



Rosedale Hotel Holdings Limited 珀麗酒店控股有限公司

(Incorporated in Bermuda with limited liability) (Stock Code : 1189)
(於百慕達註冊成立之有限公司)(股份代號 : 1189)

Annual Report 年報 **2016**



Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. Yap, Allan (*Chairman*)
Ms. Chan Ling, Eva (*Managing Director*)
Mr. Chan Pak Cheung, Natalis

Independent Non-executive Directors

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai

COMPANY SECRETARY

Ms. Law Sau Lai

REGISTERED OFFICE

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2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 3401, 34th Floor
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183 Queen's Road East
Wan Chai
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
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STOCK CODE

Stock Code on The Stock Exchange
of Hong Kong Limited: 1189

WEBSITE

www.rhh.com.hk

董事會

執行董事

葉家海博士 (*主席*)
陳玲女士 (*董事總經理*)
陳百祥先生

獨立非執行董事

郭嘉立先生
潘國興先生
冼志輝先生

公司秘書

羅秀麗女士

註冊辦事處

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Hamilton HM 11
Bermuda

總辦事處及主要營業地點

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核數師

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股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
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香港
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合和中心22樓

股份代號

香港聯合交易所有限公司
股份代號：1189

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MARKET REVIEW

The year of 2016 has been challenging. According to the World Bank Group, growth prospects have weakened throughout the world economy. Global growth for 2016 was at around 2.3%, with the advanced economies expected to expand by 0.4%. Emerging market and developing economies faced stronger headwinds, including weaker growth among advanced economies and persistently low commodity prices, as well as lackluster global trade and capital flows. There have also been challenges with unfortunate terrorist events affecting the tourism and businesses in global markets, as well as political uncertainty from the “Brexit” vote and the Trump’s effect.

Hong Kong has been impacted by the declines in tourism and high-end retail spending and a softening in the high-end residential market. The People’s Republic of China (“PRC”) also, as weighed down by sluggish demand at home and abroad, industrial overcapacity and faltering investment, its Gross Domestic Product (“GDP”) for the year of 2016 slowed to 6.7%, reflecting a negative growth of about 0.2% as compared to 2015. In the meanwhile, Hong Kong’s economy expanded moderately by 1.9% year-on-year and its GDP for 2017 is expected to grow by 2% to 3% in real terms, as adjusted downwards due to the slowdown in the local economy.

In 2016, total visitors arrivals to Hong Kong amounted to about 56.7 million, representing a further decreased by 4.5%, after dropping by 2.5% in 2015, which accounting for over 75% of the total were visitors from Mainland China, and those visitors from Mainland China also further declined by 6.7%, after dropping by 3% in 2015, accordingly. The reduction in Mainland China visitors was to a certain extent compensated for by the rebound in the number of visitors from the traditional long haul and other short haul markets. The number of overnight visitors maintained at about 26.5 million, which was a decrease of 0.5% compared on a year-on-year basis. Clearly, Mainland China economic growth in the major markets, including Hong Kong, remained clouded by factors such as financial market volatility, dwindling market demand and currency fluctuation.

市場回顧

二零一六年充滿挑戰。根據世界銀行集團之資料，全球經濟之增長前景轉弱。二零一六年之全球增長約為2.3%，發達經濟體預期擴張0.4%。新興市場和發展中經濟體面對更嚴峻之不利因素，包括發達經濟體之疲弱增長及商品價格持續低迷，以及全球貿易及資本流動環境欠佳。全球多個地方不幸遭受恐怖襲擊，打擊旅遊業及商業活動，而英國公投脫歐及特朗普執政導致政局未明，帶來其他挑戰。

本港旅遊業及高級零售消費雙雙下滑，加上高級住宅市場放緩，令香港市場備受拖累。中華人民共和國（「中國」）於二零一六年亦受到國內外需求疲弱、工業產能過剩及投資額減退所拖累，其國內生產總值增長率放緩至6.7%，較二零一五年之增長率低約0.2%。同期香港經濟按年錄得1.9%的溫和增長，預測二零一七年的實質本地生產總值將增長2%至3%，而此預測已因應本地經濟放緩而下調。

於二零一六年，訪港旅客總數達約56,700,000人次，繼二零一五年下跌2.5%後再按年減少4.5%，中國內地旅客佔總旅客人次逾75%，而中國內地訪港旅客人數在二零一五年下跌3%後，亦於年內進一步減少6.7%。中國內地旅客人數減少在若干程度上由來自傳統長途及其他短途地區市場之旅客人數反彈所抵銷。過夜旅客人數維持在約26,500,000人次，按年回落0.5%。明顯地，受金融市場波動、市場需求萎縮及匯率波動等因素影響，中國內地和香港等主要市場的經濟增長仍被陰霾所籠罩。

Management Discussion and Analysis

管理層論述及分析

FINANCIAL REVIEW

Despite the challenging business environment encountered by the tourism industry in the year under review, the Group has maintained steady revenue in respect of its overall business operations. During the year ended 31 December 2016, turnover of the Group attained HK\$242.3 million, represented an increase of 2.9% as compared to HK\$235.4 million for the year ended 31 December 2015. The results of the Group for the year ended 31 December 2016 was a loss of HK\$93.2 million (2015: loss of HK\$121.4 million) which was mainly attributable to gross profit of HK\$97.6 million (2015: gross profit of HK\$83.9 million); administrative expenses of HK\$159.3 million (2015: HK\$169.3 million); distribution and selling expenses of HK\$1.5 million (2015: HK\$0.9 million); finance costs of HK\$2.3 million (2015: HK\$1.6 million); decrease in fair value of investment properties of HK\$22.0 million (2015: HK\$30.6 million); impairment loss recognised in respect of an amount due from a joint venture of HK\$27.9 million (2015: nil); share of loss from a joint venture of HK\$0.2 million (2015: HK\$7.4 million) and income tax expense of HK\$0.7 million (2015: HK\$1.6 million), partially offset by interest income of HK\$14.1 million (2015: HK\$39.5 million); and other income of HK\$9.0 million (2015: HK\$2.9 million).

財務回顧

儘管旅遊業於回顧年度面對充滿挑戰之經營環境，本集團之整體業務營運維持穩定的收入。於截至二零一六年十二月三十一日止年度，本集團錄得營業額242,300,000港元，較截至二零一五年十二月三十一日止年度之235,400,000港元增加2.9%。本集團截至二零一六年十二月三十一日止年度之業績錄得虧損93,200,000港元（二零一五年：虧損121,400,000港元），主要來自毛利97,600,000港元（二零一五年：毛利83,900,000港元）、行政開支159,300,000港元（二零一五年：169,300,000港元）、分銷及銷售開支1,500,000港元（二零一五年：900,000港元）、融資成本2,300,000港元（二零一五年：1,600,000港元）、投資物業之公平價值減少22,000,000港元（二零一五年：30,600,000港元）、應收一家合營公司款項之已確認減值虧損27,900,000港元（二零一五年：無）、應佔一家合營公司之虧損200,000港元（二零一五年：7,400,000港元）及所得稅開支700,000港元（二零一五年：1,600,000港元），並由利息收入14,100,000港元（二零一五年：39,500,000港元）及其他收入9,000,000港元（二零一五年：2,900,000港元）抵銷部份。

Management Discussion and Analysis

管理層論述及分析

BUSINESS REVIEW

Hotel Investment

The hotel investment of the Group comprises three “Rosedale” branded 4-star rated hotels located in Hong Kong, Guangzhou and Shenyang and the Luoyang Golden Gulf Hotel. Overall turnover increased by 2.9% to HK\$242.3 million for the year ended 31 December 2016 (for the year ended 31 December 2015: HK\$235.4 million). With the setback encountered by the tourism industry in the year, the average occupancy rate was slightly increased by 8.7% to 74.1% for the year ended 31 December 2016 (for the year ended 31 December 2015: 65.4%) which was mainly due to the fact that the combined average room rate was overall dropped. If the operational figures of our hotels are only compared with those of other comparable hotels in similar categories, their performance will be in line with market averages. As the Group has stepped up its efforts in achieving greater cost efficiency, therefore the gross margin was maintained at 40% or increased by 4% when compared with the last year of 36%. To combat the competitive environment, the Group will continue to invest resources to enhancing its market network and positioning and, in the meantime, will further streamline its business operations to contain costs.

Securities Trading

The segment recorded a loss of HK\$5.8 million for the year ended 31 December 2016 (for the year ended 31 December 2015: segment loss of HK\$18.4 million), representing fair value loss of investments held for trading, as a result of mark to market valuations as at the balance sheet date.

業務回顧

酒店投資

本集團之酒店投資業務由三間分別位於香港、廣州及瀋陽以「珀麗」為品牌之四星級酒店及洛陽金水灣大酒店組成。截至二零一六年十二月三十一日止年度之整體營業額增加2.9%至242,300,000港元（截至二零一五年十二月三十一日止年度：235,400,000港元）。年內面對旅遊業受挫，於截至二零一六年十二月三十一日止年度的平均入住率輕微上升8.7%至74.1%（截至二零一五年十二月三十一日止年度：65.4%），主要由於合併平均房價整體回落所致。若集團旗下酒店之營運數據僅與其他同類型可供比較酒店之營運數據相比，集團旗下酒店之表現將與市場平均表現一致。由於本集團更加致力提高成本效益，因此毛利率維持在40%或較去年之36%上升4%。為應對競爭環境，本集團將繼續投放資源拓展鞏固其市場網絡及定位，同時亦進一步精簡其業務營運以控制成本。

證券買賣

該分部於截至二零一六年十二月三十一日止年度錄得虧損5,800,000港元（截至二零一五年十二月三十一日止年度：分類虧損18,400,000港元），此為於結算日之按市價計值的估值而產生持作買賣投資之公平價值虧損。

Management Discussion and Analysis

管理層論述及分析

MATERIAL ACQUISITIONS AND DISPOSALS

On 31 December 2014, the Company entered into a framework agreement (“Framework Agreement”) with two independent third parties (“Vendors”) in relation to the possible acquisition of 51% equity interests in a company owned by the Vendors (“Possible Acquisition”). Pursuant to the Framework Agreement, among other things, (i) an exclusivity period of three months after the date of the Framework Agreement was granted to the Company; and (ii) the Company and the Vendors shall enter into a loan agreement for a short term interest free loan of HK\$75 million (“Loan Agreement”) to facilitate the Vendors to the acquisition of the entire entity interest in a PRC registered company (“PRC Company”) from all its existing shareholders. The PRC Company owns a parcel of land in Zhuhai, the PRC with a site area of 19,152.69 square metres. The PRC Company also owns a hotel property on the aforesaid land known as Zhuhai Lizhou Holiday Hotel. On 31 March 2015, 30 June 2015, 30 September 2015, 30 December 2015, 30 April 2016 and 29 December 2016, supplemental framework agreements and extension letters were signed to further extend the exclusivity period and the repayment date of the Loan Agreement to 30 June 2015, 30 September 2015, 31 December 2015, 29 April 2016, 31 December 2016 and 30 June 2017, respectively. Further details of the Possible Acquisition were disclosed in the Company’s announcements dated 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015, 30 December 2015, 30 April 2016 and 29 December 2016. No formal agreement has been entered into between the Company and the Vendors up to the date of this annual report.

重大收購及出售事項

於二零一四年十二月三十一日，本公司與兩名獨立第三方（「賣方」）訂立一項框架協議（「框架協議」），內容有關可能收購一家由賣方擁有之公司之51%股本權益（「可能收購」）。根據框架協議，（其中包括）(i)本公司獲授於框架協議日期後為期三個月之獨家談判權；及(ii)本公司與賣方須就金額75,000,000港元之免息貸款訂立一項貸款協議（「貸款協議」），以便賣方向一家中國註冊公司（「中國公司」）之全體現有股東收購中國公司之全部股本權益。中國公司於中國珠海擁有一幅地盤面積為19,152.69平方米之土地。中國公司亦於上述土地擁有一項名為珠海立洲度假酒店之酒店物業。於二零一五年三月三十一日、二零一五年六月三十日、二零一五年九月三十日、二零一五年十二月三十一日、二零一六年四月三十日及二零一六年十二月二十九日，有關各方簽訂了補充框架協議及延期函件，將獨家談判期及貸款協議之償還日期分別進一步延長至二零一五年六月三十日、二零一五年九月三十日、二零一五年十二月三十一日、二零一六年四月二十九日、二零一六年十二月三十一日及二零一七年六月三十日。可能收購之進一步詳情已於本公司日期為二零一四年十二月三十一日、二零一五年三月三十一日、二零一五年六月三十日、二零一五年九月三十日、二零一五年十二月三十日、二零一六年四月三十日及二零一六年十二月二十九日之公佈內披露。截至本年報日期，本公司與賣方並無訂立正式協議。

Management Discussion and Analysis

管理層論述及分析

MATERIAL ACQUISITIONS AND DISPOSALS

(CONTINUED)

On 2 July 2015, the Company and an independent third party (“JV Partner”) entered into a memorandum of understanding (“MOU”), relating to possible investment in a hotel located in Canada (“Possible Investment”). The Company paid a refundable earnest money of approximately HK\$172.9 million (“Earnest Money”) to the JV Partner. The expiry date of the MOU was 31 July 2015. On 31 July 2015, 31 August 2015, 25 September 2015, 30 November 2015 and 29 January 2016, the Company and the JV Partner further entered into letters of extension in relation to the MOU to extend the expiry date of the MOU to 31 August 2015, 30 September 2015, 30 November 2015, 29 January 2016 and 29 April 2016, respectively. On 27 April 2016, the Company decided not to proceed with the Possible Investment and executed a deed of termination with the JV Partner. The Earnest Money was fully refunded to the Company subsequently. Further details of the Possible Investment were disclosed in the Company’s announcements dated 2 July 2015, 31 July 2015, 31 August 2015, 25 September 2015, 30 November 2015, 29 January 2016 and 27 April 2016.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2016, the Group’s cash and bank balances and investments held for trading amounted to HK\$1,720.9 million (31 December 2015: HK\$1,450.9 million). The Group has no borrowings as at 31 December 2016 (31 December 2015: HK\$10.0 million). All borrowings were bearing floating interest rates.

The Group’s current assets and current liabilities as at 31 December 2016 were HK\$1,907.7 million and HK\$181.9 million (31 December 2015: HK\$1,758.0 million and HK\$178.3 million), respectively. As a result, the current ratio of the Group as at 31 December 2016 was 10.5 (31 December 2015: 9.9). The gearing ratio as at 31 December 2016, expressed as a percentage of total borrowings to equity attributable to owners of the Company, was nil (31 December 2015: 0.4%).

重大收購及出售事項 (續)

本公司與一名獨立第三方(「合營夥伴」)於二零一五年七月二日訂立一項諒解備忘錄(「諒解備忘錄」)，內容有關可能投資於一間位於加拿大之酒店(「可能投資」)。本公司已向合營夥伴支付約172,900,000港元的可退還誠意金(「誠意金」)。諒解備忘錄之到期日為二零一五年七月三十一日。於二零一五年七月三十一日、二零一五年八月三十一日、二零一五年九月二十五日、二零一五年十一月三十日及二零一六年一月二十九日，本公司與合營夥伴進一步訂立有關諒解備忘錄之延期函件，分別將諒解備忘錄之到期日延長至二零一五年八月三十一日、二零一五年九月三十日、二零一五年十一月三十日、二零一六年一月二十九日及二零一六年四月二十九日。於二零一六年四月二十七日，本公司決定不進行可能投資並與合營夥伴簽署終止契據。誠意金已於其後悉數退回予本公司。可能投資之進一步詳情已於本公司日期為二零一五年七月二日、二零一五年七月三十一日、二零一五年八月三十一日、二零一五年九月二十五日、二零一五年十一月三十日、二零一六年一月二十九日及二零一六年四月二十七日之公佈內披露。

流動資金及財務資源

於二零一六年十二月三十一日，本集團之現金及銀行結餘以及持作買賣投資為1,720,900,000港元(二零一五年十二月三十一日：1,450,900,000港元)。本集團於二零一六年十二月三十一日並無借貸(二零一五年十二月三十一日：10,000,000港元)。所有借貸均按浮動利率計息。

於二零一六年十二月三十一日，本集團之流動資產及流動負債分別為1,907,700,000港元及181,900,000港元(二零一五年十二月三十一日：1,758,000,000港元及178,300,000港元)。因此，本集團於二零一六年十二月三十一日之流動比率為10.5(二零一五年十二月三十一日：9.9)。於二零一六年十二月三十一日，資本負債比率(按借貸總額相對本公司擁有人應佔權益之百分比列示)為無(二零一五年十二月三十一日：0.4%)。

Management Discussion and Analysis

管理層論述及分析

LIQUIDITY AND FINANCIAL RESOURCES (CONTINUED)

Over 90% of the Group's cash and bank balances and investments held for trading were denominated in Hong Kong dollar and United States dollar, 3% were in Renminbi and the balance of 2.5% were in other currencies. All of the Group's borrowings were in Hong Kong dollar.

USE OF NET PROCEEDS FROM THE SHARE PLACEMENT

The net proceeds of approximately HK\$114 million was raised from the share placement in connection with the placing of 131,535,174 new shares at placing price of HK\$0.89 per share of the Company that completed on 8 June 2015, and as at the date of this annual report, approximately HK\$5 million has been used for general working capital of the Group which mainly included administrative expenses and staff costs. The use is considered to be consistent with the intended use of proceeds as disclosed in the announcements of the Company dated 26 May 2015 and 27 May 2015.

PLEDGE OF ASSETS

The Group did not have any assets pledged for credit facilities as at each of 31 December 2016 and 31 December 2015.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at each of 31 December 2016 and 31 December 2015.

流動資金及財務資源 (續)

本集團逾90%之現金及銀行結餘以及持作買賣投資均以港元及美元列值，3%以人民幣列值而其餘之2.5%則以其他貨幣列值。本集團所有借貸均以港元計算。

股份配售之所得款項淨額用途

本公司於二零一五年六月八日完成按每股本公司股份0.89港元之配售價配售131,535,174股新股份，此項股份配售之所得款項淨額約為114,000,000港元。於本年報日期，約5,000,000港元已用作本集團之一般營運資金，主要包括行政開支及員工成本。該用途被視為符合本公司日期為二零一五年五月二十六日及二零一五年五月二十七日之公佈所披露之所得款項之計劃用途。

資產抵押

於二零一六年十二月三十一日及二零一五年十二月三十一日，本集團並無將任何資產抵押以取得信貸融資額。

或然負債

於二零一六年十二月三十一日及二零一五年十二月三十一日，本集團並無任何重大或然負債。

Management Discussion and Analysis

管理層論述及分析

FOREIGN CURRENCY EXPOSURE

The majority of the Group's assets and liabilities and business transactions were denominated in Hong Kong dollars and Renminbi. During the year ended 31 December 2016, the Group did not enter into any hedging arrangements. However, the Group will actively consider the use of relevant financial instruments to manage currency exchange risks in line with our business development.

INTEREST RATE EXPOSURE

During the year ended 31 December 2016, the Group was not subject to the risk of significant interest rate volatility. The Company will continue to monitor the interest rate markets and actively consider the application of relevant financial instruments to manage risks associated with interest rates.

EMPLOYEE AND REMUNERATION POLICY

At 31 December 2016, the Group had 682 employees of which 550 employees were stationed in the PRC. Employees' remuneration packages were determined in accordance with individual's responsibility, competence and skills, qualifications, experience and performance as well as market pay-level. Staff benefits include training programs, provident fund scheme, medical insurance and other competitive fringe benefits.

To provide incentives and rewards to employees, the Company has adopted a share option scheme for the eligible participants (including employees).

外幣風險

本集團大部份資產與負債及業務交易均以港元及人民幣計算。於截至二零一六年十二月三十一日止年度，本集團並無訂立任何對沖安排。然而，本集團將積極考慮使用相關金融工具以因應本身業務發展而管理匯兌風險。

利率風險

於截至二零一六年十二月三十一日止年度，本集團並無面對重大利率波動風險。本公司將繼續監察利率市場並積極考慮使用相關金融工具以管理利率相關風險。

僱員及薪酬政策

於二零一六年十二月三十一日，本集團聘用682名僱員，當中550名在國內工作。僱員薪酬組合乃根據僱員之個人職責、能力及技能、資歷、經驗及表現以及市場薪酬水平釐定。員工福利包括培訓課程、公積金計劃、醫療保險及其他具競爭力的福利待遇。

為了激勵及回報僱員，本公司為合資格參與者（包括僱員）採納一項購股權計劃。

Management Discussion and Analysis

管理層論述及分析

PROSPECTS

Looking ahead, in view of 2017 is looking set to be a year of both challenges and opportunities. The global economy continues to face uncertainties while Mainland China and the local economic growths have both slowed down. The Group's operating environment remains challenging in the short term as the pressures posed by the global economic and the continued economic transition in Mainland China are set to be linger. The Group believes that, despite the slowdown developments in the economy, the operating environment in Hong Kong and Mainland China remain opportunities amid macroeconomic uncertainties and intensified competition. All these macroeconomic related problems are echoed on the Group's financial result which in fact other industry players also suffered.

The philosophy and strategy of the Group is focused on the development and maintenance of the portfolio of hotels and other assets for the long term. This provides the vision to make decisions that are in the best long term interests of the Company and its shareholders and the staying power to ride through shorter term cycles in the economy. This year has been mixed conditions in some of our key hotel markets. Under the volatile economic, political and social security circumstances given, it is a constant challenge to drive revenues, control costs and maintain or improve our operating margins.

In face of tough conditions over the years, the Group's hotels remain well placed in the markets that they operate and the Group has met and overcome many challenges. Overall with the Group in a strong financial position, as well as high quality and conservatively valued assets in its balance sheet and a modest level of gearing, we remain cautiously optimistic about the prospects for tourism and other markets that we keeps seeking to identify suitable investment opportunities. In addition, the Group will continue to provide quality services and upgraded facilities to strengthen the competitiveness, continuing to chart a course which maximizing the quality and value of our portfolio and creating win-win scenarios for all stakeholders.

展望

展望未來，二零一七年應是挑戰與機會並存的一年。全球經濟持續面對不明朗因素而中國內地及本地之經濟增長均已放緩。環球經濟下行的壓力及中國經濟的持續轉型仍將繼續，本集團的經營環境於短期內依然面對挑戰。本集團相信，儘管經濟放緩以及面對宏觀環境的不明朗因素及競爭加劇，但香港及中國內地的經營環境仍充滿機遇。這些宏觀經濟問題已於本集團之財務業績上反映，而事實上，其他同業亦深受其害。

本集團的經營理念及策略目標，為長遠發展旗下酒店及其他物業資產組合，讓本集團能高瞻遠矚，作出符合本公司及股東最佳長遠利益的決策，以鞏固實力駕馭短期經濟週期波動。今年，部分主要市場的營商環境參差。面對經濟、政治及社會動盪的環境，在增加收入、控制成本、維持或提升經營利潤率方面仍面對重重挑戰。

經年以來，儘管面對艱難的經營環境，本集團旗下各酒店仍然穩踞當地市場，而本集團雖經歷無數挑戰，仍能將困難一一克服。總括而言，本集團的財務狀況整體保持穩健，加上優質且保守估值的資產及資本與負債比率適中，我們對旅遊業及我們持續物色合適投資機會的其他市場的前景依然保持審慎樂觀。此外，本集團亦將繼續提供殷勤體貼的優質服務及經升級的設施以增強競爭力，深信本集團定將繼續提升資產質素及價值，為全體持份者創造共贏局面。

Directors Profile

董事簡介

EXECUTIVE DIRECTORS

Dr. Yap, Allan, aged 61, has been the Chairman of the Company since December 2014. He is also the chairman of the Nomination Committee of the Company and a director of various subsidiaries of the Company. Dr. Yap obtained the honorary degree of Doctor of Laws and has over 30 years' experience in finance, investment and banking. He was an executive director of the Company from 2002 to 2011. Dr. Yap is a substantial shareholder, the chairman and an executive director of Master Glory Group Limited ("Master Glory", formerly known as Hanny Holdings Limited, a substantial shareholder of the Company), and the chairman and a non-executive director of SMI Holdings Group Limited, the shares of both companies are listed on The Stock Exchange of Hong Kong Limited (the "SEHK"). In addition, he is the chairman and chief executive officer of China Enterprises Limited, the shares of which are traded on the OTC Securities Marketplace in the United States of America, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance and an associated company of Master Glory, as well as Burcon NutraScience Corporation, the shares of which are listed on the NASDAQ Stock Market in the United States of America, the Toronto Stock Exchange in Canada and the Frankfurt Stock Exchange in Germany. He is also the executive chairman of Hanwell Holdings Limited and Tat Seng Packaging Group Ltd., the shares of both companies are listed on Singapore Exchange Limited. Dr. Yap was an alternate director of Television Broadcasts Limited and the chairman and an executive director of Shaw Brothers Holdings Limited (formerly known as Meike International Holdings Limited), the shares of both companies are listed on the SEHK, until he resigned on 29 December 2015 and 25 October 2016 respectively.

執行董事

葉家海博士，現年61歲，自二零一四年十二月起出任本公司主席。彼亦為本公司提名委員會主席及為本公司多間附屬公司之董事。葉博士持有法律榮譽博士學位，並於金融、投資及銀行業積逾30年經驗。彼曾於二零零二年至二零一一年間出任本公司之執行董事。葉博士為本公司之主要股東凱華集團有限公司（「凱華集團」，前稱錦興集團有限公司）之主要股東及主席兼執行董事，並為星美控股集團有限公司之主席兼非執行董事，該兩間公司之股份均於香港聯合交易所有限公司（「香港聯交所」）上市。彼亦為China Enterprises Limited（該公司之股份於美國櫃檯市場買賣，並為本公司之主要股東（按證券及期貨條例第XV部賦予之涵義）及凱華集團之聯營公司）及Burcon NutraScience Corporation（該公司之股份於美國納斯達克證券市場、加拿大多倫多證券交易所及德國法蘭克福證券交易所上市）之主席兼行政總裁。彼亦出任Hanwell Holdings Limited及Tat Seng Packaging Group Ltd.之執行主席，該兩間公司之股份均於新加坡證券交易所有限公司上市。葉博士曾出任電視廣播有限公司之替任董事及邵氏兄弟控股有限公司（前稱美克國際控股有限公司）之主席兼執行董事，該兩間公司之股份均於香港聯交所上市，直至彼分別於二零一五年十二月二十九日及二零一六年十月二十五日辭任。

Directors Profile 董事簡介

EXECUTIVE DIRECTORS (CONTINUED)

Ms. Chan Ling, Eva, aged 51, has been the Managing Director of the Company since June 2009. She is also the chairman of the Corporate Governance Committee and a member of the Remuneration Committee of the Company, and a director of various subsidiaries of the Company. Ms. Chan joined the Company in May 2002. She is a member of Chartered Accountants Australia and New Zealand, a fellow of the Association of Chartered Certified Accountants and also a practicing member of the Hong Kong Institute of Certified Public Accountants. She has over 28 years' experience in auditing, accounting and finance in both international accounting firms and listed companies. Ms. Chan is currently the deputy chairman of China Enterprises Limited, the shares of which are traded on the OTC Securities Marketplace in the United States of America, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance and an associated company of Master Glory (formerly known as Hanny Holdings Limited, a substantial shareholder of the Company). Ms. Chan was an executive director of China Strategic Holdings Limited ("CSH") and an independent non-executive director of Global Mastermind Holdings Limited ("GMH", formerly known as Well Way Group Limited) until she resigned on 1 June 2014 and 23 June 2014 respectively. The shares of CSH and GMH are listed on the SEHK.

Mr. Chan Pak Cheung, Natalis, aged 66, has been an Executive Director of the Company since April 2002. He is a well-known actor, master of ceremonies, and horseracing and soccer commentator. Mr. Chan has over 36 years' experience in the entertainment and film industry in Hong Kong.

執行董事(續)

陳玲女士，現年51歲，自二零零九年六月起出任本公司董事總經理。彼亦為本公司企業管治委員會主席及薪酬委員會成員，以及為本公司多間附屬公司之董事。陳女士於二零零二年五月加入本公司。彼為澳洲及新西蘭特許會計師公會會員、英國特許公認會計師公會資深會員及香港會計師公會執業會員。彼於國際會計師行及上市公司積逾28年核數、會計及財務之經驗。陳女士現為本公司之主要股東(按證券及期貨條例第XV部賦予之涵義)China Enterprises Limited(該公司之股份於美國櫃檯市場買賣，並為本公司之主要股東凱華集團(前稱錦興集團有限公司)之聯營公司)之副主席。陳女士曾出任中策集團有限公司(「中策集團」)之執行董事及環球大通集團有限公司(「環球大通集團」，前稱和匯集團有限公司)之獨立非執行董事，直至彼分別於二零一四年六月一日及二零一四年六月二十三日辭任。中策集團及環球大通集團之股份於香港聯交所上市。

陳百祥先生，現年66歲，自二零零二年四月起出任本公司執行董事。彼為知名演員、司儀及賽馬與足球評述員。陳先生於香港娛樂界及電影界積逾36年經驗。

Directors Profile

董事簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwok Ka Lap, Alva, aged 68, has been an Independent Non-executive Director of the Company since December 2002. He is also the chairman of the Remuneration Committee, and a member of the Audit Committee, the Nomination Committee and the Corporate Governance Committee of the Company. Mr. Kwok was a marketing manager in an international company engaging in the design of business administration system. He has been in the insurance and investment business for over 34 years, principally in the senior managerial position leading a sizable sales team. Mr. Kwok is an independent non-executive director of Master Glory (formerly known as Hanny Holdings Limited), a substantial shareholder of the Company. He is also an independent non-executive director of ITC Properties Group Limited ("ITC Properties"). The shares of Master Glory and ITC Properties are listed on the SEHK.

Mr. Poon Kwok Hing, Albert, aged 55, has been an Independent Non-executive Director of the Company since March 2007. He is also the chairman of the Audit Committee, and a member of the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee of the Company. Mr. Poon graduated from the University of Bath, United Kingdom with a Master of Science degree in Business Administration. He is a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia. Mr. Poon is an independent non-executive director of Master Glory (formerly known as Hanny Holdings Limited), the shares of which are listed on the SEHK and a substantial shareholder of the Company. He is also an independent non-executive director of Shaw Brothers Holdings Limited (formerly known as Meike International Holdings Limited), the shares of which are listed on the SEHK.

獨立非執行董事

郭嘉立先生，現年68歲，自二零零二年十二月起出任本公司獨立非執行董事。彼亦為本公司薪酬委員會主席及審核委員會、提名委員會及企業管治委員會成員。郭先生曾為一間從事商業行政系統設計之國際公司之市場經理。彼於保險及投資業務方面積逾34年經驗，且為高級管理人員，管轄具規模之營業隊伍。郭先生為本公司之主要股東凱華集團（前稱錦興集團有限公司）之獨立非執行董事。彼亦為德祥地產集團有限公司（「德祥地產」）之獨立非執行董事。凱華集團及德祥地產之股份於香港聯交所上市。

潘國興先生，現年55歲，自二零零七年三月起出任本公司獨立非執行董事。彼亦為本公司審核委員會主席及薪酬委員會、提名委員會及企業管治委員會成員。潘先生畢業於英國University of Bath，並取得工商管理科碩士學位。彼為香港會計師公會及澳洲會計師公會會員。潘先生為本公司之主要股東凱華集團（前稱錦興集團有限公司，該公司之股份於香港聯交所上市）之獨立非執行董事。彼亦為邵氏兄弟控股有限公司（前稱美克國際控股有限公司，該公司之股份於香港聯交所上市）之獨立非執行董事。

Directors Profile 董事簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS (CONTINUED)

Mr. Sin Chi Fai, aged 57, has been an Independent Non-executive Director of the Company since January 2008. He is also a member of the Audit Committee of the Company. Mr. Sin is a director and a shareholder of a Singapore company engaged in the distribution of data storage media and computer related products in Asian countries. He obtained a diploma in Banking from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) and is a member of Singapore Institute of Directors. Mr. Sin has over 20 years' sales and marketing experience in information technology industries and in the banking field. He is an independent non-executive director of Master Glory (formerly known as Hanny Holdings Limited), the shares of which are listed on the SEHK and a substantial shareholder of the Company. He is also an independent non-executive director of China Enterprises Limited, the shares of which are traded on the OTC Securities Marketplace in the United States of America, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, and an associated company of Master Glory.

獨立非執行董事(續)

冼志輝先生，現年57歲，自二零零八年一月起出任本公司獨立非執行董事。彼亦為本公司審核委員會成員。冼先生為一間新加坡公司之董事及股東，該公司於亞洲國家從事分銷數據儲存媒體與電腦相關產品。彼於香港理工學院（現稱為香港理工大學）獲取銀行系文憑及為Singapore Institute of Directors會員。冼先生於資訊科技業及銀行業擁有逾20年銷售及市場推廣經驗。彼為本公司之主要股東凱華集團（前稱錦興集團有限公司，該公司之股份於香港聯交所上市）之獨立非執行董事。彼亦為China Enterprises Limited（該公司之股份於美國櫃檯市場買賣，並為本公司主要股東（按證券及期貨條例第XV部賦予之涵義）及凱華集團之聯營公司）之獨立非執行董事。

Senior Management Profile

高級管理人員簡介

Mr. Lau Ka Kit, Ken, aged 45, has been the Financial Controller of the Company since April 2015 and is also a director of various subsidiaries of the Company. He has over 20 years of progressive accounting experience through management roles for a variety of public and private multinational corporations. Mr. Lau is a member of CPA Australia and a certificate holder of American Institute of Certified Public Accountants.

Ms. Law Sau Lai, aged 49, has been the Company Secretary of the Company since August 2009. Ms. Law is an associate of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. She has extensive experience in company secretarial practice.

劉家杰先生，現年45歲，自二零一五年四月起出任本公司之財務總監，並為本公司多間附屬公司之董事。彼於多間不同的公眾及私營跨國公司擔任管理人員職位並積約超過20年會計經驗。劉先生為澳洲會計師公會會員及American Institute of Certified Public Accountants (美國註冊會計師協會) 之證書持有人。

羅秀麗女士，現年49歲，自二零零九年八月起出任本公司之公司秘書。羅女士為香港特許秘書公會及英國特許秘書及行政人員公會之會員。彼於公司秘書實務擁有豐富經驗。

Corporate Governance Report

企業管治報告

INTRODUCTION

Rosedale Hotel Holdings Limited (“Company”) is committed to achieving and maintaining high standards of corporate governance which is crucial to the development of the Company and can safeguard the interests of its shareholders (“Shareholders”). The board of directors of the Company (“Board” and “Directors” respectively) had adopted various policies and procedures to ensure compliance with the code provisions set out in the Corporate Governance Code (“Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”). In the opinion of the Board, the Company had complied with the code provisions of the Code during the year ended 31 December 2016 (“Year”), except for Code Provisions A.4.1 and E.1.2 with considered reasons explained below.

CORPORATE STRATEGY AND LONG TERM BUSINESS MODEL

The Company is principally engaged in the sector of hotel investment and management in Hong Kong and in the People’s Republic of China (“PRC”). The Company’s corporate objective is to create and enhance value for Shareholders. To achieve this corporate objective, the business strategies of the Company are to maintain the long term growth and the profitability of the Company by developing and investing in quality hotels in decent locations in Hong Kong and in the PRC. Notwithstanding that the Company shall strive to further comprehend its four-star rated business hotel network, it shall explore further opportunities in the hospitality sector. The Company is committed to maintain a solid and healthy financial status with a solid cash balance and an efficient debt/equity ratio that will enable the Company to finance the existing operations and proceed with potential investments.

緒言

珀麗酒店控股有限公司(「本公司」)致力於達致及維持高水平之企業管治，因企業管治對本公司發展及保障本公司股東(「股東」)權益至為重要。本公司董事會(分別為「董事會」及「董事」)已採納各項政策及程序，以確保符合香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「守則」)之守則條文。董事會認為，本公司於截至二零一六年十二月三十一日止年度(「本年度」)內一直遵守守則之守則條文，惟如下文所解釋基於已闡明原因而未符合守則條文第A.4.1條及第E.1.2條除外。

企業策略及長遠業務模式

本公司主要在香港及中華人民共和國(「中國」)從事酒店投資及管理業務。本公司之企業宗旨乃為股東創造及提升價值。為此，本公司之業務策略為透過發展及投資於位處香港及中國優越地點之優質酒店，從而維持本公司長遠盈利增長。儘管本公司將致力進一步完善其四星級商務酒店網絡，惟亦將進一步發掘款待行業之商機。本公司矢志憑藉穩健之現金結餘及行之有效的債務／權益比率，維持穩健之財務狀況，藉此為現有營運提供資金，並進行潛在投資。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

The Board currently comprises six Directors including three executive Directors (“Executive Directors”) and three independent non-executive Directors (“INEDs”) whose biographical details are set out in the “Directors Profile” on pages 10 to 13 of this annual report.

The Board is principally accountable to Shareholders and responsible for the leadership and control of the Company and its subsidiaries (collectively, “Group”) including overseeing the Group’s businesses and systems of risk management and internal controls, formulating corporate strategies, establishing strategic directions, monitoring operating and financial performance, setting objectives and business development plans, and monitoring the performance of senior management.

The Board has delegated operational decisions to the Executive Directors led by the Managing Director. Daily operations and administration are delegated to the management.

The Board meets regularly each year to review the financial and operating performance of the Group, and review and approve the Group’s annual and interim results and other matters which need to be dealt with and holds additional board meetings as and when required. Resolutions in writing may be passed by all Directors in lieu of a meeting pursuant to Bye-Laws of the Company (“Bye-Laws”).

In addition, the Board has established the Audit Committee, the Remuneration Committee, the Nomination Committee and the Corporate Governance Committee to oversee particular aspects of the Company’s affairs.

During the Year, five (5) full Board meetings (including four (4) regular Board meetings) were held. In addition, one (1) set of resolutions in writing of all Directors were passed.

董事會

董事會現時由六位董事組成，包括三名執行董事（「執行董事」）及三名獨立非執行董事（「獨立非執行董事」），彼等之履歷詳情載於本年報第10頁至第13頁之董事簡介。

董事會主要對股東負責，並負責領導及管治本公司及其附屬公司（統稱「本集團」），包括監督本集團業務以及風險管理及內部監控制度、制定企業策略及策略方針、監察營運及財務表現、設定目標及業務發展計劃以及監察高級管理人員之表現。

董事會已授權予由董事總經理帶領之執行董事，作營運決策。日常營運及管理則授予管理層負責。

董事會每年定期開會，以討論本集團之財務及經營方面之表現和審閱及批准本集團之全年及中期業績及其他須處理之事項，並在需要時會舉行額外會議。根據本公司之公司細則（「公司細則」），全體董事可以通過書面決議代替舉行會議。

此外，董事會已成立審核委員會、薪酬委員會、提名委員會及企業管治委員會以監管本公司特定方面之事務。

於本年度內，董事會舉行了五(5)次全體董事會會議（包括四(4)次定期會議）。另外，全體董事通過了一(1)份董事會書面決議。

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BOARD OF DIRECTORS (CONTINUED)

The attendance of each Board member at the full meetings of the Board and the annual general meeting of the Company held during the Year is set out below:

Directors	董事	Attendance 出席次數	
		Board Meetings 董事會	Annual General Meeting 股東週年大會
Executive Directors			
Dr. Yap, Allan (<i>Chairman</i>)	葉家海博士 (<i>主席</i>)	3/5	0/1
Ms. Chan Ling, Eva (<i>Managing Director</i>)	陳玲女士 (<i>董事總經理</i>)	5/5	1/1
Mr. Chan Pak Cheung, Natalis	陳百祥先生	5/5	0/1
Independent Non-executive Directors			
Mr. Kwok Ka Lap, Alva	郭嘉立先生	5/5	1/1
Mr. Poon Kwok Hing, Albert	潘國興先生	5/5	1/1
Mr. Sin Chi Fai	冼志輝先生	5/5	0/1

The Chairman also held a meeting with the INEDs without the presence of the Executive Directors during the Year according to Code Provision A.2.7 of the Code.

RELATIONSHIP BETWEEN THE BOARD MEMBERS

None of the members of the Board has any relationship (including financial, business, family or other material/relevant relations) between each other.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

The Company has purchased appropriate directors and officers liability insurance in respect of legal actions against the Directors and officers of the Group arising from the performance of his/her duties.

董事會 (續)

各董事會成員於本年度內舉行的全體董事會會議及本公司股東週年大會之出席情況如下：

於本年度內，主席亦已根據守則之守則條文第A.2.7條與獨立非執行董事舉行了一次執行董事避席之會議。

董事會成員間之關係

董事會成員之間概無任何關係 (包括財務、業務、家屬或其他重大／相關關係)。

董事及行政人員責任保險

本公司已為董事及本集團之行政人員投購適當的董事及行政人員責任保險，以就彼等因履行職務所面對的法律行動提供保障。

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企業管治報告

BOARD DIVERSITY POLICY

The Board has adopted the Board diversity policy ("Policy") to guide the Board in developing and achieving its diversity in terms of skills, professional experience, knowledge, expertise, education, age, gender and length of service in order to enhance the effectiveness of the Board.

In selecting new Directors, the Nomination Committee will identify suitably qualified candidates to become members of the Board and recommend to the Board, with due regard for the benefits of diversity on the Board.

In reviewing and assessing the composition of the Board, the Nomination Committee will consider the benefits of all aspects of diversity on the Board.

Board appointments will be based on merit while taking into account diversity of background.

The Board has not set any measurable objectives for implementing the Policy having taken into account the existing composition of the Board and the business nature of the Group.

The Board will review the Policy, as appropriate, to ensure its continued effectiveness.

CHAIRMAN AND MANAGING DIRECTOR

Code Provision A.2.1 of the Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The roles of the Chairman and the Managing Director, who performs the function of chief executive officer, are currently held by Dr. Yap, Allan and Ms. Chan Ling, Eva separately. The Chairman is responsible for the leadership of the Board while the Managing Director is responsible for the operation of the business and performance of the Group. The division of responsibilities between the Chairman and the Managing Director of the Company is clearly established and set out in writing.

董事會多元化政策

董事會已採納董事會多元化政策（「該政策」），指導董事會從技能、專業經驗、知識、專業技術、教育、年齡、性別及服務年資方面多元化發展，藉此提升董事會效率。

提名委員會於甄選新董事時，將顧及董事會成員多元化之裨益，物色合適資格人選成為董事會成員，並向董事會提供建議。

提名委員會於檢討及評核董事會組成時，會充分考慮董事會成員多元化之裨益。

董事會於作出委任時會唯才是用，並顧及背景多元化因素。

經考慮現有董事會組成及本集團業務性質，董事會並無為推行該政策而訂立任何可計量的目標。

董事會將於適當時候檢討該政策，確保該政策行之有效。

主席及董事總經理

守則之守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，並不應由一人同時兼任。主席與董事總經理（等同於行政總裁）現分別由葉家海博士及陳玲女士出任。主席負責領導董事會，而董事總經理負責本集團之業務營運及表現。本公司主席與董事總經理之間職責分工清晰並已予以書面訂明。

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CHAIRMAN AND MANAGING DIRECTOR (CONTINUED)

Code Provision E.1.2 of the Code stipulates that the chairman of the board should attend the annual general meeting. The Chairman of the Company, Dr. Yap, Allan, was unable to attend the annual general meeting of the Company held on 31 May 2016 ("2016 AGM") as he had other business engagement. Ms. Chan Ling, Eva, the Managing Director of the Company, attended and took the chair of the 2016 AGM in accordance with Bye-Law 68 of the Bye-Laws and answered questions from Shareholders.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

According to Code Provision A.6.5 of the Code, all directors should participate in continuous professional development to develop and refresh their knowledge and skills.

During the year, all Directors received materials on the latest developments regarding the Listing Rules from the Company. Directors were also provided with monthly updates on the Group's business and financial matters.

From time to time, the Company Secretary circulates details of training courses which may be of interests to Directors. All Directors are encouraged to attend the relevant training courses and seminars organised by professional bodies at the Company's expenses.

According to the records received by the Company, the Directors (namely, Dr. Yap, Allan, Ms. Chan Ling, Eva, Mr. Chan Pak Cheung, Natalis, Mr. Kwok Ka Lap, Alva, Mr. Poon Kwok Hing, Albert and Mr. Sin Chi Fai) had participated in continuous professional development during the Year by reading materials provided by the Company. Besides, Ms. Chan Ling, Eva had attended seminars organised by various professional bodies.

主席及董事總經理 (續)

守則之守則條文第E.1.2條規定，董事會主席應出席股東週年大會。由於本公司主席葉家海博士另有其他商務，故未能出席於二零一六年五月三十一日舉行之本公司股東週年大會（「二零一六年股東週年大會」）。本公司董事總經理陳玲女士出席二零一六年股東週年大會，並根據公司細則第68條擔任大會主席，以及回答股東的提問。

董事培訓及專業發展

根據守則之守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能。

於本年度內，全體董事已收取由本公司提供有關上市規則之最新資料。董事亦獲提供有關本集團業務及財務事宜之每月最新資料。

公司秘書不時傳閱董事可能有興趣參與之培訓課程的詳情。本公司鼓勵全體董事出席由專業機構舉辦的相關培訓課程及講座，費用由本公司支付。

根據本公司所收到的記錄，所有董事（葉家海博士、陳玲女士、陳百祥先生、郭嘉立先生、潘國興先生及冼志輝先生）於本年度內均透過閱讀由本公司提供之資料，參與持續專業發展。此外，陳玲女士亦已出席由各專業機構舉辦的講座。

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NON-EXECUTIVE DIRECTORS

Code Provision A.4.1 of the Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The current INEDs were not appointed for a specific term. However, all Directors are subject to retirement by rotation and re-election at the annual general meeting in accordance with Bye-Law 99 of the Bye-Laws. Every Director is also subject to retirement by rotation at least once every three years according to code provision A.4.2 of the Code. The Board considers that these are no less exacting than that prescribed by code provision A.4.1, and therefore does not intend to take any steps in this regard.

The Company has received an annual confirmation of independence from each of the INEDs as required under Rule 3.13 of the Listing Rules. On 30 March 2017, the Nomination Committee held a meeting to assess the independence of INEDs. Taking into account the independence criteria set out in Rule 3.13 of the Listing Rules, the Nomination Committee considered that all INEDs remained independent.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" ("Model Code") set out in Appendix 10 to the Listing Rules as its own code for dealing in securities of the Company by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors had complied with the required standard set out in the Model Code during the Year.

非執行董事

守則之守則條文第A.4.1條規定，非執行董事之委任應有指定任期，並須接受重新選舉。現任獨立非執行董事並非按指定任期委任。然而，所有董事根據公司細則第99條須於股東週年大會上輪席退任及可重選連任。每名董事亦根據守則之守則條文第A.4.2條規定須最少每三年輪席退任一次。董事會認為這不遜於守則條文第A.4.1條之相關規定，因此無意就此方面採取任何措施。

本公司已接獲各獨立非執行董事根據上市規則第3.13條之規定而發出有關其獨立性之年度確認書。於二零一七年三月三十日，提名委員會舉行會議，就獨立非執行董事之獨立性作出評估。就上市規則第3.13條所載之獨立性準則作出考慮，提名委員會認為所有獨立非執行董事仍屬獨立人士。

董事之證券交易

本公司已採納載於上市規則附錄十之「上市發行人董事進行證券交易之標準守則」（「標準守則」）作為董事於買賣本公司證券之守則。經向所有董事作出特定查詢後，本公司確認所有董事於本年度內一直遵守標準守則之所需標準。

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企業管治報告

AUDIT COMMITTEE

The Company has established an audit committee (“Audit Committee”) with written terms of reference in line with the Code.

The Audit Committee comprises three INEDs, namely, Mr. Poon Kwok Hing, Albert (Chairman of the Audit Committee), Mr. Kwok Ka Lap, Alva and Mr. Sin Chi Fai.

The main responsibilities of the Audit Committee are (i) to review the financial information of the Company and to oversee the relationship with the external auditor; (ii) to assist the Board to review the Group’s financial reporting system, and risk management and internal control systems (including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group’s accounting and financial reporting function); and (iii) to make recommendations to the Board on the appointment, re-appointment and removal of the external auditor.

During the Year, three (3) meetings of the Audit Committee were held:

- (1) to review and/or discuss with the management and the Company’s external auditor the financial reporting matters including the annual results for the year ended 31 December 2015 and the interim results for the six months ended 30 June 2016 and make recommendations to the Board for approval;
- (2) to approve the engagement letters of external auditor for the audit of the 2015 annual results and the review of 2016 interim results;
- (3) to review with the management and independent external risk advisory firm the effectiveness of the risk management and internal control systems of the Group; and
- (4) to make recommendation to the Board on the re-appointment of external auditor at the 2016 AGM.

審核委員會

本公司已成立審核委員會（「審核委員會」），並依照守則訂明其書面職權範圍。

審核委員會由三名獨立非執行董事，潘國興先生（審核委員會主席）、郭嘉立先生及冼志輝先生組成。

審核委員會主要職責為(i)審閱本公司財務資料，以及管理與外聘核數師的關係；(ii)協助董事會審閱本集團之財務申報機制及風險評估及內部監控制度（包括本集團在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足）；及(iii)就外聘核數師的委任、重新委任及罷免向董事會提供建議。

於本年度內，審核委員會舉行了三(3)次會議：

- (一) 與本公司管理層及本公司外聘核數師審閱及／或討論財務申報事宜，包括截至二零一五年十二月三十一日止年度之全年業績及截至二零一六年六月三十日止六個月之中期業績，並向董事會建議予以批准；
- (二) 批准外聘核數師就審核二零一五年全年業績及審閱二零一六年中期業績之聘任書；
- (三) 與管理層及獨立外聘風險顧問公司檢討本集團之風險管理及內部監控制度之成效；及
- (四) 建議董事會於二零一六年股東週年大會上續聘外聘核數師。

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AUDIT COMMITTEE (CONTINUED)

The attendance of individual members at the meetings of the Audit Committee held during the Year is set out below:

Members of Audit Committee	Attendance	審核委員會成員	出席次數
Mr. Poon Kwok Hing, Albert	3/3	潘國興先生	3/3
Mr. Kwok Ka Lap, Alva	3/3	郭嘉立先生	3/3
Mr. Sin Chi Fai	3/3	冼志輝先生	3/3

REMUNERATION COMMITTEE

The Company has established a remuneration committee ("Remuneration Committee") with written terms of reference in line with the Code.

The Remuneration Committee comprises two INEDs, namely, Mr. Kwok Ka Lap, Alva (Chairman of the Remuneration Committee) and Mr. Poon Kwok Hing, Albert, and one Executive Director, namely, Ms. Chan Ling, Eva.

The main responsibilities of the Remuneration Committee are (i) to consider and to make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management of the Company; (ii) to review and determine the remuneration and compensation packages of the Executive Directors and the senior management of the Company; and (iii) to make recommendations to the Board on the remuneration of non-executive Directors.

審核委員會(續)

各審核委員會成員於本年度內舉行的會議之出席情況如下：

薪酬委員會

本公司已成立薪酬委員會(「薪酬委員會」)，並依照守則訂明其書面職權範圍。

薪酬委員會由兩名獨立非執行董事，郭嘉立先生(薪酬委員會主席)及潘國興先生及一名執行董事，陳玲女士組成。

薪酬委員會之主要職責為(i)考慮及向董事會建議本公司所有董事及高級管理人員之薪酬政策及架構；(ii)審閱及釐定本公司執行董事及高級管理人員之薪酬待遇及賠償安排；及(iii)向董事會建議非執行董事之薪酬。

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REMUNERATION COMMITTEE (CONTINUED)

During the Year, the Remuneration Committee held one (1) meeting:

- (1) to review the directors' fees for the INEDs for 2017;
- (2) to review the remuneration policy of the Company and the remuneration packages of the Executive Directors and the senior management of the Company; and
- (3) to review and approve the proposed level of salary increase of employees, including the senior management of the Company, for 2017.

In addition, the Remuneration Committee passed two (2) sets of resolutions in writing in 2016 regarding the payment of discretionary bonuses to the Managing Director and the senior management of the Company for 2015, and the monthly salary adjustment for the Managing Director respectively.

The attendance of individual members at the meeting of the Remuneration Committee held during the Year is set out below:

Members of Remuneration Committee	Attendance
Mr. Kwok Ka Lap, Alva	1/1
Mr. Poon Kwok Hing, Albert	1/1
Ms. Chan Ling, Eva	1/1

Directors are remunerated with reference to their respective duties and responsibilities with the Company and prevailing market conditions.

During the Year, no Directors were involved in deciding his or her own remuneration.

Details of emoluments of the Directors for the Year are disclosed in note 11 to the consolidated financial statements of this annual report.

薪酬委員會 (續)

於本年度內，薪酬委員會舉行了一(1)次會議：

- (一) 審閱獨立非執行董事二零一七年之董事袍金；
- (二) 檢討本公司之薪酬政策及執行董事及高級管理人員之薪酬待遇；及
- (三) 審閱及批准職員，包括本公司高級管理人員，於二零一七年之薪酬調整之建議幅度。

此外，薪酬委員會於二零一六年通過了兩(2)份書面決議，分別關於向董事總經理及高級管理人員派發二零一五年酌情花紅，以及調整董事總經理之每月薪酬。

各薪酬委員會成員於本年度內舉行的會議之出席情況如下：

薪酬委員會成員	出席次數
郭嘉立先生	1/1
潘國興先生	1/1
陳玲女士	1/1

董事之薪酬乃根據彼等各自於本公司之職責及目前市況而釐定。

於本年度內，概無董事參與釐定本身之薪酬。

董事於本年度之酬金詳情載於本年報綜合財務報表附註11。

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REMUNERATION COMMITTEE (CONTINUED)

The remuneration of the members of the senior management for the Year is within the following bands:

		Number of Senior Management 高級管理人員數目
Up to HK\$1,000,000	1,000,000港元止	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1

NOMINATION COMMITTEE

The Company has established a nomination committee ("Nomination Committee") with written terms of reference in line with the Code.

The Nomination Committee comprises two INEDs, namely, Mr. Kwok Ka Lap, Alva and Mr. Poon Kwok Hing, Albert, and one Executive Director, namely, Dr. Yap, Allan (Chairman of the Nomination Committee).

The main responsibilities of the Nomination Committee are (i) to review the structure, size and composition of the Board at least annually and make recommendations on any proposed changes to the Board to complement the corporate strategy of the Company; (ii) to identify individuals suitably qualified to become members of the Board; (iii) to assess the independence of INEDs; (iv) to review regularly the time required from a Director to perform his/her responsibilities to the Company; and (v) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors.

The nomination of Directors will be taken into consideration of the nominee's qualification, ability and potential contributions to the Company, with due regard for the benefits of diversity on the Board.

薪酬委員會(續)

高級管理人員於本年度之薪酬在以下範圍內：

提名委員會

本公司已成立提名委員會(「提名委員會」)，並依照守則訂明其書面職權範圍。

提名委員會由兩名獨立非執行董事，郭嘉立先生及潘國興先生及一名執行董事葉家海博士(提名委員會主席)組成。

提名委員會之主要職責為(i)最少每年檢討董事會架構、人數及組成，並就任何為配合本公司之企業策略而擬對董事會作出的變動向董事會提出建議；(ii)物色具備合適資格之人士出任董事會成員；(iii)評核獨立非執行董事之獨立性；(iv)定期檢討董事為履行職責所需付出的時間；及(v)就委任或重新委任董事及董事繼任計劃向董事會提出建議。

董事提名時將考慮候選人之資歷、才能及可為本公司帶來之貢獻，並顧及董事會成員多元化的裨益。

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE (CONTINUED)

During the Year, the Nomination Committee held two (2) meetings:

- (1) to assess the independence of INEDs;
- (2) to consider and make recommendations to the Board on the re-appointment of retiring Directors at the 2016 AGM;
- (3) to review the structure, size and composition of the Board; and
- (4) to review the time required from a Director to perform his/her responsibilities to the Company.

The attendance of individual members at the meetings of the Nomination Committee held during the Year is set out below:

Members of Nomination Committee

Attendance

Dr. Yap, Allan	2/2
Mr. Poon Kwok Hing, Albert	2/2
Mr. Kwok Ka Lap, Alva	2/2

提名委員會 (續)

於本年度內，提名委員會舉行了兩(2)次會議：

- (一) 評估獨立非執行董事之獨立性；
- (二) 考慮及就退任董事於二零一六年股東週年大會上膺選連任一事向董事會提出建議；
- (三) 檢討董事會架構、人數及組成；及
- (四) 檢討董事為向本公司履行其職責而需付出的時間。

各提名委員會成員於本年度內舉行的會議之出席情況如下：

提名委員會成員

出席次數

葉家海博士	2/2
潘國興先生	2/2
郭嘉立先生	2/2

CORPORATE GOVERNANCE COMMITTEE

The Company has established a corporate governance committee (“Corporate Governance Committee”) with written terms of reference in line with the Code.

The Corporate Governance Committee comprises two INEDs, namely, Mr. Kwok Ka Lap, Alva and Mr. Poon Kwok Hing, Albert, and one Executive Director, namely, Ms. Chan Ling, Eva (Chairman of the Corporate Governance Committee).

企業管治委員會

本公司已成立企業管治委員會(「企業管治委員會」)，並依照守則訂明其書面職權範圍。

企業管治委員會由兩名獨立非執行董事，郭嘉立先生及潘國興先生及一名執行董事，陳玲女士(企業管治委員會主席)組成。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE COMMITTEE (CONTINUED)

The main responsibilities of the Corporate Governance Committee are (i) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; (ii) to review and monitor the training and continuous professional development of Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; and (iv) to review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

During the Year, the Corporate Governance Committee held two (2) meetings:

- (1) to review the Company's practices on corporate governance and the Company's practices in compliance with legal and regulatory requirements;
- (2) to review the Company's compliance with the Code for the year ended 31 December 2015 and for the six months ended 30 June 2016 and disclosures in the Corporate Governance Report and the interim report; and
- (3) to review the training and continuous professional development of Directors.

The attendance of individual members at the meetings of the Corporate Governance Committee held during the Year is set out below:

Members of Corporate Governance Committee

Attendance

Ms. Chan Ling, Eva
Mr. Poon Kwok Hing, Albert
Mr. Kwok Ka Lap, Alva

2/2
2/2
2/2

企業管治委員會 (續)

企業管治委員會之主要職責為(i)制定及檢討本公司企業管治之政策及常規，並向董事會提出建議；(ii)檢討及監察董事及高級管理層之培訓及持續專業發展；(iii)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；及(iv)檢討本公司遵守守則之情況以及在企業管治報告內所作之披露。

於本年度，企業管治委員會舉行了兩(2)次會議：

- (1) 檢討本公司企業管治之常規及本公司在遵守法律及監管規定方面的常規；
- (2) 檢討截至二零一五年十二月三十一日止年度及截至二零一六年六月三十日止六個月本公司遵守守則之情況及於企業管治報告及中期報告內之披露；及
- (3) 檢討董事之培訓及持續專業發展。

各企業管治委員會成員於本年度內舉行的會議之出席情況如下：

企業管治委員會成員

出席次數

陳玲女士 2/2
潘國興先生 2/2
郭嘉立先生 2/2

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities for the Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the financial performance and cash flows for such financial period. In preparing the consolidated financial statements for the Year, the Directors have selected suitable accounting policies and applied them consistently, and made judgments and estimates that are prudent, fair and reasonable. The Directors have prepared the consolidated financial statements for the Year on a going concern basis.

Auditor's Responsibilities and Remuneration

During the Year, the external auditor of the Company received approximately HK\$3,600,000 for audit services and approximately HK\$1,538,000 for interim review and other non-audit services.

The statement of the auditor of the Company regarding their reporting responsibilities is set out in the Independent Auditor's Report on pages 51 to 59.

Risk Management and Internal Controls

The Board acknowledges that it is their responsibility to ensure the Group, setting appropriate policies and maintaining its effectiveness of the internal control and risk management systems. Such systems are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

問責及審核

董事對財務報表之責任

董事須負責編製各財務期間之綜合財務報表，並真實及公平反映於該財政期間本集團之事務、財務表現及現金流量狀況。於編製本年度之綜合財務報表時，董事已選擇及貫徹應用合適之會計政策，並已作出審慎、公平及合理之判斷及估計。董事按持續經營基準編製本年度之綜合財務報表。

核數師之責任及酬金

於本年度內，本公司外聘核數師就其審核服務及中期審閱和其他非審核服務分別收取約3,600,000港元及1,538,000港元。

本公司核數師就其申報責任作出之聲明載於第51頁至第59頁之獨立核數師報告。

風險管理及內部監控

董事會確認其有責任確保本集團制訂適當政策及維護其內部監控及風險管理制度之成效。有系統旨在管理而非消除未能實現業務目標的風險，並僅可就避免重大失實陳述或損失提供合理而非絕對之保證。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (CONTINUED)

Risk Management and Internal Controls (CONTINUED)

On behalf of the Board, the Audit Committee evaluates the effectiveness of the internal control and risk management systems of the Company, the main features including the reliability of financial reporting, effectiveness and efficiency of operations, compliance with applicable laws and regulations, the adequacy of resources, staff qualifications and experience, training programs and budgets as well. The process includes identification, evaluation, management measures and control and review. Meetings are held regularly to review the effectiveness of the internal control and risk management systems, to identify any significant management and operational risks as well as control failings or weaknesses, and also to review the need for any control improvements or updating to respond to changes in the business and external environment.

During the year, the Company has outsourced its internal control audit function to an independent accounting firm to enhance the internal controls. The Audit Committee considers that the internal audit function is adequately resourced and has appropriate standing in the Company. The internal audit function is staffed with persons with relevant qualifications and experience. The Audit Committee also considers that the internal auditor has carried out its function according to appropriate professional standards. The internal control report has been presented and reviewed by the Audit Committee. The Audit Committee was satisfied that there were no significant control failings, weaknesses or significant areas of concern identified during the year which might affect shareholders. It concluded that an adequate and effective internal control system is maintained to safeguard the shareholders' investment and the Group's assets.

問責及審核(續)

風險管理及內部監控(續)

審核委員會代表董事會評估本公司內部監控及風險管理制度之成效，主要特點包括財務報告之可靠性、營運之成效及效率、遵守適用法律法規，以及資源、員工資格及經驗、培訓計劃及預算是否充足。該程序包括識別、評估、管理措施以及監控及審查。本公司定期舉行會議，以審查內部監控及風險管理系統之成效、識別任何顯著之管理及營運風險以及監控失誤或弱點，並審查是否需要對監控進行任何改進或更新以應對業務及外部環境之變化。

於本年度內，本公司已將其內部監控審核職能外判予一間獨立會計師事務所以加強內部監控。審核委員會認為，有關內部審核職能獲得充足資源，且在本公司具有適當地位。內部審核職能之人員具備相關資格及經驗。審核委員會亦認為，內部核數師已按照適當專業準則履行職能。內部監控報告已提交審核委員會審閱。審核委員會信納於本年度內並無重大監控失誤、不足之處或可能會影響股東之相關重要範疇。其結論為公司維持了適當而有效的內部監控制度以保障股東之投資及本集團之資產。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (CONTINUED)

Framework for Disclosure of Inside Information

The Company has adopted a policy on Disclosure of Inside Information which sets out the procedures and internal controls for the handling and dissemination of inside information in a timely manner pursuant to Rules 13.09 and 13.10 of the Listing Rules and the Inside Information Provision under Part XIVA of the Securities and Futures Ordinance.

COMPANY SECRETARY

The Company Secretary is an employee of the Company. During the Year, the Company Secretary had complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS

The Company acknowledges the importance of communicating with Shareholders. The Board has adopted a Shareholders' communication policy setting out formal channels of communication with Shareholders.

The Company maintains continuing communication with Shareholders through a number of channels including financial reports (interim and annual reports), announcements, annual general meetings and other general meetings that may be convened as well as other documents submitted to the Stock Exchange.

Information relating to the Group is available on the Company's website at www.rhh.com.hk.

The Company uses general meetings as a tool to effectively communicate with Shareholders and provide Shareholders with the opportunity of asking questions on any relevant matters.

Shareholders are encouraged to participate in general meetings of the Company or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings.

問責及審核 (續)

內幕消息披露框架

本公司已採納內幕消息披露政策所載列處理及適時發放根據上市規則第13.09條及第13.10條以及證券及期貨條例第XIVA部之內幕消息條文之內幕消息的相關程序及內部監控。

公司秘書

公司秘書為本公司之全職僱員。於本年度內公司秘書已符合上市規則第3.29條之有關專業培訓要求。

與股東之溝通

本公司深明與股東通訊之重要性。董事會已採納股東通訊政策，列載與股東溝通之正式渠道。

本公司透過不同渠道與股東保持溝通，當中包括財務報告（中期及年度報告）、公佈、股東週年大會及其他可能召開之股東大會，以及向聯交所呈交之其他文件。

有關本集團之資料可於本公司網站 www.rhh.com.hk 查閱。

本公司藉股東大會為與股東溝通之有效工具，並提供機會讓股東就任何相關事宜作出提問。

本公司鼓勵股東參與本公司股東大會並於會上投票，如其本身未克出席，亦可委派代表代其出席大會並於會上投票。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS (CONTINUED)

Directors, appropriate management executives and external auditor will be present at annual general meetings of the Company to answer Shareholders' questions.

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to put enquiries to the Board

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. To the extent the requisite information of the Company is publicly available, Shareholders may at any time send enquiry(ies) to the Board in writing by mail to the head office and principal place of business of the Company in Hong Kong at Room 3401, 34th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for the attention of the Company Secretary or by email to info@rhh.com.hk.

Shareholders may also make enquiries with the Board at the general meetings of the Company.

Procedures for Shareholders to convene a special general meeting

Pursuant to Section 74 of the Companies Act 1981 of Bermuda, registered Shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth (10%) of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, may request the Board to convene a special general meeting.

The written requisition must state the purposes of the meeting, and be signed by the requisitioner(s) and deposited at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the Company's head office and principal place of business in Hong Kong, for the attention of the Company Secretary and may consist of several documents in like form, each signed by one or more requisitionists.

與股東之溝通(續)

董事、適當的管理行政人員及外聘核數師將出席本公司之股東週年大會，以回答股東提問。

股東權利

股東向董事會作出查詢之程序

股東可向本公司的香港股份過戶登記分處卓佳秘書商務有限公司(地址為香港皇后大道東183號合和中心22樓)查詢其持有之股權情況事宜。若所需之本公司資料是於可供公眾查閱之範圍內，股東可隨時以書面方式將有關查詢郵寄至董事會，寄交本公司之香港總辦事處及主要營業地點(地址為香港灣仔皇后大道東183號合和中心34樓3401室)並註明公司秘書收啟，或電郵至 info@rhh.com.hk。

股東亦可在本公司之股東大會上向董事會作出查詢。

股東召開股東特別大會之程序

根據百慕達一九八一年公司法第74條，任何於遞交要求日期持有有權在本公司股東大會投票之本公司已繳足股本不少於十分之一(10%)之註冊股東，可要求董事會召開股東特別大會。

書面要求必須列明召開會議之目的，並由有關呈請人簽署及送達本公司註冊辦事處(地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda)及本公司之香港總辦事處及主要營業地點，並註明公司秘書收啟。該書面要求可由數份相同格式及每份由一名或多名呈請人簽署之文件組成。

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for Shareholders to convene a special general meeting (CONTINUED)

The requisition will be verified with the Company's branch share registrar in Hong Kong and upon confirmation that the request is proper and in order, the Company Secretary will arrange with the Board to convene a special general meeting by serving sufficient notice to all Shareholders in accordance with the requirements set out in the Listing Rules and the Bye-Laws.

In the event that the requisition has been verified as not in order, the requisitionist(s) concerned will be advised of this outcome and accordingly, a special general meeting will not be convened as requested.

If the Board does not within twenty-one (21) days from the date of the deposit of a valid requisition, proceed duly to convene a meeting, the requisitionist(s), or any of them representing more than one half (50%) of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date of deposit of the requisition. A general meeting so convened by the requisitionist(s) shall be convened in the same manner, as nearly as possible as that in which meetings are to be convened by the Board.

股東權利 (續)

股東召開股東特別大會之程序 (續)

有關要求將由本公司的香港股份過戶登記分處核實，在確認為適當及符合程序後，公司秘書將與董事會安排召開股東特別大會，並根據上市規則及公司細則規定給予所有股東充分通知期。

若要求經核實為不符合程序，有關呈請人將獲知會結果，而股東特別大會亦不會按要求召開。

倘董事會並無於有效之遞交要求日期起計二十一(21)日內召開會議，則呈請人(或當中持有彼等總投票權半數以上(50%)之任何人士)可自行召開會議，惟按此方式召開之任何股東大會不得於上述遞交要求日期起三個月屆滿後舉行。呈請人依此召開之股東大會須盡可能以接近本公司召開會議之方式召開。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for Shareholders to put forward proposals at general meetings

Pursuant to Section 79 of the Companies Act 1981 of Bermuda, either (i) any number of registered Shareholders representing not less than one-twentieth (5%) of the total voting rights of all Shareholders having at the date of the requisition a right to vote at the general meeting of the Company to which the requisition relates; or (ii) not less than one hundred (100) of such Shareholders, can submit a requisition in writing to the Company:

- (a) to give to Shareholders entitled to receive notice of next annual general meeting notice of any resolution (other than a proposal for election as a Director) which may properly be moved and is intended to be moved at that meeting; and
- (b) to circulate Shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand (1,000) words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The written requisition must be signed by the requisitionist(s) (may consist of one or several documents in like form, each signed by one or more requisitionists) and deposited at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the Company's head office and principal place of business in Hong Kong, for the attention of the Company Secretary with a sum reasonably sufficient to meet the Company's relevant expenses and not less than six (6) weeks before the annual general meeting in case of a requisition requiring notice of resolution or not less than one (1) week before the general meeting in case of any other requisition. Provided that if an annual general meeting is called for a date six (6) weeks or less after the requisition has been deposited, the copy though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

股東權利(續)

股東於股東大會上提呈議案之程序

根據百慕達一九八一年公司法第79條，(i)於遞交要求日期持有有權在本公司股東大會投票的總投票權不少於二十分之一(5%)之註冊股東；(ii)或不少於一百(100)名有關登記股東，可向本公司提交書面要求：

- (a) 向有權接收下一屆股東週年大會通告之股東發出通知，以告知任何可能於該大會上正式動議及擬於會上動議之決議案(不包括提名候選董事之動議)；及
- (b) 向有權接收任何股東大會通告之股東傳閱不超過一千(1,000)字之陳述書，以告知於該大會上提呈之決議案所述事宜或將處理之事項。

書面要求必須經由呈請人簽署，且可由數份相同格式及每份由一名或多名呈請人簽署之文件組成，及送達本公司註冊辦事處(地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda)及本公司之香港總辦事處及主要營業地點，並註明公司秘書收啟。該要求連同繳存合理及足夠款項用以支付公司相關支出，及(倘為要求決議案通知之呈請)須於股東週年大會舉行前不少於六(6)週送達或(倘為任何其他呈請)須於股東大會舉行前不少於一(1)週送達。惟倘在送達須發出決議案通知要求後六(6)週或較短期間內之某一日召開股東週年大會，則該要求雖未有在規定時間內送達，就此而言亦將被視為已妥善送達。

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for Shareholders to put forward proposals at general meetings (CONTINUED)

The requisition will be verified with the Company's branch share registrar in Hong Kong and upon confirmation that the request is proper and in order, the Company Secretary will arrange with the Board to include the resolution in the agenda for the annual general meeting or circulating the statement for the general meeting.

In the event that the requisition is not in order or the requisitioner(s) concerned have failed to deposit sufficient money to meet the Company's expenses for the said purpose, the requisitioner(s) concerned will be advised of this outcome and accordingly, the proposed resolution will not be included in the agenda for the annual general meeting or the statement will not be circulated for the general meeting.

Procedures for Shareholders to propose a person for election as a Director

As regards the procedures for proposing a person for election as a Director, please refer to the procedures made available on the Company's website at www.rhh.com.hk.

CONSTITUTIONAL DOCUMENTS

No amendments were made to the Company's Memorandum of Association and Bye-Laws during the Year.

股東權利 (續)

股東於股東大會上提呈議案之程序 (續)

有關要求將由本公司的香港股份過戶登記分處核實，待確認為適當及符合程序後，公司秘書將與董事會安排有關決議案納入股東週年大會之議程內或在股東大會傳閱有關陳述書。

若要求經核實為不符合程序或繳存款項不足夠用以支付公司上述目的之支出，有關呈請人將獲知會結果，而提呈之決議案將不獲納入股東週年大會之議程內，亦不會在股東大會傳閱有關陳述書。

股東提名候選董事之程序

有關股東提名候選董事之程序，請瀏覽本公司網站www.rhh.com.hk登載之程序。

章程文件

本公司於本年度內並無修訂組織章程大綱及公司細則。

Environmental, Social and Governance Report

環境、社會及管治報告

Rosedale Hotel Holdings Limited and its subsidiaries (collectively “Group”) is committed to maintain good corporate governance, and aim to integrate corporate social responsibility (“CSR”) into its business strategy and management approach if possible. This report aims to provide an overview of the Group’s efforts regarding environmental, social and governance impacts arising from its daily operations, so as to achieve the organic unity of economic profitability, social benefits and eco-friendliness.

ENVIRONMENTAL PROTECTION

Emissions, Use of Resources and Environment and Natural Resources

Recognising that the development of each enterprise may affect the eco-environment, the Group understands the interdependency between our operations and the natural environment, we concede our responsibility to protect the environment from our business activities and services, and further seek to identify and manage environment impacts attributable to its operational activities, in order to minimise these impacts if possible.

The Group’s approach aims at rationalising the use of raw materials, including water and energy, reducing the volume of wastes and improving waste management, adopting a more ecological purchasing policy and improving logistics. At the same time, the Group commits to the principle and practice of recycling and waste reducing. To help conserve the environment, it implements green office practices such as re-deployment of office furniture as far as possible, encourage use of recycled paper for printing and copying, double-sided printing and copying, reduce energy consumption by switching off idle lightings, air conditioning and electrical appliances. Data on printing is regularly collected and assessed, to monitor the efficiency of use of resources.

In the hotel operation, air conditioning and lighting are the main contributors to the Group’s carbon footprint, the Group has stepped up its efforts in environmental initiatives to maximise energy conservation, by promoting efficient use of resources, energy saving and emission. For instance, LED energy-saving lighting and automatic induction taps are installed, and shower gel bottles are reused after special hygiene treatment. The Group also educates its employees on awareness in promoting a “green” environment, making them aware of the importance of environmental issues.

During the year ended 31 December 2016, the Group was not subject to any environmental penalty.

珀麗酒店控股有限公司及其附屬公司(統稱「本集團」)致力維持良好的企業管治,以及旨在於可行情況將企業社會責任(「企業社會責任」)融入其業務策略及管理模式當中。本報告旨在概述本集團在日常營運中推行造福環境、社會及管治之工作,從而達到經濟效益、社會效益及生態環境之自然整合。

保護環境

排放物、資源使用和環境及天然資源

本集團明白企業發展可能影響生態環境,亦深明旗下營運與自然環境之間相互依存的關係,我們務須推動旗下業務活動及服務體現環保精神,並致力找出及管理其經營活動對環境造成之影響,力求將相關影響減至最低。

本集團之方針旨在節約原材料(包括水及能源)之使用,減少廢物量,改善廢物管理,採取更能保護生態之採購政策及改善物流。與此同時,本集團恪守循環再用及減廢之原則並致力推行相關措施。為協助保護環境,集團推行環保辦公室措施,如盡可能重新安置辦公室傢俱、鼓勵使用循環再用紙張作列印及複印、鼓勵雙面列印及複印,以及透過關閉閒置之照明、空調及電器減少能源消耗。本集團定時收集及評估有關列印之數據,以監察資源使用之效率。

酒店營運方面,本集團之碳足跡主要源自空調及照明。本集團已加緊推行環保工作,透過提倡有效運用資源、節能及減排而致力節約能源。例如,裝置LED節能照明及全自動感應水龍頭,並將沐浴露瓶作特別衛生處理程序後循環再用。本集團亦教導員工促進「綠色」環境的意識,使到員工更為關注環保事宜的重要性。

於截至二零一六年十二月三十一日止年度,本集團並無被徵收任何有關環保規定之罰款。

Environmental, Social and Governance Report

環境、社會及管治報告

SOCIAL

(i) Relationship with Major Stakeholders

The Group has consistently maintained open communication with its employees, customers, suppliers, shareholders and other stakeholders. It endeavors to achieve the sustainable development of the Company through creating a favorable working environment for its employees and developing mutually beneficial relationship with major stakeholders.

The Group values its employees as an important asset, arranges and adjusts its structure according to the needs of its business development. Employees are remunerated equitably and competitively. Details of continuing training and development opportunities provided to them are set out in the “Workforce” and “Sustainable Development of Employees” sections below.

The Group is committed to provide full range of excellent customer services to its customers. For details, please refer to the “Customer Services and Protection of Data” section below.

The Group uses suppliers that reflect its values and commitment and maintains a solid relationship with them. For details, please refer to the “Supply Chain Management” section below.

The Group continues to engage and maintains ongoing dialogues with its shareholders. For details, please refer to the “Communication with Shareholders” on pages 29 to 30 of the Corporate Governance Report.

社會

(i) 與主要持份者之關係

本集團一直與其僱員、客戶、供應商、股東及其他持份者維持坦誠溝通。其透過為僱員營造良好工作環境並且與主要持份者建立互惠關係，從而致力實現本公司之可持續發展。

本集團視僱員為寶貴資產，並因應旗下業務發展之需要而調動及調整其架構。僱員獲得公平及具競爭力的薪酬。向僱員提供持續培訓及發展機會之詳情載於下文「員工」及「僱員之可持續發展」兩節。

本集團致力向其客戶提供全面的優秀客戶服務。詳情請參閱下文「客戶服務及保障資料」一節。

本集團所選用之供應商反映出集團之價值觀及承諾，而本集團與供應商之間維持穩固合作關係。詳情請參閱下文「供應鏈管理」一節。

本公司與其股東保持持續的對話。詳情請參閱企業管治報告第29頁至第30頁「與股東之溝通」一節。

Environmental, Social and Governance Report

環境、社會及管治報告

SOCIAL (CONTINUED)

(ii) Workforce

Recognising the importance of human capital in supporting our operations, the Group has a diverse workforce in terms of gender and age, providing a variety of ideas and levels of competency that contribute to achieve the Group's success. Various communication channels are also in place for the Group and our colleagues to discuss, respond to and resolve issues of concern. In fact, the Group is firmly committed to gender equality, and therefore particularly encourages female participation at managerial and operational levels.

The management believes that people are important assets for the Group, and remains committed to attracting and retaining talent with diverse backgrounds for achieving sustainable growth. Staff turnover rate among managerial positions is relatively low, reflecting a high level of employee satisfaction and engagement with the Group.

(iii) Health and Safety

Maintaining a safe, healthy and hygienic environment across our operations is the fundamental principle of the Group. Our obligations extend not only to our own employees but also to our customers and anyone who legitimately enters our facilities. Adequate arrangements, training courses and guidelines are implemented for promoting occupational health and safety. An office memo on occupational health and safety is issued to each staff member as they commence employment.

The Group reactively identifies potential occupational hazards to reduce staff exposure to accidents. For instance, all restaurants staff are required to wear antiskid shoes and anti-cutting gloves to prevent injuries. The Group is pleased to report that the rate of accidents and injuries during the year ended 31 December 2016 was extremely low.

社會 (續)

(ii) 員工

本集團深明人才對支持營運極其重要，員工團隊在性別及年齡方面均達致多元化，多元化裨益在於提供各種構思及不同能力，有助本集團成功。本集團亦設有不同的溝通渠道與員工進行討論、回應及解決彼此間關注之議題。事實上，本集團恪守男女平等原則，因此特別鼓勵女性員工在管理層及營運層面上之參與。

管理層相信，員工乃本集團之寶貴資產，並致力吸引及挽留來自不同背景的优秀員工，以取得持續增長。管理層的員工流失率相對較低，反映員工對本集團有歸屬感，並樂於在本集團工作。

(iii) 健康及安全

維持旗下各項營運安全、健康而衛生之環境，是本集團之基本原則。為此我們肩負之責任不只涵蓋員工，亦同時擴展至顧客及任何依法進入旗下設施之人士。集團已推行適當的安排、培訓課程及指引以促進職業健康及安全。於入職時，每名員工均獲發職業健康與安全的辦公室備忘錄。

本集團積極地識別潛在的職業性風險，以減低員工發生意外的機會。例如，所有餐廳員工須穿防滑鞋及防切傷手套，以防受傷。本集團欣然匯報，截至二零一六年十二月三十一日止年度內發生意外及受傷事故之比率極低。

Environmental, Social and Governance Report

環境、社會及管治報告

SOCIAL (CONTINUED)

(iii) Health and Safety (CONTINUED)

The Group values the health and wellbeing of staff. In order to provide employees with health coverage, staff are entitled to benefits including medical insurance and other competitive fringe benefits.

(iv) Sustainable Development of Employees

Recognising the importance of skilled and professional trained employees to its business growth and future success, as well as the learning and self-enrichment are the principal methods to equip employees with sustainable values, the Group is responsible for providing opportunities for its employees for continuous improvement. Various training courses are regularly conducted to promote occupational safety, personal and food hygiene, fire and emergency response, first aid and customer serving skills.

OPERATING PRACTICES

(i) Customer Service and Protection of Data

The Group delivers consistently high quality customer services by its experienced and well-trained customer services executives. In this regard, the Group values the comments and suggestions of its customers via different channels. During the year ended 31 December 2016, the Group has adopted a customer satisfaction survey by conducting questionnaire to further understand the views and ratings by its customers in respect of business operation and customer service. Accordingly, a clear analysis can be reached and feedback and improvement measures can be timely reflected and proposed to relevant departments so as to raise the satisfaction and loyalty of the customers.

社會(續)

(iii) 健康及安全(續)

本集團關心員工之健康和生活的。為了讓僱員得到健康保障，員工可享有之福利包括醫療保險及其他具競爭力之福利待遇。

(iv) 僱員之可持續發展

本集團深明具備熟練技能及經專業受訓之員工為帶領業務增長及未來成功的關鍵，而學習及自我增值是讓員工掌握可持續發展價值之主要方法，因此，本集團負責為員工提供精益求精之增值機會。本集團定期舉辦各項培訓課程，以加強員工之職業安全、個人及食物衛生、火警及緊急事故應對、急救及客戶服務技巧。

營運常規

(i) 客戶服務及保障資料

本集團一直由經驗豐富及訓練有素之客戶服務主任提供優秀的客戶服務。就此而言，本集團重視其客戶經不同渠道提供之意見及建議。於截至二零一六年十二月三十一日止年度，本集團以問卷調查之方式進行客戶滿意度調查，以進一步掌握客戶對業務營運及客戶服務之意見及評分。因此，可得出清晰的分析並可適時地反思收到之回應並向相關部門提出改善措施，從而提升客戶之滿意度及忠誠度。

Environmental, Social and Governance Report

環境、社會及管治報告

OPERATING PRACTICES (CONTINUED)

(i) Customer Service and Protection of Data (CONTINUED)

The Group places the highest importance on protecting the privacy of its customers in the collection, processing and use of their personal data. The Group adheres to the applicable data protection regulations and ensures appropriate technical measures are in place to protect personal data against unauthorised use or access. The Group also ensures that customers' personal data is securely kept and processed only for the purpose for which it has been collected. Staff are provided with adequate training in compliance with applicable laws on data privacy protection, to increase their awareness of safeguarding personal data.

(ii) Supply Chain Management

Most of the Group's procurements have undergone a tender process. The Group implements a just and fair tender process to ensure adequate competition and adopts a series of assessment methods in relation to supplier management to ensure the quality of its supplied products and services during performance process. The Group values mutually beneficial and longstanding relationships with our suppliers. The Group works closely with a number of suppliers in providing a range of hospitality goods, including guestroom consumables, tableware, furniture, and foods and beverages. Whilst meeting our financial and quality requirements, the Group makes preference to source locally and from sustainable sources in order to support the local communities and environment and, in the process to reduce our carbon and water footprints, with the goal of minimising the negative environment and social impacts of the procurement decisions of the Group.

During the year ended 31 December 2016, there was no material and significant dispute between the Group and its suppliers and/or other stakeholders.

營運常規 (續)

(i) 客戶服務及保障資料 (續)

本集團在收集、處理及使用所有客戶的個人資料過程中，對保障客戶私隱給予最高度的重視。本集團嚴守適用的資料保護法例並確保設立適當之技術措施，保障個人資料免被未經授權挪用或存取。本集團亦確保客戶個人資料獲安全妥善地保存，並只會按收集時指定的用途使用。本集團根據保護私隱資料的適用法例向員工提供充足培訓，以提高彼等對保護個人資料的意識。

(ii) 供應鏈管理

本集團大部份的採購均通過招標進行。本集團採用不偏不倚的招標程序，確保充分競爭，並實施一系列供應商管理評核方法，以確保其在履約過程中供應產品與服務的品質。本集團重視其與供應商之間長久以來的互惠合作關係。本集團與多家供應商在一系列款待商品之供應上緊密合作，包括客房消耗品、餐具、傢俱，以及食物和飲品。在符合本身對財務及質素之要求的同時，本集團優先於本地以及從可持續的供應來源選購產品，達致支持本地社區及環境之目的，並且在過程中減少碳足跡及水足跡，務求將本集團之採購決定對環境及社會可能造成之負面影響減至最低。

於截至二零一六年十二月三十一日止年度，本集團與其供應商及／或其他持份者之間並無重大及重要之爭議。

Environmental, Social and Governance Report

環境、社會及管治報告

OPERATING PRACTICES (CONTINUED)

(iii) Anti-Corruption/Compliance with the Relevant Laws and Regulations

Practising integrity and respectable business ethics is paramount to the Group's continued success. In order to build up an ethical corporate culture and practices, the Group has established policies and procedures for preventing corruption and money laundering. The policies and procedures are reviewed and updated periodically to ensure appropriateness and compliance with the law.

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations, which have significant impact on the Group. Our Corporate Governance Committee is delegated by the Board to monitor the Group's policies and practices on compliance with legal and regulatory requirements and such policies were regularly reviewed. The Group firmly believes good corporate governance is fundamental in ensuring that it is well managed in the interest of all of our stakeholders. Hence, the Group will continue to seek to identify and formalise best practices for adoption.

During the year ended 31 December 2016, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

營運常規 (續)

(iii) 反貪腐／遵守相關法律法規 (續)

堅守誠信和維持高水平的商業道德標準是本集團持續成功之道。為了建立合乎商業倫理之企業文化及常規，本集團已制訂防止貪污及洗黑錢之政策及程序。集團定期檢討及更新相關政策及程序，確保其合適並符合法律規定。

本集團已訂立合規程序，以確保恪守對其產生重大影響之適用法律、規則及規例。企業管治委員會獲董事會授權，負責監察本集團有關遵守法律及監管規定之政策及常規，而有關政策乃定期檢討。本集團堅信，優良企業管治極為重要，其可確保集團得到完善管理以符合全體持份者之利益。因此，本集團將繼續致力尋求及制訂最佳常規以供採納。

於截至二零一六年十二月三十一日止年度，本集團並無嚴重違反或未有遵守適用法律法規之情況。

Report of the Directors

董事會報告

The directors of the Company (“Directors”) present their report and the audited consolidated financial statements of the Company and its subsidiaries (collectively, “Group”) for the year ended 31 December 2016 (“Year”).

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its principal subsidiaries are engaged in the business of hotel operation and trading of securities. Particulars of the Company’s principal subsidiaries as at 31 December 2016 are set out in note 39 to the consolidation financial statements of this annual report.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 60 and 61 of this annual report.

The board of Directors of the Company (“Board”) has resolved not to recommend a final dividend for the Year (2015: Nil).

BUSINESS REVIEW

A fair review of the business, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year 2016 and a discussion on future development in the Group’s business are set out in the Management Discussion and Analysis on pages 2 to 9 of this annual report.

Discussion on the Group’s environmental policies and compliance with the relevant laws and regulation which have a significant impact on the Group are contained in the Environmental, Social and Governance Report on pages 34 to 39 of this annual report.

FINANCIAL SUMMARY

A financial summary of the Group for the past five years is set out on page 169 of this annual report.

本公司董事（「董事」）謹提呈本公司及其附屬公司（統稱「本集團」）截至二零一六年十二月三十一日止年度（「本年度」）之報告及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。其主要附屬公司從事酒店經營及證券買賣。本公司於二零一六年十二月三十一日的主要附屬公司之資料載於本年報綜合財務報表附註39。

業績及派息

本集團本年度之業績載於本年報第60頁及第61頁之綜合損益及其他全面收益表。

本公司董事會（「董事會」）已決議不建議派發本年度之末期股息（二零一五年：無）。

業務回顧

對本集團業務之中肯審視、面對之主要風險及不明朗因素的描述、於二零一六年財政年度結束後發生並對本集團有影響之重大事件之詳情，以及有關本集團之未來業務發展的討論載於本年報第2頁至第9頁之管理層論述及分析。

有關本集團環保政策以及對本集團有重大影響之相關法律法規的遵守情況之討論載於本年報第34頁至第39頁之環境、社會及管治報告。

財務概要

本集團過往五年之財務概要載於本年報第169頁。

Report of the Directors

董事會報告

SHARE CAPITAL

Details of the movements in the share capital of the Company during the Year are set out in note 29 to the consolidated financial statements of this annual report.

DISTRIBUTABLE RESERVES OF THE COMPANY

In addition to the accumulated profits, under the Companies Act 1981 of Bermuda, contributed surplus is also available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

In the opinion of the Directors, the reserves of the Company which were available for distribution to shareholders of the Company ("Shareholders") at 31 December 2016 were Nil (2015: HK\$90,458,000).

BORROWINGS

Details of borrowings of the Group as at 31 December 2016 are set out in note 27 to the consolidated financial statements of this annual report.

PROPERTY, PLANT AND EQUIPMENT

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

PARTICULARS OF PROPERTIES OF THE GROUP

Particulars of the properties of the Group as at 31 December 2016 are set out on pages 170 to 172 of this annual report.

股本

本公司股本於本年度內之變動詳情載於本年報綜合財務報表附註29。

本公司可供分派儲備

除累計溢利外，根據百慕達一九八一年公司法，繳入盈餘亦可供分派。然而，本公司不可以繳入盈餘宣派或派付股息或從中作出分派，倘：

- (a) 現時或於作出分派後無法償還其到期負債；或
- (b) 其資產之變現價值將因此少於其負債以及其已發行股本及股份溢價賬之總和。

董事認為，本公司於二零一六年十二月三十一日可供分派予本公司股東（「股東」）之儲備為零（二零一五年：90,458,000港元）。

借貸

本集團於二零一六年十二月三十一日之借貸詳情載於本年報綜合財務報表附註27。

物業、機器及設備

本集團於本年度內之物業、機器及設備之變動詳情載於本年報綜合財務報表附註15。

本集團之物業詳情

本集團於二零一六年十二月三十一日之物業詳情載於本年報第170頁至第172頁。

Report of the Directors

董事會報告

DIRECTORS

The Directors during the Year and up to the date of this report are:

Executive Directors:

Dr. Yap, Allan (*Chairman*)

Ms. Chan Ling, Eva (*Managing Director*)

Mr. Chan Pak Cheung, Natalis

Independent Non-executive Directors:

Mr. Kwok Ka Lap, Alva

Mr. Poon Kwok Hing, Albert

Mr. Sin Chi Fai

In accordance with Bye-Law 99 of the Bye-Laws of the Company (“Bye-Laws”) and Code Provision A.4.2 of the Corporate Governance Code (“Code”) contained in Appendix 14 to the Rules Governing the Listing of the Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), Mr. Chan Pak Cheung, Natalis and Mr. Poon Kwok Hing, Albert shall retire from office by rotation at the 2017 annual general meeting of the Company (“2017 AGM”) and, being eligible, have offered themselves for re-election.

DIRECTORS’ SERVICE CONTRACTS

None of the Directors being proposed for re-election at the 2017 AGM has a service contract with the Group which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-Laws and subject to the provisions of the statutes, the Directors shall be entitled to be indemnified out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may sustain or incur in or about the execution of the duty of their respective offices or in relation thereto. The Company has arranged appropriate Directors and officers liability insurance for the Directors and officers of the Group during the Year.

董事

於本年度及截至本報告日期，董事如下：

執行董事：

葉家海博士(主席)

陳玲女士(董事總經理)

陳百祥先生

獨立非執行董事：

郭嘉立先生

潘國興先生

冼志輝先生

根據本公司之公司細則(「公司細則」)第99條及香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「守則」)之守則條文第A.4.2條，陳百祥先生及潘國興先生將於本公司二零一七年股東週年大會(「二零一七年股東週年大會」)上輪席退任，惟彼等符合資格並願意膺選連任。

董事之服務合約

擬於二零一七年股東週年大會上膺選連任之董事，概無與本集團訂立不可於一年內由僱用公司毋須作出賠償(法定賠償除外)之情況下終止之服務合約。

獲准許彌償條文

根據公司細則以及在法規條文的規限下，董事有權就關於執行彼等各自之職務或與此相關者之一切而令彼等或彼等當中任何人士可能承擔或面對之所有訴訟、費用、支出、損失、損害及開支而獲得以本公司之資產作出之彌償保證。於本年度，本公司已為董事及本集團之行政人員安排適當的董事及行政人員責任保險。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 34 to the financial statements headed "Related Party Transactions" of this annual report, no transactions, arrangements or contracts of significance to which the Company, or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interests, whether directly or indirectly, subsisted at the end of 2016 or at any time during the Year.

MANAGEMENT CONTRACTS

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

SHARE OPTION SCHEME

The Company adopted a share option scheme ("Scheme") on 30 May 2013 and is valid and effective for a period of 10 years commencing on 3 June 2013 (the date on which the last condition to the Scheme was satisfied) until 2 June 2023, subject to early termination by the Company in general meeting or by the Board.

The total number of shares in respect of which options may be granted under the Scheme, when aggregated with any shares subject to any other schemes of the Company, is not permitted to exceed 10% of the shares of the Company in issue on the date of adoption of the Scheme ("Scheme Mandate Limit") unless the Company obtains an approval from Shareholders in a general meeting to refresh the Scheme Mandate Limit provided that the Scheme Mandate Limit so refreshed must not exceed 10% of the shares of the Company in issue as at the date of approval of refreshment by Shareholders. Nevertheless, the maximum number of shares of the Company which may be issued upon exercise of all outstanding options granted and not yet exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the issued shares of the Company from time to time.

董事於重要交易、安排或合約之權益

除載於本年報綜合財務報表附註34「關連交易」所披露外，於二零一六年年結時或於本年度內任何時間，概無本公司或其任何附屬公司所訂立而董事或與董事有關連的實體於當中直接或間接擁有重大權益之重要交易、安排或合約。

管理合約

於本年度，概無訂立或存在任何有關涉及管理及經營本集團全部或任何重大部分業務之合約。

購股權計劃

本公司於二零一三年五月三十日採納了一項購股權計劃（「計劃」）。計劃於二零一三年六月三日（計劃之最後一項條件達成之日期）起計十年內有效至二零二三年六月二日止，惟若本公司在股東大會上或董事會提早終止除外。

根據計劃及本公司任何其他購股權計劃可予授出之所有購股權獲行使時而可予發行之股份總數，不得超過於採納計劃當日本公司已發行股份之10%（「計劃授權限額」），除非本公司獲得股東於股東大會上批准更新計劃授權限額，惟據此更新之計劃授權限額不得超過股東批准更新當日本公司已發行股份之10%。儘管而言，根據計劃及本公司任何其他購股權計劃授出而尚未行使之所有購股權獲行使時可予發行本公司之最高股份數目，不得超過本公司不時已發行股份之30%。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (CONTINUED)

The number of shares of the Company in respect of which options may be granted under the Scheme and other share option scheme(s) of the Company to any Participant in aggregate in any 12-month period up to and including the date of such grant is not permitted to exceed 1% of the shares of the Company in issue. Any grant of further options above this limit shall be subject to the requirements under the Listing Rules.

Where any grant of options to a substantial shareholder of the Company or any Independent Non-executive Director, or any of their respective associates (as defined in the Listing Rules), would result in the number of shares issued and to be issued upon exercise of all options already granted and to be granted to such person in 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the shares of the Company in issue, and
- (ii) having an aggregate value, based on the closing price of the shares of the Company on the date of each grant in excess of HK\$5 million,

such grant of options shall be subject to approval of Shareholders in general meeting in accordance with the Listing Rules.

The subscription price of the options under the Scheme will be a price determined by the Board, in its absolute discretion, but in any case will not be lower than the highest of

- (i) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a trading day;
- (ii) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; and
- (iii) the nominal value of a share of the Company on the date of grant.

購股權計劃(續)

根據計劃及本公司其他購股權計劃可授予任何參與者之本公司股份總數於截至有關授出當日(包括該日)止的任何十二個月期間內,不得超過授出當日本公司已發行股份之1%。倘授出超過上述限額之購股權,則必須遵守上市規則之規定。

倘向本公司主要股東或任何獨立非執行董事或彼等各自之聯繫人(定義見上市規則)授出購股權,並將導致該有關人士於截至有關授出當日止(包括該日)之十二個月期間內所有已獲授予及將獲授予之購股權予以行使後所發行及將予發行之股份數目:

- (i) 佔本公司已發行股份合共超過0.1%; 及
- (ii) 本公司股份按各授出日期之收市價計算的總值超過5,000,000港元,

上述授出購股權須根據上市規則獲本公司的股東在股東大會上批准,方可進行。

根據計劃之購股權之認購價,將由董事會全權酌情釐定之價格,惟無論如何不會低於:

- (i) 股份於授出日期(必須為交易日)在聯交所每日報價表所報本公司股份之收市價;
- (ii) 股份於緊接授出日期前五個交易日在聯交所每日報價表所報本公司股份之平均收市價; 及
- (iii) 本公司股份於授出日期之面值(以最高者為準)。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (CONTINUED)

No options were granted under the Scheme since its adoption and up to the date of this report.

The total number of shares of the Company available for issue under the Scheme is 65,767,587 shares, representing 8.33% of the issued share capital of the Company as at the date of this report.

Further details of the Scheme are set out in note 30 to the consolidated financial statements of this annual report.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in “Share Option Scheme” above, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and neither the Directors nor any of their spouses or children under the age of 18 had any right to subscribe for the securities of the Company or had exercised any such right during the Year.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2016, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) (a) as recorded in the register required to be kept under section 352 of the SFO; or (b) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) set out in Appendix 10 to the Listing Rules.

EQUITY-LINKED AGREEMENTS

No equity-linked agreements that will or may result in the Company issuing shares or that requires the Company to enter into an agreement that will or may result in the Company issuing shares, were entered into by the Group during the Year or existed at the end of 2016.

購股權計劃(續)

自該計劃採納起至本報告日期為止，概無根據該計劃授出購股權。

根據計劃可予發行的本公司股份總數為65,767,587股，佔本公司於本報告日期之已發行股本的8.33%。

該計劃之進一步詳情載於本年報綜合財務報表附註30。

購買股份或債券之安排

除上文「購股權計劃」所披露者外，於本年度，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉收購本公司或任何其他法人團體之股份或債券而獲益。董事或其任何配偶或其未滿18歲的子女於本年度概無擁有購買本公司證券之權利或行使該等之權利。

董事之股份、相關股份及債券權益

於二零一六年十二月三十一日，概無董事於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債券中擁有權益或淡倉，而該等權益或淡倉(a)一如根據證券及期貨條例第352條須予備存之登記冊所記錄者；或(b)依據上市規則附錄十之上市發行人董事進行證券交易的標準守則(「標準守則」)通知本公司及聯交所。

股票掛鈎協議

於本年度或於二零一六年年結時，本公司概無訂立任何將會或可導致本公司發行股份的股票掛鈎協議，或要求本公司訂立任何協議將會或可導致本公司發行股份的股票掛鈎協議。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at 31 December 2016, interests of the Directors, other than independent non-executive Directors, in competing businesses required to be disclosed pursuant to Rule 8.10 of the Listing Rules were as follows:

董事於有競爭性業務之權益

於二零一六年十二月三十一日，根據上市規則第8.10條須予披露董事（獨立非執行董事除外）有競爭性業務之權益如下：

Name of Director	Name of entity which businesses are considered to compete or likely to compete with the businesses of the Group	Description of businesses of the entity which are considered to compete or likely to compete with the businesses of the Group	Nature of interest of the Director in the entity
董事名稱	其業務被視為與本集團之業務有競爭性或可能有競爭性之實體名稱	其業務被視為與本集團之業務有競爭性或可能有競爭性之實體簡述	董事於該實體之權益性質
Dr. Yap, Allan	Master Glory Group Limited (formerly known as Hanny Holdings Limited) and its subsidiaries	Trading of securities	An executive director and a substantial shareholder
葉家海博士	凱華集團有限公司（前稱錦興集團有限公司）及其附屬公司	證券買賣	執行董事及主要股東

As the Board is independent from the boards of the above mentioned entities, the Group is capable of carrying on its business independently of, and at arm's length from the business of those entities.

由於董事會獨立於上述實體之董事會，故本集團有能力獨立於此等實體按公平基準經營其業務。

Report of the Directors

董事會報告

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2016, the interests or short positions of persons, other than Directors, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

主要股東及其他人士於股份及相關股份之權益

於二零一六年十二月三十一日，根據證券及期貨條例第336條而備存之登記冊所載，董事以外人士於本公司股份及相關股份中擁有的權益或淡倉如下：

Name of Shareholder 股東名稱	Long position/ Short position 好倉／淡倉	Capacity/ Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本之概約百分比
(a) Master Glory Group Limited ("MGG") (formerly known as Hanny Holdings Limited) (Note 1) 凱華集團有限公司(「凱華集團」) (前稱錦興集團有限公司)(附註1)	Long position 好倉	Interest of controlled corporation 受控制公司之權益	148,506,000 148,506,000	18.82% 18.82%
Master Glory Group (B.V.I.) Limited ("MGG BVI") (formerly known as Hanny Magnetics (B.V.I.) Limited) (Note 1)	Long position	Interest of controlled corporation	148,506,000	18.82%
Master Glory Group (B.V.I.) Limited (「MGG BVI」) (前稱Hanny Magnetics (B.V.I.) Limited)(附註1)	好倉	受控制公司之權益	148,506,000	18.82%
Master Glory Investment Group Limited ("MGIG") (formerly known as Hanny Investment Group Limited) (Note 1)	Long position	Interest of controlled corporation	148,506,000	18.82%
凱華投資集團有限公司 (「凱華投資集團」) (前稱Hanny Investment Group Limited)(附註1)	好倉	受控制公司之權益	148,506,000	18.82%

Report of the Directors

董事會報告

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

主要股東及其他人士於股份及相關股份之權益(續)

Name of Shareholder 股東名稱	Long position/ Short position 好倉/淡倉	Capacity/ Nature of interest 身份/權益性質	Number of shares held 所持股份數目	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本之概約百分比
Leaptop Investments Limited ("Leaptop") (Note 1)	Long position	Interest of controlled corporation	148,506,000	18.82%
Leaptop Investments Limited ("Leaptop") (附註1)	好倉	受控制公司之權益	148,506,000	18.82%
Asia Will Limited ("AWL") (Note 1)	Long position	Beneficial owner	148,506,000	18.82%
得普有限公司("得普") (附註1)	好倉	實益擁有人	148,506,000	18.82%
(b) China Enterprises Limited ("CEL") (Note 2)	Long position	Interest of controlled corporation	48,660,424	6.17%
China Enterprises Limited ("CEL") (附註2)	好倉	受控制公司之權益	48,660,424	6.17%
Cosmos Regent Ltd. (Note 2)	Long position	Beneficial owner	43,325,554	5.49%
Cosmos Regent Ltd. (附註2)	好倉	實益擁有人	43,325,554	5.49%

Notes:

- AWL, which held 148,506,000 shares of the Company, was a wholly-owned subsidiary of Leaptop which was in turn a wholly-owned subsidiary of MGIG. MGIG was a wholly-owned subsidiary of MGG BVI which was in turn wholly-owned by MGG. Accordingly, Leaptop, MGIG, MGG BVI and MGG were deemed to be interested in 148,506,000 shares of the Company held by AWL.
- CEL was deemed to be interested in 48,660,424 shares of the Company through its interest in its wholly-owned subsidiaries, Cosmos Regent Ltd. and Million Good Limited, which held 43,325,554 shares of the Company and 5,334,870 shares of the Company respectively.

Save as disclosed above, as at 31 December 2016, the Company had not been notified of any other persons who had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

附註:

- 得普乃Leaptop之全資附屬公司，其持有148,506,000股本公司股份之權益，而Leaptop則為凱華投資集團之全資附屬公司。凱華投資集團為MGG BVI之全資附屬公司，而MGG BVI則由凱華集團全資擁有。因此，Leaptop、凱華投資集團、MGG BVI及凱華集團被視作擁有得普所持有148,506,000股本公司股份之權益。
- CEL透過其於全資附屬公司Cosmos Regent Ltd.及Million Good Limited(分別持有43,325,554股本公司股份及5,334,870股本公司股份)之權益而被視作擁有48,660,424股本公司股份之權益。

除上文披露者外，於二零一六年十二月三十一日，本公司並無接獲任何其他人士通知，表示其於本公司之股份及相關股份中擁有權益或淡倉並已記錄於根據證券及期貨條例第336條須備存之登記冊內。

CHANGES IN INFORMATION OF DIRECTORS

Changes in information of Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2016 interim report are as follows:

Chan Ling, Eva

A discretionary bonus for the Year amounted to HK\$600,000 was received by Ms. Chan Ling, Eva in January 2017.

Poon Kwok Hing, Albert

Mr. Poon Kwok Hing, Albert is entitled to receive a fee of HK\$20,000 per annum for being the Chairman of the Audit Committee of the Company in addition to the director's fee of HK\$60,000 per annum with effect from 1 January 2017.

Kwok Ka Lap, Alva

Mr. Kwok Ka Lap, Alva is entitled to receive a fee of HK\$20,000 per annum for being the Chairman of the Remuneration Committee of the Company in addition to the director's fee of HK\$60,000 per annum with effect from 1 January 2017.

Updated biographical details of the Directors are set out in the Directors Profile on pages 10 to 13 of this annual report.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

PROVIDENT FUND SCHEMES

Particulars of the Group's provident fund schemes are set out in note 32 to the consolidated financial statements of this annual report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-Laws or the applicable laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

董事資料之更改

根據上市規則第13.51B(1)條之規定，自二零一六年中期報告刊發以來須予披露之董事資料變更如下：

陳玲

於二零一七年一月，陳玲女士收取本年度的酌情花紅合共600,000港元。

潘國興

自二零一七年一月一日起，潘國興先生除可獲每年60,000港元之董事袍金，另就擔任本公司審核委員會主席一職可獲每年20,000港元之袍金。

郭嘉立

自二零一七年一月一日起，郭嘉立先生除可獲每年60,000港元之董事袍金，另就擔任本公司薪酬委員會主席一職可獲每年20,000港元之袍金。

最新之董事履歷詳情載於本年報第10頁至第13頁之董事簡介。

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

公積金計劃

本集團之公積金計劃之詳情載於本年報綜合財務報表附註32。

優先購買權

公司細則或百慕達法例並無任何有關優先購買權之條文規定，本公司須按比例向現有股東提呈發售新股份。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate amount of purchases and turnover attributable to the Group's five largest suppliers and customers were less than 30% of the total value of the Group's purchases and turnover respectively.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules.

DONATIONS

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

CORPORATE GOVERNANCE

Details on the Company's corporate governance practices are set out in the Corporate Governance Report on pages 15 to 33 of this annual report.

AUDITOR

Messrs. Deloitte Touche Tohmatsu shall retire and, being eligible, offer themselves for re-appointment at the 2017 AGM. Having approved by the Board upon the Audit Committee's recommendation, a resolution for the re-appointment of Messrs. Deloitte Touche Tohmatsu as auditor of the Company will be proposed at the 2017 AGM.

On behalf of the Board

YAP, ALLAN

CHAIRMAN

Hong Kong, 30 March 2017

主要客戶及供應商

本集團五大供應商及客戶之採購及營業總額分別少於本集團採購及營業總額之30%。

公眾持股量之充足性

於本報告日期，根據本公司可得悉之公開資料及據董事所知，本公司已維持上市規則規定之公眾持股量。

捐獻

於年內，本集團並無作出任何慈善捐獻。

企業管治

本公司企業管治常規之詳情載於本年報第15頁至第33頁之企業管治報告。

核數師

德勤•關黃陳方會計師行將於二零一七年股東週年大會上退任，惟符合資格並願意重新委聘。經董事會考慮審核委員會之建議後批准，本公司將於二零一七年股東週年大會上提呈有關續聘德勤•關黃陳方會計師行為本公司核數師之決議案。

代表董事會

主席

葉家海

香港，二零一七年三月三十日



To the Shareholders of Rosedale Hotel Holdings Limited
(incorporated in Bermuda with limited liability)

致珀麗酒店控股有限公司股東
(於百慕達註冊成立的有限公司)

Opinion

We have audited the consolidated financial statements of Rosedale Hotel Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 60 to 168, 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, consolidated statement of changes in equity and 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 ("HKSAAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審計列載於60至168頁的珀麗酒店控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據《香港財務報告準則》真實而中肯地反映了貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

我們已根據《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師職業道德準則理事會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

Independent Auditor's Report

獨立核數師報告

Emphasis of Matter

We draw attention to notes 15 and 35 to the consolidated financial statements which describe the uncertainty related to the outcome of the arbitration proceeding between Allied Glory Investment Limited (“Allied Glory”), a non-wholly owned subsidiary of the Company, and the minority shareholder of a subsidiary of the Company, Rosedale Hotel Guangzhou Co., Ltd. (廣州珀麗酒店有限公司) (“Rosedale Guangzhou”), in relation to the co-operative period of operating Rosedale Guangzhou. Rosedale Guangzhou is a sino-foreign co-operative joint venture incorporated in the People's Republic of China (the “PRC”) and operates its own hotel property. Pursuant to the co-operative agreement governing the operation of Rosedale Guangzhou, the co-operative period is 50 years commencing from 15 January 1987 and the rights and ownership of the hotel property of Rosedale Guangzhou are required to be transferred to the minority shareholder of Rosedale Guangzhou upon the completion of the co-operative period. The initial co-operative period approved by Foreign Economic and Trade Commission was 30 years and this can be extended for a further period of time but not more than 20 years. Rosedale Guangzhou was then granted a business license with license period of 30 years which expired in January 2017. Allied Glory is seeking for an arbitral award to restate the co-operative period to 50 years and require the minority shareholder of Rosedale Guangzhou to cooperate in the application process of the relevant license of Rosedale Guangzhou for an extension to 15 January 2037. Should the arbitration award be unfavourable to the Group and the Group is required to pass the rights and ownership of the hotel property of Rosedale Guangzhou to the minority shareholder, full impairment of the hotel property may be required. As of the date of this report, the outcome of the arbitration award is still uncertain and cannot be determined. Our opinion is not modified in respect of this matter.

強調事項

本行謹請注意綜合財務報表附註15及35提及有關合榮投資有限公司(「合榮」,其為貴公司之非全資附屬公司)與貴公司附屬公司廣州珀麗酒店有限公司(「廣州珀麗」)之少數股東之間有關廣州珀麗合作經營期的仲裁程序結果之不明朗因素。廣州珀麗為在中華人民共和國(「中國」)成立的中外合作經營企業,經營其本身的酒店物業。根據規管廣州珀麗的合作經營合同書,廣州珀麗的合作期為一九八七年一月十五日起計五十年,而廣州珀麗之酒店物業之權利及擁有權須於合作期完成後轉移至廣州珀麗之少數股東。廣州市對外經濟貿易委員會批准的初步合作期為三十年並可延長不多於二十年期。廣州珀麗所取得的三十年期營業執照已於二零一七年一月屆滿。合榮正尋求仲裁委員會裁決以將合作期重列至五十年並要求廣州珀麗之少數股東須在將廣州珀麗的相關執照延長至二零三七年一月十五日之申請過程中合作。倘若仲裁結果不利於貴集團而貴集團須將廣州珀麗之酒店物業之權利及擁有權轉移至少數股東,則可能須對酒店物業作出全數減值。於本報告日期,仲裁之結果仍未確定及無法釐定。吾等在此事方面之意見為並無修訂。

Independent Auditor's Report

獨立核數師報告

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter

關鍵審計事項

Impairment assessment of hotel properties

酒店物業之減值評估

We identified the impairment assessment of the Group's hotel properties, which are included in property, plant and equipment (note 15 to the consolidated financial statements) as a key audit matter due to the significance of the balance of hotel properties to the consolidated financial statements as a whole, combined with the judgment involved in estimating their recoverable amounts. The Group's hotel properties are located in the PRC. The Group recognised impairment loss of HK\$17,496,000 in respect of the hotel properties during the year ended 31 December 2015 and segment loss of HK\$31,555,000 arising from hotel operations during the year ended 31 December 2016. As at 31 December 2016, the carrying value of the hotel properties amounted to HK\$378,350,000.

我們將 貴集團酒店物業(計入物業、機器及設備(綜合財務報表附註15))之減值評估識別為關鍵審計事項，原因為酒店物業之結餘對綜合財務報表整體之重要性，加上估計酒店物業之可收回金額中涉及之判斷。 貴集團之酒店物業位於中國。 貴集團於截至二零一五年十二月三十一日止年度就酒店業務確認減值虧損17,496,000港元以及於截至二零一六年十二月三十一日止年度錄得源自酒店業務之分部虧損31,555,000港元。截至二零一六年十二月三十一日，酒店物業之賬面值為378,350,000港元。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to management's assessment on the recoverable amounts of hotel properties included:

我們關於管理層對酒店物業可收回金額評估之程序包括：

- Understanding management's process for estimating the cash flow projections and financial budgets;
- 理解管理層在估計現金流量預測及財務預算之程序；
- Evaluating the competence, capabilities and objectivity of the Valuer as well as the appropriateness of the Valuers' scope of work;
- 評估估值師之才幹、能力及客觀性以及估值師工作範疇是否合適；

Independent Auditor's Report

獨立核數師報告

Key Audit Matters (CONTINUED)

Key audit matter

關鍵審計事項

Impairment assessment of hotel properties (CONTINUED)

酒店物業之減值評估(續)

Management reviewed the recoverable amounts of each hotel property at the end of the reporting period by estimating the value-in-use of these hotel properties with assistance of an independent qualified valuer (the "Valuer") not connected with the Group to determine the impairment amount required to write down these hotel properties to their recoverable amounts. The value-in-use of the hotel properties are dependent on certain key inputs including the estimated gross profit margin, future revenue growth rates and discount rates of the hotel properties.

管理層審視各項酒店物業於呈報期結束時之可收回金額，方法為在與 貴集團並無關連之獨立合資格估值師（「估值師」）協助下，估計此等酒店物業之使用價值，以釐定將此等酒店物業撇減至可收回金額所需之減值金額。酒店物業之使用價值取決於若干關鍵輸入數據，包括估計毛利率、未來收入增長率及酒店物業之貼現率。

The management concluded that the recoverable amount of each separate cash-generating unit was higher than their carrying value and no impairment provision was required for the current year.

管理層之結論為，各單獨現金產生單位之可收回金額高於其賬面值而本年度毋須作出減值撥備。

關鍵審計事項(續)

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

- Evaluating the valuation model, including the assumptions applied therein, prepared by the Valuer in determining (i) the value-in-use based on management's estimates of estimated gross profit margin, future revenue growth rates expected to arise from the hotel operations, with reference to the historical performance and the financial budgets of the Group approved by the management and (ii) discount rates used by management by comparing the data derived externally to the Group's own inputs of the current market risk-free rate of interest as well as the industry specific risk factor of the hotel operations; and
- 評估估值師用於釐定以下各項而編製之估值模型（包括當中應用之假設）：(i)使用價值，乃基於管理層對估計毛利率、預期酒店業務將帶來之未來收入增長率之估計，當中已參考過往表現及管理層批准之 貴集團之財務預算；及(ii)管理層使用之貼現率，方法為將從外界衍生之數據與 貴集團本身對當前市場無風險利率之輸入數據以及酒店業務之行業特定風險因素進行比較；及
- Evaluating the historical accuracy of the management's assessment of the cash flow projections by comparing the historical estimates to actual performance in current year.
- 評估管理層過去對現金流量預測所作評估之準確性，方法為將過往估計與本年度之實際表現作比較。

Independent Auditor's Report

獨立核數師報告

Key Audit Matters (CONTINUED)

Key audit matter

關鍵審計事項

Valuation of investment properties

投資物業之估值

We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the judgments involved in determining the fair value. The Group's investment properties represent a completed complex for commercial use, which is located in the PRC. As at 31 December 2016, the carrying value of the Group's investment properties amounted to HK\$192,000,000. A decrease in fair value of HK\$22,009,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year then ended.

我們將投資物業之估值識別為關鍵審計事項，原因為投資物業之結餘對綜合財務報表整體之重要性，加上估計投資物業之公平價值中涉及之判斷。貴集團之投資物業代表一幢位於中國作商業用途之綜合樓。於二零一六年十二月三十一日，貴集團投資物業之賬面值為192,000,000港元。於截至該日止之年度的綜合損益及其他全面收益表中已確認公平價值減少22,009,000港元。

All of the Group's investment properties are stated the fair value based on the valuations performed by the Valuer. The fair value is derived by using direct comparison approach.

貴集團全部投資物業均根據估值師進行之估值而按公平價值列賬。公平價值採用直接比較法得出。

Details of the valuation techniques and significant inputs used in the valuation are disclosed in note 16 to the consolidated financial statements. The valuations of investment properties are dependent on certain inputs, including the price per square meter of the comparable transactions, adjusting factors on locations and residual operating period.

估值技術及估值所用之主要輸入數據之詳情於綜合財務報表附註16披露。投資物業之估值取決於若干輸入數據，包括可比較交易之每平方米價格，以及與位置及餘下經營期有關之調整系數。

關鍵審計事項(續)

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to management's assessment on the valuation of investment properties included:

我們關於管理層對投資物業估值之評估之程序包括：

- Evaluating the competence, capabilities and objectivity of the Valuer as well as the appropriateness of the Valuer's scope of work;
- 評估估值師之才幹、能力及客觀性以及估值師工作範疇是否合適；
- Reviewing the valuation report from the Valuer and holding discussion with management and the Valuer to understand the valuation basis, methodology used and underlying assumptions applied;
- 審視估值師之估值報告並且與管理層及估值師進行討論，以理解估值基礎、所用方法以及所應用之相關假設；
- Evaluating the reasonableness of the underlying data including comparable market transactions being used by the Valuer and the adjusting factors related to locations and residual operating period; and
- 評估相關數據之合理性，包括估值師所使用之可比較市場交易以及與位置及剩餘經營期有關之調整系數。
- Performing market research and analysis to assess whether the changes in fair value of investment properties resulted from the valuation was reasonable and consistent with market trends to our knowledge.
- 進行市場研究及分析以評估估值產生之投資物業公平價值變動是否合理及是否與我們所知之市場趨勢一致。

Independent Auditor's Report

獨立核數師報告

Other Information

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

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

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

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

其他資訊

貴公司董事需對其他資訊負責。其他資訊包括刊載於年報內的資訊，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備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。

在擬備綜合財務報表時，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。

治理層須負責監督貴集團的財務報告過程。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act, 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 HKSAs 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 HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否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，並按照我們商定的業務約定條款僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (CONTINUED)

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

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

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計畫的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

Independent Auditor's Report

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (CONTINUED)

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law 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 the independent auditor's report is Lau Ngai Kee, Ricky.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

30 March 2017

核數師就審計綜合財務報表承擔的責任(續)

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，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。

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計專案合夥人是劉毅基先生。

德勤•關黃陳方會計師行

執業會計師

香港

二零一七年三月三十日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		NOTES	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
		附註		
Turnover	營業額	5	242,296	235,412
Direct operating costs	直接經營成本		(144,689)	(151,557)
Gross profit	毛利		97,607	83,855
Interest income	利息收入	7	14,088	39,534
Other income, gains and losses	其他收入、收益及虧損	8	8,990	2,945
Distribution and selling expenses	分銷及銷售開支		(1,476)	(878)
Administrative expenses	行政開支		(159,287)	(169,338)
Finance costs	融資成本	9	(2,280)	(1,632)
Impairment loss recognised in respect of property, plant and equipment	物業、機器及設備之 已確認減值虧損		–	(17,496)
Impairment loss recognised in respect of an amount due from a joint venture	應收一家合營公司款項之 已確認減值虧損		(27,983)	–
Decrease in fair value of investment properties	投資物業之公平價值減少	16	(22,009)	(30,634)
Share of result of a joint venture	應佔一家合營公司業績	17	(179)	(7,445)
Impairment loss recognised in respect of available-for-sale investments	可供出售投資之 已確認減值虧損	18	–	(18,722)
Loss before taxation	除稅前虧損	10	(92,529)	(119,811)
Income tax expense	所得稅開支	12	(665)	(1,568)
Loss for the year	本年度虧損		(93,194)	(121,379)
Other comprehensive expense	其他全面開支			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至 損益之項目：			
Exchange differences arising on translating foreign operations	換算海外業務時產生之 匯兌差額		(45,887)	(35,068)
Total comprehensive expense for the year	本年度全面開支總額		(139,081)	(156,447)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

	NOTE 附註	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Loss for the year attributable to:			
Owners of the Company	本年度虧損由下列人士應佔： 本公司擁有人	(86,438)	(105,098)
Non-controlling interests	非控股權益	(6,756)	(16,281)
		(93,194)	(121,379)
Total comprehensive expense for the year attributable to:	本年度全面開支總額 由下列人士應佔：		
Owners of the Company	本公司擁有人	(125,490)	(135,963)
Non-controlling interests	非控股權益	(13,591)	(20,484)
		(139,081)	(156,447)
		HK\$ 港元	HK\$ 港元
LOSS PER SHARE	每股虧損		
– Basic	– 基本	14 (0.11)	(0.14)

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016 於二零一六年十二月三十一日

		NOTES	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	15	415,470	470,255
Investment properties	投資物業	16	192,000	229,000
Interest in a joint venture	於一家合營公司之權益	17	–	179
Amount due from a joint venture	應收一家合營公司款項	17	–	27,983
Available-for-sale investments	可供出售投資	18	–	–
Deposit paid for acquisition of an investment	收購一項投資之已付按金	20	–	172,940
Other assets	其他資產	21	19,800	19,800
			627,270	920,157
Current assets	流動資產			
Inventories	存貨	22	2,441	2,491
Trade and other receivables	貿易及其他應收賬款	23	184,350	118,079
Loan notes receivable	應收貸款票據	19	–	186,578
Investments held for trading	持作買賣之投資	24	60,000	14,406
Cash and cash equivalent	現金及現金等值項目	25	1,660,949	1,436,453
			1,907,740	1,758,007
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	26	102,856	90,909
Borrowings – amount due within one year	借貸 – 一年內到期款項	27	–	10,000
Tax liabilities	稅項負債		79,048	77,389
			181,904	178,298
Net current assets	流動資產淨額		1,725,836	1,579,709
Total assets less current liabilities	資產總值減流動負債		2,353,106	2,499,866

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016 於二零一六年十二月三十一日

		NOTES	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
		附註		
Non-current liability	非流動負債			
Deferred taxation	遞延稅項	28	46,583	52,223
Net assets	資產淨值		2,306,523	2,447,643
Capital and reserves	資本及儲備			
Share capital	股本	29	7,892	7,892
Share premium and reserves	股份溢價及儲備		2,106,113	2,238,700
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,114,005	2,246,592
Non-controlling interests	非控股權益		192,518	201,051
Total equity	權益總額		2,306,523	2,447,643

The consolidated financial statements on pages 60 to 168 were approved and authorised for issue by the Board of Directors on 30 March 2017 and are signed on its behalf by:

載於第60頁至第168頁之綜合財務報表已於二零一七年三月三十日獲董事會批准及授權刊發，並由下列董事代表簽署：

YAP, ALLAN
EXECUTIVE DIRECTOR

CHAN LING, EVA
EXECUTIVE DIRECTOR

葉家海
執行董事

陳玲
執行董事

Consolidated Statement of Changes in Equity

綜合股東權益變動表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔						Non-controlling interests		Total
		Share capital	Share premium	Special reserve	Translation reserve	Other reserves	Retained earnings	Sub-total	Non-controlling interests	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	特別儲備	匯兌儲備	其他儲備	保留溢利	小計	非控股權益	合計
		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
				(Note ii) (附註ii)		(Note i) (附註i)				
At 1 January 2015	於二零一五年一月一日	6,577	1,248,048	658,303	130,208	(70,319)	295,719	2,268,536	221,535	2,490,071
Loss for the year	本年度虧損	-	-	-	-	-	(105,098)	(105,098)	(16,281)	(121,379)
Other comprehensive expense for the year	本年度其他全面開支									
Exchange difference arising on translation of financial statements of foreign operations	換算海外公司財務報表時產生之匯兌差額	-	-	-	(30,865)	-	-	(30,865)	(4,203)	(35,068)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	(30,865)	-	(105,098)	(135,963)	(20,484)	(156,447)
Shares issued for the year (Note 29)	本年度發行股份(附註29)	1,315	115,751	-	-	-	-	117,066	-	117,066
Transaction cost attributable to the issue of shares (Note 29)	發行股份之應佔交易成本(附註29)	-	(3,047)	-	-	-	-	(3,047)	-	(3,047)
At 31 December 2015	於二零一五年十二月三十一日	7,892	1,360,752	658,303	99,343	(70,319)	190,621	2,246,592	201,051	2,447,643
Loss for the year	本年度虧損	-	-	-	-	-	(86,438)	(86,438)	(6,756)	(93,194)
Other comprehensive expense for the year	本年度其他全面開支									
Exchange difference arising on translation of financial statements of foreign operations	換算海外公司財務報表時產生之匯兌差額	-	-	-	(39,052)	-	-	(39,052)	(6,835)	(45,887)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	(39,052)	-	(86,438)	(125,490)	(13,591)	(139,081)
Acquisition of additional interest in a subsidiary (Note 33)	收購一家附屬公司之額外權益(附註33)	-	-	-	-	-	(7,097)	(7,097)	5,058	(2,039)
At 31 December 2016	於二零一六年十二月三十一日	7,892	1,360,752	658,303	60,291	(70,319)	97,086	2,114,005	192,518	2,306,523

Consolidated Statement of Changes in Equity

綜合股東權益變動表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

Notes:

- (i) When the Group increases its interest in an entity that is already an entity controlled by the Group, it is accounted for as equity transaction. The carrying amounts of the Group's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Other reserves represent the differences between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid that is recognised directly in equity.
- (ii) The special reserve represents (i) the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the shares of the Company issued for the acquisition under the group reorganisation in September 1997; and (ii) reduction of share capital took place during the years ended 31 December 2006 and 2008.

附註：

- (i) 當本集團增加其於已取得控制權之實體之權益時，有關增加會以股本交易入賬。本集團權益及非控股權益之賬面值會作出調整，以反映各自於該附屬公司相關權益之變動。其他儲備指非控股權益之調整金額與直接於權益確認之已付代價公平價值間之差額。
- (ii) 特別儲備指(i)按一九九七年九月進行集團重組時所收購附屬公司股份之面值與為收購而發行本公司股份之面值間之差額；及(ii)於截至二零零六年及二零零八年十二月三十一日止年度進行之股本削減。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Cash flows generated by operating activities	經營業務產生之現金流量		
Loss for the year	本年度虧損	(93,194)	(121,379)
Adjustments for:	調整：		
Share of result of a joint venture	應佔一家合營公司業績	179	7,445
Depreciation of property, plant and equipment	物業、機器及設備之折舊	29,982	32,780
Interest income	利息收入	(14,088)	(39,534)
Gain on early redemption of loan notes receivables	提前贖回應收貸款票據之收益	(8,371)	(30,200)
Interest expense	利息開支	2,280	1,632
(Gain) loss on disposal of property, plant and equipment	出售物業、機器及設備之(收益)虧損	(3,628)	5
Impairment loss recognised in respect of property, plant and equipment	物業、機器及設備之已確認減值虧損	-	17,496
Unrealised loss in fair value of investments held for trading	持作買賣投資之公平價值未實現虧損	5,765	7,706
Impairment loss recognised on other receivables	其他應收賬款之已確認減值虧損	-	9,410
Decrease in fair value of investment properties	投資物業之公平價值減少	22,009	30,634
Realised loss on disposal of investments held for trading	出售持作買賣投資之已實現虧損	-	10,706
Impairment loss recognised in respect of available-for-sale investment	可供出售投資之已確認減值虧損	-	18,722
Impairment loss recognised in respect of an amount due from a joint venture	應收一家合營公司款項之已確認減值虧損	27,983	-
Income tax expenses	所得稅開支	665	1,568
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(30,418)	(53,009)
Movements in working capital	營運資金變動		
(Increase) decrease in trade and other receivables	貿易及其他應收賬款(增加)減少	(63,416)	280,186
Decrease in inventories	存貨減少	50	314
Increase in investments held for trading	持作買賣投資增加	(51,359)	(32,501)
Increase in trade and other payables	貿易及其他應付賬款增加	13,754	4,392
		(100,971)	252,391
Cash flows (used in) from operations	經營業務(所用)所得之現金流量	(131,389)	199,382
Taxation paid in the People's Republic of China	已付之中華人民共和國稅項	(3,306)	(3,775)
Net cash (used in) from operating activities	經營業務(所用)所得之現金淨額	(134,695)	195,607

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Cash flows from investing activities	投資活動之現金流量		
Interest received	已收利息	9,037	17,830
Advance to a joint venture	向一家合營公司墊款	–	(35,000)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項	9,680	148
Additions to property, plant and equipment	購買物業、機器及設備	(14,243)	(966)
Deposit refunded (paid) for a possible acquisition of an investment	可能收購一項投資之(已退回)已付按金	172,940	(172,940)
Early repayment of loan notes receivable	提前償還應收貸款票據	200,000	300,000
Net cash generated from investing activities	投資活動產生之現金淨額	377,414	109,072
Cash flows from financing activities	融資活動之現金流量		
Repayment of bank and other borrowings	償還銀行及其他借貸	(10,000)	(250,000)
Acquisition of additional interest in a subsidiary	收購一家附屬公司之額外權益	(2,039)	–
Proceeds from issue of shares	發行股份之所得款項	–	117,066
Transaction cost attributable to issue of shares	發行股份之應佔交易成本	–	(3,047)
Interest paid	已付利息	(2,280)	(1,632)
Net cash used in financing activities	融資活動所用之現金淨額	(14,319)	(137,613)
Net increase in cash and cash equivalents	現金及現金等值項目之增加淨額	228,400	167,066
Cash and cash equivalents at beginning of the year	年初之現金及現金等值項目	1,436,453	1,272,649
Effect of exchange rate changes on the balance of cash held in foreign currencies	匯率變動對外幣現金結餘之影響	(3,904)	(3,262)
Cash and cash equivalents at end of the year	年終之現金及現金等值項目	1,660,949	1,436,453
Representing by:	即：		
Bank balances and cash	銀行結餘及現金	1,660,949	1,045,935
Cash held by securities broker	由證券經紀持有之現金	–	390,518
		1,660,949	1,436,453

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

1. GENERAL INFORMATION

Rosedale Hotel Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its substantial shareholder is Master Glory Group Limited (formerly known as Hanny Holdings Limited). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of this annual report.

The Company is an investment holding company. Its principal subsidiaries are engaged in the businesses of hotel operation and trading of securities.

The consolidated financial statements are presented in Hong Kong dollars, which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

The Company and its subsidiaries (the “Group”) has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

Amendments to HKAS 1	Disclosure initiative
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle
Amendments to HKFRS 11	Accounting for acquisitions of interest in joint operations

1. 一般資料

珀麗酒店控股有限公司(「本公司」)於百慕達註冊成立為獲豁免有限公司，其股份乃於香港聯合交易所有限公司(「聯交所」)上市。其主要股東為凱華集團有限公司(前稱錦興集團有限公司)。本公司之註冊辦事處及主要營業地點之地址於本年報公司資料內披露。

本公司乃一家投資控股公司。其主要附屬公司從事經營酒店業務及證券買賣。

綜合財務報表乃以港元(亦為本公司之功能貨幣)呈列。

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則之修訂

於本年度強制生效之香港財務報告準則之修訂

本公司及其附屬公司(「本集團」)已於本年度首次應用下列由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則之修訂：

香港會計準則第1號之修訂	披露計劃
香港會計準則第16號及香港會計準則第38號之修訂	澄清折舊及攤銷之可接受方法
香港會計準則第16號及香港會計準則第41號之修訂	農業：生產性植物
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號之修訂	投資實體：應用綜合入賬例外情況
香港財務報告準則之修訂	二零一二年至二零一四年週期香港財務報告準則之年度改進
香港財務報告準則第11號之修訂	收購於合營業務之權益之會計法

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

Amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs issued but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial instrument ¹
HKFRS 15	“Revenue from contracts with customers” and the related amendments ¹
HKFRS 16	Leases ²
Amendments to HKFRSs	Annual improvements to HKFRSs 2014–2016 cycle ⁵
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 “Financial instruments” with HKFRS 4 “Insurance contracts” ¹
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ³
Amendments to HKAS 7	Disclosure initiative ⁴
Amendments to HKAS 12	Recognition of deferred tax assets for unrealised losses ⁴

- ¹ Effective for annual periods beginning on or after 1 January 2018.
- ² Effective for annual periods beginning on or after 1 January 2019.
- ³ Effective for annual periods beginning on or after a date to be determined.
- ⁴ Effective for annual periods beginning on or after 1 January 2017.
- ⁵ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

於本年度強制生效之香港財務報告準則之修訂（續）

於本年度應用香港財務報告準則之修訂對本集團於本年度及過往年度之財務表現及狀況及／或於該等綜合財務報表所載之披露事項並無重大影響。

已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則之修訂

本集團並無提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則之修訂：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	「來自客戶合約之收入」及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則之修訂	二零一四年至二零一六年週期香港財務報告準則之年度改進 ⁵
香港財務報告準則第2號之修訂	以股代款交易之分類及計量 ¹
香港財務報告準則第4號之修訂	對香港財務報告準則第4號「保險合約」應用香港財務報告準則第9號「金融工具」 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營公司之間銷售或貢獻資產 ³
香港會計準則第7號之修訂	披露計劃 ⁴
香港會計準則第12號之修訂	就未實現虧損確認遞延稅項資產 ⁴

- ¹ 於二零一八年一月一日或之後開始之年度期間生效。
- ² 於二零一九年一月一日或之後開始之年度期間生效。
- ³ 於將釐定之日期或之後開始之年度期間生效。
- ⁴ 於二零一七年一月一日或之後開始之年度期間生效。
- ⁵ 於二零一七年一月一日或二零一八年一月一日（視何者適用）或之後開始之年度期間生效。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 9 “Financial instruments”

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group:

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號引入金融資產與金融負債分類及計量之新規定、一般對沖會計以及有關金融資產之減值規定。

香港財務報告準則第9號中與本集團相關之主要規定：

- 香港財務報告準則第9號範圍內之所有已確認金融資產其後按攤銷成本或公平價值計量，尤其是就以收取合約現金流量為目的之業務模式持有之債務投資，以及擁有合約現金流，且有關現金流純粹為支付本金及未償還本金之利息之債務投資，均一般按於其後會計期間結束時之攤銷成本計量。於目的為同時收回合約現金流及出售金融資產之業務模式中持有，以及合約條款令於特定日期產生之現金流純粹為支付本金及未償還本金之利息之債務工具，一般以透過其他全面收入按公平價值計算（「透過其他全面收入按公平價值計算」）之方式計量。所有其他債務投資及股本投資按於其後會計期結束時之公平價值計量。此外，根據香港財務報告準則第9號，實體有權不可撤回地選擇於其他全面收入會計股本投資（並非持作買賣者）公平價值之其後變動，僅股息收入一般於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 9 “Financial instruments” (CONTINUED)

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group’s financial instruments and risk management policies as at 31 December 2016, application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group’s financial assets. The Group’s available-for-sale investments, representing those currently stated at cost less impairment, will either be measured as fair value through profit or loss or be designated as FVTOCI (subject to fulfillment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised cost.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第9號「金融工具」（續）

- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各呈報日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

根據本集團於二零一六年十二月三十一日之金融工具及風險管理政策，於未來應用香港財務報告準則第9號可能對本集團金融資產之分類及計量造成重大影響。本集團之可供出售投資（即目前按成本值減減值計量者）將以透過損益按公平價值計量或指定為透過其他全面收入按公平價值計量（須符合有關指定之準則）。此外，預期信貸虧損模式可能導致提前就本集團按攤銷成本計量之金融資產尚未產生之信貸虧損作出撥備。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 15 “Revenue from contracts with customers”

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

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

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第15號「來自客戶合約之收入」

香港財務報告準則第15號已經頒佈，其制定一項單一全面模式供實體用以將來自客戶合約之收入入賬。香港財務報告準則第15號於生效後將取代現時載於香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋之收入確認指引。

香港財務報告準則第15號之核心原則為實體於確認描述向客戶轉讓承諾貨品或服務之收入時，金額應能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入確認收入之五個步驟：

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

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收入，即於特定履約責任相關貨品或服務之「控制權」移交客戶之時。香港財務報告準則第15號已就特殊情況之處理方法加入更明確之指引。此外，香港財務報告準則第15號要求更詳盡之披露。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 15 “Revenue from contracts with customers” (CONTINUED)

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have material impact on the timing and amounts of revenue recognised in the respective reporting periods.

HKFRS 16 “Leases”

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第15號「來自客戶合約之收入」（續）

二零一六年，香港會計師公會頒佈香港財務報告準則第15號之澄清，內容有關履約責任之識別、委託人相對代理人之考慮因素以及許可授權之應用指引。

本公司董事預期，於未來應用香港財務報告準則第15號可能令披露增加，然而，本公司董事並不預期應用香港財務報告準則第15號將對相關呈報期所確認之收入之時間性及金額造成重大影響。

香港財務報告準則第16號「租賃」

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

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃及融資租賃的差異就承租人會計處理移除，並須就承租人的所有租賃確認使用權資產及相應負債的模式替代。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

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

Furthermore, extensive disclosures are required by HKFRS 16.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第16號「租賃」（續）

使用權資產初步按成本計量，並隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款（非當日支付）的現值初步計量。隨後，租賃負債就（其中包括）利息及租賃付款以及租賃修訂的影響作出調整。就現金流量分類而言，本集團目前就自用租賃土地及分類為投資物業者呈列預付租賃付款為投資現金流量，而其他經營租賃付款則以經營現金流量呈列。根據香港財務報告準則第16號，有關租賃負債的租賃付款將分配為本金及利息部份，其將以融資現金流量呈列。

根據香港會計準則第17號，本集團已確認融資租賃安排的一項資產及相關融資租賃負債，以及租賃土地（本集團為承租人）的預付租賃款項。應用香港報告準則第16號可能導致該等資產在分類上的潛在變動，取決於本集團個別或在擁有對應相關資產情況下該等資產呈列的同一項目內呈列使用權資產。

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

As at 31 December 2016, the Group as lessee has non-cancellable operating lease commitments of HK\$161,807,000 as disclosed in note 31. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors complete a detailed review.

The directors of Company anticipated that the application of the other new and amendments to HKFRSs will have no material impact on the consolidated financial statements of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂（續）

香港財務報告準則第16號「租賃」（續）

於二零一六年十二月三十一日，本集團作為承租人有不可撤銷的經營租賃承擔161,807,000港元（如附註31所披露）。初步評估顯示該等安排將符合香港財務報告準則第16號項下租賃的定義，因此本集團將就所有租賃確認使用權資產及對應負債，除非於應用香港財務報告準則第16號時其符合低值或短期租賃。此外，應用新規定可能導致上文所述的計量、呈列及披露有所變動。然而，在董事完成詳細審閱前，對財務影響作出合理估計並不可行。

本公司董事預期應用其他新訂香港財務報告準則及香港財務報告準則之修訂將不會對本集團之綜合財務報表造成重大影響。

3. 主要會計政策

合規聲明

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例規定之適用披露。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and investments held for trading that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 "Share-based Payment", leasing transactions that are within the scope of HKAS 17 "Leases", and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 "Inventories" or value-in-use in HKAS 36 "Impairment of Assets".

3. 主要會計政策(續)

編製基準

綜合財務報表乃根據歷史成本基準編製，惟若干投資物業及持作買賣之投資以各呈報期結束時之公平價值計量(見下文所載會計政策說明)除外。

歷史成本一般根據為交換貨品及服務而提供之代價公平價值計算。

公平價值為於計量日期市場參與者之間按有序交易出售一項資產將收取之價格或轉讓負債時將支付之價格，而不論該價格是否可直接觀察或使用另一項估值方法估計。於估計資產或負債之公平價值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平價值乃按此基準釐定，惟香港財務報告準則第2號「以股代款」範圍內之以股代款交易、香港會計準則第17號「租賃」範圍內之租賃交易，以及與公平價值類似但並非公平價值(例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值)之計量除外。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of preparation (CONTINUED)

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.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. 主要會計政策(續)

編製基準(續)

非金融資產公平價值之計量及市場參與者可透過按該資產之最高及最佳用途使用該資產，或將該資產售予另一可按該資產之最高及最佳用途使用該資產之市場參與者，從而產生經濟效益之能力。

此外，就財務申報而言，公平價值量分為第一、第二或第三級別，此等級別之劃分乃根據輸入數據之可觀察程度及該等數據對公平價值計量之整體重要性，概述如下：

- 第一級輸入數據指實體於計量日期就相同資產或負債於活躍市場上獲得之報價(未經調整)；
- 第二級輸入數據指可直接或間接從觀察資產或負債之資料而得出之輸入數據(不包括第一級之報價)；及
- 第三級輸入數據指不可從觀察資產或負債得出之輸入數據。

主要會計政策載列如下。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of consolidation

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

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

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

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

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

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

3. 主要會計政策(續)

綜合賬目基準

綜合財務報表包括本公司及本公司控制之公司及其附屬公司之財務報表。當本公司有權：

- 控制被投資公司；
- 自參與被投資公司業務獲得或有權獲得可變回報；及
- 有能力動用其權力影響被投資公司回報時，即獲得控制權。

倘有事實及情況顯示上列控制權三個要素中一個或多個要素發生變動，本集團會重新評估是否對被投資公司擁有控制權。

當本集團取得對附屬公司之控制權時，會開始將附屬公司綜合入賬，而當本集團失去對附屬公司之控制權時，會終止將附屬公司綜合入賬。具體而言，年內所收購或出售附屬公司之收入及開支自本集團獲得控制權當日起至本集團不再擁有附屬公司控制權當日止，列入綜合損益及其他全面收益表內。

損益及其他全面收入各項目歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股權益，即使此舉將導致非控股權益出現虧絀結餘。

如有需要，附屬公司之財務報表會作出調整，使其會計政策與本集團會計政策一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of consolidation (CONTINUED)

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

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in a joint venture.

3. 主要會計政策 (續)

綜合賬目基準 (續)

與本集團成員公司間交易相關之所有集團間資產及負債、權益、收入、開支及現金流量已於綜合賬目時全數對銷。

本集團於現有附屬公司之擁有權益之變動

倘本集團於現有附屬公司之擁有權益之變動並無導致本集團失去附屬公司之控制權，有關變動會入賬列作權益交易。本集團權益之相關組成部份（包括儲備）與非控股權益之賬面值會就其兩者於附屬公司之權益變動而作出調整。非控股權益之調整金額（於相關權益組成部份重新歸屬後）與已付或已收代價公平價值之差額於權益直接確認，並由本公司擁有人應佔。

倘本集團失去對一家附屬公司之控制權，則收益或虧損於損益確認，並按(i)所收代價之公平價值及任何保留權益之公平價值總額與(ii)本公司擁有人應佔該附屬公司之資產（包括商譽）及負債賬面值兩者間之差額計算。先前於其他全面收入就該附屬公司確認之所有款額，會按猶如本集團已直接出售該附屬公司之相關資產或負債入賬（即按適用香港財務報告準則所訂明／允許而重新分類至損益或轉撥至另一權益類別）。於失去控制權當日在前附屬公司保留之任何投資之公平價值被視作初步確認其後根據香港會計準則第39號入賬時之公平價值，或（如適用）初步確認於一家合營公司之投資時之成本。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investments in a joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of a joint venture are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of the joint venture used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

3. 主要會計政策(續)

於一家合營公司之投資

一家合營公司指一項合營安排，對安排擁有共同控制權之訂約方據此對合營安排之資產淨值擁有權利。共同控制乃指按照合約約定對某項安排所分佔控制權，共同控制僅在相關活動需要分佔控制權之各方作出一致同意之決定時存在。

一家合營公司之業績及資產與負債以權益會計法計入此等綜合財務報表內。權益法所用合營公司之財務報表按本集團於類似情況就同類交易及事件採用之一致會計政策編製。根據權益法，於一家合營公司之投資乃按成本於綜合財務狀況報表初步確認，並其後就確認本集團應佔該合營公司之損益及其他全面收入作出調整。當本集團所佔一家合營公司之虧損超出於該合營公司之權益時(包括實質上組成本集團於該合營公司之淨投資一部分之任何長期權益)，本集團終止確認其應佔之進一步虧損。惟倘本集團須承擔法律或推定義務，或須代表該合營公司支付款項，則須確認額外虧損。

於被投資公司成為合營公司當日，對合營公司之投資採用權益法入賬。收購於一家合營公司之投資時，投資成本超逾本集團應佔被投資公司之已確認可識別資產及負債之公平淨值之任何金額，均確認為計入投資賬面值之商譽。本集團應佔可識別資產及負債之公平淨值超出投資成本之任何金額，於重新評估後隨即在收購投資期間於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in a joint venture (CONTINUED)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value-in-use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former joint venture and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the joint venture is included in the determination of the gain or loss on disposal of the joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that joint venture on the same basis as would be required if that joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

3. 主要會計政策(續)

於一家合營公司之投資(續)

香港會計準則第39號之規定乃用以釐定是否需要就本集團於一家合營公司之投資確認任何減值虧損。如有需要，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號「資產減值」以單一資產之方式進行減值測試，方法是比較其可收回金額(即使用價值與公平價值減出售成本之較高者)與賬面值。任何已確認之減值虧損構成該項投資之賬面值一部分。於該項投資之可收回金額其後增加時，則根據香港會計準則第36號確認該減值虧損之任何撥回。

當本集團不再擁有合營公司之共同控制權時，則入賬列作出售投資對象之全部權益，而所得收益或虧損於損益內確認。當本集團保留於前合營公司之權益，而保留權益為香港會計準則第39號範圍內之金融資產時，本集團按當日之公平價值計量保留權益，公平價值則被視為首次確認時之公平價值。合營公司之賬面值與任何保留權益公平價值及出售該合營公司相關權益之所得款項間之差額，於釐訂出售該合營公司之損益時會計算在內。此外，本集團將先前在其他全面收入就該合營公司確認之所有金額入賬，基準與該合營公司直接出售相關資產或負債之基準相同。因此，倘該合營公司先前已於其他全面收入確認之收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團終止使用權益法時會將收益或虧損由權益重新分類至損益(作為重新分類調整)。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investments in a joint venture (CONTINUED)

The Group continues to use the equity method when an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from hotels accommodation, food and banquet operations are recognised when the services are rendered.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

The Group's accounting policy for recognition of revenue from operating lease is described in the accounting policy for leasing below.

3. 主要會計政策(續)

於一家合營公司之投資(續)

當一家合營公司之投資成為一家聯營公司之投資時，本集團將繼續使用權益法。該等擁有權益之變動不會導致須重新計量公平價值。

倘集團實體與本集團之合營公司交易，與該合營公司交易所產生之損益僅會在有關合營公司之權益與本集團並無關連之情況下，方於本集團之綜合財務報表確認。

收入確認

收入按已收或應收代價之公平價值計量。收入已就估計客戶退貨、回扣及其他類似津貼作出扣減。

當收入金額能夠可靠地計量、未來經濟利益相當可能流入本集團，以及本集團每項活動均符合下文所述之指定條件時，則會確認相關收入。

來自酒店住宿、餐膳及宴會業務之收入乃於提供服務時確認。

利息收入乃參考未償還本金，按時間基準及適用之實際利率計算，實際利率乃於首次確認時按金融資產之預計年期將估計日後現金收入準確折現至該資產賬面淨值之比率。

投資之股息收入於股東收取股息之權利確立時確認。

本集團就確認經營租約收入之會計政策於以下有關租約之會計政策載述。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

3. 主要會計政策 (續)

租約

凡租約條款將擁有權之絕大部分風險及回報撥歸於承租人之租約，均歸類為融資租約。所有其他租約均歸類為經營租約。

本集團作為出租人

經營租約之租金收入乃按相關租約年期以直線法於損益確認。於磋商及安排經營租約時產生之初始直接成本計入租賃資產之賬面值內，並於租賃期內以直線法支銷。

本集團作為承租人

經營租約款項於租賃期內以直線法確認為開支，惟倘出現另一系統化基準能更佳地反映消耗租賃資產經濟利益之時間模式，則作別論。經營租約產生之或然租金於產生期間確認為開支。

租賃土地及樓宇

倘租約包括土地及樓宇部分，則本集團評估對各部分擁有權所附帶之絕大部分風險與回報是否已轉移至本集團，並據此評估各部分屬於融資租約或經營租約分類，惟倘該兩個部分明顯屬經營租約則除外，在該情況下，整項租約分類為經營租約。具體而言，最低租金付款（包括任何一次過預付款）乃按租賃期開始時租約中土地部分與樓宇部分於租賃權益之相對公平價值之比例分配至土地與樓宇部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leasing (CONTINUED)

Leasehold land and building (CONTINUED)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Foreign currencies

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

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests.

3. 主要會計政策(續)

租約(續)

租賃土地及樓宇(續)

倘租金付款能可靠地分配，作為經營租約入賬之租賃土地權益於綜合財務狀況報表列作「預付租賃款項」，並於租賃期內以直線法攤銷。倘租金付款未能可靠地分配至土地及樓宇部分，則整項租約一般分類為融資租約及入賬列作物業、機器及設備。

外幣

於編製每間個別集團實體之財務報表時，倘交易之貨幣與該實體之功能貨幣不同(外幣)，則按交易日期適用之匯率換算確認。於呈報期結束時，以外幣列值之貨幣項目按當日適用之匯率重新換算。以外幣列值並按公平價值入賬之非貨幣項目，按釐定公平價值日期適用之匯率重新換算。以外幣列值並按歷史成本計量之非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額於產生期間在損益確認，惟應收或應付一項海外業務之貨幣項目匯兌差額，既無計劃結算而發生結算之可能性亦不大(因此構成海外業務投資淨額之一部份)，並初步於其他全面收入確認及於出售或部份出售本集團之權益時由權益重新分類至損益除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (CONTINUED)

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

3. 主要會計政策 (續)

外幣 (續)

為作呈列綜合財務報表之目的，本集團業務之資產及負債均以各呈報期結束時適用匯率換算為本集團之呈列貨幣（即港元）。收入及開支項目以期內平均匯率換算，除非匯率於期內大幅波動，在此情況下，則採用交易日期適用之匯率。產生之匯兌差額（如有）於其他全面收入確認，並以匯兌儲備名目於權益累計（歸類為非控股權益（如適用））。

借貸成本

收購、建造或生產合資格資產（此資產需要相當長時間準備方能作擬定用途或出售）直接應佔之借貸成本，會加入該等資產之成本，直至該等資產已大致能作擬定用途或出售為止。

所有其他借貸成本於其產生期間於損益內確認。

退休福利成本

定額供款退休福利計劃包括國家管理退休福利計劃及強制性公積金計劃，向該等計劃所作之供款於僱員提供服務而有權獲得有關供款時確認為開支。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Share-based payment transactions

Equity-settled share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of the reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained earnings.

3. 主要會計政策(續)

短期僱員福利

短期僱員福利於僱員提供服務時就預期將支付福利之未貼現金額確認。所有短期僱員福利確認為開支，除非另一項香港財務報告準則要求或允許將有關福利納入資產成本，則作別論。

在扣除已經支付之任何金額後，對僱員應得之福利(例如工資及薪金、年假及病假)確認負債。

以股代款交易

以股本結算之以股代款交易

向僱員或提供類似服務之其他人士支付之以股本結算以股份支付之款項按股本工具於授出日期之公平價值計量。

於以股本結算以股份支付款項授出當日釐定之公平價值於歸屬期內根據本集團對最終將會歸屬之股本工具之估計以直線法支銷，權益亦相應增加(購股權儲備)。本集團於呈報期結束時修訂預期將會歸屬之股本工具數目之估計數字。修訂原先估計數字(如有)之影響會於損益中確認，以使累計開支反映經修訂估計，購股權儲備亦會作出相應調整。就於授出當日即時歸屬之購股權而言，已授出購股權之公平價值即時於損益支銷。

當購股權獲行使時，原先於購股權儲備內確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未行使時，原先於購股權儲備確認之款項將轉撥至保留溢利。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

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

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

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

3. 主要會計政策 (續)

稅項

所得稅開支指本年度應付稅項及遞延稅項之總額。

本年度應付稅項乃按本年度之應課稅溢利計算。由於其他年度之應課稅收入或可扣減之支出以及永不課稅或不可扣減之項目，應課稅溢利有別於綜合損益及其他全面收益表所呈報之「除稅前溢利」。本集團之即期稅項負債乃按呈報期結束前已實施或大致實施之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用之相關稅基產生之暫時差異確認。遞延稅項負債一般就所有應課稅暫時差異予以確認。遞延稅項資產一般於可能有應課稅溢利抵銷可動用之可扣減暫時差異時就所有可扣減暫時差異予以確認。倘暫時差異因於概不影響應課稅溢利或會計溢利之交易(業務合併除外)中初步確認資產及負債而產生，則不會確認遞延稅項資產及負債。此外，倘暫時差異因初步確認商譽而產生，則不會確認遞延稅項負債。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (CONTINUED)

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

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

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

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

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

3. 主要會計政策(續)

稅項(續)

遞延稅項負債就與於附屬公司之投資及於合營公司之權益相關之應課稅暫時差異而予以確認，惟在本集團可控制暫時差異之撥回以及暫時差異於可預見將來不可能撥回之情況下除外。涉及該等投資及權益之可扣減暫時差異產生之遞延稅項資產於具有足夠應課稅溢利可動用暫時差異之利益，且預期於可見將來撥回時，方予以確認。

遞延稅項資產之賬面值於各呈報期結束時均予以檢討，並於不可能再有充足應課稅溢利可容許收回所有或部分有關資產時調減。

遞延稅項資產及負債按預期於償還負債或資產變現之期間適用之稅率計算，而有關稅率之基準為於呈報期結束前已實施或大致實施之稅率(及稅法)。

遞延稅項負債及資產之計量反映本集團預期於呈報期結束時收回或償還資產及負債賬面值所產生之稅務後果。

就計量以公平價值模型計量之投資物業遞延稅項而言，該等物業之賬面值已假設可透過銷售全面收回，除非此項假定被駁回則除外。倘持有投資物業折舊及所據之業務模式並非透過出售而是隨時間流逝消耗該物業所包含之絕大部分經濟利益，則本假定將被駁回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (CONTINUED)

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for business combination.

Property, plant and equipment

Property, plant and equipment including buildings and leasehold land held for use in the production or supply of services or for administrative purposes are stated in the consolidated statement of financial position at costs less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of the each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

3. 主要會計政策 (續)

稅項 (續)

即期及遞延稅項於損益確認，惟當與於其他全面收入或直接於權益確認之項目有關之情況下，即期及遞延稅項則同樣分別於其他全面收入或直接於權益確認。倘業務合併之初步會計產生即期稅項或遞延稅項，則於計算業務合併時計入稅務影響。

物業、機器及設備

物業、機器及設備(包括持有用於生產或供應服務或作行政用途之樓宇及租賃土地)按成本減其後之累計折舊及隨後累計減值虧損(如有)於綜合財務狀況報表列賬。

資產之折舊，乃根據其估計可使用年期，經扣除剩餘價值後以直線法撇銷其成本確認。估計可使用年期、剩餘價值及折舊方法會在各呈報期結束時檢討，任何估計變動之影響按預計基準列賬。

物業、機器及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時取消確認。出售或報廢物業、機器及設備項目時所產生之任何收益或虧損以出售所得款項與該資產之賬面值之差額計量，並於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investment properties

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

Impairment losses on tangible assets

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

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

3. 主要會計政策(續)

投資物業

投資物業為持作賺取租金及／或資本增值之物業。投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業按其公平價值計量。所有按經營租約持作賺取租金或資本增值之本集團物業權益乃分類為投資物業並按此入賬，並採用公平價值模式計量。投資物業公平價值變動產生之收益或虧損計入產生期間之損益內。

有形資產之減值虧損

本集團於呈報期結束時審閱其有形資產之賬面值以確定是否有任何跡象表明該等資產存在減值虧損。倘存在任何該等跡象，則會估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘無法估計個別資產之可收回金額，則本集團估計該項資產所屬之現金產生單位之可收回金額。倘有可識別之合理一致分配基準，企業資產亦會分配至個別現金產生單位，或分配至有可識別合理一致分配基準之現金產生單位之最小組別。

可收回金額為公平價值減出售成本及使用價值兩者之較高者。於評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，而有關折現率反映當前市場對貨幣時間價值及估計未來現金流量未經調整之資產之特定風險之評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Impairment losses on tangible assets

(CONTINUED)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value-in-use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

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

Inventories

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

3. 主要會計政策 (續)

有形資產之減值虧損 (續)

倘預計一項資產 (或現金產生單位) 之可收回金額低於其賬面值，則該項資產 (或現金產生單位) 之賬面值應扣減至其可收回金額。分配減值虧損時，首先將減值虧損分配至減少任何商譽 (如適用) 之賬面值，繼而根據單位中各項資產之賬面值而按比例分配至其他資產。抵減後資產之賬面值不得低於以下三者之中最高者：該資產之公平價值扣除出售成本 (如可釐定) 之數、其使用價值 (如可釐定) 及零。原應分配至該資產之減值虧損金額，乃按照該單位中其他資產之賬面值按比例分配。減值虧損即時於損益確認。

倘減值虧損於日後撥回，則該項資產 (或現金產生單位) 之賬面值應增至其可收回金額之修訂後估值，惟增加後賬面值不得超過假設該項資產 (或現金產生單位) 於過往年度未確認減值虧損所釐定之賬面值。撥回之減值虧損即時於損益確認。

存貨

存貨按成本或可變現淨值兩者中之較低者列賬。存貨成本乃按加權平均法釐定。可變現淨值指存貨估計售價減所有估計完成成本及進行出售所需成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets at FVTPL, available-for-sale (“AFS”) financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策(續)

金融工具

倘集團實體成為工具合約條文之訂約方，則確認金融資產及金融負債。

金融資產及金融負債最初按公平價值計量。因收購或發行金融資產及金融負債(透過損益按公平價值計量(「透過損益按公平價值計量」)之金融資產及金融負債除外)而直接產生之交易成本於初次確認時加入金融資產或金融負債之公平價值或自金融資產或金融負債之公平價值扣除(按適用者)。因收購透過損益按公平價值計量之金融資產或金融負債而直接產生之交易成本即時於損益確認。

金融資產

金融資產分為以下特定類別：透過損益按公平價值計量之金融資產、可供出售(「可供出售」)金融資產以及貸款及應收賬款。分類視乎金融資產之性質及目的於初步確認時釐定。所有金融資產之日常買賣於交易日確認及取消確認。日常買賣指須根據市場規例或慣例訂立之時間內交付資產之金融資產買賣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL of which interest income is included in net gains or losses.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) held for trading or (ii) it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

實際利率法

實際利率法乃計算債務工具之攤銷成本及分配相關期間利息收入之方法。實際利率乃於首次確認時按債務工具之預計年期或適用之較短期間，準確折現估計未來現金收入（包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓）至賬面淨值之利率。

債務工具（分類為透過損益按公平價值計量之金融資產除外）之利息收入乃按實際利率基準確認而有關利息收入計入收益或虧損淨額。

透過損益按公平價值計量之金融資產

當金融資產乃(i)持作買賣用途或(ii)指定為透過損益按公平價值計量，有關金融資產會被分類為透過損益按公平價值計量。

倘若出現下列情況，則金融資產被分類為持作買賣：

- 其主要為於不久將來出售而購入；或
- 其於初步確認時為構成本集團合併管理之已識別金融工具組合一部分，且近期出現實際短期獲利規律；或
- 其並非指定為有效對沖工具之衍生工具。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Financial assets at FVTPL (CONTINUED)

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the 'other income, gains and losses' line item. Fair value is determined in the manner disclosed in note 38c.

Loan notes

Loan notes issued by the Group that contain both debt component and early redemption option (which is not closely related to the host contract) are classified separately into respective items on initial recognition. At the date of issue, both the debt component and early redemption option components are recognised at fair value.

In subsequent periods, the debt component of the loan notes are carried at amortised cost using the effective interest method. The early redemption option of loan notes is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that related to the issue of the loan notes are included in the carrying amount of the debt component of loan notes and amortised over the period of the loan notes using the effective interest method.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see accounting policy in respect of impairment loss on financial assets below).

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

透過損益按公平價值計量之金融資產(續)

透過損益按公平價值計量之金融資產按公平價值列賬，而重新計量所產生之任何收益或虧損則於損益確認。於損益確認之收益或虧損淨額包括於金融資產賺取之任何股息或利息，並計入「其他收入、收益及虧損」項目內。公平價值按附註38c所披露之方式釐定。

貸款票據

本公司發行包括債務部份及提早贖回權部份(與主合約並無密切關連)之貸款票據在初始確認時分類為不同項目。於發行日期，債務部份及提早贖回權部份均按公平價值確認。

在其後期間，貸款票據之債務部份使用實際利率法按攤銷成本列賬。貸款票據之提早贖回權按公平價值計量，其公平價值變動在損益中確認。

與發行貸款票據有關之交易成本計入貸款票據之債務部份之賬面值，並使用實際利率法在貸款票據期內攤銷。

可供出售金融資產

可供出售金融資產為非衍生項目，可獲指定為可供出售或未有劃分為(a)貸款及應收賬款、(b)持有至到期日之投資或(c)透過損益按公平價值計量之金融資產。

於活躍市場並無市場報價且其公平價值不能可靠地計量之可供出售股本投資及與交付該等無報價股本投資有關且必須透過交付該等無報價股本投資結算之衍生工具，於各呈報期結束時按成本減任何已識別減值虧損計量(見下文有關金融資產減值虧損之會計政策)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including amount due from a joint venture, trade and other receivables, loan notes receivables and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial assets because of financial difficulties.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

貸款及應收賬款

貸款及應收賬款為附帶固定或可釐定付款之非衍生性質金融資產，而其在活躍市場並無報價。於初次確認後，貸款及應收賬款(包括應收一家合營公司款項、貿易及其他應收賬款、應收貸款票據以及銀行結餘及現金)採用實際利率法按攤銷成本減任何減值計量(見下文有關金融資產減值虧損之會計政策)。

金融資產減值

金融資產(透過損益按公平價值計量者除外)於各呈報期結束時就有否減值跡象接受評估。倘有客觀證據顯示，有關投資之估計未來現金流量因一項或多項於初步確認金融資產後發生之事件而受到影響，則金融資產被視為出現減值。

就所有其他金融資產而言，減值之客觀證據包括：

- 發行人或對手方出現重大財政困難；或
- 違約，例如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組；或
- 因為財務困難而導致該金融資產失去活躍市場。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (CONTINUED)

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

應收賬款組合之客觀減值證據可包括本集團之過往收款經驗、組合內超逾平均信貸期之延遲還款次數增加，以及與拖欠應收賬款有關之全國或地方經濟狀況出現顯著改變。

就按攤銷成本列賬之金融資產而言，已確認減值虧損金額為資產賬面值與按該金融資產之原實際利率折現之估計未來現金流量現值間之差額。

就按成本列賬之金融資產而言，減值虧損之金額按該項資產之賬面值與按類似金融資產現行市場回報率折現之估計未來現金流量現值間之差額計量。此減值虧損不會於往後期間撥回(見下文會計政策)。

除貿易及其他應收賬款之賬面值透過使用撥備賬扣減外，所有金融資產之賬面值會直接按減值虧損扣減。撥備賬之賬面值變動於損益確認。倘貿易及其他應收賬款被視為無法收回，則於撥備賬撇銷。其後收回過往撇銷之款項將計入損益內。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (CONTINUED)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities at amortised cost

Financial liabilities including trade and other payables and borrowings are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就按攤銷成本計量之金融資產而言，倘減值虧損金額於往後期間有所減少，而減幅在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益撥回，惟該投資於撥回減值當日之賬面值不得超過在並無確認減值之情況下應有之攤銷成本。

金融負債及股本工具

分類為債務或權益

由集團實體發行之債務及股本工具按合約安排之內容以及金融負債及股本工具之定義分類為金融負債或權益。

股本工具

股本工具為證明實體資產於扣除其所有負債後之剩餘權益之任何合約。由本集團發行之股本工具按已收取所得款項扣除直接發行成本確認。

按攤銷成本計量之金融負債

金融負債(包括貿易及其他應付賬款以及借貸)其後採用實際利率法按攤銷成本計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial liabilities and equity instruments

(CONTINUED)

Classification as debt or equity (CONTINUED)

Effective interest method

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

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

3. 主要會計政策(續)

金融負債及股本工具(續)

分類為債務或權益(續)

實際利率法

實際利率法乃計算金融負債之攤銷成本及分配相關期間利息開支之方法。實際利率乃於首次確認時按金融負債之預計年期或適用之較短期間，準確折現估計未來現金付款(包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓)至賬面淨值之利率。利息開支按實際利率基準確認。

取消確認

本集團僅於金融資產所產生現金流量之合約權利屆滿或於本集團轉讓金融資產以及該資產擁有權之絕大部分風險及回報予另一實體時，方會取消確認金融資產。倘本集團並無轉讓亦無保留擁有權之絕大部分風險及回報並繼續控制已轉讓資產，則本集團確認其於資產之保留權益以及就其可能須支付之金額確認相關負債。倘本集團保留已轉讓金融資產擁有權之絕大部分風險及回報，則本集團將繼續確認金融資產，並就已取得款項確認有抵押借貸。

於取消確認全部金融資產時，資產賬面值與已收及應收代價及已於其他全面收入確認並於權益累積之累計收益或虧損之總和間之差額乃於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Derecognition (CONTINUED)

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

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3. 主要會計政策 (續)

取消確認 (續)

當及僅當本集團之責任獲解除、取消或已到期時，本集團方會取消確認金融負債。已取消確認之金融負債之賬面值與已付及應付代價間之差額於損益確認。

4. 關鍵會計判斷及估計不明朗因素之主要來源

本公司董事於應用附註3所述本集團之會計政策時，須就無法即時明顯從其他來源得知之資產及負債賬面值作出判斷、估計及假設。有關估計及相關假設乃根據過往經驗及其他被視為相關之因素作出。實際結果可能不同於該等估計。

該等估計及相關假設按持續基準進行檢討。如修訂該等會計估計僅對修訂期間有影響，則該等修訂在該期間確認，如有關修訂同時影響現時及未來期間，則在修訂期間及未來期間確認。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Critical judgments in applying the Group's accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Uncertainty to the co-operative period of Rosedale Hotel Guangzhou Co., Ltd (廣州珀麗酒店有限公司) ("Rosedale Guangzhou")

Pursuant to the co-operative agreement between Allied Glory Investment Limited ("Allied Glory"), an indirect non-wholly owned subsidiary of the Company, and the minority shareholder of Rosedale Guangzhou (the "PRC Partner") (the "Co-operative Agreement"), the co-operative period for Rosedale Guangzhou is 50 years commencing from 15 January 1987.

Rosedale Guangzhou is a sino-foreign co-operative joint venture incorporated in the People's Republic of China and its major asset is a hotel property located in Guangzhou (the "Rosedale Guangzhou Hotel"), which it operates. The rights and ownership of Rosedale Guangzhou Hotel would be transferred to the PRC Partner upon the completion of the co-operative period. Pursuant to the approval issued by the Foreign Economic and Trade Commission (the "FETC"), Rosedale Guangzhou was granted an initial co-operative period of 30 years and such approval also stated that, subject to the satisfaction of certain conditions, the co-operative period could be extended for a further period of time but not more than 20 years. Rosedale Guangzhou was then granted a business license with license period of 30 years which expired in January 2017.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

應用本集團會計政策之關鍵判斷

以下為董事在應用本集團會計政策時作出並且對於綜合財務報表內確認金額產生最顯著影響之關鍵判斷(除了涉及估計(見下文)者外)。

有關廣州珀麗酒店有限公司(「廣州珀麗」)之合作經營期之不明朗因素

根據合榮投資有限公司(「合榮」,其為本公司之間接非全資附屬公司)與廣州珀麗之少數股東(「中國夥伴」)訂立之合作經營合同書(「合作經營合同書」),廣州珀麗的合作期為一九八七年一月十五日起計五十年。

廣州珀麗為在中華人民共和國成立的中外合作經營企業,其主要資產為一項位於廣州之酒店物業(「廣州珀麗酒店」)而廣州珀麗酒店由廣州珀麗經營。廣州珀麗酒店之權利及擁有權須於合作期完成後轉移至中國夥伴。根據廣州市對外經濟貿易委員會發出之批准,廣州珀麗的初步合作期為三十年,而該批准亦訂明,在符合若干條件之情況下,合作期可進一步延長不多於二十年期。廣州珀麗當時所取得的三十年期營業執照已於二零一七年一月屆滿。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Critical judgments in applying the Group's accounting policies (CONTINUED)

However, the PRC Partner refused to cooperate with Allied Glory to jointly apply for such extension. Allied Glory has therefore applied to the China International Economic and Trade Arbitration Commission (the "CIETAC") to seek for an arbitral award to restate the co-operative period to 50 years and require the PRC Partner to cooperate in the application process of the relevant license of Rosedale Guangzhou.

The outcome of the arbitration is still uncertain at this stage. Significant judgment is required when determining whether the management is able to obtain the arbitral award. If the arbitration result is unfavourable to the Group, full impairment loss particularly in the hotel property of Rosedale Guangzhou would arise.

Key sourcing of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

應用本集團會計政策之關鍵判斷(續)

然而，中國夥伴拒絕與合榮合作以共同申請上述延期。合榮已因此向中國國際經濟貿易仲裁委員會申請，以尋求仲裁委員會裁決以將合作期重列至五十年並要求中國夥伴須在將廣州珀麗的相關執照之申請過程中合作。

在現階段仍未能確定仲裁結果。於釐定管理層能否取得仲裁裁決方面須作出重大判斷。倘若仲裁結果不利於本集團，將會產生全數減值虧損，特別是在廣州珀麗之酒店物業方面。

估計不明朗因素之主要來源

以下為有關未來之主要假設以及於呈報期結束時之估計不明朗因素之其他主要來源，兩者均存在可能導致須大幅調整下一財政年度之資產及負債賬面值之重大風險。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sourcing of estimation uncertainty (CONTINUED)

Impairment assessment of hotel properties included in property, plant and equipment

In considering the impairment loss of hotel properties included in property, plant and equipment, the recoverable amount of the hotel properties needs to be determined. The recoverable amount is the higher of its fair value less costs of disposal and value-in-use. It is difficult to precisely estimate fair value because quoted market prices for these assets may not be readily available. In determining the value-in-use, the Group uses all readily available information in determining expected cash flows generated by the cash-generating unit to each of the hotel operation belongs and they are discounted to their present value, of which the key assumptions to be applied in preparing cash flow forecast including whether these cash flow forecast is discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates, the gross profit margin or the revenue growth rate assumptions in the cash flow forecast, could affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations.

An impairment loss is measured as the difference between the asset's carrying amount and the recoverable amount. Where the recoverable amount is less than expected, an impairment loss may arise. As at 31 December 2016, the carrying amount of hotel properties is approximately HK\$378,350,000 (2015: HK\$432,634,000) (net of accumulated depreciation and impairment loss of approximately HK\$220,097,000 (2015: HK\$214,303,000)). The directors performed impairment assessment of the Group's hotel properties, no impairment loss (2015: HK\$17,496,000) was recognised as their value-in-use determined in this manner was estimated to be higher than their carrying amounts.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

計入物業、機器及設備之酒店物業之減值評估

在考慮計入物業、機器及設備之酒店物業之減值虧損時，需釐定酒店物業之可收回金額。可收回金額為公平價值扣除出售成本與使用價值之較高者。由於未必可以隨時獲得相關資產之市場報價，因此難以準確估計公平價值。在釐定使用價值時，本集團使用全部現時可獲得之信息以釐定各酒店業務所屬之現金產出單位所產生之預期現金流量，並將之貼現至現值，其中將在編製現金流量預測時應用之關鍵假設包括此等現金流量預測是否使用適當之比率進行貼現。管理層在評估減值時選用之假設(包括現金流量預測中之貼現率、毛利率或收入增長率假設)的變化，可影響減值測試中使用之淨現值，從而影響本集團之財務狀況及經營業績。

減值虧損乃按資產賬面值與可收回金額兩者之差額計量。倘可收回金額少於預期，則可能產生減值虧損。於二零一六年十二月三十一日，酒店物業之賬面值約為378,350,000港元(二零一五年：432,634,000港元)(已扣除累計折舊及減值虧損約220,097,000港元(二零一五年：214,303,000港元))。董事已就本集團之酒店物業進行減值評估，並無確認減值虧損(二零一五年：17,496,000港元)，原因為有關酒店物業按此方式釐定之使用價值乃估計高於其賬面值。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sourcing of estimation uncertainty (CONTINUED)

Valuation of investment properties

Investment properties are carried in the consolidated statement of financial position at their fair values at the end of each reporting period as disclosed in note 16. The fair values were based on a valuation on these properties conducted by an independent firm of professional valuers using property valuation techniques which involve certain assumptions. Changes to these assumptions and inputs would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of gain or loss reported in profit or loss. As at 31 December 2016, the carrying amount of investment properties was HK\$192,000,000 (2015: HK\$229,000,000).

Depreciation of hotel properties

The Group's carrying amount of hotel properties as at 31 December 2016 was approximately HK\$378,350,000 (2015: HK\$432,634,000). The Group depreciates the hotel properties on a straight-line basis over the shorter of their remaining unexpired terms of the leases and 2.5% per annum. The useful lives reflect the directors' estimate of the periods that the Group intends to derive economic benefits from the use of the Group's hotel properties. During the year, the useful lives of the hotel properties have been reviewed and these estimates are considered to be appropriate.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

投資物業之估值

投資物業按於各呈報期結束時之公平價值在綜合財務狀況報表列賬(如附註16所披露)。有關公平價值是基於獨立專業估值師行運用物業估值技術(當中涉及若干假設)而對該等物業進行之估值。此等假設及輸入數據之變動可導致本集團投資物業之公平價值變動以及對於在損益報告之收益或虧損金額作出相應調整。於二零一六年十二月三十一日,投資物業之賬面值為192,000,000港元(二零一五年:229,000,000港元)。

酒店物業折舊

於二零一六年十二月三十一日,本集團酒店物業之賬面值約為378,350,000港元(二零一五年:432,634,000港元)。本集團以直線法按酒店物業之租約剩餘年期及年率2.5%(以較短者為準)計算酒店物業折舊。可使用年期反映董事對本集團計劃透過使用其酒店物業獲取經濟利益之期間之估計。年內,已審閱酒店物業之可使用年期,而該等估計被認為恰當。

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4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sourcing of estimation uncertainty (CONTINUED)

Impairment loss on trade and other receivables

Management regularly reviews the recoverability of the trade and other receivables. Appropriate impairment for estimated irrecoverable amount is recognised in profit and loss when there is objective evidence that the amount is not recoverable.

In determining whether allowance for bad and doubtful debts is required, the Group takes into consideration the aged status and likelihood of collection. Specific allowance is only made for the trade and other receivables that are unlikely to be collected and is recognised on the difference between the carrying amount of trade and other receivables and the present value of estimated future cash flow discounted using the original effective interest rate. Where the actual cash flows are less than expected, an impairment loss may arise. As at 31 December 2016, the carrying amount of trade and other receivables was HK\$184,350,000 (net of accumulated impairment loss of HK\$9,410,000) (2015: HK\$118,079,000, net of impairment loss of HK\$9,410,000).

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

貿易及其他應收賬款減值虧損

管理層定期審閱貿易及其他應收賬款之可收回程度。當有客觀證據顯示款項不可收回時，會於損益確認估計不可收回款項之適當減值。

於釐定是否需要作出呆壞賬撥備時，本集團會考慮賬齡狀況及收款可能性，並僅就不大可能收回之貿易及其他應收賬款作出特定撥備，而撥備乃按貿易及其他應收賬款之賬面值與使用原實際利率折現之估計未來現金流量現值間之差額確認。倘實際現金流量少於預期，則可能產生減值虧損。於二零一六年十二月三十一日，貿易及其他應收賬款之賬面值為184,350,000港元(已扣除累計減值虧損9,410,000港元)(二零一五年：118,079,000港元(已扣除累計減值虧損9,410,000港元))。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sourcing of estimation uncertainty (CONTINUED)

Fair value measurements and valuation processes

Certain of the Group's assets and liabilities are measured at fair value for financial reporting purposes.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Notes 16 and 38c provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

4. 關鍵會計判斷及估計不明朗因素之主要來源(續)

估計不明朗因素之主要來源(續)

公平價值計量及估值程序

就財務呈報而言，本集團之若干資產及負債按公平價值計量。

於估計資產或負債公平價值時，本集團使用可得之市場可觀察數據。倘並無第一級輸入數據可供使用，本集團會委聘第三方合資格估值師進行估值。管理層與合資格外部估值師緊密合作，確立合適之估值方法及輸入數據至模型。

本集團採用包含並非以可觀察市場數據為基礎之輸入數據之估值方法，估計若干種類金融工具之公平價值。附註16及38c提供關於釐定不同資產及負債公平價值時採用之估值方法、輸入數據及主要假設之詳細資料。

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5. TURNOVER

Turnover represents the fair value of the consideration received or receivable from outside customers, net of discounts and sales-related taxes during the year. An analysis of the Group's turnover for the year is as follows:

Hotel operations and rental income 酒店經營及租金收入

2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
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242,296	235,412
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6. SEGMENT INFORMATION

Segment information reported internally was analysed on the basis of the types of services provided and activities carried out by the Group's operating divisions. The Group is currently organised into two operating divisions – hotel operations and securities trading. The information reported to the Group's chief operating decision maker (the "CODM") (i.e. Executive Directors) for the purposes of resource allocation and assessment of performance is focused on these operating divisions.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

1. Hotel operations – hotel accommodation, food, banquet operations and rental income; and
2. Securities trading – trading of equity securities

5. 營業額

營業額指於年內已收或應收外間客戶之代價公平價值減折扣及銷售相關稅項。本集團於本年度之營業額分析如下：

6. 分類資料

對內報告之分類資料乃按本集團營運部門所提供服務及經營業務之類型分析。本集團現時分為兩個營運部門—酒店經營及證券買賣。向本集團主要營運決策者（「主要營運決策者」）（即執行董事）呈報用於分配資源及評估業績之資料乃集中於該等營運部門。

本集團根據香港財務報告準則第8號劃分之特定可報告及經營分類如下：

1. 酒店經營—酒店住宿、餐膳及宴會業務，以及租金收入；及
2. 證券買賣—股本證券買賣

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

6. SEGMENT INFORMATION (CONTINUED)

Segment revenue and results

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

For the year ended 31 December 2016

6. 分類資料(續)

分類收入及業績

以下為本集團收入及業績按可報告及經營分類之分析。

截至二零一六年十二月三十一日止年度

		Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Consolidated HK\$'000 綜合 千港元
TURNOVER	營業額	242,296	-	242,296
RESULTS	業績			
Segment loss excluding impairment loss recognised in respect of property, plant and equipment	分類虧損(不包括物業、機器及設備之已確認減值虧損)	(31,555)	(20)	(31,575)
Fair value change of investments held for trading	持作買賣投資之公平價值變動	-	(5,765)	(5,765)
Segment loss	分類虧損	(31,555)	(5,785)	(37,340)
Directors' emoluments	董事酬金			(3,068)
Interest income	利息收入			14,088
Share of result of a joint venture	應佔一家合營公司業績			(179)
Impairment loss recognised in respect of amount due from a joint venture	應收一家合營公司款項之已確認減值虧損			(27,983)
Decrease in fair value of investment properties	投資物業之公平價值減少			(22,009)
Finance costs	融資成本			(2,280)
Central administrative costs and unallocated corporate expenses	中央行政成本及未分配企業開支			(13,758)
Loss before taxation	除稅前虧損			(92,529)

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

6. SEGMENT INFORMATION (CONTINUED)

Segment revenues and results (CONTINUED)

For the year ended 31 December 2015

6. 分類資料(續)

分類收入及業績(續)

截至二零一五年十二月三十一日止年度

		Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Consolidated HK\$'000 綜合 千港元
TURNOVER	營業額	235,412	–	235,412
RESULTS	業績			
Segment loss excluding impairment loss recognised in respect of property, plant and equipment	分類虧損(不包括物業、機器及設備之已確認減值虧損)	(60,635)	–	(60,635)
Impairment loss recognised in respect of property, plant and equipment	物業、機器及設備之已確認減值虧損	(17,496)	–	(17,496)
Fair value change of investments held for trading	持作買賣投資之公平價值變動	–	(18,412)	(18,412)
Segment loss	分類虧損	(78,131)	(18,412)	(96,543)
Directors' emoluments	董事酬金			(2,938)
Interest income	利息收入			39,534
Share of result of a joint venture	應佔一家合營公司業績			(7,445)
Impairment loss recognised in respect of available-for-sale investments	可供出售投資之已確認減值虧損			(18,722)
Decrease in fair value of investment properties	投資物業之公平價值減少			(30,634)
Finance costs	融資成本			(1,632)
Central administrative costs and unallocated corporate expenses	中央行政成本及未分配企業開支			(1,431)
Loss before taxation	除稅前虧損			(119,811)

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

6. SEGMENT INFORMATION (CONTINUED)

Segment revenues and results (CONTINUED)

The accounting policies of the operating segments are the same as the Group's accounting policies in note 3. Segment loss represents the loss from each segment without allocation of directors' emoluments, interest income, finance costs, certain impairment losses, change in fair value of investment properties, share of result of a joint venture and central administrative costs and unallocated corporate expenses. There was asymmetrical allocation to operating segments because the Group allocated borrowings to operating segments without allocating the related finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

6. 分類資料(續)

分類收入及業績(續)

經營分類之會計政策與附註3所述之本集團會計政策相同。分類虧損指各分類錄得之虧損，當中並未分配董事酬金、利息收入、融資成本、若干減值虧損、投資物業之公平價值變動、應佔一家合營公司業績以及中央行政成本及未分配企業開支。由於本集團將借貸分配至經營分類，而不會分配相關融資成本，故各經營分類間之分配比例不盡相同。此乃向主要營運決策者呈報供其分配資源及評估業績之計量方法。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

6. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

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

6. 分類資料(續)

分類資產及負債

以下為本集團按可報告及經營分類之資產及負債分析：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
SEGMENT ASSETS	分類資產		
Hotel operations	酒店經營	468,640	492,888
Securities trading	證券買賣	60,000	14,406
Total segment assets	分類資產總值	528,640	507,294
Investment properties	投資物業	192,000	229,000
Available-for-sale investments	可供出售投資	-	-
Interest in a joint venture	於一家合營公司之權益	-	179
Amount due from a joint venture	應收一家合營公司款項	-	27,983
Deposit paid for acquisition of an investment	收購一項投資之已付按金	-	172,940
Loan notes receivable	應收貸款票據	-	186,578
Cash and cash equivalent	現金及現金等值項目	1,660,949	1,436,453
Other unallocated assets	其他未分配資產	153,421	117,737
Consolidated assets	綜合資產	2,535,010	2,678,164
SEGMENT LIABILITIES	分類負債		
Hotel operations	酒店經營	93,502	84,526
Securities trading	證券買賣	9,354	6,383
Total segment liabilities	分類負債總額	102,856	90,909
Tax liabilities	稅項負債	79,048	77,389
Deferred taxation	遞延稅項	46,583	52,223
Other unallocated liabilities	其他未分配負債	-	10,000
Consolidated liabilities	綜合負債	228,487	230,521

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6. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (CONTINUED)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than assets relating to investment properties, available-for-sale investments, loan notes receivable, interest in a joint venture, amount due from a joint venture, deposit paid for acquisition of an investment, cash and cash equivalent and other unallocated assets; and
- all liabilities are allocated to operating segments other than liabilities relating to current and deferred tax liabilities and other unallocated liabilities.

Other segment information

2016

	Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Unallocated HK\$'000 未分配 千港元	Consolidated total HK\$'000 綜合合計 千港元
Amounts included in the measure of segment profit or loss or segment assets:	計量分類溢利或虧損或分類資產時計入之款項：			
Addition to property, plant and equipment	物業、機器及設備增加	14,243	—	14,243
Depreciation of property, plant and equipment	物業、機器及設備之折舊	29,982	—	29,982
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	3,628	—	3,628

6. 分類資料(續)

分類資產及負債(續)

為監察分類表現及對各分類作資源分配：

- 所有資產均會分配至經營分類，惟與投資物業、可供出售投資、應收貸款票據、於一家合營公司之權益、應收一家合營公司款項、收購一項投資之已付按金、現金及現金等值項目以及其他未分配資產有關之資產除外；及
- 所有負債均會分配至經營分類，惟與即期及遞延稅項負債以及其他未分配負債有關之負債除外。

其他分類資料

二零一六年

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6. SEGMENT INFORMATION (CONTINUED)

Other segment information (CONTINUED)

2015

		Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Unallocated HK\$'000 未分配 千港元	Consolidated total HK\$'000 綜合合計 千港元
Amounts included in the measure of segment profit or loss or segment assets:	計量分類溢利或 虧損或分類資產時 計入之款項：				
Addition to property, plant and equipment	物業、機器及設備增加	966	—	—	966
Depreciation of property, plant and equipment	物業、機器及設備之 折舊	32,780	—	—	32,780
Loss on disposal of property, plant and equipment	出售物業、機器及 設備之虧損	5	—	—	5
Impairment loss recognised in respect of property, plant and equipment	物業、機器及設備之 已確認減值虧損	17,496	—	—	17,496

6. 分類資料(續)

其他分類資料(續)

二零一五年

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6. SEGMENT INFORMATION (CONTINUED)

Geographical information

The Group operates in two principal geographical areas – the People's Republic of China (the "PRC") (excluding Hong Kong) and Hong Kong.

Information about the Group's revenue from continuing operations from external customers is presented based on the location of services provided in respect of hotel operations:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Hong Kong	香港	93,656	91,710
The PRC	中國	148,640	143,702
		242,296	235,412

Information about the Group's non-current assets is presented based on the location of assets are detailed below:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
The PRC	中國	566,113	673,031
Hong Kong	香港	61,157	74,186
		627,270	747,217

Note: Non-current assets excluded available-for-sale investments and deposit paid for acquisition of an investment.

Information about major customers and services

There is no revenue from any single external customers that contributed over 10% on the total sales of the Group during the years ended 31 December 2016 and 2015.

No analysis of the Group's revenue from its major services and security trading is presented as no discrete financial information is prepared based on this analysis and the cost to develop it would be excessive.

6. 分類資料(續)

地域資料

本集團在兩個主要地域經營業務—中華人民共和國(「中國」)(不包括香港)及香港。

本集團來自外部客戶之持續經營業務收入，按提供服務所在地(就酒店經營而言)呈列之資料：

有關本集團非流動資產按資產所在地呈列之資料詳列如下：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
The PRC	中國	566,113	673,031
Hong Kong	香港	61,157	74,186
		627,270	747,217

附註：非流動資產不包括可供出售投資以及就可能收購一項投資之已付按金。

有關主要客戶及服務之資料

於截至二零一六年及二零一五年十二月三十一日止年度，並無來自任何單一外部客戶之收入佔本集團總銷售額超過10%。

並無呈列本集團來自其主要服務及證券買賣之收入分析，原因為並無按此分析編製實質財務資料，而且編製之成本將會過高。

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7. INTEREST INCOME

7. 利息收入

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Interest income on:	源自下列項目之利息收入：		
Bank deposits and other receivables	銀行存款及其他應收賬款	5,339	679
Effective interest on loan notes (note 19)	貸款票據之實際利息(附註19)	8,749	38,248
Imputed interest on amount due from a joint venture	應收一家合營公司款項之 推算利息	-	607
		14,088	39,534

8. OTHER INCOME, GAINS AND LOSSES

8. 其他收入、收益及虧損

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
An analysis of the Group's other income, gains and losses is as follows:	本集團之其他收入、收益及 虧損分析如下：		
Fair value change of investments held for trading	持作買賣投資之公平價值變動	(5,765)	(18,412)
Impairment loss recognised on other receivables	其他應收賬款之已確認減值虧損	-	(9,410)
Gain on early redemption of loan notes receivable (note 19)	提早贖回應收貸款票據之收益 (附註19)	8,371	30,200
Sundry income	雜項收入	2,756	572
Gain (loss) on disposal of property, plant and equipment	出售物業、機器及設備之 收益(虧損)	3,628	(5)
		8,990	2,945

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

9. FINANCE COSTS

9. 融資成本

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Interest on borrowings	借貸之利息	2,280	1,632

10. LOSS BEFORE TAXATION

10. 除稅前虧損

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Loss before taxation has been arrived at after charging:	除稅前虧損已扣除下列各項：		
Depreciation of property, plant and equipment	物業、機器及設備之折舊	29,982	32,780
Auditor's remuneration	核數師酬金	3,600	3,533
Cost of inventories recognised as expenses	已確認為支出之存貨成本	17,616	17,529
Minimum lease payments paid in respect of rented premises	已付租賃物業之最低租金付款	34,142	32,467
Staff costs (including directors' emoluments)	僱員成本(包括董事酬金)	42,070	40,704
and after crediting:	並已計入：		
Gross rental income from shops in hotel properties less negligible outgoings (included in turnover)	位於酒店物業內之商舖之租金收入總額減可忽略支出(已計入營業額)	25,000	25,818

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11. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND HIGHEST PAID EMPLOYEES

The emoluments paid or payable to each of the six (2015: six) directors and the chief executive were as follows:

For the year ended 31 December 2016

	Fees HK\$'000 袍金 千港元	Salaries and other benefits HK\$'000 薪金及 其他福利 千港元	Retirement benefit scheme contributions HK\$'000 退休福利 計劃供款 千港元	Total emoluments HK\$'000 總酬金 千港元
Executive directors:				
Dr. Yap Allan	120	-	-	120
Ms. Chan Ling, Eva*	-	2,750	18	2,768
Mr. Chan Pak Cheung, Natalis	-	-	-	-
Independent non-executive directors:				
Mr. Kwok Ka Lap, Alva	60	-	-	60
Mr. Poon Kwok Hing, Albert	60	-	-	60
Mr. Sin Chi Fai	60	-	-	60
	300	2,750	18	3,068

11. 董事及行政總裁酬金及最高薪酬僱員

已付或應付六名(二零一五年:六名)董事及行政總裁各人之酬金如下:

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND HIGHEST PAID EMPLOYEES (CONTINUED)

For the year ended 31 December 2015

11. 董事及行政總裁酬金及最高薪酬僱員 (續)

截至二零一五年十二月三十一日止年度

		Fees HK\$'000	Salaries and other benefits HK\$'000	Retirement benefit scheme contributions HK\$'000	Total emoluments HK\$'000
		袍金 千港元	薪金及 其他福利 千港元	退休福利 計劃供款 千港元	總酬金 千港元
Executive directors:	執行董事：				
Dr. Yap Allan	葉家海博士	120	—	—	120
Ms. Chan Ling, Eva*	陳玲女士*	—	2,620	18	2,638
Mr. Chan Pak Cheung, Natalis	陳百祥先生	—	—	—	—
Independent non-executive directors:	獨立非執行董事：				
Mr. Kwok Ka Lap, Alva	郭嘉立先生	60	—	—	60
Mr. Poon Kwok Hing, Albert	潘國興先生	60	—	—	60
Mr. Sin Chi Fai	冼志輝先生	60	—	—	60
		300	2,620	18	2,938

* Ms. Chan Ling, Eva is also the chief executive of the Company and her emoluments disclosed above include those for services rendered by her as the chief executive.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

There was no arrangement under which a director of the chief executive waived or agreed any emoluments for both years.

Of the five individuals with the highest emoluments in the Group, one was director and the chief executive of the Company whose emolument is included in the disclosures above for both years.

* 陳玲女士亦為本公司行政總裁，而其於上文所披露之酬金包括其作為行政總裁提供服務之酬金。

上列執行董事酬金乃關於彼等就管理本公司及本集團之事務所提供之服務。上列獨立非執行董事酬金乃關於彼等出任本公司董事所提供之服務。

於兩個年度概無董事或行政總裁放棄或同意放棄任何酬金之安排。

本集團五位最高薪酬人士中，一位為本公司董事兼行政總裁，其於兩個年度之酬金已在上文披露。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS AND HIGHEST PAID EMPLOYEES (CONTINUED)

Except the director and chief executive as disclosed above, the emoluments of the remaining four highest paid individuals were as follows for both years:

11. 董事及行政總裁酬金及最高 薪酬僱員 (續)

除上文所披露之董事及行政總裁外，本集團於兩個年度支付予餘下四位最高薪酬人士之酬金如下：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Salaries and other benefits	薪金及其他福利	3,364	3,564
Retirement benefit scheme contributions	退休福利計劃供款	72	116
		3,436	3,680
		2016 二零一六年	2015 二零一五年
Their emoluments were within the following bands:	以下為彼等之酬金組別：		
HK\$1 – HK\$1,000,000	1港元至1,000,000港元	3	2
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	1	2

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

12. INCOME TAX EXPENSE

12. 所得稅開支

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Current tax:	即期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	(3,598)	(3,030)
Underprovision in prior years	過往年度撥備不足	(100)	(269)
		(3,698)	(3,299)
Deferred tax (note 28):	遞延稅項(附註28)：		
Current year	本年度	3,033	1,731
Total income tax recognised in profit or loss	於損益確認之所得稅總額	(665)	(1,568)

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits arise in Hong Kong for both years.

由於本集團於兩個年度並無於香港產生之應課稅溢利，因此並無作出香港利得稅撥備。

Under the Law of the PRC on Enterprise Income Tax ("EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個年度之稅率為25%。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

其他司法權區產生之稅項按相關司法權區之通行稅率計算。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

12. INCOME TAX EXPENSE (CONTINUED)

The tax charge for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Loss before taxation	除稅前虧損	(92,529)	(119,811)
Tax at the domestic income tax rate of 16.5%	按本地所得稅率16.5%計算之稅項	(15,267)	(19,769)
Tax effect of expenses that are not deductible in determining taxable profit	於釐定應課稅溢利時不可扣減之開支之稅務影響	11,944	17,989
Tax effect of income that is not taxable in determining taxable profit	於釐定應課稅溢利時毋須課稅之收入之稅務影響	(12,530)	(16,985)
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	10,458	12,909
Tax effect of deductible temporary differences not reconised	未確認之可扣減暫時差異之稅務影響	4,617	2,887
Tax effect of share of result of a joint venture	應佔一家合營公司業績之稅務影響	30	1,228
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬公司不同稅率之影響	(1,256)	(1,812)
Underprovision in prior years	過往年度撥備不足	100	269
Others	其他	2,569	4,852
Income tax expense for the year	本年度之所得稅開支	665	1,568

12. 所得稅開支(續)

本年度之稅項支出與綜合損益及其他全面收益表中除稅前虧損之對賬如下：

13. DIVIDEND

No dividend was proposed for the year ended 31 December 2016, nor has any dividend been proposed since the end of the reporting period.

13. 股息

截至二零一六年十二月三十一日止年度概無建議派付股息，而自呈報期結束以來亦無建議派付任何股息。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

14. LOSS PER SHARE

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

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Loss for the purpose of basic loss per share	用作計算每股基本虧損之虧損	(86,438)	(105,098)
		Number of shares 股份數目	
		2016 二零一六年	2015 二零一五年
Weight average number of ordinary shares for the purpose of basic loss per share	用作計算每股基本虧損之普通股加權平均數目	789,211,046	731,912,162

There was no potential ordinary share outstanding during the years ended 31 December 2016 and 2015 and hence the diluted loss per share is not presented.

14. 每股虧損

本公司擁有人應佔每股基本虧損乃按下列數據計算：

於截至二零一六年及二零一五年十二月三十一日止年度，概無未行使潛在普通股，因此並無呈列每股攤薄虧損。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、機器及設備

		Hotel properties HK\$'000 (Notes)	Furniture and fixtures HK\$'000	Leasehold improvements HK\$'000	Motor vehicles HK\$'000	Office equipment and machinery HK\$'000	Vessels HK\$'000	Total HK\$'000
		酒店物業 千港元 (附註)	傢俬及裝置 千港元	租賃物業裝修 千港元	汽車 千港元	辦公室設備 及機器 千港元	船隻 千港元	合計 千港元
COST	成本							
At 1 January 2015	於二零一五年一月一日	690,016	36,807	118,920	892	32,886	35,606	915,127
Additions	添置	-	681	116	159	10	-	966
Disposals	出售	-	(4,185)	-	(500)	(6)	-	(4,691)
Currency realignment	幣值調整	(43,079)	(1,008)	(5,352)	(48)	(1,475)	-	(50,962)
At 31 December 2015	於二零一五年十二月三十一日	646,937	32,295	113,684	503	31,415	35,606	860,440
Additions	添置	-	2,281	10,932	974	56	-	14,243
Disposals	出售	-	(18,684)	(3,571)	-	(2,077)	(35,606)	(59,938)
Currency realignment	幣值調整	(48,490)	(1,126)	(4,251)	(51)	(1,563)	-	(55,481)
At 31 December 2016	於二零一六年十二月三十一日	598,447	14,766	116,794	1,426	27,831	-	759,264
DEPRECIATION AND IMPAIRMENT	折舊及減值							
At 1 January 2015	於二零一五年一月一日	188,787	31,943	95,511	842	27,797	21,782	366,662
Provided for the year	本年度撥備	23,527	1,282	2,945	-	319	4,707	32,780
Eliminated on disposals	出售時撇除	-	(4,166)	-	(367)	(5)	-	(4,538)
Impairment loss recognised for the year	年內確認之減值虧損	17,496	-	-	-	-	-	17,496
Currency realignment	幣值調整	(15,507)	(811)	(4,800)	(44)	(1,053)	-	(22,215)
At 31 December 2015	於二零一五年十二月三十一日	214,303	28,248	93,656	431	27,058	26,489	390,185
Provided for the year	本年度撥備	22,198	1,191	3,161	90	215	3,127	29,982
Eliminated on disposals	出售時撇除	-	(18,649)	(3,571)	-	(2,050)	(29,616)	(53,886)
Currency realignment	幣值調整	(16,404)	(609)	(4,347)	(47)	(1,080)	-	(22,487)
At 31 December 2016	於二零一六年十二月三十一日	220,097	10,181	88,899	474	24,143	-	343,794
CARRYING VALUES	賬面值							
At 31 December 2016	於二零一六年十二月三十一日	378,350	4,585	27,895	952	3,688	-	415,470
At 31 December 2015	於二零一五年十二月三十一日	432,634	4,047	20,028	72	4,357	9,117	470,255

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum, after taking into account of their estimate residual value.

Hotel properties (comprising land and buildings)	Over the shorter of the lease terms of 35 to 40 years and 2.5%
Furniture and fixtures	10% – 20%
Leasehold improvements	10% – 20% or the term of the lease, if shorter
Motor vehicles	8.33% – 20%
Office equipment and machinery	20%
Vessels	12%

Notes:

- (a) Included in the hotel properties in the PRC is a hotel property of HK\$163,559,000 (2015: HK\$181,359,000) situated in Guangzhou, in which the Group holds land use rights and property right of the hotel property for a term expiring on in January 2037, under the name of Rosedale Guangzhou. Pursuant to the approval issued by the FETC, Rosedale Guangzhou was granted an initial co-operative period of 30 years and such approval also stated that, subject to the satisfaction of certain conditions, the co-operative period could be extended for a further period of time but not more than 20 years. Rosedale Guangzhou was then granted a business license with license period of 30 years which expired in January 2017. However, the PRC Partner refused to cooperate with Allied Glory to jointly apply for such extension. Allied Glory has therefore applied to the CIETAC to seek for an arbitral award to restate the co-operative period to 50 years and require the PRC Partner to cooperate in the application process of the relevant license of Rosedale Guangzhou. Details of the arbitration is set out in note 35(a).
- (b) Included in the hotel properties in the PRC is a hotel property with a carrying value of approximately HK\$164,480,000 (2015: HK\$182,666,000) situated in Shenyang, in which the Group holds land use rights and property right of the hotel property for a term expiring on 28 April 2046.
- (c) Included in the hotel properties in the PRC is a hotel property with a carrying value of approximately HK\$50,311,000 (2015: HK\$68,609,000) situated in Luoyang, in which the Group holds the property right. The land use rights of the hotel property is currently held by Luoyang Power Supply Bureau (now known as Luoyang Power Supply Company of Henan Province Electric Power Company of State Grid), a non-controlling shareholder of the subsidiary holding the hotel property. Pursuant to a land use rights agreement entered into between Luoyang Power Supply Bureau and the subsidiary of the Group on 15 April 1999 (before the Group acquired the said subsidiary in 2004), Luoyang Power Supply Bureau agreed to permit the said subsidiary to use the land upon a term commencing from April 1999 to April 2049 for hotel use.

15. 物業、機器及設備(續)

以上物業、機器及設備項目乃於計及其估計剩餘價值後，按直線基準以下列年率折舊。

酒店物業 (包括土地及樓宇)	按租賃年期35至40年或2.5% (以較短者為準)
傢俬及裝置	10% – 20%
租賃物業裝修	10% – 20% 或租賃年期 (以較短者為準)
汽車	8.33% – 20%
辦公室設備及機器	20%
船隻	12%

附註：

- (a) 於中國之酒店物業包括一座位於廣州市為163,559,000港元(二零一五年：181,359,000港元)之酒店物業，該酒店物業之土地使用權及房屋產權由本集團以廣州珀麗之名義持有而年期將於二零三七年一月屆滿。根據廣州市對外經濟貿易委員會發出之批准，廣州珀麗的初步合作期為三十年，而該批准亦訂明，在符合若干條件之情況下，合作期可進一步延長不多於二十年期。廣州珀麗當時所取得的三十年期營業執照已於二零一七年一月屆滿。然而，中國夥伴拒絕與合榮合作以共同申請上述延期。合榮已因此向中國國際經濟貿易仲裁委員會申請，以尋求仲裁委員會裁決以將合作期重列至五十年並要求中國夥伴須在將廣州珀麗的相關執照申請過程中合作。仲裁之詳情載於附註35(a)。
- (b) 於中國之酒店物業包括一座位於瀋陽市賬面值約164,480,000港元(二零一五年：182,666,000港元)之酒店物業，該酒店物業之土地使用權及房屋產權由本集團持有而年期將於二零四六年四月二十八日屆滿。
- (c) 於中國之酒店物業包括一座位於洛陽市賬面值約50,311,000港元(二零一五年：68,609,000港元)之酒店物業。該酒店物業之土地使用權現時由持有該酒店物業之附屬公司之非控股股東洛陽市電業局(現稱國網河南省電力公司洛陽供電公司)持有。根據洛陽市電業局及本集團該附屬公司於一九九九年四月十五日(於本集團在二零零四年收購該附屬公司前)訂立之土地使用權協議，洛陽市電業局同意批准上述附屬公司使用該土地，年期由一九九九年四月起至二零四九年四月止，以作酒店用途。

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15. PROPERTY, PLANT AND EQUIPMENT

(CONTINUED)

Owing to the unsatisfactory financial performance of hotel operations, the management identified the hotel properties and leasehold improvement having impairment indications. The Group tested the hotel properties and leasehold improvement, each of which is a separate CGU, for impairment by measuring the recoverable amount of the hotel properties and leasehold improvements. The recoverable amount of the CGU of each hotel operation was based on its value-in-use and was determined with assistance of Asset Appraisal Limited, an independent professional qualified valuer not connected with the Group. The calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and at a discount rate of 10.27%. Cash flows after the five-year period were extrapolated using a 3% growth rate in considering the economic condition of the market. Other key assumptions for the value-in-use calculations include future revenue growth rate, gross profit margin and discount rate. Such estimation is based on the unit's past performance of the hotel operations and management's expectations for the market development including the fluctuation in the hotel operation in the current economic environment in the PRC.

For the year ended 31 December 2016, as a result, no impairment loss (2015: HK\$17,496,000) was recognised in profit or loss.

15. 物業、機器及設備(續)

由於酒店業務之財務表現欠佳，管理層認為酒店物業及租賃物業裝修出現減值跡象。本集團通過計量酒店物業及租賃物業裝修之可收回金額而對酒店物業及租賃物業裝修(各為單獨之現金產生單位)進行減值測試。各酒店業務之現金產生單位之可收回金額均基於其使用價值，並在與本集團並無關連之獨立專業合資格估值師中誠達資產評估顧問有限公司協助下釐定。計算採用基於管理層批准之五年期財務預算之現金流量預測以及10.27%之貼現率。五年期後之現金流量在考慮市場經濟狀況時，以3%之增長率進行推算。使用價值計算之其他關鍵假設包括未來收入增長率、毛利率及貼現率。有關估計是基於該單位過去之酒店業務表現以及管理層對市場發展之預期，包括中國目前經濟環境中酒店業務之波動。

截至二零一六年十二月三十一日止年度，因此並無於損益確認減值虧損(二零一五年：17,496,000港元)。

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16. INVESTMENT PROPERTIES

16. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平價值	
At 1 January 2015	於二零一五年一月一日	267,000
Currency realignment	幣值調整	(7,366)
Decrease in fair value recognised in the profit or loss	於損益確認之公平價值減少	(30,634)
At 31 December 2015	於二零一五年十二月三十一日	229,000
Currency realignment	幣值調整	(14,991)
Decrease in fair value recognised in the profit or loss	於損益確認之公平價值減少	(22,009)
At 31 December 2016	於二零一六年十二月三十一日	192,000

The fair value of the Group's investment properties at 31 December 2016 and 31 December 2015 has been arrived at on the basis of a valuation carried out on the respective dates by Norton Appraisals Limited ("Norton Appraisals"), an independent qualified professional valuer not connected to the Group.

Norton Appraisals is a member of the Hong Kong Institute of Surveyors, and has appropriate qualifications and recent experiences in the valuation of properties in the relevant locations. The fair value was determined based on the market comparison approach that reflects recent transaction prices for similar properties and also consider its term of operation up to 15 October 2023. There has been no change from the valuation technique used in the prior year. In estimating the fair value of the properties the highest and best use of the properties is their current use.

本集團投資物業於二零一六年十二月三十一日及二零一五年十二月三十一日之公平價值經由與本集團並無關連之獨立合資格專業估值師普敦國際評估有限公司(「普敦國際評估」)於各自日期進行之估值釐定。

普敦國際評估為香港測量師學會會員，擁有適當資格，最近亦有評估相關地區物業價值之經驗。有關公平價值乃根據可反映類似物業近期成交價之市場比較法釐定，並計及二零二三年十月十五日止之經營年期。估值方法跟上一年度所用者並無變動。於估計該等物業之公平價值時，該等物業之最大及最佳用途為其當前用途。

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16. INVESTMENT PROPERTIES (CONTINUED)

The Group's investment properties represent a completed complex for commercial use, which is situated on medium-term land use right in the PRC. The Group holds the property interest under operating lease to earn rentals and/or for capital appreciation. Accordingly, the property interest held under operating lease is measured using the fair value model and is classified and accounted for as investment properties.

The following table gives information about how the fair value of the investment properties is determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurement is categorised based on the degree to which the inputs to the fair value measurement is observable.

16. 投資物業 (續)

本集團之投資物業指已落成之商用綜合大樓，乃位於中國之中期土地使用權。本集團以經營租賃持有物業權益以賺取租金及／或達致資本增值。因此，以經營租賃持有之物業權益乃使用公平價值模型計量，並分類及入賬列為投資物業。

下表載列投資物業公平價值之釐定方法（尤其是所採用估值方法及輸入數據），以及按照公平價值計量輸入數據之可觀察程度劃分公平價值計量之公平價值層級。

Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
公平價值層級	估值方法及主要輸入數據	重大無法觀察輸入數據	無法觀察輸入數據與公平價值之關係
Level 3 第三級	<p>Direct comparison approach 直接比較法</p> <p>The key inputs are: 主要輸入數據為：</p> <p>Price per square metre of RMB6,600 (2015: RMB7,900) taking adjusting factors on location and residual operating period 每平方米價格人民幣6,600元（二零一五年：人民幣7,900元），計及對位置及剩餘經營期之調整系數</p>	<p>Adjusting factors: 調整系數：</p> <p>(a) ranging from 20% to 50% (2015: 20% to 50%) on location; (a) 有關位置，介乎20%至50%（二零一五年：20%至50%）；</p> <p>(b) 42% (2015: 58%) on residual operating period (b) 有關剩餘經營期，42%（二零一五年：58%）</p>	<p>A slight increase in the adjusting factor on location metre will decrease significantly the fair value, and vice versa. 位置米數調整系數輕微上升，會導致公平價值大幅減少，反之亦然。</p> <p>A slight increase in the adjusting factor on residual operating period will decrease significantly the fair value, and vice versa. 剩餘經營期調整系數輕微上升，會導致公平價值大幅減少，反之亦然。</p>

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16. INVESTMENT PROPERTIES (CONTINUED)

Fair value measurements and valuation processes

In estimating the fair value of the Group's investment property, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation of the Group's investment property. At the end of each reporting period, the management of the Group works closely with the qualified external valuers to establish and determine the appropriate valuation techniques and inputs for Level 2 and Level 3 fair value measurements. The Group will first consider and adopt Level 2 inputs where inputs can be derived observable quoted prices in the active market. When Level 2 inputs are not available, the Group will adopt valuation techniques that include Level 3 inputs. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the board of directors of the Group.

Information about the valuation techniques and inputs used in determining the fair value of the Group's investment property is disclosed above.

There were no transfers into or out of Level 3 during the year.

The resulting decrease in fair value of the investment property of approximately HK\$22,009,000 for the year ended 31 December 2016 (decrease in 2015: HK\$30,634,000) has been recognised in the profit or loss.

16. 投資物業(續)

公平價值計量及估值程序

於估計本集團投資物業之公平價值時，本集團使用可得之市場可觀察數據。倘並無第一級輸入數據可供使用，本集團會委聘第三方合資格估值師就本集團投資物業進行估值。於各呈報期結束時，本集團管理層與合資格外聘估值師緊密合作，確立並釐定合適之估值方法及輸入數據作第二級及第三級公平價值計量。本集團會首先考慮並採納第二級輸入數據(可衍生自活躍市場可觀察報價之輸入數據)。倘並無第二級輸入數據可供使用，本集團將採納納入第三級輸入數據之估值方法。倘資產公平價值有重大變動，會向本集團董事會匯報波動之原因。

有關釐定本集團投資物業公平價值時所用估值方法及輸入數據之資料，已於上文披露。

年內，概無轉入第三級或自當中轉出之情況。

由此產生截至二零一六年十二月三十一日止年度之投資物業公平價值減少約22,009,000港元(二零一五年減少：30,634,000港元)已於損益確認。

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17. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE

17. 於一家合營公司之權益／應收一家合營公司款項

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Cost of investment – unlisted	非上市投資之成本	–	–
Share of post-acquisition losses and other comprehensive income, net of dividend received	應佔收購後虧損及其他全面收入，扣除已收股息	(7,624)	(7,445)
Deemed capital contribution – interest-free loan	視作出資－免息貸款	7,624	7,624
		–	179
Amount due from a joint venture (a)	應收一家合營公司款項(a)	27,983	27,983
Less: Impairment loss (b)	減：減值虧損(b)	(27,983)	–
		–	27,983

(a) The amount due from a joint venture with principal of US\$4,500,000 (equivalent to approximately HK\$35,000,000) (2015: US\$4,500,000 (equivalent to approximately HK\$35,000,000)) was unsecured, non-interest bearing and have no fixed repayment terms. In the opinion of the directors, settlement is neither planned nor likely to occur in the foreseeable future. The directors considered that the amount forms part of the net investment in the joint venture. At the end of the reporting period, the carrying amounts of such non-interest bearing portion of HK\$7,624,000 was determined based on the present value of future cash flows discounted using an effective interest rate of 5%. It was expected that the amount will be repayable in 5 years. The corresponding adjustment in relation to the imputed interest on the non-interest bearing amount due from a joint venture is recognised against the interest in the joint venture. The amount was not expected to be repaid within one year and are therefore classified as non-current.

(a) 應收一家合營公司款項之本金4,500,000美元(相當於約35,000,000港元)(二零一五年: 4,500,000美元(相當於約35,000,000港元))為無抵押、免息及無固定還款期。董事認為，並無有關結清款項之計劃或有關款項之結清在可見將來可能會發生。董事認為有關款項構成於該合營公司之投資淨額的一部份。於呈報期結束時，免息部份之賬面值為7,624,000港元，乃以5%之實際利率貼現未來現金流量所得出之現值而釐定。預期有關款項將須於五年內償還。應收一家合營公司之免息款項之相關推算利息的相應調整乃以合營公司之權益確認。預期有關款項將不會於一年內償還，因此分類為非流動。

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17. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (CONTINUED)

(b) As at 31 December 2016, the management identified an impairment loss of HK\$27,983,000 recognised in profit or loss due to poor performance of the joint venture and the net liabilities position of the joint venture amounting to HK\$65,816,000 as at 31 December 2016.

As at 31 December 2016 and 2015 the Group had interest in the following joint venture:

Name of entity 實體名稱	Form of entity 實體形式	Place of incorporation/ principal place of operation 成立地點/主要營業地點	Class of share held 所持股份類別	Proportion of nominal value of registered capital/held by the Group 本集團持有之註冊資本/ 已發行股本之面值比率		Proportion of voting rights held by the Group 本集團持有之投票權比率		Principal activities 主要業務
				2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	
Star One Investments Limited ("Star One")	Limited liability company	The British Virgin Islands ("BVI")/ the PRC	Ordinary 普通股	50%	50%	50%	50%	Provision of aviation business in the PRC
Star One Investments Limited ("Star One")	有限責任公司	英屬維爾京群島(「英屬維爾京群島」)/中國						於中國提供航空服務

Summarised financial information of the joint venture

Summarised financial information in respect of the Group's joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint venture is accounted for using the equity method in these consolidated financial statements.

17. 於一家合營公司之權益/應收一家合營公司款項(續)

(b) 於二零一六年十二月三十一日，管理層於損益中確認減值虧損27,983,000港元，原因為該合營公司之表現遜色及該合營公司於二零一六年十二月三十一日錄得65,816,000港元之負債淨額。

於二零一六年及二零一五年十二月三十一日，本集團擁有以下合營公司之權益：

合營公司之財務資料概要

下文載列本集團合營公司之財務資料概要。下列財務資料概要代表合營公司按照香港財務報告準則編製的財務報表中所示金額。

合營公司以權益法在本綜合財務報表入賬。

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Current assets	流動資產	3,879	4,009
Non-current assets	非流動資產	227,145	238,105
Current liabilities	流動負債	(14,459)	(13,004)
Non-current liabilities	非流動負債	(282,381)	(244,000)

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17. INTEREST IN A JOINT VENTURE/AMOUNT DUE FROM A JOINT VENTURE (CONTINUED)

Summarised financial information of the joint venture (CONTINUED)

Major items included in the above:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	227,145	238,105
Non-current liabilities	非流動負債		
– Amount due to shareholders	– 應付股東款項	153,420	105,000
– bank borrowing	– 銀行借貸	128,961	139,000
		1.1.2016 to 31.12.2016 HK\$'000 二零一六年 一月一日至 二零一六年 十二月三十一日 千港元	2.7.2015 to 31.12.2015 HK\$'000 二零一五年 七月二日至 二零一五年 十二月三十一日 千港元
Revenue for the year/period	年度/期間收入	–	–
Loss and total comprehensive income for the year/period	年度/期間虧損及全面收益總額	(50,926)	(14,890)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

17. 於一家合營公司之權益/應收一家合營公司款項(續)

合營公司之財務資料概要(續)

上文包括之主要項目為：

上列財務資料概要與綜合財務報表中確認之於合營公司權益之賬面值的對賬：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Net liabilities of Star One	Star One之負債淨額	(65,816)	(14,890)
Proportion of the Group's ownership interest in Star One	本集團於Star One之擁有權益之比率	50%	50%
Deemed capital contribution – interest-free loan	視作出資—免息貸款	(32,908)	(7,445)
Cumulative unrecognised share of losses of the joint venture	應佔該合營公司虧損之累計未確認金額	7,624	7,624
		25,284	–
Carrying amount of the Group's interest in Star One	本集團於Star One之權益之賬面值	–	179

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18. AVAILABLE-FOR-SALE INVESTMENTS

18. 可供出售投資

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Equity securities	股本證券		
Unlisted shares, at cost	非上市股份，按成本值	63,877	63,877
Less: Impairment losses recognised	減：已確認減值虧損	(63,877)	(63,877)
Amounts shown under non-current assets 非流動資產項下所示金額		-	-

Particulars of the Group's major available-for-sale investments as at 31 December 2016 and 2015 are as follows:

於二零一六年及二零一五年十二月三十一日，本集團之主要可供出售投資詳情如下：

Name of entity 實體名稱	Place of establishment/ incorporation 成立/註冊 成立地點	Paid up capital/ registered capital 繳足股本/ 註冊資本 '000 千元	Proportion of nominal value of issued capital held by the Group 本集團持有之已發行股本面值 之比率		Interest attributable to the Group 本集團應佔權益		Principal activities 主要業務
			2016	2015	2016	2015	
			二零一六年	二零一五年	二零一六年	二零一五年	
廣州銀豪地產開發有限公司 ("廣州銀豪") (Note a)	PRC	RMB8,000	25%	25%	25%	25%	Property investment
廣州銀豪地產開發有限公司 ("廣州銀豪") (附註a)	中國	人民幣8,000元					物業投資
More Cash Ltd. ("More Cash") (Note b)	British Virgin Islands	US\$10	6%	6%	6%	6%	Property investment
More Cash Ltd. ("More Cash") (附註b)	英屬維爾京群島	10美元					物業投資

Notes:

附註：

- (a) Though a subsidiary of the Group holds a 25% interest in 廣州銀豪, the directors considered that the Group cannot exercise significant influence on the financial and operating policies of 廣州銀豪 and accordingly, it is classified as an available-for-sale investment.
- (b) More Cash wholly holds a subsidiary, 廣州江南房產有限公司, which is incorporated in the PRC and engaged in property development in the PRC.

- (a) 雖然本集團一家附屬公司持有廣州銀豪25%之權益，惟董事認為本集團不能對廣州銀豪之財務及經營政策行使重大影響力，故廣州銀豪被分類為一項可供出售投資。
- (b) More Cash全資持有一家於中國註冊成立之附屬公司廣州江南房產有限公司，該附屬公司於中國從事地產發展。

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18. AVAILABLE-FOR-SALE INVESTMENTS

(CONTINUED)

The above unlisted investments represent investments in unlisted equity securities issued by private entities established in the PRC or incorporated in the British Virgin Islands. They were measured at cost less impairment at end of the reporting period because the range of reasonable fair value estimates was so significant that the directors of the Company were of the opinion that their fair values cannot be measured reliably.

At 31 December 2016, the accumulated impairment losses of the available-for-sale investments were HK\$63,877,000 (2015: HK\$63,877,000) after taking into account of the decline in the market values of underlying properties held by the investees.

19. LOAN NOTES RECEIVABLE

Following the completion of the disposal of Eagle Spirit Holdings Limited and Makerston Limited ("Makerston"), the Group received the loan notes with principal amount of HK\$500,000,000 issued by ITC Properties Group Limited ("ITCP"), a company incorporated in Bermuda with limited liability and its shares listed on the Stock Exchange as part of the total consideration. The loan notes bear coupon interest at 5% per annum (payable semi-annually in arrears), and with maturity period of 2 years on 14 December 2016. At initial recognition, the fair value of the loan notes was determined based on the valuation report issued by an independent professional valuers, which was measured at the present value of contractual future cash flows discounted at the effective interest rate of 12.9% per annum, taking into account the credit standing of ITCP and the remaining time to maturity. Pursuant to the terms of the loan notes, ITCP has an option to early redeem the loan notes at par plus accrued outstanding interest. Based on the valuation report performed by the independent professional valuers and in the opinion of the Directors, the fair value of such early redemption option was insignificant at initial recognition and 31 December 2015.

18. 可供出售投資(續)

上述非上市投資指於中國成立或於英屬維爾京群島註冊成立之私人實體所發行之非上市股本證券之投資。由於該等投資之合理公平價值估計範圍頗大，本公司董事認為不能可靠地計量有關公平價值，故該等投資於呈報期結束時按成本值減減值計量。

於二零一六年十二月三十一日，經計及被投資公司所持有之相關物業市值下跌後，可供出售投資之累計減值虧損為63,877,000港元（二零一五年：63,877,000港元）。

19. 應收貸款票據

完成出售Eagle Spirit Holdings Limited及Makerston Limited（「Makerston」）後，本集團收到由德祥地產集團有限公司（「德祥地產」，一家於百慕達註冊成立之有限公司，其股份於聯交所上市）發行本金額為500,000,000港元之貸款票據，作為總代價一部分。貸款票據按息票利率每年5%計息（須於每半年支付），於二零一六年十二月十四日之兩年期限後到期。於初步確認時，貸款票據之公平價值乃根據獨立專業估值師所發出之估值報告及德祥地產之信貸狀況及到期期限之餘下時間後釐定，且其按每年12.9%實際利率貼現之合約未來現金流量之現值計量。根據貸款票據之條款，德祥地產有權按面值加應計未償還利息提早贖回貸款票據。根據獨立專業估值師所編製之估值報告，董事認為，提早贖回選擇權於首次確認及二零一五年十二月三十一日之公平價值甚微。

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19. LOAN NOTES RECEIVABLE (CONTINUED)

On 23 June 2015, ITCP redeemed part of the loan notes with principal amount of HK\$300,000,000 at par and settled the accrued interests accordingly. Hence, the relevant imputed interest of HK\$30,200,000 recognised upon initial recognition for the period from the date of redemption to the maturity date of such redeemed loan notes was reversed.

During the year ended 31 December 2016, ITCP further redeemed the remaining loan notes with principal amount of HK\$50,000,000, HK\$75,000,000 and HK\$75,000,000 at par and settled the accrued interests on 6 April 2016, 11 May 2016 and 14 June 2016, respectively. Hence, the relevant imputed interest of HK\$8,371,000 recognised upon initial recognition for the period from the date of redemption to the maturity date of such redeemed loan notes was reversed.

The movement of the loan notes receivable for the year is set out below:

19. 應收貸款票據(續)

於二零一五年六月二十三日，德祥地產按面值贖回本金額為300,000,000港元之部份貸款票據並隨之結清應計利息。因此，於初步確認時就贖回日期至該等已贖回貸款票據之到期日止期間而已確認之30,200,000港元相關推算利息已予撥回。

於截至二零一六年十二月三十一日止年度，德祥地產於二零一六年四月六日、二零一六年五月十一日及二零一六年六月十四日分別進一步按面值贖回本金額為50,000,000港元、75,000,000港元及75,000,000港元之餘下貸款票據並結清應計利息。因此，於初步確認時就贖回日期至該等已贖回貸款票據之到期日止期間而已確認之8,371,000港元相關推算利息已予撥回。

應收貸款票據於年內之變動載列如下：

		HK\$'000 千港元
As at 1 January 2015	於二零一五年一月一日	435,281
Effective interest recognised in profit or loss (Note 7)	已於損益確認之實際利息(附註7)	38,248
Gain on early redemption (Note 8)	提早贖回之收益(附註8)	30,200
Coupon interest received	已收票面利息	(17,151)
Early repayment	提早贖回	(300,000)
As at 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及 二零一六年一月一日	186,578
Effective interest recognised in profit or loss (Note 7)	已於損益確認之實際利息(附註7)	8,749
Gain on early redemption (Note 8)	提早贖回之收益(附註8)	8,371
Coupon interest received	已收票面利息	(3,698)
Early repayment	提早贖回	(200,000)
As at 31 December 2016	於二零一六年十二月三十一日	-

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20. DEPOSIT PAID FOR ACQUISITION OF AN INVESTMENT

The entire balance at 31 December 2015 represented an earnest money paid by the Group for an investment which holds 25% interest in a hotel operated and located in British Columbia, Canada. Details of the transaction are set out in the Company's announcements dated on 2 July 2015, 31 July 2015, 31 August 2015, 25 September 2015, 30 November 2015 and 29 January 2016.

On 27 April 2016, the Company decided not to proceed with the investment and the parties executed a deed of termination. Thus, full amount has been refunded during the year. Details of the termination are set out in the Company's announcement dated on 27 April 2016.

21. OTHER ASSETS

Rental deposits for hotel operating agreements

酒店經營協議之租金押金

2016
HK\$'000
二零一六年
千港元

2015
HK\$'000
二零一五年
千港元

19,800

19,800

The amounts represented rental deposit paid in connection with hotel operating agreements, which entitle the Group to manage and operate a hotel exclusively in Hong Kong for a period of 6 years. The rental deposits are fully refundable upon the end of the lease term.

該等款項指與酒店經營協議有關之已付租金押金。酒店經營協議賦予本集團權利，獨家管理及經營香港一家酒店為期六年。租金押金可於租約期滿時全數退還。

22. INVENTORIES

The inventories were carried at cost and represent principally food, beverages and general stores which are to be utilised in the ordinary course of operations.

20. 收購一項投資之已付按金

於二零一五年十二月三十一日之整筆結餘代表本集團就一項投資而已付之誠意金，該項投資持有一間位於加拿大英屬哥倫比亞並在當地營運之酒店的25%權益。該項交易之詳情載於本公司日期為二零一五年七月二日、二零一五年七月三十一日、二零一五年八月三十一日、二零一五年九月二十五日、二零一五年十一月三十日及二零一六年一月二十九日之公佈。

於二零一六年四月二十七日，本公司決定不進行該項投資而訂約各方已簽署終止契據。終止之詳情載於本公司日期為二零一六年四月二十七日之公佈。

21. 其他資產

22. 存貨

存貨以成本列賬，主要為日常業務過程中使用之食品、飲品及一般用品。

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23. TRADE AND OTHER RECEIVABLES

23. 貿易及其他應收賬款

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Trade receivables	貿易應收賬款	8,371	5,367
Rental and utility deposits	租金及水電按金	3,087	2,249
Other receivables and prepayments	其他應收賬款及預付款項	172,892	110,463
		184,350	118,079
Total trade and other receivables	貿易及其他應收賬款總額	184,350	118,079

The Group allows an average credit period of 30 days to its trade customers. The following is an analysis of trade receivables by age, presented based on invoice date at the end of the reporting period which approximated the respective revenue recognition date.

本集團給予其貿易客戶之平均賒賬期為30日。以下為貿易應收賬款於呈報期結束時按發票日期(與相關收入確認日期相若)呈列之賬齡分析。

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
0 – 30 days	0至30日	6,669	4,491
31 – 60 days	31至60日	1,169	399
61 – 90 days	61至90日	367	382
Over 90 days	超過90日	166	95
		8,371	5,367

Before accepting any new customer, the Group has assessed the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed once a year, and the Group reviews the repayment history of receivables by each customer with reference to the payment terms stated in contracts to determine the recoverability of a trade receivable. In the opinion of the directors of the Company, 80% (2015: 84%) of the trade receivables that are neither past due nor impaired have good credit quality at the end of the reporting period with reference to past settlement history.

本集團在接納任何新客戶前，已評估準客戶之信貸質素，並釐定該客戶之信貸限額。客戶獲授之限額會每年檢討一次，而本集團參照合約所列之付款條款檢討每名客戶償還應收賬款之紀錄，以釐定貿易應收賬款之可收回程度。本公司董事認為，參照過往之清償紀錄，於呈報期結束時並未逾期且未有減值之80%貿易應收賬款(二零一五年：84%)具有良好信貸質素。

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of approximately HK\$1,702,000 (2015: HK\$876,000) which are past due at the reporting period for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

Aging of trade receivables which are past due but not impaired

31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日
Total	總計

The Group performed assessment on individual trade receivables and no allowance was recognised for both years.

23. 貿易及其他應收賬款(續)

本集團之貿易應收賬款結餘包括總賬面值約1,702,000港元(二零一五年: 876,000港元)之貿易應收賬款。該等貿易應收賬款於呈報期結束時已逾期,但本集團並無就此作出減值虧損撥備,原因是該等貿易應收賬款之信貸質素並無重大變動,金額仍被視為可收回。本集團並無就該等結餘持有任何抵押品。

已逾期但未減值之貿易應收賬款之賬齡

2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
1,169	399
367	382
166	95
1,702	876

本集團會評估個別貿易應收賬款,並無就兩個年度確認撥備。

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

Other receivables and prepayments

On 31 December 2014, the Company and two independent third parties (the “Third Parties”) entered into agreements, pursuant to which the Company agreed to provide a short term interest-free advance of HK\$75 million (the “Loan”) to the Third Parties for on-lending to a target company (the “Target”) and its subsidiaries (the “Target Group”) in order to facilitate an acquisition of the entire equity interest in a PRC Company, which is an entity established under the laws of the PRC and is principally engaged in property leasing and management, and owns a parcel of land in Zhuhai, the PRC. Simultaneously, the Company also entered into a framework agreement that subject to completion of the possible acquisition to invest an aggregate amount of HK\$300 million for redevelopment of the land and properties of the PRC Company. In order to secure the Company’s interest in this on-lending advancement, (i) a deed of share charge was executed over the entire issued share capital of the Target in favour of the Company; and (ii) the Target has executed a deed of share charge over the entire issued share capital of its subsidiary incorporated in Hong Kong in favour of the Company, as the security to the advancement for the Company.

During the year ended 31 December 2015, the Group and the counterparties further entered into the several extension letters to further extend the repayment date of the Loan and the Loan was extended to 29 April 2016. Details are set out in the Company’s announcements dated 31 December 2014, 31 March 2015, 30 June 2015, 30 September 2015 and 30 December 2015. During the year ended 31 December 2016, the directors have reviewed the recoverability of the advance by taking into consideration of the current progress of the target company in the acquisition of equity interest in a PRC company and considered to enter into another extension letter with the counterparties to further extend the repayment date of the loan to 30 June 2017. Details are set out in the Company’s announcements dated 30 April 2016 and 29 December 2016.

23. 貿易及其他應收賬款(續)

其他應收賬款及預付款項

於二零一四年十二月三十一日，本公司與兩名獨立第三方（「第三方」）訂立協議，據此，本公司同意向第三方提供短期免息墊款75,000,000港元（「該貸款」），以轉借予目標公司（「目標公司」）及其附屬公司（「目標集團」），以便其收購一家中國公司之全部股本權益。該中國公司為一家根據中國法律成立之實體，主要從事物業租賃及管理業務，並在中國珠海擁有一幅土地。與此同時，本公司亦訂立一份框架協議，待可能收購事項完成後，投資合共300,000,000港元，以重新發展中國公司之土地及物業。作為本公司於此項轉借墊款之權益之抵押，(i)已簽立一份股份抵押契據，以本公司為受益人將目標公司全部已發行股本抵押；及(ii)目標公司已簽立一份股份抵押契據，以本公司為受益人將其於香港註冊成立之附屬公司全部已發行股本抵押，以作為本公司提供墊款之抵押品。

於截至二零一五年十二月三十一日止年度，本集團與對手方進一步訂立數份延期函件，將該貸款之還款日期進一步押後，而該貸款已延展至二零一六年四月二十九日。詳情載於本公司日期為二零一四年十二月三十一日、二零一五年三月三十一日、二零一五年六月三十日、二零一五年九月三十日及二零一五年十二月三十日之公佈。於截至二零一六年十二月三十一日止年度，董事已考慮目標公司於收購一家中國公司股本權益之目前進度而檢討該墊款之可收回程度，並經考慮後與對手方訂立另一份延期函件，將貸款之還款日期進一步押後至二零一七年六月三十日。詳情載於本公司日期為二零一六年四月三十日及二零一六年十二月二十九日之公佈。

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23. TRADE AND OTHER RECEIVABLES (CONTINUED)

Other receivables and prepayments (CONTINUED)

The remaining balance of other receivables represents mainly prepayment and deposit for operation use. Amount of HK\$9,410,000 was recognised as an impairment loss for the year ended 31 December 2015 in relation to the sundry receivables arising from the hotel operation which were considered unrecoverable.

Included in the other receivables are certain unsecured and unguaranteed loans to independent third parties of HK\$73,158,000 (2015: nil) with repayment terms within one year and interest bearing from 5% to 9% per annum. In the opinion of the directors of the Company, the amount was neither past due nor impaired have good credit quality at the end of the reporting period.

24. INVESTMENTS HELD FOR TRADING

Held-for-trading investments include:

Listed securities	上市證券
Equity securities listed in Hong Kong	於香港上市之股本證券
Equity securities listed in Overseas	於海外上市之股本證券

The fair value was based on the quoted prices of the respective securities in active markets.

At 31 December 2016 and 2015, no investments held for trading have been pledged as security.

23. 貿易及其他應收賬款(續)

其他應收賬款及預付款項(續)

其他應收賬款之餘下結餘主要代表營運用途之預付款項及按金。於截至二零一五年十二月三十一日止年度已就由酒店營運產生而被視為不能收回之應收雜項賬款確認減值虧損9,410,000港元。

其他應收款項中包括向獨立第三方提供之若干無抵押及無擔保貸款73,158,000港元(二零一五年:無),有關貸款須於一年內償還,並按年利率5%至9%計息。本公司董事認為,該筆款項於呈報期結束時並未逾期且具有良好信貸質素,未有減值。

24. 持作買賣投資

持作買賣投資包括:

	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Equity securities listed in Hong Kong	10,179	14,406
Equity securities listed in Overseas	49,821	—
	60,000	14,406

公平價值乃根據相關證券於活躍市場之報價計算。

於二零一六年及二零一五年十二月三十一日,並無持作買賣投資被抵押作擔保。

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25. CASH AND CASH EQUIVALENT

Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits carry interest at prevailing market interest rates of 0.01% (2015: 0.01%) per annum.

Cash held by a securities broker

No balance was held by a securities broker as at 31 December 2016. As at 31 December 2015, cash held by securities broker represented unrestricted deposits of approximately HK\$390,518,000 placed with securities brokers.

26. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of approximately HK\$5,565,000 (2015: HK\$5,905,000) and the aged analysis of the trade payables presented based on the invoice date at the end of the reporting period is as follows:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日

The credit period on purchases of goods ranged from 30 to 60 days. Included in other payables at 31 December 2016 are advance receipt from customers of approximately HK\$6,113,000 (2015: HK\$3,591,000), deposits received for rented premises of approximately HK\$11,285,000 (2015: HK\$11,679,000), payable for hotel construction amounting to approximately HK\$496,000 (2015: HK\$320,000), accrual for administrative expenses of approximately HK\$51,399,000 (2015: HK\$51,492,000) and interest payables on other borrowings of nil (2015: HK\$345,000).

25. 現金及現金等值項目

銀行結餘及現金

銀行結餘及現金包括本集團持有之現金及按現行市場年利率0.01% (二零一五年：0.01%)計息之短期銀行存款。

由證券經紀持有之現金

於二零一六年十二月三十一日並無由證券經紀持有之結餘。於二零一五年十二月三十一日，由證券經紀持有之現金代表存於證券經紀之不受限制存款約390,518,000港元。

26. 貿易及其他應付賬款

列入貿易及其他應付賬款之款項包括為數約5,565,000港元 (二零一五年：5,905,000港元)之貿易應付賬款，而貿易應付賬款於呈報期結束時按發票日期列示之賬齡分析如下：

	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
0 – 30 days	3,411	3,037
31 – 60 days	770	1,128
61 – 90 days	545	848
Over 90 days	839	892
	5,565	5,905

購貨之除賬期介乎30日至60日。二零一六年十二月三十一日之其他應付賬款包括預先收取客戶款項約6,113,000港元 (二零一五年：3,591,000港元)、就租賃物業已收訂金約11,285,000港元 (二零一五年：11,679,000港元)、酒店建設應付款項約496,000港元 (二零一五年：320,000港元)、應計行政開支約51,399,000港元 (二零一五年：51,492,000港元)及其他借貸之應付利息為無 (二零一五年：345,000港元)。

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27. BORROWINGS

27. 借貸

		Effective interest rate 實際利率		Carrying amount 賬面值	
		31.12.2016 二零一六年 十二月三十一日	31.12.2015 二零一五年 十二月三十一日	31.12.2016 HK\$'000 二零一六年 十二月三十一日 千港元	31.12.2015 HK\$'000 二零一五年 十二月三十一日 千港元
Other borrowings	其他借貸				
Hong Kong Dollar Prime Rate plus 2% unsecured HKD loan	港元最優惠利率加2厘 無抵押港元貸款	N/A 不適用	7.0%	-	10,000
				31.12.2016 HK\$'000 二零一六年 十二月三十一日 千港元	31.12.2015 HK\$'000 二零一五年 十二月三十一日 千港元
Carrying amount repayable*:	須償還之賬面值* :				
Within one year	一年內			-	10,000
Less: Amount due within one year shown under current liabilities	減：列為流動負債之一年內到期款項			-	(10,000)
Amounts shown under non-current liabilities	列為非流動負債之款項			-	-

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 應付款項以貸款協議所載之協定還款日期為基礎。

At the end of the reporting period, the Group has no undrawn borrowing facilities.

於呈報期結束時，本集團並無未動用借貸融資。

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28. DEFERRED TAXATION

The followings are the major deferred tax balances liabilities and movement thereon during the current and prior years:

		Accelerated tax depreciation on hotel properties HK\$'000 酒店物業之加速稅項折舊 千港元
At 1 January 2015	於二零一五年一月一日	57,089
Currency realignment	幣值調整	(3,135)
Credit to the profit or loss (note 12)	計入損益(附註12)	(1,731)
At 31 December 2015	於二零一五年十二月三十一日	52,223
Currency realignment	幣值調整	(2,607)
Credit to the profit or loss (note 12)	計入損益(附註12)	(3,033)
At 31 December 2016	於二零一六年十二月三十一日	46,583

As at 31 December 2016, the Group has unused tax losses subject to the agreement of tax authorities of approximately HK\$853,195,000 (2015: HK\$789,813,000) available for offset against future profits. No deferred tax asset has been recognised in respect of these tax losses due to the unpredictability of future profit streams. Pursuant to the relevant laws and regulations in the PRC, the unutilised tax losses of approximately HK\$90,161,000 (2015: HK\$63,229,000) can be carried forward for a period of five years up to 2020. The losses arising from overseas subsidiaries are insignificant, which will expire after a specific period of time. Other unrecognised tax losses may be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary differences of approximately HK\$86,830,000 (31 December 2015: HK\$58,847,000) in respect of the impairment of property, plant and equipment and impairment of amount due from a joint venture. No deferred tax asset has been recognised in relation to such deductible temporary differences as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

28. 遞延稅項

以下為於本年度及過往年度之主要遞延稅項結餘負債，以及有關之變動：

於二零一六年十二月三十一日，本集團之未動用稅務虧損（須經稅務機關同意）約為853,195,000港元（二零一五年：789,813,000港元），可用作抵銷未來溢利。由於未能預計日後之溢利來源，故並無就該等稅務虧損確認遞延稅項資產。根據中國有關法律及規例，未動用稅務虧損約90,161,000港元（二零一五年：63,229,000港元）可結轉為期五年直至二零二零年。海外附屬公司產生且將於特定期間後到期之虧損並不重大，而其他未確認之稅務虧損可無限期結轉。

於呈報期結束時，本集團就物業、機器及設備之減值以及應收一家合營公司款項之減值而有可扣減暫時差異約86,830,000港元（二零一五年十二月三十一日：58,847,000港元）。由於不大可能有應課稅溢利抵銷可動用之可扣減暫時差異，因此並無就有關可扣減暫時差異確認遞延稅項資產。

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29. SHARE CAPITAL

29. 股本

		Number of shares	Amount HK\$'000
		股份數目	金額 千港元
Authorised:	法定：		
Shares of HK\$0.01 each at 1 January 2015, 31 December 2015 and 31 December 2016	於二零一五年一月一日、二零一五年十二月三十一日及二零一六年十二月三十一日 每股面值0.01港元之股份	150,000,000,000	1,500,000
Issued and fully paid:	已發行及繳足：		
Shares of HK\$0.01 each at 1 January 2015 and 31 December 2015	於二零一五年一月一日及二零一五年十二月三十一日 每股面值0.01港元之股份	657,675,872	6,577
Issue of new shares (Note)	發行新股份(附註)	131,535,174	1,315
Shares of HK\$0.01 each at 31 December 2015 and 2016	於二零一五年及二零一六年十二月三十一日 每股面值0.01港元之股份	789,211,046	7,892

Note: On 8 June 2015, the Company completed a placing of 131,535,174 new shares under the general mandate at a placing price of HK\$0.89 per placing share. The net proceeds from the placing, after deducting directly attributable cost of HK\$3.05 million, were approximately HK\$114 million. Details of the placing were disclosed in the Company's announcements dated 26 May 2015, 27 May 2015 and 8 June 2015.

附註：於二零一五年六月八日，本公司完成根據一般授權按每股配售股份0.89港元之配售價配售131,535,174股新股份。經扣除直接應佔成本3,050,000港元後，配售所得款項淨額約為114,000,000港元。配售事項之詳情已於本公司日期為二零一五年五月二十六日、二零一五年五月二十七日及二零一五年六月八日之公佈內披露。

All ordinary shares issued during the year ended 31 December 2015 rank pari passu with the then existing ordinary shares in all respects.

於截至二零一五年十二月三十一日止年度內發行之所有普通股在各方面與當時現有普通股享有同等地位。

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30. SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 30 May 2013 and is valid and effective for a period of 10 years commencing on 3 June 2013 (the date on which the last condition to the Scheme was satisfied) until 2 June 2023), subject to early termination by the Company in general meeting or by the Board.

The purpose of the Scheme is to enable the Company to grant options to subscribe for shares of the Company (the "Options") to any eligible employee (including executive directors) and any non-executive director of the Group or any entity in which the Group holds an equity interest (the "Invested Entity"), any supplier of goods or services to the Group or any Invested Entity, any customer of the Group or any Invested Entity, any consultant, adviser, manager, officer and entity that provides research, development or other technological support to the Group or any Invested Entity, and any shareholder or any member of the Group who has contributed to the business of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity (the "Participant"), as incentives or rewards for their contributions or potential contribution to the Group.

The total number of shares in respect of which Options may be granted under the Scheme, when aggregated with any shares subject to any other schemes of the Company, is not permitted to exceed 10% of the shares of the Company in issue on the date of adoption of the Scheme (the "Scheme Mandate Limit") unless the Company obtains an approval from shareholders in a general meeting to refresh the Scheme Mandate Limit provided that the Scheme Mandate Limit so refreshed must not exceed 10% of the shares of the Company in issue as at the date of approval of refreshment by shareholders. Nevertheless, the maximum number of shares of the Company which may be issued upon exercise of all outstanding Options granted and not yet exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the issued shares of the Company from time to time.

The number of shares of the Company in respect of which Options may be granted under the Scheme and other share option scheme(s) of the Company to any Participant in aggregate in any 12-month period up to and including the date of such grant is not permitted to exceed 1% of the shares of the Company in issue, without prior approval from Shareholders in general meeting with such Participant and his/her associates (as defined in the Listing Rules) abstaining from voting.

30. 購股權計劃

本公司於二零一三年五月三十日採納了一項購股權計劃（「計劃」）。計劃於二零一三年六月三日（計劃之最後一項條件達成之日期）起計十年內有效至二零二三年六月二日止，惟若本公司在股東大會上或董事會提早終止除外。

計劃旨在讓本公司可向對本集團作出貢獻或潛在貢獻之本集團或本集團持有股本權益之任何實體（「投資實體」）之任何合資格僱員（包括執行董事）及任何非執行董事、任何向本集團或任何實體提供貨品或服務之供應商、本集團或任何實體之任何客戶、向本集團或任何投資實體提供研究、開發或其他科技支援之任何專業顧問、諮詢人、經理、行政人員和實體、對本集團或任何投資實體之業務作出貢獻之本集團任何股東或任何成員公司或本集團任何成員公司或任何投資實體所發行任何證券之任何持有人（「參與者」）授出購股權（「購股權」）以認購本公司之股份以作為獎勵或回報。

根據計劃及本公司任何其他購股權計劃可予授出之所有購股權獲行使時而可予發行之股份總數，不得超過於採納計劃當日本公司已發行股份之10%（「計劃授權限額」），除非本公司獲得股東於股東大會上批准更新計劃授權限額，惟據此更新之計劃授權限額不得超過股東批准更新當日本公司已發行股份之10%。儘管而言，根據計劃及本公司任何其他購股權計劃授出而尚未行使之所有購股權獲行使時可予發行本公司之最高股份數目，不得超過本公司不時已發行股份之30%。

除非建議授出已獲股東（會上參與者及其聯繫人（定義見上市規則）必須放棄投票）於股東大會上事先批准，根據計劃及本公司其他購股權計劃可授予任何參與者之本公司股份總數於截至有關授出當日（包括該日）止的任何十二個月期間內，不得超過授出當日本公司已發行股份之1%。

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30. SHARE OPTION SCHEME (CONTINUED)

The acceptance of an Option granted under the Scheme must be taken up within 21 days from the date of grant and to be accompanied by payment of the consideration of HK\$1.00. The Options may be exercised in accordance with the terms of the Scheme at any time during a period as the Board may in its absolute discretion determine which shall not be more than 10 years from the date of grant and subject to the provisions of early termination thereof and the Board may provide restrictions on the exercise of an Option.

No Options under the Scheme were granted, exercised, cancelled or lapsed during the year, nor outstanding at 31 December 2016.

31. OPERATING LEASE

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Hotel properties	酒店物業		
Within one year	一年內	39,645	39,872
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	118,800	158,445
		158,445	198,317
Other land and buildings	其他土地及樓宇		
Within one year	一年內	1,405	384
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	1,957	128
		3,362	512

Operating lease payments for other land and building represent rentals payable by the Group for certain of its shipyard.

For hotel properties in Hong Kong, leases are negotiated for an average term of two to five years.

30. 購股權計劃(續)

根據計劃授出之購股權須於由授出日期起計21日內接納，接納時須支付代價1.00港元。購股權可按照計劃之條款，由董事會可能全權酌情釐定之期間內隨時行使，惟有關期間不得超過由授出日期起計十年，並須受計劃之提早終止條文及董事會可能施加之行使購股權限制所規限。

於年內，概無根據計劃授出、行使、取消或失效購股權，於二零一六年十二月三十一日，亦無計劃下之購股權尚未行使。

31. 經營租約

本集團作為承租人

於呈報期結束時，本集團根據各項不可撤銷經營租約之未來最低租金付款作出承擔。此等承擔之到期日如下：

其他土地及樓宇之經營租約付款指本集團為其若干船塢所應付之租金。

香港酒店物業租約商定為期平均兩年至五年。

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31. OPERATING LEASE (CONTINUED)

The Group as lessor

Property rental income earned during the year was approximately HK\$45,218,000 (2015: HK\$43,697,000).

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases for premises within the hotel properties for an average term of 2 to 6 years for PRC:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Within one year	一年內	4,195	8,159
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	6,688	6,743
More than five years	五年後	3,825	-
		14,708	14,902

32. PROVIDENT FUND SCHEMES

The Group has retirement schemes covering a substantial portion of its employees in Hong Kong. The principal schemes are defined contribution schemes. The assets of these schemes are held separately from those of the Group in funds under the control of independent trustees.

With effect from 1 December 2000, the Group joined a Mandatory Provident Fund Scheme ("MPF Scheme") for all its new employees in Hong Kong employed therefrom or existing employees wishing to join the MPF Scheme. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employer and its employees are required to make contributions to the MPF Scheme at 5% of relevant payroll cost. Subject to a cap to monthly relevant income of HK\$30,000, which contribution is matched by employees. The only obligation of the Group in respect of MPF Scheme is to make the required contributions under the MPF Scheme.

31. 經營租約 (續)

本集團作為出租人

年內賺取之物業租金收入約為45,218,000港元(二零一五年: 43,697,000港元)。

於呈報期結束時, 本集團與租戶訂立合約, 內容有關根據不可撤銷之經營租約下列平均租期兩年至六年之中國酒店物業內之物業之未來最低租約付款:

32. 公積金計劃

本集團為大部分香港僱員設有退休金計劃。主要計劃為定額供款計劃。該等計劃之資產與本集團之資產分開, 以基金方式持有, 並由獨立信託人控制。

自二零零零年十二月一日起, 本集團為所有由該日起新聘之香港僱員或有意參加強制性公積金計劃(「強積金計劃」)之現有僱員參加強積金計劃。強積金計劃根據強制性公積金計劃條例向強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開, 以基金方式持有, 並由獨立信託人控制。根據強積金計劃之規則, 僱主及其僱員須向強積金計劃作出有關薪酬5%之供款。每月相關收入上限為30,000港元, 僱員亦須作出相應供款。本集團就強積金計劃唯一應盡之責任乃根據強積金計劃作出規定之供款。

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32. PROVIDENT FUND SCHEMES (CONTINUED)

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries are required to contribute certain percentage of their payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The amounts charged to profit or loss represent contributions paid or payable to the schemes by the Group of approximately HK\$6,780,000 (2015: HK\$6,970,000).

At the end of the reporting period, there were no forfeited contributions (2015: Nil), which arose upon employees leaving the retirement benefit schemes and which are available to reduce the contributions payable in future year.

33. ACQUISITION OF ADDITIONAL INTEREST OF A SUBSIDIARY FROM A NON-CONTROLLING SHAREHOLDER

On 25 November 2015, Shenyang Hotel Holdings Limited ("Shenyang Hotel Holdings") a non-wholly owned subsidiary of the Company, entered into a sale and purchase agreement with non-controlling shareholders (the "Vendor") through an auction bargain purchase, whereby, the Vendor agreed to sell and Shenyang Hotel Holdings agreed to purchase approximately 8% of the equity interest of Rosedale Hotel Shenyang Company Limited 瀋陽珀麗酒店有限公司 ("Rosedale Shenyang") at a total consideration of RMB1,682,000 (equivalent to approximately HK\$2,039,000). Following the completion, the equity interest in by Rosedale Shenyang increased from 92% to 100% and Rosedale Shenyang becomes a wholly-owned subsidiary of Shenyang Hotel Holdings. The said transaction was completed in February 2016.

32. 公積金計劃 (續)

本集團中國附屬公司之僱員均為中國政府管理之國營退休福利計劃成員，該等附屬公司須按僱員薪酬若干百分比向退休福利計劃供款，為福利提供資金。本集團就該退休福利計劃唯一應盡之責任乃作出規定之供款。

自損益扣除之款項，為本集團已付或應付予計劃之供款約6,780,000港元(二零一五年：6,970,000港元)。

於呈報期結束時，並無因僱員退出退休福利計劃而產生可供扣減未來年度應付供款之沒收供款(二零一五年：無)。

33. 向非控股股東收購一家附屬公司之額外權益

於二零一五年十一月二十五日，沈陽酒店股份有限公司(「沈陽酒店」，其為本公司之非全資附屬公司)與非控股股東(「賣方」)透過拍賣議價收購訂立買賣協議，據此，賣方同意出售而沈陽酒店同意購買瀋陽珀麗酒店有限公司(「瀋陽珀麗」)約8%股本權益，總代價為人民幣1,682,000元(相當於約2,039,000港元)。於完成後，於瀋陽珀麗之股本權益已由92%增加至100%而瀋陽珀麗已成為沈陽酒店之全資附屬公司。上述交易已於二零一六年二月完成。

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34. RELATED PARTY TRANSACTIONS

(a) Related party balance and transaction

There is no outstanding balance and transaction with related party at 31 December 2016 and 2015.

(b) Compensation of key management personnel

The remuneration of key management members was set out in note 11.

35. LITIGATION

The Group had the following outstanding arbitration and litigation as at 31 December 2016, in which the management of the Company is of the opinion that the estimated contingent liabilities arising from the litigations cannot be reasonably ascertained at the current stage:

- (a) On 8 July 2016, Allied Glory applied to the CIETAC for an arbitration with the minority shareholder of a subsidiary of the Company, the PRC Partner of Rosedale Guangzhou in relation to the co-operative period of operating Rosedale Guangzhou. Rosedale Guangzhou engages in the management of and investment in Rosedale Hotel & Suites, Guangzhou, a luxury four-star hotel located in Guangzhou, the PRC.

Rosedale Guangzhou is a sino-foreign co-operative joint venture incorporated in the PRC and operates its own hotel property. Pursuant to the Co-operative Agreement governing the operation of Rosedale Guangzhou, the co-operative period is 50 years commencing from 15 January 1987 and the rights and ownership of the hotel property of Rosedale Guangzhou are required to be transferred to the PRC Partner upon the completion of the co-operative period. The initial co-operative period approved by FETC was 30 years and, subject to the satisfaction of certain conditions, the co-operative period can be extended for a further period of time but not more than 20 years. Rosedale Guangzhou was then granted a business license with license period of 30 years which expired in January 2017.

34. 關連人士交易

(a) 關連人士結餘及交易

於二零一六年及二零一五年十二月三十一日並無與關連人士之尚欠結餘及交易。

(b) 主要管理人員之薪酬

主要管理人員薪酬載於附註 11。

35. 訴訟

本集團於二零一六年十二月三十一日有以下待決仲裁及訴訟，本公司管理層認為，在現階段無法合理確定有關訴訟產生之估計或然負債：

- (a) 於二零一六年七月八日，合榮向中國國際經濟貿易仲裁委員會申請與中國夥伴（其為本公司附屬公司廣州珀麗之少數股東）進行有關廣州珀麗合作經營期之仲裁。廣州珀麗之業務為管理及投資於一間位於中國廣州市的四星級豪華酒店－廣州珀麗酒店。

廣州珀麗為在中國成立的中外合作經營企業並經營其本身的酒店物業。根據規管廣州珀麗營運的合作經營合同書（「合作經營合同書」），廣州珀麗的合作期為一九八七年一月十五日起計五十年，而廣州珀麗之酒店物業之權利及擁有權須於合作期完成後轉移至中國夥伴。廣州市對外經濟貿易委員會批准的初步合作期為三十年而在符合若干條件之情況下，合作期可進一步延長不多於二十年期。廣州珀麗當時所取得的三十年期營業執照已於二零一七年一月屆滿。

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35. LITIGATION (CONTINUED)

(a) (CONTINUED)

However, the PRC Partner refused to cooperate with Allied Glory to jointly apply for such extension. Allied Glory has therefore applied to the CIETAC to seek for an arbitral award to restate the co-operative period to 50 years and require the PRC Partner to cooperate in the application process of the relevant license of Rosedale Guangzhou.

The outcome of the arbitration is still uncertain at this stage. Based on the legal advices, the directors of the Company are of the opinion that the Company has a good ground of successfully obtaining the arbitral award in favour of the Group to demand the PRC Partner to jointly apply for the said extension. If the arbitration result is unfavourable to the Group, full impairment loss particularly in the hotel property of Rosedale Guangzhou would arise.

- (b) On 27 October 2016, the PRC Partner filed a civil lawsuit at the Guangzhou Intermediate People's Court in Guangdong Province, the PRC, against Allied Glory in respect of a claim for profit sharing in Rosedale Guangzhou of approximately RMB9.6 million. Allied Glory has already engaged a PRC independent law firm to act on its behalf in relation to the case. As at the date of this report, the legal proceeding is still ongoing and the outcome cannot be determined at this moment.

35. 訴訟(續)

(a) (續)

然而，中國夥伴拒絕與合榮合作以共同申請延期，合榮已因此向中國國際經濟貿易仲裁委員會申請，以尋求仲裁委員會裁決以將合作期重列至五十年並要求中國夥伴須在將廣州珀麗的相關執照申請過程中合作。

在現階段仍未能確定仲裁結果。根據法律意見，本公司董事認為本公司有良好理據成功取得有利於本集團之仲裁裁決，以要求中國夥伴共同申請上述延期。倘若仲裁結果不利於本集團，將會產生全數減值虧損，特別是在廣州珀麗之酒店物業方面。

- (b) 於二零一六年十月二十七日，中國夥伴向中國廣東省廣州市中級人民法院對合榮提起民事訴訟，申索廣州珀麗之股東收益權約人民幣9,600,000元。合榮已經委聘一家中國獨立律師事務所就該案代其行事。於本報告日期，該法律程序仍在進行，目前無法確定結果。

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36. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

36. 本公司之財務狀況報表及儲備

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	483	2
Investments in subsidiaries	於附屬公司之投資	–	–
Amounts due from subsidiaries	應收附屬公司款項	653,365	993,528
Deposit paid for a possible acquisition of an investment	可能收購一項投資之已付按金	–	172,940
		653,848	1,166,470
Current assets	流動資產		
Amount due from subsidiaries	應收附屬公司款項	640,952	258,525
Other receivables and prepayments	其他應收賬款及預付款項	104,669	75,965
Investments held for trading	持作買賣之投資	6,580	9,400
Bank balances and cash	銀行結餘及現金	15,129	424,242
		767,330	768,132
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付賬款	934	3,787
Amounts due to subsidiaries	應付附屬公司款項	456,472	461,713
Borrowing – amount due within one year	借貸 – 一年內到期款項	–	10,000
		457,406	475,500
Net current assets	流動資產淨額	309,924	292,632
Net assets	資產淨值	963,772	1,459,102
Capital and reserves	資本及儲備		
Share capital	股本	7,892	7,892
Reserves	儲備	955,880	1,451,210
		963,772	1,459,102

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

36. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

36. 本公司之財務狀況報表及儲備 (續)

Movement in reserves

儲備變動

		Share capital HK\$'000 股本 千港元	Share premium HK\$'000 股份溢價 千港元	Special reserve HK\$'000 特別儲備 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總額 千港元
At 1 January 2015	於二零一五年一月一日	6,577	1,248,048	658,303	(577,747)	1,335,181
Shares issued for the year (Note 29)	本年度發行股份(附註29)	1,315	115,751	-	-	117,066
Transaction cost attributable to the issue of shares (Note 29)	發行股份之應佔交易成本(附註29)	-	(3,047)	-	-	(3,047)
Profit and total comprehensive income for the year	本年度溢利及全面收入總額	-	-	-	9,902	9,902
At 31 December 2015	於二零一五年十二月三十一日	7,892	1,360,752	658,303	(567,845)	1,459,102
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	-	-	-	(495,330)	(495,330)
At 31 December 2016	於二零一六年十二月三十一日	7,892	1,360,752	658,303	(1,063,175)	963,772

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

37. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes the borrowings disclosed in note 27 (net of cash and cash equivalents) and equity attributable to owners of the Company, comprising issued share capital, share premium, reserves and retained earnings.

The directors of the Company review the capital structure on a semi-annually basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

37. 資本風險管理

本集團之資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團之實體可持續經營之餘，亦為股東締造最大回報。本集團整體策略與上年度相同。

本集團之資本架構包括債務淨額（包括借貸（見附註27所披露），扣除現金及現金等值項目）及本公司擁有人應佔權益（包括已發行股本、股份溢價、儲備及保留溢利）。

本公司董事每半年檢討資本架構。檢討其中一部分為董事考慮資本成本及各類資本所附帶之風險。根據董事之推薦建議，本集團會通過派發股息、發行新股份、購回股份、發行新債務或贖回現有債務等方式，對整體資本架構作出平衡。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS

38. 金融工具

38a. Categories of financial instruments

38a. 金融工具類別

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及現金等值項目)	1,841,465	1,787,075
FVTPL	透過損益按公平價值計量		
– Held for trading	– 持作買賣	60,000	14,406
Available-for-sale financial assets	可供出售金融資產	–	–
		1,901,465	1,801,481
Financial liabilities	金融負債		
Amortised cost	攤銷成本	26,956	29,783

38b. Financial risk management objectives and policies

The Group's management monitors and manages the financial risks relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risks.

38b. 財務風險管理目標及政策

本集團管理層藉內部風險報告(該報告分析所面臨風險之程度及大小)監察及管理與本集團經營業務相關之財務風險。該等風險包括市場風險(包括外幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。

本集團就金融工具承擔之風險類別或其管理與計量有關風險之方式並無改變。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Market risk

(i) Foreign currency risk management

The Group does not have significant foreign currency sales and purchases, therefore exposure to foreign currency risk is minimal.

(ii) Interest rate risk management

The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, the management of the Group will consider hedging significant interest rate risk exposure if the need arises.

The Group is exposed to fair value interest rate risk in relation to other receivables which bearing fixed rate interest. The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances (note 25) and borrowings (note 27). The Group cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and Prime Rate arising from the Group's Hong Kong dollars denominated borrowings.

38. 金融工具(續)

38b. 財務風險管理目標及政策(續)

市場風險

(i) 外幣風險管理

本集團並無以外幣進行重大買賣，故承受之外幣風險極微。

(ii) 利率風險管理

本集團目前並無使用任何衍生工具合約以對沖其利率風險。然而，本集團管理層將於需要時考慮對沖顯著之利率風險。

本集團之公平價值利率風險與定息其他應收賬款有關。此外，本集團之現金流量利率風險與浮息銀行結餘(附註25)及借貸(附註27)有關。本集團之現金流量利率風險主要集中於銀行結餘之利率以及本集團港元計值借貸之最優惠利率之波動。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

(ii) Interest rate risk management (CONTINUED)

Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on bank balances and bank borrowings. The analysis is prepared assuming the financial instruments outstanding at the end of reporting date were outstanding for the whole year.

A 25 basis point (2015: 25 basis points) increase or decrease in variable-rate bank balances and variable rate bank borrowings are used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 25 basis points higher and all other variables were held constant, the Group's loss for the year ended 31 December 2016 would decrease by approximately HK\$4,152,000 (2015: loss for the year decrease by approximately HK\$3,566,000). Management does not expect a significant decrease of interest rate.

In management's opinion, the sensitivity analysis is unrepresentative of inherent interest rate risk as the year end exposure does not reflect the exposure during the year.

38. 金融工具(續)

38b. 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險管理(續)

敏感度分析

以下敏感度分析乃根據銀行結餘及銀行借貸之利率風險釐定。編製分析時，乃假設於呈報日結束時尚未行使之金融工具於整年均未行使。

於內部向主要管理人員報告利率風險時所用浮息銀行結餘及浮息銀行借貸之25個基點(二零一五年：25個基點)之增加或減少，乃管理層對利率可能出現之合理變動作出之評估。倘利率上調25個基點，而所有其他變數維持不變，則本集團截至二零一六年十二月三十一日止年度之虧損將會減少約4,152,000港元(二零一五年：本年度虧損減少約3,566,000港元)。管理層預期利率不會顯著下調。

管理層認為，由於年結時所面對之風險不能反映年內所面對之風險，因此敏感度分析未能代表內在利率風險。

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For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

(iii) Other price risk management

The Group is exposed to equity price risks through its investments in listed equity securities. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risks are mainly concentrated on listed equity securities quoted in the Stock Exchange of Hong Kong Limited.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the reporting date.

If equity prices had been 10% higher/lower, loss for the year ended 31 December 2016 would decrease/increase by HK\$6,000,000 (2015: HK\$1,203,000) as a result of the changes in fair value of investments held for trading.

The Group's sensitivity to equity and other price risks has increased during the year mainly due to the addition in the investments held for trading.

38. 金融工具(續)

38b. 財務風險管理目標及政策(續)

市場風險(續)

(iii) 其他價格風險管理

本集團於上市股本證券之投資須承受股本價格風險。管理層藉維持一個集合不同風險之投資組合管理此類風險。本集團之股本價格風險主要集中於在香港聯合交易所有限公司報價之上市股本證券。

敏感度分析

以下敏感度分析乃根據於呈報日期所面對之股本價格風險而釐定。

倘股本價格上升/下跌10%，則截至二零一六年十二月三十一日止年度之虧損將會因為持作買賣投資之公平價值變動而減少/增加6,000,000港元(二零一五年：1,203,000港元)。

本集團對於股本及其他價格風險之敏感度於年內增加，主要由於持作買賣投資之增加。

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Credit risk

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to discharge an obligation by the counterparties in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt and debt investment at the end of the reporting period end to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has concentration of credit risk on its deposit paid for acquisition of an investment of Nil (2015: HK\$172,940,000). The management of the Group considers that the credit risk on such deposit paid is limited as it is an earnest money and the counterparty has good credit quality by taking into account of its financial background.

38. 金融工具(續)

38b. 財務風險管理目標及政策(續)

信貸風險

於二零一六年十二月三十一日，本集團因對方履行有關各類已確認金融資產之責任而使本集團蒙受財務虧損而產生之最大信貸風險，為綜合財務狀況報表所列該等資產之賬面值。

為盡量減低信貸風險，本集團管理層已委派一小組，負責釐定信貸限額、信貸批核及進行其他監察程序，以確保已採取跟進措施，收回逾期債項。此外，本集團亦審閱各個別貿易債項及債務投資於呈報期結束時之可收回金額，以確保已不能收回金額提撥充足減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅減低。

本集團之信貸風險集中於就收購一項投資之已付按金為無(二零一五年：172,940,000港元)。本集團管理層認為有關已付按金之信貸風險有限，因為其為一筆誠意金，而考慮到對方之財務背景，其具有良好信貸質素。

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38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

The Group is exposed to credit risk in respect of its loan notes receivable. As at 31 December 2016, the carrying amount of loan notes receivable is Nil (2015: HK\$186,578,000). The management of the Group considers that the credit risk on the loan notes receivables is limited as the counterparty is a company listed on the Stock Exchange and with reference to the subsequent settlement.

The Group also has concentration of credit risk on aggregate advances to third parties amounting to HK\$75,000,000 (2015: HK\$75,000,000). The Group's advances to third parties mentioned above have good credit. An internal credit assessment process to assess the potential borrower's credit quality and defines credit limits by borrower.

38. 金融工具 (續)

38b. 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團之信貸風險集中於其應收貸款票據。於二零一六年十二月三十一日，應收貸款票據之賬面值為無(二零一五年：186,578,000港元)。經參考其後結算情況後，本集團管理層認為應收貸款票據之信貸風險有限，因為對方是一間聯交所上市公司。

本集團之信貸風險亦集中於授予第三方之墊款總額75,000,000港元(二零一五年：75,000,000港元)。上述本集團授予第三方之墊款具備良好信貸，而內部信貸評估程序可用以評估潛在借款人之信貸質素及界定借款人之信貸限額。

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綜合財務報表附註

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38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Credit risk (CONTINUED)

Also, the Group is exposed to credit risk in respect of certain loan receivables included in other receivables. As at 31 December 2016, the carrying amount of loan receivables is HK\$73,158,000 (2015: nil). The Group has concentration of credit risk as approximately 77% of the total loans as at 31 December 2016 was due from four borrowers. The balance due from these four borrowers is in an aggregate amount of HK\$57,000,000 as at 31 December 2016, which is neither past due nor impaired, of which the whole amount is considered recoverable given the management considered the financial background and financial condition of these borrowers. The Group seeks to maintain strict control over its outstanding loan receivables to minimise credit risk. Management has a credit policy in place and the exposures to the credit risk are monitored on an ongoing basis. Impairment allowances on outstanding loan receivables are determined by an evaluation of financial background, as well as financial condition of and the anticipated receipts for that individual account, at the end of the reporting period.

The credit risk on liquid funds is limited because the counterparties are banks and securities broker with good reputation.

Other than above, the Group does not have any other significant concentration of credit risk at the end of the reporting period.

38. 金融工具(續)

38b. 財務風險管理目標及政策(續)

信貸風險(續)

此外，本集團面對有關計入其他應收賬款中之若干應收貸款之信貸風險。於二零一六年十二月三十一日，應收貸款之賬面值為73,158,000港元(二零一五年：零)。由於在二零一六年十二月三十一日約77%之總貸款是應收四名借款人，本集團面對信貸風險集中之情況。於二零一六年十二月三十一日，應收此四名借款人之結餘合計為57,000,000港元，為並未逾期且未有減值，而經管理層考慮此等借款人之財務背景及財務狀況後，有關款項被視為可以全數收回。本集團致力嚴控未償還應收貸款以盡量減低信貸風險。管理層已制訂信貸政策並且持續監控所面對之信貸風險。未償還應收貸款之減值撥備於呈報期結束時根據對該個別賬戶之財務背景以及財務狀況及預期收款之評估而釐定。

由於對方為聲譽良好之銀行及證券經紀，因此流動資金之信貸風險有限。

除上述者外，於呈報期結束時，本集團並無任何其他重大集中之信貸風險。

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38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Group does not have unutilised banking facilities in both years.

Liquidity tables

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

38. 金融工具(續)

38b. 財務風險管理目標及政策(續)

流動資金風險管理

董事會負有流動資金風險管理之最終責任，並已建立合適之流動資金風險管理制度，以符合管理本集團短期、中期及長期資金以及流動資金管理之規定。本集團藉維持充足之儲備、銀行融資及儲備借貸融資，以及持續監察預測及實際現金流量，配合金融資產及負債之到期情況，以管理流動資金風險。

本集團於兩個年度均並無未動用之銀行融資。

流動資金表

下表詳列本集團非衍生金融負債餘下合約到期情況。下表乃按照金融負債未貼現現金流量編製。

下表包括利息及本金現金流量。倘利息流量為浮息，未貼現金額按呈報期結束時之利率曲綫得出。

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綜合財務報表附註

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38. FINANCIAL INSTRUMENTS (CONTINUED)

38b. Financial risk management objectives and policies (CONTINUED)

Liquidity risk management (CONTINUED)

Liquidity tables (CONTINUED)

		Weighted average interest rate %	On demand or less than 1 year HK\$'000 按要求或一年內 千港元	Total undiscounted cash flows HK\$'000 未折現現金流量總額 千港元	Carrying amount 31 December HK\$'000 十二月三十一日之賬面值 千港元
2016	二零一六年				
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	貿易及其他應付賬款	–	26,956	26,956	26,956
		Weighted average interest rate %	On demand or less than 1 year HK\$'000 按要求或一年內 千港元	Total undiscounted cash flows HK\$'000 未折現現金流量總額 千港元	Carrying amount 31 December HK\$'000 十二月三十一日之賬面值 千港元
2015	二零一五年				
Non-derivative financial liabilities	非衍生金融負債				
Trade and other payables	貿易及其他應付賬款	–	19,783	19,783	19,783
Borrowings – variable rate	借貸 – 浮息	7%	10,700	10,700	10,000
Trade and other payables	貿易及其他應付賬款	–	30,483	30,483	29,783

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘浮動利率變動有別於呈報期結束時釐定之利率估計，則上文就非衍生金融負債之浮息利率工具入賬之金額將予以調整。

38. 金融工具 (續)

38b. 財務風險管理目標及政策 (續)

流動資金風險管理 (續)

流動資金表 (續)

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綜合財務報表附註

For the year ended 31 December 2016 截至二零一六年十二月三十一日止年度

38. FINANCIAL INSTRUMENTS (CONTINUED)

38c. Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key inputs	Significant Unobservable input(s)	Relationship of unobservable inputs to fair value
	31 December 2016	31 December 2015				
金融資產	二零一六年十二月三十一日	於以下日期之公平價值 二零一五年十二月三十一日	公平價值層級	估值方法及主要輸入數據	重大無法觀察輸入數據	無法觀察輸入數據與公平價值之關係
Investments held for trading	Listed equity securities in Hong Kong – HK\$10,179,000	Listed equity securities in Hong Kong – HK\$14,406,000	Level 1	Quoted bid prices in an active market	N/A	N/A
	Listed equity securities in Overseas – HK\$49,821,000					
持作買賣投資	香港上市股本證券 – 10,179,000港元	香港上市股本證券 – 14,406,000港元	第一級	活躍市場買入報價	不適用	不適用
	海外上市股本證券 – 49,821,000港元					

There were no transfer between Level 1 and 2 during the year.

38. 金融工具(續)

38c. 金融工具之公平價值計量

本附註提供有關本集團如何釐定不同金融資產及金融負債之公平價值之資料。

以循環基準按公平價值計量之本集團金融資產及金融負債公平價值

於各呈報期結束時，本集團部分金融資產及金融負債按公平價值計量。下表提供該等金融資產及金融負債公平價值之釐定方法(尤其是所採用之估值方法及輸入數據)。

年內並無第一級與第二級之間的轉移。

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38. FINANCIAL INSTRUMENTS (CONTINUED)

38c. Fair value measurements of financial instruments (CONTINUED)

Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis

The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised costs in the consolidated financial statements approximate to their fair values.

38. 金融工具 (續)

38c. 金融工具之公平價值計量 (續)

並非以經常基準按公平價值計量之金融資產及金融負債之公平價值

其他金融資產及金融負債之公平價值根據普遍接納之定價模式及按照貼現現金流量分析釐定。

本公司董事認為，於綜合財務報表中按攤銷成本計量之金融資產及金融負債之賬面值與公平價值相若。

39. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries as at 31 December 2016 and 2015 are as follows:

39. 主要附屬公司

以下為於二零一六年及二零一五年十二月三十一日本公司之主要附屬公司詳情：

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足股本/ 註冊資本	Effective interest in issued share capital/ registered capital held by the Group 2016 2015 % %		Principal activities and place of operation 主要業務及營業地點
			本集團持有已發行股本/ 註冊資本之實際權益 二零一六年 %	二零一五年 %	
Allied Glory Investment Limited ("Allied Glory") 合榮投資有限公司 (「合榮」)	Hong Kong 香港	HK\$2 2港元	73.5	73.5	Investment holding in the PRC 中國投資控股
Apex Quality Group Limited ("Apex") Apex Quality Group Limited (「Apex」)	British Virgin Islands 英屬維爾京群島	US\$5,548,172 5,548,172美元	89.4	89.4	Investment holding 投資控股
Asia Times Limited Asia Times Limited	British Virgin Islands 英屬維爾京群島	US\$100 100美元	100	100	Investment holding 投資控股
Benchmark Pacific Limited Benchmark Pacific Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	100	100	Investment holding 投資控股
E-Concept Ltd.	British Virgin Island	US\$1	100	–	Trading of securities in Overseas
E-Concept Ltd.	英屬維爾京群島	1美元			於海外買賣證券

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39. PRINCIPAL SUBSIDIARIES (CONTINUED)

39. 主要附屬公司(續)

Name of company 公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Issued and paid up share capital/ registered capital 已發行及繳足股本/ 註冊資本	Effective interest in issued share capital/ registered capital held by the Group 2016 2015 % %		Principal activities and place of operation 主要業務及營業地點
			本集團持有已發行股本/ 註冊資本之實際權益 二零一六年 %	二零一五年 %	
HMH China Investments Limited HMH China Investments Limited	Bermuda 百慕達	CAD\$1,152,913 1,152,913加幣	73.5	73.5	Investment holding 投資控股
I-Global Ltd.	British Virgin Island	US\$1	100	–	Trading of securities in Overseas 於海外買賣證券
I-Global Ltd.	英屬維爾京群島	1美元			
Lucky Million Investments Limited Lucky Million Investments Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	89.4	89.4	Investment holding 投資控股
Luoyang Golden Gulf Hotel Company Limited [#] 洛陽金水灣大酒店有限公司 [#]	PRC 中國	RMB145,000,000 人民幣145,000,000元	60	60	Hotel ownership and operation in the PRC 於中國擁有及經營酒店
Rosedale Hotel Group Limited 珀麗酒店集團有限公司	British Virgin Islands 英屬維爾京群島	US\$1 1美元	89.4	89.4	Investment holding in Hong Kong 香港投資控股
Rosedale Hotel Guangzhou Co., Ltd. [#] ("Rosedale Guangzhou") 廣州珀麗酒店有限公司 [#]	PRC 中國	US\$11,500,000 11,500,000美元	72.7	72.7	Hotel ownership and operation in the PRC 於中國擁有及經營酒店
Rosedale Hotel International Limited [@] Rosedale Hotel International Limited [@]	British Virgin Islands 英屬維爾京群島	US\$1 1美元	100	100	Investment holding 投資控股
Rosedale Hotel Management Hong Kong Limited 珀麗酒店管理有限公司	Hong Kong 香港	HK\$2 2港元	89.4	89.4	Hotel management in Hong Kong 香港酒店管理
Rosedale Park Limited Rosedale Park Limited	Hong Kong 香港	HK\$2 2港元	89.4	89.4	Hotel operation in Hong Kong 於香港經營酒店
The Rosedale Luxury Hotel & Suites Ltd. ^{###} 珀麗置業(上海)有限公司 ^{###}	PRC 中國	US\$20,000,000 20,000,000美元	100	100	Property investment in the PRC 中國物業投資
Shenyang Hotel Holdings Limited 沈陽酒店股份有限公司	British Virgin Islands 英屬維爾京群島	US\$100 100美元	84.9	84.9	Investment holding 投資控股

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39. PRINCIPAL SUBSIDIARIES (CONTINUED)

39. 主要附屬公司 (續)

Name of company	Place of incorporation/ registration	Issued and paid up share capital/ registered capital	Effective interest in issued share capital/ registered capital held by the Group		Principal activities and place of operation
			2016	2015	
公司名稱	註冊成立/登記地點	已發行及繳足股本/ 註冊資本	%	%	主要業務及營業地點
			本集團持有已發行股本/ 註冊資本之實際權益		
			二零一六年	二零一五年	
			%	%	
Shengyang Limited	British Virgin Islands	US\$1	89.4	89.4	Investment holding
Shengyang Limited	英屬維爾京群島	1美元			投資控股
Shropshire Property Limited	British Virgin Islands	Ordinary – US\$10 Preference – US\$1,000	100	100	Investment holding in the PRC
索普物業有限公司	英屬維爾京群島	普通股-10美元 優先股-1,000美元			中國投資控股
Success Billion Limited	British Virgin Islands	US\$1	100	100	Trading of securities in Hong Kong
Success Billion Limited	英屬維爾京群島	1美元			於香港買賣證券
Rosedale Hotel Shenyang Company Limited ^{###} (formerly known as Time Plaza (Shengyang) Limited)	PRC	RMB168,000,000	84.9*	78.1	Hotel ownership and operation in the PRC
瀋陽珀麗酒店有限公司 ^{###} (前稱時代廣場(瀋陽)有限公司)	中國	人民幣168,000,000元			於中國擁有及經營酒店
WHS Marine Services Limited	Hong Kong	HK\$1,000,000	100	100	Ship Building, repair holdings of leisure boat in Hong Kong
永興盛遊艇有限公司	香港	1,000,000港元			於香港建造及維修船隻 以及持有遊艇

[®] This subsidiary is directly held by the Company.

[®] 該附屬公司由本公司直接持有。

[#] The subsidiaries are Sino-foreign equity joint ventures.

[#] 該等附屬公司為中外股本合營公司。

^{##} This subsidiary is a Sino-foreign co-operative joint venture. Allied Glory is entitled to recoup its total investment (including capital and interest) from the after-tax earnings of Rosedale Guangzhou before any amounts are distributed. Thereafter, the after-tax earnings of Rosedale Guangzhou are to be distributed at 80% and 20% to Allied Glory and other joint venture partner respectively.

^{##} 該附屬公司為一家中外合作合營公司。廣州珀麗之除稅後盈利用作分派任何款項前，合榮有權從中收回其全部投資(包括資金及利息)。之後，廣州珀麗之除稅後盈利須以80%及20%之比例分別分派予合榮及其他合營夥伴。

^{###} The subsidiary is a wholly foreign owned entity.

^{###} 該附屬公司乃外商獨資企業。

^{*} The Group completed the transaction of acquiring remaining 8% equity interest in Rosedale Shenyang from the non-controlling interest on 24 February 2016.

^{*} 本集團於二零一六年二月二十四日完成向非控股權益收購瀋陽珀麗其餘8%股本權益之交易。

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39. PRINCIPAL SUBSIDIARIES (CONTINUED)

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

No debt securities have been issued by any of the subsidiaries during the year.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in the BVI. The principal activities of these subsidiaries are summarised as follows:

Principal activities of business 主要業務活動	Principal place of incorporation 主要註冊成立地點	Number of subsidiaries	
		2016 附屬公司數目 二零一六年	2015 二零一五年
Investment holding 投資控股	BVI 英屬維爾京群島	7	6
Inactive 不活躍	BVI 英屬維爾京群島	16	17
	HK 香港	8	11
		31	34

39. 主要附屬公司(續)

董事認為上表所列本集團之附屬公司對本集團之業績或資產及負債有重大影響。董事認為細列其他附屬公司之詳情會令篇幅過於冗長。

年內，概無任何附屬公司發行債務證券。

於呈報期結束時，本公司有其他對於本集團並非重要之附屬公司。此等附屬公司主要在英屬維爾京群島營運。此等附屬公司之主要業務概述如下：

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39. PRINCIPAL SUBSIDIARIES (CONTINUED)

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Principal place of business 主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有之擁有權權益及投票權比率		Loss allocated to non-controlling interests 分配至非控股權益之虧損		Accumulated non-controlling interests 累計非控股權益	
			31.12.2016 二零一六年 十二月三十一日	31.12.2015 二零一五年 十二月三十一日	31.12.2016 HK\$'000 二零一六年 十二月三十一日 千港元	31.12.2015 HK\$'000 二零一五年 十二月三十一日 千港元	31.12.2016 HK\$'000 二零一六年 十二月三十一日 千港元	31.12.2015 HK\$'000 二零一五年 十二月三十一日 千港元
Apex	BVI	Hong Kong and PRC	10.6%	10.6%	(1,901)	(3,225)	186,141	185,290
Apex	英屬維爾京群島	香港及中國					6,377	15,761
Individually immaterial subsidiaries with non-controlling interests 擁有非控股權益之個別非重大附屬公司							192,518	201,051

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Apex

		31.12.2016 HK\$'000 二零一六年 十二月三十一日 千港元	31.12.2015 HK\$'000 二零一五年 十二月三十一日 千港元
Current assets	流動資產	1,284,424	1,301,926
Non-current assets	非流動資產	369,438	397,193
Current liabilities	流動負債	(113,983)	(112,512)
Non-current liabilities	非流動負債	(45,287)	(49,767)
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,442,514	1,485,613
Non-controlling interests	非控股權益	186,141	185,290

39. 主要附屬公司 (續)

下表載列擁有重大非控股權益之本集團非全資附屬公司之詳情：

擁有重大非控股權益之本集團各附屬公司之財務資料概述如下。以下財務資料概要為集團內部抵銷前數額。

Apex

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39. PRINCIPAL SUBSIDIARIES (CONTINUED)

Apex (CONTINUED)

Major items included in the above:

		31.12.2016 HK\$'000 二零一六年 十二月三十一日 千港元	31.12.2015 HK\$'000 二零一五年 十二月三十一日 千港元
Current assets	流動資產		
– Loans to fellow subsidiaries	– 貸款予同系附屬公司	724,250	703,695
– Amounts due from ultimate holding company	– 應收最終控股公司款項	458,007	458,508
– Bank balances and cash	– 銀行結餘及現金	82,588	100,103
Non-current assets	非流動資產		
– Property, plant and equipment	– 物業、機器及設備	349,638	377,393
		Year ended 31.12.2016 HK\$'000 截至 二零一六年 十二月三十一日 止年度 千港元	Year ended 31.12.2015 HK\$'000 截至 二零一五年 十二月三十一日 止年度 千港元
Revenue	收入	217,771	210,874
Interest income and other income	利息收入及其他收入	21,998	60,248
Expenses	開支	(259,727)	(263,325)
(Loss) profit for the year	本年度(虧損)溢利	(19,958)	7,797
(Loss) profit attributable to owners of the Company	本公司擁有人應佔(虧損)溢利	(18,057)	11,022
Loss attributable to the non-controlling interests	非控股權益應佔虧損	(1,901)	(3,225)
(Loss) profit for the year	本年度(虧損)溢利	(19,958)	7,797

39. 主要附屬公司(續)

Apex(續)

上文包括之主要項目：

		31.12.2016 HK\$'000 二零一六年 十二月三十一日 千港元	31.12.2015 HK\$'000 二零一五年 十二月三十一日 千港元
Current assets	流動資產		
– Loans to fellow subsidiaries	– 貸款予同系附屬公司	724,250	703,695
– Amounts due from ultimate holding company	– 應收最終控股公司款項	458,007	458,508
– Bank balances and cash	– 銀行結餘及現金	82,588	100,103
Non-current assets	非流動資產		
– Property, plant and equipment	– 物業、機器及設備	349,638	377,393
		Year ended 31.12.2016 HK\$'000 截至 二零一六年 十二月三十一日 止年度 千港元	Year ended 31.12.2015 HK\$'000 截至 二零一五年 十二月三十一日 止年度 千港元
Revenue	收入	217,771	210,874
Interest income and other income	利息收入及其他收入	21,998	60,248
Expenses	開支	(259,727)	(263,325)
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(Loss) profit attributable to owners of the Company	本公司擁有人應佔(虧損)溢利	(18,057)	11,022
Loss attributable to the non-controlling interests	非控股權益應佔虧損	(1,901)	(3,225)
(Loss) profit for the year	本年度(虧損)溢利	(19,958)	7,797

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39. PRINCIPAL SUBSIDIARIES (CONTINUED)

Apex (CONTINUED)

Major items included in the above: (CONTINUED)

39. 主要附屬公司 (續)

Apex (續)

上文包括之主要項目：(續)

		Year ended 31.12.2016 HK\$'000 截至 二零一六年 十二月三十一日 止年度 千港元	Year ended 31.12.2015 HK\$'000 截至 二零一五年 十二月三十一日 止年度 千港元
Other comprehensive expense attributable to owners of the Company	本公司擁有人應佔 其他全面開支	(25,042)	(19,612)
Other comprehensive income (expense) attributable to the non-controlling interests	非控股權益應佔 其他全面收益(開支)	2,752	(2,200)
Other comprehensive expense for the year	本年度其他全面開支	(22,290)	(21,812)
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔 全面開支總額	(43,099)	(8,590)
Total comprehensive income (expense) attributable to the non-controlling interests	非控股權益應佔 全面收益(開支)總額	851	(5,425)
Total comprehensive expense for the year	本年度全面開支總額	(42,248)	(14,015)
Dividends paid to non-controlling interests	向非控股權益所付股息	-	-
Net cash inflow (outflow) from operating activities	經營業務之 現金流入(流出)淨額	624	(517,318)
Net cash (outflow) inflow from investing activities	投資活動之 現金(流出)流入淨額	(15,094)	125,595
Net cash outflow from financing activities	融資活動之現金流出淨額	-	-
Net cash outflow	現金流出淨額	(14,470)	(391,723)

Financial Summary

財務概要

RESULTS

業績

		Year ended 31 December				
		2016	2015	2014	2013	2012
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		截至十二月三十一日止年度				
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		千港元	千港元	千港元	千港元	千港元
Continuing operations	持續經營業務					
Turnover	營業額	242,296	235,412	406,647	447,220	429,466
(Loss) profit before taxation	除稅前(虧損)溢利	(92,529)	(119,811)	375,531	502,184	(148,112)
Income tax expense	所得稅開支	(665)	(1,568)	(2,600)	(59,086)	(933)
(Loss) profit for the year	本年度(虧損)溢利	(93,194)	(121,379)	372,931	443,098	(149,045)
(Loss) profit for the year attributable to:	本年度(虧損)溢利由下列人士應佔：					
Owners of the Company	本公司擁有人	(86,438)	(105,098)	380,755	381,966	(143,188)
Non-controlling interests	非控股權益	(6,756)	(16,281)	(7,824)	61,132	(5,857)
		(93,194)	(121,379)	372,931	443,098	(149,045)

ASSETS AND LIABILITIES

資產及負債

		As at 31 December				
		2016	2015	2014	2013	2012
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		於十二月三十一日				
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		千港元	千港元	千港元	千港元	千港元
Total assets	資產總值	2,535,010	2,678,164	2,972,714	3,567,266	3,130,142
Total liabilities	負債總額	228,487	230,521	482,643	1,348,673	1,240,384
		2,306,523	2,447,643	2,490,071	2,218,593	1,889,758
Equity attributable to	下列人士應佔權益					
Owners of the Company	本公司擁有人	2,114,005	2,246,592	2,268,536	1,976,154	1,704,987
Non-controlling interests	非控股權益	192,518	201,051	221,535	242,439	184,771
		2,306,523	2,447,643	2,490,071	2,218,593	1,889,758

Particulars of Properties

物業詳情

HOTEL PROPERTIES

酒店物業

Company 公司	Address 地址	Existing Use 現時用途	Site Area 地盤面積	Gross Area 總面積	% Interest 權益百分比
Rosedale Hotel Guangzhou Co., Ltd.	Rosedale Hotel & Suites, Guangzhou No. 348 Jiang Nan Da Road Central, Haizhu District, Guangzhou, the PRC	Hotel operation	10,838.88 sq.m.	46,865.83 sq.m.	72.7%
廣州珀麗酒店有限公司	廣州珀麗酒店 中國廣州市 海珠區 江南大道中348號	經營酒店業務	10,838.88 平方米	46,865.83 平方米	72.7%
Luoyang Golden Gulf Hotel Company Limited	Luoyang Golden Gulf Hotel No. 319 Zhongzhou Zhong Road, Xigong District, Luoyang City, Henan Province, the PRC	Hotel operation	9,025.51 sq.m.	21,269.18 sq.m.	60.0%
洛陽金水灣大酒店有限公司	洛陽金水灣大酒店 中國河南省 洛陽市 西工區 中州中路319號	經營酒店業務	9,025.51 平方米	21,269.18 平方米	60.0%

Particulars of Properties

物業詳情

Company 公司	Address 地址	Existing Use 現時用途	Site Area 地盤面積	Gross Area 總面積	% Interest 權益百分比
Rosedale Hotel Shenyang Company Limited (formerly known as Time Plaza (Shenyang) Limited)	Rosedale Hotel Shenyang (formerly known as Times Plaza Hotel, Shenyang) No. 99 North Station Road, Shenhe District, Shenyang City, Liaoning Province, the PRC	Hotel operation	5,335.00 sq.m.	43,000.34 sq.m.	84.9%
瀋陽珀麗酒店有限公司 (前稱時代廣場(瀋陽) 有限公司)	瀋陽珀麗酒店 (前稱瀋陽時代廣場酒店) 中國 遼寧省 瀋陽市 瀋河區 北站路99號	經營酒店業務	5,335.00 平方米	43,000.34 平方米	84.9%

Particulars of Properties

物業詳情

INVESTMENT PROPERTIES

投資物業

Company 公司	Address 地址	Existing Use 現時用途	Lease Term 租期
The Rosedale Luxury Hotel & Suites Ltd.	No. 1900 Tianshan Road, Changning District, Shanghai, the PRC	Vacant	Leasehold with a term expiring on 15 October 2023
珀麗置業(上海)有限公司	中國上海市 長寧區 天山路1900號	空置	租賃持有，租期於二零二三年十月 十五日屆滿



Rosedale Hotel Holdings Limited

Room 3401, 34th Floor, Hopewell Centre
183 Queen's Road East, Wan Chai, Hong Kong

珀麗酒店控股有限公司

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