



ETERNITY INVESTMENT LIMITED

永恒策略投資有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 764)

2017
ANNUAL REPORT 年報



*僅供識別

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive directors

Mr. Lei Hong Wai
(Chairman and Chief Executive Officer)
Mr. Cheung Kwok Wai Elton
Mr. Chan Kin Wah Billy
Mr. Cheung Kwok Fan

Independent non-executive directors

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

COMPANY SECRETARY

Mr. Chan Kin Wah Billy

MEMBERS OF AUDIT COMMITTEE

Mr. Wong Tak Chuen (Chairman)
Mr. Wan Shing Chi
Mr. Ng Heung Yan

MEMBERS OF REMUNERATION COMMITTEE

Mr. Ng Heung Yan (Chairman)
Mr. Lei Hong Wai
Mr. Wan Shing Chi

MEMBERS OF NOMINATION COMMITTEE

Mr. Lei Hong Wai (Chairman)
Mr. Wan Shing Chi
Mr. Ng Heung Yan

MEMBERS OF FINANCE COMMITTEE

Mr. Chan Kin Wah Billy (Chairman)
Mr. Wong Tak Chuen

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

董事會

執行董事

李雄偉先生
(主席兼行政總裁)
張國偉先生
陳健華先生
張國勳先生

獨立非執行董事

尹成志先生
吳向仁先生
黃德銓先生

公司秘書

陳健華先生

審核委員會成員

黃德銓先生(主席)
尹成志先生
吳向仁先生

薪酬委員會成員

吳向仁先生(主席)
李雄偉先生
尹成志先生

提名委員會成員

李雄偉先生(主席)
尹成志先生
吳向仁先生

財務委員會成員

陳健華先生(主席)
黃德銓先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 3811
Shun Tak Centre, West Tower
168 - 200 Connaught Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda)
Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Standard Limited
Share Registration Public Office
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Industrial and Commercial Bank of China (Asia)
Limited

STOCK CODE

764

WEBSITE

www.etsnityinv.com.hk

E-MAIL ADDRESS

billy@etsnityinv.com.hk

總辦事處及主要營業地點

香港
干諾道中 168-200 號
信德中心西座
3811 室

股份過戶登記總處

Conyers Corporate Services (Bermuda)
Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港股份過戶登記分處

卓佳標準有限公司
證券登記服務處
香港
皇后大道東 183 號
合和中心 22 樓

核數師

國衛會計師事務所有限公司
執業會計師

主要往來銀行

星展銀行(香港)有限公司
中國工商銀行(亞洲)有限公司

股份代號

764

網站

www.etsnityinv.com.hk

電郵地址

billy@etsnityinv.com.hk

To our shareholders

In 2017, we reported a loss attributable to owners of the Company of HK\$195.55 million, a 5.94% decrease as compared to 2016. Such improvement was attributable largely to a decrease in impairment loss in respect of financial assets.

As we had not been able to secure quality films at reasonable prices for distribution, we closed our film distribution business by disposing of the operating company in February 2017 in order to concentrate resources on our existing businesses.

Our sale of financial assets business did not perform well in 2017. It was attributable largely to the poor market sentiment in small and mid-cap stocks in Hong Kong. In 2018, we will closely monitor the factors, such as economic factors, investor sentiment, and fundamentals of investees and their future prospects, and proactively adjust our portfolio in order to improve our performance.

Our money lending business performed well in 2017 and achieved a 43.68% increase in interest income on loans. This significant growth was beyond our expectation, which was mainly due to an unexpected increase in our money lending services in 2017. As our money lending business is our major income source, we remain cautious in assessing customers' ability to repay and approving loans to our customers in order to reduce our credit risk. We will put more effort to develop Hong Kong listed companies segment as listed companies have generally a higher creditworthiness.

Our sale of jewelry products and precious stones business deteriorated in 2017. The deterioration was attributable to the sluggish market conditions and the recording of a significant sale returns from our customers. In response to the sluggish market conditions, we restructured our sales team and refined our business strategy by developing overseas retail chain stores and wholesale market and suspending our sale of precious stones business. We believe that the refined business strategy provides us with a cost effective operating structure and a stable settlement of our trade debts, despite it is a high-volume, low-margin strategy. As a number of customers did not settle their trade debts for a long period of time, we accepted sale returns from certain of these customers in order to reduce our credit risk. Our sale team is actively looking for customers in selling the returned jewelry products at a discount to their original selling prices. In addition, we will closely monitor the performance of our sale of jewelry products business and adjust our strategy, if need.

致本公司股東

於二零一七年，我們錄得本公司擁有人應佔虧損195,550,000港元，較二零一六年減少5.94%。業績改善主要由於金融資產之減值虧損減少所致。

由於我們未能以合理價格取得高質素電影以供發行，我們已於二零一七年二月出售營運公司，終止電影發行業務，以將資源集中於現有業務。

於二零一七年，我們之銷售金融資產業務表現未如理想，主要由於香港中小型股票市場之氣氛低迷所致。於二零一八年，我們將密切監察經濟因素、投資者氣氛、以及投資公司之基本因素及未來前景等各項因素，並積極調整股票投資組合，以改善我們之表現。

我們之貸款業務於二零一七年表現良好，貸款利息收入獲得43.68%增長。此明顯增長超出我們預期，主要因為貸款服務於二零一七年意外錄得增長所致。由於貸款業務屬於主要收入來源，我們仍會審慎評估客戶之還款能力及審批客戶貸款，以降低信貸風險。我們會更努力發展香港上市公司分部，因為上市公司一般有較佳信譽。

我們之銷售珠寶產品及寶石業務於二零一七年倒退，主要因為市況低迷，加上曾經錄得客戶作出大量銷售退貨所致。因應市況低迷，我們重組銷售團隊，調整經營策略，發展海外零售連鎖店及批發市場，同時暫停銷售寶石業務。我們相信，儘管此乃高流轉低利潤之策略，惟調整經營策略會為我們帶來具成本效益之有效營運架構，貿易債務亦可予穩定清償。由於多名客戶長期拖欠貿易債務，我們接受當中若干客戶作出銷售退貨，以降低我們之信貸風險。我們之銷售團隊正積極物色客戶，以折扣售價銷售遭退回之珠寶產品。此外，我們將密切監察銷售珠寶產品業務之表現，如有需要，將調整策略。

We made significant strategic moves in our property investment business in 2017, which include (i) the acquisition of seven office units located at Shun Tak Centre, West Tower, Hong Kong (the “**Shun Tak Property**”), (ii) the entering into of a series of agreements with 太湖世界文化論壇 (Tai Hu World Cultural Forum) relating to the provision of certain buildings to be erected on our 580 Chinese acre land in Beijing, Mainland China (the “**Subject Land**”) as the permanent site for certain cultural forum and related cultural activities (the “**Permanent Cultural Site**”), and (iii) the proposed disposal of our investment property in Guangzhou, Guangdong Province, Mainland China (the “**Guangzhou Property**”). The Shun Tak Property is held for long-term investment purpose. Three office units of the Shun Tak Property are used as our head office and the remaining four office units are leased out for generating rental income. The acquisition of the Shun Tak Property not only diversifies our investment properties portfolio, but also strengthens our income base. For the Permanent Cultural Site, we believe that it enhances the reputation of the Subject Land, which in turn increases the occupancy rate of the hotel villas and high-end hotel apartment complex upon completion of the development of the Subject Land. Applications have been submitted to the relevant governmental authorities for amending the previously approved development plan of the Subject Land in integrating the Permanent Cultural Site with the buildings to be erected on the Subject Land. It is expected that the second and third phases of development of the Subject Land will be commenced shortly after The Fifth Annual Conference of World Cultural Forum (Taihu, China) to be held in October 2018. The proposed disposal of the Guangzhou Property is for the purpose of providing funding to the development of the Subject Land, which is expected to be completed in April 2018. The first phase development of the Subject Land has been completed. Marketing activities for leasing the villas of the first phase development have begun. As the development of the remaining Subject Land will be commenced later this year, a large capital expenditure is expected in the coming years, which adds challenge to our property investment business.

我們之物業投資業務於二零一七年作出大型戰略性舉措，包括 (i) 收購位於香港信德中心西翼之七個辦公室單位(「信德物業」)；(ii) 與太湖世界文化論壇簽訂一連串協議，內容有關提供將建於一幅位於中國內地北京，佔地 580 畝之地塊(「主體地塊」)上之若干樓宇，作為若干文化論壇及相關文化活動之永久場地(「永久文化場地」)；及 (iii) 建議出售位於中國內地廣東省廣州之投資物業(「廣州物業」)。信德物業乃持作長期投資目的，當中三個辦公室單位用作我們之總辦事處，而餘下四個辦公室單位則出租以產生租金收入。收購信德物業，不單將投資物業組合多元化，同時亦加強收入基礎。永久文化場地方面，我們認為此舉可加強主體地塊之聲望，進而提升主體地塊發展完成後別墅酒店及高端酒店公寓綜合體之入住率。我們已向相關政府部門申請修改先前已獲審批之主體地塊發展計劃，將永久文化場地融入將建於主體地塊上之建築物當中。預期主體地塊第二期及第三期發展將於太湖世界文化論壇第五屆年會於二零一八年十月舉行後不久展開。建議出售廣州物業乃為發展主體地塊提供資金，預期將於二零一八年四月完成。主體地塊第一期發展已經完工。已就出租第一期發展內之別墅開始行銷活動。由於餘下主體地塊之發展將於本年度稍後開始，預期來年將錄得大筆資本開支，使物業投資業務面對之挑戰更大。

Chairman's Statement 主席報告

We believe that the economic outlook for 2018 remains uncertain as the unwind of the United States Federal Reserve's massive quantitative easing program marks a major policy change that could impact interest rates and markets broadly. In addition, the recent United States international trade policy under President Trump escalates trade tension not just the United States and Mainland China, but with other economics. Given the uncertain backdrop, we continue to solidify our fundamentals by refining our business operations and developing our existing businesses in a cautious manner. However, we recognise that continued certainty often coincides with a good opportunity to invest. Accordingly, we will look at possible business investments in order to further diversify our businesses and broaden our revenue base.

Finally, I would like to take this opportunity to extend our appreciation to all fellow directors and employees for their invaluable efforts, dedication and commitment to the Group and to thank all shareholders and business associates for their continuous support.

Lei Hong Wai
Chairman

Hong Kong, 28 March 2018

鑑於解除美國聯邦儲備局所推出之大型量化寬鬆計劃，標誌著可能對利率及市場造成廣泛影響之主要政策變動，我們認為二零一八年之經濟前景仍然不明朗。此外，最近美國國際貿易政策在總統特朗普管治下，不單增加美國與中國內地之間的貿易緊張形勢，同時亦影響到其他經濟體系。在此不明確環境下，我們將調整業務營運，持續鞏固根基，並審慎發展現有業務。然而，我們明白不確定之前景經常隨之迎來良好之投資機會。因此，我們將物色可能之業務投資，以進一步多元化其業務並擴闊其收益基礎。

最後，本人藉此機會向全體董事及僱員對本集團作出之寶貴努力、熱誠及承擔致以衷心謝意，亦感謝所有股東及業務夥伴長久以來之支持。

主席
李雄偉

香港，二零一八年三月二十八日

FINANCIAL REVIEW

Given that the Group had not been able to secure quality films at reasonable price for distribution, the Group ceased its film distribution business by disposing of the entire issued share capital of Riche Video Limited (“**Riche Video**”), a wholly owned subsidiary of the Company and the principal activities of which are distribution of video products and holding of film rights, on 17 February 2017 in order to concentrate its resources on existing businesses. Accordingly, the results of Riche Video were presented separately as discontinued operation for financial reporting purposes.

Loss attributable to owners of the Company for the year ended 31 December 2017 amounted to HK\$195,545,000, a 5.94% decrease from HK\$207,902,000 for the previous year.

Results of continuing operations

During the year ended 31 December 2017, the Group recorded revenue of HK\$53,989,000, a 66.48% decrease from HK\$161,042,000 for the previous year. This decrease was mainly attributable to (i) an HK\$81,320,000 increase in loss on sale of financial assets, and (ii) a HK\$46,446,000 decrease in sale of jewelry products and precious stones, which were partly offset by a HK\$21,472,000 increase in interest income on loans. Of the total revenue, HK\$70,626,000 was generated from money lending, HK\$44,412,000 was generated from property investment, HK\$42,608,000 was generated from sale of jewelry products and precious stones, and a loss of HK\$103,657,000 was generated from sale of financial assets.

Loss for the year from continuing operations amounted to HK\$195,617,000, a 5.89% decrease from HK\$207,868,000 for the previous year.

Gross profit for sale of jewelry products and precious stones decreased by 70.66% from HK\$15,512,000 in the year ended 31 December 2016 to HK\$4,551,000 in the year ended 31 December 2017 and gross profit margin for sale of jewelry products and precious stones decreased from 17.42% in the year ended 31 December 2016 to 10.68% in the year ended 31 December 2017. These decreases were mainly due to the sluggish market conditions, the suspension of the Group’s sale of precious stones business, and the recording of a HK\$7,381,000 sale returns from customers as discussed in the sub-section headed “OPERATIONS REVIEW” below.

財務回顧

由於本集團未能以合理價格取得高質素電影以供發行，故本集團已於二零一七年二月十七日透過出售豐采錄影有限公司（「豐采錄影」，一間本公司之全資附屬公司，其主要業務為發行影像產品及持有電影發行權）之全部已發行股本，終止其電影發行業務，使其資源集中於現有業務。因此，就財務報告而言，豐采錄影之業績已個別呈列為已終止經營業務。

本公司擁有人應佔截至二零一七年十二月三十一日止年度之虧損為195,545,000港元，較去年之207,902,000港元減少5.94%。

持續經營業務之業績

於截至二零一七年十二月三十一日止年度，本集團錄得收益53,989,000港元，較去年之161,042,000港元減少66.48%。收益減少主要乃因(i)出售金融資產之虧損增加81,320,000港元；及(ii)珠寶產品及寶石之銷售額減少46,446,000港元，惟部分被貸款利息收入增加21,472,000港元所抵銷。總收益中，70,626,000港元來自借貸，44,412,000港元來自物業投資，42,608,000港元來自銷售珠寶產品及寶石以及虧損103,657,000港元來自銷售金融資產。

本年度來自持續經營業務之虧損為195,617,000港元，較去年之207,868,000港元減少5.89%。

銷售珠寶產品及寶石之毛利自截至二零一六年十二月三十一日止年度之15,512,000港元減少70.66%至截至二零一七年十二月三十一日止年度之4,551,000港元，而銷售珠寶產品及寶石之毛利率自截至二零一六年十二月三十一日止年度之17.42%減少至截至二零一七年十二月三十一日止年度之10.68%。有關跌幅主要由於下文「業務回顧」分節所討論之市況疲弱、本集團暫停經營銷售寶石業務，以及錄得7,381,000港元來自客戶銷售退貨。

FINANCIAL REVIEW (Continued)

Results of continuing operations (Continued)

Gross profit for property investment decreased by 1.38% from HK\$25,281,000 in the year ended 31 December 2016 to HK\$24,931,000 in the year ended 31 December 2017. Gross profit margin for property investment increased from 55.97% in the year ended 31 December 2016 to 56.14% in the year ended 31 December 2017.

Other gains and losses represent items of income and expenses, which are material and/or extraordinary in nature. Net loss of other gains and losses decreased by 58.00% from HK\$177,691,000 in the year ended 31 December 2016 to HK\$74,634,000 in the year ended 31 December 2017. Major items of other gains and losses recorded by the Group during the year are as follows:

- (a) At the end of the reporting period, the Group measured its investment properties in Mainland China and Hong Kong at fair value and recognised a gain of HK\$20,013,000 arising on change in fair value of investment properties.
- (b) At the end of the reporting period, the directors performed an impairment test for the goodwill arising from the acquisition of the entire issued shares in and the shareholder's loan due by Smart Title Limited with reference to two valuation reports prepared by an independent valuer and recognised an impairment loss in respect of goodwill of HK\$1,813,000.
- (c) At the end of the reporting period, the Group measured its Hong Kong listed equities at fair value and recognised a loss of HK\$92,526,000 arising on change in fair value of financial assets at fair value through profit or loss.

Selling and distribution expenses mainly represent staff costs of sales team, overseas travelling expenses, freight charges and commission incurred by the Group's sale of jewelry products and precious stones business. Selling and distribution expenses decreased by 34.05% from HK\$5,826,000 in the year ended 31 December 2016 to HK\$3,842,000 in the year ended 31 December 2017. This decrease was attributable to (i) the restructuring of the Group's sales team in response to the sluggish market conditions and the suspension of its sale of precious stones business, and (ii) the reduction in overseas travelling activities.

財務回顧(續)

持續經營業務之業績(續)

物業投資之毛利自截至二零一六年十二月三十一日止年度之25,281,000港元減少1.38%至截至二零一七年十二月三十一日止年度之24,931,000港元。物業投資之毛利率自截至二零一六年十二月三十一日止年度之55.97%增長至截至二零一七年十二月三十一日止年度之56.14%。

其他收益及虧損指重大及／或非經常性收入及開支項目。其他收益及虧損之虧損淨額由截至二零一六年十二月三十一日止年度之177,691,000港元減少58.00%至截至二零一七年十二月三十一日止年度之74,634,000港元。年內，本集團錄得以下主要的其他收益及虧損項目：

- (a) 於報告期末，本集團計量其位於中國內地及香港之投資物業之公平值，並確認投資物業公平值變動產生收益20,013,000港元。
- (b) 於報告期末，董事參考獨立估值師編製之兩份估值報告，就收購Smart Title Limited全部已發行股份及其結欠股東貸款產生之商譽進行減值測試，並確認商譽減值虧損1,813,000港元。
- (c) 於報告期末，本集團按公平值計量其香港上市股票，並確認按公平值計入損益表之金融資產公平值變動產生之虧損92,526,000港元。

銷售及分銷開支主要指本集團銷售珠寶產品及寶石業務所產生之銷售團隊員工成本、海外差旅費用、運費及佣金。銷售及分銷開支由截至二零一六年十二月三十一日止年度之5,826,000港元減少34.05%至截至二零一七年十二月三十一日止年度之3,842,000港元。該減幅主要由於(i)重組本集團之銷售團隊以應對疲弱市況及暫停銷售寶石業務，及(ii)減少海外差旅活動所致。

FINANCIAL REVIEW (Continued)

Results of continuing operations (Continued)

Administrative expenses amounted to HK\$100,573,000 for the year ended 31 December 2017, a 15.58% increase from HK\$87,019,000 for the previous year. This increase was mainly attributable to (i) the recognition of equity-settled share-based payment expenses of HK\$10,523,000 arisen from the grant of share options, (ii) a HK\$4,766,000 increase in staff costs (excluding equity-settled share-based payment expenses), (iii) a HK\$2,659,000 increase in bank charges resulted from the payment of fees for refinancing the Group's existing Renminbi bank loan, (iv) a HK\$1,544,000 increase in depreciation expense resulted from the acquisition of the Company's head office at Shun Tak Centre, West Tower, Hong Kong in September 2017, and (v) the increase in business activities of the Group's Beijing operations, which were partly offset by the reversal of the provision for Mainland China Business Tax of HK\$9,777,000.

Share of results of associates amounted to HK\$282,000 for the year ended 31 December 2017, which represents the share of profit of HK\$285,000 from Elite Prosperous Investment Limited (“**Elite Prosperous**”), a 49% owned associate of the Company, and the share of loss of HK\$3,000 from China Hong Kong Money Limited, a 30% owned associate of the Company.

Finance costs increased by 147.95% from HK\$9,529,000 in the year ended 31 December 2016 to HK\$23,627,000 in the year ended 31 December 2017. Such increase was due to the increase in the Group's borrowings as discussed in the paragraph headed “Liquidity and financial resources” below.

Income tax credit increased from HK\$2,903,000 in the year ended 31 December 2016 to HK\$9,052,000 in the year ended 31 December 2017. Such increase was mainly attributable to a HK\$5,896,000 increase in deferred taxation credit arising from the loss on change in fair value of the Group's investment property located at No. 33 Nonglinxia Road, Yuexiu District, Guangzhou, Guangdong Province, Mainland China (the “**Guangzhou Property**”), which was partly offset by a HK\$560,000 increase in current tax expense.

財務回顧(續)

持續經營業務之業績(續)

截至二零一七年十二月三十一日止年度，行政開支為100,573,000港元，較去年之87,019,000港元增加15.58%。該增幅主要由於(i)確認由授出購股權所產生之以股權結算之股份支款開支10,523,000港元；(ii)員工成本(不包括以股權結算之股份支款開支)增加4,766,000港元；(iii)為本集團現有人民幣銀行貸款進行再融資支付費用以致銀行費用增加2,659,000港元；(iv)於二零一七年九月收購本公司位於香港信德中心西翼之總辦事處以致折舊費用增加1,544,000港元；及(v)本集團北京業務之業務活動增加，惟部份被撥回中國內地營業稅撥備9,777,000港元所抵銷。

截至二零一七年十二月三十一日止年度，本集團應佔聯營公司業績為282,000港元，相當於應佔Elite Prosperous Investment Limited (“**Elite Prosperous**”，本集團擁有49%權益之聯營公司)之溢利285,000港元及應佔中港資有限公司(本集團擁有30%權益之聯營公司)之虧損3,000港元。

融資費用由截至二零一六年十二月三十一日止年度之9,529,000港元增加147.95%至截至二零一七年十二月三十一日止年度之23,627,000港元。該增幅乃由於下文「流動資金及財務資源」一段所討論之本集團借款增加。

所得稅抵免由截至二零一六年十二月三十一日止年度之2,903,000港元增加至截至二零一七年十二月三十一日止年度之9,052,000港元。該增幅主要由於本集團位於中國內地廣東省廣州越秀區農林下路33號之投資物業(「**廣州物業**」)之公平值變動虧損產生之遞延稅項抵免增加5,896,000港元，惟部份被本期稅項支出增加560,000港元所抵銷。

FINANCIAL REVIEW (Continued)

Results of discontinued operation

Loss for the year from discontinued operation amounted to HK\$3,000, which represents the results of Riche Video for the period from 1 January 2017 to 17 February 2017, being the date on which Riche Video ceased to be a subsidiary of the Company.

Liquidity and financial resources

During the year, the Group funded its operations through a combination of cash generated from operations, equity attributable to owners of the Company, issue of new shares, and borrowings. Equity attributable to owners of the Company increased from HK\$3,249,145,000 at 31 December 2016 to HK\$3,266,389,000 at 31 December 2017.

At 31 December 2017, the cash and cash equivalents of the Group amounted to HK\$225,010,000 (2016: HK\$438,975,000).

At 31 December 2017, the Group had outstanding borrowings of HK\$950,852,000 (2016: HK\$175,081,000) representing:

- (a) the carrying amount of HK\$299,398,000 of the HK\$300,000,000 8% secured notes due 2020 issued by the Company (the “**Secured Notes**”), which are interest bearing at 8.00% per annum, secured by a share charge over 100% issued shares in China Jiu hao Health Industry Group Limited, a wholly owned subsidiary of the Company and the principal assets of which are (i) the rights to construct and operate the club facilities of a membership golf club and resort (the “**Club**”) in Beijing, Mainland China, and (ii) the rights to develop and operate a piece of 580 Chinese acre land (the “**Subject Land**”) adjacent to the Club and the rights to manage the properties erected on the Subject Land, and maturing on 25 August 2020;
- (b) a bank loan of RMB166,201,000 (equivalent to HK\$198,826,000) granted by Industrial and Commercial Bank of China Limited, which is interest bearing at the benchmark interest rate of The People’s Bank of China upward by 20.00% per annum, secured by a mortgage on the Guangzhou Property, guaranteed by a wholly owned subsidiary of the Company, and maturing on 28 August 2032;

財務回顧(續)

已終止經營業務之業績

年內已終止經營業務之虧損為3,000港元，相當於豐采錄影於二零一七年一月一日至二零一七年二月十七日(即豐采錄影不再為本公司附屬公司當日)期間之業績。

流動資金及財務資源

年內，本集團透過經營所得現金、本公司擁有人應佔權益、發行新股份及借款為其經營提供資金。本公司擁有人應佔權益由截至二零一六年十二月三十一日止年度之3,249,145,000港元增加至截至二零一七年十二月三十一日止年度之3,266,389,000港元。

於二零一七年十二月三十一日，本集團現金及現金等價物為225,010,000港元(二零一六年：438,975,000港元)。

於二零一七年十二月三十一日，本集團之未償還借款為950,852,000港元(二零一六年：175,081,000港元)，包括：

- (a) 本公司發行於二零二零年到期賬面值為299,398,000港元之300,000,000港元8%擔保票據(「擔保票據」)，該票據以年利率8.00%計息，並以本公司一間全資附屬公司中國9號健康產業集團有限公司(其主要資產為(i)建設及經營位於中國內地北京一間會員制高爾夫俱樂部及酒店(「會所」)之會所設施之權利；及(ii)開發及經營毗鄰會所之一幅佔地580畝之地塊(「主體地塊」)之權利以及管理主體地塊上已建物業之權利)100%已發行股份之股份質押作為抵押品及於二零二零年八月二十五日到期；
- (b) 由中國工商銀行股份有限公司授出一筆人民幣166,201,000元(相等於198,826,000港元)之銀行貸款，按中國人民銀行基準利率上浮年利率20.00%計息，以廣州物業作抵押，由本公司一間全資附屬公司擔保及於二零三二年八月二十八日到期；

FINANCIAL REVIEW (Continued)

Liquidity and financial resources (Continued)

- (c) the banking facilities in the aggregate amount of HK\$152,628,000 granted by DBS Bank (Hong Kong) Limited, comprising (i) an instalment loan of HK\$127,425,000, which is interest bearing at 1.00% per annum over one-month HIBOR or 3.00% per annum below the prime rate quoted by DBS Bank (Hong Kong) Limited, whichever is lower, secured by a first legal charge over the Group's properties located at Unit Nos. 1201, 1202, 1203, 1209, 1210, 1211 & 1212 and the corridor on 12th Floor, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong (the "Shun Tak Property"), guaranteed by the Company and two wholly owned subsidiaries of the Company, and maturing on 18 September 2037; (ii) an advance of HK\$20,000,000 under a revolving term loan, which is interest bearing at HIBOR plus 2.00% per annum, secured by a first legal charge over the Shun Tak Property, guaranteed by the Company and a wholly owned subsidiary of the Company, and maturing on 2 April 2018; and (iii) various advances in the aggregate amount of HK\$5,203,000 under the account payable financing facilities, which is interest bearing at 2.00% per annum over HIBOR, secured by a first legal charge over the Shun Tak Property, guaranteed by the Company and a wholly owned subsidiary of the Company, and maturing in March, April and May 2018;
- (d) a loan of HK\$200,000,000 granted by Kingston Finance Limited, which is interest bearing at 8.00% per annum, secured by a personal guarantee given by Mr. Lei Hong Wai, the Chairman of the Board and an executive director of the Company, and maturing on 27 April 2018; and
- (e) a loan of HK\$100,000,000 granted by Kingston Finance Limited, which is interest bearing at 8.00% per annum, secured by a personal guarantee given by Mr. Lei Hong Wai, and maturing on 1 June 2018.

財務回顧(續)

流動資金及財務資源(續)

- (c) 由星展銀行(香港)有限公司授出總額為152,628,000港元之銀行融資，包括(i)分期貸款127,425,000港元，按一個月香港銀行同業拆息加年利率1.00%或星展銀行(香港)有限公司所報最優惠利率減年利率3.00%計息(以較低者為準)，以本集團位於香港干諾道中168至200號信德中心西翼12樓1201、1202、1203、1209、1210、1211及1212號單位及走廊之物業(「信德物業」)之第一法定押記作抵押，由本公司及本公司兩間全資附屬公司擔保及於二零三七年九月十八日到期；(ii)定期循環貸款項下貸款20,000,000港元，按香港銀行同業拆息加年利率2.00%計息，以信德物業之第一法定押記作抵押，由本公司及本公司一間全資附屬公司擔保及於二零一八年四月二日到期；及(iii)應付賬款財務融資項下總額為5,203,000港元之多項貸款，按香港銀行同業拆息加年利率2.00%計息，以信德物業之第一法定押記作抵押，由本公司及本公司一間全資附屬公司擔保及於二零一八年三月、四月及五月到期；
- (d) 由金利豐財務有限公司授出一筆200,000,000港元之貸款，按年利率8.00%計息，以本公司董事會主席兼執行董事李雄偉先生之個人擔保作抵押及於二零一八年四月二十七日到期；及
- (e) 由金利豐財務有限公司授出一筆100,000,000港元之貸款，按年利率8.00%計息，以李雄偉先生之個人擔保作抵押及於二零一八年六月一日到期。

FINANCIAL REVIEW (Continued)

Liquidity and financial resources (Continued)

The increase in outstanding borrowings was attributable to (i) the issue of the Secured Notes of HK\$300,000,000 for financing the development of the Subject Land in August 2017, (ii) the obtaining of the instalment loan of HK\$128,800,000 from DBS Bank (Hong Kong) Limited for financing the acquisition of the Shun Tak Property in September 2017, and (iii) the obtaining of two short-term loans from Kingston Finance Limited in the aggregate principal amount of HK\$300,000,000 for financing the Group's short-term funding needs in October and December 2017.

Gearing ratio

At 31 December 2017, the gearing ratio calculated as a percentage of total borrowings over equity attributable to owners of the Company was 29.11% (2016: 5.39%).

Net current assets and current ratio

At 31 December 2017, the Group's net current assets and current ratio were HK\$834,571,000 (2016: HK\$1,124,475,000) and 1.84 (2016: 3.88) respectively.

Capital structure

On 16 May 2017, the Company allotted and issued 643,200,000 new ordinary shares at a price of HK\$0.160 per share to five individual investors, who are independent third parties, and five corporate investors, whose ultimate beneficial owners are independent third parties, by way of placing of new shares under general mandate raising HK\$99,226,000 (net of expenses) for financing the acquisition of the Shun Tak Property. The closing price of the Company's ordinary shares was HK\$0.199 per share as quoted on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 26 April 2017, being the date of the placing agreement. The net price to the Company of each new ordinary share was HK\$0.154. The directors considered that the placing presented an opportunity for the Company to raise additional funds for the acquisition of the Shun Tak Property while broadening the shareholder base of the Company.

財務回顧(續)

流動資金及財務資源(續)

未償還借款增加主要由於(i)於二零一七年八月就融資開發主體地塊而發行300,000,000港元之擔保票據；(ii)於二零一七年九月就融資收購信德物業而取得星展銀行(香港)有限公司分期貸款128,800,000港元；及(iii)於二零一七年十月及十二月就融資本集團之短期資金需求而由金利豐財務有限公司取得兩筆本金總額為300,000,000之短期貸款。

資本負債比率

於二零一七年十二月三十一日，按借款總額除以本公司擁有人應佔權益所得百分比計算之資本負債比率為29.11%（二零一六年：5.39%）。

流動資產淨值及流動比率

於二零一七年十二月三十一日，本集團之流動資產淨值及流動比率分別為834,571,000港元（二零一六年：1,124,475,000港元）及1.84（二零一六年：3.88）。

資本結構

於二零一七年五月十六日，本公司透過根據一般授權以配售新股份之形式按每股0.160港元之價格向五名個人投資者（彼等均為獨立第三方）及五名企業投資者（其最終實益擁有人均為獨立第三方）配發及發行643,200,000股新普通股，籌得99,226,000港元（扣除開支），為融資收購信德物業。於二零一七年四月二十六日（即配售協議日期），本公司之普通股於香港聯合交易所有限公司（「聯交所」）所報之收市價為每股0.199港元。本公司之每股新普通股淨價為0.154港元。董事認為，配售乃本公司籌集額外資金以為進行收購信德物業，同時擴闊本公司股東基礎之機會。

FINANCIAL REVIEW (Continued)

Capital structure (Continued)

In October and November 2017, the Company repurchased a total of 39,600,000 ordinary shares of the Company at an aggregate price of HK\$8,263,000 on the Stock Exchange. The 39,600,000 repurchased shares were cancelled upon repurchase.

Use of proceeds from a fund raising activity

The net proceeds of HK\$99,226,000 from the placing of 643,200,000 new ordinary shares under general mandate were applied for the acquisition of the Shun Tak Property in September 2017.

Material acquisition

During the year ended 31 December 2017, the Group acquired the Shun Tak Property at a consideration of HK\$322,000,000. The acquisition constitutes a major transaction of the Company under the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and was approved by the shareholders at the Company’s special general meeting held on 18 July 2017. The acquisition was completed on 18 September 2017.

Material disposal

During the year ended 31 December 2017, the Group disposed of an aggregate of 13,500,000 shares in SkyNet Group Limited (stock code: 8176, now known as SuperRobotics Limited) at an average price of HK\$7.25 per share pursuant to the 12-month disposal mandate granted to the directors by the shareholders at the Company’s special general meeting held on 12 May 2016. The 12-month disposal mandate constitutes a very substantial disposal of the Company under the Listing Rules and was approved by the shareholders at the Company’s special general meeting held on 12 May 2016.

財務回顧(續)

資本結構(續)

於二零一七年十月及十一月，本公司以價格總額8,263,000港元於聯交所購回合共39,600,000股本公司普通股。該39,600,000股購回股份已於購回時註銷。

融資活動所得款項之用途

根據一般授權配售643,200,000股新普通股之所得款項淨額99,226,000港元，已於二零一七年九月用於收購信德物業。

重大收購事項

截至二零一七年十二月三十一日止年度，本集團以代價322,000,000港元收購信德物業。根據聯交所證券上市規則(「上市規則」)，收購事項構成本公司之主要交易，已於二零一七年七月十八日舉行之本公司股東特別大會上獲股東批准。收購事項已於二零一七年九月十八日完成。

重大出售事項

截至二零一七年十二月三十一日止年度，本集團已根據股東於二零一六年五月十二日舉行之本公司股東特別大會上向董事授出之12個月出售授權，以平均價每股7.25港元出售合共13,500,000股航空互聯集團有限公司(股份代號：8176，現稱為超人智能有限公司)股份。根據上市規則，12個月出售授權構成本公司之非常重大出售事項，及已於二零一六年五月十二日舉行之本公司股東特別大會上獲股東批准。

FINANCIAL REVIEW (Continued)

Pledge of assets

At 31 December 2017, the following Group's assets were pledged:

- (a) the Shun Tak Property with the carrying amounts of HK\$160,330,000 classified under property, plant and equipment (2016: Nil), and HK\$234,000,000 classified under investment properties (2016: Nil) for securing the banking facilities granted to the Group;
- (b) the Guangzhou Property with a carrying amount of HK\$576,019,000 classified under investment properties (2016: HK\$561,089,000) for securing a bank loan granted to the Group; and
- (c) the 100% issued shares in China Jiu hao Health Industry Group Limited with an unaudited combined net assets of HK\$1,338,524,000 after adjusting for purchase price allocation (2016: Nil) for securing the Secured Notes.

Material commitments

At 31 December 2017, the Group had commitments of HK\$45,071,000 (2016: HK\$58,190,000) relating to:

- (a) the development costs of RMB33,689,000 (equivalent to HK\$40,292,000) for the Subject Land, which were contracted but not provided for; and
- (b) the renovation costs of HK\$4,779,000 for the Shun Tak Property, which were contracted but not provided for.

Exchange risk and hedging

The majority of the Group's transactions, assets and liabilities are denominated in Hong Kong dollars and Renminbi. The Group is exposed to exchange risk with respect mainly to Renminbi which may affect its performance. The directors closely monitor statement of financial position and cash flow exchange risk exposures and where considered appropriate use financial instruments, such as forward exchange contracts, foreign currency options and forward rate agreements, to hedge this exchange risk. During the year, no financial instruments for hedging purposes were used by the Group.

財務回顧(續)

資產抵押

於二零一七年十二月三十一日，本集團已抵押下列資產：

- (a) 信德物業之賬面值160,330,000港元分類為物業、廠房及設備(二零一六年：無)及234,000,000港元分類為投資物業(二零一六年：無)，以獲得授予本集團之銀行融資；
- (b) 廣州物業之賬面值576,019,000港元分類為投資物業(二零一六年：561,089,000港元)以獲得授予本集團之銀行貸款；及
- (c) 中國9號健康產業集團有限公司之100%已發行股份，經調整購買價分配後之未經審核合併資產淨值為1,338,524,000港元(二零一六年：無)，以獲得擔保票據。

重大承諾

於二零一七年十二月三十一日，本集團就以下項目作出45,071,000港元(二零一六年：58,190,000港元)之承諾：

- (a) 已訂約但並未撥備之主體地塊發展成本為人民幣33,689,000元(相等於40,292,000港元)；及
- (b) 已訂約但並未撥備之信德物業翻新成本為4,779,000港元。

匯兌風險及對沖

本集團大部分交易、資產及負債以港元及人民幣計值。本集團面臨之匯兌風險主要與人民幣有關，可能影響其表現。董事密切監察財務狀況表及現金流匯兌風險，並在其認為適當的情況下使用金融工具(如遠期外匯合約、外匯期權及遠期利率協議)對沖該匯兌風險。年內，本集團並無使用金融工具作對沖用途。

FINANCIAL REVIEW (Continued)

Contingent liabilities

At 31 December 2017, the Group had no material contingent liabilities.

Employees and remuneration policy

At 31 December 2017, the headcount of the Group was 87 (2016: 42). Staff costs (including directors' emoluments) for the year ended 31 December 2017 amounted to HK\$69,895,000 (2016: HK\$55,675,000). The increase in staff costs was mainly attributable to the recognition of equity-settled share-based payment expenses of HK\$9,821,000 arising from the grant of share options to executive directors and employees of the Group. In addition to basic salaries, contributions to retirement benefits scheme and discretionary bonus, staff benefits include medical scheme and share options.

Key performance indicators

The Company has defined the following key performance indicators ("KPIs") which are closely aligned with the performance of the Group.

財務回顧(續)

或然負債

於二零一七年十二月三十一日，本集團並無重大或然負債。

僱員及酬金政策

於二零一七年十二月三十一日，本集團之僱員人數為87人(二零一六年：42人)。截至二零一七年十二月三十一日止年度之員工成本(包括董事酬金)為69,895,000港元(二零一六年：55,675,000港元)。員工成本增加主要由於確認對本集團之執行董事及員工授出購股權而產生之以股權結算之股份支款開支9,821,000港元。除基本薪金、退休福利計劃供款及酌情花紅外，員工福利包括醫療計劃及購股權。

主要表現指標

本公司已識別以下與本集團表現緊密一致之主要表現指標(「主要表現指標」)。

For the year ended 31 December 截至十二月三十一日止年度

		Notes 附註	2017 二零一七年	2016 二零一六年
Revenue	收益		HK\$53,989,000 港元	HK\$161,042,000 港元
Loss for the year attributable to owners of the Company	本年度本公司擁有人應佔虧損		HK\$195,545,000 港元	HK\$207,902,000 港元
Equity attributable to owners of the Company	本公司擁有人應佔權益		HK\$3,266,389,000 港元	HK\$3,249,145,000 港元
Return on financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之回報	1	(16.07)%	(14.28)%
Return on loans receivables	應收貸款之回報	2	8.93%	9.08%
Return on capital employed in sale of jewelry products and precious stones	銷售珠寶產品及寶石所用資本之回報	3	(7.39)%	3.18%
Return on investment properties	投資物業之回報	4	5.28%	3.04%

FINANCIAL REVIEW (Continued)

Key performance indicators (Continued)

Notes:

1. Return on financial assets at fair value through profit or loss includes gains and losses arising on change in fair value, gains and losses on disposal and dividend income. It is measured as a percentage against opening fair value of financial assets at fair value through profit or loss and total investments made at cost.
2. Return on loans receivables includes interest income and impairment loss recognised. It is measured as a percentage against average loans receivables (excluding accrued interest receivables).
3. Return on capital employed in sale of jewelry products and precious stones represents segment profit or loss from sale of jewelry products and precious stones business divided by average capital employed and is measured as a percentage.
4. Return on investment properties includes gains and losses arising on change in fair value, rental income and gains and losses on disposal less amortisation of intangible assets in respect of the Club, depreciation expenses of the property, plant and equipment of the Club and operating lease rentals in respect of the Club. It is measured as a percentage against opening fair value of investment properties, opening carrying amounts of intangible assets in respect of the Club and opening carrying amounts of property, plant and equipment of the Club.

Commentary on the performance of the Group against each of the KPIs is set out in this sub-section above and the sub-section headed "OPERATIONS REVIEW" below.

These KPIs are reviewed regularly and amended occasionally to correspond with the changing mix of the Group's principal activities.

OPERATIONS REVIEW

Given that the Group has not been able to secure quality films at reasonable price for distribution, the Group ceased its film distribution business by disposing of the entire issued share capital of Riche Video at the consideration of HK\$173,000 on 17 February 2017 in order to concentrate its resources on existing businesses. A gain on disposal of a subsidiary of HK\$1,000 was recognised.

財務回顧(續)

主要表現指標(續)

附註：

1. 按公平值計入損益表之金融資產之回報包括公平值變動產生之收益及虧損、出售事項之收益及虧損以及股息收入。計算之百分比為按公平值計入損益表之金融資產之期初公平值及按成本計算之總投資。
2. 應收貸款之回報包括利息收入及已確認之減值虧損。計算之百分比為平均應收貸款(不包括應收應計利息)。
3. 銷售珠寶產品及寶石所用資本之回報指銷售珠寶產品及寶石業務之分部溢利或虧損除以平均所用資本，並計算為百分比。
4. 投資物業之回報包括公平值變動產生之收益及虧損、租金收入及出售事項之收益及虧損減有關會所之無形資產之攤銷、會所之物業、廠房及設備之折舊開支及有關會所之經營租賃租金。計算之百分比為投資物業之期初公平值、有關會所之無形資產之期初賬面值及會所之物業、廠房及設備之期初賬面值。

就本集團表現之各主要表現指標之評論載於上述本分節及下文「業務回顧」分節。

該等主要表現指標獲定期檢討並不時修訂，以配合本集團不斷變動之主要業務組合。

業務回顧

由於本集團未能以合理價格取得高質素電影以供發行，故本集團已於二零一七年二月十七日以代價173,000港元透過出售於豐采錄影之全部已發行股本，終止其電影發行業務，使其資源集中於現有業務。本集團已確認出售附屬公司收益1,000港元。

OPERATIONS REVIEW (Continued)

During the year, the Group's sale of financial assets business reported a segment loss (before taxation) of HK\$195,659,000, which mainly included (i) a loss of HK\$103,657,000 from trading of Hong Kong listed equities, (ii) a loss of HK\$92,526,000 arising on change in fair value of financial assets at fair value through profit or loss, and (iii) the dividend income from Hong Kong listed equities held by the Group of HK\$1,022,000. The reporting of the segment loss was due to the poor market sentiment on small-cap stocks and the full impairment of a Hong Kong listed equity. Return on financial assets at fair value through profit or loss deteriorated from (14.28)% for the year ended 31 December 2016 to (16.07)% for the year ended 31 December 2017.

During the year ended 31 December 2017, the Group acquired nine Hong Kong listed equities with the aggregate acquisition costs of HK\$304,722,000 and made a trading loss of HK\$103,657,000 from disposing of six Hong Kong listed equities with the aggregate carrying amounts plus transactions costs of HK\$459,689,000 at the aggregate sale proceeds of HK\$356,032,000.

Movements in the Hong Kong listed equities held by the Group during the years ended 31 December 2017 and 2016 are as follows:

業務回顧(續)

年內，本集團銷售金融資產業務錄得分部虧損(除稅前)195,659,000港元，主要包括(i)買賣香港上市股票虧損103,657,000港元；(ii)按公平值計入損益表之金融資產公平值變動產生之虧損92,526,000港元；及(iii)由本集團持有之香港上市股票之股息收入1,022,000港元。錄得之分部虧損主要由於香港小市值股票市場氣氛低迷及一隻香港上市股票全數減值所致。按公平值計入損益表之金融資產之回報由截至二零一六年十二月三十一日止年度之(14.28)%倒退至截至二零一七年十二月三十一日止年度之(16.07)%。

截至二零一七年十二月三十一日止年度，本集團購入九隻香港上市股票，總收購成本為304,722,000港元；及出售六隻香港上市股票，其賬面值加交易成本總額為459,689,000港元，而出售所得款項總額為356,032,000港元，故產生買賣虧損103,657,000港元。

截至二零一七年及二零一六年十二月三十一日止年度，由本集團持有之香港上市股票之變動如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	544,442	597,658
Add: Re-classification from available-for-sale financial assets	加：將可供出售金融資產重新分類	365,000	—
Acquisitions	購入	304,722	419,668
Gain arising on change in fair value upon recognition of interests in associates	確認於聯營公司之權益後公平值變動產生之收益	—	17,367
Less: Disposals	減：出售	(458,695)	(213,602)
Transfer to interests in associates	轉讓聯營公司之權益	—	(135,000)
Loss arising on change in fair value	公平值變動產生之虧損	(92,526)	(141,649)
Carrying amount at 31 December	於十二月三十一日之賬面值	662,943	544,442

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

業務回顧(續)

Details of the Hong Kong listed equities held by the Group at 31 December 2017 are as follows:

於二零一七年十二月三十一日由本集團持有之香港上市股票之詳情如下：

Name of Hong Kong listed equities	香港上市股票名稱	Notes	Number of shares held at 31 December 2017	Fair value at 31 December 2017	Fair value as compared to the consolidated total assets of the Group at 31 December 2017	Gain/(loss) arising on change in fair value recognised in the year ended 31 December 2017
			於二零一七年十二月三十一日持有之股份數目	於二零一七年十二月三十一日之公平值 HK\$'000 千港元	公平值與本集團於二零一七年十二月三十一日綜合資產總值之比較	截至二零一七年十二月三十一日止年度已確認公平值變動所產生之收益/(虧損) HK\$'000 千港元
Affluent Partners Holdings Ltd. (stock code: 1466)	錢唐控股有限公司 (股份代號: 1466)	1	11,500,000	70,840	1.36%	24,675
Brockman Mining Ltd. (stock code: 159)	布萊克萬礦業有限公司 (股份代號: 159)	2	40,220,000	4,545	0.09%	(287)
CBK Holdings Ltd. (stock code: 8428)	國茂控股有限公司 (股份代號: 8428)	3	21,720,000	2,954	0.06%	(1,934)
China Healthcare Enterprise Group Ltd. (stock code: 1143)	華夏健康產業集團有限公司 (股份代號: 1143)	4	30,000,000	8,700	0.17%	5,340
China Healthwise Holdings Ltd. (stock code: 348)	中國智能健康控股有限公司 (股份代號: 348)	5	800,000,000	57,600	1.10%	(107,610)
Frontier Services Group Ltd. (stock code: 500)	先豐服務集團有限公司 (股份代號: 500)	6	4,800,000	7,872	0.15%	2,880
Global Mastermind Holdings Ltd. (stock code: 8063)	環球大通集團有限公司 (股份代號: 8063)	7	212,700,000	28,927	0.55%	(10,717)
Hsin Chong Group Holdings Ltd. (stock code: 404)	新昌集團控股有限公司 (股份代號: 404)	8	90,000,000	—	—	(31,950)
Huayi Tencent Entertainment Company Ltd. (stock code: 419)	華誼騰訊娛樂有限公司 (股份代號: 419)	9	200,000,000	71,000	1.36%	(3,259)
Kingston Financial Group Ltd. (stock code: 1031)	金利豐金融集團有限公司 (股份代號: 1031)	10	33,028,000	247,710	4.74%	137,066
KuangChi Science Ltd. (stock code: 439)	光啟科學有限公司 (股份代號: 439)	11	23,000,000	57,040	1.09%	(7,641)
Lajin Entertainment Network Group Ltd. (stock code: 8172)	拉近網娛集團有限公司 (股份代號: 8172)	12	53,500,000	19,795	0.38%	(14,980)
Sincere Watch (Hong Kong) Ltd. (stock code: 444)	Sincere Watch (Hong Kong) Ltd. (股份代號: 444)	13	55,000,000	6,490	0.12%	(4,510)
Town Health International Medical Group Ltd. (stock code: 3886)	康健國際醫療集團有限公司 (股份代號: 3886)	14	70,000,000	9,100	0.17%	(78,400)
Yunfeng Financial Group Ltd. (stock code: 376)	雲鋒金融集團有限公司 (股份代號: 376)	15	12,912,000	70,370	1.35%	(1,199)
				662,943		(92,526)

OPERATIONS REVIEW (Continued)

Notes:

1. Affluent Partners Holdings Ltd. (“**Affluent Partners**”) and its subsidiaries are principally engaged in (i) purchasing, processing, designing, production and wholesale distribution of pearls and jewellery products, (ii) financial assets investment, (iii) money lending, and (iv) investment in an associate.

Based on its published financial information, the group had net assets of HK\$290,085,000 and HK\$353,607,000 at 31 March 2017 and 30 September 2017 respectively. The group recorded a loss attributable to owners of Affluent Partners of HK\$23,886,000 and HK\$13,171,000 for the year ended 31 March 2017 and the six months ended 30 September 2017 respectively.

As disclosed in its latest interim and annual reports, Affluent Partners has expanded into strategic investment and financial services business in order to capture new business and development opportunities and acquired a 33% equity interest in a Korean beverage company, namely Dellos Group Limited, in the year ended 31 March 2017. Dellos Group Limited will actively expand its distribution and seek the listing of its shares on a stock exchange in the medium term. In addition, Affluent Partners will actively diversify the customer base of its pearls and jewellery business.

2. Brockman Mining Ltd. (“**Brockman Mining**”) and its subsidiaries are principally engaged in the acquisition, exploration and towards future development of iron ore project in Australia; and in the exploitation, processing and sales of mineral resources, including copper ore concentrates and other mineral ore products in Mainland China.

Based on its published financial information, the group had net assets of HK\$463,963,000 and HK\$448,851,000 at 30 June 2017 and 31 December 2017 respectively. The group recorded a loss attributable to owners of Brockman Mining of HK\$38,308,000 and HK\$16,953,000 for the year ended 30 June 2017 and the six months ended 31 December 2017 respectively.

According to its latest interim report, Brockman Mining executed a term sheet with BBI Group Pty. Limited, a subsidiary of a New Zealand company, relating to the proposed farm in arrangement and establishment of a joint venture for the development of its flagship iron ore mining project (the “**Marillana Project**”) in Pilbara region in Western Australia in November 2017. The entering into of the definitive agreements relating to the proposed

業務回顧(續)

附註：

1. 錢唐控股有限公司(「錢唐」)及其附屬公司主要從事(i)珍珠及珠寶產品之採購、加工、設計、生產及批發分銷、(ii)財務資產投資、(iii)借貸及(iv)於一間聯營公司之權益。

根據其已刊發之財務資料，該集團於二零一七年三月三十一日及二零一七年九月三十日之資產淨值分別為290,085,000港元及353,607,000港元。該集團於截至二零一七年三月三十一日止年度及截至二零一七年九月三十日止六個月分別錄得錢唐擁有人應佔虧損23,886,000港元及13,171,000港元。

誠如其最近期之中期報告及年報所披露，錢唐已擴展業務至策略性投資及金融服務業務，以把握新業務及發展機會，並於截至二零一七年三月三十一日止年度收購韓國飲品公司Dellos Group Limited之33%股權。Dellos Group Limited將會積極拓展其分銷網絡，並於中期內尋求其股份於證券交易所上市。此外，錢唐將積極就其珍珠及珠寶業務拓展多元化之客戶基礎。

2. 布萊克萬礦業有限公司(「布萊克萬礦業」)及其附屬公司主要從事於澳洲收購、勘探及日後對鐵礦石項目進行開發，以及於中國內地開採、加工及銷售銅精礦及其他礦石產品等礦產資源。

根據其已刊發之財務資料，該集團於二零一七年六月三十日及二零一七年十二月三十一日之資產淨值分別為463,963,000港元及448,851,000港元。該集團於截至二零一七年六月三十日止年度及截至二零一七年十二月三十一日止六個月分別錄得布萊克萬礦業擁有人應佔虧損38,308,000港元及16,953,000港元。

誠如其最近期之中期報告所披露，於二零一七年十一月，布萊克萬礦業與BBI Group Pty. Limited(一間新西蘭公司之附屬公司)訂立條款說明書，內容有關就於西澳皮爾巴拉開發其旗艦鐵礦石採礦項目(「**Marillana**項目」)訂立建議轉讓安排及成立合營公司。訂立建議交易之正式協

OPERATIONS REVIEW (Continued)

Notes: (Continued)

transactions is subject to the satisfaction or waiver of the conditions precedent set out in the term sheet. Brockman Mining believes that the proposed transactions offer a possible logistics solution for unlocking the value of its iron ore assets. The execution of the term sheet refocus Brockman Mining's effort in fund raising activities for the coming years while waiting for the definitive feasibility study in respect of the construction and development of the Marillana Project being prepared by BBI Group Pty. Limited.

3. CBK Holdings Ltd. (“**CBK Holdings**”) and its subsidiaries are principally engaged in provision of catering services in Hong Kong.

Based on its published financial information, the group had net assets of HK\$90,754,000 and HK\$83,422,000 at 31 March 2017 and 30 September 2017 respectively. The group recorded a loss attributable to owners of CBK Holdings of HK\$8,256,000 and HK\$7,332,000 for the year ended 31 March 2017 and the six months ended 30 September 2017 respectively.

As disclosed in CBK Holdings' latest annual report, the food and beverage industry in Hong Kong is still full of challenges. In bracing itself for the challenges, CBK Holdings will implement proactive marketing strategies, invest more resources for product development and reinforce cost control measures. CBK Holdings intends to execute its development plan as set out in its prospectus dated 27 January 2017 for facilitating its long-term growth.

4. China Healthcare Enterprise Group Ltd. (“**China Healthcare**”) and its subsidiaries are principally engaged in (i) electronic manufacturing services, (ii) marketing and distribution of communications products, (iii) trading and selling of medical equipment, and (iv) securities and other assets investments.

Based on its published financial information, the group had net assets of HK\$463,637,000 and HK\$392,428,000 at 31 December 2016 and 30 June 2017 respectively. The group recorded a loss attributable to owners of China Healthcare of HK\$82,646,000 and HK\$88,228,000 for the year ended 31 December 2016 and the six months ended 30 June 2017 respectively.

業務回顧(續)

附註：(續)

議須待條款說明書所載先決條件獲達成或豁免，方告落實。布萊克萬礦業認為建議交易提供一個可能之物流解決方案，以實現其鐵礦石資產之價值。訂立條款說明書令布萊克萬礦業在今後幾年重新集中精力開展籌資活動，以待BBI Group Pty. Limited編製有關建設及開發Marillana項目之最終可行性研究完成。

3. 國茂控股有限公司(「國茂控股」)及其附屬公司主要從事於香港提供餐飲服務。

根據其已刊發之財務資料，該集團於二零一七年三月三十一日及二零一七年九月三十日之資產淨值分別為90,754,000港元及83,422,000港元。該集團於截至二零一七年三月三十一日止年度及截至二零一七年九月三十日止六個月分別錄得國茂控股擁有人應佔虧損8,256,000港元及7,332,000港元。

誠如國茂控股最近期之年報所披露，香港飲食業仍然充滿挑戰。國茂控股將實施積極之市場推廣策略，在產品開發方面投資更多資源並加強成本控制措施，以迎接該等挑戰。國茂控股擬執行日期為二零一七年一月二十七日之招股章程所載之發展計劃，以促進長期增長。

4. 華夏健康產業集團有限公司(「華夏健康」)及其附屬公司主要從事(i)電子製造服務；(ii)通訊產品之營銷及分銷；(iii)醫療器械之買賣及銷售；及(iv)證券及其他資產投資。

根據其已刊發之財務資料，該集團於二零一六年十二月三十一日及二零一七年六月三十日之資產淨值分別為463,637,000港元及392,428,000港元。該集團於截至二零一六年十二月三十一日止年度及截至二零一七年六月三十日止六個月分別錄得華夏健康擁有人應佔虧損82,646,000港元及88,228,000港元。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

As disclosed in China Healthcare's latest interim and annual reports, the reforms and policies recently implemented by Mainland China government, including the Two-invoice system and Zero-markup policy, promote a positive development of the medical and healthcare industry in the long run. China Healthcare believes that there will be a period of remarkable development in the medical and healthcare industry in Mainland China. In its electronic manufacturing services, and marketing and distribution of communications products businesses, apart from addressing the needs of existing renowned consumer electronic brand clients, China Healthcare will actively pursue opportunities to step up expansion by strengthening its marketing team and dedicating more efforts to reach more potential new customers. China Healthcare believes that the recent proposed acquisition of a 51% of the entire issued share capital of Anhui Huayuan Guoyi Medical Investment Management Limited represents a good opportunity for it to expand into the medical and healthcare industry in Mainland China and to broaden its income base.

5. China Healthwise Holdings Ltd. (“China Healthwise”) and its subsidiaries are principally engaged in development, engineering, manufacturing and sale of toys, commercial kitchen and consumer electronic products, sales of Chinese health products and money lending.

Based on its published financial information, the group had net assets of HK\$290,641,000 and HK\$403,303,000 at 31 March 2017 and 30 September 2017 respectively. The group recorded a loss attributable to owners of China Healthwise of HK\$241,937,000 and HK\$40,500,000 for the year ended 31 March 2017 and the six months ended 30 September 2017 respectively.

As disclosed in its latest interim and annual reports, China Healthwise has shifted from a single brand baby appliance producer into a multi-brand and multi-product childcare product and service provider. China Healthwise believes that it is well prepared to capture the growing demand for childcare product and service triggered by Mainland China's Two-Child Policy. Demand for toy products is expected to improve slightly. To maintain competitiveness of its Toy OEM business, additional costs are expected to invest for upgrading China Healthwise's production facilities in Indonesia in order to comply with customers' quality requirements and revised standards. To diversify its income streams, China Healthwise has expanded into money lending and retail sale of Chinese health products businesses and expects these two new businesses will have a positive impact on its performance.

業務回顧(續)

附註：(續)

誠如華夏健康之最近期之中期及年度報告所披露，中國內地政府近期實施的改革及政策(包括兩票制及零差價政策)有利於醫療及保健行業的長遠積極發展。華夏健康相信，中國內地的醫療及保健行業將迎來高速發展期。在電子製造服務以及通訊產品之營銷及分銷業務方面，除滿足現有知名電子消費品牌客戶的需求外，華夏健康將透過增強其市場團隊及投入更多精力開發更多潛在新客户積極把握機遇進行擴張。華夏健康相信，近期建議收購安徽華源國怡醫療投資管理有限公司全部已發行股本之51%，為其提供進入中國內地醫療及保健行業及擴闊其收入基礎的良好機會。

5. 中國智能健康控股有限公司(「中國智能健康」)及其附屬公司主要從事開發、設計、生產及銷售玩具、商業廚具及電子消費品、銷售中國保健產品及借貸。

根據其已刊發之財務資料，該集團於二零一七年三月三十一日及二零一七年九月三十日之資產淨值分別為290,641,000港元及403,303,000港元。該集團於截至二零一七年三月三十一日止年度及截至二零一七年九月三十日止六個月分別錄得中國智能健康擁有人應佔虧損241,937,000港元及40,500,000港元。

誠如其最近期之中期報告及年報所披露，中國智能健康已從單一品牌嬰童產品生產商轉為多品牌及多產品之嬰童產品及服務供應商。中國智能健康認為已做好充分準備，把握中國內地「二孩政策」所導致對嬰童產品及服務需求增長之機會。預期對玩具產品之需求將會輕微改善。為了在玩具原設備製造業務保持競爭力，中國智能健康預期將在升級其於印尼廠房之生產設施方面投資額外成本，以滿足客戶之質量需求及經修訂標準。為使其收入來源多元化，中國智能健康已擴展業務至放債及中藥保健品零售業務，預期該兩項新業務將為其業績帶來正面影響。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

6. Frontier Services Group Ltd. (“**Frontier Services**”) and its subsidiaries are principally engaged in the provision of logistics, security and insurance services, as well as the provision of online financial market information.

Based on its published financial information, the group had net assets of HK\$387,941,000 at 31 December 2017. The group recorded a loss attributable to owners of Frontier Services of HK\$223,760,000 for the year ended for the year 31 December 2017.

According to its final results announcement for the year ended 31 December 2017, Frontier Services completed major progress on the buildout of its four regions, including expanding its office footprint into key markets, establishing security licenses and partnerships, new facilities and expanding its team of international professionals across its service offerings, in 2017. Frontier Services combines its security, logistics, and insurance services into an integrated solution for its clients. In addition to its main focus on major infrastructure, resources and oil & gas projects along the Belt and Road, Frontier Services also focuses on special projects, which are often public private partnerships in national infrastructure, resources, energy, fisheries, and security. Frontier Services believes that these special projects allow it to leverage its deep relationships, subsidiary companies, and service offerings in major concession agreements, where it serves as both an equity partner and a service provider. With these new capabilities, Frontier Services enters 2018 with a full pipeline of programs and projects and looks forward to its strongest prospects for growth since its inception. In 2018, Frontier Services will be able to demonstrate its unique capabilities in overcoming the challenges of frontier markets.

7. Global Mastermind Holdings Ltd. (“**Global Mastermind**”) and its subsidiaries are principally engaged in provision and operation of travel business, money lending business and provision of securities and asset management services.

Based on its published financial information, the group had net assets of HK\$668,056,000 at 31 December 2017. The group recorded a loss attributable to owners of Global Mastermind of HK\$28,449,000 for the year ended 31 December 2017.

業務回顧(續)

附註：(續)

6. 先豐服務集團有限公司(「先豐服務」)及其附屬公司主要從事提供物流、安保及保險服務，以及提供線上金融市場資訊業務。

根據其已刊發之財務資料，該集團於二零一七年十二月三十一日之資產淨值為387,941,000港元。該集團於截至二零一七年十二月三十一日止年度錄得先豐服務擁有人應佔虧損223,760,000港元。

根據其截至二零一七年十二月三十一日止年度之全年業績公佈，於二零一七年，先豐服務在四個範疇之發展均取得重大進展，包括擴展其辦公室網絡至主要市場、建立安保牌照及合夥關係、嶄新設施及擴充其服務範圍之國際專業團隊。先豐服務為其客戶提供將安保、物流及保險服務結合之綜合解決方案。除以沿著一帶一路之主要基礎建設、資源及油氣項目為主要重點外，先豐服務亦專注於特別項目，該等項目一般為國家基礎建設、資源、能源、漁業及安全之公私合作。先豐服務相信該等特別項目令其能夠充分善用其擔任股權合夥人及服務供應商之主要特許權協議中之深厚關係、附屬公司及服務範圍。憑藉該等新實力，先豐服務於二零一八年全面開展各項計劃及項目，展望自其開展業務以來最強勁之增長前景。於二零一八年，先豐服務將能夠克服前沿市場之挑戰，彰顯其獨樹一幟之實力。

7. 環球大通集團有限公司(「環球大通」)及其附屬公司主要從事提供及經營旅遊業務、借貸業務以及提供證券及資產管理業務。

根據其已刊發之財務資料，該集團於二零一七年十二月三十一日之資產淨值為668,056,000港元。該集團於截至二零一七年十二月三十一日止年度錄得環球大通擁有人應佔虧損28,449,000港元。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

According to its annual results announcement for the year ended 31 December 2017, Global Mastermind expects its travel business is facing pressure from rising operating costs and keen competition. The management team of Global Mastermind will cautiously monitor market conditions and take appropriate actions accordingly. For treasury management business, Global Mastermind will cautiously monitor Hong Kong equity market, change its equity portfolio mix from time to time, and realise the equities held by it into cash as and when appropriate. Despite an expected growth for its money lending business in 2018, Global Mastermind will put more efforts to further expand this business segment. A more cautious approach has been adopted by the management team in assessing and approving new loans in order to mitigate its credit risk. Global Mastermind will exert more marketing efforts in promoting its financial services business in order to broaden its income stream.

8. Hsin Chong Group Holdings Ltd. (“Hsin Chong”) and its subsidiaries are principally engaged in building construction, civil engineering, electrical and mechanical installation, property development and investment, and provision of property and facility management services.

Based on its published financial information, the group had net assets of HK\$11,704,986,000 at 31 December 2017. The group recorded a loss attributable to owners of Hsin Chong of HK\$774,382,000 for the year ended 31 December 2017.

According to its annual results announcement for the year ended 31 December 2017, Hsin Chong’s financial situation has been restraining its ability to obtain new projects since the beginning of 2017, which resulted in a decrease in turnover of its construction business. This, in turn, causes a reduction in its cashflow and an increase in its financing cost. Hsin Chong has pursued strategic measures, including but not limited to disposal of its assets and refinancing of its current facilities to restore cashflow and liquidity. During such restoration period, Hsin Chong notices and foresees that (i) the operating progress of various projects may be affected, (ii) the short-term financing cost may increase, (iii) new tenders will be restricted until the cashflow and liquidity of Hsin Chong restored, and (iv) key staffs turnover may increase.

業務回顧(續)

附註：(續)

根據其截至二零一七年十二月三十一日止年度之全年業績公佈，環球大通預計其旅遊業務面對經營成本上漲及激烈競爭帶來之壓力。環球大通管理層將繼續慎重地監察市場狀況，採取適當措施。就財資管理業務而言，環球大通將審慎監察香港股市，不時轉變其股權組合，並於適當時將持有之股權變現為現金。儘管預計放債業務於二零一八年將錄得增長，環球大通將付出更多努力以進一步拓展此業務分部。管理團隊於其評估及審批新貸款時已採取更為審慎之方針，藉以降低信貸風險。環球大通將於金融服務業務加大營銷力度，以拓闊收入來源。

8. 新昌集團控股有限公司(「新昌」)及其附屬公司主要從事樓宇建造、土木工程、機電安裝工程、物業發展及投資，以及提供物業及設施管理服務。

根據其已刊發之財務資料，該集團於二零一七年十二月三十一日之資產淨值為11,704,986,000港元。該集團於截至二零一七年十二月三十一日止年度錄得新昌擁有人應佔虧損774,382,000港元。

根據其截至二零一七年十二月三十一日止年度之全年業績公佈，自二零一七年初以來，新昌的財務狀況已限制其取得新項目的能力，導致建造業務營業額減少。此轉而導致其現金流減少及融資成本增加。新昌已尋求戰略性措施，包括但不限於出售資產及對當前融資進行再融資以恢復其現金流及流動性。於恢復期間，新昌注意到及預見(i)多個項目的操作進展可能受到影響；(ii)短期融資成本可能增加；(iii)於新昌恢復現金流及流動性前，新投標將可能受到限制；及(iv)員工流失率可能增加。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

At 31 December 2017, the unrestricted cash and cash equivalents of Hsin Chong amounted to HK\$784,000,000. At 23 March 2018, being the date of its annual results announcement for the year ended 31 December 2017, Hsin Chong had overdue borrowings amounted to HK\$1,932,000,000, but Hsin Chong has not been able to obtain extensions for repayment from the lenders. If the lenders do not grant extension, the overdue borrowings will be immediately repayable. In addition, Hsin Chong had borrowings of HK\$3,798,000,000 at 31 December 2017 which did not meet certain financial ratios as set out in the covenants in the relevant borrowing agreements. If such breach becomes events of default under the respective borrowing agreements, including those under the cross-default terms, an aggregate amount of borrowings of up to HK\$6,463,000,000 at 31 December 2017 will be immediately repayable. These conditions indicate the existence of material uncertainties which may cast significant doubt about Hsin Chong's ability to continue as a going concern.

Trading in the shares of Hsin Chong has been suspended since 3 April 2017. The price of Hsin Chong's shares closed at HK\$0.35 per share on 31 March 2017, being the last trading day prior to the suspension of trading of the shares at 9:00 a.m. on 3 April 2017. In view of the existence of material uncertainties which may cast significant doubt about Hsin Chong's ability to continue as a going concern, the entire fair value of the shares in Hsin Chong held by the Group of HK\$31,500,000 at 31 March 2017 was fully impaired for prudence.

9. Huayi Tencent Entertainment Company Ltd. (“**Huayi Tencent**”) and its subsidiaries are principally engaged in (i) entertainment and media business, and (ii) provision of offline healthcare and wellness services.

Based on its published financial information, the group had net assets of HK\$875,958,000 at 31 December 2017. The group recorded a loss attributable to owners of Huayi Tencent of HK\$103,669,000 for the year ended 31 December 2017.

業務回顧(續)

附註：(續)

於二零一七年十二月三十一日，新昌之無限制現金及現金等價物為784,000,000港元。於二零一八年三月二十三日(即其截至二零一七年十二月三十一日止年度之全年業績公佈日期)，新昌已逾期借貸額為1,932,000,000港元，但新昌並未獲貸款人准予延期還款。倘不獲貸款人延期，逾期借貸須於要求時即時償還。此外，新昌於二零一七年十二月三十一日為3,798,000,000港元的借貸並未達到相關借貸協議中契諾所載的若干財務比率。倘上述情況根據相關借貸協議成為違約事件(包括交叉違約條款項下者)，則可能導致於二零一七年十二月三十一日的總借貸金額為6,463,000,000港元變為須立即償還。該等條件顯示存有重大不確定性，或會使新昌的持續經營能力存在重大疑問。

新昌之股份自二零一七年四月三日起暫停買賣。於二零一七年三月三十一日(即新昌股份於二零一七年四月三日上午九時正暫停買賣前的最後交易日)，新昌股份之收市價為每股0.35港元。鑑於新昌持續經營之能力存在重大疑問，為審慎起見，本集團持有之新昌股份於二零一七年三月三十一日之全部公平值31,500,000港元已予悉數減值。

9. 華誼騰訊娛樂有限公司(「**華誼騰訊**」)及其附屬公司主要從事(i)娛樂及媒體業務；及(ii)提供線下健康及養生服務。

根據其已刊發之財務資料，該集團於二零一七年十二月三十一日之資產淨值為875,958,000港元。該集團於截至二零一七年十二月三十一日止年度錄得華誼騰訊擁有人應佔虧損103,669,000港元。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

According to Huayi Tencent's annual results announcement for the year ended 31 December 2017, more than 5,000 screens were added every year in Mainland China's film market during the past five years. In 2017, the number of new screens hit 9,597, demonstrating the thriving momentum of Mainland China's film and TV entertainment market. In 2017, world-wide box office receipts stood at a record high of US\$39,920,000,000, representing a year-on-year increase of 3%. PwC estimates that the Asia Pacific region will become the driving force for global film products development. Box office receipts in Asia are estimated to reach US\$20,400,000,000 in 2021. Huayi Tencent will actively work to seize opportunities in the thriving film market in Mainland China, seek quality film projects for investment, as well as opportunities to acquire, merge and cooperate with excellent overseas producers, well-known directors and studios, particularly in North America and South Korea, aiming at bringing about more prime international films to the Chinese audience to deliver long term and great returns for it. In addition, Huayi Tencent will seek opportunities to dispose of the assets associated with its non-core business for the purpose of assigning resources to its core business for a faster development. To expand its revenue channels and improve its profitability, Huayi Tencent will keep an eye on investment opportunities in the pan-entertainment industry chain, including game, music and others.

10. Kingston Financial Group Ltd. ("Kingston Financial") and its subsidiaries are principally engaged in the provision of a wide range of financial services which include securities brokerage, underwriting and placements, margin and initial public offering financing, corporate finance advisory services, futures brokerage and asset management services. The group also provides gaming and hospitality services in Macau.

Based on its published financial information, the group had net assets of HK\$19,601,138,000 and HK\$20,105,305,000 at 31 March 2017 and 30 September 2017 respectively. The group recorded a profit attributable to owners of Kingston Financial of HK\$1,484,943,000 and HK\$908,887,000 for the year ended 31 March 2017 and the six months ended 30 September 2017 respectively.

As disclosed in Kingston Financial's latest interim and annual reports, the Hong Kong financial market has recently been strengthened by Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect and the improved regulatory systems. In view of the opportunities provided by the further development of the Belt and Road Initiative and the Guangdong-Hong Kong-Macao Greater Bay Area, Kingston Financial will set its eyes on the global market. Kingston Financial will continue to strengthen its presence in the capital markets and explore more business by expanding its geographical network.

業務回顧(續)

附註：(續)

根據華誼騰訊截至二零一七年十二月三十一日止年度之全年業績公佈，過去五年，中國內地影院市場每年銀幕新增數目均達5,000塊以上，在二零一七年更高達9,597塊，表示中國內地影視娛樂市場處於蓬勃發展階段。二零一七年全球電影票房達39,920,000,000美元，創下歷史新高，較去年增長3%。普華永道預測亞太地區將成為全球電影產品增長之動力來源，亞洲地區票房二零二一年預計可達20,400,000,000美元。華誼騰訊將會積極把握中國內地電影市場繁榮發展之機遇，尋找優質電影項目投資，以及海外(特別是北美及南韓地區)之優秀製片方、知名導演及工作室之收購、併購及合作機會，為中國觀眾帶來更多高品質之國際化電影作品，並憧憬為其帶來長遠且可觀之回報。此外，華誼騰訊將尋求合適之機遇處置其非核心業務之相關資產，務求將資源集中投放於核心業務中，以加快其發展。為豐富其收益渠道並提升盈利能力，華誼騰訊將密切留意包括遊戲、音樂等泛娛樂產業鏈之投資機會。

10. 金利豐金融集團有限公司(「金利豐金融」)及其附屬公司主要從事提供全面金融服務，包括證券經紀、包銷及配售、保證金及首次公开发售融資、企業財務顧問服務、期貨經紀及資產管理服務。該集團亦在澳門提供博彩及酒店服務。

根據其已刊發之財務資料，該集團於二零一七年三月三十一日及二零一七年九月三十日之資產淨值分別為19,601,138,000港元及20,105,305,000港元。該集團於截至二零一七年三月三十一日止年度及截至二零一七年九月三十日止六個月分別錄得金利豐金融擁有人應佔溢利1,484,943,000港元及908,887,000港元。

誠如金利豐金融最近期之中期報告及年報所披露，近年透過滬港通及深港通，加上監管制度有所改善，香港金融市場發展得以強化。鑑於「一帶一路」建設及粵港澳大灣區進一步發展所提供之良機，金利豐金融將放眼環球市場，繼續提升於資本市場之地位，擴大其地區網絡以探索更多商機。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

11. KuangChi Science Ltd. (“**KuangChi Science**”) and its subsidiaries are principally engaged in the research and development and manufacture of innovative products for future technology businesses, and the provision of other innovative technology service solutions.

Based on its published financial information, the group had net assets of HK\$2,534,049,000 at 31 December 2017. The group recorded a profit attributable to owners of KuangChi Science of HK\$66,051,000 for the year ended 31 December 2017.

In view of the global trend for building “Smart City” and the national policy for supporting the growth of AI industry, KuangChi Science is committed to developing and integrating its “future space” technology and “future AI” technology in providing a comprehensive range of innovative products, services and solutions for building future smart cities. KuangChi Science has secured contracts of the “Cloud” project with new cities and extended the applications in anti-terrorism and security. For its unmanned aerial vehicle system for air emergency rescue, KuangChi Science is planned to co-operate with a number of urban fire stations in 2018 for commercial expansion. The natural gas pipeline monitoring services of KuangChi Science, namely “SkyX”, have entered into the commercial phase and have been successfully delivered to an energy company in Mexico. KuangChi Science has established a presence in the AI industry by introducing strategic partners in developing smart public security and smart public transportation. KuangChi Science is confident in the prospect of the market and its future growth and development.

12. Lajin Entertainment Network Group Ltd. (“**Lajin Entertainment**”) and its subsidiaries are principally engaged in the business of investment and production of movie and media contents, and the provision of artist management services.

Based on its published financial information, the group had net assets of HK\$899,671,000 at 31 December 2017. The group recorded a loss attributable to owners of Lajin Entertainment of HK\$79,853,000 for the year ended 31 December 2017.

業務回顧(續)

附註：(續)

11. 光啟科學有限公司(「光啟科學」)及其附屬公司主要從事未來技術業務創新產品研發製造以及其他創新技術解決方案業務。

根據其已刊發之財務資料，該集團於二零一七年十二月三十一日之資產淨值為2,534,049,000港元。該集團於截至二零一七年十二月三十一日止年度錄得光啟科學擁有人應佔溢利66,051,000港元。

鑑於構建「智慧城市」的全球趨勢以及支持人工智能產業發展的國家政策，光啟科學致力於開發及整合其「未來空間」技術及「未來人工智能」技術，以為建設未來的智慧城市提供全面的創新產品、服務及解決方案。光啟科學已與新城市簽署「雲端號」項目合約，擴大在反恐及安全領域的應用。對於其無人機空中應急救援系統，光啟科學計劃在二零一八年與若干城市消防站合作進行商業擴張。光啟科學的天然氣管道監測服務(即「SkyX」)已進入商業階段，並已成功交付予一間墨西哥能源公司。光啟科學透過引入戰略合作夥伴開發智能公共安全及智能公共交通，在人工智能行業立足。光啟科學對其市場前景及其未來增長和發展充滿信心。

12. 拉近網娛集團有限公司(「拉近網娛」)及其附屬公司主要從事電影及媒體內容之投資及製作業務，及提供藝人管理服務。

根據其已刊發之財務資料，該集團於二零一七年十二月三十一日之資產淨值為899,671,000港元。該集團於截至二零一七年十二月三十一日止年度錄得拉近網娛擁有人應佔虧損79,853,000港元。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

According to its annual results announcement for the year ended 31 December 2017, Lajin Entertainment is committed to develop an integrated and cross-media entertainment platform in Mainland China, and become one of the most renowned players in entertainment industry in the years to come. Lajin Entertainment has developed a business model for producing movies, which involves the linking up of all resources of each business unit. Lajin Entertainment will utilise this business model for its projects in future. Lajin Entertainment believes that this strategy will greatly reduce its cost of production and enhance its profitability. Due to the depth of its investment spectrum, Lajin Entertainment foresees that its continuous expansion requires a heavy capital. Lajin Entertainment will continue to monitor its budget and will carry out fund raising activities when required. Lajin Entertainment believes that increasing cost of production, keen competition, and stringent broadcasting regulations on contents and origins remain its core challenges. In addition, tighter control policy of internet imposes immense burden to Lajin Entertainment to create innovative ideas. Lajin Entertainment must carefully set its strategy right for the market, control its costs and follow the everchanging policies closely.

13. Sincere Watch (Hong Kong) Ltd. (“**Sincere Watch**”) and its subsidiaries are principally engaged in distribution of branded luxury watches, timepieces and accessories in Hong Kong, Macau, Taiwan and Mainland China, dining business and property investment.

Based on its published financial information, the group had net assets of HK\$1,101,691,000 and HK\$1,063,488,000 at 31 March 2017 and 30 September 2017 respectively. The group recorded a loss attributable to owners of Sincere Watch of HK\$158,935,000 and HK\$51,955,000 for the year ended 31 March 2017 and the six months ended 30 September 2017 respectively.

As disclosed in its latest interim and annual reports, Sincere Watch has opened three new boutiques in Mainland China, Macau, and Korea in order to strengthen its retail network as Asia is expected to continue to play the leading role in the global luxury retail industry. Sincere Watch will continue to strengthen and pursue marketing and brand enhancement activities in the territories. In March 2016, Sincere Watch entered into a sale and purchase agreement for acquiring investment properties in Beijing, Mainland China. In May 2017, Sincere Watch entered into a cooperation agreement for investing a film project. Sincere Watch will continue to explore other business and investment opportunities for broadening its income sources.

業務回顧(續)

附註：(續)

根據其截至二零一七年十二月三十一日年度之業績公佈，拉近網娛致力於在中國開發一個綜合跨媒體娛樂平台，並成為未來數年娛樂行業中最享譽盛名的翹楚之一。拉近網娛已建立銜接各個業務單位所有資源之影片製作業務模式。拉近網娛將於未來項目中運用此業務模式。拉近網娛認為，上述策略將大為減少製作成本，提升其盈利能力。藉由其投資範疇之深度，拉近網娛預計將需要大量資金進行擴展。拉近網娛將持續監察其預算，並將於有需要時進行融資活動。拉近網娛認為，製作成本上升、激烈競爭以及電影內容及媒體節目的產地受到嚴格廣播監管，依然為其主要挑戰。此外，互聯網施加更嚴格之控制政策，為拉近網娛對創意的實踐帶來沉重的負擔。拉近網娛必須謹慎設定適合市場之戰略、控制成本，並竭力貼合瞬息萬變之政策。

13. Sincere Watch (Hong Kong) Ltd. (「**Sincere Watch**」) 及其附屬公司主要從事於香港、澳門、台灣及中國內地從事華貴品牌手錶、時計及配件之分銷業務、飲食業務以及物業投資。

根據其已刊發之財務資料，該集團於二零一七年三月三十一日及二零一七年九月三十日之資產淨值分別為1,101,691,000港元及1,063,488,000港元。該集團於截至二零一七年三月三十一日止年度及截至二零一七年九月三十日止六個月分別錄得Sincere Watch擁有人應佔虧損158,935,000港元及51,955,000港元。

誠如其最近期之中期報告及年報所披露，由於預期亞洲可繼續在全球華貴品零售業擔當領導角色，Sincere Watch已於中國內地、澳門及韓國新設三間專賣店，以加強其零售網絡。Sincere Watch將繼續加強在區內進行市場推廣及提升品牌知名度活動。於二零一六年三月，Sincere Watch訂立買賣協議以收購中國北京之投資物業。於二零一七年五月，Sincere Watch訂立合作協議投資於一項電影項目。Sincere Watch將繼續探索其他業務及投資機會，以期擴大其收入來源。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

14. Town Health International Medical Group Ltd. (“**Town Health**”) and its subsidiaries are principally engaged in healthcare business in Hong Kong, which comprises managed care, medical and dental clinics operation and provision of beauty and cosmetic medical services, direct investment in healthcare sector, and investment in securities and properties. The group also provides hospital and clinic management services in Mainland China.

Based on its published financial information, the group had net assets of HK\$4,581,959,000 and HK\$4,344,779,000 at 31 December 2016 and 30 June 2017 respectively. The group recorded a profit attributable to owners of Town Health of HK\$63,497,000 and HK\$43,517,000 for the year ended 31 December 2016 and the six months ended 30 June 2017 respectively.

As disclosed in its latest interim and annual reports, the State Council of Mainland China announced two significant documents with regards to deepening the 13th Five-Year Plan on medical reform and health planning. Stepping into the second year of the 13th Five-Year Plan, Town Health believes that Mainland China’s healthcare market is expected to maintain a rapid growth pace. Town Health has partnered with China Life Insurance (Overseas) Company in setting up its first health management center in Wan Chai in the first half of 2017. Town Health will strive to collaborate with various divisions of China Life Insurance (Overseas) Company to develop health management centers in various provinces of Mainland China, by replicating the business model of the Wan Chai Center. Town Health will strive to introduce its people-oriented healthcare service concepts, processes, international service standards and community-based healthcare systems to Mainland China market, with an aim to improving the healthcare system and service standard in Mainland China, which in return could render Town Health to become a prominent healthcare services operator in Mainland China.

On 27 November 2017, the Securities and Futures Commission issued a direction under Section 8(1) of the Securities and Futures (Stock Market Listing) Rules to suspend the trading in the shares of Town Health with effect from 9:00 a.m. on that date. Immediate prior to the suspension, the price of Town Health’s shares closed at HK\$0.69 per share on 24 November 2017. Based on a valuation report prepared by an independent valuer appointed by the Group, the fair value of the shares in Town Health held by the Group was HK\$9,100,000 at 31 December 2017.

業務回顧(續)

附註：(續)

14. 康健國際醫療集團有限公司(「康健」)及其附屬公司主要於香港從事醫療業務，包括醫療管理、經營醫療及牙醫診所，以及醫學美容業務、保健行業直接投資及證券及物業投資。該集團亦於內地提供醫及診所管理服務。

根據其已刊發之財務資料，該集團於二零一六年十二月三十一日及二零一七年六月三十日之資產淨值分別為4,581,959,000港元及4,344,779,000港元。該集團於截至二零一六年十二月三十一日止年度及截至二零一七年六月三十日止六個月分別錄得康健擁有人應佔溢利63,497,000港元及43,517,000港元。

誠如其最近期之中期及年度報告所披露，中國國務院發佈兩份有關深化「十三五醫療改革與健康規劃」之重要文件。邁入十三五規劃的第二年，康健相信，中國內地的醫療保健市場預計將持續快速增長。於二零一七年上半年，康健與中國人壽(海外)公司聯手在灣仔開設首間健康管理中心，並將致力攜手中國人壽(海外)公司各分公司，籌備複製灣仔中心的營運模式至中國內地多個省份。康健將致力把以人為本的醫療服務理念、流程、國際化服務標準以及分級社區醫療體系等引入內地市場，改進內地的醫療體系及服務水平，矢志發展成為內地領先的醫療服務營運商。

於二零一七年十一月二十七日，證券及期貨事務監察委員會根據證券及期貨(證券市場上市)規則第8(1)條發出指令，自當日上午九時正起暫停買賣康健股份。緊接停牌前，康健股份於二零一七年十一月二十四日之收市價為每股0.69港元。根據本集團委聘之一名獨立估值師所編製之估值報告，本集團持有之康健股份於二零一七年十二月三十一日之公平值為9,100,000港元。

OPERATIONS REVIEW (Continued)

Notes: (Continued)

15. Yunfeng Financial Group Ltd. (“**Yunfeng Financial**”) and its subsidiaries are principally engaged in the provision of financial services, including securities brokerage, wealth management and investment, corporate finance consultancy, ESOP (Employee Stock Ownership Plan) administration, and investment research.

Based on its published financial information, the group had net assets of HK\$4,444,123,000 and HK\$4,265,643,000 at 31 December 2016 and 30 June 2017 respectively. The group recorded a loss attributable to owners of Yunfeng Financial of HK\$316,688,000 and HK\$236,554,000 for the year ended 31 December 2016 and the six months ended 30 June 2017 respectively.

As disclosed in its latest interim and annual reports, Yunfeng Financial will push forward on the completion of acquisition of share capital of MassMutual Asia Limited, a well-established insurance company in Hong Kong with strong brand recognition, as announced on 17 August 2017. Yunfeng Financial believes that the acquisition is a milestone for the integration of its existing financial technology services with traditional insurance business as well as its growth into a large financial group. Yunfeng Financial remains focus on improving its overall operating results through effective cost control and increasing its revenue streams with different strategies based on market situations.

The directors believe that the future performance of the Hong Kong listed equities held by the Group is largely affected by economic factors, investor sentiment, demand and supply balance of an investee company’s shares and fundamentals of an investee company, such as investee company’s news, business fundamentals and development, financial performance and future prospects. Accordingly, the directors closely monitor the above factors, particularly the fundamentals of each individual investee company in the Group’s equity portfolio, and proactively adjust the Group’s equity portfolio mix in order to improve its performance.

業務回顧(續)

附註：(續)

15. 雲鋒金融集團有限公司(「雲鋒金融」)及其附屬公司主要從事提供金融服務，包括證券經紀、財富管理及投資、企業融資諮詢服務、員工持股計劃管理及投資研究。

根據其已刊發之財務資料，該集團於二零一六年十二月三十一日及二零一七年六月三十日之資產淨值分別為4,444,123,000港元及4,265,643,000港元。該集團於截至二零一六年十二月三十一日止年度及截至二零一七年六月三十日止六個月分別錄得雲鋒金融擁有人應佔虧損316,688,000港元及236,554,000港元。

誠如其最近期之中期及年度報告所披露，雲鋒金融將全力推進收購美國萬通保險亞洲有限公司(一間根基穩固的香港保險公司，具有強大的品牌認可度)股權的交割工作(如二零一七年八月十七日所公佈)。雲鋒金融相信，是項收購是其融合現有的金融科技服務與傳統的保險業務，並發展成為大型金融集團的里程碑。雲鋒金融持續致力增收節支，並根據市場情況靈活調整策略，爭取加快改善其整體經營情況。

董事相信，本集團持有之香港上市股票之未來表現相當大程度上受經濟因素、投資者氣氛、被投資公司股份之供求情況及被投資公司之基本因素(如被投資公司之消息、業務基本因素及發展、財務表現及未來前景)所嚴重影響。故此，董事將密切監察上述因素，尤其本集團股票組合之各間被投資公司之基本因素，並積極調整本集團之股票投資組合，以改善其表現。

OPERATIONS REVIEW (Continued)

During the year, the Group's money lending business generated interest income on loans of HK\$70,626,000, a 43.68% increase from HK\$49,154,000 for the previous year. This increase was attributable to the increase in the aggregate principal amount of new loans granted by the Group in the year ended 31 December 2017 as compared to the previous year. The average monthly outstanding balance of loans receivables increased from HK\$541,434,000 in the year ended 31 December 2016 to HK\$790,754,000 in the year ended 31 December 2017. During the year, the Group granted new loans in the aggregate principal amount of HK\$1,310,000,000 to ten customers. The Group's customers made drawings in the aggregate principal amount of HK\$1,267,919,000 from the existing and new loans and repaid HK\$526,973,000 to the Group. At the end of the reporting period, the directors assessed the collectability of the Group's loans receivables. As there was no objective evidence that the Group would not be able to collect its loans receivables, no impairment loss for loans receivables was recognised. At 31 December 2017, the Group's loans receivables together with accrued interest receivables amounted to HK\$1,200,630,000 (2016: HK\$451,163,000). Return on loans receivables for the year ended 31 December 2017 is 8.93%, which is fairly constant with 9.08% in the previous year.

During the year, the Group's sale of jewelry products and precious stones business generated revenue of HK\$42,608,000, a 52.15% decrease from HK\$89,054,000 for the previous year, and reported a segment loss (before taxation) of HK\$4,801,000, whereas a segment profit (before taxation) of HK\$2,468,000 was recorded for the previous year. The decrease in revenue and the deterioration in segment results were attributable to the sluggish market conditions, the suspension of the Group's sale of precious stones business, and the recording of a HK\$7,381,000 sale returns from customers. In response to the sluggish market conditions, the Group restructured its sales team in order to ensure a cost effective operating structure and refined its business strategy by developing, in addition to overseas retail shops market, overseas retail chain stores and wholesale market. As the sale of precious stones business merely provided a single digit gross profit margin and required a longer than expected period for trade debts settlement, the Group has suspended its sale of precious stones business since the first quarter of 2017. A number of customers did not settle

業務回顧(續)

年內，本集團之借貸業務產生之貸款利息收入為70,626,000港元，較去年之49,154,000港元增加43.68%。有關增幅乃由於本集團於截至二零一七年十二月三十一日授出之新貸款較去年多。未收回應收貸款月均結餘自截至二零一六年十二月三十一日止年度之541,434,000港元增加至截至二零一七年十二月三十一日止年度之790,754,000港元。年內，本集團向十名客戶授出本金總額為1,310,000,000港元之新貸款。本集團客戶自現有及新貸款提取本金總額為1,267,919,000港元，並向本集團償還526,973,000港元。於報告期末，董事評估本集團應收貸款之可收回程度。由於並無客觀證據顯示本集團將無法收回所有到期款項，故並無確認應收貸款之減值虧損。於二零一七年十二月三十一日，本集團應收貸款連同應收應計利息為1,200,630,000港元(二零一六年：451,163,000港元)。截至二零一七年十二月三十一日止年度，應收貸款之回報為8.93%，與去年之9.08%基本持平。

年內，本集團之銷售珠寶產品及寶石業務產生之收益為42,608,000港元，較去年之89,054,000港元減少52.15%，分部虧損(除稅前)4,801,000港元，而去年的分部溢利(除稅前)2,468,000港元。收益減少及分部業績倒退，乃由於市況疲弱、本集團暫停銷售寶石業務，以及錄得7,381,000港元來自客戶銷售退貨。為應對疲弱市況，本集團重組其銷售團隊以確保經營架構具有成本效益，透過開發海外零售連鎖及批發市場精簡業務策略。由於銷售寶石業務僅貢獻個位數毛利率並需要比預期更長期間清償貿易債務，本集團自二零一七年第一季度起暫停其銷售寶石業務。多名客戶長時間未結算其貿易債務。與該等客戶磋商後，本集團接受該等若干客戶之銷售退貨以減少其

OPERATIONS REVIEW (Continued)

their trade debts for a long period of time. Having negotiated with these customers, the Group accepted sale returns from certain of these customers in order to reduce its credit risk and reached settlement schedules for the long outstanding trade debts with others. At the end of the reporting period, these long outstanding trade debts were settled. By refining its business strategy and suspending its sale of precious stones business, the directors believe that the Group's sale of jewelry products business is healthier and sustainable. Return on capital employed in sale of jewelry products and precious stones for the year ended 31 December 2017 is (7.39)% (2016: 3.18%).

At 31 December 2017, the Group's inventories of jewelry products and precious stones, including raw materials, work-in-progress and finished goods, amounted to HK\$33,500,000 (2016: HK\$38,329,000) and the Group's sale of jewelry products and precious stones business had undelivered sale orders amounting to HK\$1,000,000 (2016: HK\$2,000,000).

During the year ended 31 December 2017, the Group's property investment business generated rental income of HK\$44,412,000, a 1.68% decrease from HK\$45,171,000 for the previous year, and recorded a segment profit (before taxation) of HK\$10,644,000, a 65.46% increase from HK\$6,433,000 for the previous year. Such improvement in segment performance was due to the recognition of a gain of HK\$20,013,000 arising on change in fair value of investment properties, which was partly offset by an impairment loss of HK\$1,813,000 in respect of goodwill and the increase in administrative expenses of the Group's Beijing operations. Of the total rental income, HK\$20,809,000 was generated from the assets of the Club and HK\$23,603,000 was generated from the Guangzhou Property. No rental income was generated from the Subject Land as the first phase development of the Subject Land has just been completed.

The development of the Subject Land is divided into three phases, in which the first phase involves erecting nine hotel villas, the second phase involves erecting hotel villas, and the third phase involves erecting a high-end hotel apartment complex with restaurants, multifunction room facilities and hotel apartment units. The first phase development of the Subject Land has been completed. To promptly generate rental income and effectively reduce fixed costs, the Group has changed its leasing strategy for the nine hotel villas of the first phase development

業務回顧(續)

信貸風險，並與彼等就長期未清償貿易債務達成還款計劃。於報告期末，該等長期未償還貿易債務已予清償。董事相信，透過調整業務策略及暫停其銷售寶石業務，本集團銷售珠寶產品業務將會更穩健及可持續發展。截至二零一七年十二月三十一日止年度之銷售珠寶產品及寶石所用資本之回報為(7.39)% (二零一六年：3.18%)。

於二零一七年十二月三十一日，本集團之珠寶產品及寶石存貨(包括原材料、在製品及製成品)為33,500,000港元(二零一六年：38,329,000港元)及本集團之銷售珠寶產品及寶石業務有1,000,000港元(二零一六年：2,000,000港元)之未交貨銷售訂單。

截至二零一七年十二月三十一日止年度，本集團之物業投資業務產生之租金收入為44,412,000港元，較去年之45,171,000港元減少1.68%；並錄得分部溢利(除稅前)10,644,000港元，較去年之6,433,000港元增加65.46%。分部業績改善乃由於確認投資物業公平值變動所產生之收益20,013,000港元所致，惟部份被商譽減值虧損1,813,000港元及本集團北京業務的行政開支增加所抵銷。總租金收入當中，20,809,000港元來自會所之資產，而23,603,000港元則來自廣州物業。由於主體地塊第一階段開發剛剛完成，故尚未產生租金收入。

主體地塊之開發分為三個階段，其中第一階段包括興建九棟別墅酒店，第二階段包括興建別墅酒店及第三階段包括興建餐廳、多用途活動室設施及酒店公寓單位之高端酒店公寓綜合體。主體地塊之第一階段開發已完成。為盡早產生租賃收入並有效降低固定成本，本集團改變對第一階段開發九棟別墅酒店之出租策略，

OPERATIONS REVIEW (Continued)

by not providing any furniture, appliances and hotel services. Marketing activities for leasing the villas have begun. However, no leasing agreement was concluded as at the date of this annual report. Although there is a change in the leasing strategy for the nine villas of the first phase development, the second and third phases of development of the Subject Land into hotel villas and a high-end hotel apartment complex remains unchanged.

To enlarge and diversify its investment properties portfolio, the Group entered into a provisional sale and purchase agreement with an independent third party relating to the acquisition of the Shun Tak Property at the consideration of HK\$322,000,000 on 13 April 2017. The acquisition was approved by the shareholders on 18 July 2017 and completed on 18 September 2017. The acquisition was financed by the net proceeds from the placing of 643,200,000 new ordinary shares under general mandate as completed on 16 May 2017, the Group's internal resources, and bank borrowings.

As three units of the Shun Tak Property are used as the head office of the Company and the remaining four units are leased out for generating rental income, the three units used as the head office are recognised as property, plant and equipment and the remaining four units are recognised as investment property for financial reporting purposes. At the end of the reporting period, the Shun Tak Property was under renovation and the renovation is expected to be completed in April 2018. It is expected that the investment property portion of the Shun Tak Property will be available for leasing by the end of second quarter of 2018.

On 10 May 2017, the Group entered into a non-legally binding letter of intent with China Healthwise relating to the possible disposal of the entire issued share capital of Smart Title Limited, a wholly owned subsidiary of the Company holding the Club and the Subject Land through its subsidiaries, by the Group to China Healthwise. However, the non-legally binding letter of intent was terminated on 10 July 2017.

業務回顧(續)

改為不提供任何傢俬、電器及酒店服務。出租別墅之行銷活動已經開展。然而，於本年報日期，並未訂立任何租約。儘管本集團改變其對第一階段開發之九間別墅之出租策略，主體地塊第二及第三階段開發為別墅酒店及高端酒店公寓綜合體之計劃仍維持不變。

為擴大本集團之投資物業組合及使其多元化，於二零一七年四月十三日，本集團與一名獨立第三方訂立臨時買賣協議，內容有關以代價322,000,000港元收購信德物業。收購事項已於二零一七年七月十八日舉行之本公司股東特別大會上獲股東批准，並於二零一七年九月十八日完成。收購事項乃以於二零一七年五月十六日根據一般授權完成配售643,200,000股新普通股所得款項淨額、本集團內部資源及銀行借貸撥支。

信德物業之三個單位乃用作本公司總辦事處，而餘下四個單位則出租以產生租金收入。因此，就財務報告而言，用作總辦事處之三個單位獲確認為物業、廠房及設備，而餘下四個單位則獲確認為投資物業。於本報告期末，信德物業正進行翻新，翻新工程預期在二零一八年四月完成。預期信德物業之投資物業部份將於二零一八年第二季可供出租。

於二零一七年五月十日，本集團與中國智能健康訂立不具法律約束力意向書，內容有關由本集團可能出售本公司一間全資附屬公司Smart Title Limited之全部已發行股本予中國智能健康，而會所及主體地塊由Smart Title Limited之間接全資附屬公司持有。然而，該不具法律約束力意向書已於二零一七年七月十日終止。

OPERATIONS REVIEW (Continued)

On 27 September 2017, the Group entered into a series of agreements, including two framework co-operation agreements, a joint venture agreement and a supplemental agreement, with 太湖世界文化論壇(Tai Hu World Cultural Forum, “**Tai Hu**”), a national non-governmental organisation established in Mainland China, relating to (i) the provision of certain buildings to be erected on the Subject Land as the permanent site for certain cultural forum and related cultural activities (the “**Permanent Cultural Site**”), and (ii) the formation of a joint venture company in Mainland China with a registered capital of RMB10,000,000 (equivalent to HK\$11,963,000), which is to be owned as to 70% by the Group and as to 30% by Tai Hu, to invite business for, manage and operate cultural forum and related cultural activities to be carried out on the Permanent Cultural Site. The entering into of the series of agreements is for the purpose of increasing the occupancy rate of the hotel villas and high-end hotel apartment complex upon completion of the development of the Subject Land. The directors believe that the provision of the Permanent Cultural Site on the Subject Land will enhance the reputation of the Subject Land. The joint venture company has been established and in operation.

The Group is currently carrying out the architectural planning for integrating the Permanent Cultural Site with the second and third phases of development of the Subject Land. Applications have been submitted to the relevant governmental authorities for amending the previously approved development plan of the Subject Land in integrating the Permanent Cultural Site with the buildings to be erected on the Subject Land. It is expected that the second and third phases of development of the Subject Land will be commenced shortly after The Fifth Annual Conference of World Cultural Forum (Taihu, China) to be held in October 2018. Despite certain buildings to be erected being used as the Permanent Cultural Site, the development of the remaining Subject Land into hotel villas and a high-end hotel apartment complex remains unchanged. Without taking into account the Permanent Cultural Site, the total budgeted costs for the second and third phases development of the Subject Land is RMB768,341,000 (equivalent to HK\$919,166,000) at 31 December 2017, which will be financed by the internal resources of the Group, the rental income generated from the assets of the Club and the first phase of the Subject Land, and external borrowings.

業務回顧(續)

於二零一七年九月二十七日，本集團與中國內地成立之國家非政府組織太湖世界文化論壇(「太湖」)訂立一連串協議，包括兩份框架合作協議、一份合資公司協議及一份補充協議，內容有關(i)提供將建於主體地塊上之若干樓宇，作為若干文化論壇及相關文化活動之永久場地(「永久文化場地」)；及(ii)於中國內地成立一間合資公司，註冊資本為人民幣10,000,000元(相等於11,963,000港元)，其將由本集團及太湖分別擁有70%及30%權益，以招攬業務以管理及營運將於永久文化場地進行之文化論壇及相關文化活動。訂立一連串協議乃為於開發完成後可提高主體地塊之別墅酒店及高端酒店公寓綜合體之出租率。董事認為，於主體地塊提供永久文化場地將會提升主體地塊之聲譽。合資公司已告成立並已開始營運。

本集團正就將永久文化場地納入主體地塊第二及第三階段開發進行建築規劃。本集團已向相關政府部門申請修訂主體地塊原先經批准的發展規劃(即將永久文化場地納入主體地塊上擬興建之樓宇)。預期於二零一八年十月舉行之太湖世界文化論壇第五屆年會完結後不久將會開展主體地塊之第二及第三階段開發。儘管所建之若干樓宇將用於永久文化場地，餘下主體地塊開發為別墅酒店及高端酒店公寓綜合體之計劃維持不變。在不計及永久文化場地，於二零一七年十二月三十一日，主體地塊第二及第三階段開發之總預算成本為人民幣768,341,000元(相等於919,166,000港元)，將以本集團之內部資源、會所資產及主體地塊第一階段所產生之租金收入以及外部借貸撥支。

OPERATIONS REVIEW (Continued)

On 5 December 2017, the Group entered into a sale and purchase agreement relating to the disposal of the entire issued share capital of Best Volume Investments Limited, a wholly owned subsidiary of the Company, at a consideration of HK\$405,000,000. The principal asset of Best Volume Investments Limited and its subsidiaries is the Guangzhou Property. The proceeds from the disposal are intended to be used for the development of the Subject Land. As the payment of operating expenses, finance costs and bank loan repayment exceed the receipt of rental income generated from the Guangzhou Property, Best Volume Investments Limited and its subsidiaries have been generating a net cash outflow since its acquisition by the Group. The directors consider that the disposal of Best Volume Investments Limited provides an opportunity to the Group to realise the Guangzhou Property into cash and allows the Group to strengthen its financial resources for developing the Subject Land. The disposal was approved by the shareholders on 27 February 2018. On 27 February 2018, the long stop date of the sale and purchase agreement was extended from 28 February 2018 to 30 April 2018. It is expected that the disposal will be completed in April 2018.

At the end of the reporting period, the directors performed impairment tests for the goodwill arising from the acquisition of Smart Title Limited and the intangible assets relating to (i) the rights to construct and operate the club facilities of the Club, and (ii) the rights to develop and operate the Subject Land and the rights to manage the properties erected on the Subject Land with reference to the two valuation reports prepared by the independent valuer. As the carrying amount of the cash generating unit of the Group's property investment operations in Beijing exceeded its recoverable amount, an impairment loss of HK\$1,813,000 in respect of the goodwill was recognised. There was no impairment in respect of the intangible assets as the recoverable amounts of intangible assets exceeded their carrying amounts.

業務回顧(續)

於二零一七年十二月五日，本集團訂立買賣協議，內容有關出售本公司一間全資附屬公司 Best Volume Investments Limited 之全部已發行股本，代價為 405,000,000 港元。Best Volume Investments Limited 及其附屬公司之主要資產為廣州物業。出售事項之所得款項擬用於開發主體地塊。由於支付營運開支、融資費用及銀行貸款之還款超出廣州物業所產生之租金收入，Best Volume Investments Limited 及其附屬公司自本集團收購廣州物業以來產生現金流出淨額。董事認為出售 Best Volume Investments Limited 為本集團提供將廣州物業變現為現金之機會，並可加強本集團財務狀況及提供資源開發主體地塊。該出售事項已於二零一八年二月二十七日獲股東批准。於二零一八年二月二十七日，買賣協議之最後限期由二零一八年二月二十八日延長至二零一八年四月三十日。預期出售事項將於二零一八年四月完成。

於報告期末，董事已參照獨立估值師編製之兩份估值報告對收購 Smart Title Limited 產生之商譽及有關 (i) 建設及經營會所之會所設施之權利，及 (ii) 開發及經營主體地塊之權利以及管理主體地塊上已建物業之權利之無形資產進行減值測試。由於本集團營運北京物業投資之現金產生單位之賬面值超過可收回金額，已確認商譽減值虧損 1,813,000 港元。由於無形資產之可收回金額超過賬面值，故毋須就無形資產確認減值。

OPERATIONS REVIEW (Continued)

At the end of the reporting period, the directors measured the Guangzhou Property at fair value. Based on a property valuation report prepared by an independent valuer, the fair value of the Guangzhou Property decreased from RMB501,900,000 at 31 December 2016 to RMB481,500,000 at 31 December 2017. Accordingly, the Group recognised a loss of HK\$23,584,000 (equivalent to RMB20,400,000) arising on change in fair value of investment properties.

At the end of the reporting period, the directors measured the investment property portion of the Shun Tak Property at fair value. Based on a property valuation report prepared by an independent valuer, the fair value of the investment property portion of the Shun Tak Property increased from HK\$190,403,000 at 18 September 2017 to HK\$234,000,000 at 31 December 2017. Accordingly, a gain of HK\$43,597,000 arising on change in fair value of investment properties was recognised.

At the end of the reporting period, the directors performed an impairment test for the goodwill arising from the acquisition of Best Volume Investments Limited with reference to a valuation report prepared by an independent valuer. As the recoverable amount of the cash generating unit of the Group's property investment operations in Guangzhou exceeded its carrying amount, there was no impairment in respect of the goodwill.

Return on investment properties for the year ended 31 December 2017 is 5.28% (2016: 3.04%). The improvement on return was mainly attributable to the recognition of a gain arising on change in fair value of investment properties.

Spark Concept Group Limited, a 49% owned associate of the Company, and its subsidiaries (the "Spark Concept Group") operated two Japanese noodle shops (麵鮮醬油房周月) in Central and Quarry Bay, and a high-end Japanese restaurant (料理人 上田) in Central. During the year, the Spark Concept Group reported a loss of HK\$195,000, a 91.66% decrease from HK\$2,337,000 for the previous year. As the Group's share of post-acquisition losses equals to

業務回顧(續)

於報告期末，董事已按公平值計量廣州物業。按一名獨立估值師編製之物業估值報告，廣州物業之公平值由二零一六年十二月三十一日之人民幣501,900,000元減少至二零一七年十二月三十一日之人民幣481,500,000元。因此，本集團確認投資物業公平值變動產生之虧損23,584,000港元(相等於人民幣20,400,000元)。

於報告期末，董事已按公平值計量信德物業之投資物業部份。按一名獨立估值師編製之物業估值報告，信德物業之投資物業部份之公平值由二零一七年九月十八日之190,403,000港元增加至二零一七年十二月三十一日之234,000,000港元。因此，確認投資物業公平值變動產生之收益43,597,000港元。

於報告期末，董事根據一名獨立估值師編製之估值報告，就收購Best Volume Investments Limited所產生之商譽進行減值測試。由於本集團營運廣州物業投資之現金產生單位之可收回金額超過賬面值，故商譽並無減值。

截至二零一七年十二月三十一日止年度，物業投資之回報為5.28%(二零一六年：3.04%)。回報改善主要由於確認投資物業公平值變動產生之收益。

Spark Concept Group Limited(本公司擁有49%權益之聯營公司，連同其附屬公司統稱「Spark Concept集團」)於中環及鰂魚涌經營兩家日本麵店(麵鮮醬油房周月)及於中環經營一家高端日本餐廳(料理人 上田)。年內，Spark Concept集團錄得虧損195,000港元，較去年之2,337,000港元減少

OPERATIONS REVIEW (Continued)

its interests in the Spark Concept Group, no further share of losses was recognised for the year. The improvement in performance of the Spark Concept Group was mainly attributable to the two Japanese noodle shops making profit, however such profit was offset by the loss incurred by the high-end Japanese restaurant. No further cash was advanced to the Spark Concept Group by the Group during the year. In view of its net liabilities position, an impairment loss of HK\$217,000 was recognised for the amount due from the Spark Concept Group. At 31 December 2017, the Spark Concept Group owed the Group an amount of HK\$7,393,000 (before impairment of HK\$5,913,000), which is unsecured, non-interest bearing and repayable on demand. As announced by the Michelin Guide in November 2017, the Japanese noodle shops in Central and Quarry Bay are again awarded the Bib Gourmand rating in the Michelin Guide Hong Kong Macau 2018.

In August 2017, the Group invested in Elite Prosperous by subscribing for 49 new shares in Elite Prosperous at a price of US\$1.00 per share, representing 49% of its issued share capital. On 5 September 2017, the Group provided a shareholder's loan of US\$4,900,000 (equivalent to HK\$38,421,000) to Elite Prosperous, being its pro rata share of the interest-free shareholders' loan in the aggregate principal amount of US\$10,000,000 (equivalent to HK\$78,410,000) to be provided by all the shareholders of Elite Prosperous to meet its operating and investment needs. The shareholder's loan of US\$4,900,000 provided by the Group to Elite Prosperous is non-interest bearing, unsecured and repayable on demand.

On 7 September 2017, Elite Prosperous as lender and an investment holding company (the "**Investment Company**") as borrower entered into an instrument incorporating (i) advance of loan, (ii) capitalisation issue, and (iii) grant of options. The Investment Company is an independent third party and its principle asset is a 49% owned associate engaged in the provision of (i) agency and payment services; and (ii) currency exchange services as at the date of the instrument.

業務回顧(續)

91.66%。由於本集團應佔收購後虧損相等於其於Spark Concept集團之權益，故年內並無進一步確認應佔虧損。Spark Concept集團之表現改善，主要由於兩間日本麵店錄得溢利，但有關溢利被高端日本餐廳所產生之虧損抵銷。年內，本集團並無向Spark Concept集團墊支額外現金。鑑於Spark Concept集團之淨負債狀況，已就應收Spark Concept集團款項確認減值虧損217,000港元。於二零一七年十二月三十一日，Spark Concept集團結欠本集團7,393,000港元(未扣除減值5,913,000港元)之金額為無抵押、免息及須按要求償還。誠如米芝蓮指南於二零一七年十一月所公佈，中環及鰂魚涌之日本麵店於《香港及澳門米芝蓮指南2018》中再次獲選為Bib Gourmand評級餐廳。

於二零一七年八月，本集團透過按每股1.00美元之價格認購Elite Prosperous之49股新股份(佔其已發行股本之49%)投資Elite Prosperous。於二零一七年九月五日，本集團向Elite Prosperous提供股東貸款金額為4,900,000美元(相等於38,421,000港元)，即其於Elite Prosperous全體股東為達到其經營及投資所需而提供之免息股東貸款本金總額10,000,000美元(相等於78,410,000港元)中之按比例應佔部分。本集團向Elite Prosperous提供4,900,000美元之股東貸款為免息、無抵押及須按要求償還。

於二零一七年九月七日，Elite Prosperous(作為借款人)與一間投資控股公司(「投資公司」)(作為貸款人)訂立一項文據，其中包括(i)墊付貸款、(ii)資本化發行，及(iii)授出購股權。投資公司為獨立第三方，其主要資產為一間其擁有49%權益之聯營公司，於文據訂立日期，該公司從事提供(i)代理及支付服務；及(ii)貨幣匯兌服務。

OPERATIONS REVIEW (Continued)

Pursuant to the instrument, (i) Elite Prosperous shall make available to the Investment Company a term loan of US\$10,000,000 (equivalent to HK\$78,410,000) for the purpose of financing part of the consideration for acquiring a Chinese online, mobile and cross-border payment service provider by a wholly owned subsidiary of the Investment Company (the “**Wholly Owned Subsidiary**”); (ii) subject to satisfaction of certain conditions as set out in the instrument, the Investment Company shall allot and issue such number of preferred shares (the “**Preferred Shares**”) in its share capital to Elite Prosperous as determined in accordance with the instrument at the subscription price of US\$10,000,000; (iii) the Investment Company shall grant to Elite Prosperous a conversion option to require the Investment Company to allot and issue the Preferred Shares to Elite Prosperous at the subscription price of US\$10,000,000, exercisable at any time between 2 July 2018 and the date falling 24 months after the closing of the acquisition, subject to the terms of the instrument; (iv) the Investment Company shall grant to Elite Prosperous an option to require the Investment Company to sell 645 preferred shares in the share capital of the Wholly Owned Subsidiary at the purchase price of US\$10,000,000, exercisable from the date of releasing and discharge all charges created by the Investment Company relating to two loan facilities granted by a lender and ending on the date falling six months thereafter, subject to the terms of the instrument; and (v) the Investment Company shall grant Elite Prosperous an option to require the Investment Company to allot and issue such number of additional Preferred Shares at the aggregate subscription price of US\$0.01, exercisable where the charge on the shares in the 49% owned associate owned by the Investment Company has enforced following the capitalisation issue or an exercise of the conversion option, at any time after the six months period after the enforcement, subject to the terms of the instrument.

The term loan is non-interest bearing and unsecured. Subject to the capitalisation issue and the exercise of the options, the term loan shall become due and payable by the Investment Company to Elite Prosperous on the tenth anniversary of the date of the instrument. The Preferred Shares shall be automatically converted into ordinary shares of the Investment Company on the date of listing of the ordinary shares on a stock exchange at the conversion rate of one Preferred Share to one ordinary share.

業務回顧(續)

根據該文據，(i) Elite Prosperous 應向投資公司提供10,000,000美元(相等於78,410,000港元)之定期貸款，以就投資公司之一間全資附屬公司(「全資附屬公司」)收購一個中國線上、移動及跨境支付服務提供商之代價募集部分資金；(ii)待文據所載之若干條件獲達成後，投資公司應根據文據所釐定，按10,000,000美元之認購價向Elite Prosperous配發及發行其股本中相關數目之優先股(「優先股」)；(iii)投資公司應根據文據之條款向Elite Prosperous授出轉換權，據此投資公司須按10,000,000美元之認購價向Elite Prosperous配發及發行優先股，轉換權由二零一八年七月二日至收購事項完成後足24個月之日期間可予隨時行使；(iv)投資公司應根據文據之條款向Elite Prosperous授出選擇權，以要求投資公司按10,000,000美元之購買價出售全資附屬公司股本中之645股優先股，選擇權由投資公司清償貸款人授予之兩項貸款融資所產生之所有費用當日至該日後足六個月之日期間可予行使；及(v)投資公司應根據文據之條款向Elite Prosperous授出選擇權，據此投資公司須按0.01美元之總認購價配發及發行相關數目之額外優先股，選擇權於投資公司擁有49%權益之聯營公司之股份之質押於資本化發行後或行使轉換權後被強制執行時可予行使，行使期為強制執行後六個月期間任何時間。

該定期貸款為免息及無抵押。除非資本化發行及行使選擇權，定期貸款將會於文據日期起計十週年時到期，屆時投資公司須向Elite Prosperous付款。優先股將於普通股在證券交易所上市後，按一股優先股兌一股普通股之轉換率自動轉換為投資公司之普通股。

OPERATIONS REVIEW (Continued)

On 8 September 2017, Elite Prosperous provided the term loan of US\$10,000,000 to the Investment Company. On 21 September 2017, the Investment Company increased its equity interest in the 49% owned associate from 49.00% to 61.06%. On 12 December 2017, the acquisition of the Chinese online, mobile and cross-border payment service provider was completed. At 31 December 2017, the Wholly Owned Subsidiary owned 96.77% in the issued share capital of the Chinese online, mobile and cross-border payment service provider. As certain conditions as set out in the instrument have not been satisfied, no capitalisation issue was taken place in the year ended 31 December 2017. Subsequent to 31 December 2017, the lender is in the process to convert one of the two loan facilities granted to the Wholly Owned Subsidiary into 20% shareholding interest in the Wholly Owned Subsidiary. During the year, Elite Prosperous reported a profit of HK\$582,000 and the Group shared a profit of HK\$285,000 from Elite Prosperous.

FUTURE PROSPECTS

The United States Federal Reserve began to reduce its balance sheet to a normal level in October 2017, which creates uncertainty on the global markets. Accordingly, the directors will cautiously monitor Hong Kong equity market and adjust the Group's equity portfolio as and when appropriate in 2018.

Given that the unwind of the United States Federal Reserve's massive quantitative easing program marks a major policy change that could impact interest rates and markets broadly, the Group adopts a more cautious approach in selecting its customers in order to mitigate its credit risk as usual. The directors expect the interest income on loans for 2018 may remain stable.

業務回顧(續)

於二零一七年九月八日，Elite Prosperous向投資公司提供10,000,000美元之定期貸款。於二零一七年九月二十一日，投資公司將其擁有49%權益之聯營公司之股權由49.00%增加至61.06%。於二零一七年十二月十二日，已完成收購中國線上、移動及跨境支付服務供應商。於二零一七年十二月三十一日，全資附屬公司擁有該中國線上、移動及跨境支付服務供應商之96.77%已發行股本。由於文據所載的若干條件尚未達成，故截至二零一七年十二月三十一日止年度並無進行資本化發行。於二零一七年十二月三十一日後，貸款人正將授予全資附屬公司的兩筆貸款融資之其中一筆轉為全資附屬公司之20%股權。年內，Elite Prosperous錄得溢利582,000港元，本集團自Elite Prosperous分佔溢利285,000港元。

未來前景

美國聯邦儲備局開始於二零一七年十月開始降低其資產負債表至較正常水平，導致對全球市場造成不確定影響。因此，於二零一八年，董事將審慎監察香港股票市場及於適當時調整本集團股票組合。

鑑於解除美國聯邦儲備局所推出之大型量化寬鬆計劃，標誌著可能對利率及市場造成廣泛影響之主要政策變動，本集團因而審慎挑選其客戶，一如既往減低其信貸風險。董事預期，二零一八年貸款之利息收入可能維持穩定。

FUTURE PROSPECTS (Continued)

In the second half of 2017, the Group has refined the business strategy for its sale of jewelry products business and resources have been allocated for developing overseas retail chain stores and wholesale market in order to achieve a stable settlement on its trade debts. As time is needed for developing this market, it is expected that the performance of the Group's sale of jewelry products business will gradually improve.

Upon completion of the disposal of the entire issued share capital of Best Volume Investments Limited, the Group's rental income will decrease substantially as the Guangzhou Property generated 53.15% of the Group's rental income in the year ended 31 December 2017. The acquisition of the Shun Tak Property has been completed and the investment property portion of the Shun Tak Property will be available for leasing by the end of second quarter of 2018. It is expected that the decrease in the Group's rental income will be partly compensated by the investment property portion of the Shun Tak Property. In addition, the first phase development of the Subject Land has been completed and marketing activities for leasing the nine villas have begun. However, no leasing agreement was concluded. If any of the nine villas is leased out, the decrease in the Group's rental income in 2018 will be lowered. As a result of the commencement of the second and third phases of development of the Subject Land, the operating costs of the Group's Beijing operations will gradually increase in the coming years, which adds challenge to the Group's property investment business.

For the coming years, the directors will continue to cautiously monitor the business environment and strengthen the Group's business foundation by focusing the Group's existing businesses. In addition, the directors will continue to cautiously identify suitable investment opportunities for the Group to diversify its businesses and broaden its revenue base.

未來前景(續)

於二零一七年下半年，本集團改善其銷售珠寶產品業務之業務策略，並分配資源以開發海外零售連鎖店及批發市場，以達致穩定清償其貿易債務。由於開發該市場需時，預期本集團銷售珠寶產品業務將逐步改善。

由於本集團於截至二零一七年十二月三十一日止年度租金收入之53.15%乃產生自廣州物業，於完成出售Best Volume Investments Limited之全部已發行股本後，本集團租金收入將大幅減少。收購信德物業已完成，而信德物業之投資物業部份將於二零一八年第二季度可供出租。預計本集團之部分租金收入減少將會被信德物業之投資物業部分所補償。此外，主體地塊第一階段開發已經完成，出租九間別墅之行銷活動亦已開展。然而，並未訂立任何租約。倘當中任何九間別墅獲租出，本集團於二零一八年之租金收入減幅將會收窄。由於開展主體地塊第二及第三階段開發，本集團北京業務之經營成本於未來數年將會逐步增加，為本集團之物業投資業務增添挑戰。

未來數年，董事將繼續審慎監察業務環境，並透過集中發展本集團現有業務，加強本集團之業務基礎。此外，董事將繼續審慎識別合適投資機會，讓本集團達致業務多元化及擴闊收益。

Management Discussion and Analysis

管理層討論及分析

EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 December 2017 and up to the date of this annual report, the Group had the following material events:

- (a) On 27 February 2018, the sale and purchase agreement dated 5 December 2017 entered into between Golden Stone Management Limited, a wholly owned subsidiary of the Company, as vendor and Mr. Xie Zhaobin as purchaser relating to the sale and purchase of the entire issued share capital of Best Volume Investments Limited was approved by the shareholders.
- (b) On 27 February 2018, Golden Stone Management Limited and Mr. Xie Zhaobin entered into a deed of variation pursuant to which the parties mutually agreed to extend the long stop date of the sale and purchase agreement dated 5 December 2017 from 28 February 2018 to 30 April 2018.
- (c) The fair value of the Group's financial assets at fair value through profit or loss decreased from HK\$662,943,000 at 31 December 2017 to HK\$544,305,000 at the date of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

A summary of the principal risks and uncertainties which may impact the Group's financial conditions, results of operations or future performance and how the Group to mitigate these risks is set out below.

This summary should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties faced by the Group, but rather those risks which the Group currently believes may have a significant impact on the Group's performance and future prospects.

報告期後事項

於二零一七年十二月三十一日後及截至本年報日期，本集團發生以下重大事項：

- (a) 於二零一八年二月二十七日，股東批准本公司一間全資附屬公司 Golden Stone Management Limited (作為賣方) 與謝肇斌先生 (作為買方) 於二零一七年十二月五日訂立之買賣協議，內容有關買賣 Best Volume Investments Limited 之全部已發行股本。
- (b) 於二零一八年二月二十七日，Golden Stone Management Limited 與謝肇斌先生訂立修訂契據，據此，訂約方相互同意將日期為二零一七年十二月五日之買賣協議之最後限期由二零一八年二月二十八日延長至二零一八年四月三十日。
- (c) 本集團按公平值計入損益表之金融資產之公平值由二零一七年十二月三十一日之 662,943,000 港元減少至本年報日期之 544,305,000 港元。

主要風險及不明朗因素

可能影響本集團之財務狀況、營運業績或未來表現之主要風險及不明朗因素概要及本集團如何緩解該等風險載於下文。

此概要不應被視作對本集團面臨之所有潛在風險及不明朗因素之完整詳盡陳述，惟本集團現時相信該等風險可能對本集團之表現及未來前景構成重大影響。

PRINCIPAL RISKS AND UNCERTAINTIES

(Continued)

主要風險及不明朗因素(續)

Principal risks 主要風險	Description 內容	Mitigating actions 舒緩措施
Strategic risk 策略性風險	<p>Strategic risk is the risk that medium and long-term profitability and/or reputation of the Group could be adversely impacted by the failure either to identify or implement the correct strategy, or to react appropriately to changes in the business environment.</p> <p>策略性風險為因未能識別或實施正確策略或對營業環境變化作出適當反應而對本集團中期及長期盈利能力及／或聲譽造成不利影響之風險。</p>	<ul style="list-style-type: none"> • Extensive investment management experience of the Board. 董事會於投資管理之豐富經驗。 • Regularly review on strategy and performance of each business unit. 定期檢討各業務單位之策略及表現。 • Perform comprehensive due diligence on all potential acquisitions. 就所有潛在收購事項進行全面盡職審查。
Economic risk 經濟風險	<p>Economic risk is the risk of any downturn in economic conditions could impact the Group's performance through higher bad debts as a result of customers' inability to repay loans and lower asset values.</p> <p>經濟風險為任何經濟環境之下行風險，或會透過客戶無力償還貸款而導致壞賬增加及資產價值降低而影響本集團表現。</p>	<ul style="list-style-type: none"> • Regularly review forward looking indicators to identify economic conditions. 定期檢討前瞻性指標以識別經濟環境。
Credit risk 信貸風險	<p>Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.</p> <p>信貸風險為倘金融工具之客戶或交易對手於到期時未能履行其合約責任，本集團承受財務虧損之風險。</p>	<ul style="list-style-type: none"> • Fully understand customers and carry out credit quality assessment on customers before granting loans. 於授出貸款前全面了解客戶並對客戶進行信貸質素評估。 • Regularly monitor loans receivables and assess for their recoverability. 定期監察應收貸款及評核其可回收程度。 • Limit credit risk exposure by granting loan to any single customer of not more than 8% of the consolidated total assets of the Group. 透過向任何單一客戶授出不多於本集團綜合資產總值8%之貸款以限制信貸風險。 Make rental contracts with tenants with an appropriate credit history. 與擁有適當信貸往績之承租人訂立租約。

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PRINCIPAL RISKS AND UNCERTAINTIES

(Continued)

主要風險及不明朗因素(續)

Principal risks 主要風險	Description 內容	Mitigating actions 舒緩措施
Liquidity risk 流動資金風險	Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. 流動資金風險為本集團未能履行其到期之財務責任之風險。	<ul style="list-style-type: none"> Regularly monitor liquidity and statement of financial position. 定期監察流動資金及財務狀況表。 Maintain appropriate liquidity to cover commitments. 保留適當流動資金兌現承諾。 Limit liquidity risk exposure by investing only in securities listed on stock exchanges. 透過僅投資於交易所上市證券限制流動資金風險。 Ensure acceptable and appropriate finance in place, or believed to be available before committing investment projects. 承擔投資項目前確保已有或將有可接受及適當資金。
Price risk 價格風險	Price risk is the risk that changes in equity prices will affect the Group's income and the value of its holdings of equities. 價格風險為將影響本集團收入及其所持股票價值之股價變動之風險。	<ul style="list-style-type: none"> Regularly monitor equity portfolio to address any portfolio issues promptly. 定期監察股票投資組合以即時處理任何投資組合問題。 Spread price risk exposure by investing a number of equities. 投資多個股票以分散價格風險。
Exchange risk 匯兌風險	Exchange risk is the risk that changes in foreign exchange rates will affect the Group's income and the value of its holdings of assets. 匯兌風險為將影響本集團收入及其所持資產價值之外匯匯率變動之風險。	<ul style="list-style-type: none"> Closely monitor statement of financial position and cashflow exchange risk exposures and where considered appropriate use financial instruments, such as forward exchange contracts, foreign currency options and forward rate agreements, to hedge this exchange risk. 密切監察財務狀況表及現金流匯兌風險，並在其認為適用的情況下使用金融工具(如遠期外匯合約、外匯期權及遠期利率協議)對沖該匯兌風險。
People risk 人事風險	People risk is the risk of loss the services of any directors, senior management and other key personnel which could have a material adverse effect on the Group's businesses. 人事風險為任何董事、高級管理人員及其他主要人員終止服務可能對本集團業務造成重大不利影響之風險。	<ul style="list-style-type: none"> Provide competitive reward and benefit packages that ensure our ability to attract and retain the employees we need. 提供有競爭力之獎勵及福利待遇以確保本集團有能力吸引及挽留所需之人才。 Ensure that the staff of the Group has the right working environment to enable them to do the best job possible and maximise their satisfaction at work. 確保本集團之員工有合適之工作環境以令員工盡最大可能做好工作及令工作滿意度最大化。

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

主要風險及不明朗因素(續)

Principal risks 主要風險	Description 內容	Mitigating actions 舒緩措施
Legal and regulatory risk 法律及監管風險	<p>Legal and regulatory risk is the risk that a breach of laws and regulations could lead to litigation, investigations or disputes, resulting in additional costs being incurred, civil and/or criminal proceedings and reputational damage.</p> <p>法律及監管風險為違反法律及法規可能引致訴訟、調查或糾紛、產生額外成本、民事及／或刑事程序及名聲損害之風險。</p>	<ul style="list-style-type: none"> • Monitor changes and developments in the regulatory environment and ensure that sufficient resources being made available to implement any required changes. 監察規管環境之變動及發展並確保可用之資源足以實施任何規定之變動。 • Seek legal or other specialist advice as appropriate. 適當時尋求法律或其他專業人士意見。

COMPLIANCE WITH LAWS AND REGULATIONS

遵守法律及法規

The Group recognises the importance of compliance with the relevant laws and regulations that have a significant impact on its principal activities and the risk of non-compliance with such laws and regulations could lead to litigation, investigations or disputes, resulting in additional costs being incurred, civil and/or criminal proceedings and reputational damage.

本集團確認遵守相關法律及法規對其主要業務之重要性，不遵守該等法律及法規可能引致訴訟、調查或糾紛、產生額外成本、民事及／或刑事程序及名聲損害。

During the year, the Group has complied with (i) the Money Lenders Ordinance and the Money Lenders Regulations for its money lending business, and (ii) the Urban and Rural Planning Law of the People's Republic of China and the Construction Law of the People's Republic of China for the development of the Subject Land in Mainland China.

年內，本集團已(i)就其於借貸業務遵守放債人條例及放債人規例；及(ii)就於中國內地之主體地塊之發展遵守中華人民共和國城鄉規劃法及中華人民共和國建築法。

CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the “**Board**”) is committed to maintaining a high standard of corporate governance, in line with the principles of the code provisions of the Corporate Governance Code (the “**Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

In the opinion of the Board, the Company had complied with the Code throughout the year ended 31 December 2017, except for:

- (a) the roles of the Chairman and the Chief Executive Officer are not segregated and are exercised by the same individual; and
- (b) the non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election pursuant to the Company’s bye-laws.

The Board as a whole is responsible for performing the corporate governance duties. The Board periodically reviews and improves the corporate governance practices and standards of the Company with a view to continuously improve the Company’s corporate governance practices by assessing their effectiveness with evolving standards to meet changing circumstances and needs.

The Board has reviewed and monitored the Company’s corporate governance practices and standards on compliance with legal and regulatory requirements and the training and continuous professional development of directors. The Board has also reviewed the Company’s compliance with the Code and disclosure in the corporate governance report.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 of the Listing Rules for securities transactions by the directors of the Company. Having made specific enquiry by the Company, all directors have confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2017.

企業管治常規

本公司董事會(「董事會」)致力維持良好之企業管治水平，符合香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載企業管治守則(「守則」)之守則條文之原則。

董事會認為，本公司於截至二零一七年十二月三十一日止整個年度內一直遵守守則，惟下述者除外：

- (a) 主席與行政總裁之角色沒有分開，並由同一人擔任；及
- (b) 本公司非執行董事之委任並無指定任期，惟須根據本公司之公司細則輪值告退及膺選連任。

全體董事會負責履行企業管治職責。董事會定期檢討及改善本公司之企業管治常規及標準，通過不斷演變以迎合不斷改變之情況及需要之守則，來評估其有效性，從而不斷改善本公司之企業管治常規。

董事會檢討及監督本公司的企業管治常規及符合法律與監管要求之標準，以及董事的培訓與持續專業發展。董事會亦檢討本公司就守則方面遵守及企業管治報告之披露。

董事證券交易

本公司已就本公司董事進行證券交易採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「標準守則」)。本公司作出具體查詢後，全體董事已確認，彼等於截至二零一七年十二月三十一日止年度內一直遵守標準守則所載之規定標準。

FINANCIAL REPORTING

The Board is responsible for presenting a balanced, clear and understandable assessment of the Company's annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements.

The directors acknowledge that it is their responsibilities for preparation of the consolidated financial statements of the Group and ensure that the consolidated financial statements are in accordance with statutory requirements and applicable financial reporting standards. The directors also ensure that the timely publication of the consolidated financial statements of the Group.

The directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquires, 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.

The Company engaged HLB Hodgson Impey Cheng Limited as its auditors for the year ended 31 December 2017. The statement by HLB Hodgson Impey Cheng Limited regarding their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditors' Report on pages 87 to 97 of the annual report.

BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic direction and financial performance. The management, consisting of executive directors along with other senior executives, is delegated the authority and responsibility by the Board for the management of the Group. In addition, the Board has also delegated various responsibilities to four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Finance Committee, to assist the Board in discharging its duties and to oversee particular aspects of the Group's activities.

財務報告

董事會負責對本公司年度及中期報告、內幕消息公佈，以及上市規則及其他監管規定之其他披露事項作出持平、清晰及易明之評估。

董事確認編製本集團綜合財務報表乃彼等之責任，並確保綜合財務報表遵守法律規定及適用財務報告準則。董事亦確保適時刊發本集團之綜合財務報表。

就董事經作出一切合理查詢後所深知、盡悉及確信，彼等並不知悉任何有關可能對本公司持續經營能力造成重大質疑之重大不明朗因素。

本公司已委聘國衛會計師事務所有限公司為本集團截至二零一七年十二月三十一日止年度之核數師。國衛會計師事務所有限公司就彼等對本集團綜合財務報表之申報責任載於年報第87至97頁之獨立核數師報告內。

董事會

董事會負責領導及控制本公司，並監督本集團之業務、策略性方向及財務表現。董事會已授予管理層(包括執行董事及其他高級行政人員)權力及責任管理本集團。此外，董事會亦將不同責任授予四個委員會(即審核委員會、薪酬委員會、提名委員會及財務委員會)，以協助董事會履行其職責及監督本集團活動之特定範疇。

BOARD OF DIRECTORS (Continued)

Decisions on important matters are specifically reserved to the Board while decisions on the Group's general operations are delegated to the management. Important matters include those affecting the Group's strategic policies, major investment and funding decisions and major commitments relating to the Group's operations.

The day-to-day management of the Group is delegated to the management. This delegation of authority includes responsibility for developing and formulating business plans and budgets of the Group for the Board's approval, operating the Group's businesses within the parameters set by the Board, keeping the Board informed of material developments of the Group's businesses, identifying and managing operation and other risk and implementing the policies and processes approved by the Board.

The composition of the Board reflects the necessary balance skills and experience desirable for effective leadership of the Company and independence in decision-making.

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Lei Hong Wai
(Chairman and Chief Executive Officer)
Mr. Cheung Kwok Wai Elton
Mr. Chan Kin Wah Billy
Mr. Cheung Kwok Fan

Independent non-executive directors:

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

Biographical information of the directors as at the date of this report are set out in the Biographical Details of Directors on pages 84 to 86 of the annual report.

Save and except for (i) Mr. Cheung Kwok Wai Elton and Mr. Cheung Kwok Fan are brothers, and (ii) each of Mr. Lei Hong Wai, Mr. Cheung Kwok Wai Elton and Mr. Cheung Kwok Fan beneficially owns 50%, 25% and 25% respectively in the issued share capital of Twin Success International Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, there is no relationship between members of the Board.

董事會(續)

重要事宜之決策特定由董事會作出，而本集團一般營運之決策則交由管理層作出。重要事宜包括對本集團之策略性政策、主要投資及融資決定，以及對其他有關本集團營運主要承擔構成影響之事宜。

管理層獲授權負責本集團之日常管理。該等授權包括負責發展及制定本集團之業務計劃及預算以供董事會批准、在董事會定下之範圍內經營本集團業務、向董事會提供本集團業務重大發展之最新資料、確定及管理營運及其他風險，並實行董事會批准之政策及程序。

董事會之組成反映其有效領導本公司及保持決策獨立性而具備適當所需均衡技巧及經驗。

年內及截至本報告日期，本公司董事如下：

執行董事：

李雄偉先生
(主席兼行政總裁)
張國偉先生
陳健華先生
張國勳先生

獨立非執行董事：

尹成志先生
吳向仁先生
黃德銓先生

於本報告日期之董事履歷資料載於年報第84至86頁「董事履歷詳情」一節內。

除(i)張國偉先生及張國勳先生為兄弟及(ii)李雄偉先生、張國偉先生及張國勳先生分別於本公司之主要股東(定義見證券及期貨條例第XV部)Twin Success International Limited之已發行股本實益擁有50%、25%及25%外，各董事會成員概無關係。

BOARD OF DIRECTORS (Continued)

The Company Secretary of the Company is responsible to keep minutes of all Board and committee meetings. Draft minutes are normally circulated to the directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

The directors are able, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses. The Board shall resolve to provide separate appropriate independent professional advice to the directors to assist the relevant directors to discharge their duties.

The Company prepares a monthly update on the Group's performance and position to all directors to enable the Board as a whole and each director to discharge their duties and responsibilities.

During the year ended 31 December 2017, the Board at all times met the requirements Rules 3.10(1) and (2), and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive directors (representing not less than one-third of the Board) with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

For a director to be considered independent, that director should not have any direct or indirect material interest in the Group. In determining the independence of directors, the Board follows the requirements set out in the Listing Rules. The Company has received from each of the independent non-executive directors an annual written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules in respect of the year ended 31 December 2017. The Company considers all of the independent non-executive directors are independent. No independent non-executive director has served the Company for more than nine years.

The directors are fully insured under the directors' and officers' liability insurance policy for indemnification against costs, charges, losses, expenses and liabilities that may be incurred by them in the execution and discharge of their duties.

董事會(續)

本公司之公司秘書負責就所有董事會及委員會會議之會議記錄存檔。會議記錄草稿一般於各會議後一段合理時間內向董事傳閱以收集意見，最終版本將公開以供董事審閱。

董事可於提出合理要求後，在適當情況下尋求獨立專業意見，費用由本公司承擔。董事會將議決向董事提供個別適當之獨立專業意見，以協助相關董事履行其職務。

本公司就本集團之表現及狀況為全體董事編製每月最新資料，以讓董事會整體及各董事履行其職務及職責。

截至二零一七年十二月三十一日止年度內，董事會一直遵守上市規則第3.10(1)及(2)條，以及第3.10A條有關委任最少三名獨立非執行董事(佔董事會人數不少於三分之一)而最少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專長之規定。

董事不得於本集團擁有任何直接或間接重大權益，方被視為獨立。於釐定董事之獨立性時，董事會遵從上市規則載列之規定。本公司已收到各獨立非執行董事根據上市規則第3.13條所發出有關其於截至二零一七年十二月三十一日止年度之獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。概無獨立非執行董事服務本公司超過九年。

董事乃受董事及高級人員之責任保險全面保障，以向董事們在執行及履行彼等之職務時而產生之成本、費用、損失、開支及責任作出賠償。

BOARD OF DIRECTORS (Continued)

The directors are committed to complying with code provision A.6.5 of the Code on directors' training. All directors have participated in continuous professional development and provided a record of training they received for the year ended 31 December 2017 to the Company.

A summary of training received by the directors during the year ended 31 December 2017 is as follows:

		Types of training 培訓類型 (Note 1) (附註1)	Subject of training 培訓主題 (Note 2) (附註2)
Executive directors:	執行董事：		
Mr. Lei Hong Wai	李雄偉先生	1	A & B
Mr. Cheung Kwok Wai Elton	張國偉先生	1	A & B
Mr. Chan Kin Wah Billy	陳健華先生	1 & 2	A, B & C
Mr. Cheung Kwok Fan	張國勳先生	1	A & B
Independent non-executive directors:	獨立非執行董事：		
Mr. Wan Shing Chi	尹成志先生	1	A & B
Mr. Ng Heung Yan	吳向仁先生	1	A & B
Mr. Wong Tak Chuen	黃德銓先生	1 & 2	A, B & C

Note 1:

- 1: Relevant reading, television programmes or webcasts
- 2: Courses, seminars or workshops

Note 2:

- A: Corporate governance and regulatory
- B: Risk management and internal control, and ESG reporting
- C: Financial reporting

On 15 December 2017, the Chairman of the Board held meeting with the independent non-executive directors, without the presence of the executive directors.

BOARD DIVERSITY POLICY

During the year, the Board adopted a board diversity policy setting out the approach to achieve diversity on the Board. The Company considers diversity of board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

董事會(續)

董事已承諾遵守董事培訓守則之守則條文第A.6.5條。全體董事已參與持續專業發展，並向本公司提供彼等於截至二零一七年十二月三十一日止年度接受培訓之記錄。

截至二零一七年十二月三十一日止年度，董事接受之培訓概要如下：

		Types of training 培訓類型 (Note 1) (附註1)	Subject of training 培訓主題 (Note 2) (附註2)
Executive directors:	執行董事：		
Mr. Lei Hong Wai	李雄偉先生	1	A & B
Mr. Cheung Kwok Wai Elton	張國偉先生	1	A & B
Mr. Chan Kin Wah Billy	陳健華先生	1 & 2	A, B & C
Mr. Cheung Kwok Fan	張國勳先生	1	A & B
Independent non-executive directors:	獨立非執行董事：		
Mr. Wan Shing Chi	尹成志先生	1	A & B
Mr. Ng Heung Yan	吳向仁先生	1	A & B
Mr. Wong Tak Chuen	黃德銓先生	1 & 2	A, B & C

附註1：

- 1： 相關讀物、電視節目或網絡廣播
- 2： 課程、研討會或工作坊

附註2：

- A： 企業管治及監管
- B： 風險管理及內部監控以及環境、社會及管治報告
- C： 財務報告

於二零一七年十二月十五日，董事會主席與獨立非執行董事舉行會議，而執行董事並無出席。

董事會多元化政策

年內，董事會採納董事會多元化政策，當中載列達致董事會多元化之方法。本公司認為董事會成員多元化可透過考慮多方面後達致，包括但不限於性別、年齡、文化及教育背景、專業經驗、技巧及知識。所有董事會委任均以用人唯才為原則，以客觀準則考慮人選，並已充分考慮董事會多元化之裨益。

BOARD DIVERSITY POLICY (Continued)

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the Code requires that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. During the year, Mr. Lei Hong Wai has taken up the roles of the Chairman of the Board and the Chief Executive Officer of the Company. Mr. Lei possesses essential leadership skills and has extensive experience in corporate management and business development. The Board is of the view that currently vesting the roles of the Chairman and the Chief Executive Officer in the same person provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies.

TERMS OF NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the Code requires that non-executive directors should be appointed for a specific term, subject to re-election. All non-executive directors of the Company are not appointed for a specific term, but are subject to retirement from office by rotation and re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting, one-third of the directors for the time being, (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every director shall be subject to retirement by rotation at least once every three years. As such, the Company considers that such provision is sufficient to meet the underlying objective of this code provision.

董事會多元化政策(續)

人選將根據一系列多元化之觀點與角度挑選，包括但不限於性別、年齡、文化及教育背景、專業經驗、技巧及知識。最終決定將在考慮獲選人選將為董事會帶來之好處及貢獻而作出。

主席及行政總裁

守則之守則條文第A.2.1條規定主席與行政總裁之角色應有區分，不應由同一人同時兼任。年內，李雄偉先生擔任本公司董事會主席及行政總裁。李先生具備重要領導技巧，並於企業管理及業務發展方面具有豐富經驗。董事會認為，目前由同一人擔任主席及行政總裁之角色可為本集團提供穩固及貫徹一致之領導，並使長遠業務策略之業務策劃、決策及執行更為有效。

非執行董事之任期

守則之守則條文A.4.1條規定，非執行董事之委任應有指定任期，並須接受重選。本公司所有非執行董事並非按指定任期委任，惟均須根據本公司之公司細則規定輪值告退及膺選連任。倘各董事須最少每三年輪席告退一次，於每屆股東週年大會上，當時董事之三分之一（或倘人數並非三之倍數，則為最接近但不少於三分之一之數）則須輪值告退。因此，本公司認為該等規定足以符合此守則條文之相關目標。

BOARD COMMITTEES

The Board has established four committees with clearly defined written terms of reference. The main roles and responsibilities of these committees, including all authorities delegated to them by the Board, as set out in the terms of reference, are published on the websites of the Company and the Stock Exchange. The independent views and recommendations of the four committees ensure proper control of the Group and the continual achievement of the high corporate governance standards expected of a listed company. The chairman of each committee reports the outcome of the committee's meetings to the Board for further discussions and approvals.

The majority of the members of each board committees are independent non-executive directors. The board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

Remuneration Committee

The Remuneration Committee comprises two independent non-executive directors, namely Mr. Ng Heung Yan and Mr. Wan Shing Chi, and one executive director, namely Mr. Lei Hong Wai. Mr. Ng Heung Yan is the chairman of the Remuneration Committee.

The Remuneration Committee is mainly responsible for making recommendations to the Board on the Company's policy and structure for all directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy and ensuring that no director or any of his associates will involve in deciding his own remuneration. The Remuneration Committee makes recommendations to the Board on the remuneration packages, including benefits in kind, pension rights and compensation payments, of individual executive directors and senior management.

During the year ended 31 December 2017, the Remuneration Committee held two meetings to review and discuss the remuneration structure and packages of each executive directors and the discretionary bonuses of the executive directors for making recommendations to the Board for approval.

董事委員會

董事會已成立以書面具體列明職權範圍之四個委員會。該等委員會之主要職責及責任(包括所有獲董事會授予之權力)載於職權範圍內,刊登於本公司及聯交所網站。四個委員會之獨立觀點及建議確保妥善控制本集團及持續達致預期上市公司應有之高企業管治水平。各委員會之主席向董事會報告委員會會議之結果,以供進一步討論及批准。

各董事委員會之大部分成員為獨立非執行董事。董事委員會提供充足資源以履行彼等之責任,並應合理要求,可在適當情況下尋求獨立專業意見,費用由本公司承擔。

薪酬委員會

薪酬委員會由兩名獨立非執行董事吳向仁先生及尹成志先生,以及一名執行董事李雄偉先生組成。吳向仁先生為薪酬委員會主席。

薪酬委員會主要負責就本公司董事及高級管理人員之全體薪酬政策及架構及就設立正規而具透明度之程序制訂薪酬政策,向董事會提出建議,並確保任何董事或其任何聯繫人士不得參與決定其本身之薪酬。薪酬委員會就個別執行董事及高級管理人員之薪酬待遇,包括實物福利、退休金權利及賠償款項,向董事會提出建議。

於截至二零一七年十二月三十一日止年度內,薪酬委員會就檢討及討論每位執行董事之薪酬架構及待遇,以及執行董事之酌情花紅,已舉行兩次會議,並向董事會作出建議以供審批。

BOARD COMMITTEES (Continued)

Nomination Committee

The Nomination Committee comprises one executive director, namely Mr. Lei Hong Wai, and two independent non-executive directors, namely Mr. Wan Shing Chi and Mr. Ng Heung Yan. Mr. Lei Hong Wai is the chairman of the Nomination Committee.

The Nomination Committee is mainly responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board, identifying potential directors and making recommendations to the Board on the appointment or re-appointment of directors.

The Nomination Committee leads the process and makes recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in light of challenges and opportunities facing the Company, as well as business development and requirements of the Company. In evaluating and selecting candidate(s) for directorship, the Nomination Committee considers the character and integrity, skill and expertise, professional and educational background, potential time commitment for the Board and/or committee responsibilities, and the elements of the Board Diversity Policy etc. The Nomination Committee makes recommendation to the Board to appoint the appropriate person among the candidates nominated for directorship. Suitable candidate(s) shall be appointed by the Board in accordance with the Company's bye-laws and the Listing Rules.

During the year ended 31 December 2017, the Nomination Committee held one meeting to review the structure, size and composition of the Board.

Finance Committee

The Finance Committee comprises one executive director, namely Mr. Chan Kin Wah Billy, and one independent non-executive director, namely Mr. Wong Tak Chuen. Mr. Chan Kin Wah Billy is the chairman of the Finance Committee.

The Finance Committee is mainly responsible for reviewing and approving banking facilities and financial instruments to be granted or issued by the Company for the Group's needs and the provision of corporate guarantees by the Company for its subsidiaries and associates.

董事委員會(續)

提名委員會

提名委員會由一名執行董事李雄偉先生，以及兩名獨立非執行董事尹成志先生及吳向仁先生組成。李雄偉先生為提名委員會主席。

提名委員會主要負責檢討董事會之架構、人數及組成(包括技能、知識及經驗)，物色潛在董事及就委任或重新委任董事向董事會提出建議。

提名委員會於需要額外委任董事或填補董事空缺時，會因應本公司面對之挑戰及機遇，以及在配合本公司之業務發展及需要下，作出領導及就委任向董事會提出建議。於評估及挑選董事人選時，提名委員會會考慮其品格及誠信；技能及專長；專業及教育背景；就履行董事會及／或委員會職責承諾能投放之時間；以及董事會多元化政策之元素等。提名委員會就在董事之候選名單中挑選合適人選向董事會提供建議。董事會根據本公司之公司細則及上市規則，委任合適之人士。

於截至二零一七年十二月三十一日止年度內，提名委員會已就檢討董事會之架構、人數及組成舉行一次會議。

財務委員會

財務委員會由一名執行董事陳健華先生，以及一名獨立非執行董事黃德銓先生組成。陳健華先生為財務委員會主席。

財務委員會主要負責檢討及審批本公司就本集團需要將授出或發行之銀行融資及金融工具，以及本公司為其附屬公司及聯營公司提供之公司擔保。

BOARD COMMITTEES (Continued)

Finance Committee (Continued)

During the year ended 31 December 2017, the Finance Committee held three meetings to review and approve the loans granted to the Group by a finance company.

Audit Committee

The Audit Committee comprises three independent non-executive directors, namely Mr. Wong Tak Chuen, Mr. Wan Shing Chi and Mr. Ng Heung Yan. Mr. Wong Tak Chuen is the chairman of the Audit Committee.

The main responsibilities of the Audit Committee are to monitor the financial reporting process of the Company and to review the Company's financial control, and risk management and internal control systems. It also governs the engagement of external auditors and its performance. The Audit Committee meets regularly with at least two meetings annually. It also has separate meeting with the Company's external auditors at least once a year with the absence of the management.

During the year ended 31 December 2017, the Audit Committee discussed with the external auditors the nature, timing and extent of the audit work prior to the commencement of audit. The Audit Committee reviewed with the external auditors the annual report for 2016, the audited consolidated financial statements of the Group for the year ended 31 December 2016, the interim report for 2017 and the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2017 before their submission to the Board for approval. It also reviewed the review reports on risk management and internal control systems of the Group. The Audit Committee discussed with the Group's risk management and internal control systems with the executive directors to ensure the executive directors have performed their duties to have effective systems. The Audit Committee also discussed with the management and the external auditors the accounting policies and practices which might affect the Group and financial reporting matters.

At the meeting held on 23 March 2018, the Audit Committee concluded that it was satisfied with its review of the audit fee, process and effectiveness, independence and objectivity of HLB Hodgson Impey Cheng Limited. The Audit Committee has therefore recommended to the Board that HLB Hodgson Impey Cheng Limited be re-appointed as the Company's auditors at the annual general meeting in 2018.

董事委員會(續)

財務委員會(續)

於截至二零一七年十二月三十一日止年度內，財務委員會已就審閱及批准由一家財務公司授予本集團之貸款舉行三次會議。

審核委員會

審核委員會由三名獨立非執行董事黃德銓先生、尹成志先生及吳向仁先生組成。黃德銓先生為審核委員會主席。

審核委員會之主要責任為監察本公司之財務報告程序，以及檢討本公司之財務監控、風險管理及內部監控系統。審核委員會亦管理外聘核數師之委聘及其表現。審核委員會每年定期會面最少兩次，亦會在管理層缺席之情況下，每年與本公司之外聘核數師會面最少一次。

於截至二零一七年十二月三十一日止年度內，審核委員會於開始審核前已與外聘核數師討論審核工作的性質、時間及範圍。審核委員會已於呈交董事會以取得批准前，與外聘核數師審閱二零一六年年報、本集團截至二零一六年十二月三十一日止年度之經審核綜合財務報表、二零一七年年報及本集團截至二零一七年六月三十日止六個月之未經審核簡明綜合財務報表。審核委員會亦審閱本集團風險管理及內部監控系統之審閱報告，及與本集團執行董事討論風險管理及內部審核控制系統，以確保執行董事履行職責以達成有效之系統。審核委員會亦與管理層及外聘核數師討論可能影響本集團及財務報告事宜之會計政策及常規。

於二零一八年三月二十三日舉行之會議上，審核委員會確認信納對國衛會計師事務所有限公司之核數費用、程序及有效性、獨立性及客觀性進行之檢討。審核委員會因此向董事會建議於二零一八年股東週年大會上重新委任國衛會計師事務所有限公司為本公司之核數師。

ATTENDANCE RECORDS AT MEETINGS

The attendance records of each director at the various meetings of the Company during the year ended 31 December 2017 are set out as below:

		Annual general meeting 股東週年 大會	Special general meeting 股東特別 大會	Attended/Eligible to Attend 已出席/合資格出席				
				Board meetings 董事會 會議	Remuneration Committee meetings 薪酬委員會 會議	Nomination Committee meeting 提名委員會 會議	Audit Committee meetings 審核委員會 會議	Finance Committee meetings 財務委員會 會議
Number of meetings	會議次數	1	1	44	2	1	3	3
Executive directors:	執行董事：							
Mr. Lei Hong Wai	李雄偉先生	1/1	1/1	44/44	2/2	1/1	N/A 不適用	N/A 不適用
Mr. Cheung Kwok Wai Elton	張國偉先生	1/1	1/1	43/44	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Chan Kin Wah Billy	陳健華先生	1/1	0/1	41/44	N/A 不適用	N/A 不適用	N/A 不適用	3/3
Mr. Cheung Kwok Fan	張國勳先生	1/1	0/1	39/44	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Independent non-executive directors:	獨立非執行董事：							
Mr. Wan Shing Chi	尹成志先生	1/1	1/1	40/44	2/2	1/1	3/3	N/A 不適用
Mr. Ng Heung Yan	吳向仁先生	1/1	1/1	40/44	2/2	1/1	3/3	N/A 不適用
Mr. Wong Tak Chuen	黃德銓先生	1/1	1/1	43/44	N/A 不適用	N/A 不適用	3/3	3/3

COMPANY SECRETARY

Mr. Chan Kin Wah Billy has been the Company Secretary of the Company since 31 January 2005. He is also an executive director of the Company. The biographical information of Mr. Chan are set out in the Biographical Details of Directors on page 85 of the annual report. During the year, Mr. Chan undertook not less than 15 hours of relevant professional training.

INDEPENDENT AUDITORS' REMUNERATION

During the year, the Company engaged HLB Hodgson Impey Cheng Limited to perform audit services and non-audit services and incurred audit services fees of HK\$1,069,000 and non-audit services fees of HK\$445,000. The non-audit services consist of taxation services, interim review and reporting accountant services in relation to a notifiable transaction. The Company also engaged four audit firms to perform audit services and non-audit services for certain subsidiaries established in Mainland China and incurred audit services fees of HK\$39,000 and non-audit services fees of HK\$22,000. The non-audit services consist of issuance of capital verification reports and annual inspection services.

會議出席紀錄

於截至二零一七年十二月三十一日止年度內，各董事於本公司多個會議之出席紀錄載列如下：

公司秘書

陳健華先生自二零零五年一月三十一日起出任本公司之公司秘書，彼亦為本公司之執行董事。陳先生之履歷資料載於年報第85頁「董事履歷詳情」一節內。年內，陳先生參加不少於15小時之相關專業培訓。

獨立核數師酬金

年內，本公司委聘國衛會計師事務所有限公司進行核數服務，以及非核數服務，並產生核數服務費1,069,000港元及非核數服務費445,000港元。非核數服務包括稅務服務、中期審閱及就一項須予公佈交易提供之申報會計師服務。本公司亦曾聘請四家核數師，為於中國內地成立之若干附屬公司進行核數服務及非核數服務，並產生核數服務費39,000港元及非核數服務費22,000港元。非核數服務費包括出具資本驗證報告及年度審閱服務。

RISK MANAGEMENT AND INTERNAL CONTROL

As with all businesses, the Group is exposed to risks and uncertainties in pursuit of its strategic and business objectives. The Board acknowledges that it has overall responsibility for the Group's risk management and internal control systems and for reviewing their effectiveness.

However, due to inherent limitations of any system of risk management and internal control, it should be noted that the risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve its strategic and business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

In view of each business units being actively managed by the executive directors, all the executive directors are responsible for monitoring that appropriate process and controls are in place to effectively and efficiently manage risks, so that the strategic and business objectives of the Group can be met. Principal risks are identified by assessing the possible effects on the Group's reputation, stakeholders, earnings, capital and liquidity, and the future sustainability of the Group business. They are closely monitored and overseen by the executive directors on a regular basis. Risk information is communicated to employees, who have a responsibility to co-operate with the executive directors' initiatives and to carry out their duties avoiding excessive risk.

The Group's risk management and internal control systems include the following:

- (a) A code of business conduct and ethics that requires all directors and employees of the Group to maintain the basic standards of ethical and legal behavior in conducting business.
- (b) A risk management process which enables identification and assessment of risks that could impact on the achievement of agreed strategic and business objectives, and ensures that appropriate mitigating measures and controls are put in place.

風險管理及內部監控

誠如所有業務般，本集團於實現其策略及業務目標時面臨風險及不確定因素。董事會確認，其對本集團之風險管理及內部監控系統以及檢討其有效性承擔全部責任。

然而，由於任何風險管理及內部監控系統均有固有限制，務須注意本集團之風險管理及內部監控系統旨在管理而並非消除導致未能實現其策略及業務目標之風險，並僅提供合理及並非絕對保證防止重大錯誤或損失。

鑑於各業務單位由執行董事積極地管理，所有執行董事負責監察適當流程及監控措施，以有效地管理風險，從而達致本集團策略及業務目標。主要風險乃透過評估可能對本集團之聲譽、持份者、收益、資本及資金流動性，以及本集團業務未來可持續性之影響予以識別。執行董事會定期密切監察及監督主要風險。風險資料應傳達予僱員，僱員有責任配合執行董事所提倡之建議，並執行其職責以避免過高風險。

本集團之風險管理及內部監控系統包括以下各項：

- (a) 商業操守及道德守則規定本集團所有董事及僱員於進行業務時維持基本標準道德及法律行為。
- (b) 風險管理程序能夠識別及評估可能影響實現已協定之策略及業務目標之風險，並確保採取合適緩和及監控措施。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

- (c) Clearly defined organisational structure, with defined authority limits and reporting mechanisms to the Board.
- (d) A comprehensive set of policies and procedures relating to operational and financial controls, including capital expenditure.
- (e) A comprehensive system of financial reporting.
- (f) An annual review of the adequacy and effectiveness of the Group's risk management and internal control systems.

As the Company does not have an internal audit function, the Audit Committee engaged Infinity Assurance Limited, an independent firm of Certified Public Accountants, to carry out an independent review on the adequacy and effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2017. The independent review covered all material controls, including financial, operational and compliance controls, and risk management functions of the Group. The review reports from Infinity Assurance Limited were presented to and reviewed by the Audit Committee and the Board. No material internal control defects were found. Accordingly, the Board, in conjunction with the Audit Committee, considers that the Group's risk management and internal control systems were adequate and effective.

The Board reviewed the need for internal audit function, but has decided that because of the size of the Group it cannot be justified at present. The Board will review this decision annually.

The Board also reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting functions.

The Company has adopted the Policy and Procedures on Disclosure of Inside Information which contains the guidelines to the directors and all the relevant employees of the Group to ensure that the inside information of the Company is to be disseminated to the public in an equal and timely manner in accordance with the applicable laws and regulations.

風險管理及內部監控(續)

- (c) 清楚定義組織架構，包括明確界定權限及向董事會報告之機制。
- (d) 一套有關營運與財務監控(包括資本開支)之完善政策及程序。
- (e) 完善財務報告系統。
- (f) 對本集團風險管理及內部監控系統之充足性及有效性作出之年度審查。

由於本公司無內部審核職能，審核委員會委聘一家獨立執業會計師事務所捷耀會計師事務所有限公司對本集團截至二零一七年十二月三十一日止年度之風險管理及內部監控系統之充足性及有效性進行獨立審查。獨立審查涵蓋本集團所有重大監控，包括財務、營運及合規監控，以及風險管理職能。捷耀會計師事務所有限公司之審查報告已提交予審核委員會及董事會審閱，並無發現重大內部監控缺陷。因此，董事會及審核委員會聯合認為本集團之風險管理及內部監控系統屬適充分及有效。

董事會審查內部審核職能之必要性，但已決定由於本集團之規模，目前未能合理化。董事會將按年檢討該決定。

董事會亦審查本集團會計及財務報告職能之資源、員工資格及經驗、培訓計劃及預算之充分性。

本公司已採納內幕消息披露政策及程序，其中載有給予本集團董事及所有相關僱員之指引，以確保本公司之內幕消息能以公平與及時之方式向公眾傳播，並遵守適用之法律與法規。

COMMUNICATION WITH SHAREHOLDERS

The Company reports to its shareholders twice a year. Interim and annual results are announced to keep shareholders informed of the Group's performance and operations. The general meetings of the Company provide an opportunity for direct communication between the shareholders and the Board. Shareholders are welcomed to raise any query in relation to the Group's businesses at the general meetings. The Chairman of the Board as well as the chairmen of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Finance Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board Committee, are available to answer questions at the general meetings. The Company's website which contains corporate information, interim and annual reports, announcements and circulars issued by the Company, enables the Company's shareholders to access information on the Group on a timely basis.

SHAREHOLDERS' RIGHTS

Shareholders holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisition to the Board or the Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition.

Any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders of the Company or not less than 100 shareholders can put forward any proposed resolution or the business to be dealt with at general meetings of the Company by depositing a requisition in writing together with a sum reasonably sufficient to meet the Company's relevant expenses at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The requisition must be signed by the relevant shareholder(s).

與股東之溝通

本公司每年向其股東報告兩次。公佈中期及年度業績以便股東得悉本集團表現及營運之資料。本公司股東大會提供一個股東與董事會直接溝通之機會。本公司歡迎股東於股東大會上就本集團之業務提出任何疑問。董事會主席，以及審核委員會、薪酬委員會、提名委員會及財務委員會之主席或(在彼等缺席之情況下)各委員會之其他成員及獨立董事委員會(如適用)將於股東大會上解答提問。本公司網站載有公司資料、中期報告及年報、本公司刊發之公佈及通函，使本公司股東可及時獲得本集團資料。

股東權利

持有附帶權利於本公司股東大會上投票之本公司已繳股本不少於十分之一之股東，有權向董事會及本公司之公司秘書提出書面請求，要求董事會召開股東特別大會，以處理該請求中訂明之任何事項。

代表不少於所有本公司股東總投票權二十分之一之股東，或不少於100名股東之任何數目之股東，可將書面請求連同足以支付本公司相關開支之合理款額，存放於本公司之註冊辦事處，地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda，以提呈任何將於本公司股東週年大會上處理之決議案或事項。該請求須經相關股東簽署。

SHAREHOLDERS' RIGHTS (Continued)

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:

Unit 3811, Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong
Fax: (852) 2369 0981
Email: billy@eternityinv.com.hk

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

CONSTITUTIONAL DOCUMENTS

There was no change to the Company's bye-laws during the year. The Company's bye-laws is available on the websites of the Company and the Stock Exchange.

This report was approved by the Board on 28 March 2018 and signed on its behalf by:

Lei Hong Wai
Chairman

股東權利(續)

股東可隨時將其查詢及關注以書面形式送交公司秘書，向董事會提出，公司秘書之通訊詳情如下：

香港
干諾道中168-200號
信德中心西座3811室
傳真：(852) 2369 0981
電郵：billy@eternityinv.com.hk

股東亦可於本公司股東大會上向董事會作出查詢。

憲章文件

年內，本公司之公司細則概無變動。本公司之公司細則登載於本公司及聯交所之網站。

本報告於二零一八年三月二十八日獲董事會批准，並由以下人士代表簽署：

主席
李雄偉

Environmental, Social And Governance Report

環境、社會及管治報告

SCOPE AND REPORTING PERIOD

This report contains information and data on the environmental, social and governance performance of the Group during the year ended 31 December 2017.

This report has been prepared with reference to the Environmental, Social and Governance Reporting Guide as set in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Group is principally engaged in sale of financial assets, property investment, money lending, design and sale of jewelry products, and sale of precious stones. The design and sale of jewelry products business does not involve manufacturing of jewelry products. The manufacturing of the jewelry products is outsourced to subcontractors, who are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

ENVIRONMENTAL

Environmental Policy

The Group recognises that it has a responsibility to manage the impact of its business on the environment both now and in the future. The Group will use its best endeavours to conduct its operations in a manner that is environmentally responsible and sustainable.

The Group commits to:

- (a) meet or exceed all legal and regulatory requirements for environmental protection;
- (b) maintain awareness within the Group of the responsibility of the Group and its employees to ensure protection of the environment;
- (c) reuse, recycle and responsibly dispose of all electronic waste; and
- (d) purchase environmental preferable products and favoring products with reputable certifications or labels.

範圍及報告期

本報告載有本集團截至二零一七年十二月三十一日止年度之環境、社會及管治表現資料及數據。

本報告乃參考香港聯合交易所有限公司證券上市規則(「上市規則」)附錄二十七所載之「環境、社會及管治報告指引」而編制。

本集團主要從事銷售金融資產、物業投資、借貸、設計及銷售珠寶產品，以及銷售寶石。設計及銷售珠寶產品業務不涉及製造珠寶產品。製造珠寶產品外判予獨立於本公司及其關聯人士(定義請見上市規則)之第三方分包商。

環境

環境政策

本集團意識到本集團有責任管理其業務對環境目前及未來之影響。本集團將竭盡所能以環保及可持續之方式進行其業務。

本集團致力於：

- (a) 達致或高於環境保護之所有法律及監管要求；
- (b) 保持本集團及其僱員對其確保環境保護責任的意識；
- (c) 重複使用、循環再用及負責任地棄置所有電子廢料；及
- (d) 購買環保優選產品，並偏好具有良好認證或標籤之產品。

ENVIRONMENTAL (Continued)

Use of Resources, the Environment and Natural Resources

As the Group is principally engaged in sale of financial assets, property investment, money lending, design and sale of jewelry products, and sale of precious stones, the Group requires limited natural resources to operate and does not produce any hazardous or non-hazardous wastes. Therefore, the Group has a relatively low environmental impact.

Emissions

The Group's direct environmental impact comes from its office premises, air travel and fuel consumed by owned motor vehicles. The Group continuously seeks ways to minimise the Group's environmental footprint and improve its energy saving, as well as reducing emissions.

環境(續)

資源、環境及天然資源之使用

由於本集團主要從事銷售金融資產、物業投資、借貸、設計及銷售珠寶產品，以及銷售寶石，本集團經營之業務所需之天然資源有限，且不產生任何有害或無害之廢料。因此，本集團對環境造成之影響較少。

排放物

本集團之直接環境影響來自其辦公室物業、航空差旅及擁有之汽車所消耗之燃油。本集團不斷尋求方法減低本集團之生態足印及改善其節能，以及減少排放物。

For the year ended
31 December
截至十二月三十一日止年度
2017 2016
二零一七年 二零一六年
CO₂ emissions in kg
以公斤計算之二氧化碳排放量

Source of greenhouse gas emissions	溫室氣體排放物來源		
– electricity (office premises)	– 電力(辦公室物業)	46,451	45,055
– air travel	– 航空差旅	73,820	54,030
– fuel consumed by owned motor vehicles	– 擁有之汽車所消耗之燃油	24,424	1,197
Total	總計	144,695	100,282

The following measures are taken by the Group to reduce emissions:

- (a) Communicating the importance of environmental issues to the Group's employees.
- (b) Purchasing environmental preferable products and favoring products with reputable certifications or labels.
- (c) Encouraging the use of public transportation to reduce the Group's employees' local travel impact.

本集團採取以下措施以減少排放物：

- (a) 向本集團僱員傳達環境議題之重要性。
- (b) 購買環保優選產品，並偏好具有良好認證或標籤之產品。
- (c) 鼓勵使用公共交通工具，以減少本集團僱員於當地差旅之影響。

SOCIAL

Employment and Labour Practices

Employment and Remuneration

The Group has a strong commitment to ensure that all its employees are treated fairly and that the Group provides equal opportunity both to existing employees and in its recruitment process. Merit is the primary basis for employment with the Group. All employees and applicants for employment should be treated and evaluated according to their job related skills, qualifications, abilities and aptitudes only.

The Group is committed to ensure that no employees or applicants are subjected to unlawful discrimination, either directly or indirectly, on grounds of a protected characteristic. This commitment applies to all aspects of employment, including recruitment and selection, training, promotion and career development opportunities, terms and conditions of employment, grievance handling and the application of disciplinary procedures, and selection for redundancy.

The Group seeks to consider employees from a wide range of backgrounds in its recruitment processes, and the Group does not tolerate any form of harassment or discrimination of employees with regards to race, gender, age, disability, sexual orientation or religion. Harassment and discrimination in the workplace in any form is unacceptable. The Group regards any actions by an employee that constitute harassment or discrimination as serious misconduct.

The Group has developed and implemented a competitive remuneration structure which is key for the Group to help attract, motivate and retain the best talent. In addition to basic salaries, the Mandatory Provident Fund and discretionary bonus, staff benefits include medical scheme and share options. The Group continually reviews its remuneration structure to ensure it remains attractive and competitive.

The Group has remained diverse, with 44% (2016: 43%) of its employees being women. The Group also employs a broad age range, with 24% (2016: 10%) of its employees under 30 years old and 15% (2016: 24%) above 50 years old.

社會

僱傭及勞工慣例

僱傭及薪酬

本集團致力確保其所有僱員獲公平待遇，而本集團向其現有僱員及於招聘過程中提供平等機會。僱用之主要基準為對本集團之好處。所有僱員及求職者應僅根據彼等之工作相關技能、資格、能力及才能而獲對待及評估。

本集團致力於確保概無僱員或求職者因受保障特徵而直接或間接遭受非法歧視。該承諾適用於僱傭之所有方面，包括招聘及甄選、培訓、晉升及職業發展機會、僱傭條款及條件、申訴處理及施行紀律程序及選擇裁員。

本集團務求於其招聘過程中考慮僱員多方面之背景，本集團不容許對僱員有任何有關種族、性別、年齡、殘疾、性取向或宗教之騷擾或歧視行為。於工作場所之任何騷擾或歧視行為均不能接受。本集團將僱員作出之任何構成騷擾或歧視之行動視為嚴重不當行為。

本集團已制定並實施有競爭力之薪酬架構，此乃幫助本集團吸引、激勵及保留最佳人才之關鍵。除基本薪金、強制性公積金及酌情花紅外，僱員福利包括醫療計劃及購股權。本集團不斷審查其薪酬架構，確保其維持吸引力與競爭力。

本集團保持多元化，其中44%（二零一六年：43%）之僱員為女性。本集團亦僱用廣泛之年齡層，其中24%（二零一六年：10%）之僱員為年齡30歲以下，而15%（二零一六年：24%）之僱員為年齡50歲以上。

SOCIAL (Continued)

Employment and Labour Practices (Continued)

Health and Safety

The Group is committed to the health and safety of all employees. The Group will work to eliminate hazardous practices and behaviour, which could cause accidents, injuries or illness to employees, visitors and the general public. The Group strives to have injury free workplaces. The primary goal is to assist in providing a safe and healthy workplace environment for the Group's employees and visitors.

The objectives of the Group in ensuring health and safety are to:

- (a) comply with all relevant statutory obligations;
- (b) provide adequate resources to establish and maintain safe systems of work;
- (c) maintain health and safety competency and integrate health and safety requirements in all aspects of business;
- (d) ensure all incidents are reported and thoroughly investigated with a view to preventing a similar injury occurring; and
- (e) promote a positive health and safety culture that is based on the principle that all incidents can be prevented.

All managers and contractors are accountable for health and safety performance in their areas. All employees are required to follow rules for safe and healthy operations, report hazards to their managers and must always report any injuries that occur to either themselves or others.

During the year, there has been no reportable hazardous incident (2016: Nil).

社會(續)

僱傭及勞工慣例(續)

健康及安全

本集團以所有僱員之健康安全為己任。本集團將努力消除可能造成僱員、訪客及公眾事故、傷害或疾病之危險做法及行為。本集團力保無傷害工作場所。主要目標是協助為本集團僱員及訪客提供安全及健康之工作環境。

本集團確保健康安全之目標為：

- (a) 遵守所有相關法定義務；
- (b) 提供充足資源，以建立及維持安全之工作制度；
- (c) 保持健康安全能力，並在業務之所有方面納入健康安全要求；
- (d) 確保所有事故得以報告並徹底調查以防止類似之傷害發生；及
- (e) 基於可防止所有事故之原則，促進積極之健康安全文化。

所有經理及承包商均對彼等所在地區之健康安全績效負責。所有僱員均須遵守安全及健康操作之規則，向其經理報告危險，並須報告自身或他人發生之任何傷害。

年內，概無可匯報之危險事件(二零一六年：無)。

SOCIAL (Continued)

Employment and Labour Practices (Continued)

Training and Development

The training and development of the Group's employees is key to employee retention, and ensuring that employees continue to have the skills and expertise that is core to the Group's sustainable business success and growth. Employees are encouraged to attend courses, seminars and workshops that are relevant to their jobs and the Group reimburses for related expenses in full. Employees of the Group also have the opportunity to be mentored by the directors, building one-to-one relationships to coach employees through their careers.

During the year, the Group paid staff training expenses amounting to HK\$6,840 (2016: HK\$45,790).

Labour Standards

The Group is committed to be an employer of choice. The Group values its employees and recognises their contribution towards achieving sustainable business success and growth for the Group and creating value for its stakeholders.

The Group does not tolerate unethical labour standards and complies with local labour legislations and minimum wage laws in the countries where it operates.

The labour standards of the Group are:

(a) Child labour

The Group shall not engage in or support the use of child labour.

(b) Forced and compulsory labour

The Group shall not engage in or support the use of forced or compulsory labour, or bonded or involuntary prison labour. Employees are free to leave upon reasonable notice.

社會(續)

僱傭及勞工慣例(續)

培訓及發展

本集團僱員之培訓及發展為僱員留任之關鍵，確保僱員持續擁有本集團可持續業務成功及增長之核心技能及專長。鼓勵僱員參加與其工作有關之課程、研討會及工作坊，以及本集團對相關費用全額報銷。本集團僱員亦有機會受到董事之指導，建立一對一之關係，通過彼等之事業成就指導僱員。

年內，本集團支付僱員培訓費用為6,840港元(二零一六年：45,790港元)。

勞工標準

本集團致力成為首選僱主。本集團重視僱員，認可彼等為實現本集團可持續業務之成功及增長所作出之貢獻，並為持份者創造價值。

本集團不容忍不道德之勞工標準，並且遵守其經營所在國家之當地勞工法及最低工資法。

本集團之勞工標準如下：

(a) 童工

本集團不得委聘或支持使用童工。

(b) 強迫及強制勞工

本集團不得委聘或支持使用強迫或強制勞工，或債役或非自願之監獄勞工。僱員可在合理通知後自由離職。

SOCIAL (Continued)

Employment and Labour Practices (Continued)

Labour Standards (Continued)

(c) Health and safety

The Group shall provide a safe and healthy workplace environment and shall take effective steps to prevent potential accidents and injuries to employees' health by minimising, so far as is reasonably practicable, and in co-operation with its employees, the causes of hazards inherent in the workplace.

(d) Freedom of association

The freedom of association is respected and the Group will comply with the relevant labour relations legislation in the countries where it operates.

(e) Discrimination

The Group shall not engage in or support any discriminatory practices in hiring, remuneration, access to training, promotion, termination or retirement based on race, gender, age, disability, sexual orientation, religion or other conditions that could give rise to discrimination.

(f) Working hours

The Group shall comply with applicable laws and industry standards on working hours and holiday entitlements. Overtime shall be voluntary and shall not be demanded on a regular basis.

(g) Remuneration

The Group shall comply with the local labour legislations and minimum wage laws in the countries where it operates. All work related activities are carried out on the basis of a recognised employment relationship established according to the local labour legislations.

During the year, no non-compliance of local labour legislations in the countries where the Group operates has been reported or noted (2016: Nil).

社會(續)

僱傭及勞工慣例(續)

勞工標準(續)

(c) 健康及安全

本集團應提供安全及健康之工作環境，並應採取有效措施防止潛在意外，及通過在盡可能合理可行範圍內與僱員合作減少工作場所固有危險之發生而防止對僱員健康之傷害。

(d) 結社自由

尊重結社自由，及本集團將遵守其經營所在國家之相關勞動關係法。

(e) 歧視

本集團不得於僱用、薪酬、接受培訓、晉升、終止或退休方面參與或支持基於種族、性別、年齡、殘疾、性取向、宗教或其他可能導致歧視之條件之任何歧視做法。

(f) 工作時間

本集團應遵守有關工作時間及假期權利之適用法律及行業標準。加班乃自願性質，不得恒常要求。

(g) 薪酬

本集團應遵守其經營所在國家之當地勞動法及最低工資法。所有與工作有關之活動均於根據當地勞動法確定之認可僱用關係之基礎上進行。

年內，概無已匯報或已知悉不遵守本集團經營所在國家的地方勞工法例之情況(二零一六年：無)。

SOCIAL (Continued)

Operating Practices

Supplier Relations

The Group views its suppliers as partners who make an important contribution to the Group's sustainable business success and growth. Employees of the Group are expected to be honest and fair in all business interactions with suppliers, which include contractors, consultants and other agents.

The choice of suppliers of goods and services must be made based on the best value received by the Group. In addition, the Group believes in doing business with those suppliers who demonstrate high standards of ethical behavior. The Group will not knowingly engage suppliers who operate in violation of applicable laws or regulations, including local environmental, employment and safety laws.

All agreements with suppliers that are important for the conduct of the Group's business should be in writing and must specify the goods and services to be provided and the fees to be paid. Such agreements must be in line with reasonable competitive and market practices, and the relevant Group's policies and procedures.

Customer Relations

The Group believes that customers are vitally important to its sustainable business success and growth. Employees of the Group have a paramount duty to act with integrity, respect, diligence and competence in their dealings with the Group's customers.

To preserve its customer relationships:

- (a) the Group does not misrepresent its services or products in any sales or promotional efforts;
- (b) the Group communicates clearly so that customers understand the terms of the business relationships, including contracts, performance criteria, schedules, prices and responsibilities; and
- (c) the Group protects its customers' confidential information pursuant to contracts with its customers and all applicable privacy laws in the countries in which the Group operates.

社會(續)

營運慣例

供應商關係

本集團將供應商視為對本集團可持續業務之成功及增長作出重要貢獻之合作夥伴。本集團僱員應在與供應商(包括承包商、顧問及其他代理)之所有業務往來中誠實及公正。

貨物及服務供應商之選擇須基於本集團獲取最佳價值而作出。此外，本集團認為業務是與該等表現出較高道德行為標準之供應商開展。本集團不會故意委聘違反適用法律或法規(包括當地環境、僱傭及安全法律)之供應商。

與對本集團業務重要之供應商間之所有協議應以書面形式作出，並且必須指明提供之商品及服務以及應支付之費用。有關協議須符合合理競爭及市場慣例，以及相關集團之政策及程序。

客戶關係

本集團相信客戶對其可持續業務之成功及增長非常重要。本集團僱員有責任在與本集團客戶之交易中以誠信、尊重、勤勉及能力行事。

為保持與其客戶之關係：

- (a) 本集團不會在任何銷售或促銷活動中虛報其服務或產品；
- (b) 本集團清楚地溝通，使客戶了解業務關係之條款，包括合同、業績標準、時間表、價格及責任；及
- (c) 本集團根據與客戶之合同及本集團經營所在國家之所有適用私隱法律保護客戶之機密資料。

SOCIAL (Continued)

Operating Practices (Continued)

Product and Service Responsibility

- (a) Design and sale of jewelry products, and sale of precious stones

The Group shall not make any untruthful, misleading or deceptive representation or make any material omission in selling or marketing of any jewelry products or precious stones.

All supplies of raw materials used in the Group's jewelry products shall be acquired from legitimate sources which, to the best knowledge of the Group, have no involvement in funding conflicts. The Group prohibits knowingly buying or selling conflict precious stones or assisting others to do so.

The Group will not knowingly engage subcontractors who operate in violation of applicable laws or regulations, including local environmental, employment and safety laws.

- (b) Money lending

In addition to compliance with the Money Lenders Ordinance and the Money Lenders Regulations, the Group strictly prohibits abusive, misleading or fraudulent lending practices. In providing money lending services to its customers, the Group adopts the following responsible lending practices:

- (i) The Group provides its customers with the information they need to make fully informed decisions about its money lending services.
- (ii) The Group prices its money lending services based on appropriate factors, including the risk and cost of extending loans, competition and marketplace strategy and conditions, and soundness consideration.
- (iii) The Group only approves applications where it believes the customer has the ability to repay the loan according to its terms.
- (iv) The Group provides timely responses to customers' questions and complaints, and takes prompt corrective action if it has made an error.

社會(續)

營運慣例(續)

產品及服務責任

- (a) 設計及銷售珠寶產品以及銷售寶石

本集團不得在銷售或營銷任何珠寶產品或寶石時作出任何失實、誤導或欺詐性陳述或作出任何重大遺漏。

本集團之珠寶產品使用之所有原材料供應，均須從合法來源獲得，據本集團所知並無涉及資金衝突。本集團禁止故意或協助他人買賣衝突寶石。

本集團不會故意委聘違反適用法律或法規(包括當地環境、僱傭及安全法律)之分包商。

- (b) 借貸

除遵守「放債人條例」及「放債人規例」外，本集團亦嚴格禁止濫用、誤導或欺詐性貸款行為。在向客戶提供借貸服務時，本集團採取以下負責任貸款行為：

- (i) 本集團向客戶提供彼等所需之資料，以便就其借貸服務作出充分知情決定。
- (ii) 本集團根據包括延長貸款之風險及成本、競爭與市場策略和市況、以及合理性考慮等合適因素，就其借貸服務作出定價。
- (iii) 本集團根據其條款僅批准其認為有能力償還貸款之客戶之申請。
- (iv) 本集團及時回應客戶之問題及投訴，倘發生錯誤，應及時採取糾正措施。

SOCIAL (Continued)

Operating Practices (Continued)

Personal Data Privacy

The Group will only collect personal data from its employees and customers ethically and lawfully. It also seeks to collect personal data in a fair manner, and in a way that is not unreasonably intrusive. If an employee is collecting personal data on behalf of the Group, he or she must inform the person involved of (i) the purpose for which personal data is collected and, unless consented by the person involved, the personal data collected cannot be used for any new or additional purpose, (ii) the personal data collected cannot be transferred to any third party unless required by law or upon informed consent from the person involved, and (iii) subject to the requirements of the Personal Data (Privacy) Ordinance, the person involved has the right to request access to and correct the personal data collected by the Group. Steps must be taken to ensure that the use of personal data is complying with the Personal Data (Privacy) Ordinance.

Employees must ensure that the confidentiality of personal data contained in the Group's records is strictly maintained.

During the year, no non-compliance of the Personal Data (Privacy) Ordinance has been reported or noted (2016: Nil).

Anti-corruption and Ethics

The Group commits to maintain confidence in the integrity of the Company. All directors and employees are responsible for the Company achieving the highest levels of business and accountable for acting in line with the policies and standards outlined in the Group's Code of Business Conduct and Ethics, which serves to (i) emphasize the Company's commitment to ethics and compliance with the letter and the spirit of all laws and regulations, and (ii) set forth the basic standards of ethical and legal behavior. The Group's Code of Business Conduct and Ethics clearly states that:

- (a) All directors and employees are prohibited from soliciting, accepting or offering any bribe in conducting the Group's business or affairs, whether in Hong Kong or elsewhere.

社會(續)

營運慣例(續)

個人資料私隱

本集團將僅以符合道德及合法之方式向其僱員及客戶收集個人資料。其亦致力以公平及並非不合理侵擾之方式收集個人資料。倘一名僱員代表本集團收集個人資料，彼必須知會涉及人士 (i) 收集個人資料之用途，且除非獲所涉及人士同意，所收集之個人資料不得用於任何新或其他用途，(ii) 除法律規定或獲得所涉及人士之知情同意，否則所收集之個人資料不得轉讓予任何第三方，及 (iii) 在個人資料(私隱)條例規限下，所涉及人士有權要求取得及更正本集團收集之個人資料。本集團必須採取步驟以確保使用個人資料符合個人資料(私隱)條例。

僱員必須確保嚴格保密本集團記錄所載之個人資料。

年內，概無已匯報或已知悉不遵守個人資料(私隱)條例之情況(二零一六年：無)。

反貪污和道德

本集團致力維持對本公司誠信之信心。全體董事及僱員均對本公司達致最高水平之業務負責，並負責以與本集團商業操守及道德守則所載之政策及標準一致之方式行事，該守則(i)強調本公司之道德承擔及遵守函件及所有法律及法規之精神及(ii)載列道德及法律行為之基本標準。本集團之商業操守及道德守則清楚述明：

- (a) 全體董事及僱員於進行本集團業務或事務期間不得招攬、接納或提供任何賄賂，不論在香港或其他地方。

SOCIAL (Continued)

Operating Practices (Continued)

Anti-corruption and Ethics (Continued)

- (b) All directors and employees should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of the Group.
- (c) No gift or entertainment should ever be offered or accepted by a director, an employee or any family member of a director or an employee unless it (i) is consistent with customary business practices, (ii) is not excessive in value, (iii) cannot be construed as a bribe or payoff, and (iv) does not violate any laws or regulations.
- (d) Directors and employees are advised not to engage in frequent gambling activities, e.g. mahjong, with persons having business dealings with the Group.
- (e) Directors and employees should not accept any loan from, or through the assistance of, any individual or organisation having business dealings with the Group. There is however no restriction on borrowing from licensed banks or financial institutions.
- (f) Directors and employees are required to protect proprietary, commercial and other information that is confidential to the Group. These obligations of confidentiality continue after an individual's employment has ceased with the Group.

During the year, no instance of non-compliance relating to bribery, extortion or fraud has been reported or noted (2016: Nil).

社會(續)

營運慣例(續)

反貪污和道德(續)

- (b) 全體董事及僱員不得參與或持有或買賣涉及或可被視為涉及彼等之個人利益與本集團利益有衝突之活動或資產。
- (c) 概無董事或僱員，或董事或僱員之任何家族成員應獲提供或接受饋贈或款待，除非饋贈或款待(i)與傳統業務慣例一致，(ii)並無巨額價值，(iii)不可詮釋為賄賂或報酬，以及(iv)並無違反任何法例或法規。
- (d) 董事及僱員不建議與本集團有業務交易之人士進行任何經常性賭博活動，例如麻將。
- (e) 董事或僱員不應接受來自或透過與本集團有業務交易之個人或組織之協助所得之任何貸款。然而，自持牌銀行或金融機構取得借貸概無限制。
- (f) 董事及僱員須保障對本集團而屬機密資料之所有權、商業及其他資料。該等保密責任在個人與本集團之僱傭關係終止後持有。

年內，概無已匯報或已知悉有關賄賂、勒索或欺詐之不合規情況(二零一六年：無)。

SOCIAL (Continued)

Community, Business Conduct and Ethics

While the Group is accountable to its key stakeholders, the Group also takes into account of the communities in which it operates. The Group commits to make a positive impact on its neighbourhoods by being a good neighbour to the communities. In view of the current Hong Kong's political and economic landscape, the directors believe that compliance with law, integrity and fair dealing are the prime interests of the communities. As such, the Group is committed to make the communities in which it operates, better places to do business by managing its business in compliance with all applicable laws and regulations of the countries in which it operates and in accordance with the highest level of business ethics and personal integrity in all types of transactions and interactions.

The Company Secretary has been designated by the board of directors to monitor changes and developments in the regulatory environment and ensure that sufficient resources being made available to implement any required changes. The Company Secretary is responsible for ensuring the Group complying with all applicable laws and regulations of the countries in which it operates.

All directors and employees are responsible for the Company achieving the highest levels of business and accountable for acting in line with the policies and standards outlined in the Group's Code of Business Conduct and Ethics. They are required to comply with the Code of Business Conduct and Ethics, which serves to (i) emphasise the Company's commitment to ethics and compliance with the letter and the spirit of all laws and regulations, (ii) set forth the basic standards of ethical and legal behavior, (iii) provide a mechanism for reporting instances non-compliance, and (iv) help prevent and detect wrongdoing.

During the year, no non-compliance of the laws and regulations in Hong Kong or the Code of Business Conduct and Ethics has been reported or noted (2016: Nil).

This report was approved by the Board on 28 March 2018 and signed on its behalf by:

Lei Hong Wai
Chairman

社會(續)

社區、商業操守及道德

本集團對其主要持份者負責，同時，本集團亦慮及其營運所在之社區。本集團致力作為良好之社區鄰里，為毗鄰帶來正面影響。鑑於現時香港之政治及經濟狀況，董事相信遵守法律、誠信及公平交易符合社區的最佳利益。因此，本集團務求以遵守其營運所在國家之所有適用法律及法規，以及根據所有交易類別及互動之商業道德及個人誠信最高水平管理其業務，使其營運所在社區成為進行業務之更佳場所。

公司秘書已獲董事會委派以監察規管環境之變動及發展，並確保已提供充足資源以執行任何規定變動。公司秘書負責確保本集團遵守其營運所在國家之所有適用法律及法規。

全體董事及僱員均對本公司達致最高水平之業務負責，並負責以與本集團商業操守及道德守則所載之政策及標準一致方式行事。彼等須遵守商業操守與道德守則，該守則(i)強調本公司之道德承擔及遵守函件及所有法律及法規之精神，(ii)載列道德及法律行為之基本標準，(iii)提供匯報不遵守情況之機制，以及(iv)有助防止及發現不正當行為。

年內，概無已匯報或已知悉不遵守香港法律及法規或商業操守與道德守則之情況(二零一六年：無)。

本報告於二零一八年三月二十八日獲董事會批准，並由以下人士代表簽署：

主席
李雄偉

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

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in notes 46 and 23 respectively to the consolidated financial statements.

BUSINESS REVIEW

A review of the Group's business, comprising an analysis using financial key performance indicators, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year, an indication of likely future developments in the Group's business and a discussion on the Group's compliance with the relevant laws and regulations that have a significant impact on the Group can be found in the Management Discussion and Analysis on pages 7 to 43 of the annual report.

A discussion on the Group's environmental policies and performance and an account of the Group's relationships with its key stakeholders that have a significant impact on the Group and on which the Group's success depends can be found in the Environmental, Social and Governance Report on pages 58 to 68 of the annual report.

The Management Discussion and Analysis, and the Environmental, Social and Governance Report form part of this report.

DIVIDEND

The results of the Group for the year ended 31 December 2017 and the Group's financial position at that date are set out in the Group's consolidated financial statements on pages 98 to 101 of the annual report.

The directors do not recommend the payment of a dividend for the year ended 31 December 2017.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 256 of the annual report.

董事謹此呈報截至二零一七年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為投資控股公司。其附屬公司及聯營公司之主要業務分別載於綜合財務報表附註46及23。

業務回顧

本集團業務之回顧，其中包括使用財務主要表現指標、本集團所面對主要風險及不明因素之說明、自財務年度末以來已發生影響本集團之重要事項詳情、本集團業務之可能未來發展之指示以及本集團對本集團有重大影響之相關法律及法規合規情況之討論，可參閱於年報第7至43頁之管理層討論及分析。

本集團環境政策及表現之討論，以及對本集團有重大影響及本集團成功取決因素之本集團與其重要持份者之關係之解釋，可參閱於年報第58至68頁之環境、社會及管治報告。

管理層討論及分析以及環境、社會及管治報告為本報告之一部分。

股息

本集團截至二零一七年十二月三十一日止年度之業績及本集團於該日期之財務狀況載於年報第98至101頁之本集團之綜合財務報表。

董事不建議派發截至二零一七年十二月三十一日止年度之股息。

五年財務概要

本集團最近五個財政年度之業績與資產及負債概要載於年報第256頁。

SHARES ISSUED IN THE YEAR

On 16 May 2017, the Company allotted and issued 643,200,000 new ordinary shares at a price of HK\$0.160 per share to ten investors, who are independent third parties, by way of placing of new shares under general mandate raising HK\$99,226,000 (net of expenses) for financing the acquisition of seven office units located at Shun Tak Centre, West Tower, Hong Kong.

DEBENTURES ISSUED IN THE YEAR

On 25 August 2017, the Company issued HK\$300,000,000 8% secured notes due 2020 to an independent third party for an aggregate proceeds of HK\$300,000,000. After deducting the issuance costs, the Company received net proceeds of HK\$299,326,000 from the issuance. These secured notes are interest bearing at 8.00% per annum, secured by a share charge over 100% issued shares in China Jiu hao Health Industry Group Limited, a wholly owned subsidiary of the Company, and maturing on 25 August 2020. The net proceeds from issuing the secured notes are for financing the development of a piece of 580 Chinese acre land adjacent to the Group's membership golf club and resort in Beijing, Mainland China.

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

During the year ended 31 December 2017, the Company repurchased its own ordinary shares on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as follows:

Month of repurchase	購回股份之月份	Number of ordinary shares 普通股數目	Price per share 每股價格		Aggregate price paid 已付價格 總額 HK\$ 港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
October 2017	二零一七年十月	20,800,000	0.220	0.176	3,939,000
November 2017	二零一七年十一月	18,800,000	0.235	0.225	4,324,000
		39,600,000			8,263,000

本年度發行的股份

於二零一七年五月十六日，本公司根據一般授權以配售新股份之形式按每股0.160港元之價格向十名投資者(均為獨立第三方)配發及發行643,200,000股新普通股，籌得99,226,000港元(扣除開支)，以為本集團收購位於香港信德中心西翼之七個辦公室單位融資。

本年度發行的債券

於二零一七年八月二十五日，本公司向一名獨立第三方發行300,000,000港元的8%擔保票據，該等票據於二零二零年到期，所得款項總額為300,000,000港元。在減去發行成本後，本公司自此次發行取得款項淨額為299,326,000港元。該等擔保票據年息8.00%，以本公司全資附屬公司中國9號健康產業集團有限公司的100%已發行股份的股份押記作為抵押，將於二零二零年八月二十五日到期。發行該等擔保票據所得的收益淨額將用於發展一幅佔地580畝且毗鄰本集團位於中國內地北京之會員制高爾夫俱樂部及度假會所之土地。

購買、贖回或出售本公司之上市證券

於截至二零一七年十二月三十一日止年度內，本公司於香港聯合交易所有限公司(「聯交所」)購回其普通股如下：

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

The above ordinary shares were cancelled upon repurchase.

The directors considered that the Company's shares were trading at a discount to the net asset value per share, the repurchases would increase the net asset value per share of the Company.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders at 31 December 2017 amounted to HK\$449,400,000 (2016: HK\$454,743,000).

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Mr. Lei Hong Wai
(Chairman and Chief Executive Officer)
Mr. Cheung Kwok Wai Elton
Mr. Chan Kin Wah Billy
Mr. Cheung Kwok Fan

Independent non-executive directors:

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

In accordance with the provisions of the Company's bye-laws, Mr. Lei Hong Wai, Mr. Cheung Kwok Wai Elton, and Mr. Chan Kin Wah Billy will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The directors of the Company's subsidiaries included in the consolidated financial statements (other than those listed above) were Mr. Xie Zhaobin, Mr. Guan Jialin, Mr. Yuan Huixia, Ms. Han Fang, and Ms. Wong Siu Yan.

Biographical information of the directors of the Company are set out on pages 84 to 86 of the annual report.

購買、贖回或出售本公司之上市證券 (續)

上述普通股於購回時註銷。

董事認為本公司之股份以較每股資產淨值折讓之價格交易，購回股份將提高本公司之每股資產淨值。

本公司之可分派儲備

本公司於二零一七年十二月三十一日可供分派予股東之儲備為449,400,000港元(二零一六年：454,743,000港元)。

董事

年內及截至本報告日期，本公司董事如下：

執行董事：

李雄偉先生
(主席兼行政總裁)
張國偉先生
陳健華先生
張國勳先生

獨立非執行董事：

尹成志先生
吳向仁先生
黃德銓先生

根據本公司之公司細則條文，李雄偉先生、張國偉先生及陳健華先生將於應屆股東週年大會上輪值告退，並符合資格且願意膺選連任。

計入綜合財務報表之附屬公司董事(上文所列示者除外)包括謝肇斌先生、關家麟先生、袁輝霞先生、韓芳女士及王少茵女士。

本公司之董事履歷資料載於年報第84至86頁。

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISION

Under Bye-law 166(1) of the Company's bye-laws, the directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices, provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may be attached to any of them. Such permitted indemnity provision is currently in force and was in force throughout the year.

The Company has also taken out and maintained directors' and officers' liability insurance policy throughout the year, which indemnifies against costs, charges, losses, expenses and liabilities that may be incurred by the directors in the execution and discharge of their duties.

CHANGES IN INFORMATION OF DIRECTORS

The changes in information of directors as required to be disclosed pursuant to Rule 13.51B of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange are set out below:

- (a) on 25 May 2017, Mr. Chan Kin Wah Billy, an executive director, resigned as an executive director, an authorised representative, the compliance officer, the chairman of the special investigation committee, and a member of the remuneration committee and the nomination committee of SkyNet Group Limited, a company listed on the Growth Enterprise Market of the Stock Exchange under stock code: 8176 and now known as SuperRobotics Limited;
- (b) on 20 June 2017, Mr. Wong Tak Chuen, an independent non-executive director, resigned as the chief financial officer and the company secretary of a company listed on the Main Board of the Stock Exchange; and

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無訂有本集團於一年內不付賠償(法定賠償除外)則不可終止之服務合約。

允許賠償條文

根據本公司之公司細則第166(1)條，董事可從本公司之資產及溢利獲得彌償，董事或任何董事就彼等各自之職務執行其職責或假定職責時因所作出、發生或遺漏的任何行動而所招致或蒙受所有訴訟、成本、費用、損失、損害及開支，可獲確保免就此受任何損害，惟此彌償不得伸延至彼等任何人士可能被冠以之任何欺詐或不誠實事宜。有關允許賠償條文現為有效並於整年內有效。

本公司於整年內已購買及維持董事及高級職員責任保險，為董事於執行及履行其職務時可能產生之成本、費用、損失、開支及負債提供彌償。

董事資料之變動

根據聯交所證券上市規則(「上市規則」)第13.51B條須予披露之董事資料之變動載列如下：

- (a) 於二零一七年五月二十五日，執行董事陳健華先生辭任航空互聯集團有限公司(一間於聯交所創業板上市之公司，股份代號：8176，現稱超人智能有限公司)之執行董事、授權代表、監察主任、特別調查委員會主席、薪酬委員會及提名委員會成員；
- (b) 於二零一七年六月二十日，獨立非執行董事黃德銓先生辭任一間於聯交所主板上市之公司之首席財務總監及公司秘書；及

CHANGES IN INFORMATION OF DIRECTORS
(Continued)

- (c) in July 2017, Mr. Wong Tak Chuen has been appointed as the chief financial officer of a public company in Hong Kong and a company listed on the Growth Enterprise Market of the Stock Exchange.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 31 December 2017, the interests of the directors and the chief executive and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions

- (a) Ordinary shares of HK\$0.01 each of the Company

Name of director 董事姓名	Note 附註	Capacity 身份	Number of issued ordinary shares held 持有之已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Lei Hong Wai 李雄偉先生	1	Held by controlled corporations 受控制公司之權益	211,416,000	5.54%
Mr. Cheung Kwok Wai Elton 張國偉先生	1	Held by controlled corporations 受控制公司之權益	211,416,000	5.54%
Mr. Cheung Kwok Fan 張國勳先生	1	Held by controlled corporations 受控制公司之權益	211,416,000	5.54%
Mr. Chan Kin Wah Billy 陳健華先生		Beneficial owner 實益擁有人	6,319,500	0.17%

董事資料之變動(續)

- (c) 於二零一七年七月，黃德銓先生獲委任為一間香港公眾公司及一家聯交所創業板上市公司之財務總監。

董事及主要行政人員於股份、相關股份及債券之權益

於二零一七年十二月三十一日，按本公司根據證券及期貨條例第352條存置之登記冊所記錄，或按本公司及聯交所根據上市發行人董事進行證券交易的標準守則所獲通知，本公司董事及主要行政人員及彼等之聯繫人士於本公司及其相聯法團之股份、相關股份及債券中擁有之權益如下：

好倉

- (a) 本公司每股面值0.01港元之普通股

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Long positions (Continued)

- (a) Ordinary shares of HK\$0.01 each of the Company (Continued)

Note:

1. Twin Success International Limited is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai Elton and as to 50% by Mr. Cheung Kwok Fan. Twin Success International Limited beneficially owns 211,416,000 ordinary shares of the Company.

- (b) Share options

Name of director 董事姓名	Capacity 身份	Number of share options held 持有之購股權數目	Number of underlying shares 相關股份數目
Mr. Lei Hong Wai 李雄偉先生	Beneficial owner 實益擁有人	32,150,000	32,150,000
Mr. Cheung Kwok Wai Elton 張國偉先生	Beneficial owner 實益擁有人	32,160,000	32,160,000
Mr. Cheung Kwok Fan 張國勳先生	Beneficial owner 實益擁有人	32,160,000	32,160,000
Mr. Chan Kin Wah Billy 陳健華先生	Beneficial owner 實益擁有人	32,150,000	32,150,000

Other than as disclosed above, none of the directors, chief executive nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations at 31 December 2017.

董事及主要行政人員於股份、相關股份及債券之權益(續)

好倉(續)

- (a) 本公司每股面值0.01港元之普通股(續)

附註：

1. Twin Success International Limited分別由Silver Pacific International Limited擁有50%及Silver Pacific Development Limited擁有50%。Silver Pacific International Limited由李雄偉先生全資擁有。Silver Pacific Development Limited分別由張國偉先生擁有50%及張國勳先生擁有50%。Twin Success International Limited實益擁有211,416,000股本公司普通股。

- (b) 購股權

除上文所披露者外，於二零一七年十二月三十一日，概無董事、主要行政人員及彼等之聯繫人士於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

SHARE OPTIONS

Particulars of the Company's share option schemes are set out in note 44 to the consolidated financial statements.

The following table discloses movements in the Company's share options during the year:

購股權

本公司購股權計劃詳情載於綜合財務報表附註44。

下表披露本公司於年內之購股權變動：

	Share options type 購股權類別	Outstanding at 1 January 2017 於二零一七年一月一日尚未行使	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	Outstanding at 31 December 2017 於二零一七年十二月三十一日尚未行使
Directors and chief executive 董事及主要行政人員						
Mr. Lei Hong Wai 李雄偉先生	2007B 2017	1,001 —	— 32,150,000	— —	(1,001) —	— 32,150,000
		1,001	32,150,000	—	(1,001)	32,150,000
Mr. Cheung Kwok Wai Elton 張國偉先生	2017	—	32,160,000	—	—	32,160,000
		—	32,160,000	—	—	32,160,000
Mr. Cheung Kwok Fan 張國勳先生	2017	—	32,160,000	—	—	32,160,000
		—	32,160,000	—	—	32,160,000
Mr. Chan Kin Wah Billy 陳健華先生	2007B 2017	1,001 —	— 32,150,000	— —	(1,001) —	— 32,150,000
		1,001	32,150,000	—	(1,001)	32,150,000
Total directors and chief executive 董事及主要行政人員合計		2,002	128,620,000	—	(2,002)	128,620,000
Employees and consultants 僱員及顧問	2007A 2007B 2017	4,835 23,307 —	— — 192,980,000	— — —	(4,835) (23,307) —	— — 192,980,000
Total employees and consultants 僱員及顧問合計		28,142	192,980,000	—	(28,142)	192,980,000
Total 總計		30,144	321,600,000	—	(30,144)	321,600,000

The closing price of the Company's shares immediately before 27 April 2017, the date of grant of the 2017 share options, was HK\$0.199.

本公司股份緊接二零一七年四月二十七日(二零一七年購股權之授出日期)之前之收市價為0.199港元。

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed in the section headed "SHARE OPTIONS", at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body.

EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into during the year or subsisting at the end of the year are set out below:

Share option scheme

The Company has a share option scheme which was adopted on 12 December 2011. Details of the share option scheme of the Company are disclosed in the section headed "SHARE OPTIONS" above and in note 44 to the consolidated financial statements.

Placing agreement

On 26 April 2017, the Company entered into a placing agreement with a placing agent, pursuant to which the Company had conditionally agreed to place, through the placing agent, on a best effort basis, up to 643,200,000 new ordinary shares of the Company to not fewer than six independent investors at a price of HK\$0.160 per share.

Completion of the placing agreement was conditional upon:

- (a) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, up to 643,200,000 new ordinary shares to be allotted and issued pursuant to the placing agreement; and
- (b) the obligations of the placing agent under the placing agreement becoming unconditional and not being terminated in accordance with the terms thereof, including provision regarding force majeure events.

收購股份或債券之安排

除「購股權」一節所披露者外，年內本公司或其任何附屬公司概無訂立任何安排，使董事可以收購本公司或任何其他機構的股份或債券的方式獲益。

股票掛鈎協議

於年內訂立或於年終存續之股票掛鈎協議詳情載列如下：

購股權計劃

本公司於二零一一年十二月十二日採納一項購股權計劃。本公司購股權計劃之詳情於上文「購股權」一節及綜合財務報表附註44披露。

配售協議

於二零一七年四月二十六日，本公司與配售代理訂立配售協議，據此，本公司有條件地同意透過配售代理按盡力基準以每股股份0.160港元之價格，向不少於六名獨立投資者配售最多643,200,000股新普通股。

配售協議須待以下事項達成後，方告完成：

- (a) 聯交所上市委員會授出或同意授出根據配售協議將予配發及發行最多643,200,000股新普通股上市及買賣之批准；及
- (b) 配售代理於配售協議項下之責任成為無條件，且並無根據配售協議之條款(包括有關不可抗力事件之條款)予以終止。

EQUITY-LINKED AGREEMENTS (Continued)

Placing agreement (Continued)

On 16 May 2017, the placing agreement was completed and the Company allotted and issued 643,200,000 new ordinary shares under general mandate at a price of HK\$0.160 per share to ten independent investors, raising HK\$99,226,000 (net of expenses). The net proceeds were used for financing the acquisition of seven office units located at Shun Tak Centre, West Tower, Hong Kong.

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

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

- (a) On 17 March 2017, Mr. Lei Hong Wai, the Chairman of the Board and an executive director, made a cash advance of HK\$10,000,000 to the Group for financing the short-term funding needs of the Group. The cash advance was non-interest bearing and unsecured. On 28 March 2017, the Group repaid the cash advance of HK\$10,000,000 to Mr. Lei Hong Wai.
- (b) On 27 October 2017, Mr. Lei Hong Wai provided a personal guarantee to secure the Company's repayment obligations under the loan of HK\$200,000,000 granted by Kingston Finance Limited to the Company maturing on 27 April 2018. No consideration is paid by the Company to Mr. Lei Hong Wai for the provision of personal guarantee. No security over the assets of the Group is provided for the personal guarantee given by Mr. Lei Hong Wai.
- (c) On 30 November 2017, Mr. Lei Hong Wai provided another personal guarantee to secure the Company's repayment obligations under another loan of HK\$100,000,000 granted by Kingston Finance Limited to the Company maturing on 1 June 2018. No consideration is paid by the Company to Mr. Lei Hong Wai for the provision of personal guarantee. No security over the assets of the Group is provided for the personal guarantee given by Mr. Lei Hong Wai.

股票掛鈎協議(續)

配售協議(續)

於二零一七年五月十六日，配售協議已告完成及本公司已根據一般授權以每股股份0.160港元之價格向十名獨立投資者配發及發行643,200,000股新普通股，籌得99,226,000港元(扣除開支)。所得款項淨額已用作收購位於香港信德中心西翼之七個辦公室單位融資。

除上文所披露者外，本公司於年內概無訂立或於年終概無存續將會或可能導致本公司發行股份或需要本公司訂立將會或可能導致本公司發行股份之任何協議之股票掛鈎協議。

董事於重大交易、安排或合約之權益

- (a) 於二零一七年三月十七日，董事會主席兼執行董事李雄偉先生就本集團短期資金需要向本集團作出10,000,000港元現金墊款。該現金墊款為免息及無抵押。於二零一七年三月二十八日，本集團已向李雄偉先生償還現金墊款10,000,000港元。
- (b) 於二零一七年十月二十七日，李雄偉先生提供個人擔保，以作為本公司於金利豐財務有限公司授予本公司貸款200,000,000港元(於二零一八年四月二十七日到期)下還款責任之抵押。本公司概無就提供個人擔保向李雄偉先生支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。
- (c) 於二零一七年十一月三十日，李雄偉先生提供另一項個人擔保，以作為本公司於金利豐財務有限公司授予本公司之另一項貸款100,000,000港元(於二零一八年六月一日到期)下還款責任之抵押。本公司概無就提供個人擔保向李雄偉先生支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE (Continued)

(d) On 5 December 2017, Golden Stone Management Limited (“**Golden Stone**”), a wholly owned subsidiary of the Company, as vendor entered into a conditional sale and purchase agreement with Mr. Xie Zhaobin as purchaser in relation to the sale and purchase of 100% of the issued share capital of Best Volume Investments Limited (“**Best Volume**”), a wholly owned subsidiary of Golden Stone, for a consideration of HK\$405,000,000. Mr. Xie Zhaobin is a director of several subsidiaries of Best Volume. Further details are disclosed in the section headed “CONNECTED TRANSACTIONS” below.

Other than as disclosed above, no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party and in which a director or a connected entity of a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

CONNECTED TRANSACTIONS

On 5 December 2017, Golden Stone as vendor entered into the conditional sale and purchase agreement with Mr. Xie Zhaobin as purchaser in relation to the sale and purchase of 100% of the issued share capital of Best Volume for the consideration of HK\$405,000,000. The consideration for the sale and purchase of 100% of the issued share capital of Best Volume was determined after arm's length negotiations between the parties to the conditional sale and purchase agreement with reference to the unaudited consolidated net asset value of Best Volume and its subsidiaries, the carrying amount of goodwill on acquisition of Best Volume, and the fair value of Best Volume's investment properties located in Mainland China as at 30 June 2017. The directors (including the independent non-executive directors) are of the view that the consideration of HK\$405,000,000 is fair and reasonable.

董事於重大交易、安排或合約之權益 (續)

(d) 於二零一七年十二月五日，Golden Stone Management Limited (「**Golden Stone**」)(一間本公司之全資附屬公司)(作為賣方)與謝肇斌先生(作為買方)訂立有條件買賣協議，內容有關買賣 Best Volume Investments Limited (「**Best Volume**」)(Golden Stone 的全資附屬公司) 100% 已發行股本，代價為 405,000,000 港元。謝肇斌先生為 Best Volume 旗下多家附屬公司之董事。其他詳情於下文「關連交易」一節中披露。

除上文所披露者外，於年終或年內任何時間，概無本公司或其任何附屬公司訂立而本公司董事或董事之關連實體直接或間接於其中擁有重大權益之重大交易、安排或合約仍然生效。

關連交易

於二零一七年十二月五日，Golden Stone (作為賣方)與謝肇斌先生(作為買方)訂立有條件買賣協議，內容有關買賣 Best Volume 100% 已發行股本，代價為 405,000,000 港元。買賣 Best Volume 100% 已發行股本之代價乃由有條件買賣協議訂約方經參考 Best Volume 及其附屬公司之未經審核綜合資產淨值、收購 Best Volume 的商譽賬面值及 Best Volume 於二零一七年六月三十日在中國內地的投資物業的公平值後按公平原則磋商釐定。董事(包括獨立非執行董事)認為代價 405,000,000 港元屬公平合理。

CONNECTED TRANSACTIONS (Continued)

As two of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the sale and purchase of 100% of the issued share capital of Best Volume are more than 25% but all ratios are less than 75%, the sale and purchase of 100% of the issued share capital of Best Volume constitutes a major transaction for the Company and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As Mr. Xie Zhaobin is a director of several subsidiaries of Best Volume, Mr. Xie is a connected person at the subsidiary level of the Company under Chapter 14A of the Listing Rules. Therefore, the sale and purchase of 100% of the issued share capital of Best Volume also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. The Board has approved the conditional sale and purchase agreement and the transactions contemplated thereunder. In addition, the directors (including all the independent non-executive directors) have confirmed that the terms of the conditional sale and purchase agreement are fair and reasonable, the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and the shareholders as a whole. Accordingly, the sale and purchase of 100% of the issued share capital of Best Volume is exempt from independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

On 27 February 2018, the sale and purchase of 100% issued share capital of Best Volume was approved by the shareholders.

Other than as disclosed above, the Group had no connected transactions during the year.

MANAGEMENT CONTRACT

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

關連交易(續)

由於有關買賣Best Volume 100%已發行股本的兩項相關適用百分比率(按照上市規則計算得出)超過25%，但所有比率均低於75%，故買賣Best Volume 100%已發行股本構成本公司之主要交易，並須遵守上市規則第14章之公佈，通函及股東批准規定。

由於謝肇斌先生為Best Volume旗下多家附屬公司之董事，根據上市規則第14A章，謝先生為本公司附屬公司之關連人士。因此，根據上市規則第14A章，買賣Best Volume 100%已發行股本同時構成本公司之關連交易。董事會已批准該有條件買賣協議及項下擬進行的交易。此外，董事(包括所有獨立非執行董事)已確認該有條件買賣協議的條款為公平及合理，項下擬進行的交易乃按一般商業條款訂立，符合本公司及股東的整體利益。因此，根據上市規則第14A.101條，該買賣Best Volume 100%已發行股本的買賣協議可獲豁免遵守獨立財務意見及獨立股東批准的規定。

於二零一八年二月二十七日，買賣Best Volume 100%已發行股本的買賣協議已獲股東批准。

除上文所披露者外，年內，本集團並無關連交易。

管理合約

於年內並無訂立或存續有關本公司整體或任何重大部份業務之管理及行政合約。

SUBSTANTIAL SHAREHOLDERS

At 31 December 2017, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance shows that the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long positions

(a) Ordinary shares of HK\$0.01 each of the Company

主要股東

於二零一七年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東登記冊顯示，下列股東已就擁有本公司已發行股本之有關權益知會本公司。

好倉

(a) 本公司每股面值0.01港元之普通股

Name of shareholder 股東名稱	Notes 附註	Capacity 身份	Number of issued ordinary shares held 持有之已發行 普通股數目	Percentage of the issued share capital of the Company 佔本公司已發行 股本百分比
Mr. Tsoi Tung 蔡彤先生		Beneficial owner 實益擁有人	372,416,803	9.75%
Twin Success International Limited	1	Beneficial owner 實益擁有人	211,416,000	5.54%
Silver Pacific International Limited	1 and 2 1及2	Held by controlled corporation 受控制公司之權益	211,416,000	5.54%
Silver Pacific Development Limited	1 and 3 1及3	Held by controlled corporation 受控制公司之權益	211,416,000	5.54%
Mr. Lei Hong Wai 李雄偉先生	1 and 2 1及2	Held by controlled corporations 受控制公司之權益	211,416,000	5.54%
Mr. Cheung Kwok Wai Elton 張國偉先生	1 and 3 1及3	Held by controlled corporations 受控制公司之權益	211,416,000	5.54%
Mr. Cheung Kwok Fan 張國勳先生	1 and 3 1及3	Held by controlled corporations 受控制公司之權益	211,416,000	5.54%

Notes:

1. Twin Success International Limited is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited.
2. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai.
3. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai Elton and as to 50% by Mr. Cheung Kwok Fan.

附註：

1. Twin Success International Limited 分別由 Silver Pacific International Limited 擁有 50% 及 Silver Pacific Development Limited 擁有 50%。
2. Silver Pacific International Limited 由李雄偉先生全資擁有。
3. Silver Pacific Development Limited 分別由張國偉先生擁有 50% 及張國勳先生擁有 50%。

SUBSTANTIAL SHAREHOLDERS (Continued)

Long positions (Continued)

(b) Share options

Name of shareholder 股東名稱	Capacity 身份	Number of share options held 持有之購股權數目	Number of underlying shares 相關股份數目
Mr. Lei Hong Wai 李雄偉先生	Beneficial owner 實益擁有人	32,150,000	32,150,000
Mr. Cheung Kwok Wai Elton 張國偉先生	Beneficial owner 實益擁有人	32,160,000	32,160,000
Mr. Cheung Kwok Fan 張國勳先生	Beneficial owner 實益擁有人	32,160,000	32,160,000

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company at 31 December 2017.

CONFIRMATION OF INDEPENDENCE

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 Listing Rules. The Company considers all of the independent non-executive directors are independent.

INTERESTS IN COMPETING BUSINESS

- (a) Mr. Lei Hong Wai, Mr. Cheung Kwok Wai Elton, and Mr. Cheung Kwok Fan (each an executive director) have an indirect interest in approximately 13.43% of the issued share capital of Man Sang International Limited (“**Man Sang**”) (stock code: 938), a company listed on the Main Board of the Stock Exchange engaging in the development, sales and leasing of properties, through their beneficial interests in Twin Success International Limited. In addition, Mr. Lei Hong Wai is the chairman of the board of directors and an executive director of Man Sang and Mr. Cheung Kwok Wai Elton is an executive director of Man Sang. Therefore, Man Sang competes with the Group’s property investment business.

主要股東 (續)

好倉 (續)

(b) 購股權

Name of shareholder 股東名稱	Capacity 身份	Number of share options held 持有之購股權數目	Number of underlying shares 相關股份數目
Mr. Lei Hong Wai 李雄偉先生	Beneficial owner 實益擁有人	32,150,000	32,150,000
Mr. Cheung Kwok Wai Elton 張國偉先生	Beneficial owner 實益擁有人	32,160,000	32,160,000
Mr. Cheung Kwok Fan 張國勳先生	Beneficial owner 實益擁有人	32,160,000	32,160,000

除上文所披露者外，本公司並無獲知會於二零一七年十二月三十一日擁有本公司股本之任何其他有關權益或淡倉。

獨立性確認書

本公司已收到各獨立非執行董事根據上市規則第3.13條所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

於競爭性業務之權益

- (a) 李雄偉先生、張國偉先生及張國勳先生(各為執行董事)透過彼等於Twin Success International Limited之實際權益擁有民生國際有限公司(「民生」)(一間於聯交所主板上市之公司，股份代號：938)之已發行股本中約13.43%間接權益，該公司從事於物業發展、銷售及租賃之業務。此外，李雄偉先生為民生之董事會主席兼執行董事，而張國偉先生則為民生之執行董事。因此，民生為本集團物業投資業務之競爭對手。

INTERESTS IN COMPETING BUSINESS

(Continued)

- (b) Mr. Cheung Kwok Wai Elton is the chairman of the board of directors and an executive director of Global Mastermind Holdings Limited (stock code: 8063), a company listed on the Growth Enterprise Market of the Stock Exchange engaging in the provision and operation of travel business, money lending business, and provision of securities and asset management services. Therefore, Global Mastermind Holdings Limited competes with the Group's money lending business.
- (c) Mr. Lei Hong Wai is the chairman of the board of directors and an executive director of China Healthwise Holdings Limited (stock code: 348), a company listed on the Main Board of the Stock Exchange engaging in development, engineering, manufacturing and sale of toys, commercial kitchen and consumer electronic products, sale of Chinese health products, and money lending business. Therefore, China Healthwise Holdings Limited competes with the Group's money lending business.

PRE-EMPTIVE RIGHTS

There are no provisions 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.

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 45 to the consolidated financial statements.

EMOLUMENT POLICY

The emolument policy for the employees of the Group is set up by the directors of the Company on the basis of their individual performance, qualifications and competence.

The emoluments of the directors of the Company are approved by the Board on the recommendation of the Remuneration Committee with reference to their duties and responsibilities in the Company.

The Company has adopted a share option scheme as an incentive to directors and eligible persons, details of the share option scheme is set out in note 44 to the consolidated financial statements.

於競爭性業務之權益(續)

- (b) 張國偉先生為Global Mastermind Holdings Limited環球大通集團有限公司(一間於聯交所創業板上市之公司，股份代號：8063，從事提供及經營旅遊業務、借貸業務、提供證券及資產管理服務)之董事會主席兼執行董事。因此Global Mastermind Holdings Limited環球大通集團有限公司為本集團借貸業務之競爭對手。
- (c) 李雄偉先生為中國智能健康控股有限公司(一間於聯交所主板上市之公司，股份代號：348，從事玩具、商用廚房產品及消費類電子產品之開發、工程設計、製造及銷售、中藥保健品之銷售及借貸業務)之董事會主席兼執行董事。因此中國智能健康控股有限公司為本集團借貸業務之競爭對手。

優先認購權

本公司之公司細則或百慕達法例並無有關優先認購權之條文，規定本公司須按比例向現有股東發售新股份。

退休福利計劃

本集團退休福利計劃之詳情載於綜合財務報表附註45。

酬金政策

本集團僱員之酬金政策由本公司董事按其個人表現、資歷及能力而訂立。

本公司董事之酬金經董事會按照薪酬委員會參考彼等於本公司之職務及職責所提出之建議而批准。

本公司已採納購股權計劃，作為對董事及合資格人士之獎勵，購股權計劃之詳情載於綜合財務報表附註44。

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the latest practicable date prior to the issue of the annual report, the Company has maintained the prescribed public float under the Listing Rules.

MAJOR CUSTOMERS AND SUPPLIERS

In 2017, the Group's largest customer and five largest customers accounted for 38.54% (2016: 19.86%) and 150.13% (2016: 53.97%) of its revenue from sales of goods or rendering of services respectively.

In 2017, the Group's largest supplier and five largest suppliers accounted for 26.19% (2016: 20.06%) and 78.10% (2016: 74.41%) of its purchases respectively.

At no time during the year did a director, an associate of a director or a shareholder of the Company (which to the knowledge of the directors of the Company owns more than 5% of the number of issued shares of Company) have an interest in any of the Group's five largest customers or suppliers.

CHARITABLE DONATIONS

During the year, the Group did not make any charitable donations (2016: HK\$100,000).

AUDITORS

A resolution will be submitted to the annual general meeting to re-appoint HLB Hodgson Impey Cheng Limited as auditors of the Company.

This report was approved by the Board on 28 March 2018 and signed on its behalf by:

Lei Hong Wai
Chairman

足夠公眾持股量

根據本公司於年報刊發前之最後實際可行日期能夠公開取得之資料及本公司董事之知情範圍內，本公司一直維持上市規則所規定之公眾持股量。

主要客戶及供應商

於二零一七年，本集團之最大客戶及五大客戶分別佔其銷售商品或提供服務收益38.54% (二零一六年：19.86%)及150.13% (二零一六年：53.97%)。

於二零一七年，本集團之最大供應商及五大供應商分別佔其採購額26.19% (二零一六年：20.06%)及78.10% (二零一六年：74.41%)。

於年內任何時間，概無本公司董事、董事之聯繫人士或股東(就本公司董事所知擁有本公司已發行股份數目5%以上)於本集團任何五大客戶或供應商中擁有權益。

慈善捐款

年內，本集團並無作出任何慈善捐款(二零一六年：100,000港元)。

核數師

一項決議案將於股東週年大會上提交以續聘國衛會計師事務所有限公司為本公司核數師。

本報告由董事會於二零一八年三月二十八日批准並由以下人士代表簽署：

主席
李雄偉

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Mr. Lei Hong Wai, aged 49, was appointed as an executive director of the Company and the Chairman of the Board on 18 January 2010 and 1 February 2010, respectively. He is also the Chief Executive Officer of the Company. Mr. Lei is responsible for the development of the overall strategic planning and management of the Group. He has over 16 years of extensive experience in corporate management, investment and business development. He was a director of The Chamber of Hong Kong Listed Companies Limited, which promotes interaction amongst its members which are listed companies in Hong Kong and Mainland China, in 2002. He also holds directorships in certain subsidiaries and associates of the Company. Mr. Lei is also a director of Twin Success International Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Lei is currently the chairman of the board of directors and an executive director of Man Sang International Limited (stock code: 938) and China Healthwise Holdings Limited (stock code: 348), both of the companies are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Mr. Cheung Kwok Wai Elton, aged 52, was appointed as an executive director of the Company on 1 February 2011. Mr. Cheung is responsible for the business development of the Group. He has over 28 years of experience in the area of corporate finance and securities industries. He holds a Master Degree in Accounting and Finance from the University of Lancaster in the United Kingdom. He also holds directorships in certain subsidiaries and associates of the Company. Mr. Cheung is also a director of Twin Success International Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Cheung is the elder brother of Mr. Cheung Kwok Fan, an executive director of the Company. Mr. Cheung is currently an executive director of Man Sang International Limited (stock code: 938), a company listed on the Main Board of the Stock Exchange. Mr. Cheung is also the chairman of the board of directors and an executive director of Global Mastermind Holdings Limited (stock code: 8063), a company listed on the Growth Enterprise Market of the Stock Exchange.

執行董事

李雄偉先生，現年49歲，分別於二零一零年一月十八日及二零一零年二月一日獲委任為本公司執行董事及董事會主席。彼亦同時擔任本公司行政總裁。李先生負責本集團整體策略計劃之發展及管理。彼擁有逾16年企業管理、投資及業務發展之豐富經驗。於二零零二年，彼擔任香港上市公司商會有限公司之董事，該商會之工作為促進其成員公司（乃香港及中國內地之上市公司）間之互動合作。彼亦於本公司之若干附屬公司及聯營公司擔任董事職務。李先生亦為本公司之主要股東（定義見證券及期貨條例第XV部）Twin Success International Limited之董事。李先生現為民生國際有限公司（股份代號：938）及中國智能健康控股有限公司（股份代號：348）之董事會主席兼執行董事。兩間公司皆於香港聯合交易所有限公司（「聯交所」）主板上市。

張國偉先生，現年52歲，於二零一一年二月一日獲委任為本公司執行董事。張先生負責監督本集團之業務發展。彼於企業融資領域及證券業擁有逾28年經驗。彼持有英國蘭卡斯特大學會計及財務碩士學位。彼亦於本公司若干附屬公司及聯營公司擔任董事職務。張先生亦為本公司之主要股東（定義見證券及期貨條例第XV部）Twin Success International Limited之董事。張先生為執行董事張國勳先生之兄長。張先生現為民生國際有限公司（一間於聯交所主板上市之公司，股份代號：938）之執行董事。張先生亦為Global Mastermind Holdings Limited環球大通集團有限公司（一間於聯交所創業板上市之公司，股份代號：8063）之董事會主席兼執行董事。

EXECUTIVE DIRECTORS (Continued)

Mr. Chan Kin Wah Billy, aged 55, was appointed as an executive director of the Company on 18 January 2010. He has over 29 years of experience in accounting and financial control. He is a member of the Hong Kong Institute of Certified Public Accountants, a CPA member of CPA Australia and a non-practicing member of the Chinese Institute of Certified Public Accountants. He holds a Bachelor of Administration Degree from the University of Ottawa in Canada and a Master of Commerce Degree in Professional Accounting from the University of New South Wales in Australia. Mr. Chan also holds directorships in five subsidiaries of the Company. He is the Company Secretary of the Company and certain subsidiaries of the Company. Mr. Chan was an executive director of SuperRobotics Limited (stock code: 8176 and formerly known as SkyNet Group Limited), a company listed on the Growth Enterprise Market of the Stock Exchange, during the period from 5 August 2014 to 25 May 2017.

Mr. Cheung Kwok Fan, aged 50, was appointed as the non-executive director on 31 August 2011 and redesignated as an executive director of the Company on 18 September 2014. Mr. Cheung is responsible for the overall management of the Group's jewelry and precious stones business. He holds directorships in three subsidiaries of the Company. Mr. Cheung has over 26 years' working experience in the field of architecture. He is a member of The Hong Kong Institute of Architects, a member of The Royal Australian Institute of Architects, Registered Architect in Hong Kong and an Authorised Person in the List of Architects. He obtained his Bachelor Degree of Arts in Architectural Studies from The University of Hong Kong in 1989 and a Bachelor Degree in Architecture from The University of Hong Kong in 1991. He was selected as an awardee of the Ten Outstanding Young Persons Selection organised by Junior Chamber of International Hong Kong in 2005. He has been appointed as an Adjunct Lecturer of the Architecture Subject Group of HKU School of Professional and Continuing Education since 1 January 2014. Mr. Cheung has been the director of his own architectural practice, Oritecture Limited, since 10 December 2009. He is the younger brother of Mr. Cheung Kwok Wai Elton, an executive director of the Company.

執行董事(續)

陳健華先生，現年55歲，於二零一零年一月十八日獲委任為本公司執行董事。彼擁有逾29年會計及財務監控之經驗。彼為香港會計師公會之會員、澳洲會計師公會之高級會員及中國註冊會計師協會之非執業會員。彼持有加拿大渥太華大學之工商管理學士學位及澳洲新南威爾斯大學之專業會計商學碩士學位。陳先生亦於本公司五間附屬公司擔任董事職務。彼為本公司及本公司若干附屬公司之公司秘書。陳先生於二零一四年八月一日至二零一七年五月二十五日期間曾任超人智能有限公司(股份代號：8176，前稱航空互聯集團有限公司)(一間於聯交所創業板上市之公司)之執行董事。

張國勳先生，現年50歲，於二零一一年八月三十一日獲委任為本公司非執行董事，並於二零一四九月十八日獲調任為本公司執行董事。張先生負責本集團珠寶及寶石業務之整體管理。彼於本公司三間附屬公司擔任董事職務。張先生於建築界擁有逾26年工作經驗。彼為香港建築師學會會員、澳洲皇家建築師學會會員、香港註冊建築師及認可人士(建築師名單)。彼於一九八九年取得香港大學建築學文學士學位，並於一九九一年取得香港大學建築學學士學位。彼曾於二零零五年獲國際青年商會香港總會選為十大傑出青年。自二零一四年一月一日起，彼獲委任為香港大學專業進修學院建築學科小組之客席講師。自二零零九年十二月十日起，張先生為建築原創室有限公司(其個人之建築師事務所)之董事。彼為執行董事張國偉先生之胞弟。

Biographical Details of Directors 董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wan Shing Chi, aged 48, has over 24 years of experience in the field of construction engineering and is currently a site coordinator of a reputable construction company in Hong Kong. He holds a Bachelor Degree of Engineering with honours from University of Melbourne, Australia and is a member of the Asia Institute of Building. Mr. Wan joined the Company in May 2010.

Mr. Ng Heung Yan, aged 47, has over 20 years of experience in metal work engineering design and currently works as a project director in a private engineering company in Hong Kong. He was graduated from Monash University in Australia with a Bachelor Degree of Engineering (Industrial and Computing) in 1993. Mr. Ng joined the Company in August 2011.

Mr. Wong Tak Chuen, aged 53, is a fellow member of both Hong Kong Institute of Certified Public Accountants and Association of Chartered Certified Accountants in the United Kingdom, as well as a member of the Institute of Chartered Accountants in England and Wales. He has over 28 years of experience in auditing, financial management, mergers and acquisitions gained from certain senior finance related positions in an international accounting firm in Hong Kong, companies listed in Hong Kong and a company listed in the United States of America. He is currently the chief financial officer of a public company in Hong Kong and a company listed on the Growth Enterprise Market of the Stock Exchange. Mr. Wong is currently an independent non-executive director of Huanxi Media Group Limited (stock code: 1003), Man Sang International Limited (stock code: 938) and China Healthwise Holdings Limited (stock code: 348), all of these companies are listed on the Main Board of the Stock Exchange. Mr. Wong joined the Company in November 2011.

獨立非執行董事

尹成志先生，現年48歲，於建造工程方面擁有逾24年經驗，現為一間信譽良好之香港建築公司之工程主任。彼持有澳洲墨爾本大學工程榮譽學士學位，並為亞洲建造師學會成員。尹先生於二零一零年五月加入本公司。

吳向仁先生，現年47歲，於金屬工程設計方面擁有逾20年經驗，現於一間香港私營工程公司擔任項目總監。彼於一九九三年畢業於澳洲蒙那許大學，並持有工程學(工業及計算)學士學位。吳先生於二零一一年八月加入本公司。

黃德銓先生，現年53歲，為香港會計師公會及英國特許公認會計師公會之資深會員，同時亦為英格蘭和威爾士特許會計師協會會員。彼過去曾於香港一間國際會計事務所、香港數間上市公司及美國一間上市公司擔任與財務有關之高級職位，期間於核數、財務管理、合併及收購方面累積逾28年經驗。彼現為一家香港公眾公司及一家聯交所創業板上市之公司之首席財務官。黃先生現為歡喜傳媒集團有限公司(股份代號：1003)、民生國際有限公司(股份代號：938)及中國智能健康控股有限公司(股份代號：348)之獨立非執行董事。三間公司皆於聯交所主板上市。黃先生於二零一一年十一月加入本公司。



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

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

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
ETERNITY INVESTMENT LIMITED**
(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of Eternity Investment Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 98 to 255, which comprise the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditors' 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.

獨立核數師報告
致**ETERNITY INVESTMENT LIMITED**
(永恒策略投資有限公司*)股東
(於百慕達註冊成立之有限公司)

意見

吾等已審核列載於第98至255頁Eternity Investment Limited(永恒策略投資有限公司*)(以下簡稱「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一七年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註,包括主要會計政策概要。

吾等認為,綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一七年十二月三十一日之綜合財務狀況,及其截至該日止年度之綜合財務表現及綜合現金流量,並已遵照香港公司條例之披露規定妥為編製。

意見基礎

吾等根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。吾等根據該等準則的責任於本報告「核數師就審核綜合財務報表承擔的責任」一節中進一步詳述。根據香港會計師公會的職業會計師道德守則(「守則」),吾等獨立於貴集團,並已按照守則履行其他職業道德責任。吾等相信,所獲取的審核憑證充足及適當地為吾等的意見提供基礎。

* 僅供識別

KEY AUDIT MATTERS

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

Key Audit Matter

關鍵審核事項

Classification and fair value measurement on financial assets

關於金融資產之分類及公平值計量

Refer to notes 2 and 30 to the consolidated financial statements respectively.

請分別參閱綜合財務報表附註2及30。

During the year ended 31 December 2017, the Group has early applied HKFRS 9 *Financial Instruments* that is effective for annual periods beginning on or after 1 January 2018.

於截至二零一七年十二月三十一日止年度，貴集團提早應用於二零一八年一月一日或之後開始之年度期間生效之香港財務報告準則第9號金融工具。

On 1 January 2017, the Group has reclassified all available-for-sale financial assets of HK\$365,172,000 to financial assets at fair value through profit or loss which were irrevocably elected and designated as financial assets measured at fair value through profit or loss.

於二零一七年一月一日，貴集團將全部可供出售金融資產之365,172,000港元重新分類為按公平值計入損益表之金融資產，將該等資產不可撤銷地選擇及指定為按公平值計入損益表之金融資產。

As at 31 December 2017, the Group's financial assets at fair value through profit or loss of HK\$662,943,000.

於二零一七年十二月三十一日，貴集團按公平值計入損益表之金融資產662,943,000港元。

關鍵審核事項

關鍵審核事項為根據吾等的專業判斷，對吾等審核本期間的綜合財務報表最為重要的事項。該等事項於吾等審核整體綜合財務報表及出具意見時進行處理。吾等不會對該等事項提供個別意見。

How our audit addressed the Key Audit Matter

吾等的審核對關鍵審核事項的處理

Our audit procedures in relation to the management's classification and fair value measurement on financial assets included: 吾等就管理層對金融資產之分類及公平值計量之審核程序包括：

- assessing management's evaluation in relation to the classification of financial assets based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets; 基於貴集團管理金融資產之業務模式以及金融資產之合約現金流特徵，評估管理層關於金融資產分類之評估；
- reviewing management's memorandum for the classification of financial assets and the irrevocable election to designate investment in equity instruments that would be measured subsequent changes in fair value through profit or loss; 查核管理層關於金融資產分類之備忘錄，以及指定股權工具投資之其後變動按公平值計入損益表之不可撤銷選擇；
- checking, on sampling basis, the accuracy and relevance of the input data used such as comparing key underlying financial data inputs to external sources and management information as applicable; 抽樣查核所採用輸入數據之準確性及相關性，例如將主要的相關財務輸入數據與外部信息來源及管理層資料(如適用)進行比較；

KEY AUDIT MATTERS (Continued)

Key Audit Matter (Continued)

關鍵審核事項(續)

Classification and fair value measurement on financial assets (Continued)

關於金融資產之分類及公平值計量(續)

Refer to notes 2 and 30 to the consolidated financial statements respectively. (Continued)

請分別參閱綜合財務報表附註2及30。(續)

關鍵審核事項(續)

How our audit addressed the Key Audit Matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

- obtaining and comparing market prices independently;
獨立獲得及比較市場價格；
- checking the arithmetical accuracy on the valuation model;
查核估值模型的計算準確性；
- evaluating the competence, capabilities and objectivity of valuers;
評估估值師之資格、能力及客觀性；
- assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts;
基於吾等對相關行業之認識及運用吾等之估值專家，評價所採用之方法及關鍵假設是否合適；
- challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and
基於我們對業務及行業之認識，質疑關鍵假設是否合理；及
- checking, on sampling basis, the accuracy and relevance of the input data used.
抽樣查核所採用輸入數據之準確性及相關性。

We considered management's classification and fair value measurement on financial assets were supported by available evidence.

吾等發現管理層關於金融資產之分類及公平值計量得到現有證據所支持。

KEY AUDIT MATTERS (Continued)

Key Audit Matter (Continued)

關鍵審核事項(續)

Valuation of investment properties

投資物業之估值

Refer to notes 19 and 20 to the consolidated financial statements respectively.

請分別參閱綜合財務報表附註19及20。

As at 31 December 2017, the Group has investment properties with carrying amounts of HK\$810,019,000 and gain arising on change in fair value recognised in profit or loss with an amount of HK\$20,013,000 was recognised.

於二零一七年十二月三十一日，貴集團之投資物業賬面值為810,019,000港元，並確認於損益表確認之公平值變動產生之收益20,013,000港元。

The fair value of the Group's investment properties is determined by adopting the valuation techniques with significant unobservable inputs, assumptions of market conditions and judgements. The Group also engaged two independent qualified professional firms of valuers to establish and determine the appropriate valuation techniques.

貴集團投資物業之公平值乃採納使用重大不可觀察輸入數據、市況假設及判斷之估值技術釐定。貴集團亦委聘兩家獨立合資格專業估值師，以制定及釐定適當之估值技術。

Due to the key source of estimation uncertainty and the significant assumptions and judgements involved in the valuation, valuation of investment properties is identified as a key audit matter.

由於估計不確定性之主要來源及估值涉及之重大假設及判斷，投資物業估值識別為關鍵審核事項。

關鍵審核事項(續)

How our audit addressed the Key Audit Matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

Our audit procedures in relation to management's determination of the valuation of investment properties included: 吾等就管理層釐定投資物業估值之審核程序包括：

- evaluating the competence, capabilities and objectivity of the valuers; 評估獨立估值師的資格、能力及客觀性；
- assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts; 基於吾等對相關行業之認識及運用吾等之估值專家，評價所採用之方法及關鍵假設是否合適；
- challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and 基於我們對業務及行業之認識，質疑關鍵假設是否合理；及
- checking, on sampling basis, the accuracy and relevance of the input data used. 抽樣查核所採用輸入數據之準確性及相關性。

We found the key assumptions were supported by the available evidence.

吾等發現關鍵假設得到現有證據所支持。

KEY AUDIT MATTERS (Continued)

Key Audit Matter (Continued)

關鍵審核事項(續)

Impairment assessment on trade receivables and loans receivables

貿易應收款項及應收貸款之減值評估

Refer to notes 25 and 27 to the consolidated financial statements respectively.

請分別參閱綜合財務報表附註25及27。

The impairment of trade receivables and loans receivables are estimated by the management through the application of judgement and use of subjective assumptions.

管理層透過使用判斷及主觀假設釐定貿易應收款項及應收貸款之減值估計。

Due to the significance of trade receivables and loans receivables and the corresponding uncertainty inherent in such an estimate, we considered this as a key audit matter.

由於貿易應收款項及應收貸款之重要性及有關估計本身之相應不確定性，吾等認為此為關鍵審核事項。

關鍵審核事項(續)

How our audit addressed the Key Audit Matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

Our audit procedures in relation to the management's impairment assessment of trade receivables and loans receivables included:

吾等評估管理層就貿易應收款項及應收貸款之減值評估之審核程序包括：

- discussing the Group's procedures on credit limits and credit periods given to customers with the management;
與管理層討論 貴集團授予客戶信貸限額及信貸期之程序；
- evaluating the management's impairment assessment of trade receivables and loans receivables;
評價管理層對貿易應收款項及應收貸款之減值評估；
- assessing, validating and discussing with the management and evaluating their assessment on the recoverability of the outstanding debts and the adequacy of allowance made based on the trade receivables and loans receivables aging analysis, collections subsequent to the end of the reporting period, past collection history and trend analysis and knowledge of the businesses, with focus on long outstanding debts and debts which are past due but not impaired;
and
與管理層進行評估、驗證和討論，並根據貿易應收款項及應收貸款的賬齡分析、報告期結束後的收款情況、過往收款記錄和趨勢分析以及對業務的了解評價等，對未償還債務可回收性及所計提準備的充足性的評估，重點關注長期未償還債務和逾期但未減值的債務；及

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KEY AUDIT MATTERS (Continued)

Key Audit Matter (Continued)

關鍵審核事項(續)

Impairment assessment on trade receivables and loans receivables (Continued)

貿易應收款項及應收貸款之減值評估(續)

Refer to notes 25 and 27 to the consolidated financial statements respectively. (Continued)

請分別參閱綜合財務報表附註25及27。(續)

關鍵審核事項(續)

How our audit addressed the Key Audit Matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

- checking, on sampling basis, the accuracy and relevance of information included in the impairment assessment of trade receivables and loans receivables.
抽樣查核貿易應收款項及應收貸款減值評估所包含資料的準確性和相關性。

We considered the management conclusion to be consistent with the available information.

吾等認為管理層的結論與所提供資料一致。

KEY AUDIT MATTERS (Continued)

Key Audit Matter (Continued)

關鍵審核事項(續)

Impairment assessment on the Group's goodwill and intangible assets

貴集團商譽及無形資產之減值評估

Refer to notes 21 and 22 to the consolidated financial statements respectively.

請分別參閱綜合財務報表附註21及22。

The Group has intangible assets and goodwill of HK\$931,421,000 and HK\$353,599,000 respectively relating to the property investment segment as at 31 December 2017. Management performed impairment assessment on the intangible assets and goodwill and concluded that no impairment loss on intangible assets was recognised and an impairment loss of HK\$1,813,000 in respect of goodwill was recognised. This conclusion was based on value in use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth and capital expenditure. Independent external valuations were obtained in order to support management's estimates.

本集團於二零一七年十二月三十一日之無形資產及商譽分別為931,421,000港元及353,599,000港元，乃與物業投資分部有關。管理層就無形資產及商譽進行減值評估，並得出結論，無形資產並無減值虧損須予確認，而商譽確認減值虧損1,813,000港元。該結論乃基於使用價值模型，該模型要求涉及貼現率及相關現金流量，尤其是未來收益增長及資本支出之重大管理層判斷。管理層之估計已獲得獨立外部估值之支持。

關鍵審核事項(續)

How our audit addressed the Key Audit Matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

Our audit procedures in relation to the management's impairment assessment of goodwill and intangible assets included: 吾等就管理層對商譽及無形資產之減值評估之審核程序包括：

- evaluating the competence, capabilities and objective of the valuers; 評估獨立估值師之資格、能力及客觀性；
- assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts; 基於吾等對相關行業之認識及運用吾等之估值專家，評價所採用之方法及關鍵假設是否合適；
- challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and 基於吾等對業務及行業之認識，質疑關鍵假設是否合理；及
- checking, on sampling basis, the accuracy and relevance of the input data used. 抽樣查核所採用輸入數據之準確性及相關性。

We found the key assumptions were supported by the available evidence.

吾等發現關鍵假設得到現有證據所支持。

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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 auditors' report thereon (the **"Other Information"**).

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

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

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

The directors 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 the 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.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

其他資料

貴公司董事對其他資料負責。其他資料包括年報所載之資料，但不包括綜合財務報表及其核數師報告（「其他資料」）。

吾等對綜合財務報表之意見並不涵蓋其他資料，且吾等並不就其發表任何形式之核證結論。

就吾等對綜合財務報表之審核之言，吾等之責任為閱覽其他資料，從而考慮其他資料是否與綜合財務報表或吾等於審核得知之情況有重大不符之處，或是否看似重大錯誤陳述。倘根據吾等已履行之工作，吾等作出之結論為此其他資料有重大錯誤陳述，吾等須報告該事實。吾等就此並無報告事項。

董事及審核委員會就綜合財務報表承擔的責任

董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實及公平之綜合財務報表，並對董事釐定為使編製綜合財務報表不會因欺詐或錯誤而存有重大錯誤陳述而言屬必要之內部控制負責。

於編製綜合財務報表時，貴公司董事負責評估貴集團之持續經營能力，並披露有關持續經營之相關事宜（視適合情況而定）及使用持續經營為會計基準，除非董事計劃清盤貴集團或終止經營，或並無其他實際可行方法而如此行事。

審核委員會負責監控貴集團之財務報告程序。

AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content 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 the consolidated financial statements.

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

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

核數師就審核綜合財務報表承擔的責任

吾等的目標為合理確定整體綜合財務報表是否不存在因欺詐或錯誤而導致的任何重大錯誤陳述，並出具載有吾等意見的核數師報告。吾等按照百慕達一九八一年公司法第90條僅向閣下全體報告意見，除此之外並無其他目的。吾等不會就本報告之內容向任何其他人士負上或承擔任何責任。合理確定屬高層次核證，惟無法擔保根據香港審計準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據本綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

- 識別及評估綜合財務報表因欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見。
- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。

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AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

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

核數師就審核綜合財務報表承擔的責任 (續)

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

吾等與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現，包括吾等於審核期間識別出內部監控的任何重大缺陷溝通。

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施(如適用)與彼等溝通。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

From the matters communicated with Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 director on the audit resulting in this independent auditors' report is Hon Koon Fai, Alex.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Hon Koon Fai, Alex
Practising Certificate Number: P05029

Hong Kong, 28 March 2018

核數師就審核綜合財務報表承擔的責任 (續)

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

出具本獨立核數師報告的審核項目董事為韓冠輝。

國衛會計師事務所有限公司
執業會計師

韓冠輝
執業證書號碼：P05029

香港，二零一八年三月二十八日

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
Continuing operations	持續經營業務			
Revenue	收益	7	53,989	161,042
Cost of sales	銷售成本		(57,537)	(93,432)
Gross (loss)/profit	(毛損)/毛利		(3,548)	67,610
Investment and other income	投資及其他收入	8	1,273	1,684
Other gains and losses	其他收益及虧損	9	(74,634)	(177,691)
Selling and distribution expenses	銷售及分銷開支		(3,842)	(5,826)
Administrative expenses	行政開支		(100,573)	(87,019)
Share of results of associates	應佔聯營公司業績		282	—
Loss from operations	經營虧損		(181,042)	(201,242)
Finance costs	融資費用	10	(23,627)	(9,529)
Loss before taxation	除稅前虧損		(204,669)	(210,771)
Income tax credit	所得稅抵免	13	9,052	2,903
Loss for the year from continuing operations	本年度來自持續經營業務之虧損	14	(195,617)	(207,868)
Discontinued operation	已終止經營業務			
Loss for the year from discontinued operation	本年度來自已終止經營業務之虧損	15	(3)	(36)
Loss for the year	本年度虧損		(195,620)	(207,904)
Loss for the year attributable to:	以下人士應佔本年度虧損：			
Owners of the Company	本公司擁有人		(195,545)	(207,902)
Non-controlling interests	非控股權益		(75)	(2)
			(195,620)	(207,904)
Loss per share	每股虧損	16		
From continuing and discontinued operations	來自持續經營及已終止經營業務			
Basic	基本		HK(5.41) cents 港仙	HK(6.61) cents 港仙
Diluted	攤薄		HK(5.41) cents 港仙	HK(6.61) cents 港仙
From continuing operations	來自持續經營業務			
Basic	基本		HK(5.41) cents 港仙	HK(6.61) cents 港仙
Diluted	攤薄		HK(5.41) cents 港仙	HK(6.61) cents 港仙
From discontinued operation	來自已終止經營業務			
Basic	基本		HK— cent 港仙	HK— cent 港仙
Diluted	攤薄		HK— cent 港仙	HK— cent 港仙

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

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	本年度虧損	(195,620)	(207,904)
Other comprehensive income for the year, net of income tax	本年度其他全面收益，扣除所得稅後		
<i>Item that will not be reclassified to profit or loss:</i>	將不會重新分類至損益表之項目：		
Share of other comprehensive expense of an associate	應佔一間聯營公司之其他全面開支	(910)	—
<i>Items that may be reclassified subsequently to profit or loss:</i>	其後可能重新分類至損益表之項目：		
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差額	112,251	(103,999)
Net gain arising on revaluation of available-for-sale financial assets	可供出售金融資產重估產生之收益淨額	—	109,000
Reclassification adjustments relating to available-for-sale financial assets disposed of	有關已出售可供出售金融資產之重新分類調整	—	(22,500)
Reclassification adjustments relating to impairment loss recognised in respect of available-for-sale financial assets	有關已確認可供出售金融資產減值虧損之重新分類調整	—	57,750
		112,251	40,251
Other comprehensive income for the year, net of income tax	本年度其他全面收益，扣除所得稅後	111,341	40,251
Total comprehensive expense for the year	本年度全面總開支	(84,279)	(167,653)
Total comprehensive expense for the year attributable to:	以下人士應佔本年度全面總開支：		
Owners of the Company	本公司擁有人	(84,201)	(167,651)
Non-controlling interests	非控股權益	(78)	(2)
		(84,279)	(167,653)

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 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
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	664,795	432,976
Investment properties	投資物業	19	810,019	561,089
Intangible assets	無形資產	21	931,421	890,185
Goodwill	商譽	22	353,599	332,189
Interests in associates	於聯營公司之權益	23	38,393	600
Available-for-sale financial assets	可供出售金融資產	24	—	365,172
Deferred tax assets	遞延稅項資產	40	6,280	4,738
Prepayments	預付款項	28	20,957	1,561
Loans receivables	應收貸款	25	574,503	138,500
			3,399,967	2,727,010
Current assets	流動資產			
Inventories	存貨	26	38,453	45,636
Loans receivables	應收貸款	25	626,127	312,663
Trade receivables	貿易應收款項	27	41,107	63,160
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	28	228,495	101,261
Amount due from an associate	應收一間聯營公司款項	29	1,480	1,697
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產	30	662,943	544,442
Tax recoverable	可收回稅項		323	6,694
Cash and cash equivalents	現金及現金等價物	31	225,010	438,975
			1,823,938	1,514,528
Total assets	資產總值		5,223,905	4,241,538
EQUITY	權益			
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備			
Share capital	股本	32	38,196	32,160
Reserves	儲備		3,228,193	3,216,985
Equity attributable to owners of the Company	本公司擁有人應佔權益		3,266,389	3,249,145
Non-controlling interests	非控股權益		(84)	(6)
Total equity	權益總額		3,266,305	3,249,139

Consolidated Statement of Financial Position

綜合財務狀況表

At 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
	Notes 附註			
LIABILITIES		負債		
Current liabilities		流動負債		
Trade payables	33	貿易應付款項	8,452	36,532
Deposits received, accruals and other payables	34	已收按金、應計費用及其他應付款項	383,528	173,497
Receipts in advance		預收款項	43,467	36,512
Promissory note	35	承兌票據	—	30,000
Tax payables		應付稅項	87,659	85,318
Amount due to an associate	36	應付一間聯營公司款項	—	991
Other borrowings	38	其他借款	300,000	—
Bank borrowings	37	銀行借款	166,261	27,203
			989,367	390,053
Non-current liabilities		非流動負債		
Other payables	34	其他應付款項	91,834	85,670
Receipts in advance		預收款項	37,800	59,400
Bank borrowings	37	銀行借款	185,193	117,878
Secured notes	39	擔保票據	299,398	—
Deferred tax liabilities	40	遞延稅項負債	354,008	339,398
			968,233	602,346
Total liabilities		負債總額	1,957,600	992,399
Total equity and liabilities		權益及負債總額	5,223,905	4,241,538
Net current assets		流動資產淨值	834,571	1,124,475
Total assets less current liabilities		資產總值減流動負債	4,234,538	3,851,485

The consolidated financial statements were approved and authorised for issue by the board of directors on 28 March 2018 and are signed on its behalf by:

綜合財務報表已於二零一八年三月二十八日經董事會批准及授權刊發，並由下列人士代表簽署：

Lei Hong Wai
李雄偉
Director
董事

Chan Kin Wah Billy
陳健華
Director
董事

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Capital reserve	Contributed surplus	Equity-settled share-based payment reserve	Available-for-sale financial assets revaluation reserve	Exchange reserve	Fair value through other comprehensive income reserve	Retained profits	Sub-total	Non-controlling interests	Total
		股本	股份溢價	資本儲備	實繳盈餘	儲備	重估儲備	匯兌儲備	按公平值計入其他全面收益表儲備	保留溢利	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元 (附註a)	千港元 (附註b)	千港元 (附註c)	千港元 (附註d)	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	26,800	1,663,039	19,833	404,663	27,648	-	(32,061)	-	1,242,388	3,352,310	(5)	3,352,305
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	(207,902)	(207,902)	(2)	(207,904)
Other comprehensive income for the year	本年度其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	(103,999)	-	-	(103,999)	-	(103,999)
Net gain arising on revaluation of available-for-sale financial assets	可供出售金融資產重估產生之收益淨額	-	-	-	-	-	109,000	-	-	-	109,000	-	109,000
Reclassification adjustments relating to available-for-sale financial assets disposal of	有關已出售可供出售金融資產之重新分類調整	-	-	-	-	-	(22,500)	-	-	-	(22,500)	-	(22,500)
Reclassification adjustments relating to impairment loss recognised in respect of available-for-sale financial assets	有關可供出售金融資產已確認減值虧損之重新分類調整	-	-	-	-	-	57,750	-	-	-	57,750	-	57,750
Total comprehensive income/(expense) for the year	本年度全面收益/(開支)總額	-	-	-	-	-	144,250	(103,999)	-	(207,902)	(167,651)	(2)	(167,653)
Placing of new shares	配售新股份	5,360	61,640	-	-	-	-	-	-	-	67,000	-	67,000
Share issue expenses	股份發行開支	-	(2,514)	-	-	-	-	-	-	-	(2,514)	-	(2,514)
Changes in ownership interests in a subsidiary upon deemed disposal without loss of control	因並無導致喪失控制權之視作出售附屬公司所有權益之變動	-	-	-	-	-	-	-	-	-	-	400	400
Deemed disposal of a subsidiary	視作出售附屬公司	-	-	-	-	-	-	-	-	-	-	(399)	(399)
Release on lapse of equity-settled share-based payment	以股權結算之股份支款失效時撥回	-	-	-	-	(17,800)	-	-	-	17,800	-	-	-
At 31 December 2016 and 1 January 2017 (originally stated)	於二零一六年十二月三十一日及二零一七年一月一日(原來所列)	32,160	1,722,165	19,833	404,663	9,848	144,250	(136,060)	-	1,052,286	3,249,145	(6)	3,249,139
Effect on early adoption of Hong Kong Financial Reporting Standard 9	提早應用香港財務報告準則第9號之影響	-	-	-	-	-	(144,250)	-	-	144,250	-	-	-
At 1 January 2017 (restated)	於二零一七年一月一日(經重列)	32,160	1,722,165	19,833	404,663	9,848	-	(136,060)	-	1,196,536	3,249,145	(6)	3,249,139
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	(195,545)	(195,545)	(75)	(195,620)
Other comprehensive income for the year	本年度其他全面收益	-	-	-	-	-	-	-	(910)	-	(910)	-	(910)
Share of other comprehensive expense of an associate	應佔聯營公司之其他全面開支	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	112,254	-	-	112,254	(3)	112,251
Total comprehensive income/(expense) for the year	本年度全面收益/(開支)總額	-	-	-	-	-	-	112,254	(910)	(195,545)	(84,201)	(78)	(84,279)
Placing of new shares	配售新股份	6,432	96,480	-	-	-	-	-	-	-	102,912	-	102,912
Share issue expenses	股份發行開支	-	(3,686)	-	-	-	-	-	-	-	(3,686)	-	(3,686)
Repurchase of shares	贖回股份	(396)	(7,908)	-	-	-	-	-	-	-	(8,304)	-	(8,304)
Recognition of equity-settled share-based payment	確認為以股權結算之股份支款	-	-	-	-	10,523	-	-	-	-	10,523	-	10,523
Release on disposal of a subsidiary	於出售附屬公司時撥回	-	-	(2,072)	-	-	-	-	-	2,072	-	-	-
Release on lapse of equity-settled share-based payment	以股權結算之股份支款失效時撥回	-	-	-	-	(9,848)	-	-	-	9,848	-	-	-
At 31 December 2017	於二零一七年十二月三十一日	38,196	1,807,051	17,761	404,663	10,523	-	(23,806)	(910)	1,012,911	3,266,389	(84)	3,266,305

Consolidated Statement of Changes in Equity

綜合權益變動表

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

Notes:

- (a) Capital reserve represents the difference of share capital and share premium of the subsidiaries and the nominal value of the 880 shares issued by Riche (BVI) Limited (formerly known as Ocean Shores (BVI) Limited) prior to the allotment of 120 shares to Classical Statue Limited and the amount arising from issue of share by a subsidiary.
- (b) Contributed surplus represents the net amount transferred from share capital and share premium to retained profits pursuant to the special resolutions passed at the special general meetings held on 22 August 2003, 30 April 2008 and 12 December 2011.
- (c) Equity-settled share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each reporting period is determined by spreading the fair value of the share options over the relevant vesting periods (if any) and is recognised as staff costs and related expenses with a corresponding increase in equity-settled share-based payment reserve.
- (d) Available-for-sale financial assets revaluation reserve represents cumulative gains and losses on revaluation of available-for-sale financial assets recognised in other comprehensive income less those cumulative gains and losses recycled and recognised in profit or loss upon derecognition of available-for-sale financial assets.

附註：

- (a) 資本儲備指附屬公司之股本及股份溢價與向 Classical Statue Limited 配發 120 股股份前 Riche (BVI) Limited (前稱 Ocean Shores (BVI) Limited) 所發行之 880 股股份之面值及附屬公司發行股份所得款項之差額。
- (b) 實繳盈餘指根據於二零零三年八月二十二日、二零零八年四月三十日及二零一一年十二月十二日舉行之股東特別大會上通過之特別決議案自股本及股份溢價轉撥至保留溢利之淨額。
- (c) 以股權結算之股份支款儲備指於相關歸屬期內授出相關購股權以換取估計將接獲服務之公平值，其總額乃根據購股權於授出日期之公平值計算。各報告期之金額乃透過將購股權公平值於相關歸屬期(如有)內攤分釐定，並確認為員工成本及相關開支，而以股權結算之股份支款儲備作相應增加。
- (d) 可供出售金融資產重估儲備指已於其他全面收益確認之可供出售金融資產重估之累計收益及虧損，扣除於終止確認可供出售金融資產時已收回並於損益表確認之累計收益及虧損。

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

	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
OPERATING ACTIVITIES			
Loss before taxation from continuing operations		(204,669)	(210,771)
Loss before taxation from discontinued operation	15	(3)	(36)
<i>Adjustments for:</i>	<i>就以下項目作出調整：</i>		
Amortisation of intangible assets	14,21	20,456	20,647
Cumulative gain reclassified from equity to profit or loss upon derecognition of available-for-sale financial assets	9	—	(22,500)
Depreciation of property, plant and equipment	14,18	15,743	14,586
Dividend income	8	(1,022)	(1,347)
Equity-settled share-based payment expenses	14	10,523	—
Gain arising on change in fair value of financial assets at fair value through profit or loss upon recognition of interests in associates	9	—	(17,367)
Gain arising on change in fair value of investment properties	9,19	(20,013)	(3,733)
Gain on deemed disposal of a subsidiary	9	—	(8)
Gain on disposal of a subsidiary	9	(1)	—
Impairment loss recognised in respect of amount due from an associate	9	217	400
Impairment loss recognised in respect of available-for-sale financial assets reclassified from equity to profit or loss	9	—	57,750
Impairment loss recognised in respect of goodwill	9,22	1,813	—
Interest expenses	10	23,627	9,529
Interest income on bank deposits	8	(76)	(329)
Loss arising on change in fair value of financial assets at fair value through profit or loss	9	92,526	141,649
Loss on deemed disposal of an associate	9,23	—	21,500
Loss on disposal of property, plant and equipment	9	92	—
Share of results of associates		(282)	—

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

	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
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(61,069)	9,970
Decrease in inventories	存貨減少	7,530	4,119
(Increase)/decrease in loans receivables	應收貸款(增加)/減少	(749,467)	34,314
Decrease/(increase) in trade receivables	貿易應收款項減少/(增加)	22,713	(803)
(Increase)/decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項(增加)/減少	(129,498)	10,584
Decrease/(increase) in financial assets at fair value through profit or loss	按公平值計入損益表之金融資產減少/(增加)	153,973	(206,066)
Decrease in trade payables	貿易應付款項減少	(28,262)	(3,844)
Decrease in deposits received, accruals and other payables	已收按金、應計費用及其他應付款項減少	(44,914)	(7,840)
Decrease in amount due to an associate	應付一間聯營公司款項減少	(991)	—
Decrease in receipts in advance	預收款項減少	(16,178)	(19,492)
Cash used in operations	營運所用現金	(846,163)	(179,058)
Tax paid	已付稅項	(176)	(12,333)
Net cash used in operating activities	經營活動所用現金淨額	(846,339)	(191,391)
INVESTING ACTIVITIES	投資活動		
Dividend received	已收股息	8	1,347
Interest received	已收利息	8	329
Net cash inflow from disposal of a subsidiary	出售一間附屬公司產生之現金流入淨額	172	—
Advance to an associate	一間聯營公司墊款	(38,421)	—
Proceeds from deposit received associated with the disposal of subsidiaries	已收出售附屬公司相關按金所得款項	235,300	—
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產所得款項	—	120,000
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	—	643
Purchase of property, plant and equipment and investment properties	購買物業、廠房及設備及投資物業	(279,784)	(53,705)
Net cash (used in)/generated from investing activities	投資活動(所用)/產生之現金淨額	(81,635)	68,614

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

		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
FINANCING ACTIVITIES				
Proceeds from disposal of a subsidiary without lost of control	並無喪失控制權之出售一間附屬公司之所得款項		—	400
Proceeds from placing of new shares	配售新股份之所得款項		102,912	67,000
Proceeds from bank borrowings	銀行借款所得款項		215,251	—
Proceeds from other borrowings	其他借款所得款項		450,000	—
Net proceeds from issue of secured notes	發行擔保票據所得款項淨額	39	299,326	—
Payment on repurchase of shares	購回股份所用款項		(8,304)	—
Advance from a director	一名董事墊款		10,000	—
Repayment to a director	還款予一名董事		(10,000)	—
Repayment of bank borrowings	銀行借款付款		(151,617)	(48,798)
Repayment of other borrowings	其他借款付款		(150,000)	—
Repayment of promissory note	承兌票據付款	35	(30,000)	—
Interest paid	已付利息		(12,845)	(10,090)
Share issue expenses	股份發行開支		(3,686)	(2,514)
Net cash generated from financing activities	融資活動產生之現金淨額		711,037	5,998
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(216,937)	(116,779)
Cash and cash equivalents at beginning of the reporting period	報告期初之現金及現金等價物		438,975	509,341
Effect of foreign exchange rate changes	匯率變動之影響		2,972	46,413
Cash and cash equivalents at end of the reporting period	報告期末之現金及現金等價物		225,010	438,975
Analysis of the balances of cash and cash equivalents				
Cash at bank and on hand	銀行及手頭現金	31	225,010	438,975

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

The Company is incorporated in Bermuda as an exempted company with limited liability and its issued shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office, and head office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries (together with the Company referred to as the “**Group**”) are sale of financial assets, property investment, money lending, and design and sale of jewelry products and precious stones. The Group was also engaged in distribution of films and sub-licensing of film rights, which were discontinued on 17 February 2017.

The consolidated financial statements are presented in thousands of units of Hong Kong dollar (**HK\$’000**), which is same as the functional currency of the Company.

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

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

HKAS 7 (Amendments)	Disclosure Initiative
HKAS 12 (Amendments)	Recognition of Deferred Tax Assets for Unrealised Losses
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2014-2016 Cycle relating to amendments to HKFRS 12 <i>Disclosure of Interests in Other Entities</i>

1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，其已發行股份在香港聯合交易所有限公司（「聯交所」）主板上市。本公司之註冊辦事處以及總辦事處及主要營業地點之地址於年度報告之公司資料一節披露。

本公司之主要業務為投資控股。本公司之附屬公司（連同本公司統稱「本集團」）之主要業務為銷售金融資產、物業投資、借貸、以及設計及銷售珠寶產品及寶石。本集團亦從事電影發行及轉授電影發行權，並已於二零一七年二月十七日終止。

綜合財務報表以千港元（千港元）為單位呈列，與本公司之功能貨幣相同。

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」）

本集團於本年度首次應用由香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂香港財務報告準則如下：

香港會計準則第7號（修訂本）	披露計劃
香港會計準則第12號（修訂本）	就未變現虧損確認遞延稅項資產
香港財務報告準則（修訂本）	二零一四年至二零一六年週期香港財務報告準則之年度改進有關香港財務報告準則第12號披露於其他實體之權益之修訂本

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

HKAS 7 (Amendments) *Disclosure Initiative*

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that 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 52 to the consolidated financial statements. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior years. Apart from the additional disclosure in note 52 to the consolidated financial statements, the application of these amendments has had no impact on the Group’s consolidated financial statements.

Except as disclosed above, the application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in the 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)

香港會計準則第7號(修訂本)披露計劃

本集團於本年度首次應用此等修訂。該等修訂要求實體提供披露資料，使財務報表使用者能夠評估融資活動產生之負債變動，包括現金及非現金變動。此外，倘此等金融資產之現金流量或將來之現金流量將計入來自融資活動之現金流量，則此等修訂亦要求披露金融資產之變動。

具體而言，該等修訂要求披露以下各項：(i) 來自融資活動之現金流量變動；(ii) 因取得或失去附屬公司或其他業務之控制權而產生之變動；(iii) 匯率變動之影響；(iv) 公平值之變動；及(v) 其他變動。

有關該等項日期初及期末結餘之對賬載於綜合財務報表附註52。根據修訂本之過渡條文，本集團並無披露過往年度之比較資料。除綜合財務報表附註52之額外披露外，應用該等修訂對本集團之綜合財務報表並無影響。

除上文披露者外，於本年度應用新訂及經修訂香港財務報告準則對綜合財務報表所載之本年度及過往年度本集團財務表現及狀況及／或其披露之資料並無重大影響。

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

Early adoption of HKFRS 9 *Financial Instruments*

During the year ended 31 December 2017, the Group has early applied HKFRS 9 that is effective for annual periods beginning on or after 1 January 2018. The Group has chosen 1 January 2017 as its date of initial application.

Accounting policies applied from 1 January 2017

HKFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities, and introduces new rules for hedge accounting and new impairment model for financial assets. The final version of HKFRS 9 was issued in September 2014. It replaces the guidance in HKAS 39 *Financial Instruments: Recognition and Measurement* that is related to the classification and measurement of financial instruments. HKFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through other comprehensive income (“FVTOCI”) and fair value through profit or loss (“FVTPL”). The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial assets. Investments in equity instruments (that are not held-for-trading) are measured at fair values with an irrevocable election at inception to present changes in fair value in other comprehensive income not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in HKAS 39. For financial liabilities, there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at FVTPL. HKFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the “hedged ratio” to be the same as the one management actually uses for risk management purposes.

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)

提早採納香港財務報告準則第9號金融工具

截至二零一七年十二月三十一日止年度，本集團已提早應用於二零一八年一月一日或之後開始之年度期間生效之香港財務報告準則第9號。本集團已選擇將二零一七年一月一日作為其初始應用日期。

自二零一七年一月一日起應用之會計政策

香港財務報告準則第9號闡述金融資產及金融負債之分類、計量及確認，並就金融資產引進對沖會計法之新規例及新減值模式。香港財務報告準則第9號之最終版本於二零一四年九月頒佈。該準則取代香港會計準則第39號金融工具：確認及計量有關金融工具之分類及計量之指引。香港財務報告準則第9號保留但簡化混合計量模式，並確立金融資產三個主要計量分類：攤銷成本、按公平值計入其他全面收益表(「按公平值計入其他全面收益表」)及按公平值計入損益表(「按公平值計入損益表」)列賬。分類基準視乎實體之業務模式及金融資產之合約現金流量特徵而定。股本工具投資(非持作出售)最初須以不可撤銷權按公平值計量，以於其他全面收益表呈列非循環之公平值變動。新預期信貸虧損模式將取代香港會計準則第39號所用已發生虧損減值模式。對金融負債之分類及計量並無作出更改，惟指定按公平值計入損益表處理之負債，須於其他全面收益表確認本身信貸風險變動。香港財務報告準則第9號通過取代明確對沖有效性測試放鬆對沖有效性要求。其對沖項目及對沖工具間之經濟關係有一定要求，「對沖比率」亦須與管理層於風險管理過程中實際使用者一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

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

Early adoption of HKFRS 9 Financial Instruments (Continued)

Accounting policies applied from 1 January 2017 (Continued)

In accordance with HKFRS 9, the Group did not restate prior periods and the cumulative effect of initially applying the standard as an adjustment was recognised in either retained profits or an appropriate equity reserve as of the opening balance as at 1 January 2017.

The following summarises the classification and measurement changes for the Group’s financial assets and financial liabilities on 1 January 2017, the Group’s date of initial application of HKFRS 9:

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)

提早採納香港財務報告準則第9號金融工具(續)

自二零一七年一月一日起應用之會計政策(續)

根據香港財務報告準則第9號，本集團並無重列過往期間之數據及首次應用該準則之累計影響之調整已於二零一七年一月一日期初的保留溢利或適當權益儲備於結餘內確認。

本集團金融資產及金融負債於二零一七年一月一日(即初始應用香港財務報告準則第9號當日)之分類及計量之變動概述如下：

	Notes 附註	Originally stated 原先呈列		HKFRS 9 香港財務報告準則第9號				
		Available- for-sale financial assets	Financial assets at fair value through profit or loss	Loans and receivables	Remeasurement upon application of HKFRS 9 應用香港 財務報告準則 第9號後 重新計量	FVTPL	FVTOCI	Amortised cost
		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	HK\$'000 千港元
Financial assets	金融資產							
Trade receivables	貿易應收款項	-	-	63,160	-	-	-	63,160
Loans receivables	應收貸款	-	-	451,163	-	-	-	451,163
Other receivables	其他應收款項	-	-	89,621	-	-	-	89,621
Amount due from an associate	應收一間聯營公司款項	-	-	1,697	-	-	-	1,697
Cash and cash equivalents	現金及現金等價物	-	-	438,975	-	-	-	438,975
Financial assets at fair value through profit or loss	按公平值計入損益表 之金融資產							
- Listed equity securities	- 上市股本證券	-	544,442	-	-	544,442	-	-
Available-for-sale financial assets	可供出售金融資產							
- Listed equity securities	- 上市股本證券	(i)	365,000	-	-	365,000	-	-
- Unlisted debt security	- 非上市債務證券	(ii)	172	-	-	172	-	-
		365,172	544,442	1,044,616	-	909,614	-	1,044,616

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綜合財務報表附註

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

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

Early adoption of HKFRS 9 Financial Instruments (Continued)

Accounting policies applied from 1 January 2017 (Continued)

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)

提早採納香港財務報告準則第9號金融工具(續)

自二零一七年一月一日起應用之會計政策(續)

		Originally stated 原先呈列		HKFRS 9 香港財務報告 準則第9號
		Amortised cost 攤銷成本 HK\$'000 千港元	Remeasurement upon application of HKFRS 9 應用香港 財務報告準則 第9號後 重新計量 HK\$'000 千港元	Amortised cost 攤銷成本 HK\$'000 千港元
Financial liabilities	金融負債			
Trade payables	貿易應付款項	36,532	—	36,532
Deposits received, accruals and other payables	已收按金、應計費用及其他應付款項	259,167	—	259,167
Promissory note	承兌票據	30,000	—	30,000
Amount due to an associate	應付一間聯營公司款項	991	—	991
Bank borrowings	銀行借款	145,081	—	145,081
		471,771	—	471,771

The impact on the Group's reserves due to reclassification and remeasurement of financial instruments as at 1 January 2017 is as follows:

於二零一七年一月一日對金融工具進行重新分類及重新計量對本集團儲備之影響如下：

		Note 附註	Available-for-sale financial assets revaluation reserve 可供出售金融 資產重估儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元
At 1 January 2017 (originally stated)	於二零一七年一月一日 (原先呈列)		144,250	1,052,286
Reclassification upon initial application of HKFRS 9	初始應用香港財務報告準則 第9號後重新分類	(i)	(144,250)	144,250
At 1 January 2017 (restated)	於二零一七年一月一日 (經重列)		—	1,196,536

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綜合財務報表附註

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

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

Early adoption of HKFRS 9 Financial Instruments (Continued)

Accounting policies applied from 1 January 2017 (Continued)

Notes:

- (i) Listed equity securities previously classified as available-for-sale (“AFS”) financial assets

Based on the business model for managing its financial assets, the Group elected to present in profit or loss subsequent changes in the fair value of all its listed equity securities previously classified as AFS financial assets. As a result, the listed equity securities with carrying amounts of HK\$365,000,000 were reclassified from AFS financial assets to financial assets at FVTPL.

Cumulative gains arising on revaluation of AFS financial assets recognised in other comprehensive income of HK\$144,250,000 were transferred from AFS financial assets revaluation reserve to retained profits.

- (ii) Unlisted debt security of club debenture previously classified as AFS financial assets

Based on the business model for managing its financial assets, the Group elected to present in profit or loss subsequent changes in the fair value of its club debenture previously classified as AFS financial asset. As a result, the club debenture with a carrying amount of HK\$172,000 was reclassified from AFS financial asset to financial asset at FVTPL. Subsequent to the reclassification, the club debenture was disposed of on 17 February 2017 through the disposal of Riche Video Limited (“**Riche Video**”), an indirect wholly owned subsidiary of the Company.

Apart from stated above, the Group has not early applied other new and revised HKFRSs that have been issued by the HKICPA but are not yet effective.

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)

提早採納香港財務報告準則第9號金融工具(續)

自二零一七年一月一日起應用之會計政策(續)

附註：

- (i) 先前分類為可供出售(「可供出售」)金融資產之上市股本證券

根據管理其金融資產之業務模式，本集團已選擇將先前分類為可供出售金融資產之所有其上市股本證券之公平值變動於損益表中呈列。因此，賬面值為365,000,000港元之上市股本證券已由可供出售金融資產重新分類至按公平值計入損益表之金融資產。

於其他全面收益中確認之可供出售金融資產重新估值所產生累計收益144,250,000港元已由可供出售金融資產重估儲備轉至保留溢利。

- (ii) 先前分類為可供出售金融資產之非上市債務證券之會所債券

根據管理其金融資產之業務模式，本集團已選擇將先前分類為可供出售金融資產之會所債券之公平值變動於損益表中呈列。因此，賬面值為172,000港元之會所債券已由可供出售金融資產重新分類至按公平值計入損益表之金融資產。於重新分類後，會所債券已於二零一七年二月十七日透過出售一間本公司之間接全資附屬公司豐采錄影有限公司(「豐采錄影」)出售。

除上文所述，本集團並無提早應用香港會計師公會頒佈但尚未生效之其他新訂及經修訂香港財務報告準則。

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綜合財務報表附註

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

3. 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:

HKAS 28 (Amendments)	Long-term interests in Associates and Joint Ventures ²
HKAS 40 (Amendments)	Transfers of investment property ¹
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2014-2016 Cycle except HKFRS 12 (Amendments) ¹
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015-2017 Cycle ²
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions ¹
HKFRS 4 (Amendments)	Applying HKFRS 9 <i>Financial Instruments</i> with HKFRS 4 <i>Insurance Contracts</i> ¹
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation ²
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ³
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments ²

- ¹ Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
- ² Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.
- ³ Effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.
- ⁴ Effective for annual periods beginning on or after a date to be determined.

Except as described below, none of these new and revised HKFRSs that have been issued but are not yet effective is expected to have a material effect on the Group's financial performance and financial positions.

3. 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以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港會計準則第28號 (修訂本)	於聯營公司及合營企業之長期權益 ²
香港會計準則第40號 (修訂本)	轉讓投資物業 ¹
香港財務報告準則(修訂本)	二零一四年至二零一六年週期香港財務報告準則之年度改進(香港財務報告準則第12號(修訂本)除外) ¹
香港財務報告準則(修訂本)	二零一五年至二零一七年週期香港財務報告準則之年度改進 ²
香港財務報告準則第2號 (修訂本)	以股份支付交易之分類及計量 ¹
香港財務報告準則第4號 (修訂本)	就香港財務報告準則第4號保險合同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 (修訂本)	負補償之預付款項特性 ²
香港財務報告準則第10號及香港會計準則第28號 (修訂本)	投資者與其聯營公司或合營公司之間之資產出售或注資 ⁴
香港財務報告準則第15號	來自客戶合約之收益及相關修訂 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 ³
香港(國際財務報告詮釋委員會) – 詮釋第22號	外幣交易及墊付代價 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

- ¹ 於二零一八年一月一日或之後開始之年度期間生效，可予提早應用。
- ² 於二零一九年一月一日或之後開始之年度期間生效，可予提早應用。
- ³ 於二零二一年一月一日或之後開始之年度期間生效，可予提早應用。
- ⁴ 於將予確定之日期或之後開始之年度期間生效。

除下文所述者外，預期該等已頒佈但尚未生效之新訂及經修訂香港財務報告準則概不會對本集團之財務表現及財務狀況造成重大影響。

3. NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (Continued)

HKFRS 15 Revenue from Contracts with Customers

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

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

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

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

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

3. 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號來自客戶合約之收益

香港財務報告準則第15號已頒佈，其制定一項供實體用於將自客戶合約產生之收益入賬之單一綜合模型。香港財務報告準則第15號生效後將取代現行之收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

香港財務報告準則第15號之核心原則為實體所確認之向客戶轉讓已承諾貨品或服務之收益，應為能反映該實體預期就交換該等貨品或服務而有權收取之代價之金額。具體而言，該準則引入五個收益確認步驟：

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

根據香港財務報告準則第15號，實體於完成履約責任時(或就此)確認收益，即於涉及特定履約責任之貨品或服務之「控制權」轉移予客戶時。香港財務報告準則第15號已就特別情況之處理方法納入更明確之指引。此外，香港財務報告準則第15號要求作出更詳盡之披露。

於二零一六年，香港會計師公會頒佈澄清香港財務報告準則第15號，內容有關識別表現責任、本金對代理代價，及申請牌照指引。

3. NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

For sales with a right of return, currently when the customers are allowed to return the Group's products, the Group estimates the level of expected returns and makes an adjustment against revenue and cost of sales. The Group has assessed that the application of HKFRS 15 will not materially affect how the Group recognises revenue and cost of sales when the customers have a right of return. However, the new requirement to recognise separately a return asset for the products expected to be returned will impact the presentation in the consolidated statement of financial position.

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

HKFRS 16 Leases

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

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

3. 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第15號來自客戶合約之收益(續)

就附退貨權之銷售而言，目前，當客戶可退回本集團之產品時，本集團估計預計退貨水平，並對收益及銷售成本進行調整。本集團評估，當客戶有退貨權時，應用香港財務報告準則第15號將不會對本集團確認收益及銷售成本產生重大影響。然而，對預計將被退回之產品單獨確認退貨資產之新要求，將影響綜合財務狀況表中之呈列，因為本集團目前就預計退貨調整存貨之賬面值，而非確認一項獨立資產。

本公司董事預期未來應用香港財務報告準則第15號可能會導致更多披露事項。然而，本公司董事並無預期應用香港財務報告準則第15號會對於相關報告期間確認之收益時間及金額有重大影響。

香港財務報告準則第16號租賃

香港財務報告準則第16號為租賃安排之識別以及對出租人及承租人之會計處理引入綜合模式。香港財務報告準則第16號於生效時將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。就承租人會計處理而言，除短期租賃及低價值資產租賃外，經營租賃及融資租賃之差異已予撤銷，並由承租人須就所有租賃確認使用權資產及相應負債之模式替代。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (Continued)

HKFRS 16 Leases (Continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively by the Group.

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.

3. 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

使用權資產初始按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。租賃負債初始按租賃付款(非當日支付)之現值計量。其後，租賃負債就(其中包括)利息及租賃付款以及租賃修訂之影響作出調整。應用香港財務報告準則第16號後，有關租賃負債之租賃付款將分配至本金及利息部分，並將由本集團分別呈列為融資及經營現金流量。

與承租人會計處理相比，香港財務報告準則第16號大致保留香港會計準則第17號內出租人會計之要求，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號亦要求較廣泛的披露。

3. NEW AND REVISED HKFRSs IN ISSUE BUT NOT YET EFFECTIVE (Continued)

HKFRS 16 Leases (Continued)

Application of HKFRS 16 will result in the Group's recognition of right-of-use assets and corresponding liabilities in respect of many of the Group's lease arrangements. These assets and liabilities are currently not required to be recognised but certain relevant information is disclosed to the notes to the consolidated financial statements. As set out in note 43 to the consolidated financial statements, the total operating lease commitment of the Group for office premises, the operating rights in respect of (i) the rights to construct and operate the club facilities of a membership golf club and resort in Beijing, Mainland China, (the "Club"), (ii) the rights to develop and operate a piece of 580 Chinese acre land adjacent to the Club (the "Subject Land") and (iii) the rights to manage the properties erected on the Subject Land at 31 December 2017 amounted to HK\$724,831,000. The directors of the Company do not anticipate that the application of HKFRS 16 as compared with the current accounting policy would result in significant impact on the Group's result but it is anticipated that certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as right-of-use assets and lease liabilities.

In addition, the Group currently considers refundable rental deposits paid of HK\$597,000 and refundable rental deposits received of HK\$2,394,000 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets. Adjustments to refundable rental deposits received would be considered as advance lease payments.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

3. 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

應用香港財務報告準則第16號將導致本集團須就本集團租賃安排確認資產使用權及相應負債。該等資產及負債目前毋須確認，惟若干相關資料於綜合財務報表之附註內披露。誠如綜合財務報表附註43所載，於二零一七年十二月三十一日本集團就辦公室物業及經營權，即(i)建設及經營於中國內地北京之會員制高爾夫俱樂部及酒店(「會所」)之會所設施之權利，(ii)開發及經營一幅毗鄰會所之580畝地塊(「主體地塊」)之權利及(iii)管理主體地塊上已建物業之權利之經營租賃承擔總額為724,831,000港元。本公司董事預期，與目前會計政策相比，應用香港財務報告準則第16號不會對本集團業績造成重大影響，惟預期該等租約承擔其中若干部分須於綜合財務狀況表確認為資產使用權及租賃負債。

此外，本集團現時認為已付可退回租賃按金597,000港元及已收可退回租賃按金2,394,000港元屬租賃項下之權利及義務，適用於香港會計準則第17號。按香港財務報告準則第16號租賃付款之定義，上述按金並非與使用相關資產權利有關之款項，因此，上述按金之賬面值可予調整至攤銷成本，而有關調整乃被視為額外租賃付款。已付可退回租賃按金之調整會計入使用權資產之賬面值內。已收可退回租賃按金之調整應會被視為預收租賃付款。

此外，應用新規定或會導致上述計量、呈列及披露資料之變動。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRSs which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

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

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

4. 主要會計政策概要

編製綜合財務報表時應用之主要會計政策載列如下。除另有指明外，該等政策於呈列之所有年度獲貫徹應用。

(a) 編製基準

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則而編製，香港財務報告準則為包括所有適用的個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋之統稱。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）規定之適用披露事項及香港公司條例之披露規定。

綜合財務報表乃根據歷史成本基準編製，惟於各報告期末按公平值計量之投資物業及若干金融工具除外（於下述會計政策中闡述）。

歷史成本一般按交換貨品及服務所支付代價之公平值計量。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (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 the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

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

For financial instruments and investment properties which are transferred at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that the results of the valuation technique equals the transaction price.

4. 主要會計政策概要(續)

(a) 編製基準(續)

公平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之價格，而不論該價格是否直接可觀察得出或可使用其他估值技術估計。倘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之特徵，則本集團於估計資產或負債之公平值時會考慮該等特徵。本綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份為基礎之支付範圍之以股份形式支付之交易、屬於香港會計準則第17號租賃範圍內之租賃交易，以及與公平值有部分相似之處但並非公平值之計量，如香港會計準則第2號存貨之可變現淨值或香港會計準則第36號資產減值之使用價值除外。

非金融資產的公平值計量計入市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

對於按公平值轉撥並且相關估值技術將使用不可觀察輸入數據計量其後期間公平值之金融工具及投資物業，估值技術會作調整，以令估值技術的結果等於交易價格。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of preparation (Continued)

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.

(b) Basis of consolidation

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

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

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

4. 主要會計政策概要(續)

(a) 編製基準(續)

此外，就財務報告而言，公平值計量根據公平值計量輸入數據之可觀察程度及輸入數據對公平值計量整體之重要性分類為第1、第2或第3級，載述如下：

- 第1級輸入數據乃實體於計量日期可取得之相同資產或負債於活躍市場中所報價格(未經調整)；
- 第2級輸入數據乃資產或負債之可直接或間接觀察獲得之輸入數據(第1級所載報價除外)；及
- 第3級輸入數據乃資產或負債之不可觀察獲得之輸入數據。

(b) 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之實體之財務報表。當本公司符合以下要素時，則取得控制權：

- 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之風險或享有權利；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。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

4. 主要會計政策概要(續)

(b) 綜合基準(續)

倘本集團於投資對象之投票權未能佔大多數，則當投票權足以賦予本公司實際能力以單方面指揮投資對象之相關活動時即對投資對象擁有權力。本集團於評估本集團於投資對象之投票權是否足以賦予其權力時考慮所有相關事實及情況，包括：

- 相對其他投票權持有人所持投票權之數量及分散情況，本集團持有投票權之數量；
- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排產生之權利；及
- 需要作出決定時，本集團目前能夠或不能指揮相關活動之任何額外事實及情況(包括於過往股東會議上之投票模式)。

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及其他全面收益表，直至本集團不再控制有關附屬公司之日期為止。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

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

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

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

Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

4. 主要會計政策概要(續)

(b) 綜合基準(續)

損益及其他全面收益之每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

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之所有集團內公司間之資產及負債、權益、收益、支出及現金流於綜合時悉數對銷。

業務合併

收購業務以收購法入賬。業務合併所轉讓代價以公平值計量，而公平值按本集團所轉讓資產、本集團對被收購方前擁有人所產生負債以及本集團就交換被收購方控制權所發行股本權益於收購日期的公平值總和計算。收購有關成本一般於產生時於損益表內確認。

於收購日期，所購入可識別資產及所承擔負債，按其公平值確認，但以下各項除外：

- 遞延稅項資產或負債及有關僱員福利安排之資產或負債分別遵循香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認和計量；

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Business combinations (Continued)

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

4. 主要會計政策概要(續)

(b) 綜合基準(續)

業務合併(續)

- 與被收購方以股份支款交易或為替代被收購方以股份支款安排而訂立之本集團以股份支款安排有關之負債或權益工具，於收購日期根據香港財務報告準則第2號以股份支款計量；及
- 根據香港財務報告準則第5號持作出售非流動資產及已終止經營業務分類為持作出售之資產(或出售組合)按該準則計量。

商譽按所轉讓代價、於被收購方任何非控股權益之金額及收購方過往所持被收購方股本權益(如有)公平值總和超出於收購日期所收購可識別資產及所承擔負債之淨額計量。倘於重新評估後，所收購可識別資產及所承擔負債之淨額超出所轉讓代價、於被收購方任何非控股權益之金額及收購方過往所持被收購方權益(如有)公平值之總和，差額即時於損益表確認為按議價收購收益。

現有所有權權益及授權持有人於清盤時按比例分佔相關附屬公司資產淨值之非控股權益，其可初步按非控股權益按比例分佔被收購方可識別資產淨值之已確認數額或公平值計量。計量基準可按個別交易選擇。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Basis of consolidation (Continued)

Changes in Group's ownership interests in existing subsidiaries without change of control

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Changes in Group's ownership interests in existing subsidiaries with change of control

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. 主要會計政策概要(續)

(b) 綜合基準(續)

本集團於現有附屬公司擁有權權益之變動(未導致控制權變動)

本集團於現有附屬公司之擁有權權益變動，但並不導致本集團喪失該附屬公司控制權，均按照權益交易入賬。本集團相關權益部分及非控股權益之賬面金額均需予以調整，以反映彼等於附屬公司之相關權益之變動，包括根據本集團及非控股權益之權益比例重新歸屬於本集團及非控股權益之間之相關儲備。

非控股權益所調整之款額與所付或所收代價之公平值兩者之間之差額，均直接於權益確認並歸屬於本公司擁有人。

本集團於現有附屬公司擁有權權益之變動(導致控制權變動)

倘若本集團失去對附屬公司之控制權，該附屬公司之資產及負債及非控股權益(如有)終止確認。收益或虧損於損益表內確認且以下列兩者間之差額計算：(i)所收代價之公平值與任何保留權益之公平值總和及(ii)資產(包括商譽)之賬面值與本公司擁有人應佔之附屬公司之負債。過往在有關附屬公司之其他全面收益確認之所有金額均入賬，猶如本集團已直接出售附屬公司之相關資產或負債(即按適用之香港財務報告準則具體規定/准許重新分類至損益表或轉移至其他股本類別)。在原附屬公司所保留任何投資於失去控制權之日之公平值根據香港會計準則第9號被視為初步確認公平值供後續會計處理，或(如適用)於聯營公司或合資企業中投資之初步確認成本。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the interests in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

(d) Investments 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 or joint control over those policies.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form 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.

4. 主要會計政策概要(續)

(c) 於附屬公司之投資

於附屬公司之投資按成本值扣除減值入賬。成本包括投資直接應佔成本。附屬公司之業績由本公司按已收及應收股息入賬。

倘於宣派股息期間，有關股息超過附屬公司之全面收益表總額，或倘該投資於獨立財務報表之賬面值超過被投資方淨資產(包括商譽)於綜合財務報表之賬面值，則於收取投資股息時，須對於附屬公司之權益作減值測試。

(d) 於聯營公司之投資

聯營公司指本集團對其有重大影響力之實體。重大影響力為參與被投資方之財務及營運政策決定之權力，惟對該等政策並無控制權或共同控制權。

聯營公司的業績以及資產及負債以權益會計法於本綜合財務報表入賬。作會計權益法用途的聯營公司的財務報表乃按與本集團就同類交易及同類情況下事項的統一會計政策編製。根據權益法，於聯營公司之投資初步按成本於綜合財務狀況表內確認，並於其後就確認本集團應佔該聯營公司的損益及其他全面收益予以調整。聯營公司除損益及其他全面收益外之資產淨值變動不會列賬，除非該等變動導致本集團持有之所有權權益變動。當本集團應佔該聯營公司的虧損超出本集團於該聯營公司的權益(包括實質上成為本集團於該聯營公司投資淨額一部分的任何長期權益)時，本集團終止確認其應佔之進一步虧損。僅於本集團已產生法定或推定責任，或已代表該聯營公司支付款項的情況下，方會確認額外虧損。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Investments in associates (Continued)

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

The requirements of HKFRS 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

4. 主要會計政策概要(續)

(d) 於聯營公司之投資(續)

於聯營公司之投資乃自被投資方成為聯營公司當日起按權益法入賬。收購於聯營公司之投資時，投資成本超出本集團應佔該被投資方之可識別資產及負債之公平值淨額之任何數額確認為商譽，並計入該投資之賬面值。本集團所佔之可識別資產及負債之公平值淨額超出投資成本部分，在重新評估後，即時於投資收購期間於損益表內確認。

本集團於聯營公司之投資乃按香港會計準則第9號之規定來決定是否需要確認任何減值虧損。倘有需要，投資之全部賬面值(包括商譽)將視作單一資產並按香港會計準則第36號資產減值透過將其可收回金額(即使用價值和公平值減出售成本之較高者)與賬面值作比較以進行減值測試。任何已確認之減值虧損會成為投資賬面值之一部分。倘投資之可收回金額其後回升，減值虧損之任何撥回會按照香港會計準則第36號確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Investments in associates (Continued)

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

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

4. 主要會計政策概要(續)

(d) 於聯營公司之投資(續)

當本集團不再對聯營公司擁有重大影響力時，則按出售於該被投資公司的全部權益入帳，所產生的收益或虧損於損益表中確認。倘本集團保留於聯營公司之權益且該保留權益為香港會計準則第9號範疇內之金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為於初步確認時之公平值。聯營公司之賬面值與任何保留權益及出售聯營公司之任何所得款項公平值間之差額，會於釐定出售該聯營公司之收益或虧損時入賬。此外，本集團會將先前在其他全面收益就該聯營公司確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債所需基準相同。因此，倘該聯營公司先前已於其他全面收益確認之收益或虧損，會於出售相關資產或負債時重新分類至損益表。本集團會於出售／部分出售相關聯營公司時將收益或虧損由權益重新分類至損益表(作為重新分類調整)。

倘本集團削減其於聯營公司之所有權權益而本集團繼續採用權益法，若有關收益或虧損會於出售相關資產或負債時重新分類至損益表，則本集團會將先前已於其他全面收益確認與削減所有權權益有關之收益或虧損部分重新分類至損益表。

倘集團實體與本集團之聯營公司進行交易，僅在聯營公司之權益與本集團無關之情況下，方會於本集團綜合財務報表中確認與聯營公司進行交易所產生之溢利及虧損。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Goodwill

Goodwill arising on an acquisition of business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the amount of the gain or loss on disposal.

4. 主要會計政策概要(續)

(e) 商譽

因收購業務產生之商譽乃按成本(於收購業務當日確定)減累計減值虧損(如有)列值。

為進行減值測試，商譽乃分配至預期將從合併所帶來的協同效益中受惠的各個集團的現金產生單位(「現金產生單位」)(或現金產生單位組合)，即就內部管理而言監管商譽之最低層次及不大於一個經營分部。

獲得商譽分配的現金產生單位(或現金產生單位組合)每年進行減值測試及每當有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於某一報告期間收購產生的商譽而言，獲得商譽分配的現金產生單位(或現金產生單位組合)於該報告期間結束前進行減值測試。倘可收回金額低於該單位的賬面值，則首先分配減值虧損以減低任何商譽的賬面值，然後按該單位內各項資產的賬面值所佔比例分配至其他資產(或現金產生單位組合)。

出售相關現金產生單位時，商譽之應佔金額乃計入釐定出售事項損益之金額。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal. It also occurs if the operation is abandoned.

Where an operation is classified as discontinued, a single amount is presented in the consolidated statement of profit or loss, which comprises the post-tax profit or loss of the discontinued operation and the post-tax gain or loss recognised on the measurement to fair value less costs of disposal, or on the disposal, of the assets or disposal group constituting the discontinued operation.

(g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below. The Group bases its estimates of return on historical results, taking into consideration the type of customers, the type of transactions and the specifics of each arrangement.

Revenue from distribution of films is recognised when video products or master materials of films are delivered to customers and the titles have passed.

4. 主要會計政策概要(續)

(f) 已終止經營業務

已終止經營業務為本集團業務的組成，其營運和現金流量可清晰地與本集團其餘業務分開，並代表業務或經營地域的一項獨立主要項目，或是出售業務或經營地域的一項獨立主要項目的單一協調計劃的一部分，或是一家全為了轉售而購入的附屬公司。

分類為已終止經營業務在出售後發生。其亦會在業務被廢除時發生。

當一項業務被分類為終止經營時，綜合損益表中呈列單一數額，包括該終止經營的稅後利潤或虧損和就公平值減去出售成本的計量而確認的稅後利得或虧損，或於出售時包括構成終止經營的資產或出售組別。

(g) 收益確認

收益按已收或應收代價之公平值計量。當收益金額能夠可靠計量；未來經濟利益有可能流入實體；及當本集團每項活動均符合下文所述之具體條件時，本集團會確認收益。本集團會根據其往績並考慮客戶類別、交易種類及各項安排之特徵對回報作出估計。

發行電影所得收益於影視產品或電影母帶材料付運予客戶及所有權轉移時確認。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Revenue recognition (Continued)

Revenue from sub-licensing of film rights is recognised upon delivery of master materials of films to customers.

Revenue from sale of financial assets at FVTPL is recognised when sale and purchase contracts become unconditional.

Rental income from operating lease is recognised on a straight-line basis over the lease term.

Revenue arising from money lending is recognised on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

Revenue from sale of jewelry products and precious stones is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the jewelry products and precious stones are delivered to customers. Revenue is shown net of returns, rebates and discounts and after eliminating sales within the Group.

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

Interest income from financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. 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 estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

4. 主要會計政策概要(續)

(g) 收益確認(續)

轉授電影發行權所得收益在將電影母帶材料付運予客戶時確認。

出售按公平值計入損益表之金融資產所得收益乃於買賣合約成為無條件時確認。

來自經營租賃之租金收入於租賃期內以直線法確認。

借貸所產生之收益經計及未償還本金額及適用之實際利率按時間比例確認。

銷售珠寶產品及寶石產生之收益於所有權之風險回報發生轉移時(一般與珠寶產品及寶石交付予客戶之時間一致)確認。收益於扣除退貨、返利及折扣並對銷本集團內部銷售後列示。

投資之股息收入於股東收取款項之權利獲確立時確認。

金融資產之利息收入於經濟利益有可能流入本集團及收入金額能可靠計量時確認。利息收入根據尚未償還本金額及適用之實際利率按時間累計，相關實際利率為透過金融資產之預期年期將估計未來現金收入準確貼現至該資產於初步確認時之賬面淨值之利率。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives 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 relevant 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 asset individually, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal 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 (or a CGU) for which the estimates of future cash flows have not been adjusted.

4. 主要會計政策概要(續)

(h) 有形及無形資產(商譽除外)減值

於各報告期末，本集團檢討其具有有限可使用年期之有形及無形資產之賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何該等跡象，則估計相關資產之可收回金額，以釐定減值虧損(如有)之程度。

當無法個別估計資產之可收回金額，則本集團估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，則公司資產亦會分配至個別現金產生單位，否則將分配至可識別合理及一致之分配基準之最小現金產生單位組別。

可收回金額乃公平值減出售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率應反映當前市場對貨幣時間值及資產(或現金產生單位)特定風險(未來現金流量之估計未就該等風險作出調整)之評估。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) 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 CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

4. 主要會計政策概要(續)

(h) 有形及無形資產(商譽除外)減值(續)

倘資產(或現金產生單位)之可收回金額估計低於賬面值，則資產(或現金產生單位)之賬面值減至可收回金額。分配減值虧損時，減值虧損首先會分配以減低任何商譽(如適用)的賬面值，然後再基於單位中各項資產的賬面值按比例分配至其他資產。資產的賬面值不得減少至低於公平值減出售成本(如可計量)、使用價值(如可釐定)及零(以最高者為準)。分配至資產的減值虧損數額按單位的其他資產比例分配。減值虧損即時於損益表確認。

倘減值虧損於其後撥回，則將該資產(或現金產生單位)之賬面值增至其可收回金額的經修訂估計值，惟增加後的賬面值不得超過該資產(或現金產生單位)過往年度未確認減值虧損情況下所應釐定之賬面值。減值虧損撥回數額即時於損益表確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) 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 “loss before taxation” as reported in the consolidated statement of profit or loss because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

4. 主要會計政策概要(續)

(i) 稅項

所得稅開支指當期應繳稅項及遞延稅項之總和。

本期應繳稅項根據年內應課稅溢利計算。應課稅溢利有別於綜合損益表內呈報之「除稅前虧損」，因其不包括其他年度之應課稅或可扣稅收入或開支，亦不包括毋須課稅或不可扣稅項目。本集團之本期稅項之負債採用於報告期末已實施或大致已實施之稅率計算。

遞延稅項乃按綜合財務報表內資產及負債之賬面值與用以計算應課稅溢利之相關稅基間之暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般在有可能獲得可動用可扣減暫時差額之應課稅溢利時，就所有可扣減暫時差額確認。倘暫時差額乃因初步確認一宗交易(業務合併除外)中的資產及負債產生，且不影響應課稅溢利及會計溢利，則相關遞延稅項資產及負債不予確認。此外，倘暫時差額產生自初步確認商譽，則不確認遞延稅項負債。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Taxation (Continued)

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.

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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax 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.

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

4. 主要會計政策概要(續)

(i) 稅項(續)

遞延稅項負債按投資附屬公司及於聯營公司權益之相關應課稅暫時差額確認，惟倘本集團能控制暫時差額之撥回及暫時差額不大可能於可見將來撥回則除外。因該等投資及權益相關之可扣減暫時差額而產生之遞延稅項資產，僅於有可能獲得可供動用暫時差額之利益的足夠應課稅溢利且其預計可於可見將來撥回時確認。

遞延稅項資產之賬面值於各報告期末檢討，並扣減至當不再可能有足夠應課稅溢利可供收回所有或部分資產為止。

遞延稅項資產及負債按預期於清償負債或變現資產之期間適用之稅率計量，該稅率乃根據於報告期末已實施或大致已實施之稅率(及稅法)釐定。

遞延稅項負債及資產之計量反映本集團於報告期末預期收回或結清其資產及負債賬面值之方式可能會帶來之稅務後果。

就計量使用公平值模型計量之投資物業之遞延稅項而言，乃假設有關於物業之賬面值可透過出售全部收回，該假設被駁回則除外。倘投資物業可折舊，而其所處業務模型之目標為於一段時間內使用投資物業所含之絕大部分經濟利益(而非透過出售)，則推翻該假設。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Taxation (Continued)

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

(j) Property, plant and equipment

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

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

4. 主要會計政策概要(續)

(i) 稅項(續)

本期及遞延稅項於損益表內確認，惟倘本期及遞延稅項涉及於其他全面收益表確認或直接於權益確認之項目，則亦分別於其他全面收益表或直接於權益確認。倘本期稅項或遞延稅項乃因業務合併的初步會計處理而產生，則稅務影響計入業務合併之會計處理。

(j) 物業、廠房及設備

物業、廠房及設備包括持作生產或供應貨品或服務之用或作行政用途之樓宇，乃按成本值減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

在建以作生產、供應或行政用途之物業按成本減任何已確認減值虧損列賬。成本包括專業費用及就合資格資產而言，根據本集團之會計政策資本化之借貸成本。該等物業乃於竣工後並可投入作擬定用途時歸類為適當類別之物業、廠房及設備。該等資產按與其他物業資產相同之基準，於該等資產可投入作擬定用途時開始計提折舊。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Property, plant and equipment (Continued)

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

Golf courses	3.33%
Buildings	3.33%-5%
Leasehold improvements	20%-33.33%
Office equipment	20%-33.33%
Motor vehicles	10%-25%
Furniture and fixtures	15%-33.33%
Plant and machineries	10% -33.33%

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.

4. 主要會計政策概要(續)

(j) 物業、廠房及設備(續)

資產(在建工程除外)之折舊按其估計可使用年期以直線法撇銷其成本減剩餘價值確認。估計可使用年期、剩餘價值及折舊方法乃於各報告期末檢討，任何估計變動之影響按未來適用法入賬。折舊之主要年率如下：

高爾夫球場	3.33%
樓宇	3.33%-5%
租賃物業裝修	20%-33.33%
辦公室設備	20%-33.33%
汽車	10%-25%
傢俬及裝置	15%-33.3%
廠房及機器	10%-33.3%

物業、廠房及設備項目乃於出售後或當預期持續使用該資產不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目產生之任何收益或虧損乃按出售所得款項與資產賬面值之差額釐定，並於損益表確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

(l) Intangible assets

Intangible assets acquired separately

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

4. 主要會計政策概要(續)

(k) 投資物業

投資物業指持作賺取租金及／或資本增值之物業。投資物業初步按成本值計量，包括任何直接應佔開支。於初步確認後，投資物業按公平值計量。投資物業公平值變動產生之收益及虧損於產生期間計入損益表。

投資物業於出售後或在投資物業永久不再使用及預期出售該等物業不會產生未來經濟利益時終止確認。投資物業終止確認產生之收益及虧損(按出售所得款項淨額與資產賬面值之差額計算)於該物業終止確認期間計入損益表。

(l) 無形資產

獨立收購之無形資產

獨立收購的具有限可使用年期之無形資產，按成本值減累計攤銷及任何累計減值虧損列賬。具有限可使用年期之無形資產之攤銷按估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末檢討，而任何估計變動之影響按未來適用法入賬。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Intangible assets (Continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less any accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

(m) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories sold are determined using the first-in-first-out or weighted average method as appropriate. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as cost of sales in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as cost of sales in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is offset against the cost of sales in the period in which the reversal occurs.

4. 主要會計政策概要(續)

(l) 無形資產(續)

業務合併中購入之無形資產

業務合併中購入並與商譽分開確認之無形資產，初步按其於收購日期之公平值(視為其成本值)確認。

初步確認後，於業務合併中購入之具有限可使用年期之無形資產以與獨立收購之無形資產相同之基準，按成本值減任何累計攤銷及任何累計減值虧損呈報。

終止確認無形資產

無形資產於出售或預計不會從資產的使用或出售中獲得未來經濟利益時終止確認。因終止確認無形資產而產生之收益及虧損(按出售所得款項淨額與該資產賬面值之差額計算)，於終止確認該資產時於損益表確認。

(m) 存貨

存貨按成本與可變現淨值之較低者列賬。已售存貨之成本乃酌情採用先入先出或加權平均法釐定。可變現淨值指存貨估計售價減完成之所有估計成本及作出銷售所需之成本。

所出售存貨之賬面值在相關收入確認期間內確認為銷售成本。任何存貨撇減至可變現淨值之金額及存貨之所有虧損，均在出現撇減或虧損期間內確認為銷售成本。因可變現淨值增加引致存貨的任何撇減撥回之金額，均在出現撥回期間內抵銷銷售成本。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments

Financial assets

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the financial instruments. Financial assets and financial liabilities are initially measured at fair value. A financial asset or financial liability (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification and measurement

Debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss (except for debt investments that are designated as at FVTPL on initial recognition):

- the financial asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. 主要會計政策概要(續)

(n) 金融工具

金融資產

當集團實體成為金融工具合約條文之訂約方時，於綜合財務狀況表確認金融資產及金融負債。金融資產及金融負債初步按公平值計量。金融資產或金融負債(沒有重大融資部份的貿易應收款項除外)初始按公平值加上或減去(對於並非按公平值計入損益表之項目)與其收購或發行直接相關的交易成本計量。沒有重大融資部份的貿易應收款項初步按交易價格計量。

根據金融資產之分類，所有已確認之金融資產其後完全按攤銷成本或公平值計量。

(i) 分類及計量

符合以下條件之債務工具其後按攤銷成本減去減值虧損計量(於初步確認時指定按公平值計入損益表之債務投資除外):

- 該金融資產為在以持有資產以收取合約現金流量為目標的業務模式下持有；及
- 該金融資產的合約條款在特定日期產生的現金流僅為支付本金及未償本金的利息。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial assets (Continued)

(i) Classification and measurement (Continued)

A financial asset shall be measured at FVTOCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets that are other than those categorised as amortised cost and FVTOCI above, are categorised as measured at FVTPL.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and 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 at initial recognition.

Interest income is recognised using effective interest method for debt instruments measured subsequently at amortised cost. Interest income is recognised in profit or loss and is included in investment and other income.

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融資產(續)

(i) 分類及計量(續)

若符合下列兩項條件，金融資產乃按公平值計入其他全面收益表：

- 該金融資產為在以收取合約現金流量及出售金融資產為目標的業務模式下持有；及
- 該金融資產的合約條款在特定日期產生的現金流僅為支付本金及未償本金的利息。

除上述分類為按攤銷成本計量及按公平值計入其他全面收益表之金融資產外，所有其他金融資產均分類為按公平值計入損益表。

攤銷成本及實際利率法

實際利率法乃計算債務工具之攤銷成本及於有關期間分配利息收入之方法。實際利率乃按債務工具之預計年期或(如適用)較短期間，準確貼現估計未來現金收入(包括構成實際利率一部分之一切已付或已收費用及利率差價、交易成本及其他溢價或折讓)至其初步確認時之賬面淨值之利率。

其後按攤銷成本計量之債務工具之利息收入使用實際利率法確認。利息收入於損益表確認並列入投資及其他收入。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial assets (Continued)

(i) Classification and measurement (Continued)

Financial assets measured at FVTPL

Financial assets measured at FVTPL comprise derivatives that are not designated and effective as hedging instruments.

Investments in equity instruments are classified as FVTPL, unless the Group designates such investment that is not held-for-trading as at FVTOCI on initial recognition.

The Group has designated all investments in listed equity instruments that are not held-for-trading as at FVTPL since the application of HKFRS 9.

Debt instruments that do not meet the amortised cost and FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument 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 from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets measured at FVTPL are measured at fair value at the end of the reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss is included in investment and other income. Fair value is determined in the manner described in note 51 to the consolidated financial statements.

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融資產(續)

(i) 分類及計量(續)

按公平值計入損益表之金融資產

按公平值計入損益表之金融資產包括非被指定及用作對沖工具之衍生工具。

權益工具投資分類為按公平值計入損益表，除非本集團於初步確認時指定該非持作買賣之投資為按公平值計入其他全面收益表。

自應用香港財務報告準則第9號以來，本集團已指定所有非持作買賣之上市股權工具投資為按公平值計入損益表。

不符合攤銷成本及通過按公平值計入其他全面收益表準則之債務工具(見上文)均為按公平值計入損益表。此外，即使符合攤銷成本準則，但被指定為按公平值計入損益表之債務工具，則按公平值計入損益表。倘若有關指定為抵銷或大幅減低計量或確認出現不一致之情況，乃因計量資產或負債或確認其收益及虧損以不同之計算方法，債務工具可於初步確認時被指定為按公平值計入損益表。

按公平值計入損益表之金融資產於報告期末按公平值計量，因重新計量而產生之收益或虧損於損益表中確認。於損益表中確認之收益或虧損淨額已包括在投資及其他收入內。公平值按綜合財務報表附註51所述之方式釐定。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial assets (Continued)

(i) Classification and measurement (Continued)

Financial assets measured at FVTPL (Continued)

Interest income on debt instruments at FVTPL recognised in profit or loss is included in investment and other income.

Dividend income is recognised in profit or loss and is included in investment and other income.

(ii) Impairment of financial assets

The Group recognises loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost. An impairment gain or loss, the amount of ECLs (or reversal) that is required to adjust the loss allowance at the end of the reporting period is recognised in profit or loss.

The Group measures loss allowances at an amount equal to lifetime ECLs. For trade receivables, the Group applies the simplified approach to providing for ECLs prescribed by HKFRS 9, which requires the use of the lifetime expected loss provision for all trade receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information.

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融資產(續)

(i) 分類及計量(續)

按公平值計入損益表之金融資產(續)

按公平值計入損益表之債務工具之利息收入於損益表確認及包括在投資及其他收入內。

股息收入於損益表確認及包括在投資及其他收入內。

(ii) 金融資產之減值

本集團確認按攤銷成本計量之金融資產的預期信貸虧損(「預期信貸虧損」)之虧損撥備。減值收益或虧損為於報告期末預期信貸虧損(或撥回)金額而調整虧損撥備所需金額，於損益表確認。

本集團以相等於整個存續期內之預期信貸虧損之金額計量虧損撥備。就貿易應收款項而言，本集團應用香港財務報告準則第9號所訂明之簡化方法就預期信貸虧損作出撥備，該規定允許對所有貿易應收款項採用整個存續期內之預期虧損撥備。

當釐定金融資產之信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses over the expected life of the financial assets. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融資產(續)

(ii) 金融資產之減值(續)

整個存續期內之預期信貸虧損為金融工具於預計存續期內所有可能發生之違約事件而導致之預期信貸虧損。

十二個月之預期信貸虧損乃指因報告日期後十二個月內(倘該工具之預計存續期少於十二個月，則為較短期間)可能發生之金融工具違約事件而導致之部分預期信貸虧損。

在所有情況下，於估計預期信貸虧損時所考慮之最長期間為本集團面臨信貸風險之最長合約期間。

預期信貸虧損之計量

預期信貸虧損為金融資產於預計存續期內之信貸虧損之概率加權估計。信貸虧損以所有現金虧絀金額(即根據合約應歸還予實體之現金流量與本集團預計收到之現金流量之間之差額)之現值計量。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Credit-impaired financial assets

At the end of the reporting period, the Group assesses on a forward-looking basis whether financial assets carried at amortised cost are credit-impaired. A financial asset is “credit-impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes observable data of the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial re-organisation, or the disappearance of an active market for a security because of financial difficulties.

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融資產(續)

(ii) 金融資產之減值(續)

信貸減值之金融資產

於各個報告日期，本集團以前瞻性基準評估以攤銷成本列賬之金融資產是否出現信貸減值。當發生對金融資產估計未來現金流量有不利影響之一個或多個事件時，金融資產產生「信貸減值」。

金融資產信貸減值之證據包括以下事項之可觀察數據：

- 借款人或發行人出現嚴重財政困難；
- 違反合約，如拖欠或逾期事件；違反合約，如拖欠或逾期事件；
- 本集團根據其它情況下不會考慮之條款重組貸款或墊款；
- 借款人有可能破產或進行其它財務重組，或因財政困難而導致擔保失去活躍市場。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial assets (Continued)

(iii) Derecognition of financial assets

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

(i) Classification and measurement

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or equity instruments according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into other financial liabilities subsequently measured at amortised cost. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融資產(續)

(iii) 金融資產之終止確認

當資產之現金流量的合約權利到期，或金融資產被轉移及本集團將該金融資產之絕大部分風險及擁有之回報已轉移給另一個實體時，則金融資產將被終止確認。

於終止確認金融資產時，資產賬面值與已收及應收代價之總和之差額乃於損益表確認。

金融負債及權益工具

(i) 分類及計量

集團實體發行之金融負債及權益工具乃根據合約安排之內容及金融負債與權益工具之定義分類為金融負債或權益工具。

權益工具為可證明於本集團之資產經扣除其所有負債後之剩餘權益之任何合約。本集團之金融負債一般分類為其後按攤銷成本計量之其他金融負債。就金融負債及權益工具而採納之會計政策載列如下。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

(i) Classification and measurement (Continued)

Other financial liabilities subsequently measured at amortised cost using 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 using effective interest method for financial liabilities.

Other financial liabilities are subsequently measured at amortised cost, using the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in finance costs.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Consideration paid to repurchase of the Company's own equity instruments is deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融負債及權益工具(續)

(i) 分類及計量(續)

其他金融負債其後按攤銷成本使用實際利率法計量

實際利率法乃計算金融負債攤銷成本及於有關期間分配利息開支之方法。實際利率乃按金融負債預計存續期或(如適用)較短期間，準確貼現估計未來現金支出(包括構成實際利率一部分之一切已付或已收費用及利率差價、交易成本及其他溢價或折讓)至其初步確認時之賬面淨值之利率。

金融負債之利息開支採用實際利率法計算確認。

其他金融負債其後乃採用實際利率法按攤銷成本計量。並非為資產資本化成本部分的利息開支，已計入財務費用。

權益工具

本公司發行之權益工具按已收所得款項扣除直接發行成本入賬。

購回本公司之權益工具所支付之代價於權益中扣除。購買、出售、發行或取消本公司之權益工具並無收益或虧損於損益表確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

(ii) Derecognition of financial liabilities

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

Financial guarantee contract

A financial guarantee contract is a contract that requires the issuers to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at FVTPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. A financial guarantee contract that is classified at financial liabilities at FVTPL shall be subsequently measured at fair value. Otherwise, subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of (i) the amount of the loss allowance; and (ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of HKAS 18 Revenue.

4. 主要會計政策概要(續)

(n) 金融工具(續)

金融負債及權益工具(續)

(ii) 金融負債之取消確認

倘於本集團相關合約之特定責任獲解除、註銷或到期時，金融負債將被終止確認。終止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表確認。

財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修改條款如期付款時，發行人需支付指定金額予持有人以補償其所遭受損失之合約。由本集團發行及並非被指定為按公平值計入損益表之財務擔保合約初步以其公平值減發行財務擔保合約之直接應佔交易成本確認。財務擔保合約分類為按公平值計入損益表之金融負債，其後按公平值計量。否則，於初步確認後，本集團以(i)虧損撥備之金額；及(ii)初步確認之金額減根據香港會計準則第18號收益之原則確認之累計收入金額(如適用)(以較高者為準)計量財務擔保合約。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Financial instruments (Continued)

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(o) Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in profit or loss.

4. 主要會計政策概要(續)

(n) 金融工具(續)

抵銷金融工具

金融資產及金融負債於擁有法定可強制執行權利以抵銷已確認金額及於擬按淨值基準結算或同時變現資產及結算負債時予以抵銷，有關淨額則於綜合財務狀況表內呈報。依法執行之權利未必視未來事項而定及必須於正常業務過程中及在本公司或交易對手違約、資不抵債或破產情況下執行。

(o) 貿易應收款項

貿易應收款項為在日常業務過程中就所售商品或所提供服務應收客戶之款項。倘貿易應收款項預期於一年或以內收回(或在正常業務營運週期內的較長時間內收回)，則分類為流動資產，否則呈列為非流動資產。

貿易應收款項初步按公平值確認，其後利用實際利率法按攤銷成本扣除減值撥備計量。倘有客觀證據顯示本集團將無法按應收款項之原條款收回所有款項，則就貿易應收款項確定減值撥備。撥備金額為資產賬面值與按實際利率貼現之估計未來現金流量現值間之差額。撥備金額於損益表確認。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(q) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(r) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

4. 主要會計政策概要(續)

(p) 現金及現金等價物

綜合現金流量表中的現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以下之其他短期高流動性投資及銀行透支。

(q) 貿易應付款項

貿易應付款項為支付在日常經營活動中向供應商購買貨品或服務之款項的責任。於一年或以內到期付款的貿易應付款項分類為流動負債；否則分類為非流動負債。

貿易應付款項初步按公平值確認，其後採用實際利率法按攤銷成本計量。

(r) 借款

借款初步按公平值扣除所產生之交易成本確認，其後按攤銷成本列賬，所得款項與贖回價值間的任何差額採用實際利率法，在借款期內於損益表確認。

辦理貸款融資時支付之費用，於有可能提取部分或全部融資時確認為貸款交易成本，在此情況下，該費用遞延入賬，直至提取貸款為止。倘並無證據顯示有可能提取部分或全部融資，則該費用資本化為流動資金服務預付款，並於有關融資期間攤銷。

除本集團有無條件權利於報告期末後延遲結算負債至少12個月外，借款分類為流動負債。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) 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 exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

4. 主要會計政策概要(續)

(s) 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。於各報告期末，以外幣計值之貨幣項目均按該日期之適用匯率重新換算。按公平值列賬且按外幣計值之非貨幣項目乃按釐定公平值當日之適用匯率重新換算。按外幣歷史成本計量之非貨幣項目毋須重新換算。

貨幣項目之匯兌差額乃於產生之期間於損益表中確認，惟下述者除外：

- 用於未來生產用途，且有關在建資產之外幣借款匯兌差額，當該等資產被視為對該等外幣借款利息成本之調整，其匯兌差額計入該等資產之成本；
- 為對沖若干外幣風險訂立之交易之匯兌差額；及
- 應收或應付海外業務之貨幣項目匯兌差額，其結算並無計劃及不大可能出現（因此組成部份海外業務之投資淨額），該差額初步於其他全面收益表確認及按貨幣項目之還款由權益重新分類至損益表。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Foreign currencies (Continued)

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

Goodwill and fair value adjustments on identifiable assets acquired and liabilities assumed through an acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

(t) Leases

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

The Group as lessor

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

4. 主要會計政策概要(續)

(s) 外幣(續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按各報告期末之適用匯率換算為本集團之呈列貨幣(即港元)，而有關之收入及開支項目乃按期內平均匯率換算，除非期內匯率出現重大波幅，則於此情況下，將採用交易日期之匯率。所產生匯兌差額(如有)均確認於其他全面收益表，及於「匯兌儲備」項下累計權益(歸屬於非控股權益(倘適用))。

收購海外業務時產生之商譽及按公平值調整之可識別資產及負債將被視作該海外業務之資產及負債，並按各報告期末適用之匯率換算。由此產生之匯兌差額乃於其他全面收益表內確認。

(t) 租賃

當租賃之條款將擁有權之絕大部分風險及回報轉移至承租人時，租賃分類為融資租賃。所有其他租賃則分類為經營租賃。

本集團作為出租人

經營租賃之租金收入以直線法於有關租期內確認於損益表。磋商及安排經營租賃產生之初步直接成本乃計入租賃資產之賬面值，並以直線法於租期內確認為開支。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Leases (Continued)

The Group as lessee

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

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

(u) Employee benefits

Bonuses

The Group recognises a liability for bonuses when there is a contractual obligation and the amount can be estimated reliably.

Retirement benefit obligations

The Group operates the Mandatory Provident Fund Scheme (the “**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

4. 主要會計政策概要(續)

(t) 租賃(續)

本集團作為承租人

經營租賃付款以直線法於租期內確認為開支，除非另有系統化基準更能代表使用租賃資產經濟利益之時間模式。經營租約產生之或然租金於產生期間確認為開支。

倘訂立經營租賃時收取租金優惠，則該優惠確認為負債。總優惠利益以直線法確認為租金開支減少，除非另有系統化基準更能代表使用租賃資產經濟利益之時間模式。

(u) 僱員福利

花紅

本集團於有合約責任及責任金額能夠可靠地估計時就花紅確認負債。

退休福利責任

本集團根據香港強制性公積金計劃條例，為按香港僱傭條例聘用之僱員運作強制性公積金計劃(「強積金計劃」)。強積金計劃為界定供款計劃，其資產由獨立信託管理基金持有。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Employee benefits (Continued)

Retirement benefit obligations (Continued)

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees' relevant income, with the employees' contributions subject to a cap of monthly relevant income of HK\$30,000. The Group's contributions to the MPF Scheme are expensed as incurred. 5% of relevant income vests immediately upon the completion of service in the relevant service period, while the remaining portion vests in accordance with the MPF Scheme's vesting scales. Where employees leave the MPF Scheme prior to the full vesting of the employer's contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

The employees employed by the Group's subsidiaries in People's Republic of China (the "PRC") are members of state-managed retirement benefit schemes operated by the government of the PRC. The subsidiaries are required to contribute a specific percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the government of the PRC is to make the specified contributions under the schemes.

4. 主要會計政策概要(續)

(u) 僱員福利(續)

退休福利責任(續)

根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%向計劃作出供款，僱員供款以相關月收入30,000港元為限。本集團向強積金計劃作出之供款於產生時支銷。相關收入之5%在完成相關服務期之服務時即時歸屬，其餘部分則根據強積金計劃之歸屬比例歸屬。倘僱員於僱主供款全數歸屬前退出強積金計劃，則沒收之供款金額將用作扣減本集團應付之供款。

本集團位於中華人民共和國(「中國」)之附屬公司僱用之僱員為由中國政府設立之國家管理退休福利計劃之成員。該等附屬公司須向退休福利計劃作出佔薪金若干百分比之供款，作為提供福利之資金。根據中國政府運行之退休福利計劃作出規定供款為本集團對該等計劃之唯一責任。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Employee benefits (Continued)

Share-based compensation

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 (equity-settled share-based payment 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 options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in equity-settled share-based payment reserve will be transferred to share capital 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 equity-settled share-based payment reserve will be transferred to retained profits.

4. 主要會計政策概要(續)

(u) 僱員福利(續)

以股份形式之薪酬

向僱員及提供類似服務之其他人士提供之以股權結算之股份支款按權益工具於授出日期之公平值計量。

以股權結算之股份支款之公平值乃於授出日期不考慮非市場歸屬條件而釐定，在歸屬期間以直線法列作開支，以本集團估計最終將歸屬的權益工具為基礎，並於權益(即以股權結算之股份支款儲備)作相應之增加。於各報告期末，本集團基於對所有相關非市場歸屬條件之評估，修訂關於逾期將歸屬的權益工具數目的估計。修訂原估計的影響(如有)於損益表確認，以令累計開支反映經修訂之估計，並於購股權儲備作相應調整。對於在授出日期即時歸屬之購股權，所授出購股權之公平值即時於損益表列作開支。

當購股權獲行使時，之前於以股權結算之股份支款儲備確認之數額將轉撥至股本及股份溢價。若購股權在歸屬日期後被沒收或在屆滿日期仍未行使，之前於以股權結算之股份支款儲備確認之數額將轉撥至保留溢利。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(v) Share options granted to consultants

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

(w) Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

4. 主要會計政策概要(續)

(v) 授予顧問之購股權

與非僱員人士之以股權結算之股份支款交易按所獲得商品或服務之公平值計量，惟公平值不能可靠計量者除外，在此情況下則按所授予之權益工具於實體獲得商品或對手方提供服務之日期之公平值計量。所獲得商品或服務之公平值確認為開支(除非該等商品或服務符合被確認為資產之要求)。

(w) 或然負債及或然資產

或然負債指因過往事件而可能產生之責任，且其是否存在僅可經不完全由本集團掌握之一項或多項無法確定之未來事件發生與否證實。或然負債亦可為源自過往事件之現時責任，因不大可能需要經濟資源流出或責任金額無法可靠計量而未確認。或然負債未經確認，惟於綜合財務報表附註披露。倘資源流出之可能性有變，以致有很可能發生流出時，則確認為撥備。

或然資產指因過往事件而可能產生之資產，且其存在與否僅可經不完全由本集團掌握之一項或多項無法確定之未來事件發生與否證實。或然資產未經確認，惟當很有可能發生經濟利益流入時，則於財務報表附註披露。倘流入幾乎可以確定，則確認資產。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Related party transactions

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

- (i) A person, or a close member of that person's family, is related to the Group if that person:
 - (1) has control or joint control over the Group;
 - (2) has significant influence over the Group; or
 - (3) is a member of the key management personnel of the Group or the Group's parent.
- (ii) An entity is related to the Group if any of the following conditions applies:
 - (1) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (2) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (3) both entities are joint ventures of the same third party;
 - (4) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (5) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (6) the entity is controlled or jointly controlled by a person identified in (i);
 - (7) a person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (8) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

4. 主要會計政策概要(續)

(x) 關連人士交易

以下人士被視為與本集團有關，倘：

- (i) 倘某人士符合以下條件，則該人士或其直系親屬被視為與本集團有關聯：
 - (1) 對本集團擁有控制權或共同控制權；
 - (2) 對本集團擁有重大影響力；或
 - (3) 為本集團或本集團母公司之主要管理人員。
- (ii) 倘任何以下條件適用，則某實體與本集團有關聯：
 - (1) 該實體及本集團為同一集團之成員公司(表示各母公司、附屬公司及同系附屬公司互有關聯)；
 - (2) 一實體為另一實體之聯營公司或合營公司(或另一實體為成員公司之集團之成員公司之聯營公司或合營公司)；
 - (3) 兩個實體均為同一第三方之合營公司；
 - (4) 一實體為第三間實體之合營公司，而另一實體為該第三間實體之聯營公司；
 - (5) 該實體乃為本集團或與本集團有關聯之實體之僱員利益而設之離職後福利計劃；
 - (6) 該實體受(i)所識別人士控制或共同控制；
 - (7) (i)(1)所識別之人士對該實體行使重大影響力，或為該實體(或該實體之母公司)之主要管理人員；或
 - (8) 該實體、或一間集團之任何成員公司(為集團之一部分)向本集團或本集團之母公司提供主要管理人員服務。

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Related party transactions (Continued)

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

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

(y) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4. 主要會計政策概要(續)

(x) 關連人士交易(續)

關連人士交易指本集團與一名關連人士之間的資源、服務或責任轉移，不論是否收取價格。

該名人士之近親為可能被預期於與實體進行交易時影響該名人士或受該名人士影響之該等家族成員。

(y) 撥備

倘本集團因過往事件而須承擔現時之法定或推定責任、本集團可能須履行該責任及責任金額能夠可靠估計，則確認撥備。

已確認為撥備之金額，為對報告期末履行現時責任所需代價之最佳估計，並考慮與責任有關之風險及不明朗因素。倘使用履行現時責任所需之估計現金流量計量撥備，其賬面值為相關現金流量之現值(倘貨幣時間值之影響重大)。

當清償撥備所需之部分或全部經濟利益預期可從第三方收回時，倘幾乎可以確定可收取彌償及應收款項金額能可靠計量，則應收款項確認為資產。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. 主要會計政策概要(續)

(z) 分部呈報

經營分部及綜合財務報表所呈報各分類項目之金額乃自定期提供予本集團最高層管理人員之財務資料中識別得出。最高層管理人員依據該等財務資料分配資源至本集團不同業務及地域以及評估該等業務及地域之表現。

就財務報告而言，個別重大經營分部不會合併計算，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法及監管環境性質方面相類似則除外。倘經營分部並非個別重大但符合大部份此等準則，則該等經營分部可能會被合併計算。

5. 關鍵會計估計及判斷

在應用本集團之會計政策(如附註4所述)時，本公司董事須就對未能從其他來源輕易獲得的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及認為相關之其他因素作出。實際結果可能與該等估計不盡相同。

該等估計及相關假設會作持續評估。倘對會計估計之修訂僅影響進行修訂之期間，則於該期間確認，或倘修訂會影響目前及未來期間，則會於修訂期間及未來期間確認。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(a) Critical judgements in applying accounting policies

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

Fair value of investment properties

Investment properties are stated at fair value based on the market values, being the estimated amount for which properties could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction or the valuation performed by an independent valuer. In determining the fair value, the valuer has based on method of valuation which involves certain estimates and assumptions. In relying on the valuation report, the management has exercised their judgements and is satisfied that the method of valuation is reflective of the current market conditions. Should there be any changes in assumptions due to change of market conditions, the fair value of the investment properties will be adjusted accordingly.

(b) Key sources of estimation uncertainty

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

5. 關鍵會計估計及判斷(續)

(a) 於應用會計政策時之關鍵判斷

除本公司董事於應用本集團會計政策之過程中涉及估計之關鍵判斷(見下文)以外,以下為對在綜合財務報表確認之金額有最重大影響之關鍵判斷。

投資物業之公平值

投資物業根據市值(即自願買家及自願賣家於估值日期在公平交易中交換物業所能獲得的估計金額,或獨立估值師作出的估值)按公平值列賬。於釐定公平值時,估值師乃基於涉及若干估計及假設之估值方法。依賴估值報告時,管理層作出判斷並信納估值方法可反映現行市況。倘相關假設因應市況變動而改變,則投資物業之公平值將相應作出調整。

(b) 估計不確定因素之主要來源

以下為關於未來之主要假設,以及於報告期末極有可能導致須對下個財政年度的資產及負債賬面值作出重大調整之估計不確定因素之其他主要來源。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Key sources of estimation uncertainty (Continued)

Impairment of goodwill

Goodwill is reviewed for impairment at the end of each reporting period or whenever events or changes in circumstances indicate that the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount of the CGU is the greater of the fair value less costs of disposal and value in use. An estimation of the value in use of the CGU involves estimating the future cash flows expected to arise from its continuing use and applying the appropriate discount rate that reflects current market assessment of the time value of money and the risk specific to the CGU.

Assessment of economic useful lives of property, plant and equipment, and intangible assets other than goodwill

Property, plant and equipment, and intangible assets with finite useful lives other than goodwill are depreciated or amortised over their economic useful lives. The assessment of estimated useful lives is a matter of judgement based on the experience of the Group, taking into account factors such as technological progress, changes in market demand, expected usage and physical wear and tear. Useful lives are periodically reviewed for continued appropriateness. Due to long lives of assets, changes to the estimates used can result in variations in their carrying amounts.

5. 關鍵會計估計及判斷(續)

(b) 估計不確定因素之主要來源(續)

商譽之減值

商譽於各報告期末或當有事件出現或情況改變顯示現金產生單位之賬面值超出其可收回金額時作減值檢討。現金產生單位之可收回金額為公平值減出售成本及使用價值之較高者。現金產生單位使用價值之估計包括預期自持續使用所產生之未來現金流量，及應用可反映現行市場對貨幣時間價值之評估和現金產生單位之特定風險之合適貼現率。

商譽以外之物業、廠房及設備及無形資產之經濟可使用年期評估

除商譽以外，有限可使用年期之物業、廠房及設備及無形資產須於其經濟可使用年期内折舊或攤銷。估計可使用年期評估乃根據本集團之經驗作出判斷，並考慮如技術進步、市場需求變動、預期用法及實物損耗等因素。定期對可使用年期進行持續適用性檢討。由於資產使用年期較長，估計變動會影響其賬面值。

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Key sources of estimation uncertainty (Continued)

Trade receivables and loans receivables

The aging analysis of trade receivables and loans receivables are reviewed on a regular basis to ensure that the trade receivables and loans receivables balances are collectible and follow up actions are promptly carried out if the agreed credit periods or terms of loans have been exceeded. However, from time to time, the Group may experience delays in collection. Where recoverability of trade receivables and loans receivables balances is called into doubts, specific provisions for impairments are made based on credit status of the customers, the aging analysis of the trade receivables and loans receivables and write-off history. Certain receivables may be initially identified as collectible, yet subsequently become uncollectible and result in a subsequent write-off of the related receivables to profit or loss. Changes in the collectability of trade receivables and loans receivables for which provisions are not made could affect the results of operations.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

5. 關鍵會計估計及判斷(續)

(b) 估計不確定因素之主要來源(續)

貿易應收款項及應收貸款

本集團定期檢討貿易應收款項及應收貸款之賬齡分析，確保可收回貿易應收款項及應收貸款結餘，並可於超過協定之信貸期或貸款期後即時採取跟進行動。然而，本集團不時出現延遲收款的情況。倘貿易應收款項及應收貸款結餘之可收回性存疑，則本集團根據客戶之信貸狀況、貿易應收款項及應收貸款之賬齡分析及撇銷紀錄，作出特定減值撥備。若干應收款項可初步確認為可收回，惟其後可能成為無法收回，因此其後須於損益表撇銷相關應收款項。倘未計提撥備之貿易應收款項及應收貸款之可收回性有變，則可能會對經營業績構成影響。

所得稅

本集團須於多個司法權區繳納所得稅。釐定全球的所得稅撥備須作出重大判斷。於日常業務過程中，眾多交易及計算之最終稅務決定均不確定。本集團估計是否須繳納額外稅項，並據此就預計稅務審計問題確認負債。倘該等事項之最終稅務後果有別於初步記錄之金額，則相關差額將影響作出上述決定期間之所得稅及遞延稅項撥備。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Key sources of estimation uncertainty (Continued)

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and variable selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customers' taste and competitors' actions in response to severe industry cycle. The directors of the Company reassess the estimations at the end of reporting period.

6. OPERATING SEGMENTS

The Group's operating segments have been determined based on the information reported to the Chairman of the board of directors, being the chief operating decision maker, that are used for performance assessment and to make strategic decisions. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments. The Group currently has four operating segments:

- | | |
|--|--|
| (a) Property investment | Leasing of rental properties |
| (b) Sale of financial assets | Sale of financial assets |
| (c) Money lending | Money lending |
| (d) Sale of jewelry products and precious stones | Design and sale of jewelry products, and sale of precious stones |

An operating segment regarding the distribution of films and sub-licensing of film rights was discontinued on 17 February 2017 upon the disposal of Riche Video.

The sale of precious stones business has been suspended since the first quarter of 2017.

5. 關鍵會計估計及判斷(續)

(b) 估計不確定因素之主要來源(續)

存貨之可變現淨值

存貨之可變現淨值為於日常業務過程中估計之售價，扣除估計完成成本及可變銷售開支。該等估計乃基於當前市況及銷售類似性質產品之歷史經驗，並可能因應客戶喜好變化及競爭對手為應對嚴峻的行業週期而採取的行動發生重大變動。本公司董事於報告期末重新評估該等估計。

6. 經營分部

本集團之經營分部已根據向董事會主席(即主要經營決策人)報告之資料釐定，有關資料可用作評估表現及作出策略性決定。本集團之經營業務乃根據其業務性質及所提供之產品及服務構建及獨立管理。本集團各經營分部指提供產品及服務之策略性業務單位，其風險及回報有別於其他經營分部。本集團現時有四個經營分部：

- | | |
|---------------|------------------|
| (a) 物業投資 | 租賃租用物業 |
| (b) 銷售金融資產 | 銷售金融資產 |
| (c) 借貸 | 借貸 |
| (d) 銷售珠寶產品及寶石 | 設計及銷售珠寶產品，以及銷售寶石 |

有關發行電影及轉授電影發行權之經營分部已於二零一七年二月十七日出售豐采錄影後終止。

銷售寶石業務已自二零一七年第一季度起暫停。

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6. OPERATING SEGMENTS (Continued)

An analysis of the Group's reportable segment revenue, results, assets, liabilities and other selected financial information for the years ended 31 December 2017 and 2016 by operating segments are as follows:

Segment revenue and results

For the year ended 31 December 2017

6. 經營分部(續)

截至二零一七年及二零一六年十二月三十一日止年度，本集團按經營分部劃分之可呈報分部收益、業績、資產、負債及其他選定財務資料之分析如下：

分部收益及業績

截至二零一七年十二月三十一日止年度

		Continuing operations 持續經營業務				Discontinued operation 已終止經營業務		
		Property investment	Sale of financial assets	Money lending	Sale of jewelry products and precious stones	Sub-total	Distribution	Consolidated
		物業投資	金融資產銷售	借貸	銷售珠寶產品及寶石	小計	發行	綜合
		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
Segment revenue	分部收益	44,412	(103,657)	70,626	42,608	53,989	—	53,989
Segment profit/(loss)	分部溢利/(虧損)	10,644	(195,659)	68,820	(4,801)	(120,996)	(3)	(120,999)
Interest income on bank deposits	銀行存款之利息收入					76	—	76
Unallocated corporate income	未分配企業收入					175	—	175
Unallocated corporate expenses	未分配企業開支					(60,271)	—	(60,271)
Gain on disposal of a subsidiary	出售一間附屬公司之收益					1	—	1
Impairment loss recognised in respect of amount due from an associate	已確認應收一間聯營公司款項之減值虧損					(217)	—	(217)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損					(92)	—	(92)
Finance costs	融資費用					(23,627)	—	(23,627)
Share of results of associates	應佔聯營公司業績					282	—	282
Loss before taxation	除稅前虧損					(204,669)	(3)	(204,672)
Income tax credit	所得稅抵免					9,052	—	9,052
Loss for the year	本年度虧損					(195,617)	(3)	(195,620)

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綜合財務報表附註

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

6. OPERATING SEGMENTS (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2016

		Continuing operations				Discontinued operation		Consolidated
		持續經營業務				已終止經營業務		
		Property investment	Sale of financial assets	Money lending	Sale of jewelry products and precious stones	Sub-total	Distribution	
		物業投資	銷售金融資產	借貸	銷售珠寶產品及寶石	小計	發行	綜合
		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
Segment revenue	分部收益	45,171	(22,337)	49,154	89,054	161,042	—	161,042
Segment profit/(loss)	分部溢利/(虧損)	6,433	(147,180)	48,177	2,468	(90,102)	(36)	(90,138)
Interest income on bank deposits	銀行存款之利息收入					329	—	329
Unallocated corporate income	未分配企業收入					8	—	8
Unallocated corporate expenses	未分配企業開支					(54,335)	—	(54,335)
Cumulative gain reclassified from equity to profit or loss upon derecognition of available-for-sale financial assets	於終止確認可供出售金融資產後由權益重新分類至損益表之累計收益					22,500	—	22,500
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司之收益					8	—	8
Impairment loss recognised in respect of amount due from an associate	已確認應收一間聯營公司款項之減值虧損					(400)	—	(400)
Impairment loss recognised in respect of available-for-sale financial assets reclassified from equity to profit or loss	已確認可供出售金融資產減值虧損由權益重新分類至損益表					(57,750)	—	(57,750)
Loss on deemed disposal of an associate	視作出售一間聯營公司之虧損					(21,500)	—	(21,500)
Finance costs	融資費用					(9,529)	—	(9,529)
Share of results of associates	應佔聯營公司業績					—	—	—
Loss before taxation	除稅前虧損					(210,771)	(36)	(210,807)
Income tax credit	所得稅抵免					2,903	—	2,903
Loss for the year	本年度虧損					(207,868)	(36)	(207,904)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both years.

Segment results represent profit earned/(loss incurred) by each segment without allocation of central administrative expenses including directors' emoluments, share of results of associates, certain investment and other income, certain other gains and losses, finance costs and income tax credit. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

6. 經營分部(續)

分部收益及業績(續)

截至二零一六年十二月三十一日止年度

		Continuing operations				Discontinued operation		Consolidated
		持續經營業務				已終止經營業務		
		Property investment	Sale of financial assets	Money lending	Sale of jewelry products and precious stones	Sub-total	Distribution	
		物業投資	銷售金融資產	借貸	銷售珠寶產品及寶石	小計	發行	綜合
		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
Segment revenue	分部收益	45,171	(22,337)	49,154	89,054	161,042	—	161,042
Segment profit/(loss)	分部溢利/(虧損)	6,433	(147,180)	48,177	2,468	(90,102)	(36)	(90,138)
Interest income on bank deposits	銀行存款之利息收入					329	—	329
Unallocated corporate income	未分配企業收入					8	—	8
Unallocated corporate expenses	未分配企業開支					(54,335)	—	(54,335)
Cumulative gain reclassified from equity to profit or loss upon derecognition of available-for-sale financial assets	於終止確認可供出售金融資產後由權益重新分類至損益表之累計收益					22,500	—	22,500
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司之收益					8	—	8
Impairment loss recognised in respect of amount due from an associate	已確認應收一間聯營公司款項之減值虧損					(400)	—	(400)
Impairment loss recognised in respect of available-for-sale financial assets reclassified from equity to profit or loss	已確認可供出售金融資產減值虧損由權益重新分類至損益表					(57,750)	—	(57,750)
Loss on deemed disposal of an associate	視作出售一間聯營公司之虧損					(21,500)	—	(21,500)
Finance costs	融資費用					(9,529)	—	(9,529)
Share of results of associates	應佔聯營公司業績					—	—	—
Loss before taxation	除稅前虧損					(210,771)	(36)	(210,807)
Income tax credit	所得稅抵免					2,903	—	2,903
Loss for the year	本年度虧損					(207,868)	(36)	(207,904)

上文呈報之分部收益指由外部客戶產生之收益。兩個年度並無分部間銷售。

分部業績指各分部賺取之溢利/(產生之虧損)，惟並無分配中央行政開支，包括董事酬金、應佔聯營公司業績、若干投資及其他收入、若干其他收益及虧損、融資費用及所得稅抵免。此乃就分配資源及評估分部表現而向主要經營決策人呈報之衡量基準。

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綜合財務報表附註

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

6. OPERATING SEGMENTS (Continued)

Segment assets and liabilities

At 31 December 2017

6. 經營分部(續)

分部資產及負債

於二零一七年十二月三十一日

		Continuing operations 持續經營業務				Discontinued operation 已終止經營業務		
		Property investment	Sale of financial assets	Money lending	Sale of jewelry products and precious stones	Sub-total	Distribution	Consolidated
		物業投資	銷售金融資產	借貸	銷售珠寶產品及寶石	小計	發行	綜合
		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
Segment assets	分部資產							
– Hong Kong	– 香港	242,294	726,458	1,284,413	70,973	2,324,138	–	2,324,138
– The PRC	– 中國	2,668,627	–	–	–	2,668,627	–	2,668,627
		2,910,921	726,458	1,284,413	70,973	4,992,765	–	4,992,765
Unallocated corporate assets	未分配企業資產							231,140
Consolidated total assets	綜合資產總值							5,223,905
Segment liabilities	分部負債							
– Hong Kong	– 香港	(128,947)	(12,118)	(1,135)	(31,926)	(174,126)	–	(174,126)
– The PRC	– 中國	(1,163,172)	–	–	–	(1,163,172)	–	(1,163,172)
		(1,292,119)	(12,118)	(1,135)	(31,926)	(1,337,298)	–	(1,337,298)
Unallocated corporate liabilities	未分配企業負債							(620,302)
Consolidated total liabilities	綜合負債總額							(1,957,600)

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綜合財務報表附註

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

6. OPERATING SEGMENTS (Continued)

Segment assets and liabilities (Continued)

At 31 December 2016

6. 經營分部(續)

分部資產及負債(續)

於二零一六年十二月三十一日

		Continuing operations				Discontinued operation	Consolidated
		持續經營業務				已終止經營業務	
		Property investment	Sale of financial assets	Money lending	Sale of jewelry products and precious stones	Sub-total	Distribution
		物業投資	金融資產銷售	借貸	銷售珠寶產品及寶石	小計	發行
		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
Segment assets	分部資產						
– Hong Kong	– 香港	1,064	723,789	616,139	134,711	1,475,703	269
– The PRC	– 中國	2,364,162	–	–	–	2,364,162	–
		<u>2,365,226</u>	<u>723,789</u>	<u>616,139</u>	<u>134,711</u>	<u>3,839,865</u>	<u>269</u>
Unallocated corporate assets	未分配企業資產						401,404
Consolidated total assets	綜合資產總值						<u>4,241,538</u>
Segment liabilities	分部負債						
– Hong Kong	– 香港	(1,198)	(12,138)	(1,220)	(39,719)	(54,275)	(1)
– The PRC	– 中國	(833,443)	–	–	–	(833,443)	–
		<u>(834,641)</u>	<u>(12,138)</u>	<u>(1,220)</u>	<u>(39,719)</u>	<u>(887,718)</u>	<u>(1)</u>
Unallocated corporate liabilities	未分配企業負債						(104,680)
Consolidated total liabilities	綜合負債總額						<u>(992,399)</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

6. OPERATING SEGMENTS (Continued)

Segment assets and liabilities (Continued)

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

- all assets are allocated to operating segments other than interests in associates, amount due from an associate, certain deposits, prepayments, and cash and cash equivalents that are not attributable to individual segments. Assets used jointly by individual segments are allocated on the basis of the revenues earned by individual segments; and
- all liabilities are allocated to operating segments other than amount due to an associate, other borrowings, secured notes, certain accruals, other payables, current tax payables, and receipts in advance that are not attributable to individual segments. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

Other segment information

For the year ended 31 December 2017

6. 經營分部(續)

分部資產及負債(續)

為監察分部表現及於分部間分配資源：

- 除於聯營公司之權益、應收一間聯營公司款項、若干按金、預付款項，以及現金及現金等價物不計入個別分部外，所有資產均分配至經營分部。個別分部共同使用之資產按個別分部賺取之收益分配；及
- 除應付一間聯營公司款項、其他借款、擔保票據、若干應計費用、其他應付款項、應付本期稅項及預收款項不計入個別分部外，所有負債均分配至經營分部。分部共同產生之負債按分部資產比例分配。

其他分部資料

截至二零一七年十二月三十一日止年度

	Continuing operations 持續經營業務					Discontinued operation 已終止經營業務		Consolidated
	Property investment	Sale of financial assets	Money lending	Sale of jewelry and precious stones	Unallocated	Sub-total	Distribution	
	物業投資	金融資產銷售	借貸	產品及寶石銷售珠寶	未分配	小計	發行	綜合
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Amounts included in the measure of segment profit/(loss) and segment assets	計量分部溢利/(虧損)及分部資產所計入之金額							
Additions to investment properties	添置投資物業	190,403	-	-	-	190,403	-	190,403
Additions to property, plant and equipment	添置物業、廠房及設備	56,301	-	-	-	161,880	-	218,181
Amortisation of intangible assets	無形資產攤銷	(20,456)	-	-	-	(20,456)	-	(20,456)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	(14,083)	-	-	(116)	(15,743)	-	(15,743)
Dividend income	股息收入	-	1,022	-	-	1,022	-	1,022
Gain arising on change in fair value of investment properties	投資物業公平值變動產生之收益	20,013	-	-	-	20,013	-	20,013
Impairment loss recognised in respect of goodwill	已確認商譽之減值虧損	(1,813)	-	-	-	(1,813)	-	(1,813)
Loss arising on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產公平值變動產生之虧損	-	(92,526)	-	-	(92,526)	-	(92,526)

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

6. OPERATING SEGMENTS (Continued)

Other segment information (Continued)

For the year ended 31 December 2016

	Continuing operations 持續經營業務					Discontinued operation 已終止經營業務		Consolidated 綜合
	Property investment 物業投資	Sale of financial assets 金融資產銷售	Money lending 借貸	Sale of jewelry and precious stones 銷售珠寶產品及寶石	Unallocated 未分配	Sub-total 小計	Distribution 發行	
	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	HK\$'000 千港元	HK\$'000 千港元
Amounts included in the measure of segment profit/(loss) and segment assets								
Additions to property, plant and equipment	53,683	—	—	22	—	53,705	—	53,705
Amortisation of intangible assets	(20,647)	—	—	—	—	(20,647)	—	(20,647)
Depreciation of property, plant and equipment	(14,453)	—	—	(133)	—	(14,586)	—	(14,586)
Dividend income	—	1,347	—	—	—	1,347	—	1,347
Gain arising on change in fair value of financial assets at fair value through profit or loss upon recognition of interests in associates	—	17,367	—	—	—	17,367	—	17,367
Gain arising on change in fair value of investment properties	3,733	—	—	—	—	3,733	—	3,733
Loss arising on change in fair value of financial assets at fair value through profit or loss	—	(141,649)	—	—	—	(141,649)	—	(141,649)

Geographical information

The Group mainly operates in Hong Kong and the PRC. The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

地區資料

本集團主要於香港及中國經營。本集團按地區劃分之來自對外客戶之收益及有關其非流動資產之資料詳列如下：

	Continuing operations Revenue from external customers 持續經營業務 從對外客戶而來之收益		Discontinued operation Revenue from external customers 已終止經營業務 從對外客戶而來之收益		Continuing operations Non-current assets* 持續經營業務 非流動資產*		Discontinued operation Non-current assets* 已終止經營業務 非流動資產*	
	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Australia	68	1,979	—	—	—	—	—	—
Europe	10,218	9,557	—	—	—	—	—	—
Hong Kong	(1,493)	80,829	—	—	432,895	910	—	—
The Middle East	705	2,701	—	—	—	—	—	—
The PRC	44,412	45,171	—	—	2,386,289	2,217,690	—	—
The United States of America	79	20,805	—	—	—	—	—	—
	53,989	161,042	—	—	2,819,184	2,218,600	—	—

* Non-current assets excluded AFS financial assets, deferred tax assets and loans receivables.

* 非流動資產不包括可供出售金融資產、遞延稅項資產及應收貸款。

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綜合財務報表附註

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

6. OPERATING SEGMENTS (Continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		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
Customer 1 ¹	客戶 1 ¹	N/A 不適用 ⁴	31,986
Customer 2 ¹	客戶 2 ¹	18,549	N/A 不適用 ⁴
Customer 3 ¹	客戶 3 ¹	13,303	N/A 不適用 ⁴
Customer 4 ²	客戶 4 ²	20,809	21,000
Customer 5 ²	客戶 5 ²	9,159	N/A 不適用 ⁴
Customer 6 ³	客戶 6 ³	16,200	N/A 不適用 ⁴
Customer 7 ³	客戶 7 ³	12,191	N/A 不適用 ⁴
Customer 8 ³	客戶 8 ³	10,560	N/A 不適用 ⁴

- Revenue from sale of jewelry products and precious stones.
- Revenue from property investment.
- Revenue from money lending.
- The corresponding revenue did not contribute over 10% of the total revenue of the Group.

6. 經營分部(續)

有關主要客戶之資料

於相關年度向本集團總收益貢獻10%以上之來自客戶之收益如下：

- 來自銷售珠寶產品及寶石之收益。
- 來自物業投資之收益。
- 來自借貸之收益。
- 相關收益並無向本集團總收益貢獻10%以上。

7. REVENUE

		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
Continuing operations	持續經營業務		
Sale of financial assets at fair value through profit or loss, net	銷售按公平值計入損益表之金融資產，淨額	(103,657)	(22,337)
Interest income on loans	貸款利息收入	70,626	49,154
Rental income	租金收入	44,412	45,171
Sale of jewelry products and precious stones	銷售珠寶產品及寶石	42,608	89,054
		53,989	161,042

7. 收益

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

7. REVENUE (Continued)

Revenue from sale of financial assets at FVTPL is recorded on a net basis, details of which are as follows:

7. 收益(續)

銷售按公平值計入損益表之金融資產之收益按淨額基準分析，詳情如下：

		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
Proceeds from sale of financial assets at fair value through profit or loss	銷售按公平值計入損益表之金融資產之所得款項	356,032	191,682
Carrying amounts of financial assets at fair value through profit or loss sold plus transaction costs	已售按公平值計入損益表之金融資產之賬面值另加交易費用	(459,689)	(214,019)
		(103,657)	(22,337)

8. INVESTMENT AND OTHER INCOME

8. 投資及其他收入

		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
Continuing operations	持續經營業務		
Dividend income	股息收入	1,022	1,347
Interest income on bank deposits	銀行存款之利息收入	76	329
Net foreign exchange gain	匯兌收益淨額	63	—
Sundry income	雜項收入	112	8
		1,273	1,684

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9. OTHER GAINS AND LOSSES

9. 其他收益及虧損

		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
Continuing operations	持續經營業務		
Cumulative gain reclassified from equity to profit or loss upon derecognition of available-for-sale financial assets	於終止確認可供出售金融資產後由權益重新分類至損益表之累計收益	—	22,500
Gain arising on change in fair value of financial assets at fair value through profit or loss upon recognition of interests in associates	確認於聯營公司之權益後按公平值計入損益表之金融資產公平值變動產生之收益	—	17,367
Gain arising on change in fair value of investment properties	投資物業公平值變動產生之收益	20,013	3,733
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司之收益	—	8
Gain on disposal of a subsidiary	出售一間附屬公司之收益	1	—
Impairment loss recognised in respect of amount due from an associate	已確認應收一間聯營公司款項之減值虧損	(217)	(400)
Impairment loss recognised in respect of available-for-sale financial assets reclassified from equity to profit or loss	已確認可供出售金融資產減值虧損由權益重新分類至損益表	—	(57,750)
Impairment loss recognised in respect of goodwill	已確認商譽之減值虧損	(1,813)	—
Loss arising on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產公平值變動產生之虧損	(92,526)	(141,649)
Loss on deemed disposal of an associate	視作出售一間聯營公司之虧損	—	(21,500)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(92)	—
		(74,634)	(177,691)

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10. FINANCE COSTS

10. 融資費用

		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
Continuing operations	持續經營業務		
Interest on bank borrowings	銀行借款之利息	9,857	9,529
Interest on other borrowings	其他借款之利息	5,216	—
Imputed interest on secured notes	擔保票據之估計利息	8,554	—
		23,627	9,529

11. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

11. 董事及行政總裁之酬金

The aggregate amounts of emoluments paid or payable to the directors and the chief executive officer of the Company during the year was HK\$48,185,000 (2016: HK\$43,358,000) and was included in “administrative expenses” under continuing operations. The emoluments of each director and the chief executive officer for the years ended 31 December 2017 and 2016 disclosed pursuant to the applicable Listing Rules and the Hong Kong Company Ordinance are as follows:

年內已付或應付本公司董事及行政總裁之酬金總額為48,185,000港元(二零一六年：43,358,000港元)並計入持續經營業務下之「行政開支」。截至二零一七年及二零一六年十二月三十一日止年度，各董事及行政總裁之酬金根據適用上市規則及香港公司條例披露如下：

		Fees 袍金		Salaries, allowances and benefits in kind 薪金、津貼及實物福利		Discretionary bonuses 酌情花紅		Contributions to retirement benefit schemes 退休福利計劃供款		Equity-settled share-based payment expenses 以股權結算之股份支款開支		Total 總計	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
		二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元	二零一七年 HK\$'000 千港元	二零一六年 HK\$'000 千港元
Executive directors	執行董事												
Mr. Lei Hong Wai, the chief executive officer	李雄偉先生 (行政總裁)	—	—	8,400	8,250	10,000	10,000	18	18	1,052	—	19,470	18,268
Mr. Cheung Kwok Wai Elton	張國偉先生	—	—	8,400	8,250	10,000	10,000	18	18	1,052	—	19,470	18,268
Mr. Chan Kin Wah Billy	陳健華先生	—	—	2,020	1,766	3,500	3,500	18	18	1,052	—	6,590	5,284
Mr. Cheung Kwok Fan	張國勳先生	120	120	1,020	960	85	80	18	18	1,052	—	2,295	1,178
Independent non-executive directors	獨立非執行董事												
Mr. Wan Shing Chi	尹成志先生	120	120	—	—	—	—	—	—	—	—	120	120
Mr. Ng Heung Yan	吳向仁先生	120	120	—	—	—	—	—	—	—	—	120	120
Mr. Wong Tak Chuen	黃德銓先生	120	120	—	—	—	—	—	—	—	—	120	120
Total emoluments	酬金總額	480	480	19,840	19,226	23,585	23,580	72	72	4,208	—	48,185	43,358

11. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

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

There was no arrangement under which a director or the chief executive officer of the Company waived or agreed to waive any remuneration during the year ended 31 December 2017 (2016: Nil).

During the year ended 31 December 2017, no emoluments have been paid by the Group to any of the directors and the chief executive officer as an inducement to join or upon joining the Group as compensation for loss of office (2016: Nil).

The executive directors and the chief executive officer of the Company are entitled to bonus payments which are determined based on their duties and responsibilities in the Group.

During the year ended 31 December 2017, the executive directors were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 44 to the consolidated financial statements. The number of share options granted is determined based on the directors' duties and responsibilities in the Group.

During the year ended 31 December 2016, no share option was granted to the directors.

11A. TRANSACTIONS, ARRANGEMENTS OR CONTRACTS IN WHICH DIRECTORS HAVE MATERIAL INTERESTS

Save as disclosed in note 48 to the consolidated financial statements, no transaction, arrangement and contract of significance in relation to the Group's business to which the Company or any subsidiaries of the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the reporting period or at any time during the reporting period.

11. 董事及行政總裁之酬金(續)

以上所示之執行董事及行政總裁之酬金主要為彼等就管理本公司及本集團事務提供服務之酬金。上述獨立非執行董事酬金主要為彼等作為本公司董事提供服務之酬金。

於截至二零一七年十二月三十一日止年度，並無本公司董事或行政總裁放棄或同意放棄任何酬金之安排(二零一六年：無)。

截至二零一七年十二月三十一日止年度，本集團概無向任何董事及行政總裁支付酬金作為吸引彼等加盟本集團或加盟後之獎勵，或離職補償(二零一六年：無)。

本公司執行董事及行政總裁有權享有花紅，乃根據彼等於本集團之職務及責任釐定。

截至二零一七年十二月三十一日止年度，執行董事根據本公司購股權計劃就彼等對本集團之服務獲授購股權。購股權計劃詳情載於綜合財務報表附註44。所授予之購股權數目乃根據董事於本集團之職務及責任釐定。

截至二零一六年十二月三十一日止年度，概無董事獲授購股權。

11A. 董事擁有重大權益之交易、安排或合約

除綜合財務報表附註48披露者外，概無本公司董事直接或間接於本公司或本公司任何附屬公司所訂立與本集團業務有關並於報告期末或報告期內任何時間仍存續之重大交易、安排及合約中擁有重大權益。

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12. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included four directors (2016: four directors), details of whose emoluments are set out in note 11 to the consolidated financial statements. Details of the emoluments for the year of the remaining one (2016: one) highest paid employee who is neither a director nor the chief executive officer of the Company are as follows:

		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
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	698	813
Discretionary bonuses	酌情花紅	175	274
Contributions to retirement benefits scheme	退休福利計劃供款	18	18
Equity-settled share-based payment expenses	以股權結算之股份支款開支	1,052	—
		1,943	1,105

The emoluments of the highest paid employee who is not a director of the Company fell within the following bands is as follows:

		Number of employees 僱員人數	
		2017 二零一七年	2016 二零一六年
HK\$0 - HK\$1,000,000	零港元至 1,000,000 港元	—	—
HK\$1,000,001 - HK\$1,500,000	1,000,001 港元 至 1,500,000 港元	—	1
HK\$1,500,001 - HK\$2,000,000	1,500,001 港元 至 2,000,000 港元	1	—

During the year ended 31 December 2017, the non-director and non-chief executive highest paid employee was granted share options, in respect of his services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in the note 44 to the consolidated financial statements. The number of share options granted is determined based on the duties and responsibilities of the non-director and non-chief executive highest paid employee in the Group.

12. 五名最高薪僱員

本集團本年度之五名最高薪僱員中包括四名董事(二零一六年：四名董事)，彼等之酬金詳情於綜合財務報表附註11披露。餘下一名(二零一六年：一名)並非本公司董事或行政總裁之最高薪僱員之酬金詳情如下：

		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
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	698	813
Discretionary bonuses	酌情花紅	175	274
Contributions to retirement benefits scheme	退休福利計劃供款	18	18
Equity-settled share-based payment expenses	以股權結算之股份支款開支	1,052	—
		1,943	1,105

最高薪非本公司董事僱員之酬金介乎以下範圍：

		Number of employees 僱員人數	
		2017 二零一七年	2016 二零一六年
HK\$0 - HK\$1,000,000	零港元至 1,000,000 港元	—	—
HK\$1,000,001 - HK\$1,500,000	1,000,001 港元 至 1,500,000 港元	—	1
HK\$1,500,001 - HK\$2,000,000	1,500,001 港元 至 2,000,000 港元	1	—

截至二零一七年十二月三十一日止年度，非董事及非行政人員最高薪僱員已根據本公司購股權計劃就向本集團提供服務而獲授購股權。購股權計劃詳情載於綜合財務報表附註44內。所授予之購股權數目乃根據該等非董事及非行政人員最高薪僱員於本集團之職務及責任釐定。

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12. FIVE HIGHEST PAID EMPLOYEES

(Continued)

During the year ended 31 December 2016, no share option was granted to the non-director and non-chief executive highest paid employee.

13. INCOME TAX CREDIT

12. 五名最高薪僱員(續)

截至二零一六年十二月三十一日止年度，概無向非董事及非行政人員最高薪僱員授出購股權。

13. 所得稅抵免

		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
Continuing operations	持續經營業務		
Hong Kong Profits Tax	香港利得稅		
– Current tax	– 本期稅項	(2,103)	(1,477)
– Over provision in prior years	– 過往年度過多撥備	20	20
		(2,083)	(1,457)
PRC Enterprise Income Tax	中國企業所得稅		
– Current tax	– 本期稅項	(1,633)	(1,699)
Deferred taxation credit (note 40)	遞延稅項抵免(附註40)	12,768	6,059
		9,052	2,903

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. The subsidiaries incorporated in the PRC are subject to the PRC Enterprise Income Tax at 25% for both years. The subsidiary incorporated in Dubai Multi Commodities Centre of United Arab Emirates enjoys a 50-year tax holiday for corporate income tax from the date of its incorporation.

於兩個年度，香港利得稅按估計應課稅溢利之16.5%計算。於兩個年度，於中國註冊成立之附屬公司須按稅率25%繳納中國企業所得稅。於阿拉伯聯合酋長國迪拜多種商品交易中心註冊成立之附屬公司享有自註冊成立日期起計為期50年之企業所得稅稅務假期。

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13. INCOME TAX CREDIT (Continued)

The income tax credit for the year can be reconciled to the loss before taxation from continuing operations per consolidated statement of profit or loss as follows:

13. 所得稅抵免(續)

本年度所得稅抵免與綜合損益表內之持續經營業務之除稅前虧損對賬如下：

		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
Continuing operations	持續經營業務		
Loss before taxation	除稅前虧損	(204,669)	(210,771)
Taxation at domestic income tax rate	以當地所得稅率計稅	(36,357)	(34,977)
Taxation effect of:	稅務影響：		
Income not taxable for tax purpose	稅務上毋須課稅收入	(14,310)	(9,835)
Expenses not deductible for tax purpose	稅務上不可扣稅開支	49,061	50,287
Accelerated accounting depreciation under tax depreciation	稅務減值下加快會計減值	(19)	—
Estimated tax losses not recognised	未確認估計稅項虧損	9,650	2,081
Utilisation of tax losses previously not recognised	動用先前未確認稅項虧損	(4,289)	(4,380)
Over provision in prior years	過往年度過多撥備	(20)	(20)
Deferred taxation credit	遞延稅項抵免	(12,768)	(6,059)
Income tax credit	所得稅抵免	(9,052)	(2,903)

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14. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

Loss for the year from continuing operations has been arrived at after charging/(crediting):

14. 本年度來自持續經營業務之虧損

本年度來自持續經營業務之虧損乃扣除/(計入)以下各項後得出：

		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
Continuing operations	持續經營業務		
Amortisation of intangible assets (included in administrative expenses)	無形資產攤銷 (計入行政開支)	20,456	20,647
Auditors' remuneration:	核數師酬金：		
— audit services	— 核數服務	1,108	990
— non-audit services	— 非核數服務	467	636
		1,575	1,626
Cost of inventories sold	已銷售存貨之成本	38,057	73,542
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	15,743	14,586
Net foreign exchange (gain)/loss	匯兌(收益)/虧損淨額	(63)	131
Operating lease rentals in respect of rental premises	租賃物業之經營租賃租金	2,873	2,072
Operating lease rentals in respect of operating rights	經營權之經營租賃租金	16,471	16,622
Less: operating lease rentals capitalised	減：已資本化經營租賃租金	(10,896)	(10,996)
		5,575	5,626
Equity-settled share-based payment expenses in respect of consultancy services	就顧問服務以股權結算之股 份支款開支	702	—
Staff costs (including directors' emoluments):	員工成本(包括董事酬金)：		
— salaries, allowances and benefits in kind	— 薪金、津貼及實物福利	34,425	30,158
— discretionary bonuses	— 酌情花紅	25,215	25,053
— contributions to retirement benefits scheme	— 退休福利計劃供款	434	464
— equity-settled share-based payment expenses	— 以股權結算之股份支款 開支	9,821	—
		69,895	55,675
Gross rental income from investment properties and operating rights	來自投資物業及經營權之租 金總收入	(44,412)	(45,171)
Less: direct operating expenses incurred for investment properties and operating rights that generated rental income during the year	減：年內產生租金收入之投 資物業及經營權產生 之直接經營開支	19,480	19,890
Less: direct operating expenses incurred for investment properties and operating rights that did not generate rental income during the year	減：年內並無產生租金收入 之投資物業及經營權 產生之直接經營開支	401	194
		(24,531)	(25,087)

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15. DISCONTINUED OPERATION

On 17 February 2017, the Group entered into a sale and purchase agreement relating to the disposal of the entire issued share capital of Riche Video, which is principally engaged in distribution of video products and holding of film rights. The Group discontinued its distribution of films and sub-licensing of film rights operation by disposing of Riche Video, which enables the Group to concentrate resources on its existing businesses. The disposal was completed on 17 February 2017, being the date on which the control of Riche Video passed to the acquirer.

The loss for the years ended 31 December 2017 and 2016 from the discontinued distribution of films and sub-licensing of film rights operation is set out below:

15. 已終止經營業務

於二零一七年二月十七日，本集團就出售豐采錄影之全部已發行股本訂立買賣協議，其主要從事發行錄影產品及持有電影發行權。本集團於出售豐采錄影後終止確認其發行電影及轉授電影發行權業務，令本集團能夠集中資源於現有業務。此出售事項於二零一七年二月十七日完成，即豐采錄影之控制權轉交給收購方當日。

已終止發行電影及轉授電影發行權業務截至二零一七年及二零一六年十二月三十一日止年度之虧損載列如下：

		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
Loss on distribution of films and sub-licensing of film rights operation	發行電影及轉授電影發行權業務之虧損	(3)	(36)
Gain on disposal of distribution of films and sub-licensing of film rights operation (note 42)	出售發行電影及轉授電影發行權業務之收益(附註42)	1	—
		(2)	(36)

The comparative figures in the consolidated statement of profit or loss have been restated to re-present the distribution of films and sub-licensing of film rights operation as discontinued operation.

綜合損益表之比較數據經已重列，以重新呈列發行電影及轉授電影發行權業務為已終止經營業務。

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綜合財務報表附註

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

15. DISCONTINUED OPERATION (Continued)

The results of the discontinued operation for the current and prior years are as follows:

		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
Revenue	收益	—	—
Administrative expenses	行政開支	(3)	(36)
Loss before taxation	除稅前虧損	(3)	(36)
Income tax expense	所得稅開支	—	—
Loss for the year from discontinued operation	來自已終止經營業務之本年度虧損	(3)	(36)

The cash flows of the discontinued operation for the current and prior years are as follows:

		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
Net cash outflow from operating activities	經營活動現金流出淨額	(96)	(5)
Net cash outflow	現金流出淨額	(96)	(5)

15. 已終止經營業務(續)

於當前及過往年度，已終止經營業務之業績如下：

於當前及過往年度，已終止經營業務之現金流量如下：

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

16. LOSS PER SHARE

From continuing and discontinued operations

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

		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
<u>Loss for the purpose of basic and diluted loss per share</u>	<u>於計算每股基本及攤薄虧損時所用之虧損</u>		
Loss for the year attributable to owners of the Company	本公司擁有人應佔本年度虧損	(195,545)	(207,902)

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
<u>Number of ordinary shares</u>	<u>普通股數目</u>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	於計算每股基本及攤薄虧損時所用之普通股加權平均數	3,615,020	3,145,711

The calculation of diluted loss per share does not assume the exercise of the Company's outstanding share options as they had an anti-dilutive effect to the basic loss per share for the years ended 31 December 2017 and 2016. The basic and diluted loss per share are the same for both years.

16. 每股虧損

來自持續經營及已終止經營業務

本公司擁有人應佔來自持續經營及已終止經營業務之每股基本及攤薄虧損乃根據以下數據計算：

		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
<u>Loss for the purpose of basic and diluted loss per share</u>	<u>於計算每股基本及攤薄虧損時所用之虧損</u>		
Loss for the year attributable to owners of the Company	本公司擁有人應佔本年度虧損	(195,545)	(207,902)

		For the year ended 31 December 截至十二月三十一日止年度	
		2017 二零一七年 '000 千股	2016 二零一六年 '000 千股
<u>Number of ordinary shares</u>	<u>普通股數目</u>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	於計算每股基本及攤薄虧損時所用之普通股加權平均數	3,615,020	3,145,711

計算每股攤薄虧損時並無假設行使本公司之尚未行使購股權，此乃由於其對截至二零一七年及二零一六年十二月三十一日止各年度之每股基本虧損具有反攤薄效應。此兩個年度的每股基本及攤薄虧損均相同。

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綜合財務報表附註

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

16. LOSS PER SHARE (Continued)

From continuing operations

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

16. 每股虧損(續)

來自持續經營業務

本公司擁有人應佔來自持續經營業務之每股基本及攤薄虧損乃根據以下數據計算：

		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
<u>Loss for the purpose of basic and diluted loss per share</u>	<u>於計算每股基本及攤薄虧損時所用之虧損</u>		
Loss for the year from continuing operations	本年度來自持續經營業務之虧損	(195,617)	(207,868)
Less: loss for the year from continuing operations attributable to non-controlling interests	減：非控股權益應佔本年度來自持續經營業務之虧損	75	2
Loss for the year from continuing operations attributable to owners of the Company	本公司擁有人應佔本年度來自持續經營業務之虧損	(195,542)	(207,866)

The denominators used are same as those detailed above for both basic and diluted loss per share from continuing and discontinued operations.

所用分母與上述計算來自持續經營及已終止經營業務之每股基本及攤薄虧損所採用者相同。

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綜合財務報表附註

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

16. LOSS PER SHARE (Continued)

From discontinued operation

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

		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
<u>Loss for the purpose of basic and diluted loss per share</u>	<u>於計算每股基本及攤薄虧損時所用之虧損</u>		
Loss for the year from discontinued operation	本年度來自已終止經營業務之虧損	(3)	(36)

The denominators used are same as those detailed above for both basic and diluted loss per share from continuing and discontinued operations.

17. DIVIDENDS

The directors of the Company do not recommend the payment of any final dividend for the year ended 31 December 2017 (2016: Nil).

16. 每股虧損(續)

來自已終止經營業務

本公司擁有人應佔來自已終止經營業務之每股基本及攤薄虧損乃根據以下數據計算：

所用分母與上述計算來自持續經營及已終止經營業務之每股基本及攤薄虧損所採用者相同。

17. 股息

本公司董事並不建議派發截至二零一七年十二月三十一日止年度之任何末期股息(二零一六年：無)。

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

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Buildings 樓宇 HK\$'000 千港元	Golf courses 高爾夫球場 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本									
At 1 January 2016	於二零一六年一月一日	170,101	66,591	150,541	1,787	35,764	498	1,050	2,985	429,317
Additions during the year	年內添置	—	—	53,639	—	—	66	—	—	53,705
Disposals	出售	—	—	—	—	(643)	—	—	—	(643)
Transfer	轉讓	—	—	(643)	—	643	—	—	—	—
Exchange alignment	匯兌調整	(10,837)	(4,243)	(9,692)	(122)	(2,112)	—	—	(137)	(27,143)
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	159,264	62,348	193,845	1,665	33,652	564	1,050	2,848	455,236
Additions during the year	年內添置	161,874	—	51,758	211	—	1,249	2,892	197	218,181
Disposals	出售	—	—	—	(91)	—	—	—	(1)	(92)
Exchange alignment	匯兌調整	11,165	4,371	13,066	120	2,176	43	101	128	31,170
At 31 December 2017	於二零一七年 十二月三十一日	332,303	66,719	258,669	1,905	35,828	1,856	4,043	3,172	704,495
Accumulated depreciation and impairment	累計折舊及減值									
At 1 January 2016	於二零一六年一月一日	1,872	738	—	136	3,180	250	1,050	1,307	8,533
Charge for the year	本年度折舊	7,348	2,793	—	448	3,387	76	—	534	14,586
Exchange alignment	匯兌調整	(426)	(164)	—	(33)	(183)	—	—	(53)	(859)
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	8,794	3,367	—	551	6,384	326	1,050	1,788	22,260
Charge for the year	本年度折舊	8,824	2,858	—	286	3,252	164	41	318	15,743
Exchange alignment	匯兌調整	870	335	—	49	380	3	1	59	1,697
At 31 December 2017	於二零一七年 十二月三十一日	18,488	6,560	—	886	10,016	493	1,092	2,165	39,700
Carrying amounts	賬面值									
At 31 December 2017	於二零一七年 十二月三十一日	313,815	60,159	258,669	1,019	25,812	1,363	2,951	1,007	664,795
At 31 December 2016	於二零一六年 十二月三十一日	150,470	58,981	193,845	1,114	27,268	238	—	1,060	432,976

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18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

During the year ended 31 December 2017, the Group has capitalised operating lease rentals of HK\$10,896,000 (2016: HK\$10,996,000).

All of the Group's buildings, golf courses and construction in progress located in the PRC are held on medium-term lease and the Group's building located in Hong Kong are held on medium-term lease.

The Group has pledged its buildings located in Hong Kong with an aggregate carrying amounts of HK\$160,330,000 (2016: Nil) to secure the Group's bank borrowings.

19. INVESTMENT PROPERTIES

18. 物業、廠房及設備(續)

於截至二零一七年十二月三十一日止年度，本集團將10,896,000港元(二零一六年：10,996,000港元)之經營租賃租金資本化。

本集團位於中國之所有樓宇、高爾夫球場及在建工程乃以中期租約持有，本集團位於香港之樓宇乃以中期租約持有。

本集團已將其位於香港賬面總值為160,330,000港元(二零一六年：無)之樓宇抵押為本集團銀行借款之抵押品。

19. 投資物業

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Fair value	公平值		
At 1 January	於一月一日	561,089	595,448
Additions during the year	年內添置	190,403	—
Gain arising on change in fair value recognised in profit or loss	於損益表確認之公平值變動產生之收益	20,013	3,733
Exchange alignment	匯兌調整	38,514	(38,092)
At 31 December	於十二月三十一日	810,019	561,089
Unrealised gain on change in fair value of investment properties included in profit or loss (included in other gains or losses)	計入損益表之投資物業公平值變動產生之未變現收益(計入其他收益或虧損)	20,013	3,733

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19. INVESTMENT PROPERTIES (Continued)

All of the Group's properties' interests held under operating leases to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment properties.

19. 投資物業(續)

本集團持有以經營租賃作賺取租金收入或資本增值之所有物業權益均採用公平值模式計算，並歸類及列賬為投資物業。

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Investment properties located in the PRC held on medium-term lease	位於中國及以中期租約持有之投資物業	576,019	561,089
Investment properties located in Hong Kong held on medium-term lease	位於香港及以中期租約持有之投資物業	234,000	—
		810,019	561,089

All of the Group's investment properties have been pledged to secure the Group's bank borrowings.

本集團之全部投資物業已抵押為本集團銀行借款之抵押品。

Details of the Group's investment properties are as follows:

本集團投資物業之詳情載列如下：

Location 地點	Existing use 現時用途	Tenure 年期	Attributable interest to the Group 本集團應佔權益
No. 33 Nonglinxia Road Yuexiu District Guangzhou Guangdong Province The PRC 中國廣東省廣州市越秀區農林下路33號	Commercial 商業	Medium-term lease 中期租約	100%
Unit Nos. 1201, 1202, 1203, and 1212 and the corridor on 12th Floor, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong 香港干諾道中168-200號 信德中心西翼12樓 1201、1202、1203 及1212室及走廊	Commercial 商業	Medium-term lease 中期租約	100%

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

20. FAIR VALUE MEASUREMENT OF INVESTMENT PROPERTIES

(a) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and
- Level 3 valuations: fair value measured using significant unobservable inputs.

20. 投資物業之公平值計量

(a) 公平值等級

下表按照香港財務報告準則第13號公平值計量所界定的三個公平值等級，呈列本集團於報告期末按經常性基準計量之投資物業公平值。公平值計量的級別分類乃參考估值技術使用之輸入數據之可觀察程度及重要性釐定，載述如下：

- 第1級估值：僅使用第1級輸入數據(即相同資產或負債在計量日期於活躍市場之未經調整報價)計量之公平值；
- 第2級估值：使用第2級輸入數據(即不符合第1級定義之可觀察輸入數據)且並無使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據指市場數據不可用之輸入數據；及
- 第3級估值：使用重大不可觀察輸入數據計量之公平值。

		Level 1 第1級 HK\$'000 千港元	Level 2 第2級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2017	於二零一七年 十二月三十一日				
Fair value on a recurring basis	經常性基準計量之 公平值				
Investment properties located in the PRC	位於中國之投資 物業	—	—	576,019	576,019
Investment properties located in Hong Kong	位於香港之投資 物業	—	234,000	—	234,000
		—	234,000	576,019	810,019
At 31 December 2016	於二零一六年 十二月三十一日				
Fair value on a recurring basis	經常性基準計量之 公平值				
Investment properties located in the PRC	位於中國之投資 物業	—	—	561,089	561,089

20. FAIR VALUE MEASUREMENT OF INVESTMENT PROPERTIES (Continued)

(a) Fair value hierarchy (Continued)

During the year ended 31 December 2017, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3 (2016: Nil). The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date of the events or change in circumstance that caused the transfer.

The Group's investment properties were measured at fair value as at 31 December 2017 and 31 December 2016. The valuations were carried out by independent qualified professional firm of valuers, APAC Asset Valuation and Consulting Limited and Colliers International (Hong Kong) Limited (2016: Colliers International (Hong Kong) Limited), who have among their staff members appropriate qualification with recent experience in the locations and categories of properties being valued for both years. The directors of the Company have discussion with the valuers on the valuation assumptions and valuation results when the valuations were performed at the end of each reporting period.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is their current use.

(b) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of investment properties categorised under fair value hierarchy of Level 2 valuations are determined using the market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis using market data which is publicly available.

20. 投資物業之公平值計量(續)

(a) 公平值等級(續)

截至二零一七年十二月三十一日止年度，第1級及第2級之間概無轉撥，亦無轉入或轉出第3級(二零一六年：無)。本集團之政策為於轉撥事件或導致轉撥之情況出現變動當日，確認公平值等級之間之轉撥。

本集團之投資物業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按公平值計量。估值由獨立合資格專業估值師行亞太資產評估及顧問有限公司及高力國際物業顧問(香港)有限公司(二零一六年：高力國際物業顧問(香港)有限公司)開展，該等公司的職員擁有相關資格以及關於兩個年度所估值物業的地區及類別的新近經驗。於各報告期末進行估值時，本公司董事已就估值假設及估值結果與估值師進行討論。

於估計投資物業之公平值時，投資物業之最高及最佳用途即為其當前用途。

(b) 第2級公平值計量所用之估值技巧及輸入數據

分類為公平值等級第2級估值之投資物業之公平值乃使用市場比較法，使用可公開取閱之市場數據，按每平方呎價格基準參考可資比較物業之近期售價。

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20. FAIR VALUE MEASUREMENT OF INVESTMENT PROPERTIES (Continued)

20. 投資物業之公平值計量(續)

(c) Information about Level 3 fair value measurements

(c) 有關第3級公平值計量之資料

	Valuation technique 估值技術	Significant unobservable input 重大不可觀察輸入數據	Range 範圍
Investment properties located in the PRC 位於中國之投資物業	Income approach 收入法	Capitalisation rate 資本化比率	2017: 3.75% to 4.75% (2016: 3.75% to 4.75%) 二零一七年：3.75%至4.75% (二零一六年：3.75%至4.75%)

Capitalisation rate is taking into account of the capitalisation of rental income potential, nature of the property and prevailing market condition. The fair value measurements are negatively correlated to the capitalisation rate.

資本化比率乃經計入潛在租金收入資本化、物業性質及當前市況得出之比率。公平值計量與資本化比率成反比。

The directors of the Company believe that any possible changes in input values would not cause significant change in the fair value of investment properties.

本公司董事相信，任何輸入數據價值之任何可能變動將不會導致投資物業公平值之重大變動。

The following table provides a reconciliation of the movement between opening and closing balances of investment properties categorised valuations under fair value hierarchy of Level 3, measured at fair value using a valuation technique with significant unobservable inputs:

下表列示使用包含重大不可觀察輸入數據之估值技術按公平值計量分類為公平值等級第3級之投資物業於期初及期末之經分類估值結餘變動對賬：

		HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	595,448
Gain arising on change in fair value recognised in profit or loss	於損益表確認之公平值變動產生之收益	3,733
Exchange alignment	匯兌調整	(38,092)
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	561,089
Loss arising on change in fair value recognised in profit or loss	於損益表確認之公平值變動產生之虧損	(23,584)
Exchange alignment	匯兌調整	38,514
At 31 December 2017	於二零一七年十二月三十一日	576,019

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21. INTANGIBLE ASSETS

21. 無形資產

		Operating rights in respect of the Subject Land in the PRC 於中國之主體地塊經營權 HK\$'000 千港元	Operating rights in respect of the Club in the PRC 於中國之會所經營權 HK\$'000 千港元	Software and licenses 軟件及牌照 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本				
At 1 January 2016	於二零一六年一月一日	920,050	56,836	40	976,926
Exchange alignment	匯兌調整	(58,617)	(3,621)	(3)	(62,241)
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	861,433	53,215	37	914,685
Exchange alignment	匯兌調整	60,389	3,730	3	64,122
At 31 December 2017	於二零一七年十二月三十一日	921,822	56,945	40	978,807
Accumulated amortisation and impairment losses	累計攤銷及減值虧損				
At 1 January 2016	於二零一六年一月一日	4,667	366	5	5,038
Charge for the year	本年度支出	19,127	1,501	19	20,647
Exchange alignment	匯兌調整	(1,097)	(86)	(2)	(1,185)
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	22,697	1,781	22	24,500
Charge for the year	本年度支出	18,954	1,487	15	20,456
Exchange alignment	匯兌調整	2,250	177	3	2,430
At 31 December 2017	於二零一七年十二月三十一日	43,901	3,445	40	47,386
Carrying amounts	賬面值				
At 31 December 2017	於二零一七年十二月三十一日	877,921	53,500	—	931,421
At 31 December 2016	於二零一六年十二月三十一日	838,736	51,434	15	890,185

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Operating rights in respect of the Subject Land	47 years
Operating rights in respect of the Club	37 years
Software and licenses	3 years

上述無形資產具有有限可使用年期。該等無形資產以直線法按以下期間進行攤銷：

有關主體地塊之經營權	47年
有關會所之經營權	37年
軟件及牌照	3年

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21. INTANGIBLE ASSETS (Continued)

Operating rights in respect of the Subject Land

The operating rights in respect of the Subject Land were acquired through a business combination completed on 6 October 2015. The operating rights represent (i) the rights to develop and operate the Subject Land, which is a piece of 580 Chinese acres land adjacent to the Club, and (ii) the rights to manage the properties erected on the Subject Land up to 30 January 2062. The operating rights in respect of the Subject Land were granted to 北京北湖九號商務酒店有限公司 (Beijing Bayhood No. 9 Business Hotel Company Limited, “**Bayhood No.9 Co**”), a wholly owned subsidiary of the Company, under the cooperation construction and operating agreements. The cost of the operating rights of HK\$938,061,000 represents the fair value of such assets valued by D&P China (HK) Limited (formerly known as American Appraisal China Limited) (“**D&P**”), a firm of independent qualified professional valuers, as at 6 October 2015, being the completion date of the business combination.

The operating rights in respect of the Subject Land are stated at cost less accumulated amortisation and impairment losses.

Operating rights in respect of the Club

The operating rights in respect of the Club were acquired through a business combination as completed on 6 October 2015. The operating rights represent the rights to construct and operate the club facilities of the Club up to 31 December 2051. The operating rights in respect of the Club were granted to Bayhood No. 9 Co under the cooperation construction and operating agreements. The cost of the operating rights of HK\$57,948,000 represents the fair value of such asset valued by D&P as at 6 October 2015, being the completion date of the business combination.

The operating rights in respect of the Club are stated at cost less accumulated amortisation and impairment losses.

21. 無形資產(續)

有關主體地塊之經營權

通過業務合併收購有關主體地塊之經營權於二零一五年十月六日完成。該經營權指截至二零一六年一月三十日之前(i)開發及經營毗鄰會所之580畝主體地塊之權利；及(ii)管理主體地塊上已建物業之權利。主體地塊之經營權已根據合作建設及經營協議授予本公司全資附屬公司北京北湖九號商務酒店有限公司(「北湖9號公司」)。該經營權之成本938,061,000港元指獨立合資格專業估值師D&P China (HK) Limited(前稱為美國評值有限公司)(「D&P」)於二零一五年十月六日(即業務合併之完成日期)評估之有關資產之公平值。

有關主體地塊之經營權乃按成本減累計攤銷及減值虧損呈列。

有關會所之經營權

通過業務合併收購有關會所之經營權於二零一五年十月六日完成。該經營權指截至二零一五年十二月三十一日之前建設及經營會所之會所設施權利。該會所之經營權已根據合作建設及經營協議授予北湖9號公司。該經營權之成本57,948,000港元指D&P於二零一五年十月六日(即業務合併之完成日期)評估之有關資產之公平值。

有關會所之經營權乃按成本減累計攤銷及減值虧損呈列。

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22. GOODWILL

22. 商譽

		Total 總計 HK\$'000 千港元
Cost	成本	
At 1 January 2016	於二零一六年一月一日	402,528
Exchange alignment	匯兌調整	(25,626)
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	376,902
Exchange alignment	匯兌調整	26,421
At 31 December 2017	於二零一七年十二月三十一日	403,323
Accumulated impairment losses	累計減值虧損	
At 1 January 2016	於二零一六年一月一日	47,756
Exchange alignment	匯兌調整	(3,043)
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	44,713
Impairment loss recognised	已確認減值虧損	1,813
Exchange alignment	匯兌調整	3,198
At 31 December 2017	於二零一七年十二月三十一日	49,724
Carrying amounts	賬面值	
At 31 December 2017	於二零一七年十二月三十一日	353,599
At 31 December 2016	於二零一六年十二月三十一日	332,189

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22. GOODWILL (Continued)

Impairment test of goodwill

For the purpose of impairment testing, goodwill has been allocated to two individual CGUs, comprising two subsidiaries in the property investment segment. The carrying amounts of goodwill as at 31 December 2017 and 2016 allocated to these units 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
Property investment operations in Beijing	於北京之物業投資業務		
— Smart Title Limited (“ Smart Title ”)	— Smart Title Limited (「 Smart Title 」)	291,826	274,463
Property investment operations in Guangzhou	於廣州之物業投資業務		
— Best Volume Investments Limited (“ Best Volume ”)	— Best Volume Investments Limited (「 Best Volume 」)	61,773	57,726
		353,599	332,189

During the year ended 31 December 2017, the impairment loss of HK\$1,813,000 (2016: Nil) was solely related to the CGU of property investment operations in Beijing under Smart Title. No impairment loss was recognised for the CGU of property investment operations in Guangzhou under Best Volume (2016: Nil).

22. 商譽(續)

商譽減值測試

為進行減值測試，商譽已分配至兩個獨立現金產生單位，包括兩間物業投資分部之附屬公司。於二零一七年及二零一六年十二月三十一日，分配至該等單位之商譽之賬面值如下：

截至二零一七年十二月三十一日止年度，減值虧損1,813,000港元(二零一六年：無)僅與Smart Title於北京之物業投資業務之現金產生單位有關。並無就Best Volume於廣州之物業投資業務之現金產生單位確認減值虧損(二零一六年：無)。

22. GOODWILL (Continued)**Impairment test of goodwill (Continued)**

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below:

Property investment operations in Beijing under Smart Title

The recoverable amount of the CGU of property investment operations in Beijing under Smart Title has been determined based on value in use calculation with reference to two valuation reports prepared by D&P. The valuation of the Club uses cash flow projections based on financial budgets approved by the directors of the Company covering a 34-year period (2016: 35-year period) which is the remaining term of the cooperation construction and operating agreements in respect of the Club at a discount rate of 11% (2016: 11%) per annum. The valuation of the Subject Land uses cash flow projections based on financial budgets approved by the directors of the Company covering a 44-year period (2016: 45-year period) which is the remaining term of the cooperation construction and operating agreements in respect of the Subject Land at a discount rate of 13% (2016: 13%) per annum. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted rental income and related operating expenses, such estimation is based on Smart Title's past performance and management's expectations for the market development.

As the recoverable amount of the CGU of property investment operations in Beijing under Smart Title is less than its carrying amount, an impairment loss of HK\$1,813,000 (2016: Nil) was recognised. As the recoverable amount of the CGU of property investment operations in Beijing under Smart Title has been reduced to HK\$291,826,000, equivalent to RMB243,941,000, any adverse change in the assumptions used in the calculation of the recoverable amount would result in further impairment losses.

22. 商譽(續)**商譽減值測試(續)**

以上現金產生單位之可回收金額及其主要相關假設之基準概述如下：

Smart Title 於北京之物業投資業務

Smart Title 於北京之物業投資業務之現金產生單位之可回收金額已根據使用價值計算而釐定，經參考由D&P編製之兩份估值報告。會所估值採用之現金流量預測乃基於本公司董事批准之三十四年期間(二零一六年：三十五年期間)(為會所之合作建設及經營協議之剩餘年期)財政預算按貼現率每年11%(二零一六年：11%)計算。主體地塊估值採用之現金流量預測乃基於本公司董事批准之四十四年期間(二零一六年：四十五年期間)(為主體地塊之合作建設及經營協議之剩餘年期)財政預算按貼現率每年13%(二零一六年：13%)計算。使用價值計算之其他主要假設乃有關對現金流入／流出之估計，包括預計租金收入及有關經營開支，有關估計乃基於Smart Title之過往表現及管理層對市場發展之預期而作出。

由於Smart Title於北京之物業投資業務之現金產生單位之可回收金額低於其賬面值，已確認減值虧損1,813,000港元(二零一六年：無)。由於Smart Title於北京之物業投資業務之現金產生單位之可回收金額已調減至291,826,000港元，相等於人民幣243,941,000元。計算可回收金額時所用之假設如有任何不利變動，將導致進一步減值虧損。

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22. GOODWILL (Continued)

Impairment test of goodwill (Continued)

Property investment operations in Beijing under Smart Title (Continued)

During the year ended 31 December 2016, the directors of the Company believe that any reasonably possible change in any of these assumptions on which the recoverable amount is based would not cause the carrying amount of the CGU of property investment operations in Beijing under Smart Title exceeds the recoverable amount of HK\$278,011,000, equivalent to RMB248,684,000. Thus, no impairment loss was recognised for the year ended 31 December 2016.

Property investment operations in Guangzhou under Best Volume

The recoverable amount of the CGU of property investment operations in Guangzhou under Best Volume has been determined based on value in use calculation with reference to a valuation performed by Colliers International (Hong Kong) Limited, a firm of independent qualified professional valuers. That calculation uses cash flow projections based on financial budgets approved by directors of the Company covering a five-year period at a discount rate of 6.3% (2016: 6.2%) per annum and cash flows beyond the five-year period are extrapolated using a 3% (2016: 3%) growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted rental income, such estimation is based on Best Volume's existing tenancy agreements and management's expectations for the market development.

During the years ended 31 December 2017 and 2016, the directors of the Company believe that any reasonably possible change in any of these assumptions on which the recoverable amount is based would not cause the carrying amount of the CGU of property investment operations in Guangzhou under Best Volume exceeds the recoverable amount. Thus, no impairment loss was recognised for the years ended 31 December 2017 and 2016.

22. 商譽(續)

商譽減值測試(續)

Smart Title 於北京之物業投資業務(續)

截至二零一六年十二月三十一日止年度，本公司董事認為，可收回金額作為依據之任何該等假設之合理可能變動將不會導致 Smart Title 於北京之物業投資業務之現金產生單位賬面值超過可收回價值 278,011,000 港元，相等於人民幣 248,684,000 元。因此，截至二零一六年十二月三十一日止年度概無確認減值虧損。

Best Volume 於廣州之物業投資業務

Best Volume 於廣州之物業投資業務之現金產生單位之可收回金額已根據使用價值計算而釐定，經參考由獨立合資格專業估值師行高力國際物業顧問(香港)有限公司進行之估值。該計算採用之現金流量預測乃基於本公司董事批准之五年期間財政預算按貼現率每年 6.3% (二零一六年：6.2%) 計算，而五年期間後之現金流量乃利用 3% (二零一六年：3%) 增長率進行推斷。該增長率乃根據相關行業增長預測，且並不超過相關行業之平均長期增長率。使用價值計算之其他主要假設乃有關對現金流入／流出之估計，包括預計租金收入，有關估計乃基於 Best Volume 之現有租約及管理層對市場發展之預期而作出。

於截至二零一七年及二零一六年十二月三十一日止年度，本公司董事相信，可收回金額之任何該等假設所出現之任何合理可能變動，將不會導致 Best Volume 於廣州之物業投資業務之現金產生單位之賬面值超出可收回金額。因此，於截至二零一七年及二零一六年十二月三十一日止年度並無確認減值虧損。

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23. INTERESTS IN ASSOCIATES

23. 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	非上市		
Cost of investments in associates	投資聯營公司之成本	600	600
Amount due from an associate	應收一間聯營公司款項	38,421	—
Share of post-acquisition loss and other comprehensive expense, net of dividends received	應佔收購後虧損及其他全面開支，扣除已收股息	(628)	—
		38,393	600

At the end of the reporting period, the Group had interests in the following associates:

於報告期末，本集團於以下聯營公司中擁有權益：

Name of entity 實體名稱	Country/ place of incorporation 註冊成立 國家/地點	Principal place of business 主要營業地點	Proportion of ownership interest and voting power held by the Group 本集團所持擁有權權益及投票權比例		Principal activities 主要業務
			2017 二零一七年	2016 二零一六年	
Unlisted 非上市					
Spark Concept Group Limited ("Spark Concept") (Note (i)) (附註(i))	British Virgin Islands 英屬處女群島	Hong Kong 香港	49%	49%	Catering 餐飲
China Hong Kong Money Limited ("China Hong Kong Money") (Note (ii)) 中港資有限公司(「中港資」)(附註(ii))	Hong Kong 香港	Hong Kong 香港	30%	30%	Dormant 暫無營業
Elite Prosperous Investment Limited ("Elite Prosperous") (Note (iii)) (附註(iii))	British Virgin Islands 英屬處女群島	Hong Kong 香港	49%	N/A 不適用	Investment holding 投資控股

Notes:

- (i) On 15 December 2011, the Group acquired 49% of the issued share capital of Spark Concept at a consideration of HK\$49. Spark Concept is an investment holding company and its principal subsidiaries are principally engaged in catering.

The Group is able to exercise significant influence over Spark Concept because it holds 49% of the issued share capital of Spark Concept and has appointed one director to the board of directors of Spark Concept.

附註：

- (i) 於二零一一年十二月十五日，本集團以代價49港元收購Spark Concept已發行股本之49%。Spark Concept為一間投資控股公司，而其主要附屬公司主要從事餐飲。

由於本集團持有Spark Concept已發行股本之49%並已委任一位董事為Spark Concept董事會之董事，故本集團可對Spark Concept有重大影響。

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23. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

- (ii) On 21 December 2016, China Hong Kong Money, a then 60% own subsidiary of the Company, allotted and issued 1,000,000 new shares at an issue price of HK\$1.00 per share to another shareholder of China Hong Kong Money and Mr. Cheung Kwok Wai Elton resigned as a director of China Hong Kong Money. As a result of the allotment and issue of the new shares and the resignation of Mr. Cheung Kwok Wai Elton, the Group's shareholding interest in China Hong Kong Money was diluted from 60% to 30% and the Group was deemed to dispose of 30% shareholding interest in China Hong Kong Money. The Group also lost the control of China Hong Kong Money and was regarded as having significant influence over China Hong Kong Money. The Group reclassified the investment in China Hong Kong Money to interests in associates.
- (iii) On 31 August 2017, the Group subscribed for 49 ordinary shares which represent 49% equity interests in Elite Prosperous at a consideration of US\$49. Elite Prosperous is an investment holding company.

The Group is able to exercise significant influence over Elite Prosperous because it holds 49% of the issued share capital of Elite Prosperous and has appointed one director to the board of directors of Elite Prosperous.

On 5 September 2017, the Group and the other shareholder of Elite Prosperous, an independent third party, as lenders entered into the shareholders' loan agreement with Elite Prosperous as borrower. Pursuant to the shareholders' loan agreement, the Group has agreed to provide a shareholder's loan in the amount of US\$4,900,000, equivalent to HK\$38,421,000, to Elite Prosperous, being the Group's pro rata share of the shareholders' loan in the principal amount of US\$10,000,000, equivalent to HK\$78,410,000, in aggregate to be provided by all of the shareholders of Elite Prosperous. The shareholders' loan of US\$10,000,000 is solely for the purpose of financing Elite Prosperous's operating and investment needs. The shareholders' loan of US\$10,000,000 is unsecured, non-interest bearing and repayable on demand. On the same date, the Group made the shareholder's loan of US\$4,900,000 to Elite Prosperous. The Group classified the shareholder's loan of US\$4,900,000 to Elite Prosperous as interests in associates.

23. 於聯營公司之權益(續)

附註：(續)

- (ii) 於二零一六年十二月二十一日，中港資(本公司當時擁有60%股權之附屬公司)以每股1.00港元之發行價向中港資另一名股東配發及發行1,000,000股新股份，及張國偉先生辭任中港資董事。由於配發及發行新股份以及張國偉先生辭任，本集團於中港資之股權由60%攤薄至30%，而本集團被視為出售中港資之30%股權。本集團亦失去中港資之控制權，並被視為對中港資有重大影響。本集團將於中港資之投資重新分類為於聯營公司之權益。
- (iii) 於二零一七年八月三十一日，本集團以代價49美元收購Elite Prosperous之49股普通股，相當於其49%股權。Elite Prosperous為一間投資控股公司。

由於本集團持有Elite Prosperous已發行股本之49%並已委任一位董事為Elite Prosperous董事會之董事，故本集團可對Elite Prosperous有重大影響。

於二零一七年九月五日，本集團及Elite Prosperous另一名股東(一名獨立第三方)(作為放債人)與Elite Prosperous(作為借款人)訂立股東貸款協議。根據股東貸款協議，本集團已同意向Elite Prosperous提供金額為4,900,000美元(相等於約38,421,000港元)之貸款，即其於Elite Prosperous全體股東將提供之股東貸款本金總額為10,000,000美元(相等於約78,410,000港元)之按比例應佔部分。此筆10,000,000美元之股東貸款僅可用於滿足Elite Prosperous之運營及投資需要。此筆10,000,000美元之股東貸款為無抵押、免息及須按要價償還。同日，本集團向Elite Prosperous提供4,900,000美元之股東貸款。本集團將向Elite Prosperous提供之股東貸款4,900,000美元劃分為於聯營公司之權益。

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

23. INTERESTS IN ASSOCIATES (Continued)

All of associates are accounted for using the equity method in the consolidated financial statements.

The amount due from an associate is unsecured, non-interest bearing and no fixed repayment terms.

The maximum amount outstanding to the Group during the year ended 31 December 2017 was HK\$38,421,000.

Aggregate information of associates that are not individually material

23. 於聯營公司之權益(續)

所有聯營公司計入本綜合財務報表時均使用權益法。

應收一間聯營公司款項為無抵押、不計息及無固定還款期。

截至二零一七年十二月三十一日止年度，未償付本集團之最大款項為38,421,000港元。

並非個別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 and total comprehensive loss for the year	本集團應佔年內虧損及全面虧損總額	(628)	—
Aggregate carrying amounts of the Group's interests in these associates	本集團於此等聯營公司之權益之總賬面值	38,393	600

Unrecognised share of loss of associates that are not individually material

並非個別重大之尚未確認應佔聯營公司虧損

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unrecognised share of loss of associates for the year	尚未確認應佔年內聯營公司虧損	(95)	(1,145)
Cumulative unrecognised share of loss of associates	累計尚未確認應佔聯營公司虧損	(6,492)	(6,397)

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23. INTERESTS IN ASSOCIATES (Continued)

Change in ownership interest in China Healthwise Holdings Limited (“China Healthwise”, stock code: 348)

On 12 September 2016, the Group acquired 500,000,000 shares in China Healthwise. The 500,000,000 shares in China Healthwise represented approximately 8.45% of the issued share capital of China Healthwise and were accounted for as financial assets at FVTPL for financial reporting purposes. Following the appointment of Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton as executive directors of China Healthwise on 11 October 2016, the Group was regarded as having significant influence over China Healthwise and the 500,000,000 shares in China Healthwise were accounted for as interests in associates for financial reporting purposes.

Following the resignation of Mr. Cheung Kwok Wai Elton as an executive director of China Healthwise on 16 December 2016, the Group was regarded as the Group lost significant influence over China Healthwise. China Healthwise ceased to be an associate of the Group. Accordingly, the Group’s investment in China Healthwise has been accounted for as AFS financial assets whose fair value at the date of loss of significant influence was HK\$113,500,000, which was based on the closing price of HK\$0.227 per share in China Healthwise as quoted on the Stock Exchange on 16 December 2016. The loss of significant influence resulted in the recognition of a loss on deemed disposal of an associate of HK\$21,500,000 in profit or loss, which was calculated as follows:

23. 於聯營公司之權益(續)

中國智能健康控股有限公司(「中國智能健康」，股份代號：348)擁有權權益之變動

於二零一六年九月十二日，本集團收購中國智能健康之500,000,000股股份。中國智能健康之500,000,000股股份佔中國智能健康已發行股本約8.45%，就財務報告而言，入賬為按公平值計入損益表之金融資產。隨著李雄偉先生及張國偉先生於二零一六年十月十一日獲委任為中國智能健康之執行董事後，本集團被視作對中國智能健康有重大影響力，就財務報告而言，於中國智能健康之500,000,000股股份已入賬為於聯營公司之權益。

隨著張國偉先生於二零一六年十二月十六日辭任中國智能健康之執行董事後，本集團被視作失去對中國智能健康之重大影響力。中國智能健康已不再為本集團之聯營公司。因此，本集團於中國智能健康之投資已入賬為可供出售金融資產，於失去重大影響力日期之公平值為113,500,000港元，金額根據於二零一六年十二月十六日在聯交所所報中國智能健康之收市價每股0.227港元計算。失去重大影響力導致於損益表中確認視作出售一間聯營公司之虧損21,500,000港元，其計算如下：

		2016 二零一六年 HK\$'000 千港元
Fair value of investment retained	保留之公平值投資	113,500
Less: carrying amount of interest in China Healthwise on the date of loss of significant influence	減：於失去重大影響力之日 於中國智能健康權益之 賬面值	(135,000)
Loss on deemed disposal of an associate	視作出售一間聯營公司之虧損	(21,500)

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24. AVAILABLE-FOR-SALE FINANCIAL ASSETS

24. 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 equity securities:	上市股本證券：		
Equity securities listed in Hong Kong	香港上市股本證券	—	365,000
Unlisted debt security:	非上市債務證券：		
Club debenture	會所債券	—	172
		—	365,172

Upon early adoption of HKFRS 9 on 1 January 2017, the Group reclassified the listed equity securities listed in Hong Kong and the club debenture as financial assets at FVTPL.

於二零一七年一月一日提早應用香港財務報告準則第9號後，本集團將於香港上市之上市股本證券及會所債券重新分類為按公平值計入損益表之金融資產。

25. LOANS RECEIVABLES

25. 應收貸款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loans to customers	向客戶提供之貸款	1,187,301	446,355
Accrued interest receivables	應收應計利息	13,329	4,808
		1,200,630	451,163
Less: impairment loss recognised	減：已確認減值虧損	—	—
		1,200,630	451,163

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25. LOANS RECEIVABLES (Continued)

All loans are denominated in Hong Kong dollar. The loans receivables carry effective interest ranging from 8% to 15% per annum (2016: 8% to 20% per annum). A maturity profile of the loans receivables (net of impairment loss recognised, if any) at 31 December 2017 and 2016, based on the maturity date 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
Current assets	流動資產		
Within one year	一年內	626,127	312,663
Non-current assets	非流動資產		
Over than one year but not exceeding two years	一年以上但不超過兩年	574,503	138,500
		1,200,630	451,163

At 31 December 2017, certain loans in the aggregate principal amounts of HK\$180,000,000 (2016: HK\$53,500,000) are secured by personal and corporate guarantees, and pledge of customers' properties.

In determining the recoverability of the loans receivables, the directors of the Company have considered any change in the credit quality of the loans receivables during the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

25. 應收貸款(續)

所有貸款均以港元計值。應收貸款之實際年利率介乎8%至15%(二零一六年：年利率8%至20%)。於二零一七年及二零一六年十二月三十一日，按到期日劃分之應收貸款(扣除已確認減值虧損，如有)到期情況如下：

於二零一七年十二月三十一日，本金總額為180,000,000港元(二零一六年：53,500,000港元)之若干貸款乃以個人及公司擔保及質押客戶物業作抵押。

於釐定應收貸款之可收回性時，本公司董事已考慮有關應收貸款於報告期間信貸質素之任何變動。由於客戶基礎龐大且不相關，信貸風險集中度有限。

26. INVENTORIES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Raw materials	原材料	11,986	15,098
Work-in-progress	在製品	963	232
Finished goods	製成品	25,504	30,306
		38,453	45,636

26. 存貨

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

26. INVENTORIES (Continued)

Inventories are expected to be recovered within one year.

The cost of inventories recognised as expenses and included in “cost of sales” under continuing operations amounted to HK\$38,057,000 (2016: HK\$73,542,000).

27. TRADE RECEIVABLES

Trade receivables	貿易應收款項
Less: allowance for doubtful debts	減：呆賬撥備

		41,107	63,160
		—	—
		41,107	63,160

The following is an aging analysis of trade receivables (net of allowance for doubtful debts, if any) at the end of the reporting period presented based on the invoice dates:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0-30 days	0至30日	5,333	9,534
31-60 days	31至60日	11,503	8,055
61-90 days	61至90日	6,139	3,299
91-120 days	91至120日	3,195	3,026
121-180 days	121至180日	11,469	7,081
Over 180 days	180日以上	3,468	32,165
		41,107	63,160

The Group allows credit period ranging from 0 to 180 days to its customers. The directors of the Company assess the credit status and impose credit limits for customers in accordance with the Group's credit policy. The credit limits are closely monitored and subject to periodic reviews.

26. 存貨(續)

存貨預期可於一年內收回。

確認為開支並計入持續經營業務下「銷售成本」之存貨成本為38,057,000港元(二零一六年：73,542,000港元)。

27. 貿易應收款項

按發票日期呈列於報告期末之貿易應收款項(扣除呆賬撥備，如有)之賬齡分析如下：

本集團允許向其客戶提供之信貸期介乎0至180日。本公司董事根據其信貸政策評估客戶之信用狀況及制訂信貸額度，並對信貸額度進行密切監測及定期檢討。

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27. TRADE RECEIVABLES (Continued)

Included in the Group's trade receivable balance are debtors with aggregate carrying amount of HK\$10,051,000 (2016: HK\$35,956,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss. The directors of the Company believe that there has not been a significant change in credit risk and the balances are still considered fully recoverable as these customers have good track records with the Group. The Group does not hold any collateral over these balances.

Aging of trade receivables which are past due but not impaired:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Less than 30 days past due	已逾期少於30日	1,275	12,997
30 to 90 days past due	已逾期30至90日	1,595	1,962
Over 90 days past due	已逾期超過90日	7,181	20,997
		10,051	35,956

Movement in the allowance for doubtful debts during 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
At 1 January	於一月一日	—	—
Amounts written off as uncollectible	不可收回之撇銷金額	—	—
At 31 December	於十二月三十一日	—	—

27. 貿易應收款項(續)

本集團貿易應收款項之結餘內包括賬面總值10,051,000港元(二零一六年：35,956,000港元)之債務，亦於報告期末已逾期，本集團並無就減值虧損作出撥備。本公司董事認為，由於該等客戶與本集團有良好往績，故信貸風險概無重大變動，而有關結餘仍視為可全數收回。本集團並未就該等結餘持有任何抵押品。

已逾期但並無減值之貿易應收款項之賬齡：

年內呆賬撥備變動如下：

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

28. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deposits	按金	12,081	10,656
Prepayments	預付款項	71,141	2,545
Other receivables	其他應收款項	166,230	89,621
		249,452	102,822
Less: prepayments classified as non-current assets	減：分類為非流動資產之預付款	(20,957)	(1,561)
		228,495	101,261

29. AMOUNT DUE FROM AN ASSOCIATE

Detail of amount due from an associate is as follows:

		Maximum amount outstanding during the year 年內未償還之最高金額 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Spark Concept	Spark Concept	7,393	7,393	7,393
Less: impairment loss recognised	減：已確認減值虧損		(5,913)	(5,696)
			1,480	1,697

The carrying amount of amount due from Spark Concept is reduced to the recoverable amount which is determined by reference to the estimation of future cash flows expected to be generated from Spark Concept.

28. 按金、預付款項及其他應收款項

29. 應收一間聯營公司款項

應收一間聯營公司款項之詳情如下：

應收 Spark Concept 款項之賬面值乃減少至可收回金額，可收回金額乃經參考預期將由 Spark Concept 產生之估計未來現金流量釐定。

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29. AMOUNT DUE FROM AN ASSOCIATE

(Continued)

The amount due from Spark Concept is unsecured, non-interest bearing and repayable on demand.

During the year ended 31 December 2017, an impairment loss of HK\$217,000 (2016: HK\$400,000) was recognised in respect of the amount due from Spark Concept.

30. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Listed equity securities in Hong Kong, 香港上市股本證券，
at fair value 按公平值

At the end of the reporting period, financial assets at FVTPL were measured at fair value. Fair values of listed securities are determined with reference to quoted market closing price, except for the equity securities of a listed issuer in Hong Kong with a fair value of HK\$9,100,000. The fair value of such equity securities was based on the valuation performed by Prudential Surveyors (Hong Kong) Limited, an independent qualified professional firm of valuers, using market approach as trading in the equity securities of the listed issuer has been suspended since 27 November 2017.

During the year ended 31 December 2017, a loss arising on change in fair value of financial assets at FVTPL of HK\$92,526,000 (2016: HK\$141,649,000) was recognised in profit or loss.

The fair value of the Group's equity securities listed in Hong Kong at the date of approval of the consolidated financial statements was HK\$544,305,000.

29. 應收一間聯營公司款項(續)

應收 Spark Concept 款項為無抵押、免息及須按要求償還。

截至二零一七年十二月三十一日止年度，已就應收 Spark Concept 款項確認減值虧損 217,000 港元(二零一六年：400,000 港元)。

30. 按公平值計入損益表之金融資產

	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 in Hong Kong, 香港上市股本證券， at fair value 按公平值	662,943	544,442

於報告期末，按公平值計入損益表之金融資產以公平值計量。上市證券之公平值參考市場所報收市價確定，惟公平值為 9,100,000 港元之香港上市發行人之股本證券除外。由於該上市發行人之股本證券自二零一七年十一月二十七日起已被暫停買賣，因此，該等股本證券的公平值乃基於獨立合資格專業估值師行測建行(香港)有限公司的估值以市場法計算。

截至二零一七年十二月三十一日止年度，於損益表確認按公平值計入損益表之金融資產公平值變動產生之虧損 92,526,000 港元(二零一六年：141,649,000 港元)。

於本綜合財務報表批准日期，本集團香港上市股本證券之公平值為 544,305,000 港元。

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

31. CASH AND CASH EQUIVALENTS

31. 現金及現金等價物

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash at bank and on hand	銀行及手頭現金	225,010	438,975

At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) and United States dollar (“USD”) amounted to HK\$37,607,000 (2016: HK\$32,316,000) and HK\$3,739,000 (2016: HK\$1,676,000) respectively.

The RMB is not freely convertible into other currencies, however, under the PRC’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Bank balances 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.

於報告期末，本集團以人民幣(「人民幣」)及美元(「美元」)計值之現金及現金等價物分別為37,607,000港元(二零一六年：32,316,000港元)及3,739,000港元(二零一六年：1,676,003港元)。

人民幣不可自由兌換為其他貨幣。然而，根據中國的外匯管理條例及結匯及售匯及付匯管理規定，本集團獲准通過獲授權開展外匯業務之銀行將人民幣兌換為其他貨幣。

銀行結餘按根據銀行日存款利率計算之浮動利率計息。銀行結餘存放於信譽良好且近期並無違約記錄之銀行。

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

32. SHARE CAPITAL

Movements in the share capital of the Company during the year are as follows:

32. 股本

本公司股本於年內之變動如下：

		Number of shares		Share capital	
		股份數目		股本	
		2017	2016	2017	2016
		二零一七年	二零一六年	二零一七年	二零一六年
		'000	'000	HK\$'000	HK\$'000
		千股	千股	千港元	千港元
Ordinary shares of HK\$0.01 each (2016: HK\$0.01 each)	每股面值0.01港元 (二零一六年：每股面值0.01港元)之普通股				
Authorised:	法定：				
At 1 January and 31 December	於一月一日及十二月三十一日	10,000,000	10,000,000	100,000	100,000
Issued and fully paid:	已發行及繳足：				
At 1 January	於一月一日	3,216,006	2,680,006	32,160	26,800
Placing of new shares (Notes a and b)	行使購股權 (附註 a 及 b)	643,200	536,000	6,432	5,360
Repurchase of shares (Note c)	購回股份 (附註 c)	(39,600)	—	(396)	—
At 31 December	於十二月三十一日	3,819,606	3,216,006	38,196	32,160

Notes:

- (a) On 18 February 2016, the Company allotted and issued 536,000,000 new ordinary shares at a price of HK\$0.125 per share to five individual investors, who are independent third parties, and one corporation investor, whose ultimate beneficial owner is an independent third party, by way of placing of new shares under general mandate. The net proceeds from the placing of HK\$64,486,000 were fully utilised for financing the granting of two new loans pursuant to the loan agreements dated 19 February 2016 and 23 May 2016.
- (b) On 16 May 2017, the Company allotted and issued 643,200,000 new ordinary shares at a price of HK\$0.16 per share to five individual investors, who are independent third parties, and five corporate investors, whose ultimate beneficial owners are independent third parties, by way of placing of new shares under general mandate. The net proceeds from the placing of HK\$99,226,000 were fully utilised for financing the acquisition of the properties located in Hong Kong as announced by the Company on 13 April 2017.

附註：

- (a) 於二零一六年二月十八日，本公司根據一般授權以配售新股份之形式按每股0.125港元之價格配發及發行536,000,000股新普通股予五名個別投資者(為獨立第三方)及一名企業投資者(其最終實益擁有人為獨立第三方)。配售之所得款項淨額64,486,000港元根據日期為二零一六年二月十九日及二零一六年五月二十三日之貸款協議，全數用作撥付授出兩筆新貸款。
- (b) 於二零一七年五月十六日，本公司根據一般授權以配售新股份之形式按每股0.16港元之價格配發及發行643,200,000股新普通股予五名個別投資者(為獨立第三方)及五名企業投資者(其最終實益擁有人為獨立第三方)。配售之所得款項淨額99,226,000港元如本公司於二零一七年四月十三日公佈，全數用作撥付收購位於香港之若干物業。

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

32. SHARE CAPITAL (Continued)

Notes: (Continued)

- (c) During the year ended 31 December 2017, the Company repurchased and cancelled its own shares as follows:

Month of repurchase	購回股份之月份	No. of ordinary share of HK\$0.01 each 每股面值0.01港元之普通股數目 '000 千股	Price per share 每股價格		Aggregate Consideration paid 所支付之總代價 HK\$'000 千港元
			Highest 最高 HK\$ 港元	Lowest 最低 HK\$ 港元	
October 2017	二零一七年十月	20,800	0.220	0.176	3,959
November 2017	二零一七年十一月	18,800	0.235	0.225	4,345
		39,600			8,304

The above ordinary shares were cancelled upon repurchase.

The directors of the Company considered that the Company's ordinary shares were trading at a discount to the net asset value per share, the repurchases would increase the net asset value per share of the Company.

During the year ended 31 December 2016, no ordinary shares were repurchased and cancelled.

附註：(續)

- (c) 截至二零一七年十二月三十一日止年度，本公司購回並註銷其股份如下：

以上普通股已於購回時註銷。

本公司董事認為本公司普通股價格低於每股資產淨值，購回股份將提高本公司的每股資產淨值增加。

於截至二零一六年十二月三十一日止年度，並無購回及註銷普通股。

33. TRADE PAYABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade payables	貿易應付款項	8,452	36,532

33. 貿易應付款項

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33. TRADE PAYABLES (Continued)

The following is an aging analysis of trade payables at the end of the reporting period presented based on the invoice dates:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 – 30 days	0至30日	819	3,255
31 – 60 days	31至60日	219	3,681
61 – 90 days	61至90日	1,660	9,385
91 – 120 days	91至120日	544	6,525
Over 120 days	120日以上	5,210	13,686
		8,452	36,532

The average credit period on purchase of goods and services is 120 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

34. DEPOSITS RECEIVED, ACCRUALS AND OTHER PAYABLES

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deposits received (Note)	已收按金(附註)	237,694	2,205
Accruals	應計費用	21,285	42,881
Other payables	其他應付款項	216,383	214,081
		475,362	259,167
Less: other payables classified as non-current liabilities	減：分類為非流動負債之其他應付款項	(91,834)	(85,670)
		383,528	173,497

Note:

Deposits received include a refundable deposit of HK\$235,300,000 received from Mr. Xie Zhaobin, pursuant to the conditional sale and purchase agreement dated 5 December 2017 entered into between Golden Stone Management Limited (“Golden Stone”), a wholly owned subsidiary of the Company, as vendor and Mr. Xie Zhaobin as purchaser relating to the sale and purchase of 100% of the entire issued share capital of Best Volume.

33. 貿易應付款項(續)

按發票日期呈列於報告期末之貿易應付款項之賬齡分析如下：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
0 – 30 days	819	3,255
31 – 60 days	219	3,681
61 – 90 days	1,660	9,385
91 – 120 days	544	6,525
Over 120 days	5,210	13,686
	8,452	36,532

購買貨品及服務之平均信貸期為120日。本集團已實施財務風險管理政策，以確保所有應付款項於信貸時間範圍內清償。

34. 已收按金、應計費用及其他應付款項

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deposits received (Note)	237,694	2,205
Accruals	21,285	42,881
Other payables	216,383	214,081
	475,362	259,167
Less: other payables classified as non-current liabilities	(91,834)	(85,670)
	383,528	173,497

附註：

已收按金包括根據本公司全資附屬公司Golden Stone Management Limited (「Golden Stone」)(作為賣方)與謝肇斌先生(作為買方)於二零一七年十二月五日就買賣Best Volume 100%已發行股本而訂立之有條件買賣協議，自謝肇斌先生收到的一筆可予退還按金235,300,000港元。

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35. PROMISSORY NOTE

35. 承兌票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
At 1 January	於一月一日	30,000	30,000
Repayment of promissory note	承兌票據還款	(30,000)	—
At 31 December	於十二月三十一日	—	30,000

Note:

The promissory note is part of the consideration for the acquisition of the entire issued share capital of Best Volume as completed on 12 November 2015. The promissory note is non-interest bearing, unsecured and maturing within three business days after the date of a final and effective judgement or an effective and binding settlement agreement of the lawsuit between Guangzhou Yingrui Real Estate Development Co., Ltd. (“**Yingrui**”), a wholly owned subsidiary of Best Volume, and Zhanjiang City No. 4 Construction Engineering Co., Ltd. (the “**Contractor**”) in respect of not paying certain payment under the construction contract relating to the construction of Yingrui’s investment properties located in the PRC.

Following the First Trial Written Judgement issued by the People’s Court on 24 June 2016, Yingrui lodged an appeal against the First Trial Written Judgement to the Intermediate People’s Court of Guangzhou City in July 2016. After the appeal was heard by the Intermediate People’s Court of Guangzhou City, a judgement was handed down on 9 January 2017 dismissing the Appeal and upholding the First Trial Judgement. On 15 March 2017, Yingrui and the Contractor entered into a settlement agreement, pursuant to which Yingrui agreed to pay the Contractor a sum of RMB9,700,000 (equivalent to HK\$10,844,000) within three days from the date of the settlement agreement as full and final settlement of the Proceeding. On the same day, Ace Guide Holdings Limited, the ultimate beneficial owner of Yingrui prior to the acquisition of Yingrui by Best Volume in October 2014, deposited an amount of RMB9,700,000 (equivalent to HK\$10,844,000) into Yingrui’s bank account and Yingrui paid the said amount of RMB9,700,000 (equivalent to HK\$10,844,000) was utilised by Yingrui to pay to the Contractor pursuant to the settlement agreement. On 16 March 2017, the People’s Court has ruled the seizure on certain units of the Groups’ investment property located in the PRC in the aggregate value of RMB15,000,000 (equivalent to HK\$16,769,000) be released.

During the year ended 31 December 2017, the abovementioned lawsuit was settled between Yingrui and the Contractor and the promissory note was fully repaid.

附註：

承兌票據為收購 Best Volume 之全部已發行股本(已於二零一五年十一月十二日完成)之部份代價。承兌票據為免息、無抵押及於 Best Volume 全資附屬公司廣州市迎瑞房地產開發有限公司(「迎瑞」)與湛江市第四建築工程有限公司(「承包商」)有關尚未支付迎瑞位於中國之投資物業之建築合約項下若干款項之訴訟獲得最終及有效判決或簽訂有效及具約束力之和解協議後三個營業日內到期。

在人民法院於二零一六年六月二十四日發出第一審判決書後，迎瑞已於二零一六年七月就第一審判決書向廣州市中級人民法院提出上訴。於廣州市中級人民法院就上訴進行聆訊後，二零一七年一月九日發出之裁決駁回上訴，並維持初審判決。於二零一七年三月十五日，迎瑞與承包商訂立和解協議，據此，迎瑞同意在和解協議日期起計三日內向承包商支付人民幣9,700,000元(相等於10,844,000港元)，以將訴訟作全面及最終和解。同日，Best Volume於二零一四年十月收購迎瑞前迎瑞之最終實益擁有人Ace Guide Holdings Limited將人民幣9,700,000元(相等於10,844,000港元)款項存入迎瑞之銀行賬戶，而迎瑞已支付上述人民幣9,700,000元(相等於10,844,000港元)並由迎瑞用作根據和解協議付款予承包商。於二零一七年三月十六日，人民法院頒令，對本集團位於中國之投資物業若干單位(總值人民幣15,000,000元(相等於16,769,000港元))之扣押得以解除。

截至二零一七年十二月三十一日止年度，迎瑞與建築工程公司已就上述訴訟達成和解，承兌票據已悉數償還。

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36. AMOUNT DUE TO AN ASSOCIATE

Detail of amount due to an associate 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
China Hong Kong Money	中港資	—	991

The amount due to China Hong Kong Money is unsecured, non-interest bearing and repayable on demand.

36. 應付一間聯營公司款項

應付一間聯營公司款項之詳情如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
China Hong Kong Money	中港資	—	991

應付中港資款項為無抵押、免息及須按
要求償還。

37. BANK BORROWINGS

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Secured bank borrowings	已抵押銀行借款	351,454	145,081
Carrying amounts repayable:	須償還之賬面值：		
Within one year	一年以內	38,836	27,203
More than one year, but not exceeding two years	一年以上但不超過兩年	13,634	27,203
More than two years, but not exceeding five years	兩年以上但不超過五年	40,901	81,608
Over five years	五年以上	130,658	9,067
		224,029	145,081
Carrying amounts that contain a repayable on demand clause (shown under current liabilities) but repayable:	含有按要求償還條款但須償還之賬面值(計入流動負債)：		
Within one year	一年以內	5,261	—
More than one year, but not exceeding two years	一年以上但不超過兩年	5,373	—
More than two years, but not exceeding five years	兩年以上但不超過五年	16,805	—
Over five years	五年以上	99,986	—
		127,425	—
		351,454	145,081
Less: amounts shown under current liabilities	減：計入流動負債之款項	(166,261)	(27,203)
Amounts shown under non-current liabilities	計入非流動負債之款項	185,193	117,878

37. 銀行借款

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37. BANK BORROWINGS (Continued)

At 31 December 2017, the Group had the following bank borrowings:

- (a) a secured RMB bank loan of HK\$198,826,000 (2016: HK\$145,081,000), which is interest bearing at the benchmark interest rate of The People's Bank of China upward by 20% per annum, secured by the Groups' investment property located in the PRC with a carrying amounts of HK\$576,019,000 (2016: HK\$561,089,000), guaranteed by Yingrui, and maturing on 28 August 2032;
- (b) a secured mortgage loan of HK\$127,425,000 (2016: Nil), which is interest bearing at 1% per annum over 1-month Hong Kong Interbank Offered Rate ("HIBOR") or 3% per annum below prime rate quoted by the bank from time to time, whichever is lower, secured by a first legal charge over the Group's buildings and investment properties located in Hong Kong with an aggregate carrying amounts of HK\$394,330,000 (2016: Nil), guaranteed by the Company and two wholly owned subsidiaries of the Company, namely K E Group Limited and Om Gem Limited and maturing on 18 September 2037;
- (c) a secured revolving term loan of HK\$20,000,000 (2016: Nil), which is interest bearing at HIBOR plus 2% per annum, secured by a first legal charge over the Group's buildings and investment properties located in Hong Kong with an aggregate carrying amounts of HK\$394,330,000 (2016: Nil), guaranteed by the Company and Om Gem Limited and maturing on 2 April 2018; and
- (d) a secured account payable financing of HK\$5,203,000 (2016: Nil) which is interest bearing at 2% per annum over HIBOR, secured by a first legal charge over the Group's buildings and investment properties located in Hong Kong with an aggregate carrying amounts of HK\$394,330,000 (2016: Nil), guaranteed by the Company and Om Gem Limited and maturing in March, April and May 2018.

As the secured mortgage loan contains a repayable on demand clause, the entire outstanding balance of the secured mortgage loan was classified under current liabilities.

37. 銀行借款(續)

於二零一七年十二月三十一日，本集團有以下銀行借款：

- (a) 一筆為198,826,000港元(二零一六年：145,081,000港元)之已抵押人民幣銀行借款，乃按中國人民銀行基準利率加年利率20%計息，由本集團賬面值576,019,000港元(二零一六年：561,089,000港元)之位於中國之投資物業作抵押、由迎瑞擔保並於二零三二年八月二十八日到期。
- (b) 一筆為127,425,000港元(二零一六年：無)之有抵押按揭貸款，乃按一個月期香港銀行同業拆息(「香港銀行同業拆息」)加年利率1%或銀行不時所報之最優惠利率減年利率3%(以較低者為準)計息，以本集團賬面總值約為394,330,000港元(二零一六年：無)之位於香港之樓宇及投資物業之第一法定押記作抵押，由本公司及本公司兩間全資附屬公司(即鑽滙集團有限公司及Om Gem Limited)提供擔保，並於二零三七年九月十八日到期；
- (c) 一筆為20,000,000港元(二零一六年：無)之有抵押循環定期貸款，乃按期香港銀行同業拆息加年利率2%計息，以本集團賬面總值約為394,330,000港元(二零一六年：無)之位於香港之樓宇及投資物業之第一法定押記作抵押，由本公司及Om Gem Limited提供擔保，並於二零一八年四月二日到期；及
- (d) 一筆為5,203,000港元(二零一六年：無)之有抵押應付款項融資，乃按期香港銀行同業拆息加年利率2%計息，以本集團賬面總值約為394,330,000港元(二零一六年：無)之位於香港之樓宇及投資物業之第一法定押記作抵押，由本公司及Om Gem Limited提供擔保，並於二零一八年三月、四月及五月到期。

由於有抵押按揭貸款包含須按要求償還條文，因此有抵押按揭貸款全部未付金額被列作流動負債。

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37. BANK BORROWINGS (Continued)

The bank borrowings are denominated in currencies are set out below:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
RMB	人民幣	198,826	145,081
Hong Kong dollar	港元	152,628	—
		351,454	145,081

37. 銀行借款(續)

銀行借款以下列貨幣計值：

38. OTHER BORROWINGS

Unsecured other borrowings	無抵押其他借款	300,000	—
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The unsecured other borrowings are interest bearing at 8% per annum, and guaranteed by two personal guarantees given by Mr. Lei Hong Wai, an executive director of the Company. Of the total unsecured other borrowings, HK\$200,000,000 and HK\$100,000,000 are maturing on 27 April 2018 and 1 June 2018 respectively.

The unsecured other borrowings are denominated in Hong Kong dollar.

38. 其他借款

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Unsecured other borrowings	無抵押其他借款	300,000	—

無抵押其他借款以年利率8%計息，及由本公司執行董事李雄偉先生提供的兩項個人擔保作為擔保。在無抵押其他借款總額中，200,000,000港元及100,000,000港元將分別於二零一八年四月二十七日及二零一八年六月一日到期。

無抵押其他借款均以港元計值。

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39. SECURED NOTES

39. 擔保票據

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Secured notes	擔保票據	299,398	—
			HK\$'000 千港元
Proceeds from issue of secured notes	發行擔保票據所得款項		300,000
Less: transaction cost related to issue of secured notes	減：發行擔保票據之相關交易成本		(674)
			299,326
			HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日		—
Issue of secured notes	發行擔保票據		299,326
Imputed interest on secured notes	擔保票據之估算利息		8,554
Interest payable	應付利息		(8,482)
At 31 December 2017	於二零一七年十二月三十一日		299,398

On 25 August 2017, the Group issued secured notes in the aggregate principal amount of HK\$300,000,000. The secured notes are interest bearing at 8% per annum and payable semi-annually in arrears, secured by share charge over 100% of the issued share capital in China Jiu hao Health Industry Group Limited, a wholly owned subsidiary of the Company, and the principal assets of which are the operating rights in respect of (i) the Club; and (ii) the Subject Land, and maturing on 25 August 2020.

於二零一七年八月二十五日，本集團發行有本金總額為300,000,000港元之擔保票據。該擔保票據以年利率8%計息，每半年到期時支付一次，以本公司全資附屬公司中國9號健康產業集團有限公司（其主要資產為有關(i)會所；及(ii)主體土地之經營權）的100%已發行股本之股份押記作抵押，並於二零二零年八月二十五日到期。

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

39. SECURED NOTES (Continued)

The secured notes are secured by a negative pledge that imposes certain covenants on the Company. The negative pledge states that (subject to the exceptions as set out in the secured notes) the Group will not secure any guarantee in respect of debt securities or provide security over its assets or revenue, and will ensure that the consolidated tangible net worth of the Group will not be less than HK\$1,300,000,000.

The effective interest rate of the secured notes is 8.09% per annum.

The secured notes are denominated in Hong Kong dollar.

The Company has an option (the “**Prepayment Option**”) to repay the outstanding principal amount of the secured notes at any time before the maturity date.

The Prepayment Option is regarded as embedded derivatives in the host contract. The directors of the Company assessed the fair value of the Prepayment Option with reference to the valuation performed by Grant Sherman Appraisal Limited, a firm of independent qualified professional valuers, which assessed the fair value of the Prepayment Option using the discounted cash flow method and determined that the fair value of the Prepayment Option was insignificant on initial recognition and at the end of the reporting period. Accordingly, the fair value of the Prepayment Option was not recognised in the consolidated financial statements.

39. 擔保票據(續)

擔保票據以一項不抵押保證作為抵押，其對本公司施加若干契諾。該不抵押保證規定(受擔保票據所載的例外所規限)本集團不得就債務證券授出任何擔保或以其資產或收益提供抵押，並將確保本集團的綜合有形淨值將不少於1,300,000,000港元。

擔保票據之實際年利率為8.09%。

擔保票據以港元計值。

本公司可選擇在到期日前之任何時間償還擔保票據之未償還本金額(「提早償還選擇權」)。

提早償還選擇權被視為主合約之嵌入衍生工具。本公司董事參考獨立合資格專業估值師行中證評估有限公司進行之估值評估提早償還選擇權之公平值，該估值師使用貼現現金流法評估提早償還選擇權之公平值，並釐定提早償還選擇權於初步確認及報告期末時之公平值微不足道。因此，並無於綜合財務報表中確認提早償還選擇權之公平值。

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40. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	6,280	4,738
Deferred tax liabilities	遞延稅項負債	(354,008)	(339,398)
		(347,728)	(334,660)

The followings are the major deferred tax liabilities and assets recognised and movements thereon:

		Revaluation of investment properties 重估 投資物業 HK\$'000 千港元	Fair value adjustment on acquisition of subsidiaries 收購附屬公司 之公平值調整 HK\$'000 千港元	Amortisation of operating lease 經營 租賃攤銷 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2016 (Charge)/credit to consolidated statement of profit or loss	於二零一六年一月一日 (扣自)/計入綜合損益表	(104,466)	(260,146)	3,792	(360,820)
Exchange alignment	匯兌調整	(933)	5,753	1,239	6,059
		6,695	13,699	(293)	20,101
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	(98,704)	(240,694)	4,738	(334,660)
Credit to consolidated statement of profit or loss	計入綜合損益表	5,896	5,702	1,170	12,768
Exchange alignment	匯兌調整	(6,715)	(19,493)	372	(25,836)
At 31 December 2017	於二零一七年十二月三十一日	(99,523)	(254,485)	6,280	(347,728)

At 31 December 2017, the Group had unused estimated tax losses of HK\$168,178,000 (2016: HK\$142,346,000) available for offsetting against future taxable profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The unrecognised tax losses could be carried forward indefinitely except for the tax losses arising in the PRC of HK\$56,404,000 (2016: HK\$26,283,000) that will expire in one to five years for offsetting against future taxable profits.

40. 遞延稅項資產／負債

為呈列於綜合財務狀況表，若干遞延稅項資產及負債已予以抵銷。就財務報告而言，以下為遞延稅項結餘之分析：

以下為主要已確認遞延稅項負債及資產及其變動：

於二零一七年十二月三十一日，本集團有未動用估計稅項虧損 168,178,000 港元（二零一六年：142,346,000 港元）可供抵銷日後應課稅溢利。由於無法估計日後之溢利，故概無確認遞延稅項資產。未確認稅項虧損可無限期結轉，惟除將於中國產生用以抵銷未來應課稅溢利之稅項虧損 56,404,000 港元（二零一六年：26,283,000 港元）將於未來一至五年內過期。

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綜合財務報表附註

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

41. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

41. 本公司之財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
ASSETS	資產		
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司之權益	3,187,493	2,520,592
Current assets	流動資產		
Prepayments	預付款項	443	502
Cash and cash equivalents	現金及現金等價物	29,794	167
		30,237	669
Total assets	資產總值	3,217,730	2,521,261
EQUITY	權益		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	38,196	32,160
Reserves	儲備	2,266,974	2,186,756
Total equity	權益總額	2,305,170	2,218,916
LIABILITIES	負債		
Current liabilities	流動負債		
Accruals	應計費用	13,346	2,519
Amounts due to subsidiaries	應付附屬公司款項	299,816	299,826
Other borrowings	其他借款	300,000	—
		613,162	302,345
Non-current liabilities	非流動負債		
Secured notes	擔保票據	299,398	—
Total liabilities	負債總額	912,560	302,345
Total equity and liabilities	權益及負債總額	3,217,730	2,521,261
Net current liabilities	流動負債淨額	(582,925)	(301,676)
Total assets less current liabilities	資產總值減流動負債	2,604,568	2,218,916

Signed on behalf of the board of directors
by:

代表董事會簽署：

Lei Hong Wai
李雄偉
Director
董事

Chan Kin Wah Billy
陳健華
Director
董事

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

41. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY (Continued)

41. 本公司之財務狀況表及儲備變動 (續)

(b) Reserve of the Company

(b) 本公司儲備

		Share premium	Contributed surplus	Equity-settled share-based payment reserve	Accumulated losses	Total
		股份溢價	實繳盈餘	以股權結算之股份支款儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
			(Note a)	(Note b)		
			(附註 a)	(附註 b)		
At 1 January 2016	於二零一六年一月一日	1,663,039	488,016	27,648	(46,556)	2,132,147
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	—	—	—	(4,517)	(4,517)
Placing of new shares	配售新股份	61,640	—	—	—	61,640
Share issue expenses	股份發行開支	(2,514)	—	—	—	(2,514)
Release on lapse of equity-settled share-based payment	以股權結算之股份支款失效時撥回	—	—	(17,800)	17,800	—
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	1,722,165	488,016	9,848	(33,273)	2,186,756
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	—	—	—	(15,191)	(15,191)
Placing of new shares	配售新股份	96,480	—	—	—	96,480
Share issue expenses	股份發行開支	(3,686)	—	—	—	(3,686)
Repurchase of shares	購回股份	(7,908)	—	—	—	(7,908)
Recognition of equity-settled share-based payment	確認以股權結算之股份支款	—	—	10,523	—	10,523
Release on lapse of equity-settled share-based payment	以股權結算之股份支款失效時撥回	—	—	(9,848)	9,848	—
At 31 December 2017	於二零一七年十二月三十一日	1,807,051	488,016	10,523	(38,616)	2,266,974

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綜合財務報表附註

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

41. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY (Continued)

(b) Reserve of the Company (Continued)

Notes:

- (a) The contributed surplus of the Company represents the difference between the underlying net assets of the subsidiaries acquired by the Company as at the date of the group reorganisation and the nominal amount of the Company's share capital issued as consideration for the acquisition as well as the net amount transferred from share capital and share premium to accumulated losses pursuant to the special resolutions passed at the special general meetings held on 22 August 2003, 30 April 2008 and 12 December 2011.

Under the Companies Act 1981 of Bermuda (as amended), the Company shall not declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that:

- (i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or
- (ii) the realisable value of the Company's assets would thereby be less than its liabilities.
- (b) Equity-settled share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each reporting period is determined by spreading the fair value of the share options over the relevant vesting periods (if any) and is recognised as staff costs and related expenses with a corresponding increase in equity-settled share-based payment reserve.

41. 本公司之財務狀況表及儲備變動 (續)

(b) 本公司儲備(續)

附註：

- (a) 根據於二零零三年八月二十二日、二零零八年四月三十日及二零一一年十二月十二日舉行之股東特別大會上通過之特別決議案，本公司之實繳盈餘指本公司已收購附屬公司於集團重組日期之資產淨值，與本公司作為收購代價所發行股本之面值及自股本及股份溢價轉撥至累計虧損之資金淨額間之差額。

根據百慕達一九八一年公司法(經修訂)，倘本公司有合理理由相信會發生以下情況，則不得從繳入盈餘中宣派或派付股息或作出分派：

- (i) 作出分派後本公司無法或將無法償還到期負債；或
- (ii) 本公司資產之可變現值將低於其負債。
- (b) 以股權結算之股份支款儲備指於相關歸屬期內授出相關購股權以換取估計將接獲服務之公平值，其總額乃根據購股權於授出日期之公平值計算。各報告期之金額乃透過將購股權公平值於相關歸屬期(如有)內攤分釐定，並確認為員工成本及相關開支，而以股權結算之股份支款儲備作相應增加。

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綜合財務報表附註

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

42. DISPOSAL OF SUBSIDIARIES

For the year ended 31 December 2017

Riche Video

On 17 February 2017, the Group as vendor and an independent third party as purchaser entered into a sale and purchase agreement relating to the disposal of the entire issued share capital of Riche Video and the shareholder's loan of HK\$39,851,000 due by Riche Video at a cash consideration of HK\$173,000. The disposal was completed on 17 February 2017.

Analysis of assets and liabilities over which control was lost

42. 出售附屬公司

截至二零一七年十二月三十一日止年度

豐采錄影

於二零一七年二月十七日，本集團(作為賣方)與獨立第三方(作為買方)就出售豐采錄影之全部已發行股本及豐采錄影應付之股東貸款39,851,000港元訂立買賣協議，現金代價為173,000港元。此出售事項已於二零一七年二月十七日完成。

於失去控制權時資產及負債之分析

		HK\$'000 千港元
Club debenture	會所債券	172
Cash and cash equivalents	現金及現金等價物	1
Amount due to immediate holding company	應付直接控股公司之款項	(39,851)
Accruals	應計費用	(1)
Net liabilities disposed of	已出售負債淨值	(39,679)

Gain on disposal of a subsidiary

出售一間附屬公司之收益

		HK\$'000 千港元
Cash consideration received	已收到之現金代價	173
Net liabilities disposed of	已出售負債淨額	39,679
Less: shareholder's loan assigned to purchaser	減：已轉讓予買方之股東貸款	(39,851)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	1

Net cash inflow arising on disposal of Riche Video

出售豐采錄影產生之現金流入淨額

		HK\$'000 千港元
Cash consideration received	已收到之現金代價	173
Less: cash and cash equivalents disposed of	減：已出售現金及現金等價物	(1)
Net cash inflow	現金流入淨額	172

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

42. DISPOSAL OF SUBSIDIARIES (Continued)

For the year ended 31 December 2016

China Hong Kong Money

On 21 December 2016, China Hong Kong Money allotted and issued 1,000,000 new shares at HK\$1 each to the other shareholder of China Hong Kong Money. Upon the allotment and issue of the new shares, the Group's shareholding interests in China Hong Kong Money was diluted from 60% to 30% and was deemed to dispose of a 30% shareholding interest in China Hong Kong Money. The deemed disposal was taken place on 21 December 2016.

Analysis of asset over which control was lost

		HK\$'000 千港元
Amount due from a shareholder	應收一名股東款項	991
Net assets disposed of	已出售資產淨值	991

Gain on deemed disposal of a subsidiary

		HK\$'000 千港元
Fair value of investment retained	已保留投資之公平值	600
Net assets disposed of	已出售資產淨值	(991)
Non-controlling interests	非控股權益	399
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司之收益	8

42. 出售附屬公司(續)

截至二零一六年十二月三十一日止年度

中港資

於二零一六年十二月二十一日，中港資以每股1港元之價格向中港資另一名股東配發及發行1,000,000股新股份。配發及發行新股份後，本集團於中港資之持股權益由60%攤薄至30%，並視作出售於中港資之30%持股權益。視作出售事項於二零一六年十二月二十一日完成。

於失去控制權時資產之分析

43. COMMITMENTS

(a) Lease commitments

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年以內	15,141	13,384
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	56,413	48,851
Over five years	五年以上	653,277	622,789
		724,831	685,024

Operating lease payments represent rentals payable by the Group for its office premises and the operating rights in respect of (i) the Club, and (ii) the Subject Land. Leases in respect of the office premises are mainly negotiated for an average term of three years and rentals are fixed for an average of three years. The Group does not have an option to purchase the leased premises and the operating rights in respect of the Club and the Subject Land at the expiry of the lease period.

The Group as lessor

Rental income from investment properties and the assets of the Club earned during the year amounted to HK\$44,412,000 (2016: HK\$45,171,000). All of the Group's investment properties are held for rental purposes. The investment properties are expected to generate rental yields of 4.10% (2016: 4.31%) on an ongoing basis. The investment properties have committed tenants for the next seven years (2016: eight years).

43. 承擔

(a) 租賃承擔

本集團作為承租人

於報告期末，本集團之不可撤銷經營租賃所承擔之日後最低租賃付款之到期情況如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年以內	15,141	13,384
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	56,413	48,851
Over five years	五年以上	653,277	622,789
		724,831	685,024

經營租賃付款指本集團就其辦公室物業及有關(i)會所；及(ii)主體地塊之經營權應付之租金。辦公室物業之租約主要議定之租期平均為三年，而租金平均每三年訂定。本集團並無獲授於租賃期屆滿時可購買租賃資產及會所及主體地塊之經營權之選擇權。

本集團作為出租人

年內賺取之投資物業及會所資產之租金收入為44,412,000港元(二零一六年：45,171,000港元)。所有本集團之投資物業乃持作租賃用途。預期投資物業可持續產生4.10%(二零一六年：4.31%)之租金收益率。投資物業於未來七年均已承有承諾租戶(二零一六年：八年)。

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43. COMMITMENTS (Continued)

(a) Lease commitments (Continued)

The Group as lessor (Continued)

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	一年以內	24,292	24,219
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	79,277	85,723
Over five years	五年以上	25,125	47,170
		128,694	157,112

(b) Other commitments

At 31 December 2017, the Group had other commitments of HK\$40,292,000 (2016: HK\$58,190,000) and HK\$4,779,000 (2016: Nil) relating to the capital expenditures for the Subject Land and renovation costs for properties located in Hong Kong which were contracted but not provided for.

44. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS

Pursuant to an ordinary resolution passed by the shareholders on 12 December 2011, the Company adopted a new share option scheme (the "Option Scheme") to replace the share option scheme adopted on 21 January 2002. The Option Scheme will expire on 11 December 2021. The purpose of the Option Scheme is to enable the Company to grant share options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Group.

43. 承擔(續)

(a) 租賃承擔(續)

本集團作為出租人(續)

於報告期末，本集團就下列日後最低租賃付款與租戶訂約：

	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Within one year	24,292	24,219
In the second to fifth year inclusive	79,277	85,723
Over five years	25,125	47,170
	128,694	157,112

(b) 其他承擔

於二零一七年十二月三十一日，本集團有關主體地塊之資本開支以及位於香港之物業之翻新費用之其他承擔分別為40,292,000港元(二零一六年：58,190,000港元)及4,779,000港元(二零一六年：無)，該等其他承擔已訂約但尚未作出撥備。

44. 以股權結算之股份支款之交易

根據股東於二零一一年十二月十二日通過之普通決議案，本公司採納一項新購股權計劃(「購股權計劃」)以取代於二零零二年一月二十一日採納之購股權計劃。購股權計劃將於二零二一年十二月十一日屆滿。購股權計劃旨在令本公司可向選定之合資格參與者授出購股權，作為彼等對本集團之貢獻或潛在貢獻之獎勵或報酬。

44. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Under the Option Scheme, eligible participants are full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Company or any subsidiary); any holder of any securities issued by the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the board of directors of the Company, has contributed or may contribute to the Group.

The overall limit on the number of shares which may be issued upon exercise of all share options granted and yet to be exercised under the Option Scheme and any other share option schemes of the Company must not exceed 30% of the shares in issue from time to time. Subject to the above overall limit, the total number of shares which may be issued upon exercise of all share options to be granted under the Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the shares in issue as at the date of approval of the Option Scheme (the “**Scheme Mandate Limit**”). Share options lapsed in accordance with the terms of the Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. The Company may refresh the Scheme Mandate Limit subject to approval of the shareholders in general meeting, provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the shares in issue as at the date of approval of the refreshed limit.

44. 以股權結算之股份支款之交易(續)

根據購股權計劃，合資格參與者為本集團之全職或兼職僱員(包括本公司或任何附屬公司之任何董事，不論執行或非執行，及不論是否獨立)；本集團所發行任何證券之任何持有人；及本集團之任何業務或合營夥伴、承包商、代理或代表、顧問、諮詢人、供應商、製片商或授權人、客戶、獲授權人(包括任何轉授獲授權人)或發行商、業主或租戶(包括任何分租租戶)，或本公司董事會全權酌情決定已經或可能對本集團作出貢獻之任何人士。

於行使根據購股權計劃及本公司任何其他購股權計劃授出而尚未行使其所有購股權後可予發行之股份數目整體上限，不得超過不時已發行股份之30%。在上述整體限額之規限下，於行使根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權後可予發行之股份總數，合共不得超過購股權計劃獲批准當日已發行股份之10% (「計劃授權限額」)。於計算計劃授權限額時，已根據購股權計劃之條款失效之購股權將不計算在內。在股東大會上獲股東批准後，本公司可更新計劃授權限額，惟更新後之計劃授權限額不得超過更新限額獲批准當日已發行股份之10%。

44. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Unless approved by the shareholders in the manner set out below, the total number of shares issued and to be issued upon exercise of the shares options granted to each eligible participant (including both exercised and outstanding share options) in any 12-month must not exceed 1% of the shares in issue. Where any further grant of share options to an eligible participant would result in the shares issued and to be issued upon exercise of all share options granted and to be granted to such eligible participant (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by the shareholders in general meeting with such eligible participant and his associates abstaining from voting.

Any grant of share options to a substantial shareholder (as defined in the Listing Rules) or an independent non-executive director of the Company, or their respective associates, would result in the shares issued and to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the shares in issue; and (ii) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, such further grant of share options must be approved by the shareholders at a general meeting, with voting to be taken by way of a poll.

An offer for the grant of share options shall remain open for acceptance for a period of 30 days from the date upon which it is made. A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an offer for the grant of share options. Share options may be exercised in whole or in part at any time during the period to be determined and identified by the board of directors, but in any event no later than 10 years from the date of grant but subject to the early termination of the Option Scheme.

44. 以股權結算之股份支款之交易(續)

除非以下述方式獲股東批准，否則任何12個月期間內，每名合資格參與者於行使獲授予之購股權(包括已行使及尚未行使之購股權)後已發行及將予發行之股份總數，不得超過已發行股份之1%。倘向合資格參與者進一步授出購股權將導致於截至進一步授出購股權當日(包括該日)止12個月期間內，於行使已授予及將授予該合資格參與者之所有購股權(包括已行使、註銷及尚未行使之購股權)後已發行及將予發行之股份合共超過已發行股份之1%，則進一步授出該等購股權須獲股東於股東大會上批准，該合資格參與者及其聯繫人須放棄投票。

倘向本公司主要股東(定義見上市規則)或獨立非執行董事或彼等各自之聯繫人士授出任何購股權將導致於截至授出購股權當日(包括該日)止12個月期間內，於行使已授出及將予授出之所有購股權(包括已行使、註銷及尚未行使之購股權)後已發行及將予發行之股份：(i)合共超過已發行股份總數之0.1%；及(ii)按股份於各授出日期之收市價計算，總值超過5,000,000港元，則進一步授出該等購股權須獲股東於股東大會上以投票表決方式批准。

出售購股權之要約須於作出要約日期起30日期間內維持有效可供接納。承授人於接納所授出購股權之要約時須支付1.00港元之不可退還名義代價。購股權可於董事會釐定及確定之期間內隨時全部或部分行使，但無論如何不得遲於授出日期起計十年，惟受購股權計劃提早終止所規限。

44. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The exercise price shall be determined by the board of directors of the Company at its sole discretion, provided that it shall be not less than the highest of: (i) the closing price of the shares as shown in the daily quotations sheet of the Stock Exchange on the offer date; (ii) the average closing prices of the shares as shown in the daily quotations sheet of the Stock Exchange for the five business days immediately preceding the offer date; and (iii) the nominal value of the shares on the offer date.

At 31 December 2017, the Company has not adopted any share option scheme other than the Option Scheme.

Details of specific categories of share options are as follows:

Share option type 購股權類別	Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價
2007A	22 March 2007 二零零七年三月二十二日	22 March 2007 to 21 March 2017 二零零七年三月二十二日至 二零一七年三月二十一日	HK\$1,470.308* 1,470.308 港元*
2007B	31 May 2007 二零零七年五月三十一日	31 May 2007 to 30 May 2017 二零零七年五月三十一日至 二零一七年五月三十日	HK\$2,188.687* 2,188.687 港元*
2015A	25 November 2015 二零一五年十一月二十五日	25 November 2015 to 24 November 2016 二零一五年十一月二十五日至 二零一六年十一月二十四日	HK\$0.237 0.237 港元
2015B	9 December 2015 二零一五年十二月九日	9 December 2015 to 8 December 2016 二零一五年十二月九日至 二零一六年十二月八日	HK\$0.2532 0.2532 港元
2017	27 April 2017 二零一七年四月二十七日	27 April 2017 to 26 April 2018 二零一七年四月二十七日至 二零一八年四月二十六日	HK\$0.202 0.202 港元

* The exercise prices are adjusted to reflect the effect of rights issue completed on 20 August 2015.

44. 以股權結算之股份支款之交易(續)

行使價由本公司董事會以其唯一酌情權釐定，但不得低於以下三者之最高者：(i) 股份於要約日期在聯交所每日報價表所示之收市價；(ii) 股份於緊接要約日期前五個營業日在聯交所每日報價表所示之平均收市價；及 (iii) 股份於要約日期之面值。

於二零一七年十二月三十一日，本公司並無採納除購股權計劃外的任何購股權計劃。

特定類別購股權之詳情如下：

* 行使價已作出調整以反映於二零一五年八月二十日完成供股之影響。

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44. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The following table discloses movements of the Company's share options held by directors of the Company, employees and consultants during the year:

44. 以股權結算之股份支款之交易(續)

下表披露本公司董事、僱員及顧問於年內所持本公司購股權之變動：

Share option type 購股權類別	Number of share options 購股權數目				Outstanding at 31 December 2017 於二零一七年 十二月三十一日 尚未行使
	Outstanding at 1 January 2017 於二零一七年 一月一日 尚未行使	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	
2007A	4,835	—	—	(4,835)	—
2007B	25,309	—	—	(25,309)	—
2017	—	321,600,000	—	—	321,600,000
	30,144	321,600,000	—	(30,144)	321,600,000
Exercisable at the end of the reporting period 於報告期末可予行使					321,600,000
Weighted average exercise price 加權平均行使價	HK\$2,073.46 2,073.46 港元	HK\$0.202 0.202 港元	— —	HK\$2,073.46 2,073.46 港元	HK\$0.202 0.202 港元

Share option type 購股權類別	Number of share options 購股權數目				Outstanding at 31 December 2016 於二零一六年 十二月三十一日 尚未行使
	Outstanding at 1 January 2016 於二零一六年 一月一日 尚未行使	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	
2007A	4,835	—	—	—	4,835
2007B	25,309	—	—	—	25,309
2015A	54,700,000	—	—	(54,700,000)	—
2015B	267,800,000	—	—	(267,800,000)	—
	322,530,144	—	—	(322,500,000)	30,144
Exercisable at the end of the reporting period 於報告期末可予行使					30,144
Weighted average exercise price 加權平均行使價	HK\$0.44 0.44 港元	— —	— —	HK\$0.25 0.25 港元	HK\$2,073.46 2,073.46 港元

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44. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

During the year ended 31 December 2017, 321,600,000 share options were granted on 27 April 2017. The estimated fair values of the share options granted on the date of grant are HK\$10,523,000. The fair value of the share options granted during the year ended 31 December 2017 was HK\$10,523,000 which had been expensed as equity-settled share-based payment expenses.

During the year ended 31 December 2016, no share options were granted.

The fair values of the share options granted on 27 April 2017 were calculated by Grant Sherman Appraisal Limited using a binomial option pricing model. The following table lists the inputs to the model used:

	Share option type 購股權類別 2017
Share option life 購股權年期	1 year 1年
Grant date share price 授出日期股價	HK\$0.202 0.202 港元
Exercise price 行使價	HK\$0.202 0.202 港元
Expected volatility (%) 預期波幅 (%)	44.47%
Expected life of share options 購股權之預期年期	1 year 1年
Dividend yield (%) 股息收益率 (%)	0%
Risk-free interest rate (%) 無風險利率 (%)	1.104%

Expected volatility was determined by using historical volatility of the Company's share prices over the previous one year.

44. 以股權結算之股份支款之交易(續)

截至二零一七年十二月三十一日止年度，已於二零一七年四月二十七日授出321,600,000份購股權。於授出日期授出之購股權之估計公平值為10,523,000港元。截至二零一七年十二月三十一日止年度內授出之購股權之公平值為10,523,000港元，已列作以股權結算之股份支款開支。

截至二零一六年十二月三十一日止年度，概無授出購股權。

於二零一七年四月二十七日授出之購股權之公平值乃由中證評估有限公司採用二項式期權定價模型計量。下表列示模型所用輸入數據：

預期波幅乃利用本公司過去一年之股價之歷史波幅釐定。

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44. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of a share option varies with different variables of certain subjective assumptions.

For equity-settled share-based payments with parties other than employees, the Group has rebutted the presumption that the fair values of the services received can be estimated reliably as in the opinion of the directors of the Company, the fair value of the services received cannot be reliably measured. Accordingly, the Group measured the services received from these parties, with reference to the fair values of the share options granted using the binomial option pricing model, at the date of grant.

At 31 December 2017, the Company had 321,600,000 share options outstanding (2016: 30,144), representing 8.42% (2016: 0.001%) of the issued share capital of the Company at that date.

45. RETIREMENT BENEFITS SCHEMES

With effect from 1 December 2000, the Group has set up a defined contribution retirement scheme, the MPF Scheme for all the eligible employees of the Group. The Group did not provide retirement benefits for its employees prior to set up of the MPF Scheme.

Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries up to a maximum of HK\$1,500 per employee and they can choose to make additional contributions. The employer's monthly contributions are calculated at 5% of each employee's monthly salaries up to a maximum of HK\$1,500 (the "Mandatory Contribution"). The employees are entitled to 100% of the Mandatory Contribution upon their retirement at the age of 65 years old, death or total incapacity.

44. 以股權結算之股份支款之交易(續)

計算購股權之公平值所用之變數及假設乃以董事之最佳估計為基準。購股權之價值須視乎若干主觀假設之數據而計算出不同之估值。

就僱員以外之有關方之確認以股權結算之股份支款而言，由於本公司董事認為所獲服務之公平值並未能可靠地計量，本集團已推翻所獲服務之公平值能可靠地估計之假設。因此，本集團於授出日期，參照使用二項式期權定價模式得出之已授出購股權之公平值，計量從該等有關方獲得之服務。

於二零一七年十二月三十一日，本公司有321,600,000份尚未行使之購股權(二零一六年：30,144)，佔本公司當日已發行股本8.42%(二零一六年：0.001%)。

45. 退休福利計劃

自二零零零年十二月一日起，本集團為所有合資格僱員設立一項界定供款退休計劃－強積金計劃。於設立強積金計劃前，本集團並無為僱員提供任何退休福利。

根據強積金計劃，僱員均須按其月薪之5%(以每名僱員最多1,500港元為限)作出供款，並可選擇作出額外供款。僱主每月之供款按各僱員月薪之5%(以最多1,500港元為限)計算(「強制性供款」)。僱員可於65歲退休、逝世或完全失去工作能力時全數獲取強制性供款。

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45. RETIREMENT BENEFITS SCHEMES

(Continued)

The employees of the Group's subsidiaries in the PRC are members of state-managed retirement benefit schemes operated by the PRC government. The subsidiaries are required to contribute a specific percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the PRC government is made the specified contributions under the schemes. The contributions are charged to profit or loss as incurred.

45. 退休福利計劃(續)

本集團之中國附屬公司之僱員為由中國政府設立之國家管理退休福利計劃之成員。該等附屬公司須向退休福利計劃作出佔薪金若干百分比之供款，作為提供福利之資金。根據該等退休福利計劃作出規定供款為本集團對該等計劃之唯一責任。供款於產生時於損益表扣除。

46. PARTICULARS OF SUBSIDIARIES

Details of the Company's subsidiaries at 31 December 2017 are set out as follows:

46. 附屬公司之詳情

本公司附屬公司於二零一七年十二月三十一日之詳情載列如下：

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或 經營之國家/地點	Class of shares held/ registered capital 持有股份/ 註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益 及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Principal activities 主要業務
			2017 二零一七年 %	2016 二零一六年 %		
Adelio Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Angel Wish Group Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Bayhood No. 9 Co ^u 北湖9號公司 ^u	The PRC 中國	Registered 註冊	100	100	RMB50,000,000 人民幣50,000,000元	Provision of recreational and wellness services through the management of a membership-based golf club and resort 透過管理會員制高爾夫俱 樂部及酒店提供休閒 度假及保健服務
Best Season Holdings Corp.	British Virgin Islands 英屬處女群島	Ordinary 普通	75	75	US\$100 100美元	Dormant 暫無營業
Best Volume	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$2 2美元	Investment holding 投資控股
Bluelagoon Investment Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Dormant 暫無營業

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46. PARTICULARS OF SUBSIDIARIES

(Continued)

46. 附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或 經營之國家/地點	Class of shares held/ registered capital 持有股份/ 註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益 及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Principal activities 主要業務
			2017 二零一七年 %	2016 二零一六年 %		
China Jiu hao Health Industry Group Limited 中國9號健康產業集團 有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1港元	Investment holding 投資控股
Eternity Finance Group Limited 永恒財務集團有限公司	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	HK\$100,000,000 100,000,000港元	Investment holding 投資控股
Gainful Fortune Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	99.99	99.99	HK\$160,000,100 160,000,100港元	Dormant 暫無營業
Golden Stone	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Hong Kong Builders Finance Limited 港建財務有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$2 2港元	Money lending 借貸
K E G Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
K E Group Limited 鑽滙集團有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$10,000 10,000港元	Design and sale of jewelry products and sale of precious stones 設計及銷售珠寶產品以及 銷售寶石
KEG ME DMCC [∞]	United Arab Emirates 阿拉伯聯合酋長國	Ordinary 普通	—	100	AED50,000 50,000阿聯酋迪拉姆	Design and sale of jewelry products and sale of precious stones 設計及銷售珠寶產品以及 銷售寶石
Legend Rich Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Max Winner Investments Limited 凱宏投資有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1港元	Property holdings 持有物業

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46. PARTICULARS OF SUBSIDIARIES (Continued)

46. 附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或 經營之國家/地點	Class of shares held/ registered capital 持有股份/ 註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益 及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Principal activities 主要業務
			2017 二零一七年 %	2016 二零一六年 %		
New Cove Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Om Gem Limited	Hong Kong 香港	Ordinary 普通	100	100	HK\$10,000 10,000港元	Design and sale of jewelry products and sale of precious stones 設計及銷售珠寶產品以及 銷售寶石
One Synergy Limited	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1港元	Investment holding 投資控股
Open Heart Investments Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Radiant Beauty Limited 普雋有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1港元	Investment holding 投資控股
Rexdale Investment Limited	Hong Kong 香港	Ordinary 普通	100	100	HK\$10,000,000 10,000,000港元	Property holdings 持有物業
Riche Advertising Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Sale of financial assets 銷售金融資產
Riche (BVI) Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1,000 1,000美元	Investment holding 投資控股
Riche Distribution Limited 豐采發行有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1,000,000 1,000,000港元	Dormant 暫無營業
Riche Multi-Media Limited 豐采多媒體有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$2 2港元	Dormant 暫無營業
Riche Pictures Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Riche Video Limited 豐采錄影有限公司	Hong Kong 香港	Ordinary 普通	—	100	HK\$1,000 (HK\$2,000,000 non-voting deferred shares*) 1,000港元 (2,000,000港元 之無投票權遞延股 份*)	Distribution of video products 發行影視產品

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46. PARTICULARS OF SUBSIDIARIES

(Continued)

46. 附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或 經營之國家/地點	Class of shares held/ registered capital 持有股份/ 註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益 及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Principal activities 主要業務
			2017 二零一七年 %	2016 二零一六年 %		
Simple View Investment Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Sale of financial assets 銷售金融資產
Smart Field Management Limited	Hong Kong 香港	Ordinary 普通	100	—	HK\$1 1港元	Investment holding 投資控股
Smart Sphinx Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	—	US\$1 1美元	Investment holding 投資控股
Smart Title	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Stable Income Limited 堅益有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1,000,000 1,000,000港元	Dormant 暫無營業
Victory Peace Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Sale of financial assets 銷售金融資產
Virtue Crest Investments Limited 德冠投資有限公司	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Yuan Shun Investments Limited 元順投資有限公司	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
四海能樂(北京)餐飲文化 有限公司 [#]	The PRC 中國	Registered 註冊	100	100	RMB6,657,085 人民幣6,657,085元	Investment holding 投資控股
歡樂時代文化發展(北京) 有限公司 [®]	The PRC 中國	Registered 註冊	100	100	RMB100,000 人民幣100,000元	Investment holding 投資控股
廣州駿新環境監測有限公司 [#]	The PRC 中國	Registered 註冊	100	100	RMB500,000 人民幣500,000元	Trading of environmental protection products 買賣環保產品
廣州永翰投資管理有限公司 [®]	The PRC 中國	Registered 註冊	100	100	RMB50,000,000 人民幣50,000,000元	Property development 物業開發
廣州殷實環保科技有限公司 [#]	The PRC 中國	Registered 註冊	100	100	RMB5,000,000 人民幣5,000,000元	Trading of environmental protection products 買賣環保產品

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46. PARTICULARS OF SUBSIDIARIES

(Continued)

46. 附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或 經營之國家/地點	Class of shares held/ registered capital 持有股份/ 註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益 及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Principal activities 主要業務
			2017 二零一七年 %	2016 二零一六年 %		
廣州市迎瑞房地產開發有限公司 [®]	The PRC 中國	Registered 註冊	100	100	RMB16,000,000 人民幣16,000,000元	Property development 物業開發
北京時代發展物業管理有限公司 ^μ	The PRC 中國	Registered 註冊	100	—	RMB10,000,000 人民幣10,000,000元	Provision of property management services 提供物業管理服務
北京北湖商業管理有限公司 ^μ	The PRC 中國	Registered 註冊	100	—	RMB10,000,000 人民幣10,000,000元	Leasing of properties 物業租賃
北京北湖時代文化有限公司 ^μ	The PRC 中國	Registered 註冊	100	—	RMB10,000,000 人民幣10,000,000元	Investment holding 投資控股
北京棟馳文化發展有限公司 ("棟馳") [®]	The PRC 中國	Registered 註冊	70	—	RMB10,000,000 人民幣10,000,000元	Managing and operating cultural forum and related cultural activities 管理及經營文化論壇及相關 文化活動

[∞] KEG ME DMCC was de-registered with effect from 28 August 2017.

* The non-voting deferred shares, which are not held by the Group, carry practically no rights to dividends nor to receive notice of nor to attend or vote at any general meeting of Riche Video Limited nor to participate in any distribution on winding up.

limited liability company (solely invested by Taiwan, Hong Kong or Macao legal person) established in the PRC.

^μ limited liability company (solely invested by legal person) established in the PRC.

[®] limited liability company (solely invested by foreign owned enterprise) established in the PRC.

[®] other limited liability company established in the PRC.

[∞] KEG ME DMCC自二零一七年八月二十八日起撤銷註冊。

* 該等無投票權遞延股份(並非由本集團持有)實際並無分享股息、接收豐采錄影有限公司任何股東大會之通告或出席大會或於會上投票之權利,亦無在清盤時參與任何分派之權利。

於中國成立之有限責任公司(台港澳法人獨資)。

^μ 於中國成立之有限責任公司(法人獨資)。

[®] 於中國成立之有限責任公司(外商投資企業獨資)。

[®] 於中國成立之其他有限責任公司。

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綜合財務報表附註

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

46. PARTICULARS OF SUBSIDIARIES

(Continued)

The Company directly holds the interest in Riche (BVI) Limited. All other subsidiaries are indirectly held by the Company.

None of the subsidiaries had issued any debt securities at the end of the year, except for Golden Stone, which has issued the promissory note in the principal amount of HK\$30,000,000 to Gome Finance Technology Company Limited on 12 November 2015 and repaid on 23 March 2017.

The directors of the Company consider that Best Season Holdings Corp., Gainful Fortune Limited and 棣馳, the non-wholly owned subsidiaries that have non-controlling interests, are not material to the Group. Accordingly, the financial information of Best Season Holdings Corp., Gainful Fortune Limited and 棣馳 is not separately presented in the consolidated financial statements.

46. 附屬公司之詳情(續)

本公司直接持有 Riche (BVI) Limited 之權益。所有其他附屬公司均由本公司間接持有。

除於二零一五年十一月十二日 Golden Stone 已向國美金融科技有限公司發行本金額為 30,000,000 港元之承兌票據(已於二零一七年三月二十三日償還)外,概無附屬公司已於年末發行任何債務證券。

本公司董事認為 Best Season Holdings Corp.、Gainful Fortune Limited 及 棣馳(為擁有非控股權益之非全資附屬公司)對本集團而言並非重大。因此 Best Season Holdings Corp.、Gainful Fortune Limited 及 棣馳之財務資料並無於本綜合財務報表中分開呈列。

47. TRANSACTION WITH NON-CONTROLLING INTERESTS

On 30 March 2016, China Hong Kong Money, a then wholly owned subsidiary of the Company, allotted and issued 599,999 new shares and 400,000 new shares at an issue price of HK\$1.00 per share to Open Heart Investments Limited, a wholly owned subsidiary of the Company, and an independent third party respectively. As a result of the allotment and issue of the new shares, the Group's shareholding interest in China Hong Kong Money reduced from 100% to 60% and the Group was deemed to dispose of 40% shareholding interest in China Hong Kong Money. The Group recognised a non-controlling interest of HK\$400,000 in the consolidated statement of financial position.

On 21 December 2016, China Hong Kong Money, a then 60% shareholding interest subsidiary of the Company, allotted and issued 1,000,000 new shares at an issue price of HK\$1.00 per share to the other shareholder of China Hong Kong Money. As a result of the allotment and issue of the new shares, the Group's shareholding interest in China Hong Kong Money diluted from 60% to 30% and the Group was deemed to dispose of 30% shareholding interest in China Hong Kong Money. As Mr. Cheung Kwok Wai Elton resigned as a director of China Hong Kong Money on the same day, the Group lost control of China Hong Kong Money and China Hong Kong Money ceased to be a subsidiary of the Company. The Group derecognised the non-controlling interest of HK\$400,000 in the consolidated statement of financial position. Given that the Group has a remaining 30% shareholding interest in China Hong Kong Money, the Group is regarded as having significant influence over China Hong Kong Money and China Hong Kong Money has been accounted for as an associate of the Group. Details of deemed disposal of China Hong Kong Money is set out in note 42 to the consolidated financial statements.

47. 非控股權益之交易

於二零一六年三月三十日，中港資(本公司當時之全資附屬公司)按發行價每股1.00港元分別配發及發行599,999股新股份及400,000股新股份予本公司全資附屬公司Open Heart Investments Limited及一名獨立第三方。於配發及發行新股份後，本集團於中港資之持股權益已由100%減至60%，並視作出售於中港資之40%持股權益。本集團於綜合財務狀況表中確認400,000港元非控股權益。

於二零一六年十二月二十一日，中港資(本公司當時擁有60%股權之附屬公司)以每股1.00港元之發行價向中港資其他股東配發及發行1,000,000股新股份。由於配發及發行新股份，本集團於中港資之持股股權由60%攤薄至30%，而本集團被視為出售中港資之30%股權。隨著張國偉先生於同日辭任中港資董事後，本集團失去中港資之控制權，及中港資不再為本公司之附屬公司。本集團於綜合財務狀況表中終止確認400,000港元之非控股權益。鑑於本集團仍持有中港資之30%股權，本集團被視為對中港資有重大影響力，及中港資被列為本集團之聯營公司。視作出售中港資之詳情載於綜合財務報表附註42。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

48. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions during the years ended 31 December 2017 and 2016:

Loan (from)/to related parties 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
Amount due from an associate (note 23)	應收一間聯營公司款項 (附註 23)	38,421	—
Amount due from an associate (note 29)	應收一間聯營公司款項 (附註 29)	1,480	1,697
		39,901	1,697
Amount due to an associate (note 36)	應付一間聯營公司款項 (附註 36)	—	(991)

The financial assistance provided by the Group to associates do not constitute connected transactions as defined in Chapter 14A of the Listing Rules.

Compensation for key management personnel

The remuneration of executive directors and the chief executive officer, who are key management, during the year was as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Director's fees	董事袍金	120	120
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	19,840	19,226
Discretionary bonus	酌情花紅	23,585	23,580
Contributions to retirement benefits scheme	退休福利計劃供款	72	72
Equity-settled share-based payment expenses	以股權結算之股份支款開支	4,208	—
		47,825	42,998

48. 重大關連人士交易

除綜合財務報表其他部分所披露者外，於截至二零一七年及二零一六年十二月三十一日止年度，本集團訂立下列重大關連人士交易：

向關連人士(收取)/提供貸款如下：

本集團向聯營公司提供之財務資助並不構成上市規則第14A章項定義之關連交易。

主要管理人員薪酬

年內，執行董事及行政總裁(為主要管理人員)之酬金如下：

48. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

Compensation for key management personnel (Continued)

Total remuneration is included in “staff costs” (see note 11 to the consolidated financial statements).

The remuneration of executive directors and the chief executive officer is approved by the board of directors on the recommendation of the Remuneration Committee having regard to the duties and responsibilities of individuals and market trends.

Other transactions with directors

- (a) On 9 September 2016, Mr. Lei Hong Wai, an executive director of the Company, made a cash advance of HK\$30,000,000 to the Group for financing the short-term funding needs of the Group. The cash advance was non-interest bearing and unsecured. On 5 October 2016, the Group repaid HK\$30,000,000 to Mr. Lei Hong Wai.
- (b) On 17 March 2017, Mr. Lei Hong Wai made a cash advance of HK\$10,000,000 to the Group for financing the short-term funding needs of the Group. The cash advance was non-interest bearing and unsecured. On 28 March 2017, the Group repaid HK\$10,000,000 to Mr. Lei Hong Wai.
- (c) On 27 October 2017, Mr. Lei Hong Wai provided a personal guarantee to secure the Company’s repayment obligations under the loan of HK\$200,000,000 granted by Kingston Finance Limited to the Company maturing on 27 April 2018. No consideration is paid by the Company to Mr. Lei Hong Wai for the provision of the personal guarantee. No security over the assets of the Group is provided for the personal guarantee given by Mr. Lei Hong Wai.

48. 重大關連人士交易(續)

主要管理人員薪酬(續)

總酬金乃計入「員工成本」(見綜合財務報表附註11)。

執行董事及行政總裁之酬金乃由董事會按薪酬委員會之推薦建議及參考各人之職務及職責及市場趨勢後批准。

與董事之其他交易

- (a) 於二零一六年九月九日，本公司執行董事李雄偉先生就本集團之短期資金需要而向本集團作出30,000,000港元現金墊款。現金墊款為免息及無抵押。於二零一六年十月五日，本集團已向李雄偉先生償還30,000,000港元。
- (b) 於二零一七年三月十七日，李雄偉先生就本集團之短期資金需要而向本集團作出10,000,000港元現金墊款。現金墊款為免息及無抵押。於二零一七年三月二十八日，本集團已向李雄偉先生償還10,000,000港元。
- (c) 於二零一七年十月二十七日，李雄偉先生就金利豐財務有限公司向本公司授出的200,000,000港元貸款項下本公司的還款責任提供個人擔保，此筆貸款於二零一八年四月二十七日期滿。本公司並無就提供個人擔保向李雄偉先生支付任何代價。並無以本集團的資產作為李雄偉先生提供的個人擔保之抵押。

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48. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

Other transactions with directors (Continued)

- (d) On 30 November 2017, Mr. Lei Hong Wai provided another personal guarantee to secure the Company's repayment obligations under another loan of HK\$100,000,000 granted by Kingston Finance Limited to the Company maturing on 1 June 2018. No consideration is paid by the Company to Mr. Lei Hong Wai for the provision of the personal guarantee. No security over the assets of the Group is provided for the personal guarantee given by Mr. Lei Hong Wai.
- (e) On 5 December 2017, Golden Stone as vendor entered into a conditional sale and purchase agreement with Mr. Xie Zhaobin, a director of certain subsidiaries of Best Volume, as purchaser relating to the sale and purchase of 100% of the issued share capital of Best Volume. The consideration was determined after arm's length negotiations between the parties to the conditional sale and purchase agreement with reference to the unaudited consolidated net asset value of Best Volume and its subsidiaries, the carrying amount of goodwill on acquisition of Best Volume and the fair value of the investment properties located in the PRC at 30 June 2017. Upon signing the conditional sale and purchase agreement, Mr. Xie Zhaobin paid a refundable deposit of HK\$235,300,000 to Golden Stone.

As two of the relevant applicable percentage ratios (calculated in accordance with the Listing Rules) in respect of the sale and purchase of 100% issued share capital of Best Volume are more than 25% but all ratios are less than 75%, the sale and purchase of 100% of the issued share capital of Best Volume constitutes a major transaction for the Company and is subject to the announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

48. 重大關連人士交易(續)

與董事之其他交易(續)

- (d) 於二零一七年十一月三十日，李雄偉先生就金利豐財務有限公司向本公司授出的另一筆100,000,000港元貸款項下本公司的還款責任提供另一項個人擔保，此筆貸款於二零一八年六月一日到期。本公司並無就提供個人擔保向李雄偉先生支付任何代價。並無以本集團的資產作為李雄偉先生提供的個人擔保之抵押。
- (e) 於二零一七年十二月五日，Golden Stone(作為賣方)與謝肇斌先生(Best Volume若干附屬公司之董事)(作為買方)訂立有條件買賣協議，內容關於買賣Best Volume之100%已發行股本。此代價經有條件買賣協議訂約方公平磋商後釐定，並已參考Best Volume及其附屬公司於二零一七年六月三十日之未經審核綜合資產淨值、收購Best Volume之商譽之賬面值及位於中國之投資物業之公平值。於訂立買賣協議後，謝肇斌先生已向Golden Stone支付235,300,000港元現金之可予退還按金。

由於有關買賣Best Volume之100%已發行股本之其中兩項相關適用百分比率(根據上市規則計算得出)超過25%，惟所有百分比率均低於75%，買賣Best Volume之100%已發行股本構成本公司之主要交易，須遵守上市規則第14章項下之公佈、通函及股東批准之規定。

48. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

Other transactions with directors (Continued)

(e) (continued)

As Mr. Xie Zhaobin is a director of several subsidiaries of Best Volume, Mr. Xie is a connected person at the subsidiary level of the Company under Chapter 14A of the Listing Rules. Therefore, the sale and purchase of 100% of the issued share capital of Best Volume also constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. The Board has approved the conditional sale and purchase agreement and the transactions contemplated thereunder. In addition, the directors (including all the independent non-executive directors) have confirmed that the terms of the conditional sale and purchase agreement are fair and reasonable, the transactions contemplated thereunder are on normal commercial terms and in the interests of the Company and the shareholders as a whole. Accordingly, the sale and purchase of 100% issued share capital of Best Volume is exempt from independent financial advice and independent shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

On 27 February 2018, the sale and purchase of 100% issued share capital of Best Volume was approved by the shareholders.

Items (a), (b), (c), and (d) of other transactions with directors above also constitute connected transactions as defined in Chapter 14A of the Listing Rules and are fully exempt from the connected transaction requirements under Rule 14A.90 of the Listing Rules.

48. 重大關連人士交易(續)

與董事之其他交易(續)

(e) (續)

由於謝肇斌先生為 Best Volume 多間附屬公司之董事，根據上市規則第 14A 章項下謝先生為本公司附屬公司層面之關連人士。因此，根據上市規則第 14A 章項下買賣 Best Volume 之 100% 已發行股本亦構成本公司之關連交易。董事會已批准有條件買賣協議及其項下擬進行之交易。此外，董事(包括所有獨立非執行董事)已確認有條件買賣協議之條款屬公平合理，其項下擬進行之交易按正常商業條款訂立以及符合本公司及股東之整體利益。因此，買賣 Best Volume 之 100% 已發行股本獲豁免遵守上市規則第 14A.101 條項下之獨立財務意見及獨立股東批准之規定。

於二零一八年二月二十七日，買賣 Best Volume 之 100% 已發行股本已獲股東批准。

上述與董事之其他交易的第(a)、(b)、(c)及(d)項亦構成上市規則第14A章定義之關連交易，並獲豁免遵守上市規則第14A.90條項下的全部關連交易規定。

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49. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 December 2017, the Group acquired buildings and investment properties at an aggregate consideration including transaction costs of HK\$352,277,000, in which an amount of HK\$128,800,000 was settled by the proceeds of the secured mortgage loan obtained from a bank (see note 37 to the consolidated financial statements).

50. CAPITAL RISK MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and maintain healthy ratios in order to support its business and enhance shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue of new shares or redemption of existing shares as well as raise or repay debts. The Group's overall strategy remains unchanged from prior year.

The Group monitors its capital structure by reference to its gearing ratio, which is the Group's total borrowings over equity attributable to owners of the Company. The gearing ratios as at 31 December 2017 and 2016 were as follows:

49. 主要非現金交易

於截至二零一七年十二月三十一日止年度，本集團以總代價(包括交易費用) 352,277,000 港元收購樓宇及投資物業，其中 128,800,000 港元乃透過自一間銀行獲取之有抵押按揭貸款之所得款項結付(見綜合財務報表附註 37)。

50. 資本風險管理

本集團管理資本之主要目標為保障本集團持續經營之能力並維持穩健比率，以支持其業務及提升股東價值。

本集團管理其資本結構並根據經濟情況變化作出調整。為維持或調整資本結構，本集團會調整向股東派發之股息、向股東發還資本、發行新股或贖回現有股份以及籌集或償還債務。自上年度，本集團之整體策略維持不變。

本集團參考其資產負債比率(即本集團借款總額除以本公司擁有人應佔權益)監察其資本架構。於二零一七年及二零一六年十二月三十一日之資產負債比率如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total borrowings (Note)	借款總額(附註)	950,852	175,081
Less: cash and cash equivalents	減：現金及現金等價物	(225,010)	(438,975)
Net debt/(cash)	債務／(現金)淨額	725,842	(263,894)
Equity attributable to owners of the Company	本公司擁有人應佔權益	3,266,389	3,249,145
Gearing ratio	資產負債比率	29.11%	5.39%

Note:

Total borrowings include promissory note, bank borrowings, other borrowings and secured notes.

附註：

借款總額包括承兌票據、銀行借款、其他借款及擔保票據。

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51. FINANCIAL INSTRUMENTS

51. 金融工具

Categories of financial instruments

金融工具之類別

		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		
Amortised cost	攤銷成本	1,634,457	—
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及現金等價物)	—	1,044,616
Available-for-sale financial assets	可供出售金融資產		
— Listed equity securities	— 上市股本證券	—	365,000
— Unlisted debt security	— 非上市債務證券	—	172
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產		
— Listed equity securities	— 上市股本證券	662,943	544,442
Financial liabilities	金融負債		
Amortised cost	攤銷成本	1,434,666	471,771

The Group's major financial instruments include loans receivables, trade receivables, other receivables, amount due from an associate, cash and cash equivalents, AFS financial assets, financial assets at FVTPL classified as held for trading investments, trade payables, deposits received, accruals and other payables, amount due to an associate, promissory note, bank borrowings, other borrowings and secured notes.

Loans receivables, trade receivables, other receivables, amount due from an associate and cash and cash equivalents are categorised under "amortised cost" and "loans and receivables" at 31 December 2017 and 2016 respectively.

Trade payables, deposits received, accruals and other payables, amount due to an associate, promissory note, bank borrowings, other borrowings and secured notes are categorised under "amortised cost".

本集團之主要金融工具包括應收貸款、貿易應收款項、其他應收款項、應收一間聯營公司款項、現金及現金等價物、可供出售金融資產、分類為持作買賣投資之按公平值計入損益表之金融資產、貿易應付款項、已收按金、應計費用及其他應付款項、應付一間聯營公司款項、承兌票據、銀行借款、其他借款及擔保票據。

於二零一七年及二零一六年十二月三十一日，應收貸款、貿易應收款項、其他應收款項、應收一間聯營公司款項、現金及現金等價物分別分類為「攤銷成本」及「貸款及應收款項」。

貿易應付款項、已收按金、應計費用及其他應付款項、應付一間聯營公司款項、承兌票據、銀行借款、其他借款及擔保票據分類為「攤銷成本」。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

The Group's overall financial risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. These risks include market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

Market risk

(a) Foreign exchange risk

The Group's operations are mainly in Hong Kong and the PRC. An entity within the Group is exposed to foreign exchange risk from commercial transactions and monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

The Group engages in property investment business in the PRC through its local subsidiaries with RMB as their functional currency. These PRC subsidiaries are not exposed to foreign currency risk as their commercial transactions and monetary assets and liabilities are denominated in RMB.

Several subsidiaries of the Group with Hong Kong dollar as their functional currency have commercial transactions and monetary assets and liabilities that are denominated in USD, Pound Sterling, Euro, Australian dollar and Emirati Dirham.

The Group currently does not have a foreign currency hedging policy. It manages its foreign exchange risk by closely monitoring financial position and cash flow exchange risk exposures and where considered appropriate using financial instruments, such as forward exchange contracts, foreign currency options and forward rate agreements, to hedge the foreign exchange risk.

51. 金融工具(續)

財務風險管理目標及政策

本集團之整體財務風險管理計劃專注於金融市場之不可預測性，力求盡量減低對本集團財務表現之潛在不利影響。該等風險包括市場風險(包括外匯風險、利率風險及價格風險)、信貸風險及流動資金風險。

市場風險

(a) 外匯風險

本集團之經營主要位於香港及中國。本集團一間實體面臨外匯風險，其由商業交易及以並非該實體功能貨幣之貨幣計值之貨幣資產及負債產生。

本集團通過其以人民幣作為功能貨幣之國內附屬公司在中國從事物業投資業務。該等中國附屬公司並無面臨外匯風險，原因為其商業交易以及貨幣資產及負債乃以人民幣計值。

本集團以港元為其功能貨幣之若干附屬公司擁有以美元、英鎊、歐元、澳元及阿聯酋迪拉姆計值之商業交易以及貨幣資產及負債。

本集團現時並無外幣對沖政策。本集團管理其外幣風險，密切監測財務狀況及現金流匯兌風險，並在其認為適用的情況下使用金融工具(如遠期外匯合約、外匯期權及遠期利率協議)對沖該匯兌風險。

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)**Market risk (Continued)****(a) Foreign exchange risk (Continued)**

At 31 December 2017, the Group's entities with functional currency of Hong Kong dollar had the aggregate net monetary assets denominated in USD amounted to HK\$1,764,000 (2016: aggregate net monetary liabilities denominated in USD amounted to HK\$7,230,000). Given that Hong Kong dollar are pegged to USD, the directors of the Company consider that there is no significant foreign exchange risk exposure with respect to USD.

At 31 December 2017, the Group's entities with functional currency of Hong Kong dollar had the aggregate net monetary assets denominated in Pound Sterling, Euro, Australian dollar and Emirati Dirham amounted to HK\$692,000 (2016: HK\$354,000). Given that the aggregate net monetary assets denominated in these foreign currencies is less than 1.00% (2016: less than 1.00%) of the Group's net assets at 31 December 2017, the directors of the Company consider that the net monetary assets of these currencies are not significant to the Group at the end of the reporting period. Accordingly, no sensitivity analysis is prepared and disclosed.

(b) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its bank borrowings with variable rates. The Group's cash flow interest rate risk is concentrated on the fluctuation of the benchmark interest rate of The People's Bank of China arising from its RMB denominated bank borrowings and HIBOR arising from its Hong Kong dollar denominated bank borrowings. The Group's other borrowings and secured notes carry fixed interest rates, which are not exposed to interest rate risk.

51. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

(a) 外匯風險(續)

於二零一七年十二月三十一日，本集團以港元為功能貨幣之實體擁有以美元計值之貨幣資產淨值總額為1,764,000港元(二零一六年：以美元計值之貨幣負債淨值總額為7,230,000港元)。鑑於港元與美元掛鈎，本公司董事認為並無有關美元之重大外匯風險。

於二零一七年十二月三十一日，本集團以港元為功能貨幣之實體擁有以英磅、歐元、澳元及阿聯酋迪拉姆計值之貨幣資產淨值總額為692,000港元(二零一六年：354,000港元)。由於以該等外幣計值之貨幣資產淨值總額少於本集團於二零一七年十二月三十一日之資產淨值之1.00%(二零一六年：少於1.00%)，故本公司董事認為該等貨幣於報告期末之貨幣資產淨值對本集團而言並不重大。因此，並無編製及披露敏感度分析。

(b) 利率風險

本集團因其浮息銀行借款而面臨現金流量利率風險。本集團的現金流量利率風險主要集中於其以人民幣計值的銀行借款產生的中國人民銀行基準利率及以港元計值的銀行借款產生的香港銀行同業拆息的波動。本集團的其他借款及擔保票據均按固定利率計息，並無面臨利率風險。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(b) Interest rate risk (Continued)

The Group currently does not have an interest rate hedging policy. It manages its interest rate risk by closely monitoring the interest rate movements and where considered appropriate using financial instruments to hedge the interest rate risk.

At 31 December 2017, if interest rates of bank borrowings had been 50 basis points (2016: 50 basis points) higher/lower, with all other variables remain constant, the Group's loss and total comprehensive expense for the year ended 31 December 2017 would have increased/decreased by HK\$1,467,000 (2016: HK\$606,000).

The sensitivity analysis above has been determined based on the exposure to a change in interest rates for bank borrowings with variable rates at the end of the reporting period. The analysis is prepared assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure the Group's bank borrowings with variable rates which expose the Group to cash flow interest rate risk at the end of the reporting period. The impact on the Group's loss and total comprehensive expense for the year ended 31 December 2017 is estimated as an annualised impact on interest expense of such change in interest rates. The sensitivity analysis is performed on the same basis for 2016.

(c) Price risk

The Group is exposed to equity securities price risk arising from listed equity securities held by it classified as financial assets at FVTPL and AFS financial assets. The Group's listed equity securities are listed on The Stock Exchange of Hong Kong Limited. The unlisted debt security is held for long-term purposes.

51. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

(b) 利率風險(續)

本集團現時並無利率對沖政策。本集團透過密切監察利率變動及在適合時動用金融工具對沖利率風險以管理其利率風險。

於二零一七年十二月三十一日，倘銀行借款的利率上升／下降50個基點(二零一六年：50個基點)，而所有其他變數維持不變，則本集團截至二零一七年十二月三十一日止年度的虧損及全面開支總額將增加／減少1,467,000港元(二零一六年：606,000港元)。

上述敏感度分析乃基於浮息銀行借款於報告期末利率發生變動的風險而釐定。該分析乃假設於報告期末利率發生變動而編製，並應用於在報告期末重新計量令本集團面臨現金流量利率風險的本集團浮息銀行借款。其對本集團截至二零一七年十二月三十一日止年度的虧損及全面開支總額的影響，乃按有關利率變動對利息開支造成的年化影響作估計。該敏感度分析按與二零一六年相同的基準進行。

(c) 價格風險

本集團面臨由其持有的上市股本證券(分類為按公平值計入損益的金融資產及可供出售金融資產)產生的股本證券價格風險。本集團的上市股本證券在香港聯合交易所有限公司上市。非上市債務證券將作長期持有。

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)**Market risk (Continued)****(c) Price risk (Continued)**

The Group manages its price risk by regularly monitoring equity portfolio to address any portfolio issues promptly and spreading price risk exposure by investing a number of listed equity securities.

At 31 December 2017, if the prices of the listed equity securities held by the Group had been 15.00% (2016: 15.00%) higher/lower, with all other variables remain constant,

- (i) the Group's loss for the year ended 31 December 2017 would have decreased/increased by HK\$83,034,000 (2016: HK\$68,191,000); and
- (ii) the Group's total comprehensive expense for the year ended 31 December 2017 would have decreased/increased by HK\$Nil (2016: HK\$45,716,000).

The sensitivity analysis above has been determined based on the exposure to equity securities price risk at the reporting date. The analysis is prepared assuming that the change in the prices of listed equity securities had occurred at the end of the reporting period and had been applied to re-measure those listed equity securities held by the Group which expose the Group to equity securities price risk at the end of the reporting period. The analysis is performed on the same basis for 2016.

Credit risk

The credit risk of the Group mainly arises from deposits with banks, trade receivables, loans receivables and balance receivable from associates. The exposures to these credit risks are regularly monitored on an ongoing basis by established credit policies in each of the Group's core businesses.

51. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

(c) 價格風險(續)

本集團定期監察股本組合以即時處理任何組合事宜達致管理價格風險，並以投資多項上市股本證券分散價格風險。

於二零一七年十二月三十一日，倘本集團持有的上市股本證券的價格上升/下跌15.00%（二零一六年：15.00%），而所有其他變數維持不變，則

- (i) 本集團截至二零一七年十二月三十一日止年度的虧損將減少/增加83,034,000港元（二零一六年：68,191,000港元）；及
- (ii) 本集團截至二零一七年十二月三十一日止年度之虧損將減少/增加零港元（二零一六年：45,716,000港元）。

上述敏感度分析乃基於於報告日期所面對的股本證券價格風險釐定。該分析乃假設於報告期末上市股本證券價格出現變動而編製，並應用於在報告期末重新計量本集團持有令本集團面臨股本證券價格風險的上市股本證券。該分析按與二零一六年相同之基準進行。

信貸風險

本集團之信貸風險主要由銀行存款、貿易應收款項、應收貸款及來自聯營公司應收結餘產生。該等信貸風險透過於本集團各核心業務建立之信貸政策按持續基準定期監察。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Bank deposits are mainly placed with high-credit-quality financial institutions. Trade receivables mainly include receivables from sale of jewelry products and precious stones, and lease of properties. Loans receivables include receivables from loans granted to customers which carry fixed interest rates. The Group carries out regular reviews and follow-up actions on any overdue amounts to minimise exposures to credit risk. There is no significant concentration of credit risk with respect to trade receivables and loans receivables from third party customers as the customer bases are widely dispersed. The directors of the Company review the recoverable amount of each individual trade receivables and loans receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

In addition, the Group monitors the exposure to credit risk in respect of the financial assistance provided to associates through exercising significant influence over their financial and operating policy decisions and reviewing their financial positions on a regular basis.

Liquidity risk

Ultimate responsibility for liquidity risk rests with the board of directors of the Company, which has built an appropriate liquidity risk management framework to meet the Group's short, medium and long-term funding and liquidity management requirements. The Group manages its liquidity risk by regularly monitoring liquidity and financial position, maintaining appropriate liquidity to cover commitments, limiting liquidity risk exposure by investing only in securities listed on major stock exchanges, and ensuring acceptable and appropriate finance in place, or believed to be available before committing investment projects.

51. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

銀行存款主要存放於高信貸質量金融機構。貿易應收款項主要包括來自銷售珠寶產品及寶石以及租賃物業之應收款項。應收貸款包括來自授予客戶之定息貸款之應收款項。本集團就任何逾期款項進行定期檢討及跟進行動以減低所面臨之信貸風險。概無有關來自第三方客戶之貿易應收款項及應收貸款之重大集中信貸風險，原因為客戶基礎高度分散。本公司董事於各報告期末檢討各個別貿易應收款項及應收貸款之可收回金額，確保已對不可收回金額計提充分減值虧損。

此外，本集團透過行使對聯營公司之財務及營運政策決定之重大影響力及定期審閱彼等之財務狀況，監測提供予彼等之財務資助之信貸風險。

流動資金風險

流動資金風險之最終責任由本公司董事會承擔。董事會已設立妥善之流動資金風險管理架構，符合本集團短期、中期及長期融資及流動資金管理規定。本集團管理其流動資金風險之方式為定期監測流動資金及財務狀況、保留適當流動資金兌現承諾、透過僅投資於主要交易所上市證券限制流動資金風險以及承擔投資項目之前確保已有或將有可接受及適當資金。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

51. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

下表基於協定之還款期詳列本集團的非衍生金融負債之餘下合約到期情況。該表根據本集團須付款的最早日期之金融負債未貼現現金流量而編製。該表包括利息及本金現金流量。

		Weighted average effective rate 加權平均 實際利率	Within 1 year or on demand 1年內或 按要求 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現 總現金流量 HK\$'000 千港元	Total carrying amount 賬面總值 HK\$'000 千港元
2017	二零一七年						
Non-derivative financial liabilities	非衍生金融負債						
Trade payables	貿易應付款項	—	8,452	—	—	8,452	8,452
Deposits received, accruals and other payables	已收按金、應計費用及其他 應付款項	—	383,528	91,834	—	475,362	475,362
Secured notes	擔保票據	8.09%	—	323,619	—	323,619	299,398
Other borrowings	其他借款	8.00%	300,000	—	—	300,000	300,000
Bank borrowings	銀行借款	4.23%	167,811	57,749	138,357	363,917	351,454
Total	總計		859,791	473,202	138,357	1,471,350	1,434,666
2016	二零一六年						
Non-derivative financial liabilities	非衍生金融負債						
Trade payables	貿易應付款項	—	36,532	—	—	36,532	36,532
Deposits received, accruals and other payables	已收按金、應計費用及其他 應付款項	—	173,497	85,670	—	259,167	259,167
Promissory note	承兌票據	—	30,000	—	—	30,000	30,000
Amount due to an associate	應付一間聯營公司款項	—	991	—	—	991	991
Bank borrowings	銀行借款	5.51%	28,698	114,793	9,566	153,057	145,081
Total	總計		269,718	200,463	9,566	479,747	471,771

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Bank borrowings with a repayable on demand clause are included in the “within 1 year or on demand” time band in the above maturity analysis. As at 31 December 2017, the aggregate undiscounted principal amounts of these bank borrowings amounted to HK\$129,636,000. Taking into account the Group’s financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors of the Company believe that such bank borrowings will be repaid after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

Maturity Analysis – Bank borrowings with a repayable on demand clause based on scheduled repayments

		Within 1 year or on demand 1年內或 按要求 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現 總現金流量 HK\$'000 千港元	Total carrying amount 總賬面值 HK\$'000 千港元
2017	二零一七年					
Non-derivative financial liabilities	非衍生金融負債					
Bank borrowings	銀行借款	5,352	22,563	101,721	129,636	127,425
2016	二零一六年					
Non-derivative financial liabilities	非衍生金融負債					
Bank borrowings	銀行借款	–	–	–	–	–

51. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

具有按要求償還條款之銀行借款在以上到期分析中列入「一年內或按要求」時間段。於二零一七年十二月三十一日，該等銀行借款之未貼現本金總額為129,636,000港元。經考慮本集團之財務狀況，董事認為該等銀行不大可能行使期酌情權要求立即還款。本公司董事認為，該等銀行借款將根據貸款協議之預定還款日期於報告期末後償還，詳情於下表載列：

基於預定還款安排之到期分析 – 具有按要求償還條款之銀行貸款

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid prices and ask prices respectively;
- the fair values of derivative instruments are calculated using quoted prices. When such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives; and
- the fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of the Group's financial assets and financial liabilities recognised in the consolidated financial statements are not materially different from their fair values at 31 December 2017 and 31 December 2016, except for the following financial instruments, for which their carrying amounts and fair value are disclosed below:

51. 金融工具(續)

金融工具之公平值計量

金融資產及金融負債之公平值乃根據以下各項釐定：

- 具標準條款及條件並於活躍流通市場買賣之金融資產及金融負債之公平值參考市場買入報價及賣出報價釐定；
- 衍生工具之公平值乃使用報價計算得出。倘未能取得有關報價，則非期權衍生工具以該工具年期之適用收益率曲線，以及期權衍生工具之期權定價模式進行貼現現金流量分析；及
- 其他金融資產及金融負債(不包括上述者)之公平值乃根據使用貼現現金流量分析之普遍採納定價模型釐定。

本公司董事認為，本集團於綜合財務報表內確認之金融資產及金融負債之賬面值與其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之公平值並無較大差異，惟下列金融工具除外，其賬面值及公平值披露如下：

		31 December 2017 二零一七年十二月 三十一日		31 December 2016 二零一六年十二月 三十一日	
		Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Secured notes	擔保票據	299,398	311,630	—	—

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

The fair value of secured notes is categorised under fair value hierarchy of Level 3 valuations, which has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the return required by the holder for investing in similar financial instruments.

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and
- Level 3 valuations: fair value measured using significant unobservable inputs.

51. 金融工具(續)

金融工具之公平值計量(續)

擔保票據的公平值分類為公平值等級第3級估值，該等級根據普遍接受的基於貼現現金流量分析所作的定價模型釐定，最重要的輸入數據為貼現率，可反映投資類似金融工具的持有人所要求的回報。

下表按照香港財務報告準則第13號公平值計量所界定的三個公平值等級，呈列本集團於報告期末按經常性基準計量之金融工具公平值。公平值計量的級別分類乃參考估值技術使用之輸入數據之可觀察程度及重要性釐定，載述如下：

- 第1級估值：僅使用第1級輸入數據(即相同資產或負債在計量日期於活躍市場之未經調整報價)計量之公平值；
- 第2級估值：使用第2級輸入數據(即不符合第1級定義之可觀察輸入數據)且並無使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據指市場數據不可用之輸入數據；及
- 第3級估值：使用重大不可觀察輸入數據計量之公平值。

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis

51. 金融工具(續)

金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融工具之公平值

Financial assets	金融資產	Fair value at 31 December 2017 於二零一七年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value at 31 December 2016 於二零一六年 十二月三十一日 之公平值 HK\$'000 千港元	Fair value hierarchy 公平值等級	Valuation techniques and key inputs 估值技術及 主要輸入數據
Available-for-sale financial assets	可供出售金融資產				
– Listed equity securities	– 上市股本證券	–	365,000	Level 1 第1級	Quoted closing prices in active markets 於活躍市場所報之收市價
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產				
– Listed equity securities	– 上市股本證券	653,843	544,442	Level 1 第1級	Quoted closing prices in active markets 於活躍市場所報之收市價
– Listed equity securities	– 上市股本證券	9,100	–	Level 3 第3級	Significant unobservable inputs 重大不可觀察輸入數據

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial instruments that are measured at fair value on a recurring basis (Continued)

Details of the fair value hierarchy of the Group's financial instruments at 31 December 2017 and 2016 are as follows:

51. 金融工具(續)

金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融工具之公平值(續)

有關於二零一七年及二零一六年十二月三十一日，本集團金融工具公平值之等級詳情如下：

		Level 1 第1級		Level 2 第2級		Level 3 第3級		Total 總計	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	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	可供出售金融資產								
– Listed equity securities	– 上市股本證券	–	365,000	–	–	–	–	–	365,000
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產								
– Listed equity securities	– 上市股本證券	653,843	544,442	–	–	9,100	–	662,943	544,442
		653,843	909,442	–	–	9,100	–	662,943	909,442

Information about Level 3 fair value measurements

關於第3級公平值計量之資料

		Valuation techniques 估值技術	Significant unobservable input 重大不可觀察輸入數據	Relation of significant unobservable inputs to fair value 重大不可觀察輸入數據與公平值之關係
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產	Market approach 市場法	Discount rate of 79.48% 貼現率79.48%	The discount rate is negatively correlated to the fair value 貼現率與公平值成反比
– Listed equity securities	– 上市股本證券			

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Information about Level 3 fair value measurements (Continued)

In determining the fair value of the suspended trading equity securities, the directors of the Company worked closely with Prudential Surveyors (Hong Kong) Limited to establish the appropriate valuation techniques and inputs to the model.

One of the Group's listed equity securities classified as financial assets at FVTPL was suspended trading with effect from 27 November 2017 and no unadjusted quoted prices in active market. Therefore, the fair value of the suspended trading shares as at 31 December 2017 was measured by Prudential Surveyors (Hong Kong) Limited using a valuation technique with significant unobservable inputs and hence was classified as Level 3 of the fair value hierarchy.

During the year ended 31 December 2017, there were no transfers between Level 1 and 2, or transfers between Level 2 and Level 3.

During the year ended 31 December 2016, there were no transfers between Level 1 and 2, or transfers into or out of Level 3.

The Group's policy is to recognise transfers between levels of fair value hierarchy as of the date of the events or change in circumstances that cause the transfer.

The following table presents the changes in financial assets at FVTPL which are classified as Level 3 instruments for the year ended 31 December 2017:

		HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	—
Transfer from Level 1	自第1級轉入	87,500
Loss arising on change in fair value of financial assets at fair value through profit or loss	按公平值計入損益表之金融資產之公平值變動產生之虧損	(78,400)
At 31 December 2017	於二零一七年十二月三十一日	9,100

51. 金融工具(續)

金融工具之公平值計量(續)

關於第3級公平值計量之資料(續)

於釐定已暫停買賣股本證券之公平值時，本公司董事與測建行(香港)有限公司緊密合作，以確定合適之估值技術及模型之輸入數據。

本集團其中一項分類為按公平值計入損益表之金融資產之上市權益證券自二零一七年十一月二十七日起暫停買賣，於活躍市場上並無未經調整之報價。因此，已暫停買賣股份於二零一七年十二月三十一日之公平值乃測建行(香港)有限公司使用採用重大不可觀察輸入數據之估值技術計量，因此被分類為第3級公平值等級。

截至二零一七年十二月三十一日止年度，第1級及第2級之間概無轉撥，且第2級及第3級之間概無轉撥。

截至二零一六年十二月三十一日止年度，第1級及第2級之間概無轉撥，亦無轉入或轉出第3級。

本集團之政策為於轉撥事件或導致轉撥之情況出現變動當日，確認公平值等級之間之轉撥。

下表呈列截至二零一七年十二月三十一日止年度分類為第3級工具之按公平值計入損益表之金融資產變動：

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52. 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 future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		Interest payable	Bank borrowings	Other borrowings	Secured notes	Loan from a director	Promissory note	Total
		應付利息 HK\$'000 千港元	銀行借款 HK\$'000 千港元	其他借款 HK\$'000 千港元	擔保票據 HK\$'000 千港元	來自一位 董事借款 HK\$'000 千港元	承兌票據 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2017	於二零一七年一月一日	209	145,081	–	–	–	30,000	175,290
Non-cash changes	非現金變動							
– Interest expenses on bank borrowings	– 銀行借款的利息開支	9,857	–	–	–	–	–	9,857
– Interest expenses on other borrowings	– 其他借款的利息開支	5,216	–	–	–	–	–	5,216
– Interest expenses on secured notes	– 擔保票據的利息開支	8,482	–	–	72	–	–	8,554
– Acquisition of buildings and investment properties	– 收購樓宇及投資物業	–	128,800	–	–	–	–	128,800
– Foreign exchange translation	– 外匯換算	–	13,939	–	–	–	–	13,939
Cash flows	現金流量							
– Inflow from financing activities	– 自融資活動流入	–	215,251	450,000	299,326	10,000	–	974,577
– Outflow from financing activities	– 自融資活動流出	(12,845)	(151,617)	(150,000)	–	(10,000)	(30,000)	(354,462)
At 31 December 2017	於二零一七年十二月三十一日	10,919	351,454	300,000	299,398	–	–	961,771

52. 融資活動產生之負債對賬

下表詳述本集團融資活動所產生之負債變動(包括現金及非現金變動)。融資活動所產生負債之現金流量或未來現金流量已經或將會於本集團綜合現金流量表內分類為融資活動現金流量。

53. CONTINGENT LIABILITIES

As at 31 December 2017, the Group had no material contingent liabilities.

53. 或然負債

於二零一七年十二月三十一日，本集團並無重大或然負債。

54. EVENTS AFTER THE REPORTING PERIOD

Subsequent to 31 December 2017 and up to the date of approval of the consolidated financial statements, the Group had the following material events:

- (a) On 27 February 2018, the sale and purchase agreement dated 5 December 2017 entered into between Golden Stone as vendor and Mr. Xie Zhaobin as purchaser relating to the sale and purchase of the entire issued share capital of Best Volume was approved by the shareholders.
- (b) On 27 February 2018, Golden Stone and Mr. Xie Zhaobin entered into a deed of variation pursuant to which the parties mutually agreed to extend the long stop date of the sale and purchase agreement dated 5 December 2017 from 28 February 2018 to 30 April 2018.
- (c) The fair value of the Group's financial assets at FVTPL decreased from HK\$662,943,000 as at 31 December 2017 to HK\$544,305,000 at the date of approval of the consolidated financial statements.

55. COMPARATIVE AMOUNTS

Certain comparative figures have been reclassified to conform with current year presentation. In the opinion of the directors of the Company, such reclassifications provide a more appropriate presentation of the Group's business segments.

56. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 28 March 2018.

54. 報告期後事項

於二零一七年十二月三十一日後及直至本綜合財務報表批准日期，本集團有以下重大事項：

- (a) 於二零一八年二月二十七日，Golden Stone (作為賣方) 與謝肇斌先生 (作為買方) 於二零一七年十二月五日訂立，內容關於買賣 Best Volume 全部已發行股本之買賣協議獲得股東批准。
- (b) 於二零一八年二月二十七日，Golden Stone 與謝肇斌先生訂立修訂契據，訂約方相互同意將日期為於二零一七年十二月五日之買賣協議之最後限期由二零一八年二月二十八日延長至二零一八年四月三十日。
- (c) 本集團之按公平值計入損益表之金融資產之公平值由二零一七年十二月三十一日之 662,943,000 港元減少至本綜合財務報表批准日期之 544,305,000 港元。

55. 比較金額

若干比較數字已重新分類，以符合本年度之呈列格式。本公司董事認為，該重新分類提供本集團業務分部之更合適呈列。

56. 批准綜合財務報表

綜合財務報表已於二零一八年三月二十八日經董事會批准及授權刊發。

Five-Year Financial Summary

五年財務概要

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					
Revenue	收益	53,989	161,042	184,780	88,671	25,793
(Loss)/profit from operations	經營(虧損)/溢利	(181,042)	(201,278)	132,451	278,310	106,103
Finance costs	融資費用	(23,627)	(9,529)	(1,609)	—	—
(Loss)/profit before taxation	除稅前(虧損)/溢利	(204,669)	(210,807)	130,842	278,310	106,103
Income tax credit/(expense)	所得稅抵免/(開支)	9,052	2,903	(8,253)	(6,898)	(5,560)
(Loss)/profit for the year from continuing operations	來自持續經營業務之本年度(虧損)/溢利	(195,617)	(207,904)	122,589	271,412	100,543
Loss for the year from discontinued operation	來自已終止經營業務之本年度虧損	(3)	—	(22,988)	(46,112)	(3,306)
(Loss)/profit for the year	本年度(虧損)/溢利	(195,620)	(207,904)	99,601	225,300	97,237
Dividends	股息	—	—	—	—	—

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	5,223,905	4,241,538	4,430,846	2,243,314	1,851,699
Total liabilities	負債總額	(1,957,600)	(992,399)	(1,078,541)	(86,873)	(26,330)
Net assets	資產淨值	3,266,305	3,249,139	3,352,305	2,156,441	1,825,369
Capital and reserves attributable to the owners of the Company	本公司擁有人應佔股本及儲備	3,266,389	3,249,145	3,352,310	2,144,651	1,825,372
Non-controlling interest	非控股權益	(84)	(6)	(5)	11,790	(3)
		3,266,305	3,249,139	3,352,305	2,156,441	1,825,369



ETERNITY INVESTMENT LIMITED
永恒策略投資有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 764)

