

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

香港交易及結算所有限公司以及香港聯合交易所有限公司對本公佈之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本公佈全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。



Evershine Group Holdings Limited

永耀集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

(Stock Code 股份代號：8022)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017 截至二零一七年十二月三十一日止年度之 全年業績公佈

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement, for which the directors (the “Directors”) of Evershine Group Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

香港聯合交易所有限公司(「聯交所」)GEM的特色

GEM的定位，乃為較於聯交所上市的其他公司帶有較高投資風險的中小型公司提供一個上市的市場。有意投資者應瞭解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。

由於GEM上市的公司一般為中小型公司，在GEM買賣的證券可能會承受較於聯交所主板買賣的證券為高的市場波動風險，同時亦無法保證在GEM買賣的證券會有高流通量的市場。

香港交易及結算所有限公司及聯交所對本公佈的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本公佈全部或任何部分內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。

本公佈載有遵照聯交所GEM證券上市規則(「GEM上市規則」)規定提供的詳情，旨在提供有關永耀集團控股有限公司(「本公司」)的資料，而本公司董事(「董事」)願就本公佈共同及個別承擔全部責任。董事經作出一切合理查詢後確認，就彼等所深知及確信，本公佈所載資料在各重大方面均屬準確及完整，並無誤導或欺詐成分，亦無遺漏其他事項致使本公佈內任何陳述或本公佈產生誤導。

GROUP FINANCIAL HIGHLIGHTS

For the year ended 31 December 2017:

- The revenue from continuing operations was approximately HK\$27,948,000 (2016: HK\$116,104,000 (re-presented));
- The loss attributable to shareholders of the Company was approximately HK\$66,961,000 (2016: HK\$65,399,000);
- Basic loss per share for loss attributable to shareholders of the Company were HK 4.16 cents (2016: basic loss per share of HK 4.49 cents); and
- The board of Directors do not recommend the payment of any final dividend.

集團財務摘要

截至二零一七年十二月三十一日止年度：

- 來自持續經營業務收益約為27,948,000港元(二零一六年：116,104,000港元(經重列))；
- 本公司股東應佔虧損約為66,961,000港元(二零一六年：65,399,000港元)；
- 本公司股東應佔虧損之每股基本虧損為4.16港仙(二零一六年：每股基本虧損為4.49港仙)；及
- 董事會不建議派發任何末期股息。

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2017

綜合損益表
截至二零一七年十二月三十一日止年度

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Continuing operations	持續經營業務			
Revenue	收益	3&8	27,948	116,104
Cost of sales	銷售成本		(25,314)	(112,067)
Gross profit	毛利		2,634	4,037
Other income, gains and losses, net	其他收入、收益及虧損淨額	4	(6,021)	6,288
Share of profits of associates	分佔聯營公司溢利		996	—
Impairment loss on intangible assets	無形資產之減值虧損		—	(14,309)
Impairment loss on goodwill	商譽之減值虧損		—	(10,997)
Operating and administrative expenses	經營及行政開支		(39,905)	(39,243)
Loss from operations	經營虧損		(42,296)	(54,224)
Finance costs	融資成本	5	(27,033)	(12,542)
Loss before taxation	除稅前虧損	5	(69,329)	(66,766)
Taxation	稅項	6	—	916
Loss after taxation from continuing operations	持續經營業務之除稅後虧損		(69,329)	(65,850)
Discontinued operations	已終止業務			
Profit from discontinued operations	已終止業務溢利		580	926
Loss for the year	本年度虧損		(68,749)	(64,924)
Attributable to:	歸屬於：			
Shareholders of the Company	本公司股東			
— From continuing operations	— 來自持續經營業務		(67,532)	(66,835)
— From discontinued operations	— 來自已終止業務		571	1,436
			(66,961)	(65,399)
Non-controlling interests	非控股權益			
— From continuing operations	— 來自持續經營業務		(1,797)	986
— From discontinued operations	— 來自已終止業務		9	(511)
			(1,788)	475
Loss for the year	本年度虧損		(68,749)	(64,924)
(Loss)/Earnings per share	每股(虧損)/盈利	7		
From continuing and discontinued operations	來自持續經營業務及已終止業務			
Basic and Diluted	基本及攤薄		(4.16) cents港仙	(4.49) cents港仙
From continuing operations	來自持續經營業務	7		
Basic and Diluted	基本及攤薄		(4.20) cents港仙	(4.59) cents港仙
From discontinued operations	來自已終止業務	7		
Basic and Diluted	基本及攤薄		0.04 cents港仙	0.10 cents港仙

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the year ended 31 December 2017

綜合損益及其他全面收益表

截至二零一七年十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Loss for the year	本年度虧損	(68,749)	(64,924)
Other comprehensive income/(expense) for the year	本年度其他全面收入／(開支)		
Items that may be reclassified subsequently to profit or loss:	可能於其後獲重新分類至損益之項目：		
Exchange differences on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	3,401	(4,252)
Reclassification adjustment relating to disposal of foreign operations	有關出售海外業務之重新分類調整	(426)	—
Share of exchange differences of associates	分佔聯營公司之匯兌差額	(101)	(65)
Other comprehensive income/(expense) for the year	本年度其他全面收入／(開支)	2,874	(4,317)
Total comprehensive expense for the year	本年度全面開支總額	(65,875)	(69,241)
Attributable to:	歸屬於：		
Equity shareholders of the Company	本公司權益股東	(63,588)	(69,553)
Non-controlling interests	非控股權益	(2,287)	312
Total comprehensive expense for the year	本年度全面開支總額	(65,875)	(69,241)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2017

綜合財務狀況表

於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	56,194	53,812
Investment properties	投資物業	10	55,100	51,900
Intangible assets	無形資產	11	114,478	118,351
Goodwill	商譽		—	—
Interests in associates	於聯營公司之權益	12	120,812	60,418
Deposit for acquisition of subsidiaries	收購附屬公司按金		15,626	—
			362,210	284,481
Current assets	流動資產			
Inventories	存貨		2,303	3,518
Trade and other receivables	貿易及其他應收款項	13	40,091	119,112
Loan and interest receivables	應收貸款及利息	14	902	—
Restricted bank deposits	受限制銀行存款		—	2,406
Cash and cash equivalents	現金及現金等價物		13,947	12,406
			57,243	137,442
Current liabilities	流動負債			
Trade and other payables and deferred revenue	貿易及其他應付款項 以及遞延收益	15	10,966	40,433
Short-term loans	短期貸款	16	52,000	52,000
Obligations under finance leases	融資租約債務	17	155	—
Promissory notes	承兌票據	18	20,152	27,508
			83,273	119,941
Net current (liabilities)/assets	流動(負債)/資產淨值		(26,030)	17,501
Total assets less current liabilities	資產總值減流動負債		336,180	301,982
Non-current liabilities	非流動負債			
Other payables	其他應付款項	15	754	—
Obligations under finance leases	融資租約債務	17	676	—
Promissory notes	承兌票據	18	51,211	83,152
Convertible notes	可換股票據	19	96,198	24,348
			148,839	107,500
NET ASSETS	資產淨值		187,341	194,482
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本		1,015,341	959,333
Reserves	儲備		(838,354)	(777,518)
Total equity attributable to shareholders of the Company	本公司股東應佔權益總額		176,987	181,815
Non-controlling interests	非控股權益		10,354	12,667
TOTAL EQUITY	權益總額		187,341	194,482

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2017

綜合權益變動表
截至二零一七年十二月三十一日止年度

	Notes 附註	Attributable to shareholders of the Company 本公司股東應佔								Total equity 權益總額 HK\$'000 千港元
		Share capital 股本 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Statutory reserve 法定儲備 HK\$'000 千港元	Convertible notes reserve 可換股 票據儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Accum- lated 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	
At 1 January 2016	二零一六年一月一日	908,401	(13)	53	11,063	44	(711,482)	208,066	8,701	216,767
(Loss)/Profit for the year	年內(虧損)/溢利	—	—	—	—	—	(65,399)	(65,399)	475	(64,924)
— share of exchange difference on associate	— 分佔聯營公司 之匯兌差額	—	(65)	—	—	—	—	(65)	—	(65)
— exchange difference on translation of financial statements of overseas subsidiaries	— 換算海外附屬公司 財務報表之 匯兌差額	—	(4,089)	—	—	—	—	(4,089)	(163)	(4,252)
Loss and total comprehensive expenses for the year	年內虧損及 全面開支總額	—	(4,154)	—	—	—	(65,399)	(69,553)	312	(69,241)
Capital injection from non-controlling interest	非控股權益之 注資	—	—	—	—	—	—	—	45	45
Issue of convertible notes	發行可換股票據	—	—	—	3,433	—	—	3,433	—	3,433
Issue of shares upon conversion of convertible notes	兌換可換股票據後 發行股份	50,932	—	—	(11,063)	—	—	39,869	—	39,869
Disposal of subsidiaries	出售附屬公司	—	—	—	—	—	—	—	3,609	3,609
At 31 December 2016	於二零一六年十二月三十一日	959,333	(4,167)	53	3,433	44	(776,881)	181,815	12,667	194,482
Loss for the year	年內虧損	—	—	—	—	—	(66,961)	(66,961)	(1,788)	(68,749)
— share of exchange difference on associate	— 分佔聯營公司之 匯兌差額	—	(101)	—	—	—	—	(101)	—	(101)
— Released of exchange reserve upon disposal of subsidiaries	— 出售附屬公司時撥回 匯兌儲備	—	(426)	—	—	—	—	(426)	—	(426)
— exchange difference on translation of financial statements of overseas subsidiaries	— 換算海外附屬公司 財務報表之 匯兌差額	—	3,900	—	—	—	—	3,900	(499)	3,401
Loss and total comprehensive income/ (expenses) for the year	年內虧損及全面收入/ (開支)總額	—	3,373	—	—	—	(66,961)	(63,588)	(2,287)	(65,875)
Issue of convertible notes	發行可換股票據	—	—	—	3,336	—	—	3,336	—	3,336
Issue of placed share	發行配售股份	41,160	—	—	—	—	—	41,160	—	41,160
Issue of shares upon conversion of convertible notes	兌換可換股票據後 發行股份	14,848	—	—	(584)	—	—	14,264	—	14,264
Disposal of subsidiaries	出售附屬公司	—	—	(53)	—	—	53	—	(26)	(26)
At 31 December 2017	於二零一七年十二月三十一日	1,015,341	(794)	—	6,185	44	(843,789)	176,987	10,354	187,341

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2017

1. GENERAL INFORMATION

Evershine Group Holdings Limited (the “Company”) is a public limited company incorporated in Hong Kong with its shares listed on the GEM Board of The Stock Exchange of Hong Kong Limited.

The address of the registered office and principal place of business of the Company are at 16th Floor, Henan Building, 90 & 92 Jaffe Road, Wan Chai, Hong Kong.

The principal activity of the Company is investment holding. The subsidiaries and associates of the Company are engaged in trading business, property development and investment business, money lending business, mobile application business and cemetery business.

The consolidated financial statements are presented in Hong Kong dollars (HK\$), which is the same as the functional currency of the Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis, except for investment properties and financial liabilities at fair value through profit or loss, which are measured at fair value.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

財務報表附註

截至二零一七年十二月三十一日止年度

1. 一般資料

永耀集團控股有限公司(「本公司」)為一間於香港註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司創業板上市。

本公司註冊辦事處及主要營業地址為香港灣仔謝斐道90及92號豫港大廈16樓。

本公司之主要業務為投資控股。本公司附屬公司及聯營公司從事貿易業務、物業開發及投資業務、放債業務、手機應用程式業務及公墓業務。

綜合財務報表以港元呈列，與本公司之功能貨幣相同。

2. 重大會計政策概要

(a) 合規聲明

此等綜合財務報表乃按照香港會計師公會頒佈之所有適用香港財務報告準則(「香港財務報告準則」)(為所有適用個別香港財務報告準則、香港會計準則及詮釋之統稱)及香港公認會計原則以及香港公司條例之規定編製。此等綜合財務報表亦遵守香港聯合交易所有限公司創業板證券上市規則(「創業板上市規則」)之適用披露規定。

(b) 財務報表之編製基準

編製財務報表所採納之計量基準為歷史成本基準，惟以公平值計量之投資物業及按公平值計入損益之金融負債除外。

根據香港財務報告準則編製財務報表需要管理層作出判斷、估計及假設，該等判斷、估計及假設影響政策之應用以及資產、負債、收入及開支之呈報金額。估計及相關假設乃根據以往經驗及在相關情況下認為合理之多項其他因素作出，其結果構成管理層未能明顯地從其他來源取得資產及負債之賬面值時所作出判斷之基礎。實際結果有可能會與估計出現差異。

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

- 1) The Group has been under negotiation with the current lender for renewal of short-term loans at 9.5% per annum. In the opinion of the directors of the Company, the maturity date of such loans is expected to reschedule by September 2019. Up to the date of the approval of the consolidated financial statements, the principal terms of short-term loans are considered to be unchanged and subjected to further confirmation; and
- 2) The Company has been offered a loan of \$34 million with an interest rate carrying at 24% per annum that would be made available up to 31 December 2018. The loan will be secured by second mortgage charge against the group's investment properties and land and buildings. The lender of this loan offer is a licensed money lender in Hong Kong, an independent third party to the Company.

In light of the arrangements implemented to date, the directors are of the view that the Group has sufficient cash resources to satisfy its working capital and other financial obligations for the next twelve months from the date of the consolidated financial statements, after having taken into account of the Group's projected cash flows, current financial resources and capital expenditure requirements with respect to the development of its businesses. Accordingly, the directors are of the view that it is appropriate to prepare these consolidated financial statements on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to restate the value of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

(c) Application of new and revised Hong Kong Financial Reporting Standards (HKFRSs)

In the current year, the Group has adopted all the new and revised HKFRSs, amendments and Interpretations that are effective from that date and are relevant to its operations. The adoption of these new/revised HKFRSs, amendments and interpretations does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior period.

估計及相關假設乃按持續基礎不斷檢討。倘會計估計之修訂只是影響某一期間，其影響便會在該期間內確認；倘修訂對當前及未來期間均有影響，則在作出修訂之期間和未來期間確認。

- 1) 本集團一直與目前貸款人磋商續約短期貸款，利率為每年9.5%。本公司董事認為，該等貸款之到期日預計將會延續至二零一九年九月。截至綜合財務報表獲批准當日，有關短期貸款之主要條款被視為不會改變並須待進一步確認；及
- 2) 本集團已獲提供34百萬港元貸款，利率按年利率24%計息，有效期將直至二零一八年十二月三十一日。該貸款將由本集團投資物業以及土地及樓宇作第二按揭抵押。該貸款之貸方為於香港之持牌放債人及本公司獨立第三方。

鑒於迄今所實施之措施及安排，董事於考慮本集團預期現金流量、當前財務資源及與其業務發展有關之資本開支要求後認為，本集團擁有充足之現金資源，以滿足自綜合財務報表日期起未來十二個月之營運資金及其他財務責任。因此，董事認為以持續經營基準編製此等綜合財務報表實屬恰當。倘本集團不能繼續以持續經營方式營運，將會作出調整以將資產價值重列至其可收回金額，以為可能產生之任何其他負債作出撥備，及分別將非流動資產及非流動負債重新分類為流動資產及流動負債。此等潛在調整之影響並未於綜合財務報表中反映。

(c) 應用新訂及經修訂香港財務報告準則 (香港財務報告準則)

本年度，本集團已採納於該日已生效並與其業務相關之所有新訂及經修訂香港財務報告準則、修訂本及詮釋。採納該等新訂／經修訂香港財務報告準則、修訂本及詮釋不會導致本集團之會計政策有所變更，對本期間或過往期間所呈報之數額並無重大影響。

3. REVENUE

The Group's revenue comprises the trading business, rentals and interest income from money lending business. Travel agency service income was included in discontinuing operations for the year ended 31 December 2017 as the travel agency service business has been disposed on 21 April 2017.

The amount of each significant category of revenue recognised in revenue during the year is analysed as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Continuing operations	持續經營業務		
— Trading business	— 貿易業務	25,399	115,185
— Rental income	— 租賃收入	1,684	833
— Interest income from money lending business	— 放債業務利息收入	865	—
— Service income from mobile application	— 手機應用程式服務收入	—	86
		27,948	116,104
Discontinued operations	已終止業務		
— Advertising and marketing services	— 廣告及市場推廣服務	—	2,106
— Revenue from travel agency services	— 旅遊代理服務收益	7,962	19,358
		7,962	21,464
		35,910	137,568

4. OTHER INCOME, GAINS AND LOSSES, NET

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Interest income from banks	銀行利息收入	10	12
Sundry income	雜項收入	21	68
Gain on fair value change of investment properties	投資物業之公平值變動收益	3,200	6,981
Gain on extinguishment of financial liabilities	抵銷金融負債之收益	—	2,811
Impairment loss on amount due from an associate	應收一間聯營公司款項之減值虧損	—	(6,000)
Bargain purchase on acquisition of an associate	就收購一間聯營公司進行議價收購	—	2,416
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(392)	—
Change in fair value of derivative asset – put option	衍生資產 – 認沽期權之公平值變動	(8,860)	—
(Loss)/Gain, net	(虧損)/收益淨額	(6,021)	6,288

3. 收益

本集團之收益來自貿易業務，租金及放債業務所得利息收入。由於旅遊代理服務業務已於二零一七年四月二十一日出售，故旅遊代理服務收入已於截至二零一七年十二月三十一日止年度計入已終止業務。

年內，於營業額中確認之各項主要收益類別金額分析如下：

4. 其他收入、收益及虧損淨額

5. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

5. 除稅前虧損

除稅前虧損已扣除下列各項：

		Continuing operations		Discontinued operations		Total	
		持續經營業務		已終止業務		總計	
		2017	2016	2017	2016	2017	2016
		二零一七年	二零一六年	二零一七年	二零一六年	二零一七年	二零一六年
		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
			(Re-presented)		(Re-presented)		(Re-presented)
			(經重列)		(經重列)		(經重列)
(a) Finance costs	融資成本						
Interest on finance leases	融資租約之利息	23	—	—	—	23	—
Interest on promissory notes	承兌票據之利息	7,975	6,820	—	—	7,975	6,820
Interest on convertible notes	可換股票據之利息	13,965	2,702	—	—	13,965	2,702
Interest on short-term loans	短期貸款之利息	5,070	3,020	—	—	5,070	3,020
		27,033	12,542	—	—	27,033	12,542
(b) Staff costs (including Directors' remuneration)	員工成本 (包括董事酬金)						
Contributions to defined contribution retirement plans	定額供款退休計劃之供款	322	209	7	14	329	223
Social security costs	社會保障成本	82	79	22	—	104	79
Salaries, wages and other benefits	薪金、工資及其他福利	12,465	8,917	336	298	12,801	9,215
		12,869	9,205	365	312	13,234	9,517
(c) Other items	其他項目						
Depreciation	折舊	2,939	1,782	20	58	2,959	1,840
Auditors' remuneration — current year	核數師酬金 — 本年度	695	965	—	—	695	965
Operating lease charges in respect of property rental	物業租金之經營租賃開支	2,410	2,774	—	—	2,410	2,774
Amortisation of intangible assets	無形資產攤銷	3,834	11,600	39	117	3,873	11,717
Impairment losses — Goodwill	減值虧損 — 商譽	—	10,997	—	—	—	10,997
— Intangible assets	— 無形資產	—	14,309	—	—	—	14,309
Costs of inventories	存貨成本	25,314	112,067	—	—	25,314	112,067
Rental received less outgoing from investment properties	已收租金減投資物業開支	1,684	824	—	—	1,684	824

6. TAXATION

Taxation in the consolidated statement of profit or loss represents:

6. 稅項

綜合損益表內之稅項指：

	Continuing operations 持續經營業務		Discontinued operation 已終止業務		Total 總計	
	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
Current tax — PRC Enterprise Income Tax — Hong Kong Profit Tax						
Deferred tax		(564)		(352)		(916)
		(564)		(352)		(916)

Hong Kong Profits Tax has been calculated at 16.5% (2016: 16.5%) of the estimated assessable profits arising in Hong Kong for both years.

香港利得稅按該兩個年度於香港產生估計應課稅溢利之16.5%(二零一六年：16.5%)計算。

7. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the shareholders of the Company is based on the following data:

7. 每股虧損

本公司股東應佔每股基本及攤薄虧損乃按以下數據計算：

Continuing and discontinued operations

持續經營業務及已終止業務

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (Re-presented) (經重列)
(Loss)/earnings	(虧損)/盈利		
(Loss)/earnings for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言之(虧損)/盈利(本公司股東應佔本年度(虧損)/盈利)		
((Loss)/earnings for the year attributable to the shareholders of the Company)			
– from continuing operations	– 來自持續經營業務	(67,532)	(66,835)
– from discontinued operations	– 來自已終止業務	571	1,436
Loss for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言之虧損	(66,961)	(65,399)

		2017 二零一七年 '000 shares 千股	2016 二零一六年 '000 shares 千股
Number of shares	股份數目		
Weighted average number of share for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言之股份加權平均數	1,606,733	1,457,114

The diluted loss per share for the years ended 31 December 2017 and 2016 is the same as the basic earnings per share as there were no dilutive potential shares outstanding during both years.

From continuing operations

Loss	虧損	2017	2016
Loss for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言之虧損	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
From continuing operations	來自持續經營業務	(67,532)	(66,835)

The denominators used are the same as those detailed above for both basic and diluted loss per share.

From discontinued operations

Basic and diluted earnings per share from discontinued operation is HK0.04 cent per share (2016: basic and diluted earnings per share of HK0.10 cent per share (re-presented)), based on the profit for the year ended 31 December 2017 from discontinued operation attributable to the shareholders of the Company of HK\$571,000 (2016: HK\$1,436,000 (re-presented)) and the denominators detailed above for both basic and diluted earnings per share.

8. SEGMENT REPORTING

The Group manages its business by divisions. The reportable segments are in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment.

In 2017, the Group had five (2016: five) continuing business segments, namely (i) trading; (ii) property development and investment; (iii) money lending; (iv) mobile application; and (v) cemetery. Travel agency services business has discontinued for the year ended 31 December 2017.

- Trading: This segment is engaged in trading of goods including, but not limited to steaming coal and chrome ore. Currently the Group's activities in this regard are carried out in the People's Republic of China (the "PRC") and the Republic of Turkey ("Turkey").
- Property development and investment: This segment is engaged in building construction, property development, trading of construction materials and the related consultancy services through its interest in an associate and leasing of property. Currently the Group's activities in this regard are carried out in Turkey and Hong Kong.

截至二零一七年及二零一六年十二月三十一日止年度之每股攤薄虧損與每股基本盈利相同，乃由於兩個年度內概無潛在可攤薄股份。

來自持續經營業務

2017	2016
二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
(67,532)	(66,835)

(Re-presented)
(經重列)

用作計算每股基本及攤薄虧損之分子與上文詳述者相同。

來自已終止業務

根據截至二零一七年十二月三十一日止年度本公司股東應佔來自已終止業務之溢利為571,000港元(二零一六年：1,436,000港元(經重列))及上文詳述用作計算每股基本及攤薄盈利之分子，來自已終止業務之每股基本及攤薄盈利為每股0.04港仙(二零一六年：每股基本及攤薄盈利為每股0.10港仙(經重列))。

8. 分部報告

本集團以部門管理其業務。可報告分部之呈列方式與就分配資源及評估表現向本集團最高級行政管理人員內部報告資料之方式一致。

於二零一七年，本集團設有五個持續經營業務分部(二零一六年：五個)，即(i)貿易；(ii)物業開發及投資；(iii)放債；(iv)手機應用程式；及(v)公墓。旅遊代理服務業務已於截至二零一七年十二月三十一日止年度終止。

- 貿易：此分部從事買賣貨品，包括(但不限於)蒸汽煤及鎢礦。目前，本集團有關此方面之活動於中華人民共和國(「中國」)及土耳其共和國(「土耳其」)進行。
- 物業開發及投資：此分部透過其於一間聯營公司之權益從事樓宇建造、物業開發、建築材料買賣及相關諮詢服務業務以及從事租賃物業。目前，本集團有關此方面之活動於土耳其及香港進行。

- Money lending: This segment is engaged in provision of money lending business through a wholly-owned subsidiary of the Company which is a money lender licensed in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).
- Mobile application: This segment is engaged in the operating rights of “Ninja in Barrel” and mobile application business of “Patalogue”. Currently the Group’s activities in this regard are carried out in the PRC and Hong Kong.
- Cemetery: This segment is engaged in the construction and operation of cemetery. Currently the Group’s activities in this regard are carried out in the PRC.
- Travel agency services: This segment engaged in the provision of tourist routes and tour related services. Currently the Group’s activities in this regard are carried out in the PRC.
- 放債：此分部透過本公司為放債人條例(香港法例第163章)項下香港持牌放債人之全資附屬公司從事提供放債業務。
- 手機應用程式：此分部從事「木桶忍者」經營權及「派得樂」手機應用程式業務。目前，本集團有關此方面之活動於中國及香港進行。
- 公墓：此分部從事建造及營運公墓。目前，本集團有關此方面之活動於中國進行。
- 旅遊代理服務：此分部從事提供旅遊路線及旅遊相關服務。目前，本集團有關此方面之活動於中國進行。

Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable and operating segment:

分部收益及業績

以下為本集團按可報告經營分部劃分之收益及業績分析：

		2017 二零一七年					Discontinued operation 已終止業務		
		Continuing Operations 持續經營業務							
		Property development and investment 物業開發及投資		Money lending 放債	Mobile application 手機應用程式	Cemetery 公墓	Sub-total 小計	Travel agency services 旅遊代理服務	Total 總計
		Trading 貿易	investment 投資	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue from external customers	外部客戶之分部收益	25,399	1,684	865	—	—	27,948	7,962	35,910
Segment (loss)/ profit	分部(虧損)/溢利	(3,141)	3,381	854	(5,138)	(6,821)	(10,865)	580	(10,285)
Unallocated corporate income	未分配公司收入						31	—	31
Unallocated corporate expenses	未分配公司開支						(31,462)	—	(31,462)
Finance costs	融資成本						(27,033)	—	(27,033)
(Loss)/profit before tax	除稅前(虧損)/溢利						(69,329)	580	(68,749)

		2016 二零一六年								
		Continuing Operations 持續經營業務				Discontinued operations 已終止業務				
		Mobile application 手機應用程式 HK\$'000 千港元	Trading 貿易 HK\$'000 千港元	Property development and investment 物業開發及 投資 HK\$'000 千港元	Cemetery 公墓 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Travel agency services 旅遊代理服務 HK\$'000 千港元	Advertising and marketing services 廣告及 市場推廣服務 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue from external customers	外部客戶之分部收益	86	115,185	833	—	116,104	19,358	2,106	21,464	137,568
Segment (loss)/ profit	分部(虧損)/溢利	(37,109)	(5,561)	9,679	(2,650)	(35,641)	(1,780)	2,706	926	(34,715)
Unallocated corporate income	未分配公司收入					2,877	—	—	—	2,877
Unallocated corporate expenses	未分配公司開支					(21,460)	—	—	—	(21,460)
Finance costs	融資成本					(12,542)	—	—	—	(12,542)
(Loss)/profit before tax	除稅前(虧損)/溢利					(66,766)	(1,780)	2,706	926	(65,840)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

分部資產及負債

以下為本集團按可報告經營分部劃分之資產及負債分析：

		Segment assets 分部資產		Segment liability 分部負債	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Continuing operations	持續經營業務				
Trading	貿易	28,222	88,205	(1,431)	(11,490)
Property development and investment	物業開發及投資	117,007	99,096	(726)	(26,454)
Money lending	放債	2,290	—	(972)	—
Mobile application	手機應用程式	72,287	592	—	(3,233)
Cemetery	公墓	129,005	128,945	(5,988)	(2,991)
Sub-total	小計	348,811	316,838	(9,117)	(44,168)
Discontinuing operations	已終止業務				
Travel agency services	旅遊代理服務	—	21,115	—	(19,521)
Total segment assets/liabilities	總分部資產/負債	348,811	337,953	(9,117)	(63,689)
Unallocated corporate assets/liabilities	未分配公司資產/負債	70,642	83,970	(222,995)	(163,752)
Consolidated assets/ liabilities	綜合資產/負債	419,453	421,923	(232,112)	(227,441)

Other segment information

其他分部資料

	Continuing operations							Discontinued operation		Total
	持續經營業務							已終止業務		
	Trading	Property development and investment 物業開發	Money lending 放債	Mobile application 手機	Cemetery 公墓	Unallocated 未分配	Sub-total 小計	Travel agency service 旅遊	Travel agency service 旅遊	
Year ended 31 December 2017	貿易	及投資	放債	應用程式	公墓	未分配	小計	代理服務	代理服務	總計
截至二零一七年十二月三十一日止年度	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Amounts included in the measure of segment result or segment assets:	計入分部業績或分部資產計量之金額：									
Addition to plant and equipment	—	187	—	—	5,673	4,366	10,226	24	—	10,250
Depreciation	—	1,407	—	—	236	1,296	2,939	20	—	2,959
Amortisation	—	—	—	351	3,522	—	3,873	—	—	3,873
Gain on changes in fair value of investment properties	—	3,200	—	—	—	—	3,200	—	—	3,200
Interest in associates	3,000	45,716	—	72,096	—	—	120,812	—	—	120,812
Share of profit of associates	—	(1,394)	—	2,390	—	—	996	—	—	996

	Continuing operations							Discontinued operation		Total
	持續經營業務							已終止業務		
	Mobile application 手機	Trading 貿易	Property development and investment 物業開發	Cemetery 公墓	Unallocated 未分配	Sub-total 小計	Travel agency services 旅遊	Advertising and marketing services 廣告及市場推廣服務	Sub total 小計	
Year ended 31 December 2016	應用程式	貿易	及投資	公墓	未分配	小計	代理服務	市場推廣服務	小計	總計
截至二零一六年十二月三十一日止年度	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Amounts included in the measure of segment result or segment assets:	計入分部業績或分部資產計量之金額：									
Addition to plant and equipment	—	—	—	3,814	5,956	9,770	93	—	93	9,863
Addition to land and building through acquisition of a subsidiary	—	—	—	—	44,763	44,763	—	—	—	44,763
Addition to investment properties through acquisition of a subsidiary	—	—	44,919	—	—	44,919	—	—	—	44,919
Depreciation	(76)	—	(723)	(126)	(799)	(1,724)	(58)	—	(58)	(1,782)
Amortisation	(11,600)	—	—	—	—	(11,600)	—	—	—	(11,600)
Impairment of intangible asset	(14,309)	—	—	—	—	(14,309)	—	—	—	(14,309)
Gain on changes in fair value of investment properties	—	—	6,981	—	—	6,981	—	—	—	6,981
Impairment loss recognised in respect of goodwill	(10,997)	—	—	—	—	(10,997)	—	—	—	(10,997)
Interest in associates	—	13,272	47,146	—	—	60,418	—	—	—	60,418
Share of profit of associates	—	—	(65)	—	—	(65)	—	—	—	(65)
Bargain purchase of acquisition of an associate	—	—	2,416	—	—	2,416	—	—	—	2,416

9. PROPERTY, PLANT AND EQUIPMENT

9. 物業、廠房及設備

		Note 附註	Land and Building 土地及樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、 裝置及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本:							
At 1 January 2016	於二零一六年一月一日		—	775	1,190	709	—	2,674
Exchange adjustments	匯兌調整		—	(13)	(36)	(60)	(154)	(263)
Additions	添置		—	1,299	690	4,430	3,444	9,863
Addition through acquisition of a subsidiary	透過收購 一間附屬公司添置		44,763	—	—	—	—	44,763
Disposals	出售		—	—	(194)	—	—	(194)
At 31 December 2016 and at 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日		44,763	2,061	1,650	5,079	3,290	56,843
Exchange adjustments	匯兌調整		—	3	21	62	(805)	(719)
Additions	添置		—	519	3,069	1,441	5,221	10,250
Addition through acquisition of a subsidiary	透過收購 一間附屬公司添置		—	—	—	—	—	—
Disposals	出售		—	—	(765)	(4,100)	—	(4,865)
Disposal of subsidiaries	出售附屬公司		—	(317)	(428)	(455)	—	(1,200)
At 31 December 2017	於二零一七年十二月三十一日		44,763	2,266	3,547	2,027	7,706	60,309
Accumulated depreciation and impairment:	累計折舊 及減值:							
At 1 January 2016	於二零一六年一月一日		—	154	1,023	332	—	1,509
Exchange adjustment	匯兌調整		—	(6)	(32)	(28)	—	(66)
Charge for the year	年內支出	5(c)	723	118	124	817	—	1,782
Written back on disposals	出售時撥回		—	—	(194)	—	—	(194)
At 31 December 2016 and at 1 January 2017	於二零一六年十二月三十一日 及二零一七年一月一日		723	266	921	1,121	—	3,031
Exchange adjustment	匯兌調整		—	4	14	20	—	38
Charge for the year	年內支出	5(c)	1,408	348	617	586	—	2,959
Written back on disposals	出售時撥回		—	—	(110)	(958)	—	(1,068)
Disposal of subsidiaries	出售附屬公司		—	(107)	(394)	(344)	—	(845)
At 31 December 2017	於二零一七年十二月三十一日		2,131	511	1,048	425	—	4,115
Carrying amount:	賬面值:							
At 31 December 2017	於二零一七年十二月三十一日		42,632	1,755	2,499	1,602	7,706	56,194
At 31 December 2016	於二零一六年十二月三十一日		44,040	1,795	729	3,958	3,290	53,812

The land and building are situated in Hong Kong and are held under medium term leases. The land and building has been pledged as security for a short-term loans granted to the Group amounts to approximately HK\$26,000,000 as at 31 December 2017 (31 December 2016: HK\$26,000,000) (note 16).

土地及樓宇位於香港，且以中期租賃持有。於二零一七年十二月三十一日，本集團已抵押土地及樓宇以獲授短期貸款約26,000,000港元(二零一六年十二月三十一日：26,000,000港元)(附註16)。

10. INVESTMENT PROPERTIES

10. 投資物業

			2017 二零一七年 Investment properties 投資物業 HK\$'000 千港元	2016 二零一六年 Investment properties 投資物業 HK\$'000 千港元
As at 1 January	於一月一日		51,900	—
Addition through acquisition of a subsidiary	透過收購一間附屬公司添置		—	44,919
Fair value change on investment properties	投資物業之公平值變動	4	3,200	6,981
As at 31 December	於十二月三十一日		55,100	51,900

The investment properties are situated in Hong Kong and are held under medium term leases. The investment properties have been pledged as security for a short-term loans granted to the Group amounts to approximately HK\$26,000,000 as at 31 December 2017 (31 December 2016: HK\$26,000,000) (note 16).

投資物業位於香港，且以中期租賃持有。於二零一七年十二月三十一日，本集團已抵押投資物業以獲授短期貸款約26,000,000港元(二零一六年十二月三十一日：26,000,000港元)(附註16)。

11. INTANGIBLE ASSETS

11. 無形資產

		Travel agency licenses 旅遊 代理執照 HK\$'000 千港元	Operating rights 經營權 HK\$'000 千港元	Mobile application 手機應用程式 HK\$'000 千港元	Operating rights of Cemetery 公墓之 經營權 HK\$'000 千港元	Total 總計 HK\$'000 千港元
	Note 附註		(Note a) (附註a)	(Note b) (附註b)	(Note c) (附註c)	
Cost:	成本：					
At 1 January 2016	於二零一六年一月一日	965	30,000	8,000	118,000	156,965
Additions through acquisition of a subsidiary	透過收購一間附屬公司添置	—	—	—	—	—
At 31 December 2016 and at 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	965	30,000	8,000	118,000	156,965
Disposal through disposal of subsidiaries	透過出售附屬公司出售	(965)	—	—	—	(965)
31 December 2017	二零一七年十二月三十一日	—	30,000	8,000	118,000	156,000
Accumulated amortisation and impairment loss:	累計攤銷及減值虧損：					
At 1 January 2016	於二零一六年一月一日	965	10,000	1,740	—	12,705
Impairment loss	減值虧損	—	9,649	4,660	—	14,309
Charge for the year	年內支出	—	10,000	1,600	—	11,600
At 31 December 2016 and at 1 January 2017	於二零一六年十二月三十一日及二零一七年一月一日	965	29,649	8,000	—	38,614
Impairment loss	減值虧損	—	—	—	—	—
Charge for the year	年內支出	—	351	—	3,522	3,873
Released through disposal of subsidiaries	透過出售附屬公司撥回	(965)	—	—	—	(965)
At 31 December 2017	於二零一七年十二月三十一日	—	30,000	8,000	3,522	41,522
Carrying amount:	賬面值：					
At 31 December 2017	於二零一七年十二月三十一日	—	—	—	114,478	114,478
At 31 December 2016	於二零一六年十二月三十一日	—	351	—	118,000	118,351

Notes:

- (a) Operating rights of a mobile game apps, which was acquired through acquisition of a subsidiary, represent the PRC operating rights of a mobile game app of the name "Ninja in Barrel". The useful life of operating rights is 3 years.
- (b) Mobile application, which was acquired through business combination, represented an application specifically built for mobile device user named "Patalogue". The useful life of mobile application is 5 years.
- (c) The operating rights of cemetery were issued by the relevant authorities in Henan for the legal right to operate a cemetery in Zhecheng county ("Cemetery"). The corresponding operating permit is renewable every year at minimal costs that the Group would renew the permit continuously and has the ability to do so. The useful life of the Cemetery will end on 1 July 2050.

During the year ended 31 December 2017, the Group performed impairment review for the operating rights based on cash flow forecasts derived from the most recent financial budgets for the period of the useful life of the Cemetery approved by management using discount rate of 23% which reflects current market assessments of the time value of money and the risks specific to the operating rights.

The recoverable amounts of the operating rights are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the operating rights. The growth rates are by reference to industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

附註：

- (a) 透過收購一間附屬公司獲得之手機遊戲應用程式經營權指名為「木桶忍者」之手機遊戲應用程式之中國經營權。該經營權之使用年期為三年。
- (b) 透過業務合併獲得之手機應用程式指特定為手機設備用戶構建名為「派得樂」之應用程式。該手機應用程式之使用年期為五年。
- (c) 公墓經營權由河南相關機構頒發，以經營於柘城縣之公墓（「公墓」）。相應營運許可證每年按最低成本續期。本集團將會並有能力續期許可證。公墓之使用年期將至二零五零年七月一日為止。

於截至二零一七年十二月三十一日止年度，本集團曾根據來自最近期經管理層批准之公墓使用年期期間財務預算之現金流量預測貼現率為23%，反映現時市場對金錢之時間值之評估以及有關經營權之特定風險對經營權進行減值檢討。

經營權之可收回金額按使用價值計算法釐定。使用價值計算法之主要假設為對期內售價及直接成本之貼現率、增長率及預期變化進行假設。管理層利用稅前比率估計貼現率以反映現時市場對金錢之時間值之評估以及有關經營權之特定風險。增長率乃參考業內增長預測作出。售價及直接成本變化乃根據過往做法及對市場未來變化之預期作出。

12. INTERESTS IN ASSOCIATES

13. 於聯營公司之權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	Note 附註		
Unlisted shares, at cost	未上市股份，按成本	(a&b) (a及b)	
Bargain purchase on acquisition of an associate	就收購一間聯營公司進行議價收購	114,501	44,795
Share of post-acquisition gain/(loss) and other comprehensive income/ (expenses), net of dividend	分佔收購後收益／(虧損)及扣除股息後其他全面收入／(開支)	2,416	2,416
		895	(65)
Amount due from associates	應收聯營公司款項	117,812	47,146
		3,000	13,272
		120,812	60,418

(a) Pursuant to the sales and purchase agreement entered into between Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi ("Ottoman Evershine Construction"), a company incorporated in Turkey and an indirect wholly owned subsidiary of the Company, and Mr. Osman Boyracı on 7 December 2016, Ottoman Evershine Construction acquired 30% of the share capital of Boyracı Construction, a company incorporated in Turkey and is specialised in elite urban transformation projects and earthquake resistant buildings, at a consideration of US\$5,780,000 (equivalent to HK\$ 44,795,000) satisfied by a promissory note of principal amount of US\$5,780,000 (equivalent to HK\$ 44,795,000) issued by the Company on 30 December 2016. The promissory note carries interest rate of 5% per annum and matures on 30 December 2018. The acquisition was completed on 30 December 2016. Upon acquisition, a bargain purchase of HK\$2,416,000 was recognised as set out in note 4.

(b) On 17 March 2017, the Group, through Ottoman Evershine Holdings Limited, a wholly-owned subsidiary (the "FS Purchaser"), acquired 40% equity interest in First Surplus Investments Limited and its subsidiaries (the "FS Group") from independent third parties (the "FS Vendors") at a nominal consideration of HK\$80,000,000 (the "FS Consideration").

Pursuant to the agreement for sale and purchase dated 20 January 2017 entered into between the FS Purchaser, the FS Vendors and the Company (as the "FS Guarantor") in relation to the acquisition (the "FS Acquisition Agreement"), the FS Consideration shall be paid by the FS Purchaser to the FS Vendors (or its nominee(s)) as to: (i) HK\$30,000,000 in cash; (ii) HK\$50,000,000 by the issuance of a promissory note at 6% per annum (the "FS Promissory Note"). The principal and accrued interest thereon are wholly repayable on the date immediate following 2 years after the date of issue of the FS Promissory Note to the FS Vendors (or their nominees) upon the completion of the FS Acquisition (i.e. 17 March 2017) (the "Completion").

(a) 根據Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi (「Ottoman Evershine Construction」，為於土耳其註冊成立之公司及本公司之間接全資附屬公司)與Osman Boyracı先生於二零一六年十二月七日訂立之買賣協議，Ottoman Evershine Construction收購Boyracı Construction(一間於土耳其註冊成立之公司，其專門承接高級城市改造項目及防震樓宇建造)30%股本，代價5,780,000美元(相等於44,795,000港元)以本公司於二零一六年十二月三十日發行本金額為5,780,000美元(相等於44,795,000港元)之承兌票據償付。承兌票據按年利率5%計息，且於二零一八年十二月三十日到期。收購於二零一六年十二月三十日完成。誠如附註4所載，收購後，確認議價收購2,416,000港元。

(b) 於二零一七年三月十七日，本集團透過全資附屬公司Ottoman Evershine Holdings Limited(「FS買方」)向獨立第三方(「FS賣方」)收購First Surplus Investments Limited及其附屬公司(「FS集團」)40%股權，名義代價為80,000,000港元(「FS代價」)。

根據FS買方、FS賣方及本公司(「作為FS擔保人」)就收購事項所訂立日期為二零一七年一月二十日之買賣協議(「FS收購事項協議」)，FS買方須向FS賣方(或其代名人)以：(i)現金30,000,000港元；(ii)發行年利率6%之50,000,000港元承兌票據(「FS承兌票據」)之方式支付FS代價。承兌票據之本金及應計利息須於FS收購事項完成(即二零一七年三月十七日，「完成」)後於緊隨發行FS承兌票據當日起計兩年後當日向FS賣方(或其代名人)全數償還。

Pursuant to the FS Acquisition Agreement, the FS Vendors guarantee to the FS Purchaser that that the audited consolidated net profit after taxation of FS Group for the year ended 31 December 2017 (the “Actual Profit”) which is (i) based on the financial statements prepared in accordance with the HKFRSs (the “Audited Financial Statements”); and (ii) to be audited by auditor(s) assigned or agreed by the Purchaser, shall not be less than HK\$14,000,000 (the “Guaranteed Profit”).

Pursuant to the FS Acquisition Agreement, in the event that the Actual Profit is less than the Guaranteed Profit, the Purchaser shall be entitled either to require the FS Vendor to compensate in one of the following manners:

- (i) compensation of amount in respect of the shortfall (the “Compensation Sum”) calculated in accordance with the following formula:

$$\text{Compensation Sum} = (\text{Guaranteed Profit} - \text{Actual Profit}) \times \text{Guaranteed Profit}$$

For the avoidance of doubt, the maximum amount of Compensation Sum payable by the FS Vendor shall be HK\$50,000,000; or

- (ii) FS Purchaser shall have the right during the period from the issue of the Audited Financial Statements to 30 June 2018 (both days inclusive) and at its full discretion to sell the Sale Shares to the FS Vendor at the price equivalent to the FS Consideration, whereupon the FS Vendor shall have the obligation to purchase the Sale Shares at such price (the “Put Option”).

The fair value of Put Option for acquisition of associate as at 17 March 2017 was approximated to zero which is determined by the directors of the company.

The fair value of the Put Option as at 17 March 2017 is determined by the directors of the Company with reference to valuation carried out by the Valuer and is calculated by multiplying the value of the Put Option of approximately HK\$8,860,000 and the probability of the Put Option being exercised of 50%.

On 25 March 2018, according to the Audited Financial Statements received on 23 March 2018 of FS Group for the year ended 31 December 2017, the Actual Profit was approximately HK\$15,292,000 and therefore the Guaranteed Profit is fulfilled and the Put Option is lapsed pursuant to the FS Acquisition Agreement. The corresponding changes in fair value charged to income statement accordingly.

根據FS收購事項協議，FS賣方向FS買方作出保證，保證FS集團於截至二零一七年十二月三十一日止年度之經審核綜合除稅後純利(「實際溢利」) (i)以根據香港財務報告準則編製之財務報表(「經審核財務報表」)為基礎；及(ii)將經買方指派或同意之核數師審核)不會低於14,000,000港元(「保證溢利」)。

根據FS收購事項協議，倘實際溢利少於保證溢利，則買方有權要求FS賣方以下列其中一項方式賠償：

- (i) 按下列公式計算所得之差額(「賠償總額」)作出賠償：

$$\text{賠償總額} = (\text{保證溢利} - \text{實際溢利}) \times \text{保證溢利}$$

為免生疑問，FS賣方應付賠償總額之最高金額應為50,000,000港元；或

- (ii) FS買方將有權全權酌情自刊發經審核財務報表起至二零一八年六月三十日止期間(包括首尾兩日)內按相當於FS代價之價格向FS賣方出售待售股份，而FS賣方將有義務按有關價格購買待售股份(「認沽期權」)。

於二零一七年三月十七日，收購聯營公司之認沽期權之公平值經本公司董事釐定後約等於零。

於二零一七年三月十七日，認沽期權之公平值由本公司董事經參考估值師進行之估值後釐定並按認沽期權價值約8,860,000港元乘以認沽期權獲行使之可能性為50%計算得出。

於二零一八年三月二十五日，根據二零一八年三月二十三日接獲之FS集團截至二零一七年十二月三十一日止年度之經審核財務報表，實際溢利約為15,292,000港元，故根據FS認購事項協議，保證溢利已獲達成，而認沽期權已失效。公平值變動已相應自收益表中扣除。

13. TRADE AND OTHER RECEIVABLES

13. 貿易及其他應收款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade debtors (note)	應收賬款(附註)	12,310	72,215
Other receivables	其他應收款項	5,450	15,547
Rental and other deposits	租金及其他按金	20,937	20,806
Prepayments	預付款項	1,394	10,544
		40,091	119,112

Note: Ageing analysis

An ageing analysis of trade debtors at the end of respective reporting period is as follows:

附註: 賬齡分析

應收賬款於各報告期末之賬齡分析如下:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 month	一個月內	—	22,359
More than 1 month but within 3 months	超過一個月但於三個月內	—	7,695
More than 3 months but within 6 months	超過三個月但於六個月內	—	5
More than 6 months	超過六個月	12,310	42,156
		12,310	72,215

Trade debtors are generally granted with credit terms ranging from 30 days to 180 days. The Group may, on a case by case basis and after evaluation of the business relationship and creditworthiness, extend the credit period upon customers' requests.

應收賬款一般獲授予介乎30日至180日之信貸期。本集團可按個別情況及於評估業務關係及信譽後應客戶要求延長信貸期。

14. LOAN AND INTEREST RECEIVABLES

The Group's loan receivables are from the money lending business. Loan receivable bear interest at rates range from 12% to 16% (2016: Nil), and with credit periods, mutually agreed between the contracting parties. Each customer has a credit limit. Overdue balances are reviewed regularly and handled closely by senior management.

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest receivables	應收利息	52	—
Loan receivables	應收貸款	850	—
		902	—

As at 31 December 2017, the Group's loan receivables, which arise from money lending business of providing personal loans in Hong Kong, are denominated in Hong Kong dollars with amount of HK\$850,000.

Loan receivable of approximately HK\$850,000 as at 31 December 2017 are unsecured, interest-bearing and are repayable with fixed terms agreed with customers. The maximum exposure to credit risk at each of the reporting dates approximate to the carrying value of the loan and interest receivables.

14. 應收貸款及利息

本集團應收貸款自放債業務產生。應收貸款按利率介乎12%至16%(二零一六年：無)計息，並由訂約各方共同協定信貸期。每名客戶設有信貸上限。逾期結餘將由高級管理層定期檢討及密切處理。

於二零一七年十二月三十一日，本集團應收貸款由在香港提供個人貸款之放債業務產生，以港元計值，為850,000港元。

於二零一七年十二月三十一日，應收貸款(均為無抵押、計息及須按與客戶協定之固定期限內償還)約為850,000港元。於各報告日期，最高信貸風險與應收貸款及利息之賬面值相若。

15. TRADE AND OTHER PAYABLES AND DEFERRED REVENUE

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current:	即期：		
Trade creditors (note a)	應付賬款(附註a)	1,900	13,971
Other payables (note b)	其他應付款項(附註b)	7,240	6,950
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債	9,140	20,921
Accrued charges	應付費用	1,467	3,115
Other taxes and government surcharges payables	其他應付稅項及政府附加費	—	192
Receipts in advance	預收款項	14	16,205
Deferred revenue	遞延收益	345	—
		10,966	40,433
Non-Current:	非即期：		
Other payables (note b)	其他應付款項(附註b)	754	—

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

15. 貿易及其他應付款項以及遞延收益

所有貿易及其他應付款項預期於一年內清償或按要求償還。

Note:

- (a) Ageing analysis
The ageing analysis of trade creditors at the end of the reporting period is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within 1 month	一個月內	—	9,141
More than 1 month but within 3 months	超過一個月但於三個月內	—	647
More than 3 months but with 6 months	超過三個月但於六個月內	—	4,183
Over 1 year	超過一年	1,900	—
		1,900	13,971

- (b) As at 31 December 2017, the balance of approximately HK\$3,155,000 is due to Lau Yu, a former director of the Company. The amounts are unsecured and non-interest bearing. In which the balance of approximately HK\$ 754,000 is repayable from 2020 to 2027.

附註：

- (a) 賬齡分析
應付賬款於報告期末之賬齡分析如下：

- (b) 於二零一七年十二月三十一日，應付本公司前董事柳宇之款項約為3,155,000港元。該等款項為無抵押及免息。其中約754,000港元結餘須於二零二零年至二零二七年期間償還。

16. SHORT-TERM LOANS

16. 短期貸款

		2017 二零一七年 Effective interest rate (%) 實際利率 (%) HK\$'000 千港元	2016 二零一六年 Effective interest rate (%) 實際利率 (%) HK\$'000 千港元
Current: Loans from non-financial institutions — secured	即期： 非財務機構 貸款 — 有抵押	HKD Best Lending Rate plus 4.75% per annum 年利率為 港元最優惠 利率加4.75%	HKD Best Lending Rate plus 4.75% per annum 年利率為 港元最優惠 利率加4.75%

On 1 September 2016, two secured and guaranteed loan facilities amounting to HK\$26,000,000 each have been granted to the Group (the "Loans"). The Loans were secured by (i) a corporate guarantee for HK\$26,000,000 each to be given by the Company; (ii) an unlimited personal guarantee to be given by Mr. Hung Tat Chi Alan, an executive Director of the Company; (iii) mortgages by the way of first legal charge for all monies over the properties; and (iv) assignments of rental on the properties as disclosed in Notes 9 and 10. The interest rates are 4.75% over HKD Best Lending Rate per annum.

於二零一六年九月一日，本集團已獲授兩項有抵押及有擔保貸款融資，而各項為26,000,000港元（「貸款」）。該等貸款以下列方式作抵押(i)本公司就各項為26,000,000港元之貸款作公司擔保；(ii)本公司執行董事洪達智先生作無上限個人擔保；(iii)以物業之所有款項作為第一法定押記之方式作按揭，及(iv)據附註9及10披露之物業租金轉讓。年利率為4.75%加港元最優惠利率。

17. OBLIGATIONS UNDER FINANCE LEASES

The Group's finance leases payable are as follows:

		2017 二零一七年		2016 二零一六年	
		Present value of the minimum lease payments 最低租賃 應付款項 現值 HK\$'000 千港元	Total minimum lease payments 最低租賃 應付款項 總額 HK\$'000 千港元	Present value of the minimum lease payments 最低租賃 應付款項 現值 HK\$'000 千港元	Total minimum lease payments 最低租賃 應付款項 總額 HK\$'000 千港元
Not later than 1 year	一年內	155	182	—	—
Later than 1 year and not later than 5 years	一年後及五年內	676	703	—	—
		831	885	—	—
Less: total future interest expenses	減：未來利息開支總額		(54)		—
Present value of lease obligations	租約債務現值		831		—

The Group entered into a finance lease arrangement to acquire motor vehicle. The lease terms last from 2017 to 2020 years. At the end of the lease term of these finance lease arrangements, the Group has an option to buy the motor vehicle at a nominal consideration. None of the lease contains contingent rentals. The contractual interest rates of these finance lease arrangements are fixed, 3.5% per annum.

In addition, the Group's obligations under finance leases are secured by the legal titles of the underlying leased assets included in motor vehicle within the Group's property, plant and equipment, with the aggregate carrying amount of HK\$893,017 as at 31 December 2017 (2016: Nil).

17. 融資租約債務

本集團之應付融資租約如下：

本集團訂立融資租賃安排以收購汽車。租賃期由二零一七年起至二零二零年止。於該等融資租賃安排期限結束時，本集團有權按名義代價購買汽車。租金並無包含或然租金。該等融資租賃安排之固定合約年利率為3.5%。

此外，本集團之融資租約債務已由於本集團之物業、廠房及設備內按汽車列賬之相關租賃資產之合法業權抵押，其於二零一七年十二月三十一日之賬面總值為893,017港元(二零一六年：無)。

18. PROMISSORY NOTES

18. 承兌票據

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	(a)	110,660	27,170
Promissory notes issued	已發行承兌票據			
– PN2	– 承兌票據二	(b)	—	19,684
– PN3	– 承兌票據三	(b)	—	20,430
– PN4	– 承兌票據四	(c)	—	44,795
– PN5	– 承兌票據五	(d)	48,567	—
Repayment of promissory notes	償還承兌票據		(97,863)	(4,815)
Interest paid	已付利息		(3,063)	(613)
Interest charge	利息費用		7,975	6,820
Early redemption loss	提早贖回虧損		5,087	—
Fair value changes	公平值變動	(a)	—	(2,811)
At 31 December	於十二月三十一日		71,363	110,660
Presented as	呈列為			
– current liabilities	– 流動負債		20,152	27,508
– non-current liabilities	– 非流動負債		51,211	83,152
			71,363	110,660

Notes:

- (a) On 30 November 2015, the Company issued promissory note in the principal amount of HK\$30,320,000 (the "PN 1") for acquisition of entire issue share capital of Fortune Ford Limited. PN 1 is unsecured and bear an interest of 2% per annum and fall due on 30 November 2016. The fair value of PN 1 was approximately HK\$27,170,000 as at 1 January 2016.

On 1 December 2016, the Company and the promissory note holder agreed to extend the maturity to 30 November 2017 with other terms remain the same. The fair value as at the date of extension was approximately HK\$27,509,000. Hence, a gain on fair value change in relation to the extension for the maturity of approximately HK\$2,811,000 was recognised.

On 31 November 2017, the Company and the promissory note holder agreed to settle HK\$10,202,000 of the PN1 and extend the maturity of the remaining balance of HK\$20,118,000 to 30 November 2018 with other terms remain the same. The fair value of PN1 is within 10% from its present value as at 31 November 2017 thus no extinguishment is required.

附註：

- (a) 於二零一五年十一月三十日，本公司發行本金額為30,320,000港元之承兌票據（「承兌票據一」）以收購福永高有限公司全部已發行股本。承兌票據一為無抵押，乃按利率每年2%計息，並於二零一六年十一月三十日到期。於二零一六年一月一日，承兌票據一之公平值約為27,170,000港元。

於二零一六年十二月一日，本公司及承兌票據持有人同意延長到期日至二零一七年十一月三十日，而其他條款維持不變。公平值於延期日約為27,509,000港元。因此，就延長到期日確認公平值變動收益約為2,811,000港元。

於二零一七年十一月三十一日，本公司及承兌票據持有人同意償付10,202,000港元承兌票據一並延長餘下款項20,118,000港元之到期日至二零一八年十一月三十日，而其他條款維持不變。承兌票據一之公平值變動低於其於二零一七年十一月三十一日之現值之10%，故毋須作出抵銷。

- (b) On 27 June 2016, the Company issued 2 promissory notes in the principal amount of approximately HK\$23,765,000 (the "PN 2") and HK\$24,667,000 ("PN 3") for acquisition of entire issued share capital of Spring Hero Developments Limited and Sharp Pick Ventures Limited from independent third party, respectively. Both PN 2 and PN 3 are unsecured and bear an interest of 6% per annum and falls due on 27 June 2018. As at the date of issue, the fair value of PN 2 and PN 3 was approximately HK\$19,684,000 and HK\$20,430,000 respectively. The effective interest rates for both promissory notes are 16.287% per annum. On 11 October 2016, the Company partially redeemed for principal of approximately HK\$4,815,000 and renewed the principal amount of PN 3 to approximately HK\$19,101,000. On 27 March 2017, the remaining balance of the PN 3 was fully settled. On 13 April 2017, the principal of PN 2 was fully settled.
- (c) On 30 December 2016, the Company issued a promissory note in the principal amount of US\$5,780,000 (equivalent to approximately HK\$44,795,000 (the "PN 4") for acquisition of 30% issue share capitals of Boyracı Construction. PN 4 is unsecured and it bears interest of 5% per annum. On 9 February 2017, the Company partially redeemed for principal of approximately US\$3,800,000 (equivalent to approximately HK\$29,450,000) and on 5 April 2017, the principal of PN 4 was fully settled. The fair value of PN 4 was approximately to its carrying value at the date of initial recognition.
- (d) On 17 March 2017, the Company issued a promissory note in the principal amount of HK\$50,000,000 (the "PN 5" or FS Promissory Note) for acquisition of 40% issue share capitals of First Surplus Investment Limited. PN 5 is unsecured and it bears interest of 6% per annum and due on 17 March 2019. The fair value of PN 5 was approximately to its carrying value at the date of initial recognition.
- (b) 於二零一六年六月二十七日，本公司以本金額約23,765,000港元(「承兌票據二」)及24,667,000港元(「承兌票據三」)發行兩項承兌票據，以分別自獨立第三方收購Spring Hero Developments Limited及Sharp Pick Ventures Limited全部已發行股本。承兌票據二及承兌票據三均為無抵押，按年利率6%計息，且於二零一八年六月二十七日期到期。於發行日期，承兌票據二及承兌票據三之公平值分別約為19,684,000港元及20,430,000港元。兩項承兌票據之實際年利率均為16.287%。於二零一六年十月十一日，本公司贖回本金額約4,815,000港元之部分承兌票據三及續訂本金額約19,101,000港元之承兌票據三。承兌票據三之餘下結餘於二零一七年三月二十七日獲悉數償付。承兌票據二之本金額於二零一七年四月十三日獲悉數償付。
- (c) 於二零一六年十二月三十日，本公司以本金額5,780,000美元(相等於約44,795,000港元)發行承兌票據(「承兌票據四」)，以收購Boyracı Construction已發行股本30%。承兌票據四為無抵押，乃按5%年利率計息。於二零一七年二月九日，本公司贖回部分本金額約3,800,000美元(相等於約29,450,000港元)及承兌票據四之本金額於二零一七年四月五日獲悉數償付。承兌票據四之公平值與其於初步確認日期之賬面值相若。
- (d) 於二零一七年三月十七日，本公司以本金額50,000,000港元發行承兌票據(「承兌票據五」或FS承兌票據)，以收購First Surplus Investment Limited已發行股本40%。承兌票據五為無抵押，乃按6%年利率計息，且於二零一九年三月十七日期到期。承兌票據五之公平值與其於初步確認日期之賬面值相若。

19. CONVERTIBLE NOTES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at the beginning of the year	年初之賬面值	24,348	38,523
Issuance of convertible notes	發行可換股票據	80,084	22,367
Interest charge	利息費用	13,965	2,702
Interest paid	已付利息	(7,935)	—
Conversion of convertible notes	兌換可換股票據	(14,264)	(39,244)
Carrying amount at the end of the year	年末之賬面值	96,198	24,348

19. 可換股票據

- (a) On 16 May 2016, the Company issued an unsecured zero coupon convertible notes (the “CN1”) in the principal amount of HK\$30,000,000 at HK\$25,800,000 by cash. The CN1 are denominated in Hong Kong dollars. The notes entitle the holders to convert them into conversion shares of the Company at any time between the date of issue of the notes and their settlement date on 16 May 2018 at a conversion price of HK\$0.4 per Convertible Share.

The convertible notes contain two components, liability and equity elements. The effective interest rate of the liability element is 15.62% per annum. The equity element is presented in equity heading “Convertible notes reserve” amounting to HK\$3,433,000.

As of the date of this announcement, none of the CN1 has been converted to shares.

- (b) On 23 March 2017, the Company issued an unsecured convertible notes (the “CN2”) in the principal amount of HK\$86,000,000. The net proceeds received by the Company was approximately HK\$83,420,000. The CN 2 is denominated in Hong Kong dollars. The CN 2 entitles the holders to convert them into conversion shares of the Company at any time between the date of issue of the CN 2 and their settlement date on 23 March 2019 at a conversion price of HK\$0.43 per convertible share. The CN 2 carries interest rate of 13% per annum on the outstanding principal amount of the CN 2, which will be payable by the Company quarterly in arrears.

The CN 2 contains two components, liability and equity elements. The effective interest rate of the liability element is 16.27% per annum. The equity element of CN 2 is presented in equity heading “Convertible notes reserve” amounting to HK\$3,439,000.

During the year ended 31 December 2017, the Company has received a conversion notice in respect of the exercise of a part of the conversion rights attached to the CN2 in an aggregate principal amount of HK\$15,050,000 at the conversion price of HK\$0.43 per Share. As a result of the conversion of the CN2 on 25 September 2017, the Company issued and allotted 35,000,000 shares.

- (a) 於二零一六年五月十六日，本公司以現金25,800,000港元發行本金額為30,000,000港元之無抵押零息可換股票據（「可換股票據一」）。可換股票據一以港元計值。票據賦予其持有人權利於票據發行日期至交收日期（二零一八年五月十六日）止期間隨時按每股兌換股份0.4港元之兌換價將其兌換為本公司之兌換股份。

可換股票據含有兩個部分：負債部分及權益部分。負債部分之實際年利率為15.62%。權益部分於權益內「可換股票據儲備」中呈列，金額為3,433,000港元。

於本公佈日期，概無可換股票據一獲兌換為股份。

- (b) 於二零一七年三月二十三日，本公司發行本金額為86,000,000港元之無抵押可換股票據（「可換股票據二」）。本公司所得款項淨額約為83,420,000港元。可換股票據二以港元計值。可換股票據二賦予持有人權利於可換股票據二之發行日期至交收日期（二零一九年三月二十三日）止期間隨時按每股兌換股份0.43港元之兌換價將其兌換為本公司之兌換股份。可換股票據二之未償還本金額按年利率13%計息，本公司須每季支付上一季之利息。

可換股票據二含有兩個部分：負債部分及權益部分。負債部分之實際年利率為16.27%。可換股票據二之權益部分於權益內「可換股票據儲備」中呈列，金額為3,439,000港元。

於截至二零一七年十二月三十一日止年度，本公司接獲一份有關行使部分可換股票據二所附帶兌換權之兌換通知，本金總額為15,050,000港元，兌換價為每股0.43港元。由於兌換可換股票據二，故本公司於二零一七年九月二十五日配發及發行35,000,000股股份。

20. COMMITMENTS

(a) Operating lease commitments and arrangements

As lessee

The Group had total future minimum lease payments under non-cancellable operating lease falling as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	1,579	1,249
In the second to fifth years	第二年至第五年	7,952	8,468
		9,531	9,717

As lessor

The Group had total future minimum lease receivable under non-cancellable operating leases with its tenants falling due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	779	853
In the second to fifth years	第二年至第五年	—	114
		779	967

(b) Capital commitment

The Group had the following capital commitment:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracted but not provided for	已訂約但未撥備		
— Acquisition of subsidiaries	— 收購附屬公司	35,549	—
— Capital injection of a subsidiary	— 一間附屬公司注資	9,005	1,164

21. EVENTS AFTER REPORTING PERIOD

(a) Acquisition of additional 30% of the equity interest of Boyracı Construction

On 6 June 2017, Ottoman Evershine Construction, an indirect wholly owned subsidiary of the Company conditionally entered into a sale and purchase agreement (“Sale and Purchase Agreement”) with Mr. Osman Boyracı in relation to the acquisition of 630,000 shares of the share capital of Boyracı Construction, a company incorporated in Turkey, representing 30% of the share capital of the Boyracı Construction. As of the date of this announcement, the Company is holding 30% of the share capital of Boyracı Construction which was acquired on 30 December 2016.

20. 承擔

(a) 經營租賃承擔及安排

作為承租人

本集團根據將到期之不可撤銷經營租賃總未來最低租賃款項如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	1,579	1,249
In the second to fifth years	第二年至第五年	7,952	8,468
		9,531	9,717

作為出租人

本集團與其租戶根據將到期之不可撤銷經營租賃總未來最低租賃應收款項如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年內	779	853
In the second to fifth years	第二年至第五年	—	114
		779	967

(b) 資本承擔

本集團有以下資本承擔：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Contracted but not provided for	已訂約但未撥備		
— Acquisition of subsidiaries	— 收購附屬公司	35,549	—
— Capital injection of a subsidiary	— 一間附屬公司注資	9,005	1,164

21. 報告期後事項

(a) 收購Boyracı Construction額外30%股權

於二零一七年六月六日，本公司間接全資附屬公司Ottoman Evershine Construction與Osman Boyracı先生有條件訂立買賣協議（「買賣協議」），內容有關收購Boyracı Construction（一間於土耳其註冊成立之公司）股本中630,000股股份，相當於Boyracı Construction股本之30%。於本公佈日期，本公司持有Boyracı Construction之30%股本，該等權益於二零一六年十二月三十日收購。

On 26 February 2018, Boyracı Construction entered into a side letter (“Side Letter”) with Ottoman Evershine Construction and Mr. Osman Boyracı. Pursuant to the Side Letter, Acarblu Ticarte Merkezi (the “Acarblu Property”), a two-floor condominium with market value of approximately TL31,400,000 (or approximately USD9,100,000) as of 26 February 2018, will be transferred from Boyracı Construction to a new company (the “New Company”) incorporated under the laws of Turkey held by Mr. Osman Boyracı and Ottoman Evershine Construction with 70% and 30% equity interest respectively. The New Company will settle the consideration for its acquisition of the Acarblu Property from the Boyracı Construction by way of taking up the shareholder’s loan (the “Shareholder’s Loan Set-off”) due from the Boyracı Construction and to waive shareholder’s loan (the “Shareholder’s Loan Waiver”) owed by Boyracı Construction to the Mr. Osman Boyracı. The aggregate amount of the Shareholder’s Loan Set-off and the Shareholder’s Loan Waiver will amount to approximately TL31,400,000 (or approximately USD9,100,000), an equivalent amount to the market value of the Acarblu Property as of 26 February 2018. As a result, no adjustment on the consideration for the acquisition of an additional 30% equity interest of Boyracı Construction would be necessary as there is no financial impact on the net asset value of the Boyracı Construction caused by the Side Letter.

Upon the fulfillment of the certain conditions, this acquisition of an additional 30% equity interest of Boyracı Construction will become an indirect 60%-owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated and accounted for as a subsidiary in the financial statements of the Group. The acquisition is subject to the approval of independent shareholders in the forthcoming extraordinary general meeting of the Company.

For details, please refer to the Company’s announcement dated 6 June 2017, 6 November 2017, 6 December 2017 and 26 February 2018.

Conversion of 2017 Convertible notes

Subsequent to 31 December 2017, the Company has received a conversion notice from the placee in respect of the exercise of the conversion rights attached to the 2017 Convertible Notes in an aggregate principal amount of HK\$8,600,000 at the conversion price of HK\$0.43 per share (the “Conversion”). As a result of the Conversion, on 24 January 2018, the Company allotted and issued 20,000,000 shares in aggregate to the placee. Upon the allotment, the issued share capital of the Company has been increased to 1,657,677,356 shares.

於二零一八年二月二十六日，Boyracı Construction與Ottoman Evershine Construction及Osman Boyracı先生訂立一份附函（「附函」）。根據附函，一間於二零一八年二月二十六日之市值約為31,400,000土耳其里拉（或約9,100,000美元）之兩層公寓Acarblu Ticarte Merkezi（「Acarblu物業」）將由Boyracı Construction轉讓予根據土耳其法律註冊成立之新公司（「新公司」，由Osman Boyracı先生及Ottoman Evershine Construction分別持有70%及30%股權）。新公司將以接受Boyracı Construction應付股東貸款之形式，償付向Boyracı Construction收購Acarblu物業之代價（「股東貸款抵銷」）並豁免Boyracı Construction結欠Osman Boyracı先生之股東貸款（「股東貸款豁免」）。股東貸款抵銷及股東貸款豁免之合計金額將達約31,400,000土耳其里拉（或約9,100,000美元），等同於Acarblu物業於二零一八年二月二十六日之市值。因此，由於附函並無對Boyracı Construction之資產淨值造成任何財務影響，故毋須調整收購Boyracı Construction額外30%股權之代價。

達成若干條件後，收購Boyracı Construction額外30%股權將致使Boyracı Construction成為本公司間接擁有60%權益之附屬公司，而其財務業績、資產及負債將於本集團財務報表按附屬公司綜合入賬。該收購事項須於本公司應屆股東特別大會上獲獨立股東批准後，方可作實。

有關詳情，請參閱本公司日期為二零一七年六月六日、二零一七年十一月六日、二零一七年十二月六日及二零一八年二月二十六日之公佈。

兌換二零一七年可換股票據

於二零一七年十二月三十一日後，本公司已接獲承配人之兌換通知，內容有關按兌換價每股股份0.43港元行使本金總額為8,600,000港元之二零一七年可換股票據附帶之兌換權（「兌換」）。由於兌換，於二零一八年一月二十四日，本公司已合共向承配人配發及發行20,000,000股股份。於配發後，本公司之已發行股本已增加至1,657,677,356股股份。

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract from the independent auditor's report on the consolidated financial statements of the Group for the year ended 31 December 2017 which has included a material uncertainty in relation to going concern, but without modification of opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention in note 2(c) to the consolidated financial statements which describes that the Group had net current liabilities with the amount of approximately HK\$26,030,000. These conditions, along with other matters as set forth in note 2(c) to the consolidated financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of on this matter. In addition to the matter described in 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.

獨立核數師報告摘要

以下為本集團截至二零一七年十二月三十一日止年度綜合財務報表之獨立核數師報告摘要，其中包括有關持續性經營之重大不確定因素，而未作修訂意見。

意見

我們認為，該等綜合財務報表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」）真實公平地反映 貴集團於二零一七年十二月三十一日之綜合財務狀況及其於截至該日止年度之綜合財務表現及綜合現金流量並已遵照香港公司條例妥為編製。

與持續經營相關之重大不確定因素

請注意綜合財務報表附註2(c)，當中闡述 貴集團有流動負債淨額約26,030,000港元。該等情況，連同綜合財務報表附註2(c)所載其他事宜，反映存在可能對 貴集團繼續持續經營之能力構成重大疑問之重大不確定因素。我們不會修訂就此事項之意見。除與持續經營相關之重大不確定因素所述事項外，我們已釐定下述事項為於我們的報告中予以傳達之關鍵審計事項。

BUSINESS REVIEW

For the Year, the Group engaged in trading business, property development and investment business, money lending business, cemetery business and mobile application business.

Operations of approximately HK\$27,948,000 (2016: approximately HK\$116,104,000 (re-presented)). The decrease in revenue was mainly attributable to a decrease in trading of commodities during the Year. The Group's loss attributable to shareholders increased to approximately HK\$66,961,000 for the Year (2016: approximately HK\$65,399,000). Such increase of the loss was attributable to the net effect of: (i) an increase in finance costs of approximately HK\$14,491,000 that mainly due to the interest expenses incurred from the placing of convertible notes during the Year; (ii) the loss of approximately HK\$8,860,000 on fair value change of derivative asset – put option in relation to the acquisition of 40% issued share capital of First Surplus Investment Limited completed during the Year; and (iii) the absence of the impairment loss on goodwill and intangible assets of HK\$10,999,000 and HK\$14,309,000 respectively.

Trading Business

During the Year, the revenue contributed from the trading business was approximately HK\$25,399,000 (2016: approximately HK\$115,185,000). The significant decrease in revenue was primarily owing to the increasing market competition and volatile commodity price during the Year that narrowed the gap between the asking and bidding prices of coal that made the trading margin perilously thin. As a result, the Group inclined to be cautious and prudent in the matching of transactions between suppliers and customers to mitigate the trading risk. Furthermore, despite the effort that the Group put in to obtain banking facilities for further development of the trading business, the Group has yet to reach any facility agreements that could fit the needs of the trading business with acceptable and reasonable terms and costs, mainly due to the narrow profitability of the existing commodities of the Group. In order to improve the profitability of the trading business, we will continue to develop the trading business through diversifying the source for commodities.

During the Year, the Group has entered into the trading of Onyx Marbles, a type of construction materials importing from Turkey to the PRC. Although no sales has been recorded during the Year, a batch of Onyx Marbles has been shipped to the PRC for the purpose of sales and marketing. We will continue to assess the market appeal of the Onyx Marbles and seek for the opportunity of increasing the volume of purchase in the next batch of shipping, as the economies of scale is key to improve the gross profit of the trading of Onyx Marbles.

Property Development and Investment Business

The Group holds commercial properties located in Hong Kong for investment purpose to earn rental income and with a view to capture any possible future capital appreciation. During the Year, approximately HK\$1,684,000 of rental income was received from tenants (2016: HK\$833,000) and a gain on fair value change of investment properties of approximately HK\$3,200,000 was recognised (2016: HK\$6,981,000).

業務回顧

於年內，本集團從事貿易業務、物業開發及投資業務、放債業務、公墓業務及手機應用程式業務。

年內，本集團錄得來自持續經營業務之收益約27,948,000港元(二零一六年：約116,104,000港元(經重列))。收益減少主要由於年內商品貿易減少所致。年內股東應佔本集團虧損增加約66,961,000港元(二零一六年：約65,399,000港元)。有關虧損減少歸因於下列因素之淨影響：(i)年內配售可換股票據產生之利息開支導致融資成本增加約14,491,000港元；(ii)就有關於年內完成收購First Surplus Investment Limited 40%已發行股本之衍生資產一認沽期權之公平值變動虧損約8,860,000港元；及(iii)並無分別為10,999,000港元及14,309,000港元之商譽及無形資產減值虧損。

貿易業務

年內，貿易業務貢獻之收益約為25,399,000港元(二零一六年：約115,185,000港元)。收益顯著減少主要由於年內市場競爭加劇及商品價格反覆波動使煤炭掛牌底價與掛牌價格之間價格差異縮小，導致貿易利潤十分薄弱所致。因此，本集團與供應商及客戶交易時持審慎態度，以降低貿易風險。此外，儘管本集團盡力尋求銀行融資以支持貿易業務之未來發展，惟本集團尚未獲得任何可滿足貿易業務需求且其條款及成本可接受及合理之融資協議，此乃主要由於本集團現有商品之盈利能力有限。為提升貿易業務之盈利能力，我們將繼續透過拓展商品來源以發展貿易業務。

年內，本集團已開展將土耳其瑪瑙大理石(為一種建築材料)輸入中國之貿易業務。儘管年內並無錄得銷售，惟本集團已運送一批瑪瑙大理石到中國進行銷售及市場推廣。我們將繼續評估瑪瑙大理石之市場吸引力及尋求增加下一批運輸貨物購買量之機遇，原因是規模經濟是提升瑪瑙大理石貿易毛利之關鍵。

物業開發及投資業務

本集團持有位於香港之商業物業作投資用途，以收取租金收入及把握任何未來資本增值機會。年內，已向租戶收取約1,684,000港元之租賃收入(二零一六年：833,000港元)，並確認投資物業公平值變動之收益約3,200,000港元(二零一六年：6,981,000港元)。

During the Year, the Group continued to expand its business in building construction, property development, trading of construction materials and the related consultancy services. Having acquired 30% equity interest in Boyracı Construction, a company incorporated in Turkey that principally engaged in the construction, contracting works and rental of residential properties in 2016, the Group has gathered confidence in the potential of the property development market in Turkey. Thus, the Group entered into an agreement to acquire a further 30% equity interest in Boyracı Construction in a bid to further capture its bright potential business development.

Leveraging on the expertise in property development in Turkey, the Group also seeks to act as a strategic investor and consultant to provide property development related services in the future. To the best knowledge of the management, the Group has been recently in negotiations to provide such service to a project that develops public and private housing. The Company will make further announcement(s) as and when necessary.

The management considers that the property development and investment business will become a significant part of the Group's business as a whole in its future plan.

Money Lending Business

During the Year, Ottoman Evershine Finance Limited, a wholly-owned subsidiary of the Company, has renewed the money lenders license granted by the licensing court in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). During the Year, the interest income contributed from the money lending business was approximately HK\$865,000 (2016: Nil). The Group will continue to strengthen the money lending business by broadening the customer base but will adopt a prudent strategy when approving new loans so as to balance the profitability and the credit risk involved.

Cemetery Business

The Group has been engaged in the operation of a cemetery located in Zhecheng County in Henan Province of PRC (the "Cemetery"). The Cemetery has obtained the operating right for a term up to 1 July 2050. Also, the Cemetery has obtained the required operating permit, subject to annual renewal for the permission to operate the cemetery. While the construction of the Cemetery and related facilities were approaching completion, a small part of the Cemetery were open for sales. During the Year, a number of cemetery units were sold for approximately HK\$345,000 (2016: Nil). However, as at the date of this report, the obtaining of the land use right from The Land and Resources Bureau of Zhecheng County is still in process to complete the Land Use Right Formalities as disclosed in the circular of the Company dated 7 November 2015. Based on the principle of prudence, the cash obtained from the sale of cemetery units was treated as deferred revenue before the completion of the Land Use Right Formalities. Considering that steady increasing market selling price of cemetery unit in the past years and a stricter regulation regarding illegal burial enacted by the local government is anticipated, we believe the contribution of the cemetery business would be significant in the coming years.

In order to leverage on the promising business prospect of the Cemetery, the Cemetery entered into a lease agreement in 2016 in relation to a parcel of land with land area of approximately 82.9 Mu located adjacent to the Cemetery as land bank that could potentially accommodate around 30,000 to 35,000 cemetery units.

年內，本集團繼續拓展樓宇建造、物業開發、建築材料買賣及相關諮詢服務業務。於二零一六年收購於土耳其註冊成立之公司Boyracı Construction(主要從事建築、承包工程及住宅物業租賃業務)30%股權後，本集團對土耳其物業開發市場之潛力抱持信心。因此，本集團已訂立一份協議，收購Boyracı Construction額外30%股權，以進一步把握其亮麗的業務發展潛力。

憑藉於土耳其房地產開發方面的特長，本集團亦有意作為戰略投資者及顧問，以於未來提供物業開發相關服務。就管理層所深知，本集團近期已進行協商，以為一項開發公共及私人住宅之項目提供相關服務。本公司將於必要時作出進一步公佈。

管理層認為，在本集團未來發展藍圖中，物業開發及投資業務將是其整體業務之重點部分。

放債業務

年內，本公司全資附屬公司奧斯曼財務有限公司已根據香港法例第163章放債人條例重續香港牌照法庭授予之放債人牌照。年內，放債業務貢獻之利息收入約為865,000港元(二零一六年：無)。本集團將繼續透過擴展客戶基礎加強放債業務，同時在批出新貸款採取審慎策略，以平衡盈利能力及所涉信貸風險。

公墓業務

本集團從事經營位於中國河南省柘城縣之公墓(「公墓」)。公墓已取得於二零一五年七月一日到期之營運權，並已獲取所需營運許可證，每年須予重續以經營公墓。隨著公墓及相關設施之建設接近尾聲，小部分公墓已開放出售。年內，出售部分公墓龕位約345,000港元(二零一六年：無)。然而，於本報告日期，自柘城縣國土資源局取得土地使用權之手續以完成於本公司日期為二零一五年十一月七日之通函所披露之土地使用權手續仍在進行中。基於審慎原則，出售公墓龕位所得現金於土地使用權手續完成前視作遞延收益。鑒於過去多年公墓龕位之市場售價穩步攀升及預期地方政府就非法殯葬實施更為嚴格之規例，我們相信，公墓業務將於未來帶來重大貢獻。

為把握公墓之亮麗業務前景，公墓於二零一六年就毗鄰公墓一幅面積約82.9畝之地塊訂立租賃協議，作為土地儲備，其可能容納約30,000至35,000個公墓龕位。

With a view to further expand and develop the cemetery business, on 18 August 2017, the Company entered into a non-legally binding memorandum of understanding (the “Cemetery MoU”) with a fund management and equity investment company (the “PRC Fund”). Under the Cemetery MoU, the Company and the PRC Fund agreed to communicate with each other from time to time to explore cooperation opportunities. In particular, the PRC Fund intends to invest in the cemetery business with a minority stake of not more than 49%.

Mobile Application Business

During the Year, no revenue was contributed from the mobile application business (2016: approximately HK\$86,000). The previous mobile application business included a mobile game with the name “Ninja in Barrel” and a mobile application named “Patalogue” which have been discontinued due to the market acceptance and the performance of this business was lower than expected. After thorough analysis, the Group considered that the future economic benefits to be generated from these mobile applications that could be reasonably expected will be outweighed by the associated costs and expenditure to be incurred.

During the Year, the Group acquired 40% equity interest in First Surplus Investments Limited (“FSI”). The acquisition was completed on 17 March 2017. FSI and its subsidiaries are principally engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. FSI contains full team of development, support and market publication. Through the acquisition, it is expected that the Group can further develop mobile application business and capture the opportunities in the mobile online game industry and also the software industry. Details of the acquisition are disclosed in the section of “Material Acquisition and Significant Investments” in this report.

Travel Agency Business

The financial results of the travel agency business and the comparative results of its corresponding period in 2016 were re-classified as discontinuing operations during the Year. The results from this segment dropped drastically due to slow economy and strong competition. During the Year, the revenue contributed from the travel agency segment was approximately HK\$7,962,000 (2016: approximately HK\$19,358,000). The operating cost had been increasing and the business was unprofitable. On 21 April 2017, the Company and Ringloma Limited (“Ringloma”) entered into an agreement conditionally to dispose the current travel agency business, i.e. the 100% of the issued share capital of Argos (China) Investment Limited (“Argos”) and all obligations, liabilities and debts owing or incurred by Argos and its subsidiaries to the Group at the consideration of HK\$2,000,000 was settled by way of offsetting a loan amounting to HK\$2,000,000 that the Group previously granted by Ringloma. Upon completion of the disposal on 8 May 2017, Argos and its subsidiaries ceased to be subsidiaries of the Company and their financial results ceased to be consolidated into the financial results of the Group.

Details were set out in the Company’s announcements dated 21 April 2017 and 8 May 2017.

Other Corporate Income, Expenses and Finance Costs

During the Year, the corporate expenses of approximately HK\$31,462,000 not allocated to business segments (2016: approximately HK\$21,460,000) was mainly attributable to operating expenses (including legal and professional fees), staff costs (including Directors’ remuneration) and also rental expenses.

為進一步拓展及開發公墓業務，於二零一七年八月十八日，本公司與一間基金管理及股本投資公司（「中國基金」）訂立不具法律約束力之諒解備忘錄（「公墓諒解備忘錄」）。根據公墓諒解備忘錄，本公司及中國基金同意不時與對方商討，發掘合作機遇。具體而言，中國基金有意以不超過49%之少數股權投資於公墓業務。

手機應用程式業務

年內，手機應用程式業務並無貢獻收益（二零一六年：約86,000港元）。由於該業務之市場接納度及表現遜於預期，名為「木桶忍者」之手機遊戲應用程式及名為「派得樂」之手機應用程式等先前手機應用程式業務已予終止。經徹底分析後，本集團認為，該等手機應用程式將產生之相關成本及開支將遠超其合理預計未來經濟利益。

年內，本集團收購First Surplus Investments Limited（「FSI」）之40%股權。該收購事項已於二零一七年三月十七日完成。FSI及其附屬公司主要從事手機遊戲開發、遊戲發行、應用程式、相關知識產權及平台業務以及提供相關解決方案。FSI擁有完整的開發、支援及市場發佈團隊。透過該收購事項，預期本集團可進一步發展手機應用程式業務，並抓緊手機在線遊戲行業以及軟件行業之機遇。有關該收購事項之詳情於本報告「重大收購及重大投資」一節披露。

旅遊代理業務

旅遊代理業務之財務業績及於二零一六年同期之可比較業績於年內被重新分類為已終止業務。由於經濟增長放緩及競爭激烈，該分部之業績大幅下跌。於年內，旅遊代理分部貢獻之收益約為7,962,000港元（二零一六年：約19,358,000港元）。經營成本持續上升，致使該業務無利可圖。於二零一七年四月二十一日，本公司與詠麟有限公司（「詠麟」）訂立協議，有條件出售現有旅遊代理業務（即雅高（中國）投資控股有限公司（「雅高」）之全部已發行股本）以及雅高及其附屬公司結欠本集團或對其產生之一切責任、負債及債務，代價為2,000,000港元，透過抵銷詠麟先前向本集團授出之貸款2,000,000港元之方式償付。於二零一七年五月八日出售完成後，雅高及其附屬公司不再為本公司之附屬公司，而其財務業績不再於本集團之財務業績綜合入賬。

有關詳情載於本公司日期為二零一七年四月二十一日及二零一七年五月八日之公佈。

其他公司收入、開支及融資成本

年內，公司開支約31,462,000港元尚未分配於業務分部（二零一六年：約21,460,000港元），乃主要因營運開支（包括法律及專業費用）、員工成本（包括董事酬金）及租賃開支而產生。

Finance costs for the Year amounted to HK\$27,033,000 (2016: HK\$12,542,000), the significant increase was mainly attributable to the interest expenses from the convertible notes in an amount of HK\$86,000,000 with effective interest of 18.27% issued on 23 March 2017.

DIVIDEND

The Directors do not recommend the payment of any final dividend for the year ended 31 December 2017 (2016: HK\$Nil).

FINANCIAL POSITION

Charges on Group's Assets

As at 31 December 2017, there were term loans with total principal amount of approximately HK\$52,000,000 which carry interest at 4.75% per annum above the Hong Kong Dollar Best Lending Rate with repayment period of 24 months. The loans were secured by: i) first legal charges of the two properties (note 9 & 10) acquired by the Company which was completed on 27 June 2016; ii) the Company's corporate guarantee; iii) an unlimited personal guarantee given by Mr. Hung Tat Chi Alan, an executive Director of the Company; and iv) assignments of rental of the properties. Details of the properties are disclosed in notes 9 and 10 to this announcement.

As at 31 December 2017, the Group entered into a finance lease arrangement to acquire motor vehicle. The lease terms last from 2017 to 2020 years. At the end of the lease term of these finance lease arrangements, the Group has an option to buy the motor vehicle at a nominal consideration. None of the lease contains contingent rentals. The contractual interest rates of these finance lease arrangements are fixed, 3.5% per annum. In addition, the Group's obligations under finance leases are secured by the legal titles of the underlying leased assets included in motor vehicle within the Group's property, plant and equipment, with the aggregate carrying amount of HK\$893,017 as at 31 December 2017 (2016: Nil). Details of the finance leases are disclosed in notes 17 to this announcement.

Liquidity and Financial Resources

As at 31 December 2017, the total assets of the Group was approximately HK\$419,453,000 (2016: HK\$421,923,000), including cash and bank balances of approximately HK\$13,947,000 (2016: bank balances and restricted bank deposits of HK\$14,812,000). The gearing ratio of the Group expressed in total debt as a percentage of net assets was approximately 118% (2016: 96%).

Capital Structure

The number of issued shares of the Company as at 31 December of 2016 and 2017 and the date of this report were 1,502,677,356, 1,637,677,356, and 1,657,677,356 shares respectively.

年內，融資成本為27,033,000港元(二零一六年：12,542,000港元)，該大幅增長主要歸因於二零一七年三月二十三日發行金額為86,000,000港元實際利率18.27%之可換股票據產生利息開支所致。

股息

董事不建議派付截至二零一七年十二月三十一日止年度任何末期股息(二零一六年：零港元)。

財政狀況

本集團資產抵押

於二零一七年十二月三十一日，本金總額約為52,000,000港元之定期貸款以高於港元最優惠利率每年4.75%之利率計息，而還款期為二十四個月。該等貸款以：i)本公司於二零一六年六月二十七日完成收購之兩項物業(附註9及10)之第一法定押記；ii)本公司之公司擔保；iii)由本公司執行董事洪達智先生提供之無上限個人擔保；及iv)物業租金轉讓作抵押。有關物業詳情於本公佈附註9及10披露。

於二零一七年十二月三十一日，本集團訂立融資租賃安排以收購汽車。租賃期由二零一七年起至二零二零年止。於該等融資租賃安排期限結束時，本集團有權按名義代價購買汽車。租金並無包含或然租金。該等融資租賃安排之固定合約年利率為3.5%。此外，本集團之融資租約債務已由於本集團之物業、廠房及設備內按汽車列賬之相關租賃資產之合法業權抵押，其於二零一七年十二月三十一日之賬面總值為893,017港元(二零一六年：無)。有關融資租賃詳情於本公佈附註17披露。

流動資金及財務資源

於二零一七年十二月三十一日，本集團之資產總值約為419,453,000港元(二零一六年：421,923,000港元)，包括現金及銀行結餘約13,947,000港元(二零一六年：銀行結餘及受限制銀行存款14,812,000港元)。本集團之資產負債比率(以總債務佔資產淨值之百分比列示)約為118%(二零一六年：96%)。

資本結構

於二零一六年及二零一七年十二月三十一日以及本報告日期，本公司已發行股份數目分別為1,502,677,356股、1,637,677,356股及1,657,677,356股。

(i) *Convertible notes issued on 3 June 2016*
Pursuant to the subscription agreement dated 3 June 2016, the Company has completed the issue of convertible notes of principal amount of HK\$30,000,000 (the “Convertible Notes 2016”). On the assumption that the convertible notes would be converted into conversion shares in full at the initial conversion price of HK\$0.4 per conversion share, the 75,000,000 conversion shares represent approximately 4.99% of the existing issued share capital of the Company and approximately 4.75% of the issued share capital of the Company as to be enlarged by the allotment and issue of the conversion shares. The net proceeds of the subscription of Convertible Notes 2016 was approximately HK\$25,000,000 and (i) approximately HK\$11,000,000 was used to partially repay outstanding promissory notes and short-term loan; (ii) approximately HK\$8,000,000 was used for procurement of inventories of the commodities trading business; and (iii) approximately HK\$6,000,000 was used as general working capital of the Group. No convertible notes were converted into shares of the company during the Year in relation to the Convertible Notes 2016.

Details were disclosed in the Company’s announcements dated 16 May 2016 and 3 June 2016.

(ii) *Placing of shares of the Company under general mandate issued on 19 January 2017*
Pursuant to the placing agreement dated 9 January 2017, the Company appointed the placing agent to procure, on a best effort basis, placees to subscribe for up to 100,000,000 shares of the Company at a price of HK\$0.42 per share. On 19 January 2017, the Company issued and allotted 100,000,000 shares at the net placing price of HK\$0.42 each to not less than six allottees. The closing market price was HK\$0.51 per share of the Company on the date on which the terms of the issue were fixed. Up to the date of this Report, the net proceeds was approximately HK\$41,160,000 (approximately HK\$0.412 per share) and (i) approximately HK\$30,000,000 was used to partially repay outstanding promissory notes; (ii) approximately HK\$8,000,000 was lent out for the money lending business; and (iii) remaining proceeds were used as general working capital.

Details were disclosed in the Company’s announcements dated 9 January 2017 and 19 January 2017.

(i) 於二零一六年六月三日發行之可換股票據根據日期為二零一六年六月三日之認購協議，本公司已完成發行本金額為30,000,000港元之可換股票據（「二零一六年可換股票據」）。假設可換股票據將按初步兌換價每股兌換股份0.4港元悉數兌換為兌換股份，75,000,000股兌換股份相當於本公司現有已發行股本約4.99%及經配發及發行兌換股份擴大後本公司之已發行股本約4.75%。認購二零一六年可換股票據之所得款項淨額約25,000,000港元，而(i)約11,000,000港元用作部分償還未償還之承兌票據及短期貸款；(ii)約8,000,000港元用作採購商品貿易業務之存貨；及(iii)約6,000,000港元用作本集團一般營運資金。年內，概無有關二零一六年可換股票據之可換股票據兌換為本公司股份。

有關詳情於本公司日期為二零一六年五月十六日及二零一六年六月三日之公佈披露。

(ii) 根據一般授權配售本公司股份（已於二零一七年一月十九日發行）
根據日期為二零一七年一月九日之配售協議，本公司委任配售代理按竭誠盡力基準促使承配人按每股股份0.42港元之價格認購最多100,000,000股本公司股份。於二零一七年一月十九日，本公司按淨配售價每股股份0.42港元向不少於六名承配人發行及配發100,000,000股股份。本公司股份於釐定發行條款日期之收市價為每股股份0.51港元。直至本報告日期，所得款項淨額約為41,160,000港元（約每股股份0.412港元），而(i)約30,000,000港元用作償還部分未償還承兌票據；(ii)約8,000,000港元用作放債業務借款；及(iii)餘下所得款項用作一般營運資金。

有關詳情於本公司日期為二零一七年一月九日及二零一七年一月十九日之公佈披露。

(iii) *Placing convertible notes under general mandate issued on 23 March 2017*

Pursuant to the placing agreement dated 3 March 2017, the Company appointed the placing agent to procure, on a best effort basis, places to subscribe for convertible notes of the Company up to principal amount of HK\$86,000,000 at the initial conversion price of HK\$0.43 per conversion share (the "Convertible Notes 2017"). The maximum number of conversion shares issuable upon conversion of the Convertible Notes 2017 shall be subject to the threshold of 200,535,471 Shares (subject to consolidation or subdivision) or such number of shares which may be permissible to be issued under the general mandate. On 23 March 2017, the Company issued the Convertible Notes 2017 of principal in aggregate of HK\$86,000,000 and the net proceeds of approximately HK\$83,420,000 (equivalent to approximately HK\$0.417 per conversion shares) was received by the Company. The Company intended to apply i) approximately HK\$30,000,000 to settle the consideration in relation to the acquisition of 40% issued share capital of First Surplus Investments Limited; ii) approximately HK\$30,000,000 would be lent as loans to customers under the Group's money lending business; iii) approximately HK\$10,000,000 would be used for procurement of inventories of the commodities trading business; and iv) approximately HK\$13,420,000 would be used as general working capital. The actual use of the net proceeds from the Convertible Notes 2017 was in the following manner: i) approximately HK\$30,000,000 was used to settle the consideration in relation to the acquisition of 40% issued share capital of First Surplus Investments Limited; ii) approximately HK\$5,800,000 was lent as loans to customers under the Group's money lending business; iii) approximately HK\$21,000,000 was used to settle the outstanding promissory notes and the interest expenses; iv) HK\$15,561,000 was paid as deposit for the acquisition of further 30% issued share capital of Boyracı Construction; and v) the remaining net proceeds of approximately HK\$11,059,000 were used as general working capital.

During the Year, the Company received a conversion notice in respect of the exercise of a part of the conversion rights attached to the Convertible Notes 2017 in an aggregate principal amount of HK\$15,050,000 at the conversion price of HK\$0.43 per Share. As a result of the conversion of the Convertible Notes 2017 on 25 September 2017, the Company allotted and issued 35,000,000 shares.

Subsequent to the Year and before the release of this Report, the Company has further received a conversion notice in respect of the exercise of a part of the conversion rights attached to the Convertible Notes 2017 in an aggregate principal amount of HK\$8,600,000 at the conversion price of HK\$0.43 per Share. As a result of the conversions of the convertible note, the Company allotted and issued 55,000,000 shares on aggregate as of the date of the release of this Report in relation to the Convertible Notes 2017. Details were disclosed in the Company's announcements dated 3 March 2017, 23 March 2017, 25 September 2017 and 24 January 2018.

(iii) *根據一般授權配售可換股票據(已於二零一七年三月二十三日發行)*

根據日期為二零一七年三月三日之配售協議，本公司委任配售代理按竭誠盡力基準促使承配人按初步兌換價每股兌換股份0.43港元認購本金額最高為86,000,000港元之本公司可換股票據(「二零一七年可換股票據」)。於兌換可換股票據後，兌換股份最高可發行數目以200,535,471股股份(視乎合併或分拆)或獲允許按一般授權發行之股份數目為限。於二零一七年三月二十三日，本公司發行本金總額為86,000,000港元之二零一七年可換股票據，而本公司收到約83,420,000港元(相等於每股兌換股份約0.417港元)之所得款項淨額。本公司擬動用i)約30,000,000港元用作償付有關收購First Surplus Investments Limited 40%已發行股本之代價；ii)約30,000,000港元用作本集團放債業務借予客戶之貸款；iii)約10,000,000港元用作採購商品貿易業務之存貨；及iv)約13,420,000港元用作一般營運資金。二零一七年可換股票據所得款項淨額之實際用途為下列各項：i)約30,000,000港元用作償付有關收購First Surplus Investments Limited 40%已發行股本之代價；ii)約5,800,000港元用作本集團放債業務借予客戶之貸款；iii)約21,000,000港元用作償付未償還承兌票據及利息開支；iv)15,561,000港元用作收購Boyracı Construction額外30%已發行股本之按金；及v)餘下所得款項淨額約11,059,000港元用作一般營運資金。

年內，本公司接獲一份有關行使部分二零一七年可換股票據所附帶兌換權之兌換通知，本金總額為15,050,000港元，兌換價為每股0.43港元。由於兌換二零一七年可換股票據，故本公司於二零一七年九月二十五日配發及發行35,000,000股股份。

於本年度後及本報告刊發前，本公司再次接獲一份有關行使部分二零一七年可換股票據所附帶兌換權之兌換通知，本金總額為8,600,000港元，兌換價為每股0.43港元。由於兌換可換股票據，故本公司於本報告刊發日期就二零一七年可換股票據配發及發行合共55,000,000股股份。有關詳情於本公司日期為二零一七年三月三日、二零一七年三月二十三日、二零一七年九月二十五日及二零一八年一月二十四日之公佈披露。

MATERIAL ACQUISITION AND SIGNIFICANT INVESTMENTS

Acquisition of 40% issued share capital of First Surplus Investments Limited

On 20 January 2017, Ottoman Evershine Holdings Limited (“OEH”), a direct wholly owned subsidiary of the Company and an independent third party of the Company (“FSI Vendor”) entered into a sales and purchase agreement (“SPA”), pursuant to which OEH would conditionally acquire 40% of the issued share capital (“Sale Shares”) of First Surplus Investments Limited (“FSI”) at consideration of HK\$80,000,000 (“FSI Consideration”) and satisfied by (i) HK\$30,000,000 by cash upon completion and (ii) HK\$50,000,000 by way of issue of the promissory note to the FSI Vendor or his nominee(s) upon completion.

Pursuant to the SPA, the FSI Vendor irrevocably and unconditionally guaranteed to OEH that the audited consolidated net profit after taxation (excluding unusual or extraordinary items) of FSI and its subsidiaries for the year ended 31 December 2017 (the “Actual Profit”), which is (i) based on the financial statements prepared in accordance with the HKFRSs (the “Audited Financial Statements”); and (ii) to be audited by auditor(s) assigned or agreed by OEH, shall not be less than HK\$14,000,000 (the “Guaranteed Profit”). Pursuant to the SPA, in the event that the Actual Profit is less than the Guaranteed Profit, OEH shall be entitled to require the FSI Vendor to compensate in one of the following manner:

- (i) compensation of amount in respect of the shortfall (the “Compensation Sum”) calculated in accordance with the following formula:

$$\text{Compensation Sum} = (\text{Guaranteed Profit} - \text{Actual Profit}) \times \text{Guaranteed Profit}$$

For the avoidance of doubt, the maximum amount of Compensation Sum payable by the FSI Vendor shall be HK\$50,000,000; or

- (ii) OEH shall have the right during the period from the issue of the Audited Financial Statements to 30 June 2018 (both days inclusive) and at its full discretion to sell the Sale Shares to the FSI Vendor at the price equivalent to the FSI Consideration, whereupon the FSI Vendor shall have the obligation to purchase the Sale Shares at such price (the “Put Option”). For the avoidance of doubt, no additional premium or other money is payable for exercise of the Put Option by OEH.

On 17 March 2017, all the conditions precedent of the acquisition of the Sale Shares have been fulfilled and FSI became an associate of the Company.

On 25 March 2018, according to the Audited Financial Statements received on 23 March 2018 of FSI for the year ended 31 December 2017, the Actual Profit was approximately HK\$15,291,523 and therefore the Guaranteed Profit has been fulfilled and the put option was lapsed under the SPA.

Details were disclosed in the Company’s announcements dated 20 January 2017, 20 February 2017, 17 March 2017 and 23 March 2018.

重大收購及重大投資

收購First Surplus Investments Limited 40% 已發行股本

於二零一七年一月二十日，本公司之直接全資附屬公司Ottoman Evershine Holdings Limited (「OEH」)與本公司獨立第三方(「FSI賣方」)訂立買賣協議(「買賣協議」)，據此，OEH以代價80,000,000港元(「FSI代價」)有條件收購First Surplus Investments Limited(「FSI」)40%已發行股本(「待售股份」)，並按：(i)於完成後以現金償付30,000,000港元；及(ii)於完成後以向FSI賣方或其代名人發行承兌票據之方式償付50,000,000港元之方式償付。

根據買賣協議，FSI賣方不可撤回及無條件地向OEH作出保證，保證FSI及其附屬公司截至二零一七年十二月三十一日止年度(i)基於按香港財務報告準則編製之財務報表(「經審核財務報表」)；及(ii)將經OEH指派或同意之核數師審核之經審核綜合除稅後純利(不包括不尋常或非經常項目)(「實際溢利」)不會低於14,000,000港元(「保證溢利」)。根據買賣協議，倘實際溢利少於保證溢利，則OEH將有權要求FSI賣方以下列其中一種方式作出賠償：

- (i) 按下列算式計算所得之缺額(「賠償額」)作出賠償：

$$\text{賠償額} = (\text{保證溢利} - \text{實際溢利}) \times \text{保證溢利}$$

為免生疑問，FSI賣方應付賠償額之最高金額應為50,000,000港元；或

- (ii) OEH將有權自刊發經審核財務報表起至二零一八年六月三十日止期間(包括首尾兩日)內按相等於FSI代價之價格向FSI賣方酌情出售待售股份，而FSI賣方屆時將有責任按有關價格購買待售股份(「認沽期權」)。為免生疑問，OEH毋須就行使認沽期權支付額外溢價或其他金額。

於二零一七年三月十七日，收購待售股份之所有先決條件已達成，而FSI已成為本公司之聯營公司。

於二零一八年三月二十五日，根據於二零一八年三月二十三日接獲之FSI截至二零一七年十二月三十一日止年度之經審核財務報表，實際溢利約為15,291,523港元，因此，根據買賣協議，保證溢利已獲達成，而認沽期權已失效。

有關詳情已於本公司日期為二零一七年一月二十日、二零一七年二月二十日、二零一七年三月十七日及二零一八年三月二十三日之公佈披露。

Acquisition of additional 30% of the equity interest of Boyracı Construction

Boyracı Construction is a company incorporated in Turkey and is specialised in elite urban transformation projects and earthquake resistant buildings. The Group acquired 30% of the equity interest of Boyracı Construction at 30 December 2016.

Pursuant to the sales and purchase agreement entered into between Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi (“Ottoman Evershine Construction”), a company incorporated in Turkey and an indirect wholly owned subsidiary of the Company, and Mr. Osman Boyracı on 6 June 2017, supplemented by the supplemental deed entered into between the aforesaid parties on 6 November 2017, Ottoman Evershine Construction conditionally agreed to acquire an additional 30% of the share capital of Boyracı Construction (the “Boyracı Construction Acquisition”) at a consideration of US\$6,550,000 (approximately equivalent to HK\$51,090,000) satisfied by (i) an upfront refundable cash deposit of USD2,000,000 (approximately equivalent to HK\$15,600,000); (ii) the issuance of promissory note in the principal amount of USD3,438,770 (approximately equivalent to HK\$26,822,000) which carries interest rate of 13% per annum that will mature on the second anniversary date from the date of issue; and (iii) the issuance of promissory note as a deferred consideration in the principal amount of up to USD1,111,230 (approximately equivalent to HK\$8,668,000) (“Deferred Consideration”) on a date not later than 30 September 2019 (“Deferred Consideration Date”). The Deferred Consideration will be calculated as the lower of (1) the 30% of the fair value less the actual cost (“Adjusted Fair Value”) of the construction projects to be engaged by Boyracı Construction known as Project Iclaliye and Project Hurrem (the “Projects”) at the Deferred Consideration Date as contained less the actual costs (including but not limited to any construction and development costs) incurred in respect of the Projects up to and including the Deferred Consideration Date; or (2) USD1,111,230 (approximately equivalent to HK\$8,668,000).

The consideration of the Boyracı Construction Acquisition was determined after arm’s length negotiations with reference to, among others, (i) the fair market value of the existing completed and under-construction properties and the value-added portion of the new project in 2017 held by Boyracı Construction with reference to the market values of similar properties in similar locations; and (ii) the latest management account of Boyracı Construction.

As at 31 December 2017, Boyracı Construction had 6 completed projects, namely Arzu Apartmanı, Sibel Apartmanı, Akasya Apartmanı, Evim Apartmanı, Doğa Apartmanı and Acarblu Ticarte Merkezi (“Acarblu Property”) with gross saleable area of approximately 3,863 m², and there are 2 projects, namely Project Iclaliye and Project Hurrem, to be completed by 2019 with a total construction area of approximately 4,837 m².

收購Boyracı Construction額外30%股權

Boyracı Construction為一間於土耳其註冊成立之公司，其專門承接高級城市改造項目及防震樓宇建造。本集團於二零一六年十二月三十日收購Boyracı Construction之30%股權。

根據Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi(「Ottoman Evershine Construction」，一間於土耳其註冊成立之公司，為本公司之間接全資附屬公司)與Osman Boyracı先生於二零一七年六月六日訂立之買賣協議(經上述訂約方於二零一七年十一月六日訂立之補充契據所補充)，Ottoman Evershine Construction有條件同意收購Boyracı Construction額外30%股本(「Boyracı Construction收購事項」)，代價為6,550,000美元(相當於約51,090,000港元)，乃按(i)預付可退還現金按金2,000,000美元(相當於約15,600,000港元)；(ii)發行本金額為3,438,770美元(相當於約26,822,000港元)之承兌票據(按年利率13%計息及將於發行日期起計第二個週年日到期)；及(iii)於不遲於二零一九年九月三十日(「遞延代價日期」)發行作為本金額最高1,111,230美元(相當於約8,668,000港元)之遞延代價(「遞延代價」)之承兌票據之方式償付。遞延代價將按(1) Boyracı Construction將進行之建築項目(即Iclaliye項目及Hurrem項目(「該等項目」))於遞延代價日期公平值之30%減實際成本(「經調整公平值」)減該等項目直至及於遞延代價日期產生之實際成本(包括但不限於任何建築及開發成本)得出之數額；或(2) 1,111,230美元(相當於約8,668,000港元)之較低者計算得出。

Boyracı Construction收購事項之代價乃參考(其中包括)(i) Boyracı Construction持有之現有已竣工及在建物業之公平市值以及新項目於二零一七年之增值部分(經參考類似地段類似物業之市值)；及(ii) Boyracı Construction之最新管理賬目後經公平磋商釐定。

於二零一七年十二月三十一日，Boyracı Construction擁有六個已竣工項目，分別為Arzu Apartmanı、Sibel Apartmanı、Akasya Apartmanı、Evim Apartmanı、Doğa Apartmanı及Acarblu Ticarte Merkezi(「Acarblu物業」)，總實用面積約3,863平方米，另有兩個項目將於二零一九年完成，分別為Iclaliye項目及Hurrem項目，合計建築面積約4,837平方米。

The market value of Acarblu Property, a two-floor condominium with gross saleable area of approximately 1,068 square meters was approximately TL31,400,000 (or approximately USD9,100,000) based on a valuation report prepared by RM Ritim Gayrimenkul Değerleme A.Ş., a real estate valuation company based in Istanbul, Turkey as of 26 February 2018. Pursuant to the side letter (“Side Letter”) entered into between Ottoman Evershine Construction, Boyracı Construction and Mr. Osman Boyracı on 26 February 2018, the Acarblu Property will be transferred from Boyracı Construction to a new company (the “New Company”) incorporated under the laws of Turkey held by the Vendor and the Purchaser with 70% and 30% equity interest respectively. The New Company will settle the consideration for its acquisition of the Acarblu Property from the Target Company by way of taking up the shareholder’s loan (the “Shareholder’s Loan Set-off”) due from the Boyracı Construction and to waive shareholder’s loan (the “Shareholder’s Loan Waiver”) owed by the Target Company to the Vendor. The aggregate amount of the Shareholder’s Loan Set-off and the Shareholder’s Loan Waiver will amount to approximately TL31,400,000 (or approximately USD9,100,000), an equivalent amount to the market value of the Acarblu Property as of 26 February 2018. As a result, no adjustment on the consideration for the acquisition of an additional 30% equity interest of Boyracı Construction would be necessary as there is no financial impact on the net asset value of the Boyracı Construction caused by the Side Letter.

Upon the fulfillment of the certain conditions on the Boyracı Construction Acquisition, Boyracı Construction will become an indirect 60%-owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated and accounted for as a subsidiary in the financial statements of the Group.

The acquisition constitutes a major transaction and connected transaction under the GEM Listing Rules and is subjected to independent shareholders’ approval to be obtained at the forthcoming extraordinary general meeting of the Company.

Details were disclosed in the Company’s announcements dated 6 June 2017, 6 November 2017, 6 December 2017 and 26 February 2018.

FOREIGN CURRENCY RISK

The Group’s major business operations and investments are in PRC, Hong Kong and Turkey. All the outstanding balances of borrowings and obligations under finance leases are denominated in HKD. Other than described above, most of the assets, liabilities and transactions of the Group are primarily denominated in Hong Kong dollar, Renminbi, United States dollar and Turkish Lira. The Group has not entered into any instruments to hedge the foreign exchange exposure and considered the potential foreign exchange exposure of the Group is limited. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

Acarblu物業為總實用面積約為1,068平方米之兩層公寓，根據位於土耳其伊斯坦布爾之房地產估值公司RM Ritim Gayrimenkul Değerleme A.Ş.所編製之估值報告，其市值於二零一八年二月二十六日約為31,400,000土耳其里拉（或約9,100,000美元）。根據Ottoman Evershine Construction、Boyracı Construction及Osman Boyracı先生於二零一八年二月二十六日訂立之附函（「附函」），Acarblu物業將由Boyracı Construction轉讓予根據土耳其法律註冊成立之新公司（「新公司」，分別由賣方及買方擁有70%及30%股權）。新公司將以接受Boyracı Construction應付股東貸款之形式，償付向目標公司收購Acarblu物業之代價（「股東貸款抵銷」）並豁免目標公司結欠賣方之股東貸款（「股東貸款豁免」）。股東貸款抵銷及股東貸款豁免之合計金額將達約31,400,000土耳其里拉（或約9,100,000美元），等同於Acarblu物業於二零一八年二月二十六日之市值。因此，由於附函並無對Boyracı Construction之資產淨值造成任何財務影響，故毋須調整收購Boyracı Construction額外30%股權之代價。

於Boyracı Construction收購事項之若干條件達成後，Boyracı Construction將成為本公司擁有60%權益之間接附屬公司，而其財務業績以及資產及負債將作為附屬公司於本集團財務報表中綜合入賬。

收購事項根據創業板上市規則構成一項主要交易及關連交易，並須於本公司應屆股東特別大會上獲獨立股東批准，方可作實。

有關詳情已於本公司日期為二零一七年六月六日、二零一七年十一月六日、二零一七年十二月六日及二零一八年二月二十六日之公佈披露。

外幣風險

本集團主要於中國、香港及土耳其進行業務營運及投資。所有未償還借貸及融資租約債務之結餘均以港元計值。除上述者外，本集團大部分資產、負債及交易主要以港元、人民幣、美元及土耳其里拉結算。本集團並無就對沖外匯風險訂立任何文據，且認為本集團所面對之潛在在外匯風險有限。本集團將密切監察匯率動向及採取適當措施減低匯兌風險。

PRINCIPAL RISKS AND UNCERTAINTIES

The Group exposes to various risks and uncertainties in its daily operation and management. Save for the credit risk, liquidity risk, interest rate risk, currency risk and fair value risk, the Group also exposes to operation risk and market risk. In addition, as the cemetery business is located in the PRC and the interest in associate is located in Turkey, the Group's business, financial condition, results of operations and prospects are greatly affected by political, economic and legal developments and changes to government policies in the PRC and Turkey.

CONTINGENT LIABILITIES

As at 31 December 2017, the Directors are not aware of any material contingent liabilities (2016: Nil).

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2017, the Group had approximately 51 (2016: approximately 100) full-time employees. The Group remunerates its employees based on their performance, experience and the prevailing industry practice.

The Group provides competitive remuneration packages to employees with the share option scheme. The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to achieving high standard of corporate governance to safeguard the interests of all shareholders and to enhance corporate value and accountability.

The Company's corporate governance practices are based on the principles and code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 15 of the GEM Listing Rules.

Throughout the year ended 31 December 2017, the Company has complied with most of the code provisions of the CG Code, save for deviations from code provisions A.2.1, A.4.1 and E.1.2 which are explained below.

Under the code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer of the Company should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

During the year ended 31 December 2017, there was no chairman of the Company (the "Chairman") and no chief executive officer of the Company (the "CEO"). The Board will keep reviewing the current structure of the Board from time to time and should a candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post of the Chairman and the CEO as appropriate and will make further announcement in due course.

主要風險及不確定因素

本集團於日常營運及管理面臨多項風險及不確定因素。除信貸風險、流動性風險、利率風險、貨幣風險及公平值風險外，本集團亦面臨營運風險及市場風險。此外，由於公墓業務位於中國，而聯營公司之權益位於土耳其，因此中國及土耳其之政治、經濟及法律發展以及政府政策之改變均對本集團之業務、財務狀況、經營業績及前景有重大的影響。

或然負債

於二零一七年十二月三十一日，董事並不知悉任何重大或然負債(二零一六年：無)。

僱員及薪酬政策

於二零一七年十二月三十一日，本集團僱用約51名(二零一六年：約100名)全職僱員。本集團按各員工之工作表現、經驗及現時行業慣例酬報其僱員。

本集團為僱員提供具競爭力的薪酬待遇，並設有購股權計劃。本集團僱員之薪酬政策乃按彼等之功績、資歷及才能制定。

企業管治

本集團致力達致高水平企業管治，以保障所有股東之利益及加強企業價值及責任承擔。

本公司企業管治常規乃根據創業板上市規則附錄十五所載企業管治守則(「企管守則」)所載之常規及守則條文制訂。

截至二零一七年十二月三十一日止年度，本公司已遵守大部分企管守則之守則條文，惟以下所述守則條文第A.2.1、A.4.1及E.1.2條偏離者除外。

根據企管守則守則條文第A.2.1條，本公司主席及行政總裁之角色應獨立區分，不應由一人兼任。主席及行政總裁之職責區分必須清楚列明，並以書面形式載列。

截至二零一七年十二月三十一日止年度，本公司並無主席(「主席」)及行政總裁(「行政總裁」)。董事會將繼續不時檢討董事會目前架構，倘能物色具備適當知識、技能及經驗之人選，本公司將於適當情況下加以委任，以填補主席及行政總裁之空缺，並於適當時候作進一步公佈。

Under the code provision A.4.1 of the CG Code, non-executive Directors should be appointed for a specific term of service. None of the independent non-executive Director has entered into a service contract or an appointment letter with the Company for a specific term of service but their appointments are subject to retirement by rotation and offer themselves for re-election at the annual general meeting at least once for every three years in accordance with the Articles of Association. The Company believes such practice meets the same objective and no less exacting than those prescribed under code provision A.4.1.

Under the code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting and he should also invite the chairmen of the audit, remuneration, nomination and any other committees (as appropriate) to attend. During the year ended 31 December 2017, the AGM was held on 11 May 2017, the chairman of the Audit committee of the Company was absent for other business engagement. But the absented Director has appointed other executive Directors or another member of the committee as his representative at the respective general meeting to answer questions of the shareholders of the Company. In the future, the Company will put its most effort in encouraging and ensure the independent non-executive Directors to attend the general meetings.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, the Company had maintained the public float as required under the GEM Listing Rules.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 December 2017, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

AUDIT COMMITTEE

As at 31 December 2017, the Audit Committee comprised three independent non-executive Directors, namely, Ms. Choy So Yuk, *BBS, JP.*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. During the year, Mr. Leung Man Chun was the chairman of the Audit Committee and applies his professional qualifications in accounting and financial expertise in directing the Audit Committee. The unaudited quarterly and interim results together with the audited annual results of the Company in respect of the year ended 31 December 2017 have been reviewed by the Audit Committee.

The audit committee has reviewed the accounting principles and practices adopted by the Company and discussed with the Board the internal controls and financial reporting matters, including a review of the financial statements for the year ended 31 December 2017.

根據企管守則守則條文第A.4.1條，非執行董事須按特定任期委任。概無獨立非執行董事與本公司訂有附帶特定任期之服務合約或委聘書，惟彼等之委任須按照組織章程細則於股東週年大會至少每三年輪值告退及重選連任一次。本公司相信該等常規符合守則條文第A.4.1條之目的，並不比該條文所規定寬鬆。

根據企管守則之守則條文第E.1.2條，董事會主席須出席股東週年大會並邀請審核、薪酬、提名及任何其他委員會(如適用)主席出席股東週年大會。截至二零一七年十二月三十一日止年度，股東週年大會於二零一七年五月十一日舉行，由於其他業務需要，本公司審核委員會主席缺席上述大會，但缺席董事已委任其他執行董事或其他委員會成員作為彼於相關股東大會之代表，以回答本公司股東提問。本公司日後將致力鼓勵及確保獨立非執行董事出席股東大會。

充足公眾持股量

根據本公司於本公佈日期所獲公開資料及據董事所知，本公司已維持創業板上市規則所規定之公眾持股量。

購買、贖回或出售本公司上市證券

截至二零一七年十二月三十一日止年度內，本公司及其任何附屬公司並無購買、贖回或出售任何本公司上市證券。

審核委員會

於二零一七年十二月三十一日，審核委員會由三名獨立非執行董事組成，分別為蔡素玉女士，*銅紫荊星章*，*太平紳士*、林玉英女士及梁文俊先生。年內，梁文俊先生為審核委員會主席，憑藉彼在會計及財務專業方面之專業資格，領導審核委員會之運作。本公司截至二零一七年十二月三十一日止年度之未經審核季度及中期業績連同經審核年度業績已由審核委員會審閱。

審核委員會已檢討本公司所採納之會計原則及常規，並與董事會討論內部監控及財務申報事宜，包括審閱截至二零一七年十二月三十一日止年度之財務報表。

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2017 have been agreed by the Group's auditor, Elite Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Elite Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Elite Partners CPA Limited on the preliminary announcement.

PUBLICATION OF FINANCIAL STATEMENTS REQUIRED UNDER SECTION 436 OF THE COMPANIES ORDINANCE

The financial information relating to the Company for the years ended 31 December 2017 and 2016 included in the 2016/2017 annual results announcement dated 23 March 2018 is derived from, but does not constitute the Company's statutory annual consolidated financial statements for these two years. The Company has delivered the financial statements for the year ended 31 December 2016 to the Registrar of Companies of Hong Kong as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") and will deliver the financial statements for the year ended 31 December 2017 to the Registrar of Companies of Hong Kong within the prescribed time limit.

The Company's auditor has reported on the financial statements of the Group for both the years ended 31 December 2017 and 2016. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to give my sincere gratitude to my fellow Directors and all the staff who have contributed their time, efforts and supports to the Group.

On behalf of the Board
Evershine Group Holdings Limited
Hung Tat Chi Alan
Executive Director

Hong Kong, 23 March 2018

As of the date of this announcement, the executive Directors are Mr. Hung Tat Chi Alan and Mr. Ling Ko Yin Jason; the non-executive Director is Mr. Chan Wai Kit; and the independent non-executive Directors are Ms. Choy So Yuk, BBS, JP, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun.

This announcement will remain on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of its posting and on the website of the Company at <http://www.evershinegroup.com.hk>.

審閱初步業績公佈

截至二零一七年十二月三十一日止年度本集團初步業績公告中之數字已經本集團核數師開元信德會計師事務所有限公司與本集團本年度經審核綜合財務報表所載數額進行核對。開元信德會計師事務所有限公司就此進行之工作，並不構成香港會計師公會頒佈之香港核數準則、香港審閱委聘準則或香港審驗委聘準則項下之審驗委聘，因此，開元信德會計師事務所有限公司概不對初步公佈作出任何保證。

根據公司條例第436條之規定發佈財務報表

載於日期為二零一八年三月二十三日之二零一六／二零一七年度業績公佈有關本公司截至二零一七年及二零一六年十二月三十一日止年度之財務資料來自本公司於該兩年度之法定年度綜合財務報表，惟並不構成本公司於該兩年度之法定年度綜合財務報表。本公司已按香港法例第622章公司條例(「公司條例」)第662(3)條及第3部附表6之規定，向香港公司註冊處處長遞交截至二零一六年十二月三十一日止年度之財務報表並將於規定之時限內向香港公司註冊處處長遞交截至二零一七年十二月三十一日止年度之財務報表。

本公司之核數師已就本集團截至二零一七年及二零一六年十二月三十一日止兩個年度之財務報表發表報告。核數師報告並無保留意見；並無載有核數師於出具無保留意見之情況下，提請注意任何引述之強調事項；亦無載有根據公司條例第406(2)、第407(2)或(3)條作出之陳述。

致謝

最後，本人謹代表董事會借此機會衷心感謝董事同寅及全體員工，投入時間及努力，支持本集團。

代表董事會
永耀集團控股有限公司
執行董事
洪達智先生

香港，二零一八年三月二十三日

於本公佈日期，執行董事為洪達智先生及林高然先生；非執行董事為陳偉傑先生；而獨立非執行董事為蔡素玉女士(銅紫荊星章，太平紳士)、林玉英女士及梁文俊先生。

本公佈將於其登載日起計最少一連七天於創業板網站「最新公司公告」一頁及本公司網站 <http://www.evershinegroup.com.hk> 登載。