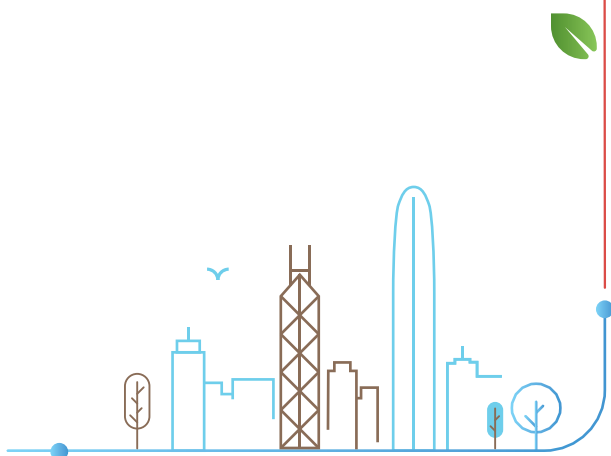


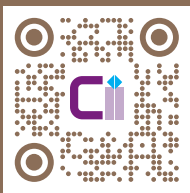


CHINA INTERNET INVESTMENT FINANCE
HOLDINGS LIMITED

中國互聯網投資金融集團有限公司







ENTER
the corporate portal

進入
本公司平台

CORPORATE PROFILE 公司簡介

China Internet Investment Finance Holdings Limited is an investment company listed on the Main Board of the Hong Kong Stock Exchange. We focus on investing in listed shares, bonds and private equity.

中國互聯網投資金融集團有限公司為一間於香港聯交所主板上市之投資公司。我們專注投資於上市股票、債券及非上市公司股權。

MISSION AND INVESTMENT STRATEGIES 使命及投資策略

Mission:
Becoming a well-known investment company in Hong Kong with focus in Internet Investment and Finance
使命：
成為香港知名的投資公司，並以互聯網及金融業投資為重心

Diversified portfolio of asset classes
資產組合內投資類別的多元化

Prudent but proactive investment approach
穩健、進取並舉的投資風格

Buy-and-Hold
買入並持有
Band-trading
區間買賣

Capital appreciation and stable returns
資本增值及穩健回報

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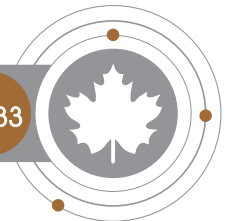
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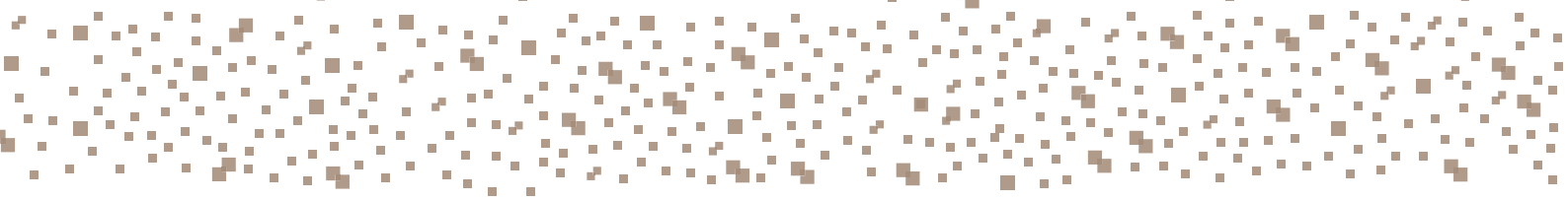
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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

Chairman and Non-executive Director
Dr. Lam Man Chan

Executive Director
Mr. Lee Kwok Leung

Chief Executive Officer
Dr. Yeung Cheuk Kwong

Independent Non-executive Directors
Dr. Ng Chi Yeung, Simon
Mr. Tam Yuk Sang, Sammy
Ms. Florence Ng

AUDIT COMMITTEE

Mr. Tam Yuk Sang, Sammy (*Chairman*)
Dr. Ng Chi Yeung, Simon
Ms. Florence Ng

REMUNERATION COMMITTEE

Mr. Tam Yuk Sang, Sammy (*Chairman*)
Dr. Ng Chi Yeung, Simon
Ms. Florence Ng

NOMINATION COMMITTEE

Dr. Ng Chi Yeung, Simon (*Chairman*)
Mr. Tam Yuk Sang, Sammy
Ms. Florence Ng
Mr. Lee Kwok Leung

JOINT COMPANY SECRETARIES

Mr. Leung Yiu Wah
Ms. Cheng Suk Fun

AUDITOR

Deloitte Touche Tohmatsu

INVESTMENT MANAGER

Silverstone Investments Limited
(formerly known as Success Talent Investments Limited)

董事會及行政總裁

主席兼非執行董事
林文燦博士

執行董事
李國樑先生

行政總裁
楊卓光博士

獨立非執行董事
吳志揚博士
譚旭生先生
吳翠蘭女士

審核委員會

譚旭生先生(*主席*)
吳志揚博士
吳翠蘭女士

薪酬委員會

譚旭生先生(*主席*)
吳志揚博士
吳翠蘭女士

提名委員會

吳志揚博士(*主席*)
譚旭生先生
吳翠蘭女士
李國樑先生

聯席公司秘書

梁耀華先生
鄭淑芬女士

核數師

德勤•關黃陳方會計師行

投資經理

銀石投資有限公司
(原稱為成駿投資有限公司)

CORPORATE INFORMATION**公司資料****PRINCIPAL BANKERS**

The Hongkong and Shanghai Banking Corporation Limited
 Chong Hing Bank Limited
 DBS Bank (Hong Kong) Limited
 Chiyu Banking Corporation Limited
 China Construction Bank (Asia) Corporation Limited
 Standard Chartered Bank (Hong Kong) Limited
 UBS AG

CUSTODIAN

Chong Hing Bank Limited

SOLICITORS

As to Hong Kong Law
 Sidley Austin

As to Bermuda Law

Appleby

REGISTERED OFFICE

Canon's Court
 22 Victoria Street
 Hamilton HM 12
 Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat 18, 9/F., Block B, Focal Industrial Centre,
 21 Man Lok street, Hunghom, Kowloon,
 Hong Kong.

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT IN BERMUDA

Estera Management (Bermuda) Limited
 Canon's Court, 22 Victoria Street
 Hamilton HM 12, Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

WEBSITE

<http://www.hk0810.com>
<http://www.irasia.com/listco/hk/cii810>

STOCK CODE

810

主要往來銀行

香港上海滙豐銀行有限公司
 創興銀行有限公司
 星展銀行(香港)有限公司
 集友銀行有限公司
 中國建設銀行(亞洲)股份有限公司
 渣打銀行(香港)有限公司
 UBS AG

託管商

創興銀行有限公司

律師

香港法律方面
 盛德國際律師事務所

百慕達法律方面

毅柏律師事務所

註冊辦事處

Canon's Court
 22 Victoria Street
 Hamilton HM 12
 Bermuda

香港主要營業地點

香港
 九龍紅磡民樂街21號
 富高工業中心B座9樓18室

百慕達主要股份過戶登記處

Estera Management (Bermuda) Limited
 Canon's Court, 22 Victoria Street
 Hamilton HM 12, Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
 香港
 皇后大道東183號
 合和中心22樓

網址

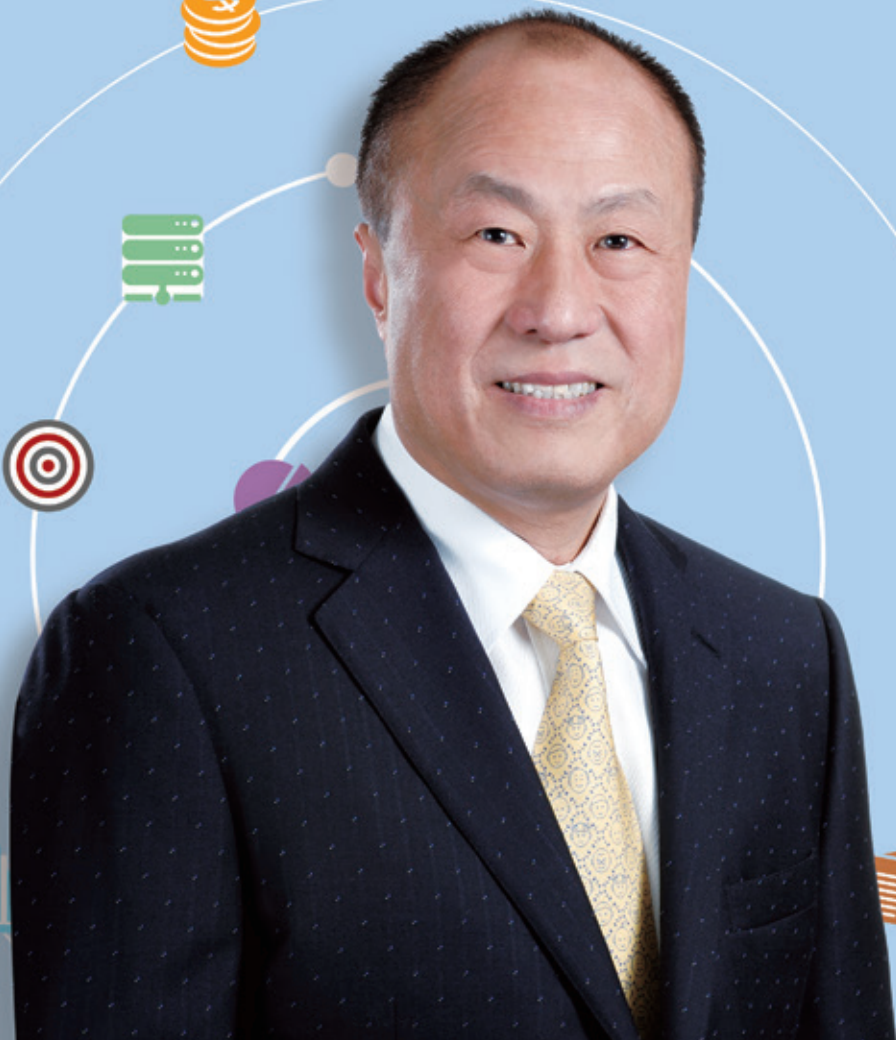
<http://www.hk0810.com>
<http://www.irasia.com/listco/hk/cii810>

股份代號

810

CHAIRMAN'S STATEMENT

主席報告



Dr. Lam Man Chan
林文燦博士
Chairman 主席

CHAIRMAN'S STATEMENT 主席報告

On behalf of the Board of Directors (the "Board"), I am pleased to present the annual report of China Internet Investment Finance Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 31 December 2017. The Company is an investment company pursuant to Chapter 21 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules").

KEY PERFORMANCE INDICATOR

The net asset value of the Group is its key performance indicator and, as at 31 December 2017, it was stated to be about HK\$182.1 million (31 December 2016: HK\$204.0 million). The loss for the year of about HK\$45.3 million was partly mitigated by the increase in the Company's equity through a share placement during the period. The net asset value per share was HK\$0.33, which was calculated on the above net assets value and 545,951,250 ordinary shares of HK\$0.10 each in issue as at 31 December 2017.

ANNUAL REVIEW

INVESTMENT PORTFOLIO REVIEW

Listed equity securities and listed debt securities

During the year, the Group's listed investment portfolio decreased from HK\$182.9 million to HK\$150.1 million, representing a decrease of about 17.9%, and it primarily comprised investment in listed equity and debt securities. The total amount of listed equity securities which were classified as financial assets at fair value through profit or loss amounted to HK\$112.4 million (31 December 2016: HK\$121.3 million). An amount of HK\$46.1 million was classified as non-current assets as it was expected that such amount might not be realised within twelve months after the end of reporting period. As at 31 December 2017, investments in listed debt securities of about HK\$37.8 million (31 December 2016: HK\$61.7 million) were classified as available-for-sale financial assets.

Unlisted Investments

Interests in associates

It represents the investment in Superb Kingdom Limited ("SKL") and its subsidiaries. Through the direct and indirect holdings in SKL and its intermediate subsidiary, the effective equity interest in SKL group is about 30%. As at 31 December 2017, the interests in associates was stated to be nil, after taking into account of the impairment charge for the goodwill for the year. The keen competitive environment of the LED lighting business has adversely affected the overall financial performance and business outlook of the associated companies.

本人謹代表董事會(「董事會」)欣然提呈中國互聯網投資金融集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一七年十二月三十一日止年度之年度報告。本公司為一間符合香港聯合交易所有限公司證券上市規則(「上市規則」)第21章之投資公司。

關鍵績效指標

本集團的資產淨值是關鍵績效指標，於二零一七年十二月三十一日約為182,100,000港元(二零一六年十二月三十一日：204,000,000港元)。年內虧損約為45,300,000港元，部分因期內股份配售導致本公司股本增加而減少。每股資產淨值為0.33港元，乃根據上述資產淨值以及於二零一七年十二月三十一日的545,951,250股每股面值0.10港元之已發行普通股計算。

年度回顧

投資組合回顧

上市股本證券和上市債務證券

年內，本集團的上市投資組合主要由上市股本及債務證券投資組成，組合價值由約182,900,000港元減至約150,100,000港元，減少約17.9%。分類為按公允值計入損益之金融資產之上市股本證券總額為112,400,000港元(二零一六年十二月三十一日：121,300,000港元)。46,100,000港元款項分類為非流動資產，原因是預期該款項於報告期末後十二個月內或不會變現。於二零一七年十二月三十一日，上市債務證券投資約為37,800,000港元(二零一六年十二月三十一日：61,700,000港元)，分類為可供出售金融資產。

非上市投資

於聯營公司之權益

此指於超君有限公司(「超君」)及其附屬公司之投資。透過直接及間接控股超君及其中間附屬公司，於超君集團的實際股權約為30%。於二零一七年十二月三十一日，經計及年內就商譽計提的減值支出後，於聯營公司的權益入賬為零。LED照明業務的激烈競爭環境對於聯營公司的整體財務表現及業務前景造成不利影響。

CHAIRMAN'S STATEMENT 主席報告

Update on the recovery of the convertible note receivables

The outstanding convertible note ("CN") receivables amounted to about RMB15 million, which was fully impaired previously. However, the recovery actions were still taken as below.

During the year, winding up orders had been granted by the High Court of Hong Kong on the CN issuer and its corporate guarantor, and the liquidators are now carrying out the winding up. Regarding the recovery actions against the individual guarantor, our lawyers are now assessing the defence statement that had been filed by the individual guarantor.

REVIEW OF OPERATIONS

In 2017, the Hong Kong stock market outperformed major overseas markets. Catching up global markets, the Hang Seng Index ("HSI") surged about 36% and hit the 30,000 level for the first time in a decade. Trading was very active, with an increase in the average daily turnover. Global markets advanced because of optimism about corporate earnings and improving economic fundamentals. The U.S. stock market hit a record high and the economic recovery gathered momentum. The sustained weakness of the U.S. dollar, which depreciated about 10% in 2017, was another factor encouraging the continuous inflow of capital to Hong Kong and other emerging markets. Investors were also optimistic about the continuation of an accommodative monetary policy stance and the U.S. Fed's expectations of the gradual increases in interest rates. The finalisation of U.S. tax reform, which would benefit most corporations, also supported the broader market. Moreover, there was an increase in southbound trading in 2017 because mainland investors favoured investment in large-cap stocks and provided support to the market.

In January 2018, the Hong Kong stock market advanced substantially and hit the level of 33,000 and the market declined drastically in early February 2018, caused by the sudden adjustment in the U.S. stock market. The market outlook was clouded by valuation concerns as well as uncertainties in local and overseas markets. The Hong Kong market has remained resilient, however, the market has accumulated substantial gains within a short period of time and this raises the possibility of a major market correction.

Gross proceeds from operations

The gross proceeds from operations were about HK\$52.4 million for the year (2016: HK\$52.0 million).

有關追討可換股票據應收款項之最新資料

未償還可換股票據(「可換股票據」)應收款項約為人民幣15,000,000元，之前已悉數減值。然而，我們仍採取以下追討行動。

年內，香港高等法院已頒令可換股票據發行人及其企業擔保人清盤，清盤人現正進行清盤。對於針對個人擔保人的追討行動，我們的律師正評估個人擔保人提出的抗辯聲明。

營運回顧

二零一七年，香港股市跑贏主要海外市場。恒生指數(「恒指」)飆升約36%，十年內首度觸及30,000點大關，跟隨全球市場走勢。交投非常暢旺，日均成交額上升。由於市場看好企業盈利加上經濟基本因素改善，全球市場走高。美國股市創下歷史新高，經濟復甦勢頭良好。美元持續走弱，二零一七年貶值約10%，是另一個推動資本持續流入香港及其他新興市場的因素。投資者對持續推行寬鬆的貨幣政策以及美國聯儲局預期會逐步加息亦保持樂觀。美國稅制改革的落實，將惠及大多數企業，亦為大市帶來了支持。此外，由於二零一七年內地投資者紛紛追捧大型股，為市場帶來支持，令港股通交易增加。

二零一八年一月，香港股市大幅上漲，上探33,000點水平。二零一八年二月初，市場因美國股市突然調整而大幅下挫。估值顧慮以及本土及海外市場的不明朗因素令市場前景蒙上陰影。香港市場保持堅穩，然而短期內市場已累積龐大升幅，加大了市場重大調整的可能性。

營運所得款項總額

年內的營運所得款項總額約為52,400,000港元(二零一六年：52,000,000港元)。

CHAIRMAN'S STATEMENT 主席報告

Revenue

For the year ended 31 December 2017, the revenue of the Group was HK\$4.1 million (2016: HK\$4.0 million) comprising of dividend income from listed equity securities of about HK\$1.8 million (2016: HK\$1.9 million), listed debt securities interest income of about HK\$2.0 million (2016: HK\$2.1 million) and interest income from unlisted investments in equity linked notes of about HK\$0.3 million (2016: Nil).

Loss from operations

For year ended 31 December 2017, the Company suffered a loss from operations of about HK\$45.3 million (2016: HK\$74.0 million). It was mainly attributable to the fluctuations in the net fair value change of about HK\$18.0 million (2016: HK\$36.2 million), of which our equity investment in GEM Board shares suffered a fair value loss of about HK\$33.0 million while the Main Board shares portfolio generated a fair value gain of HK\$15.0 million. The gains in Hang Seng Index in 2017 were not broad-based and were concentrated in a few large-cap technology and financial stocks. Of the 7,919 point increase in the Hang Seng Index, Tencent, HSBC, AIA, Ping An and HKEx collectively contributed 4,959 points, or 63% of total gain. Although the Company has invested in certain of these stocks, the investment in other stocks particularly the investments in GEM board shares were underperformed.

收益

截至二零一七年十二月三十一日止年度，本集團的收益約為4,100,000港元(二零一六年：約4,000,000港元)，由上市股本證券之股息收入約1,800,000港元(二零一六年：1,900,000港元)、上市債務證券之利息收入約2,000,000港元(二零一六年：2,100,000港元)及非上市投資股本掛鈎票據之利息收入約300,000港元(二零一六年：零)組成。

經營虧損

截至二零一七年十二月三十一日止年度，本公司錄得營運虧損約45,300,000港元(二零一六年：74,000,000港元)，主要是由於在GEM的股本投資錄得公允值虧損約33,000,000港元而主板股份投資組合錄得公允值收益15,000,000港元，由此錄得公允值變動淨額約18,000,000港元(二零一六年：36,200,000港元)之波動所致。二零一七年恒生指數的上漲不全面而是集中於若干隻大型科技及金融股。恒生指數7,919點的漲幅中，騰訊、滙豐、友邦保險、平安及港交所共貢獻4,959點，或總漲幅的63%。儘管本公司投資部分該等股份，但其他股份的投資尤其是GEM板塊股份的投資表現欠佳。



CHAIRMAN'S STATEMENT 主席報告

Other gains or losses, net

The other gains of about HK\$0.7 million (other losses of HK\$2.4 million in 2016) was mainly attributable to the realised gain on disposal of certain listed debt securities which were dominated in U.S. dollars.

Administrative expenses and finance cost

The administrative expenses amounted to HK\$29.4 million which was comparable to that of prior year (2016: HK\$30.2 million). The expenses mainly comprised employment benefit expenses of about HK\$15.3 million (2016: HK\$14.8 million) and depreciation charge of fixed assets of about HK\$7.8 million (2016: HK\$8.0 million).

The finance cost amounted to HK\$0.3 million (2016: HK\$0.4 million), and the slight decrease was due to the reduction of the loan outstanding balance.

During the year, the Group provided a short-term loan of about MOP 2.5 million to SKL to finance its E&M contracting business in Macau. The loan has been fully repaid subsequent to the balance sheet date and it generated interest income to the Group.

PROSPECTS

Although there are concerns about the sustainability of the U.S. market rally, which would depend on the timing, pace and magnitude of tightening, as well as the general economic conditions, major investment bankers are still optimistic about the stock market performance because of the positive effects of the U.S. tax reform and the general improvement of the economic fundamentals. The performance of H-shares is also expected to be positively affected by the Mainland economy which showed signs of stabilisation. Optimism about the inclusion of A-shares in the MSCI Emerging Markets Index in 2018 also boosted sentiment. It is expected that solid earnings of Mainland enterprises accelerating state-owned enterprise reforms. In addition, the renminbi currency has stabilised, supporting Mainland companies' earnings growth in Hong Kong dollar terms.

The investor sentiment is still optimistic because of the general expectations of the U.S. economic GDP growth that can continue for several quarters at around 3% p.a. and the passing of the tax cut. The consensus view is that there will be a shift away from bonds or bond-proxy equities while interest-rate sensitive stocks and financial sectors, and technology stocks could perform better. The Group will put more emphasis on the equities investments and suitable trading strategies would be considered to enhance the overall return on the investment portfolio.

其他收益或虧損，淨額

其他收益約700,000港元(二零一六年：其他虧損2,400,000港元)主要是由於出售美元計值的若干上市債務證券產生變現收益所致。

行政開支及融資成本

行政開支為29,400,000港元，與上一年度相若(二零一六年：30,200,000港元)，主要包括僱員福利開支約15,300,000港元(二零一六年：14,800,000港元)及固定資產折舊支出約7,800,000港元(二零一六年：8,000,000港元)。

融資成本為300,000港元(二零一六年：400,000港元)，略微下降是由於貸款的未償還結餘減少所致。

年內，本集團向超君提供短期貸款約2,500,000澳門元，為超君澳門的機電承包業務提供資金。貸款於結算日後已悉數償還，為本集團產生利息收入。

前景

儘管市場對美國股市升勢能否持續表示憂慮，此取決於實施緊縮政策的時間、步伐及幅度以及整體的經濟狀況，但主要投資銀行家仍對股市表現持樂觀態度，原因是美國稅收改革的積極影響及經濟基本因素的整體改善。內地經濟呈企穩跡象，預期H股表現亦將受到正面影響。對二零一八年將A股納入摩根士丹利資本國際公司新興市場指數的樂觀態度亦振奮市場氣氛。預期內地企業盈利穩健將加快國有企業改革。此外，人民幣已企穩，支撐內地企業按港元計算的盈利增長。

由於普遍預期美國經濟國內生產總值可連續數個季度維持按年約3%的增長及通過減稅法案，因此投資者情緒依然樂觀。市場普遍認為，債券或債券代理股票會有所轉變，而利率敏感型股票及金融業以及科技股可能表現更佳。本集團將更加重視股票投資，並考慮合適的交易策略以提升投資組合的整體回報。

CHAIRMAN'S STATEMENT 主席報告

Dr. Lam Man Chan, representing Po Leung Kuk Lam Man Chan English Primary School, received the Outstanding School Caring Organisation Award in the awarding ceremony.

林文燦博士在頒獎典禮上代表保良局林文燦英文小學獲得社會關愛企業卓越大獎。



However, as stated in the Research Paper No. 62: A Review of the Global and Local Securities Markets in 2017 issued by the Securities Futures Commission on 26 January 2018, there are numerous risks and uncertainties facing the Hong Kong market. Firstly, in the U.S., the Fed has raised interest rates five times since 2015 and three hikes are forecast in 2018. The market has not experienced rate hikes of this pace and magnitude for over a decade. The Fed has also started to unwind its balance sheet, which will have a significant impact on global markets. Unanticipated tightening in financial conditions amid monetary policy surprises in the U.S. would result in financial stress in Hong Kong given its role as an international financial centre.

Moreover, the bullish performance of emerging markets in 2017 has been in part caused by a weak U.S. dollar. Interest rate hikes in the U.S. will result in a stronger U.S. dollar and capital will likely move out of emerging markets. In addition, appreciation of the U.S. dollar will also affect commodity prices, in turn affecting emerging markets currencies. The withdrawal of central bank stimulus and interest rate hikes may negatively impact emerging markets, which are vulnerable to sudden outflows. Higher volatility in regional stock markets and currencies will also likely affect the Hong Kong market. Under the Linked Exchange Rate system, the interest rate in Hong Kong will eventually increase in tandem with the U.S.. The cumulative impact on the securities market may be significant especially if the interest rate catches up with U.S. interest rates. If capital inflows reverse, the Hong Kong dollar and stock market performance will be affected. Thirdly, the concerns on tightening measures in the PRC property market and deleveraging in the PRC financial sector are more pronounced.

然而，根據證券及期貨事務監察委員會於二零一八年一月二十六日發表的《研究論文62 一環球及香港證券市場二零一七年回顧》，香港市場面臨諸多風險及不明朗因素。首先，美國方面，聯儲局自二零一五年以來已加息五次，預計二零一八年將加息三次。過去十多年來，市場從未面對過這種加息步伐和幅度。聯儲局亦開始縮減資產負債表規模，此將對全球市場產生重大影響。美國出其不意的貨幣政策令金融狀況突然收緊，而香港作為國際金融中心，其金融體系亦將因此受壓。

另外，新興市場在二零一七年表現理想，部分歸功於美元走弱。美國加息將會導致美元轉強，資金很可能會離開新興市場。另一方面，美元升值亦將會影響商品價格，繼而可能會對新興市場貨幣造成衝擊。中央銀行撤回刺激經濟政策加上利息上升的效應，資金可能從新興市場突然撤走，這或會對這些市場造成負面影響。地區股票市場及貨幣變得更為波動，港股市場很可能會受到牽連。在聯繫匯率制度下，香港的利率最終會跟隨美國上調。特別是，本港利率走勢假如趕上美國的步伐，對證券市場所產生的累積影響可能相當巨大。倘資金流入出現逆轉，港元及股票市場的表現將會受到拖累。第三，市場擔心有關當局會對中國房地產市場採取更嚴厲的收緊措施，及加強對中國金融業去槓桿化。

CHAIRMAN'S STATEMENT 主席報告

Given the above inherent risks, the Group will monitor the risk-return profile of the portfolio closely. In particular, regarding the investment in unlisted shares, we would focus more on the pre-IPO investments after detailed assessment and due diligence. Such investments will also exhibit significant liquidity risks despite of the high investment return if the projects can meet the performance targets. The Group has also set up two vehicles in Qianhai and Zhuhai respectively, and will set up an office in China to facilitate private equity investments in the PRC.

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: Nil).

ANNUAL GENERAL MEETING ("AGM")

The AGM of the Company will be held on 18 May 2018. The notice of AGM will be published and despatched to the shareholders of the Company together with this Annual Report.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 14 May 2018 to 18 May 2018, both days inclusive, for the purpose of determining the entitlement of the shareholders of the Company to attend and vote at the AGM. No transfer of shares may be registered during the said period. In order to qualify to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 11 May 2018.

APPRECIATION

On behalf of the Company, I would express my heartfelt gratitude towards all of the directors, management and staff members for their support and contribution to the Group. I sincerely hope that the investing can improve the performance of the Company.

On behalf of the Board

China Internet Investment Finance Holdings Limited
Lam Man Chan
Chairman

Hong Kong, 19 March 2018

鑒於上述固有風險，本集團將密切監察投資組合的風險回報情況。具體而言，對於非上市股份的投資，我們將在進行詳細評估及盡職調查後更多地專注首次公開發售前投資。倘項目可達到績效目標，儘管投資回報高，但有關投資亦有重大流動性風險。本集團亦分別在前海及珠海設立兩個機構，並將於中國設立辦事處以促進中國的私人股權投資。

股息

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

股東週年大會(「股東週年大會」)

本公司謹訂於二零一八年五月十八日舉行股東週年大會。股東週年大會通告將予刊發並連同本年報寄發予本公司股東。

暫停辦理股份登記手續

為釐定本公司股東出席股東週年大會並於會上投票的資格，本公司將於二零一八年五月十四日至二零一八年五月十八日(包括首尾兩日)止暫停辦理股份登記手續，期內將不會辦理任何股份過戶登記手續。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票須不遲於二零一八年五月十一日下午四時三十分送交本公司的香港股份過戶登記分處卓佳登捷時有限公司，地址為香港灣仔皇后大道東183號合和中心22樓。

致謝

本人謹代表本公司，由衷感謝董事同仁、管理層及員工對本集團的支持及貢獻。本人衷心希望相關投資可令本公司表現更上一層樓。

代表董事會

中國互聯網投資金融集團有限公司
主席
林文燦

香港，二零一八年三月十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析



Dr. Yeung Cheuk Kwong
楊卓光博士
Chief Executive Officer 行政總裁

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2017, the cash and bank balances amounted to approximately HK\$22.5 million (31 December 2016: HK\$7.0 million) and the net current assets amounted to approximately HK\$81.7 million (31 December 2016: HK\$123.8 million).

As at 31 December 2017, the Group had no capital commitment (31 December 2016: Nil).

GEARING RATIO

As at 31 December 2017, the gearing ratio calculated as a percentage of total borrowings over equity attributable to owners of the Company was 3% (31 December 2016: 5%) and the ratio was maintained steadily.

PROPERTY, PLANT AND EQUIPMENT

As of 31 December 2017, the Group's property, plant and equipment amounted to approximately HK\$16.3 million (31 December 2016: HK\$24.0 million).

MATERIAL ACQUISITION AND DISPOSAL

During the year, there were no significant acquisitions or disposals of principal subsidiaries.

SHARE OPTION SCHEME

During the year, 450,000 share options were lapsed and no share options had been granted, exercised and cancelled. There are 15,100,000 shares options outstanding at 31 December 2017.

EXPOSURE TO FOREIGN EXCHANGE

The investment portfolio primarily comprises listed equities in Hong Kong stock market and debt securities, and other funds are usually maintained in the banks. Majority of them are denominated in Hong Kong dollars or U.S. dollars. The Board considers the Group has no significant exposure to foreign exchange fluctuation at the balance sheet date.

CAPITAL STRUCTURE

In January 2017, the Company issued a total of 90,990,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$0.26 each, by way of a share placement. The net proceeds of about HK\$23 million were used for some investments in listed equity and debt securities.

As at 31 December 2017, the Company's total number of issued shares was 545,951,250 (31 December 2016: 454,961,250 shares).

財務資源與流動資金

於二零一七年十二月三十一日，現金及銀行結餘約為22,500,000港元(二零一六年十二月三十一日：7,000,000港元)而流動資產淨值約為81,700,000港元(二零一六年十二月三十一日：123,800,000港元)。

於二零一七年十二月三十一日，本集團並無資本承擔(二零一六年十二月三十一日：無)。

資本負債比率

於二零一七年十二月三十一日，按借貸總額除以本公司擁有人應佔權益計算之資本負債比率為3%(二零一六年十二月三十一日：5%)及該比率保持穩定。

物業、廠房及設備

於二零一七年十二月三十一日，本集團之物業、廠房及設備約值16,300,000港元(二零一六年十二月三十一日：24,000,000港元)。

重大收購及出售

年內，並無有關主要附屬公司之重大收購或出售。

購股權計劃

年內，450,000份購股權已失效及並無購股權獲授出、行使及被註銷。於二零一七年十二月三十一日有15,100,000份購股權為尚未行使。

外匯風險

投資組合主要包括香港股市的上市股本及債務證券，其他資金一般存於銀行，主要以港元或美元計值。董事會認為，本集團於結算日並無面對顯著外匯波動風險。

資本結構

於二零一七年一月，本公司透過股份配售按每股0.26港元之價格發行合共90,990,000股每股面值0.10港元之普通股。所得款項淨額約23,000,000港元用於上市股本及債務證券的若干投資。

於二零一七年十二月三十一日，本公司已發行股份總數為545,951,250股(二零一六年十二月三十一日：454,961,250股)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

PLEDGE OF THE GROUP'S ASSETS

As at 31 December 2017, the office premises with a carrying amount of HK\$11.4 million (31 December 2016: HK\$12.0 million) was pledged for a mortgaged loan and the Group's obligation under a finance lease was secured by the Group's title to the leased assets, which had carrying amount of approximately HK\$3.6 million (31 December 2016: HK\$8.9 million).

HUMAN RESOURCES

As at 31 December 2017, the Company has 27 employees (31 December 2016: 27), and all of them were in Hong Kong. The remuneration packages for the employees and the directors are in line with the prevailing market practice and are determined on the basis of performance and experience of each individual.

集團資產抵押

於二零一七年十二月三十一日，賬面值為11,400,000港元(二零一六年十二月三十一日：12,000,000港元)之辦公室物業已就一筆按揭貸款而抵押，本集團之融資租賃承擔以本集團賬面值約3,600,000港元(二零一六年十二月三十一日：8,900,000港元)之租賃資產所有權作抵押。

人力資源

於二零一七年十二月三十一日，本公司有27名(二零一六年十二月三十一日：27名)僱員，彼等全部於香港工作。僱員及董事薪酬組合與現行市場慣例一致，並按各人之表現及經驗釐定。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining and implementing a high standard of corporate governance and recognises that good governance can help the business to deliver its strategies, generate shareholder value and meet its obligations towards shareholders and other stakeholders.

The Company has established a governance structure, and embeds governance and principles in the business to ensure accountability, fairness, integrity and transparency. The Board adheres to corporate governance practices by adopting and complying with the established rules, codes, guidelines under the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules. The Company has followed the CG Code and formulated its own policies and procedures regarding the corporate governance practices. During the financial year of 2017, the Company complied with all of the provisions under the CG Code except for the following:

1. Code provision A.4.1
All the Non-executive Directors were not appointed for a specific term, however, their appointment are subject to retirement by rotation at the annual general meeting as specified in the bye-laws of the Company.
2. Code provision A.7.1
The code provision A.7.1 requires an agenda and accompanying board papers should be sent, in full, to all Directors for regular board meetings and as far as practicable in all other cases. These papers should be sent in a timely manner and at least 3 days before the intended date of a board or board committee meeting (or other agreed period).

Due to the practical reasons, an agenda and accompanying board papers have not been sent, in full, in 3 days in advance to certain meetings of the Board or Board Committee. The Company Secretary continues to use its best endeavours to send the agenda and accompanying board paper, in full to the Board or Board Committee at least 3 days in advance to the extent practicable.

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as the codes of conduct regarding securities transactions by Directors. All Directors of the Company have confirmed that, for the year ended 31 December 2017, each director has complied with the required standards as set out in the Model Code.

企業管治常規

本公司致力於恪守並實行高水準的企業管治，並認同良好的管治有助業務實踐其策略、增加股東價值和履行其對股東及其他持份者的責任。

本公司已設立管治架構，並將管治及準則融入業務中，確保問責、公平、誠實和透明的精神得以體現。董事會採納上市規則附錄十四所載之企業管治守則（「企業管治守則」）並遵守其所定之規則、守則及指引，恪守企業管治常規。本公司已遵照企業管治守則，制定本身有關企業管治常規的政策及程序。於二零一七年財政年度，本公司一直遵守企業管治守則項下之所有條文，惟下列情況除外：

1. 守則條文第A.4.1條
所有非執行董事並無獲委任特定年期，然而，彼等之委任均須按本公司公司細則所訂明於股東週年大會上輪值告退。
2. 守則條文第A.7.1條
守則條文第A.7.1條規定期董事會會議的議程及相關董事會文件應全部及時送交全體董事，並至少在計劃舉行董事會或轄下委員會會議日期的三天前（或協定的其他時間內）送出。董事會其他所有會議在切實可行的情況下亦應採納以上安排。

由於實務原因，董事會會議的議程及相關文件未能在若干董事會或其轄下委員會會議日期的三天前送交。公司秘書繼續盡全力，在切實可行的情況下最少三天前將董事會會議的議程及相關會議文件全部送交董事會或其轄下委員會。

董事進行證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」），作為董事進行證券交易之操守準則。本公司全體董事已確認，彼等各自於截至二零一七年十二月三十一日止年度已遵守標準守則所載之規定標準。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

The Board has overall responsibility for the management of the Company and the implementation of its investment policy, which includes, inter alia, the adoption of long term corporate strategies, assessment of investment projects, supervision of its management and review of its financial performance to ensure that the Company's investments are conducted in accordance with its objectives. The Company appoints the professional investment manager to manage its investment portfolio and Silverstone Investments Limited (formerly known as Success Talent Investments Limited) is the investment manager to provide such investment management service.

BOARD SIZE AND COMPOSITION

There are currently five Directors in the Board: the Chairman, one Executive Director, and three Independent non-executive Directors ("INEDs"). The roles of the Chairman and the Chief Executive Officer are separated. The Board regularly reviews its size and composition to ensure that the Board can have a breadth of perspective from time to time and that it always has the necessary diversity of skills and attributes required to oversee and govern in the ever-changing operating environment. The Directors' biographical details are set out in the section of "Biography of Directors and Chief Executive Officer" on pages 40 to 46. During the year, the board size and composition was reviewed by the Nomination Committee during the year.

The Board members for the year ended 31 December 2017 and as at the date up to this report were:

Chairman and Non-Executive Director
Dr. Lam Man Chan

Executive Director
Mr. Lee Kwok Leung

Independent Non-executive Directors
Dr. Ng Chi Yeung, Simon
Mr. Tam Yuk Sang, Sammy
Ms. Florence Ng

The Board conducts at least four regular Board meetings a year at approximately quarterly intervals in addition to other Board meetings that are required for significant and important issues, and for statutory purposes. The Board meetings are attended by a majority of the Directors in person or through other electronic means of communication. Appropriate and sufficient information is provided to the Board members in a timely manner to keep them abreast of the Group's latest development and thus assist them in discharging their duties.

董事會

董事會負責本公司整體管理工作及執行其投資政策，其中包括採納長遠公司策略、評估投資項目、監督本公司管理層以及檢討財務表現，以確保本公司之投資乃依循其目標進行。本公司委聘專業投資經理以管理其投資組合，而銀石投資有限公司(原稱為成駿投資有限公司)獲提供上述投資管理服務之投資經理。

董事會規模及組成

董事會目前由五名董事組成，包括主席、一名執行董事及三名獨立非執行董事(「獨立非執行董事」)。主席與行政總裁之角色獨立分開。董事會定期檢討其規模及組成，確保董事會不時具備多元的觀點，並時刻具備多元化之技能及特長，以便能在不斷轉變的經營環境中進行監察及管治。各董事之履歷資料載於第40至46頁「董事及行政總裁之履歷」一節。於本年度，董事會之規模及組成已由提名委員會於年內審閱。

截至二零一七年十二月三十一日止年度及截至本報告日期止，董事會之成員為：

主席兼非執行董事
林文燦博士

執行董事
李國樑先生

獨立非執行董事
吳志揚博士
譚旭生先生
吳翠蘭女士

除就重大及重要事務以及法定目的而舉行之其他董事會會議外，董事會每年至少舉行四次董事會例會，大約每季舉行一次。大部份董事親身或通過其他電子通訊方式出席董事會會議。董事會成員將會適時獲得適當及充足之資料，以便彼等了解本集團之最新發展，從而有助彼等履行其職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year ended 31 December 2017, other than resolutions passed in writing by all the Directors, the Board held a total of eight Board meetings. During the year ended 31 December 2017, the Company convened an annual general meeting ("AGM").

於截至二零一七年十二月三十一日止年度，除了由全體董事通過之書面決議案外，董事會共舉行八次董事會會議。於截至二零一七年十二月三十一日止年度，本公司召開一次股東週年大會（「股東週年大會」）。

The attendance of the Directors at the Board Meetings and General Meetings for the year ended 31 December 2017 is set out as below:

董事於截至二零一七年十二月三十一日止年度之董事會會議及股東大會出席次數載列如下。

Name of Directors 董事姓名		Number of meetings attended 出席會議次數	
		Board Meetings 董事會會議	AGM 股東週年大會
Chairman and Non-Executive Director Dr. Lam Man Chan	主席兼非執行董事 林文燦博士	8	1
Executive Director Mr. Lee Kwok Leung	執行董事 李國樑先生	8	1
Independent Non-executive Directors	獨立非執行董事		
Dr. Ng Chi Yeung, Simon	吳志揚博士	5	1
Mr. Tam Yuk Sang, Sammy	譚旭生先生	6	1
Ms. Florence Ng	吳翠蘭女士	6	1

Each of the Independent Non-executive Directors has given the Company an annual confirmation of independence. The Company considers such Directors to be independent under the guidelines set out in Rule 3.13 of the Listing Rules.

各獨立非執行董事已就彼之獨立性向本公司發出年度確認書。本公司認為，根據上市規則第3.13條所載指引，該等董事均為獨立人士。

To the best knowledge of the Board, there is no financial, business or family relationship among members of the Board as at 31 December 2017. All of them are free to exercise their individual judgment.

據董事會所深知，於二零一七年十二月三十一日，董事會各成員間並無任何財務、業務或家族關係。全體董事均可自由作出個人判斷。

THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The code provision A.2.1 stipulates that the role of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. To ensure a balance of power and authority, Dr. Lam Man Chan and Dr. Yeung Cheuk Kwong have been appointed as the Chairman and Chief Executive Officer of the Company respectively.

主席及行政總裁

守則條文第A.2.1條訂明，主席及行政總裁之角色應予區分，不應由同一人擔任。為確保權力及授權之平衡，林文燦博士及楊卓光博士已分別獲委任為本公司之主席及行政總裁。

The major duties of the Chairman are to provide leadership to the Board and spearhead overall corporate development and strategic planning whilst the Chief Executive Officer is responsible for implementing the decisions and strategy approved by the Board and managing day-to-day operations of the Group with the supports of the Executive Director.

主席之主要職責為帶領董事會及作出整體企業發展及策略規劃，而行政總裁則負責執行由董事會批准之決策及策略，並在執行董事之支援下管理本集團日常營運。

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NON-EXECUTIVE DIRECTORS

Under the code provision A.4.1, Non-executive Directors should be appointed for a specific term, subject to re-election. Although the current Non-executive Director and Independent Non-executive Directors of the Company are not appointed for a specific term, all Directors (including Executive and Non-executive) of the Company are subject to retirement by rotation at the annual general meeting as specified in the bye-laws of the Company.

THE BOARD COMMITTEES

1. Audit Committee

The Audit Committee of the Company was established with its written terms of reference formulated in accordance with the requirements of the Listing Rules. The Audit Committee currently consists of three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Tam Yuk Sang, Sammy is the Chairman of the Audit Committee.

The Audit Committee has adopted terms of reference which are in line with the CG Code. The Audit Committee met regularly during the year to review the completeness, accuracy and fairness of the Company's financial statements, the Company's financial reporting system and internal control procedures, the scope and nature of the external audit and matters concerning the engagement of external auditors. The Audit Committee is also responsible for reviewing the Company's interim and annual financial statements and making recommendations as to the approval of the Company's interim and annual financial statements by the Board.

During the year, the Audit Committee held four meetings and the attendance of the members at the meetings for the year ended 31 December 2017 is set out as below:

Name of Members 成員姓名		Number of meetings attended 出席會議次數
Independent Non-executive Directors	獨立非執行董事	
Mr. Tam Yuk Sang, Sammy (<i>Chairman</i>)	譚旭生先生(主席)	4
Dr. Ng Chi Yeung, Simon	吳志揚博士	3
Ms. Florence Ng	吳翠蘭女士	4

非執行董事

根據守則條文第A.4.1條，非執行董事應按特定任期委任，並可膺選連任。儘管本公司之現任非執行董事及獨立非執行董事並非按特定任期委任，惟本公司之全體董事(包括執行及非執行)均須根據本公司之公司細則之規定於股東週年大會上輪值退任。

董事委員會

1. 審核委員會

本公司之審核委員會已告成立，而其書面職權範圍乃根據上市規則之規定制定。審核委員會現時由三名獨立非執行董事，即吳志揚博士、譚旭生先生及吳翠蘭女士組成。譚旭生先生為審核委員會主席。

審核委員會已採納符合企業管治守則之職權範圍。審核委員會於年內定期舉行會議，以檢討本公司財務報表之完整性、準確性及公平程度、本公司之財務報告制度及內部監控程序、外部審核之範圍及性質以及與委聘外聘核數師相關之事宜。審核委員會亦負責審閱本公司之中期及年度財務報表，並對董事會批准本公司之中期及年度財務報表提出推薦意見。

年內，審核委員會曾舉行四次會議，各成員於截至二零一七年十二月三十一日止年度之會議出席次數載列如下：

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2. Remuneration Committee

The Remuneration Committee of the Company was established primarily to review and make recommendations to the Board on matters relating to the remuneration of the Directors and the senior management of the Company.

The Remuneration Committee currently consists of three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Tam Yuk Sang, Sammy is the Chairman of the Remuneration Committee.

The Remuneration Committee has adopted terms of reference which are in line with the CG Code to review the remuneration policy and remuneration packages of the Directors. During the year, the Remuneration Committee held one meeting and has reviewed the level of director fee by making comparison to peers. The attendance of the members at the meeting for the year ended 31 December 2017 is set out as below:

Name of Members 成員姓名		Number of meetings attended 出席會議次數
Independent Non-executive Directors	獨立非執行董事	
Mr. Tam Yuk Sang, Sammy (<i>Chairman</i>)	譚旭生先生(主席)	1
Dr. Ng Chi Yeung, Simon	吳志揚博士	1
Ms. Florence Ng	吳翠蘭女士	1

3. Nomination Committee

The Nomination Committee currently consists of one Executive Director, namely, Mr. Lee Kwok Leung and three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Dr. Ng Chi Yeung, Simon is the Chairman of the Committee. During the year, the Nomination Committee reviewed the composition, structure, size of the board and the board diversity.

2. 薪酬委員會

本公司之薪酬委員會已告成立，主要檢討董事及本公司高級管理層之薪酬事宜以及就此向董事會作出推薦意見。

薪酬委員會現時由三名獨立非執行董事，即吳志揚博士、譚旭生先生及吳翠蘭女士組成。譚旭生先生為薪酬委員會主席。

薪酬委員會已採納符合企業管治守則之職權範圍，其負責檢討董事之薪酬政策及薪酬待遇。年內，薪酬委員會曾舉行一次會議並透過與同業作比較而審視董事袍金水平，各成員於截至二零一七年十二月三十一日止年度之會議出席次數載列如下：

3. 提名委員會

提名委員會現時由一名執行董事，即李國樑先生，以及三名獨立非執行董事，即吳志揚博士、譚旭生先生及吳翠蘭女士組成。吳志揚博士為委員會主席。年內，提名委員會檢討董事會之組成、架構、規模以及董事會成員多元化。

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During the year, the Nomination Committee held one meeting and the attendance of the members at the meeting for the year ended 31 December 2017 is set out as below:

年內，提名委員會曾舉行一次會議，各成員於截至二零一七年十二月三十一日止年度之會議出席次數載列如下：

Name of Members 成員姓名		Number of meetings attended 出席會議次數
Executive Director Mr. Lee Kwok Leung	執行董事 李國樑先生	1
Independent Non-executive Directors Dr. Ng Chi Yeung, Simon (<i>Chairman</i>) Mr. Tam Yuk Sang, Sammy Ms. Florence Ng	獨立非執行董事 吳志揚博士(主席) 譚旭生先生 吳翠蘭女士	1 1 1

AUDITOR'S REMUNERATION

For the year ended 31 December 2017, the fee paid/payable in respect of audit services and non-audit services to the Company's auditor, Deloitte Touche Tohmatsu, was approximately HK\$720,000 and HK\$22,000 respectively.

核數師薪酬

於截至二零一七年十二月三十一日止年度，已付／應付本公司核數師德勤·關黃陳方會計師行的審核服務及非審核服務的費用分別約為720,000港元及22,000港元。

The Audit Committee is responsible for making recommendations to the Board as to the appointment, reappointment and removal of the external auditors, which is subject to the approval by the Board and at general meetings of the Company by the shareholders.

審核委員會負責就委任、重新委任及撤換外聘核數師向董事會作出推薦建議，有關委任、重新委任及撤換之事宜須經董事會及於本公司之股東大會上經股東批准，方可作實。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Company and ensure that they are prepared in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of such financial statements.

董事對財務報表之責任

董事了解彼等對編製本公司財務報表之責任，並確保財務報表乃根據法定規定及適用會計準則編製。董事亦確保及時刊發有關財務報表。

The statement of the external auditor of the Company, Deloitte Touche Tohmatsu, with regard to their reporting responsibilities on the Company's financial statements is set out in the Independent Auditor's Report on pages 47 to 52.

本公司外聘核數師德勤·關黃陳方會計師行就彼等對本公司財務報表之申報責任作出之聲明載於第47至52頁之獨立核數師報告。

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

董事確認，據彼等作出一切合理查詢後所深知、盡悉及確信，彼等並不知悉任何可能對本公司之持續經營能力構成重大疑問之事件或狀況之重大不明朗因素。

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INTERNAL CONTROLS

The Board is responsible for maintaining an adequate system of internal control for the Company and has regularly reviewed the internal control policy so as to safeguard the Group's assets. During the year, the Company identified and evaluated its key risks and likely uncertainties. The Audit Committee has reviewed the findings and risk profile of the Company.

Internal audit function

Given its small operations, the Company's internal audit function has been primarily provided by professional firms or individual consultants. During the year, Baker Tilly Hong Kong Risk Assurance Limited reviewed the internal control procedures relating to the areas of investment operation and financial reporting cycle of the Group.

RISK MANAGEMENT AND INTERNAL CONTROLS

1. Framework of risk management

Risk management is defined as the overall process of identifying and understanding its own risks and taking informed actions. This is to help it achieve its strategic objectives, reduce the likelihood of failure and decrease the uncertainty of overall business performance.

(a) *Responsibility of the board and the management*

The Company adopts a simple and practical approach towards the risk management process. The Company embeds the risk management features within our investment management as well as operational areas (including finance, human resources, and information technology) and these operating units adopt the risk management systems on a day-to-day basis. These systems are designed to mitigate the risk of failure to achieve relevant objectives, and provide reasonable assurance against material misstatement or loss.

Moreover, the management annually reviews and updates its risk profile, aiming to provide assurance to the Board on the effectiveness of the risk management systems, and the Board will oversee the Company's risk management and internal control systems on an ongoing basis.

內部監控

董事會負責維持本公司適當的內部監控系統及定期檢討內部監控政策，以保障本集團之資產。年內，本公司已識別及評估其主要風險及可能不明朗因素。審核委員會已檢討有關結果及本公司之風險狀況。

內部審計職能

基於營運規模小，本公司之內部審計職能一直主要由專業會計師行或會計顧問提供。年內，天職香港內控及風險管理有限公司檢討有關本集團投資運營及財務申報週期的內部監控程序。

風險管理及內部監控

1. 風險管理框架

風險管理之定義為進行識別及了解其自身風險並採取知情行動之完整程序。此舉有助達成策略目標，減低失敗可能性及減少整體業務表現之不明朗因素。

(a) *董事會及管理層之責任*

本公司就風險管理程序採納簡單切實之方法。本公司將風險管理之特質嵌入本公司之投資管理及營運範疇(包括財務、人力資源及資訊科技)，而該等營運單位乃按日常基準採納風險管理系統。該等系統乃為減輕失敗風險而設，以達成相關目標。有關系統對重大失實陳述或損失提供合理保證。

此外，管理層每年檢討及更新其風險程度，旨在就風險管理系統之有效性向董事會提供保證，而董事會將持續監察本公司之風險管理及內部監控系統。

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(b) Supporting Role of the Audit Committee

The Audit Committee supports the Board in monitoring the risk exposure, the design and operating effectiveness of the underlying risk management and internal controls systems. The Audit Committee, acting on behalf of the Board, oversees the following process:

- regular reviews of the principal business risks, and related control measures, the strengths and weaknesses of the overall internal controls system and action plans for improvement;
- regular reviews of internal audit reports, including action plans to address the identified control weaknesses, status update and its implementations; and
- regular reports by the external auditors of any control issues identified in the course of their work and discussion with the external auditors of the scope of their respective review and findings.

The Audit Committee will then report to the Board after due review of the effectiveness of the Group's system of internal controls. The Board considers the works and findings of the Audit Committee in forming its own view on the effectiveness of the system.

2. Risk profile

Our approach for managing risk is underpinned by our understanding of our current risk exposures, and how our risks are changing over time. The risk assessment includes identifying relevant objectives, identifying events that could affect the achievement of objectives, determining risk tolerance, assessing the likelihood/significance of risks and evaluating the portfolio of risks.

(b) 審核委員會的支持角色

審核委員會支持董事會監察所面對的風險、相關風險管理及內部監控系統的設計和運作成效。審核委員會代表董事會監督以下程序：

- 定期審查主要業務風險及有關監控措施，整體內部監控系統和行動計劃的優缺點以便改善；
- 定期審視內部審核報告，包括採取行動計劃以解決已查明的監控弱點、狀況更新及其執行；及
- 外聘核數師定期匯報彼等在進行工作期間所識別的任何監控議題，並與外聘核數師討論其各自審查的範圍和調查結果。

審核委員會對本集團內部監控系統的成效進行適當審查後向董事會報告。審核委員會在構思本身對系統成效的看法時考慮審核委員會的工作和調查結果。

2. 風險程度

本公司管理風險之方法受本公司對現有風險之理解及有關風險如何變動所影響。風險評估包括識別相關目標、識別可影響達成目標之事件、釐定風險承受能力、評估風險發生之可能性／重大程度，以及評估風險組合。

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The major risks included price risk, market risk, investment risk and liquidity risk. To minimize the liquidity risk, the Company rarely used gearing to enhance its return on investment. In the context of a fast-changing global/local business environment and highly-volatile financial market, market risk, equity price risk and emergent risks are generally high and their monitoring will need ongoing efforts.

We continue to integrate internal controls and risk management into our investment operation on a day-to-day basis in order to improve the process.

3. Principal Risks identified

The following highlights the major risks to the Group based on the annual risk assessment conducted in 2017.

Risks 風險

1. Concentration risk 集中風險

Concentration of equity price risk may arise if the Group has a significant investment in a single equity investment. Details of the major investments are disclosed in Note 19.

倘若本集團於某一項股本投資有重要投資，可能產生股本價格集中風險。主要投資之詳情於附註19披露。

2. Price risk 價格風險

Price risk arises from fluctuation in market prices of our investment in listed equity securities. The management manages the exposure by maintaining a portfolio of listed equity securities with different risk exposure.

價格風險產生自本公司所投資上市股本證券之市場價格波動。管理層透過維持不同風險之上市股本證券組合來管理該風險。

3. Market risk 市場風險

Market risk is the risk that deteriorates profitability or affects ability to meet business objectives arising from the movement in market prices, such as foreign exchange rates, interest rates and equity prices.

市場風險在市場價格(如匯率、利率及股本價格)變動而導致盈利能力受損或影響達成業務目標之能力時出現。

主要風險包括價格風險、市場風險、投資風險及流動資金風險。為減低流動資金風險，本公司極少使用槓桿來增加投資回報。考慮到環球／本地營商環境變化迅速及金融市場極為波動，市場風險、股價風險及應急風險一般高企，需要持續努力進行監控。

我們繼續按日常基準將內部監控及風險管理整合至本公司之投資營運以改善流程。

3. 已識別的主要風險

下文列舉出基於於二零一七年進行的年度風險評估的本集團主要風險。

Treatment plan(s) 應對計劃

Regular monitoring of the investment limits and concentration analysis. For details of the major investments, please refer to note 19 of the financial statement.

定期監察投資限額及集中程度分析。有關主要投資之詳情，請參閱財務報表附註19。

Regular review of the investment portfolio by the Investment Manager to monitor the exposures.

投資經理定期審查投資組合，以監察風險。

Monitoring the exposures to implement appropriate measures on a timely and effective manner.

監察該等風險，以確保能及時有效採取適當措施。

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Risks 風險	Treatment plan(s) 應對計劃
<p>4. Credit risk 信貸風險 Credit risk arises when the counterparty would fail to discharge its obligation under the terms and cause a financial loss to the Group. 信貸風險在對手方因未能按條款履行其義務而引致本集團蒙受財務損失時出現。</p>	<p>Continue monitoring the exposures. 持續監察該等風險。</p>
<p>5. Interest rate risk 利率風險 Our Group analyses its interest rate exposure on a dynamic basis and considers managing this risk in a cost-effective manner when appropriate, through variety of means. 本集團按動態基準分析其利率風險，並考慮適當時透過各種手段以具成本效益之方式管理該風險。</p>	<p>Monitoring the exposures to implement appropriate measures on a timely and save effective manner. 監察該等風險，以確保能及時有效採取適當措施。</p>
<p>6. Investment risk 投資風險 Investment risk can be defined as the likelihood of occurrence of losses on any particular unlisted investment. 投資風險乃界定為任何個別非上市投資發生虧損之可能性。</p>	<p>Conduct assessment and detailed due diligence before investing. 於投資前進行評估及詳細盡職審查。</p> <p>Continue monitoring and assessing the development progress of investee companies. 持續監察及評估接受投資公司之發展情況。</p>
<p>7. Cyber security 網絡安全 Cyber security remains a key risk trend globally. 網絡安全仍然是全球的主要風險趨勢。</p>	<p>Ongoing cyber security control enhancement to align with industry practices and standards. 持續提升網絡安全監控措施，以符合行業慣例和標準。</p>
<p>8. Liquidity risk 流動資金風險 Liquidity risk is the potential that our Group will be unable to meet its obligations when they fall due because of an inability to obtain adequate funding or liquidate assets. 流動資金風險指本集團因未能獲得足夠資金或將資產變現而無法履行到期責任之風險。</p>	<p>Holding sufficient liquid assets of appropriate quality to ensure sufficient cash flows to meet all financial commitments and to capitalize opportunities for business expansions. 透過持有充足、合適之流動資產，確保擁有足夠現金流量應付所有財務承擔，以及把握機遇擴張業務。</p>
<p>9. Compliance risk 合規風險 This is the risk of legal or regulatory sanctions, financial loss, or damage to reputation that arises when a firm fails to comply with relevant laws and regulations. 合規風險指因企業未有遵守相關法律及法規而所面對之法律或監管制裁、財務損失或名譽損害風險。</p>	<p>Continue monitoring and assessing the impact of regulatory changes. 持續監察及評估監管規定變化之影響。</p>

CORPORATE GOVERNANCE REPORT 企業管治報告

BUSINESS AWARENESS, DEVELOPMENT AND TRAINING

Through the course of their directorship, Directors are updated on any developments or changes affecting the Company and their obligations to it at regular Board meetings. In order to ensure that Directors continue to further their understanding of the issues facing the Group, the Company will further strengthen the provision of Board training, ranging from corporate governance to regulatory issues.

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution into the Board remains informed and relevant. The Directors are committed to complying with the code provision A.6.5 which came into effect on 1 April 2012 on directors' training. All Directors have participated in continuous professional development by studying materials relevant to their duties and responsibilities. The Company Secretary also provided relevant training materials for the self-study of Directors.

DIRECTORS' LIABILITIES INSURANCE

The Company has arranged appropriate insurance cover for Directors' liabilities in respect of potential legal actions against the Directors arising out of corporate activities of the Group pursuant to code provision A.1.8 of the new CG Code. Such directors' liability insurance will be reviewed and renewed annually. Throughout the year ended 31 December 2017, no claim has been made against the Directors.

JOINT COMPANY SECRETARIES

The joint company secretaries of the Company, Mr. Leung Yiu Wah and Ms. Cheng Suk Fun, have duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

Procedures for directing shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Address: Unit 18, 9/F., Block B, Focal Industrial Centre,
21 Man Lok Street, Hungghom, Kowloon, Hong
Kong.
Email: info@hk0810.com

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

商業意識、發展及培訓

在履行董事職務期間，董事於定期董事會會議上聽取有關影響本公司及董事責任之任何發展或轉變之最新資訊。為確保董事繼續加深了解本集團面對之事宜，本公司將進一步加強向董事會提供之培訓，內容涵蓋企業管治以至監管事宜。

董事須參與持續專業發展，以深造及更新彼等的知識及技能。此為確保彼等向董事會作出知情及相關之貢獻。董事致力遵守於二零一二年四月一日起生效之有關董事培訓之守則條文第A.6.5條。全體董事均透過研習與彼等職責及責任有關的資料參與持續專業發展。公司秘書亦提供相關培訓內容予董事自修。

董事責任保險

本公司已按照新企業管治守則之守則條文A.1.8條，就董事可能因本集團企業活動而面對之法律行動作適當董事責任投保安排。有關董事責任保險將每年檢討及續保。於截至二零一七年十二月三十一日止整個年度並無針對董事之申索。

聯席公司秘書

梁耀華先生及鄭淑芬女士為本公司之聯席公司秘書，彼等已妥為遵守上市規則第3.29條之相關專業培訓規定。

股東權利

股東向董事會作出查詢之程序

股東可隨時透過公司秘書以書面形式將其查詢及問題遞交董事會。公司秘書之聯絡詳情如下：

地址：香港九龍紅磡民樂街21號富高工業中心B座9樓18室
電郵：info@hk0810.com

股東亦可在本公司之股東大會上向董事會作出查詢。

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for putting forward proposals at shareholders' meeting

Shareholders can submit a written requisition to move a resolution at the shareholders' meeting. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all shareholders having at the date of the requisition a right to vote at the shareholders' meeting, or who are no less than one hundred shareholders.

The written requisition must state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution of the business to be dealt with at the shareholders' meeting. It must also be signed by all the shareholders concerned and be deposited at the Company's principal place of business in Hong Kong at Unit 18, 9/F., Block B, Focal Industrial Centre, 21 Man Lok Street, Hung Hom, Kowloon, for the attention of the Company Secretary not less than six weeks before the shareholders' meeting in case of a requisition requiring notice of a resolution and not less than one week before the shareholders' meeting in case of any other requisition.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice for the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

Procedures for shareholders to convene a Special General Meeting (the "SGM")

The Board shall, on the requisition in writing of the shareholders of not less than one-tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene a SGM.

If within twenty-one days of such deposits the Board fails to convene the SGM, the requisitions or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any meeting so convened shall not be held after three months from the date of the original deposit.

The Company continues to improve its corporate governance and believes it is fundamental for the development of the Company as well as for the benefits of the shareholders. The Board is pleased to confirm that the Company has complied with the Code applicable during the year.

於股東大會提出建議之程序

股東可提出書面要求於股東大會上動議決議案。股東數目不得少於該要求提出當日有權於股東大會上投票之所有股東之總投票權二十分之一，或不少於一百名股東。

該請求書須列明有關決議案，連同一份不多於一千字之陳述書，內容有關任何將於股東大會上所處理事項之提呈決議案所提述事宜。該請求書亦須由全體有關股東簽署，並送交本公司之香港主要營業地點(地址為九龍紅磡民樂街21號富高工業中心B座9樓18室)，註明公司秘書收啟。倘該請求書要求發出決議案通知，則須於股東大會舉行前不少於六個星期送交；倘屬任何其他請求，則須於股東大會舉行前不少於一個星期送交。

有關股東須存放一筆合理充足之款項，以支付本公司根據適用法律及規則送達決議案通知及傳閱有關股東所提交陳述書產生之開支。

股東召開股東特別大會(「股東特別大會」)之程序

於持有不少於本公司十分之一繳足股本且已繳付所有到期催繳股款或其他款項之股東之書面要求時，董事會須隨即就此召開股東特別大會。

倘董事會並未於有關要求發出日期起計二十一日內召開股東特別大會，則提出該要求人士或彼等當中持有過半數總投票權之任何人士可自行召開股東特別大會，惟任何此等會議不得於原要求發出日期起計三個月後舉行。

本公司繼續改善企業管治，並相信企業管治對本公司發展及股東利益至為重要。董事會欣然確認，本公司於年內已遵守適用之守則。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

China Internet Investment Finance Holdings Limited (the “Company”) is an investment holding company under Chapter 21 of the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange of Hong Kong Limited (the “Listing Rules”) with its principle office in Hong Kong.

The Company is pleased to present its annual Environmental, Social and Governance Report (“ESG Report”) to demonstrate its commitment to sustainable development. This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (“the Guide”) of Hong Kong Stock Exchange, which covers two subject areas, Environmental and Social.

The Guide encourages an issuer to identify and disclose ESG information that is material and relevant to an issuer’s business. Accordingly, the management has decided that out of the 11 ESG aspects suggested by the Guide, the below 8 ESG aspects are material to the Company:

中國互聯網投資金融集團有限公司(「本公司」)為一間香港聯合交易所有限公司主板證券上市規則(「上市規則」)第二十一章項下的投資控股公司，其主要辦事處位於香港。

為展示本公司對可持續發展的承諾，本公司欣然提呈其年度的環境、社會及管治報告(「環境、社會及管治報告」)。環境、社會及管治報告的編製是根據香港聯交所的《環境、社會及管治報告指引》(「該指引」)編寫，內容覆蓋兩大範疇，分別為環境及社會。

該指引鼓勵發行人識別及披露對發行人業務為重要及相關的環境、社會及管治資料。因此，管理層歸納出，除該指引建議的11項環境、社會及管治層面外，以下為對本公司為重要的8項環境、社會及管治層面：



Our Chairman, Dr. Lam Man Chan, has been the School Manager of the Incorporated Management Committee of Po Leung Kuk Lam Man Chan English Primary School. The School was awarded the Outstanding Social Caring Organisation Award by Social Caring Organisation.

我們的主席林文燦博士為保良局林文燦英文小學法團校董會校董。該間學校已獲得社會關愛組織授予社會關愛企業卓越大獎。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Main ESG subject

area in the Guide

該指引中的主要環境、
社會及管治範疇

ESG aspects

環境、社會及管治相關
層面

Reference

內容參考索引

A. Environmental 環境

A1. Emissions
排放物

Refer to the “Environmental” section of this ESG Report.
詳情載於本環境、社會及管治報告的「環境」標題之下。

A2. Use of resources
資源使用

Refer to the “Environmental” section of this ESG Report.
詳情載於本環境、社會及管治報告的「環境」標題之下。

B. Social 社會

B1. Employment
僱傭

The employment matters related to compensation, recruitment and dismissal are in compliance with the major relevant laws and regulations.
僱傭事務是關於薪酬、招聘及解僱，皆符合主要相關法律及規例。

B2. Health and Safety
健康與安全

The office-based operation of the Company is not considered to have significant occupational hazards. The Company has complied with all the major relevant laws and regulations.
本公司認為其以辦公室為主的運作不構成重大的職業性危害。我們遵守所有主要相關法律及規例。

B3. Development and training
發展及培訓

Refer to “Social” section of this ESG Report.
詳情載於本環境、社會及管治報告的「社會」標題之下。

B4. Labour Standard
勞工準則

Child labour and forced labour are prohibited in the Company.
本公司嚴禁使用童工及強制勞工。

B7. Anti-corruption
反貪污

Refer to the “Social” section of this ESG Report.
詳情載於本環境、社會及管治報告的「社會」標題之下。

B8. Community investment
社區投資

Refer to “Social” section of this ESG Report.
詳情載於本環境、社會及管治報告的「社會」標題之下。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The reporting period of this ESG Report is from 1 January 2017 to 31 December 2017. Unless otherwise specified, the reporting boundary of this ESG Report is the same as this Annual Report.

Business sustainability framework consists of five overriding dimensions of economic, governance, social, ethical and environmental performance. These dimensions can be viewed as inter-dependent, and poverty alleviation and environmental conservation are central in sustainable development. In this connection, corporate social responsibility emerges and, according to World Business Council for Sustainable Development, it is defined as the continuing commitment by businesses to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

We are an investment company listed under Chapter 21 of the Listing Rules and our net assets value is of relatively medium to small size. Moreover, we only focus on investment operations with total headcount below 30 persons, and there are no other operations in Hong Kong. Regarding the four ESG reporting aspects, we have made also materiality assessment. On the basis of that assessment and the reference to the ESG guidebook of Business Environment Council, the ESG aspects of 1) workplace quality on working conditions, development and training, 2) operating practices on anti-corruption and 3) community investment have been considered more relevant to us. Our lean office-based operation has insignificant direct environmental impact because of the low power, energy and water consumption.

Our Corporate Social Responsibility (“CSR”) Policy
CSR is viewed as a business philosophy that creates sustainable value for shareholders by embracing opportunities and managing risks deriving from economic, environmental and social developments. Our CSR policy defines our long-term approach to specific issues in our cornerstones: Workplace, Environment, Ethic and Community, which is instrumental in enabling our business to operate in a sustainable manner. Within each of the cornerstones, core principles and pragmatic objectives provide guidance on practicing CSR in our daily operations.

本環境、社會及管治報告的報告期為二零一七年一月一日至二零一七年十二月三十一日。除另有說明外，本環境、社會及管治報告之報告範圍與本年報相同。

業務可持續框架由五個極為重要的層面—經濟、管治、社會、道德和環境層面組成。該等層面可視為互相獨立，而扶貧及環保對可持續發展極為重要。就此而言，企業社會責任為(根據世界企業永續發展委員會的定義)企業持續致力於遵守道德規範及對經濟發展作出貢獻，同時改善員工及其家人的生活質素以及改善本地社區及整體社會。

本公司是根據上市規則第21章上市的投資公司，資產淨值屬於相對中至小型規模。此外，本公司只專注於投資業務，員工人數不超過30人，且於香港並無其他經營。關於四個環境、社會和管治報告範疇，我們亦已進行重要議題評估。根據該評估以及參照商界環保協會的環境、社會及管治手冊，環境、社會及管治範疇中的1)工作環境、發展及培訓的工作場所質素，2)反貪污之營運實踐及3)社區投資被認為與我們更為相關。由於對電力、能源及水的消耗較少，我們基於精益辦公之經營對直接環境影響微乎其微。

本公司的企業社會責任(「企業社會責任」)政策
企業社會責任被視為一項透過把握從經濟、環境及社會發展產生之機遇及管理有關風險，為股東創造可持續價值的商業理念。本公司的企業社會責任政策界定本公司應對在本公司各基石—工作場所、環境、道德規範及社區中之特定事宜的長遠方法，其有助本公司以可持續模式經營業務。在各基石下，核心原則及務實目標為本公司日常營運中實踐企業社會責任提供指引。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A. ENVIRONMENTAL

The Company's business is primarily engaged in investment business. The direct impact to the environment and use of natural resources is minimal. The Company does not generate hazardous waste. The main contributor to the Company's carbon footprint is the indirect greenhouse gas (GHG) emissions from electricity consumption, which is mainly attributed to the use of lighting system, air-conditioning and office equipment, though there is limited GHG emission due to business trips involved by the executives occasionally.

We care for the environment by minimising the environmental impact concerning our activities, as well as products and services engaged. Going beyond compliance with applicable legal requirements, we aspire to prevent pollution, reduce waste, increase recycling and minimize natural resource use by continually improving our environmental management practices and measures, educating our colleagues to adopt environmentally responsible behaviour, and promoting environmental protection in our supply chain and marketplace.

Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. We adhere to the principle of Recycling and Reducing, and implement green office practices such as double-sided printing and copying, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliance. We also increase the use of equipment carrying Energy Label issued by the Electrical and Mechanical Services Department which save energy in the offices. The management will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in our operation to move towards adhering to the 3Rs — Reduce, Recycle and Reuse and enhance environmental sustainability.

A1. Emissions

The Company's operation is mainly office-based and the Company is committed to minimising the impact of businesses on the environment through adopting eco-friendly measures at the office. For example, staff is encouraged to reduce paper consumption by double-sided printing and reusing papers printed on one side.

A. 環境

本公司的主要業務為投資業務。對環境的直接影響及自然資源的使用並不重大。本公司並無產生有害廢棄物。本公司碳排放的主要貢獻因素為電力消耗的間接溫室氣體排放，主要是由於使用照明系統、空調及辦公設備所致，但執行人員偶爾出差導致的溫室氣體排放有限。

本公司愛護環境，盡量減低本公司業務以及所提供產品及服務對環境的影響。本公司不但遵守適用法例規定，更藉持續改善環境管理常規及措施、教育本公司員工採納對環境負責任之行為，以及藉於本公司之供應鏈及所經營市場中推廣環保，立志預防污染、減少浪費、增加循環使用及減低天然資源之使用。

本公司對環境保護的承諾，可從本公司持續努力於其日常業務營運中推廣綠色環保措施及意識中深深反映。本公司堅守循環再用及減少使用的原則，並實踐綠色辦公室常規，例如採用雙面列印及複印、推廣環保用紙及透過關掉不使用的照明及電器來減少能源消耗。本公司亦增加使用帶有由機電工程署頒發之能源標籤的設備，從而節省辦公室使用的能源。管理層將不時檢討其環保實踐並將考慮在其營運中實施更多的環保政策及實踐，以堅守3R原則（即減廢(Reduce)、再造(Recycle)及再用(Reuse)）為目標，從而推動環境的可持續發展。

A1. 排放物

本公司以辦公室運作為主。因此，本公司致力通過辦公室內的環保措施，盡量減少公司對環境的影響。例如，在減少用紙方面，本公司鼓勵員工多採用雙面打印，以及重用已經單面打印的紙張。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Owing to its business nature, the significant air emissions of the Group are the GHG emissions, arising from the use of electricity and fuels derived from fossil fuels. The total GHG emissions for the year was about 60 tones in carbon dioxide equivalent.

由於其業務性質，本集團的主要廢氣排放為使用電力和源自化石燃料的燃料而產生的溫室氣體排放。本年度的溫室氣體排放總量約為60噸二氧化碳當量。

A2. Use of Resources

In terms of energy saving measures, we adopt the following practices at office as follows:

- Staff is reminded to switch off lights and air-conditioning in the meeting room and the computer at the workstation when it is not in use;
- The room temperature is maintained at a reasonable level in summer to save energy; and
- Conference calls instead of face-to-face meetings are arranged where possible.

The Company is dedicated to sustain implementation of the above measures, while it will explore other ecofriendly initiatives.

During the year ended 31 December 2017, the electricity consumption was about 20,000 kwh; the paper consumption was about 0.23 tonnes; the total water consumption was about 12 cubic metre and the fuel consumption was about 27,000 litres.

A2. 資源使用

在節能方面，我們已在辦公室推行以下措施：

- 當會議室閒置時，員工會關掉房中的空調和燈。員工亦會於無需使用時關掉工作間的電腦；
- 辦公室於夏天的室內溫度亦保持在合適水平，以節省能源；及
- 盡量安排以電話會議代替面談。

本公司將繼續致力執行上述措施，同時亦會積極研究推行其他環保措施。

於截至二零一七年十二月三十一日止年度，用電量約為20,000千瓦時；用紙量約為0.23噸；總用水量約為12立方米而總燃料耗量約為27,000公升。

B. SOCIAL

B1. Employment

1. *Our values*

We aims to foster a supportive and quality working environment by upholding employment practices that treat employees fairly and equally, safeguarding employee rights and interests, providing opportunities for training and development, and facilitating meaningful communication within the Company. The value underpinning is the respect of our staff and we treat our staff with fairness and respect, and maintain a working environment to realise their full potential.

B. 社會

B1. 僱傭

1. *本公司抱持的價值*

本公司透過致力實踐僱用慣例，公平及平等地對待僱員，保障僱員權利及權益，提供培訓及發展機會及促進本公司內部有意義的溝通，從而培植具支援性及優質的工作環境。有關價值之基礎為得到員工尊重。本公司公平對待及尊重員工，並維持工作環境以充分發揮彼等潛力。

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環境、社會及管治報告

2. Staff Composition

As at 31 December, 2017, we employed a total of 27 staffs, and all of them are located in Hong Kong.

Age 年齡		Senior Staff 高級員工		General Staff 一般員工	
		No. of staff 員工數目	%	No. of staff 員工數目	%
Below 31	31歲以下	–	–	1	6
31–40	31–40歲	–	–	–	–
41–50	41–50歲	2	22	3	17
50 or above	50歲或以上	7	78	14	78
Total	總計	9	100	18	100

Gender 性別		Senior Staff 高級員工		General Staff 一般員工	
		No. of staff 員工數目	%	No. of Staff 員工數目	%
Female	女性	2	22	8	44
Male	男性	7	78	10	56
Total	總計	9	100	18	100

3. Human resources policies

Our human resources policies are internal guidelines on the approach we adopt in managing our people. They cover different aspects of human resources management such as recruitment, promotion, compensation and training. We provide our employees with fair and competitive remuneration to motivate them.

B2. Health and Safety

We do not believe that we operate in environments that carry high risks for child labour and forced labour, as our operations are based in Hong Kong. There is full compliance towards labour or other relevant legislations that prohibit child/forced labour. Health and safety issues are also of fundamental concern to us.

2. 員工組成

於二零一七年十二月三十一日，本公司合共僱用27名僱員，全部均位於香港。

3. 人力資源政策

人力資源政策為我們用於管理人才所採用方法的內部指引。有關政策涵蓋人力資源管理之不同範疇，譬如招聘、擢升、薪酬及培訓。本公司給予僱員公平及具競爭力的薪酬以鼓勵彼等。

B2. 健康與安全

由於本公司的營運根據地為香港，故本公司不相信其經營環境為童工及強制勞動的高風險場所。本公司全面遵守有關嚴禁童工／強制勞動的勞工或其他相關法例。健康及安全問題亦為本公司最關切的問題。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B3. Development and training

The management and implementation of the training program should align with the strategy and mission of the Group. The Human Resources Department and the department heads will regularly assess the training requirements. Training also helps colleagues learn new skills at regular intervals, further benefitting their career development.

B4. Labour Standard

Operating Practices

We aim to maintain high ethical standards in the operating practices employed in the conduct of our business and we encourage our suppliers and business associates to embrace high standards similar to our own. We are also committed to maintaining good corporate governance.

1. Operating practices — compliance with laws and regulations

We have established policies and procedures on compliance with laws and regulations, and our employees are required to adhere to high standards of business and professional and ethical conduct. It is the Company's policy that employees must comply fully with all applicable laws and regulations.

2. Regulatory compliance

The Company gives the utmost priority to regulatory compliance. The principles behind the Listing Rules are to maintain confidence in the market; to ensure investors are given sufficient information to make a properly informed assessment of the Company; and to ensure that the Company can keep the investors and the public fully informed, in a timely manner, of material factors which might affect their interests. Thus, compliance with the disclosure requirements for the timely and accurate publication of annual results and financial information is of fundamental importance to ensure the maintenance of a fair and orderly market. The Company continue monitoring and assessing the impact of the regulatory changes, if any.

B3. 發展及培訓

培訓計劃的管理及實施應與本集團策略及目標一致。人力資源部門及部門主管將定期評估培訓需求。培訓亦使員工能定期學習新技能，進一步有利彼等的事業發展。

B4. 勞工準則

營運實踐

本公司矢志於其業務經營所採用的營運實踐中維持高道德標準。本公司亦鼓勵供應商及商業夥伴採用與本公司類似的高標準，並致力於維持良好企業管治。

1. 營運實踐－遵守法律法規

本公司已就遵守法律法規而制定政策及程序，而本公司僱員須持守高標準的業務、專業及道德操守。本公司的政策規定僱員必須全面遵守所有適用法律法規。

2. 監管合規

本公司最為著重監管合規事務。上市規則背後的原則乃為維持市場信心；確保投資者可獲得足夠信息以對本公司作出妥當、知情的評估；及確保本公司在任何時候均可讓投資者及公眾全面、及時了解可能影響彼等利益的重大因素。因此，遵守適時及準確地刊發年度業績及財務資料的披露要求乃對確保維持公平有序市場極為重要。本公司繼續監察及評估監管變化(如有)之影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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B7. Anti-corruption

The Company is committed to ensuring that no bribes, payment or advantages are solicited from or given or offered to any persons, whether in the public or private sector, for any purpose, which can ensure the strict adherence to the Prevention of Bribery Ordinance. We regard honesty, integrity and fair play as the core values that must be upheld by our colleagues at all times.

B8. Community investment

We help to build a sustainable community by supporting local initiatives that create effective and lasting benefits to the community through corporate philanthropy, establishing community partnerships, and mobilising our employees to participate in volunteer work.

1. *Community contributions*

We contribute to the communities in which we operate and our policy will be communicated to the Company's stakeholders, including our employees, shareholders, and business partners. We are committed to the continual development of this policy and its integration into our operations.

B7. 反貪污

本公司致力確保並無因任何理由而於公共或私營部門中從任何人士索取或向任何人士提供或給予賄賂、款項或利益，從而確保嚴格遵守防止賄賂條例。本公司將誠信、廉直及公平競爭視為核心價值，僱員在任何時候均須持守有關核心價值。

B8. 社區投資

本公司透過企業公益活動、建立社區合作及動員本公司僱員參與義工活動，藉以支持可為社區創造有效及長遠利益的本地措施，協助建設可持續社區。

1. *貢獻社區*

本公司對其經營所在社區作出貢獻，而本公司之政策將向本公司各持份者傳達，包括其僱員、股東及業務夥伴。本公司致力於本政策的持續發展，及將其融入本公司之營運。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

2. Community investment and involvement

We strive to be a part of our communities, to serve and contribute by promoting corporate social responsibility. There are several focus areas of community involvement, which are education, poverty alleviation, health, the elderly and culture. Thus, we contribute to Non-Government Organizations, such as Po Leung Kuk and The Community Chest of Hong Kong, which provide welfare, educational, recreational and cultural services to the community.

We will also actively encourage staff to volunteer their time and core skills to benefit local communities. It gives employees the chance to find out more about the social and environmental issues and reinforce our corporate values.

2. 社區投資及參與

本公司矢志要成為所在社區的一分子，藉推廣企業社會責任來服務及貢獻社區。社區參與包括多個重點範疇，其為教育、扶貧、健康、長者及文化。因此，本公司向非政府組織(如保良局及香港公益金)作出貢獻，為社區提供福利、教育、娛樂及文化服務。

本公司亦將積極鼓勵員工無償付出時間和核心技能，以惠及本地社區。本公司給予僱員機會了解更多社會及環境問題，及增強本公司企業價值。



We encourage our staff to participate in volunteer services.

我們鼓勵我們的員工參與義工服務。

REPORT OF DIRECTORS

董事會報告書

The Directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is principally engaged in investment in equity securities and debt securities of listed and unlisted securities. During the year, there were no significant changes to the Group's principal activities. Further discussion and analysis of these activities including a discussion of the principal risks and uncertainties facing the group and an indication of likely future developments in the group's business can be found in the Management Discussion and Analysis set out on pages 10 to 12 of this Annual Report. This discussion forms part of this Directors' Report.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2017 and the state of affairs at that date are set out in the consolidated financial statements on pages 53 to 133. The Directors do not recommend the payment of a dividend.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and restated and reclassified as appropriate, is set out on page 134. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in note 23 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

The Company has not purchased, sold or redeemed any of its own shares during the year ended 31 December 2017.

CHARITABLE DONATIONS

Donations to charitable organization by the Group during the year amounted to approximately HK\$433,000.

RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 57.

DISTRIBUTABLE RESERVES

As at 31 December 2017, the Company had no distributable reserve because its accumulated losses amounted to be about HK\$161.2 million.

董事會謹此提呈彼等之年度報告及本集團截至二零一七年十二月三十一日止年度之經審核綜合財務報表。

主要業務及業務回顧

本公司主要業務為投資於上市及非上市之股本證券及債務證券。年內，本集團之主要業務並無重大變動。該等活動之進一步討論及分析，包括就本集團面對之主要風險及不明朗因素之討論及有關本集團業務之未來可能發展之揭示，可見於本年報第10至12頁所載之管理層討論及分析。此討論構成本董事會報告書之一部份。

業績及分派

本集團截至二零一七年十二月三十一日止年度之業績及截至該日之事務狀況載於綜合財務報表第53至133頁。董事不建議派付股息。

五年財務概要

本集團過去五個財政年度之業績及資產負債概要載於第134頁，乃摘錄自經審核綜合財務報表，並於適用情況下已作重列及重新分類。此概要並不構成經審核綜合財務報表其中部分。

物業、廠房及設備

本集團年內物業、廠房及設備變動詳情載於綜合財務報表附註14。

股本

本公司股本變動詳情載於綜合財務報表附註23。

購買、出售或贖回本公司股份

於截至二零一七年十二月三十一日止年度，本公司概無購買、出售或贖回其本身任何股份。

慈善捐款

本集團於年內向慈善機構作出約433,000港元之捐款。

儲備

本集團年內儲備變動詳情載於第57頁之綜合權益變動報表。

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，原因是其累計虧損約為161,200,000港元。

REPORT OF DIRECTORS 董事會報告書

EQUITY-LINKED AGREEMENTS

Save for the share option scheme of the Company as disclosed in the below section headed "Share Options" below, no equity-linked agreements were entered into by the Group, or existed during the year.

SHARE OPTIONS

Particulars of the Company's share option schemes are set out in note 32 to the consolidated financial statements.

Pursuant to a resolution passed on 31 July 2012, the Company adopted the share option scheme (the "Scheme"), which is valid and effective for a period of ten years from the date of adoption. Under the Scheme, the Company may grant options to, inter alia, directors and employees of the Company or its subsidiaries and other participants to subscribe for shares in the Company.

The movements of the options granted under the Scheme during the year and as at 31 December 2017 were as follows:

股票掛鈎協議

除下文「購股權」一節所披露本公司之購股權計劃外，本集團於年內並無訂立或訂有任何股票掛鈎協議。

購股權

有關本公司購股權計劃之詳情載於綜合財務報表附註32。

根據於二零一二年七月三十一日通過之決議案，本公司採納購股權計劃（「該計劃」），其由採納日期起計十年有效及生效。根據該計劃，本公司可向（其中包括）本公司或其附屬公司之董事及僱員及其他參與者授出購股權以認購本公司股份。

根據該計劃授出之購股權於年內之變動以及於二零一七年十二月三十一日之資料如下：

Grantee	Position	Date of Grant	Exercise period	Exercise price	No. of share options 購股權數目				
					Outstanding as at 1/1/2017	Granted during the year	Exercised during the year	Lapsed and cancelled during the year	Outstanding as at 31/12/2017
承授人	職位	授出日期	行使期間	行使價 HK\$ 港元	於二零一七年一月一日 尚未行使	於年內授出	於年內行使	於年內 失效及註銷	於二零一七年十二月三十一日 尚未行使
Lee Kwok Leung 李國棟	Executive Director 執行董事	28/08/2015 二零一五年八月二十八日	28/08/2015 to 27/08/2018 二零一五年八月二十八日至 二零一八年八月二十七日	0.431	1,600,000	—	—	—	1,600,000
		11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至 二零一九年七月十日	0.475	1,600,000	—	—	—	1,600,000
Ng Chi Yeung, Simon 吳志揚	Independent Non-Executive Director 獨立非執行董事	28/08/2015 二零一五年八月二十八日	28/08/2015 to 27/08/2018 二零一五年八月二十八日至 二零一八年八月二十七日	0.431	200,000	—	—	—	200,000
		11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至 二零一九年七月十日	0.475	200,000	—	—	—	200,000
Tam Yuk Sang, Sammy 譚旭生	Independent Non-Executive Director 獨立非執行董事	28/08/2015 二零一五年八月二十八日	28/08/2015 to 27/08/2018 二零一五年八月二十八日至 二零一八年八月二十七日	0.431	200,000	—	—	—	200,000
		11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至 二零一九年七月十日	0.475	200,000	—	—	—	200,000
Florence Ng 吳翠蘭	Independent Non-Executive Director 獨立非執行董事	28/08/2015 二零一五年八月二十八日	28/08/2015 to 27/08/2018 二零一五年八月二十八日至 二零一八年八月二十七日	0.431	200,000	—	—	—	200,000
		11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至 二零一九年七月十日	0.475	200,000	—	—	—	200,000
Yeung Cheuk Kwong 楊卓光	Chief Executive Officer 行政總裁	28/08/2015 二零一五年八月二十八日	28/08/2015 to 27/08/2018 二零一五年八月二十八日至 二零一八年八月二十七日	0.431	2,500,000	—	—	—	2,500,000
		11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至 二零一九年七月十日	0.475	2,000,000	—	—	—	2,000,000
Other employees 其他僱員	n/a 不適用	28/08/2015 二零一五年八月二十八日	28/08/2015 to 27/08/2018 二零一五年八月二十八日至 二零一八年八月二十七日	0.431	3,360,000	—	—	(260,000)	3,100,000
		11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至 二零一七年七月十日	0.475	3,290,000	—	—	(190,000)	3,100,000
Total 總計					15,550,000	—	—	(450,000)	15,100,000

REPORT OF DIRECTORS 董事會報告書

DIRECTORS

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

Chairman and Non-executive Director:
Dr. Lam Man Chan

Executive Director:
Mr. Lee Kwok Leung

Independent Non-executive Directors:
Dr. Ng Chi Yeung, Simon
Mr. Tam Yuk Sang, Sammy
Ms. Florence Ng

In accordance with the Company's Bye-laws, Dr. Ng Chi Yeung, Simon and Ms. Florence Ng will retire at the forthcoming annual general meeting and, being eligible, offers themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are 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.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

During the year ended 31 December 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

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

As at 31 December 2017, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, below were the interest and short positions of the directors and chief executives of the Company in the shares, underlying shares or debentures of the company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance) as recorded in the register required to be kept by the Company

董事

於年內及截至本報告日期止，本公司之董事如下：

主席兼非執行董事：
林文燦博士

執行董事：
李國樑先生

獨立非執行董事：
吳志揚博士
譚旭生先生
吳翠蘭女士

根據本公司之公司細則，吳志揚博士及吳翠蘭女士將在應屆股東週年大會告退，惟符合資格並願意膺選連任。

董事之服務合約

概無任何擬於應屆股東週年大會上膺選連任之董事與本公司訂有本公司不可於一年內免付賠償(法定賠償除外)而終止之服務合約。

購買、出售或贖回本公司股份

於截至二零一七年十二月三十一日止年度，本公司及其附屬公司概無購買、出售或贖回任何本公司之上市證券。

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債券之權益及淡倉

於二零一七年十二月三十一日，根據上市規則所載上市發行人董事進行證券交易的標準守則，以下為本公司之董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例)之股份、相關股份或債券中，擁有根據證券及期貨條例第XV部第352條本公司規定須

REPORT OF DIRECTORS 董事會報告書

pursuant to section 352 of part XV of the SFO, or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited:

存置之登記冊所記錄，或須另行知會本公司及香港聯合交易所有限公司之權益及淡倉如下：

Name of Directors and Chief Executive Officer 董事及行政總裁姓名	Position 職位	Notes 附註	Nature of interest 權益性質	Number of Shares held 所持股份數目			Percentage of Issued share capital 佔已發行股本百分比
				Long position 好倉	Short position 淡倉	No. of share options held 所持購股權數目	
Lam Man Chan ("Dr. Lam") 林文燦(「林博士」)	Chairman and Non-executive Director 主席兼非執行董事	1	Interests as a settlor and protector of a Discretionary trust 作為全權信託之創立人及保護人之權益	151,981,000	—	—	27.84%
Lee Kwok Leung 李國樑	Executive Director 執行董事	2	Beneficial owner 實益擁有人	—	—	3,200,000	0.58%
Ng Chi Yeung, Simon 吳志揚	Independent Non-executive Director 獨立非執行董事	2	Beneficial owner 實益擁有人	—	—	400,000	0.07%
Tam Yuk Sang, Sammy 譚旭生	Independent Non-executive Director 獨立非執行董事	2	Beneficial owner 實益擁有人	—	—	400,000	0.07%
Florence Ng 吳翠蘭	Independent Non-executive Director 獨立非執行董事	2	Beneficial owner 實益擁有人	—	—	400,000	0.07%
Yeung Cheuk Kwong 楊卓光	Chief Executive Officer 行政總裁	2	Beneficial owner 實益擁有人	—	—	4,500,000	0.82%

Notes:

- The interests are held by Goodchamp Holdings Limited, which is directly owned by Sinowin Unit Trust (Sinowin (PTC) Inc. as its trustee), which is 100% owned by the Richmond Trust (a discretionary trust in which HSBC International Trustee Limited is the trustee). Dr. Lam, who is the Chairman and Non-executive Director of the Company, is the settlor and protector of Richmond Trust.
- These represented the shares options granted by the Company. Details have been set out in the above section with the header "Share Options".

附註：

- 該等權益乃由Goodchamp Holdings Limited持有，而該公司乃由Sinowin Unit Trust (Sinowin (PTC) Inc.為其受託人)直接擁有，而Sinowin Unit Trust則由Richmond Trust (其為一項全權信託而HSBC International Trustee Limited為受託人)100%擁有。本公司主席及非執行董事林博士為Richmond Trust之創立人及保護人。
- 此代表本公司所授出之購股權。有關詳情載於上文「購股權」一節。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the share option scheme disclosures in note 32 to the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事購買股份或債券之權利

除綜合財務報表附註32購股權計劃披露所披露者外，於年內任何時間，概無董事或彼等各自之配偶或未成年子女獲授或行使任何可藉購入本公司股份或債券而獲益之權利；本公司亦無訂立任何安排，致使董事可於任何其他法人團體獲取該等權利。

REPORT OF DIRECTORS

董事會報告書

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

As at 31 December 2017, so far as was known to the directors or chief executive of the Company, the following persons (other than the interests disclosed above in respect of certain directors and chief executive of the Company) has, or is deemed to have, interests or short positions in the Shares or underlying Shares of the Company as recorded in the register to be kept under Section 336 of the SFO are set out below:

Name of shareholders 股東名稱	Note 附註	Capacity/Nature of interest 身份／權益性質	Long position 好倉	Short position 淡倉	Percentage of holding 持股百分比
Goodchamp Holdings Limited	1	Beneficial owner 實益擁有人	151,981,000	—	27.84%
Sinowin (PTC) Inc.	1	Interest of controlled corporation 受控制法團之權益	151,981,000	—	27.84%
HSBC International Trustee Limited	1	Trustee 受託人	151,981,000	—	27.84%

Note:

- The interests are held by Goodchamp Holdings Limited, which is directly owned by The Sinowin Unit Trust (Sinowin (PTC) Inc. as its trustee), which is 100% owned by the Richmond Trust (a discretionary trust in which HSBC International Trustee Limited is the trustee). Dr. Lam, who is the Chairman and Non-executive Director of the Company, is the settlor and protector of Richmond Trust.

Save as disclosed above, as at 31 December 2017, the directors and chief executive of the Company are not aware of any persons who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

EMOLUMENTS POLICY

The emoluments policy for the Directors of the Company are decided by Remuneration Committee, with reference to his respective qualifications and experiences, duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme are set out in note 32 to the consolidated financial statements.

主要股東及其他人士於股份及相關股份之權益

於二零一七年十二月三十一日，就本公司董事或主要行政人員所知，以下人士(不包括上文就本公司若干董事及主要行政人員所披露之權益)於本公司之股份或相關股份中，擁有或被視為擁有須記錄於根據證券及期貨條例第336條存置之登記冊之下列權益或淡倉：

附註：

- 該等權益乃由Goodchamp Holding Limited持有，而該公司乃由The Sinowin Unit Trust (Sinowin (PTC) Inc.為其受託人)直接擁有，而The Sinowin Unit Trust則由Richmond Trust (其為一項全權信託而HSBC International Trustee Limited為受託人)100%擁有。本公司主席及非執行董事林博士為Richmond Trust之創立人及保護人。

除上文所披露者外，於二零一七年十二月三十一日，本公司董事及主要行政人員概不知悉有任何人士於本公司之股份或相關股份中擁有須記錄於根據證券及期貨條例第336條存置之登記冊之權益或淡倉。

足夠公眾持股量

根據本公司所獲公開資料及據董事所知，於本報告日期，本公司最少25%已發行股本總額由公眾人士持有。

薪酬政策

本公司董事之薪酬政策乃由薪酬委員會經考慮各董事之資歷及經驗、於本公司之職務及職責、本公司之表現及現行市況而釐定。

本公司已採納一項購股權計劃，旨在獎勵董事及合資格僱員。該計劃之詳情載於綜合財務報表附註32。

REPORT OF DIRECTORS 董事會報告書

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-Laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

INDEPENDENCY OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company considers that all the Independent Non-executive Directors are independent.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Company's business to which the Company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

Except as detailed in note 31 to the consolidated financial statements, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

PERMITTED INDEMNITY PROVISION

According to the bye-laws, every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) which he/she may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Group has maintained directors' liability insurance, which provides appropriate cover for legal actions brought against the Directors and directors of the subsidiaries of the Group. The level of the coverage is reviewed annually.

AUDITOR

The consolidated financial statements have been audited by Deloitte Touche Tohmatsu who will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-appointment.

優先購買權

本公司之公司細則或百慕達法例並無有關優先購買權之規定，規定本公司必須按比例向現有股東提呈發售新股份。

獨立非執行董事之獨立性

本公司已收到各獨立非執行董事根據香港聯合交易所有限公司證券上市規則第3.13條發出之年度獨立性確認函。本公司認為全體獨立非執行董事均為獨立人士。

董事合約權益

於年底或年內任何時間，本公司概無訂有董事於當中直接或間接擁有重大權益，且對本公司業務而言屬重大之合約。

管理合約

除綜合財務報表附註31詳述者外，年內並無訂立或存在任何與本公司全部或任何重大部分業務之管理及行政有關之合約。

獲准許之彌償條文

根據公司細則，各董事有權就履行其職務或在履行其職務方面或在其他有關方面可能蒙受或招致之所有損失或責任(在公司條例(香港法例第622章)最大程度准許的情況下)從本公司之資產中獲取彌償。本集團於年內已維持董事責任保險，就針對董事及本集團附屬公司之董事的任何法律訴訟提供適當保障。保障範圍每年檢討一次。

核數師

綜合財務報表已由德勤•關黃陳方會計師行審核，彼等將於應屆股東週年大會上退任，並符合資格膺選連任。

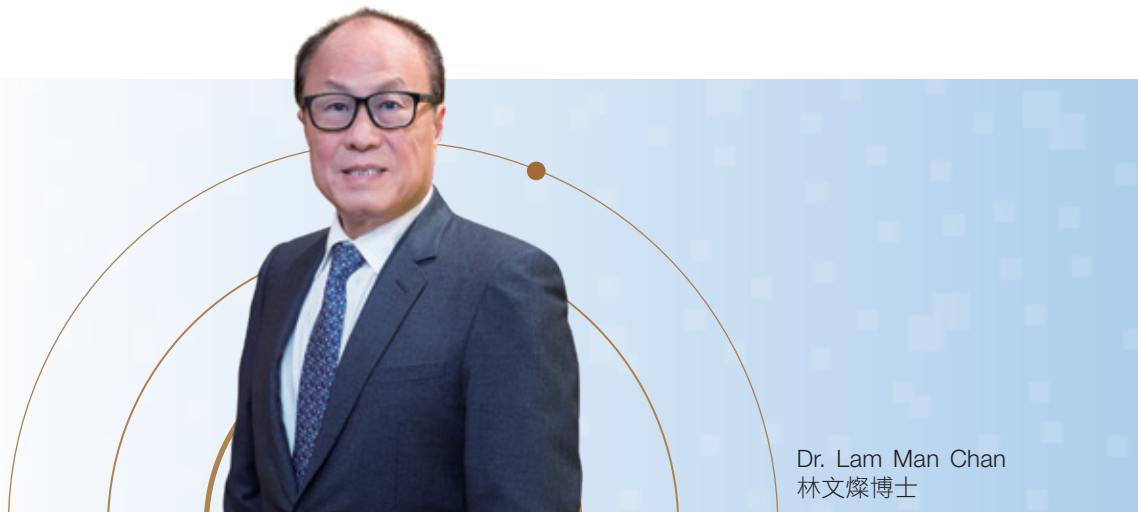
On behalf of the Board
Lam Man Chan
Chairman

Hong Kong, 19 March 2018

代表董事會
主席
林文燦

香港，二零一八年三月十九日

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER 董事及行政總裁之履歷



Dr. Lam Man Chan
林文燦博士

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Dr. Lam Man Chan, aged 68, joined the Company on 11 February 2014. He has over 30 years of management experience and in depth knowledge of the electronics industry. He was graduated from the World Electric Engineering College in 1969. Dr. Lam holds an honorary degree of Doctor of Science from Armstrong University in the United States. He is currently the chairman of Ngai Lik Group Limited (“Ngai Lik”). He is responsible for the formulation of corporate strategy and overall direction of Ngai Lik. Dr. Lam has invested in different industries, including securities broking, finance business, hotel development, motor cycle business and properties investment. He was granted the Young Industrialist Awards of Hong Kong in 1994 and the World Outstanding Chinese Award in 2005. He was once a standing committee member of Qingyuan Region Committee of the Chinese People’s Political Consultative Conference (“CPPCC”) and a committee member of Guangdong Provincial Committee and Dongguan Regional Committee of CPPCC. Dr. Lam had been the chairman and executive director of Ngai Lik Industrial Holdings Limited (now known as Yuan Heng Gas Holdings Limited) (stock code: 332), a company publicly listed on the Stock Exchange, during the period from 1992 to 2010.

主席兼非執行董事

林文燦博士，68歲，於二零一四年二月十一日加入本公司。彼擁有超過三十年管理經驗，對電子業有深厚認識。林博士在一九六九年畢業於世界電機工程學校，亦持有美國Armstrong University科學榮譽博士學位。林博士現任毅力集團有限公司(「毅力」)之主席，負責制定毅力的企業策略及整體方向。林博士亦曾在不同的行業，包括證券經紀、融資業務、酒店發展、電單車業務及物業投資方面擁有投資經驗。彼分別於一九九四年及二零零五年獲頒香港青年工業家獎及世界傑出華人獎項。林博士曾出任清遠市中國人民政治協商會議(「全國政協」)委員會常務會員及全國政協廣東省及東莞市委員會會員。林博士亦曾於一九九二年至二零一零年止期間出任聯交所之公眾上市公司毅力工業集團有限公司(現稱元亨燃氣控股有限公司)(股份代號：332)之主席及執行董事。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER 董事及行政總裁之履歷



Mr. Lee Kwok Leung
李國樑先生

EXECUTIVE DIRECTOR

Mr. Lee Kwok Leung, aged 64, joined the Company on 8 May 2014. He is a licensed person to carry out type 9 (asset management) regulated activity under the SFO. He has approximately 15 years of relevant experience by serving as one of the responsible officers of Silverstone Investments Limited (formerly known as Success Talent Investments Limited) ("Silverstone"), the investment manager of the Company, providing investment advisory services to and managing investment portfolios for professional/institutional investors mainly in Greater China and Hong Kong. Mr. Lee has strong experience in portfolio construction, portfolio management, risk assessment and investment due diligence. Furthermore, Mr. Lee was the Managing Director of BOCI Direct Management Limited from 1992 to 1999. In this private equity fund, he was responsible for the overall management of the fund.

Currently, Mr. Lee is the Chairman and an executive director of Mayer Holdings Limited (Stock code: 1116) and an independent non-executive director of Imperial Pacific International Holdings Limited (stock code: 1076), both companies are listed on the Hong Kong Stock Exchange.

執行董事

李國樑先生，64歲，於二零一四年五月八日加入本公司。彼持有證券及期貨條例下第九類受規管活動(提供資產管理)的牌照。彼為本公司投資經理銀石投資有限公司(前稱成駿投資有限公司，「銀石」)之其中一名負責人員，主要為大中華和香港的專業／機構投資者提供投資諮詢服務和管理投資組合而積累約十五年相關經驗。李先生擁有深厚的構建投資組合、投資組合管理、風險評估和投資盡職審查經驗。此外，李先生於一九九二年至一九九九年間曾任中銀投資管理有限公司的董事總經理。彼在此項私募基金中負責整體管理。

目前，李先生為美亞控股有限公司之主席兼執行董事(股份代號：1116)及博華太平洋國際控股有限公司(股份代號：1076)之獨立非執行董事(兩間均為香港聯交所之上市公司)。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

董事及行政總裁之履歷



Dr. Ng Chi Yeung, Simon
吳志揚博士

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Ng Chi Yeung, Simon, aged 60, joined the Company on 26 November 2013. Dr. Ng is a qualified solicitor in Hong Kong. He is a consultant of Rowland Chow, Chan & Company, a law firm in Hong Kong. Dr. Ng holds a bachelor degree from the Manchester Metropolitan University in the United Kingdom, a master degree in Chinese and Comparative Law, and a doctor degree in worship studies from the Robert Webber Institute for Worship Studies. Dr. Ng is also a Part-time Lecturer of the Department of Professional Legal Education of The University of Hong Kong. Dr. Ng is currently an independent non-executive director of two other publicly listed companies in Hong Kong, namely, Century Sage Scientific Holdings Limited (stock code: 1450) and Winfair Investment Company Limited (stock code: 287).

獨立非執行董事

吳志揚博士，60歲，於二零一三年十一月二十六日加入本公司。吳博士為香港之合資格律師。彼為鄒陳律師行(一家香港律師行)之顧問。吳博士持有英國Manchester Metropolitan University學士學位及中國法及比較法之法學碩士學位。彼亦持有美國韋柏崇拜研究學院(Robert Webber Institute for Worship Studies)崇拜學博士學位。吳博士為香港大學法律專業學系之兼任講師。吳博士目前亦為另外兩間香港公眾上市公司，即世紀睿科控股有限公司(股份代號：1450)及永發置業有限公司(股份代號：287)之獨立非執行董事。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER 董事及行政總裁之履歷



Mr. Tam Yuk Sang, Sammy
譚旭生先生

Mr. Tam Yuk Sang Sammy, aged 54, joined the Company on 31 December 2013. He graduated from the Hong Kong Polytechnic University, is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is currently the president of Essentack Limited, a corporate strategy and management advisory company. He had once been an independent non-executive director of KEE Holdings Company Limited (stock code: 2011) up to 17 February 2016, a company whose shares are listed on the Hong Kong Stock Exchange.

譚旭生先生，54歲，於二零一三年十二月三十一日加入本公司。彼畢業於香港理工大學，為英國特許公認會計師公會及香港會計師公會資深會員。譚先生現任一間企業策略及管理顧問公司也思有限公司之總裁。彼曾任股份於香港聯交所上市之公司開易控股有限公司(股份代號：2011)之獨立非執行董事，直至二零一七年二月十七日為止。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

董事及行政總裁之履歷



Ms. Florence Ng, aged 54, joined the Company on 31 December 2013. Ms. Ng is a solicitor of the Hong Kong Special Administrative Region and she is the Principal of Messrs. Florence Ng of Co., Solicitors, a law firm in Hong Kong. Ms. Ng holds a Bachelor of Arts degree from the San Francisco State University, a Bachelor of Laws degree from the University of London and a Master of Laws degree from the City University of Hong Kong. Ms. Ng has over 10 years of business management experience in the high-tech industry in Canada. Ms. Ng has held senior management positions in several computer and internet companies and she was responsible for general management and oversaw their operations of the sales, marketing and purchasing.

吳翠蘭女士，54歲，於二零一三年十二月三十一日加入本公司。吳女士為一名香港特別行政區律師及彼為吳翠蘭律師行（一間香港律師行）的負責人。吳女士持有美國三藩市州立大學文學士學位、倫敦大學法律學士學位及香港城市大學法律碩士學位。吳女士於加拿大之高科技行業擁有逾十年之業務管理經驗。吳女士曾於數家電腦及互聯網公司擔任高級管理層職位，負責一般管理及監督銷售、市場營銷及採購之業務。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER 董事及行政總裁之履歷



Dr. Yeung Cheuk Kwong
楊卓光博士

CHIEF EXECUTIVE OFFICER

Dr. Yeung Cheuk Kwong, aged 55, joined the Company on 7 July 2014. Dr. Yeung has been appointed as the Adjunct Professor of Zhongnam University of Economic and Law, Wuhan, the PRC and the co-adviser to professional master degree students of accounting and auditing for a tenure of four years since 2017. Dr. Yeung holds a doctor degree of Business Administration from the City University of Hong Kong with a distinction award, a master degree in Finance from the City University of Hong Kong with distinction, a bachelor degree of Science (Economics) from the University of London, a master degree in Corporate and Financial Law from the University of Hong Kong and a bachelor degree of Laws from Manchester Metropolitan University.

Dr. Yeung has held senior management positions for about 25 years. He has extensive experiences and knowledge in mergers and acquisitions, corporate finance, investment in various asset classes, such as fixed income securities and equities, as well as tax planning. Dr. Yeung is also a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants, a Fellow Member of the Association of Chartered Certified Accountants, and an Associate Member of the Institute of Chartered Accountants in England and Wales. Since early 2016, Dr. Yeung has been one of the licensed representatives of Silverstone Investments Limited which is the Investment Manager of the Company.

行政總裁

楊卓光博士，55歲，於二零一四年七月七日加入本公司。楊博士自二零一七年起獲委任為中國武漢市中南財經政法大學客座教授及會計及審計專業碩士生合作指導教師(任期四年)。楊博士持有香港城市大學工商管理博士學位及獲得研究成就獎、香港城市大學金融碩士學位(優等成績)、倫敦大學經濟學理學士學位、香港大學公司及金融法碩士學位及Manchester Metropolitan University法學士學位。

楊博士出任高級管理層職位約二十五年。彼於收購合併、企業融資、不同資產級別之投資(例如固定收入證券及股本)以及稅務策劃方面擁有豐富經驗及知識。楊博士亦為香港會計師公會之執業會計師、英國特許公認會計師公會之資深會員以及英格蘭及威爾斯特許會計師公會之會員。自二零一六年初起，楊博士為本公司投資經理銀石投資有限公司之其中一名持牌代表。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

董事及行政總裁之履歷

Dr. Yeung was the executive director and chief financial officer of Great Wall Electronic International Limited (now known as EPI (Holdings) Limited) (stock code: 689) from 1995 to 2000, a company publicly listed on the Stock Exchange. He was also the executive director, chief financial officer and company secretary of Ngai Lik Industrial Holdings Limited (now known as Yuan Heng Gas Holdings Limited) (stock code: 332) from 2000 to 2010, a company publicly listed on the Stock Exchange. Dr. Yeung also holds senior positions with certain subsidiaries of Ngai Lik Group Limited, a private company controlled by Dr. Lam Man Chan, Chairman and the deemed substantial shareholder of the Company.

Dr. Yeung has also been an executive committee member of Hong Kong Electronics Industry Council under the Federation of Hong Kong Industries since 2015.

楊博士於一九九五年至二零零零年期間曾任聯交所之公眾上市公司長城電子國際有限公司(現稱為長盈集團(控股)有限公司)(股份代號:689)之執行董事兼財務總監,及於二零零零年至二零一零年期間曾任聯交所之公眾上市公司毅力工業集團有限公司(現稱為元亨燃氣控股有限公司)(股份代號:332)之執行董事、財務總監兼公司秘書。楊博士亦於毅力集團有限公司若干附屬公司擔任高級職務,該公司為本公司主席及被視為本公司主要股東林文燦博士所控制之私人公司。

楊博士亦自二零一五年起出任香港工業總會之香港電子業總會執行委員會成員。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

Deloitte.

德勤

TO THE SHAREHOLDERS OF
CHINA INTERNET INVESTMENT FINANCE
HOLDINGS LIMITED
(Continued into Bermuda with limited liability)

致中國互聯網投資金融集團有限公司
列位股東

(於百慕達存續之有限公司)

OPINION

意見

We have audited the consolidated financial statements of China Internet Investment Finance Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 53 to 133, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

本核數師已審核列載於第53頁至第133頁中國互聯網投資金融集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一七年十二月三十一日之綜合財務狀況報表及截至該日止年度之綜合損益表、綜合損益及其他全面收益表、綜合權益變動報表及綜合現金流量表，連同綜合財務報表附註，包括主要會計政策概要。

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

本核數師認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒布的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一七年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

BASIS FOR OPINION

意見的基礎

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

本核數師根據香港會計師公會頒布的香港審計準則(「香港審計準則」)進行審核。在該等準則下，我們的責任在我們的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的「國際職業會計師道德守則(「守則」)，我們獨立於 貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current year. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter 關鍵審核事項

Impairment assessment on interests in associates 聯營公司權益之減值評估

We have identified that the assessment of impairment of the Group's interests in associates as a key audit matter since measuring the difference between the carrying amounts and the net present value of the estimated future cash flows generated from these associates to assess impairment involves significant judgement and estimation uncertainty. 我們已經將 貴集團於聯營公司之權益的減值評估識別為關鍵審核事項，因為為評估減值而計量該等聯營公司產生之估計未來現金流量的賬面值與淨現值之間的差額時涉及重大判斷及估計不確定性。

As described in note 17 to the consolidated financial statements, in view of continuing loss-making performances of these associates, the management expects that no estimated future cash inflow could be generated from operations and proceeds from the ultimate disposal of these associates in the foreseeable future.

誠如綜合財務報表附註17所述，鑑於該等聯營公司之持續虧損表現，管理層預期於可見未來經營及最終出售該等聯營公司之所得款項中不可能產生估計未來現金流入。

Based on the management's assessment, the impairment loss on interests in associates of HK\$1,173,000 was recognised in profit or loss of the Group during the year to further reduce the carrying amounts of these associates to nil.

根據管理層的評估，年內聯營公司權益之減值虧損1,173,000港元已於 貴集團之損益確認，以進一步減少該等聯營公司之賬面值至零。

關鍵審核事項

根據本核數師的專業判斷，關鍵審核事項為我們審核於本年度的綜合財務報表中最重要的事項。我們在審核綜合財務報表及就此達致意見時處理該事項，而不會就該事項單獨發表意見。

How our audit addressed the key audit matter 本核數師在審核中處理關鍵審核事項的方法

Our procedures in relation to the impairment assessment of the Group's interests in associates included:

我們有關 貴集團聯營公司權益減值評估之程序包括：

- Evaluating the methodology and key assumptions adopted by the management in estimating the future cash flows generated from these associates;
- 評估管理層於估計該等聯營公司之估計未來現金流量時所採用之方法及關鍵假設；
- Examining the key assumptions used in the estimation of the future cash flows by comparing historical results and economic environment in which the associates operate; and
- 通過將聯營公司的往績與其經營所在的經濟環境進行比較，審視估計未來現金流量採用之關鍵假設；及
- Considering the extent of impact of reasonably possible changes in the key assumptions on the difference between the carrying amounts and the net present value of the estimated future cash flows of the Group's interests in associates.
- 考慮關鍵假設之合理可能變動對 貴集團於聯營公司權益之估計未來現金流量的賬面值與淨現值之間的差額之影響程度。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於年報的資料，惟不包括綜合財務報表及我們的核數師報告。

本核數師對綜合財務報表作出的意見並無涵蓋其他資料，而我們不會對其他資料發表任何形式的核證結論。

就本核數師審核綜合財務報表而言，我們的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現重大錯誤陳述，我們須報告有關事實。就此，我們毋須作出報告。

董事及肩負管治責任者就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的香港財務報告準則及香港《公司條例》的披露規定編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項(如適用)。除非董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

肩負管治責任者負責監督貴集團的財務報告流程。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

核數師就審核綜合財務報表須承擔的責任

本核數師的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有我們意見的核數師報告。我們根據百慕達公司法第90條僅向全體股東報告，不作其他用途。我們並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

在根據香港審計準則進行審計的過程中，本核數師運用專業判斷，保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為本核數師意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘本核數師認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂我們意見。我們結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。本核數師負責集團審計的方向、監督和執行。我們為審核意見承擔全部責任。

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

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

本核數師與肩負管治責任者就(其中包括)審計的計劃範圍、時間安排及重大審計發現溝通，該等發現包括我們在審計過程中識別的內部監控的任何重大缺失。

本核數師亦向肩負管治責任者作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

The engagement partner on the audit resulting in the independent auditor's report is Ho Kam Wing, Richard.

從與肩負管治責任者溝通的事項中，本核數師釐定對本期間綜合財務報表的審計至關重要的事項，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

出具獨立核數師報告的審計項目合伙人為何錦榮。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
19 March 2018

德勤•關黃陳方會計師行
執業會計師
香港
二零一八年三月十九日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

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 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Gross proceeds from operations	營運所得款項總額	6	52,417	52,049
Revenue	收益	6	4,063	3,974
Net fair value change on financial assets at fair value through profit or loss	按公允值計入損益之金融資產之公允值變動淨額	7	(17,994)	(36,172)
Other income	其他收入		367	14
Other gains or losses, net	其他收益或虧損，淨額	8	719	(2,397)
Administrative expenses	行政開支		(29,440)	(30,206)
Other operating expenses	其他經營開支		(1,182)	(1,212)
Loss from operations	營運虧損		(43,467)	(65,999)
Finance costs	融資成本	9	(252)	(379)
Share of results of associates	應佔聯營公司業績	17	(447)	(4,340)
Impairment loss on interests in associates	聯營公司權益之減值虧損	17	(1,173)	(3,297)
Loss before income tax	除所得稅前虧損	10	(45,339)	(74,015)
Income tax expenses	所得稅開支	12	—	—
Loss for the year	年度虧損		(45,339)	(74,015)
Loss for the year attributable to the owners of the Company	本公司擁有人應佔年度虧損	13	(45,339)	(74,015)
Loss per share attributable to the owners of the Company	本公司擁有人應佔每股虧損	13		
Basic and Diluted (HK cents)	基本及攤薄(港仙)		(8.40)	(18.03)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 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
Loss for the year	年度虧損	(45,339)	(74,015)
Other comprehensive income: Items that may be reclassified subsequently to profit or loss:	其他全面收益： 其後可重新分類至損益 之項目：		
Changes in fair value of available-for-sale financial assets	可供出售金融資產之 公允值變動	973	(1,600)
Reclassification of available-for-sale fair value reserve upon impairment loss recognised	因已確認減值虧損而將 可供出售公允值儲備 重新分類	165	2,024
Release of available-for-sale fair value reserve upon disposal	因出售而將可供出售 公允值儲備轉撥	(743)	(222)
Other comprehensive income for the year, net of income tax	年度其他全面收益 (已扣除所得稅)	395	202
Total comprehensive expense for the year	年度全面開支總額	(44,944)	(73,813)
Total comprehensive expense attributable to the owners of the Company	本公司擁有人應佔全面 開支總額	(44,944)	(73,813)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2017 於二零一七年十二月三十一日

	Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets			
Property, plant and equipment	14	16,313	24,013
Intangible asset	15	120	120
Available-for-sale financial assets	16	37,756	57,043
Financial assets at fair value through profit or loss	18	46,140	—
Interests in associates	17	—	1,620
		100,329	82,796
Current assets			
Available-for-sale financial assets	16	—	4,636
Financial assets at fair value through profit or loss	18	66,226	121,265
Other receivables, prepayments and deposits	20	2,726	2,395
Amount due from an associate	22	2,500	—
Cash and bank balances	21	22,541	7,042
		93,993	135,338
Current liabilities			
Accruals		6,037	4,086
Secured bank loan	24	3,610	4,070
Obligations under a finance lease	25	2,600	3,361
		12,247	11,517
Net current assets		81,746	123,821
Total assets less current liabilities		182,075	206,617

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2017 於二零一七年十二月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liability	非流動負債			
Obligations under a finance lease	融資租賃承擔	25	—	2,600
Net Assets	資產淨值		182,075	204,017
Capital and reserves	資本及儲備			
Share capital	股本	23	54,595	45,496
Reserves	儲備		127,480	158,521
Total equity	權益總額		182,075	204,017

The consolidated financial statements on pages 53 to 133 were approved and authorised for issue by the Board on 19 March 2018.

第53至133頁的綜合財務報表於二零一八年三月十九日獲董事會批准及授權刊發。

Lam Man Chan
林文燦
Director
董事

Lee Kwok Leung
李國樑
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動報表

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

		Attributable to the owners of the Company 本公司擁有人應佔						
		Share capital	Share premium	Contributed surplus (note)	Share- based payments reserve	Available- for-sale fair value reserve	Accumulated losses	Total
		股本	股份溢價	繳入盈餘	股份付款	可供出售	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	31,599	20,870	225,806	1,185	61	(47,221)	232,300
Loss for the year	年度虧損	—	—	—	—	—	(74,015)	(74,015)
Other comprehensive income	其他全面收益	—	—	—	—	202	—	202
Total comprehensive income (expense) for the year, net of income tax	年度全面收益(開支) 總額，扣除所得稅	—	—	—	—	202	(74,015)	(73,813)
Proceeds from placing of new shares	配售新股份之所得款項	13,897	31,583	—	—	—	—	45,480
Issuing expenses of placing of new shares	配售新股份之發行開支	—	(1,264)	—	—	—	—	(1,264)
Recognition of share-based payments	確認以股份付款	—	—	—	1,314	—	—	1,314
At 31 December 2016	於二零一六年 十二月三十一日	45,496	51,189	225,806	2,499	263	(121,236)	204,017
Loss for the year	年度虧損	—	—	—	—	—	(45,339)	(45,339)
Other comprehensive income	其他全面收益	—	—	—	—	395	—	395
Total comprehensive income (expense) for the year, net of income tax	年度全面收益(開支)總 額，扣除所得稅	—	—	—	—	395	(45,339)	(44,944)
Proceeds from placing of new shares	配售新股份之所得款項	9,099	14,558	—	—	—	—	23,657
Issuing expense of placing of new shares	配售新股份之發行開支	—	(655)	—	—	—	—	(655)
At 31 December 2017	於二零一七年 十二月三十一日	54,595	65,092	225,806	2,499	658	(166,575)	182,075

Note: The amount represents amount transfer from the share premium upon reduction of share premium amount. The details of reasons and effect of share premium reduction were set out in the circular of the Company dated 30 September 2015.

附註：該金額指於削減股份溢價賬時，轉撥自股份溢價的金額。有關削減股份溢價的理由及影響之詳情載於本公司日期為二零一五年九月三十日之通函。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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
OPERATING ACTIVITIES	經營業務		
Loss before income tax	除所得稅前虧損	(45,339)	(74,015)
Adjustments for:	就以下項目調整：		
Bank interest income	銀行利息收入	(3)	(14)
Finance costs	融資成本	252	379
Depreciation	折舊	7,849	7,972
Impairment loss on available-for-sale financial assets	可供出售金融資產之減值虧損	165	2,024
Impairment loss on interests in associates	聯營公司權益之減值虧損	1,173	3,297
Share-based payments	以股份付款	—	1,314
Share of results of associates	應佔聯營公司業績	447	4,340
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益	(743)	(222)
Net exchange (gain) loss	匯兌(收益)虧損淨額	(78)	272
Net change in fair value on financial assets at fair value through profit or loss	按公允值計入損益之金融資產之公允值變動淨額	17,994	36,172
Operating cash flows before working capital changes	營運資金變動前之經營現金流量	(18,283)	(18,481)
Increase in other receivables, prepayments and deposits	其他應收款項、預付款項及按金增加	(331)	(576)
Increase in accruals	應計開支增加	1,951	862
NET CASH USED IN OPERATING ACTIVITIES	經營業務動用之現金淨額	(16,663)	(18,195)
INVESTING ACTIVITIES	投資業務		
Proceeds from sales of financial assets at fair value through profit or loss	出售按公允值計入損益之金融資產之所得款項	48,354	48,075
Payments for purchases of financial assets at fair value through profit or loss	購買按公允值計入損益之金融資產之付款	(57,425)	(51,232)
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項	32,866	17,487
Payments for purchases of available-for-sale financial assets	購買可供出售金融資產之付款	(7,916)	(60,543)
Purchase of property, plant and equipment	購買物業、廠房及設備	(149)	(134)
Advance to an associate	向聯營公司墊款	(2,500)	—
Bank interest income	銀行利息收入	3	14
NET CASH FROM (USED) IN INVESTING ACTIVITIES	投資業務產生(動用)之現金淨額	13,233	(46,333)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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
FINANCING ACTIVITIES 融資業務			
Net proceeds from placing of new shares 配售新股所得款項淨額		23,002	44,216
Repayment of obligations under a finance lease 償還融資租賃承擔		(3,361)	(3,245)
Repayment of a secured bank loan 償還有抵押銀行貸款		(460)	(448)
Interest paid 已付利息		(252)	(379)
NET CASH FROM FINANCING ACTIVITIES 融資業務之現金淨額		18,929	40,144
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS 現金及現金等值物增加(減少)淨額		15,499	(24,384)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR 年初之現金及現金等值物		7,042	31,426
CASH AND CASH EQUIVALENTS AT THE END OF YEAR 年終之現金及現金等值物		22,541	7,042
ANALYSIS OF BALANCES OF CASH AND BANK BALANCES 現金及銀行結餘之結餘分析			
Cash and bank balances 現金及銀行結餘		22,541	7,042

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. CORPORATE INFORMATION

China Internet Investment Finance Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) is principally engaged in investment in equity and debt securities of listed and unlisted companies.

The Company is a limited liability company continued into Bermuda as an exempted company under the laws of Bermuda. The address of the Company’s registered office is Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda and its principal place of business is Flat 18, 9/F, Block B, Focal Industrial Centre, 21 Man Lok Street, Hunghom, Kowloon, Hong Kong.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company. These consolidated financial statements were approved for issue by the Board of Directors (the “Board”) on 19 March 2018.

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

Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets of Unrealised Losses
Amendments to HKFRS 12	As part of the Annual Improvements to HKFRSs 2014–2016 Cycle

1. 公司資料

中國互聯網投資金融集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之主要業務為投資於上市及非上市公司之股本及債務證券。

本公司為一間根據百慕達法例於百慕達存續為獲豁免公司之有限公司。本公司之註冊辦事處地址為Canon’s Court, 22 Victoria Street, Hamilton HM 12, Bermuda，而主要營業地點為香港九龍紅磡民樂街21號富高工業中心B座9樓18室。

本公司股份第一上市地為香港聯合交易所有限公司(「聯交所」)。

該等綜合財務報表以本公司之功能貨幣港元呈列。該等綜合財務報表經由董事會(「董事會」)於二零一八年三月十九日批准刊發。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

香港財務報告準則之修訂於本年度強制生效

於本年度，本集團首次應用以下由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則之修訂：

香港會計準則第7號之修訂	披露措施
香港會計準則第12號之修訂	就未變現虧損確認之遞延稅項資產
香港財務報告準則第12號之修訂	作為香港財務報告準則二零一四年至二零一六年週期之年度改進一部分

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

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

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

Amendments to HKAS 7 *Disclosure Initiative*

The Group has applied these amendments in the first time in the current year. The amendments require an entity to provide disclosures enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 27. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 27, the application of these amendments has had no impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則之修訂於本年度強制生效(續)

除下文所述者外，於本年度應用香港財務報告準則之修訂對本年度及以往年度之本集團表現及財務狀況及／或於該等綜合財務報表所載之披露事項並無顯著影響。

香港會計準則第7號之修訂披露措施

本集團於本年度首次應用該等修訂。修訂規定，實體須提供披露，令財務報表之使用者得以評估融資活動所產生負債之變動，包括現金及非現金變動。此外，修訂亦規定，倘金融資產之現金流量或未來現金流量將計入融資活動之現金流量，則須披露該等金融資產之變動。

具體而言，修訂要求披露以下內容：(i) 融資現金流量變動；(ii) 因取得或失去附屬公司或其他公司之控制權而產生的變動；(iii) 外幣匯率變動的影響；(iv) 公允值變動；及(v) 其他變動。

有關該等項目期初及期末結餘之對賬載於附註27。根據該等修訂之過渡條文，本集團並無披露以往年度之比較資料。除附註27所披露者外，應用該等修訂本對本集團之綜合財務報表並無影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

New and revised HKFRSs in issue but not yet effective

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

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

- ¹ Effective for annual periods beginning on or after 1 January 2018
- ² Effective for annual periods beginning on or after 1 January 2019
- ³ Effective for annual periods beginning on or after a date to be determined
- ⁴ Effective for annual periods beginning on or after 1 January 2021

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	客戶合約收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港(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 ¹
香港(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 ²
香港財務報告準則第2號之修訂	以股份付款交易之分類及計量 ¹
香港財務報告準則第4號之修訂	採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第9號之修訂	具有負補償之提前還款特性 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
香港會計準則第28號之修訂	於聯營公司或合營企業的長期權益 ²
香港會計準則第40號之修訂	投資物業轉讓 ¹
香港會計準則第28號之修訂	作為香港財務報告準則二零一四年至二零一六年週期的年度改進一部分 ¹
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期的年度改進 ²

- ¹ 於二零一八年一月一日或其後開始之年度期間生效
- ² 於二零一九年一月一日或其後開始之年度期間生效
- ³ 於將予釐定之日期或其後開始之年度期間生效
- ⁴ 於二零二一年一月一日或其後開始之年度期間生效

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

New and revised HKFRSs in issue but not yet effective (continued)

Except as described below, the Directors anticipate that the application of all other new and amendments to HKFRSs and Interpretations will have no material impact on the consolidated financial statements of the Group in the foreseeable future.

HKFRS 9 *Financial Instruments*

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

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

除下文所述者外，董事預期於可見將來應用所有其他新訂香港財務報告準則及香港財務報告準則之修訂以及詮釋不會對本集團之綜合財務報表造成重大影響。

香港財務報告準則第9號 *金融工具*

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

香港財務報告準則第9號中與本集團相關之主要規定為：

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

HKFRS 9 *Financial Instruments* (continued)

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

Based on the Group's financial instruments and risk management policies as at 31 December 2017, the Directors anticipate the following potential impact on initial application of HKFRS 9:

Classification and measurement

Listed debt instruments classified as available-for-sale investments carried at fair value as disclosed in note 16: these are held within a business model whose objective is achieved both by collecting contractual cash flows and selling the listed debt instruments in the open market, and the contractual terms give rise to cash flows on specified dates that are solely payments of principal and interest on the principal outstanding. Accordingly, the listed debt instruments will be measured at FVTOCI upon the application of HKFRS 9, and the fair value gains or losses accumulated in the investments revaluation reserve will be reclassified to profit or loss when the listed debentures are derecognised.

For the financial assets at fair value through profit or loss disclosed in note 18: at the date of initial application, the Group shall revoke its previous designation of its equity investment measured at fair value through profit or loss. Such investments are held within a business model whose objective is to realise cash flows through sale and will continue to be measured at fair value through profit or loss upon application of HKFRS 9.

Except for financial assets which are subject to impairment under expected loss, all other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

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

根據本集團截至二零一七年十二月三十一日之金融工具和風險管理政策，董事預計初步應用香港財務報告準則第9號可能存在以下影響：

分類及計量

如附註16所披露的分類為按公允值計量之可供出售投資的上市債務工具，乃於目的為同時收取合約現金流及在公開市場出售上市債務工具之業務模式中持有，以及合約條款令於特定日期產生之現金流純粹為支付本金及尚未償還本金的利息。因此，應用香港財務報告準則第9號後，上市債務工具將以按公允值計入其他全面收益方式進行計量，且於上市債券取消確認時，於投資重估儲備累計之公允值收益或虧損將重新分類至損益。

對於附註18所披露按公允值計入損益之金融資產：於首次應用當日，本集團撤銷公允值計入損益計量之股本投資之先前指定。有關投資以透過銷售變現現金流量的業務模式持有，並將繼續於應用香港財務報告準則第9號後按公允值計入損益計量。

除因預期虧損而可能減值的金融資產外，所有其他金融資產及金融負債將繼續按現時根據香港會計準則第39號計量之相同基準計量。

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

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

HKFRS 9 *Financial Instruments* (continued)

Impairment

In general, the directors of the Group anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and listed debt instruments measured at FVTOCI that are subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018, would not be significantly increased as compared to the accumulated amount recognised under HKAS 39.

Expect as describe above, the directors anticipate that the application of the HKFRS 9 will have no material financial impacts on the results and the financial position of the Group.

HKFRS 16 *Leases*

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

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

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

減值

一般而言，本集團董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致就本集團按攤銷成本計量的金融資產提前計提尚未產生的信貸虧損，而本集團應用香港財務報告準則第9號後按公允值計入其他全面收益的上市債務工具須進行減值撥備。

根據本集團董事的評估，本集團於二零一八年一月一日將確認的減值虧損的累計金額，與根據香港會計準則第39號確認的累計金額相比，不會大幅增加。

除上述者外，董事預期應用香港財務報告準則第9號將不會對本集團之業績及財務狀況造成重大財務影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人之租賃安排及會計處理引入一個綜合模式。於香港財務報告準則第16號生效後，其將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制以區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃及融資租賃的區別自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式所取代。

使用權資產初步按成本計量，隨後按成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量而作出調整。租賃負債乃按租賃款項(非當日支付)的現值初步計量。其後，租賃負債就(其中包括)利息及租賃款項以及租賃修訂的影響進行調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

HKFRS 16 *Leases* (continued)

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

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

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2017, the Group has non-cancellable operating lease commitment of HK\$51,000 as disclosed in note 33. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will not recognise a right-of-use and a corresponding liability for the lease as it qualifies for short-term lease.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號租賃(續)

根據香港會計準則第17號，本集團已就本集團作為承租人的融資租賃安排確認資產及相關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產的分類發生潛在變動，惟視乎本集團是否將使用權資產單獨呈列或於呈列相應有關資產(倘擁有)所在的同一項目內呈列而定。

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

此外，香港財務報告準則第16號要求較廣泛的披露。

誠如附註33所披露，於二零一七年十二月三十一日，本集團擁有不可撤銷經營租賃承擔51,000港元。初步評估顯示該等安排將符合租賃的定義。應用香港財務報告準則第16號後，本集團不會就租賃確認使用權及相應負債，原因是其屬於短期租賃。

3. 重大會計政策概要

綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則(「上市規則」)及香港公司條例之披露規定所規定之適用披露事項。

綜合財務報表乃按歷史成本基準編製，惟於各報告期末以公允值計量之若干金融工具除外(如下文所載會計政策所解釋)。歷史成本一般根據貨品及服務交換所得代價之公允值而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share Based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*.

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

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

The principal accounting policies are set out below.

3. 重大會計政策概要(續)

公允值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公允值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公允值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份付款範圍的以股份付款的交易、屬於香港會計準則第17號租賃範圍內的租賃交易除外。

此外，就財務報告而言，公允值計量根據公允值計量的輸入數據可觀察程度及公允值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價(未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

下文載列主要會計政策。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation

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

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

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

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

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

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

3. 重大會計政策概要(續)

綜合基準

綜合財務報表包括本公司及本公司及其附屬公司所控制實體之財務報表。當本公司符合以下要素時，則本公司取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報的風險或享有權利；及
- 有能力使用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益表，直至本集團不再控制有關附屬公司之日期為止。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關本集團成員之間交易的所有集團內公司間之資產及負債、權益、收入、支出及現金流量於綜合時悉數對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsidiaries

Subsidiaries are entities over which the Company is able to exercise control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Interests in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control nor joint control over those policies.

The results, assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. Any retained portion of investments in associates that has not been classified as held for sale shall be accounted for using the equity method. Under the equity method, investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. When the Group's share of loss of associate exceeds the Group's interest in that associate (which includes any long-term interest that, in substance, forms part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

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

3. 重大會計政策概要(續)

附屬公司

附屬公司乃指本公司可行使控制權的實體。當本公司因參與實體業務而承擔浮動回報的風險或享有權利以及有能力使用其對實體之權力影響其回報，則本公司控制有關實體。

於聯營公司之權益

聯營公司指本集團對其行使重大影響力之實體。重大影響力指有權參與被投資方之財務及營運政策決定，但並非對該等政策擁有控制權或共同控制權。

聯營公司之業績、資產及負債乃按權益會計法納入綜合財務報表內。並無分類為持作出售之任何於聯營公司之投資之保留部分須按權益法入賬。根據權益法，於聯營公司之投資乃首先按成本另就本集團分佔聯營公司之損益及其他全面收益於收購後之變動調整列於綜合財務狀況報表。當本集團分佔聯營公司之虧損超過其於該聯營公司之權益(包括任何在實質上乃組成本集團於該聯營公司投資淨額之長期權益)，本集團不再確認其分佔之進一步虧損。額外分佔虧損會提撥準備及確認為負債，惟僅以本集團已招致之法定或推定責任或代表該聯營公司支付之款項為限。

於被投資方成為聯營公司當日，對聯營公司之投資採用權益法入賬。於收購聯營公司之投資時，投資成本如超出本集團應佔被投資公司已確認可識別資產及負債公平淨值之任何差額會被確認為商譽。有關商譽計入該投資之賬面值。本集團分佔可識別資產及負債公平淨值高出重估後之投資成本之差額即時於收購投資期間在損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interests in associates (continued)

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

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

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

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

Sales of listed and unlisted equity securities

Proceeds from sales of listed equity securities are recognised on a trade-date basis. Proceeds from sale of unlisted equity security are recognised when the significant risks and rewards of such ownership is transferred.

3. 重大會計政策概要(續)

於聯營公司之權益(續)

應用香港會計準則第39號以釐定是否需要確認有關本集團投資於聯營公司的任何減值虧損。倘為需要，投資之全部賬面值(包括商譽)透過比較其可收回金額(使用價值及公允值減出售成本的較高者)與其賬面值，根據香港會計準則第36號「資產減值」，作為單一資產進行減值測試。被確認的任何減值虧損均形成投資賬面值之一部份。該減值虧損之任何回撥根據香港會計準則第36號獲得確認，惟受隨後增加之可收回投資金額所規限。

當集團實體與本集團之聯營公司進行交易，與聯營公司之交易所產生之溢利及虧損乃於本集團之綜合財務報表內確認，惟僅以與本集團無關之聯營公司之權益為限。

收益確認

收益按已收或應收代價的公允值計量。

收益於收益金額能夠可靠地計量時，經濟利益將很有可能流入本集團時及達到下文所述本集團各業務之具體準則時予以確認。

上市及非上市股本證券銷售

上市股本證券銷售之所得款項以交易日基準確認。非上市股本證券銷售之所得款項於該擁有權的主要風險及回報轉移時確認。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Interest income

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

Dividend income

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

Employee benefits

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

Pension scheme

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

3. 重大會計政策概要(續)

收益確認(續)

利息收入

利息收入乃參照未償還本金及適用實際利率，按時間基準累計，有關利率乃按金融資產預計年期，將估計未來所收取現金實際貼現至該資產於初步確認之賬面淨值。

股息收入

投資之股息收入於股東收取付款的權利確立時確認。

僱員福利

僱員應享休假權利

僱員應得之年假於應計予僱員時確認。已就僱員於截至報告期末提供服務享有年假的估計負債作出撥備。

僱員應享之病假及產假於休假時方予確認。

退休金計劃

本集團遵照香港強制性公積金計劃條例為該等合資格參與強積金計劃之僱員實行定額供款強制性公積金退休福利計劃(「強積金計劃」)。供款按僱員基本薪金之某一百分比作出，並於按照強積金計劃之規則應付時於綜合損益表內扣除。強積金計劃之資產與本集團之資產分開，由獨立管理基金持有。本集團向強積金計劃作出之僱主供款，在作出時已全數歸僱員所有。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits (continued)

Equity-settled Share-based payment transactions

Share options granted to employees

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

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share based payments reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share capital (nominal value) and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to accumulated losses.

Taxation

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

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

3. 重大會計政策概要(續)

僱員福利(續)

權益結算之以股份付款交易

授予僱員之購股權

向僱員及提供類似服務的其他人士支付的以權益結算的股份付款按權益工具在授出日期的公允值計量。

在授出日期釐定的以權益結算之以股份付款的公允值(並無計及所有非市場歸屬條件),根據本集團對最終歸屬的權益工具的估計,在歸屬期內按直線法支銷並相應增加權益(購股權儲備)。在各報告期末,本集團基於對所有相關非市場歸屬條件之評估修訂其對預計歸屬的權益工具數目的估計。修訂原先估計的影響(如有)在損益中確認,使累計開支反映修訂後的估計,並對股份付款儲備作出相應調整。對於在授出日期即時歸屬的購股權,所授出購股權的公允值即時於損益支銷。

當行使購股權時,先前在股份付款儲備中確認的金額將轉入股本(面值)及股份溢價。當購股權在歸屬日期後被沒收或於到期日時仍未行使,先前在股份付款儲備中確認的金額將轉撥至累計虧損。

稅項

所得稅開支指應付即期稅項及遞延稅項的總和。

即期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益表所報之除所得稅前溢利有所不同,原因為其不包括其他年度應課稅或可扣減之收入或開支項目,亦不包括無需課稅或扣減之項目。本集團之即期稅項負債乃採用於報告期末已頒佈或實質頒佈之稅率計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

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

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

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

3. 重大會計政策概要(續)

稅項(續)

遞延稅項乃按綜合財務報表中資產及負債賬面值與計算應課稅溢利之相應稅基間之暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產一般乃就所有可扣減暫時差額以於可能有應課稅溢利抵銷可動用之該等可扣減暫時差額為限予以確認。若於一項交易中，因商譽或因業務合併以外初次確認其他資產及負債而引致之暫時差額既不影響應課稅溢利亦不影響會計溢利時，則不會確認該等遞延稅項資產及負債。此外，若暫時差額是源自商譽之初次確認，則不予確認遞延稅項負債。

於各報告期末均會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利可收回全部或部分資產為止。

遞延稅項負債按於附屬公司投資及聯營公司權益相關的應課稅暫時差額確認，惟本集團可控制有關暫時差額撥回且可見將來可能不會撥回有關暫時差額除外。該等投資及權益相關的可扣稅暫時差額所產生的遞延稅項資產，僅於有足夠應課稅溢利可用於抵銷暫時差額且預期暫時差額於可見將來撥回時確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

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

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

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of change prevailing at the dates of the transaction. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 重大會計政策概要(續)

稅項(續)

遞延稅項資產及負債乃以於報告期末已實行或大致上已實行之稅率(及稅法)為基準，按預期於負債清償或資產變現期間內之適用稅率計算。

遞延稅項負債及資產之計算反映本集團於報告期末所預期收回或償還其資產及負債賬面值之方式所產生之稅務結果。

年內，即期及遞延稅項於損益確認，惟當其與在其他全面收益中確認或直接在權益中確認之項目相關，則即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。倘因業務合併之初步會計方法而產生即期稅項或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率確認。於報告期末，以外幣計值之貨幣項目均按該日之適用匯率重新換算。以外幣計值根據歷史成本計量的非貨幣項目毋須重新換算。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of the monetary items, are recognised in profit or loss in the period in which they arise.

Property, plant and equipment

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

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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.

Intangible asset

Intangible asset representing a club membership with indefinite useful life that is acquired separately and is carried at cost less accumulated impairment losses.

3. 重大會計政策概要(續)

外幣(續)

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額於產生期間的損益內確認。

物業、廠房及設備

物業、廠房及設備乃按成本減其後累積折舊及任何其後累計減值虧損(如有)於綜合財務狀況報表列賬。一項物業、廠房及設備項目成本包括其購買價格及令該項資產達至其運作狀況及運送至其預期使用位置之任何直接應佔成本。

資產確認的折舊乃以成本減去其剩餘價值後在估計可使用年期用直線法計算。估計可使用年期、剩餘價值及折舊方法會在各報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

以融資租賃方式持有之資產，按與自有資產相同之基準以其預計可使用年期折舊。然而，倘無法合理確定擁有權將於租賃期結束時取得，則資產會按租賃期及可使用年期之較短者折舊。

物業、廠房及設備項目於出售或當預期持續使用該資產不再帶來未來經濟利益時取消確認。出售或棄置物業、廠房及設備項目產生之任何收益及虧損按出售所得款項與資產賬面值之差額計算，並於損益確認。

無形資產

無形資產指個別收購之具無限可用年期之俱樂部會籍，乃按成本減累計減值虧損入賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of tangible and intangible assets

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

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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

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

3. 重大會計政策概要(續)

有形及無形資產之減值

於各報告期末，本集團檢討其資產的賬面值，以確定有否任何跡象顯示該等資產出現減值虧損。倘任何有關跡象存在，資產之可收回金額則予以估計，以便釐定減值虧損(如有)之程度。如不可能估計個別資產之可收回金額，本集團會估計該資產所屬現金產生單位之可收回金額。如能確認合理及統一之分配基準，企業資產亦分配至個別現金產生單位，或其他能確認合理及統一之分配基準之最小現金產生單位組別。

具無限可使用年期之無形資產至少每年，及當有跡象顯示該資產可能減值時進行減值測試。

可收回金額為以公允值減銷售成本及使用價值之較高者。於評估使用價值時，以能反映貨幣時間值之現時市場評估及該資產特有風險的稅前貼現率貼現估計未來現金流量至其現值，而估計未來現金流量未進行調整。

如經估計資產(或現金產生單位)之可收回金額少於其賬面值，該資產(或現金產生單位)之賬面值會減至其可收回金額。資產賬面值不會扣減至低於其公允值減出售成本(倘可以計算)、其使用價值(倘可予釐定)及零三者之中的最高者。因此而導致的未能分配至資產的減值虧損金額將按比例分配至其他資產單位。減值虧損隨即於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of tangible and intangible assets (continued)

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

Financial instruments

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

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

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

3. 重大會計政策概要(續)

有形及無形資產之減值(續)

倘減值虧損其後撥回，則資產(或現金產生單位)的賬面值增加至經修訂的估計可收回金額，惟所增加的賬面值不得超過倘資產(或現金產生單位)於過往年度並無確認減值虧損而釐定的賬面值。所撥回的減值虧損即時於損益確認。

金融工具

金融資產及金融負債乃於某集團實體訂立金融工具契約條文時確認。

金融資產及金融負債初步按公允值確認。收購或發行金融資產及金融負債(按公允值計入損益之金融資產及金融負債除外)直接應佔之交易成本乃於初步確認時計入或扣自金融資產或金融負債之公允值(如適用)。收購按公允值計入損益之金融資產或金融負債直接應佔之交易成本即時於損益賬內確認。

金融資產

金融資產分類為以下特定類別：「按公允值計入損益」、「按公允值計入損益」之金融資產、「可供出售」、「可供出售」金融資產及「貸款及應收款項」。分類取決於金融資產之性質及目的，並於首次確認時釐定。所有金融資產之正常買賣，按交易日之基準確認及不予確認。金融資產之正常買賣是指按照市場規定或慣例須在一段期限內交付資產之金融資產買賣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Financial assets at FVTPL

Financial assets are classified as at FVTPL includes the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

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

3. 重大會計政策概要(續)

金融工具(續)

金融資產(續)

實際利率法

實際利率法為計算債務工具的攤銷成本及於相關期間分配利息收入的方法。實際利率為於首次確認時可準確透過債務工具預期年限或(如適用)較短期間，對估計未來現金收入(包括構成實際利率整體一部份之已付或已收所有費用及息差、交易成本及其他溢價或折讓)貼現至賬面淨值的利率。

利息收入乃按債務工具(分類為按公允值計入損益之該等金融資產除外)之實際利率基準確認。

按公允值計入損益之金融資產

分類為按公允值計入損益之金融資產包括持作買賣之金融資產或指定為按公允值計入損益者。

金融資產於下列情況分類為持作買賣：

- 收購該資產的主要目的為短期內出售；或
- 該資產初步確認為本集團集中管理的可識別金融工具組合的一部分，且近期有實質短期獲利模式；或
- 該資產為並非指定作對沖工具亦無實際對沖效果的衍生工具。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Financial assets at FVTPL (continued)

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in revenue. Fair value is determined in the manner described in note 26.

AFS financial asset

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as loans and receivables or financial assets at FVTPL.

3. 重大會計政策概要(續)

金融工具(續)

金融資產(續)

按公允值計入損益之金融資產(續)

於下列情況，金融資產(持作買賣的金融資產除外)可於初步確認時指定為按公允值計入損益的金融資產：

- 有關指定消除或大幅減少可能出現不一致的計量或確認歧異；或
- 金融資產(構成一組金融資產或金融負債或根據本集團的既定風險管理或投資策略及有關內部提供基準的分組之資料)管理及其表現按公允值評估；或
- 其構成包含一個或多個內含衍生工具合約的一部份，且香港會計準則第39號准許全份合併合約(資產或負債)指定為按公允值計入損益。

按公允值計入損益之金融資產按公允值列賬，而重新計量產生之任何損益於損益確認。於損益確認之損益淨額不包括該金融資產之任何股息或所得利息，並計入收益。公允值按附註26所述方式釐定。

可供出售金融資產

可供出售金融資產為非衍生工具，乃指定為可供出售或並無歸類為貸款及應收款項或按公允值計入損益之金融資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

AFS financial asset (continued)

Debt securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method, and changes in foreign exchange rates, if applicable are recognised in profit or loss. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of available-for-sale fair value reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the available-for-sales fair value reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including amount due from an associate, other receivables and deposits and cash and bank balances) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy-impairment of financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Impairment of financial assets

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

3. 重大會計政策概要(續)

金融工具(續)

金融資產(續)

可供出售金融資產(續)

本集團所持有之被分類為可供出售金融資產及於活躍市場上交易之債務證券於各報告期末按公允值計量。與採用實際利率法計算之利息收入及外匯匯率變動(如適用)有關之可供出售貨幣金融資產之賬面值之變動於損益中確認。可供出售金融資產賬面值之其他變動乃於其他全面收益中確認，並累計至可供出售公允值儲備。當投資被出售或被釐定出現減值時，先前累計至可供出售公允值儲備中之累計收益或虧損乃重新分類至損益(見如下有關金融資產減值虧損之會計政策)。

貸款及應收款項

貸款及應收款項指未於活躍市場內報價而附帶固定或可議定付款之非衍生金融資產。貸款及應收款項(包括應收聯營公司款項、其他應收款項及按金以及現金及銀行結餘)使用實際利率法按攤銷成本減任何已識別減值虧損列賬(見下文有關金融資產減值之會計政策)。

利息收入乃按實際利率確認，惟就短期應收款項而言，當確認之利息並不重要時則作別論。

金融資產之減值

金融資產(按公允值計入損益的金融資產除外)於各報告期末被評估減值跡象。倘有客觀證據證明，初步確認金融資產後，因發生一件或多件事件使投資的估計未來現金流量受影響，則金融資產被視為已減值。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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

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

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

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

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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

3. 重大會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

所有其他金融資產之減值客觀證據可包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，譬如未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組；或
- 該項金融資產因出現財政困難而失去活躍市場。

就按攤銷成本列賬的金融資產而言，所確認減值虧損之金額按該資產之賬面值與按金融資產之原先實際利率折讓之估計未來現金流量之現值間的差額計量。

所有金融資產之減值虧損會直接於金融資產之賬面值中作出扣減。

當可供出售金融資產被釐定為已減值，先前於其他全面收益確認之累計收益或虧損乃於期內重新分類至損益。

就按攤銷成本計量的金融資產而言，倘減值虧損額於往後期間有所減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該投資於減值被撥回當日之賬面值不得超過未確認減值時之攤銷成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities at amortised cost

Financial liabilities (including secured bank loan) 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 (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than financial liabilities classified as FVTPL.

3. 重大會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

就可供出售之債務投資而言，其後倘投資公允值之增加客觀上可能與確認減值虧損之後發生之事項有聯繫，減值虧損則會透過損益轉回。

金融負債及股本工具

集團實體發行的債券及股本工具乃根據合約安排的內容以及金融負債及股本工具的定義分類為金融負債或股本。

股本工具

股本工具乃證明實體扣除其所有負債後的資產中擁有剩餘權益的任何合約。本公司發行的股本工具經扣除直接發行成本後按已收所得款項確認。

按攤銷成本計量之金融負債

其他金融負債(包括有抵押銀行貸款)其後乃使用實際利息法按攤銷成本計量。

實際利息法

實際利息法乃計算金融負債的攤銷成本及按相關期間攤分利息支出的方法。實際利率為於首次確認時可準確透過金融負債的預期年限或(倘適用)較短期間對估計未來現金付款(包括構成實際利率整體一部分的已付或已收所有費用及息差、交易成本及其他溢價或折讓)貼現至賬面淨值之利率。

利息開支乃按實際利率基準確認，惟分類為按公允值計入損益之金融負債除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset, 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.

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

Leasing

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

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as obligations under a finance lease.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss. Contingent rentals are recognised as expenses in the periods in which they are incurred.

3. 重大會計政策概要(續)

金融工具(續)

取消確認

僅於資產現金流量之合約權利屆滿時，本集團方會取消確認金融資產。

當取消確認金融資產時，資產賬面金額與已收及應收代價及於其他全面收益確認及於股權累計之損益總額之差額乃於損益確認。

本集團僅於其責任已被解除、取消或屆滿時取消確認金融負債。取消確認之金融負債賬面值與已付及應付代價之差額，乃於損益內確認。

租賃

當租賃的條款將絕大部份所有權的風險及回報轉讓予承租人，則租賃歸類為融資租賃。其他所有租賃則歸類為經營租賃。

本集團作為承租人

根據融資租賃持有之資產按其於租約開始時之公允值或按最低租賃款項之現值兩者之較低者確認為本集團之資產。欠該出租人之相應負債列入綜合財務狀況報表內作為融資租賃之承擔。

租約付款按比例分攤為融資費用及扣減租約承擔，從而讓該等負債應付餘額以固定息率計算。融資費用即時於損益確認。或然租金於其產生期間確認為費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing (continued)

Leasehold land and building

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

When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCE OF ESTIMATION UNCERTAINTY

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

The estimate and underlying assumption are reviewed on an ongoing basis. Revisions to accounting estimate 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. 重大會計政策概要(續)

租賃(續)

租賃土地及樓宇

當本集團對包括租賃土地及樓宇部分之物業權益作出付款時，本集團會根據評估各部分擁有權之風險與回報是否已絕大部分轉移至本集團而將其單獨分類，倘明確顯示兩個部分均為經營租賃，則整個物業列為經營租賃入賬。具體而言，全部代價(包括任何一筆過預付款項)於初步確認時按租賃土地部分及樓宇部分中之租賃權益相對公允值比例於租賃土地與樓宇部分之間分配。

當款項未能於租賃土地及樓宇部分之間可靠分配時，則整個物業一般會分類，猶如租賃土地處於融資租賃項下。

4. 關鍵會計判斷及估計不確定之重要來源

在應用附註3所述之本集團會計政策過程中，管理層須對未能從其他途徑即時知悉之資產及負債之賬面值作出判斷、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相關之其他因素作出。實際結果或會與該等估計有所不同。

該等估計及相關假設會持續檢討。會計估計之修訂乃於估計獲修訂期間(倘修訂僅影響該期間)或修訂期間及未來期間(倘修訂影響本期間及未來期間)予以確認。

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4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCE OF ESTIMATION UNCERTAINTY (CONTINUED)

Key source of estimation uncertainty

The following is the key assumption concerning the future, and other key source of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amount of asset within the next financial year.

Critical accounting estimate and assumption

Estimated impairment loss on interests in associates

In determining whether the interests in associates are impaired, the Group measures the difference between the carrying amounts and the net present value of the estimated future cash flows generated from these associates. In view of continuing loss-making performances of these associates, the management expects that no estimated future cash inflow could be generated from operations and proceeds from the ultimate disposal of these associates in the foreseeable future. As a result, an impairment loss of HK\$1,173,000 (2016: HK\$3,297,000) was recognised in profit or loss of the Group during the year to further reduce the carrying amounts of these associates to nil.

5. SEGMENT INFORMATION

The Group's principal activity is investment in equity and debt instruments. The Group's business activity is organised into one single segment, investment holding. For the purpose of resources allocation and assessment of performance, the management regularly reviews and manages the Group's investment portfolio, including financial assets at fair value through profit or loss and available-for-sale financial assets. Information regularly provided to the management mainly includes fair value of respective investees and the investment income, no further discrete financial information was provided. The Group's financial assets and other investments holdings are managed and evaluated on a portfolio basis. Therefore, no segment information is presented.

The Group's segment result by geographical areas are not presented as significant transactions are mainly based in Hong Kong.

4. 關鍵會計判斷及估計不確定之重要來源(續)

估計不確定性之主要來源

以下為有關未來之主要假設以及於報告期末估計不確定性之其他主要來源，該等假設及估計均存有重大風險可能導致下一個財政年度之資產賬面值須作出重大調整。

關鍵會計估計及假設

聯營公司權益之估計減值虧損

於釐定聯營公司權益是否減值時，本集團計量該等聯營公司產生的估計未來現金流量之賬面值與淨現值之間的差額。鑑於該等聯營公司之持續虧損表現，管理層預期於可見未來經營及最終出售該等聯營公司之所得款項中不可能產生估計未來現金流入。因此，年內減值虧損 1,173,000 港元(二零一六年：3,297,000 港元)已於年內於本集團損益確認，以進一步將該等聯營公司的賬面值減至零。

5. 分部資料

本集團之主要業務活動為投資於股本及債務工具。本集團之業務活動劃分為一個單一分部 — 投資控股。就資源分配及評估表現而言，管理層定期審視及管理本集團之投資組合，當中包括按公允值計入損益之金融資產及可供出售金融資產。定期向管理層提供之資料主要包括相關接受投資公司之公允值及投資收入而並無提供進一步的獨立財務資料。本集團之金融資產及其他投資持股乃以組合基準管理及評估。因此，並無呈列分部資料。

本集團並無呈列按地理區域劃分之分部業績，因為相關的主要交易是主要基於香港。

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6. GROSS PROCEEDS FROM OPERATION AND REVENUE

Gross proceeds represent investment income of the Group and the gross proceeds from the disposal of listed equity securities, as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Gross proceeds from disposal of listed equity securities	出售上市股本證券之所得款項總額	48,354	48,075
Dividend income from listed equity securities	上市股本證券之股息收入	1,848	1,905
Interest income from listed debt securities	上市債務證券之利息收入	1,940	2,069
Interest income from equity linked notes	股本掛鉤票據之利息收入	275	—
		52,417	52,049

Revenue represents dividend income and interest income. An analysis of the Group's revenue for the year is as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Dividend income from listed equity securities	上市股本證券之股息收入	1,848	1,905
Interest income from listed debt securities	上市債務證券之利息收入	1,940	2,069
Interest income from equity linked notes	股本掛鉤票據之利息收入	275	—
		4,063	3,974

6. 營運所得款項總額及收益

所得款項總額代表本集團之投資收入以及出售上市股本證券之所得款項總額，詳情如下：

收益代表股息收入及利息收入。本集團於年內之收益分析如下：

7. NET FAIR VALUE CHANGE ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net fair value change on listed equity securities	上市股本證券之公允價值變動淨額	(17,994)	(36,172)

7. 按公允價值計入損益之金融資產之公允價值變動淨額

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8. OTHER GAINS OR LOSSES, NET

8. 其他收益或虧損，淨額

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Exchange gain (loss)	匯兌收益(虧損)	141	(595)
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益	743	222
Impairment loss on available-for-sale financial assets	可供出售金融資產之減值虧損	(165)	(2,024)
		719	(2,397)

9. FINANCE COSTS

9. 融資成本

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interests on a secured bank loan	有抵押銀行貸款之利息	(97)	(108)
Interests on a finance lease	融資租賃之利息	(155)	(271)
		(252)	(379)

10. LOSS BEFORE INCOME TAX

10. 除所得稅前虧損

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's loss before income tax is arrived at after charging (crediting):	本集團除所得稅前虧損經扣除(計入)下列項目而得出：		
Auditor's remuneration	核數師酬金	720	580
Depreciation	折舊	7,849	7,972
Employee benefit expenses excluding share-based payments	僱員福利開支(不包括股份付款)	15,322	13,494
Share-based payments	股份付款	—	1,314
Custody services fees (note)	託管服務費(附註)	105	37
Investment management fees (note)	投資管理費(附註)	600	600
Operating lease rental	經營租賃租金	84	—
Bank interest income	銀行利息收入	(3)	(14)

Note: They were de-minimis continuing connected transaction of the Company under Rule 14A.73(1) of the Listing Rules.

附註：根據上市規則第14A.73(1)條屬於本公司符合最低豁免規定的持續關連交易。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. EMPLOYEE BENEFIT EXPENSES

11. 僱員福利開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Directors' remuneration	董事酬金		
— fees	— 袍金	1,326	1,326
— salaries and allowances	— 薪金及津貼	1,275	1,140
— mandatory provident fund contributions	— 強制性公積金 供款	18	18
— share-based payments	— 股份付款	—	414
		2,619	2,898
Chief executive officer's remuneration	行政總裁酬金		
— salaries and allowances	— 薪金及津貼	2,851	2,306
— mandatory provident fund contributions	— 強制性公積金 供款	18	18
— share-based payments	— 股份付款	—	375
		2,869	2,699
Staff remuneration	僱員酬金		
— salaries and allowances	— 薪金及津貼	9,580	8,435
— mandatory provident fund contributions	— 強制性公積金 供款	254	251
— share-based payments	— 股份付款	—	525
		9,834	9,211
		15,322	14,808

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows.

The remuneration of each of the directors and chief executive officer of the Company for the year ended 31 December 2017 is set out below:

11. 僱員福利開支(續)

董事及行政總裁之年度酬金乃根據適用上市規則及香港公司條例披露如下。

本公司各董事及行政總裁截至二零一七年十二月三十一日止年度之酬金載列如下：

Name	Fees	Salaries and allowances	Employee's mandatory provident fund contributions 僱員強制性公積金供款	Share-based payments	Total
姓名	袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	公積金供款 HK\$'000 千港元	股份付款 HK\$'000 千港元	總計 HK\$'000 千港元
<i>Chairman and Non-executive Director</i>					
Lam Man Chan	840	735	—	—	1,575
<i>Executive Director</i>					
Lee Kwok Leung	—	540	18	—	558
<i>Independent Non-executive Directors</i>					
Ng Chi Yeung Simon	162	—	—	—	162
Tam Yuk Sang, Sammy	162	—	—	—	162
Florence Ng	162	—	—	—	162
<i>Chief Executive Officer</i>					
Yeung Cheuk Kwong	—	2,851	18	—	2,869
	1,326	4,126	36	—	5,488

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

The remuneration of each of the directors and chief executive officer of the Company for the year ended 31 December 2016 is set out below:

Name	Fees	Salaries and allowances	Employee's mandatory provident fund contributions	Share-based payments	Total
姓名	袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	僱員強制性公積金供款 HK\$'000 千港元	股份付款 HK\$'000 千港元	總計 HK\$'000 千港元
<i>Chairman and Non-executive Director</i> 主席兼非執行董事					
Lam Man Chan 林文燦	840	600	—	—	1,440
<i>Executive Director</i> 執行董事					
Lee Kwok Leung 李國樑	—	540	18	300	858
<i>Independent Non-executive Directors</i> 獨立非執行董事					
Ng Chi Yeung Simon 吳志揚	162	—	—	38	200
Tam Yuk Sang, Sammy 譚旭生	162	—	—	38	200
Florence Ng 吳翠蘭	162	—	—	38	200
<i>Chief Executive Officer</i> 行政總裁					
Yeung Cheuk Kwong 楊卓光	—	2,306	18	375	2,699
	1,326	3,446	36	789	5,597

The executive director's and chief executive officer's emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive director's and Independent non-executive directors' emoluments shown above were for their services as directors of the Company or its subsidiaries.

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2016: Nil).

11. 僱員福利開支(續)

截至二零一六年十二月三十一日止年度，本公司各董事及行政總裁之酬金載列如下：

上列執行董事及行政總裁的酬金是關於彼等就管理本公司及本集團事務所提供之服務。上列非執行董事及獨立非執行董事的酬金是關於彼等以本公司或其附屬公司董事身份所提供之服務。

年內並無董事放棄或同意放棄任何酬金之安排(二零一六年：無)。

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

11. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2016: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2016: three) individuals during the year are as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	5,544	4,588
Mandatory provident fund contributions	強制性公積金供款	54	54
Share-based payments	股份付款	—	503
		5,598	5,145

The emoluments of the above three (2016: three) highest paid employees fell within the following bands:

		Number of employees 僱員人數	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	—	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至 2,500,000港元	—	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	1	1
		3	3

No remuneration was paid or payable by the Group to the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2016: Nil). There was no arrangement under which the five highest paid employees waived or agreed to waive any remuneration during the year (2016: Nil).

11. 僱員福利開支(續)

五名最高薪人士

年內本集團五名最高薪人士包括兩名(二零一六年:兩名)董事,彼等之酬金已於上文所呈列分析中反映。年內應付餘下三名(二零一六年:三名)個別人士之酬金如下:

		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	薪金及津貼	5,544	4,588
Mandatory provident fund contributions	強制性公積金供款	54	54
Share-based payments	股份付款	—	503
		5,598	5,145

上述三名(二零一六年:三名)最高薪僱員之酬金屬於以下範圍:

		Number of employees 僱員人數	
		2017 二零一七年	2016 二零一六年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	—	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	1	1
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至 2,500,000港元	—	—
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	1	1
		3	3

年內,本集團並無向五名最高薪僱員支付或應付任何酬金,作為吸引彼加入本集團或於加入時之獎金或離職補償(二零一六年:無)。年內,並無就五名最高薪僱員放棄或同意放棄任何酬金作出安排(二零一六年:無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12. INCOME TAX EXPENSES

12. 所得稅開支

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current income tax	即期所得稅		
— Hong Kong Profits Tax	— 香港利得稅	—	—

No Hong Kong Profits Tax is provided as there is no estimated assessable profit for both years.

由於兩個年度並無估計應課稅溢利，故並無就香港利得稅作出撥備。

The tax expenses for the year can be reconciled to loss before income tax as follows:

本年度稅項開支與除所得稅前虧損之對賬如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(45,339)	(74,015)
Tax credit calculated at the rate of 16.5%	按16.5%之稅率計算之稅項	(7,481)	(12,213)
Tax effect of income not taxable for tax purposes	就稅務而言不課稅收入之稅項影響	(402)	(508)
Tax effect of expenses not deductible for tax purposes	就稅務而言不可扣除開支之稅項影響	297	1,295
Tax effect of share of results of associates	應佔聯營公司業績之稅項影響	74	716
Tax effect of tax losses not recognised	未確認稅項虧損之稅項影響	6,786	10,084
Others	其他	726	626
Tax expenses for the year	本年度稅項開支	—	—

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綜合財務報表附註

13. LOSS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

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

13. 本公司擁有人應佔每股虧損

本公司擁有人應佔每股基本及攤薄虧損之計算乃基於下列數據：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss for the year attributable to the owners of the Company	本公司擁有人應佔年度虧損		
Loss for the purpose of basic and diluted loss per share	用於計算每股基本及攤薄虧損之虧損	(45,339)	(74,015)
		2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	計算每股基本虧損之普通股加權平均數	539,470	410,477
Effect of potential dilutive ordinary shares:	潛在攤薄普通股之影響：		
Shares issuable from the Company's share option (note)	根據本公司購股權可予發行之股份(附註)	—	—
Weighted average number of ordinary shares for the purpose of diluted loss per share	計算每股攤薄虧損之普通股加權平均數	539,470	410,477
Basic and diluted loss per share (HK cents)	每股基本及攤薄虧損(港仙)	(8.40)	(18.03)

Note: The Company had 15,100,000 (2016: 15,550,000) outstanding share options which were anti-dilutive as at 31 December 2017.

附註：本公司於二零一七年十二月三十一日有15,100,000份(二零一六年：15,550,000份)尚未行使購股權。

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綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 HK\$'000 千港元	Leasehold improvement 租賃物業 裝修 HK\$'000 千港元	Office furniture and fixtures 辦公室 傢俬及 固定裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Yacht 遊艇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST							
As at 1 January 2016	於二零一六年一月一日	13,257	1,676	497	4,571	16,384	36,385
Additions	添置	—	—	78	—	56	134
As at 31 December 2016	於二零一六年十二月三十一日	13,257	1,676	575	4,571	16,440	36,519
Additions	添置	—	—	15	—	134	149
As at 31 December 2017	於二零一七年十二月三十一日	13,257	1,676	590	4,571	16,574	36,668
ACCUMULATED DEPRECIATION							
As at 1 January 2016	於二零一六年一月一日	751	370	177	1,417	1,819	4,534
Charge for the year	年內已扣除	531	336	109	1,523	5,473	7,972
As at 31 December 2016	於二零一六年十二月三十一日	1,282	706	286	2,940	7,292	12,506
Charge for the year	年內已扣除	530	335	97	1,382	5,505	7,849
As at 31 December 2017	於二零一七年十二月三十一日	1,812	1,041	383	4,322	12,797	20,355
CARRYING AMOUNT							
As at 31 December 2017	於二零一七年十二月三十一日	11,445	635	207	249	3,777	16,313
As at 31 December 2016	於二零一六年十二月三十一日	11,975	970	289	1,631	9,148	24,013

The principal annual rates used for this purpose are as follows:

就此所採用之主要年率如下：

Leasehold land and buildings	25 years	租賃土地及樓宇	25年
Leasehold improvement	5 years or over the lease term if less than 5 years	租賃物業裝修	5年或按租約年期 (若少於5年)
Office furniture and fixtures	5 years	辦公室傢俬及固定裝置	5年
Motor vehicles	3 years	汽車	3年
Yacht	3 years	遊艇	3年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

As at 31 December 2017, the office premise with a carrying amount of approximately HK\$11,445,000 (2016: approximately HK\$11,975,000) was pledged for a bank loan.

At the end of the reporting period, the net book value of yacht held under finance lease of the Group was approximately HK\$3,569,000 (2016: approximately HK\$8,922,000).

14. 物業、廠房及設備(續)

於二零一七年十二月三十一日，賬面值約為11,445,000港元(二零一六年：11,975,000)之辦公室物業已就一筆銀行貸款而抵押。

於報告期末，本集團根據融資租賃持有之遊艇之賬面淨值約為3,569,000港元(二零一六年：8,922,000港元)。

15. INTANGIBLE ASSET

15. 無形資產

Club membership
俱樂部會籍
HK\$'000
千港元

COST AND CARRYING AMOUNT

As at 1 January 2016, 31 December 2016 and 31 December 2017

成本及賬面值

於二零一六年一月一日、
二零一六年十二月三十一日及
二零一七年十二月三十一日

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The club membership is stated at cost less accumulated impairment. The directors of the Company considered no impairment loss recognised as the recoverable amount is greater than its carrying amount.

俱樂部會籍按成本扣除累計減值列賬。本公司董事認為，由於其可收回金額高於其賬面值，故並無確認減值虧損。

16. AVAILABLE-FOR-SALE FINANCIAL ASSETS

16. 可供出售金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Listed debt securities, at fair value	上市債務證券，按公允值		
— Listed in Hong Kong	— 於香港上市	28,094	44,505
— Listed outside Hong Kong	— 於香港境外上市	9,662	17,174
		37,756	61,679
Analysed for reporting purposes as: 就報告而分析為：			
Current assets	流動資產	—	4,636
Non-current assets	非流動資產	37,756	57,043
		37,756	61,679

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17. INTERESTS IN ASSOCIATES

17. 於聯營公司之權益

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unlisted equity shares, at cost (note 1)	非上市權益股份，按成本 (附註1)	9,000	9,000
Share of post-acquisition losses and other comprehensive income, net of dividends received	應佔收購後虧損及其他 全面收益，扣除已收 股息	(4,530)	(4,083)
Impairment loss (note 2)	減值虧損(附註2)	(4,470)	(3,297)
		—	1,620

Notes:

附註：

- Included in the cost is goodwill of HK\$4,613,000 (2016: HK\$4,613,000). During the year ended 31 December 2016, the contingent consideration of HK\$556,000 previously provided and included in other payables as at 31 December 2016 was reversed because the vendor could not fulfill all the conditions for the guaranteed return for the financial year ended 31 March 2015 as stipulated in the sale and purchase agreement.
 - During the year ended 31 December 2016, the Group performed impairment review for its associate. Its recoverable amount has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets covering a 5 year period, which is approved by the management, and discount rate of about 16.4% which reflects the assessment of time value of money and the risks specific to the associate. The cash flows beyond the second-year period are extrapolated using a steady 3% growth rate. Other key assumptions for the value in use calculation relate to the estimation for cash inflows/outflows which included budgeted sales and gross margin, such estimation is based on its past performance and management's expectations for the market development. Based on the recoverable amount of the associate, the management of the Group determined that an impairment loss of about HK\$3,297,000.
- 有關成本中包括商譽4,613,000港元(二零一六年：4,613,000港元)。截至二零一六年十二月三十一日止年度，556,000港元之或然代價(以往已作撥備並計入二零一六年十二月三十一日之其他應付款項)予以撥回，原因為賣方無法達成買賣協議所訂明截至二零一五年三月三十一日止財政年度之保證回報之所有條件。
 - 截至二零一六年十二月三十一日止年度，本集團對聯營公司進行減值審核。可收回金額是根據使用價值計算確定。該計算使用基於經由管理層批准之五年期財務預算的現金流量預測而貼現率約為16.4%(此反映對貨幣時間值之評估以及聯營公司之特定風險)。超過兩年期的現金流量預測是使用穩定的3%增長率推算得出。使用價值計算的其他關鍵假設與現金流入/流出的估計有關，包括預算銷售和毛利率，此估計是基於其過往表現以及管理層對市場發展的預期。根據該聯營公司之可收回金額，本集團管理層確定減值虧損約為3,297,000港元。

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

17. INTERESTS IN ASSOCIATES (CONTINUED)

Notes: (continued)

During the year ended 31 December 2017, in determining whether the interests in associates are impaired, the Group measures the difference between the carrying amounts and the net present value of the estimated future cash flows generated from these associates. In view of continuing loss-making performances of these associates, the management expects that no estimated future cash inflow could be generated from operations and proceeds from the ultimate disposal of these associates in the foreseeable future. Based on the management's assessment, an impairment loss on interests in associates of HK\$1,173,000 was recognised in profit and loss of the Group during the year to further reduce the carrying amounts of these associates to nil.

Details of the interests in associates at 31 December 2017 and 2016 are as follows:

17. 於聯營公司之權益(續)

附註：(續)

截至二零一七年十二月三十一日止年度，於釐定聯營公司權益是否減值時，本集團計量該等聯營公司產生的估計未來現金流量之賬面值與淨現值之間的差額。鑑於該等聯營公司之持續虧損表現，管理層預期於可見未來經營及最終出售該等聯營公司之所得款項中不可能產生估計未來現金流入。根據管理層的評估，聯營公司權益減值虧損1,173,000港元已於年內於本集團損益確認，以進一步將該等聯營公司的賬面值減至零。

於二零一七年及二零一六年十二月三十一日，於聯營公司之權益的詳情如下：

Name of Associates 聯營公司名稱	Place of incorporation 註冊成立地點	Form of legal entity 法律實體形式	Class of shares held 所持股份類別	Proportion of ownership interest held by the Group 本集團所持擁有權權益之比例		Proportion of voting rights held by the Group 本集團所持表決權之比例		Principal activities 主要業務
				2017 二零一七年	2016 二零一六年	2017 二零一七年	2016 二零一六年	
Direct 直接								
Superb Kingdom Limited 超君有限公司	Hong Kong 香港	Limited liability 有限責任	Ordinary 普通股	30%	30%	30%	30%	Sale of LED lighting products 銷售LED照明產品
Indirect 間接								
Segula Holdings Group Limited	British Virgin Islands 英屬處女群島	Limited liability 有限責任	Ordinary 普通股	30%	—	30%	—	Investment holding 投資控股
Segula International Limited	Hong Kong 香港	Limited liability 有限責任	Ordinary 普通股	29.9%	—	29.9%	—	Investment holding 投資控股
Segula (Macau) Limited Segula (澳門)有限公司	Macau 澳門	Limited liability 有限責任	Ordinary 普通股	29.9%	—	29.9%	—	Sale of LED lighting products 銷售LED照明產品

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綜合財務報表附註

17. INTERESTS IN ASSOCIATES (CONTINUED)

Aggregate information of associates that are not individually material.

17. 於聯營公司之權益(續)

個別不屬重大之聯營公司綜合資料。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's share of loss from continuing operations	本集團應佔持續經營業務之虧損	(447)	(4,340)
The Group's share of other comprehensive expense	本集團應佔其他全面開支	—	—
The Group's share of total comprehensive expense	本集團應佔全面開支總額	(447)	(4,340)
Aggregate carrying amounts of the Group's interests in these associates	本集團於該等聯營公司權益之總賬面值	—	1,620

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

18. 按公允值計入損益之金融資產

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Listed equity securities, at fair value	上市股本證券，按公允值		
— Hong Kong	— 香港	112,077	121,001
— Australia	— 澳洲	289	264
		112,366	121,265
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysed for reporting purposes as:	就報告而分析為：		
Current assets	流動資產	66,226	121,265
Non-current assets	非流動資產	46,140	—
		112,366	121,265

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Fair values of listed equity securities in Hong Kong are primarily based on their quoted prices (unadjusted) in active markets, while that in Australia is primarily based on the Group's own assumptions about market exit value.

As at 31 December 2017, an amount of HK\$46,140,000 (2016: nil) is classified as non-current assets as the management of the Group expects that such amount may not be realised within twelve months after the reporting period.

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

Particulars of investments held by the Group as at 31 December 2017 disclosed pursuant to the Chapter 21 of the Listing Rules are as follows:

18. 按公允價值計入損益之金融資產(續)

香港上市股本證券之公允價值主要是基於活躍市場之報價(未經調整)，而澳洲上市股本證券之公允價值主要是基於本集團自身對市場現值的假設。

於二零一七年十二月三十一日，金額46,140,000港元(二零一六年：無)被分類為非流動資產，乃因本集團管理層預期該金額可能於報告期後十二個月內不能變現。

19. 本集團持有之主要投資之資料

本集團於二零一七年十二月三十一日持有之投資之資料乃根據上市規則第21章披露如下：

Name of equity/debt securities	Nature of business	Interest held	Net assets attributable to the Company	Invested amount	Carrying amount	Dividend/ interest received	Percentage of investment attributable to the Group's total assets
股本／債務證券名稱	業務性質	所持權益	本公司應佔資產淨額	投資額	賬面值	已收股息／利息	本集團總資產應佔投資之百分比
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	%
<i>Financial assets at fair value through profit or loss</i>							
<i>按公允價值計入損益之金融資產</i>							
Listed equity securities							
上市股本證券							
Jete Power Holdings Limited ("Jete Power") 鑄能控股有限公司(「鑄能」)	note a 附註a	2.80	1,412	25,676	24,990	—	12.86
Newtree Group Holdings Limited ("Newtree") 友川集團控股有限公司(「友川」)	note b 附註b	1.97	8,352	20,086	21,528	—	11.08
Tencent Holdings Limited ("Tencent Holdings") 騰訊控股有限公司(「騰訊控股」)	note c 附註c	0.00	1,124	4,840	16,240	24	8.36
The Hongkong and Shanghai Banking Corporation Limited ("HSBC") 香港上海滙豐銀行有限公司(「滙豐」)	note d 附註d	0.00	7,289	7,274	7,995	539	4.11
Future Bright Mining Holdings Limited ("Future Bright") 高鵬礦業控股有限公司(「高鵬」)	note e 附註e	0.79	1,006	14,567	7,114	—	3.66

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED) 19. 本集團持有之主要投資之資料(續)

Name of equity/debt securities	Nature of business	Interest held	Net assets attributable to the Company	Invested amount	Carrying amount	Dividend/ interest received	Percentage of investment attributable to the Group's total assets
股本/債務證券名稱	業務性質	所持權益	本公司應佔資產淨額	投資額	賬面值	已收股息/利息	本集團總資產應佔投資之百分比
		%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	%
AIA Group Limited ("AIA Group") 友邦保險控股有限公司(「友邦保險」)	note f 附註f	0.00	2,459	4,983	5,999	87	3.09
Sa Sa International Holdings Limited ("Sa Sa International") 莎莎國際控股有限公司(「莎莎國際」)	note g 附註g	0.05	1,252	4,842	4,816	—	2.48
<i>Available-for-sale investments</i> 可供出售投資							
<i>Listed debt securities</i> 上市債務證券							
Industrial and Commercial Bank of China Limited ("ICBC") 中國工商銀行有限公司(「工商銀行」)	Note h 附註h	N/A 不適用	N/A 不適用	6,764	6,600	303	3.40
Leading Affluence Limited ("Leading Affluence") 泓景有限公司(「泓景」)	Note i 附註i	N/A 不適用	N/A 不適用	6,379	6,290	279	3.24
Bank of East Asia Limited ("BEA") 東亞銀行有限公司(「東亞銀行」)	Note j 附註j	N/A 不適用	N/A 不適用	5,234	4,993	285	2.57
				100,645	106,565	1,517	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Particulars of investments held by the Group as at 31 December 2016 disclosed pursuant to the Chapter 21 of the Listing Rules are as follows:

19. 本集團持有之主要投資之資料(續)

本集團根據上市規則第21章披露於二零一六年十二月三十一日持有之投資資料如下：

Name of equity/debt securities	Nature of business	Interest held	Net assets attributable to the Company	Invested amount	Carrying amount	Dividend/ interest received	Percentage of investment attributable to the Group's total assets
股本/債務證券名稱	業務性質	所持權益	本公司應佔資產淨額	投資額	賬面值	已收股息 / 利息	本集團總資產應佔投資之百分比
		(%)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	(%)
<i>Financial assets at fair value through profit or loss</i>							
<i>按公允值計入損益之金融資產</i>							
Listed equity securities							
上市股本證券							
Jete Power 鑄能	note a 附註a	2.86	1,205	26,200	38,500	—	17.65
Grand Peace Group Holdings Limited 福澤集團控股有限公司	Provision of funeral services, sale of funeral related products and loan financing business 提供殯儀服務、銷售殯儀相關產品及貸款融資業務	2.04	1,911	21,047	23,738	—	10.88
Future Bright 高鵬	note e 附註e	1.36	1,330	14,567	11,424	—	5.24
HSBC 滙豐	note d 附註d	0.00	6,420	12,072	9,960	633	4.57
Tencent Holdings 騰訊控股	note c 附註c	0.00	669	4,840	7,588	19	3.48

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED) 19. 本集團持有之主要投資之資料(續)

Name of equity/debt securities	Nature of business	Interest held	Net assets attributable to the Company	Invested amount	Carrying amount	Dividend/ interest received	Percentage of investment attributable to the Group's total assets
股本/債務證券名稱	業務性質	所持權益	本公司應佔資產淨額	投資額	賬面值	已收股息/利息	本集團總資產應佔投資之百分比
		(%)	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	(%)
<i>Available-for-sale investments</i>							
<i>可供出售投資</i>							
<i>Listed debt securities</i>							
<i>上市債務證券</i>							
China Overseas Grand Oceans Finance II (Cayman) Limited ("China Overseas Grand Oceans Finance") 中國海外宏洋財務II(開曼)有限公司 (「中國海外宏洋財務」)	Property investment and development of property leasing and investment holding in the PRC 中國物業投資以及發展物業租賃及投資控股	N/A 不適用	N/A 不適用	6,438	6,392	319	3.48
ICBC 工商銀行	Note h 附註h	N/A 不適用	N/A 不適用	6,764	6,351	—	2.91
Tencent Holdings 騰訊控股	Note c 附註c	N/A 不適用	N/A 不適用	6,248	6,204	268	2.84
Ping An Life Insurance Company of China Ltd. 中國平安人壽保險股份有限公司	Provision of integrated financial products and services in life insurance, property and casualty insurance, trust, securities, banking and other businesses 提供綜合金融產品及人壽保險、財產及意外傷害保險、信託、證券、銀行業及其他業務。	N/A 不適用	N/A 不適用	6,248	6,120	199	2.81
Leading Affluence 泓景	Note i 附註i	N/A 不適用	N/A 不適用	6,379	6,025	—	2.76
				110,803	122,302	1,438	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes:

a. Jete Power

Jete Power was incorporated in the Cayman Islands and its shares are listed on the GEM board of the Stock Exchange of Hong Kong (stock code: 08133). Jete Power and its subsidiaries are principally engaged in manufacturing and sales of cast metal products.

For the 6 months ended 30 June 2017, the unaudited consolidated loss attributable to the owners of Jete Power was approximately HK\$3.0 million and its unaudited consolidated equity attributable to the owners of Jete Power was approximately HK\$50.4 million.

b. Newtree

Newtree was incorporated in the Cayman Islands and its shares are listed on the Main board of the Stock Exchange of Hong Kong (stock code: 01323). Newtree and its subsidiaries are principally engaged in (i) manufacturing and trading of clinical and household hygienic disposables and trading of related raw materials; (ii) trading of coal products; (iii) wholesale and retail of household consumables; (iv) sales and distribution of Jewelleries and watches; (v) design and development of three-dimensional animations, augmented reality technology application and e-learning web application; (vi) provision of educational technology solutions through online education programs and provision of English language proficiency tests.

For the 6 months ended 30 September 2017, the unaudited consolidated profit attributable to the owners of Newtree was approximately HK\$55.3 million and its unaudited consolidated equity attributable to the owners of Newtree was approximately HK\$424.6 million.

19. 本集團持有之主要投資之資料(續)

附註：

a. 鑄能

鑄能於開曼群島註冊成立，其股份於香港聯交所GEM上市(股份代號：08133)。鑄能及其附屬公司主要從事生產及銷售金屬鑄造零部件。

截至二零一七年六月三十日止六個月，鑄能擁有人應佔未經審核綜合虧損約為3,000,000港元，而鑄能擁有人應佔未經審核綜合權益約為50,400,000港元。

b. 友川

友川於開曼群島註冊成立，其股份於香港聯交所主板上市(股份代號：01323)。友川及其附屬公司主要從事(i)製造及買賣醫療及家居用途的一次性衛生用品及買賣相關原材料；(ii)買賣煤炭產品；(iii)批發及零售家居消耗品；(iv)銷售及分銷珠寶及鐘錶；(v)三維動畫、擴增實境技術應用程式及網絡教育應用程式的設計及開發；(vi)透過網上教育課程提供教育技術解決方案及提供英語水平測試。

截至二零一七年九月三十日止六個月，友川擁有人應佔未經審核綜合利益約為55,300,000港元，而友川擁有人應佔未經審核綜合權益約為424,600,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

c. Tencent Holdings

Tencent Holdings was incorporated in the Cayman Islands and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 00700). Tencent Holdings and its subsidiaries are principally engaged in the provision of internet and mobile value added services, online advertising services and eCommerce transactions services to users in the People's Republic of China (the "PRC").

For the 6 months ended 30 June 2017, the unaudited consolidated profit attributable to the owners of Tencent Holdings was approximately Renminbi ("RMB") 32,707.0 million and its unaudited consolidated equity attributable to the owners of Tencent Holdings was approximately RMB226,398.0 million.

d. HSBC

HSBC was incorporated in England and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 00005). HSBC and its subsidiaries are principally engaged in the provision of international banking and financial services.

For the financial year ended 31 December 2017, the audited consolidated profit attributable to the owners of HSBC was approximately US\$10,798.0 million and its audited consolidated equity attributable to the owners of HSBC was approximately US\$190,250.0 million.

e. Future Bright

Future Bright was incorporated in the Cayman Islands and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 02212). Future Bright and its subsidiaries are principally engaged in the production and sale of marble and marble related products.

For the 6 months ended 30 June 2017, the unaudited consolidated loss attributable to the owners of Future Bright was approximately RMB10.5 million and its unaudited consolidated equity attributable to the owners of Future Bright was approximately RMB103.8 million.

19. 本集團持有之主要投資之資料(續)

附註：(續)

c. 騰訊控股

騰訊控股於開曼群島註冊成立，其股份於香港聯交所主板上市(股份代號：00700)。騰訊控股及其附屬公司主要從事在中華人民共和國(「中國」)為用戶提供互聯網及移動增值服務、網上廣告服務以及電子商務交易服務。

截至二零一七年六月三十日止六個月，騰訊控股擁有人應佔未經審核綜合溢利約為人民幣(「人民幣」)32,707,000,000元，而騰訊控股擁有人應佔未經審核綜合權益約為人民幣226,398,000,000元。

d. 滙豐

滙豐於英國註冊成立，其股份於香港聯交所主板上市(股份代號：00005)。滙豐及其附屬公司主要從事提供國際銀行及金融服務。

截至二零一七年十二月三十一日止財政年度，滙豐擁有人應佔經審核綜合溢利約為10,798,000,000美元，而滙豐擁有人應佔經審核綜合權益約為190,250,000,000美元。

e. 高鵬

高鵬於開曼群島註冊成立，其股份於香港聯交所主板上市(股份代號：02212)。高鵬及其附屬公司主要從事生產及銷售大理石及大理石相關產品。

截至二零一七年六月三十日止六個月，高鵬擁有人應佔未經審核綜合虧損約為人民幣10,500,000元，而高鵬擁有人應佔未經審核綜合權益約為人民幣103,800,000元。

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

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

f. AIA Group

AIA Group was incorporated in Hong Kong and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 01299). AIA and its subsidiaries are principally engaged in the writing of life insurance business, providing life, annuities, accident and health insurance products in China.

For the financial year ended 30 November 2017, the audited consolidated profit attributable to the owners of AIA Group's was approximately US\$6,120.0 million and its audited consolidated equity attributable to the owners of AIA Group was approximately US\$42,372.0 million.

g. Sa Sa International

Sa Sa International was incorporated in Cayman Islands and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 00178). Sa Sa International and its subsidiaries are principally engaged in the retailing and wholesaling of cosmetic products.

For the 6 months ended 30 September 2017, the unaudited consolidated profit attributable to the owners of Sa Sa International was approximately HK\$109.9 million and its unaudited consolidated equity attributable to the owners of Sa Sa International was approximately HK\$2,343.3 million.

h. ICBC

ICBC was incorporated in the PRC and its shares are listed on main board of Stock Exchange of Hong Kong (stock code: 01398). ICBC and its subsidiaries are principally engaged in corporate and personal banking, treasury operations, investment banking, asset management, trust, financial leasing, insurance and other financial services. The listed debt security carries an interest rate of 4.875% per annum.

19. 本集團持有之主要投資之資料(續)

附註：(續)

f. 友邦保險

友邦保險於香港註冊成立，其股份於香港聯交所主板上市(股份代號：01299)。友邦保險及其附屬公司主要在中國從事定制人壽保險業務、提供人壽、年金、意外傷害及健康保險產品。

截至二零一七年十一月三十日止財政年度，友邦保險應佔經審核綜合溢利約為6,120,000,000美元，而友邦保險應佔經審核綜合權益約為42,372,000,000美元。

g. 莎莎國際

莎莎國際於開曼群島註冊成立，其股份於香港聯交所主板上市(股份代號：00178)。莎莎國際及其附屬公司主要從事零售及批發化妝品。

截至二零一七年九月三十日止六個月，莎莎國際擁有人應佔未經審核綜合溢利約為109,900,000港元，而莎莎國際擁有人應佔未經審核綜合權益約為2,343,300,000港元。

h. 工商銀行

工商銀行於中國註冊成立，其股份於香港聯交所主板上市(股份代號：01398)。工商銀行及其附屬公司主要從事公司和個人銀行、資金業務、投資銀行、資產管理、信託、金融租賃、保險及其他金融服務。有關上市債務證券之年利率為4.875%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

i. Leading Affluence

Leading Affluence is a wholly owned subsidiary of Yuexiu Property Company Limited (“Yuexiu Property”), which was incorporated in Hong Kong and its shares are listed on main board of Stock Exchange of Hong Kong (stock code: 00123). Yuexiu Property and its subsidiaries are principally engaged in development, selling and management of properties and holding of investment properties. The listed debt security carries an interest rate of 4.5% per annum.

j. BEA

BEA was incorporated in Hong Kong and its shares are listed on main board of Stock Exchange of Hong Kong (Stock code: 00023). Bank of East Asia and its subsidiaries (the “Group”) are provision of banking and related financial services, and business, corporate and investor services. The listed debt security carries an interest rate of 6.125% per annum.

20. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

Prepayments	預付款項
Deposits and other receivables	按金及其他應收款項

None of the above prepayments, deposits and other receivables is either past due or impaired during the current year.

19. 本集團持有之主要投資之資料(續)

附註：(續)

i. 泓景

泓景為越秀地產股份有限公司(「越秀地產」)之全資附屬公司。越秀地產於香港註冊成立，其股份於香港聯交所主板上市(股份代號：00123)。越秀地產及其附屬公司主要從事發展、出售及管理物業以及持有投資物業。有關上市債務證券之年利率為4.5%。

j. 東亞銀行

東亞銀行於香港註冊成立，其股份於香港聯交所主板上市(股份代號：00023)。東亞銀行及其附屬公司(「本集團」)主要提供銀行及相關金融服務以及商業、企業及投資者服務。有關上市債務證券之年利率為6.125%。

20. 其他應收款項、預付款項及按金

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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Prepayments	預付款項	1,593	1,340
Deposits and other receivables	按金及其他應收款項	1,133	1,055
		2,726	2,395

上述預付款項、按金及其他應收款項於本年度概無逾期亦無減值。

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

21. CASH AND BANK BALANCES

Cash and cash equivalents were denominated in the following currencies:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	21,598	6,527
RMB	人民幣	121	110
US\$	美元	822	405
Cash and bank balances	現金及銀行結餘	22,541	7,042

Cash at banks earn interests at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

RMB is not a freely convertible currency in the PRC and the remittance of funds out of the PRC is subject to the foreign exchange control promulgated imposed by the PRC government. All of the Group's cash and bank balances and all of the Company's cash and bank balances denominated in RMB are located in Hong Kong which is not subject to the foreign exchange control.

22. AMOUNT DUE FROM AN ASSOCIATE

As at 31 December 2017, loan and interest receivable amounting to HK\$2,500,000 was unsecured, interest bearing at 36% per annum and repayable in February 2018. The loan receivable has already been fully repaid in accordance with the agreed repayment schedule.

21. 現金及銀行結餘

現金及現金等值物以下列貨幣計值：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
HK\$	港元	21,598	6,527
RMB	人民幣	121	110
US\$	美元	822	405
Cash and bank balances	現金及銀行結餘	22,541	7,042

銀行現金按每日銀行存款利率的浮動利率計息。有關銀行結餘存於信譽良好且無近期拖欠記錄之銀行。

人民幣並非在中國可自由兌換之貨幣而匯出中國之資金受中國政府實行的外匯管制規範。以人民幣計值之本集團所有現金及銀行結餘及本公司所有現金及銀行結餘均位於香港，其不受外匯管制所規限。

22. 應收一間聯營公司款項

於二零一七年十二月三十一日，應收貸款及利息達2,500,000港元，為無抵押、按年利率36%計息並須於二零一八年二月償還。應收貸款已根據協定還款時間表悉數償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23. SHARE CAPITAL

The movements of share capital of the Company are as follows:

23. 股本

本公司之股本變動如下：

		Number of ordinary shares 普通股數目	Nominal value of ordinary shares 普通股面值
	Notes 附註	'000 千股	HK\$'000 千港元
Authorised:	法定：		
At 1 January 2016, 31 December 2016 and 31 December 2017 at HK\$0.10 each	於二零一六年一月一日、 二零一六年十二月三十一日及 二零一七年十二月三十一日 每股面值0.10港元	2,000,000	200,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2016	於二零一六年一月一日	315,990	31,599
Placing of new shares	配售新股份 (a)	63,192	6,319
Placing of new shares	配售新股份 (b)	75,780	7,578
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	454,962	45,496
Placing of new shares	配售新股份 (c)	90,990	9,099
At 31 December 2017	於二零一七年十二月三十一日	545,952	54,595

Notes:

- (a) In February 2016, the Company issued a total of 63,192,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$0.30 each. Further details were mainly set out in the announcement dated 1 February 2016.
- (b) In July 2016, the Company issued a total of 75,780,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$0.35 each. Further details were mainly set out in the announcement dated 8 July 2016.
- (c) In January 2017, the Company issued a total of 90,990,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$0.26 each. Further details were mainly set out in the announcement dated 27 January 2017.

附註：

- (a) 於二零一六年二月，本公司按每股0.30港元之價格發行合共63,192,000股每股面值0.10港元之普通股。進一步詳情主要載於日期為二零一六年二月一日之公佈。
- (b) 於二零一六年七月，本公司按每股0.35港元之價格發行合共75,780,000股每股面值0.10港元之普通股。進一步詳情主要載於日期為二零一六年七月八日之公佈。
- (c) 於二零一七年一月，本公司按每股0.26港元之價格發行合共90,990,000股每股面值0.10港元之普通股。進一步詳情主要載於日期為二零一七年一月二十七日之公佈。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24. SECURED BANK LOAN

24. 有抵押銀行貸款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The bank loan is repayable as follows:	銀行貸款之還款期如下：		
Within one year	一年內	472	460
Carrying amounts of bank loan that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	毋須於報告期末起計一年內償還，但包含須應要求還款條款之銀行貸款的賬面值(列入流動負債)	3,138	3,610
		3,610	4,070
Less: Amount due within one year (shown under current liabilities)	減：一年內到期之款項(列入流動負債)	(3,610)	(4,070)
		—	—

The 10-Year instalment loan is repayable on demand and has been secured by a mortgage over the Group's office premises, bearing interest at 2.5% below prime rate per annum.

十年期分期貸款須應要求償還並以本集團辦公室物業之按揭作抵押，每年按最優惠利率減2.5厘計息。

25. OBLIGATIONS UNDER A FINANCE LEASE

25. 融資租賃承擔

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Analysed for reporting purposes as:	就報告而分析為：		
Current liabilities	流動負債	2,600	3,361
Non-current liability	非流動負債	—	2,600
At 31 December	於十二月三十一日	2,600	5,961

The Group's yacht has been under a finance lease of a three-year term. The related interest rate is 1.75% below Hong Kong best lending rate per annum. The Group also has an option to purchase the yacht for a nominal amount at the end of the lease term.

本集團的遊艇訂有三年期的融資租賃。相關利率為港元最佳借貸利率減1.75厘之年利率。本集團亦可選擇於租期結束時以一名義金額購入該遊艇。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25. OBLIGATIONS UNDER A FINANCE LEASE (CONTINUED)

25. 融資租賃承擔(續)

		Minimum lease payments		Present value of minimum lease payments	
		最低租賃付款	最低租賃付款	最低租賃付款之現值	最低租賃付款之現值
		2017	2016	2017	2016
		二零一七年	二零一六年	二零一七年	二零一六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Obligations under a finance lease payable:	融資租賃承擔須於				
Within one year	以下期間支付：				
Within a period of more than one year but not more than two years	一年內	2,637	3,516	2,600	3,361
	超過一年但不超過兩年之期間內	—	2,637	—	2,600
		2,637	6,153	2,600	5,961
Less: future finance charges	減：未來財務支出	(37)	(192)		
Present value of lease obligations	租賃承擔現值	2,600	5,961		
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於十二個月內到期支付之金額(列入流動負債)	(2,600)	(3,361)		
Amount due for settlement after 12 months	於十二個月後到期支付之金額	—	2,600		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

26. 財務風險管理目標及政策

(a) Categories of financial instruments

(a) 金融工具分類

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Financial assets	金融資產		
Available-for-sale financial assets (note 16)	可供出售金融資產 (附註16)	37,756	61,679
Financial assets at fair value through profit or loss (note 18)	按公允值計入損益之金融資產(附註18)	112,366	121,265
Loans and receivables (including cash and bank balances)	貸款及應收款項(包括現金及銀行結餘)		
— Amount due from an associate (note 22)	— 應收一間聯營公司款項(附註22)	2,500	—
— Deposits and other receivables (note 20)	— 按金及其他應收款項(附註20)	1,133	1,055
— Cash and bank balances (note 21)	— 現金及銀行結餘(附註21)	22,541	7,042
		176,296	191,041
Financial liability	金融負債		
Amortised cost	攤銷成本		
— Secured bank loan (note 24)	— 有抵押銀行貸款(附註24)	3,610	4,070

(b) Financial risk management objectives and policies

(b) 財務風險管理目標及政策

The Group's major financial instruments include equity and debts investments, borrowings and bank balances. Details of the financial instruments are disclosed in the respective notes.

本集團之主要金融工具包括股本及債務工具、借貸及銀行結餘。金融工具之詳情於分別之附註中披露。

The risks associated with these financial instruments include market risk (price risk, foreign currency risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

此等金融工具之相關風險包括市場風險(價格風險、外匯風險及現金流量及公允值利率風險)、信貸風險及流動資金風險。管理層管理及監察此等風險，確保適時有效地採取適當措施。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (b) Financial risk management objectives and policies (continued)

Market risk

Price risk

The Company is primarily exposed to price risk arising from the investment in listed equity securities and debt securities. The exposure is managed by maintaining a portfolio of listed equity securities and listed debt securities with different risk exposures.

Concentration of price risk may arise if the Group has a significant investment in a single equity security or debt security. At the end of reporting period, the Group has certain concentration risks in three (2016: five) equity investments which account for more than 5% of the total assets of the Group. No single debt investment in Company's listed debt portfolio account for more than 5% of the total assets of the Group. Details are disclosed in note 19.

Sensitivity analysis

At 31 December 2017, if the prices of the respective listed equity securities had been increased/decreased by 10%, the Group's loss for the year ended 31 December 2017 would have decreased/increased by approximately HK\$11,237,000 (2016: approximately HK\$12,127,000) as a result of the changes in fair value of listed equity securities. The other comprehensive income for the year would have decreased/increased by approximately HK\$3,776,000 (2016: HK\$6,168,000) for the Group as a result of the change in fair value of listed debt securities.

In order to minimise price risk, management has established an investment committee to consider investment proposals received from investment manager and/or the Company's investment officers.

26. 財務風險管理目標及政策(續)

- (b) 財務風險管理目標及政策(續)

市場風險

價格風險

本公司主要面對因上市股本證券及債務證券投資而產生之價格風險。有關風險乃透過維持具有不同風險程度之上市股本證券及上市債務證券組合而管理。

倘本集團於單一股本證券或債務證券屬重大投資時，可能會出現價格風險集中情況。於報告期末，本集團在三項(二零一六年：五項)股本投資(佔本集團總資產的5%以上)中有一定的集中風險。本公司上市債務投資組合中並無單一項債務投資佔本集團總資產的5%以上。詳情於附註19披露。

敏感度分析

於二零一七年十二月三十一日，倘有關上市股本證券之價格上升/下跌10%，則本集團截至二零一七年十二月三十一日止年度之虧損將因上市股本證券之公允值變動而減少/增加約11,237,000港元(二零一六年：約12,127,000港元)。年度其他全面收益將會因上市債務證券之公允值變動而減少/增加約3,776,000港元(二零一六年：6,168,000港元)。

為將價格風險降至最低，管理層已成立投資委員會以考慮從投資經理及/或本公司投資職員接獲之投資建議。

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

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (b) Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk

This refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at the year-end date, the Group was mainly exposed to foreign currency risk from its bank balances, which were mainly denominated in RMB and US\$ and listed debt securities denominated in US\$.

Although the Group currently does not have any foreign currency hedging policy, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. As at 31 December 2017, the RMB bank balances, US\$ bank balances and debt securities and AUD investment amounted to approximately HK\$121,000 (2016: HK\$110,000), HK\$822,000 (2016: HK\$405,000), approximately HK\$37,756,000 (2016: HK\$61,679,000) and approximately HK\$289,000 (2016: HK\$264,000) respectively.

No sensitivity analysis is made as the foreign exchange exposure is considered to be minimal. For US\$, it is linked with the HK\$. For the other currencies, the exposure is also insignificant because the related amount involved is immaterial.

26. 財務風險管理目標及政策(續)

- (b) 財務風險管理目標及政策(續)

市場風險(續)

外匯風險

外匯風險指金融工具之公允值或未來現金流量會隨匯率變動而波動之風險。於年結日，本集團主要面對主要以人民幣及美元計值之銀行結餘以及以美元計值之上市債務證券所產生之外匯風險。

儘管本集團目前並無任何外幣對沖政策，管理層監控外匯風險，並於有需要時考慮對沖重大外匯風險。於二零一七年十二月三十一日，人民幣銀行結餘、美元銀行結餘及債務證券，以及澳元投資分別約為121,000港元(二零一六年：110,000港元)、822,000港元(二零一六年：405,000港元)、約37,756,000港元(二零一六年：61,679,000港元)及約289,000港元(二零一六年：264,000港元)。

由於外匯風險被視為甚微，故並無作出敏感度分析。就美元而言，港元與美元掛鈎。至於其他貨幣，由於所涉及之相關金額並非顯著，因此有關風險亦不重要。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (b) Financial risk management objectives and policies (continued)

Market risk (continued)

Cash flow and fair value interest rate risk

During the year, the Group has used interest bearing borrowings (see notes 24 and 25), mainly to finance its purchase of fixed assets. Thus, it is exposed to cash-flow interest rate risk in relation to the variable-rate bank loan and finance lease. It is the Group's policy to maintain its borrowings at floating rate of interests to minimise the fair value interest rate risk. The Group's interest rate risk is mainly concentrated on the fluctuation of interest rates in relation to its HK\$ denominated borrowings.

The Group's fair value interest rate risk of financial assets relates primarily to the investment in fixed coupon debt securities, which are classified as available-for-sale financial assets. The change in fair value arising from the changes in market interest rates will affect reserve.

The sensitivity analysis below has been based on the exposure to interest rates for the variable-rate borrowings to a reasonably possible change in interest rate at the reporting date.

If interest rates had been 100 basis points (2016:100) higher/lower and all other variables were held constant, the Group's loss after tax for the year ended 31 December 2017 would have increased by approximately HK\$69,000 (2016: HK\$103,000) or decreased by approximately HK\$68,000 (2016: HK\$97,000).

26. 財務風險管理目標及政策(續)

- (b) 財務風險管理目標及政策(續)

市場風險(續)

現金流量及公允值利率風險

年內，本集團曾動用計息借貸(見附註24及25)，主要用於撥資購置固定資產。因此，其就浮息銀行貸款及融資租賃面對現金流量利率風險。本集團之政策為維持浮息借貸以盡量減低公允值利率風險。本集團之利率風險主要集中於其以港元計值之借貸之相關利率波動。

本集團之金融資產公允值利率風險主要關於分類為可供出售金融資產之定息債務證券投資。市場利率變動所產生之公允值變動將影響儲備。

下列敏感度分析乃根據於報告日期所面對浮息借貸之利率於合理情況的可能利率變動而釐定。

倘若利率上升/下跌100個基點(二零一六年：100個)而所有其他可變因素不變，則本集團於截至二零一七年十二月三十一日止年度之除稅後虧損將增加約69,000港元(二零一六年：103,000港元)或減少約68,000港元(二零一六年：97,000港元)。

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

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (b) Financial risk management objectives and policies (continued)

Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. In order to minimise the credit risk, management has delegated investment committee and the investment manager to be responsible for the monitoring procedures.

At the reporting date, the Group has total investment of listed debt securities of about HK\$37,756,000 (2016: about HK\$61,679,000). The Group is exposed to the credit risk if the counterparty to a financial instrument would fail to discharge its obligation. The Group considers the Group's exposure to credit risk decreased because of the lower investment amount in debt securities. The majority of investments in the listed debt securities portfolio were of investment grade rating granted by international credit-rating agencies.

The credit risk on liquid funds is limited because the majority of the counterparties are reputable banks or banks with high credit-rating assigned by international credit-rating agencies. Other than concentration of credit risk on amount due from an associate, the Group does not have any other significant concentration on credit risk for other receivables and deposit with exposure spread over a number of counterparties.

26. 財務風險管理目標及政策(續)

- (b) 財務風險管理目標及政策(續)

信貸風險

信貸風險指金融工具之交易對方未能根據金融工具之條款履行其責任，而令本集團蒙受財務損失之風險。為盡量降低信貸風險，管理層已委派投資委員會及投資經理專責監察程序。

於報告日期，本集團之上市債務證券投資總額約為37,756,000港元(二零一六年：約61,679,000港元)。倘若金融工具的交易對手不履行義務，本集團將面對信貸風險。本集團認為，由於債務證券投資額下降，本集團面對的信貸風險減少。然而，上市債務證券組合內的投資大多具備國際信貸評級機構給予投資級別之評級。

流動資金的信貸風險有限，因為大部分交易對手方均為信譽良好的銀行或獲國際信貸評級機構給予高信貸評級的銀行。除應收一間聯營公司款項之信貸風險集中外，本集團並無任何其他重大集中於其他應收款項及存款之信貸風險，而風險分佈於若干交易對手。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (b) Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk relates to the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivery of cash or other financial assets. The Board has established an appropriate liquidity risk management framework to meet the Group's funding and liquidity management requirements. The Group manages liquidity risk by holding sufficient liquid assets of appropriate quality to ensure that there are sufficient cash flows to meet all financial commitments and to capitalise on opportunities for business expansion. By monitoring scheduled debt-servicing payments for the above financial liabilities as well as cash outflows due in day-to-day basis, the Group carefully manages its liquidity requirements.

26. 財務風險管理目標及政策(續)

- (b) 財務風險管理目標及政策(續)

流動資金風險

流動資金風險是關於本集團將就以交付現金或其他金融資產之方式結清應付其金融負債相關責任而遇到困難之風險。董事會已制訂合適流動資金風險管理框架，以符合本集團資金及流動資金管理規定。本集團持有充裕及適當質量之流動資產，以管理流動資金風險，並應付各項財務承擔以及用作業務拓展商機之資金。通過監察上述金融負債之計劃償債付款以及按每日基準監察到期現金流出之情況，本集團審慎管理其流動資金需求。

	Weighted average effective interest rate	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	Total discounted cash flows	Carrying amount
	加權平均實際利率	一年內或應要求	超過一年但少於兩年	超過兩年但少於五年	已貼現現金流量總額	賬面值
	%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 December 2017						
Financial liabilities						
Secured bank loan, repayable on demand						
有抵押銀行貸款，須應要求償還	2.5	3,610	—	—	3,610	3,610
Obligations under a finance lease	3.5	2,637	—	—	2,637	2,600
		6,247	—	—	6,247	6,210

二零一七年十二月三十一日

金融負債

有抵押銀行貸款，須應

要求償還

融資租賃承擔

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

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

	Weighted average effective interest rate 加權平均 實際利率 %	Within 1 year or on demand 一年內或 應要求 HK\$'000 千港元	More than 1 year but less than 2 years 超過一年 但少於兩年 HK\$'000 千港元	More than 2 years but less than 5 years 超過兩年 但少於五年 HK\$'000 千港元	Total discounted cash flows 已貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
31 December 2016 Financial liabilities Secured bank loan, repayable on demand Obligations under a finance lease		二零一六年十二月三十一日 金融負債 有抵押銀行貸款，須應 要求償還 融資租賃承擔				
	2.5	4,070	—	—	4,070	4,070
	3.5	3,516	2,637	—	6,153	5,961
		7,586	2,637	—	10,223	10,031

26. 財務風險管理目標及政策(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

- (b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Bank loan with a repayment on demand clause is included in the “within 1 year or on demand” time band in the above maturity analysis. As at 31 December 2017 and 31 December 2016, the aggregate undiscounted principal amounts of the secured bank loan amounted to HK\$3,610,000 and HK\$4,070,000 respectively. Taking into account the Group’s financial position, the management does not believe that it is probable that the bank will exercise its discretionary rights to demand immediate repayment. The management believe that such bank loan will be repaid over seven years (2016: eight years) after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreement, details of which are set out in the table below:

		Maturity Analysis – Bank loans with a repayment on demand clause based on scheduled repayments						
		到期分析 – 包含應要求償還條款之銀行貸款根據還款計劃之分析						
Weighted average effective interest rate	Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash flows	Carrying amount		
		應要求但少於兩年	超過兩年但少於五年	超過五年				
加權平均實際利率	一年內或應要求	超過一年但少於兩年	超過兩年但少於五年	超過五年	未貼現現金流量總額	賬面值		
%	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元		
31 December 2017	二零一七年十二月三十一日	2.5	557	557	1,669	1,160	3,943	3,610
31 December 2016	二零一六年十二月三十一日	2.5	557	557	1,669	1,716	4,499	4,070

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

26. 財務風險管理目標及政策(續)

- (b) 財務風險管理目標及政策(續)

流動資金風險(續)

包含應要求償還條款之銀行貸款在上述到期分析計入「一年內或應要求」之時間範圍內。於二零一七年十二月三十一日及二零一六年十二月三十一日，有抵押銀行貸款之合計未貼現本金額分別為3,610,000港元及4,070,000港元。計及本集團之財務狀況後，管理層認為銀行不大可能行使其酌情權要求即時還款。管理層認為此銀行貸款將預期將按照貸款協議所載之計劃還款日期，於報告期後的七年(二零一六年：八年)內償還，詳情載於下表：

若浮動利率之變化與報告期末所釐定之估計利率有差異，上表所列之非衍生金融負債之浮息工具金額可能有變。

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

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Fair value measurements

(i) *Fair value of the Group's financial assets that are measured at fair value on a recurring basis*

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at	Fair value as at	Fair value hierarchy	Valuation technique(s) and key inputs
	31 December 2017	31 December 2016		
金融資產	於二零一七年十二月三十一日之公允值 HK\$'000 千港元	於二零一六年十二月三十一日之公允值 HK\$'000 千港元	公允值 層級	估值技術及主要輸入數據
Financial assets at fair value through profit or loss (note a) 按公允值計入損益之金融資產(附註a)	112,077	121,001	Level 1 第一級	Quoted closing prices (unadjusted) in an active market 於活躍市場所報之收市價(未經調整)
Available-for-sale financial assets (note b) 可供出售金融資產(附註b)	37,756	61,679	Level 1 第一級	Quoted closing prices (unadjusted) in an active market 於活躍市場所報之收市價(未經調整)

26. 財務風險管理目標及政策(續)

(c) 公允值計量

(i) *以經常基準按公允值計量之本集團金融資產之公允值*

本集團部份金融資產於各報告期末按公允值計量。下表載列此等金融資產之公允值釐定方法的資料(特別是所使用之估值技術及輸入數據)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

26. 財務風險管理目標及政策(續)

(c) Fair value measurements (continued)

(c) 公允值計量(續)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

(i) 以經常基準按公允值計量之本集團金融資產之公允值(續)

Financial assets 金融資產	Fair value as at 31 December 2017 於二零一七年 十二月三十一日 之公允值 HK\$'000 千港元	Fair value as at 31 December 2016 於二零一六年 十二月三十一日 之公允值 HK\$'000 千港元	Fair value hierarchy	Valuation technique(s) and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value	Sensitivity
			公允值 層級	估值技術及 主要輸入數據	無法觀察的 主要輸入數據	無法觀察的輸入數 據與公允值之間的 關係	敏感度
Financial assets at fair value through profit or loss (note c)	289	264	Level 3	Market-based approach Key inputs: Prices of other similar companies or interest in companies	Prices are derived from a multiple of price to book	The higher the book value the higher the fair value	If the book value are 10% higher/lower, the fair value would increase/decrease by approximately HK\$28,900 (2016: HK\$26,400) respectively.
按公允值計入損益 之金融資產 (附註c)			第三級	市場法 主要輸入數據：其他類似公 司或公司權益之價格	所用之價格乃衍生自市 淨率	賬面值越高，公允值 越高	倘若賬面值上升/下跌10%， 公允值將分別增加/減少 約28,900港元(二零一六年： 26,400港元)。

Notes:

- The amount represents listed equity investments in Hong Kong (note 18).
- The amount represents listed debt investments in Hong Kong and Singapore (note 16).
- The amount represents the investment in shares of an Australian listed company (note 18).

There were no transfers between Levels 1 and 3 in the current year and prior year.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the events or change in circumstances that caused the transfer.

附註：

- 有關金額代表香港上市股本證券(附註18)。
- 有關金額代表香港及新加坡上市債務投資(附註16)。
- 有關金額代表於一間澳洲上市公司股份之投資(附註18)。

於本年度及上年度，並無第一級與第三級之間的轉移。

本集團之政策為於引起轉移之事件或情況變化當日確認轉入及轉出公允值層級。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Fair value measurements (continued)

(ii) Fair value hierarchy

Fair value hierarchy as at 31 December 2017 and 2016:

2017
二零一七年

Financial assets	金融資產
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產
Available-for-sale financial assets	可供出售金融資產
Total	總計

2016
二零一六年

Financial assets	金融資產
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產
Available-for-sale financial assets	可供出售金融資產
Total	總計

26. 財務風險管理目標及政策(續)

(c) 公允值計量(續)

(ii) 公允值層級

於二零一七年及二零一六年十二月三十一日之公允值層級：

	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2017 二零一七年				
Financial assets at fair value through profit or loss	112,077	—	289	112,366
Available-for-sale financial assets	37,756	—	—	37,756
Total	149,833	—	289	150,122
2016 二零一六年				
Financial assets at fair value through profit or loss	121,001	—	264	121,265
Available-for-sale financial assets	61,679	—	—	61,679
Total	182,680	—	264	182,944

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Fair value measurements (continued)

(iii) Reconciliation of Level 3 fair value measurements of financial assets

		Financial assets at fair value through profit or loss 按公允值計入 損益之金融資產 HK\$'000 千港元
2017		
二零一七年		
As at 1 January 2017	於二零一七年一月一日	264
Exchange gain	匯兌收益	25
As at 31 December 2017	於二零一七年十二月三十一日	289
2016		
二零一六年		
As at 1 January 2016	於二零一六年一月一日	276
Exchange loss	匯兌虧損	(12)
As at 31 December 2016	於二零一六年十二月三十一日	264

26. 財務風險管理目標及政策(續)

(c) 公允值計量(續)

(iii) 金融資產第三級按公允值計量之對賬：

		Financial assets at fair value through profit or loss 按公允值計入 損益之金融資產 HK\$'000 千港元
2017		
二零一七年		
As at 1 January 2017	於二零一七年一月一日	264
Exchange gain	匯兌收益	25
As at 31 December 2017	於二零一七年十二月三十一日	289
2016		
二零一六年		
As at 1 January 2016	於二零一六年一月一日	276
Exchange loss	匯兌虧損	(12)
As at 31 December 2016	於二零一六年十二月三十一日	264

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or the future cash flows will be, classified in the Group's consolidated statement of cash flows from financing activities.

		Obligations		Total from financing activities 融資活動產生之負債總額 HK\$'000 千港元
		Secured bank loan 有抵押銀行貸款 HK\$'000 千港元	under a finance lease 融資租賃承擔 HK\$'000 千港元	
At 1 January 2017	於二零一七年一月一日	4,070	5,961	10,031
Financing cash flows	融資現金流量	(557)	(3,516)	(4,073)
Interest expense	利息開支	97	155	252
At 31 December 2017	於二零一七年十二月三十一日	3,610	2,600	6,210

28. CAPITAL RISK MANAGEMENT

Regarding capital risk management, the Group's objectives are to safeguard the ability to continue as a going concern in order to provide returns for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The overall strategy remains unchanged from prior years.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

27. 融資活動之負債對賬

下表詳列本集團融資活動之負債變動詳情，包括現金及非現金變動。融資活動產生之負債乃指其現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量之負債。

28. 資本風險管理

本集團之資本風險管理目標是保障持續經營能力，以為相關人士帶來回報，並維持最佳資本結構以減低資金成本。整體策略與過往年度維持不變。

為維持或調整資本結構，本集團可能會調整派付予股東之股息金額、向股東發還之資金、發行新股份或出售資產，以減少債務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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28. CAPITAL RISK MANAGEMENT (CONTINUED)

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total equity. Debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position). Total capital is calculated as “total equity”, as shown in the consolidated statement of financial position. The gearing ratios as at 31 December 2017 and 2016 were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total borrowings	借貸總額	6,210	10,031
Total equity	權益總額	182,075	204,017
Gearing ratio	資本負債比率	3%	5%

29. DEFERRED INCOME TAX

At the end of the reporting period, the Group has unused tax losses of HK\$312,721,000 (2016: HK\$275,688,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$1,005,000 (2016: HK\$5,099,000) of such losses to offset the deferred tax liabilities on accelerated tax depreciation. No deferred tax asset has been recognised in respect of the remaining HK\$311,716,000 (2016: HK\$270,589,000) due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

30. RETIREMENT BENEFIT OBLIGATIONS

The Group operates a Mandatory Provident Fund scheme for all qualified employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees, subject to a cap of monthly relevant income of HK\$30,000 (2016: HK\$30,000).

The total cost charged to consolidated statement of profit or loss of HK\$290,000 (2016: HK\$287,000) represents contributions payable to this scheme by the Group in respect of the current accounting year.

28. 資本風險管理(續)

與行業內其他公司一致，本集團根據資本負債比率監察資本。此比率按照債務除以權益總額計算。債務按借貸總額計算，包括綜合財務狀況報表所示流動及非流動借貸。資本總額按綜合財務狀況報表所示「權益總額」計算。於二零一七年及二零一六年十二月三十一日之資本負債比率如下：

29. 遞延所得稅

於報告期末，本集團有未動用稅項虧損312,721,000港元(二零一六年：275,688,000港元)可用於抵銷未來溢利。已就此等虧損當中的1,005,000港元(二零一六年：5,099,000港元)確認遞延稅項資產，以抵銷加速稅項折舊之遞延稅項負債。由於無法預測未來溢利來源，因此並無確認其餘311,716,000港元(二零一六年：270,589,000港元)的遞延稅項資產。估計稅項虧損可無限期結轉。

30. 退休福利責任

本集團為所有合資格香港僱員經營強制性公積金計劃。計劃資產與本集團資產分開持有，由信託人以基金形式管理。本集團就有關薪資成本向計劃作出5%供款，僱員亦須按相同比例作出供款，有關每月收入上限為30,000港元(二零一六年：30,000港元)。

自綜合損益表扣除之總成本290,000港元(二零一六年：287,000港元)指本集團就本會計年度向此計劃應付之供款。

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31. SIGNIFICANT RELATED PARTY TRANSACTIONS

The following significant transactions were carried out with related parties:

31. 重大關連人士交易

曾與關連人士進行以下重大交易：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investment management fee paid and payable to Silverstone Investments Limited (formerly known as Success Talent Investments Limited) (note 1)	已付及應付銀石投資有限公司(前稱成駿投資有限公司)的投資管理費(附註1)	600	600
Food and beverage expenses paid to Excel Summit Holdings Limited (note 2)	已付俊昇集團有限公司的餐飲開支(附註2)	269	—
Interest income received and receivable from Superb Kingdom Limited, an associate of the Group	已收或應收本集團聯營公司超君有限公司的利息收入	364	—

Notes:

- Pursuant to Rule 14A.08 of the Listing Rules, any investment manager, investment adviser or custodian (or any connected person thereof) is regarded as a connected person. Such person is also regarded as key management personnel in accordance with HKAS 24.
- Mr. Wong Ying Pang, Simy, son-in-law of Dr. Lam Man Chan, the Chairman and Non-executive Director of the Company, is one of the substantial shareholders and director of Excel Summit Holdings Limited.

附註：

- 根據上市規則第14A.08條，任何投資經理、投資顧問或託管商(或其任何關連人士)，均被視作關連人士。根據香港會計準則第24號，該名人士亦被視為主要管理人員。
- 林文燦博士(本公司主席兼非執行董事)的女婿黃英鵬先生是俊昇集團有限公司的其中一名主要股東及董事。

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32. SHARE OPTION SCHEME

The Company's Share Option Scheme (the "Scheme") was adopted pursuant to a resolution passed on 31 July 2012 for the primary purpose of providing incentives to directors of the Company and eligible participants (as defined in the Scheme), and will expire on 30 July 2022. Under the Scheme, the Board may grant options to directors of the Company (including Non-executive Directors and Independent Non-executive Directors) and its eligible participants to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or Independent Non-executive Directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

Options granted must be taken up on or before the relevant acceptance date, upon payment of HK\$1.00 for the options granted. Options may be exercised at any time from the date of grant of the share option to a period to be notified by the Board to each grantee at the time of making such offer, which shall not expire later than 10 years from the date of grant. The exercise price is determined by the Board at its absolute discretion and will not be less than the higher of (a) the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant; (b) the average closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; and (c) the nominal value of a share of the Company on the date of grant.

32. 購股權計劃

本公司的購股權計劃(「該計劃」)乃根據於二零一二年七月三十一日通過之決議案而採納，主要目的為獎勵本公司董事及合資格參與者(定義見該計劃)，該計劃將於二零二二年七月三十日屆滿。根據該計劃，董事會可向本公司董事(包括非執行董事及獨立非執行董事)及其合資格參與者授出可認購本公司股份之購股權。

在未經本公司股東事先批准前，根據該計劃可能授出之購股權所涉及股份總數，不得超過本公司任何時間已發行股份10%。在未經本公司股東事先批准前，於任何年度向任何個別人士可能授出購股權涉及之股份數目，不得超過本公司任何時間已發行股份1%。倘向主要股東或獨立非執行董事授出超過本公司股本0.1%或價值超過5,000,000港元的購股權，須事先獲本公司股東批准。

所授出購股權必須於有關接納日期或之前接納，接納時須就獲授購股權支付1.00港元的款項。購股權可由授出日期起至董事會提出該項建議時知會各承授人的期間內隨時行使，到期日須於授出日期起計十年內。行使價由董事會全權酌情釐定，及將不得低於以下較高者：(a)本公司股份於授出日期在聯交所發佈的每日報價表所報收市價；(b)本公司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平均收市價；及(c)本公司股份於授出日期的面值。

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32. SHARE OPTION SCHEME (CONTINUED)

On 28 August 2015, the Company granted share options under the Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 8,060,000 ordinary shares at HK\$0.431 per share, upon payment of HK\$1 per grant.

On 11 July 2016, the Company granted share options under the Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 7,490,000 ordinary shares at HK\$0.475 per share, upon payment of HK\$1 per grant. No vesting period is accompanied with these newly granted options.

During the period, 450,000 share options were lapsed and no share option had been granted, exercised and cancelled. There are 15,100,000 shares options outstanding as at 31 December 2017.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

For the year ended 31 December 2017

Date of grant	Exercise period	Exercised price	As at 1 January 2017 於二零一七年 一月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷	As at 31 December 2017 於二零一七年 十二月三十一日
28 August 2015 二零一五年八月二十八日	28 August 2015 to 27 August 2018 二零一五年八月二十八日至 二零一八年八月二十七日	HK\$0.431 0.431港元	8,060,000	—	—	(260,000)	—	7,800,000
11 July 2016 二零一六年七月十一日	11 July 2016 to 10 July 2019 二零一六年七月十一日至 二零一九年七月十日	HK\$0.475 0.475港元	7,490,000	—	—	(190,000)	—	7,300,000
			15,550,000	—	—	(450,000)	—	15,100,000
Weighted average exercise price 加權平均行使價			HK\$0.452 0.452港元	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用	HK\$0.452 0.452港元

32. 購股權計劃(續)

於二零一五年八月二十八日，本公司根據該計劃向本公司若干董事及僱員授出購股權，有關購股權賦予彼等權利在每次授出支付1港元後按每股0.431港元之價格認購合共8,060,000股普通股。

於二零一六年七月十一日，本公司根據該計劃向本公司若干董事及僱員授出購股權，有關購股權賦予彼等權利在每次授出支付1港元後按每股0.475港元之價格認購合共7,490,000股普通股。此等新授出之購股權並無歸屬期之規定。

期內，450,000份購股權已失效，而並無授出、行使及註銷購股權。於二零一七年十二月三十一日，有15,100,000份購股權尚未行使。

尚未行使購股權數目及其相關加權平均行使價之變動如下：

截至二零一七年十二月三十一日止年度

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32. SHARE OPTION SCHEME (CONTINUED)

For the year ended 31 December 2016

Date of grant	Exercise period	Exercised price	As at 1 January 2016 於二零一六年 一月一日	Granted during the year 於年內 授出	Exercised during the year 於年內 行使	Lapsed during the year 於年內 失效	Cancelled during the year 於年內 註銷	As at 31 December 2016 於二零一六年 十二月三十一日
授出日期	行使期	行使價						
28 August 2015 二零一五年八月二十八日	28 August 2015 to 27 August 2018 二零一五年八月二十八日至 二零一八年八月二十七日	HK\$0.431 0.431港元	8,060,000	-	-	-	-	8,060,000
11 July 2016 二零一六年七月十一日	11 July 2016 to 10 July 2019 二零一六年七月十一日至 二零一九年七月十日	HK\$0.475 0.475港元	-	7,490,000	-	-	-	7,490,000
			8,060,000	7,490,000	-	-	-	15,550,000
Weighted average exercise price 加權平均行使價			HK\$0.431 0.431港元	HK\$0.475 0.475港元	N/A 不適用	N/A 不適用	N/A 不適用	HK\$0.452 0.452港元

During the year ended 31 December 2016, number of 7,490,000 share option had been granted. The estimated fair value of the share options granted in 2016 was approximately HK\$1,314,000. Total consideration received during the year from directors of the Company for taking up the shares options granted amounted to HK\$1. The fair value was calculated using the Trinomial Model, taking into account the terms and condition upon which the options were granted.

The significant assumptions and inputs used in the valuation model are as follows:

32. 購股權計劃(續)

截至二零一六年十二月三十一日止年度

截至二零一六年十二月三十一日止年度，本集團已授出7,490,000份購股權。於二零一六年已授出購股權之估計公允值約為1,314,000港元。年內自本公司董事接納獲授購股權已收之總代價為1港元。公允值於計及授出購股權之條款及條件後，按三項式模式計算。

於估值模式採用之主要假設及輸入資料如下：

		As at 11 July 2016 於二零一六年 七月十一日
Fair value at measurement date (HK\$)	於計量日期之公允值(港元)	0.175
Share price (HK\$)	股價(港元)	0.475
Exercise price (HK\$)	行使價(港元)	0.475
Expected volatility	預期波幅	70.172%
Risk-free interest rate	無風險利率	0.546%
Expected dividend yield	預期股息回報	-
Expected option life	預期購股權年期	3 years 3年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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32. SHARE OPTION SCHEME (CONTINUED)

The expected volatility is based on the historical volatility (calculated based on the expected life of the share options), adjusted for any expected changes to future volatility due to public available information. Expected dividends are based on historical dividends. Changes in subjective input assumption could materially affect the fair value estimate. Share options were granted under a service condition. This condition has not been taken into account in the fair value measurement of the services received at the grant date. There was no market conditions associated with the share option grants.

33. OPERATING LEASE COMMITMENT

At the end of the reporting period, the Group had commitment for further minimum lease payments under a non-cancellable operating lease which fall due:

Within one year	於一年內	51	—
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Operating lease payments represent rental payable by the Group for its office premises with lease term of one year.

34. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2016, the Company granted share options under the Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 7,490,000 ordinary shares at HK\$0.475 per share, upon payment of HK\$1 per grant. The estimated fair value of the share options granted was approximately HK\$1,314,000.

32. 購股權計劃(續)

預期波幅是基於歷史波幅(根據購股權的預期期限計算), 並以任何由於公開可利用資料產生之未來波幅的預期變動予以調整。預期股息乃基於歷史股息。主觀輸入假設的改變可在很大程度上影響公允值的估值。購股權根據服務條件授出。所收取服務於授出日之公允值的計算未將該條件計入考量。並無任何市場條件與購股權授出相關。

33. 經營租賃承擔

於報告期末, 本集團根據不可撤銷經營租約的日後最低租賃付款承擔到期情況如下:

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
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經營租賃付款指本集團就其租期為一年的辦公場所應付的租金。

34. 主要非現金交易

截至二零一六年十二月三十一日止年度, 本公司根據該計劃向本公司若干董事及僱員授出購股權, 有關購股權賦予彼等權利在每次授出支付1港元後按每股0.475港元之價格認購合共7,490,000股普通股。已授出購股權之估計公允值約為1,314,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

35. 本公司之財務狀況報表及儲備變動

(a) Statement of financial position

(a) 財務狀況報表

		At 31 December 2017 於二零一七年 十二月三十一日 HK\$'000 千港元	At 31 December 2016 於二零一六年 十二月三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	74	84
Interests in subsidiaries	於附屬公司之權益	3	3
Amounts due from subsidiaries	應收附屬公司款項	20,401	24,787
Intangible asset	無形資產	120	120
Available-for-sale financial assets	可供出售金融資產	21,581	35,747
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	45,851	—
		88,030	60,741
Current assets	流動資產		
Amount due from a subsidiary	應收一間附屬公司款項	28,569	26,513
Financial assets at fair value through profit or loss	按公允值計入損益之金融資產	66,226	121,265
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	1,189	791
Cash and bank balances	現金及銀行結餘	9,222	6,069
		105,206	154,638
Current liability	流動負債		
Accruals	應計費用	5,894	3,976
Net current assets	流動資產淨值	99,312	150,662
Total assets less current liabilities	資產總值減流動負債	187,342	211,403
Net assets	資產淨值	187,342	211,403
Capital and reserves	股本及儲備		
Share capital	股本	54,595	45,496
Reserves	儲備	132,747	165,907
Total equity	權益總額	187,342	211,403

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

35. 本公司之財務狀況報表及儲備變動 (續)

(b) Reserve movement of the Company

(b) 本公司之儲備變動

		Share premium	Contributed surplus (note)	Share-based payments reserve	Available-for-sale fair value reserve	Accumulated losses	Total
		股份溢價	繳入盈餘 (附註)	股份付款儲備	可供出售公允價值儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	20,870	225,806	1,185	—	(44,637)	203,224
Loss for the year	年度虧損	—	—	—	—	(69,012)	(69,012)
Other comprehensive income	其他全面收益	—	—	—	62	—	62
Total comprehensive income (expense) for the year, net of income tax	年度全面收益(開支)總額 (已扣除所得稅)	—	—	—	62	(69,012)	(68,950)
Proceeds from placing of new shares	配售新股份之所得款項	31,583	—	—	—	—	31,583
Issuing expenses of placing of new shares	配售新股份之發行開支	(1,264)	—	—	—	—	(1,264)
Recognition of share-based payments	確認以股份付款	—	—	1,314	—	—	1,314
At 31 December 2016	於二零一六年十二月三十一日	51,189	225,806	2,499	62	(113,649)	165,907
Loss for the year	年度虧損	—	—	—	—	(47,572)	(47,572)
Other comprehensive income	其他全面收益	—	—	—	509	—	509
Total comprehensive income (expense) for the year, net of income tax	年度全面收益(開支)總額 (已扣除所得稅)	—	—	—	509	(47,572)	(47,063)
Proceeds from placing of new shares	配售新股份之所得款項	14,558	—	—	—	—	14,558
Issuing expenses of placing of new shares	配售新股份之發行開支	(655)	—	—	—	—	(655)
At 31 December 2017	於二零一七年十二月三十一日	65,092	225,806	2,499	571	(161,221)	132,747

Note: The amount represents amount transfer from the share premium upon reduction of share premium amount. The detail of reasons and effect of share premium reduction were set out in the circular of the Company dated 30 September 2015.

附註：該金額指於削減股份溢價賬時，轉撥自股份溢價的金額。有關削減股份溢價的理由及影響之詳情載於本公司日期為二零一五年九月三十日之通函。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries of the Company as at 31 December 2017 and 31 December 2016 were as follows:

Name of company 公司名稱	Place of incorporation 註冊成立地點	Nominal value of issued ordinary share capital/ registered paid-up capital 已發行普通股股本 面值/註冊繳足資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Nicefield Asia Limited 力輝亞洲有限公司	Hong Kong 香港	HK\$1 1港元	—	100	Holding company of fixed assets 固定資產之控股公司
New Spark International Limited 新星輝國際有限公司	Hong Kong 香港	HK\$1 1港元	100	—	Investment in listed debt securities 上市債務證券投資

36. 主要附屬公司之詳情

於二零一七年十二月三十一日及二零一六年十二月三十一日，本公司主要附屬公司之詳情載列如下：

37. PLEDGE OF ASSETS

At 31 December 2017, the office premise with a carrying amount of approximately HK\$11,445,000 (2016: approximately HK\$11,975,000) was pledged for an instalment loan and the Group's obligations under a finance lease were secured by the Group's title to the leased asset, which had a carrying amount of approximately HK\$3,569,000 (2016: approximately HK\$8,922,000).

37. 資產抵押

於二零一七年十二月三十一日，賬面值約為11,445,000港元(二零一六年：約11,975,000港元)之辦公室物業已就一筆分期貸款而抵押，另外，本集團之融資租賃承擔以本集團賬面值約3,569,000港元(二零一六年：約8,922,000港元)之租賃資產所有權作抵押。

38. NET ASSET VALUE PER SHARE

The calculation of the net asset value per share at the end of the reporting period is based on the net assets of approximately HK\$182,075,000 and approximately 545,952,000 ordinary shares of HK\$0.10 each in issue at 31 December 2017. The net asset value per share as at 31 December 2017 is HK\$0.33 (2016: HK\$0.45).

38. 每股資產淨值

於報告期末之每股資產淨值乃根據於二零一七年十二月三十一日之資產淨值約182,075,000港元及約545,952,000股每股面值0.10港元之已發行普通股計算。於二零一七年十二月三十一日之每股資產淨值為0.33港元(二零一六年：0.45港元)。

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39. DIVIDEND

The board of directors does not recommend the payment of a final dividend for the year ended 31 December 2017 (2016: Nil).

40. APPROVAL FOR CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 19 March 2018.

39. 股息

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

40. 批准綜合財務報表

綜合財務報表乃經董事會於二零一八年三月十九日批准及授權刊發。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

Summary of the results, assets and liabilities of the Group for the last five years is as follows: 本集團於過去五年內之業績、資產及負債概要如下：

		For the 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	2013 二零一三年 HK\$'000 千港元
Results	業績					
Loss before income tax	除所得稅前虧損	(45,339)	(74,015)	(47,986)	(85,768)	(23,031)
Income tax expenses	所得稅開支	—	—	—	(4)	(15)
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(45,339)	(74,015)	(47,986)	(85,772)	(23,046)
		As at 31 December 於十二月三十一日				
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	資產總值	194,322	218,134	255,704	254,332	77,849
Total liabilities	負債總額	(12,247)	(14,117)	(23,404)	(1,581)	(1,866)
Total equity	權益總額	182,075	204,017	232,300	252,751	75,983



CHINA INTERNET INVESTMENT FINANCE HOLDINGS LIMITED
中國互聯網投資金融集團有限公司

(Continued into Bermuda with limited liability)
(於百慕達存續之有限公司)
(Stock Code 股份代號 : 810)



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