



# DAQING DAIRY HOLDINGS LIMITED

## 大慶乳業控股有限公司

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司)  
Stock Code 股份代號：01007



Annual Report **2017** 年報

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## Corporate Information 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Dr. Choi Chiu Fai Stanley (*Chairman and Chief Executive Officer*)  
Mr. Choi Ka Wai

#### Independent non-executive Directors

Mr. Ha Kee Choy Eugene  
Mr. Szeto Tat Kwan Brandon  
Mr. Fok Wai Ming Eddie

### AUDIT COMMITTEE

Mr. Fok Wai Ming Eddie (*Chairman*)  
Mr. Ha Kee Choy Eugene  
Mr. Szeto Tat Kwan Brandon

### REMUNERATION COMMITTEE

Mr. Ha Kee Choy Eugene (*Chairman*)  
Mr. Szeto Tat Kwan Brandon  
Mr. Fok Wai Ming Eddie

### NOMINATION COMMITTEE

Mr. Szeto Tat Kwan Brandon (*Chairman*)  
Mr. Ha Kee Choy Eugene  
Mr. Fok Wai Ming Eddie

### COMPANY SECRETARY

Mr. Wong Chun Kit (appointed on 17 February 2017)  
Ms. Wong Po Ling Pauline (resigned on 17 February 2017)

### 董事會

#### 執行董事

蔡朝暉博士 (*主席兼行政總裁*)  
蔡嘉偉先生

#### 獨立非執行董事

夏其才先生  
司徒達坤先生  
霍偉明先生

### 審核委員會

霍偉明先生 (*主席*)  
夏其才先生  
司徒達坤先生

### 薪酬委員會

夏其才先生 (*主席*)  
司徒達坤先生  
霍偉明先生

### 提名委員會

司徒達坤先生 (*主席*)  
夏其才先生  
霍偉明先生

### 公司秘書

王震傑先生  
(於二零一七年二月十七日獲委任)  
王寶玲女士 (於二零一七年二月十七日辭任)

## Corporate Information 公司資料

### AUTHORISED REPRESENTATIVES

Dr. Choi Chiu Fai Stanley  
Mr. Wong Chun Kit (appointed on 17 February 2017)

Ms. Wong Po Ling Pauline (resigned on 17 February 2017)

### REGISTERED OFFICE

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

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2512, 25/F.  
Cosco Tower  
183 Queen's Road Central  
Hong Kong

### PRINCIPAL BANKERS

China Merchants Bank Co., Ltd.  
The Bank of East Asia, Limited  
Wing Lung Bank Ltd.

### AUDITORS

HLB Hodgson Impey Cheng Limited  
Certified Public Accountants

### 授權代表

蔡朝暉博士  
王震傑先生  
(於二零一七年二月十七日獲委任)  
王寶玲女士(於二零一七年二月十七日辭任)

### 註冊辦事處

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

### 香港主要營業地點

香港  
皇后大道中183號  
中遠大廈  
25樓2512室

### 主要往來銀行

招商銀行股份有限公司  
東亞銀行有限公司  
永隆銀行有限公司

### 核數師

國衛會計師事務所有限公司  
香港執業會計師

## Corporate Information 公司資料

### SHARE REGISTRARS

#### Cayman Islands Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### Hong Kong Branch Share Registrar and Transfer Office

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

#### Stock Code

1007

### COMPANY WEBSITE

<http://www.cre8ir.com/daqingdairy/>

### 股份登記處

#### 開曼群島主要股份過戶登記處

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

#### 香港股份過戶登記分處

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心  
17樓1712–1716室

#### 股份代號

1007

### 公司網址

<http://www.cre8ir.com/daqingdairy/>

## Chairman's Statement 主席報告書

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Daqing Dairy Holdings Limited (the "Company") (together with its subsidiaries, the "Group"), I hereby present to you the annual results for the year ended 31 December 2017.

### BUSINESS REVIEW

At the request of the Company, trading in the shares of the Company (the "Share(s)") has been suspended since 22 March 2012 due to the resignation of Deloitte Touche Tohmatsu, the predecessor auditors of the Company (the "Predecessor Auditors").

On 26 May 2016, The Stock Exchange of Hong Kong Limited (the "Stock Exchange") issued a letter to the Company stating that the Company was placed in the third delisting stage. The third delisting stage will expire on 6 December 2016. The Company should provide a viable resumption proposal at least 10 business days before the third delisting stage expires (i.e. 21 November 2016) to:

- 1) demonstrate sufficient operations of assets under rule 13.24 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules");
- 2) conduct forensic investigation on the issues raised by the Predecessor Auditors, disclose the findings of the investigation and take any remedial actions;
- 3) demonstrate that there is no reasonable regulatory concern about the integrity the Company's management which will pose a risk to investors and damage market confidence;
- 4) demonstrate that the Company has put in place adequate financial reporting procedures and internal control systems to meet obligations under the Listing Rules; and
- 5) inform the market of material information for the shareholders and the investors to appraise the Group's position.

尊敬的各位股東：

本人謹代表大慶乳業控股有限公司(「本公司」，連同其附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)特此向各位股東呈報截至二零一七年十二月三十一日止年度的全年業績。

### 業務回顧

應本公司要求，由於本公司前任核數師(「前任核數師」)德勤•關黃陳方會計師行辭任，本公司股份(「股份」)自二零一二年三月二十二日起暫停買賣。

於二零一六年五月二十六日，香港聯合交易所有限公司(「聯交所」)所向本公司發出函件，指本公司被列入第三階段除牌程序。第三階段除牌程序將於二零一六年十二月六日屆滿。本公司須於第三階段除牌程序之屆滿日前至少十個營業日(即二零一六年十一月二十一日)提呈可行之復牌建議以回應以下各項：

- 1) 證明具備聯交所證券上市規則(「上市規則」)第13.24條所規定之足夠資產運作；
- 2) 就前任核數師提出的問題進行法證調查，並披露調查結果及採取補救措施；
- 3) 證明本公司之管理層的品格概無任何導致投資者風險及破壞市場信心的合理監管顧慮；
- 4) 證明本公司有實施充足的財務報告程序和內部監控系統，以履行上市規則之責任；及
- 5) 知會股東及投資者重大市場資料，以評估本集團之狀況。

## Chairman's Statement 主席報告書

On 21 November 2016, the Company as purchaser entered into a conditional sale and purchase agreement (as amended and restated on 20 February 2017 and supplemented on 30 June 2017) with independent potential investors for the proposed acquisition (the "Acquisition") of a target group which is primarily engaged in the operation of a hotpot restaurant chain in the People's Republic of China (the "PRC") from the independent investors at a consideration of HK\$517,881,250. The acquisition constitutes a very substantial acquisition, connected transaction and reverse takeover and is treated as a new listing application for the Company under the Listing Rules; therefore, subject to the approval of the Listing Committee of the Stock Exchange. On the same day, the Company entered into a conditional sale and purchase agreement (as amended and supplemented by a supplemental agreement dated 30 June 2017) with a potential purchaser for the proposed disposal (the "Disposal") of the Company's subsidiaries at a consideration of HK\$1. The subsidiaries were incorporated in Singapore and the PRC. As the complete books and records of those subsidiaries could not be located or accessed, the financial statements of those subsidiaries have been de-consolidated from the consolidated financial information of the Group.

The Company has submitted a resumption proposal which contains, among other things, (i) a share consolidation; (ii) the Acquisition; (iii) the Disposal; (iv) a share placing; (v) an open offer; and (vi) a whitewash waiver, to the Stock Exchange before the expiry of the third delisting stage.

On 27 February 2017, the Company filed the new listing application to the Stock Exchange which comprised of, inter alia, (i) proposed share consolidation on the basis that every two (2) issued and unissued Shares of HK\$0.00001 each will be consolidated into one (1) consolidated share of HK\$0.00002; (ii) the Acquisition in which the target group engaged in hotpot restaurant business in the PRC at a consideration of HK\$517,881,250; (iii) the Disposal in which the Company proposed to dispose of the entire issued share capital of Global Milk Products Pte. Ltd, which is the Company's wholly-owned subsidiary incorporated in the Republic of Singapore ("Global Milk") for a cash consideration of HK\$1.00; (iv) proposed placing of the Company's shares at an aggregate of up to 757,875,000 shares at HK\$0.1025 each; (v) proposed open offer involving the allotment and issue of 101,050,000 offer shares at the offer price of HK\$0.1025 per offer share on the basis of one (1) offer share for every five (5) consolidated shares held on the record date; and (vi) change of the board composition of the Company upon resumption of the Company's shares, which subsequently lapsed on 28 August 2017.

於二零一六年十一月二十一日，本公司(作為買方)與多名獨立潛在投資者就建議向獨立投資者收購(「收購事項」)一間主要於中華人民共和國(「中國」)從事連鎖火鍋餐廳業務之目標集團，訂立有條件買賣協議(於二零一七年二月二十日經修訂及重列，以及於二零一七年六月三十日經補充)，代價為517,881,250港元。根據上市規則，是次收購構成一項非常重大收購、關連交易及反收購事項，且被視為本公司新上市申請；因此，待聯交所上市委員會批准後，方告作實。同日，本公司亦與一名潛在買方就建議出售(「出售事項」)本公司之附屬公司訂立有條件買賣協議(經日期為二零一七年六月三十日的補充協議所修訂及補充)，代價為1港元。該等附屬公司於新加坡及中國註冊成立。由於無法找到或查閱該等附屬公司的完整賬冊及記錄，故有關附屬公司的財務報表已於本集團綜合財務資料取消綜合入賬。

本公司已於除牌程序之第三階段結束前向聯交所提交復牌建議，當中載有(其中包括)：(i)股份合併；(ii)收購事項；(iii)出售事項；(iv)股份配售；(v)公開發售；及(vi)清洗豁免。

於二零一七年二月二十七日，本公司已向聯交所提交新上市申請，包括(其中包括)(i)建議按每兩(2)股每股面值0.00001港元之已發行及未發行股份合併為一(1)股面值0.00002港元之合併股份之基準實行股份合併；(ii)收購事項，有關目標集團在中國從事火鍋餐廳業務，代價為517,881,250港元；(iii)出售事項，本公司建議以現金代價1.00港元，出售Global Milk Products Pte. Ltd(本公司之全資附屬公司)(於新加坡共和國註冊成立)(「Global Milk」)全部已發行股本；(iv)建議配售本公司股份，按每股0.1025港元配售總數最多達757,875,000股股份；(v)建議公開發售，將以發售價每股發售股份0.1025港元配發及發行101,050,000股發售股份，基準為按於記錄日期每持有五(5)股合併股份獲發一(1)股發售股份；及(vi)本公司股份復牌後，變更本公司董事會組成，該申請已於二零一七年八月二十八日失效。

## Chairman's Statement 主席報告書

On 20 September 2017, the Company resubmitted a second new listing application to the Stock Exchange. As disclosed in the announcements of the Company, the Acquisition constitutes a very substantial acquisition for the Company and a reverse takeover for the Company under the Listing Rules.

The Board will closely work with professional parties on the new listing application for the resumption of trading of the Company's shares on the Stock Exchange in the near future and strive for the best return to the shareholders of the Company.

*Chairman*

**Choi Chiu Fai Stanley**

Hong Kong, 15 March 2018

於二零一七年九月二十日，本公司已向聯交所再次提交第二次新上市申請。誠如本公司該等公告所披露，根據上市規則，收購事項構成本公司一項非常重大收購事項及本公司的反收購行動。

董事會將與專業人士緊密合作進行有關本公司股份近期於聯交所恢復交易之新上市申請及致力為本公司股東締造最佳回報。

*主席*

**蔡朝暉**

香港，二零一八年三月十五日



## Management Discussion and Analysis 管理層討論與分析

### FINANCIAL REVIEW

Given the circumstances that substantial portion of the books and records of Global Milk and the Company's indirectly wholly-owned subsidiaries incorporated in the PRC namely, Da Qing Dairy Ltd. (大慶乳品廠有限責任公司), Heilongjiang Chang Qing Dairy Products Co., Ltd. (黑龍江常慶乳業有限責任公司) and Wuchang Benniu Muye Co., Ltd (五常犇牛牧業有限責任公司) (collectively referred to as the "PRC Subsidiaries") could not be located or accessed and the previous management of the Group did not response to the Board's request, the financial statements of those subsidiaries have been deconsolidated from the consolidated financial information of the Group since the year ended 31 December 2011. There was no turnover for the year under review (2016: Nil). The loss for the year ended 31 December 2017 was approximately HK\$5,099,000 (2016: approximately HK\$8,835,000). The decrease in loss for the year was mainly attributable to the absence of professional fees incurred for the publication of the announcements and documents in relation to the general offer and resumption work.

### PROSPECTS

The Board will closely work with professional parties on the new listing application for the resumption of trading of the Company's shares on the Stock Exchange in the near future and strive for the best return to the shareholders of the Company (the "Shareholders").

### DIVIDEND

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

### 財務回顧

由於無法找到或查閱Global Milk及本公司在中國註冊成立之間接全資附屬公司(即大慶乳品廠有限責任公司、黑龍江常慶乳業有限責任公司及五常犇牛牧業有限責任公司)(統稱「中國附屬公司」)的大部分賬冊及記錄，而本集團前任管理層並無回應董事會之要求，故該等附屬公司之財務報表已由截至二零一一年十二月三十一日止年度起自本集團綜合財務資料取消綜合入賬。回顧年度並無營業額(二零一六年：零)。截至二零一七年十二月三十一日止年度之虧損約為5,099,000港元(二零一六年：約8,835,000港元)。年內虧損減少乃主要由於概無就刊發公告及有關全面要約及復牌工作之文件而產生之專業費用。

### 前景

董事會將與專業人士緊密合作進行有關本公司股份近期於聯交所恢復交易之新上市申請及致力為本公司股東(「股東」)締造最佳回報。

### 股息

董事會決議不會就截至二零一七年十二月三十一日止年度派發股息(二零一六年：無)。

## Management Discussion and Analysis

### 管理層討論與分析

#### LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 December 2017, the Company had total assets of approximately HK\$266,000 (2016: approximately HK\$89,000). The main asset of the Company as at 31 December 2017 was bank balances and cash and prepayments.

As at 31 December 2017, the Company's current liabilities amounted to approximately HK\$43,573,000 (2016: approximately HK\$38,297,000).

The net liabilities value per share of the Company was approximately HK\$0.04 as at 31 December 2017 (2016: approximately HK\$0.04). The net liabilities value per Share was computed based on 1,010,500,000 Shares in issue as at 31 December 2017 and 2016 respectively.

No gearing ratio, being total interest bearing indebtedness over total assets, was computed as the Company did not have interest bearing indebtedness as at 31 December 2017 and 2016 respectively.

#### PLEDGE OF ASSETS

As at 31 December 2017, the Company had no charges on its assets (2016: Nil).

#### CAPITAL STRUCTURE

The Company had no changes in capital structure during the year ended 31 December 2017.

#### 流動資金、財務資源及資產負債比率

於二零一七年十二月三十一日，本公司的總資產約為266,000港元(二零一六年：約89,000港元)。本公司於二零一七年十二月三十一日之主要資產為銀行結餘及現金及預付款項。

於二零一七年十二月三十一日，本公司的流動負債約為43,573,000港元(二零一六年：約38,297,000港元)。

本公司於二零一七年十二月三十一日的每股負債淨值約為0.04港元(二零一六年：約0.04港元)。每股負債淨值乃根據分別於二零一七年及二零一六年十二月三十一日已發行的1,010,500,000股股份計算。

於二零一七年及二零一六年十二月三十一日，概無計算資產負債比率(以總計息負債除以總資產計算)，因為本公司並無計息債務。

#### 資產抵押

於二零一七年十二月三十一日，本公司概無抵押任何資產(二零一六年：無)。

#### 資本架構

於截至二零一七年十二月三十一日止年度，本公司概無資本架構變動。

## Management Discussion and Analysis 管理層討論與分析

### SIGNIFICANT INVESTMENT AND ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

On 21 November 2016, the Company as purchaser entered into a conditional sale and purchase agreement (as amended and restated on 20 February 2017 and supplemented on 30 June 2017) with independent potential investors for an acquisition of a new business which is primarily engaged in the operation of a hotpot restaurant business in the PRC at a consideration of HK\$517,881,250. The acquisition constitutes a very substantial acquisition, connected transaction and is treated as a new listing application for the Company under the Listing Rules, therefore, subject to the approval of the listing committee of the Stock Exchange.

On the same day, the Company entered into a conditional sale and purchase agreement (as amended and supplemented by a supplemental agreement dated 30 June 2017) with a potential purchaser for a disposal of Global Milk and its subsidiaries at a consideration of HK\$1. The subsidiaries were incorporated in Singapore and the PRC. As the complete books and records of those subsidiaries could not be located or accessed, the financial statements of those subsidiaries have been de-consolidated from the consolidated financial information of the Group since the year ended 31 December 2011.

The Board will review the operations of the Company and at the same time explore any other business opportunities that may arise in the market, which does not limit to particular industry.

### FOREIGN CURRENCY RISK

The foreign currency risk of the Company is the foreign currency deposited in banks. As at 31 December 2017, the Company had bank balances of approximately HK\$44,000 (2016: approximately HK\$44,000) and approximately HK\$36,000 (2016: approximately HK\$31,000) denominated in United States dollars and Hong Kong dollars respectively.

### EMPLOYEES AND REMUNERATION POLICIES

The number of employees of the Company as at 31 December 2017 was five (2016: five). The Group remunerates its employees mainly based on individual's performance and qualification. Other benefits include bonuses awarded on a discretionary basis and mandatory provident fund schemes.

### 附屬公司重大投資及收購及出售

於二零一六年十一月二十一日，本公司(作為買方)與獨立潛在投資者就收購一項新業務(即主要於中國從事火鍋餐廳業務)訂立有條件買賣協議(於二零一七年二月二十日經修訂及重列，並於二零一七年六月三十日經補充)，代價為517,881,250港元。根據上市規則，收購事項構成一項非常重大收購事項、關連交易及被視作本公司一項新上市申請，故須取得聯交所上市委員會的批准。

同日，本公司與潛在買方就出售Global Milk及其附屬公司訂立有條件買賣協議(經日期為二零一七年六月三十日的補充協議所修訂及補充)，代價為1港元。附屬公司於新加坡及中國成立。由於無法找到或查閱附屬公司的賬冊及記錄，故有關附屬公司的財務報表已由截至二零一一年十二月三十一日止年度起自本公司綜合財務資料取消綜合入賬。

董事會將審閱本公司的營運，同時探尋市場上可能湧現的任何其他商機，不受特定行業所限。

### 外幣風險

本公司之外幣風險為存於銀行之外幣。於二零一七年十二月三十一日，本公司以美元及港元計值之銀行結餘分別約為44,000港元(二零一六年：約44,000港元)及約為36,000港元(二零一六年：約31,000港元)。

### 僱員及薪酬政策

本公司於二零一七年十二月三十一日之僱員人數為五名(二零一六年：五名)。本集團主要根據個人表現及資質釐定僱員薪酬。其他福利包括酌情花紅及強制性公積金計劃。

## Biographical Details of Directors 董事履歷

### EXECUTIVE DIRECTORS

**Dr. Choi Chiu Fai Stanley (蔡朝暉) (“Dr. Choi”)**, aged 49, was appointed as an executive Director in January 2016. He was subsequently appointed as the chairman of the Board, the chief executive officer and the authorised representative of the Company in February 2016. He possesses more than 20 years of experience in financial service and merger and acquisition projects. He is the chairman of Head & Shoulders Financial Group. Apart from working at senior positions for different financial groups in Hong Kong, Dr. Choi has also served as a member of the senior management of several companies which are listed on the Stock Exchange. He is currently the chairman and an executive director of International Entertainment Corporation (stock code: 1009) and an executive director of Target Insurance (Holdings) Limited (stock code: 6161), the shares of which are listed on the Main Board of the Stock Exchange. Dr. Choi was an executive director of Media Asia Group Holdings Limited (stock code: 8075) from October 2011 to September 2015, the shares of which are listed on the Growth Enterprise Market of the Stock Exchange. Dr. Choi was also an independent director of Guanghe Landscape Culture Communication Co., Ltd, Shanxi (山西廣和山水文化傳播股份有限公司) (stock code: 600234) from July 2016 to September 2016, the shares of which are listed on the Shanghai Stock Exchange. Dr. Choi obtained a Bachelor’s Degree of Business Administration (Magna Cum Laude) majoring in finance from Wichita State University in 1995 and a Degree of Master of Science in International Finance from University of Illinois at Urbana Champaign in 1996, both of which are in United States of America. He has also obtained a Doctor of Business Administration Degree from City University of Hong Kong in 2013. Dr. Choi is the uncle of Mr. Choi Ka Wai.

**Mr. Choi Ka Wai (蔡嘉偉) (“Mr. Choi”)**, aged 29, was appointed as an executive Director in January 2016. He is an assistant manager at Head & Shoulders Securities Limited. He obtained his Bachelor’s Degree of Arts majoring in Economics from Hunter College City University of New York in 2012. Since graduation, Mr. Choi has been actively engaged in sales and marketing business in the United States and China. Mr. Choi is the nephew of Dr. Choi.

### 執行董事

**蔡朝暉博士(「蔡博士」)**，49歲，於二零一六年一月獲委任為執行董事。彼隨後於二零一六年二月獲委任為董事會主席，本公司行政總裁及授權代表。彼於金融服務及合併與收購項目方面擁有超過20年經驗。彼為Head & Shoulders Financial Group之主席。除於香港不同金融集團擔任高層外，蔡博士亦於多間於聯交所上市之公司擔任高級管理層。彼現為國際娛樂有限公司(股份代號：1009)之主席兼執行董事及泰加保險(控股)有限公司(股份代號：6161)之執行董事，該等公司之股份均於聯交所主板上市。蔡博士於二零一一年十月至二零一五年九月為股份於聯交所創業板上市之寰亞傳媒集團有限公司(股份代號：8075)之執行董事。蔡博士亦於二零一六年七月至二零一六年九月為股份於上海證券交易所上市之山西廣和山水文化傳播股份有限公司(股份代號：600234)之獨立董事。蔡博士於一九九五年獲美國威奇塔州立大學頒授工商管理學士(優等生)學位，主修金融財務；其後於一九九六年獲美國依利諾大學厄巴納—香檳分校頒授理學碩士學位，主修國際金融。彼亦於二零一三年獲得香港城市大學工商管理博士學位。蔡博士為蔡嘉偉先生之叔叔。

**蔡嘉偉先生(「蔡先生」)**，29歲，於二零一六年一月獲委任為執行董事。彼為聯合證券有限公司之副經理。彼於二零一二年獲紐約市立大學亨特學院頒授文學學士學位，主修經濟學。畢業後，蔡先生於美國及中國兩地積極從事銷售及營銷業務。蔡先生為蔡博士之侄兒。

## Biographical Details of Directors 董事履歷

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Ha Kee Choy Eugene (夏其才) (“Mr. Ha”)**, aged 61, was appointed as an independent non-executive Director in January 2016. He was subsequently appointed as the chairman of the remuneration committee (the “Remuneration Committee”) of the Company and a member of each of the audit committee (the “Audit Committee”) and the nomination committee (the “Nomination Committee”) of the Company in February 2016. He holds a Master's Degree in Business Administration and is a fellow member of the Association of Chartered Certified Accountants. He has over 20 years of experience in the finance and banking industry and acts or/and acted as director of a number of private and listed companies in Hong Kong. Mr. Ha is the director of a certified public accountants corporate practice in Hong Kong. He is currently an independent non-executive director of China Touyun Tech Group Limited (stock code: 1332) and International Entertainment Corporation (stock code: 1009). Mr. Ha was an independent non-executive director of Heritage International Holdings Limited (stock code: 412) (now known as China Shandong Hi-Speed Financial Group Limited) from October 2005 to April 2015. The shares of these companies are listed on the Main Board of the Stock Exchange.

**Mr. Szeto Tat Kwan Brandon (司徒達坤) (“Mr. Szeto”)**, aged 45, was appointed as an independent non-executive Director in January 2016. He was subsequently appointed as the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee in February 2016. He is currently the General Manager, Head of APAC Wealth Management, of Chubb Life Insurance Company Limited. He has previously held senior positions in other international life insurance companies with offices in Hong Kong. Mr. Szeto is an Associate Member of the Society of Actuaries in USA since 2009 and also a Member of the Actuarial Society of Hong Kong. Mr. Szeto received his Honors degree majoring in Econometrics from Monash University in Australia in 1997.

### 獨立非執行董事

夏其才先生(「夏先生」)，61歲，於二零一六年一月獲委任為獨立非執行董事。彼隨後於二零一六年二月獲委任為本公司薪酬委員會(「薪酬委員會」)主席，以及本公司審核委員會(「審核委員會」)及提名委員會(「提名委員會」)各自之成員。彼持有工商管理碩士學位，並為特許公認會計師公會資深會員。彼於金融及銀行業擁有逾20年經驗，並且現任或／及曾任香港多間私人及上市公司董事。夏先生為香港一間執業會計師行之董事。彼目前為中國透雲科技集團有限公司(股份代號：1332)及國際娛樂有限公司(股份代號：1009)之獨立非執行董事。夏先生於二零零五年十月至二零一五年四月為漢基控股有限公司(股份代號：412)(現稱中國山東高速金融集團有限公司)之獨立非執行董事。上述公司之股份均於聯交所主板上市。

司徒達坤先生(「司徒先生」)，45歲，於二零一六年一月獲委任為獨立非執行董事。彼隨後於二零一六年二月獲委任為提名委員會主席，以及審核委員會及薪酬委員會各自之成員。彼現為安達人壽保險有限公司之General Manager, Head of APAC Wealth Management (亞太區財富管理總經理及總監)。彼先前於其他國際人壽保險公司香港分公司擔任高級職位。司徒先生自二零零九年起成為美國精算師協會之專業會員，亦為香港精算學會之會員。司徒先生於一九九七年獲得澳洲蒙納許大學之計量經濟學榮譽學位。

## Biographical Details of Directors 董事履歷

**Mr. Fok Wai Ming Eddie (霍偉明) (“Mr. Fok”)**, aged 50, was appointed as an independent non-executive Director in January 2016. He was subsequently appointed as the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee in February 2016. He is currently the company secretary and the authorised representative of China Fortune Holdings Limited (stock code: 110), the shares of which are listed on the Main Board of the Stock Exchange. Mr. Fok graduated from the University of Hong Kong with a bachelor’s degree of Science in Engineering and the University of Wolverhampton with a bachelor’s degree in laws and is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Fok has years of practical experience in accounting, finance and corporate management of both listed and unlisted companies in Hong Kong. Mr. Fok was also an independent non-executive director of Wanjia Group Holdings Limited (stock code: 401) from March 2017 to February 2018 and the company secretary of South West Eco Development Limited (stock code: 1908) (now known as C&D International Investment Group Limited) from May 2013 to December 2013, the shares of which are listed on the Main Board of the Stock Exchange.

霍偉明先生(「霍先生」)，50歲，於二零一六年一月獲委任為獨立非執行董事。彼隨後於二零一六年二月獲委任為審核委員會主席，以及提名委員會及薪酬委員會各自之成員。彼現為中國長遠控股有限公司(股份代號：110)之公司秘書及授權代表，該公司之股份於聯交所主板上市。霍先生畢業於香港大學及伍爾弗漢普頓大學，分別獲得工程學理學士學位及法律學士學位。彼亦為香港會計師公會之會員。霍先生於香港上市及非上市公司會計、金融及企業管理方面擁有多年實務經驗。霍先生亦於二零一七年三月至二零一八年二月擔任萬嘉集團控股有限公司(股份代號：401)之獨立非執行董事，以及於二零一三年五月至二零一三年十二月擔任西南環保發展有限公司(股份代號：1908)(現稱建發國際投資集團有限公司)之公司秘書，該等公司之股份均於聯交所主板上市。

## Directors' Report 董事會報告書

The Directors submit herewith their annual report together with the audited financial statements of the Company for the year ended 31 December 2017.

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

The Company is a limited liability company incorporated in the Cayman Islands and its principal place of business in Hong Kong is Room 2512, 25/F., Cosco Tower, 183 Queen's Road Central, Hong Kong.

### PRINCIPAL ACTIVITY

The Company is an investment holding company.

### FINANCIAL STATEMENTS

The results of the Company for the year ended 31 December 2017 and the state of the Company's affairs as at 31 December 2017 are set out in the financial statements on pages 60 to 119.

### DIVIDEND

The Board has resolved not to recommend the payment of any dividend for the year ended 31 December 2017 (2016: Nil).

### BUSINESS REVIEW

The business review of the Company for the year ended 31 December 2017 is set out in the "Chairman's Statement" and "Management Discussion and Analysis" on pages 5 to 7 and pages 8 to 10 of this report respectively. Those sections form part of this "Directors' Report".

### PROPERTY, PLANT AND EQUIPMENT

There were no property, plant and equipment of the Company during the year.

### SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 14 to the financial statements.

董事會茲提呈本公司截至二零一七年十二月三十一日止年度之年度報告及經審核財務報表。

### 香港主要營業地點

本公司在開曼群島註冊成立為有限公司，其於香港的主要營業地點位於香港皇后大道中183號中遠大廈25樓2512室。

### 主要業務

本公司為投資控股公司。

### 財務報表

本公司於截至二零一七年十二月三十一日止年度的業績及本公司於二零一七年十二月三十一日的財務狀況載於第60至119頁之財務報表。

### 股息

董事會決議不建議就截至二零一七年十二月三十一日止年度派付任何股息(二零一六年：零)。

### 業務回顧

本公司截至二零一七年十二月三十一日止年度的業務回顧分別載於本報告第5至7頁的「主席報告書」及第8至10頁的「管理層討論與分析」等節。該兩節組成本「董事會報告書」的一部分。

### 物業、廠房及設備

本公司於年內並無物業、廠房及設備。

### 股本

年內的本公司股本變動詳情載於財務報表附註14。

## Directors' Report 董事會報告書

### RESERVES

Details of movements in the reserves of the Company during the year are set out on page 62.

### DISTRIBUTABLE RESERVES OF THE COMPANY

At 31 December 2017, the Company had no reserves available for distribution (2016: Nil).

### EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in note 20 to the financial statements, there is no other significant events occurred after the reporting date and up to the date of signing this annual report.

### FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Company for the past five financial years is set out on page 120.

### DIRECTORS

The Directors during the financial year and up to the date of this report were:

#### Executive Directors

Dr. Choi Chiu Fai Stanley (*Chairman and Chief Executive Officer*)  
Mr. Choi Ka Wai

#### Independent non-executive Directors

Mr. Ha Kee Choy Eugene (*Chairman*)  
Mr. Szeto Tat Kwan Brandon  
Mr. Fok Wai Ming Eddie

### 儲備

本公司儲備於年內之變動詳情載於第62頁。

### 本公司可供分派儲備

於二零一七年十二月三十一日，本公司並無可供分派儲備(二零一六年：無)。

### 報告期間後事項

除財務報表附註20所披露者外，於報告日期後及截至簽署本年報日期，概無發生其他重大事件。

### 財務概要

本公司過去五個財政年度的業績及資產負債概要，載於第120頁。

### 董事

於本財政年度及截至本報告日期，董事包括：

#### 執行董事

蔡朝暉博士(*主席兼行政總裁*)  
蔡嘉偉先生

#### 獨立非執行董事

夏其才先生(*主席*)  
司徒達坤先生  
霍偉明先生



## Directors' Report 董事會報告書

Pursuant to article 84(1) of the articles of association of the Company, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Dr. Choi Chiu Fai Stanley and Mr. Fok Wai Ming Eddie shall retire at the forthcoming annual general meeting of the Company and shall then be eligible, offer themselves for rotation at the forthcoming annual general meeting of the Company.

Independent non-executive Directors are not appointed for a specific term and are subject to retirement by rotation in accordance with the Company's articles of association.

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

根據本公司章程細則第84(1)條，在每屆股東週年大會上，當時三分之一的董事（若其人數並非三(3)的倍數，則以最接近但不少於三分之一的人數）將輪流退任，惟每位董事必須最少每三年於股東週年大會上退任一次。蔡朝暉博士及霍偉明先生將于本公司應屆股東週年大會上退任，並符合資格於該大會上膺選連任。

獨立非執行董事的委任並無固定任期，惟須遵照本公司章程細則輪值告退。

建議在應屆股東週年大會上重選連任之董事，概無與本公司訂立一年內在不作賠償（法定補償除外）下本公司不得終止之任何服務合約。

### DISCLOSURE OF CHANGE IN INFORMATION OF DIRECTORS

### 有關董事資料變動之披露

Pursuant to rule 13.51B(1) of the Listing Rules, the change of information on Directors is as follows:

根據上市規則第13.51B(1)條，董事資料的變動如下：

#### Name of Director 董事名稱

#### Details of change 變動詳情

Mr. Fok Wai Ming Eddie  
(Independent Non-executive Director)  
霍偉明先生(獨立非執行董事)

He has resigned as an independent non-executive director of Wanjia Group Holdings Limited (stock code: 401) with effect from 14 February 2018.  
彼已辭任萬嘉集團控股有限公司(股份代號：401)的獨立非執行董事，自二零一八年二月十四日生效。

## Directors' Report 董事會報告書

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the interests or short positions of the Directors and chief executives of the Company in the Shares, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO) or which were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as follows.

### 董事及主要行政人員於股份、相關股份及債權證的權益或淡倉

於二零一七年十二月三十一日，董事及本公司主要行政人員概無於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）股份、相關股份及債權證中擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括彼等根據該證券及期貨條例的有關條文被當作或視為擁有的權益或淡倉），或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的權益或淡倉如下：

Name of Director 董事姓名	Capacity 身份	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概約百分比 (Note 2) (附註2)
Dr. Choi Chiu Fai Stanley (Note 1) 蔡朝暉博士(附註1)	Interest of controlled corporation 受控制法團權益	641,676,629 (L)	63.50%

(L): Long position

(L): 好倉

Note 1: The 641,676,629 Shares are held by Global Courage Limited. Global Courage Limited is wholly-owned by Head and Shoulders Direct Investment Limited, which in turn is wholly-owned by Dr. Choi Chiu Fai Stanley. Thus, Head and Shoulders Direct Investment Limited and Dr. Choi Chiu Fai Stanley are deemed to be interested in the 641,676,629 Shares held by Global Courage Limited pursuant to the SFO.

附註1: 641,676,629股股份由Global Courage Limited持有，而Global Courage Limited由Head and Shoulders Direct Investment Limited全資擁有，而Head and Shoulders Direct Investment Limited則由蔡朝暉博士全資擁有。故此，根據證券及期貨條例，Head and Shoulders Direct Investment Limited及蔡朝暉博士被視為於Global Courage Limited持有之641,676,629股股份擁有權益。

Note 2: The percentage is calculated on the basis of 1,010,500,000 shares of the Company in issue as at 31 December 2017.

附註2: 該百分比乃按本公司於二零一七年十二月三十一日有1,010,500,000股已發行股份之基準計算。

## Directors' Report 董事會報告書

Save as disclosed above, as at 31 December 2017, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2017, the following persons or corporations (other than Directors or chief executives of the Company) were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules:

除上文所披露者外，於二零一七年十二月三十一日外，董事或本公司主要行政人員並無於本公司及其相聯法團(定義見證券及期貨條例第XV部)股份、相關股份或債券中擁有或視為擁有根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據標準守則須知會本公司及聯交所的權益或淡倉。

### 主要股東於股份、相關股份及債權證的權益及淡倉

於二零一七年十二月三十一日，以下人士(董事或本公司主要行政人員除外)按本公司根據證券及期貨條例第336條須存置的權益登記冊所示，或於根據證券及期貨條例第XV部第2及3分部的條文及上市規則須披露的本公司已發行股本中擁有5%或以上權益：

Name of shareholder	Capacity	Number of underlying shares held	Number of shares held	Total number of shares and underlying shares held	Approximate percentage of the issued share capital of the Company
股東姓名	身份	所持相關股份數目	所持股份數目	所持股份及相關股份總數	佔本公司已發行股本概約百分比
					(Note 3) (附註3)
Global Courage Limited	Beneficial owner	—	641,676,629 (L)	641,676,629 (L)	63.50%
Global Courage Limited	實益擁有人				
Head and Shoulders Direct Investment Limited (Note 1)	Interest of controlled corporation	—	641,676,629 (L)	641,676,629 (L)	63.50%
Head and Shoulders Direct Investment Limited (附註1)	受控制法團權益				
Extensive Success Limited	Interest of controlled corporation	—	57,000,000 (L)	57,000,000 (L)	5.64%
Extensive Success Limited	受控制法團權益				
Mr. Hung Shui Chak ("Mr. Hung") (Note 2)	Beneficial owner	1,182,916,562 (L)	3,548,749,688 (L)	4,731,666,250 (L)	936.50%
洪瑞澤先生(「洪先生」)(附註2)	實益擁有人				
Mr. Ho Roy Poon Kwong ("Mr. Ho") (Note 2)	Beneficial owner	28,167,688 (L)	84,503,062 (L)	112,670,750 (L)	22.30%
何磐光先生(「何先生」)(附註2)	實益擁有人				
Ms. Hung Ying ("Ms. Hung") (Note 2)	Beneficial owner	37,135,875 (L)	111,407,625 (L)	148,543,500 (L)	29.40%
洪瑩女士(「洪女士」)(附註2)	實益擁有人				
Mr. So Kam Chuen ("Mr. So") (Note 2)	Beneficial owner	14,904,875 (L)	44,714,625 (L)	59,619,500 (L)	11.80%
蘇錦存先生(「蘇先生」)(附註2)	實益擁有人				

## Directors' Report 董事會報告書

(L): Long position

Note 1: The 641,676,629 Shares are held by Global Courage Limited. Global Courage Limited is wholly-owned by Head and Shoulders Direct Investment Limited, which in turn is wholly-owned by Dr. Choi Chiu Fai Stanley. Thus, Head and Shoulders Direct Investment Limited and Dr. Choi Chiu Fai Stanley are deemed to be interested in the 641,676,629 Shares held by Global Courage Limited pursuant to the SFO.

Note 2: On 21 November 2016, the Company (as the purchaser) and Mr. Hung, Ms. Hung, Mr. Ho, Mr. So and Ms. Sezto Yuen Man, (collectively as the vendors) entered into an acquisition agreement (as amended and restated on 20 February 2017 and supplemented on 30 June 2017) pursuant to which the Company has conditionally agreed to acquire, and the vendors have conditionally agreed to sell, the sale shares for a total consideration of HK\$517,881,250, which will be satisfied by way of allotment and issue of shares and by way of issue of convertible bonds. Details of the above were set out in the Company's announcement dated 7 August 2017.

Note 3: The percentage is calculated on the basis of 1,010,500,000 shares of the Company in issue as at 31 December 2017.

Save as disclosed above, as at 31 December 2017, the Company had not been notified by any person or company, other than Directors or chief executives of the Company whose interest are set out in the section headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" in this report, who had interests or short positions in the shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register to be kept by the Company under section 336 of the SFO.

### SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") which was approved by the written resolutions of all the Shareholders and adopted by the resolutions of the Board passed on 10 October 2010 (the "Adoption Date"). The Share Option Scheme is for a period of 10 years commencing from the Adoption Date, after which period no further options shall be granted.

(L): 好倉

附註1：641,676,629股股份由 Global Courage Limited 持有，而 Global Courage Limited 由 Head and Shoulders Direct Investment Limited 全資擁有，而 Head and Shoulders Direct Investment Limited 則由蔡朝暉博士全資擁有。故此，根據證券及期貨條例，Head and Shoulders Direct Investment Limited 及蔡朝暉博士被視為於 Global Courage Limited 持有之 641,676,629 股股份擁有權益。

附註2：於二零一六年十一月二十一日，本公司（作為買方）與洪先生、洪女士、何先生、蘇先生及司徒婉雯女士（統稱賣方）訂立收購協議（於二零一七年二月二十日經修訂及重述並於二零一七年六月三十日經補充），據此，本公司有條件同意收購，而該等賣方有條件同意出售待售股份，代價合共為 517,881,250 港元，將透過發行可換股債券配發及發行股份支付。上述詳情載於本公司日期為二零一七年八月七日的公告。

附註3：有關百分比乃以於二零一七年十二月三十一日之 1,010,500,000 股本公司已發行股份為基準計算。

除上文所披露者外，於二零一七年十二月三十一日，概無任何人士或公司（董事或本公司主要行政人員於本報告「董事及主要行政人員於股份、相關股份及債券證的權益或淡倉」所載之權益除外）曾知會本公司其於根據證券及期貨條例第 XV 部第 2 及第 3 分部之條文須向本公司披露，或於根據證券及期貨條例第 336 條須記錄於該條所述登記冊的本公司股份、相關股份或債券中擁有權益或淡倉。

### 購股權計劃

本公司採納經全體股東以書面決議案批准並以於二零一零年十月十日（「採納日期」）通過的董事會決議案採納的購股權計劃（「購股權計劃」）。購股權計劃自採納日期起為期 10 年，其後將不得另行授出購股權。

## Directors' Report 董事會報告書

The purpose of the Share Option Scheme is to reward the Participants (as defined below) who have contributed to the Group and to encourage the participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

Under the Share Option Scheme, the Board may offer (the "Offer") options to the Directors (including executive Directors, non-executive Directors and independent non-executive Directors and any of their respective associates) and employees (including any of their associates) of the Group, companies owned by directors of the Group and any advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group (the "Participants"), to subscribe for Shares in the Company in accordance with the terms of the Share Option Scheme.

The total number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not, in aggregate, exceed 10% in nominal amount of the aggregate of Shares in issue on the listing date without prior approval from the Shareholders. The maximum number of Shares issued and to be issued upon exercise of the options granted to a single Participant under the Share Option Scheme and any other share option scheme of the Company (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue for the time being.

Any Offer will remain open for acceptance by a Participant for 28 days from the date of grant and is deemed to be accepted when the Company receives from the relevant Participant the Offer letter signed by him/her specifying the number of Shares in respect of which the Offer is accepted and a remittance to the Company of HK\$1.00 as consideration for the grant of option. The option may be exercised at any time during the period to be determined and notified by the Board to the Participant at the time of making an Offer which shall not be later than 10 years from the date of grant. The exercise price will be determined by the Board, and but in any event shall not be less than the highest of (i) the nominal value of the Shares, (ii) the closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant, or (iii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant.

購股權計劃旨在獎勵為本集團作出貢獻的參與者(定義見下文)，並鼓勵參與者致力於為本公司及其股東之整體利益而提升本公司及其股份的價值。

根據購股權計劃，董事會可向本集團董事(包括執行董事、非執行董事及獨立非執行董事以及彼等各自之任何聯繫人)及僱員(包括彼等之任何聯繫人)、本集團董事擁有的公司以及董事會依其唯一酌情權認為已經或將會為本集團作出貢獻之本集團任何成員公司的任何顧問、諮詢師、分銷商、承包商、供應商、代理、客戶、業務夥伴、合營業務夥伴、發起人、服務供應商(「參與者」)提呈可根據購股權計劃條款認購本公司股份之購股權(「要約」)。

未經股東事先批准，根據購股權計劃及本公司任何其他購股權計劃可授出的購股權之相關股份總數合共不得超過於上市日期已發行股份總數賬面值之10%。因行使根據購股權計劃及本公司任何其他購股權計劃而授予單一股東的購股權(包括已行使及尚未行使購股權)而已發行及將予發行的股份數目於任何12個月期間最多不得超過當時已發行股份之1%。

任何要約自授出日期起計28日內可供參與者接納，並於本公司自相關參與者接獲列明所接納要約之相關股份數目的經其簽署的要約函件以及作為授出購股權的代價匯予本公司之1.00港元之時被視為已獲接納。購股權可於董事會於提出要約之時釐定並知會參與者之期間內隨時行使，惟自授出日期起計不得超過10年。行使價將由董事會釐定，惟無論如何不得低於(i)股份的賬面值，(ii)股份於授出日期在聯交所發佈的每日報價表所報的收市價，或(iii)股份於緊接授出日期前五個營業日在聯交所發佈的每日報價表所報的平均收市價三者中之最高者。

## Directors' Report 董事會報告書

There were no options outstanding, granted, exercised, cancelled or lapsed during the year ended 31 December 2017.

截至二零一七年十二月三十一日止年度，概無購股權尚未行使、已授出、已行使、已註銷及已失效。

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

### 董事購買股份或債券的權利

At no time during the financial year was the Company, or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors and chief executives of the Company (including their spouses and children under 18 years of age) to hold any interest or short positions in the shares, or underlying shares, or debentures, of the Company or its associated corporations (with the meaning of Part XV of the SFO).

本公司或其任何控股公司、附屬公司或同系附屬公司於財政年度任何時間概無訂立任何安排促使董事及本公司主要行政人員(包括彼等的配偶及未成年子女)可於本公司或其聯營法團(定義見證券及期貨條例第XV部)任何股份、相關股份或債權證持有任何權益或淡倉。

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

### 董事於競爭業務之權益

During the year, no Directors or their respective associates (as defined in the Listing Rules) had any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Company.

年內，概無董事或彼等各自之聯繫人(定義見上市規則)於與本公司業務構成競爭或可能構成競爭之業務中擁有任何直接或間接權益。

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

### 董事於交易、安排或合約之權益

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance in relation to the Group's business to which any of the Company's subsidiaries and fellow subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at any time during the year or at the end of the year.

除本年報所披露者外，概無本公司任何附屬公司及同系附屬公司有份訂約並與本集團業務有關，而董事或與董事有關連之實體直接或間接擁有重大利益之重大交易、安排或合約，於本年度任何時間或本年度末仍然存續。

### EQUITY-LINKED AGREEMENTS

### 股權掛鈎協議

Save for the Share Option Scheme as disclosed in the section headed "Share Option Scheme" above, no equity-linked agreements were entered into by the Company, or existed during the year under review.

除上文「購股權計劃」一節披露購股權計劃外，於回顧年度，本公司並無訂立任何股權掛鈎協議，亦無現存之該類協議。

## Directors' Report 董事會報告書

### PERMITTED INDEMNITY PROVISION

The Company did not maintain directors' and officers' liability insurance throughout the year under review due to the suspension in trading of the Company's Shares.

### MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole and any substantial part of the business of the Company was entered into or in existence during the year.

### CONNECTED TRANSACTIONS

The acquisition of a new business which is primarily engaged in the operation of a hotpot restaurant business in the PRC constitutes connected transaction as Mr. Hung Shui Chak, one of the vendors to the Acquisition, will become a controlling shareholder and an executive director of the Company. As such, the transactions contemplated under the Acquisition are subject to the reporting, announcement and independent shareholders' approval under the Listing Rules.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

#### Non-Compliance of Appendix 16 "Disclosure of Financial Information" of The Listing Rules

Given the circumstances that the Directors lose control of subsidiaries in Singapore and in the PRC and unable to locate and to get access to the complete books and records of the de-consolidated subsidiaries, no sufficient data available to compile the annual report so as to comply with the Appendix 16 "Disclosure of Financial Information" of the Listing Rules. The following information has been omitted:

1. Details of commitments and contingent liabilities; and
2. Information in respect of major customers and major suppliers.

### 經准許彌償準備金

由於本公司股份暫停買賣，於整個回顧年度內本公司並無設置任何董事及行政人員責任保險。

### 管理合同

年內概無訂立任何有關本公司整體業務及任何重大部分的治理及行政管理的合同，或現存此類合同。

### 關聯交易

收購一項新業務(即主要於中國從事火鍋餐廳業務)將構成關連交易，乃因洪瑞澤先生(收購事項之其中一名賣方)將成為本公司之控股股東及執行董事。因此，收購事項下擬進行的交易須遵守上市規則項下的申報、公告及獨立股東批准規定。

### 遵守相關法律及法規

#### 違反上市規則附錄十六「財務資料披露」

由於董事對於新加坡及中國營運之附屬公司失去控制權的情況，以及未能找到及查閱取消綜合入賬附屬公司之完整賬冊及記錄，並無充份可使用之數據，編製年報，使其符合上市規則附錄十六「財務資料披露」。以下資料已省略：

1. 承擔及或然負債之詳情；及
2. 關於主要客戶及主要供應商之資料。

## Directors' Report 董事會報告書

Save as disclosed above and elsewhere in the annual report, there was no other material breach of or non-compliance with applicable laws and regulations by the Company that has a significant impact on the business and operations of the Company.

### EMOLUMENT POLICY AND RETIREMENT BENEFITS

The emolument policy of the senior employees of the Company is set and recommended by the Remuneration Committee to the Board on the basis of the employees' merit, qualifications and competence.

The emoluments of the Directors are formulated and recommended by the Remuneration Committee to the Board, having regards to the Company's operating results, individual performance of the Directors and comparable market statistics.

The Company has adopted the Share Option Scheme as an incentive to the Directors and eligible employees of the Company, details of which are set out in the section headed "Share Option Scheme" above.

Details of the Company's retirement benefit plans are set out in note 18 to the financial statements.

### ENVIRONMENTAL POLICY

The Company encourages environmental protection and promotes awareness towards environmental protection. The Company has adhered to the concepts of recycling and reducing by implementing green office practices such as double-sided printing and copying, using recycle papers and reducing energy by switching off those idle lighting. The Board will review the Company's environmental saving practices and identify other energy efficiency opportunities from time to time.

### RELATIONSHIPS WITH STAKEHOLDERS

The Company's key stakeholders are shareholders, business partners and bank enterprises. Enhanced the shareholders' interest is always the major objective of the Company.

除上文及年報其他地方所披露者外，本公司概無對適用法律及法規的其他重大違反或不合規情況，而對本公司業務及營運有重大影響。

### 薪酬政策及退休福利

本公司高級僱員的薪酬政策由薪酬委員會按僱員價值、資質及能力釐定，並向董事會作出建議。

董事的薪酬乃由薪酬委員會按本公司經營業績、董事個人表現及可資比較市場數據制定，並向董事會作出建議。

本公司已採納購股權計劃，作為對本公司董事及合資格僱員的獎勵，詳情載於上文「購股權計劃」一節。

本公司退休福利計劃詳情載於財務報表附註 18。

### 環境政策

本公司提倡環境保護並推廣保護環境意識。本公司持守循環再造和節約減廢的理念，實施綠色辦公室常規實務，例如實行雙面列印和影印及使用再造紙，關掉無人使用的照明以減少耗用能源。董事會將檢討本公司的環保節約常規實務並不時發掘其他有利能源效益的機會。

### 與利益相關人士的關係

本公司的重要利益相關人士計有股東、業務夥伴及銀行企業。本公司一直以提升股東利益為要旨。



## Directors' Report 董事會報告書

The Company will explore business opportunities from time to time to strive for the best return to the Shareholders.

Maintaining good relationship with business partners and bank enterprises is the long-term goals of the Company. The Board will keep good communication, exchange ideas and share business update with them when appropriate.

### KEY RISKS AND UNCERTAINTIES

The Company has reviewed the possible risks and uncertainties which may affect its operations, financial position and prospects, excluding its subsidiaries, due to the loss of control over the subsidiaries in Singapore and in the PRC which have been de-consolidated from the consolidated financial statements of the Group. The following are the key risks and uncertainties identified by the Company. There may be other risks and uncertainties in addition to those shown below which are not known to the Company or which may not be material now but could turn out to be material in the future.

#### Delisting Risk

Trading in the Shares has been suspended since 22 March 2012 and the Company was placed in the third delisting stage. If the Company fails to submit a viable resumption proposal by the end of the third delisting stage, the Stock Exchange will proceed with cancelling the Company's listing. The Company has submitted a resumption proposal before the expiry of the third delisting stage. On 16 December 2016, the Company received a letter from the Stock Exchange, which stated that the Stock Exchange agreed to allow the Company to submit a new listing application. On 27 February 2017, the Company filed the new listing application to the Stock Exchange.

本公司將不時探索商機，致力為股東締造最佳回報。

本公司將與業務夥伴和銀行企業保持良好關係，以達致長遠目標。董事會將與彼等保持良好溝通、交換想法並在適當時候與彼等分享業務最新發展。

### 主要風險及不確定因素

本公司已審閱可能對其營運、財務狀況及前景構成影響之可能風險及不確定因素，惟其不包括本公司附屬公司，此乃由於失去對新加坡及中國附屬公司的控制權，該等公司已自本集團綜合財務報表內取消綜合入賬。以下為本公司已識別之主要風險及不確定因素。除下文所示外，本公司或尚未知悉，或現時並不重大但未來可能變得重大之其他風險及不確定性。

#### 除牌風險

股份自二零一二年三月二十二日起一直停牌，且本公司已進入第三階段除牌。倘本公司未能於第三階段除牌完結前遞交可行的復牌建議，聯交所將褫奪本公司之上市地位。本公司已於第三階段除牌到期前遞交復牌建議。二零一六年十二月十六日，本公司收到聯交所函件，表示聯交所准許本公司提交新上市申請。二零一七年二月二十七日，本公司向聯交所提交新上市申請。

## Directors' Report 董事會報告書

### Operation Risk

The Company incurred a net loss for the year ended 31 December 2017 and as of that date, the Company was in net liabilities position. The Company will review its operation and explore for valuable investments from time to time. On 21 November 2016, the Company as purchaser entered into a conditional sale and purchase agreement with independent potential investors for an acquisition of a new business which is primarily engaged in the operation of a hotpot restaurant chain in the PRC. Furthermore, the Company will streamline the day-to-day operation to reduce unnecessary expenses.

### Compliance Risk

The management of the Company will be updated regularly on the changes of laws and regulations to reduce the risk of non-compliance.

### TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to shareholders of the Company by reason of their holding of the Company's securities.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated.

### PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

### CORPORATE GOVERNANCE

Full details on the Company's corporate governance practices are set out on pages 27 to 43.

### 營運風險

本公司截至二零一七年十二月三十一日止年度錄得淨虧損，截至該日，本公司處於淨負債狀況。本公司將不時審視其營運，發掘具價值的投資。二零一六年十一月二十一日，本公司作為買方與獨立潛在投資者訂立有條件買賣協議，收購主要於中國經營連鎖火鍋店之新業務。此外，本公司將簡化日常運作，削減不必要開支。

### 合規風險

本公司管理層將定期留意法律及法規變動，減低違規風險。

### 稅務寬免及豁免

本公司並不知悉本公司股東因持有本公司證券可獲任何稅務寬免及豁免。

### 優先購股權

本公司章程細則及開曼群島(即本公司註冊成立的司法權區)法例概無優先購股權條文。

### 購買、贖回或出售本公司上市證券

於財政年度，本公司或其任何附屬公司概無購買、贖回或出售任何本公司之上市證券。

### 企業管治

本公司企業管治常規之全部細節載於第27至43頁。

## Directors' Report 董事會報告書

### AUDIT COMMITTEE

The Audit Committee was established with written terms of reference which are in line with the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules and the Audit Committee comprises three independent non-executive Directors.

The Audit Committee has reviewed the Company's financial statements for the year ended 31 December 2017.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company had maintained the public float as required under the Listing Rules.

### AUDITORS

The financial statements for the year ended 31 December 2017 have been audited by HLB Hodgson Impey Cheng Limited ("HLB") who will retire and, being eligible, offer themselves for re-appointment in the forthcoming annual general meeting.

By order of the Board  
**Choi Chiu Fai Stanley**  
*Chairman*  
Hong Kong, 15 March 2018

### 審核委員會

本公司已成立審核委員會，並制定符合上市規則附錄十四所載企業管治常規之書面職權範圍，審核委員會由三名獨立非執行董事組成。

審核委員會已審閱本公司截至二零一七年十二月三十一日止年度的財務報表。

### 充足公眾持股量

根據本公司所獲資料及就董事所知，截至本報告日期，本公司已維持上市規則規定的公眾持股量。

### 核數師

截至二零一七年十二月三十一日止年度之財務報表已由國衛會計師事務所有限公司(「國衛」)審核，其將於應屆股東週年大會退任及符合資格提呈膺選連任。

承董事會命  
主席  
**蔡朝暉**  
香港，二零一八年三月十五日

## Corporate Governance Report 企業管治報告

### CORPORATE GOVERNANCE

The Directors recognise the importance of incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability to the Shareholders as a whole. Thus, the Company adopted the principles and the code provisions of the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Listing Rules.

During the year under review, the Company complied with the CG Code except for the deviation from the code provisions which are explained below.

#### Code Provision A.1.8

No insurance cover has been arranged for the Directors because of the suspension in trading of the Company’s shares. Directors’ insurance will be arranged for each Director once such can be arranged or immediately upon the resumption of trading of the Company’s shares.

#### Code Provision A.2.1

Following the resignations of the previous Board members, Dr. Choi Chiu Fai Stanley has been appointed as the chairman and the chief executive officer of the Company with effect from 19 February 2016. The Board believes that vesting the roles of both chairman and chief executive officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. The Board considers that the existing structure of vesting the roles of chairman and chief executive officer in the same person will not impair the balance of power and authority between the Board and the management of the Company.

### 企業管治

董事認同為達致向整體股東有效的問責性，在本集團管理架構及內部控制程序引進良好企業管治元素非常重要。因此，本公司採用上市規則附錄十四所載的企業管治守則（「企業管治守則」）的原則及守則條文。

於回顧年度，本公司已遵守企業管治守則，惟下文闡述偏離守則條文的情況除外：

#### 守則條文第A.1.8條

由於本公司股份暫停買賣，故並未為董事安排投購保險。一旦可以安排或緊隨本公司股份恢復買賣後，將會為每名董事安排投購董事保險。

#### 守則條文第A.2.1條

前董事會成員辭任後，蔡朝暉博士獲委任為本公司主席兼行政總裁，由二零一六年二月十九日起生效。董事會認為由同一人士兼任主席及行政總裁之職責令本公司之領導強勢且貫徹一致，可有效及快速計劃及實行業務決策及策略。董事會認為，現有架構由同一人士兼任主席及行政總裁之職責，不會影響董事會與本公司管理層間之權力及授權平衡。

## Corporate Governance Report

### 企業管治報告

#### Code Provision A.4.1

Under the code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election. The existing independent non-executive Directors were not appointed for a specific term as required under code provision A.4.1 but are subject to retirement by rotation and re-election at annual general meeting in accordance with the articles of association. As such, the Company considers that sufficient measures have been taken to ensure that the Company has good corporate governance practices.

#### Code Provision A.6.7

Under the code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. They should also attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Ha Kee Choy Eugene, an independent non-executive Director, was unable to attend the annual general meeting of the Company held on 31 May 2017 as he had another business engagement at the time of such meeting.

#### Code Provision C.1.2

Management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer's performance, position and prospects. The Company has not yet provided monthly updates on the financial information of the Group's performance position and prospects due to the loss of control over the subsidiaries in Singapore and in the PRC, and thus the financial statements of those subsidiaries have been de-consolidated from the consolidated financial information of the Group.

#### 守則條文第A.4.1條

根據企業管治守則守則條文第A.4.1條，非執行董事須按固定任期獲委任，並須重選連任。現任獨立非執行董事並無根據守則條文第A.4.1條之規定按固定任期獲委任，惟彼等須根據本公司章程細則於股東週年大會輪值退任及重選連任。因此，本公司認為已採取足夠措施以確保本公司奉行良好企業管治慣例。

#### 守則條文第A.6.7條

根據企業管治守則守則條文第A.6.7條，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應定期出席董事會及其同時出任委員會成員的委員會的會議並積極參與會務，以其技能、專業知識及不同的背景及資格作出貢獻。他們並應出席股東大會，對公司股東的意見有公正的了解。獨立非執行董事夏其才先生未能出席本公司於二零一七年五月三十一日舉行的股東週年大會，因彼於大會當日另有公務在身。

#### 守則條文第C.1.2條

管理層應每月向董事會全體成員提供更新資料，就發行人之表現、狀況及前景提供公正及易於理解之評估。由於失去對新加坡及中國附屬公司之控制權，本公司尚未提供有關本集團業績狀況及前景之每月更新財務資料，因此，該等附屬公司之財務報表已自本集團之綜合財務報表取消綜合入賬。

## Corporate Governance Report 企業管治報告

### Code Provision C.2.1

The Company has not conducted a review of the effectiveness of its subsidiaries' risk management and internal control systems due to the loss of control over the subsidiaries in Singapore and in the PRC, and thus the financial statements of those subsidiaries have been de-consolidated from the consolidated financial statements of the Group.

The existing Board is of the view that apart from achieving the resumption of the Company, one of its main priorities in 2018 is to improve the corporate governance of the Group.

### MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors held offices during the year under review. All Directors have confirmed that they complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions throughout the year ended 31 December 2017.

### 守則條文第C.2.1條

由於失去對新加坡及中國附屬公司的控制權，本公司尚未對其附屬公司之風險管理系統及內部監控系統有效性進行審閱，因此該等附屬公司之財務報表已取消綜合入賬至本集團綜合財務報表。

現任董事會認為除實現本公司復牌外，本公司於二零一八年的其中一個首要目標是提升本集團的企業管治。

### 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則作為董事進行證券交易的規定標準。本公司已向年內在任的全體董事作出具體查詢。全體董事確認，於截至二零一七年十二月三十一日止年度，彼等已遵守標準守則及董事進行證券交易的操守守則的規定標準。

## Corporate Governance Report 企業管治報告

### BOARD OF DIRECTORS

#### Composition of the Board of Directors

The Board comprises two executive Directors, namely Dr. Choi Chiu Fai Stanley (the chairman and the chief executive officer) and Mr. Choi Ka Wai and three independent non-executive Directors, namely Mr. Ha Kee Choy Eugene, Mr. Szeto Tat Kwan Brandon and Mr. Fok Wai Ming Eddie.

This constitutes a deviation from code provision A.2.1 of the CG Code but the Board believes that vesting the roles of both chairman and chief executive officer in the same person provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. The Board considers that the existing structure of vesting the roles of chairman and chief executive officer in the same person will not impair the balance of power and authority between the Board and the management of the Company. Biographical information of the Directors is set out in the section headed "Biographical Details of Directors" in this annual report.

#### Functions of the Board

The principal function of the Board is to consider and approve strategies, financial objectives, annual budget, investment proposals of the Group and to assume the responsibilities of corporate governance of the Group. The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

### 董事會

#### 董事會的組成

董事會由兩名執行董事蔡朝暉博士(為主席兼行政總裁)及蔡嘉偉先生，以及三名獨立非執行董事夏其才先生、司徒達坤先生及霍偉明先生組成。

此舉有違企業管治守則之守則條文第A.2.1條，惟董事會認為由同一人士兼任主席及行政總裁之職責令本公司之領導強勢且貫徹一致，可有效及快速計劃及實行業務決策及策略。董事會認為，現有架構由同一人士兼任主席及行政總裁之職責，不會影響董事會與本公司管理層間之權力及授權平衡。董事之履歷詳情載於本年報「董事履歷」一節。

#### 董事會的職能

董事會的主要職能為考慮及批核本集團的策略、財務目標、年度預算及投資建議，以及承擔本集團企業管治的責任。董事會將執行日常運作、業務策略及本集團業務管理的權力及責任授予執行董事及高級管理層，並將若干具體責任授予董事會屬下委員會。

## Corporate Governance Report 企業管治報告

### Board Meetings and Board Practices

During the year ended 31 December 2017, the Board held five board meetings. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Company's articles of association. All Directors may access the advice and services of the company secretary who regularly updates the Board on governance and regulatory matters. All Directors will also be provided with sufficient resources to discharge their duties, and upon reasonable request, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expense. All minutes of board meetings were recorded in sufficient detail of the matters considered by the Board and the decisions reached.

### 董事會會議及董事會常規

於截至二零一七年十二月三十一日止年度內，董事會召開了五次董事會會議。根據本公司章程細則，董事可親身或透過其他電子通訊方式出席會議。公司秘書向全體董事提供意見及服務，並定期向董事會提供管治及規管事宜的最新資料。所有董事亦將獲得充分的資源以履行其職責，並在合理的要求下，可按合適的情況尋求獨立專業意見，費用由本公司承擔。董事會會議的所有會議記錄需足夠詳細地記錄董事會已考慮的事項及作出的決定。



## Corporate Governance Report

### 企業管治報告

For the year ended 31 December 2017, five board meetings and 1 annual general meeting were held. Details of the attendance of Directors are as follows:

截至二零一七年十二月三十一日止年度，已舉行五次董事會會議及一次股東週年大會。董事之出席詳情如下：

Name of the Director 董事姓名	Board Meeting 董事會會議	Annual General Meeting 股東週年大會
<b>Executive Directors</b> 執行董事		
Dr. Choi Chiu Fai Stanley 蔡朝暉博士	5/5	1/1
Mr. Choi Ka Wai 蔡嘉偉先生	5/5	1/1
<b>Independent Non-executive Directors</b> 獨立非執行董事		
Mr. Ha Kee Choy Eugene 夏其才先生	3/5	0/1
Mr. Szeto Tat Kwan Brandon 司徒達坤先生	4/5	1/1
Mr. Fok Wai Ming Eddie 霍偉明先生	4/5	1/1

## Corporate Governance Report 企業管治報告

### CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS 董事之持續專業發展

For the year ended 31 December 2017, the Directors have participated in the following continuous professional development to develop and refresh their knowledge and skills:

於截至二零一七年十二月三十一日止年度，董事已參與以下持續專業發展，以發展及改進彼等之知識及技能：

Name of the Director	Attending seminars conducted by professional parties	Reading materials relating to directors' development and duties	Giving talks
董事姓名	出席專業人士主講之講座	閱讀有關董事發展及職務之材料	舉辦講座
Dr. Choi Chiu Fai Stanley 蔡朝暉博士	√	√	
Mr. Choi Ka Wai 蔡嘉偉先生		√	
Mr. Ha Kee Choy Eugene 夏其才先生		√	√
Mr. Szeto Tat Kwan Brandon 司徒達坤先生		√	
Mr. Fok Wai Ming Eddie 霍偉明先生		√	

## Corporate Governance Report

### 企業管治報告

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

By virtue of article 83(3) of the articles of association of the Company, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

In compliance with the code provision in A.4.2 of the CG Code all Directors are subject to retirement by rotation at least once every three years. Furthermore, pursuant to the article 84(1) of the articles of association of the Company, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years.

A letter of appointment has been entered into between each of the Directors and the Company, which does not specify any fixed term of service and may be terminated by either party giving to the other not less than one-month prior notice in writing.

#### 委任、重選及罷免董事

根據本公司的章程細則第83(3)條，董事有權不時及隨時委任任何人士為董事以填補臨時董事空缺或增添董事。獲委任填補臨時空缺的任何董事須一直擔任該職務，直至本公司舉行其獲委任後的首屆股東大會為止，並於該大會上膺選連任，而獲委任新加入現行董事會的任何董事，則須擔任該職務直至本公司舉行下屆股東週年大會為止，並於該大會上合資格膺選連任。

遵照企業管治守則的守則條文第A.4.2條的規定，全體董事必須最少每三年輪流退任一次。此外，根據本公司章程細則第84(1)條，在每屆股東週年大會上，當時三分之一的董事（若其人數並非三(3)的倍數，則以最接近但不超過三分之一的人數）將輪流退任，惟每位董事必須最少每三年於股東週年大會上退任一次。

該等董事已各自與本公司訂立委任函，當中並無列明任何固定任期，且可由任何一方向另一方發出不少於一個月事先書面通知予以終止。

## Corporate Governance Report 企業管治報告

### Independent Non-executive Directors

Throughout the year and up to the date of this report, the Company complied and fulfilled with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the number of independent non-executive directors representing at least one-third of the board and that at least one of the independent non-executive directors has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received from each of the current independent non-executive Directors an annual confirmation of their independence to Rules 3.13 of Listing Rules and the Board considers them to be independent during the year under review.

### Delegation of Powers

The Board delegates day-to-day operations of the Group to executive Directors and management of the Company with department heads responsible for different aspects of the business/functions, while reserving certain key matters in making strategic decision for its approval. When the Board delegates aspects of its management and administration functions to management, it gives clear directions as to the powers of management, in particular, with respect to the circumstances where management need to report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

### 獨立非執行董事

於年內及直至本報告日期，本公司已遵守及履行上市規則第3.10(1)、3.10(2)及3.10A條，規則內容有關獨立非執行董事人數佔董事會成員人數至少三分之一，其中最少一名獨立非執行董事須具備合適專業資格或會計或相關財務管理專業知識。

本公司已收到現任獨立非執行董事各自根據上市規則第3.13條發出的年度獨立確認書，董事會認為彼等於回顧年度為獨立人士。

### 授權

董事會授權執行董事及本公司管理層負責本集團的日常營運，亦授權部門主管負責不同的業務職責，惟若干重大事項的策略決定仍須經董事會批准。董事會授權管理層負責管理及行政職務時會對管理層的權力作出明確指示，特別是代表本公司作出決定或訂立任何承擔前須向董事會報告並獲董事會事先批准。

## Corporate Governance Report 企業管治報告

### BOARD COMMITTEES

#### Audit Committee

The Audit Committee was established on 10 October 2010 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision C.3.3 of the CG Code as set out in Appendix 14 of the Listing Rules. The primary duties of the Audit Committee are to provide the Board with an independent review of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as assigned by the Board.

As at 31 December 2017 and as at the date of this report, the Audit Committee consisted of three independent non-executive Directors namely Mr. Fok Wai Ming Eddie (being the chairman of the Audit Committee), Mr. Ha Kee Choy Eugene and Mr. Szeto Tat Kwan Brandon.

For the year ended 31 December 2017, two meetings were held by the Audit Committee. Details of the attendance of the committee members are as follow:

Name of Director 董事姓名	Audit Committee Meeting 審核委員會
Mr. Szeto Tat Kwan Brandon 司徒達坤先生	2/2
Mr. Ha Kee Choy Eugene 夏其才先生	2/2
Mr. Fok Wai Ming Eddie 霍偉明先生	2/2

### 董事委員會

#### 審核委員會

本公司於二零一零年十月十日成立審核委員會，並遵照上市規則第3.21條及上市規則附錄十四企業管治守則之守則條文第C.3.3條制定書面職權範圍。審核委員會的主要職責是就本集團財務報告程序、內部控制及風險管理制度的有效程度向董事會提供獨立檢討，監管審計程序及履行董事會所委派的其他職務及責任。

於二零一七年十二月三十一日及於本報告日期，審核委員會由三名獨立非執行董事組成，包括審核委員會主席霍偉明先生、夏其才先生及司徒達坤先生。

截至二零一七年十二月三十一日止年度，審核委員會舉行了兩次會議。委員會成員出席會議之詳情如下：

## Corporate Governance Report 企業管治報告

The Audit Committee has reviewed the Company's financial statements for the year ended 31 December 2017.

審核委員會已審閱本公司截至二零一七年十二月三十一日止年度的財務報表。

### Remuneration Committee

### 薪酬委員會

The Remuneration Committee was established on 10 October 2010 with written terms of reference in compliance with code provision B.1.2 of the CG Code as set out in Appendix 14 of the Listing Rules. The primary duties of the Remuneration Committee include (but without limitation): (a) making recommendations to the Directors on the policy and structure for all remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing policies on such remuneration; (b) determining the terms of the specific remuneration package of the Directors and senior management; (c) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Directors from time to time; and (d) considering and approving the grant of share options to eligible Participants under the Share Option Scheme.

本公司於二零一零年十月十日成立薪酬委員會，並遵照上市規則附錄十四企業管治守則之守則條文第B.1.2條制定書面職權範圍。薪酬委員會的主要職責包括(但不限於)：(a)就全體董事及高級管理層的薪酬政策及結構，以及就制訂該等薪酬政策設立正式而具透明度的程序，向董事作出建議；(b)釐定董事及高級管理層的具體薪酬福利條款；(c)參照董事不時議決的公司目標及宗旨，檢討及批准按表現為基準的薪酬；及(d)審議及批准向購股權計劃的合資格參與者授予購股權。

As at 31 December 2017 and as at the date of this report, the Remuneration Committee consisted of three independent non-executive Directors namely Mr. Ha Kee Choy Eugene (being the chairman of the Remuneration Committee), Mr. Szeto Tat Kwan Brandon and Mr. Fok Wai Ming Eddie.

於二零一七年十二月三十一日及於本報告日期，薪酬委員會由三名獨立非執行董事組成，包括薪酬委員會主席夏其才先生、司徒達坤先生及霍偉明先生。

For the year ended 31 December 2017, the Remuneration Committee conducted one meeting. Details of attendance of the committee members are as follows:

於截至二零一七年十二月三十一日止年度，薪酬委員會舉行一次會議。委員會成員出席會議之詳情如下：

Name of Director 董事姓名	Remuneration Committee Meeting 薪酬委員會會議
Mr. Ha Kee Choy Eugene 夏其才先生	1/1
Mr. Szeto Tat Kwan Brandon 司徒達坤先生	1/1
Mr. Fok Wai Ming Eddie 霍偉明先生	1/1

## Corporate Governance Report 企業管治報告

### Remuneration Policy for Directors and Senior Management

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

The emoluments of the Directors are recommended and determined by the Remuneration Committee, having regard to the corporate goals and objectives resolved by Directors from time to time. Directors are entitled to an aggregate annual basic salary. In addition, each of the executive Directors is also entitled to a discretionary bonus as determined by the Remuneration Committee by reference to the performance of the Group.

The Company has adopted a Share Option Scheme on 10 October 2010. The purpose of the Share Option Scheme is to reward eligible Participants who have contributed to the Group and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole.

### Nomination Committee

The Nomination Committee was established on 10 October 2010 with written terms of reference of the Company in compliance with code provision A.5.2 of the CG Code as set out in Appendix 14 of the Listing Rules. The primary duties of the Nomination Committee are to formulate the nomination procedures and standards for candidates for Directors and senior management, to conduct preliminary review of the qualifications and other credentials of the candidates for Directors and senior management and to recommend suitable candidates for Directors and senior management to the Board.

As at 31 December 2017 and as at the date of this report, the Nomination Committee consisted of three independent non-executive Directors namely Mr. Szeto Tat Kwan Brandon (being the chairman of the Nomination Committee), Mr. Ha Kee Choy Eugene and Mr. Fok Wai Ming Eddie.

### 董事及高級管理層的薪酬政策

本集團僱員的薪酬政策按彼等的價值、資質及能力而釐定。

董事酬金乃經考慮董事不時議決的公司目標，由薪酬委員會建議及釐定。董事有權享有基本年薪總額。此外，各執行董事亦可有權享有薪酬委員會經參考本集團業績而釐定的酌情花紅。

本公司於二零一零年十月十日採納購股權計劃。購股權計劃旨在獎勵對本集團有貢獻之合資格參與者，並鼓勵參與者致力為本公司及其股東之整體利益提升本公司及其股份的價值。

### 提名委員會

本公司於二零一零年十月十日成立提名委員會，並遵照上市規則附錄十四企業管治守則之守則條文第A.5.2條制定書面職權範圍。提名委員會的主要職責為就董事及高級管理層人選制定提名程序及標準，以初步審閱董事及高級管理層人選的資格及其他重要證明，並向董事會推薦合適的董事及高級管理層人選。

於二零一七年十二月三十一日及於本報告日期，提名委員會由三名獨立非執行董事組成，包括司徒達坤先生(為提名委員會主席)、夏其才先生及霍偉明先生。

## Corporate Governance Report 企業管治報告

For the year ended 31 December 2017 the Nomination Committee conducted one meeting. Details of attendance of the committee members are as follows:

於截至二零一七年十二月三十一日止年度，提名委員會舉行一次會議。委員會成員出席會議之詳情如下：

Name of Director 董事姓名	Nomination Committee Meeting 提名委員會會議
Mr. Szeto Tat Kwan Brandon 司徒達坤先生	1/1
Mr. Ha Kee Choy Eugene 夏其才先生	1/1
Mr. Fok Wai Ming Eddie 霍偉明先生	1/1

Since 31 March 2016, the Board has adopted a board diversity policy setting out the approach to achieve diversity on the Board.

自二零一六年三月三十一日起，董事會已採納董事會成員多元化政策，列載為達致成員多元化之方針。

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

為達致持續及平衡之發展，本公司視提升董事會層面之成員多元化方針為達到其策略目標及持續發展為之主要元素。在策劃董事會之組成架構方面，董事會成員多元化會考慮眾多因素，包括但不限於教育背景、專業經驗、技能及知識。董事會所有委任均以用人唯才為原則，並參照客觀標準及審慎考慮董事會成員多元化的裨益下，以甄別各候選人。



## Corporate Governance Report 企業管治報告

### ACCOUNTABILITY AND AUDIT

#### Directors' and Auditors' Responsibilities for the Financial Statements

The Board acknowledges its responsibility to prepare the Group's financial statements for each financial period to give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the financial statements for the year ended 31 December 2017, the Board has selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the financial statements on a going concern basis. The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

#### Auditors' Remuneration

The remuneration in respect of audit and non-audit services for the year ended 31 December 2017 provided by the auditors of the Company, HLB, are as follows:

#### Type of Services 服務類別

Audit services  
Non-audit services (Note)

Total

核數服務  
非核數服務(附註)

總計

HK\$'000  
千港元

380  
150

530

Note: The non-audit services was related to interim financial statements review.

### 問責及審核

#### 董事及核數師對財務報表的責任

董事會知悉有責任編製本集團各財政期間的財務報表，以真實而公允地呈列本集團該期間的財務狀況及業績與現金流量。編製截至二零一七年十二月三十一日止年度的財務報表時，董事會已選取適用會計政策並貫徹使用，並審慎、公允而合理地作出判斷及估計，以及按持續經營基準編製財務報表。董事有責任作出一切合理而必須的步驟，保護本集團的資產，並且防止及偵查欺詐及其他不正常情況。

#### 核數師酬金

有關本公司核數師國衛於截至二零一七年十二月三十一日止年度提供核數服務及非核數服務之酬金如下：

附註：非核數服務涉及審閱中期財務報表。

## Corporate Governance Report 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROL

### 風險管理及內部監控

The Board is responsible for maintaining a sound risk management and internal control systems to ensure that a review of the effectiveness of the risk management and internal control systems of the Group are conducted at least annually, covering all material controls, including financial, operational and compliance controls, and ensuring adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions. The Company could only conduct a review of the effectiveness of its risk management and internal control systems, excluding its subsidiaries, due to the loss of control over the subsidiaries in Singapore and in the PRC, and thus the financial statements of those subsidiaries have been de-consolidated from the consolidated financial statements of the Group.

The Company engaged an external independent consultant with professional staff in possession of relevant expertise to conduct an independent review of the risk management and internal control systems of the Company for the financial year ended 31 December 2017, in order to ensure and enhance (i) proper process used to identify, evaluate and manage significant risks; (ii) main features of the risk management and internal control systems were identified; (iii) the systems were designed to manage the risks to achieve business objectives and provide reasonable assurance against material misstatement or loss; (iv) appropriate process to resolve material internal control defects; and (v) effective procedures and internal controls for inside information management.

The key risks and the relevant measures have been disclosed in the Directors' Report on pages 24 to 25 of this report. The risk management and internal control systems of the Company are designed to manage rather than eliminate the risk of failures to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Company has an internal audit function. The Board conducted a review of the effectiveness of the risk management and internal control systems of the Company annually, excluding its subsidiaries, due to the loss of control over the subsidiaries in Singapore and in the PRC. Apart from that, the Board considers the systems effective and adequate.

董事會負責維持健全之風險管理及內部監控制度，以確保最少每年就本集團之風險管理及內部監控系統之有效性進行一次審查，涉及所有重大監控事項，包括財務、運營及合規監控，並確保會計、內部審核及財務報告職能方面之資源、員工資歷及經驗、培訓計劃及預算是否足夠。由於失去新加坡及中國附屬公司之控制權，本公司僅可就其(不包括其附屬公司)風險管理及內部監控系統進行檢討，故該等附屬公司之財務報表已於本集團之綜合財務報表取消綜合入賬。

本公司已委聘外部立顧問(包括具備相關專業知識之專業人員)對本公司截至二零一七年十二月三十一日止財政年度之風險管理及內部監控制度進行獨立審查，以確保及改善(i)識別、評估及管理重大風險所用之正確程序；(ii)已識別風險管理及內部監控制度之主要特徵；(iii)制度旨在管理風險，以達到業務目的，並合理保證並無重大失實陳述或損失；(iv)設有適當程序解決重大內部監控缺陷；及(v)內幕資料管理之有效程序及內部監控。

主要風險及相關措施已於本報告第24至25頁董事會報告書內披露。本公司的風險管理及內部監控系統乃旨在管理，而非消除達成業務目標失敗的風險，並僅可提供合理但非絕對保證避免重大失實陳述或損失。

本公司設有內部審核職能。董事會每年就本公司之風險管理及內部監控系統之有效性進行審查(由於本公司失去於新加坡及中國附屬公司的控制權，故不包括其附屬公司)。除此之外，董事會認為該等制度屬有效充足。

## Corporate Governance Report

### 企業管治報告

The Board is of the view that apart from achieving the resumption of the Company, one of its main priorities in 2018 is to improve the risk management and internal control systems of the Group.

#### COMPANY SECRETARY

Mr. Wong Chun Kit (“Mr. Wong”), is engaged and appointed by the Company from an external secretarial services provider as its Company Secretary. The primary corporate contact person of the Company is Dr. Choi Chiu Fai Stanley, an executive Director. Mr. Wong confirmed that he has received 15 hours professional trainings under the requirement of Rule 3.29 of the Listing Rules during the year under review.

董事會認為除了復牌之外，本公司其中一個須於二零一八年達成的重點為改善本集團風險管理及內部監控系統。

#### 公司秘書

王震傑先生(「王先生」)乃本公司自外間秘書服務提供商聘請及委任為其公司秘書。本公司之主要公司聯繫人為執行董事蔡朝暉博士。王先生確認彼於回顧年度已根據上市規則第3.29條接受十五小時之專業培訓。

## Corporate Governance Report 企業管治報告

### INVESTORS AND SHAREHOLDERS RELATIONS

The Board recognises the importance of maintaining clear, timely and effective communication with the Shareholders and investors. The Board also recognises that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintaining a high degree of transparency to ensure that the investors and the Shareholders receive accurate, clear, comprehensive and timely information of the Group by the publication of annual reports, interim reports, announcements and circulars. The Company also publishes all documents on the Company's website at <http://www.cre8ir.com/daqingdairy/>. The Board continues to maintain regular dialogues with institutional investors and analysts to keep them informed of the Group's strategy, operations, management and plans. The Directors and the committee members are available to answer questions at annual general meetings of the Company. Separate resolutions would be proposed at general meetings of the Company on each substantially separate issue.

#### Shareholders' Right

Pursuant to the Company's memorandum and articles of association, the Board may whenever it thinks fit call extraordinary general meetings. Any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders may put forward their proposals or inquiries to the Board by sending their written request to the Company's correspondence address in Hong Kong.

### 投資者及股東關係

董事會認同與股東及投資者保持清晰、及時而有效的溝通的重要性。董事會亦認同與投資者進行有效溝通是建立投資者信心及吸引新投資者的關鍵所在。因此，本集團致力保持高透明度，確保投資者及股東通過刊發年報、中期報告、公佈及通函得到準確、清晰、完整而及時的集團資料，而本公司亦在公司網站 <http://www.cre8ir.com/daqingdairy/> 刊登全部文件。董事會與機構投資者及分析員保持定期溝通，讓彼等得悉本集團的策略、營運、管理及計劃。董事及委員會成員均出席本公司股東週年大會解答問題。各區別分明的議題須以獨立決議案方式於本公司股東大會上提呈。

#### 股東權利

根據本公司之組織章程大綱及章程細則，董事會可於其認為適當的任何時候召開特別大會。任何一位或以上於遞呈要求當日持有本公司有權於大會上投票之繳足股本不少於十分之一的股東，有權隨時透過向本公司董事會或秘書發出書面要求，要求董事會召開特別大會，以處理有關要求中指明的任何事項；上述會議應於相關要求遞呈後兩(2)個月內舉行。倘遞呈後二十一日內董事會未有召開該大會，則遞呈要求人士可自行以同樣方式召開大會，而遞呈要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

股東可將書面要求發送至本公司在香港的通訊地址，藉此向董事會提交建議或諮詢。

## Environmental, Social and Governance Report

### 環境、社會及管治報告

#### REPORT OVERVIEW

##### About Daqing

Daqing Dairy Holdings Limited (the “Company”) was incorporated in the Cayman Islands as a limited company. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Trading in the shares of the Company has been suspended since 22 March 2012. The Company acted as investment holding company and did not engage in any business throughout the year ended 31 December 2017, the year under review.

##### Purpose of this Report

This is the second “Environmental, Social and Governance Report” prepared by the Company. This report mainly outlines the commitments and strategies and report the Company’s performance regarding environmental protection, social responsibility and governance issues.

##### Scope of Coverage

As the Company did not engage in any business throughout the year under review, this report only covers the Company’s head office in Hong Kong.

##### Basis of Preparation

Relevant disclosures of this report is prepared in accordance with the Environmental, Social and Governance Reporting Guide (the “Guide”) under Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The content of this report includes two main subject areas, being Area A — Environmental and Area B — Social as required by the Guide.

##### Time Range

This report is an annual report for the year from 1 January 2017 to 31 December 2017.

#### 報告回顧

##### 有關大慶

大慶乳業控股有限公司(「本公司»)為於開曼群島註冊之有限公司。本公司股份於香港聯合交易所有限公司(「聯交所»)上市。本公司股份自二零一二年三月二十二日起暫停買賣。本公司作為投資控股公司，於整個截至二零一七年十二月三十一日止年度(即回顧年度)內並無從事任何業務。

##### 本報告之目的

此乃本公司編製的第二份「環境、社會及管治報告」。本報告主要概述本公司就環境保護、社會責任及管治事宜的承諾及策略並報告有關表現。

##### 涵蓋範圍

由於本公司於整個回顧年度內並無從事任何業務，本報告僅涵蓋本公司的香港總辦事處。

##### 編製基準

本報告的相關披露乃根據聯交所證券上市規則(「上市規則»)附錄27項下《環境、社會及管治報告指引》(「指引»)編製。本報告的內容包括兩大目標範疇，即指引規定的範疇A—環境；及範疇B—社會。

##### 時間範圍

本報告為截至二零一七年一月一日至二零一七年十二月三十一日年度之年報。

## Environmental, Social and Governance Report 環境、社會及管治報告

### Stakeholder Engagement

The preparation of this report, which was supported by management of the Company, enabled the Company to have a clear understanding on the Company's current development in the environmental and social aspects. The information we gathered and analyzed was not only the summary of the environmental and social works carried out by the Company during 2017, but also the basis for the Company to make strategies for sustainable development.

### ESG MATERIAL AREAS AND ASPECTS, AND KEY PERFORMANCE INDICATORS ("KPIs")

#### (A) Environmental Responsibility

The Company respects and treasures the mother nature. Hence, we are committed to protecting the environment at our greatest effort. At all times, we carefully monitor and mitigate our environmental impacts by integrating environmental considerations into all possible aspects of our day-to-day operation.

##### A1. Emissions

Trading of the shares of the Company has been suspended since 2012, our operations are confined to the head office in Hong Kong. Thus, it is not likely for us to generate a significant adverse impact to the environment.

Throughout the year under review, we operated under normal office environment and no hazardous waste was produced. Our main emissions during our normal course of operation are greenhouse gases, primarily carbon dioxide from employee travel. Therefore, efficient arrangement of managements' travels are our priorities. The Company did not record any significant generation of carbon dioxide as no employee travel was noted during the year under review (2016: approximately 445.2 kg of CO<sub>2</sub> was generated from employees' air travel).

### 持份者參與

在本公司管理層支持下，編製本報告可讓本公司清楚明白本公司現時在環境及社會方面的發展。我們收集及分析的資料不僅概述本公司於二零一七年進行的環境及社會工作，也是本公司制定可持續發展策略的基礎。

### 環境、社會及管治重大方面及範疇，以及關鍵績效指標（「關鍵績效指標」）

#### (A) 環境責任

本公司尊重及珍惜大自然。因此，我們矢志竭盡所能保護環境。一直以來，我們將環境因素與營運各個方面結合起來，審慎監察及減輕我們對環境的影響。

##### A1. 排放物

本公司股份自二零一二年起暫停買賣，我們的營運限於香港總辦事處。因此，我們不可能對環境產生嚴重不利影響。

於整個回顧年度內，我們在辦公室正常環境下運作，並無產生有害廢物。我們日常營運過程中產生的排放物主要是溫室氣體，以僱員出差過程產生的二氧化碳為主。因此，我們優先考慮有效安排僱員出差。本公司並無產生大量二氧化碳，因為於回顧年度並無錄得僱員交通足跡（二零一六年：僱員航空交通產生約445.2公斤二氧化碳）。

## Environmental, Social and Governance Report 環境、社會及管治報告

### A2. Use of Resources

The Company is committed to reducing negative impact to our environment by conducting business operations in an environmentally responsible manner. In order to reduce our environmental footprints in the workplace, we always look for opportunities to reduce unnecessary energy consumption and waste generation.

The Company has implemented various measures to achieve low-carbon and green office, including:

Electricity consumption optimization:

- Electric appliances are required to turn-off when unattended;
- Maintain temperature of air conditioners to the standard of 25.5 degrees in general conditions;
- Encourage the use of natural light whenever possible; and
- Arrange lighting zoning to ensure that only required lighting is switched on.

Paper consumption reduction:

- Office printing was defaulted as duplex;
- Encourage the use of recycled paper whenever possible;
- Launch general recycling programs for a wide variety of non-hazardous waste items including plastics, metals and paper; and
- Reuse stationeries such as used envelopes and document folders.

### A2. 資源使用

本公司致力透過以對環境負責的業務經營方式減少對環境之負面影響。為了減少工作場所的環境足跡，我們時刻找尋機會減少不必要的能源消耗及廢物製造。

本公司已實施多項措施以達致低碳及綠色辦公室，包括：

耗電優化措施：

- 於無人使用時需要關掉電器；
- 於一般的情況下，冷氣溫度須維持於25.5度的水平；
- 鼓勵盡量使用自然光；及
- 安排照明區，以確保只開啟需要使用的電燈。

減少用紙

- 將辦公室的列印設定為雙面；
- 鼓勵盡量使用循環再用的紙張；
- 就不同的無害廢棄物品，包括塑膠、金屬及紙張，推行一般循環再用計劃；及
- 重用文具，例如用過的信封及文件袋。

## Environmental, Social and Governance Report 環境、社會及管治報告

### A3. Environment and Natural Resources

Although the Company's operations have an insignificant impact on the environment and natural resources usage, the Company still tries to be an environmental responsible corporation.

Paper for normal daily office uses is the only key element which is considered to have an impact on the natural resources. The Company supports all measures to reduce, reuse and recycle ("3R") as far as possible and practicable. The Company is constantly on the alert to look for ways and means to accomplish the 3R goals. The Company has also reminded its employees to act in an eco-friendly manner to save on paper consumption from time to time.

## (B) Social

### Employment and Labour Practices

#### B1. Employment

During the year under review, the Company consisted of two (2016: two) executive Directors and three (2016: three) independent non-executive Directors. The Company is devoted to shape a non-discriminating, diverse, fair and harmonious workplace disregard of the number of employees. The Company complies straightly with all applicable rules and regulations of the "Employment Ordinance of Hong Kong Special Administrative Region".

Our board of 5 directors are the most important asset of the Company. We believe board diversity enhances decision-making capability. We review the structure, size, composition and diversity of the Board from time to time. In designing the Board's optimal composition, a range of diversity perspectives with reference to the Company's business model and specific needs will be considered, including but not limited to gender, age, culture, race, educational background, professional experience, knowledge and skills. Directors' emolument was fairly formulated and recommended by the Remuneration Committee to the Board on the basis of the Directors' individual performance, qualification and comparable market merits.

### A3. 環境及自然資源

儘管本公司營運對環境及天然資源使用的影響並不重大，惟本公司仍然努力成為承擔環保責任的企業。

於日常辦公室使用的紙張被視為對天然資源造成影響的唯一主要元素。本公司在切實可行情況下盡可能支持達致減少使用(reduce)、重用(reuse)、循環使用(recycle)(統稱「3R」)的所有措施。本公司亦一直尋找能達成3R目標的方法及方式。本公司經常提醒員工以環保方式行事，時常節約用紙。

## (B) 社會

### 僱傭及勞工常規

#### B1. 僱傭

於回顧年度，本公司有兩名(二零一六年：兩名)執行董事及三名(二零一六年：三名)獨立非執行董事。不論僱員人數多少，本公司致力創造一個零歧視、多樣性、公平及和諧的工作環境。本公司嚴謹遵守香港特別行政區《僱傭條例》所有適用法規及規例。

董事會由5名董事組成，為本公司最重要的資產。我們相信董事會成員之多樣性可提高決策能力。我們不時檢討董事會之架構、大小、組成及多樣性。於設定董事會之理想組成時，我們將考慮涉及本公司業務模式及特定需要的一系列多樣性因素，包括但不限於性別、年齡、文化、種族、教育背景、專業經驗、知識及技能。董事薪酬由薪酬委員會根據董事之個人表現、資歷及可資比較市況公平制定並向董事會作出推薦建議。

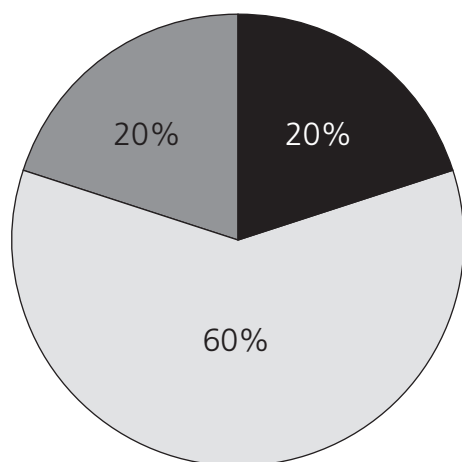


## Environmental, Social and Governance Report 環境、社會及管治報告

### Diversity of our Board in 2017 and 2016

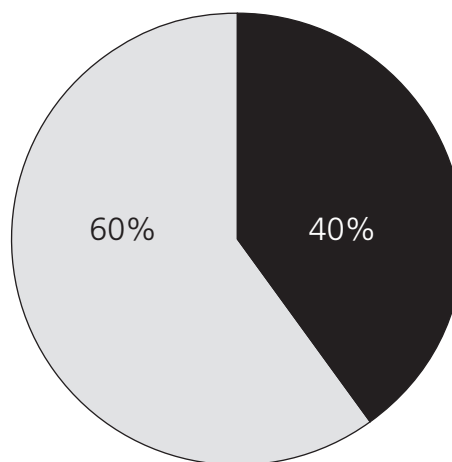
二零一七年及二零一六年董事會之多樣性

#### By Age 年齡



- Age 21-30  
21至30歲
- Age 31-40  
31至40歲
- Age 41-50  
41至50歲
- Age above 51  
51歲以上

#### By Designation 職位



- Executive Director  
執行董事
- Independent Non-Executive Director  
獨立非執行董事

#### B2. Health and Safety

Safety is the top priority in everything we do. Despite our Company only comprised of five directors during the year under review, we paid special attention to providing a healthy and safe working environment for them. We strive to ensure the safety and wellbeing of our Directors by complying straightly with all applicable laws and regulations. In both 2016 and 2017, the Company achieved the goal of zero injuries.

#### B2. 健康及安全

我們將安全放在首位。儘管本公司於回顧年度僅有五名董事，我們特別重視為其提供一個健康及安全的工作環境。透過嚴謹遵守所有適用法律及法規，我們竭力保證董事之安全及健康。於二零一六年及二零一七年，本公司已達致零傷亡的目標。

## Environmental, Social and Governance Report 環境、社會及管治報告

### B3. Development and Training

We believe that employee development is an important area of investment to ensure long-term enhancement of our internal capacity. We encourage our Directors to attend training courses to enhance their knowledge for discharging their responsibilities. During the year under review, all Directors had participated in continuous professional development to develop and refresh their knowledge and skills. Directors' participation was not only to recognise the terms of relevant code provisions of the Listing Rules, but also to ensure their contribution to the Board remains informed and relevant.

Directors participated in continuous professional development mainly by reading materials relevant to their duties and responsibilities. It is not practicable to form a KPI as the Company found it difficult to maintain records on the training programs and measure the effectiveness. Nevertheless, the Company will maintain relevant record on average training hours completed per employee whenever possible.

### B4. Labour Standards

The Company has a comprehensive human resources policy in place regarding recruitment, dismissal, leaves, holidays and benefits to support our works on manpower resources. The Company stringently complies with the Hong Kong Special Administrative Region labour laws and employment regulations. At all times, we adopt a zero-tolerance approach to unethical labour practices. In both 2016 and 2017, there were zero reported cases of discrimination and unethical labour practices.

### B3. 發展及培訓

我們相信，僱員發展乃一項重要投資，以確保長遠上提升我們的內部能力。我們鼓勵董事出席培訓課程以提高彼等履行各自職責之知識。於回顧年度，全體董事已參與持續專業發展培訓，以發展及更新其知識及技能。董事之參與不僅是認同上市規則相關守則條文之條款，且確保其對董事會之貢獻知情及相關。

董事主要透過閱讀與彼等職責及責任相關的材料參與持續專業發展培訓。由於本公司難以存置培訓課程記錄及計量成效，故設立關鍵績效指標並不可行。然而，本公司將盡可能保存每名僱員平均完成培訓時數的相關記錄。

### B4. 勞工準則

本公司已設立全面的人力資源政策，涵蓋招聘、辭退、休假、假期及福利，以支持我們的人力資源工作。本公司嚴格遵守香港特別行政區勞工法律及僱傭規例。一直以來，我們對不道德勞工常規採取零容忍態度。於二零一六年及二零一七年，並無任何歧視及不道德勞工行為的申報個案。

## Environmental, Social and Governance Report 環境、社會及管治報告

### Operating Practices

#### B5.&B6. Supply Chain Management & Product Responsibility

As the Company remained dormant during the two years ended 31 December 2017, information and KPI of supply chain management and product responsibility were not applicable for both 2016 and 2017.

#### B7. Anti-corruption

The Company has implemented policies on anti-corruption in order to prevent, detect and report misconduct. The Company also provides guidance for all employees which are made for the purpose of setting out the standard of behavior we expect for our employees, such as acceptance/offer of gifts or entertainment during the course of soliciting business, conflict of interest and outside employment. The Company encourages and enables employees to raise serious and material concerns on anti-corruption and in case there is any doubt. At the same time, the Company also welcomes anti-corruption related communication and consultation. Throughout the year under review and up to the reporting date, the Company has not found any non-compliance matters in this aspect.

### Community

#### B8. Community Investment

From beginning to end, we believe that a helping hand can change the world. We encourage our employees to actively participate in charities activities at all times. In the coming years, we target to engage different community groups to support and add value to communities, and build social capital through various programs. We will also invest money into our communities whenever possible.

### 經營常規

#### B5.&B6. 供應鏈管理及產品責任

由於本公司於截至二零一七年十二月三十一日止兩個年度並無業務活動，二零一六年及二零一七年的供應鏈管理及產品責任之資料及關鍵績效指標並不適用。

#### B7. 反貪腐

本公司已實施反貪腐政策以防止、偵察及舉報不當行為。本公司亦向全體僱員提供指引，旨在列明我們期望的僱員行為標準，例如在招攬業務過程中收受禮物或款待、利益衝突及外間受僱。本公司鼓勵及協助僱員提出有關反貪腐的嚴重及重大關注問題，以防有任何懷疑。與此同時，本公司亦歡迎關於反貪污的溝通及諮詢。於整個回顧年度及直至報告日期，本公司並無接獲任何這方面的違規事宜。

### 社區

#### B8. 社區投資

由始至終，我們相信伸出援手可以改變世界。我們鼓勵我們的僱員不時積極參與慈善活動。來年，我們的目標為促進不同的社區群組參與，以支持及為社區增加價值，以及透過不同的計劃建立社會資本。我們亦將盡量投放資金於我們的社區。

## Environmental, Social and Governance Report 環境、社會及管治報告

### OUTLOOK

We would like to take this opportunity to extend our sincere gratitude to our employees, shareholders and other stakeholders for their long-term support and trust to the Company. We believe that our performance has granted positive recognition in the year under review, but there is still more to be done. In the coming years, we will continue to strive to implement the best practices in corporate social responsibility to advance the global sustainability agenda at large.

### 展望

我們僅藉此機會感謝我們的僱員、股東及其他利益相關人士對本公司的長期支持及信賴。我們相信我們的表現於回顧年度獲得正面的肯定，惟仍需要進一步的努力。來年，我們將繼續致力就企業社會責任實施最佳對策，以全面提高全球可持續發展的進程。

## Independent Auditors' Report

### 獨立核數師報告書



國衛會計師事務所有限公司  
Hodgson Impey Cheng Limited

31/F, Gloucester Tower    香港  
The Landmark            中環  
11 Pedder Street        畢打街11號  
Central                    置地廣場  
Hong Kong                告羅士打大廈31樓

#### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF DAQING DAIRY HOLDINGS LIMITED

*(Incorporated in Cayman Islands with limited liability)*

致大慶乳業控股有限公司股東

*(於開曼群島註冊成立之有限公司)*

#### DISCLAIMER OF OPINION

We were engaged to audit the financial statements of Daqing Dairy Holdings Limited ("the Company") set out on pages 60 to 119, which comprise the statement of financial position as at 31 December 2017, and the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the financial statements of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements and as to whether the financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### 不發表意見

本行獲委聘以審核大慶乳業控股有限公司（「貴公司」）載於第60至119頁的財務報表，其中包括於二零一七年十二月三十一日的財務狀況表，與截至該日止年度的損益及其他全面收益表、綜合權益變動表及現金流量表，以及財務報表附註，包括主要會計政策概要。

吾等並未對 貴公司財務報表表述意見。由於在吾等的報告中不發表意見之基礎一節所描述事項之重要性，吾等未能獲得足夠恰當的審核憑證以為該等財務報表之審核意見及是否按照香港公司條件之披露規定妥為編製提供之基礎。

## Independent Auditors' Report 獨立核數師報告書

### BASIS FOR DISCLAIMER OF OPINION

#### a) Opening balances and the comparative information

The opening balances and the comparative figures disclosed in the financial statements are based on the audited financial statements of the Company for the year ended 31 December 2016 of which our auditors' report dated 31 March 2017 expressed a disclaimer opinion. The matters which resulted in that disclaimer opinion included (a) opening balances and the comparative information; (b) departure from International Financial Reporting Standard ("IFRS") 10 "Consolidated Financial Statements"; (c) amount due to a deconsolidated subsidiary; (d) accrued expenses and other payables; (e) contingent liabilities and commitments; and (f) going concern basis of accounting. Due to lack of complete books and records of the Company, we have been unable to obtain sufficient appropriate audit evidence as to whether the opening balances as at 1 January 2017 and the comparative figures for the year ended 31 December 2016 were properly recorded and accounted for and in compliance with the requirements of applicable IFRSs including International Accounting Standard ("IAS") 1 "Presentation of Financial Statements". There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the opening balances and the comparative figures were free from material misstatement. Any adjustments to the opening balances as at 1 January 2017 that would be required may have a consequential significant effect on the Company's assets and liabilities as at 1 January 2017 and 31 December 2017 and its results for the years ended 31 December 2016 and 2017, and the presentation and disclosure thereof in the financial statements.

### 不發表意見之基準

#### a) 年初結餘及比較資料

於財務報表披露之年初結餘及比較數字乃根據 貴公司截至二零一六年十二月三十一日止年度之經審核財務報表，吾等就此於日期為二零一七年三月三十一日之核數師報告表示不發表意見。導致不發表意見之事項包括(a)年初結餘及比較資料；(b)偏離國際財務報告準則（「國際財務報告準則」）第10號綜合財務報表；(c)應付取消綜合入賬附屬公司款項；(d)應計開支及其他應付款項；(e)或然負債及承擔；及(f)會計之持續經營基準。由於 貴公司之賬冊及記錄不完整，吾等未能取得充足之合適審核證據，證明於二零一七年一月一日之年初結餘及截至二零一六年十二月三十一日止年度之比較數字是否已妥為記錄及入賬及符合適用國際財務報告準則（包括國際會計準則（「國際會計準則」）第1號「呈列財務報表」）之規定。概無吾等可履行之替代審核程序以讓吾等信納年初結餘及比較數字並無重大失實陳述。於二零一七年一月一日之年初結餘如須作任何調整，將對 貴公司於二零一七年一月一日及二零一七年十二月三十一日之資產及負債及 貴公司截至二零一六年及二零一七年十二月三十一日止年度之業績及其於財務報表之呈列及披露造成重大後續影響。

## Independent Auditors' Report

### 獨立核數師報告書

#### b) Departure from International Financial Reporting Standard 10 "Consolidated Financial Statements"

As disclosed in note 2.1 to the financial statements, the predecessor auditors of the Company (the "Predecessor Auditors") identified certain potential irregularities in respect of certain accounting records and transactions recorded in the books of the Company's indirectly wholly-owned subsidiaries incorporated in the People's Republic of China (the "PRC") namely, Da Qing Dairy Ltd. (大慶乳品廠有限責任公司), Heilongjiang Chang Qing Dairy Products Co., Ltd. (黑龍江常慶乳業有限責任公司) and Wuchang Benniu Muye Co., Ltd (五常犇牛牧業有限責任公司) (collectively referred as to the "PRC Subsidiaries"). The Predecessor Auditors subsequently resigned on 21 March 2012. As disclosed in note 2.1 to the financial statements of the Company, certain new directors were appointed following the change in controlling shareholder and it was announced on 6 November 2013 that a firm of forensic accounting specialists (the "Forensic Accountants") was appointed to investigate these potential irregularities (the "Forensic Investigation"). Both the Forensic Accountants and the directors of the Company have been unable to get access to the books and records of the PRC Subsidiaries. The directors of the Company have also been unable to locate the complete books and records of the Company and Global Milk Products Pte. Ltd which is the Company's directly wholly-owned subsidiary incorporated in the Republic of Singapore ("Global Milk"). The directors of the Company have further confirmed to us that the previous management of the Company and its subsidiaries (the "Group") did not response to their request for any information of the Group. Furthermore, the Company resolved to put Global Milk into winding up in a shareholder's meeting held on 3 December 2015.

Given these circumstances, the directors of the Company have not consolidated the financial statements of Global Milk and the PRC Subsidiaries (collectively referred to as the "Deconsolidated Subsidiaries") and no consolidated financial statements of the Company were prepared for the years ended 31 December 2016 and 2017.

#### b) 偏離國際財務報告準則第10號「綜合財務報表」

如財務報表附註2.1所披露，於貴公司在中華人民共和國（「中國」）註冊成立之間接全資附屬公司（即大慶乳品廠有限責任公司、黑龍江常慶乳業有限責任公司及五常犇牛牧業有限責任公司）（統稱「中國附屬公司」）之賬冊中，貴公司之前任核數師（「前任核數師」）發現有關若干會計記錄及交易記錄之若干潛在違規事項。其後，前任核數師於二零一二年三月二十一日辭任。誠如財務報表附註2.1所披露，若干新董事於控股股東變動後獲委任，並於二零一三年十一月六日宣佈一間法證會計專家機構（「法證會計師」）獲委任調查該等潛在違規事項（「法證調查」）。法證會計師及貴公司董事均未能查閱中國附屬公司之賬冊及記錄。貴公司董事亦未能找到貴公司及Global Milk Products Pte. Ltd（為貴公司於新加坡共和國註冊成立之直接全資附屬公司，「Global Milk」）之完整賬冊及記錄。貴公司董事已向吾等進一步確認，貴公司及其附屬公司（「貴集團」）之前任管理層並無回應貴集團任何索取資料的請求。此外，於二零一五年十二月三日舉行之股東大會上，貴公司議決對Global Milk實行清盤。

鑑於該等情況，貴公司董事並無將Global Milk及中國附屬公司（統稱「取消綜合入賬附屬公司」）之財務報表綜合入賬，而貴公司概無就截至二零一六年及二零一七年十二月三十一日止年度編製綜合財務報表。

## Independent Auditors' Report 獨立核數師報告書

The directors of the Company have determined to exclude the De-consolidated Subsidiaries in presenting the financial position, results of operations and cash flows and did not prepare consolidated financial statements for the Group under the above mentioned circumstances. The exclusion of the financial position, results and cash flows of the Deconsolidated Subsidiaries and no consolidated financial statements have been prepared for the Group is a departure from the requirements of IFRS 10 "Consolidated Financial Statements".

Due to the lack of complete books and records of the Deconsolidated Subsidiaries, we have been unable to obtain sufficient appropriate audit evidence and explanation to assess the accounting treatment on de-consolidation of the Deconsolidated Subsidiaries and the resulting movement in the statutory surplus reserve. We are also unable to ascertain the impact of the potential irregularities with respect to the accounting records and transactions of the Group, if any, and the de-consolidation of the De-consolidated Subsidiaries on the financial statements of the Company. Any adjustment that would be required may have a consequential significant effect on the net liabilities of the Company as at 31 December 2017 and the loss attributable to owners of the Company for the year then ended.

### c) Amount due to a deconsolidated subsidiary

As disclosed in note 13 to these financial statements, the Company recorded an amount due to a deconsolidated subsidiary of approximately HK\$1,028,000. As further disclosed in note 2.1 to the financial statements, the directors of the Company have been unable to locate the complete books and records of the Company and Global Milk and have been unable to get access to the books and records of the PRC Subsidiaries. Due to the lack of complete books and records of the Company, Global Milk and the PRC Subsidiaries, we have been unable to obtain sufficient appropriate audit evidence to determine whether the amount due to a deconsolidated subsidiary was properly recorded and accounted for and in compliance with the requirements of applicable IFRSs. There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the amount due to a deconsolidated subsidiary were free from material misstatements. Any adjustment that would be required may have a consequential significant effect on the net liabilities of the Company as at 31 December 2017 and loss attributable to the owners of the Company for the year then end.

於上述情況下，貴公司董事決定於呈列財務狀況、經營業績及現金流量時不計入取消綜合入賬附屬公司，且不編製貴集團之綜合財務報表。不計入取消綜合入賬附屬公司之財務狀況、業績及現金流量及並無編製貴集團之綜合財務報表乃偏離國際財務報告準則第10號「綜合財務報表」的規定。

由於取消綜合入賬附屬公司之賬冊及記錄不完整，吾等未能取得充足之合適審核證據及解釋，以評估將取消綜合入賬附屬公司取消綜合入賬之會計處理方法及引致之法定盈餘儲備變動。吾等亦未能確定涉及貴集團之會計記錄及交易(如有)及於貴公司之財務報表將取消綜合入賬附屬公司取消綜合入賬之潛在違規事項之影響。如須調整，貴公司於二零一七年十二月三十一日之負債淨值及截至該日止年度之貴公司擁有人應佔虧損可能受到重大後續影響。

### c) 應付取消綜合入賬附屬公司款項

誠如該等財務報表附註13所披露，貴公司錄得應付取消綜合入賬附屬公司款項約1,028,000港元。誠如財務報表附註2.1所進一步披露，貴公司董事未能找到貴公司及Global Milk之完整賬冊及記錄，且未能查閱中國附屬公司之賬冊及記錄。由於貴公司、Global Milk及中國附屬公司之賬冊及記錄不完整，吾等未能取得充足之合適審核證據，以釐定應付取消綜合入賬附屬公司款項是否已妥為記錄及入賬及符合適用國際財務報告準則之規定。概無吾等可履行之替代審核程序以讓吾等信納應付取消綜合入賬附屬公司款項並無重大失實陳述。如須調整，貴公司於二零一七年十二月三十一日之負債淨值及截至該日止年度之貴公司擁有人應佔虧損可能受到重大後續影響。



## Independent Auditors' Report

### 獨立核數師報告書

#### d) Accrued expenses and other payables

As disclosed in notes 2.1 and 13 to the financial statements, included in the accrued expenses and other payables in the statement of financial position of the Company as at 31 December 2017 were other payables of approximately HK\$17,694,000 among which (i) HK\$13,142,000 were liabilities recognised in respect of the aggregate amounts of the debit balances of bank transactions as the directors of the Company were unable to locate complete books and records of bank accounts and whereabouts of these bank balances and cash as of the date of approval of the financial statements; and (ii) HK\$4,552,000 were other payables that the directors of the Company have been unable to locate the relevant books and records. Due to the lack of complete books and records of the Company, we have been unable to obtain sufficient appropriate audit evidence as to whether the accrued expenses and other payables were properly recorded and accounted for and in compliance with the requirements of applicable IFRSs. There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the accrued expenses and other payables were free from material misstatements. Any adjustments that would be required may have a consequential significant effect on the balances of the Company's accrued expenses and other payables, the Company's net liabilities as at 31 December 2017 and consequently net loss and cash flows of the Company for the year ended 31 December 2017, and the related disclosures thereof in the financial statements.

#### d) 應計開支及其他應付款項

誠如財務報表附註2.1及13所披露，於貴公司於二零一七年十二月三十一日之財務狀況表，應計開支及其他應付款項包括其他應付款項約人民幣17,694,000港元，其中(i)13,142,000港元為就銀行交易借方結餘總額確認之負債，因為於財務報表批准日期，貴公司董事未能找到銀行賬戶之完整賬冊及記錄及該等銀行結餘及現金之下落；及(ii)4,552,000港元為貴公司董事未能找到相關賬冊及記錄之其他應付款項。由於貴公司之賬冊及記錄不完整，吾等未能取得充足之合適審核證據，證明應計開支及其他應付款項已妥為記錄及入賬及符合適用國際財務報告準則之規定。概無吾等可履行之替代審核程序以讓吾等信納應計開支及其他應付款項並無重大失實聲明。如須調整，貴公司之應計開支及其他應付款項結餘、貴公司於二零一七年十二月三十一日之負債淨額，以及貴公司截至二零一七年十二月三十一日止年度之虧損淨額及現金流量及其於財務報表之相關披露或會受到重大後續影響。

## Independent Auditors' Report 獨立核數師報告書

### e) Contingent liabilities and commitments

As disclosed in note 2.1 to the financial statements, due to the lack of complete books and records of the Company and the De-consolidated Subsidiaries, we have been unable to obtain sufficient appropriate audit evidence and explanations as to whether the contingent liabilities and commitments committed by the Company were properly recorded and accounted for and in compliance with the requirements of applicable IFRSs including IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and IAS 39 "Financial Instruments: Recognition and Measurement". There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the contingent liabilities and commitments were free from material misstatements. Any adjustment that would be required may have a consequential significant effect on the net liabilities of the Company as at 31 December 2017 and the loss attributable to the owners for the year then ended and the related disclosures thereof in the financial statements.

### f) Going concern basis of accounting

As explained in note 2.1 to the financial statements, in making their assessment of the Company's ability to continue as a going concern, the directors of the Company have considered (i) the Company incurred a loss attributable to the owners of the Company of approximately HK\$5,099,000 for the year ended 31 December 2017 and as of that date, the Company's total liabilities exceeded its total assets by approximately HK\$43,307,000; (ii) following de-consolidation of the Deconsolidated Subsidiaries, the Company becomes an investment holding company without conducting other business; and (iii) the Company has been placed in the third delisting stage as of the date of the financial statements. Given these circumstances, which are more fully described in note 2.1, there were no practicable audit procedures that we could perform to form an opinion on whether management has considered all relevant events and conditions when making assessment on the Company's ability to continue as a going concern.

### e) 或然負債及承擔

誠如財務報表附註2.1所披露，由於缺乏貴公司及取消綜合入賬附屬公司之完整賬冊及記錄，吾等未能取得充足合適審核證據及解釋，以釐定貴公司之或然負債及承擔是否已妥為記錄及入賬及符合適用國際財務報告準則之規定(包括國際會計準則第37號「撥備、或然負債及或然資產」及國際會計準則第39號「財務工具：確認及計量」)。概無吾等可履行之替代審核程序以讓吾等信納或然負債及承擔並無重大失實陳述。如須調整，貴公司於二零一七年十二月三十一日之負債淨值及截至該日止年度之擁有人應佔虧損，以及財務報表之相關披露資料可能受到重大後續影響。

### f) 會計之持續經營基準

誠如財務報表附註2.1所解釋，貴公司董事在評估貴公司持續經營的能力時已考慮(i)貴公司於截至二零一七年十二月三十一日止年度產生貴公司擁有人應佔虧損約5,099,000港元，而截至該日，貴公司之負債總額超出資產總值約43,307,000港元；(ii)將取消綜合入賬附屬公司取消綜合入賬後，貴公司變為並無經營其他業務的投資控股公司；及(iii)於財務報表日期，貴公司已被列入第三階段除牌程序。於此情況(詳情見附註2.1)下，吾等無法執行切實可行的審核程序，讓吾等就管理層在評估貴公司持續經營能力時是否已考慮所有相關的事項和條件作出意見。

## Independent Auditors' Report 獨立核數師報告書

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

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board ("IASB") and disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company'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 Company or to cease operations, or have no realistic alternative but to do so.

The Audit Committee are responsible for overseeing the Company's financial reporting process.

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our responsibility is to conduct an audit of the Company's financial statements in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and to issue an auditors' report. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company 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.

### 董事及審核委員會就財務報表須 承擔的責任

董事須負責根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則及香港公司條例的披露規定，擬備真實而中肯的財務報表，並對其認為為使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。

在擬備財務報表時，董事負責評估 貴公司持續經營的能力，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 貴公司清盤或停止經營，或別無其他實際的替代方案。

審核委員會須負責監察 貴公司之財務報告程序。

### 核數師就審核財務報表須承擔的 責任

吾等負責根據香港會計師公會(「香港會計師公會」)頒佈之香港審計準則對 貴公司之財務報表進行審計及出具核數師報告。吾等僅向 閣下(作為整體)報告，不作其他目的。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。然而，由於本報告「不發表意見之基準」一節所述事宜，吾等未能取得充足之合適審核證據，以為該等財務報表之審計意見提供基準。

根據香港會計師公會頒佈的專業會計師道德守則(「道德守則」)，我們獨立於 貴公司，並已履行道德守則中的其他專業道德責任。

## Independent Auditors' Report 獨立核數師報告書

### REPORT ON OTHER MATTERS UNDER SECTIONS 407(2) AND 407(3) OF THE HONG KONG COMPANIES ORDINANCE

### 對香港公司條例第407(2)及407(3) 條規定下其他事項之報告

In respect alone of the inability to obtain sufficient appropriate audit evidence as described in the Basis for Disclaimer of Opinion section of our report above:

- we were unable to determine whether adequate accounting records had been kept; and
- we have not obtained all the information or explanations that, to the best of our knowledge and belief, are necessary and material for the purpose of the audit.

僅就吾等的報告上文不發表意見之基準一節所述吾等未能取得足夠合適之核數證據之事宜而言：

- 吾等未能釐定是否已存置足夠之會計記錄；及
- 吾等未能獲取就吾等所深知及確信對進行審核而言乃屬必需及重大之一切資料及解釋。

**HLB Hodgson Impey Cheng Limited**

*Certified Public Accountants*

**Yu Chi Fat**

Practising Certificate Number: P05467

Hong Kong, 15 March 2018

**國衛會計師事務所有限公司**

*香港執業會計師*

**余智發**

執業證書編號：P05467

香港，二零一八年三月十五日

## Statement of Profit or Loss and Other Comprehensive Income

### 損益及其他全面收益表

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

		Notes	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
		附註		
Revenue	收益	5	—	—
Cost of sales	銷售成本		—	—
<b>Gross profit</b>	<b>毛利</b>		—	—
Administration expenses	行政開支		(5,099)	(8,835)
<b>Loss before taxation</b>	<b>除稅前虧損</b>	6	(5,099)	(8,835)
Income tax expense	除稅前虧損	8	—	—
<b>LOSS FOR THE YEAR</b>	<b>年內虧損</b>		(5,099)	(8,835)
<b>Total comprehensive expense for the year</b>	<b>年內全面開支總額</b>		(5,099)	(8,835)
<b>Loss for the year attributable to owners of the Company</b>	<b>本公司擁有人應佔年內虧損</b>		(5,099)	(8,835)
<b>Total comprehensive expense for the year attributable to owners of the Company</b>	<b>本公司擁有人應佔年內全面開支總額</b>		(5,099)	(8,835)
<b>LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>	<b>本公司擁有人應佔每股虧損</b>	10		
Basic and diluted	基本及攤薄		HK\$(0.005)港元	HK\$(0.009)港元

## Statement of Financial Position 財務狀況表

As at 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	As at 31 December 2016 於二零一六年 十二月三十一日 HK\$'000 千港元
<b>Current assets</b>	<b>流動資產</b>			
Prepayments	預付款項	11	186	14
Bank balances and cash	銀行結餘及現金	12	80	75
			266	89
<b>Current liabilities</b>	<b>流動負債</b>			
Accrued expenses and other payables	應計開支及其他 應付款項	13	43,573	38,297
			43,573	38,297
<b>Net current liabilities</b>	<b>流動負債淨額</b>		(43,307)	(38,208)
<b>Total assets less current liabilities</b>	<b>總資產減流動 負債</b>		(43,307)	(38,208)
<b>Capital and reserves</b>	<b>資本及儲備</b>			
Share capital	股本	14	10	10
Reserves	儲備		(43,317)	(38,218)
			(43,307)	(38,208)

The financial statements on pages 60 to 119 were approved and authorised for issue by the board of directors on 15 March 2018 and are signed on its behalf by:

第60至119頁之財務報表乃於二零一八年三月十五日經董事會批准及授權刊發，並由以下董事代表簽署：

Choi Chiu Fai Stanley

蔡朝暉  
Director  
董事

Choi Ka Wai

蔡嘉偉  
Director  
董事

## Statement of Changes in Equity

### 權益變動表

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

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	10	1,340,093	(1,369,476)	(29,373)
Loss for the year	年內虧損	—	—	(8,835)	(8,835)
Total comprehensive expense for the year	年內全面開支總額	—	—	(8,835)	(8,835)
At 31 December 2016 and 1 January 2017	於二零一六年十二月三十一日及 二零一七年一月一日	10	1,340,093	(1,378,311)	(38,208)
Loss for the year	年內虧損	—	—	(5,099)	(5,099)
Total comprehensive expense for the year	年內全面開支總額	—	—	(5,099)	(5,099)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>10</b>	<b>1,340,093</b>	<b>(1,383,410)</b>	<b>(43,307)</b>

## Statement of Cash Flows

### 現金流量表

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

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Operating activities</b>	<b>經營業務</b>		
Loss before taxation	除稅前虧損	(5,099)	(8,835)
Operating cash flows before movements in working capital	扣除營運資金變動前之經營現金流	(5,099)	(8,835)
(Increase)/decrease in prepayments	預付款項(增加)/減少	(172)	236
Increase in accrued expenses and other payables	應計開支及其他應付款項增加	5,276	8,595
Cash generated from/(used in) operations	營運所得/(所用)現金	5	(4)
Income tax paid	已付所得稅	—	—
<b>Net cash generated from/(used in) operating activities</b>	<b>經營活動所得/(所用)現金淨額</b>	<b>5</b>	<b>(4)</b>
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨額	5	(4)
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	75	79
Cash and cash equivalents at ending of the year	年末現金及現金等價物	80	75



## Notes to the Financial Statements

### 財務報表附註

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

#### 1. GENERAL

Daqing Dairy Holdings Limited (the "Company") is a limited company incorporated in the Cayman Islands on 15 October 2009.

The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is Room 2512, 25/F, Cosco Tower, 183 Queen's Road Central, Hong Kong.

The financial statements of the Company are presented in HK\$ and all values are rounded to the nearest thousand (HK\$'000) except otherwise indicated.

The Company acts as an investment holding company.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 28 October 2010 (the "Listing"). Trading in the shares of the Company has been suspended since 22 March 2012.

#### 1. 一般資料

大慶乳業控股有限公司(「本公司」)於二零零九年十月十五日在開曼群島註冊成立為有限公司。

本公司註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。本公司之主要營業地點為香港皇后大道中183號中遠大廈25樓2512室。

本公司財務報表以港元列報及所有價值湊整至最近的千位數(千港元)，另有說明者除外。

本公司為一間投資控股公司。

本公司的股份已自二零一零年十月二十八日起在香港聯合交易所有限公司(「聯交所」)主板上市(「上市」)。本公司股份自二零一二年三月二十二日起暫停買賣。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.1 BASIS OF PREPARATION

The financial statements as at and for the year ended 31 December 2017 comprise the Company.

As disclosed in the Company's announcement dated 29 March 2012, during the audit process in respect of the financial year ended 31 December 2011, irregularities were identified by Deloitte Touche Tohmatsu, the predecessor auditors of the Company (the "Predecessor Auditors") that (i) certain milk procurement transactions brought to the attention of management and acknowledged by them to be fraudulent; (ii) unexplained differences between sales receipt notes sighted during the Predecessor Auditors' works in February 2012 and documents purporting to be the same sales receipt notes returned to the Company in March 2012 ostensibly following a Tax Bureau investigation; (iii) the explanation provided by management — The Tax Bureau investigation — for removing accounting records which were then not available to the Predecessor Auditors continuously during the audit; (iv) the validity and commercial substance of acquisitions of milk stations, farm houses and Holstein cattle; and (v) difficulties the Predecessor Auditors encountered during their visits to the local branch of one of the banks of the Company and its subsidiaries (the "Group") (collectively referred as to the "Potential Irregularities"). The Predecessor Auditors tendered its resignation as auditors of the Company with effect from 21 March 2012 and the Company applied for suspension of trading in the shares on the Main Board of the Stock Exchange on 22 March 2012.

It was further disclosed in the Company's announcement dated 29 March 2012 that an independent review committee comprised of the independent non-executive directors at that material time and other qualified independent individuals has been established to conduct a review on the Potential Irregularities raised by the Predecessor Auditors.

As disclosed in the Company's announcements dated 18 May 2012 and 20 June 2012, during May and June 2012, those independent non-executive directors at that material time forming the independent review committee tendered their resignation as the independent non-executive directors of the Company.

#### 2.1 編製基準

於二零一七年十二月三十一日及截至二零一七年十二月三十一日止年度的財務報表由本公司組成。

誠如本公司日期為二零一二年三月二十九日之公告所披露，於對截至二零一一年十二月三十一日止財政年度之審核過程中，本公司前任核數師（「前任核數師」）德勤•關黃陳方會計師行發現違規事項：(i)若干已提呈管理層注意之牛奶採購交易，且管理層已認可這些交易存在舞弊；(ii)於二零一二年二月的前任核數師工作中所目睹的銷售單據，與進行稅務局調查後於二零一二年三月交回本公司（表面看來應為同一銷售單據）的文件之間的差異未作解釋；(iii)管理層就搬移會計記錄所提供的解釋 — 稅務局調查 — 以致憑證未能於審計過程中一直不間斷地提供給前任核數師；(iv)收購擠奶站、牧場及荷斯坦種乳牛的有效性及其商業實質；及(v)前任核數師於到訪本公司及其附屬公司（「本集團」）其中一所銀行的本地分行時所遇到困難（統稱「潛在違規事項」）。前任核數師已於二零一二年三月二十一日起辭任本公司核數師，而本公司於二零一二年三月二十二日已申請股份於聯交所主板暫停買賣。

誠如本公司日期為二零一二年三月二十九日之公告所進一步披露，本公司已於該關鍵時間成立由獨立非執行董事及其他具合適資格之獨立人士組成之獨立審查委員會，對前任核數師指出之潛在違規事項進行審查。

誠如本公司日期為二零一二年五月十八日及二零一二年六月二十日之公告所披露，於二零一二年五月至六月期間，於該關鍵時間組成獨立審查委員會之該等獨立非執行董事辭去彼等於本公司之獨立非執行董事職任。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.1 BASIS OF PREPARATION (Continued)

As disclosed in the Company's announcement dated 9 January 2013, on 2 January 2013, it was discovered that the heating pipes of the offices of a subsidiary, Da Qing Dairy Ltd. (大慶乳品廠有限責任公司) ("Da Qing Dairy"), located in Daqing City, Heilongjiang Province of the People's Republic of China (the "PRC"), were cracked as result of severe coldness in the northern area of the PRC and pipeline aging. Due to cracking of the heating pipes, the first and the second floors of the offices had been soaked, and extensive damages were caused to the office facilities, computers and documents in the office of finance, logistics, administration and engineering departments of the Group (collectively referred to as the "Incident").

As disclosed in the Company's announcement dated 18 April 2013, on 8 February 2013, Mr. Zhao Yu, then controlling shareholder of the Company at that material time, entered into a sale and purchase agreement pursuant to which Mr. Zhao agreed to sell and Radiant State Limited (the "New Controlling Shareholder") agreed to purchase the sale shares, representing 52.16% of the entire share capital of the Company at a consideration of HK\$52,704,000 in cash, representing HK\$0.1 per sale share (collectively referred to as the "Purchase").

As disclosed in the Company's announcement dated 5 July 2013, the New Controlling Shareholder received valid acceptances in respect of a total 83,153,622 shares in the Company under the unconditional mandatory cash offer (the "Share Acceptance"), representing 8.23% of the entire issued share capital of the Company. Following completion of the Purchase and the Share Acceptance, the New Controlling Shareholder held 60.39% equity interest in the Company. As disclosed in the Company announcement dated 5 September 2013, Mr. Ng Kwong Chue Paul was appointed as executive director of the Company, Ms. Kou Mei In was appointed as non-executive director of the Company and Mr. Sze Lin Tang was appointed as an independent non-executive director of the Company (the "New Management").

#### 2.1 編製基準(續)

誠如本公司日期為二零一三年一月九日之公告所披露，本集團於二零一三年一月二日發現，其附屬公司大慶乳品廠有限責任公司(「大慶乳品廠」)在中華人民共和國(「中國」)黑龍江省大慶市之辦事處，因暖氣喉管無法抵禦華北酷寒天氣加上管道老化而損壞。鑑於暖氣喉管損毀，辦事處一樓和二樓出現受潮出水情況，令本集團財務、後勤、行政和工程等部門的辦公室設施、電腦及文件遭到廣泛破壞(統稱「該次事故」)。

誠如本公司日期為二零一三年四月十八日之公告所披露，於二零一三年二月八日，本公司於有關重要時間之其時控股股東趙宇先生訂立了一份買賣協議，據此趙先生同意出售而輝邦有限公司(「新控股股東」)同意購買銷售股份(相當於本公司全部股本之52.16%)，現金代價為52,704,000港元，折合每股銷售股份0.1港元(統稱「該收購」)。

誠如本公司日期為二零一三年七月五日之公告所披露，新控股股東根據無條件強制性現金要約接獲有效接納總計83,153,622股本公司股份(「股份接納」)，佔本公司全部已發行股本之8.23%。該收購及股份接納完成後，新控股股東於本公司持有60.39%權益。誠如本公司日期為二零一三年九月五日之公告所披露，吳光曙先生獲委任為本公司之執行董事，高美燕女士獲委任為本公司之非執行董事，而施連燈先生獲委任為本公司之獨立非執行董事(「新管理層」)。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.1 BASIS OF PREPARATION (Continued)

As disclosed in the Company's announcement dated 6 November 2013, the Company engaged RSM Corporate Advisory (Hong Kong) Limited (the "Forensic Accountants") to carry out forensic investigation in respect of the Potential Irregularities (the "Forensic Investigation"). It was further disclosed in the Company's announcements dated 29 January 2014, 4 April 2014, 13 June 2014, 5 September 2014, 28 November 2014 and 30 April 2015 that (1) the Forensic Accountants were yet to commence their field work as the Company and the Forensic Accountants have encountered difficulties in procuring relevant parties including the previous management of the Group to cooperate in the field work of the Forensic Investigation; (2) two PRC law firms were engaged with the objectives to (i) effect the change of legal representatives and board of directors of Da Qing Dairy, Heilongjiang Chang Qing Dairy Products Co., Ltd. (黑龍江常慶乳業有限責任公司) ("Chang Qing Dairy") and Wuchang Benniu Muye Co., Limited (五常犇牛牧業有限責任公司) ("Benniu Muye") (collectively referred as to the "PRC Subsidiaries") through legal means; and (ii) obtain information requested by the Forensic Accountants; and (3) the contemplate change of respective legal representatives of the PRC Subsidiaries could not be effected and due to insufficient financial resources of the Company, the Forensic Investigation has been temporarily halted.

In addition, the New Controlling Shareholder appointed two individuals into the board of directors of its wholly-owned subsidiary, Global Milk Products Pte. Ltd, which is incorporated in the Republic of Singapore ("Global Milk"). However, the directors of the Company could not locate complete books and records of the Company and Global Milk and the previous managements of the Company and Global Milk have continued ignoring the request for any information. Subsequently in the shareholders meeting of Global Milk held on 3 December 2015, the Company resolved to put Global Milk into winding up, subject to further advice from legal advisers.

#### 2.1 編製基準(續)

誠如本公司日期為二零一三年十一月六日之公告所披露，本公司已委聘羅申美企業顧問有限公司(「法證會計師」)就潛在違規事項展開法證調查(「法證調查」)。本公司日期為二零一四年一月二十九日、二零一四年四月四日、二零一四年六月十三日、二零一四年九月五日、二零一四年十一月二十八日及二零一五年四月三十日之公告進一步披露：(1)法證會計師尚未展開調查工作，因為本公司及法證會計師於法證調查工作在促請相關人士(包括本集團前任管理層)合作方面遇上困難；(2)已委聘兩家中國律師事務所，主要目的為：(i)藉通過法律程序以變更大慶乳品廠、黑龍江常慶乳業有限責任公司(「常慶乳業」)及五常犇牛牧業有限責任公司(「犇牛牧業」)(統稱「中國附屬公司」)之法定代表人及其董事會；及(ii)取得法證會計師需要之資料；及(3)中國附屬公司各自之法定代表人擬定變動未能實行，而由於本公司財務資源不足，法證調整已暫時中止。

此外，新控股股東委任兩名個人加入其全資附屬公司Global Milk Products Pte. Ltd(於新加坡共和國註冊成立)(「Global Milk」)之董事會。然而，本公司董事未能找到本公司及Global Milk的完整賬冊及記錄，且本公司及Global Milk前任管理層一直並無理會任何資料的要求。其後，於二零一五年十二月三日舉行之Global Milk股東大會上，本公司議決對Global Milk實行清盤，惟須待法律顧問提出進一步意見。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.1 BASIS OF PREPARATION (Continued)

Given the circumstances that the directors of the Company have been unable to locate complete books and records of the Company and Global Milk and to get access to the books and records of the PRC Subsidiaries and in the absence of the Group's previous management to explain and validate the true state of the affairs of the Company for the current and previous years, it would be extremely difficult and time consuming to ascertain the true and correct financial position and profit or loss of the current and previous years for the Company or to obtain sufficient documentary information to satisfy themselves regarding the treatment of the transactions during the years and various balances of the Company, Global Milk and the PRC Subsidiaries for the current and previous years. In the Company's board of directors (the "Board")' opinion, any reconstruction of the correct accounting records would also be almost impossible as it will be necessary to verify the information with external and independent sources and such sources may not be available or may be unreliable due to their connections with the Group's previous management or those responsible for the financial information which the Predecessor Auditors identified the Potential Irregularities within and outside of the Group.

As of the date of the financial statements of the Company, the directors of the Company have used its best effort, to the extent commercially practicable, to reconstruct the accounting records of the Company, Global Milk and the PRC Subsidiaries for the current and previous years applying the best estimates and judgement based on the information of the Group that are available to the directors of the Company. However, given substantial portion of the books and records could not be located or accessed and the previous management of the Group did not response to the New Management's request, the Board believes that as at the date of approval of the financial statements, it is impossible and impractical to ascertain the transactions and balances of the Company, Global Milk and the PRC Subsidiaries for inclusion in the financial statements of the Company since the year ended 31 December 2011. Also, due to substantial portion of the books and records of the Group for the current and the previous years could not either be located or accessed, the Board believes that it is almost impossible, and not practical, to verify the financial information as reported in the consolidated financial statements of the Group or financial statements of the Company for the current and the previous years. Accordingly, the comparative financial information disclosed in the financial statements only represents such information as reported in the financial statements of the Company for the year ended 31 December 2016 and therefore may not be comparable with the figures for the current year.

#### 2.1 編製基準(續)

鑑於本公司董事未能找到本公司及Global Milk之完整賬冊及記錄以及查閱中國附屬公司之賬冊及記錄，加上本集團前任管理層不在場，不能解釋及核實本公司於本年度及過往年度之真實事務狀況，核實確定本公司於本年度及過往年度之真實及正確財務狀況及損益，或取得充足文檔資料令彼等信納有關年內交易處理及本公司、Global Milk及中國附屬公司於本年度及過往年度之各項結餘將極為困難及費時。本公司董事會(「董事會」)認為，重構正確會計記錄亦將近不可能，因為此舉須與外部及獨立資料來源核實資料，而有關資料來源未必能取得，或可能與本集團前任管理層或負責前任核數師發現潛在違規事項之財務資料之本集團內部及外部人士有關而屬不可靠。

於本公司財務報表日期，本公司董事已在商業上屬切實可行之情況下竭盡所能重構本公司、Global Milk及中國附屬公司於本年度及過往年度之會計記錄，根據本公司董事可得之本集團資料應用最佳估計及判斷。然而，由於無法找到或查閱大部分賬冊及記錄，而本集團前任管理層並無回應新管理層之要求，董事會認為，於財務報表批准日期，確定本公司、Global Milk及中國附屬公司之交易及結餘以載入本公司截至二零一一年十二月三十一日止年度起之財務報表屬不可能及不可行。此外，由於無法找到或無法查閱本集團本年度及過往年度之大部分賬冊及記錄，董事會相信，要核實本年度及過往年度在本集團綜合財務報表或本公司財務報表內列報之財務資料，實屬幾乎不可能且不切實際。因此，財務報表內披露之比較財務資料，僅為本公司截至二零一六年十二月三十一日止年度之財務報表所呈報之資料，未必可以與本年度之數字進行比較。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.1 BASIS OF PREPARATION (Continued)

Given these circumstances, the Board has not consolidated the financial statements of Global Milk and the PRC Subsidiaries (collectively referred to as the “De-consolidated Subsidiaries”) and no consolidated financial statements of the Company were prepared since the year ended 31 December 2011. As such, the results, assets and liabilities of the De-consolidated Subsidiaries have not been included into the financial statements of the Company since 1 January 2011. The resulting loss on de-consolidation of approximately RMB1,583,093,000, which is determined based on the net asset value of the De-consolidated Subsidiaries as at 1 January 2011 has been recognised in the statement of profit or loss and other comprehensive income during the year ended 31 December 2011 and the resulting movement of approximately RMB55,946,000 has been recorded in the statutory surplus reserve in the statement of change in equity for the year ended 31 December 2011.

In the opinion of the directors of the Company, the financial statements as at and for the year ended 31 December 2017 prepared on the aforementioned basis is the most appropriate way of presenting the results and state of affairs of the Company as the directors of the Company were unable to obtain sufficient documentary information to satisfy themselves regarding the transactions and balances related to the Deconsolidated Subsidiaries. However, the de-consolidation of the De-consolidated Subsidiaries is not in compliance with the requirements of International Financial Reporting Standard (“IFRS”) 10 “Consolidated Financial Statements”. Given the abovementioned circumstances, the directors of the Company are unable to ascertain the impact of the Potential Irregularities with respect to the accounting records and transactions of the De-consolidated Subsidiaries, if any, and the de-consolidation of the De-consolidated Subsidiaries on the financial statements.

#### 2.1 編製基準(續)

鑑於該等情況，董事會並無將 Global Milk 及中國附屬公司(統稱「取消綜合入賬附屬公司」)之財務報表綜合入賬，亦概無編製本公司自截至二零一一年十二月三十一日止年度起之綜合財務報表。因此，自二零一一年一月一日起，取消綜合入賬附屬公司之業績、資產及負債並無計入本公司之財務報表。取消綜合入賬產生之虧損為約人民幣 1,583,093,000 元(根據取消綜合入賬附屬公司於二零一一年一月一日之資產淨值釐定)已於截至二零一一年十二月三十一日止年度之損益及其他全面收益表確認，而所產生之變動約人民幣 55,946,000 元已記入截至二零一一年十二月三十一日止年度之權益變動表內之法定盈餘儲備。

本公司董事認為，根據上述基準編製於二零一七年十二月三十一日及截至該日止年度之財務報表乃呈報本公司業績及經營狀況之最恰當方法，原因為本公司董事無法取得足夠文檔資料使其信納涉及取消綜合入賬附屬公司之交易及結餘。然而，不對取消綜合入賬附屬公司作綜合入賬，並不符合國際財務報告準則(「國際財務報告準則」)第10號「綜合財務報表」之規定。鑑於上述情況，本公司董事無法確定取消綜合入賬附屬公司之會計記錄及交易之潛在違規事項(如有)及不對取消綜合入賬附屬公司作綜合入賬，會為財務報表帶來何種影響。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.1 BASIS OF PREPARATION (Continued)

As per assessment by the Board, based on the investigations carried out by the Forensic Accountants and the information available at this stage, all identified, required adjustments have been put through in the financial statements for the year ended 31 December 2017. Since the investigations may be ongoing, any further adjustments and disclosures, if required, would be made in the financial statements of the Company as and when the outcome of the above uncertainties is known and the consequential adjustments and disclosures are identified, and would have a consequential effect on the net loss of the Company for the year ended 31 December 2017 and net liabilities of the Company as at 31 December 2017.

During the year ended 31 December 2017, the Company incurred loss of approximately HK\$5,099,000. In addition, following de-consolidation of the De-consolidated Subsidiaries, the Company become an investment holding company without conducting other business. It was further disclosed in the Company's announcements dated 19 May 2015, 23 November 2015 and 7 June 2016 respectively that the Stock Exchange has placed the Company in the first delisting stage on 14 May 2015 and subsequently placed in the second and the third delisting stage on 19 November 2015 and 7 June 2016 respectively pursuant to Practice Note 17 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). These conditions indicate the existence of a material uncertainty which may cast significant effect on the Company's ability to continue as a going concern.

#### 2.1 編製基準(續)

根據董事會的評估，並基於法證會計師進行的調查及現階段所得的資料，本集團已就截至二零一七年十二月三十一日止年度的財務報表作出所有已識別的必要調整。由於調整或仍在進行，當本集團知悉上述不明朗因素的結果及識別相應的調整及披露時，將會就本公司的財務報表作出進一步調整及披露(如必要)，而這可能會對本公司截至二零一七年十二月三十一日止年度的虧損淨額及本公司於二零一七年十二月三十一日的資產淨值造成相應影響。

截至二零一七年十二月三十一日止年度，本公司產生虧損約5,099,000港元。此外，繼取消綜合入賬附屬公司不再予以綜合入賬後，本公司已成為沒有經營其他業務的投資控股公司。誠如本公司日期分別為二零一五年五月十九日、二零一五年十一月二十三日及二零一六年六月七日之公告所進一步披露，於二零一五年五月十四日，聯交所根據聯交所證券上市規則(「上市規則」)應用指引第17條將本公司列入第一階段除牌程序，並其後於二零一五年十一月十九日及二零一六年六月七日分別列入第二及第三階段除牌程序。此等情況說明存在重大不明朗因素，可能對本公司的持續經營能力造成重大影響。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.1 BASIS OF PREPARATION (Continued)

As disclosed in the Company's announcement dated 23 June 2015, on 4 May 2015, the New Controlling Shareholder entered into a sale and purchase agreement with Global Courage Limited ("Global Courage") pursuant to which the New Controlling Shareholder agreed to sell and Global Courage agreed to purchase the sale shares, representing of approximately 60.39% of the entire share capital of the Company at a consideration of approximately HK\$61,019,000, representing HK\$0.1 per sale share.

As disclosed in the Company's announcement dated 21 December 2016, the Company has submitted a resumption proposal to the Stock Exchange which contains, among other things: (i) a share consolidation; (ii) proposed acquisition (the "Acquisition") of a target group which is primarily engaged in the operation of a hotpot restaurant chain in the PRC from the independent investors; (iii) proposed disposal (the "Disposal") of the Company's subsidiaries; (iv) a share placing; (v) an open offer; and (vi) a whitewash waiver. As the Acquisition constitutes a very substantial acquisition and reverse takeover and the Disposal constitutes a very substantial disposal under Chapter 14 of the Listing Rules and the Acquisition is also subject to approval of the new listing application of the Company by the Stock Exchange (the "New Listing Application"). The Company has re-filed the New Listing Application to the Stock Exchange on 20 September 2017.

Given the circumstance that there exists potential new shareholder to invest in the Company and the New Listing Application, the directors of the Company have adopted the going concern basis in the preparation of the financial statements.

Should the Company be unable to achieve a successful restructuring include but not limit to the New Listing Application and to continue to operate as a going concern, adjustments would have to be made to the financial statements to adjust the value of the Company's assets to their recoverable amounts, to provide for any further liabilities which might arise. The effect of these adjustments has not been reflected in the financial statements.

#### 2.1 編製基準(續)

誠如本公司日期為二零一五年六月二十三日之公告所披露，於二零一五年五月四日，新控股股東與Global Courage Limited (「Global Courage」)訂立買賣協議，據此，新控股股東同意出售及Global Courage同意收購銷售股份，佔本公司全部股本約60.39%，代價為約61,019,000港元(相當於每股銷售股份0.1港元)。

如本公司日期為二零一六年十二月二十一日之公告所披露，本公司已向聯交所提交復牌建議，其中載有(包括但不限於)：(i)股份合併；(ii)建議向獨立投資者收購(「收購事項」)一間主要於中國從事連鎖火鍋餐廳業務之目標集團；(iii)建議出售(「出售事項」)本公司之附屬公司；(iv)股份配售；(v)公開發售；及(vi)清洗豁免。根據上市規則第14章，收購事項構成非常重大收購及反收購事項，而出售事項構成非常重大出售，收購事項亦受限於聯交所對本公司新上市申請(「新上市申請」)之批准。本公司已於二零一七年九月二十日向聯交所再提交新上市申請。

鑑於有潛在新股東有意投資本公司及新上市申請，本公司董事已採納持續經營基準編製財務報表。

倘本公司無法達至成功重組(包括但不限於新上市申請)及按持續經營基準繼續經營，則須對財務報表作出調整，以調整本公司之資產價值至其可收回金額，就可能產生之任何其他負債作出撥備。該等調整之影響並無反映於財務報表內。



## Notes to the Financial Statements

### 財務報表附註

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

## 2.2 APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”)

### (a) New and revised Standards and Interpretations in issue and effective

The Company has adopted the following new and revised IFRSs in respect of the following years:

IFRSs (Amendments)	Annual Improvements IFRSs 2014–2016 Cycle
IAS 7 (Amendments)	Disclosure Initiative
IAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses

### (b) New and revised Standards and Interpretations in issue but not yet effective

IFRS 1 (Amendments)	First Time Adoption of IFRS <sup>1</sup>
IFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions <sup>1</sup>
IFRS 4 (Amendments)	Insurance Contracts <sup>1</sup>
IFRS 9	Financial Instruments <sup>1</sup>
IFRS 9 (Amendments)	Clarifications to IFRS 9 Financial Instruments <sup>2</sup>
IFRS 10 and IAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
IFRS 15	Revenue from Contracts with Customers <sup>1</sup>
IFRS 15 (Amendments)	Clarifications to IFRS 15 Revenue from Contracts with Customers <sup>1</sup>
IFRS 16	Leases <sup>2</sup>
IFRS 17	Insurance Contracts <sup>4</sup>
IFRIC – Int 22	Foreign Currency Transactions and Advance Consideration <sup>1</sup>
IFRIC – Int 23	Uncertainty over Income Tax Treatments <sup>2</sup>
IAS 28 (Amendments)	Investments in Associates and Joint Ventures <sup>1</sup>
IAS 40 (Amendments)	Transfers of Investment Property <sup>1</sup>

## 2.2 應用國際財務報告準則(「國際財務報告準則」)

### (a) 已頒佈及生效的新訂及經修訂準則及詮釋

本公司已就以下年度採納以下新訂及經修訂國際財務報告準則：

國際財務報告準則的修訂	二零一四年至二零一六年週期的國際財務報告準則年度改進
國際會計準則第7號的修訂	披露計劃
國際會計準則第12號的修訂	就未變現虧損確認遞延稅項資產

### (b) 已頒佈但未生效的新訂及經修訂準則及詮釋

國際財務報告準則第1號的修訂	首次採納國際財務報告準則 <sup>1</sup>
國際財務報告準則第2號的修訂	以股份為基礎付款交易的分類及計量 <sup>1</sup>
國際財務報告準則第4號的修訂	保險合約 <sup>1</sup>
國際財務報告準則第9號	金融工具 <sup>1</sup>
國際財務報告準則第9號的修訂	香港財務報告準則第9號金融工具的澄清 <sup>2</sup>
國際財務報告準則第10號及國際會計準則第28號的修訂	投資者與其聯營或合營企業之間的資產出售或注資 <sup>3</sup>
國際財務報告準則第15號	客戶合約收益 <sup>1</sup>
國際財務報告準則第15號的修訂	國際財務報告準則第15號客戶合約收益的澄清客戶 <sup>1</sup>
國際財務報告準則第16號	租賃 <sup>2</sup>
國際財務報告準則第17號	保險合約 <sup>4</sup>
國際財務報告詮釋委員會—詮釋第22號	外幣交易及預付代價 <sup>1</sup>
國際財務報告詮釋委員會—詮釋第23號	所得稅處理的不確定性 <sup>2</sup>
國際會計準則第28號的修訂	投資聯營及合營企業 <sup>1</sup>
國際會計準則第40號的修訂	轉讓投資物業 <sup>1</sup>

## Notes to the Financial Statements

### 財務報表附註

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

## 2.2 APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

### (b) New and revised Standards and Interpretations in issue but not yet effective (Continued)

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.
- <sup>3</sup> Effective for annual periods beginning on or after a date to be determined.
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2021 or when apply IFRS 15 and IFRS 9.

#### IFRS 9 Financial instruments

IFRS 9 will replace the current standard on accounting for financial instruments, IAS 39, Financial instruments: Recognition and measurement. IFRS 9 introduces new requirements for classification and measurement of financial assets, including the measurement of impairment for financial assets and hedge accounting. On the other hand, IFRS 9 incorporates without substantive changes the requirements of IAS 39 for recognition and derecognition of financial instruments and the classification and measurement of financial liabilities.

IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. The Company currently plans to adopt IFRS 9 initially on 1 January 2018.

Expected impacts of the new requirements on the Company’s financial statements are as follows:

## 2.2 應用國際財務報告準則(「國際財務報告準則」)(續)

### (b) 已頒佈但未生效的新訂及經修訂準則及詮釋(續)

- <sup>1</sup> 於二零一八年一月一日或之後開始的年度期間生效，並獲准提早應用。
- <sup>2</sup> 於二零一九年一月一日或之後開始的年度期間生效，並獲准提早應用。
- <sup>3</sup> 於待定期日或之後開始的年度期間生效。
- <sup>4</sup> 於二零二一年一月一日或之後開始的年度期間，或於應用國際財務報告準則第15號及國際財務報告準則第9號時生效。

#### 國際財務報告準則第9號，金融工具

國際財務報告準則第9號將取代有關金融工具會計處理方法的現有準則國際會計準則第39號，金融工具：確認及計量。國際財務報告準則第9號引入分類及計量金融資產、包括金融資產減值計量及對沖會計的新規定。另一方面，國際財務報告準則第9號納入且並無大幅變動國際會計準則第39號有關確認及終止確認金融工具及金融負債分類及計量的規定。

國際財務報告準則第9號於二零一八年一月一日或之後開始的年度期間生效，可提早採納。本公司目前計劃於二零一八年一月一日初步採納國際財務報告準則第9號：

新規定對本公司財務報表的預期影響如下：

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.2 APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

##### (b) New and revised Standards and Interpretations in issue but not yet effective (Continued)

###### *IFRS 9 Financial instruments (Continued)*

###### *Classification and measurement*

IFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss (“FVTPL”) and (3) fair value through other comprehensive income (“FVTOCI”):

- The classification for debt instruments is determined based on the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the asset. If a debt instrument is classified as FVTOCI then interest revenue, impairment and gains/losses on disposal will be recognised in profit or loss.
- For equity securities, the classification is FVTPL regardless of the entity’s business model. The only exception is if the equity security is not held for trading and the entity irrevocably elects to designate that security as FVTOCI. If an equity security is designated as FVTOCI then only dividend income on that security will be recognised in profit or loss. Gains, losses and impairments on that security will be recognised in other comprehensive income without recycling.

The Company has assessed the effects of applying IFRS 9 on the Company’s financial statements and does not expect a significant impact on the recognition of financial instruments.

#### 2.2 應用國際財務報告準則(「國際財務報告準則」)(續)

##### (b) 已頒佈但未生效的新訂及經修訂準則及詮釋(續)

###### *國際財務報告準則第9號，金融工具(續)*

###### *分類及計量*

國際財務報告準則第9號包括金融資產的三個主要分類方法：(1)按攤銷成本；(2)按公平值計入損益(按公平值計入損益)；及(3)按公平值計入其他全面收益(按公平值計入其他全面收益)計量：

- 債務工具的分類乃基於實體管理金融資產的業務模式及該資產的合同現金流特點而釐定。倘債務工具分類為按公平值計入其他全面收益計量，則權益、收益、減值及出售收益／虧損將於損益內確認。
- 就股本證券而言，不論實體採用何種業務模式均分類為按公平值計入損益計量，惟股本證券並非持作買賣及該實體不可撤回地選擇指定該證券為按公平值計入其他全面收益計量則例外。倘股本證券獲指定為按公平值計入其他全面收益計量，則僅該證券的股息收入將於損益內確認。該證券的收益、虧損及減值將於其他全面收益內確認且不可撥回。

本公司已評估於本公司的財務報表應用國際財務報告準則第9號的影響，預期將不會對確認金融工具帶來重大影響。

## Notes to the Financial Statements

### 財務報表附註

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

#### 2.2 APPLICATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRSs”) (Continued)

##### (b) New and revised Standards and Interpretations in issue but not yet effective (Continued)

###### *IFRS 15 Revenue from contracts with customers*

IFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. IFRS 15 will replace the existing revenue standards, IAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services.

The Company has assessed the effects of applying IFRS 15 on the Company’s financial statements and does not expect a significant impact on the recognition of revenue.

Save as described above, the Directors are in the process of assessing the potential impact of the new and amended IFRSs but are not yet in a position to determine whether the new and amended IFRSs will have a significant impact on how the Company’s results of operations and financial position are prepared and presented. The new and amend IFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

#### 2.2 應用國際財務報告準則(「國際財務報告準則」)(續)

##### (b) 已頒佈但未生效的新訂及經修訂準則及詮釋(續)

###### *國際財務報告準則第15號，客戶合約收益*

國際財務報告準則第15號建立了確認來自客戶合約收益的全面框架。國際財務報告準則第15號將取代現有收入準則，即國際會計準則第18號，收入(包括銷售貨物及提供服務所產生的收入)。

本公司已評估於本公司的財務報表應用國際財務報告準則第15號的影響，預期將不會對確認收益帶來重大影響。

除上述者外，董事目前正評估新訂及經修訂國際財務報告準則的潛在影響，惟尚未能釐定新訂及經修訂國際財務報告準則是否將對本公司的營運業績及財務狀況如何編製及呈列產生重大影響。新訂及經修訂國際財務報告準則或會導致營運業績及財務狀況的編製及呈列方式於未來出現變化。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost basis as explained in the accounting policies set out below.

The financial statements have been prepared in accordance with IFRSs issued by the International Accounting Standards Board (“IASB”). In addition, the financial statements include applicable disclosures required by the Listing Rules and the Hong Kong Companies Ordinance.

#### (a) Statement of compliance

The financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the financial statements include applicable disclosures required by the Listing Rules and by the Hong Kong Companies Ordinance (“CO”).

#### (b) Basis of consolidation

The financial statements include the financial statements of the Company made up to 31 December 2017.

### 3. 重要會計政策概要

誠如下文會計政策所解釋，財務報表乃按照歷史成本法編製。

財務報表根據國際會計準則理事會（「國際會計準則理事會」）所頒佈的國際財務報告準則編製。此外，綜合財務報表包括按照聯交所證券上市規則及香港公司條例所規定的適用披露。

#### (a) 合規聲明

財務報表根據國際會計準則理事會頒佈的國際財務報告準則編製。此外，財務報表亦載有上市規則和香港公司條例（「公司條例」）規定的適當披露。

#### (b) 綜合基準

財務報表包含本公司所編製截至二零一七年十二月三十一日止的財務報表。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Business combinations

*Business combinations that took place on or after 1 January 2010*

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and

### 3. 重要會計政策概要(續)

#### (c) 業務合併

於二零一零年一月一日或之後進行之業務合併

業務收購乃採用收購法入賬。於業務合併轉撥的代價按公平值計量，而計算方法為本公司所轉撥資產、本公司對被收購方原擁有人產生的負債及本集團就交換被收購方的控制權發行的股權於收購日期的公平值總和。與收購事項有關的成本於產生時在損益中確認。

於收購日期，已收購的可識別資產及已承擔負債按其公平價值予以確認，惟下列各項除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債分別根據國際會計準則第12號「所得稅」及國際會計準則第19號確認及計量；
- 與被收購方以股份為基礎付款安排有關的負債或股本工具或本公司以股份為基礎付款安排重置被收購方以股份為基礎付款安排乃根據國際財務報告準則第2號計量；及

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Business combinations (Continued)

*Business combinations that took place on or after 1 January 2010 (Continued)*

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

### 3. 重要會計政策概要(續)

#### (c) 業務合併(續)

*於二零一零年一月一日或之後進行之業務合併(續)*

- 根據國際財務報告準則第5號「持作出售的非流動資產及已終止經營業務」劃分為持作出售的資產(或出售組合)根據該項準則計量。

所轉撥代價、與被收購方的任何非控股權益及收購方先前持有被收購方股權(如有)的公平值合計,倘超出所收購可識別資產及所承擔負債於收購日期的淨額,超出的部分確認為商譽。倘(經重新評估後)已收購的可識別資產及承擔的負債於收購日期的淨額超出所轉撥代價、於被收購方任何非控股權益的金額及收購方先前持有被收購方權益(如有)的公平值總和,超出部分即時於損益中確認為議價收購收益。

屬現時擁有之權益且於清盤時賦予其持有人權利按比例分佔實體淨資產之非控股權益,可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他種類的非控股權益乃按其公平值或(如適用)另一項國際財務報告準則指定之基準計量。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Business combinations (Continued)

*Business combinations that took place on or after 1 January 2010 (Continued)*

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

### 3. 重要會計政策概要(續)

#### (c) 業務合併(續)

於二零一零年一月一日或之後進行之業務合併(續)

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價按其於收購日期之公平值計量，並計入於業務合併所轉讓之代價之一部分。符合資格為計量期間調整之或然代價公平值變動將予追溯調整，相應調整於商譽調整。計量期間調整為於「計量期間」(不可超過自收購日期起計一年)取得有關於收購日期已存在之事實及情況之額外資料產生之調整。

不合資格為計量期間調整之或然代價公平值變動之後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於後續報告日期重新計量，其後續結算亦於權益內入賬。分類為資產或負債之或然代價將根據國際會計準則第39號或國際會計準則第37號撥備、或然負債及或然資產(如適用)於後續報告日期重新計量，相應之盈虧於損益內確認。



## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (c) Business combinations (Continued)

*Business combinations that took place on or after 1 January 2010 (Continued)*

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

### 3. 重要會計政策概要(續)

#### (c) 業務合併(續)

於二零一零年一月一日或之後進行之業務合併(續)

倘業務合併分階段完成，本公司以往持有的被收購方股權按收購日期(即本集團取得控制權當日)的公平值重新計量，產生的收益或虧損(如有)於損益確認。過往於收購日期前於其他全面收益確認之被收購方權益所產生款額於損益重新分類(倘有關處理方法適用於出售權益)。

倘業務合併的初步會計處理於合併產生的報告期末仍未完成，則本公司會就仍未完成會計處理的項目呈報暫定金額。該等暫定金額於計量期間內作出調整(見上文)，或確認額外資產或負債，以反映獲得有關於收購日期已存在事實及情況的新資料，而倘知悉該等資料，將會影響於當日確認的金額。

## Notes to the Financial Statements 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue from sale of goods is recognised when goods are delivered and legal title is passed.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income from a financial asset 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.

### 3. 重要會計政策概要(續)

#### (d) 收益確認

收益按已收或應收代價的公平值計算，即就於一般營業過程中所售貨品及所提供服務應收取的金額(扣除折讓及銷售相關稅項)。

銷售貨品於貨品運送及所有權轉移時予以確認。

金融資產的利息收入乃於經濟利益可能流入本公司及收益金額能可靠計量時予以確認。金融資產的利息收入乃按未清還本金，以適用的實際利率按時間比例計算。有關利率指將金融資產的估計未來所收現金在估計可使用期內於初步確認時折現至資產賬面淨值的利率。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (e) 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 Company 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.

#### (f) Foreign currencies

##### (i) *Functional and presentation currency*

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in HK\$, which is the functional and presentation currency of the Company.

### 3. 重要會計政策概要(續)

#### (e) 租賃

如租賃的條款訂明向承租人轉讓擁有權的絕大部分風險及回報，則該租賃分類為融資租賃。所有其他租賃分類為經營租賃。

##### *本公司作為承租人*

經營租賃的應付租金在有關租賃期內按直線法確認為開支，惟另一系統基準為更具代表性之時間段除外，據此，租賃資產產生之經濟利益於該時間段內消耗。經營租賃項下產生之或有租金於其產生期內確認為開支。

#### (f) 外幣

##### (i) *功能及列賬貨幣*

本公司每個實體的財務報表所列項目均以該實體營運所在的主要經濟環境的貨幣計量(「功能貨幣」)。財務報表以港元呈列，港元為本公司的功能及列賬貨幣。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (f) Foreign currencies (Continued)

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'.

#### (g) Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the jurisdictions where the Company and its subsidiaries, associates and jointly controlled entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 3. 重要會計政策概要(續)

#### (f) 外幣(續)

##### (ii) 交易及結餘

外幣交易採用交易日的匯率換算為功能貨幣。除了符合在權益中遞延入賬的現金流量對沖或淨投資對沖外，結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在收益表確認。

與借款以及現金及現金等價物有關的匯兌收益及虧損，會在收益表內「財務收入或費用」一項呈列。

#### (g) 即期及遞延稅項

期內稅項費用包括即期和遞延所得稅。除了直接與權益相關的項目的稅項於其他全面收益或直接在權益中確認外，其餘均在收益表中確認。就此而言，稅項亦分別於其他全面收益或直接於權益確認。

即期所得稅開支乃按本公司及其附屬公司、聯營公司及共同控制實體經營及產生應課稅收入之司法權區於結算日實行或大致已實行之稅務法律計算。管理層就需作詮釋適用稅項法規下所作稅務申報定期評估，並按預期將支付稅務機關的款項基準計提適當撥備。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (g) Current and deferred tax (Continued)

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill and deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

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

### 3. 重要會計政策概要(續)

#### (g) 即期及遞延稅項(續)

遞延所得稅利用負債法就資產和負債的稅基與資產和負債在財務報表的賬面值之差產生的暫時差異確認。然而，倘若遞延稅項負債乃因初次確認商譽而產生則不予確認，而倘若遞延所得稅來自在交易(不包括企業合併)中對資產或負債的初步確認，而又卻在交易時不影響會計損益或應課稅盈虧，則不作確認。遞延稅項採用在結算日前已頒佈或實質頒佈，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率(及法例)而釐定。

遞延稅項資產是就可能有未來應課稅盈利而就此可使用暫時差異而確認。

遞延所得稅就附屬公司、聯營公司及共同控制實體投資產生之暫時差異而撥備，但假若本公司可以控制暫時差異之撥回時間，而暫時差異在可預見將來有可能不會撥回之情況則除外。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (h) 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.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

#### (i) Retirement benefit costs

Payments to state-managed retirement benefits schemes are charged as expenses when employees have rendered service entitling them to the contributions.

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

Property, plant and equipment, other than construction in progress, are stated at costs less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

### 3. 重要會計政策概要(續)

#### (h) 借款成本

對於需要長時間為擬定用途或出售作準備的資產，由收購、建設或生產符合規定的資產所直接產生的借款成本，將計入該資產的成本，直到資產大體上達到擬定用途或出售時為止。

特定借款於用作合格資產開支前的臨時投資所得投資收入從合格資本化的借款成本中扣除。

所有其他借款成本會於產生期間於損益賬確認。

#### (i) 退休福利成本

向國家管理的退休福利計劃所作的供款於僱員提供使其享有該等供款的服務時列作開支。

#### (j) 物業、廠房及設備

物業、廠房及設備(在建工程除外)以成本減其後累計折舊及累計減值虧損(如有)列值。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Construction in progress represents property, plant and equipment in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of property, plant and equipment, other construction in progress, 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 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.

#### (k) Prepaid lease payments

Prepaid lease payments represent payments for leasehold land and are released over the lease terms on a straight-line basis. Prepaid lease payments which are to be released in the next twelve months or less are classified as current assets.

### 3. 重要會計政策概要(續)

#### (j) 物業、廠房及設備(續)

在建工程按指興建過程中用於生產、供應或行政目的的物業、廠房及設備。在建工程按成本減任何確認的減值虧損列賬。成本包括專業費用及合資化資本及根據本公司會計政策進行資本化的借款成本。該等物業於竣工及擬作指定用途時分類為物業、廠房及設備的適當類別。在建工程完工後用於擬定用途被歸類為物業、廠房及設備的適當類別。該等資產按其他資產的相同基準於資產用作擬定用途時開始折舊。

就物業、廠房及設備以及其他在建工程提供折舊撥備以根據其估計可使用年內撇銷其成本，按直線法計及其估計剩餘價值。估計可使用年期，估計剩餘價值和折舊方法會在每報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

物業、廠房及設備項目於出售時或預期持續使用該資產後亦將不會產生任何經濟利益之時，取消確認。出售或報廢物業、廠房及設備項目所產生的任何收益或虧損釐定為銷售所得款項與資產賬面值之間的差額，並於損益確認。

#### (k) 預付租賃款

預計租賃款指租賃土地付款，乃於租賃期間按直線法攤銷。於未來十二個月或少於十二個月將予攤銷的預付租金歸類為流動資產。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Intangible assets

##### *Intangible assets acquired separately*

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

##### *Research and development expenditure*

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### 3. 重要會計政策概要(續)

#### (I) 無形資產

##### *獨立收購的無形資產*

獨立收購並有明確可用年期的無形資產按成本扣除累計攤銷及累計減值虧損列賬。該等無形資產乃以直線法按其估計可使用年期進行攤銷。估計可使用年期及攤銷方法乃於本報告期末檢討，任何估計變動的影響按預先計提的基準入賬。

##### *研發支出*

研究工作之費用於產生之期間確認為開支。

因內部開發活動(或內部項目之開發階段)而產生之無形資產，僅於顯示下列各項後才確認：

- 完成無形資產之技術可行性報告致使該無形資產可供使用或銷售；
- 有意完成、使用或銷售該無形資產；
- 可使用或銷售該無形資產；
- 該無形資產如何產生日後經濟利益；
- 具備充裕之技術、財務及其他資源，以完成開發工作及使用或銷售該無形資產；及
- 能夠可靠衡量該無形資產於開發時之開支。



## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (I) Intangible assets (Continued)

##### *Research and development expenditure (Continued)*

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

##### *Intangible assets acquired in a business combination*

###### *Trademarks*

Trademarks acquired in a business combination are identified and recognised separately from goodwill where it satisfies the definition of an intangible asset and its fair values can be measured reliably. The costs of trademarks are their fair value at the acquisition date. Subsequent to initial recognition, intangible asset with finite useful life are carried at cost less accumulated amortisation and any accumulated impairment loss. The intangible asset will be amortised on a straight-line basis over its useful lives.

Gains and losses arising from derecognition of an intangible assets, measured as the difference between the net disposal proceeds and the carrying amount of the assets, are recognised in profit or loss when the asset is derecognised.

### 3. 重要會計政策概要(續)

#### (I) 無形資產(續)

##### *研發支出(續)*

內部產生之無形資產初步確認金額為自無形資產首次符合上述確認標準日期所產生之開支。倘並無可確認之內部產生無形資產，則開發成本於產生的期間於損益內確認。

於初步確認後，內部產生之無形資產按與分別收購之無形資產相同之基準以成本減累計攤銷及累計減值虧損計量。

##### *於業務合併中收購的無形資產*

###### *商標*

當商譽符合無形資產的定義，且其公平值能可靠計量時，於業務合併中收購的商標單獨自商譽中識別及確認。商標的成本於收購日期為其公平值。初步確認後，具有有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損列賬。無形資產將按直線法於其可使用年期攤銷。

取消確認無形資產時產生的收益及虧損乃計量為出售所得款項淨額與資產賬面值之間的差額，並當資產取消確認時於損益賬內確認。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (m) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are 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 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.

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 the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

### 3. 重要會計政策概要(續)

#### (m) 有形資產及無形資產(商譽除外)

減值在各個報告期期末，本公司檢討其有形和無形資產的賬面值，以釐定是否有任何跡象顯示該等資產已發生減值損失。倘存在任何該等跡象，則會對資產的可收回金額作出估計，以釐定減值虧損的程度(如有)。倘無法估計一項資產的可收回金額，則本公司會估計該資產所屬現金產生單位的可收回金額。倘可識別合理及一致的分配基準，則公司資產亦分配至個別現金產生單位，或以可識別合理及一致的分配基準將其分配至最小組別的現金產生單位。

可收回金額為減除銷售成本後的公平值與使用價值的較高者。於評估使用價值時，估計未來現金流量乃使用除稅前折現率折減至其現值，以反映現時市場對貨幣時間值的評估及該資產(其估計未來現金流量尚未予以調整)特有的風險。

倘一項資產(或現金產生單位)的可收回數額估計為少於其賬面值，該項資產(或現金產生單位)的賬面值削減至其可收回數額。減值虧損即時於損益內確認。

## Notes to the Financial Statements

### 財務報表附註

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

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (m) Impairment of tangible and intangible assets other than goodwill (Continued)

Where an impairment loss subsequently reverse, 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 cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

##### (n) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

##### (o) Related parties transactions

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

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

#### 3. 重要會計政策概要(續)

##### (m) 有形資產及無形資產(商譽除外)(續)

當減值虧損其後撥回時，該項資產(或現金產生單位)的賬面值增至其可收回數額的經修訂估計數額，但所增加的賬面值不得超過該項資產(或現金產生單位)於以往年度原未確認減值虧損所釐定的賬面值。一項減值虧損撥回即時於損益內確認。

##### (n) 存貨

存貨按成本及可變現淨值中較低者列賬，而成本乃按加權平均法計算。

##### (o) 關連方交易

在下列情況下，有關人士被視為本公司之關連方：

- (a) 該人士或該人士之近親被視為本公司之關連方，倘該人士：
  - (i) 控制或共同控制本公司；
  - (ii) 對本公司有重大影響；或
  - (iii) 為本公司或本公司母公司的主要管理層成員。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 3. 重要會計政策概要(續)

#### (o) Related parties transactions (Continued)

#### (o) 關連方交易(續)

- |   |   |
|---|---|
| <p>(b) An entity is related to the Company if any of the following conditions applies:</p> <p>(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiaries is related to the others).</p> <p>(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).</p> <p>(iii) Both entities are joint ventures of the same third party.</p> <p>(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.</p> <p>(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employees are also related to the Company.</p> <p>(vi) The entity is controlled or jointly controlled by a person identified in (a).</p> <p>(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).</p> | <p>(b) 該實體被視為本公司之關連方，倘符合下列任何條件：</p> <p>(i) 該實體與本公司屬同一集團之成員公司(代表母公司、附屬公司及同系附屬公司各自互相關連)。</p> <p>(ii) 一間實體為另一實體的聯營公司或合營企業(或為一集團之聯營公司或合營公司，而另一實體為該集團之成員)。</p> <p>(iii) 兩個實體均為同一第三方的合營企業。</p> <p>(iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。</p> <p>(v) 該實體為本公司或與本公司有關連之實體就僱員利益設立的離職福利計劃。倘若本公司本身屬此類計劃，供款僱員亦與本公司有關連。</p> <p>(vi) 該實體被附註(a)內所指一名人士控制或共同控制。</p> <p>(vii) (a)(i)中的一名人士對該實體有重大影響或為該實體的主要管理層成員(或為該實體母公司的)。</p> |
|---|---|

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (o) Related parties transactions (Continued)

- (b) An entity is related to the Company if any of the following conditions applies: (Continued)
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

A related party transaction is a transfer of resources, services or obligations between the Company and a related party, regardless of whether a price is charged.

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

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

#### (p) Financial instruments

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

### 3. 重要會計政策概要(續)

#### (o) 關連方交易(續)

- (b) 該實體被視為本公司之關連方，倘符合下列任何條件：  
(續)
- (viii) 該實體或該實體所屬集團之任何成員公司為本公司或本公司之母公司提供主要管理人員服務。

倘本公司與關連人士之間存在資源或責任轉讓(不論是否收取價格)，則被視為關連人士交易。

某一人士之密切家族成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家族成員及包括：

- (a) 該人士之子女及配偶或同居伴侶；
- (b) 該人士之配偶或同居伴侶之子女；及
- (c) 該人士或該人士之配偶或同居伴侶之受養人。

#### (p) 金融工具

金融資產及金融負債於集團實體成為該工具合約條文的訂約方時，於財務狀況表內確認。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Financial instruments (Continued)

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) 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 fair value through profit or loss are recognised immediately in profit or loss.

#### *Financial assets*

The Company's financial assets are classified into loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At the end of each reporting period subsequent to initial recognition, loans and receivables (including prepayments and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

#### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset 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.

### 3. 重要會計政策概要(續)

#### (p) 金融工具(續)

金融資產及金融負債初始按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本(透過損益賬按公平值處理的金融資產及金融負債除外)於初始確認時被加入金融資產或金融負債的公平值，或從金融資產或金融負債的公平值扣除(如適用)。收購透過損益以公平值計算的金融資產或金融負債的直接應佔交易成本即時於損益內確認。

#### *金融資產*

本公司的金融資產分類為貸款及應收款項。貸款及應收款項為並未於交投活躍的市場內報價而附帶固定或可議定付款的非衍生金融資產。於初步確認後的本報告期末，貸款及應收款項(包括預付款項與銀行結餘及現金)使用實際利率法按攤銷成本減任何可識別減值虧損列賬(見下文有關金融資產減值虧損的會計政策)。

#### *實際利率法*

實際利率法乃計算金融資產的攤銷成本及按有關期間攤分利息收入的方法。實際利率乃按金融資產預計可使用年期(或按較短期間(倘適用))完全折讓估計未來現金收入(包括構成實際利率整體部份的所有已付或已收費用、交易成本及其他溢價或折讓)的比率計入初步確認的賬面淨值。

就債務工具而言，利息收入按實際利率基準確認。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Financial instruments (Continued)

##### Financial assets (Continued)

##### Impairment of financial assets

The financial assets are assessed for indicators of impairment at the end of the 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 assets, the estimated future cash flows of the investment have been affected.

The objective evidence of impairment could include:

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

For certain categories of financial assets, such as prepayments, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit terms of the customers, as well as observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 重要會計政策概要(續)

#### (p) 金融工具(續)

##### 金融資產(續)

##### 金融資產減值

在本報告期末會評估金融資產是否出現減值跡象。倘有客觀證據證明金融資產的估計未來現金流量因初次確認該金融資產後發生的一項或多項事件而受到影響，則會對金融資產的估計未來現金流量進行減值。

減值的客觀證據可能包括：

- 發行人或交易對手出現重大財務困難；或
- 違約，例如未能繳付或拖欠利息或本金；或
- 借款人有可能面臨破產或財務重組。

倘若若干類型的金融資產(如預付款項)被評估為不會個別地減值，則於其後按集體基準進行減值評估。應收款項組合出現減值的客觀證據可包括本公司過往收集付款的經驗、組合內超過客戶平均信貸期的拖欠款項的數目增加以及拖欠應收款相關的國家或本地經濟狀況出現可觀察的變動。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Financial instruments (Continued)

##### *Financial assets (Continued)*

##### *Impairment of financial assets (Continued)*

For financial assets carried at amortised cost, an impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of prepayments, 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 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.

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 losses was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

### 3. 重要會計政策概要(續)

#### (p) 金融工具(續)

##### *金融資產(續)*

##### *金融資產減值(續)*

就按攤銷成本計算的金融資產而言，當有資產減值的客觀證據時，減值虧損會於損益賬確認，且按資產賬面值與以原本實際利率折讓的估計未來現金流量與現值之間的差額計量。

所有金融資產的賬面值直接按減值虧損扣減，惟預付款項及已付按金除外，預付款項的賬面值則通過使用撥備賬目扣減。撥備賬目的賬面值的變動在損益賬中確認。當某項應收款項視為不能收回，該款項會在撥備賬目撇銷。其後收回早前撇銷的數額會記入損益賬。

就按攤銷成本計算的金融資產而言，減值虧損的數額減少，而該減少在客觀上可與減值虧損獲確認後發生的事件有關，則之前確認的減值虧損會通過損益撥回至當日資產的賬面值，惟不超過倘減值未獲確認時的攤銷成本。



## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Financial instruments (Continued)

##### *Financial liabilities and equity instruments*

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into 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 the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### *Financial liabilities*

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

##### *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 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 and is included in finance costs.

### 3. 重要會計政策概要(續)

#### (p) 金融工具(續)

##### *金融負債及權益工具*

由一集團實體發行的金融負債及權益工具乃根據已訂立的合約安排內容以及金融負債及權益工具的定義分類。

##### *權益工具*

股本權益工具為證明於本公司資產經扣除其所有負債後所剩餘權益之任何合約。本公司發行的權益工具以已收所得款項減直接發行成本列賬。

##### *金融負債*

金融負債(包括預提費用及其他應付款項及借款)其後以實際利率法按攤銷成本計量。

##### *實際利率法*

實際利率法乃計算金融負債的攤銷成本及按有關期間攤分利息支出的方法。實際利率乃按金融負債預計可使用年期(或按較短期間(倘適用))完全折讓估計未來現金付款的比率計入初步確認的賬面淨值。

利息開支按實際利率確認，並計入財務費用。

## Notes to the Financial Statements

### 財務報表附註

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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### (p) Financial instruments (Continued)

##### *Derecognition*

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Company has transferred substantially all the risks and rewards of ownership of the financial assets.

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.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset or retains a residual interest that does not result in the retention of substantially all the risks and rewards of ownership and the Company retains control), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### 3. 重要會計政策概要(續)

#### (p) 金融工具(續)

##### *終止確認*

當從資產收取現金流量的權利屆滿，或金融資產被轉讓以及本公司已轉讓所持的金融資產的絕大部分風險及回報時，則會終止確認金融資產。

於終止確認全部金融資產時，該資產的賬面值與已收及應收代價總和的差額及於其他全面收益表確認的累計虧損以及累計股本在損益賬中確認。

除全面取消確認外(即當本公司保留購回部分已轉讓資產之選擇權或保留不會導致保留擁有權絕大部分風險及回報之餘下權益，及本公司保留控制權)，於取消確認金融資產時，本公司會將金融資產之過往賬面值，根據於其確認為繼續參與之部分及不再確認之部分於轉讓日期之相對公平值在兩者間作出分配，而不再確認部分已於其他全面收益確認之已收代價及獲分配之任何累計收益或虧損之總和，乃於損益內確認。已於其他全面收益確認之累計收益或虧損，將按繼續確認之部分及不再確認之部分之相對公平值間作出分配。

## Notes to the Financial Statements

### 財務報表附註

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

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (p) Financial instruments (Continued)

###### *Derecognition (Continued)*

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

#### 4. KEY SOURCE OF ESTIMATION

In the application of the Company'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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### 3. 重要會計政策概要(續)

##### (p) 金融工具(續)

###### *終止確認(續)*

當有關合約所指明的債項已清償、取消或到期時，則會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價的差額在損益賬中確認。

#### 4. 估計的主要來源

本公司董事於應用附註3所載本公司的會計政策時，須對從其他來源不顯而易見的資產及負債的賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及被認為關的其他因素而作出。實際結果或會與該等估計有所不同。

估計及相關假設會持續作出檢討。倘會計估計修訂僅影響修訂估計期間，則有關修訂會在該期間確認；或倘有關修訂既影響當期亦影響未來期間，則有關修訂會在修訂期間及未來期間確認。

## Notes to the Financial Statements

### 財務報表附註

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

#### 4. KEY SOURCE OF ESTIMATION (Continued)

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

##### (a) Estimated impairment loss in respect of prepayments

As explained in note 3, prepayments are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

The identification of bad and doubtful debts requires the use of judgement and estimates of expected future cash inflows. Where the expectation is different from the original estimate, such difference will impact carrying value of prepayments and recognised as doubtful debts expenses in the year in which such estimate has been changed. The directors of the Company are satisfied that this risk is minimal and no allowance for doubtful debts was provided during the year ended 31 December 2017 (2016: HK\$Nil). The carrying amount of prepayments as at 31 December 2017 was approximately HK\$186,000 (2016: HK\$14,000).

#### 4. 估計的主要來源(續)

於本報告期末，具有導致下個財政年度資產及負債的賬面值作出重大調整的重大風險的估計不確定因素的主要來源如下：

##### (a) 預付款項的估計減值虧損

如附註3所載，預付款項初步按公平值計量，其後按實際利息法以攤銷成本計量。倘有客觀證據顯示資產減值，則會對於損益中確認的估計不可收回款項作出適當撥備。

辨別呆壞賬需要對預計未來現金流量運用判斷及估計。倘若預期有別於原先估計，則有關差異將影響到有關估計出現變動的年度預付款項的賬面值及確認為呆賬開支。本公司董事信納該風險甚微且並無就該等呆帳開支於截至二零一七年十二月三十一日止年度作出撥備(二零一六年：無)。於二零一七年十二月三十一日，預付款項的賬面值約為186,000港元(二零一六年：14,000港元)。

## Notes to the Financial Statements

### 財務報表附註

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

#### 4. KEY SOURCE OF ESTIMATION (Continued)

##### (b) Useful life and residual value property, plant and equipment

The management determines the residual value, useful lives and related depreciation charges for its property, plant and equipment. These estimates are based on the historical experience of the actual residual value and useful lives of plant and equipment of similar nature and functions and may vary significantly as a result of technical innovation and keen competition from competitors, resulting in higher depreciation charge and/or write-off or write-down of technically obsolete assets when residual value or useful lives are less than previously estimated. The carrying amount of property, plant and equipment as at 31 December 2017 was approximately HK\$Nil (2016: HK\$Nil).

##### (c) Income tax

The Company is subject to income tax. As a result of the fact that certain matters relating to the income tax have not been confirmed by the local tax bureau, objective estimates and judgements based on currently enacted tax laws, regulations and other related policies are required in determining the corporate income tax, where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact the corporate income tax and tax provisions in the period in which the difference arise.

#### 5. REVENUE AND SEGMENT INFORMATION

No revenue and segment information were presented as the Company did not conduct business during the year.

#### 4. 估計的主要來源(續)

##### (b) 物業、廠房及設備之可用年期及剩餘價值

管理層釐定其物業、廠房及設備之剩餘價值、可用年期及相關折舊開支。此等估計乃按類似性質及功能之廠房及設備之實際剩餘價值及可用年期過往經驗作出，及技術日新月異及來自競爭對手之激烈競爭，可能令剩餘價值或可用年期出現重大改變。倘剩餘價值或可用年期少於之前估計，本集團之管理層將增加折舊開支，並／或撇銷或撇減技術落後之資產。於二零一七年十二月三十一日，物業、廠房及設備的賬面值約為零(二零一六年：無)。

##### (c) 所得稅

本公司須繳納所得稅。基於若干涉及所得稅的事項尚未得到地方稅務當局給予確認，於釐定企業所得稅時，須要根據現行已頒佈的稅法、條例及其他相關政策作出客觀估算及判斷，一旦此等事項的最終稅務結果不同於原初記入之數額，有關差異將影響該差異所關涉期間之企業所得稅及稅項撥備。

#### 5. 收益及分部資料

概無呈列收益及分部資料，因為本公司於年內並無經營業務。

## Notes to the Financial Statements

### 財務報表附註

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

#### 6. LOSS BEFORE TAXATION

The Company's loss before taxation is arrived at after charging the amounts as set out below.

#### 6. 除稅前虧損

本公司除稅前虧損已扣除下列款項。

	Note 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before taxation has been arrived at after charging:	經扣除下列各項後的除稅前虧損：		
Staff costs (including directors' emoluments):	員工成本(包括董事薪酬)：		
— Salaries and wages	— 工資及報酬	600	600
— Retirement benefit scheme contributions	— 退休金計劃供款	12	12
		612	612
Auditors' remuneration	核數師薪酬	530	550

#### 7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

##### (a) Directors' emoluments

#### 7. 董事及僱員薪酬

##### (a) 董事薪酬

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Directors	董事		
— Basic salaries, housing allowances, other allowances and benefits-in-kind	— 基本薪金、房屋津貼、其他津貼及實物福利	600	600
— Contributions to retirement plans	— 退休計劃供款	12	12
		612	612

## Notes to the Financial Statements

### 財務報表附註

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

#### 7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

##### (a) Directors' emoluments (Continued)

Details of the emoluments paid or payable to the individual directors of the Company are as follows:

#### 7. 董事及僱員薪酬(續)

##### (a) 董事薪酬(續)

已付或應付個別本公司董事薪酬詳情下：

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

	Directors' Fees	Retirement benefit scheme contributions	Other emoluments	Total
	董事袍金	退休福利計劃供款	其他薪酬	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
<b>Executive directors:</b>				
— Dr. Choi Chiu Fai, Stanley, ("Dr. Choi") (note i)	120	6	—	126
— Mr. Choi Ka Wai, ("Mr. Choi") (note ii)	120	6	—	126
<b>Independent non-executive directors:</b>				
— Mr. Ha Kee Choy Eugene, ("Mr. Ha") (note vi)	120	—	—	120
— Mr. Szeto Tat Kwan Brandon ("Mr. Szeto") (note vii)	120	—	—	120
— Mr. Fok Wai Ming Eddie ("Mr. Fok") (note viii)	120	—	—	120
	<b>600</b>	<b>12</b>	<b>—</b>	<b>612</b>

##### 執行董事：

- 蔡朝暉博士(「蔡博士」)  
(附註i)
- 蔡嘉偉先生(「蔡先生」)  
(附註ii)

##### 獨立非執行董事：

- 夏其才先生(「夏先生」)  
(附註vi)
- 司徒達坤先生(「司徒先生」)  
(附註vii)
- 霍偉明先生(「霍先生」)  
(附註viii)

## Notes to the Financial Statements

### 財務報表附註

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

#### 7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

#### 7. 董事及僱員薪酬(續)

##### (a) Directors' emoluments (Continued)

Details of the emoluments paid or payable to directors of the Company are as follows:

##### (a) 董事薪酬(續)

已付或應付本公司董事薪酬詳情如下：

		Year ended 31 December 2016 截至二零一六年十二月三十一日止年度			
		Directors' Fees	Retirement benefit scheme contributions	Other emoluments	Total
		董事袍金	退休福利計劃供款	其他薪酬	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
<b>Executive directors:</b>	<b>執行董事：</b>				
— Dr. Choi (note i)	— 蔡朝暉博士(「蔡博士」) (附註i)	120	6	—	126
— Mr. Choi (note ii)	— 蔡嘉偉先生(「蔡先生」) (附註ii)	120	6	—	126
— Mr. Wang Delin, (“Mr. Wang”) (note iii)	— 王德林先生(「王先生」) (附註iii)	—	—	—	—
— Mr. Ng Kwong Chue Paul, (“Mr. Ng”) (note iv)	— 吳光曙先生(「吳先生」) (附註iv)	—	—	—	—
<b>Non-executive director:</b>	<b>非執行董事：</b>				
— Ms. Kou Mei In, (“Ms. Kou”) (note v)	— 高美燕女士(「高女士」) (附註v)	—	—	—	—
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>				
— Mr. Ha (note vi)	— 夏先生(附註vi)	120	—	—	120
— Mr. Szeto (note vii)	— 司徒先生(附註vii)	120	—	—	120
— Mr. Fok (note viii)	— 霍先生(附註viii)	120	—	—	120
— Mr. Sze Lin Tang, (“Mr. Sze”) (note ix)	— 施連燈先生(「施先生」) (附註ix)	—	—	—	—
— Mr. Qiu Xiaohua, (“Mr. Qiu”) (note x)	— 邱曉華先生(「邱先生」) (附註x)	—	—	—	—
		600	12	—	612



## Notes to the Financial Statements

### 財務報表附註

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

#### 7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

##### (a) Directors' emoluments (Continued)

During the year ended 31 December 2017, no remuneration was paid by the Company to the directors of the Company as an inducement to join or upon joining the Company or as compensation for loss of office (2016: Nil).

Notes:

- i) Dr. Choi was appointed as executive director and chairman of the Company with effect from 29 January 2016 and 19 February 2016 respectively.
- ii) Mr. Choi was appointed as executive directors of the Company with effect from 29 January 2016.
- iii) Mr. Wang was appointed as executive director and chief executive officer of the Company with effect from 18 August 2011 and resigned as executive director and chief executive officer of the Company on 19 February 2016.
- iv) Mr. Ng was appointed as executive director of the Company with effect from 5 September 2013 and resigned as executive director of the Company with effect from 19 February 2016.
- v) Ms. Kou was appointed as non-executive director of the Company with effect from 5 September 2013 and resigned as non-executive director of the Company with effect from 19 February 2016.
- vi) Mr. Ha was appointed as independent non-executive director of the Company with effect from 29 January 2016.
- vii) Mr. Szeto was appointed as independent non-executive director of the Company with effect from 29 January 2016.
- viii) Mr. Fok was appointed as independent non-executive director of the Company with effect from 29 January 2016.
- ix) Mr. Sze was appointed as independent non-executive director of the Company with effect from 5 September 2013 and resigned as independent non-executive director of the Company with effect from 19 February 2016.
- x) Mr. Qiu was appointed as independent non-executive director of the Company with effect from 1 January 2014 and resigned as independent non-executive director of the Company with effect from 19 February 2016.

#### 7. 董事及僱員薪酬(續)

##### (a) 董事薪酬(續)

於截至二零一七年十二月三十一日止年度，本公司並無向本公司董事支付薪酬，以作為加盟公司的鼓勵或作為離職補償的酬金(二零一六年：無)。

附註：

- i) 蔡博士分別於二零一六年一月二十九日及二零一六年二月十九日。
- ii) 蔡先生於二零一六年一月二十九日獲委任為本公司執行董事。
- iii) 王先生獲委任為本公司執行董事及行政總裁，於二零一一年八月十八日起生效，以及於二零一六年二月十九日辭任本公司執行董事及行政總裁。
- iv) 吳先生自二零一三年九月五日起獲委任為本公司執行董事，及自二零一六年二月十九日起已辭任本公司執行董事。
- v) 高女士自二零一三年九月五日起獲委任為本公司非執行董事，及自二零一六年二月十九日起已辭任本公司非執行董事。
- vi) 夏先生於二零一六年一月二十九日獲委任為本公司獨立非執行董事。
- vii) 司徒先生於二零一六年一月二十九日獲委任為本公司獨立非執行董事。
- viii) 霍先生於二零一六年一月二十九日獲委任為本公司獨立非執行董事。
- ix) 施先生自二零一三年九月五日起獲委任為本公司獨立非執行董事，及自二零一六年二月十九日起已辭任本公司獨立非執行董事。
- x) 邱先生於二零一四年一月一日獲委任為本公司獨立非執行董事，及自二零一六年二月十九日起已辭任本公司獨立非執行董事。

## Notes to the Financial Statements

### 財務報表附註

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

#### 7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

##### (b) Employees' emoluments

Of the five individuals with the highest emoluments in the Company, Five were directors of the Company for the year ended 31 December 2017 (2016: Five were directors of the Company), details of whose emoluments are included in the disclosures above.

The emoluments of the remaining individual during the year ended 31 December 2017 (2016: None) were as follows:

#### 7. 董事及僱員薪酬(續)

##### (b) 僱員薪酬

於截至二零一七年十二月三十一日止年度，本公司五名最高薪人士中有五名為本公司董事(二零一六年：五名為本公司董事)，彼等薪酬詳情載於上文披露中。

於截至二零一七年十二月三十一日止年度，有關人士(二零一六年：無)的薪酬如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances 薪酬及津貼	—	—
Retirement benefit scheme contributions 退休福利計劃供款	—	—
	—	—

During the years ended 31 December 2016 and 2017, the emoluments of each of the five highest paid individuals were within the band of nil to HK\$1,000,000.

During the year ended 31 December 2017, no remuneration was paid by the Company to any of the five individuals with the highest emoluments in the Company as an inducement to join or upon joining the Company or as compensation for loss of office (2016: HK\$Nil).

截至二零一六年及二零一七年十二月三十一日止年度，五名最高薪人士各自的薪酬均介乎零至1,000,000港元之範圍。

於截至二零一七年十二月三十一日止年度，本公司並無向本公司五名最高薪人士支付酬金(二零一六年：零港元)，以作為加盟公司的鼓勵或作為離職補償的酬金。

## Notes to the Financial Statements

### 財務報表附註

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

#### 8. INCOME TAX EXPENSE

Hong Kong Profits Tax rate was 16.5% (2016: 16.5%). No provision for Hong Kong Profits Tax has been made as the Company did not have any assessable profit arising in Hong Kong for the year.

The income tax expense can be reconciled to the loss before taxation per the statement of profit or loss and other comprehensive income as follows:

#### 8. 所得稅開支

香港利得稅率為16.5% (二零一六年：16.5%)。由於本公司於年內概無於香港產生任何應課稅溢利，故並無作出香港所得稅撥備。

所得稅開支與損益及其他全面收益表內的除稅前虧損對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(5,099)	(8,835)
Tax at the Hong Kong tax rates	按香港稅率之稅項	(841)	(1,458)
Effect of unrecognised deductible losses and deductible temporary differences	未確認可抵扣虧損及可抵扣暫時性差異的影響	841	1,458
		—	—

#### 9. DIVIDEND

No dividend has been paid or proposed by the Company during the year ended 31 December 2017 (2016: HK\$Nil).

#### 9. 股息

本公司於截至二零一七年十二月三十一日止年度並無支付或擬派任何股息(二零一六年：零港元)。

## Notes to the Financial Statements

### 財務報表附註

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

#### 10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

#### 10. 本公司擁有人應佔每股基本虧損

本公司擁有人應佔每股基本虧損乃根據下列數據計算：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Loss</b>	<b>虧損</b>		
Loss for the year attributable to owners of the Company for the purpose of basic loss per share	用於計算每股基本虧損之本公司擁有人應佔年內虧損	(5,099)	(8,835)
		2017 二零一七年	2016 二零一六年
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares for the purpose of basic loss per share	用於計算每股基本虧損之普通股加權平均數	1,010,500,000	1,010,500,000

Diluted loss per share were same as the basic loss per share as there were no potential dilutive ordinary shares in both years.

由於兩個年度內均無潛在攤薄普通股，故每股攤薄虧損與每股基本虧損相同。

## Notes to the Financial Statements

### 財務報表附註

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

#### 11. PREPAYMENTS

		As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	As at 31 December 2016 於二零一六年 十二月三十一日 HK\$'000 千港元
Prepayments	預付款項	186	14
		186	14

#### 12. BANK BALANCES AND CASH

As at 31 December 2017, the Company's bank balances carry market interest rate of 0.01% per annum (2016: 0.01% per annum).

The Company's bank balances and cash denominated in the following currencies:

		As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	As at 31 December 2016 於二零一六年 十二月三十一日 HK\$'000 千港元
<b>Currency:</b>	<b>貨幣:</b>		
United States dollars	美元	44	44
HK\$	港元	36	31

#### 11. 預付款項

	As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	As at 31 December 2016 於二零一六年 十二月三十一日 HK\$'000 千港元
Prepayments	186	14
	186	14

#### 12. 銀行結餘及現金

於二零一七年十二月三十一日，本公司的銀行結餘按市場年利率0.01%（二零一六年：年利率0.01%）計息。

本公司的銀行結餘及現金按貨幣計值如下：

## Notes to the Financial Statements

### 財務報表附註

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

#### 12. BANK BALANCES AND CASH (Continued)

As disclosed in note 32 of the Group's consolidated financial statements for the year ended 31 December 2010 (the "2010 Financial Statements"), a bank balances and cash amounted to approximately RMB11,523,000 was recorded on the statement of financial position of the Company at 31 December 2010. Except for bank balances of approximately RMB3,000, the directors of the Company have been unable to locate the bank accounts and whereabouts of the bank balances and cash. The Company engaged the Forensic Accountants to conduct investigations, including (i) send letters to the Predecessor Auditors to request them provide the relevant bank information; and (ii) send letters to banks in Hong Kong (including licensed banks, restricted licensed banks and deposit-taking companies) (collectively referred as to the "Banks") to make enquiry on whether the Company maintained any bank accounts in the Banks. However, as of the date of approval of the financial statements in the previous years, the Predecessor Auditors only replied that the relevant information was not available as it was located in their PRC office. In addition, no Banks has indicated the existence of any bank accounts of the Company up to the date of these financial statements in the previous years. Given these circumstances, the directors of the Company recognised a loss of approximately RMB11,520,000 as other suspense accounts in the statements of profit or loss and other comprehensive income for the year ended 31 December 2011.

#### 12. 銀行結餘及現金(續)

誠如本集團截至二零一零年十二月三十一日止年度的綜合財務報表(「二零一零年財務報表」)附註32所披露，銀行結餘及現金約人民幣11,523,000元已記入本公司於二零一零年十二月三十一日之財務狀況表。除了約人民幣3,000元之銀行結餘外，本公司董事未能找到銀行賬戶以及該等銀行結餘及現金的下落。本公司已委聘法證會計師作出調查，包括：(i)發信予前任核數師要求對方提供相關銀行資料；及(ii)發信予在香港之銀行(包括持牌銀行、有限牌照銀行及接受存款公司)(統稱「該等銀行」)，查詢本公司是否在該等銀行開設了任何銀行賬戶。然而，於過往年度財務報表批准日期，前任核數師僅回覆稱未能提交相關資料，因其放置於前任核數師在中國之辦事處。此外，截至過往年度該等財務報表日期止，該等銀行均未示意有任何本公司銀行賬戶存在。考慮到該等情況，本公司董事於截至二零一一年十二月三十一日止年度之損益及其他全面收益表確認虧損約人民幣11,520,000元為其他懸欠賬項。

## Notes to the Financial Statements

### 財務報表附註

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

#### 12. BANK BALANCES AND CASH (Continued)

As disclosed in note 2.1 to the financial statements, the directors of the Company have been unable to locate and to get access to books and records of the Company, including books and records of certain bank transactions of the Company took place for the current and the previous years. Given incomplete books and records of the Company and the Company's previous management did not response to the request for information, it would be impossible and impracticable to ascertain these bank transactions which took place for the current and the previous years and to obtain sufficient documentary information to satisfy themselves regarding the nature, completeness, existence and accuracy of the bank transactions. Given these circumstances, the directors of the Company have recognised (i) losses of approximately HK\$10,543,000 and HK\$2,538,000 in respect of the aggregate amounts of the credit balances of bank transactions took place during the years ended 31 December 2012 and 2013 respectively as other suspense accounts in the statements of profit or loss and other comprehensive income for the years ended 31 December 2012 and 2013 respectively; and (ii) liabilities of approximately HK\$13,142,000 in respect of the aggregate amounts of the debit balances of bank transactions took place during the year ended 31 December 2012 and 2013 as other payables in the statements of financial position.

#### 12. 銀行結餘及現金(續)

誠如財務報表附註2.1所披露，本公司董事未能找到及查閱本公司賬冊及記錄，包括本公司於本年度及過往年度進行若干銀行交易之賬冊及記錄。由於本公司賬冊及記錄不完整及本公司前任管理層並無回應任何索取資料的請求，故無法及實際上難以確定於本年度及過往年度進行之該等銀行交易及取得充足文檔資料使彼等信納該等銀行交易的性質、是否完整、存在及準確。基於此等情況，本公司董事已(i)就分別於截至二零一二年及二零一三年十二月三十一日止年度進行銀行交易之信貸結餘總額，分別在截至二零一二年及二零一三年十二月三十一日止年度之損益及其他全面收益表確認虧損約10,543,000港元及2,538,000港元為其他懸欠賬項；及(ii)就於截至二零一二年及二零一三年十二月三十一日止年度進行銀行交易之借方結餘總額，在財務狀況表確認負債約13,142,000港元為其他應付款項。

## Notes to the Financial Statements

### 財務報表附註

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

#### 13. ACCRUED EXPENSES AND OTHER PAYABLES 13. 應計開支及其他應付款項

		As at 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	As at 31 December 2016 於二零一六年 十二月三十一日 HK\$'000 千港元
Accrued expenses	應計開支	3,004	4,254
Amount due to a deconsolidated subsidiary	應付取消綜合入賬 附屬公司款項	1,028	1,028
Amount due to related parties	應付關連方款項	21,847	15,321
Other payables	其他應付款項	17,694	17,694
		<b>43,573</b>	<b>38,297</b>

As disclosed in notes 2.1 and 12 to the financial statements, the directors of the Company have been unable to locate and to get access to the complete books and records of the Company and the De-consolidated Subsidiaries. In addition, the directors of the Company have been unable to locate books and records of certain bank transactions took place for the current and the previous years. Given the incomplete books and records and the previous management of the Group did not response to any request for information, it would be impossible and impracticable to ascertain these bank transactions took place for the years ended 2011, 2012 and 2013. It would also be extremely difficult and time consuming to obtain sufficient documentary information to satisfy themselves regarding the nature, completeness, existence and accuracy of these bank transactions. Given these circumstances, the directors of the Company have recognised (i) liabilities of approximately HK\$13,142,000 in respect of the aggregate amounts of the debit balances of bank transactions took place for the years ended 31 December 2012 and 2013; and (ii) liabilities of approximately HK\$4,552,000 in respect of the directors of the Company have been unable to locate relevant books and records in the statements of financial position.

Amounts due to related parties were interest-free and repayable on demand.

誠如財務報表附註2.1及12所披露，本公司董事未能找到及查閱本公司及取消綜合入賬附屬公司之完整賬冊及記錄。此外，本公司董事未能找到於本年度及過往年度進行若干銀行交易之賬冊及記錄。由於賬冊及記錄不完整以及本集團前任管理層並無回應任何索取資料的請求，故無法及實際上難以確定於截至二零一一年、二零一二年及二零一三年止年度進行之該等銀行交易。要取得充足文檔資料使彼等信納該等銀行交易的性質、是否完整、存在及準確，亦將極為困難及費時。基於此等情況，本公司董事已(i)就於截至二零一二年及二零一三年十二月三十一日止年度進行銀行交易之借方結餘總額確認負債約13,142,000港元；及(ii)就本公司董事未能找到相關賬冊及記錄，於財務狀況表確認負債約4,552,000港元。

應付關連方款項為免息及按要求償還。



## Notes to the Financial Statements

## 財務報表附註

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

## 14. SHARE CAPITAL

## 14. 股本

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Ordinary shares	普通股		
Authorised:	法定：		
As at 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017 (HK\$0.00001 each)	於二零一六年一月一日、二零一六年十二月三十一日、二零一七年一月一日及二零一七年十二月三十一日(每股0.00001港元)	38,000,000,000	380

		Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Issued:	已發行：		
As at 1 January 2016, 31 December 2016, 1 January 2017 and 31 December 2017	二零一六年一月一日、二零一六年十二月三十一日、二零一七年一月一日及二零一七年十二月三十一日	1,010,500,000	10

## Notes to the Financial Statements

### 財務報表附註

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

#### 15. SHARE-BASED PAYMENTS

As set out in note 15 to the interim condensed consolidated financial statements of the Group for the six months ended 30 June 2011 which were authorised for issue on 18 August 2011 (the "2011 Interim Report"), the Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed on 10 October 2010 for the purpose to reward the directors and employees who have contributed to the Group and to encourage the directors and employees to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole, and will expire on 9 October 2020. Under the Scheme, the board of directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme of the Company shall not, in the absence of shareholders' approval, in aggregate exceed 10% in nominal amount of the aggregate of shares in issue on the listing date.

The maximum number of shares issued and to be issued upon exercise of the options granted to each grantee under the Scheme in any 12-month period shall not exceed 1% of the shares in issue for the time being.

Where any further grant of options to a director or employee would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by shareholders in general meeting with such director or employee and his associates abstaining from voting. The Company must send a circular to the shareholders disclosing the identity of the director or employee in question, the number and terms of the options to be granted (and options previously granted to such director or employee) and such other information required under the Listing Rules.

#### 15. 以股份為基礎付款

誠如經批准於二零一一年八月十八日刊發之本公司截至二零一一年六月三十日止六個月之中期報告(「二零一一年中期報告」)附註15所載述，本公司購股權計劃(「該計劃」)乃根據於二零一零年十月十日通過的決議案採納，以獎勵為本集團作出貢獻的董事及僱員，並鼓勵董事及僱員致力於為本公司及其股東之整體利益而提升本公司及其股份的價值，該計劃將於二零二零年十月九日屆滿。根據該計劃，本公司董事會或會向合資格僱員(包括本公司及其附屬公司董事)授出購股權，以認購本公司股份。

未經股東批准，根據本公司該計劃將予授出的所有購股權獲行使而發行的股份最高數目合共不得超過於上市日期已發行股份總數賬面值的10%。

因行使根據該計劃授予各承授人的購股權獲行使而發行及將予發行的股份數目於任何12個月期間最多不得超過當時已發行股份之1%。

向董事或僱員進一步授出購股權，將導致當於截至及包括該進一步授出日期止12個月期間內所有已授予及將授予該名人士的購股權(包括已行使、註銷及尚未行使購股權)獲行使時的已發行股份及將予發行股份合共超過已發行股份的1%，該進一步授出必須個別由股東於股東大會上批准，而董事或僱員及其聯繫人士須於該股東大會上放棄投票。本公司必須向股東寄發通函，披露董事會或僱員的身份、將予授出的購股權(以及早前向該董事或僱員授出的購股權)數目及條款，以及該等根據上市規則規定的其他資料。

## Notes to the Financial Statements

### 財務報表附註

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

#### 15. SHARE-BASED PAYMENTS (Continued)

At any time, the maximum number of shares which may be issued upon exercise of all options which then have been granted and have yet to be exercised under the Scheme shall not in aggregate exceed 30% of the shares in issue from time to time.

No share options have been granted pursuant to the Scheme during the years ended 31 December 2016 and 2017.

#### 15. 以股份為基礎付款(續)

於任何時間，可能因行使所有當時已授出惟尚未根據該計劃獲行使的購股權而予以發行的股份最高數目合共不得超過不時已發行股份的30%。

於截至二零一六年及二零一七年十二月三十一日止年度，概無根據購股權計劃授出購股權。

#### 16. FINANCIAL INSTRUMENTS

##### (a) Categories of financial instruments

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
<b>Financial assets</b>	<b>金融資產</b>		
Loan and receivables (including bank balances and cash)	貸款及應收款(包括銀行結餘及現金)	80	75
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	43,573	38,297

##### (b) Financial risk management objective and policies

The Company's major financial instruments include bank balances and cash and accrued expenses and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these are set out below. The Company manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

There has been no change to the Company's risk exposure in respect of financial instruments or the manner in which it manages and measures the risks.

##### (a) 金融工具之分類

##### (b) 金融風險管理目標及政策

本公司的主要金融工具包括銀行結餘及現金及應計開支。該等金融工具的詳情披露於相關附註內。與該等金融工具相關的風險及如何降低風險的政策載於下文。本公司管理及監控該等風險以確保及時有效地實行適當措施。

本公司就金融工具承擔的風險或其管理及調節風險的方式概無變動。

## Notes to the Financial Statements 財務報表附註

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

### 16. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objective and policies (Continued)

##### Market risk

##### Foreign currency risk

The Company operates in Hong Kong. There is no material foreign exchange risk noted for the Company as the operations and customers of the Company are located in Hong Kong with most of the assets and transactions denominated and settled in Hong Kong Dollars, which is the functional currency of the Company.

##### Liquidity risk management

The Company manages liquidity risk by regularly monitoring current and expected liquidity requirements and ensuring sufficient liquid cash and intended credit lines of funding from major financial institutions to meet the Company's liquidity requirements in the short and long term. The liquidity risk is under continuous monitoring by management. The Company will raise or refinance bank borrowings whenever necessary.

At the end of the reporting period, the Company did not have significant exposure to liquidity risk.

The contractual maturities at the end of the reporting period of the Company's financial liabilities which are required to be repaid on demand or within one year amounted to approximately HK\$43,573,000 (2016: HK\$38,297,000).

### 16. 金融工具(續)

#### (b) 金融風險管理目標及政策(續)

##### 市場風險

##### 外幣風險

本公司於香港經營。本公司並無錄得重大外匯風險，因為本公司的業務及客戶位於香港，大部分資產及交易以港元計值及結算，而港元為本公司的功能貨幣。

##### 流動資金風險管理

本公司管理流動資金風險的方式為定期監察現有及預期流動資金需求，確保向主要融資機構取得充裕流動資金及備用信貸資金，以應付本公司的短期及長期流動資金需求。管理層持續監察流動資金風險。本公司會於有需要時籌措銀行借貸或就此進行再融資。

於報告期末，本公司並無承受重大流動資金風險。

本公司合約到期日為報告期末的金融負債(按要求或於一年內償還)約為43,573,000港元(二零一六年: 38,297,000港元)。

## Notes to the Financial Statements

### 財務報表附註

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

#### 16. FINANCIAL INSTRUMENTS (Continued)

##### (b) Financial risk management objective and policies (Continued)

##### Liquidity risk management (Continued)

		Weighted average effective interest rate 加權平均 利率 %	On demand or less than 1 year 按 要求 或 於 一年 內 HK\$'000 千 港 元	Between 1 and 5 years 一 年 至 五 年 HK\$'000 千 港 元	Over 5 years 超 過 五 年 HK\$'000 千 港 元	Total contractual undiscounted cash flows 未 折 現 合 約 現 金 流 量 總 額 HK\$'000 千 港 元	Total carrying amount 賬 面 總 值 HK\$'000 千 港 元
<b>At 31 December 2017</b>	<b>於二零一七年 十二月三十一日</b>						
Non-derivative instruments	非衍生工具						
Accrued expenses	應計開支	—	3,004	—	—	3,004	3,004
Amount due to a deconsolidated subsidiary	應付不再綜合入賬 之附屬公司款項	—	1,028	—	—	1,028	1,028
Amount due to related parties	應付關連方款項	—	21,847	—	—	21,847	21,847
Other payables	其他應付款項	—	17,694	—	—	17,694	17,694
			<b>43,573</b>	<b>—</b>	<b>—</b>	<b>43,573</b>	<b>43,573</b>

		Weighted average effective interest rate 加權平均 利率 %	On demand or less than 1 year 按 要求 或 於 一年 內 HK\$'000 千 港 元	Between 1 and 5 years 一 年 至 五 年 HK\$'000 千 港 元	Over 5 years 超 過 五 年 HK\$'000 千 港 元	Total contractual undiscounted cash flows 未 折 現 合 約 現 金 流 量 總 額 HK\$'000 千 港 元	Total carrying amount 賬 面 總 值 HK\$'000 千 港 元
<b>At 31 December 2016</b>	<b>於二零一六年 十二月三十一日</b>						
Non-derivative instruments	非衍生工具						
Accrued expenses	應計開支	—	4,254	—	—	4,254	4,254
Amount due to a deconsolidated subsidiary	應付不再綜合入賬 之附屬公司款項	—	1,028	—	—	1,028	1,028
Amount due to related parties	應付關連方款項	—	15,321	—	—	15,321	15,321
Other payables	其他應付款項	—	17,694	—	—	17,694	17,694
			<b>38,297</b>	<b>—</b>	<b>—</b>	<b>38,297</b>	<b>38,297</b>

#### 16. 金融工具(續)

##### (b) 金融風險管理目標及政策(續)

##### 流動資金風險管理(續)

## Notes to the Financial Statements

### 財務報表附註

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

#### 16. FINANCIAL INSTRUMENTS (Continued)

##### (c) Fair value of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised costs in the financial statements approximate to their fair values.

#### 17. CAPITAL RISK MANAGEMENT

The Company's primary objectives when managing capital are to safeguard the abilities of the entities in the Company to continue as a going concern, so that it can continue to provide returns for shareholder of the Company and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The directors of the Company actively and regularly review and manage the Company's capital structure to maximise the returns to shareholder through the optimisation of the debt afforded by a sound capital position, and make adjustments to the capital structure in light of changes in economic conditions. The Company's overall strategy remains unchanged from 2016.

Consistent with others in the industry, the Company monitors its capital structure on the basis of the gearing ratio. At 31 December 2017, the Company's gearing ratio was undefined because the Company did not have any borrowings at the end of each reporting period.

#### 16. 金融工具(續)

##### (c) 金融工具的公平值

本公司董事認為，於財務報表按攤銷成本列賬的金融資產及金融負債的賬面值與其公平值相若。

#### 17. 資本風險管理

本公司管理資本的主要目標為保障本公司旗下實體能按持續經營基準經營，致使其因應風險水平為產品及服務定價，並按合理成本取得資金，藉此繼續向本公司股東帶來回報，惠及其他持份者。

本公司董事積極定期檢討及管理本公司的資本架構，維持穩健資本狀況以改善債務，為股東爭取最佳回報，並因應經濟狀況調整資本架構。本公司的整體策略自二零一六年維持不變。

一如業內同行，本公司根據資產負債比率監察其資本架構。於二零一七年十二月三十一日，本公司並無界定資產負債比率，因為本公司於各報告期末並無任何借貸。

## Notes to the Financial Statements

### 財務報表附註

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

#### 18. RETIREMENT BENEFIT PLANS

The employees of the Company in the PRC are members of a state-managed retirement benefits plans operated by the PRC Government. The Company is required to contribute a specified percentage of its payroll costs to the retirement benefits scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefits plans is to make the specified contributions under the scheme.

The amounts of contributions made by the Company in respect of the retirement benefit plans during the year ended 31 December 2017 are disclosed in note 6.

#### 19. RELATED PARTY TRANSACTIONS

##### (a) Balances with related parties

Save as disclosed in notes elsewhere to the financial statements, the Company did not have any significant material related party transactions during the year.

##### (b) Key management personnel emoluments

The remuneration for key management is disclosed in note 7.

#### 20. EVENTS AFTER THE REPORTING PERIOD

Save as disclosed elsewhere in the financial statements, the Company had the following events after the end of the reporting period:

##### (a) The 29 January 2018 announcement

The Company is providing further information to the regulators in relation to the second new listing application and the circular (including, among other things, the financial information of the Group and the target group) to be despatched to the shareholders of the Company.

##### (b) The 28 February 2018 announcement

The Company is preparing further information, including but not limited to the financial information of the Company and the target group, to the regulators and addressing any comments they raised in relation to the new listing application and the resumption.

#### 18. 退休福利計劃

本公司於中國的僱員均為中國政府經辦的國有管理退休福利計劃成員。本公司須以其薪資成本特定百分比向退休福利計劃供款，以為福利撥付資金。本公司就退休福利計劃應擔唯一責任為根據計劃繳撥特定供款。

於截至二零一七年十二月三十一日止年度，本公司就退休福利計劃繳撥供款金額披露於附註6。

#### 19. 關連方交易

##### (a) 關連方結餘

除財務報表另處的附註披露者外，本公司於年內並無任何重大關連方交易。

##### (b) 主要管理人員之薪酬

主要管理人員之薪酬於附註7披露。

#### 20. 報告期後事項

除財務報表其他部分所披露者外，本公司於報告期後有以下事項：

##### (a) 二零一八年一月二十九日公告

本公司正提供更多關於第二次新上市申請的資料予監管機構，而通函(載有(其中包括)本集團及目標集團之財務資料)將寄發予本公司股東。

##### (b) 二零一八年二月二十八日公告

本公司正準備更多資料，包括但不限於本公司及目標集團之財務資料，提供予監管機構及回應彼等就新上市申請及復牌提出的任何問題。

## Notes to the Financial Statements

### 財務報表附註

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

#### 21. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

The statement of financial position and the statement of changes in equity of the Company are set out in page 60, page 61 and page 62 respectively.

#### 22. INVESTMENT IN THE DE-CONSOLIDATED SUBSIDIARIES

As explained in note 2.1, the directors of the Company were unable to locate and to get access to the complete books and records of the Company and the De-consolidated Subsidiaries for the current and the previous years and the previous management of the Group did not response to any request for information. The financial results, assets and liabilities of the De-consolidated Subsidiaries have not been included in financial statements of the Company and no consolidated financial statements were prepared since 1 January 2011. Details of the De-consolidated Subsidiaries at the end of the reporting period are set out as below:

#### 21. 有關本公司財務狀況表的資料

本公司之財務狀況表及權益變動表分別載於第60頁、第61頁及第62頁。

#### 22. 於取消綜合入賬附屬公司之投資

誠如財務報表附註2.1所披露，本公司董事未能找到及查閱本公司及取消綜合入賬附屬公司於當前及過往年度之完整賬冊及記錄以及本集團前任管理層並無回應任何資料的請求。取消綜合入賬附屬公司之財務業績、資產及負債概無計入本公司財務報表及自二零一一年一月一日起概無編製綜合財務報表。於報告期末取消綜合入賬附屬公司之詳情載列如下：

Name	Place and date of incorporation/establishment	Issued and fully paid share capital/ registered capital	Attributable equity interest held	Principal activities
名稱	註冊成立／成立地點及日期	已發行及繳足股本／註冊股本	持有之應佔股權	主要業務
Global Milk	The Republic of Singapore 15 September 2006	S\$1	100%	Investment holding
Global Milk	新加坡共和國 二零零六年九月十五日	新加坡1元		投資控股
Da Qing Dairy	The PRC 29 October 1997	RMB638,000,000	100%	Manufacture marketing and sales of dairy products
大慶乳品廠	中國 一九九七年十月二十九日	人民幣638,000,000元		乳製品製造、市場推廣及銷售
Chang Qing Dairy	The PRC 7 August 2008	RMB260,738,890	100%	Manufacture marketing and sales of dairy products
常慶乳業	中國 二零零八年八月七日	人民幣260,738,890元		乳製品製造、市場推廣及銷售
Benniu Muye	The PRC 25 November 2010	RMB5,000,000	100%	Dairy farming
犇牛牧業	中國 二零一零年十一月二十五日	人民幣5,000,000元		乳牛畜牧



## Financial Summary

### 財務概要

#### RESULTS

#### 業績

Year ended 31 December  
截至十二月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (經重列)	2013 二零一三年 HK\$'000 千港元 (Restated) (經重列)
Revenue	收益	—	—	—	—	—
Loss before taxation	除稅前虧損	(5,099)	(8,835)	(3,411)	(3,414)	(4,321)
Income tax expenses	所得稅開支	—	—	—	—	—
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(5,099)	(8,835)	(3,411)	(3,414)	(4,321)

#### ASSETS AND LIABILITIES

#### 資產與負債

At 31 December  
於十二月三十一日

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (經重列)	2013 二零一三年 HK\$'000 千港元 (Restated) (經重列)
Total assets	資產總額	266	89	329	704	656
Total liabilities	負債總額	(43,573)	(38,297)	(29,702)	(27,208)	(23,836)



DAQING DAIRY HOLDINGS LIMITED  
大慶乳業控股有限公司