

HK1803

北京體育文化產業集團有限公司

BEIJING SPORTS AND ENTERTAINMENT INDUSTRY GROUP LIMITED

(incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

(Stock code 股份代號 : 1803)

ANNUAL REPORT 2016 年報

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CORPORATE INFORMATION 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Liu Xue Heng (*Chairman and Chief Executive Officer*)
(appointed on 25 January 2016)

Mr. Hu Yebi

Mr. Niu Zhongjie

Mr. Zhu Shixing

Mr. Lam Ka Tak

Mr. Zhang Tengzhe (appointed on 25 January 2016)

Mr. Tsui Ngai, Eddie (appointed on 20 July 2016)

Ms. Leung Pui Man (resigned on 18 May 2016)

Independent Non-executive Directors

Mr. Lok Lawrence Yuen Ming

Mr. Xin Luo Lin

Mr. Pan Lihui

Mr. Tse Man Kit, Keith (appointed on 25 January 2016)

AUTHORISED REPRESENTATIVES

Mr. Niu Zhongjie

Mr. Jan Wing Fu, Barry

COMPANY SECRETARY

Mr. Jan Wing Fu, Barry (appointed on 15 June 2016)

AUDIT COMMITTEE

Mr. Lok Lawrence Yuen Ming (*Chairman*)

Mr. Xin Luo Lin

Mr. Pan Lihui

NOMINATION COMMITTEE

Mr. Pan Lihui (*Chairman*)

Mr. Hu Yebi

Mr. Niu Zhongjie

Mr. Lok Lawrence Yuen Ming

Mr. Xin Luo Lin

董事會

執行董事

劉學恒先生 (*主席兼行政總裁*)
(於2016年1月25日獲委任)

胡野碧先生

牛鍾洁先生

祝仕興先生

林嘉德先生

張庭喆先生 (於2016年1月25日獲委任)

徐艾先生 (於2016年7月20日獲委任)

梁佩雯女士 (於2016年5月18日辭任)

獨立非執行董事

樂圓明先生

辛羅林先生

潘立輝先生

謝文傑先生 (於2016年1月25日獲委任)

授權代表

牛鍾洁先生

鄭永富先生

公司秘書

鄭永富先生 (於2016年6月15日獲委任)

審計委員會

樂圓明先生 (*主席*)

辛羅林先生

潘立輝先生

提名委員會

潘立輝先生 (*主席*)

胡野碧先生

牛鍾洁先生

樂圓明先生

辛羅林先生

REMUNERATION COMMITTEE

Mr. Lok Lawrence Yuen Ming (*Chairman*)
Mr. Hu Yebi
Mr. Niu Zhongjie
Mr. Xin Luo Lin
Mr. Pan Lihui

REGISTERED OFFICE

3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman, KY1-1002
Cayman Islands

HEADQUARTER

Block D, Eastern Side of Road 518 of
Beijing Sport Chaoyang Sports Centre
Chaoyang District
Beijing
P.R.C

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 101
5/F., Greatmany Centre
111 Queen's Road East
Wanchai
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Services (Cayman) Limited
3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman, KY1-1002
Cayman Islands

薪酬委員會

樂圓明先生 (*主席*)
胡野碧先生
牛鍾洁先生
辛羅林先生
潘立輝先生

註冊辦事處

3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman, KY1-1002
Cayman Islands

總辦事處

中國
北京
朝陽區
朝體中心
東側路甲518號D座

香港主要營業地點

香港
灣仔
皇后大道東111號
智群商業中心5樓
101室

開曼群島股份過戶登記總處

Harneys Services (Cayman) Limited
3rd Floor, Queensgate House
113 South Church Street
P.O. Box 10240
Grand Cayman, KY1-1002
Cayman Islands

CORPORATE INFORMATION 公司資料

HONG KONG SHARE REGISTRAR

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

INDEPENDENT AUDITOR

Ernst & Young
Certified Public Accountants

WEBSITE

www.bsehk.com

PRINCIPAL BANKERS (IN ALPHABETICAL ORDER)

China Citic Bank
China Merchants Bank
Hang Seng Bank Limited
Ping An Bank
Shanghai Pudong Development Bank
The Hongkong and Shanghai Banking Corporation Limited

STOCK CODE

The Stock Exchange of Hong Kong Limited: 1803
Board lot: 2,500 shares

香港股份過戶登記處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

獨立核數師

安永會計師事務所
執業會計師

網站

www.bsehk.com

主要往來銀行 (按英文字母排序)

中信銀行
招商銀行
恒生銀行有限公司
平安銀行
上海浦東發展銀行
香港上海滙豐銀行有限公司

股份代碼

香港聯合交易所有限公司: 1803
每手買賣單位: 2,500股

FIVE-YEAR FINANCIAL SUMMARY 五年財務概要

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements is set out below:

RESULTS

THE GROUP

本集團過去五個財政年度的業績及資產、負債及非控股權益概要（摘錄自已刊登之經審核財務報表）載列如下：

業績

本集團

		For the year ended 31 December 截至12月31日止年度				
		2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元	2012 HK\$'000 千港元
Turnover	營業額	82,518	510,793	907,473	806,713	674,197
(Loss)/profit for the year	年內(虧損)/溢利	(52,118)	(38,834)	12,883	92,706	90,076
(Loss)/profit attributable to:	以下各項應佔 (虧損)/溢利:					
Equity holders of the Company	本公司權益持有人	(48,264)	(40,612)	13,117	93,050	89,943
Non-controlling interests	非控股權益	(3,854)	1,778	(234)	(344)	133
		(52,118)	(38,834)	12,883	92,706	90,076

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		As at 31 December 於12月31日				
		2016 HK\$'000 千港元	2015 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元	2012 HK\$'000 千港元
Total assets	總資產	452,446	247,123	429,087	438,964	344,794
Total liabilities	總負債	(213,817)	(135,765)	(369,542)	(138,826)	(103,513)
Net assets	資產淨值	238,629	111,358	59,545	300,138	241,281
Attributable to:	以下各項應佔:					
Equity holders of the Company	本公司權益持有人	227,040	109,247	57,320	298,869	239,640
Non-controlling interests	非控股權益	11,589	2,111	2,225	1,269	1,641
		238,629	111,358	59,545	300,138	241,281

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On behalf of the board of directors (the “Board” and the “Directors”) of Beijing Sports and Entertainment Industry Group Limited (the “Company”), I am pleased to present the 2016 Annual Report and the audited consolidated financial statements of the Company and its subsidiaries (collectively referred as the “Group”) for the year ended 31 December 2016.

BUSINESS AND OPERATION REVIEWS

The Group was listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 16 January 2012 with business focus on the provision of air freight service in the wholesale market. Due to keen competition and rising costs on operations, the Group diversified into China’s sports and entertainment related business. The Group believes that sports and entertainment industry is promising in China as national policy support and the hosting of major events such as Beijing Winter Olympic Games will drive the development of the related industries.

During the year ended 31 December 2016, the Group achieved approximately HK\$82.5 million in revenue, representing a significant decrease of approximately 83.8% from that of approximately HK\$510.8 million during the same period of last year. Gross profit was approximately HK\$8.6 million, comparing to the gross profit of approximately HK\$68.9 million during the corresponding period of last year. The overall gross profit ratio decreased from approximately 13.5% to approximately 10.4%. Loss for the year attributable to equity holders of the Company was approximately HK\$48.3 million as compared to approximately HK\$40.6 million in the year end 31 December 2015. Basic loss per share of the Company (“Share(s)”) was approximately HK4.6 cents during the year. As at 31 December 2016, the balance of cash and cash equivalents was approximately HK\$306.4 million (31 December 2015: approximately HK\$51.0 million).

During the year ended 31 December 2016, the Group has implemented cost control measures aiming to reduce staff costs and office rental and related expenses. Number of employees was reduced from 105 as at 31 December 2015 to 70 as at 31 December 2016. However, weak cargo demand and over-capacity in the air cargo market continues to put downward pressure on yield performance.

本人欣然代表董事會（「董事會」及「董事」）提呈北京體育文化產業集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）截至2016年12月31日止年度的2016年年報及經審核綜合財務報表。

業務及營運回顧

本集團於2012年1月16日於香港聯合交易所有限公司（「聯交所」）上市，業務專注於批發市場提供空運服務。由於競爭激烈及營運成本不斷上升，本集團多元化至中國的體育文化相關業務。因國家政策的支持及大型活動的舉辦，例如北京冬季奧運會，故本集團相信，中國的體育文化產業大有前途，將帶動相關行業的發展。

於截至2016年12月31日止年度，本集團實現約82.5百萬港元之收益，較去年同期之約510.8百萬港元大幅下降約83.8%。毛利約為8.6百萬港元，而去年同期之毛利約為68.9百萬港元。整體毛利率由約13.5%減少至約10.4%。本公司權益持有人應佔年內虧損約為48.3百萬港元，而截至2015年12月31日止年度則約為40.6百萬港元。年內，本公司股份（「股份」）的每股基本虧損約為4.6港仙。於2016年12月31日，現金及現金等價物結餘約為306.4百萬港元（2015年12月31日：約51.0百萬港元）。

於截至2016年12月31日止年度，本集團已實施成本控制措施，旨在減少員工成本及辦公室租金及相關費用。僱員人數從2015年12月31日的105名減至2016年12月31日的70名。然而，貨運需求疲軟及航空貨運市場艙位過剩的情況依舊，給收益表現帶來下行壓力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Notwithstanding the failure to comply with some of the restrictive financial covenant requirements of certain banking facilities as disclosed in the annual report of the Company for the year ended 31 December 2015, the Group had fully repaid its banking facility in 2016. As at the date of approving this annual report, the Group does not maintain any banking facility with any bank in Hong Kong and in the People's Republic of China (the "PRC").

The Board does not recommend the payment of any final dividend for the year ended 31 December 2016 (2015: Nil per Share).

In the opinion of the Director, the Group will have sufficient financial resources to finance its operations in the coming twelve months from the date of the balance sheet.

CHANGE IN LARGEST SHAREHOLDER

On 29 January 2016, Excellent Success Asia Limited entered into an agreement to transfer 100,000,000 Shares, representing approximately 10.60% of the entire issued Share capital of the Company at the date of transfer to Beijing Enterprises Medical and Health Industry Group Limited ("BEMH"). The transfer was completed on 18 March 2016 and BEMH became the largest shareholder of the Company ("Shareholder(s)") which held approximately 19.77% of the entire issued share capital of the Company at the date of this report.

TERMINATION OF THE SALE AND PURCHASE AGREEMENT

On 23 September 2015, the Company, Vision Finance Group Limited and Mr. Zhang Chengliang (the "Vendors") entered into the sale and purchase agreement (the "S&P Agreement"), pursuant to which the Company had conditionally agreed to purchase, and the Vendors had conditionally agreed to sell the 5,000,000 shares in Vision Finance Asset Management Limited (the "Vision Finance"), representing the entire issued share capital of Vision Finance at a total cash consideration of HK\$7,000,000. The Directors were of the view that the acquisition could diversify the business of the Group with the objective of broadening its sources of income.

誠如本公司截至2015年12月31日止年度之年度報告所披露，儘管未能遵守若干銀行信貸之若干限制財務契諾規定，本集團已於2016年悉數償還其銀行信貸。於批准本年報日期，本集團並無於任何香港及中華人民共和國（「中國」）銀行維持任何銀行信貸。

董事會不建議派發截至2016年12月31日止年度之任何末期股息（2015年：無）。

董事認為，本集團將具有充足財務資源，於資產負債表日期起未來十二個月內，為其營運撥資。

最大股東變更

於2016年1月29日，智昇亞洲有限公司訂立一份協議，內容有關向北控醫療健康產業集團有限公司（「北控醫療健康」）轉讓100,000,000股股份（相當於本公司於轉讓日期之全部已發行股本約10.60%）。該轉讓已於2016年3月18日完成而北控醫療健康於本報告日期持有本公司全部已發行股本約19.77%，成為本公司最大股東（「股東」）。

終止買賣協議

於2015年9月23日，本公司、睿智金融集團有限公司及張承良先生（「賣方」）訂立買賣協議（「買賣協議」），據此，本公司已有條件同意購買而賣方已有條件同意出售睿智金融資產管理有限公司（「睿智金融」）之5,000,000股股份，相當於睿智金融之全部已發行股本，總現金代價為7,000,000港元。董事認為，收購事項可多元化本集團之業務，藉以擴大其收入來源。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 7 January 2016, after careful consideration of all the circumstances such as the volatility of the capital market, the Company and the Vendors entered into a termination agreement to terminate the S&P Agreement.

The Board considered that the termination of the S&P Agreement would not have any material adverse impact on the financial position and operation of the Group.

References should be made to the announcements of the Company dated 23 September 2015 and 7 January 2016 for the details of the S&P Agreement.

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed in the extraordinary general meeting (“EGM”) held on 24 May 2016, the English name of the Company was changed from “ASR Logistics Holdings Limited” to “Beijing Sports and Entertainment Industry Group Limited” and a new Chinese name “北京體育文化產業集團有限公司” was in place of the existing Chinese name “瀚洋物流控股有限公司”.

The Certificate of Incorporation on Change of Name of the Company was issued by the Registry of Companies in the Cayman Islands on 25 May 2016 and the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 22 June 2016.

On 24 June 2016, the Company announced that the stock short name for trading in the Shares on the Stock Exchange will be changed from “ASR LOGISTICS” to “BJ SPORTS & ENT” in English and from “瀚洋物流” to “北京體育文化” in Chinese with effect from 9:00 a.m. on 30 June 2016. The stock code of the Company with the Stock Exchange will remain unchanged as “1803”.

The Directors considered that the new English and the Chinese name could provide the Company with a fresh identity and image which would benefit the Company’s future business development and is in the interest of the Company and its Shareholders as a whole.

於2016年1月7日，經審慎考慮所有情況（如資本市場之波動）後，本公司與賣方訂立終止協議以終止買賣協議。

董事會認為終止該協議將不會對本集團之財務狀況及營運造成任何重大不利影響。

有關買賣協議之詳情，請參閱本公司日期為2015年9月23日及2016年1月7日之公告。

更改公司名稱

根據於2016年5月24日舉行之股東特別大會（「股東特別大會」）上通過之一項特別決議案，本公司之英文名稱由「ASR Logistics Holdings Limited」更改為「Beijing Sports and Entertainment Industry Group Limited」，而新中文名稱「北京體育文化產業集團有限公司」取代現有中文名稱「瀚洋物流控股有限公司」。

開曼群島公司註冊處已於2016年5月25日就更改本公司名稱發出註冊證書，且香港公司註冊處處長亦已於2016年6月22日發出註冊非香港公司變更名稱註冊證明書。

於2016年6月24日，本公司宣佈，在聯交所上買賣股份之英文股份簡稱將由「ASR LOGISTICS」更改為「BJ SPORTS & ENT」，而中文股份簡稱將由「瀚洋物流」更改為「北京體育文化」，自2016年6月30日上午九時正起生效。本公司於聯交所之股份代號仍為「1803」。

董事認為新英文及中文名稱可為本公司帶來全新的身份及形象，有利本公司未來的業務發展，亦符合本公司及其股東之整體利益。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Reference should be made to the announcements of the Company dated 8 April 2016, the circular of the Company dated 21 April 2016 and the announcements dated 24 May 2016 and 24 June 2016 for the details of the change of the Company's name and the trading arrangement of the Shares.

CHANGE OF ADDRESS OF PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company announced that the address of the Company's principal place of business in Hong Kong had changed to Room 101, 5/F., Greatmany Centre, 111 Queen's Road East, Wanchai, Hong Kong with effect on 3 January 2017.

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

Memorandum of Understanding in Relation to a Proposed Acquisition

On 9 March 2016, Beijing Sports Industry Group Limited ("Beijing Sports"), an indirect wholly owned subsidiary of the Company at the date of the transaction, entered into a memorandum of understanding (the "MOU") with two independent third parties, to acquire 55% of equity interests in Beijing Si Bo You Sports Technology Company Limited.* The preliminary consideration for the intended acquisition is RMB22 million and is expected to be settled by Beijing Sports in cash. The MOU is not legally binding and had been expired on 8 September 2016.

References should be made to the announcements of the Company dated 9 March 2016 and 8 September 2016 for the details of the MOU.

有關更改本公司名稱及股份之買賣安排之詳情，請參閱本公司日期為2016年4月8日之公告、本公司日期為2016年4月21日之通函及日期為2016年5月24日及2016年6月24日之公告。

更改香港主要營業地點地址

本公司宣佈，本公司於香港之主要營業地點地址已更改為香港灣仔皇后大道東111號智群商業中心5樓101室，自2017年1月3日起生效。

持有之重大投資、重大收購及出售附屬公司及聯營公司

有關一項建議收購事項之諒解備忘錄

於2016年3月9日，本公司於交易日期之間接全資附屬公司北京體育產業集團有限公司（「北京體育」）與兩名獨立第三方訂立諒解備忘錄（「諒解備忘錄」），以收購北京思博優體育科技有限公司之55%股權。擬定收購事項之初步代價為人民幣22百萬元且預期將由北京體育以現金支付。諒解備忘錄並不具有法律約束力並將於2016年9月8日屆滿。

有關諒解備忘錄之詳情，請參閱本公司日期為2016年3月9日及2016年9月8日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Formation of Subsidiaries

On 2 June 2016, Zhong Hu Sports Culture Development (Beijing) Limited* (“**Zhong Hu Sports**”), an indirect wholly owned subsidiary of the Company at the date of the transaction, entered into an agreement with Beijing Dingfeng Ronghe Investment Management Limited* (“**Beijing Dingfeng**”) in respect of the formation of the company Zhong Hu Dingfeng Sports Development (Beijing) Limited* (“**Zhong Hu Dingfeng**”) which is principally engaged in the development, construction, investment and operation of air dome for sport stadium and recreation facilities in the PRC. Under the agreement, the parties agreed that, Zhong Hu Dingfeng shall be established and shall be held as to 60% by Zhong Hu Sports and 40% by Beijing Dingfeng. Zhong Hu Dingfeng shall have a registered capital of RMB5,000,000 (equivalent to approximately HK\$5,990,000), which shall be contributed by Zhong Hu Sports and Beijing Dingfeng as to RMB3,000,000 in cash (equivalent to approximately HK\$3,594,000) and RMB2,000,000 in cash (equivalent to approximately HK\$2,396,000), respectively.

Pursuant to the agreement, Zhong Hu Dingfeng was established in the PRC on 22 July 2016.

On 29 July 2016, Zhong Hu Yuedong Culture Media (Beijing) Limited* (“**Zhong Hu Yuedong**”), an indirect wholly owned subsidiary of the Company, entered into the agreement with Beijing Zhongying Shengjia Cinema Development Limited* (“**Beijing Zhongying**”) in respect of the formation of the company Beijing Zhong Hu Shengjia Culture Development Limited* (“**Zhong Hu Shengjia**”) which is principally engaged in the operation of movie theatres in the third and fourth tier cities in the PRC. Under the agreement, the parties agreed that, Zhong Hu Shengjia shall be established and shall be held as to 65% by Zhong Hu Yuedong and 35% by Beijing Zhongying. Zhong Hu Shengjia shall have a registered capital of RMB20,000,000 (equivalent to approximately HK\$23,200,000), which shall be contributed by Zhong Hu Yuedong and Beijing Zhongying as to RMB13,000,000 in cash (equivalent to approximately HK\$15,080,000) and RMB7,000,000 in cash (equivalent to approximately HK\$8,120,000) respectively.

成立附屬公司

於2016年6月2日，本公司於交易日期之間接全資附屬公司中互體育文化發展（北京）有限公司（「**中互體育**」）與北京鼎烽融和投資管理有限公司（「**北京鼎烽**」）就成立中互鼎烽體育發展（北京）有限公司（「**中互鼎烽**」）訂立協議，該公司主要於中國從事用於體育場館及休閒設施之氣膜之開發、建造、投資及運營。根據協議，訂約方協定，中互鼎烽將予成立及將分別由中互體育及北京鼎烽持有60%及40%股權。中互鼎烽將擁有註冊資本人民幣5,000,000元（相等於約5,990,000港元），將分別由中互體育及北京鼎烽以現金方式注資人民幣3,000,000元（相等於約3,594,000港元）及人民幣2,000,000元（相等於約2,396,000港元）。

根據協議，中互鼎烽於2016年7月22日於中國成立。

於2016年7月29日，本公司之間接全資附屬公司中互悅動文化傳媒（北京）有限公司（「**中互悅動**」）與北京中映晟嘉影院發展有限公司（「**北京中映**」）就成立北京中互晟嘉文化發展有限公司（「**中互晟嘉**」）訂立協議，該公司主要於中國三四線城市從事電影院之運營。根據協議，訂約方協定，中互晟嘉將予成立及將分別由中互悅動及北京中映持有65%及35%股權。中互晟嘉將擁有註冊資本人民幣20,000,000元（相等於約23,200,000港元），將分別由中互悅動及北京中映以現金方式注資人民幣13,000,000元（相等於約15,080,000港元）及人民幣7,000,000元（相等於約8,120,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

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Pursuant to the terms of the agreement, Zhong Hu Yuedong and Beijing Zhongying mutually agreed that there would be an observation period for three months after the operation of the first theatre by the Zhong Hu Shengjia. Before the expiration of the observation period, Zhong Hu Yuedong shall have the right to terminate the agreement, and Beijing Zhongying shall unconditionally repurchase the shareholding interest held by Zhong Hu Yuedong at the consideration of RMB13,000,000 (equivalent to approximately HK\$15,080,000), being the actual capital contribution by Zhong Hu Yuedong when entering into of the agreement.

Pursuant to the agreement, Zhong Hu Shengjia was established in the PRC on 15 August 2016 and the first theatre, operated by the direct wholly owned subsidiary of Zhong Hu Shengjia namely Beijing Zhong Hu Tianjie Cinema Management Limited* (**Zhong Hu Tianjie**), was commenced its business on December 2016.

On 21 March 2017, Zhong Hu Yuedong decided to exercise the rights pursuant to the agreement and terminate the agreement accordingly.

References should be made to the announcements of the Company dated on 2 June 2016, and 29 July 2016 for the details of the formation of these subsidiaries.

Save as disclosed above, the Group did not make any other significant investment during the year under review.

* For identification purpose only

根據協議之條款，中互悅動與北京中映相互協定於中互晟嘉之首間電影院運營後有三個月之觀察期。於觀察期屆滿前，中互悅動將有權終止協議，而北京中映將無條件以代價人民幣13,000,000元（相等於約15,080,000港元，即中互悅動於訂立協議時之實際注資金額）購回中互悅動所持有之股權權益。

根據協議，中互晟嘉於2016年8月15日於中國成立，而由中互晟嘉之直接全資附屬公司，即北京中互天階影院管理有限公司（「中互天階」）運營之首間電影院已於2016年12月開始其業務。

於2017年3月21日，中互悅動決定根據協議行使權利，並相應終止協議。

有關成立該等附屬公司之詳情，請參閱本公司日期分別為2016年6月2日及2016年7月29日之公告。

除上文所披露者外，於回顧年度內，本集團並無作出任何其他重大投資。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

CAPITAL STRUCTURE

Subscription of New Shares under General Mandate

On 5 February 2016, the Company and About Capital Management (HK) Co., Limited (the “Subscriber”) entered into the subscription agreement pursuant which the Company had conditionally agreed to allot and issue, and the Subscriber had conditionally agreed to subscribe for 30,370,000 Shares at the subscription price of HK\$0.65 per Share (the “Subscription”). The Subscription was completed on 25 February 2016. A total of 30,370,000 Subscription Shares were allotted and issued on 25 February 2016 with a net proceeds of approximately HK\$19,680,000 was received by the Company on the same date.

The utilization of the net proceeds from the Subscription as at 31 December 2016 is summarized as follows:

Intended Use of Net Proceeds from the Subscription

認購事項之所得款項淨額之擬定用途

- for general working capital and for future potential acquisitions and/or other investment opportunities
- 用作一般營運資金及用於未來潛在收購及／或其他投資機會

References should be made to the announcements of the Company dated 5 February 2016 and 25 February 2016 for the details of the Subscription.

Placing of New Shares under Specific Mandate

On 8 June 2016, the Company and Vision Finance International Company Limited (the “Placing Agent”) entered into the placing agreement, pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, 200,000,000 placing Shares. (“Placing”) The Placing Shares are expected to be placed by the Placing Agent to not less than six placees, who and whose ultimate beneficial owner(s) (if applicable) shall be independent third parties, at a price of HK\$0.7 per Placing Share.

資本架構

根據一般授權認購新股份

於2016年2月5日，本集團與百域資本（香港）有限公司（「認購方」）訂立認購協議，據此，本公司已有條件同意配發及發行，而認購方已有條件同意按每股股份0.65港元之認購價認購30,370,000股股份（「認購事項」）。認購事項於2016年2月25日完成。於2016年2月25日，合共30,370,000股認購股份獲配發及發行，及本公司於同日收取所得款項淨額約19,680,000港元。

於2016年12月31日，認購事項之所得款項淨額之動用情況概述如下：

Actual use of net proceeds from the Subscription

認購事項之所得款項淨額之實際用途

- Fully utilized on the formation of the Zhong Hu Dingfeng and Zhong Hu Shengjia in the PRC as set out in the section with heading “Formation of Subsidiaries” on page 10 of this annual report
- 悉數用於於中國成立中互鼎烽及中互晟嘉（誠如本年報第10頁「成立附屬公司」一節所載）

有關認購事項之詳情，請參閱本公司日期為2016年2月5日及2016年2月25日之公告。

根據特別授權配售新股份

於2016年6月8日，本公司與睿智金融國際有限公司（「配售代理」）訂立配售協議，據此，本公司已有條件同意透過配售代理按盡力基準配售200,000,000股配售股份（「配售事項」）。配售股份預期將按每股配售股份0.7港元之價格由配售代理配售予不少於六名承配人，其及其最終實益擁有人（倘適用）將為獨立第三方。

MANAGEMENT DISCUSSION AND ANALYSIS

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The Placing Agent is held indirectly as to 36.75% by the spouse of Mr. Hu Yebi, the executive Director and a Shareholder holding approximately 9.57% of existing issued share capital of the Company and as such, the Placing Agent is an associate of Mr. Hu Yebi and is a connected person of the Company. Accordingly, the payment of the placing commission to the Placing Agent constitutes a connected transaction of the Company under the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange. Since the applicable percentage ratio (other than the profits ratio) set out in Rule 14A.76(2) of the Listing Rules in respect of the commission payable to the Placing Agent in the amount of HK\$3.5 million is less than 5%, the payment of the placing commission to the Placing Agent constitutes an exempt connected transaction and is exempt from the circular (including independent financial advice) and Shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules. Further, each of Mr. Liu Xueheng (being the Chairman, Chief Executive Officer and executive Director) and Mr. Niu Zhongjie (being the executive Director and a Shareholder holding approximately 4.94% of the existing issued share capital of the Company) holds a 5.25% equity interest in the Placing Agent, respectively. Mr. Hu Yebi, Mr. Liu Xueheng and Mr. Niu Zhongjie have abstained and are required to abstain from voting in respect of the proposed resolutions for approving the placing agreement and the transaction contemplated thereunder at the Board meeting.

The Placing was completed on 15 August 2016. A total of 200,000,000 Placing Shares were allotted and issued on 15 August 2016 with a net proceeds of HK\$136,500,000 was received by the Company on the same date.

配售代理由胡野碧先生（彼為執行董事及持有本公司現有已發行股本約9.57%之股東）之配偶間接持有36.75%權益，因此，配售代理為胡野碧先生之聯繫人士並為本公司之關連人士。因此，根據聯交所證券上市規則（「上市規則」），向配售代理支付配售佣金構成本公司之一項關連交易。由於上市規則第14A.76(2)條內所載之有關應付配售代理之佣金為數3,500,000港元之適用百分比率（盈利比率除外）低於5%，故根據上市規則第14A章，向配售代理支付配售佣金構成獲豁免關連交易及獲豁免遵守通函（包括獨立財務意見）及股東批准規定。此外，劉學恒先生（即主席、行政總裁兼執行董事）及牛鍾洁先生（即執行董事及持有本公司現有已發行股本約4.94%之股東）各自分別持有配售代理5.25%股權。胡野碧先生、劉學恒先生及牛鍾洁先生已放棄及須放棄於董事會會議上就批准配售協議及其項下擬進行之交易之建議決議案投票。

配售事項於2016年8月15日完成。於2016年8月15日，合共200,000,000股配售股份獲配發及發行，及本公司於同日收到所得款項淨額136,500,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The utilization of the net proceeds from the Placing as at 31 December 2016 is summarized as follows:

於2016年12月31日，配售事項之所得款項淨額之動用情況概述如下：

Intended Use of Net Proceeds from the Placing 配售事項之所得款項淨額之擬定用途

- approximately HK\$60 million to be used for development of air dome business for sport and other recreation use in the PRC;
- 約60,000,000港元將用作於中國開發作體育及其他休閒用途之氣膜業務；
- approximately HK\$35 million for repayment of Shareholder's loan;
- 約35,000,000港元用作償還股東貸款；
- approximately HK\$15 million for operational needs of logistic-related business;
- 約15,000,000港元用作物流相關業務之營運需求；
- approximately HK\$15 million for future investment opportunities in sport-related business in the PRC when opportunities arise; and
- 約15,000,000港元於機會出現時用於中國體育相關業務之未來投資機遇；及
- the remaining balance of approximately HK\$11 million for general working capital of the Group
- 餘額約11,000,000港元用作本集團之一般營運資金

Actual use of net proceeds from the Placing 配售事項之所得款項淨額之實際用途

- approximately HK\$35 million for repayment of Shareholder's loan as set out in the section with heading "Shareholder's Loan" below;
- 約35,000,000港元用作償還股東貸款（誠如下文「股東貸款」一節所載）；
- approximately HK\$15 million for the development of air dome stadiums and recreation facilities in Fangshan District of Beijing named Jiazhou Shuijun（加州水郡）Zhong Hu Dingfeng as set out in the section with heading "Formation of Subsidiaries";
- 約15,000,000港元用於中互鼎烽（誠如「成立附屬公司」一節所載）開發北京房山區名為加州水郡之氣膜體育館及娛樂設施；
- approximately HK\$11 million for general working capital of the Group such as purchase of furnitures & fixtures, renovations, payment of rental deposits, salaries and wages for the headquarter located in Beijing
- 約11,000,000港元用作本集團之一般營運資金，例如北京總部購買傢俬及裝置、翻新、支付租金按金、薪金及工資

References should be made to the announcements of the Company dated 8 June 2016, 7 July 2016, 29 July 2016 and 15 August 2016; and the circular dated 7 July 2016 for the details of the Placing.

有關配售事項之詳情，請參閱本公司日期為2016年6月8日、2016年7月7日、2016年7月29日及2016年8月15日之公告；及日期為2016年7月7日之通函。

SHAREHOLDER'S LOANS

In order to strengthen the liquidity of the Group, the Company (the "Borrower") entered into two Shareholder's loan agreements with Hollyview International Limited (the "Lender"), a substantial shareholder of the Company, on 10 November 2015 (the "Hollyview Loan Agreement") and 24 November 2015 (the "Hollyview Facility Agreement") (together the "First Shareholder's Loan Agreement").

股東貸款

為加強本集團之流動現金，本公司（「借方」）與本公司主要股東Hollyview International Limited（「貸方」）訂立兩份股東貸款協議，日期分別為2015年11月10日（「Hollyview貸款協議」）及2015年11月24日（「Hollyview融資協議」）（統稱「第一份股東貸款協議」）。

MANAGEMENT DISCUSSION AND ANALYSIS

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Pursuant to the Hollyview Loan Agreement, the Lender agreed to lend HK\$5,000,000 to the Borrower at the interest rate of 2.5% per annum which was determined after arm's length negotiations between the parties by reference to the then prevailing bank lending interest rate. The Hollyview Loan Agreement was due on the second anniversary of the Hollyview Loan Agreement if not paid earlier. The Lender could request the Borrower to pay the loan amount and accrued interest on demand.

Pursuant to the Hollyview Facility Agreement, the Lender agreed to lend to the Borrower from time to time such amount or amounts, not to exceed an aggregate outstanding principal amount of HK\$30,000,000 at any time, as it may have required to meet its day-to-day operational expenses and working capital needs at the interest rate of 2.5% per annum which was determined after arm's length negotiations between the parties by reference to the then prevailing bank lending interest rate. The loan under the Hollyview Facility Agreement was due on the second anniversary of the Hollyview Facility Agreement if not paid earlier. The Lender could request the Borrower to pay the loan amount and accrued interest on demand.

The loans of HK\$35,000,000 pursuant to the First Shareholder's Loan Agreements were fully repaid in August 2016 by the Borrower to the Lender as set out in the section with heading "Placing of New Shares under Specific Mandate" on pages 12 to 14 of this annual report.

On 16 December 2016, the Borrower entered into a new shareholder's loan agreement with the Lender for HK\$175,000,000 at the interest rate of 3.0% per annum (the "Second Shareholder's Loan Agreement") which was determined after arm's length negotiations between the parties by reference to the then prevailing bank lending interest rate.

As the Lender was the substantial shareholder of the Company, the loans under the Second Shareholder's Loan Agreement constituted connected transactions in the form of financial assistance in favour of the Group. However, as the loans under the Second Shareholder's Loan Agreement were not secured by any assets of the Group, and were provided on normal commercial terms, the loan was fully-exempted from Shareholders' approval, annual review and all disclosure requirements under the Chapter 14A of the Listing Rules pursuant to Rule 14A.90.

On 23 March 2017, the Lender has agreed not to demand repayment of the loan principal and interest accrued before 16 December 2018.

根據Hollyview貸款協議，貸方同意按年利率2.5%貸予借方5,000,000港元，有關利率乃由訂約方經參考當時現行銀行貸款利率公平磋商後釐定。Hollyview貸款協議於其第二個週年日到期（倘未提早支付）。貸方可要求借方按要求支付貸款金額及應計利息。

根據Hollyview融資協議，貸方同意按年利率2.5%不時貸予借方其為滿足日常營運開支及營運資金需要而可能要求的金額（惟於任何時候未償還本金總額不得超過30,000,000港元），有關利率乃由訂約方經參考當時現行銀行貸款利率公平磋商後釐定。Hollyview融資協議項下之貸款於Hollyview融資協議第二個週年日到期（倘未提早支付）。貸方可要求借方按要求支付貸款金額及應計利息。

誠如本年報第12至14頁「根據特別授權配售新股份」一節所載，根據第一份股東貸款協議作出35,000,000港元貸款已於2016年8月由借方向貸方悉數償還。

於2016年12月16日，借方與貸方按年利率3.0%訂立金額為175,000,000港元的新股東貸款協議（「第二份股東貸款協議」），有關利率乃由訂約方經參考當時現行銀行貸款利率公平磋商後釐定。

由於貸方為本公司之主要股東，第二份股東貸款協議項下之貸款構成向本集團提供財務資助形式之關連交易。然而，由於第二份股東貸款協議項下之貸款並未由本集團任何資產作擔保且按一般商業條款提供，故根據第14A.90條，貸款悉數獲豁免遵守上市規則第14A章項下之股東批准、年度審閱及所有披露規定。

於2017年3月23日，貸方已同意不會於2018年12月16日前要求償還貸款本金及應計利息。

MANAGEMENT DISCUSSION AND ANALYSIS

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EVENTS AFTER THE REPORTING PERIOD

Discloseable Transaction in relation to the Capital Injection into MetaSpace (Beijing) Air Dome Corp.*

On 16 January 2017, the Company announced that Zhong Hu Sports Culture Development (Beijing) Limited*, an indirect non-wholly owned subsidiary of the Company at the date of the transaction, entered into an agreement with MetaSpace (Beijing) Air Dome Corp.* (the “**Target Company**”) in relation to the capital injection into the Target Company (the “**MetaSpace Agreement**”).

The Target Company is a company incorporated in the PRC with limited liability and is listed on the National Equities Exchange and Quotations Company (“**NEEQC**”) in 2014, also known as the “**Third Board**”).

Pursuant to the MetaSpace Agreement, the Company shall inject a sum of RMB140,000,000 (equivalent to approximately HK\$156,800,000) in cash into the Target Company by subscription of new ordinary shares issued by the Target Company. Thereafter, the Target Company will become an indirect non-wholly owned subsidiary of the Group; and will be consolidated in the audited consolidated financial statements of the Group.

Since certain of the applicable percentage ratios of the MetaSpace Agreement exceed 5% but are less than 25%, the MetaSpace Agreement constitutes a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under, Chapter 14 of the Listing Rules.

Reference should be made to the announcement of the Company dated 17 January 2017 for the details of the MetaSpace Agreement.

* For identification purpose only

報告期後事項

有關向北京約頓氣膜建築技術股份有限公司注資的須予披露交易

於2017年1月16日，本公司宣佈，中互體育文化發展（北京）有限公司（於交易日期為本公司之間接非全資附屬公司）與北京約頓氣膜建築技術股份有限公司（「**目標公司**」）訂立協議，內容有關向目標公司注資（「**約頓協議**」）。

目標公司為一間於中國註冊成立之有限公司，並於2014年於全國中小企業股份轉讓系統（「**股轉系統**」）（亦稱為「**新三板**」）上市。

根據約頓協議，本公司將透過認購由目標公司發行之新普通股，以現金向目標公司注入為數人民幣140,000,000元（相等於約156,800,000港元）。其後，目標公司將成為本集團之間接非全資附屬公司；並將併入本集團經審核綜合財務報表。

由於約頓協議的若干適用百分比率超過5%但低於25%，約頓協議構成本公司之須予披露交易，並須根據上市規則第14章遵守通知及公告規定。

有關約頓協議之詳情，應參閱本公司日期為2017年1月17日之公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Acquisition of the Remaining 40% Shareholding of Zhong Hu Dingfeng

On 17 January 2017, Zhong Hu Sports and Beijing Dingfeng entered into a share transfer agreement pursuant to which Zhong Hu Sports had agreed to purchase and Beijing Dingfeng had agreed to sell 40% shareholding interest in Zhong Hu Dingfeng at the consideration of RMB2,000,000. Upon completion of the share transfer agreement, Zhong Hu Dingfeng will become an indirect wholly owned subsidiary of the Group.

The share transfer agreement was subsequently completed in February 2017.

Shareholder's Loans Received in March 2017

In March 2017, the Company entered into three new Shareholder's loan agreements in the following terms and amounts:-

Date 日期	Lender 貸方	Loan Amount 貸款金額	Interest rate (per annum) 年利率
15 March 2017 2017年3月15日	W Capital Management Limited W Capital Management Limited	HK\$20,000,000 20,000,000港元	4.8% 4.8%
16 March 2017 2017年3月16日	Vision Finance Group Limited 睿智金融集團有限公司	HK\$20,000,000 20,000,000港元	4.8% 4.8%
17 March 2017 2017年3月17日	Vision Finance Active Investment Limited Vision Finance Active Investment Limited	HK\$48,000,000 48,000,000港元	4.8% 4.8%

The interest rate was determined after arm's length negotiations between the parties by reference to the then prevailing bank lending interest rate. These three new Shareholder's loans will be due on the second anniversary if not paid earlier. The lenders could request the Company to pay the loan amount and accrued interest on demand.

As the lenders were the substantial shareholders of the Company, these loans constituted connected transactions in the form of financial assistance in favour of the Group. However, as these loans were not secured by any assets of the Group, and were provided on normal commercial terms, these loans were fully-exempted from Shareholders' approval, annual review and all disclosure requirements under the Chapter 14A of the Listing Rules pursuant to Rule 14A.90.

收購中互鼎烽之餘下40%股權

於2017年1月17日，中互體育與北京鼎烽訂立股權轉讓協議，據此，中互體育同意購買，而北京鼎烽同意出售於中互鼎烽之40%股權，代價為人民幣2,000,000元。於股權轉讓協議完成後，中互鼎烽將成為本集團之間接全資附屬公司。

股權轉讓協議隨後於2017年2月完成。

於2017年3月收到之股東貸款

於2017年3月，本公司按下列條款及金額訂立三份新股東貸款協議：

利率乃由訂約方經參考當時現行銀行貸款利率公平磋商後釐定。該等三份新股東貸款將於第二個週年日到期（倘未提早支付）。貸方可要求本公司按要求支付貸款金額及應計利息。

由於貸方為本公司之主要股東，該等貸款構成向本集團提供財務資助形式之關連交易。然而，由於該等貸款並未由本集團任何資產作擔保且按一般商業條款提供，故根據第14A.90條，該等貸款悉數獲豁免遵守上市規則第14A章項下之股東批准、年度審閱及所有披露規定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

PROSPECT

In view of the challenging economic and business environment, the management of the Group continued to review its existing businesses from time to time and strived to improve the business operation and financial position of the Group.

In this regards, on 16 January 2017, the Group announced the proposed capital injection into MetaSpace (Beijing) Air Dome Corp., a company listed on the NEEQC in 2014. Upon completion of this investment, this subsidiary will generate stable and continuous income and cash flow to the Group.

It has been the business strategy of the Group to proactively seek potential investment opportunities in order to enhance value of the Shareholders. The Directors consider that it is beneficial for the Group to seek suitable investment opportunities from time to time to diversify its existing business portfolio into new line of business with growth potential and to broaden its source of income.

FINANCIAL HIGHLIGHTS

Revenue

For the year under review, the Group achieved approximately HK\$82.5 million in revenue, representing a significant decrease of approximately 83.8% from that of approximately HK\$510.8 million during the same period of last year. The huge drop in revenue was mainly attributable to the weak air cargo demand and over-capacity in the air cargo market during the year under review.

Gross Profit

For the year ended 31 December 2016, overall gross profit of the Group amounted to approximately HK\$8.6 million (2015: approximately HK\$68.9 million). The substantial decrease in the Group's gross profit of approximately 87.5% when compared with the same period last year was mainly due to the decrease in yield attributable to the pressure of overcapacity in the air cargo markets.

展望

鑑於經濟及營商環境充滿挑戰，本集團管理層持續不時檢討其現有業務，致力改善本集團之業務營運及財務狀況。

有鑑於此，於2017年1月16日，本集團宣佈，建議向北京約頓氣膜建築技術股份有限公司（一間於2014年在股轉系統上市的公司）注資。於完成是次投資後，該附屬公司將為本集團產生穩定及持續收入及現金流。

本集團之業務策略為積極尋求潛在投資機會，以提升股東價值。董事認為，本集團不時尋求合適投資機會，將其現有業務組合多元化拓展至具有增長潛力之新業務範圍及擴闊其收入來源，對本集團有利。

財務摘要

收益

於回顧年度，本集團實現約82.5百萬港元之收益，較去年同期之約510.8百萬港元大幅下降約83.8%。於回顧年度內，收益大幅下降主要由於航空貨運需求疲軟及航空貨運市場艙位過剩所致。

毛利

截至2016年12月31日止年度，本集團的整體毛利為約8.6百萬港元（2015年：約68.9百萬港元）。本集團毛利較去年同期大幅減少約87.5%，主要因為收益因航空貨運市場倉位過剩壓力而減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Administrative Expenses

For the year ended 31 December 2016, the Group's administrative expenses amounted to approximately HK\$58.1 million (2015: approximately HK\$79.4 million), representing a decrease of approximately 26.8% when compared with the same period last year, which accounted for approximately 70.4% of the Group's turnover (2015: approximately 15.5%). The decrease in administrative expenses is not in line with the decrease in revenue for the year ended 31 December 2016 because there are one-off expenses such as the share base payment expenses; and the pre-operating expenses and costs incurred for the development of a series of the sports and entertainment businesses in the PRC which were not available in the same period last year.

Liquidity, Financial Resources and Gearing Ratio

The Group's net cash outflow from operating activities for the year amounted to approximately HK\$15.2 million (2015: approximately HK\$64.9 million). As at 31 December 2016, cash and cash equivalents amounted to approximately HK\$306.4 million which represents a net increase of approximately HK\$255.4 million as compared with the position as at 31 December 2015. The substantial increase in cash and cash equivalents is mainly due to the injection of Shareholder's loan of HK\$175 million and the net proceeds from Placing of HK\$136.5 million as set out in the sections with headings "Shareholder's Loans" and "Placing of New Shares under Specific Mandate" of this annual report.

As at 31 December 2016, the Group did not have any outstanding bank borrowings (2015: approximately HK\$25.1 million). The gearing ratio (which is calculated by dividing total bank borrowings by total assets) was nil (2015: approximately 0.102). During the years ended 31 December 2015 and 2016, the Group did not hedge its exposure to interest rate risk.

As at 31 December 2016, the Group had current assets of approximately HK\$337.3 million (2015: approximately HK\$139.6 million) and current liabilities of approximately HK\$212.8 million (2015: approximately HK\$135.6 million). The current ratio (which is calculated by dividing current assets by current liabilities) was approximately 1.58 (2015: approximately 1.03).

行政開支

截至2016年12月31日止年度，本集團的行政開支約達58.1百萬港元（2015年：約79.4百萬港元），較去年同期減少約26.8%，佔本集團營業額約70.4%（2015年：約15.5%）。行政開支減少與截至2016年12月31日止年度之收益減少不相符，原因為去年同期並未產生以股份為基礎付款開支等一次性開支；及於中國開發一系列體育及娛樂業務而產生之營運前開支及成本。

流動資金、財務資源及資本負債比率

年內，本集團的經營活動現金流出淨額為約15.2百萬港元（2015年：約64.9百萬港元）。於2016年12月31日，現金及現金等價物為約306.4百萬港元，較2015年12月31日的狀況增加淨額約255.4百萬港元。現金及現金等價物大幅增加乃主要由於股東貸款注資175百萬港元及配售事項所得款項淨額136.5百萬港元所致（誠如本年報「股東貸款」及「根據特別授權配售新股份」各節所載）。

於2016年12月31日，本集團並無任何尚未償還銀行借款（2015年：約25.1百萬港元）。資本負債比率（以銀行借款總額除以總資產計算）為零（2015年：約0.102）。於截至2015年及2016年12月31日止年度，本集團並無對沖其所面對的利率風險。

於2016年12月31日，本集團擁有流動資產約337.3百萬港元（2015年：約139.6百萬港元）及流動負債約212.8百萬港元（2015年：約135.6百萬港元）。流動比率（以流動資產除以流動負債計算）約為1.58（2015年：約1.03）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Capital Expenditure

The Group's capital expenditure was approximately HK\$15,052,000 (2015: approximately HK\$2,807,000), representing the purchase of leasehold improvement, office equipment, and furniture and fixtures of the Group during the year under review.

Contingent Liabilities and Guarantees

As at 31 December 2016, the Group did not have any contingent liability or guarantee (2015: approximately HK\$31.7 million).

Operating Lease Commitments

As at 31 December 2016, the Group had operating leases commitments of approximately HK\$115.8 million (2015: approximately HK\$8.2 million).

Foreign Currency Exposure

The Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi and United States dollar. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities. During the year under review, the Group had not hedged its foreign exchange risk because the exposure, after netting off the gain and loss derived from foreign exchange difference, was not very significant. Our management will continue to monitor our foreign exchange exposure and will consider hedging the foreign currency exposure when it is necessary.

Charge on Group Assets

As at 31 December 2016 and as at the date of this annual report, the Group does not pledge any of its assets to secure any banking facilities granted to the Group (2015: approximately HK\$19,993,000).

LITIGATIONS

As at 31 December 2016 and as at the date of this annual report, the Group had no pending litigation.

資本開支

於回顧年內，本集團之資本開支約為15,052,000港元（2015年：約2,807,000港元），指購置本集團租賃裝修、辦公設備以及傢俬及裝置。

或然負債及擔保

於2016年12月31日，本集團並無任何重大或然負債或擔保（2015年：約31.7百萬港元）。

經營租賃承擔

於2016年12月31日，本集團擁有經營租賃承擔約115.8百萬港元（2015年：約8.2百萬港元）。

外匯風險

本集團面臨來自多種貨幣風險的外匯風險，主要涉及人民幣及美元。外匯風險來自未來商業交易、已確認資產及負債。於回顧年度，本集團並未對沖其外匯風險，乃由於對銷外匯差額產生的收益及虧損後，風險承擔度並不非常重大。我們的管理層將繼續監控外匯風險，並於需要時考慮對沖外匯風險。

集團資產抵押

於2016年12月31日及於本年報日期，本集團並無抵押其任何資產，以為本集團獲授銀行融資作擔保（2015年：約19,993,000港元）。

訴訟

於2016年12月31日及於本年報日期，本集團無未決訴訟。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

POSSIBLE RISK EXPOSURE

Credit Risk

The Group has no significant concentrations of credit risk with exposure spread over a large number of counterparties and customers. The carrying amounts of bank balances, trade receivables and other receivables represent the Group's maximum exposure to credit risk in relation to financial assets. The Group will review and monitor the level of exposure to ensure that follow-up actions are taken to recover overdue debts. In addition, at the end of each reporting year, the recoverability of each trade debt is evaluated so as to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors are of the view that the Group does not expose to significant credit risk.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings.

Interest Rate Risk

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing financial assets, mainly the interest-bearing bank balances. The Group monitors the interest rate exposure on a continuous basis and adjusts the portfolio of bank saving balances and borrowings where necessary.

Liquidity Risk

The Group is exposed to minimal liquidity risk as a substantial portion of its financial assets and financial liabilities are due within one year and it can finance its operations from existing shareholders' funds and internally generated cash flows.

For the liquidity risk, the Group monitors and maintains a level of bank balances and cash deemed adequate to finance the Group's operations and mitigate the effect of fluctuations in cash flows. The Group monitors current and expected liquidity requirements on a regular basis.

可能面臨的風險

信貸風險

由於所面臨的風險與大量交易對手及客戶有關，故本集團並無重大信貸風險集中情況。銀行結餘、貿易應收款項及其他應收款項賬面值為本集團就金融資產承受的最高信貸風險。本集團將檢討及監察風險水平，以確保採取跟進行動收回逾期債務。此外，於各報告年末將評估各貿易債務的可收回程度，確保就不可收回款項作出足夠減值虧損。就此，董事認為本集團並無承受重大信貸風險。

由於交易對手乃擁有高信貸評級的銀行，故流動資金的信貸風險有限。

利率風險

本集團因計息金融資產（主要為計息銀行結餘）利率變動的影響而面臨利率風險。本集團持續監察利率風險，並在有需要時調整銀行存款結餘及借款組合。

流動資金風險

本集團面臨的流動資金風險輕微，原因為大部分金融資產及金融負債均於一年內到期，並且以現有股東資金及內部所得現金流量為其業務營運提供資金。

在流動資金風險方面，本集團監察並維持足夠的銀行結餘及現金水平，以為本集團業務營運提供資金，並減低現金流量波動的影響。本集團定期監控目前及預期流動資金需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2016, the Group had 70 full-time employees (2015: 105) in Hong Kong and the PRC. The Group reviews remuneration and benefits of its employees annually according to the relevant market practice and individual performance of the employees.

The emolument of each of the Directors and the employees of the Group is on the basis of their merit, qualification, competence and experience in the industry, the profitability of the Group as well as remuneration benchmarks from other local and international companies and prevailing market conditions. Directors and employees also participate in bonus arrangements which are determined in accordance with the performance of the Group and the individual's performance.

In addition, the Company has adopted a share option scheme as incentives to Directors and eligible persons, details of the scheme as set out in the section with heading "Share Option Scheme" on pages 33 to 38 of this annual report.

Save for the social insurance in China and the mandatory provident fund scheme in Hong Kong, the Group has not set aside or accrued any significant funds to provide for retirement or similar benefits for its employees. The staff costs (excluding director's and chief executive's remuneration) incurred for the year were approximately HK\$30.5 million (2015: approximately HK\$45.0 million).

僱員及薪酬政策

於2016年12月31日，本集團於香港及中國擁有70名全職僱員（2015年：105名）。本集團每年根據有關市場慣例及僱員的個別表現審閱其薪酬及福利。

本集團各董事及僱員之酬金按彼等之表現、資歷、工作能力及業內經驗、本集團之盈利能力、其他本地及國際公司之薪酬基準以及目前市況而制定。董事及僱員亦參與按本集團表現及個人表現釐定之獎金安排。

此外，本公司已採納一項購股權計劃，以獎勵董事及合資格人士，計劃之詳情載於本年報第33至38頁「購股權計劃」一節。

除中國社會保險及香港的強制公積金計劃外，本集團並無預留或累計任何重大資金為僱員的退休或類似福利作出撥備。本年度累計的員工成本（不包括董事及主要行政人員薪酬）約為30.5百萬港元（2015年：約45.0百萬港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

KEY RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group keeps a high standard in selecting reputable and reliable suppliers, in order to meet our own quality, safety, environmental and product criteria. During the year end 31 December 2016 and up to the date of this report, the Group maintained good relationship with its suppliers. The Group also has a well-established business relationship with the customers.

During the year under review, there was no dispute on salary payments and all accrued remunerations, at all kinds, were settled on or before their respective due dates, as stipulated under individual employee's employment contract. The Group also ensures that all the employees are reasonably remunerated by regular review and the policies on salary increment, promotion, bonus, allowances and all other related benefits are updated from time to time. For details, please refer to the section headed "Employees and Remuneration Policies" of this annual report. Being people-oriented, the Group is committed to providing a safe and healthy workplace for its employees and encourages them to have a work-life balance.

In view of the above and as at the date of this annual report, there is no circumstance of any event which will have a significant impact on the Group's business and on which the Group's success depends.

DIVIDEND

The Board does not recommend the payment of any final dividend to Shareholders for the year. The declaration, payment, and amount of future dividends will be decided by the Board and will depend upon, among other things, the Group's result of operations, capital requirements, cash flows, general financial conditions, and such other factors as the Board may consider important.

APPRECIATION

The Board would like to express our appreciation to our Shareholders, customers, banks and business partners for their continuous trust and support, and also to all of our staff for their dedicated efforts in facilitating the Group's business restructuring and perseverance in fact of challenges.

Liu Xue Heng

Chairman & Chief Executive Officer

Hong Kong

28 March 2017

與僱員、客戶及供應商的主要關係

本集團一貫地嚴格挑選具有聲譽和可靠的供應商，以符合公司本身對品質、安全、環境及產品的標準。於截至2016年12月31日止年度及截至本年報日期，本集團與其供應商維持良好關係。本集團與其客戶擁有穩固業務關係。

於回顧年度內，概無有關薪金付款的糾紛及所有應計薪酬均於僱員個人聘用合約所訂明的到期日或之前支付。本集團亦確保所有僱員獲合理報酬，定期檢討，並在加薪、晉升、花紅、津貼及所有其他相關福利方面不時更新有關政策。詳情請參閱本年報「僱員及薪酬政策」一節。本集團以人為本，致力為僱員提供安全健康工作環境，鼓勵員工在工作與生活中取得平衡。

鑑於上文所述及於本年報日期，概無任何事件情況將對本集團業務及其成功發展造成重大影響。

股息

董事會不建議向股東派付本年度之任何末期股息。宣派、派付未來股息及未來股息之金額將由董事會視乎（其中包括）本集團之經營業績、資本需求、現金流量、整體財務狀況及董事會可能認為重要之有關其他因素決定。

致謝

董事會謹對股東、客戶、銀行及業務夥伴之持續信任及支持表示感謝，亦對全體員工在促使本集團業務重組過程中之不懈努力及面臨挑戰時之堅持表示感謝。

劉學恒

主席兼行政總裁

香港

2017年3月28日

REPORT OF THE DIRECTORS 董事會報告

The Directors present the Directors' report and the audited consolidated financial statements of the Group for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The Company is an investment holding company and its subsidiaries are principally engaged in the investments in the sports and entertainment related industry in the PRC; and the provision of air freight services in the wholesale market.

BUSINESS REVIEW

The business review of these activities as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) can be found in the sections with headings of "Management Discussion and Analysis", and "Five-Year Financial Summary" set out on pages 6 to 23 and page 5 of this annual report respectively. Description of the risks and uncertainties facing the Company can be found throughout this annual report.

ENVIRONMENTAL POLICY

The Group believes that sustainable development is an integral part of our business. We aim at creating long-term values for our stakeholders and contributing to the society by carrying out our business in a socially responsible way. The Group is committed to support the environmental sustainability and comply with PRC national, provincial and municipal governments' environmental protection laws and regulations. The Company is also dedicated to promote energy conservation and responding proactively to climatic changes, so as to facilitate efficient use of energy by taking several measures including constantly carries out internal recycling measures in terms of its consumables (e.g. Toner cartridge and paper) and implementing energy-saving policies to reduce electricity consumption, in order to lessen the impact on environment from operating activities to achieve the target of sustainable development.

SUBSIDIARIES

Details of the Company's subsidiaries as at 31 December 2016 are set out in note I to the consolidated financial statements.

董事謹此提呈彼等的報告，連同截至2016年12月31日止年度的經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，而其附屬公司主要從事中國體育及娛樂相關產業之投資及於批發市場提供空運服務。

業務回顧

根據香港法例第622章公司條例附表5所規定對該等業務進行之業務審視分別載於本年報第6至23頁之「管理層討論及分析」，以及第5頁之「五年財務概要」。本公司面對風險及不明朗因素之描述已於本年報之不同部份披露。

環境政策

本集團相信可持續發展乃本集團業務之重要一環。本集團旨在為各持份者締造長遠價值，並以克盡社會責任之方針經營業務，為社會貢獻出一分力。本集團致力支持環境可持續性，恪守中國中央及省市政府之環保法律及法規。本公司亦致力推動節約能源，積極應對氣候變化，並採取多項措施促進能源高效應用，當中包括對所用消耗品（如碳粉盒和紙張）持續實施內部回收措施以及落實多項省電節能政策，以減少經營業務對環境之影響，從而達至可持續發展之目標。

附屬公司

本公司附屬公司於2016年12月31日的詳情載於綜合財務報表附註I。

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2016 are set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on pages 72 and 73 of this annual report.

The Directors do not recommend the payment of any final dividend in respect of current year to the Shareholders.

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 December 2016 and up to the date of this report, the Group complied with all the relevant laws and regulations in the mainland China and Hong Kong that have a significant impact on the Group.

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed in the EGM held on 24 May 2016, the English name of the Company was changed from “ASR Logistics Holdings Limited” to “Beijing Sports and Entertainment Industry Group Limited” and a new Chinese name “北京體育文化產業集團有限公司” was in place of the existing Chinese name “瀚洋物流控股有限公司”.

CHANGE OF ADDRESS OF PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company announced that the address of the Company’s principal place of business in Hong Kong had changed to Room 101, 5/F., Greatmany Centre, 111 Queen’s Road East, Wanchai, Hong Kong with effect on 3 January 2017.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group’s property, plant and equipment during the year are set out in note 12 to the consolidated financial statements.

INVESTMENT PROPERTIES

The values of the investment properties as at 31 December 2016 were measured using the cost model, details of which are set out in note 13 to the consolidated financial statements.

業績及股息

本集團於截至2016年12月31日止年度的業績載於本年報第72及73頁的綜合損益及其他全面收益表。

董事不建議向股東派付本年度任何末期股息。

遵守法律及法規

截至2016年12月31日止年度及直至本報告日期，本集團已遵守對本集團有重大影響的中國內地及香港的所有有關法律及法規。

更改公司名稱

根據本公司於2016年5月24日舉行的股東特別大會上通過之特別決議案，本公司英文名稱由「ASR Logistics Holdings Limited」更改為「Beijing Sports and Entertainment Industry Group Limited」，以及用新中文名稱「北京體育文化產業集團有限公司」替代現有中文名稱「瀚洋物流控股有限公司」。

更改香港主要營業地點地址

本公司宣佈，本公司於香港之主要營業地點地址已更改為香港灣仔皇后大道東111號智群商業中心5樓101室，自2017年1月3日起生效。

物業、廠房及設備

本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註12。

投資物業

投資物業於2016年12月31日之價值乃使用成本模式計量，有關詳情載於綜合財務報表附註13。

REPORT OF THE DIRECTORS

董事會報告

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 5 of this annual report. This summary does not form part of the audited financial statements.

RESERVES

Details of the movements in reserves of the Group during the year are set out in Consolidated Statement of Changes in Equity on pages 76 and 77 of this annual report.

DISTRIBUTABLE RESERVES

As at 31 December 2016, accumulated loss of the Company amounted to approximately HK\$209.1 million (2015: approximately HK\$189.0 million). Under section 34 of the Companies Law (Revised) of the Cayman Islands, the share premium is available for distribution to the Shareholders subject to the provisions of the articles of association of the Company, and no distribution may be paid to the Shareholders out of the Company's share premium unless the Company shall be able to pay its debt as they fall due in the ordinary course of business.

SHARE CAPITAL

Details of movements in ordinary Shares of the Company during the year are set out in note 25 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company (the "Article of Association") or the laws of the Cayman Islands where the Company is incorporated.

五年財務概要

本集團過去五個財政年度的業績、資產及負債概要載於本年報第5頁。該概要並不構成經審核財務報表的一部分。

儲備

本集團年內儲備的變動詳情載於本年報第76及77頁之綜合權益變動表。

可供分派儲備

於2016年12月31日，本公司之累計虧損為約209.1百萬港元（2015年：約189.0百萬港元）。根據開曼群島公司法（經修訂）第34條，在本公司組織章程細則條文規限下，倘本公司能夠支付在日常業務範圍內到期的債務，則股份溢價可供分派予股東，否則本公司的股份溢價不可分派予股東。

股本

本公司普通股於年內的變動詳情載於綜合財務報表附註25。

優先權

本公司的組織章程細則（「組織章程細則」）或本公司註冊成立所在地開曼群島的法例並無優先權的條文。

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its Shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's Shares for the year ended 31 December 2016.

Other than the share option schemes of the Company as disclosed below, neither the Company nor its subsidiaries had issued or granted any convertible securities, options, warrants or similar rights or exercised any rights in relation to convertible securities, options, warrants or similar rights during the year ended 31 December 2016.

MAJOR CUSTOMERS AND SUPPLIERS

During the year under review, sales to the Group's five largest customers accounted for approximately 25.9% of the total sales for the year and sales to the Group's largest customer included therein accounted for approximately 8.8% of total sales for the year. Purchases from the Group's five largest suppliers accounted for approximately 58.9% of the total purchases for the year and purchases from the Group's largest supplier included therein accounted for approximately 16.8% of total purchases for the year.

At no time during the year have the Directors, their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any interest in the Group's five largest suppliers and customers.

BANK BORROWINGS

As at 31 December 2016, the Group did not have any outstanding bank borrowing (2015: approximately HK\$25.1 million)

As at 31 December 2016, the Group did not have any finance lease liability (2015: approximately HK\$0.1 million)

購買、出售或贖回股份

本公司於年內並無贖回其任何股份。本公司及其任何附屬公司於截至2016年12月31日止年度並無購買或出售任何本公司的股份。

除下文所披露之本公司之購股權計劃外，本公司及其附屬公司於截至2016年12月31日止年度概無發行或授出任何可轉換證券、期權、認股權證或相似權利，亦無行使有關任何可轉換證券、期權、認股權證或相似權利之任何權利。

主要客戶及供應商

於回顧年度，向本集團五大客戶之銷售額佔本年度內銷售總額約25.9%，當中向本集團最大客戶之銷售額則佔本年度內銷售總額約8.8%。向本集團五大供應商之採購額佔本年度內採購總額約58.9%，當中向本集團最大供應商之採購額則佔本年度內採購總額約16.8%。

於本年度內任何時候，董事、其聯繫人或任何股東（據董事所知，擁有本公司已發行股本5%以上者）概無於本集團之五大供應商及客戶中擁有任何權益。

銀行借貸

於2016年12月31日，本集團並無任何尚未償還銀行借貸（2015年：約25.1百萬港元）。

於2016年12月31日，本集團並無任何融資租賃負債（2015年：約0.1百萬港元）。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS

The Directors of the Company during the year and up to the date of this report are as follows:

Executive Directors

Mr. Liu Xue Heng (*Chairman and Chief Executive Officer*)

(appointed on 25 January 2016)

Mr. Hu Yebi

Mr. Niu Zhongjie

Mr. Zhu Shixing

Mr. Lam Ka Tak

Mr. Zhang Tiagzhe (appointed on 25 January 2016)

Mr. Tsui Ngai, Eddie (appointed on 20 July 2016)

Ms. Leung Pui Man (resigned on 18 May 2016)

Independent Non-executive Directors

Mr. Lok Lawrence Yuen Ming

Mr. Xin Luo Lin

Mr. Pan Lihui

Mr. Tse Man Kit, Keith (appointed on 25 January 2016)

Pursuant to articles 86(3), 87(1) and 87(2) and A.4.2. of the Code on corporate governance practices as set out in appendix 14 to the Listing Rules (the “**Corporate Governance Code**”), Mr. Hu Yebi, Mr. Niu Zhongjie, Mr. Tsui Ngai, Eddie, Mr. Lok Lawrence Yuen Ming, and Mr. Xin Luo Lin shall retire from office at the forthcoming annual general meeting (“**AGM**”) of the Company. All of the above retiring Directors are eligible and will offer themselves for re-election at the forthcoming AGM of the Company.

BIOGRAPHIES OF DIRECTORS

Biographies of Directors of the Group are set out on pages 60 to 64 of this annual report.

董事

年內及截至本報告日期的本公司董事如下：

執行董事

劉學恒先生 (*主席兼行政總裁*)

(於2016年1月25日獲委任)

胡野碧先生

牛鍾洁先生

祝仕興先生

林嘉德先生

張庭喆先生 (於2016年1月25日獲委任)

除艾先生 (於2016年7月20日獲委任)

梁佩雯女士 (於2016年5月18日辭任)

獨立非執行董事

樂圓明先生

辛羅林先生

潘立輝先生

謝文傑先生 (於2016年1月25日獲委任)

根據細則第86(3)、87(1)及87(2)條以及上市規則附錄十四所載企業管治常規守則(「**企業管治守則**」)第A.4.2條，胡野碧先生、牛鍾洁先生、除艾先生、樂圓明先生及辛羅林先生須於本公司應屆股東週年大會(「**股東週年大會**」)上告退。上述所有告退董事均符合資格且願意於本公司應屆股東週年大會上膺選連任。

董事履歷

本集團董事履歷載於本年報第60至64頁。

CHANGE IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, change in the information of the Director since the date of the interim report 2016 and up to the date of this annual report of the Company is set out below:

董事資料的變動

根據上市規則第13.51B(1)條，自於2016年中期報告日以來及直至本公司本年報日期，董事資料的變動載於下文：

Name of Directors 董事姓名	Details of Change 變動詳情
Mr. Hu Yebi 胡野碧先生	Resigned as an executive director of Bestway International Holdings Limited, a company listed on the Stock Exchange (stock code: 718) with effect from 28 October 2016. 辭任百威國際控股有限公司（一間於聯交所上市的公司，股份代號：718）的執行董事，自2016年10月28日起生效。
Mr. Niu Zhongjie 牛鍾洁先生	Appointed as an independent non-executive director of Gold- Finance Holdings Limited (stock code: 1462) since 3 February 2016. 自2016年2月3日起獲委任為金誠控股有限公司（股份代號：1462）的獨立非執行董事。
Mr. Lam Ka Tak 林嘉德先生	Appointed as an independent non-executive director, the chairman of the audit committee, and the member of the remuneration committee of U Banquet Group Holding Limited (stock code: 1483) since 27 October 2016. 自2016年10月27日起獲委任為譽宴集團控股有限公司（股份代號：1483）的獨立非執行董事、審計委員會主席及薪酬委員會成員。
Mr. Xin Luo Lin 辛羅林先生	Resigned as an independent non-executive director of Enerchina Holdings Limited, a company listed on the Stock Exchange (stock code: 622) with effect from 1 June 2016. 辭任威華達控股有限公司（一間於聯交所上市的公司，股份代號：622）的獨立非執行董事，自2016年6月1日起生效。 Resigned as a non-executive director of Asia Capital Holdings Limited, a company listed on the Stock Exchange (stock code: 8295) with effect from 17 June 2016. 辭任卓亞資本有限公司（一間於聯交所上市的公司，股份代號：8295）的非執行董事，自2016年6月17日起生效。 Resigned as a non-executive director of China Trends Holdings Limited, a company listed on the Stock Exchange (stock code: 8171) with effect from 6 May 2016. 辭任中國趨勢控股有限公司（一間於聯交所上市的公司，股份代號：8171）的非執行董事，自2016年5月6日起生效。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' SERVICE CONTRACTS

Mr. Lam Ka Tak and Mr. Zhu Shixing, executive Directors, have entered into a service contract with the Company on 24 December 2015 for a term of three years unless terminated by three months' notice in writing served by either party on the other or payment in lieu.

Mr. Liu Xue Heng and Mr. Zhang Tingzhe, executive Directors, have entered into a service contract with the Company on 25 January 2016 for a term of three years unless terminated by three months' notice in writing served by either party on the other or payment in lieu.

Mr. Tse Man Kit, Keith, an independent non-executive Director, has entered into a service contract with the Company on 25 January 2016 for a term of three years unless terminated by three months' notice in writing served by either party on the other or payment in lieu.

Mr. Tsui Ngai, Eddie, an executive Director, has entered into a service contract with the Company on 20 July 2016 for a term of three years unless terminated by three months' notice in writing served by either party on the other or payment in lieu.

Apart from the foregoing, no Director proposed for re-election at the forthcoming AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive Directors to be independent.

DIRECTORS' REMUNERATION POLICY

The Directors' fees are subject to Shareholders' approval at general meetings; other emoluments of the Directors are determined by the Board with reference to Directors' duties, responsibilities and performance and the results of the Group as well as the recommendation of the remuneration committee.

Details of the Directors' and chief executives remuneration and the five highest paid employees in the Group are set out on notes 8 and 9 to the consolidated financial statements.

董事服務合約

執行董事林嘉德先生及祝仕興先生已於2015年12月24日與本公司訂立為期三年之服務合約，直至任何一方向對方發出三個月之書面通知或支付代通知金將協議終止為止。

執行董事劉學恒先生及張庭喆先生已於2016年1月25日與本公司訂立為期三年之服務合約，直至任何一方向對方發出三個月之書面通知或支付代通知金將協議終止為止。

獨立非執行董事謝文傑先生已於2016年1月25日與本公司訂立為期三年之服務合約，直至任何一方向對方發出三個月之書面通知或支付代通知金將協議終止為止。

執行董事徐艾先生已於2016年7月20日與本公司訂立為期三年之服務合約，直至任何一方向對方發出三個月之書面通知或支付代通知金將協議終止為止。

除上述者外，擬於應屆股東週年大會上應選連任之董事概無與本公司訂立本公司不可於一年內無償（法定賠償除外）終止之服務合約。

獨立性之確認

本公司已獲各獨立非執行董事按照上市規則第3.13條發出其每年之獨立性確認書，並認為全體獨立非執行董事均屬獨立。

董事薪酬政策

董事袍金須待股東於股東大會上批准，其他津貼則由董事會參考董事職責、責任及表現及本集團的業績以及薪酬委員會的推薦意見釐定。

董事及主要行政人員薪酬以及本集團五名最高薪酬僱員之酬金詳情載於綜合財務報表附註8及9。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

There were no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, which subsisted at the end of the year or at any time during the year ended 31 December 2016.

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 year ended 31 December 2016.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors is or was interested in any business apart from the Group's business, which competes or competed or is or was likely to compete, either directly or indirectly, with the Group's business at any time during the year ended 31 December 2016 and up to and including the date of this annual report.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed above, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debenture of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, or any of its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire such rights in any other body corporate.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 23 – Loans from a Shareholder of this report, no other contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the financial year under review or at any time during the financial year under review.

董事於交易、安排或合約中之權益

董事概無於本公司或其任何附屬公司所訂立而於年末或截至2016年12月31日止年度內任何時間存續的重大交易、安排或合約中直接或間接擁有重大權益。

管理合約

截至2016年12月31日止年度內，並無訂立或存續有關本公司全部或任何重大部分業務之管理及行政之合約。

董事於競爭業務中的權益

於截至2016年12月31日止年度直至本年報日期（包括該日）止的任何時間，概無董事在與本集團業務直接或間接存在或曾存在或很可能存在或曾很可能存在競爭的任何業務（本集團業務除外）中擁有或曾擁有任何權益。

董事購買股份或債權證之權利

除上文所披露者外，本公司於本年度內任何時間概無授予任何董事或彼等各自之配偶或未成年子女藉收購本公司之股份或債權證而取得利益之權利，而彼等亦無行使任何該等權利；本公司或其任何控股公司、附屬公司及同系附屬公司概無參與訂立任何安排，致使本公司董事可於任何其他法人團體獲得有關權利。

董事的重大合約權益

除本報告附註23—股東貸款披露者外，董事概無其他於本公司或其任何附屬公司所訂立而於回顧財政年度結束時或於回顧財政年度隨時有效的有關本集團業務的重大合約中直接或間接擁有重大權益。

REPORT OF THE DIRECTORS

董事會報告

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

As at the date of this report, the interests of the Directors and chief executive in the Shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register required to be kept under Section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities by Directors of Listed Issuers as set out in appendix 10 of the Listing Rules (the "Model Code") are as follows:

INTEREST IN THE SHARES OF THE COMPANY

Name of Directors	董事姓名	Capacity and nature	身份及性質	Number of Ordinary Shares (Note (1))	Number of underlying Shares held pursuant to share options	Approximately percentage of issued Share capital
				普通股數目 (附註(1))	根據購股權持有之相關股份數目	佔已發行股本之概約百分比
Mr. Hu Yebi	胡野碧先生	Corporate	公司	110,810,000	968,000	9.57%
Mr. Niu Zhongjie	牛鍾浩先生	Corporate	公司	56,800,000	968,000	4.94%
Mr. Liu Xue Heng (Note 2)	劉學恒先生 (附註2)	Beneficial Owner	實益擁有人	–	9,680,000	0.83%
Mr. Zhang Tingzhe	張庭喆先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Lam Ka Tak	林嘉德先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Tse Man Kit, Keith	謝文傑先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Lok Lawrence Yuen Ming	樂圓明先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Xin Luo Lin	辛羅林先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Pan Lihui	潘立輝先生	Beneficial Owner	實益擁有人	–	968,000	0.08%

Notes:

- (1) Interests in Shares of the Company stated above represent long positions.
- (2) Mr. Liu Xue Heng is the Chief Executive Officer of the Company.

Save as disclosed above, none of the Directors, chief executives of the Company or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations which had been recorded in the register required to be kept under Section 352 of the SFO at the date of this report.

董事及主要行政人員於股份、相關股份及債權證中之權益及／或淡倉

於本報告日期，董事及主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份中擁有記錄於根據證券及期貨條例第352條須存置之登記冊或根據上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益如下：

於本公司股份的權益

Name of Directors	董事姓名	Capacity and nature	身份及性質	Number of Ordinary Shares (Note (1))	Number of underlying Shares held pursuant to share options	Approximately percentage of issued Share capital
				普通股數目 (附註(1))	根據購股權持有之相關股份數目	佔已發行股本之概約百分比
Mr. Hu Yebi	胡野碧先生	Corporate	公司	110,810,000	968,000	9.57%
Mr. Niu Zhongjie	牛鍾浩先生	Corporate	公司	56,800,000	968,000	4.94%
Mr. Liu Xue Heng (Note 2)	劉學恒先生 (附註2)	Beneficial Owner	實益擁有人	–	9,680,000	0.83%
Mr. Zhang Tingzhe	張庭喆先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Lam Ka Tak	林嘉德先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Tse Man Kit, Keith	謝文傑先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Lok Lawrence Yuen Ming	樂圓明先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Xin Luo Lin	辛羅林先生	Beneficial Owner	實益擁有人	–	968,000	0.08%
Mr. Pan Lihui	潘立輝先生	Beneficial Owner	實益擁有人	–	968,000	0.08%

附註：

- (1) 上述於本公司股份之權益指好倉。
- (2) 劉學恒先生為本公司行政總裁。

除上文所披露者外，於本報告日期，董事、本公司主要行政人員或彼等之任何聯繫人概無於本公司或其相聯法團之股份、相關股份或債權證中擁有記錄於根據證券及期貨條例第352條須存置之登記冊之任何權益或淡倉。

SHARE OPTION SCHEME

The Company's share option scheme (the "Share Option Scheme") was conditionally adopted by the written resolutions of the sole Shareholder of the Company passed on 3 December 2011, pursuant to which the Board may, at its absolute discretion and on such terms as it may think fit, grants share options to any employee(s) (whether full time or part time including any Director) of any member of the Group at the exercise price for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme.

The purpose of the Share Option Scheme is to enable the Board to grant options to selected eligible persons including employee(s) and Directors as incentives or rewards for their contribution or potential contribution to the Group. The maximum number of Shares which may be issued upon exercise of all share options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the Shares in issue on the date of approving the Share Option Scheme (the "Share Option Scheme Limit"). As at 16 January 2012, being the date of listing of the Shares on the Stock Exchange, the Share Option Scheme Limit was 40,000,000 per-subdivided Shares.

The maximum number of Shares issued and to be issued upon exercise of share options granted and to be granted under the Share Option Scheme and any other share option scheme(s) of the Company to any employee(s) (including cancelled, exercised and outstanding options), in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue from time to time.

購股權計劃

本公司的購股權計劃（「購股權計劃」）由本公司唯一股東於2011年12月3日通過的書面決議案有條件採納，據此，董事會可全權根據其認為適合的條款向本集團任何成員公司的任何僱員（不論全職或兼職，包括任何董事）授出購股權，供彼等按行使價認購根據購股權計劃的條款所釐定數目的股份。

購股權計劃旨在使董事會可向經甄選的合資格人士（包括僱員及董事）授出購股權，作為彼等對本集團作出或可能作出貢獻的獎勵或報酬。因行使根據購股權計劃及本公司任何其他購股權計劃所授所有購股權而可能發行的股份數目上限，不得超過於批准購股權計劃日期已發行股份的10%（「購股權計劃限額」）。於2012年1月16日（即股份於聯交所上市日期），購股權計劃限額為40,000,000股分拆股份。

在截至授出日期止的任何12個月期間內，任何僱員因行使根據購股權計劃及本公司任何其他購股權計劃已授出及將授出的購股權（包括已註銷、已行使和尚未行使的購股權）而發行及將予發行的股份數目上限，不得超過不時已發行股份的1%。

REPORT OF THE DIRECTORS 董事會報告

Notwithstanding the foregoing, the maximum number of ordinary Shares in the capital of the Company which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of ordinary Shares in the capital of the Company in issue from time to time.

A share option granted under the Share Option Scheme is personal to the grantee and shall not be assignable or transferable. Share options do not counter rights on the holders to dividends or to vote at Shareholders' meetings.

On 7 December 2012, the Directors granted a total of 7,980,000 share options under the Share Option Scheme to subscribe for an aggregate of 7,980,000 pre-subdivided Shares. Owing to the share subdivision on 24 May 2013 (after adjustment for the subdivision of Shares from nominal value of HK\$0.01 per Share to HK\$0.005 per Share in 2013), the Share Option Scheme Limit was adjusted and the Directors were authorized to grant share options to subscribe for up to 80,000,000 Shares in which 15,960,000 share options (after adjustment) had been granted.

During the year 2014, 2,200,000 shares options and 6,860,000 shares options were being cancelled and exercised respectively.

The remaining 6,900,000 share options were subsequently cancelled due to the mandatory unconditional cash offer completed on 8 April 2015. No other share option was granted during the year 2015 and the total number of Shares available for issue under the Share Option Scheme was 64,040,000 Shares representing approximately 6.83% of the total issued Shares capital of the Company as at 31 December 2015.

On 8 April 2016, the Directors granted a total of 58,500,000 share options to Directors and employee under the Share Option Scheme to subscribe for an aggregate of 58,500,000 Shares.

儘管如此，行使根據購股權計劃及本公司任何其他購股權計劃所授及尚未行使之所有尚未行使購股權而可能發行的本公司股本中普通股數目上限，合共不得超過本公司不時已發行股本中普通股總數之30%。

根據購股權計劃，購股權授予承授人個人，且不得出讓或轉讓。購股權並不影響持有人獲得股息或於股東大會投票之權利。

於2012年12月7日，董事根據購股權計劃授予合共7,980,000份購股權以認購合共7,980,000股分拆股份。由於於2013年5月24日進行股份拆細（於2013年就股份拆細由每股面值0.01港元調整至每股0.005港元後），購股權計劃上限已經調整，而董事獲授權授予購股權以認購最多80,000,000股股份，其中15,960,000份購股權（調整後）已獲授出。

於2014年，2,200,000份購股權及6,860,000份購股權分別獲註銷及行使。

由於強制性無條件現金要約於2015年4月8日完成，故餘下6,900,000份購股權隨後獲註銷。於2015年，概無授出其他購股權，且根據購股權計劃可予發行的股份總數目為64,040,000股，佔本公司於2015年12月31日已發行股本總額之約6.83%。

於2016年4月8日，董事根據購股權計劃向董事及僱員授出合共58,500,000份購股權以認購合共58,500,000股股份。

Pursuant to an ordinary resolution passed at an AGM of the Company held on 15 June 2016, the Company approved to refresh the Share Option Scheme Limit. Share options previously granted under the Share Option Scheme or any other share option scheme(s) of the Company (including options outstanding, cancelled, or lapsed or exercised in accordance with the relevant scheme rules) shall not be counted for the purpose of calculating the limit as refreshed. Apart from the Share Option Scheme, the Company has no other share option scheme currently in force for the year under review.

On 15 June 2016, there are 58,500,000 outstanding share options, representing approximately 6.04% of the total number of Shares in issue as at 15 June 2016. On the basis of 968,230,000 Shares in issue as at the 15 June 2016, and taking into account the outstanding 58,500,000 share options granted under the Share Option Scheme to subscribe for up to a total of 58,500,000 Shares (the “**Outstanding Options**”), the Company may grant share options to eligible participants conferring on them right to subscribe for a total of up to 96,823,000 Shares which, when aggregated with 58,500,000 Shares that may be issued under the Outstanding Options (amounting to 155,323,000 Shares which represents approximately 16.04% of the total number of Shares in issue as at 15 June 2016), is within the said limit of 30% of the total number of Shares in issue from time to time as required under the Share Option Scheme.

On 12 December 2016, the Directors granted a total of 9,680,000 share options to employee under the Share Option Scheme to subscribe for an aggregate of 9,680,000 Shares.

As at 31 December 2016, a total of 1,936,000 share options were forfeited due to resignation of a Director and employee. The total number of outstanding share options was 66,244,000 which represent approximately 5.67% of the total number of Shares in issue as at 31 December 2016.

根據本公司於2016年6月15日舉行之股東週年大會上通過之普通決議案，本公司批准更新購股權計劃上限。先前根據購股權計劃或本公司任何其他購股權計劃授出之購股權（包括根據相關計劃規則尚未行使、註銷或失效或已行使之購股權）不得就計算經更新上限而計算在內。除購股權計劃外，本公司於回顧年度並無其他現行有效之購股權計劃。

於2016年6月15日，有58,500,000份尚未行使購股權，相當於於2016年6月15日已發行股份總數之約6.04%。基於2016年6月15日已發行968,230,000股股份，並計及根據購股權計劃授出58,500,000份購股權以認購最多合共58,500,000股股份（「**尚未行使購股權**」），本公司可能授出購股權予合資格參與者，授予彼等權利以認購合共最多96,823,000股股份，其中，根據尚未行使購股權（達155,323,000股股份，相當於2016年6月15日已發行股份總數約16.04%）可能發行之合共58,500,000股股份於根據購股權計劃規定之不時已發行股份總數之30%所述限額內。

於2016年12月12日，董事根據購股權計劃向僱員授出合共9,680,000份購股權以認購合共9,680,000股股份。

於2016年12月31日，由於董事及僱員辭職，合共1,936,000份購股權已沒收。尚未行使購股權總數為66,244,000份，相當於於2016年12月31日已發行股份總數之約5.67%。

REPORT OF THE DIRECTORS 董事會報告

The Directors consider that the Company should refresh the Share Option Scheme Limit so that the Company could have more flexibility to provide incentives to the eligible participants of the Share Option Scheme by way of granting share options to them to strive for the future development and success of the Group. The Directors further consider that the refreshment of the Share Option Scheme Limit is in the interests of the Group and the Shareholders as a whole because it enables the Company to reward appropriately and motivate the eligible participants under the Share Option Scheme.

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 but in any event shall not exceed 10 years from the date of grant. Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no minimum holding period before an option is exercisable.

An offer for the grant of options must be accepted within twenty-one days inclusive of the day on which such offer was made. The amount payable to our Company on acceptance of the offer for the grant of an option is HK\$1.00. The exercise price is to be determined by the Board provided always that it shall be at least the higher of (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of offer for the grant of the option, which must be a trading 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, provided that the exercise price shall in no event be less than the nominal amount of one Share.

The Shares Option Scheme will be expired on 2 December 2021 if not be terminated by any general meeting earlier. The remaining life of the Share Option Scheme is 5 years at the report date.

董事認為本公司應更新購股權計劃限額，以便本公司透過授予購股權計劃合資格參與者購股權之方式更為靈活地為彼等提供獎勵以致力於本集團未來發展及成功。董事亦認為，因為更新購股權計劃限額使本公司可根據購股權計劃適當獎勵及激勵合資格參與者，故更新購股權計劃限額符合本集團及股東之整體利益。

購股權可於由董事會指定的期間內，隨時根據購股權計劃的條款獲行使，但無論如何不得超過授出日期起計10年。除非董事會另行決定，並於授出有關購股權的建議上規定，否則購股權於可予行使前並無最短的持有期限。

授出購股權的建議必須於提出有關建議之日（包括當日）起計21日內接納。於接納授出購股權的建議時，須向本公司支付金額1.00港元。行使價將由董事會釐定，但於一切情況下不得低於下列較高者：(i) 聯交所每日報價表所報股份於提出授出購股權的建議當日（須為交易日）的收市價；及(ii) 聯交所每日報價表所報股份於緊接授出日期前5個營業日的平均收市價，惟行使價無論如何不得低於一股股份的面值。

購股權計劃將於2021年12月2日屆滿（倘未透過任何股東大會提早終止）。於報告日期，購股權計劃之剩餘年期為5年。

REPORT OF THE DIRECTORS

董事會報告

The following table discloses movements in the Company's share options outstanding as at 31 December 2016:

下表披露本公司於2016年12月31日尚未行使購股權之變動：

Name or category of participant 姓名或參與者類別	Number of share options 購股權數目				At 30 June 2016 於2016年 6月30日	Date of grant of share options 授出購股權 日期	Exercise period of share options 購股權 行使期間	Exercise price of share options HK\$ per Share 購股權行使價 每港元
	At 1 January 2016 於2016年 1月1日	Granted during the Period 於期間內 授出	Exercised during the Period 於期間內 行使	Forfeited during the Period 於期間內 註銷				
Directors:								
董事：								
Mr. Liu Xue Heng 劉學恒先生	-	9,680,000	-	-	9,680,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Hu Yebi 胡野碧先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Niu Zhongjie 牛鍾洁先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Lam Ka Tak 林嘉德先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Zhang Tingzhe 張庭喆先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Tse, Man Kit, Keith 謝文傑先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Lok Lawrence Yuen Ming 樂圓明先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Xin Luo Lin 辛羅林先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Mr. Pan Lihui 潘立輝先生	-	968,000	-	-	968,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
Ms. Leung Pui Man* 梁佩雯女士*	-	968,000	-	(968,000)	-	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
		18,392,000	-	(968,000)	17,424,000			
Other employees:								
其他僱員：								
	-	40,108,000	-	(968,000)	39,140,000	8 April 2016 2016年4月8日	8-Apr-16 to 7-Apr-26 2016年4月8日至2026年4月7日	0.764
	-	9,680,000	-	-	9,680,000	12 December 2016 2016年12月12日	12-Dec-16 to 11-Dec-26 2016年12月12日至2026年12月11日	1.386
	-	68,180,000	-	(1,936,000)	66,244,000			

* Ms. Leung Pui Man resigned as an executive Director of the Company on 18 May 2016.

* 梁佩雯女士已於2016年5月18日辭任本公司執行董事。

Notes:

(1) The vesting period of the share options granted on 8 April 2016 is: first 30% of the share options granted will be vested in one year after 8 April 2016, second 40% of the share options granted will be vested in two years after 8 April 2016 and remaining 30% of the share options granted will be vested in three years after 8 April 2016. The share options are exercisable from the vesting date until 7 April 2026.

附註：

(1) 於2016年4月8日授出之購股權計劃的歸屬期為：首批授出之30%購股權將於2016年4月8日後一年內歸屬，第二批授出之40%購股權將於2016年4月8日後兩年內歸屬及餘下授出之30%購股權將於2016年4月8日後三年內歸屬。購股權可自歸屬日期直至2026年4月7日期間行使。

REPORT OF THE DIRECTORS 董事會報告

- (2) The vesting period of the share options granted on 12 December 2016 is: first 30% of the share options granted will be vested in one year after 12 December 2016, second 40% of the share options granted will be vested in two years after 12 December 2016 and remaining 30% of the share options granted will be vested in three years after 12 December 2016. The share options are exercisable from the vesting date until 11 December 2026.
- (3) The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's Share capital.
- (4) The closing prices of the Company's Shares immediately before the date on which the options were granted during the year on 8 April 2016 and 12 December 2016 was HK\$0.764 per Share and HK\$1.386 per Share, respectively.
- (2) 於2016年12月12日授出之購股權計劃的歸屬期為：首批授出之30%購股權將於2016年12月12日後一年內歸屬，第二批授出之40%購股權將於2016年12月12日後兩年內歸屬及餘下授出之30%購股權將於2016年12月12日後三年內歸屬。購股權可自歸屬日期直至2026年12月11日期間行使。
- (3) 購股權之行使價或會因供股或發行紅股或本公司股本之其他類似變動而調整。
- (4) 本公司股份於緊接本年度購股權授出日期（2016年4月8日及2016年12月12日）前之收市價分別為每股0.764港元及每股1.386港元。

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

As at the date of this report, the register of substantial Shareholders maintained under Section 336 of the SFO shows that the Company had been notified of the following substantial Shareholders' interests and short positions, representing 5% or more of the Company's issued share capital:

主要股東於本公司之股份或相關股份之權益及淡倉

於本報告日期，根據證券及期貨條例第336條存置之主要股東登記冊顯示，本公司獲知會下列主要股東之權益及淡倉佔本公司之已發行股本5%或以上：

Name	姓名	Number of Ordinary Shares	Number of Underlying Shares held pursuant to share options 根據購股權計劃持有的相關股份數目	Percentage
		普通股數目	相關股份數目	百分比
Beijing Enterprises Medical and Health Industry Group Limited ("BEMH") (Note (a))	北控醫療健康產業集團有限公司 （「北控醫療健康」） （附註(a)）	231,000,000	—	19.77%
United Win International Corporation (Note (a))	United Win International Corporation（附註(a)）	231,000,000	—	19.77%
Hollyview International Limited (Note (b))	Hollyview International Limited （附註(b)）	110,810,000	—	9.49%
Mr. Hu Yebi (Note (b))	胡野碧先生（附註(b)）	110,810,000	968,000	9.57%

Notes:

- (a) BEMH is the sole shareholder of United Win International Corporation.
- (b) Mr. Hu Yebi is the sole beneficial shareholder of Hollyview International Limited.

Save as disclosed above, no person had registered an interest of a short position in the shares and underlying shares or debentures of the Company that was required to be recorded under Section 336 of Part XV of the SFO.

RELATED PARTY AND CONNECTED TRANSACTIONS

A summary of the related party and connected transactions entered into by the Group during the year ended 31 December 2016 is contained in note 33 to the consolidated financial statements.

附註：

- (a) 北控醫療健康為United Win International Corporation的唯一股東。
- (b) 胡野碧先生為Hollyview International Limited唯一實益股東。

除上文所披露者外，概無任何人士於本公司之股份及相關股份或債權證中擁有根據證券及期貨條例第XV部第336條須予記錄之已登記淡倉權益。

關聯方及關連交易

本集團於截至2016年12月31日止年度訂立的關聯方交易的概要載於綜合財務報表附註33。

REPORT OF THE DIRECTORS

董事會報告

RETIREMENT SCHEME

In the PRC, the Group contributes to social insurance on a monthly basis for its employees. The Group has no further obligation for payment of post-retirement benefits to employees beyond the aforesaid contributions made by the Group.

The Group also participates in mandatory provident fund scheme (the "MPF Scheme") in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group and are under the control of an independent trustee. Both the Group and its employees are required to contribute 5% of the employees' monthly salaries. The mandatory contributions required to be made respectively by the Group and an employee are each capped at HK\$1,500 commenced from 1 June 2014. Members are entitled to 100% of the employers' mandatory contributions as soon as they are paid to the MPF Scheme but all benefits derived from the mandatory contributions must be preserved until an employee reaches the retirement age of 65 or in accordance with the rules of the MPF Scheme.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every Director of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and officers arising out of corporate activities. The level of the coverage is reviewed annually. The permitted indemnity provision is in force for the benefit of the Directors as required by section 470 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) when the Directors' report prepared by the Directors is approved in accordance with section 391(1)(a) of the Companies Ordinance.

EQUITY-LINKED AGREEMENTS

Other than the Share Option Schemes of the Company as disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at year ended 31 December 2016.

DONATION

During the year, the Group did not make any charitable donation.

退休金計劃

在中國，本集團為其僱員每月作出社會保險供款。除本集團作出上述供款外，本集團毋須承擔向僱員支付其他退休後福利責任。

本集團亦於香港參與強制性公積金計劃（「強積金計劃」）。強積金計劃之資產由獨立信託人控制，與本集團之資產分開。本集團及其僱員須從其每月工資中扣除5%作為供款。強積金須由本集團及其僱員分別作出強制性供款，而自2014年6月1日起，每月上限為1,500港元。會員有權在有關強積金計劃供款後取得僱主之100%強制性供款，但所有強制性供款所產生之利益必須保存至僱員達65歲退休年齡或根據強積金計劃之規例為止。

獲准許之彌償條文

根據組織章程細則，本公司每位董事有權就執行其職務而可能遭致或發生或與此相關之一切損失或責任從本公司資產中獲得彌償。本公司已就其董事及行政人員可能面對因企業活動產生之法律訴訟，為董事及行政人員之職責作適當之投保安排。保障範圍每年檢討一次。基於董事利益的獲准許之彌償條文根據公司條例（香港法例第622章）第470條的規定於董事編製之董事會報告書根據公司條例第391(1)(a)條獲通過時生效。

股票掛鈎協議

除上述所披露之本公司之購股權計劃外，於截至2016年12月31日止年度期間或年度結束時，本公司概無訂立或存在任何將會或可導致本公司發行股份或要求本公司訂立將會或可導致本公司發行股份的任何協議的股票掛鈎協議。

捐款

於年內，本集團並無作出任何慈善捐款。

TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in, or exercising of any rights in relation to the Shares, they are advised to consult an expert.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the knowledge of the Directors as at the date of this report, the Company has maintained the prescribed public float of not less than 25% of the issued Shares as required under the Listing Rules since the listing of the Shares on 16 January 2012.

MATERIAL LITIGATIONS AND ARBITRATIONS

During the year, the Group had no material litigation and arbitration.

CONTINGENT LIABILITIES

The Group did not have any contingent liability as at 31 December, 2016.

CAPITAL COMMITMENTS

Details of the capital commitments of the Company is contained in note 32 to the consolidated financial statements.

稅項減免

本公司並不知悉有任何因股東持有股份而使其獲得之稅項減免。股東如對購買、持有、出售、買賣本公司股份或行使任何有關股份的任何權利所引致的稅務影響有任何疑問，應諮詢專業顧問。

公眾持股量

於本報告日期，根據本公司之公開資料以及據董事所知，自2012年1月16日股份上市以來，本公司一直維持上市規則所訂明不少於25%已發行股份之公眾持股量。

重大訴訟及仲裁事項

本年度，本集團無重大訴訟及仲裁事項。

或然負債

於2016年12月31日，本集團並無任何重大或然負債。

資本承擔

本公司之資本承擔之詳情載於綜合財務報表附註32。

REPORT OF THE DIRECTORS 董事會報告

CORPORATE GOVERNANCE

The Company is committed to adopt corporate governance practices. The Company's corporate governance principles and practices are set out in the corporate governance report on pages 44 to 60 of this annual report.

INDEPENDENT AUDITOR

Messrs. PricewaterhouseCoopers, who had acted as the auditor of the Company in the preceding years, retired as the auditor of the Company at the AGM on 15 June 2016, and Messrs. Ernst & Young was appointed as the auditor of the Company on 15 June 2016.

The accompanying consolidated financial statements have been audited by Ernst & Young who shall retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM. Having approved by the Board upon the recommendation of the Audit Committee, a resolution to re-appoint Ernst & Young as the independent auditor of the Company and to authorise the Board to fix its remuneration will be proposed at the forthcoming AGM.

On behalf of the Board

Liu Xue Heng

Chairman & Chief Executive Officer

Hong Kong

28 March 2017

企業管治

本公司致力採納企業管治常規。本公司之企業管治原則及常規載於本年報第44至60頁之企業管治報告。

獨立核數師

本公司過往年度之核數師羅兵咸永道會計師事務所，已於2016年6月15日之股東週年大會上退任作為本公司核數師，而安永會計師事務所已於2016年6月15日獲委任為本公司核數師。

隨附之綜合財務報表已經安永會計師事務所審核。安永會計師事務所應於應屆股東週年大會上退任，並合資格及願意重獲委任。經考慮審計委員會之推薦意見後，董事會已批准於應屆股東週年大會上提呈有關重新委任安永會計師事務所擔任本公司獨立核數師並授權董事會釐定其薪酬之決議案。

代表董事會

主席兼行政總裁

劉學恒

香港

2017年3月28日

The Board is pleased to present this corporate governance report in the Company's annual report for the year ended 31 December 2016.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Board is committed itself to enhance the standard of corporate governance practices and business ethics with the firm belief that they are essential for maintaining and promoting investors' confidence and maximising Shareholders' returns. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of stakeholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellent corporate governance.

Beijing Sports and Entertainment Industry Group Limited (formerly known as "ASR Logistics Holdings Limited") is incorporated in the Cayman Islands and has its shares listing on the Stock Exchange on 16 January 2012 (the "Listing Date"). The corporate governance rules applicable to the Company is on Corporate Governance Code as set out in appendix 14 to the Listing Rules. In the opinion of the Board, the Company has complied with the code provisions as set out in the Corporate Governance Code from the Listing Date until 31 March 2012 and with the revised Corporate Governance Code from 1 April 2012 until 31 December 2016 respectively, except for the deviations from code provisions A.2.1, A.6.7 and D.1.4 of the Corporate Governance Code as described below.

Code Provision A.2.1

According to the code provision A.2.1, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. During the year ended 31 December 2016, Mr. Liu Xue Heng is both the chairman of the Board and the chief executive officer of the Company. The Board considered that Mr. Liu Xue Heng has in-depth knowledge and experience in the sports and entertainment related business in the PRC; and he is the most appropriate person. Notwithstanding the above, the Board will review the current structure from time to time. When at the appropriate time and if candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may make necessary arrangements.

董事會欣然提呈載於本公司截至2016年12月31日止年度之年報內之企業管治報告。

企業管治常規守則

董事會恪守提升企業管治常規守則的水平及商業道德標準的承諾，並堅信此對於維持及提高投資者信心和增加股東回報至為重要。為了達到股權持有人對企業管治水平不斷提升的期望和符合日趨嚴謹的法規要求，以及實踐董事會對堅守優越企業管治的承諾，董事會不時檢討其企業管治常規守則。

北京體育文化產業集團有限公司（前稱「瀚洋物流控股有限公司」）於開曼群島註冊成立，其股份於2012年1月16日（「上市日期」）在聯交所上市。適用於本公司的企業管治規則為上市規則附錄14所載企業管治守則。董事會認為，本公司分別於上市日期至2012年3月31日止期間一直遵守企業管治守則所載守則條文及於2012年4月1日起至2016年12月31日止期間一直遵守經修訂企業管治守則，惟偏離下文所述的企業管治守則的守則條文第A.2.1、A.6.7及D.1.4條除外。

守則條文第A.2.1條

根據守則條文第A.2.1條，主席及行政總裁之角色應予分開，及不應由同一人士兼任。截至2016年12月31日止年度，劉學恒先生為董事會主席兼本公司行政總裁。董事會認為劉學恒先生在中國體育及娛樂相關業務方面具有深厚知識及經驗；及彼為最合適之人士。儘管如此，董事會將不時審閱現行架構。當於適當時候且倘於本集團內或本集團外物色到具備合適領導能力、知識、技能及經驗之人選，本公司可能作出必要安排。

CORPORATE GOVERNANCE REPORT 企業管治報告

Code Provision A.6.7

Under Code Provision A.6.7, independent non-executive Directors and other non-executive Directors should attend general meetings to develop a balanced understanding of the views of Shareholders. During the year, not all independent non-executive Directors attended general meetings of the Company due to other business engagements, which have deviated from Code Provision A.6.7.

Code Provision D.1.4

Under the code provision D.1.4, the Company should have formal letters of appointment for Directors setting out the key terms and conditions of their appointment. The Company did not sign formal letters of appointment with Mr. Hu Yebi, Mr. Niu Zhongjie, Mr. Lok Yuen Ming, Mr. Xin Luo Lin and Mr. Pan Lihui. However, the said Directors are subject to retirement by rotation at least once every three years in accordance with the Articles of Association. In addition, the said Directors are required to refer to the guidelines set out in “A Guide on Directors’ Duties” issued by the Companies Registry and “Guidelines for Directors” and “Guide for Independent Non-executive Directors” (if applicable) published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors of the Company.

The Company reviews its corporate governance practices from time to time to ensure compliance Corporate Governance Code.

BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group’s businesses, strategic decisions and performances. Presently, the company secretary is responsible for ensuring that all Directors are properly briefed, either by her or by members of the Company’s senior management, on issues arising at the Board meetings. The Board delegates its authority and responsibilities to the senior management for the day-to-day management and operations of the Group. Approval has to be obtained from the Board prior to any significant transactions being entered into by the senior management.

All Directors have full and timely access to all relevant information in relation to the Company as well as the advices and services of the company secretary, if and when required, with a view to ensuring that Board procedures and all applicable rules and regulations are followed.

守則條文第A.6.7條

根據守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會以公正了解股東之意見。於年內，由於需要處理其他事務，並非所有獨立非執行董事均有出席本公司之股東大會，並因此偏離守則條文第A.6.7條。

守則條文第D.1.4條

根據守則條文第D.1.4條，本公司應與董事訂立正式委任函並載列委任之主要條款及條件。本公司並無與胡野碧先生、牛鍾洁先生、樂圓明先生、辛羅林先生及潘立輝先生訂立正式的委任函。然而，根據組織章程細則，上述董事須最少每三年輪值退任一次。此外，上述董事須參考由公司註冊處發出之「董事責任指引」及由香港董事學會發出之「董事指南」及「獨立非執行董事指南」（如適用）所載指引以履行其作為本公司董事之職責及責任。

本公司不時審閱其企業管治常規，以確保符合企業管治守則。

董事會

董事會負責領導及監控本公司，以及監督本集團之業務、策略性決定及表現。目前，公司秘書須確保全體董事妥為得知董事會會議上討論之事項，有關工作現時由彼或本公司高級管理層成員負責。董事會授予高級管理人員執行本集團日常管理及營運之權力及責任。高級管理人員於訂立任何重大交易前，須先獲得董事會批准。

當有需要時，所有董事均可全面及適時地取得有關本公司之所有相關資料以及取得公司秘書之意見及服務，確保遵從董事會議事程序以及所有適用規則及規例。

There are established procedures for Directors to seek independent professional advices for them to discharge their duties and responsibilities, where appropriate, at the Company's expense.

BOARD COMPOSITION

As at 31 December 2016 and up to the date of this annual report, the Board comprises seven executive Directors and four independent non-executive Directors from different business and professional fields. The profile of each Director is set out in the "Biographies of Directors" section in this annual report. The Directors, including the independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective delivery of the Board functions.

The Company has received an annual written confirmation from each of the independent non-executive Directors of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

The independent non-executive Directors are appointed for specific terms and their terms of office shall expire at the third AGM of the Company after the last appointment and may be renewed subject to the Shareholders' approval at such AGM. Under the Articles of Association, at each AGM one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall be subject to retirement by rotation. Retiring Directors are eligible for re-election at the AGM at which they retire. Also, under the code provisions of the Corporate Governance Code, every Director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

At the forthcoming AGM, Mr. Hu Yebi, Mr. Niu Zhongjie, Mr. Tsui Ngai, Eddie, Mr. Lok Lawrence Yuen Ming, and Mr. Xin Luo Lin will retire as Directors and, being eligible, offer themselves for re-election.

The family relationships among the Board members, if any, are disclosed under "Biographies of Directors" section in this annual report.

本公司已訂立程序讓董事在適當情況下就履行彼等之職責及責任尋求獨立專業意見，費用由本公司承擔。

董事會組成

於2016年12月31日及截至本年報日期，董事會由七位執行董事及四位獨立非執行董事組成，彼等均來自不同行業及專業界別。各董事之履歷載於本年報「董事履歷」一節。董事（包括獨立非執行董事）所具備廣泛而寶貴之業務經驗、知識及專業精神，有助董事會有效及高效地履行其職責。

本公司已收取各獨立非執行董事根據上市規則第3.13條就其身份之獨立性發出之年度書面確認書。本公司認為各獨立非執行董事確屬獨立人士。

獨立非執行董事均有特定委任年期，有關任期將於獲委任起計第三屆本公司股東週年大會上屆滿，並可於該股東週年大會上待股東批准重續。根據組織章程細則，於每屆股東週年大會上，當時為數三分之一之董事（或如董事人數並非三(3)的倍數，則須為最接近但不大於三分之一之董事人數）均須輪席退任。退任董事符合資格於其退任之股東週年大會上膺選連任。此外，根據企業管治守則之守則條文，每名董事（包括有特定委任年期之董事）須最少每三年輪值告退一次。

於應屆股東週年大會上，胡野碧先生、牛鍾浩先生、徐艾先生、樂圓明先生及辛羅林先生將輪席退任為董事，惟符合資格並願意膺選連任。

董事會成員之間之家族關係（如有）已於本年報「董事履歷」一節披露。

CORPORATE GOVERNANCE REPORT 企業管治報告

LIABILITY INSURANCE OF DIRECTORS

The Company has arranged for appropriate insurance coverage in respect of legal action against for Directors in compliance with code provision A.1.8. The insurance coverage is reviewed on an annual basis.

BOARD DIVERSITY

The Board has adopted a board diversity policy with effect from 30 August 2013 and discussed all measurable objectives set for implementing the policy. The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

CORPORATE GOVERNANCE FUNCTION

The Board is responsible for performing the corporate governance functions set out below:

- developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of Directors and senior management;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to Directors and employees; and
- reviewing the Company's compliance with the code and disclosure in the corporate governance report.

董事責任保險

遵照守則條文第A.1.8條，本公司已就董事可能面對的法律行動安排適當保險。投保範圍乃每年進行檢討。

董事會成員多元化

董事會自2013年8月30日起採納董事會成員多元化政策以及討論就實施該政策所制定之所有可量度目標。本公司明白並深信董事會成員多元化對提升公司的表現素質裨益良多。為達致可持續及均衡的發展，本公司視董事會層面日益多元化為支持其達到策略目標及維持可持續發展的關鍵元素。甄選人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限。最終將按人選的長處及可為董事會作出的貢獻而作決定。

企業管治職責

董事會負責履行下列企業管治職能：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制定、檢討及監察董事及僱員的操守準則及合規手冊（如有）；及
- 檢討本公司遵守守則的情況及在企業管治報告內的披露。

BOARD COMMITTEE MEETINGS

Regular Board meetings are held at regular intervals for reviewing and approving the financial and operating performance, and considering and approving the overall strategies and policies of the Company.

The Board met 12 times during the year ended 31 December 2016.

PRACTICES AND CONDUCT OF MEETINGS

The Board is responsible for the leadership and control of the Company, overseeing the Group's businesses, strategic decisions, risk management and internal control systems, and monitoring the performance of the senior management. The day-to-day management, administration and operations of the Company are delegated to the CEO and the senior management.

Notices of regular Board meetings are served to all Directors at least 7 days before the meetings while reasonable notice is generally given for other Board meetings. For committee meetings, notices are served in accordance with the required notice period stated in the relevant terms of reference.

Agenda and Board papers together with all appropriate, complete and reliable information are normally sent to all Directors before each Board meeting to keep the Directors apprised of the latest developments and financial position of the Company and to enable them to make informed decisions. All Directors are given the opportunity to include matters in the agenda for regular Board meetings. The Board and each Director also have separate and independent access to the senior management whenever necessary.

Minutes of all Board meetings recording sufficient details of matters considered and decisions reached are kept by the secretary of the meetings and are open for inspection by the Directors.

董事委員會會議

董事會常規會議須定期舉行，以檢討及核准財務及營運表現，並考慮及審批本公司整體策略及政策。

於截至2016年12月31日止年度期間，董事會共舉行12次會議。

會議常規及守則

董事會負責領導及監控本公司，以及監督本集團之業務、策略性決定、風險管理及內部監控系統以及監察高級管理人員之表現。行政總裁及高級管理人員被授予執行本公司日常管理、行政及營運之權力及責任。

董事會常規會議通告最少於會議舉行前七天送達所有董事，而其他董事會會議一般於合理時間內發出通知。就委員會會議而言，通告將根據相關職權範圍列明之規定通知期內送達。

議程及董事會文件連同所有適當、完整及可靠之資料通常於各董事會會議前寄發予所有董事，以便董事獲悉本公司之最新發展及財務狀況，得以作出知情決定。所有董事均可於董事會常規會議之議程內加入任何事項。董事會及各董事於有需要時亦可各自獨立接觸高級管理人員。

所有董事會會議之會議記錄均載有考慮事項及已作決定之詳情，並由會議秘書保存及公開供董事查閱。

CORPORATE GOVERNANCE REPORT

企業管治報告

The composition of the Board and the attendance of individual members of the Board and Board committees meetings during the year ended 31 December 2016 are set out in the table below:

截至2016年12月31日止年度，董事會的組成及個別成員於董事會及董事委員會會議之出席情況載於下表：

Directors 董事	Attendance 出席情況				
	Board Meeting 董事會會議	Audit Committee Meeting 審計委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	AGM 股東週年大會
Executive Directors					
執行董事					
Liu Xue Heng 劉學恒	10/12	–	–	–	1/1
Hu Yebi 胡野碧	11/12	–	4/4	3/3	1/1
Niu Zhongjie 牛鍾洁	11/12	–	4/4	3/3	1/1
Zhu Shixing 祝仕興	9/12	–	–	–	1/1
Lam Ka Tak 林嘉德	11/12	–	–	–	1/1
Zhang Tingzhe 張庭喆	10/12	–	–	–	1/1
Tsui Ngai, Eddie (Note 1) 徐艾 (附註 1)	3/12	–	–	–	–
Leung Pui Man (Note 2) 梁佩雯 (附註 2)	3/12	–	–	–	–
Independent non-executive Directors					
獨立非執行董事					
Lok Lawrence Yuen Ming 樂圓明	12/12	3/3	4/4	3/3	1/1
Xin Luo Lin 辛羅林	11/12	2/3	3/4	3/3	1/1
Pan Lihui 潘立輝	12/12	3/3	4/4	3/3	1/1
Tse Man Kit, Keith 謝文傑	11/12	–	–	–	1/1

Notes:

附註：

(1) Mr. Tsui Ngai, Eddie was appointed as an executive Director of the Company on 20 July 2016.

(1) 徐艾先生已於2016年7月20日獲委任為本公司執行董事。

(2) Ms. Leung Pui Man resigned as an executive Director of the Company on 18 May 2016.

(2) 梁佩雯女士已於2016年5月18日辭任本公司執行董事。

DIRECTORS' CONTINUOUS TRAINING AND DEVELOPMENT PROGRAMME

Pursuant to the Corporate Governance Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant.

The Company has put in place an on-going training and professional development programs for Directors.

During the year ended 31 December 2016, all Directors of the Company received regular briefings, seminars, conference and/or updates relevant to the Group's business, operations, risk management, corporate governance, directors' duty and responsibilities, and other relevant topics. Materials on new or salient changes to laws and regulations applicable to the Group were provided to the Directors. All Directors have provided the Company with their respective training records pursuant to the Corporate Governance Code.

BOARD COMMITTEES

To oversee particular aspects of the Company's affairs and to assist in the execution of its responsibilities, the Board has established three Board committees, namely Audit Committee, Remuneration Committee, and Nomination Committee. Independent non-executive Directors play an important role in these committees to ensure that independent and objective views are expressed and to promote critical review and control.

董事之持續培訓及發展計劃

根據企業管治守則，全體董事應參與持續專業發展計劃，以發展並更新其知識及技能。此可確保彼等在具備全面資訊及切合所需之情況下對董事會作出貢獻。

本公司已為董事提供合適之持續培訓及專業發展項目。

截至2016年12月31日止年度，本公司全體董事均定期接收有關本集團業務、營運、風險管理、企業管治、董事職能及職責以及其他相關課題的簡報、研討會、會議及／或更新。董事獲提供適用於本集團的新訂重點法律及條例或重要法律及條例之變動。所有董事已根據企業管治守則向本公司提供彼等各自之培訓紀錄。

董事委員會

為監察本公司各範疇之整體事務及協助履行職責，董事會已設立三個董事委員會，分別為審計委員會、薪酬委員會及提名委員會。獨立非執行董事在該等委員會中發揮重要作用，以確保獨立及客觀意見得到充分表達，並擔當審查及監控角色。

CORPORATE GOVERNANCE REPORT 企業管治報告

AUDIT COMMITTEE

The Audit Committee was established by the Board on 3 December 2011. The Audit Committee comprises of three independent non-executive Directors, namely Mr. Lok Lawrence Yuen Ming, Mr. Xin Luo Lin and Mr. Pan Lihui and is chaired by Mr. Lok Lawrence Yuen Ming, a qualified accountant with extensive experience in financial reporting and controls. The terms of reference of the Audit Committee were amended in 29 March 2016 to reflect the additional responsibilities of the Audit Committee arising from the Stock Exchange's proposal on risk management and internal control under the Corporate Governance Code applicable to accounting periods beginning on or after 1st January, 2016. It is responsible for appointment of external auditor; review of the Group's financial information and overseeing the Group's financial reporting system, risk management and internal control procedures. It is also responsible for reviewing the interim and annual results of the Group prior to recommending them to the Board for approval. It meets regularly to review financial reporting and internal control matters and to this end, has unrestricted access to the Company's external auditor. Its terms of reference are available on the respective websites of the Stock Exchange and the Company.

To comply with the requirement under the Corporate Governance Code in respect of the responsibilities for performing the corporate governance duties, the Board has delegated its responsibilities to the Audit Committee to develop and review the policies and practices of the Company on corporate governance and make recommendations to the Board; to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; to develop, review and monitor the code of conduct applicable to the Directors and employees; to review and monitor the training and continuous professional development of Directors and senior management and to review the Company's compliance with the code provisions set out in the Corporate Governance Code contained in the Listing Rules and disclosures in the corporate governance report.

During the year ended 31 December 2016, three meetings were held by the Audit Committee including the approval of change of auditor of the Company, the reviews and approvals of the annual results for 2015 and the interim results for 2016. It also reviewed the Company's progress in implementing the corporate governance requirements as set out in the Corporate Governance Code.

審計委員會

董事會於2011年12月3日成立審計委員會。審計委員會由三名獨立非執行董事（分別是樂圓明先生、辛羅林先生及潘立輝先生）組成，並由樂圓明先生出任主席，彼為合資格會計師，於財務申報及控制方面擁有豐富經驗。審計委員會職權範圍已於2016年3月29日經修訂，以反映聯交所按於2016年1月1日或之後開始的會計期間適用的企業管治守則就風險管理及內部監控提出建議所產生審計委員會額外職責。審計委員會負責委任外聘核數師、審閱本集團之財務資料及監察本集團之財務申報系統、風險管理和內部監控程序等事宜。審計委員會亦負責評核本集團中期及全年業績後才向董事會作出建議是否批准有關業績。審計委員會定期舉行會議以審閱財務申報及內部監控等事宜，並可不受限制地與本公司之外聘核數師接觸。審計委員會的職權範圍分別可於聯交所及本公司網頁以供瀏覽。

為符合企業管治守則有關履行企業管治責任之規定，董事會已委派其職能予審計委員會，以制定及檢討本公司之企業管治政策及常規，並向董事會提出建議、檢討及監察本公司遵守法律及監管規定之政策及常規；制定、檢討及監察董事及僱員之操守準則；檢討及監察董事及高級管理人員之培訓及持續專業發展，及檢討本公司遵守上市規則所載企業管治守則之守則條文之情況及企業管治報告書之披露。

截至2016年12月31日止年度，審計委員會共舉行了三次會議，包括審批更換本公司核數師、審閱及批准2015年之全年業績及2016年之中期業績。審計委員會亦檢討本公司根據企業管治守則所載之規定實行企業管治措施之進度。

REMUNERATION COMMITTEE

The Remuneration Committee was established by the Board on 3 December 2011 with its written terms of reference revised on 27 March 2012. The Remuneration Committee comprises of five members, namely Mr. Hu Yebi and Mr. Niu Zhongjie who are the executive Directors and Mr. Lok Lawrence Yuen Ming, Mr. Xin Luo Lin and Mr. Pan Lihui who are the independent non-executive Directors. The Remuneration Committee is chaired by Mr. Lok Lawrence Yuen Ming.

The primary objectives of the Remuneration Committee include making recommendations on the remuneration policy and structure and remuneration packages of the executive Directors and the senior management. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions. It also makes recommendations to the Board on the remuneration of non-executive Directors.

The Remuneration Committee meets at least once a year for reviewing the remuneration policy and structure and recommending the annual remuneration packages of the executive Directors and the senior executives and other related matters. Its terms of reference are available on the respective websites of the Stock Exchange and the Company.

During the year ended 31 December, 2016, four Remuneration Committee meetings were held including the approvals of the remunerations of the executive Directors newly appointed on January 2016 and July 2016, the approvals of share options granted to Directors and senior management on April 2016, and the approval of the refreshment of Share Option Scheme on May 2016.

Further particulars regarding Directors and chief executive's remuneration and the five highest paid employees as required to be disclosed pursuant to appendix 16 to the Listing Rules are set out in notes 8 and 9 to the financial statements.

薪酬委員會

董事會於2011年12月3日成立薪酬委員會，其書面職權範圍已於2012年3月27日經修訂。薪酬委員會成員包括五位成員，即執行董事胡野碧先生及牛鍾洁先生，以及獨立非執行董事樂圓明先生、辛羅林先生及潘立輝先生。樂圓明先生出任薪酬委員會主席。

薪酬委員會之主要目標包括就執行董事及高級管理層之薪酬政策及架構以及薪酬待遇提供推薦意見。薪酬委員會亦負責制訂具透明度的程序，以制訂有關薪酬政策及結構，確保任何董事或其任何聯繫人不得參與決定其本身之薪酬，有關薪酬將參照個人及本公司表現以及市場慣例及狀況而釐定。薪酬委員會亦就非執行董事之薪酬向董事會提供建議。

薪酬委員會須最少每年舉行一次會議，以檢討薪酬政策及架構，並就執行董事及高級管理人員之每年薪酬待遇以及其他相關事宜提供建議。薪酬委員會的職權範圍分別可於聯交所及本公司網頁以供瀏覽。

截至2016年12月31日止年度，薪酬委員會共舉行了四次會議，包括於2016年1月及2016年7月審批新委任之執行董事之薪酬、於2016年4月審批授予董事及高級管理層之購股權以及於2016年5月審批更新購股權計劃。

根據上市規則附錄16須予披露之有關董事及主要行政人員薪酬及五名最高薪酬僱員之進一步詳情載於財務報表附註8及9。

NOMINATION COMMITTEE

To comply with the Corporate Governance Code, a Nomination Committee was established on 3 December 2011 with its terms of reference revised on 30 August 2013. The Nomination Committee comprises of five members, namely Mr. Hu Yebi and Mr. Niu Zhongjie who are the executive Directors and Mr. Lok Lawrence Yuen Ming, Mr. Xin Luo Lin and Mr. Pan Lihui who are the independent non-executive Directors. The Remuneration Committee is chaired by Mr. Pan Lihui.

The Nomination Committee is responsible for making recommendations to the Board on nominations, appointment or re-appointment of Directors and Board succession. The principal duties of the Nomination Committee include reviewing the structure, size, diversity and composition (including the skills, knowledge and experience) of the Board at least annually, making recommendations on any proposed changes to the Board to complement the Company's corporate strategy, identifying individuals suitably qualified to become Board members and assessing the independence of independent non-executive Director. Its terms of reference are available on the respective websites of the Stock Exchange and the Company.

During the year ended 31 December 2016, three Nomination Committee meetings were held including the approvals of the executive Directors and appointed on January 2016 and July 2016 respectively and the appointment of the company secretary on June 2016.

提名委員會

為符合企業管治守則之規定，本公司已於2011年12月3日成立提名委員會，其職權範圍已於2013年8月30日予以修訂。提名委員會共有五位成員，即執行董事胡野碧先生及牛鍾洁先生，以及獨立非執行董事樂圓明先生、辛羅林先生及潘立輝先生。潘立輝先生出任提名委員會主席。

提名委員會負責就董事提名、委任或重新委任以及董事繼任計劃向董事會提供建議。提名委員會之主要職責包括至少每年檢討董事會的架構、人數、成員多元化及組成（包括技能、知識及經驗方面）、就任何為配合本公司的策略而擬對董事會作出的變動提出建議、物色合資格人士成為董事會成員及評核獨立非執行董事的獨立性。提名委員會的職權範圍分別可於聯交所及本公司網頁以供瀏覽。

截至2016年12月31日止年度，提名委員會共舉行了三次會議，包括分別於2016年1月及2016年7月審批獲委任之執行董事以及於2016年6月審批公司秘書之委任。

INDEPENDENT AUDITOR'S REMUNERATION

PricewaterhouseCoopers retired as the auditor of the Company at the AGM on 15 June 2016, and Ernst & Young was appointed as the auditors of the Company on 15 June 2016.

For the year ended 31 December 2016, the remuneration paid/payable to Ernst & Young, the auditors of the Company, is set as follows:

獨立核數師薪酬

羅兵咸永道會計師事務所於2016年6月15日之股東週年大會上退任作為本公司核數師，並於2016年6月15日委聘安永會計師事務所為本公司核數師。

截至2016年12月31日止年度，已付／應付本公司核數師安永會計師事務所之薪酬載列如下：

		2016 2016年 HK\$'000 千港元
Audit	審核	2,333
Non-audit services	非審核服務	299
Total	總計	2,632

The non-audit services mainly represent the preparation of the Environmental, Social and Governance Report of the Company for the year ended 31 December 2016.

非審核服務主要指編製本公司截至2016年12月31日止年度之環境、社會及管治報告。

CORPORATE GOVERNANCE REPORT 企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors are responsible for the preparation of financial statements for each financial period with a view to ensuring such financial statements give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. The Company's financial statements are prepared in accordance with all relevant statutory requirements and suitable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; judgements and estimates made are prudent and reasonable.

A statement by the auditor about their reporting responsibilities is contained in the Independent Auditor's Report.

The Board confirmed that it has taken the same view from the Audit Committee regarding the appointment of the external auditor.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibilities for maintaining a sound and effective risk management and internal control systems of the Group. The systems include a defined management structure with limits of authority, and are designed for the Group to identify and manage the significant risks to achieve its business objectives, safeguard its assets against unauthorised use or disposition, ensure the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant laws and regulations. The systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

董事就財務報表所承擔之責任

董事負責編製每個財政期間之財務報表，以確保該財務報表能夠真實和公平地反映該期間本集團之財政狀況、業績與現金流量。本公司之財務報表乃根據所有相關法規及合適會計準則而編製。董事有責任確保合適之會計政策獲貫徹選用；作出審慎和合理的判斷及估計。

核數師就其申報責任而發出之聲明載於獨立核數師報告。

董事會確認，其就委聘外聘核數師所持觀點與審計委員會相同。

風險管理及內部監控

董事會全面負責維持本集團健全及有效之風險管理及內部監控系統，有關系統包括界定管理架構及其權限，旨在協助本集團識別及管理實現業務目標所面對之重大風險、保障資產免於未經授權挪用或處置、確保維護妥當之會計記錄以提供可靠之財務資料供內部使用或作發表之用，以及確保遵守相關法例及規例。上述監控系統旨在合理地（但並非絕對地）保證並無重大失實陳述或損失，並管理而非杜絕本集團營運系統的失誤及未能實現業務目標之風險。

Under Code Provision C.2.5, the Group should have an internal audit function. The Group conducted an annual review on the need for setting up an internal audit department. Given the Group's simple operating structure at the present moment, it was decided that the Board would be directly responsible for risk management and internal control systems of the Group. The Board through the Audit Committee had conducted an annual review on the risk management and internal control systems of the Group. The review covered material controls, including financial, operational and compliance controls and risk management functions of the Group. Appropriate measures have been put in place to manage the risks. No major issue was raised for improvement. The improvement of the systems of risk management and internal control is an ongoing process and the Board maintains a continuing commitment to strengthen the Group's control environment and processes.

The Company acknowledges its responsibilities under the SFO, Chapter 571 of the laws of Hong Kong and formulated the inside information policy. The Company regularly reminds the Directors and employees about due compliance with all policies regarding the inside information. Also, the Company keeps Directors, senior management and employees apprised of the latest regulatory updates. The Company shall prepare or update appropriate guidelines or policies to ensure the compliance with regulatory requirements.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in appendix 10 to the Listing Rules regarding securities transactions by Directors and senior management. After specific enquiry, all Directors of the Company confirmed that they have complied with the required standard of dealings set out in the Model Code since the listing of the Shares on 16 January 2012.

根據守則條文第C.2.5條，本集團應具備內部審核職能。本集團就是否需要建立內部審核部門進行年度檢討。鑑於本集團現時簡單的營運結構，決定由董事會直接負責本集團的風險管理及內部監控系統。董事會透過審計委員會已就本集團風險管理及內部監控系統進行年度審閱。該審閱涵蓋本集團包括財務、營運及合規監控及風險管理職能。實施合適措施以管理該等風險。目前並無發現重大事項需要改進。改善風險管理及內部監控的系統為一項持續進程且董事會將持續致力於強化本集團的監控環境及程序。

本公司知悉其於香港法例第571章證券及期貨條例項下之責任，並制定內幕消息政策。本公司定期提醒董事及僱員妥善遵守所有有關內幕消息的政策。此外，本公司讓董事、高級管理人員及僱員掌握最新之監管資料。本公司將編製或更新合適指引或政策以確保遵守監管規定。

證券交易之標準守則

本公司就董事及高級管理層的證券交易採納上市規則附錄10所載標準守則。經過特定查詢後，本公司的所有董事確認自股份於2012年1月16日上市以來彼等一直遵守標準守則規定的交易準則。

CORPORATE GOVERNANCE REPORT 企業管治報告

COMPANY SECRETARY

The company secretary, Mr. Jan Wing Fu, Barry (“**Mr. Jan**”), is responsible to the Board for ensuring that the Board procedures are followed and the Board activities are efficiently and effectively conducted. He is also responsible for ensuring that the Board is fully apprised of the relevant legislative, regulatory and corporate governance developments relating to the Group and facilitating the induction and professional development of Directors.

Mr. Jan was appointed as the chief financial officer, the company secretary and an authorized representative of the Company with effect from 15 June 2016. Mr. Jan was a member of the Association of Chartered Certified Accountants till December 2015 and has been an associate member of the Hong Kong Institute of Certified Public Accountants since 1993. He obtained a bachelor degree in business administration from the University of New Brunswick, Canada in December 1989. Mr. Jan has over 26 years of solid experience in auditing, accounting, general management and financial control.

Mr. Jan reports to the Chairman, plays an essential role in the relationship between the Company and its Shareholders, and assists the Board in discharging its obligations to Shareholders pursuant to the Listing Rules.

During the year ended 31 December 2016, Mr. Jan has attended relevant professional seminars to update his skills and knowledge and has complied with the Listing Rules to take no less than 15 hours of relevant professional training.

公司秘書

公司秘書鄭永富先生（「**鄭先生**」）向董事會負責，以確保遵從董事會程序及董事會之活動得以高效且有效地進行。彼亦負責確保董事會全面知悉與本集團有關之相關法例、監管及企業管治發展情況，同時協助董事履職及專業發展。

鄭先生自2016年6月15日起獲委任為本公司首席財務官、公司秘書及授權代表。直至2015年12月，鄭先生曾為特許公認會計師公會會員及自1993年起為香港會計師公會會員。彼於1989年12月獲加拿大新布蘭斯維克大學工商管理學士學位。鄭先生於審計、會計、一般管理及財務監控方面擁有逾26年之豐富經驗。

鄭先生向主席報告，在本公司與其股東間之關係中起重大作用，及根據上市規則協助董事會解除其對股東之責任。

截至2016年12月31日止年度間，鄭先生已參加相關專業研討會，藉以提升其技能及增長知識以及已遵循上市規則參加不少於15個小時的相關專業培訓。

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The general meetings of the Company provide a forum for communication between the Board and the Shareholders. They provide an opportunity for Shareholders to better understand the Group's operation, financial performance, business strategies and outlook. The chairman of the Board as well as chairmen of the nomination committee, remuneration committee and audit committee or, in their absence, other members of the respective committees are available to answer questions at Shareholder meetings. To promote effective communication, the Company maintains a website at www.bsehk.com, where up-to-date information and updates on the Company's financial information, corporate governance practices and other information are posted. The Board, according to the Listing Rules, will conduct voting at the forthcoming AGM by poll. The results of the Company voting will be announced on the Company's website and the website of the Stock Exchange.

SHAREHOLDERS' RIGHTS

Pursuant to the Articles of Association, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition.

The procedures for Shareholders to put forward proposals at an AGM or EGM include a written notice of those proposals being submitted by Shareholders, addressed to the Board at the registered office. The detailed procedures vary according to whether the proposal constitutes an ordinary resolution or a special resolution, or whether the proposal relates to the election of a person other than a Director of the Company as a director. The relevant procedures are set out in the Notice of AGM which accompanies the despatch of this annual report to Shareholders and will be included with the notice to Shareholders of any future AGM.

與股東及投資者的通訊

本公司股東大會為董事會與股東提供溝通的平台。該等大會為股東提供機會，以對本集團的運作、財務表現、業務策略及前景有更好的理解。董事會主席以及提名委員會、薪酬委員會及審計委員會主席或（倘彼等缺席）各委員會的其他成員均可在股東大會上回答問題。為促進有效通訊，本公司設立了網址 www.bsehk.com，有關本公司財務資料、企業管治常規及其他資料的最新資料及更新均於其上登載。董事會將根據上市規則於應屆股東週年大會上進行投票。本公司的投票結果將於本公司網站及聯交所網站公佈。

股東權利

根據組織章程細則，於遞交要求之日持有不少過附有本公司股東大會投票權的本公司繳足股本十分之一的任何一名或多名股東，隨時有權藉向董事會或本公司的公司秘書提出書面要求，要求董事會就處理該要求指定的任何事務召開股東特別大會。

股東於股東週年大會或股東特別大會上提出建議的程序包括將股東提交的有關建議的書面通告寄往註冊辦事處，並註明收件人為董事會。詳細程序因應建議構成普通決議案或特別決議案或建議是否與選舉本公司董事以外人士為董事有關而有所不同。相關程序載於與本年報一併寄發予股東的股東週年大會通告內，並將載列於任何未來股東週年大會的股東通告內。

CORPORATE GOVERNANCE REPORT 企業管治報告

Article 88 of the Articles of Association provides that if a Shareholder duly qualified to attend and vote at the meeting wishes to propose a person other than a Director of the Company for election as a Director at the general meeting, he/she/it shall deposit a written notice to that effect at the principle place of business of the Company in Hong Kong for the attention of the Board. Such notice should also be signed by the nominated candidate indicating his/her willingness to be elected. In order to ensure that Shareholders have sufficient time to receive and consider the information of the nominated candidate, such notice should be given to the Company within seven days after the dispatch of the notice of AGM of the Company. Details of the Shareholders' right to propose a person for election as a Director and the related procedures are set out in the constitutional documents of the Company published on the Stock Exchange's website (www.hkexnews.hk).

Shareholders may direct their questions about their shareholdings to the Company's Registrar. Enquiries may be directly put to the Board by questions at an AGM or EGM. Questions on the procedures for convening or putting forward proposals and other enquiries may also be made to the Board by writing to the company secretary at the Company's office in Hong Kong at Room 101, 5/F., Greatmany Centre, 111 Queen's Road East, Wanchai, Hong Kong.

VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll.

CONSTITUTIONAL DOCUMENTS

There is no change in the Memorandum and Articles of Association ("M&A") of the Company during the year under review. A copy of the latest consolidated version of the M&A of the Company is posted on the Company's website (www.bsehk.com) and the Stock Exchange's website (www.hkexnews.hk).

組織章程細則第88條規定，倘符合適當資格出席大會並於會上投票的任何股東欲於股東大會上建議推舉任何本公司董事以外人士為董事，彼須將示明此事的書面通告遞交本公司在香港的主要營業地點，並註明收件人為董事會。該通告亦應由獲提名的候選人簽署，表示其願意參選。為確保股東有足夠時間省覽及考慮獲提名候選人的資料，該通告應於寄發本公司股東週年大會通告後七日內向本公司提供。股東建議推舉任何人士為董事的權利及相關程序之詳情均載於刊發於聯交所網站 (www.hkexnews.hk) 之本公司憲章文件。

股東可就其向本公司之股份過戶登記處提出查詢。股東可透過於股東週年大會或股東特別大會上提問直接向董事會作出查詢。有關召開大會或提呈建議的程序的問題及其他查詢，股東亦可郵寄予本公司位於香港辦事處之公司秘書向董事會作書面查詢，地址為香港灣仔皇后大道東111號智群商業中心5樓101室。

以投票方式表決

根據上市規則第13.39(4)條規定，股東所做的任何表決必須以投票方式進行。

憲章文件

於回顧年度內，本公司之組織章程大綱及細則（「大綱及細則」）概無變動。本公司大綱及細則之最新合併副本已刊登於本公司網站 (www.bsehk.com) 及聯交所網站 (www.hkexnews.hk)。

INFORMATION DISCLOSURE

The Company discloses information in compliance with the Listing Rules, and publishes periodic reports and announcements to the public in accordance with the relevant laws and regulations. The primary focus of the Company is to ensure information disclosure is timely, fair, accurate, truthful and complete, thereby enabling Shareholders, investors as well as the public to make rational and informed decisions.

THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING

In January 2016, the Stock Exchange amended the Environmental, Social and Governance (“ESG”) Reporting Guide (the “ESG Guide” or the “Guide”) set out in appendix 27 to the Listing Rules.

The amendments to the ESG Guide and related Listing Rules will come into effect in two phases.

The Listing Rule amendments and the upgrade of the general disclosures in the Guide from recommended to “**comply or explain**”, as well as the revised recommended disclosures, will be effective for the Company’s financial year commencing on or after 1 January 2016.

The upgrade of the KPIs in the “**Environmental**” Subject Area of the Guide from recommended to “**comply or explain**” will be effective for the Company’s financial year commencing on or after 1 January 2017.

The independent ESG report will be posted on the Company website (www.bsehk.com) and the Stock Exchange’s website (www.hkexnews.hk) within three months of the publication of the annual report.

CONCLUSION

The Company believes that good corporate governance could ensure an effective distribution of the resources and Shareholders’ interests. The senior management will continue endeavors in maintaining, enhancing and increasing the Group’s corporate governance level and quality.

資料披露

本公司根據上市規則披露資料，及根據有關法律及法規向公眾定期刊發報告及公告。本公司盡力確保準時披露資料，而有關資料公正準確、真實及完整，務求使股東、投資者及公眾能做出合理知情決定。

環境、社會及管治報告

於2016年1月，聯交所修訂上市規則附錄二十七所載的環境、社會及管治（「環境、社會及管治」）報告指引（「環境、社會及管治指引」或「該指引」）。

環境、社會及管治指引及相關上市規則的修訂將分兩階段生效。

上市規則修訂及該指引內的一般披露由推薦建議升級至「**不遵守就解釋**」，以及經修訂的建議披露將於本公司在2016年1月1日或之後開始的財政年度生效。

「**環境**」相關範圍內關鍵績效指標由推薦建議升級至「**不遵守就解釋**」將於本公司在2017年1月1日或之後開始的財政年度生效。

獨立環境、社會及管治報告將於本年報刊發後三個月內登載於本公司網站（www.bsehk.com）及聯交所網站（www.hkexnews.hk）。

結論

本公司相信良好的企業管治能確保資源及股東權益之有效分配。高級管理層將繼續致力於維持、加強及提高本集團企業管治水平及質量。

BIOGRAPHIES OF DIRECTORS

董事履歷

As at the date of this annual report, the Board consists of eleven Directors, including seven executive Directors and four independent non-executive Directors.

EXECUTIVE DIRECTORS

Mr. Liu Xue Heng, aged 44, was appointed as an executive Director, the chairman of the Board, and the chief executive officer with effect from 25 January 2016. Mr. Liu is currently an executive director, joint-chief executive officer, an authorized representative and a member of Investment and Risk Management Committee of Beijing Enterprises Medical And Health Industry Group Limited (stock code: 2389). Before joining the Company, he served as an executive director and the chairman of Investment and Risk Management Committee of Beijing Properties (Holdings) Limited (stock code: 925) during the period from 1 January 2011 to 23 December 2015. He was also an executive director and the chief executive officer of Bestway International Holdings Limited (stock code: 718) during the period from 11 July 2014 to 19 January 2016, as well as an independent non-executive director of Guangshen Railway Co., Limited (stock code: 525) during the period from 2 June 2011 to 29 May 2014 respectively. Mr. Liu obtained a Master of Business Administration from Cambridge University in the United Kingdom. He has extensive experience in equity investment, corporate finance, initial public offer, and mergers and acquisitions.

Mr. Hu Yebi, aged 53, was appointed as an executive Director with effect from 23 April 2015. Mr. Hu is the founder and chairman of Vision Finance Group Limited. Mr. Hu received his Master of Business Administration from Netherlands International Institute for Management in the Netherlands and a Postgraduate Diploma in Management Engineering from Beijing Institute of Technology in Beijing, the PRC. Mr. Hu has more than 25 years of experience in securities and financial services, merger and acquisition and corporate finance. Mr. Hu also holds concurrent executive directorships with Hua Lien International (Holding) Company Limited (stock code: 969), China Healthwise Holdings Limited (stock code: 348) and Beijing Properties (Holdings) Limited (stock code: 925).

於本年報日期，董事會由十一名董事組成，包括七名執行董事及四名獨立非執行董事。

執行董事

劉學恒先生，44歲，自2016年1月25日起獲委任為執行董事、董事會主席及行政總裁。劉先生現為北控醫療健康產業集團有限公司（股份代號：2389）之執行董事、聯席行政總裁、授權代表及投資及風險管理委員會成員。加入本公司前，他曾於2011年1月1日至2015年12月23日期間，擔任北京建設（控股）有限公司（股份代號：925）之執行董事及投資及風險管理委員會主席。彼亦於2014年7月11日至2016年1月19日期間，擔任百威國際控股有限公司（股份代號：718）之執行董事及行政總裁，以及於2011年6月2日至2014年5月29日期間，擔任廣深鐵路股份有限公司（股份代號：525）之獨立非執行董事。劉先生於英國劍橋大學取得工商管理碩士學位，彼於股本投資、企業融資、首次公開發售及併購方面擁有豐富的經驗。

胡野碧先生，53歲，自2015年4月23日起獲委任為執行董事。胡先生為睿智金融集團有限公司之創辦人兼主席。胡先生於荷蘭之Netherlands International Institute for Management取得工商管理碩士學位及於中國北京之北京理工大學取得管理工程專業研究生文憑。胡先生擁有逾25年證券及金融服務、併購及企業融資經驗。胡先生亦同時擔任華聯國際（控股）有限公司（股份代號：969）、中國智能健康控股有限公司（股份代號：348）及北京建設（控股）有限公司（股份代號：925）之執行董事。

BIOGRAPHIES OF DIRECTORS 董事履歷

Mr. Niu Zhongjie, aged 49, was appointed as an executive Director with effect from 23 April 2015. He is an executive director of Vision Finance Capital Limited, a licensed corporation under the Securities and Futures Ordinance which is engaged in advising on merger and acquisition and corporate finance. He also serves an independent non-executive director of Gold– Finance Holdings Limited (stock code: 1462) since 3 February 2016. Mr. Niu obtained a master degree in business administration. Mr. Niu has extensive experience in equity capital markets.

Mr. Zhu Shixing, aged 46, was appointed as an executive Director with effect from 24 December 2015. Mr. Zhu is currently an executive director, chairman and member of investment and risk management committee of Beijing Enterprises Medical and Health Industry Group Limited (stock code: 2389). Mr. Zhu graduated from the Central University of Finance and Economics with a bachelor's degree in finance and obtained his master degree in software engineering from Beihang University. In addition, Mr. Zhu obtained a bachelor degree in sport management from Beijing Sport University in July 1994. Mr. Zhu started his career as an assistant in the investment department of the China Xinxing Corporation (Group) Limited* in 1994. During the period from 2004 to 2015, he joined Beijing Holdings Limited ("BHL"), an affiliate of Beijing Properties (Holdings) Limited ("BPHL", HKEx stock code: 925), and had been nominated the vice general manager of various subsidiaries of BHL involving in industries of tourism, logistics, property development and the executive vice president of BPHL. Mr. Zhu has extensive experience in investment, financial management and property development.

* For identification purpose only

牛鍾洁先生，49歲，自2015年4月23日起獲委任為執行董事。彼為匯金（資本）有限公司之執行董事，該公司為根據證券及期貨條例的持牌法團，專門從事併購及機構融資顧問工作。自2016年2月3日起，彼亦為金誠控股有限公司（股份代號：1462）之獨立非執行董事。牛先生持有工商管理碩士學位。彼在權益資本市場方面擁有豐富經驗。

祝仕興先生，46歲，自2015年12月24日起獲委任為執行董事。祝先生現為北控醫療健康產業集團有限公司（股份代號：2389）之執行董事、主席及投資及風險管理委員會成員。祝先生畢業於中央財經大學及北京航空航天大學，分別取得金融學士及軟件工程碩士學位。此外，祝先生於1994年7月自北京體育大學獲得體育管理學士學位。祝先生於1994年在中國新興集團有限公司擔任投資部門助理開始其事業發展。自2004年至2015年期間，彼加入京泰實業（集團）有限公司（「京泰集團」，北京建設（控股）有限公司（「北京建設」，港交所股份代號：925）之聯屬公司），並獲委派為多家京泰集團涉及旅遊、物流及物業開發業務的附屬公司副總經理之職務及北京建設執行副總裁。祝先生在投資、財務管理及物業開發方面擁有豐富經驗。

BIOGRAPHIES OF DIRECTORS

董事履歷

Mr. Lam Ka Tak, aged 35, was appointed as an executive Director with effect from 24 December 2015. Mr. Lam has over 10 years of experience in accounting and financial matters. Mr. Lam currently served as the chief financial officer, the company secretary, the authorized representative and the member of investment and risk management committee of Beijing Enterprises Medical and Health Industry Group Limited (stock code: 2389) and is mainly responsible for overseeing the financial management, regulatory compliance and investors related matters. Mr. Lam also serves as an independent non-executive director, the chairman of the audit committee, and the member of the remuneration committee of U Banquet Group Holding Limited (stock code: 1483). Mr. Lam worked as an audit manager at KPMG from April 2006 to September 2010. He obtained a Bachelor degree in Accountancy from The Hong Kong Polytechnic University in November 2003 and a Master in Business Administration degree from The University of Hong Kong in November 2013. He was a member of the Association of Chartered Certified Accountants till June 2010 and has been a member of the Hong Kong Institute of Certified Public Accountants since January 2010.

Mr. Zhang Tingzhe, aged 44, was appointed as an executive Director with effect from 25 January 2016. Mr. Zhang was the assistant general manager of Beijing Properties (Holdings) Limited (stock code: 925) since 2010, devoting himself to the projects of developing and managing commercial real estate and logistics real estate segment in Beijing. Mr. Zhang founded Beijing Hongse Guangbo Advertising Co., Limited* in 2003 and served as the general manager, the major customers of which are social welfare institutions including Ministry of Health, Chinese Center For Disease Control And Prevention and United Nations International Children's Emergency Fund. He served as the creative director in numerous famous advertising and media creation companies during the period from 1998 to 2003, mainly responsible for full scheme image planning, business marketing planning and implementation of media delivery. Mr. Zhang obtained a degree of bachelor in Industrial Design* from Luxun Academy of Fine Arts, Liaoning in 1997.

* For identification purpose only

林嘉德先生，35歲，自2015年12月24日起獲委任為執行董事。林先生在會計及財務事宜方面擁有逾10年經驗。林先生現時於北控醫療健康產業集團有限公司（股份代號：2389）任職首席財務官、公司秘書、授權代表及投資及風險管理委員會成員，並主要負責監督財務管理、監管合規及投資者相關事宜。林先生亦擔任譽宴集團控股有限公司（股份代號：1483）之獨立非執行董事、審計委員會主席及薪酬委員會成員。林先生自2006年4月起至2010年9月在畢馬威會計師事務所任職核數經理。彼於2003年11月獲得香港理工大學會計學士學位及於2013年11月獲得香港大學工商管理碩士學位。直至2010年6月，彼曾為特許公認會計師公會會員及自2010年1月起為香港會計師公會會員。

張庭喆先生，44歲，自2016年1月25日起獲委任為執行董事。張先生自2010年起擔任北京建設（控股）有限公司（股份代號：925）之總經理助理，致力於北京開發及管理商業地產及物流地產板塊的項目。張先生於2003年創辦北京紅色光波廣告有限公司並任職總經理，主要客戶為衛生部、中國疾病預防控制中心及聯合國兒童基金會等社會公益性機構。彼於1998年至2003年期間，於多間知名廣告及媒體創作公司任職創意總監，主要負責全方案形象策劃、業務推廣策劃並執行媒體投放。張先生於1997年取得遼寧魯迅美術學院工業造型系學士學位。

Mr. Tsui Ngai, Eddie, aged 31, was appointed as an executive Director with effect from 20 July 2016. Mr. Tsui is currently the Senior Manager of Everbright Securities Hong Kong Limited. He is also a Project Manager of 天津康好投資有限公司. Mr. Tsui obtained a Bachelor of Arts degree in Accounting & Finance from the University of Durham, United Kingdom in June 2011. Mr. Tsui has strong background in finance with over five years of experience in hedge fund and securities management.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Lok Lawrence Yuen Ming, aged 56, was appointed as an independent non-executive Director with effect from 23 April 2015. Mr. Lok has more than 30 years of experience in public accounting, finance and commercial working experience in both Sydney and Hong Kong. Mr. Lok received his Master of Economics — Professional Accounting from Macquarie University, New South Wales Australia in 1988. He was qualified as an accountant in 1987, and is an associate member of Hong Kong Society of Accountants and a fellow member of Institute of Chartered Accountants in Australia. He has been the chief executive officer of CSI Investment Management Limited in Hong Kong since 2001.

Mr. Xin Luo Lin, aged 67, was appointed as an independent non-executive Director with effect from 23 April 2015. Mr. Xin was a postgraduate from the Peking University in the PRC in 1980. He was a visiting scholar at the Waseda University, Japan between 1980 and 1983, an honorary research associate at the University of British Columbia, Canada during 1983 and 1984, and a visiting fellow at the Australia National University, Australia from 1984 to 1985. He was appointed as a Justice of the Peace in New South Wales of Australia in 1991. He was appointed as an adviser to the chairman of Guangdong Capital Holdings Limited from 1998 to 2000. He is an independent investor with over 20 years of experience in investment banking in the PRC, Hong Kong and Australia. Mr. Xin is currently: (i) an independent non-executive director of Sinolink Worldwide Holdings Limited (stock code: 1168); (ii) an independent non-executive director of Central China Real Estate Limited (stock code: 832); (iii) a director of Asia Growth Capital Limited a public company listed on the Tokyo Stock Exchange; and (iv) a director and vice chairman of Oriental Technologies Investment Limited, a public company listed on the Australian Stock Exchange.

徐艾先生，31歲，自2016年7月20日起獲委任為執行董事。徐先生現任光大證券（香港）有限公司之高級經理。彼亦為天津康好投資有限公司之項目經理。徐先生於2011年6月獲英國杜倫大學頒授會計與金融文學學士學位。徐先生之金融背景雄厚，彼於對沖基金及證券管理方面擁有逾五年經驗。

獨立非執行董事

樂圓明先生，56歲，自2015年4月23日起獲委任為獨立非執行董事。樂先生在悉尼及香港擁有逾30年的公共會計、財務及商業工作經驗。樂先生於1988年取得澳洲新南威爾士 Macquarie University 專業會計的經濟學碩士。彼於1987年獲頒會計師資格，並為香港會計師公會會員及澳洲特許會計師學會資深會員。彼自2001年起擔任香港華夏國際投資管理有限公司之行政總裁。

辛羅林先生，67歲，自2015年4月23日起獲委任為獨立非執行董事。辛先生於1980年為中國北京大學研究院畢業生。彼於1980年至1983年間為日本早稻田大學訪問學者，於1983年至1984年間任加拿大不列顛哥倫比亞大學名譽研究員，並於1984年至1985年間任澳大利亞國立大學客座研究員。彼於1991年任澳大利亞新南威爾斯州之太平紳士。彼由1998年至2000年獲委任為粵海金融控股有限公司主席之顧問。彼為獨立投資者，於中國、香港及澳洲擁有逾20年的投資銀行經驗。辛先生現任：(i) 百仕達控股有限公司（股份代號：1168）之獨立非執行董事；(ii) 建業地產股份有限公司（股份代號：832）之獨立非執行董事；(iii) Asia Growth Capital Limited（一間於東京證券交易所上市之公眾公司）之董事；及(iv) Oriental Technologies Investment Limited（一間於澳洲證券交易所上市之公眾公司）之董事兼副主席。

BIOGRAPHIES OF DIRECTORS

董事履歷

Mr. Pan Lihui, aged 49, was appointed as an independent non-executive Director with effect from 23 April 2015. Mr. Pan obtained a bachelor degree in International Economics from Beijing University of International Relations in the PRC in 1989. He has over 25 years of experience in nonferrous metals industry. Mr. Pan worked in Mind Honour Limited from 1994 to 1998 as a manager. Mr. Pan founded Pentart Industrial Limited in 1998 and Able Plus International Limited in 2001 and has since been a director and general manager of these two companies.

Mr. Tse, Man Kit, Keith, aged 43, was appointed as an independent non-executive Director with effect from 25 January 2016. Mr. Tse is the chief financial officer and company secretary of Shunfeng International Clean Energy Limited (stock code: 1165) since September 2010. Mr. Tse also serves as an independent non-executive director, the chairman of the audit committee and a member of the remuneration committee and the nomination committee of Beijing Enterprises Medical And Health Industry Group Limited (stock code: 2389). Mr. Tse has around 19 years of working experience in accounting and financial management. He worked in a number of international accountant firms and the qualified accountant of Fosun International Limited (stock code 656). Mr. Tse is a member of Certified Practising Accountant of CPA Australia and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Tse obtained a bachelor's degree in commerce from University of Wollongong, New South Wales, Australia in July 1997, majoring in accountancy and finance.

潘立輝先生，49歲，自2015年4月23日起獲委任為獨立非執行董事。潘先生於1989年取得中國北京國際關係學院的國際經濟學學士學位。彼於有色金屬行業擁有逾25年經驗。潘先生由1994年至1998年曾於敏亨有限公司任職經理。潘先生於1998年成立鵬祥實業有限公司及於2001年成立卓然國際有限公司，自此一直擔任該兩間公司之董事及總經理。

謝文傑先生，43歲，自2016年1月25日起獲委任為獨立非執行董事。謝先生自2010年9月起擔任順風國際清潔能源有限公司（股份代號：1165）之首席財務官兼公司秘書，謝先生亦為北控醫療健康產業集團有限公司（股份代號：2389）之獨立非執行董事、審計委員會主席、薪酬委員會成員及提名委員會成員。謝先生於會計及財務管理方面擁有約19年的工作經驗。彼曾任職於多間國際會計師事務所，並擔任復星國際有限公司（股份代號：656）之合資格會計師。謝先生為澳洲會計師公會註冊執業會計師會員及香港會計師公會會員。謝先生於1997年7月獲得澳洲新南威爾斯臥龍崗大學商學士學位，主修會計及金融。



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TO THE SHAREHOLDERS OF BEIJING SPORTS AND ENTERTAINMENT
INDUSTRY GROUP LIMITED (FORMERLY KNOWN AS ASR LOGISTICS
HOLDINGS LIMITED)

(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Beijing Sports and Entertainment Industry Group Limited (the "Company") and its subsidiaries (the "Group") set out on pages 72 to 171, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致北京體育文化產業集團有限公司
(前稱瀚洋物流控股有限公司)股東

(於開曼群島註冊成立的有限公司)

意見

吾等已審核第72頁至第171頁所載北京體育文化產業集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表,其中包括於2016年12月31日之綜合財務狀況表,及截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及包括主要會計政策概要之內之綜合財務報表附註。

吾等認為,綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於2016年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及其綜合現金流量,並已按照香港公司條例的披露規定妥為編製。

意見基礎

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。根據該等準則,吾等的責任於本報告「核數師就審核綜合財務報表的責任」一節中詳述。根據香港會計師公會的「專業會計師道德守則」(「守則」),吾等獨立於 貴集團,並已遵循守則履行其他道德責任。吾等相信,吾等所獲得的審核憑證足夠及能適當地為吾等的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

關鍵審核事項

關鍵審核事項為吾等的專業判斷中，審核本期間之綜合財務報表中最重要的事項。吾等於審核整體綜合財務報表處理此等事項及就此形成意見，而不會就此等事項單獨發表意見。對於下面的每個事項，吾等在這方面提供了吾等的審核如何應對這一問題的描述。

吾等履行本報告「核數師就審核綜合財務報表的責任」一節所述（包括有關這些事項）的責任。因此，吾等的審核包括執行旨在回應吾等對綜合財務報表重大錯報風險的評估的程序。吾等的審核程序的結果，包括為應對以下事項而執行的程序，為吾等對所附綜合財務報表的審核意見提供了基礎。

Key audit matter

關鍵審核事項

How our audit addressed the key audit matter

我們的審核如何應對關鍵審核事項

Recognition of share-based payment

以股份為基礎的付款確認

The Company granted 68,180,000 share options during the year ended 31 December 2016 and recognised the related share-based compensation expense of HK\$11,699,000 which was material to the consolidated financial statements.

截至2016年12月31日止年度，貴公司已授出68,180,000份購股權，並確認對綜合財務報表而言屬重要的相關以股份為基礎之補償費用11,699,000港元

Our audit procedures included reviewing the share option scheme, assessing the independence and competence of the independent valuer and with the assistance of our valuation experts in evaluating the assumptions and methodologies used by the Group and the independent valuer engaged by the Group. We also assessed the adequacy of the related disclosures in the notes to the consolidated financial statements. 吾等之審核程序包括檢討購股權計劃、評估獨立估值師之獨立性及能力，及在吾等之估值專員之協助下評估貴集團估值所使用之假設及方法、以及貴集團所聘用之獨立估值師。吾等亦評估綜合財務報表附註之相關披露資料之充足性。

KEY AUDIT MATTERS (Cont'd)

關鍵審核事項 (續)

Key audit matter

How our audit addressed the key audit matter

關鍵審核事項

我們的審核如何應對關鍵審核事項

The Group was required to assess the fair value of the share options in order to determine the share-based compensation expense recognised. The valuation of the share options was based on valuation model with inputs including dividend yield, expected volatility, risk-free interest rate and exercise multiple. We focused on this area due to the significant management judgement involved in determining the fair value of the share options. Management engaged an independent valuer to perform valuation of the share options granted during the year.

為釐定已確認以股份為基礎之補償費用，貴集團須評估購股權之公允價值。購股權之估值乃基於輸入數據包括股息收益率、預期波幅、無風險利率及行使多元化之估值模式。吾等關注此事項乃由於釐定購股權之公允價值涉及重大管理層之判斷。管理層聘用一名獨立估值師對年內已授出之購股權進行估值。

Disclosures of this item are included in notes 3 and 26 to the consolidated financial statements.

此項目之披露載於綜合財務報表附註3及26。

Impairment assessment of trade receivables

貿易應收款項的減值評估

As at 31 December 2016, the Group had trade receivables of HK\$6,652,000. Management assessed whether a provision for impairment was needed in respect of those trade receivables that might not be fully collectable. The determination as to whether a trade receivable was collectable involved significant management judgement. Specific factors management considered included the ageing of the balances, recent historical payment patterns, existence of disputes, and any other available information concerning the creditworthiness of the debtors.

於2016年12月31日，貴集團之貿易應收款項為6,652,000港元。管理層評估是否需就該等可能無法悉數收回之貿易應收款項是否作出減值撥備。釐定一項貿易應收款項之可收回性涉及重大管理層的判斷。管理層考慮之具體因素包括結餘之賬齡、最近歷史支付方式、糾紛之存在及有關債務人信譽之任何可獲得之資料。

Disclosures of this item are included in notes 3 and 18 to the consolidated financial statements.

此項目之披露載於綜合財務報表附註3及18。

We assessed management's processes and controls relating to the monitoring of trade receivables to identify the objective evidence of impairment. Our audit procedures included, on a sampling basis, obtaining direct confirmations from certain debtors, and checking the ageing of receivable balances, the debtors' historical payment patterns, the bank receipts for the payments received subsequent to the end of the reporting period and the latest correspondence with debtors.

吾等評估管理層有關監控貿易應收款項的流程和控制，以識別減值之客觀憑證。吾等之審核程序包括以抽樣方式獲取若干債務人之直接確認，及檢查應收款項餘額之賬齡、債務人之歷史支付方式、報告期末後已接收之付款銀行收據以及最近期與債務人之聯繫。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

年報內所載其他資料

貴公司董事負責其他資料。其他資料包括年報所載資料，但不包括綜合財務報表及吾等就其發出的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對其他資料發表任何形式的鑒證結論。

當審核綜合財務報表時，吾等的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或吾等於審核過程中所瞭解的情況有重大不一致，或者似乎有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為其他資料有重大錯誤陳述，吾等須報告該事實。於此方面，吾等沒有任何報告。

董事對綜合財務報表的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製並真實兼公允地呈列綜合財務報表，並對其認為為使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

貴公司董事在審計委員會協助下履行職責，監督貴集團財務報告過程。

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

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

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

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

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

核數師就審核綜合財務報表的責任

吾等的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具載有吾等意見的核數師報告。吾等僅向閣下（全體成員）報告，除此之外本報告別無其他用途。吾等不會就本報告內容向任何其他人士負上或承擔任何責任。

合理保證屬高層次保證，但不能擔保根據香港審計準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘合理預期它們單獨或匯總起來可能影響使用者根據綜合財務報表作出的經濟決定時，則有關的錯誤陳述可被視為重大。

根據香港審計準則進行審核時，吾等運用專業判斷，於整個審核過程中保持專業懷疑態度。吾等亦：

- 識別及評估之綜合財務報表由於欺詐或錯誤而導致重大錯誤陳述的風險，設計及執行審核程序以應對這些風險，獲得充足及適當審核憑證為吾等的意見提供基礎。由於欺詐可能涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現欺詐造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 瞭解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效性發表意見。
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

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

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

核數師就審核綜合財務報表的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。並根據已獲取的審核憑證，確定是否存在對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等認為存在重大不確定因素，吾等需於核數師報告中提請使用者注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表的整體列報、架構及內容，包括披露，以及綜合財務報表是否已公允反映及列報相關交易及事項。
- 就 貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

除其他事項外，吾等與審計委員會溝通了審核工作的計劃範圍、時間安排及重大審核發現等，包括吾等於審核期間識別出內部控制的任何重大缺陷。

吾等亦向審計委員會提交聲明，說明吾等已遵守有關獨立性的道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

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

The engagement partner on the audit resulting in this independent auditor's report is Wong Chin Hung.

Ernst & Young

Certified Public Accountants

Hong Kong

28 March 2017

核數師就審核綜合財務報表的責任 (續)

吾等從與審計委員會溝通的事項中，決定哪些事項對本期之綜合財務報表的審核工作最為重要，因而構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則吾等會於核數師報告中描述此等事項。

出具本獨立核數師報告的審核項目合夥人是黃展鴻。

安永會計師事務所

執業會計師

香港

2017年3月28日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

Year ended 31 December 2016
截至2016年12月31日止年度

		Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
REVENUE	收益	5	82,518	510,793
Cost of sales	銷售成本		(73,930)	(441,897)
Gross profit	毛利		8,588	68,896
Other income and gains	其他收入及收益	5	17,774	1,279
Selling and distribution expenses	銷售及分銷開支		(1,768)	(6,262)
Administrative expenses	行政開支		(58,059)	(79,391)
Other expenses	其他開支		(16,180)	(19,376)
Finance costs	融資成本	7	(868)	(1,277)
Share of profit of an associate	應佔一間聯營公司溢利		–	529
LOSS BEFORE TAX	除稅前虧損	6	(50,513)	(35,602)
Income tax expense	所得稅開支	10	(1,605)	(3,232)
LOSS FOR THE YEAR	年內虧損		(52,118)	(38,834)
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益／(虧損)			
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	於隨後期間重新分類至損益之其他全面收益／(虧損)：			
Available-for-sale financial assets:	可供出售金融資產：			
Changes in fair value	公允價值變動		653	(2,048)
Reclassification adjustments for loss included in profit or loss – loss on disposal	重新分類調整計入損益之虧損－出售虧損		2,157	–
			2,810	(2,048)
Exchange differences:	匯兌差額：			
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額		(2,244)	(1,255)
Reclassification adjustments for foreign operations disposed of during the year	重新分類調整年內出售之海外業務	29	225	–
			(2,019)	(1,255)
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	將於隨後期間重新分類至損益之其他全面收益／(虧損)淨額		791	(3,303)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	年內其他全面收益／(虧損) (扣除稅項)		791	(3,303)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	年內全面虧損總額		(51,327)	(42,137)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

Year ended 31 December 2016

截至2016年12月31日止年度

	Note	2016	2015
	附註	HK\$'000 千港元	HK\$'000 千港元
Loss attributable to:			
– Owners of the parent	以下各項應佔虧損： – 母公司擁有人	(48,264)	(40,612)
– Non-controlling interests	– 非控股權益	(3,854)	1,778
		(52,118)	(38,834)
Total comprehensive loss attributable to:	以下各項應佔全面虧損總額：		
– Owners of the parent	– 母公司擁有人	(46,611)	(43,703)
– Non-controlling interests	– 非控股權益	(4,716)	1,566
		(51,327)	(42,137)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司 普通股權益持有人 應佔每股虧損		
	11		
Basic and diluted	基本及攤薄	HK(4.6) cents港仙	HK(5.0) cents港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2016

2016年12月31日

		Notes	2016	2015
		附註	HK\$'000	HK\$'000
			千港元	千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	17,617	6,637
Investment properties	投資物業	13	87,000	87,000
Goodwill	商譽	14	764	–
Available-for-sale financial assets	可供出售金融資產	15	–	13,605
Prepayments and deposits	預付款項及按金	16	9,794	331
Total non-current assets	非流動資產總值		115,175	107,573
CURRENT ASSETS	流動資產			
Inventories	存貨	17	521	–
Trade receivables	貿易應收款項	18	6,652	71,491
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	16	22,866	10,251
Tax recoverable	可收回稅項		834	391
Pledged deposits	已抵押存款	19	–	6,388
Cash and cash equivalents	現金及現金等價物	19	306,398	51,029
Total current assets	流動資產總值		337,271	139,550
CURRENT LIABILITIES	流動負債			
Trade and bills payables	貿易應付款項及應付票據	20	8,202	66,063
Other payables and accruals	其他應付款項及應計費用	21	25,798	22,380
Finance lease liabilities	融資租賃負債		–	64
Interest-bearing bank borrowings	計息銀行借款	22	–	25,148
Loans from a shareholder	股東貸款	23	175,156	20,043
Tax payable	應付稅項		3,654	1,949
Total current liabilities	流動負債總額		212,810	135,647

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2016

2016年12月31日

			2016	2015
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
NET CURRENT ASSETS	流動資產淨值		124,461	3,903
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		239,636	111,476
NON-CURRENT LIABILITIES	非流動負債			
Other payables	其他應付款項	21	774	–
Finance lease liabilities	融資租賃負債		–	65
Deferred tax liabilities	遞延稅項負債	24	233	53
Total non-current liabilities	非流動負債總額		1,007	118
Net assets	資產淨值		238,629	111,358
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	25	5,841	4,689
Reserves	儲備	27	221,199	104,558
			227,040	109,247
Non-controlling interests	非控股權益		11,589	2,111
Total equity	總權益		238,629	111,358

Liu Xueheng
劉學恒
Director
董事

Hu Yebi
胡野碧
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2016
截至2016年12月31日止年度

		Attributable to owners of the parent 母公司擁有人應佔										
		Share capital	Share premium account	Capital reserve	Exchange fluctuation reserve	Statutory and legal reserves	Share-based payment reserve	Available-for-sale financial assets revaluation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
Note												
附註		股本	股份溢價賬	資本儲備	外匯波動儲備	法定及合法儲備	以股份為基礎的付款儲備	可供出售金融資產重估儲備	累計虧損	總計	非控股權益	總權益
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Balance at 1 January 2015	於2015年1月1日的結餘	4,034	51,561	5,845	3,648	2,870	2,458	(762)	(12,334)	57,320	2,225	59,545
Loss for the year	年內虧損	-	-	-	-	-	-	-	(40,612)	(40,612)	1,778	(38,834)
Other comprehensive loss for the year	年內其他全面虧損											
Changes in fair value of available-for-sale financial assets	可供出售金融資產之公允價值變動	15	-	-	-	-	-	(2,048)	-	(2,048)	-	(2,048)
Exchange differences related to foreign operations	有關海外業務之匯兌差額	-	-	-	(1,043)	-	-	-	-	(1,043)	(212)	(1,255)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(1,043)	-	-	(2,048)	(40,612)	(43,703)	1,566	(42,137)
Release upon cancellation of vested share options	已歸屬購股權註銷回撥	-	-	-	-	-	(2,458)	-	2,458	-	-	-
Acquisition of a subsidiary	收購一間附屬公司	655	94,975	-	-	-	-	-	-	95,630	-	95,630
Dividend to non-controlling shareholders	付予非控股股東之股息	-	-	-	-	-	-	-	-	-	(1,680)	(1,680)
Balance at 31 December 2015	於2015年12月31日的結餘	4,689	146,536*	5,845*	2,605*	2,870*	-*	(2,810)*	(50,488)*	109,247	2,111	111,358

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2016

截至2016年12月31日止年度

Attributable to owners of the parent
母公司擁有人應佔

Notes	Share capital	Share premium account	Capital reserve	Exchange fluctuation reserve	Statutory and legal reserves	Share-based payment reserve	Available-for-sale financial assets revaluation reserve	Accumulated losses	Total	Non-controlling interests	Total equity	
												附註
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Balance at 1 January 2016	於2016年1月1日的結餘	4,689	146,536	5,845	2,605	2,870	-	(2,810)	(50,488)	109,247	2,111	111,358
Loss for the year	年內虧損	-	-	-	-	-	-	-	(48,264)	(48,264)	(3,854)	(52,118)
Other comprehensive loss for the year:	年內其他全面虧損:											
Exchange differences related to foreign operations	有關海外業務之匯兌差額	-	-	-	(1,157)	-	-	-	-	(1,157)	(862)	(2,019)
Changes in fair value of available-for-sale financial assets	可供出售金融資產之公允價值變動	15	-	-	-	-	-	2,810	-	2,810	-	2,810
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	(1,157)	-	-	2,810	(48,264)	(46,611)	(4,716)	(51,327)
Issue of shares	發行股份	25	1,152	155,028	-	-	-	-	-	156,180	-	156,180
Capital contribution from non-controlling shareholders	非控股股東注資	-	-	-	-	-	-	-	-	-	10,594	10,594
Equity-settled share-based payment arrangements	以權益結算的以股份為基礎的付款安排	26	-	-	-	-	11,699	-	-	11,699	-	11,699
Acquisition of subsidiaries	收購附屬公司	28	-	-	-	-	-	-	-	-	2,167	2,167
Acquisition of non-controlling interests	收購非控股權益	-	-	(3,475)	-	-	-	-	-	(3,475)	3,475	-
Disposal of subsidiaries	出售附屬公司	29	-	-	-	-	-	-	-	-	(2,042)	(2,042)
Balance at 31 December 2016	於2016年12月31日的結餘	5,841	301,564*	2,370*	1,448*	2,870*	11,699*	-*	(98,752)*	227,040	11,589	238,629

* These reserve accounts comprise the consolidated reserves of HK\$221,199,000 (2015: HK\$104,558,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表之綜合儲備221,199,000港元(2015年: 104,558,000港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2016
截至2016年12月31日止年度

	Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES:			
Loss before tax:		(50,513)	(35,602)
Adjustments for:	就以下項目調整：		
Finance costs	融資成本 7	868	1,277
Share of profit of an associate	應佔一間聯營公司溢利	–	(529)
Interest income	利息收入 5	(298)	(245)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損 6	99	703
Loss on disposal of subsidiaries	出售附屬公司之虧損 6	1,908	–
Loss on disposal of available-for-sale financial assets	出售可供出售金融資產之虧損 6	4,415	–
Depreciation	折舊 6	4,223	3,128
(Reversal of impairment)/impairment of investment properties	投資物業 (減值撥回)/減值 6	(2,307)	9,492
Amortisation of intangible assets	無形資產攤銷 6	–	447
Impairment of items of property, plant and equipment	物業、廠房及設備項目之減值 6	2,028	829
Impairment of goodwill	商譽減值 6	–	630
Impairment of intangible assets	無形資產減值 6	–	1,429
Impairment of trade receivables	貿易應收款項減值 6	816	3,238
Write-off of other current assets	其他流動資產撇銷 6	2,440	–
Gain on write-back of trade payable	貿易應付款項之回撥收益 5	(10,226)	–
Equity-settled share option expense	以股份結算之購股權開支 26	11,699	–
		(34,848)	(15,203)
Increase in inventories	存貨增加	(168)	–
Decrease in trade receivables	貿易應收款項減少	63,744	70,862
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少	1,425	5,233
Decrease in pledged deposits	已抵押存款減少	–	579
Decrease in trade and bills payables	貿易應付款項及應付票據減少	(37,876)	(101,410)
Decrease in other payables and accruals	其他應付款項及應計費用減少	(12,990)	(16,546)
Cash used in operations	經營所用現金	(20,713)	(56,485)
Income taxes paid	已付所得稅	(827)	(8,444)
Net cash flows used in operating activities	經營活動所用現金流量淨額	(21,540)	(64,929)

continued/續...

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 December 2016

截至2016年12月31日止年度

	Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
CASH FLOWS FROM INVESTING ACTIVITIES			
投資活動所得現金流量			
Interest received		298	245
Purchase of items of property, plant and equipment		(14,649)	(2,807)
Proceeds from disposal of items of property, plant and equipment		3	680
Purchase of investment properties	13	-	(963)
Acquisition of subsidiaries	28	1,226	2
Disposal of subsidiaries	29	(9,834)	-
Repayment of loans to an associate		-	3,600
Net cash flows from/(used in) investing activities		(22,956)	757
CASH FLOWS FROM FINANCING ACTIVITIES			
融資活動所得現金流量			
Proceeds from issue of shares	25	156,180	-
Proceeds from new bank loans		31,155	24,377
Proceeds from shareholders' loans	23	175,000	20,043
Repayments of bank loans		(55,532)	(32,735)
Proceeds from pledged deposits		6,388	-
Repayments of shareholder's loans		(20,043)	-
Capital element of finance lease rental payments		(20)	(114)
Capital contribution from non-controlling shareholders		10,594	-
Dividend paid		-	(122,709)
Interest paid		(868)	(1,277)
Net cash flows from/(used in) financing activities		,302,854	(112,415)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		258,358	(176,587)
Cash and cash equivalents at beginning of year		50,258	227,933
Effect of foreign exchange rate changes, net		(2,218)	(1,088)
CASH AND CASH EQUIVALENTS AT END OF YEAR		306,398	50,258
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
現金及現金等價物結餘分析			
Cash and cash equivalents as stated in the statement of financial position	19	306,398	51,029
Bank overdraft	22	-	(771)
Cash and cash equivalents as stated in the statement of cash flows		306,398	50,258

NOTES TO FINANCIAL STATEMENTS

財務報表附註

I. CORPORATE AND GROUP INFORMATION

Beijing Sports and Entertainment Industry Group Limited (the “Company”), formerly known as ASR Logistics Holdings Limited, is a limited liability company incorporated in the Cayman Islands. The address of its registered office is 3rd Floor, Queensgate House, 113 South Church Street, P.O. Box 10240, Grand Cayman, KY1-1002 Cayman Islands.

The Company is an investment holding company and, the Company and its subsidiaries (together, the “Group”) are principally engaged in the provision of air freight services in the wholesale market and investment and operation of the sports and entertainment related business in the People’s Republic of China (the “PRC”).

Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued of equity ordinary/registered share capital 已發行權益 普通/註冊股本	Percentage of equity attributable to the Company 本公司 應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
ASR Champion Limited	BVI	US\$1	100	–	Investment holding
ASR Champion Limited	英屬處女群島	1美元			投資控股
Sino Insight Investments Limited	BVI	US\$50,000	100	–	Investment holding
Sino Insight Investments Limited	英屬處女群島	50,000美元			投資控股
Switt Knight Limited	BVI	US\$50,000	80	–	Investment holding
Switt Knight Limited	英屬處女群島	50,000美元			投資控股
Kenston Global Limited	BVI	US\$50,000	100	–	Investment holding
Kenston Global Limited	英屬處女群島	50,000美元			投資控股
Fortune Moon Investments Limited	BVI	US\$50,000	100	–	Investment holding
Fortune Moon Investments Limited	英屬處女群島	50,000美元			投資控股
ASR Limited	Hong Kong	HK\$2,000,000	–	100	Investment holding
ASR Limited	香港	2,000,000港元			投資控股

continued/... 續...

I. 公司及集團資料

北京體育文化產業集團有限公司（「本公司」，前稱瀚洋物流控股有限公司），為一間於開曼群島註冊成立之有限公司。其註冊辦事處地址為3rd Floor, Queensgate House, 113 South Church Street, P.O. Box 10240, Grand Cayman, KY1-1002 Cayman Islands。

本公司為一間投資控股公司，本公司及其附屬公司（統稱「本集團」）主要從事於批發市場提供空運服務及於中華人民共和國（「中國」）投資及經營體育及娛樂相關業務。

有關附屬公司之資料

本公司主要附屬公司之詳情如下：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

I. CORPORATE AND GROUP INFORMATION (Cont'd)

Information about subsidiaries (Cont'd)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued of equity ordinary/registered share capital 已發行權益 普通/註冊股本	Percentage of equity attributable to the Company 本公司 應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
AOE Freight (HK) Limited 瀚洋貨運有限公司	Hong Kong 香港	HK\$3,000,000 \$3,000,000港元	–	100	Air freight solution services 空運方案服務
Star Pacific Logistics Limited 太平洋星聯物流有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	–	100	Air freight solution services 空運方案服務
AOE Freight (Shenzhen) Limited* (notes(i)) 瀚洋國際貨運代理(深圳)有限公司(附註(i))	PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	–	100	Air freight solution services 空運方案服務
Pacific Empire International (Shenzhen) Limited* (notes(i)) 盛太國際貨運代理(深圳)有限公司(附註(i))	PRC/Mainland China 中國/中國大陸	RMB7,500,000 人民幣7,500,000元	–	100	Air freight solution services 空運方案服務
OA Cargo Limited OA Cargo Limited	Hong Kong 香港	HK\$1,000,000 1,000,000港元	–	100	Air freight solution services 空運方案服務
OA Cargo (HK) Limited OA Cargo (HK) Limited	Hong Kong 香港	HK\$10,000 10,000港元	–	100	Air freight solution services 空運方案服務
Pacific Empire (HK) Limited Pacific Empire (HK) Limited	Hong Kong 香港	HK\$10,000 10,000港元	–	100	Air freight solution services 空運方案服務
Pacific Empire International Limited 太平洋帝國國際有限公司	Macau 澳門	MOP100,000 100,000澳門元	–	100	Air freight solution services 空運方案服務
Sino Sky Trend Limited 中華天基有限公司	Hong Kong 香港	HK\$10,000 10,000港元	–	100	Investment holding 投資控股
Nobletree Limited Nobletree Limited	Hong Kong 香港	HK\$10,000 10,000港元	–	100	Property investment 物業投資
Beijing Sports Industry Group Limited 北京體育產業集團有限公司	Hong Kong 香港	HK\$10,000 10,000港元	–	80	Investment holding 投資控股
China Swimming Clubs Association Limited 中國游泳俱樂部大聯盟有限公司	Hong Kong 香港	HK\$10,000 10,000港元	–	100	Investment holding 投資控股
Xiang Tai Information and Science and Technology (Shenzhen) Limited* (notes (i),(ii)) 祥太信息科技(深圳)有限公司(附註(i),(ii))	PRC/Mainland China 中國/中國大陸	RMB1,000,000 人民幣1,000,000元	–	100	Investment holding 投資控股

I. 公司及集團資料(續)

有關附屬公司之資料(續)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

I. CORPORATE AND GROUP INFORMATION (Cont'd)

Information about subsidiaries (Cont'd)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued of equity ordinary/registered share capital 已發行權益 普通/註冊股本	Percentage of equity attributable to the Company 本公司 應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Zhong Hu Sports Culture Development (Beijing) Limited*, "Zhong Hu Sports", notes (i),(ii) 中互體育文化發展(北京)有限公司、「中互體育」 (附註(i)、(ii))	PRC/Mainland China 中國/中國大陸	RMB30,000,000 人民幣30,000,000元	–	100	Investment holding 投資控股
Zhong Hu Yueyong (Shanghai) Sports Development Limited* notes (i),(ii) 中互悅泳(上海)體育發展有限公司 (附註(i)、(ii))	PRC/Mainland China 中國/中國大陸	RMB5,000,000 人民幣5,000,000元	–	100	Investment holding 投資控股
Zhong Hu Dingfeng Sports Development (Beijing) Limited* "Zhong Hu Dingfeng", notes (i),(ii) 中互鼎烽體育發展(北京)有限公司 「中互鼎烽」(附註(i)、(ii))	PRC/Mainland China 中國/中國大陸	RMB5,000,000 人民幣5,000,000元	–	48**	Construction and operation of air dome 氣膜建造及運營
Shenzhen Xin Yi Heng Tong Industry Limited* "Shenzhen Xinyi", notes (i),(iii) 深圳市信義恒通實業有限公司、「深圳信義」 (附註(i)、(iii))	PRC/Mainland China 中國/中國大陸	RMB3,260,000 人民幣3,260,000元	–	50.92	Trading of goods 買賣商品

Notes:

- (i) These subsidiaries are limited liabilities companies registered in PRC.
- (ii) These subsidiaries were registered during the year ended 31 December 2016.
- (iii) These subsidiaries were acquired during the year ended 31 December 2016.

* For identification purpose only

I. 公司及集團資料(續)

有關附屬公司之資料(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued of equity ordinary/registered share capital 已發行權益 普通/註冊股本	Percentage of equity attributable to the Company 本公司 應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Zhong Hu Sports Culture Development (Beijing) Limited*, "Zhong Hu Sports", notes (i),(ii) 中互體育文化發展(北京)有限公司、「中互體育」 (附註(i)、(ii))	PRC/Mainland China 中國/中國大陸	RMB30,000,000 人民幣30,000,000元	–	100	Investment holding 投資控股
Zhong Hu Yueyong (Shanghai) Sports Development Limited* notes (i),(ii) 中互悅泳(上海)體育發展有限公司 (附註(i)、(ii))	PRC/Mainland China 中國/中國大陸	RMB5,000,000 人民幣5,000,000元	–	100	Investment holding 投資控股
Zhong Hu Dingfeng Sports Development (Beijing) Limited* "Zhong Hu Dingfeng", notes (i),(ii) 中互鼎烽體育發展(北京)有限公司 「中互鼎烽」(附註(i)、(ii))	PRC/Mainland China 中國/中國大陸	RMB5,000,000 人民幣5,000,000元	–	48**	Construction and operation of air dome 氣膜建造及運營
Shenzhen Xin Yi Heng Tong Industry Limited* "Shenzhen Xinyi", notes (i),(iii) 深圳市信義恒通實業有限公司、「深圳信義」 (附註(i)、(iii))	PRC/Mainland China 中國/中國大陸	RMB3,260,000 人民幣3,260,000元	–	50.92	Trading of goods 買賣商品

附註:

- (i) 該等附屬公司為於中國註冊成立之有限公司。
- (ii) 該等附屬公司為於截至2016年12月31日止年度內註冊成立。
- (iii) 該等附屬公司為於截至2016年12月31日止年度內獲收購。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

I. CORPORATE AND GROUP INFORMATION (Cont'd)

Information about subsidiaries (Cont'd)

** Zhong Hu Dingfeng is a subsidiary of a non-wholly-owned subsidiary of the Company and, accordingly is accounted for as a subsidiary by virtue of the Company's control over it.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of the other subsidiaries would, in the opinion of the directors, result in particulars of the excessive length.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for available-for-sale financial assets, which have been measured at fair value. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

I. 公司及集團資料(續)

有關附屬公司之資料(續)

** 中互鼎烽為本公司之非全資附屬公司，鑑於本公司對其擁有控制權，故其作為一間附屬公司入賬。

上述表格呈列本公司之附屬公司，董事認為該等附屬公司主要影響本年度之業績或構成本集團資產淨額的重大部分。董事認為，呈列其他附屬公司之詳情會導致詳情過度冗長。

2.1 編製基準

該等財務報表乃按香港會計師公會頒佈的香港財務報告準則（「香港財務報告準則」）（包括所有香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）及香港公認會計原則以及香港公司條例之披露規定而編製。除可供出售金融資產乃按公允價值計量外，財務報表乃按歷史成本慣例編製。除另有訂明外，該等財務報表乃以港元（「港元」）呈列，所有值均湊整至最接近千位數。

綜合基準

綜合財務報表包括本公司及其附屬公司截至2016年12月31日止年度的財務報表。附屬公司為本公司直接或間接控制的實體（包括結構性實體）。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象的權力（如本集團獲賦予現有能力以主導投資對象相關活動的既存權利）影響該等回報時，即取得控制權。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.1 BASIS OF PREPARATION (Cont'd)

Basis of consolidation (Cont'd)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.1 編製基準 (續)

綜合基準 (續)

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利，則本集團於評估其是否擁有對投資對象的權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其他投票持有人之間的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司的財務報表乃與本公司於相同申報期間內採納連貫一致的會計政策編製。附屬公司的業績自本集團獲得控制權當日開始綜合入賬，直至不再擁有有關控制權為止。

即使會導致非控股權益出現虧損結餘，損益及其他全面收益之各成份乃分配予本集團母公司擁有人及非控股權益。集團內成員公司之間之交易所產生的所有集團內公司間資產及負債、權益、收入、開支及現金流量均於綜合入賬時全部對銷。

倘有事實及情況顯示上文所述之控制權之三項元素之一項或多項有所變動，則本集團重新評估其是否控制被投資公司。於附屬公司擁有權權益之變動（並無失去控制權）入賬時列作股權交易。

2.1 BASIS OF PREPARATION (Cont'd)

Basis of consolidation (Cont'd)

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements and none of them has significant impact on the Group's financial statements.

Amendments to HKFRS 10, HKFRS 12
and HKAS 28 (2011)
香港財務報告準則第10號、
香港財務報告準則第12號及香港會計準則
第28號(2011年)的修訂

Amendments to HKFRS 11
香港財務報告準則第11號的修訂

HKFRS 14
香港財務報告準則第14號

Amendments to HKAS 1
香港會計準則第1號的修訂

Amendments to HKAS 16 and HKAS 38
香港會計準則第16號及香港會計準則
第38號的修訂

Amendments to HKAS 27 (2011)
香港會計準則第27號(2011年)的修訂

Annual improvements 2012-2014 Cycle
2012年至2014年週期的年度改進

Investment Entities: Applying the Consolidation Exception

投資實體：應用綜合入賬的例外情況

Accounting for Acquisitions of Interests in Joint Operations

收購共同經營權益的會計法

Regulatory Deferral Accounts

監管遞延賬戶

Disclosure Initiative

披露主動性

Clarification of Acceptable Methods of Depreciation and Amortisation

澄清折舊及攤銷的可接受方法

Equity Method in Separate Financial Statements

獨立財務報表的權益法

Amendments to a number of HKFRSs

若干香港財務報告準則之修訂

2.1 編製基準(續)

綜合基準(續)

倘本集團失去附屬公司之控制權，則會終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值及(iii)計入權益的累計換算差額；並確認(i)已收代價的公允價值；(ii)任何獲保留投資的公允價值及(iii)計入損益所產生的任何盈餘或虧絀。先前已於其他全面收益確認的本集團應佔部份，乃按本集團已直接出售相關資產或負債所需相同基準適當重新分類至損益或保留溢利。

2.2 會計政策的變更及披露

本集團於本年度的財務報表首次採納以下新訂及經修訂香港財務報告準則，其均無對本集團財務報表構成重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 2
香港財務報告準則第2號的修訂

Amendments to HKFRS 4
香港財務報告準則第4號的修訂

HKFRS 9
香港財務報告準則第9號

Amendments to HKFRS 10 and
HKAS 28 (2011)
香港財務報告準則第10號及香港會計
準則第28號(2011年)的修訂

HKFRS 15
香港財務報告準則第15號

Amendments to HKFRS 15
香港財務報告準則第15號的修訂

HKFRS 16
香港財務報告準則第16號

Amendments to HKAS 7
香港會計準則第7號的修訂

Amendments to HKAS 12
香港會計準則第12號的修訂

Annual Improvements 2014-2016 cycle
2014年至2016年週期的年度改進

Classification and Measurement of Share-based Payment Transaction²
以股份為基礎的付款交易之分類及計量²

Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts²
應用香港財務報告準則第9號金融工具連同香港財務報告準則第4號保險合約²

Financial Instruments²
金融工具²

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴
投資者與其聯營公司或合營公司之間出售或注入資產⁴

Revenue from Contracts with Customers²
來自客戶合約之收入²

Clarifications to HKFRS 15 Revenue from Contracts with Customers²
香港財務報告準則第15號來自客戶合約之收入澄清²

Leases³
租賃³

Disclosure Initiative¹
披露計劃¹

Recognition of Deferred Tax Assets for Unrealised Losses¹
就未動用虧損確認遞延稅項資產¹

Amendments to HKFRS 12
Disclosure of Interests in Other Entities¹
香港財務報告準則第12號的修訂
於其他實體的權益披露¹

Amendments to HKFRS 1
First-time Adoption of Hong Kong Financial Reporting Standards²
香港財務報告準則第1號的修訂
首次採納香港財務報告準則²

Amendments to HKAS 28
Investments in Associates and Joint Ventures²
香港會計準則第28號的修訂
於聯營公司及合營企業的投資²

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並未在該等財務報表中應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

¹ Effective for annual periods beginning on or after 1 January 2017

² Effective for annual periods beginning on or after 1 January 2018

³ Effective for annual periods beginning on or after 1 January 2019

⁴ No mandatory effective date yet determined but available for adoption

¹ 於2017年1月1日或之後開始的年度期間生效

² 於2018年1月1日或之後開始的年度期間生效

³ 於2019年1月1日或之後開始的年度期間生效

⁴ 並無釐定強制性生效日期惟可供採納

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

The Group is currently in the process of assessing the impact of the standards upon adoption. The Group plans to adopt the above new and amended standards when they become effective.

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 January 2018.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group expects to adopt HKFRS 15 on 1 January 2018.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

本集團現正對此等準則於採納後之影響進行評估。於上述新訂或經修訂準則生效時，本集團計劃採納上述新訂或經修訂準則。

有關預期將適用於本集團之該等香港財務報告準則之進一步資料如下：

於2014年9月，香港會計師公會頒佈香港財務報告準則第9號的最終版本，整合金融工具項目的所有階段，以取代香港會計準則第39號及香港財務報告準則第9號的所有早前版本。該準則引入分類及計量、減值及對沖會計法的新規定。本集團預期將自2018年1月1日起採納香港財務報告準則第9號。

香港財務報告準則第15號建立一個新的五步模式，將自客戶合約產生的收益入賬。根據香港財務報告準則第15號收益按能反映實體預期就交換向客戶轉讓貨物或服務而有權獲得的代價金額確認。香港財務報告準則第15號的原則為計量及確認收益提供更加結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額，關於履行責任、不同期間之間合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。該準則將取代香港財務報告準則項下所有現時收益確認的規定。於2016年6月，香港會計師公會頒佈香港財務報告準則第15號的修訂，解決有關確定履約義務、關於委託人與代理的應用指引和知識產權許可以及過渡的實施問題。該等修訂亦旨在協助實體於採納香港財務報告準則第15號時確保更一致的方法，並減少應用該標準的成本和複雜性。本集團預期於2018年1月1日採納香港財務報告準則第15號。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees – leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. The Group expects to adopt HKFRS 16 on 1 January 2019 and is currently assessing the impact of HKFRS 16 upon adoption.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港財務報告準則第16號取代香港會計準則第17號租賃、香港（國際財務報告詮釋委員會）詮釋第4號釐定安排是否包括租賃、香港（詮釋常務委員會）詮釋第15號經營租賃－優惠及香港（詮釋常務委員會）－詮釋第27號評估涉及租賃法律形式交易的實質。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人就大多數租賃確認資產及負債。該準則包括給予承租人兩項租賃確認豁免－低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認於租賃期作出租賃付款為負債（即租賃負債）及代表可使用相關資產的權利為資產（即有使用權資產）。除非有使用權資產符合香港會計準則第40號投資物業的定義，否則有使用權資產其後按成本減累計折舊及任何減值虧損計量。租賃負債其後會就反映租賃負債利息而增加及因租賃付款而減少。承租人將須分別確認租賃負債的利息開支及有使用權資產的折舊開支。承租人將亦須於若干事件發生時重新計量租賃負債，例如由於租賃期變更或用於釐定該等付款的一項指數或比率變更而引致未來租賃付款變更。承租人一般將重新計量租賃負債的數額確認為有使用權資產的調整。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人將繼續使用與香港會計準則第17號相同的分類原則對所有租賃進行分類，並將之分為經營租賃及融資租賃。本集團預期於2019年1月1日採納香港財務報告準則第16號及現時正評估採納香港財務報告準則第16號之影響。

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Cont'd)

Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group expects to adopt the amendments from 1 January 2017.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates are included in profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included as part of the Group's investments in associates.

2.3 已頒佈但尚未生效的香港財務報告準則 (續)

香港會計準則第7號的修訂要求實體作出披露，以使財務報表使用者可評估融資活動所產生的負債變動，包括現金流量及非現金流量產生的變動。該等修訂將導致須於財務報表作出額外披露。本集團預期自2017年1月1日起採納該等修訂。

2.4 主要會計政策概要
於聯營公司之投資

聯營公司為本集團持有其一般附帶不少於20%投票權的長期股本權益，並可對其施以重大影響的實體。重大影響乃有權參與投資對象之財務及經營政策決定而非控制或共同控制該等政策。

本集團於聯營公司投資乃按本集團根據權益會計法應估資產淨值減任何減值虧損於綜合財務狀況表列賬。為使任何可能存在差異的會計政策保持一致，本集團會進行調整。

本集團應估聯營公司收購後業績及其他全面收入分別計入損益及其他全面收益。此外，倘於聯營公司或合營公司的權益直接確認出現變動，則本集團會於綜合權益變動表確認其應佔任何變動（倘適用）。本集團與其聯營公司間交易的未變現收益及虧損將以本集團於聯營公司的投資為限對銷，惟倘未變現虧損提供所轉讓資產減值的憑證除外。收購聯營公司所產生的商譽已作為一部分包括在本集團於聯營公司的投資內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in associates (Cont'd)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

2.4 主要會計政策概要 (續)

於聯營公司之投資 (續)

倘於聯營公司之投資變為於合營公司之投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。在所有其他情況下，於失去對聯營公司的重大影響力或失去對聯營公司的共同控制權的情況下，本集團按其公允價值計量及確認其任何剩餘投資。聯營公司或合營公司於失去重大影響力或共同控制時的賬面值與剩餘投資及出售所得款項的公允價值之間的任何差額乃於損益內確認。

當於聯營公司之投資分類為持作出售時，將按照香港財務報告準則第5號持作出售的非流動資產及已終止經營業務入賬。

業務合併及商譽

業務合併乃以購買法入賬。轉讓的代價乃以收購日期的公允價值計算，該公允價值為本集團轉讓的資產於收購日期的公允價值、本集團自被收購方的前度擁有人承擔的負債，及本集團發行以換取被收購方控制權的股本權益的總和。於各業務合併中，本集團選擇是否以公允價值或被收購方可識別資產淨值的應佔比例，計量屬目前擁有權權益並賦予其持有人於清盤時按比例分佔資產淨值的於被收購方的非控股權益。非控股權益的所有其他部份均按公允價值計量。有關收購成本按實際發生數作為費用列支。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Business combinations and goodwill (Cont'd)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

2.4 主要會計政策概要 (續)

業務合併及商譽 (續)

當本集團收購一項業務時，會根據合約條款、於收購日期的經濟環境及相關條件，評估將承接的金融資產及負債，以作出適合的分類及標示，其中包括將被收購方主合約中的嵌入式衍生工具進行分離。

倘業務合併分階段進行，先前持有的股權應按其收購日期的公允價值計量及其產生之任何收益或虧損於損益中確認。

收購方所轉讓的任何或然代價於收購日期按公允價值確認。分類為資產或負債的或然代價按公允價值計量，而公允價值變動於損益確認。歸類為權益之或然代價毋須重新計量，而後續結算於權益內入賬。

商譽起初按成本計量，即已轉讓代價、已確認非控股權益及本集團先前於被收購方持有的股權的任何公允價值總額，超逾與所收購可識別資產淨值及所承擔負債的差額。如此代價及其他項目之總和低於所收購之資產淨值的公允價值，於評估後有關差額將於損益內確認為議價收購收益。

於初步確認後，商譽按成本減任何累計減值虧損計量。商譽每年進行減值測試，或於出現任何事件或情況改變顯示賬面值可能減少時則更頻密地進行檢核。本集團於12月31日進行商譽年度減值測試。就減值測試而言，因業務合併而收購的商譽自收購日期起分配至預期可自合併的協同效益中獲益的本集團各現金產生單位或各現金產生單位組別，而不論本集團其他資產或負債有否轉撥至該等單位或單位組別。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Business combinations and goodwill (Cont'd)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its available-for-sale financial assets measured at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

2.4 主要會計政策概要 (續)

業務合併及商譽 (續)

減值按有關商譽的現金產生單位 (或現金產生單位組別) 可收回款額的評估結果釐定。倘現金產生單位 (或現金產生單位組別) 的可收回款額低於賬面值，則確認減值虧損。就商譽確認的減值虧損不會於其後期間撥回。

倘商譽已分配至現金產生單位 (或現金產生單位組別)，則該單位部份業務出售時，與售出業務有關的商譽將計入業務賬面值以釐定出售業務盈虧。於該等情況售出的商譽，按售出業務及保留的現金產生單位部份的相對價值為基準計算。

公允價值計量

本集團於各報告期末按公允價值計量其可供出售金融資產。公允價值指於計量日期之市場參與者之間之有序交易中，就出售資產所收取之價格或轉讓負債所支付之價格。公允價值計量乃基於假設出售資產或轉讓負債之交易於資產或負債之主要市場，或在未有主要市場之情況下，則於資產或負債之最有利市場進行。主要或最有利市場須位於本集團能到達之地方。資產或負債之公允價值乃使用市場參與者為資產或負債定價所用之假設計量 (假設市場參與者依照彼等之最佳經濟利益行事)。

非金融資產之公允價值計量乃經計及一名市場參與者透過使用其資產之最高及最佳用途或透過將資產出售予將使用其最高及最佳用途之另一名市場參與者而能夠產生經濟利益之能力。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fair value measurement (Cont'd)

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要 (續)

公允價值計量 (續)

本集團使用適用於不同情況之估值方法，而其有足夠數據計量公允價值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

於財務報表確認或披露公允價值之所有資產及負債，均根據對公允價值計量整體而言屬重大之最低層輸入數據在下列公允價值等級架構內進行分類：

- 第一層 – 按同等資產或負債於活躍市場之報價（未經調整）計算
- 第二層 – 按估值方法計算（藉此直接或間接可觀察對公允價值計量而言屬重大之最低層輸入數據）
- 第三層 – 按估值方法計算（藉此觀察不到對公允價值計量而言屬重大之最低層輸入數據）

就按經常性基準於財務報表確認之資產及負債而言，本集團於各報告期末通過重新評估分類（基於對公允價值計量整體而言屬重大之最低層輸入數據）以決定等級架構內各層之間是否有轉移。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

2.4 主要會計政策概要(續)

非金融資產減值

當出現減值跡象或需要對資產進行年度減值檢測時(存貨除外),則會估計該資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值及其公允價值減出售成本兩者的較高者,並按個別資產計算,除非資產產生的現金流入並非大致上獨立於其他資產或多組資產的現金流入,在該情況下,可收回金額則以該資產所屬的現金產生單位計算。

減值虧損僅於資產賬面值超過可收回金額時方會確認。評估使用價值時是以除稅前的折現率計算預計未來的現金流量的現值,而該折現率反映當時市場對金錢的時間價值的評估及該項資產的特有風險。減值虧損於產生當期計入損益內與已減值資產功能一致的開支類別。

於各報告期末,本集團會評估是否有跡象顯示之前確認的減值虧損可能不復存在或已減少。倘有任何此等跡象存在,則會估計資產的可收回金額。原已確認的減值虧損僅於用作釐定資產(商譽除外)可收回金額的估計出現變動時撥回,惟有關金額不得超過假設過往年度並無確認資產減值虧損下應有的賬面值(已扣除任何折舊/攤銷)。撥回減值虧損的數額,乃於其產生的期間計入損益,惟資產按重估金額列賬除外,在該情況下,減值虧損撥回根據該重估資產的有關會計政策入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Related parties

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

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

2.4 主要會計政策概要 (續)

關連方

在以下情況下一方將被視為本集團的關連方，倘：

- (a) 該方為一名人士或該人士家屬的親密成員，而該人士
 - (i) 於本集團擁有控制或共同控制權；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理層成員；

或

- (b) 倘下列任何條件均適用，則該方為一間實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體（或另一實體的母公司、附屬公司或同系附屬公司）的聯營公司或合營企業；
 - (iii) 該實體與本集團均為同一第三方的合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Related parties (Cont'd)

- (b) the party is an entity where any of the following conditions applies: (Cont'd)
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

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

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 主要會計政策概要 (續)

關連方 (續)

- (b) 倘下列任何條件均適用，則該方為一間實體：(續)
- (v) 該實體為本集團或與本集團有關連的實體就僱員利益設立的離職福利計劃；
 - (vi) 實體受(a)內所識別人士控制或共同控制；
 - (vii) (a)(i)內所識別人士對實體有重大影響力或屬該實體（或該實體的母公司）的主要管理層成員；及
 - (viii) 實體、或一間集團的任何成員公司（該實體為集團的一部分）向本集團或本集團的母公司提供主要管理人員服務。

物業、廠房及設備及折舊

物業、廠房及設備乃按成本減累計折舊及任何減值虧損入賬。物業、廠房及設備項目的成本包括購買價及任何將資產達至可使用狀態及運送至有關地點作擬定用途而直接產生的成本。

物業、廠房及設備項目運作後產生的支出，如維修保養費，一般於產生期間自損益中扣除。倘達到確認標準，則重大檢查的開支會於資產賬面值中資本化作為替換。倘須定期替換大部分物業、廠房及設備，則本集團會將該等部分確認為有特定可使用年期及折舊的個別資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Property, plant and equipment and depreciation (Cont'd)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	25%
Furniture and fixtures	20%
Office equipment	20%
Computer equipment	20%
Motor vehicles	20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. As 31 December 2016, the net carrying amount of intangible assets (other than goodwill) was nil (2015: Nil).

2.4 主要會計政策概要 (續)

物業、廠房及設備及折舊 (續)

折舊乃按各物業、廠房及設備項目的估計可使用年期以直線法將成本分攤至殘值計算。所使用的主要年率如下：

租賃裝修	25%
傢私及裝置	20%
辦公室設備	20%
計算機設備	20%
汽車	20%

倘物業、廠房及設備項目的各部份的可使用年期不同，則該項目的成本將按合理基準分攤至各部份，而各部份將分開計算折舊。殘值、可使用年期及折舊方法均最少於每個財政年度完結時進行檢討並作出調整（如適用）。

物業、廠房及設備項目包括任何經初步確認的主要部分在出售時或預計於日後使用或出售時無法產生經濟利益的情況下將被終止確認。在資產終止確認年度損益中確認出售或報廢而產生的任何收益或虧損為相關資產銷售所得款項淨額與賬面值的差額。

無形資產（商譽除外）

個別收購的無形資產於初步確認時按成本計量。業務合併之中收購無形資產的成本乃該資產於收購日期的公允價值。無形資產的可使用年期可評估為有限或無限。年期有限的無形資產隨後於可使用經濟年期內攤銷，並於有跡象顯示無形資產可能出現減值時評估其減值。可使用年期有限的無形資產攤銷年期及攤銷方法最少於每個財政年度完結時檢討一次。於2016年12月31日，無形資產（商譽除外）之賬面淨額為零（2015年：零）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on the straight-line basis to allocate their cost to their residual value over its estimated useful life of 37 years when acquired.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to profit or loss so as to provide a constant periodic rate of charge over the lease terms.

2.4 主要會計政策概要(續)

投資物業

投資物業是指為了賺取租金收入及／或資本升值，而不是為了用於生產商品、提供勞務或經營管理而持有的，或為了在一般業務過程中出售而持有的土地及樓宇（包括以經營租賃持有在其他方面符合投資物業定義的物業的租賃權益）。投資物業按成本初始計量，包括交易成本。初始確認後，投資物業按歷史成本減累計折舊及減值虧損呈列。歷史成本包括收購項目直接應佔之開支

折舊乃按直線基準計算，分配其成本至其於收購時估計使用年期37年之剩餘價值。

倘資產賬面值高於估計可收回金額，則該資產的賬面值即時撇銷至其可收回金額。

租賃

除法定所有權外，凡將資產擁有權的絕大部份報酬與風險轉讓予本集團的租賃，均列為財務租賃。於訂立財務租賃時，租賃資產的成本乃按最低租金付款的現值予以資本化，並連同其承擔（不包括利息部份）一併入賬，以反映購買及融資。根據資本化財務租賃持有的資產計入物業、廠房及設備，並按租期及資產的估計可使用年期（以較短者為準）作折舊。有關租賃的財務費用於租期內在損益中扣除，以得出不變的週期收費率。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Leases (Cont'd)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to profit or loss on the straight-line basis over the lease terms.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as loans and receivables and available-for-sale financial investments, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

2.4 主要會計政策概要 (續)

租賃 (續)

由出租人保留資產所有權的絕大部份報酬與風險的租約均以經營租約入賬。如本集團為出租人，本集團將按照租約年期以直線法，分別將根據經營租約租賃的資產計入非流動資產及將根據經營租約的應收租金（扣除自出租人收取的任何獎勵金）計入損益內記賬。如本集團為承租人，則本集團根據經營租約應付的租金將以直線法於租期內自損益扣除。

投資及其他金融資產

初步確認及計量

金融資產於初步確認時會被分類為貸款及應收款項及可供出售金融投資。金融資產於首次確認時，乃按公允價值加收購金融資產所產生的交易成本（惟按公允價值計入損益的金融資產則除外）計量。

循正常渠道購買及銷售金融資產於交易日（即本集團承諾購買或銷售資產當日）確認，循正常渠道購買或銷售指規定資產於特定期間內（一般由規例或市場慣例確立）付運的金融資產買賣。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments and other financial assets (Cont'd)

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in profit or loss. The loss arising from impairment is recognised in profit or loss in finance costs for loans and in other expenses for receivables.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

隨後計量

金融資產的後續計量乃按分類進行，該等金融資產分類如下：

貸款及應收款項

貸款及應收款項乃是有固定或可確定付款金額但並無在一個活躍市場上報價的非衍生金融資產。經初步計量後，該等資產其後以實際利率法根據已攤銷的成本（扣減任何減值備抵）計量。攤銷成本乃計入任何收購時的折讓或溢價，以及屬於實際利率不可分割部分的費用或成本。實際利率攤銷包括在損益內的其他收益及增益中。減值衍生的虧損於損益內財務費用（就貸款而言）及其他費用（就應收款項而言）中確認。

可供出售金融投資

可供出售金融投資乃上市及非上市股本投資及債務證券之非衍生金融資產。分類為可供出售之股本投資指未分類為持作買賣或指定為按公允價值計入損益之投資。該類別中之債務證券指有意無限期持有之證券，且該等證券可能會因應流動資金需求或應對市況變動而出售。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments and other financial assets (Cont'd)

Available-for-sale financial investments (Cont'd)

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in profit or loss in other income, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to profit or loss in other gains or losses. Interest earned whilst holding the available-for-sale financial investments are reported as interest income and are recognised in profit or loss as other income in accordance with the policies set out for "Revenue recognition" below.

When the fair value of unlisted equity investments cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such investments are stated at cost less any impairment losses.

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to profit or loss.

2.4 主要會計政策概要 (續)

投資及其他金融資產 (續)

可供出售金融投資 (續)

於首次確認後，可供出售金融投資其後以公允價值計量，而未變現盈虧則於可供出售投資重估儲備中確認為其他全面收益，直至投資被終止確認（屆時，累計盈虧於損益確認為其他收益）或被釐定出現減值為止，此時，累計盈虧由可供出售投資重估儲備重新分類至損益其他盈虧內。於持有可供出售金融投資時所賺取之利息列作利息收入，並根據下文「收益確認」所載政策於損益確認為其他收益。

當非上市股本投資之公允價值由於(a)合理公允價值估計範圍之變動相對該投資而言屬重大，或(b)上述範圍內之各種估價之概率未能合理評估且須用以估算公允價值，而未能可靠計算時，則該等投資將按成本扣除任何減值虧損列賬。

本集團評估於短期內出售其可供出售金融資產之能力及意圖是否仍然合適。倘於少數情況下，因市場交投淡靜，本集團因而無法買賣有關金融資產，則倘管理層有能力並有意於可見將來持有該等金融資產或持有至到期日，本集團可選擇將該等資產重新分類。

就從可供出售類別重新分類之金融資產而言，於重新分類日期的公允價值賬面值成為其新的已攤銷成本及該項資產過往已於權益確認之任何盈虧於損益中以實際利率按投資餘下可使用年期攤銷。新的已攤銷成本與到期金額之任何差額同樣以實際利率按該資產餘下可使用年期攤銷。倘該項資產其後釐定為出現減值，於權益中所載之相關金額則須重新分類至損益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要(續)

取消確認金融資產

金融資產(或如適用,一項金融資產的一部份或一組同類金融資產的一部份)在下列情況將首先取消確認(即從本集團的綜合財務狀況表中刪除):

- 收取該項資產所得現金流量的權利經已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或須根據「轉付」安排,在未有嚴重延緩的情況下,已就有關權利全數承擔向第三方支付已收到現金流量的責任;及(a)本集團已轉讓該項資產的絕大部份風險及回報;或(b)本集團並無轉讓或保留該項資產絕大部份風險及回報,但已轉讓該項資產的控制權。

倘本集團轉讓其收取該項資產所得現金流量的權利或已訂立轉付安排,會評估其有否保留該項資產擁有權的風險及回報,以及其程度。當本集團並無轉讓或保留該項資產的絕大部份風險及回報及並無轉讓該項資產的控制權,本集團會在本集團持續參與該項資產的前提下繼續確認入賬。於該情況下,本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團保留的權利及義務的基準計量。

所轉讓資產擔保形式的持續參與,按資產原賬面值與本集團可能須支付的最高代價金額的較低者計量。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

2.4 主要會計政策概要 (續)

金融資產減值

本集團於各個報告期末評估是否存在客觀跡象顯示一項或一組金融資產出現減值。僅於初步確認資產後發生一項或多項事件對該項或該組金融資產的估計未來現金流量所造成的影響乃能夠可靠地估計，則該項或該組金融資產存在減值。減值跡象可包括一名或一群債務人正面臨重大經濟困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如欠款數目變動或出現與違約相關的經濟狀況。

按攤銷成本列賬的金融資產

就按攤銷成本列賬的金融資產而言，本集團首先會按個別基準就個別屬重大的金融資產或按組合基準就個別不屬重大的金融資產，個別評估是否存在減值。倘本集團認定按個別基準經評估的金融資產（無論具重要性與否）並無客觀跡象顯示存有減值，則該項資產會歸入一組具有相似信貸風險特性的金融資產內，並共同評估該組金融資產是否存在減值。經個別評估減值的資產，其減值虧損會予確認或繼續確認入賬，而不會納入綜合減值評估之內。

任何經確定的減值虧損金額按該資產賬面值與估計未來現金流量（不包括尚未產生的未來信貸虧損）現值的差額計量。估計未來現金流量的現值以金融資產的初始實際利率（即初次確認時計算的實際利率）折現。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of financial assets (Cont'd)

Financial assets carried at amortised cost (Cont'd)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in profit or loss.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is removed from other comprehensive income and recognised in profit or loss.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

按攤銷成本列賬的金融資產 (續)

該資產的賬面值會通過使用備抵賬而減少，而虧損於損益確認。利息收入於減少後賬面值中持續產生，且採用計量減值虧損時用以折現未來現金流量的利率累計。倘日後收回不可實現，則撇清貸款及應收款項連同任何相關撥備及所有抵押品已變現或已轉讓予本集團。

倘在其後期間估計減值虧損金額由於確認減值之後發生的事項增加或減少，則透過調整撥備賬增加或減少先前確認的減值虧損。倘於其後收回撇清，該項收回將計入損益內的其他費用。

可供出售之金融投資

就可供出售之金融投資而言，本集團將於各報告期結算日評估一項投資或一組投資有否出現客觀減值憑證。

倘可供出售之資產減值，包括其成本（扣除任何本金付款及攤銷）與現時公允價值之差額在扣除先前於損益確認之任何減值虧損後之金額，從其他全面收益中剔除並於損益內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of financial assets (Cont'd)

Available-for-sale financial investments (Cont'd)

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. Impairment losses on debt instruments are reversed through profit or loss if the subsequent increase in fair value of the instruments can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss – is removed from other comprehensive income and recognised in profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

2.4 主要會計政策概要 (續)

金融資產減值 (續)

可供出售之金融投資 (續)

倘債務工具分類為可供出售，將對其按與按攤銷成本入賬之金融資產相同之標準進行減值評估，惟減值金額為按攤銷成本與現有公允價值之差額計量之累計虧損（減過往就該項投資於損益確認之減值虧損）。日後利息收入會就該項資產之削減賬面值持續累算，並按計量減值虧損時對未來現金流量進行貼現時使用之利率累算。利息收入作為財務收入的一部份列賬。若債務工具之公允價值隨後增加可客觀地連繫至於減值虧損在損益確認後發生之事件，債務工具之減值虧損可透過損益回撥。

倘股本投資分類為可供出售，客觀證據應包括投資公允價值大幅或長期低於其成本。「大幅」乃與該項投資之原成本比較後評估，而「長期」則按公允價值低於其原成本期間而評估。倘有證據顯示出現減值，按收購成本與現有公允價值之差額計量之累計虧損（減過往就該項投資於損益確認之減值虧損）於其他全面收益中移除，並於損益中確認。分類為可供出售股本工具之減值虧損不會透過損益回撥。減值後公允價值之增幅乃直接於其他全面收益中確認。

釐定「大幅」或「長期」時須作出判斷。於作出判斷時，本集團會評估（其中包括）一項投資之公允價值少於其成本之持續時間或程度。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing bank and other borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

2.4 主要會計政策概要 (續)

金融負債

初步確認及計量

於初步確認的金融負債會被分類為按公允價值計入損益的金融負債、貸款及借貸或於有效對沖中指定為對沖工具的衍生工具(如適用)。

所有金融負債初步按公允價值確認，如屬貸款及借貸，則扣除直接應佔交易成本。

本集團的金融負債包括應付貿易賬款及其他應付款以及計息銀行及其他借款。

隨後計量

金融負債取決於其分類的隨後計量如下：

貸款及借貸

經初步確認後，計息銀行及其他借貸隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認及按實際利率法進行攤銷程序時，其損益在損益內確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益的財務費用內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

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

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.4 主要會計政策概要 (續)

終止確認金融負債

於負債項下的責任被解除或取消或屆滿時，金融負債將被終止確認。

如現有金融負債由同一放債人以條款大相逕庭的負債所取代，或現有負債條款作出重大修訂，此類置換或修訂將被視為終止確認本來的負債及確認新負債，有關賬面值的差額於損益中確認。

存貨

存貨按成本及可變現淨值（以較低者為準）列賬。成本按先進先出基準釐定。可變現淨值按預計售價減完成及出售所產生的任何估計成本計算。

現金及現金等值物

就綜合現金流量表而言，現金及現金等值物包括手頭現金及活期存款，以及隨時可兌換為已知數額現金，且價值變動風險甚低，並一般於購入日期起計三個月內到期的短期高度流動投資，減須於通知時償還並構成本集團現金管理一部分的銀行透支。

就綜合財務狀況表而言，現金及現金等值物包括用途不受限制的手頭現金及銀行存款（包括定期存款及性質與現金類似的資產）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要 (續)

所得稅

所得稅包括即期及遞延稅項。有關損益外確認項目的所得稅於損益外確認，不論是否於其他全面收益或直接於權益內確認。

即期稅項資產和負債根據於報告期末已頒佈或已大致頒佈的稅率（及稅法），並考慮本集團業務所在國家的現有詮釋及慣例，按預期自稅務當局收回或付予稅務當局的金額計算。

遞延稅項以負債法就於報告期末資產及負債的稅項基準及其用作財務申報的賬面值之間的所有暫時性差額作出撥備。

除以下情況外，遞延稅項負債就所有應課稅暫時差額予以確認：

- 當遞延稅項負債來自首次確認商譽或並非業務合併的交易的資產或負債，而於交易時並不影響會計溢利或應課稅溢利或虧損；及
- 就與於附屬公司及聯營公司的投資有關的應課稅暫時差額而言，除非撥回暫時差額的時間可以控制及暫時差額可能不會在可見將來撥回。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income tax (Cont'd)

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

2.4 主要會計政策概要 (續)

所得稅 (續)

就所有可扣稅暫時差額、承前未用稅項抵免和任何未用稅項虧損確認遞延稅項資產，惟以日後有可能出現應課稅溢利可利用該等可扣稅暫時差額、承前未用稅項抵免和未用稅項虧損予以抵銷為限，除非：

- 於初步確認非業務合併的交易中的資產或負債產生與可扣稅暫時差額有關的遞延稅項資產，而有關遞延稅項資產於進行交易時對會計溢利或應課稅溢利或虧損均無影響；及
- 對涉及附屬公司及聯營公司投資的可扣稅暫時差額而言，僅在暫時差額有可能在可見將來撥回，以及日後可用該等暫時差額抵銷可能出現的應課稅溢利時，方會確認遞延稅項資產。

遞延稅項資產的賬面值會於各報告期末檢討，倘不再可能有足夠應課稅溢利可用於抵免全部或部份遞延稅項資產，則會予以扣減。未確認的遞延稅項資產會於各報告期末重估和於可能有足夠應課稅溢利可收回全部或部份遞延稅項資產時確認。

遞延稅項資產和負債乃根據於報告期末前已實施或大致實施的稅率（及稅法），按預期於資產獲變現或負債償還期間適用的稅率計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Income tax (Cont'd)

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Revenue recognition

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

- (a) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer; provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (b) air freight service fee income is recognised when the air freight services are provided, the timing of which usually coincides with the departure date. This service fee income will be either recognised at gross or net. The principal or agent relationships is determined by the arrangement with airlines, integrated carriers and freight forwarders;
- (c) from the rendering of services, in the period in which the services are rendered;
- (d) rental income, on a time proportion basis over lease terms; and
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2.4 主要會計政策概要 (續)

所得稅 (續)

倘存在以即期稅項資產抵銷即期稅項負債的合法權利，而遞延稅項乃涉及同一課稅實體和同一稅務機關，則遞延稅項資產和遞延稅項負債可互相抵銷。

收益確認

收益乃於本集團可能獲得經濟利益而該收益能可靠地計算時，按下列基準予以確認：

- (a) 有關貨品銷售，倘所有權的重大風險及回報已轉移至買方，且本集團並無保留一般視為與所有權相關的管理權或已售貨品的有效控制權時確認；
- (b) 空運服務費收入於提供空運服務時確認，確認時間通常與出發時間一致。該服務費收入可按總值或淨值確認。本金或代理關係由與航空公司、綜合承運人及貨運代理人的安排決定；
- (c) 來自提供服務之收入，於提供服務期間確認入賬；
- (d) 租金收入，按租賃年期以時間比例基準計算；及
- (e) 利息收入乃根據適用的實際利率按應計基準確認，而實際利率乃按金融工具的預計年期或更短年期（如適用）估計日後現金收入準確貼現至金融資產的賬面淨值之利率。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Share-based payments

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 26 to the financial statements.

The cost of equity-settled transactions is recognised in equity-settled share-based payment expenses together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

2.4 主要會計政策概要(續)

以股份支付

本公司實施購股權計劃，旨在為對本集團業務成功作出貢獻之合資格參與者提供激勵與獎勵。本集團僱員（包括董事）以股份支付之方式收取報酬，而僱員提供服務作為收取股本工具之代價（「股本結算之交易」）。

與僱員進行股本結算之交易之成本，乃參照授出日期之公允價值而計量。公允價值乃由一名外聘估值師採用二項式模型釐定，進一步詳情載於財務報表附註26。

股本結算之交易的成本，連同在表現及／或服務條件得到履行的期間內相應增加的權益在股本結算股份支付之付款開支中確認。於歸屬日期前的各報告期終，股本結算之交易所確認的累計開支，反映了歸屬期屆滿的程度及本集團對於最終將歸屬的股本工具數量的最佳估計。期內於損益扣除或計入的金額，指該期初及期終所確認的累計開支的變動。

釐定回報的授出日期公允價值時，不會計及服務及非市場表現條件，但會評估達成該等條件的可能性，作為本集團對最終將歸屬的股本工具數量的最佳估計。市場表現條件反映於授出日期公允價值內。回報所附帶但並無相關服務要求的任何其他條件視為非歸屬條件。除非有另外的服務及／或表現條件，否則非歸屬條件反映於回報的公允價值內，並將即時支銷回報。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Share-based payments(Cont'd)

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

2.4 主要會計政策概要(續)

以股份支付(續)

基於未能達成非市場表現及／或服務條件而最終並無歸屬的回報不會確認開支。倘回報包括市場或非歸屬條件，交易視為歸屬，而不論市場或非歸屬條件是否達成，惟所有其他表現及／或服務條件須已達成。

倘若以股權結算報酬的條款有所更改，則在達致報酬原定條款的情況下，所確認的開支最少須達到猶如條款並無任何更改的水平。此外，倘若按更改日期計量，任何更改導致以股份基礎支付的總公允價值有所增加，或對僱員帶來其他利益，則應就該等更改確認開支。

倘若註銷以股權結算報酬，應被視為已於註銷日期歸屬，任何尚未確認報酬的開支，均應立刻確認，包括在本集團或其僱員控制下的非歸屬條件並未達成的任何報酬。然而，若授予新報酬代替已註銷的報酬，並於授出日期指定為替代報酬，則已註銷的報酬及新報酬，誠如前段所述，均應被視為原報酬的更改。

尚未行使購股權的攤薄影響於計算每股盈利時反映為額外股份攤薄。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Other employee benefits

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for all of its employees. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiary which operates in Mainland China are required to participate in a central pension scheme operated by the local municipal government. This subsidiary is required to contribute certain percentages of its payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Termination benefits

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

2.4 主要會計政策概要(續)

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例為其所有僱員採納一項界定供款之強制性公積金退休福利計劃(「強積金計劃」)。按強積金計劃條例規定，供款額須按僱員基本薪金之若干百份作出，並於應付該等供款額時根據強積金計劃之規則在損益中支銷。強積金計劃資產與本集團於獨立管理基金持有之資產獨立持有。當向強積金計劃供款時，本集團之僱主供款全數歸屬於僱員。

本集團於中國內地營運的附屬公司的僱員，須參與由當地市政府籌辦的中央退休金計劃。該附屬公司須向中央退休金計劃貢獻其若干薪酬成本百分比。供款於根據中央退休金計劃規則應付時自損益中扣除。

終止福利

終止福利在下列兩者孰早日確定：本集團不能撤回提供此等福利時；及本集團確認涉及支付終止福利的重組成本時。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

2.4 主要會計政策概要 (續)

借款成本

收購、興建或生產合資格資產（即需要一段頗長時間始能投入其擬定用途或出售的資產）而直接產生的借款成本將被資本化，作為有關成本的一部份。倘該等資產大部分可作擬定用途或出售，則終止將該等借款成本資本化。等待作為合資格資產支出的特定借款的暫時性投資所賺取的利息收入從資本化的借款成本中減除。所有其他借款成本於其產生期間內列作支出。借款成本包括實體因借款而發生的利息及其他相關成本。

股息

末期股息將於股東大會上獲股東批准後確認為負債。

同時，由於本公司組織章程大綱及細則授予董事權力宣派中期股息，故建議派付及宣派中期股息。因此，當建議派付及宣派中期股息時，中期股息立即確認為負債。

外幣

此等財務報表以本公司的功能貨幣港元呈列。本集團各實體自行釐定其功能貨幣，而計入各實體財務報表的項目以其功能貨幣計算。本集團實體入賬的外幣交易按交易日當時的功能貨幣匯率初步入賬。以外幣列值的貨幣資產及負債按於報告期末功能貨幣的匯率換算。結清和兌換貨幣項目產生的所有差額均於損益內確認。

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign currencies (Cont'd)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries and an associate are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

2.4 主要會計政策概要 (續)

外幣 (續)

以外幣歷史成本計量的非貨幣項目採用首次交易日期的匯率換算。以外幣按公允價值計量的非貨幣項目採用計量公允價值當日的匯率換算。換算以公允價值計量的非貨幣項目而產生的收益或虧損，按確認該項目的公允價值變動的收益或虧損一致的方法處理（即該項目於其他全面收益或損益內確認的公允價值收益或虧損的換算差額亦會分別於其他全面收益或損益內確認）。

若干海外附屬公司及一間聯營公司的功能貨幣為港元以外貨幣。於報告期末，該等實體的資產與負債按報告期末的匯率換算為港元，其損益則按年內的加權平均匯率換算為港元。

所產生之匯兌差額確認於其他全面收益及累計在匯兌波動儲備內。當出售海外業務時，在其他全面收益中與該海外業務相關之部份須在損益內確認。

收購海外業務產生的任何商譽及對收購產生的資產及負債賬面值作出的任何公允價值調整作海外業務的資產及負債處理，並按收市匯率換算。

就綜合現金流量表而言，海外附屬公司的現金流量按現金流量日期的通行匯率換算港元。海外附屬公司於年內產生的經常性現金流量則按該年度的加權平均匯率換算為港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Estimation uncertainty

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

Impairment of other non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 主要會計判斷及估計

編製本集團的財務報表需要管理層作出會影響收入、開支、資產和負債的報告金額及其所附披露資料的判斷、估計和假設，並披露或然負債。有關該等假設和估計的不確定性，可能導致須就未來對受影響資產或負債的賬面值作出重大調整的結果。

判斷

應用本集團會計政策時，除涉及估計之判斷外，管理層已作出下列對財務報表所確認數額有重大影響之判斷：

經營租賃承諾 – 本集團作為出租人

本集團就旗下的投資物業組合簽定了商業物業租賃合同。本集團認為，根據對有關安排的條款及條件的評估，本集團保留了透過經營租賃出租的物業的所有權的所有重大風險和回報。

估計的不確定性

以下為於報告期末有關未來之主要假設及其他估計不明朗因素之主要來源，有關假設及來源具有導致資產及負債之賬面值於下一財政年度內作出重大調整的重大風險。

其他非金融資產的減值（除商譽外）

本集團於各報告期末評估所有非金融資產有否出現任何減值跡象。其他非金融資產於有跡象顯示賬面值可能無法收回時進行減值測試。倘資產的賬面值或現金產生單位高於其可收回款額，則出現減值，而可收回款額乃其公允價值減出售成本及其使用值的較高者。計算公允價值減出售成本乃根據類似資產具約束性的公平市場銷售交易的可供參考數據或可予觀察的市場價格減出售資產的增加成本。管理層計算使用價值時，須估計資產或現金產生單位的預期未來現金流量，並選用合適的貼現率，以計算該等現金流量的現值。

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES
(Cont'd)

Estimation uncertainty (Cont'd)

Impairment of trade receivables

The Group maintains an allowance for estimated loss arising from the inability of its customers to make the required payments. The Group makes its estimates based on the ageing of its trade receivable balances, customers' creditworthiness, and historical write-off experience. If the financial condition of its customers was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance and its future results would be affected. Further details are given in note 18 to the financial statements.

Income tax

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated taxes based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences would impact the current income tax and deferred income tax provisions in the period in which such determination is made.

Estimation of fair value of share-based compensation

The fair values of the shares options granted pursuant to the Company's share option scheme during the year ended 31 December 2016 were valued by an independent valuer on the grant date. The valuation requires the Group to make estimates about the key parameters including expected volatility, risk-free interest rate, dividend yields and exercise multiple, etc. The grant date fair value of these options granted during the year ended 31 December 2016 was approximately HK\$36,300,000 (2015: Nil). Further details are given in note 26 to the financial statements.

3. 主要會計判斷及估計 (續)

估計的不確定性 (續)

貿易應收款項的減值

本集團就客戶無法支付所需款項引起的預計虧損計提撥備。本集團基於貿易收款項餘額的賬齡、客戶信譽及過往撇銷經驗進行估計。倘客戶的財務狀況惡化，並導致實際減值虧損高於預期，則本集團須修訂撥備基準且其未來業績將會受到影響。進一步詳情載於財務報表附註18。

所得稅

本集團須繳納多個司法權區的所得稅。於釐定所得稅撥備時須作出重大判斷。在日常業務過程中有多項交易及計算方式，均會導致未能確定最終所定稅項。本集團根據是否需要繳納額外稅款的估計，確認預期稅項的責任。倘上述事宜的最終稅務結果有別於初始入賬款額，該差額會影響作出釐定期間的當期所得稅及遞延稅項撥備。

以股份為基礎補償之公允價值估計

於截至2016年12月31日止年度，根據本公司之購股權計劃授出之購股權之公允價值由獨立估值師於授出日期進行估值。估值須本集團進行有關關鍵參數之估計（包括預期波幅、無風險利率、股息率及行使倍數等）。於截至2016年12月31日止年度授出之該等購股權於授出日期之公允價值為約36,300,000港元（2015年：零）。進一步詳情載於財務報表附註26。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

4. OPERATING SEGMENT INFORMATION

During the year ended 31 December 2016, the Group commenced sport and entertainment business and changed its internal organisation accordingly. For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments: (a) logistics segment provides air freight services in the wholesale market; (b) sport, entertainment and others segment is a new segment for the year investing in and operating air dome business and other newly initiated businesses.

For the year ended 31 December 2015, as a result of the change in the composition of the Group's reportable segments, the Group had one single operating and reportable segment, the logistics segment, and all of the Group's operating results were generated from this single segment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's loss before tax except that interest income, other investment income, gross rental income, finance costs, as well as head office and corporate expenses are excluded from such measurement.

4. 經營分部資料

截至2016年12月31日止年度，本集團開始體育及娛樂業務，而相應改變其內部組織。就管理目的而言，本集團以其產品及服務組成業務單位及擁有以下兩個可申報經營分部：(a)於批發市場提供空運服務的物流分部；(b)體育、娛樂及其他分部，為於本年度投資及經營氣膜業務及其他新展開業務的新分部。

截至2015年12月31日止年度，由於本集團可申報分部之組成變動，本集團擁有一個單一經營及可申報分部，即物流分部。本集團之所有經營業績均產生自該單一分部。

管理層獨立監察本集團經營分部的業績，以就資源分配及表現評估作出決策。分部表現乃根據可申報分部溢利／虧損（即計量除稅前經調整溢利／虧損）予以評估。除稅前經調整溢利／虧損乃與本集團之除稅前虧損貫徹計量，惟有關計量並不包括利息收入、其他投資收入、租金收入總額、融資成本及總辦事處及企業開支。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

4. OPERATING SEGMENT INFORMATION (Cont'd)

Year ended 31 December 2016

截至2016年12月31日止年度

4. 經營分部資料(續)

		Logistics 物流 HK\$'000 千港元	Sport and, entertainment and others 體育、娛樂及其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue :	分部收益：			
Sales to external customers	向外部客戶銷售	74,144	8,374	82,518
Segment results	分部業績	(21,179)	(20,816)	(41,995)
<i>Reconciliation:</i>	<i>對賬：</i>			
Interest income	利息收入			298
Other investment income	其他投資收入			2,123
Gross rental income	租金收入總額			1,927
Corporate and unallocated expenses	企業及未分配開支			(11,998)
Finance costs	融資成本			(868)
Loss before tax	除稅前虧損			(50,513)
Other segment information:	其他分部資料：			
Impairment losses recognised in profit or loss	於損益確認之 減值虧損	3,494	1,790	5,284
Depreciation and amortisation	折舊及攤銷	1,774	2,449	4,223
Capital expenditure*	資本開支*	-	15,052	15,052

* Capital expenditure consists of additions to property, plant and equipment including assets from the acquisition of subsidiaries.

* 資本開支包括添置物業、廠房及設備（包括收購附屬公司產生之資產）。

Geographical information

During the year ended 31 December 2016, the Group derived almost all of its revenue from its operating entities located in Hong Kong, Macau, Taiwan and Mainland China. While in 2015, the Group derived 70% of its revenue from its operating entities located in Hong Kong, Macau, Taiwan and Mainland China, and the remaining 30% revenue from its operating entities located in other countries and regions.

As at 31 December 2016 and 2015, the Group's non-current assets were mainly located in Hong Kong.

Information about a major customer

During the year, there was no external customer accounted for 10% or more of the Group's total revenue (2015: Nil).

地區資料

截至2016年12月31日止年度，本集團幾乎所有之收益均產生自其位於香港、澳門、台灣及中國內地之經營實體。而於2015年，本集團之70%收益產生自其位於香港、澳門、台灣及中國內地之經營實體，而餘下30%收益則產生自位於其他國家及地區之經營實體。

於2016年及2015年12月31日止年度，本集團之非流動資產主要位於香港。

有關客戶的資料

於年內，概無外部客戶佔本集團總收益之10%或以上（2015年：零）。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts, and the value of services related during the year.

An analysis of revenue, other income and gains is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Revenue	收益		
Sales of goods	商品銷售	8,338	–
Rendering of services	提供服務	74,180	510,793
		82,518	510,793
		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Other income	其他收入		
Bank interest income	銀行利息收入	298	245
Service income	服務收入	223	804
Other investment income	其他投資收入	2,123	–
Gross rental income	租金收入總額	1,927	–
Others	其他	670	230
		5,241	1,279
Gains	收益		
Reversal of impairment of investment properties (note 13)	投資物業減值撥回(附註13)	2,307	–
Gain on write-back of trade payables*	貿易應付款項之回撥收益*	10,226	–
		12,533	1,279
		17,774	1,279

* The gain was resulted from waiver of trade payables by one of the Group's suppliers in logistics business.

5. 收益·其他收入及收益

收益指年內已出售貨品的發票價值淨額(扣除退貨及貿易折扣撥備)及服務相關價值。

收益·其他收入及收益之分析如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Revenue	收益		
Sales of goods	商品銷售	8,338	–
Rendering of services	提供服務	74,180	510,793
		82,518	510,793
		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Other income	其他收入		
Bank interest income	銀行利息收入	298	245
Service income	服務收入	223	804
Other investment income	其他投資收入	2,123	–
Gross rental income	租金收入總額	1,927	–
Others	其他	670	230
		5,241	1,279
Gains	收益		
Reversal of impairment of investment properties (note 13)	投資物業減值撥回(附註13)	2,307	–
Gain on write-back of trade payables*	貿易應付款項之回撥收益*	10,226	–
		12,533	1,279
		17,774	1,279

* 收益乃產生自豁免本集團其中一名物流業務供應商之貿易應付款項。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

6. 除稅前虧損

本集團除稅前虧損乃經扣除／(計入)
下列各項後達致：

		2016	2015
	Notes	HK\$'000	HK\$'000
	附註	千港元	千港元
Cost of inventories sold	售出存貨成本	8,065	–
Cost of services provided	已提供服務成本	65,865	441,897
Depreciation	折舊	4,223	3,128
Amortisation of intangible assets	無形資產攤銷	–	447
Minimum lease payments under operating leases	經營租賃之最低租賃付款	5,530	8,736
Auditor's remuneration	核數師酬金	2,344	2,466
Employee benefit expenses (excluding directors' and chief executive's remuneration (note 8)):	僱員福利開支 (不包括董事及 主要行政人員薪酬(附註8)):		
Wages and salaries	工資及薪金	19,793	40,478
Equity-settled share option expense	以股份結算之購股權開支	7,978	–
Pension scheme contributions**	退休計劃供款**	2,703	3,419
		30,474	45,018
Foreign exchange differences, net*	匯兌差額，淨額*	1,039	4,724
Impairment on goodwill*	商譽減值*	–	630
Impairment of items of property, plant and equipment*	物業、廠房及設備項目之減值*	2,028	829
Impairment of intangible assets* (Reversal of impairment)/	無形資產減值* 投資物業(減值撥回)／減值	–	1,429
impairment of investment properties		(2,307)	9,492
Impairment of trade receivables	貿易應收款項減值	816	3,238
Loss on disposal of available-for-sale financial assets*	出售可供出售金融資產之虧損*	4,415	–
Write-off of other current assets*	其他流動資產撇銷*	2,440	–
Loss on disposal of items of property, plant and equipment*	出售物業、廠房及設備項目之虧損*	99	703
Loss on disposal of subsidiaries*	出售附屬公司之虧損*	1,908	–

* These items are included in "Other expenses" in the consolidated statement of profit or loss and other comprehensive income.

** At 31 December 2016, the Group had no forfeited contributions available to reduce its contributions to the pension scheme(s) in future years (2015: Nil).

* 該等項目計入綜合損益及其他全面收益表內之「其他開支」。

** 於2016年12月31日，本集團概無已沒收供款可用以抵銷其於未來年度對退休計劃的供款(2015年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

7. FINANCE COSTS

An analysis of finance costs is as follows:

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Interest on bank loans and overdrafts	銀行貸款及透支利息	239	1,221
Interest on shareholder's loans	股東貸款利息	626	43
Interest on finance lease liabilities	融資租賃負債利息	3	13
		868	1,277

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

7. 融資成本

融資成本之分析如下：

8. 董事及主要行政人員薪酬

本年度董事及主要行政人員薪酬根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露如下：

		Group	
		本集團	
		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Fees	袍金	1,670	1,121
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	-	3,486
Equity-settled share option expense	股權結算購股權開支	3,721	-
Pension scheme contributions	退休金計劃供款	-	18
		3,721	3,504
		5,391	4,625

NOTES TO FINANCIAL STATEMENTS 財務報表附註

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Cont'd)

During the year, certain directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 26 to the financial statements. The fair value of such options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' and chief executive's remuneration disclosures.

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

2016	2016年	Fees 袍金 HK\$'000 千港元	Equity-settled share option expense 股權結算 購股權開支 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Independent non-executive directors 獨立非執行董事				
Mr. Lok Lawrence Yuen Ming (note (i))	樂圓明先生(附註(i))	120	207	327
Mr. Xin Luo Lin (note (i))	辛羅林先生(附註(i))	120	207	327
Mr. Pan Lihui (note (i))	潘立輝先生(附註(i))	120	207	327
Mr. Tse Man Kit, Keith (note (ii))	謝文傑先生(附註(ii))	110	207	317
		470	828	1,298

8. 董事及主要行政人員薪酬(續)

本年度，若干董事就彼等為本集團所提供的服務根據本公司購股權計劃獲授權股權，進一步詳情載於財務報表附註26。該等於歸屬期間在損益表中確認之購股權之公允價值已於授出日期釐定，而於本年度計入財務報表之金額已計入上文之董事及主要行政人員酬金披露內。

(a) 獨立非執行董事

本年度已付獨立非執行董事之酬金如下：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Cont'd) (a) Independent non-executive directors (Cont'd)

8. 董事及主要行政人員薪酬(續) (a) 獨立非執行董事(續)

		Equity-settled share option expense 股權結算 購股權開支	Total 總計
	Fees 袍金	HK\$'000 千港元	HK\$'000 千港元
2015	2015年		
Independent non-executive directors	獨立非執行董事		
Mr. Lok Lawrence Yuen Ming (note (i))	樂圓明先生(附註(i))	83	83
Mr. Xin Luo Lin (note (i))	辛羅林先生(附註(i))	83	83
Mr. Pan Lihui (note (i))	潘立輝先生(附註(i))	83	83
Mr. Wei Jin Cai (note (iii))	魏錦才先生(附註(iii))	160	160
Dr. Zhang Xianlin (note (iii))	張憲林博士(附註(iii))	160	160
Dr. Tyen Kan Hee, Anthony (note (iii))	田耕熹博士(附註(iii))	180	180
		749	749

Note i: The directors were appointed on 23 April 2015.

附註i: 該名董事於2015年4月23日獲委任。

Note ii: The director was appointed on 25 January 2016.

附註ii: 該名董事於2016年1月25日獲委任。

Note iii: The directors resigned on 23 April 2015.

附註iii: 該名董事於2015年4月23日辭任。

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財務報表附註

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Cont'd)

(b) Executive directors and the chief executive

		Fees	Salary, allowances and benefits in kind	Equity- settled share option expense	Pension scheme contributions	Total
		袍金	薪金、津貼及 實物利益	股權結算 購股權開支	退休金 計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
2016	2016年					
Executive directors	執行董事					
Mr. Hui Yebi (note (i))	胡野碧先生(附註(i))	180	–	207	–	387
Mr. Niu Zhongjie (note (i))	牛鍾洁先生(附註(i))	180	–	207	–	387
Mr. Zhu Shixing (note (ii))	祝仕興先生(附註(ii))	180	–	–	–	180
Mr. Lam Ka Tak (note (ii))	林嘉德先生(附註(ii))	180	–	207	–	387
Ms. Leung Pui Man (note (iv))	梁佩雯女士(附註(iv))	69	–	–	–	69
Mr. Zhang Tingzhe (note (v))	張庭喆先生(附註(v))	165	–	207	–	372
Mr. Liu Xue Heng (note (vi))	劉學恒先生(附註(vi))	165	–	2,065	–	2,230
Mr. Tsui Ngai, Eddie (note (vii))	徐艾先生(附註(vii))	81	–	–	–	81
		1,200	–	2,893	–	4,093
2015	2015年					
Executive directors	執行董事					
Mr. Hui Yebi (note (i))	胡野碧先生(附註(i))	124	–	–	–	124
Mr. Niu Zhongjie (note (i))	牛鍾洁先生(附註(i))	124	–	–	–	124
Mr. Zhu Shixing (note (ii))	祝仕興先生(附註(ii))	–	–	–	–	–
Mr. Lam Ka Tak (note (ii))	林嘉德先生(附註(ii))	–	–	–	–	–
Ms. Leung Pui Man (note (iv))	梁佩雯女士(附註(iv))	124	–	–	–	124
Mr. Yu Ho Yuen, Sunny (note (iii))	余浩源先生(附註(iii))	–	1,312	–	6	1,318
Mr. Mak Chi Hung, Richard (note (iii))	麥志雄先生(附註(iii))	–	908	–	6	914
Mr. Law Kai Lo, Nikli (note (iii))	羅佳路先生(附註(iii))	–	1,266	–	6	1,272
		372	3,486	–	18	3,876

NOTES TO FINANCIAL STATEMENTS

財務報表附註

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Cont'd)

(b) Executive directors and the chief executive (Cont'd)

Note i: The directors were appointed on 23 April 2015.

Note ii: The directors were appointed on 24 December 2015.

Note iii: The directors resigned on 23 April 2015.

Note iv: The directors was appointed on 23 April 2015 and resigned on 18 May 2016.

Note v: The director was appointed on 25 January 2016.

Note vi: The director was appointed on 25 January 2016, and elected as the chairman of the board and appointed as the chief executive officer of the Company on 8 April 2016.

Note vii: The director was appointed on 20 July 2016.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

8. 董事及主要行政人員薪酬(續)

(b) 執行董事及主要行政人員(續)

附註i: 該名董事於2015年4月23日獲委任。

附註ii: 該名董事於2015年12月24日獲委任。

附註iii: 該名董事於2015年4月23日辭任。

附註iv: 該名董事於2015年4月23日獲委任並於2016年5月18日辭任。

附註v: 該名董事於2016年1月25日獲委任。

附註vi: 該名董事於2016年1月25日獲委任，並於2016年4月8日獲選為董事會主席並獲委任為本公司之主要行政人員。

附註vii: 該名董事於2016年7月20日獲委任。

本年度，並無董事或主要行政人員放棄或同意放棄任何薪酬的安排。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included one director (2015: three directors), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining four (2015: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

9. 五名最高薪酬僱員

本年度五名最高薪酬僱員包括一名董事（2015年：三名董事），彼等薪酬之詳情載於上文附註8。剩餘四名（2015年：兩名）本公司本年度最高薪酬僱員（其並非為董事亦非主要行政人員）之詳情如下：

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	3,110	3,620
Equity-settled share option expense	股權結算購股權開支	315	—
Pension scheme contributions	退休金計劃供款	138	32
		3,563	3,652

NOTES TO FINANCIAL STATEMENTS

財務報表附註

9. FIVE HIGHEST PAID EMPLOYEES (Cont'd)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2016	2015
HK\$500,001 to HK\$1,000,000	500,001港元– 1,000,000港元	3	–
HK\$1,000,001 to HK\$1,500,000	1,000,001港元– 1,500,000港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元– 2,000,000港元	–	–
HK\$2,000,001 to HK\$2,500,000	2,000,001港元– 2,500,000港元	–	1
		4	2

During the year and in prior years, share options were granted to a non-director and non-chief executive highest paid employee in respect of his services to the Group, further details of which are included in the disclosures in note 26 to the financial statements. The fair value of such options, which has been recognised in profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10. INCOME TAX EXPENSE

Hong Kong profits tax has been provided for at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits during the year.

Macau complementary tax is levied at progressive rates ranging from 3% to 9% on the taxable income above MOP32,000 (equivalent to approximately HK\$31,000) but below MOP300,000 (equivalent to approximately HK\$292,000), and thereafter at a fixed rate of 12%. For the years ended 31 December 2016 and 2015, a special complementary tax incentive was provided to the effect that tax free income threshold was increased from MOP32,000 to MOP600,000 (equivalent to approximately HK\$31,000 to HK\$584,000).

9. 五名最高薪酬僱員 (續)

薪酬於以下範圍之非董事及非主要行政人員之最高薪酬僱員數目如下：

		Number of employees 僱員數目	
		2016	2015
HK\$500,001 to HK\$1,000,000	500,001港元– 1,000,000港元	3	–
HK\$1,000,001 to HK\$1,500,000	1,000,001港元– 1,500,000港元	1	1
HK\$1,500,001 to HK\$2,000,000	1,500,001港元– 2,000,000港元	–	–
HK\$2,000,001 to HK\$2,500,000	2,000,001港元– 2,500,000港元	–	1
		4	2

於本年度及以往年度，就有關僱員向本集團提供之服務而向並非董事或主要行政人員之最高薪酬僱員授予購股權，有關詳情在財務報表附註26內披露。該等購股權之公允價值（已於歸屬期內在損益中確認）乃於授出日期釐定，而列入本年度財務報表之金額已在上述並非董事或主要行政人員之僱員酬金中披露。

10. 所得稅開支

於年內的香港利得稅乃就估計應課稅溢利按16.5%（2015年：16.5%）的稅率計提撥備。

澳門補充稅乃就高於32,000澳門元（相當於約31,000港元）但低於300,000澳門元（相當於約292,000港元）的應課稅收入按介乎3%至9%的累進稅率繳納，而更高金額則按固定稅率12%納稅。截至2016年及2015年12月31日止年度獲提供特別補充稅獎勵，因此應課稅收入的免稅額由32,000澳門元增至600,000澳門元（相當於約31,000港元至584,000港元）。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

10. INCOME TAX EXPENSE (Cont'd)

Taxation outside Hong Kong, Macau and Mainland China has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

10. 所得稅開支(續)

香港、澳門及中國大陸以外的稅項乃根據年內估計應課稅溢利按本集團經營所在國家現行稅率計算。

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Current – Hong Kong	當期—香港		
Charge for the year	年內支出	211	927
Underprovision in prior years	於過往年度撥備不足	–	2
Current – Macau	當期—澳門		
Charge for the year	年內支出	1,214	134
Current – Elsewhere	當期—其他地區		
Charge for the year	年內支出	–	1,432
Deferred (note 24)	遞延(附註24)	180	737
Total tax charge for the year	年內稅項支出總額	1,605	3,232

NOTES TO FINANCIAL STATEMENTS

財務報表附註

10. INCOME TAX EXPENSE (Cont'd)

A reconciliation of the tax expense applicable to loss before tax at the statutory rates for the countries or jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Loss before tax	除稅前虧損	(50,513)	(35,602)
Tax calculated at tax rates applicable to profits of the respective subsidiaries	按適用於各附屬公司溢利的稅率計算的稅項	(10,688)	(5,956)
Income not subject to tax	毋須繳稅收入	(64)	(405)
Expenses not deductible for tax purpose	不可扣稅開支	4,015	311
Adjustments in respect of current tax of previous periods	就過往期間當期稅項之調整	-	2
Derecognition of prior years deferred tax assets	終止確認過往年度遞延稅項資產	-	1,840
Derecognition of withholding tax on unremitted earnings of subsidiaries in Mainland China and Taiwan	終止確認中國內地及台灣地區的附屬公司未匯盈利的預扣稅	-	(175)
Tax losses utilised from the previous periods	抵銷過往期間產生之稅務虧損	-	(236)
Tax losses not recognised	未確認之稅務虧損	8,342	7,851
Tax charge at the Group's effective rate	按本集團實際稅率計算之稅項支出	1,605	3,232

10. 所得稅開支(續)

適用於除稅前虧損以本公司及其大部分附屬公司所註冊國家之法定稅率計算之稅項開支與實際稅率計算者之對賬如下：

11. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,041,282,049 (2015: 811,884,658) in issue during the year.

No adjustment has been made to the basic loss per share amount presented for the year ended 31 December 2016 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amount presented.

11. 母公司普通股權持有人應佔每股虧損

每股基本虧損金額乃按照母公司普通股權益持有人應佔年內虧損及年內已發行普通股加權平均數1,041,282,049股(2015年: 811,884,658股)計算。

截至2016年12月31日止年度所呈列的每股基本虧損金額並無就攤薄作出調整，原因為未行使購股權對所呈列的每股基本虧損金額具有反攤薄影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

11. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (Cont'd)

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2015.

11. 母公司普通股權持有人應佔每股虧損 (續)

截至2015年12月31日止年度，本集團並無潛在攤薄已發行普通股。

12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Leasehold improvements	Furniture and fixtures	Office equipment	Computer equipment	Motor vehicles	Total
		租賃裝修	傢俬及裝置	辦公設備	電腦設備	汽車	總計
At 31 December 2016	於2016年12月31日						
At 31 December 2015 and at 1 January 2016:	於2015年12月31日及2016年1月1日:						
Cost	成本	889	1,217	170	1,661	8,471	12,408
Accumulated depreciation and impairment	累計折舊及減值	(863)	(1,192)	(60)	(1,264)	(2,392)	(5,771)
Net carrying amount	賬面淨值	26	25	110	397	6,079	6,637
At 1 January 2016, net of accumulated depreciation and impairment	於2016年1月1日，扣除累計折舊及減值	26	25	110	397	6,079	6,637
Additions	添置	12,190	1,686	822	253	-	14,951
Acquisition of subsidiaries (note 28)	收購附屬公司(附註28)	-	-	18	83	-	101
Disposals	出售	-	-	(4)	(69)	(29)	(102)
Depreciation provided during the year	年內計提折舊	(115)	(1)	(12)	(226)	(1,562)	(1,916)
Impairment (note 6)	減值(附註6)	(1,790)	-	(2)	(236)	-	(2,028)
Exchange realignment	匯兌調整	4	-	-	(10)	(20)	(26)
At 31 December 2016, net of accumulated depreciation and impairment	於2016年12月31日，扣除累計折舊及減值	10,315	1,710	932	192	4,468	17,617
At 31 December 2016	於2016年12月31日						
Cost	成本	13,009	2,898	978	1,185	8,075	26,145
Accumulated depreciation and impairment	累計折舊及減值	(2,694)	(1,188)	(46)	(993)	(3,607)	(8,528)
Net carrying amount	賬面淨值	10,315	1,710	932	192	4,468	17,617

NOTES TO FINANCIAL STATEMENTS

財務報表附註

12. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

12. 物業、廠房及設備(續)

		Leasehold improvements 租賃裝修	Furniture and fixtures 傢俬及裝置	Office equipment 辦公設備	Computer equipment 電腦設備	Motor vehicles 汽車	Total 總計
At 31 December 2015	於2015年12月31日						
At 1 January 2015:	於2015年1月1日:						
Cost	成本	3,167	2,191	1,543	5,082	7,699	19,682
Accumulated depreciation and impairment	累計折舊及減值	(2,444)	(1,906)	(816)	(2,978)	(2,336)	(10,480)
Net carrying amount	賬面淨值	723	285	727	2,104	5,363	9,202
At 1 January 2015, net of accumulated depreciation and impairment	於2015年1月1日，扣除累計折舊及減值	723	285	727	2,104	5,363	9,202
Additions	添置	221	14	13	31	2,528	2,807
Disposals	出售	(417)	(9)	(182)	(673)	(102)	(1,383)
Depreciation provided during the year	年內計提折舊	(281)	(113)	(198)	(739)	(1,662)	(2,993)
Impairment (note 6)	減值(附註6)	(179)	(95)	(235)	(284)	(36)	(829)
Exchange realignment	匯兌調整	(41)	(57)	(15)	(42)	(12)	(167)
At 31 December 2015, net of accumulated depreciation and impairment	於2015年12月31日，扣除累計折舊及減值	26	25	110	397	6,079	6,637
At 31 December 2015:	於2015年12月31日:						
Cost	成本	889	1,217	170	1,661	8,471	12,408
Accumulated depreciation and impairment	累計折舊及減值	(863)	(1,192)	(60)	(1,264)	(2,392)	(5,771)
Net carrying amount	賬面淨值	26	25	110	397	6,079	6,637

Impairment of property, plant and equipment for the years ended 31 December 2016 and 2015 were recognised in other expenses.

截至2016年及2015年12月31日止年度的物業、廠房及設備減值已於其他開支內確認。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

13. INVESTMENT PROPERTIES

At cost model	按成本模式計量	2016	2015
		HK\$'000 千港元	HK\$'000 千港元
Carrying amount at 1 January	於1月1日之賬面值	87,000	–
Acquisition of a subsidiary	收購一間附屬公司	–	95,664
Capitalised subsequent expenditure	其後開支資本化	–	963
Reversal of impairment/(impairment)	減值撥回/(減值)	2,307	(9,492)
Depreciation*	折舊*	(2,307)	(135)
Carrying amount at 31 December	於12月31日之賬面值	87,000	87,000

* Depreciation of investment property for the year ended 31 December 2016 was recognised in other expenses.

As at 31 December 2016, the Group had no unprovided contractual obligations for future repairs and maintenance (2015: Nil).

The Group's investment properties consist of two commercial properties in Hong Kong. The investment properties are leased to a shareholder and a third party under operating leases. An independent valuation of the Group's investment properties was performed by the valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, and the fair value of the investment properties was determined to be HK\$87,000,000 as at 31 December 2016 (2015: HK\$87,000,000).

13. 投資物業

At cost model	按成本模式計量	2016	2015
		HK\$'000 千港元	HK\$'000 千港元
Carrying amount at 1 January	於1月1日之賬面值	87,000	–
Acquisition of a subsidiary	收購一間附屬公司	–	95,664
Capitalised subsequent expenditure	其後開支資本化	–	963
Reversal of impairment/(impairment)	減值撥回/(減值)	2,307	(9,492)
Depreciation*	折舊*	(2,307)	(135)
Carrying amount at 31 December	於12月31日之賬面值	87,000	87,000

* 截至2016年12月31日止年度之投資物業之折舊於其他開支中確認。

於2016年12月31日，本集團並無未計提的未來維修及保養合約責任（2015年：無）。

本集團的投資物業包括兩項位於香港的商業物業。該等投資物業根據經營租賃租予一名股東及一名獨立第三方。本集團投資物業的獨立估值乃由估值師仲量聯行企業評估及諮詢有限公司進行，及投資物業於2016年12月31日的公允價值釐定為87,000,000港元（2015年：87,000,000港元）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

13. INVESTMENT PROPERTIES (Cont'd)

Further particulars of the Group's investment properties are included on page 172 of the annual report.

The following table analyses the fair value measurement of the investment properties by valuation method.

		Fair value measurements at 31 December 2016 and 2015 using 於2016年及2015年12月31日以下列方式計量的公允價值			
		Quoted prices in active markets (Level 1) 在活躍 市場的報價 (第1級)	Significant observable inputs (Level 2) 重要的其他可 觀察輸入數據 (第2級)	Significant unobservable inputs (Level 3) 重要的不可 觀察輸入數據 (第3級)	Total 總計
Commercial properties 商業物業	Description 描述	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Commercial properties	商業物業	-	87,000	-	87,000

During the year, there were no transfers of fair value measurements between Level 1, Level 2 and Level 3 (2015: Nil).

The Group's investment properties was valued at 31 December 2016 by independent professionally qualified valuer who hold a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. The valuation was determined using the market approach. Sales prices of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.

13. 投資物業 (續)

本集團投資物業之進一步詳情載於本年報第172頁。

下表載列按估值方式劃分的投資物業公允價值計量分析。

於本年度內，公允價值計量並無於第1、2及3級間轉撥（2015年：無）。

於2016年12月31日，本集團的投資物業由獨立專業合資格估值師估值，該估值師持有認可的相關專業資格，有所估值投資物業地點和領域的近期經驗。就所有投資物業而言，目前使用狀態代表最佳使用狀態。估值使用市場法釐定。在鄰近可比較物業的售價已就主要特點（例如物業面積）的差異作出調整。對此估值法的最重大輸入為每平方米的價格。

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財務報表附註

14. GOODWILL

14. 商譽

		HK\$'000 千港元
At 1 January 2015:	於2015年1月1日:	
Cost	成本	1,187
Accumulated impairment	累計減值	(557)
Net carrying amount	賬面淨值	630
Cost at 1 January 2015, net of accumulated impairment	於2015年1月1日之成本，扣除累計減值	630
Impairment during the year	年內減值	(630)
At 31 December 2015	於2015年12月31日	-
At 31 December 2015:	於2015年12月31日:	
Cost	成本	1,187
Accumulated impairment	累計減值	(1,187)
Net carrying amount	賬面淨值	-
Cost at 1 January 2016, net of accumulated impairment	於2016年1月1日之成本，扣除累計減值	-
Acquisition of subsidiaries (note 28)	收購附屬公司(附註28)	764
Cost and net carrying amount at 31 December 2016	於2016年12月31日之成本及賬面值	764
At 31 December 2016:	於2016年12月31日:	
Cost	成本	1,951
Accumulated impairment	累計減值	(1,187)
Net carrying amount	賬面淨值	764

Goodwill acquired through business combinations during the year is allocated to trading products cash-generating units of approximately HK\$690,000 and entertainment cash-generating units of approximately HK\$74,000, respectively. For impairment testing purpose, the recoverable amount of both cash-generating units had been determined based on a value in use calculation. During the year ended 31 December 2016, the impairment of goodwill was nil (2015: HK\$630,000).

本年度透過業務合併已收購的商譽已分別分配至交易產品現金產生單位約690,000港元及娛樂現金產生單位約74,000港元。就減值測試而言，兩項現金產生單位之可收回金額根據在用價值計算釐定。截至2016年12月31日止年度，商譽減值為零(2015年：630,000港元)。

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財務報表附註

15. AVAILABLE-FOR-SALE FINANCIAL ASSETS

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於1月1日	13,605	15,653
Net gain/(loss) transferred to other comprehensive income	轉撥至其他全面收益之 收益/(虧損)淨額	653	(2,048)
Disposal	出售	(14,258)	-
At 31 December	於12月31日	-	13,605

15. 可供出售金融資產

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Key management insurance:	主要管理層保險：		
Fair value of the insurance contracts, denominated in US\$	保險合約公允價值，以美元計值	-	13,605

During the year ended 31 December 2016, after the resignation of three of the Group's key management personnel whose lives were insured under the insurance contracts, the Group, as seller, entered into the assignment and transfer agreements with these three persons, as purchaser, pursuant to which the Group assigned and transferred to the purchaser all the seller's rights, title and interest in and to the insurance policy for a total cash consideration of HK\$12,000,000 to be paid before 31 December 2017. As at 31 December 2016, the unpaid consideration of HK\$12,000,000 was recorded in the Group's other receivables.

截至2016年12月31日止年度，於本集團三名主要管理人員（彼等均根據保險合約享有人壽保險）辭任后，本集團（作為賣方）與該等三名人士（作為買方）訂立出讓及轉讓協議，據此，本集團向買方出讓及轉讓賣方於保單的所有權利、擁有權及利益，總現金代價為12,000,000港元，將於2017年12月31日前支付。於2016年12月31日，未支付代價12,000,000港元已計入本集團之其他應收款項。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

16. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

16. 預付款項·按金及其他應收款項

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Prepayments	預付款項	8,413	1,094
Deposits	按金	9,883	7,370
Other receivables	其他應收款項	14,364	2,118
		32,660	10,582
Less: Non-current portion	減：非流動部分		
Deposits	按金	(4,969)	(299)
Prepayments	預付款項	(4,825)	(32)
		(9,794)	(331)
		22,866	10,251

None of the above asset is either past due or impaired.

上述資產並未逾期亦未減值。

17. INVENTORIES

17. 存貨

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Finished goods	製成品	521	—

NOTES TO FINANCIAL STATEMENTS

財務報表附註

18. TRADE RECEIVABLES

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	貿易應收款項	8,484	74,729
Impairment	減值	(1,832)	(3,238)
		6,652	71,491

The Group's sales are mainly made on (i) cash on delivery; or (ii) credit terms of 30 to 60 days. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

18. 貿易應收款項

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	貿易應收款項	8,484	74,729
Impairment	減值	(1,832)	(3,238)
		6,652	71,491

本集團的銷售主要按(i)貨到付款；或(ii)30至60日信貸期進行。本集團並無就其貿易應收款項結餘持有任何抵押品或其他信貸保證。貿易應收款項不計息。

貿易應收款項於報告期末根據發票日期及扣除撥備之賬齡分析如下：

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 month	1個月以內	5,212	39,735
1 to 2 months	1至2個月	577	21,678
2 to 3 months	2至3個月	201	7,540
Over 3 months	超過3個月	662	2,538
		6,652	71,491

NOTES TO FINANCIAL STATEMENTS
財務報表附註

18. TRADE RECEIVABLES (Cont'd)

The movements in provision for impairment of trade receivables are as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
At beginning of year	於年初	3,238	–
Impairment losses recognised	已確認減值虧損	816	3,238
Amount written off as uncollectible	撇銷不可收回金額	(2,222)	–
		1,832	3,238

Included in the above provision for impairment of trade receivables is a provision for individually impaired trade receivables of HK\$1,832,000 (2015: HK\$3,238,000) with a carrying amount before provision of HK\$1,832,000 (2015: HK\$3,238,000).

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Neither past due nor impaired	未逾期亦未減值	5,212	39,735
Within 1 month past due	1個月內逾期	577	21,678
1 to 2 months past due	1至2個月逾期	201	7,540
2 to 3 months past due	2至3個月逾期	423	886
Over 3 months past due	超過3個月逾期	239	1,652
		6,652	71,491

18. 貿易應收款項(續)

貿易應收款項之減值撥備變動如下：

計入上述貿易應收款項減值撥備的款項為獨立減值貿易應收款項1,832,000港元的撥備(2015年：3,238,000港元)，其撥備前賬面值為1,832,000港元(2015年：3,238,000港元)。

並無獨立或共同認為減值的貿易應收款項的賬齡分析如下：

NOTES TO FINANCIAL STATEMENTS

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18. TRADE RECEIVABLES (Cont'd)

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

19. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

Cash and bank balances	現金及銀行結餘		
Short-term bank deposits	短期銀行存款		
Less: Pledged cash at bank and short-term deposits	減：已抵押銀行現金及短期存款	22	
Cash and cash equivalents	現金及現金等價物		

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$38,416,000 (2015: HK\$9,847,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balance and pledged deposits are deposited with creditworthy banks with no recent history of default.

18. 貿易應收款項 (續)

既未逾期亦未減值的應收款項涉及大量並無任何近期違約記錄的不同客戶。根據過往經驗，本公司的董事認為，該等結餘毋須作出減值撥備，乃因信貸質素並無出現重大變動，且結餘仍視為可悉數收回。

19. 現金及現金等價物及已抵押存款

Note	2016	2015
附註	HK\$'000	HK\$'000
	千港元	千港元
	306,389	54,684
	-	2,723
	306,389	57,417
	-	(6,388)
	306,389	51,029

於報告期末，本集團以人民幣（「人民幣」）計值之現金及銀行結餘為38,416,000港元（2015年：9,847,000港元）。人民幣不能自由兌換成其他貨幣。然而，根據中國內地《外匯管理條例》及《結匯、售匯及付匯管理規定》，本集團可透過獲授權經營外匯業務之銀行將人民幣兌換成其他貨幣。

銀行現金按根據每日銀行存款利率計算之浮動利率計息。銀行結餘及已抵押存款乃存放於並無近期違約記錄而具信譽的銀行。

NOTES TO FINANCIAL STATEMENTS

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20. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 month	1個月以內	5,591	30,379
1 to 2 months	1至2個月	424	7,442
2 to 3 months	2至3個月	232	2,572
Over 3 months	3個月以上	1,955	25,670
		8,202	66,063

The trade payables are non-interest-bearing and are normally settled on terms of 30 to 60 days upon receipts of suppliers' invoices.

20. 貿易應付款項及應付票據

於報告期末，根據發票日期作出的貿易應付款項及應付票據的賬齡分析如下：

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 month	1個月以內	5,591	30,379
1 to 2 months	1至2個月	424	7,442
2 to 3 months	2至3個月	232	2,572
Over 3 months	3個月以上	1,955	25,670
		8,202	66,063

貿易應付款項為不計息及一般須於接獲供應商發票後30至60日內償還。

21. OTHER PAYABLES AND ACCRUALS

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Accruals	應計費用	22,454	18,384
Deposits received	已收按金	3,326	3,666
Other payables	其他應付款項	792	46
Amount due to non-controlling interests	應付非控股權益款項	-	284
Total	總計	26,572	22,380
Less: Non-current portion	減：非流動部分		
Deposit received	已收按金	(774)	-
		25,798	22,380

Other payables are non-interest-bearing and have an average term of three months.

21. 其他應付款項及應計費用

其他應付款項為不計息並有3個月之平均期限。

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22. INTEREST-BEARING BANK BORROWINGS

22 計息銀行借款

		2016			2015		
		Effective interest rate (%)	Maturity	HK\$'000	Effective interest rate (%)	Maturity	HK\$'000
		實際利率(%)	到期日	千港元	實際利率(%)	到期日	千港元
Current	即期						
Bank overdrafts	銀行透支	-	-	-	2.5 – 5.3	On demand 按要求	771
Bank loans	銀行貸款	-	-	-	2.5 – 3.4	2016	24,377
				-			25,148

As at 31 December 2016, the Group had total banking facilities of nil (2015: HK\$136,588,000, of which bank borrowings of approximately HK\$25,148,000 were drawn down and bank guarantees of approximately HK\$31,665,000 were utilised).

於2016年12月31日，本集團擁有銀行融資總額為零（2015年：136,588,000港元，其中約25,148,000港元銀行借款已被提取，及約31,665,000港元銀行擔保已動用）。

Certain of the Group's bank facilities as at 2015 were secured by:

於2015年，本集團之若干銀行融資由以下各項擔保：

- | | |
|---|---|
| (i) An unlimited guarantee from the Company and its certain subsidiaries; | (i) 來自本公司及其若干附屬公司之無限額擔保； |
| (ii) A guarantee from the Company to the extent of HK\$10,000,000; | (ii) 來自本公司擔保10,000,000港元； |
| (iii) An unlimited guarantee from Mr. Yu Ho Yuen, Mr. Mak Chi Hung and Mr. Law Kai Lo, owners of ASR Victory Limited, the immediate and ultimate holding company of the Group before 12 January 2015; | (iii) 來自本集團於2015年1月12日前之直接及最終控股公司ASR Victory Limited擁有人余浩源先生、麥志雄先生及羅佳路先生之無限額擔保； |
| (iv) A charge over bank deposits from Mr. Yu Ho Yuen, Mr. Mak Chi Hung and Mr. Law Kai Lo in the aggregate amount of not less than HK\$10,000,000; | (iv) 余浩源先生、麥志雄先生及羅佳路先生合共不少於10,000,000港元銀行存款之抵押； |
| (v) A charge over the Group's bank deposits in the amount of HK6,388,000; and | (v) 本集團6,388,000港元銀行存款之抵押；及 |
| (vi) An assignment over the life insurance policies covering Mr. Yu Ho Yuen, Mr. Mak Chi Hung and Mr. Law Kai Lo. | (vi) 余浩源先生、麥志雄先生及羅佳路先生之人壽保單之轉讓。 |

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23. LOANS FROM A SHAREHOLDER

As at 31 December 2016, the loan from a shareholder of HK\$175,156,000 was unsecured, interest bearing at 3.0% per annum (2015: HK\$20,043,000 bearing interest at 2.5% per annum) and repayable on demand. The carrying amounts of loans from a shareholder approximated their fair values and were denominated in Hong Kong dollars. On 23 March 2017, the shareholder agreed not to demand repayment of the loan of HK\$175,000,000 and interest accrued before 16 December 2018.

24. DEFERRED TAX

The movements in deferred tax assets/(liabilities) are as follows:

		Withholding tax 超出相關折舊 預扣稅 HK\$'000 千港元	Depreciation allowance in excess of related depreciation 之折舊撥備 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2015	於2015年1月1日	(175)	(981)	1,840	684
Deferred tax credited/(charged) to profit or loss during the year	年內於損益內計入/ (扣除)之遞延稅項	175	928	(1,840)	(737)
Gross deferred tax liabilities at 31 December 2015 and 1 January 2016	於2015年12月31日及 2016年1月1日之 遞延稅項負債總額	-	(53)	-	(53)
Deferred tax charged to profit or loss during the year	年內於損益內扣除之 遞延稅項	-	(180)	-	(180)
Gross deferred tax liabilities at 31 December 2016	於2016年12月31日之 遞延稅項負債總額	-	(233)	-	(233)

23. 股東貸款

於2016年12月31日，股東貸款175,156,000港元為無抵押，以年利率3.0%計息（2015年：20,043,000港元，以年利率2.5%計息）及須按要求償還。股東貸款的賬面值與其公允價值相若並以港元計值。於2017年3月23日，股東已同意於2018年12月16日前不要求償還貸款175,000,000港元及應計利息。

24. 遞延稅項

遞延稅項資產／（負債）之變動如下：

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24. DEFERRED TAX (*Cont'd*)

The Group has tax losses of HK\$123,646,000 (2015: HK\$83,319,000). Except for tax losses amounting to HK\$71,422,000 (2015: HK\$51,841,000) that can be carried forward indefinitely to offset against future taxable income, the Group's remaining unrecognised tax losses will expire in one to ten years. Deferred tax assets have not been recognised in respect of these losses and other deductible temporary differences as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries and associates established in Mainland China in respect of earnings generated from 1 January 2008. As at 31 December 2015 and 2016, the balance of withholding tax liabilities is nil as the Group's subsidiaries and associates in the PRC had accumulated losses since 2015.

24. 遞延稅項 (續)

本集團有稅項虧損123,646,000港元(2015年: 83,319,000港元)。除可無限期結轉以抵銷未來可課稅收入之稅項虧損71,422,000港元(2015年: 51,841,000港元)外,本集團剩餘未確認稅項虧損將於一至十年到期。由於附屬公司產生之該等虧損及其他可扣減暫時性差額已產生一段時間,及認為不可能有可以抵銷相關稅項虧損之應課稅溢利,因此並無就此確認遞延稅項資產。

根據中國企業所得稅法,就向外國投資者宣派來自於中國大陸成立之外資企業的股息徵收10%預扣稅。有關規定自2008年1月1日起生效,並適用於2007年12月31日後所產生之盈利。倘中國大陸與外國投資者所屬司法權區之間定有稅務優惠則可按較低預扣稅率繳稅。本集團的適用稅率為10%。因此,本集團須就該等於中國大陸成立的附屬公司及聯營公司就2008年1月1日起產生之盈利而分派之股息繳交預扣稅。於2015年及2016年12月31日,由於本集團在中國的附屬公司及聯營企業自2015年起產生累計虧損,因此預扣稅負債餘額為零。

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25. SHARE CAPITAL

Shares

25. 股本

股份

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Authorised:	法定：		
4,000,000,000 (2015: 4,000,000,000) ordinary shares of HK\$0.005 each	4,000,000,000股 (2015年：4,000,000,000股) 每股面值0.005港元的普通股	20,000	20,000
Issued and fully paid:	已發行及繳足：		
1,168,230,000 (2015: 937,860,000) ordinary shares of HK\$0.005 each	1,168,230,000股 (2015年：937,860,000股) 每股面值0.005港元的普通股	5,841	4,689

A summary of movements in the Company's share capital is as follows:

本公司的股本變動概要如下：

		Number of shares in issue 已發行 股份數目	Share capital 股本 HK\$'000 千港元
At 1 January 2015	於2015年1月1日	806,860,000	4,034
Issue of shares	發行股份	131,000,000	655
At 31 December 2015 and 1 January 2016	於2015年12月31日及2016年1月1日	937,860,000	4,689
Issue of shares (note)	發行股份(附註)	230,370,000	1,152
At 31 December 2016	於2016年12月31日	1,168,230,000	5,841

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25. SHARE CAPITAL (Cont'd)

Shares (Cont'd)

Note:

On 5 February 2016, the Company and About Capital Management (HK) Co., Limited (the "Subscriber") entered into the subscription agreement pursuant to which the Company had agreed to allot and issue, and the Subscriber had agreed to subscribe for 30,370,000 shares at the subscription price of HK\$0.65 per share. A total of 30,370,000 shares were allotted and issued on 25 February 2016. The net proceeds received from the subscription of shares were approximately HK\$19,680,000, after deducting relevant expenses of HK\$61,000, and the net subscription price was HK\$0.648 per placing share. The nominal value of these shares of HK\$152,000 was credited to share capital and the balance of HK\$19,528,000 was credited to share premium.

On 8 June 2016, the Company and Vision Finance International Company Limited (the "Placing Agent") entered into the placing agreement pursuant which the Company had conditionally agreed to placing through the Placing Agent for 200,000,000 shares at the subscription price of HK\$0.7 per share (the "Subscription B"). A total of 200,000,000 shares were allotted and issued on 15 August 2016. The net proceeds received from the subscription of shares were approximately HK\$136,500,000, after deducting relevant expenses of HK\$3,500,000, and the net subscription price was HK\$0.683 per placing share. The nominal value of these shares of HK\$1,000,000 was credited to share capital and the balance of HK\$135,500,000 was credited to share premium.

26. SHARE OPTION SCHEME

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, the Company's shareholders, and any non-controlling shareholder in the Company's subsidiaries. The Scheme became effective on 3 December 2011 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

25. 股本 (續)

股份 (續)

附註：

2016年2月5日，本公司與百域資本（香港）有限公司（「認購方」）訂立認購協議，據此，本公司已同意配發及發行，而認購方已同意按每股0.65港元之認購價認購30,370,000股股份。合共30,370,000股股份已於2016年2月25日配發及發行。股份認購事項之所得款項淨額為約19,680,000港元（經扣除相關開支61,000港元），淨認購價為每股配售股份0.648港元。該等股份之票面價值152,000港元已計入股本，而19,528,000港元之餘額已計入股份溢價。

2016年6月8日，本公司與睿智金融國際有限公司（「配售代理」）訂立配售協議，據此，本公司已有條件同意透過配售代理按認購價每股股份0.7港元配售200,000,000股股份（「認購事項B」）。合共200,000,000股股份已於2016年8月15日配發及發行。股份認購事項之所得款項淨額為約136,500,000港元（經扣除相關開支3,500,000港元），淨認購價為每股配售股份0.683港元。該等股份之票面價值1,000,000港元已計入股本，而135,500,000港元之餘額已計入股份溢價。

26. 購股權計劃

本公司設立購股權計劃（「計劃」），旨在提供獎勵及報酬予對本集團營運成就作出貢獻的合資格參與者。計劃的合資格參與者包括本公司的董事、本集團其他僱員、本集團貨品或服務供應商、本集團客戶、本公司股東及本公司附屬公司任何非控股股東。計劃於2011年12月3日起生效，除非另有取消或修訂，否則將自該日起有效10年。

26. SHARE OPTION SCHEME (Cont'd)

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 30% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of offer; upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the directors, and commences after a vesting period of one to three years and ends on a date which is not later than five years from the date of offer of the share options or the expiry date of the Scheme, if earlier.

The exercise price of share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

26. 購股權計劃(續)

根據計劃現時可授出之未行使購股權之最高數目於行使時將相等於本公司於任何時候已發行股份之30%。於任何12個月期間，根據計劃授予各合資格參與者之購股權可予發行之最高股份數目以本公司於任何時候已發行股份之1%為限。授出超過此限制之任何其他購股權均須獲股東於股東大會上批准。

授予本公司董事、行政總裁或主要股東或彼等任何聯繫人士之購股權須經獨立非執行董事事先批准。此外，於任何12個月期間，倘授予本公司主要股東或獨立非執行董事或彼等任何聯繫人士之任何購股權超逾本公司於任何時候已發行股份之0.1%或根據於授出日期本公司股份價格計算之總值超過5,000,000港元，則須經股東於股東大會上事先批准。

授出購股權之要約可於要約日期起計21天內由承授人支付名義代價合共1港元後予以接納。所授出購股權之行使期乃由董事釐定，並於一至三年歸屬期後開始，及於不遲於購股權要約日期起計五年或計劃屆滿日期完結（以較早者為準）。

購股權之行使價由董事釐定，惟不得低於以下之較高者：(i)本公司股份於購股權要約日期在聯交所之收市價；及(ii)本公司股份於緊接要約日期前五個交易日在聯交所之平均收市價。

購股權並不賦予持有人收取股息或於股東大會投票之權利。

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26. SHARE OPTION SCHEME (Cont'd)

The following share options were outstanding under the Scheme during the year:

		2016		2015	
		Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千股	Weighted average exercise price 加權平均 行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千股
At 1 January	於1月1日	–	–	0.915	6,900
Granted during the year	年內已授出	0.852	68,180	–	–
Forfeited during the year	年內已沒收	0.764	(1,936)	–	–
Cancelled during the year	年內已註銷	–	–	0.915	(6,900)
At 31 December	於12月31日	0.899	66,244	–	–

The exercise prices and exercise periods of the share options outstanding as at the end of the reporting period are as follows:

26. 購股權計劃(續)

以下為年內根據計劃尚未行使之購股權：

於報告期末，尚未行使購股權之行使價及行使期如下：

2016

Number of options 購股權數目 '000 千股	Exercise price 行使價 HK\$ per share 每股港元	Exercise period 行使期
56,564	0.764	note (a) 附註(a)
9,680	1.384	note (b) 附註(b)
66,244		

26. SHARE OPTION SCHEME (Cont'd)

Notes:

- (a) First 30% of the options granted will be vested in one year from 8 April 2016, second 40% of the options granted will be vested in two years from 8 April 2016 and remaining 30% of the options granted will be vested in three years from 8 April 2016. Upon the lapse of the vesting period, the share options are exercisable until 7 April 2026.
- (b) First 30% of the options granted will be vested in one year from 12 December 2016, second 40% of the options granted will be vested in two years from 12 December 2016 and remaining 30% of the options granted will be vested in three years from 12 December 2016. Upon the lapse of the vesting period, the share options are exercisable until 11 December 2026.

The fair value of the share options granted during the year was HK\$36,300,000 (weighted average of HK\$0.53 each) (2015: Nil), of which the Group recognised a share option expense of HK\$11,699,000 (2015: Nil) during the year ended 31 December 2016.

The fair value of share options granted during the year was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	–
Expected volatility (%)	75.43-80.23
Risk-free interest rate (%)	1.27-1.58
Exercise multiple	2.2-2.8

26. 購股權計劃(續)

附註：

- (a) 首30%授出之購股權將於2016年4月8日起計一年內歸屬，第二批40%購股權將於2016年4月8日起計兩年內歸屬，而餘下30%購股權將於2016年4月8日起計三年內歸屬。於歸屬期失效後，購股權直至2026年4月7日均可行使。
- (b) 首30%授出之購股權將於2016年12月12日起計一年內歸屬，而第二批40%購股權將於2016年12月12日起計兩年內歸屬，而餘下30%購股權將於2016年12月12日起計三年內歸屬。於歸屬期失效後，購股權於2026年12月11日前可予行使。

年內授出購股權的公允價值為36,300,000港元(加權平均數為每股0.53港元)(2015年：無)，當中本集團於截至2016年12月31日止年度確認購股權開支11,699,000港元(2015年：無)。

年內授出的購股權之公允價值乃於授出當日考慮授出購股權的條款及條件使用二項式模型估計。下表列出計算模式所用的輸入資料：

股息收益率(%)	–
預期波幅(%)	75.43-80.23
無風險利率(%)	1.27-1.58
行使倍數	2.2-2.8

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26. SHARE OPTION SCHEME (Cont'd)

No share option was exercised during the years ended 31 December 2016 and 2015.

At the end of the reporting period, the Company had 66,244,000 share options outstanding under the Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 66,244,000 additional ordinary shares of the Company and additional share capital of approximately HK\$331,000 (before issue expenses).

At the date of approval of these financial statements, the Company had 66,244,000 share options outstanding under the Scheme, which represented approximately 5.7% of the Company's shares in issue as at that date.

27. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 76 to 77 of the financial statements.

(a) Capital reserve

Capital reserve recorded during the years ended 31 December 2016 and 2015 represented the gain/loss on equity transactions with non-controlling interests.

26. 購股權計劃(續)

截至2016年及2015年12月31日止年度，概無購股權獲行使。

於報告期末，本公司根據該計劃有66,244,000份購股權尚未行使。根據本公司現行資本結構，悉數行使尚未行使的購股權將導致發行66,244,000股本公司額外普通股及額外約331,000港元的股本（扣除發行開支前）。

於批准該等財務報表日期，本公司根據該計劃共有66,244,000份尚未行使購股權，佔本公司於該日的已發行股份約5.7%。

27. 儲備

本年度及以往年度本集團儲備之數額及其變動於財務報表第76至77頁之綜合權益變動表中呈列。

(a) 資本儲備

截至2016年及2015年12月31日止年度入賬的資本儲備指與非控股權益的權益交易收益／虧損。

27. RESERVES (Cont'd)

(b) Statutory and legal reserves

Under the relevant PRC laws and regulations, PRC companies are required to allocate 10% of the companies' net profit to the fund until such fund reaches 50% of the companies' registered capital. The statutory reserve fund can be utilised, upon approval by the relevant authorities, to offset against accumulated losses or to increase registered capital of the companies, provided that such fund is maintained at a minimum of 25% of the companies' registered capital.

Subsidiary incorporated in Taiwan is required to set aside a minimum 10% of the subsidiary's profit after taxation to the legal reserve, until the reserve balance has reached the subsidiary's capital.

Subsidiary incorporated in Macao is required to set aside a minimum of 25% of the subsidiary's profit after taxation to the legal reserve until the balance of the reserve reaches a level equivalent to 50% of the subsidiary's capital in accordance with the Macao Commercial Code #377.

27. 儲備(續)

(b) 法定及合法儲備

根據相關中國法律及法規，中國公司須將公司純利的10%分配至基金，直至有關基金達公司註冊資本的50%為止。法定儲備資金在有關當局批准後可予動用，以抵銷累計虧損或增加公司註冊資本，惟有關基金最低須維持在公司註冊資本之25%水平。

於台灣註冊成立的附屬公司須將附屬公司除稅後溢利最少10%撥入合法儲備，直至儲備結餘達致附屬公司的股本為止。

根據澳門商法典第377條，於澳門註冊成立的附屬公司須將其除稅後溢利最少25%撥入合法儲備，直至儲備結餘達致相當於其股本的50%為止。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

28. BUSINESS COMBINATION

The fair values of the identifiable assets and liabilities of the subsidiaries during the year as at their respective dates of acquisition are set out as follows:

28. 業務合併

年內，附屬公司於有關收購日期之可識別資產及負債公允價值載列如下：

		Notes 附註	Fair value recognised on acquisition 於收購時確認 之公允價值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	12	101
Inventories	存貨		353
Trade receivables	貿易應收款項		622
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		13,785
Cash and bank balances	現金及銀行結餘		4,165
Trade payables	貿易應付款項		(81)
Other payables and accruals	其他應付款項及應計費用		(13,459)
Total identifiable net assets at fair value	按公允價值計量之可識別資產淨值總額		5,486
Non-controlling interests	非控股權益		(2,167)
Goodwill on acquisition	收購時之商譽	14	764
Satisfied by cash	以現金償付		4,083
Revenue for the year since the acquisition	自收購起年度收益		8,338
Loss for the year since the acquisition	自收購起年度虧損		793

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財務報表附註

28. BUSINESS COMBINATION (Cont'd)

An analysis of cash flow in respect of the acquisitions is as follows:

		HK\$'000 千港元
Cash consideration	現金代價	(2,939)
Cash and bank balances acquired	已收購之現金及銀行結餘	4,165
Net inflow of cash and cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金及現金等價物流入淨額	1,226
Transaction costs of the acquisition included in cash flows from operating activities	計入經營活動所得現金流量之收購事項交易成本	-
		1,226

Had the combinations taken place at the beginning of the year, the revenue of the Group and the loss of the Group for the year would have been HK\$83,810,000 and HK\$52,282,000 respectively.

倘合併在年初發生，本集團之收入及本集團之年度虧損則分別為83,810,000港元及52,282,000港元。

Business combinations during the year ended 31 December 2016 included the following material transactions:

截至2016年12月31日止年度內，業務合併包括以下重大交易：

- (a) On 1 July 2016, the Group acquired a 50.92% equity interest in Shenzhen Xinyi, which is principally engaged in trading of electronic components in the PRC for an aggregate of cash consideration of RMB2,490,000 (equivalent to HK\$2,939,000); and
- (b) On 17 November 2016, the Group acquired a 100% equity interest in Beijing Tianjin, which is principally engaged in operation of movie theatre in the PRC for an aggregate of cash consideration of RMB1,000,000 (equivalent to HK\$1,144,000). As at 31 December 2016, the cash consideration of RMB1,000,000 was not paid.

- (a) 於2016年7月1日，本集團以總現金代價人民幣2,490,000元（相等於2,939,000港元），收購深圳信義，一間主要於中國從事買賣電子元件之公司之50.92%股權；及
- (b) 於2016年11月17日，本集團以總現金代價人民幣1,000,000元（相等於1,144,000港元）收購北京天階，一間主要於中國從事電影院運營之公司之全部股權。於2016年12月31日，現金代價人民幣1,000,000元尚未支付。

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財務報表附註

29. DISPOSAL OF SUBSIDIARIES

29. 出售附屬公司

		2016
		HK\$'000
		千港元
Net assets disposed of:	已出售資產淨值：	
Cash and bank balances	現金及銀行結餘	10,344
Trade receivables	貿易應收款項	902
Tax recoverable	可收回稅項	2,339
Prepayments and other receivables	預付款項及其他應收款項	1,986
Trade payables	貿易應付款項	(9,840)
Accruals and other payables	應計費用及其他應付款項	(1,387)
Finance lease liabilities	融資租賃負債	(109)
Non-controlling interests	非控股權益	(2,042)
		2,193
Exchange reserves	匯兌儲備	225
		2,418
Loss on disposal of subsidiaries	出售附屬公司之虧損	(1,908)
		510
Satisfied by:	以下列方式償付：	
Cash	現金	510

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29. DISPOSAL OF SUBSIDIARIES (Cont'd)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

		2016 HK\$'000 千港元
Cash consideration	現金代價	510
Cash and bank balances disposed of	已出售之現金及銀行結餘	(10,344)
Net outflow of cash and cash equivalents in respect of the disposal of subsidiaries		(9,834)

29. 出售附屬公司(續)

有關出售附屬公司的現金及現金等價物的流入淨額分析如下：

30. CONTINGENT LIABILITIES

At the end of the reporting period, the Group did not have any significant contingent liabilities.

30. 或然負債

於報告期末，本集團並無任何重大或然負債。

31. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 13 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from two to three years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

31. 經營租賃安排

(a) 作為出租人

本集團根據經營租賃安排出租其投資物業（財務報表附註13），經磋商的租期介乎兩年至三年。租約條款一般亦要求租戶支付保證金及訂明可根據當時市況定期對租金作出調整。

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31. OPERATING LEASE ARRANGEMENTS (Cont'd)

(a) As lessor (Cont'd)

At 31 December 2016, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Within one year	一年內	2,703	–
In the second to fifth years, inclusive	第二至第五年內(包括首尾兩年)	4,331	–
		7,034	–

(b) As lessee

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from three to fifteen years.

31. 經營租賃安排(續)

(a) 作為出租人(續)

於2016年12月31日，本集團根據與其租戶訂立的不可撤銷經營租賃於下列期間到期的未來最低租賃應收款項總額如下：

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Within one year	一年內	2,703	–
In the second to fifth years, inclusive	第二至第五年內(包括首尾兩年)	4,331	–
		7,034	–

(b) 作為承租人

本集團根據經營租賃安排租用若干辦公室物業，經磋商租期介乎三至十五年。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

31. OPERATING LEASE ARRANGEMENTS (Cont'd)

(b) As lessee (Cont'd)

At 31 December 2016, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Within one year	一年內	6,670	4,933
In the second to fifth years, inclusive	第二至第五年內(包括首尾兩年)	35,677	3,309
After five years	五年後	73,434	—
		115,781	8,242

32. COMMITMENTS

In addition to the operating lease commitments detailed in note 31(b) above, the Group had the following capital commitments at the end of the reporting period:

		2016 HK\$'000 千港元	2015 HK\$'000 千港元
Contracted, but not provided for:	已訂約但未撥備:		
Assets under construction	在建資產	6,620	—
Leasehold improvement	租賃物業裝修	5,730	—
		12,350	—

31. 經營租賃安排(續)

(b) 作為承租人(續)

於2016年12月31日，本集團根據不可撤銷經營租賃於下列期間到期的未來最低租賃付款總額如下：

32. 承擔

除上文附註31(b)詳述的經營租賃承擔外，本集團於報告期末的資本承擔如下：

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33. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

	Notes 附註	2016 HK\$'000 千港元	2015 HK\$'000 千港元
Gross rental income from Beijing Enterprises Medical and Health Industry Group Limited* ("BEMH")	(i)	832	—
Loans from a shareholder	(ii)	175,000	20,000
Interest expense to a shareholder	(ii)	621	43
Commission fee paid to placing agent, a company controlled by a director	(iii)	3,500	—

- (i) During the year ended 31 December 2016, BEMH rented the office units of the Group for a period of four months with total rent of HK\$832,000. BEMH is the largest shareholder of the Company.

- (ii) On 16 December 2016, the Company entered into a loan agreement with a shareholder, which is a company owned as to 100% by a director, to borrow HK\$175,000,000, which was unsecured, interest bearing at 3.0% per annum and repayable on demand.

On 10 November 2015 and 24 November 2015, the Company entered into loan agreements with the shareholder mentioned above to borrow HK\$5,000,000 and HK\$15,000,000, respectively. The loan was unsecured interest bearing at 2.5% per annum and repayable on demand.

33. 關聯方交易

- (a) 除該等財務報表其他章節詳述之交易外，本集團於年內與關聯方進行以下交易：

- (i) 於截至2016年12月31日止年度，北控醫療健康租用本集團辦公室單位四個月，租金總額為832,000港元。北控醫療健康為本公司之一名最大股東。

- (ii) 於2016年12月16日，本公司與一名股東（一間由一名董事擁有100%權益之公司）訂立貸款協議，以借款175,000,000港元，該款項為無抵押、按年利率3.0%計息並須按要求償還。

於2015年11月10日及2015年11月24日，本公司與股東訂立上述貸款協議，以分別借款5,000,000港元及15,000,000港元。該貸款為無抵押、按年利率2.5%計息並須按要求償還。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

33. RELATED PARTY TRANSACTIONS (Cont'd)

(a) (Cont'd)

The interest expenses were charged for the loans from the shareholder mentioned above at the interest rate specified in the loan agreements (note 23).

- (iii) On 8 June 2016, the Company and the placing agent entered into a placing agreement with a placing commission amounted to HK\$3,500,000, which was equivalent to 2.5% of the net proceed of the placing shares. The placing of shares was completed on 15 August 2016. The placing agent was controlled by a director of the Company (note (25)).

(b) Outstanding balances with related parties:

- (i) At 31 December 2016, the rental receivable of HK\$832,000 from BEMH was included in other receivables in note 16 to the financial statements.
- (ii) Details of the Group's loans from a shareholder as at the end of the reporting period are included in note 23 to the financial statements.

(c) Compensation of key management personnel of the Group:

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Short term employee benefits	短期僱員福利	1,670	8,898
Equity-settled share option expense	以權益結算之購股權開支	3,721	-
Pension – defined contribution plans	退休金 – 定額供款計劃	-	141
		5,391	9,039

Further details of the directors' and the chief executive's emoluments are included in note 8 to the financial statements.

* For identification purpose only.

33. 關聯方交易 (續)

(a) (續)

按貸款協議所指定之利率，就上述股東貸款收取利息開支 (附註23)。

- (iii) 於2016年6月8日，本公司與配售代理訂立一份配售協議，配售佣金為3,500,000港元，相當於配售股份之所得款項淨額之2.5%。股份配售於2016年8月15日完成。配售代理由本公司一名董事控制 (附註(25))。

(b) 有以下關聯方餘額：

- (i) 於2016年12月31日，應收北控醫療健康租金832,000港元載於財務報表附註16之其他應收款項。
- (ii) 於報告期末，本集團股東貸款之詳情載於財務報表附註23。

(c) 本集團主要管理人員薪酬：

有關董事及主要行政人員酬金之進一步詳情載於財務報表附註8。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2016

Financial assets – loans and receivables

		HK\$'000 千港元
Trade receivables	貿易應收款項	6,652
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產	24,247
Cash and cash equivalents	現金及現金等價物	306,398
		337,297

Financial liabilities – financial liabilities at amortised cost

		HK\$'000 千港元
Trade and bills payables	貿易應付款項及應付票據	8,202
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	24,176
Loans from a shareholder	股東貸款	175,156
		207,534

34. 金融工具類別

各類別金融工具於報告期末之賬面值載列如下：

2016年

金融資產－貸款及應收款項

		HK\$'000 千港元
Trade receivables	貿易應收款項	6,652
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項之金融資產	24,247
Cash and cash equivalents	現金及現金等價物	306,398
		337,297

金融負債－按攤銷成本計量之金融負債

		HK\$'000 千港元
Trade and bills payables	貿易應付款項及應付票據	8,202
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	24,176
Loans from a shareholder	股東貸款	175,156
		207,534

NOTES TO FINANCIAL STATEMENTS
財務報表附註

34. FINANCIAL INSTRUMENTS BY CATEGORY (Cont'd)
2015

Financial assets

		Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Available-for-sale financial assets 可供出售 金融資產 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Available-for-sale financial assets	可供出售金融資產	–	13,605	13,605
Trade receivables	貿易應收款項	71,491	–	71,491
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他 應收款項之金融資產	9,488	–	9,488
Pledged deposits	已抵押存款	6,388	–	6,388
Cash and cash equivalents	現金及現金等價物	51,029	–	51,029
		138,396	13,605	152,001

Financial liabilities – financial liabilities at amortised cost

金融負債 – 按攤銷成本計量之金融負債

		HK\$'000 千港元
Trade payables	貿易應付款項	66,063
Financial liabilities included in other payables and accruals	計入其他應付款項及應計費用之金融負債	11,523
Finance lease liabilities	融資租賃負債	129
Loans from a shareholder	股東貸款	20,043
Interest-bearing bank borrowings	計息銀行借款	25,148
		122,906

NOTES TO FINANCIAL STATEMENTS

財務報表附註

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair value, are as follows:

		Carrying amounts		Fair values	
		賬面值		公允價值	
		2016	2015	2016	2015
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial assets	金融資產				
Available-for-sale financial assets	可供出售金融資產	–	13,605	–	13,605
Financial assets included in prepayment, deposit and other receivables, non-current portion	計入預付款項、按金及其他應收款項之金融資產，非即期部分	4,969	–	3,360	–
		4,969	13,605	3,360	13,605
Financial liabilities	金融負債				
Financial liabilities included in other payables and accrual, non-current portion	計入其他應付款項及應計費用之金融負債，非即期部分	774	–	719	–

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, trade receivables, trade and bills payables, interest-bearing bank borrowings, loans from a shareholder, the current portion of financial assets included in prepayments, deposits and other receivables and financial liabilities included in other payables and accruals, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

35. 金融工具之公允價值及公允價值層級

本集團之金融工具之賬面值及公允價值（其賬面值與公允價值合理相若者除外）載列如下：

管理層評估後認為，現金及現金等價物、已抵押按金、貿易應收款項、應付貿易款項及票據、計息銀行借款、股東貸款、計入預付款項、按金及其他應收款項之金融資產之即期部分及計入其他應付款項及應計費用之金融負債之公允價值與其各自之賬面值相若，主要是由於該等工具於短期內到期。

金融資產及負債之公允價值計入自願（而非強迫或清盤出售）交易雙方於當前交易中可互換工具之金額內。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Cont'd)

The fair value the non-current portion of financial assets included in prepayment deposits and other receivables and financial liabilities included in other payables and accruals have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for the non-current portion of other payables and accruals as at 31 December 2016 was assessed to be insignificant.

The fair values of available-for-sale financial assets are based on cash value of the key management insurance contracts.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2015

	Fair value measurement using 使用以下各項進行公允價值計量			Total 總計
	Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第1層) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第2層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第3層) HK\$'000 千港元	
Available-for-sale financial assets 可供出售金融資產	–	–	13,605	13,605

The Group did not have any financial liabilities measured at fair value as at 31 December 2016 and 31 December 2015.

During the year, there were no transfers of fair value measurements between Level 1, Level 2 and Level 3 (2015: Nil).

35. 金融工具之公允價值及公允價值層級 (續)

計入預付款項、按金及其他應收款項之金融資產及計入其他應付款項及應計費用之金融負債的非流動部份的公允價值乃按具有類似條款、信貸風險及剩餘年期之工具現行之利率折現預期未來現金流量計算。於2016年12月31日，本集團本身來自其他應付款項及應計費用的非流動部份的不履約風險被評估為不重大。

可供出售金融資產之公允價值乃根據主要管理層保險合約之現金價值釐定。

公允價值層級

下表列示本集團金融工具之公允價值計量層級：

按公允價值計量之資產：

於2015年12月31日

於2016年12月31日及2015年12月31日，本集團並無任何按公允價值計量之金融負債。

年內，第1層、第2層及第3層之間均無轉移公允價值計量(2015年：無)。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents, available-for-sale financial assets. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade and bills payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group's exposure to foreign exchange risks was primarily related to bank balances and other receivables and payables denominated in RMB and United States dollar ("USD"). The Group currently does not have a foreign currency hedging policy. It manages its foreign currency risk by closely monitoring the movements in the foreign currency rates.

As HK\$ is pegged to USD, the Group considers that the foreign exchange risk arising from transactions, recognised assets and liabilities denominated in USD is not significant.

36. 財務風險管理目標及政策

本集團之主要金融工具包括現金及現金等價物及可供出售金融資產。該等金融工具之主要目的為本集團之營運籌集資金。本集團有多重其他金融資產及負債，如應收貿易款項及應付貿易款項及票據，該等金融資產及負債乃直接產生自其營運。

本集團金融工具之主要風險為外匯風險、信貸風險及流動資金風險。董事會檢討及同意管理各該等風險之政策並概述於下文。

外匯風險

本集團面臨之外匯風險主要有關以人民幣及美元（「美元」）計值之銀行結餘及其他應收及應付款項。本集團目前並無外匯對沖政策。其透過密切監控外匯匯率變動以管理外匯風險。

由於港元與美元掛鈎，本集團認為，產生自以美元計值之交易、已確認資產及負債之外匯匯率風險並不重大。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES
(Cont'd)

Foreign currency risk (Cont'd)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate (against HK\$) on the Group's loss before tax (due to changes in the fair value of monetary assets).

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下跌) %	Increase/ (decrease) in loss before tax 除稅前虧損 增加/(減少) HK\$'000 千港元
2016	2016年		
If the HK\$ weakens against the RMB	倘港元兌人民幣貶值	5	204
If the HK\$ strengthens against the RMB	倘港元兌人民幣升值	(5)	(204)

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下跌) %	Increase/ (decrease) in loss before tax 除稅前虧損 增加/(減少) HK\$'000 千港元
2015	2015年		
If the HK\$ weakens against the RMB	倘港元兌人民幣貶值	5	631
If the HK\$ strengthens against the RMB	倘港元兌人民幣升值	(5)	(631)

36. 財務風險管理目標及政策 (續)

外匯風險 (續)

下表闡述由於人民幣匯率(對港元)的可能合理變動,對本集團於報告期末的除稅前虧損(基於貨幣資產之公允價值變動)的敏感度分析。

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財務報表附註

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(Cont'd)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, pledged deposit and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. Except for the other receivables of HK\$12,000,000 due from three individuals, there are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 18 to the financial statements.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade and bills receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through other interest-bearing loans including the loan from a shareholder.

36. 財務風險管理目標及政策 (續)

信貸風險

本集團僅與知名及信譽良好的第三方進行交易。按照本集團的政策，需對所有要求採用信用方式進行交易的客戶進行信用審核。另外，本集團對應收餘額進行持續監控及本集團面臨之壞賬風險並不重大。

本集團其他金融資產包括現金及現金等價物、已抵押按金及其他應收款項，該等金融資產的信貸風險源自對手方違約，最大風險敞口等於該等工具的賬面金額。

由於我們僅與知名及信譽良好的第三方進行交易，故此毋須任何抵押品。信貸風險集中度按客戶／對手方、地區及行業管理。除應收三名個人之其他應收款項12,000,000港元外，由於本集團貿易應收款項之客戶基礎廣泛分佈於各行各業，因此本集團並無高度集中之信貸風險。

本集團因貿易應收款項產生的信用風險敞口的量化數據，於財務報表附註18披露。

流動資金風險

本集團採用循環流動性計劃工具管理資金短缺風險。該工具既考慮其金融工具及金融資產（即貿易應收款項及票據）的到期日，也考慮營運產生的預計現金流量。

本集團的目標是透過其他計息銀行貸款（包括股東貸款）以保持融資的持續性與靈活性的平衡。

NOTES TO FINANCIAL STATEMENTS
財務報表附註

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES
(Cont'd)

Liquidity risk (Cont'd)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		At 31 December 2016 於2016年12月31日				
		On demand	Less than 3 months	3 to less than 12 months	1 to 5 years	Total
		按要求	3個月以內	3個月以上 至12個月	1年以上 至5年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and bills payables	貿易應收款項及票據	–	8,202	–	–	8,202
Other payables	其他應付款項	–	23,402	–	774	24,176
Loans from a shareholder	股東貸款	175,156	–	–	–	175,156
		175,156	31,604	–	774	207,534

		At 31 December 2015 於2015年12月31日				
		On demand	Less than 3 to 3 months	3 to less than 12 months	1 to 5 years	Total
		按要求	3個月以內	3個月以上 至12個月	1年以上 至5年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Trade and bills payables	貿易應付款項及票據	–	66,063	–	–	66,063
Other payables	其他應付款項	–	11,523	–	–	11,523
Finance lease liabilities	融資租賃負債	–	72	–	67	139
Loans from a shareholder	股東貸款	20,043	125	324	–	20,492
Interest-bearing bank borrowings	計息銀行借款	771	25,315	–	–	26,086
		20,814	103,098	324	67	124,303

36. 財務風險管理目標及政策 (續)

流動資金風險 (續)

下表概括了本集團金融負債於報告期末按未折現的合同付款所作的到期期限分析：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(Cont'd)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2016 and 31 December 2015.

The Group monitors capital using total liabilities to the ratio of total assets. The total liabilities to total assets ratios as at the end of the reporting periods were as follows:

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
Total liabilities	總負債	213,817	135,765
Total assets	總資產	452,446	247,123
Ratio	比率	47%	55%

36. 財務風險管理目標及政策 (續)

資本管理

本集團資本管理之主要目標為確保本集團持續經營及維持穩健資本比率以為其業務提供支持及為股東帶來最大價值。

本集團管理其資本架構，並就經濟情況及相關資產的風險特徵變動作出調整。本集團可能調整向股東派發之股息、向股東退還資本或發行新股份，以維持或調整資本結構。本集團毋須遵守外部資本規定。於截至2016年12月31日及2015年12月31日止年度並無為管理資本對目標、政策或過程作出變動。

本集團使用總負債除以總資產監控資本。於報告期末，總負債除以總資產之比率如下：

37. EVENTS AFTER THE REPORTING PERIOD

Acquisition of MetaSpace (Beijing) Air Dome Corp* (“MetaSpace”)

On 16 January 2017, the Company, through an indirectly 80% owned subsidiary, entered into a capital injection agreement with MetaSpace, a company listed in the National Equities Exchange and Quotations of the PRC, to subscribe 35,000,000 new ordinary shares of MetaSpace at the price of RMB4 per ordinary share for a total capital injection of RMB140,000,000 (equivalent to HK\$156,800,000). Upon completion of capital injection, the Group will hold a 51.66% equity interest (group the Group’s effective equity interest of 41.33%) in MetaSpace and MetaSpace will become a subsidiary of the Group.

Because the acquisition was not completed at the date of approval of the financial statements, no further details are disclosed about the acquisition.

Purchase of a non-controlling interest in Zhong Hu Dingfeng

On 17 January 2017, Zhong Hu Sports entered into a transfer agreement with Beijing Dingfeng Ronghe Investment Management Limited* (北京鼎烽融合投資管理有限公司, “Beijing Dingfeng”), a shareholder of Zhong Hu Dingfeng. Pursuant to which, Zhong Hu Sports agreed to purchase and Beijing Dingfeng agreed to sell 40% non-controlling shareholding interest in Zhong Hu Dingfeng at the consideration of RMB2,000,000 (equivalent to HK\$2,248,000). The transfer of shares was completed in February 2017. Upon completion of the share transfer agreement, Zhong Hu Dingfeng become an indirect wholly owned subsidiary of Zhong Hu Sports.

Loans from a shareholder

In March 2017, the Group entered into new loan agreements with companies controlled by a director of the Company, which is also substantial shareholder of the Company, with a total amount of HK\$88,000,000. The loans from a shareholder was unsecured, interest bearing at 4.8% per annum and repayable on demand.

* For identification purpose only.

38. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform to current year’s presentation.

37. 報告期後事項

收購北京約頓氣膜建築技術股份有限公司（「約頓」）

於2017年1月16日，本集團透過一間間接擁有80%權益之附屬公司與約頓，一間於中國全國中小企業股份轉讓系統上市之公司訂立注資協議以按每股普通股人民幣4元之價格認購約頓之35,000,000股新普通股，注資總額為人民幣140,000,000元（相當於156,800,000港元），於完成注資後，本集團持有約頓之51.66%股權（本集團41.33%之實際股權）及約頓將成為本集團之附屬公司。

由於收購於批准財務報表日期未完成，因此，並無披露有關收購之進一步詳情。

購買中互鼎烽之非控股權益

於2017年1月17日，中互體育與北京鼎烽融合投資管理有限公司（「北京鼎烽」，中互鼎烽之股東）訂立轉讓協議。據此，中互體育同意購買而北京鼎烽同意出售於中互鼎烽之40%非控股股權，代價為人民幣2,000,000元（相等於2,248,000港元）。股權轉讓已於2017年2月完成。於股權轉讓協議完成後，中互鼎烽成為中互體育的間接全資附屬公司。

股東貸款

於2017年3月，本集團與本公司一名董事（其亦為本公司之主要股東）控股的公司訂立新貸款協議，總金額為88,000,000港元。股東貸款為無抵押、按年利率4.8%計息並須按要求償還。

38. 比較數字

若干比較數字已經重新分類以符合本年度之呈列。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

39. 本公司之財務狀況表

		2016	2015
		HK\$'000	HK\$'000
		千港元	千港元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	4	6
Investments in subsidiaries	於附屬公司之投資	91,875	89,340
Total non-current assets	非流動資產總值	91,879	89,346
CURRENT ASSETS	流動資產		
Due from subsidiaries	應收附屬公司款項	115,372	15,919
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	258	165
Cash and cash equivalents	現金及現金等價物	207,487	4,583
Total current assets	流動資產總值	323,117	20,667
CURRENT LIABILITIES	流動負債		
Due to subsidiaries	應付附屬公司款項	2,553	2,340
Other payables and accruals	其他應付款項及應計費用	2,018	211
Loans from a shareholder	股東貸款	175,156	20,043
Total current liabilities	流動負債總額	179,727	22,594
NET CURRENT ASSETS/(LIABILITIES)	淨流動資產/(負債)	143,390	(1,927)
Net assets	資產淨值	235,269	87,419
EQUITY	權益		
Equity attributable to owners of the parent	母公司擁有人應佔權益		
Share capital	股本	5,841	4,689
Reserves	儲備	229,428	82,730
Total equity	總權益	235,269	87,419

NOTES TO FINANCIAL STATEMENTS 財務報表附註

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Cont'd)

(a) Reserves at Company level

		Company 本公司			
		Share premium	Share-based payment reserve	Retained earnings/ accumulated losses	Total
		股份溢價	以股份 為基礎的 付款儲備	保留盈利/ 累計虧損	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Balances at 1 January 2015	於2015年1月1日的結餘	176,800	2,458	10,709	189,967
Dividend	股息	-	-	-	-
Release upon cancellation of vested share options	已歸屬購股權註銷撥回	-	(2,458)	2,458	-
Acquisition of a subsidiary	收購一間附屬公司	94,975	-	-	94,975
Loss for the year	年內虧損	-	-	(202,212)	(202,212)
Balance at 31 December 2015	於2015年12月31日的結餘	271,775	-	(189,045)	82,730
Balances at 1 January 2016	於2016年1月1日的結餘	271,775	-	(189,045)	82,730
Issue of shares	發行股份	155,028	-	-	155,028
Equity-settled share-based payment arrangements	以權益結算的以股份 為基礎的付款安排	-	11,699	-	11,699
Loss for the year	年內虧損	-	-	(20,029)	(20,029)
Balance at 31 December 2016	於2016年12月31日的結餘	426,803	11,699	(209,074)	229,428

40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 28 March 2017.

39. 本公司之財務狀況表(續)

(a) 公司層面的儲備

40. 批准財務報表

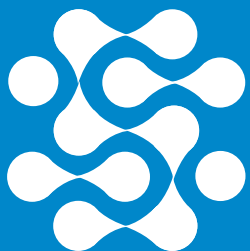
財務報表於2017年3月28日獲董事會批准及授權刊發。

PARTICULARS OF INVESTMENT PROPERTIES 投資物業詳情

As at 31 December 2016

於2016年12月31日

Location 地點	Use 用途	Tenure 租期	Percentage of interest attributable to the Group 本集團應佔 權益百分比
Office Units 10 and 11 on 11th Floor, Harbour Centre, No.25 Harbour Road Wan Chai Hong Kong 香港 灣仔 港灣道25號 海港中心 11樓10及11室	Office premises for rental 出租辦公物業	Medium term lease 中期租賃	100



HK1803

北京體育文化產業集團有限公司
BEIJING SPORTS AND ENTERTAINMENT INDUSTRY GROUP LIMITED