



Dafeng Port Heshun Technology Company Limited

大豐港和順科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號:8310

Annual Report 年報
2017

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香港聯合交易所有限公司GEM之特色

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由於GEM上市之公司新興之性質所然，在GEM買賣之證券可能會較於主板買賣之證券承受較大之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

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本報告之資料乃遵照聯交所GEM證券上市規則（「GEM上市規則」）之規定而刊載，旨在提供有關大豐港和順科技股份有限公司（「本公司」）之資料，本公司各董事（「董事」）願就本報告共同及個別地承擔全部責任。各董事在作出一切合理查詢後，確認就其所深知及確信，本報告所載資料在各重要方面均屬準確及完備，且無誤導或欺詐成分，亦無遺漏任何其他事項，足以令致本報告或其所載任何陳述產生誤導。

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BOARD OF DIRECTORS**Executive Directors**

Mr. Ni Xiangrong (*Chairman*)
Mr. Shum Kan Kim
Mr. Pan Jian
Mr. Sun Lin

Non-executive Directors

Mr. Ji Longtao
Mr. Yang Yue Xia

Independent Non-executive Directors

Dr. Bian Zhaoxiang
Mr. Lau Hon Kee
Mr. Yu Xugang
Mr. Zhang Fangmao

AUDIT COMMITTEE

Mr. Lau Hon Kee (*Chairman*)
Dr. Bian Zhaoxiang
Mr. Zhang Fangmao

NOMINATION COMMITTEE

Mr. Ni Xiangrong (*Chairman*)
Mr. Lau Hon Kee
Mr. Zhang Fangmao

REMUNERATION COMMITTEE

Dr. Bian Zhaoxiang (*Chairman*)
Mr. Lau Hon Kee
Mr. Pan Jian

COMPANY SECRETARY

Ms. Xu Jing

COMPLIANCE OFFICER

Mr. Shum Kan Kim

董事會**執行董事**

倪向榮先生 (*主席*)
沈勤儉先生
潘健先生
孫林先生

非執行董事

吉龍濤先生
楊越夏先生

獨立非執行董事

卞兆祥博士
劉漢基先生
于緒剛先生
張方茂先生

審核委員會

劉漢基先生 (*主席*)
卞兆祥博士
張方茂先生

提名委員會

倪向榮先生 (*主席*)
劉漢基先生
張方茂先生

薪酬委員會

卞兆祥博士 (*主席*)
劉漢基先生
潘健先生

公司秘書

徐靜女士

合規主任

沈勤儉先生

CORPORATE INFORMATION

公司資料

AUTHORISED REPRESENTATIVES

Mr. Shum Kan Kim
Ms. Xu Jing

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

LEGAL ADVISER

Howse Williams Bowers
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Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, PO Box 1586
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Cayman Islands

授權代表

沈勤儉先生
徐靜女士

註冊辦事處

Cricket Square
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Grand Cayman, KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

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核數師

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執業會計師
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股份過戶登記總處

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(Cayman) Limited
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Cayman Islands

**HONG KONG BRANCH SHARE REGISTRAR
AND TRANSFER OFFICE**

Tricor Investor Services Limited
Level 22
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183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

Nanyang Commercial Bank, Ltd
China Citic Bank International Limited
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.

STOCK CODE

8310

COMPANY WEBSITE

www.dfport.com.hk

香港股份過戶登記分處

卓佳證券登記有限公司
香港
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主要往來銀行

南洋商業銀行有限公司
中信銀行(國際)有限公司
中國銀行(香港)有限公司
交通銀行股份有限公司

股份代號

8310

公司網站

www.dfport.com.hk

CHAIRMAN'S STATEMENT

主席報告

Dear shareholders,

On behalf of the board of Directors (the "Board"), I am pleased to present the annual report of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2017 (the "Year").

During the Year, the Company carried out a number of significant corporate activities to streamline the integrated logistics freight services, actively developing and expanding trading business and petrochemical products storage which has enhanced the growth of the business and asset base as well as broadened the income stream of the Group.

During the Year, the Company carried out the reorganisation of the integrated logistics freight services business. The Company completed the disposal of 49% of the issued share capital in Gamma Logistics (B.V.I.) Corporation ("Gamma Logistics") (the "Gamma Disposal") on 11 April 2017 to introduce new elements and to bring new business opportunities to the Group. Upon completion of the Gamma Disposal, Gamma Logistics became a direct non-wholly owned subsidiary of the Company.

Upon completion of the Gamma Disposal, in order to further streamline the integrated logistics freight services, the Company completed the disposal of the entire equity interest in Dafeng Harbour Port Logistics Company Limited ("Dafeng Logistics") (the "Dafeng Logistics Disposal") on 30 June 2017. The Dafeng Logistics Disposal brought a revenue of approximately HK\$12,844,000 to the Group and enabled the Group to focus its financial resources on other businesses.

In respect of the trading business, the Company completed the disposal of 49% of equity interest in Qianhai Mingtian Supply Chain (Shenzhen) Company Limited* ("Qianhai Mingtian") (the "Qianhai Mingtian Disposal") on 16 May 2017 in order to obtain long term support from Mr. Wu Heng ("Mr. Wu") to the future development of Qianhai Mingtian and to avoid any share dilution of the Company due to allotment. During the Year, Qianhai Mingtian maintained a growth rate exceeding that of the corresponding period of last year, bringing material positive effect to the business income and profitability of the Group.

各位股東：

本人謹代表董事會(「**董事會**」)欣然呈報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年度(「**本年度**」)之年報。

於本年度，本公司進行多項重大公司活動以精簡綜合物流貨運服務、積極發展與擴大貿易業務及石化倉儲業務，此舉已推動本集團業務及資產增長，以及拓闊其收入來源。

於本年度，本公司對綜合物流貨運服務業務進行了重組。本公司於二零一七年四月十一日完成出售伽瑪物流(B.V.I.)集團(「**伽瑪物流**」)49%已發行股本(「**伽瑪出售事項**」)以引入新因素及為本集團帶來新商機。伽瑪出售事項完成後，伽瑪物流成為本公司之直接非全資附屬公司。

伽瑪出售事項完成後，為進一步精簡綜合物流貨運服務，本公司於二零一七年六月三十日完成出售大豐海港港口物流有限公司(「**大豐物流**」)全部股權(「**大豐物流出售事項**」)。大豐物流出售事項為本集團產生約12,844,000港元的收益並使本集團能將財務資源集中於其他業務。

於貿易業務方面，本公司於二零一七年五月十六日完成出售前海明天供應鏈(深圳)有限公司(「**前海明天**」)49%股權(「**前海明天出售事項**」)以取得吳衡先生(「**吳先生**」)對前海明天未來發展的長期支持與避免因配發而引起的本公司任何股權攤薄。於本年度，前海明天保持著超出去年同期增長水平的增速，對本集團的營業收入和盈利能力帶來了重大的正面影響。

Upon completion of the Qianhai Mingtian Disposal, to further expand the trading business, the Company completed the acquisition of 51% equity interest in 天津聯企成石油製品銷售有限公司 (Tianjin Lian Qi Cheng Petroleum Products Trading Company Limited*) ("Tianjin Lian Qi Cheng") by injecting capital of RMB10,200,000 (equivalent to HK\$11,730,000) (the "Tianjin Lian Qi Cheng Acquisition") on 30 June 2017. Tianjin Lian Qi Cheng holds the operating permit of selling petrochemical and dangerous products and thus the Group can expand into the petrochemical products trading business.

Meanwhile, the Company currently focuses on expanding the petrochemical products storage business. On 11 January 2017, the Company entered into an agreement with 中國核工業第五建設有限公司 (China Nuclear Industry Fifth Construction Company Limited*) ("China Nuclear") in respect of the construction of petrochemical storage tanks of total 80,000 M³. It is expected that the increase in facilities and capacity of the storage tank of 江蘇中南匯石化倉儲有限公司 (Jiangsu Zhongnanhui Petrochemical Storage Company Limited*) ("Zhongnanhui") will bring new opportunities to the Group's increase in profit level in the medium to long term.

Looking forward, the Group will focus on expanding its trading business and petrochemical products storage business. In this regard, the Group has tapped into the petrochemical products trading business and commenced the construction of new storage facilities for petrochemical products, with a view to diversifying the revenue stream and business portfolio of the Group. The Group will also review and assess potential projects or investments on a reliable basis to strengthen its performance and enhance the interests of the shareholders of the Company.

The Board believes the business of the Group is developing well and is confident of the business prospects of the Group.

Finally, I would like to express my heartfelt appreciation to our shareholders, investors and partners for their strong support. I would also like to express my gratitude to our Directors and all employees of the Group for their diligent and valuable contributions.

Ni Xiangrong
Chairman

前海明天出售事項完成後，為進一步拓展貿易業務，本公司於二零一七年六月三十日透過注資人民幣10,200,000元（相當於11,730,000港元）完成收購天津聯企成石油製品銷售有限公司（「天津聯企成」）51%股權（「天津聯企成收購事項」）。天津聯企成擁有石化及危化產品銷售經營許可證，使本集團得以拓展至石化產品貿易業務。

同時本公司正專注於擴大石化倉儲業務，本公司於二零一七年一月十一日與中國核工業第五建設有限公司（「中國核工」）訂立有關建造80,000立方米之石化倉儲池協議。可以預期，江蘇中南匯石化倉儲有限公司（「中南匯」）倉儲池的建設與倉儲容量的增加將為本集團中長期盈利水平的提升帶來新的機會。

展望未來，本集團將專注於擴展其貿易業務及石化產品倉儲業務。就此，本集團已進軍石化產品貿易業務並開始建設新石化儲存庫，務求多元化擴大本集團收益來源及業務組合。本集團亦將按可靠原則檢討及評估潛在項目或投資，以改善其業務表現及提升本公司股東利益。

董事會相信，本集團業務正朝着良好方面發展，並對本集團業務前景充滿信心。

最後，承蒙股東、投資者及業務夥伴鼎力支持，本人謹此致以衷心謝意。董事及本集團全體僱員辛勤付出及作出寶貴貢獻，本人亦謹此衷心致謝。

主席
倪向榮

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

During the Year, the Group is principally engaged in trading business, the provision of integrated logistics freight services and the relevant supporting services as well as petrochemical products storage business.

Our major business activities can be divided into below categories during the Year:

1. Trading Business

The Group is engaged in the trading and import and export businesses of electronic products, petrochemical products and other products. During the Year, the Group's trading business recorded revenue of approximately HK\$3,147.9 million (2016: approximately HK\$303.8 million). The increase in revenue was mainly attributable to the acquisition of Tianjin Lian Qi Cheng and 珠海恒豐和順石化有限公司 (Zhuhai Heng Feng Heshun Petrochemical Company Limited*) ("Zhuhai Heng Feng"), and the trading business of subsidiaries maintained a growth rate exceeding that of the corresponding period of last year.

On 6 March 2017, Dafeng Port Heshun International Investment Limited (大豐港和順國際投資有限公司) ("Heshun International"), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement (the "Equity Transfer Agreement") with 深圳市正億企業管理有限公司 (Shenzhen Zhengyi Enterprise Management Company Limited*) ("Zhengyi Enterprise"). Pursuant to the Equity Transfer Agreement, Zhengyi Enterprise agreed to purchase and Heshun International agreed to sell 49% of the equity interest in Qianhai Mingtian at a consideration of Mr. Wu Heng (吳衡) ("Mr. Wu") entering into a deed of termination (the "Deed of Termination"), pursuant to which, among other things, the Company was released from its obligations to allot new shares of the Company to Mr. Wu under a subscription agreement dated 19 June 2016 (the "Subscription Agreement") upon completion of the Qianhai Mingtian Disposal. The Qianhai Mingtian Disposal was completed on 16 May 2017. Upon completion of the Disposal, Qianhai Mingtian became an indirect non-wholly owned subsidiary of the Company.

業務回顧

於本年度，本集團主要從事貿易業務、提供綜合物流貨運服務及有關配套服務以及石化產品倉儲業務。

於本年度，本集團主要業務活動可分為以下類別：

1. 貿易業務

本集團從事電子產品、石化產品及多種其他產品之貿易及進出口業務。於本年度，本集團貿易業務錄得收益約3,147,900,000港元(二零一六年：約303,800,000港元)。收益增加主要由於收購天津聯企成及珠海恒豐和順石化有限公司(「珠海恒豐」)以及附屬公司之貿易業務保持著超出去年同期增長水平之增速。

於二零一七年三月六日，本公司之間接全資附屬公司大豐港和順國際投資有限公司(「和順國際」)與深圳市正億企業管理有限公司(「正億企業」)訂立股權轉讓協議(「股權轉讓協議」)。根據股權轉讓協議，正億企業同意購買而和順國際同意出售前海明天49%股權，代價為吳衡先生(「吳先生」)訂立終止契據(「終止契據」)，據此，(其中包括)本公司獲解除於前海明天出售事項完成時根據日期為二零一六年六月十九日之認購協議(「認購協議」)向吳先生配發本公司新股份之責任。前海明天出售事項於二零一七年五月十六日完成。出售事項完成後，前海明天成為本公司之間接非全資附屬公司。

On 22 May 2017, 鹽城大豐和順國際貿易有限公司 (Yancheng Dafeng Heshun International Trading Company Limited*) (“Heshun Trading”), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement for acquisition of 51% of the equity interest in Tianjin Lian Qi Cheng with Mr. Shang Dezhao and Mr. Shang Deli by injecting RMB10,200,000 (equivalent to HK\$11,730,000). Tianjin Lian Qi Cheng is principally engaged in (among others) selling petrol, kerosene, diesel, coal tar, liquefied petroleum gas without storage operations, petrochemical products and raw materials, and lubricants, etc. As at the reporting date, Heshun Trading and Mr. Shang Dezhao currently beneficially own 51% and 49% equity interest in Tianjin Lian Qi Cheng, respectively. Tianjin Lian Qi Cheng is still a subsidiary of the Company.

2. Integrated Logistics Freight Services

During the Year, the Group’s revenue from integrated logistics freight services recorded a decrease of approximately 1.03% to approximately HK\$229.5 million (2016: approximately HK\$231.9 million).

In view of the substantial losses incurred by the integrated logistics freight services over the years, the Group intends to shift its focus from integrated logistics freight services to the expanding trading business and petrochemical products storage business.

On 13 March 2017, the Company and Wharf Limited entered into an agreement (the “Gamma Disposal Agreement”) for disposal of 49% of the issued share capital of Gamma Logistics, pursuant to which the Company has conditionally agreed to sell, and Wharf Limited has conditionally agreed to purchase, 49% of the issued share capital of Gamma Logistics at a consideration of HK\$8.5 million. The Gamma Disposal was completed on 11 April 2017. Upon completion of the Gamma Disposal, Gamma Logistics became a direct non-wholly owned subsidiary of the Company.

On 13 June 2017, Heshun Trading, an indirect wholly-owned subsidiary of the Company, and 大豐市新潤通物流有限公司 (Dafeng City Xin Run Tong Logistics Company Limited*) (“Dafeng City Xin Run Tong”), among others, entered into an agreement for the disposal of the entire equity interest of Dafeng Logistics, pursuant to which Heshun Trading has conditionally agreed to sell, and Dafeng City Xin Run Tong has conditionally agreed to purchase, the entire equity interest in Dafeng Logistics at a consideration of RMB52 million together with an interest calculated based on an annual interest rate of 4.35% of such amount from 13 July 2016 to the date of payment (exclusive of both dates). The Dafeng Logistics Disposal was completed on 30 June 2017. Upon completion of the Dafeng Logistics Disposal, Dafeng Logistics ceased to be a subsidiary of the Company. A gain on disposal of approximately HK\$12,844,000 was recorded in profit or loss during the Year.

於二零一七年五月二十二日，本公司之間接全資附屬公司鹽城大豐和順國際貿易有限公司(「和順貿易」)與商德照先生及商德利先生訂立股權轉讓協議，透過注資人民幣10,200,000元(相當於11,730,000港元)收購天津聯企成51%股權。天津聯企成主要從事(其中包括)汽油、煤油、柴油、煤焦油、液化石油氣無存儲經營，石化產品及原材料、潤滑油等銷售。於本報告日，和順貿易與商德照先生現分別實益持有天津聯企成51%及49%的權益。天津聯企成仍為本公司之附屬公司。

2. 綜合物流貨運服務

於本年度，本集團綜合物流貨運服務收益減少約1.03%至約229,500,000港元(二零一六年：約231,900,000港元)。

基於綜合物流貨運服務於過去數年為本集團帶來重大損失，本集團擬將重心自綜合物流貨運服務轉移至正在擴大之貿易業務及石化產品倉儲業務。

於二零一七年三月十三日，本公司與Wharf Limited訂立出售伽瑪物流49%已發行股本的協議(「伽瑪出售協議」)，據此，本公司同意有條件出售而Wharf Limited同意有條件購買伽瑪物流49%已發行股本，代價為8,500,000港元。伽瑪出售事項於二零一七年四月十一日完成。伽瑪出售事項完成後，伽瑪物流成為本公司之直接非全資附屬公司。

於二零一七年六月十三日，本公司之間接全資附屬公司和順貿易與大豐市新潤通物流有限公司(「大豐市新潤通」)(其中包括)訂立出售大豐物流全部股權的協議，據此，和順貿易有條件同意出售而大豐市新潤通有條件同意購買大豐物流全部股權，代價為人民幣52,000,000元連同有關款項自二零一六年七月十三日起至付款日期(不包括首尾兩日)按年利率4.35%計算之利息。大豐物流出售事項於二零一七年六月三十日完成。大豐物流出售事項完成後，大豐物流不再為本公司附屬公司。於本年度損益錄得出售收益約12,844,000港元。

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3. Supporting Services

The Group's income from supporting services, which comprised provision of fuel cards, tractor repair and maintenance services and insurance agency services, increased from approximately HK\$27.1 million for the year ended 31 December 2016 to approximately HK\$34 million for the Year.

(a) Provision of fuel cards

During the Year, the increase in the Group's supporting services income was mainly driven by the increase in income from provision of fuel cards of approximately 27.2% to approximately HK\$33.7 million (2016: approximately HK\$26.5 million). The Group will continue to increase marketing efforts for the promotion discount offered to our clients.

(b) Tractor repair and maintenance services and insurance agency services

Tractor repair and maintenance services and insurance agency services, albeit their contribution to the Group's revenue being relatively insignificant, served as major types of value-added-services to our land and ocean freight clients during the Year. The relevant revenue decreased by approximately 54.0% to approximately HK\$267,000 (2016: approximately HK\$581,000) during the Year as compared with last year.

4. Petrochemical Products Storage Business

The Group is engaged in petrochemical products storage business through Zhongnanhui. During the Year, the Group's petrochemical products storage business recorded revenue of approximately HK\$13.2 million (2016: approximately HK\$936,000). The increase in revenue was mainly attributable to the increase in capacity of petrochemical storage tanks and the full load operation with the facilities.

3. 配套服務

本集團來自配套服務(包括提供燃料卡、牽引車維修及保養服務以及保險代理服務)之收益由截至二零一六年十二月三十一日止年度約27,100,000港元增至本年度約34,000,000港元。

(a) 提供燃料卡

於本年度，本集團配套服務之收益增加主要受來自提供燃料卡之收益增加約27.2%至約33,700,000港元(二零一六年：約26,500,000港元)推動。本集團將繼續透過向客戶提供推廣折扣而加大市場推廣力度。

(b) 牽引車維修及保養服務以及保險代理服務

儘管牽引車維修及保養服務以及保險代理服務對本集團之收益貢獻相對較小，期內，該兩項服務為我們向陸路及海洋貨運服務客戶提供之主要增值服務類別。相較去年，於本年度相關收益減少約54.0%至約267,000港元(二零一六年：約581,000港元)

4. 石化產品倉儲業務

本集團透過中南滙從事石化產品倉儲業務。於本年度，本集團之石化產品倉儲業務錄得收益約13,200,000港元(二零一六年：約936,000港元)。收益增加主要由於石化倉儲池容量增加及建設全面投入營運。

OUTLOOKS

Reference is made to the composite document issued by Dafeng Port Overseas Investment Holdings Limited (“Dafeng Port Overseas”) and the Company (formerly known as Gamma Logistics Corporation) on 18 February 2015. After completion of the acquisition of the controlling interest in the shares (the “Shares”) of the Company, Dafeng Port Overseas has conducted a detailed review of the operations of the Group with a view to developing suitable business strategy to enhance the growth of its business and asset base as well as to broaden its income scheme. Based on such review, the Group decided to implement the strategy of expanding its scope of business and diversifying its core business by providing a more integrated logistics freight services and enhancing its capacity. Such expansion depends on the expertise and knowledge of Dafeng Port Overseas as well as the assets and businesses injected into the Group by Dafeng Port Overseas.

During the Year, the Group completed the disposal of 49% equity interest in Qianhai Mingtian, 49% of the issued share capital of Gamma Logistics and the entire equity interest of Dafeng Logistics, and the acquisition of 51% equity interest in Tianjin Lian Qi Cheng. The Group has also entered into a memorandum of understanding with two companies respectively in relation to the proposed acquisition of a PRC corporation. Considering the current status of Dafeng Port Economic Development Zone, the Group believes that it is beneficial for the Group to further invest in the development of port facilities. In this regard, the Group entered into a contract in 1 February 2018 for the construction and repair of a group of petrochemical storage tanks of total 80,000 M³ and various fire services upgrade.

In view of the substantial losses incurred by the integrated logistics freight services over the years, the Group intends to shift its focus from integrated logistics freight services to the expanding trading business and petrochemical products storage business. In this regard, the Group has tapped into the petrochemical products trading business and commenced the construction of new storage facilities for petrochemical products, with a view to diversifying the revenue stream and business portfolio of the Group.

The Group will also review and assess potential projects or investments on a reliable basis to strengthen its performance and enhance the interests of the shareholders of the Company.

展望

茲提述大豐港海外投資控股有限公司(「大豐港海外」)與本公司(前稱伽瑪物流集團)於二零一五年二月十八日所刊發之綜合文件。完成收購本公司股份(「股份」)之控股權益後，大豐港海外已詳盡審閱本集團之業務運作，以制訂合適業務策略推動其業務及資產增長，以及拓闊其收入來源。根據有關審閱，本集團決定實施策略，透過提供更加一體化之物流貨運服務及加強提供有關服務之能力以擴大其業務範疇及多元化發展其核心業務。有關擴展將取決於大豐港海外之專業技術及知識，以及大豐港海外向本集團注入資產及業務。

於本年度，本集團完成出售前海明天49%股權、伽瑪物流49%已發行股本及大豐物流全部股權及收購天津聯企成51%股權。本集團亦已就建議收購一間中國公司與兩間公司各自訂立諒解備忘錄。考慮到大豐經濟開發區之現況，本集團認為進一步投資發展港口設施對本集團有利。就此，本集團已於二零一八年二月一日訂約建造及維修一組合共80,000立方米之石化倉儲池並進行多項消防更新。

基於綜合物流貨運服務於過去數年為本集團帶來重大損失，本集團擬將重心自綜合物流貨運服務轉移至正在擴展之貿易業務及石化產品倉儲業務。就此，本集團已進軍石化產品貿易業務並開始建設新石化儲存庫，務求多元化擴大本集團收益來源及業務組合。

本集團亦將按可靠原則檢討及評估潛在項目或投資，以改善其業務表現及提升本公司股東利益。

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FINANCIAL REVIEW

The Group's revenue increased by approximately 507.5% to approximately HK\$3,424.6 million for the Year (2016: approximately HK\$563.7 million). The increase in revenue was mainly attributable to the increase in revenue of the Group's trading business.

The Group's cost of sales increased by approximately 534.8% to approximately HK\$3,330.1 million for the Year (2016: approximately HK\$524.6 million), which was mainly driven by the increase in cost of the trading business.

With the combined effects of revenue and cost of sales, the Company's gross profit margin decreased to approximately 2.8% for the Year (2016: approximately 6.9%), which was mainly attributable to the low profit margin of the Group's trading business.

The Group's finance costs amounted to approximately HK\$17.2 million for the Year (2016: HK\$2.2 million), including interest on bank loans, overdrafts, other borrowings and interest on amounts due to connected companies as well as the finance charge on obligations under finance leases.

The Group recorded profit for the Year of approximately HK\$1.4 million (2016: Loss of approximately HK\$37.1 million). The profit attributable to the equity holders of the Company was approximately HK\$0.2 million (2016: Loss of approximately HK\$37.0 million) and the earnings per Share was HK cents 0.01 (2016: Loss per Share of HK cents 3.03).

Liquidity and financial resources

As at 31 December 2017, the Group had net current assets of approximately HK\$74.9 million (2016: net current liabilities of approximately HK\$11.6 million), including bank balances and cash equivalents of approximately HK\$61.7 million (2016: approximately HK\$36.1 million).

The Group's equity capital and bank and other borrowings have been applied to fund its working capital and other operational needs. The Group's current ratio as at 31 December 2017 was approximately 1.08 (2016: 0.97).

As at 31 December 2017, the Group's gearing ratio (defined as the ratio of total interest-bearing borrowings to total equity) was approximately 182.3% (2016: 37.2%).

Capital structure

As at 31 December 2017, the Group's total equity attributable to equity holders of the Company amounted to approximately HK\$161.1 million (2016: approximately HK\$163.4 million). The capital of the Company mainly comprises ordinary share capital, share premium and capital reserves.

財務回顧

於本年度，本集團之收益增加約507.5%至約3,424,600,000港元(二零一六年：約563,700,000港元)。收益增加主要由於本集團貿易業務之收益增加。

於本年度，本集團之銷售成本增加約534.8%至約3,330,100,000港元(二零一六年：約524,600,000港元)，主要受貿易業務之成本增加帶動。

在收益及銷售成本之共同影響下，本公司於本年度之毛利率跌至約2.8%(二零一六年：約6.9%)，主要由於本集團貿易業務之利潤率低所致。

於本年度，本集團之融資成本約為17,200,000港元(二零一六年：2,200,000港元)，融資成本包括銀行貸款、透支、其他借貸之利息及應付關連公司款項之利息以及融資租賃承擔之融資費用。

本集團於本年度錄得溢利約1,400,000港元(二零一六年：虧損約37,100,000港元)。本公司權益持有人應佔溢利約為200,000港元(二零一六年：虧損約37,000,000港元)，而每股盈利則為0.01港仙(二零一六年：每股虧損3.03港仙)。

流動資金及財務資源

於二零一七年十二月三十一日，本集團之流動資產淨額約為74,900,000港元(二零一六年：流動負債淨值約為11,600,000港元)，包括銀行結餘及現金等價物約61,700,000港元(二零一六年：約36,100,000港元)。

本集團之股本以及銀行及其他借貸已用作為其營運資金及其他營運需要提供資金。本集團於二零一七年十二月三十一日之流動比率約為1.08(二零一六年：0.97)。

於二零一七年十二月三十一日，本集團之資產負債比率(定義為計息借貸總額對權益總額之比率)約為182.3%(二零一六年：37.2%)。

資本架構

於二零一七年十二月三十一日，本集團之本公司權益持有人應佔權益總額約為161,100,000港元(二零一六年：約163,400,000港元)。本公司之資本主要包括普通股本、股份溢價及資本儲備。

Dividend

The Board did not recommend the payment of any dividend in respect of the Year (2016: Nil).

Significant investment, material acquisitions and disposals

On 11 January 2017, Zhongnanhui entered into the Construction Agreement with China Nuclear for the construction of four groups of petrochemical storage tanks of total 80,000 M³ for a total consideration of approximately RMB43.20 million. During the Year, the Company did not carry out other material investment save for the above.

Save and except for the aforesaid completion of the disposal of 49% equity interest in Qianhai Mingtian, 49% of the issued share capital of Gamma Logistics and the entire equity interest of Dafeng Logistics and the acquisition of 51% equity interest in Tianjin Lian Qi Cheng, the Group had no material acquisitions and disposals of subsidiaries and associated companies during the Year.

Pledge of assets

The Group used bank and other borrowings to finance the expansion of its business. Secured borrowings are secured by the Group's property, plant and equipment, having carrying amounts of approximately HK\$75.4 million as at 31 December 2017 (31 December 2016: approximately HK\$44.3 million), prepaid lease payments of approximately HK\$45.4 million (31 December 2016: approximately HK\$43.1 million), security deposit for loan from a third party of approximately HK\$3.6 million (31 December 2016: Nil) and pledged bank deposits of approximately HK\$312.9 million as at 31 December 2017 (31 December 2016: approximately HK\$1.3 million).

Foreign currency exposure

The Directors considered the Group's foreign exchange risk to be insignificant. During the Year, the Group did not use any financial instruments for hedging purposes.

Employees and emolument policy

As at 31 December 2017, the Group employed a total of 294 employees (2016: 270 employees) based in Hong Kong and the PRC. During the Year, the total staff costs, including Directors' emoluments, amounted to approximately HK\$81.8 million (2016: approximately HK\$83.8 million).

股息

董事會不建議就本年度派付任何股息(二零一六年：無)。

重大投資、重大收購及出售

於二零一七年一月十一日，中南匯與中國核工訂立以建造四組合共80,000立方米之石化倉儲池之建築協議，代價總額約為人民幣43,200,000元。於本年度內，除此之外本公司並無進行其他重大投資。

除前文所述完成出售前海明天49%股權、伽瑪物流49%已發行股本及大豐物流全部股權與收購天津聯企成51%股權外，本集團於本年度並無任何有關附屬公司及聯營公司之重大收購及出售。

資產抵押

本集團透過銀行及其他借貸為其業務擴展提供資金。有抵押借貸以本集團於二零一七年十二月三十一日賬面值約75,400,000港元(二零一六年十二月三十一日：約44,300,000港元)之物業、廠房及設備、約45,400,000港元(二零一六年十二月三十一日：約43,100,000)之預付租賃付款、約3,600,000港元(二零一六年十二月三十一日：零)之來自第三方之貸款之保證金以及於二零一七年十二月三十一日為數約312,900,000港元(二零一六年十二月三十一日：約1,300,000港元)之已抵押銀行存款作抵押。

外幣風險

董事認為本集團之外匯風險並不重大。於本年度，本集團並無利用任何金融工具作對沖用途。

僱員及酬金政策

於二零一七年十二月三十一日，本集團聘用合共294名僱員(二零一六年：270名僱員)派駐香港及中國。於本年度，包括董事酬金在內之總員工成本約為81,800,000港元(二零一六年：約83,800,000港元)。

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The decrease in the total staff costs was mainly attributable to Ni Xiangrong, Wang Yijun and Pan Jian, the executive Directors of the Company, signed an agreement to waive their Directors' emoluments as of 31 December 2017. Yu Xingmin resigned on 10 November 2017 and agreed to waive all unpaid remuneration. The total emoluments waived by these four Directors were approximately HK\$3,600,000, details of which are set out in note 10 to the consolidated financial statement.

The Group reviews the emoluments of its directors and staff based on their respective qualification, experience, performance and the market rates so as to maintain the remunerations of its directors and staff at a competitive level.

Contingent liabilities

As at 31 December 2017, the Group had no material contingent liabilities (2016: Nil).

Environmental, Social and Governance

With an aim to enhance the management of environmental, social and governance ("ESG") risks and make it part of the Company's strategies of development and ordinary operation, the Company began to respond to the disclosure requirements of the Stock Exchange to disclose its ESG information in 2016 and has been establishing its ESG management system gradually through the communication with its stakeholders, risks identification, the development of countermeasures as well as daily management and control in order to enhance its ESG management on the basis of the work of 2016.

As governmental authorities, shareholders and potential investors, customers, employees, suppliers and the social community have been considered as our significant stakeholders, the Company has been seriously dealing with its stakeholders' requests via timely communication and the provision of proper response and countermeasures during its course of business. During the Year, the Company communicated with various stakeholders in respect of its ESG issues and seriously considered their expectations and requests in this regard, which provides the basis for our ESG report for the Year.

For further information in relation to the ESG performance of the Company during the Year, please refer to the upcoming independent ESG report, which will be released shortly and posted on the website of the Stock Exchange and the Company for inspection and download.

總員工成本減少主要由於本公司執行董事倪向榮、王益軍及潘健簽署放棄截至二零一七年十二月三十一日董事酬金之協議，俞興敏於二零一七年十一月十日辭任及同意放棄所有未領取薪酬。四名董事放棄酬金總額約3,600,000港元，有關詳情載於綜合財務報表附註10。

本集團按資歷、經驗、表現及市場水平檢討董事及員工酬金，以維持董事及員工薪酬於具競爭力水平。

或然負債

於二零一七年十二月三十一日，本集團並無重大或然負債(二零一六年：無)。

環境、社會及管治

為了更好地管理公司自身的環境、社會及管治(「ESG」)風險，將其融入到本公司的發展戰略和日常工作當中，本公司在2016年開始回應交易所的要求披露自身的ESG信息，並逐步搭建自身的ESG工作體系，在2016年的工作基礎上繼續從利益相關方溝通、風險識別、制定相應對策、日常管理及監控等多方面完善自身的ESG管理。

本公司將政府機構、股東及潛在投資者、客戶、員工、供應商、社區等視為重要利益相關方，在營運過程中積極關注利益相關者的訴求，及時溝通，恰當回應，並制定應對措施。本公司在本年度就ESG事宜和不同的利益相關方進行溝通並積極關注利益相關方對該方面的期望和訴求，作為我們本年度ESG報告的基礎。

更多關於本公司本年度在ESG方面表現的相關資訊，請參閱即將發佈的ESG獨立報告。該報告發佈後，歡迎在聯交所及本公司網站瀏覽或下載。

EXECUTIVE DIRECTORS

Mr. Ni Xiangrong (“Mr. Ni”), aged 63, has been appointed as an executive Director and the chairman of the Board since 23 February 2015. Mr. Ni is the chairman and the legal representative of 江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng Harbour Holdings Limited*) (“**Jiangsu Dafeng**”) and a director of Dafeng Port Overseas Investment Holdings Limited (“**Dafeng Port Overseas**”). He was a director of 江蘇大豐港經濟開發區管理委員會 (Management Committee of Jiangsu Dafeng Port Economic Development Zone*) during the period from February 1999 to December 2014.

Mr. Shum Kan Kim (“Mr. Shum”), aged 55, has been appointed as an executive Director since 23 February 2015. Mr. Shum is the director and the legal representative of Qianhai Mingtian. He is also a director and the company secretary of Dafeng Port Overseas and a director of certain other subsidiaries of the Company. He was a director of Zhejiang Unifull Industrial Fibre Co., Ltd (a company listed on the Shenzhen Stock Exchange with stock code: 002427) from November 2008 to November 2011.

Mr. Pan Jian (“Mr. Pan”), aged 53, has been appointed as an executive Director since 26 August 2016. Mr. Pan is a director, a vice president and the chief financial officer of Jiangsu Dafeng since December 2014 and a director of Dafeng Port Overseas. He was the deputy director and a director in the fiscal and taxation bureau and the deputy director in the management committee of 江蘇大豐港經濟開發區 (Jiangsu Dafeng Port Economic Development Zone*) from 1999 to 2014.

執行董事

倪向榮先生(「倪先生」)，現年63歲，於二零一五年二月二十三日獲委任為執行董事兼董事會主席。倪先生為江蘇大豐海港控股集團有限公司(「江蘇大豐」)董事長兼法定代表及大豐港海外投資控股有限公司(「大豐港海外」)之董事。彼於一九九九年二月至二零一四年十二月期間曾任江蘇大豐港經濟開發區管理委員會主任。

沈勤儉先生(「沈先生」)，現年55歲，於二零一五年二月二十三日獲委任為執行董事。沈先生為前海明天之董事兼法定代表。彼亦為大豐港海外之董事兼公司秘書以及本公司若干其他附屬公司之董事。彼於二零零八年十一月至二零一一年十一月曾任深圳證券交易所上市公司浙江尤夫高新纖維股份有限公司(股份代號：002427)之董事。

潘健先生(「潘先生」)，現年53歲，於二零一六年八月二十六日獲委任為執行董事。潘先生自二零一四年十二月起擔任江蘇大豐董事、副總裁兼財務總監以及大豐港海外之董事。彼於一九九九年至二零一四年曾任江蘇大豐港經濟開發區財稅分局副局長、局長與管委會副主任。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Mr. Sun Lin (“Mr. Sun”), aged 49, has been appointed as an executive Director since 10 August 2017. He has been appointed as the chief executive officer of the Company since 12 October 2016. Mr. Sun is the executive director, the chief executive officer and the legal representative of Zhongnanhui, the executive director, the chief executive officer and the legal representative of Heshun Trading. He is also the executive director of Zhuhai Heng Feng. Mr. Sun graduated from the Southwest University of Political Science and Law in June 1998 with a bachelor’s degree in law. From December 2003 to September 2010, Mr. Sun served as the vice general manager in 北海港股份有限公司(Beihai Port Stock Ltd.*) (a company listed on Shenzhen Stock Exchange with stock code: 000582), which is primarily engaged in trading and stockpiling business. From January 2011 to July 2016, Mr. Sun was the vice deputy general manager in 廣西鐵路投資集團有限公司(Guangxi Railway Investments Guanxin Trading Company Limited*), formerly known as 冠信實業有限公司(Guanxin Industrial Company Limited*), a subsidiary of 廣西鐵路投資集團有限公司(Guangxi Railway Investments Co., Ltd*), which is primarily engaged in, among others, real estate, logistic and trading business.

NON-EXECUTIVE DIRECTORS

Mr. Ji Longtao (“Mr. Ji”), aged 53, has been appointed as a non-executive Director since 23 February 2015. He owns 55% equity interest in each of Success Pacific Investment Group Limited (“Success Pacific”) and 江蘇華海投資有限公司 (Jiangsu Huahai Investment Limited*) (“Jiangsu Huahai”), which in turn own 18% and 10% equity interest in the Dafeng Port Overseas respectively. Mr. Ji owns 50% equity interest of 鹽城市龍橋置業有限公司 (Yancheng Longqiao Property Development Limited*), which is engaged in property development and investment business. He is a director of Dafeng Port Overseas and an executive director of Success Pacific and Jiangsu Huahai, both of which are engaged in investment and asset management businesses.

Mr. Yang Yue Xia (“Mr. Yang”), aged 45, has been appointed as a non-executive Director since 12 March 2015. He was an executive Director from 20 December 2013 to 11 March 2015. He is a director of certain subsidiaries of the Company. He has many years of experience in corporate management. Mr. Yang is currently a director of 深圳市融成投資有限公司 (Shenzhen Rongcheng Investment Company Limited*). He gained working experience across different industries such as trading and property development.

孫林先生(「孫先生」)，現年49歲，於二零一七年八月十日獲委任為執行董事。彼於二零一六年十月十二日獲委任為本公司行政總裁。孫先生為中南匯之執行董事、行政總裁兼法定代表。彼亦為和順貿易之執行董事、行政總裁兼法定代表。彼亦為珠海恒豐之執行董事。孫先生於一九九八年六月畢業於西南政法大學，取得法學學士學位。於二零零三年十二月至二零一零年九月，孫先生擔任主要從事貿易及倉儲業務之深圳證券交易所上市公司北海港股份有限公司(股份代號：000582)之副總經理。於二零一一年一月至二零一六年七月，孫先生為廣西鐵路冠信貿易有限公司(前稱冠信實業有限公司，為廣西鐵路投資集團有限公司之附屬公司)之常務副總經理，該公司主要從事(其中包括)房地產、物流及貿易業務。

非執行董事

吉龍濤先生(「吉先生」)，現年53歲，於二零一五年二月二十三日獲委任為非執行董事。彼擁有與亞投資集團有限公司(「興亞」)及江蘇華海投資有限公司(「江蘇華海」)之55%股權，而該兩間公司則分別擁有大豐港海外之18%及10%股權。吉先生擁有鹽城市龍橋置業有限公司之50%股權，該公司從事物業開發及投資業務。彼為大豐港海外之董事以及興亞及江蘇華海之執行董事，該兩間公司均從事投資及資產管理業務。

楊越夏先生(「楊先生」)，現年45歲，於二零一五年三月十二日獲委任為非執行董事。彼曾於二零一三年十二月二十日至二零一五年三月十一日擔任執行董事。彼現任本公司若干附屬公司之董事。彼具備多年公司管理經驗。楊先生現為深圳市融成投資有限公司之董事。彼擁有貿易及房地產發展等多個行業之工作經驗。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Bian Zhaoxiang (“Dr. Bian”), aged 51, has been appointed as an independent non-executive Director since 15 May 2015. He had been educated in 南京中醫藥大學 (Nanjing University of Traditional Chinese Medicine*), 北京中醫藥大學 (Beijing University of Traditional Chinese Medicine and Pharmacology*) and 廣州中醫藥大學 (Guangzhou University of Traditional Chinese Medicine*) and was conferred the Ph.D. degree in Integrated Chinese and Western Medicine. Currently, Dr. Bian serves as a director of the clinical division of the School of Chinese Medicine, and an associate vice-president of the Hong Kong Baptist University. He has engaged in clinical and basic research in digestive diseases and involved in publication of many experimental and clinical researches. He has been awarded a second prize of National Science and Technology Award of China in 1999.

Mr. Lau Hon Kee (“Mr. Lau”), BComm, MPA, FCPA, CPA (Aust.), aged 47, has been appointed as an independent non-executive Director since 31 May 2016. He was the financial controller and company secretary of 山東羅欣藥業集團股份有限公司 (Shandong Luoxin Pharmaceutical Group Stock Co. Ltd*) (a company listed on the Stock Exchange with stock code: 8058) until 31 December 2017 and a joint company secretary of Zhejiang Tengy Environmental Technology Co., Ltd (a company listed on the Stock Exchange with stock code: 1527) until 31 January 2018. Mr. Lau has been an independent non-executive director of Astrum Financial Holdings Limited (a company listed on the Stock Exchange with stock code: 8333) since 23 June 2016. Mr. Lau was an independent non-executive director of Strong Petrochemical Holdings Limited (a company listed on the Stock Exchange with stock code: 852) from November 2008 to January 2012. Mr. Lau obtained a bachelor’s degree in commerce from the Australian National University in April 1994 and a master’s degree in professional accounting from the Hong Kong Polytechnic University in October 2009. Mr. Lau is a CPA of CPA (Aust.) and a certified public accountant of the Hong Kong Institute of Certified Public Accountants since 1999. He is also a fellow member of the Hong Kong Institute of Certified Public Accountants since 2006.

獨立非執行董事

卞兆祥博士(「卞博士」)，現年51歲，於二零一五年五月十五日獲委任為獨立非執行董事。彼曾就讀南京中醫藥大學、北京中醫藥大學及廣州中醫藥大學，並獲頒授中西醫結合醫學博士學位。現時，卞博士為香港浸會大學中醫藥學院臨床部主任及協理副校長。彼長期從事消化系疾病臨床及基礎研究，並參與發表多項實驗及臨床研究。彼於一九九九年獲頒國家科技進步二等獎。

劉漢基先生(「劉先生」)，BComm, MPA, FCPA, CPA (Aust.)，現年47歲，於二零一六年五月三十一日獲委任為獨立非執行董事。彼於二零一七年十二月三十一日前為聯交所上市公司山東羅欣藥業集團股份有限公司(股份代號：8058)之財務總監兼公司秘書，並於二零一八年一月三十一日前為聯交所上市公司浙江天潔環境科技股份有限公司(股份代號：1527)之聯席公司秘書。劉先生自二零一六年六月二十三日起擔任聯交所上市公司阿仕特朗金融控股有限公司(股份代號：8333)之獨立非執行董事。劉先生於二零零八年十一月至二零一二年一月曾任聯交所上市公司海峽石油化工控股有限公司(股份代號：852)之獨立非執行董事。劉先生於一九九四年四月獲得澳洲國立大學商業學士學位，並於二零零九年十月獲得香港理工大學專業會計碩士學位。自一九九九年，劉先生為澳洲會計師公會執業會計師及香港會計師公會執業會計師。自二零零六年，彼亦為香港會計師公會資深會員。

PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理人員簡介

Mr. Yu Xugang (“Mr. Yu”), aged 49, has been appointed as an independent non-executive Director since 31 May 2016. He has been acted as an independent non-executive director of Central China Securities Co., Ltd. (a company listed on the Stock Exchange with stock code: 1375) since December 2015. Mr. Yu was an independent director of Hebei Baoshuo Company Limited (a company listed on the Shanghai Stock Exchange with stock code: 600155) since December 2016. He was a partner at Beijing Dentons Law Offices, LLP from August 2001 to December 2003 and has been promoted to a senior partner at Beijing Dentons Law Offices, LLP since January 2004. Mr. Yu was an independent director of Da Cheng Fund Management Company Limited from August 2008 to August 2011. Mr. Yu was an independent director of Inner Mongolia Baotou Steel Union Co., Ltd (a company listed on the Shanghai Stock Exchange with stock code: 600010), from August 2009 to August 2015, and an independent director of Hubei Shuangjian Blower Company Limited (a company listed on National Equities Exchange and Quotations with stock code: 833468) from October 2012 to October 2015. Mr. Yu obtained a bachelor’s degree in law from the China University of Political Science and Law in 1990, a master’s degree in international economic law from the Peking University in July 1998 and a doctorate degree in law from the Peking University in July 2001.

Mr. Zhang Fangmao (“Mr. Zhang”), aged 53, has been appointed as an independent non-executive Director since 1 June 2014. He has over 15 years of experience in import and export businesses in the PRC. Mr. Zhang served as a manager of the business department in 中國深圳經濟特區對外貿易(集團)公司 (China Shenzhen Economic Special Zone Foreign Trade (Group) Corporation*), a state-owned enterprise. He is a director of 深圳市澳德投資顧問有限公司 (Shenzhen AUDE Investment Consulting Co., Ltd.*). Mr. Zhang obtained a bachelor’s degree in finance from the Shenzhen University.

于緒剛先生(「于先生」)，現年49歲，於二零一六年五月三十一日獲委任為獨立非執行董事。彼自二零一五年十二月起擔任聯交所上市公司中原證券股份有限公司(股份代號：1375)之獨立非執行董事。于先生自二零一六年十二月起擔任上海證券交易所上市公司河北寶碩股份有限公司(股份代號：600155)之獨立董事。彼於二零零一年八月至二零零三年十二月曾任北京大成律師事務所合夥人，並自二零零四年一月起獲擢升為北京大成律師事務所高級合夥人。于先生於二零零八年八月至二零一一年八月曾任大成基金管理有限公司之獨立董事。于先生於二零零九年八月至二零一五年八月曾任上海證券交易所上市公司內蒙古包鋼鋼聯股份有限公司(股份代號：600010)之獨立董事，並於二零一二年十月至二零一五年十月曾任全國中小企業股份轉讓系統上市公司湖北雙劍鼓風機股份有限公司(股份代號：833468)之獨立董事。于先生於一九九零年獲得中國政法大學法律學士學位，於一九九八年七月獲得北京大學國際經濟法碩士學位及於二零零一年七月獲得北京大學法律博士學位。

張方茂先生(「張先生」)，現年53歲，於二零一四年六月一日獲委任為獨立非執行董事。彼於中國出入口業務方面具備超過15年經驗。張先生曾於國營企業中國深圳經濟特區對外貿易(集團)公司擔任業務部經理。彼現為深圳市澳德投資顧問有限公司之董事。張先生獲深圳大學頒授金融學士學位。

SENIOR MANAGEMENT

Ms. Xu Jing (“Ms. Xu”), aged 40, has been appointed as the company secretary of the Company since 12 May 2016. Ms. Xu obtained a bachelor’s degree in management from Zhongnan University of Economics and Law, major in accounting (special orientation of CPA). She is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Certified Public Accountants. She is also a member of the Chinese Institute of Certified Public Accountants. From July 2002 to May 2007, Ms. Xu was an accountant in Yulong Computer Telecommunication Scientific (Shenzhen) Co., Ltd, which is a wholly-owned subsidiary of Coolpad Group Limited (a company listed on the Stock Exchange with stock code: 2369), being one of the core team members of its initial public offering. From June 2007 to March 2012, Ms. Xu was the financial controller and qualified accountant in Shenzhen Neptunus Interlong Bio-technology Company Ltd (a company listed on the Stock Exchange with stock code: 8329). From February 2012 to April 2015, Ms. Xu was the financial director in a non-public company in Shenzhen. From December 2015 to June 2016, Ms. Xu was the company secretary of China Health Group Inc. (a company listed on the Stock Exchange with stock code: 8225).

Mr. Chen Wenxiang (“Mr. Chen”), aged 44, has been appointed as the chief financial officer of the Company since 1 February 2018. Mr. Chen joined the Group on 15 February 2017 serving as the chief financial officer of Heshun Trading, an indirect wholly-owned subsidiary of the Company, and he has resigned from all the positions in the holding company and the affiliated companies of the Company. He holds a bachelor’s degree in accountancy and an intermediate-level accounting qualification. Mr. Chen has more than 20 years of experience in the accounting and finance sectors. Mr. Chen worked at 江蘇超力機械有限公司 (Jiangsu Super Machinery Company Limited*) from 1995 to 2010 and held the positions of an accountant and manager at the finance department and the deputy general manager of the company. He then worked as the chief financial officer at 江蘇興東海港置業發展有限公司 (Jiangsu Hing Tung Harbour Property Development Company Limited*) from 2010 to 2013. Prior to joining the Group, Mr. Chen worked as the deputy general manager at 江蘇黃海港城實業有限公司 (Jiangsu Huanghai City Industrial Company Ltd.*), a wholly-owned subsidiary of Jiangsu Dafeng which is the controlling shareholder of the Company, from September 2013 to February 2017.

高級管理人員

徐靜女士 (「徐女士」)，現年40歲，於二零一六年五月十二日獲委任為本公司之公司秘書。徐女士取得中南財經政法大學管理學學士學位，主修會計學(註冊會計師方向)。彼為英國特許公認會計師公會及香港會計師公會資深會員，亦為中國註冊會計師協會會員。於二零零二年七月至二零零七年五月，徐女士為聯交所上市公司酷派集團有限公司(股份代號：2369)旗下全資附屬公司宇龍計算機通信科技(深圳)有限公司之會計師，為該公司首次公開發售小組核心成員之一。於二零零七年六月至二零一二年三月，徐女士為聯交所上市公司深圳市海王英特龍生物技術股份有限公司(股份代號：8329)之財務負責人及合資格會計師。於二零一二年二月至二零一五年四月，徐女士為深圳一間非公眾公司之財務總監。於二零一五年十二月至二零一六年六月，徐女士為聯交所上市公司中國醫療集團有限公司(股份代號：8225)之公司秘書。

陳文祥先生 (「陳先生」)，現年44歲，於二零一八年二月一日獲委任為本公司之財務總監。陳先生於二零一七年二月十五日加入本集團，出任本公司之間接全資附屬公司和順貿易財務總監，而彼已辭任本公司控股公司及關聯公司所有職位。彼持有會計學本科畢業證及中級會計師資格。陳先生於會計及金融業具備超過20年經驗。陳先生於一九九五年至二零一零年效力於江蘇超力機械有限公司，擔任該公司財務部會計師、經理及公司副總經理，其後於二零一零年至二零一三年擔任江蘇興東海港置業發展有限公司財務總監。於加入本集團前，陳先生於二零一三年九月至二零一七年二月擔任本公司控股股東江蘇大豐之全資附屬公司江蘇黃海港城實業有限公司副總經理。

REPORT OF THE DIRECTORS

董事會報告

The Board herein presents the annual report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL ACTIVITIES

The Group is principally engaged in trading business, the provision of integrated logistics freight services and the relevant supporting services and is also engaged in petrochemical products storage business.

FINANCIAL RESULTS

The results of the Group for the Year and the state of affairs of the Company and of the Group as at the date are set out in the consolidated financial statements on pages 58 to 175 of this report.

FINAL DIVIDEND

The Board did not recommend the payment of any final dividend for the Year (2016: Nil).

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, the aggregate amount of turnover attributable to the Group's largest and the five largest customers accounted for approximately 11.1% and 39.8% (2016: 17.1% and 49.2%) of the total value of the Group's revenue, respectively.

During the Year, the aggregate amount of cost of sales attributable to the Group's largest and the five largest suppliers accounted for approximately 10.0% and 30.7% (2016: 18.3% and 47.6%) of the total value of the Group's cost of sales, respectively.

Based on the information publicly available to the Company and to the best knowledge of the Directors, none of the Directors, their associates, or any shareholders of the Company (which to the knowledge of the Directors owned more than 5% of the Company's issued share capital) had interest in any of the Group's five largest customers or suppliers during the Year.

SUBSIDIARIES

Particulars of the Company's principal subsidiaries are set out in note 14 to the consolidated financial statements.

董事會謹此提呈本年度之年度報告連同本集團之經審核綜合財務報表。

主要業務

本集團主要從事貿易業務、提供綜合物流貨運服務及相關配套服務。本集團亦從事石化產品倉儲業務。

財務業績

本集團於本年度之業績以及本公司及本集團於該日之事務狀況載於本報告第58至175頁之綜合財務報表。

末期股息

董事會不建議就本年度派付任何末期股息(二零一六年：無)。

主要客戶及供應商

於本年度，本集團最大及五大客戶應佔總營業額分別佔本集團收益總值約11.1%及39.8%(二零一六年：17.1%及49.2%)。

於本年度，本集團最大及五大供應商應佔銷售成本總額分別佔本集團銷售成本總值約10.0%及30.7%(二零一六年：18.3%及47.6%)。

根據本公司可得公開資料及據董事所深知，於本年度，概無董事、彼等之聯繫人士或本公司任何股東(據董事所知擁有本公司已發行股本超過5%)於本集團五大客戶或供應商中擁有權益。

附屬公司

本公司主要附屬公司之詳情載於綜合財務報表附註14。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the Year are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in share capital of the Company are set out in note 28 to the consolidated financial statements.

BANK LOANS AND OTHER BORROWINGS

Details of bank loans and other borrowings of the Group as at 31 December 2017 are set out in note 25 to the consolidated financial statements.

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

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company's reserves available for distribution to the shareholders of the Company comprising share premium account and accumulated losses amounted to approximately HK\$109.8 million. Details of the Company's distributable reserves as at 31 December 2017 are set out in note 39 to the consolidated financial statements. Movements in reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 61 of this report.

INTEREST CAPITALISED

No interest was capitalised by the Group during the Year.

GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 176 of this report.

物業、廠房及設備

物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註15。

股本

本公司之股本變動詳情載於綜合財務報表附註28。

銀行貸款及其他借貸

有關本集團於二零一七年十二月三十一日之銀行貸款及其他借貸詳情載於綜合財務報表附註25。

購買、出售或贖回本公司之上市證券

於本年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

可供分派儲備

於二零一七年十二月三十一日，本公司可分派予本公司股東之儲備包括股份溢價賬及累計虧損約109,800,000港元。本公司於二零一七年十二月三十一日之可供分派儲備詳情載於綜合財務報表附註39。本集團於本年度之儲備變動載於本報告第61頁之綜合權益變動表。

資本化權益

本集團於本年度並無將任何權益資本化。

集團財務概要

本集團上五個財政年度之業績以及資產及負債概要載於本報告第176頁。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Directors who held office during the Year and up to the date of this report were as follows:

Executive Directors

Mr. Ni Xiangrong (*Chairman*)
Mr. Wang Yijun (resigned on 15 March 2018)
Mr. Shum Kan Kim
Mr. Pan Jian
Mr. Sun Lin (appointed on 10 August 2017)
Mr. Yu Xingmin (resigned on 10 November 2017)

Non-executive Directors

Mr. Ji Longtao
Mr. Yang Yue Xia

Independent Non-executive Directors

Dr. Bian Zhaoxiang
Mr. Lau Hon Kee
Mr. Yu Xugang
Mr. Zhang Fangmao

Biographical details of the Directors currently in service are set out on pages 15 to 18 of this report.

In accordance with article 83(3) of the Articles of Association of the Company (the "**Articles**"), Mr. Sun Lin was appointed by the Board as an executive Director and will hold office until the forthcoming annual general meeting of the Company (the "**AGM**") and, being eligible, offer himself for re-election.

In accordance with article 84(1) of the Articles, Mr. Shum Kan Kim as an executive Director, Mr. Ji Longtao and Mr. Yang Yue Xia as non-executive Directors and Mr. Zhong Fangmao as an independent non-executive Director will retire from office by rotation at the forthcoming AGM and, being eligible, offer themselves for re-election.

董事

於本年度內及截至本報告日期，在任董事如下：

執行董事

倪向榮先生(主席)
王益軍先生(於二零一八年三月十五日辭任)
沈勤儉先生
潘健先生
孫林先生(於二零一七年八月十日獲委任)
俞興敏先生(於二零一七年十一月十日辭任)

非執行董事

吉龍濤先生
楊越夏先生

獨立非執行董事

卞兆祥博士
劉漢基先生
于緒剛先生
張方茂先生

現任董事之履歷詳情載於本報告第15至18頁。

根據本公司之組織章程細則(「**細則**」)第83(3)條，執行董事孫林先生獲董事會委任並將留任至本公司應屆股東週年大會(「**股東週年大會**」)，且符合資格重選連任。

根據細則第84(1)條，執行董事沈勤儉先生、非執行董事吉龍濤先生及楊越夏先生以及獨立非執行董事張方茂先生將於應屆股東週年大會輪席告退，且符合資格重選連任。

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service contract with the Company and is subject to termination by either party giving not less than three months' prior written notice to the other.

None of the Directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Each of the non-executive Directors (including the independent non-executive Directors) has entered into service contract with the Company for a fixed term of three years, subject to retirement by rotation and re-election at the AGM in accordance with the Articles.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2017, none of the Directors or the chief executives of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any associated corporation (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 required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives, recognising and acknowledging the contributions that eligible persons had made or may make to the Group. The Scheme was adopted pursuant to the written resolution passed by the sole shareholder of the Company on 3 August 2013. The expiry date of the Scheme is 2 August 2023. For further details of the Scheme, please refer to note 29 to the consolidated financial statements. Since the Scheme came into effect after the Company was listed on GEM of the Stock Exchange, no share options have been granted, exercised or cancelled by the Company under the Scheme and there were no outstanding share options under the Scheme as at 31 December 2017 and as at the date of this report.

董事服務合約

各董事已與本公司訂立服務合約，可由任何一方向另一方發出不少於三個月事先書面通知予以終止。

概無董事與本公司訂立任何本公司不可於一年內免付賠償(法定賠償除外)而予以終止之服務合約。

各非執行董事(包括獨立非執行董事)已與本公司訂立服務合約，固定年期為三年，惟須根據細則於股東週年大會上輪席告退及重選連任。

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉

於二零一七年十二月三十一日，概無董事或本公司主要行政人員於本公司或任何相聯法團(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、相關股份及債權證中，擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉(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)，或根據證券及期貨條例第352條須登記於該條文所述登記冊內之權益或淡倉，或根據GEM上市規則第5.46至5.67條有關董事進行證券交易之規定須知會本公司及聯交所之權益或淡倉。

購股權計劃

本公司設有購股權計劃(「該計劃」)，旨在激勵及肯定合資格人士曾對或將對本集團作出之貢獻。該計劃乃根據本公司唯一股東於二零一三年八月三日通過之書面決議案採納。該計劃將於二零二三年八月二日到期。有關該計劃之進一步詳情，請參閱綜合財務報表附註29。自該計劃於本公司在聯交所GEM上市後生效以來，概無任何購股權根據該計劃獲授出、行使或遭本公司註銷，且於二零一七年十二月三十一日及本報告日期，該計劃項下概無尚未行使之購股權。

REPORT OF THE DIRECTORS

董事會報告

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

As at 31 December 2017, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

主要股東及其他人士於本公司股份及相關股份之權益及淡倉

於二零一七年十二月三十一日，據董事所知，以下人士／實體（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或記入本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉如下：

Name of shareholders	Capacity/ Nature of interests	Number of Shares held (Note 1)	% of the Company's issued share capital (Approximate)
股東名稱	身分／權益性質	所持股份數目 (附註1)	佔本公司 已發行股本 百分比(概約)
Dafeng Port Overseas (Note 2) 大豐港海外(附註2)	Beneficial owner 實益擁有人	740,040,000 (L)	57.46%
Jiangsu Dafeng (Note 3) 江蘇大豐(附註3)	Interest of controlled corporation 受控制法團權益	740,040,000 (L)	57.46%
大豐區人民政府 (the People's Government of Dafeng District*) ("PGDD") (Note 3) 大豐區人民政府 (「大豐區人民政府」)(附註3)	Interest of controlled corporation 受控制法團權益	740,040,000 (L)	57.46%
Mr. Jiang Wen (Note 4) 姜文先生(附註4)	Beneficial owner, interest of controlled corporation and interest of spouse 實益擁有人、受控制法團權益 及配偶權益	65,340,000 (L)	5.07%
Ms. Li Qiu Hua (Note 5) 李秋華女士(附註5)	Beneficial owner and interest of spouse 實益擁有人及配偶權益	65,340,000 (L)	5.07%

Notes:

1. The letter "L" denotes a long position in the interest in the issued share capital of the Company.
2. Dafeng Port Overseas is a company incorporated in Hong Kong with limited liability, and is owned as to 40% by Jiangsu Dafeng, which in turn is wholly owned by PGDD.
3. Jiangsu Dafeng and PGDD are deemed to be interested in the Shares of the Company held by Dafeng Port Overseas under the SFO.
4. Mr. Jiang Wen, the director of Qianhai Mingtian which is an indirect subsidiary of the Company, directly and beneficially owns 48,220,000 Shares. Ms. Li Qiu Hua, the spouse of Mr. Jiang Wen, directly and beneficially owns 3,520,000 Shares. Kingkee (Holdings) Limited, a company wholly-owned by Mr. Jiang Wen, directly and beneficially owns 13,600,000 Shares. As such, under the SFO, Mr. Jiang Wen is deemed, or taken to be, interested in 65,340,000 Shares.
5. Ms. Li Qiu Hua directly and beneficially owns 3,520,000 Shares. As Mr. Jiang Wen's spouse, she is, under the SFO, deemed to be, or taken to be, interested in the same number of Shares in which Mr. Jiang Wen is interested.

附註：

1. 字母「L」指於本公司已發行股本權益中之好倉。
2. 大豐港海外為於香港註冊成立之有限公司，由江蘇大豐擁有40%權益，而江蘇大豐則由大豐區人民政府全資擁有。
3. 根據證券及期貨條例，江蘇大豐及大豐區人民政府被視為於大豐港海外所持本公司股份中擁有權益。
4. 姜文先生（本公司之間接附屬公司前海明天之董事）直接實益擁有48,220,000股股份。李秋華女士（姜文先生之配偶）直接實益擁有3,520,000股股份。京基（控股）有限公司（姜文先生全資擁有公司）直接實益擁有13,600,000股股份。因此，根據證券及期貨條例，姜文先生被視為或當作於65,340,000股股份中擁有權益。
5. 李秋華女士直接實益擁有3,520,000股股份。作為姜文先生之配偶，根據證券及期貨條例，彼被視為或當作於姜文先生所擁有權益之相同數目之股份中擁有權益。

Save as disclosed above, as at 31 December 2017, the Directors were not aware of any other persons/entities (other than the Directors and chief executives of the Company) who had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were 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，董事概不知悉有任何其他人士／實體（董事及本公司主要行政人員除外）於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉，或記入本公司根據證券及期貨條例第336條須存置登記冊之權益或淡倉。

DIRECTORS' ARRANGEMENT TO ACQUIRE SHARES OR DEBENTURES

At no time during the Year was the Company or any of its subsidiaries or its ultimate holding company or any subsidiary of such ultimate holding company a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities or debt securities of the Company or had exercised any such right.

董事收購股份或債權證之安排

於本年度內任何時間，本公司或其任何附屬公司或其最終控股公司或該最終控股公司之任何附屬公司概無訂立任何安排，致使董事可藉購買本公司或任何其他法人團體之股份或債務證券（包括債權證）而獲取利益，而各董事或彼等之配偶或十八歲以下子女概無擁有可認購本公司證券或債務證券之任何權利，亦無行使任何該等權利。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save and except for the transactions as set out in the table below, there were no contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any of the Company's directors or members of its management had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

董事於重大合約之權益

除下表所載交易外，於本年度末或本年度內任何時間並無存在由本公司或其任何附屬公司就本集團業務訂立且本公司任何董事或管理層成員於當中直接或間接擁有重大權益之重大合約。

Related parties 關聯方	Relationship 關係	Transactions 交易	Consideration or annual caps 代價或年度上限
1. Dafeng Harbour Port 大豐海港港口	Mr. Ni Xiangrong, Mr. Wang Yijun and Mr. Pan Jian are the directors of Jiangsu Dafeng, and Mr. Yu Xingmin is the vice president of Jiangsu Dafeng and a supervisor of Dafeng Harbour Port ^(note) 倪向榮先生、王益軍先生及潘健先生為江蘇大豐之董事以及俞興敏先生為江蘇大豐之副總裁兼大豐海港港口之監事 ^(附註)	Purchase of vehicle repair services from Dafeng Harbour Port and/or its subsidiaries and provision of logistics services to Dafeng Harbour Port and/or its subsidiaries 自大豐海港港口及／或其附屬公司購買汽車維修服務以及向大豐海港港口及／或其附屬公司提供物流服務	2017: RMB36.33 million 二零一七年： 人民幣 36,330,000 元

Note: Mr. Yu Xingmin resigned as a Director on 10 November 2017 and Mr. Wang Yijun resigned as a Director on 15 March 2018.

附註：俞興敏先生於二零一七年十一月十日辭任董事職務及王益軍先生於二零一八年三月十五日辭任董事職務。

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the Year.

CONNECTED TRANSACTIONS

Exempted continuing connected transactions

Purchasing refined oil products by Dafeng Logistics from Yancheng Oil Company

During the Year, Dafeng Logistics purchased fuel from 鹽城市大豐港成品油有限公司 (Yancheng Dafeng Harbour Port Refined Oil Products Company Limited*) (“Yancheng Oil Company”), a wholly-owned subsidiary of Jiangsu Dafeng of approximately HK\$7.8 million, which amounted to approximately HK\$8.2 million for the year ended 31 December 2016 for its vehicles used for its logistics business. Given that (i) the fuel is purchased from an ordinary gas station and is a type ordinarily supplied for private use or consumption; (ii) there is an open market and transparency in the pricing of the fuel; (iii) the fuel is consumed by Dafeng Logistics on an “as is” basis; and (iv) the fuel was offered to Dafeng Logistics on no less favourable terms than those available from independent third parties, the above continuing connected transaction constituted exempted continuing connected transaction for the Group under Rule 20.95 of the GEM Listing Rules and was exempt from the reporting, announcement and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

Financial assistance received by the Group

The details of financial assistance received by the Company from connected persons are set out in note 25(c) to the financial statements.

Since the financial assistance received by the Company is provided on normal commercial terms and is not secured by the assets of the Group, according to Rule 20.88 of the GEM Listing Rules, the financial assistance received by the Company was exempt from the reporting, announcement and independent shareholders’ approval requirements under Chapter 20 of the GEM Listing Rules.

管理層合約

於本年度，概無訂立或存續有關本集團全部業務或其主要部分之管理及行政事宜之合約。

關連交易

獲豁免持續關連交易

大豐物流向鹽城油公司採購成品油

於本年度，大豐物流就其物流業務所用汽車向江蘇大豐之全資附屬公司鹽城市大豐港成品油有限公司（「鹽城油公司」）採購燃料約7,800,000港元，而截至二零一六年十二月三十一日止年度則約為8,200,000港元。鑑於(i)燃料乃採購自普通加油站，屬一般供私人使用或耗用之類別；(ii)燃料具有公開市場且定價具透明度；(iii)燃料獲大豐物流按採購時之狀態耗用；及(iv)大豐物流獲以不遜於獲獨立第三方提供之條款提供燃料，上述持續關連交易構成GEM上市規則第20.95條項下本集團之獲豁免持續關連交易，故根據GEM上市規則第20章獲豁免遵守申報、公告及獨立股東批准之規定。

本集團收取之財務資助

本集團收取關連人士之財務資助詳情載於財務報表附註25(c)。

由於本公司收取之財務資助乃按照一般商業條款提供，且並非由本集團資產作抵押，根據GEM上市規則20.88條，本公司收取之財務資助獲豁免遵守GEM上市規則第20章之申報、公告及獨立股東批准之規定。

REPORT OF THE DIRECTORS

董事會報告

Financial assistance provided by the Group

Zhongnanhui, an indirect wholly-owned subsidiary the Company, provided financial assistance of approximately HK\$2.4 million to 江蘇大豐港工程技術發展有限公司 (Jiangsu Dafeng Port Engineering Technology Development Co., Ltd*), an indirect wholly-owned subsidiary of Jiangsu Dafeng. The details of which are set out in note 22(b) to the financial statements.

Since the financial assistance provided by the Company is provided on normal commercial terms and all of the percentage ratios (other than profits ratio) are less than 5% and the total value of the financial assistance plus any monetary advantage to the connected person is less than HK\$3,000,000, according to Rule 20.74(1) of the GEM Listing Rules, the financial assistance provided by the Company was exempt from the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

本集團提供之財務資助

本公司之間接全資附屬公司中南匯向江蘇大豐之間接全資附屬公司江蘇大豐港工程技術發展有限公司提供約2,400,000港元財務資助，有關詳情載於財務報表附註22(b)。

由於本公司提供之財務資助乃按照一般商業條款提供，且所有百分比率（盈利比率除外）均低於5%，而財務資助總值加任何向關連人士提供之金錢利益亦低於3,000,000港元，根據GEM上市規則20.74(1)條，本公司提供之財務資助獲豁免遵守GEM上市規則第20章之申報、公告及獨立股東批准之規定。

Non-exempt continuing connected transactions

非豁免持續關連交易

During the Year, the Group had the following continuing connected transactions subject to the reporting, annual review, announcement and the independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

於本年度，本集團進行以下須根據GEM上市規則第20章遵守申報、年度審閱及公告以及獨立股東批准規定之持續關連交易。

Nature of transactions 交易性質	Annual Cap for the Year ended 31 December 2017 截至二零一七年 十二月三十一日 年度之年度上限
Provision of vehicle repair services for Dafeng Logistics' transportation vehicles by Dafeng Harbour Port (the "Vehicle Repair Services") 大豐海港港口為大豐物流之運輸車輛提供汽車維修服務(「汽車維修服務」)	RMB10.47 million 人民幣10,470,000元
Provision of logistics services by Dafeng Logistics to Dafeng Harbour Port and its subsidiaries for the transport of goods and/or cargos within Dafeng Port ("Logistics Services") 大豐物流就大豐港內貨品及／或貨物運送向大豐海港港口及其附屬公司提供物流服務(「物流服務」)	RMB13.46 million 人民幣13,460,000元
Provision of vehicle leasing services by Dafeng Supply Chain Management Company Limited* ("Dafeng Supply Chain") to Dafeng Logistics ("Vehicle Rental Service") 大豐供應鏈管理有限公司(「大豐供應鏈」)向大豐物流提供汽車租賃服務(「汽車租賃服務」)	RMB4.40 million 人民幣4,400,000元
Provision of port services which mainly comprise the provision of vessel docking services, stevedoring services and infrastructure facilities in Dafeng Port by Dafeng Harbour Port to Dafeng Logistics and Zhongnanhui ("Port Services") 大豐海港港口向大豐物流及中南匯提供港口服務(主要包括於大豐港提供之貨船停靠服務、裝卸服務及基建設施)(「港口服務」)	RMB8.00 million 人民幣8,000,000元

Dafeng Harbour Port is a wholly-owned subsidiary of Jiangsu Dafeng, a controlling shareholder of the Company. As such, the transactions between the Group and Dafeng Harbour Port constitute continuing connected transactions under the GEM Listing Rules.

大豐海港港口為本公司控股股東江蘇大豐之全資附屬公司。因此，本集團與大豐海港港口間之交易構成GEM上市規則項下之持續關連交易。

During the Year, (i) Dafeng Harbour Port has provided the Vehicle Repair Services to Dafeng Logistics of approximately RMB3.78 million in total; (ii) Dafeng Logistics has provided the Logistics Services to Dafeng Harbour Port and its subsidiaries of approximately RMB12.99 million in total; (iii) Dafeng Supply Chain has provided Vehicle Leasing Services to Dafeng Logistics of approximately RMB1.87 million in total; and (iv) Dafeng Harbour Port has provided the Port Services to Dafeng Logistics and Zhongnanhui of approximately RMB0.01 million in total, which did not exceed the annual caps for the relevant transactions.

於本年度，(i)大豐海港港口向大豐物流提供汽車維修服務合共約人民幣3,780,000元；(ii)大豐物流向大豐海港港口及其附屬公司提供物流服務合共約人民幣12,990,000元；(iii)大豐供應鏈向大豐物流提供汽車租賃服務合共約人民幣1,870,000元；及(iv)大豐海港港口向大豐物流及中南匯提供港口服務合共約人民幣10,000元，有關金額並無超過相關交易之年度上限。

REPORT OF THE DIRECTORS

董事會報告

Further details are set out in note 33 to the consolidated financial statements. The Board has received a letter from the auditors of the Company confirming that they were not aware of any matters such that they consider the above continuing connected transactions:

- (i) have not been approved by the Board;
- (ii) were not carried out in compliance with the Group's pricing policy in all material respects;
- (iii) were not carried out in compliance with the agreement of the transactions in all material respects; and
- (iv) have exceeded their respective annual caps.

The independent non-executive Directors, who are not interested in any of the above continuing connected transactions, have reviewed and confirmed that the above continuing connected transactions have been entered into by the Group:

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

Apart from the above, the Directors are not aware of any related party transactions as disclosed in note 33 to the consolidated financial statements which constituted a connected transaction or continuing connected transaction of the Group under the GEM Listing Rules which are subject to the requirements of reporting, announcement and approval of independent shareholders.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors, as at the date of this report, the Company has maintained sufficient public float in the issued share capital of the Company under the GEM Listing Rules.

進一步詳情載於綜合財務報表附註33。本公司核數師已向董事會發出函件，確認他們沒有注意到任何事情，以使他們認為上述持續關連交易：

- (i) 並未獲得董事會批准；
- (ii) 於各重大方面沒有按照本集團的定價政策進行；
- (iii) 於各重大方面沒有根據有關交易的協議進行；及
- (iv) 超逾各自年度上限。

概無於上述任何持續關連交易中擁有權益之獨立非執行董事已審閱並確認上述持續關連交易乃由本集團：

- 1. 於本集團日常及一般業務過程中訂立；
- 2. 按一般商業或更佳條款訂立；及
- 3. 按照規管該等交易之相關協議按公平合理且符合本公司股東整體利益之條款訂立。

除上述者外，董事概不知悉綜合財務報表附註33所披露任何關聯方交易構成根據GEM上市規則須遵守申報、公告及獨立股東批准規定之本集團關連交易或持續關連交易。

優先購買權

細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

足夠公眾持股量

根據本公司可得公開資料及據董事所知，於本報告日期，本公司根據GEM上市規則維持足夠本公司已發行股本公眾持股量。

COMPETING INTERESTS

Jiangsu Dafeng, a controlling shareholder of the Company, has two indirect wholly-owned subsidiaries, namely 大豐海融國際貿易有限公司 (Dafeng Hairong International Trade Co., Ltd.) (“Dafeng Hairong”) and 鹽城市港城商業管理有限公司 (Yancheng City Gangcheng Commercial Management Co., Ltd.) (“Yancheng Commercial”), which are engaged in trading of various goods including coals, metal ores, non-metallic ores, non-ferrous metal, chemical products, non-metal construction materials, scrap steel and wood. Whereas the Company has also developed the business of trading of electronic products, petrochemical products and various other products through Heshun Trading, an indirect wholly-owned subsidiary of the Company, and its subsidiaries, and Qianhai Mingtian and its subsidiary. Accordingly, the businesses of Jiangsu Dafeng and its subsidiaries (the “Jiangsu Dafeng Group”) may be construed as businesses which compete with or are likely to compete with one of the core principal activities of the Group. The Board considered that the businesses of the Jiangsu Dafeng Group do not pose material competitive threat to the Group because the Group and Jiangsu Dafeng Group have different focuses on the type of products offered which target at different customers in the market.

Other than Mr. Ni Xiangrong, Mr. Wang Yijun (resigned as an executive Director on 15 March 2018) and Mr. Pan Jian who are the directors of Jiangsu Dafeng, there is no overlap in the directorships among the Company, Jiangsu Dafeng, Dafeng Hairong and Yancheng Commercial. The Directors consider that the Board can operate independently from Jiangsu Dafeng, because (i) pursuant to the Articles, a Director shall not vote on any board resolutions approving any contract or arrangement or any other proposal in which such Director or any of his associates has a material interest nor shall he be counted in the quorum present at the meeting; and (ii) the Directors are fully aware of their fiduciary duties owing to the shareholders of the respective companies and their duty to avoid conflicts with the shareholders of the respective companies and their duty to avoid conflicts of interests in carrying out their respective duties as directors of the relevant companies.

Save as disclosed above, during the Year, none of the Directors, controlling shareholders of the Company or their respective close associates had any interests in a business, which competes or is likely to compete either directly or indirectly with the business of the Group which would be required to be disclosed under Rule 11.04 of the GEM Listing Rules.

競爭權益

本公司之控股股東江蘇大豐擁有兩間間接全資附屬公司大豐海融國際貿易有限公司(「大豐海融」)及鹽城市港城商業管理有限公司(「鹽城商業」)，該兩間公司從事多種貨品之貿易業務，包括煤炭、金屬礦、非金屬礦、有色金屬、化工產品、非金屬建築材料、廢舊鋼及木材。至於本公司則透過其間接全資附屬公司和順貿易及其附屬公司與前海明天及其附屬公司發展電子產品、石化產品及其他各樣產品貿易業務。因此，江蘇大豐及其附屬公司(「江蘇大豐集團」)之業務可能被當作與本集團其中一項主要核心活動構成或可能構成競爭之業務。董事會認為，由於本集團與江蘇大豐集團所提供產品類型重點有所不同，於市場上以不同客戶為目標，故江蘇大豐集團之業務不會對本集團構成重大競爭威脅。

除倪向榮先生、王益軍先生(於二零一八年三月十五日辭任執行董事)及潘健先生擔任江蘇大豐之董事外，本公司、江蘇大豐、大豐海融及鹽城商業之董事並無重疊。董事認為，董事會可自江蘇大豐獨立營運，原因為(i)根據細則，董事不得就有關其本身或其任何聯繫人士擁有重大權益之任何合約或安排或任何其他計劃之任何董事會決議案投票，亦不得計入有關會議之法定人數；及(ii)董事全面知悉彼等對有關公司股東之受託責任以及彼等避免與有關公司股東構成衝突及於執行相關公司董事職務時避免利益衝突之職責。

除上文披露者外，於本年度，董事、本公司控股股東或彼等各自之緊密聯繫人士概無於任何與本集團業務構成或可能構成直接或間接競爭之業務中擁有須根據GEM上市規則第11.04條予以披露之任何權益。

REPORT OF THE DIRECTORS

董事會報告

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiries to all the Directors, the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the Year.

CORPORATE GOVERNANCE CODE

A detailed corporate governance report is set out in pages 33 to 49 of this report.

AUDITOR

Mazars CPA Limited acted as the auditor of the Group for the Year.

The consolidated financial statements of the Company for the year ended 31 December 2017 were audited by Mazars CPA Limited.

A resolution will be submitted to the forthcoming AGM to re-appoint Mazars CPA Limited as the auditor of the Company.

By order of the Board
Dafeng Port Heshun Technology Company Limited
Ni Xiangrong
Chairman

Hong Kong, 23 March 2018

董事進行證券交易之行為守則

本公司已採納有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則。經向全體董事作出具體查詢後，本公司並不知悉於本年度有任何違反交易規定準則及有關董事進行證券交易之行為守則之情況。

企業管治守則

詳盡企業管治報告載於本報告第33至49頁。

核數師

瑪澤會計師事務所有限公司於本年度擔任本集團之核數師。

本公司截至二零一七年十二月三十一日止年度之綜合財務報表由瑪澤會計師事務所有限公司審核。

本公司將於應屆股東週年大會上提呈有關續聘瑪澤會計師事務所有限公司為本公司核數師之決議案。

承董事會命
大豐港和順科技股份有限公司
主席
倪向榮

香港，二零一八年三月二十三日

The Company is committed to maintain a high standard of corporate governance. In the opinion of the Directors, the Company has complied with all the code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix 15 to the GEM Listing Rules during the Year. The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of shareholders and investors.

DIRECTORS’ SECURITIES TRANSACTIONS

Conduct on share dealings

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company has made specific enquiries to all the Directors who have confirmed their compliance with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the Year. No incident of non-compliance was noted by the Company during the Year.

CORPORATE MANAGEMENT

Board of directors

Composition

As at the date of this report, the Board is comprised of 10 members, including four executive Directors, namely, Mr. Ni Xiangrong (chairman), Mr. Shum Kan Kim, Mr. Pan Jian and Mr. Sun Lin, two non-executive Directors, namely, Mr. Ji Longtao and Mr. Yang Yue Xia and four independent non-executive Directors, namely, Dr. Bian Zhaoxiang, Mr. Lau Hon Kee, Mr. Yu Xugang and Mr. Zhang Fangmao.

The Company has received annual written confirmations from each of the independent non-executive Directors in respect of their independence to the Company in accordance with the guidelines set out in Rule 5.09 of the GEM Listing Rules and believes that their independence is in compliance with the GEM Listing Rules as at the date of this report.

本公司致力維持高水平之企業管治。董事認為，本公司於本年度內一直遵守GEM上市規則附錄15所載企業管治守則(「企業管治守則」)所載全部守則條文。本公司將持續檢討其企業管治常規，以提升其企業管治標準、遵守監管規定並達致股東及投資者之預期增長。

董事證券交易

進行股份交易

本公司已採納有關董事進行證券交易之行為守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則。經本公司向全體董事作出具體查詢後，全體董事已確認彼等於本年度一直遵守交易規定準則及有關董事進行證券交易之行為守則。據本公司所知，本年度並無任何違規情況。

公司管理

董事會

組成

於本報告日期，董事會由10名成員組成，包括四名執行董事倪向榮先生(主席)、沈勤儉先生、潘健先生及孫林先生，兩名非執行董事吉龍濤先生及楊越夏先生，以及四名獨立非執行董事卞兆祥博士、劉漢基先生、于緒剛先生及張方茂先生。

本公司已接獲各獨立非執行董事之年度書面確認，確認彼等根據GEM上市規則第5.09條所載指引獨立於本公司，並相信彼等於本報告日期符合GEM上市規則之獨立身分規定。

Directors' training

All Directors should keep abreast of the responsibilities as a Director, and of the conduct and business activities of the Company. During the Year, the Company had organised a professional seminar conducted by a professional firm which provided the Directors with updates on the latest development and changes in the GEM Listing Rules and other applicable legal and regulatory requirements. All Directors including newly appointed Directors were provided with written training reading materials.

The Directors were also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each of the Directors to discharge their duties. The secretary of the Company from time to time updated and provided written training materials to the Directors relating to the roles, functions and duties of a director.

All Directors confirmed that they have complied with code provision A.6.5 of the CG Code on directors' training. During the Year, all Directors have participated in continuous professional development by reading materials or attending seminars/briefing sessions to develop and refresh their knowledge and skills and provided a record of training to the Company.

董事培訓

全體董事須緊守作為董事之責任以及配合本公司之管理方式行為及業務活動。於本年度，本公司已安排由專業公司為董事舉辦專業研討會，提供有關GEM上市規則最新發展及變動以及其他適用法律及監管規定之最新資料。全體董事(包括新委任董事)將獲發有關書面培訓讀物。

董事亦定期獲提供有關本公司表現、狀況及前景之最新資料，讓董事會整體及各董事履行其職責。本公司秘書不時向董事更新及提供有關董事角色、職能及職責之書面培訓材料。

全體董事確認，彼等已遵守有關董事培訓之企業管治守則守則條文第A.6.5條。於本年度，全體董事已藉閱覽讀物或出席研討會／簡介會參與持續專業發展，以加強及重溫知識及技術，並已向本公司提供培訓記錄。

Board process

The Board met regularly throughout the Year to discuss the overall strategy as well as the operational and financial performance of the Group. Notice of at least 14 days were given to all Directors of a regular Board meeting. For all other Board meetings, reasonable notice were given to all Directors. The Board delegates necessary powers and authorities to the executive Directors to facilitate the efficient day-to-day management of the Group's business. During the Year, the Board held 10 scheduled full Board meetings. In addition, executive Board meetings were convened when necessary to deal with day-to-day matters that required the Board's prompt decisions, and therefore usually only executive Directors attended. Individual attendance records of full Board meetings and committees meetings are set out on page 36 of this report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles and the matters to be dealt with by the Board would be dealt with by a physical Board meeting rather than by a written resolution. Independent non-executive Directors who, and whose close associates, have no material interest in the transaction would be present at the Board meeting. The secretary of the Company maintains minutes of the Board meetings and meetings of Board committees for inspection by the Directors. All Directors have access to the services of the secretary of the Company who regularly updates the Board on corporate governance and regulatory matters. Any Director, audit committee member, remuneration committee member and nomination committee member of the Company may seek independent professional advice at the expense of the Company should they so wish.

董事會程序

董事會於本年度定期舉行會議，討論整體策略以及本集團之經營及財務表現。定期董事會會議均向全體董事發出至少14日通知。而所有其他董事會會議均向全體董事發出合理通知。董事會將必要權力及職權賦予執行董事，以便有效率地管理本集團之日常業務。於本年度，董事會曾舉行10次全體會議。此外，已於必要時召開執行董事會會議，處理需要董事會迅速決策之日常事宜，故有關會議一般僅由執行董事出席。全體董事會會議及委員會會議個別出席記錄載於本報告第36頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟細則所載若干例外情況除外，而董事會將處理之事宜會由實質董事會會議而非書面決議案處理。並無於交易中擁有重大權益之獨立非執行董事及其緊密聯繫人士可出席董事會。本公司秘書保存董事會會議及董事委員會會議記錄以供董事查閱。本公司秘書定期為董事會更新企業管治及法規事宜之資料，並向全體董事提供有關服務。本公司董事、審核委員會成員、薪酬委員會成員及提名委員會成員均可按意願獲取獨立專業意見，費用由本公司承擔。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board and board committee attendance

董事會及董事委員會出席率

The following table indicates the number of Board meetings, committee meetings and general meetings throughout the Year, and the number of attendance by each of the Directors:

下表顯示於本年度內舉行之董事會會議、委員會會議及股東大會次數，以及各董事之出席次數：

Name	Board	Number of meetings attended/held					General Meeting
		Audit Committee	Remuneration Committee	Nomination Committee	Legal Compliance Committee		
姓名	董事會	審核委員會	薪酬委員會	提名委員會	法律合規委員會	股東大會	
Executive Directors	執行董事						
Mr. Ni Xiangrong	倪向榮先生	10/10	–	–	1/1	–	2/2
Mr. Wang Yijun (note 1)	王益軍先生(附註1)	10/10	–	–	–	–	2/2
Mr. Shum Kan Kim	沈勤儉先生	10/10	–	–	–	4/4	2/2
Mr. Pan Jian	潘健先生	10/10	–	1/1	–	–	2/2
Mr. Sun Lin (note 2)	孫林先生(附註2)	1/2	–	–	–	–	–
Mr. Yu Xingmin (note 3)	俞興敏先生(附註3)	6/9	–	–	–	–	2/2
Non-executive Directors	非執行董事						
Mr. Ji Longtao	吉龍濤先生	10/10	–	–	–	–	2/2
Mr. Yang Yue Xia	楊越夏先生	7/10	–	–	–	–	2/2
Independent Non-executive Directors	獨立非執行董事						
Dr. Bian Zhaoxiang	卞兆祥博士	5/10	3/4	1/1	–	–	2/2
Mr. Lau Hon Kee	劉漢基先生	9/10	4/4	1/1	1/1	–	2/2
Mr. Yu Xugang	于緒剛先生	9/10	–	–	–	–	2/2
Mr. Zhang Fangmao	張方茂先生	10/10	4/4	–	1/1	–	2/2

Notes:

- resigned on 15 March 2018
- appointed on 10 August 2017
- resigned on 10 November 2017

附註：

- 於二零一八年三月十五日辭任
- 於二零一七年八月十日獲委任
- 於二零一七年十一月十日辭任

Pursuant to code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings. During the Year, all of the independent non-executive Directors and other non-executive Directors attended the general meetings of the Company in person or through telecommunication.

根據企業管治守則守則條文第A.6.7條，獨立非執行董事及其他非執行董事須出席股東大會。於本年度，獨立非執行董事及其他非執行董事均親身或透過電子通訊方法出席本公司股東大會。

Directors' duties

The Board in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each Director has a duty to act in good faith and in the best interests of the Company.

Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or re-appointment of Directors, and other significant operational and financial matters. The Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations. The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements. Reasonable and prudent judgement and estimates have been made. The Group announces its financial results on a timely basis.

Senior management's duties

The day-to-day management, administration and operation of the Company are delegated to the senior management of the Company which include evaluating business and operational performances, ensuring effective implementation of the Board's decisions, ensuring adequate funding and monitoring performance of the management of the Group. The senior management of the Company is being closely monitored by the Board and is accountable for the performance of the Company as measured against the business targets and management directions set by the Board. The senior management of the Company and the management of the relevant subsidiaries met together on regular basis to review and discuss operational and financial matters in order to enhance and strengthen internal communications and cooperation within the Group. The delegated functions and work tasks were periodically reviewed.

Indemnification of directors and officers

The Directors and officers are indemnified under directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the Directors and officers of the Company.

董事職責

董事會負責領導及監督本集團事務，共同負責帶領本集團邁向成功。各董事有責任以真誠及符合本公司最佳利益之方式行事。

須由董事會決策之事宜一般包括但不限於本集團整體策略、主要收購及出售、全年及中期業績、有關委任或續聘董事之推薦意見，以及其他重大經營及財務事宜。董事透過每月如期發出之管理資料了解最新情況以及可能影響本集團業務之主要變動，包括相關規則及規例。董事會知悉其編製財務報表及每年審核財務報表之責任。本公司已採納香港公認會計準則編製財務報表，並已作出合理審慎判斷及估計。本集團會適時公佈其財務業績。

高級管理人員之職責

本公司日常管理、行政及營運由本公司高級管理人員負責，包括負責評估業務及營運表現、確保有效執行董事會之決策、確保資金充裕及監察本集團管理層之表現。本公司高級管理人員由董事會密切監察，並須對本公司相對董事會所釐定業務目標及管理方針之表現負責。本公司高級管理人員及有關附屬公司之管理人員定期會面以審閱並討論營運及財務事宜，藉此改善及加強本集團之內部溝通與合作。本公司定期檢討賦權職能及工作任務。

董事及高級職員之彌償保證

董事及高級職員按董事及高級職員責任保險獲得彌償保證，以保障彼等擔任本公司董事及高級職員履行職責時所產生任何責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

Chairman and chief executive officer

Code provision A.2.1 of the CG Code provides that the role of chairman and chief executive officer should be separated 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, Mr. Ni Xiangrong is the chairman of the Board and an executive Director and was responsible for overall strategic planning, development, decision making and management of senior executives of the Group. Mr. Ni Xiangrong, as chairman of the Board, was responsible for reviewing and approving the agenda of each Board meeting prepared by the company secretary of the Company. Mr. Ni Xiangrong was also responsible for taking the primary responsibility for ensuring that good corporate governance practices and procedures are established.

Mr. Sun Lin is an executive Director and the chief executive officer of the Company (appointed as an executive Director on 10 August 2017) and is responsible for the corporate strategic planning, execution and day-to-day management and administration of the Group's business and operation.

BOARD COMMITTEES

The Board has received appropriate delegation of its functions and powers and has established appropriate Board committees, with specific written terms of reference in order to manage and monitor specific aspects of the Group's affairs. The terms of reference of the Board committees are posted on the websites of the Company and the Stock Exchange and are available to the shareholders of the Company upon request. The Board and the Board committees are provided with all necessary resources including the advice of external auditor, external legal advisers and other independent professional advisors as needed.

In relation to the Board's corporate governance functions, the Board has determined the policy of the corporate governance of the Company and has performed its duties by firstly, developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board; secondly, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; thirdly, developing and monitoring the codes of conduct applicable to the Directors and employees of the Company; fourthly, reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report, and lastly, receiving and monitoring the training and continuous professional development of the Directors.

主席及行政總裁

企業管治守則守則條文第A.2.1條規定，主席及行政總裁職務須分開且不能由同一人士擔任。主席及行政總裁職責分工須清楚界定並以書面列載。

於本年度，倪向榮先生一直擔任董事會主席兼執行董事，負責整體策略規劃、發展、決策及管理本集團高級行政人員。倪向榮先生(作為董事會主席)有責任審核及批准本公司公司秘書編製之各董事會會議之議程。倪向榮先生亦有責任承擔確保建立良好企業管治常規及程序之主要責任。

孫林先生為本公司執行董事兼行政總裁(於二零一七年八月十日獲委任為執行董事)，負責企業策略規劃、執行以及本集團業務及營運之日常管理及行政事務。

董事委員會

董事會已適當轉授其職能及權力，並已設立訂有具體書面職權範圍之適當董事委員會，以管理及監督本集團之特定事務。董事委員會之職權範圍於本公司及聯交所網站登載，本公司股東可提出要求查閱。董事會及董事委員會獲提供所有必要資源，包括外聘核數師、外聘法律顧問及其他獨立專業顧問(如需要)之意見。

就董事會之企業管治職能而言，董事會已制定本公司之企業管治政策並履行其職責：第一，制定及檢討本公司企業管治政策及常規並向董事會提供建議；第二，檢討及監察本公司之政策及常規以遵守法律及監管規定；第三，制定及監察本公司董事及僱員適用之行為守則；第四，審查本公司遵守企業管治守則之情況及企業管治報告之披露資料；及第五，為董事提供並監督培訓及持續專業發展。

The Board has established an audit committee (the “Audit Committee”), a remuneration committee (the “Remuneration Committee”), a nomination committee (the “Nomination Committee”) and a legal compliance committee (the “Legal Compliance Committee”) with defined terms of reference. The Audit Committee and the Remuneration Committee are chaired by independent non-executive Directors, the Nomination Committee is chaired by the chairman of the Board and the Legal Compliance Committee is chaired by an executive Director.

(a) Audit Committee

The Audit Committee was established on 3 August 2013 with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and code provision C.3.3 of the CG Code. The Audit Committee is currently comprised of three independent non-executive Directors, namely Mr. Lau Hon Kee (chairman), Dr. Bian Zhaoxiang and Mr. Zhang Fangmao. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of the external auditor, review the financial statements and related materials and provide advice in respect of the financial reporting process and oversee the internal control procedures of the Group.

During the Year, the Audit Committee reviewed the quarterly, interim and annual results of the Group. The Audit Committee also reviewed the internal control procedures of the Group, including financial, operational and compliance controls and risk management functions as well as compliance matters and the findings reports from the Legal Compliance Committee of the Company.

(b) Remuneration Committee

The Remuneration Committee was established on 3 August 2013 with written terms of reference in compliance with code provision B.1.2 of the CG Code. The Remuneration Committee is currently comprised of one executive Director, Mr. Pan Jian, and two independent non-executive Directors, Dr. Bian Zhaoxiang (chairman) and Mr. Lau Hon Kee. The primary duties of the Remuneration Committee are to make recommendations to our Board on the overall remuneration policy and structure relating to the Directors and senior management of our Group, review and evaluate their performance in order to make recommendations on the remuneration package of each of the Directors and members of the senior management as well as other employee benefit arrangements.

董事會已成立具有明確職權範圍之審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)及法律合規委員會(「法律合規委員會」)。審核委員會及薪酬委員會主席為獨立非執行董事，提名委員會主席為董事會主席，而法律合規委員會主席為一名執行董事。

(a) 審核委員會

審核委員會於二零一三年八月三日成立，其書面職權範圍符合GEM上市規則第5.28至5.29條及企業管治守則守則條文第C.3.3條之規定。審核委員會目前由三名獨立非執行董事劉漢基先生(主席)、卞兆祥博士及張方茂先生組成。審核委員會之主要職責為就委聘及罷免外部核數師向董事會提供推薦意見，審閱財務報表及相關資料以及就財務報告程序提供意見，並監督本集團之內部監控程序。

於本年度，審核委員會已審閱本集團之季度、中期及全年業績。審核委員會亦已審閱本集團之內部監控程序(包括財務、經營及合規監控以及風險管理職能)以及本公司法律合規委員會發出之合規事宜及結果報告。

(b) 薪酬委員會

薪酬委員會於二零一三年八月三日成立，其書面職權範圍符合企業管治守則守則條文第B.1.2條之規定。薪酬委員會目前由一名執行董事潘健先生以及兩名獨立非執行董事卞兆祥博士(主席)及劉漢基先生組成。薪酬委員會之主要職責為就與董事及本集團高級管理人員有關之整體薪酬政策及架構向董事會提供推薦意見，檢討及評估各董事及高級管理人員表現以就彼等之薪酬組合以及其他員工福利安排提供推薦意見。

During the Year, the Remuneration Committee determined the policy for the remuneration of the Directors, assessed performance of the Directors and approved the terms of the Directors' service contracts. The Remuneration Committee also reviewed, confirmed and recommended to the Board the remuneration package of each of the Directors and senior management of the Company.

(c) Nomination Committee

The Nomination Committee was established on 3 August 2013 with written terms of reference in compliance with code provision A.5.2 of the CG Code. The Nomination Committee is currently comprised of one executive Director, Mr. Ni Xiangrong (chairman) and two independent non-executive Directors, Mr. Lau Hon Kee and Mr. Zhang Fangmao. The primary duties of the Nomination Committee are to nominate potential candidates for directorship, review the nomination of Directors and make recommendations to the Board on the appointment of Directors.

The Company had adopted the board diversity policy in accordance with the requirements as set out in the CG Code. The Board recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural background and ethnicity, in addition to educational background, professional experience, skill, knowledge and length of service. When identifying and selecting suitably qualified candidates for recommendation to the Board, the Nomination Committee will give consideration to the Board diversity policy whereby selection of candidates will be based on merit against objective criteria and with due regard to the benefits of diversity of the Board. The Nomination Committee reviews and monitors the implementation of the Board diversity policy as appropriate.

The Nomination Committee conducted reviews of the Board's composition taking into account the Board diversity policy and formed the view that the Board has maintained an appropriate mix and balance of skills, knowledge, experience, expertise and diversity of perspectives appropriate to the business requirements of the Company.

The work performed by the Nomination Committee during the Year included:

- (i) to assess the independence of independent non-executive Directors;

於本年度，薪酬委員會已制定董事之薪酬政策、評估董事之表現及批准董事之服務合約條款。薪酬委員會亦已審閱及確認各董事及本公司高級管理人員之薪酬組合，並就此向董事會提供推薦意見。

(c) 提名委員會

提名委員會於二零一三年八月三日成立，其書面職權範圍符合企業管治守則守則條文第A.5.2條之規定。提名委員會目前由一名執行董事倪向榮先生(主席)以及兩名獨立非執行董事劉漢基先生及張方茂先生組成。提名委員會之主要職責為提名出任董事人選，審閱董事提名並就委任董事向董事會提供推薦意見。

本公司已根據企業管治守則所載規定採納董事會成員多元化政策。董事會認同並深明擁有多元化董事會以提高公司表現質素之益。多元化董事會人選將按一系列多元化範疇為基準，除教育背景、專業經驗、技能、知識及服務任期外，亦包括但不限於性別、年齡、文化背景及種族。當物色及甄選具備合適資格之候選人並向董事會推薦時，提名委員會將考慮董事會成員多元化政策，根據該政策，甄選候選人時將依據候選人符合客觀標準之情況及充分考慮董事會成員多元化之裨益。提名委員會在適當時候檢討及監察實施董事會成員多元化政策之情況。

提名委員會在計及董事會成員多元化政策下檢討董事會之組成，並認為董事會在本公司業務要求適用之技能、知識、經驗、專業知識及多元觀點方面維持適當組合及平衡。

提名委員會於本年度所履行工作包括：

- (i) 評估獨立非執行董事之獨立身分；

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| <p>(ii) to review the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;</p> | <p>(ii) 檢討董事會之架構、人數及組成(包括技能、知識及經驗)並就任何為配合本公司企業策略而擬對董事會作出之變動提出建議;</p> |
| <p>(iii) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of, individuals nominated for directorships;</p> | <p>(iii) 物色具備合適資格成為董事會成員之個別人士並甄選獲提名人士擔任董事職務或就此向董事會提供建議;</p> |
| <p>(iv) to review the terms of reference of the Nomination Committee; and</p> | <p>(iv) 審閱提名委員會之職權範圍; 及</p> |
| <p>(v) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors.</p> | <p>(v) 就委任或重新委任董事及董事繼任計劃向董事會提供建議。</p> |

(d) Legal Compliance Committee

The Legal Compliance Committee was established on 30 April 2013, which is mainly responsible for the Group's internal control matters and to ensure the proper compliance of the laws and regulations relevant to the Group's operations as well as the adequacy and the effectiveness of the Group's internal control measures.

The members of the Legal Compliance Committee currently comprises one executive Director, Mr. Shum Kan Kim (chairman), two senior management of the Company, Mr. Chen Wenxiang and Mr. Lam Chun Hung and the secretary of the Company, Ms. Xu Jing.

The Legal Compliance Committee also assists the Board in overseeing the Group's corporate governance functions which include but not limited to the followings:

- (i) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Audit Committee on a quarterly basis;
- (ii) to review and monitor the training and continuous professional development of the Directors and senior management of the Group;
- (iii) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;

(d) 法律合規委員會

法律合規委員會於二零一三年四月三十日成立，主要負責本集團之內部監控事宜，並確保妥為遵守與本集團營運相關之法律及規例以及確保本集團之內部監控措施充足及有效。

法律合規委員會目前由一名執行董事沈勤儉先生(主席)、兩名本公司高級管理人員陳文祥先生及林振雄先生以及本公司秘書徐靜女士組成。

法律合規委員會亦協助董事會監督本集團企業管治職能，包括但不限於：

- (i) 制訂及審閱本集團有關企業管治之政策及常規並每季向審核委員會提出建議;
- (ii) 檢討及監察董事及本集團高級管理層之培訓及持續專業發展;
- (iii) 檢討及監察本集團有關遵守法律及監管規定之政策及常規;

- (iv) to develop, review and monitor the code of conduct and compliance manual applicable to the Directors and employees of the Group;
- (v) to review the Group's compliance with the CG Code and disclosure in the corporate governance report; and
- (vi) to review the nature, extent and monitoring measures of the risks to the Group.

During the Year, the Legal Compliance Committee held four meetings to review the internal control and compliance matters and the findings of which were reported to the Audit Committee.

- (iv) 制訂、檢討及監察適用於董事及本集團僱員之操守守則及合規手冊；
- (v) 審視本集團遵守企業管治守則之情況及企業管治報告內之披露事宜；及
- (vi) 審閱本集團所面對風險之性質、範圍及監控措施。

於本年度，法律合規委員會共舉行四次會議，以檢討內部監控及合規事宜，並向審核委員會匯報有關結果。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the shareholders of the Company and the regulatory authorities.

Timely release of quarterly, interim and annual results announcements reflects the Board's commitment to providing transparent and up-to-date disclosures of the Group's performance.

The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's quarterly, interim and annual financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements to comply with accounting standards and regulatory requirements.

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the external auditor acknowledges its responsibilities in respect of financial reporting which are set out in the independent auditor's report on page 50 of this report.

問責及審核

財務報告

董事會致力於向本公司股東及監管機構作出之所有披露中就本集團財務表現及前景提供持平、清晰及全面評估。

適時發佈季度、中期及全年業績公告，顯示董事會致力就本集團業績提供透明及最新披露。

董事會在審核委員會協助下，監督本集團財務報告程序及財務報告之質素。審核委員會審閱及監督本集團季度、中期及全年財務報表之完整性，並檢討本集團會計政策及該等政策之變動是否恰當，以及確保該等財務報表符合會計準則及規例要求。

董事確認彼等對編製本公司之賬目承擔責任，而外聘核數師就本報告第50頁所載獨立核數師報告承擔財務報告責任。

External Auditor

The Audit Committee recommends the re-appointments of Mazars CPA Limited as the auditor of the Group and the Board has adopted such recommendation.

During the Year, the fees paid/payable to the Company's auditor, Mazars CPA Limited, in respect of audit services and non-audit services provided by the auditors of the Company are as follows:

外聘核數師

審核委員會建議重新委任瑪澤會計師事務所有限公司為本集團核數師，而董事會已採納有關建議。

於本年度，就本公司核數師瑪澤會計師事務所有限公司所提供審核服務及非審核服務已付／應付本公司核數師之費用如下：

Category of services 服務種類	Amounts 金額 HK\$'000 千港元
Audit services	
Audit fee for the financial statements of the Group for the year ended 31 December 2017	1,850
Non-audit services	
Professional fee in connection with disposal of equity interest in 3 subsidiaries and preparation for a potential acquisition of a corporation	835

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and maintaining sound systems of risk management and internal controls and also reviewing their effectiveness to safeguard interests of the shareholders, customers, employees, and the Group's assets. However, such systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve business objectives of the Group, and can only provide reasonable assurance and not absolute assurance against material misstatement or loss.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes enhancing the systems of risk management and internal control from time to time in response to the changes to the business environment or regulatory guidelines.

The Board always regards risk management and internal control process as an important task and believes that effective corporate risk management and internal control process is an essential element of good corporate governance. The Legal Compliance Committee and the Audit Committee have been established by the Board, which are responsible for monitoring and reviewing the risk management and internal control systems of the Group.

風險管理及內部監控

董事會全權負責評估及釐定本集團達成策略目標時所願意接受之風險性質及程度，並維持健全之風險管理及內部監控制度，檢查其成效以保障股東、客戶及僱員之利益以及本集團資產。然而，該等制度乃為於可接受之風險範圍內管理本集團風險而設，而並非消除不能達致本集團業務目標之風險，故僅可提供合理保證而非絕對保證，以免出現重大錯誤陳述或損失。

董事會已確立程序，以持續識別、評估及管理本集團所面對之重大風險，有關程序包括因應營商環境或監管指引之變動而不時加強風險管理及內部監控制度。

董事會一直重視風險管理及內部監控程序，並相信有效之企業風險管理及內部監控程序為良好企業管治不可或缺一環。董事會已成立法律合規委員會及審核委員會，負責監督及檢討本集團之風險管理及內部監控制度。

During the Year, the Company has appointed an international famous advisory services limited to carry out review on the internal control system and risk management system of the Group. The review involves all material monitoring aspects, including finance, operation, compliance and risk management. The advisory services limited has conducted analysis and independent assessment on the adequacy and the effectiveness of the internal control system and risk management of the Group, and has submitted the review, recommendations and advice to the Audit Committee and the Board. The Audit Committee and the Board have discussed the review report and will make appropriate amendments in respect of the review and recommendations to the management system of the Group.

Risk Management

Control environment

The Group believes that risk management is the responsibility of everyone within the Group. It aims to develop risk awareness and control responsibility as our culture and the foundation of our internal controls system. The internal controls system applies to the Group's critical business processes including strategy development, business planning, investment decisions, capital allocation and day-to-day operations.

The Group also believes that corporate governance is often associated with business ethics. In order to ensure the Company's reputation be enhanced by the honest, loyal and ethical behaviours of its staff, the Group has formulated a formal staff code and whistleblowing policy. Furthermore, the Group has from time to time arranged different levels of staff, ranging from top management to front-line staff, to participate in a series of business ethics seminars conducted by the Independent Commission Against Corruption, reputed lecturers or internal audit functions of the Company and the Group in order to enhance the staff's recognition and commitment to the staff code.

Management has also conducted annual self-check to see whether the rules and guidelines specified in the staff code have been properly adhered to, and the respective written declarations have been documented and reported to the Audit Committee.

於本年度，本公司已委任國際知名諮詢服務有限公司對本集團內控系統及風險管理系統進行覆核。有關覆核涉及所有重大監控方面，包括財務、營運、合規及風險管理。該諮詢服務有限公司已對本集團的內部監控系統及風險管理的充足性及有效性進行了分析和獨立的評估，並已將覆核結果、推薦建議及意見提交審核委員會及董事會。審核委員會及董事會已討論有關審閱報告，並將會就結果及推薦建議對本集團的管理系統作出適當修改。

風險管理

監控環境

本集團深信風險管理乃本集團旗下每名人員之責任，旨在將風險警覺性及監控責任融入集團文化，並作為內部監控制度之基礎。內部監控制度適用於本集團之重大業務過程，包括策略發展、業務規劃、投資決策、資金分配及日常營運。

本集團亦相信企業管治通常與商業道德有關。為確保員工誠實、忠誠及道德行事藉以提高本公司聲譽，本集團已制訂正式員工守則及舉報政策。此外，本集團不時安排由高級管理層以至前線員工等各級員工參與由廉政公署、知名講者或本公司及本集團內部審核部舉辦之一系列商業道德講座，從而加強員工對員工守則之認同及承擔。

管理層每年亦進行自我審查，以檢視員工守則所載規則及指引是否已獲妥善遵從，而相關書面聲明已存檔並向審核委員會匯報。

Control activities

The Group's control activities have been built on regular top-level reviews, segregation of duties and physical controls. Currently, the key features of the internal controls system include:

- the design of an organisational structure with defined lines of responsibility and delegation of authority;
- the setup and adherence of authorisation and approval limits of the Company and each business unit;
- the establishment of policies and procedures to support deployment of management's directives; and
- the systems and procedures to identify and mitigate risks on an ongoing basis.

Major operational risk factors and measures

The Group seeks to have risk management features embedded in the day-to-day operations. At the beginning of each year, the Group conducted a risk assessment on the existing or potential risks that may impact the achievement of business objectives over the course of business operation. The assessment includes potential likelihood and impact of the identified risks. For the risks identified, the Group determined the action plans and management targets. The management of each business unit of the Group is responsible for managing their respective day-to-day operating risks, and implementing measures to mitigate such risks.

Corporate affairs department monitors the implementation of risk management, and continuously reviews and assesses the efficiency and adequacy of action plans on a regular basis. Such assessment results will be regularly communicated and reported to the Legal Compliance Committee and the Board.

During the Year, the Legal Compliance Committee and the Board were not aware of any unexpected adverse changes that were significant to the risks related to the Group's businesses.

Internal Control

The Board recognises the overall responsibility for the establishment, maintenance, and review of an internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations. This system of internal control is designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

監控活動

本集團之監控活動建基於定期進行高規格檢討、權責劃分及實質監控。目前，內部監控制度之主要特點包括：

- 設計具明確職責範圍及授權之組織架構；
- 設立並遵守本公司及各業務單位之授權及批准限制；
- 制訂政策及程序以支持管理層指令之部署；及
- 持續識別及減低風險之制度及程序。

主要經營風險因素及措施

本集團致力將風險管理特點融入日常營運當中。本集團於每年年初均會對於業務營運過程中可能影響達成業務目標之現有或潛在風險進行風險評估。評估包括已識別風險發生之可能性及影響。就已識別風險而言，本集團釐定行動計劃及管理目標。本集團各業務單位之管理層負責管理各自日常營運風險，並推行減低有關風險之措施。

公司事務部監督風險管理之執行情況，並持續定期檢討及評估行動計劃之成效及是否充分。有關評估結果將定期與法律合規委員會及董事會溝通並向其匯報。

於本年度，法律合規委員會及董事會並不知悉對有關本集團業務之風險屬重大之無法預料不利變動。

內部監控

董事會確認對內部監控制度之建立、維持及檢討負全責，該制度就財務及經營資料之可靠性及完整性、經營效率及效益、保障資產以及遵守法例及規例提供合理保證。內部監控制度旨在管理而非消除所有失敗風險，其目的在於就達成組織目標提供合理而非絕對保證。

The Company has an internal audit function to perform the review on the internal control system of the Group (including financial, operational and compliance controls and risk management functions).

The Audit Committee comprising three independent non-executive Directors, which will retain overall responsibility for the internal control matters of the Group and has oversight of the Legal Compliance Committee, will assess the robustness of our regulatory compliance procedures and system reviewed by the Legal Compliance Committee to ensure, among other things, that the Group fully complies with all applicable laws and regulations relevant to our operations. In addition, the Audit Committee will make recommendations to the Board for the improvement of our regulatory compliance procedures and system as is necessary and report to the Board immediately if there is any potential or actual non-compliance identified by the Legal Compliance Committee.

The Board conducted a review of the internal control system of the Group for the Year. Having reviewed the effectiveness of the Group's internal control system through the Audit Committee, the Legal Compliance Committee, the external adviser and the external auditor, which covers all material controls, including financial, operational and compliance control and risk management functions, the Board is satisfied that such system is effective and adequate.

COMPANY SECRETARY

The company secretary plays an important role in supporting the Board by ensuring good information flow within the Board and the Board committees; and disseminating the decisions/policies made by the Board/Board committees to relevant departments/staff for follow up/implementation, and ensuring that the Board policies and procedures are followed by business units, various departments and employees of the Group. The company secretary is also responsible for ensuring that the relevant rules and regulations issued by the regulatory authorities as well as the Articles are complied with. The company secretary assists the chairman and the Board in implementing and strengthening corporate governance practices and processes of the Company. The company secretary also attends and ensures that all Board and Board committees meetings are properly convened, and that accurate and proper record of the proceeding and resolutions passed are taken and maintained. The company secretary assists the chairman of the Board in ensuring efficient flow of information from the Board or the Board committees to management for action. The Board approves the selection, appointment or dismissal of the company secretary. The company secretary reports to the chairman of the Board and/or chief executives of the Company. All Directors have direct access to the advice and services of the company secretary.

本公司設立內部審核部門審閱本集團之內部監控制度(包括財務、經營及合規監控以及風險管理職能)。

審核委員會由三名獨立非執行董事組成，對本集團內部監控制度事務負全責，並監督法律合規委員會，將就監管合規程序及經法律合規委員會檢討之制度是否穩健作出評估，以確保(其中包括)本集團完全遵守經營相關適用法例及規例。此外，審核委員會向董事會建議於必要時改進法律合規程序及制度，以及於法律合規委員會確認有任何潛在或實際不合規情況時即時向董事會報告。

董事會已就本年度檢討本集團之內部監控制度。經透過審核委員會、法律合規委員會、外聘顧問及外聘核數師檢討本集團內部監控制度(涵蓋所有重大控制，包括財務、營運以及合規監控及風險管理職能)之成效後，董事會信納該制度有效及充足。

公司秘書

公司秘書在支援董事會方面擔當重要角色，確保董事會及董事委員會內資訊交流良好，向有關部門/員工發放董事會/董事委員會之決定/政策以作跟進/執行，並確保本集團業務單位、各部門及僱員均遵循董事會政策及程序。公司秘書亦負責確保遵守由監管機關頒佈之相關規則及規例以及細則。公司秘書協助主席及董事會執行及加強本公司之企業管治常規及程序。公司秘書亦會出席所有董事會及董事委員會會議，並確保該等會議妥善召開，以及程序及所通過決議案均準確及適當地記錄及保存。公司秘書協助董事會主席確保由董事會或董事委員會發出之資訊能有效傳達至管理層以作執行。董事會批准公司秘書之甄選、委任或解僱。公司秘書向本公司董事會主席及/或主要行政人員匯報。全體董事均可直接取得公司秘書之意見及服務。

As at the end of 31 December 2017, Ms. Xu Jing is the company secretary and employee of the Company. During the Year, Ms. Xu Jing has confirmed that she has taken not less than 15 hours of relevant professional training.

於二零一七年十二月三十一日結束時，徐靜女士為本公司之公司秘書兼僱員。於本年度，徐靜女士已確認彼已接受不少於15個小時之相關專業培訓。

SHAREHOLDERS' RIGHTS

股東權利

Convening extraordinary general meeting and putting forward proposals at shareholders' meetings

召開股東特別大會並於股東大會提呈建議

Pursuant to the Articles, shareholders are requested to follow article 58 of the Articles to propose new resolutions at the general meetings. Pursuant to article 58 of the Articles, general meetings shall be convened by any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

根據細則，股東須根據細則第58條以於股東大會提呈新決議案。根據細則第58條，股東大會須由於提呈要求日期持有不少於本公司繳足股本(附有於本公司股東大會之表決權)十分之一之任何一名或多名股東隨時向董事會或本公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明之任何事項，且該大會應於提呈有關要求後兩(2)個月內舉行。倘提呈要求後二十一(21)日內，董事會未有召開該大會，則提呈要求人士可以相同方式作出有關行動，因董事會未有召開該大會而對提呈要求人士招致之所有合理費用，須由本公司償還予提呈要求人士。

Detailed procedures for our shareholders to propose a person for election as a Director are available on the Company's website.

本公司股東建議人士參選董事之具體程序可於本公司網站查閱。

Shareholders' enquiries

股東查詢

Shareholders may send their enquiries and concerns to the Board of the Company by addressing them to the principal place of business of the Company in Hong Kong at Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong by post for the attention of the secretary of the Company.

股東可將彼等對本公司董事會之查詢及關注事宜以郵遞方式寄往本公司主要營業地點(地址為香港九龍九龍灣宏照道33號國際交易中心1009室)，註明收件人為本公司秘書。

INVESTOR RELATIONS AND COMMUNICATIONS

The Company believes that effective communication with our shareholders is essential for ensuring that they are provided with timely access to important information about the Company, including its financial performance, strategic goals and plans, material developments, governance and risk profile, in order to enable them to exercise their rights in an informed manner.

General meetings of the Company provide the best opportunity for exchange of views between the Board and our shareholders by maintaining an on-going dialogue with our shareholders.

- Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote on their behalf if they are unable to attend.
- The process of general meetings will be monitored and reviewed by the Board on a continuous and regular basis to ensure that shareholders' needs are best served and, if necessary, changes will be made to safeguard shareholders' interests.
- The chairman of the Board as well as the chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee or, in their absence, other members of the respective committees will attend general meetings to answer shareholders' questions. The chairman of the independent board committee or, in his absence, other members of the independent board committee, will also be available to answer shareholders' questions at general meetings convened for the approval of connected transactions or any other transactions that are subject to independent shareholders' approval.
- The Board will ensure appropriate arrangement is in place to encourage shareholders' participation in general meetings.

In an effort to enhance communications with shareholders and investors, the Company maintains a website (www.dfport.com.hk) to disseminate information relating to the Company's information such as announcements, circulars, financial statements and notices of general meetings. The Company regards the AGM as an important event as it provides direct communication between the Board and its shareholders. All shareholders of the Company are given at least a minimum of 20 clear business days notice of the date and venue of the AGM at which time the Directors and committee members are available to answer questions on the business.

投資者關係及溝通

本公司認為，與股東有效溝通實屬必要，可確保彼等獲適時提供有關本公司之重要資料，包括其財務表現、策略目標及計劃、重大發展、管治及風險概況，從而使彼等有依據行使其權利。

本公司股東大會透過不斷維持與本公司股東對話，提供良好機會促進董事會與本公司股東之間意見交流。

- 鼓勵股東參與股東大會，或倘彼等無法出席，則委任代表代彼等出席大會並於會上投票。
- 股東大會過程將受董事會持續定期監督及檢討，以確保以最佳方法處理股東之需求，並於必要時作出變動以保障股東權益。
- 董事會主席以及審核委員會、薪酬委員會及提名委員會主席或(如彼等缺席)各委員會其他成員將出席股東大會以解答股東提問。獨立董事委員會主席或(如彼缺席)獨立董事委員會其他成員亦會出席就批准關連交易或任何其他須經獨立股東批准之交易而召開之股東大會以解答股東提問。
- 董事會將確保作出恰當安排以鼓勵股東參與股東大會。

為促進股東與投資者之間溝通，本公司設有網站(www.dfport.com.hk)發佈本公司資料，如公告、通函、財務報表及股東大會通告。本公司視股東週年大會為重要事項，原因為大會可為董事會與其股東之間提供直接溝通機會。本公司至少於股東週年大會舉行足20個營業日前通知本公司全體股東有關舉行股東週年大會之日期及地點，屆時董事及委員會成員可解答有關業務之提問。

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENT

憲章文件重大變動

During the Year, there had been no change in the Company's constitutional document.

於本年度，本公司之憲章文件並無變動。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



To the shareholders of
Dafeng Port Heshun Technology Company Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Dafeng Port Heshun Technology Company Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 58 to 175, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the Year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

致大豐港和順科技股份有限公司
(於開曼群島註冊成立之有限公司)
列位股東

意見

吾等已審核載於第58至175頁大豐港和順科技股份有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其中包括於二零一七年十二月三十一日之綜合財務狀況表以及截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一七年十二月三十一日之財務狀況以及截至該日止年度之財務表現及現金流量，並已遵照香港公司條例之披露規定妥為編製。

意見基礎

吾等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。在該等準則下，吾等之責任在吾等之報告內「核數師就審計綜合財務報表承擔之責任」一節進一步闡述。根據香港會計師公會之「國際職業會計師道德守則」(「守則」)，吾等獨立於 貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得之審核憑證能充足及適當地為吾等之審核意見提供基礎。

KEY AUDIT MATTERS

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

關鍵審計事項

根據吾等之專業判斷，關鍵審核事項為吾等審核於本期間之綜合財務報表中最重要之事項。吾等在審核綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。

Key Audit Matter

關鍵審計事項

How our audit addressed the Key Audit Matter

於審計中處理關鍵審計事項之方法

Impairment assessment on goodwill

商譽減值評估

Refer to note 16 to the consolidated financial statements
參照綜合財務報表附註 16

The carrying amounts of the Group's goodwill amounted to HK\$16,213,000 as at 31 December 2017.
貴集團商譽於二零一七年十二月三十一日之賬面值為 16,213,000 港元。

Management performed annual impairment test on goodwill. The goodwill was allocated to related cash generating units ("CGUs"), and the recoverable amount of CGUs was determined by management based on value-in-use calculation using cash flow projection. The calculations involved significant judgement and estimations, such as cash flows forecasts, discount rates and growth rates, and the identification of related CGUs. 管理層每年對商譽進行減值測試。商譽獲分配至相關現金產生單位（「現金產生單位」），而現金產生單位之可收回金額由管理層運用現金流量預測根據使用價值計算釐定。計算涉及重大判斷及估計，如現金流量預測、貼現率與增長率及相關現金產生單位之識別。

Our key procedures in relation to the recoverability assessment of goodwill included:

吾等就評估商譽可收回能力進行之主要程序包括：

- Assessing the identification of CGUs based on the Group's accounting policies and our understanding of the Group's business;
- 根據 貴集團會計政策及吾等對 貴集團業務之了解評估現金產生單位之識別方法；
- Assessing the value-in-use calculation methodology;
- 評估使用價值計算方法；
- Assessing the reasonableness of key assumptions based on our knowledge and understanding of the business and market;
- 根據吾等對業務及市場之知識及了解評估主要假設是否合理；
- Verifying the mathematical accuracy of the cash flow model used; and
- 查核所用現金流量模式之算術準確性；及
- Reconciling input data to supporting evidence, such as approved budgets and considering the reasonableness of the budgets.
- 將輸入數據與支持憑證進行對賬，如經批准預算，並考慮預算是否合理。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 於審計中處理關鍵審計事項之方法

Impairment of property, plant and equipment 物業、廠房及設備之減值

Refer to note 15 to the consolidated financial statements
參照綜合財務報表附註 15

Certain property, plant and equipment as disclosed in note 15 to the consolidated financial statements were tested for impairment because impairment indications were identified.

綜合財務報表附註 15 披露之若干物業、廠房及設備曾進行減值測試，原因為出現減值跡象。

The impairment test of property, plant and equipment required significant judgement and estimations, in particular future cash flows forecast, future growth rates, the discount rates applied and the determination of the level at which impairment should be tested.

物業、廠房及設備之減值測試涉及重大判斷及估計，尤其是未來現金流量預測、未來增長率、所採用貼現率及釐定應進行減值測試之層級。

An impairment loss of HK\$1,416,000 was recognised during the year ended 31 December 2017.

於截至二零一七年十二月三十一日止年度確認之減值虧損為 1,416,000 港元。

Our key procedures included:

吾等之主要程序包括：

- Reviewing the management's assessment of the indicators of impairment;
- 審閱管理層對減值跡象之評估；
- Assessing the appropriateness of using value-in-use methodology in estimating the recoverable amounts of those assets;
- 評估於估計該等資產之可收回金額時運用使用價值方法是否合適；
- Verifying the mathematical accuracy of the cash flow model used;
- 查核所用現金流量模式之算術準確性；
- Assessing the reasonableness of key assumptions based on our knowledge of the industry and market; and
- 根據吾等對行業及市場之知識評估主要假設是否合理；及
- Reconciling input data to supporting evidence, such as operational plans and approved budgets and considering the reasonableness and feasibility of such plans and budgets.
- 將輸入數據與支持憑證進行對賬，如營運計劃及經批准預算，並考慮該等計劃及預算是否合理及可行。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter
關鍵審計事項

How our audit addressed the Key Audit Matter
於審計中處理關鍵審計事項之方法

Impairment of trade and bills receivables
貿易應收款項及應收票據之減值

Refer to note 22 to the consolidated financial statements
參照綜合財務報表附註22

The carrying amounts of the Group's trade and bills receivables amounted to HK\$303,483,000 as at 31 December 2017.

貴集團貿易應收款項及應收票據於二零一七年十二月三十一日之賬面值為303,483,000港元。

The assessment of recoverability of these receivables involved significant judgement and estimations, including identifying evidence of impairment, assessment on creditworthiness of customers, past repayment records and subsequent settlement status after the end of the reporting period.

評估該等應收款項之可收回能力涉及重大判斷及估計，包括識別減值證據、評估客戶信譽、過往還款記錄及報告期末後之其後清償狀況。

Our key procedures included:

吾等之主要程序包括：

- Discussing with the management the Group's credit risk policy and credit terms granted to the customers;
- 與管理層討論 貴集團之信貸風險政策及向客戶授出之信貸期；
- Evaluating the management's recoverability assessment of trade receivables; and
- 評核管理層對貿易應收款項可收回能力之評估；及
- Assessing the critical judgement made by the management regarding the factors considered during the recoverability assessment.
- 評核管理層就可收回能力評估中所考慮因素作出之重大判斷。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information in the Company's 2017 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 THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事須為其他資料負責。其他資料包括 貴公司二零一七年年報所載資料，惟不包括綜合財務報表及吾等之核數師報告。

吾等對綜合財務報表表達之意見並不涵蓋其他資料，吾等亦不會就此表達任何形式之保證結論。

就吾等對綜合財務報表進行之審計工作而言，吾等負責閱讀其他資料，並考慮其他資料是否與綜合財務報表或吾等從審計工作所獲得資料之間出現重大不相符情況，又或在其他方面出現重大錯誤陳述。倘吾等基於所進行工作而得出其他資料有重大錯誤陳述之結論，則吾等須匯報有關情況。就此，吾等並無須匯報之事宜。

董事及治理層就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露要求，編製真實而公平反映之綜合財務報表，及落實其認為編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事宜，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際替代方案。

治理層負責監督 貴集團之財務報表編製之程序。

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

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

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

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

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

核數師就審計綜合財務報表承擔之責任

吾等之目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具載有吾等意見之核數師報告。吾等僅向全體股東報告，不作其他用途。吾等並不就本報告之內容對任何其他人士負責或承擔責任。

合理確定屬高層次之核證，惟根據香港審計準則進行之審核工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘它們個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計之過程中，吾等運用專業判斷，保持專業懷疑態度。吾等亦：

- 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之風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當之審計憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，惟並非旨在對貴集團內部監控之有效性發表意見。
- 評估董事所採用會計政策之恰當性及作出會計估計和相關披露之合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

We communicate with those charged with governance 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.

核數師就審計綜合財務報表承擔之責任(續)

- 對董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對 貴集團之持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。倘有關披露不足，則修訂吾等意見。吾等結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否公平地反映相關交易和事項。
- 就 貴集團內實體或業務活動之財務資料獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計之方向、監督和執行。吾等為審核意見承擔全部責任。

吾等與治理層就(其中包括)審計之計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括吾等在審計過程中所識別之內部監控之任何重大缺失。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT
OF THE CONSOLIDATED FINANCIAL
STATEMENTS (Continued)

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 with those charged with governance, 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 and 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.

Mazars CPA Limited
Certified Public Accountants
Hong Kong, 23 March 2018

The engagement director on the audit resulting in this independent auditor's report is:

Fung Shiu Hang
Practising Certificate number: P04793

核數師就審計綜合財務報表承擔之
責任(續)

吾等亦向治理層作出聲明，指出吾等已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性之所有關係及其他事宜，以及相關防範措施(如適用)。

從與治理層溝通之事項中，吾等釐定對本期間綜合財務報表之審計至關重要之事項，因而構成關鍵審計事項。吾等在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在吾等報告中溝通某事項造成之負面後果超出產生之公眾利益，則吾等決定不應在報告中傳達該事項。

瑪澤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

出具本獨立核數師報告之審計項目董事為：

馮兆恒
執業證書編號：P04793

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Revenue	收益	6	3,424,606	563,708
Cost of sales	銷售成本		(3,330,128)	(524,630)
Gross profit	毛利		94,478	39,078
Other income	其他收入	7	15,770	10,367
Administrative expenses	行政開支		(99,707)	(79,070)
Finance costs	融資成本	8	(17,237)	(2,230)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	35	12,844	–
Share of results of associates	應佔聯營公司業績		(519)	(667)
Profit (Loss) before taxation	除稅前溢利(虧損)	9	5,629	(32,522)
Taxation	稅項	11	(4,236)	(4,572)
Profit (Loss) for the year	年內溢利(虧損)		1,393	(37,094)
Other comprehensive income (loss)	其他全面收益(虧損)			
Items that are reclassified or may be reclassified to profit or loss in subsequent periods:	現重新分類或可能於往後期間重新分類至損益之項目：			
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額		3,416	(4,025)
Release upon disposal of a subsidiary	於出售一間附屬公司時解除		482	–
			3,898	(4,025)
Total comprehensive income (loss) for the year	年內全面收益(虧損)總額		5,291	(41,119)
Profit (Loss) attributable to:	以下人士應佔溢利(虧損)：			
Equity holders of the Company	本公司權益持有人		175	(36,959)
Non-controlling interests	非控股權益		1,218	(135)
			1,393	(37,094)
Total comprehensive income (loss) attributable to:	以下人士應佔全面收益(虧損)總額：			
Equity holders of the Company	本公司權益持有人		3,070	(40,984)
Non-controlling interests	非控股權益		2,221	(135)
			5,291	(41,119)
Earnings (Loss) per share attributable to equity holders of the Company	本公司權益持有人應佔每股盈利(虧損)			
Basic and diluted	基本及攤薄	13	0.01 HK cents 港仙	(3.03) HK cents 港仙

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
		Note 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	123,677	144,770
Goodwill	商譽	16	16,213	14,844
Prepaid lease payments	預付租賃付款	17	44,322	42,176
Prepayments in relation to property, plant and equipment	就物業、廠房及設備之預付款項	18	16,796	8,372
Pledged deposit for finance lease arrangement	融資租賃安排之已抵押存款		–	4,236
Security deposit for loan from a third party	來自第三方之貸款之保證金	25(b)	3,602	–
Interests in associates	於聯營公司之權益	19	6,005	6,744
			210,615	221,142
Current assets	流動資產			
Available-for-sale financial assets	可供出售金融資產	20	8,806	8,806
Prepaid lease payments	預付租賃付款	17	1,043	970
Inventories	存貨	21	6,716	43
Trade and other receivables	貿易及其他應收款項	22	666,799	330,098
Pledged bank deposits	已抵押銀行存款	23(a)	312,936	1,270
Bank balances and cash	銀行結餘及現金	23	61,703	36,070
			1,058,003	377,257
Assets classified as held for sale	分類為持作出售資產		–	149
			1,058,003	377,406
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	24	394,925	366,975
Current portion of bank and other borrowings	銀行及其他借貸之即期部分	25	585,475	18,159
Taxation	稅項		2,709	3,868
			983,109	389,002
Net current assets (liabilities)	淨流動資產(負債)		74,894	(11,596)
Total assets less current liabilities	總資產減流動負債		285,509	209,546

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

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Non-current liabilities	非流動負債			
Non-current portion of bank and other borrowings	銀行及其他借貸之非即期部分	25	85,429	42,771
Deferred tax liabilities	遞延稅項負債	27	3,619	3,161
			89,048	45,932
NET ASSETS	淨資產		196,461	163,614
Capital and reserves	資本及儲備			
Share capital	股本	28	12,880	12,880
Reserves	儲備		148,247	150,534
Total equity attributable to equity holders of the Company	本公司權益持有人應佔權益總額		161,127	163,414
Non-controlling interests	非控股權益		35,334	200
TOTAL EQUITY	權益總額		196,461	163,614

Approved and authorised for issue by the Board of Directors on 23 March 2018 and signed on its behalf by:

於二零一八年三月二十三日經董事會批准及授權刊發，並由以下人士代表簽署：

Ni Xiangrong
倪向榮
Director
董事

Shum Kan Kim
沈勤儉
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to equity holders of the Company 本公司權益持有人應佔										
		(Note 28) (附註28)	(Note 31(a)) (附註31(a))	(Note 31(b)) (附註31(b))	(Note 31(c)) (附註31(c))	(Note 31(d)) (附註31(d))	(Note 31(e)) (附註31(e))	(Note 31(g)) (附註31(g))	Accumulated profits (losses) 累計溢利 (虧損)	Total	Non- controlling interests	Total equity
		Share capital	Share premium	Capital reserve	Exchange reserve	Statutory reserve	Other reserve	Share-based payment reserve 以股份為基礎 之付款儲備	(虧損)	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	資本儲備	匯兌儲備	法定儲備	其他儲備	以股份為基礎 之付款儲備	(虧損)	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	11,200	106,171	(7,337)	891	170	(6,857)	-	169	104,407	335	104,742
Loss for the year	年內虧損	-	-	-	-	-	-	-	(36,959)	(36,959)	(135)	(37,094)
Other comprehensive loss	其他全面虧損	-	-	-	-	-	-	-	-	-	-	-
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(4,025)	-	-	-	-	(4,025)	-	(4,025)
Total comprehensive loss	全面虧損總額	-	-	-	(4,025)	-	-	-	(36,959)	(40,984)	(135)	(41,119)
Transaction with owners	與擁有人之交易	-	-	-	-	-	-	-	-	-	-	-
Contributions and distributions	注資及分派	-	-	-	-	-	-	-	-	-	-	-
Placing of shares on 30 May 2016	於二零一六年五月三十日配售股份	1,680	95,760	-	-	-	-	-	-	97,440	-	97,440
Share placement expenses on 30 May 2016	於二零一六年五月三十日之股份配售開支	-	(512)	-	-	-	-	-	-	(512)	-	(512)
Share-based payment	以股份為基礎之付款	-	-	-	-	-	-	3,063	-	3,063	-	3,063
Appropriation to statutory reserve	分配至法定儲備	-	-	-	-	133	-	-	(133)	-	-	-
Total transaction with owners	與擁有人之交易總額	1,680	95,248	-	-	133	-	3,063	(133)	99,991	-	99,991
At 31 December 2016	於二零一六年十二月三十一日	12,880	201,419	(7,337)	(3,134)	303	(6,857)	3,063	(36,923)	163,414	200	163,614
At 1 January 2017	於二零一七年一月一日	12,880	201,419	(7,337)	(3,134)	303	(6,857)	3,063	(36,923)	163,414	200	163,614
Profit for the year	年內溢利	-	-	-	-	-	-	-	175	175	1,218	1,393
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-	-	-
Exchange difference arising from translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	2,413	-	-	-	-	2,413	1,003	3,416
Release upon disposal of a subsidiary (note 35)	於出售一間附屬公司時解除(附註35)	-	-	-	482	-	-	-	-	482	-	482
		-	-	-	2,895	-	-	-	-	2,895	1,003	3,898
Total comprehensive income	全面收益總額	-	-	-	2,895	-	-	-	175	3,070	2,221	5,291
Transaction with owners	與擁有人之交易	-	-	-	-	-	-	-	-	-	-	-
Changes in ownership interests	擁有權益變動	-	-	-	-	-	-	-	-	-	-	-
Disposals of interests in subsidiaries without loss of control (note 30)	出售附屬公司權益而並無失去控制權(附註30)	-	-	-	-	-	(2,294)	(3,063)	-	(5,357)	13,857	8,500
Acquisitions of subsidiaries (note 34)	收購附屬公司(附註34)	-	-	-	-	-	-	-	-	-	11,416	11,416
Contributions from non-controlling interests (note 30)	非控股權益注資(附註30)	-	-	-	-	-	-	-	-	-	7,640	7,640
Contributions and Distributions	注資及分派	-	-	-	-	-	-	-	-	-	-	-
Appropriation to statutory reserve	分配至法定儲備	-	-	-	-	523	-	-	(523)	-	-	-
Total transaction with owners	與擁有人之交易總額	-	-	-	-	523	(2,294)	(3,063)	(523)	(5,357)	32,913	27,556
At 31 December 2017	於二零一七年十二月三十一日	12,880	201,419	(7,337)	(239)	826	(9,151)	-	(37,271)	161,127	35,334	196,461

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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
		Note 附註		
OPERATING ACTIVITIES	經營活動			
Cash used in operations	經營業務所用現金	32(a)	(165,606)	(75,513)
Interest paid	已付利息		(13,864)	(2,230)
Tax paid	已付稅項		(5,738)	(2,273)
Net cash used in operating activities	經營活動所用現金淨額		(185,208)	(80,016)
INVESTING ACTIVITIES	投資活動			
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項		4,090	6,501
Consideration received for assets classified as held for sale	分類為持作出售資產之已收代價		–	2,600
Net cash inflow (outflow) on acquisitions of subsidiaries	收購附屬公司之現金流入(流出)淨額	34(d)	13,904	(66,265)
Advance to a subsidiary acquired during the year	向年內收購之一間附屬公司墊款	34(d)	(32,200)	–
Interest received	已收利息		2,320	303
(Increase) Decrease in pledged bank deposits	已抵押銀行存款(增加)減少		(300,082)	1,880
Advance to suppliers for purchase of property, plant and equipment	就購買物業、廠房及設備向供應商墊款	18	(7,245)	–
Increase in security deposit for loan from a third party	來自第三方之貸款之保證金增加	25(b)	(3,469)	–
Advance to a connected company	向關聯公司墊款	22	(2,313)	–
Purchase of property, plant and equipment	購買物業、廠房及設備		(16,263)	(4,458)
Net cash inflow on disposal of a subsidiary	出售一間附屬公司之現金流入淨額	35	56,065	–
Investment in available-for-sale financial assets	於可供出售金融資產之投資		–	(8,806)
New loan advanced to a third party	墊付予第三方之新貸款		–	(10,941)
Proceeds from disposal of an associate	出售一間聯營公司之所得款項		–	47
Settlement of loan receivable from a third party	結算應收第三方之貸款	22	10,941	–
Dividend received from an associate	收取自一間聯營公司之股息		220	–
Net cash used in investing activities	投資活動所用現金淨額		(274,032)	(79,139)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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	2016 二零一六年
	Note 附註	HK\$'000 千港元	HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
New other loan from a third party	來自第三方之新其他貸款	–	37,400
Settlement of consideration payable	結算應付代價	24 (31,541)	–
Repayment of other loans from a third party	償還來自第三方之其他貸款	24 (37,400)	–
New loan from a third party	來自第三方之新貸款	69,378	–
Consideration for disposals of interests in subsidiaries without loss of control	出售附屬公司權益而並無失去控制權之代價	30(a) 4,250	–
Repayment to ex-shareholders of a subsidiary	向一間附屬公司前股東還款	24 (66,515)	–
New loans from connected companies	來自關聯公司之新貸款	228,128	–
New bank borrowings	新銀行借貸	335,692	–
Contributions from non-controlling interests	非控股權益注資	30(b) 7,640	–
Proceeds from placing of new shares	配售新股份之所得款項	–	97,440
Payment of share placement expenses	支付股份配售開支	–	(512)
Repayment of obligations under finance leases	償還融資租賃承擔	(9,521)	(10,197)
Repayment of bank borrowings	償還銀行借貸	(6,938)	(1,166)
Repayment of loan from a third party	償還來自第三方之貸款	(10,805)	(1,000)
Dividend received from an associate	收取自一間聯營公司之股息	–	300
Net cash generated from financing activities	融資活動所得現金淨額	482,368	122,265
Net increase (decrease) in cash and cash equivalents	現金及現金等價物增加(減少)淨額	23,128	(36,890)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	36,070	73,579
Effect on exchange rate changes	匯率變動之影響	2,505	(619)
Cash and cash equivalents at end of year, represented by bank balances and cash	年末現金及現金等價物(以銀行結餘及現金表示)	23 61,703	36,070
Major non-cash transactions:	主要非現金交易：		
Acquisitions of property, plant and equipment under finance lease arrangement	根據融資租賃安排收購物業、廠房及設備	15 7,470	5,084
Release of deposits received in respect of asset held for sale upon disposal	於出售時解除就持作出售資產收取之訂金	24 2,600	–
Consideration for disposal of interests in subsidiaries without loss of control recorded in other receivable	於其他應收款項入賬之出售附屬公司權益而並無失去控制權之代價	22 4,250	–
Consideration payable in respect of acquisition of a subsidiary	就收購一間附屬公司應付之代價	24 1,201	39,509

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. CORPORATION INFORMATION

Dafeng Port Heshun Technology Company Limited (the "Company") was incorporated in the Cayman Islands on 13 September 2011 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business is Unit 1009, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

The Company is an investment holding company and the principal activities of its subsidiaries are detailed in note 14 to the consolidated financial statements. The Company and its subsidiaries are herein collectively referred to as the "Group". In the opinion of the directors, the immediate and ultimate holding company of the Company is Dafeng Port Overseas Investment Holdings Limited ("Dafeng Port Overseas"), which is incorporated in Hong Kong.

2. BASIS OF PRESENTATION

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the applicable disclosure 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 GEM of the Stock Exchange (the "GEM Listing Rules").

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

1. 公司資料

大豐港和順科技股份有限公司(「本公司」)乃於二零一一年九月十三日根據開曼群島公司法第22章(一九六一年第3號法例,經綜合及修訂)在開曼群島註冊成立為獲豁免有限責任公司。本公司股份於香港聯合交易所有限公司(「聯交所」)GEM上市。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。主要營業地點位於香港九龍九龍灣宏照道33號國際交易中心1009室。

本公司為投資控股公司,其附屬公司之主要業務於綜合財務報表附註14詳述。本公司及其附屬公司統稱為「本集團」。董事認為,本公司之直接及最終控股公司為於香港註冊成立之大豐港海外投資控股有限公司(「大豐港海外」)。

2. 呈列基準

編製基準

該等綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」,包括香港會計師公會(「香港會計師公會」)所頒佈所有適用香港財務報告準則、香港會計準則(「香港會計準則」)及註釋)、香港公認會計原則及香港公司條例之適用披露規定而編製。該等綜合財務報表亦遵守聯交所GEM證券上市規則(「GEM上市規則」)之適用披露條文。

除另有指明者外,所有金額乃約整至最接近千位數。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. BASIS OF PRESENTATION (Continued)

Basis of preparation (Continued)

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2016 consolidated financial statements except for the adoption of the new/revised HKFRSs that are relevant to the Group and effective from the current year as detailed in note 3 to the consolidated financial statements. A summary of the principal accounting policies adopted by the Group is set out in note 4 to the consolidated financial statements.

3. ADOPTION OF NEW/REVISED HKFRSs

The HKICPA has issued a number of new/revised HKFRSs that are first effective for the current accounting period of the Group. Of these, the changes in accounting policy relevant to the consolidated financial statements are as follows:

Amendments to HKAS 7: Disclosure Initiative

The amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

The adoption of the amendments results in the additional disclosures in note 32 to the consolidated financial statements. In accordance with the transitional provisions therein, the comparative information is not presented in the first year of adoption.

Amendments to HKAS 12: Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify, among others, how to account for deferred tax assets related to debt instruments measured at fair value.

The adoption of the amendments did not have any significant impact on the consolidated financial statements.

2. 呈列基準(續)

編製基準(續)

該等綜合財務報表之編製基準與二零一六年綜合財務報表所採納會計政策一致，惟採納綜合財務報表附註3所詳述與本集團相關且自本年度起生效之新訂／經修訂香港財務報告準則除外。本集團所採納主要會計政策概要載於綜合財務報表附註4。

3. 採納新訂／經修訂香港財務報告準則

香港會計師公會已頒佈多項於本集團本會計期間首次生效之新訂／經修訂香港財務報告準則。當中與綜合財務報表有關之會計政策變動如下：

香港會計準則第7號之修訂：披露計劃

該等修訂規定實體提供披露事項以使財務報表使用者可評估因融資活動而產生之負債變動，包括現金流量產生之變動及非現金變動。

採納有關修訂導致綜合財務報表附註32作出額外披露。根據當中過渡條文，採納首年不會呈列比較資料。

香港會計準則第12號之修訂：就未變現虧損確認遞延稅項資產

該等修訂澄清(其中包括)與按公平值計量之債務工具相關之遞延稅項資產之入賬方式。

採納有關修訂對綜合財務報表並無任何重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. ADOPTION OF NEW/REVISED HKFRSs

(Continued)

Annual Improvements 2014-2016 Cycle: HKFRS 12 — Clarification of the scope

The amendments clarify that except for the summarised financial information for subsidiaries, joint ventures and associates in which the interests are classified or included in a disposal group that is classified as held for sale in accordance with HKFRS 5, the requirements of HKFRS 12 apply to interests in entities within the scope of HKFRS 5.

The adoption of the amendments did not have any significant impact on the consolidated financial statements.

4. PRINCIPAL ACCOUNTING POLICIES

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical costs.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra- group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

3. 採納新訂／經修訂香港財務報告準則(續)

年度改進項目二零一四年至二零一六年週期 — 香港財務報告準則第12號：澄清範圍

該等修訂澄清，除根據香港財務報告準則第5號將權益分類為或計入分類為持作出售之出售組別之附屬公司、合營公司及聯營公司之財務資料概要外，香港財務報告準則第12號之規定適用於屬於香港財務報告準則第5號範圍內之實體權益。

採納有關修訂對綜合財務報表並無任何重大影響。

4. 主要會計政策

計量基準

該等綜合財務報表採用按歷史成本計量之基準編製。

綜合基準

綜合財務報表包括本公司及其全部附屬公司之財務報表。附屬公司以與本公司採用一致會計政策之相同報告年度編製財務報表。

所有集團內公司間結餘、交易以及集團內公司間交易所產生收入及支出以及溢利及虧損已全數對銷。附屬公司業績自本集團取得控制權當日起綜合入賬，並一直綜合入賬直至控制權不再存在當日為止。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

Allocation of total comprehensive income

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

Changes in ownership interest

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

4. 主要會計政策 (續)

綜合基準 (續)

非控股權益於綜合全面收益表及綜合財務狀況表之權益中與本公司擁有人分開呈列。於收購對象之屬於現時擁有權權益並賦予其持有人於清盤時按比例分佔收購對象資產淨值之非控股權益乃初步以公平值或現時之擁有權工具應佔收購對象可識別資產淨值中已確認款額之比例計量。按逐項收購基準選擇計量基準。除非香港財務報告準則規定採納另一計量基準，否則其他類型非控股權益初步按公平值計量。

分配全面收益總額

溢利或虧損及其他全面收益各組成部分均歸於本公司擁有人以及非控股權益。全面收益總額歸於本公司擁有人以及非控股權益，即使此舉會導致非控股權益之餘額出現虧絀。

擁有權權益變動

倘本集團於附屬公司之擁有權權益變動並無導致失去控制權，則列賬為股本交易。控股權益及非控股權益之賬面值已作出調整，以反映其於附屬公司之有關權益變動。非控股權益之經調整金額與已付或已收代價之公平值間之任何差額直接於權益中確認並歸屬於本公司擁有人。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Changes in ownership interest (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the Company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position, which is presented in note 39 to the consolidated financial statements, an investment in subsidiaries is stated at cost less impairment loss. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

4. 主要會計政策(續)

綜合基準(續)

擁有權權益變動(續)

倘本集團失去對附屬公司之控制權，出售時產生之損益按下列兩者之差額計算：(i) 於失去控制權當日已收代價之公平值與任何保留權益之公平值之總和及(ii) 於失去控制權當日附屬公司及任何非控股權益之資產(包括商譽)及負債之賬面值。先前於其他全面收益確認之有關所出售附屬公司之金額按與假設本公司直接出售相關資產或負債之同一基準確認。於前附屬公司保留之任何投資及前附屬公司結欠或應付前附屬公司之任何金額自失去控制權當日起列賬為金融資產、聯營公司、合營公司或其他(視適用情況而定)。

附屬公司

附屬公司為本集團控制之實體。倘本集團因參與實體之營運而對其浮動回報承擔風險或享有權利及有能力運用其權力以影響回報，則本集團對實體擁有控制權。倘有事實及情況顯示控制因素中一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

於綜合財務報表附註39呈列之本公司財務狀況表中，於附屬公司之投資乃按成本減去減值虧損列賬。倘投資之賬面值高於可收回金額，則按個別基準將投資之賬面值減至其可收回金額。本公司基於已收及應收股息將附屬公司之業績入賬。

4. PRINCIPAL ACCOUNTING POLICIES
(Continued)

Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investment in associate is accounted for under the equity method of accounting, except when the investment or a portion thereof is classified as held for sale. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

4. 主要會計政策 (續)

聯營公司

聯營公司為本集團對其擁有重大影響力之實體。重大影響力指有權參與投資對象之財務及營運政策決定，但非對該等政策擁有控制權或共同控制權。

本集團於聯營公司之投資採用權益會計法入賬，惟當投資或部分投資分類為持作出售則除外。根據權益法，投資最初以成本入賬，其後經調整以確認本集團攤佔投資對象之淨資產及任何有關投資之減值虧損於收購後之變動。倘本集團攤佔投資對象之虧損與其所佔投資對象權益賬面值相等或超出其所佔投資對象權益賬面值（包括任何實質上構成本集團於投資對象淨投資一部分之任何長期權益），則本集團會終止確認其攤佔之進一步虧損，惟僅以本集團已產生法定或推定責任或代表投資對象付款為限。

收購聯營公司產生之商譽乃按投資成本超出本集團攤佔所收購聯營公司之可識別資產及負債公平淨值之差額計量。有關商譽計入於聯營公司之權益內。另一方面，本集團攤佔其可識別資產及負債公平淨值超出投資成本之任何差額即時於損益內確認為收入。

本集團與其聯營公司之間進行交易所產生之未變現盈虧會予以對銷，惟以本集團於該等投資對象之權益為限。倘未變現虧損提供證據顯示所轉讓資產出現減值，則有關虧損會即時於損益內確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Goodwill

Goodwill arising on an acquisition of a subsidiary is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units. An impairment loss on goodwill is not reversed.

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over 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, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Prepaid lease payments

Prepaid lease payments are up-front payments to acquire fixed term interests in lessee-occupied land that are classified as operating leases. The premiums are stated at cost less accumulated amortisation and impairment losses and are amortised over the period of the lease on a straight-line basis to profit or loss.

4. 主要會計政策(續)

商譽

收購附屬公司產生之商譽乃按所轉撥之代價、於收購對象之任何非控股權益金額及於收購對象先前所持股本權益之公平值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務之商譽乃確認為一項獨立資產，按成本減累計減值虧損列賬，並每年作減值測試，或於有事件發生或情況有變而顯示賬面值可能減值時進行較頻密之減值測試。就減值測試及釐定出售盈虧而言，商譽被分配至現金產生單位。商譽之減值虧損不予撥回。

另一方面，重新評估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於收購對象之任何非控股權益金額及收購方先前於收購對象所持權益之公平值總額之任何差額(如有)，即時於損益內確認為議價購買收入。

預付租賃付款

預付租賃付款指取得承租人所佔用土地並分類為經營租賃之固定期限權益而支付之預支款。溢價按成本減累計攤銷及減值虧損列賬，並按租賃期間以直線法於損益內攤銷。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of the asset or as a replacement.

The Group has entered into Usage Priority Agreement for the preferential use of a vessel with the legal owner with an aggregate consideration of approximately HK\$4.3 million. According to the Usage Priority Agreement, the legal owner and the Group mutually agreed the following key terms:

- the Group has the exclusive preferential right to use the vessel;
- the Group has the preferential right to acquire the interest or obtain the sales proceeds of disposal (pre-approval by the Group in advance) of the vessel; and
- any transfer, leasing, written-off or pledge of the vessel has to be approved by the Group in advance.

4. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備(不包括在建工程)按成本減累計折舊及累計減值虧損列賬。物業、廠房及設備項目之成本包括其購買價格及令資產達到其計劃使用之工作狀況及位置之任何直接應佔成本。

物業、廠房及設備投入運作後所產生之開支，如維修及保養，一般於產生期間在損益扣除。倘清楚顯示該等開支引致使用物業、廠房及設備項目時會帶來未來經濟利益增加，且該項目之成本能可靠計量，則該等開支將被資本化，作為該資產之額外成本或重置成本。

本集團已與法定擁有人就優先使用船舶訂立優先使用協議，代價合共約為4,300,000港元。根據優先使用協議，法定擁有人及本集團互相同意下列重要條款：

- 本集團擁有使用該船舶之獨家優先權；
- 本集團擁有收購該船舶之權益或獲得出售船舶(經本集團事先批准)之所得款項之優先權；及
- 該船舶之轉讓、租賃、撇銷或抵押必須經本集團事先批准。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

In accordance with HKAS 16 Property, Plant and Equipment ("HKAS 16"), the cost of an item of property, plant and equipment shall be recognised as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. With reference to the terms of the Usage Priority Agreement, the cost of the vessel can be measured reliably. In addition, the Group can demonstrate the ability to control the vessel as the use, disposal, transfer, leasing, written-off or pledge of the vessel has to be pre-approved by the Group. Moreover, the Group can obtain future economic benefits associated with the vessel by exercising the exclusive preferential right to use the vessel to provide logistic services to the customers or obtain the sales proceeds on disposal of the vessel.

Therefore, management considered that the Group has controlled the vessel and the future economic benefits associated with the vessel are expected to flow to the Group. Accordingly the aggregate costs and aggregate net book value of the vessel of HK\$4.3 million and nil as at 31 December 2017 have been recorded under property, plant and equipment respectively.

In accordance with HKAS 38 Intangible Assets ("HKAS 38"), some intangible assets may be contained in or on a physical substance. In determining whether an asset that incorporates both intangible and tangible elements should be treated under HKAS 16 or as an intangible asset under HKAS 38, the entity uses judgement to assess which element is more significant.

The management of the Group, based on the terms set out in the Usage Priority Agreement, considered that in substance the Group is able to exercise effective control over the "usage" of the vessel as if it were the owner throughout the period covered by the Usage Priority Agreement. Accordingly, the vessel is recorded by the Group under HKAS 16.

4. 主要會計政策(續)

物業、廠房及設備(續)

根據香港會計準則第16號「物業、廠房及設備」(「香港會計準則第16號」)，倘與該物業、廠房及設備項目有關之未來經濟利益可能會流向本集團且項目成本能可靠計量，物業、廠房及設備項目之成本須確認為一項資產。關於優先使用協議之條款，該船舶之成本能夠可靠計量。此外，該船舶之使用、出售、轉讓、租賃、撤銷或抵押必須經過本集團預先批准，故本集團能夠證明其有能力控制該船舶。再者，本集團能夠通過行使船舶之獨家優先使用權，使用船舶向客戶提供物流服務或者獲得出售該船舶之所得款項，從而取得與該船舶有關之未來經濟利益。

因此，管理層認為本集團已控制該船舶，而與該船舶有關之未來經濟利益預期將流向本集團。因此，該船舶於二零一七年十二月三十一日之成本總額及賬面淨值總額4,300,000港元及零港元分別於物業、廠房及設備中入賬。

根據香港會計準則第38號「無形資產」(「香港會計準則第38號」)，若干無形資產或會載入實物形態或以實物形態體現。為釐定包含無形及有形部分之資產是否應按香港會計準則第16號或根據香港會計準則第38號作為無形資產，實體應判斷評估更為重要之部分。

根據優先使用協議所載條款，本集團管理層認為本集團有權對該船舶行使實際控制權，猶如本集團於優先使用協議涵蓋之整段期間內為該船舶之擁有人。因此，該船舶由本集團根據香港會計準則第16號入賬。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

Depreciation is provided to write off the cost less accumulated impairment losses of property, plant and equipment, other than construction in progress, over their estimated useful lives from the date on which they are available for use and after taking into account of their estimated residual values, using the straight-line method, at the following rates per annum:

Buildings	3 $\frac{1}{3}$ %–10%
Storage facilities	3 $\frac{1}{3}$ %–10%
Leasehold improvements	Over the unexpired term of lease
Furniture, fixtures and equipment	20%
Motor vehicles	20%–25%
Computer equipment	20%
Containers	20%
Feeder vessels and barges	8 $\frac{1}{3}$ %

Assets held under finance leases are depreciated over the shorter of their expected useful lives or the terms of the leases.

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 derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the item is included in profit or loss in the year in which the item is derecognised.

Construction in progress

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is stated at cost less accumulated impairment losses. Cost includes all construction expenditure and other direct costs, including interest costs, attributable to such projects. Costs on completed construction works are transferred to the appropriate asset category. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

4. 主要會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備採用直線法按以下年率自可供使用之日起計之估計可使用年期經計入估計剩餘價值後計提折舊，以撇銷成本減累計減值虧損：

樓宇	3 $\frac{1}{3}$ %–10%
倉儲設施	3 $\frac{1}{3}$ %–10%
租賃物業裝修	剩餘租賃年期
傢俬、裝置及設備	20%
汽車	20%–25%
電腦設備	20%
貨櫃	20%
支線船舶及駁船	8 $\frac{1}{3}$ %

根據融資租賃持有之資產乃按預計可使用年期或租賃期(以較短者為準)計提折舊。

物業、廠房及設備項目於出售時或預期持續使用該項資產將不會產生未來經濟利益時取消確認。取消確認資產所產生之任何盈虧(按出售所得款項淨額與項目賬面值之間差額計算)於終止確認該項目之年度內計入損益。

在建工程

在建工程包括用作生產或自用之在建物業、廠房及設備。在建工程按成本減累計減值虧損列賬。成本包括所有工程開支及有關項目直接應佔之其他成本，如利息成本。竣工建築工程之成本會轉撥至合適資產類別。當在建工程竣工及可供投入擬定用途時方計提折舊。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Impairment of other assets, other than goodwill

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether the carrying amounts of its property, plant and equipment and prepaid lease payments have suffered an impairment loss or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value in use. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

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 cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

A reversal of impairment losses is limited to the carrying amount of the asset or cash-generating unit that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment losses is recognised as income immediately.

Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

4. 主要會計政策(續)

其他資產(不包括商譽)減值

於各報告期末，本集團審核內部及外部資料來源，以評估其物業、廠房及設備以及預付租賃付款賬面值是否有任何減值虧損或先前已確認之減值虧損不再存在或可能減少。倘存在任何跡象，則根據其公平值減出售成本與使用價值之較高者估計資產之可收回金額。倘無法估計個別資產之可收回金額，則本集團估計獨立產生現金流量之最小組別資產(即現金產生單位)之可收回金額。

倘資產或現金產生單位之可收回金額估計將低於其賬面值，則資產或現金產生單位之賬面值降至其可收回金額。減值虧損立即確認為開支。

減值虧損之撥回以假定過往年度未確認減值虧損時原應釐定之資產或現金產生單位之賬面值為限。減值虧損之撥回立即確認為收入。

金融工具

確認及終止確認

金融資產及金融負債於本集團成為工具合約條文之一方時按交易日基準確認。

於及僅於(i)本集團來自金融資產之未來現金流量之合約權利屆滿時或(ii)本集團轉讓金融資產及(a)其轉讓金融資產擁有權之大部分風險及回報時，或(b)其不轉讓亦不保留金融資產擁有權之大部分風險及回報，但亦不保留金融資產控制權時，則終止確認金融資產。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Recognition and derecognition (Continued)

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

Classification and measurement

Financial assets or financial liabilities are initially recognised at their fair value plus, in the case of financial assets or financial liabilities not carried at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets or financial liabilities.

Loans and receivables

Loans and receivables including trade and other receivables, pledged bank deposits and cash and bank balances are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are not held for trading. They are measured at amortised cost using the effective interest method, except where receivables are interest-free loans and without any fixed repayment term or the effect of discounting would be insignificant. In such case, the receivables are stated at cost less impairment loss. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the year to maturity. Gains and losses arising from derecognition, impairment or through the amortisation process are recognised in profit or loss.

4. 主要會計政策(續)

金融工具(續)

確認及終止確認(續)

倘本集團仍保留已轉讓金融資產擁有權之絕大部分風險及回報，本集團會繼續確認該金融資產以及確認已收所得款項之有抵押借貸。

倘本集團既不轉移亦不保留已轉讓資產擁有權之絕大部分風險及回報，且繼續控制該已轉讓資產，本集團按其持續參與程度及可能須支付之相關負債金額確認該金融資產。

當及僅當負債消除時，即當相關合約中列明之義務解除、取消或到期時，方會終止確認該項金融負債。

分類及計量

金融資產或金融負債初步按彼等公平值加收購或發行金融資產或金融負債而直接應佔之交易成本(倘金融資產或金融負債並無透過損益按公平值入賬)確認。

貸款及應收款項

貸款及應收款項(包括貿易及其他應收款項、已抵押銀行存款以及現金及銀行結餘)指並無於活躍市場報價及並非持作交易且具有固定或可釐定付款之非衍生金融資產。該等貸款及應收款項以實際利率法按攤銷成本計量，惟倘應收款項為免息貸款及無固定還款期或其折現影響並不重大則除外。於此情況下，應收款項按成本減去減值虧損列賬。攤銷成本乃計入任何收購折讓或溢價按到期期限計算。因終止確認、減值或透過攤銷程序產生之盈虧於損益中確認。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated at this category or not classified in any of the other categories of financial assets. They are measured at fair value with changes in value recognised as a separate component of equity until the assets are sold, collected or otherwise disposed of, or until the assets are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

Available-for-sale financial assets that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are stated at cost less impairment loss.

Financial liabilities

The Group's financial liabilities include trade and other payables and bank and other borrowings. All financial liabilities except for derivatives are recognised initially at their fair value and subsequently measured at amortised cost, using effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer of the contract to make specified payments to reimburse the holder of the contract for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee contract is initially recognised as deferred income within trade and other payables at fair value (being the transaction price, unless the fair value can otherwise be reliably estimated). Subsequently, it is measured at the higher of (i) the amount initially recognised, less accumulated amortisation, and (ii) the amount of the provision, if any, that is required to settle the commitment at the end of the reporting period.

4. 主要會計政策(續)

金融工具(續)

可供出售金融資產

可供出售金融資產為指定為此類別或不予分類為任何其他金融資產類別之非衍生金融資產。其按公平值計量，而價值變動確認為股權獨立部分，直至資產被出售、收集或以其他方式處置為止，或直至資產被釐定為已減值為止，屆時，之前於其他全面收益中呈報之累計盈虧將重新分類至損益，以作重新分類調整。

並無活躍市場報價且公平值不能可靠計量之可供出售金融資產按成本減去減值虧損列賬。

金融負債

本集團之金融負債包括貿易及其他應付款項以及銀行及其他借貸。所有金融負債(衍生工具除外)初步按其公平值確認，其後以實際利率法按攤銷成本計量，惟倘貼現之影響不重大時，金融負債則按成本入賬。

財務擔保合約

財務擔保合約指須由合約簽發者預備特別款項補償合約持有人因特定債務人未能根據債務文據之條款於到期日償付貸款而招致損失之合約。財務擔保合約最初按公平值(即交易價格，惟能夠可靠估計公平值則除外)以遞延收入形式計入貿易及其他應付款項。其後，該合約於報告期末按(i)最初確認金額(減累計攤銷)與(ii)用以支付承擔額之撥備金額(如有)兩者中之較高者計量。

4. PRINCIPAL ACCOUNTING POLICIES
(Continued)

Financial instruments (Continued)

Impairment of financial assets

At the end of each reporting period, the Group assesses whether there is objective evidence that financial assets are impaired. The impairment loss of financial assets carried at amortised cost is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows discounted at the financial assets' original effective interest rate. Such impairment loss is reversed in subsequent periods through profit or loss when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction 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.

When an available-for-sale financial asset is impaired, a cumulative loss comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and current fair value, less any previously recognised impairment loss in profit or loss, is reclassified from equity to profit or loss as a reclassification adjustment. Impairment losses recognised in profit or loss in respect of available-for-sale equity instrument are not reversed through profit or loss. Any subsequent increase in fair value of available-for-sale equity instrument after recognition of impairment loss is recognised in equity. Reversal of impairment loss of available-for-sale debt instruments are reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

For an available-for-sale financial asset that is carried at cost, the amount of impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed.

4. 主要會計政策(續)

金融工具(續)

金融資產減值

於各報告期末，本集團評估是否有任何客觀證據證明金融資產出現減值。按攤銷成本列賬之金融資產減值虧損按資產賬面值與按金融資產之原訂實際利率貼現後之估計未來現金流量之現值間之差額計量。當資產可收回金額之增加與確認減值後發生之事件有客觀關連時，有關減值虧損會於往後期間透過損益撥回，惟撥回減值當日之資產賬面值不得超過若無確認減值時應有之攤銷成本值。

可供出售金融資產出現減值時，收購成本(已扣除任何本金還款及攤銷)與現時公平值之差額減任何之前於損益確認之減值虧損所得累計虧損將由權益重新分類至損益，以作重新分類調整。可供出售股本工具於損益確認之減值虧損不會透過損益撥回。可供出售股本工具於確認減值虧損後之任何公平值增加將於權益中確認。倘可供出售債務工具公平值增加與於損益確認減值虧損後發生之事件有客觀關連時，則有關工具減值虧損之撥回透過損益撥回。

倘可供出售金融資產按成本列賬，減值虧損則以金融資產賬面值與按類似金融資產現時市場回報率貼現之估計未來現金流現值之差額計量。有關減值虧損不得撥回。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value, net of bank overdrafts.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue and costs, if applicable, can be measured reliably and on the following bases:

Revenues from ocean freight and land transportation services are recognised at the date of departure.

Revenues from container terminal operations are recognised when the services are rendered and the vessel leaves the berth.

Revenues from ocean and air freight forwarding business are recognised at the date of departure for outward freights and the time of transfer of goods to the customers at the designated location for inward freights.

The percentage of completion for revenue recognition is not applicable because the integrated logistics services provided by the Group can be completed in a short period of time. Financially, even if the adoption of percentage of completion for revenue recognition is possible, it would not have caused any material difference with the revenue recognition basis currently adopted by the Group.

Sale of goods is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered and title has been passed.

Petrochemical storage service income is recognised when the storage services are rendered.

The insurance agency income is recognised when the related services are rendered.

4. 主要會計政策(續)

現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為已知現金金額且價值變動風險較低之短期高流動性投資減銀行透支。

收益確認

收益在經濟利益很有可能流向本集團，且收益及成本(如適用)能可靠計量時按下列基準確認：

來自海洋貨運及陸路運輸服務之收益於啟運日期確認。

來自貨櫃碼頭業務之收益在提供服務以及船隻駛離泊位時確認。

來自海運及空運貨運代理業務之收益於出口貨物啟運日期及進口貨物於指定地點轉交客戶時確認。

收益確認之完成百分比並不適用，此乃由於本集團所提供之綜合物流貨運服務能於短期內完成。在財務上，即使可能採納收益確認之完成百分比，其亦不會與本集團目前採納之收益確認基準之間產生任何重大差額。

貨品銷售乃於所有權之風險及回報轉移時予以確認，通常指將貨品交付客戶及所有權轉移之時。

石化倉儲服務收入在提供倉儲服務時確認。

保險代理收入於提供相關服務時確認。

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4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Income from tractor repair and maintenance is recognised when the related services are rendered.

Income from provision for fuel cards, net of trade discount, is recognised on transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Revenues from operational equipment rental are recognised when the equipment are let out and on the straight-line basis over the lease term.

Management fee income and commission income are recognised when services are rendered.

Interest income from financial asset is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

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

4. 主要會計政策 (續)

收益確認 (續)

牽引車維修及保養收入於提供相關服務時確認。

提供燃料卡之收入(扣除貿易折讓)乃於所有權之風險及回報轉移時予以確認,通常指將貨品交付客戶及所有權轉移之時。

營運設備租賃收益於設備租出時於租賃期內按直線基準確認。

管理費收入及佣金收入乃於提供服務時確認。

金融資產之利息收入根據未償還本金及適用實際利率按時間基準累計。

存貨

存貨乃以成本與可變現淨值兩者中之較低者入賬。成本(包括一切購入成本及(如適用)將存貨達致現時地點及狀況所產生之其他成本)乃採用加權平均成本法計算。可變現淨值指日常業務過程中之估計售價減去有關銷售所需之估計成本。

存貨出售時,該等存貨之賬面值會於相關收益確認期間確認為開支。將存貨撇減至可變現淨值之數額以及所有存貨虧損會於撇減或虧損出現期間確認為開支。撥回存貨撇減之數額會於撥回發生期間確認為扣減已確認為開支之存貨數額。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in the currency of Hong Kong dollars, which is the Company's functional currency.

Foreign currency transactions are translated into the functional currency of each of the Group's entities using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The results and financial position of all the group entities that have a functional currency different from the presentation currency ("foreign operations") are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of reporting period;
- Income and expenses for each statement of comprehensive income are translated at average rates;
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised as a separate component of equity;

4. 主要會計政策 (續)

外幣兌換

本集團各個實體之財務報表中所載項目，乃使用實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表按本公司之功能貨幣港元呈列。

外幣交易依交易日之當期匯率轉換成本集團各個實體之功能貨幣入賬。該等交易結算時及按年末匯率轉換以外幣計值之貨幣資產及負債所產生之外匯盈虧在損益確認。

功能貨幣有別於呈列貨幣之所有集團實體（「海外業務」）之業績及財政狀況按下列基準兌換成呈列貨幣：

- 各財務狀況表之資產及負債按報告期末之收市匯率兌換；
- 各全面收益表之收入及開支按平均匯率兌換；
- 上述兌換產生之一切匯兌差額及構成本集團於海外業務之淨投資部分之貨幣資產導致之匯兌差額確認為權益項下一個獨立部分；

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

- On the disposal of a foreign operation, which includes a disposal of the Group's entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;
- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not reclassified to profit or loss;
- On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset in the form of reduced depreciation. Government grants in the form of a transfer of non-monetary assets are measured at cost.

4. 主要會計政策 (續)

外幣兌換 (續)

- 於出售海外業務，而有關出售涉及出售本集團於海外業務之全部權益、涉及失去對包括海外業務在內之附屬公司之控制權之出售，或為部分出售一間包括海外業務在內之聯營公司權益而當中之保留權益不再入賬列作權益時，有關於其他全面收益確認並於權益累計為獨立部分之海外業務匯兌差額之累計金額，乃於確認出售盈虧時由權益重新分類至損益；
- 部分出售本集團於附屬公司之權益(包括海外業務在內)而並無導致本集團失去對該附屬公司之控制權時，於權益確認為獨立部分之累計匯兌差額之應佔比例乃重新計入該海外業務之非控制權益，且不會重新分類至損益；
- 就所有其他部分出售，包括部分出售聯營公司而並無導致本集團失去重大影響力，於權益確認為獨立部分之累計匯兌差額之應佔比例乃重新分類至損益。

政府補貼

倘能合理肯定將收到政府補貼及所有附加條件均將獲履行，政府補貼會按公平值確認。如補貼與開支項目有關，則按相關年度確認為收入，以按系統基準將補貼與擬補償之相關成本抵銷。倘補貼與資產有關，則計入遞延收益賬，並於有關資產之預期可使用年期按減少折舊方式撥入損益。以非貨幣資產轉讓為形式之政府補貼按成本計量。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made. Expenditures for which a provision has been recognised are charged against the related provision in the year in which the expenditures are incurred. Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount provided is the present value of the expenditures expected to be required to settle the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Share capital

Ordinary shares are classified as equity.

4. 主要會計政策(續)

借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)之直接應佔借貸成本,在扣除特定借貸之任何暫時性投資收入後,均撥充為該等資產成本之一部分。當此等資產大致上可作其擬定用途或出售時,該等借貸成本將會停止資本化。所有其他借貸成本均於產生期間列作開支。

撥備

當本集團因過往事件而須承擔現時之法定或推定責任,而履行該責任可能需要流出能實現經濟利益之資源且有關責任之金額能可靠估計時,即會確認撥備。已確認撥備之支出會在產生支出年度與有關撥備互相抵銷。本集團會於各報告期末審閱撥備,並作出調整,以反映當前之最佳估計。倘有關撥備金額之時間值影響重大,則撥備金額應為履行責任預期所需支出之現值。倘本集團預期撥備將會獲得償還,則償還款項會確認為個別資產,惟僅於償還實際上肯定時方予確認。

股本

普通股分類為權益。

4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Leases

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 leases.

As lessee

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable or receivable under operating leases are charged or credited to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of the leased asset. Contingent rentals are recognised as expenses in the accounting period in which they are incurred.

Employee benefits

Short-term employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the period in which the associated services are rendered by employees.

4. 主要會計政策(續)

租賃

凡絕大部分擁有權之風險及回報均已轉讓予承租人之租約年期，均列為融資租賃。所有其他租約均列作經營租賃。

作為承租人

根據融資租賃持有之資產按租賃資產之公平值與最低租金之現值(以較低者為準)確認為本集團資產。對出租人之相關負債在綜合財務狀況表列作融資租賃承擔。融資支出指租賃承擔總額與所收購資產公平值間之差額，並會按有關租約之期限在損益中扣除，使每個會計期間之承擔餘額有一致定期支出。

根據經營租賃之應付或應收租金按直線法於相關租約期內於損益扣除計算或入賬。

租賃獎勵於損益確認為協定用於租賃資產之淨代價之組成部分。或然租金於產生之會計期間確認為開支。

僱員福利

短期僱員福利

薪金、年終花紅、有薪年假、向定額供款退休計劃作出之供款及非貨幣福利之成本於僱員提供相關服務之期間內累計。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Employee benefits (Continued)

Defined contribution plans

The obligations for contributions to defined contribution retirement scheme are recognised as an expense in profit or loss as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

Contributions to the state-managed retirement schemes in jurisdictions other than Hong Kong, which are calculated on certain percentages of the applicable payroll costs, are charged as expenses when employees have rendered services entitling them to the contributions.

Share-based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of review, with a corresponding adjustment to the reserve within equity.

4. 主要會計政策(續)

僱員福利(續)

定額供款計劃

定額供款退休計劃之供款責任於產生時在損益確認為開支。計劃資產與本集團資產分開由獨立管理基金持有。

向香港以外之司法權區內國家經辦之退休計劃供款，按適用工資總額之若干百分比計算，當僱員提供服務使其有權獲得供款時按開支計算。

以股份為基礎之付款交易

股權結算交易

本集團之僱員(包括董事)按以股份為基礎之付款交易形式收取報酬，其中僱員以提供服務交換股份或涉及股份之權利。該等與僱員進行之交易成本乃參照授出日期之股本工具之公平值計量。授予僱員之購股權公平值確認為員工成本，而股權內之儲備亦相應增加。公平值乃於計及任何市場條件及非歸屬條件後利用二項式模式釐定。

股權結算交易之成本連同股權之相應升幅會於達致歸屬條件期間確認，直至相關僱員享有該報酬之權利毋須再受須達致任何非市場歸屬條件所限之日(「歸屬日」)為止。於歸屬期內會審閱預期最終歸屬之購股權數目。於過往期間確認對累計公平值之調整會於審閱年度之損益中扣除/計入，並相應調整股權內之儲備。

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4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Share-based payment transactions (Continued)

Equity-settled transactions (Continued)

No expense is recognised for awards that do not ultimately vest, except for awards that are conditional on a market condition or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all non-market vesting conditions are satisfied.

Equity-settled share-based payment transactions with parties other than employees are measured at fair value of the goods or services received, except where the fair value cannot be reliably estimated, in which case they are measured at the fair value of the equity instruments granted. In all cases, the fair value is measured at the date the Group obtains the goods or the counterparty renders the services.

Cash-settled transactions

A liability is recognised for goods or services acquired, measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is remeasured at the end of each reporting period and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

Taxation

The charge for current income tax is based on the results for the period as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss, it is not accounted for.

4. 主要會計政策(續)

以股份為基礎之付款交易(續)

股權結算交易(續)

概不就最終未能歸屬之獎勵確認任何開支，惟受限於市場條件或非歸屬條件之獎勵除外，只要所有非市場歸屬條件已達成，即被視為已歸屬而不論市場條件或非歸屬條件是否已達成。

與非僱員人士進行股權結算以股份為基礎之付款交易按所收取商品或服務之公平值計量，惟在公平值無法可靠估計之情況下按所授股權工具之公平值計量。在所有情況下，均會按本集團取得商品或交易對方提供服務當日之公平值計量。

現金結算交易

本集團就所獲取商品或服務確認負債，並按負債之公平值計量。在負債償清前，負債之公平值於各報告期末及償付日期重新計量，期間公平值之任何變動於損益確認。

稅項

現行所得稅開支乃根據期內業績計算，並就毋須課稅或不獲寬減之項目作出調整。所得稅乃採用於報告期末頒佈或實際頒佈之稅率計算。

遞延稅項採用負債法就資產及負債之稅基與其於綜合財務報表之賬面值於報告期末之一切暫時差額作出撥備。然而，倘於業務合併以外之一項交易中初步確認商譽或其他資產或負債產生之遞延稅項於交易時既不影響會計溢利亦不影響應課稅損益，則不予入賬。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

The deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the period when the asset is recovered or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of reporting period. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Related parties

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

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of the parent of the Group.

4. 主要會計政策 (續)

稅項 (續)

遞延稅項負債及資產根據截至報告期末止所頒佈或實際頒佈之稅率及稅務法例，並按預計適用於有關收回資產或償還負債期間之稅率計算。若未來應課稅溢利將可能與有關可扣減暫時差額、稅項虧損及抵免對銷，則確認遞延稅項資產。

遞延稅項乃對於附屬公司及聯營公司之投資而產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間且於可見將來不可能撥回該暫時差額者除外。

關聯方

關聯方為與本集團有關連之個人或實體。

- (a) 倘該名人士符合下列條件，該名人士或其家族之近親與本集團有關連：
- (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團擁有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理人員。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

4. 主要會計政策 (續)

關聯方 (續)

- (b) 倘下列任何條件適用，則該實體與本集團有關連：
- (i) 實體與本集團為同一集團成員（即母公司、附屬公司及同系附屬公司各自彼此相互關連）。
 - (ii) 某一實體為另一實體（或為另一實體所屬集團成員之聯營公司或合營公司）之聯營公司或合營公司。
 - (iii) 實體均為同一第三方之合營公司。
 - (iv) 實體為第三方實體之合營公司，而另一實體為第三方實體之聯營公司。
 - (v) 實體為就本集團或與本集團有關之實體之僱員福利設立之離職後福利計劃。倘本集團本身設立該離職後福利計劃，則提供資助之僱主亦與本集團有關連。
 - (vi) 實體受(a)所界定人士控制或共同控制。
 - (vii) (a)(i)所界定人士對實體擁有重大影響力或為該實體或其母公司之主要管理人員。
 - (viii) 實體或所屬集團旗下任何成員公司向本集團或本集團母公司提供主要管理人員服務。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Related parties (Continued)

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;
- (b) children of that person's spouse or domestic partner; and
- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

Critical accounting estimates and judgements

In the process of applying the Group's accounting policies, which are described above, management has made various estimates and judgements which are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Estimates and judgements are continually evaluated. The key source of estimation uncertainty and accounting judgements, other than the judgement on the ownership of a vessel as described in above, that result in significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year or significantly affect the amounts recognised in the consolidated financial statements are discussed below:

4. 主要會計政策(續)

關聯方(續)

某人士之近親是指與該實體交易時預期可影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或家庭伴侶；
- (b) 該名人士之配偶或家庭伴侶之子女；及
- (c) 該名人士或其配偶或家庭伴侶之受養人。

關聯方之定義中指明，聯營公司包括聯營公司之附屬公司，而合營公司包括合營公司之附屬公司。

重要會計估計及判斷

於採用上文所述本集團之會計政策時，管理層曾根據過往經驗及其他因素(包括於多種情況下相信屬合理之未來事件預測)作出多項估計及判斷。估計及判斷會持續被評估。導致對下個財政年度之資產與負債賬面值作出大幅調整之重大風險或可對於綜合財務報表中確認之金額構成重大影響之估計不明朗因素之主要來源及會計判斷(上文所述對該船舶之所有權作出判斷除外)載列如下：

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

- (i) *Useful lives and impairment of property, plant and equipment and prepaid lease payments*

The management reviews the useful lives and depreciation/amortisation method of property, plant and equipment and prepaid lease payments at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by based on the higher of the value in use and fair value less costs of disposal. Value in use is determined using the discounted cash flow method.

- (ii) *Allowance for bad and doubtful debts*

The provisioning policy for bad and doubtful debts of the Group is based on the evaluation by management of the collectability of the accounts receivable. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including assessing the current creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, allowance will be required.

4. 主要會計政策(續)

重要會計估計及判斷(續)

估計不明朗因素之主要來源

- (i) *物業、廠房及設備以及預付租賃付款之使用年限及減值*

管理層於各報告期末審慎考慮有關使用資產之預計用量、損耗及潛在技術過時，以檢討物業、廠房及設備以及預付租賃付款之使用年限及折舊／攤銷方法。

在釐定資產是否出現減值或過往導致減值之事件是否不再存在時，管理層須評估有否出現可能影響資產價值之事件或該影響資產價值之事件是否並不存在。倘有任何該等跡象存在，則會基於使用價值與公平值減出售成本之較高者釐定資產之可收回金額。使用價值乃採用貼現現金流量法釐定。

- (ii) *呆壞賬撥備*

本集團基於管理層對應收賬款之可收回性所作評估制訂呆壞賬撥備政策。在評估該等應收款項之最終變現時須作出大量判斷，包括評估每名客戶之現時信譽及過往還款記錄。倘該等客戶之財務狀況轉壞，致使彼等付款能力減弱，則須作出撥備。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty (Continued)

(iii) Income taxes

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

(iv) Impairment of investments and receivables

The Group assesses annually if investment in subsidiaries and associates has suffered any impairment in accordance with HKAS 36 and follows the guidance of HKAS 39 in determining whether amounts due from these entities are impaired. Details of the approach are stated in the respective accounting policies. The assessment requires an estimation of future cash flows, including expected dividends, from the assets and the selection of appropriate discount rates. Future changes in financial performance and position of these entities would affect the estimation of impairment loss and cause the adjustments of their carrying amounts.

4. 主要會計政策 (續)

重要會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(iii) 所得稅

本集團於若干司法權區須繳納所得稅。釐定所得稅撥備乃一重大估計。於日常業務過程中存在可能無法確定最終稅率之交易及計算，當該等事項之最終稅務結果與初始記錄金額有別時，該差額將削弱於作出判斷期間之所得稅及遞延稅項撥備。

(iv) 投資及應收款項減值

本集團每年均根據香港會計準則第36號評估於附屬公司及聯營公司之投資有否任何減值，並依循香港會計準則第39號之指引釐定應該等實體款項有否減值。有關方法之詳情載於各相關會計政策。評估須估計來自有關資產之未來現金流量（包括預期股息），並選用合適貼現率。該等實體在財務表現及狀況之未來變動會影響減值虧損估計，因而須調整其賬面值。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty (Continued)

(v) *Impairment of goodwill*

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Details of the estimates used to calculate the recoverable amount are given in note 16 to the consolidated financial statements.

(vi) *Impairment of inventories*

The Group's management reviews the condition of inventories, as stated in note 21 to the consolidated financial statements, at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

4. 主要會計政策 (續)

重要會計估計及判斷 (續)

估計不明朗因素之主要來源 (續)

(v) *商譽減值*

本集團至少每年釐定商譽是否出現減值。此舉要求對已獲分配商譽之現金產生單位之使用價值作出估計。估計使用價值要求本集團對來自現金產生單位之預期現金流量作出估計，亦要選擇合適貼現率計算該等現金流量之現值。用於計算可收回金額之估計詳情載於綜合財務報表附註16。

(vi) *存貨減值*

本集團管理層於各報告期末審視綜合財務報表附註21所述存貨之狀況，並就確認為過時、滯銷或不可能收回之存貨作出撥備。本集團就各項產品逐一檢討存貨，並根據最新市場價格及現行市況作出撥備。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

Annual Improvements to HKFRSs	2014–2016 Cycle: HKFRS 1 and HKAS 28 ¹
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers ¹
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration ¹
Annual improvements to HKFRSs	2015-2017 Cycle ²
HKFRS 16	Leases ²
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ²
Amendments to HKAS 28	Investments in Associates and Joint Ventures ²
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
HKFRS 17	Insurance Contracts ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2018

² Effective for annual periods beginning on or after 1 January 2019

³ Effective for annual periods beginning on or after 1 January 2021

⁴ The effective date to be determined

Except as described below, the directors of the Company anticipate that the application of these new standards and amendments will have no material impact on the Group's financial information in the future.

4. 主要會計政策(續)

香港財務報告準則之未來變動

於該等綜合財務報表授權日期，香港會計師公會已頒佈下列於本年度尚未生效且本集團尚未提早採納之新訂／經修訂香港財務報告準則。

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：香港財務報告準則第1號及香港會計準則第28號 ¹
香港會計準則第40號之修訂	轉移投資物業 ¹
香港財務報告準則第2號之修訂	分類及計量以股份為基礎之付款交易 ¹
香港財務報告準則第4號之修訂	應用香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約 ¹
香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	客戶合約收益 ¹
香港(國際財務報告詮釋委員會)－詮釋第22號	外幣交易及墊支代價 ¹
香港財務報告準則之年度改進	二零一五年至二零一七年週期 ²
香港財務報告準則第16號	租賃 ²
香港(國際財務報告詮釋委員會)－詮釋第23號	所得稅處理之不確定性 ²
香港會計準則第28號之修訂	於聯營公司及合營企業之投資 ²
香港財務報告準則第9號之修訂	提早還款特性及負補償 ²
香港財務報告準則第17號	保險合約 ³
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或出資 ⁴

¹ 於二零一八年一月一日或之後開始之年度期間生效

² 於二零一九年一月一日或之後開始之年度期間生效

³ 於二零二一年一月一日或之後開始之年度期間生效

⁴ 生效日期尚待釐定

除下文所述外，本公司董事預期應用該等新訂準則及修訂對本集團未來財務資料並無重大影響。

4. PRINCIPAL ACCOUNTING POLICIES (Continued)

Future changes in HKFRSs (Continued)

HKFRS 9 “Financial Instruments”

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to classification and measurement requirements by introducing a “fair value through other comprehensive income” (“FVTOCI”) measurement category.

Key requirements under HKFRS 9 are as follows:

- All recognised financial assets that are within the scope of HKAS 39 “Financial Instruments: Recognition and Measurement” are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount of outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at fair values through profit or loss. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading or contingent consideration in a business combination) in other comprehensive income, with only dividend income generally recognised in profit or loss.

4. 主要會計政策 (續)

香港財務報告準則之未來變動 (續)

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號(於2009年頒佈)引入金融資產分類及計量之新規定。香港財務報告準則第9號其後於2010年經修訂，納入有關金融負債之分類及計量之規定以及取消確認之規定，並於2013年納入對沖會計法之新規定。於2014年頒佈之香港財務報告準則第9號另一個經修訂版本主要加入(a)有關金融資產之減值規定及(b)藉引入「透過其他全面收益按公平值列賬」(「透過其他全面收益按公平值列賬」)計量類別，對分類及計量規定作出有限修訂。

香港財務報告準則第9號之主要規定如下：

- 香港會計準則第39號「金融工具：確認及計量」範圍內之所有已確認金融資產其後須按攤銷成本或公平值計量。具體而言，以收取合約現金流為目的之業務模式而持有之債務投資，及擁有純粹為支付本金及尚未償還本金利息之合約現金流之債務投資，一般於其後會計期末按攤銷成本計量。於目的為同時收取合約現金流及出售金融資產之業務模式中持有之債務工具，以及合約條款令於特定日期產生之現金流純粹為支付本金及尚未償還本金利息的債務工具，一般均按透過其他全面收益按公平值列賬之方式計量。所有其他債務投資及股本投資按公平值計入損益計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇於其他全面收益呈列股本投資(並非持作買賣或業務合併中的或然代價)之其後公平值變動，而一般僅於損益內確認股息收入。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Future changes in HKFRSs (Continued)

HKFRS 9 “Financial Instruments” (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The directors of the Company anticipate that the application of HKFRS 9 in the future may have an impact on the reported amounts of the Group’s financial assets as the adoption of the new “expected loss model” in the course of impairment assessment on receivables measured at amortised costs may lead to potential earlier recognition of credit losses. Nevertheless, it is not practicable to provide a reasonable estimate of the effect before the directors of the Company complete a detailed and comprehensive review on the potentially affected area. Save for the aforementioned issue, the directors of the Company do not anticipate that the adoption of HKFRS 9 in the future will have any other significant impact on the reported amounts of the Group’s financial assets and financial liabilities based on an analysis of the Group’s financial instruments at 31 December 2017.

4. 主要會計政策(續)

香港財務報告準則之未來變動(續)

香港財務報告準則第9號「金融工具」(續)

- 就計量指定為按公平值計入損益之金融負債而言，香港財務報告準則第9號規定由於金融負債自身之信貸風險變動而產生之公平值變動金額於其他全面收益內呈列，除非於其他全面收益中確認該負債信貸風險變動影響將造成或加大損益內之會計錯配則作別論。金融負債信貸風險所產生之公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公平值計入損益之金融負債之整筆公平值變動金額於損益內呈列。
- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

本公司董事預計，日後應用香港財務報告準則第9號或會對本集團金融資產之呈報金額造成影響，原因是於按攤銷成本計量之應收款項之減值評估過程中採納新「預期虧損模式」或會導致有可能提早確認信貸虧損。儘管如此，在本公司董事完成對潛在受影響範疇之詳細全面審查前，對影響作出合理估計並不可行。除上述問題外，基於本集團於二零一七年十二月三十一日之金融工具分析，本公司董事預計，日後採納香港財務報告準則第9號將不會對本集團金融資產及金融負債之呈報金額產生任何其他重大影響。

4. PRINCIPAL ACCOUNTING POLICIES
(Continued)

Future changes in HKFRSs (Continued)

HKFRS 15 “Revenue from Contracts with Customers”

HKFRS 15 was issued with the aim of establishing a single comprehensive model for entities to apply in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 “Revenue”, HKAS 11 “Construction Contracts” and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- (a) Identify the contract(s) with a customer
- (b) Identify the performance obligations in the contract
- (c) Determine the transaction price
- (d) Allocate the transaction price to the performance obligations in the contract
- (e) Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Company preliminarily considers that the performance obligations that may be identified under HKFRS 15 are similar to the current identification of revenue components under the Group’s existing revenue recognition policy developed under HKAS 18 and therefore, the adoption of HKFRS 15 in the future will have no significant impact on recognition of revenue. However, the application of HKFRS 15 in future may result in more disclosures.

4. 主要會計政策 (續)

香港財務報告準則之未來變動 (續)

香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號乃旨在為實體將自客戶合約產生之收益入賬制定單一全面模式。香港財務報告準則第15號生效後，將取代包括香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及相關詮釋之現有收益確認指引。

香港財務報告準則第15號之核心原則為，實體應確認收益，以說明實體按反映交換商品或服務預期所得代價之金額向客戶轉讓所承諾商品或服務。具體而言，該準則引入確認收益之五個步驟：

- (a) 識別與客戶訂立之合約
- (b) 識別合約中之履約責任
- (c) 釐定交易價
- (d) 將交易價分配至合約中之履約責任
- (e) 於實體達成履約責任時(或就此)確認收益

根據香港財務報告準則第15號，實體於達成履約責任時(即當與特定履約責任相關之商品或服務之「控制權」轉移予客戶時)(或就此)確認收益。香港財務報告準則第15號已加入更為明確之指引以處理特定情況。此外，香港財務報告準則第15號要求更為廣泛之披露。

本公司董事初步認為，根據香港財務報告準則第15號可能識別之履約責任與本集團根據香港會計準則第18號制定之現有收益確認政策項下目前識別收益部分類似，因此，日後採納香港財務報告準則第15號將不會對收益確認構成重大影響。然而，日後應用香港財務報告準則第15號或會導致作出更多披露。

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4. PRINCIPAL ACCOUNTING POLICIES

(Continued)

Future changes in HKFRSs (Continued)

HKFRS 16 "Leases"

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets. The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively by the Group.

The Group has already recognised, in accordance with HKAS 17, prepaid lease payments for land use rights where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

4. 主要會計政策(續)

香港財務報告準則之未來變動(續)

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。香港財務報告準則第16號生效後，將取代香港會計準則第17號「租賃」及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低價值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。使用權資產初步按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按租賃款項(非當日支付)之現值計量。隨後，租賃負債會就(其中包括)利息及租賃款項以及租賃修訂的影響作出調整。於應用香港財務報告準則第16號後，本集團會將有關租賃負債之租賃款項分配至本金及利息部分，並將以融資及經營現金流量分別呈列。

本集團已根據香港會計準則第17號確認預付租賃付款及土地使用權，當中本集團為承租人。應用香港財務報告準則第16號可能導致該等資產之分類發生潛在變動，視乎本集團單獨或於擁有資產時將呈列之相應有關資產之同一項目內呈列使用權資產而定。

4. PRINCIPAL ACCOUNTING POLICIES

*(Continued)*Future changes in HKFRSs *(Continued)*HKFRS 16 "Leases" *(Continued)*

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

As set out in Note 36(a), at 31 December 2017, the total future minimum lease payments under non-cancellable operating leases of the Group in respect of office premises, dormitories and a parking lot amounted to approximately HK\$20,539,000. The management of the Company does not expect the adoption of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group's financial performance but it is expected that the Group has to separately recognise the interest expenses on the lease liabilities and the depreciation expense on the right-of-use assets, and that certain portion of the future minimum lease payments under the Group's operating leases will be required to be recognised in the Group's consolidated statement of financial position as right-of-use assets and lease liabilities. The Group will also be required to re-measure the lease liabilities upon the occurrence of certain events such as a change in the lease term and recognise the amount of the re-measurement of the lease liabilities as an adjustment to the right-of-use assets. In addition, payments for the principal portion of the lease liabilities will be presented within financing activities in the Group's consolidated statement of cash flows.

4. 主要會計政策 *(續)*香港財務報告準則之未來變動 *(續)*香港財務報告準則第16號「租賃」*(續)*

與承租人會計處理相反，香港財務報告準則第16號包含大部分香港會計準則第17號之出租人會計處理規定，並且繼續要求出租人將租賃分類為一項經營租賃或一項融資租賃。

誠如附註36(a)所載，於二零一七年十二月三十一日，本集團涉及辦公室物業、宿舍及停車場之不可撤銷經營租賃項下未來最低租賃付款總額約為20,539,000港元。本公司管理層預期，與目前會計政策相較，採納香港財務報告準則第16號不會對本集團之財務表現構成重大影響，然而，預期本集團須獨立確認租賃負債之利息開支及使用權資產之折舊開支，以及本集團經營租賃項下未來最低租賃付款當中若干部分將需要於本集團之綜合財務狀況表中確認為使用權資產及租賃負債。本集團亦須於若干事件（如租賃年期變動）發生後重新計量租賃負債，以及將租賃負債之重新計量金額確認為使用權資產之調整。此外，租賃負債本金部分之付款將於本集團綜合現金流量表之融資活動內呈列。

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5. SEGMENT INFORMATION

The executive directors of the Company are identified collectively as the chief operating decision maker. An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Company's executive directors in order to allocate resources and assess performance of the segment.

For management purposes, the Group is currently organised into the following operating segments:

Operating segments 經營分部

- Integrated logistics freight services
- 綜合物流貨運服務
- Provision of fuel cards
- 提供燃料卡
- Tractor repair and maintenance services and insurance agency services
- 牽引車維修及保養服務以及保險代理服務
- Trading business
- 貿易業務
- Petrochemical products storage business
- 石化產品倉儲業務

For the purposes of assessing segment performance and allocating resources between segments, the Company's executive directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

5. 分部資料

主要經營決策者泛指本公司執行董事。經營分部乃本集團之一部分，從事可賺取收益及產生費用之商業活動，並基於本公司執行董事為分配資源及評估分部表現而獲提供及定期審閱之內部管理呈報資料而確定。

就管理而言，本集團目前分為以下經營分部：

Principal activities 主要業務

- Provision of ocean freight and land transportation and container drayage services
- Provision of ocean freight forwarding services
- Provision of air freight forwarding services
- Provision of feeder container storage facilities and hiring services of barges and vehicles
- 提供海洋貨運、陸路運輸及貨櫃運輸服務
- 提供海運代理服務
- 提供空運代理服務
- 提供支線貨櫃倉儲設施以及駁船及汽車租賃服務
- Provision of fuel cards
- 提供燃料卡
- Tractor repair and maintenance
- Provision of insurance agency services
- 牽引車維修及保養
- 提供保險代理服務
- Trading of textile, wood logs, scrap metal, electronic products, petrochemical products etc.
- Provision of supply chain management services
- Manufacturing and trading of tin wires
- 買賣紡織品、木材、廢金屬、電子產品、石化產品等
- 提供供應鏈管理服務
- 製造及買賣錫線
- Provision of storage services for petrochemical products
- 提供石化產品倉儲服務

就評估分部表現及分部間資源分配而言，本公司執行董事按以下基礎監控各可報告分部應佔業績、資產及負債：

5. SEGMENT INFORMATION (Continued)

Segments assets include all assets except for interests in associates and corporate assets which are managed on a group basis. All liabilities are allocated to reportable segment liabilities other than unallocated head office and corporate liabilities which are managed on a group basis and certain other payables and accrued charges.

Revenues and expenses are allocated to the reporting segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment results is profit/loss before taxation without allocation of share of results of associates and other unallocated corporate expenses and income. For the purpose of assessing the performance of the operating segments and allocation of resources between segments, the Group's results are further adjusted for items not specifically attributed to individual segments and other head office or corporate administration costs.

Inter-segment sales transactions are charged at prevailing market prices.

5. 分部資料(續)

除於聯營公司之權益及以集團管理為基礎之公司資產外，分部資產包括所有資產。除以集團管理為基礎之未分配總辦事處及公司負債以及若干其他應付款項及應計費用外，所有負債均被分配至可報告分部負債。

收益及開支經參考該等分部產生之銷售及該等分部產生之開支或該等分部應佔資產折舊產生之開支後分配至報告分部。報告分部業績所採用計量標準為在不分配應佔聯營公司業績以及其他未分配公司開支及收入之情況下之除稅前溢利／虧損。就評估經營分部表現及在分部之間分配資源而言，本集團業績就並非指定屬於個別分部之項目及其他總辦事處或公司行政成本進一步作出調整。

分部間銷售交易按現行市價計入。

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5. SEGMENT INFORMATION (Continued)

Operating segments

Segment information is presented below:

For the year ended 31 December 2017

5. 分部資料(續)

經營分部

分部資料呈列如下：

截至二零一七年十二月三十一日止年度

		Integrated logistics freight services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險代理 服務	Trading business	Petrochemical products storage business	Inter- segment elimination	Total
		綜合物流 貨運服務 HK\$'000 千港元	提供 燃料卡 HK\$'000 千港元		貿易 業務 HK\$'000 千港元	石化產品 倉儲業務 HK\$'000 千港元	分部間 撇銷 HK\$'000 千港元	總計 HK\$'000 千港元
Revenue (from external customers)	收益(來自外部客戶)	229,546	33,691	267	3,147,923	13,179	-	3,424,606
— Inter-segment revenue	— 分部間收益	24,148	4,396	1,671	-	-	(30,215)	-
Total revenue	收益總額	253,694	38,087	1,938	3,147,923	13,179	(30,215)	3,424,606
Results	業績							
Segment results	分部業績	(3,598)	263	(761)	12,374	(2,415)	-	5,863
Share of results of associates	應佔聯營公司業績							(519)
Other unallocated corporate income	其他未分配公司收入							1,135
Other unallocated corporate expenses	其他未分配公司開支							(13,694)
Gain on disposal of a subsidiary	出售一間附屬公司之收益							12,844
Profit before taxation	除稅前溢利							5,629
Taxation	稅項							(4,236)
Profit for the year	年內溢利							1,393

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5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Operating segments (Continued)

經營分部(續)

For the year ended 31 December 2016

截至二零一六年十二月三十一日止年度

		Integrated logistics freight services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務	Trading business	Petrochemical products storage business	Inter- segment elimination	Total
		綜合物流 貨運服務	提供 燃料卡	以及保險代理 服務	貿易 業務	石化產品 倉儲業務	分部間 撇銷	總計
		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
Revenue (from external customers)	收益(來自外部客戶)	231,935	26,496	581	303,760	936	-	563,708
— Inter-segment revenue	— 分部間收益	29,472	4,087	2,150	-	-	(35,709)	-
Total revenue	收益總額	261,407	30,583	2,731	303,760	936	(35,709)	563,708
Results	業績							
Segment result	分部業績	(15,994)	369	(975)	1,852	(198)	-	(14,946)
Share of results of associates	應佔聯營公司業績							(667)
Other unallocated corporate income	其他未分配公司收入							151
Other unallocated corporate expenses	其他未分配公司開支							(15,919)
Loss on disposal of an associate	出售一間聯營公司之虧損							(1,141)
Loss before taxation	除稅前虧損							(32,522)
Taxation	稅項							(4,572)
Loss for the year	年內虧損							(37,094)

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5. SEGMENT INFORMATION (Continued)

Operating segments (Continued)

As at 31 December 2017

5. 分部資料(續)

經營分部(續)

於二零一七年十二月三十一日

		Integrated logistics freight services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services 牽引車維修及保養服務 以及保險代理服務	Trading business	Petrochemical products storage business	Total
		綜合物流貨運服務	提供燃料卡	以及保險代理服務	貿易業務	石化產品倉儲業務	總計
		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
ASSETS	資產						
Segment assets	分部資產	50,852	13,127	1,944	977,504	195,415	1,238,842
Unallocated corporate assets	未分配公司資產						29,776
Consolidated total assets	綜合資產總值						1,268,618
LIABILITIES	負債						
Segment liabilities	分部負債	(42,873)	(3,015)	(1,641)	(873,004)	(143,278)	(1,063,811)
Unallocated corporate liabilities	未分配公司負債						(8,346)
Consolidated total liabilities	綜合負債總額						(1,072,157)
For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度							
OTHER INFORMATION	其他資料						
Amortisation	攤銷	-	-	-	-	1,004	1,004
Capital additions	資本增加	8,532	-	3	4,854	10,344	23,733
Capital additions through acquisition of subsidiaries	透過收購附屬公司而增加資本	-	-	-	9	-	9
Depreciation	折舊	15,365	-	13	387	4,698	20,463
Depreciation (unallocated)	折舊(未分配)	-	-	-	-	-	9
Finance costs	融資成本	1,509	-	-	15,728	-	17,237
Gain (Loss) on disposal of property, plant and equipment, net	出售物業、廠房及設備之收益(虧損)淨額	5,844	-	-	(60)	181	5,965
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	1,416	-	-	-	-	1,416
Interest income	利息收入	9	-	-	2,778	19	2,806
Interest income (unallocated)	利息收入(未分配)	-	-	-	-	-	1

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5. SEGMENT INFORMATION (Continued)

5. 分部資料(續)

Operating segments (Continued)

經營分部(續)

As at 31 December 2016

於二零一六年十二月三十一日

		Integrated logistics freight services	Provision of fuel cards	Tractor repair and maintenance services and insurance agency services 牽引車維修 及保養服務 以及保險代理 服務	Trading business	Petrochemical products storage business	Total
		綜合物流 貨運服務	提供燃料卡	以及保險代理 服務	貿易 業務	石化產品 倉儲業務	總計
		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
ASSETS	資產						
Segment assets	分部資產	156,207	10,731	2,264	230,607	164,700	564,509
Unallocated corporate assets	未分配公司資產						34,039
Consolidated total assets	綜合資產總值						598,548
LIABILITIES	負債						
Segment liabilities	分部負債	(96,005)	(2,142)	(1,901)	(214,655)	(117,606)	(432,309)
Unallocated corporate liabilities	未分配公司負債						(2,625)
Consolidated total liabilities	綜合負債總額						(434,934)
For the year ended 31 December 2016	截至二零一六年 十二月三十一日止年度						
OTHER INFORMATION	其他資料						
Amortisation	攤銷	-	-	-	-	84	84
Capital additions	資本增加	7,364	-	-	1,981	181	9,526
Capital additions (unallocated)	資本增加(未分配)	-	-	-	-	-	16
Capital additions through acquisition of subsidiaries	透過收購附屬公司 而增加資本	52,415	-	-	-	98,178	150,593
Depreciation	折舊	15,996	-	18	113	450	16,577
Depreciation (unallocated)	折舊(未分配)	-	-	-	-	-	5
Finance costs	融資成本	1,515	-	-	715	-	2,230
Impairment loss of property, plant and equipment	物業、廠房及設備 之減值虧損	3,084	-	-	-	-	3,084
Interest income	利息收入	207	-	-	95	-	302
Interest income (unallocated)	利息收入(未分配)	-	-	-	-	-	1

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5. SEGMENT INFORMATION (Continued)

Geographical information

Geographical segment

The Group operates and derives revenue in two principal geographical areas: Hong Kong and Mainland China.

The following table sets out the revenue derived from geographical areas which are based on the geographical location of the customers:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue from external customers:	來自外部客戶收益：		
Hong Kong	香港	1,584,575	448,662
Mainland China	中國內地	1,787,248	114,927
Others (Note)	其他(附註)	52,783	119
		3,424,606	563,708

*Note: The locations of others include Europe, U.S.A., Asia (other than Hong Kong and Mainland China), South Africa and others.

5. 分部資料(續)

地區資料

地區分部

本集團於兩個主要地區經營業務並獲取收益：香港及中國內地。

下表載列根據客戶地理位置劃分之地區收益：

*附註：其他地區包括歐洲、美國、亞洲(香港及中國內地除外)、南非及其他地區。

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5. SEGMENT INFORMATION (Continued)

Geographical information (Continued)

Geographical segment (Continued)

The geographical location of non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, prepayments in relation to property, plant and equipment, prepaid lease payments and pledged deposit for finance lease arrangement and loan from a third party, and the location of the operation, in the case of interests in associates and goodwill. The analysis of the Group's non-current assets by geographical location is as follows:

5. 分部資料(續)

地區資料(續)

地區分部(續)

非流動資產之地理位置乃該資產之實際位置(指物業、廠房及設備；就物業、廠房及設備之預付款項；預付租賃付款以及融資租賃安排之已抵押存款及來自第三方之貸款)及營運位置(指於聯營公司之權益及商譽)。本集團按地理位置對非流動資產所作分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備		
Hong Kong	香港	11,152	6,622
Mainland China	中國內地	112,525	138,148
		123,677	144,770
Interests in associates	於聯營公司之權益		
Hong Kong	香港	6,005	6,744
Prepayments in relation to property, plant and equipment	就物業、廠房及設備之預付款項		
Mainland China	中國內地	16,796	8,372
Goodwill	商譽		
Mainland China	中國內地	16,213	14,844
Prepaid lease payments	預付租賃付款		
Mainland China	中國內地	44,322	42,176
Security deposit for loan from a third party	來自第三方之貸款之保證金		
Mainland China	中國內地	3,602	–
Pledged deposit for finance lease arrangement	融資租賃安排之已抵押存款		
Mainland China	中國內地	–	4,236
Total non-current assets	非流動資產總值	210,615	221,142

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5. SEGMENT INFORMATION (Continued)

Information about major customers

For the year ended 31 December 2017, revenue from Customer A (trading business segment) of approximately HK\$381,642,000, accounted for over 10% of the total revenue of the Group.

For the year ended 31 December 2016, revenue from Customer A (trading business segment) and Customer B (trading business segment) of approximately HK\$96,617,000 and HK\$85,095,000 respectively, individually accounted for over 10% of the total revenue of the Group.

6. REVENUE

5. 分部資料(續)

主要客戶資料

截至二零一七年十二月三十一日止年度，來自客戶A(貿易業務分部)之收益約為381,642,000港元，佔本集團收益總額逾10%。

截至二零一六年十二月三十一日止年度，來自客戶A(貿易業務分部)及客戶B(貿易業務分部)之收益分別約為96,617,000港元及85,095,000港元，各佔本集團收益總額逾10%。

6. 收益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Income from provision of integrated logistics freight services	提供綜合物流貨運服務收入	229,546	231,935
Income from provision of fuel cards	提供燃料卡收入	33,691	26,496
Income from trading business	貿易業務收入	3,147,923	303,760
Petrochemical storage service income	石化倉儲服務收入	13,179	936
Tractor repair and maintenance services and insurance agency fee	牽引車維修及保養服務以及保險代理費	267	581
		3,424,606	563,708

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7. OTHER INCOME

7. 其他收入

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank interest income	銀行利息收入	2,807	303
Commission income	佣金收入	300	–
Exchange gain, net	匯兌收益淨額	701	2,390
Gain on bargain purchase	議價購買收益	–	727
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 之收益	6,046	4,310
Management fee income	管理費收入	402	427
Sundry income	雜項收入	422	304
Subsidy income (note)	補貼收入(附註)	2,778	1,906
Write-back of interest payable	撥回應付利息	708	–
Late payment penalty received from customers	收取自客戶之滯納金	846	–
Write-back of accrued directors' salaries (note 10(i))	撥回應計董事薪金 (附註 10(i))	760	–
		15,770	10,367

Note: During the year, the Group received one-off tax refund of RMB2,451,000 (approximately HK\$2,778,000) (2016: one-off tax refund of approximately HK\$1,774,000 and employment subsidy of approximately HK\$132,000) respectively) from the local government of Dafeng district in Jiangsu Province, the PRC. These subsidies are granted to encourage the Group to boost the economy within Dafeng district, Jiangsu Province.

附註：年內，本集團分別從中國江蘇省大豐區地方政府收取一次性退稅人民幣2,451,000元(約2,778,000港元)(二零一六年：一次性退稅約1,774,000港元及就業補貼約132,000港元)。該等補貼旨在鼓勵本集團推動江蘇省大豐區內經濟。

8. FINANCE COSTS

8. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on borrowings wholly repayable within five years	須於五年內悉數償還之借貸 之利息	6,027	80
Finance charge on obligations under finance leases	融資租賃承擔之財務費用	1,509	1,435
Interest on consideration payable in respect of acquisition of a subsidiary	收購一間附屬公司之應付代價 之利息	–	715
Interests on amounts due to connected companies	應付關聯公司款項之利息	14,728	–
Less: Borrowing costs capitalised into property, plant and equipment at weighted average capitalisation rate of 5.7% (2016: Nil)	減：按加權平均資本化比率5.7% 計算資本化為物業、 廠房及設備之借貸 成本(二零一六年：無)	(5,027)	–
		17,237	2,230

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9. PROFIT (LOSS) BEFORE TAXATION

9. 除稅前溢利(虧損)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
This is stated after charging (crediting):			
	經扣除(計入)下列項目後列賬:		
Staff costs	員工成本		
Share-based payment	以股份為基礎之付款	–	3,063
Salaries, allowances and other short-term employee benefits including directors' emoluments	薪金、津貼及其他短期僱員福利，包括董事薪酬	76,027	75,414
Contributions to defined contribution plans	定額供款計劃供款	5,801	5,285
		81,828	83,762
Other items	其他項目		
Auditors' remuneration	核數師酬金		
— Audit-related assurance services	— 與核數有關之核證服務	1,850	1,300
— Other services	— 其他服務	835	550
Amortisation of prepaid lease payments	預付租賃付款攤銷	1,004	84
Cost of inventories	存貨成本	3,092,848	305,369
Depreciation	折舊	20,472	16,582
Equipment rental income (included in revenue)	設備租賃收入(計入收益)	(13,831)	(2,425)
Gain on bargain purchase	議價購買收益	–	(727)
Gain on disposal of a subsidiary (note 35)	出售一間附屬公司之收益(附註35)	(12,844)	–
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備之收益淨額	(5,965)	(4,280)
Impairment loss of property, plant and equipment	物業、廠房及設備之減值虧損	1,416	3,084
Loss on disposal of an associate	出售一間聯營公司之虧損	–	1,141
Operating lease payments on premises	物業之經營租賃付款	8,867	12,245
Operating lease payments on vehicles	汽車之經營租賃付款	4,123	2,160

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10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

10. 董事及五名最高薪人士之薪酬

(i) Directors' emoluments

(i) 董事薪酬

The aggregate amounts of emoluments paid and payable to the directors of the Company by the Group during the year are as follows:

本集團於本年度已付及應付本公司董事之薪酬總額如下：

Year ended 31 December 2017

截至二零一七年十二月三十一日止年度

	Appointed during the year	Resigned during the year	Fee	Salaries, allowance and benefits in kind	Bonus	Contributions to defined contribution plans	Total
	年內委任	年內辭任	袍金	薪金、津貼及實物利益	花紅	定額供款計劃供款	總計
			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
Executive directors							
執行董事							
Mr. Ni Xiangrong 倪向榮先生	-	-	-	-	-	-	-
Mr. Wang Yijun (note a) 王益軍先生(附註a)	-	-	-	-	-	-	-
Mr. Shum Kan Kim 沈勤儉先生	-	-	-	600	-	18	618
Mr. Yu Xingmin 俞興敏先生	-	10 November 2017 二零一七年十一月十日	-	-	-	-	-
Mr. Pan Jian 潘健先生	-	-	-	-	-	-	-
Mr. Sun Lin 孫林先生	10 August 2017 二零一七年八月十日	-	-	-	-	-	-
Non-executive directors							
非執行董事							
Mr. Ji Longtao 吉龍濤先生	-	-	240	-	-	-	240
Mr. Yang Yue Xia 楊越夏先生	-	-	240	-	-	-	240
Independent non-executive directors							
獨立非執行董事							
Mr. Zhang Fangmao 張方茂先生	-	-	60	-	-	-	60
Dr. Bian Zhaoxiang 卞兆祥博士	-	-	120	-	-	-	120
Mr. Lau Hon Kee 劉漢基先生	-	-	120	-	-	-	120
Mr. Yu Xugang 于緒剛先生	-	-	120	-	-	-	120
			900	600	-	18	1,518

Note a: Mr. Wang Yijun resigned as an executive director with effective from 15 March 2018.

附註a：王益軍先生自二零一八年三月十五日起辭任執行董事。

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10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

10. 董事及五名最高薪人士之薪酬 (續)

(i) Directors' emoluments (Continued)

(i) 董事薪酬 (續)

Year ended 31 December 2016

截至二零一六年十二月三十一日止年度

	Appointed during the year	Resigned during the year	Fee	Salaries, allowance and benefits in kind	Bonus	Contributions to defined contribution plans	Total
	年內委任	年內辭任	袍金	薪金、津貼及實物利益	花紅	定額供款計劃供款	總計
			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
Executive directors							
執行董事							
Mr. Lo Ka Man 羅家文先生	-	11 October 2016 二零一六年 十月十一日	-	697	-	14	711
Mr. Ni Xiangrong 倪向榮先生	-	-	-	960	-	-	960
Mr. Wang Yijun 王益軍先生	-	-	-	720	-	-	720
Mr. Shum Kan Kim 沈勤儉先生	-	-	-	600	-	18	618
Mr. Wang Zhi Qiang 王志強先生	-	31 May 2016 二零一六年 五月三十一日	-	248	-	-	248
Mr. Yu Xingmin 俞興敏先生	31 May 2016 二零一六年 五月三十一日	-	-	352	-	-	352
Mr. Pan Jian 潘健先生	26 August 2016 二零一六年 八月二十六日	-	-	200	-	-	200
Non-executive directors							
非執行董事							
Mr. Ji Longtao 吉龍濤先生	-	-	240	-	-	-	240
Mr. Yang Yue Xia 楊越夏先生	-	-	240	-	-	-	240
Independent non-executive directors							
獨立非執行董事							
Mr. Luk Chi Shing 陸志成先生	-	7 March 2016 二零一六年 三月七日	22	-	-	-	22
Mr. Zhang Fangmao 張方茂先生	-	-	60	-	-	-	60
Dr. Pang Jianming 龐建明博士	-	31 May 2016 二零一六年 五月三十一日	50	-	-	-	50
Dr. Bian Zhaoxiang 卞兆祥博士	-	-	120	-	-	-	120
Mr. Lau Hon Kee 劉漢基先生	31 May 2016 二零一六年 五月三十一日	-	70	-	-	-	70
Mr. Yu Xugang 于緒剛先生	31 May 2016 二零一六年 五月三十一日	-	70	-	-	-	70
			872	3,777	-	32	4,681

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10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(i) Directors' emoluments (Continued)

For the years ended 31 December 2017 and 2016, no emoluments were paid by the Group to any of the directors as an inducement to join the Group or upon joining the Group or as compensation for loss of office.

During the year end 31 December 2017, four directors of the Company, namely Mr. Ni Xiangrong, Mr. Wang Yijun, Mr. Yu Xingmin and Mr. Pan Jian, have waived or agreed to waive their emoluments of HK\$1,200,000, HK\$900,000, HK\$715,000 and HK\$760,000 respectively. Among the waived directors' emoluments, HK\$320,000, HK\$240,000 and HK\$200,000 were accrued for Mr. Ni Xiangrong, Mr. Wang Yijun and Mr. Yu Xingmin in the year ended 31 December 2016 and accordingly an aggregate amount of HK\$760,000 has been written back and credited to profit or loss during the year.

(ii) Five highest paid individuals

The five highest paid individuals included one director (2016: three directors) for the year ended 31 December 2017. The aggregate amounts of the emoluments in respect of the four (2016: two) non-director 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 allowances	薪金及津貼	4,538	1,742
Share-based payment	以股份為基礎之付款	-	3,063
Contributions to defined contribution plans	定額供款計劃供款	54	25
		4,592	4,830

10. 董事及五名最高薪人士之薪酬 (續)

(i) 董事薪酬 (續)

截至二零一七年及二零一六年十二月三十一日止年度，本集團並無向任何董事支付薪酬，作為吸引加入本集團或加入本集團後之獎勵或作為離職補償。

截至二零一七年十二月三十一日止年度，本公司四名董事，即倪向榮先生、王益軍先生、俞興敏先生及潘健先生已放棄或同意放棄彼等分別為1,200,000港元、900,000港元、715,000港元及760,000港元之薪酬。於已放棄董事薪酬中，320,000港元、240,000港元及200,000港元為截至二零一六年十二月三十一日止年度應計倪向榮先生、王益軍先生及俞興敏先生之薪酬，故合共760,000港元已撥回並計入年內損益。

(ii) 五名最高薪人士

截至二零一七年十二月三十一日止年度，五名最高薪人士包括一名董事(二零一六年：三名董事)。四名(二零一六年：兩名)非董事人士之薪酬總額如下：

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10. REMUNERATION OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(ii) Five highest paid individuals (Continued)

The above individuals' emoluments for the year were within the following bands:

		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	2	–
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	2	1
HK\$3,000,001 to HK\$3,500,000	3,000,001港元至3,500,000港元	–	1
		4	2

No remuneration was paid or payable by the Group to any of the five highest paid individuals as an inducement to join the Group or upon joining the Group or as compensation for loss of office during the years ended 31 December 2017 and 2016.

10. 董事及五名最高薪人士之薪酬 (續)

(ii) 五名最高薪人士 (續)

年內，上述人士之薪酬介乎以下範圍：

截至二零一七年及二零一六年十二月三十一日止年度，本集團並無向五名最高薪人士支付或應付薪酬，作為吸引加入本集團或加入本集團後之獎勵或作為離職補償。

11. TAXATION

11. 稅項

		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
Current tax:	即期稅項：			
Hong Kong Profits Tax	香港利得稅			
— Current year	— 本年度		962	916
— Over-provision in prior year	— 過往年度超額撥備		(19)	(468)
			943	448
PRC Enterprise Income Tax	中國企業所得稅			
— Current year	— 本年度		2,526	3,616
— Under-provision in prior year	— 過往年度撥備不足		466	82
			2,992	3,698
Deferred tax expense	遞延稅項開支	27	301	426
Total income tax expenses recognised in profit or loss	於損益確認之所得稅開支總額		4,236	4,572

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11. TAXATION (Continued)

(i) Hong Kong Profits Tax

Hong Kong Profits Tax has been provided at the rate of 16.5% (2016: 16.5%) on the Group's estimated assessable profits arising from Hong Kong during the year.

(ii) Income taxes outside Hong Kong

The Company's subsidiaries in the PRC are subject to Enterprise Income Tax ("EIT"). PRC EIT is calculated at the prevailing tax rate at 25% on taxable income determined in accordance with the relevant laws and regulations in the PRC.

One of the Company's subsidiaries in the PRC is qualified as an eligible entity for enjoying a preferential EIT rate of 15% pursuant to the Notice on Guidelines for Preferential Corporate Income Tax in Shenzhen Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, which becomes effective since 1 January 2014.

Pursuant to the rules and regulations of the British Virgin Islands (the "BVI"), the Cayman Islands and the Marshall Islands, the Group is not subject to any taxation under those jurisdictions.

11. 稅項(續)

(i) 香港利得稅

香港利得稅按本集團於本年度在香港產生之估計應課稅溢利以16.5%(二零一六年:16.5%)之稅率計提撥備。

(ii) 香港境外之所得稅

本公司之中國附屬公司須繳納企業所得稅(「企業所得稅」)。中國企業所得稅乃根據中國相關法例及規例項下所釐定之應課稅收入按25%之現行稅率計算。

根據《深圳前海深港現代服務業合作區企業所得稅優惠政策及優惠目錄的通知》，本公司其中一間中國附屬公司符合資格為享有15%優惠企業所得稅率之合資格實體，自二零一四年一月一日起生效。

根據英屬處女群島(「英屬處女群島」)、開曼群島及馬紹爾群島之規則及規例，本集團毋須繳納有關司法權區之任何稅項。

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11. TAXATION (Continued)

Reconciliation of tax expenses

The tax charge for the year can be reconciled to the profit (loss) per the consolidated statement of comprehensive income as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit (Loss) before taxation	除稅前溢利(虧損)	5,629	(32,522)
Income tax at applicable tax rate of 16.5%	按適用稅率 16.5% 計算之所得稅	929	(5,366)
Effects of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司之不同稅率影響	(421)	(1,070)
Effect of preferential tax rate of a subsidiary	一間附屬公司享有優惠稅率之影響	(136)	(34)
Non-deductible expenses	不可扣稅開支	2,619	3,956
Tax exempt revenue	免稅收益	(2,132)	(272)
Tax effect of share of results of associates	應佔聯營公司業績之稅務影響	86	110
Utilisation of previously unrecognised tax losses	動用過往未確認之稅項虧損	(262)	(61)
Unrecognised temporary differences	未確認暫時差額	(337)	5,489
Under(Over)-provision in prior year, net	過往年度撥備不足(超額撥備), 淨額	447	(386)
Tax effect of tax loss not recognised	未確認稅項虧損之稅務影響	3,332	2,175
Others	其他	111	31
Tax expense for the year	年內稅項開支	4,236	4,572

Tax exempt revenue mainly included profits not taxed in Hong Kong under S.23B of the Inland Revenue Ordinance for being carriage shipped outside Hong Kong, bank interest income and unrealised foreign exchange differences arising from foreign currencies denominated monetary assets and liabilities and gain on disposal of interest in a subsidiary which are non-trading in nature. Non-deductible expenses mainly included loss not allowable in Hong Kong under S.23B of the Inland Revenue Ordinance for being carriage shipped outside Hong Kong, impairment loss of property, plant and equipment and those operating expenses incurred by non-revenue generating group companies.

12. DIVIDENDS

The board did not recommend the payment of any dividend for the year ended 31 December 2017 (2016: Nil).

11. 稅項(續)

稅項開支之對賬

年內稅項支出與綜合全面收益表之溢利(虧損)對賬如下:

免稅收益主要包括根據稅務條例第S.23B條於香港境外航運且毋須繳納香港稅項之溢利、銀行利息收入、以外幣計值之貨幣資產及負債所產生未變現外匯差額以及出售一間附屬公司權益之收益(屬非貿易性質)。不可扣稅開支主要包括根據稅務條例第S.23B條於香港境外航運且不得於香港扣稅之虧損、物業、廠房及設備之減值虧損以及並無產生收益之集團公司所產生經營開支。

12. 股息

董事會不建議就截至二零一七年十二月三十一日止年度派付任何股息(二零一六年: 無)。

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13. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share for the years ended 31 December 2017 and 2016 are calculated by dividing the profit (loss) attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue.

13. 每股盈利(虧損)

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基本盈利(虧損)按本公司權益持有人應佔虧損除以已發行普通股加權平均數計算。

		2017 二零一七年	2016 二零一六年
Profit (Loss) attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利(虧損)(千港元)	175	(36,959)
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	1,288,000,000	1,219,147,541
Basic earnings (loss) per share	每股基本盈利(虧損)	0.01 HK cents 港仙	(3.03) HK cents 港仙

Basic and diluted earnings (loss) per share are the same as the Company did not have any dilutive potential ordinary shares during the years ended 31 December 2017 and 2016.

每股基本盈利(虧損)與每股攤薄溢利(虧損)相同，原因為本公司於截至二零一七年及二零一六年十二月三十一日止年度並無任何具潛在攤薄影響之普通股。

14. INVESTMENT IN SUBSIDIARIES

Particulars of the Company's subsidiaries at 31 December 2017 are as follows:

14. 於附屬公司之投資

本公司附屬公司於二零一七年十二月三十一日之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Ownership interest held by the Company 本公司持有之 所有權權益		Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有	
Dafeng Port Heshun International Investments Limited 大豐港和順國際投資有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	Investment holding 投資控股
Dafeng Port Heshun Technology (China) Company Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	Investment holding 投資控股
Dafeng Port Heshun Technology (Indonesia) Company Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	Inactive 無業務
Luck Sign Investment Development Limited 祥佳投資發展有限公司	The BVI 英屬處女群島	US\$1,000 1,000美元	100%	-	Investment holding 投資控股

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Ownership interest held by the Company 本公司持有之 所有權權益		Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有	
Gamma Logistics (B.V.I.) Corporation 伽瑪物流(B.V.I.)集團	The BVI 英屬處女群島	US\$1,000 1,000美元	51%	-	Investment holding 投資控股
Golden Fame Shipping Limited 金信船務有限公司	Hong Kong 香港	HK\$2,200,000 2,200,000港元	-	51%	Provision of ocean freight transportation and container drayage services 提供海運及貨櫃運輸服務
Golden Fame Shipping Limited 金信船務有限公司	The BVI 英屬處女群島	US\$1 1美元	-	51%	Investment holding 投資控股
Golden Fame Shipping Limited 金信船務有限公司	The Marshall Islands 馬紹爾群島	US\$1 1美元	-	51%	Investment holding 投資控股
Golden Ocean Warehouse & Transportation Limited 金洋倉庫運輸有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	51%	Provision of feeder container storage facilities and the hiring services of barges and vehicles 提供支線貨櫃倉儲設施以及駁船及汽車租賃服務
Golden Fame Logistics Holding Limited 金信物流集團有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	51%	Investment holding 投資控股
Golden Fame Delta Shipping Limited 金信珠江三角洲航運有限公司	The BVI/ (place of operation: the PRC) 英屬處女群島/ (經營地點: 中國)	US\$2 2美元	-	51%	Provision of freight and feeder rental services 提供貨運及支線租賃服務
Worldly Development Limited 匯利豐發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	100%	Trading 貿易

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Ownership interest held by the Company 本公司持有之 所有權權益		Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有	
大豐港和順科技(深圳)有限公司	The PRC 中國	Registered capital US\$1,000,000 Paid-up capital US\$290,000 註冊資本 1,000,000美元 繳足股本 290,000美元	-	100%	Trading 貿易
鹽城大豐和順國際貿易有限公司	The PRC 中國	Registered capital and paid-up capital US\$64,500,000 註冊資本 及繳足股本 64,500,000美元	-	100%	Trading and freight services 貿易及貨運服務
前海明天供應鏈(深圳)有限公司	The PRC 中國	Registered capital US\$8,000,000 Paid-up capital US\$2,050,050 註冊資本 8,000,000美元 繳足股本 2,050,050美元	-	51%	Trading 貿易
江蘇中南滙石化倉儲有限公司	The PRC 中國	Registered and paid-up capital RMB32,000,000 註冊及繳足股本 人民幣32,000,000元	-	100%	Provision of petrochemical products storage services 提供石化產品倉儲服務
中山市金洋國際貨運代理有限公司	The PRC 中國	Registered and paid-up capital RMB7,000,000 註冊及繳足股本 人民幣7,000,000元	-	51%	Provision of Non Vessel Operating Common Carrier ("NVOCC") and international forwarding agency services 提供無船承運商(「無船承運 商」)及國際貨運代理服務

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Ownership interest held by the Company 本公司持有之 所有權權益		Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有	
中山市愛酒時貿易有限公司	The PRC 中國	Registered and paid-up capital RMB500,000 註冊及繳足股本 人民幣 500,000 元	-	51%	Inactive 無業務
中山市金信貨運有限公司	The PRC 中國	Registered and paid-up capital RMB3,000,000 註冊及繳足股本 人民幣 3,000,000 元	-	51%	Provision of transportation services 提供運輸服務
天津聯企成石油製品銷售有限公司	The PRC 中國	Registered and paid-up capital RMB20,000,000 註冊及繳足股本 人民幣 20,000,000 元	-	51%	Trading of petrochemical products 石化產品貿易
珠海恒豐和順石化有限公司	The PRC 中國	Registered capital RMB1,000,000 Paid-up capital RMB500,000 註冊資本 人民幣 1,000,000 元 繳足股本 人民幣 500,000 元		100%	Trading of petrochemical products 石化產品貿易
深圳市泛海控股有限公司	The PRC 中國	Registered capital RMB10,000,000 Paid-up capital RMB560,000 註冊資本 人民幣 10,000,000 元 繳足股本 人民幣 560,000 元		51%	Inactive 無業務
深圳市粵新達科技有限公司	The PRC 中國	Registered and paid-up capital RMB1,000,000 註冊及繳足股本 人民幣 1,000,000 元		51%	Manufacturing and trading of tin wires 製造及買賣錫線

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Ownership interest held by the Company 本公司持有之 所有權權益		Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有	
U-Drive Company Limited 任我行有限公司	Hong Kong 香港	HK\$1,000 1,000港元	-	47.8%	Provision of fuel cards 提供燃料卡
Win & Fame Motor Limited 榮信自動車有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	-	40.8%	Provision of vehicle and tractor maintenance services 提供汽車及牽引車保養服務
Win Top Shipping Company Limited 穎圖船務有限公司	Hong Kong 香港	HK\$2 2港元	-	51%	Provision of feeder shipping services 提供支線航運服務
Wintop Logistics Development Co. Ltd 穎圖物流發展有限公司	Hong Kong 香港	HK\$10,000 10,000港元	-	51%	Provision of NVOCC services 提供無船承運商服務
Treasure Pipe Limited 英屬處女群島	The BVI 英屬處女群島	US\$10 10美元	-	51%	Investment holding 投資控股
Upward Miles Limited 香港	Hong Kong 香港	HK\$500,000 500,000港元	-	51%	Rental of trucks 租賃卡車
Golden Fame Insurance Services Limited 金信保險服務有限公司	Hong Kong 香港	HK\$500,000 500,000港元	-	51%	Provision of insurance agency services 提供保險代理服務
Evertime Management Limited 恒泰管理有限公司	Hong Kong 香港	HK\$1 1港元	-	100%	Inactive 無業務
Marble Opportunities Limited 英屬處女群島	The BVI 英屬處女群島	US\$1 1美元	-	51%	Investment holding 投資控股
Galva Company Limited 英屬處女群島	The BVI 英屬處女群島	US\$1 1美元	-	51%	Inactive 無業務
Galva Express Enterprise Limited 金匯快遞企業有限公司	Hong Kong 香港	HK\$100 100港元	-	51%	Provision of freight forwarding services 提供貨運代理服務
Galva Express Enterprise Limited 金匯快遞企業有限公司	The BVI 英屬處女群島	US\$1 1美元	-	51%	Investment holding 投資控股

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14. INVESTMENT IN SUBSIDIARIES (Continued)

14. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ operation 註冊成立/ 經營地點	Issued and paid-up capital/ registered capital 已發行及繳足 股本/註冊資本	Ownership interest held by the Company 本公司持有之 所有權權益		Principal activities 主要業務
			Directly held 直接持有	Indirectly held 間接持有	
Galva Express Enterprise Limited 金匯快遞企業有限公司	The Marshall Islands 馬紹爾群島	US\$1 1美元	-	51%	Investment holding 投資控股
Million Sky Business Limited	The BVI 英屬處女群島	US\$1 1美元	100%	-	Investment holding 投資控股
Golden Fame Logistics Group Limited	The BVI 英屬處女群島	US\$1 1美元	-	51%	Investment holding 投資控股
Golden Fame Logistics Group Limited	The Marshall Islands 馬紹爾群島	US\$1 1美元	-	51%	Investment holding 投資控股

All of the above subsidiaries are limited liability companies.

上述附屬公司均為有限責任公司。

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14. INVESTMENT IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests (“NCI”)

The following table shows the information relating to the non-wholly owned subsidiaries, Gamma Logistics (B.V.I.) Corporation (“Gamma BVI”) and its subsidiaries (“Gamma BVI Group”), 前海明天供應鏈(深圳)有限公司 (Qianhai Mingtian Supply Chain (Shenzhen) Company Limited*, “Qianhai Mingtian”) and its subsidiaries (“Qianhai Mingtian Group”) and 天津聯企成石油製品銷售有限公司 (Tianjin Lian Qi Cheng Petroleum Products Trading Company Limited *, “Tianjin Lian Qi Cheng”) that have material NCI during the year. The summarised financial information of each of material NCI for the period from the later of the beginning of the reporting period and the date of acquisition to the earlier of the date of disposal and the end of the reporting period represents amounts before inter-company eliminations and excluding the related goodwill.

* The official name is in Chinese and the English name is translated for identification purpose only.

14. 於附屬公司之投資(續)

擁有個別重大非控股權益(「非控股權益」)之附屬公司之財務資料

下表列示年內擁有重大非控股權益之非全資附屬公司伽瑪物流(B.V.I.)集團(「伽瑪BVI」)及其附屬公司(「伽瑪BVI集團」)、前海明天供應鏈(深圳)有限公司(「前海明天」)及其附屬公司(「前海明天集團」)以及天津聯企成石油製品銷售有限公司(「天津聯企成」)之有關資料。自報告期開始與收購日期(以較後者為準)至出售日期與報告期完結(以較早者為準)期間各重大非控股權益之財務資料概要列示公司間撇銷前之金額，且不包括有關商譽。

		Gamma BVI Group	Qianhai Mingtian Group (note) 前海明天集團 (附註)	Tianjin Lian Qi Cheng 天津聯企成
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2017	於二零一七年十二月三十一日			
Proportion of NCI's ownership interests	非控股權益擁有權權益比例	49%	49%	49%
Non-current assets	非流動資產	17,147	3,972	331
Current assets	流動資產	54,783	591,087	115,172
Current liabilities	流動負債	(38,921)	(566,490)	(90,734)
Non-current liabilities	非流動負債	(8,607)	-	-
Total equity	權益總額	24,402	28,569	24,769
Carrying amount of NCI	非控股權益賬面值	12,090	10,829	12,136

Note: Qianhai Mingtian Group's total equity disclosed above included the accumulated profits up to disposal of 49% equity in Qianhai Mingtian of HK\$6,470,000 (the "Pre-acquisition Profits"). However, as mentioned in note 30(b) to these consolidated financial statements, the non-controlling interests are not entitled to the Pre-acquisition Profits.

附註：上文所披露前海明天集團之權益總額包括截至出售前海明天49%股權之累計溢利6,470,000港元(「收購前溢利」)。然而，誠如綜合財務報表附註30(b)所述，非控股權益無權享有收購前溢利。

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14. INVESTMENT IN SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

14. 投資附屬公司(續)

擁有個別重大非控股權益(「非控股權益」)之附屬公司之財務資料(續)

		Gamma BVI Group 伽瑪 BVI 集團 HK\$'000 千港元	Qianhai Mingtian Group (note) 前海明天集團 (附註) HK\$'000 千港元	Tianjin Lian Qi Cheng 天津聯企成 HK\$'000 千港元
Year ended 31 December 2017	截至二零一七年 十二月三十一日止年度			
Revenue	收益	149,385	1,190,016	293,838
Cost of sales	銷售成本	(120,077)	(1,166,695)	(285,844)
Other income	其他收入	3,564	491	26
Expense	開支	(36,968)	(18,180)	(7,133)
Share of result of associate	應佔聯營公司業績	219	-	-
Profit (loss) for the year	年內溢利(虧損)	(3,877)	5,632	887
Other comprehensive income	其他全面收益	-	1,014	1,025
Total comprehensive (loss) income for the year	年內全面(虧損)收益總額	(3,877)	6,646	1,912
Loss attributable to NCI of subsidiaries within the respective groups	有關集團內附屬公司 非控股權益應佔虧損	(69)	-	-
(Loss) Profit attributable to NCI	非控股權益應佔(虧損)溢利	(1,866)	2,760	434
Total comprehensive (loss) income attributable to NCI	非控股權益應佔全面(虧損) 收益總額	(1,967)	3,257	937
Net cash flows from (used in):	來自(用於)以下各項之 現金流量淨額:			
Operating activities	經營活動	(555)	(3,166)	(68,354)
Investing activities	投資活動	3,667	(306,849)	(309)
Financing activities	融資活動	(2,803)	277,691	53,536
Dividends paid to NCI	已付非控股權益之股息	-	-	-

The above subsidiaries did not have material NCI as at 31 December 2016.

以上附屬公司於二零一六年十二月三十一日並無重大非控股權益。

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15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、廠房及設備

	Buildings	Storage facilities	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Computer equipment	Feeder vessels and barges (Note)	Containers	Construction in progress	Total
	樓宇	倉儲設施	物業裝修	傢俬、裝置及設備	汽車	電腦設備	支線船舶及駁船(附註)	貨櫃	在建工程	總計
	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 cost	按成本									
At 1 January 2016	-	-	6,736	4,890	49,204	4,284	18,215	10,062	-	93,391
Additions	1,030	-	354	444	6,415	506	-	612	181	9,542
Additions — acquisition of subsidiaries	-	89,014	-	2,091	52,375	2,952	-	-	4,161	150,593
Reclassified as held for sale	-	-	-	-	-	-	(5,523)	-	-	(5,523)
Disposals	-	-	(3,569)	(960)	(10,399)	(26)	(8,337)	(1,275)	-	(24,566)
Exchange realignment	(44)	(3,998)	-	(129)	(3,417)	(166)	-	-	(195)	(7,949)
At 31 December 2016 and 1 January 2017	986	85,016	3,521	6,336	94,178	7,550	4,355	9,399	4,147	215,488
Additions	98	6	1,661	2,894	7,635	657	-	947	9,835	23,733
Additions — acquisition of subsidiaries (note 34(d))	-	-	-	-	9	-	-	-	-	9
Disposals/Written off	-	-	(132)	(224)	(7,979)	(7)	-	(2,119)	-	(10,461)
Disposal of a subsidiary	-	-	-	(393)	(51,733)	-	-	-	-	(52,126)
Exchange realignment	78	6,427	57	249	2,733	276	-	-	693	10,513
At 31 December 2017	1,162	91,449	5,107	8,862	44,843	8,476	4,355	8,227	14,675	187,156
Accumulated depreciation and impairment	累計折舊及減值									
At 1 January 2016	-	-	5,501	4,430	41,784	3,807	16,308	8,153	-	79,983
Charge for the year	16	381	448	230	13,593	274	527	1,113	-	16,582
Impairment	-	-	82	83	2,515	111	-	293	-	3,084
Reclassified as held for sale	-	-	-	-	-	-	(5,374)	-	-	(5,374)
Disposals	-	-	(2,630)	(937)	(10,308)	(26)	(7,348)	(1,096)	-	(22,345)
Exchange realignment	(1)	(16)	-	(15)	(1,167)	(13)	-	-	-	(1,212)
At 31 December 2016 and 1 January 2017	15	365	3,401	3,791	46,417	4,153	4,113	8,463	-	70,718
Charge for the year	52	3,946	71	550	14,450	667	242	494	-	20,472
Impairment	-	-	67	64	1,247	38	-	-	-	1,416
Disposals/Written off	-	-	(88)	(215)	(7,506)	(7)	-	(2,082)	-	(9,898)
Disposal of a subsidiary	-	-	-	(48)	(21,008)	-	-	-	-	(21,056)
Exchange realignment	4	179	-	31	1,561	52	-	-	-	1,827
At 31 December 2017	71	4,490	3,451	4,173	35,161	4,903	4,355	6,875	-	63,479
Net book value	賬面淨值									
At 31 December 2017	1,091	86,959	1,656	4,689	9,682	3,573	-	1,352	14,675	123,677
At 31 December 2016	971	84,651	120	2,545	47,761	3,397	242	936	4,147	144,770

Note: As at 31 December 2017, the Group owned one vessel (2016: one vessel) under the Usage Priority Agreement with a cost of HK\$4.3 million (2016: HK\$4.3 million). According to the Usage Priority Agreement, the Group has the exclusive preferential right to use the vessel and to acquire the interest or to obtain the sales proceeds of disposal, which has to be approved by the Group in advance, of the vessel. The Group considers that it, in substance, owns the vessel. Accordingly, the vessel with the net book value of HK\$Nil as at 31 December 2017 (2016: HK\$0.2 million) has been recorded under property, plant and equipment.

附註：於二零一七年十二月三十一日，本集團根據優先使用協議擁有一艘(二零一六年：一艘)成本為4,300,000港元(二零一六年：4,300,000港元)之船舶。根據優先使用協議，本集團有獨家優先權使用該船舶及收購該船舶之權益或取得出售該船舶(須經本集團事先批准)之所得款項。本集團認為其實際擁有該船舶。因此，於二零一七年十二月三十一日，賬面淨值為零港元(二零一六年：200,000港元)之該船舶已計入物業、廠房及設備。

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15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

The directors of the Company have reviewed the carrying value of property, plant and equipment which economic performance is worse than expected and determined that the recoverable amount from the use or sale of certain of these assets has declined below their carrying amount. Accordingly, the carrying value of these assets has been reduced by HK\$1,416,000 (2016: HK\$3,084,000) to reflect this impairment loss during the year. The recoverable amount of these assets amounted to HK\$Nil (2016: HK\$3,340,000) is determined by reference to the value in use of the relevant assets, using the discount rate of 7% per annum.

The assets held under finance leases at the end of the reporting period are as follows:

15. 物業、廠房及設備(續)

經檢討經濟表現遜於預期之物業、廠房及設備之賬面值後，本公司董事認為使用或出售若干該等資產之可收回金額跌至低於其賬面值。因此，年內該等資產之賬面值已減少1,416,000港元(二零一六年：3,084,000港元)以反映是項減值虧損。該等資產之可收回金額零港元(二零一六年：3,340,000港元)乃參考相關資產之使用價值按貼現率每年7%釐定。

於報告期末，根據融資租賃持有之資產如下：

		Motor vehicles 汽車 HK\$'000 千港元
At 31 December 2017	於二零一七年十二月三十一日	
Cost	成本	14,186
Accumulated depreciation and impairment	累計折舊及減值	(5,349)
Net book value	賬面淨值	8,837
At 31 December 2016	於二零一六年十二月三十一日	
Cost	成本	51,374
Accumulated depreciation	累計折舊	(7,035)
Net book value	賬面淨值	44,339

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16. GOODWILL

16. 商譽

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<i>Reconciliation of carrying amount</i>			
At beginning of reporting period	賬面值對賬 於報告期初	14,844	-
Acquisition of subsidiaries (note 34 (d))	收購附屬公司(附註34(d))	1,369	14,844
At end of reporting period		16,213	14,844
At 31 December			
Cost	於十二月三十一日 成本	16,213	14,844
Accumulated impairment loss	累計減值虧損	-	-
		16,213	14,844

Goodwill arose because the consideration paid for the acquisitions effectively included amount in relation to the benefits originated from future market development and the assembled workforce of the acquired business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

產生商譽是由於就收購支付之代價實際包含未來市場發展及收購業務所集結勞動力所帶來利益之金額。由於該等利益不符合可識別無形資產之確認標準，故並無與商譽分開確認。預期概無已確認商譽可用於扣除所得稅。

The carrying amount of goodwill was allocated to the Group's cash-generating units ("CGUs") as follows:

商譽之賬面值分配至本集團現金產生單位(「現金產生單位」)如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Petrochemical Storage Business	石化產品倉儲業務	14,844	14,844
Petrochemical Products Trading Business	石化產品貿易業務	1,369	-
		16,213	14,844

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16. GOODWILL (Continued)

The recoverable amounts of the Petrochemical Storage Business and Petrochemical Products Trading Business have been determined on the basis of value in use. Its recoverable amounts are based on certain key assumptions. The value-in-use calculation uses cash flow projection based on financial budgets approved by management covering a 5-year period by applying certain key assumptions below:

		Petrochemical Products Trading Business 石化產品貿易業務		Petrochemical Storage Business 石化產品倉儲業務	
		2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年
Pre-tax discount rate	稅前貼現率	11%	N/A 不適用	11%	11%
Growth rate	增長率	7%	N/A 不適用	3%	3%
Perpetual growth rate	永久增長率	1%	N/A 不適用	1%	1%

The discount rates used are pre-tax and reflects the specific risks relating to the relevant business. The perpetual growth rates are based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry.

Other key assumptions for the value-in-use calculation are budgeted growth rate and budgeted gross margin, which are determined based on the past performance and the management's expectation of the market development, future performance of the CGUs and market growth forecast.

The recoverable amounts of the CGUs of Petrochemical Storage Business and Petrochemical Products Trading Business are determined to be higher than the carrying amount of the CGUs. Accordingly, the management considers that the goodwill attributable to the CGUs of Petrochemical Storage Business and Petrochemical Products Trading Business is not impaired.

Management is of the opinion that any reasonably possible change in the key assumptions would not cause the carrying amounts of the CGUs to exceed its recoverable amount.

16. 商譽(續)

石化產品倉儲業務及石化產品貿易業務之可收回金額乃根據使用價值釐定，並建基於若干主要假設。使用價值乃按管理層所批准五年期財務預算之現金流量預測採用以下若干主要假設計算：

採用稅前貼現率以反映相關業務所涉及之具體風險。永久增長率以相關行業增長預測為基準，且不超過相關行業平均長期增長率。

使用價值計算法之其他主要假設包括預算增長率及預算毛利率，根據過往表現以及管理層對市場發展、現金產生單位未來表現及市場增長預測之預期而釐定。

石化產品倉儲業務及石化產品貿易業務現金產生單位之可收回金額釐定為高於現金產生單位之賬面值。因此，管理層認為，歸屬於石化產品倉儲業務及石化產品貿易業務現金產生單位之商譽並無減值。

管理層認為，主要假設之任何合理可能變動不會導致現金產生單位之賬面值超過其可收回金額。

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17. PREPAID LEASE PAYMENTS

17. 預付租賃付款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At cost	按成本		
At the beginning of year	於年初	43,226	–
Acquisition of a subsidiary	收購一間附屬公司	–	45,260
Exchange realignment	匯兌調整	3,269	(2,034)
At the end of year	於年末	46,495	43,226
Accumulated amortisation	累計攤銷		
At the beginning of year	於年初	80	–
Amortisation during the year	年內攤銷	1,004	84
Exchange realignment	匯兌調整	46	(4)
At the end of year	於年末	1,130	80
Carrying amount	賬面值	45,365	43,146
Less: Amount to be amortised within 12 months	減：須於12個月內攤銷之金額	(1,043)	(970)
Amounts to be amortised after 12 months	須於12個月後攤銷之金額	44,322	42,176

江蘇中南滙石化倉儲有限公司(Jiangsu Zhongnanhui Petrochemical Storage Company Limited*, “Zhongnanhui”) has agreed with 江蘇大豐港經濟開發區委員會(Management Committee of Jiangsu Dafeng Harbour Economic Development Zone*, “Management Committee of Dafeng”) and 江蘇大豐海港控股集團有限公司(Jiangsu Dafeng Harbour Holdings Limited*, “Jiangsu Dafeng”), a company wholly owned by the Government of Yancheng Dafeng port, Jiangsu Province, the PRC (the “Government of Yancheng Dafeng”) to pay RMB19 million to Management Committee of Dafeng and Jiangsu Dafeng which would apply for the certificate of land use right of a piece of land located in Yancheng Dafeng on behalf of Zhongnanhui from the Bureau of Land and Resources of Yancheng Dafeng.

In the opinion of the directors of Zhongnanhui, as an incentive for investments in the location, it was the intention of Management Committee of Dafeng and Jiangsu Dafeng to bear the additional purchase cost if it exceeded RMB19 million.

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江蘇中南滙石化倉儲有限公司(「中南滙」)與江蘇大豐港經濟開發區委員會(「大豐港委員會」)及江蘇大豐海港控股集團有限公司(「江蘇大豐」，由中國江蘇省鹽城大豐港政府(「鹽城大豐政府」)全資擁有之公司)協定，向大豐港委員會及江蘇大豐支付人民幣19,000,000元以代表中南滙就一幅位於鹽城大豐之土地向鹽城大豐國土資源局申請土地使用權證。

中南滙董事認為，作為投資於該地區之獎勵，大豐港委員會及江蘇大豐擬承擔超出人民幣19,000,000元之額外購買成本。

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17. PREPAID LEASE PAYMENTS (Continued)

In March 2011, Zhongnanhui entered into an agreement with the Bureau of Land and Resources of Yancheng Dafeng pursuant to which Zhongnanhui was granted the land use right of that piece of land at a consideration of RMB36.5 million. Management Committee of Dafeng and Jiangsu Dafeng paid the whole amount on behalf of Zhongnanhui including the excess portion of consideration of RMB17.5 million.

In accordance with confirmation from Management Committee of Dafeng and Jiangsu Dafeng, Zhongnanhui had no further obligation in respect of the grant of the land use right apart from RMB19 million payable to Management Committee of Dafeng and Jiangsu Dafeng, of which RMB18 million was paid by Zhongnanhui up to 31 December 2017.

Upon acquisition of Zhongnanhui by the Group in 2016, the prepaid lease payments were valued at RMB38.7 million. The prepaid lease payments are amortised over the remaining leasehold period of 45 years since acquisition. As at 31 December 2017, the prepaid lease payments were pledged to secure bank borrowings as stated in note 25(a) to the consolidated financial statements.

18. PREPAYMENTS IN RELATION TO PROPERTY, PLANT AND EQUIPMENT

17. 預付租賃付款(續)

於二零一一年三月，中南匯與鹽城大豐國土資源局訂立協議，據此，中南匯以代價人民幣36,500,000元取得該土地之土地使用權。大豐港委員會及江蘇大豐代表中南匯支付全數款項，包括代價超額部分人民幣17,500,000元。

據大豐港委員會及江蘇大豐確認，除應付大豐港委員會及江蘇大豐之款項人民幣19,000,000元(截至二零一七年十二月三十一日中南匯已支付其中人民幣18,000,000元)外，中南匯毋須就取得土地使用權承擔其他責任。

本集團於二零一六年收購中南匯時，預付租賃付款之價值為人民幣38,700,000元。預付租賃付款於收購起計剩餘租期(即45年)內攤銷。於二零一七年十二月三十一日，預付租賃付款已抵押以取得銀行借貸(見綜合財務報表附註25(a))。

18. 就物業、廠房及設備之預付款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Prepayments regarding Dafeng Harbour Port's Properties (Note)	有關大豐海港港口物業之預付款項(附註)	9,004	8,372
Advanced to suppliers for purchase of property, plant and equipment	就購買物業、廠房及設備向供應商墊款	7,792	—
		16,796	8,372

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18. PREPAYMENTS FOR PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

(Continued)

Note:

In 2010, 大豐海港港口有限責任公司(Dafeng Harbour Port Limited Liability Company*, "Dafeng Harbour Port"), an indirect wholly owned subsidiary of the Government of Yancheng Dafeng, commenced, with the consent of Zhongnanhui, the construction of five storage tanks, an ancillary office building and a switching room (the "Dafeng Harbour Port's Properties") on the leasehold land of Zhongnanhui for which no agreement has been signed between Zhongnanhui and Dafeng Harbour Port. However, in the opinion of the directors of Zhongnanhui, it was the intention of both parties that the Dafeng Harbour Port's Properties would be transferred to Zhongnanhui at a mutually agreed price.

In November 2013, Zhongnanhui entered into an agreement with Dafeng Harbour Port, pursuant to which Zhongnanhui agreed to assist Dafeng Harbour Port to complete the remaining construction works of the Dafeng Harbour Port's Properties (the "Follow-up Works"). As at the date of acquisition of Zhongnanhui in 2016 and 31 December 2017, the costs of the Follow-up Works paid by Zhongnanhui were RMB7,529,000 (approximately HK\$8,801,000) and RMB7,529,000 (approximately HK\$9,041,000) respectively.

Dafeng Harbour Port allowed Zhongnanhui to use the Dafeng Harbour Port's Properties since the completion of the Follow-up Works in 2016 without consideration for which no agreement has been signed between Zhongnanhui and Dafeng Harbour Port. Dafeng Harbour Port guarantees that it will compensate Zhongnanhui the costs of the Follow-up Works with reference to the value of the Follow-up Works, to be valued by an independent professional qualified valuer, at the date when Dafeng Harbour Port rescinds the grant of use by Zhongnanhui of the Dafeng Harbour Port's Properties.

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18. 購買物業、廠房及設備之預付款項(續)

附註：

於二零一零年，大豐海港港口有限責任公司(「大豐海港港口」，鹽城大豐政府之間接全資附屬公司)於中南匯所持租賃土地上建設五個倉儲池、一棟配套辦公樓及一個配電室(「大豐海港港口物業」)，有關建設經中南匯同意但中南匯未有與大豐海港港口簽署協議。然而，中南匯董事認為，雙方有意按相互協定價格將大豐海港港口物業轉讓予中南匯。

於二零一三年十一月，中南匯與大豐海港港口訂立協議，據此，中南匯同意協助大豐海港港口完成大豐海港港口物業餘下建設工程(「後續工程」)。於二零一六年收購中南匯當日及二零一七年十二月三十一日，中南匯就後續工程支付之成本分別為人民幣7,529,000元(約8,801,000港元)及人民幣7,529,000元(約9,041,000港元)。

自二零一六年後續工程完成以來，大豐海港港口允許中南匯無償使用大豐海港港口物業，惟中南匯未有與大豐海港港口簽署協議。大豐海港港口保證，其將於取消向中南匯授出大豐海港港口物業使用權當日向中南匯賠償後續工程之成本，金額參照獨立專業合資格估值師就後續工程所作估值而釐定。

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19. INTERESTS IN ASSOCIATES

19. 於聯營公司之權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Share of net assets	應佔資產淨值	6,005	6,744

Particulars of the associates, which are unlisted corporate entities, principally affected the results or financial positions of the Group are as follows:

主要影響本集團業績或財務狀況之聯營公司(非上市企業實體)詳情如下：

Name of associate 聯營公司名稱	Form of business 企業類別	Place of establishment and principal place of operation 成立地點及主要營業地點	Issued and paid up capital 已發行及繳足股本	Proportion of ownership interest		Principal activities 主要業務
				Group's effective interest 本集團實際權益	Indirectly held by subsidiaries 附屬公司間接持有	
Full & Fame Oil Product Agency Limited 富信石油產品代理有限公司	Incorporated 註冊成立	Hong Kong 香港	HK\$2 2港元	25.5%	50.0%	Provision for fuel cards 提供燃料卡
Echo Chain Shipping Limited 向盈船務有限公司	Incorporated 註冊成立	Hong Kong 香港	HK\$10,000 10,000港元	25.5%	50.0%	Provision of feeder shipping services 提供支線航運服務
Vanco Logistics Limited 匯駿物流有限公司	Incorporated 註冊成立	Hong Kong 香港	HK\$120,000 120,000港元	25.5%	50.0%	Provision of transportation services 提供運輸服務

All of above associates are private companies and there is no quoted market price available for the investments.

上述聯營公司均為私營公司，並無可用於投資之市場報價。

Relationship with associates

Full & Fame Oil Product Agency Limited supports the Group's cost control strategy in provision of fuel cards segment.

與聯營公司之關係

富信石油產品代理有限公司支持本集團於提供燃料卡分部之成本控制策略。

Echo Chain Shipping Limited diversifies the brand name of feeder services of the Group in Zhongshan and Zhuhai, Guangdong Province and explores feeder service market in Jiangmen, Guangdong Province.

向盈船務有限公司於廣東省中山市及珠海市提高本集團支線服務之品牌知名度，並於廣東省江門市開拓支線服務市場。

All of these associates are accounted for using the equity method in the consolidated financial statements.

所有該等聯營公司乃採用權益法於綜合財務報表入賬。

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19. INTERESTS IN ASSOCIATES (Continued)

Relationship with associates (Continued)

Summary of financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with HKFRSs.

(A) Echo Chain Shipping Limited

19. 於聯營公司之權益(續)

與主要聯營公司之關係(續)

有關本集團各主要聯營公司之財務資料概要載列如下。以下財務資料概要指根據香港財務報告準則編製之聯營公司財務報表所示金額。

(A) 向盈船務有限公司

		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
Current assets	流動資產	10,987	10,583
Non-current assets	非流動資產	1,004	840
Current liabilities	流動負債	(5,673)	(5,083)
Non-current liabilities	非流動負債	(80)	(109)
Net assets	資產淨值	6,238	6,231
Proportion of the Group's ownership interest	本集團應佔擁有權權益比例	50%	50%
Carrying amount of the Group's interest in the associate	本集團於聯營公司之權益賬面值	3,119	3,116
The above amounts of assets and liabilities include the following:	上述資產及負債金額包括以下各項：		
Cash and cash equivalents	現金及現金等價物	2,144	2,149

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19. INTERESTS IN ASSOCIATES (Continued)

Relationship with associates (Continued)

(A) Echo Chain Shipping Limited (Continued)

19. 於聯營公司之權益 (續)

與主要聯營公司之關係 (續)

(A) 向盈船務有限公司 (續)

		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
Revenue	收益	45,408	44,199
Profit and other comprehensive income for the year	年內溢利及其他全面收益	446	733
Dividends received from the associate during the year	年內已收聯營公司股息	220	300
Share of associate's results	應佔聯營公司業績		
Profit for the year	年內溢利	223	366
The above profit for the year is stated after charging (crediting):	上述年內溢利乃經扣除 (計入) 以下各項後列賬:		
Depreciation	折舊	343	322
Interest income	利息收入	(3)	(5)
Income tax expenses	所得稅開支	479	159

The above financial information is prepared using the same accounting policies as adopted by the Group.

上述財務資料乃按與本集團所採用相同會計政策編製。

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19. INTERESTS IN ASSOCIATES (Continued)

The aggregate information of associates that are not individually material is summarised as follows:

19. 於聯營公司之權益 (續)

並非個別重大之聯營公司彙總資料概述如下：

		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
Carrying amount of the Group's interests in the associates	本集團於聯營公司之權益賬面值	2,886	3,628

		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
The Group's share of loss and other comprehensive loss of the associates for the year	本集團應佔聯營公司年內虧損及其他全面虧損	(742)	(956)

The above financial information is prepared using the same accounting policies as adopted by the Group.

上述財務資料乃按與本集團所採用相同會計政策編製。

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20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

20. 可供出售金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted investment, at cost	非上市投資，按成本	8,806	8,806

The unlisted investments represent investment in 40% of unlisted shares (the "Option Shares") issued by a private entity (the "Investee"), an investment holding company incorporated in Samoa with limited liabilities. They are measured at cost less impairment at the end of each reporting period because the directors are of the opinion that their fair values cannot be measured reliably given that the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed. Certain subsidiaries of the Investee engage in regulated activities and are licensed corporations under the Securities and Futures Ordinance.

In 2016, the Company has entered into a put option deed with an independent person (the "Investor"), who holds 60% equity interest of the Investee, pursuant to the Investor irrevocably granted to the Company an option (the "Put Option") to sell and to require the Investor or such other persons nominated in writing by the Investor, to purchase the Option Shares at a consideration of approximately HK\$9,334,000.

On 14 November 2017, the Company, the Investor and an independent third party nominated by the Investor (the "Nominee") entered into a put option exercise agreement pursuant to which the Company would exercise the Put Option and the Nominee would acquire the Option Shares at a consideration of approximately HK\$9,334,000. The completion of above transaction is subject to approval by the Securities and Futures Commission. As at 31 December 2017, a deposit of HK\$5,000,000 has been received from the Nominee and such amount has been recorded as "other payables" in the consolidated statement of financial position.

非上市投資指投資於一間私人實體（「投資對象」，於薩摩亞註冊成立之投資控股有限公司）發行之非上市股份40%（「期權股份」），於各報告期末按成本扣除減值計量，原因為董事認為其公平值因合理公平值估計範圍龐大及各種估計概率無法合理評估而未能可靠計量。投資對象之若干附屬公司從事受規管活動，為證券及期貨條例項下持牌法團。

於二零一六年，本公司與一名獨立人士（「投資者」，持有投資對象60%股權）訂立認沽期權契約，據此，投資者不可撤回地向本公司授出期權（「認沽期權」），以銷售並要求投資者或投資者以書面任命之其他人士購買期權股份，代價約為9,334,000港元。

於二零一七年十一月十四日，本公司、投資者及投資者任命之獨立第三方（「代名人」）訂立認沽期權行使協議，據此，本公司將行使認沽期權，而代名人將收購期權股份，代價約為9,334,000港元。上述交易須待證券及期貨事務監察委員會批准後方告完成。於二零一七年十二月三十一日，已向代名人收取訂金5,000,000港元，有關金額於綜合財務狀況表入賬列為「其他應付款項」。

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綜合財務報表附註

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21. INVENTORIES

21. 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials and materials used for operation	原材料及經營用料	21	43
Finished goods — tin wires	完成品 — 錫線	3,182	—
Petrochemical products	石化產品	3,513	—
		6,716	43

22. TRADE AND OTHER RECEIVABLES

22. 貿易及其他應收款項

		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
Trade and bills receivables	貿易應收款項及 應收票據			
— Third parties	— 第三方		303,471	220,216
— Related parties	— 關聯方		12	4,730
			303,483	224,946
Other receivables	其他應收款項			
Deposits, prepayments and other debtors	按金、預付款項及 其他應收賬款		29,271	28,576
Advanced payments to suppliers	向供應商墊款		229,042	19,535
VAT refundable for export sales	出口銷售之可退回 增值稅		97,139	30,269
Refundable prepayment	可退回預付款項		—	14,949
Loan receivable from a third party	應收第三方貸款		—	10,941
Due from associates	應收聯營公司款項	22(a)	1,212	882
Due from a connected company	應收一間關聯公司款項	22(b)	2,402	—
Consideration receivable for disposal of interest in a subsidiary	應收出售一間附屬公司 權益之代價	30(a)	4,250	—
			363,316	105,152
			666,799	330,098

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22. TRADE AND OTHER RECEIVABLES (Continued)

The ageing analysis of trade and bills receivables, based on the invoice date, 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
Outstanding balances which aged:	未結清結餘之賬齡：		
90 days or below	90天或以內	258,003	204,088
91–180 days	91至180天	39,342	19,987
181–365 days	181至365天	6,009	57
More than 365 days	365天以上	129	814
		303,483	224,946

The Group allows a credit period up to 90 days to its trade debtors. The ageing analysis of trade and bills receivables which are past due but not impaired 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
Neither past due nor impaired	既無逾期亦無減值	193,260	166,600
Within 90 days	90天以內	71,879	39,236
91–180 days	91至180天	37,772	18,085
181–365 days	181至365天	443	244
More than 365 days	365天以上	129	781
Past due but not impaired	逾期但無減值	110,223	58,346
		303,483	224,946

Included in the Group's trade and bills receivable balance are debtors with carrying amounts of HK\$110,223,000 (2016: HK\$58,346,000) as at 31 December 2017 which are past due at the end of the reporting period but which the Group has not impaired as there have not been any significant changes in credit quality and the directors believe that the amounts are fully recoverable. The management had reviewed the subsequent settlement status and repayment history of these customers and no provision for doubtful debt is considered necessary. The Group does not hold any collateral over these balances.

22. 貿易及其他應收款項(續)

貿易應收款項及應收票據按發票日期之賬齡分析如下：

本集團就其貿易應收賬款給予最多90天之信貸期。逾期但無減值貿易應收款項及應收票據之賬齡分析如下：

本集團之貿易應收款項及應收票據結餘包括於二零一七年十二月三十一日賬面值為110,223,000港元(二零一六年：58,346,000港元)之應收賬款，有關賬款於報告期末已逾期，惟本集團並無計提減值，原因為信貸質素並無任何重大變動及董事相信可全數收回該等款項。管理層已審閱其後結算狀況及該等客戶之還款記錄，並認為毋須就呆賬作出撥備。本集團並無就該等結餘持有任何抵押品。

22. TRADE AND OTHER RECEIVABLES (Continued)

Receivables that were neither past due nor impaired as at 31 December 2017 and 2016 relate to a wide range of customers for whom there was no history of default.

22(a) Due from associates

The amounts due are unsecured, interest-free and have no fixed term of repayment.

22(b) Due from a connected company

The amount represents an amount of RMB2,000,000 (approximately HK\$2,402,000) advanced to 江蘇大豐港工程技術發展有限公司 (Jiangsu Dafeng Port Engineering Technology Development Co., Ltd.*), a company controlled by a substantial shareholder. The amount is unsecured, bears interest rate of 7% per annum and has no fixed term of repayment.

* The official name is in Chinese and the English name is translated for identification purpose only.

23. CASH AND CASH EQUIVALENTS AND PLEDGED BANK DEPOSITS

Cash at bank earns interest at floating rates based on daily bank deposit rates.

23(a) Pledged bank deposits

At 31 December 2017, pledged bank deposits of the Group are pledged for a bank loan and issue of bank guarantees to several suppliers to maintain business relationship respectively as mentioned in note 38 to the consolidated financial statements.

22. 貿易及其他應收款項 (續)

於二零一七年及二零一六年十二月三十一日，既無逾期亦無減值之應收款項與多名並無拖欠記錄之客戶有關。

22(a) 應收聯營公司款項

應收款項乃無抵押、免息及無固定還款期。

22(b) 應收一間關聯公司款項

該款項指向江蘇大豐港工程技術發展有限公司(由主要股東控制之公司)墊款人民幣2,000,000元(約2,402,000港元)。該款項乃無抵押、按年利率7厘計息及無固定還款期。

23. 現金及現金等價物以及已抵押銀行存款

銀行現金根據每日銀行存款利率按浮動利率賺取利息。

23(a) 已抵押銀行存款

誠如綜合財務報表附註38所述，於二零一七年十二月三十一日，本集團已抵押銀行存款已作抵押，以取得銀行貸款及為維持業務關係向多名供應商提供銀行擔保。

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24. TRADE AND OTHER PAYABLES

24. 貿易及其他應付款項

	Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables		134,276	156,784
Other payables	其他應付款項		
Accrued charges and other creditors	應計費用及其他應付賬款	39,725	23,213
Advanced receipts from customers	收取客戶墊款	184,589	13,377
Construction costs payable	應付建築成本	1,990	8,628
Salaries and bonus payable	應付薪金及花紅	3,981	10,301
Deposits received in respect of asset held for sale	就持作出售資產收取訂金	–	2,600
Amounts due to ex-shareholders of Zhongnanhui	應付中南滙前股東款項	24(a) 1,014	65,163
Amount due to an ex-director of Zhongnanhui	應付中南滙前董事款項	24(a) 15,589	11,155
Other loans from a third party	來自第三方之其他貸款	–	37,400
Due to associates	應付聯營公司款項	24(a) 5,157	6,813
Consideration payable in respect of acquisition of Dafeng Harbour Port Logistics Company Limited ("Dafeng Logistics")	就收購大豐海港港口物流有限公司(「大豐物流」)應付代價	35 –	31,541
Loan interest payable	應付貸款利息	2,403	–
Deposit received for disposal of available for sale financial assets	出售可供出售金融資產所得訂金	20 5,000	–
Consideration payable in respect of acquisition of a subsidiary	就收購一間附屬公司應付代價	34(c) 1,201	–
		260,649	210,191
		394,925	366,975

The ageing analysis of trade payables, based on invoice date, is as follows:

貿易應付款項按發票日期之賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
90 days or below	90天或以內	133,465	148,406
91–180 days	91至180天	811	8,378
		134,276	156,784

24(a) Due to associates/ex-shareholders of Zhongnanhui/an ex-director of Zhongnanhui

The amounts are unsecured, interest-free and repayable on demand.

24(a) 應付聯營公司／中南滙前股東／中南滙一名前董事款項

有關款項乃無抵押、免息及須按的要求償還。

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25. BANK AND OTHER BORROWINGS

25. 銀行及其他借貸

			2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		Note 附註		
Interest-free	免息			
Bank loan	銀行貸款	25(a)(ii)	312,587	—
Interest-bearing	計息			
Bank loan	銀行貸款	25(a)(i)	50,434	20,095
Loan from a third party	來自第三方之貸款	25(b)	60,827	—
Loans from connected companies	來自關聯公司之貸款	25(c)	236,908	—
Obligations under finance leases	融資租賃承擔	26	10,148	40,835
			670,904	60,930
Current portion	即期部分			
Portion of bank and other borrowings due for repayment within one year	於一年內到期償還之銀行及其他借貸部分			
— Bank loans	— 銀行貸款		322,194	4,465
— Loan from a third party	— 來自第三方之貸款		23,361	—
— Loans from connected companies	— 來自關聯公司之貸款		236,908	—
— Obligations under finance leases	— 融資租賃承擔		3,012	13,694
Total current portion of bank and other borrowings	銀行及其他借貸之即期部分總額		585,475	18,159
Non-current portion	非即期部分			
— Bank loans	— 銀行貸款		40,827	15,630
— Loan from a third party	— 來自第三方之貸款		37,466	—
— Obligations under finance leases	— 融資租賃承擔		7,136	27,141
Total non-current portion of bank and other borrowings	銀行及其他借貸之非即期部分總額		85,429	42,771
Total bank and other borrowings	銀行及其他借貸總額		670,904	60,930

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25. BANK AND OTHER BORROWINGS (Continued) 25. 銀行及其他借貸(續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysed as follows:	分析如下：		
Secured	有抵押	383,562	40,835
Secured and guaranteed	有抵押及擔保	50,434	20,095
Unsecured	無抵押	236,908	—
		670,904	60,930

At the end of reporting date, the analysis of bank and other borrowings due based on the scheduled repayment dates set out in the loan agreements is as follows:

於報告期末，應付銀行及其他借貸按貸款協議所載計劃還款日期之分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The above borrowings are repayable as follows:	以上借貸須按以下日期償還：		
— repayable on demand or within 1 year	— 按要求或於1年內償還	585,475	18,159
— repayable after 1 year but within 2 years	— 於1年後但2年內償還	36,851	21,882
— repayable after 2 years but within 5 years	— 於2年後但5年內償還	48,578	20,889
Total bank and other borrowings	銀行及其他借貸總額	670,904	60,930

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25. BANK AND OTHER BORROWINGS (Continued)

25(a) Bank loans

(i) Interest-bearing bank loan

Pursuant to the loan agreement dated 28 July 2015 entered into between Zhongnanhui and Jiangsu Dafeng Rural Commercial Bank Co Ltd, a 5-year term loan facility of up to RMB50 million (equivalent to HK\$60 million) was made available to Zhongnanhui. As at 31 December 2017, the loan balances of RMB42 million (2016: RMB18 million) carry interest rate at prime rate plus 5.8% and 6.5% per annum respectively and are secured by prepaid lease payments as disclosed in note 17 to the consolidated financial statements. In addition, these loans were guaranteed by Jiangsu Dafeng up to the extent of RMB30 million (equivalent to HK\$36 million).

(ii) Interest-free bank loan

Pursuant to the loan agreement entered into in June 2017 between Qianhai Mingtian and a licensed bank in the PRC, a 1-year interest-free term loan facility of up to US\$40 million (equivalent to HK\$313 million) was made available to Qianhai Mingtian. As at 31 December 2017, the loan balance of US\$40 million (equivalent to HK\$313 million) is secured by pledged deposit of US\$40 million (equivalent to HK\$313 million) as disclosed in note 23(a) to the consolidated financial statements.

25(b) Loan from a third party

Pursuant to the loan agreement dated 28 March 2017 entered into between Zhongnanhui and a third party, loan facility of up to RMB60 million (equivalent to HK\$72 million) was made available to the Group and is secured by computer equipment, storage facilities and construction in progress with aggregate carrying amount of RMB55,493,000 (equivalent to HK\$66,636,000). The loan bears the interest rate of 3% per annum. A security deposit of RMB3,000,000 (equivalent to HK\$3,602,000) has been placed for this loan. The loan is repayable by installments and the last installment is due on 20 April 2020.

25. 銀行及其他借貸(續)

25(a) 銀行貸款

(i) 計息銀行貸款

根據中南匯與江蘇大豐農村商業銀行所訂立日期為二零一五年七月二十八日之貸款協議，中南匯獲提供一筆最多為人民幣50,000,000元(相當於60,000,000港元)之五年期貸款融資。於二零一七年十二月三十一日，貸款結餘人民幣42,000,000元(二零一六年：人民幣18,000,000元)按優惠利率另加年利率分別5.8厘及6.5厘計息，並以綜合財務報表附註17所披露預付租賃付款作抵押。此外，該筆貸款由江蘇大豐擔保，擔保上限為人民幣30,000,000元(相當於36,000,000港元)。

(ii) 免息銀行貸款

根據前海明天與中國一間持牌銀行所訂立日期為二零一七年六月之貸款協議，前海明天獲提供一筆最多為40,000,000美元(相當於313,000,000港元)之一年期免息貸款融資。於二零一七年十二月三十一日，貸款結餘以綜合財務報表附註23(a)所披露已抵押存款40,000,000美元(相當於313,000,000港元)作抵押。

25(b) 來自第三方之貸款

根據中南匯與一名第三方所訂立日期為二零一七年三月二十八日之貸款協議，本集團獲提供一筆最多為人民幣60,000,000元(相當於72,000,000港元)之貸款融資，並以賬面總值人民幣55,493,000元(相當於66,636,000港元)之電腦設備、倉儲設施及在建工程作抵押。貸款按年利率3厘計息，並已就此存入保證金人民幣3,000,000元(相當於3,602,000港元)。貸款須分期償還，最後一期於二零二零年四月二十日到期。

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25. BANK AND OTHER BORROWINGS (Continued)

25. 銀行及其他借貸(續)

25(c) Loans from connected companies

25(c) 來自關聯公司之貸款

The details of the loans are summarised as follows:

貸款詳情概述如下：

Name of connected companies 關聯公司名稱	Interest rate 利率	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
海晶商業保理有限公司	9% per annum 每年9厘	(ii)	180,498	—
江蘇大豐海港控股集團有限公司 ("Jiangsu Dafeng") ("江蘇大豐")	8.5% per annum 每年8.5厘	(i)	12,008	—
江蘇海融大豐港油品 化工碼頭股份有限公司	7% per annum 每年7厘	(ii)	8,406	—
大豐港融資租賃(北京) 有限責任公司	7.5% per annum 每年7.5厘	(ii)	35,996	—
		(iii)	236,908	—

(i) The lender is a substantial shareholder of the Group.

(i) 貸方為本集團主要股東。

(ii) The lenders are controlled by a substantial shareholder of the Group.

(ii) 貸方由本集團主要股東控制。

(iii) The above loans are unsecured and repayable within one year.

(iii) 上述貸款為無抵押及須於一年內償還。

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26. OBLIGATIONS UNDER FINANCE LEASES

As at the end of reporting period, the Group leased certain of its motor vehicles (2016: motor vehicles) under finance leases. The average lease term is 3-5 years (2016: 3-5 years) for the year ended 31 December 2017.

26. 融資租賃承擔

於報告期末，本集團根據融資租賃租賃若干汽車(二零一六年：汽車)。截至二零一七年十二月三十一日止年度，平均租期為3至5年(二零一六年：3至5年)。

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Amounts payable:	應付款項：				
Within one year	一年內	3,388	15,823	3,012	13,694
In the second to fifth years inclusive	第二年至第五年 (包括首尾兩年)	7,700	29,844	7,136	27,141
		11,088	45,667	10,148	40,835
Future finance charges	未來融資開支	(940)	(4,832)		
Present value of lease obligations	租賃承擔現值	10,148	40,835		
Less: Amounts due for settlement within 12 months	減：須於12個月內 結算之款項			(3,012)	(13,694)
Amounts due for settlement after 12 months	須於12個月後結算 之款項			7,136	27,141

The Group's obligations under finance leases are secured by motor vehicles with net book value of HK\$8,837,000 (2016: HK\$44,339,000) as at 31 December 2017.

於二零一七年十二月三十一日，本集團之融資租賃承擔以賬面淨值為8,837,000港元之汽車作抵押(二零一六年：44,339,000港元)。

The obligations under finance leases carry interest at the rates ranged from 2% to 6.99% (2016: 2.25% to 8.40%) per annum for the year ended 31 December 2017.

截至二零一七年十二月三十一日止年度，融資租賃承擔按年利率介乎2厘至6.99厘(二零一六年：2.25厘至8.40厘)計息。

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27. DEFERRED TAXATION

The movements for the year in the Group's net deferred tax liabilities are as follows:

27. 遞延稅項

本集團遞延稅項負債淨額於本年度之變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At beginning of the reporting period	於報告期初	(3,161)	(483)
Addition — Acquisition of a subsidiary	添置 — 收購一間附屬公司	—	(2,354)
Charged to profit and loss	於損益扣除	(301)	(426)
Exchange difference	匯兌差額	(157)	102
At end of the reporting period	於報告期末	(3,619)	(3,161)

Recognised net deferred tax liabilities at the end of the reporting period represent the following:

於報告期末之已確認遞延稅項負債淨額指以下各項：

		Assets 資產		Liabilities 負債	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Depreciation allowances	折舊撥備	—	—	(1,470)	(975)
Fair value adjustments	公允價值調整	—	—	(7,396)	(7,065)
Tax losses upon acquisition of subsidiaries	收購附屬公司時之稅項虧損	5,247	4,879	—	—
Deferred tax assets/(liabilities)	遞延稅項資產/(負債)	5,247	4,879	(8,866)	(8,040)
Offsetting	抵銷	(5,247)	(4,879)	5,247	4,879
Net deferred tax liabilities	遞延稅項負債淨額	—	—	(3,619)	(3,161)

Unrecognised deferred tax assets arising from

以下各項所產生未確認遞延稅項資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deductible temporary differences	可扣減暫時差額	21,536	23,427
Tax losses	稅項虧損	53,957	40,469
		75,493	63,896

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27. DEFERRED TAXATION (Continued)

No deferred tax asset has been recognised in respect of such these items due to the unpredictability of future profit streams. The expiry dates of unrecognised tax losses 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
Tax losses without expiry date	無到期日稅項虧損	42,834	39,750
Tax losses expiring on 31 December 2022	於二零二二年十二月三十一日 到期稅項虧損	10,349	-
Tax losses expiring on 31 December 2021	於二零二一年十二月三十一日 到期稅項虧損	774	719
		53,957	40,469

Pursuant to the PRC Enterprise Income Tax Law, a 10% withholding tax is levied on dividends distributed to foreign investors by the foreign investment enterprises established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings accumulated after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between the PRC and jurisdiction of the foreign investors. As at 31 December 2017 and 2016, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings of the Groups' subsidiaries established in the PRC of HK\$13,371,000 (2016:HK\$23,606,000). In the opinion of the directors, these accumulated profits, at the present time, are required for financing the continuing operations of the entities and no distribution would be made in the foreseeable future.

27. 遞延稅項(續)

由於無法預知未來溢利來源，故並無就該等項目確認遞延稅項資產。未確認稅項虧損之到期日如下：

根據中國企業所得稅法，於中國成立之外商投資企業向外商投資者分派之股息，須按10%稅率徵收預扣稅。該規定自二零零八年一月一日起生效並適用於二零零七年十二月三十一日後之累計盈利。倘中國與外商投資者所在司法權區已簽訂稅務協議，則可採用較低之預扣稅率。於二零一七年及二零一六年十二月三十一日，概無就本集團在中國成立之附屬公司之未匯款盈利之應付預扣稅13,371,000港元(二零一六年：23,606,000港元)確認遞延稅項。董事認為，該等累計溢利現時須用作撥付實體持續經營所需資金，故於可見將來不會作出分派。

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28. SHARE CAPITAL

28. 股本

		2017 二零一七年		2016 二零一六年	
		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元	Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：				
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股	10,000,000,000	100,000	10,000,000,000	100,000
Issued and fully paid (HK\$0.01 each):	已發行及繳足股款 (每股面值0.01港元)：				
At beginning of year	於年初	1,288,000,000	12,880	1,120,000,000	11,200
Placing of new shares	配售新股份	-	-	168,000,000	1,680
At end of year	於年末	1,288,000,000	12,880	1,288,000,000	12,880

29. SHARE OPTION SCHEME

29. 購股權計劃

The Company adopted a share option scheme (the "Scheme") on 3 August 2013. The purpose of the Scheme is to recognise and acknowledge the contributions that participants have made or may make to the Group, to provide participants with an opportunity to have a personal stake in the Company with the view to achieve motivating the participants to optimise their performance and efficiency for the benefit of the Group, to attract and retain or otherwise maintain ongoing business relationship with participants, whose contributions are or will be beneficial to the long term growth of the Group.

Participants include (i) any director and employee, consultant, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate"); or (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

本公司於二零一三年八月三日採納購股權計劃(「計劃」)。計劃目的旨在嘉許及酬謝曾經或可能會對本集團作出貢獻之參與者，向參與者提供機會於本公司擁有個人股權，以達致鼓勵參與者爭取最佳表現及效率使本集團受益，並吸引及保留或以其他方式維持與參與者之持續業務關係，而彼等之貢獻為有利於或將有利於本集團之長期發展。

參與者包括：(i) 本集團或本集團持有權益之公司或該公司之附屬公司(「附屬公司」)任何董事及僱員、諮詢人、客戶、供應商、代理、合夥人或顧問或承包商；或(ii) 以本集團或附屬公司任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人或顧問或承包商為受益人之任何信託或全權信託對象包括上述人士之任何全權信託之受託人；或(iii) 本集團或附屬公司任何董事、僱員、諮詢人、專業人士、客戶、供應商、代理、合夥人、顧問或承包商實益擁有之公司。

29. SHARE OPTION SCHEME (Continued)

The directors may, at their discretion, invite any participant to take up options. Options may be granted to participants under the Scheme during the period of 10 years commencing on the effective date of the Scheme. An option is deemed to have been granted and accepted by the grantee upon the duplicate letter comprising acceptance of the option duly signed by the grantee and paying HK\$1 by way of consideration for the grant thereof.

The subscription price of the share options will be determined by the board and shall not be less than the higher of (a) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of the relevant option, which must be a business day (b) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheet for the five business days immediately preceding the date of grant of the relevant option and (c) the nominal value of a share on the date of grant.

The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time. The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 80,000,000 shares of the Company, being 10% of the total number of shares of the Company in issue as at the date of approval of the Scheme unless shareholders' approval has been obtained. An option may be exercised during a period to be determined by the directors in their absolute discretion and in any event such period shall not be later than 10 years after the date of grant of the option.

The maximum entitlement for any participant is that the total number of shares issued and to be issued upon exercise of the options granted to each participant under the Scheme in any 12-month period shall not exceed 1 percent of the total number of shares in issue of the Company. Any further grant of options in excess of the 1 percent limit shall be subject to certain requirements provided under the GEM Listing Rules.

No option has been granted under the Scheme since its adoption.

29. 購股權計劃(續)

董事可酌情邀請任何參與者接納購股權。購股權可根據計劃於計劃生效日期起計10年期間內向參與者授出。承授人正式簽署接納購股權函件副本及就此支付代價1港元後，購股權即被視為已授出及獲承授人接納。

購股權之認購價將由董事會釐定及不得少於以下較高者：(a) 授出有關購股權日期(必須為營業日)聯交所每日報價表所列股份收市價；(b) 緊接有關購股權授出日期前五個營業日聯交所每日報價表所列股份平均收市價；及(c) 授出日期之股份面值。

因根據計劃及本公司任何其他購股權計劃授出之所有尚未行使及有待行使之購股權獲行使而發行之股份最高數目，合共不得超過不時已發行股份總數之30%。除非獲得股東批准，否則根據計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時可能發行之本公司股份總數，合共不得超過80,000,000股本公司股份，即於計劃批准日期本公司已發行股份總數之10%。購股權可於董事全權酌情釐定之期間內獲行使，而於任何情況下該期間不應遲於購股權授出日期後十年。

任何參與者之最大配額指，於任何十二個月期間內根據計劃授予各參與者之購股權獲行使時發行及將予發行之股份總數不得超過本公司已發行股份總數之1%。超出1%限額之任何進一步授出購股權將受限於GEM上市規則項下若干規定。

自採納計劃以來概無根據計劃授出任何購股權。

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30. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL

(a) Disposal of 49% interest in Gamma BVI Group without loss of control (“Gamma BVI Group Disposal”)

On 13 March 2017, the Company and Wharf Limited (“Wharf”), an independent third party, entered into a disposal agreement pursuant to which the Company has conditionally agreed to sell and Wharf has conditionally agreed to purchase 49% interest out of the 100% interest held in Gamma BVI at a consideration of HK\$8,500,000. The carrying amount of the non-controlling interests in Gamma BVI Group on the date of disposal was HK\$13,857,000 (representing 49% interest). The disposal was completed on 11 April 2017. This resulted in an increase in non-controlling interests of HK\$13,857,000 and a decrease in equity attributable to owners of the Company of HK\$5,357,000. The details of Gamma BVI Group Disposal are set out in the Company’s announcement dated 13 March 2017.

As at 31 December 2017, half of the consideration was received. Pursuant to the terms of the disposal agreement, the remaining balance of HK\$4,250,000 shall be payable by Wharf in cash to the Company or its designated person within six months after the completion date together with interest thereon at the rate of 3% per annum from the completion date up to the date of actual payment.

(b) Disposal of 49% interest in Qianhai Mingtian without loss of control (“Qianhai Mingtian Disposal”)

Following the establishment of Qianhai Mingtian in 2016, a service contract (the “Service Contract”) was entered into between Mr. Wu Heng (“Mr. Wu”) and Qianhai Mingtian pursuant to which Mr. Wu was appointed as the business general manager of Qianhai Mingtian for day-to-day management of Qianhai Mingtian’s business operations from 19 June 2016 to 31 December 2016 (the “Initial Term”). The term of the Service Contract shall be renewed and extended automatically by one year on the expiry of the Initial Term and on the expiry of every successive period of one year thereafter, unless either party has given at least one month’s written notice of non-renewal before the expiry of the then existing term.

30. 並無導致失去控制權之附屬公司擁有權益變動

(a) 出售伽瑪BVI集團49%權益而並無失去控制權(「伽瑪BVI集團出售事項」)

於二零一七年三月十三日，本公司與獨立第三方Wharf Limited(「Wharf」)訂立出售協議，據此，本公司有條件同意出售而Wharf有條件同意購買於伽瑪BVI所持100%權益其中49%權益，代價為8,500,000港元。伽瑪BVI集團於出售日期之非控股權益賬面值為13,857,000港元(相當於49%權益)。上述出售已於二零一七年四月十一日完成，導致非控股權益增加13,857,000港元及本公司擁有人應佔權益減少5,357,000港元。有關伽瑪BVI集團出售事項之詳情載於本公司日期為二零一七年三月十三日之公告。

於二零一七年十二月三十一日已收訖一半代價。根據出售協議之條款，餘款4,250,000港元連同自完成日期起至實際付款日期止按年利率3厘計算之股息，須由Wharf於完成日期起計六個月內以現金支付予本公司或其指定人士。

(b) 出售前海明天49%權益而並無失去控制權(「前海明天出售事項」)

繼二零一六年成立前海明天後，吳衡先生(「吳先生」)與前海明天訂立聘用合同(「聘用合同」)，據此，吳先生獲委任為前海明天之業務總經理，於二零一六年六月十九日至二零一六年十二月三十一日(「初步任期」)負責前海明天業務營運之日常管理。除非任何一方於當前任期屆滿前發出至少一個月書面通知表示不續約，否則聘用合同將於初步任期屆滿及其後每一年接續期間屆滿時自動重續及延長一年。

30. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL (Continued)

(b) Disposal of 49% interest in Qianhai Mingtian without loss of control (“Qianhai Mingtian Disposal”) (Continued)

As part of the remuneration package for Mr. Wu’s service at Qianhai Mingtian, the Company has conditionally agreed to allot and issue a certain number of the Company’s shares (the “New Shares”) to Mr. Wu subject to the financial results of Qianhai Mingtian pursuant to the subscription agreement (the “Subscription Agreement”) dated 19 June 2016 entered into among the Company, Mr. Wu and other relevant parties.

The allotment and issue of the New Shares was subject to the fulfillment of the conditions precedent set out in the Subscription Agreement as follows:

- (1) Mr. Wu has completed his term of employment for the year ended 31 December 2016;
- (2) Mr. Wu has duly performed his duties and responsibilities as set out in the Service Contract and the Subscription Agreement during his term of employment with Qianhai Mingtian;
- (3) the profit before taxation for the year ended 31 December 2016 of Qianhai Mingtian shall not be less than HK\$5,000,000; and
- (4) the listing of, and permission to deal in, all the New Shares to be allotted and issued under the Subscription Agreement being granted by the Listing Committee of the Stock Exchange.

As at 31 December 2016, the above conditions had been fulfilled except for the approval from the Stock Exchange and profit before tax of Qianhai Mingtian being not less than HK\$5,000,000 was subject to finalisation of audit. Accordingly, the management has recorded, with reference to the terms stated in the Subscription Agreement, share-based payment expenses of HK\$3,063,000 (the “Recognised Share-Based Payment Reserve”) in the consolidated statement of comprehensive income with a corresponding increase in share-based payment reserve within equity.

30. 並無導致失去控制權之附屬公司擁有權權益變動(續)

(b) 出售前海明天49%權益而並無失去控制權(「前海明天出售事項」)(續)

根據本公司、吳先生及其他有關人士所訂立日期為二零一六年六月十九日之認購協議(「認購協議」)，本公司有條件同意向吳先生配發及發行若干數目之本公司股份(「新股份」)，作為吳先生服務前海明天之部分薪酬待遇，惟須視乎前海明天之財務業績而定。

新股份須待認購協議所載下列先決條件達成後方可配發及發行：

- (1) 吳先生已完成截至二零一六年十二月三十一日止年度之任期；
- (2) 吳先生已妥為於彼與前海明天協定之任期內履行聘用合同及認購協議所載職務及職責；
- (3) 前海明天截至二零一六年十二月三十一日止年度之除稅前溢利不得少於5,000,000港元；及
- (4) 聯交所上市委員會批准認購協議項下將予配發及發行之所有新股份上市及買賣。

於二零一六年十二月三十一日，除有待聯交所批准及須待最終審核作實前海明天之除稅前溢利不少於5,000,000港元外，上述條件已達成。因此，管理層經參考認購協議所載條款後於綜合全面收益表入賬記錄以股份為基礎之付款開支3,063,000港元(「已確認以股份為基礎之付款儲備」)，而權益內以股份為基礎之付款儲備亦相應增加。

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30. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL (Continued)

(b) Disposal of 49% interest in Qianhai Mingtian without loss of control ("Qianhai Mingtian Disposal") (Continued)

On 6 March 2017, Dafeng Port Heshun International Investments Limited ("Dafeng Port Heshun International"), an indirect wholly-owned subsidiary of the Company entered into an equity transfer agreement with 深圳市正億企業管理有限公司 (Shenzhen Zhengyi Enterprise Management Company Limited*, "Shenzhen Zhengyi"), a company wholly owned by Mr. Wu, pursuant to which Dafeng Port Heshun International agreed to sell and Shenzhen Zhengyi agreed to purchase 49% interest out of the 100% interest held by Dafeng Port Heshun International in Qianhai Mingtian at a consideration of Mr. Wu entering into the Deed of Termination (as defined below).

On 6 March 2017,, the parties to the Subscription Agreement entered into a deed of termination (the "Deed of Termination"), pursuant to which, among other things, the Company is released from its obligations to allot the New Shares to Mr. Wu under the Subscription Agreement upon the completion of disposal.

The total registered capital for Qianhai Mingtian is US\$2 million, of which US\$1.02 million shall be contributed by Dafeng Port Heshun International and US\$0.98 million (equivalent to HK\$7,640,000) shall be contributed by Shenzhen Zhengyi. On 6 March 2017, Dafeng Port Heshun International and Shenzhen Zhengyi entered into an equity joint venture agreement pursuant to which both entities had fully paid their respective capital contribution after the completion of the disposal. However, Shenzhen Zhengyi would not be entitled with any pre-transfer retained earnings of Qianhai Mingtian, the amount of capital subscription contributed by Shenzhen Zhengyi has been recognised as the initial non-controlling interest of Qianhai Mingtian.

The details of Qianhai Mingtian Disposal are set out in the Company's announcement dated 6 March 2017.

30. 並無導致失去控制權之附屬公司擁有權益變動 (續)

(b) 出售前海明天49%權益而並無失去控制權 (「前海明天出售事項」) (續)

於二零一七年三月六日，本公司之間接全資附屬公司大豐港和順國際投資有限公司 (「大豐港和順國際」) 與深圳市正億企業管理有限公司 (「深圳正億」，由吳先生全資擁有之公司) 訂立股權轉讓協議，據此，大豐港和順國際同意出售而深圳正億同意購買大豐港和順國際於前海明天所持100%權益其中49%權益，代價為吳先生訂立終止契據 (定義見下文)。

於二零一七年三月六日，認購協議訂約各方訂立終止契據 (「終止契據」)，據此 (其中包括) 本公司獲解除於出售事項完成時根據認購協議向吳先生配發新股份之責任。

前海明天之註冊資本總額為2,000,000美元，其中1,020,000美元應由大豐港和順國際出資，餘下980,000美元 (相當於7,640,000港元) 則由深圳正億出資。於二零一七年三月六日，大豐港和順國際與深圳正億訂立合資經營合同，據此，雙方已於出售事項完成後悉數支付各自之注資款項。然而，深圳正億無權獲得前海明天任何轉讓前保留盈利，深圳正億出資之認購額已確認為前海明天之初始非控股權益。

有關前海明天出售事項之詳情載於本公司日期為二零一七年三月六日之公告。

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30. CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES THAT DO NOT RESULT IN A LOSS OF CONTROL (Continued)

(b) Disposal of 49% interest in Qianhai Mingtian without loss of control ("Qianhai Mingtian Disposal") (Continued)

The Recognised Share-Based Payment Reserve has been released upon completion of the disposal. The disposal resulted in an increase in non-controlling interests of HK\$7,640,000 and an increase in equity attributable to owners of the Company of HK\$3,063,000.

The following summarises the impact of the above disposals:

30. 並無導致失去控制權之附屬公司擁有權權益變動(續)

(b) 出售前海明天49%權益而並無失去控制權(「前海明天出售事項」)(續)

已確認以股份為基礎之付款儲備於出售完成時解除。出售導致非控股權益增加7,640,000港元及本公司擁有人應佔權益增加3,063,000港元。

以下概述上述出售事項之影響：

		Gamma BVI Group Disposal 伽瑪 BVI 集團 出售事項 HK\$'000 千港元	Qianhai Mingtian Disposal 前海明天 出售事項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cash consideration received or receivable	已收或應收現金代價	8,500	7,640	16,140
Release of share-based payment reserves upon disposal	於出售時解除以股份為基礎之付款儲備	–	3,063	3,063
Non-controlling interests as a result of capital injection	由於資本注貨之非控股權益	–	(7,640)	(7,640)
Disposal of interests in subsidiaries without loss of control	出售附屬公司權益而並無失去控制權	(13,857)	–	(13,857)
Difference recognised in other reserve included in equity	於權益內其他儲備確認之差額	(5,357)	3,063	(2,294)

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31. RESERVES

31(a) Share premium

Share premium represents the excess of the net proceeds from issuance of the Company's shares over its nominal value. Under the law of the Cayman Islands and the Company's Articles of Association, it is distributable to the Company's shareholders provided that the Company is able to pay its debts as they fall due in the ordinary course of business after the distribution.

31(b) Capital reserve

The capital reserve arises from the business combination under common control in relation to the reorganisation (the "Reorganisation") for rationalising the corporate structure in preparation for the initial listing of the Company's shares on GEM of the Stock Exchange. The Reorganisation was completed on 3 August 2013. The amounts represent the difference between aggregate net asset value of the subsidiaries and the investment costs in the subsidiaries.

The negative capital reserve represents the excess of "total investment costs in the subsidiaries" over "the aggregate net assets value of the subsidiaries".

Under merger accounting the net assets of the combining entities are combined using the existing book values from the controlling party's perspective. No amount is recognised as consideration for goodwill or gain on bargain purchase at the time of common control combination, to the extent of the continuation of the controlling party's interest. Accordingly, the above mentioned difference has been recorded in the capital reserve under merger accounting.

31(c) Exchange reserve

Exchange reserve of the Group comprises all foreign exchange differences arising from translation of the financial statements of the Group's subsidiaries in the PRC. The reserve is dealt with in accordance with the accounting policy set out in note 4 above.

31. 儲備

31(a) 股份溢價

股份溢價指發行本公司股份所得款項淨額超出股份面值之部分。根據開曼群島法例及本公司組織章程細則，倘本公司於分派後在一般業務過程中有能力償付到期債務，則股份溢價可分派予本公司股東。

31(b) 資本儲備

資本儲備自有關因籌備本公司股份於聯交所GEM首次上市而理順公司架構所進行重組（「重組」）之共同控制下業務合併產生。重組已於二零一三年八月三日完成。該金額指附屬公司之資產淨值總額與投資附屬公司之成本間之差額。

負資本儲備指「投資附屬公司之總成本」超出「附屬公司之資產淨值總額」之部分。

就控股方而言，合併賬目項下合併實體之資產淨值乃以現有賬面值合併入賬。倘控制方仍然持有權益，於共同控制合併時，不會就商譽或議價購買收益確認任何金額。因此，上述差額已於合併賬目項下資本儲備入賬。

31(c) 匯兌儲備

本集團之匯兌儲備包括因換算本集團中國附屬公司之財務報表而引致之所有外匯差額。該儲備乃根據上文附註4所載會計政策處理。

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31. RESERVES (Continued)

31(d) Statutory reserve

The statutory reserves are reserves required by the Accounting Regulations for Business Enterprises applicable to the Company's PRC subsidiaries. The reserves can be used to reduce previous years' losses and to increase the capital of the subsidiaries.

31(e) Other reserve

The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in other reserves.

31(f) Contributed surplus

The contributed surplus of the Company arose from the Reorganisation. The balance represents the difference between the nominal amount of the Company's shares issued and the consolidated shareholders' fund of the subsidiaries acquired during the Reorganisation.

31(g) Share-based payment reserve

The share-based payment reserve comprises the fair value of share-based payment transactions dealt with employees of the Group and is dealt with in accordance with the accounting policy as set out in note 4 to the consolidated financial statements.

31. 儲備(續)

31(d) 法定儲備

法定儲備乃適用於本公司中國附屬公司之企業會計制度所規定儲備。該儲備可用於削減過往年度虧損及增加附屬公司資本。

31(e) 其他儲備

其他儲備乃為處理不會導致失去控制權之附屬公司擁有權權益變動而設。非控股權益所調整金額與已付或已收代價公平值間之差額於其他儲備內確認。

31(f) 實繳盈餘

本公司之實繳盈餘自重組產生。該結餘指本公司已發行股份面值與重組期內所收購附屬公司綜合入賬之股東資金間之差額。

31(g) 以股份為基礎之付款儲備

以股份為基礎之付款儲備包括與本集團僱員所進行以股份為基礎之付款交易之公平值，並按綜合財務報表附註4所載會計政策處理。

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32. OTHER CASH FLOW INFORMATION

32. 其他現金流量資料

32(a) Cash used in operations

32(a) 經營所用現金

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit (Loss) before taxation	除稅前溢利(虧損)	5,629	(32,522)
Amortisation	攤銷	1,004	84
Depreciation	折舊	20,472	16,582
Foreign exchange differences	外匯差額	(12,500)	455
Gain on bargain purchase	議價購買收益	-	(727)
Impairment of property, plant and equipment	物業、廠房及設備減值	1,416	3,084
Interest income	利息收入	(2,807)	(303)
Interest expenses	利息開支	17,237	2,230
Share of results of associates	應佔聯營公司業績	519	667
Gain on disposal of property, plant and equipment, net	出售物業、廠房及設備之收益淨額	(5,965)	(4,280)
Loss on disposal of an associate	出售一間聯營公司之虧損	-	1,141
Share-based payment	以股份為基礎之付款	-	3,063
Gain on disposal of a subsidiary	出售一間附屬公司之收益	(12,844)	-
Write-back of interest payable	撤回應付利息	(708)	-
Write-back of accrued directors' salaries	撤回應計董事薪金	(760)	-
Cash flows before changes in working capital:	營運資金變動前現金流量：		
Inventories	存貨	10,693	(10,526)
Trade and other receivables	貿易及其他應收款項	22,719	-
Trade and other payables	貿易及其他應付款項	(352,710)	(187,609)
		153,692	122,622
Cash used in operations	經營所用現金	(165,606)	(75,513)

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32. OTHER CASH FLOW INFORMATION

(Continued)

32(b) Changes in liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financial activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows from financing activities.

2017

		Bank and other borrowings	Cash flow from/ (used in) financing activities Total 融資活動 所得/ (所用)現金 流量總額 HK\$'000 千港元
At beginning of the year	於年初	98,330	-
Receipts of new interest-bearing borrowings	已收新計息借貸	633,198	633,198
New finance leases	新融資租賃	7,470	-
Repayments — principal	還款 — 本金	(64,664)	(64,664)
Disposal of a subsidiary	出售一間附屬公司	(29,737)	-
Foreign exchange translation	外幣換算	26,307	-
At end of the year	於年末	670,904	568,534

Bank and other borrowings include bank loans, loan from a third party, loans from connected parties and obligations under finance leases as disclosed in note 25 to the consolidated financial statements and other loan from a third party as disclosed in note 24 to the consolidated financial statements.

32. 其他現金流量資料(續)

32(b) 融資活動所產生負債之變動

下表詳列本集團來自融資活動之負債之變動，包括現金及非現金變動。來自融資活動之負債為該等現金流量已或未來現金流量將分類納入本集團來自融資活動之綜合現金流量表。

二零一七年

銀行及其他借貸包括綜合財務報表附註25所披露銀行貸款來自第三方之貸款、來自關連人士之貸款及融資租賃承擔以及綜合財務報表附註24所披露來自第三方之其他借貸。

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33. RELATED PARTY TRANSACTIONS

33. 關聯方交易

In addition to the transactions/information disclosed elsewhere in the consolidated financial statements, the Group has the following transactions with the following related parties during the Year:

除綜合財務報表其他章節所披露交易／資料外，於本年度，本集團與以下關聯方進行以下交易：

	Note	Related party relationship	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	附註	關聯方關係		
Ocean freight income received from:				
海運收入來自：				
Echo Chain Shipping Limited		Associate	6,811	6,708
向盈船務有限公司		聯營公司		
Ocean freight charge paid to:				
海運收費支付予：				
Echo Chain Shipping Limited		Associate	61	924
向盈船務有限公司		聯營公司		
Vanco Logistics Limited		Associate	158	–
匯駿物流有限公司		聯營公司		
Management fee income received from:				
管理費收入來自：				
Full & Fame Oil Product Agency Limited		Associate	400	424
富信石油產品代理有限公司		聯營公司		
Equipment rental received from:				
設備租金來自：				
Echo Chain Shipping Limited		Associate	402	601
向盈船務有限公司		聯營公司		
Vanco Logistics Limited		Associate	250	108
匯駿物流有限公司		聯營公司		
Fuel and oil fee received from:				
燃料及油費來自：				
Vanco Logistics Limited		Associate	478	349
匯駿物流有限公司		聯營公司		
Fuel and oil fee paid to:				
燃料及油費支付予：				
Full & Fame Oil Product Agency Limited		Associate	–	18
富信石油產品代理有限公司		聯營公司		
Logistics service fee received from:				
物流服務費來自：				
大豐海港港口有限責任公司	(a), (c)	Controlled by a substantial shareholder 由主要股東控制	15,020	4,522

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33. RELATED PARTY TRANSACTIONS (Continued)

33. 關聯方交易 (續)

	Note	Related party relationship	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	附註	關聯方關係		
Repair service fee paid to: 維修服務費支付予：				
大豐海港港口有限責任公司	(a), (c)	Controlled by a substantial shareholder 由主要股東控制	4,368	3,834
Fuel costs paid to: 燃料費支付予：				
鹽城市大豐港成品油有限公司	(a), (c)	Controlled by a substantial shareholder 由主要股東控制	7,780	8,190
Oil storage service income received from: 儲油服務收入來自：				
大豐港口責任有限公司	(a), (c)	Controlled by a substantial shareholder 由主要股東控制	1,845	–
Port service fee paid to: 港口服務費支付予：				
江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng)	(a)	Controlled by a substantial shareholder 由主要股東控制	14	–
Car rental fee paid to: 租車費支付予：				
大豐海港港口供應鏈管理有限公司	(a), (c)	Controlled by a substantial shareholder 由主要股東控制	2,164	–

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33. RELATED PARTY TRANSACTIONS (Continued)

33. 關聯方交易 (續)

	Note	Related party relationship	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	附註	關聯方關係		
Interest expenses paid to:				
利息開支支付予：				
大豐港融資租賃(北京)有限責任公司	(c)	Controlled by a substantial shareholder 由主要股東控制	1,886	–
江蘇大豐海港控股集團有限公司 (Jiangsu Dafeng) (江蘇大豐)		Controlled by a substantial shareholder 由主要股東控制	289	–
海晶商業保理有限公司	(c)	Controlled by a substantial shareholder 由主要股東控制	12,527	–
江蘇海融大豐港油品化工碼頭股份有限公司	(c)	Controlled by a substantial shareholder 由主要股東控制	26	–
Remuneration paid to key management personnel				
已付主要管理人員之薪酬				
Salaries and other benefits 薪金及其他福利		Key management personnel 主要管理人員	3,228	5,059
Contributions to defined contribution plan 定額供款計劃供款			36	22
Write-back of accrued directors' salaries 撤回應計董事薪金		Directors of the Company 本公司之董事	760	–

Notes:

- (a) These related party transactions also constitute continuing connected transactions under the GEM Listing Rules.
- (b) The remuneration of directors is set out in note 10 to the consolidated financial statements.
- (c) The related parties are controlled by Jiangsu Dafeng.

附註：

- (a) 根據GEM上市規則，該等關聯方交易亦構成持續關連交易。
- (b) 董事薪酬載於綜合財務報表附註10。
- (c) 該等關聯方由江蘇大豐控制。

34. ACQUISITIONS OF SUBSIDIARIES

34. 收購附屬公司

(a) Acquisition of 51% of Tianjin Lian Qi Cheng (“Tianjin Lian Qi Cheng Acquisition”)

On 22 May 2017, Heshun Trading entered into an equity transfer agreement with two independent persons (“Tianjin Lian Qi Cheng Sellers”) pursuant to which Heshun Trading agreed to acquire and Tianjin Lian Qi Cheng Sellers agreed to transfer 51% equity interests in Tianjin Lian Qi Cheng, a company incorporated in the PRC which engaged in trading of petrochemical products at a consideration of Heshun Trading injecting capital of RMB10,200,000 (equivalent to HK\$11,730,000) to Tianjin Lian Qi Cheng. The acquisition was completed on 30 June 2017.

(a) 收購天津聯企成51%權益(「天津聯企成收購事項」)

於二零一七年五月二十二日，和順貿易與兩名獨立人士(「天津聯企成賣方」)訂立股權轉讓協議，據此，和順貿易同意收購而天津聯企成賣方同意轉讓天津聯企成(於中國註冊成立並從事石化產品貿易之公司)51%股權，代價為和順貿易向天津聯企成注資人民幣10,200,000元(相當於11,730,000港元)。上述收購已於二零一七年六月三十日完成。

(b) Acquisition of 100% of 珠海恒豐和順石化有限公司 (Zhuhai Heng Feng Heshun Petrochemical Company Limited *, “Zhuhai Heng Feng”) (“Zhuhai Heng Feng Acquisition”)

On 20 February 2017, Heshun Trading entered into an equity transfer agreement with two independent persons (“Zhuhai Heng Feng Sellers”) pursuant to which Heshun Trading agreed to acquire and Zhuhai Heng Feng Sellers agreed to dispose entire equity interests in Zhuhai Heng Feng, a company incorporated in the PRC which engaged in trading of petrochemical products at a consideration of RMB800,000 (equivalent to HK\$904,000). The acquisition was completed on 28 February 2017.

(b) 收購珠海恒豐和順石化有限公司(「珠海恒豐」)100%權益(「珠海恒豐收購事項」)

於二零一七年二月二十日，和順貿易與兩名獨立人士(「珠海恒豐賣方」)訂立股權轉讓協議，據此，和順貿易同意收購而珠海恒豐賣方同意出售珠海恒豐(於中國註冊成立並從事石化產品貿易之公司)全部股權，代價為人民幣800,000元(相當於904,000港元)。上述收購已於二零一七年二月二十八日完成。

(c) Acquisition of 51% of 深圳市泛海控股有限公司 (Shenzhen Fan Hai Holdings Limited*, “Shenzhen Fan Hai”) (“Shenzhen Fan Hai Acquisition”)

On 5 December 2017, Heshun Trading entered into an equity transfer agreement with two independent persons (“Shenzhen Fan Hai Sellers”) pursuant to which Heshun Trading agreed to acquire and Shenzhen Fan Hai Sellers agreed to dispose 51% equity interests in Shenzhen Fan Hai, a company incorporated in the PRC which engaged in trading of petrochemical products at a consideration of RMB1,000,000 (equivalent to HK\$1,181,000). The acquisition was completed on 12 December 2017.

(c) 收購深圳市泛海控股有限公司(「深圳泛海」)51%權益(「深圳泛海收購事項」)

於二零一七年十二月五日，和順貿易與兩名獨立人士(「深圳泛海賣方」)訂立股權轉讓協議，據此，和順貿易同意收購而深圳泛海賣方同意出售深圳泛海(於中國註冊成立並從事石化產品貿易之公司)51%股權，代價為人民幣1,000,000元(相當於1,181,000港元)。上述收購已於二零一七年十二月十二日完成。

* The official name is in Chinese and the English name is translated for identification purpose only.

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34. ACQUISITIONS OF SUBSIDIARIES (Continued)

- (d) The following summarises the consideration paid and the fair value of the identifiable assets acquired and liabilities assumed, as well as acquisition-related costs at the respective date of acquisitions:

34. 收購附屬公司(續)

- (d) 以下概列於各項收購日期之已付代價、所收購可識別資產及所承擔負債之公平值以及收購相關成本：

		Tianjin Lian Qi Cheng Acquisition 天津聯企成 收購事項 HK\$'000 千港元	Zhuhai Heng Feng Acquisition and Shenzhen Fan Hai Acquisition 珠海恒豐及 深圳泛海 收購事項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Consideration paid in cash	已付現金代價	11,730	904	12,634
Elimination of amount due from Tianjin Lian Qi Cheng upon acquisition	抵銷天津聯企成 應付款項	32,200	–	32,200
Consideration payable	應付代價	–	1,181	1,181
Total	總計	43,930	2,085	46,015
Recognised amounts of identifiable assets acquired and liabilities assumed:	所收購可識別資產及 所承擔負債之確認 金額：			
Property, plant and equipment	物業、廠房及設備	9	–	9
Inventories	存貨	28,559	–	28,559
Trade and other receivables	貿易及其他應收款項	970	2	972
Bank balances and cash	銀行結餘及現金	25,517	1,021	26,538
Trade and other payables	貿易及其他應付款項	–	(16)	(16)
Total identifiable net assets	可識別資產淨值總額	55,055	1,007	56,062
Goodwill arising on acquisition (note 16)	收購所產生商譽 (附註16)	74	1,295	1,369
Non-controlling interests	非控股權益	(11,199)	(217)	(11,416)
		43,930	2,085	46,015
Net cash inflow on acquisition of subsidiaries	收購附屬公司之現金 流出淨額			
Consideration paid in cash	已付現金代價	(11,730)	(904)	(12,634)
Bank balances and cash acquired from the subsidiaries	自附屬公司收購之銀行 結餘及現金	25,517	1,021	26,538
		13,787	117	13,904

34. ACQUISITIONS OF SUBSIDIARIES (Continued)

- (e) The goodwill is attributable to the growth and profit potential as a result of benefiting from the growing demand of the acquired businesses. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

Acquisition-related costs have been excluded from the consideration transferred and have been included in "administrative expenses" in the consolidated statement of comprehensive income.

Included in the revenue for the year ended 31 December 2017 are approximately HK\$543,566,000 and HK\$293,838,000 attributable to the additional business generated by Zhuhai Heng Feng and Tianjin Lian Qi Cheng respectively.

Profit for the year includes profit of approximately HK\$887,000 generated by Tianjin Lian Qi Cheng and losses of approximately HK\$32,000 and HK\$18,000 incurred by Zhuhai Heng Feng and Shenzhen Fan Hai respectively.

If the business combination effected during the year had been taken place at the beginning of the year, the revenue and profit for the Group would have been HK\$3,424,606,000 and HK\$1,202,000 respectively. This pro-forma information is for illustrative purposes only and is not necessarily an indication of revenue and result of operations of the Group that actually would have been achieved had the acquisitions been completed on 1 January 2017.

- (f) The fair value of trade and other receivables at the date of acquisitions amounted to HK\$972,000. The gross contractual amounts of those trade and other receivables acquired amounted to HK\$972,000 at the date of acquisitions, of which no balance is expected to be uncollectible.

34. 收購附屬公司 (續)

- (e) 商譽源自所收購業務日益增長之需求帶來之增長及利潤潛力。由於該等利益不符合可識別無形資產之確認標準，故並無與商譽分開確認。預期概無已確認商譽可用於扣除所得稅。

收購相關成本已從所轉讓代價中剔除，並計入綜合全面收益表項下「行政開支」內。

截至二零一七年十二月三十一日止年度之收益約543,566,000港元及293,838,000港元分別源自珠海恒豐及天津聯企成所帶來額外業務。

年內溢利包括天津聯企成所產生溢利約887,000港元以及珠海恒豐及深圳泛海所產生虧損分別約32,000港元及18,000港元。

倘年內所實施業務合併於年初進行，則本集團之收益及溢利將分別為3,424,606,000港元及1,202,000港元。是項備考資料僅供說明用途，不一定反映倘收購事項於二零一七年一月一日已完成，本集團實際可實現之收益及經營業績。

- (f) 貿易及其他應收款項於收購日之公平值為972,000港元。所收購該等貿易及其他應收款項於收購日之合約總額為972,000港元，其中並無結餘預期無法收回。

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35. DISPOSAL OF A SUBSIDIARY

On 13 June 2017, Heshun Trading, an indirect wholly-owned subsidiary, and an independent third party purchaser, 大豐市新潤通物流有限公司(Dafeng City Xin Run Tong Logistics Company Limited*, "Dafeng City Xin Run Tong") entered into a disposal agreement (the "Disposal Agreement") pursuant to which Heshun Trading has conditionally agreed to sell and Dafeng City Xin Run Tong agreed to purchase the entire equity interest of 大豐海港港口物流有限公司(Dafeng Harbour Port Logistics Company Limited*, "Dafeng Logistics") at a consideration of RMB52 million (equivalent to HK\$59.8 million). The disposal was completed on 30 June 2017. The details of the disposal are set out in the Company's announcement dated 13 June 2017.

The following summarises the consideration received and the carrying amount of the assets and liabilities at the date of disposal:

35. 出售一間附屬公司

於二零一七年六月十三日，間接全資附屬公司和順貿易與獨立第三方買方大豐市新潤通物流有限公司(「大豐市新潤通」)訂立出售協議(「出售協議」)，據此，和順貿易有條件同意出售而大豐市新潤通同意購買大豐海港港口物流有限公司(「大豐物流」)全部股權，代價為人民幣52,000,000元(相當於59,800,000港元)。出售事項已於二零一七年六月三十日完成。有關出售事項之詳情載於本公司日期為二零一七年六月十三日之公告。

以下概述已收代價以及於出售日期之資產及負債賬面值：

		HK\$'000 千港元
Net assets disposed of:	所出售淨資產：	
Property, plant and equipment	物業、廠房及設備	31,070
Pledged deposits for finance lease arrangement	融資租賃安排之已抵押存款	4,363
Trade and other receivables	貿易及其他應收款項	54,478
Amount due from related company	應收關聯公司款項	24,180
Cash and cash equivalents	現金及現金等價物	3,735
Tax recoverable	可收回稅項	530
Trade and other payables	貿易及其他應付款項	(31,717)
Amount due to related company	應付關聯公司款項	(10,428)
Obligations under finance lease	融資租賃承擔	(29,737)
		46,474
Consideration received:	已收代價：	
Cash consideration	現金代價	59,800

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35. DISPOSAL OF A SUBSIDIARY (Continued)

Analysis of net outflow of cash and cash equivalents in respect of disposal of a subsidiary:

		HK\$'000 千港元
Cash consideration	現金代價	59,800
Cash and cash equivalents disposed	所出售現金及現金等價物	(3,735)
Net inflow of cash and cash equivalents	現金及現金等價物流入淨額	56,065

		HK\$'000 千港元
Gain on disposal of a subsidiary:	出售一間附屬公司之收益：	
Consideration received	已收代價	59,800
Net assets disposed of	所出售淨資產	(46,474)
Exchange reserve released upon disposal	出售時解除之匯兌儲備	(482)
		12,844

The gain on disposal is included in the consolidated statement of comprehensive income.

出售一間附屬公司之現金及現金等價物流出淨額分析：

出售收益計入綜合全面收益表。

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36. COMMITMENTS

(a) The Group as lessee

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases (other than Shipping Slot Charter Agreement (船舶運輸合同) mentioned below) which are payable 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	12,201	9,986
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	8,338	13,452
		20,539	23,438

Operating lease payments represent rental payables by the Group for its office premises, dormitories and a parking lot. Leases are negotiated for terms ranging from 1 to 5 years with fixed rentals.

The Group has entered into two kinds of agreements, namely Shipping Slot Charter Agreement (船舶運輸合同) and Usage Priority Agreement.

The charges under Shipping Slot Charter Agreement (船舶運輸合同) are usually calculated based on usage volume. Accordingly, there is no significant non-cancellable commitment as at 31 December 2017.

According to the Usage Priority Agreement, the Group has the exclusive preferential right to use one vessel (2016: one vessel) and to acquire the interest or to obtain the sales proceeds of disposal, which has to be approved by the Group in advance, of the vessel. The Group has control over the vessel which has been recorded as property, plant and equipment accordingly. Therefore, there was no operating lease commitment in this regard as at 31 December 2017 and 2016.

36. 承擔

(a) 本集團作為承租人

於報告期末，本集團於不可撤銷經營租賃(下文所述船舶運輸合同除外)下有應付未來最低租賃付款總額如下：

經營租賃付款指本集團就辦公室、宿舍及停車場應付之租金。協定期租介乎1至5年，租金固定。

本集團已訂立兩種協議，分別為船舶運輸合同及優先使用協議。

船舶運輸合同項下收費一般根據用量計算。因此，於二零一七年十二月三十一日並無重大不可撤銷承擔。

根據優先使用協議，本集團有獨家優先權使用一艘船舶(二零一六年：一艘船舶)及收購該船舶之權益或取得出售該船舶(須經本集團事先批准)之所得款項。本集團對該船舶擁有控制權，其賬面淨值因而記入物業、廠房及設備。因此，於二零一七年及二零一六年十二月三十一日並無就此產生經營租賃承擔。

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36. COMMITMENTS (Continued)

(b) The Group as lessor

The Group leases out its container handling vehicle under operating lease with a lease term of around 4 years. The future aggregate minimum rental receivables under non-cancellable operating leases 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
Within one year	一年內	1,495	1,495
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	3,364	4,859
		4,859	6,354

(c) Capital expenditure commitments

		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 net of deposit paid for construction of property, plant and equipment	已訂約但未撥備，扣除建設物業、廠房及設備之已付訂金	41,175	—

At the end of the reporting period, the Group had commitment of HK\$41,175,000 principally relating to construction work of petrochemical storage facilities.

36. 承擔(續)

(b) 本集團作為出租人

本集團根據經營租賃出租其集裝箱裝卸車，租期約為4年。不可撤銷經營租賃項下未來最低應收租金總額如下：

(c) 資本開支承擔

於報告期末，本集團為數41,175,000港元之承擔主要涉及石化倉儲設施建設工程。

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37. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's principal financial instruments comprise bank and other borrowings, amounts due from/to related/connected parties, available-for-sale investment and bank balances and cash. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as trade and other receivables and trade and other payables, which arise directly from its business activities.

The main risks arising from the Group's financial instruments are (i) foreign currency risk, (ii) interest rate risk, (iii) credit risk, (iv) equity price risk and (v) liquidity risk. The Group does not have any written risk management policies and guidelines. However, the board of directors co-operates closely with key management to identify and evaluate risks and generally adopts conservative strategies on its risk management and limits the Group's exposure to these risks to a minimum level as follows:

(i) Foreign currency risk

Most of the Group's business transactions were conducted in Hong Kong dollars, Renminbi ("RMB") and US dollar ("US\$"). Exposures to foreign currency risk arise from certain of the Group's trade and other receivables, trade and other payables and cash and bank balances denominated in RMB and US\$. The Group does not use derivative financial instruments to hedge its foreign currency risk. The Group reviews its foreign currency exposures regularly and considers there is no significant exposure on its foreign currency risk.

37. 金融工具

(a) 金融風險管理目標及政策

本集團之主要金融工具包括銀行及其他借貸、應收／應付關連人士款項、可供出售投資以及銀行結餘及現金。該等金融工具之主要目的為籌集及維持本集團經營所需融資。本集團有貿易及其他應收款項以及貿易及其他應付款項等多種其他金融工具，該等款項直接自其業務活動產生。

本集團金融工具產生之主要風險為(i)外匯風險，(ii)利率風險，(iii)信貸風險，(iv)股本價格風險及(v)流動資金風險。本集團並無任何書面風險管理政策及指引。然而，董事會與主要管理人員緊密合作，以辨別及評估風險，對其整體風險管理採取保守策略並將本集團所面對該等風險限制在最低水平，具體如下：

(i) 外匯風險

本集團業務主要以港元、人民幣（「人民幣」）及美元（「美元」）進行交易。所面對外匯風險乃源自本集團以人民幣及美元計值之貿易及其他應收款項、貿易及其他應付款項以及現金及銀行結餘。本集團並無使用衍生金融工具對沖其外匯風險。本集團定期檢討外匯風險且認為並無重大外匯風險。

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37. FINANCIAL INSTRUMENTS (Continued)

37. 金融工具 (續)

(a) Financial risk management objectives and policies (Continued)

(a) 金融風險管理目標及政策 (續)

(ii) Interest rate risk

(ii) 利率風險

The Group's exposure to market risk for changes in interest rates relates primarily to its interest-bearing financial instruments including bank and other borrowings with variable interest rates and bank balances and cash.

主要與計息金融工具(包括按浮動利率計息之銀行及其他借貸以及銀行結餘及現金)有關之利率變動使本集團面對市場風險。

The table below is a summary quantitative data about exposure to interest rates at the end of the reporting period:

下表概列報告期末利率風險之量化數據：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Pledged bank deposits	已抵押銀行存款	312,936	1,270
Bank balances and cash	銀行結餘及現金	61,703	36,070
Bank and other borrowings (with variable interest rate)	銀行及其他借貸 (按浮動利率計息)	(111,261)	(20,095)
Net exposure	風險淨值	263,378	17,245

At the end of the reporting period, if interest rates had been 100 basis points higher/lower and all other variables were held constant, the Group's net profit would increase/decrease by HK\$2,634,000 (2016: the Group's net loss would decrease/increase by HK\$172,000).

於報告期末，倘利率上調/下調100個基點，而所有其他變數維持不變，則本集團之純利將增加/減少2,634,000港元(二零一六年：本集團之虧損淨額將減少/增加172,000港元)。

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for the financial instruments in existence at that date. The 100 basis points increase or decrease represents management's assessment of a reasonably possible change in interest rates over the period until the next annual end of the reporting period.

以上敏感度分析乃假設利率變動已於報告期末發生而釐定，並已應用於當日已存在之金融工具承受之利率風險。上升或下降100個基點代表管理層對直至下一年度報告期末止利率之合理可能變動所進行評估。

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iii) Credit risk

Credit risk mainly arises from bank balances and cash, trade and bills receivables, other receivables and amounts due from related/connected parties. The Group limits its exposure to credit risk by selecting the counterparties with reference to their past credit history and/or market reputation. The Group's maximum exposure to the credit risk is summarised as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Bank balances and cash	銀行結餘及現金	61,703	36,070
Loan receivable from a third party	應收第三方貸款	–	10,941
Pledged bank deposits	已抵押銀行存款	312,936	1,270
Pledged deposit for finance lease arrangement	融資租賃安排之已抵押存款	–	4,236
Refundable prepayment	可收回預付款項	–	14,949
Trade and other receivables	貿易及其他應收款項	330,319	276,632
Due from associates	應收聯營公司款項	1,212	882
Security deposit for loan from a third party	來自第三方之貸款之保證金	3,602	–
Due from a connected company	應收一名關聯公司款項	2,402	–
Consideration receivable for disposal of interests in subsidiaries	應收出售附屬公司權益之代價	4,250	–

The credit risk on pledged bank deposits and bank balances is limited because the counterparties are creditworthy licensed banks. Management does not expect any counterparty to fail to meet its obligation.

The Group reviews the recoverable amount of each individual debtor, including related/connected and third parties, at the end of the reporting period to ensure adequate impairment losses are made for irrecoverable amounts.

At 31 December 2017, the Group had a concentration of credit risk as 22.85% (2016: 12.85%) of the total trade and bills receivables due from the Group's largest debtor and 72.29% (2016: 49.07%) of the total trade and bills receivables due from the Group's five largest debtors.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iii) 信貸風險

信貸風險主要源自銀行結餘及現金、貿易應收款項及應收票據、其他應收款項以及應收關連方/關聯人士款項。本集團透過參考交易對手過往信貸記錄及/或市場聲譽甄選交易對手以限制其信貸風險。本集團所面對最高信貸風險概述如下：

由於交易對手為信譽良好之持牌銀行，故已抵押銀行存款及銀行結餘之信貸風險有限。管理層預期不會有任何交易對手無法履行責任。

本集團於報告期末檢討各個別債務人(包括關聯方/關連人士及第三方)之可收回金額，以確保就無法收回金額作出足夠減值虧損。

於二零一七年十二月三十一日，本集團應收其最大債務人及五大債務人貿易應收款項及應收票據總額之集中信貸風險分別為22.85%(二零一六年：12.85%)及72.29%(二零一六年：49.07%)。

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37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(iv) Equity price risk

The Group is exposed to price risks arising from equity investment held under available-for-sale financial assets of HK\$8,806,000 which fair value cannot be measured reliably and are thus stated at cost less impairment. The Group closely monitors the financial position of the investee and assesses if there is any impact on the consolidated financial statements.

(v) Liquidity risk

Management of the Group aims at maintaining sufficient level of cash and cash equivalents to finance the Group's operations and expected expansion. The Group's primary cash requirements include payments for operating expenses, additions or upgrades of property, plant and equipment and repayment of borrowings. The Group finances its working capital requirements mainly by the funds generated from operations, advances from related parties and use of bank borrowings.

The Group manages liquidity risk by forecasting the amount of cash required and monitoring the working capital of the Group to ensure that all liabilities due and known funding requirements could be met. Based on the assessment of the management, the overall liquidity risk encountered by the Group is manageable.

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(iv) 股本價格風險

本集團須面對為數8,806,000港元持作可供出售金融資產之股權投資所產生價格風險，該股權投資之公平值無法可靠計量，故列作成本減去減值。本集團密切監察投資對象之財務狀況及評估有否對綜合財務報表構成任何影響。

(v) 流動資金風險

本集團管理層擬維持足夠現金及現金等價物，為本集團業務及預計擴張提供資金。本集團主要現金需求包括為經營開支、添置或改善物業、廠房及設備以及償還借貸所支付之款項。本集團主要以業務經營所產生之資金、來自關聯方之墊款及銀行借貸撥付營運資金需求。

本集團通過預測所需現金金額及監察本集團營運資金控制流動資金風險，以確保能應付所有到期負債及已知資金需求。據管理層評估，本集團能夠控制整體流動資金風險。

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

37. FINANCIAL INSTRUMENTS (Continued)

(a) Financial risk management objectives and policies (Continued)

(v) Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities at the end of reporting period based on contractual undiscounted payments is summarised below:

37. 金融工具(續)

(a) 金融風險管理目標及政策(續)

(v) 流動資金風險(續)

根據合約未貼現付款對於報告期末本集團金融負債之到期情況所作分析概要如下：

		On demand	Less than 3 months	Over 3 months but not more than 12 months	Over 1 year but not more than 5 years	Total
		按要求	少於三個月	超過三個月但不超過十二個月	超過一年但不超過五年	總計
		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
At 31 December 2017	於二零一七年十二月三十一日					
Trade and other payables	貿易及其他應付款項	68,715	107,025	2	-	175,742
Amounts due to associates	應付聯營公司款項	5,157	-	-	-	5,157
Amounts due to ex-shareholders of Zhongnanhui	應付中南匯前股東款項	1,014	-	-	-	1,014
Amount due to ex-director of Zhongnanhui	應付中南匯前董事款項	15,589	-	-	-	15,589
Obligations under finance leases	融資租賃承擔	-	848	2,540	7,700	11,088
Bank loans	銀行貸款	-	936	324,907	45,037	370,880
Loans from connected companies	來自關聯公司之貸款	-	16,816	230,182	-	246,998
Loan from a third party	來自第三方之貸款	-	6,542	19,624	39,248	65,414
		90,475	132,167	577,255	91,985	891,882
At 31 December 2016	於二零一六年十二月三十一日					
Trade and other payables	貿易及其他應付款項	57,949	140,977	-	-	198,926
Consideration payable in respect to acquisition of Dafeng Logistics	就收購大豐物流應付代價	-	-	32,212	-	32,212
Amounts due to associates	應付聯營公司款項	6,813	-	-	-	6,813
Amounts due to ex-shareholders of Zhongnanhui	應付中南匯前股東款項	-	-	65,163	-	65,163
Amount due to ex-director of Zhongnanhui	應付中南匯前董事款項	-	-	11,155	-	11,155
Obligations under finance leases	融資租賃承擔	-	4,287	11,536	29,844	45,667
Bank loan	銀行貸款	-	287	5,271	16,947	22,505
Other loan from a third party	來自第三方之其他貸款	-	-	37,400	-	37,400
Financial guarantee issued to suppliers	向供應商授出財務擔保	1,270	-	-	-	1,270
		66,032	145,551	162,737	46,791	421,111

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37. FINANCIAL INSTRUMENTS (Continued)

(b) Capital management

The objectives of the Group's capital management are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, to maintain an optimal capital structure to reduce the cost of capital and to support the Group's stability and growth.

The capital structure of the Group mainly consists of bank and other borrowings and equity attributable to equity owners of the Company.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or return capital to shareholders. No changes were made in the objectives, policies or processes during the years ended 31 December 2017 and 2016.

37. 金融工具(續)

(b) 資本管理

本集團管理資本之目標為保障其持續經營能力，從而為股東提供回報及為其他持份者帶來得益，並維持良好資本結構以減少資本成本及支持本集團穩定發展。

本集團之資本結構主要包括銀行及其他借貸以及本公司權益持有人應佔權益。

本集團積極定期檢討及管理資本結構，力求達到最理想資本結構及股東回報，同時考慮本集團日後資本需求。為維持或調整資本結構，本集團可調整支給予股東之股息金額、發行新股份或退還資本予股東。截至二零一七年及二零一六年十二月三十一日止年度，目標、政策或程序並無變動。

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37. FINANCIAL INSTRUMENTS (Continued)

37. 金融工具(續)

(c) Categories and fair value of financial instruments

(c) 金融工具分類及公平值

The carrying amounts of each of the following categories of financial assets and financial liabilities are set out as follows:

以下各類金融資產及金融負債之賬面值載列如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Available-for-sale financial assets	可供出售金融資產	8,806	8,806
Loans and receivables:	貸款及應收款項：		
Trade and other receivables	貿易及其他應收款項	338,183	302,522
Pledged deposit for finance lease arrangement	融資租賃安排之 已抵押存款	–	4,236
Security deposit for loan from a third party	來自第三方之貸款之保證金	3,602	–
Pledged bank deposits	已抵押銀行存款	312,936	1,270
Bank balances and cash	銀行結餘及現金	61,703	36,070
		716,424	344,098
		725,230	352,904

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial liabilities measured at amortised costs:	按攤銷成本計算金融負債：		
Trade and other payables	貿易及其他應付款項	203,182	350,998
Current portion of bank and other borrowings	銀行及其他借貸之 即期部分	585,475	18,159
Non-current portion of bank and other borrowings	銀行及其他借貸之 非即期部分	85,429	42,771
		874,086	411,928

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2017 and 2016.

所有金融工具賬面值與其於二零一七年及二零一六年十二月三十一日之公平值並無重大差異。

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38. PLEDGE OF ASSETS/BANKING FACILITIES

The details of pledge of assets and the banking facilities granted to the Group are summarised as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total banking facilities granted (note 1)	已授出銀行融資總額(附註1)	382,627	65,820
Total utilised banking facilities (note 2)	已動用銀行融資總額(附註2)	363,391	21,365

Note 1:

At the end of the reporting period, the Group had obtained several banking facilities amounted to HK\$382,627,000 (2016: HK\$65,820,000) of which:

- (i) HK\$10,000,000 (2016: HK\$10,000,000) are cross guaranteed among certain subsidiaries of the Group and secured by pledged bank deposit as shown in note 23(a) to the consolidated financial statements.
- (ii) RMB50,000,000 (approximately HK\$60,040,000) (2016: HK\$33,492,000) are guaranteed by a substantial shareholder, Jiangsu Dafeng, and secured by prepaid lease payments as shown in note 17 to consolidated financial statements.
- (iii) US\$40,000,000 (approximately HK\$312,587,000) is secured by pledged bank deposit as shown in note 23(a) to the consolidated financial statements (2016: Nil).

Note 2:

As at 31 December 2016, the utilised banking facilities amounted to HK\$21,365,000, being bank guarantees issued by bankers in favour of the suppliers of subsidiaries, of which HK\$1,270,000 (out of the HK\$10,000,000 facilities) were cross guaranteed among certain subsidiaries of the Group and RMB18,000,000 (equivalent to HK\$20,095,000) were for bank loan disclosed in note 25 to the consolidated financial statements.

As at 31 December 2017, the utilised banking facilities amounted to HK\$363,391,000, being bank guarantees of HK\$370,000 (out of the HK\$10,000,000 facilities) issued by bankers which were cross guaranteed among certain subsidiaries of the Group; and RMB42,000,000 and US\$40,000,000 (together equivalent to HK\$363,021,000) which were for bank loans disclosed in note 25 to the consolidated financial statements.

The Group has not recognised a value for the financial guarantees in the consolidated financial statements as their fair values are insignificant and their transaction price is HK\$Nil.

38. 資產抵押／銀行融資

資產抵押及授予本集團之銀行融資詳情概述如下：

附註1：

於報告期末，本集團取得為數382,627,000港元(二零一六年：65,820,000港元)之若干銀行融資，其中：

- (i) 10,000,000港元(二零一六年：10,000,000港元)為本集團若干附屬公司間之交叉擔保，並以綜合財務報表附註23(a)所示已抵押銀行存款作抵押。
- (ii) 人民幣50,000,000元(約60,040,000港元)(二零一六年：33,492,000港元)由主要股東江蘇大豐擔保，並以綜合財務報表附註17所示預付租賃付款作抵押。
- (iii) 40,000,000美元(約312,587,000港元)以綜合財務報表附註23(a)所示已抵押銀行存款作抵押(二零一六年：無)。

附註2：

於二零一六年十二月三十一日，已動用銀行融資為21,365,000港元，涉及銀行以附屬公司供應商為受益人而提供之銀行擔保，其中1,270,000港元(從10,000,000港元信貸額中提取)為本集團若干附屬公司間之交叉擔保，另人民幣18,000,000元(相當於20,095,000港元)作綜合財務報表附註25所披露銀行貸款用途。

於二零一七年十二月三十一日，已動用銀行融資為363,391,000港元，其中370,000港元(從10,000,000港元信貸額中提取)為銀行所提供銀行擔保，涉及本集團若干附屬公司間之交叉擔保；另人民幣42,000,000元及40,000,000美元(合共相當於363,021,000港元)作綜合財務報表附註25所披露銀行貸款用途。

本集團並無就財務擔保於綜合財務報表確認任何數額，原因為該等擔保之公平值並不重大，且其交易價格為零港元。

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39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 39. 本公司財務狀況表

		Note	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Investment in subsidiaries	投資附屬公司	14	17,050	19,682
Current assets	流動資產			
Available-for-sale financial assets	可供出售金融資產	20	8,806	8,806
Prepayments	預付款項		270	270
Amounts due from subsidiaries	應收附屬公司款項		128,877	133,397
Consideration receivable on disposal of interest in a subsidiary	就出售一間附屬公司權益應收款項	30(a)	4,250	–
Cash at bank	銀行現金		8,780	17,076
			150,983	159,549
Current liabilities	流動負債			
Other payables and accrual	其他應付款項及應計費用		7,778	2,609
Amounts due to subsidiaries	應付附屬公司款項		–	295
			7,778	2,904
Net current assets	流動資產淨值		143,205	156,645
NET ASSETS	資產淨值		160,255	176,327
Capital and reserves	資本及儲備			
Share capital	股本	28	12,880	12,880
Reserves	儲備	39(a)	147,375	163,447
TOTAL EQUITY	權益總額		160,255	176,327

Approved and authorised for issue by the Board of Directors on 23 March 2018 and signed on its behalf by:

於二零一八年三月二十三日經董事會批准及授權刊發，並由以下人士代表簽署：

Ni Xiangrong
倪向榮
Director
董事

Shum Kan Kim
沈勤儉
Director
董事

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39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

39. 本公司財務狀況表(續)

(a) Movements of the reserves

(a) 儲備變動

		Share premium	Contributed surplus	Share-based payment reserve	Accumulated losses	Total
		股份溢價	實繳盈餘	以股份為基礎之付款儲備	累計虧損	總計
		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
		(Note 31(a))	(Note 31(f))	(Note 31(g))		(附註31(g))
		(附註31(a))	(附註31(f))	(附註31(g))		
At 1 January 2016	於二零一六年一月一日	106,171	34,556	-	(39,025)	101,702
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(36,566)	(36,566)
Transaction with owners	與擁有人之交易					
Placing of shares on 30 May 2016	於二零一六年五月三十日 配售股份	95,760	-	-	-	95,760
Share placement expenses on 30 May 2016	於二零一六年五月三十日 之股份配售開支	(512)	-	-	-	(512)
Share-based payment	以股份為基礎之付款	-	-	3,063	-	3,063
Total transaction with owners	與擁有人之交易總額	95,248	-	3,063	-	98,311
At 31 December 2016	於二零一六年十二月三十一日	201,419	34,556	3,063	(75,591)	163,447
At 1 January 2017	於二零一七年一月一日	201,419	34,556	3,063	(75,591)	163,447
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(16,072)	(16,072)
At 31 December 2017	於二零一七年十二月三十一日	201,419	34,556	3,063	(91,663)	147,375

40. EVENTS AFTER THE REPORTING PERIOD

40. 報告期後事項

(i) Entered into a construction agreement

(I) 訂立建築協議

On 1 February 2018, Zhongnanhui, an indirect wholly-owned subsidiary of the Company, entered into an agreement (the "Construction Agreement") with China Nuclear, a company established in the PRC with limited liability, in respect of the construction of one group of petrochemical storage tanks of total 80,000M³ and various fire services upgrade for a total consideration of approximately RMB64.87 million (approximately HK\$80.72 million).

於二零一八年二月一日，本公司間接全資附屬公司中南匯與中國核工訂立建築協議（「建築協議」），涉及建造一組合共80,000立方米之石化倉儲池並進行多項消防更新，總代價約為人民幣64,870,000元（約80,720,000港元）。

Details of the Construction Agreement are set out in the announcement made by the Company on 1 February 2018.

建築協議詳情載於本公司日期為二零一八年二月一日之公告。

FINANCIAL SUMMARY

財務概要

RESULTS

業績

		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
Revenue	收益	3,424,606	563,708	260,395	367,620	466,456
Profit (Loss) before taxation	除稅前溢利(虧損)	5,629	(32,522)	(30,371)	(16,839)	16,578
Income tax expense	所得稅開支	(4,236)	(4,572)	(902)	(1,738)	(3,890)
Profit (Loss) profit for the year	年內溢利(虧損)	1,393	(37,094)	(31,273)	(18,577)	12,688

ASSETS AND LIABILITIES

資產及負債

		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	資產總值	1,268,618	598,548	160,317	201,523	181,213
Total liabilities	負債總額	(1,072,157)	(434,934)	(55,575)	(69,813)	(112,235)
Total equity	權益總額	196,461	163,614	104,742	131,710	68,978



Dafeng Port Heshun Technology
Company Limited
大豐港和順科技股份有限公司