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Evershine Group Holdings Limited

永耀集團控股有限公司

(於香港註冊成立之有限公司)

(股份代號：8022)

二零一八年第三季度業績公佈

永耀集團控股有限公司(「本公司」)董事(「董事」)會(「董事會」)謹此宣佈本公司及其附屬公司(統稱「本集團」)截至二零一八年九月三十日止九個月之未經審核業績。本公佈載列本公司二零一八年第三季度業績報告全文，乃遵照香港聯合交易所有限公司(「聯交所」)GEM證券上市規則(「GEM上市規則」)有關第三季度業績初步公佈附載資料之相關規定。本公司二零一八年第三季度業績報告將於聯交所網站www.hkexnews.hk及本公司網站www.evershinegroup.com.hk可供閱覽，而本公司二零一八年第三季度業績報告之印刷版本將於二零一八年十一月十三日或之前寄發予本公司股東。

承董事會命
永耀集團控股有限公司
執行董事
洪達智

香港，二零一八年十一月九日

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

本公佈(本公司董事願共同及個別對此負全責)乃遵照GEM證券上市規則之規定提供有關本公司之資料。本公司董事經作出一切合理查詢後確認，就彼等所深知及確信：(1)本公佈所載資料在各重大方面均屬準確及完整，並無誤導或欺騙成分；且(2)本公佈並無遺漏任何其他事實，致使當中所載任何聲明或本公佈有所誤導。

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

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

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

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

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

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

香港聯合交易所有限公司(「聯交所」)創業板(「GEM」)的特色

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

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

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

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



HIGHLIGHTS 摘要

- The revenue from continuing operations of the Group was approximately HK\$903,000 for the nine months ended 30 September 2018 (2017: approximately HK\$27,580,000 (restated)), representing a decrease of approximately 97% as compared to corresponding period in 2017.
- The loss of the Group was approximately HK\$100,974,000 for the nine months ended 30 September 2018 (2017: approximately HK\$50,667,000 (restated)), representing an increase of loss approximately 99% over the corresponding period in 2017.
- Loss from continuing operations attributable to shareholders of the Group was approximately HK\$99,961,000 for the nine months ended 30 September 2018 (2017: approximately HK\$49,430,000 (restated)), representing an increase in loss of approximately 102% over the corresponding period in 2017.
- Basic loss per share for continuing and discontinued operations for the nine months ended 30 September 2018 was approximately HK5.78 cents (2017: approximately HK3.10 cents (restated)) and loss per share for continuing operations was approximately HK5.78 cents (2017: approximately HK3.10 cents (restated)).
- The Directors do not recommend any payment of any dividend for the nine months ended 30 September 2018 (2017: Nil).
- 截至二零一八年九月三十日止九個月，本集團來自持續經營業務之收益約為903,000港元(二零一七年：約27,580,000港元(經重列))，較二零一七年同期下降約97%。
- 本集團截至二零一八年九月三十日止九個月之虧損約為100,974,000港元(二零一七年：約50,667,000港元(經重列))，較二零一七年同期的虧損增加約99%。
- 截至二零一八年九月三十日止九個月本集團股東應佔持續經營業務之虧損約為99,961,000港元(二零一七年：約49,430,000港元(經重列))，較二零一七年同期虧損增加約102%。
- 截至二零一八年九月三十日止九個月持續經營業務及已終止業務之每股基本虧損約為5.78港仙(二零一七年：約3.10港仙(經重列))，而持續經營業務之每股虧損約為5.78港仙(二零一七年：約3.10港仙(經重列))。
- 董事不建議就截至二零一八年九月三十日止九個月派發任何股息(二零一七年：無)。



THIRD QUARTERLY RESULTS (UNAUDITED) 第三季度業績(未經審核)

For the nine months ended 30 September 2018 截至二零一八年九月三十日止九個月

The board of Directors (the “Board”) of the Company hereby announces the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the nine months ended 30 September 2018 (the “Period”) and three months ended 30 September 2018 together with the unaudited comparative figures for the corresponding periods in 2017 as follows:

本公司董事會(「董事會」)謹此公佈本公司及其附屬公司(統稱「本集團」)截至二零一八年九月三十日止九個月(「本期間」)及截至二零一八年九月三十日止三個月之未經審核綜合業績，連同二零一七年同期之未經審核比較數字如下：

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS 簡明綜合損益表

		Notes 附註	Unaudited Nine months ended 30 September 未經審核 截至九月三十日止九個月		Unaudited Three months ended 30 September 未經審核 截至九月三十日止三個月	
			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
Continuing operations	持續經營業務					
Revenue	收益	2	903	27,580	318	649
Cost of sales and services	銷售及服務成本		-	(24,922)	-	(65)
Gross profit	毛利		903	2,658	318	584
Other income and other gains and losses	其他收入以及其他收益及虧損	2	1,175	(4,910)	-	(2,710)
Share of (loss)/profit of associates	分佔聯營公司(虧損)/溢利		(475)	4,673	(1,583)	3,691
Operating and administrative expenses	經營及行政開支		(22,441)	(29,838)	(7,936)	(9,127)
Impairment loss on intangible asset	無形資產減值虧損	5	(68,229)	-	(68,229)	-
Finance costs	融資成本	4	(11,883)	(23,236)	(3,354)	(7,508)
Loss before taxation	除稅前虧損	5	(100,950)	(50,653)	(80,784)	(15,070)
Taxation	稅項	6	(24)	-	(24)	-
Loss after taxation from continuing operations	持續經營業務之除稅後虧損		(100,974)	(50,653)	(80,808)	(15,070)
Discontinued operation	已終止業務					
Loss from discontinued operation	已終止業務虧損		-	(14)	-	-
Loss for the period	期內虧損		(100,974)	(50,667)	(80,808)	(15,070)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

簡明綜合損益表

		Unaudited Nine months ended 30 September 未經審核 截至九月三十日止九個月		Unaudited Three months ended 30 September 未經審核 截至九月三十日止三個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
Attributable to:	歸屬於：				
Shareholders of the Company	本公司股東				
– From continuing operations	– 持續經營業務	(99,961)	(49,430)	(80,350)	(14,463)
– From discontinued operation	– 已終止業務	–	(14)	–	–
		(99,961)	(49,444)	(80,350)	(14,463)
Non-controlling interests	非控股權益				
– From continuing operations	– 持續經營業務	(1,013)	(1,209)	(458)	(607)
– From discontinued operation	– 已終止業務	–	(14)	–	–
		(1,013)	(1,223)	(458)	(607)
Loss for the period	期內虧損	(100,974)	(50,667)	(80,808)	(15,070)
Loss per share	每股虧損				
From continuing and discontinued operations	持續經營及已終止業務				
– Basic and diluted	– 基本及攤薄	8 (5.78 cents港仙)	(3.10 cents港仙)	(4.65 cents港仙)	(0.90 cents港仙)
From continuing operations	持續經營業務				
– Basic and diluted	– 基本及攤薄	8 (5.78 cents港仙)	(3.10 cents港仙)	(4.65 cents港仙)	(0.90 cents港仙)
From discontinued operation	已終止業務				
– Basic and diluted	– 基本及攤薄	8 (0 cents港仙)	(0 cents港仙)	(0 cents港仙)	(0 cents港仙)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 簡明綜合損益及其他全面收益表

		Unaudited Nine months ended 30 September 未經審核 截至九月三十日止九個月		Unaudited Three months ended 30 September 未經審核 截至九月三十日止三個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
Loss for the period	期內虧損	(100,974)	(50,667)	(80,808)	(15,070)
Other comprehensive (expenses)/income for the period, net of tax	期內其他全面(開支)/收入，扣除稅項				
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：				
Share of exchange difference of associates	分佔聯營公司匯兌差額	(8,266)	107	(8,344)	(447)
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	(1,998)	4,441	3,699	1,789
Other comprehensive (expenses)/income for the period	期內其他全面(開支)/收入	(10,264)	4,548	(4,645)	1,342
Total comprehensive expenses for the period	期內全面開支總額	(111,238)	(46,119)	(85,453)	(13,728)
Attributable to:	歸屬於：				
– Shareholders of the Company	– 本公司股東	(109,993)	(45,523)	(84,083)	(13,673)
– Non-controlling interests	– 非控股權益	(1,245)	(596)	(1,370)	(55)
Total comprehensive expenses for the period	期內全面開支總額	(111,238)	(46,119)	(85,453)	(13,728)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

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

The results of subsidiaries acquired or disposed of during the period are included in the condensed consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All significant intra-group transactions and balances within the Group have been eliminated on consolidation.

The consolidated third quarterly results have not been audited by the Company’s auditor, but have been reviewed by the Company’s audit committee.

The accounting policies adopted in preparing the unaudited consolidated third quarterly results are consistent with those adopted in the preparation of the annual audited financial statements for the year ended 31 December 2017, except for the changes in accounting policies due to the revised HKFRSs and HKASs as described below.

The Group has adopted the following revised HKFRSs and HKASs for the first time for the current period’s financial information:

HKFRS 9 (2014)	Financial Instruments	1 January 2018
HKFRS 15	Revenue from Contracts with customers	1 January 2018
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions	1 January 2018
Amendments to HKAS 40	Transfers of investment Property	1 January 2018

Except as described below for the HKFRS 9 and HKFRS 15, the directors of the Company considered that the application of the other new and revised HKFRSs and HKASs do not have material impact on the Group’s consolidated financial results.

1. 編製基準及會計政策變動

該等未經審核綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之所有適用香港財務報告準則(「香港財務報告準則」)(為所有適用個別香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋之統稱)、香港公認會計原則以及香港公司條例之規定編製。該等綜合財務報表亦遵守GEM上市規則之適用披露條文。

期內所收購或出售附屬公司之業績自收購生效日期起或直至出售生效日期止(倘適用)在簡明綜合收益表列賬。

本集團內部之所有集團內公司間重大交易及結餘已於綜合賬目時對銷。

綜合第三季度業績並無經本公司核數師審核，惟已經本公司審核委員會審閱。

除因下文所述之經修訂香港財務報告準則及香港會計準則導致會計政策變動外，編製未經審核綜合第三季度業績時所採用之會計政策與編製截至二零一七年十二月三十一日止年度之經審核年度財務報表所採用者一致。

本集團已就本期間之財務資料首次採納下列經修訂香港財務報告準則及香港會計準則：

香港財務報告準則第9號 (二零一四年)	金融工具	二零一八年一月一日
香港財務報告準則第15號	來自客戶合約之收益	二零一八年一月一日
香港財務報告準則第2號 (修訂本)	以股份支付交易之分類及計量	二零一八年一月一日
香港會計準則第40號 (修訂本)	轉讓投資物業	二零一八年一月一日

除下文就香港財務報告準則第9號及香港財務報告準則第15號所闡述者外，本公司董事認為應用其他新訂及經修訂香港財務報告準則及香港會計準則不會對本集團之綜合財務業績造成重大影響。



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

The adoption of HKFRS 9 resulted in the following changes to the Group's accounting policies:

Financial assets

The Group classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

A financial asset is measured at amortised cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial liabilities

Financial liabilities continue to be measured at either amortised cost or fair value through profit or loss ("FVTPL"). The criteria for designating a financial liability at FVTPL by applying the fair value option remains unchanged.

Changes in the fair value of financial liabilities designated at FVTPL, that are attributable to changes in the instrument's credit risk, are now presented in other comprehensive income.

Impairment

The HKFRS 9 impairment requirements are based on an expected credit loss model, replacing the incurred loss methodology model under HKAS 39. Key changes in the Group's accounting policy for impairment of financial assets are listed below.

The Group applies simplified approach to measure expected credit losses ("ECL") on accounts receivable; and general approach to measure ECL on loans.

Under the simplified approach, the Group measures the loss allowance at an amount equal to lifetime ECL.

1. 編製基準及會計政策變動(續)

採納香港財務報告準則第9號導致本集團會計政策出現下列變動：

金融資產

本集團按照其後以攤銷成本或公平值計量分類其金融資產，當中乃視乎本集團管理其金融資產之業務模式及該金融資產的合約現金流量特徵而定。

只有符合下列兩項條件，方會按攤銷成本計量金融資產：

- 其乃於目標為持有資產以收取合約現金流量之業務模式中持有；及
- 金融資產之合約條款指純粹支付本金及利息的合約現金流量。

金融負債

金融負債繼續按攤銷成本或按公平值計入損益(「按公平值計入損益」)計量。透過採用公平值選項指定一項金融負債按公平值計入損益的標準維持不變。

指定按公平值計入損益之金融負債之公平值變動倘歸因於工具之信貸風險改變，現時於其他全面收益呈列。

減值

香港財務報告準則第9號之減值規定乃以預期信用損失模式為基準，取代香港會計準則第39號的已產生虧損方法模式。本集團有關金融資產減值的會計政策主要變動如下。

本集團應用簡易方法計量應收款項的預期信用損失(「預期信用損失」)，並應用一般方法計量貸款的預期信用損失。

根據簡易方法，本集團按相等於生命週期的預期信用損失金額計量虧損撥備。



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Impairment (Continued)

Under the general approach, financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL – not credit-impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL – credit-impaired

Exposures are assessed as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit-impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

The Group assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, remaining term to maturity and other relevant factors.

1. 編製基準及會計政策變動(續)

減值(續)

按照一般方法，金融資產乃根據自初步確認後的信貸風險變動，透過下列三個階段予以轉撥：

第1階段：十二個月的預期信用損失

就自初步確認後的信貸風險並無顯著增加，且於產生時並無信貸減值的情況而言，乃將與未來十二個月出現違約事件的可能性有關的生命周期預期信用損失部分予以確認。

第2階段：生命周期的預期信用損失—並無信貸減值

至於自初步確認後的信貸風險顯著增加，惟並無信貸減值的情況，乃確認生命周期的預期信用損失，即反映金融資產剩餘生命周期。

第3階段：生命周期的預期信用損失—信貸減值

當發生會對該資產估計未來現金流量造成不利影響的一項或多項事件，則有關情況會被評定為出現信貸減值。就已出現信貸減值的情況而言，會確認生命周期的預期信用損失，並透過於攤銷成本(扣除撥備，而非賬面總值)應用實際利率，以計算利息收入。

於各報告日期，本集團會將由報告日期至初步確認日期的預計生命周期內發生的違約風險比較，以評估自初步確認以來信貸風險是否顯著增加。本集團就此會考慮相關及毋須支付過多成本或努力而已可得的合理及具支持理據的資料，當中包括量化及質化資料以及前瞻性分析。

本集團按個別或集體基準評估信貸風險是否顯著增加。就集體評估減值而言，本集團按共享信貸風險特徵之基準，並考慮到工具類別、距離到期之剩餘年期及其他相關因素，將金融工具分門別類。



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Impairment (Continued)

Stage 3: Lifetime ECL – credit-impaired (Continued)

The amount of ECL is measured as the probability-weighted present value of all cash shortfalls over the expected life of the financial asset discounted at its original effective interest rate. The cash shortfall is the difference between all contractual cash flows that are due to the Group and all the cash flows that the Group expects to receive. The amount of the loss is recognised using a provision for doubtful debts account.

If, in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the provision for doubtful debts reverts from lifetime ECL to 12-months ECL.

Set out below are disclosures relating to the impact of the adoption of HKFRS 9 on the Group:

(i) Classification and measurement of financial instruments

On 1 January 2018, the Group's management has assessed which business models apply to the financial assets held by the Group at the date of initial application of HKFRS 9 (1 January 2018) and has classified its financial instruments into the appropriate HKFRS 9 categories.

As a result, all financial assets classified as loans receivables under HKAS 39 has been classified as amortised cost under HKFRS 9. Also, all financial assets previously classified as FVTPL remain classified as FVTPL under HKFRS 9.

1. 編製基準及會計政策變動(續)

減值(續)

第3階段：生命周期的預期信用損失－信貸減值(續)

預期信用損失的金額乃計量為按其原實際利率貼現的金融資產預計年期內所有現金不足額的可能性加權現值。現金不足額為所有結欠本集團的合約現金流量與本集團預期將收取的所有現金流量兩者的差額。虧損金額採用呆賬撥備確認。

倘於往後期間，信貸質素改善及撥回任何早前所評估自產生以來信貸風險的顯著增長，則將呆賬撥備由生命周期的預期信用損失恢復為十二個月的預期信用損失。

下文披露採納香港財務報告準則第9號對本集團的影響：

(i) 金融工具的分類及計量

於二零一八年一月一日，本集團管理層已評估於初步應用香港財務報告準則第9號之日(二零一八年一月一日)應就本集團所持有金融資產採用何種商業模式，並將其金融工具分類為香港財務報告準則第9號項下適當的類別。

因此，所有按照香港會計準則第39號分類為應收貸款的金融資產已根據香港財務報告準則第9號歸類為攤銷成本。此外，根據香港財務報告準則第9號，所有早前分類為按公平值計入損益的金融資產仍然歸類為按公平值計入損益。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

Impairment (Continued)

- (ii) Reconciliation of statement of financial position balances from HKAS 39 to HKFRS 9

For financial assets subject to ECL impairment, the carrying amounts in accordance with HKAS 39 has been remeasured upon transition to HKFRS 9 on 1 January 2018. The reconciliation of carrying amount in accordance with HKAS 39 and HKFRS 9 is as follows:

1. 編製基準及會計政策變動(續)

減值(續)

- (ii) 由香港會計準則第39號過渡至香港財務報告準則第9號的財務狀況表結餘對賬
就面對預期信用損失減值的金融資產而言，按照香港會計準則第39號計算的賬面值已於二零一八年一月一日過渡至香港財務報告準則第9號時重新計量。根據香港會計準則第39號與香港財務報告準則第9號計算的賬面值對賬如下：

		HKAS 39 carrying amount as at 31 December 2017 於二零一七年 十二月三十一日 按照香港會計 準則第39號 計算的賬面值 HK\$'000 千港元	Remeasurement (ECL allowance) 重新計量 (預期信用 損失撥備) HK\$'000 千港元	HKFRS 9 carrying amount as at 1 January 2018 於二零一八年 一月一日 按照香港財務 報告準則第9號 計算的賬面值 HK\$'000 千港元
Loan and interest receivables	應收貸款及利息	902	(8)	894
Trade and other receivables	貿易及其他應收款項	40,091	(1,802)	38,289
Cash and cash equivalents	現金及現金等價物	13,947	-	13,947



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

1. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (CONTINUED)

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use 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:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: 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 considers the revenue recognition results for the revenue sources of the Group (i.e. revenue from trading, property development and investment, money lending, cemetery and mobile application) are consistent between under HKFRS 15 and HKAS 18. As a result, no reconciliation from HKAS 18 to HKFRS 15 is presented.

1. 編製基準及會計政策(續)

香港財務報告準則第15號來自客戶合約之收益

香港財務報告準則第15號制定單一全面模式，供實體用以將來自客戶合約產生之收益入賬。於香港財務報告準則第15號生效後，其將取代現時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所確認描述向客戶轉讓承諾貨品或服務之收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入確認收益之五個步驟：

- 第一步：識別與客戶之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於實體完成履約責任時(或就此)確認收益

根據香港財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確之指引。此外，香港財務報告準則第15號要求更詳盡之披露資料。

本公司董事認為本集團收益來源(即來自貿易、物業發展及投資、放債、公墓及手機應用程式之收益)之收益確認結果根據香港財務報告準則第15號與香港會計準則第18號計量為一致。因此，概無呈列由香港會計準則第18號過渡至香港財務報告準則第15號之對賬。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

2. REVENUE, OTHER INCOME AND OTHER GAINS AND LOSSES

During the Period, the Group's revenue was generated from trading, property development and investment, money lending, cemetery and mobile application. On 21 April 2017, the Group entered into an agreement to dispose of the travel agency service business. The disposal was completed on 8 May 2017. As a result, the revenue from the provision of travel agency services was included in discontinued operations for the nine months ended 30 September 2017 and presented in discontinued operation.

Revenue recognised during the reporting periods is as follows:

2. 收益、其他收入以及其他收益及虧損

於本期間，本集團之收益來自貿易、物業發展及投資、放債、公墓以及手機應用程式。於二零一七年四月二十一日，本集團就出售旅遊代理服務業務訂立協議。該出售事項已於二零一七年五月八日完成。因此，截至二零一七年九月三十日止九個月，提供旅遊代理服務的收益於已終止業務入賬，並已於終止業務呈列。

於報告期內確認之收益如下：

		Unaudited Nine months ended 30 September 未經審核 截至九月三十日止九個月		Unaudited Three months ended 30 September 未經審核 截至九月三十日止三個月	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
Revenue from continuing operations	持續經營業務收益				
Trading	貿易	-	25,399	-	-
Property development and investment	物業發展及投資	820	1,263	264	421
Money lending	放債	29	918	-	228
Cemetery	公墓	54	-	54	-
Mobile application	手機應用程式	-	-	-	-
Sub-total	小計	903	27,580	318	649
Revenue from discontinued operation	已終止業務之收益				
Travel agency services	旅遊代理服務	-	9,001	-	-
Sub-total	小計	-	9,001	-	-
Total revenue	收益總額	903	36,581	318	649
Other income and other gains and losses	其他收入以及其他收益及虧損				
Gain on disposal of subsidiaries	出售附屬公司之收益	-	505	-	-
Sundry income	雜項收入	-	10	-	-
Interest income	利息收入	2	30	-	7
Loss on fair value change of derivative asset – put option	衍生資產 – 認沽期權之公平值變動虧損	-	(5,055)	-	(2,317)
Loss on disposal of plant and equipment	出售廠房及設備虧損	-	(400)	-	(400)
Reversal of impairment provision of trade and other receivables	貿易及其他應收款項減值撥備撥回	1,173	-	-	-
Total	總計	1,175	(4,910)	-	(2,710)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

3. SEGMENTAL INFORMATION

The Group's operating activities are carried out in Hong Kong, the People's Republic of China (the "PRC") and the Republic of Turkey ("Turkey").

An analysis of the Group's revenues and results by business segments is as follows:

(i) For the nine months ended 30 September 2018 (Unaudited)

3. 分部資料

本集團之經營業務均於香港、中華人民共和國(「中國」)及土耳其共和國(「土耳其」)進行。

本集團收益及業績按業務分部分析如下：

(i) 截至二零一八年九月三十日止九個月(未經審核)

		Continuing operations 持續經營業務					Discontinued operation 已終止業務		Total 總計 HK\$'000 千港元
		Trading 貿易 HK\$'000 千港元	Property development and investment 物業發展及投資 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Cemetery 公墓 HK\$'000 千港元	Mobile application 手機應用程式 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Travel agency services 旅遊代理服務 HK\$'000 千港元	
Segment revenue from external customers 來自外部客戶之 分部收益		-	820	29	54	-	903	-	903
Segment (losses)/profit 分部(虧損)/溢利		(636)	(256)	29	(71,954)	410	(72,407)	-	(72,407)
Unallocated corporate income 未分配企業收入							1,173	-	1,173
Unallocated corporate expenses 未分配企業開支							(17,857)	-	(17,857)
Finance costs 融資成本							(11,883)	-	(11,883)
Loss before taxation 除稅前虧損							(100,974)	-	(100,974)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

3. SEGMENTAL INFORMATION (CONTINUED)

3. 分部資料(續)

(ii) For the nine months ended 30 September 2017
(Unaudited) (Restated)

(ii) 截至二零一七年九月三十日止九個月
(未經審核)(經重列)

	Continuing operations 持續經營業務						Discontinued operation 已終止業務		Total 總計 HK\$'000 千港元 (Restated) (經重列)
	Trading 貿易 HK\$'000 千港元	Property development and investment 物業發展及投資 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Cemetery 公墓 HK\$'000 千港元	Mobile application 手機應用程式 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元 (Restated) (經重列)	Travel agency services 旅遊代理服務 HK\$'000 千港元		
Segment revenue from external customers 來自外部客戶之分部收益	25,399	1,263	918	-	-	27,580	9,001	36,581	
Segment (losses)/profit 分部(虧損)/溢利	(3,709)	765	911	(4,393)	5,115	(1,311)	(14)	(1,325)	
Unallocated corporate income 未分配企業收入						545	-	545	
Unallocated corporate expenses 未分配企業開支						(26,651)	-	(26,651)	
Finance costs 融資成本						(23,236)	-	(23,236)	
Loss before taxation 除稅前虧損						(50,653)	(14)	(50,667)	

4. FINANCE COSTS

4. 融資成本

	Unaudited Nine months ended 30 September 未經審核 截至九月三十日止九個月 2018 二零一八年 HK\$'000 千港元		Unaudited Three months ended 30 September 未經審核 截至九月三十日止三個月 2018 二零一八年 HK\$'000 千港元	
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Continuing operations 持續經營業務				
Interest on convertible notes 可換股票據利息	5,369	10,239	1,103	4,466
Interest on promissory notes 承兌票據利息	2,496	9,178	782	1,977
Interest on short-term loans 短期貸款利息	3,997	3,803	1,462	1,057
Others 其他	21	16	7	8
	11,883	23,236	3,354	7,508

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

5. LOSS BEFORE TAXATION

Loss before taxation from continuing operations has been arrived at after charging:

5. 除稅前虧損

持續經營業務之除稅前虧損經扣除下列各項後達致：

	Unaudited Nine months ended 30 September 未經審核 截至九月三十日止九個月		Unaudited Three months ended 30 September 未經審核 截至九月三十日止三個月	
	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of inventories recognised as expense 確認為開支之存貨成本	-	24,922	-	65
Amortisation of intangible assets 無形資產攤銷	2,463	2,990	702	733
Depreciation 折舊	2,027	2,258	722	769
Operating lease charges in respect of property rentals 物業租金之經營租賃支出	1,147	1,717	222	563
Staff costs including directors' emoluments 員工成本(包括董事酬金)	7,936	10,395	2,166	3,185
Impairment loss on intangible asset (Note) 無形資產減值虧損(附註)	68,229	-	68,229	-

Note: Impairment loss on intangible asset

During the period ended 30 September 2018, the Group performed impairment review for the operating right of the Cemetery Segment based on cash flow forecasts derived from the most recent financial budgets for the period of the useful life of the Group's cemetery.

An impairment loss of approximately HK\$68,229,000 on the operating right was recognised in the statement of profit or loss during the period ended 30 September 2018 (2017: nil) due to (i) parts of related facilities had been under construction which affected the sales process and (ii) certain unfavourable business condition were identified.

附註：無形資產減值虧損

於截至二零一八年九月三十日止期間，本集團已根據最近期本集團之公墓使用年期期間之財務預算之現金流量預測對公墓分部經營權進行減值測試。

於截至二零一八年九月三十日止期間，已於損益表內確認經營權減值虧損約68,229,000港元(二零一七年：無)，此乃由於(i)部分相關設施仍在重置中，影響銷售；及(ii)發現若干業務環境不利因素。

6. TAXATION

No provision for Hong Kong Profits Tax has been made as the Group has no estimated assessable profits arising in Hong Kong during the reporting periods. PRC Enterprise Income Tax is computed according to the relevant legislation, interpretations and practices in respect thereof during the reporting periods. The applicable PRC income tax rate is 25%.

6. 稅項

由於本集團於報告期並無於香港產生任何估計應課稅溢利，因此並無就香港利得稅作出撥備。於報告期，中國企業所得稅根據相關法律、詮釋及慣例計算。適用之中國企業所得稅率為25%。



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

7. DISCONTINUED OPERATIONS

Argos Group

On 21 April 2017, the Company as vendor and Ringloma Limited (“Ringloma”) as purchaser entered into an agreement, pursuant to which Ringloma has conditionally agreed to acquire for and the Company has conditionally agreed to dispose of the 100% of the issued share capital of Argos (China) Investment Limited (“Argos”) and all obligations, liabilities and debts owing or incurred by Argos and its subsidiaries to the Group at the consideration of HK\$2,000,000 to be settled by way of setting off a loan amounting to HK\$2,000,000 that the Group previously granted by Ringloma. Upon completion, Argos and its subsidiaries will cease to be subsidiaries of the Group and their financial results will no longer be consolidated into the financial results of the Group. The disposal was completed on 8 May 2017.

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

8. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to shareholders of the Company of HK\$99,961,000 (2017: HK\$49,444,000 (restated)) and the weighted average of 1,728,226,807 (2017: 1,596,358,675) shares in issue during the period.

The diluted loss per share for the period is equal to the basic loss per share as the outstanding convertible notes were anti-dilutive.

7. 已終止業務

雅高集團

於二零一七年四月二十一日，本公司(作為賣方)與詠麟有限公司(「詠麟」，作為買方)訂立協議，據此，詠麟有條件同意收購而本公司有條件同意出售雅高(中國)投資控股有限公司(「雅高」)全部已發行股本以及雅高及其附屬公司結欠本集團或對其產生之一切責任、負債及債務，代價為2,000,000港元，將透過抵銷本集團先前獲詠麟授出為數2,000,000港元之貸款之方式償付。於完成後，雅高及其附屬公司將不再為本集團之附屬公司，其財務業績將不再綜合計入本集團之財務業績內。該出售事項已於二零一七年五月八日完成。

有關詳情載於本公司日期為二零一七年四月二十一日及二零一七年五月八日之公佈。

8. 每股虧損

每股基本虧損乃根據期內本公司股東應佔虧損99,961,000港元(二零一七年：49,444,000港元(經重列))及已發行股份加權平均數1,728,226,807股(二零一七年：1,596,358,675股)計算。

由於尚未行使可換股票據具反攤薄影響，故期內之每股攤薄虧損相等於每股基本虧損。

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

9. CAPITAL AND RESERVES (UNAUDITED)

9. 資本及儲備(未經審核)

		Share capital	Exchange reserve	Statutory reserve	Convertible note reserve	Other reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	匯兌儲備	法定儲備	票據儲備	其他儲備	累計虧損	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2017 (audited)	於二零一七年一月一日 (經審核)	959,333	(4,167)	53	3,433	44	(776,881)	181,815	12,667	194,482
Loss for the period (restated)	期內虧損(經重列)	-	-	-	-	-	(49,444)	(49,444)	(1,223)	(50,667)
Share of exchange difference on associates	分佔聯營公司之匯兌差額	-	107	-	-	-	-	107	-	107
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	3,814	-	-	-	-	3,814	627	4,441
Total comprehensive income/(expenses) for the period	期內全面收入/(開支)總額	-	3,921	-	-	-	(49,444)	(45,523)	(596)	(46,119)
Issue of convertible notes	發行可換股票據	-	-	-	3,439	-	-	3,439	-	3,439
Issue of placed shares	發行配售股份	41,160	-	-	-	-	-	41,160	-	41,160
Issue of shares upon conversion of convertible notes	兌換可換股票據後發行股份	14,851	-	-	(603)	-	-	14,248	-	14,248
Disposal of subsidiaries	出售附屬公司	-	(83)	(53)	-	-	136	-	84	84
As at 30 September 2017 (restated)	於二零一七年九月三十日 (經重列)	1,015,344	(329)	-	6,269	44	(826,189)	195,139	12,155	207,294
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	1,015,341	(794)	-	6,185	44	(843,789)	176,987	10,354	187,341
HKFRS 9 adjustment on accumulated losses	香港財務報告準則第9號就累計虧損作出調整	-	-	-	-	-	(1,811)	(1,811)	-	(1,811)
Loss for the period	期內虧損	-	-	-	-	-	(99,961)	(99,961)	(1,013)	(100,974)
Share of exchange difference on associates	分佔聯營公司之匯兌差額	-	(8,266)	-	-	-	-	(8,266)	-	(8,266)
Exchange difference on translation of financial statements of overseas subsidiaries	換算海外附屬公司財務報表之匯兌差額	-	(1,766)	-	-	-	-	(1,766)	(232)	(1,998)
Acquisition of additional interests in a subsidiary	收購一間附屬公司額外權益	-	-	-	-	-	(61)	(61)	61	-
Total comprehensive expenses for the period	期內全面開支總額	-	(10,032)	-	-	-	(100,022)	(110,054)	(1,184)	(111,238)
Issue of shares upon conversion of convertible notes	兌換可換股票據後發行股份	72,670	-	-	(2,752)	-	-	69,918	-	69,918
As at 30 September 2018	於二零一八年九月三十日	1,088,011	(10,826)	-	3,433	44	(945,622)	135,040	9,170	144,210

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

簡明綜合財務報表附註

10. SHARE CAPITAL

10. 股本

		As at 30 September 2018 於二零一八年 九月三十日		As at 31 December 2017 於二零一七年 十二月三十一日	
		Number of shares 股份數目 '000 千股 (Unaudited) (未經審核)	Amount 金額 HK\$'000 千港元 (Unaudited) (未經審核)	Number of shares 股份數目 '000 千股 (Audited) (經審核)	Amount 金額 HK\$'000 千港元 (Audited) (經審核)
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日	1,637,677	1,015,341	1,502,677	959,333
Issue of placed share	發行配售股份	-	-	100,000	41,160
Issue of shares upon conversion of convertible notes	兌換可換股票據後 發行股份	165,000	72,670	35,000	14,848
At the end of period	於期末	1,802,677	1,088,011	1,637,677	1,015,341

11. DIVIDEND

The Directors do not recommend any payment of interim dividend for the nine months ended 30 September 2018 (2017: Nil).

11. 股息

董事不建議就截至二零一八年九月三十日止九個月派付任何中期股息(二零一七年：無)。

12. SUBSEQUENT EVENT

References is made to the announcements of the Company dated 6 June 2017, 6 November 2017, 6 December 2017, 26 February 2018, 3 July 2018, 20 August 2018, 24 August 2018, 19 September 2018 and the circular of the Company dated 10 August 2018 and the Supplemental Circular (the "Supplemental Circular") of the Company dated 4 September 2018 in relation to the acquisition of an additional 30% equity interest (the "Further Acquisition") of Boyracı Yapı İnssaat Taahhüt Gayrimenkul Yatırım Anonim Sirketi ("Boyracı Construction").

Subsequent to the end of the reporting period, all the conditions precedent under the sale and purchase agreement have been fulfilled and completion of the Further Acquisition of Boyracı Construction took place on 1 October 2018 (the "Completion Date"). This involves (i) the issue of Promissory Note A with a principal amount of USD1,938,770 on the Completion Date; and (ii) the issue of Promissory Note B as deferred consideration with a principal amount up to USD1,111,230. For details, please refer to the Supplemental Circular of the Company.

12. 其後事項

茲提述本公司日期為二零一七年六月六日、二零一七年十一月六日、二零一七年十二月六日、二零一八年二月二十六日、二零一八年七月三日、二零一八年八月二十日、二零一八年八月二十四日、二零一八年九月十九日之公佈及本公司日期為二零一八年八月十日之通函及本公司日期為二零一八年九月四日之補充通函(「補充通函」)，內容有關收購Boyracı Yapı İnssaat Taahhüt Gayrimenkul Yatırım Anonim Sirketi(「Boyracı Construction」)額外30%股權(「進一步收購事項」)。

於報告期末後，買賣協議項下之所有先決條件已達成，而Boyracı Construction的進一步收購事項已於二零一八年十月一日(「完成日期」)完成。其涉及(i)於完成日期發行本金額為1,938,770美元之承兌票據A；及(ii)發行本金額為最多1,111,230美元之承兌票據B作為遞延代價。有關詳情，請參考本公司之補充通函。



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

12. SUBSEQUENT EVENT (CONTINUED)

Following the completion of the Further Acquisition, Boyracı Construction has become an indirect 60%-owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated and accounted for as a subsidiary in the financial statements of the Group.

12. 其後事項(續)

於進一步收購事項完成後，Boyracı Construction已成為本公司擁有60%權益之間接附屬公司，而其財務業績、資產及負債將於本集團財務報表按附屬公司綜合入賬。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Operational Review and Prospect

For the nine months ended 30 September 2018 (the “Period”), the Group recorded revenue from continuing operations of approximately HK\$903,000 (2017: approximately HK\$27,580,000 (restated)). The Group’s loss attributable to shareholders increased to approximately HK\$99,961,000 for the Period (2017: approximately HK\$49,444,000 (restated)). Such increase in the loss was mainly attributable to the impairment loss on intangible asset of approximately HK\$68,229,000 (2017: nil).

Trading Business

During the Period, no revenue was generated from the trading business (2017: approximately HK\$25,399,000). The significant decrease in revenue was primarily owing to the increasing market competition and volatile commodity price during the Period that narrowed the gap between the asking and bidding prices of coal that made the trading margin perilously thin. As a result, the Group inclined to be cautious and prudent in the matching of transactions between suppliers and customers to mitigate the trading risk. Furthermore, despite the effort that the Group put in to obtain banking facilities for further development of the trading business, the Group has yet to reach any facility agreements that could fit the needs of the trading business with acceptable and reasonable terms and costs, mainly due to the narrow profitability of the existing commodities of the Group. In order to improve the profitability of the trading business, we will continue to develop the trading business through diversifying the source for commodities.

The Group has imported a batch of Onyx Marbles, a type of construction materials from Turkey to the People’s Republic of China (the “PRC”). Although no sales has been recorded during the Period, this batch of Onyx Marbles is ready for sales and marketing. We will continue to assess the market appeal of the Onyx Marbles and seek for the opportunity of increasing the volume of purchase in the next batch of shipping, as the economies of scale is key to improve the gross profit of the trading of Onyx Marbles.

Property Development and Investment

The Group holds commercial properties located in Hong Kong for investment purpose to earn rental income and with a view to capture any possible future capital appreciation. During the Period, approximately HK\$820,000 of rental income was received from tenants (2017: approximately HK\$1,263,000).

營運回顧及前景

截至二零一八年九月三十日止九個月（「本期間」），本集團錄得來自持續經營業務之收益約903,000港元（二零一七年：約27,580,000港元（經重列））。本期間股東應佔本集團虧損增加至約99,961,000港元（二零一七年：約49,444,000港元（經重列））。有關虧損增加主要來自無形資產減值虧損約68,229,000港元（二零一七年：無）。

貿易業務

本期間，貿易業務概無產生收益（二零一七年：約25,399,000港元）。收益顯著減少主要由於本期間市場競爭加劇及商品價格反覆波動使煤炭掛牌底價與掛牌價格之間價格差異縮小，導致貿易利潤十分薄弱所致。因此，本集團在配對供應商與客戶之交易時傾向持審慎態度，以降低貿易風險。此外，儘管本集團盡力尋求銀行融資以支持貿易業務之未來發展，惟本集團尚未獲得任何可滿足貿易業務需求且其條款及成本可接受及合理之融資協議，此乃主要由於本集團現有商品之盈利能力有限。為提升貿易業務之盈利能力，我們將繼續透過拓展商品來源以發展貿易業務。

本集團已進口一批土耳其瑪瑙大理石（為一種建築材料）到中華人民共和國（「中國」）。儘管本期間並無錄得銷售，惟該批瑪瑙大理石已預備進行銷售及市場推廣。我們將繼續評估瑪瑙大理石之市場吸引力及尋求增加下一批運輸貨物購買量之機遇，原因是規模經濟是提升瑪瑙大理石貿易毛利之關鍵。

物業開發及投資

本集團持有位於香港之商業物業作投資用途，以收取租金收入及把握任何未來資本增值機會。本期間，已向租戶收取約820,000港元之租賃收入（二零一七年：約1,263,000港元）。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

The Group continued to expand its business in building construction, property development, trading of construction materials and the related consultancy services. Having acquired 30% equity interest in Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi (“Boyracı Construction”), a company incorporated in Turkey that principally engaged in the construction, contracting works and rental of residential properties, in 2016, the Group has gathered confidence in the potential of the property development market in Turkey. Thus, the Group entered into an agreement to acquire a further 30% equity interest in Boyracı Construction in 2017 in a bid to further capture its bright potential business development. The transaction was completed on 1 October 2018. Details refer to note 12 in the Third Quarterly Report 2018.

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

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

Cemetery Business

The Group has been engaged in the operation of a cemetery located in Zhecheng County in Henan Province of PRC (the “Cemetery”). The Cemetery has obtained the operating right for a term up to 1 July 2050 and the required operating permit, subject to annual renewal for the permission to operate the cemetery.

During the period ended 30 September 2018, an impairment loss of approximately HK\$68,229,000 on the intangible asset – operating right was recognised in the statement of profit or loss (2017: nil) due to (i) parts of related facilities had been under construction which affected the sales process and (ii) certain unfavourable business condition were identified.

本集團繼續拓展樓宇建造、物業開發、建築材料買賣及相關諮詢服務業務。於二零一六年收購於土耳其註冊成立之公司Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi(「Boyracı Construction」)(主要從事建築、承包工程及住宅物業租賃業務) 30%股權後，本集團對土耳其物業開發市場之潛力抱持信心。因此，本集團已於二零一七年訂立一份協議，收購Boyracı Construction額外30%股權，以進一步把握其亮麗之業務發展潛力。是項交易已於二零一八年十月一日完成。有關詳情請參閱二零一八年第三季度報告附註12。

憑藉於土耳其房地產開發方面之專業知識，本集團亦有意成為物業買賣商及顧問，以於未來提供物業開發相關服務。本集團已進行協商，以為一項開發公共及私人住宅之項目提供相關服務。本公司將於必要時另行刊發公佈。

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

公墓業務

本集團一直從事經營位於中國河南省柘城縣之公墓(「公墓」)。公墓已取得於二零五零年七月一日到期之經營權，並已獲取所需營運許可證，每年須予重續以經營公墓。

截至二零一八年九月三十日止期間，已於損益表內確認無形資產減值虧損－經營權約68,229,000港元(二零一七年：無)，此乃由於(i)部分相關設施仍在重置中，影響銷售；及(ii)發現若干業務環境不利因素。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

The Operations of the Cemetery Business Segment

The progress of the Cemetery Business Segment has fallen behind the original schedule as described in the circular of the Company dated 7 November 2015. Although the reallocation and demolition of old graves took excessive time than originally expected, this task has been completed. However, the construction of the cemetery and the related facilities have not yet been completed in 2018. The related facilities including the funeral parlor and the cremation machine do not belong to Zhecheng County Xianganling Cemetery (柘城縣襄安陵公墓) (the “Cemetery Operator”), the operator of the Cemetery Business Segment. The operation of funeral parlor and cremation machine are governed and owned by the civil affairs bureau of Zhecheng Government. The Cemetery Operator received a letter in early August of 2018 from the funeral parlor that the funeral parlor operating party has been communicated with the local government about the refurbishment plan. As the funeral parlor and the cremation machine had gone through many repairs in the past two years and were not available for use most of the time in 2018, the Cemetery Operator considers that this is likely the main reason for the intention of the funeral parlor to refurbish the funeral parlor and the cremation machine to improve the facilities. The Cemetery Operator understands that fund for refurbishment of funeral parlor and cremation machine estimated to be RMB14,000,000 is sourced from the local government bureau’s internal budget. In general, once there is plan to refurbish the funeral parlor and cremation machine, local government bureau would invite contractors to submit tenders. In reference to “Zhe Fa Gai Tou Zi (2018) No.8” (柘發改投資(2018)8號), it was announced in the Zhecheng Government’s website dated 29 August 2018 that the funeral parlor shall commence the construction in 2018 and shall complete in 2019. The Cemetery Operator observed that as of early October 2018, the local funeral parlor and cremation machine have been demolished evidencing that the funeral parlor operating entity may have commenced the refurbishment project. The Cemetery Operator is in the progress in obtaining further news from the funeral parlor operating entity and the local civil affairs bureau or department as to the stage of refurbishment plan and the expected completion date. Prior to the completion of the refurbishment plan, the Cemetery Operator does not expect that the business operation of the Cemetery Business Segment will show significant improvement.

公墓業務分部之營運

誠如本公司日期為二零一五年十一月七日之通函所述，公墓業務分部之進度已落後於原定時間表。儘管將現有墓地搬遷及拆卸所花費之時間比原先預期長，但該項任務已告完成。然而，公墓及相關設施之建設於二零一八年尚未完成。殯儀館及火化機等相關設施並不屬於公墓業務分部經營者柘城縣襄安陵公墓（「公墓經營者」）。殯儀館及火化機之經營受柘城政府之民政局規管及擁有。公墓經營者於二零一八年八月初收到殯儀館之函件，稱殯儀館經營方已與當地政府就整修計劃進行了溝通。由於殯儀館及火化機在過去兩年經歷多次維修，於二零一八年大部分時間均無法使用，公墓經營者認為這很有可能是殯儀館擬整修殯儀館及火化機以改善設施之主要原因。公墓經營者了解到，殯儀館及火化機之估計整修資金人民幣14,000,000元來自當地政府部門之內部預算。一般而言，一旦有計劃整修殯儀館及火化機，當地政府部門會邀請承包商提交標書。經參考《柘發改投資(2018) 8號》，柘城政府網站已於二零一八年八月二十九日公佈，殯儀館將於二零一八年開始動工，並將於二零一九年竣工。公墓經營者注意到，截至二零一八年十月初，當地殯儀館及火化機已被拆除，證明殯儀館經營單位可能已開始整修項目。公墓經營者正在向殯儀館經營單位及當地民政局或部門獲取關於整修計劃階段及預期完工日期之進一步消息。於整修計劃完成前，公墓經營者預計公墓業務分部之業務運營不會有顯著改善。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

The Cemetery

The location of the Cemetery is in the remote area outside Zhecheng County and it is not well known locally. Zhecheng County is a small county with a population of about 695,000 in 2017. Rate of cremation in Henan Province is less than 20% of the total deceased population in 2017 and has decreased by 53% when compared to the figure found in 2012.

It is under the Funeral Management Regulations (《殯葬管理條例》) released in 2005 that the deceased should be cremated for burial if there is cremation facility closed by. Although the local government has been educating the local community to have cremation service but law reinforcement may not be as effective. There is still strong cultural influence that burying without cremation is preferred and spending large amount of money to have lavish cemetery units for the deceased may be beyond the reach of most of the locals. At present, the unstable availability of the funeral parlor and cremation machine during the past two years and its recent demolition, and the lack of one-stop service would make it even more difficult to attract local community to use the Cemetery in the near future. The Company is considering to improve its sale of cemetery units by other measures such as placing advertisement and distribution of leaflets at hospitals or elderly homes to let the local community becoming more aware of the Cemetery.

With the more stringent measures carried out by the government such as the release of Notice of the “Special Remediation Action Plan for Outstanding Problems in the Funeral Area of Henan Province” (《河南省殯葬領域突出問題專項整治行動方案的通知》) dated 7 August 2018. This Notice asked for local government to perform self-review and provide reports for any incompliance to the Civil Affairs Bureau of the Henan Province. If there is any incompliance identified, working group would be formed to examine the conditions, identify issues and facilitate the execution of any solution. In respect of the operation of the cemeteries, land bureau of provinces would provide more resources in dealing with the expropriation of land process. There would be more support from the government to improve local funeral parlor and cremation facilities. With the possible assistance from the local government, the Company shall take more active approach to follow up the transfer of land use right and the demand of cemetery units may reach our expected level in one to two-year time as the Cemetery is the only approved operating entity in Zhecheng County. The Company will allocate more resources to the Cemetery Business Segment should the leasing/sale of cemetery units increase. At the same time, the Company shall strengthen its communication with the funeral parlor operating entity and local civil affairs bureau or department to facilitate the reinstalling of the funeral parlor and cremation machine.

公墓

該公墓位於柘城縣外之偏遠地區，在當地並不為人所知。柘城縣為一座小縣城，二零一七年人口約為695,000人。於河南省二零一七年之總死亡人數中，火葬率不足20%，較二零一二年所錄得數字下降53%。

根據二零零五年頒佈之《殯葬管理條例》，如附近有火化設施的，應對逝者遺體進行火葬。儘管地方政府一直在教育當地社區推行火葬服務，但加強法規未必能見成效。促使人們不選擇火葬之文化影響力仍十分強大，花費大量金錢為逝者購買奢華之公墓龕位對於絕大部分本地人而言，可能是力所不能及之事。目前，殯儀館及火化機在過去兩年之供應並不穩定且近期進行了拆除，加上缺乏一站式服務，使短期內吸引到當地社區使用該公墓變得更加困難。本公司正考慮採取其他措施以增加公墓龕位之銷售，如在醫院或養老院投放廣告及派發傳單，以加深當地社區對該公墓之認識。

隨著政府採取更為嚴格措施，如於二零一八年八月七日刊發《河南省殯葬領域突出問題專項整治行動方案的通知》。該通知要求當地政府進行自行審查及向河南省民政局提供關於任何違規之報告。倘發現到任何違規，將會成立工作小組以查明情況、確認問題及協助落實任何解決方法。有關該等公墓之營運，各省之國土局將於土地徵收之處理過程中提供更多資源。政府將提供更多支持以改善當地殯儀館及火葬設施。於當地政府可能提供之協助下，本公司將更加積極跟進土地使用權轉讓之後續工作，且由於該公墓為柘城縣唯一獲批之經營單位，故於一至兩年內該縣對公墓龕位之需求可能會達致我們預期水平。倘公墓龕位之租賃／銷售有所上升，本公司將分配更多資源至公墓業務分部。與此同時，本公司將加強與殯儀館經營單位及當地民政局或部門之溝通，以加快重建殯儀館及重置火化機。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

In view of the latest unfavourable business condition which may not turn around in very short period of time, the Group is reassessing its position in respect of the Cemetery Business Segment by taking the following measures:

- (a) the Company would maintain the operation without large amount of capital expenditure until the business environment is improved, for example, the completion of the reinstalling of the funeral parlor and cremation machines; and
- (b) the Company has appointed an independent professional valuer to carry out a valuation of the intangible asset in the period of 30 September 2018 which is the operating permit of the Cemetery with reference to the current operating level as it has been below the Group's original schedule as described in the circular of the Company dated 7 November 2015. It has not generated cash flow as originally expected, although it may be temporary, partly affected by the latest development of the demolition of the funeral parlor and cremation machine.

The land use rights of the land on which the Cemetery is situated
The Company has consulted an independent PRC legal professional about the detailed procedures and time estimation in obtaining of the land use rights of the land on which the Cemetery is situated (the "Land"). As advised, there are two processes, namely the expropriation of land and the transfer of land use right. The expropriation of land process should take place before the transfer of land use right process.

The Board has been monitoring the Cemetery Business Segment since the acquisition of the Cemetery and weighing the costs, benefits and relevant risk, before it would take further steps to initiate the transfer of land use right. The Company has been in discussion with the Cemetery Operator on its concern on how to ensure that the Cemetery Operator would obtain the bid at the lowest possible risk and maintain its operating right of the Cemetery. Furthermore, as described above, in view of the less favorable business environment following the acquisition, the Company would like to take its pace to gather more information before making decision on the transfer of the land use right of the Land as the Company would have to pay the land transfer fee and the government levies.

鑒於最近業務環境不利因素於極短期內未能好轉，本集團通過採取下列措施，重新評估對公墓業務分部之定位：

- (a) 本公司將維持營運，但不會耗用大量資本開支，直至業務狀況改善(如已完成重建殯儀館及重置火化機)為止；及
- (b) 本公司已委任獨立專業估值師於二零一八年九月三十日期間對該公墓之無形資產(即營運許可證)進行估值，當中參考了目前營運水平(該水平低於本公司日期為二零一五年十一月七日之通函所述之本集團原定時間表所訂)。其並無如原先所預期產生現金流量，此情況有機會屬暫時性，部分原因是殯儀館及火化機近期被拆除所影響。

該公墓位處土地之土地使用權
本公司已就獲取該公墓位處土地(「該土地」)之土地使用權之詳細手續及估計時間諮詢中國獨立法律專業人士，並獲告知有兩套流程，即土地徵收及土地使用權轉讓。土地徵收流程應在土地使用權轉讓流程之前進行。

董事會於收購該公墓起一直在監察公墓業務分部，且於進一步啟動土地所有權轉讓前一直在權衡成本、裨益及相關風險。本公司已與公墓經營者進行討論，內容有關公墓經營者如何確保其將以最低風險中標並維持該公墓營運權之關注事項。此外，鑒於上述進行收購後之不利業務環境因素，本公司於決定轉讓該土地之土地使用權之前有意加快步伐收集更多資料，原因是本公司將須支付土地轉讓費及政府徵費。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

As provided in the Company's circular of 7 November 2015 regarding the acquisition of the cemetery, the Cemetery Operator and the land use right owner have entered into an agreement for the acquisition of the land use right with the land compensation of RMB250,000 per mu by 31 December 2016. The contract has expired on 31 December 2016 and the land compensation per mu should be re-accessed with reference to the assessment provided by the local land bureau. The Company shall work with the land use right owner to start the land expropriation application as described above.

It shall start the first stage of land expropriation application in the fourth quarter of this year and record the full scales of sales of cemetery units assuming the hostile business condition would turn around, funeral facilities such as the funeral parlor and cremation machine would be reinstalled and land use right would be completed by 2020. Since the completion of the acquisition of the operating right of the cemetery, the Company has sold thirteen units of cemetery units and has received deposits of another nine cemetery units.

With the completion of construction work and obtaining land use right by 2020, it is anticipated that the cemetery will be having better performance in the future.

Money Lending Business

During the Period, Ottoman Evershine Finance Limited, a wholly-owned subsidiary of the Company, has renewed the money lenders license granted by the licensing court in Hong Kong pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). During the Period, the interest income contributed from the money lending business was approximately HK\$29,000 (2017: approximately HK\$918,000). The Group will continue to strengthen the money lending business by broadening the customer base but will adopt a prudent strategy when approving new loans so as to balance the profitability and the credit risk involved.

Before approval of any loan applications, the Group would assess the borrower's credit quality via: 1) reviewing the background and credit history of the borrower; 2) understanding the uses of fund and means of repayment by the borrower; and 3) performing asset check of the borrower. Borrowers shall be offered a fixed rate of interest on the loans on an individual basis depending on each result of credit assessment and collaterals offered by the respective borrowers, if any.

誠如本公司二零一五年十一月七日內容有關收購公墓之通函所述，公墓經營者與土地使用權擁有人訂立協議，以於二零一六年十二月三十一日前以每畝土地補償金額人民幣250,000元收購土地使用權。該合約已於二零一六年十二月三十一日屆滿，而每畝土地補償金額應參考當地國土局提供之評估進行重新評估。誠如上文所述，本公司須與土地使用權擁有人合作以開始土地徵收之申請。

公墓經營者將於本年度第四季度開始第一階段之土地徵收申請，假設惡劣之業務狀況好轉、殯儀館及火化機之殯儀設施能重新安裝，且於二零二零年前取得土地使用權，則本公司可錄得全面之公墓龕位銷售。自收購公墓經營權完成以來，本公司共出售十三個公墓龕位，並已收取另外九個公墓龕位之按金。

於二零二零年建設工程竣工及取得土地使用權後，預期公墓於未來將有較佳表現。

放債業務

本期間，本公司全資附屬公司奧斯曼財務有限公司已根據香港法例第163章放債人條例重續香港牌照法庭授予之放債人牌照。本期間，放債業務貢獻之利息收入約為29,000港元（二零一七年：約918,000港元）。本集團將繼續透過擴展客戶基礎加強放債業務，同時在批出新貸款採取審慎策略，以平衡盈利能力及所涉信貸風險。

批准任何貸款申請前，本集團會透過以下工作評估借款人之信貸質量：1) 審視借款人之背景及信貸記錄；2) 了解資金之用途及借款人之還款方法；及3) 對借款人進行資產審查。借款人須就貸款支付按固定利率計算之利息，有關利率按個別情況視每項信貸評估之結果及各借款人給予之抵押品（如有）而定。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Mobile Application Business

In 2017, the Group acquired 40% equity interest in First Surplus Investments Limited (“FSI”). FSI and its subsidiaries are principally engaged in development of mobile games, game publishing, applications, related intellectual property and platform, and provision of related solutions. FSI contains full team of development, support and market publication. Through the acquisition, it is expected that the Group can further develop mobile application business and capture the opportunities in the mobile online game industry and also the software industry.

Dividend

The Directors do not recommend the payment of any interim dividend for the nine months ended 30 September 2018 (2017: Nil).

Financial Position

Charges on Group’s Assets

As at 30 September 2018, charges on Group’s assets include two term loans and a finance lease liability:

- 1) the carrying amount of the term loans amounts to approximately HK\$59,000,000 which carries interest at 9% per annum with repayment period of 16 months that were secured by i) first legal charges of the two properties acquired by the Company which was completed on 27 June 2016, with carrying amount of approximately HK\$96,663,000 as at 30 September 2018; and ii) an unlimited personal guarantee given by Mr. Chiu Ngai Hung, a substantial shareholder of the Company; and
- 2) the carrying amount of the finance lease liability amounts to approximately HK\$735,000 which carries interest at 3.5% per annum. The maturity date of the finance lease liability is on 24 March 2020. The loan was secured by a motor vehicle with net book value of approximately HK\$820,000 as at 30 September 2018.

手機應用程式業務

二零一七年，本集團收購 First Surplus Investments Limited (「FSI」) 之40%股權。FSI 及其附屬公司主要從事手機遊戲開發、遊戲發行、應用程式、相關知識產權及平台業務以及提供相關解決方案。FSI 擁有完整開發、支援及市場發佈團隊。透過該收購事項，預期本集團可進一步發展手機應用程式業務，並抓緊手機在線遊戲行業以及軟件行業之機遇。

股息

董事不建議派付截至二零一八年九月三十日止九個月之任何中期股息(二零一七年：無)。

財務狀況

本集團資產抵押

於二零一八年九月三十日，本集團資產抵押包括兩項定期貸款及一項融資租賃負債：

- 1) 定期貸款之賬面值約為59,000,000港元，以每年9%之利率計息，而還款期為16個月，以i)本公司於二零一六年六月二十七日完成收購之兩項物業於二零一八年九月三十日之賬面值約為96,663,000港元之第一法定押記；及ii)由本公司主要股東趙毅雄先生提供之無上限個人擔保作抵押；及
- 2) 融資租賃負債之賬面值約為735,000港元，以每年3.5%之利率計息。融資租賃負債之到期日為二零二零年三月二十四日。該項貸款以於二零一八年九月三十日賬面淨值約為820,000港元之汽車作抵押。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Liquidity and Financial Resources

As at 30 September 2018, the total assets of the Group was approximately HK\$312,431,000 (31 December 2017: approximately HK\$419,453,000), including cash and bank balances of approximately HK\$916,000 (31 December 2017: approximately HK\$13,947,000).

Capital Structure

The number of issued shares of the Company as at 30 September 2018 and 31 December 2017 were 1,802,677,356 and 1,637,677,356 shares, respectively.

Pursuant to the subscription agreement dated 3 June 2016, the Company has completed the issuance of convertible notes in principal amount of HK\$30,000,000 (the "Convertible Notes 2016"). On the assumption that the convertible notes would be converted into conversion shares in full at the initial conversion price of HK\$0.4 per conversion share, 75,000,000 conversion shares shall be issued on 28 June 2018, the Company has completed an agreement with the noteholder to extend the Convertible Notes 2016 to 3 December 2018, and all other terms remained unchanged.

Details were disclosed in the Company's announcements dated 16 May 2016, 3 June 2016, 21 June 2018 and 28 June 2018.

Foreign currency risk

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

Contingent liabilities

As at 30 September 2018, the Group has no material contingent liabilities (31 December 2017: Nil).

流動資金及財務資源

於二零一八年九月三十日，本集團之資產總值約為312,431,000港元(二零一七年十二月三十一日：約419,453,000港元)，包括現金及銀行結餘約916,000港元(二零一七年十二月三十一日：約13,947,000港元)。

資本結構

於二零一八年九月三十日及二零一七年十二月三十一日，本公司已發行股份數目分別為1,802,677,356股及1,637,677,356股。

根據日期為二零一六年六月三日之認購協議，本公司已完成發行本金額為30,000,000港元之可換股票據(「二零一六年可換股票據」)。假設可換股票據將按初步兌換價每股兌換股份0.4港元悉數兌換為兌換股份，75,000,000股兌換股份須於二零一八年六月二十八日發行。本公司已與票據持有人完成協議，以延長二零一六年可換股票據至二零一八年十二月三日，而所有其他條款則維持不變。

有關詳情於本公司日期為二零一六年五月十六日、二零一六年六月三日、二零一八年六月二十一日及二零一八年六月二十八日之公佈披露。

外幣風險

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

或然負債

於二零一八年九月三十日，本集團概無任何重大或然負債(二零一七年十二月三十一日：無)。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Material Acquisition and Investments

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

On 6 June 2017, Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi (“Ottoman Evershine Construction”), a company incorporated in Turkey, and an indirect wholly owned subsidiary of the Company, and Mr. Osman Boyracı entered into the sales and purchase agreement in relation to acquisition of additional 30% of the equity interest of Boyracı Construction (“Boyracı Construction Acquisition”).

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

As at 31 December 2017, Boyracı Construction had 5 completed construction projects, namely Arzu Apartmanı, Sibel Apartmanı, Akasya Apartmanı, Evim Apartmanı and Doğa Apartmanı and 1 investment project, namely Acarblu Ticaret Merkezi (“Acarblu Property”) with total gross saleable area of approximately 3,863 m², and there are 2 construction projects, namely Project İclaliye and Project Hurrem (the “Projects”), to be completed by 2019 with a total construction area of approximately 4,837 m².

The market value of Acarblu Property, a two-floor condominium with gross saleable area of approximately 1,068 m² was approximately 31,400,000 Turkish Lira (“TL”) (or approximately USD9,100,000) based on a valuation report prepared by RM Ritim Gayrimenkul Değerleme A.Ş., a real estate valuation company based in Istanbul, Turkey as of 26 February 2018. Pursuant to the side letter entered into between Ottoman Evershine Construction, Boyracı Construction and Mr. Osman Boyracı on 26 February 2018, the Acarblu Property was transferred from Boyracı Construction to a new company (“Boyracı2 İnşaat Anonim Şirketi”) incorporated under the laws of Turkey on 27 March 2018 held by Mr. Osman Boyracı and Ottoman Evershine Construction with 70% and 30% equity interest respectively (“Shareholder’s Loan Set-off”). On 26 April 2018, Mr. Osman Boyracı has waived the amount due to the shareholders of TL25,249,000 and recognised as a shareholder contribution to the Boyracı Construction (“Shareholder’s Loan Waiver”).

Up to 26 April 2018, the Shareholder’s Loan set-off and Shareholder’s Loan Waiver has been completed.

重大收購及投資

收購Boyracı Construction額外30%股權

於二零一七年六月六日，Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi(「Ottoman Evershine Construction」，一間於土耳其註冊成立之公司，為本公司之間接全資附屬公司)及Osman Boyracı先生就收購Boyracı Construction額外30%股權(「Boyracı Construction收購事項」)訂立買賣協議。

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

於二零一七年十二月三十一日，Boyracı Construction擁有五個已竣工建築項目，分別為Arzu Apartmanı、Sibel Apartmanı、Akasya Apartmanı、Evim Apartmanı及Doğa Apartmanı及一個投資項目為Acarblu Ticaret Merkezi(「Acarblu物業」)，所有項目總實用面積約3,863平方米，另有兩個建築項目將於二零一九年完成，分別為İclaliye項目及Hurrem項目(「該等項目」)，合計建築面積約4,837平方米。

Acarblu物業總實用面積約為1,068平方米之兩層公寓，根據位於土耳其伊斯坦布爾之房地產估值公司RM Ritim Gayrimenkul Değerleme A.Ş.所編製之估值報告，其市值於二零一八年二月二十六日約為31,400,000土耳其里拉(「土耳其里拉」)(或約9,100,000美元)。根據Ottoman Evershine Construction、Boyracı Construction及Osman Boyracı先生於二零一八年二月二十六日訂立之附函，Acarblu物業由Boyracı Construction轉讓予根據土耳其法律在二零一八年三月二十七日註冊成立之新公司(「Boyracı2 İnşaat Anonim Şirketi」)，分別由Osman Boyracı先生及Ottoman Evershine Construction持有70%及30%股權(「股東貸款抵銷」)。於二零一八年四月二十六日，Osman Boyracı先生豁免25,249,000土耳其里拉之應付股東款項並確認為Boyracı Construction之股東注資(「股東貸款豁免」)。

截至二零一八年四月二十六日，股東貸款抵銷及股東貸款豁免均已完成。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Pursuant to the sales and purchase agreement, supplemented by the supplemental deed entered into between the aforesaid parties on 6 November 2017, the first side letter dated 26 February 2018 and the second side letter dated 20 August 2018, in view of the unfavorable currency movement of Turkish Lira, the consideration has been reduced by USD1,500,000 from USD6,550,000 to USD5,050,000, being satisfied by (i) an upfront refundable cash deposit of USD2,000,000 (approximately equivalent to HK\$15,600,000); (ii) the issuance of promissory note in the principal amount of USD1,938,770 (approximately equivalent to HK\$15,122,400) which carries interest rate of 13% per annum that will mature on the second anniversary date from the date of issue; and (iii) the issuance of promissory note as a deferred consideration in the principal amount of up to USD1,111,230 (approximately equivalent to HK\$8,668,000) (“Deferred Consideration”) on a date not later than 30 September 2019 (“Deferred Consideration Date”). The Company has sole discretion to settle the promissory notes either in USD or TL with a fixed exchange rate at USD 1= TL5.85.

The Deferred Consideration will be calculated as the lower of (1) the 30% of the fair value less the actual cost (including but not limited to any construction and development costs) incurred in respect of the Projects up to and including the Deferred Consideration Date; or (2) USD1,111,230 (approximately equivalent to HK\$8,668,000).

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

The Boyracı Construction Acquisition constitutes a major transaction and connected transaction under the GEM Listing Rules which has been subjected to independent shareholders’ approval obtained at the extraordinary general meeting of the Company on 19 September 2018.

根據買賣協議(經上述訂約方於二零一七年十一月六日訂立之補充契據及日期為二零一八年二月二十六日之第一份附函以及日期為二零一八年八月二十日之第二份附函所補充)，鑒於土耳其里拉貨幣變動不利，代價已由6,550,000美元減少1,500,000美元至5,050,000美元，乃按(i)預付可退還現金按金2,000,000美元(相當於約15,600,000港元)；(ii)發行本金額為1,938,770美元(相當於約15,122,400港元)的承兌票據(按年利率13%計息及將於發行日期起計第二個週年日到期)；及(iii)於不遲於二零一九年九月三十日(「遞延代價日期」)發行作為本金額最高1,111,230美元(相當於約8,668,000港元)之遞延代價(「遞延代價」)之承兌票據之方式償付。本公司已全權酌情以美元或土耳其里拉(按固定匯率1美元=5.85土耳其里拉)償付承兌票據。

遞延代價將按(1)公平值之30%減該等項目直至及於遞延代價日期產生之實際成本(包括但不限於任何建築及開發成本)得出之數額；或(2)1,111,230美元(相當於約8,668,000港元)之較低者計算得出。

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

Boyracı Construction收購事項根據GEM上市規則構成一項主要交易及關連交易，並已於二零一八年九月十九日之本公司股東特別大會上獲獨立股東批准。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Following the fulfillment of the certain conditions on the Boyracı Construction Acquisition took place on 1 October 2018, Boyracı Construction will become an indirect 60%-owned subsidiary of the Company, and its financial results, assets and liabilities will be consolidated and accounted for as a subsidiary in the financial statements of the Group.

Details were disclosed in the Company's announcements dated 6 June 2017, 6 November 2017, 6 December 2017, 26 February 2018, 3 July 2018, 10 August 2018, 20 August 2018, 24 August 2018, 4 September 2018 and 19 September 2018.

Information on Possible Acquisitions and Projects

The proposed projects in Europe and Turkey

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

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

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

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

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

For identification purpose only

Boyracı Construction收購事項之若干條件於二零一八年十月一日達成後，Boyracı Construction將成為本公司擁有60%權益之間接附屬公司，而其財務業績以及資產及負債將於本集團財務報表按附屬公司綜合入賬。

有關詳情已於本公司日期為二零一七年六月六日、二零一七年十一月六日、二零一七年十二月六日、二零一八年二月二十六日、二零一八年七月三日、二零一八年八月十日、二零一八年八月二十日、二零一八年八月二十四日、二零一八年九月四日及二零一八年九月十九日之公佈披露。

可能收購事項及項目之資料

於歐洲及土耳其之建議項目

本集團致力繼續開拓不同新投資機遇，以擴闊其收入來源。此舉使本集團得以將任何單一業務分部之風險分散，維持盈利及持續發展。本集團有意於全球(包括極有可能成為本集團其中一個主要溢利來源之歐洲及土耳其)涉足物業投資及發展市場。

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

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

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

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



MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

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

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

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

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

Pasifik Gayrimenkul Yatırım İnş. A.Ş. (“PASİFİK”) and Çiftay İnşaat Taahhüt Ve Ticaret A.Ş. (“ÇİFTAY”), companies duly constituted and existing under the laws of Turkey, have been awarded in the tender by the local authority for the revenue sharing model project of Ankara Yenimahalle Station (the “Project Ankara”), which is situated at Ankara, Turkey. Pursuant to the Letter of Intent (“LoI”), the Company, CCIN and Astra İnşaat Anonim Şirketi proposed their intention to be partners with the joint venture formed by PASİFİK and ÇİFTAY in Project Ankara subject to the execution and completion of the actual agreements after arm’s length negotiations among the parties. The parties to the LoI have agreed to discuss the terms of partnership, business plan, business concept, direction, profit sharing, project analysis and all further issues that may be necessary for Project Ankara. The negotiation process is still ongoing as of the date of this report.

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

於二零一六年五月六日，本公司與中城投訂立戰略合作夥伴協議（「合作協議」）。

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

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

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

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

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



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

(ii) Strategic partnership agreements in respect of projects in Turkey

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

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

AKDENİZ has over 30 years of experience in the real estate and construction business in Turkey; furthermore, AKDENİZ is also engaged in the energy and tourism sector. AKDENİZ ranked in the Fortune 500 of Turkey in 2014 and 2015. Ağaoğlu Gayrimenkul Yatırım A.Ş. (“Ağaoğlu”), a wholly-owned subsidiary of AKDENİZ, engaged in the real estate and construction business and has completed over 20 large property projects in Turkey with over 7,000,000 m² construction area including residential, office, hotel, retail and local amenities. Ağaoğlu ranked the most prestigious construction company in 2015 and 2016 in the Turkish Reputation Index.

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

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

(ii) 有關土耳其項目之戰略夥伴關係協議

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

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

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

本公司將於適當時候根據GEM上市規則就夥伴關係及相關項目另行刊發公佈。

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



MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

(iii) Memorandum of understanding with Seba İnşaat Anonim Şirketi

On 9 May 2018, the Group and Seba İnşaat Anonim Şirketi, a company incorporated in Turkey (“Seba”) entered into a non-legally binding memorandum of understanding (the “MOU Seba”).

Under the MOU Seba, the Group has the intention to acquire and Seba has the intention to sell a certain number of villas and apartments located in Bodrum Province, Gündoğan District, Turkey (the “Project Seba”), which consists of 20 villas and 17 apartments holiday units with construction area of 10,000 m² and saleable area of 8,000 m². The Project Seba is expected to be completed within the year of 2019.

The consideration and the payment method for the proposed acquisition shall be subject to further negotiations between the parties but the final consideration shall not exceed USD30,000,000 and shall be determined under a formal agreement (“Formal Agreement”).

It is the intention of the parties that Group shall have the rights within a period of 18 months after the date of completion the Formal Agreement and at its full discretion to sell all or part of the selected properties to Seba at the price equivalent to the 130% of the final consideration of relevant selected properties.

Details of the MOU Seba were disclosed in the Company’s announcements dated 9 May 2018.

(iii) 與Seba İnşaat Anonim Şirketi之諒解備忘錄

於二零一八年五月九日，本集團與於土耳其註冊成立之公司Seba İnşaat Anonim Şirketi(「Seba」)訂立不具法律約束力之諒解備忘錄(「諒解備忘錄Seba」)。

根據諒解備忘錄Seba，本集團有意收購而Seba有意出售位於土耳其京多安(Gündoğan)區博德魯姆(Bodrum)省之若干別墅及公寓(「項目Seba」)，其由20棟別墅及17個渡假公寓單位組成，建築面積為10,000平方米，實用面積為8,000平方米。項目Seba預計將於二零一九年竣工。

建議收購事項之代價及支付方式須待訂約方進一步磋商，惟最終代價不得超過30,000,000美元及須根據正式協議(「正式協議」)釐定。

訂約方之意向為，本集團有權於正式協議完成之日期後18個月期間內全權酌情以相當於有關經選定物業之最終代價130%之價格向Seba出售全部或部分經選定物業。

有關諒解備忘錄Seba之詳情於本公司日期為二零一八年五月九日之公佈中披露。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Share Option Scheme

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

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

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

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

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

購股權計劃

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

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

認購價須由董事會全權酌情釐定，惟在任何情況下須最少為下列各項之較高者：

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

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



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

As at the date of this report, the maximum number of shares to be issued upon the exercise of options that may be granted under the Share Option Scheme is 160,267,735 shares, being 10% of the shares in issue at the date of the annual general meeting held by the Company on 11 May 2017 under the scheme mandate limited approved by shareholders of the Company. The total number of shares available for issue under the Share Option Scheme representing 10% of the total number of Shares in issue as at the date of this report.

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

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

於本報告日期，根據購股權計劃可能授出之購股權獲行使而將予發行之股份最高數目為160,267,735股，根據本公司股東批准之計劃授權限額，佔本公司於二零一七年五月十一日舉行之股東週年大會當日已發行股份之10%。根據購股權計劃可供發行之股份總數相當於本報告日期已發行股份總數之10%。

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

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



MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

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

There is no outstanding share option under the Share Option Scheme as at 1 January 2018 and 30 September 2018. As at the date of this report, no options have been granted under the Share Option Scheme since its adoption.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules. The Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard and code of conduct throughout the period under review. The Company was not aware of any non-compliance during the nine months ended 30 September 2018.

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

於二零一八年一月一日及二零一八年九月三十日，購股權計劃項目下概無尚未行使購股權。於本報告日期，自採納購股權計劃以來，概無據此授出任何購股權。

董事進行證券交易之操守守則

本公司已採納董事進行證券交易之操守守則，其條款不較GEM上市規則第5.48至5.67條所載之規定準則寬鬆。經本公司作出具體查詢後，董事確認，彼等於回顧期內一直遵守規定準則及操守守則。於截至二零一八年九月三十日止九個月，本公司並不知悉任何不合規情況。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

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

As at 30 September 2018, none of the Directors or chief executives of the Company was deemed to have any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by directors as referred to in Rule 5.46 to 5.47 the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS OF INTEREST IN SHARES

As at 30 September 2018, other than the interests and short positions of the Directors or chief executives of the Company disclosed above, person or corporation who had interests or short position in the shares or underlying shares or debentures of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, who was, directly or indirectly, interested in 5% or more of the number of shares carrying rights to vote in all circumstances at general meetings of the Company, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

董事及最高行政人員於股份、相關股份及債券之權益及淡倉

於二零一八年九月三十日，概無董事或本公司最高行政人員於本公司或其任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中，被視為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及淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉)，或已登記於本公司根據證券及期貨條例第352條須存置之登記冊之任何權益及淡倉，或已根據創業板上市規則第5.46至5.47條所述董事進行買賣之規定標準另行知會本公司及聯交所之任何權益及淡倉。

主要股東於股份之權益

於二零一八年九月三十日，除上文所披露董事或本公司最高行政人員之權益及淡倉外，於本公司股份或相關股份或債券中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可在所有情況下於本公司股東大會上表決之股份數目5%或以上權益之人士或公司，或權益或淡倉登記於本公司根據證券及期貨條例第336條須存置之登記冊之任何其他主要股東如下：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

Long Positions in Shares

於股份之好倉

Name of substantial shareholders 主要股東姓名	Number of Shares held as at 30 September 2018 於二零一八年九月三十日所持股份數目			Approximate percentage of total issued ordinary Shares 佔已發行 普通股總額 概約百分比
	Personal Interest 個人權益	Corporate Interest 公司權益	Total 總計	
Mr. Chiu Ngai Hung 趙毅雄先生	469,119,000	—	469,119,000	26.02%
Mr. Boyracı Osman Boyracı Osman先生	220,076,000	—	220,076,000	12.21%
Mr. Lau Wang Chi Barry 劉宏智先生	—	180,707,000 (Note 1) (附註1)	180,707,000	10.02%
Mr. Lau Yu 柳宇先生	1,266,000	164,653,000 (Note 2) (附註2)	165,919,000	9.20%

Notes:

- 180,707,000 shares are owned by Surplus Gain Global Limited which is 100% owned by Mr. Lau Wang Chi Barry. By virtue of the SFO, Mr. Lau Wang Chi Barry is deemed to have interest of the shares held by Surplus Gain Global Limited.
- 164,653,000 shares are owned by Noble Ace Investments Limited ("Noble Ace") which is 100% owned by Mr. Lau Yu. By virtue of the SFO, Mr. Lau Yu is deemed to have interest of the Shares held by Noble Ace.

附註：

- 180,707,000 股股份由劉宏智先生全資擁有之 Surplus Gain Global Limited 擁有。根據證券及期貨條例，劉宏智先生被視為於 Surplus Gain Global Limited 持有之股份中擁有權益。
- 164,653,000 股股份由柳宇先生全資擁有之 Noble Ace Investments Limited (「Noble Ace」) 擁有。根據證券及期貨條例，柳宇先生被視為於 Noble Ace 持有之股份中擁有權益。

Save as disclosed above, as at 30 September 2018, the Directors or chief executives of the Company were not aware of any party who had an interest or short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Pat XV of the SFO or, who is, directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or substantial shareholders as recorded in the register required to be kept by the Company under Section 336 of the SFO.

除上文披露者外，於二零一八年九月三十日，各董事或本公司最高行政人員概不知悉有任何人士於本公司股份、相關股份或債券中擁有須根據證券及期貨條例第XV部第2及3分部之條文向本公司披露之權益或淡倉，或直接或間接擁有附帶權利可在所有情況下於本公司股東大會表決之任何類別股本面值5%或以上權益，或有任何主要股東登記於本公司根據證券及期貨條例第336條須存置之登記冊。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Apart from the share option scheme referred as above, at no time during the nine months ended 30 September 2018 was any of the Company or of its associated corporations a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age 18, had any right to subscribe for the shares in, or debentures of, the Company, or had exercised any such rights.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the nine months ended 30 September 2018, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, the Company has complied with the public float requirement under rule 11.23 of the GEM Listing Rules.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the period under review.

董事購入股份之權利

除上文所述購股權計劃外，於截至二零一八年九月三十日止九個月內任何時間，本公司或其任何相聯法團均無參與訂立任何安排，致使董事可藉購入本公司或任何其他法人團體之股份或債券而獲益；亦無董事或彼等之配偶或十八歲以下子女擁有可認購本公司股份或債券之任何權利或曾行使任何該等權利。

購買、贖回或出售本公司上市證券

截至二零一八年九月三十日止九個月內，本公司及其任何附屬公司並無購買、贖回或出售本公司任何上市證券。

充足公眾持股量

於本報告日期，本公司已符合GEM上市規則第11.23條項下之公眾持股量規定。

管理合約

於回顧期內，概無訂立或存有與本公司整體或任何重要部分業務有關之管理及行政合約。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述及分析

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the nine months ended 30 September 2018, same as disclosed elsewhere in this report, as far as the Directors are aware of, none of the Directors or the management shareholders of the Company or any of its respective associates (as defined in the GEM Listing Rules) has any interest in a business which competes or may compete with the business of the Group or has any other conflict of interest with the Group.

AUDIT COMMITTEE

As at 30 September 2018, the audit committee of the Company (the "Audit Committee") comprised three independent non-executive Directors, namely, Ms. Choy So Yuk, BBS, JP, Ms. Lam Yuk Ying Elsa and Mr. Leung Man Chun. Mr. Leung Man Chun is the chairman of the Audit Committee and applies his professional qualifications in accounting and financial expertise in directing the Audit Committee. The unaudited consolidated financial statements for the nine months ended 30 September 2018 has been reviewed by the Audit Committee. The Board considers that the financial information has been prepared in compliance with the applicable accounting principles, requirements of the GEM Listing Rules and any other applicable laws and has been adequately disclosed.

CORPORATE GOVERNANCE

For the nine months ended 30 September 2018, the Company has complied with all the code provisions as set out in the Corporate Governance Code (the "CG Code") in Appendix 15 of the GEM Listing Rules except for the code provisions A.2.1 and A.4.1 of the CG Code, as set out below.

According to code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. During the period under review, there is no chairman of the Company nor chief executive officer (the "CEO"). The Board will keep reviewing the current structure of the Board from time to time and should candidates with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post of the CEO as appropriate and will make further announcement in due course.

董事於競爭業務之權益

截至二零一八年九月三十日止九個月內，與本報告其他章節所披露者相同，就董事所知，並無董事或本公司管理層股東或其各自之聯繫人士（定義見GEM上市規則）於與本集團業務構成或可能構成競爭之業務中擁有任何權益或與本集團有任何其他利益衝突。

審核委員會

於二零一八年九月三十日，本公司審核委員會（「審核委員會」）由三名獨立非執行董事組成，分別為蔡素玉女士（銅紫荊星章，太平紳士）、林玉英女士及梁文俊先生。梁文俊先生為審核委員會主席，憑藉彼在會計及財務專業方面之專業資格，帶領審核委員會之運作。截至二零一八年九月三十日止九個月之未經審核綜合財務報表已經由審核委員會審閱。董事會認為財務資料已遵照適用之會計原則、GEM上市規則之規定及任何其他適用法律而編製，並已作充分披露。

企業管治

本公司於截至二零一八年九月三十日止九個月已遵守GEM上市規則附錄15所載企業管治守則（「企管守則」）載列的全部守則條文，惟下文所述企管守則之守則條文第A.2.1及A.4.1條除外。

根據企管守則守則條文第A.2.1條，主席及行政總裁之角色應獨立區分，不應由一人兼任。主席及行政總裁之職責區分必須清楚列明，並以書面形式載列。於回顧期間，本公司並無主席，亦無行政總裁（「行政總裁」）。董事會將繼續不時檢討董事會目前架構，而本公司於成功物色具備合適知識、才能及經驗之候選人後將委任有關人選擔任行政總裁，並於適當時候另行刊發公佈。



MANAGEMENT DISCUSSION AND ANALYSIS 管理層論述及分析

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

By order of the Board
Evershine Group Holdings Limited
Hung Tat Chi Alan
Executive Director

Hong Kong, 9 November 2018

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

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

承董事會命
永耀集團控股有限公司
執行董事
洪達智

香港，二零一八年十一月九日

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