



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  
REPORT  
年報

2017



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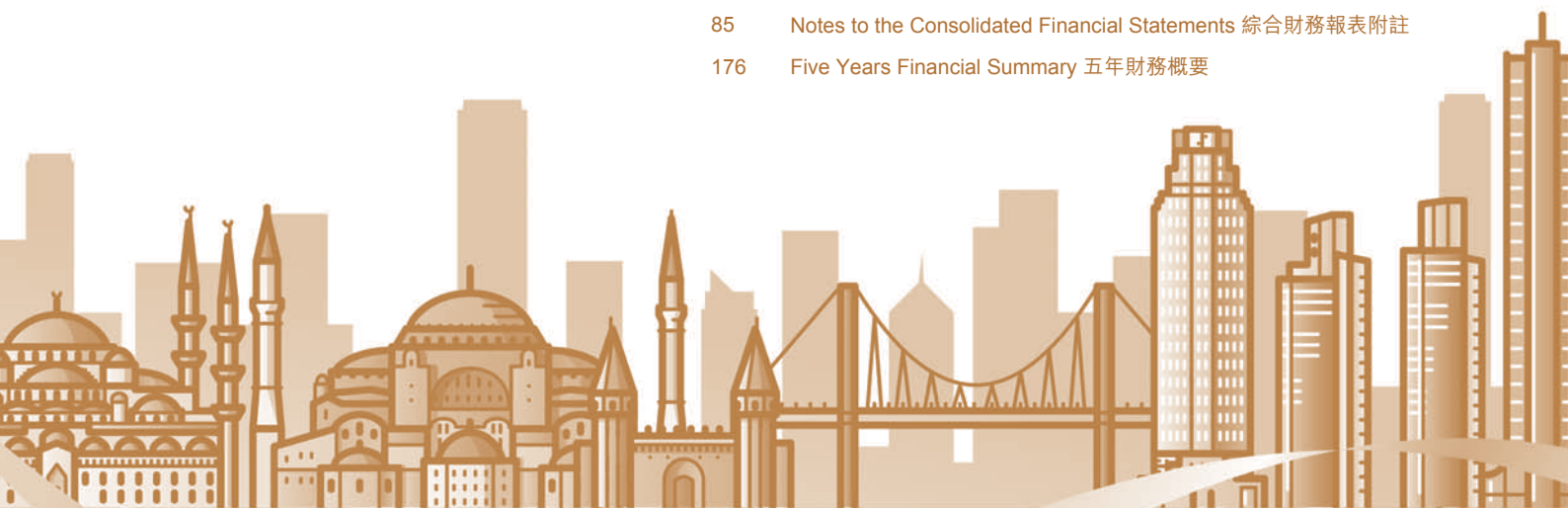
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# CORPORATE INFORMATION

## 公司資料

### DIRECTORS

#### Executive Directors

Mr. Hung Tat Chi Alan  
Mr. Ling Ko Yin Jason

#### Non-executive Director

Mr. Chan Wai Kit

#### Independent non-executive Directors

Ms. Choy So Yuk, *BBS, JP*  
Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

### COMPANY SECRETARY

Ms. Chan Shuk Man Lora

### COMPLIANCE OFFICER

Mr. Hung Tat Chi Alan

### AUTHORISED REPRESENTATIVES

Ms. Chan Shuk Man Lora  
Mr. Hung Tat Chi Alan

### AUDIT COMMITTEE

Mr. Leung Man Chun (*Chairman*)  
Ms. Choy So Yuk, *BBS, JP*  
Ms. Lam Yuk Ying Elsa

### REMUNERATION COMMITTEE

Ms. Choy So Yuk, *BBS, JP* (*Chairlady*)  
Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

### NOMINATION COMMITTEE

Ms. Lam Yuk Ying Elsa (*Chairlady*)  
Ms. Choy So Yuk, *BBS, JP*  
Mr. Leung Man Chun

### AUDITORS

Elite Partners CPA Limited

### 董事

#### 執行董事

洪達智先生  
林高然先生

#### 非執行董事

陳偉傑先生

#### 獨立非執行董事

蔡素玉女士，*銅紫荊星章，太平紳士*  
林玉英女士  
梁文俊先生

### 公司秘書

陳淑雯女士

### 監察主任

洪達智先生

### 法定代表

陳淑雯女士  
洪達智先生

### 審核委員會

梁文俊先生 (*主席*)  
蔡素玉女士，*銅紫荊星章，太平紳士*  
林玉英女士

### 薪酬委員會

蔡素玉女士，*銅紫荊星章，太平紳士* (*主席*)  
林玉英女士  
梁文俊先生

### 提名委員會

林玉英女士 (*主席*)  
蔡素玉女士，*銅紫荊星章，太平紳士*  
梁文俊先生

### 核數師

開元信德會計師事務所有限公司



## CORPORATE INFORMATION 公司資料

### PRINCIPAL BANKER

Bank of Communications Co., Ltd. Hong Kong Branch  
20 Pedder Street  
Central, Hong Kong

### 主要往來銀行

交通銀行股份有限公司香港分行  
香港中環  
畢打街20號

### SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited  
Shops 1712–1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

### 股份過戶登記處

香港證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心17樓  
1712–1716號舖

### REGISTERED OFFICE

16th Floor, Henan Building  
Nos. 90 & 92 Jaffe Road  
Wan Chai, Hong Kong

### 註冊辦事處

香港灣仔  
謝斐道90及92號  
豫港大廈16樓

### WEBSITE

<http://www.evershinegroup.com.hk>

### 網站

<http://www.evershinegroup.com.hk>

### STOCK CODE

8022

### 股份代號

8022



## STATEMENT FROM THE BOARD 董事會報告

On behalf of the board of Directors (the “Board”), I hereby present the Group’s annual report for the year ended 31 December 2017.

### FINANCIAL HIGHLIGHTS OF 2017 FISCAL YEAR

Revenue of the Group from continuing operations for 2017 was approximately HK\$27,948,000 which decreased by 76% as compared to approximately HK\$116,104,000 (re-presented) last year. Compared to the loss for the year of HK\$64,924,000 in 2016, loss for the year of HK\$68,749,000 was recorded. Loss per share in 2017 was approximately 4.16 HK cents, compared to a loss of 4.49 HK cents per share in 2016. The Board does not recommend any dividend payment for 2017.

### OVERVIEW FOR 2017 OPERATIONS AND PROSPECTS

2017 was a year of progress. During the year, the Group maintained steady pace in broadening the business portfolio. Despite the subdued economic environment which negatively impacted our financial results, the Group continued to explore further investment opportunities and to build, grow and unlock the values behind our businesses and investments. We believe our strategy is working on the right track amid the challenging market conditions.

During the year, the Group signed two strategic partnership agreements to explore investment opportunities in the real estate development in the Republic of Turkey (“Turkey”). The Group will keep establishing partnerships with industrial experts from mainland China and Turkey for engineering and contracting related business and tapping the Group into the “Belt and Road” initiative of the Chinese Government. This initiative intends to promote economic co-operation among the “Belt and Road” countries and Turkey is geographically located at the edge of Asia and Europe, which is a strategically important area for foreign export, international trade and economic forces in the global market. In the shelter of the “Belt and Road” initiative, we expect the investment business in Turkey will continue to be benefited from the Turkish government policies on further reforms, urbanization and sustainable development.

To expand our brand presence in Turkey, we also participated in the founding of Chinese Turkish Economic and Cultural Exchange Association in Hong Kong during the year. The association is formed by a body of professionals, with an aim to promote business and cultural links between Turkey, mainland China and Hong Kong for long-term interests and sustainable development between the countries.

本人謹此代表董事會(「董事會」)提呈本集團截至二零一七年十二月三十一日止年度之年報。

### 二零一七財政年度財務摘要

於二零一七年，本集團來自持續經營業務之收益約為27,948,000港元，較去年約116,104,000港元(經重列)下降76%。與二零一六年錄得年內虧損64,924,000港元相比，本年度錄得年內虧損68,749,000港元。於二零一七年每股虧損約4.16港仙，而二零一六年虧損為每股4.49港仙。董事會不建議就二零一七年派付任何股息。

### 二零一七年業務回顧及前景

二零一七年是業務取得進展的一年。年內，本集團持續穩定擴展業務組合。儘管經濟不景氣對我們的財務業績造成不利影響，惟本集團不斷發掘更多投資機遇及努力不懈建設、發展及發揮我們業務及投資之價值。市場境況充滿挑戰，惟我們相信我們的策略正朝著正確方向推進。

年內，本集團簽署了兩份戰略夥伴關係協議，以開拓土耳其共和國(「土耳其」)房地產開發之投資商機。本集團將繼續為中國內地與土耳其的行業專家就工程及相關承包業務建立夥伴關係，使本集團得以參與中國政府提出的「一帶一路」倡議。該倡議旨在推動「一帶一路」沿線國家經濟合作，而土耳其位於亞歐接壤地區，在環球市場上成為國外出口、國際貿易及經濟力量之重要戰略，戰略意義顯著。在「一帶一路」倡議的護蔭下，我們預期於土耳其之投資業務將繼續受惠於土耳其政府就進一步改革、城市化及可持續發展實施之政策。

為了擴展本集團於土耳其之品牌知名度，我們亦於年內在港參與成立中國土耳其經濟文化交流協會。該協會由專業組織成立，目的為促進土耳其、中國內地與香港之間的業務及文化聯繫，為三地的長遠利益及可持續發展作出貢獻。



## STATEMENT FROM THE BOARD 董事會報告

The trading business had a tough year in 2017 mainly due to the shrinking coal-fired energy business on the back of weakening electricity demand and mounting competition from renewable energy. Also, the volatile coal price during the year made the business carry even greater risk. For sustainable development in the commodity trading sector, we have entered into the trading of Onyx Marbles, a type of construction materials, importing from Turkey to the mainland China. We will strive to deploy appropriate strategies to improve the performance of the trading business.

The property investment and money lending business remained stable this year. The two office units in Wan Cha acquired in 2016 have been leased to tenants in return of rental income. The Group expected that the rents would remain broadly stable in 2018. For our money lending business, our wholly owned subsidiary Ottoman Evershine Finance Limited, has started to operate during the year with satisfactory results.

Parts of the cemetery in Henan were still under construction in 2017 which delayed the sales process. The Group believes that the cemetery will be completed in its best condition in 2018 with a better selling price. With the anticipation of an increasing cremation rate and a more stringent regulation regarding illegal burial enacted by the local government and a steady increasing market selling price over cemetery units in the past years, we are confident that the cemetery business will be a strong driving force of the performance of the Group in the near future.

The Group acquired 40% equity interest in First Surplus Investments Limited (“FSI”) in the first quarter of 2017. FSI is principally engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. The Group is confident that the fast-growing and huge market potential of the eSports industry in Southeast Asia creates an opportunity for the mobile application business to grow in the future.

於二零一七年，貿易業務舉步維艱，主要由於在電力需求減弱及可再生能源競爭加劇導致燃煤能量業務萎縮。此外，年內，煤炭價格反覆波動，令業務的風險加劇。為使商品貿易分部可持續發展，我們已開展將土耳其的瑪瑙大理石（為一種建築材料）輸入中國內地的貿易。本集團將盡力部署合適策略以改善貿易業務之表現。

物業投資及放債業務於本年度維持穩定。於2016年收購位於灣仔之兩間辦公室單位已出租予租客，收取租金收入。本集團預計二零一八年租金大體上維持平穩。就放債業務而言，本公司全資附屬公司奧斯曼財務有限公司已於年內開始營運，業績令人滿意。

二零一七年，位於河南之部分公墓仍在建設中，故延遲銷售。本集團相信，公墓將於二零一八年以最佳狀況建成，售價可望更高一線。隨著遺體火化率預期不斷上升及地方政府就非法殯葬實施更為嚴格之規例以及過去多年公墓龕位之市場售價穩步攀升，我們有信心公墓業務不久將來將成為本集團業績之強勁驅動力。

本集團於二零一七年第一季收購First Surplus Investments Limited（「FSI」）40%股權。FSI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。本集團相信，東南亞電子競技行業快速增長，市場潛力豐厚，為手機應用程式業務開創未來增長的機遇。



## STATEMENT FROM THE BOARD 董事會報告

### PROSPECT

The Group expects to face a softer and a more difficult economic environment in the near term that Year 2018 will be beset with much challenges and headwinds due to the uncertain global economy. However, we are confident that fundamentals of the Group are strong. With an experienced management team, the Group is well positioned to explore business opportunities, strengthen our position and pursue opportunities for profitable growth in the year ahead.

### APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to the management and our employees for their dedication and hard work. Finally, I must thank our business partners and shareholders for maintaining the support and confidence in the Group over the years.

On Behalf of the Board

**Hung Tat Chi Alan**  
Executive Director

Hong Kong, 23 March 2018

### 前景

本集團預期短期內的經濟環境將會更為疲弱，亦更為嚴峻。由於環球經濟不明朗，故二零一八年將困難重重及充滿挑戰。然而，我們深信本集團擁有穩健的基礎。憑藉經驗豐富之管理層團隊，本集團處於有利位置定能把握未來一年的良機開拓業務商機、鞏固市場地位及爭取具盈利增長的機遇。

### 致謝

本人謹代表董事會對本集團管理層及員工所作的付出及努力致以由衷謝意。最後，本人亦衷心感謝業務夥伴及股東多年來對本集團堅定不移的支持和信任。

代表董事會

**洪達智**  
執行董事

香港，二零一八年三月二十三日





# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

The board of Directors (the “Board”) of Evershine Group Holdings Limited (the “Company”) herein presents the audited annual results of the Company and its subsidiaries (collectively as the “Group”) for the financial year ended 31 December 2017 (the “Year”).

### 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 and travel agency business. Details of the principal subsidiaries and the associates of the Group are disclosed in Notes 40 and 18 respectively to the consolidated financial statements.

During the Year, the Group recorded revenue from continuing operations of approximately HK\$27,948,000 (2016: approximately HK\$116,104,000 (represented)). 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 decrease of the loss was attributable to the net effect of: (i) an increase in finance costs of approximately HK\$15,491,000 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 Investments 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.

永耀集團控股有限公司(「本公司」)董事會(「董事會」)謹此提呈本公司及其附屬公司(統稱「本集團」)截至二零一七年十二月三十一日止財政年度(「年內」)之經審核年度業績。

### 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、手機應用程式業務及旅遊代理業務。有關本集團主要附屬公司及聯營公司之詳情分別於綜合財務報表附註40及18披露。

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15,491,000港元；(ii)就有關於年內完成收購First Surplus Investments 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。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

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).

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 Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi ("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.

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）。

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 Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi（「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。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### 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.

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%.

### 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，出售部分公墓單位約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，出售公墓單位所得現金於土地使用權手續完成前視作遞延收益。鑒於過去多年公墓單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個公墓單位。

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。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### 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 reclassified 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.

### 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。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### 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.

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 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 14 and 15 to the consolidated financial statements.

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 lease are disclosed in notes 26 to the consolidated financial statements.

#### 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%).

### 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)以及租賃開支而產生。

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。

有關物業詳情於綜合財務報表附註14及15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綜合財務報表附註26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419,453,000為港元(二零一六年：421,923,000港元)，包括現金及銀行結餘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%)。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### 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.

- (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.

### 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) 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。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

#### (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.

#### (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。



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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.

#### COMMITMENTS

The details of the capital commitments incurred during the year ended 31 December 2017 are set out in Note 36 to the consolidated financial statements.

#### 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 HKFRS (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:

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。

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和二零一八年一月二十四日之公佈披露。

#### 承擔

於截至二零一七年十二月三十一日止年度所產生資本承擔之詳情載於綜合財務報表附註36。

#### 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指派或同意的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：



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- (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 23 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 million 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.

### 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 (“Mr. Osman”) 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;

- (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。

於二零一八年三月二十三日，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15百萬港元，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。

### 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(「Osman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



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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 m<sup>2</sup>, 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 m<sup>2</sup>.

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 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.

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。

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。



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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.

### INFORMATION ON POSSIBLE ACQUISITIONS AND PROJECTS

#### The proposed projects in Europe and Turkey

The Group is committed to continuously exploring new and different investment opportunities in order to broaden its source of income. This allows the Group to diversify risks from any single segment of business and maintain profitability and be sustainable. The Group intends to tap into the property investment and development market which has high potential to be one of the Group's main profit streams.

- (i) *Memorandum of understanding with the The 6th Engineering Bureau of China City Investment Group# (中城投集團第六工程局有限公司) (formerly known as "The 6th Engineering Bureau of China City Construction Holding Group Company")*

On 5 February 2016, the Company and the 6th Engineering Bureau of China City Investment Group ("CCIN") entered into a non-legally binding memorandum of understanding (the "MOU").

Under the MOU, CCIN has the intention to participate in the engineering and construction works in relation to the proposed land development and large-scale project(s) of the Company in Turkey and will underwrite the engineering works of relevant projects in accordance with the intention and design of the Company while CCIN would also give suggestions on the design and feasibility of the projects.

Upon the implementation of the projects, the parties to the MOU shall obtain all necessary approvals to enter into binding formal cooperation agreement(s). The terms of the cooperation agreement(s) shall be subject to negotiations between the parties.

# *For identification purpose only*

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。

### 可能收購事項及項目之資料

#### 於歐洲及土耳其之建議項目

本集團致力繼續開拓不同新投資機遇，以擴闊其收入來源。此舉使本集團得以將任何單一業務分部之風險分散，維持盈利能力及持續發展。本集團有意涉足極有可能成為本集團其中一個主要溢利來源之物業投資及發展市場。

- (i) *與中城投集團第六工程局有限公司(前稱「中城建第六工程局集團有限公司」)之諒解備忘錄*

於二零一六年二月五日，本公司與中城投集團第六工程局有限公司(「中城投」)訂立不具法律約束力之諒解備忘錄(「諒解備忘錄」)。

根據諒解備忘錄，中城投有意參與有關本公司於土耳其之建議土地發展及大型項目之工程及建造，並將根據本公司之意向及設計承包相關項目工程，而中城投亦可就項目之設計及可行性提出建議。

於該等項目落實後，諒解備忘錄之訂約方須取得所有必需批准以訂立具約束力之正式合作事項協議。合作事項協議之條款須待訂約方互相磋商後，方告作實。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

On 6 May 2016, the Company entered into a Strategic Cooperation Agreement (the “Cooperation Agreement”) with CCIN.

Pursuant to the Cooperation Agreement, the Company has nominated CCIN as its technical engineering consultant for the projects, the Company and CCIN shall negotiate in good faith in respect of every project in Europe and enter into relevant project agreement(s) which would set out the scope of services, fees and the corresponding duties of the parties.

CCIN shall provide relevant technical engineering consultancy services to the Company in respect of every project, which may include but not limited to consultancy works, such as feasibility studies, project design, blueprints, engineering quotes and budgets, testing and checking, procurement of materials, engineering and construction works, engineering supervision and inspection.

The Company shall provide all necessary information and data to allow CCIN to conduct relevant works and shall pay relevant fee(s) in accordance with the terms of the project(s) agreement(s). Subject to the payment of all consultancy fees to CCIN if applicable, all copyrights of the technical documents provided by CCIN shall be transferred to the Company and the Company shall be entitled to utilise such documents for the relevant projects.

(ii) *The proposed property development project located in Gaziosmanpasa, Turkey*

The Company has identified a proposed property development project in Gaziosmanpasa, Turkey (“Proposed Property Project A”) in 2015 and on 16 May 2016, Ottoman Evershine Development Limited, a wholly-owned subsidiary of the Company, entered into the consultancy agreement with CCIN regarding the provision of technical engineering consultancy services (the “Consultancy Agreement”). Based on the assumption that the Proposed Property Project A would have a construction area of approximately 110,000 sq. m., the consultancy fee according to the Consultancy Agreement will be RMB1,650,000 based on RMB15 per sq. m. subject to the stage of completion of the project. However, as informed by the developer of the project, the land acquisition work is still under process. The feasibility study and relevant consultancy work is postponed until further process is notified.

於二零一六年五月六日，本公司與中城投訂立戰略合作夥伴協議書（「合作協議」）。

根據合作協議，本公司已就該等項目指定中城投作為技術工程諮詢顧問，本公司與中城投須就歐洲各該等項目進行友好磋商，並訂立有關該等項目之協議，當中將載列服務範疇、費用及訂約各方相應之責任。

中城投須就各該等項目向本公司提供相關技術工程諮詢服務，包括但不限於下列諮詢工作：可行性研究、方案設計、設計圖紙、工程造價及預算、檢測及試驗、材料採購、工程建設、工程監理及竣工驗收等。

本公司須提供一切所需資料及數據，以使中城投可進行相關工作，並須根據該等項目之協議條款支付相關費用。待支付予中城投所有顧問費用後，中城投所提供技術文件之全部著作權將轉讓予本公司（如適當），而本公司將有權就該等相應項目運用該等文件。

(ii) *位於土耳其Gaziosmanpasa之建議物業開發項目*

本公司已於二零一五年在土耳其Gaziosmanpasa確立建議物業開發項目（「建議物業項目A」）。於二零一六年五月十六日，本公司全資附屬公司Ottoman Evershine Development Limited與中城投就提供技術工程諮詢顧問服務訂立諮詢協議（「諮詢協議」）。根據假設建議物業項目A將有建築面積約110,000平方米計算，根據諮詢協議，按該項目完成階段，顧問費將為人民幣1,650,000元（每平方米人民幣15元）。然而，據項目開發商告知，土地收購手續仍在進行中。可行性研究及有關諮詢工作推遲直至另行通知。



## MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

### (iii) *The proposed project of Ankara Yenimahalle Station, Turkey*

On 30 August 2016, the Company entered into a letter of intent (the “LoI”) with CCIN, ASTRA İNŞAAT ANONİM ŞİRKETİ (“ASTRA”), ÇİFTAY İNŞAAT TAAHHÜT VE TİCARET A.Ş. (“ÇİFTAY”) and PASİFİK GAYRİMENKUL YATIRIM İNŞ. A.Ş. (“PASİFİK”) whereas each of PASİFİK, ÇİFTAY and ASTRA is a company duly constituted and existing under the laws of Turkey.

PASİFİK and ÇİFTAY have been awarded in the tender by the local authority for the revenue sharing model project of Ankara Yenimahalle Station (the “Project Ankara”), which is situated at Ankara, Turkey. Pursuant to the LoI, the Company, CCIN and ASTRA proposed their intention to be partners with the joint venture formed by PASİFİK and ÇİFTAY in Project Ankara subject to the execution and completion of the actual agreements after arm’s length negotiations among the parties. The parties to the LoI have agreed to discuss the terms of partnership, business plan, business concept, direction, profit sharing, project analysis and all further issues that may be necessary for Project Ankara. The negotiation process is still ongoing as of the date of this report.

Details of the proposed projects were disclosed in the Company’s announcements dated 5 February 2016, 6 May 2016, 16 May 2016, 18 May 2016 and 30 August 2016.

### (iv) *Strategic partnership agreements in respect of projects in Turkey*

On 6 November 2017 and 21 November 2017, the Company entered into strategic partnership agreements (“PASİFİK Agreement”) with PASİFİK and AKDENİZ İNŞAAT VE EĞİTİM HİZMETLERİ A.Ş. (“AKDENİZ Agreement”), companies duly constituted and existing under the laws of Turkey, respectively, in relation to forming of strategic partnerships between the Company and PASİFİK and AKDENİZ respectively in a bid (i) to explore investment opportunities in real estate development in Turkey; (ii) to establish partnership for engineering and related construction business; and (iii) to invite more industrial partners from mainland China to further broaden the scope of business development scope as well as partnership.

### (iii) *土耳其安卡拉葉尼瑪哈爾車站之建議項目*

於二零一六年八月三十日，本公司與中城投、ASTRA İNŞAAT ANONİM ŞİRKETİ (「ASTRA」)、ÇİFTAY İNŞAAT TAAHHÜT VE TİCARET A.Ş. (「ÇİFTAY」) 及 PASİFİK GAYRİMENKUL YATIRIM İNŞ. A.Ş. (「PASİFİK」) 訂立意向書 (「意向書」)。PASİFİK、ÇİFTAY 及 ASTRA 各自為根據土耳其法律正式組成及存續之公司。

PASİFİK及ÇİFTAY已就位於土耳其安卡拉之安卡拉葉尼瑪哈爾車站之收入共享模式項目 (「安卡拉項目」) 獲當地管理機關批出標書。根據意向書，本公司、中城投與 ASTRA 提出有意成為合作夥伴，連同由 PASİFİK及ÇİFTAY 組成之合營企業進行安卡拉項目，惟須待各方公平磋商後簽立及完成實際協議後，方可作實。意向書訂約方向同意商討合夥協議之條款、業務計劃、業務理念、方向、利潤攤分、項目分析及有關安卡拉項目可能需要之一切進一步事宜。於本報告日期，仍在進行協商。

建議項目之詳情於本公司日期為二零一六年二月五日、二零一六年五月六日、二零一六年五月十六日、二零一六年五月十八日及二零一六年八月三十日之公佈中披露。

### (iv) *有關土耳其項目之戰略夥伴關係協議*

於二零一七年十一月六日及二零一七年十一月二十一日，本公司與根據土耳其法律正式組成及存續之公司 PASİFİK 及 AKDENİZ İNŞAAT VE EĞİTİM HİZMETLERİ A.Ş. 分別訂立戰略夥伴關係協議 (「PASİFİK 協議」) 及 (「AKDENİZ 協議」)，內容有關本公司分別與 PASİFİK 及 AKDENİZ 組建戰略夥伴關係，以 (i) 開拓土耳其房地產開發之投資商機；(ii) 就工程及相關建築業務建立夥伴關係；及 (iii) 於中國內地邀請更多行業夥伴，以進一步擴闊業務發展範圍及夥伴關係。



## MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

PASİFİK, being one of the top real estate developer in Turkey, owns and/or jointly owns several mega projects in prime districts in Ankara Province and Istanbul Province. The Company has discussed with PASİFİK for the opportunities of real estate development in Turkey.

AKDENİZ has over 30 years of experience in the real estate and construction business in Turkey; furthermore, AKDENİZ is also engaged in the energy and tourism sector. AKDENİZ ranked in the Fortune 500 of Turkey in 2014 and 2015. Ağaoğlu Gayrimenkul Yatırım A.Ş. (“Ağaoğlu”), a wholly-owned subsidiary of AKDENİZ, engaged in the real estate and construction business and has completed over 20 large property projects in Turkey with over 7,000,000 sq. meter construction area including residential, office, hotel, retail and local amenities. Ağaoğlu ranked the most prestigious construction company in 2015 and 2016 in the Turkish Reputation Index.

Further announcement(s) in respect of the partnerships and the related projects will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

Details of the strategic partnership agreements in relation to projects in Turkey were disclosed in the Company’s announcements dated 6 November 2017 and 21 November 2017.

### 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.

PASİFİK作為土耳其首屈一指之房地產發展商之一，於安卡拉省及伊斯坦堡省之主要地段擁有及／或合資擁有多項大型項目。本公司已與PASİFİK討論於土耳其發展房地產之機會。

AKDENİZ於土耳其房地產及建築業務擁有逾30年經驗，此外，AKDENİZ亦從事能源及旅遊業。AKDENİZ於二零一四年及二零一五年名列土耳其財富500強(Fortune 500 Turkey)。AKDENİZ之全資附屬公司Ağaoğlu Gayrimenkul Yatırım A.Ş. (「Ağaoğlu」)從事房地產及建築業務，並於土耳其完成超過20個大型物業項目，該等項目之建築面積超過7,000,000平方米，包括住宅、辦公室、酒店、零售及當地設施。Ağaoğlu於土耳其聲譽指數(Turkish Reputation Index)名列二零一五年及二零一六年最具聲望建築公司。

本公司將於適當時候根據創業板上市規則就夥伴關係及相關項目作出進一步公佈。

有關土耳其項目之戰略夥伴關係協議之詳情於本公司日期為二零一七年十一月六日及二零一七年十一月二十一日之公佈之披露。

### 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匯兌風險有限。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。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層論述及分析

### 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 as disclosed in Note 34 to the consolidated financial statements, 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).

### EVENTS AFTER THE REPORTING PERIOD

The details of the non-adjusting events including (i) the conditional sale and purchase agreement entered into in relation to the acquisition of additional 30% of the equity interest of Boyracı Construction on 6 June 2017, the supplemental deed entered into on 6 November 2017 and the side letter entered into on 26 February 2018; and (ii) the conversion of convertible notes under general mandate issued on 23 March 2017 on 24 January 2018; are set out in Note 38 to the consolidated financial statements.

### 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 package 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.

Details of the share option scheme of the Company are set out in the "Directors' Report".

### 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。除綜合財務報表附註34所披露之信貸風險、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)。

### 報告期後事項

非調整事項之詳情包括(i)於二零一七年六月六日就收購BoyracıConstruction額外30%股權訂立之有條件買賣協議、於二零一七年十一月六日訂立之補充契據及於二零一八年二月二十六日訂立之附函；及(ii)根據一般配售權於二零一七年三月二十三日及二零一八年一月二十四日發行之兌換可換股票據；已於綜合財務報表附註38載述。

### 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。

本公司購股權計劃之詳情載於「董事報告」。



## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層論述及分析

#### 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.

#### 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。





## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

### EXECUTIVE DIRECTORS

**Mr. Hung Tat Chi Alan** (“Mr. Hung”), aged 39, was appointed as executive Director of the Company on 22 March 2017. He is currently the authorised representative and compliance officer of the Company. Mr. Hung holds Master Degrees in Civil Engineering and Business Administration respectively. He is specialized in construction and environmental engineering, research and development, sales and marketing, fundraising and mergers and acquisitions as well as business administration. Mr. Hung has more than 12 years experience in mainland China as an engineering professional and senior executive and has established extensive network with government officials and entrepreneurs. Mr. Hung has been the Deputy Secretary General of the Preparatory Committee for the World Summit of Chinese Entrepreneurs since 2005, and has been taking up senior positions in public and private companies and statutory body for more than 10 years. Mr. Hung was appointed as alternate Director to Mr. Bülent Yenel (“Mr. Yenel”) on 11 January 2016 and has tendered his resignation as alternate Director following the resignation of Mr. Yenel with effect from 14 June 2017. He was an executive Director of Aurum Pacific (China) Group Limited (stock code: 8148) from 2 March 2016 to 20 March 2017.

**Mr. Ling Ko Yin Jason** (“Mr. Ling”), aged 36, was appointed as an executive Director of the Company with effect from 16 December 2016. Mr. Ling obtained a degree of Bachelor of Economics and Finance from The University of Hong Kong. Mr. Ling has extensive experience in mergers and acquisitions, post-deal management and also has solid knowledge in the industries of agriculture, clean technology, real estate, fund investment and education sector. Mr. Ling has worked in the advisory department of an international accounting firm for a number of years. Mr. Ling is a member of the Hong Kong Institute of Certified Public Accountants and Chartered Financial Analyst of CFA Institute.

### 執行董事

洪達智先生(「洪先生」)，39歲，自二零一七年三月二十二日起獲委任為本公司執行董事。彼目前為本公司法定代表及監察主任。洪先生分別擁有土木工程及工商管理學兩個碩士學位，彼專精建設及環保工程、科研開發、銷售推廣、募集基金、合併及收購以及工商管理。洪先生於中國大陸擁有逾12年工程專業及高級行政經驗，並與政府官員及企業家建立起廣泛人脈。洪先生自二零零五年起擔任世界華商高峰會籌備委員會之副秘書長，並已於上市及私人公司及法定機構擔任高級職位逾十年。洪先生於二零一六年一月十一日獲委任為Bülent Yenel先生(「Yenal先生」)之代理董事並繼Yenal先生辭任後提出辭任本公司代理董事之職務，自二零一七年六月十四日起生效。彼於二零一六年三月二日至二零一七年三月二十日為奧栢中國集團有限公司(股份代號：8148)之執行董事。

林高然先生(「林先生」)，36歲，獲委任為本公司執行董事，自二零一六年十二月十六日起生效。林先生獲得由香港大學頒發之經濟金融學學士學位。林先生於合併及收購以及交易後管理擁有廣泛經驗，且彼亦於農業、潔淨科技、房地產、資金投資及教育行業擁有扎實知識。林先生曾任職於一間國際會計師事務所之諮詢部門數年。林先生為香港會計師公會會員及特許金融分析師協會(CFA Institute)之特許金融分析師。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

### NON-EXECUTIVE DIRECTOR

**Mr. Chan Wai Kit** (“Mr. Chan”), aged 34, was appointed as a non-executive Director of the Company with effect from 29 May 2017. Mr. Chan holds a Bachelor Degree in Information System and a Master Degree of Accounting from Curtin University of Technology, Australia. He is an executive Director, authorised representative and compliance officer of Aurum Pacific (China) Group Limited (stock code: 8148), a company listed on the GEM of The Stock Exchange of Hong Kong Limited (“Stock Exchange”) since 13 October 2014 and a deputy chairman with effect from 16 October 2015. Mr. Chan has been appointed as a committee member of the 9th Committee of Maoming City of The Chinese People’s Political Consultative Conference since January 2017. Mr. Chan is currently an executive Director of Elegance Optical International Holdings Limited (stock code: 907), a company listed on the Main Board of the Stock Exchange. He is currently an independent non-executive director of Share Economy Group Limited (stock code: 1178) and Ding He Mining Holdings Limited (stock code: 705), a company listed on the Main Board of the Stock Exchange.

Mr. Chan was the chairman, executive director, authorised representative and compliance officer of PPS International (Holdings) Limited (stock code: 8201), a company listed on the GEM of the Stock Exchange from June 2015 to July 2016. He was also an executive director of China Taifeng Beddings Holdings Limited (stock code: 873), a company listed on the Main Board of the Stock Exchange from July 2016 to August 2016. He was also an executive director of Green Energy Group Limited (stock code: 979), a company listed on the Main Board of the Stock Exchange from February 2017 to July 2017. Mr. Chan has extensive experience in information technology, accounting, finance, corporate governance, strategic planning, as well as merger and acquisition.

### 非執行董事

陳偉傑先生(「陳先生」)，34歲，獲委任為本公司非執行董事，自二零一七年五月二十九日起生效。陳先生持有澳洲科廷科技大學(Curtin University of Technology)信息系統學士學位及會計碩士學位。彼自二零一四年十月十三日起擔任奧栢中國集團有限公司之執行董事、授權代表及監察主任及自二零一五年十月十六日起擔任副主席，該公司為香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之上市公司(股份代號：8148)。陳先生自二零一七年一月起獲委任為中國人民政治協商會議第九屆茂名市委員會委員。陳先生目前為聯交所主板上市公司高雅光學國際集團有限公司(股份代號：907)之執行董事。彼目前為共享經濟集團有限公司(股份代號：1178)及聯交所主板上市公司鼎和礦業控股有限公司(股份代號：705)之獨立非執行董事。

於二零一五年六月至二零一六年七月期間，陳先生為聯交所創業板上市寶聯控股有限公司(股份代號：8201)之主席、執行董事、授權代表及監察主任。於二零一六年七月至二零一六年八月期間，彼亦為聯交所主板上市中國泰豐床品控股有限公司(股份代號：873)之執行董事。於二零一七年二月至二零一七年七月，彼亦為聯交所主板上市公司綠色能源科技集團有限公司(股份代號：979)之執行董事。陳先生於資訊科技、會計、財務、企業管治、策略規劃以及併購方面擁有豐富經驗。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Ms. Choy So Yuk**, *BBS, JP* (“Ms. Choy”), aged 67, was appointed as an independent non-executive Director of the Company on 12 May 2015. Ms. Choy is also the Chairlady of the Remuneration Committee, members of the Audit Committee and Nomination Committee. Ms. Choy obtained her Bachelor of Science and Master of Philosophy degrees from the University of Hong Kong in 1974 and 1980 respectively. Ms. Choy was the founding managing director of SHK International Services Limited (which was subsequently acquired by Ms. Choy and changed its name to Oriental-Western Promotions Limited). Ms. Choy holds a wide variety of political, social and academic positions, such as a deputy of the National People’s Congress and a director of Fujian Middle School. Ms. Choy was a member of the Fujian Provincial Committee of the Chinese People’s Political Consultative Conference and a member of the Legislative Council in Hong Kong from 1998 to 2008. Ms. Choy was appointed as an independent non-executive director of Loudong General Nice Resources (China) Holdings Limited (stock code: 988) since June 2009. Ms. Choy was an independent non-executive director of Ping Shan Tea Group Limited (stock code: 364) from August 2002 to October 2017.

**Ms. Lam Yuk Ying Elsa** (“Ms. Lam”), aged 58, was appointed as an independent non-executive Director of the Company on 2 September 2013. She is also the Chairlady of the Nomination Committee, members of the Audit Committee and Remuneration Committee. Ms. Lam holds Type 1 (Dealing in securities), Type 2 (Dealing in futures contracts), Type 6 (Advising on corporate finance) and Type 9 (Asset management) regulated activities license issued by the Securities and Futures Commission. Ms. Lam has over 10 years of experience in the securities industry and more than 15 years of experience in the treasury function in several major banks. Ms. Lam was an executive director of Value Convergence Holdings Limited (Stock Code: 821) from 23 February 2011 to 28 December 2012. From 1 March 2015 to 14 February 2017, Ms. Lam was a director of VC Asset Management Limited, a wholly-owned subsidiary of Value Convergence Holdings Limited. Ms. Lam was also an associate director of Excalibur Hong Kong and held senior positions at Glory Sky Global Markets Limited and Kingston Securities Limited. She was also the head of the treasury department of KBC Bank N.V.

### 獨立非執行董事

蔡素玉女士，銅紫荊星章，太平紳士（「蔡女士」），67歲，於二零一五年五月十二日獲委任為本公司獨立非執行董事。蔡女士亦為薪酬委員會主席兼審核委員會及提名委員會成員。蔡女士分別於一九七四年及一九八零年獲得由香港大學頒授之理學士學位及哲學碩士學位。蔡女士乃SHK International Services Limited（此公司其後由蔡女士收購，並易名為東偉業務促進有限公司）之創辦董事總經理。蔡女士出任多項政治、社會及學術公職，例如全國人民代表大會代表及香港福建中學校董等。蔡女士於一九九八年至二零零八年間曾出任中國人民政治協商會議福建省委員會委員及曾任香港立法會議員。蔡女士自二零零九年六月起一直擔任樓東俊安資源（中國）控股有限公司（股份代號：988）之獨立非執行董事。蔡女士於二零零二年八月至二零一七年十月擔任坪山茶業集團有限公司（股份代號：364）之獨立非執行董事。

林玉英女士（「林女士」），58歲，於二零一三年九月二日獲委任為獨立非執行董事。彼亦為審核委員會、薪酬委員會成員以及提名委員會主席。林女士持有證券及期貨事務監察委員會發出之第一類（證券交易）、第二類（期貨合約交易）、第六類（就機構融資提供意見）及第九類（資產管理）受規管活動之牌照。林女士在證券業積逾十年經驗，在多間主要銀行之庫務職能方面亦擁有超過十五年經驗。於二零一一年二月二十三日至二零一二年十二月二十八日期間，林女士為滙盈控股有限公司（股份代號：821）之執行董事。於二零一五年三月一日至二零一七年二月十四日，林女士為滙盈控股有限公司之全資附屬公司滙盈資產管理有限公司之董事。林女士亦為駿溢香港之聯席董事，並曾於灝天環球投資有限公司及金利豐證券有限公司出任要職。彼亦曾出掌KBC Bank N.V.庫務部門主管。



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷詳情

**Mr. Leung Man Chun** (“Mr. Leung”), aged 30, was appointed as an independent non-executive Director of the Company on 1 March 2016. Mr. Leung is also the Chairman of the Audit Committee, members of the Nomination Committee and the Remuneration Committee. He has been engaging in financial services sector for over 6 years, along with ample experience in an international accounting firm and an international bank. He currently serves as a corporate finance principal for a professional firm. He obtained a Bachelor’s Degree in Social Sciences from Hong Kong Baptist University in 2009. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and has joined the Council of the Hong Kong Institute of Certified Public Accountants in 2018. Mr. Leung is currently an independent non-executive director of Aurum Pacific (China) Group Limited (stock code: 8148) whose shares are listed on the GEM of the Stock Exchange since 23 February 2016.

### COMPANY SECRETARY

**Ms. Chan Shuk Man Lora** (“Ms. Chan”), aged 48, was appointed as the company secretary and an authorised representative of the Company with effect from 22 January 2018. Ms. Chan joined the Company in March 2016. She obtained a bachelor’s degree of Business Administration in Accounting (Hon.) from the Coventry University and a MBA (Banking) from the University of Stirling in the United Kingdom and is a fellow member of the Hong Kong Institute of Certified Public Accountants, Association of Chartered Certified Accountants, the Taxation Institute of Hong Kong and a Certified Tax Adviser (Hong Kong). She has over 25 years of experience in auditing, accounting, banking and financial management.

梁文俊先生(「梁先生」)，30歲，於二零一六年三月一日獲委任為本公司獨立非執行董事。梁先生亦為審核委員會主席兼提名委員會及薪酬委員會成員。彼於國際會計師行及國際銀行等金融服務機構工作逾六年，擁有豐富相關經驗。彼現時於一間專業機構擔任企業融資部總監。彼於二零零九年於香港浸會大學取得社會科學學士學位。梁先生為香港會計師公會成員並於二零一八年當選為香港會計師公會理事會成員。梁先生自二零一六年二月二十三日起獲委任為奧栢中國集團有限公司(其股份於聯交所創業板上市，股份代號：8148)之獨立非執行董事。

### 公司秘書

陳淑雯女士(「陳女士」)，48歲，自二零一八年一月二十二日起獲委任為本公司之公司秘書兼法定代表。陳女士於二零一六年三月加入本公司。彼取得英國考文垂大學(Coventry University)工商管理榮譽學士學位(會計學)及英國斯特靈大學(University of Stirling)工商管理碩士學位(銀行學)。彼為香港會計師公會、英國特許公認會計師公會及香港稅務學會之資深會員，且為一名註冊稅務師(香港)。彼於審計、會計、銀行及財務管理方面有逾25年經驗。



# REPORT OF THE DIRECTORS

## 董事報告

The Directors submit herewith their report together with the audited financial statements of the Company and the Group for the year ended 31 December 2017 (“Year”).

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The activities of its subsidiaries are set out in Note 40 to the consolidated financial statements. Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group’s business, can be found in the Management Discussion and Analysis set out on pages 7 to 22 of this Annual Report. This discussion forms part of this Directors’ Report. Details of the segment information of the Group for the year ended 31 December 2017 are set out in Note 13 to the consolidated financial statements.

### FINANCIAL STATEMENTS

The results of the Group for the year ended 31 December 2017 are set out in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income on pages 78 to 79.

The states of affairs of the Group and of the Company as at 31 December 2017 are set out in the consolidated statement of financial position and the statement of financial position on pages 80 to 81 and in Note 39 to the consolidated financial statements respectively.

The cash flows of the Group are set out in the consolidated statement of cash flows on pages 83 to 84.

### DIVIDENDS

The Directors do not recommend any payment of dividend nor transfer of any amount to reserves for the Year (2016: Nil).

### SHARE CAPITAL

Details of movements in the share capital of the Company during the Year are set out in Note 30 to the consolidated financial statements and the section headed “Capital Structure” of this Annual Report.

### EQUITY-LINKED AGREEMENTS

Details of placing of new shares under general mandate and issue of convertible bonds are set out in Notes 28 and 30 to the consolidated financial statements, respectively, and in the sections headed “Capital Structure” and of this Annual Report. This discussion forms part of this Directors’ Report.

董事謹此提呈彼等之報告連同本公司及本集團截至二零一七年十二月三十一日止年度（「本年度」）之經審核財務報表。

### 主要業務及業務回顧

本公司之主要業務為投資控股。本公司附屬公司之業務載於綜合財務報表附註40。香港公司法附錄五要求對該等活動作出進一步討論及分析（包括討論本集團面對之主要風險及不確定因素以及反映本集團業務可能未來發展）可於本年報第7至22頁所載之管理層論述及分析查閱。該討論構成此董事報告之一部分。本集團截至二零一七年十二月三十一日止年度之分部資料詳情載於綜合財務報表附註13。

### 財務報表

本集團截至二零一七年十二月三十一日止年度之業績載於第78至79頁之綜合損益表以及綜合損益及其他全面收益表內。

本集團及本公司於二零一七年十二月三十一日之業務狀況分別載於第80至81頁之綜合財務狀況表及綜合財務報表附註39財務狀況表內。

本集團之現金流量載於第83至84頁之綜合現金流量表內。

### 股息

董事不建議就本年度派付任何股息，亦不轉撥任何款項至儲備（二零一六年：無）。

### 股本

本年度，有關本公司股本變動之詳情載於本年報綜合財務報表附註30及「資本結構」一節。

### 股票掛鈎協議

根據一般授權配售新股份及發行可換股債券之詳情分別載於綜合財務報表附註28及30，以及載於本年報「資本結構」各節。該討論構成此董事報告之一部分。



# REPORT OF THE DIRECTORS

## 董事報告

### RESERVES

Details of the movements in reserves during the Year are set out in Note 30 to the consolidated financial statements.

### FIVE YEARS FINANCIAL SUMMARY

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years as extracted from the published audited financial statements is set out on page 176 of this Annual Report.

### PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS

Details of the movements in property, plant and equipment investment properties and intangible assets of the Group during the Year are set out in Notes 14, 15 and 16 respectively to the consolidated financial statements.

### DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company has no distributable reserve calculated in accordance with the provisions of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

### CHARITABLE DONATIONS

During the Year, the Group has no charitable donations (2016: Nil).

### DIRECTORS

The Directors who held office during the year ended 31 December 2017 and up to the date of this annual report were:

#### *Executive Directors*

Mr. Bülent Yenil	(Resigned on 14 June 2017)
Mr. Chan Ming Kei	(Resigned on 15 January 2018)
Mr. Hung Tat Chi Alan	(Appointed as Executive Director on 22 March 2017 and resigned as alternate Director to Mr. Bülent Yenil on 14 June 2017)

Mr. Ling Ko Yin Jason

#### *Non-executive Director*

Mr. Chan Wai Kit	(Appointed on 29 May 2017)
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### 儲備

本年度，儲備變動之詳情載於綜合財務報表附註30。

### 五年財務概要

摘自己刊發經審核財務報表之本集團過往五個財政年度之已刊發業績以及資產、負債及非控股權益之概要載於本年報第176頁。

### 物業、廠房及設備、投資物業及無形資產

本年度，本集團物業、廠房及設備、投資物業及無形資產變動之詳情分別載於綜合財務報表附註14、15及16。

### 可供分派儲備

於二零一七年十二月三十一日，本公司並無根據香港法例第622章公司條例之條文計算之可供分派儲備。

### 慈善捐款

本年度，本集團並無慈善捐款(二零一六年：無)。

### 董事

於截至二零一七年十二月三十一日止年度及直至本年報日期止之董事如下：

#### *執行董事*

Bülent Yenil先生	(於二零一七年六月十四日辭任)
陳銘基先生	(於二零一八年一月十五日辭任)
洪達智先生	(於二零一七年三月二十二日獲委任為執行董事及於二零一七年六月十四日辭任Bülent Yenil先生之代理董事)

林高然先生

#### *非執行董事*

陳偉傑先生	(於二零一七年五月二十九日獲委任)
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## REPORT OF THE DIRECTORS 董事報告

### Independent non-executive Directors

Mr. Chan Kwun Chung (Appointed on 1 January 2017 and resigned on 28 February 2017)

Ms. Choy So Yuk, *BBS, JP*

Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

### Directors of Subsidiaries

The names of directors who have served on the boards of the subsidiaries of the Company (other than those listed above) during the year ended 31 December 2017 and up to the date of this report included:

Ms. Chan Shuk Man Lora, Mr. San Tung, Mr. Salih Yekta Kisa, Mr. Kemal Tekin, Mr. Yaşar İnel, Mr. Mui Yuk Wah, Mr. Lau Yu, Mr. Au Yeung Yiu Chung, Mr. Stephen Woo Sai Man, Mr. Hung Yu Pang, Mr. Shen Hung Yee Eddie, Mr. Wu Wenbei, Mr. Wong Man Chiu Ronnie, Mr. Yeung Wai Hung, Mr. Lai Chun Hung, Mr. Chan Ernest Kar Kit, Mr. Pineda Al Luong, Mr. Li Zhengqing and Mr. Wong Yiu Wing, Mr. Wei Liang, Mr. Frank Yu, Mr. Chu Wai Hung Stephen, Mr. Cheung Man Yau Timothy, Mr. Zhang Daolin and Mr. Yin Jianfeng.

### DIRECTORS' SERVICE CONTRACTS

In accordance with the Articles of Association, Mr. Chan Wai Kit and Ms. Choy So Yuk, *BBS, JP* are subject to retirement by rotation and re-election at the Company's forthcoming annual general meeting. Each of the Executive Directors may receive a discretionary bonus, the amount of which will be determined by the Board of Directors as its absolute discretion having regard to the operation results of the Company.

The independent non-executive Directors have not entered into any service agreement with the Company and are not appointed for a specific term, but all are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Articles of Association.

None of the Directors is proposed for re-election at the forthcoming annual general meeting ("AGM") has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

### 獨立非執行董事

陳冠忠先生 (於二零一七年一月一日獲委任及於二零一七年二月二十八日辭任)

蔡素玉女士，  
銅紫荊星章，  
太平紳士  
林玉英女士  
梁文俊先生

### 附屬公司董事

截至二零一七年十二月三十一日止年度及直至本報告日期止，本公司附屬公司董事會在任董事(除上述者外)姓名載列如下：

陳淑雯女士、申東先生、Salih Yekta Kisa先生、Kemal Tekin先生、Yaşar İnel先生、梅育華先生、柳宇先生、歐陽耀忠先生、胡世民先生、洪宇鵬先生、沈鴻宜先生、吳文杯先生、王敏超先生、楊偉雄先生、黎俊鴻先生、陳嘉杰先生、梁子龍先生、李政清先生、黃耀榮先生、韋亮先生、於培忠先生、朱偉鴻先生、張晚有先生、張道林先生及殷劍峰先生。

### 董事服務合約

根據組織章程細則，陳偉傑先生及蔡素玉女士，銅紫荊星章，太平紳士須於本公司應屆股東週年大會輪值告退並重選連任。各執行董事或可酌情收取花紅，有關金額將由董事會全權酌情按本公司之經營業績而釐定。

獨立非執行董事並無與本公司簽訂任何服務協議，亦無指定任期，惟彼等全體均須根據組織章程細則於本公司之股東週年大會上輪值告退並膺選連任。

本公司並無與擬於應屆股東週年大會(「股東週年大會」)上重選連任之董事訂立任何不可由本公司於一年內無償終止(法定補償除外)之服務合約。



# REPORT OF THE DIRECTORS

## 董事報告

### DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, any of its holding companies or subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

### CONNECTED AND RELATED PARTY TRANSACTIONS

Save as disclosed in this report, there were no other transactions which need to be disclosed as connected in accordance with the requirements of the GEM Listing Rules during the year ended 31 December 2017.

The material related party transactions of the Group are disclosed in Note 37 to the consolidated financial statements.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2017, same as disclosed elsewhere in this report, as far as the Directors are aware of, none of the Directors or the management shareholders of the Company or any of its respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group.

### PERMITTED INDEMNITY AND DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Pursuant to the Articles and subject to the provisions of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), every Director or other officer of the Company shall be indemnified out of the assets of the Company against all loss and liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto, provided that such Article shall only have effect in so far as its provisions are not avoided by the Companies Ordinance. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Company during the Year.

### 董事之合約權益

於本年度完結時或於本年度任何時間，概無任何由本公司、其任何控股公司或附屬公司訂立且董事在其中直接或間接擁有重大權益而對本集團業務有重大影響之合約。

### 關連及有關連人士交易

除本報告所披露外，截至二零一七年十二月三十一日止年度，概無任何其他交易須遵照創業板上市規則之規定披露為關連交易。

本集團重大有關連人士交易於綜合財務報表附註37披露。

### 董事於競爭業務之權益

於二零一七年十二月三十一日，誠如本報告其他章節所披露者一致，就董事所知，概無董事或本公司管理層股東或其各自之聯繫人士（定義見創業板上市規則）於與本集團業務構成或可能構成競爭之業務中擁有任何權益或與本集團有任何其他利益衝突。

### 獲准許之彌償保證及董事與高級職員之責任保險

根據章程細則及受香港法例第622章公司條例之條文規限，對於本公司各董事或其他高級職員在任職期間執行職務時承受或發生與本公司有關的所有損失及責任，均可從本公司資產中獲得彌償，惟有關條文僅在未因公司條例而致無效的情況下方為有效。本年度，本公司已安排適當董事與高級職員之責任保險，涵蓋範圍包括董事及本公司高級職員。





# REPORT OF THE DIRECTORS

## 董事報告

### DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from the share option scheme referred as below, at no time during the year ended 31 December 2017 was any of the Company or any associated corporation a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, none of the Directors or chief executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors as referred to in Rule 5.46 of the GEM Listing Rules.

### SHARE OPTION SCHEMES

The share option scheme adopted on 9 May 2011 (the "2011 Share Option Scheme") by the Shareholders was terminated and a new share option scheme was adopted on 1 February 2016 (the "2016 Share Option Scheme") by the Shareholders. The purpose of the 2016 Share Option Scheme is to enable the Company to grant Share Options to the Eligible Participants (as defined below) as incentives or rewards for their contribution to the long term development of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate, attract, retain and/or provide benefits to the Eligible Participants. The 2016 Share Option Scheme was adopted for a period of 10 years commencing from 1 February 2016 and will remain in force until 31 January 2026.

Eligible Participant under the 2016 Share Option Scheme includes any full-time or part-time employees, consultants or potential employees, executives or officers (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the sole opinion of the Board, will contribute or has contributed to the Company and/or any of its subsidiaries.

### 董事購入股份之權利

除下文所述購股權計劃外，於截至二零一七年十二月三十一日止年度內任何時間，本公司或任何相聯法團均無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或票據而獲益；亦無董事或彼等之配偶或十八歲以下子女擁有可認購本公司股份或票據之任何權利或曾行使任何該等權利。

### 董事及最高行政人員於股份、相關股份及票據之權益及淡倉

於二零一七年十二月三十一日，概無董事或本公司最高行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及票據中，擁有任何須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉），或已登記於本公司根據證券及期貨條例第352條須存置之登記冊之任何權益或淡倉或已根據創業板上市規則第5.46條所述董事進行買賣之規定標準另行知會本公司及聯交所之任何權益或淡倉。

### 購股權計劃

股東於二零一一年五月九日採納之購股權計劃（「二零一一年購股權計劃」）已告終止，而股東已於二零一六年二月一日採納新購股權計劃（「二零一六年購股權計劃」）。二零一六年購股權計劃旨在使本公司能向合資格參與者（定義見下文）授出購股權，作為彼等對本集團長期發展作出貢獻之獎勵或回報，並為本集團提供更靈活之方式獎勵、酬報、補償、招攬、留聘合資格參與者及／或向其提供福利。二零一六年購股權計劃自二零一六年二月一日採納之日起為期10年，並將維持有效直至二零二六年一月三十一日為止。

根據二零一六年購股權計劃，合資格參與者包括本公司或其任何附屬公司之任何全職或兼職僱員、諮詢顧問或潛在僱員、行政人員或高級職員（包括執行、非執行及獨立非執行董事），以及董事會全權認為將向或已向本公司及／或其任何附屬公司作出貢獻之任何供應商、客戶、諮詢顧問、代理及顧問。



## REPORT OF THE DIRECTORS 董事報告

The subscription price shall be determined by the Board in its absolute discretion but in any event shall be at least the higher of:

- (i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant which must be a business day; and
- (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 14 days from the date of grant. Unless otherwise determined by the Board in the relevant offer letter to a grantee, there is no minimum period for which any option must be held before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised. An option may be exercised in accordance with the terms of the 2016 Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

Based on 1,323,836,776 shares in issue as at the date of adoption of the 2016 Share Option Scheme, the maximum number of shares to be issued upon the exercise of options that may be granted under the 2016 Share Option Scheme are 132,383,677 shares, being 10% of the shares in issue as at the date of adoption. The total number of shares available for issue under the 2016 Share Option Scheme is 132,383,677 Shares, representing 8.3% of the total number of Shares in issue as at the date of this report.

Pursuant to the GEM Listing Rules, the total number of shares which may be issued upon the exercise of all options to be granted under the 2016 Share Option Scheme must not, in aggregate, exceed 10% of the shares in issue as at the date of adoption of the 2016 Share Option Scheme. The Board shall not grant any options which would result in the maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted but yet to be exercised under the 2016 Share Option Scheme and any other share option schemes adopted by the Company exceeding, in aggregate, 30% of the shares in issue from time to time.

認購價須由董事會全權酌情釐定，惟在任何情況下須最少為下列各項之較高者：

- (i) 股份於授出日期(該日須為營業日)在聯交所發出之每日報價表所述之收市價；及
- (ii) 股份於緊接授出日期前五個營業日在聯交所發出之每日報價表所述之平均收市價。

承授人接納購股權後，須向本公司支付1.00港元，作為獲授購股權之代價。承授人須於授出日期起14日內，接納授出購股權之要約。除董事會在寄發予承授人之有關要約函中另有釐定外，概無規定購股權可予行使前須持有任何購股權之最短期限，亦無設定承授人於行使購股權前須達致之表現目標。購股權可於董事會可能釐定之期間內根據二零一六年購股權計劃之條款隨時行使，惟有關期間不得超過由授出日期起計十年，並受提前終止條文規限。

按於二零一六年購股權計劃採納日期已發行股份1,323,836,776股計算，根據二零一六年購股權計劃授出之購股權獲行使而將予發行之股份最高數目為132,383,677股，佔於採納日期已發行股份之10%。根據二零一六年購股權計劃可供發行之股份總數為132,383,677股，相當於本報告日期已發行股份總數之8.3%。

根據創業板上市規則，根據二零一六年購股權計劃將予授出之全部購股權獲行使而可能發行之股份總數合共不得超過二零一六年購股權計劃採納日期已發行股份之10%。董事會不得授出會導致因行使根據二零一六年購股權計劃及本公司所採納之任何其他購股權計劃授出但尚未行使之所有購股權而可能發行之股份最高總數超過不時已發行股份之30%之任何購股權。



## REPORT OF THE DIRECTORS 董事報告

The total number of shares issued and to be issued upon exercise of the options granted under the 2016 Share Option Scheme and any other share option schemes of the Company to each Eligible Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue (the "Individual Limit"). Any further grant of options to an Eligible Participant which would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such Eligible Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to approval of the Shareholders in general meeting with such Eligible Participant and his close associates (or his associates if such Eligible Participant is a connected person) abstaining from voting.

Any grant of options to a connected person (as defined in the GEM Listing Rules) must be approved by all Independent Non-executive Directors (excluding any Independent Non-executive Director who is the proposed grantee). Where options are proposed to be granted to a connected person who is also a substantial shareholder (as defined in the GEM Listing Rules) of the Company or an Independent Non-executive Director or any of their respective associates, and the proposed grant of options, when aggregated the options already granted to such connected person in the past 12 months period, would entitle that person to receive more than 0.1% of the total issued shares of the Company for the time being and the value of which is in excess of HK\$5,000,000, then the proposed grant must be subject to the approval of the shareholders at the general meeting. Apart from the connected person involved, all other connected persons of the Company must abstain from voting in such general meeting (except where any connected person intends to vote against the proposed grant).

There is no outstanding share option under the 2011 Share Option Scheme as at 1 January 2016 and 31 December 2016. As at the date of this report, no options have been granted under the 2016 Share Option Scheme since its adoption.

根據二零一六年購股權計劃及本公司任何其他購股權計劃向每名合資格參與者授出之購股權(包括已行使及尚未行使之購股權)獲行使後已發行及將予發行之股份總數於任何12個月期間不得超過已發行股份總數之1%(「個人上限」)。倘向一名合資格參與者進一步授出之任何購股權將會導致向該名合資格參與者授出及將予授出之所有購股權(包括已行使、已註銷及尚未行使之購股權)獲行使後已發行及將予發行股份於直至該進一步授出之日止(包括當日)12個月期間超過個人上限,則該進一步授出須獲股東於股東大會上批准,而該合資格參與者及其緊密聯繫人士(或倘該合資格參與者為關連人士,則其聯繫人士)須放棄投票。

向關連人士(定義見創業板上市規則)授出之任何購股權,須獲全體獨立非執行董事(不包括身為建議承授人之任何獨立非執行董事)批准。當建議向關連人士(其亦身為本公司主要股東(定義見創業板上市規則)或獨立非執行董事或彼等各自之任何聯繫人士)授出購股權,而所建議授出之購股權連同於過去12個月期間已向該名關連人士授出之購股權合計時,將賦予該人士權利收取超過當時本公司已發行股份總數之0.1%且其價值超過5,000,000港元,則該項授出購股權之建議須獲股東在股東大會上批准。除涉及之關連人士外,本公司所有其他關連人士須在該股東大會上放棄投票,惟倘任何關連人士擬投票反對該項建議授出購股權則除外。

於二零一六年一月一日及二零一六年十二月三十一日,二零一一年購股權計劃項下概無尚未行使購股權。於本報告日期,自採納二零一六年購股權計劃以來,概無據此授出任何購股權。

# REPORT OF THE DIRECTORS

## 董事報告

### SUBSTANTIAL SHAREHOLDERS OF INTEREST IN SHARES

As 31 December 2017, other than the interests and short positions of the Directors or chief executives of the Company disclosed above, person or corporation who had interests in the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who was, directly or Indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### 主要股東於股份之權益

於二零一七年十二月三十一日，除上文所披露董事或本公司最高行政人員之權益及淡倉外，根據證券及期貨條例第XV部第2及3分部之條文擁有本公司權益，或直接或間接擁有附帶權利可在所有情況下於本集團任何其他成員公司股東大會表決之任何類別股本面值5%或以上權益之任何人士或公司，或彼等之權益或淡倉登記於本公司根據證券及期貨條例第336條須予存置之登記冊之任何其他主要股東如下：

Name of substantial shareholders 主要股東姓名	Number of Shares held 所持股份數目			Total 總計	Approximate percentage of total issued ordinary Shares 佔已發行普通股總額概約百分比
	Personal Interest 個人權益	Corporate Interest 公司權益			
Mr. Chiu Ngai Hung 趙毅雄先生	312,096,000	—		312,096,000	18.83%
Mr. Boyracı Osman Boyracı Osman先生	215,870,000	—		215,870,000	13.02%
Mr. Lau Yu 柳宇先生	1,266,000	164,653,000 (Note)(附註)		165,919,000	10.01%
Mr. Leung Wai Tung 梁煒棟先生	127,042,000	—		127,042,000	7.66%
Mr. Tütüncü Oğuz Tütüncü Oğuz先生	108,932,000	—		108,932,000	6.57%

#### Note:

164,653,000 shares are owned by Noble Ace Investments Limited ("Noble Ace") which is 100% owned by Mr. Lau Yu. By virtue of the SFO, Mr. Lau Yu is deemed to have interest of the Shares held by Noble Ace.

#### 附註：

164,653,000股股份由柳宇先生全資擁有之Noble Ace Investments Limited(「Noble Ace」)擁有。根據證券及期貨條例，柳宇先生被視為於Noble Ace持有之股份中擁有權益。

Save as disclosed above, at 31 December 2017, the Directors or chief executives of the Company were not aware of any party who had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Pat XV of the SFO or, who is, directly or indirectly Interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文披露者外，於二零一七年十二月三十一日，董事或本公司最高行政人員概不知悉有任何人士於本公司股份、相關股份或票據中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可在所有情況下於本公司股東大會表決之任何類別股本面值5%或以上，或有任何主要股東於本公司根據證券及期貨條例第336條須予存置之登記冊登記擁有權益或淡倉。



# REPORT OF THE DIRECTORS

## 董事報告

### 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 annual report, the Company had maintained the public float as required under the GEM Listing Rules.

### REMUNERATION POLICY

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in notes 8 and 9 to the financial statements respectively.

The Remuneration Committee was set up on 8 October 2007 for reviewing the remuneration policies and other remuneration related matters of the Directors and senior management of the Company and making recommendations to the Board as deemed necessary.

The Company has adopted the Share Option Schemes as incentive to Directors and eligible employees, details of the Share Option Schemes are set out in the section “Share Option Scheme” in this report.

### MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the group’s sales and purchases attributable to the major customers and suppliers respectively during the Year is as follows:

### 充足公眾持股量

根據本公司於本年報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。

### 薪酬政策

董事及本集團五名最高薪人士之酬金詳情分別載於財務報表附註8及9。

薪酬委員會已於二零零七年十月八日成立，以檢討董事及本公司高級管理層之薪酬政策及其他薪酬相關事宜，並於認為有需要時向董事會提出推薦意見。

本公司已採納購股權計劃，作為董事及合資格僱員之獎勵，購股權計劃之詳情載於本報告「購股權計劃」一節。

### 主要客戶及供應商

本年度，有關主要客戶及供應商應佔本集團銷售額及採購額之資料載列如下：

	Percentage of the Group's total 佔本集團之百分比	
	Sales 總銷售額	Purchases 總採購額
The largest customer 最大客戶	48%	
Five largest customers in aggregate 五大客戶之總和	96%	
The largest supplier 最大供應商		52%
Five largest supplier in aggregate 五大供應商之總和		100%



## REPORT OF THE DIRECTORS 董事報告

At no time during the Year have the Directors, their associates or any shareholder of the company (which to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) had any interest in these major customers and suppliers.

### 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.

### CORPORATE GOVERNANCE

The details of the Company's corporate governance practices are set out in the section headed "Corporate Governance Report" on pages 38 to 51 of this annual report.

### COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

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

### EVENTS AFTER THE REPORTING PERIOD

The details of the non-adjusting post balance sheet events are set out in Note 38 to the consolidated financial statements.

本公司之董事、彼等之聯繫人士或任何股東（據董事所知擁有本公司已發行股份5%以上之股東）概無於本年度任何時間擁有該等主要客戶及供應商之任何權益。

### 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，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。

### 企業管治

本公司企業管治常規之詳情載於本年報第38頁至第51頁「企業管治報告」一節。

### 遵守相關法律及法規

據董事會所知，本集團在重大方面均已遵守對本集團業務及經營而言有重大影響之相關法律及法規。本年度，本集團並無出現嚴重違反或未有遵守適用法律及法規之情況。

### 報告期後事項

非調整結算日後事項之詳情載於綜合財務報表附註38。



# REPORT OF THE DIRECTORS

## 董事報告

### 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.

### AUDITOR

A resolution for the re-appointment of Elite Partners CPA Limited as auditor of the Company will be proposed at the forthcoming annual general meeting of the Company.

On Behalf of the Board

**Hung Tat Chi Alan**  
*Executive Director*  
Hong Kong, 23 March 2018

### 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。本年度，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。

### 核數師

於本公司應屆股東週年大會上將提呈一項決議案以續聘開元信德會計師事務所有限公司為本公司核數師。

代表董事會

**洪達智**  
*執行董事*  
香港，二零一八年三月二十三日



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### CORPORATE GOVERNANCE

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.

#### Chairman and Chief Executive Officer

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 (the "Chairman") and there was 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.

#### Appointment, Re-election and Removal of Directors

According to the Articles of Association, one-third of the Directors are required to retire from office at each annual general meeting, provided that every Director shall be subject to retirement by rotation at least once in every three years.

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.

### 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。

#### 主席及行政總裁

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，本公司概無主席(「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。

#### 委任、重選及罷免董事

按照組織章程細則，三分之一董事須於每屆股東週年大會輪值告退，惟每名董事須最少每三年輪值告退一次。

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。





# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Attendance of General Meetings

Under the code provision A6.7 of the CG Code, independent directors should attend general meetings and develop a balanced understanding of the views of shareholders. During the year ended 31 December 2017, the AGM was held on 11 May 2017, Mr. Leung Man Chun was absent for other business engagement, but he has appointed other executive Directors or other members of the committees as his representative at the AGM to answer questions of the shareholders of the Company. The Company will put its most effort in encouraging and ensuring the independent non-executive Directors to attend the general meetings in the future.

The Company will continue to enhance its corporate governance practices which is appropriate to the conduct and growth of its business and to review its corporate governance practices from time to time to ensure they comply with the statutory requirements and the CG Code and align with the latest developments of the Company.

### Board Composition and Board Practices

As at 31 December 2017, the Board comprised seven Directors including three executive Directors (the “Executive Directors”), namely Mr. Chan Ming Kei, Mr. Hung Tat Chi Alan and Mr. Ling Ko Yin Jason; an non-executive Director (the “Non-executive Director”), Mr. Chan Wai Kit; and three independent non-executive Directors (the “Independent Non-executive Directors”), namely, Ms. Choy So Yuk, *BBS, JP*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. There is no financial, business, family or other material/relevant relationship amongst the Directors.

The Board schedules four meetings a year at approximately quarterly intervals and will meet as necessary. During the year ended 31 December 2017, the Board held 4 regular meetings. The Directors can attend meetings in persons or through other means of electronic communication in accordance with the Articles of Association.

In addition, the Company has maintained a procedure for the Directors to seek independent professional advice, in appropriate circumstances, at the Company’s expense in discharging their duties to the Company. Moreover, the company secretary of the Company (the “Company Secretary”) prepares minutes and keeps records of matters discussed and decisions resolved at all Board meetings. The secretary of the meetings of the Company keeps the minutes, which are open for inspection at any reasonable time on reasonable notice by any Director.

### 出席股東大會

根據企管守則守則條文第A6.7條，獨立董事應出席股東大會並對股東之意見有公正瞭解。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，梁文俊先生缺席股東週年大會，惟彼已委任其他執行董事或其他委員會成員作為彼於股東週年大會之代表，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。

本公司將繼續加強適合於其業務進行及發展之企業管治常規，並不時檢討其企業管治常規，以確保該等常規已遵守法定要求及企管守則，符合本公司最新發展。

### 董事會組成及董事會常規

於二零一七年十二月三十一日，董事會由七名董事組成，包括三名執行董事（「執行董事」）陳銘基先生、洪達智先生及林高然先生；一名非執行董事（「非執行董事」）陳偉傑先生；及三名獨立非執行董事（「獨立非執行董事」）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。董事之間概無任何財務、業務、家族或其他重大／相關關係。

董事會計劃每年舉行四次會議，約於每季度及於有需要時會面。截至二零一七年十二月三十一日止年度，董事會曾舉行四次常規會議。按照組織章程細則，董事可親身或透過其他電子通訊途徑出席會議。

此外，本公司已制定程序，以便董事在向本公司履行職責時，於適當情況下徵求獨立專業意見，而費用均由本公司承擔。另外，本公司之公司秘書（「公司秘書」）會編製會議記錄，及存置有關於所有董事會會議所討論事項及所議決決策之記錄。本公司會議之秘書亦會存置會議記錄，備供任何董事於任何合理時間發出合理通知後查閱。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Independent non-executive Directors

The Company has received from each of its independent non-executive Directors the written confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company, based on such confirmation, considers Ms. Choy So Yuk, BBS, JP, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun are independent.

### Role and Functions of the Board

The Board and the management team committed to maintain high standards of corporate governance. The Board is responsible for approving and monitoring business plans, evaluating the performance of the Group and overseeing the management. The Board also focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group.

The Board delegates its authority and responsibility for implementing day-to-day operations and management of the Group to executive Directors and senior management, and certain specific responsibilities to the committees of the Company (the "Board Committees"). The Board reserves certain key matters for its approval including the Group's long-term strategy, internal control, annual, interim and quarterly financial results and shareholder communications, etc. Decisions of the Board are communicated to the management through executive Directors who have attended all Board meetings.

When the Board delegates certain aspects of its management functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. The final decision still rests with the Board unless otherwise provided for in the terms of reference of relevant committees.

### Board of Directors

The primary role of the Board is to protect and enhance interest of the Company and shareholders as a whole. The Board is responsible for setting overall strategy for the Group and monitoring the performance of the management.

The Board members during the year ended 31 December 2017 and up to the date of this annual report are:

#### Executive Directors

Mr. Bülent Yenil	(Resigned on 14 June 2017)
Mr. Chan Ming Kei	(Resigned on 15 January 2018)
Mr. Hung Tat Chi Alan	(Appointed as Executive Director on 22 March 2017 and resigned as alternate Director to Mr. Bülent Yenil on 14 June 2017)
Mr. Ling Ko Yin Jason	

### 獨立非執行董事

本公司已接獲獨立非執行董事各自根據創業板上市規則第5.09條就彼之獨立身份發出之確認書。基於該等確認書，本公司認為，蔡素玉女士，銅紫荊星章，太平紳士、林玉英女士、梁文俊先生均為獨立人士。

### 董事會角色及功能

董事會及管理層團隊致力維持高水平之企業管治。董事會負責審批及監控業務計劃、評估本集團之表現以及監察管理層。董事會亦專注於制定整體策略及政策，尤其關注本集團之發展及財務表現。

董事會將執行本集團之日常運作及管理之權力及責任，委派予執行董事及高級管理層，並把若干特定責任委派予本公司委員會（「董事委員會」）。董事會保留對若干重要事項之審批權，包括本集團長遠策略、內部監控、年度、中期及季度財務業績以及與股東溝通等。董事會透過出席所有董事會會議之執行董事，向管理層傳達董事會之決策。

在董事會將若干範疇之管理職能委派予管理層時，已就管理層權力給予清晰方向，尤其是行使權力之情況。除非在相關委員會之職權範圍另有所指，否則董事會仍掌握最終決定權。

### 董事會

董事會之主要角色為保障及提高本公司及股東之整體利益。董事會負責制定本集團整體策略，並監督管理層表現。

截至二零一七年十二月三十一日止年度及直至本年報日期之董事會成員如下：

#### 執行董事

Bülent Yenil先生	(於二零一七年六月十四日辭任)
陳銘基先生	(於二零一八年一月十五日辭任)
洪達智先生	(於二零一七年三月二十二日獲委任為執行董事及於二零一七年六月十四日辭任Bülent Yenil先生之代理董事)
林高然先生	

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Non-executive Director

Mr. Chan Wai Kit (Appointed on 29 May 2017)

### 非執行董事

陳偉傑先生 (於二零一七年五月二十九日獲委任)

### Independent non-executive Directors

Mr. Chan Kwun Chung (Appointed on 1 January 2017 and resigned on 28 February 2017)

### 獨立非執行董事

陳冠忠先生 (於二零一七年一月一日獲委任及於二零一七年二月二十八日辭任)

Ms. Choy So Yuk, BBS, JP

蔡素玉女士，  
銅紫荊星章，  
太平紳士

Ms. Lam Yuk Ying Elsa  
Mr. Leung Man Chun

林玉英女士  
梁文俊先生

26 Board meetings were held during the year 2017 and the attendance of Directors at the Board meetings for the year ended 31 December 2017 is set out as follows:

於二零一七年內共舉行26次董事會會議，而截至二零一七年十二月三十一日止年度，董事之董事會會議出席記錄載列如下：

Name of Directors 董事姓名		Attendance of meeting held 所舉行會議之出席率
<b>Executive Directors</b> 執行董事		
Mr. Bülent Yenil (Mr. Hung Tat Chi Alan as alternate Director) (Resigned on 14 June 2017)	Bülent Yenil先生(洪達智先生為代理董事) (於二零一七年六月十四日辭任)	14/15
Mr. Chan Ming Kei (Resigned on 15 January 2018)	陳銘基先生 (於二零一八年一月十五日辭任)	26/26
Mr. Hung Tat Chi Alan (Appointed as executive Director on 22 March 2017 and resigned as alternate Director on 14 June 2017)	洪達智先生 (於二零一七年三月二十二日獲委任為執行董事及於二零一七年六月十四日辭任 Bülent Yenil先生之代理董事)	17/17
Mr. Ling Ko Yin Jason	林高然先生	24/26
<b>Non-executive Director</b> 非執行董事		
Mr. Chan Wai Kit (Appointed on 29 May 2017)	陳偉傑先生 (於二零一七年五月二十九日獲委任)	12/12
<b>Independent non-executive Directors</b> 獨立非執行董事		
Mr. Chan Kwun Chung (Appointed on 1 January 2017 and resigned on 1 March 2017)	陳冠忠先生 (於二零一七年一月一日獲委任及於二零一七年二月二十八日辭任)	3/6
Ms. Choy So Yuk, BBS, JP	蔡素玉女士，銅紫荊星章，太平紳士	20/26
Ms. Lam Yuk Ying Elsa	林玉英女士	22/26
Mr. Leung Man Chun	梁文俊先生	23/26

# Due to business commitments overseas, Mr. Bülent Yenil arranged for his alternate, Mr. Hung Tat Chi Alan to attend the Board meetings.

# 由於到海外公幹，Bülent Yenil先生安排彼之代理洪達智先生出席董事會會議。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### General Meeting

During the Year under review, an annual general meeting of the Company (the "AGM") was held on 11 May 2017 with details of the Directors' attendance set out below:

### 股東大會

於回顧年內，本公司股東週年大會（「股東週年大會」）於二零一七年五月十一日舉行，董事出席詳情載列如下：

Date of the meeting held	Attendance of the AGM on 11 May 2017
舉行會議之日期	於二零一七年五月十一日股東週年大會出席率
<b>Name of Directors</b> 董事姓名	
<b>Executive Directors</b> 執行董事	
Mr. Bülent Yenil (Mr. Hung Tat Chi Alan as alternate Director) (Resigned on 14 June 2017)	Bülent Yenil先生(洪達智先生為代理董事) (於二零一七年六月十四日辭任) ✓
Mr. Chan Ming Kei (Resigned on 15 January 2018)	陳銘基先生 (於二零一八年一月十五日辭任) ✓
Mr. Hung Tat Chi Alan (Appointed as executive Director on 22 March 2017 and resigned as alternate Director on 14 June 2017)	洪達智先生 (於二零一七年三月二十二日獲委任為執行董事及於二零一七年六月十四日辭任Bülent Yenil先生之代理董事) ✓
Mr. Ling Ko Yin Jason	林高然先生 ✓
<b>Non-executive Director</b> 非執行董事	
Mr. Chan Wai Kit (Appointed on 29 May 2017)	陳偉傑先生 (於二零一七年五月二十九日獲委任) —
<b>Independent non-executive Directors</b> 獨立非執行董事	
Mr. Chan Kwun Chung (Appointed on 1 January 2017 and resigned on 1 March 2017)	陳冠忠先生 (於二零一七年一月一日獲委任及於二零一七年二月二十八日辭任) —
Ms. Choy So Yuk, BBS, JP	蔡素玉女士，銅紫荊星章，太平紳士 ✓
Ms. Lam Yuk Ying Elsa	林玉英女士 ✓
Mr. Leung Man Chun	梁文俊先生 ✗



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Directors' Induction and Continuous Professional Development

All Directors, including independent non-executive Directors, should keep abreast of their collective responsibilities as Directors and of the business and activities of the Group. Each newly appointed Director would receive a comprehensive induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the GEM Listing Rules and other relevant regulatory requirements. The Group also provides briefings and other trainings to develop and refresh the Directors' knowledge and skills, and updates all Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements to ensure compliance and to enhance their awareness of good corporate governance practices.

All Directors have provided the Company their training records for the year ended 31 December 2017. During the year ended 31 December 2017, the Directors participated in the continuous professional developments in relation to regulatory update, the duties and/or responsibility of the Directors and the business of the Group.

### Audit Committee

The Company has established an audit committee of the Company (the "Audit Committee") with written terms of reference based upon the guidelines recommended by the Hong Kong Institute of Certified Public Accountants. The primary duties of the Audit Committee are to review and supervise the Group's financial and accounting policies and practices, financial controls, internal controls and risk management systems. On 9 November 2015, the Board adopted a set of the revised terms of reference of the Audit Committee, which has brought in line with the changes on the CG Code in relating to the internal controls by introducing the concept of the risk management with effective for accounting periods beginning on or after 1 January 2016. The revised terms of reference setting out the Audit Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. During the year ended 31 December 2017, the Audit Committee has performed its duties, reviewed the effectiveness of the internal control system of the Company and reviewed the re-appointment of the external auditors. The unaudited quarterly and interim together with the audited annual results of the Company in respect of the year ended 31 December 2017 have also been reviewed by the Audit Committee.

During the year ended 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. Mr. Leung Man Chun was the Chairman of the Audit Committee and applied his professional qualifications in accounting and financial expertise in directing the Audit Committee.

### 董事就任須知及持續專業發展

所有董事(包括獨立非執行董事)應清楚瞭解彼等作為董事之共同責任及本集團業務及活動。每名新委任董事將獲全面就任須知,涵蓋本公司業務經營、政策及程序,以及作為董事之一般、法定及規定責任,以確保彼等充分瞭解其於創業板上市規則下之責任及其他相關監管要求。本集團亦提供簡介會及其他培訓,以增進及更新各董事之知識及技能,並向全體董事提供有關創業板上市規則及其他適用監管規定之最新發展,確保董事遵守及提升對良好企業管治常規之認識。

所有董事已向本公司提供截至二零一七年十二月三十一日止年度之培訓記錄。截至二零一七年十二月三十一日止年度,董事參與有關監管更新、董事職務及/或職責以及本集團業務之持續專業發展。

### 審核委員會

本公司已成立本公司審核委員會(「審核委員會」),並根據香港會計師公會建議之指引制定書面職權範圍。審核委員會之主要職責為審閱及監督本集團之財務會計政策及慣例、財務監控、內部監控及風險管理制度。於二零一五年十一月九日,董事會採納一系列審核委員會經修訂職權範圍,其符合於二零一六年一月一日或之後開始之會計期間生效之企管守則變動,該項變動有關引入風險管理概念以進行內部監控。載列審核委員會權力、職責及責任之經修訂職權範圍於創業板網站及本公司網站可供瀏覽。於截至二零一七年十二月三十一日止年度,審核委員會履行其職責,檢討本公司內部監控系統之有效性及檢討外部核數師之重新委任。本公司未經審核季度及中期業績以及截至二零一七年十二月三十一日止年度之經審核年度業績亦已經由審核委員會審閱。

截至二零一七年十二月三十一日止年度,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。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。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Mr. Leung Man Chun has been appointed as the Chairman of the Audit Committee with effect from 1 January 2017.

梁文俊先生已獲委任為審核委員會主席，自二零一七年一月一日起生效。

5 meetings were held by the Audit Committee and the attendance of the members of the Audit Committee at Audit Committee meetings for the year ended 31 December 2017 is set out as follows:

截至二零一七年十二月三十一日止年度，審核委員會共舉行五次會議，而審核委員會成員於審核委員會會議之出席記錄載列如下：

Name of Audit Committee Members		Attendance of meeting held
審核委員會成員姓名		所舉行會議之出席率
Mr. Leung Man Chun ( <i>Chairman</i> )	梁文俊先生(主席)	5/5
Ms. Choy So Yuk, <i>BBS, JP</i>	蔡素玉女士，銅紫荊星章，太平紳士	5/5
Ms. Lam Yuk Ying Elsa	林玉英女士	5/5

### Remuneration Committee

The Company has established a remuneration committee of the Company (the "Remuneration Committee") on 8 October 2007 with terms of reference no less exacting terms than the CG Code. The principle of the Remuneration Committee is to formulate and review the remuneration policies and other remuneration related matters of the Directors and senior management of the Company and to make recommendations to the Board as deemed necessary. The terms of reference setting out the Remuneration Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website. During the year ended 31 December 2017, the Remuneration Committee has discussed and reviewed the remuneration policies of the Company, reviewed and made recommendations with respect to the remuneration of Board members for approval by the Board and made recommendations with respect to the remuneration of the newly appointed Directors during the year for approval by the Board. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual Executive Directors and senior management.

### 薪酬委員會

本公司已於二零零七年十月八日成立本公司薪酬委員會(「薪酬委員會」)，其職權範圍不較企管守則之條款寬鬆。薪酬委員會成立目的為制定與檢討董事及本公司高級管理層之薪酬政策及其他薪酬相關事宜，並在認為必要時向董事會提出推薦意見。載列薪酬委員會權力、職責及責任之職權範圍於創業板網站及本公司網站可供瀏覽。於截至二零一七年十二月三十一日止年度，薪酬委員會已討論及檢討本公司之薪酬政策，檢討並就董事會成員之薪酬提出建議，以獲董事會批准，並就年內新委任董事之薪酬提出建議，以獲董事會批准。薪酬委員會已採納向董事會履行顧問職責之經營模式，董事會保留批准個別執行董事及高級管理層人員之薪酬政策之最終權力。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

As at 31 December 2017, the Remuneration Committee comprised three independent non-executive Directors, namely Ms. Choy So Yuk, *BBS, JP*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. Ms. Choy So Yuk, *BBS, JP* is the Chairlady of the Remuneration Committee.

2 meetings were held by the Remuneration Committee and the attendance of the members of the Remuneration Committee at the Remuneration Committee meetings for the year ended 31 December 2017 is set out as follows:

Name of Remuneration Committee Members		Attendance of meeting held 所舉行會議之出席率
薪酬委員會成員姓名		
Ms. Choy So Yuk, <i>BBS, JP</i> (Chairlady)	蔡素玉女士，銅紫荊星章，太平紳士(主席)	2/2
Ms. Lam Yuk Ying Elsa	林玉英女士	2/2
Mr. Leung Man Chun	梁文俊先生	2/2

### Remuneration Policy for Directors and Senior Management

The emolument policy of the employees of the Group is determined on the basis of their merit, qualifications and competence.

The emoluments of the Directors are recommended by the Remuneration Committee, having regard to the Company's operating results, individual performance, experience, responsibility, workload and time devoted to the Company and comparable market statistics, for Board approval. Each of the Executive Directors is entitled to a basic salary which is reviewed annually. In addition, each of the Executive Directors may receive a discretionary bonus as the Remuneration Committee may recommend. Such amount has to be approved by the Board.

於二零一七年十二月三十一日，薪酬委員會包括三名獨立非執行董事蔡素玉女士，銅紫荊星章，太平紳士、林玉英女士及梁文俊先生。蔡素玉女士，銅紫荊星章，太平紳士為薪酬委員會主席。

截至二零一七年十二月三十一日止年度，薪酬委員會共舉行兩次會議，而薪酬委員會成員於薪酬委員會會議之出席記錄載列如下：

### 董事及高級管理層之薪酬政策

本集團僱員之薪酬政策乃按彼等之功績、資歷及才能制定。

薪酬委員會考慮本公司經營業績、個人表現、經驗、責任、工作量及對本公司投放之時間及市場可比較數字後，就董事薪酬提出建議，以供董事會批准。各執行董事有權獲取基本薪金，而基本薪金每年檢討一次。此外，獲薪酬委員會建議後，各執行董事可收取酌情花紅。花紅金額須由董事會批准。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Nomination Committee

The Company has established a nomination committee of the Company (the "Nomination Committee") on 29 March 2012 with terms of reference no less exacting terms than the CG Code. The principle of the Nomination Committee is responsible for reviewing the structure, size and composition of the Board, determining the re-election of the Directors, and identifying individuals suitably qualified to become Board members and assessing the independence of independent non-executive Directors. On 2 September 2013, the Board adopted a set of the revised terms of reference of the Nomination Committee, which has brought in line with the new GEM Listing Rules relating to Board Diversity with effective from 1 September 2013. The revised terms of reference setting out the Nomination Committee's authority, duties and responsibilities are available on both the GEM website and the Company's website.

Where vacancies on the Board exist, the Nomination Committee will carry out the selection process by making reference to the skills, experience, professional knowledge, personal integrity and time commitments of the proposed candidates, including the independence status in the case of an independent non-executive Director, the Board Diversity Policy, the Company's needs and other relevant statutory requirements and regulations.

During the year ended 31 December 2017, the Nomination Committee have reviewed the structure, size and composition of the Board, the retirement and re-election of the Directors at the forthcoming annual general meeting and considered the appointments of new Directors. All of the newly appointed Directors were appointed by going through the selection process stated as above.

As at 31 December 2017, the Nomination Committee comprised of three independent non-executive Directors, namely, Ms. Choy So Yuk, *BBS, JP*, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. Ms. Lam Yuk Ying, Elsa is the Chairlady of the Nomination Committee.

2 meetings were held by the Nomination Committee and the attendance of the members of the Nomination Committee at the Nomination Committee meetings for the year ended 31 December 2017 is set out as follows:

### 提名委員會

本公司已於二零一二年三月二十九日根據不比企管守則寬鬆之職權範圍成立本公司提名委員會(「提名委員會」)。提名委員會主要負責檢討董事會之架構、規模及組成、釐定重選董事、物色具有適當資格可出任董事會成員之人選及評估獨立非執行董事之獨立性。於二零一三年九月二日，董事會採納一系列的提名委員會經修訂職權範圍，其符合於二零一三年九月一日起生效有關多元化董事會之新創業板上市規則。載列提名委員會權力、職責及責任之經修訂職權範圍於創業板網站及本公司網站可供瀏覽。

倘董事會出現空缺，提名委員會將根據建議候選人之技能、經驗、專業知識、個人品德、服務時間(倘為獨立非執行董事則須考慮其獨立地位)、董事會多元化政策、本公司需要以及其他相關法定要求及規例進行篩選。

截至二零一七年十二月三十一日止年度，提名委員會已檢討董事會之架構、規模及組成以及於應屆股東週年大會退任及重選董事之事宜，以及考慮委任新任董事。所有新任董事乃透過上述篩選過程委任之董事。

於二零一七年十二月三十一日，提名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。林玉英女士為提名委員會主席。

截至二零一七年十二月三十一日止年度，提名委員會共舉行兩次會議，而提名委員會成員於提名委員會會議之出席記錄載列如下：

Name of Nomination Committee Members		Attendance of meeting held
提名委員會成員姓名		所舉行會議之出席率
Ms. Lam Yuk Ying, Elsa ( <i>Chairlady</i> )	林玉英女士(主席)	2/2
Ms. Choy So Yuk, <i>BBS, JP</i>	蔡素玉女士， <i>銅紫荊星章，太平紳士</i>	2/2
Mr. Leung Man Chun	梁文俊先生	2/2





# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Diversity Policy

The Company has adopted a board diversity policy (the “Policy”) setting out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

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

The Nomination Committee will review the Policy from time to time to ensure its continued effectiveness.

### Corporate Governance Function

All members of the Board are responsible for performing the corporate governance functions. The terms of reference of corporate governance functions was adopted by the Board at the Board meeting held on 29 March 2012 and is in compliance with paragraph D3.1 of the CG Code as set out in Appendix 15 to the GEM Listing Rules. During the year ended 31 December 2017, the Board has reviewed the policy of the corporate governance and the corporate governance report of the Company.

### Code of Conduct Regarding Securities Transactions by Directors

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules. The Directors have confirmed, following specific inquiry by the Company, that they have complied with the required standard and code of conduct during the year under review.

### 董事會成員多元化政策

本公司已採納董事會成員多元化政策（「該政策」），制定達致及維持董事會成員多元化之方法，以加強董事會之效能。

根據該政策，本公司透過考慮若干因素（包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務時間）致力達致董事會多元化。

董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。

候選人將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終將按候選人之長處及可為董事會提供之貢獻而作決定。

提名委員會將不時檢討該政策，以確保其持續有效。

### 企業管治職能

所有董事會成員負責履行企業管治職能。企業管治職能職權範圍獲董事會於二零一二年三月二十九日舉行之董事會會議上採納，並符合創業板上市規則附錄十五所載企管守則第D3.1段。截至二零一七年十二月三十一日止年度，董事會已審閱本公司企業管治政策及企業管治報告。

### 董事進行證券交易之操守守則

本公司已採納董事進行證券交易之操守守則，其條款不較創業板上市規則第5.48至5.67條所載之規定準則寬鬆。經本公司作出具體查詢後，董事確認，彼等於回顧年度內一直遵守規定標準及操守守則。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Auditors' Remuneration

The Audit Committee is responsible for considering the appointment of the external auditors and reviewing any non-audit functions performed by the external auditors, including whether such non-audit functions could lead to any potential material adverse effect on the Company. During the year under review, the remuneration paid or payable to Elite Partners CPA Limited, the auditor of the Company, is set out below:

### 核數師酬金

審核委員會負責考慮外聘核數師之委任，以及審閱由外聘核數師進行之任何非審核工作（不論該等非審核工作會否對本公司構成任何潛在重大不利影響）。於回顧年度內，已付或應付本公司核數師開元信德會計師事務所有限公司之酬金載列如下：

Services rendered	提供之服務	Fee paid/payable 已付／應付費用 HK\$'000 千港元
Audit	審核	695
Non-audit services	非審核服務	70
		765

### Directors' Responsibility for the Financial Statements

The following statement sets out the responsibilities for the Directors in relation to the quarterly, interim and annual financial statements.

### 董事對財務報表之責任

下列聲明載列董事對季度、中期及年度財務報表之責任。

#### Annual Report and Financial Statements

The Directors acknowledge their responsibility to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and in presenting the quarterly, interim and annual financial statements and announcements to shareholders, the Directors aim to present a balanced and understandable assessment of the Group's position and prospects.

#### 年報及財務報表

董事瞭解彼等須負責就各財政年度編製能真實公平反映本集團業務狀況之財務報表，而於向股東呈列季度、中期及年度財務報表以及公佈方面，董事的宗旨為就本集團之狀況及前景提供平衡且易於理解之評估。

#### Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose with reasonable accuracy the financial position of the Group and which enable the preparation of financial statements in accordance with the Hong Kong Financial Reporting Standards as promulgated by the Hong Kong Institute of Certified Public Accountants.

#### 會計記錄

董事負責確保本集團存置合理準確披露本集團財務狀況之會計記錄，藉以遵照香港會計師公會頒佈之香港財務報告準則編製財務報表。

#### Risk Management and Internal Control

The Board is responsible for evaluating and determining the nature and extent of the risks, it is willing to take in achieving the Company's strategic objectives, and ensuring that the Company establishes and maintains appropriate and effective risk management and internal control systems. The internal control system includes safeguard of the interest of shareholders and the Group's assets. It has been an important duty of the Board to conduct a review of internal control to ensure the effectiveness and adequacy of the system of the Group annually or at any time necessary. The review covers all material controls, including financial, operational and compliance controls, as well as risk management functions.

#### 風險管制及內部監控

董事會負責評估及釐定本公司達到策略目標時所願意接納之風險性質及程度，確保本公司建立及維護合適及有效之風險管理及內部監控系統。內部監控系統包括保障股東權益及本集團資產。董事會之重要職責為每年或必要時進行內部監控檢討，以確保本集團系統為有效且足夠。該檢討涵蓋所有重大監控（包括財務、營運及合規監控）以及風險管理職能。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Group has engaged Elite Partners CPA Limited as an independent internal control review advisor to conduct the annual review on the effectiveness of the internal control system. Review of the Group's internal controls covering major operational, financial and compliance controls, as well as risk management functions of different systems has been performed on a systematic rotational basis on the risk assessments of the operations and controls. No major issues on the internal control system have been identified during the year ended 31 December 2017.

### *Going Concern*

The Directors, having made appropriate enquiries, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparing the financial statements.

### **Auditors' Responsibility for the Financial Statements**

The statement of external auditors of the Company, Elite Partners CPA Limited, about their reporting responsibilities on the financial statements of the Group is set out in the Independent Auditor's Report.

### **Investor Relations and Communication with Shareholders**

The Company uses a number of formal communications channels to account to shareholders and investors for the performance of the Company. These include (i) the publication of quarterly, interim and annual reports; (ii) the annual general meeting or extraordinary general meeting providing a forum for shareholders of the Company to raise comments and exchanging views with the Board; (iii) key information of the Group available on the website of the Company; (iv) the Company's share registrars in Hong Kong serving the shareholders in respect of all share registration matters; and (v) corporate information and the articles of association of the Company are made available on the Company's website.

A shareholder's communication policy was adopted by the Board on 29 March 2012 aiming at providing the Shareholders and potential investors with ready and timely access to balanced and understandable information of the Company.

The Company aims to provide its shareholders and investors with high standards of disclosure and financial transparency. The Board is committed to providing clear, detailed, timely manner and on a regular basis information of the Group to shareholders through the publication of quarterly, interim and annual reports and/or dispatching circular, notices, and other announcements.

本集團已委聘開元信德會計師事務所有限公司作為獨立內部監控檢討顧問，以就內部監控系統之有效性進行年度檢討。本集團之內部監控檢討涵蓋主要營運、財務及合規監控，且已根據營運及監控之風險評估有系統並合理地實行不同系統之風險管理職能。截至二零一七年十二月三十一日止年度，概無發生任何有關內部監控系統之重大事件。

### *持續經營*

董事經作出適當查詢後認為，本集團具備充足資源，以於可見未來繼續營運，且基於此理由，按持續經營基準編製財務報表屬適當做法。

### **核數師就財務報表之責任**

本公司外部核數師開元信德會計師事務所有限公司就本集團財務報表之呈報責任之聲明載於獨立核數師報告。

### **投資者關係及與股東溝通**

本公司採用多個正式通訊渠道，以向股東及投資者說明本公司之表現。此等渠道包括(i)刊發季度、中期及年度報告；(ii)舉行股東週年大會或股東特別大會，為本公司股東提供提出評論及與董事會交流意見之平台；(iii)於本公司網站發佈本集團之主要資料；(iv)本公司於香港之股份過戶登記處，就所有股份登記事宜服務股東；以及(v)公司資料及本公司之公司細則載於本公司網站可供瀏覽。

董事會於二零一二年三月二十九日採納股東溝通政策，旨在讓股東及潛在投資者迅速及時取得本公司全面簡明之資料。

本公司旨在向其股東及投資者提供高水平資料披露及財政透明度。董事會承諾，透過刊發季度、中期及年度報告及／或寄發通函、通知及其他公佈，適時及定期向股東提供有關本集團之清晰詳盡資料。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong.

### Shareholders' Rights

#### *Procedures for Shareholders to Convene an Extraordinary General Meeting*

Pursuant to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Articles of Association, an EGM can be convened by a written request signed by Shareholders, stating the objects of the meeting, and deposited at the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong.

#### *Procedures for putting forward Proposals at a General Meeting*

The procedures for shareholders to put forward proposals at an AGM or EGM include a written notice of those proposals being submitted by shareholders, addressed to the Company Secretary at the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong. The detailed procedures vary according to whether the proposal constitutes an ordinary resolution or a special resolution, or whether the proposal relates to the election of a person other than a Director of the Company as a director. The procedures for shareholders to convene and put forward proposals at an AGM or EGM (including election of a person other than a Director of the Company as a director) are available on the Company's website or on request to the Company Secretary.

#### *Procedures for Directing Shareholders' Enquiries to the Board*

Shareholders may at any time send their enquires and concerns to the Board in writing through the Company Secretary at the Company's registered office at 16th Floor, Henan Building, Nos. 90 & 92 Jaffe Road, Wan Chai, Hong Kong or send email to [info@evershinegroup.com.hk](mailto:info@evershinegroup.com.hk).

Shareholders may also make enquiries with the Board at the AGM or EGM.

本公司不斷推動與投資者關係及加強與現有股東及潛在投資者之溝通。本公司歡迎投資者、持份者及公眾提出建議。有關人士可以郵寄方式送達本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)向董事會或本公司查詢。

### 股東權利

#### *股東召開股東特別大會之程序*

根據香港法例第622章公司條例及組織章程細則，股東可遞交已簽署並訂明會議目的之書面呈請予本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)，以召開股東特別大會。

#### *於股東大會提呈建議之程序*

股東於股東週年大會或股東特別大會提呈建議之程序為股東將就有關建議之書面通知送達本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)，以遞交予公司秘書。詳細程序須視乎該建議是否構成普通決議案或特別決議案，或該建議是否與選任本公司董事以外之人士為董事有關而有所不同。股東召開股東週年大會或股東特別大會並於會上提呈決議案之程序(包括選任本公司董事以外之人士為董事)資料於本公司網站可供瀏覽，或可向公司秘書提出要求以獲取資料。

#### *建議股東向董事會查詢之程序*

股東可於任何時候以書面形式送達本公司註冊辦事處(地址為香港灣仔謝斐道90及92號豫港大廈16樓)以遞交予公司秘書或電郵 [info@evershinegroup.com.hk](mailto:info@evershinegroup.com.hk) 向董事會提出彼等查詢及關注。

股東亦可於股東週年大會或股東特別大會向董事會查詢。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Company Secretary

During the year ended 31 December 2017, Ms. Leung Pui Ki (“Ms. Leung”) was one of the joint Company Secretary up to her resignation on 20 February 2017, who is not an employee of the Company and Ms. Lo Wing Wah Irene, the financial controller of the Company during her employment, was the person whom Ms. Leung can contact for the purpose of code provision F.1.1 of the CG Code. On 8 September 2016, Mr. Chan Ming Kei (“Mr. Chan”) was appointed as the other joint Company Secretary. Ms. Leung and Mr. Chan have confirmed that for the year under review, she/he has taken no less than 15 hours of relevant professional training. The joint Company Secretaries supported the Chairman, the Board and the Board Committees by ensuring good information flow and that Board policy and procedures were followed. The joint Company Secretaries advised the Board on governance matters and facilitates the induction and professional development of Directors. All Directors may call upon his/her for advice and assistance at any time in respect to their duties and the effective operation of the Board and the Board Committees.

Subsequently on 20 February 2017, Ms. Leung resigned as the joint Company Secretary and Mr. Chan’s position of joint company secretary became the Company Secretary of the Company.

Subsequently on 15 January 2018, Mr. Chan resigned as the Company Secretary and Ms. Chan Shuk Man Lora (“Ms. Chan”) has been appointed as the Company Secretary of the Company with effect from 22 January 2018.

### Directors’ and Officers’ Liabilities

The Company has arranged for appropriate insurance covering the liabilities of the Directors that may arise out the corporate activities, which has been complied with the CG Code. The insurance coverage is reviewed on an annual basis.

### Looking forward

The Group will keep on reviewing its corporate governance standards on a timely basis and the Board endeavors to take the necessary actions to ensure the compliance with the code provisions of the CG Code introduced by the Stock Exchange.

### 公司秘書

截至二零一七年十二月三十一日止年度，梁珮琪女士（「梁女士」，彼並非本公司僱員）為聯席公司秘書之一，直至彼於二零一七年二月二十日辭任為止，而本公司財務總監老永華女士為梁女士在任期間根據企管守則守則條文第F.1.1條可聯絡之人士。於二零一六年九月八日，陳銘基先生（「陳先生」）獲委任為另一名聯席公司秘書。梁女士及陳先生確認，於回顧年內，彼已接受不少於15小時之相關專業培訓。聯席公司秘書負責確保資訊暢通以及遵守董事會政策及程序，以協助主席、董事會及董事委員會工作。聯席公司秘書就管治事宜向董事會提出意見，並配合董事就任及專業發展事宜。所有董事均可要求公司秘書提出意見，並於任何時候就彼等職責以及董事會及董事委員會之有效經營給予協助。

二零一七年二月二十日後，梁女士辭任聯席公司秘書，而聯席公司秘書陳先生成為本公司之公司秘書。

二零一八年一月十五日後，陳先生辭任公司秘書，而陳淑雯女士（「陳女士」）已獲委任為本公司之公司秘書，自二零一八年一月二十二日起生效。

### 董事及高級職員之負債

本公司已安排適當保險，保障已遵守企管守則之企業活動可能產生之董事責任。保險保障範圍會每年檢討。

### 展望

本集團將繼續適時檢討其企業管治水平，而董事會將盡力採取必需行動，確保遵守聯交所頒佈之企管守則之守則條文。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### I. PREMABLE

Evershine Group Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) stringently adhere to their environmental and social responsibilities.

The Group developed its sustainability strategy with aims to create sustainable values to its stakeholders, and to continue to lower the Group’s impact on the environment. In order to carry out the Group’s sustainability strategy from top to bottom, the Board of Directors (the “Board”) of the Company has ultimate responsibility for ensuring the effectiveness of the Group’s environmental, social and governance (“ESG”) policies. The Board established dedicated teams to manage ESG issues within each business division of the Group. Designated staffs were assigned to enforce and supervise the implementation of the relevant ESG policies. The Group is also committed to constantly reviewing and adjusting the Group’s sustainability policies to satisfy the ever-changing needs of its stakeholders. Details of its management approach in both the environmental and social aspect can be found throughout different sections of this ESG Report. The Group believes sustainability is essential to the development of the Group’s overall long-term success.

The Group is pleased to present its second ESG Report to further demonstrate the Group’s approach and performance in terms of sustainable development for the year ended on 31 December 2017.

### II. REPORTING PERIOD AND SCOPE OF THE REPORT

This ESG Report covers the environmental and social performance within the operational boundaries of the Group that includes the core businesses of commodities trading business and cemetery business. For corporate governance section, please refer to the Group’s 2017 Annual Report pages 38 to 51. The reporting period of this ESG report is for the financial year 2017, from 1 January 2017 to 31 December 2017 (“FY2017”).

### III. STAKEHOLDER ENGAGEMENT

With the goal to strengthen the sustainability approach and performance of the Group, the Group put tremendous efforts into listening to both its internal and external stakeholders. The Group actively collects feedback from its stakeholders to maintain a high standard of sustainability within the Group, while also building a trustful and supporting relationship with them. The Group connects with its stakeholders through their preferred communication channels as listed in the table below.

### I. 序言

永耀集團控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)嚴謹遵守彼等的環境及社會責任。

本集團制定其可持續策略旨在為其持份者創造可持續價值，並繼續減低本集團對環境之影響。為全面展開本集團之可持續策略，本公司董事會(「董事會」)對確保本集團環境、社會及管治(「環境、社會及管治」)政策之成效承擔最終責任。董事會設立專責團隊致力管理本集團各業務分部之環境、社會及管治事項。委派指定員工加強及監督有關環境、社會及管治政策之執行。為滿足其持份者不斷轉變之需求，本集團亦致力不斷檢討及調整本集團之可持續政策。有關其於環境及社會方面之管理方式，可於本環境、社會及管治報告各部分查閱。本集團相信可持續發展對實現本集團整體長遠成功至關重要。

本集團欣然呈列其第二份環境、社會及管治報告，進一步展示本集團截至二零一七年十二月三十一日止年度於可持續發展之方式及表現。

### II. 報告期間及報告範圍

本環境、社會及管治報告涵蓋本集團營運範圍之環境及社會表現，包括商品貿易業務及公墓業務等核心業務。有關企業管治一節，請參考本集團二零一七年年報第38至51頁。本環境、社會及管治報告之報告期間指由二零一七年一月一日至二零一七年十二月三十一日之二零一七財政年度(「二零一七年財年」)。

### III. 持份者之參與

為提升本集團可持續性之方式及表現，本集團投放重大精力於聆聽其內部及外部持份者。本集團積極從其持份者收取意見，以於本集團維持高標準之可持續發展，並與彼等建立信任及支持關係。本集團透過下表列明持份者優選之溝通渠道與彼等溝通。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Table 1 Communication with Stakeholders

表1與持份者溝通

Stakeholders 持份者	Expectations and concerns 期望及關注	Communication Channels 溝通渠道
Government and regulatory authorities 政府及監管部門	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Support economic development</li> <li>遵守法例及法規</li> <li>支持經濟發展</li> </ul>	<ul style="list-style-type: none"> <li>Supervision on complying with local laws and regulations</li> <li>Routing reports and taxes paid</li> <li>監督法例及法規之遵行情況</li> <li>傳達報告及支付稅項</li> </ul>
Shareholders 股東	<ul style="list-style-type: none"> <li>Return on investments</li> <li>Corporate governance</li> <li>Business compliance</li> <li>投資回報</li> <li>企業管治</li> <li>業務合規</li> </ul>	<ul style="list-style-type: none"> <li>Regular reports and announcements</li> <li>Regular general meetings</li> <li>Official website</li> <li>定期報告及公告</li> <li>定期股東大會</li> <li>公司網站</li> </ul>
Employees 僱員	<ul style="list-style-type: none"> <li>Employees' compensation and benefits</li> <li>Career development</li> <li>Health and safety working environment</li> <li>僱員賠償及福利</li> <li>事業發展</li> <li>健康及安全之工作環境</li> </ul>	<ul style="list-style-type: none"> <li>Performance reviews</li> <li>Regular meetings and trainings</li> <li>Emails, notice boards, hotline, caring activities with management</li> <li>表現檢討</li> <li>定期會議及培訓</li> <li>與管理層之電郵、告示板、熱線、關懷活動</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>High quality products and services</li> <li>Protect the rights of customers</li> <li>高質量之產品及服務</li> <li>保護客戶權益</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Face-to-face meetings and on-site visits</li> <li>Customer service hotline and email</li> <li>客戶滿意度調查</li> <li>面對面會議及實地探訪</li> <li>客戶服務熱線及電郵</li> </ul>
Suppliers 供應商	<ul style="list-style-type: none"> <li>Fair and open procurement</li> <li>Win-win cooperation</li> <li>公平開放之採購</li> <li>互惠合作</li> </ul>	<ul style="list-style-type: none"> <li>Open tendering</li> <li>Suppliers' satisfactory assessment</li> <li>Face-to-face meetings and on-site visits</li> <li>Industry seminars</li> <li>公開招標</li> <li>供應商滿意度評估</li> <li>面對面會議及實地探訪</li> <li>行業研討會</li> </ul>
General public 公眾人士	<ul style="list-style-type: none"> <li>Involvement in communities</li> <li>Business compliance</li> <li>Environmental protection awareness</li> <li>社區參與</li> <li>業務合規</li> <li>環境保護意識</li> </ul>	<ul style="list-style-type: none"> <li>Media conferences and responses to enquiries</li> <li>Public welfare activities</li> <li>Face-to face interview</li> <li>媒體會議及回應提問</li> <li>公益活動</li> <li>面對面訪問</li> </ul>



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Materiality Assessment

The Group undertakes annual review in identifying and understanding its stakeholders' main concerns and material interests for the ESG Report. In FY2017, the Group engaged its stakeholders to conduct a materiality assessment survey. With respect to this ESG Report, the Group identified protection of consumer information and privacy, understanding local communities' need and customer satisfaction as issues of high importance to both the Group and its stakeholders. This review helped the Group in prioritising its sustainability issues and highlighting the material and relevant aspects, so as to align them with stakeholders' expectations.

## IV. ENVIRONMENTAL SUSTAINABILITY

The Group is committed to ensuring the long-term sustainability in the environment and community where the Group operates. The Group stringently controls its emissions and consumption of resources, and complies with all relevant environmental laws and regulations in its daily operations. All offices and operation sites of the Group have implemented effective energy conservation measures to reduce emissions and resource consumption.

This section primarily discloses the Group's policies, practices, and quantitative data on emissions, use of resources, the environment and natural resources in FY2017.

### A.1. Emissions

The Group complied with all relevant local environmental laws as set out in the country where the Group operates. In FY2017, the Group found no disregard to influential laws relevant to exhaust gas or greenhouse gas emissions, discharging contaminants to water or land, and hazardous or non-hazardous wastes.

In FY2017, the Group's greenhouse gases ("GHG") for Scope 1 (Direct emissions), Scope 2 (Energy indirect emissions) and Scope 3 (Paper waste indirect emissions) was 52 tonnes CO<sub>2</sub>e, 42 tonnes CO<sub>2</sub>e and 4 tonnes CO<sub>2</sub>e, respectively. The Group's total GHG emissions amounted to 98 tonnes CO<sub>2</sub>e, and the GHG intensity for the Group was 2.4 tonnes CO<sub>2</sub>e/employee. Other than GHG emissions, the Group also emitted 3 tonnes of non-hazardous solid wastes (with an intensity of 0.1 tonnes/employee), and 1,184 tonnes of non-hazardous wastewater (with an intensity of 28.9 tonnes/employee) in its operations. The Group did not generate any hazardous waste. The Group's total emissions are summarized in Table 2 below.

### 重要性評估

本集團就環境、社會及管治報告進行年度檢討，以確定及瞭解其持份者之主要關注事項及重大利益。於二零一七年財年，本集團委託其持份者進行重要性評估調查。就本環境、社會及管治報告而言，本集團確定消費者資料及私隱保護，瞭解本地社區需要及客戶滿意度對本集團及其持份者極之重要。本檢討有助本集團考慮其可持續事項之優先次序以及須加強的重大及相關事項，以符合持份者之期望。

## IV. 環境可持續性

本集團致力確保本集團經營所在地之環境及社區長期可持續發展。本集團嚴格控制其排放物及資源消耗，並於日常營運中遵守所有相關環境法例及法規。所有本集團之辦公室及營運地方已實施有效節能措施，以減低排放物及資源消耗。

本節主要披露本集團於二零一七年財年就排放物、資源用途、環境及天然資源的政策、常規及定量數據。

### A.1. 排放物

本集團遵守本集團經營所在國家列明之所有相關地方環保法例。於二零一七年財年，本集團並無違反有關廢氣或溫室氣體排放、污染物排入水體或土地以及有害或無害廢物之具影響力法例。

於二零一七年財年，本集團就範圍1（直接排放）、範圍2（能源間接排放）及範圍3（廢紙間接排放）之溫室氣體（「溫室氣體」）分別為52二氧化碳當量噸、42二氧化碳當量噸及4二氧化碳當量噸。本集團溫室氣體排放總量達98二氧化碳當量噸，本集團之溫室氣體密度為2.4二氧化碳當量噸／僱員。除溫室氣體排放物外，本集團於其營運中亦排放3噸無害固體廢物（密度為0.1噸／僱員），及1,184噸無害廢水（密度為28.9噸／僱員）。本集團概無產生任何有害廢物。本集團排放總量於下表2概述。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Table 2 Group's Total Emissions by Category in FY2017

表2本集團於二零一七年財年按分類劃分之排放總量

Emission Category	Item	Unit	Amount	Intensity* (Per employee) 密度* (每名僱員)
排放物分類	項目	單位	數量	
GHG emissions 溫室氣體排放物	Scope 1 (Direct Emission) 範圍1(直接排放)	tonnes CO <sub>2</sub> e 二氧化碳當量噸	52	–
	Scope 2 (Energy Indirect Emission) 範圍2(能源間接排放)	tonnes CO <sub>2</sub> e 二氧化碳當量噸	42	–
	Scope 3 (Paper Waste Indirect Emission) 範圍3(廢紙間接排放)	tonnes CO <sub>2</sub> e 二氧化碳當量噸	4	–
	Total (Scope 1 & 2 & 3) 總計(範圍1、2及3)	tonnes CO <sub>2</sub> e 二氧化碳當量噸	98	2.4
	Non-hazardous waste 無害廢物	Solid Waste 固體廢物	Tonnes 噸	3
	Wastewater 廢水	Tonnes 噸	1,184	28.9

\* Intensity = amount ÷ annual average workforce of the Group

\* 密度=數量÷本集團年度平均員工人數

The Group did not generate significant emissions in terms of wastewater, waste pollutants, air pollutants and hazardous waste due to the Group's business nature, where operations were mainly in the office buildings. The Group endeavours to operate in an environmentally sustainable manner to make contributions to tackling global climate change.

由於本集團業務性質以辦公室大廈營運為主，故並無產生廢水、廢物污染物、空氣污染物及有害廢物等重大排放物。本集團致力以環境可持續性之模式營運，為遏制全球暖化作出貢獻。

The main emissions include domestic wastewater and solid wastes generated in different offices by the Group's staff, and the GHG emissions generated from the use of purchased electricity in the Group's daily operation. The Group strictly complied with the emission standards of wastewater and domestic waste in each operating office. The Group's cemetery business located in mainland China operated under full compliance with the Interim Measures for the Administration of the Cemetery (《公墓管理暫行辦法》) and the Regulations of the State Council on the Administration of Funeral (《國務院殯葬管理條例》).

主要排放物包括本集團員工在不同辦公室產生之生活廢水及固體廢物，而本集團日常營運消耗所購電力排放之溫室氣體。本集團嚴格遵守各營業辦公室之廢水及生活廢物排放物標準。本集團位於中國內地之公墓業務全面根據《公墓管理暫行辦法》及《國務院殯葬管理條例》營運。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

Wastewater and solid wastes generated by the Group were minimal, and were handled by the property management. Although emissions from the offices were insignificant, the Group encourages staffs to make continuous contribution towards carbon reduction and energy conservation. Specifically, the Group adopted the separation method in terms of domestic waste management. Non-hazardous wastes were carefully sorted, so that those recyclable wastes would be reused. The Group also encourages its staff to bring their own lunch box instead of ordering take-away food to avoid the generation of food waste and food packaging waste. In terms of surplus stele, the Group ensures they are all recycled and reused.

To ensure best use of water resource and reduce carbon emissions, the Group implemented several practical measures to save water and energy, which are further described in the next section **A.2. Use of Resources**. With sound awareness of saving energy, along with effective implementation of the corresponding policies and measures, the Group aims to achieve carbon reduction progressively.

### A.2. Use of Resources

In FY2017, resources consumed by the Group were gasoline, electricity, water, paper, and packaging materials (by paper, plastic, metal).

**Table 3 Group's Total Use of Resources by Category in FY2017**

Resource Category	Item	Unit	Amount	Intensity* (Per Employee) 密度* (每名僱員)
資源分類	項目	單位	數量	
Energy 能源	Electricity 電	kWh 千瓦時	70,828	1,728
	Gasoline 汽油	L 公升	21,545	525
Water 水	Water 水	m <sup>3</sup> 立方米	1,208	29
Paper 紙	Paper 紙	tonnes 噸	0.7	0.02
Packaging Materials 包裝物料	By Paper 紙製	tonnes 噸	0.008	2.0×10 <sup>-4</sup>
	By Plastic 塑膠製	tonnes 噸	0.038	9.3×10 <sup>-4</sup>
	By Metal 金屬製	tonnes 噸	0.001	2.4×10 <sup>-5</sup>

\* Intensity = amount ÷ annual average workforce of the Group

本集團所產生之廢水及固體廢物可謂微不足道，並由物業管理處理。儘管來自辦公室的排放物並不重大，惟本集團仍鼓勵員工持續對減碳及節能作出貢獻。具體而言，本集團就生活廢物管理採用分類方法。無害廢物會經過小心分類，可循環再造的廢物會重用。本集團亦鼓勵員工自備午餐盒，而不訂購外賣，避免產成廚餘及食品包裝廢物。就剩餘石柱而言，本集團確保其得以再造及重用。

為確保善用水資源及減少碳排放，本集團實行了若干實際節水節能措施，有關措施於下節**A.2.資源用途**進一步闡述。憑藉良好的節能意識，加上有效實行相應政策及措施，本集團旨在逐步達成減碳目標。

### A.2. 資源用途

於二零一七年財年，本集團所消耗之資源為汽油、電、水、紙及包裝物料（紙製、塑膠製、金屬製）。

表3本集團於二零一七年財年按分類劃分之總資源耗用量

\* 密度=數量÷本集團年度平均員工人員



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### *Electricity*

The Group's electricity consumption came from regular operations of the offices. In FY2017, the total electricity consumption of the Group was 70,828 kWh (with an intensity of 1,728 kWh/employee). All subsidiaries of the Group stringently complied with the Group's policy of saving energy.

The Group started to replace traditional light bulbs with electricity-saving light bulbs as well as educated its employees about energy conservation and emission reductions. As the Group reduced electricity consumption, GHG emissions declined correspondingly. To ensure the effective use of electricity, the Group conducted the following practices:

- Place energy saving reminder labels next to switches
- Clean office equipment (such as refrigerator, air-conditioner) regularly to maintain high efficiency;
- Turn office lights and other electronic device off whenever and wherever not necessary;
- Replace traditional lamps with power saving ones, like LED lights;
- Adjust and switch off the air-conditioners according to the temperature and situation in the office, and ensure that the temperature should not be set under 25°C;
- Place posters "Saving Electricity, Turn Off the Light When Leaving" in prominent places;
- Turn off all lights, computers, copiers and other electronics in the office at the end of the day;
- Clean office equipment such as air conditioners regularly to ensure high operating efficiency;
- Adopt email as the medium of internal and external communication; and
- Use electronic facilities with energy saving label.

### *電量*

本集團之電量消耗來自辦公室日常營運。於二零一七年財年，本集團總耗電量為70,828千瓦時(密度為1,728千瓦時／僱員)。本集團所有附屬公司嚴格遵守本集團的節能政策。

本集團開始將傳統燈具更換為節能燈具，並教育僱員節能減排。由於本集團耗電量下降，溫室氣體排放亦相應減少。為確保有效用電，本集團實施下列措施：

- 於開關控制旁貼上節能貼士；
- 定期清理辦公室設備(如雪櫃及冷氣機)以維持高效能；
- 於任何時間及地點關閉不必要的燈光及其他電子設備；
- 將傳統燈具更換為省電燈具，如LED燈；
- 根據辦公室溫度及情況調整及關閉冷氣機，並確保設定溫度不低於攝氏25度；
- 在當眼位置張貼「節約用電，請於離開時關燈」海報；
- 每日工作結束時關閉辦公室所有燈光、電腦、影印機及其他電子設備；
- 定期清洗辦公室設備(如冷氣機)以維持高效運作；
- 採用電子郵件作為內部及外部溝通之媒介；及
- 使用標示節能之電子設施。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### Energy

The Group consumed gasoline for its vehicles and in its cemetery business. In FY2017, the amount of gasoline consumed by the Group was 21,545 L (with an intensity of 525 L/employee). The Group encourages energy saving through simple measures, such as turning off all idle equipment and replacing highly polluting vehicles with more environmentally-friendly ones.

### Water

The Group educated its employees to save water. In FY2017, the total water consumption of the Group was 1,208 m<sup>3</sup> (with an intensity of 29 m<sup>3</sup>/employee). To further improve the utilization efficiency of water resources, the Group adopted the following practices:

- Place posters “Saving Water Resource” in prominent places to encourage water conservation;
- Fix dripping taps immediately and avoid any leakage of the water supply system;
- Strengthen the inspection and maintenance on water tap, water pipelines and water storage;
- Carry out regular leakage tests on water tap, washers and other defects in the water supply system;
- Use water saving equipment; and
- Advocate the virtue of preserving water and instilled the concept of “Water Preservation” in employees;

### 能源

本集團之汽車及公墓業務須消耗汽油。於二零一七年財年，本集團消耗汽油21,545升（密度為525升／僱員）。本集團透過簡單之措施鼓勵節能，例如關閉所有閒置設備及將高污染汽車更換為環保型汽車。

### 水

本集團教育僱員節約用水。於二零一七年財年，本集團總用水量為1,208立方米（密度為29立方米／僱員）。為進一步提升水資源使用效率，本集團採取以下措施：

- 在當眼位置張貼「節約水資源」海報，以鼓勵節約用水；
- 立即修理漏水水龍頭及避免供水系統任何滲漏問題；
- 加強水龍頭、水管及儲水箱之監察及維護力度；
- 對水龍頭、洗滌器及供水系統之其他瑕疵進行定期滲漏檢測；
- 使用節水設備；及
- 提倡保護水資源及向僱員灌輸「節約用水」觀念；



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### *Paper*

Paper was mainly consumed by the Group in its office. In FY2017, the Group consumed a total of 0.7 tonnes of papers (with an intensity of 0.02 tonnes/employee). The Group adopted the following practices to reduce paper waste at source:

- Think before print;
- Set duplex printing as the default mode for most network printers;
- Print/copy only the pages needed;
- Re-use envelopes, folders and carton in office;
- Use email to reduce fax paper consumption;
- Use double-sided printing and photocopying;
- Separate the single-sided paper and double-sided paper neatly for better recycling; and
- Use the back of old single-sided documents for printing or as draft paper.

### *Packaging Materials*

The Group uses paper, aluminium bags, plastic bags, aluminium boxes, iron boxes as packaging materials. In FY2017, the amount of paper packaging materials, plastic packaging materials, and metal packaging materials consumed by the Group was 0.008 tonnes (with an intensity of  $2.0 \times 10^{-4}$  tonnes/employee), 0.038 tonnes (with an intensity of  $9.3 \times 10^{-4}$  tonnes/employee) and 0.001 tonnes (with an intensity of  $2.4 \times 10^{-5}$  tonnes/employee) respectively. To reduce the use of packaging materials, the Group encourages the reuse of boxes as much as possible.

### *紙張*

本集團主要於辦公室內使用紙張。於二零一七年財年，本集團總共消耗0.7噸紙張(密度為0.02噸/僱員)。本集團採取下列措施從源頭減少浪費用紙：

- 列印前三思；
- 將大部分網絡打印機之預設模式設定為雙面列印；
- 僅列印/複印所需頁面；
- 循環使用辦公室信封、文件夾及紙板；
- 使用電子郵件以減少傳真紙張消耗量；
- 使用雙面列印及複印；
- 整齊分放單面印刷的紙張及雙面印刷的紙張以方便回收重用；及
- 使用舊的單面印刷文件的背面進行列印或用作草稿紙。

### *包裝材料*

本集團使用紙張、鋁袋、塑料袋、鋁盒及鐵盒作為包裝材料。於二零一七年財年，本集團分別消耗紙張、塑料及金屬包裝材料0.008噸(密度為 $2.0 \times 10^{-4}$ 噸/僱員)、0.038噸(密度為 $9.3 \times 10^{-4}$ 噸/僱員)及0.001噸(密度為 $2.4 \times 10^{-5}$ 噸/僱員)。為減少使用包裝材料，本集團鼓勵盡量重用包裝盒。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### A.3. The Environment and Natural Resources

The Group is committed to protecting the environment where the Group operates. The Group took effective measures to reduce electricity consumption, and thus the overall GHG emissions. Specifically, the Group has been using office equipment carrying Energy Label issued by the Electrical and Mechanical Services Department in its HK offices. The Group also planted over 800 trees and constructed a green space of 5,000 m<sup>2</sup> for carbon offsetting.

### A.3. 環境及自然資源

本集團致力保護本集團經營所在地之環境。本集團採取有效措施降低耗電量，進而減少整體溫室氣體排放量。具體而言，本集團已於香港辦事處使用具有機電工程署發行之能源標籤之辦公室設備。本集團亦栽種逾800棵樹並建造綠地5,000平方米以抵消二氧化碳排放。

## V. SOCIAL SUSTAINABILITY

## V. 社會責任

### EMPLOYMENT AND LABOUR PRACTICES

### 僱傭及勞工常規

#### B.1. Employment

The Group treasures employee's talent, and sees it as the most valuable asset of the Group. The Group believes employee's talent is the key in driving success and in maintaining the Group's sustainable development. The Group strives to provide a safe and suitable platform for employees to develop their career.

#### B.1. 僱傭

本集團重視僱員的才能，並視之為本集團最寶貴之資產。本集團相信，僱員才能為邁向成功及維持本集團可持續發展之關鍵。本集團致力於為僱員提供安全合適之平台，以便僱員發展其事業。

#### *Law compliance*

The Group's human resources policies strictly adhere to the applicable employment laws and regulations in Hong Kong and China including, the Employment Ordinance, the Labour Law of the PRC, and the social security schemes that are enforced by the State Regulations of the PRC to provide employee benefits. The Group formulated the "Employees' Handbook" for standardised human resources policy according to the above laws and regulations. The Human Resources Department reviews and updates the relevant company policies regularly in accordance with the latest laws and regulations.

#### *遵守法例*

本集團的人力資源政策嚴格遵守香港及中國之適用僱傭法例及規例，包括僱傭條例、中國勞動法及中國國家規定強制實行之社會保障計劃，以向僱員提供福利。本集團已根據上述法例及規例制定「員工手冊」以規範人力資源政策，而人力資源部門會根據最新法例及規例定期審閱及更新相關的公司政策。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### *Recruitment and promotion*

To attract high-calibre candidates, the Group offers fair, competitive remuneration and benefits based on the individuals' past performance, personal attributes, job experiences and career aspiration. The Group also references market benchmarks in determining its remuneration and benefit policies. As talent retention is vital to the future business development of the Group, the Group constantly reviews its compensation packages, and performs probationary and regular evaluations according to the overall market environment, profitability of the Group and employee's performance in the past. In terms of the career path, the Group segments the promotion of employees into two types: In-department promotion and cross-department promotion. Each kind of promotion also necessitates different requirements and should stick to different procedure strictly. This ensures that employees can be recognised by the Group appropriately with respect to their efforts and contributions. Meanwhile, any termination of employment contract would be based on reasonable and lawful grounds.

### *Compensation and dismissal*

Any appointment, promotion or termination of employment contract would be based on reasonable, lawful grounds and internal policies, such as staff handbooks. The Group strictly prohibits any kind of unfair or unreasonable dismissals.

### *Working hours and rest periods*

The Group has formulated its policy based on local employment laws, for determining working hours and rest period for employees. In addition to basic paid annual leave and statutory holidays stipulated by the employment laws of the local governments, employees may also be entitled to additional leave entitlements such as marriage leave, maternity leave, compassionate leave, bereavement leave with paid as long as related documents are provided under the employment law of the local government.

### *招聘及晉升*

為吸引高質素人員，本集團根據個人過往表現、個人特質、工作經驗及職業抱負提供公平、具競爭力之薪金及福利。本集團亦參考市場基準釐定其薪金及福利政策。由於留聘人才對本集團未來業務發展至關重要，本集團不斷根據整體市場環境、本集團盈利能力及僱員過往表現檢討其薪酬標準、進行考核及定期評估。就職業路向而言，本集團將僱員晉升分為兩類：部門內晉升及跨部門晉升。各類晉升亦設定不同要求及須嚴格遵守不同程序。這確保僱員的努力及貢獻可得到本集團適當的認可。同時，終止任何僱員合約須基於合理及合法的理理由。

### *薪酬及解僱*

任何委任、晉升或終止僱員合約須基於合理及合法的理理由以及內部政策(例如員工手冊)而作出。本集團嚴禁任何形式之不公平或不合理解僱。

### *工時及假期*

本集團根據地方僱傭法例釐定僱員工時及假期的政策。除地方政府的僱傭法律規定的基本有薪年假及法定假期外，僱員亦可享有規定額外假期，如婚假、產假、恩恤假及喪假，惟須出具地方政府僱傭法例規定的有關文件。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### *Equal opportunity and anti-discrimination*

As an equal opportunity employer, we are committed to creating a fair, respectful and diverse working environment by promoting anti-discrimination and equal opportunity in terms of all human resources and employment decisions. For instance, training and promotion opportunities, dismissals and retirement policies should be irrespective of their gender, race, age, disability, family status, marital status, sexual orientation, religion beliefs, nationality or any other non-job related factors in all business units. The Group's equal opportunities policy allows zero tolerance to any workplace discrimination, harassment or victimisation in accordance to relevant government legislation, ordinances and regulations. Employees are encouraged to report any incidents involving discrimination to the human resources department of the Group. The Group will take responsibility for assessing, dealing with, recording and taking any necessary disciplinary actions on such incidents. Furthermore, the effective two-way communication between general staff and managerial staff is highly encouraged. Employees maintain timely and smooth communication with the management and colleagues within the Group through emails and meetings. Those interactive communication systems benefit the Group's decision-making process and results in a barrier-free employer-employee relationship.

### *Other benefits and welfare*

As for employee welfare, the Group throws birthday parties and holds a series of activities, such as dinner party, Mid-autumn BBQ, Christmas party for its employees. A number of socially useful activities are also arranged by volunteers in the Group on a regular basis. The Group believes that these events would help its employees to relieve stress, and served to exemplify the Group's corporate culture of the spirit of solidarity and cohesion among its employees.

During the year under review, the Group was in compliance with relevant laws and regulations in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, welfare and other benefits that have a significant impact on the Group.

### *平等機會及反歧視*

作為平等機會僱主，本集團致力透過在所有人力資源及僱傭決策中推動反歧視及平等機會，以營造公平、尊重及多元化之工作環境。例如，本集團所有業務部門的培訓及晉升機會、解僱及退休政策並非以僱員的性別、種族、年齡、殘障、家庭狀況、婚姻狀況、性取向、宗教信仰、國籍或任何其他非工作相關因素為依據。本集團之平等機會政策根據相關政府法例、條例及規例，絕不容許任何工作場所的歧視、騷擾或迫害。本集團鼓勵僱員向人力資源部門報告任何有關歧視之事件。本集團會負責對該等事件進行評估、處理、記錄及採取任何必要的紀律處分。此外，本集團非常鼓勵員工與管理級人員進行有效的雙向溝通。僱員透過電郵及會議與本集團內管理層及同事保持適時及順暢溝通。該等互動溝通方法對本集團之決策過程有裨益，可達致無障礙的僱主與僱員關係。

### *其他待遇及福利*

作為僱員福利，本集團為員工舉辦生日會以及一系列活動，例如晚會、中秋節燒烤、聖誕派對等等。本集團自願服務的同事亦定期安排多項公益活動。本集團相信，該等活動有助僱員減輕壓力，並體現本集團僱員團結及凝聚的企業文化。

於回顧年內，本集團在薪酬及解僱、招聘及晉升、工時、假期、平等機會、多元化、反歧視、福利及其他待遇方面，遵守對本集團有重大影響之相關法例及規例。





# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B.2. Health and Safety

To provide and maintain good working conditions and a safe and healthy working environment, the Group's safety and health policies are in line with various laws and regulations stipulated by the Government of Hong Kong and PRC, including the Occupational Safety and Health Ordinance, the Production Safety Laws of the PRC (《中國安全生產法》), and the People's Republic of China Occupational Disease Prevention Law (《中國職業病防治法》).

The Group established a comprehensive mechanism to improve workplace safety by incorporating a range of occupational health and safety measures such as prohibiting smoking and liquor drinking in the workplace. To ensure adequate protection for employees against accidents, instructions are issued to departments on safety policies and procedures. Employees who suffer from injury arising out of and in the course of employment are entitled to compensation in accordance with the local laws and regulations such as Hong Kong's Employee Compensation Ordinance, Labour Contract Law of the PRC (《中國勞動合同法》) and the social security schemes.

Employees are required to follow the safety and health measures set out in the operating manuals such as Fire Safety Management Policy (《消防安全管理制度》). Those measures constantly remind employees on how to minimise the risk of accidents and enhance the employees' health and safety awareness. In addition, cleaning air-conditioning systems and disinfection treatment of carpets are performed regularly with an aim to maintain a clean, tidy, smoke-free, non-toxic, non-hazardous, healthy and safe working environment. Emergency exits are unobstructed and unlocked from the inside at all times during working hours. What is more, the Group organises healthy work bulletin, built up safety warning signs, and set up safety banners and slogans, aiming to achieve an accident-free workplace environment.

During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to providing a safe working environment and protecting the employees from occupational hazards that have a significant impact on the Group,

### B.2. 健康與安全

為提供及維持良好之工作條件及安全健康之工作環境，本集團已制定符合香港及中國政府規定的各項法例及規例的安全與健康政策，包括《職業安全及健康條例》、《中國安全生產法》及《中國職業病防治法》。

本集團已建立完整的機制確保工作場所安全，並採納一系列職業健康與安全措施，例如禁止於工作地點吸煙及飲酒。為確保充分保障僱員避免發生意外，部門獲發有關安全政策及程序之指引。根據地方的法例及規例(例如《香港僱員補償條例》、《中國勞動合同法》及社會保障計劃)，因工受傷及在受僱期間受傷之僱員有權獲得賠償。

僱員須遵循操作手冊(如《消防安全管理制度》)所載安全與健康措施。該等措施經常提示僱員如何減低意外風險及提升僱員的健康與安全意識。此外，為維持清潔、整潔、無煙、無毒、無害、健康及安全之工作環境，本集團定期清潔空調系統及進行地毯消毒處理。緊急出口在工作時間內始終保持暢通無阻及內部不上鎖。此外，本集團製備健康工作公告、設置安全警告標誌以及懸掛安全橫幅及標語，旨在達致無意外工作環境。

於回顧年內，本集團在提供安全工作環境及保障僱員免受職業傷害方面，並無違反任何對本集團有重大影響之相關法例及規例。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B.3. Development and Training

The Group offers different training and development opportunities to its staff. The purpose is to strengthen employee's work-related skills and to improve their operational efficiency and productivity. Newly joined employees are provided with comprehensive trainings, which covers topics such as corporate culture, business processes, job requirements and specific job knowledge. As for existing employees, profession-oriented trainings are offered according to the corporate needs. The Group ensures that all its employees possess the necessary professional knowledge to complete its daily tasks, and help them fulfil the continuous training hour requirement for annual professional qualifications as well. The Group also encourages its employees to sign up for professional qualifications examinations and external trainings.

To support the Group's financial business and meet the annual regulatory requirements of the Securities and Futures Commission, for each regulated activity, licensed employees are required to take continuous training courses to ensure the service they provide are up to standards. The records all training courses attended by its licensed employees, keeping the record for at least three years, so the Group can provide relevant records upon request by the regulator or the Hong Kong Monetary Authority.

### B.4. Labour Standards

The Group strictly abides by the Employment Ordinance of Hong Kong, Labour Law of the PRC, and other related labour laws and regulations in Hong Kong and PRC to prohibit any child and forced labour employment. To combat against illegal employment on child labour, underage workers and forced labour, prior to confirmation of employment, the Group's human resources staff requires job applicants to provide valid identity documents to ensure that the applicants are lawfully employable. The Group's Human Resources Department is also responsible to monitor and ensure compliance of latest and relevant laws and regulations that prohibits child labour and forced labour.

In FY2017, the Group was not in violation of any relevant laws and regulations, in relation to the prevention of child and forced labour that have a significant impact on the Group.

### B.3. 發展及培訓

本集團向員工提供不同的培訓及發展機會，旨在提升僱員工作技巧以及改善營運效率及生產力。本集團為新入職員工提供全面培訓，涵蓋企業文化、業務流程、工作要求及具體工作知識等方面。就現有僱員而言，本集團根據公司需要提供職業導向的培訓。本集團確保所有僱員擁有完成日常工作的必要專業知識，並幫助彼等完成年度專業資格規定的持續培訓時數。本集團亦鼓勵僱員報名參加專業資格考試及外部培訓。

為協助本集團的財務業務及滿足證券及期貨事務監察委員會之年度監管規定，就各受規管活動而言，持牌僱員須參加持續培訓課程，以確保彼等提供之服務符合標準。持牌僱員參加所有持續培訓課程之記錄須保存至少三年，以便本集團於監管方或香港金融管理局要求時提供有關記錄。

### B.4. 勞工標準

本集團嚴格遵守香港僱傭條例、中國勞動法及香港及中國的其他相關勞動法例及規例，以禁止僱用任何童工及強制勞工。為打擊非法僱用童工、未成年勞工及強制勞工，在確認僱用前，本集團的人力資源員工會要求應徵者出示有效身份證明文件，確保應徵者可合法受僱。本集團的人力資源部門亦負責監控及確保本集團遵守禁止童工及強制勞工之最新相關法例及規例。

於二零一七年財年，本集團在防止童工及強制勞工方面，並無違反任何對本集團有重大影響之相關法例及規例。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### OPERATING PRACTICES

#### B.5. Supply Chain Management

As a socially responsible enterprise, it is critical and vital to maintain and manage a sustainable and reliable supply chain. The supply chain management should be consistent with the Group's sustainability in establishing a mutual trust and understanding with its business partners. The Group expects the suppliers to operate in compliance with local environmental laws, ordinances and regulations, to reduce ecological impacts. In selecting suppliers, comprehensive assessment is performed over different criteria including reputation in the industry, supplier's business compliance with local laws and regulations, relevant business licenses, services and products quality, after-sales services, technical capacity and price.

The Group sets up a supplier selection panel and establishes the scoring system to select the appropriate suppliers. The Group will also conduct on-site investigation to assess potential suppliers if necessary. The potential supplier can be qualified as an approved supplier by obtaining the approval from the panel. The Group maintains a list of approved suppliers and monitors the quality of suppliers on a strict and continuous basis through conducting regular evaluation on a number of factors such as the number of complaints filed by the customers and the performance of suppliers in handling complaints. The above measures could effectively facilitate better cooperation and communication between the Group and suppliers, and maintain a long-term strategic collaborative relationship between each other. The Group chooses suppliers according to the requirements of the specific business and customers and the environmental and social risks. Our standards are listed as below:

- a. The suppliers must hold legal business license;
- b. The product quality of the suppliers must be high-class;
- c. The products of the suppliers must be environmentally friendly and pollution-free, which should be healthy and safe to the employees and the customers.

### 營運慣例

#### B.5. 供應鏈管理

作為社會責任企業，維持及管理可持續及可靠之供應鏈是十分重要。供應鏈管理層應與本集團致力與其業務夥伴建立互信互諒之可持續發展策略一致。本集團預期，供應商遵守本地環境法例、條例及規例，以減低對生態之影響。選擇供應商時，按不同標準進行全面評估，包括業界聲譽、供應商業務遵守本地法例及規例之情況、相關業務牌照、服務及產品質素、售後服務、技術能力及價格。

本集團成立供應商遴選小組及建立評分系統以揀選合適供應商。如有需要，本集團亦會就評估準供應商進行實地視察。準供應商取得小組批准後將合資格成為獲批供應商。本集團備存一份獲批供應商名單，並透過定期評估若干因素（例如客戶提出投訴之次數及供應商處理投訴之表現），嚴格持續監察供應商之質素。上述措施可有效促進本集團與供應商更妥善合作及溝通，令雙方保持長期戰略合作關係。揀選供應商時，本集團會考慮特定業務及客戶之要求以及環境及社會風險。我們之準則載列如下：

- a. 供應商必須持有合法營業牌照；
- b. 供應商必須提供高質量之產品；
- c. 供應商必須提供零污染之環保產品，對僱員及客戶而言屬健康安全。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Group's Purchase Department also takes other aspects into account such as raw material quality, service quality, former records, projects, reputation and social and environmental responsibility. The Group arranges regular visit and communication with the suppliers to keep updated of the latest business situation of the suppliers. The Purchase Department runs the evaluation of the suppliers in the following four aspects: regulatory compliance, rights of the employees, health and safety, and environment protection. If there is no serious quality accident or delay on delivery, the supplier is recognised as qualified supplier and added to the supplier list. The Group chooses its supplier from the supplier list which is renewed every year.

To ensure sufficient supply, the Purchasing Department keeps close contact with the suppliers and reserves products in advance. Besides, the Group usually has backup suppliers. In terms of the risk of price fluctuation, since the price asked by the suppliers must be examined and approved by the local Price Control Authority, there is no risk as sudden rise in prices. The Group will conduct some basic evaluations upon contracts in top management turnover, production capacity, changes in manufacturing techniques and raw materials, and violations of the law and discipline of the suppliers.

### B.6. Product Responsibility

With regard to the Group's product health and safety, advertising and labelling, quality management of the Group is strictly in compliance with the related rules and regulations in Hong Kong and the PRC, including but not limited to Money Lenders Ordinance, National Funeral Management Regulations (《國家殯葬管理條例》), Cemetery Management Approach (《公墓管理辦法》) and Advertising Law of the PRC (《中華人民共和國廣告法》). The Group discreetly and regularly conducts evaluation to review the compliance on relevant laws and regulations.

The Group pays great importance to product quality and commit to offering high-quality services to the market. For commodities trading business, the Group acts as an agent between the suppliers and customers. The Group provides seamless connectivity from time to time to ensure that the trading process is dealt with in the utmost ethical manner. For cemetery business, the Group commits to abiding by the local rules and regulations in business operation in order to provide a clean and tidy environment. The burial plots should be in good condition for legitimate burial with limited supply in the local market.

本集團之採購部亦會考慮其他因素，例如原材料質量、服務質素、過往記錄、項目、聲譽以及社會及環境責任。本集團定期到訪供應商及與供應商溝通，緊貼供應商之最新業務狀況。採購部就以下四方面評估供應商：監管合規、僱員權益、健康安全及環境保護。倘供應商並無出現重大質量事故或延遲交付問題，則將會獲認可為合資格供應商及列入供應商名單。本集團從每年更新之供應商名單中甄選供應商。

為確保供應充足，採購部會與供應商保持密切聯繫並提前預訂產品。此外，本集團通常擁有備選供應商。就價格波動風險而言，由於供應商要求之價格必須經當地物價局審批，故並不存在價格突然上漲之風險。本集團將就高級管理人員更替、生產能力、製造技術及原材料變動以及供應商違法及違規情況對合約進行若干基本評估。

### B.6. 產品責任

就本集團產品健康及安全、廣告及標籤以及質量管理而言，本集團一直嚴格遵守香港及中國之相關法例及規例，包括但不限於《放債人條例》、《國家殯葬管理條例》、《公墓管理辦法》及《中華人民共和國廣告法》。本集團會定期進行謹慎評估，以檢討相關法例及規例之合規情況。

本集團重視產品質量，並致力為市場提供高質素服務。就商品交易業務而言，本集團擔當供應商與客戶之中介角色，不時提供無縫連接以確保交易過程以合乎最高道德之方式處理。就公墓業務而言，本集團致力於營運業務上符合當地法例及規例，以提供清潔及整齊之環境。基於當地市場供應有限，故墓地應維持良好狀況以供合法殯儀之用。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Group is committed to provide clear and balanced information to its customers. In accordance with the Money Lenders Ordinance, the Group established the Money Lending Procedure Manual to provide guidance on the handling and/or monitoring of the entire money lending. Before lending or trading, the Group performs the “Know Your Customer” procedure to gain an understanding of the customers’ financial background and risk tolerant level before providing them with suitable services. Customers that are interested in the Group’s services are required to sign the client agreement, acknowledging the terms and conditions, such as interest rate, repayment date, total outstanding amount, and the associated risks. The Group ensures customers have a clear understanding of all terms and conditions along with the associated risks and unpredictability.

The Group’s business manager visits the customers regularly to collect customers’ opinions. If the Group receives the complaint of the products and service, a patient discussion and thorough analysis with suppliers will be immediately conducted and the Group commits to responding for any products’ inquiries as soon as possible. Customer Services Department starts internal review of the details of the complaint, monitors the handling progress of the complaint and records the results in travel agency business. Through the internal and external communication channels, the Group could obtain the feedback and advice from customers efficiently, which enhances and strengthens its product offerings and service quality, and consequently enables the Group to stay competitive in the market.

The Group closely monitors released marketing materials and product labelling to prevent inappropriate or exaggerated advertisement as well. The Group established internal guidelines to ensure the Group is providing accurate product labelling and marketing materials that comply with the relevant local laws and regulations, such as the Advertising Law of the PRC (《中華人民共和國廣告法》), to its customers. If there is any noncompliance with internal guideline, the Group would consult external legal adviser and carry out corrective action immediately if necessary. In addition, the internal guidelines have been regularly updated with the latest regulations released by the government.

本集團致力為其客戶提供清晰及全面的資料。本集團已根據《放債人條例》制定放債程序手冊，提供有關受理及／或監控整個放債流程之指引。進行放債或買賣前，本集團會執行「認識你的客戶」程序，瞭解客戶之財政背景及抗風險水平以提供合適服務。對本集團服務有興趣之客戶須簽署客戶同意書並瞭解條款及條件，例如利率、還款日期、未償還總額及相關風險等。本集團會確保客戶清楚瞭解所有條款條件、相關風險以及不可預測之事宜。

本集團之業務經理定期探訪客戶，收集客戶意見。倘接獲對產品及服務之投訴，本集團將立即與供應商進行耐心討論並徹底分析，並承諾儘快作出回應有關任何產品之詢問。客戶服務部會就投訴詳情開展內部審查，監察處理投訴之過程，並記錄旅遊代理業務之業績。透過內部及外部之溝通渠道，本集團可有效地從客戶身上取得反饋及意見，加強及鞏固產品供應及服務質素，從而得以保持本集團之市場競爭力。

本集團緊密監察已發佈之市場營銷資料及產品標籤，以避免不當或誇張之宣傳手法。本集團已制定內部指引，以確保本集團現時向其客戶提供準確之產品標籤及市場營銷資料，符合地方相關法例及規例(例如《中華人民共和國廣告法》)。倘出現未有遵守內部指引之情況，本集團將會諮詢外部法律顧問，並即時作出補救行動(如有需要)。此外，內部指引已按政府發佈之最新法規定時作出更新。



## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Group is dedicated to protecting and enforcing its intellectual property rights and has complied with the relevant laws and regulations such as the Patent Law of the PRC (《中華人民共和國專利法》), and the Intellectual Property Law of the People's Republic of China (《中華人民共和國知識財產權法》). The Employees also have the responsibility to protect the intellectual property and been requested to sign confidentiality agreements on intellectual property.

The Group is committed to abiding by the Personal Data (Privacy) Ordinance, Law on Protection of Consumer Rights and Interests of the PRC (《中國消費者權益保護法》) and related laws and regulations in terms of consumer data policy to ensure that customers' rights are strictly protected. Information collected would only be used for the purpose authorised by customers in the first place. The Group prohibits the provision of consumer information to a third party without authorisation from the customers. All collected personal data is treated confidentially and kept securely, accessible by designated personnel only. Moreover, the IT department has set obstruction between office and commercial net to prevent unauthorized data use, exportation and copy. Through the internal training and confidential agreements with employees, the Group also emphasises confidentiality obligations and the legal consequences of the breaches of obligations.

During the year under review, the Group was not in violation of any relevant laws and regulations regarding health and safety, advertising, labelling and privacy matters of its products that may have a significant impact on the Group.

本集團致力保護並執行其知識產權，亦已遵守《中華人民共和國專利法》及《中華人民共和國知識財產權法》等相關法例及規例。僱員亦有責任保護知識產權，並已按規定簽署有關知識產權之保密協議。

本集團致力遵守個人資料(私隱)條例、《中國消費者權益保護法》以及有關消費者數據政策的法例及規例，以確保客戶權益獲嚴格保障。所收集之資料僅會用於客戶事先授權之用途上。本集團禁止在未經客戶授權下向第三方提供客戶資料。所有收集之個人資料均會加密處理，安全保存以及僅可由指定人士取用。此外，資訊科技部已於辦公室及商業網絡設置屏障，防止未經授權使用、匯出及複製數據。透過內部培訓及與僱員訂立保密協議，本集團亦重視保密責任及違反責任之法律後果。

於回顧年內，本集團在產品的健康與安全、廣告、標籤及私隱事宜方面，並無違反對本集團有重大影響之任何相關法例及規例。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

### B.7. Anti-corruption

To maintain a fair, ethical and efficient business and working environment, the Group strictly adheres to the laws and regulations relating to anti-corruption and bribery as set out by the government of the PRC and Hong Kong including Law of the PRC on Anti-money Laundering (《中國反洗錢法》) and Prevention of Bribery Ordinance (《防止賄賂條例》). The Group formulated and strictly enforced its anti-corruption policy, as stipulated in the operation manual namely Confidential Whistleblowing Policy (《密函舉報政策》) and Employees Handbook, to manage any fraudulent practices. The Group provides anti-bribery and corruption training course to its employees regularly and all employees are expected to discharge their duties with integrity, to act fairly and professionally, and to abstain from involving in any bribery activities or activities that might exploit their positions against the Group's interests. No concluded legal cases regarding corrupt practices was brought against the Group or its employees during FY2017.

The Group is committed to ensuring that employees can speak up with confidence when he or she suspect activity of corruption. Whistle-blowers have obligation to report any suspected misconduct and can report verbally or in writing to the senior management of the Group. The Group advocates a confidentiality mechanism to protect the whistle-blowers against unfair dismissal or victimisation and takes practical steps to protect the whistle-blowers without fear of threatens, harassments or any disadvantage to the whistle-blowers' employment status. Specifically, the Group developed and formulated internal whistleblowing policy to enable employees to report any suspicious activities including but not limit to criminal offense; unlawful or fraudulent behaviours in relation to internal control, accounting and financial matters; acts which endanger the health and safety of persons; violation of the Group's code of conduct or rules; unethical conduct which may jeopardise the Group's reputation; and deliberate concealment of above matters to Human Resources Department, Company Secretary or Audit Committee. The Group would conduct certain investigations on any suspicious or illegal behaviour and ensure all the relevant information is kept intact and completely recorded. Breaching of the rules will be disciplined by the Group, including termination of employment and being brought to justice should any illicit activity be found.

### B.7. 反貪污

為維持公平、合乎道德及高效之業務及工作環境，本集團嚴格遵守中國及香港政府現行有關反貪污及賄賂之法律及規例，包括《中國反洗錢法》及《防止賄賂條例》。本集團已制定及嚴格推行營運手冊指引(即《密函舉報政策》)及僱員手冊所訂明之反貪污政策，以管制任何舞弊行為。本集團定期為其僱員提供反賄賂及貪污的培訓課程，並希望所有僱員於履行職責時堅守誠信，按公平及專業原則行事，並拒絕參與任何賄賂活動或濫用職權從事有損本集團利益的活動。於二零一七年財年，本集團或其僱員並無面臨已審結有關貪污訴訟的案件。

本集團致力確保僱員敢於提出懷疑腐敗行為。舉報人有義務通報任何涉嫌不當行為，並可口頭或書面向本集團高級管理人員報告。本集團提倡保密機制以保護舉報人，避免彼等遭受不公平解僱或危害，並採取切實措施保護舉報人，防止舉報人的就業狀況會受到威脅、騷擾或發生任何不利情況。具體而言，本集團已設立及制定內部舉報政策，以讓僱員就任何可疑活動(包括但不限於刑事罪行、涉及內部監控、會計及財政事務之違法或欺詐行為、危害人身健康及安全、損害本集團操守或規則及規定之舉動；可能損害本集團聲譽的不當行為或不道德行為以及蓄意隱瞞上述事項)向人力資源部、公司秘書或審核委員會作出舉報及書面投訴。本集團將對任何可疑或違法行為進行調查，確保所有相關資料完整無缺及完全記錄。違反規則將受到本集團紀律處分，包括終止僱用並在發現任何非法活動時被繩之於法。



# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

During the year under review, the Group was not in violation of any of the relevant laws and regulations in relation to bribery, extortion, fraud and money laundering that have a significant impact on the Group.

於回顧年內，本集團在賄賂、勒索、欺詐及洗黑錢方面，並無違反對本集團有重大影響之任何相關法例及規例。

### COMMUNITY

### 社區

#### B.8. Community Investment

#### B.8. 社區投資

The Group understands well the importance of making a positive contribution to the communities where the Group operates. The Group is committed to fulfil its social responsibility by promoting the economic development of the community, and helping individuals and organizations within the community. The Group is also keen to support social welfare activities and community care projects. Employees are encouraged to participate in charitable activities and projects.

本集團深明向其經營所在地的社區作出積極貢獻之重要。本集團致力透過推動社區經濟發展並扶助社區人士及機構，以履行其社會責任。本集團亦熱衷支持社會公益活動及社區關愛工程，並鼓勵僱員參與慈善活動及項目。

The Group continuously fulfil their social responsibility through sponsoring local community and its employees. In the beginning of 2018, the Group was again awarded as the Caring Company in Hong Kong, as the Group made contributions to the community, especially in helping those underprivileged families. The Group cooperated with the Sheng Kung Hui Holy Carpenter Church Community Centre by organizing and sponsoring a charity dinner for underprivileged families in Kowloon City District. The purpose of the charity dinner was to provide those underprivileged families a platform for bonding and experiences sharing; thereby in hope they will inspire and provide future support to each other. At the charity dinner, the Group's employees led a series of family activities with aims to boost children's confidence and their ability in overcoming future difficulties.

本集團透過贊助地方社區及其僱員持續履行社會責任。於二零一八年初，由於本集團對社區作出貢獻，特別是幫助貧困家庭，本集團於香港再度獲頒發商界展關懷獎項。本集團與聖公會聖匠堂社區中心合作，為九龍城區之貧困家庭舉辦及贊助慈善晚宴。該慈善晚宴之目的為向貧困家庭提供團聚及經歷分享之平台，從而希望該等家庭可受啟發並於日後互相支持。於慈善晚宴，本集團僱員帶領一連串家庭活動，旨在提高兒童的自信心及彼等克服未來困難之能力。

Not only did the Group focus on social welfare activities, the Group also sees climate change as an important challenge ahead of the entire human race. Specifically, the Group attended the event called 'Green Hong Kong, Carbon Reduction 2017' organised by Environmental Protection Department, and successfully introduced the way it helps address climate change on a corporate level.

本集團不但專注於社會福利活動，更視氣候變化為全人類當前最重要之挑戰。本集團特別參與環境保護署舉辦之「綠色香港，碳減排2017」，並成功推出於企業層面幫助應對氣候變化之方法。





# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

### REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

We have audited the consolidated financial statements of Evershine Group Holdings Limited and its subsidiaries (“the Group”) set out on pages 78 to 175, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and note to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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.

#### BASIS FOR OPINION

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

#### 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.

致永耀集團控股有限公司股東

(於香港註冊成立之有限公司)

### 審核綜合財務報表之報告

#### 意見

我們已審核永耀集團控股有限公司及其附屬公司(「貴集團」)載列於第78至175頁之綜合財務報表,包括於二零一七年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表以及綜合財務報表附註,包括主要會計政策概述。

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。

#### 意見之基礎

我們已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核工作。我們於該等準則項下之責任於本報告核數師就審核綜合財務報表之責任一節進一步詳述。根據香港會計師公會的職業會計師道德守則(「守則」)連同與我們於香港審計綜合財務報表有關之道德規定,我們獨立於 貴集團,並已履行守則項下其他道德責任。我們認為我們已獲得充足和適當之審核憑證,以作為我們意見之基礎。

#### 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。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year ended 31 December 2017. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the 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.

### 關鍵審計事項

關鍵審核事項是根據我們的職業判斷，對於我們對截至二零一七年十二月三十一日止年度之綜合財務報表的審計最為重要的事項。該等事項乃於我們審計整體財務報表及出具相關意見時進行處理，且我們不會對該等事項提供單獨的意見。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。

Key audit matter 關鍵審計事項	How the matter was addressed in our audit 在審核中之處理方法
<p><b><i>Impairment of trade receivables</i></b></p> <p>As at 31 December 2017, the Group had trade receivables of approximately HK\$12,310,000 which were mainly arising from its trading segment. The Group generally offer a credit period of 30 days to 180 days to its customers.</p> <p>The key associated risk was the recoverability of trade receivables. The management regularly review the recoverability of trade debtors on individual basis and make judgement for impairment based on historical repayment records and any significant change in credit quality for each of the debtors.</p> <p>We have identified impairment of trade receivables as a key audit matter because management's judgement was significantly involved in the determination of the recoverability of the trade receivable.</p> <p><b>貿易應收款項減值</b></p> <p>於二零一七年十二月三十一日，貴集團之貿易應收款項約為12,310,000港元，乃主要來自其貿易分部。貴集團向其客戶授出之信貸期一般介乎30日至180日。</p> <p>主要相關風險為貿易應收款項之可收回性。管理層定期個別審閱應收賬款之可收回性，並按過往償還記錄及各債權人之信貸程度出現任何重大變動而作出減值判斷。</p> <p>我們已確認貿易應收款項減值作為關鍵審計事項，乃由於釐定貿易應收款項之可收回性明顯涉及管理層之判斷。</p>	<p>Our major audit procedures relating to the impairment of trade receivables included the following:</p> <ul style="list-style-type: none"> <li>We reviewed the management's receivables provision policy and tested the accuracy of the ageing of the receivables balances on sample basis.</li> <li>We analysed the receivables provision focusing on any unusual payment terms and review of customer payment history.</li> <li>We examined material individual aged receivable balances and obtained the rationale for management's provisioning decisions by reference to payment patterns during the year.</li> <li>We assessed the level of recoverability after the year end on receivable balances to consider any additional provisioning required.</li> </ul> <p>我們有關貿易應收款項減值之主要審計程序包括如下：</p> <ul style="list-style-type: none"> <li>我們已審閱管理層之應收款項撥備政策，並以抽樣方式測試應收款項結餘賬齡之準確性。</li> <li>我們已分析應收款項撥備，集中是否存在任何非尋常支付條款及查閱客戶支付記錄。</li> <li>我們已監察重大個別長期之應收款項結餘，並取得管理層按參考年內付款模式作出撥備決定之理由。</li> <li>我們已評估應收款項結餘於年末後之可收回性程度，以考慮是否作出所需之任何額外撥備。</li> </ul>



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### Key audit matter

關鍵審計事項

### How the matter was addressed in our audit

在審核中之處理方法

#### *Fair value of investment properties*

As at 31 December 2017, the fair value of the investment properties was approximately HK\$55,100,000. The Group appointed an independent professional valuer to determine the fair value of investment properties as at 31 December 2017. The valuation model adopted for the valuation was market comparison approach.

We have identified the assessment of fair value of investment properties as a key audit matter because significant judgement was involved in the determination of the fair value of the investment properties.

#### 投資物業之公平值

於二零一七年十二月三十一日，投資物業之公平值約為55,100,000港元。貴集團已委聘一名獨立專業估值師釐定投資物業於二零一七年十二月三十一日之公平值。就估值所採用之估值模式為市場比較法。

我們已確認評估投資物業之公平值作為關鍵審計事項，乃由於釐定投資物業之公平值明顯涉及管理層之判斷。

Our major audit procedures relating to the fair value of investment properties included the following:

- We discussed with management and independent valuer engaged by the Company in relation to the methodology applied and assumptions being used in arriving the fair value of investment properties.
- We checked the accuracy and reliance of the source data used in the valuation.
- We assessed the competency of the independent external valuer taking into account its experience and qualifications.

我們有關投資物業之公平值之主要審計程序包括如下：

- 我們已與管理層及由貴公司委聘之獨立估值師就達致投資物業公平值所採用之方法及假設進行討論。
- 我們已查證估值所使用資料數據之準確性及可依賴性。
- 我們已計及獨立外部估值師之經驗及資格，以評估其勝任能力。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

Key audit matter 關鍵審計事項	How the matter was addressed in our audit 在審核中之處理方法
<b>Impairment assessment of intangible assets in relation to cemetery segment</b>	
<p>As at 31 December 2017, included in tangible assets was an operating rights of cemetery of approximately HK\$114,478,000 which were allocated to the Group's cemetery segment ("Cemetery CGU").</p>	<p>Our major audit procedures relating to the management's impairment assessment of goodwill and intangible assets relating to the cemetery segment included the following:</p>
<p>For the purpose of assessing impairment, the Group appointed an independent valuer to assess the recoverable amount of the Cemetery CGU, which were determined by management based on the higher value-in-use and fair value less costs of disposal. The valuation requires significant judgement by management in valuing the Cemetery CGU.</p>	<ul style="list-style-type: none"><li>• We obtained and reviewed cash flow forecasts of the related cash-generating units prepared by management and approved by the directors of the Company.</li></ul>
<p>For the year ended 31 December 2017, no impairment loss had been recognised on the Group's intangible assets in related to cemetery segment.</p>	<ul style="list-style-type: none"><li>• We discussed with management and independent valuer engaged by the Company in relation to the methodology applied, basis and assumptions being used in arriving at the forecasts (e.g. time of completion, operating profit margin and discount rate).</li></ul>
<p>We have identified the impairment assessment of intangible assets related to cemetery segment as a key audit matter because the estimates of the recoverable amount of the Cemetery CGU are complex, subjective and highly judgmental, in particular, assumptions and judgements made by management in arriving at the cash flow forecasts of the Cemetery CGU.</p>	<ul style="list-style-type: none"><li>• We checked, on a sample basis, the accuracy and reliability of the input data used.</li><li>• We assessed the competency of the independent external valuer taking into account its experience and qualifications.</li></ul>
<b>有關公墓分部之無形資產減值評估</b>	
<p>於二零一七年十二月三十一日，計入有形資產之公墓經營權約114,478,000港元已分配至 貴集團之公墓分部（「公墓現金產生單位」）。</p>	<p>我們對管理層有關公墓分部之商譽及無形資產之減值評估作出之主要審計程序包括下列各項：</p>
<p>為達到評估減值之目的， 貴集團已委任獨立估值師評估公墓現金產生單位之可收回金額，該金額乃由管理層根據使用價值與公平值減出售成本之較高者釐定。有關估值需由管理層對公墓現金產生單位進行估值時作出重大判斷。</p>	<ul style="list-style-type: none"><li>• 我們已取得並審閱由管理層所編製及由 貴公司董事批准相關現金產生單位之現金流量預測。</li><li>• 我們曾與管理層及 貴公司所委聘獨立估值師討論達致該等預測所採用之方法以及所使用之基準及假設（例如完工時間、經營溢利率及貼現率）。</li></ul>
<p>截至二零一七年十二月三十一日止年度， 貴集團有關公墓分部之無形資產並無確認減值虧損。</p>	<ul style="list-style-type: none"><li>• 我們已抽樣檢查所使用輸入數據之準確性及可靠度。</li><li>• 經考慮獨立外部估值師經驗及資格，我們已評估其勝任能力。</li></ul>
<p>我們已識別有關公墓分部之無形資產減值評估為主要審計事項，因為公墓現金產生單位可收回金額之估計複雜且主觀及具高度判斷，特別是管理層在達致公墓現金產生單位之現金流量測預時作出之假設及判斷。</p>	<ul style="list-style-type: none"><li>• 我們已對有關預測所使用主要假設（例如使用一系列較高之貼現率及較低之收益增長率）進行敏感度分析。</li></ul>



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

### OTHER INFORMATION THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

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

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

The audit committee are responsible for overseeing the Group's financial reporting process.

綜合財務報表及當中所載核數師報告以外之其他資料

董事負責編製其他資料。其他資料包括列入年報之資料，惟不包括綜合財務報表及我們就此編製的核數師報告。

我們就綜合財務報表之意見不涵蓋其他資料且我們不就此作出任何形式之鑒證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料並在此過程中考慮其他資料是否與綜合財務報表或我們在審核中所了解者存在重大不一致，或似乎存在重大錯誤陳述。倘基於我們已經進行的工作，我們認為此其他資料存在重大錯誤陳述，我們須報告該事實。而就此我們並無任何報告。

### 董事及審核委員會就綜合財務報表之責任

董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例編製真實公平之綜合財務報表，並對其認為能夠使綜合財務報表之編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部監控負責。

於編製綜合財務報表時，董事負責評估 貴集團持續經營之能力、披露(如適用)有關持續經營之事宜及使用持續經營之會計基礎，惟董事擬將 貴集團清盤或停止營業或除此之外別無其他可行替代方案則除外。

審核委員會負責監督 貴集團之財務報告程序。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. The report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

### 核數師就審核綜合財務報表之責任

我們的目標，是對整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。根據我們所協定的委聘條款僅向閣下（作為整體）報告，除此之外別無其他目的。我們不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按香港審計準則進行的審計在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了職業判斷並在整個審計過程中保持了職業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及取得充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險比較因錯誤而導致的重大錯誤陳述的風險為高。
- 了解與審計相關的內部監控，以設計於相關環境下屬適當的審計程序，但目的並非對貴集團內部監控的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請對綜合財務報表中的相關披露資料的關注，倘有關的披露資料不足，則須修訂我們的意見。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。



## INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露資料，以及綜合財務報表是否公允呈列相關交易及事項。
- 就貴集團中實體或業務活動的財務資料獲取充分、適當的審計憑證，以對綜合財務報表發表意見。我們負責指導、監督和執行集團審計。我們對我們的審計意見承擔全部責任。

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Chan Wai Nam William with practising certificate number: P05957.

我們與審核委員會就(其中包括)審計的計劃範圍及時間以及重大審計發現(包括我們於審計中識別的內部監控的任何重大缺陷)進行溝通。

我們亦向治理層提交聲明，說明我們已符合有關獨立性的相關職業道德要求，並與他們溝通所有可能合理地被認為會影響我們獨立性的關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審核委員會溝通的事項中，我們釐定對本期間綜合財務報表的審計最為重要的事項，進而釐定關鍵審計事項。我們會在核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人是陳偉楠(執業證書編號：P05957)。

**Elite Partners CPA Limited**  
Certified Public Accountants

Hong Kong, 23 March 2018

10th Floor,  
8 Observatory Road,  
Tsim Sha Tsui,  
Kowloon, Hong Kong.

開元信德會計師事務所有限公司  
執業會計師

香港，二零一八年三月二十三日

香港九龍  
尖沙咀  
天文臺道8號  
10樓

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 綜合損益表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		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 (Re-presented) (經重列)
<b>Continuing operations</b>	持續經營業務			
Revenue	收益	4&13	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	5	(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	16	—	(14,309)
Impairment loss on goodwill	商譽之減值虧損	17	—	(10,997)
Operating and administrative expenses	經營及行政開支		(39,905)	(39,243)
<b>Loss from operations</b>	經營虧損		(42,296)	(54,224)
Finance costs	融資成本	6(a)	(27,033)	(12,542)
Loss before taxation	除稅前虧損	6	(69,329)	(66,766)
Taxation	稅項	7(a)	—	916
Loss after taxation from continuing operations	持續經營業務之除稅後虧損		(69,329)	(65,850)
<b>Discontinued operations</b>	已終止業務			
Profit from discontinued operations	已終止業務溢利	11	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	11	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	11	9	(511)
			(1,788)	475
<b>Loss for the year</b>	本年度虧損		(68,749)	(64,924)
<b>(Loss)/Earnings per share</b>	每股(虧損)/盈利	12		
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	12		
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	12		
Basic and Diluted	基本及攤薄		0.04 cents港仙	0.10 cents港仙

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表其中部分。



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

For the year ended 31 December 2017 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)
<b>Loss for the year</b>	本年度虧損	<b>(68,749)</b>	(64,924)
<b>Other comprehensive income/(expense) for the year</b>	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	<b>3,401</b>	(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	<b>(426)</b>	—
Share of exchange differences of associates	分佔聯營公司之匯兌差額	<b>(101)</b>	(65)
<b>Other comprehensive income/(expense) for the year</b>	本年度其他全面收入/(開支)	<b>2,874</b>	(4,317)
<b>Total comprehensive expense for the year</b>	本年度全面開支總額	<b>(65,875)</b>	(69,241)
Attributable to:	歸屬於：		
Equity shareholders of the Company	本公司權益股東	<b>(63,588)</b>	(69,553)
Non-controlling interests	非控股權益	<b>(2,287)</b>	312
<b>Total comprehensive expense for the year</b>	本年度全面開支總額	<b>(65,875)</b>	(69,241)

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表其中部分。

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註		
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	56,194	53,812
Investment properties	投資物業	15	55,100	51,900
Intangible assets	無形資產	16	114,478	118,351
Goodwill	商譽	17	—	—
Interests in associates	於聯營公司之權益	18	120,812	60,418
Deposit for acquisition of subsidiaries	收購附屬公司按金		15,626	—
			<b>362,210</b>	<b>284,481</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	19	2,303	3,518
Trade and other receivables	貿易及其他應收款項	20	40,091	119,112
Loan and interest receivables	應收貸款及利息	21	902	—
Restricted bank deposits	受限制銀行存款	22	—	2,406
Cash and cash equivalents	現金及現金等價物	23	13,947	12,406
			<b>57,243</b>	<b>137,442</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade and other payables and deferred revenue	貿易、其他應付款項及遞延收益	24	10,966	40,433
Short-term loans	短期貸款	25	52,000	52,000
Obligations under finance leases	融資租約債務	26	155	—
Promissory notes	承兌票據	27	20,152	27,508
			<b>83,273</b>	<b>119,941</b>
<b>Net current (liabilities)/assets</b>	<b>流動(負債)/資產淨值</b>		<b>(26,030)</b>	<b>17,501</b>
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>		<b>336,180</b>	<b>301,982</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Other payables	其他應付款項	24	754	—
Obligations under finance leases	融資租約債務	26	676	—
Promissory notes	承兌票據	27	51,211	83,152
Convertible notes	可換股票據	28	96,198	24,348
			<b>148,839</b>	<b>107,500</b>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>187,341</b>	<b>194,482</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Notes 附註		
<b>CAPITAL AND RESERVES</b>	資本及儲備			
Share capital	股本	30	1,015,341	959,333
Reserves	儲備	30	(838,354)	(777,518)
<b>Total equity attributable to shareholders of the Company</b>	本公司股東應佔權益總額		<b>176,987</b>	181,815
Non-controlling interests	非控股權益		<b>10,354</b>	12,667
<b>TOTAL EQUITY</b>	權益總額		<b>187,341</b>	194,482

Approved and authorised for issue by the Board of Directors on 23 March 2018.

經由董事會於二零一八年三月二十三日批准及授權刊發。

**Hung Tat Chi Alan**

洪達智

Director

董事

**Ling Ko Yin Jason**

林高然

Director

董事

The accompanying notes form part of these consolidated financial statements.

隨附附註構成該等綜合財務報表其中部分。

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		Attributable to shareholders of the Company 本公司股東應佔										
		Notes 附註	Share	Exchange	Statutory	Convertible	Other	Accumulated	Sub-total	Non-	Total	
			capital	reserve	reserve	notes	reserve	losses		controlling		equity
			股本	匯兌儲備	法定儲備	可換股票據儲備	其他儲備	累計虧損		非控股權益		權益總額
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	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	28	—	—	—	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	33	—	—	—	—	—	—	—	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	
Profit/(Loss) and total comprehensive income/(expenses) for the year	年內溢利/(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	28	—	—	—	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	33	—	—	(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	

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2017 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)
<b>Operating activities</b>	經營業務		
(Loss)/Profit before taxation	除稅前(虧損)/溢利		
from continuing operations	來自持續經營業務	(69,329)	(66,766)
from discontinued operations	來自已終止業務	580	926
Adjustments for	調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,959	1,840
Gain on bargain purchase on acquisition of an associate	就收購一間聯營公司進行議價收購之收益	—	(2,416)
Share of result of associates	分佔聯營公司之業績	(996)	—
Fair value gain on investment properties	投資物業之公平值收益	(3,200)	(6,981)
Fair value of derivative asset – put option	衍生資產 — 認沽期權之公平值	8,860	—
Amortisation of intangible assets	無形資產攤銷	3,873	11,600
Impairment loss on intangible asset	無形資產之減值虧損	—	14,309
Gain on extinguishment of financial liabilities	抵銷金融負債之收益	—	(2,811)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	392	—
Gain of disposal of subsidiaries	出售附屬公司之收益	(890)	(3,534)
Interest income	利息收入	(10)	(57)
Finance costs	融資成本	27,033	12,542
Early redemption of promissory notes	提早贖回承兌票據	5,087	—
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
Impairment loss on goodwill	商譽減值虧損	—	10,997
<b>Operating loss before changed in working capital</b>	營運資金變動前之經營虧損	<b>(25,641)</b>	(24,351)
Decrease in inventories	存貨減少	1,215	11,466
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	64,786	(54,747)
Decrease in trade and other payables	貿易及其他應付款項減少	(7,191)	(19,409)
Increase in loan receivables	應收貸款增加	(902)	—
<b>Cash generated from/(used in) operating activities</b>	經營業務所得/(所用)之現金	<b>32,267</b>	(87,041)
Tax paid	已付稅項	—	—
<b>Net cash generated from/(used in) operating activities</b>	經營業務所得/(所用)之現金淨額	<b>32,267</b>	(87,041)

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 December 2017 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)
<b>Investing activities</b>	投資活動		
Cash effect on disposal of subsidiaries	出售附屬公司之現金影響	(88)	(15)
Deposit paid for acquisition of subsidiaries	收購附屬公司已付按金	(15,626)	—
Refund of deposit paid for acquisition of subsidiaries	償還收購附屬公司已付按金	—	10,000
Cash effect for acquisition of an associate	收購一間聯營公司之現金影響	(30,000)	—
Cash effect for acquisition of subsidiaries	收購附屬公司之現金影響	—	(4,900)
Payment for purchase of property, plant and equipment	就購買物業、廠房及設備付款	(9,326)	(9,863)
Cash effect on disposed of property, plant and equipment	出售物業、廠房及設備之現金影響	3,405	—
Interest received	已收利息	10	57
<b>Net cash used in from investing activities</b>	投資活動所用之現金淨額	<b>(51,625)</b>	<b>(4,721)</b>
<b>Financing activities</b>	融資活動		
Proceeds from issue of convertible notes	發行可換股票據所得款項	83,420	25,800
Capital injection from non-controlling interests	非控股權益之注資	—	45
Interest paid	已付利息	(13,005)	(3,633)
Proceeds from short-term loans	短期貸款所得款項	—	52,000
Repayment of a short-term loan	償還短期貸款	—	(2,000)
Repayment of promissory notes	償還承兌票據	(90,724)	(4,815)
Repayment of finance leases	償還融資租約	(116)	—
Issuance of placed shares	發行配售股份	41,160	—
<b>Net cash generated from financing activities</b>	融資活動所得之現金淨額	<b>20,735</b>	<b>67,397</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	現金及現金等價物之增加/(減少)淨額	<b>1,377</b>	<b>(24,365)</b>
Cash and cash equivalents at 1 January	於一月一日之現金及現金等價物	12,406	40,188
Effect of foreign rate changes	匯兌變動之影響	164	(3,417)
<b>Cash and cash equivalents at 31 December</b>	於十二月三十一日之現金及現金等價物	<b>13,947</b>	<b>12,406</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 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 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 the provision of 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 (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) 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”).

### 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提供貿易業務、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(「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(「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。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (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.

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.

### 2. 重大會計政策概要(續)

#### (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。

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。





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (c) Going concern assumption

In preparing these consolidated financial statements, the directors have considered the future liquidity of the Group. As at 31 December 2017, the Group had recorded net current liabilities of approximately HK\$26,030,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the aforesaid conditions, the consolidated financial statements have been prepared on a going concern basis on the assumption that the Group will be able to operate as a going concern for the foreseeable future. In the opinion of the directors, the Group can meet its financial obligations as and when they fall due within the next year from the date of the consolidated financial statements, after taking into consideration of the following measures and arrangements made subsequent to the reporting date:

- 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. 重大會計政策概要(續)

#### (c) 持續經營之假設

於編製此等綜合財務報表時，董事已考慮本集團日後流動資金。於二零一七年十二月三十一日，本集團錄得流動負債淨額約26,030,000港元。此等狀況反映存在可能對本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，因此本集團可能無法於正常業務過程中變現其資產及償還負債。

儘管存在上述狀況，惟綜合財務報表乃持續經營基準編製並假設本集團將於可見將來能以持續經營方式營運。董事於考慮以下於報告日期後所作之措施及安排後認為，本集團可履行其自綜合財務報表日期起翌年內到期之財務責任：

- 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



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (c) Going concern assumption (Continued)

- 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 these consolidated financial statements.

### 2. 重大會計政策概要(續)

#### (c) 持續經營之假設(續)

- 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此等綜合財務報表中反映。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

##### Application of new and revised HKFRSs

In the current year, the Company has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Amendments to HKFRS 12	Annual Improvements 2014-2016 Cycle
Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for unrealised Losses

The initial application of these financial reporting standards does not necessitate material changes in the company's accounting policies.

##### Amendments to HKFRS 12

Annual improvements to HKFRSs (2014-2016 cycle) include an amendment to HKFRS 12 that clarifies that, when an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) is classified (or included in a disposal group that is classified) as held for sale in accordance with HKFRS 5 Non-current Assets held for Sale and Discontinued operations, it is not required to disclose summarised financial information for that subsidiary, joint venture or associate, as required by HKFRS 12 Disclosure of Interests in Other Entities.

##### Amendments to HKAS 7

The amendments to HKAS 7 require an entity to make disclosures that aim to enable users of financial statements to evaluate changes in liabilities arising from financing activities. Reconciliations of various types of the Group's financing liabilities are disclosed in Notes 30 and 34 to the consolidated financial statements. Other than such additional disclosures, the application of the amendments has not had any material effect on the consolidated financial statements.

##### Amendments to HKAS 12

The amendments to HKAS 12 clarify when unrealised losses on a debt instrument measured at fair value would give rise to a deductible temporary difference and how to evaluate whether sufficient future taxable profits are available to utilise a deductible temporary difference.

### 2. 重大會計政策概要(續)

#### (d) 應用新訂及經修訂香港財務報告準則

##### 應用新訂及經修訂香港財務報告準則

於本年度，本公司已應用香港會計師公會(「香港會計師公會」)頒佈之下列香港財務報告準則修訂本。

香港財務報告準則第12號修訂本	二零一四年至二零一六年週期之年度改進
香港會計準則第7號修訂本	披露計劃
香港會計準則第12號修訂本	就未變現虧損確認遞延稅項資產

首次應用該等財務報告準則並無導致本公司會計政策之重大變動。

##### 香港財務報告準則第12號修訂本

香港財務報告準則之年度改進(二零一四年至二零一六年週期)包括香港財務報告準則第12號修訂本，其澄清當實體在附屬公司、合營公司或聯營公司之權益(或其合營公司或聯營公司之權益部分)根據香港財務報告準則第5號持作出售之非流動資產及已終止業務被分類為持作出售(或計入分類為持有作出售之出售組別)，其毋須按香港財務報告準則第12號於其他實體之權益披露之要求披露該附屬公司、合營公司或聯營公司之財務資料概要。

##### 香港會計準則第7號修訂本

香港會計準則第7號之修訂要求實體作出披露，以使財務報表使用者可評估融資活動所產生之負債變動。多種本集團融資負債之對賬於綜合財務報表附註30及34披露。除有關額外披露外，應用該等修訂不會對綜合財務報表產生任何重大影響。

##### 香港會計準則第12號修訂本

香港會計準則第12號修訂本澄清當按公平值計量債務工具之未變現虧損將會產生可扣減暫時差額及評估是否有足夠之未來應課稅溢利可用作抵扣可扣減暫時差額之方法。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (e) Basis of consolidation

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

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

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

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

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

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

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

### 2. 重大會計政策概要(續)

#### (e) 綜合基準

綜合財務報表包含本公司及由本公司及其附屬公司控制之實體之財務報表。倘屬以下情況，則本公司取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象之業務而可獲得或有權獲得可變回報；及
- 有能力藉行使其權力影響該等回報。

倘有事實及情況顯示上述三項控制因素中，有一項或以上出現變數，本集團會重新評估其是否控制投資對象。

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止綜合入賬。具體而言，於本年度內購入或出售之附屬公司之收入及開支自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止，計入損益內。

損益及其他全面收入各部分歸屬於本公司股東及非控股權益。附屬公司之全面收入總額歸屬於本公司股東及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

若有必要，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團所採用者一致。

所有本集團成員公司間有關交易之集團內公司間資產及負債、權益、收入、支出及現金流量於綜合時全數對銷。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (f) Business combinations

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

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

### 2. 重大會計政策概要(續)

#### (f) 業務合併

收購業務採用收購法入賬。業務合併之轉讓代價按公平值計量，而計算方法為本集團所轉讓之資產於收購日期之公平值、本集團向被收購方原擁有人產生之負債及本集團為交換被收購方之控制權發行之股權之總額。有關收購之費用於產生時一般於損益中確認。

於收購日期，所收購之可識別資產及所承擔之負債乃按公平值確認，惟下文所述者除外：

- 遞延稅項資產或負債及與僱員福利安排有關之負債或資產，分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認並計量；
- 與被收購方以股份為基礎之付款安排或以本集團以股份為基礎之付款安排取代被收購方以股份為基礎之付款安排相關之負債或股本工具乃於收購日期根據香港財務報告準則第2號「以股份為基礎之付款」計量；及
- 根據香港財務報告準則第5號持作出售之非流動資產及已終止經營業務分類為持作出售之資產(或出售組別)則根據該準則計量。

商譽是以所轉讓之代價、任何非控股權益於被收購方中所佔金額、及收購方以往持有之被收購方股權之公平值(如有)之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨額後，所超出之差額計值。倘經過重新評估後，所收購之可識別資產與所承擔負債於收購日期之淨額高於轉讓之代價、任何非控股權益於被收購方中所佔金額與收購方先前持有被收購方之權益之公平值(如有)之總和，則差額即時於損益內確認為議價收購收益。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (f) Business combinations (Continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRSs.

#### (g) Acquisition of assets

For the acquisition of assets effected through a non-operating corporate structure that does not represent a business, it is considered that the transactions does not meet the definition of a business combination. Accordingly the transaction is accounted for as the acquisition of asset and such transaction does not give rise to goodwill.

#### (h) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less any accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit a pro rata on the basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

### 2. 重大會計政策概要(續)

#### (f) 業務合併(續)

屬現時擁有權權益且於清盤時賦予其持有人按比例分佔實體資產淨值之非控股權益可初步按公平值或非控股權益應佔被收購方可識別資產淨值之已確認金額比例計量。

計量基準之選擇乃按每次交易為基礎。其他類型之非控股權益乃按其公平值或(倘適用)按另一項香港財務報告準則規定之基準計量。

#### (g) 收購資產

就透過不代表業務之非經營企業架構進行的資產收購而言，該交易被視為不符合業務合併之定義。因此交易被計量為收購資產且並不產生商譽。

#### (h) 商譽

因收購業務產生之商譽乃按成本(於收購業務當日確定)減累計減值虧損(如有)入賬，並於綜合財務狀況表內分開呈列。

就減值測試而言，商譽將分配至預計自合併之協同效應中受惠之各相關現金產生單位(或現金產生單位組別)。

已獲分配商譽之現金產生單位每年或倘有跡象顯示有關單位可能出現減值時更頻密地進行減值測試。就於報告期間因收購而產生之商譽而言，商譽所產生之現金產生單位於該報告期末前進行減值測試。當現金產生單位之可收回金額低於其賬面值時，則首先削減分配予單位之任何商譽之賬面值以分配減值虧損，其後再根據單位內各資產之賬面值按比例分配予單位之其他資產。商譽之任何減值虧損會直接於損益中確認。商譽之已確認減值虧損不可於其後期間內撥回。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (i) Interests in associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 49% of the voting rights. Investments in associate are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognised the investor's share of share of profit or loss of the investee after date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Under the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of net fair value of the associates identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to income statement where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of cost-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit of investments accounted for using equity method' in the income statement.

### 2. 重大會計政策概要(續)

#### (i) 於聯營公司之權益

聯營公司是指本集團對其有重大影響，但並無實際控制權，一般為擁有20%至49%的表決權股本。於聯營公司之投資採用權益法入賬。根據權益法，投資初步以成本確認，而收購日期後增加或減少賬面值以確認投資者在受資者損益中應佔之份額。本集團投資聯營公司包含收購時確認之商譽。根據收購聯營公司之擁有權權益，聯營公司之成本與本集團佔聯營公司可識別資產及負債之公平值淨額之間任何差異入賬列作商譽。

倘於聯營公司之擁有權權益被削減但對其仍有重大影響，則只有按比例將之前於其他綜合收益中確認之數額重新分類至損益(如適當)。

本集團收購後損益在收益表中確認，而所佔其他全面收入中之收購後變動於其他全面收入中之投資賬面值作出相應調整後確認。當本集團所佔聯營公司中虧損等於或超過於聯營公司之權益，包括任何其他無抵押應收賬款，除非其已承擔法律或推定義務，或代表聯營公司支付，否則本集團不會確認進一步虧損。

本集團於各報告日決定是否有任何客觀證據證明於聯營公司之投資已減值。倘發生這種情況，本集團將以聯營企業之可收回金額與賬面值之間之差異作為減值金額，並於收益表分佔以權益法入賬投資溢利中確認該金額。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (i) Interests in associates (Continued)

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the income statement.

#### (j) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

#### (k) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment.

### 2. 重大會計政策概要(續)

#### (i) 於聯營公司之權益(續)

本集團及其聯營公司之間之上游和下游交易所產生損益於本集團財務報表中確認，並只限於聯營公司無關聯投資者權益之份額。未變現虧損將被對銷，除非交易可證明已轉讓資產的減值。有需要時，聯營公司之會計政策已作出更改，以確保與本集團所採納之政策一致。

聯營公司之攤薄股權損益於收益表中確認。

#### (j) 投資物業

投資物業指為賺取租金及／或為資本增值而持有之物業(包括就該等目的而興建之在建物業)。投資物業初步按成本(包括交易成本)計量。於初步確認後，投資物業按公平值計量。本集團根據經營租約持作賺取租金或資本增值用途之全部物業權益入賬列為投資物業並使用公平值模式計量。投資物業公平值變動產生之收益及虧損於產生期間計入損益內。

投資物業於出售或於其被永久終止使用或預期不會因出售而獲得未來經濟利益時終止確認。終止確認物業所產生之任何收益或虧損(按出售所得款項淨額與資產賬面值之間之差額計算)於該項目終止確認期間計入損益。

#### (k) 物業、廠房及設備

物業、廠房及設備於綜合財務狀況表中按成本減累計折舊及減值列賬。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (k) Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method, over their useful life as follows:

Land and Building	Shorter of remaining lease term or useful life
Furniture, fixtures and equipment	5 years
Motor vehicles	10 years
Leasehold improvement	5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### (l) Non-current assets held for sale and discontinued operations

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. The Group must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets or disposal groups classified as held for sale are measured at the lower of the asset's or disposal group's previous carrying amount and fair value less costs to sell.

A discontinued operation is a component of the Group (i.e. the operations and cash flows of which can be clearly distinguished from the rest of the Group) that either has been disposed of, or is classified as held for sale, and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

### 2. 重大會計政策概要(續)

#### (k) 物業、廠房及設備(續)

物業、廠房及設備項目會以直線法在其估計使用期內對其成本減剩餘價值(如有)後進行折舊如下:

土地及樓宇	餘下租賃期或可使用年期(以較短者為準)
傢俬、裝置及設備	五年
汽車	十年
租賃物業裝修	五年

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何日後經濟利益時終止確認。出售或報廢物業、廠房及設備項目所產生之任何收益或虧損(按該資產出售所得款項與賬面值之差額計算)於損益內確認。

#### (l) 持作銷售之非流動資產及已終止經營業務

非流動資產或出售組別倘其賬面值將可透過銷售交易(而非透過持續使用)而收回,則其將分類為持作銷售。此條件僅會於該項銷售非常有可能落實以及該資產或出售組別可按其現時狀況即時出售時方會被視為已達成。本集團必須承諾進行該項出售,並預期符合資格被確認為於分類日期起計一年內已完成銷售。

分類為可供銷售之非流動資產或出售組別乃按該資產或該出售組別之先前賬面值與公平值之較低者減銷售成本計量。

已終止經營業務為本集團之組成部分(即其營運及現金流量可從本集團其餘部分明顯分辨出來),不論其已予出售或被分類為持作出售,且其代表一項獨立主要業務或一個營運地區或其屬出售一項獨立主要業務或一個營運地區之單一協調計劃之一部分,或屬僅為轉售而收購之附屬公司。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (l) Non-current assets held for sale and discontinued operations (Continued)

Classification as a discontinued operation occurs upon disposal or when the component meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the component is abandoned.

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss, which comprises:

- The post-tax profit or loss of the discontinued operation; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

#### (m) Intangible assets

##### (i) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effective of any changes in estimate being accounted for on a prospective basis.

##### (ii) Intangible assets acquired in a business combination

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

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the assets are derecognised.

### 2. 重大會計政策概要(續)

#### (l) 持作銷售之非流動資產及已終止經營業務(續)

分類作為一項已終止業務於出售時或當某部分根據香港財務報告準則第5號符合被分類為持作銷售之條件時(倘屬較早發生者)發生。其亦於該組成部分遭棄置時發生。

當一項業務分類為已終止經營時，損益表上將呈列一項單一金額，其包括：

- 已終止經營業務之除稅後損益；及
- 於計量組成已終止經營業務之資產或出售該等資產或出售組別之公平值減銷售成本或出售時確認之除稅後盈虧。

#### (m) 無形資產

##### (i) 獨立收購之無形資產

獨立購入及擁有有限可使用年期之無形資產乃按成本減累計攤銷及累計減值虧損列賬。估計可使用年期及攤銷方法於各報告期末進行審閱，而任何估計變動之影響則提前入賬。

##### (ii) 於業務合併中收購之無形資產

於業務合併中收購之無形資產之成本為於收購日期之公平值。年期有限之無形資產其後於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時進行減值評估。可使用年期有限之無形資產之攤銷年期及攤銷方法至少於各財政年度末檢討一次。

無形資產於出售時或當預期使用或出售資產不會產生任何日後經濟利益時終止確認。終止確認無形資產所產生之損益按出售所得款項淨額與資產賬面值之差額計量，並於終止確認資產期間於損益內確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (n) Impairment of non-financial assets

At the end of the reporting period, the Group reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimate the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocate to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss.

### 2. 重大會計政策概要(續)

#### (n) 非金融資產之減值

於報告期末，本集團審閱其資產之賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。如有任何該等跡象出現，則會估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘不能估計個別資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。倘可以識別一個合理和一致之分配基準，企業資產亦會被分配到個別之現金產生單位，另行分配至可識別一個合理和一致之分配基準之最小現金產生單位組別中。

可收回金額為公平值減出售成本與使用價值之較高者。評估使用價值時，估計未來現金流量乃使用稅前貼現率折現至其現值，該貼現率反映目前市場對金錢時間值之評估以及估計未來現金流量未經調整之資產之獨有風險。

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則該資產(或現金產生單位)之賬面值將減至其可收回金額。減值虧損即時於損益中確認。

倘減值虧損於其後撥回，資產(或現金產生單位)賬面值將增至經修訂之估計可收回金額，惟因此而增加之賬面值不可超過假設以往年度並無就該資產(或現金產生單位)確認減值虧損而原應釐定之賬面值。減值虧損撥回於損益中確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (o) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

#### (i) Financial assets

The Group's financial assets are mainly classified as loans and receivables.

#### — Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instrument.

### 2. 重大會計政策概要(續)

#### (o) 金融工具

當集團實體成為金融工具合約條文之訂約方，會在綜合財務狀況表內確認金融資產及金融負債。

金融資產及金融負債初始按公平值確認。收購或發行金融資產及金融負債直接應佔之交易成本乃於初步確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(如適用)。

#### (i) 金融資產

本集團之金融資產主要歸入為貸款及應收款項。

#### — 實際利率法

實際利率法是一種計算相關期間內債務工具攤銷成本以及分配利息收入之方法。實際利率為初步確認時將債務工具於估計年期或(如適用)較短期間內之估計未來現金收入(包括所有構成實際利率部分之已付或已收費用、交易成本及其他溢價或折扣)準確貼現至賬面淨值之利率。

債務工具之利息收入按實際利率法確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (o) Financial instruments (Continued)

#### (i) Financial assets (Continued)

##### — Loan and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivable including trade and other receivables, restricted bank deposits and cash and cash equivalents are carried at amortised cost using the effective interest method, less any identified impairment losses.

##### — Impairment of loans and receivables

Loans and receivables are assessed for indicators of impairment at the end of the reporting period. Loans and receivables are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows have been affected. Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of loans and receivables, such as trade receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

## 2. 重大會計政策概要(續)

### (o) 財務工具(續)

#### (i) 金融資產(續)

##### — 貸款及應收款項

貸款及應收款項乃於活躍市場並無報價之固定或可釐定付款之非衍生金融資產。於初步確認後，貸款及應收款項(包括貿易及其他應收款項、受限制銀行存款以及現金及現金等價物)均按攤銷成本採用實際利率法減任何已識別減值虧損入賬。

##### — 貸款及應收款項之減值

貸款及應收款項乃於報告期間末評估是否出現減值跡象。若有客觀證據證明貸款及應收款項之估計未來現金流量因初步確認後發生之一項或多項事件而受到影響，則視為出現減值。減值之客觀證據包括：

- 發行人或交易方遇到嚴重財務困難；或
- 違約，例如逾期或拖欠利息或本金付款；或
- 借款人有可能破產或進行財務重組。

若干類別之貸款及應收款項(如貿易應收款項)，經評估後不作出個別減值，會另外進行整體的減值評估。應收款項組合出現減值之客觀證據可能包括本集團過往收款經驗以及與拖欠應收款項相關之國家或地區經濟狀況出現明顯變動。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### 2. 重大會計政策概要(續)

#### (o) Financial instruments (Continued)

#### (o) 金融工具(續)

##### (i) Financial assets (Continued)

##### (i) 金融資產(續)

The amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

所確認之減值虧損為資產賬面值與按金融資產原實際利率貼現之估計未來現金流量之現值之差額。如在往後期間減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益賬撥回，惟該資產於減值被撥回當日之賬面值不得超過未確認減值時之攤銷成本。

The carrying amount of the loans and receivables is reduced by the impairment loss directly for all financial assets with the exception of trade receivable, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

貸款及應收款項之賬面值會直接就所有金融資產的減值虧損扣減，惟貿易應收款項之賬面值則透過使用撥備賬扣減。撥備賬之賬面值變動會於損益中確認。當應收款項被視為不可收回時，會於撥備賬內撇銷。之前已撇銷之款項如其後收回，則計入損益。

##### (ii) Financial liabilities

##### (ii) 金融負債

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

集團實體發行之債務及權益工具乃根據合約安排內容與金融負債及權益工具之定義分類為金融負債或權益。

##### — Equity instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

##### — 權益工具

權益工具乃證明實體於扣減所有負債後之資產中擁有剩餘權益之任何合約。本集團發行之權益工具按扣除直接發行成本後之已收所得款項入賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (o) Financial instruments (Continued)

##### (ii) Financial liabilities (Continued)

###### — Equity instrument (Continued)

###### Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

###### — Other financial liabilities

Financial liabilities including trade and other payables, promissory notes and short-term loans are subsequently measured at amortised cost, using the effective interest method.

###### — Convertible notes

Convertible notes issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible notes and the fair value assigned to the liability component, representing the conversion option for the holder to convert the notes into equity, is included in equity (convertible notes equity reserve).

### 2. 重大會計政策概要(續)

#### (o) 金融工具(續)

##### (ii) 金融負債(續)

###### — 股權工具(續)

###### 實際利率法

實際利率法是一種計算相關期間內金融負債攤銷成本以及分配利息開支之方法。實際利率為將金融負債於估計年期或(如適用)較短期間內之估計未來現金付款(包括支付或收取之構成實際利率組成部分之所有費用及點數、交易費用以及其他溢價或折價)準確折現至初步確認時賬面淨值之利率。

利息開支按實際利率法確認。

###### — 其他金融負債

金融負債(包括貿易及其他應付款項、承兌票據及短期貸款)於其後使用實際利率法按攤銷成本計量。

###### — 可換股票據

本集團所發行包含負債及換股期權部分的可換股票據，乃於初步確認時根據所訂立合約安排內容以及金融負債及權益工具的定義，獨立分類為相關項目。將以固定金額現金或另一項金融資產交換本公司本身固定數目的權益工具方式結清的換股期權乃分類為權益工具。

於初步確認時，負債部分之公平值按類似非可換股債務之現行市場利率釐定。發行可換股票據所得款項總額與負債部分(指換股期權持有人將票據兌換為權益)之公平值之差額計入權益(可換股票據股權儲備)。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (o) Financial instruments (Continued)

##### (ii) Financial liabilities (Continued)

##### — Convertible notes (Continued)

In subsequent periods, the liability component of the convertible notes is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible notes equity reserve until the embedded option is exercised (in which case the balance stated in convertible notes equity reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible notes equity reserve will be released to the retained profits. Neither gain nor loss is recognised in profit or loss upon conversion or expiration of the option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible notes using the effective interest method.

### 2. 重大會計政策概要(續)

#### (o) 金融工具(續)

##### (ii) 金融負債(續)

##### — 可換股票據(續)

於往後期間，可換股票據之負債部分按實際利率法以攤銷成本計量。權益部分(指期權轉換負債部分為本公司之普通股)將維持於可換股票據股權儲備，直至嵌入式期權獲行使(於此情況下，可換股票據股權儲備所示之結餘將轉換為股份溢價)。倘期權於到期日尚未行使，則於可換股票據股權儲備所示之結餘將釋放至保留溢利。期權獲兌換或到期時將不會於損益內確認任何收益或虧損。

與發行可換股票據有關之交易成本乃按所得款項總額之分配比例分配至負債及權益部分。與權益部分有關之交易成本會直接自權益扣除。與負債部分有關之交易成本則計入負債部分之賬面值，並於可換股票據期間內採用實際利率法攤銷。





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (o) Financial instruments (Continued)

##### (iii) Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liability when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### (p) Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

##### (i) The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

### 2. 重大會計政策概要(續)

#### (o) 金融工具(續)

##### (iii) 終止確認

本集團僅於自資產收取現金流量之合約權利屆滿時終止確認金融資產。

於終止確認金融資產時，資產賬面值與已收及應收代價以及於其他全面收益確認並於權益累計之累計盈虧之總和間之差額會於損益賬確認。

本集團在且僅在責任獲免除、取消或終止時，方會終止確認金融負債。已終止確認之金融負債之賬面值與已付及應付代價間之差額會於損益賬確認。

#### (p) 租賃

租賃條款所涉及擁有權之絕大部分風險及回報轉讓予承租人之租賃，均列作融資租賃。所有其他租賃均列作經營租賃。

##### (i) 本集團作為出租人

經營租賃之租金收入乃按相關租賃年期以直線法於損益賬確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (p) Leasing (Continued)

##### (ii) The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowings costs.

Operating lease payments are recognised as an expense on a straight line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expenses over the lease term on a straight line basis.

#### (q) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 2. 重大會計政策概要(續)

#### (p) 租賃(續)

##### (ii) 本集團作為承租人

根據融資租賃持有之資產初步以其公平值於租賃期初或(如較低)以最低租賃付款之現值確認為本集團資產。結欠出租人之相應負債在綜合財務狀況表內列為融資租賃責任。

租賃付款按比例分配至融資費用及減少租賃承擔，以就負債之餘額達致固定利率。融資費用即時於損益確認，除非融資費用直接歸屬於合資格資產，在此情況下，融資費用根據本集團有關借貸成本之一般政策資本化。

經營租賃付款乃按相關租賃年期以直線法確認為開支。所得及應收利益(即進行經營租賃之激勵)於租期內以直線法確認為租賃開支減少。

#### (q) 存貨

存貨按成本值及可變現淨值兩者之較低者列賬。存貨之成本值按加權平均法釐定。可變現淨值指存貨估計售價減所有完成估計成本及出售所需成本。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (r) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable demand and form an integral of the Group's management.

For the purpose of the consolidated statement of financial position, cash and bank balances comprise cash on hand and at banks which are not restricted as to use.

#### (s) Deferred Revenue

Deferred revenue represents contractual billings resulting from goods yet to be delivered, services yet to be rendered or in respect of the unexpired terms of relevant contracts, or for which the applicable revenue recognition criteria are not yet satisfied. Revenue is recognized and deferred revenue is released to profit or loss when the relevant services are rendered or on a time proportion basis over the terms of the relevant contracts or when the applicable revenue recognition criteria are satisfied.

#### (t) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and cost, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

- i) Service income — service income is recognised when the related services are provided.
- ii) Interest income — interest income is recognised as it accrues using the effective interest method.
- iii) Rental income — rental income is recognised on a straight-line basis over the terms of the relevant leases.
- iv) Sales of goods — revenue from sales of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer.

### 2. 重大會計政策概要(續)

#### (r) 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款、一般於購入後三個月內到期可隨時轉換為已知數額現金且其價值變動風險不大之短期高流通性投資減須應要求償還且構成本集團管理其中部分之銀行透支。

就綜合財務狀況報表而言，現金及銀行結餘包括手頭現金及於銀行不受限制使用之現金。

#### (s) 遞延收益

遞延收益指因尚未交付貨品、尚未提供服務所產生，或相關合約之未屆滿期限所產生，或暫未達到適用收益確認準則之合約賬單。當提供相關服務時或相關合約之期限內(按時間比例基準)或當達到適用收益確認準則時，確認收益及遞延收益撥回至損益。

#### (t) 收入確認

收入乃按已收或應收代價之公平值計量。倘經濟利益將有可能流入本集團，且收入及成本(倘適用)能可靠計算，則收入將按以下方式在損益賬內確認：

- i) 服務收入 — 服務收入於提供相關服務時確認。
- ii) 利息收入 — 利息收入使用實際利率法於累計時確認。
- iii) 租賃收入 — 租賃收入使用直線法於相關租賃年期確認。
- iv) 銷售貨品 — 銷售貨品的收益於擁有權的重大風險及回報已轉嫁至買方時予以確認。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (t) Revenue recognition (Continued)

- v) Online game and mobile game revenue — The Group operates its online games that allow players to play for free. Players can purchase virtual currency to obtain in-game items and premium features, commonly known as virtual items, to enhance their game-playing experience. Players can pay for virtual currency using different payment platforms. The third-party payment platforms are entitled to the relevant service fees which are withheld and deducted from the gross proceeds of virtual currency collected from the players, with the net amounts remitted to the Group. The consideration received for the purchase of the virtual currency or virtual items is non-refundable and the related contracts are non-cancellable. Such consideration received is initially included in deferred revenue on the consolidated statement of financial position. The Group recognizes revenue on a gross basis and treats the relevant service fees as cost of sales in the consolidated statement of profit or loss.

The virtual items are considered value-added services and rendered over a pre-specified period. The revenue from these virtual items is recognised either upon consumption or ratably over the practical usage period predetermined in the game or throughout the estimated user life of paying players as appropriate.

#### (u) Employee benefit

##### (i) Retirement benefits costs

The Group contributes to a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Mandatory Provident Fund Scheme Ordinance for all employees in Hong Kong. Contributions are made based on a percentage of the employees’ relevant income and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed in the MPF Scheme.

### 2. 重大會計政策概要(續)

#### (t) 收入確認(續)

- v) 在線遊戲及手機遊戲收益 — 本集團經營在線遊戲以供玩家免費玩樂。玩家可購買虛擬貨幣以獲取遊戲物品及升級功能(一般稱為虛擬物品)，從而提升遊戲體驗。玩家可透過不同支付平台購買虛擬貨幣。第三方支付平台有權收取相關服務費用，該等費用將從自玩家收取之虛擬貨幣所得款項總額中預扣及扣除，而淨額將匯入本集團。購買虛擬貨幣或虛擬物品所獲代價為不可退還及有關合約為不可撤銷。所獲有關代價初步計入綜合財務狀況表之遞延收益。本集團按總額確認收益，並將相關服務費用在綜合損益表中列為銷售成本。

虛擬物品乃視為增值服務並於規定期間提供。該等虛擬物品之收益於消耗時或遊戲預定之實際使用期限或付費玩家之估計使用期限按比例(以適用者為準)確認。

#### (u) 僱員福利

##### (i) 退休福利成本

本集團根據強制性公積金計劃條例為所有香港僱員向定額供款強制性公積金退休福利計劃(「強積金計劃」)作出供款。供款金額按僱員有關收入之百分比計算，並根據強積金計劃規定於應付時自損益扣除。強積金計劃之資產與本集團所持有之資產分開保存，由獨立管理基金持有。本集團之僱主供款於向強積金計劃作出供款時悉數歸屬予僱員。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (u) Employee benefit (Continued)

##### (i) Retirement benefits costs (Continued)

The employees of the Company's subsidiaries which operate in the People's Republic of China ("PRC") are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

##### (ii) Share-based payment transactions

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using a Black-Scholes Option Model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to profit or loss for the year of the review, unless the original employee expenses qualify for recognition as asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expenses is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised or the options expires.

#### (v) Borrowing cost

Borrowing costs which are not directly attributable to expenditures on qualifying assets are recognised as expenses in profit or loss in the period which they are incurred.

### 2. 重大會計政策概要(續)

#### (u) 僱員福利(續)

##### (i) 退休福利成本(續)

本公司在中華人民共和國(「中國」)營運之附屬公司僱員需參與由地方政府機關運作之中央退休金計劃。該等附屬公司需按其薪金成本之若干百分比向中央退休金計劃作出供款。供款金額根據中央退休金計劃規定於應付時計入損益。

##### (ii) 以股份為基礎之支付交易

授予僱員之股份期權按公平值確認為僱員成本，而權益中之資本儲備亦會相應增加。公平值是在授予日期以柏力克-舒爾斯期權模式計量，並會計及期權授予條款和條件。如果僱員須符合歸屬條件才能無條件地享有股份期權，在考慮到期權歸屬之可能性後，期權之估計公平值總額便會在整個歸屬期內分攤。

本公司會在歸屬期內審閱預期歸屬之股份期權數目。已於以往年度確認之累計公平值之任何調整會在回顧年度在損益中列支/計入；但如果原來之僱員支出符合確認為資產之資格，便會對資本儲備作出相應調整。已確認為支出之數額會在歸屬日作出調整，以反映所歸屬股份期權之實際數目(同時對資本儲備作出相應調整)；但只會在無法符合與本公司股份市價相關之歸屬條件時才會放棄股份期權。權益數額在資本儲備中確認，直至期權獲行使或期權到期時為止。

#### (v) 借貸成本

並非合資格資產支出直接應佔之借貸成本於其產生期內在損益中確認為開支。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (w) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

### 2. 重大會計政策概要(續)

#### (w) 所得稅

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付稅項乃按本年度之應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所報溢利不同，是因為前者不包括在其他年度應課稅或可扣稅之收入或開支項目，並且不包括從未課稅或扣稅之項目。本集團之本期稅項負債乃按報告期末已實行或大致上已實行之稅率計算。

於綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基間之暫時差額確認為遞延稅項。所有應課稅暫時差額一般確認為遞延稅項負債，而可能出現可用作抵扣可扣稅暫時差額之應課稅溢利時所有可扣稅暫時差額則確認為遞延稅項資產。若於一項交易中，因商譽或因業務合併以外原因初步確認其他資產及負債而引致既不影響應課稅溢利亦不影響會計溢利之暫時差額，則不會確認該等資產及負債。

遞延稅項負債乃就投資於附屬公司、聯營公司及於合營公司之權益所產生之應課稅暫時差額予以確認，惟若本集團可控制暫時差額之撥回，且此暫時差額有可能在可預見之未來不會撥回除外。與該等投資有關之可扣稅暫時差額所產生之遞延稅項資產僅於可能有足夠以暫時差額利益抵銷之應課稅溢利且預計於可預見未來可以撥回時確認。

遞延稅項資產之賬面值會於各報告期末作檢討，並在不再可能有足夠應課稅溢利讓全部或部分資產得以收回時作調減。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (w) Income tax (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Current and deferred tax are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### (x) Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of currency translation reserve (attributed to non-controlling interest as appropriate).

### 2. 重大會計政策概要(續)

#### (w) 所得稅(續)

遞延稅項資產及負債乃根據預期於負債償還或資產變現期間之適用稅率(按報告期末已生效或實質上已生效之稅率(及稅法))計量。

遞延稅項負債及資產之計量反映本集團於報告期末所預期收回或償還其資產及負債賬面值之方式所產生之稅務結果。

即期及遞延稅項確認為損益，惟倘即期及遞延稅項與於其他全面收入或直接於權益內確認之項目相關，則即期及遞延稅項亦會分別於其他全面收入或直接於權益內確認。

#### (x) 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算記賬。於報告期末，以外幣計值之貨幣項目均按該日之適用匯率重新換算。以外幣歷史成本計量之非貨幣項目則不予重新換算。

於結算及換算貨幣項目時產生之匯兌差額均於其產生期間內確認為損益。以公平值計值之非貨幣項目經重新換算後產生之匯兌差額於有關期間計入損益。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃按於各報告期末適用匯率換算為本集團之列賬貨幣(即港元)，而其收入及開支乃按該年度之平均匯率換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯率差額(如有)於其他全面收入內確認，並累計入權益之匯兌儲備項下(歸屬於非控股權益(如適用))。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (y) Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person,

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group; or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

### 2. 重大會計政策概要(續)

#### (y) 有關連人士

倘屬以下人士，即該人士被視為與本集團有關連：

(a) 該人士或該人士之近親，且該人士

(i) 控制或共同控制本集團；

(ii) 對本集團有重大影響；或

(iii) 為本集團或本集團母公司之主要管理層成員；或

(b) 符合下列任何條件的實體：

(i) 該實體與本集團屬同一集團之成員公司；

(ii) 該實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營公司；

(iii) 該實體及集團為同一第三方之合營公司；

(iv) 一間實體為第三實體之合營公司及另一實體為第三實體之聯營公司；

(v) 實體為本集團或與本集團有關連之實體就僱員利益而設立之離職福利計劃；

(vi) 實體受(a)所識別之人士控制或共同控制；

(vii) 於(a)(i)所識別之人士對實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員；及

(viii) 實體，或該實體所屬集團之任何成員公司向本集團或本集團之母公司提供主要管理人員服務。





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (z) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group's management makes assumptions, estimates and judgements in the process of applying the Group's accounting policies that affect the assets, liabilities, income and expenses in the consolidated financial statements prepared in accordance with HKFRSs. The assumptions, estimates and judgements are based on historical experience and other factors that are believed to be reasonable under the circumstances. While the management reviews their judgements, estimates and assumptions continuously, the actual results will seldom equal to the estimates.

### 2. 重大會計政策概要(續)

#### (z) 分部報告

經營分部及於綜合財務報表中匯報之各分類項目金額，由定期向本集團最高行政管理層提供以對本集團多個業務線及地區進行資源分配及表現評估之財務資料中識別。

除非分部有類似經濟特徵及就產品及服務性質、生產過程性質、顧客類型或組別、分發產品或提供服務所用之方法以及監管環境之性質而言屬類似，否則個別重大經營分類不會在財務匯報中合併。倘並非個別重大之經營分類存在大多數該等條件，則可被合併。

### 3. 會計估計及判斷

本集團管理層於應用本集團會計政策時作出會影響根據香港財務報告準則所編製之綜合財務報表之資產、負債、收入及開支之假設、估計及判斷。該等假設、估計及判斷乃根據過往經驗及於多個情況下相信為合理之其他因素作出。雖然管理層持續審閱彼等之判斷、估計及假設，惟實際結果很少會與估計相同。



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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### (a) Critical accounting judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, management has made the following accounting judgements:

##### (I) *Going concern basis*

Management makes an assessment of the Group's ability to continue as a going concern when preparing the consolidated financial statements. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the date of the financial statement. The degree of consideration depends on the facts in each case. Management believes that the Group is able to continue as a going concern after taking into account the measures, financial supports and the future profitable operations. Accordingly, management has prepared the consolidated financial statements on a going concern basis. An adverse change in any of the above conditions would require the consolidated financial statements to be prepared on an alternative authoritative basis and such basis, together with the fact that the consolidated financial statements is not prepared on a going concern basis, would need to be disclosed. If the Group was unable to continue as a going concern, adjustments relating to the recoverability and classification of recorded asset amounts or classification of liabilities may need to be incorporated into the consolidated financial statements.

##### (II) *Useful Lives of Property, Plant and Equipment and Intangible Assets*

Management determines the estimated useful lives of and related depreciation/amortisation charges for its property, plant and equipment and intangible assets. This estimate is based on the actual useful lives of assets of similar nature and functions. It could change significantly as a result of significant technical innovations and competitor actions in response to industry cycles. Management will increase the depreciation/amortisation charges where useful lives are less than previously estimated lives, or will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

### 3. 會計估計及判斷(續)

#### (a) 應用本集團會計政策時所作出之重要會計判斷

在應用本集團之會計政策時，管理層作出以下會計判斷：

##### (I) *持續經營基準*

管理層於編製綜合財務報表時對本集團持續經營之能力作出評估。評估持續經營假設是否恰當時，管理層會考慮日後最少(但不限於)於財務報表日期起計十二個月內之所有可用資料。考慮程度視乎個別情況之事實。經考慮措施、財務支持及未來可盈利業務，管理層相信本集團有能力持續經營。因此，管理層已根據持續經營基準編製綜合財務報表。上述情況出現任何不利變動均須以其他權威性基準編製綜合財務報表，並須披露此基準及綜合財務報表並非以持續經營基準編製之事實。倘本集團未能持續經營，則可能須於綜合財務報表載入就已記錄資產金額之可收回性及分類或負債之分類作出之調整。

##### (II) *物業、廠房及設備以及無形資產之可使用年期*

管理層釐定其物業、廠房及設備以及無形資產之估計可使用年期以及有關折舊／攤銷費用。該估計乃以相似性質及功能之資產之實際可使用年期為基準。這可能因重大科技創新及競爭對手應對行業周期之行動而大幅改變。倘可使用年期較先前所估計之年限為短，則管理層將增加折舊／攤銷費用，或將撇銷或撇減已棄置或出售之技術過時或非策略性資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### (a) Critical accounting judgements in applying the Group's accounting policies (Continued)

##### (III) Income Taxes and Deferred Taxation

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

Deferred tax assets relating to certain temporary differences and certain tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax and tax in the periods in which such estimate is changed.

##### (IV) Investment properties measured using the fair value model

At 31 December 2017, investment properties are stated at fair value based on the valuation performed by the independent professional valuers. The valuers have determined the fair value based on a method of valuation which involves certain estimates. In relying on the valuation report prepared by the valuers, management has reviewed the valuation including the assumptions and estimates adopted.

The fair values of investment properties are determined by independent valuers on an open market for existing use basis. In making the judgment, the Group considers information from a variety of sources including:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences; and
- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

### 3. 會計估計及判斷(續)

#### (a) 應用本集團會計政策時所作出之重要會計判斷(續)

##### (III) 所得稅及遞延稅項

本集團須於若干司法權區繳納所得稅。在釐定所得稅撥備時，需要作出重大判斷。在一般業務過程中，有多項交易及計算所涉及之最終稅務釐定均並不確定。本集團根據估計附加稅是否將到期而確認預期稅項事項之負債。倘該等事項之最終稅務結果與最初記錄之金額不同，有關差額將會影響作出此釐定期間之所得稅及遞延稅項撥備。

凡管理層認為日後可能有應課稅溢利可用作抵銷暫時差額或稅項虧損，則與若干暫時差額及若干稅項虧損有關之遞延稅項資產將予確認。倘預期金額與原定估計不同，則該等差額將會影響該估計出現變動期間之遞延稅項及稅項之確認。

##### (IV) 採用公平值模式計量之投資物業

於二零一七年十二月三十一日，投資物業根據獨立專業估值師作出估值之公平值列賬。估值師根據涉及若干估計之估值法釐定公平值。管理層倚賴估值師編製之估值報告對採納假設及估計之估值進行審閱。

投資物業之公平值由獨立估值師按公開市場現有使用基準釐定。作出判斷時，本集團考慮多種來源之資料，包括：

- (i) 不同性質、狀況或地點(或受不同租約或其他合約規限)之物業於活躍市場上之現行價格，該價格曾作出調整，以反映該等差異；及
- (ii) 較不活躍市場所提供類似物業之近期價格，該價格會作出調整，以反映自按該等價格進行交易之日期起經濟狀況之任何轉變。



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### 3. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

#### (b) Sources of estimation uncertainty

Key sources of estimation uncertainty are as follows:

##### (I) Impairment of Assets

The Group reviews the carrying amounts of the assets at the end of each reporting period to determine whether there is objective evidence of impairment. When indication of impairment is identified, management prepares discounted future cashflow to assess the differences between the carrying amount and value in use and provided for impairment loss. In determining the value in use of certain assets and liabilities, the Group makes assumptions of the effects of uncertain future events on those assets and liabilities at the consolidated statement of financial position date. These estimates involve assumptions about such items as risk adjustment to cash flows or discount rate used, future changes in salaries and future changes in prices affecting other costs. The Group's estimates and assumptions are based on the expectations of future events and are reviewed periodically. Any change in the assumptions adopted in the cash flow forecasts would increase or decrease in the provision of the impairment loss and affect the Group's net asset value.

An increase or decrease in the above impairment loss would affect the net profit in future years.

##### (II) Allowance for Impairment of Bad and Doubtful Debts

The Group makes allowance for impairment of bad and doubtful debts based on an assessment of the recoverability of trade and other receivables and deposits. Allowances are applied to trade and other receivables and deposits where events or changes in circumstances indicate that the balances may not be collectible. The identification of allowance for impairment of bad and doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact carrying value of receivables and allowance for impairment in the period in which such estimate has been changed.

### 3. 會計估計及判斷(續)

#### (b) 估計不確定因素之來源

估計不確定因素之主要來源如下：

##### (I) 資產減值

本集團於各報告期末審閱資產之賬面值，以釐定是否存在客觀減值證據。倘發現減值跡象，則管理層準備經貼現未來現金流量，以評估賬面值與使用價值之間的差額及作出減值虧損撥備。在釐定若干資產及負債之使用價值時，本集團會假設不明確之未來事件對綜合財務狀況表日期之資產及負債產生之影響。此等估計涉及現金流量或所用貼現率之風險調整、未來薪金變化及影響其他成本之未來價格變動等項目之假設。本集團之估計及假設乃根據對未來事件之預期而作出，並會定期予以檢討。現金流量預測採取之假設之任何變動，將增加或減少減值虧損撥備並影響本集團之資產淨值。

上述減值虧損之增加或減少將影響未來年度之純利。

##### (II) 呆壞賬減值撥備

本集團按照貿易及其他應收款項以及訂金之可收回程度評估就呆壞賬減值計提撥備。一旦事件或環境之轉變顯示不大可能收回餘款時，則會將撥備應用於貿易及其他應收款項以及訂金。識別呆壞賬減值撥備需要作出判斷及估計。倘預期金額與原定估計有差異時，則該差額將會影響該估計出現變動期間內之應收賬款之賬面值及減值撥備。

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### 4. REVENUE

During the Year, the Group's revenue was generated from trading business, rentals and interest income from money lending business. On 21 April 2017, the Group entered into an agreement to dispose of the travel agency service business. The disposal was completed on 8 May 2017. As a result, the revenue from the provision of travel agency services was included in discontinued operations for the year ended 31 December 2017 and its corresponding results were re-presented in discontinued operations.

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

### 4. 收益

於年內，本集團之收益來自貿易業務、租金及放債業務利息收入。於二零一七年四月二十一日，本集團訂立協議以出售旅遊代理服務業務。出售事項於二零一七年五月八日完成。因此，提供旅遊代理服務收益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，且其相應業績已於已終止業務重列。

於年內，於營業額中確認之各項主要收益類別金額分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (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
		<b>27,948</b>	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
		<b>7,962</b>	21,464
		<b>35,910</b>	137,568

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### 5. OTHER INCOME, GAINS AND LOSSES, NET

### 5. 其他收入、收益及虧損淨額

		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)
	Note 附註		
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

### 6. LOSS BEFORE TAXATION

### 6. 除稅前虧損

Loss before taxation is arrived at after charging:

除稅前虧損已扣除下列各項：

		Continuing operations 持續經營業務		Discontinued operations 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)
(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

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. LOSS BEFORE TAXATION (CONTINUED)

### 6. 除稅前虧損(續)

	Continuing operations		Discontinued operations		Total	
	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)
(c) Other items						
Depreciation	2,939	1,782	20	58	2,959	1,840
Auditors' remuneration						
— current year	699	965	—	—	699	965
Operating lease charges in respect of property rental	2,410	2,774	—	—	2,410	2,774
Amortisation of intangible assets	3,834	11,600	39	117	3,873	11,717
Impairment losses						
— Goodwill	—	10,997	—	—	—	10,997
— Intangible assets	—	14,309	—	—	—	14,309
Costs of inventories	25,314	112,067	—	—	25,314	112,067
Rental received less outgoing from investment properties	1,684	824	—	—	1,684	824

### 7. TAXATION

### 7. 稅項

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 綜合損益表內之稅項指：

	Continuing operations		Discontinued operation		Total	
	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)
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. PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the year (2016: 25%).

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。年內，中國附屬公司須繳中國企業所得稅率為25%(二零一六年：25%)。

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### 7. TAXATION (CONTINUED)

### 7. 稅項(續)

(b) The tax expenses for the year can be reconciled to the loss before taxation per consolidated statement of comprehensive income as follows:

(b) 年內稅項開支與綜合全面收益表所示除稅前虧損之對賬如下：

		Continuing operations		Discontinued operations		Total	
		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)
(Loss)/profit before taxation	除稅前(虧損)/溢利	(69,329)	(66,766)	580	926	(68,749)	(65,840)
Taxation charge at the Hong Kong Profits Tax rate of 16.5%	按香港利得稅稅率16.5%計算稅項開支	(11,439)	(11,016)	96	152	(11,343)	(10,864)
Tax effect on non-deductible expenses	不可扣稅開支之稅務影響	9,751	9,720	36	11	9,584	9,731
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(1,616)	(2,695)	(147)	(547)	(1,763)	(3,242)
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損之稅務影響	3,466	3,877	23	32	3,489	3,909
Effect of different tax rates of subsidiaries operating in other jurisdictions	附屬公司於其他司法權區經營之稅率差異影響	(162)	(450)	(8)	—	(170)	(451)
Actual tax credits	實際稅項抵免	—	(564)	—	(352)	—	(916)



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. DIRECTORS' REMUNERATION

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance, Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation and the GEM Listing Rules are as follows:

### 8. 董事酬金

根據香港公司條例第383(1)條、公司(披露董事利益資料)規例第2部及創業板上市規則所披露之董事酬金如下：

		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total
		董事袍金	薪金、津貼及實物利益	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>2017:</b>	<b>二零一七年：</b>				
<b>For the year ended 31 December 2017:</b>	<b>截至二零一七年十二月三十一日止年度：</b>				
<b>Executive Directors</b>	<b>執行董事</b>				
Hung Tat Chi Alan (note i)	洪達智(附註i)	641	—	18	659
Ling Ko Yin Jason (note ii)	林高然(附註ii)	120	—	6	126
Chan Ming Kei (note iii)	陳銘基(附註iii)	960	—	18	978
Bülent Yenil (note iv)	Bülent Yenil先生(附註iv)	—	—	—	—
<b>Non-executive Director</b>	<b>非執行董事</b>				
Chan Wai Kit (note v)	陳偉傑(附註v)	71	—	—	71
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>				
Choy So Yuk (note vi)	蔡素玉(附註vi)	120	—	—	120
Lam Yuk Ying Elsa (note vii)	林玉英(附註vii)	120	—	—	120
Leung Man Chun (note viii)	梁文俊(附註viii)	120	—	—	120
Chan Kwan Chung (note vii)	陳冠忠(附註vii)	20	—	—	20
		<b>2,172</b>	<b>—</b>	<b>42</b>	<b>2,214</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. DIRECTORS' REMUNERATION (CONTINUED)

### 8. 董事酬金(續)

		Directors' fees	Salaries, allowances and benefits in kind	Retirement scheme contributions	Total
		董事袍金	薪金、津貼及實物利益	退休計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>2016:</b>	二零一六年:				
<b>For the year ended 31 December 2016:</b>	截至二零一六年十二月三十一日止年度:				
<b>Executive Directors</b>	<b>執行董事</b>				
Bülent Yenil (note iv)	Bülent Yenil (附註iv)	—	—	—	—
Chan Ming Kei (note iii)	陳銘基(附註iii)	141	—	2	143
Ling Ko Yin Jason (note ii)	林高然(附註ii)	5	—	—	5
Lau Yu (note viii)	柳宇(附註viii)	—	—	—	—
Ang Lai Kuen (note ix)	洪麗娟(附註ix)	170	—	6	176
<b>Alternative Director</b>	<b>代理董事</b>				
Hung Tat Chi Alan (note i)	洪達智(附註i)	300	—	15	315
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>				
Choy So Yuk	蔡素玉	120	—	—	120
Lam Yuk Ying Elsa	林玉英	120	—	—	120
Liu Kwong Sang (note x)	廖廣生(附註x)	120	—	—	120
Leung Man Chun (note vi)	梁文俊(附註vi)	100	—	—	100
		1,076	—	23	1,099

#### Notes:

- (i) Hung Tat Chi Alan, appointed as alternative director to Bülent Yenil on 11 January 2016, appointed as executive director on 22 March 2017 and resigned as alternate Director to Bülent Yenil on 14 June 2017.
- (ii) Ling Ko Yin Jason, appointed as executive director on 16 December 2016.
- (iii) Chan Ming Kei, appointed as executive director on 7 November 2016 and resigned as executive director on 15 January 2018.
- (iv) Bülent Yenil, appointed as executive director on 11 January 2016 and resigned as executive director on 14 June 2017.
- (v) Chan Wai Kit, appointed as non-executive director on 29 May 2017.

#### 附註:

- (i) 洪達智於二零一六年一月十一日獲委任為Bülent Yenil先生之代理董事及於二零一七年三月二十二日獲委任為執行董事，且於二零一七年六月十四日辭任Bülent Yenil之代理董事。
- (ii) 林高然於二零一六年十二月十六日獲委任為執行董事。
- (iii) 陳銘基於二零一六年十一月七日獲委任為執行董事，且於二零一八年一月十五日辭任執行董事。
- (iv) Bülent Yenil於二零一六年一月十一日獲委任為執行董事，且於二零一七年六月十四日辭任執行董事。
- (v) 陳偉傑於二零一七年五月二十九日獲任為非執行董事。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. DIRECTORS' REMUNERATION (CONTINUED)

Notes: (Continued)

- (vi) Leung Man Chun, appointed as independent non-executive director on 1 March 2016.
- (vii) Chan Kwan Chung, appointed as independent non-executive director on 1 January 2017 and resigned as independent non-executive director on 1 March 2017.
- (viii) Lau Yu, resigned as executive director and a chairman of the Company on 9 December 2016.
- (iv) Ang Lai Kuen, resigned as executive director on 18 April 2016.
- (x) Liu Kwong Sang, appointed as independent non-executive director on 23 May 2016, resigned as independent non-executive director on 31 December 2016.

There was no amount paid to any directors as an inducement to join or upon joining the Group or as compensation for loss of office. Mr. Lau Yu has agreed to waive his remuneration for the year ended 31 December 2016. Save for the above, there was no arrangement under which a director waived or agreed to waive any remuneration for the year ended 31 December 2017 and 2016.

Salaries, allowance and benefits in kind paid to or for the executive directors are generally emoluments paid or receivable in respect of those persons' other services in connection with the management of the affairs of the Company and its subsidiaries.

### 8. 董事酬金(續)

附註：(續)

- (vi) 梁文俊於二零一六年三月一日獲委任為獨立非執行董事。
- (vii) 陳冠忠於二零一七年一月一日獲委任為獨立非執行董事，且於二零一七年三月一日辭任獨立非執行董事。
- (viii) 柳宇於二零一六年十二月九日辭任執行董事兼本公司主席。
- (ix) 洪麗娟於二零一六年四月十八日辭任執行董事。
- (x) 廖廣生於二零一六年五月二十三日獲委任為獨立非執行董事，且於二零一六年十二月三十一日辭任獨立非執行董事。

概無向任何董事支付任何款項，作為招攬加盟本集團或於加盟本集團時之獎勵或作為離職補償。柳宇先生已同意放棄彼於截至二零一六年十二月三十一日止年度之酬金。除上文所述者外，截至二零一七年及二零一六年十二月三十一日止年度，概無董事放棄或同意放棄任何酬金之安排。

向執行董事支付或與彼等有關之薪金、津貼及實物利益乃就彼等為本公司及其附屬公司事務管理所提供之其他服務而支付或應收之一般薪金。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 9. INDIVIDUALS WITH HIGHEST EMOLUMENTS

The emoluments of the five individuals with the highest emoluments, two (2016: none) are directors, whose emoluments are disclosed in note 8. The aggregate of the emoluments for the five individuals are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and other emoluments	薪金及其他酬金	3,434	2,781
Retirement scheme contributions	退休計劃供款	69	86
		<b>3,503</b>	<b>2,867</b>

The emoluments of five (2016: five) individuals with the highest emoluments are within the following band:

		2017 二零一七年 Numbers of individuals 人數	2016 二零一六年 Numbers of individuals 人數
Nil to HK\$1,000,000	零至1,000,000港元	4	5
HK\$1,000,000 to HK\$2,000,000	1,000,000港元至2,000,000港元	1	—

### 9. 最高薪酬人士

五名最高薪酬人士之中兩名(二零一六年：零)為董事，彼等之酬金於附註8披露。五名人士之酬金總額如下：

五名(二零一六年：五名)最高薪酬人士之酬金介乎以下範圍：

### 10. LOSS ATTRIBUTABLE TO THE SHAREHOLDERS OF THE COMPANY

The consolidated loss for the year attributable to shareholders of the Company includes a loss of HK\$66,961,000 (2016: loss of HK\$65,399,000) which has been dealt with in the financial statements of the Company.

### 10. 本公司股東應佔虧損

本公司股東應佔本年度綜合虧損包括虧損66,961,000港元(二零一六年：虧損65,399,000港元)，該虧損已在本公司財務報表內處理。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 11. DISCONTINUED OPERATIONS

#### Argos Group

On 8 May 2017, the Company disposed of its entire equity interest in Argos (China) Investment Limited and its subsidiaries ("Argos Group"). With effect from completion of the disposal, the Group will cease to carry on the business of travel agency services.

For the year ended 31 December 2017

#### Profit/(loss) from discontinued operations

The analysis of the profit/(loss) from the Argos Group presented as discontinued operations in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" is as follows:

### 11. 已終止業務

#### 雅高集團

於二零一七年五月八日，本公司出售其於雅高(中國)投資控股有限公司及其附屬公司(「雅高集團」)之全部股權。自出售事項完成生效起，本集團將不再從事旅遊代理服務業務。

截至二零一七年十二月三十一日止年度

#### 已終止業務溢利/(虧損)

根據香港財務報告準則第5號「持作銷售之非流動資產及已終止經營業務」呈列為已終止業務之雅高集團溢利/(虧損)分析如下：

		Argos Group 雅高集團		
		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Profit for the year from discontinued operations</b>	年內已終止業務溢利			
Revenue	收益	4	7,962	19,358
Cost of sales	銷售成本		(7,453)	(18,509)
Gross profit	毛利		509	849
Other income	其他收入		15	115
Operating and administrative expenses	經營及行政開支		(834)	(2,744)
Loss before taxation from discontinued operations	來自已終止業務之 除稅前虧損		(310)	(1,780)
Taxation	稅項		—	—
Loss from discontinued operations recognised in the consolidated statement of profit or loss	於綜合損益表確認來自 已終止業務之虧損		(310)	(1,780)
Gain on disposal of subsidiaries	出售附屬公司之收益	33	890	—
			580	(1,780)
Profit/(loss) attributable to:	以下人士應佔溢利/ (虧損)：			
Shareholders of the Company	本公司股東		571	(1,601)
Non-controlling interests	非控股權益		9	(179)
			580	(1,780)
Net cash generated from (used) operating activities	經營活動所得(所用) 現金淨額		890	(1,095)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 11. DISCONTINUED OPERATIONS (CONTINUED)

#### Creative Star Group

On 30 March 2016, the Company disposed of its entire equity interest in Creative Star Limited and its subsidiaries ("Creative Star Group"). With effect from completion of the Disposal, the Group will cease to carry on the business of advertising and marketing services.

#### For the year ended 31 December 2016

#### Profit/(loss) from Discontinued Operations

The analysis of the Profit/(loss) from the Creative Star Group presented as discontinued operations in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" is as follows:

### 11. 已終止業務(續)

#### 建星集團

於二零一六年三月三十日，本公司出售其於建星有限公司及其附屬公司(「建星集團」)之全部股權。自出售事項完成生效起，本集團將不再從事廣告及市場推廣服務業務。

#### 截至二零一六年十二月三十一日止年度

#### 已終止業務之溢利/(虧損)

建星集團之溢利/(虧損)分析乃根據香港財務報告準則第5號「持作出售之非流動資產及已終止業務」呈列為已終止業務如下：

		Creative Star Group 建星集團 2016 二零一六年 HK\$'000 千港元
	Note 附註	
<b>Profit for the year from Discontinued operation</b>	年內已終止業務溢利	
Revenue	4	2,106
Cost of sales		(2,513)
Gross (Loss)/profit	(毛損)/毛利	(407)
Operating and administrative expenses	經營及行政開支	(421)
Loss before taxation from discontinued operations	來自已終止業務之 除稅前虧損	(828)
Taxation	稅項	—
Loss from discontinued operations recognised in the consolidated statement of profit or loss	於綜合損益表確認來自 已終止業務之虧損	(828)
Gain on disposal of subsidiary	出售附屬公司之收益	3,534
		2,706
Profit/(loss) attributable to:	以下人士應佔溢利/ (虧損):	
Shareholders of the Company	本公司股東	3,037
Non-controlling interests	非控股權益	(331)
		2,706
Net cash generated from operating activities	經營活動所得現金淨額	373

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 12. 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:

#### Continuing and discontinued operations

		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)
<b>(Loss)/earnings</b>	<b>(虧損)/盈利</b>		
(Loss)/earnings for the purposes of basic and diluted loss per share	就每股基本及攤薄虧損而言		
(Loss)/earnings for the year attributable to the shareholders of the Company	之(虧損)/盈利(本公司股東應佔本年度(虧損)/盈利)		
– from continuing operations	– 來自持續經營業務	<b>(67,532)</b>	(66,835)
– from discontinued operations	– 來自已終止業務	<b>571</b>	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	<b>(66,961)</b>	(65,399)

		2017 二零一七年 '000 shares 千股	2016 二零一六年 '000 shares 千股
<b>Number of shares</b>	<b>股份數目</b>		
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	<b>1,606,733</b>	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.

### 12. 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：

#### 持續經營業務及已終止業務

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 12. LOSS PER SHARE (CONTINUED)

#### From continuing operations

		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)
<b>Loss</b>	<b>虧損</b>		
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		
From continuing operations	來自持續經營業務	<b>(67,532)</b>	(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.

### 13. 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 (newly commenced during the year ended 31 December 2017); (iv) mobile application; and (v) cemetery. Travel agency services business has discontinued for the year ended 31 December 2017.

### 12. 每股虧損(續)

#### 來自持續經營業務

用作計算每股基本及攤薄虧損之分母與上文詳述者相同。

#### 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母, 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))。

### 13. 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(於截至二零一七年十二月三十一日止年度新開展); (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。





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. SEGMENT REPORTING (CONTINUED)

- 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 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.
- 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.

During the year ended 31 December 2017, the Group acquired 40% equity interest in First Surplus Investments Limited ("FS Group"). The acquisition was completed on 17 March 2017. FS Group are principally engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. FS group 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.

- 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.

### 13. 分部報告(續)

- 貿易：此分部從事買賣貨品，包括(但不限於)蒸汽煤及鉻礦。目前，本集團有關此方面之活動於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。
- 放債：此分部透過本公司為放債人條例(香港法例第163章)項下之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。

於截至二零一七年十二月三十一日止年度，本集團收購First Surplus Investments Limited(「FS集團」)之40%股權。該收購事項已於二零一七年三月十七日完成。FS集團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。FS集團擁有完整的開發、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。

- 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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. SEGMENT REPORTING (CONTINUED)

#### Segment revenue and results

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

### 13. 分部報告(續)

#### 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	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 before tax	除稅前虧損							(69,329)	580	(68,749)	

		2016 二零一六年					Discontinued operations 已終止業務					
		Continuing operations 持續經營業務										
		Property development and investment 物業開發及投資		Mobile application 手機應用程式	Cemetery 公墓	Sub-total 小計	Travel agency services 旅遊代理服務	Advertising and marketing services 廣告及市場推廣服務	Sub total 小計	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	HK\$'000 千港元		
Segment revenue from external customers	外部客戶之分部收益	115,185	833	86	—	116,104	19,358	2,106	21,464	137,568		
Segment (loss)/profit	分部(虧損)/溢利	(5,561)	9,679	(37,109)	(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 before tax	除稅前虧損							(66,766)	(1,780)	2,706	926	(65,840)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. SEGMENT REPORTING (CONTINUED)

#### Segment revenue and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 2. Segment (loss)/profit represents the profit (loss from)/earned by each segment without allocation of central corporate income and expense and finance costs. This is the measure reported to the most senior executive management for the purposes of resource allocation and performance assessment.

#### Segment assets and liabilities

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

### 13. 分部報告(續)

#### 分部收益及業績(續)

經營分部之會計政策與附註2所述之本集團會計政策相同。分部(虧損)/溢利指各分部所產生(虧損)/所得溢利，並無分配中央公司收入以及開支及融資成本。此乃向最高行政管理人員報告資源以作分配及表現評估之用之計量方式。

#### 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		Segment liability	
		分部資產		分部負債	
		2017	2016	2017	2016
		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
		千港元	千港元	千港元	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)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. SEGMENT REPORTING (CONTINUED)

### 13. 分部報告(續)

#### Other segment information

#### 其他分部資料

Other segment information	Continuing operations							Discontinued operation		Total
	Property development and investment	Mobile application	Trading	Money lending	Cemetery	Unallocated	Sub-total	Travel agency service		
其他分部資料	物業開發及投資	手機應用程式	貿易	放債	公墓	未分配	小計	旅遊代理服務	總計	
Year ended 31 December 2017	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
截至二零一七年十二月三十一日止年度	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
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	添置廠房及設備	187	—	—	—	5,673	4,366	10,226	24	10,250
Depreciation	折舊	1,407	—	—	—	236	1,296	2,939	20	2,959
Amortisation	攤銷	—	351	—	—	3,522	—	3,873	—	3,873
Gain on changes in fair value of investment properties	投資物業公平值變動收益	3,200	—	—	—	—	—	3,200	—	3,200
Interest in associates	於聯營公司之權益	45,716	72,096	3,000	—	—	—	120,812	—	120,812
Share of profit of associates	分佔聯營公司溢利	(1,394)	2,390	—	—	—	—	996	—	996

Other segment information	Continuing operations							Discontinued operation		Total
	Mobile application	Trading	Property development and investment	Cemetery	Unallocated	Sub-total	Travel agency services	Advertising and marketing services		
其他分部資料	手機應用程式	貿易	物業開發及投資	公墓	未分配	小計	旅遊代理服務	市場推廣服務	總計	
Year ended 31 December 2016	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
截至二零一六年十二月三十一日止年度	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
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	添置廠房及設備	—	—	—	3,814	5,956	9,770	93	—	9,863
Addition to land and building through acquisition of a subsidiary	透過收購一間附屬公司添置土地及樓宇	—	—	—	—	44,763	44,763	—	—	44,763
Addition to investment properties through acquisition of a subsidiary	透過收購一間附屬公司添置投資物業	—	—	44,919	—	—	44,919	—	—	44,919
Depreciation	折舊	(76)	—	(723)	(126)	(799)	(1,724)	(58)	—	(1,782)
Amortisation	攤銷	(11,600)	—	—	—	—	(11,600)	—	—	(11,600)
Impairment of intangible asset	無形資產減值	(14,309)	—	—	—	—	(14,309)	—	—	(14,309)
Gain on changes in fair value of investment properties	投資物業公平值變動收益	—	—	6,981	—	—	6,981	—	—	6,981
Impairment loss recognised in respect of goodwill	商譽之確認減值虧損	(10,997)	—	—	—	—	(10,997)	—	—	(10,997)
Interest in associates	於聯營公司之權益	—	13,272	47,146	—	—	60,418	—	—	60,418
Share of profit of associates	分佔聯營公司溢利	—	—	(65)	—	—	(65)	—	—	(65)
Bargain purchase of acquisition of an associate	就收購一間聯營公司進行議價收購	—	—	2,416	—	—	2,416	—	—	2,416

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. SEGMENT REPORTING (CONTINUED)

#### Geographical Segments

The Group operates in three principal geographical areas — the PRC, Hong Kong and the Republic of Turkey (“Turkey”). The following table provides an analysis of the Group’s revenue and asset from external customers by geographical location:

		Revenue from external customers 來自外部客戶之收入		Non-current assets 非流動資產	
		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
<b>Continuing operations</b>	<b>持續經營業務</b>				
— PRC	— 中國	25,399	115,185	126,441	122,408
— Hong Kong	— 香港	2,549	919	178,143	109,759
— Turkey	— 土耳其	—	—	57,626	52,314
		<b>27,948</b>	<b>116,104</b>	<b>362,210</b>	<b>284,481</b>

#### Major customers

The information in respect of the Group’s sales attributable to the major customers during the financial year is as follows:

	Percentage of the group’s total Sales 佔本集團之百分比 總銷售額	
	2017 二零一七年	2016 二零一六年
The largest customer 最大客戶	48%	31%
Five largest customers in aggregate 五大客戶之總和	96%	85%

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the number of issued shares of the Company) had any interest in these major customers.

### 13. 分部報告(續)

#### 地區分部

本集團於中國、香港及土耳其共和國(「土耳其」)三個主要地區經營。下表為按地區載列之本集團來自外部客戶之收入及資產分析：

#### 主要客戶

於本財政年度內有關主要客戶應佔本集團之銷售額資料載列如下：

本公司之董事、彼等之聯繫人士或任何股東(據董事所知擁有本公司5%已發行股份以上之股東)概無於年內任何時間擁有該等主要客戶之任何權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物業、廠房及設備

		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
<b>Cost:</b>	<b>成本：</b>						
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	32	—	—	—	—	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
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
<b>Accumulated depreciation and impairment:</b>	<b>累計折舊及減值：</b>						
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	6(c)	723	118	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	6(c)	1,408	348	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
<b>Carrying amount:</b>	<b>賬面值：</b>						
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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

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 25).

### 15. INVESTMENT PROPERTIES

			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
		Notes 附註		
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	31	—	44,919
Fair value change on investment properties	投資物業之公平值變動	5	3,200	6,981
As at 31 December	於十二月三十一日		55,100	51,900

Investment properties represent a commercial unit located in Hong Kong.

The fair values of the Group's investment properties at 31 December 2017 have been arrived at on the basis of a valuation carried out on that day by International Valuation Limited, an independent qualified professional valuer that is not connected with the Group.

The fair value was determined based on the "Direct Comparison Method", where the value is assessed by reference to the comparable properties of similar size, character and location, factoring in all the respective advantages and disadvantages of each property in order to arrive at the comparison of capital value.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes were measured using the fair value model and were classified and accounted for as investment properties.

### 14. 物業、廠房及設備(續)

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25)。

### 15. 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
		Notes 附註		
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	31	—	44,919
Fair value change on investment properties	投資物業之公平值變動	5	3,200	6,981
As at 31 December	於十二月三十一日		55,100	51,900

投資物業指一個位於香港之商業單位。

本集團於二零一七年十二月三十一日之投資物業公平值乃由與本集團並無關連之獨立合資格專業估值師國際評估有限公司按當日之估值釐定。

公平值乃按「直接比較法」釐定，而其估值乃參照類似面積、特點及地區之可資比較物業評定，並經考量各物業之一切相關利弊因素以達致資本價值之比較。

本集團所有以營運租賃形式收取租金或待資本升值之物業乃以公平值模式計量，且獲確認為及入賬列作投資物業。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 15. INVESTMENT PROPERTIES (CONTINUED)

At 31 December 2017, the investment properties in the Group has been pledged to secure a short-term loans granted to the Group amounts to approximately HK\$26,000,000 (31 December 2016: HK\$26,000,000) (note 25).

The carrying amounts of investment properties shown above comprise:

### 15. 投資物業(續)

於二零一七年十二月三十一日，本集團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25)。

以上所示之投資物業賬面值包括：

		31.12.2017 二零一七年 十二月三十一日 HK\$'000 千港元	31.12.2016 二零一六年 十二月三十一日 HK\$'000 千港元
<b>Land in Hong Kong:</b>	<b>香港土地：</b>		
Medium-term lease	中期租賃	<b>55,100</b>	51,900

The fair value measurements for all of the Group's investment properties are categorised as level 2. The following table gives information about how the fair values of the investment properties as at 31 December 2017 are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised level 2 based on the degree to which the inputs to the fair value measurements is observable.

本集團所有投資物業之公平值計量獲分類為第二級。下表提供如何釐定投資物業於二零一七年十二月三十一日之公平值之資料(特別是估計技術及所用之輸入數據)，以及根據公平值計量輸入數據之可觀察程度分類公平值計量所屬公平值等級為第二級。

Properties	Fair value hierarchy	Valuation technique & key input	Significant unobservable inputs	Relationship of unobservable inputs to fair value
物業	公平值層級	估值技術及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係
Property – located in Hong Kong Island, Hong Kong	Level 2	Direct comparison method	Price per square foot, using market direct comparable and taking into account location and other individual factors such as age and location of the property, approximately HK\$23,905 per square foot as at 31 December 2017	A slight increase in the price per square foot will increase significantly the fair value
物業 – 位於香港港島	第二級	直接比較法 主要輸入數據為每平方呎價格	利用市場直接可資比較物業並計及地點及其他個別因素(例如物業的樓齡及地點)得出之每平方呎價格，即於二零一七年十二月三十一日每平方呎約23,905港元	每平方呎價格輕微上升將大幅增加公平值

During the period ended 31 December 2017 and year ended 31 December 2016, there were no transfers between level 1 and level 2, or transfers into or out of level 3.

截至二零一七年十二月三十一日止期間及截至二零一六年十二月三十一日止年度，概無於第一級及第二級之間轉換，或轉入或轉出第三級。



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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 16. INTANGIBLE ASSETS

### 16. 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)	
<b>Cost:</b>	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)
At 31 December 2017	於二零一七年十二月三十一日	—	30,000	8,000	118,000	156,000
<b>Accumulated amortisation and impairment loss:</b>	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	6(c)	—	9,649	—	14,309
Charge for the year	年內支出	6(c)	—	10,000	—	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	6(c)	—	—	—	—
Charge for the year	年內支出	6(c)	—	351	—	3,873
Release 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
<b>Carrying amount:</b>	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



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 16. INTANGIBLE ASSETS (CONTINUED)

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.

During the year ended 31 December 2016, due to the unsatisfactory performance of operating rights of a mobile game apps, the Group recognised an impairment loss of approximately HK\$9,649,000.

- (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.

During the year ended 31 December 2016, due to the unsatisfactory performance of mobile application, the Group recognised an impairment loss of approximately HK\$4,660,000.

- (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.

### 16. 無形資產(續)

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。

截至二零一六年十二月三十一日止年度，由於手機遊戲程式經營權之表現未令人滿意，本集團確認減值虧損約為9,649,000港元。

- (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。

截至二零一六年十二月三十一日止年度，由於手機應用程式之表現未令人滿意，本集團確認減值虧損約為4,660,000港元。

- (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的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。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 17. GOODWILL

### 17. 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Cost:</b>	成本：		
At 1 January and 31 December	於一月一日及十二月三十一日	<b>32,016</b>	32,016
<b>Accumulated impairment losses:</b>	累計減值虧損：		
At 1 January	於一月一日	<b>(32,016)</b>	(21,019)
Impairment loss for the year	本年度減值虧損	—	(10,997)
At 31 December	於十二月三十一日	—	(32,016)
<b>Carrying amount:</b>	賬面值：		
At 31 December	於十二月三十一日	—	—

As at 31 December 2017 and 2016, the entire amount of goodwill were allocated to mobile application cash-generating unit ("CGU"). The balance of goodwill have fully impaired during year ended 31 December 2016.

As at 31 December 2016, the Group conducted impairment review on goodwill attributable to CGU operating in the mobile application business at the end of the reporting period by reference to its estimated recoverable amount. The recoverable amount of the CGU has been determined based on a value-in-use calculation. Impairment loss amounting to approximately HK\$10,997,000 was recognised in respect of the CGU operating in mobile application business for the year ended 31 December 2016 due to the continuous deterioration of performance. The recoverable amount of the CGU, determined by using value-in-use, was zero as the CGU will cease the current operation. As such, no financial projection in relation to its future performance is prepared.

於二零一七年及二零一六年十二月三十一日，商譽之全部金額獲分配至手機應用程式之現金產生單位（「現金產生單位」）。截至二零一六年十二月三十一日止年度，商譽之結餘已作全數減值。

於二零一六年十二月三十一日，本集團就經營手機應用程式業務之現金產生單位應佔之商譽參考估計可收回金額並進行減值檢討。該現金產生單位之可收回金額乃按使用價值計算方法釐定。由於表現持續轉差，截至二零一六年十二月三十一日止年度就經營手機應用程式業務之現金產生單位確認減值虧損約10,997,000港元。由於該現金產生單位將停止現有營運，因此該現金產生單位之可收回金額（乃採用使用價值釐定）為零。故此，概無就其未來表現編製財務預測。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 18. INTERESTS IN ASSOCIATES

### 18. 於聯營公司之權益

		Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted shares, at cost	未上市股份，按成本	(a & b) (a及b)	114,501	44,795
Bargain purchase on acquisition of an associate	就收購一間聯營公司進行議價收購		2,416	2,416
Share of post-acquisition gain/(loss) and other comprehensive income/ (expense), 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)		895	(65)
			117,812	47,146
Amount due from associates	應收聯營公司款項		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 as set out in note 27. 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 5.

(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，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(載列於附註27)。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5所載，收購後，確認議價收購2,416,000港元。

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## 綜合財務報表附註

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### 18. INTERESTS IN ASSOCIATES (CONTINUED)

- (b) On 17 March 2017, the Group, through Ottoman Evershine Holdings Limited, a wholly-owned subsidiary (the “FS Purchaser”), acquired 40% equity interest in 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 FS 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 “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 Promissory Note to the FS Vendors (or their nominees) upon the completion of the FS Acquisition (i.e. 17 March 2017) (the “Completion”).

Pursuant to the FS Acquisition Agreement, the FS Vendors guarantee to the FS Purchaser that the audited consolidated net profit after taxation of FS Group for the year ended 31 December 2017 (“Actual Profit”) which is (i) based on the financial statements prepared in accordance with the HKFRS (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 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 FS Vendor shall be HK\$50,000,000; or

### 18. 於聯營公司之權益(續)

- (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FS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(「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。

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



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### 18. INTERESTS IN ASSOCIATES (CONTINUED)

(b) (Continued)

- (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 contingent consideration assets 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 23 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.

### 18. 於聯營公司之權益(續)

(b) (續)

- (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，收購聯營公司之或然代價資產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。

於二零一八年三月二十三日，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。

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### 18. INTERESTS IN ASSOCIATES (CONTINUED)

(b) (Continued)

Amounts due from associates are unsecured, interest-free and have no fixed terms of repayment.

The movements in accumulated impairment loss is summarised as follow:

Hong Kong and PRC 香港及中國		2017	2016
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
At 1 January	於一月一日	—	30,648
Written back on disposals	出售時撥回	—	(30,648)
At 31 December	於十二月三十一日	—	—

(c) Details of the associates are as follows:

### 18. 於聯營公司之權益(續)

(b) (續)

應收聯營公司款項為無抵押、免息及無固定還款期。

累計減值虧損變動概述如下：

(c) 聯營公司之詳情如下：

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/ registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例 Group's effective holding 本集團實際持有		Principal activity 主要業務
			2017 二零一七年	2016 二零一六年	
Leading Global INC Limited 嶺球有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元之普通股	30% (Direct) (直接)	30% (Direct) (直接)	Investment holdings 投資控股
Yongyao Technology (Jiang Xi) Co. Ltd 永耀科技(江西)股份有限公司	PRC 中國	Registered capital of HK\$7,000,000 註冊資本7,000,000港元	30% (Indirect) (間接)	30% (Indirect) (間接)	Trade of Clothing 服裝貿易
Boyracı Construction	Turkey 土耳其	Registered capital of TRY21,000,000 註冊資本21,000,000土耳其里拉	30% (Indirect) (間接)	30% (Indirect) (間接)	Building construction properties development and trading of construction materials 樓宇建造、物業開發及 建築材料買賣業務
FS Group [FS集團]	British Virgin Islands 英屬處女群島	Registered capital of USD10 註冊資本10美元	40% (Indirect) (間接)	—	Mobile application business 手機應用程式業務

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 18. INTERESTS IN ASSOCIATES (CONTINUED)

(d) The following table illustrates the summarised financial information of the Group's associates:

Boyracı Construction Boyracı Construction		2017	2016
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
Assets	資產	220,624	231
Liabilities	負債	76,508	74
Revenues	收益	961	N/A 不適用
Losses	虧損	4,647	N/A 不適用

### 18. 於聯營公司之權益(續)

(d) 下表闡述本集團聯營公司之概要財務資料：

FS Group FS集團		2017
		二零一七年 HK\$'000 千港元
Assets	資產	50,622
Liabilities	負債	20,358
Revenues	收益	35,792
Profit	溢利	15,292

### 19. INVENTORIES

		2017	2016
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
Merchandise	商品	2,303	3,518

### 19. 存貨



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### 20. TRADE AND OTHER RECEIVABLES

### 20. 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 a&b)	應收賬款(附註a及b)	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
		<b>40,091</b>	119,112

#### (a) Ageing analysis

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

#### (a) 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
		<b>12,310</b>	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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 20. TRADE AND OTHER RECEIVABLES (CONTINUED)

#### (b) Trade debtors that are not impaired

The ageing analysis of trade debtors that are neither individually nor collectively considered to be impaired are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Neither past due nor impaired	既無逾期亦無減值	—	30,059
Past due but not impaired and past due within 12 months	已逾期但並無減值及逾期少於十二個月	12,310	42,156
		<b>12,310</b>	<b>72,215</b>

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Management closely monitors the credit quality, based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

### 20. 貿易及其他應收款項(續)

#### (b) 並無減值之應收賬款

並無個別或共同視作已減值之應收賬款賬齡分析如下：

既無逾期亦無減值之應收款項涉及眾多近期並無拖欠紀錄之客戶。

已逾期但無減值之應收款項涉及多名與本集團有良好還款紀錄之獨立客戶。管理層密切監察信貸質素，基於過往經驗，由於信貸質素並無出現重大變動及有關結餘仍被視為可全數收回，故管理層認為毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 21. LOAN AND INTEREST RECEIVABLES

The Group's loan receivables arise 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.

### 22. RESTRICTED BANK DEPOSITS

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Restricted bank deposits solely represent a statutory deposit for travel agency quality guarantee	僅為旅遊代理質素擔保法定按金之受限制銀行存款	—	2,406

### 23. CASH AND CASH EQUIVALENTS

Bank balances carry interest at market rates which range from 0.01% to 0.35% per annum (31 December 2016: 0.01% to 0.35%).

### 21. 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。

### 22. 受限制銀行存款

### 23. 現金及現金等價物

銀行結餘按市場年利率介乎0.01%至0.35%計息（二零一六年十二月三十一日：0.01%至0.35%）。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 24. TRADE AND OTHER PAYABLES AND DEFERRED REVENUE

### 24. 貿易及其他應付款項以及遞延收益

		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 (note c)	預收款項(附註c)	14	16,205
Deferred revenue (note d)	遞延收益(附註d)	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.

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。

#### (a) Ageing analysis

The ageing analysis of trade creditors at the end of the reporting period is as follows:

#### (a) 賬齡分析

應付賬款於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	—	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.

(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結餘約為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。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 24. TRADE AND OTHER PAYABLES AND DEFERRED REVENUE (CONTINUED)

- (c) The amounts represent prepaid service income from customers, for which the related services are expected to be rendered within one year from the end of the reporting period.
- (d) During the year ended 31 December 2017, a number of cemetery units in cemetery business 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 local authority is still in process. As a result, cash obtained from the sales of cemetery units is treated as deferred revenue before the completion of the processing. The deferred revenue in the consolidated statement of financial position shall be transferred to profit or loss upon the obtaining of the land use right.

### 24. 貿易及其他應付款項以及遞延收益 (續)

- (c) 該等款項指來自客戶之預付服務收入，預期有關服務將自報告期末起計一年內提供。
- (d) 截至二零一七年十二月三十一日止年度，出售公墓業務之部分公墓龕位約345,000港元(二零一六年：無)。然而，於本報告日期，自地方機構取得土地使用權之手續仍在進行中。因此，出售公墓龕位產生之收益所得現金於手續完成前視作遞延收益。綜合財務狀況表內遞延收益將於取得土地使用權後轉移至損益。

### 25. SHORT-TERM LOANS

### 25. 短期貸款

		2017 二零一七年		2016 二零一六年	
		Effective interest rate (%) 實際利率 (%)	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	HK\$'000 千港元
Current:	即期：				
Loans from non-financial institutions — secured	非財務機構貸款 — 有抵押	HKD Best Lending Rate plus 4.75% 年利率為港元最優惠利率加 4.75%	52,000	HKD Best Lending Rate plus 4.75% 年利率為港元最優惠利率加 4.75%	52,000

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 guarantees 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 14 and 15. 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14及15披露之物業租金轉讓。年利率為4.75%加港元最優惠利率。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 26. OBLIGATIONS UNDER FINANCE LEASES

The Group's finance leases payable are as follows:

### 26. 融資租約債務

本集團之應付融資租約如下：

	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 arrangements 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).

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)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 27. PROMISSORY NOTES

### 27. 承兌票據

		Note 附註	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 notes 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 are 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。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 27. PROMISSORY NOTES (CONTINUED)

Notes: (Continued)

- (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") 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.

### 27. 承兌票據(續)

附註：(續)

- (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」)，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。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 28. CONVERTIBLE NOTES

### 28. 可換股票據

		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

- (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 the issue of these consolidated financial statements, none of the CN1 has been converted to 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。

截至至本綜合財務報表發報日，概無可換股票據一獲兌換為股份。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 28. CONVERTIBLE NOTES (CONTINUED)

- (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.

### 28. 可換股票據(續)

- (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。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 29. DEFERRED TAX LIABILITIES

- (a) The following is deferred tax liabilities recognised and movements thereon during the year:

### 29. 遞延稅項負債

- (a) 年內，已確認遞延稅項負債及其變動如下：

		Intangible assets – Mobile application 無形資產 – 手機應用程式 HK\$'000 千港元
As at 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	916
Credited to the consolidated statement of profit or loss during the year	於年內計入綜合損益表	(916)
As at 31 December 2016 and 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	—
Credited to the consolidated statement of profit or loss during the year	於年內計入綜合損益表	—
At 31 December 2017	於二零一七年十二月三十一日	—

- (b) The Group has not recognised deferred tax assets in respect of estimated tax losses of approximately HK\$50,646,000 (2016: HK\$47,180,000) as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity.

- (b) 由於有關稅項司法權區及實體並無虧損可供動用以抵銷未來應課稅溢利，故本集團仍未確認有關估計稅項虧損之遞延稅項資產約50,646,000港元(二零一六年：47,180,000港元)。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 30. SHARE CAPITAL AND RESERVE

### 30. 股本及儲備

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
<b>Issued and fully paid</b>	已發行及繳足		
At 1 January 2016	於二零一六年一月一日	1,142,677	908,401
Issue of shares upon conversion of convertible notes (note (i))	兌換可換股票據後發行股份 (附註(i))	360,000	50,932
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	1,502,677	959,333
Issue of shares raised of convertible notes (note (ii))	可換股票據之發行股份 (附註(ii))	100,000	41,160
Issue of shares upon conversion of convertible notes (note (iii))	兌換可換股票據後發行股份 (附註(iii))	35,000	14,848
At 31 December 2017	於二零一七年十二月三十一日	1,637,677	1,015,341

#### Notes:

- (i) On 20 January 2016 and 15 March 2016, the Company issued and allotted 181,159,420 and 178,840,580 of new shares respectively at a price of HK\$0.138 per share by way of exercise of conversion rights.
- (ii) Pursuant to the placing agreement dated 9 January 2017, the Company appointed the placing agent to procure 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\$0.412 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. The net proceed was approximately HK\$41,160,000.
- (iii) On 23 March 2017, the Company issued unsecured convertible notes in the principal amount of HK\$86,000,000. The net proceeds received by the Company was approximately HK\$83,420,000, denominated in Hong Kong dollars. The convertible notes entitle the holders to convert them into conversion shares of the Company at any time between the date of issue of the convertible notes and their settlement date on 23 March 2019 at a conversion price of HK\$0.43 per convertible share. The convertible notes carry interest rate of 13% per annum on the outstanding principal amount of the convertible notes, which will be payable by the Company quarterly in arrears. 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 convertible notes 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, on 25 September 2017, the Company allotted and issued 35,000,000 shares.

#### 附註：

- (i) 於二零一六年一月二十日及二零一六年三月十五日，本公司透過行使可換股票據所附帶換股權以每股0.138港元分別發行及配發181,159,420及178,840,580股新股份。
- (ii) 根據日期為二零一七年一月九日之配售協議，本公司已委任配售代理促使承配人按每股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0.412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0.51港元。所得款項淨額約為41,160,000港元。
- (iii) 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。本公司所得款項淨額約為83,420,000港元，以港元計值。可換股票據賦予持有人權利可由可換股票據之發行日起至二零一九年三月二十三日結算日止隨時以兌換價每股0.43港元將其兌換為本公司股份。可換股票據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。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所附帶換股權之兌換通知，本金總額為15,050,000港元，兌換價為每股0.43港元。由於本公司兌換可換股票據，故於二零一七年九月二十五日配發及發行35,000,000股股份。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 30. SHARE CAPITAL AND RESERVE (CONTINUED)

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity of the annual report.

#### (I) EXCHANGE RESERVE

The exchange reserve comprises all foreign exchange differences arising from the translation of the consolidated financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 2.

#### (II) STATUTORY RESERVE

Transfers from 10% of net profits to statutory reserve fund were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries established in the PRC and were approved by the respective boards of directors.

Statutory reserve fund can be used to make good previous years' losses, if any, and may be converted into paid-up capital provided that the balance of the statutory reserve fund after such conversion is not less than 25% of their registered capital.

The Company's subsidiaries in the PRC are required to transfer a minimum of 10% of their net profits, as determined in accordance with the PRC accounting rules and regulations, to the statutory reserve fund until the reserve balance reaches 50% of the registered capital. The transfer to this fund must be made before distribution of dividends to shareholders.

#### (III) CONVERTIBLE NOTES RESERVE

The convertible notes reserve represents the value of the unexercised equity component of convertible notes issued by the Company recognised in accordance with the accounting policy adopted for convertible notes in note 2.

#### Distributable reserves

As at 31 December 2017, there was no reserves available for distribution to equity shareholders of the Company (2016: Nil).

### 30. 股本及儲備(續)

本集團儲備金額及其於本年度及過往年度之變動呈列於本年報綜合權益變動表。

#### (I) 匯兌儲備

匯兌儲備包括換算海外業務之綜合財務報表所產生之所有匯兌差額。該項儲備乃根據附註2所載之會計政策處理。

#### (II) 法定儲備

轉撥純利之10%至法定儲備金乃根據中國相關規則及規例以及本公司於中國成立之附屬公司之組織章程細則進行，並獲相關董事會批准。

法定儲備金可用作補償過往年度虧損(如有)，亦可轉撥至實繳股本，惟於有關轉撥後之法定儲備金結餘不得少於註冊資本之25%。

本公司之中國附屬公司須根據中國會計規則及規例，將純利之最少10%轉撥至法定儲備金，直至儲備結餘達至註冊資本之50%為止。轉撥該資金須於向股東分派股息前進行。

#### (III) 可換股票據儲備

可換股票據儲備指根據附註2所述就可換股票據採納之會計政策，確認本公司所發行之可換股票據之未行使權益部分之價值。

#### 可供分派儲備

於二零一七年十二月三十一日，概無任何可供分派予本公司股權持有人之儲備(二零一六年：無)。



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### 31. SHARE-BASED PAYMENT TRANSACTION

#### Share Option Schemes

On 1 February 2016, the 2011 Share Option Scheme was terminated and a new share option scheme was adopted (the “2016 Share Option Scheme”). The purpose of the 2016 Share Option Scheme is to enable the Company to grant share options to a certain eligible participants as defined below (“Eligible Participants”) as incentives or rewards for their contribution to the long term development of the Group and to provide the Group with a more flexible means to reward, remunerate, compensate, attract, retain and/or provide benefits to the Eligible Participants. The 2016 Share Option Scheme was adopted for a period of 10 years commencing from 1 February 2016 and will remain in force until 31 January 2026.

Eligible Participant under the 2016 Share Option Scheme includes any full-time or part-time employees, consultants or potential employees, executives or officers (including executive, non-executive and independent non-executive directors) of the Company or any of its subsidiaries and any suppliers, customers, consultants, agents and advisers who, in the opinion of the directors, will contribute or has contributed to the Company and/or any of its subsidiaries.

The subscription price shall be determined by the directors in its absolute discretion but in any event shall be at least the higher of:

- (i) the closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange of Hong Kong on the date of grant which must be a business day; and
- (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange of Hong Kong for the five business days immediately preceding the date of grant.

Upon acceptance of the options, the grantee shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 14 days from the date of grant. Unless otherwise determined by the directors in the relevant offer letter to a grantee, there is no minimum period for which any option must be held before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised. An option may be exercised in accordance with the terms of the 2016 Share Option Scheme at any time during a period as the directors may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

There is no outstanding option and there is no options have been granted under the option scheme since its adoption.

### 31. 以股份為基礎之付款交易

#### 購股權計劃

於二零一六年二月一日，二零一一年購股權計劃已告終止而新購股權計劃已獲採納（「二零一六年購股權計劃」）。二零一六年購股權計劃旨在使本公司能向若干合資格參與者（定義如下）（「合資格參與者」）授出購股權，作為彼等對本集團長期發展作出貢獻之獎勵或回報，並為本集團提供更靈活之方式獎勵、酬報、補償、招攬、留聘合資格參與者及／或向其提供福利。二零一六年購股權計劃自二零一六年二月一日採納之日起為期十年，並將維持有效直至二零二六年一月三十一日為止。

根據二零一六年購股權計劃，合資格參與者包括本公司或其任何附屬公司之任何全職或兼職僱員、諮詢顧問或潛在僱員、行政人員或高級職員（包括執行、非執行及獨立非執行董事），以及董事認為將向或已向本公司及／或其任何附屬公司作出貢獻之任何供應商、客戶、諮詢顧問、代理及顧問。

認購價為須由董事全權酌情釐定，惟在任何情況下須最少為下列各項之較高者：

- (i) 股份於授出日期（該日須為營業日）在香港聯交所發出之每日報價表所述之收市價；及
- (ii) 股份於緊接授出日期前五個營業日在香港聯交所發出之每日報價表所述之平均收市價。

承授人接納購股權後，須向本公司支付1.00港元，作為獲授購股權之代價。承授人須於授出日期起14天內，接納授出購股權之要約。除董事會在寄發予承授人之有關要約函中另有釐定外，概無規定購股權可予行使前須持有任何購股權之最短期限，亦無設定承授人於行使購股權前須達致之表現目標。購股權可於董事可能釐定之期間內根據二零一六年購股權計劃之條款隨時行使，惟有關期間不得超過由授出日期起計十年，並受提前終止條文規限。

自採納購股權計劃以來，概無未行使購股權及據此授出任何購股權。

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### 32. ACQUISITION OF ASSETS THROUGH ACQUISITION OF SUBSIDIARIES

In June 2016, the Company acquired 100% property interests in 15th and 16th Floor of Henan Building, Nos. 90 and 92 Jaffe Road and Nos. 15-19 Luard Road, Wanchai, Hong Kong through the acquisition of 100% equity interest in Spring Hero Developments Limited and Sharp Pick Ventures Limited. The consideration of HK\$53,332,000 has been satisfied by the issue of promissory notes with principal amount of approximately HK\$48,432,000 (fair value of HK\$40,114,000 as at the initial recognition) and cash of HK\$4,900,000. At the date of acquisition, the Group recognised investment properties of HK\$44,919,000 and land and buildings included in property, plant and equipment of HK\$44,763,000 based on the floor areas leased out to other lessees and occupied by the Group respectively.

The total net assets of Spring Hero Developments Limited and Sharp Pick Ventures Limited at the date of acquisition are as follows:

### 32. 透過收購附屬公司收購資產

於二零一六年六月，本公司透過收購 Spring Hero Developments Limited 及 Sharp Pick Ventures Limited 全部股權收購香港灣仔謝斐道90及92號與盧押道15-19號豫港大廈15樓及16樓之全部物業權益。代價53,332,000港元已透過發行本金額約為48,432,000港元(於初步確認公平值為40,114,000港元)之承兌票據及現金4,900,000港元之方式償付。於收購日期，根據向其他承租人及本集團佔用之樓面面積，本集團分別確認投資物業44,919,000港元以及計入物業、廠房及設備之土地及樓宇為44,763,000港元。

Spring Hero Developments Limited 及 Sharp Pick Ventures Limited 於收購日期之總資產淨值如下：

	Spring Hero Developments Limited	Sharp Pick Ventures Limited	Total
	Fair value	Fair value	Total
	公平值	公平值	總計
	HK\$000	HK\$000	HK\$000
	千港元	千港元	千港元
Asset acquired and liabilities recognised/已收購資產及已確認 consideration 負債/代價	22,134	22,880	45,014
Consideration satisfied by the fair value 以下列各項 of 公平值償付之代價			
– Cash – 現金	2,450	2,450	4,900
– Promissory notes – 承兌票據	19,684	20,430	40,114
	22,134	22,880	45,014
Analysis of the net outflow 現金及現金等價物流出 of cash and cash equivalents 淨額分析			
Cash consideration paid 已付現金代價	2,450	2,450	4,900
Net cash outflow 現金流出淨額	2,450	2,450	4,900

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### 33. DISPOSAL OF SUBSIDIARIES

- (a) On 8 May 2017, the Group disposed of Argo (China) Investment Limited and its subsidiaries (the “Disposal Group”) that carried out the Group’s travel agency services. The result of the Disposal Group up to the date of disposal as well as the gain or loss on disposal of the Disposal Group has been included in “profit or loss from discontinued operations” in the consolidated statements of profit or loss and comprehensive income.

#### Assets and liabilities derecognised at the date when the Group lost control over Argo (China) Investment Limited and its subsidiaries

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	355
Account and other receivables	應收賬款及其他應收款項	14,235
Restricted bank deposits	受限制銀行存款	2,406
Cash and cash equivalents	現金及現金等價物	88
Account and other payables	應付賬款及其他應付款項	(15,522)
Net assets disposed of	出售資產淨值	1,562

#### Net cash flow on disposal of Argo (China) Investment Limited and its subsidiaries

出售雅高(中國)投資有限公司及其附屬公司之現金流量淨額

		HK\$'000 千港元
Total cash consideration	現金代價總額	–
Cash and cash equivalents	現金及現金等價物	(88)
		(88)

#### Gain on disposal of Argo (China) Investment Limited and its subsidiaries

出售雅高(中國)投資有限公司及其附屬公司之收益

		HK\$'000 千港元
Consideration satisfied by set off of other payables	以抵銷其他應付款項支付之代價	2,000
Net assets disposed of	出售資產淨值	(1,562)
Exchange gain reclassified from equity to profit or loss upon disposal	出售後自權益重新分類至損益之匯兌收益	426
Non-controlling interests derecognised	終止確認之非控股權益	26
Gain on disposal	出售收益	890

### 33. 出售附屬公司

- (a) 於二零一七年五月八日，本集團出售從事本集團旅遊代理服務業務之雅高(中國)投資有限公司及其附屬公司(「出售集團」)。出售集團直至出售日期之業績及有關出售集團之損益已計入綜合損益及全面收益表之「已終止業務溢利或虧損」。

本集團失去對雅高(中國)投資有限公司及其附屬公司之控制權當日終止確認之資產及負債



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### 33. DISPOSAL OF SUBSIDIARIES (CONTINUED)

- (b) On 30 March 2016, the Group completed the disposal of the entire issued share capital of Creative Star Limited for a cash consideration of HK\$8.

#### Assets and liabilities derecognised at the date when the Group lost control over Creative Star Limited and its subsidiaries

		HK\$'000 千港元
Account and other receivables	應收賬款及其他應收款項	804
Cash and cash equivalents	現金及現金等價物	15
Account and other payables	應付賬款及其他應付款項	(7,962)
Net liabilities disposed of	出售負債淨額	(7,143)

#### Net cash flow on disposal of Creative Star Limited and its subsidiaries

出售建星有限公司及其附屬公司之現金流量淨額

		HK\$'000 千港元
Total cash consideration	現金代價總額	–
Cash and cash equivalents	現金及現金等價物	(15)
		(15)

#### Gain on disposal of Creative Star Limited and its subsidiaries

出售建星有限公司及其附屬公司之收益

		HK\$'000 千港元
Consideration satisfied by cash	以現金支付之代價	–
Net liabilities disposed of	出售負債淨額	7,143
Non-controlling interests derecognised	終止確認之非控股權益	(3,609)
Gain on disposal	出售收益	3,534

### 33. 出售附屬公司(續)

- (b) 於二零一六年三月三十日，本集團完成出售建星有限公司全部已發行股本，現金代價為8港元。

本集團失去對建星有限公司及其附屬公司之控制權當日終止確認之資產及負債

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### 34. FINANCIAL INSTRUMENTS

#### (a) Financial instruments by category

The carrying amounts of each of the categories of financial instruments as at the end of each reporting period are as follows:

Financial assets	金融資產	2017	2016
		Loans and receivables	Loans and receivables
Trade and other receivables	貿易及其他應收款項	38,698	108,568
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
		<b>52,645</b>	<b>123,380</b>

Financial liabilities	金融負債	2017	2016
		Financial liabilities at amortised cost	Financial liabilities at amortised cost
Trade and other payables	貿易及其他應付款項	9,140	20,921
Promissory notes	承兌票據	71,363	110,660
Short-term loans	短期貸款	52,000	52,000
Convertible notes	可換股票據	96,198	24,348
		<b>228,701</b>	<b>207,929</b>

### 34. 金融工具

#### (a) 按類別分類之金融工具

於各報告期末各類別之金融工具賬面值如下：



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### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management

Exposure to credit risk, liquidity risk and market risks arises in the normal course of the Group's business. These risks are mitigated by the Group's financial management policies and practices described below.

#### (A) Credit Risk

As at 31 December 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In respect of trade and other receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 30 to 180 days from the date of billing. Normally, the Group does not obtain collateral from customers. The impairment losses on bad and doubtful debts account are within management's expectation.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of reporting period, the Group does not have significant concentration of credit risk.

Further quantitative disclosure in respect of the Group's exposure to credit risk arising from trade and other receivables are set out in note 20.

In respect of deposits with banks, the Group mitigates its exposure to credit risk by placing deposits with financial institutions with established credit ratings.

### 34. 金融工具(續)

#### (b) 財務風險管理

本集團於一般業務過程中承受信貸風險、流動資金風險及市場風險。該等風險因下文所述之本集團財務管理政策及慣例而有所減低。

#### (A) 信貸風險

於二零一七年十二月三十一日，本集團面對之最大信貸風險將由於交易對方未能履行責任而導致本集團出現財務虧損，這風險乃源自綜合財務狀況表所示各已確認金融資產之賬面值。

就貿易及其他應收款項而言，會對需要就若干數額給予信貸之所有客戶個別進行信貸評估。該等評估工作集中於客戶過往償還到期款項之記錄及目前之還款能力，亦考慮該名客戶之特定賬目資料及關於該客戶經營所在經濟環境之賬目資料。貿易應收款項自發出賬單之日起計30至180日內到期應付。一般情況下，本集團並無向客戶取得抵押品。就呆壞賬作出之減值虧損乃於管理層之預期內。

本集團之信貸風險主要受各客戶之個別特性影響。客戶經營所在行業及國家之違約風險亦對信貸風險造成影響，惟影響程度較低。於各報告期末，本集團並無重大集中信貸風險。

有關本集團承受貿易及其他應收款項所產生信貸風險之進一步量化披露載於附註20。

就銀行存款而言，本集團透過於具有良好信貸評級之財務機構存放存款，減少其承受之信貸風險。

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## 綜合財務報表附註

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### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management (Continued)

##### (B) Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Group's reputation.

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the end of each reporting period of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the statement of financial position date) and the earliest date the Group can be required to pay:

### 34. 金融工具(續)

#### (b) 財務風險管理(續)

##### (B) 流動資金風險

流動資金風險指本集團不能於到期時履行其財務責任之風險。本集團管理流動資金之方針為盡可能確保一直具備充裕流動資金，以應付其到期負債，而不會產生不能承受虧損或損害本集團聲譽之風險。

本集團旗下個別營運實體負責本身之現金管理，包括現金盈餘短期投資，及籌措貸款以應付預期現金需求，惟倘借貸超出若干預定授權水平，則須獲母公司董事會批准。本集團之政策為定期監控其流動資金需要及其有否遵守貸款契據，確保維持充裕現金儲備及可即時變現之有價證券以及自主要財務機構獲取足夠已承諾貸款額，藉以應付其短期及較長期之流動資金需要。

下表詳列本集團非衍生金融負債於各報告期末之剩餘合約到期日，而其乃按已訂約未貼現現金流量(包括採用合約利率或倘屬浮動利率，按於財務狀況表日期當前利率計算之利息付款)以及本集團可能須付款之最早日期為基準得出：

	2017 二零一七年				2016 二零一六年			
	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years	Carrying amount	Total contractual undiscounted cash flow	Within 1 year or on demand	More than 1 year but less than 2 years
	賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	於一年內 或按要求 HK\$'000 千港元	超過一年 但少於兩年 HK\$'000 千港元	賬面值 HK\$'000 千港元	合約未貼現 現金流量總額 HK\$'000 千港元	於一年內 或按要求 HK\$'000 千港元	超過一年 但少於兩年 HK\$'000 千港元
Trade and other payables 貿易及其他應付款項	9,140	9,140	9,140	—	38,241	38,241	38,241	—
Promissory notes 承兌票據	71,363	74,237	23,487	50,750	110,660	131,946	31,347	100,599
Short-term loans 短期貸款	52,000	52,000	52,000	—	52,000	52,000	52,000	—
Convertible notes 可換股票據	96,198	112,448	—	112,448	24,348	30,000	—	30,000
	228,701	247,845	84,627	163,198	225,249	252,187	121,588	130,599

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### 34. FINANCIAL INSTRUMENTS (CONTINUED)

### 34. 金融工具(續)

#### (b) Financial risk management (Continued)

#### (b) 財務風險管理(續)

##### (C) Market Risk

##### (C) 市場風險

##### (i) Currency risk

##### (i) 貨幣風險

The Group has transactional currency exposures. Such exposures arise from sales, purchases or expenditure by operating units in currencies other than the units' functional currencies. The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rates of the HK dollar ("HK\$") and Renminbi ("RMB"), with all other variables held constant, of the Group's loss before tax (due to changes in the fair value of monetary assets and liabilities).

本集團承受交易性貨幣風險。此等風險來自營運單位除該單位功能貨幣以外貨幣進行之買賣及開支。下表載列在所有其他變量維持不變之情況下，本集團於報告期末之除稅前虧損(受貨幣資產及負債公平值變動影響)對港元(「港元」)及人民幣(「人民幣」)匯率可能合理出現之變動之敏感程度。

		Increase/ (Decrease) in exchange rate	Increase/ (decrease) in loss before tax and accumulated loss
		匯率 增加/(減少)	除稅前虧損 及累計虧損 增加/(減少) HK\$'000 千港元
2017	二零一七年		
If HK\$ weakens against RMB	如港元兌人民幣貶值	5%	108
If HK\$ strengthens against RMB	如港元兌人民幣升值	(5%)	(108)
2016	二零一六年		
If HK\$ weakens against RMB	如港元兌人民幣貶值	5%	106
If HK\$ strengthens against RMB	如港元兌人民幣升值	(5%)	(106)

##### (ii) Interest rate risk

The Group is primarily exposed to cash flow interest rate risk in relation to variable-rate interest bearing receivables and payables, including bank balances and borrowings. The Group's fair value interest rate risk relates primarily to promissory notes and convertible bonds. The Group currently does not have an interest rate hedging policy in relation to fair value interest rate risk and cash flow interest rate risk. However, management of the Group monitors interest rate exposure on an ongoing basis and will consider hedging significant interest rate exposure should the need arise. The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HKD best lending rate.

##### (ii) 利率風險

本集團主要承擔與以浮動利率計息之應收款項及應付款項(包括銀行結餘借貸)有關之現金流量利率風險。本集團之公平值利率風險主要與承兌票據及可換股債券有關。本集團目前並無有關公平值利率風險及現金流量利率風險之利率對沖政策。然而，本集團管理層持續監察利率風險，並將於需要時考慮對沖重大利率風險。本集團面對之金融負債利率風險於本附註流動資金風險一節中詳述。本集團現金流量利率風險主要集中於港元最優惠利率之波動。



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### 34. FINANCIAL INSTRUMENTS (CONTINUED)

#### (b) Financial risk management (Continued)

##### (C) Market Risk (Continued)

##### (ii) Interest rate risk (Continued)

##### Sensitivity analysis

The management determines that the Group's exposure of interest rate risk was not significant and hence no sensitivity analysis is prepared.

##### (D) Fair Values

Fair value estimates are made at a specific point in time and are based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

For financial reporting purpose, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

None of the Group's financial assets and financial liabilities are calculated in level 1, 2 and 3 during the reporting period.

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

### 34. 金融工具(續)

#### (b) 財務風險管理(續)

##### (C) 市場風險(續)

##### (ii) 利率風險(續)

##### 敏感度分析

管理層認為本集團之利率風險並不重大，故並無編製敏感度分析。

##### (D) 公平值

公平值估計乃於某一特定時間根據有關市場資料及財務工具之資料作出。該等估計性質主觀及涉及不確定因素及須作出重大判斷，因此無法準確釐定。假設之任何變動均會對估計構成重大影響。

此外，就財務報告而言，公平值計量按公平值計量所用輸入數據之可觀察程度及公平值計量之輸入數據對其整體之重要性分為第一、二或三級，詳情如下：

- 第一級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據為就資產或負債可直接或間接觀察之輸入數據(不包括第一級報價)；及
- 第三級輸入數據為資產或負債不可觀察之輸入數據。

於報告期間概無本集團之金融資產及金融負債計入第一、二及三級。

於綜合財務狀況表內反映之本集團金融資產及金融負債之賬面值與其各自之公平值相若。

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### 35. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group manages capital by regularly monitoring its current and expected liquidity requirement rather than using debt/equity ratio analysis.

### 36. 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
		<b>9,531</b>	<b>9,717</b>

##### 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
		<b>779</b>	<b>967</b>

### 35. 資本風險管理

本集團管理資本之主要目標，乃保障本集團能繼續按持續經營基準經營，從而能透過與風險水平相對應之產品及服務定價以及獲得合理成本之融資，繼續為股東創造回報以及使其他權益持有人受惠。

本集團積極定期檢討及管理其資本結構，以在較高股東回報情況下可能伴隨之較高借貸水平與良好資本狀況帶來之好處及保障之間維持平衡，並因應經濟環境變動對資本結構作出調整。

為維持或調整資本結構，本集團或會調整向股東派付之股息金額、向股東退回資本、發行新股份或出售資產，以減少債務。

本集團透過定期監察其目前及預期流動資金需求管理資本，而非採用債務／權益比例分析。

### 36. 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：

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：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 36. COMMITMENTS (CONTINUED)

#### (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

### 37. MATERIAL TRANSACTIONS AND BALANCES WITH RELATED PARTIES

#### (a) Key management personnel compensation

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 8 and certain of the highest paid employees as disclosed in note 9, 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
Short-term employees benefits	短期僱員福利	1,833	2,781
Post-employment benefits	退休福利	33	86
Amount due to a related person	應付一名有關連人士款項	3,155	2,987
		<b>5,021</b>	<b>5,854</b>

#### (b) Transactions with other related parties

Other than those transactions disclosed elsewhere in the consolidated financial statements, the Group has no transactions or balances with other related parties during the year ended 31 December 2017 and 2016.

### 36. 承擔(續)

#### (b) 資本承擔

本集團有以下資本承擔：

### 37. 重大有關連人士交易及結餘

#### (a) 主要管理人員之補償

本集團主要管理人員酬金(包括附註8所披露已付本公司董事之金額及附註9所披露已付若干最高薪僱員之金額)如下：

#### (b) 與其他有關連人士交易

除綜合財務報表其他部分披露之交易外，本集團截至二零一七年及二零一六年十二月三十一日止年度概無其他有關連人士交易或結餘。





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 38. 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 report, the Company is holding 30% of the share capital of Boyracı Construction which was acquired on 30 December 2016.

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.

### 38. 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%。於本報告日期，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。

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。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 38. EVENTS AFTER REPORTING PERIOD (CONTINUED)

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

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.

### 38. 報告期後事項(續)

#### (a) 收購Boyracı Construction額外30%股權(續)

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 39. STATEMENT OF FINANCIAL POSITION

### 39. 財務狀況表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	80	48
Interests in subsidiaries	於附屬公司之權益	213,222	200,172
		<b>213,302</b>	200,220
<b>Current assets</b>	<b>流動資產</b>		
Other receivables and deposit paid	其他應收款項及已付按金	150	336
Amount due from associates	應收聯營公司款項	3,000	13,249
Cash and cash equivalents	現金及現金等價物	6,767	3,502
		<b>9,917</b>	17,087
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	1,555	3,636
Promissory notes	承兌票據	20,152	27,509
		<b>21,707</b>	31,145
<b>Net current liabilities</b>	<b>流動負債淨值</b>	<b>(11,790)</b>	(14,058)
<b>Total assets less current liabilities</b>	<b>資產總值減流動負債</b>	<b>201,512</b>	186,162
<b>Non-Current Liabilities</b>	<b>非流動負債</b>		
Promissory Notes	承兌票據	—	83,176
Convertible Notes	可換股票據	96,198	25,800
		<b>96,198</b>	108,976
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>105,314</b>	77,186
<b>EQUITY AND RESERVES</b>	<b>權益及儲備</b>		
Share capital	股本	1,015,341	959,333
Reserves	儲備	(910,027)	(882,147)
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>105,314</b>	77,186

Approved and authorised for issue by the Board of Directors on 23 March 2018.

**Hung Tat Chi Alan**  
洪達智  
Director  
董事

經由董事會於二零一八年三月二十三日批准及授權刊發。

**Ling Ko Yin Jason**  
林高然  
Director  
董事

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 39. STATEMENT OF FINANCIAL POSITION (CONTINUED) 39. 財務狀況表(續)

The reserve of the Company is as follow:

本公司儲備如下：

		Convertible notes reserve 可換股 票據儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2015 and at 1 January 2016	於二零一五年十二月三十一日 及二零一六年一月一日	11,063	(788,361)	(777,298)
Issuance of New Share due to conversion of Convertible Notes	因兌換可換股票據 而發行新股份	(11,063)	—	(11,063)
Issuance of new convertible bonds	發行新可換股債券	3,433	—	3,433
Loss for the year	年內虧損	—	(97,219)	(97,219)
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	3,433	(885,580)	(882,147)
Issuance of placed share	發行配售股份	—	—	41,160
Issuance of New Share due to conversion of Convertible Notes	因兌換可換股票據 而發行新股份	(584)	—	(584)
Issuance of new convertible bonds	發行新可換股債券	3,336	—	3,336
Loss for the year	年內虧損	—	(30,632)	(30,632)
At 31 December 2017	於二零一七年十二月三十一日	6,185	(916,212)	(910,027)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES

The details of principal subsidiaries are set as follows:

### 40. 主要附屬公司之權益詳情

主要附屬公司之詳情載列如下：

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Group's effective holding 本集團實際持有		
			2017 二零一七年	2016 二零一六年	
Progress Gain Resources Limited 陞益資源有限公司	Hong Kong 香港	100 shares of HK\$50,000 each 100股每股面值50,000港元之股份	100% (Indirect) (間接)	100% (Indirect) (間接)	Trading 貿易
Mega Field International Limited 偉大國際有限公司	Hong Kong 香港	1 share of HK\$1 each 1股每股面值1港元之股份	100% (Direct) (直接)	100% (Direct) (直接)	Fashion Garment 時尚服裝
Ottoman Evershine Construction	Turkey 土耳其	Paid up capital of US\$50,000 繳足股本50,000美元	100% (Indirect) (間接)	100% (Indirect) (間接)	Investment holdings 投資控股
Ottoman Evershine Finance Limited 奧斯曼財務有限公司	Hong Kong 香港	1 share of HK\$1 each 1股每股面值1港元之股份	100% (Indirect) (間接)	100% (Indirect) (間接)	Money Lending 放債
Pro-King Corporation Limited 博御有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值 1港元之股份	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股
鑫盛國際貿易(深圳)有限公司	PRC 中國	Registered capital of RMB8,000,000 註冊資本人民幣8,000,000元	100% (Indirect) (間接)	100% (Indirect) (間接)	Trading 貿易
Prosperous Link Investments Limited	British Virgin Island 英屬處女群島	50,000 ordinary shares of US\$1 each 50,000股每股面值 1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 40. 主要附屬公司之權益詳情(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Group's effective holding 本集團實際持有		
			2017 二零一七年	2016 二零一六年	
Patalogue Limited 派得樂有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值 1港元之股份	100% (Direct) (直接)	100% (Direct) (直接)	Mobile application business 手機應用程式業務
Vital Fortune International Investment Limited 福生國際投資有限公司	British Virgin Island 英屬處女群島	50,000 ordinary shares of US\$1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股
Fortune Ford Limited 福永高有限公司	Hong Kong 香港	10,001 shares of total HK\$10,492,837 10,001股股份 (合共10,492,837港元)	100% (Indirect) (間接)	100% (Indirect) (間接)	Investment holdings 投資控股
鄭州鼎望瀚鑫貿易有限公司 (note i) (附註 i)	PRC 中國	Registered capital US\$1,000,000 註冊資本1,000,000美元	100% (Indirect) (間接)	100% (Indirect) (間接)	Investment holdings 投資控股
柘城縣襄安陵有限公司 (note ii) (附註 ii)	PRC 中國	Registered capital RMB1,000,000 註冊資本人民幣1,000,000元	90% (Indirect) (間接)	90% (Indirect) (間接)	Construction and development of Cemetery 公墓建設及開發
Ottoman Evershine Holdings Limited 奧斯曼控股有限公司	British Virgin Island 英屬處女群島	50,000 ordinary shares of US\$1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Investment holdings 投資控股
Maxwise Limited 名慧有限公司	Hong Kong 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	55% (Indirect) (間接)	55% (Indirect) (間接)	Trading of chrome ore 鉻礦交易
Sharp Pick Ventures Limited	British Virgin Island 英屬處女群島	50,000 ordinary shares of US\$1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Rental service 租賃服務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 40. 主要附屬公司之權益詳情(續)

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 經營地點	Particulars of issued/registered and paid up capital 已發行/註冊及 實繳股本詳情	Proportion of ownership interest 所有權權益比例		Principal activity 主要業務
			Group's effective holding 本集團實際持有		
			2017 二零一七年	2016 二零一六年	
Spring Hero Development Limited	British Virgin Island 英屬處女群島	50,000 ordinary shares of US\$1 each 50,000股每股面值1美元之普通股	100% (Direct) (直接)	100% (Direct) (直接)	Rental service 租賃服務

**Notes:**

- (i) Registered under the laws of the PRC as wholly foreign-owned enterprise.
- (ii) Registered under the laws of the PRC as limited liability enterprise.

**附註：**

- (i) 根據中國法律註冊為外商獨資企業。
- (ii) 根據中國法律註冊為有限責任企業。

#### Details of non-wholly owned subsidiaries that have material non-controlling interests

The summarised financial information below represents amounts before intragroup eliminations:

#### 擁有重大非控股權益之非全資附屬公司詳情

下列財務資料概要乃經扣除集團內公司間撇銷前之金額：

柘城縣襄安陵有限公司

柘城縣襄安陵有限公司

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current assets	流動資產	6,016	7,098
Non-current assets	非流動資產	115,389	112,317
Current liabilities	流動負債	(18,719)	(12,691)
Non-current liabilities	非流動負債	—	—
Equity attributable to shareholders of the Company	本公司股東應佔權益	92,417	96,051
Non-controlling interests	非控股權益	10,269	10,673

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

柘城縣襄安陵有限公司

### 40. 主要附屬公司之權益詳情(續)

柘城縣襄安陵有限公司

		Year ended 31 December 2017 截至 二零一七年 十二月三十一日 止年度 HK\$'000 千港元	Year ended 31 December 2016 截至 二零一六年 十二月三十一日 止年度 HK\$'000 千港元
Revenue	收益	9	9
Expenses	開支	(5,642)	(2,416)
Loss for the period	期內虧損	(5,633)	(2,407)
Loss attributable to non-controlling interests	非控股權益應佔虧損	(563)	(241)
Net cash inflow/(outflow) from:	現金流入/(流出)淨額：		
Operating activities	經營活動	1,082	5,911
Investing activities	投資活動	(6,594)	(3,412)
Financing activities	融資活動	9	9
Net cash outflow	現金流出淨額	(5,503)	(2,508)

### 41. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017

Up to the date of issue of these financial statements, the HKICPA has issued a few amendments and new standards which are not yet effective for the year ended 31 December 2017 and which have not been adopted in these financial statements. These include the following which may be relevant to the Group:

### 41. 已發佈但尚未於截至二零一七年十二月三十一日止年度生效的修訂、新準則及詮釋可能帶來的影響

截至本財務報表刊發日期，香港會計師公會已頒佈惟並未於截至二零一七年十二月三十一日止年度生效的多項修訂及新準則，而本集團並未在本財務報表中採用此等修訂及新準則。其中可能與本集團相關的準則變化如下：



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

#### New and revised HKFRSs that are not mandatorily effective for the current year

The Group has not applied any of the following new and revised HKFRSs that have been issued but are not yet mandatorily effective:

Annual Improvements Project HKFRS 1 and HKAS 28 HKFRS 2	Annual Improvements 2014-2016 Cycle (amendments) <sup>1</sup>
HKFRS 4	Classification and Measurement of Share-based Payment Transactions (amendments) <sup>1</sup>
HKFRS 9	Applying HKFRS 9 Financial Instruments with HKFRS 3 Insurance Contracts (amendments) <sup>1</sup>
HKFRS 15	Financial Instruments (new standard) <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers (new standard) <sup>1</sup>
HKFRS 15	Clarifications to HKFRS 15 (amendments) <sup>1</sup>
HKAS 40	Transfers of Investment Property (amendments) <sup>1</sup>
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration (new interpretation) <sup>1</sup>
HKFRS 9	Prepayment Features with Negative Compensation (amendments) <sup>2</sup>
HKFRS 16	Leases (new standard) <sup>2</sup>
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments (new interpretation) <sup>2</sup>
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments) 3

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2018

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2019

<sup>3</sup> A date to be determined by the IASB

The above new and revised HKFRSs does not have any impact to the Company's financial statements.

### 42. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 23 March 2018.

### 41. 已發佈但尚未於截至二零一七年十二月三十一日止年度生效的修訂、新準則及詮釋可能帶來的影響(續)

本年度並無強制生效之新訂及經修訂香港財務報告準則

本集團並無應用下列任何已頒佈但尚未強制生效之新訂及經修訂香港財務報告準則：

年度改進項目香港財務報告準則第1號及香港會計準則第28號	二零一四年至二零一六年週期之年度改進(修訂本) <sup>1</sup>
香港財務報告準則第2號	以股份支付交易之分類及計量(修訂本) <sup>1</sup>
香港財務報告準則第4號	香港財務報告準則第9號金融工具與香港財務報告準則第3號保險合約一併應用(修訂本) <sup>1</sup>
香港財務報告準則第9號	財務工具(新準則) <sup>1</sup>
香港財務報告準則第15號	來自客戶合約之收益(新準則) <sup>1</sup>
香港財務報告準則第15號	澄清香港財務報告準則第15號(修訂本) <sup>1</sup>
香港會計準則第40號	投資物業轉讓(修訂本) <sup>1</sup>
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及預付代價(新詮釋) <sup>1</sup>
香港財務報告準則第9號	附帶負補償之預付款項(修訂本) <sup>2</sup>
香港財務報告準則第16號	租賃(新準則) <sup>2</sup>
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅項處理之不確定因素(新詮釋) <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號	投資者與其聯營公司或合營公司間之資產出售或注資(修訂本) <sup>3</sup>

<sup>1</sup> 於二零一八年一月一日或之後開始之年度期間生效

<sup>2</sup> 於二零一九年一月一日或之後開始之年度期間生效

<sup>3</sup> 待國際會計準則理事會釐定之日期

上述新訂及經修訂香港財務報告準則對本公司財務報表概無任何影響。

### 42. 批准財務報表

綜合財務報表已於二零一八年三月二十三日經董事會批准及授權刊發。

# FIVE YEARS FINANCIAL SUMMARY

## 五年財務概要

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### FIVE YEARS FINANCIAL SUMMARY

### 五年財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out below:

本集團過往五個財政年度之業績以及資產及負債概要載列如下：

		For the year ended 31 December 截至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)	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元 (Re-presented) (經重列)
Revenue from continuing operations	來自持續經營業務之收益	27,948	135,462	72,900	45,792	32,703
Loss before taxation	除稅前虧損	(69,329)	(68,546)	(29,866)	(19,648)	(49,059)
Profit from discontinued operations	來自已終止業務之溢利	580	2,706	16,108	(3,520)	(5,511)
Taxation	稅項	—	916	228	20	(12)
Loss for the year	本年度虧損	(68,749)	(64,924)	(13,530)	(23,148)	(54,582)
Net loss from ordinary activities attributable to shareholders	下列各項之日常業務虧損淨額 股東應佔	(66,961)	(65,399)	(11,996)	(19,926)	(50,582)
attributable to non-controlling interests	非控股權益應佔	(1,788)	475	(1,534)	(3,222)	(4,000)

		As at 31 December 於十二月三十一日				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Total assets	總資產	419,453	421,923	308,576	131,701	112,775
Total liabilities	總負債	(232,112)	(227,441)	(91,809)	(94,965)	(52,842)
Non-controlling interests	非控股權益	(10,354)	(12,667)	(8,701)	19,657	16,435
		176,987	181,815	208,066	56,393	76,368



Evershine Group Holdings Limited  
永耀集團控股有限公司