



**Enviro Energy
International Holdings Limited**
環能國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)
(Stock Code 股份代號：1102)

Annual Report 2018
年報

Contents

目錄

Corporate Information	公司資料	3
Chairman's Statement	主席報告	5
Management Discussion and Analysis	管理層討論及分析	7
Corporate Governance Report	企業管治報告	18
Directors Profile	董事簡介	37
Report of the Directors	董事會報告	41
Environmental, Social and Governance Report	環境、社會及管治報告	62
Independent Auditor's Report	獨立核數師報告	71
Consolidated Statement of Profit or Loss	綜合損益表	76
Consolidated Statement of other Comprehensive Income	綜合其他全面收益表	77
Consolidated Statement of Financial Position	綜合財務狀況表	78
Consolidated Statement of Changes in Equity	綜合權益變動表	80
Consolidated Statement of Cash Flows	綜合現金流量表	81
Notes to the Consolidated Financial Statements	綜合財務報表附註	83
Five-Year Financial Summary	五年財務概要	168

Abbreviations

簡稱

In this annual report, the following abbreviations have the following meanings unless otherwise specified:

於本年報內，除文義另有所指外，下列簡稱具有以下涵義：

“Articles of Association” 「組織章程細則」	指	articles of association of the Company 本公司之組織章程細則
“Board” 「董事會」	指	Board of Directors of the Company 本公司之董事會
“Company” 「本公司」	指	Enviro Energy International Holdings Limited 環能國際控股有限公司
“Companies Ordinance” 「公司條例」	指	Chapter 622 of the Laws of Hong Kong 香港法例第622章
“Directors” 「董事」	指	directors of the Company 本公司之董事
“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“Listing Rules” 「上市規則」	指	Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“PRC” 「中國」	指	The People’s Republic of China 中華人民共和國
“SFO” 「證券及期貨條例」	指	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) 證券及期貨條例(香港法例第571章)
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“HK\$” and “HK cent” 「港元」及「港仙」	指	Hong Kong dollar(s) and cent, the lawful currency of Hong Kong 港元及港仙，香港法定貨幣
“US\$” 「美元」	指	United States dollar(s), the lawful currency of the United States of America 美元，美利堅合眾國的法定貨幣
“%” 「%」	指	per cent. 百分比

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Li Sen (*Chairman*)
Mr. Zhou Xuesheng (*Chief Executive Officer*)
Mr. Wei Junqing

Independent Non-executive Directors

Mr. Wen Guangwei
Dr. Hou Chaohui
(appointed on 30 August 2018)
Mr. Jiang Maolin
(appointed on 25 October 2018)

AUDIT COMMITTEE

Mr. Wen Guangwei (*Chairman*)
Dr. Hou Chaohui
(appointed on 30 August 2018)
Mr. Jiang Maolin
(appointed on 25 October 2018)

REMUNERATION COMMITTEE

Dr. Hou Chaohui (*Chairman*)
(appointed on 30 August 2018)
Mr. Wen Guangwei
Mr. Jiang Maolin
(appointed on 25 October 2018)

NOMINATION COMMITTEE

Mr. Jiang Maolin (*Chairman*)
(appointed on 25 October 2018)
Mr. Wen Guangwei
Dr. Hou Chaohui
(appointed on 30 August 2018)

COMPANY SECRETARY

Mr. Tsang Shu Kei
(appointed on 8 June 2018)

董事會

執行董事

李森先生 (*主席*)
周學生先生 (*行政總裁*)
魏俊青先生

獨立非執行董事

文光偉先生
侯超惠博士
(於二零一八年八月三十日獲委任)
姜茂林先生
(於二零一八年十月二十五日獲委任)

審核委員會

文光偉先生 (*主席*)
侯超惠博士
(於二零一八年八月三十日獲委任)
姜茂林先生
(於二零一八年十月二十五日獲委任)

薪酬委員會

侯超惠博士 (*主席*)
(於二零一八年八月三十日獲委任)
文光偉先生
姜茂林先生
(於二零一八年十月二十五日獲委任)

提名委員會

姜茂林先生 (*主席*)
(於二零一八年十月二十五日獲委任)
文光偉先生
侯超惠博士
(於二零一八年八月三十日獲委任)

公司秘書

曾樹基先生
(於二零一八年六月八日獲委任)



Corporate Information 公司資料

TRADING OF SHARES

Hong Kong Stock Exchange
(Stock Code: 1102)

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1603-5, 16th Floor
Harcourt House
39 Gloucester Road
Wanchai, Hong Kong

PRINCIPAL BANKERS

Bank of Communications Co., Ltd.,
Hong Kong Branch
China CITIC Bank International Limited
Yingkou Coastal Bank Co., Ltd.
Agricultural Bank of China Limited

AUDITOR

Zhonghiu Anda CPA Limited
(appointed on 15 November 2018)

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

<http://www.enviro-energy.com.hk>

股份買賣

香港聯交所
(股份代號：1102)

註冊辦事處

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

總辦事處及香港主要營業地點

香港灣仔
告士打道39號
夏慤大廈
16樓1603-5室

主要往來銀行

交通銀行股份有限公司香港分行
中信銀行(國際)有限公司
營口沿海銀行股份有限公司
中國農業銀行股份有限公司

核數師

中匯安達會計師事務所有限公司
(於二零一八年十一月十五日獲委任)

主要股份過戶登記處

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road
George Town
Grand Cayman KY1-1110
Cayman Islands

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

公司網站

<http://www.enviro-energy.com.hk>

* The above information is updated to 24 April 2019, the latest practicable date before printing of this annual report.

* 上述資料更新至二零一九年四月二十四日，即本年度報告付印前之最後實際可行日期。



Chairman's Statement

主席報告

On behalf of the Board, I hereby present to the shareholders the results of the Group for the year ended 31 December 2018.

RESULTS

In 2018, following the economic growth in the Greater Bay Area benefited from the recent PRC national policies promulgated by the government of the PRC for the region, the revenue from trading building materials was significantly increased as a result of the growth in demand for properties and constituted the major stream of the Group's revenue for the year ended 31 December 2018.

For the year ended 31 December 2018, the Group recorded a consolidated revenue from its continuing operations of approximately HK\$885,871,000, increased by over 16.25 times from the previous year (2017: HK\$54,531,000). Loss attributable to owners of the Company from continuing operations was approximately HK\$14,531,000 (2017: HK\$50,855,000) and basic loss per share of HK0.16 cent (2017: HK0.65 cent). The decrease in loss from continuing operations was mainly attributable to (i) decrease in fair value loss on investment properties from HK\$20,866,000 in 2017 to HK\$5,369,000 in 2018 and (ii) the interest income of HK\$21,755,000 (2017: nil) from loan receivables recognised during the year ended 31 December 2018.

PROSPECTS

It is the intention of the management to step up its effort to improve the financial performance of the existing businesses of the Group and to explore investment opportunities in the properties investment, investment holding and trading of building materials segments or other new segments with good prospects with the view to bring substantial value to the shareholders of the Company.

本人謹代表董事會向股東提呈本集團截至二零一八年十二月三十一日止年度之業績。

業績

於二零一八年，受惠於中國政府近期為大灣區頒佈的中國國家政策，大灣區經濟有所增長，建築材料貿易的收益因對物業的需求增長而大幅增加，構成截至二零一八年十二月三十一日止年度本集團的主要收入來源。

截至二零一八年十二月三十一日止年度，本集團錄得持續經營業務之綜合收益為約885,871,000港元，較去年增加超過16.25倍（二零一七年：54,531,000港元）。持續經營業務之本公司擁有人應佔虧損為約14,531,000港元（二零一七年：50,855,000港元），每股基本虧損為0.16港仙（二零一七年：0.65港仙）。來自持續經營業務之虧損減少乃主要由於(i)投資物業公允價值虧損由二零一七年的20,866,000港元減少至二零一八年的5,369,000港元及(ii)於截至二零一八年十二月三十一日止年度已確認應收貸款之利息收入21,755,000港元（二零一七年：零）。

前景

管理層有意加大力度改善本集團現有業務之財務表現，並於物業投資、投資控股及建築材料貿易分部或其他具備良好前景之新分部發掘投資機會，藉此為本公司股東帶來重大價值。



Chairman's Statement

主席報告

APPRECIATION

I would like to take this opportunity to thank all shareholders, investors, bankers, business associates and customers for their continuing support to the Group, my fellow directors for their valuable services and all staff members for their hard work during the past year.

Li Sen
Chairman

Hong Kong, 29 March 2019

致謝

對於全體股東、投資者、銀行家、業務夥伴及客戶堅定不移地支持本集團，本人謹藉此機會向彼等表示誠摯謝意。本人衷心感謝各位董事作出的貢獻及對於全體員工於過去一年的努力，本人深表謝意。

李森
主席

香港，二零一九年三月二十九日



Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

For the year ended 31 December 2018, the Group engaged in properties investment, investment holding and trading of building materials businesses.

REVIEW BY BUSINESS SEGMENTS OF CONTINUING OPERATIONS

Properties investment

The Group's investment properties comprise 40 commercial units situated in Yingkou city, Liaoning province, the PRC, with gross floor area of approximately 14,182 square meters. In September 2017, 13 commercial units have been contracted to be disposed to two parties who are third parties independent of and not connected with the Company and its connected person(s) (within the meaning ascribed to such term in the Listing Rules) ("Independent Third Parties") for a total consideration of RMB29,326,000. In January 2018, 4 commercial units were contracted to be disposed of to other two Independent Third Parties for a total consideration of RMB13,139,000. All of these disposal transactions have completed during the year ended 31 December 2018.

The Group owned investment properties, which comprise the fourth floor and the fifth floor of a building situated in Dalian city, Liaoning province, the PRC with a total gross floor area of approximately 2,843 square meters. During the year ended 31 December 2018, these properties were disposed to the Independent Third Parties at a total consideration of HK\$87,329,000.

The Group also owns a piece of land of gross floor area of approximately 4,320 square meters together with a twelve-floor property erected thereon with gross floor area of approximately 17,800 square meters. This property is situated in Yingkou city, Liaoning province, the PRC and is currently being leased out for rental income.

In August 2018, the Group disposed of two parcels of land located at Bai Sha Wan, Bayuquan district of Yingkou city, Liaoning province, the PRC with gross floor area of approximately 59,245 square meters through the disposal of entire equity interest in Yingkou Hailanggu Travel Co., Limited (營口海浪谷旅遊有限公司) ("Hailanggu") to two Independent Third Parties of the Company at a total consideration of RMB2 (equivalent to approximately HK\$2). The disposals have been completed during the year ended 31 December 2018. Details on the disposal are set out in the announcements of the Company dated 28 August 2018 and 4 December 2018.

業務回顧

於截至二零一八年十二月三十一日止年度，本集團從事物業投資、投資控股及建築材料貿易業務。

持續經營業務分部回顧

物業投資

本集團之投資物業由40個位於中國遼寧省營口市之商用單位組成，總樓面面積約為14,182平方米。於二零一七年九月，13個商用單位已訂約出售予兩名人士（彼等為獨立於本公司及其關連人士（具有上市規則賦予該詞之涵義）且與彼等並無關連之第三方（「獨立第三方」）），總代價為人民幣29,326,000元。於二零一八年一月，4個商用單位已訂約出售予另外兩名獨立第三方，總代價為人民幣13,139,000元。所有該等出售交易於截至二零一八年十二月三十一日止年度已完成。

本集團擁有的投資物業包括位於中國遼寧省大連市一幢大樓之第四層及第五層，總樓面面積約為2,843平方米。於截至二零一八年十二月三十一日止年度，該等物業以總代價87,329,000港元出售予獨立第三方。

本集團亦擁有一幅樓面面積約4,320平方米之地塊連同建於該地塊上樓高十二層、總樓面面積約為17,800平方米之物業。該物業位於中國遼寧省營口市，現時已出租以賺取租金收入。

於二零一八年八月，本集團透過向本公司兩名獨立第三方以總代價人民幣2元（相當於約2港元）出售於營口海浪谷旅遊有限公司（「海浪谷」）之全部股權，出售兩幅位於中國遼寧省營口市鮫魚圈區白沙灣之地塊，總樓面面積約為59,245平方米。於截至二零一八年十二月三十一日止年度，出售經已完成。有關出售事項之詳情載於本公司日期為二零一八年八月二十八日及二零一八年十二月四日之公佈內。

Management Discussion and Analysis

管理層討論及分析

The Group, through Yingkou Haida Property Service Company Limited (營口海達物業服務有限公司) (“Haida”), an indirect wholly owned subsidiary of the Company, owned a piece of land with gross floor area of approximately 5,000 square meters and two blocks of buildings with a total gross floor area of approximately 5,022 square meters. The said lands and the properties were situated in Yingkou city, Liaoning province, the PRC. During the year ended 31 December 2018, the Group disposed of the said lands and the properties through the disposal of entire equity interest in Haida to an Independent Third Party of the Company at a consideration of RMB24,000,000 (equivalent to approximately HK\$27,352,000). The disposal was completed on 19 June 2018. Details of the disposal are set out in the announcement of the Company dated 18 May 2018.

During the year ended 31 December 2018, the Group’s rental income amounted to approximately HK\$4,270,000 (2017: approximately HK\$3,967,000). The properties investment segment recorded valuation loss of approximately HK\$5,369,000 (2017: approximately HK\$20,866,000) on its investment properties, as a whole, this business segment recorded a profit of approximately HK\$17,222,000 for the year ended 31 December 2018 (2017: loss of approximately HK\$21,932,000).

Investment holding

For the year ended 31 December 2018, the Group had no revenue and profit from investment holding (2017: approximately HK\$977,000 and HK\$9,629,000).

Trading of building materials

The Group has commenced its building materials trading business since the second half of 2017 through its indirect wholly owned subsidiary, Qianhai Shitong Supply Chain (Shenzhen) Company Limited (“前海世通供應鏈(深圳)有限公司”) (“Qianhai Shitong”). The Board considered that this new business can broaden revenue base of the Group which would be in the interests of the Company and the shareholders as a whole.

During the year ended 31 December 2018, the trading of building materials segment contributed a revenue of approximately HK\$881,601,000 (2017: approximately HK\$49,587,000), representing 99.5% of total revenue from continuing operations. The segment contributed a gross profit of approximately HK\$4,890,000, representing 53.4% (2017: approximately HK\$2,894,000) of total gross profit from continuing operations for the year ended 31 December 2018.

本集團透過本公司之間接全資附屬公司營口海達物業服務有限公司(「海達」)持有一幅總樓面面積約為5,000平方米之地塊及兩幢總樓面面積約5,022平方米之樓宇。上述地塊及物業位於中國遼寧省營口市。於截至二零一八年十二月三十一日止年度，本集團已透過向本公司一名獨立第三方以代價人民幣24,000,000元(相當於約27,352,000港元)出售於海達之全部股權，出售上述地塊及物業。出售事項已於二零一八年六月十九日完成。出售事項之詳情載於本公司日期為二零一八年五月十八日之公佈。

於截至二零一八年十二月三十一日止年度，本集團之租金收入約為4,270,000港元(二零一七年：約3,967,000港元)。物業投資分部就投資物業錄得估值虧損約5,369,000港元(二零一七年：約20,866,000港元)，整體而言，截至二零一八年十二月三十一日止年度此項業務分部錄得溢利約17,222,000港元(二零一七年：虧損約21,932,000港元)。

投資控股

於截至二零一八年十二月三十一日止年度，本集團從投資控股並沒有錄得收入及溢利(二零一七年：約977,000港元及9,629,000港元)。

建築材料貿易

本集團自二零一七年下半年起透過其間接全資附屬公司前海世通供應鏈(深圳)有限公司(「前海世通」)開展建築材料貿易業務。董事會認為新業務可擴大本集團之收入基礎，並將符合本公司及股東之整體利益。

於截至二零一八年十二月三十一日止年度，建築材料貿易分部錄得收入約881,601,000港元(二零一七年：約49,587,000港元)，相當於持續經營業務總收入之99.5%。於截至二零一八年十二月三十一日止年度，該分部貢獻毛利約4,890,000港元(二零一七年：約2,894,000港元)，相當於持續經營業務總毛利之53.4%。



Management Discussion and Analysis

管理層討論及分析

During the year ended 31 December 2018, the Group had over 10 key customers, all of which are Independent Third Parties. Among these customers, two are subsidiaries of companies listed in Hong Kong and/or in the PRC. During the same year, the Group had about 15 key suppliers, all of which are Independent Third Parties. Among these suppliers, two are subsidiaries of companies listed in Hong Kong and/or the PRC.

BUSINESS PROSPECTS AND FUTURE PLANS

The Group is optimistic about the prospect of its building materials trading business because when demand for properties grows in the Greater Bay Area, demand for building materials is expected to increase correspondingly. The Company plans to continue developing this business segment by recruiting additional staff and adopt more proactive approach to select and solicit quality suppliers and customers. Following the economic growth in the Greater Bay Area benefited from the recent PRC national policies promulgated by the government of the PRC for the region, demand for properties is expected to increase, which will in turn stimulate the revenue from trading of building materials, bringing a turnaround to profit in the long run.

Subsequent to completion of acquisition of the investment properties in the Northeast Region by the Group in the second half of 2016, the economy development of Liaoning Province did not grow as expected, and lagged behind the national economy growth. In such connection, certain investment properties had been vacant for some time due to macroeconomic factors. In 2017, the Group did not acquire any investment properties in the Northeast Region. The Group will continue to develop its properties investment business segment given its vast potential and opportunity. Driven by the market potential in the Greater Bay Area and taking advantage of the extensive business network of the Chairman of the Board, Mr. Li Sen, the Group has been and is reviewing its property investment portfolio with the aim to seize new properties investment opportunities in Shenzhen City and Greater Bay Area.

截至二零一八年十二月三十一日止年度，本集團擁有超過10名主要客戶，均為獨立第三方。於該等客戶當中，兩名為香港及／或中國上市公司之附屬公司。於同年，本集團擁有約15名主要供應商，均為獨立第三方。該等供應商當中，兩名為香港及／或中國上市公司之附屬公司。

業務前景及未來計劃

本集團對建築材料貿易業務前景感到樂觀，原因為當大灣區物業的需求增加時，預期對建築材料的需求亦相應增加。本公司計劃增聘額外員工，並更積極主動地甄選及物色優質供應商及客戶，以繼續發展此業務分部。受惠於中國政府近期為大灣區頒佈的中國國家政策，大灣區經濟有所增長，預期對物業的需求將會增加，繼而將刺激建築材料貿易的收入，長遠而言為溢利帶來轉機。

於二零一六年下半年完成收購本集團於東北地區之投資物業後，遼寧省經濟發展未如預期增長，落後於國家經濟增長。就此而言，由於宏觀經濟因素，若干投資物業已空置一段時間。於二零一七年，本集團並無於東北地區收購任何投資物業。鑒於物業投資業務的巨大潛力及機遇，本集團將繼續發展該業務分部。受大灣區的市場潛力帶動，並透過善用董事會主席李森先生的廣大業務網絡，本集團一直及正在檢視其物業投資組合，旨在抓緊深圳市及大灣區的物業投資新機會。

Management Discussion and Analysis

管理層討論及分析

As at 31 December 2018, all investments in securities or bonds were disposed of. Going forward, the Company will continue to actively explore the potential for other strategic investments and capture the opportunities and balance the investment risks.

On 14 March 2018, Enviro Energy Finance (BEI) Limited, a wholly-owned subsidiary of the Company, acquired the entire issued share capital of Quick Master Company Limited (“QMS”) at a consideration of HK\$450,000. The acquisition was completed on 14 March 2018. QMS holds a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Board considers that the acquisition provides a prime opportunity to diversify the Group’s business scope, broaden the Group’s sources of income and achieve better return to the shareholders of the Company. The Board is of the view that the acquisition would be in the interests of the Group and the shareholders as a whole.

Looking ahead, China’s economy is expected to maintain steady in the first half of 2019 as a result of the economic and financial reform driven by the States with the recent PRC national policies related to the “Greater Bay Area”. The markets of property investment and trading of building materials in Mainland China are also expected to grow at a steady pace. With this background, the Board is reviewing the portfolio of investment properties and the Group may acquire investment properties in Greater Bay area and/or Hong Kong when opportunities arise. The Board is fully confident in the future business development of the Group.

The Board will continue to look out for opportunities to make investments in any new business when suitable opportunities arise to diversify revenue streams of the Group and strengthen the Group’s financial position, and thereby maximising the benefits of the shareholders as a whole.

To raise fund for the potential investments in the future, the Group is actively considering to explore different avenues for strengthening the Group’s cashflows by obtaining new bank borrowings and carrying out fund raising including, but not limited to, rights issue, open offer, placing of new shares and issuance of other convertible bonds.

於二零一八年十二月三十一日，所有證券或債券投資已被出售。展望將來，本公司將繼續積極發掘其他戰略投資的潛力，並抓緊機遇，平衡投資風險。

於二零一八年三月十四日，本公司的全資附屬公司Enviro Energy Finance (BEI) Limited已收購萬事捷有限公司（「萬事捷」）的全部已發行股本，代價為450,000港元。收購已於二零一八年三月十四日完成。萬事捷根據香港法例第163章放債人條例持有放債人牌照。董事會認為，收購事項為本集團提供良好機會，令本集團的業務範疇得以多元化發展、擴闊本集團的收入來源，以及為本公司股東帶來更佳回報。董事會認為，收購事項符合本集團及股東的整體利益。

展望將來，由於國家推動的經濟和金融改革，加上最近與「大灣區」相關的中國國家政策，中國經濟預計於二零一九年上半年將保持穩定，亦預計中國內地之物業投資及建築材料貿易市場將穩步增長。在此背景下，董事會正在檢視投資物業組合，本集團可能於機會出現時收購位於大灣區及／或香港之投資物業。董事會對本集團之未來業務發展充滿信心。

董事會將會繼續尋找機會，當合適機會出現時投資任何新業務，令本集團的收入來源多元化，並強化本集團的財務狀況，從而增加股東整體的利益。

為籌集資金應對日後的潛在投資，本集團正積極考慮透過取得新的銀行借款，以及進行（包括但不限於）供股、公開發售、配售新股份及發行其他可換股債券集資，從而發掘不同的渠道加強本集團的現金流量。



Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Overall Results

For the year ended 31 December 2018, the Group recorded a consolidated revenue of approximately HK\$885,871,000 (2017: approximately HK\$54,531,000) from its continuing operations, representing an increase by over 16.25 times when compared with the year ended 31 December 2017. The significant increase in revenue was mainly attributable to the start up of trading of building materials business at end of 2017.

The Group's gross profit from its continuing operations for the year ended 31 December 2018 was approximately HK\$9,160,000 (2017: approximately HK\$7,537,000) with an average gross profit margin of 1.0% (2017: 13.8%), which resulted in an increase of approximately HK\$1,623,000, representing an increase of approximately 21.5% when compared with the year ended 31 December 2017.

The loss from continuing operations was approximately HK\$14,531,000 for the year ended 31 December 2018 (2017: approximately HK\$50,855,000). The decrease in loss from continuing operations was mainly attributable to (i) decrease in fair value loss on investment properties from HK\$20,866,000 in 2017 to HK\$5,369,000 in 2018 and (ii) the interest income of HK\$21,755,000 (2017: nil) from loan receivables recognised during the year ended 31 December 2018.

Loss from the discontinued operations was nil for the year ended 31 December 2018 (2017: approximately HK\$43,045,000).

The overall net loss attributable to owners of the Company for the year ended 31 December 2018 was approximately HK\$14,531,000 (2017: approximately HK\$93,900,000), representing a decrease of losses by approximately HK\$79,369,000 when compared with the year ended 31 December 2017. Both the basic and diluted loss per share attributable to owners of the Company from continuing and discontinued operations for the year ended 31 December 2018 were HK\$0.16 as compared with HK\$1.21 for the year ended 31 December 2017.

財務回顧

整體業績

截至二零一八年十二月三十一日止年度，本集團持續經營業務錄得綜合收入約885,871,000港元（二零一七年：約54,531,000港元），較截至二零一七年十二月三十一日止年度增加超過16.25倍。收入顯著增加乃主要由於二零一七年末開始從事建築材料貿易業務。

截至二零一八年十二月三十一日止年度，本集團持續經營業務之毛利為約9,160,000港元（二零一七年：約7,537,000港元），平均毛利率為1.0%（二零一七年：13.8%），增加約1,623,000港元，較截至二零一七年十二月三十一日止年度增加約21.5%。

截至二零一八年十二月三十一日止年度，持續經營業務虧損約為14,531,000港元（二零一七年：約50,855,000港元）。持續經營業務虧損大幅減少乃主要由於(i)投資物業公允價值虧損由2017年20,866,000港元減少至2018年5,369,000港元及(ii)截至二零一八年十二月三十一日止年度確認來自應收貸款之利息收入21,755,000港元（二零一七年：零）。

截至二零一八年十二月三十一日止年度，已終止經營業務之虧損為零（二零一七年：約43,045,000港元）。

本公司擁有人應佔截至二零一八年十二月三十一日止年度虧損淨額合共約為14,531,000港元（二零一七年：約93,900,000港元），較截至二零一七年十二月三十一日止年度之虧損減少約79,369,000港元。於截至二零一八年十二月三十一日止年度，本公司擁有人應佔來自持續經營及已終止經營業務之每股基本及攤薄虧損均為0.16港元，於截至二零一七年十二月三十一日止年度則為1.21港元。

Management Discussion and Analysis

管理層討論及分析

Liquidity, Financial Resources and Capital Structure

As at 31 December 2018, the Group had current assets of approximately HK\$462,283,000 comprising trade deposit paid in advance of approximately HK\$293,824,000 (2017: approximately HK\$230,676,000) and receivables of approximately HK\$134,864,000 from disposal of investment properties and assets classified as held for sale (2017: nil). The Group's current ratio, calculated based on current assets of approximately HK\$462,283,000 (2017: approximately HK\$619,648,000) over current liabilities of approximately HK\$236,451,000 (2017: approximately HK\$577,169,000), was about 1.96 at 31 December 2018 (2017: 1.07).

As at 31 December 2018, the Group's current liabilities decreased by 59% to approximately HK\$236,451,000 (2017: approximately HK\$577,169,000) over last year and the decrease was primarily due to the bank borrowing of approximately HK\$59,198,000 released through the disposal of subsidiaries, bank borrowings of approximately HK\$185,977,000 and loan of approximately HK\$62,331,000 from a related company settled during the year ended 31 December 2018. As at 31 December 2018, all bank borrowings amounted to approximately HK\$184,425,000 (2017: approximately HK\$429,600,000) were secured, denominated in Renminbi, bore interest of fixed rate and were due within one year.

As at 31 December 2018, the equity attributable to owners of the Company amounted to approximately HK\$575,791,000 (2017: approximately HK\$603,238,000).

As at 31 December 2018, the Group had cash and bank balances of approximately HK\$2,123,000 (2017: approximately HK\$154,140,000), representing 98.6% decrease mainly due to the repayment of bank borrowings of approximately HK\$185,977,000 during the year ended 31 December 2018.

As at 31 December 2018, the debt to equity ratio and net debt to equity ratio of the Group, which were calculated by dividing total interest-bearing debt by total equity and dividing total interest-bearing debt less bank balances and cash by total equity, were approximately 32% (2017: 71%) and 32% (2017: 46%) respectively.

With the amount of liquid assets on hand and unutilised loan facility, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational needs.

流動資金、財務資源及資本架構

於二零一八年十二月三十一日，本集團之流動資產為約462,283,000港元，包括預先支付之貿易按金約293,824,000港元（二零一七年：230,676,000港元）及出售投資物業及分類為持作出售之資產應收款項為約134,864,000港元（二零一七年：零）。本集團於二零一八年十二月三十一日之流動比率約為1.96（二零一七年：1.07），乃按流動資產約462,283,000港元（二零一七年：約619,648,000港元）除以流動負債約236,451,000港元（二零一七年：577,169,000港元）計算。

於二零一八年十二月三十一日，本集團之流動負債較上一年度減少59%至約236,451,000港元（二零一七年：約577,169,000港元），減幅主要由於截至二零一八年十二月三十一日止年度透過出售附屬公司撥出銀行貸款約59,198,000港元、償還銀行貸款約185,977,000港元及一家關連公司貸款約62,331,000港元所致。於二零一八年十二月三十一日，所有銀行貸款約184,425,000港元（二零一七年：約429,600,000港元）乃有抵押，以人民幣計值，按固定利率計息，並須於一年內償還。

於二零一八年十二月三十一日，本公司擁有人應佔權益為約575,791,000港元（二零一七年：約603,238,000港元）。

於二零一八年十二月三十一日，本集團之現金及銀行結餘約為2,123,000港元（二零一七年：約154,140,000港元），下跌98.6%，主要由於在截至二零一八年十二月三十一日止年度償還銀行貸款約185,977,000港元所致。

於二零一八年十二月三十一日，本集團的負債權益比率及淨負債權益比率（按計息負債總額除以權益總額以及按計息負債總額減銀行結餘及現金除以權益總額計算）分別約為32%（二零一七年：71%）及32%（二零一七年：46%）。

憑藉手頭之流動資產金額及未動用之貸款融資，管理層認為本集團有充足財務資源以應付其持續經營所需。



Management Discussion and Analysis

管理層討論及分析

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

As set forth in the section headed “Business Review” in this annual report, the Group disposed of entire equity interest in Haida and Hailanggu during the year ended 31 December 2018 and the disposals were completed during the year ended 31 December 2018. Details on the disposals are set out in the announcement of the Company dated 18 May 2018, 28 August 2018 and 4 December 2018 respectively.

Save as the above, there were no other material acquisitions or disposals of subsidiaries and affiliated companies during the year ended 31 December 2018.

The Group had no significant investments held during the year ended 31 December 2018.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On 31 January 2019, the Company entered into a convertible bonds subscription agreement for the issue of 15% convertible bonds due 2020 with Huajun Group (Asia) Limited in the principal amount of HK\$50 million which are convertible into 844,594,595 shares upon conversion of the convertible bonds at the exercise price of HK\$0.0592 per share. Up to the date of this annual report, the issue of convertible bonds is not completed. Details of the issue of convertible bonds are set out in the announcement of the Company dated 31 January 2019.

所持有之重大投資、重大收購及出售附屬公司及聯屬公司

誠如本年報「業務回顧」一節所述，本集團於截至二零一八年十二月三十一日止年度期間出售其於海達及海浪谷之全部股權，有關出售已於截至二零一八年十二月三十一日止年度完成。有關出售之詳情分別載於本公司日期為二零一八年五月十八日、二零一八年八月二十八日及二零一八年十二月四日之公佈內。

除上述者外，於截至二零一八年十二月三十一日止年度並無其他重大收購或出售附屬公司及聯屬公司。

於截至二零一八年十二月三十一日止年度，本集團並無持有任何重大投資。

報告期後重大事件

於二零一九年一月三十一日，本公司與Huajun Group (Asia) Limited就發行二零二零年到期15%可換股債券訂立可換股債券認購協議，本金額為50,000,000港元，以行使價每股0.0592港元轉換為可換股債券後可轉換為844,594,595股股份。截至本年報日期，可換股債券發行尚未完成。有關發行可換股債券之詳情載於日期為二零一九年一月三十一日之本公司公佈。

Management Discussion and Analysis

管理層討論及分析

USE OF NET PROCEEDS FROM THE SUBSCRIPTION

A subscription agreement dated 25 October 2017 was entered into between the Company and the subscriber in respect of the subscription of 1,507,900,000 new ordinary shares of the Company at the subscription price of HK\$0.13 per share. On 7 November 2017, the subscription of new ordinary shares under the general mandate was completed with a total of 1,507,900,000 new ordinary shares being subscribed, raising net proceeds of approximately HK\$196,027,000. Further details of the subscription of new shares are set out in the announcements of the Company dated 25 October 2017, 27 October 2017 and 7 November 2017 respectively.

The table below sets out the proposed applications of the net proceeds from the subscription and actual usage up to 31 December 2018:

認購事項所得款項淨額用途

本公司與認購人訂立日期為二零一七年十月二十五日之認購協議，內容有關按認購價每股0.13港元認購1,507,900,000股本公司新普通股。於二零一七年十一月七日，根據一般授權認購新普通股經已完成，合共1,507,900,000股新普通股已獲認購，所得款項淨額約為196,027,000港元。有關認購新股份之進一步詳情已分別載於本公司日期為二零一七年十月二十五日、二零一七年十月二十七日及二零一七年十一月七日之公佈內。

下表載列認購事項所得款項淨額之擬定用途及截至二零一八年十二月三十一日之實際用途：

		Proposed application	Actual usage up to 31 December 2018
		擬定用途	截至二零一八年十二月三十一日之實際用途
		HK\$'000	HK\$'000
		千港元	千港元
Investment holding business	投資控股業務	6,400	6,400
Future projects or investment*	未來項目或投資*	160,000	160,000
General working capital	一般營運資金	29,627	29,627
		196,027	196,027

* Future projects or investment mainly included the investment in trading of building materials business

* 未來項目或投資主要包括投資於建築材料貿易之業務



Management Discussion and Analysis

管理層討論及分析

Gearing Ratio

Gearing ratio is calculated based on total debts divided by total equity as of the end of each period. Gearing ratio was 32% as at 31 December 2018 (2017: 56%).

Charge on Group Assets

As at 31 December 2018, the investment properties of the Group with carrying amount of approximately HK\$177,936,000 (2017: approximately HK\$424,380,000) were pledged to secure certain bank borrowings.

Foreign Exchange Exposure

During the year ended 31 December 2018, the Group mainly earned revenue and incurred costs in Hong Kong Dollar, Renminbi and United States dollar and no hedging measures had been undertaken. The management will continue to monitor closely the Group's foreign exchange risks by entering into forward contracts and utilising applicable derivatives to hedge out foreign exchange risks when considers appropriate.

Capital Commitments

As at 31 December 2018, the Group did not have significant capital commitments (2017: nil).

Contingent Liabilities

As at 31 December 2018, the Group did not have significant contingent liabilities (2017: nil).

Employees and Remuneration Policies

The Group had 21 employees in Hong Kong and the PRC as at 31 December 2018 (2017: 12 employees). The Group implements remuneration policy, bonus and share options schemes to ensure that pay scales of its employees are rewarded on performance-related basis within the general framework of the Group's remuneration strategy.

資本負債比率

資本負債比率乃根據各期間末之總債務除以總權益計算。於二零一八年十二月三十一日，資本負債比率為32%（二零一七年：56%）。

集團資產抵押

於二零一八年十二月三十一日，本集團賬面值約177,936,000港元（二零一七年：約424,380,000港元）的投資物業已予抵押作為若干銀行貸款的擔保。

外匯風險

截至二零一八年十二月三十一日止年度，本集團賺取的收入及產生的費用主要以港元、人民幣及美元列值，且並無採取對沖措施。管理層將繼續密切監察本集團之外匯風險，並在適當時候透過訂立遠期合約及利用適當之衍生工具對沖外匯風險。

資本承擔

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：無）。

或然負債

於二零一八年十二月三十一日，本集團並無重大或然負債（二零一七年：無）。

僱員及薪酬政策

本集團於二零一八年十二月三十一日於香港及中國共聘有21名僱員（二零一七年：12名僱員）。本集團實行薪酬政策、花紅及購股權計劃，確保其僱員之薪酬水平乃於本集團之一般薪酬政策架構內按工作表現釐定。

Management Discussion and Analysis

管理層討論及分析

RISK FACTORS

The Group has identified and is facing a number of significant risks during the year ended 31 December 2018. Some of these risks are ongoing factors which the industry has to cope with in medium to long term. Other risk factors are specific to the Group.

1. Economic Risk

The global economic conditions and the state of international financial and investment markets, including the economy, financial and investment markets of the United States, Mainland China and Hong Kong, of which the Group has no control, have significant influences on the business and financial performance of the Group. The management policy to mitigate this risk is to diversify the Group's business and to diversify its investments (where possible) within the same business.

2. Market Risk

The Group's trading business of building materials is operating in a competitive environment that puts pressure on the revenue and profitability of this business. The management policy to mitigate this risk is to continue to put effort in enlarging the market share and enhancing the market competitiveness of this business by various means.

3. Environmental Risk

The Group is constantly exposed to inherent risks such as pollution, mechanical breakdown of machinery, adverse weather conditions, fire or other calamity. During the period of potential development of any properties, the Group would expose to potential risks such as pollution, adverse weather conditions or fire etc. Any of these factors may cause disruptions to the Group's operations. The Group may also be liable for compensation payable as a result of these unpredictable events which may adversely affect its financial performance.

風險因素

於截至二零一八年十二月三十一日止年度，本集團已識別且一直面臨數項重大風險。其中若干風險因素為業界中長期需要面對的風險。其他風險因素則為本集團承受之特定風險。

1. 經濟風險

環球經濟狀況及國際金融和投資市場（包括美國、中國內地及香港之經濟、金融及投資市場）之狀況並非本集團所能控制，且對本集團之業務及財務表現有重大影響。本集團舒緩此風險的管理政策為分散本集團之業務及在可能情況下分散其於相同業務之投資。

2. 市場風險

本集團建築材料貿易業務的營運環境充滿競爭，導致該業務的收入及盈利能力備受壓力。本集團舒緩此風險的管理政策為繼續努力透過各種方法擴大該業務的市場份額及提高其市場競爭力。

3. 環境風險

本集團經常承受污染、機械設備故障、惡劣天氣狀況、火災或其他災難等固有風險。於翻新投資物業及發展其他物業期間，本集團將面臨污染、惡劣天氣狀況或火災等潛在風險。任何該等因素均可能干擾本集團業務。本集團亦可能因該等未能預計事件賠償支付款項，故此可能對其財務表現產生不利影響。



Management Discussion and Analysis

管理層討論及分析

4. Customer Risk

The Group has been relied on a small number of customers in its trading business. This has been limiting the Group's bargaining power on credit terms and discount rate. The Group may not be able to significantly expand its customer base in the short term which may adversely affect its financial performance.

5. Financial Risk

The Group is exposed to financial risks relating to foreign currency, interest rate, equity price, liquidity and credit risk in its ordinary course of business. For further details of such risks and relevant management policies, please refer to note 6 to the consolidated financial statements for details.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

As far as the Board and management are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 December 2018, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 December 2018, there were no significant dispute between the Group and its employees, customers and suppliers.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to the long term sustainability of the environment and communities in which it operates. In order to reduce the degree of environmental damage when developing the Group's business, the Group strictly complies with the local laws, rules and guidance in relation to environmental protection.

4. 客戶風險

本集團於貿易業務方面一直依賴少數客戶，令本集團有關信貸條款及貼現率的議價能力受到限制。本集團可能無法於短期內大幅拓闊客戶群，或會對本集團的財務表現造成不利影響。

5. 財務風險

本集團於日常業務過程中面臨與外幣、利率、股權價格、流動資金及信貸風險有關的財務風險。該等風險及相關管理政策的進一步詳情，請參閱綜合財務報表附註6。

遵守相關法律及法規

就董事會及管理層所知，本集團已於各重要方面遵守對本集團業務及經營產生重大影響之相關法律及法規。於截至二零一八年十二月三十一日止年度內，本集團概無嚴重違反或不遵守適用法律及法規。

與僱員、客戶及供應商之關係

本集團瞭解與其僱員、客戶及供應商保持良好關係對達到其短期及長期目標之重要性。於截至二零一八年十二月三十一日止年度，本集團與其僱員、客戶及供應商之間概無重大糾紛。

環境政策及表現

本集團致力於其經營所處的環境及社區之長期可持續性。為於發展本集團業務時降低對環境的損害程度，本集團嚴格遵守有關環境保護的地方法律、規則及指引。



Corporate Governance Report

企業管治報告

The Company is committed to attaining and maintaining a high standard of corporate governance, the principles of which are to uphold integrity, transparency and accountability in all aspects of business and to ensure that affairs are conducted in accordance with applicable laws and regulations. It is believed that good corporate governance is fundamental to the success of the Company and to the enhancement of shareholders' value.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions (the “Code Provisions”) of the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules for the year ended 31 December 2018 except for the following deviation and compliance with reason as explained:

Code Provision A.2.1

According to the code provision A.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual.

Deviation and Compliance

On 23 January 2018, Mr. Li Sen (“Mr. Li”) was both the chairman of the Board and the chief executive officer of the Company. The Board considered that Mr. Li has in-depth knowledge and experience in the property investment related business in the PRC and therefore he is the most appropriate person to take up these two roles. After reviewing the Board's structure in 2018, Mr. Li has been re-designated as a Co-Chief Executive Officer and Mr Zhou Xuesheng (“Mr. Zhou”) has been appointed as a Co-Chief Executive Officer of the Company on 9 November 2018. On 27 November 2018, Mr. Li resigned as a Co-Chief Executive Officer and Mr. Zhou has been appointed as the Chief Executive Officer of the Company.

本公司致力於達致及維持高水平之企業管治，以於業務所有方面強調健全性、透明度及問責性以及確保按照適用法例及法規進行事務為原則。本公司深信，良好企業管治乃本公司成功及提升股東價值之基本要素。

企業管治

截至二零一八年十二月三十一日止年度，本公司一直遵守上市規則附錄十四所載之企業管治守則（「企業管治守則」）之所有適用守則條文（「守則條文」），惟下列偏離及遵守事項除外，原因載列如下：

守則條文第A.2.1條

根據守則條文第A.2.1條，主席及行政總裁之角色應予分開，及不應由同一人士兼任。

偏離及遵守

於二零一八年一月二十三日，李森先生（「李先生」）為董事會主席兼本公司行政總裁。董事會認為李先生對中國物業投資相關業務有深入知識及經驗，因此彼為擔任兩種角色的最適當人選。於二零一八年經檢討董事會架構之後，李先生於二零一八年十一月九日被調任為本公司聯席行政總裁及周學生先生（「周先生」）被委任為聯席行政總裁。在二零一八年十一月二十七日，李先生辭任本公司聯席行政總裁及周先生被委任為行政總裁。

Corporate Governance Report

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS OF DIRECTORS

The Company has adopted its own code of conduct regarding directors' dealing in the Company's securities (the "Own Code") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers. Specific enquiries have been made with the directors and they have confirmed their compliance with the Own Code during the year ended 31 December 2018.

BOARD OF DIRECTORS

As at the date of this annual report, the Board comprises six directors, including three Executive Directors, namely Mr. Li Sen (Chairman), Mr. Zhou Xuesheng (Chief Executive Officer (the "CEO")) and Mr. Wei Junqing and three Independent Non-executive Directors (the "INED(s)"), namely Mr. Wen Guangwei, Dr. Hou Chaohui and Mr. Jiang Maolin. Biographical details of the Directors are set out in the "Directors Profile" section on pages 37 to 40 of this annual report.

Mr. Lin Sen is the president of Shenzhen City Oriental Ginza Group Company Limited ("Oriental Ginza"). Mr. Zhou Xuesheng is a vice president of Oriental Ginza. Mr. Wei Junqing is the assistant president of Oriental Ginza.

To the best knowledge of the Directors, save for the aforesaid, there is no other financial, business, family or other material/relevant relationships between the Chairman, CEO and among members of the Board.

董事進行證券交易的標準守則

本公司採納其自訂之有關董事買賣本公司證券之行為守則(「自訂守則」)，其條款並不比上市發行人董事進行證券交易之標準守則所規定之標準寬鬆。已向董事作出特別查詢，而彼等確認彼等於截至二零一八年十二月三十一日止年度遵守自訂守則。

董事會

於本年報日期，董事會由六名董事組成，包括三名執行董事李森先生(主席)、周學生先生(行政總裁(「行政總裁」))及魏俊青先生，以及三名獨立非執行董事(「獨立非執行董事」)文光偉先生、侯超惠博士及姜茂林先生。董事之簡歷詳情載於本年報第37至40頁之「董事簡介」一節內。

李森先生為深圳市東方銀座集團有限公司(「東方銀座」)之總裁。周學生先生為東方銀座之副總裁。魏俊青先生為東方銀座之助理總裁。

就董事所深知，除上文所述外，主席、行政總裁及董事會成員之間概無任何其他財務、業務、家屬或其他重要／相關關係。

Corporate Governance Report

企業管治報告

The Board meets regularly and at least four times a year. The Board held four regular Board meetings during the year ended 31 December 2018. The attendance of individual directors at the regular Board meetings and general meetings during 2018 is set out in the following table:

董事會定期且每年最少舉行四次會議。董事會於截至二零一八年十二月三十一日止年度曾舉行四次例會。下表載列各董事於二零一八年舉行之董事會例會及股東大會之出席記錄：

		Number of attendance 出席次數	
		Board Meetings 董事會會議	General Meetings 股東大會
Executive Directors		執行董事	
Mr. Li Sen	李森先生	4/4	1/1
Mr. Zhou Xuesheng	周學生先生	4/4	1/1
Mr. Wei Junqing	魏俊青先生	3/4	1/1
Mr. Zhang Yuanqing (resigned on 23 January 2018)	張元清先生（於二零一八年一月二十三日辭任）	N/A 不適用	N/A 不適用
Independent Non-executive Directors		獨立非執行董事	
Mr. Wen Guangwei (appointed on 25 August 2017)	文光偉先生（於二零一七年八月二十五日獲委任）	3/4	1/1
Dr. Hou Chaohui (appointed on 30 August 2018)	侯超惠博士（於二零一八年八月三十日獲委任）	1/1	N/A 不適用
Mr. Jiang Maolin (appointed on 25 October 2018)	姜茂林先生（於二零一八年十月二十五日獲委任）	N/A 不適用	N/A 不適用
Mr. Chao Li (resigned on 25 October 2018)	喬立先生（於二零一八年十月二十五日辭任）	3/4	1/1
Mr. Chiang Bun (resigned on 30 August 2018)	蔣斌先生（於二零一八年八月三十日辭任）	2/3	1/1
Ms. Leung Pik Har Christine (resigned on 23 January 2018)	梁碧霞女士（於二零一八年一月二十三日辭任）	N/A 不適用	N/A 不適用

During the year ended 31 December 2018, the Directors have participated in the approval of routine and operational matters of the Company by way of written resolutions circulated to them together with supporting documents and briefings from the company secretary of the Company (the "Company Secretary"). The Directors receive at least 14 days' prior written notice of a regular Board meeting and may propose matters for discussion to be included in the agenda. The agenda together with board papers are sent to the Directors at least three days prior to a regular Board meeting.

於截至二零一八年十二月三十一日止年度，董事亦透過向彼等傳閱附有說明文件之書面決議案，及由本公司之公司秘書（「公司秘書」）作出簡報，參與審批本公司之日常及營運事宜。董事於董事會例會舉行最少十四日前接獲書面通知，並可提呈討論事項納入會議議程內。議程連同會議文件會於董事會例會舉行最少三日前送交各董事。



Corporate Governance Report

企業管治報告

The Board, led by the Chairman, approves and monitors the Group's business strategies and policies, strategic decisions and directions, annual budget, and other major corporate matters. Besides, the Board delegated the management team, led by the CEO, with the authority and responsibility for the daily operations and administration of the Group.

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed. The Board is briefed on all legislative, regulatory and corporate governance developments and the Board has regard to them when making decisions. The Company Secretary, together with the Board, are also directly responsible for the Group's compliance with the continuing obligations of listed issuers under the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs, the Companies Ordinance, the SFO and other applicable laws, rules and regulations.

Throughout the year ended 31 December 2018, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three INEDs with at least one INED possessing appropriate professional qualifications or accounting or related financial management expertise. In addition, more than one-third of the composition of the Board consisted of INEDs, so there is strong element of independence in the Board to exercise independent judgment. The Company has received from each INED an annual written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the INEDs have met the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with terms of the guidelines.

The Company has put in place appropriate insurance cover in respect of directors' liability.

CHAIRMAN AND CHIEF EXECUTIVE

Under the Code Provision A.2.1, the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual. On 23 January 2018, Mr. Li Sen ("Mr. Li") was both the chairman of the Board and the chief executive officer of the Company. The Board considered that Mr. Li has in-depth knowledge and experience in the property investment related business in the PRC and therefore he is the most appropriate person to take up the two roles. After reviewing the Board's structure, Mr. Li has been re-designated as a Co-Chief Executive Officer and Mr Zhou Xuesheng ("Mr. Zhou") has been appointed as a Co-Chief Executive Officer of the Company on 9 November 2018. On 27 November 2018, Mr. Li resigned as a Co-Chief Executive Officer and Mr. Zhou has been appointed as the Chief Executive Officer of the Company.

由主席領導之董事會批准及監察本集團之業務策略及政策、決策及方針、年度預算及其他重大企業事宜。此外，董事會賦予及委託由行政總裁領導之管理層團隊權力及責任以管理本集團日常營運及行政事務。

公司秘書須向董事會負責，確保董事會程序獲得遵守。董事會獲一切有關法例、規管及企業管治之發展的簡報，並以之作為決策參考。公司秘書與董事會亦直接負責確保本集團遵守上市規則、公司收購、合併及股份回購守則、公司條例、證券及期貨條例及其他適用法律、法規及規例所規定上市發行人之持續責任。

於截至二零一八年十二月三十一日止年度，董事會一直符合上市規則有關委任最少三名獨立非執行董事且其中最少一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專業知識之規定。此外，董事會超過三分之一成員為獨立非執行董事，故董事會具備高度獨立性，以作出獨立判斷。本公司已接獲各獨立非執行董事根據上市規則第3.13條呈交之獨立身份年度確認書。本公司認為，全體獨立非執行董事已均符合上市規則第3.13條所載獨立性指引，且根據該指引條款，彼等均為獨立人士。

本公司已就董事之責任投保合適之責任保險。

主席及行政總裁

根據守則條文第A.2.1條，主席與行政總裁（「行政總裁」）的角色應有區分，並不應由一人同時兼任。於二零一八年一月二十三日，李森先生（「李先生」）為董事會主席兼本公司行政總裁。董事會認為李先生對中國物業投資相關業務有深入知識及經驗，因此彼為擔任兩種角色的最適當人選。經檢討董事會架構之後，於二零一八年十一月九日李先生被調任為本公司聯席行政總裁及周學生先生（「周先生」）被委任為聯席行政總裁。在二零一八年十一月二十七日，李先生辭任本公司聯席行政總裁及周先生被委任為行政總裁。



Corporate Governance Report

企業管治報告

As at the date of this annual report, the position of the Chairman of the Board is held by Mr. Li and the position of CEO is held by Mr. Zhou. The Code Provision A.2.1 of the CG Code has been complied with.

TERM OF APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Independent Non-executive Directors are appointed for a term of twelve months and subject to retirement by rotation and re-election in accordance with the Articles of Association.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

All Directors must keep abreast of their collective responsibilities. Any newly appointed Director would receive an induction package covering the Group's businesses and the statutory regulatory obligations of a director of a listed company. All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Directors are continually updated on developments in statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. The Company has provided timely technical updates, including the briefing on the amendments on the Listing Rules and the news released published by the Stock Exchange to the Directors. Continuing briefings and professional development for Directors are arranged where necessary.

於本年報日期，董事會主席之職位由李先生擔任及行政總裁一職由周先生擔任。因此已遵守企業管治守則之守則條文第A.2.1條之規定。

委任獨立非執行董事的年期

獨立非執行董事的委任年期為十二個月，並須根據組織章程細則輪值告退及膺選連任。

董事培訓及專業發展

所有董事均須瞭解其集體職責。任何新獲委任之董事將收到一套就任資料文件(涵蓋本集團之業務及上市公司董事之法定監管責任)。本公司鼓勵所有董事參與持續專業發展，以提升及增進彼等之知識及技能。董事持續獲提供有關法規及監管制度及業務環境發展之最新資料，以協助彼等履行職責。本公司已適時向董事提供最新的技術性資料，包括上市規則修訂之簡報及聯交所致董事之新聞發佈。本公司於有需要時會為董事安排持續簡報及專業發展。

Corporate Governance Report

企業管治報告

In compliance with the Code Provision A.6.5 during the year, Directors have provided with relevant seminar and reading materials to keep them informed of the latest updates in the relevant market and changes on the legal and regulatory environment. The records of the training received by the respective Directors are kept and updated by the Company Secretarial Department with areas of training activities listed out as follows:

於本年度內，為符合守則條文A.6.5條，已提供予董事相關研討會及閱讀文件讓彼等知悉相關市場的最新消息以及法律和法規環境的最新變化。各董事所接受之培訓紀錄已由本公司秘書部保管及更新，所提供的培訓活動範圍概況如下：

Name of Director	董事姓名	Reading materials relevant to the Company's business or director's duties and responsibilities 閱讀與本公司之業務或董事職務及職責相關的資料	Attended in-house seminar conducted by the Company 出席本公司舉辦的內部研討會
Executive Directors			
Mr. Li Sen (Chairman)	李森先生(主席)	✓	✓
Mr. Zhou Xuesheng (CEO)	周學生先生(行政總裁)	✓	✓
Mr. Wei Junqing	魏俊青先生	✓	✓
Independent non-executive Directors			
Mr. Wen Guangwei	文光偉先生	✓	✓
Dr. Hou Chaohui ⁽¹⁾	侯超惠博士 ⁽¹⁾	✓	N/A 不適用
Mr. Jiang Maolin ⁽²⁾	姜茂林先生 ⁽²⁾	✓	N/A 不適用

Remarks:
✓ = attend

- ⁽¹⁾ appointed on 30 August 2018
⁽²⁾ appointed on 25 October 2018

備註:
✓ = 出席

- ⁽¹⁾ 於二零一八年八月三十日獲委任
⁽²⁾ 於二零一八年十月二十五日獲委任

COMPANY SECRETARY

Mr. Tsang Shu Kei was appointed as the Company Secretary on 8 June 2018.

In compliance with Rule 3.29 of the Listing Rules, Mr. Tsang Shu Kei had undertaken not less than 15 hours of relevant professional training during the year ended 31 December 2018.

公司秘書

曾樹基先生於二零一八年六月八日獲委任為公司秘書。

為遵守上市規則第3.29條，於截至二零一八年十二月三十一日止年度，曾樹基先生已接受不少於15個小時之相關專業培訓。

Corporate Governance Report

企業管治報告

INDEPENDENT AUDITOR'S REMUNERATION

During the year ended 31 December 2018, the independent auditor provided the following audit and non-audit services to the Company with remunerations as follows:

Audit for current year	本年度核數
Non-audit service	非核數服務

獨立核數師酬金

截至二零一八年十二月三十一日止年度，獨立核數師為本公司提供以下核數及非核數服務及其酬金：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
1,050	2,400
0	195

BOARD COMMITTEES

The Board has established several committees. The authority and duties of the Audit Committee of the Company (the "Audit Committee"), Remuneration Committee of the Company (the "Remuneration Committee") and the Nomination Committee of the Company (the "Nomination Committee") are set out in written terms of reference which are of no less exacting terms than those set out in the CG Code. The terms of reference of both the Audit Committee and the Nomination Committee have been revised and adopted by the Board on 28 December 2018. The terms of reference of all the Committees are posted on the websites of the Stock Exchange and the Company respectively. All committees are provided with sufficient resources to discharge their duties.

董事委員會

董事會已成立多個委員會。本公司之審核委員會（「審核委員會」）、本公司之薪酬委員會（「薪酬委員會」）及本公司之提名委員會（「提名委員會」）之權力及職責載於其書面職權範圍內，其條款均不較企業管治守則所載者寬鬆。審核委員會及提名委員會之職權範圍均於二零一八年十二月二十八日經董事會修訂及採納。所有委員會之職權範圍並刊載於聯交所及本公司各自之網站。所有委員會均獲提供充足資源以履行其職務。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE

As at the date of this annual report, the Audit Committee comprises three INEDs, namely, Mr. Wen Guangwei, Dr. Hou Chaohui and Mr. Jiang Maolin, with Mr. Wen Guangwei as the Chairman of the Audit Committee.

The primary duties of the Audit Committee are to review and supervise the financial reporting process and the effectiveness of the Group's internal controls and risk management. The Audit Committee meets at least twice a year in reviewing the interim and annual reports of the Company before submission to the Board for approval.

The Audit Committee meets regularly with management and external auditors and reviews their reports. During the year ended 31 December 2018, the Audit Committee met twice in reviewing the consolidated financial statements for the year ended 31 December 2017 and the unaudited condensed consolidated financial information for the six months ended 30 June 2018, and the internal control, risk management and corporate governance issues related to financial reporting of the Company. The record of attendance of each member at the committee meetings is set out below.

審核委員會

於本年報日期，審核委員會由三名獨立非執行董事（即文光偉先生、侯超惠博士及姜茂林先生）組成，而文光偉先生為審核委員會主席。

審核委員會之主要職責為審閱及監察本集團之財務申報程序以及內部監控及風險管理之成效。審核委員會每年最少舉行兩次會議，以於呈交予董事會批准前審閱本公司中期及年度報告。

審核委員會定期與管理層及外聘核數師會面及審閱其報告。截至二零一八年十二月三十一日止年度，審核委員會曾舉行兩次會議，以審閱截至二零一七年十二月三十一日止年度之綜合財務報表、截至二零一八年六月三十日止六個月之未經審核簡明綜合財務資料以及有關本公司財務申報之內部監控、風險管理及企業管治事項。各成員出席委員會會議之記錄載於下文。

Members 成員		Number of attendance 出席次數
Mr. Wen Guangwei (appointed on 25 August 2017)	文光偉先生 (於二零一七年八月二十五日獲委任)	2/2
Dr. Hou Chaohui (appointed on 30 August 2018)	侯超惠博士 (於二零一八年八月三十日獲委任)	1/1
Mr. Jiang Maolin (appointed on 25 October 2018)	姜茂林先生 (於二零一八年十月二十五日獲委任)	N/A 不適用
Mr. Chao Li (resigned on 25 October 2018)	喬立先生 (於二零一八年十月二十五日辭任)	2/2
Mr. Chiang Bun (resigned on 30 August 2018)	蔣斌先生 (於二零一八年八月三十日辭任)	1/1
Ms. Leung Pik Har Christine (resigned on 23 January 2018)	梁碧霞女士 (於二零一八年一月二十三日辭任)	N/A 不適用

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

As at the date of this annual report, the Remuneration Committee comprises three INEDs, namely, Dr. Hou Chaohui, Mr. Wen Guangwei and Mr. Jiang Maolin, with Dr. Hou Chaohui as the Chairman of the Remuneration Committee.

The Remuneration Committee should consult with the Chairman on its remuneration proposals for other Executive Directors, and may access to independent professional advice if necessary. The principal responsibilities of the Remuneration Committee include, among others, the recommendation to the Board on the Company's policy and structure for all directors' remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy, the review and approval of management's remuneration proposals with reference to the Board's corporate goals and objectives, and the determination, with delegated responsibility, the remuneration packages of individual Executive Directors.

The Remuneration Committee met twice during the year ended 31 December 2018 to review and approve the remuneration packages of directors. During the process, no individual director was involved in decisions relating to his/her own remuneration. The record of attendance of each member at the committee meetings is set out below.

薪酬委員會

於本年報日期，薪酬委員會由三名獨立非執行董事（即侯超惠博士、文光偉先生及姜茂林先生）組成，而侯超惠博士為薪酬委員會主席。

薪酬委員會應就其他執行董事的薪酬建議諮詢主席，如有需要，薪酬委員會應可尋求獨立專業意見。薪酬委員會之主要職責為（其中包括）就本公司董事的薪酬政策及架構，以及就設立正規而具透明度的程序制訂薪酬政策向董事會提出建議，並因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議，以及獲董事會轉授責任，釐定個別執行董事的薪酬待遇。

薪酬委員會於截至二零一八年十二月三十一日止年度舉行了兩次會議以審閱及批准董事之薪酬待遇。在此期間並無個別董事參與釐定其本身之薪酬。各成員出席委員會會議之記錄載於下文。

Members 成員		Number of attendance 出席次數
Dr. Hou Chaohui (appointed on 30 August 2018)	侯超惠博士 (於二零一八年八月三十日獲委任)	1/1
Mr. Wen Guangwei (appointed on 25 August 2017)	文光偉先生 (於二零一七年八月二十五日獲委任)	2/2
Mr. Jiang Maolin (appointed on 25 October 2018)	姜茂林先生 (於二零一八年十月二十五日獲委任)	N/A 不適用
Mr. Chao Li (resigned on 25 October 2018)	喬立先生 (於二零一八年十月二十五日辭任)	2/2
Mr. Chiang Bun (resigned on 30 August 2018)	蔣斌先生 (於二零一八年八月三十日辭任)	1/1
Ms. Leung Pik Har Christine (resigned on 23 January 2018)	梁碧霞女士 (於二零一八年一月二十三日辭任)	N/A 不適用

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

As at the date of this annual report, the Nomination Committee comprises three INEDs, namely Mr. Jiang Maolin, Mr. Wen Guangwei and Dr. Hou Chaohui with Mr. Jiang Maolin as the Chairman of the Nomination Committee.

The primary duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; to assess the independence of independent non-executive directors; and to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive officer.

The Nomination Committee had reviewed the diversity of the Board during the year ended 31 December 2018 and will review the Board Diversity Policy from time to time to ensure that the policy will be implemented effectively.

The Nomination Committee met twice during the year ended 31 December 2018 to review the structure, size and composition of the Board, assess the independence of INEDs and review the Board Diversity Policy and nominate INED. The record of attendance of each member at the committee meetings is set out below.

提名委員會

於本年報日期，提名委員會包括三名獨立非執行董事（即姜茂林先生、文光偉先生及侯超惠博士），而姜茂林先生為提名委員會主席。

提名委員會之主要職責為至少每年審閱董事會的架構、規模及組成（包括技能、知識及經驗），以及就董事會為配合本公司企業策略而提議之任何變動向董事會作出推薦建議；物色具備合適資格可成為董事會成員之人士，挑選提名擔任董事之人士，並向董事會提供有關推薦建議；評核獨立非執行董事之獨立性；並就委任或重新委任董事以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出推薦建議。

提名委員會已審閱截至二零一八年十二月三十一日止年度之董事會多元化，並將不時審閱董事會多元化政策以確保有關政策將獲有效實施。

提名委員會於截至二零一八年十二月三十一日止年度舉行了兩次會議以審閱董事會之架構、規模及組成、審閱獨立非執行董事之獨立性及評估董事會多元化政策以及提名獨立非執行董事。各成員出席委員會會議之記錄載於下文。

Members 成員		Number of attendance 出席次數
Mr. Jiang Maolin (appointed on 25 October 2018)	姜茂林先生 (於二零一八年十月二十五日獲委任)	N/A 不適用
Mr. Wen Guangwei (appointed on 25 August 2017)	文光偉先生 (於二零一七年八月二十五日獲委任)	2/2
Dr. Hou Chaohui (appointed on 30 August 2018)	侯超惠博士 (於二零一八年八月三十日獲委任)	1/1
Mr. Chao Li (resigned on 25 October 2018)	喬立先生 (於二零一八年十月二十五日辭任)	2/2
Mr. Chiang Bun (resigned on 30 August 2018)	蔣斌先生 (於二零一八年八月三十日辭任)	1/1
Ms. Leung Pik Har Christine (resigned on 23 January 2018)	梁碧霞女士 (於二零一八年一月二十三日辭任)	N/A 不適用

Corporate Governance Report

企業管治報告

NOMINATION POLICY

The Board of the Company has resolved on 28 December 2018 to adopt the following Nomination Policy:

1. The Nominee Committee will:
 - 1.1 review and monitor the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
 - 1.2 identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
 - 1.3 assess the independence of Independent Non-executive Directors ("INEDs", and each an "INED") and where the Board proposes a resolution to elect an individual as an INED at the general meeting, it should set out in the circular to shareholders ("Shareholders", and each a "Shareholder") and/or explanatory statement accompanying the notice of the relevant general meeting:
 - 1.3.1 the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
 - 1.3.2 if the proposed INED will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
 - 1.3.3 the perspectives, skills and experience that the individual can bring to the Board; and
 - 1.3.4 how the individual contributes to diversity of the Board.

提名政策

本公司之董事會已於二零一八年十二月二十八日議決採納以下提名政策：

1. 提名委員會將：
 - 1.1 至少每年檢討及監察董事會的架構、人數及組成（包括技能、知識、經驗及多樣性層面方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
 - 1.2 物色具備合資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
 - 1.3 評核獨立非執行董事之獨立性及若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，有關股東大會通告所隨附的致股東通函及／或說明函件中，應該列明：
 - 1.3.1 用以物色該名人士的流程、董事會認為應選任該名人士的理由以及他們認為該名人士屬獨立人士的原因；
 - 1.3.2 如果候任獨立非執行董事將出任第七家（或以上）上市公司的董事，董事會認為該名人士仍可投入足夠時間履行董事責任的原因；
 - 1.3.3 該名人士可為董事會帶來的觀點與角度、技能及經驗；及
 - 1.3.4 該名人士如何促進董事會成員多元化。



Corporate Governance Report

企業管治報告

- | | |
|--|--|
| <p>1.4 review the diversity of Board members periodically which can be achieved through consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience;</p> <p>1.5 make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the Chairman and the Chief Executive Officer; and</p> <p>1.6 assist the Board in the development and review of the Board's diversity policy and directors' nomination policy, as appropriate; and review the measurable objectives for the implementation of the Board's diversity policy and monitor progress towards the achievement of such.</p> <p>2. The Company's process for appointing a Director</p> <p>2.1 Approach and procedures for the Board to appoint a Director</p> <p>2.1.1 Nomination Committee considers the candidates based on merit having regard to the skills, knowledge, experience and diversity of perspectives and then makes recommendations to the Board as appropriate;</p> <p>2.1.2 Executive Directors' appointment will be made through a service contract with a term of service continues unless and until terminated by either party by giving to the other three months' period notice in writing;</p> <p>2.1.3 Non-executive Directors' ("NEDs", and each a "NED") appointment will be made through a formal letter of appointment with a term of twelve-month period which automatically renews for successive twelve months periods unless terminated by either party in writing prior to the expiry of the term;</p> | <p>1.4 定期檢討董事會成員多元化，可透過考慮多項因素達到，包括（但不限於）性別、年齡、文化及教育背景或專業經驗；</p> <p>1.5 就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出建議；及</p> <p>1.6 協助董事會制定及檢討董事會的多元化政策及提名董事的政策，對推行董事會的多元化政策而制定的可衡量目標進行檢討，以及監察達致這些目標的進度。</p> <p>2. 本公司委任董事的流程</p> <p>2.1 董事會委任董事之方法及程序</p> <p>2.1.1 提名委員會根據用人惟才的原則，以候選人的個人技能、知識、經驗及多樣性層面方面作考慮，並向董事會提出合適的建議；</p> <p>2.1.2 執行董事之委任將通過與本公司訂立一份服務合約，而服務年期將持續生效，除非及直至任何一方向另一方發出三個月之事先書面通知予以終止；</p> <p>2.1.3 非執行董事之委任將通過與本公司訂立一份委任函，任期十二個月，而除非任何一方於任期屆滿前以書面提出終止，否則每次屆滿時將自動續期十二個月；</p> |
|--|--|

Corporate Governance Report

企業管治報告

- 2.1.4 Retiring NEDs, including those who have served as NEDs for a period of 9 consecutive years, are eligible for nomination by the Board to stand for re-election at a general meeting. For the avoidance of doubt, (a) the 9-year period for determining the eligibility of an NED for nomination by the Board to stand for election at a general meeting would count from his/her date of first appointment as an NED until the date of the forthcoming annual general meeting when his/her current term of service will expire at the end of that meeting; and (b) an NED who has been serving on the Board for a period of 9 consecutive years or more may continue to hold office until expiry of his/her current term;
- 2.1.5 Serving more than 9 years could be relevant to the determination of a NED's independence. If an INED serves more than 9 years, his further appointment should be subject to a separate resolution to be approved by Shareholders of the Company. In addition to the receipt of their confirmation of independence, the papers to Shareholders accompanying that resolution should include the reasons why the Board believes he is still independent and should be re-elected;
- 2.1.6 Newly appointed Directors approved by the Board are subject to election by Shareholders at the first general meeting following the appointment (in case of filling a casual vacancy) or until the next following annual general meeting of the Company (in case of an additional to the Board), but he shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation in case he retires at an annual general meeting; and
- 2.1.4 退任之非執行董事，包括在任連續九年的非執行董事，有資格獲董事會任命並通過股東會重選。為避免懷疑，(a)用以決定非執行董事的合資格性，以被董事會提名並通過股東會重選的九年期，將由該非執行董事最初委任日期開始計算，直至該非執行董事的服務年期於即將舉行的股東週年大會結束時終止；及(b)於董事會在任連續九年或以上之非執行董事可能會繼續任職直至他當前任期屆滿；
- 2.1.5 在釐定非執行董事的獨立性時，「擔任董事超過九年」足以作為一個考慮界線。若獨立非執行董事在任已過九年，其是否獲續任應以獨立決議案形式由股東審議通過。除了取得確認他們的獨立性，隨附該決議案一同發給股東的文件中，應載有董事會為何認為該名人士仍屬獨立人士及應獲重選的原因；
- 2.1.6 任何董事會新委任的董事，需要於緊隨委任日期後的首屆股東大會（如屬填補臨時空缺）或本公司下屆股東週年大會（如屬董事會新成員）獲得股東的重選，惟如需於股東週年大會退任，則不用計入輪值退任之董事或董事人數；及



Corporate Governance Report

企業管治報告

- 2.1.7 Existing Directors are subject to retirement by rotation at the annual general meeting at least once every three years but are eligible for re-election. This applies to one-third of existing Directors according to the Articles of Association of the Company. The Directors to retire by rotation shall include any Director who wishes to retire and not to offer himself for re-election.
- 2.1.7 現任董事必須最少每三年於股東週年大會上輪值退任，退任董事將符合資格重選連任。根據本公司章程，需要三分之一的現任董事退任及重選。輪值退任的董事包括願意退任且不再膺選連任的任何董事。
- 2.2 Procedures for shareholders to propose a person for election as a Director
- 2.2 股東提名他人選舉為董事的程序
- 2.2.1 If a Shareholder of the Company wishes to propose a person other than a retiring director for election as a director of the Company at a general meeting, the Shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the Shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected; and
- 2.2.1 倘本公司股東擬於股東大會上提名退任董事以外人選參選本公司董事，則該名正式合資格出席股東大會並可於會上投票的股東（並非擬提名的人士）須發出妥為簽署的書面通知，當中表明建議提名該人士參選董事的意向，隨附獲提名人士簽署表示願意參選的通知；及
- 2.2.2 These notices should be lodged at the Company's head office in Hong Kong or the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, during a period commencing no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such general meeting provided that such period shall be at least seven days.
- 2.2.2 有關通知須於不早於股東大會的通知寄發後翌日開始至不遲於有關大會日期前七日止期間內送交本公司的香港總辦事處或本公司的香港股份過戶登記分處卓佳登捷時有限公司，惟有關期限不得少於七日。
- 2.2.3 Shareholders may put forward their enquiries about the Company to the Board through the Company Secretary at Room 1603-5, 16th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.
- 2.2.3 股東可透過公司秘書（致函至香港灣仔告士打道39號夏慤大廈16樓1603-5室）向董事會作出有關本公司之查詢。

Corporate Governance Report

企業管治報告

- | | |
|--|---|
| <p>2.3 Approach and procedures for Shareholders' approval to appoint a Director at the general meeting</p> <p>2.3.1 Proposed Director appointment is considered as an individual resolution at the general meeting;</p> <p>2.3.2 Shareholders will approve the election or re-election of Directors by Ordinary Resolution at the Company's general meeting; and</p> <p>2.3.3 Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a causal vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election at the meeting, but he shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation in case he retires at an annual general meeting.</p> | <p>2.3 股東大會由股東通過委任董事的方法及程序</p> <p>2.3.1 在股東大會中選舉通過擬委任的董事被視為個別決議案；</p> <p>2.3.2 在本公司的股東大會中，股東將通過普通決議案選舉或重選董事；及</p> <p>2.3.3 任何獲委任董事之任期僅直至本公司下屆股東大會（如屬填補臨時空缺）或本公司下屆股東週年大會（如屬董事會新增成員）為止，並將合資格於會上重選連任，惟如須於股東週年大會退任，則不得計入輪值退任之董事或董事人數。</p> |
|--|---|

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the "Policy") which sets out the approach to achieve a sustainable and balanced development of the Company and to enhance the quality of performance of the Company. The Policy aims at achieving diversity on the Board.

Measurable Objectives and Selection

In designing the Board's composition, a number of perspectives which include race, gender, age, cultural and educational background, industry experience, technical and professional experience, knowledge, skills, length of service, personal integrity and time commitments of the proposed candidates will be taken into consideration. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the candidates will bring to the Board. Candidates will be considered against objective criteria, having due regard for the benefits of diversity on the board.

The Board will take opportunity to increase the proportion of female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group's core markets, with different ethnic backgrounds, and reflecting the Group's strategy.

董事會多元化政策

董事會已採納董事會多元化政策（「政策」），其載列達致本公司可持續及平衡發展之方法，及提升本公司業績質素。政策旨在達致董事會多元化。

可計量目標及甄選

於制定董事會之組合時，本公司將從多方角度考慮，包括建議候選人的種族、性別、年齡、文化及教育背景、行業經驗、技術及專業經驗、知識、技能、服務任期、個人誠信和時間投入。本公司亦將不時計及與其本身業務模式及具體需要有關的因素。最終決定將基於候選人將為董事會帶來的價值及所作的貢獻。本公司將以客觀條件考慮人選時並充分顧及董事會多元化的裨益。

董事會將在選擇合適的董事會候選人並提出建議時，把握機會提高女性成員的比例。董事會將確保經參照持份者的期望以及國際及當地推薦的最佳做法後取得適當的多元性別平衡，從而實現帶領董事會走向性別均等的最終目標。董事會亦期望於本集團核心市場擁有直接經驗並來自不同種族背景的董事佔有適當的比例，從而反映本集團的策略。

Corporate Governance Report

企業管治報告

Implementation and Monitoring

The Nomination Committee will monitor the implementation of the Board Diversity Policy and report to the Board annually.

CORPORATE GOVERNANCE FUNCTIONS

The Company's corporate governance duties are carried out by the Board pursuant to the following terms of reference adopted by the Board:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of the directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Company's employees and directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

ACCOUNTABILITY AND AUDIT

The Board acknowledges its responsibility for preparing the consolidated financial statements of the Group and ensures that the consolidated financial statements have adopted the accounting principles generally accepted in Hong Kong and complied with the requirements of the Hong Kong Financial Reporting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Companies Ordinance and the Listing Rules.

The statement of the auditor of the Company about their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report section of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibility to ensure that appropriate and effective risk management and internal control systems are in place for the Group.

實施及監控

提名委員會將監控董事會多元化政策的實施情況及每年向董事會作出匯報。

企業管治職能

董事會根據其所採納之職權範圍進行本公司企業管治職能，當中包括：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察董事及高級管理層的培訓及持續專業發展；
- (c) 檢討及監察本公司的政策及常規有否遵守法律及監管規定；
- (d) 制定、檢討及監察適用於本公司的僱員及董事的行為守則及合規手冊(如有)；及
- (e) 檢討本公司有否遵守企業管治守則及企業管治報告內的披露。

問責性及審核

董事會確認其編製本集團綜合財務報表之責任，並確保綜合財務報表已採納香港公認會計原則及按照香港會計師公會發出之香港財務報告準則及詮釋之規定，以及公司條例及上市規則之披露規定而編製。

本公司核數師就其對本集團綜合財務報表之報告責任所作聲明載於本年報獨立核數師報告一節內。

風險管理及內部監控

董事會有整體責任確保本集團具有合適及有效的風險管理及內部監控制度。

Corporate Governance Report

企業管治報告

The Group's risk management and internal control systems have been developed with reference to Internal Control and Risk Management – A Basic Framework issued by the Hong Kong Institute of Certified Public Accountants. The systems are designed to provide reasonable but not absolute assurance against material misstatement or loss and to manage rather than eliminate the risk of failure to meet the business objectives.

The Group believes that the people and the actions it takes are the core elements of the risk management and internal control systems. To support this notion, the Group facilitates training to its staff to strengthen their awareness of risk and capability to manage risks. During the year, the Board together with the Audit Committee, reviewed the adequacy of aspects such as resources, staff qualifications and experience, and were satisfied with the results of the review.

The followings have been established and executed to ensure there are appropriate and effective risk management and internal control systems within the Group:

- control environment including organisational structure, limit of authority, reporting lines and responsibilities;
- risk management self-assessment and internal control review conducted from time to time by external consultants and the Group;
- appropriate risk management measures such as written policies and procedures; and
- effective information platforms to facilitate internal and external information flow.

In view of the qualified opinion of the auditors for the year ended 31 December 2017, the Company understands the importance of improving its internal control procedures. On 30 May 2018, the Company engaged AVISTA PRO-WIS Risk Advisory Limited (“**AVISTA**”) as its internal control consultant to conduct a review of the Group's internal control system for the year ended 31 December 2017 and for the three months ended 31 March 2018, including the Group's revenue and receipt cycle, trading and procurement cycle, inventory cycle, expenditure cycle, financial reporting cycle, cash management and treasury cycle, property investment and development cycle (the “**Internal Control Review**”), and to make recommendations to the Company for this purpose.

本集團之風險管理及內部監控制度乃參照香港會計師公會頒佈之內部監控與風險管理之基本框架而設立。此制度用以就重大錯誤或損失提供合理（而非絕對）的保障，及管理（而非消除）失責風險以達到業務目標。

本集團相信員工及其所採取的措施是風險管理及內部監控制度的核心。為支持此觀念，本集團為員工提供培訓，以加強彼等的風險意識及風險管理能力。年內，董事會及審核委員會已審閱資源、員工素質及經驗等方面是否足夠，並信納審閱結果。

為確保本集團備有合適而有效的風險管理及內部監控制度，所建立及採取之措施載列如下：

- 控制環境，包括組織架構、權力規限、匯報渠道及責任；
- 外部顧問及本集團不時進行風險管理自我評估及內部監控；
- 合適的風險管理措施，包括以書面列明政策及程序；及
- 有效的信息平台，以促進內部和外部的信息交流。

鑒於核數師就截至二零一七年十二月三十一日止年度之保留意見，本公司明白到改善其內部監控程序之重要性。於二零一八年五月三十日，本公司委聘艾華迪風險諮詢有限公司（「**艾華迪**」）為其內部監控審核顧問，以對本集團截至二零一七年十二月三十一日止年度及截至二零一八年三月三十一日止三個月之內部監控系統進行審核，內容包括本集團之收益及收款周期、貿易及採購周期，存貨周期、支出周期、財務報告周期、現金管理及財政周期、物業投資及發展周期（「**內部監控審閱**」），並就此向本公司提供推薦建議。

Corporate Governance Report

企業管治報告

The first review on internal control review report was circulated on 28 September 2018. The Company is now reviewing the report and gathering the management responses from the subsidiaries of each finding as mentioned in the report and the first review report could be finalised once the Company responded and replied. Most of remedial measures are not implemented and the time table for follow-up review is subject to further discussion with the management of the Company.

SHAREHOLDERS' RIGHTS

The Board recognises the importance of good communication with shareholders. Information in relation to the Group which includes interim and annual reports, announcements and circulars, is disseminated to shareholders in a timely manner through the websites of the Stock Exchange and the Company, respectively.

The Company also acknowledges that general meetings are valuable forums for the Board to communicate directly with the shareholders and members of the Board and committees are encouraged to attend and answer questions at the general meetings.

Procedures for Shareholders to Convene an Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to Article 64 of the Articles of Association, extraordinary general meetings shall also be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the directors or the company secretary for the purpose of requiring an extraordinary general meeting to be called by the directors for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the directors fail to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the directors shall be reimbursed to the requisitioner(s) by the Company.

Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

內部監控審閱報告已於二零一八年九月二十八日傳閱以供首次審查。本公司正在審查報告，並向附屬公司之管理層彙集報告所提及調查結果之回應，而首份審閱報告可於本公司回應及回覆後落實。大部份補救措施尚未實施，而跟進審查之時間表須符合本公司管理進一步討論後方可作實。

股東之權利

董事會深明與股東維持良好溝通之重要性。有關本集團之資料包括中期及年度報告、公佈及通函，適時分別透過聯交所及本公司各自之網站發放予股東。

本公司亦知悉股東大會為董事會直接與股東溝通之重要平台，故鼓勵董事會及各委員會成員出席股東大會，並於會上回應提問。

股東召開股東特別大會及於股東大會上提呈議案的程序

根據組織章程細則第64條，股東特別大會亦須於一名或多名於遞呈要求當日持有不少於本公司有權於股東大會上投票的繳足股本十分之一的股東要求時召開。該項要求須以書面形式向董事或公司秘書提呈，以供董事就處理該項要求所指定的任何事宜召開股東特別大會。該大會須於該項要求遞呈後兩個月內舉行。倘於有關遞呈後二十一日內，董事未有召開該大會，則遞呈要求人士可自行以相同方式召開大會，而本公司須向遞呈要求人士償付所有由遞呈要求人士因董事未能召開大會而產生的所有合理開支。

有意提呈決議案之股東可按上段所載程序要求本公司召開股東大會。

Corporate Governance Report

企業管治報告

Procedures for Shareholders to Propose a Person for Election as a Director

If a shareholder of the Company wishes to propose a person other than a retiring director for election as a director of the Company at a general meeting, the shareholder (other than the person to be proposed) duly qualified to attend and vote at the general meeting shall send a written notice, duly signed by the shareholder, of his/her intention to propose such person for election and also a notice signed by the person to be proposed of his/her willingness to be elected. These notices should be lodged at the Company's head office in Hong Kong or the Company's branch share registrar in Hong Kong, Tricolor Tengis Limited, during a period commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such general meeting provided that such period shall be at least seven days.

Shareholders may put forward their enquiries about the Company to the Board through the Company Secretary at Room 1603-5, 16th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.

The Shareholders' Communication Policy adopted by the Company is publicly available on the websites of the Stock Exchange and the Company.

Dividend Policy

The Board has suggested to adopt a dividend policy to provide shareholders of the Company (the "Shareholders") with regular dividends (the "Dividend Policy"). The Company considers stable and sustainable returns to Shareholders to be our goal and endeavours to maintain a progressive dividend policy. In deciding whether to propose a dividend and in determining the dividend amount, the Board takes into account the Group's earnings performance, financial position, investment requirements and future prospects. There can be no assurance that a dividend will be proposed or declared in any given year. If a dividend is proposed or declared, there can be no assurance that the dividend amount will be as contemplated above.

CONSTITUTIONAL DOCUMENTS

There had been no change in the Company's constitutional documents during the year ended 31 December 2018. A copy of the Company's latest constitutional documents is publicly available on the websites of the Stock Exchange and the Company respectively.

股東提名他人選舉為董事的程序

倘本公司股東擬於股東大會上提名退任董事以外人選參選本公司董事，則該名正式合資格出席股東大會並可於會上投票的股東（並非擬提名的人士）須發出妥為簽署的書面通知，當中表明建議提名該人士參選董事的意向，隨附獲提名人士簽署表示願意參選的通知。有關通知須於不早於股東大會的通知寄發後翌日開始至不遲於有關大會日期前七日止期間內送交本公司的香港總辦事處或本公司的香港股份過戶登記分處卓佳登捷時有限公司，惟有關期限不得少於七日。

股東可透過公司秘書（致函至香港灣仔告士打道39號夏慤大廈16樓1603-5室）向董事會作出有關本公司之查詢。

本公司已採納的股東通訊政策可於聯交所及本公司之網站上公開查閱。

股息政策

董事會建議採納一項股息政策，以向本公司股東（「股東」）定期派付股息（「股息政策」）。本公司以提供穩定及可持續回報予股東作為目標，並努力延續漸進式的股息政策。在決定是否建議派發股息及釐定股息金額時，董事會將考慮本集團之收益表現、財務狀況、投資需求及未來前景。本公司不保證在任何一年建議或宣派股息。如建議或宣派股息，本公司不保證股息金額如上所述。

章程文件

截至二零一八年十二月三十一日止年度，本公司之章程文件並無變動。本公司章程文件最新版可分別於聯交所及本公司之網站上公開查閱。



Directors Profile 董事簡介

The biographical details of Directors as at 29 March 2019, the date of this annual report, are set out below:

EXECUTIVE DIRECTORS

Mr. Li Sen (“Mr. Li”), *Chairman*

Aged 55, joined the Company as an Executive Director and the Chairman of the Board in September 2017 and appointed as Chief Executive Officer in January 2018 and is also a director of various subsidiaries of the Company. Mr. Li has been re-designated to Co-Chief Executive Officer on 9 November 2018 and resigned as Co-Chief Executive Officer of the Company on 27 November 2018. Mr. Li holds a Bachelor’s degree from Chengdu University of Technology in the People’s Republic of China (the “PRC”) majoring in radiation geophysics.

Mr. Li is a president of Shenzhen City Oriental Ginza Group Company Limited (literal translation of the Chinese name) (“Oriental Ginza”), a company established in the PRC which is principally engaged in, among other things, real estate development, hotel management and property management in the PRC. Mr. Li was awarded as (i) one of the “China’s 100 Elites for Economy” by China Economy Daily (literal translation of the Chinese name); (ii) one of the “Shenzhen City’s 100 Outstanding Entrepreneurs” by Shenzhen Entrepreneur Association (literal translation of the Chinese name) in 2008; and (iii) the “Influential Figure in Real Estate” by Boao Real Estate Forum in 2012.

Mr. Li has not held any other directorship in other public companies, the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Li is deemed to be a substantial shareholder of the Company, as disclosed in the section headed “Interests and Short Positions of Shareholders Discloseable under the SFO” in the Report of the Directors.

於二零一九年三月二十九日(即本年報日期), 董事之履歷詳情載列如下:

執行董事

李森先生(「李先生」), 主席

55歲, 於二零一七年九月加入本公司出任執行董事及董事會主席, 並於二零一八年一月獲委任為行政總裁, 亦為本公司多間附屬公司之董事。於二零一八年十一月九日李先生獲調任為本公司聯席行政總裁及於二零一八年十一月二十七日已辭任本公司聯席行政總裁一職。李先生持有中華人民共和國(「中國」)成都理工大學學士學位, 主修放射物探。

李先生為深圳市東方銀座集團有限公司(「東方銀座」)之總裁, 該公司於中國成立, 主要於中國從事(其中包括)房地產開發、酒店管理及物業管理業務。李先生曾(i)獲中國經濟日報社選為「中國經濟百名傑出人物」之一; (ii)於二零零八年獲深圳市企業家協會選為「深圳市傑出企業家100強」之一; 及(iii)於二零一二年獲博鰲房地產論壇評為「房地產行業最具影響力人物」。

李先生並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

誠如董事會報告中「根據證券及期貨條例股東披露的權益及短倉」一節所披露, 李先生被視為本公司之主要股東。

Directors Profile 董事簡介

Mr. Zhou Xuesheng (“Mr. Zhou”), Chief Executive Officer

Aged 55, joined the Company as Executive Director in November 2017. Mr. Zhou has been appointed as Co-Chief Executive Officer on 9 November 2018 and re-designated to Chief Executive Officer of the Company on 27 November 2018. Mr. Zhou holds a bachelor's degree in economics from Heilongjiang University in the People's Republic of China (“PRC”). As a standing council member of Shenzhen Association of Trade in Services (深圳市服務貿易協會) since August 2013, he has senior executive managerial experience in a number of large and medium-size enterprises in the PRC. Mr. Zhou was accredited as an economist by the Department of Personnel of Heilongjiang Province (黑龍江省人事廳) in 1991, and he was approved by the Bureau of Personnel of Shenzhen Municipality* (深圳市人事局) and obtained a certificate from the Department of Personnel of Guangdong Province* (廣東省人事廳) in 2001 certifying that he was qualified as an economist. Mr. Zhou is a vice president of Shenzhen City Oriental Ginza Group Company Limited* (深圳市東方銀座集團有限公司), a company established in the PRC which is principally engaged in, among other things, real estate development, hotel management and property management in the PRC.

Mr. Zhou has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

Mr. Wei Junqing (“Mr. Wei”)

Aged 53, joined the Company as Executive Director in September 2017. Mr. Wei is also a director of various subsidiaries of the Company. Mr. Wei holds a bachelor's degree in accounting from Southwest University in the PRC and a master's degree of business administration with a specialization in executive business administration from American World University by distance learning program conducted at Wuhan University in the PRC. Mr. Wei is also a qualified accountant registered with the Ministry of Finance in the PRC. Mr. Wei is currently the assistant president of Oriental Ginza.

Mr. Wei has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

周學生先生 (「周先生」), 行政總裁

55歲，於二零一七年十一月加入本公司出任執行董事。於二零一八年十一月九日周先生獲委任為本公司聯席行政總裁及於二零一八年十一月二十七日獲調任本公司行政總裁。周先生持有中華人民共和國 (「中國」) 黑龍江大學經濟學學士學位。彼自二零一三年八月起擔任深圳市服務貿易協會之常務理事，於中國若干大型及中型企業擁有高級行政管理經驗。於一九九一年，周先生獲黑龍江省人事廳評定為經濟師，二零零一年，經深圳市人事局核准，經廣東省人事廳批准頒發經濟師證書。周先生為深圳市東方銀座集團有限公司之副總裁，該公司於中國成立，主要於中國從事 (其中包括) 房地產開發、酒店管理及物業管理。

周先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

魏俊青先生 (「魏先生」)

53歲，於二零一七年九月加入本公司出任執行董事。魏先生亦為本公司多間附屬公司之董事。魏先生持有中國西南大學會計學學士學位以及透過中國武漢大學開辦之遙距教育課程自American World University 取得工商管理碩士學位，主修行政人員商業管理。魏先生亦為中國財政部註冊合資格會計師。魏先生現時為東方銀座之助理總裁。

魏先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

Directors Profile

董事簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wen Guangwei (“Mr. Wen”)

Aged 55, joined the Company as Independent Non-executive Director in August 2017 and is the chairman of the Audit Committee and a member of the Remuneration Committee and the Nomination Committee. Mr. Wen holds a bachelor's degree in economics from the Finance School of Renmin University of China and a doctor's degree in management from the China Business School of Renmin University of China. He is a qualified Certified Public Accountant in the People's Republic of China (the “PRC”). Mr. Wen was previously a professor of Renmin University of China and officially retired in 2015. With effect from 22 June 2018, he has been appointed as an independent director of 華潤雙鶴藥業股份有限公司 (China Resources Double-Crane Pharmaceutical Co., Ltd.) (stock code: 600062) whose shares are listed on the Shanghai Stock Exchange.

Save as disclosed above, Mr. Wen has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

Dr. Hou Chaohui (“Dr. Hou”)

Aged 43, has been appointed as an Independent Non-executive Director, Chairman of the Remuneration Committee, a member of the Nomination Committee and a member of the Audit Committee of the Company since 30 August 2018. He is a deputy professor for the finance department of Faculty of Economics of Minzu University of China. He specializes in the fields of financial policy and capital market. He had obtained a bachelor's degree in economics from University of Hebei, a master's degree in political economics from University of Hebei and a Juris Doctor degree from Minzu University of China majoring in economics of Chinese ethnic minorities.

Dr. Hou is a qualified high school instructor for economics in the People's Republic of China and practitioner certified by Asset Management Association of China for carrying out fund activities. Dr. Hou also acts as the Deputy Secretary (副秘書長) and Standing Director (常任理事) of China Ethnic Medicine Association (中國民族醫藥協會).

Dr. Hou has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

獨立非執行董事

文光偉先生 (「文先生」)

55歲，於二零一七年八月加入本公司出任獨立非執行董事，並為審核委員會主席及薪酬委員會及提名委員會成員。文先生於中國人民大學財政系獲經濟學學士及於中國人民大學商學院獲管理學博士學位，亦擁有中華人民共和國(「中國」)註冊會計師執業資格。文先生先前為中國人民大學教授，並於二零一五年正式退休。於二零一八年六月二十二日起，文先生被委任為華潤雙鶴藥業股份有限公司(股份代號：600062)之獨立董事及其股份於上海證券交易所上市。

除上文披露者外，文先生於過去三年並無於證券在香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

侯超惠博士 (「侯博士」)

43歲，由二零一八年八月三十日起，獲委任為本公司之獨立非執行董事、薪酬委員會主席、提名委員會成員及審核委員會成員。彼為中央民族大學經濟學院金融系副教授，主要研究方向為金融政策及資本市場。彼持有河北大學經濟學學士學位、河北大學政治經濟學碩士學位及中央民族大學中國少數民族經濟專業法學博士學位。

侯博士為中國證券投資基金業協會認可中華人民共和國經濟及從業員合資格高中講師。侯博士為中國民族醫藥協會之副秘書長及常任理事。

侯博士於過往三年並無於其證券於香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

Directors Profile 董事簡介

Mr. Jiang Maolin (“Mr. Jiang”)

Aged 53, has been appointed as an Independent Non-executive Director, Chairman of the Nomination Committee, a member of the Audit Committee and a member of the Remuneration Committee of the Company since 25 October 2018. He has obtained a bachelor's degree in Laws from The Manchester Metropolitan University and a master's degree in Commerce in Professional Accounting from University of South Wales. He is currently a postgraduate student for doctoral degree in Civil and Commercial Laws from Renmin University of China.

Mr. Jiang is a certified public accountant of Hong Kong Institute of Certified Public Accountants, a chartered management accountant of The Chartered Institute of Management Accountants and a chartered global management accountant of The Chartered Institute of Management Accountants.

Mr. Jiang is currently the president of Qianhai Devin Capital Management (Shenzhen) Co. Ltd.* (前海德潤資本管理(深圳)有限公司) and the director of HK Devin Capital Management Limited, Tin Tin Capital Limited and Jinluo Capital Management Limited, respectively. Mr. Jiang specializes in the financial and capital market. He has previously worked for the Department of Prudential Supervision and Industry Restructuring of China Securities Regulatory Commission at China Securities Regulatory Commission and held various senior managerial positions at Haitong Asset Management (HK) Limited, Haitong International Management Services Co. Ltd and CCB International Asset Management Limited respectively. Mr. Jiang was also a chairman at Yuexiu Securities Holdings Co. Ltd.* (越秀證券控股有限公司). Mr. Jiang is currently a responsible officer for type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”) of Jinluo Capital Management Limited (金洛資本管理有限公司), which is a licensed corporation to carry on type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO.

Mr. Jiang has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

姜茂林先生(「姜先生」)

53歲，由二零一八年十月二十五日起，獲委任為本公司獨立非執行董事、提名委員會主席、審核委員會成員及薪酬委員會成員。彼持有英國曼徹斯特都會大學法律學士學位及新南威爾士大學專業會計商業碩士學位。彼現為中國人民大學民商法博士研究生。

姜先生為香港會計師公會之註冊會計師、英國皇家特許管理會計師公會之特許管理會計師，以及英國皇家特許管理會計師公會之全球特許管理會計師。

姜先生現任前海德潤資本管理(深圳)有限公司總裁以及香港德潤資本管理有限公司、鑫源資本有限公司及金洛資本管理有限公司之董事。姜先生專注於金融及資本市場。彼曾任職於中國證券監督管理委員會之監管部門，並曾於海通資產管理(香港)有限公司、海通國際管理服務有限公司及建銀國際資產管理有限公司等企業擔任高級管理職務。姜先生亦曾擔任越秀證券控股有限公司董事長。姜先生現任金洛資本管理有限公司之證券及期貨條例(香港法例第571章)(「證券及期貨條例」)項下第9類(提供資產管理)受規管活動之負責人員，而該公司為根據證券及期貨條例可從事第4類(就證券提供意見)及第9類(提供資產管理)受規管活動之持牌法團。

姜先生於過往三年並無於其證券於香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。



Report of the Directors

董事會報告

The Directors hereby present their report and the audited consolidated financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding and the activities of its principal subsidiaries are set out in note 20 to the consolidated financial statements.

Further discussion and analysis of Group's activities as required by Schedule 5 to the Companies Ordinance, including a fair review of the business, a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business, can be found in the "Chairman's Statement" and "Management Discussion and Analysis" sections of this annual report. These sections form part of this report of the Directors.

FINAL DIVIDEND

The Board has resolved not to declare a final dividend for the year ended 31 December 2018 (2017: nil).

RESULTS

The results of the Group for the year ended 31 December 2018 are set out in the consolidated income statement and consolidated statement of comprehensive income on pages 76 to 77.

PROPERTY, PLANT AND EQUIPMENT

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

SHARE CAPITAL

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

董事會謹提呈其報告及截至二零一八年十二月三十一日止年度之經審核綜合財務報表。

主要業務及業務回顧

本公司之主要業務為投資控股，其主要附屬公司之業務載於綜合財務報表附註20。

根據公司條例附表5的規定，有關本集團業務的進一步討論及分析，包括該業務的公平審閱、本集團所面臨主要風險及不明朗因素的討論及本集團未來可能的業務發展，載於本年報「主席報告」及「管理層討論及分析」兩節。該兩節構成董事會報告的一部分。

末期股息

董事會已議決不宣派截至二零一八年十二月三十一日止年度之末期股息(二零一七年：無)。

業績

本集團截至二零一八年十二月三十一日止年度之業績載於第76至77頁之綜合收益表及綜合全面收益表。

物業、廠房及設備

本集團物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註17。

股本

本公司截至二零一八年十二月三十一日止年度之股本變動詳情載於綜合財務報表附註26。

Report of the Directors

董事會報告

EQUITY-LINKED AGREEMENTS

Save for the share option schemes as set out in “Share Option Schemes” section in this report, no equity-linked agreements were entered into by the Group, or existed during the year.

DISTRIBUTABLE RESERVES

Details of the movement in reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 80 and note 38 to the consolidated financial statements.

As at 31 December 2018, the Company had no reserves available for distribution.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2018, sales to the Group’s five largest customers accounted for approximately 84% of the Group’s total revenue from continuing operations and sales to the largest customer included therein accounted for approximately 30%.

During the year ended 31 December 2018, purchases from the Group’s three largest suppliers accounted for approximately 81% of the Group’s total purchases from continuing operations and purchases from the largest supplier included therein accounted for approximately 53%.

As one of the Group’s five largest customers is an indirectly wholly owned entity of Mr. Li Sen, being an executive director of the Company and controls a company which is a substantial shareholder of the Company, he is deemed to have interest in the said customer. Save as disclosed herein, none of the directors of the Company or any of their associates or any shareholders (which, to the best knowledge of the directors owns more than 5% of the Company’s issued share capital) has any beneficial interest in the Group’s five largest customers or suppliers.

股票掛鈎協議

除本報告「購股權計劃」一節所載購股權計劃外，本集團概無訂立或於本年度存在之股票掛鈎協議。

可供分派儲備

有關本集團及本公司儲備於本年度之變動詳情載於第80頁之綜合權益變動表以及綜合財務報表附註38。

於二零一八年十二月三十一日，本公司並無任何可供分派儲備。

主要客戶及供應商

截至二零一八年十二月三十一日止年度，本集團五大客戶之銷售額約佔本集團持續經營業務總收入之84%，當中最大客戶約佔30%。

截至二零一八年十二月三十一日止年度，本集團三大供應商之採購額約佔本集團持續經營業務之採購總額之81%，當中最大供應商約佔53%。

由於本集團其中一名五大客戶由李森先生間接全資擁有的實體，而李森先生為本公司之執行董事，並控制一間為本公司之主要股東的公司，因此彼被視為擁有該客戶之權益。除本年報所披露者外，概無本公司董事或彼等之任何聯繫人或任何股東（據董事所深知擁有本公司已發行股本5%以上之股東）擁有本集團之五大客戶或供應商之任何實益權益。

Report of the Directors

董事會報告

DIRECTORS

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

Executive Directors

Mr. Li Sen (appointed on 15 September 2017)
Mr. Zhou Xuesheng (appointed on 7 November 2017)
Mr. Wei Junqing (appointed on 15 September 2017)
Mr. Zhang Yuanqing (resigned on 23 January 2018)

Independent Non-executive Directors

Mr. Wen Guangwei (appointed on 25 August 2017)
Dr. Hou Chaohui (appointed on 30 August 2018)
Mr. Jiang Maolin (appointed on 25 October 2018)
Ms. Leung Pik Har, Christine (resigned on 23 January 2018)
Mr. Chiang Bun (resigned on 30 August 2018)
Dr. Chiao Li (appointed on 23 January 2018 and resigned on 25 October 2018)

In accordance with Article 112 of the Articles of Association, Dr. Hou Chaohui and Mr. Jiang Maolin shall retire from their office at the forthcoming annual general meeting ("2019 AGM"), being eligible, Jiang Maolin will offer himself for re-election at the 2019 AGM while Dr. Hou Chaohui will not offer himself for re-election.

In accordance with Article 108(A) of the Articles of Association, Mr. Zhou Xuesheng and Mr. Wei Junqing shall retire from their office by rotation at the 2019 AGM, and being eligible, will offer themselves for re-election at the meeting.

Mr. Zhang Yuanqing resigned on 23 January 2018 as executive directors of the Company. Ms. Leung Pik Har, Christine resigned on 23 January 2018, Mr. Chiang Bun resigned on 30 August 2018 and Dr. Chiao Li resigned on 25 October 2018 as independent non-executive Directors of the Company. They have confirmed that they have no disagreement with the Board and nothing relating to the affairs of the Company need to be brought to the attention of the Shareholders of the Company.

The Company received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considered all of the independent non-executive directors as independent.

董事

截至二零一八年十二月三十一日止年度及截至本報告日期之本公司董事如下：

執行董事

李森先生(於二零一七年九月十五日獲委任)
周學生先生(於二零一七年十一月七日獲委任)
魏俊青先生(於二零一七年九月十五日獲委任)
張元清先生(於二零一八年一月二十三日辭任)

獨立非執行董事

文光偉先生(於二零一七年八月二十五日獲委任)
侯超惠博士(於二零一八年八月三十日獲委任)
姜茂林先生(於二零一八年十月二十五日獲委任)
梁碧霞女士(於二零一八年一月二十三日辭任)
蔣斌先生(於二零一八年八月三十日辭任)
喬立博士(於二零一八年一月二十三日獲委任及於二零一八年十月二十五日辭任)

根據組織章程細則第112條，侯超惠博士及姜茂林先生應於應屆股東週年大會(「二零一九年股東週年大會」)上告退，姜茂林先生符合資格並願意於二零一九年股東週年大會上重選連任，但侯超惠博士不會重選連任。

根據組織章程細則第108(A)條，周學生先生及魏俊青先生將於二零一九年股東週年大會上輪值退任，並將符合資格及願意於會上膺選連任。

張元清先生於二零一八年一月二十三日辭任本公司執行董事。梁碧霞女士於二零一八年一月二十三日，蔣斌先生於二零一八年八月三十日及喬立博士於二零一八年十月二十五日辭任為本公司獨立非執行董事。彼等確認，彼等與董事會並無意見分歧，且並無有關本公司之事務須提請本公司股東垂注。

本公司已自每名獨立非執行董事接獲其根據上市規則第3.13條呈交之年度獨立確認書。本公司認為所有獨立非執行董事均屬獨立人士。

Report of the Directors

董事會報告

DIRECTORS PROFILE

Biographical details of directors of the Group are set out on pages 37 to 40 of this annual report.

DIRECTORS' SERVICE CONTRACTS

None of the directors being proposed for re-election at the 2019 AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

UPDATES ON DIRECTORS' INFORMATION

The following is updated information of directors of the Company required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules:

1. On 3 August 2018, Mr. Li Sen (“**Mr. Li**”) has in his personal capacity agreed on a voluntary basis to provide guarantee to all private lenders and investors/ clients for the performance of the payment obligations by some private group companies under a notice issued by them on the same date. The arrangements contemplated under the settlement proposal offered by Mr. Li and the private group companies with the private lenders falls under an event/events described in Rule 13.51(2)(j) and (l) of the Listing Rules. Further details of the settlement proposal are stated in the Company’s announcement dated 28 August 2018.

Mr. Li has been re-designated to Co-Chief Executive Officer on 9 November 2018 and resigned as Co-Chief Executive Officer of the Company on 27 November 2018.

2. Mr. Zhou Xuesheng has been appointed as Co-Chief Executive Officer on 9 November 2018 and re-designated to Chief Executive Officer of the Company on 27 November 2018.

董事簡介

本集團董事之履歷資料載於本年報第37至40頁。

董事服務合約

概無擬於二零一九年股東週年大會上建議重選連任之董事與本公司或其任何附屬公司訂有本集團不可於一年內毋須支付賠償(法定賠償除外)終止之服務合約。

更新董事資料

下列為根據上市規則第13.51B(1)條規定須予披露有關董事之更新資料：

1. 於二零一八年八月三日，李森先生(「**李先生**」)以其個人身份自願同意，根據所有私人放款方及投資者／客戶於同日發出之通知，就若干私人集團公司之付款責任向所有私人放款方及投資者／客戶提供擔保。李先生及私人放款方之私人集團公司提供之和解建議項下擬進行之安排屬於上市規則第13.51(2)(j)及(l)所述之事件。有關和解建議之進一步詳情已載於本公司日期為二零一八年八月二十八日之公佈。

於二零一八年十一月九日，李先生獲調任為本公司聯席行政總裁及於二零一八年十一月二十七日已辭任本公司聯席行政總裁一職。

2. 周學生先生於二零一八年十一月九日獲委任為本公司聯席行政總裁及於二零一八年十一月二十七日獲調任本公司行政總裁。



Report of the Directors 董事會報告

3. Mr. Wen Guangwei (“**Mr. Wen**”) has resigned as an independent director of 利亞德光電股份有限公司 (Leyard Optoelectronic Co., Ltd) (stock code: 300296) (“**Leyard**”), on 29 December 2016 and 北京華誼嘉信整合營銷顧問集團股份有限公司 (Spearhead Integrated Marketing Communication Group) (stock code: 300071) (“**Spearhead**”), on 21 April 2017. Both Leyard and Spearhead are listed on the Shenzhen Stock Exchange. He has been appointed as an independent director of 華潤雙鶴藥業股份有限公司 (China Resources Double-Crane Pharmaceutical Co., Ltd.) (stock code: 600062) with effect from 22 June 2018 whose shares are listed on the Shanghai Stock Exchange.

Mr. Wen is entitled to receive a director’s fee of HK\$270,000 per annum under his letter of salary increment with the Company. The director’s fee of Mr. Wen has been recommended by the Remuneration Committee and approved by the Board on 31 August 2018.

4. Dr. Hou Chaohui (“**Dr. Hou**”) entered into a letter of appointment with the Company, pursuant to which he has been appointed as an independent non-executive Director for a term of twelve-month period, subject to the re-appointment of Dr. Hou by the shareholders of the Company at the forthcoming annual general meeting, which automatically renews for successive twelve month periods unless terminated by either party by two months’ written notice prior to the expiry of the term. The directorship of Dr. Hou will be subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. Under the appointment letter of Dr. Hou, he is entitled to a director’s fee of HK\$270,000 per annum which has been recommended by the Remuneration Committee and approved by the Board based on Dr. Hou’s qualifications and experience, his level of responsibilities undertaken and the prevailing market conditions. The director’s fee of Dr. Hou will be subject to annual review by the Remuneration Committee and the Board.

Dr. Hou has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

3. 文光偉先生(「**文先生**」)已於二零一六年十二月二十九日辭任利亞德光電股份有限公司(股份代號:300296)(「**利亞德**」)之獨立董事及於二零一七年四月二十一日辭任北京華誼嘉信整合營銷顧問集團股份有限公司(股份代號:300071)(「**華誼嘉信**」)之獨立董事職務。利亞德及華誼嘉信均於深圳證券交易所上市。文先生於二零一八年六月二十二日起獲委任為華潤雙鶴藥業股份有限公司(股份代號:600062)之獨立董事,其股份於上海證券交易所上市

文先生根據其與本公司簽訂之加薪函件有權收取董事袍金每年 270,000 港元。文先生之董事袍金由薪酬委員會建議並於二零一八年八月三十一日獲董事會批准。

4. 侯超惠博士(「**侯博士**」)與本公司訂立一份委任函,據此,彼獲委任為獨立非執行董事,任期十二個月,惟須待本公司股東於應屆股東週年大會上批准重選侯博士後方可作實,其任期除非任何一方在任期屆滿前發出兩個月之書面通知終止,否則將自動續期十二個月。侯博士之董事職務將根據本公司之組織章程細則輪值退任及膺選連任。根據侯博士之委任函,彼有權獲得每年270,000港元之董事袍金,有關金額乃由薪酬委員會根據侯博士之資歷、經驗、其所承擔之職責水平及當前市況後建議,並經由董事會批准。侯博士之董事袍金將由薪酬委員會及董事會每年檢討。

侯博士於過往三年並無於其證券於香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

Report of the Directors

董事會報告

Dr. Hou does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, Dr. Hou (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any other relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

5. Mr. Jiang Maolin (“**Mr. Jiang**”) entered into a letter of appointment with the Company, pursuant to which he has been appointed as an independent non-executive Director for a term of twelve-month period, subject to the re-appointment of Mr. Jiang by the shareholders of the Company at the forthcoming annual general meeting, which automatically renews for successive twelve month periods unless terminated by either party by two months’ written notice prior to the expiry of the term. The directorship of Mr. Jiang will be subject to retirement by rotation and re-election pursuant to the Articles of Association of the Company. Under the appointment letter of Mr. Jiang, he is entitled to a director’s fee of HK\$270,000 per annum which has been recommended by the Remuneration Committee and approved by the Board based on Mr. Jiang’s qualifications and experience, his level of responsibilities undertaken and the prevailing market conditions. The director’s fee of Mr. Jiang will be subject to annual review by the Remuneration Committee and the Board.

Mr. Jiang has not held any other directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas for the last three years.

Mr. Jiang does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr. Jiang (i) does not hold any other positions in the Company or its subsidiaries; and (ii) does not have any other relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

侯博士並無於本公司之股份中擁有任何證券及期貨條例(香港法例第571章)第XV部所界定之權益。

除上文披露者外，侯博士(i)並無於本公司或其附屬公司擔任任何其他職位；及(ii)與本公司任何董事、高級管理人員、主要股東或控股股東概無任何關係。

5. 姜茂林先生(「**姜先生**」)與本公司訂立一份委任函，據此，彼獲委任為獨立非執行董事，任期十二個月，惟須待本公司股東於應屆股東週年大會上批准重選姜先生後方可作實，其任期除非任何一方在任期屆滿前發出兩個月之書面通知終止，否則將自動續期十二個月。姜先生之董事職務將根據本公司之組織章程細則輪值退任及膺選連任。根據姜先生之委任函，彼有權獲得每年270,000港元之董事袍金，有關金額乃由薪酬委員會根據姜先生之資歷、經驗、其所承擔之職責水平及當前市況後建議，並經由董事會批准。姜先生之董事袍金將由薪酬委員會及董事會每年檢討。

姜先生於過往三年並無於其證券於香港或海外任何證券市場上市的其他公眾公司擔任任何其他董事職務。

姜先生並無於本公司之股份中擁有任何證券及期貨條例(香港法例第571章)第XV部所界定之權益。

姜先生(i)並無於本公司或其附屬公司擔任任何其他職務；及(ii)與本公司任何董事、高級管理層、主要股東或控股股東並無任何其他關係。



Report of the Directors

董事會報告

DIRECTORS' REMUNERATION

Details of the directors' remuneration are set out in note 39 to the consolidated financial statements.

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

Other than as disclosed in note 33 to the consolidated financial statements, no other transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, its subsidiaries or its parent companies was a party and in which a director of the Company and the director's core connected persons had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 December 2018.

董事酬金

董事酬金之詳情載於綜合財務報表附註39。

董事於交易、安排及有關本公司業務之重大合約之重大權益

除綜合財務報表附註33所披露外，本公司、本公司附屬公司或其母公司概無參與訂立本公司董事及董事核心關連人士直接或間接擁有重大權益且於年末或於年內任何時間仍然有效之其他交易、安排及有關本集團業務之重大合約。

管理合約

截至二零一八年十二月三十一日止年度，本公司並無簽訂或存在任何有關本公司全部或大部分業務之管理及行政之合約。

Report of the Directors

董事會報告

SHARE OPTION SCHEMES

The purpose of each of the 2003 Share Option Scheme (hereinafter defined) and the 2011 Share Option Scheme (hereinafter defined) is to enable the Group to recognise the contribution of the participants to the Group and to motivate the participants to continuously work to the benefit of the Group by offering the participants an opportunity to have personal interest in the share capital of the Company.

(1) Share option scheme adopted by the Company on 25 January 2003 ("2003 Share Option Scheme")

On 25 January 2003, the 2003 Share Option Scheme was approved pursuant to written resolutions of the Company. Details of movement of the options granted under the 2003 Share Option Scheme for the year ended 31 December 2018 were as follows:

Movement in the 2003 Share Option Scheme

Name or category of participants	Date of grant	Exercise period	Exercise price per share 每股行使價 (HK\$) (港元)	As at 1 January 2018 於二零一八年一月一日	Granted during the year 年內授出	Lapsed during the year 年內失效	Cancelled during the year 年內註銷	Exercised during the year 年內行使	As at 31 December 2018 於二零一八年十二月三十一日
Other employees 其他僱員									
In aggregate 合計	04/02/2010	04/02/2012 to 04/02/2020 04/02/2012至04/02/2020	0.3622	2,837,838 ⁽¹⁾	-	(2,837,838)	-	-	-
	09/07/2010	09/07/2012 to 08/07/2020 09/07/2012至08/07/2020	0.3947	2,837,838 ⁽²⁾	-	(2,837,838)	-	-	-
				5,675,676	-	(5,675,676)	-	-	-
Others 其他									
In aggregate 總計	15/06/2009	15/06/2011 to 15/06/2019 15/06/2011至15/06/2019	0.5145	28,378,379 ⁽¹⁾	-	-	-	-	28,378,379
	06/10/2009	06/10/2011 to 06/10/2019 06/10/2011至06/10/2019	0.5286	496,622 ⁽¹⁾	-	-	-	-	496,622
	04/02/2010	04/02/2012 to 04/02/2020 04/02/2012至04/02/2020	0.3622	71,300,676 ⁽¹⁾	-	-	-	-	71,300,676
	09/07/2010	09/07/2012 to 08/07/2020 09/07/2012至08/07/2020	0.3947	87,760,135 ⁽²⁾	-	-	-	-	87,760,135
				187,935,812	-	-	-	-	187,935,812
			Total: 總計:	193,611,488 ⁽³⁾	-	(5,675,676)	-	-	187,935,812 ⁽²⁾

購股權計劃

2003年購股權計劃(定義見下文)及2011年購股權計劃(定義見下文)旨在讓本集團透過令參與者有機會擁有本公司股本之個人權益，表揚參與者對本集團之貢獻，並鼓勵參與者繼續為本集團之利益作出建樹。

(1) 於二零零三年一月二十五日獲本公司採納之購股權計劃(「2003年購股權計劃」)

於二零零三年一月二十五日，本公司根據書面決議案批准2003年購股權計劃。截至二零一八年十二月三十一日止年度，根據2003年購股權計劃授出之購股權變動詳情如下：

2003年購股權計劃變動



Report of the Directors

董事會報告

Notes:

- (1) 50% of the share options are exercisable in a period commencing two (2) years from the date of grant and expiring on the tenth anniversary from the date of grant. The balance of 50% of the share options are exercisable in a period commencing three (3) years from the date of grant and expiring on the tenth anniversary from the date of grant.
- (2) 50% of the share options are exercisable in a period commencing two (2) years from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options are exercisable in a period commencing three (3) years from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant.
- (3) As at 31 December 2018, the Company had 187,935,812 (2017: 193,611,488) share options outstanding under the 2003 Share Option Scheme, which represented approximately 2.08% (2017: approximately 2.14%) of the Company's shares in issue on that date.

附註：

- (1) 50%購股權可自授出日期兩(2)年後之日起至授出日期十週年止期間行使。餘下50%購股權可自授出日期三(3)年後之日起至授出日期十週年止期間行使。
- (2) 50%購股權可自授出日期兩(2)年後之日起至授出日期十週年前一日止期間行使。餘下50%購股權可自授出日期三(3)年後之日起至授出日期十週年前一日止期間行使。
- (3) 於二零一八年十二月三十一日，本公司根據2003年購股權計劃有187,935,812份購股權尚未行使（二零一七年：193,611,488份），相當於本公司於該日之已發行股份約2.08%（二零一七年：約2.14%）。

Report of the Directors

董事會報告

(2) Share option scheme adopted by the Company on 12 May 2011 ("2011 Share Option Scheme")

The Company adopted the 2011 Share Option Scheme which was approved by shareholders in the Company's annual general meeting held on 12 May 2011. Details of movement of the options granted under the 2011 Share Option Scheme for the year ended 31 December 2018 were as follows:

Movement in the 2011 Share Option Scheme

Name or category of participants	Date of grant	Exercise period	Exercise price per share	As at 1 January 2018	Granted during the year	Lapsed during the year	Cancelled during the year	Exercised during the year	As at 31 December 2018
參與者姓名或類別	授出日期	行使期	每股行使價 (HK\$) (港元)	於二零一八年一月一日	年內授出	年內失效	年內註銷	年內行使	於二零一八年十二月三十一日
Other employees 其他僱員									
In aggregate 合計	23/06/2011	23/06/2012 to 22/06/2021 23/06/2012至22/06/2021	0.3066	4,966,216 ⁽¹⁾	-	(4,966,216)	-	-	-
				4,966,216	-	(4,966,216)	-	-	-
Others 其他									
In aggregate 合計	23/06/2011	23/06/2012 to 22/06/2021 23/06/2012至22/06/2021	0.3066	64,347,974 ⁽¹⁾	-	-	-	-	64,347,974
	31/12/2012	31/12/2013 to 30/12/2022 31/12/2013至30/12/2022	0.1149	1,064,189 ⁽¹⁾	-	-	-	-	1,064,189
				65,412,163	-	-	-	-	65,412,163
			Total: 總計:	79,378,379 ⁽²⁾	-	(4,966,216)	-	-	65,412,163 ⁽²⁾

Notes:

- 50% of the share options are exercisable in a period commencing one (1) year from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options are exercisable in a period commencing two (2) years from the date of grant and expiring on the day falling one day preceding the tenth anniversary from the date of grant.
- As at 31 December 2018, the Company had 65,412,163 (2017: 70,378,379) share options outstanding under the 2011 Share Option Scheme, which represented approximately 0.72% (2017: 0.78%) of the Company's shares in issue on that date.

2011年購股權計劃變動

(2) 於二零一一年五月十二日獲本公司採納之購股權計劃(「2011年購股權計劃」)

本公司採納於二零一一年五月十二日舉行之本公司股東週年大會上獲股東批准之2011年購股權計劃。截至二零一八年十二月三十一日止年度，根據2011年購股權計劃授出之購股權變動詳情如下：

附註：

- 50%購股權可自授出日期一(1)年後之日起至授出日期十週年前一日止期間行使。餘下50%購股權可自授出日期兩(2)年後之日起至授出日期十週年前一日止期間行使。
- 於二零一八年十二月三十一日，本公司根據2011年購股權計劃有65,412,163份購股權尚未行使(二零一七年：70,378,379份)，相當於本公司於該日之已發行股份約0.72%(二零一七年：0.78%)。

Report of the Directors

董事會報告

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

As at 31 December 2018, the interests and short positions of the directors and chief executive of the Company, if any, in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules, were as follows:

Long positions of directors in the shares and underlying shares of the Company

Name of director	Capacity and nature of interest	Number of shares held	Number of underlying shares held	Total	Approximate % of shareholding
董事姓名	身份及權益性質	所持股份數目	所持相關股份數目	總計	概約持股百分比
Li Sen ("Mr. Li")	Interest of controlled corporation	2,207,485,423	–	2,207,485,423	24.40%
李森(「李先生」)	受控制公司之權益	(note 1)	(附註1)		

Notes:

- These interests were held by Able Victory, which was wholly owned by Mr. Li. Mr. Li was the sole director of Able Victory. Accordingly, Mr. Li was deemed to be interested in 2,207,485,423 shares of the Company under the SFO. Hua Shang Consumer Premium Selection Investment Fund ("Hua Shang") holds 1,459,396,000 shares of the Company, representing 16.13% of the Company's all issued shares. Since Wonderland International Asset Management Company, a wholly-owned subsidiary of Wonderland, is the asset manager of Hua Shang, therefore, the above mentioned 16.13% of shareholding should be included in the shares that Wonderland is interested in the Company. As disclosed in the FORM 2 – Corporate Substantial Shareholder Notice, filed by Wonderland, on 5 November 2018 with Supplementary Information* that followed by the announcement of inside information made by the Company on 2 November 2018, the Company's substantial shareholder – Able Victory Enterprises Limited, controlled by the Company's Chairman and Executive Director Mr. Li Sen (李森), had entered into a share charge in relation to the 2,207,485,423 (24.40%) shares of the Company, in favour of Wonderland and another individual on 2 November 2018 ("Existing Share Charge" or "First Share Charge"). After the above event, Wonderland becomes one of the Chargees of the Existing Share Charge in relation to the 24.40% shares of the Company.

董事及最高行政人員於股份、相關股份及債券之權益及短倉

於二零一八年十二月三十一日，本公司董事及最高行政人員(如有)於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中，擁有根據證券及期貨條例第352條記入本公司登記冊或根據上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)知會本公司及聯交所之權益及短倉如下：

董事於本公司股份及相關股份之長倉

附註：

- 該等權益由Able Victory持有，其由李先生全資擁有。李先生為Able Victory之唯一董事。因此，根據證券及期貨條例，李先生被視為擁有本公司2,207,485,423股股份之權益。Hua Shang Consumer Premium Selection Investment Fund(「Hua Shang」)擁有本公司1,459,396,000股股份之權益，占本公司已發行股本的16.13%。因華德之全資附屬公司Wonderland International Asset Management Company為Hua Shang之資產管理人，故在計算華德擁有的本公司權益時，上述16.13%持股應計算在內。緊隨本公司於二零一八年十一月二日發出有關內幕消息之公告，華德於二零一八年十一月五日呈交附載補充資料*的「表格2 – 主要股東通知」內披露，由本公司主席兼執行董事李森先生控制的本公司主要股東Able Victory Enterprises Limited，已於二零一八年十一月二日簽訂股權抵押，將2,207,485,423(24.40%)股股份抵押予華德(「現有股份抵押」或「第一項股份抵押」)及另一自然人。在上述事件之後，華德為本公司24.40%股權的現有股份抵押權人之一。

Report of the Directors

董事會報告

Subsequently, following the announcement pursuant to Issue of the Convertible Bond under General Mandate (“Convertible Bond”) and Rule 13.17 of the Listing Rules of the Company on 31 January 2019, as disclosed in the FORM 2 – Corporate Substantial Shareholder Notice, filed by Huajun Group (Asia) Limited on 1 February 2019, Able Victory Enterprises Limited pledged 2,207,485,423 (24.40%) shares to Huajun Group (Asia) Limited (“Second Share Charge”). Second Share Charge will be executed upon the completion of the Convertible Bond transaction and subject to Existing Share Charge/First Share Charge.

Save as disclosed above, as at 31 December 2018, none of the directors and chief executive of the Company had registered an interest or short position in the shares, underlying shares and debentures of the Company, or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed “Share Option Schemes” and “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the directors or their respective spouses or minor children had any rights to subscribe for the securities of the Company, or had exercised any such rights during the year.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 31 December 2018, the following interests of more than 5% of the total number of issued shares of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

其後，緊隨本公司於二零一九年一月三十一日發出有關根據一般授權發行可換股債券（「可換股債券」）及上市規則第13.17條刊發之公告，Huajun Group (Asia) Limited於二零一九年二月一日呈交的「表格2 – 主要股東通知」內披露，Able Victory Enterprises Limited已於二零一九年一月三十一日將2,207,485,423 (24.40%) 股股份抵押予Huajun Group (Asia) Limited（「第二項股份抵押」），第二項股份抵押之執行須依據可換股債券交易之完成及須受限於現有股份抵押／第一項股份抵押。

除上文披露者外，於二零一八年十二月三十一日，概無本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，登記擁有須根據證券及期貨條例第352條予以記錄，或根據標準守則之規定而須知會本公司及聯交所之權益及短倉。

董事購買股份或債權證之權利

除上文「購股權計劃」及「董事及最高行政人員於股份、相關股份及債券之權益及短倉」章節所披露之事項外，於年內任何時間，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債券而獲取利益，亦無董事或彼等之配偶或未成年子女有權認購本公司證券，或於年內行使任何該等權利。

根據證券及期貨條例股東披露的權益及短倉

於二零一八年十二月三十一日，本公司根據證券及期貨條例第336條規定本公司須存置之權益登記冊載有以下佔本公司已發行股本總數5%以上之權益：



Report of the Directors

董事會報告

Long positions in the shares or underlying shares of the Company 於本公司股份或相關股份的長倉

Name of shareholder 股東名稱	Capacity and nature of interest 身份及權益性質	Number of shares held 所持股份數目	Approximate % of shareholding 概約持股百分比
Mr. Li 李先生	Interest of controlled corporation 受控制公司之權益	2,207,485,423 (note 1) (附註1)	24.40%
Able Victory Enterprises Limited ("Able Victory") Able Victory Enterprises Limited ("Able Victory")	Beneficial owner 實益擁有人	2,207,485,423 (note 1) (附註1)	24.40%
Hua Shang Consumer Premium Selection Investment Fund ("Hua Shang") Hua Shang Consumer Premium Selection Investment Fund ("Hua Shang")	Beneficial owner 實益擁有人	1,459,396,000 (note 1) (附註1)	16.13%
Wonderland International Financial Holdings Limited ("Wonderland") 華德國際金融控股有限公司("華德")	Supplementary information* 補充資料*	3,666,881,423 (note 1) (附註1)	40.53%
Li, Stephen Hing Yue ("Mr. Stephen Li") Li, Stephen Hing Yue("Stephen Li先生")	Interest of controlled corporation 受控制公司之權益	452,400,000 (note 2) (附註2)	5.00%
Cool Legend Limited ("Cool Legend") Cool Legend Limited("Cool Legend")	Beneficial owner 實益擁有人	452,400,000 (note 2) (附註2)	5.00%

Report of the Directors

董事會報告

Notes:

1. These interests were held by Able Victory, which was wholly owned by Mr. Li. Mr. Li was the sole director of Able Victory. Accordingly, Mr. Li was deemed to be interested in 2,207,485,423 shares of the Company under the SFO. Hua Shang Consumer Premium Selection Investment Fund (“Hua Shang”) holds 1,459,396,000 shares of the Company, representing 16.13% of the Company’s all issued shares. Since Wonderland International Asset Management Company, a wholly-owned subsidiary of Wonderland, is the asset manager of Hua Shang, therefore, the above mentioned 16.13% of shareholding should be included in the shares that Wonderland is interested in the Company. As disclosed in the FORM 2 – Corporate Substantial Shareholder Notice, filed by Wonderland, on 5 November 2018 with Supplementary Information* that followed by the announcement of inside information made by the Company on 2 November 2018, the Company’s substantial shareholder – Able Victory Enterprises Limited, controlled by the Company’s Chairman and Executive Director Mr. Li Sen (李森), had entered into a share charge in relation to the 2,207,485,423 (24.40%) shares of the Company, in favour of Wonderland and another individual on 2 November 2018 (“Existing Share Charge” or “First Share Charge”). After the above event, Wonderland becomes one of the Chargees of the Existing Share Charge in relation to the 24.40% shares of the Company.

Subsequently, following the announcement pursuant to Issue of the Convertible Bond under General Mandate (“Convertible Bond”) and Rule 13.17 of the Listing Rules of the Company on 31 January 2019, as disclosed in the FORM 2 – Corporate Substantial Shareholder Notice, filed by Huajun Group (Asia) Limited on 1 February 2019, Able Victory Enterprises Limited pledged 2,207,485,423 (24.40%) shares to Huajun Group (Asia) Limited (“Second Share Charge”). Second Share Charge will be executed upon the completion of the Convertible Bond transaction and subject to Existing Share Charge/First Share Charge.

2. These interests were held by Cool Legend, which was wholly owned by Mr. Stephen Li. Accordingly, Mr. Stephen Li was deemed to be interested in 452,400,000 shares of the Company under the SFO.

The interests of Mr. Li and Able Victory in 2,207,485,423 shares of the Company referred to above related to the same parcel of shares.

The interests of Mr. Stephen Li and Cool Legend in 452,400,000 shares of the Company referred to above related to the same parcel of shares.

Save as disclosed above, as at 31 December 2018, the Company had not been notified of any other relevant interests or short positions in the shares or underlying shares of the Company as required to be recorded pursuant to Section 336 of the SFO.

附註：

1. 該等權益由Able Victory持有，其由李先生全資擁有。李先生為Able Victory之唯一董事。因此，根據證券及期貨條例，李先生被視為擁有本公司2,207,485,423股股份之權益。Hua Shang Consumer Premium Selection Investment Fund (「Hua Shang」) 擁有本公司1,459,396,000股股份之權益，占本公司已發行股本的16.13%。因華德之全資附屬公司Wonderland International Asset Management Company為Hua Shang之資產管理人，故在計算華德擁有的本公司權益時，上述16.13%持股應計算在內。緊隨本公司於二零一八年十一月二日發出有關內幕消息之公告，華德於二零一八年十一月五日呈交附載補充資料*的「表格2 – 主要股東通知」內披露，由本公司主席兼執行董事李森先生控制的本公司主要股東Able Victory Enterprises Limited，已於二零一八年十一月二日簽訂股權抵押，將2,207,485,423 (24.40%) 股股份抵押予華德 (「現有股份抵押」或「第一項股份抵押」) 及另一自然人。在上述事件之後，華德為本公司24.40%股權的現有股份抵押權人之一。

其後，緊隨本公司於二零一九年一月三十一日發出有關根據一般授權發行可換股債券 (「可換股債券」) 及上市規則第13.17條刊發之公告，Huajun Group (Asia) Limited於二零一九年二月一日呈交的「表格2 – 主要股東通知」內披露，Able Victory Enterprises Limited已於二零一九年一月三十一日將2,207,485,423 (24.40%) 股股份抵押予Huajun Group (Asia) Limited (「第二項股份抵押」)，第二項股份抵押之執行須依據可換股債券交易之完成及須受限於現有股份抵押／第一項股份抵押。

2. 該等權益由Cool Legend持有，而Cool Legend由Stephen Li先生全資擁有。因此，根據證券及期貨條例，Stephen Li先生被視為擁有本公司452,400,000股股份之權益。

上述李先生及Able Victory所持有之本公司2,207,485,423股股份權益為同一批股份。

上述Stephen Li先生及Cool Legend所持有之本公司452,400,000股股份權益為同一批股份。

除上文披露者外，於二零一八年十二月三十一日，本公司概無獲知會任何於本公司股份或相關股份中登記擁有須根據證券及期貨條例第336條予以記錄之其他相關權益或短倉。

Report of the Directors

董事會報告

GROUP'S EMOLUMENT POLICY

The Group adopted the following philosophies in determining its emolument policy:

- the Group adopts a performance driven policy so that each individual is motivated to perform to the best he/she can;
- individual competence, contribution and responsibility are taken into account when considering the remuneration level for each employee;
- the Company offers provident fund, medical insurance and leave benefits to provide basic coverage to staff for retirement, sickness, rest and relaxation reasons, respectively;
- share option grants are made from time to time to better link the corporate performance as reflected in the share price performance and the contributions made by the staff in the intermediate to longer time frame; and
- the economic factors and the affordability of the Group are taken into account in coming up with the overall remuneration budget for the Group.

The Group has also adopted a discretionary bonus scheme. Factors, such as overall financial performance, the affordability of the Company and individual performance, have been taken into account before determining the entitlement of each qualified employee.

The determination of directors' remuneration has taken into consideration of their respective responsibilities and contributions to the Company and with reference to market terms.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every director or other officer of the Company for the time being acting in relation to any affairs of the Company shall be entitled to be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which he/she shall or may incur or sustain in or about the execution of the duties of his/her office or otherwise in relation thereto provided that the indemnity shall not extend to any matter in respect of any fraud or dishonesty of the above persons. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and other officers of the Company during the year.

本集團之薪酬政策

本集團於釐定薪酬政策時採納以下理念：

- 本集團採用以表現為本之政策，激勵員工發揮最佳表現；
- 在考慮每位僱員薪酬水平時綜合考慮個人能力、貢獻及職責；
- 本公司提供公積金、醫療保險及假期福利，分別照顧員工於退休、生病、休息及消閒方面之基本需要；
- 不時授出購股權以加強在中長時期由股價表現反映出本公司業績與員工貢獻之間的聯繫；及
- 以經濟因素及本集團之負擔能力作為本集團釐定整體薪酬預算之考慮因素。

本集團亦實行酌情花紅計劃。在釐定每位合資格員工應得之花紅時考慮之因素包括本公司整體財務表現、負擔能力以及員工個人表現。

本集團根據董事各自之責任及對本公司之貢獻及經參考市場情況後釐定董事酬金。

獲准許彌償條文

根據組織章程細則，就本公司任何事務行事之本公司各董事或其他高級管理人員於其任期內，或因履行其職責而蒙受或發生與此相關之所有訴訟、費用、收費、損失、賠償及開支，均可自本公司之資產獲得彌償，確保免就此受損。惟彌償須不延伸至任何與上述人士之任何欺詐或不誠實有關的事宜。年內，本公司已為本公司董事及其他高級管理人員購買適當的董事及高級職員責任保險作為保障。

Report of the Directors

董事會報告

MAJOR AND CONNECTED TRANSACTION

前海國興融資租賃(深圳)有限公司 (Qianhai Guoxing Finance Lease (Shenzhen) Company Limited*), a company established in the PRC and an indirect wholly owned subsidiary of the Company (“QH Finance”) and 深圳市瑞迅嘉科技有限公司 (Shenzhen Ruixunjia Information Technology Company Limited*), a company established in the PRC and an Independent Third Party which, however, had lending-borrowing relationship with Dongyin Finance (including the DYF Indebtedness owing to Dongyin Finance) (“the Borrower”) entered into the loan agreement dated 1 May 2018 and entered into between QH Finance and Borrower in respect of the grant of the Loan Facility (“the Original Loan Agreement”) in respect of the facility of up to RMB60 million which may be drawn by the Borrower and lent by QH Finance pursuant to the Original Loan Agreement (“the Loan Facility”). Under the Original Loan Agreement, the Loan Facility is agreed to be available for drawdown from 1 May 2018 onward, and the maturity date of the principal amounts so drawn under the Loan Facility is 31 December 2018. By the Supplemental Agreement 3 May 2018 and entered into by QH Finance, the Borrower and 深圳市東銀金融控股有限公司(Shenzhen Dongyin Financial Holdings Company Limited*), a company established in the PRC, in which Mr. Li has a controlling interest (“Dongyin Finance”), the Borrower directed QH Finance to make payment of the amounts drawn under the Loan Facility to Dongyin Finance for the purpose of settling the indebtedness in the sum of RMB66.5 million owing by the Borrower to Dongyin Finance, some of which was repaid during the period from May to August 2018 through the application of the Loan Facility (“the DYF Indebtedness”). During the period from May to August 2018, a total of approximately RMB57.7 million was drawn by instalments under the Loan Facility and paid by QH Finance (as directed by the Borrower) to Dongyin Finance for repayment of the DYF Indebtedness.

重大及關連交易

前海國興融資租賃(深圳)有限公司(一家於中國成立之公司，為本公司之間接全資附屬公司)(「前海融資」)與深圳市瑞迅嘉科技有限公司(一家於中國成立之公司及一名獨立第三方，惟與東銀金融(「借款人」)有借貸關係(包括結欠東銀金融之東銀金融債務)訂立日期為二零一八年五月一日(內容有關授出貸款融資)(「原貸款協議」)及前海融資與借款人之間訂立(內容有關最多人民幣60,000,000元之融資，根據原貸款協議可由借款人提取及由前海融資借出)(「貸款融資」)之貸款協議。根據原貸款協議，已協定可由二零一八年五月一日起提取貸款融資，而根據貸款融資所提取之本金額之到期日為二零一八年十二月三十一日。根據前海融資、借款人與深圳市東銀金融控股有限公司(一家於中國成立之公司，李先生於當中擁有控股權益)(「東銀金融」)訂立日期為二零一八年五月三日之補充協議，借款人已指示前海融資向東銀金融支付貸款融資項下所提取之款額，以償還借款人結欠東銀金融之債務人民幣66,500,000元(「東銀金融債務」)(部份已於二零一八年五月至八月期間透過動用貸款融資償還)。於二零一八年五月至八月期間，貸款融資已獲分期提取合共約人民幣57,700,000元，並由前海融資(按借款人之指示)支付予東銀金融，以償還東銀金融債務。



Report of the Directors 董事會報告

Since one of the applicable percentage ratios in respect of the Loan exceeds 25%, but all the applicable percentage ratios are less than 100%, the grant of the Loan Facility under the Original Loan Agreement constitutes a major transaction under Chapter 14 of the Listing Rules. As at the date of the Supplemental Agreement, Dongyin Finance was wholly owned by Shenzhen Guangshen Investment Group Limited* (深圳市廣森投資集團有限公司), in which Mr. Li had (and still has) a controlling interest. Accordingly, Dongyin Finance was (and still is) a connected person of the Company. As the drawings under the Loan Facility were paid to Dongyin Finance for repayment of the DYF Indebtedness, the Supplemental Agreement and the related drawings pursuant to it are deemed to constitute a connected transaction for the Company pursuant to Chapter 14A of the Listing Rules. Since one of the applicable percentage ratios in respect of the Loan exceeds 25%, and the total value of the financial assistance plus any monetary advantage to Dongyin Finance is more than HK\$10 million, the Supplemental Agreement and the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under the Listing Rules. Further details of the transactions are stated in the Company's announcement dated 2 October 2018.

QH Finance, the Borrower and Dongyin Finance entered into the Tripartite Confirmation Agreement dated 24 December 2018, pursuant to which, QH Finance is the Lender of the Loan while 深圳市瑞訊嘉科技有限公司 (Shenzhen Ruixunjia Information Technology Company Limited*) is the Borrower of the Loan under the Original Loan Agreement and the Supplemental Agreement, and the three parties agreed that the Borrower shall repay the principal amounts and accrued interests under the Loan directly into QH Finance's bank account in full instead of entrusting the repayment to Dongyin Finance. As of 24 December 2018, the Lender had provided a principal amounts of RMB57,735,450.83 under the Loan and accrued interests of RMB4,554,716.75. The sum of the principal amounts and the interests incurred is RMB62,290,167.58. On 24 December 2018, the Borrower had repaid the above principal amounts and interests of the Loan directly into the Lender's bank account in full. The Borrower and Dongyin Finance had fulfilled all of their obligations in respect of the Loan and there is not any debt payable by the Borrower and Dongyin Finance to the Lender.

由於有關該貸款之一項適用百分比率高於25%，惟所有適用百分比率均低於100%，根據原貸款協議授出貸款融資構成上市規則第14章項下之主要交易。於補充協議日期，東銀金融由深圳市廣森投資集團有限公司全資擁有，而李先生於當中擁有（及仍然擁有）控股權益。因此，東銀金融當時為（及現時仍為）本公司之關連人士。由於根據貸款融資提取之款項已支付予東銀金融以償還東銀金融債務，根據上市規則第14A章，補充協議及據此提取相關款項被視為構成本公司之關連交易。由於有關該貸款之一項適用百分比率超過25%，而財務援助加上給予東銀金融之任何金錢利益之總值高於10,000,000港元，根據上市規則，補充協議及據此擬進行之交易須遵守申報、公佈、年度審核及獨立股東批准之規定。有關該等交易之進一步詳情載於本公司日期為二零一八年十月二日之公佈內。

前海融資、借款人及東銀金融訂立日期為二零一八年十二月二十四日之三方確認協議，據此前海融資為有關貸款之貸款人而深圳市瑞訊嘉科技有限公司根據原貸款協議及補充協議為借款人，三方並同意借款人須直接全數撥入前海融資之銀行戶口內以償還貸款項下之本金額及應計利息而非委託東銀金融償還。於二零一八年十二月二十四日，貸款人在貸款項下已提供本金額人民幣57,735,450.83元及應計利息人民幣4,554,716.75元。本金額及應計利息合計為人民幣62,290,167.58元。於二零一八年十二月二十四日，借款人已直接全數撥入貸款人之銀行戶口內以償還貸款項下之本金額及利息。借款人及東銀金融已履行有關貸款之所有責任，借款人及東銀金融並無任何應付貸款人之債務。

Report of the Directors

董事會報告

ISSUE OF THE CONVERTIBLE BOND UNDER GENERAL MANDATE

On 31 January 2019 (after trading hours), the Company entered into the conditional Subscription Agreement with Huajun Group (Asia) Limited, a company incorporated in the British Virgin Islands with limited liability and an Independent Third Party (“the Investor”), pursuant to which the Company has conditionally agreed to issue, and Investor has conditionally agreed to subscribe for the Convertible Bond in the aggregate principal amount of HK\$50,000,000 at the Issue Price. The punctual performance and observance by the Company and Able Victory Enterprises Limited (“Chargor”), a company incorporated under the laws of the British Virgin Islands, Hong Kong and wholly owned by Mr. Li Sen, the Chairman and executive director of the Company (“Mr. Li”) of its obligations under the Transaction Documents were secured by (i) the Guarantee to be executed by Mr. Li; and (ii) the Share Charge in respect of 2,207,485,423 Shares owned by the Chargor, the Listco Shares, to be executed in favour of the Investor by the Chargor, which is wholly owned by Mr. Li. The Convertible Bond carry the right to convert into the Conversion Shares at the Conversion Price of HK\$0.0592 per Conversion Share (subject to adjustment). Assuming the Conversion Rights are exercised in full at the Conversion Price, 844,594,595 new Shares, being the Conversion Shares, may be allotted and issued to the Investor, representing approximately 9.33% of the issued share capital of the Company as at the Company’s announcement dated 31 January 2019 and approximately 8.54% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares, assuming that there are no other changes in the share capital of the Company from 31 January 2019 to the Closing Date. The Conversion Shares will be allotted and issued pursuant to the General Mandate. Accordingly, the issue of the Conversion Shares will not be subject to the approval of the Shareholders. Further details of the Convertible Bond are stated in the Company’s announcement dated 31 January 2019.

根據一般授權發行可換股債券

於二零一九年一月三十一日(交易時段後)，本公司與Huajun Group (Asia) Limited(一家於英屬處女群島註冊成立之有限公司，為一名獨立第三方)(「投資者」)訂立有條件認購協議，據此，本公司已有條件同意按發行價發行，及投資者已有條件同意按發行價認購本金總額為50,000,000港元之可換股債券。本公司及Able Victory Enterprises Limited(一家根據英屬處女群島及香港法例註冊成立之公司，由本公司主席及執行董事李森先生(「李先生」)全資擁有)(「抵押人」)準時履行及遵守其於交易文件項下責任乃由(i)李先生將予簽訂之擔保；及(ii)抵押人(由李先生全資擁有)以投資者為受益人就抵押人所持有之2,207,485,423股股份(上市公司股份)簽訂之股份抵押提供擔保。可換股債券附帶權利可按換股價每股換股股份0.0592港元(可予調整)轉換為換股股份。假設換股權按換股價獲悉數行使，844,594,595股新股份(即換股股份)可能配發及發行予投資者，相當於載於本公司日期為二零一九年一月三十一日公佈內已發行股本約9.33%及經配發及發行換股股份擴大後之本公司已發行股本約8.54%(假設本公司股本由二零一九年一月三十一日至完成日期並無其他變動)。換股股份將根據一般授權而配發及發行。因此，發行換股股份將毋須取得股東批准。有關可換股債券的進一步詳情載於本公司日期為二零一九年一月三十一日之公佈內。

Report of the Directors

董事會報告

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Save as otherwise disclosed, none of the directors of the Company had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group for the year ended 31 December 2018.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on the information publicly available to the Company and within the knowledge of the Directors, at least 25% of the issued share capital of the Company was held by the public.

CORPORATE GOVERNANCE

The Company had complied with all the applicable code provisions (the "Code Provisions") of the Corporate Governance Code (the "CG Code") set out in Appendix 14 to the Listing Rules for the year ended 31 December 2018 except for the following deviation and compliance with reason as explained:

優先購買權

根據組織章程細則或開曼群島法例，概無有關本公司須按比例向現有股東提呈發售新股份之優先購買權之條文。

董事於競爭業務中的權益

除另行披露者外，截至二零一八年十二月三十一日止年度，概無本公司董事於與本集團業務直接或間接構成競爭或可能構成競爭的任何業務中擁有任何權益。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於截至二零一八年十二月三十一日止年度並無購買、贖回或出售本公司任何上市證券。

足夠公眾持股量

於本報告日期，根據本公司現有公開可得資料及就董事所深知，本公司已發行股本最少25%由公眾人士持有。

企業管治

截至二零一八年十二月三十一日止年度，本公司一直遵守上市規則附錄十四所載之企業管治守則（「企業管治守則」）之所有適用守則條文（「守則條文」），惟下列偏離及遵守事項除外，原因載列如下：

Report of the Directors

董事會報告

Code Provision A.2.1

According to the code provision A.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual.

Deviation and Compliance

On 23 January 2018, Mr. Li Sen (“Mr. Li”) was both the chairman of the Board and the chief executive officer of the Company. The Board considered that Mr. Li has in-depth knowledge and experience in the properties investment related business in the PRC and therefore he is the most appropriate person to take up the two roles. After review of the Board’s structure, Mr. Li has been re-designed to Co-Chief Executive Officer and Mr Zhou Xuesheng (“Mr. Zhou”) has been appointed as Co-Chief Executive Officer of the Company on 9 November 2018. On 27 November 2018, Mr. Li resigned as Co-Chief Executive Officer and Mr. Zhou has been appointed as Chief Executive Officer of the Company.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 168.

AUDIT COMMITTEE

The audited consolidated financial statements of the Company for the year ended 31 December 2018 have been reviewed by the Audit Committee and have been duly approved by the Board under the recommendation of the Audit Committee.

守則條文第A.2.1條

根據守則條文第A.2.1條，主席及行政總裁之角色應予分開，及不應由同一人士兼任。

偏離及遵守

於二零一八年一月二十三日，李森先生（「李先生」）為董事會主席兼本公司行政總裁。董事會認為李先生對中國物業投資相關業務有深入知識及經驗，因此彼為擔任兩種角色的最適當人選。經檢討董事會架構之後，於二零一八年十一月九日李先生被調任為本公司聯席行政總裁及周學生先生（「周先生」）被委任為聯席行政總裁。在二零一八年十一月二十七日，李先生辭任本公司聯席行政總裁及周先生被委任為行政總裁。

五年財務概要

本集團於過去五個財政年度之已公佈業績及資產及負債概要載列於第168頁。

審核委員會

本公司截至二零一八年十二月三十一日止年度之經審核綜合財務報表已由審核委員會審閱及由董事會在審核委員會之建議下正式批准。



Report of the Directors

董事會報告

AUDITORS

Following the resignation of PricewaterhouseCoopers ("PwC") as auditors of the Company on 27 April 2018, Zhonghui Anda CPA Limited ("Zhonghui Anda") was appointed as new auditors of the Company with effect from 15 November 2018 to fill the casual vacancy, and to hold office until the conclusion of the next annual general meeting of the Company. Save as disclosed above, there were no other changes in the auditors of the Company during the past three years. The consolidated financial statements of the Group for the year ended 31 December 2018 were audited by Zhonghui Anda while the consolidated financial statements for the three preceding years ended 31 December 2015, 2016 and 2017 were audited by PwC. Zhonghui Anda will retire and being eligible, offer themselves for re-appointment. A resolution for the reappointment of Zhonghui Anda as auditors of the Company will be proposed at the forthcoming annual general meeting of the Company.

On behalf of the Board

Li Sen

Chairman and Executive Director

Hong Kong, 29 March 2019

核數師

羅兵咸永道會計師事務所(「羅兵咸」)於二零一八年四月二十七日辭任本公司核數師後，中匯安達會計師事務所有限公司(「中匯安達」)獲委任為本公司之新任核數師以填補臨時空缺，自二零一八年十一月十五日起生效，且任期直至本公司下屆股東週年大會結束為止。除上文披露者外，於過往三年，本公司核數師概無其他變動。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乃由中匯安達審核，而截止二零一五年、二零一六年及二零一七年十二月三十一日止三個先前年度的綜合財務報表則由羅兵咸審核。中匯安達將會告退，並將符合資格及願意在該大會上重新獲委聘。建議再度委聘中匯安達為本公司核數師的決議案將於本公司應屆股東週年大會上提呈。

代表董事會

主席及執行董事

李森

香港，二零一九年三月二十九日

Environmental, Social and Governance Report

環境、社會及管治報告

GENERAL

The Directors are pleased to present the Environmental, Social and Governance Report for the year ended 31 December 2018 in compliance with the applicable code provision set out in the Environmental, Social and Governance Reporting Guide (the “ESG Guide”) as set out in Appendix 27 to the Listing Rules. Information on the environmental and social aspects of the report is set out below whilst information on the governance aspect is set out in the Corporate Governance Report on page 17. During the year ended 31 December 2018, the Company has complied with the “comply and explain” provisions set out in the ESG Guide.

OVERVIEW

The Group has always placed significant emphasis in minimising potential impact on the environment in conducting businesses, and in faces of the challenges of climate changes the Group has integrated Environmental, Social and Governance considerations into daily operations, with a particular focus on maintaining closer connections with stakeholders and taking on more responsibilities in the society. Comprehensive assessments had been performed by the Group and the Group believes that its existing businesses are not expected to pose a material impact on the environment.

MATERIALITY ASSESSMENT AND ESG STRATEGY

According to the requirements of ESG Guide, the Board has overall responsibility for the Company’s ESG strategy and reporting. During the year, the Company has conducted internal and external materiality assessments on the Company’s business (as reflected in 2018 Materiality Matrix of Enviro Energy). Taking into account the reporting principles as set out in the ESG Guide, the nature of business and principal activity of the Company, the general disclosures under the aspects of Operating Practices and Social Area of the ESG Guide are considered to be crucial to the Company’s investors, stakeholders and businesses.

一般資料

董事會根據上市規則附錄27所載環境、社會及管治報告指引(「環境、社會及管治指引」)之適用守則條文欣然提呈截至二零一八年十二月三十一日止年度之環境、社會及管治報告。有關環境及社會方面之資料載於下文，而有關管治方面之資料載於第17頁之企業管治報告。截至二零一八年十二月三十一日止年度，本公司已遵守環境、社會及管治指引所載之「不遵守就解釋」條文。

概覽

本集團一直重視將所進行的業務對環境的潛在影響減至最低，加上面對氣候變化的挑戰，本集團已將環境、社會及管治的考慮因素融入日常業務營運中，尤其是著重與持份者保持緊密聯繫及承擔社會責任。本集團已進行全面評估，並相信其現有業務預期將不會對環境造成重大影響。

重要性評估及環境、社會及管治策略

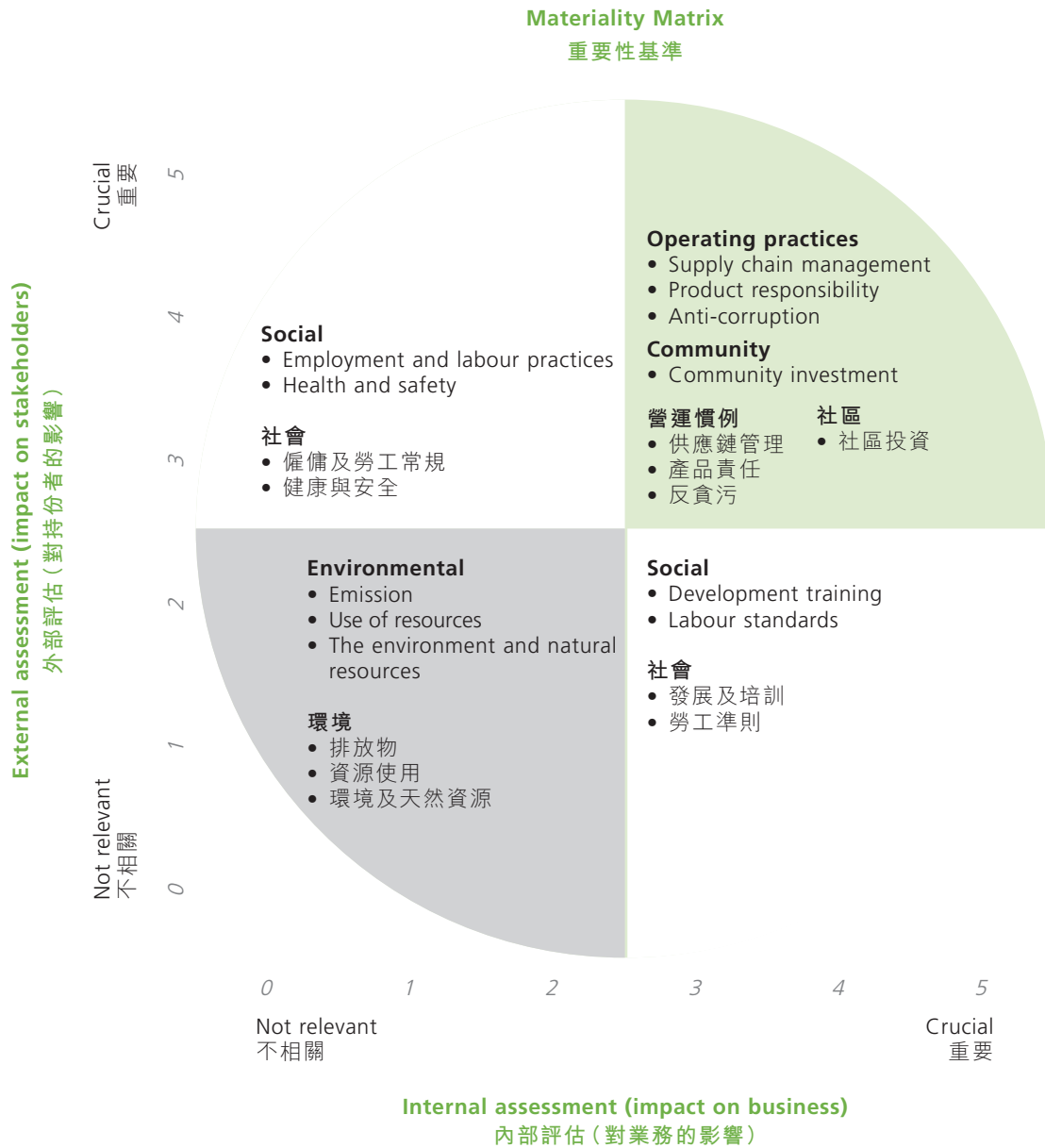
根據環境、社會及管治指引之規定，董事會已全權負責本公司之環境、社會及管治策略及報告。年內，本公司已就本公司之業務進行內部及外部重要性評估(反映於二零一八年環能重要性基準)。經計及環境、社會及管治指引所載之報告原則、本公司之業務性質及主要活動，環境、社會及管治指引之營運慣例及社會層面方面的全面披露被視為對本公司之投資者、持份者及業務而言屬重大。

Environmental, Social and Governance Report

環境、社會及管治報告

2018 Materiality Matrix of Enviro Energy

二零一八年環能重要性基準



Environmental, Social and Governance Report

環境、社會及管治報告

Given the fact that the existing businesses of the Company does not pose a material impact on the environment, therefore, the three aspects of key performance indicators (KPI) under the Environment Area, namely Emissions (Aspect A1), Use of Resources (Aspect A2) and the Environment and Natural Resources (Aspect A3), are not considered material for disclosure according to the requirements of the ESG Guide. However, the Company recognises the importance of environmental protection and always supports its employees to protect the environment and use of resources and energy in the most efficient and effective manner on one hand and considers this as one of the assessment criteria for assessing and selecting suppliers and business partners on the other hand.

Environmental

Emissions

Existing businesses of the Group do not produce significant amount of waste and thus the Group does not have significant air and greenhouse gas emissions, and none of the operations of the Group have significant discharges into water and land, nor generate significant hazardous and non-hazardous wastes. The Group however considers management of impacts on the environment as one of the assessment criteria in assessing and selecting suppliers and business partners.

Use of resources

Among the existing businesses that the Group currently involves in, all of which do not require consumption of a significant amount of resources, including energy, water and other raw materials. The Group does acknowledge that effort in promoting efficient usage of resources and therefore make efforts in preparing and introducing policies on efficient usage of resources in operations. Besides, the Group also considers this as one of the assessment criteria for assessing and selecting suppliers and business partners.

鑒於本公司之現有業務並不會對環境造成重大影響，因此，根據環境、社會及管治指引之規定，環境層面項下的三個關鍵表現指標層（即排放物（A1層）、資源使用（A2層）及環境及天然資源（A3層））並不被視為重大披露事項。然而，本公司認可環保的重要性，並一直為其僱員提供保護環境方面的支持，一方面以最有效的方式使用資源及能源，另一方面將環保視為評估及挑選供應商及業務夥伴的評估基準之一。

環境

排放物

本集團的現有業務不會產生大量廢棄物，因此本集團並無重大空氣及溫室氣體排放，本集團業務並無重大污水排放及土地污染，亦無產生重大有害及無害廢棄物。然而，本集團視管理環境影響為評估及挑選供應商及業務夥伴的其中一項評估標準。

資源使用

本集團現時所從事的現有業務均毋須消耗大量資源，包括能源、水及其他原材料。本集團明白須致力促使有效運用資源，因此已致力制定及實施政策以於業務營運中有效運用資源。此外，本集團亦視此為評估及挑選供應商及業務夥伴的其中一項評估標準。



Environmental, Social and Governance Report

環境、社會及管治報告

According to the requirements of the ESG Guide, the Company has quantified the resources usage of its offices operation in Hong Kong, Shenzhen and Yingkou respectively. The results are summarized as follows:

根據環境、社會及管治指引的規定，本公司已量化其分別於香港、深圳及營口之辦公室營運的資源使用。結果概述如下：

Hong Kong Office 香港辦公室

2018
二零一八年

(Electricity)	(電力)	
Electricity Consumed (kWh) ¹	用電量(千瓦時) ¹	22,509
Electricity Consumed per gross floor area (KWh/m ²)	每樓面面積用電量(千瓦時/平方米)	4.28
CO2 Emission from Electricity Consumed (kg)	用電產生之二氧化碳排放(千克)	17,782
(Paper)	(紙張)	
Paper used (tonne)	用紙(噸)	1.572
(Water)	(水)	
Water Consumption ²	用水量 ²	

Notes:

附註：

- Consumption from the central building services including electricity usage due to the elevator and central air-conditioning are excluded from the reporting scope since it was not within the operational boundary of the Company.
- Consumption from the central building services for water usage.

- 由於中央樓宇裝備如電梯及中央空調的電力消耗不包括在本公司的營運邊界內，因此並不包括在報告範圍內。
- 中央樓宇裝備用水量。

Shenzhen Office 深圳辦公室

2018
二零一八年

(Electricity)	(電力)	
Electricity Consumed (kWh)	用電量(千瓦時)	900
Electricity Consumed per gross floor area (KWh/m ²)	每樓面面積用電量(千瓦時/平方米)	32.14
CO2 Emission from Electricity Consumed (kg)	用電產生之二氧化碳排放(千克)	488
(Paper)	(紙張)	
Paper used (tonne)	用紙(噸)	0.016
(Water)	(水)	
Water Consumption (m ³)	用水量(立方米)	150
Water Consumed per gross floor area (m ³ /m ²)	每樓面面積用水量(立方米/平方米)	5.36

Environmental, Social and Governance Report

環境、社會及管治報告

Yingkou Office

營口辦公室

2018

二零一八年

(Electricity)	(電力)	
Electricity Consumed (kWh)	用電量(千瓦時)	212,681
Electricity Consumed per gross floor area (KWh/m ²)	每樓面面積用電量(千瓦時/平方米)	8.28
CO ₂ Emission from Electricity Consumed (kg)	用電產生之二氧化碳排放(千克)	153,045
(Paper)	(紙張)	
Paper used (tonne)	用紙(噸)	0.036
(Water)	(水)	
Water Consumption (m ³)	用水量(立方米)	2,844
Water Consumed per gross floor area (m ³ /m ²)	每樓面面積用水量(立方米/平方米)	0.11

The environment and natural resources

環境及天然資源

Due to the nature of the Group's existing businesses, the Group does not engage in any operations that have a significant impact on the environment. The Group made efforts to promote, and where possible, integration of environmentally friendly business practices into daily operations. Practical steps implemented by the management include issuing notices that promote "green office management" concept to employees, reminding staff the use of double-sided printing, energy saving by switching off idle lighting and air conditioners and using equipment carrying Energy Label issued by the Electrical and Mechanical Services Department. Further, the Group also consider this as one of the Group's most important assessment criteria when assessing and selecting suppliers and business partners. Environmental, Social and Governance Report.

鑒於本集團現有業務的性質，本集團並無從事對環境造成重大影響的業務。本集團致力促使及在可行之情況下將環保業務常規融入日常業務營運中。管理層實施的實際措施包括向僱員發佈促進「環保辦公室管理」概念的通告、提醒員工使用雙面列印、關掉閒置照明裝置及空調以及使用貼有機電工程署發出能源標籤的設備，以節約能源。此外，本集團視此為評估及挑選供應商及業務夥伴最重要之評估標準之一。



Environmental, Social and Governance Report

環境、社會及管治報告

Social

Employment and Labor Practices

A respectful and fair working environment for maintaining a sound system of human resources management is considered to be vital to the operation of the Group. The Group ensures strict compliance with all relevant regulatory standards, particularly the Employment Ordinance in Hong Kong in respect of recruitment, remuneration, and separation. Employment process of the Group stresses the consideration of experience, qualifications, and knowledge, with an objective to ensure that there is no discrimination on the grounds of age, gender, marital status, family status, gender orientation, disability, race, nationality or religion. Upon satisfactory consideration, the Group ensures that employment contract is fully understood by potential employees before contracts are signed. Employment contract of the Group includes employment terms such as job duties, working hours, holidays, remuneration, termination process, and benefits.

The Group had adopted a five-day workweek arrangement to facilitate work-life balance. In addition to all general holidays (including Sundays) as specified in the General Holidays Ordinance, employees are entitled to annual leaves, maternity leaves, paternity leaves, marriage leaves and compassionate leaves with pay. Employees enjoy medical benefits, provident fund scheme and other benefits subject to the Group's policies.

The Group continuously evaluates the remuneration and promotion mechanism so as to share the fruitful achievement with employees of the Group. The Group motivates employees by promotion and salary increment based on results of annual performance appraisal, and to award double-pay payment and discretionary bonus in addition to basic salary.

Dismissal is conducted with strict compliance with the Employment Ordinance and the requirement as stipulated in the employment contract.

社會

僱傭及勞工常規

建立受尊重及公平的工作環境以維繫完善的人力資源管理制度對本集團的業務營運至關重要。本集團確保嚴格遵守所有相關監管標準，尤其是香港《僱傭條例》有關招聘、薪酬及遣散方面的規定。本集團的招聘程序強調經驗、資歷及知識之考慮，目的是確保因年齡、性別、婚姻狀況、家庭狀況、性別取向、殘疾、種族、國籍或宗教信仰的歧視不存在。經審慎考慮後，本集團確保潛在僱員於簽訂僱傭合約前已全面了解合約內容。本集團之合約內容包括職責、工時、假期、薪酬、終止程序及福利等僱傭條款。

本集團採取五天工作週安排，以促進工作與生活平衡。除《公眾假期條例》訂明的公眾假期（包括星期日）外，僱員可享有有薪年假、產假、侍產假、婚假及恩恤假。僱員亦可根據本集團之政策享有醫療福利、公積金計劃及其他福利。

本集團不斷評估薪酬及晉升機制，以與僱員分享集團的豐碩成果。本集團根據僱員的年度績效評核結果提供晉升及加薪機會作為激勵，除基本薪金外，僱員亦可享有雙糧及酌情花紅作為獎勵。

於解僱員工時，我們會嚴格遵守《僱傭條例》及僱傭合約所載之規定。

Environmental, Social and Governance Report

環境、社會及管治報告

Health and safety

Operations of the Group do not involve heavy machinery or labor intensive routines and are conducted in a safe office environment. The Group does acknowledge the potential health issues that exist in office settings, and therefore the Group promotes measures to talents of the Group from exposure to occupational diseases or injuries, no matter severe or minor.

The Group leverages on the promotional materials from Occupational Safety and Health Council regarding information on providing a safe working environment and protecting employees from occupational hazards in an office working environment. Further, the Group ensures full compliance towards Occupational Safety and Health Ordinance and applicable regulations that protected employees from occupation hazards. The Group did not experience any lost days due to injury or work-related fatalities during the reporting period.

The Group encourages contractors and business partners in placing great emphasis on health and safety issues, and the Group shares views with them, in particular, business partners that operate in factories.

Development and Training

The Group has a team of professionals to manage businesses of the Group, and it is, therefore, vital for the Group to support their continuous professional developments. For example, the Group provides financial support to trainings relevant to their profession, where necessary subsidies were given to employees for participation in training sessions which aim at enhancing their job skills. These trainings covered the areas such as management skill and leadership improvement, company's organization strategy and corporate culture, and employee's business knowledge. From time to time the Group also provides updates of regulatory requirements and standards to employees. In addition, the Group provides induction training materials for Directors.

In the face of the ever-evolving business landscape, the Group also places emphasis on the employees' learning experience gained through work assignments so as to build up their on-going job skills which benefit their career development.

健康與安全

本集團的業務營運並不涉及重型機械或勞工密集之工作程序，並提供安全的辦公環境。本集團明白辦公室環境中存在可能影響健康的問題，因此本集團為本集團的人才提供措施以減低任何重大或輕微的職業病或工傷。

本集團利用職業安全健康局有關提供安全工作環境及保障僱員於辦公室工作環境避免職業性危害的資料作為宣傳材料。此外，本集團確保已全面遵守《職業安全及健康條例》及適用法規以保障僱員免受職業性危害。本集團於報告期間並無因工傷或工作相關死亡事故而損失工作日數。

本集團鼓勵承包商及業務夥伴重視健康及安全問題，本集團向彼等（尤其是營運廠房的業務夥伴）分享吾等的觀點。

發展及培訓

本集團擁有一支專業團隊管理本集團的業務，因此本集團對彼等的持續專業發展的支持乃非常重要。例如，本集團就彼等的職業相關培訓提供財務支援，並於需要時為參與培訓課程的僱員提供資助以提升彼等的工作技能。該等培訓涵蓋的範疇包括提升管理技能和領導能力、公司組織策略和企業文化及僱員之業務知識。本集團不時向僱員提供監管規定及標準的最新資料。此外，本集團為董事提供入職培訓資料。

為面對不斷變化的商業環境，本集團亦重視僱員透過工作實踐獲得學習經驗，以增強僱員的現有工作技能，從而有利於僱員的職業發展。



Environmental, Social and Governance Report

環境、社會及管治報告

Labour Standards

The businesses of the Group involve specialised skill and higher level education standards and are not labour intensive in nature. As such, the Group does not employ under-age employees, and the Group does not engage in forced labour. The Group conveys its stance on child labour and forced labour to key business partners and if there is any confirmed report of such case in relation to business partners, the Group will conduct an investigation in detail and critically reconsider the relationships with such party. As part of the recruitment process, the Group performs a background check and a reference check where deemed necessary. Candidates who do not meet the legal requirements would not be hired. The Group fully complies with relevant regulations that prohibit child or forced labour.

Operating Practices

Supply chain management

The Group is in the trading business and the Group recognises the role in promoting sustainability issues within the industry. The Group, therefore, advocates the standards and expectations in respect of environment issues and labour practices to suppliers and business partners, with the expectation that they will uphold standards that are similar to that of the Group. The Group relentlessly assesses and monitors key business partners based on a wide range of aspects and standards, including attitude towards environmental and social issues, to evaluate the quality as well as their moral standards.

Product responsibility

Among all business lines, the Group does not have any packaged products being sold to general public. In the trading business, products are specialised industrial components with detailed specifications stipulated in trade contracts. The Group specified the product specifications in details and documented in sale and purchase contracts for each trading project. The commodities shall meet the guaranteed specifications for the completion of the trade. In the course of conducting such business, the Group made efforts to comply with the relevant laws and regulations that have a significant impact on the Group. The Group had not received any litigation regarding the health and safety, advertising, labeling and privacy matters during the year ended 31 December 2018.

勞工準則

本集團的業務涉及專門技能及高教育水平，並非勞工密集類型。因此，本集團並無僱用未成年僱員，亦無強制勞工。本集團向主要業務夥伴傳達其對童工及強制勞工的立場，倘若在獲得業務夥伴確認有關情況之報告下，本集團將進行詳細調查，本集團亦會審慎地重新考慮與有關人士的關係。作為招聘過程的部份，本集團會進行背景審查及如認為有需要時會審查參考資料。候選人如不符合法律規定將不會獲僱用。本集團全面遵守有關禁止童工或強制勞工的相關法規。

營運慣例

供應鏈管理

本集團從事貿易業務，並知悉本集團有責任促進業界的可持續發展事宜。因此，本集團向供應商及業務夥伴傳達環保事宜及勞工慣例的標準及期望，冀盼彼等將支持與本集團類似的標準。本集團不懈地評估及監督主要業務夥伴的不同方面及標準以評估彼等的質素及道德標準，包括對環境及社會事宜的態度。

產品責任

於所有業務線中，本集團並無向公眾出售任何包裝產品。於貿易業務中，產品是貿易合約所訂明具有詳細規格的專門工業部件。本集團就每項貿易項目於買賣合約中詳細訂明及記錄產品規格。商品將符合保證規格以完成貿易。於進行有關業務時，本集團致力遵守對本集團產生重大影響的相關法例及法規。截至二零一八年十二月三十一日止年度，本集團並無收到任何有關健康和安安全、廣告、標籤及私隱事宜的訴訟。



Environmental, Social and Governance Report

環境、社會及管治報告

Anti-corruption

The Group's commitment to preventing bribery, extortion, fraud and money laundering is one of the core values and the Group is committed to preventing bribery, extortion, fraud and money laundering in all businesses dealings or transactions of the Group. The Group has made available a whistle-blowing reporting channel to report any suspected fraud, malpractice, corruption, or any other unethical actions. It is the policy of the Group to maintain high moral standards in conducting businesses.

The Group has strictly adhered to relevant laws and regulations, including the Prevention of Bribery Ordinance. During the year ended 31 December 2018, there was no legal case or dispute in respect of bribery, extortion, fraud or money laundering against employees of the Group and the Group itself.

Community

Community investment

The Group is in the stage of expanding its business reach, and thus by far the customer bases are mainly formed by commercial business or strategic partners. The Group will continue to access which particular community the Group can direct community investment in. Nonetheless, the Group recognises the need to participate in the community and therefore the Group both encourages and motivates its employees to partake in communities. The Group from time to time motivates employees to volunteer, contribute to support and participate in community activities.

反貪污

本集團致力防止賄賂、勒索、欺詐和洗黑錢作為我們其中一項核心價值，並致力於本集團的所有業務往來或交易中防止賄賂、勒索、欺詐和洗黑錢。本集團提供了一個舉報渠道以舉報任何涉嫌欺詐、不法行為、貪污或任何其他不道德行為。本集團的政策是以高度的道德標準進行業務。

本集團一直嚴格遵守相關法例及法規，包括《防止賄賂條例》。於截至二零一八年十二月三十一日止年度，本集團的僱員及本集團並無牽涉任何賄賂、勒索、欺詐或洗黑錢的法律訴訟或糾紛。

社區

社區投資

本集團的業務層面正處於擴充的階段，因此於目前為止，客戶群主要為商業或策略性夥伴。本集團將繼續探索本集團可進行社區投資的特定社區。然而，本集團知悉參與社區的需要，因此本集團鼓勵及推動其僱員參與社區活動。本集團不時激勵僱員自願貢獻支持及參與社區活動。

Independent Auditor's Report

獨立核數師報告



To the Members of Enviro Energy International Holdings Limited
環能國際控股有限公司
(incorporated in Cayman Islands with limited liability)

QUALIFIED OPINION

We have audited the consolidated financial statements of Enviro Energy International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 76 to 167, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR QUALIFIED OPINION

Opening balances and corresponding figures

The audit opinion on the consolidated financial statements for the year ended 31 December 2017, which forms the basis for the corresponding figures presented in the current year's consolidated financial statements, was qualified by another auditor in relation to prepayments of HK\$230,676,000 and other payables of HK\$7,990,000, details of which are set out in the auditor's report dated 31 March 2018. In respect of these balances, we were unable to obtain sufficient appropriate audit evidence to substantiate these balances and to satisfy ourselves whether the effects of these balances, including the related cashflows, have been properly accounted for and disclosed in the consolidated financial statements.

獨立核數師報告
致環能國際控股有限公司股東
(於開曼群島註冊成立之有限公司)

保留意見

我們已審計環能國際控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第76至167頁的綜合財務報表,包括於二零一八年十二月三十一日的綜合財務狀況表,以及綜合損益表、綜合損益及其他全面收益表、綜合權益變動表及截至該日止年度的綜合現金流量表以及綜合財務報表附註,包括主要會計政策概要。

我們認為,除了在本報告中「保留意見的基礎」部份所述事項的可能影響外,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於二零一八年十二月三十一日之綜合財務狀況,及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》的披露規定妥為擬備。

保留意見的基礎

期初結餘及相應數字

組成本年度相應數字基礎的截至二零一七年十二月三十一日止年度綜合財務報表之審計意見呈列於本年度綜合財務報表,該表由另一名核數師就預付款項230,676,000港元及其他應付款項7,990,000港元作出保留意見,有關詳情載列於日期為二零一八年三月三十一日核數師報告內。就該等結餘而言,我們未能獲取充足的審計憑證證實該等結餘並令我們信納該等結餘的影響,包括相關現金流量,是否已於綜合財務報表內妥善入賬及披露。

Independent Auditor's Report

獨立核數師報告

Loan receivable, interest receivable, prepayments and consideration receivables

We were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the recoverability of loan receivable of HK\$170,764,000, interest receivable of HK\$8,556,000, prepayments for purchase of trading materials of HK\$293,824,000 and consideration receivables of HK\$134,864,000 as at 31 December 2018. There are no other satisfactory audit procedures that we could adopt to determine whether any allowance for non-recovery of the amounts should be made in the consolidated financial statements.

Any adjustments to the figures as described above might have a consequential effect on the Group's financial performance and cash flows for the years ended 31 December 2018 and 2017 and the financial positions of the Group as at 31 December 2018 and 2017, and the related disclosures thereof in the consolidated financial statements.

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss attributable to owners of the Company of HK\$14,531,000 for the year ended 31 December 2018. In addition, as at 31 December 2018 the Group's bank balance and cash of HK\$2,123,000 is insufficient to cover the current liabilities of HK\$236,451,000. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

應收貸款、應收利息、預付款項及應收代價

我們未能獲取充足的審計憑證令我們信納應收貸款170,764,000港元、應收利息8,556,000港元、購買貿易材料之預付款項293,824,000港元及應收代價該等結餘134,864,000港元於二零一八年十二月三十一日的可收回性。概無其他我們可採納並令人滿意的審計程序，以釐定就未能收回該等款項的任何撥備應於綜合財務報表作出。

上述任何數字調整產可能對 貴集團截至二零一八年及二零一七年十二月三十一日止年度財務表現及現金流量以及 貴集團於二零一八年及二零一七年十二月三十一日的財務狀況及於綜合財務報表的相關披露產生影響。

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

與持續經營有關之重大不確定性

須注意的是，綜合財務報表附註2提述 貴集團於截至二零一八年十二月三十一日止年度產生 貴公司擁有人應佔虧損14,531,000港元。此外，於二零一八年十二月三十一日， 貴集團之銀行結餘及現金2,123,000港元不足涵蓋非流動負債236,451,000港元。有關情況顯示可能對 貴集團的持續經營能力產生重大疑慮的重大不確定性。我們就此事項的意見並無修改。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, 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. In addition to the matters described in the Basis for Qualified Opinion section and the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Investment properties

Refer to note 19 to the consolidated financial statements

The Group measured its investment properties at fair value with the changes in fair value recognised in the consolidated profit or loss. This fair value measurement is significant to our audit because the balance of investment properties of HK\$177,936,000 as at 31 December 2018 and the fair value loss of HK\$5,369,000 for the year then ended are material to the consolidated financial statements. In addition, the Group's fair value measurement involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

- Assessing the competence, independence and integrity of the external valuer engaged by client;
- Obtaining the external valuation report and meeting with the external valuer to discuss and challenge the valuation process, methodologies used and market evidence to support significant judgments and assumptions applied in the valuation model;
- Checking key assumptions and input data in the valuation model to supporting evidence;
- Checking arithmetical accuracy of the valuation model; and
- Assessing the disclosure of the fair value measurement in the consolidated financial statements.

We consider that the Group's fair value measurement of the investment properties is supported by the available evidence.

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。除了「保留意見基準」及「與持續經營有關之重大不確定性」兩節中所述的事項外，我們確定以下事項為需要在報告中溝通的關鍵審計事項。

投資物業

參閱綜合財務報表附註19

貴集團以公允價值計量其投資物業，有關公允價值變動並於綜合損益表內確認。公允價值計量對我們的審計而言屬重大，因投資物業於二零一八年十二月三十一日之結餘177,936,000港元及截至該日止年度公允價值虧損5,369,000港元對綜合財務報表而言屬重大。此外，貴集團之公允價值計量涉及判斷之應用並根據多個假設及估計。

我們的審計程序包括(其中包括)：

- 評估客戶委聘之外部估值師之資格、獨立性及誠信；
- 取得外部估值報告並與外部估值師就估值程序、所使用的方法及支持重大判斷之市場證據及估值模型應用之假設進行討論及提出質疑；
- 檢查估值模型之主要假設及輸入數據；
- 檢查估值模型之計算準確性；及
- 評估綜合財務報表內公允價值計量之披露。

我們認為已取得的證據支持 貴集團對投資物業的公允價值計量。



Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available 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.

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

其他信息

董事須對其他信息負責。其他信息包括在 貴公司年報內的所有信息（但不包括綜合財務報表及我們的核數師報告）。其他信息預期會在本核數師報告日後取得。

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

有關我們對綜合財務報表的審計，我們的責任是閱讀上述的其他信息（當取得時），在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

董事就綜合財務報表須承擔的責任

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

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



Independent Auditor's Report

獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, 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 HKSAs 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.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>

This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Sze Lin Tang
Audit Engagement Director
Practising Certificate Number P03614

29 March 2019

核數師就審計綜合財務報表承擔的 責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們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《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

有關審計綜合財務報表的責任之進一步詳情載於香港會計師公會之網址

(<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>)。

本說明組成獨立核數師報告的一部分。

中匯安達會計師事務所有限公司
執業會計師
施連燈
審計項目董事
執業證書編號 P03614

二零一九年三月二十九日

Consolidated Statement of Profit or Loss

綜合損益表

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

		NOTES 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations:	持續經營業務：			
Revenue	收入	9	885,871	54,531
Cost of sales	銷售成本		(876,711)	(46,994)
Gross profit	毛利		9,160	7,537
Other income, net	其他淨收益	10	18,261	8,046
Interest income	利息收入	11	22,126	768
Fair value change on investment properties	投資物業公允價值變動	19	(5,369)	(20,866)
Administrative and operating expenses	行政及經營開支		(35,211)	(24,420)
Operating profit/(loss)	經營溢利/(虧損)		8,967	(28,935)
Finance cost	融資成本	12	(21,408)	(21,521)
Loss before taxation	除稅前虧損	13	(12,441)	(50,456)
Income tax expense	所得稅開支	14	(2,090)	(399)
Loss from continuing operations	持續經營業務虧損		(14,531)	(50,855)
Discontinued operations:	已終止經營業務：			
Loss for the year from discontinued operations	已終止經營業務年度虧損	27	-	(43,045)
Loss for the year attributable to owners of the Company	年度虧損		(14,531)	(93,900)
Loss per share from continuing operations attributable to owners of the Company (expressed in HK cent per share)	本公司擁有人應佔持續經營業務每股虧損 (以每股港仙呈列)			
Basic and diluted	基本及攤薄	16	(0.16)	(0.65)
Loss per share attributable to owners of the Company (expressed in HK cent per share)	本公司擁有人應佔每股虧損 (以每股港仙呈列)			
Basic and diluted	基本及攤薄	16	(0.16)	(1.21)
Dividend	股息	15	-	-

The notes on pages 83 to 167 are an integral part of these consolidated financial statements.

第83至167頁所載附註為該等綜合財務報表一部分。



Consolidated Statement of Other Comprehensive Income

綜合其他全面收益表

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

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss for the year	年度虧損	(14,531)	(93,900)
Other Comprehensive (loss)/income:	其他全面(虧損)/收益:		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目:</i>		
Exchange differences arising on translation of foreign operation	換算海外業務產生之匯兌差額	(9,465)	19,058
Release of reserves upon disposal of subsidiaries	於出售附屬公司時撥出之儲備	(3,121)	48,348
Other comprehensive (loss)/income for the year	年度其他全面(虧損)/收益	(12,586)	67,406
Total comprehensive loss for the year attributable to owners of the Company	年度全面虧損總額	(27,117)	(26,494)

The notes on pages 83 to 167 are an integral part of these consolidated financial statements.

第83至167頁所載附註為該等綜合財務報表一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	17	750	764
Loan receivable	應收貸款	18	170,764	180,000
Investment properties	投資物業	19	177,936	383,173
Intangible assets	無形資產		780	330
Rental deposits	租金按金		1,387	1,387
			351,617	565,654
Current assets	流動資產			
Inventories	存貨		–	129
Trade receivables	應收貿易賬款	22	18,211	60,463
Deposit, prepayment and other receivables	按金、預付款項及其他應收款項	23	441,949	363,709
Bank balance and cash	銀行結餘及現金		2,123	154,140
			462,283	578,441
Assets classified as held for sale	分類為持作出售之資產	21	–	41,207
			462,283	619,648
Total assets	資產總額		813,900	1,185,302
Capital and reserves	資本及儲備			
Share capital	股本	26	22,620	22,620
Reserves	儲備		553,171	580,618
			575,791	603,238



Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2018 於二零一八年十二月三十一日

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Shareholder's loan	股東貸款	33(b)	–	2,000
Deferred loan interest income – non-current portion	遞延貸款利息收入 – 非即期部分		1,163	2,400
Asset retirement obligation	資產退廢債務		495	495
			1,658	4,895
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他 應付款項	24	44,304	83,623
Deferred loan interest income – current portion	遞延貸款利息收入 – 即期部分		1,138	1,200
Loan from a related company	來自一家關連公司之貸款		–	62,331
Shareholder's loan	股東貸款	33(b)	4,200	–
Bank borrowings	銀行貸款	25	184,425	429,600
Income tax payable	應付所得稅		2,384	415
			236,451	577,169
Total liabilities	負債總額		238,109	582,064
Total equity and liabilities	權益及負債總額		813,900	1,185,302

The consolidated financial statements on pages 76 to 167 have been approved by the Board of Directors on 29 March 2019 and are signed on its behalf by:

第76至167頁之綜合財務報表經董事會於二零一九年三月二十九日批准及由下列董事代表董事會簽署：

Li Sen
李森
Director
董事

Zhou Xuesheng
周學生
Director
董事

The notes on pages 83 to 167 are an integral part of these consolidated financial statements.

第83至167頁所載附註為該等綜合財務報表一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests 非控股權益		Total 總計
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	18,850	900,455	19,980	68,924	(26,277)	(47,782)	(500,008)	434,142	(2,789)	431,353
Comprehensive loss Loss for the year	全面虧損 年度虧損	-	-	-	-	-	-	(93,900)	(93,900)	-	(93,900)
Other comprehensive income	其他全面收益										
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	19,058	-	-	19,058	-	19,058
Release of reserves upon disposal of subsidiaries (note 27)	於出售附屬公司時撥出之儲備(附註27)	-	-	-	-	566	47,782	-	48,348	-	48,348
Total comprehensive loss	年度全面虧損總額	-	-	-	-	19,624	47,782	(93,900)	(26,494)	-	(26,494)
Transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易										
Lapse of options (note 31(b))	購股權失效(附註31(b))	-	-	-	(437)	-	-	-	(437)	-	(437)
Disposal of subsidiaries (note 27)	出售附屬公司(附註27)	-	-	-	-	-	-	-	-	2,789	2,789
Issuance of shares (note 26)	發行股份(附註26)	3,770	192,257	-	-	-	-	-	196,027	-	196,027
At 31 December 2017	於二零一七年十二月三十一日	22,620	1,092,712	19,980	68,487	(6,653)	-	(593,908)	603,238	-	603,238
Adjustment on initial application of HKFRS 9 (note 3)	首次應用香港財務報告準則第9號之調整(附註3)	-	-	-	-	-	-	(330)	(330)	-	(330)
Restated balance at 1 January 2018	於二零一八年一月一日經重列結餘	22,620	1,092,712	19,980	68,487	(6,653)	-	(594,238)	602,908	-	602,908
Comprehensive loss Loss for the year	全面虧損 年度虧損	-	-	-	-	-	-	(14,531)	(14,531)	-	(14,531)
Other comprehensive loss	其他全面虧損										
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	(9,465)	-	-	(9,465)	-	(9,465)
Release of reserves upon disposal of subsidiaries (note 29)	於出售附屬公司時撥出之儲備(附註29)	-	-	-	-	(3,121)	-	-	(3,121)	-	(3,121)
Total comprehensive loss	年度全面虧損總額	-	-	-	-	(12,586)	-	(14,531)	(27,117)	-	(27,117)
Transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易										
Lapse of options (note 31(b))	購股權失效(附註31(b))	-	-	-	(2,499)	-	-	2,499	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	22,620	1,092,712	19,980	65,988	(19,239)	-	(606,270)	575,791	-	575,791

The notes on pages 83 to 167 are an integral part of these consolidated financial statements.

第83至167頁所載附註為該等綜合財務報表一部分。



Consolidated Statement of Cash Flows

綜合現金流量表

As at 31 December 2018 於二零一八年十二月三十一日

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註		
OPERATING ACTIVITIES	經營業務		
Loss before taxation	除稅前虧損	(12,441)	(93,501)
Adjustments for:	就下列項目作出調整：		
Interest income	融資收入	(22,126)	(4)
Finance cost	融資成本	21,408	21,521
Depreciation of property, plant and equipment	物業、廠房及設備折舊	118	12
Provision for expected credit loss	預期信貸虧損撥備	2,768	-
Fair value change on investment properties	投資物業公允價值調整	5,369	20,866
Impairment loss on an available-for-sale investment	可供出售投資之減值虧損	-	200
(Gain)/loss on disposal of subsidiaries	出售附屬公司(收益)/虧損	(9,203)	43,182
Gain on disposal of asset held for sales	出售持作出售資產之收益	(7,137)	-
Gain on disposal of investment properties	出售投資物業之收益	(2,129)	-
Gain on disposal of an available-for-sale investment	出售可供出售投資之收益	-	(8,000)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(23,373)	(15,724)
Change in inventories	存貨變動	129	(129)
Change in trade receivables	應收貿易賬款變動	41,442	(22,319)
Change in deposit, prepayment and other receivables	按金、預付款項及其他應收款項變動	54,539	(134,821)
Change in trade and other payables	應付貿易賬款及其他應付款項變動	4,237	64,755
Cash generated from/(used in) operations	經營所產生/(所用)現金	76,974	(108,238)
Income tax paid	已付所得稅	(121)	-
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	經營業務所得/(所用)之現金淨額	76,853	(108,238)
INVESTING ACTIVITIES	投資活動		
Interest received	已收利息	12,271	4
Purchase of property, plant and equipment	購入物業、廠房及設備	(105)	(259)
Purchase of intangible asset	購入無形資產	(450)	-
Disposal of subsidiaries (net of cash and cash equivalents disposed of)	出售附屬公司(扣除所出售之現金及現金等價物)	27,321	(36)
Additions of investment properties	添置投資物業	-	(3,210)
Consideration paid for acquisitions of subsidiaries (net of cash and cash equivalents acquired)	收購附屬公司之已付代價(扣除所收購之現金及現金等價物)	-	(27,063)
Loan to third parties	向第三方授出貸款	-	(180,000)
Entrusted loan to third parties	向第三方授出委託貸款	-	(28,546)
Proceeds from repayment of entrusted loan from a third party	第三方償還委託貸款所得款項	-	14,249
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	投資活動所得/(所用)所得現金淨額	39,037	(224,861)

Consolidated Statement of Cash Flows

綜合現金流量表

As at 31 December 2018 於二零一八年十二月三十一日

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
Proceeds from placing of shares	配售股份所得款項	–	196,027
Interest paid	已付利息	(21,408)	(21,521)
Proceeds from bank borrowings	銀行貸款所得款項	–	410,863
Repayment of bank borrowings	償還銀行貸款	(185,977)	(183,382)
Proceeds from loan from a related company	來自關連公司之貸款所得款項	–	240,000
Repayment of loan from a related company	償還來自關連公司之貸款	(62,331)	(177,669)
Proceeds from shareholder's loan	股東貸款所得款項	2,200	2,000
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	融資活動(所用)/所得現金淨額	(267,516)	466,318
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)增加淨額	(151,626)	133,219
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR, REPRESENTED BY BANK BALANCES AND CASH	年初之現金及現金等價物，即為銀行結餘及現金	154,140	20,609
EXCHANGE DIFFERENCE ON CASH AND CASH EQUIVALENTS	現金及現等價物之匯兌差額	(391)	312
CASH AND CASH EQUIVALENTS AT END OF YEAR, REPRESENTED BY BANK BALANCES AND CASH, representing Bank balances and cash	年終之現金及現等價物，即為銀行結餘及現金	2,123	154,140



Notes to the Consolidated Financial Statements

綜合財務報表附註

1. GENERAL

The Company was incorporated as an exempted company in the Cayman Islands with limited liability under the Companies Law (Revised) of the Cayman Islands on 3 July 2002. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is Room 1603-5, 16th Floor, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group is principally engaged in trading business, investment holding and properties investment via its subsidiary companies in the People's Republic of China (the "PRC") (the Company and its subsidiaries are thereafter referred as the "Group"). Details of its subsidiary company are set out in Note 20 to these consolidated financial statements.

In the opinion of the directors of the Company, as at 31 December 2018, Able Victory Enterprises Limited, a company incorporated in the British Virgin Islands ("BVI"), is the immediate and ultimate holding company of the Company, and Mr. Li Sen ("Mr. Li"), an Executive Director and the Chairman of the Board, is the ultimate controlling party of the Company.

These consolidated financial statements are presented in Hong Kong dollars (HK\$), which is the Company's functional and the Group's presentation currency.

1. 一般資料

本公司根據開曼群島公司法(經修訂)於二零零二年七月三日在開曼群島註冊成立為獲豁免有限公司。其註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。其主要營業地點之地址為香港灣仔告士打道39號夏慤大廈16樓1603-5室。本公司之股份在香港聯合交易所有限公司(「聯交所」)主板上市。

本集團主要透過其於中華人民共和國(「中國」)附屬公司(本公司及其附屬公司此後稱為「本集團」)。從事貿易業務、投資控股及物業投資。其附屬公司之詳情載於此等綜合財務報表附註20。

本公司董事意見認為，於二零一八年十二月三十一日，董事會視於英屬處女群島(「英屬處女群島」)註冊成立之公司Able Victory Enterprises Limited為本公司之直接及最終控股公司，李森先生(「李先生」)(執行董事兼董事會主席)為本公司之最終控股方。

此等綜合財務報表乃以本公司之功能及本集團之呈列貨幣港元(港元)呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. GOING CONCERN BASIS

The Group incurred a loss attributable to owners of the Company of HK\$14,531,000 for the year ended 31 December 2018. In addition, as at 31 December 2018 the Group's bank balance and cash of HK\$2,123,000 is insufficient to cover the current liabilities of HK\$236,451,000. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the financial support of the controlling shareholder, at a level sufficient to finance the working capital requirements of the Group. The controlling shareholder has agreed to provide adequate funds for the Group to meet its liabilities as they fall due. The directors of the Company are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 January 2018. HKFRSs comprise Hong Kong Financial Reporting Standards ("HKFRS"); Hong Kong Accounting Standards ("HKAS"); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years except as stated below.

2. 持續經營基準

本公司擁有人應佔截至二零一八年十二月三十一日止年度虧損14,531,000港元。此外，本集團於二零一八年十二月三十一日銀行結餘及現金2,123,000港元不足涵蓋流動負債236,451,000港元。該等情況顯示可能對本集團持續經營能力產生重大疑慮。我們對此事項的意見並無修改。因此，本集團可能無法於正常業務過程中變現其資產並履行其責任。

該等綜合財務報表乃根據持續經營基準編製，其有效性取決於控股股東提供的財務支持足以撥付本集團營運資金所需的資金。控股股東已同意向本集團提供足夠資金以履行其到期的財務責任。本公司董事因此認為根據持續經營基準編製綜合財務報表屬合適做法。倘本集團不能持續經營，將需對綜合財務報表作出調整以調整本集團之資產價值至其可收回款額，以就任何可能產生的進一步負債作出撥備及重新分類非流動資產及負債分別為流動資產及負債。

3. 採納新增及經修訂香港財務報告準則

於本年度，本集團已採納與本身業務有關及由二零一八年一月一日起會計年度生效的所有香港會計師公會（「香港會計師公會」）頒佈的新訂及經修訂香港財務報告準則（「香港財務報告準則」）。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）；及詮釋。



Notes to the Consolidated Financial Statements

綜合財務報表附註

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKFRS 9 “Financial Instruments” and the related amendments

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

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

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

3. 採納新增及經修訂香港財務報告準則 (續)

香港財務報告準則第9號「財務工具」及相關修訂

於本年度，本集團應用香港財務報告準則第9號「財務工具」、香港財務報告準則第9號「具有負補償之提前付款特徵」之修訂及對其他香港財務報告準則作出的有關相應修訂。香港財務報告準則第9號引進有關1) 財務資產及財務負債的分類及計量，2) 財務資產的預期信貸虧損（「預期信貸虧損」）、應收融資租賃及財務擔保合約以及3) 一般對沖會計處理的新規定。

本集團已按香港財務報告準則第9號所載過渡條文應用香港財務報告準則第9號，即對未於二零一八年一月一日（首次應用日期）終止確認的工具追溯應用分類及計量規定（包括預期信貸虧損項下減值），亦並未對已於二零一八年一月一日終止確認的工具應用有關規定。於二零一八年一月一日與於二零一七年十二月三十一日的賬面值之間的差額於期初累計虧損及其他權益成分中確認，毋須重列比較資料。

由於比較資料乃按照香港會計準則第39號「財務工具：確認及計量」編製，因此，若干比較資料可能無法用作比較。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HKFRS 9 “Financial Instruments” and the related amendments (Continued)

The table below illustrates the effect of ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

Closing balance at 31 December 2017 – HKAS 39	於二零一七年十二月三十一日 之期末結餘—香港會計準則 第39號
Remeasurement impairment under ECL model	預期信貸虧損模型下之 重新計量減值
Opening balance at 1 January 2018 – HKFRS 9	於二零一八年一月一日之 期初結餘—香港財務報告 準則第9號

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3. 採納新增及經修訂香港財務報告準則 (續)

香港財務報告準則第9號「財務工具」及相關修訂 (續)

下表說明於二零一八年一月一日首次應用當日在香港財務報告準則第9號及香港會計準則第39號下預期信貸虧損的影響。

	Trade receivables 應收貿易賬款 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元
	60,463	(593,908)
	(330)	(330)
	60,133	(594,238)

本集團並未應用已頒佈但尚未生效之新訂香港財務報告準則。本集團已就此等新訂香港財務報告準則的影響展開評估，但未能表示此等新訂香港財務報告準則是否將對本集團之營運業績及財務狀況造成重大影響。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, which are carried at their fair values.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors of the Company to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 5 to the consolidated financial statements.

Except as described above, the directors of the Company anticipate that the application of other new and revised HKFRSs will have no material impact on the Group’s consolidated financial performance and positions and/or on the disclosure to the consolidated financial statements of the Group.

4. 重大會計政策

此等綜合財務報表乃按照香港會計師公會（「香港會計師公會」）所頒布之香港財務報告準則、香港普遍採納之會計原則及香港聯合交易所有限公司證券上市規則及香港公司條例的適用披露規定而編製。

香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）、香港會計準則（「香港會計準則」）；及詮釋。

此等綜合財務報表乃根據歷史成本慣例編製，並就重估按公允價值列賬之投資物業作出修訂。

編製符合香港綜合財務報告準則的財務報表需要使用若干重大假設及估算。在應用會計政策時，本公司董事亦需要作出判斷。涉及重大判斷及假設及估算對此等綜合財務報表屬重大之範圍於綜合財務報表附註5中披露。

除上述者外，本公司董事預期應用其他新訂及經修訂香港財務報告準則將不會對本集團綜合財務表現及狀況及／或本集團綜合財務報表之披露產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Group's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 重大會計政策 (續)

(a) 綜合

綜合財務報告包括本公司及其附屬公司截至十二月三十一日止的財務報表。附屬公司指本集團擁有控制權的實體。倘本集團就參與實體所得可變動回報承擔風險或享有權利，並能透過其於該實體之權力影響該等回報，則本集團對該實體有控制權。當本集團擁有現有權利使其現時能控制有關活動（即對實體回報有重大影響的活動）時，本集團對該實體擁有權力。

在評估控制權時，本集團會考慮其潛在投票權以及其他人士所持有的潛在投票權，以釐定是否擁有控制權。潛在投票權僅於有關持有人擁有實質能力行使該權利時，方會予以考慮。

附屬公司自控制權轉移至本集團之日起開始綜合入賬。彼等自喪失控制權之日起終止綜合入賬。

出售一間附屬公司而導致失去控制權的盈虧乃指(i)出售代價公允價值連同於該附屬公司保留的任何投資的公允價值與(ii)本集團分佔該附屬公司資產淨值連同與該附屬公司有關的任何餘下商譽以及任何相關累計外幣匯兌儲備兩者間的差額。

集團內公司間的交易、結餘及未變現溢利已予對銷。除非有證據顯示交易所轉讓的資產出現減值，未變現虧損亦會對銷。附屬公司的會計政策已作出必要變動，以確保與本集團所採納的政策保持一致。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(a) Consolidation (Continued)

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

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

(b) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars. The functional currency of the Group is Renminbi. The directors consider that choosing Hong Kong dollars as the presentation currency best suits the needs of the shareholders and investors.

4. 重大會計政策 (續)

(a) 綜合 (續)

非控股權益指附屬公司中並非由本公司直接或間接應佔的權益。非控股權益在綜合財務狀況表及綜合權益變動表的權益中列示。於綜合損益表及綜合損益及其他全面收益表內，非控股權益呈列為在本公司非控股股東與擁有人之間的年度損益及全面收益總額分配。

即使會導致非控制權益出現虧絀，損益及其他全面收益各個組成部分歸屬於本公司擁有人及非控股權益。

(b) 外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表所載項目乃按實體經營所在的主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報表以港元呈列。本集團之功能貨幣為人民幣。董事認為選擇港元作呈列貨幣最能切合股東及投資者的需要。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Foreign currency translation (Continued)

(ii) *Transactions and balances in each entity's financial statements*

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

4. 重大會計政策 (續)

(b) 外幣換算 (續)

(ii) *各實體財務報表的交易及結餘*

外幣交易於初步確認時按交易日期的現行匯率換算為功能貨幣。以外幣為單位的貨幣資產及負債按於各報告期末的匯率換算。此換算政策產生的盈虧於損益內確認。

以外幣按公允價值計量的非貨幣項目採用釐定公允價值當日的匯率換算。

當非貨幣項目的盈虧於其他全面收益內確認時，該盈虧的任何匯兌部分則於其他全面收益內確認。當非貨幣項目的盈虧於損益內確認時，該盈虧的任何匯兌部分於損益內確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(b) Foreign currency translation (Continued)

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

4. 重大會計政策 (續)

(b) 外幣換算 (續)

(iii) 綜合賬目的換算

本集團旗下所有功能貨幣有別於本公司呈列貨幣的實體，其業績及財務狀況按以下方式換算為本公司的呈列貨幣：

- 各財務狀況表呈列之資產及負債乃按財務狀況表日期之收市匯率換算；
- 收支乃按平均匯率換算（除非該平均匯率並非有關交易日期現行匯率累計影響之合理概約值，在該情況下，收支按有關交易當日之匯率換算）；及
- 所有因此而產生的匯兌差額均於外幣換算儲備中確認。

於綜合賬目時，因換算於海外實體投資淨額及借貸而產生的匯兌差額均於外幣換算儲備中確認。當出售海外業務時，有關匯兌差額於綜合損益內確認為出售時產生的部分盈虧。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(c) Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation.

Depreciation is calculated using the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives, as follows:

Leasehold improvements	3 years or over the lease term, whichever is shorter
Computer equipment and software	2 – 3 years
Office equipment	5 years

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

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(d) Investment properties

Investment properties are land and/or buildings held to earn rentals and/or for capital appreciation. An investment property is measured initially at its cost including all direct costs attributable to the property.

After initial recognition, the investment property is stated at its fair value based on valuation by an external independent valuer. Gains or losses arising from changes in fair value of the investment property are recognised in profit or loss for the period in which they arise.

The gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss.

4. 重大會計政策 (續)

(c) 物業、廠房及設備

物業、廠房及設備按歷史成本減折舊入賬。

折舊以直線法計量，以於彼等之估計可使用年期將資產之成本分配至其剩餘價值：

租賃裝修	3或租約年期（以較短者為準）
電腦設備及軟件	2至3年
辦公室設備	5年

剩餘價值、可使用年期及折舊方法於各報告期末檢討及作出調整（如適用）。

出售物業、廠房及設備所產生的收益或虧損為相關資產的銷售所得款項淨額與賬面值之間的差額，並於損益中確認。

(d) 投資物業

投資物業為持作賺取租金及／或資本增值的土地及／或樓宇。投資物業初步按成本（包括物業應佔的所有直接成本）計量。

於初步確認後，投資物業根據外部獨立估值師的估值按公允價值列值。投資物業公允價值變動所產生之損益，乃於所產生期間之損益內確認。

出售投資物業的損益為物業的銷售所得款項淨額與賬面值之間的差額，並於損益中確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(e) Leases

The Group as lessee

Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

The Group as lessor

Operating leases

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

(f) Club membership

Club membership with indefinite useful life is stated at cost less any impairment losses. Impairment is reviewed annually or when there is any indication that the club membership has suffered an impairment loss.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

4. 重大會計政策 (續)

(e) 租賃

本集團作為承租人

經營租賃

資產擁有權的所有風險及回報實質上並無轉移至本集團的租賃作為經營租賃入賬。租賃款項(扣除自出租人收取的任何獎勵)於租期以直線法確認為開支。

本集團作為出租人

經營租賃

資產擁有權的所有風險及回報實質上並無轉移至承租人的租賃作為經營租賃入賬。來自經營租賃的租金收入於相關租賃年內以直線法確認。

(f) 會所會籍

擁有無限使用期的會所會籍以成本扣減任何減值虧損列賬。本集團會每年或於有跡象顯示會所會籍蒙受減值虧損時進行審閱。

(g) 存貨

存貨按成本與可變現淨值兩者的較低者列賬。成本以先進先出的原則釐定。可變現淨值為於日常業務過程中的估計售價，減去達致完成的估計成本及進行銷售所必要的估計成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(h) Recognition and derecognition of financial instruments

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

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

(i) Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

4. 重大會計政策 (續)

(h) 確認及終止確認金融工具

金融資產及金融負債於本集團成為有關工具合約條文之訂約方時在綜合財務狀況表確認。

金融資產於以下情況終止確認：自資產收取現金流的合約權利屆滿時；本集團轉讓資產擁有權的絕大部分風險及回報；或本集團既無轉移亦無保留資產擁有權的絕大部分風險及回報，但並無保留資產之控制權時。於終止確認金融資產時，資產賬面值與已收代價總和之間的差額乃於損益確認。

金融負債於有關合約訂明的責任獲解除、註銷或屆滿時終止確認。已終止確認的金融負債的賬面值與已付代價之間的差額於損益確認。

(i) 金融資產

倘根據合約買賣金融資產，而合約條款規定須於有關市場所規定期限內交付資產，則該項資產按交易日基準確認入賬及終止確認，且初步按公允價值加直接交易成本確認，惟透過損益按公允價值列賬的投資則除外。收購透過損益按公允價值列賬的投資直接應佔的交易成本即時於損益確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Financial assets (Continued)

Financial assets of the Group are classified under the following category:

- Financial assets at amortised cost:

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses

(j) Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument (“lifetime expected credit losses”) for trade receivables and lease receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

4. 重大會計政策 (續)

(i) 金融資產 (續)

本集團的金融資產分為以下類別：

- 按攤銷成本列賬的金融資產：

同時符合下列兩項條件的金融資產(包括應收貿易賬款及其他應收款項)會被撥歸此類：

該項資產乃於一項目標為持有資產以收取合約現金流的業務模式中持有；及

該項資產的合約條款會導致於指定日期產生純為支付本金及未償還本金額利息的現金流。

有關資產其後以實際利率法按攤銷成本扣除預期信貸虧損的虧損撥備計量。

(j) 預期信貸虧損的虧損撥備

本集團就按攤銷成本列賬的金融資產的預期信貸虧損確認虧損撥備。預期信貸虧損為加權平均信貸虧損，當中以各自發生違約的風險作為加權。

於各報告期末，就應收貿易賬款及應收租賃款項，或信貸風險自首次確認以來已大幅上升的金融工具而言，本集團按相當於金融工具預期年內所有可能出現的違約事件所產生的預期信貸虧損(「生命週期預期信貸虧損」)的金額計算該項金融工具的虧損撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(j) Loss allowances for expected credit losses (Continued)

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables and lease receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

(k) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(l) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

4. 重大會計政策 (續)

(j) 預期信貸虧損的虧損撥備 (續)

倘於各報告期末，金融工具（應收貿易賬款及應收租賃款項除外）的信貸風險自首次確認以來並無大幅上升，本集團按相當於生命週期預期信貸虧損中，代表該項金融工具於報告期間後十二個月內可能出現的違約事件所產生的預期信貸虧損部份的金額，計算該項金融工具的虧損撥備。

預期信貸虧損金額或為將報告期末虧損撥備調整至所需金額而作出的撥回乃於損益中確認為減值收益或虧損。

(k) 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物指銀行及手頭現金、存放於銀行及其他金融機構的活期存款，以及可隨時轉換為已知金額現金，且價值變動風險不大的短期高流動性投資。現金及現金等價物的組成部分亦包括應要求償還，並構成本集團現金管理一部分的銀行透支。

(l) 金融負債及權益工具

金融負債及權益工具乃根據所訂立合約安排的內容及香港財務報告準則項下金融負債和權益工具的定義分類。權益工具為證明於本集團資產（經扣除其所有負債後）剩餘權益的任何合約。就特定金融負債及權益工具採納的會計政策載列如下。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(n) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(o) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(p)(i) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

4. 重大會計政策 (續)

(m) 貸款

貸款初步按公允價值(扣除所產生的交易成本後)確認,其後以實際利率法按攤銷成本計量。

除非本集團有權無條件將債務清償日期遞延至報告期後至少12個月,否則貸款將被分類為流動負債。

(n) 應付貿易賬款及其他應付款項

應付貿易賬款及其他應付款項初步按公允價值確認,其後以實際利率法按攤銷成本計量,惟貼現影響並不重大者除外,在該情況下,則按成本列賬。

(o) 權益工具

本公司所發行的權益工具按已收所得款項扣除直接發行成本入賬。

(p)(i) 客戶合約收入

收入按客戶合約所訂明的代價計量,當中會參考常見的業務慣例,且並不包括代表第三方收取的金額。至於客戶付款與轉讓承諾產品或服務期間相距超過一年的合約,有關代價會就重大融資部份的影響作出調整。

本集團會於透過向客戶轉讓產品或服務的控制權而完成一項覆約責任時確認收入。視乎合約條款及適用於合約的法例,履約責任可於一段時間或特定時間點履行。在以下情況下,履約責任乃於一段間履行:

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(p)(i) Revenue from contracts with customers (Continued)

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

(p)(ii) Other revenue

Interest income is recognised using the effective interest method.

Rental income is recognised on a straight-line basis over the lease term.

4. 重大會計政策 (續)

(p)(i) 客戶合約收入 (續)

- 客戶同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建及增強客戶於該項資產創建或增強時所控制的資產；或
- 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

倘履約責任乃於一段時間履行，則收入乃參考履約責任的完成進度確認。否則，收入於客戶獲得產品或服務控制權時確認。

(p)(ii) 其他收入

利息收入按實際利率法確認。

租金收入於租期內按直線法確認。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(q) Employee benefits

(i) Employee leave entitlements

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

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

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

4. 重大會計政策 (續)

(q) 僱員福利

(i) 僱員休假權利

僱員享有之年假及長期服務假期於僱員獲得有關假期時確認。本公司已為僱員在計至報告期結日止所提供之服務而產生之年假及長期服務假之估計負債作出撥備。

僱員之病假及分娩假期權利於休假時方予確認。

(ii) 退休金責任

本集團向為全體僱員提供的定額供款退休計劃作出供款。本集團及僱員向計劃作出的供款按僱員基本薪金之指定百分比計算。於損益內扣除的退休福利計劃成本指本集團應付基金的供款。

(iii) 終止僱用福利

終止僱用福利於本集團再不能取消提供該等福利時及本集團確認重組成本當日及參與支付終止僱用福利時(以較早者為準)確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as 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 eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

(s) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4. 重大會計政策 (續)

(r) 貸款成本

收購、建造或生產合資格資產(即需要經過相當長時間才能達到預定用途或銷售狀態之資產)直接應佔之貸款成本，會撥充該等資產成本之一部份，直至該等資產大致可作預定用途或銷售為止。就特定貸款而言，在其用於合資格資產前作臨時投資所賺取之投資收入，乃從合資格資本化之貸款成本中扣除。

在貸入有關資金乃整體上用於取得一項合資格資產的情況下，合資格撥充資本的貸款成本金額乃就資產開支應用特定的資本化比率釐定。資本化比率為適用於本集團於該期間內尚未償還貸款(特別就獲取合資格資產而借入之貸款除外)之加權平均借貸成本。

所有其他貸款成本於其產生期間在損益確認。

(s) 稅項

所得稅指即期稅項及遞延稅項之總和。

即期應付稅項根據年度應課稅溢利計算。應課稅溢利與損益中所確認的溢利不同，因其不包括其他年度應課稅或可扣稅收支項目，並進一步剔除從不課稅或從不可扣稅之項目。本集團之即期稅項責任使用於各報告期末已頒行或實際上已頒行的稅率計算。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(s) Taxation (Continued)

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

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

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

4. 重大會計政策 (續)

(s) 稅項 (續)

遞延稅項乃就財務報表內資產及負債之賬面值與計算應課稅溢利所採用相應稅基之臨時差額予以確認。遞延稅項負債一般按所有應課稅暫時性差異確認，遞延稅項資產則於很可能有可用作對銷可扣減暫時性差異、未動用稅項虧損或未動用稅項抵免的應課稅溢利時方予以確認。如暫時性差異由商譽或首次確認於一項不影響應課稅溢利或會計溢利之交易中之其他資產及負債（業務合併除外）所產生，有關資產及負債不予確認。

遞延稅項負債就於附屬公司及聯營公司的投資及於合營公司的投資所產生的應課稅臨時差異予以確認，除非本集團可控制臨時差異的回撥，且臨時差異不大可能在可見將來回撥。

本集團會於各報告期末審閱遞延稅項資產之賬面值，並會扣減至不再可能有足夠應課稅溢利可供收回全部或部份有關資產。

遞延稅項乃根據於各報告期末已頒行或實際上已頒行之稅率，按清還負債或變現資產之期間預期適用之稅率計量。遞延稅項乃於損益內確認，但倘其與於其他全面收益或直接於權益確認之項目有關則除外，於該情況下，遞延稅項亦會於其他全面收益或直接於權益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(s) Taxation (Continued)

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. 重大會計政策 (續)

(s) 稅項 (續)

所計算之遞延稅項資產及負債反映本集團預期於報告期末收回或結清資產及負債賬面值之方法所帶來的稅務後果。

就計算使用公允價值模型計算的投資物業的遞延稅項而言，有關物業的賬面值乃假定會透過出售收回，有關假定被推翻除外。倘投資物業可予折舊，且為於本集團一項業務目標為透過隨時間（而非出售）消耗投資物業內含的絕大部份經濟利益的業務模式持有，則有關假定會被推翻。倘假定被推翻，有關投資物業的遞延稅項乃根據收回物業的預期方式計量。

倘有可依法強制執行權利將即期稅項資產與即期稅項負債抵銷，且遞延所得稅資產及負債與同一稅務機關所徵收的所得稅有關，而本集團有意按淨額基準結清其即期稅項資產及負債時，遞延所得稅資產與負債互相抵銷。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Related parties

A related party is a person or entity that is related to the Group.

(A) A person or a close member of that person's family is related to the Group if that person:

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

(B) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

4. 重大會計政策 (續)

(u) 有關連人士

有關連人士為與本集團有關連的人士或實體。

(A) 倘一名人士符合以下條件，該名人士或其近親即為與本集團有關連：

- (i) 對本集團有控制權或共同控制權；
- (ii) 對本集團有重大影響力；或
- (iii) 為本集團或本集團母公司的主要管理人員。

(B) 倘一間實體符合以下任何條件，其即為與本集團有關連：

- (i) 該實體與本公司為同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此互有關連）。
- (ii) 其中一間實體為另一間實體的聯營公司或合營公司（或其中一間實體為另一間實體所屬集團成員公司的聯營公司或合營公司）。
- (iii) 兩間實體均為同一第三方的合營公司。
- (iv) 其中一間實體為一名第三方的合營公司，而另一間實體為該第三方的聯營公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(u) Related parties (Continued)

(B) (Continued)

- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

(v) Impairment of assets

Intangible assets that have an indefinite useful life or not yet available for use are reviewed annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

4. 重大會計政策 (續)

(u) 有關連人士 (續)

(B) (續)

- (v) 該實體乃為本集團或與本集團有關連的實體的僱員福利而設的退休福利計劃。倘本集團本身為該計劃，提供資助的僱主亦為與本集團有關連。
- (vi) 該實體為受(A)項所識別人士控制或共同控制。
- (vii) (A)(i)段所識別對實體有重大影響力或為該實體(或該實體母公司)主要管理人員之人士。
- (viii) 向本公司或本公司母公司提供主要管理人員服務的實體或其所屬集團的任何成員公司。

(v) 資產減值

無限使用期或尚未可供使用的無形資產每年進行減值審閱，並會於有事件或情況變動顯示賬面值可能無法收回時進行減值審閱。



Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(v) Impairment of assets (Continued)

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except investment properties, inventories and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

4. 重大會計政策 (續)

(v) 資產減值 (續)

於各報告期末，本集團會審閱其有形資產及無形資產（投資物業、存貨及應收款項除外）之賬面值，以評估該等資產是否有蒙受減值虧損之跡象。若出現任何有關跡象，將會估計資產之可收回金額，以釐定任何減值虧損之程度。如未能估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。

可收回金額為公允價值減出售成本及使用價值（以較高者為準）。於評估使用價值時，估計未來現金流使用反映當前市場對金錢時間價值之評估及資產特定風險之稅前貼現率貼現至其現值。

倘本集團估計某項資產或現金產生單位的可收回金額將低於其賬面值，則該項資產或現金產生單位的賬面值會下調至其可收回金額。減值虧損即時於損益中確認，惟按重估金額計算的相關資產除外，於該情況下，減值虧損作為重估值減少處理。

倘減值虧損其後撥回，資產或現金產生單位之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不會超過於過往年度並後就資產（或現金產生單位）確認減值虧損而原應釐定之賬面值（經扣除攤銷或減值）為限。減值虧損撥回即時於損益中確認，惟按重估金額計算的相關資產除外，於該情況下，減值虧損撥回作為重估值增加處理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

(w) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

(x) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

4. 重大會計政策 (續)

(w) 撥備及或然負債

倘本集團因過往事件而須於現時承擔法定或推定責任，且履行該等責任可能導致經濟利益流出，而所涉及的金額能可靠估計時，則會就時間或數額未明的負債確認撥備。倘金錢的時間價值重大，則撥備會以預計履行責任的開支的現值呈列。

倘不大可能需要經濟利益流出，或無法對有關數額作出可靠估計，則有關責任會披露為或然負債，惟經濟利益流出的可能性極低則除外。須視乎某件或多件未來事件是否發生或不發生方能確定存在與否的可能責任，亦會披露為或然負債，惟經濟利益流出的可能性極低則除外。

(x) 報告期後事項

提供有關本集團於報告期末的狀況或顯示持續經營假設不適用的其他資料的報告期後事項均為調整事項，並於財務報表內反映。並不屬調整事項的報告期後事項如屬重大，則於財務報表附註中披露。



Notes to the Consolidated Financial Statements

綜合財務報表附註

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

(a) *Going concern basis*

These financial statements have been prepared on a going concern basis, the validity of which depends upon the financial support of the controlling shareholder at a level sufficient to finance the working capital requirements of the Group. Details are explained in note 2 to the consolidated financial statements.

(b) *Deferred tax for investment properties*

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred tax for investment properties, the directors have rebutted the presumption that investment properties measured using the fair value model are recovered through sale.

5. 關鍵判斷及主要估計

應用會計政策時作出的重大判斷

於應用會計政策時，董事曾作出以下對財務報表內所確認金額有最重大影響的判斷。

(a) *持續經營基準*

該等財務報表乃根據持續經營基準編製，其有效性取決於控股股東提供的財務支持足以撥付本集團營運資金所需的資金。有關詳情於綜合財務報表附註2說明。

(b) *投資物業的遞延稅項*

就計算使用公允價值模型計算的投資物業的遞延稅項而言，董事已審視本集團之投資物業組合，得出結論本集團之投資物業於一目標為透過隨時間（而非出售）消耗投資物業內含的絕大部份經濟利益的業務模式持有。因此，在釐定本集團投資物業的遞延稅項時，董事已推翻有關使用公允價值模型計算的投資物業透過出售收回的假定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (Continued)

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(b) Fair values of investment properties

The Group appointed an independent professional valuer to assess the fair values of the investment properties. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

(c) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debt expenses in the year in which such estimate has been changed.

5. 關鍵判斷及主要估計(續)

估計不確定性的主要來源

以下為於報告期末有關未來之主要假設及估計不確定性的其他主要來源，有關假設及不確定因素有極大風險導致資產及負債賬面值於下一個財政年度內出現重大調整。

(a) 所得稅

本集團須繳納若干司法權區的所得稅。於釐定所得稅撥備時，須作出重大估計。於日常業務過程中存在多項最終稅項的釐定具有不確定性的交易及計算。倘該等事宜的最終稅項結果與初步入賬的金額不同，有關差額將影響作出釐定期間的所得稅及遞延稅項撥備。

(b) 投資物業的公允價值

本集團委任獨立專業估值師評估投資物業的公允價值。於釐定公允價值時，估值師運用涉及若干估計的估值方法。董事已作出判斷並信納有關估值方法可能映當前的市況。

(c) 呆壞賬減值虧損

本集團根據對應收貿易賬款及其他應收款項可收回性所作出的評估作出呆壞賬減值虧損，有關評估包括各債務人現時的信用度及過往收款經驗。減值於發生事件或情況有變顯示結餘可能無法收回時便會產生。識別呆壞賬需要作出判斷及估計。倘實際結果與原先估計有所不同，有關差額將對估計出現變動年度的應收貿易賬款及其他應收款項賬面值及呆壞賬開支造成影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities, Renminbi. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

At 31 December 2018 and 2017, the foreign exchange exposure between HK\$ and RMB was insignificant to profit or loss.

(b) Credit risk

The carrying amount of the cash and bank balances, trade receivables and other receivables and loan receivable included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

It has policies in place to ensure that sales are made to customers with an appropriate credit history.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

6. 財務風險管理

本集團的業務活動令其面對多項財務風險：外匯風險、信貸風險、流動資金風險及利率風險。本集團的整體風險管理計劃集中於金融市場的不確定性，並尋求將對本集團財務表現的潛在不利影響降至最低。

(a) 外幣風險

由於大部份業務交易、資產及負債主要以本集團之功能貨幣人民幣計值，本集團因而有若干外幣風險。本集團現時並無有關外幣交易、資產及負債的外幣對沖政策。本集團將密切監察外幣風險，並將於有需要時考慮對沖重大外幣風險。

於二零一八年及二零一七年十二月三十一日，港元與人民幣之間的外匯風險對損益而言並不重大。

(b) 信貸風險

財務狀況表內所示現金及現金等價物、應收貿易賬款及其他應收款項以及應收貸款的賬面值，為本集團就其金融資產所面臨的最高信貸風險。

本集團的既定政策為確保向具備合適信貸歷史的客戶進行銷售。

現金及銀行結餘的信貸風險有限，原因是交易對手乃獲國際信貸評級機關給予高信貸評級之銀行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

As at 31 December 2018, in respect of trade receivables, the Group is exposed to concentration of credit risk to the extent that HK\$7,923,000 (2017: HK\$27,314,000) of trade receivables is attributable by a customer. In order to minimise the credit risk, the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts.

The non-current loan receivable was secured by the properties from the counterparty. Management has estimated the market value for the properties and obtained a supplementary agreement to postpone the transfer of the properties given the legal title of the properties is yet to be transferred to the Group. No provisions were made based on the results of the assessments performed by management.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring 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. Especially the following information is used:

- internal credit rating;
- external credit rating (if available);

6. 財務風險管理 (續)

(b) 信貸風險 (續)

於二零一八年十二月三十一日，就應收貿易賬款而言，本集團面臨集中之信貸風險為來自最大客戶的7,923,000港元（二零一七年：27,314,000港元）應收貿易賬款。為將信貸風險減至最低，本集團已委派一組人員，專責釐定信貸限額、信貸審批及其他監控程序，以確保採取跟進行動收回逾期債項。此外，本集團亦檢討各筆債項於各結算日的可收回金額，以確保已就不能收回金額提撥充足減值虧損。

非即期應收貸款乃以對手方物業作抵押。管理層已就物業市值作出估計並已取得補充協議以延後轉讓有關物業（鑒於該等物業之法定所有權尚未轉移予本集團）。根據管理層進行之評估結果，概無作出任何撥備。

於各報告期內，本集團透過比較金融資產於報告日期的違約風險與首次確認日期的違約風險，持續評估金融資產的信貸風險是否已大幅增加。其會考慮可得的合理並有證據支持的前瞻性資料，尤其為使用以下資料：

- 內部信貸評級；
- 外部信貸評級（如有）；



Notes to the Consolidated Financial Statements

綜合財務報表附註

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;
- significant increases in credit risk on other financial instruments of the same borrower;
- significant changes in the value of the collateral or in the quality of guarantees or credit enhancements; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 360 days past due. Where loans or receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

6. 財務風險管理 (續)

(b) 信貸風險 (續)

- 業務、財務或經濟狀況出現或預期會出現重大不利變動，預期會令借款人履行其責任的能力大幅改變；
- 借款人的營運業績出現或預期會出現重大變動；
- 同一借款人的其他金融工具的信貸風險大幅上升；
- 抵押品價值或擔保或信貸增級的質素出現重大變動；及
- 借款人的預期表現及行為出現重大變動，包括借款人的付款狀況變動。

倘債務人的合約付款逾期超過30日，信貸風險會被假定為已大幅上升。當對手方未能於合約付款到期後60日內作出付款，即屬金融資產違約。

金融資產於合理預期無法收回(例如債務人無法與本集團達成還款計劃)時撇銷。本集團通常會於債務人的合約付款逾期超過360日後將有關貸款或應收款項分類為撇銷。倘貸款或應收款項經已撇銷，則本集團(在實際可行及符合經濟效益的情況下)會繼續採取強制執行行動嘗試收回到期應收款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The Group uses two categories for non-trade loan receivables which reflect their credit risk and how the loan loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

Category 類別	Definition 定義	Loss provision 虧損撥備
Performing 履約	Low risk of default and strong capacity to pay 違約風險低及付款能力強	12 month expected losses 12個月預期虧損
Non-Performing 不良	Significant increase in credit risk 信貸風險大幅上升	Lifetime expected losses 生命週期預期虧損

6. 財務風險管理 (續)

(b) 信貸風險 (續)

本集團將非交易應收貸款分為兩類，有關分類反映彼等的信貸風險，以及為各類別釐定虧損撥備的方法。於計算預期信貸虧損率時，本集團會考慮各類別的歷史虧損率，並會就前瞻性收據作出調整。

		Consideration receivable from disposal of assets classified as held for sale 出售分類為 持作出售資產 應收代價 HK\$'000 千港元	Interest receivable 應收利息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2018	於二零一八年 十二月三十一日	87,329	9,762	146,125
Provision for loss allowance	虧損撥備	(809)	(1,206)	(2,705)
Carrying amounts	賬面值	86,520	8,556	143,420
At 31 December 2017	於二零一七年 十二月三十一日	-	-	-
Provision for loss allowance	虧損撥備	-	-	-
Carrying amounts	賬面值	-	-	-

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

All of these loans are considered to have low risk and under the 'Performing' category because they have a low risk of default and have strong ability to meet their obligations.

6. 財務風險管理 (續)

(b) 信貸風險 (續)

所有該等貸款被視為擁有低風險，由於其違約風險低及有強大能力應付彼等的責任，故獲分類至「履約」類別。

		Consideration receivable from disposal of investment properties 出售投資物業 應收代價 HK\$'000 千港元	Consideration receivable from disposal of assets classified as held for sale 出售分類為 持作出售資產 應收代價 HK\$'000 千港元	Interest receivable 應收利息 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Expected credit loss rate 2018	預期信貸虧損率 二零一八年	1%	1%	12%	
2017	二零一七年	-	-	-	
Loss allowance at 1 January 2017	二零一七年 一月一日的 虧損撥備	-	-	-	-
Increase in provision during year ended 31 December 2017	於截至二零一七年 十二月三十一日止 年度撥備增加	-	-	-	-
Loss allowance at 31 December 2017	於二零一七年 十二月三十一日 的虧損撥備	-	-	-	-
Increase in provision during year ended 31 December 2018	於截至二零一八年 十二月三十一日止 年度撥備增加	809	690	1,206	2,705
Loss allowance at 31 December 2018	於二零一八年 十二月三十一日 的虧損撥備	809	690	1,206	2,705

The increase in loss allowance is due to increase in expected credit loss rates of these loan amounts.

虧損撥備增加乃由於該等貸款金額之預期信貸虧損額上升。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and long term.

The maturity analysis of the Group's financial liabilities is as follows:

		Less than 1 year 一年以下 HK\$'000 千港元	Between 1 and 2 years 一至兩年 HK\$'000 千港元	Between 2 and 5 years 二至五年 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2018	於二零一八年 十二月三十一日				
Trade and other payables	應付貿易賬款及 其他應付款項	39,694	–	–	39,694
Bank borrowings and interest payable	銀行貸款及 應付利息	186,699	–	–	186,699
Shareholder's loan	股東貸款	4,200	–	–	4,200
At 31 December 2017	於二零一七年 十二月三十一日				
Trade and other payables	應付貿易賬款及 其他應付款項	78,921	–	–	78,921
Loan from a related company	來自關連公司之 貸款	62,331	–	–	62,331
Bank borrowings and interest payable	銀行貸款及 應付利息	442,262	–	–	442,262
Shareholder's loan	股東貸款	–	2,000	–	2,000

(d) Interest rate risk

As the Group has no significant interest-bearing assets and liabilities, the Group's operating cash flows are substantially independent of changes in market interest rates.

The Group's bank deposits and bank borrowings bear interests at fixed interest rates and therefore are subject to fair value interest rate risks.

6. 財務風險管理 (續)

(c) 流動資金風險

本集團的政策為定期監控當前及預期流動資金需要，以確保其維持足夠現金儲備應付其短期及長期的流動資金需要。

本集團金融負債的到期日分析如下：

(d) 利率風險

本集團並無重大計息資產及負債，而本集團的經營現金流量大致上獨立於市場利率變動。

本集團的銀行存款及銀行貸款按固定利率計息，因而承受公允價值利率風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. FINANCIAL RISK MANAGEMENT (Continued)

(e) Categories of financial instruments

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets:	金融資產：		
Financial assets at amortised cost (including cash and cash equivalents)	按攤銷成本列賬的金融資產 (包括現金及現金等價物)	335,938	519,633
Financial liabilities:	金融負債		
Financial liabilities at amortised cost	按攤銷成本列賬的金融負債	228,319	577,554

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

7. FAIR VALUE MEASUREMENTS

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 following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

6. 財務風險管理 (續)

(e) 金融工具分類

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial assets:	金融資產：		
Financial assets at amortised cost (including cash and cash equivalents)	按攤銷成本列賬的金融資產 (包括現金及現金等價物)	335,938	519,633
Financial liabilities:	金融負債		
Financial liabilities at amortised cost	按攤銷成本列賬的金融負債	228,319	577,554

(f) 公允價值

綜合財務狀況表內所反映的本集團金融資產及金融負債賬面值與其各自的公允價值相若。

7. 公允價值計量

公允價值為在市場參與者於計量日期進行之有序交易中就出售資產所收取或就轉讓負債所支付之價格。下文披露按公允價值層級計算的公允價值，其按估值技術中用以計量公允價值的輸入數據分為三個層級：

第一級輸入：本集團於計量日期可取得的相同資產或負債於活躍市場中的報價(未經調整)。

第二級輸入：第一級包括的報價以外，資產或負債可直接或間接觀察得出的輸入數據。

第三級輸入：資產或負債的不可觀察輸入數據。

本集團的政策為於發生導致轉撥的事件或情況變動當日確認三個層級間轉入及轉出

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. FAIR VALUE MEASUREMENTS (Continued)

(a) Disclosures of level in fair value hierarchy

Description	概述	Fair value measurements using: 使用以下層級計量的公允價值：			Total 總計
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Recurring fair value measurements:	經常性公允價值計量：				
Investment properties	投資物業				
Commercial – Hong Kong	商用－香港	–	–	–	–
Commercial – PRC	商用－中國	–	177,936	–	177,936
Total recurring fair value measurements	經常性公允價值計量 總計	–	177,936	–	177,936

Description	概述	Fair value measurements using: 使用以下層級計量的公允價值：			Total 總計
		Level 1 第一級 HK\$ 港元	Level 2 第二級 HK\$ 港元	Level 3 第三級 HK\$ 港元	2017 二零一七年 HK\$ 港元
Recurring fair value measurements:	經常性公允價值計量：				
Investment properties	投資物業				
Commercial – Hong Kong	商用－香港	–	–	–	–
Commercial – PRC	商用－中國	–	214,393	168,780	383,173
Total recurring fair value measurements	非經常性公允價值計量 總計	–	214,393	168,780	383,173

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. FAIR VALUE MEASUREMENTS (Continued)

(b) Reconciliation of assets measured at fair value based on level 3

Investment properties	投資物業
At 1 January 2018	於二零一八年
Disposal through a subsidiary	透過附屬公司出售
Transfers to Level 2	轉至第二級
At 31 December 2018	於二零一八年十二月三十一日

During the year, investment properties amounting to RMB 116,000,000 (equivalent to HK\$139,200,000) were transferred from measurement based on level 3 to level 2 as a result of change of valuation method.

7. 公允價值計量 (續)

(b) 根據第三級按公允價值計量的資產的對賬：

2018 二零一八年 Total 總計 HK\$'000 千港元
168,780
(29,580)
(139,200)
-

年內，投資物業款額人民幣116,000,000 (相當於139,200,000港元) 因估值方法變動而由根據第三級計量轉撥至根據第二級計量。

Investment properties	投資物業	2017 二零一七年 Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年	125,726
Purchases	購買	2,139
Currency translation differences	貨幣換算差額	11,648
Change in fair value(#)	公允價值調整(#)	595
Acquired through a subsidiary	透過附屬公司收購	28,672
At 31 December 2017	於二零一七年十二月三十一日	168,780
# Include gains or losses for asset held at end of reporting period	# 包括於報告期末所持資產的收益或虧損	595

The total gains or losses recognised in profit or loss including those for assets held at end of reporting period are presented in fair value change on investment properties in the consolidated statement of profit or loss.

於其他全面收益確認的收益或虧損總額，乃於綜合損益表內的投資物業公允價值中呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2018:

The Board is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Key unobservable inputs used in level 3 fair value measurements are mainly:

- Reversionary yield
- Adopted site unit rate
- Adopted unit cost

7. 公允價值計量 (續)

(c) 本集團所使用估值程序及於二零一八年十二月三十一日的公允價值計量所使用的估值技術及輸入數據的披露：

董事會負責財務報告所要求的資產及負債公允價值計量，包括第三級公允價值計量。財務總監直接向董事會報告該等公允價值計量。

就第三級公允價值計量而言，本集團一般會聘用具備認可專業資格及近期經驗的外部估值專家進行估值。

第三級公允價值計量所使用的主要不可觀察輸入數據主要為：

- 復歸收益率
- 所採用的場地單位比率
- 所採用的單位成本

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2018: (Continued)

Level 2 fair value measurements 第二級公允價值計量

Description 概述	Valuation technique 估值技術	Inputs 輸入數據	Fair value 公允價值 2018 二零一八年 HK\$'000 千港元
Investment properties – PRC 投資物業－中國	Market comparable approach 市場比較法	Price per square metre 每平方米價格	177,936
Description 概述	Valuation technique 估值技術	Inputs 輸入數據	2017 二零一七年 HK\$'000 千港元
Investment properties – PRC 投資物業－中國	Market comparable approach 市場比較法	Price per square metre 每平方米價格	214,393

Level 3 fair value measurements 第三級公允價值計量

Description 概述	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入數據	Range 範圍	Effect on fair value for increase of inputs 輸入數據上升對公允價值的影響	Fair value 2017 二零一七年 HK\$'000 千港元
Investment properties – PRC 投資物業－中國	Capitalisation of income 收益資本化法	Reversionary yield 復歸收益率	5.5%	Decrease 減少	139,200
Investment properties – PRC 投資物業－中國	Depreciation replacement cost 折舊後重置成本法	Adopted site unit rate yield 所採用的場地單位比率	RMB397 人民幣397元	Increase 增加	29,580
		Adopted unit cost 所採用的單位成本	RMB4,509 人民幣4,509元	Increase 增加	

7. 公允價值計量 (續)

(c) 本集團所使用估值程序及於二零一八年十二月三十一日的公允價值計量所使用的估值技術及輸入數據的披露：(續)

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. SEGMENT INFORMATION

In order to broaden the sources of income and improve operating profits, the Group commenced the trading business as one of the principal business activities of the Group during the year ended 31 December 2017 and carries on into the year ended 31 December 2018. The Board considered that the business can broaden the revenue base and improve the financial position of the Group and that will be in the interest of the Group.

Furthermore, following the disposal of Aces Diamond Holding Limited (“Aces Diamond”), the holding company of PT. Bara Hugo Energy (“BHE”) and PT. Grasada Multinational (“GM”), the Board decided to discontinue the operation of natural resources and energy related business and information technology and related business in December 2017. Hence, the results of these segments were presented as discontinued operations for the year ended 31 December 2017.

On 9 November 2018, Mr. Li, an Executive Director and the Chairman, has been re-designated from Chief Executive Officer (“CEO”) to the Co-Chief Executive Officer of the Company and Mr. Zhou Xuesheng, an Executive Director, has been appointed as the Co-Chief Executive Officer of the Company.

On 27 November 2018, Mr. Li resigned as Co-Chief Executive Officer of the Company and Mr. Zhou Xuesheng has been re-designated from Co-Chief Executive Officer to Chief Executive Officer of the Company.

8. 分部資料

為擴大收入來源及增加營運溢利，本集團於截至二零一七年十二月三十一日止年度已開始並延伸到截至二零一八年十二月三十一日止年度從事貿易業務，作為本集團的主要業務活動之一。董事會認為該業務可擴大本集團之收益基礎及改善財務狀況，並將符合本集團之利益。

此外，於出售PT. Bara Hugo Energy (「BHE」)及PT. Grasada Multinational (「GM」)的控股公司Aces Diamond Holding Limited (「Aces Diamond」)後，董事會決定於二零一七年十二月終止經營天然資源及能源相關業務以及資訊科技及相關業務。因此，該等分部之業績於截至二零一七年十二月三十一日止年度呈列為已終止經營業務。

於二零一八年十一月九日，李先生(執行董事兼主席)由本公司行政總裁(「行政總裁」)調任為本公司聯席行政總裁，周學生先生(執行董事)獲委任為本公司聯席行政總裁。

於二零一八年十一月二十七日，李學生先生辭任本公司聯席行政總裁，周學生先生由本公司聯席行政總裁調任為行政總裁。



Notes to the Consolidated Financial Statements

綜合財務報表附註

8. SEGMENT INFORMATION (Continued)

In a manner consistent with the way in which information is reported internally to the CEO, the Group has presented the following reportable segments:

- (i) Properties investment
- (ii) Investment holding
- (iii) Trading business
- (iv) Natural resources and energy related business (discontinued operation) (note 27)
- (v) Information technology and related business (discontinued operation) (note 27)

For the purposes of assessing segment performance and allocating resources between segments, the CEO monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

- (a) Segment assets include all tangible and intangible assets and current assets with the exception of asset classified as held for sale, rental deposit, intangible assets and other unallocated head office corporate assets.
- (b) Segment liabilities include all liabilities with the exception of shareholder's loan, asset retirement obligation and other unallocated head office corporate liabilities.
- (c) Segment results are allocated to reportable segments with reference to sales generated and expenses incurred by those segments, together with other income, net, fair value change of investment properties, selling and distribution expenses and administrative and operating expenses.

The amounts provided to the CEO with respect to the information mentioned above are measured in a manner consistent with that of the consolidated financial statements.

8. 分部資料(續)

與內部呈報資料予行政總裁之方式一致，本集團呈列以下可呈報分部：

- (i) 物業投資
- (ii) 投資控股
- (iii) 貿易業務
- (iv) 天然資源及能源相關業務(已終止經營業務)(附註27)
- (v) 資訊科技及相關業務(已終止經營業務)(附註27)

為評估分部之表現及各分部間之資源分配，行政總裁按以下基準監察各可呈報分部之業績、資產及負債：

- (a) 分部資產包括所有有形及無形資產以及流動資產，但不包括分類為持作出售資產、租金按金、無形資產及其他未分配總辦事處企業資產。
- (b) 分部負債包括所有負債，但不包括股東貸款、資產退廢債務及其他未分配總辦事處企業負債。
- (c) 分部業績參考該等分部所產生之銷售及開支，連同其他淨收益、投資物業公允價值變動、銷售及分銷開支以及行政及經營開支而分配至可呈報分部。

向行政總裁所提供有關上述資料的金額乃以與綜合財務報表所載者一致的方式計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. SEGMENT INFORMATION (Continued)

An analysis of the Group's revenue, results, certain assets, liabilities and capital expenditures for the Group's reportable segments is as follows:

8. 分部資料(續)

本集團可呈報分部之本集團收入、業績、若干資產、負債及資本開支之分析如下：

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Consolidated	
		Property investment	Investment holding	Trading business	Subtotal	Natural resources and energy related business	Information technology and related business		Subtotal
		物業投資	投資控股	貿易業務	小計	天然資源及能源相關業務	資訊科技及相關業務	小計	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
For the year ended	截至二零一八年								
31 December 2018	十二月三十一日止年度								
Segment revenue	分部收入	4,270	-	881,601	885,871	-	-	-	885,871
Gross profit	毛利	4,270	-	4,890	9,160	-	-	-	9,160
Other gains, net	其他淨收益	11,688	-	(2,654)	9,034	-	-	-	9,034
Gain on disposal of subsidiaries	出售附屬公司收益	9,203	-	-	9,203	-	-	-	9,203
Fair value change on investment properties	投資物業公允價值變動	(5,369)	-	-	(5,369)	-	-	-	(5,369)
Administrative and operating expenses	行政及經營開支	(2,570)	-	(11,973)	(14,543)	-	-	-	(14,543)
Segment result	分部業績	17,222	-	(9,737)	7,485	-	-	-	7,485
Unallocated:	未分配：								
Other income, net	其他淨收益								22,150
Administrative and operating expenses	行政及經營開支								(20,668)
Operating loss	經營虧損								8,967
Finance cost	融資成本								(21,408)
Loss before taxation	除稅前虧損								(12,441)
Income tax	所得稅								(2,090)
Loss for the year	年度虧損								(14,531)

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. SEGMENT INFORMATION (Continued)

8. 分部資料(續)

		Continuing operations 持續經營業務				Discontinued operations 已終止經營業務			Consolidated 綜合
		Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元	Natural resources and energy related business 天然資源及能源相關業務 HK\$'000 千港元	Information technology and related business 資訊科技及相關業務 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元	
At 31 December 2018	於二零一八年十二月三十一日								
Segment assets	分部資產	319,287	85	314,683	634,055	-	-	634,055	
Unallocated assets	未分配資產							179,845	
Total assets	資產總額							813,900	
Segment liabilities	分部負債	(202,122)	(4,610)	(4,770)	(211,502)	-	-	(211,502)	
Unallocated liabilities	未分配負債							(26,607)	
Total liabilities	負債總額							(238,109)	
For the year ended 31 December 2018	截至二零一八年十二月三十一日止年度								
Capital expenditures	資本開支	-	105	-	105	-	-	105	

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. SEGMENT INFORMATION (Continued)

8. 分部資料(續)

		Continuing operations 持續經營業務				Discontinued operations 已終止經營業務			Consolidated 綜合
		Property investment 物業投資 HK\$'000 千港元	Investment holding 投資控股 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元	Natural resources and energy related business 天然資源及能源相關業務 HK\$'000 千港元	Information technology and related business 資訊科技及相關業務 HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元	
For the year ended	截至二零一七年								
31 December 2017	十二月三十一日止年度								
Segment revenue	分部收入	3,967	977	49,587	54,531	4,697	-	4,697	59,228
Gross profit	毛利	3,666	977	2,894	7,537	137	-	137	7,674
Other gains, net	其他淨收益	-	8,652	-	8,652	-	-	-	8,652
Loss on disposal of subsidiaries	出售附屬公司虧損	-	-	-	-	(43,182)	-	(43,182)	(43,182)
Fair value change on investment properties	投資物業公允價值變動	(20,866)	-	-	(20,866)	-	-	-	(20,866)
Administrative and operating expenses	行政及經營開支	(4,732)	-	(925)	(5,657)	-	-	-	(5,657)
Segment result	分部業績	(21,932)	9,629	1,969	(10,334)	(43,045)	-	(43,045)	(53,379)
Unallocated:	未分配:								
Other gains, net	其他淨收益								162
Administrative and operating expenses	行政及經營開支								(18,763)
Operating loss	經營虧損								(71,980)
Finance cost	融資成本								(21,521)
Loss before taxation	除稅前虧損								(93,501)
Income taxation	所得稅								(399)
Loss for the year	年度虧損								(93,900)

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. SEGMENT INFORMATION (Continued)

8. 分部資料(續)

		Continuing operations 持續經營業務				Discontinued operations 已終止經營業務			Subtotal	Consolidated
		Property investment	Investment holding	Trading business	Subtotal	Natural resources and energy related business 天然資源及能源相關業務	Information technology and related business 資訊科技及相關業務	Subtotal		
		物業投資 HK\$'000 千港元	投資控股 HK\$'000 千港元	貿易業務 HK\$'000 千港元	小計 HK\$'000 千港元	相關業務 HK\$'000 千港元	及相關業務 HK\$'000 千港元	小計 HK\$'000 千港元	綜合 HK\$'000 千港元	
At 31 December 2017	於二零一七年十二月三十一日									
Segment assets	分部資產	474,530	336,002	214,788	1,025,320	852	-	852	1,026,172	
Unallocated assets	未分配資產								117,923	
Assets classified as held for sale	分類為持作出售之資產								41,207	
Total assets	資產總額								1,185,302	
Segment liabilities	分部負債	(18,981)	(3,600)	(57,714)	(80,295)	(4,702)	-	(4,702)	(84,997)	
Unallocated liabilities	未分配負債								(497,067)	
Total liabilities	負債總額								(582,064)	
For the year ended 31 December 2017	截至二零一七年十二月三十一日止年度									
Capital expenditures	資本開支	31,882	-	-	31,882	-	-	-	31,882	
Unallocated capital expenditures	未分配資本開支								754	
									32,636	

Notes to the Consolidated Financial Statements

綜合財務報表附註

8. SEGMENT INFORMATION (Continued)

The Group's non-current assets other than loan receivable as at 31 December 2018 and 2017 are further analysed as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong (place of domicile)	香港(所在地點)	2,901	2,439
The PRC	中國	177,952	383,215
		180,853	385,654

Revenue individually generated from the following customers contributed more than 10% of the total revenue of the Group:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Customer A	客戶A	261,485	-
Customer B	客戶B	145,646	-
Customer C	客戶C	135,263	-
Customer D	客戶D	102,541	-
Customer E	客戶E	101,741	-
Customer F	客戶F	-	22,634
Customer G	客戶G	-	13,580
Customer H	客戶H	-	10,612

Revenue from external customers/sources by geographical locations, based on the location of the external customers/sources:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Hong Kong (place of domicile)	香港(所在地點)	-	977
The PRC	中國	885,871	53,554
		885,871	54,531

8. 分部資料(續)

本集團於二零一八年及二零一七年十二月三十一日之非流動資產(除應收貸款)之進一步分析如下:

從以下個別客戶錄得的收入佔本集團總收入10%以上:

根據外部客戶/來源之所在地按地區劃分來自外部客戶/來源之收入:



Notes to the Consolidated Financial Statements

綜合財務報表附註

9. REVENUE

9. 收入

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations:	持續經營業務：		
Trade of materials	材料貿易	881,601	49,587
Revenue from contracts with customers	客戶合約收入	881,601	49,587
Investment income	投資收入	-	977
Rental income	租金收入	4,270	3,967
Total revenue	總收入	885,871	54,531

2018

二零一八年

Segments	分部	Trade of building material 建築材料貿易 HK\$'000 千港元
Geographical markets	地區市場	
The PRC	中國	881,601
Timing of revenue recognition	收益確認時間	
At a point in time	在某一時間點	881,601

Notes to the Consolidated Financial Statements

綜合財務報表附註

9. REVENUE (Continued)

2017

Segments

Geographical markets

The PRC

Timing of revenue recognition

At a point in time

Sales of materials

The Group sells materials to the customers. Sales are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

Sales to customers are normally made with credit terms of 30 to 180 days. For new customers, deposits or cash on delivery may be required.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

9. 收入(續)

二零一七年

Trade of building material
建築材料貿易
HK\$'000
千港元

分部

地區市場

中國

收益確認時間

在某一時間點

材料貿易

本集團向客戶出售材料。在產品的控制權已轉讓(即產品交付予客戶之時)，且概無可能影響客戶接受產品的未履行責任及客戶已獲取產品的合法所有權時，確認銷售。

向客戶之銷售一般信貸期為30至180日。就新客戶而言，可能要求按金或貨到付款。所收按金確認為合約負債。

當產品交付予客戶後，並從那一刻開始，可以無條件收到代價(到期付款前的時間流逝除外)，便可確認為應收款項。

49,587

49,587

Notes to the Consolidated Financial Statements

綜合財務報表附註

10. OTHER GAINS, NET

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations:	持續經營業務：		
Gain on disposal of an available-for-sale investment	出售可供出售投資之收益	-	8,000
Impairment loss on an available-for-sale investment	可供出售投資之減值虧損	-	(200)
Gain on disposal of subsidiaries (note 29)	出售附屬公司收益(附註29)	9,203	-
Gain on disposal of assets held for sale	出售持作銷售資產收益	7,137	-
Gain on disposal of investment properties	出售投資物業收益	2,129	-
Expected credit loss	預期信貸虧損	(2,768)	-
Others, net	其他，淨額	2,560	246
		18,261	8,046

10. 其他淨收益

11. INTEREST INCOME

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations:	持續經營業務：		
Bank interest income	銀行利息收入	89	4
Interest income from entrusted loan	來自委託貸款之利息收入	282	764
Interest income from loan receivables	來自應收貸款之利息收入	21,755	-
		22,126	768

11. 利息收入

12. FINANCE COST

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations:	持續經營業務：		
Interest on bank borrowings wholly repayable within one year	須於一年內全數償還之銀行貸款的利息	21,408	21,521

12. 融資成本

Notes to the Consolidated Financial Statements

綜合財務報表附註

13. LOSS BEFORE TAXATION

The Group's loss before taxation is arrived at after charging the following:

13. 除稅前虧損

本集團之除稅前虧損已扣除下列各項：

	Continuing operations		Discontinued operations		Total	
	持續經營業務		已終止經營業務		總計	
	2018	2017	2018	2017	2018	2017
	二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Cost of inventories sold	876,711	46,693	-	4,560	876,711	51,253
Depreciation of property, plant and equipment	118	12	-	-	118	12
Auditor's remuneration						
- Audit services	1,050	2,400	-	-	1,050	2,400
- Non-audit services	-	195	-	-	-	195
Operating lease payments	3,636	1,474	-	-	3,636	1,474
Staff costs, including directors' emoluments						
- Salaries, allowances and other benefits	6,276	9,852	-	-	6,276	9,852
- Retirement benefit scheme contributions	151	259	-	-	151	259
- Social insurance	132	150	-	-	132	150
Exchange loss, net	39	1,223	-	-	39	1,223

Notes to the Consolidated Financial Statements

綜合財務報表附註

14. INCOME TAX

No Hong Kong Profits Tax has been provided as the Group did not have any assessable profits in Hong Kong for the year ended 31 December 2018 (2017: nil).

Enterprise Income Tax of HK\$2,090,000 has been provided for a subsidiary in the PRC for its assessable profits during the year ended 31 December 2018 (2017: HK\$399,000).

The tax on the Group's loss before taxation differs from the theoretical amount that would arise using domestic income tax rate applicable to losses/profits of the consolidated entities as follows:

		Continuing operations		Discontinued operations		Total	
		持續經營業務		已終止經營業務		總計	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Loss before taxation	除稅前虧損	(12,441)	(50,456)	-	(43,045)	(12,441)	(93,501)
Tax calculated at the domestic income tax rate in the respective countries	按各國國內所得稅稅率計算之稅項	(3,110)	(11,868)	-	(7,102)	(3,110)	(18,970)
Tax effect of:	以下項目之稅務影響：						
- income not subject to tax	一毋須課稅收入	-	(1,320)	-	-	-	(1,320)
- expenses not deductible	一不可扣稅開支	2,420	5,251	-	7,125	2,420	12,376
- tax losses not recognised	一未確認稅項虧損	2,780	8,336	-	(23)	2,780	8,313
Income tax	所得稅	2,090	399	-	-	2,090	399

14. 所得稅

由於本集團截至二零一八年十二月三十一日止年度並無於香港產生應課稅溢利，故並無就香港利得稅作出撥備（二零一七年：無）。

本公司已就中國一間附屬公司截至二零一八年十二月三十一日止年度之應課稅溢利計提企業所得稅撥備2,090,000港元（二零一七年：399,000港元）。

本集團除稅前虧損之稅項，有別於根據合併實體適用的國內所得稅稅率計算所得的虧損／溢利的理論金額，列載如下：



Notes to the Consolidated Financial Statements

綜合財務報表附註

14. INCOME TAX (Continued)

The Group has unrecognised deferred tax assets from estimated tax losses of approximately HK\$41,877,000 (2017: HK\$39,097,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time. As at 31 December 2018, the unrecognised deferred tax assets from estimated tax losses arising from the subsidiaries in the PRC are approximately HK\$28,054,000 (2017: HK\$25,274,000), which would expire in five years from the respective year of loss. Also the unrecognised deferred tax assets from estimated tax losses relating to subsidiaries in Hong Kong are approximately HK\$13,823,000 (2017: HK\$13,823,000) that have no expiry date.

15. DIVIDENDS

No dividend was paid or proposed for the year ended 31 December 2018 (2017: nil).

14. 所得稅(續)

本集團就估計稅項虧損有未確認遞延稅項資產約41,877,000港元(二零一七年: 39,097,000港元), 可用以抵銷產生虧損公司的日後應課稅溢利。由於虧損源自己有一段時間錄得虧損的附屬公司, 故並無就該等虧損確認遞延稅項資產。於二零一八年十二月三十一日, 就中國附屬公司產生之估計稅項虧損之未確認遞延稅項資產約為28,054,000港元(二零一七年: 25,274,000港元), 將於相關虧損年度起計五年後屆滿。就有關香港附屬公司之估計稅項虧損之未確認遞延稅項資產約為13,823,000港元(二零一七年: 13,823,000港元), 並無屆滿日期。

15. 股息

並無就截至二零一八年十二月三十一日止年度派付或擬派任何股息(二零一七年: 無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. LOSS PER SHARE

- (a) Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the years ended 31 December 2018 and 2017.

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss attributable to owners of the Company for the purpose of calculating basic loss per share	就計算每股基本虧損之 本公司擁有人應佔虧損		
Continuing operations	持續經營業務	(14,531)	(50,855)
Discontinued operations	已終止經營業務	-	(43,045)
		(14,531)	(93,900)
		'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	就計算每股基本虧損之 普通股加權平均數	9,047,844	7,767,162

- (b) The Group had share options outstanding as at 31 December 2018 and 2017. The share options did not have a dilutive effect on loss per share for the years ended 31 December 2018 and 2017.

16. 每股虧損

- (a) 每股基本虧損乃按截至二零一八年及二零一七年十二月三十一日止年度之本公司擁有人應佔虧損除以已發行普通股加權平均數計算。

本公司擁有人應佔每股基本虧損乃按以下數據計算：

- (b) 本集團於二零一八年及二零一七年十二月三十一日有尚未行使購股權。該等購股權對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虧損並無攤薄影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Computer equipment and software 電腦設備及 軟件 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日				
Cost	成本	1,107	71	95	1,273
Accumulated depreciation	累計折舊	(1,107)	(42)	(79)	(1,228)
Net book amount	賬面淨值	-	29	16	45
Year ended 31 December 2017	截至二零一七年十二月三十一日止年度				
Opening net book amount	年初賬面淨值	-	29	16	45
Exchange differences	匯兌差額	-	(1)	-	(1)
Additions	添置	495	19	240	754
Disposals of subsidiaries	出售附屬公司	-	(5)	(17)	(22)
Depreciation charge (note)	折舊(附註)	-	-	(12)	(12)
Closing net book amount	年末賬面淨值	495	42	227	764
At 31 December 2017	於二零一七年十二月三十一日				
Cost	成本	495	84	239	818
Accumulated depreciation	累計折舊	-	(42)	(12)	(54)
Net book amount	賬面淨值	495	42	227	764
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度				
Opening net book amount	年初賬面淨值	495	42	227	764
Exchange differences	匯兌差額	-	(1)	-	(1)
Additions	添置	-	-	105	105
Depreciation charge (note)	折舊(附註)	-	(25)	(93)	(118)
Closing net book amount	年末賬面淨值	495	16	239	750
At 31 December 2018	於二零一八年十二月三十一日				
Cost	成本	495	83	344	922
Accumulated depreciation	累計折舊	-	(67)	(105)	(172)
Net book amount	賬面淨值	495	16	239	750



Notes to the Consolidated Financial Statements

綜合財務報表附註

17. PROPERTY, PLANT AND EQUIPMENT (Continued)

Note:

During the year ended 31 December 2018, the depreciation charge for continuing operations amounted to HK\$118,000 (2017: HK\$12,000) was charged to the administrative and operating expenses in the consolidated statement of profit or loss.

18. LOAN RECEIVABLE

On 29 December 2017, Qianhai Guoxing Finance Lease (Shenzhen) Company Limited (literal translation of the Chinese name) (“Qianhai Guoxing”), an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement with a third party (“Vendor”), pursuant to which Qianhai Guoxing has agreed to acquire certain commercial properties from the Vendor for a consideration of RMB150,000,000 (equivalent to approximately HK\$180,000,000) and Qianhai Guoxing paid the full consideration to the Vendor on the same date. Pursuant to the terms and conditions of the sale and purchase agreement, the Vendor is required to complete all the procedures necessary to transfer the title of these properties to Qianhai Guoxing on or before 30 December 2018. On 1 August 2018, a supplementary agreement was signed in which both parties agreed to postpone the transfer the title of these properties on or before 27 December 2020.

17. 物業、廠房及設備 (續)

附註：

截至二零一八年十二月三十一日止年度，持續經營業務之折舊為118,000港元（二零一七年：12,000港元），已於綜合損益表中行政及經營開支內扣除。

18. 應收貸款

於二零一七年十二月二十九日，本公司之間接全資附屬公司前海國興融資租賃（深圳）有限公司（「前海國興」）與第三方（「賣方」）訂立買賣協議，據此，前海國興已同意向賣方購買若干商用物業，代價為人民幣150,000,000元（相當於約180,000,000港元），前海國興已於同日向賣方支付全數代價。根據買賣協議之條款及條件，賣方須於二零一八年十二月三十日或之前完成轉讓該等物業之所有權予前海國興之所有必要手續。於二零一八年八月一日已簽訂補充協議，雙方同意延後轉讓該等物業之所有權至二零二零年十二月二十七日或之前。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18. LOAN RECEIVABLE (Continued)

On 29 December 2017, Qianhai Guoxing entered into another agreement with the Vendor, pursuant to which Qianhai Guoxing has agreed to lease the abovementioned properties back to the Vendor for a period of 3 years starting from 29 December 2017. Upon the commencement of the lease, the Vendor paid RMB3,000,000 (equivalent to approximately HK\$3,600,000) to Qianhai Guoxing as a form of non-refundable pre-lease interest. Lease payments, calculated as interest charged at a fixed rate of 9% per annum against a principal of RMB150,000,000 (equivalent to approximately HK\$180,000,000), are repayable quarterly. At the end of the lease period, upon full settlement of all outstanding principal and interest from the Vendor to Qianhai Guoxing, the Vendor can repurchase the subject properties from Qianhai Guoxing for RMB1 (equivalent to HK\$1).

Considering the economics of the above transaction and the nature and value of the repurchase option, it is almost certain that the repurchase option will be exercised. Therefore, sale and lease back accounting does not apply to the above arrangement, resulting in the principal of RMB150,000,000 (equivalent to approximately HK\$180,000,000 as at 31 December 2017) being accounted for as a loan receivable with the properties acting as a security against this receivable.

18. 應收貸款(續)

於二零一七年十二月二十九日，前海國興與賣方訂立另一份協議，據此，前海國興已同意回租上述物業予賣方，自二零一七年十二月二十九日起為期三年。於出租開始後，賣方已向前海國興支付人民幣3,000,000元（相當於約3,600,000港元）作為不可退還預租利息。租賃付款將以利息形式收取，並以本金額人民幣150,000,000元（相當於約180,000,000港元）按固定年利率9%計算，須按季度償還。於租賃期末，待賣方向前海國興悉數結償所有未償還本金及利息後，賣方可以人民幣1元（相當於1港元）自前海國興購回目標物業。

考慮到上述交易之經濟效益、購回選擇權之性質及價值，基本可確定購回選擇權將獲行使。因此，售後租回會計處理不適用於上述安排，致使本金額人民幣150,000,000元（於二零一七年十二月三十一日相當於約180,000,000港元）入賬列為應收貸款，而該等物業則作為此應收款項之擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19. INVESTMENT PROPERTIES

19. 投資物業

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At fair value	按公允價值		
At 1 January	於一月一日	383,173	358,279
Transfer from prepayment for an investment property	就一項投資物業自預付款項轉撥	-	25,022
Acquired through subsidiaries	透過附屬公司收購	-	28,672
Disposal	出售事項	(84,391)	-
Disposal through disposal of subsidiaries (note 29)	透過出售附屬公司出售 (附註29)	(96,481)	-
Additions	添置	-	3,210
Currency translation differences	貨幣換算差額	(18,996)	30,063
Change in fair value	公允價值調整	(5,369)	(20,866)
Transferred to assets classified as held for sale	轉撥至分類為持作出售之資產	-	(41,207)
At 31 December	於十二月三十一日	177,936	383,173

Note:

(a) Amounts recognised in profit or loss for investment properties

Rental income of approximately HK\$4,270,000 (2017: HK\$3,967,000) and no direct expenses were recognised in profit or loss (2017: HK\$301,000) for investment properties during the year ended 31 December 2018.

(b) Non-current assets pledged as security

As at 31 December 2018, the investment properties of HK\$177,936,000 (2017: HK\$424,380,000) were pledged for bank borrowings (note 25).

附註：

(a) 就投資物業於損益確認之金額

截至二零一八年十二月三十一日止年度，就投資物業於損益確認租金收入約4,270,000港元（二零一七年：3,967,000港元）及並無確認直接開支（二零一七年：301,000港元）。

(b) 非流動資產已抵押作擔保

於二零一八年十二月三十一日，投資物業177,936,000港元（二零一七年：424,380,000港元）已抵押以獲取銀行貸款（附註25）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

19. INVESTMENT PROPERTIES (Continued)

note: (Continued)

(c) Minimum lease receipts

Certain of the investment properties located in Yingkou city, Liaoning province, the PRC, are leased to tenants under long-term operating leases ranging from 1 to 10 years. Management intends to lease the remaining investment properties to earn rental income.

At 31 December 2018, the Group had future aggregate minimum lease receipts under non-cancellable operating leases as follows:

Not later than one year	一年內
Later than one year but not later than five years	一年後但五年內
Later than five years	五年後

19. 投資物業(續)

附註：(續)

(c) 應收最低租金

位於中國遼寧省營口市的若干投資物業乃根據長期經營租賃出租予租戶，租賃期介乎一至十年。管理層擬出租剩餘投資物業以賺取租金收入。

於二零一八年十二月三十一日，本集團於不可撤銷經營租賃下收取的未來最低租賃款項總額載列如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Not later than one year	387	8,841
Later than one year but not later than five years	657	23,169
Later than five years	388	-
	1,432	32,010

20. SUBSIDIARIES

Details of the principal subsidiaries held by the Group as at 31 December 2018 are as follows:

Name 名稱	Place of incorporation and kind of legal entity 註冊成立所在地及法人實體類別	Particulars of issued/ registered share capital 已發行/註冊股本資料	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Rich Concept Technology Limited	BVI, limited liability company 英屬處女群島，有限公司	10,000 Ordinary shares of 1 US\$ each 每股面值1美元之10,000股普通股	100	-	Investment holding in Hong Kong 於香港投資控股
Qianhai Sitong Supply Chain (Shenzhen) Company Limited ("Qianhai Sitong")* 前海世通供應鏈(深圳)有限公司 (「前海世通」)	PRC, limited liability company 中國，有限責任公司	RMB200,000,000 人民幣200,000,000元	-	100	Trading of building materials in the PRC 於中國買賣建築材料商品
Qianhai Guoxing*	PRC, limited liability company 中國，有限責任公司	USD30,000,000 (paid up: USD15,000,000) 30,000,000美元 (繳足：15,000,000美元)	-	100	Finance leasing in the PRC 於中國融資租賃

20. 附屬公司

於二零一八年十二月三十一日，本集團持有之主要附屬公司之詳情如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

20. SUBSIDIARIES (Continued)

Name 名稱	Place of incorporation and kind of legal entity 註冊成立所在地及法人實體類別	Particulars of issued/ registered share capital 已發行/註冊股本資料	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Enviro Energy Management Services Limited 環能管理服務有限公司	Hong Kong, limited liability company 香港·有限公司	1 Ordinary share 1股普通股	100	-	Provision of management service in Hong Kong 於香港提供管理服務
Enviro Energy Information Technology Limited 環能資訊科技有限公司	Hong Kong, limited liability company 香港·有限公司	1 Ordinary share 1股普通股	-	100	Trading of information technology related product in the PRC 於中國買賣資訊技術相關產品
Enviro Energy Minerals Limited 環能礦業有限公司	Hong Kong, limited liability company 香港·有限公司	1 Ordinary share 1股普通股	-	100	Investment holding and trading of base oil in the PRC 於中國投資控股及買賣基礎油
Huan Neng International Trading (Yingkou) Company Limited ("HNYK")* 環能國際貿易(營口)有限公司 (「環能營口」)	PRC, limited liability company 中國·有限責任公司	RMB100,000,000 人民幣100,000,000元	-	100	Properties investment in the PRC 於中國進行物業投資
Liaoning Taoqibao Mall Management Co. Ltd. ("Liaoning Taoqibao")* 遼寧淘氣寶商城管理有限公司 (「遼寧淘氣寶」)	PRC, limited liability company 中國·有限責任公司	RMB100,000,000 人民幣100,000,000元	-	100	Properties investment in the PRC 於中國進行物業投資
Huan Neng Industrial (Yingkou) Company Limited ("HN Industrial")* 環能實業(營口)有限公司 (「環能實業」)	PRC, limited liability company 中國·有限責任公司	RMB8,000,000 人民幣8,000,000元	-	100	Properties investment in the PRC 於中國進行物業投資

* Literal translation of the Chinese name

21. ASSETS CLASSIFIED AS HELD FOR SALE

During the year ended 31 December 2017, the Group has entered into sales and purchase agreements to sell certain of its investment properties with a carrying value of HK\$41,207,000 comprising of 17 retail shops located at Liaohai Garden, Bayuquan district, Yingkou city, Liaoning province, the PRC. As at 31 December 2017, the sales of these properties were not yet completed and as a result, they are presented as assets classified as held for sale on the consolidated statement of financial position. The sales of these properties were completed during the year ended 31 December 2018.

20. 附屬公司(續)

21. 分類為持作出售之資產

於截至二零一七年十二月三十一日止年度，本集團訂立買賣協議出售其賬面值為41,207,000港元之若干投資物業，包括17間位於中國遼寧省營口市鮫魚圈區遼海花園的零售店。於二零一七年十二月三十一日，該等物業之出售尚未完成，因此，該等物業於綜合財務狀況表呈列為分類為持作出售之資產。於截至二零一八年十二月三十一日止年度，該等物業之出售已完成。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22. TRADE RECEIVABLES

Trade receivables	應收貿易賬款
Less: Provision for expected credit loss	減：預期信貸虧損撥備淨額
Trade receivables, net	應收貿易賬款

The Group's trading terms with its customers are mainly on credit for which the credit period is generally for a period of 30 to 180 days.

The ageing analysis of the trade receivables of the Group as at the end of reporting period, based on invoice date, is as follows:

Within 30 days	30日內
31-60 days	31日至60日
61-90 days	61日至90日
91-120 days	91日至120日
121-150 days	121日至150日
>150 days	150日以上

Reconciliation of loss allowance for trade receivables:

At 1 January (as previously stated)	於一月一日(誠如較早前所列)
At 1 January (as restated)	於一月一日(誠如所重列)
Increase in loss allowance for the year	年內虧損撥備之增加
At 31 December	於十二月三十一日

22. 應收貿易賬款

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
18,604	60,463
(393)	–
18,211	60,463

本集團與其客戶之貿易條款主要為信貸形式，信貸期一般由30日至180日不等。

本集團於報告期末根據發票日期之應收貿易賬款之賬齡分析如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
–	60,463
–	–
–	–
1,444	–
–	–
16,767	–
18,211	60,463

應收貿易賬款之虧損撥備的對賬：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
–	–
330	–
63	–
393	–

Notes to the Consolidated Financial Statements

綜合財務報表附註

22. TRADE RECEIVABLES (Continued)

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

22. 應收貿易賬款 (續)

本集團應用香港財務報告準則第9號項下之簡化方法就預期信貸虧損作出撥備，對所有應收貿易賬款採用生命週期預期虧損。為計量預期信貸虧損，應收貿易賬款已根據共同信貸風險特徵及逾期日數分類。預期信貸虧損亦包含前瞻性資料。

		Over 30 days past due 逾期 超過30日	Over 60 days past due 逾期 超過60日	Over 120 days past due 逾期 超過120日	Total 總計
	Current 即期	HK'000 千港元	HK'000 千港元	HK'000 千港元	HK'000 千港元
At 31 December 2018					
Weighted average expected loss rate	加權平均預期信貸虧損率	-	-	-	2%
Receivable amount (HK\$'000)	應收款額(千港元)	-	-	-	18,604
Loss allowance (HK\$'000)	虧損撥備(千港元)	-	-	-	(393)
At 31 December 2017					
Weighted average expected loss rate	加權平均預期信貸虧損率	-	-	-	-
Receivable amount (HK\$'000)	應收款額(千港元)	-	60,463	-	60,463
Loss allowance (HK\$'000)	虧損撥備(千港元)	-	-	-	-

Notes to the Consolidated Financial Statements

綜合財務報表附註

23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

23. 按金、預付款項及其他應收款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deposits	按金	33	11
Prepayments for purchase of:	購買下列之預付款項：		
– trading materials (note i)	– 材料貿易(附註i)	293,824	–
– trading materials (note ii)	– 材料貿易(附註ii)	–	230,676
– others	– 其他	4,672	9,390
Entrusted loan receivable	應收委託貸款	–	15,120
Interest receivable	應收利息	9,762	–
Less: loss allowance of interest receivable	減：應收利息虧損撥備	(1,206)	–
Consideration receivable from disposal of assets classified as held for sale	出售分類為持作出售資產應收代價	49,034	–
Less: loss allowance of consideration receivable from disposal of assets classified as held for sale	減：出售分類為持作出售資產應收代價虧損撥備	(690)	–
Consideration receivable from disposal of investment properties	出售投資物業應收代價	87,329	–
Less: loss allowance of consideration receivable from disposal of investment properties	減：出售投資物業應收代價虧損撥備	(809)	–
Consideration receivable from disposal of an available-for-sale investment	出售可供出售投資應收代價	–	108,000
Other receivables	其他應收款項	–	512
		441,949	363,709



Notes to the Consolidated Financial Statements

綜合財務報表附註

23. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

notes:

- i) amounts were deposited to certain trading suppliers with which the Group had transactions during the year ended 31 December 2018. These suppliers require the Group to make prepayments in view of bulky purchase and short lead time in delivery and no credit period would be granted.
- ii) On 21 June 2017, Hailanggu (defined in note 29), an indirect wholly owned subsidiary of the Company, made a prepayment of RMB79,000,000 (equivalent to approximately HK\$94,800,000) to a supplier ("Supplier A") for purchases of construction materials.

On 18 August 2017, Hailanggu received a partial refund of the abovementioned prepayment from Supplier A. On 25 August 2017, Hailanggu and Supplier A signed a supplemental agreement and acknowledged that Hailanggu has suspended the relevant refurbishment project but reserved the right to utilise the prepayment at a later date.

Furthermore on 20 September 2017, the remaining balance of prepayment due to Hailanggu of RMB77,500,000 (equivalent to approximately HK\$93,000,000) was assigned to another third party ("Assignee B") pursuant to an agreement entered into between Hailanggu, Supplier A and Assignee B. On 21 September 2017, Hailanggu received an amount of RMB2,270,000 (equivalent to approximately HK\$2,724,000) from Assignee B, representing a partial repayment of the prepayment. As at 31 December 2017, the outstanding prepayment amounted to RMB75,230,000 (equivalent to approximately HK\$90,276,000), and paid back to Hailanggu by Assignee B on 21 March 2018.

During the period from August 2017 to November 2017, HN Industrial, an indirect wholly owned subsidiary of the Company, made five payments totalling RMB117,000,000 (equivalent to approximately HK\$140,400,000) to a supplier (the "Aluminium Supplier") pursuant to an agreement dated 17 August 2017 for purchases of aluminium materials. On 20 March 2018, the Aluminium Supplier refunded the abovementioned balance of RMB117,000,000 (equivalent to approximately HK\$140,400,000) to the Group.

23. 按金、預付款項及其他應收款項 (續)

附註：

- i) 有款項存入本集團於截至二零一八年十二月三十一日止年度有交易的若干貿易供應商。鑑於大額採購及交貨時間短，該等供應商要求本集團作出預付且不會授予信貸期。
- ii) 於二零一七年六月二十一日，海浪谷（定義見附註29）（為本公司一間間接全資附屬公司）向一名供應商（「供應商A」）作出預付款項人民幣79,000,000元（相當於約94,800,000港元）以購買建築材料。

於二零一七年八月十八日，海浪谷從供應商A收到上述預付款項的部分退還款。於二零一七年八月二十五日，海浪谷與供應商A簽署一份補充協議，確認海浪谷已暫停其相關翻新工程，但保留權利於其後日期動用該筆預付款項。

此外，於二零一七年九月二十日，根據海浪谷、供應商A及另一名第三方（「受讓方B」）簽署之協議，應付海浪谷的預付款項餘額人民幣77,500,000元（相當於約93,000,000港元）已轉讓予受讓方B。於二零一七年九月二十一日，海浪谷自受讓方B收到人民幣2,270,000元（相當於約2,724,000港元）之款項，即預付款項之部分還款。於二零一七年十二月三十一日，未償還預付款項合共為人民幣75,230,000元（相當於約90,276,000港元），已於二零一八年三月二十一日由受讓方B付還予海浪谷。

於二零一七年八月至二零一七年十一月期間，環能實業（為本公司一間間接全資附屬公司）根據一份日期為二零一七年八月十七日有關採購鋁材之協議向一名供應商（「鋁供應商」）作出五筆付款，合共人民幣117,000,000元（相當於約140,400,000港元）。於二零一八年三月二十日，鋁供應商已向本集團退還上述結餘人民幣117,000,000元（相當於約140,400,000港元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

24. TRADE AND OTHER PAYABLES

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables (note)	應付貿易賬款(附註)	3,648	56,643
Construction and other costs payables	建築及其他應付成本	-	3,129
Other payables	其他應付款項	29,723	16,508
Receipt in advance from a customer	自客戶收取之墊款	4,610	4,702
Accrued liabilities	應計負債	6,323	2,641
		44,304	83,623

notes:

The amounts are repayable according to normal credit terms of 30 to 60 days.

The ageing analysis of the trade payables as at the end of reporting period, based on invoice date, is as follows:

24. 應付貿易賬款及其他應付款項

附註：

有關款項根據一般信貸期30日至60日償還。

於結算日，根據報告期末之應付貿易賬款之賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within 30 days	30日內	119	56,643
91-120 days	91日至120日	79	-
>150 days	150日以上	3,450	-
		3,648	56,643

25. BANK BORROWINGS

As at 31 December 2018, the analysis of the carrying amount of bank borrowings is as follows:

25. 銀行貸款

於二零一八年十二月三十一日，銀行貸款之賬面值分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current	流動		
Bank borrowings – secured	銀行貸款—有抵押	184,425	429,600

Notes to the Consolidated Financial Statements

綜合財務報表附註

25. BANK BORROWINGS (Continued)

The bank borrowings are dominated in RMB and are secured by the Group's investment properties, which have a carrying amount of HK\$177,936,000 (2017: HK\$424,380,000) as at 31 December 2018.

As at 31 December 2018, these bank borrowings carried a fixed rate ranging from 7.1% to 9.5% (2017: 7.1% to 7.5%) per annum. The exposure of these bank borrowings to interest rate changes and the contractual repricing dates at 31 December 2018 are one year (2017: one year).

26. SHARE CAPITAL

Authorised:

Ordinary shares of HK\$0.0025 each
At 1 January 2017, 31 December
2017 and 31 December 2018

法定：

每股面值0.0025港元之普通股
於二零一七年一月一日、
二零一七年十二月三十一日
及二零一八年十二月三十一日

Number of
shares
股份數目
(‘000)
(千股)

Share
capital
股本
HK\$’000
千港元

20,000,000

50,000

Issued and fully paid:

At 1 January 2017

已發行及繳足：

於二零一七年一月一日

7,539,944

18,850

Issuance of shares (note)

發行股份(附註)

1,507,900

3,770

At 31 December 2017 and 2018

於二零一七年十二月三十一日及
二零一八年十二月三十一日

9,047,844

22,620

note:

On 7 November 2017, 1,507,900,000 ordinary shares were issued at the subscription price of HK\$0.13 per share by way of placement. The net proceeds received by the Company from the placement was approximately HK\$196,027,000, with HK\$3,770,000 was credited to the share capital account and the balance of HK\$192,257,000 was credited to the share premium account.

All the above shares rank pari passu in all respects with other shares in issue.

附註：

於二零一七年十一月七日，1,507,900,000股普通股透過配售方式按認購價每股0.13港元發行。本公司從配售所收之所得款項淨額約為196,027,000港元，當中3,770,000港元已計入股本賬，而餘額192,257,000港元則已計入股份溢價賬。

上述所有股份於所有方面與其他已發行股份享有同等地位。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. DISCONTINUED OPERATIONS

Following the disposal of Aces Diamond, the holding company of BHE and GM on 31 October 2017, the Board decided to discontinue the operation of natural resources and energy related business and information technology and related business in December 2017.

(a) Analysis of the results of discontinued Operations

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收入	-	4,697
Cost of sales	銷售成本	-	(4,560)
Gross profit	毛利	-	137
Loss on disposal of subsidiaries (Note (i))	出售附屬公司之虧損(附註(i))	-	(43,182)
Loss before taxation from discontinued operations	已終止經營業務之除稅前虧損	-	(43,045)
Income taxation	所得稅	-	-
Loss for the year from discontinued operations	已終止經營業務年度虧損	-	(43,045)

Note (i):

On 31 October 2017, the Group disposed the entire equity interest of Aces Diamond and its subsidiaries to an independent third party for a consideration of HK\$1. Aces Diamond is the intermediate holding company of the GM and the holding company of BHE, which holds a mining permit for a marble site covering approximate 33 hectares at Selenrang, Bontoa, Maros Regency in South-western Sulawesi, Indonesia. The mining properties were fully impaired during the year end 31 December 2016.

27. 已終止經營業務

於二零一七年十月三十一日出售BHE及GM的控股公司Aces Diamond後，董事會決定於二零一七年十二月終止經營天然資源及能源相關業務以及資訊科技及相關業務。

(a) 已終止經營業務之業績分析

附註(i)：

於二零一七年十月三十一日，本集團出售Aces Diamond及其附屬公司之全部股本權益予一名獨立第三方，代價為1港元。Aces Diamond為GM及BHE之控股公司之中間控股公司，該公司持有位於印尼蘇拉威西島西南部地區的Maros市Bontoa的Selenrang中約33公頃大理石礦場之礦產開採許可證。該採礦物業於截至二零一六年十二月三十一日止年度已全數減值。



Notes to the Consolidated Financial Statements

綜合財務報表附註

27. DISCONTINUED OPERATIONS(Continued)

(a) Analysis of the results of discontinued Operations(Continued)

The aggregated net liabilities at the date of disposal were as follows:

27. 已終止經營業務(續)

(a) 已終止經營業務之業績分析(續)

於出售日期之總負債淨額如下：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	22
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	78
Cash and cash equivalent	現金及現金等價物	36
Trade payable	應付貿易賬款	(231)
Other payables	其他應付款項	(7,860)
Less: Non-controlling interests	減：非控股權益	2,789
Net liabilities disposed of	所出售負債淨額	(5,166)
Add: Translation reserve released upon disposed subsidiaries	加：於出售附屬公司時撥出之換算儲備	566
Add: Other reserve released upon disposal of subsidiaries (Note (ii))	加：於出售附屬公司時撥出之其他儲備(附註(ii))	47,782
Loss on disposal of subsidiaries	出售附屬公司之虧損	43,182
		HK\$'000 千港元
Net proceeds received from disposal of subsidiaries	自出售附屬公司收取之所得款項淨額	-
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	-
Net cash outflow from disposal of subsidiaries:	來自出售附屬公司之淨現金流出：	
Cash consideration received	所收取現金代價	-
Cash and cash equivalents disposed of	所出售現金及現金等價物	(36)
		(36)

Note (ii):
Other reserve represented 13,500,000 outstanding warrants of GM, an indirect subsidiary of Aces Diamond.

附註(ii)：
其他儲備指GM(Aces Diamond之一間間接附屬公司)之13,500,000份未行使認股權證。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. DISCONTINUED OPERATIONS(Continued)

(b) Analysis of cash flows

Operating cash outflows 經營現金流出

27. 已終止經營業務(續)

(b) 現金流量分析

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Operating cash outflows 經營現金流出	-	(14,885)

28. ACQUISITION OF SUBSIDIARIES

On 3 January 2017, the Group acquired 100% equity interest of Haida (defined in note 29) for a consideration of RMB24,650,000 (equivalent to approximately HK\$27,063,000). No material acquisition related costs were incurred in the acquisition. Before the acquisition by the Group, Haida has no business activities except for holding of investment properties. Accordingly, the directors of the Company are of the opinion that the acquisition of Haida did not constitute a business combination but an acquisition of assets. The effect of the acquisition was summarised as follows:

Assets acquired and liabilities recognised at the date of acquisition:

		HK\$'000 千港元
Investment properties (note 19)	投資物業(附註19)	28,672
Other payable	其他應付款項	(1,609)
		<u>27,063</u>

Net cash outflow from acquisition of a subsidiary:

		HK\$'000 千港元
Consideration paid in cash	已付現金代價	(27,063)
Cash and cash equivalents acquired	所收購之現金及現金等價物	-
		<u>(27,063)</u>

28. 收購附屬公司

於二零一七年一月三日，本集團收購海達（定義見附註29）之100%股權，代價為人民幣24,650,000元（相當於約27,063,000港元）。有關收購並無產生重大收購相關成本。於被本集團收購前，除持有投資物業外，海達並無任何業務活動。因此，本公司董事認為，收購海達並不構成業務合併，惟構成收購資產。收購之影響概述如下：

於收購日期之已收購資產及已確認負債：

於收購日期之已收購資產及已確認負債：

Notes to the Consolidated Financial Statements

綜合財務報表附註

29. DISPOSAL OF SUBSIDIARIES

- (a) In August 2018, the Group entered into the First Equity Transfer Agreement, pursuant to which the Group agreed to transfer Target Capital I (i.e. 50% equity interest in Yingkou Hailanggu Travel Co., Limited (literal translation of the Chinese name of 營口海浪谷旅遊有限公司, "Hailanggu") to an independent third party at a consideration of RMB1. On the same date, the Group entered into the Second Equity Transfer Agreement, pursuant to which the Group agreed to transfer Target Capital II (i.e. the remaining 50% equity interest in Hailanggu) to another independent third party at a consideration of RMB1.

The net liabilities at the date of disposals were as follows:

		HK\$'000 千港元
Investment property	投資物業	68,419
Cash and cash equivalents	現金及現金等價物	3
Accrual and other payables	應計費用及其他應付款項	(17,275)
Bank borrowing	銀行貸款	(59,198)
Net liabilities disposed of	已出售負債淨額	(8,051)
Less: Translation reserve released upon disposal	減：於出售時撥出之換算儲備	(1,309)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	(9,360)
Net proceeds received from disposal of a subsidiary	自出售一間附屬公司收取之所得款項淨額	-
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	-
Net cash outflow from disposal	來自出售事項之淨現金流出	
Cash consideration received	所收取現金代價	-
Cash and cash equivalents disposed of	所出售現金及現金等價物	(3)
		(3)

29. 出售附屬公司

- (a) 於二零一八年八月，本集團訂立第一份股權轉讓協議，據此，本集團同意轉讓協議，據此，本集團同意轉讓目標資本I（即於營口海浪谷旅遊有限公司「海浪谷」之50%股權）予一名獨立第三方，代價為人民幣1元。於同日，本集團訂立第二份股權轉讓協議，據此，本集團同意轉讓目標資本II（即海浪谷之餘下50%股權）予另一名獨立第三方，代價為人民幣1元。

於出售日期之負債淨額如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

29. DISPOSAL OF SUBSIDIARIES (Continued)

- (b) In May 2018, the Group entered into a sale and purchase agreement with an independent third party, pursuant to which the Group agreed to transfer Target Capital III (100% equity interest in Yingkou Haida Property Service Company Limited (literal translation of the Chinese name of 營口海達物業服務有限公司 “Haida”) at a consideration of RMB24,000,000 (equivalent to approximately HK\$27,352,000).

The net assets at the date of disposal were as follows:

		HK\$'000 千港元
Investment property	投資物業	28,062
Cash and cash equivalents	現金及現金等價物	28
Other receivables	其他應收款項	8,353
Accruals and other payables	應計費用及其他應付款項	(7,122)
Net assets disposed of	所出售資產淨額	29,321
Less: Translation reserve released upon disposal	減：於出售時撥出之換算儲備	(1,812)
Consideration	代價	(27,352)
Loss on disposal of a subsidiary	出售一家附屬公司之虧損	157
Net proceeds received from disposal of a subsidiary	自出售附屬公司收取之所得款項淨額	27,352
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	27,352
Net cash inflow from disposal	來自出售事項之淨現金流出	
Cash consideration received	所收取現金代價	27,352
Cash and cash equivalents disposed of	所出售現金及現金等價物	(28)
		27,324

29. 出售附屬公司 (續)

- (b) 於二零一八年五月，本集團與一名獨立第三方訂立買賣協議，據此本集團同意以代價人民幣24,000,000元轉讓目標資本III（即於營口海達物業服務有限公司（「海達」）之100%股權），代價為人民幣24,000,000元（相當於約27,352,000元）。

於出售日期資產淨額如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

30. CASH FLOW INFORMATION – FINANCING ACTIVITIES

This section sets out the movement of liabilities from financing activities for the years ended 31 December 2018 and 2017.

30. 現金流量資料－融資活動

本節載列截至二零一八年及二零一七年十二月三十一日止年度來自融資活動負債之變動。

		Liabilities from financing activities 來自融資活動之負債				
		Shareholder's loan HK\$'000 股東貸款 千港元	Loan from a related company HK\$'000 來自關連 公司之貸款 千港元	Interest payable HK\$'000 應付利息 千港元	Bank borrowings HK\$'000 銀行貸款 千港元	Total HK\$'000 總計 千港元
As at 1 January 2017	於二零一七年一月一日	-	-	-	180,884	180,884
Cash inflows	現金流入	2,000	240,000	-	410,863	652,863
Cash outflows	現金流出	-	(177,669)	(21,521)	(183,382)	(382,572)
Non-cash movements-interest charge	非現金變動－利息費用	-	-	21,521	-	21,521
Foreign exchange adjustments	外匯調整	-	-	-	21,235	21,235
As at 31 December 2017 and 1 January 2018	於二零一七年十二月三十一日 及二零一八年一月一日	2,000	62,331	-	429,600	493,931
Cash inflows	現金流入	2,200	-	-	-	2,200
Cash outflows	現金流出	-	(62,331)	(21,408)	(185,977)	(269,716)
Non-cash movements - disposal of a subsidiary	非現金變動－出售附屬公司	-	-	-	(59,198)	(59,198)
Non-cash movements - interest charge	非現金變動－利息費用	-	-	21,408	-	21,408
As at 31 December 2018	於二零一八年十二月三十一日	4,200	-	-	184,425	188,625

Notes to the Consolidated Financial Statements

綜合財務報表附註

31. SHARE OPTION SCHEMES

- (a) On 25 January 2003 and 12 May 2011, share option schemes (“2003 Share Option Scheme” and “2011 Share Option Scheme”, respectively) were approved and adopted pursuant to resolutions of the Company. The purpose of the 2003 Share Option Scheme and 2011 Share Option Scheme was to enable the Group to recognise the contribution of the participants to the Group and to motivate the participants to continue working for the benefit of the Group by offering the participants an opportunity to have personal interest in the share capital of the Company. The Board may, at its discretion, grant share options to any employees, consultants and advisers of the Company or its subsidiaries, including executive, non-executive and independent non-executive directors, to subscribe for shares of the Company. The 2003 Share Option Scheme and 2011 Share Option Scheme remain in force for a period of ten years with effect from 25 January 2003 and 12 May 2011, respectively.

The maximum number of shares in respect of which share options may be granted under the 2003 Share Option Scheme and 2011 Share Option Scheme and any other share option scheme of the Company may not exceed 10% of the issued share capital of the Company, or may not exceed a maximum of 30% should the shareholders of the Company renew the 10% limit, from time to time which have been duly allotted and issued.

The exercise price for shares under the 2003 Share Option Scheme and 2011 Share Option Scheme may be determined by the Board at its absolute discretion but in any event will be at least the highest of: (i) the closing price of the shares as stated in the daily quotation sheets of the Stock Exchange on the date of grant, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the date of grant of the relevant option; and (iii) the nominal value of the shares on the date of grant of the option.

31. 購股權計劃

- (a) 本公司於二零零三年一月二十五日及二零一一年五月十二日根據本公司決議案批准並採納購股權計劃(分別為「2003年購股權計劃」及「2011年購股權計劃」)。2003年購股權計劃及2011年購股權計劃的目的是透過給予參與者於本公司股本擁有個人權益的機會，使本集團能肯定參與者對本集團所作出的貢獻，並鼓勵參與者繼續為本集團的利益效力。董事會可酌情決定授出購股權予本公司或其附屬公司任何僱員、顧問及諮詢顧問，包括執行、非執行及獨立非執行董事，以認購本公司股份。2003年購股權計劃及2011年購股權計劃分別自二零零三年一月二十五日及二零一一年五月十二日起十年內有效。

根據2003年購股權計劃及2011年購股權計劃及本公司任何其他購股權計劃可能授出的購股權涉及之股份數目最多不得超過本公司不時正式配發及發行的已發行股本的10%，或倘本公司股東更新10%的限制，則最多不可超過30%。

2003年購股權計劃及2011年購股權計劃項下股份行使價可由董事會全權酌情決定，但於任何情況下最少須為以下的最高者：(i)授出日期(必須為營業日)聯交所每日報表所載的股份收市價；(ii)緊接授出有關購股權日期前五個營業日聯交所每日報表所載的平均股份收市價；及(iii)授出購股權日期的股份面值。



Notes to the Consolidated Financial Statements

綜合財務報表附註

31. SHARE OPTION SCHEMES (Continued)

(a) (Continued)

Any share options granted to a substantial shareholder of the Company or an independent non-executive director or any of their respective associates, representing in aggregate over 0.1% of the shares of the Company in issue on the date of such grant and an aggregate value, based on the closing price of the shares of the Company at the date of grant in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in advance in a general meeting. In addition, any share options granted to any one person in excess of 1% of the shares of the Company in issue at any time, in any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The share options granted may be exercised at any time or times during a period to be determined and notified by the Board which period of time shall commence after the date of grant of the share options and expire on such date as determined by the Board in any event no later than 10 years from the date of the grant of such share options. A nominal consideration of HK\$1 is payable on acceptance of the grant of a share option under the 2003 Share Option Scheme and 2011 Share Option Scheme.

31. 購股權計劃(續)

(a) (續)

於任何十二個月期間，任何授予本公司主要股東或獨立非執行董事或任何彼等各自之聯繫人士的購股權，倘於有關授出日期合計超過本公司已發行股份0.1%及按於授出日期本公司股份收市價計算總值超過5,000,000港元，均必須事先於股東大會徵求股東批准。此外，於任何十二個月期間授予任何人士超過本公司任何時間已發行股份1%的任何購股權，均必須事先於股東大會徵求股東批准。

已授出的購股權可於董事會決定及通知的期間內隨時行使，該期間於授出購股權日期後開始，並於董事會決定的日期屆滿，惟在任何情況下不得遲於授出有關購股權當日起計十年。根據2003年購股權計劃及2011年購股權計劃，接納授出的購股權須支付1港元作為象徵式代價。

Notes to the Consolidated Financial Statements

綜合財務報表附註

31. SHARE OPTION SCHEMES (Continued)

- (b) Movements in the number of share options outstanding and their weighted average exercise prices for the years ended 31 December 2018 and 2017 are as follows:

		Weighted average exercise price (per share) 加權平均 行使價 (每股) HK\$ 港元	Outstanding options 尚未行使 購股權
At 1 January 2017	於二零一七年一月一日	0.37	265,621,624
Lapsed	已失效	0.46	(1,631,757)
As at 31 December 2017	於二零一七年十二月三十一日	0.37	263,989,867
Lapsed	已失效	0.34	(10,641,892)
As at 31 December 2018	於二零一八年十二月三十一日	0.37	253,347,975

Share options outstanding as at 31 December 2018 and 2017 have the following expiry dates and exercise prices:

31. 購股權計劃(續)

- (b) 於截至二零一八年及二零一七年十二月三十一日止年度，尚未行使購股權數目及其加權平均行使價之變動如下：

		Weighted average exercise price (per share) 加權平均 行使價 (每股) HK\$ 港元	Outstanding options 尚未行使 購股權
At 1 January 2017	於二零一七年一月一日	0.37	265,621,624
Lapsed	已失效	0.46	(1,631,757)
As at 31 December 2017	於二零一七年十二月三十一日	0.37	263,989,867
Lapsed	已失效	0.34	(10,641,892)
As at 31 December 2018	於二零一八年十二月三十一日	0.37	253,347,975

於二零一八年及二零一七年十二月三十一日尚未行使購股權之屆滿日及行使價如下：

Expiry date	屆滿日	Adjusted Exercise price (per share) 經調整行使價 (每股) HK\$ 港元	Outstanding options as at 31 December 2017 於二零一七年 十二月三十一日 尚未行使 之購股權
15 June 2019 (note 2)	二零一九年六月十五日(附註2)	0.51	28,378,379
6 October 2019 (note 2)	二零一九年十月六日(附註2)	0.53	496,622
4 February 2020 (note 2)	二零二零年二月四日(附註2)	0.36	74,138,514
8 July 2020 (note 3)	二零二零年七月八日(附註3)	0.39	90,597,973
22 June 2021 (note 4)	二零二一年六月二十二日 (附註4)	0.31	69,314,190
30 December 2022 (note 4)	二零二二年十二月三十日 (附註4)	0.11	1,064,189
			263,989,867



Notes to the Consolidated Financial Statements

綜合財務報表附註

31. SHARE OPTION SCHEMES (Continued)

(b) (Continued)

Expiry date	屆滿日	Adjusted Exercise price (per share) 經調整行使價 (每股) HK\$ 港元	Outstanding options as at 31 December 2018 於二零一八年十二月三十一日 尚未行使之購股權
15 June 2019 (note 2)	二零一九年六月十五日 (附註2)	0.51	28,378,379
6 October 2019 (note 2)	二零一九年十月六日 (附註2)	0.53	496,622
4 February 2020 (note 2)	二零二零年二月四日 (附註2)	0.36	71,300,676
8 July 2020 (note 3)	二零二零年七月八日 (附註3)	0.39	87,760,135
22 June 2021 (note 4)	二零二一年六月二十二日 (附註4)	0.31	64,347,974
30 December 2022 (note 4)	二零二二年十二月三十日 (附註4)	0.11	1,064,189
			253,347,975

notes:

- The exercise price of share options was adjusted upon the subdivision of shares of the Company which came to effect on 29 August 2007 and completion of an open offer with effect from 17 November 2014.
- Regarding the share options granted on 19 June 2008, 15 June 2009, 6 October 2009 and 4 February 2010, 50% of which shall be exercised in a period commencing two years from the date of grant and expiring on the tenth anniversary from the date of grant. The balance of 50% of the share options shall be exercised in a period commencing three years from the date of grant and expiring on the tenth anniversary from the date of grant.
- Regarding the share options granted on 9 July 2010, 50% of which shall be exercised in a period commencing two years from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options shall be exercised in a period commencing three years from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant.

31. 購股權計劃 (續)

(b) (續)

Adjusted Exercise price (per share) 經調整行使價 (每股) HK\$ 港元	Outstanding options as at 31 December 2018 於二零一八年十二月三十一日 尚未行使之購股權
0.51	28,378,379
0.53	496,622
0.36	71,300,676
0.39	87,760,135
0.31	64,347,974
0.11	1,064,189
	253,347,975

附註：

- 購股權之行使價已於本公司股份拆細於二零零七年八月二十九日生效及公開發售於二零一四年十一月十七日完成後作出調整。
- 就於二零零八年六月十九日、二零零九年六月十五日、二零零九年十月六日及二零一零年二月四日授出之購股權而言，其中50%可於授出日期起計兩年後行使，並於授出日期起計滿十年之日屆滿。餘下50%購股權可於授出日期後三年起計至授出日期後滿十年之日止期間行使。
- 就於二零一零年七月九日授出之購股權而言，其中50%可於授出日期起計兩年後行使，並於授出日期起計十週年前一日屆滿。餘下50%購股權可於授出日期起計三年後行使，並於授出日期起計十週年前一日屆滿。

Notes to the Consolidated Financial Statements

綜合財務報表附註

31. SHARE OPTION SCHEMES (Continued)

(b) (Continued)

Notes: (Continued)

- Regarding the share options granted on 23 June 2011 and 31 December 2012, 50% of which shall be exercised in a period commencing one year from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant. The balance of 50% of the share options shall be exercised in a period commencing two years from the date of grant and expiring on the date falling one day preceding the tenth anniversary from the date of grant.

During the years ended 31 December 2018 and 2017, there was no share-based payment expense in relation to share options granted to employees and non-employees of the Group.

The fair value of the services received by the Group is measured by the reference to the fair value of the share options granted as consideration because the fair value of the services cannot be measured reliably.

The outstanding share options as at 31 December 2018 had a weighted average remaining contractual life of 2.54 years (2017: 3.54 years).

If options are forfeited before expiration or lapsed, the related share option reserve will be transferred directly to profit or loss.

At 31 December 2018, the Company had 253,347,975 (2017: 263,989,867) share options outstanding under the share option schemes, which represented approximately 2.8% (2017: 2.9%) of the Company's shares in issue at that date. Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

31. 購股權計劃(續)

(b) (續)

附註：(續)

- 就於二零一一年六月二十三日及二零一二年十二月三十一日授出的購股權而言，其中50%可於授出日期起計一年後行使，並於授出日期起計十週年前一日屆滿。餘下50%購股權可於授出日期起計兩年後行使，並於授出日期起計十週年前一日屆滿。

於截至二零一八年及二零一七年十二月三十一日止年度，概無與授予本集團僱員及非僱員之購股權有關之股份付款開支。

由於服務之公允價值無法可靠地計量，故本集團獲提供之服務之公允價值乃參考作為代價授出之購股權之公允價值計量。

於二零一八年十二月三十一日尚未行使之購股權之加權平均餘下合約年期為2.54年(二零一七年：3.54年)。

倘購股權於期滿或失效前被沒收，有關購股權儲備將直接轉撥至損益。

於二零一七年十二月三十一日，本公司根據購股權計劃有253,347,975份(二零一七年：263,989,867份)購股權尚未行使，相當於本公司於該日之已發行股份約2.8%(二零一七年：2.9%)。購股權並無賦予持有人獲取股息或於股東大會投票之權利。



Notes to the Consolidated Financial Statements

綜合財務報表附註

32. EMPLOYEE BENEFIT EXPENSE

(a) Employee retirement benefit

The Group enrolled all Hong Kong employees in the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group under the control of trustees. The retirement benefit cost for the MPF Scheme charged to the consolidated statement of profit or loss represents contributions paid to the fund by the Group at rates specified in the rules of the MPF Scheme.

The total cost charged to consolidated statement of profit or loss of approximately HK\$151,000 (2017: HK\$259,000) represents contributions paid to these schemes by the Group during the year ended 31 December 2018.

The Group contributed to certain retirement benefit schemes based on the wages for the year of those employees in the PRC. The total cost charged to consolidated statement of profit or loss of approximately HK\$132,000 (2017: HK\$150,000) represented the social insurance expenses paid in the PRC by the Group during the year ended 31 December 2018.

32. 僱員福利開支

(a) 僱員退休福利

本集團安排所有香港僱員參與強積金計劃。強積金計劃之資產與本集團受託人所控制之資產分開持有。於綜合損益表內扣除之強積金計劃退休福利成本指本集團按強積金計劃規則指定之比率已向基金支付之供款。

於綜合損益表扣除之總成本約151,000港元(二零一七年: 259,000港元), 即本集團於截至二零一八年十二月三十一日止年度已向該等計劃支付之供款。

本集團根據中國僱員的年薪就若干退休福利計劃供款。綜合損益表扣除的成本總額約132,000港元(二零一七年: 150,000港元)指本集團於截至二零一八年十二月三十一日止年度於中國已付之社會保險開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

32. EMPLOYEE BENEFIT EXPENSE (Continued)

(b) Five highest paid individuals

During the year ended 31 December 2018, two (2017: five) of the five individuals with the highest emoluments in the Group were directors of the Company, whose emolument are disclosed in note 39.

Details of the emoluments of the three individual for the year ended 31 December 2018 are as follow:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowance and other benefits	薪金、津貼及其他福利	1,532	-
Retirement benefit scheme contributions	退休福利計劃供款	32	-
		1,564	-

The emoluments were within the following bands:

		2018 二零一八年 Number of employees 僱員人數	2017 二零一七年 Number of employees 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	3	-

33. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions during the years ended 31 December 2018 and 2017.

32. 僱員福利開支(續)

(b) 五位最高薪酬人士

於截至二零一八年十二月三十一日止年度，本集團最高薪酬的五名人士中，兩名(二零一七年：五名)人士為本公司董事，其酬金已於附註39披露。

截至二零一八年十二月三十一日止年度，其中三名人士的酬金詳情如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowance and other benefits	薪金、津貼及其他福利	1,532	-
Retirement benefit scheme contributions	退休福利計劃供款	32	-
		1,564	-

酬金介乎以下組別：

		2018 二零一八年 Number of employees 僱員人數	2017 二零一七年 Number of employees 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	3	-

33. 有關連人士交易

除綜合財務報表其他地方所披露者外，於截至二零一八年及二零一七年十二月三十一日止年度，本集團訂立了以下重大有關連人士交易。

Notes to the Consolidated Financial Statements

綜合財務報表附註

33. RELATED PARTY TRANSACTIONS

(Continued)

(a) Key management personnel compensation

Key management includes executive directors of the Company, financial controllers and company secretary of the Group. The compensation paid or payable to key management for employee services is shown below:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and other benefits	2,968	4,788
Retirement benefit scheme contributions	65	122
	3,033	4,910

(b) Shareholder's loan

On 5 October 2017, the Company entered in to a shareholder loan agreement with Mr. Li Sen with a facility amount of HK\$100,000,000. The Company draw an accumulated loan amount of HK\$4,200,000 (2017: HK\$2,000,000) as at 31 December 2018. The loan was interest free, unsecured and repayable at the end of eighteenth month from the date of drawdown which was classified as current liability (2017: non-current liability) in the consolidated statement of financial position as at 31 December 2018. The loan was denominated in HK\$ and approximated to its fair value.

33. 有關連人士交易 (續)

(a) 主要管理人員補償

主要管理人員包括本公司執行董事、財務總監及公司秘書。就僱員服務已付或應付主要管理人員之補償如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and other benefits	2,968	4,788
Retirement benefit scheme contributions	65	122
	3,033	4,910

(b) 股東貸款

於二零一七年十月五日，本公司與李森先生訂立股東貸款協議，融資額為100,000,000港元。本公司於於二零一八年十二月三十一日提取累計貸款金額4,200,000港元（二零一七年：2,000,000港元）。該貸款為免息、無抵押及須於提取日期起計十八個月結束之日償還，於二零一八年十二月三十一日之綜合資產負債表內分類為流動負債（二零一七年：非流動負債）。該貸款乃按港元計值，其賬面值與公允價值相若。

Notes to the Consolidated Financial Statements

綜合財務報表附註

33. RELATED PARTY TRANSACTIONS

(Continued)

(c) In addition to those disclosed elsewhere in the consolidated financial statements, related party transaction, which was carried out in the normal course of the Group's business, was as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Sales of goods to Shenyang Oriental Ginza Pullman Hotel Management Company Limited (literal translated of the Chinese name), a related company which was controlled by Mr. Li Sen	27	2,348

34. OPERATING LEASE COMMITMENTS

At the end of reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	3,036	3,372
After one year but within five years	2,662	6,799
	5,698	10,171

As at 31 December 2018, operating lease payments represent rentals payable by the Group for certain of its office properties for lease terms ranging from one to two years (2017: one to three years).

33. 有關連人士交易 (續)

(c) 除綜合財務報表另有披露者外，於本集團日常業務中進行之有關連人士交易如下：

34. 經營租賃承擔

於報告期末，本集團就根據不可撤銷經營租賃日後最低租金款項之承擔須於以下日期支付：

於二零一八年十二月三十一日經營租賃款項指本集團就其若干辦公室物業應付之租金，租賃期介乎一至兩年(二零一七年：一至三年)。



Notes to the Consolidated Financial Statements

綜合財務報表附註

35. CAPITAL COMMITMENTS

As at 31 December 2018, the Group did not have any significant capital commitments (2017: nil).

36. CONTINGENT LIABILITIES

As at 31 December 2018, the Group did not have any significant contingent liabilities (2017: nil).

37. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On 31 January 2019, the Company entered into a convertible bonds subscription agreement for the issue of 15% convertible bonds due 2020 with the third party in the principal amount of HK\$50 million which are convertible into 844,594,595 shares upon conversion of the convertible bonds at the exercise price of HK\$0.0592 per share. Up to the date of this report, the issue of convertible bonds is not completed. Details of the issue of convertible bonds are set out in the announcement of the Company dated 31 January 2019.

35. 資本承擔

於二零一八年十二月三十一日，本集團並無任何重大資本承擔（二零一七年：無）。

36. 或然負債

於二零一八年十二月三十一日，本集團並無任何重大或然負債（二零一七年：無）。

37. 報告期後重大事件

於二零一九年一月三十一日，本公司與獨立第三方就發行二零二零年到期15%可換股債券訂立可換股債券認購協議，本金額為50,000,000港元，以行使價每股0.0592港元轉換為可換股債券後可轉換為844,594,595股股份。截至本報告日期，可換股債券發行尚未完成。有關發行可換股債券之詳情載於日期為二零一九年一月三十一日之本公司公佈。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(a) Statement of financial position of the Company as at 31 December 2018

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
ASSETS	資產		
Non-current asset	非流動資產		
Investments in subsidiaries	於附屬公司之投資	-	-
		-	-
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	437,064	388,440
Deposits, prepayments and other receivables	按金、預付款項及其他 應收款項	932	669
Bank balances and cash	銀行結餘及現金	305	20,947
		438,301	410,056
Total assets	資產總額	438,301	410,056
EQUITY	權益		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔 資本及儲備		
Share capital	股本	22,620	22,620
Other reserves	其他儲備	372,831	382,078
		395,451	404,698
LIABILITIES	負債		
Current liabilities	流動負債		
Other payables	其他應付款項	4,467	2,255
Shareholder's loan	股東貸款	4,200	-
Amounts due to subsidiaries	應付附屬公司款項	34,183	3,103
		42,850	5,358
Total liabilities	負債總額	42,850	5,358
Total equity and liabilities	權益及負債總額	438,301	410,056

The statement of financial position has been approved by the Board of Directors on 29 March 2019 and is signed on its behalf by:

Li Sen
李森
Director
董事

Zhou Xuesheng
周學生
Director
董事

財務狀況表經董事會於二零一九年三月二十九日批准及由下列董事代表董事會簽署：

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(b) Reserve movement of the Company

38. 財務狀況表及本公司儲備變動 (續)

(b) 本公司儲備變動

		Share premium	Capital reserve	Share options reserve	Other reserve	Accumulated losses	Total
		股份溢價	資本儲備	購股權儲備	其他儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
As at 1 January 2017	於二零一七年一月一日	900,455	871	68,924	391,515	(949,701)	412,064
Comprehensive loss	全面虧損						
Loss for the year	年度虧損	-	-	-	-	(221,806)	(221,806)
Transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易						
Lapse of options (note 31(b))	購股權失效(附註31(b))	-	-	(437)	-	-	(437)
Issuance of new shares (note 26)	發行新股份(附註26)	192,257	-	-	-	-	192,257
Total transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易總額	192,257	-	(437)	-	-	191,820
As at 31 December 2017	於二零一七年十二月三十一日	1,092,712	871	68,487	391,515	(1,171,507)	382,078
As at 1 January 2018	於二零一八年一月一日	1,092,712	871	68,487	391,515	(1,171,507)	382,078
Comprehensive loss	全面虧損						
Loss for the year	年度虧損	-	-	-	-	(9,247)	(9,247)
Transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易						
Lapse of options (note 31(b))	購股權失效(附註31(b))	-	-	(2,499)	-	2,499	-
Total transactions with owners in their capacity as owners	與擁有人以擁有人之身份進行之交易總額	-	-	(2,499)	-	2,499	-
As at 31 December 2018	於二零一八年十二月三十一日	1,092,712	871	65,988	391,515	(1,178,255)	372,831

Notes to the Consolidated Financial Statements

綜合財務報表附註

39. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' and chief executive's emoluments

The remuneration of every director and chief executive is set out below:

For the year ended 31 December 2018:

39. 董事福利及權益

(a) 董事及最高行政人員之酬金

各董事及最高行政人員之薪酬載列如下：

截至二零一八年十二月三十一日止年度：

Emoluments paid to or receivable by the person in respect of a person's services as a director, whether of the Company or its subsidiary undertaking
一名人士就擔任董事(無論為本公司或其附屬公司業務之董事)之服務已獲支付或應收之酬金

		Directors' fees	Salaries, allowance and other benefits	Employer's contribution to pension scheme	Share-based payments	Discretionary bonus	Total
		董事袍金	薪金、津貼及其他福利	退休金計劃僱主供款	以股份支付款項	酌情花紅	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事						
Mr. Li Sen	李森先生	-	621	11	-	-	632
Mr. Wei Junqing	魏俊青先生	-	416	10	-	-	426
Mr. Zhou Xuesheng (CEO)	周學生先生(行政總裁)	-	292	7	-	-	299
Mr. Zhang Yuanqing (Resigned on 23 January 2018)	張元清先生 (於二零一八年一月二十三日辭任)	-	74	2	-	-	76
Independent Non-executive Directors	獨立非執行董事						
Mr. Wen Guan Wei	文光偉先生	190	-	-	-	-	190
Mr. Chiang Bun (resigned on 30 August 2018)	蔣斌先生(於二零一八年八月三十日辭任)	100	-	-	-	-	100
Ms. Leung Pik Har, Christine (resigned on 23 January 2018)	梁碧霞女士(於二零一八年一月二十三日辭任)	9	-	-	-	-	9
Dr. Hou chaohui (appointed on 30 August 2018)	侯超惠博士 (於二零一八年八月三十日獲委任)	91	-	-	-	-	91
Mr. Jiang Maolin (appointed on 25 October 2018)	姜茂林先生 (於二零一八年十月二十五日獲委任)	50	-	-	-	-	50
Dr. Chiao Li (appointed on 25 January 2018 and resigned on 25 October 2018)	喬立博士 (於二零一八年一月二十五日獲委任並於二零一八年十月二十五日辭任)	131	-	-	-	-	131
Total	總計	571	1,403	30	-	-	2,004

Notes to the Consolidated Financial Statements

綜合財務報表附註

39. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

Note:

Mr. Li Sen has been appointed as the CEO on 23 January 2018.

Dr. Chiao Li has been appointed as the Independent Non-executive Director on 23 January 2018.

For the year ended 31 December 2017:

39. 董事福利及權益 (續)

(a) 董事及最高行政人員之酬金 (續)

附註：

李森先生已於二零一八年一月二十三日獲委任為行政總裁。

喬立博士已於二零一八年一月二十三日獲委任為獨立非執行董事。

截至二零一七年十二月三十一日止年度：

Emoluments paid to or receivable by the person in respect of a person's services as a director, whether of the Company or its subsidiary undertaking
一名人士就擔任董事(無論為本公司或其附屬公司業務之董事)之服務已獲支付或應收之酬金

	Directors' fees	Salaries, allowance and other benefits	Employer's contribution to pension scheme	Share-based payments	Discretionary bonus	Total
	董事袍金	薪金、津貼及其他福利	退休金計劃僱主供款	以股份支付款項	酌情花紅	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
Executive Directors	執行董事					
Mr. Li Sen (Appointed on 15 September 2017)	李森先生(於二零一七年九月十五日獲委任)	-	-	-	-	-
Mr. Wei Junqing (Appointed on 15 September 2017)	魏俊青先生(於二零一七年九月十五日獲委任)	-	-	-	-	-
Mr. Zhou Xuesheng (Appointed on 7 November 2017)	周學生先生(於二零一七年十一月七日獲委任)	-	-	-	-	-
Mr. Suen Cho Hung, Paul (Resigned on 15 September 2017)	孫祖洪先生(於二零一七年九月十五日辭任)	-	743	37	-	780
Mr. Zhang Yuanqing (Co-CEO) (Resigned on 23 January 2018)	張元清先生(聯席行政總裁)(於二零一八年一月二十三日辭任)	-	1,300	18	-	1,318
Mr. Lai Ming Wai (Resigned on 15 September 2017)	黎明偉先生(於二零一七年九月十五日辭任)	-	372	18	-	390
Mr. Zhu Lijia (Resigned on 1 August 2017)	祝立家先生(於二零一七年八月一日辭任)	-	770	11	-	781
Mr. Pu Wei (Co-CEO) (Appointed on 11 January 2017 and Resigned on 7 November 2017)	浦巍先生(聯席行政總裁)(於二零一七年一月十一日獲委任及於二零一七年十一月七日辭任)	-	794	14	-	808
Independent Non-executive Directors	獨立非執行董事					
Mr. Wen Guan Wei (Appointed on 25 August 2017)	文光偉先生(於二零一七年八月二十五日獲委任)	53	-	-	-	53
Mr. David Tsoi (Retired on 15 June 2017)	蔡大維先生(於二零一七年六月十五日退任)	69	-	-	-	69
Mr. Chiang Bun	蔣斌先生	150	-	-	-	150
Ms. Leung Pik Har, Christine (Resigned on 23 January 2018)	梁碧霞女士(於二零一八年一月二十三日辭任)	150	-	-	-	150
Total	總計	422	3,979	98	-	4,499

Notes to the Consolidated Financial Statements

綜合財務報表附註

39. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(b) Directors' retirement benefits

There were no retirement benefits paid to directors during the year ended 31 December 2018 (2017: nil) by a defined benefit pension plan operated by the Group in respect of the services as a director of the Company and its subsidiaries.

(c) Director's termination benefits

During the year ended 31 December 2018, there was no board resolution to early terminate of the director's appointment in office (2017: nil).

(d) Consideration provided to third parties for making available directors' services

No consideration was provided to third parties for making available of director's services during the year ended 31 December 2018 (2017: nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 December 2018, there was no arrangement in relation to loans, quasi-loans and other dealings in favour of the directors of the Company, the controlled bodies corporate by and the connected entities with such director (2017: nil).

39. 董事福利及權益 (續)

(b) 董事退休福利

截至二零一八年十二月三十一日止年度，概無透過本集團營運之界定退休金計劃就本公司及其附屬公司董事之服務向其支付退休福利(二零一七年：無)。

(c) 董事終止福利

截至二零一八年十二月三十一日止年度，概無提前終止董事職務之董事會決議案(二零一七年：無)。

(d) 就獲提供董事服務而給予第三方之代價

截至二零一八年十二月三十一日止年度，概無就獲提供董事服務而給予第三方之代價(二零一七年：無)。

(e) 有關以董事、董事之受控制法團及關連實體為受益人之貸款、準貸款及其他交易之資料

截至二零一八年十二月三十一日止年度，概無有利於本公司董事、該董事之受控制法團及關連實體之貸款、準貸款及其他交易相關之安排(二零一七年：無)。



Notes to the Consolidated Financial Statements 綜合財務報表附註

39. BENEFITS AND INTERESTS OF DIRECTORS

(Continued)

(f) Directors' material interests in transactions, arrangements or contracts

Save as disclosed in note 33, no significant transactions, arrangements and contracts in relation to Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2017: nil).

39. 董事福利及權益 (續)

(f) 董事於交易、安排或合約之重大權益

除附註33披露者外，本公司概無就本集團業務訂立使本公司董事直接或間接擁有重大權益且於年度結束時或年度內任何時間持續有效之重要交易、安排及合約(二零一七年：無)。

Five-Year Financial Summary

五年財務概要

The consolidated results, and assets and liabilities of the Group from both continuing and discontinued operations for the last five financial years are summarised below.

截止上五個財政年度，本集團來自持續經營業務及已終止經營業務之綜合績、資產及負債概述如下。

		Year ended 31 December 截至十二月三十一日止年度				
		2018	2017	2016	2015	2014
		二零一八年	二零一七年	二零一六年	二零一五年	二零一四年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Assets and liabilities	資產及負債					
Total assets	資產總額	813,900	1,185,302	641,151	536,901	1,156,289
Total liabilities	負債總額	238,109	582,064	209,798	110,730	241,027
Capital and reserves attributable to owners of the Company	本公司擁有人應佔資本及儲備	575,791	603,238	434,142	377,452	626,642
Results	業績					
Revenue	收益	885,871	59,228	184,595	13,171	1,043
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(14,531)	(93,900)	(34,849)	(44,720)	(84,831)

