零一八年十二月三十一日 | At 31 December 2018 | - | - | - | - | - | 3,421 | 3,421 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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24. 應收關連公司款項

24. AMOUNTS DUE FROM RELATED COMPANIES

| 公司名稱 | Name of company | 附註 Note | 本年度內最高 未償還結餘 Highest balance outstanding during the year 千港元 HK\$'000 | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---------------------------------|---------------------------------|------------|---|----------------------------------|----------------------------------|
| Junefield Group S.A. | Junefield Group S.A. | (i) | 11 | 11 | 11 |
| 莊勝(集團)有限公司 | Junefield (Holdings) Limited | (i) | 6 | 6 | - |
| Ecuamining Mineral S.A. | Ecuamining Mineral S.A. | (i) | 132 | 132 | - |
| Total Genius Iron Mining S.A.C. | Total Genius Iron Mining S.A.C. | (i) | 185 | 185 | 183 |
| 華菱漣源鋼鐵 | Hualing Steel | (ii) | 13,002 | 12,322 | 13,002 |
| | | | | 12,656 | 13,196 |

該應收款項為無抵押、免息及無固定還款期。

The amounts due are unsecured, interest-free and have no fixed terms of repayment.

附註：

Notes:

- (i) 本公司執行董事周建人先生的家人周建和先生(「周先生」)，於Junefield Group S.A.、莊勝(集團)有限公司、Ecuamining Mineral S.A.(「Ecuamining Mineral」)及Total Genius Iron Mining S.A.C.(「Total Genius」)擁有實益權益。周先生亦為本公司前主席兼前執行董事(於二零一八年八月二十二日辭任)。
- (ii) 湖南泰基之非控股權益控股公司漣源鋼鐵，於華菱漣源鋼鐵擁有實益權益。有關款項主要包括預付款項及已付訂金。

- (i) Mr. Zhou Chu Jian He ("Mr. Zhou"), a close family member of Mr. Zhou Jianren (an executive director of the Company), has beneficial interests in Junefield Group S.A., Junefield (Holdings) Limited, Ecuamining Mineral S.A. ("Ecuamining Mineral") and Total Genius Iron Mining S.A.C. ("Total Genius"). Mr. Zhou is also the former chairman and former executive director of the Company (resigned on 22 August 2018).
- (ii) Lianyuan Steel, being the holding company of the non-controlling interest of Hunan Taiji, has beneficial interests in Hualing Steel. The amount mainly comprises of prepayments and deposits paid.

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

25. 應付最終控股公司／關連公司款項

該應付款項為無抵押、免息及無固定還款期。

25. AMOUNTS DUE TO THE ULTIMATE HOLDING COMPANY/RELATED COMPANIES

The amounts due are unsecured, interest-free and have no fixed terms of repayment.

26. 透過損益按公平值處理之金融工具

26. FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-------------------|--|----------------------------------|----------------------------------|
| 上市股本投資，按市值： 香港 | Listed equity investments, at market value: Hong Kong | - | 1,047 |

上述上市股本投資於二零一七年十二月三十一日獲分類為持作買賣及透過損益按公平值處理之金融工具。

The above listed equity investments at 31 December 2017 were classified as held for trading and recognised as financial instruments at fair value through profit or loss.

27. 現金及銀行結餘

27. CASH AND BANK BALANCES

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---------|------------------------|----------------------------------|----------------------------------|
| 現金及銀行結餘 | Cash and bank balances | 100,901 | 34,290 |

於報告期間結束時，本集團以人民幣計值之現金及銀行結餘約為16,520,000港元(二零一七年：4,269,000港元)及存放於中國之銀行。儘管人民幣不可自由兌換為其他貨幣，然而，根據中國內地外匯管理條例及結匯、售匯及付匯管理規定，本集團通過獲授權進行外匯業務的銀行將人民幣兌換作其他貨幣。

At the end of the reporting period, cash and bank balances of the Group denominated in RMB amounted to approximately HK\$16,520,000 (2017: HK\$4,269,000) and placed with banks in the PRC. The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

27. 現金及銀行結餘(續)

於二零一八年十二月三十一日，現金及銀行結餘包括存放於秘魯銀行之結餘約33,000索爾(相等於約79,000港元)(二零一七年：37,000索爾(相等於約89,000港元))，僅限於用作重續秘魯航空營運許可證之保證金。

銀行現金根據每日銀行存款利率按浮動利率計息。銀行結餘存於信譽良好且並無近期違約記錄之銀行內。

28. 應付賬款

於報告期末，按發票日期計算之本集團應付賬款之賬齡分析如下：

27. CASH AND BANK BALANCES (continued)

As at 31 December 2018, included in the cash and bank balances, there was a balance of approximately Soles 33,000 (equivalent to approximately HK\$79,000) (2017: Soles 37,000 (equivalent to approximately HK\$89,000)) placed in bank in Peru which is restricted for use as guarantee fund over renewal of Air Operator Certificate in Peru.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

28. ACCOUNTS PAYABLE

An aged analysis of the Group's accounts payable as at the end of the reporting period, based on invoice date, is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-------|----------------|----------------------------------|----------------------------------|
| 一個月以內 | Within 1 month | 1,340 | 1,086 |
| 一至三個月 | 1 to 3 months | 679 | 85 |
| 超過三個月 | Over 3 months | 5,009 | 3,998 |
| | | 7,028 | 5,169 |

應付賬款為不計息及主要以人民幣、美元及索爾計值。

Accounts payable are non-interest-bearing and are mainly denominated in RMB, USD and Soles.

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

29. 其他應付款項及應計負債

29. OTHER PAYABLES AND ACCRUALS

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|--------|----------------------|----------------------------------|----------------------------------|
| 應計負債 | Accruals | 19,176 | 15,028 |
| 應付商業稅 | Business tax payable | 2,030 | 2,282 |
| 已收按金 | Deposits received | 1,239 | 8,804 |
| 合約負債 | Contract liabilities | 2,090 | – |
| 其他應付款項 | Other payables | 21,434 | 21,498 |
| | | 45,969 | 47,612 |

應計負債主要包括應計利息、法律及專業費用以及薪金。其他應付款項為不計利息及主要以人民幣及索爾計值。

The accruals mainly comprise of accrued interest, legal and professional fees and salaries. Other payables are non-interest-bearing and are mainly denominated in RMB and Soles.

30. 可換股債券

於二零一八年七月二十六日，本公司發行本金額為100,000,000港元之可換股債券(「可換股債券」)予本公司的直接控股公司新華聯集團(作為認購人)。發行可換股債券被視為上市規則第14A章定義的關連交易。根據債券認購協議，可換股債券按5厘的年利率計算利息，每半年一次於期末支付，並於發行日期起滿兩年之日到期。債券持有人有權於到期日前任何營業日隨時將可換股債券之全部或部分未償還本金轉換為本公司已發行股本中每股面值0.10港元之普通股，惟須受其他條件所規限。任何轉換應以不少於3,000,000港元之完整倍數之金額作出，除非未償還可換股債券的本金少於3,000,000港元，在此情況下則轉換該可換股債券的全部(而非部分)未償還本金。根據初步轉換價0.6217港元計算，於本金合共為100,000,000港元之可換股債券獲悉數轉換後，將會發行160,849,284股轉換股份，惟須受其他條件所規限。本公司將於到期日按未償還可換股債券的本金額及利息贖回全部未償還可換股債券。根據認購協議，本公司並無提前贖回權。本公司須支付於轉換日期前累計的利息。

30. CONVERTIBLE BONDS

On 26 July 2018, the Company issued convertible bonds in principal amount of HK\$100,000,000 (the “Convertible Bonds”) to Macrolink Group (as subscriber), the immediate holding company of the Company. The issue of the Convertible Bonds is deemed to be a connected transaction as defined in Chapter 14A of the Listing Rules. Pursuant to the bond subscription agreement, the Convertible Bonds bear interest at a rate of 5% per annum payable half yearly in arrears with maturity on two years from the date of issue. The bond holder has the right, at any time on any business day before the maturity date, to convert the whole or part of the outstanding principal amount of the Convertible Bonds into ordinary shares in the issued share capital of the Company of HK\$0.10 par value each, subject to other conditions. Any conversion shall be made in amounts of not less than a whole multiple of HK\$3,000,000 on each conversion unless the principal amount of the outstanding convertible bond is less than HK\$3,000,000 in which case the whole (but not part only) of such outstanding principal amount of the Convertible Bonds shall be converted. 160,849,284 conversion shares will be issued upon full conversion of the Convertible Bonds in an aggregate principal amount of HK\$100,000,000 based on the initial conversion price of HK\$0.6217, subject to other conditions. The Company will redeem all the outstanding Convertible Bonds at an amount of the principal amount of such outstanding Convertible Bonds with interest on the maturity date. The Company has no early redemption right under the subscription agreement. Interest accrued prior to the conversion date shall be paid by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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30. 可換股債券(續)

於發行日期，可換股債券負債部分的公平值乃參考獨立專業合資格估值師所進行的估值，以採用適用借貸年利率17.41厘將預期未來現金流量折現的方式估計，有關利率乃參照於發行日期信用評級及到期日相似的類似債券的到期收益率釐定。負債部分以攤銷成本基準計量，直至於轉換或贖回時終絕為止。其餘所得款項(代表可換股債券於發行日期的公平值)已分配至可換股債券的權益部分。交易成本乃根據於發行日期所得款項分配至負債及權益部分的比例攤分至可換股債券的負債及權益部分。

於本年度內發行的可換股債券的負債部分的變動如下：

30. CONVERTIBLE BONDS (continued)

On the issuance date, the fair value of the liability component of the Convertible Bonds is estimated by discounting the expected future cash flows using the applicable borrowing rate of 17.41% per annum, which was determined with reference to the yield to maturity of comparable bonds with similar credit ratings and maturities as at the issuance date with reference to a valuation performed by an independent professional qualified valuer. The liability component is measured on amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds, which represented the fair value of the Convertible Bonds at issuance date, are allocated to the equity component of the Convertible Bonds. Transaction cost are apportioned between liability and equity components of the Convertible Bonds based on the allocation of proceeds to the liability and equity components on the issuance date.

The movement of the liability component of the Convertible Bonds issued during the year is as follows:

| | | 可換股債券 的負債部分 Liability component of convertible bonds 千港元 HK\$'000 |
|-----------------|--------------------------------|--|
| 於二零一八年七月二十六日發行 | Issuance on 26 July 2018 | 80,734 |
| 交易成本 | Transaction cost | (1,009) |
| 實際利息開支 | Effective interest expense | 5,354 |
| 已付利息 | Interest paid | (1,945) |
| 於二零一八年十二月十四日獲轉換 | Conversion on 14 December 2018 | (83,134) |
| 於二零一八年十二月三十一日 | At 31 December 2018 | - |

於二零一八年十二月十一日，本公司收到新華聯集團有關根據可換股債券的條款行使轉換權利以全數轉換可換股債券的轉換通知。於二零一八年十二月十四日，可換股債券按初步轉換價0.6217港元獲悉數轉換後，本公司已配發及發行160,849,284股普通股予新華聯集團。

On 11 December 2018, the Company received a conversion notice from Macrolink Group in relation to the exercise of the conversion rights to wholly convert the Convertible Bonds pursuant to the terms of the Convertible Bonds. On 14 December 2018, 160,849,284 ordinary shares were allotted and issued by the Company to Macrolink Group upon full conversion of the Convertible Bonds based on the initial conversion price of HK\$0.6217.

綜合財務報表附註（續）

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截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

31. 計息銀行及其他借貸

31. INTEREST-BEARING BANK AND OTHER BORROWINGS

| | | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------------|--|------------|----------------------------------|----------------------------------|
| | | 附註 Note | | |
| 即期 | Current | | | |
| 銀行貸款－有抵押 | Bank loan – secured | (i) | 3,768 | 3,718 |
| 其他貸款－有抵押 | Other loan – secured | (ii) | 25,000 | – |
| 其他貸款－無抵押 | Other loan – unsecured | (iii) | 5,701 | 6,010 |
| | | | 34,469 | 9,728 |
| 非即期 | Non-current | | | |
| 銀行貸款－有抵押 | Bank loan – secured | (i) | 2,512 | 6,196 |
| 其他貸款－有抵押 | Other loan – secured | (ii) | – | 25,000 |
| | | | 2,512 | 31,196 |
| 合計 | Total | | 36,981 | 40,924 |
| 分析為： | Analysed into: | | | |
| 須償還之銀行及其他借貸： | Bank and other borrowings repayable: | | | |
| －一年內或按要求償還 | – Within one year or on demand | | 34,469 | 9,728 |
| －第二年 | – In the second year | | 2,512 | 28,718 |
| －第三年至第五年（包括首尾兩年） | – In the third to fifth years, inclusive | | – | 2,478 |
| | | | 36,981 | 40,924 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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31. 計息銀行及其他借貸(續)

31. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

附註：

Notes:

- (i) 於二零一八年十二月三十一日，本集團自秘魯當地銀行取得銀行貸款約798,000美元或相等於約6,280,000港元(二零一七年：1,276,000美元或相等於約9,914,000港元)以為秘魯採礦項目撥資。該貸款以美元計值，按一年期倫敦銀行同業拆息(「倫敦銀行同業拆息」)加每年6.4厘(二零一七年：一年期倫敦銀行同業拆息加每年6.4厘)之年利率計息且將於二零二零年八月屆滿。

銀行貸款以本集團位於秘魯之若干物業、廠房及設備作抵押，其於二零一八年十二月三十一日之賬面總值約為44,178,000港元(二零一七年：46,973,000港元)。

- (ii) 本集團與香港一名放貸人就本金為25,000,000港元的一年期貸款訂立協議，以滿足本集團之一般營運資金需求。本集團於二零一七年一月四日悉數提取有關貸款。有抵押其他貸款以港元計值，按年利率8厘計息並已於二零一八年一月償還。

於二零一七年十二月，本集團與該放貸人訂立補充協議，償還日期已進一步延期至二零一九年一月三日。

該貸款乃以本集團於二零一八年十二月三十一日賬面總值約為39,065,000港元(二零一七年：39,199,000港元)之投資物業以及本公司提供之公司擔保作抵押。

於報告期末後，於二零一九年一月，本集團與該放貸人就金額相同的融資訂立新協議，還款日期為二零二零年一月三日。

- (iii) 其他無抵押貸款乃以人民幣計值並按每年9.5厘計息及按要求還款。

- (i) As at 31 December 2018, the Group had a bank loan of approximately USD798,000 or equivalent to approximately HK\$6,280,000 (2017: USD1,276,000 or equivalent to approximately HK\$9,914,000) from a local bank in Peru for financing its mining projects in Peru. The loan is denominated in USD, interest-bearing at annual rate of London Interbank Offered Rate ("LIBOR") plus 6.4% per annum (2017: LIBOR plus 6.4% per annum) and will be expired in August 2020.

The bank loan is secured by certain of the Group's property, plant and equipment situated in Peru with aggregate carrying value of approximately HK\$44,178,000 (2017: HK\$46,973,000) as at 31 December 2018.

- (ii) The Group entered into an agreement with a money lender in Hong Kong for one year term loan with principal amount of HK\$25,000,000 for facilitating the general working capital needs of the Group. The Group withdrew the loan in full on 4 January 2017. The secured other loan is denominated in HK\$, interest-bearing at 8% per annum and was repayable in January 2018.

In December 2017, the Group entered into a supplementary agreement with the money lender and the repayment date was further extended to 3 January 2019.

The loan is secured by certain of the Group's investment properties with aggregate carrying value of approximately HK\$39,065,000 (2017: HK\$39,199,000) as at 31 December 2018 and corporate guarantee given by the Company.

Subsequent to the end of the reporting period in January 2019, the Group entered into a new agreement with the money lender for the same amount of facility with a repayment date on 3 January 2020.

- (iii) The unsecured other loan is denominated in RMB, bears interest at a rate of 9.5% per annum and repayable on demand.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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32. 遞延稅項

本集團遞延稅項資產及負債於年內之變動如下：

遞延稅項資產

32. DEFERRED TAX

The movements in the Group's deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

| | | 可供抵銷未來應課稅溢利之虧損 Losses available for offsetting against future taxable profits 千港元 HK\$'000 |
|-----------------------------|--|---|
| 於二零一七年一月一日 | At 1 January 2017 | 504 |
| 於損益扣除之遞延稅項 | Deferred tax charged to profit or loss | (168) |
| 匯兌差額 | Exchange differences | 21 |
| 於二零一七年十二月三十一日及 二零一八年一月一日 | As at 31 December 2017 and 1 January 2018 | 357 |
| 匯兌差額 | Exchange differences | (8) |
| 於二零一八年十二月三十一日 | At 31 December 2018 | 349 |

遞延稅項負債

Deferred tax liabilities

| | | 無形資產 Intangible asset 千港元 HK\$'000 | 重估物業 Revaluation of properties 千港元 HK\$'000 | 可換股債券 Convertible bonds 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-----------------------------|---|---|--|---|--------------------------------|
| 於二零一七年一月一日 | At 1 January 2017 | 13,868 | 28,005 | - | 41,873 |
| 於損益（計入）／扣除之 遞延稅項 | Deferred tax (credited)/charged to profit or loss | (5,721) | 2,366 | - | (3,355) |
| 於其他全面收益扣除之 遞延稅項 | Deferred tax charged to other comprehensive income | - | 1,612 | - | 1,612 |
| 匯兌差額 | Exchange differences | 891 | 646 | - | 1,537 |
| 於二零一七年十二月三十一日 及二零一八年一月一日 | At 31 December 2017 and 1 January 2018 | 9,038 | 32,629 | - | 41,667 |
| 於損益（計入）／扣除之 遞延稅項 | Deferred tax (credited)/charged to profit or loss | (8,886) | 1,062 | - | (7,824) |
| 發行可換股債券時的初步 遞延稅項 | Initial deferred tax on issuance of convertible bonds | - | - | 3,179 | 3,179 |
| 於支付利息時計入損益的 遞延稅項 | Deferred tax credited to profit or loss on payment of interest | - | - | (563) | (563) |
| 於可換股債券獲全數轉換時 轉回 | Reversal on full conversion of convertible bonds | - | - | (2,616) | (2,616) |
| 匯兌差額 | Exchange differences | (152) | (484) | - | (636) |
| 於二零一八年十二月三十一日 | At 31 December 2018 | - | 33,207 | - | 33,207 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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32. 遞延稅項(續)

本集團有來自香港之稅項虧損約1,062,000港元(二零一七年:1,062,000港元)可無限期用於抵銷出現虧損之公司之未來應課稅溢利。本集團亦於中國產生稅項虧損約73,671,000港元(二零一七年:57,900,000港元)並將於一至五年內屆滿,可供抵銷未來應課稅溢利。本集團有自厄瓜多爾產生之稅項虧損約1,527,000港元(二零一七年:1,360,000港元),可於五年內結轉,惟僅可由各課稅年度賺取之溢利之25%予以抵銷。

本集團亦有來自秘魯之稅項虧損約72,623,000港元(二零一七年:52,796,000港元),而本集團可選擇結轉四年之所有經營虧損淨額或可無限期結轉虧損,惟最多僅可為納稅人於各其後年度之應課稅收入之50%,亦不得抵銷先前之虧損。於二零一八年十二月三十一日,已就有關稅項虧損約1,245,000港元(二零一七年:1,275,000港元)確認遞延稅項資產。由於剩餘稅項虧損源自虧損已有一段時間之附屬公司,不大可能有可動用稅項虧損作抵銷之應課稅溢利,故並無就剩餘稅項虧損確認遞延稅項資產。

根據中國企業所得稅法的規定,於中國成立之外資企業向境外投資者宣派之股息須徵收10%預扣稅。是項規定自二零零八年一月一日起生效,並適用於二零零七年十二月三十一日以後產生之盈利。倘中國與有關境外投資者所屬司法管轄區之間訂有稅務協定,則或可按較低預扣稅稅率繳稅。就本集團而言,適用稅率為5%或10%。因此,本集團須就於中國成立之附屬公司自二零零八年一月一日起產生之盈利所分派之股息繳納預扣稅。於二零一八年及二零一七年十二月三十一日,中國附屬公司並無未匯出盈利。

32. DEFERRED TAX (continued)

The Group has tax losses arising in Hong Kong of approximately HK\$1,062,000 (2017: HK\$1,062,000) and that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group has tax losses arising in the PRC of approximately HK\$73,671,000 (2017: HK\$57,900,000) that will expire in one to five years for offsetting against future taxable profits. The Group has tax losses arising in Ecuador of approximately HK\$1,527,000 (2017: HK\$1,360,000) that may be carried forward for five years, but may only be offset against 25% of the profits earned in each tax year.

The Group also has tax losses arising in Peru of approximately HK\$72,623,000 (2017: HK\$52,796,000) which the Group has the option to carry forward all net operating losses for four years or carry the losses forward indefinitely, but only up to 50% of the taxpayer's taxable income of each subsequent year. Loss carryback is not permitted. Deferred tax assets have been recognised in respect of approximately HK\$1,245,000 (2017: HK\$1,275,000) of such tax losses at 31 December 2018. Deferred tax assets have not been recognised in respect of the remaining tax losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the PRC in respect of earnings generated since 1 January 2008. There was no unremitted earnings for the PRC subsidiaries as at 31 December 2018 and 2017.

綜合財務報表附註(續)

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33. 股本

33. SHARE CAPITAL

| | | Number of shares 股份數目 | | Share capital 股本 | |
|----------------|----------------------------------|--------------------------|----------------|----------------------------------|----------------------------------|
| | | 二零一八年 2018 | 二零一七年 2017 | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
| 法定： | Authorised: | | | | |
| 每股面值0.10港元之普通股 | Ordinary shares of HK\$0.10 each | 25,000,000,000 | 25,000,000,000 | 2,500,000 | 2,500,000 |
| 已發行及繳足： | Issued and fully paid: | | | | |
| 於一月一日 | At 1 January | 1,045,399,967 | 1,045,399,967 | 104,540 | 104,540 |
| 可換股債券獲轉換 | Conversion of Convertible Bonds | 160,849,284 | - | 16,085 | - |
| 於十二月三十一日 | At 31 December | 1,206,249,251 | 1,045,399,967 | 120,625 | 104,540 |

於二零一八年十二月十四日，可換股債券按初步轉換價0.6217港元獲悉數轉換後，本公司已配發及發行160,849,284股普通股予債券持有人。有關可換股債券的詳情，載於綜合財務報表附註30內。

本公司已經於本年度內註銷其購股權。本公司購股權計劃及根據該計劃已發行購股權之詳情載於綜合財務報表附註34。

34. 購股權計劃

一項購股權計劃已根據本公司股東於二零零九年六月二十九日通過之書面決議案而採納(「購股權計劃」)。購股權計劃於二零零九年六月二十九日起生效，並於該日起持續有效十年(除非另行註銷或修訂)。

購股權計劃旨在為本集團招攬、保留及推動具才幹之參與者為本集團未來發展及拓展而盡心竭力。購股權計劃將會鼓勵參與者盡最大努力實現本集團之目標，以及讓彼等分享本公司透過參與者之努力及貢獻所取得之成果。

On 14 December 2018, 160,849,284 ordinary shares were allotted and issued to the bond holder upon full conversion of the Convertible Bonds based on the initial conversion price of HK\$0.6217. Details of the Convertible Bonds are included in note 30 to the consolidated financial statements.

The Company's share options were cancelled during the year. Details of the Company's share option scheme and the share options issued under the scheme are included in note 34 to the consolidated financial statements.

34. SHARE OPTION SCHEME

A share option scheme was adopted pursuant to the written resolutions passed by the shareholders of the Company on 29 June 2009 (the "Share Option Scheme"). The Share Option Scheme became effective on 29 June 2009 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The purpose of the Share Option Scheme is for the Group to attract, retain and motivate talented participants to strive for future development and expansion of the Group. The Share Option Scheme shall be an incentive to encourage the participants to perform their best in achieving the goals of the Group and allow the participants to enjoy the results of the Company attained through their efforts and contributions.

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34. 購股權計劃(續)

購股權計劃之合資格參與者包括(i)本集團之任何全職僱員及董事(包括執行董事、非執行董事及獨立非執行董事);(ii)本集團之任何顧問或諮詢人、貨品及/或服務供應商及本公司董事會全權釐定對本集團有所貢獻之任何其他人士;及(iii)受益人或對象包括上述僱員或業務夥伴之任何信託受託人。

根據購股權計劃,可授出購股權獲行使後發行之最高股份數目,相當於購股權計劃獲批准當日本公司已發行股份之10%。於任何12個月期間根據購股權可發行予購股權計劃項下每名合資格參與者之最高股份數目,不得超過本公司任何時間已發行股份之1%。任何進一步授出超逾此限額之購股權須在股東大會上徵得股東批准,方可作實。

向本公司董事、主要行政人員或主要股東或彼等任何聯繫人授出購股權須徵得獨立非執行董事批准。此外,於任何12個月期間,倘若向本公司主要股東或獨立非執行董事或彼等任何聯繫人授出之任何購股權涉及之股份總數,超過本公司任何時間已發行股份之0.1%及按本公司股份於授出日期收市價計算之總價值超過5,000,000港元,則須在股東大會上徵得股東批准,方可作實。

提呈授予購股權可於提呈日期起計28日內,在承授人支付合計1港元之象徵式代價後接納。所授予購股權之行使期由董事釐定,並於歸屬期後開始及於購股權提呈日期起計最遲十年屆滿當日結束。

34. SHARE OPTION SCHEME (continued)

Eligible participants of the Share Option Scheme include (i) any full-time employees and directors (including executive directors, non-executive directors and independent non-executive directors) of the Group; (ii) any advisor or consultant to the Group, providers of goods and/or services to the Group, and any other person who, at the sole determination of the board of directors of the Company, has contributed to the Group; and (iii) the trustee of any trust whose beneficiaries or objects include any aforesaid employee or business associate.

The maximum number of share options permitted to be granted under the Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at the date of approval of the Share Option Scheme. The maximum number of shares issuable under share options to each eligible participant in the Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted within 28 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a vesting period and ends on a date which is not later than ten years from the date of offer of the share options.

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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34. 購股權計劃(續)

購股權之行使價由董事釐定，惟不得低於以下三者之較高者：(i)本公司股份於購股權授出日期於聯交所每日報價表所列之收市價；(ii)本公司股份於緊接授出日期前五個交易日於聯交所每日報價表所列之平均收市價；及(iii)本公司股份之面值。

購股權並無賦予持有人獲派股息或於股東大會表決之權利。

截至二零一八年及二零一七年十二月三十一日止年度，購股權計劃項下尚未行使之購股權如下：

34. SHARE OPTION SCHEME (continued)

The exercise price of share options is determinable by the directors, but shall not be less than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets on the date of grant of the share options; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

The following share options were outstanding under the Share Option Scheme during the years ended 31 December 2018 and 2017:

| | | 二零一八年 2018 | | 二零一七年 2017 | |
|----------|---------------------------|---|---|---|---|
| | | 每股加權 平均行使價 Weighted average exercise price per share 港元 HK\$ | 購股權數目 Number of options 千份 '000 | 每股加權 平均行使價 Weighted average exercise price per share 港元 HK\$ | 購股權數目 Number of options 千份 '000 |
| 於一月一日 | At 1 January | 0.229 | 13,280 | 0.229 | 13,280 |
| 年內註銷 | Cancelled during the year | 0.229 | (13,280) | N/A | — |
| 於十二月三十一日 | At 31 December | N/A | — | 0.229 | 13,280 |

截至二零一七年及二零一八年十二月三十一日止年度，概無購股權計劃項下之購股權已授出、行使或失效。由於在二零一八年八月二十二日接納本公司直接控股公司新華聯集團就註銷由購股權持有人持有的未行使購股權作出之強制性現金要約，因此，本公司已經註銷其所有尚未行使購股權。

No share option under the Share Option Scheme was granted, exercised or expired during the years ended 31 December 2017 and 2018. All outstanding share options were cancelled as a result of the acceptance on 22 August 2018 of the mandatory cash offer made by Macrolink Group, the immediate holding company of the Company, for cancellation of the outstanding share options held by the option holders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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34. 購股權計劃(續)

於二零一七年十二月三十一日，尚未行使購股權之行使價及行使期如下：

| 年份 | 授出日期 | 購股權數目 | 每股行使價* | 行使期 |
|---------------|--------------------------|-------------------|-------------------------------|---|
| Year | Date of grant | Number of options | Exercise price* 港元 HK\$ | Exercise period |
| 二零一七年 2017 | 二零零九年七月六日 6 July 2009 | 13,280,000 | 0.229 | 二零零九年七月六日至 二零一九年七月五日 6 July 2009 to 5 July 2019 |

* 購股權之行使價於供股或派發紅股或在本公司股本中有其他類似變動時可予調整。

34. SHARE OPTION SCHEME (continued)

The exercise price and exercise periods of the share options outstanding as at 31 December 2017 were as follows:

* The exercise price of the share options is subject to adjustment in case of rights or bonus issues, or other similar changes in the Company's share capital.

所有購股權已根據香港財務報告準則第2號入賬。於二零一七年十二月三十一日尚未行使購股權之加權平均餘下合約年期為1.5年。

All share options have been accounted for under HKFRS 2. The share options outstanding as at 31 December 2017 had a weighted average remaining contractual life of 1.5 years.

於該等綜合財務報表獲批准當日，根據購股權計劃，本公司並無任何購股權未獲行使。

At the date of approval of these consolidated financial statements, the Company had no share options outstanding under the Share Option Scheme.

綜合財務報表附註（續）

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截至二零一八年十二月三十一日止年度（以港元列值）

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35. 儲備

本集團本年度及上一年度之儲備金額及其變動於本年報第76頁至第77頁綜合權益變動表呈列。

本集團之資本儲備為於二零零一年一月一日前因收購而產生之負商譽。

根據本公司中國附屬公司之公司細則，該附屬公司需將其除稅後溢利之10%劃撥至法定盈餘儲備，直至儲備結餘達到其註冊資本之50%為止。儲備須在向本集團擁有人派發股息前轉撥。法定盈餘儲備可用於彌補虧損，並可按現有擁有人權益百分比之比例轉變為股本，惟有關發行後之結餘不得少於其註冊資本之25%。

36. 有重大非控股權益之部份擁有附屬公司

下表列示本集團之擁有重大非控股權益之非全資附屬公司之詳情：

| 附屬公司名稱 Name of subsidiary | 成立地點及 主要營業地點 Place of establishment and principal place of business | 非控股權益持有之 所有權權益比例 Proportion of ownership interests held by the non-controlling interests | | 分配至 非控股權益之虧損 Loss allocated to non-controlling interests | | 累計非控股權益 Accumulated non-controlling interests | |
|------------------------------|---|--|-----------------|---|-----------------|---|-----------------|
| | | 二零一八年 2018 | 二零一七年 2017 | 二零一八年 2018 | 二零一七年 2017 | 二零一八年 2018 | 二零一七年 2017 |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 湖南泰基 Hunan Taiji | 中國 PRC | 40% | 40% | (20,116) | (17,967) | 30,183 | 52,812 |

本集團擁有重大非控股權益之附屬公司之財務資料摘要載列如下。以下財務資料摘要為集團內對銷前的金額。

35. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior year are presented in the consolidated statement of changes in equity on pages 76 to 77 of this annual report.

The Group's capital reserve represents negative goodwill arisen on acquisitions prior to 1 January 2001.

According to the Articles of Association of the PRC subsidiary of the Company which require the appropriation of 10% of its profit after tax to the statutory surplus reserve until the balance of the reserve reaches 50% of its registered capital. The transfer of the reserve must be made before distributions of dividends to owners of the Group. Statutory surplus reserve can be used for making up losses and may be converted into capital in proportion to existing owners' equity percentage, provided that the balance after such issuance is not less than 25% of its registered capital.

36. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

The table below shows details of a non-wholly-owned subsidiary of the Group that has material non-controlling interests:

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

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36. 有重大非控股權益之部份擁有附屬公司(續)

湖南泰基

36. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

Hunan Taiji

| | | 於十二月三十一日 | |
|---------------|---|------------------------|----------|
| | | At 31 December | |
| | | 二零一八年 | 二零一七年 |
| | | 2018 | 2017 |
| | | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 |
| 流動資產 | Current assets | 14,968 | 18,628 |
| 非流動資產 | Non-current assets | 82,231 | 140,110 |
| 流動負債 | Current liabilities | (19,727) | (15,653) |
| 非流動負債 | Non-current liabilities | - | (9,038) |
| | | 截至十二月三十一日止年度 | |
| | | Year ended 31 December | |
| | | 二零一八年 | 二零一七年 |
| | | 2018 | 2017 |
| | | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 |
| 收入 | Revenue | - | - |
| 其他收入及收益 | Other income and gains | 4 | 243 |
| 開支 | Expense | (50,293) | (45,161) |
| 年度虧損 | Loss for the year | (50,289) | (44,918) |
| 年度其他全面(開支)/收入 | Other comprehensive (expense)/income for the year | (6,283) | 12,246 |
| 年度全面開支總額 | Total comprehensive expense for the year | (56,572) | (32,672) |
| 已付非控股權益股息 | Dividends paid to non-controlling interests | - | - |
| 經營業務現金流量流出淨額 | Net cash outflow from operating activities | (2,670) | (7,036) |
| 現金及現金等價物減少淨額 | Net decrease in cash and cash equivalents | (2,670) | (7,036) |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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37. 融資活動產生之負債對賬

下表詳述本集團融資活動產生之負債變動，包括現金及非現金變動。融資活動產生之負債為現金流量已或未來現金流量將於本集團綜合現金流量表分類為融資活動現金流量。

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

| | | 計息銀行借貸 | 計息其他借貸 | 應付最終 控股公司款項 Amount due to the ultimate holding company | 可換股債券 | 總計 |
|-----------------------------|--|---|--|---|----------------------|-----------------|
| | | Interest- bearing bank borrowings | Interest- bearing other borrowings | holding company | Convertible bonds | Total |
| | | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 於二零一七年一月一日 | At 1 January 2017 | 11,091 | 5,563 | 26 | - | 16,680 |
| 融資現金流量產生的變動： | Changes from financing cash flows: | | | | | |
| 新增其他貸款 | New other loan | - | 25,000 | - | - | 25,000 |
| 償還銀行貸款 | Repayment of bank loan | (1,241) | - | - | - | (1,241) |
| 最終控股公司之墊款 | Advance from the ultimate holding company | - | - | 3 | - | 3 |
| 其他變動： | Other changes: | | | | | |
| 匯兌調整 | Exchange realignment | 64 | 447 | - | - | 511 |
| 於二零一七年十二月三十一日 及二零一八年一月一日 | At 31 December 2017 and 1 January 2018 | 9,914 | 31,010 | 29 | - | 40,953 |
| 融資現金流量產生的變動： | Changes from financing cash flows: | | | | | |
| 償還銀行貸款 | Repayment of bank loan | (3,724) | - | - | - | (3,724) |
| 償還予最終控股公司 | Repayment to the ultimate holding company | - | - | (29) | - | (29) |
| 來自可換股債券的所得款項， 扣除發行費用 | Proceeds from convertible bonds, net of issuance cost | - | - | - | 98,750 | 98,750 |
| 已付利息 | Interest paid | - | - | - | (1,945) | (1,945) |
| 其他變動： | Other changes: | | | | | |
| 可換股債券的權益部分 | Equity component of convertible bonds | - | - | - | (19,025) | (19,025) |
| 可換股債券的實際利息 | Effective interest on convertible bonds | - | - | - | 5,354 | 5,354 |
| 可換股債券獲轉換 | Conversion of convertible bonds | - | - | - | (83,134) | (83,134) |
| 匯兌調整 | Exchange realignment | 90 | (309) | - | - | (219) |
| 於二零一八年十二月三十一日 | At 31 December 2018 | 6,280 | 30,701 | - | - | 36,981 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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38. 資產抵押

以本集團若干已質押資產為抵押之本集團銀行及其他借貸之詳情分別載於綜合財務報表附註13、14及31。

39. 經營租約安排及承擔

(a) 作為出租人

本集團根據經營租約安排出租其若干投資物業，磋商之租期介乎一至三年(二零一七年：一至三年)。

於二零一八年十二月三十一日，本集團根據與租戶訂立之不可撤銷經營租約於以下年期到期應收之未來最低租金總額如下：

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----------------|---|----------------------------------|----------------------------------|
| 一年內 | Within one year | 4,118 | 3,361 |
| 第二至第五年(包括首尾兩年) | In the second to fifth years, inclusive | 4,650 | 1,602 |
| | | 8,768 | 4,963 |

(b) 作為承租人

本集團根據經營租約安排租用辦公室物業。物業租賃之磋商租期為一年(二零一七年：一至三年)。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租約於以下年期到期應付之未來最低租金總額如下：

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|----------------|---|----------------------------------|----------------------------------|
| 一年內 | Within one year | 156 | 279 |
| 第二至第五年(包括首尾兩年) | In the second to fifth years, inclusive | - | 30 |
| | | 156 | 309 |

38. CHARGE OF ASSETS

Details of the Group's bank and other borrowings, which are secured by certain pledged assets of the Group, are included in notes 13, 14 and 31 respectively, to the consolidated financial statements.

39. OPERATING LEASE ARRANGEMENTS AND COMMITMENT

(a) As lessor

The Group leases certain of its investment properties under operating lease arrangements, which leases negotiated for terms ranging from one to three years (2017: one to three years).

At 31 December 2018, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

(b) As lessee

The Group leases office property under operating lease arrangements. Lease for property is negotiated for a term of one year (2017: one to three years).

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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40. 未決訴訟

- (a) 莊勝（建材）分別於二零一三年十月及二零一五年十二月向中國國際經濟貿易仲裁委員會（「仲裁委員會」）提交兩次仲裁申請，就湖南泰基之少數股東漣源鋼鐵（其中包括）未有於二零一一年一月一日至二零一三年八月三十一日期間及於二零一三年九月一日至二零一五年九月三十日期間根據湖南泰基之合營協議項下促使供應用於生產之水渣（「水渣供應」）索取賠償，提出仲裁程序（分別為「第一次泰基仲裁申請」及「第二次泰基仲裁申請」）。

於二零一五年一月，莊勝（建材）接獲仲裁委員會作出有關第一次泰基仲裁申請之裁決。莊勝（建材）最終於二零一七年八月二日獲得漣源鋼鐵賠償（附註5）。

於二零一七年五月，莊勝（建材）就第二次泰基仲裁申請作出進一步提交申請，將索賠期間由止於二零一五年九月三十日延長至止於二零一六年八月三十一日，索取新訂賠償金額約人民幣71,485,000元，並成功獲仲裁委員會受理。截至綜合財務報表批准日期，裁決尚未作出。

於編製本集團截至二零一七年及二零一八年十二月三十一日止年度的綜合財務報表時，根據本集團中國法律顧問之法律意見，本公司董事對第二次泰基仲裁申請之裁決持審慎樂觀態度。

40. OUTSTANDING LITIGATIONS

- (a) Junefield Building Material filed two applications for arbitration proceedings at the China International Economics and Trade Arbitration Commission (“Arbitration Commission”) against the minority shareholder of Hunan Taiji, Lianyuan Steel in October 2013 and December 2015 respectively for compensations on, inter alia, failing to procure the requested amount of supply of the granulated steel slag for production (“Steel Slag Supply”) for the periods from 1 January 2011 to 31 August 2013 and from 1 September 2013 to 30 September 2015 under Hunan Taiji’s joint venture agreement (the “First Taiji Arbitration Application” and the “Second Taiji Arbitration Application” respectively).

In January 2015, Junefield Building Material was awarded the First Taiji Arbitration Application by the Arbitration Commission. Junefield Building Material ultimately received the compensation from Lianyuan Steel on 2 August 2017 (note 5).

In May 2017, Junefield Building Material further filed an application to extend the claiming period ended from 30 September 2015 to 31 August 2016 with a revised claim amount of approximately RMB71,485,000 in respect of the Second Taiji Arbitration Application and it was successfully accepted by the Arbitration Commission. Up to the date of approval of these consolidated financial statements, the ruling has not been given yet.

In the preparation of the consolidated financial statements of the Group for the years ended 31 December 2017 and 2018, based on the legal opinion of the Group’s PRC legal advisors, the directors of the Company were of the opinion that the ruling on the Second Taiji Arbitration Application was cautiously optimistic.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

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40. 未決訴訟(續)

- (b) 於二零一八年八月二十七日，本公司接獲中國北京市中級人民法院發出之應訴通知書，據此，原告(為擁有北京城建德信裝飾工程有限公司(「北京城建德信」)49%股權之股東)(其中包括)就於二零一五年中國強制解散北京城建德信(「強制解散」)的過程中償還若干債權人產生之經濟損失約人民幣4,400,000元及相關費用提出索賠。北京城建德信早前為本公司間接擁有51%股權之附屬公司，其業務為在中國提供裝修服務及進行機電工程。本公司於二零零九年出售於華廈建築系統有限公司(「華廈建築系統」)之全部股權連同其於北京城建德信之51%股權。

在此情況下，原告對(i)華廈建築系統(作為第一被告)；(ii)劉忠生先生(作為第二被告，為北京城建德信之法人代表及本公司前董事，其已於二零一五年三月辭任)；及(iii)本公司(作為第三被告)索賠，彼等應共同及各別承擔責任。

根據於中國之法律顧問之意見，本公司及劉忠生先生(分別為華廈建築系統當時之最終實益擁有人及北京城建德信其中一名前董事)應無須就強制解散造成之不利後果承擔法律責任。根據上述法律意見，本公司將繼續對此案件進行抗辯，且本公司董事認為，索償可成功駁回。因此，並無在綜合財務報表內計提撥備。

- (c) 於二零一九年二月二十二日，莊勝(建材)獲湖南泰基告知接獲中國湖南省婁底市中級人民法院發出日期為二零一九年二月十二日之應訴通知書，據此，漣源鋼鐵(作為原告人)於二零一八年九月要求法院裁決，由於股東之長期糾紛，於湖南泰基合營協議終止前解散湖南泰基。

本案件已排期於二零一九年九月二十五日開庭聆訊。根據中國法律顧問之法律意見，本公司董事認為，該宗訴訟的裁決結果存在不明朗因素及不能合理肯定地估計。

40. OUTSTANDING LITIGATIONS (continued)

- (b) On 27 August 2018, the Company received a notice of response to action (應訴通知書) issued by the Intermediate People's Court of Beijing of the PRC, pursuant to which the plaintiff, being a 49%-equity owned shareholder of 北京城建德信裝飾工程有限公司 (Beijing Urban Construction Hudson Decoration Engineering Company Limited "BJUC"), inter alia, claimed an economic loss of approximately RMB4,400,000 and the related costs arising from repayments to certain creditors during the process of mandatory dissolution of BJUC in the PRC in 2015 ("Mandatory Dissolution"). BJUC is a former indirectly 51%-owned subsidiary of the Company which engaged in the provision of decoration services, electrical and mechanical work in the PRC. The Company disposed the entire equity interests in Huaxia Construction Limited ("HCL") together with its 51% equity interest in BJUC in year 2009.

In this case, the plaintiff claimed against (i) HCL as the first defendant; (ii) Mr. Liu Zhongsheng as the second defendant, being the legal representative of BJUC and a former director of the Company who resigned in March 2015; and (iii) the Company as the third defendant with joint and several liabilities.

Based on the advice from the legal advisors in the PRC, both the Company and Mr. Liu Zhongsheng, being the then ultimate beneficial owner of HCL and one of the former directors of BJUC respectively, should not be liable to the adverse consequences caused by the Mandatory Dissolution. Subject to the aforesaid legal advice, the Company will proceed to oppose the case and the directors of the Company are of the opinion that the claim could be successfully declined. As a result, no provision has been made in the consolidated financial statements.

- (c) On 22 February 2019, Junefield Building Material was informed by Hunan Taiji that a notice of response to action (應訴通知書) dated 12 February 2019 from the Intermediate People's Court of Loudi City, Hunan Province, the PRC, was received, pursuant to which Lianyuan Steel, as plaintiff, had in September 2018 requested a court judgement to dissolve Hunan Taiji prior to the termination of Hunan Taiji's joint venture agreement due to the prolonged shareholders' disputes.

The court hearing of this case has been scheduled to be held on 25 September 2019. Based on the legal opinion of the legal advisors in the PRC, the directors of the Company are of the opinion that the outcome of the ruling of this litigation is uncertain and cannot be estimated with reasonable certainty.

綜合財務報表附註（續）

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41. 關連方交易

除此等綜合財務報表附註8、30及40詳載之交易外，本集團於年內與關連方進行以下重大交易：

(a) 關連方之重大交易

41. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed in notes 8, 30 and 40 to the consolidated financial statements, the Group had the following material transactions with related parties during the year:

(a) Significant transactions with related parties

| | | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-------------------------|--|------------|----------------------------------|----------------------------------|
| | | 附註 Note | | |
| Ecuamining Mineral已收取佣金 | Commission charged by Ecuamining Mineral | (i) | 159 | 437 |
| 向莊勝(集團)有限公司支付之租金開支 | Rental expenses paid to Junefield (Holdings) Limited | (ii) | – | 187 |
| 向莊勝(集團)有限公司支付之管理費 | Management fees paid to Junefield (Holdings) Limited | (ii) | 1,080 | 856 |
| 向關連公司支付之分租費用 | Sub-leasing fee paid to related companies | (iii) | – | 106 |
| 已收一間關連公司之分租服務費 | Sub-leasing service fee income received from a related company | (iv) | – | 218 |
| 向關連公司支付的管理費 | Management fees paid to a related company | (v) | 593 | – |
| 向關連公司收取的管理費收入 | Management fees income from a related company | (vi) | 554 | – |
| 向新華聯集團支付的可換股債券利息 | Convertible bonds interest paid to Macrolink Group | (vii) | 1,945 | – |

附註：

- (i) 龍拓(本公司之間接全資附屬公司)與Ecuamining Mineral訂立採購代理協議，據此，龍拓同意委任而Ecuamining Mineral同意擔任龍拓於厄瓜多爾促使精礦或其相關產品供應之採購代理商，為期兩年。Ecuamining Mineral為一間於厄瓜多爾註冊成立之公司，其由周先生最終全資擁有。
- (ii) 本集團分別就二零一七年一月一日至二零一七年三月十五日及二零一七年三月十六日至二零一八年十二月三十一日期間向莊勝(集團)有限公司支付租金開支及管理費。於二零一八年七月二十六日前，莊勝(集團)有限公司為本公司的最終控股公司，就二零一八年一月一日至二零一八年七月二十五日期間所支付的管理費為數約613,000港元。由二零一八年七月二十六日起，莊勝(集團)有限公司成為本集團的關連公司，就二零一八年七月二十六日至二零一八年十二月三十一日期間所支付的管理費為數約467,000港元。每月租金開支及管理費乃由訂約方共同協定。

Notes:

- (i) Like Top, an indirect wholly-owned subsidiary of the Company, entered into the sourcing agent agreement with Ecuamining Mineral, pursuant to which Like Top agreed to appoint and Ecuamining Mineral agreed to act as sourcing agent of Like Top to procure the supply of mineral concentrates or its related products in Ecuador for a term of two years. Ecuamining Mineral is a company incorporated in Ecuador and is ultimately wholly-owned by Mr. Zhou.
- (ii) The Group paid rental expenses and management fees to Junefield (Holdings) Limited for the periods from 1 January 2017 to 15 March 2017 and 16 March 2017 to 31 December 2018 respectively. Prior to 26 July 2018, Junefield (Holdings) Limited was the ultimate holding company of the Company and management fees paid for the period from 1 January 2018 to 25 July 2018 amounted to approximately HK\$613,000. Since 26 July 2018, Junefield (Holdings) Limited became a related company to the Group and management fees paid for the period from 26 July 2018 to 31 December 2018 amounted to approximately HK\$467,000. The monthly rental expenses and management fees were mutually agreed between the contracting parties.

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41. 關連方交易(續)

(a) 關連方之重大交易(續)

附註:(續)

- (iii) 本公司之間接全資附屬公司Lima Airlines與Total Genius及盛兆投資有限公司(「盛兆」)訂立飛機分租協議。Total Genius為一間於秘魯註冊成立的公司，而盛兆為一間於香港註冊成立之公司。該兩間公司均最終由周先生全資擁有。
- (iv) 截至二零一七年十二月三十一日止年度，Lima Airlines自Junefield Group S.A.收取飛機分租服務費收入。Junefield Group S.A.為一間於秘魯註冊成立之公司並最終由周先生全資擁有。
- (v) 本集團向關連公司新絲路文旅有限公司支付管理費，本公司主席及執行董事傅軍先生於該公司中擁有實益權益。管理費乃由訂約方共同協定。
- (vi) 本集團自Macrolink International Investment Co. Ltd.收取管理費，而傅軍先生於該公司中擁有實益權益。
- (vii) 新華聯集團由二零一八年七月二十六日起為本公司的直接控股公司。可換股債券利息乃就二零一八年七月二十六日至二零一八年十二月十四日期間支付。

有關上文第(i)、(ii)、(v)及(vi)項之關連方交易構成上市規則第14A章界定之持續關連交易。基於上市規則第14A.76條，該等交易獲豁免遵守有關申報、公告及獨立股東批准的規定。

41. RELATED PARTY TRANSACTIONS (continued)

(a) Significant transactions with related parties (continued)

Notes: (continued)

- (iii) Lima Airlines, an indirect wholly-owned subsidiary of the Company, entered into a sub-leasing of aircraft agreement with Total Genius and Mega Choice Investment Limited ("Mega Choice"). Total Genius is a company incorporated in Peru and Mega Choice is a company incorporated in Hong Kong. Both companies are ultimately wholly-owned by Mr. Zhou.
- (iv) Lima Airlines received sub-leasing service fee income of aircraft from Junefield Group S.A. during the year ended 31 December 2017. Junefield Group S.A. is a company incorporated in Peru and is ultimately wholly-owned by Mr. Zhou.
- (v) The Group paid management fees to a related company, New Silkroad Culturaltainment Limited, in which Mr. Fu Kwan, the chairman and an executive director of the Company, has beneficial interest. The management fees were mutually agreed between the contracting parties.
- (vi) The Group received management fee from Macrolink International Investment Co. Ltd., in which Mr. Fu Kwan has beneficial interest.
- (vii) Macrolink Group has been the immediate holding company of the Company since 26 July 2018. Convertible bonds interest was paid for the period from 26 July 2018 to 14 December 2018.

The related party transactions in respect of item (i), (ii), (v) and (vi) above constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules. These transactions are exempted from all the reporting, announcement and independent shareholders' approval requirements by virtue of rule 14A.76 of the Listing rules.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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41. 關連方交易（續）

(b) 給予本集團之主要管理人員之補償

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---------------|---|----------------------------------|----------------------------------|
| 短期僱員福利 | Short term employee benefits | 3,275 | 2,740 |
| 離職福利 | Post-employment benefits | 31 | 18 |
| 已付主要管理人員之補償總額 | Total compensation paid to key management personnel | 3,306 | 2,758 |

上述關連方交易並無構成上市規則第14A章定義之關連交易或持續關連交易。

41. RELATED PARTY TRANSACTIONS (continued)

(b) Compensation of key management personnel of the Group

| | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|---|----------------------------------|----------------------------------|
| Short term employee benefits | 3,275 | 2,740 |
| Post-employment benefits | 31 | 18 |
| Total compensation paid to key management personnel | 3,306 | 2,758 |

The above related party transactions do not constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

42. 按類別劃分之金融工具

於報告期間結束時，各類別金融工具之賬面值如下：

金融資產

| | | 以攤銷成本計量的金融資產 Financial assets at amortised cost 千港元 HK\$'000 | 按公平值計入其他全面收益的金融資產 Financial assets at FVTOCI 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|------------------------|--|---|--|--------------------------------|
| 二零一八年 | 2018 | | | |
| 按公平值計入其他全面收益之股本投資 | Equity investments at FVTOCI | - | 508 | 508 |
| 應收賬款 | Accounts receivable | 1,300 | - | 1,300 |
| 包括在預付款項、按金及其他應收款項之金融資產 | Financial assets included in prepayments, deposits and other receivables | 1,124 | - | 1,124 |
| 應收關連公司款項 | Amounts due from related companies | 334 | - | 334 |
| 現金及銀行結餘 | Cash and bank balances | 100,901 | - | 100,901 |
| | | 103,659 | 508 | 104,167 |

42. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

| | | 以攤銷成本計量的金融資產 Financial assets at amortised cost 千港元 HK\$'000 | 按公平值計入其他全面收益的金融資產 Financial assets at FVTOCI 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|------------------------|--|---|--|--------------------------------|
| 二零一八年 | 2018 | | | |
| 按公平值計入其他全面收益之股本投資 | Equity investments at FVTOCI | - | 508 | 508 |
| 應收賬款 | Accounts receivable | 1,300 | - | 1,300 |
| 包括在預付款項、按金及其他應收款項之金融資產 | Financial assets included in prepayments, deposits and other receivables | 1,124 | - | 1,124 |
| 應收關連公司款項 | Amounts due from related companies | 334 | - | 334 |
| 現金及銀行結餘 | Cash and bank balances | 100,901 | - | 100,901 |
| | | 103,659 | 508 | 104,167 |

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42. 按類別劃分之金融工具(續)

42. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

金融資產(續)

Financial assets (continued)

| | | 透過損益 按公平值 處理之 金融資產— 持作買賣 Financial assets at fair value through profit or loss – held for trading 千港元 HK\$'000 | 貸款及 應收款項 Loans and receivables 千港元 HK\$'000 | 可供銷售 金融資產 Available- for-sale financial assets 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-------------------------------------|---|---|--|--|--------------------------------|
| 二零一七年 | 2017 | | | | |
| 可供銷售投資 | Available-for-sale investment | – | – | 2,064 | 2,064 |
| 應收貸款 | Loan receivable | – | 397 | – | 397 |
| 應收賬款 | Accounts receivable | – | 1,105 | – | 1,105 |
| 包括在預付款項、按金及 其他應收款項之金融資產 | Financial assets included in prepayments, deposits and other receivables | – | 4,752 | – | 4,752 |
| 應收關連公司款項 | Amounts due from related companies | – | 194 | – | 194 |
| 透過損益按公平值處理之 金融工具 — 上市股本投資(香港) | Financial instruments at fair value through profit or loss – Listed equity investments (Hong Kong) | 1,047 | – | – | 1,047 |
| 現金及銀行結餘 | Cash and bank balances | – | 34,290 | – | 34,290 |
| | | 1,047 | 40,738 | 2,064 | 43,849 |

綜合財務報表附註（續）

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42. 按類別劃分之金融工具（續）

42. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

金融負債

Financial liabilities

| | | 按攤銷成本列賬之金融負債 | |
|---------------------|---|---|----------|
| | | Financial liabilities at amortised cost | |
| | | 二零一八年 | 二零一七年 |
| | | 2018 | 2017 |
| | | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 |
| 應付賬款 | Accounts payable | 7,028 | 5,169 |
| 包括在其他應付款項及應計負債之金融負債 | Financial liabilities included in other payables and accruals | 33,161 | 36,526 |
| 計息銀行及其他借貸 | Interest-bearing bank and other borrowings | 36,981 | 40,924 |
| 應付最終控股公司款項 | Amount due to the ultimate holding company | - | 29 |
| 應付關連公司款項 | Amounts due to related companies | 3,780 | 3,818 |
| | | 80,950 | 86,466 |

43. 金融工具之公平值及公平值分級

43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

管理層評估，現金及現金等價物、應收貸款、應收賬款、包括在預付款項、按金及其他應收款項的金融資產、應收關連公司款項、應付賬款、包括在其他應付款項及應計負債之金融負債、計息銀行及其他借貸、應付最終控股公司款項及應付關連公司款項之公平值與其賬面值相若，主要由於該等工具之到期日較短。

Management has assessed that the fair values of cash and cash equivalents, loan receivable, accounts receivable, financial assets included in prepayments, deposits and other receivables, amounts due from related companies, accounts payable, financial liabilities included in other payables and accruals, interest-bearing bank and other borrowings, amount due to the ultimate holding company and amounts due to related companies approximate to their carrying amounts largely due to the short term maturities of these instruments.

金融資產及負債之公平值按當前交易中雙方自願進行交換有關工具之金額入賬，強制或清盤出售除外。用於估計公平值之方法及假設如下：

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

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43. 金融工具之公平值及公平值分級(續)

上市股本投資之公平值乃以市場報價為基礎。本公司之董事認為估值方法所得之估計公平值(記入綜合財務狀況表)及相關公平值變動(就透過損益表按公平值處理以及按公平值計入其他全面收益之股本投資而言,分別計入綜合損益表及綜合全面收益表)屬合理,並認為有關價值為報告期末最合適之價值。

公平值分級

下表列示本集團金融工具之公平值計量分級。

按公平值計量之資產

| | | 第一級 Level 1 千港元 HK\$'000 | 第二級 Level 2 千港元 HK\$'000 | 第三級 Level 3 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-----------------------|---|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------|
| 於二零一八年 十二月三十一日: | | As at 31 December 2018: | | | |
| 按公平值計入其他全面收益 之股本投資 | Equity investments at FVTOCI | | | | |
| – 上市股本投資 | – Listed equity investments | 508 | – | – | 508 |
| 於二零一七年 十二月三十一日: | | As at 31 December 2017: | | | |
| 可供銷售投資 | Available-for-sale investment | | | | |
| – 上市股本投資 | – Listed equity investment | 2,064 | – | – | 2,064 |
| 透過損益按公平值處理之 金融工具 | Financial instruments at fair value through profit or loss | | | | |
| – 上市股本投資(香港) | – Listed equity investment (Hong Kong) | 1,047 | – | – | 1,047 |
| | | 3,111 | – | – | 3,111 |

43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of listed equity investments are based on quoted market prices. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the consolidated statement of profit or loss and the consolidated statement of comprehensive income for equity investments at FVTPL and at FVTOCI respectively, are reasonable, and that they were the most appropriate values at the end of the reporting period.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments.

Assets measured at fair value

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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43. 金融工具之公平值及公平值分級（續）

於本年度，並無第一級與第二級間之公平值計量轉撥，亦無轉入或轉出第三級（二零一七年：無）。

44. 財務風險管理目的及政策

本集團經營活動面對各種財務風險：市場風險（包括利率風險、外幣風險及股本價格風險）、信貸風險及流動資金風險。本集團之整體風險管理計劃專注於金融市場不可預測之特性，務求降低對本集團財務表現帶來之潛在負面影響。

(a) 利率風險

於二零一八年十二月三十一日，本集團之市場利率變動風險主要涉及浮動利率銀行借貸，該等借貸之進一步詳情載於綜合財務報表附註31。本集團目前並無對沖其利率風險。然而，管理層密切監察利率風險，並在有需要時考慮對沖重大之利率風險。

敏感度分析

以下敏感度分析乃根據計息銀行借貸於報告期末所承受的利率風險釐定。本集團採用升跌100個基點，其代表管理層對利率合理可能變動的評估。

倘計息銀行借貸利率上升100個基點，而所有其他可變因素維持不變，則本集團截至二零一八年十二月三十一日止年度的除稅前虧損將增加約62,000港元（二零一七年：110,000港元），乃由於本集團承受浮動利率銀行借貸的利率風險。倘計息銀行借貸利率下降100個基點，而所有其他可變因素維持不變，則將對除稅前虧損產生相等及相反之影響。

43. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2017: Nil).

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk, foreign currency risk and equity price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Interest rate risk

At 31 December 2018, the Group's exposure to the risk of changes in market interest rates relates primarily to bank borrowings with floating interest rates, further details of these borrowings are set out in note 31 to the consolidated financial statements. The Group currently does not hedge its exposure to interest rate risks. However, the management monitors the interest rate risk exposure closely and will consider hedging significant interest rate risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates for interest-bearing bank borrowings at the end of the reporting period. A 100 basis points increase and decrease are used and represents management's assessment of the reasonably possible change in interest rates.

If the interest rate on interest-bearing bank borrowings had been 100 basis points higher and all other variables were held constant, the Group's loss before tax for the year ended 31 December 2018 would increase by approximately HK\$62,000 (2017: HK\$110,000) as a result of the Group's exposure to interest rates on its variable-rate bank borrowings. If the interest rate on interest-bearing bank borrowings had been 100 basis points lower and all other variables were held constant, there would be an equal and opposite impact on the loss before tax.

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44. 財務風險管理目的及政策(續)

(a) 利率風險(續)

敏感度分析(續)

本公司董事認為，由於年末風險不反映年內風險，故敏感度分析並不代表固有利率風險。

(b) 外幣風險

本集團面對交易貨幣風險。該等風險來自營運單位使用單位功能貨幣以外貨幣進行之銷售或採購。本集團之主要營運及業務均位於中國及秘魯，而該等業務之絕大部分交易均以人民幣、索爾及美元進行。該等業務之所有資產及負債均以人民幣、索爾及美元列值。於報告期末，本集團按公平值計入其他全面收益之股本投資以澳元計值。

本集團目前並無外幣對沖政策。然而，管理層密切監察外幣風險，並在有需要時考慮對沖重大之外幣風險。

由於港元與美元掛鈎，故有關外幣風險微乎其微，絕大部分於秘魯之收益及銷售成本以索爾(營運單位之功能貨幣)列值。因此，其波動乃自敏感度分析中剔除。下表顯示在所有其他變數維持不變之情況下，本集團除稅前虧損(因貨幣資產及負債公平值變動所致)及本集團之權益對於報告期間結束時人民幣及澳元匯率之合理可能變動之敏感度。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(a) Interest rate risk (continued)

Sensitivity analysis (continued)

In the opinion of directors of the Company, the sensitivity analysis is unrepresentative of inherent interest rate risk as the year ended exposure does not reflect the exposure during the year.

(b) Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. The Group's major operations and businesses are located in the PRC and Peru and substantially all transactions are conducted in RMB, Soles and USD. All the assets and liabilities of these businesses are denominated in RMB, Soles and USD. At the end of the reporting period, equity investments at FVTOCI of the Group are denominated in AUD.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Since HK\$ is pegged to USD, relevant foreign currency risk is minimal, and substantially all of the revenue and cost of sales in Peru are denominated in Soles which is the functional currency of the operating units. Accordingly, their fluctuation are excluded from the sensitivity analysis. The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB and AUD exchange rates, with all other variables held constant, of the Group's loss before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

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44. 財務風險管理目的及政策（續）

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) 外幣風險（續）

(b) Foreign currency risk (continued)

| | | 匯率增加／ (減少) | 除稅前虧損 減少／(增加) | 權益增加／ (減少)* |
|-----------|---------------------------------|---|---|--|
| | | Increase/ (decrease) in rate % | Decrease/ (increase) in loss before tax 千港元 HK\$'000 | Increase/ (decrease) in equity* 千港元 HK\$'000 |
| 二零一八年 | 2018 | | | |
| 倘港元兌人民幣貶值 | If HK\$ weakens against RMB | 5 | (265) | – |
| 倘港元兌人民幣升值 | If HK\$ strengthens against RMB | (5) | 265 | – |
| 倘港元兌澳元貶值 | If HK\$ weakens against AUD | 5 | – | 25 |
| 倘港元兌澳元升值 | If HK\$ strengthens against AUD | (5) | – | (25) |

| | | 匯率增加／ (減少) | 除稅前虧損 減少／(增加) | 權益增加／ (減少)* |
|-----------|---------------------------------|---|---|--|
| | | Increase/ (decrease) in rate % | Decrease/ (increase) in loss before tax 千港元 HK\$'000 | Increase/ (decrease) in equity* 千港元 HK\$'000 |
| 二零一七年 | 2017 | | | |
| 倘港元兌人民幣貶值 | If HK\$ weakens against RMB | 5 | (291) | – |
| 倘港元兌人民幣升值 | If HK\$ strengthens against RMB | (5) | 291 | – |
| 倘港元兌澳元貶值 | If HK\$ weakens against AUD | 5 | 31 | 103 |
| 倘港元兌澳元升值 | If HK\$ strengthens against AUD | (5) | (31) | (103) |

* 不包括保留溢利

* Excluding retained profits

管理層認為，由於年末的風險並不反映年內的風險，故敏感性分析並不代表固有的外匯風險。

In management's opinion, the sensitivity analysis is unrepresentative of the inherent exchange risk as the year end exposure does not reflect the exposure during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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44. 財務風險管理目的及政策(續)

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) 股權價格風險

股權價格風險指股本證券之公平值因股票指數水平及個別證券價值出現變動而減少之風險。於本報告期末，本集團面對之股權價格風險來自列為按公平值計入其他全面收益之股本投資之個別股本投資。本集團於澳洲證券交易所上市之上市投資乃按報告期間結束時所報市價估值。

於本年度最接近報告期末之交易日營業時間結束時，聯交所及澳洲證券交易所之市場股票指數及其各自之年內最高點及最低點如下：

(c) Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from individual equity investments classified as equity investments at FVTOCI as at the end of the reporting period. The Group's listed investments are listed on the ASX Limited and are valued at quoted market prices at the end of the reporting period.

The market equity indices for the Stock Exchange and the ASX Limited, at the close of business of the nearest trading day in the year to the end of the reporting period, and their respective highest and lowest points during the year were as follows:

| | | 二零一八年 十二月三十一日 31 December 2018 | 高/低 High/low 二零一八年 2018 | 二零一七年 十二月三十一日 31 December 2017 | 高/低 High/low 二零一七年 2017 |
|---------------------|---------------------|---|----------------------------------|---|----------------------------------|
| 聯交所 | Stock Exchange | | | | |
| – 恒生指數 | – Hang Seng Index | 25,846 | 33,154/24,586 | 29,919 | 30,003/22,134 |
| 澳洲證券交易所 | ASX Limited | | | | |
| – 標準普爾/澳洲證券交易所200指數 | – S&P/ASX 200 Index | 5,646 | 6,352/5,468 | 6,065 | 6,088/5,611 |

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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44. 財務風險管理目的及政策（續）

(c) 股權價格風險（續）

下表顯示在所有其他變數維持不變且未計稅項影響之情況下，股本投資之公平值每變動5%之敏感度，乃根據有關投資於報告期間結束時之賬面值計算。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Equity price risk (continued)

The following table demonstrates the sensitivity to every 5% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period.

| | | 賬面值 | 除稅前虧損 減少／（增加） Decrease/ (increase) in loss before tax | 權益增加／ （減少）* Increase/ (decrease) in equity* |
|-------------|--------------------------------|--|--|---|
| | | Carrying amounts 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 二零一八年 | 2018 | | | |
| 投資上市於： | Investments listed in: | | | |
| 其他地區－按公平值計入 | Elsewhere – equity investments | | | |
| 其他全面收益之股本投資 | at FVTOCI | 508 | – | 25/(25) |
| | | | | |
| | | 賬面值 | 除稅前虧損 減少／（增加） Decrease/ (increase) in loss before tax | 權益增加／ （減少）* Increase/ (decrease) in equity* |
| | | Carrying amounts 千港元 HK\$'000 | 千港元 HK\$'000 | 千港元 HK\$'000 |
| 二零一七年 | 2017 | | | |
| 投資上市於： | Investments listed in: | | | |
| 香港－持作買賣 | Hong Kong – Held-for-trading | 1,047 | 52/(52) | – |
| 其他地區－可供銷售 | Elsewhere – Available-for-sale | 2,064 | – | 103/(103) |

* 不包括保留溢利

* Excluding retained profits

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44. 財務風險管理目的及政策(續)

(d) 信貸風險

本集團定期檢討其金融資產之可收回金額，以確保及早對交易對方的潛在信貸風險作出管理，並對潛在欠款作充足撥備。此外，本集團定期對各個別應收賬款的可收回金額作出覆核，以確保就不可收回款項作出足夠減值虧損。

本集團其他金融資產(包括現金及現金等價物、包括在預付款項、按金及其他應收款項的金融資產及應收關連公司款項)的信貸風險因交易方違約而產生，風險上限相等於該等工具的賬面值。

由於本集團只與認可及具信譽之第三方進行買賣，故無需抵押品。於報告期間結束時，本集團有若干集中信貸風險，因本集團最大客戶及五大客戶分別佔本集團0%(二零一七年：49%)及30%(二零一七年：86%)之應收賬款。

誠如附註22內所披露，本集團就應收賬款應用簡化方法去計量預期信貸虧損。

至於應收賬款以外的金融資產，本集團在資產初始確認時考慮違約的可能性，並於每個報告期持續考慮信貸風險是否已經顯著增加。為評估信貸風險是否已經顯著增加，本集團將報告日資產發生違約的風險與初始確認時的違約風險進行比較。本集團會考慮合理及可支持的前瞻性信息。本集團就應收賬款以外的金融資產採用四個分類以反映其信貸風險及如何就各個分類確定虧損撥備。

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Credit risk

The Group reviews the recoverability of its financial assets periodically to ensure that potential credit risk of the counterparty is managed at an early stage and sufficient provision is made for possible defaults. In addition, the Group reviews regularly the recoverable amount of each individual accounts receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, financial assets included in prepayments, deposits and other receivables and amounts due from related companies, arises from default of the counterparties, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. At the end of the reporting period, the Group had certain concentrations of credit risk as nil (2017: 49%) and 30% (2017: 86%) of the Group's accounts receivable were due from the Group's largest customer and the five largest customers, respectively.

The Group applies simplified approach to measure expected credit losses for accounts receivable as disclosed in note 22.

For financial assets other than accounts receivable, the Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The Group uses four categories for financial assets other than accounts receivable which reflect their credit risk and how the loss provision is determined for each of those categories.

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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44. 財務風險管理目的及政策（續）

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) 信貸風險（續）

(d) Credit risk (continued)

| 分類 Category | 本集團有關分類的定義 Group definition of category | 確認預期信貸虧損的基礎 Basis for recognition of ECL |
|-------------------|---|---|
| 履約中 Performing | 交易對方的違約風險不大，且並無任何逾期款項 The counterparty has a low risk of default and does not have any past due amounts | 12個月預期信貸虧損 12-month ECL |
| 存疑 Doubtful | 自初始確認起信貸風險已經顯著增加 There has been a significant increase in credit risk since initial recognition | 整個存續期預期信貸虧損－未信用減值 Lifetime ECL – not credit impaired |
| 違約 Default | 有證據顯示資產已信用減值 There is evidence indicating the asset is credit impaired | 整個存續期預期信貸虧損－信用減值 Lifetime ECL – credit impaired |
| 撇銷 Write-off | 有證據顯示債務人發生嚴重的財務困難，而本集團收回款項的希望渺茫 There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery | 將金額撇銷 Amount is written off |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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44. 財務風險管理目的及政策(續)

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) 信貸風險(續)

(d) Credit risk (continued)

於二零一八年十二月三十一日的最高風險以及於年結時的階段分類

Maximum exposure and year-end staging as at 31 December 2018

下表顯示於二零一八年十二月三十一日根據本集團的信貸政策確定的信用質量及最高信貸風險，其主要以逾期資料為基礎，除非其他資料無須付出不當成本或努力即可獲得，則作別論。所列報的金額為金融資產的賬面總值。

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, as at 31 December 2018. The amounts presented are gross carrying amounts for financial assets.

| | | 12個月預期 信貸虧損 | | 整個存續期預期信貸虧損 | | 總計 |
|----------------------------|---|----------------|--------------|--------------|---------------------|----------|
| | | 12 month ECL | Lifetime ECL | Lifetime ECL | Simplified approach | |
| | | 第一階段 | 第二階段 | 第三階段 | 簡化方法 | |
| | | Stage 1 | Stage 2 | Stage 3 | Simplified approach | Total |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| 應收賬款* | Accounts receivable* | - | - | - | 1,300 | 1,300 |
| 包括在預付款項、按金及 其他應收款項之金融資產 | Financial assets included in prepayments, deposits and other receivables | | | | | |
| - 正常** | - Normal** | 1,124 | - | - | - | 1,124 |
| 應收關連公司款項 | Amounts due from related companies | | | | | |
| - 正常** | - Normal** | 334 | - | - | - | 334 |
| 現金及銀行結餘 | Cash and bank balances | | | | | |
| - 未逾期 | - Net yet past due | 100,901 | - | - | - | 100,901 |
| | | 102,359 | - | - | 1,300 | 103,659 |

* 有關本集團應用減值簡化方法的應收賬款，有關預期信貸虧損計算的資料在綜合財務報表附註22內披露。

* For accounts receivable to which the Group applies the simplified approach for impairment, information on the ECL calculation is disclosed in note 22 to the consolidated financial statements.

** 包括在預付款項、按金及其他應收款項之金融資產以及應收關連公司款項在尚未逾期且並無資料表明金融資產的信貸風險自初始確認後已經顯著上升，其信用質量會被視為「正常」。否則，金融資產的信用質量會被視為「存疑」。

** The credit quality of the financial assets included in prepayments, deposits and other receivables and amounts due from related companies is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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44. 財務風險管理目的及政策(續)

(e) 流動資金風險

本集團之政策乃定期監察其流動資金需求，確保其維持充足現金儲備以應付短期、中期及長期之流動資金需求。銀行及一般信貸乃適時作預備用途。

於管理流動資金風險時，本集團監察及維持某一水平之現金及現金等價物，而該水平乃管理層視為足夠提供本集團營運之資金需要及減少現金流量波動之影響。

本集團之金融負債於報告期間結束時根據合約未折現付款之到期日如下：

二零一八年

| | | 按要求或 三個月以內 On demand or less than 3 months 千港元 HK\$'000 | 三至十二 個月以內 3 to less than 12 months 千港元 HK\$'000 | 一至五年 1 to 5 years 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-------------------------|--|---|---|--|--------------------------------|
| 應付賬款 | Accounts payable | 7,028 | - | - | 7,028 |
| 包括在其他應付款項及 應計負債之金融負債 | Financial liabilities included in other payables and accruals | 33,161 | - | - | 33,161 |
| 計息銀行及其他借貸 | Interest-bearing bank and other borrowings | 31,763 | 3,076 | 2,589 | 37,428 |
| 應付關連公司款項 | Amounts due to related companies | 3,780 | - | - | 3,780 |
| | | 75,732 | 3,076 | 2,589 | 81,397 |

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Liquidity risk

The Group's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short, medium and longer term. Banking and general facilities have been put in place for contingency purposes.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

2018

| | 按要求或 三個月以內 On demand or less than 3 months 千港元 HK\$'000 | 三至十二 個月以內 3 to less than 12 months 千港元 HK\$'000 | 一至五年 1 to 5 years 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-------------------------|---|---|--|--------------------------------|
| 應付賬款 | 7,028 | - | - | 7,028 |
| 包括在其他應付款項及 應計負債之金融負債 | 33,161 | - | - | 33,161 |
| 計息銀行及其他借貸 | 31,763 | 3,076 | 2,589 | 37,428 |
| 應付關連公司款項 | 3,780 | - | - | 3,780 |
| | 75,732 | 3,076 | 2,589 | 81,397 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

44. 財務風險管理目的及政策(續)

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) 流動資金風險(續)

(e) Liquidity risk (continued)

二零一七年

2017

| | | 按要求或 三個月以內 On demand or less than 3 months 千港元 HK\$'000 | 三至十二 個月以內 3 to less than 12 months 千港元 HK\$'000 | 一至五年 1 to 5 years 千港元 HK\$'000 | 總計 Total 千港元 HK\$'000 |
|-------------------------|--|---|---|---|--------------------------------|
| 應付賬款 | Accounts payable | 5,169 | – | – | 5,169 |
| 包括在其他應付款項及 應計負債之金融負債 | Financial liabilities included in other payables and accruals | 36,526 | – | – | 36,526 |
| 計息銀行及其他借貸 | Interest-bearing bank and other borrowings | 7,543 | 4,784 | 31,627 | 43,954 |
| 應付最終控股公司款項 | Amount due to the ultimate holding company | 29 | – | – | 29 |
| 應付關連公司款項 | Amounts due to related companies | 3,818 | – | – | 3,818 |
| | | 53,085 | 4,784 | 31,627 | 89,496 |

(f) 資本管理

(f) Capital management

本集團資本管理之主要目標是保障本集團按持續經營基準繼續營運之能力及維持穩健之資本比率，以支持其業務及盡量提高股東價值。

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

為維持或調整資本結構，本集團或會調整向股東派付股息之金額或發行新股份。截至二零一八年及二零一七年十二月三十一日止年度，並無就管理資本之目標、政策或過程作出變動。

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2018 and 2017.

本集團以債務對總權益比率(即債務淨額除以總權益)監察其資本。債務淨額按總借貸(包括應付最終控股公司款項、應付關連公司款項及計息銀行及其他借貸)減現金及現金等價物計算。

The Group monitors capital using the debt-to-total equity ratio, which is net debt divided by total equity. Net debt is calculated as total borrowings (including amount due to the ultimate holding company, amounts due to related companies and interest-bearing bank and other borrowings) less cash and cash equivalents.

綜合財務報表附註(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

44. 財務風險管理目的及政策(續)

(f) 資本管理(續)

於二零一八年及二零一七年十二月三十一日之債務對總權益比率如下：

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(f) Capital management (continued)

The debt-to-total equity ratios at 31 December 2018 and 2017 were as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|------------|---------------------------------|----------------------------------|----------------------------------|
| 總借貸 | Total borrowings | 40,761 | 44,771 |
| 減：現金及現金等價物 | Less: Cash and cash equivalents | (100,822) | (34,201) |
| 債務淨額 | Net debt | (60,061) | 10,570 |
| 總權益 | Total equity | 259,867 | 294,648 |
| 債務對總權益比率 | Debt-to-total equity ratio | N/A | 4% |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度(以港元列值)

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

45. 本公司之財務狀況表

有關本公司於報告期間結束時之財務狀況表之資料如下：

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 |
|-----------------|--|----------------------------------|----------------------------------|
| 非流動資產 | Non-current assets | | |
| 物業、廠房及設備 | Property, plant and equipment | 19 | 444 |
| 於附屬公司之投資 | Investments in subsidiaries | 41,654 | 2,405 |
| 非流動資產總值 | Total non-current assets | 41,673 | 2,849 |
| 流動資產 | Current assets | | |
| 預付款項、按金及其他應收款項 | Prepayments, deposits and other receivables | 329 | 843 |
| 應收附屬公司款項 | Amounts due from subsidiaries | 119,912 | 285,957 |
| 透過損益按公平值處理之金融工具 | Financial instruments at fair value through profit or loss | - | 1,047 |
| 現金及銀行結餘 | Cash and bank balances | 79,325 | 14,081 |
| 流動資產總值 | Total current assets | 199,566 | 301,928 |
| 流動負債 | Current liabilities | | |
| 其他應付款項及應計負債 | Other payables and accruals | 14,782 | 11,957 |
| 計息其他借貸 | Interest-bearing other borrowing | 5,701 | 6,010 |
| 應付最終控股公司款項 | Amount due to the ultimate holding company | - | 29 |
| 應付關連公司款項 | Amounts due to related companies | - | 456 |
| 流動負債總值 | Total current liabilities | 20,483 | 18,452 |
| 流動資產淨值 | Net current assets | 179,083 | 283,476 |
| 資產總值減流動負債 | Total assets less current liabilities | 220,756 | 286,325 |
| 資產淨值 | Net assets | 220,756 | 286,325 |
| 權益 | Equity | | |
| 本公司擁有人應佔權益 | Equity attributable to owners of the Company | | |
| 股本 | Share capital | 120,625 | 104,540 |
| 儲備 | Reserves | 100,131 | 181,785 |
| 總權益 | Total equity | 220,756 | 286,325 |

傅軍
Fu Kwan
董事
Director

張建
Zhang Jian
董事
Director

綜合財務報表附註（續）

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

截至二零一八年十二月三十一日止年度（以港元列值）

For the year ended 31 December 2018 (Expressed in Hong Kong dollars)

45. 本公司之財務狀況表（續）

附註：

本公司儲備概要如下：

45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

| | | 股份溢價賬 | 可換股債券儲備 | 購股權儲備 | 保留溢利／ (累計虧損) | 總計 |
|-----------------------------|---|--|--|---|--|--------------------------|
| | | Share premium account 千港元 HK\$'000 | Convertible bonds reserve 千港元 HK\$'000 | Share option reserve 千港元 HK\$'000 | Retained profits/ (accumulated loss) 千港元 HK\$'000 | Total 千港元 HK\$'000 |
| 於二零一七年一月一日 | At 1 January 2017 | 78,399 | - | 1,673 | 159,802 | 239,874 |
| 年度全面開支總額 | Total comprehensive expense for the year | - | - | - | (58,089) | (58,089) |
| 於二零一七年十二月三十一日 及二零一八年一月一日 | At 31 December 2017 and 1 January 2018 | 78,399 | - | 1,673 | 101,713 | 181,785 |
| 年度全面開支總額 | Total comprehensive expense for the year | - | - | - | (167,165) | (167,165) |
| 註銷購股權 | Cancellation of share options | - | - | (1,673) | 1,673 | - |
| 發行可換股債券 | Issuance of convertible bonds | - | 19,266 | - | - | 19,266 |
| 可換股債券發行費用 | Convertible bonds issuance expenses | - | (241) | - | - | (241) |
| 可換股債券獲轉換 | Conversion of convertible bonds | 85,511 | (18,462) | - | - | 67,049 |
| 可換股債券的遞延稅項 | Deferred tax on convertible bonds | - | (563) | - | - | (563) |
| 於二零一八年十二月三十一日 | At 31 December 2018 | 163,910 | - | - | (63,779) | 100,131 |

46. 批准綜合財務報表

綜合財務報表於二零一九年三月二十七日獲董事會批准並授權刊發。

46. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 27 March 2019.

投資物業之詳情 PARTICULARS OF INVESTMENT PROPERTIES

本集團於二零一八年十二月三十一日之投資物業詳情如下：

Details of the Group's investment properties as at 31 December 2018 are as follows:

| 地點 | | 概約建築面積 (平方米) | 租期類別 | 用途 |
|--|--|---|--|------------------|
| Location | | Approximate gross floor area (square meter) | Category of the lease term | Use |
| Office units 708, 728, 731, 732, 734, 735, 1132, 1510 and 1516 of Tower 1 Junefield Plaza No. 6 Xuan Wu Men Wai Dajie Xi Cheng District, Beijing the PRC | 中國北京市西城區 宣武門外大街六號 莊勝廣場第一座 708、728、731、732、 734、735、1132、 1510及1516室辦公單位 | 851 | 土地使用權 年期於二零四四年 三月二十一日屆滿 Land use rights for a term expired on 21 March 2044 | 商業 Commercial |
| Office units 725-729 on Level 7 and 917 on Level 9 of Tower 2 Junefield Plaza No. 10 Xuan Wu Men Wai Dajie Xi Cheng District, Beijing the PRC | 中國北京市西城區 宣武門外大街十號 莊勝廣場第二座 七樓725至729室及 九樓917室辦公單位 | 744 | 土地使用權 年期於二零四四年 三月二十一日屆滿 Land use rights for a term expired on 21 March 2044 | 商業 Commercial |

待售已完工物業之詳情 PARTICULARS OF COMPLETED PROPERTIES FOR SALE

本集團於二零一八年十二月三十一日之待售已完工物業詳情如下：

Details of the Group's completed properties for sale as at 31 December 2018 are as follows:

| 物業名稱及地點 | 用途 | 完工年度 | 概約 可銷售面積 (平方米) | 本集團之權益 |
|---|--|-------------------------------|---|---------------------|
| Name of property and location | Use | Year of completion | Approximate saleable floor area (square meter) | Group's interest |
| Units 702 and 703 Calle Los Cisnes 361-365 Urb. Limatambo, San Isidro, Lima, Peru | 702及703室 Calle Los Cisnes 361-365 Urb. Limatambo, San Isidro, 利馬, 秘魯 | 住宅 Residential 2015 | 762 | 100% |

五年財務概要

FIVE YEAR FINANCIAL SUMMARY

業績

RESULTS

| | | 截至十二月三十一日止年度 For the year ended 31 December | | | | |
|--------------|--|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 | 二零一六年 2016 千港元 HK\$'000 | 二零一五年 2015 千港元 HK\$'000 | 二零一四年 2014 千港元 HK\$'000 |
| 持續經營業務收入 | Continuing Operations Revenue | 184,704 | 36,275 | 154,401 | 298,688 | 335,774 |
| 持續經營業務之除稅前虧損 | Loss before tax from continuing operations | (139,665) | (63,891) | (51,881) | (73,764) | (87,645) |
| 所得稅抵免/(開支) | Income tax credit/(expense) | 7,765 | 1,029 | 2,195 | (201) | (9,332) |
| 持續經營業務之年度虧損 | Loss for the year from continuing operations | (131,900) | (62,862) | (49,686) | (73,965) | (96,977) |
| 已終止經營業務之年度虧損 | Loss for the year from discontinued operations | - | - | (1,953) | (1,897) | (5,014) |
| 年度虧損 | Loss for the year | (131,900) | (62,862) | (51,639) | (75,862) | (101,991) |
| 應佔： | Attributable to: | | | | | |
| 本公司擁有人 | Owners of the Company | (111,784) | (44,895) | (36,495) | (69,434) | (104,923) |
| 非控股權益 | Non-controlling interests | (20,116) | (17,967) | (15,144) | (6,428) | 2,932 |
| | | (131,900) | (62,862) | (51,639) | (75,862) | (101,991) |

資產及負債

ASSETS AND LIABILITIES

| | | 於十二月三十一日 At 31 December | | | | |
|--------|---------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 二零一八年 2018 千港元 HK\$'000 | 二零一七年 2017 千港元 HK\$'000 | 二零一六年 2016 千港元 HK\$'000 | 二零一五年 2015 千港元 HK\$'000 | 二零一四年 2014 千港元 HK\$'000 |
| 資產總值 | Total assets | 393,394 | 440,295 | 483,730 | 798,749 | 922,807 |
| 負債總額 | Total liabilities | (133,527) | (145,647) | (139,012) | (206,670) | (235,255) |
| | | 259,867 | 294,648 | 344,718 | 592,079 | 687,552 |
| 應佔權益： | Equity attributable to: | | | | | |
| 本公司擁有人 | Owners of the Company | 229,684 | 241,836 | 278,838 | 509,358 | 592,989 |
| 非控股權益 | Non-controlling interests | 30,183 | 52,812 | 65,880 | 82,721 | 94,563 |
| | | 259,867 | 294,648 | 344,718 | 592,079 | 687,552 |



Macrolink Capital Holdings Limited
新華聯資本有限公司